



Are You The Man With The Plan?

Careful, conscientious budgeting can save you time... and your job!

Those dreaded words come down from the accounting office, "It's budget time!" Are you at a club that just adds in a percentage increase for

inflation based on last year's actuals? Do you work at a club where there "is no budget?"

Or are you working for club that tries to make a profit? There is no better time

than during budget preparation to communicate to your members and owners the value of having a professional golf course superintendent.

Where are those delivery tickets? How much did the mechanic spend on greens mower No. 3 last year? Can I justify replacing the tractor? Am I going to use Polyon, IBDU, or SCU on the greens this year? How big a raise will the staff get this year? How can I make these doctors, lawyers and retired business people understand what it takes to make my department perform to their expectations?

If you don't know the answers to these and a zillion other bean-counting questions, your budget preparations are going to be a real ordeal. At some clubs the budget is the bible. For other clubs its just a set of reasonable guidelines. No matter what your situation, if you read the following articles, you may find some ideas that will make this part of your job a lot easier.

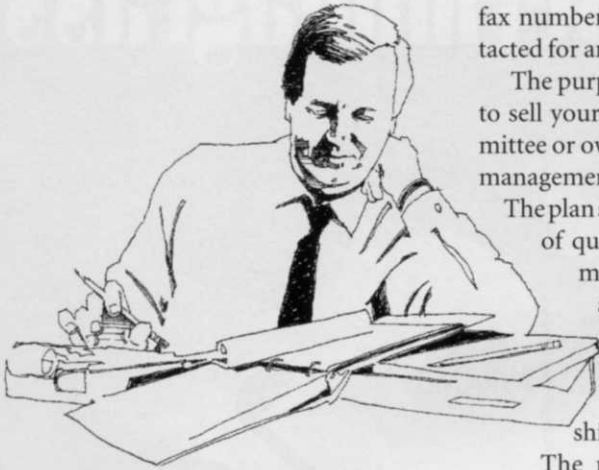
One other tip is to take lots of pictures. Documenting the conditions before and then after a project or the physical condition of a piece of equipment that needs replacing can help laymen visualize what your trying to tell.

JOEL JACKSON, CGCS

The Process of Using Funds Prudently to Achieve Your Goals

No question about it, being a golf course superintendent is different from when I took my first position some 30 years ago. I was trained in agronomy with a M.S. degree and always felt my technical ability would be my principal asset. That used to be true but not as much currently. I would rank staying abreast of new developments in agronomic principals such as plant nutrition, plant pathology, entomology and soil science along with irrigation principles





as our biggest challenges. We have always had the challenge of maintaining our courses to the satisfaction of a demanding clientele while living within a budget.

The important things I have learned along the way are that being a good planner, organizer, motivator, coordinator, evaluator, purchaser, trainer, business manager and budget preparer are just as important.

Budgeting and management of a budget is the process to achievement of your goals by using funds prudently. A high-quality budget should consist of:

- A written maintenance plan.
- An organizational chart of your department.
- A staffing chart complete with job descriptions.
- A description of each category item in your budget.
- A spreadsheet with category items down the left (X) axis and months across the top (Y axis).
- Capital equipment purchases.
- Capital or special improvement projects.

The completed budget should be bound together along with any product brochures, trade industry articles or any other supporting material that provides understanding of the programs in your budget. These can be in an appendix at the rear. The budget book should provide a table of contents and tabs that make it easier for the reader to refer to each section. I go so far as to personalize each copy with the board member's name on the cover. On the inside cover put your name, address, phone number and

fax number so you can be readily contacted for any questions that might arise.

The purpose of a maintenance plan is to sell your budget to the finance committee or owner. It should be a complete management plan for the golf course.

The plan should define the desired level of quality and needs to include a mission statement. Put together a small committee to help put the plan together. It should consist of a representative from ownership, membership and the golf department.

The maintenance plan becomes your business plan and must have input and commitment from ownership. I have an equity club whose member/owners are represented by a board of directors. My committee is myself, the golf professional, my green chairman and another member of my green committee along with a member of the finance committee.

The plan first and foremost should detail how the golf course is to be maintained and to what level. It should be program-oriented, detailing every program in your budget. Hopefully you can equate budget numbers to this plan. For example, under the chemical-insecticide-use portion, detail the chemicals to be used and the cost of each program. Nematodes, mole crickets, fire ants, cutworms, sod webworms, chinch bugs, etc. Each program should be detailed with cost. Under fertilization, detail each fertilizer program with type of fertilizer and cost. The green program for example should include number of times per week you mow and roll, fertilizer program, fertilizer and supplies needed. How fast does your committee want the greens? The same for tees, fairways and roughs programs. They should be detailed. Carry this on for each category item in the budget including the maintenance shop and landscape.

