

2022



# Capital Budget and Labor Survey



## Table of Contents

<b>INTRODUCTION.....</b>	<b>4</b>
Margin of Error .....	4
Rounding, Total Responses and Cleaning.....	4
A Sampling of all Respondents.....	5
Survey Sample Overview .....	5
Facilities by Golf Holes.....	5
Geographic Area of Respondents.....	5
<b>EXECUTIVE SUMMARY.....</b>	<b>5</b>
<b>SURVEY RESULTS.....</b>	<b>6</b>
<b>18-Hole Capital Expense Budgets.....</b>	<b>6</b>
Graph 1 18-hole yearly overall capital spending .....	6
Table 1 18-hole capital budget range by year .....	7
Table 2 18-hole capital budget ranges by region.....	7
Table 3 Past 2 years, supply chain problems cause project delay or cancellation. ....	7
<b>18-Hole Projects, Priorities and Spending .....</b>	<b>8</b>
Table 4 high priority 18-hole golf course projects .....	8
Table 5 completed 18-hole golf course projects within the last three years .....	9
<i>A question was asked based on the respondent’s answers in relation to Table 6: How much was spent? .</i>	<i>9</i>
Table 6 average amount spent on 18-hole golf course capital projects.....	9
Table 7 18-hole funding sources to finance capital projects .....	10
<b>In-House or Contracting of Capital Projects .....</b>	<b>11</b>
Table 8 2018 18-hole capital projects performed in-house.....	11
<b>Capital Equipment .....</b>	<b>12</b>
Table 9 2019 18-hole priority of equipment needs .....	12
<b>Funding Capital Equipment Purchases .....</b>	<b>13</b>
Table 10 18-hole equipment finance options.....	13

Table 11 18-hole equipment finance options by region .....	13
<b>Annual Capital Equipment Expenditures</b> .....	<b>14</b>
<b>Used Equipment Purchases</b> .....	<b>15</b>
Table 12 Percent of superintendents who have purchased used equipment .....	15
<b>Labor</b> .....	<b>15</b>
Table 13 18-hole categorization of labor market by region .....	15
Graph 3 categorization of labor market .....	16
Table 14 18-hole employee safety training by region .....	17
<b>Maintenance Staff Full Time Equivalent Employees (FTE)</b> .....	<b>17</b>
Graph 4 18-hole nationwide full-time equivalents .....	18
-END OF REPORT-.....	18

Cover Photo - Hole Number 1, Lakewood Country Club, Philip Desbrow, Golf Course Manager

## INTRODUCTION

The intent of this survey and this subsequent publication is to establish baselines, trends, and allocations of resources as they relate to golf course labor and capital expense budgets relating to modern golf course management.

From October 24, 2022, through November 28, 2022, a survey was conducted by the Golf Course Superintendents Association of America to gather information and to study capital spending and capital budgeting habits of golf course superintendents.

Unique survey invitation links were distributed via email to the sample group of Golf Course Superintendent Members (Class A, Class B and International Superintendent Members) totaling 7,595 members. By default, the unique links could be used only by the member receiving the invitation, preventing ballot box “stuffing” and “spamming”. The result of completed surveys totaled 1,274 of the distributed 7,595, a response rate of 17%.

This survey report is divided into the following sections:

**Executive Summary** – a summary of key survey results

**Survey Results** – Tables, figures and charts illustrating the results of the survey

### Margin of Error

Margin of error at the 95% confidence level means that 95% of the time, on questions where opinion is evenly split, results will be within a +/- 2.5 percentage points range of error. That is, chances are 19 out of 20 that if all GCSAA Superintendent members completed and returned their surveys, the results would differ from the sample results by no more than +/- 2.5 percentage points.

### Rounding, Total Responses and Cleaning

Due to rounding, percentages for some questions may not total 100%. Not all respondents answered every question in the survey; therefore, the total number of responses to a question may be less than the total responses to the survey. All studies, no matter how well designed and implemented, must deal with errors from various sources and their effects on survey results. GCSAA examined data for three different kinds of possible errors and eliminated the data from the surveys started. These cleaning parameters are:

1. Lack of data – 10% or fewer answered questions per respondent, removed entire response.
2. Outliers/inconsistencies – Values that are so far beyond the typical that they seem potentially erroneous.
3. Suspect analysis results – Answers to some questions seem counterintuitive or extremely unlikely.

