



Free State Seniors Golf Association

Minutes of the Meeting of the Board of Directors

October 18, 2018

The Free State Seniors Golf Association Board of Directors met on October 18, 2018 at Rolling Road Country Club. President Gary Kramer called the meeting to order at 10:30 a.m. with board members Bill Stricker, Jim Foster, Jim Horn, Bill Parks, Mike Myirski, Bruce Cowan, Gary Manion and Tom Kline present. Board members Jim Wilcox, Mike Kurylo, Ralph Starkey, Tony Errera, and Ed Baur were unable to attend. Gary Kramer expressed appreciation to Jim Horn for leading the September meeting during his absence. A motion was made by Jim Horn to approve the minutes from the September 13, 2018 meeting, was seconded by Jim Foster and approved unanimously.

Treasurer's Report – Gary Manion

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

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

- Our actual bottom line through October 16, 2018 is a \$303 loss or an \$868 unfavorable variance when compared to the financial results as of this same time last year. The primary reasons for this overall unfavorable variance is due to Golf Tournaments Gross Profit being \$1,596 lower than what had occurred as of this same time last year. The Golf Tournament Gross Profit after five tournaments in FY18 is \$333, while at this same time last year it was \$1,928.
- As you probably will recall, the FY18 Budget was predicated upon each monthly golf tournament yielding a \$3 gross profit per participant or golfer. The basis for this FY18 Budget assumption was the FY17 actual Golf Tournaments Gross Profit. Unfortunately, after five golf tournaments in the current fiscal year, Golf Tournament Expenses have approximated Golf Tournaments Revenues (expenses were only \$333 less on tournament revenues of \$51,330). That minor difference between revenues and expenses only equates to approximately \$0.25 per tournament golfer)
- Although the above Golf Tournaments Gross Profit represents a \$1,596 unfavorable variance when compared to last year's results at this same time, there are some favorable financial statement line item variances that helped mitigate this variance. They are as follows:
 - Paid Membership
 - The number of current fiscal year dues paying members is 240, which is 6 members (3%) greater than the 234 dues paying members as of this same time last year. This equates to a \$270 favorable Membership Fees variance. Hence, this year we have been able to recruit more new members than those who have chosen to not renew their membership.
 - Total Expenses
 - Total actual expenses as of October 16, 2018 are \$410 less than what they were at this same time last year. The primary reasons for this favorable variance is due to fewer expenses being incurred for Board Meetings (\$241) as well as Trophies and Awards (\$418). However, these favorable expense variances are

somewhat offset by the unfavorable expense variances associated with Travel Mileage (\$154) and Office Supplies (\$95).

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

- The year-to date actual bottom line loss of \$303 is \$956 more favorable than the current year's bottom line budget of a \$1,259 loss. This \$956 favorable bottom line variance is comprised of the following:
 - Paid Membership Fees are \$209 greater (5 members or 2%) than what had been budgeted.
 - We have also incurred \$1,805 fewer expenses than what was budgeted and is primarily comprised of the following:
 - Trophies & Awards (\$1,032), Board Meetings (\$383) and Utilities (\$196).
- The largest unfavorable line item variance affecting our bottom line is the \$1,093 unfavorable Tournaments Gross Profit budget variance. As stated in an earlier section of this report, the FY18 Budget was predicated upon each monthly golf tournament yielding a \$3 gross profit per participant or golfer. Unfortunately after five golf tournaments in FY18 the golf tournament expenses have essentially equaled the golf tournament revenues and there has only been a slight profit of \$333 when compared to a \$1,425 budgeted profit.
 - Projected (Forecasted) Income Statement for the 12 months ending 10-31-18 – Page 2 of 3 (four right columns)
- Based upon 11 and ½ months of financial activity, I believe we will complete the fiscal year in a slightly better or more favorable financial position than what the FY18 Budget assumed. The Treasurer's forecast currently shows a \$642 favorable bottom line variance when compared to the FY18 Budget. The primary reason for this projected favorable variance is due to Trophies and Awards being significantly under budget by \$1,032. The Trophies and Awards favorable variance along with some others (Membership Fees and other favorable expense variances) offset the \$1,378 unfavorable Tournaments Gross Profit to yield a \$642 favorable bottom line variance.

Balance Sheet - Page 3 of 3

- The organization continues to show a solid balance sheet. Its Net Equity since the end of last year is slightly lower as a result of its \$303 Income Statement bottom line loss as of October 16, 2018. Also, please keep in mind that by the end of the current fiscal year (i.e., October 31, 2018) the Treasurer's FY18 Forecast assumes the organization's bottom line will decrease by an additional \$272. The primary reason for this projected bottom line decrease is due to incurring additional expenses associated Thursday's Board Meeting as well as the Potomac Challenge.
- Cash and Investments
 - With Cash and Investments totaling \$21,312 as of October 16, 2018 that equates to 475 Calendar Days of Cash on Hand or 1.3 years, an impressive financial indicator for an organization of our size.
- Prepaid Expenses
 - The organization has paid a \$1,000 deposit to Maryland National Golf Club to reserve a 2019 monthly golf tournament date. Once this tournament event occurs this prepaid expense will be recognized on the organization's Income Statement as a tournament expense and will be removed from the asset section of its Balance Sheet.
- Accrued Expenses and Deferred Revenues
 - Included in the \$3,463 of accrued expenses is a \$1,100 Board Approved payment for the rescheduling of two tournament dates in 2017 that occurred due to rain outs along with some additional 2017 Potomac Challenge expenses that have yet to be billed to the organization. Additionally there is \$759 of accrued expenses shown within the current income statement that will be paid by the end of the fiscal year.

