

KNOW Cost Per Member

It Answers "Who Pays"

By O. S. G.

HAVING received and read **GOLFDOM** each month for the past year, it is with rather a sheepish feeling that I write you enclosing \$5.00 to cover the cost of those issues.

If you think this is not sufficient, please send your bill as our club has saved hundreds, if not thousands, of dollars and I have received an inestimable amount of information from the practical business articles in addition to that given in the business advertisements. Every issue has contained vital information and many systems for economical maintenance of the course as well as the clubhouse; right now I am thinking of the water system layouts and information given in your June and July issues. The data on eradication of worms, June beetles and grubs is worth hundreds of dollars to every golf club while your last article on seed was to my mind one of the most important as effecting turf maintenance expense.

However, your articles in the July and August issues, entitled "Who Pays," prompted or rather re-enforced my determination to write you on the value of this magazine to officials of golf clubs who have the interest of their clubs uppermost on the practical and financial angles insofar as it effects each individual member of the golf club.

Thinking it might be of interest to other club officials, I wish to give you the figures obtained at our club which data I have gathered since reading your July issue.

I shall attempt to analyze conditions in our club in respect to "Who Pays" article and since I have been on the directorates of five clubs for the past fifteen years, I feel that I have been privileged to obtain an insight which has not been accorded to the average member.

Warns Against Being Too "Cold"

Undoubtedly many of the readers of the July article feel that the manner in which the first author proceeded to distribute the information he gathered was rather cold, candid and grasping; also that he was undiplomatic and could in no manner create within non-spending members a

pleasant inclination to increase their expenditures in the house. It was rather an audacious manner and it appeared to some as having been inspired by an intense desire for personal aggrandizement or that some selfish motive were involved. However, since the private golf club is not operated for profit the employes are the only recipients of monetary remuneration and the article and action explained was in my mind superinduced (as he stated) by an extremely large number of non-spenders who placed their club in a very undesirable financial condition.

All in all I believe this article if published in the player magazines or even in the daily newspapers would do wonders toward awakening within the minds of 50% of the golf players cognizance of the fact that golf clubs can exist and become more attractive only if and when each and every individual recognizes his own place in the club and performs his duty in the promotion of a kindly social feeling, general interest in club's financial status and patronizes the various departments of the club whether or not he makes use of the golf course.

It stands to reason and is nothing more nor less than good common sense to say that the clubhouse must receive the patronage of the members if that club is to overcome the overhead necessary to a well-managed institution and it should not be expected that 25% or 30% of the membership should enjoy these privileges while 75% do not avail themselves of this exclusive service which has been placed there for them.

Cost Per Member Illuminating

In your August issue a comment on "Who Pays?" from New York gave the house overhead as \$24,000.00, representing salaries and meals, plus \$11,000.00 miscellaneous expenses and depreciation which we must admit is exceptionally low for clubs in a metropolitan area, but, on the other hand, it is high for other sections of the country and particularly those districts where wages, food and rents are materially lower. It seems to me, then, that these

figures should be based on cost per member to arrive at a proportionate cost and the yearly membership cost, inasmuch as these memberships are priced according to the facilities of the club, wealth of the membership and local conditions. The fact, however, remains that both articles on "Who Pays?" are the absolute truth, although the first situation mentioned might have been handled in a more diplomatic manner.

Personally, the writer is exceedingly interested in the subject matter and would be pleased to have you continue the publication of such articles as you may receive from interested golf officials. Further, I believe it would be of untold value if the president or house chairman would have these articles published in their own local papers for the enlightenment of all golf players. Now I shall give the figures at the club of which I am president and show why it has been necessary for us to levy assessments.

Our club has 350 members and we are sorry to find that in checking records we have about the same proportion of non-spenders and poor spenders as was quoted in your July issue, but the following data here gives our yearly expenses without regard to patronage; in other words, our club is obliged to spend this amount of money yearly. While our dues are \$175.00 per member, it has been necessary to levy assessments. It requires a patronage of \$21.00 per month or \$150.00 per member per year to make our clubhouse operation break even. These figures have been taken from our books in such a manner as to show the actual cost of the various divisions of expense and then proportioned against the dues of the individual member. I believe the table will explain itself sufficiently and not require additional words. These figures give operating expense in dollars and percentage on each member's yearly dues:

Costs Per Member

As I said before, the cost of operation and the amount of yearly dues will vary in sections or localities throughout the country and for this reason I figured the percentage against the yearly dues and I am now suggesting the same table of figures to be made up at other clubs in which I am interested to ascertain how their percentages work out with ours. Further, I have proposed that this data be forwarded to the membership that they may know the reason for a closer check on the operation of these clubs.

