



The dance floor at the Palma Ceia GC, Tampa (Fla.) well-managed club, is a special design and composition bought at a bargain from the Century of Progress exposition. It's one of the most beautiful outdoor dance floors among country clubs.

This ideal structure was made possible only by the full cooperation of the bondholders, who wisely preferred to continue the club rather than acquire the club properties by the usual legal method. The club has a business management, but must, nevertheless, serve the membership to its satisfaction or, of course, it cannot prosper.

Not Clear Out Yet

Although many clubs have done excellent jobs of working toward salvation during the depression, there continues to be the problem of getting cooperation from people who hold first mortgages on the properties, although these security holders have long since taken complete losses on many other of their earlier deals.

Stubbornness to concede that golf clubs must reorganize away from pre-depression figures, may force several clubs to seek relief under Section 77B, whereupon the mortgage holders may not fare as well as they would by cooperating with club officials who have been setting the club on a financial basis suitable to these times.

Such a case is described by the president of a well-operated club in a moderate-sized midwestern city:

Our club has had a very remarkable experience during the past several years. Three years ago when the season officially closed we found ourselves with ac-

counts receivable for uncollected dues of better than \$5,500.

This of course put the club financially in such shape that the old-timers were inclined to throw in the sponge. A younger group with a few of the real stable old-timers got together and decided that conditions could be bettered with a good business management.

Our bond indebtedness at that time included \$100,000 first mortgage 6% issue which called for a \$3,000 principal payment starting with 1932, stepping up each year until 1944. Because of the depression the active membership roster between 1930 to the close of 1932 after we had sifted many of the uncollectables dropped from 324 to 184.

The writer was elected president and immediately organized committees and adopted stringent rules regarding dues payments and so forth. We started a membership campaign giving family privilege proprietary memberships to eligible prospects gratis, they paying only the transfer fee of \$10.00. These were reclaimed memberships.

Sixty-six new members were obtained in 6 weeks in 1933 and 57 in 1934. At the same time we refused to pay interest and principal and forced a refinancing plan of our first mortgage paying 3% interest for 1½ years, 4% for one year and stepping up each year at the rate of 1% until we had reached 7%.

A serious program of reconstruction and course improvement was laid out and a campaign for retirement of the second mortgage adopted. Before the end of 1932 all outstanding accounts were paid in full