

Golf Course and Grounds Expense

Prepared by Horwath & Horwath

	COST PER HOLE					
	11 Small Country Clubs (Dues under \$100,000)		27 Medium Country Clubs (Dues of \$100,000-\$200,000)		12 Large Country Clubs (Dues of \$200,000-\$400,000)	
	1959	1958	1959	1958	1959	1958
Greens and ground maintenance						
Payroll	\$1224	\$1169	\$1911	\$1814	\$2259	\$2001
Supplies and contracts	419	372	510	487	462	390
Repairs to equipment, course buildings, fences, bridges, etc.	154	141	200	172	296	255
Water, electricity & other expenses	64	65	130	117	209	176
Total maintenance exclusive of fixed charges	1861	1747	2751	2590	3226	2822
Golf Shop, caddy and tournament expenses	282	252	358	329	452	433
Total	2143	1999	3109	2919	3678	3255
Deduct greens fees	429	353	711	721	567	486
Net golf course and grounds expense exclusive of fixed charges	\$1714	\$1646	\$2298	\$2198	\$3111	\$2769

siderable drop in the average ratios to dues.

Dues and Entrance Fees

Thirteen clubs reported increases in the annual dues per regular member over the preceding year while ten of the clubs raised the initiation or entrance fees charged to regular members.

Payroll Ratio

In both large and the medium-sized clubs, total payroll rose in even greater proportion than total income, including dues and assessments. In the small clubs the increase in total income effected a decrease from 1958 in the average ratio of total club payroll to total income. Moreover, in 1959, payroll represented only 37.5 per cent of total income in the small country clubs, in contrast to 39.7 per cent in the medium-sized clubs and 40 per cent in the large clubs. The low payroll ratios of the small clubs resulted in the highest departmental profits and, consequently, in the lowest net cost of clubhouse operations.

Although the small clubs also had the highest restaurant profits, as measured both in ratio to total dues income and to total food and beverage sales, this group was the only one to record a decrease in restaurant profits from the preceding year. Increases in the beverage cost per dollar

sale and the restaurant departmental payrolls over 1958 more than offset a reduction in the food cost per dollar sale in the small clubs. The restaurant departmental profits of the medium-sized clubs showed an improvement in ratio to dues but no change from 1958 in the ratio to total food and beverage sales. There were rises in both the food cost per dollar sale and the ratio of departmental payroll to sales but a reduction in the beverage cost per dollar sale of this group. The departmental profits of the large clubs were better in 1959 because of decreases in both food and beverage costs per dollar sale and the ratio of the departmental payroll to total food and beverage sales.

While in ratio to total dues income, the small clubs naturally had the highest food, beverage and total sales and other income, the medium-sized clubs had the highest average sales per member.

Course Maintenance Up

The gross maintenance cost of golf course and grounds was higher than in 1958 in all three groups of country clubs. In ratio to total dues income, the gross maintenance cost in 1959 was 43.9 per cent in the small clubs, 38 per cent in the medium-sized clubs and 26 per cent in the large clubs, compared with 43.4, 37.1 and 25.2 per cent, respectively, in the preceding year. Although the small clubs spent

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