

YOUR BUDGET IS A SALES TOOL!

Thoughtful budget preparation can help you inform, lead, and sell your ideas.

by CHRIS CARSON

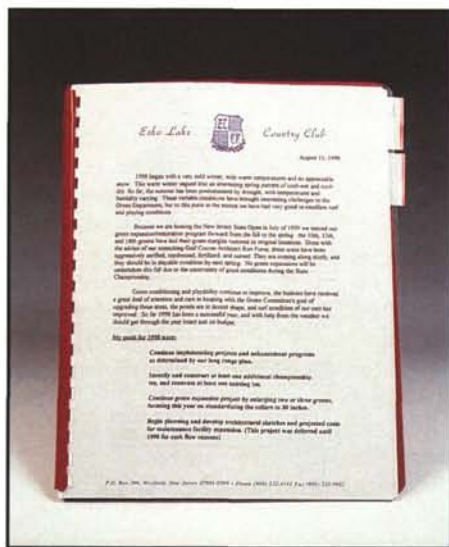
WHEN budget preparation time rolls around, many superintendents see it as a real chore, painful and time consuming, something that takes away from the *real* work to be done on the course. As a result, many budget requests are haphazard and sloppy, or are nothing more than a hastily prepared sheet containing slight adjustments to last year's numbers: three percent here, two percent there, and the job is done. These superintendents are losing a great opportunity to explain and promote their operations.

What is a Budget?

Golf courses usually rely on their superintendents to forecast the needs of the course. Unfortunately, this is where many superintendents fail. As a road map of the year to come, the budget must predict golf course needs as precisely as possible. That means looking back at what has been spent and what has been accomplished, then analyzing current needs and forecasting expenses for the coming year.

Budget preparation gives the golf course superintendent a superb opportunity to present information and goals to the governing bodies of our courses. Those who don't take full advantage of this opportunity are shortchanging their courses and perhaps their own careers.

I view the budget process as a year-round process, not just a once-a-year endeavor. The first green committee meeting of the year at my club includes a tour of the maintenance facility so that committee members, especially new ones, are made aware of the type and amount of equipment we use. Awareness of this equipment makes it easy to branch out into discussions of labor and maintenance procedures. At this meeting our mechanic is present to talk about the care we take in maintaining and preserving our equipment. The committee will be much more receptive to requests for replacement or additional equipment if they are convinced that existing equipment is being well maintained.



A well-presented budget plan provides a golf course superintendent with an excellent opportunity to present information and future planning to the Green Committee.

As the year progresses, I make it a point to inform both the committee and the board of problems we are encountering as they arise. By identifying a problem and laying out the proposed actions and extra costs involved in correcting it, we avoid year-end budget surprises. This communication is vital to the budget process as it sets the stage for appropriate increases for the next season. Pre-selling the needs of the golf course makes the actual presentation of the budget document much easier. In my case, I have developed a budget presentation that has proved to be very effective in helping the green department and the course make steady progress.

My budget begins with a letter recapping the kind of year we have had, with special emphasis on the weather. I mention the overall quality of the course and talk about special events and highlights of the season.

My budget letter then recalls the goals we had for the previous year and our success or failure in meeting those goals. I try to emphasize the positive, but I don't shy away from writing about failures or uncompleted tasks.

This is a good opportunity to remind my governing body about the successes we had, to congratulate, by name, the hard work of the people who accomplished those successes, and to mention continuing problems that require future resources.

The final part of the letter contains four to six clearly defined goals for the year to come. These goals are very specific and help set the tenor for the budget document that follows.

Examples of goals:

- Continue implementing projects and improvement programs as determined by our long-range plan, focusing on course enhancements pertinent to our hosting the New Jersey State Open Championship in 1999.
- Identify and construct one additional championship tee, one forward tee, and renovate one existing tee.
- Continue work to improve the health, playability, and consistency of our putting greens, particularly our practice putting green.
- Complete planning for irrigation system improvement and finish the installation by the spring of 1999.
- Complete the planning and super-vised construction of new pavers and curbs around the front of the pro shop and along the path toward the pool.