## A Sampling of all Respondents

### Survey Sample Overview

Sample Size	7,595
Surveys Completed	1,274
Percent of total sample size	17%
Margin of Error	+/- 2.5

### Facilities by Golf Holes

9-Hole	6%
18-Hole	75%
27-Hole	8%
36-Hole	8%
45 Holes or Greater	3%

### Geographic Area of Respondents

Pacific	5%
Southwest	5%
Upper Mountain-West	10%
Transition	19%
North Central	20%
Northeast	17%
Southeast	21%
Not in the USA	3%

## EXECUTIVE SUMMARY

Alone, surveys should never be used to compare golf courses. The averages contained in this report are an amalgamation of many types of golf courses. Golf courses differ in many ways, in far more unique characteristics than can be included in these pages. Due to these vast differences, one must judge the merits of capital expenses by the satisfaction of the golfer at that facility.

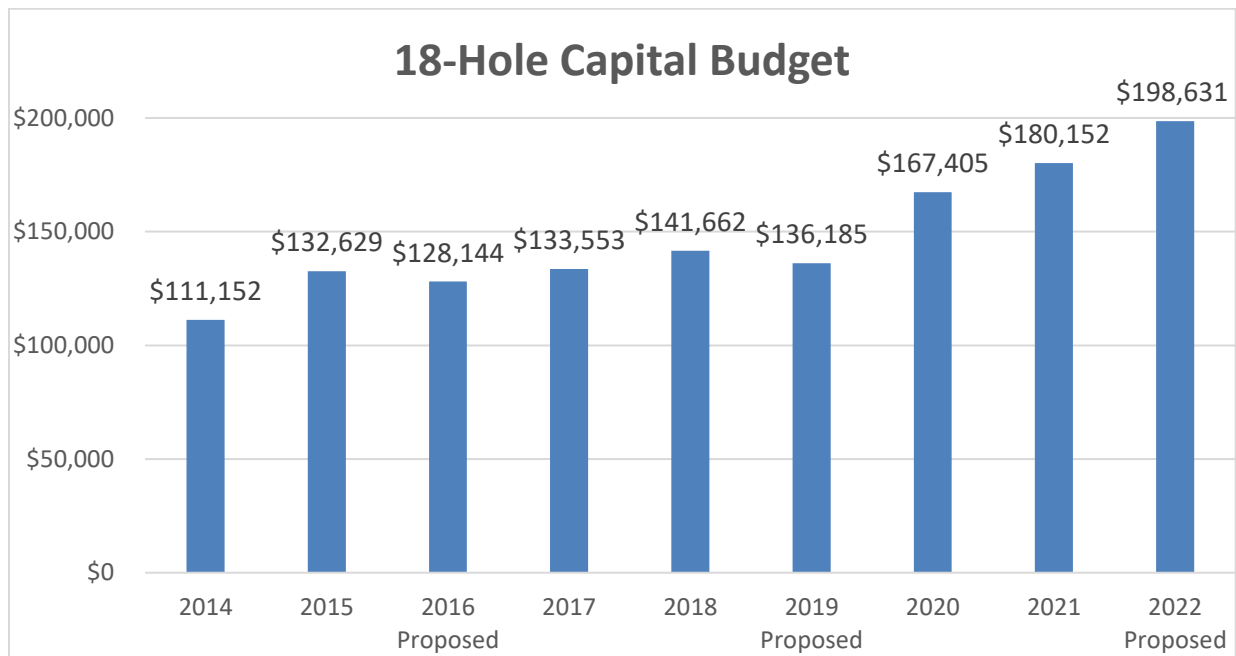
- Capital spending has increased significantly since 2014. The average capital budget in 2014 for an 18-hole course was \$111,152. In 2022, the average capital budget amount is \$198,631, an increase of 79% (Page 6, Graph 1). Capital spending would have been higher if not for supply chain issues. 35% of respondents indicated supply chain issues caused a capital project to be delayed or cancelled.
- Regarding the funding sources used to finance capital projects, cash reserves were used in 73% of capital projects. This is up significantly from 59% in 2019.
- Capital equipment purchases have also significantly increased from an average of \$59,062 in 2014 to \$99,860 in 2022, or an increase of 69%.
- Not surprisingly, labor was reported to be very difficult to obtain by 63% of respondents who indicated the available labor market was bad or very bad.

## SURVEY RESULTS

### 18-Hole Capital Expense Budgets

Only eighteen-hole golf courses, due to statistical and comparison reasons, were used in all the results to follow.

