



City of Mission Viejo - Golf Course Fund

Year End Financial Report

Fiscal Year End June 30, 2021



REPORT OVERVIEW

This report summarizes the Oso Creek Golf Course Fund’s financial performance for the fiscal year ended June 30, 2021. Financial analysis for this report is provided on the accrual basis, meaning revenues are recognized when earned and expenses are recognized when the related goods or services are delivered.

OVERVIEW

The Oso Creek public golf course (formally known as Casta Del Sol) was purchased by the City on November 8, 2019 for \$13.0 million for the purpose of preserving the golf course and adjacent open space. The assets comprising the golf course, clubhouse, maintenance yard and the slopes surrounding the golf course were recorded as assets of the Golf Course Fund. The land south of the golf course site between Casta Del Sol Road and Jeronimo Road are general assets of the City and maintenance of these southern parcels are the responsibility of the General Fund. The total value of golf course assets at June 30, 2021 are:

Capital Assets	
Asset Description	Cost
Land	\$ 10,522,000
Buildings	469,502
Park Improvements	470,222
Machinery and Equipment	525,886
Total	\$ 11,987,610

(Unaudited)

The Golf Course Fund budget was adopted by the City Council on July 14, 2020. Total revenue and appropriations approved for operations from July 1, 2020 to June 30, 2021 was \$2.258 million. The revenue and appropriations budgets were amended to \$2.869 million and \$2.871 million, respectively. All expenses related to the operation of the golf course in fiscal year 2020-21 were entirely funded with golf course revenues. No General Fund resources were needed for golf course operations. The Golf Course Fund ended the fiscal year with a surplus of \$307,000 before carryovers for encumbrances of \$45,000.

GOLF COURSE FUND REVENUE

For the year ended June 30, 2021 revenues totaled \$3.3 million, over budget projections by \$0.4 million. The following chart shows the final amended budget and actuals by revenue source.

Golf Course Fund Revenues by Source			
Source	Budget	YTD Actual	%
Green Fees	\$ 1,819,600	\$ 2,126,743	117%
Golf Cart Rental	495,200	656,100	132%
Food Revenue	105,000	158,690	151%
Beverage Revenue	195,000	261,848	134%
Merchandise	62,500	41,302	66%
Driving Range Fees	188,000	-	0%
Golf Club Rental	3,600	-	0%
Other	-	21,600	n/a
Total	\$ 2,868,900	\$ 3,266,283	114%

(Unaudited)

GOLF COURSE FUND EXPENSES

Actual expenses were \$2.9 million. The following chart shows the original and final amended budget and actuals by program.

Golf Course Fund Operating Expenses by Program				
Program	Original Budget	Amended Budget	YTD Actual	%
Administration	\$ 46,522	\$ 292,138	\$ 292,138	100%
Debt Service	65,000	38,310	38,310	100%
Operations	1,601,419	1,622,834	1,756,247	108%
Information Technology	-	43,416	43,416	100%
Slopes and Landscaping	160,000	166,420	166,420	100%
Facilities and Infrastructure	385,600	707,547	662,726	94%
Total	\$ 2,258,541	\$ 2,870,665	\$ 2,959,257	131%

(Unaudited)

SUMMARY OF NET POSITION

The Change in Net Position during fiscal year ended of June 30, 2021 and the composition of net asset at June 30, 2021 are reflected in the tables below.

Golf Course Fund Net Position	
	June 30, 2021
Beginning Net Position	\$ 10,635,495
Operating Revenues	3,254,511
Operating Expenses	(2,925,586)
Operating income (loss)	328,925
Nonoperating Revenues	1,490
Nonoperating Expenses	(38,310)
Net Transfers	14,920
Change in Net Position	307,025
Ending Net Position	\$ 10,942,520

(Unaudited)

Composition of Net Position	
	June 30, 2021
Investment in Capital Assets	\$ 10,500,445
Unrestricted	442,075
Ending Net Position	\$ 10,942,520

(Unaudited)

FOR MORE INFORMATION

This summary report is derived from detailed financial information generated by the City’s Administrative Services Department. If you have questions or would like additional information on this report, please contact the Administrative Services Department via e-mail at admins@cityofmissionviejo.org or by phone at (949) 470-3082.