The value of this plan is that when a budget is being reviewed by those who approve it, they fully understand that when

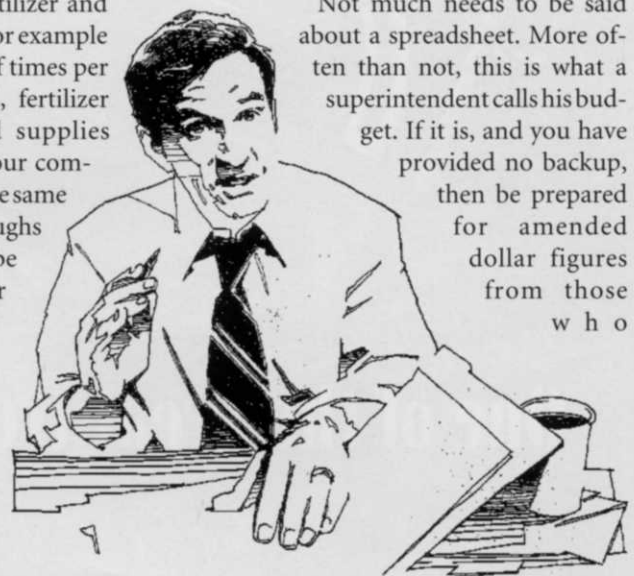
cutting money from the budget, they are cutting programs. If someone says to the superintendent, for example, "cut your chemical cost." He can lay out his management plan and reply, "Which program do you want to eliminate or cut?" Upper management will find it more difficult to eliminate needed programs rather than just amending a dollar figure. In the process of budget review, the superintendent needs to be seen as an able manager of the club's money.

Organizational charts are not that hard to do and they help those that do not understand your business or how you organize your staff.

The staffing chart should relate to the organizational chart and the business plan. How much staff is needed to carry out the programs in your plan? Include how much each employee is to earn and include overtime and bonuses for each. Also include raises in wages during the year if they are anticipated. Include payroll and workers' compensation taxes and any benefits the club provides. These numbers are then used to back up the payroll line item in your budget.

Have a section in the budget that describes every line item category in the spreadsheet. Go to whatever length you feel is necessary to assure that everyone who looks at your budget understands it completely. Do not forget line items for staff training and your own professional instruction.

Not much needs to be said about a spreadsheet. More often than not, this is what a superintendent calls his budget. If it is, and you have provided no backup, then be prepared for amended dollar figures from those
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approve it. Make sure that line items in the spreadsheet are referenced back to your maintenance plan.

A typical capital equipment replacement budget should run 10 to 15 percent of your total investment in equipment. If new purchases are to replace equipment that should be rotated out because of age, then show backup records to support your case.

Most golf courses budget for continual improvements to the course over time. These capital projects should be well thought out and planned for with a complete cost analysis provided. The better job of planning you do is directly proportional to the number of improvements you sell to your owners.

The more knowledgeable you are of your business, the better your chances of success. The budget process is a part of that knowledge you need.

By Gary T. Grigg, CGCS, MG
Royal Poinciana GC.

Budget Book Makes It Easy to Defend Your Programs

I have been putting together a "budget book" at the Falls CC for sometime now. I find it gives me an easy-to-understand format to present our needs to the Greens Committee and finance committee. If I've done my homework on the book diligently, I find that I have a relatively easy time answering questions. If cuts to the budget are proposed, it is pretty simple for the committees to look at what work or program reductions they are willing to live with and defend to the members. I hope the following information will help you prepare and present your budget for approval.

Budget Time Line

January—During this month I review all of my past expenditures. This infor-

mation comes from my purchase order book and the programs I have followed in the past eight months. Our budget year runs from May through April of the following year. I get a complete line-item expense report from the club's controller to help me with this procedure.

I also work with our Greens Committee chairman to put together long-range capital improvements during this month so that there will be enough capital funds in the club to cover these expenses. By the end of the month, I'll have a draft copy of the line items and payroll expenses giving a proposed bottom line.

February—By the first week of February, I'll have a complete budget book with explanations of line items and detailed descriptions of our fertilizer and chemical programs.

My greens chairman and I meet with the Budget/Finance Committee early in this month. The greens chairman urges acceptance of the budget while I explain



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