Question: *What was and what will be spent in overall capital expenses and capital budget at the golf course you manage?*



**Graph 1 18-hole yearly overall capital spending**

The average capital budget has increased by 79% from 2014 to 2022 with the largest part of the increase happening since 2019. Since 2019, the average capital budget has increased 46% (2019 to 2022).

Table 1 below illustrates the dollar ranges of capital budgets for 2022. 12% of capital budgets included no funds and 20% were in the highest range of more than \$200,000.

18-Hole Capital Expense Budgets (continued)

18-Hole Capital Budget Ranges	
Range	2022
\$0	12%
Up to \$25,000	10%
\$25,001-\$85,000	23%
\$85,001-\$150,000	21%
\$150,001-\$200,000	14%
More Than \$200,000	20%

Table 1 18-hole capital budget range by year

2022 Capital Budget Ranges by Region								
Capital Range	Overall	Pacific	Upper West-Mountain	Southwest	North Central	Transition	Southeast	Northeast
\$0	12%	15%	9%	17%	10%	14%	13%	14%
Up to \$25,000	10%	13%	6%	9%	11%	12%	10%	10%
\$25,001-\$85,000	23%	28%	32%	22%	33%	24%	17%	17%
\$85,001-\$150,000	21%	10%	17%	22%	22%	17%	23%	19%
\$150,001-\$200,000	14%	15%	12%	8%	12%	13%	15%	16%
More Than \$200,000	20%	18%	24%	21%	12%	20%	21%	24%

Table 2 18-hole capital budget ranges by region

Question: Over the last two years, have any capital projects on your golf course been delayed or cancelled due to supply chain problems?

Supply Chain Problems caused Project Delay or Cancellation	
Yes	35%
No	65%

Table 3 Past 2 years, supply chain problems cause project delay or cancellation.

## 18-Hole Projects, Priorities and Spending

Question: *Please indicate how much of a priority it is for you to complete the following construction or renovation projects at the course(s) you manage.*

Project	Priority				
	Very High	High	Low	Not a Priority	Not Applicable
Rebuild Sand Bunkers	25%	29%	25%	18%	3%
New Irrigation	23%	22%	27%	25%	3%
Remove Trees	22%	35%	29%	12%	2%
Major Drainage	16%	34%	36%	11%	2%
Install Cart Paths	16%	25%	31%	25%	3%
New or Rebuild Practice Areas	12%	21%	34%	29%	4%
Rebuild Ponds/Water Features	12%	22%	33%	28%	4%
Rebuild Tees	10%	31%	36%	21%	2%
New Maintenance Facility	10%	17%	30%	40%	3%
Add Tees	9%	41%	37%	31%	3%
Rebuild Greens	8%	12%	29%	46%	5%
Rebuild or Renovate Restrooms	6%	11%	27%	51%	5%

**Table 4 high priority 18-hole golf course projects**

Rebuilding sand bunkers and new irrigation are the top priorities for respondents in 2022. Lower priority projects include rebuilding or renovating restrooms and rebuilding greens.



18-Hole Projects, Priorities and Spending (continued)

Question: *Please indicate what major projects and/or renovations you have accomplished at the golf course you manage over the last three years.*

2022 – Three Year Completed Golf Course Projects	
Project	Percent of Respondents
Major Drainage	61%
Rebuild Sand Bunkers	47%
Remove Trees	44%
Add Tees	42%
Rebuild Tees	39%
Install Cart Paths	38%
New or Rebuild Practice Areas	25%
Rebuild Ponds/Water Features	15%
Rebuild Greens	13%
New Irrigation	13%
Rebuild or Renovate Restrooms	10%
New Maintenance Facility	6%

Table 5 completed 18-hole golf course projects within the last three years

A question was asked based on the respondent’s answers in relation to Table 6: How much was spent?

Average Amount Spent on Golf Course Projects	
Project	
Major Drainage	\$61,861
Rebuild Sand Bunkers	\$206,094
Remove Trees	\$56,799
Add Tees	\$35,789
Rebuild Tees	\$62,263
Install Cart Paths	\$133,281
New or Rebuild Practice Areas	\$192,885
Rebuild Ponds/Water Features	\$98,007
Rebuild Greens	\$415,344
New Irrigation	\$1,152,560
Rebuild or Renovate Restrooms	\$102,462
New Maintenance Facility	\$928,293

Table 6 average amount spent on 18-hole golf course capital projects

18-Hole Projects, Priorities and Spending (continued)

Table 7 shows that New Irrigation is the most expensive project with an average cost of \$1.1 million. The least expensive project is Adding Tees with an average cost of \$35,789.