- \$465 of Deferred Revenues (member credits) are shown within the liabilities section of the Balance Sheet. These credits exist due to members registering and paying in advance of a golf tournament date and then having to cancel far in advance of the tournament date. These credits will ultimately be used as payment for upcoming monthly golf tournaments or for Membership Dues payments in 2019.

Summary

After 11 ½ months the Free State Seniors Golf Association of Maryland has achieved favorable financial results (\$642) in comparison to its FY18 Board Approved Budget. This favorable variance can be primarily attributed to its paid membership, which is contingent upon the scheduling of monthly golfing tournament venues that members support and enjoy playing, along with the Board of Directors adhering to the financial policies it has established. It is anticipated that by the end of the fiscal year this favorable FY18 budgeted bottom line variance of \$642 will increase by an additional \$314 to \$956.

Recommendations:

The Treasurer recommended the reversal of two expense items accrued by the Treasurer more than one year ago, but were never billed. These transactions total \$2,642 and are currently shown on the organizations balance sheet as an outstanding liability.

A motion was made by Jim Horn to reverse both of these transactions, seconded by Bill Parks and approved unanimously.

A motion to approve the treasurer's report was made by Bill Parks, seconded by Jim Foster and passed by unanimous vote.

Executive Secretary's Report – Bill Stricker

Bill commented that he may have overlooked the fact that we budgeted an extra \$3.00 per person for each tournament and has not made that part of the entrée fee.

We have Chester River scheduled for Monday, October 22. As of this date we have 74 players, of which 8 are board members.

University of Maryland has been rescheduled for November 5 at 11:00 am.

Bill has a contract for Deerfield Golf Course for June 24, 2019. He asked and received approval to move forward with action from the board.

The schedule is almost complete for 2019

- April 22 – Argyle
- May 20 – Maryland National
- June 24 – Deerfield
- July 15 – Elkridge
- August 12 – Rolling Road
- September 19 – Fountain Head
- October ? – Turf Valley

Potomac Challenged is scheduled for October 23-24

The November board meeting has been moved to November 15

Golf Committee – Jim Horn

There is no report since we have not had any tournaments since the last meeting.

Planning Committee – Jim Foster

Jim reported the he, Gary Manion, Mike Myirski, and Jim Wilcox traveled to Leesburg, VA, to play Raspberry Falls Golf Course. The course was not in its best condition because of the amount of rain, but was still a fun course to play.

A handout of the Five Year Plan was passed out. Some changes were introduced from the previous year plan. Gary Manion explained that those changes were primarily that we had allowed for some higher than normal expenditures (trophies, awards, etc.) in previous years. Those things are now incorporated to this plan. It will change if we have additional expenditures arise. In order for the organization to sustain itself, it should try to achieve a slight profit between 1% and 2%.

A motion to approve the Five Year Plan was made by Jim Horn, seconded by Tom Kline, and approved by unanimous vote.

Membership and Publicity Committee – Bill Parks

No report at this time.

Nominating Committee – Jim Wilcox

Jim Wilcox was not present. Bill Stricker stated that he was able to get John Blouse from Winters Run to agree to serve as a board member. He would win by acclamation since he does not have anyone to run against. We still have one more position to fill.

Distinguished Seniors Committee - Tom Kline

There are no recommendations for this year.

Audit Committee – Bruce Cowan

Bruce reported on the audit meeting with Gary Manion. Gary's work with the Free State savings and checking accounts remain exemplary. His reports, associated records, and observance of tax codes are reassuring for this organization.

Gary suggested one recommendation: The Free State Senior Golf Association should purchase an accounting system (ex. Quicken) to simplify reporting to the board and membership, and easier for someone else to step in case the treasurer is incapacitated.

A motion was made by Bill Parks to purchase an accounting system for the FSSGA, seconded by Jim Horn and approved by unanimous vote.

Wally Engle Committee – Jim Horn

The tournament was completed as of October 17. Prospect Bay defeated Manor by a score of 13 to 5.

Web Master – Ed Baur (not in attendance)

Ed was not present to provide any report.

Old Business

Gary is still monitoring the Player of the Year. The award will be awarded at the first event of 2019 at Argyle.

The Bylaws report will be given at the November 15 meeting.

New Business

No new business.

A motion to adjourn was made by Jim Horn and seconded by Bruce Cowan. The meeting was adjourned at 11:22 AM. The next Board of Director's meeting will be November 15, 2018, at Rolling Road Country Club.