



# City of Mission Viejo - Golf Course Fund

## Year End Financial Report

Fiscal Year End June 30, 2022



### REPORT OVERVIEW

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This report summarizes the Oso Creek Golf Course Fund’s financial performance for the fiscal year ended June 30, 2022. 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

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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, 2022 are:

<b>Capital Assets</b>	
<b>Asset Description</b>	<b>Cost</b>
Land	\$ 10,522,000
Buildings	519,368
Park Improvements	443,930
Machinery and Equipment	416,790
<b>Total</b>	<b>\$ 11,902,088</b>

(Unaudited)

The Golf Course Fund budget was adopted by the City Council on July 13, 2021. Total revenue and appropriations approved for operations from July 1, 2021 to June 30, 2022 was \$3.45 million. The revenue and appropriations budgets were amended to \$3.8 million and \$4.0 million, respectively. All expenses related to the operation of the golf course in fiscal year 2021-22 were entirely funded with golf course resources. No General Fund resources were needed for golf course operations. The Golf Course Fund ended the fiscal year with a surplus of \$234,000 before carryovers for encumbrances of \$160,000.

**GOLF COURSE FUND REVENUE**

For the year ended June 30, 2022 revenues totaled \$3.8 million and exceeded total revenue from FY 2020/21 by over \$500,000. The following charts show the final amended budget and actuals by revenue source for FY 2021/22 and a comparison of revenue from the prior fiscal year.

<b>FY 21/22 Budget vs Actual</b>			
<b>Source</b>	<b>Budget</b>	<b>YTD Actual</b>	<b>%</b>
Green Fees	\$ 2,077,909	\$ 2,109,429	102%
Golf Cart Rental	665,000	723,788	109%
Food Revenue	645,993	511,278	79%
Beverage Revenue	372,192	416,338	112%
Merchandise	41,996	41,996	100%
Other	20,840	21,100	101%
<b>Total</b>	<b>\$ 3,823,930</b>	<b>\$ 3,823,929</b>	<b>100%</b>

(Unaudited)

<b>Current Year - Prior Year Actual Comparison</b>			
<b>Source</b>	<b>FY 21/22</b>	<b>FY 20/21</b>	<b>\$ Change</b>
Green Fees	\$ 2,109,429	\$ 2,126,743	\$ (17,314)
Golf Cart Rental	723,788	656,100	67,688
Food Revenue	511,278	158,690	352,588
Beverage Revenue	416,338	261,848	154,490
Merchandise	41,996	41,302	694
Other	21,100	21,600	(500)
<b>Total</b>	<b>\$ 3,823,929</b>	<b>\$ 3,266,283</b>	<b>\$ 557,646</b>

(Unaudited)

**GOLF COURSE FUND EXPENSES**

Actual expenses were \$3.8 million. The following chart shows the original and final amended budget and actuals by program. Expenses also include principal payments for debt service and the purchase of capitalized assets.

<b>Golf Course Fund Operating Expenses by Program</b>				
<b>Program</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>YTD Actual</b>	<b>%</b>
Administration	\$ 137,792	\$ 320,212	\$ 320,212	100%
Debt Service	167,872	164,818	166,378	101%
Operations	2,596,133	2,544,990	2,544,990	100%
Information Technology	115,200	91,011	75,640	83%
Slopes and Landscaping	130,000	126,872	126,872	100%
Facilities and Infrastructure	298,830	675,489	561,386	83%
Capital Improvement Proj	-	120,000	14,117	12%
<b>Total</b>	<b>\$ 3,445,827</b>	<b>\$ 4,043,392</b>	<b>\$ 3,809,595</b>	<b>94%</b>

The unspent balance of the amended budget at year end is \$234,000. Of this amount, \$160,000 represents encumbrances against open purchase orders. The amount of \$160,000 will be carried over to FY 2022/23, leaving an actual operating surplus in the fund of \$73,900.

**SUMMARY OF NET POSITION**

The Change in Net Position during fiscal year ended of June 30, 2022 and the composition of net asset at June 30, 2022 are reflected in the following tables.

<b>Golf Course Fund Net Position</b>	
	<b>June 30, 2022</b>
Beginning Net Position	\$ 10,942,519
Operating Revenues	3,803,739
Operating Expenses	(3,576,443)
Capital Improvement Expenses	(14,117)
Net Transfers	20,190
Change in Net Position	233,369
<b>Ending Net Position</b>	<b>\$ 11,175,888</b>

(Unaudited)

<b>Composition of Net Position</b>	
	<b>June 30, 2022</b>
Investment in Capital Assets	\$ 10,541,078
Unrestricted	634,810
<b>Ending Net Position</b>	<b>\$ 11,175,888</b>

(Unaudited)

**FOR MORE INFORMATION**

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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 [adminservices@cityofmissionviejo.org](mailto:adminservices@cityofmissionviejo.org) or by phone at (949) 470-3082.