Survey respondents were asked if there are adequate funds in capital budgets to fund needed projects. Thirty-six percent (36%) agreed that funding for capital was sufficient at the facility they manage, 38% disagreed and 26% neither agreed nor disagreed.

Respondents were asked the funding sources used to finance capital projects. Table 8 illustrates the responses. In many cases multiple sources and/or combinations of sources were used to finance capital projects. Cash reserves were used in 73% of capital projects, up significantly from 59% in 2019.

Funding Sources to Finance Capital Projects	
Funding Source	Percent of Respondents
Cash Reserves	73%
Monthly Capital Dues	26%
Commercial Loan	23%
Initiation Fees	21%
Assessments	17%
Bond Issue	8%

Table 7 18-hole funding sources to finance capital projects

## In-House or Contracting of Capital Projects

Question: *Which of the following major projects would you consider doing completely in-house with the golf course maintenance staff?*

2022 In-House or Contracting Capital Projects			
Type of Project	Would Accomplish In-House	Would not Accomplish In-House	Undecided
Major Drainage	82%	10%	8%
Large Scale Tree removal	73%	20%	8%
Build or add Tees	53%	35%	12%
Rebuild Tees	51%	36%	13%
Rebuild Sand Bunkers	37%	51%	11%
Rebuild or Build Practice Areas	26%	60%	14%
Build Cart Paths	18%	73%	9%
Rebuild or Build Restrooms	9%	84%	7%
Rebuild Greens	8%	87%	5%
Dredge or Build Ponds/Water Features	8%	85%	7%

Table 8 2018 18-hole capital projects performed in-house

Major drainage is the most common project to be completed in-house at 82% while rebuilding greens (8%) and building ponds/water features (8%) were the least common projects to be completed in-house.

## Capital Equipment

Question: *Thinking of the state of your equipment inventory, how much of a priority do you feel it is to replace the following types of equipment at the facility you manage?* Table 9 illustrates the percentages of respondents who indicated it is a priority to replace each type of equipment. The table is sorted by the combined total of Very High and High response percentages.

Priority of Equipment Needs					
Equipment	Very High	High	Very High and High	Low	Not a Priority
Triplex Greens Mower	32%	27%	59%	29%	13%
Utility Vehicle	19%	40%	59%	29%	11%
Rough Mower	23%	32%	55%	33%	13%
Fairway Mower	23%	30%	53%	34%	13%
Turf Sprayer	24%	27%	51%	33%	16%
Sweepers/Blowers/Debris Equipment	14%	30%	44%	14%	13%
Cultivation Equipment	15%	28%	43%	41%	16%
Banks/Surrounds Mower	15%	27%	42%	41%	18%
Utility Tractor	13%	26%	39%	41%	20%
Golf Cart Fleet	15%	22%	37%	35%	28%
Material Handler	13%	24%	37%	43%	20%
Motorized Bunker Rake	13%	22%	35%	39%	27%
Walking Greens Mower	8%	10%	18%	26%	57%

**Table 9** priority of equipment needs

Question: Please respond to the following statement: *There is an adequate amount of money in my capital budget to obtain new equipment needed.* In 2022, 45% of respondents agreed with the statement, 32% disagreed and 23% neither agreed nor disagreed. This is an improvement from 2019, where only 38% of respondents agreed with the statement, 42% disagreed and 21% neither agreed nor disagreed.

## Funding Capital Equipment Purchases

The methods of funding capital equipment purchases are illustrated in Table 10. Cash reserve purchases increased in 2022 by 8%.

