



Better Turf for Better Golf

# TURF MANAGEMENT

from the USGA Green Section

## REPORT OF COMMITTEE ON UNIFORM ACCOUNTING AND TERMINOLOGY

In 1957, a sub-committee of the USGA Green Section Committee was formed for the purpose of studying the matters of uniform terminology with respect to parts of the golf course and uniform accounting procedures for use by golf clubs. Mr. Allan Brown originally stated the need for such a study and was subsequently asked to serve as chairman of the sub-committee. Membership of the committee is composed of: Allan Brown, Chairman, Charles N. Eckstein, Dr. Marvin H. Ferguson, Edwin Hoyt, M. K. Jeffords, Jr. (deceased), Rear Adm. John S. Phillips, J. W. Richardson, L. A. Stemmons, Jr.

## BUSINESS APPROACH TO GOLF COURSE MAINTENANCE

### DEFINITIONS

It was agreed that the first task was to determine the units by which maintenance practices could be measured, and to define the parts of a golf course.

On July 27, 1958, a report of the committee defined the parts of a golf course and established the units of measurements to be recommended. These definitions and recommended units of measurements are reproduced here:

**GOLF COURSE:** The whole area on which the game of golf is played, including practice area and all club property, except the grounds immediately around the club house and that used for private residences or for other recreational purposes.

**TEE:** The tee is the starting place for the hole, consisting of a flat area maintained at short height of cut. It may be elevated or level with the ground. The exact position of the teeing area should be indicated by two markers. These

should be movable so as to vary the position of the front of the teeing area. The following color code is recommended for the tee markers.

TEES	COLOR
Back	Blue Course
Middle	White Course
Front	Red Course
Women's	Yellow Course

**TEE SLOPES:** If the tee is elevated, the banks around the tee shall be known as the tee slopes and shall be considered a separate part of the course.

**FAIRWAY:** The fairway is that part of a golf hole between the tee and green on which the turf is groomed to provide an improved lie; other than the rough, hazards, roads, paths, etc.

**ROUGH:** The rough is that part of a golf hole between the tee and green other than fairway, hazards, roads, paths, etc., not including woodland or swampland, practice area, nursery area, and all other areas not regularly maintained within the boundaries of the course. The rough

is generally maintained by cutting or mowing at heights in excess of the height of the fairway.

**WOODLAND:** Any area occupied by trees, saplings, bushes, etc., which requires hand labor and cannot be maintained by gang mowers.

**SWAMPLAND OR BOG:** Any low area containing an excessive amount of water, which cannot be maintained by the customary golf course equipment.

**NURSERY AREA:** Any area which has been set aside specifically for nursery purposes such as the cultivation of sod, trees, flowers, bushes, etc.

**PUTTING GREEN:** The putting green is all the ground of the golf hole which is especially prepared for putting or otherwise defined, not including collars or aprons.

**COLLAR:** The area immediately adjacent to the putting surface that is maintained at an intermediate height of cut between the putting green and the fairway.

**APRON:** The approach or area immediately in front of the putting surface, between the collar and the fairway, which is usually maintained at an intermediate height of cut between the collar and the fairway.

**HAZARDS:** **Water**—a water hazard is any lake, pond, river, ditch, surface drainage ditch or other open water course (regardless of whether or not it contains water), and anything of a similar nature.

All ground or water within the margin of a water hazard, whether or not it be covered with any growing substance, is part of the water hazard.

**Bunker (Sand)**—A Bunker is an area of bare ground, often a depression which is covered with sand, but not including the banks or slopes immediately surrounding the Bunker. These should be considered part of the fairway.

**Bunker (Grass)**—Same as sand Bunker, except the area is covered with grass instead of sand.

## Standard Units of Measurement

The following units of measurements are recommended:

**1. MAN HOURS:** To provide a common denominator, it is suggested that "man hours" of labor be used to determine the amount of work on any part of the course. This can then be related to dollars according to the hourly rate prevailing in any given area, or on any course.