	Per Member	
Mortgage interest	\$10.40	or 6.0%
Taxes	4.35	or 2.5%
Fire insurance	23.40	or 13.4%
Tornado and liability insurance	2.90	or 1.6%
Golf course maintenance....	57.25	or 32.7%
Locker room salaries and laundry	15.10	or 9.0%
Clubhouse and dining room salaries and board.....	51.45	or 29.4%
Clubhouse miscellaneous expenses	5.80	or 3.2%
Office salaries and board....	11.25	or 6.3%
Postage and stationery.....	6.00	or 3.4%
Heat, light, power.....	12.90	or 7.3%
Depreciation and repairs on buildings and clubhouse..	21.15	or 12.0%

From the above you will see that it is costing us \$221.95 per member or 126.8% of the dues.

Some Bound to Kick

I have been studying the situation as it affects the individual member and attempting to work out a plan to secure the whole-hearted cooperation without antagonizing the members who have not contributed their just proportionate share of patronage to overcome the expense, and while I believe the system adopted by the writer of your first article was a little crude, I question the possibility of devising a plan which will secure this full patronage without hurting someone's feelings.

A request is not sufficient to induce many of our members to patronize the clubhouse and while we have had no complaints on food or service, the patronage is not there simply because it is not there, and reduction of rates would not bring us additional patronage. Our dance attendance is always very poor; our golf course is crowded Saturdays and Sundays, but there is very little play during the week; in fact we are serving only 25 to 40 lunches and 18 to 25 dinners during each weekday while on the other two days and holidays we will serve 75 to 100 lunches and as many dinners; at the same time we have about 50% more players on the course than we serve in the dining room.

Glancing back to the expense tabulation, we notice that \$57.25 or 32.6% of the dues is taken up in clubhouse expense. Now the only possible item on this schedule which can be reduced is clubhouse expense and it would be reduced if members would patronize the dining room because we have

this expense whether or not the members dine at the house and the more patronage given the smaller becomes the proportionate operating expense because there will be some profit made from the food served, hence the cost of operation per member will be reduced.

Bigger Memberships Help

One of the baffling details of this problem of the non-supporting member concerns the member who belongs to several golf clubs. It obviously is hopeless and unjust to expect him to patronize each of the clubs to which he belongs at the same rate as might be expected from the member whose golf club membership is confined to one club. There is no need of penalizing him because he usually is a very welcome fellow in the fold, and although he has the means and temperament to be a "jiner" he only has one pair of legs and one stomach.

It seems to me that if there are many of such members in a club that the only answer is for a club to increase the size of its active membership so the right balance may be maintained.

Helping the Help

GOLFDOM is the first and only magazine I have ever read which gave me an insight into the possibilities of the earning power of the pro and the facts as related by you are bound to alter the attitude and create an interest on the part of the members in the livelihood possibilities of their professional when the players have learned the true status of his situation. The pro at every club should certainly appreciate the information you have given him in the management of his business and for the enlightenment or interest you have created in the minds of the club officials in respect to the professional.

It is natural to suppose also that every greenkeeper is heartily encouraging the publication of GOLFDOM, inasmuch as many of your articles and advertisements are teaching more economical and more satisfactory ways to maintain his course, and now, since your "Who Pays?" article has awakened the house chairmen to the possibility of ascertaining the true status of their club membership, the house managers have every reason to contribute articles as well as other support to further your publication.

Our officials will appreciate reading any letters on this subject matter which you care to publish and we are of the opinion

that there must be some three or four thousand other golf club officials who would be interested in such data as you might obtain.

We congratulate you on your magazine. We have long needed a magazine of its kind working in the interest of better methods for golf clubs.

"Tell the Members" Is Vital Phase of Plan

CLUB activities concerned with the problem of the non-supporting member has brought to light that one of the general defects in club administrations is that the financial condition of the club seldom is known to the members until the annual meetings, when it is too late to make any changes in the situation.

One of the metropolitan district clubs, in its campaign to stir the non-supporting member into life, is sending the following letter to its members:

To the Members of _____ Club:

Your board of directors has the responsibility of sensing and executing the wishes of the membership. The building program, completed in the spring, was in response to the expressed direction of the members' meeting of last fall. The service provided in the clubhouse is consistent with the more adequate plant. The board believes that the membership is satisfied with the improved facilities and service.

Under such circumstances, the lack of increased patronage on the part of the membership is both disappointing and not easily explained. A careful analysis of the house accounts of all members—excluding therefrom payments of dues, transfer fees and subscriptions, but including all other payments—discloses for the months of May, June and July the following:

1. Over one-half of the membership has contributed only one-quarter of the revenue for an average of \$29.33 per month per member and his family.
2. Approximately two-thirds of the membership have averaged \$36.00 per month per member and his family.
3. The remaining one-third of the membership has contributed 58.8% of the revenue for an average of \$100.33