



MEETING MINUTES

Association **KPGA**
Meeting **Board of Directors Meeting**
Date **August 22nd, 2012**
Location **Greenbrier Golf & Country Club**

MEMBERS PRESENT

Pete Garvey, Ralph Landrum, Brad Morrow, Garry Nelson, Chris Osborne, Chris Redle, Kelly Williams

MEMBERS ABSENT

Gary Bebelaar, Steve Shafer, Mike Thomas, Blake Watts

STAFF PRESENT

Steve McMillen, Erin Bell & Bill Coomer

GUEST PRESENT

Dick Bradow

CALL TO ORDER

Chris Osborne, President called the meeting to order at 5:54 p.m.

APPROVAL MINUTES

The previously distributed minutes were reviewed by Directors. Mr. Osborne called for any questions, changes or comments on the minutes.

Pete Garvey moved to approve the minutes as presented. Brad Morrow seconded the motion. Motion approved (unanimous)

FINANCIAL REPORT

Kelly Williams reported the Variance report in the financial report was a good summary of the profit and loss through the second quarter. Mr. Williams highlighted account 6900 PGA Meetings was over budget due to two Annual Meetings and the District 10 meeting all being held in the same term, without a proper budget oversight.

There was a consensus Board members need to have a better understanding of the financial condition of the Section. The new chart of accounts and reports will greatly help this issue.

It was discussed there is a need to know as a Board what is going on with the Financials, outside of the knowledge that the Executive Director possesses. The Board needs to be more aware of the finances, which was the reason behind the formation of the Finance Committee.

There was also a sizeable expense item in the Audit.

Mr. Williams reported the Board needs to approve the draft Audit report in order for DMLO to finalize a report and presentation.

Chris Redle moved to approve the audit draft. Ralph Landrum seconded the motion. Motion approved (unanimous).

Mr. Williams also reported that the Ryder Cup Tickets currently held by the KPGA can be sold at face value and when this occurs, the proceeds will be donated to the Foundation.

Chris Redle moved to approve the financial report. Garry Nelson seconded the motion. Motion approved (unanimous)

PRESIDENT'S REPORT

Mr. Osborne reported Chris Brown has resigned from the KPGA Board because of the lack of time he is able to contribute to the Board with his new business venture. He recommended Pete Garvey to chair the Education Committee. After discussion, it was determined Mr. Osborne will send an email to District 3 members notifying them Mr. Brown resigned and to find out who would be interested in being appointed the Interim Director. Mr. Osborne must be contacted by interested parties no later than September 8, and must be able to attend the strategic planning retreat scheduled for October 17-18. Mr. Osborne will ask the Board for an approval of his appointment.

Mr. Osborne congratulated to Keith Ohr for his Kentucky Open victory & John Bachman for his Kentucky PGA Professional Championship victory. He thanked Ralph Landrum for presenting at the Open and Bill Coomer and the staff for their efforts at the Open.

Mr. Osborne pointed out conference calls are not the optimal method of meeting, but it may be more feasible method of meeting in the summer months, especially with the attendance at this particular meeting. He assured the Board he plans to keep conference calls at a minimum.

Mr. Osborne reported the Fall Leadership Conference will be held in Minnesota in September. He also mentioned Active.com is now being used for Play Golf America activity. Active is a reseller, however, unlike others like Golf Now their focus is on events not just tee times. The positive of using Active is people pay up front, thus reducing no-shows.

Finally, Mr. Osborne reported on the hiring process for the new CEO of PGA of America. The search firm hired has presented candidates to the hiring committee and most likely a communication in regards to the selected candidate will be made between the Ryder cup & PGA Annual Meeting.