**2. ONE ACRE:** It is suggested that this unit be used for measuring the amount of labor for maintaining fairways and rough. This multiple provides a convenient unit by which to measure the amount of labor and the cost of maintaining any fairway or rough area, regardless of size. Once having determined the amount of man-hours necessary to maintain an acre of fairway, this multiple can then be related to the total area of the fairway.

**3. 1000 SQUARE FEET:** It is suggested that this unit be used for measuring the amount of labor necessary to maintain putting greens, collars and aprons.

### System for Keeping Accounts

Early in 1959, it was proposed that the committee proceed with a study of accounting practices. Dr. M. H. Ferguson was assigned the task of devising record keeping forms which could be used in a "Pilot Study of Maintenance Costs." Each Green Section staff member was assigned to distribute forms and supervise the conduct of the study in his area. It was proposed that five per cent of the USGA membership be asked to participate.

The following forms, all of which were reproduced in the November, 1961 JOURNAL were devised:

**Form 1**—a daily time sheet for the individual workman. Each workman should check the items on which he has worked during the day and record the hours in the appropriate column. Where the work does not fit any of the categories listed, the workman should check "Other" and make an explanatory note somewhere on the sheet. This form should be turned in daily to the superintendent.

**Form 2**—a summary sheet for the transfer of the information given on daily time tickets. The superintendent should use this summary sheet to make a daily record of the total hours spent on each phase of maintenance. At the end of each

month, the daily entries may be totaled to provide a monthly summary of the time consumed by every operation.

**Form 2a**—a weekly payroll form. On this form each workman's time for each working day is recorded (this also is transferred from the daily time sheet Form 1). Form 2a provides a record of the total hours of labor for each man, his rate of pay, his total earnings, net pay and the totals of these items for the entire crew.

**Form 3**—a basic data sheet which will serve as a description of the course with respect to the areas subject to various categories of maintenance. Units of maintenance will be derived from this information. We have found that aerial photos made to scale (obtainable from nearly all local Soil Conservation Service offices) are extremely useful for determining areas. A planimeter can be used to obtain fast and accurate measurements of area from these photos.

**Form 4**—a summary sheet showing supplies purchased. This information should be drawn from invoices or purchase orders. These data, together with year end inventories, will provide figures on supplies used and their value.

**Form 5**—a summary sheet of equipment and maintenance costs. If the club maintains a "repair parts" inventory, this must be considered in determining the cost of repair parts used.

**Form 6**—an inventory of equipment. This should show each item of equipment owned by the club, an identifying number, its estimated value, its estimated useful remaining life, and the annual rate of depreciation.

Small items, such as hand tools, should be placed on a separate inventory. A budget item usually takes care of re-

placement needs of such "expendable" items.

**Form 7**—an equipment operation record. This should show the item of equipment, an identifying number, and a record of its operation. This record usually is the responsibility of the superintendent, though he may pass the responsibility to the operator of the equipment. This record will have no value from the standpoint of maintenance costs, but it will be helpful in establishing "expected useful life" of equipment.

### Pilot Study

Each staff member was provided with a sufficient number of packages of forms to supply fifteen clubs. With 8 staff members, the total number of clubs was 120, which approached the desired 5 per cent.

The packages were distributed during the fall and early winter of 1959 and participants were asked to keep records during 1960.

### Results of Pilot Study

Approximately one-fourth of the pilot study packages were returned in response to a request for them in January, 1961. Only twenty-one cooperators followed the study through completely. Thus the returned completed sample amounts to less than 1% of the present USGA membership. However, following discussions with members of the Agricultural Economics Market Survey Department at Texas A. & M., it was concluded that such a sample is quite reliable in determining unit costs. These specialists pointed out that the drawing of broad conclusions was unwarranted but that data with respect to time required for performance of any particular unit of maintenance was quite dependable.