Type of Financing	2019	2022	Difference
Purchased with Cash Reserves	49%	57%	8%
Leased	48%	51%	3%
Purchased with Bank Financing	30%	26%	-4%
Purchased with a Combination of Bank Financing and Cash	21%	22%	1%
Bond Issue	2%	2%	0%

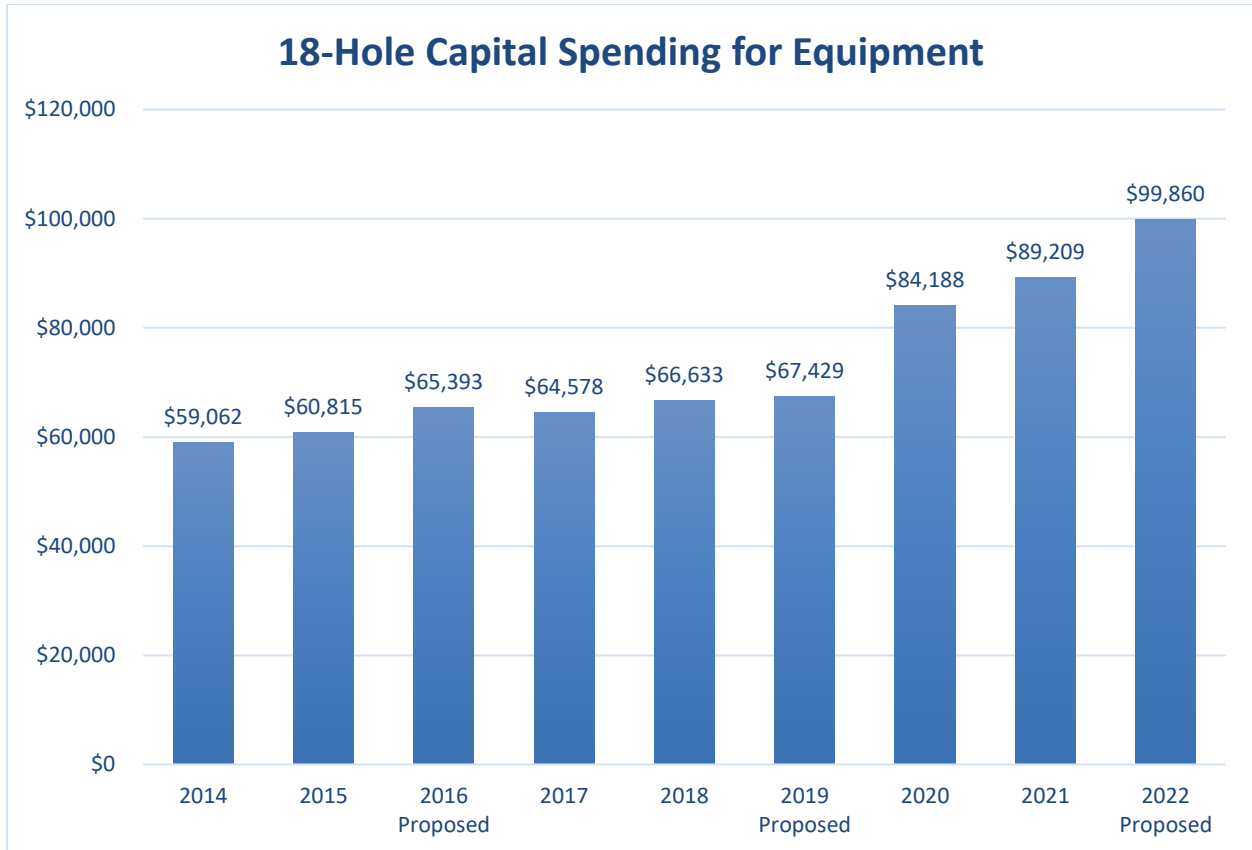
Table 10 18-hole equipment finance options

Type of Financing	Overall	Pacific	Upper West-Mountain	Southwest	North Central	Transition	Southeast	Northeast	Not in the USA
Leased	51%	47%	45%	65%	34%	57%	64%	50%	50%
Purchased with Cash Reserves	57%	63%	71%	56%	62%	58%	44%	57%	57%
Purchased with Bank Financing	26%	22%	20%	22%	28%	25%	26%	38%	7%
Purchased with a Combination of Bank Financing and Cash	22%	12%	23%	13%	26%	22%	20%	24%	17%
Bond Issue	2%	0%	3%	0%	4%	1%	1%	3%	0%

Table 11 18-hole equipment finance options by region

## Annual Capital Equipment Expenditures

Question: *What is the annual capital expense for equipment replacement and new equipment purchases at the golf course(s) you manage? (Equipment replaced by any method of purchase or lease).*



**Graph 2 Capital spending for equipment**

Graph 2 shows an average overall increase of 69% in capital equipment spending from 2014 to 2022.