Operating Expenses

The first page of the budget document itself is a summary of my requests, showing last year's numbers, next year's request, and percentage increase (or, in some instances, decrease) for each line. Under this spread sheet are comments as needed about key items in the summary.

After the summary, each line item in the budget is addressed on a separate page. These pages are the best opportunity I have to talk about green department needs, so I try to be as detailed as possible. In the case of payroll, for example, my budget for 1999 has three pages of information covering the following:

1. Individual crew members and the work they have done.

2. General payroll issues such as our pay scale as it relates to neighboring clubs.

3. Any extraordinary situations that may be anticipated in the coming year.

Each employee is then listed by years of service, rate of pay, and number of weeks and hours worked. Finally, the payroll is summarized on one page to allow easy analysis.

Payroll details are important. Including names and information about each individual crew member helps the committee members understand exactly what they do and why they are needed to ensure maintenance of a first-rate golf course. It is much harder for those who are passing judgment on the budget to cut an individual and the work he does than it is to slash, say, 10% from a budget request that is presented simply as a lump sum, with no supporting details and no mention of the staff members involved — “Larry Smith, an excellent employee for three years, qualified for his pesticide operator’s license in July. His duties now include chemical applications and irrigation repair, and his pay increase rewards these extra responsibilities.”

Although payroll is the largest and most detailed operating item in any golf course budget, each operating line deserves similar treatment. Under chemicals, for example, I talk about the stresses encountered by the turf in the previous season, money spent in relation to budgeted funds, and projected needs for the coming year. This is another opportunity to emphasize both the problems encountered during the past season and the solutions that were achieved.

The operating section of the budget is prepared with the idea of giving management a clear picture of where we have been and where we would like to go. The budget request must demonstrate careful analysis of each item and not be simply a hasty and unsupported adjustment of previous numbers; it must be a thoughtful, well-designed plan.

Three-Year Plan

A few years ago I had to fight vigorously for every piece of equipment I requested. This changed when we developed a three-year plan for equipment purchases. In collaboration with the committee, I started out by forecasting equipment needs based on projections and past purchases. Once the three-year plan was agreed upon,



The budget plan at Echo Lake C.C. (Westfield, N.J.) is used to help inform Green Committee members of upcoming projects. Each specific goal statement for the upcoming year outlines the necessary resources needed to successfully complete the project.

it became an almost undebated part of the club’s financial plan; the club knows that yearly funds for equipment are needed and plans accordingly. Each year, at budget time, we move the plan forward to cover the next three years.

Taking this idea several steps further, we have expanded the three-year equipment plan to include all golf course capital items. Tee construction, irrigation work, building expansion, landscaping, cart path improvements, and many other items have been successfully funded and completed using this technique. By forecasting the need out three years, the governing members of the club become familiar and comfortable with the request and have sufficient time to plan financing. I have learned that the most unwelcome news to any committee member is a crisis situation and an unexpected request for a large sum of money to cope with it.

Specific requests for equipment for the coming year are part of the three-year plan, but again we do not just ask for a lump sum of money. Following a first-page summary, each requested item is explained and justified. I make it a point to detail the savings and equipment longevity we achieve because of our excellent mechanics, and when replacement or addition is needed, I fully explain why. Each of these requests is followed with a copy of the sales brochure for that piece,

which gives a quick description of the equipment and its application to the course — “Toro Sand Pro 3020: The Sand Pro is a vital machine for bunker maintenance. Equipped with a plow, scarifier, and rake, it can perform all sand-related tasks efficiently. Our current machines are 12 and 20 years old; we have gotten many more years than the industry standard out of these machines, and it is time to replace the oldest.”

Other items in the plan are treated similarly with descriptions of the proposed work, supporting documents, such as USGA Turf Advisory suggestions, photographs or diagrams of the project, and cost options.

Professionally presented in a bound folder, the budget I prepare is more than just a sheet with numbers; it is a well-thought-out and well-defended plan. It can stand alone because of its detail, it is a valuable sales tool for the green department, and it lets my club know that their golf course superintendent has specific goals and a plan to achieve them. A similar document might go a long way toward improving *your* golf course, not to mention your standing with the committee!

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