	GREENS				FAIRWAYS				TEES		
	Irri- gating	Culti- vating	Sprey- ing		Irri- gating	Ferti- lizing	Culti- vating		Repair	Ball	Washer
Moving	Hrs.	Hrs.	Hrs.	Hrs.	Moving	Hrs.per	Hrs.per	Hrs.per	Hrs.	1000	and
Per	Per	Per	Per	Per	Hrs.	Acres	Acres	Acres	Per	Sq.Ft.	Towels
1000	1000	1000	1000	1000	Per	Total for	Total for	Total for	1000	Total for	Total for
Sq.Ft.	Sq.Ft.	Sq.Ft.	Sq.Ft.	Sq.Ft.	Acres	Season	Season	Season	Sq.Ft.	Season	Season
High	.122	.154	.518	.214	.322	14.8	3.47	4.0	.178	12.1	278
Low	.076	.052	.082	.024	.107	.51	.25	.62	.047	.25	8
Average	.099	.094	.224	.101	.205	6.76	1.62	1.70	.096	3.97	143.6

**TABLE 1** — Figures given in this table indicate the amount of variation in the time required to perform certain units of maintenance. The operations selected are representative of all those performed on the golf course.

High, low, and average unit costs for the 21 clubs are listed in Table 1.

It should be pointed out that the aim of golf course maintenance is not always toward doing a job in the least amount of time. It is usually more prudent to do a job slower and better than faster and poorer. It should be understood also that the participating clubs were quite variable in their maintenance standards, in their budget, and in geographic location; consequently, length of season.

Several questions were asked relative to the adequacy of the system. Most of those who returned completed sets of records found the system to be a workable one, but there were numerous suggestions offered.

The most common criticism was that the system was too complex. Several of those who did not follow through after agreeing to a trial of the system said that some of their workmen could not read or write and were therefore unable to fill out the daily time ticket. This ticket (Form 1) is, of course, basic to the entire procedure of distributing labor costs. Another deterrent, though expressed by only two or three superintendents, is a lack of familiarity with this system compared with one already in use. Some participants offered different systems which they felt were less complex. However, they appeared to us to be equally difficult if not more so. Thus, a system with which a superintendent is familiar has more appeal than a new system. One other objection (mostly from those who did not complete the records) was that too much time was required. One participant pointed out that

a simple diary of maintenance operations often furnished a sufficient record for the estimates of costs for budgeting purposes.

From the foregoing paragraph the conclusion may be drawn that some participants urged further simplification.

On the other hand, some collaborators thought the record forms needed expansion. They suggested a provision for recording sick time and vacation time, "waiting time" for the time workmen waited for golfers to pass. One man felt that the "Other" designation needed to be used for too many miscellaneous items and that these should be enumerated.

It was encouraging to note that about half of those who completed the records indicated that they planned to continue use of this trial system regardless of the outcome of this study. In some cases this would supplant a system already in effect.

Thus, there are three suggestions embodied in the responses of collaborators: (1) simplify, (2) expand, (3) use as it.

In response to a question about how much time was required, the collaborators estimated an average of about two hours per week. Asked if this amount of time was justified, all answered in the affirmative.

#### Comments Solicited

The committee invites the comments of JOURNAL readers on this report and upon the record forms presented here. Because the pilot study was limited to a small percentage of clubs, it is very likely that other superintendents and chairmen may be able to make valuable suggestions. They will be much appreciated.

## Principles of Organization

By LYNN A. SMITH

Member USGA Green Section Committee, Pasadena, California

There is nothing too unique in the management of a golf course and I cannot claim to offer a panacea for all of the problems involved. In the brochure which the Southern California Golf Association sends to all golfers who pay their per capita fee, the comment is made that the Association contributes to club management because "In a 'business' where there are annual changes in officers and committees, the balance wheel

of continuing analysis of operations is tremendously valuable."

The first step in the organization of our "business" is the selection of the Green Committee Chairman. The most important attributes are a great deal of free time, a dedicated spirit, and a good enough sense of humor to take all of the abuse which is bound to come his way and still come up smiling! More technical competence is required for this

work than for other committees as the chairman must consult on problems which are foreign to the average club member.