## Used Equipment Purchases

Question: *Have you ever purchased used equipment at the golf course(s) you manage?*

Percent of Superintendents who have Purchased Used Equipment by Region									
	Overall	Pacific	Upper West-Mountain	Southwest	North Central	Transition	Southeast	Northeast	Not in the USA
Yes	70%	71%	65%	67%	74%	73%	64%	74%	56%
No	30%	29%	35%	33%	26%	27%	36%	26%	44%

Table 12 Percent of superintendents who have purchased used equipment

Table 12 shows that 70% of respondents have purchased used equipment in the past. Price was the leading reason cited for deciding to buy used equipment at 73%. The second leading reason was a good selection of used equipment at 51%. And 41% said they purchased used equipment because it was in great condition.

Respondents were asked why they decided to purchase new equipment. The number one reason at 54% was that they wanted the latest technology. Reliability (50%) and warranty (38%) were next in importance.

## Labor

In reference to availability of labor (Table 13) the question was asked, *“Considering the golf course(s) you manage, how would you categorize the labor market in regard to general staff members for golf course maintenance?”*

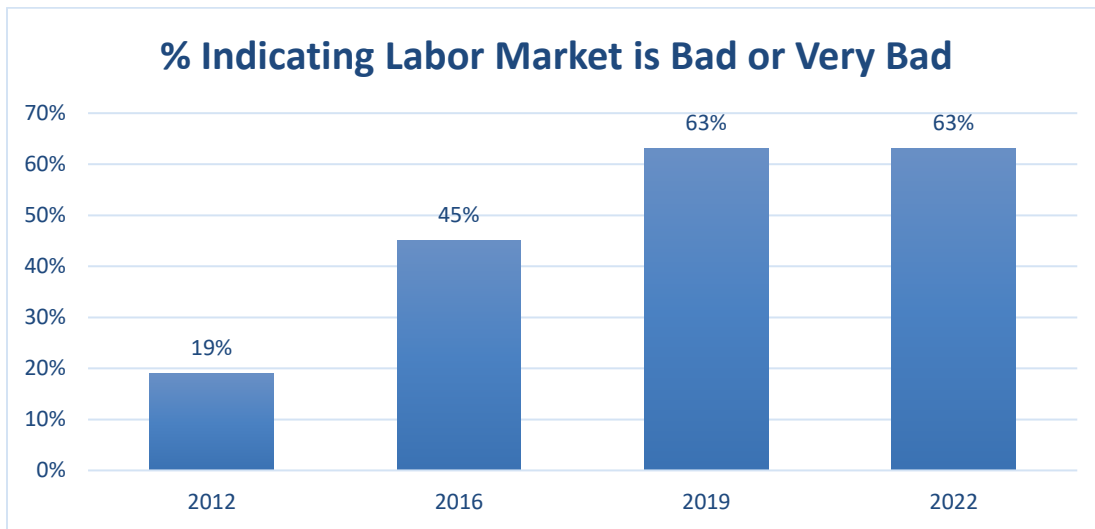
2022 Categorization of Labor Market by Region									
Labor Availability	Overall	Pacific	Upper West-Mountain	Southwest	North Central	Transition	Southeast	Northeast	Not in the USA
Very Bad	21%	27%	25%	26%	12%	23%	23%	20%	17%
Bad	42%	38%	37%	48%	37%	45%	44%	47%	34%
Neither	28%	27%	29%	20%	37%	26%	27%	25%	32%
Good	8%	6%	10%	6%	14%	6%	6%	6%	15%
Very Good	1%	2%	0%	0%	0%	1%	0%	1%	2%

Table 13 18-hole categorization of labor market by region

Table 13 shows a breakout of categorization of labor by region for 2022. Graph 3 shows that overall labor availability has decreased substantially since 2012. In 2012, slightly over 19% of respondents indicated

18-Hole Labor (continued)

labor availability was bad or very bad, compared to 63% in 2019 and 2022, an increase of 44 percentage points.



Graph 3 categorization of labor market

Almost half (48%) of all superintendents surveyed said they have staff of Hispanic origin. Of the respondents that employ Hispanics, only 13% said communication is very difficult or difficult. 94% of respondents have at least one staff member that is fluent in both English and Spanish.

Respondents reported 7% participated in the government H-2B program for non-citizen guest workers. The number of staff members that are H-2B program participants generally range in numbers that are less than 10 per golf course (74%).

59% of respondents use White Boards to plan labor assignments and schedules. 21% use specialized software and 16% use Excel.

