

# Never Compare Golf Course Budgets

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ONE OF THE most controversial subjects in the golf course maintenance business is the comparison of budgets. Nothing makes a superintendent shake his head faster than being asked, "Do you know what they spend at the neighboring course?" It is even more absurd to compare courses in different geographic sections of the country.

What is an average course? They vary as much as the players. Did you ever find one of those "typical average families" with 4.3 members?

Courses are different in turfgrass types, amount of play, cart traffic, terrain, acreage, green size, fairway size, tee size, bunker size and number, height of rough, soil type, climate, irrigation system, water source, trees, landscaping, fertilizer and chemical usage, amount and age of mowing equipment, personnel . . . the list is endless.

The main budget difference in a northern and southern course is in the work load. Sunbelt area courses with the 52-week full-time daily operation of staff and employee benefits with payroll tax can cost in payroll alone what many northern courses spend for their total maintenance budget. Since Sunbelt courses are maintained 12 months of the year, it stands to reason their annual cost will be much higher, even if the quality level is the same.

Course design also has an effect on the expense, with the modern version usually more expensive. Since the advent of the triplex riding greensmower, architects have designed larger greens. Think how fairway sand bunkers have increased in number and size with the invention of the mechanical bunker rake. Artificial-looking Scottish mounds, now in vogue, require hand mowing that costs more. The trend in the last 20 years of real estate and resort developments has raised the standards of turfgrass maintenance and its cost. This is because real estate developers are in a very

competitive market and funds are made available to try to outdo each other. This forces all neighboring courses to upgrade and keep pace. Some southern and western developments have such elaborate entrances and common ground areas that their costs alone are similar to the total budget of a small northern course.

Most of all, two courses, no matter where they are located, will be different in the intensity of maintenance accomplished. What do the golfers or their management demand? Some courses mow greens 200 days per year, others 365. Some mow fairways and tees 180 times per year, others less than 100. Some courses rake sand bunkers daily while others have no bunkers at all.

*Budget comparisons are as out of place as a \$2 bill.*



Some clubs edge cart paths, others have none. Sunbelt courses may irrigate triple the amount of a northern course. All these factors affect equipment life spans and repair costs.

Northern courses work on repair of equipment all winter; southern courses wear them out and must buy new. Equipment in southern Florida lasts half the time it does in Maine. All this proves there is no way to compare. But people always have and always will try to make comparisons.

MAINTENANCE COSTS for an 18-hole regulation-length course vary on a national level by over 500 percent. If the price of any other commodity had that discrepancy, there would be cause for concern. Actually, some items of similar nature differ in cost. A golf shirt from K-Mart costs under \$25, while one from Gucci costs nearly \$150. Ever compare the price difference between a Ford Escort and a Porsche 928? Both get you there, but which gives the better ride? Why does an ultra-private club with a high quality standard compare its expenses to a neighboring daily-fee course? It's only human nature to want the maximum value for the money spent. The question that should be asked is, "Are we getting an efficient dollar spent for the level of desired maintenance we expect for our course?"

In 1986, financial figures for an 18-hole regulation course varied from \$200,000 to over \$1,000,000. Some regional generalizations can be concluded from the following information supplied by leading superintendents in different geographical areas. None of these prices reflects any capital improvement in projects or equipment purchases. For example, metropolitan New York budgets range from \$325,000 to \$450,000, with \$375,000 the median. Their labor cost can account for 65 percent of the budget because of unionized hourly rates.





*Holes designed with natural terrain and vegetation lower maintenance cost and increase esthetic value.*

This labor cost is about 10 percent above the national figure. A few hundred miles away in Massachusetts, the average is \$300,000. With six full-time employees and an emphasis on summer students at lower hourly rates, the total costs will naturally be lower.

The Massachusetts courses spend \$10,000 to \$15,000 on fertilizers. Chemical costs are \$24,000 to \$32,000. Figures from the Midwest transition zone of St. Louis reveal nearly the same total expenditures. Their average is \$325,000, with a breakdown for fertilizer at \$20,000 and chemicals at \$18,000. If you operate in Florida or California, numbers like these will get you seven months through your fiscal year!

The southern portions of both Florida and California have higher maintenance costs than those in the northern portions. Courses from Los Angeles to San Diego spend \$500,000 to \$600,000. This is the same average figure for Florida from Palm Beach to Naples. The high is over \$800,000. Courses in both states spend more for fertilizers than northern states spend on both fertilizers and chemicals.

The most unusual cost area in the United States is Palm Springs, California. When you think of lush turfgrass in a desert environment, add some dollar signs. Their range is from \$750,000 to

\$1,200,000. The extreme cost of water and a \$200,000 winter overseeding budget make this another world. Now you have a better understanding of why it costs more to play golf in Florida or California.

**T**HE 1984 SURVEY conducted by the National Golf Foundation and the Golf Course Superintendents Association of America concluded that private clubs spend 15 percent more than municipal courses and 58 percent more than daily-fee courses.

A 1985 Pannell, Kerr, Forster survey of their accounts listed south Florida expenditures only 25 percent above the national average. They concluded nationwide 1985 costs increased 8.9 percent. At best, most national surveys can be used only as very general guidelines. Accounting procedures vary and differ. All budgets do not include the same items. How can anyone compare? Most surveys have a breakdown in the useless statistic "cost per hole." Since courses vary greatly in size, shape, and everything else, perhaps we should learn to think more along the lines of "cost per acre" instead!

James Faubion, director of golf operations for the Country Clubs of America, handles courses from coast to

coast. His experience shows the following trends. He states, "A course in Texas will spend at least \$50,000 more than one in the southeast. A California or Florida course will be at least \$100,000 to \$150,000 higher. We have had two courses on the same property vary 30 percent, even with the same management and membership demands."

A dozen superintendents from Palm Beach, Florida, at clubs with common members and similar maintenance levels, gather yearly to discuss their budgets. This became necessary because of the constant comparison by club members at cocktail parties. The group exchanges copies of each maintenance budget so the facts are known. This process is done in total confidence within the group and is used at their discretion as needed.

In all financial matters, it's the bottom line that counts most. So what should you conclude from all these numbers? If your course looks and plays the way a majority of your members want, that's fine. If the members want improvements, they must be willing to pay for them. With total confidence in the management staff at any course, why worry about what the other clubs are doing, especially if they are a thousand miles away?