A second consideration is that the chairman be selected with the future in mind so that there will be continuity in operating the golf course. Long range programs must be formulated and carried forward for successful course operation, and constant changes in direction or emphasis on long range plans can do irreparable damage.

Selection of other members of the Green Committee is also a most important step. Men should be selected who have aptitudes for the various types of problems encountered on the course whether this means making things grow, engineering skill, or the ability to coordinate course conditions with playing conditions. Most important, someone must be in training to be the next Chairman of the Green Committee so that he may have an adequate period of preparation.

The Chairman of the Green Committee must coordinate his activities with all of the other club committees, particularly with the Finance and Budget Committee. To begin on a budget, review what has been spent for the past several years from a historical standpoint, then establish your aims and objectives for the coming year. No club can appropriate enough money to do everything that might be done on a golf course, so choose how to spend what money is available to do what most needs doing.

It is quite common for the chairman of any committee to do most of the work. The chairman of a Green Committee is quite apt to be addicted to early rising so that he can get around the course with the superintendent before going to the office, and the principle function of a meeting of the Committee is to hear a report on what has happened and a projection of what is going to happen with the chairman and superintendent as co-stars—subject, of course, to approval by the Committee.

A new plan is to assign various phases of course operation, such as fairways, trees and shrubs, greens, traps, tees, course housekeeping, equipment, and cart paths, to as many subcommittees as may seem appropriate, each with its own group supervisor. The Chairman super-

vises all activities, retains long range planning, and also has full control of the superintendent and full responsibility for the crew. Each group reports to the parent committee and group personnel is rotated among the sub-committees.

Another principle is the simple business maxim of putting everything in writing. It may seem cumbersome to you, but try issuing memorandums and instructions on standard forms with three copies. The superintendent receives two copies, one of which provides space for his reply or his report that the work has been completed—the third copy is retained by the Chairman until this reply is received by him. There will be very few items overlooked or forgotten when this system is in effect.

The Green Committee should be a policy making group and only a policy making group. The superintendent should be asked to attend all meetings of the Committee to give him a voice in establishing policies. The Committee should decide how many dollars are to be spent for fertilizer, but not when or how it should be applied. The Committee must not become enmeshed in detail.

Another principle that must be observed is that the superintendent shall have only one boss, the Green Committee Chairman, and the men on the crew shall have only one boss, the superintendent. Any successful business has clearly defined lines of authority, and it is a great mistake for any member of the Committee to start issuing orders without clearing them through the Chairman. It is even worse for club members to assume that they are entitled to issue orders.

Dr. Gene Nutter stated some requirements for superintendents in a recent article, and this could serve as the entire text for this paper because it points quite specifically to those areas where our "business" can be helped by extending assistance to the superintendent where it is most needed.

We cannot dismiss turfgrass technology or knowledge of course operation from consideration even though Dr. Nutter gives superintendents an 85% grade. While we would not hire a superintendent who was not presumably skilled in the art—the emphasis here is on art and not science—we must realize that

the vast majority of superintendents came up the hard way to the top of their profession and have learned by doing, not by studying chemistry, or physics, or plant morphology, or business management. The most logical way to close the gap between that theoretical figure of 85% and our goal of perfection is to subscribe to the USGA Green Service, and this is the best way to have a technically trained agronomist interpret the latest scientific developments in terms that will be understood by the practical mind of the working superintendent.

#### **Increase Efficiency**

Labor management might properly be grouped with work planning and business management and Dr. Nutter has assigned a 45% efficiency rating to these items. It seems to be an elementary conclusion that the most logical place to start to control golf course costs is by increasing the efficiency of labor utilization and this is the best direction for the Green Committee Chairman and members of his Committee to emphasize in helping the superintendent. Here we are involved in something other than technical problems, and normal business principles can be applied to good advantage with plenty of room for improvement.

Golf course costs are constantly rising and this is confirmed by every available survey.\* Labor costs are by far the largest cost item, amounting to more than all other items of course maintenance put together, and are the most logical approach to stabilizing a situation which may be getting out of hand. It would be easy to maintain a golf course with a man assigned to every hole plus supple-

mentary help to do odd jobs, but this is obviously out of the question and the mark of a top superintendent is to accomplish maximum results with a minimum work force. The Chairman of each Green Committee must help his superintendent trim his work force to make the dollars fit the aims and objectives in his budget.

