



Free State Seniors Golf Association

Minutes of the Meeting of the Board of Directors

July 11, 2019

The Free State Seniors Golf Association Board of Directors met on July 11, 2019, at Rolling Road Country Club. President Gary Manion called the meeting to order at 10:38 a.m. with board members Bill Stricker, Jim Horn, Tony Errera, Bruce Cowan, Mike Kurylo, Jim Foster, John Blouse and Charlie Mergler present. Board members Bill Parks, Tom Kline, Gary Kramer, Mike Myirski and Web Master Ed Baur were not able to attend. A motion was made by Jim Horn to approve the minutes, as amended, from the June 11, 2019 meeting, was seconded by Mike Kurylo and approved unanimously.

Treasurer's Report – Gary Manion

Prior to the meeting Gary provided spread sheets (Attachment 1).

A Income Statement (Comparison of Current Year Actual results to Prior Year Actual results, as of the same time period) – Page 1 of 3

- The organization's actual bottom line through July 9, 2019 is a positive \$3,008 which is \$1,253 less than the \$4,261 results as of this same time last year. This year-over-year variance is primarily due to two items. Our current paid membership is \$3,300 or 23% or 55 members lower than last year's results as this time, while other favorable variances total \$2,046. These other favorable variances primarily consist of a \$1,292 Tournament Gross Profit variance and \$758 of Office Supplies & Printing (\$509) and Travel Expense (\$249) favorable variances.

Income Statement (Comparison of Current Year Actual Results to Current Year Budget) – Page 1 of 3

- This year's actual bottom line of \$3,008 as of July 9, 2019 is \$2,403 less than the current year's budget of \$5,411. This unfavorable budget variance is due to the current paid membership being 25% (\$3,600 or 60 members) less than the current year-to-date budget, offset by \$1,197 of other favorable budget variances, including \$437 of Tournament Gross Profit, \$416 of Office Supplies and \$284 of Travel Mileage reimbursement.

Treasurer's Projected (Forecasted) Income Statement for the 12 months ending 10-31-19 (Comparison of Current Year Projected results to Prior Year Actual results – Page 2 of 3

- The Treasurer's current year projection assumes a total paid memberships of 188 or 52 (22%) less than last year's actual results. This projection assumed that going forward paid memberships would increase by the average 4-year historical increase from mid-July through October or 4 members. For the most part, all other forecasted revenues and expenses other than the Tournaments Gross Profit were assumed to approximate budget. It was assumed the current Tournament Gross Profit per golfer favorable budget variance would increase for the last three tournaments of the year. Hence, the forecasted bottom line result is a \$922 loss which is \$998 less than last year's actual bottom line results.

Treasurer's Projected (Forecasted) Income Statement for the 12 months ending 10-31-19 (Comparison of Current Year Projected result to Current Year Budget results – Page 2 of 3

- The Treasurer's current year projection assumes total paid memberships of 188 or 57 (23%) less than the current year's budget. This projection assumed that going forward paid memberships would increase by the average 4-year historical increase from mid-July through October or 4 members. For the most part, all other forecasted revenues and expenses other than the Tournaments Gross Profit were assumed to approximate budget or current spending levels (e.g., Board Meetings). It was assumed the current actual Tournament Gross Profit per golfer favorable budget variance would increase for the last three tournaments of the year. With that projected to occur the forecast's bottom line result is a \$922 Loss which represents a \$1,973 unfavorable variance in relation to the FY19 Budget.

Balance Sheet - Page 3 of 3

- The organization continues to maintain a solid balance sheet. Its Net Equity since the end of last year has grown as a result of its \$3,008 Income Statement bottom line as of July 10, 2019. However, please keep in mind that by the end of the current fiscal year (i.e., October 31, 2019) the FY19 Projection assumes the organization's current bottom line will decrease by \$3,930 over the remaining 3 and 2/3 months of the fiscal year. The Balance Sheet major items are as follows:

- Cash and Investments:

With Cash and Investments totaling \$24,146 as of July 10, 2019 and average daily expenses (exclusive of tournament fees) approximating \$43 per calendar day, the number of calendar days of Cash on Hand equates to 563 days or 1.5 calendar years.

- Prepaid Expenses:

The organization has paid \$1,000 in deposits to reserve some of its 2019 golf tournament dates (October Tournament and Potomac Challenge). Once these tournament events occur these prepaid expenses will be recognized on the organization's Income Statement as tournament expenses and will be removed from the asset section of our Balance Sheet.

Summary

In summary, after 8 and 1/3 months into the fiscal year, the Free State Seniors Golf Association of Maryland has achieved a \$3,008 favorable bottom line. Unfortunately, this result is \$1,235 lower than last year's actual results at this same time and also represents a \$2,403 unfavorable variance in relation to the current year's year-to-date budget. Additionally the Treasurer's attached 2019 full year forecast indicates the organization will end the year with a \$922 loss in relation to a 1,051 budgeted profit or a \$1,973 unfavorable bottom line budget variance.