Fifty-eight percent (58%) of respondents performed some type of background check on all new, new full time and salaried employees before or conditionally on the offer of employment.



18-Hole Labor (continued)

Question: *How often do you have instruction or formal training on safety issues at the golf course you manage?*

Employee Safety Training by Region									
	Overall	Pacific	Upper West-Mountain	Southwest	North Central	Transition	Southeast	Northeast	Not in the USA
Once per Month	25%	37%	36%	56%	15%	21%	35%	12%	27%
Once/2 Months	4%	6%	6%	5%	2%	3%	6%	4%	3%
Once/4 Months	3%	3%	1%	10%	3%	3%	3%	4%	2%
Once/ 6 Months	3%	3%	1%	2%	5%	4%	3%	5%	3%
Twice/ Year	7%	6%	3%	3%	6%	8%	6%	11%	5%
None	7%	5%	5%	1%	7%	10%	6%	10%	6%
At Employment	21%	17%	23%	8%	27%	20%	14%	24%	24%
Before Specific Duties	30%	24%	25%	16%	35%	32%	26%	30%	29%

Table 14 18-hole employee safety training by region

Table 16 shows the frequency of employee safety training by region. 30% of respondents provide training before specific duties.

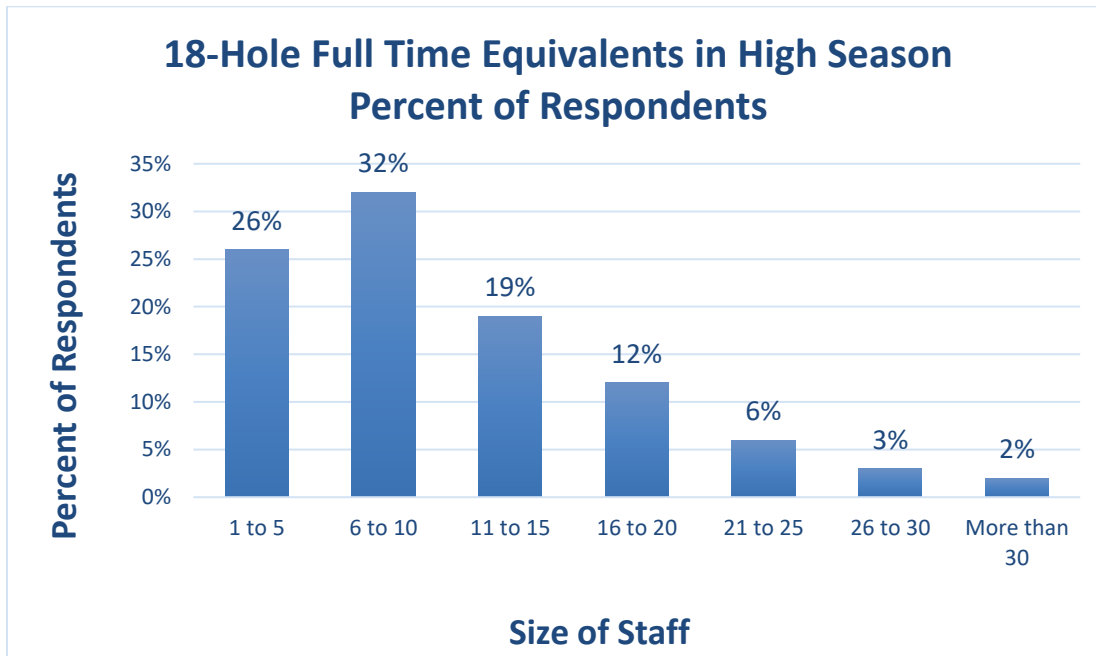
### Maintenance Staff Full Time Equivalent Employees (FTE)

The definition of Full Time Equivalent Employee is the ratio of the total number of paid hours during a period (part time and full time) to the number of working hours in that period.

For example: You have three employees, and they work 50 hours, 40 hours, and 10 hours per week – totaling 100 hours. Assuming a full-time employee works 40 hours per week, your full-time equivalent calculation is 100 hours divided by 40 hours, or 2.5 FTE.

Question: *Beside yourself, how many full-time equivalents (FTE) are employed on the golf maintenance staff at the golf course(s) you manage during the high season?*

## 18-Hole Labor (continued)

**Graph 4 18-hole nationwide full-time equivalents**

32% of respondents have between 6 and 10 FTEs on their maintenance staff in high season.

**-END OF REPORT-**