Dr. Nutter gave a rating of only 1% to the job done by superintendents on public relations and our principles of organization would be incomplete if our "business" did not sell itself and its products. The chairman should utilize every possible means to sell the membership on what is being done to and for the golf course. At the same time, it never hurts for the superintendent to expose himself to members to do his own selling job.

\*Copies of a report covering costs of golf course maintenance of 29 clubs in Southern California during 1960 may be obtained by writing Southern California Golf Association, 1709 West Eighth Street, Los Angeles 17, California.

#### **COMING EVENTS**

May 28-30

Florida Turf-Grass Trade Show  
Florida Turf-Grass Association  
Deauville Hotel, Miami Beach, and  
Plantation Field Laboratory of the  
Florida Experimental Station System,  
Fort Lauderdale

June 4

Central Plains Turf Foundation Field  
Day  
(For further information write to Dr.  
Ray A. Keen, Dept. of Horticulture,  
Kansas State University, Manhattan,  
Kansas)

June 4-5

Mississippi Section  
American Society of Agronomy Turf  
Conference  
State College, Miss.

## **Where Does the Club Dollar Go?**

By **CARL JEHLIN**

General Manager, Baltusrol Golf Club, Springfield, N. J.

**I** will attempt to tell you "Where the Club Dollar Goes." To be a bit more specific, I might say that we will direct ourselves to "Where the Country Club Dollar Goes," as opposed to the cash distribution requirements of city clubs, luncheon clubs, and athletic clubs. Country clubs are our specific interest, and vary from other types of clubs generally through the greater amount of real property which they provide, maintain and service. This real property, or golf

course, aspect of the country club gives it its basic reason for existence, but it also places on the club a unique dollar requirement and dollar distribution.

As club officers, club managers and golf course superintendents, we surely feel the heavy pressure of responsibility to get a full dollar of value for every club dollar that we spend. There are undoubtedly times when we feel that having accomplished this, there are still not enough club dollars available for all our

particular areas of operation, and oft-times wonder, why can't a larger portion of the budget be provided for our operation.

It is obvious that being charged with this responsibility of maintaining a top rate club, and spending club dollars judiciously to this end, we have a very profound interest in the distribution of the monies received. There is nothing mysterious about this distribution. In every organization the information on annual distribution is readily available to you through the annual report of your club treasurer. Your annual report inevitably gives the result of the last year's operation through a balance sheet and a profit and loss statement. The profit and loss statement should be of more immediate interest to you since it reports the net operating result of the club departments, and the net amount of club dollars that each department contributed to the operation or required from the operation. For example, every club anticipates that its bar operation will result in a profit, and thus net club dollars will be contributed from this department. By the same token, every private club realizes that the greens and grounds or golf course operation will have a greater expense requirement than the amount of direct income received, and that this department will require club dollars for satisfactory performance. Through examination of the profit and loss statement, you can determine generally the areas that required club dollars, to what extent they required club dollars, and how this requirement was met. The club balance sheet is not as pertinent to today's discussion. The balance sheet basically represents the state of the club's health, whether its assets and liabilities are in proper balance, and how it stands financially after the club dollar has been distributed and all current expenses have been paid. Of course, the most pertinent analysis of the distribution of expense within your own operating department is the monthly departmental operating report. In my estimation it is essential that all department heads receive the monthly report. The minimum essential information that this report should carry, is a complete breakdown of income and expenses for the month under consideration, a comparison with the same month

last year, a cumulative report for the year to-date, a comparison with the previous year to-date, and the current annual budget. However, I believe that bringing this information into proper focus for today's discussion can best be initiated by using the data contained in studies and surveys that compile the combined expenditures of a large number of clubs, such as are published annually by two of the leading firms specializing in club accounting. I suggest we examine one of these recent annual studies to provide us with the average ratio of club dollars spent.