A motion was made by Jim Horn to approve the Treasurer's Report, was seconded by Jim Foster and approved unanimously.

Executive Secretary's Report – Bill Stricker

Bill reported that Deerfield Golf Course was challenging and played long. Most players seemed to have a positive feeling about the course. The event and food staff did an excellent job.

We have around 90 players for Elkridge.

Bill has contacted some courses for next year's schedule. The courses contacted are Maryland Golf &CC, University of Maryland, Woodmore, Bulle Rock, Piney Branch, and Manor.

Membership and Publicity Committee – Tony Errera

Some questions from previous meetings were reintroduced:

- Is Free State financially sustainable long term at then a 200 membership level?
- Can Free State draw an adequate number of tournament players at less than a 200 membership level?
- Is Free State different enough from MISGA, and if not, how can we so?

Gary Manion offered that with some changes the answer to the question of financial sustainability with less than a 200 membership level is yes. In an organization such as Free State, we need to be above the break-even level. A budget needs to be developed with a positive bottom line in order to cover payments when they arise (ex. - tournament pre payments, incidentals, etc.). That budget is developed primarily from an estimate of anticipated membership.

The question of drawing an adequate number of tournament participants is a more complicated issue. Obviously with our membership number around the 200 level we have averaged 84 players at our four tournaments thus far, even with a low of 62. Bill Stricker interjected that his concern that we need to guarantee the club we are going to bring 80 to 100 players in order for them to schedule Free State. With less than that number, they may not want to schedule us because their revenue would not be great enough. We need to continue to recruit because each year we are going to lose members. The consensus of the board is we need to recruit members within the private clubs, and especially target some clubs with no or few members.

In answer to the third question, "Is Free State different from MISGA?" the answer was decided yes. Some points offered support the point:

- MISGA allows women
- In MISGA a large part of the field in each tournament is from the host club
- MISGA is generally a foursome format featuring A, B, C, D players which is randomly selected
- Meals are not as high a quality in MISGA events

Gary Manion suggested, and it was agreed that Tony Errera be included in the budget building process with the Planning Committee.

Wally Engle Committee – Jim Horn

We are now involved in the quarterfinals. Manor has moved on to the semifinals by defeating Navy 9.5 to 8.5. Turf Valley and Piney Branch, Musket Ridge and University of MD, Prospect Bay and Sparrows Point are still arranging their quarterfinal matches. Quarterfinal matches need to be completed by July 31, semifinals by August 31, and finals by September 30. It was noted that several clubs are having difficulties finding players for matches. This was further reason to recruit Free State members.

Golf Committee – Jim Horn

In checking a week and a half after the tournament Deerfield, three winners had not posted their scores. Jim sent the nasty email to those individuals. One player responded that he had posted, but did not post correctly. This has been resolved. A second player posted his score after the email. The third did not respond. It was determined that this player may have been out of the country.

Planning Committee – Jim Foster

Jim reported that the committee will be meeting to plan the 50th anniversary event in 2021. Piney Branch GC is a leading candidate for the event. With that in mind, we may not want to schedule Piney Branch as one of our tournaments next year. The committee is considering a May date for the event because of the historically high turnout in May.

The committee will be building the five year plan which will include the 2020 budget. Prospective membership numbers will be part of the process.

River Creek in Leesburg is another prospective golf course for Free State to consider. In light of the low attendance at Deerfield Golf Club, this may be too far to travel. The committee members will travel a play the course and report back to the board. South River in Annapolis is another course being suggested.

Nominating Committee – Mike Kurylo

Mike stated again that he is seeking recommendations from board members. It was suggested that we get prospects from clubs where our exiting board members are members (Hobbits Glen, Sparrows Point, Cattail Creek). Gary Manion suggested we find one candidate to replace Tom Kline. Mike Kurylo, Bruce Cowan, and Jim Foster can serve another 3 year term. The candidates must be elected and the election takes place before and is announced at the October tournament. We will seek out Cattail Creek, Hobbits Glen and Sparrows Point to seek a candidate.

Distinguished Seniors Committee - Tom Kline

No report.

Audit Committee – Bruce Cowan

The Audit Committee will be meeting with Treasurer Gary Manion in the next month to complete the audit.

Web Master – Ed Baur (not in attendance)

Ed was not present to provide any report.

Old Business

No old business.

New Business

Jim Horn will volunteer to write up descriptions of upcoming venues. This offer was accepted and was view as positive step in drawing potential members to our organization.

A motion was made by Tony Errera to adjourn the meeting, and was seconded by Jim Horn. The meeting was adjourned at 11:45 by President Gary Manion.

The next meeting will be at 10:30 am Thursday, August 8, at Rolling Road Country Club.