The one I have selected states that the distribution of the revenue dollar of fifty clubs for the 1960-1961 annual fiscal period was as follows: Out of each dollar, 40¢ was spent for payroll, and 6¢ for fringe benefits, or a total of 46¢ for wages and benefits; 23¢ was spent for the cost of goods sold in the various service departments such as restaurant, bar and tobacco, of that 13¢ was for food, 8¢ was for beverages and 2¢ was for other items; 22¢ was expended for all other operating expenses; and 6¢ for rent, taxes and insurance. This left a balance of 3¢ out of each club dollar to take care of debt service and capital improvements. Let me recap this for you once more. The statistics in this instance indicated that each dollar, on the average was spent as follows:

Wages and Benefits .....	46¢
Cost of Goods Sold .....	23¢
Other Unapportioned Expense .....	22¢
Rent, Taxes & Insurance .....	6¢
Debt Reduction & Capital Improvements	3¢

I am sure that we find these figures very interesting. It is significant to realize that of every available club dollar, 40¢ is directed toward cash payroll and an amount equal to 15% of that payroll is required to meet the cost of direct fringe benefits. When increased wages or additional personnel are required the cost is the cash payroll involved, plus 15%. This 15% is inevitably carried under the administrative and general area of expenses, but nevertheless, club dollars must be found to pay for the fringe as well as for any increased payroll. In this connection let me digress momentarily, to reassess what I have said, which was intended to acquaint you with an item that may well be termed a hidden cost,

and at the same time, emphasize the need for increased increments, so management will be on a comparable level with industry whenever we enter the highly competitive labor market seeking employees of reasonable intelligence and proven ability.

When we compare this 46¢ cost of payroll with a cost of 22¢ for all other operating expense, and a cost of 23¢ for the cost of all goods sold, it is not difficult to visualize the extent to which the successful operation of our club depends upon our competent and economical usage of personnel, and the extent to which available club dollars depend upon remaining funds after payrolls have been met.

In the area of all other operating expenses, we find our department items of heat, light & power, materials for maintenance, replacement supplies, and outside contractor expenses. Still we do not spend even half as much for these operating expenses as we do for payroll.

The cost of goods sold is not of primary importance to us here today, except as it plays a part in the club dollar expense. Let it suffice to say that all the requirements of purchasing and issuing that apply to departmental supplies apply at least as strongly to saleable goods, particularly since these goods are so critically susceptible to conversion to unauthorized use. Poor control or security in this area can lead to the loss of many vitally needed club dollars, out "the back door."

We find that 6¢ of every club dollar goes for rent, taxes and insurance. Although this is an area where we are able to exert the least influence for control, it is desirable that we briefly consider these items, to understand what influence they exert on overall operation. This seems also to be a good time to clarify a point concerning all of our figures in general. The percentages that we are examining are the average figures of a group of fifty clubs. Chances are that you would not find one particular club among the fifty whose actual percentages would exactly duplicate those of the average. The reason for this is many fold. The exact cash need of each area of your club operation is dictated by the type of physical plant you operate,

whether it is newly constructed or has been in existence for many years, whether it is large and sprawling in its area or is compact and built for minimum usage: Your distribution depends on the amount of facilities that are provided, whether it is just food, beverage and golf, or it is expanded to include many other areas such as swimming, bowling, squash, tennis, riding and rooms. Your distribution depends upon the club policies set by your board of governors and members, as to whether you shall operate an economical low budget plant directed toward low expenditures and simple service, or whether your policy is to provide everything for the member, such as elaborate service and top quality appointments, and your cash requirements are also determined by your club capitalization i.e. "Rent". If you own your land and buildings free and clear most certainly you will have more available cash for distribution than if you must pay interest and principal on a million dollar mortgage. If you own a great number of acres in an area where real estate is expensive and taxes are high, the demands on your club dollars will be greater than if you own only small acreage, or are out of the area of high real estate taxation. To this extent, you can see that although we average 6¢ for each club dollar for this area of rent, taxes and insurance, it is potentially the most volatile, and can under unfavorable circumstances demand much more than 6¢ of each club dollar.

The remaining 3¢ for debt reduction and capital improvements represents the amount that the club is able to retain from its total income to pay off outstanding bank loans, re-purchase outstanding certificates from its membership, retire mortgage principal, and expend on major items of a capital improvement nature. Hypothetically then, if your club's total revenue were to amount to \$500,000 for the year, this would mean that there would be approximately \$15,000 left at year end to take care of debt reduction and capital improvements.

The study recently published by the Metropolitan Golf Association, indicates that the ratio of dues and initiation fees income to total income was 62%. This would imply that income from dues and



initiation fees does not cover club operating expense, and that approximately 38% of the club dollar must come from departmental operation net income.

In either of these comparisons, it is to be noted that very little remains at year end, and an unanticipated outlay of cash would probably have to be met by either an increase in membership dues or fees, or by levying an assessment to provide the additional funds.

To give greater emphasis to where the club dollar goes, I did a bit of research on club dollars expended, exclusive of restaurant and bar operation, over the past 30 years at Baltusrol, and found that for the past ten years, operating expenditures have averaged \$357,000 a year, for the previous ten year period from 1942 to 1951, the average expenditures amounted to \$171,000 a year or just about half as much, and for the ten years from 1932 to 1941, the average operating expenditures amounted to \$118,000 a year. For the 1960 to 1961 fiscal period, operating expenditures, exclusive of food and beverage operation, total \$427,000 or approximately 300% greater than in 1933 when total cost was \$107,000.

Likewise, in an analysis of unapportioned expenses, I found that in the three major divisions of clubhouse, golf and administration, expenses are all up an average of 300%. Surprisingly, the only expense of operation that had not increased proportionately was real estate taxes, which are up "only" 150%. Simply stated, it costs \$4.00 today to do the same job that could have been done for \$1.00 thirty years ago.

But, have membership dues kept abreast of the times? Indications are that they have not, in comparison to what they were three decades ago. During the early thirties, dues were adequate to pay for the full cost of operation, and departmental operations need only have been operated on a little more than a break-even basis. Today, as was reported in the M.G.A. report, dues only comprise 62% of total income, the other 38% is presently being provided by departmental income, which of necessity must be substantial. It is questionable, not only if this supporting net income can be increased to meet increasing costs of operations, but whether it can be maintained, especially so in view of the re-

cent publicity given the Internal Revenue Service's ruling on unrelated income from non-member functions. This ruling will have the effect of restraining the accommodation of non-member tournaments and social activities at our clubs, and reducing our operating departments gross income. Therefore, if the inflationary trend continues, and all indications are that it will, it will become mandatory that additional revenue be provided from membership dues, fees and assessments. Here, however, we will eventually meet resistance from our membership.

At this point, I would like to read you some excerpts from several articles about country clubs that I read while preparing the text for my talk. The trend of each one was not very optimistic. On December 28, you may have seen in the Wall Street Journal headlines that read "Ailing Country Clubs—Many Hit by Rising Costs, Mismanagement, Overzealous Promotion." In the USGA Journal and Turf Management magazine last year, there appeared two articles during the year from which I quote:

"Country clubs came a little closer to making ends meet in 1960 than in 1959 as a result of rather substantial increases in dues income."

The other starts out:

"If you're wondering why your club dues have been increased recently, consider the fact that over the past eight years the cost of maintaining golf courses in the U. S. has risen a whopping 50%."

It goes on to say:

"Eight years ago it cost an average of \$1,878 per hole for the year to keep a course in shape. Year by year this cost has steadily advanced to a current average of \$2,823 per hole."

All of this points to increasing cost of operation and a diminishing income to pay for it. If there is a solution to this problem I, for one, believe it will not be found in any one phase of operation, but in the overall picture, and may well resolve itself in higher annual dues and fees, economies in operation, and finally in a curtailment of services, the last, the most distasteful to everyone, but nevertheless a factor to be reckoned with.