EXECUTIVE DIRECTOR REPORT

GHK Organizations

Steve McMillen reported Kentucky PGA is compliant with ADP and PPS items. He discussed the current projects of each GHK staff member. Pete Garvey complimented Patsy Fitzpatrick's efforts and speed in assisting him in adding an ESC information screen to his handicap computer. Mr. McMillen reviewed the upcoming tournaments and meetings for the Family of Organizations. He mentioned a couple of important changes that arose from the KGA-PGA meeting (occurring 2 weeks prior to this BOD Meeting): the Foundation Pro-Am has been postponed for 2012 and will be brought back in 2013 with new ideas to better tell the story of the Foundation. The Patron Program is also being reevaluated and will not be sent out at its normally scheduled time. Hugh Hines has been named chair to improve this program.

There was discussion about GHIN becoming cloud based in the future. This has occurred in a few select markets and will rollout more fully nationwide next year. Golf House Kentucky will look into this project more in depth after other current updates to various programs have been completed (i.e. Digital Properties, Corporate Partners Program, etc.)

Mr. McMillen reported on the success of PGA Golf Day which has currently raised \$33,270. The Kentucky PGA is currently ranked 5th nationwide in this effort. This has generously added funding to the Foundation. Kelly Williams and the GHK staff were given kudos for their efforts.

Mr. McMillen made a presentation on KGA-PGA, Inc. DBA Golf House Kentucky. The idea behind this branding is that the KGA-PGA needed a name, a logo and who we are statement the general public could better understand.

COMMITTEE REPORTS

Assistants/Apprentices Division

Chris Redle reported that Blake Watts won the Assistants Championship and thanked the staff and Champion Trace G.C. for their hard work at this event.

Membership

Ralph Landrum did not have an update from the Membership Committee.

Communications

Mr. Williams did not have an update from the Communications Committee.

Employment

Dick Bradow gave a Golf 2.0 update. He explained the current Golf 2.0 reference materials are very extensive and the PGA has developed a Know Your Customer Tactics booklet to condense the ideas outlined in previous publications. All Golf 2.0 publications are available on the Golf 2.0 website. The PGA is attempting to slow down the rollout of the 12 initiatives so Professionals will have a better understanding of each initiative and how to achieve success with them.

Mr. Bradow reviewed the Active.com partnership previously discussed.

He then reported the Compensation Survey had a 63% completion rate. This percentage is similar to what it has been in past years, and normally would have placed Kentucky in the top of the Sections nationwide; however, an increased activity among other Sections has changed this.

He also reported on CareerLinks activity and announced Quail Chase is looking at hiring PGA Professional. He explained that movement is cyclical.

Mr. Bradow reviewed the CPP 2.0 Program that is live. This is a revamped curriculum with more electives and more flexibility. The cost of the Program is \$350. The current certifications that are live are Golf Operations, General Management & Player Development. An Instruction Curriculum will be added soon.

He next reported on Get Golf Ready. The PGA is currently looking into getting into non PGA facilities (smaller 9-hole, par 3 or “mom & pop” facilities) and possibly asking PGA Life Members and professionals in between jobs to visit these facilities to introduce Get Golf Ready Programs.

Mr. Garvey asked about the current unemployment percentages. Mr. Bradow reported Nationally PGA members are at 2.3% and Kentucky is at .5%. He explained this figure is skewed because members are not

included in the unemployment figures if they are dropped from membership rolls for nonpayment of dues or go to Inactive status. There was a discussion about this being a supply & demand issue, the effectiveness of PGA PGM programs and how Golf 2.0 relates to this issue.

Golf 2.0

Mr. Landrum reported he highly recommends the Junior Golf Academy, as it is very valuable. He also would like to challenge the membership at the Fall Meeting to get involved with the PGA Junior Golf League. These events are easy to run & great for those “non-elite” juniors. He thinks it would be great to have a Section Championship. Mr. Bradow mentioned there is a great video that could be presented along with this challenge.

Mr. Landrum also reported that \$2,000 must be used for Get Golf Ready. He recommends a statewide Get Golf Ready event be conducted. He has already reached out to numerous professionals and will expand his communication across the state. The money will be used to promote via media. There was a brief discussion that the Section should fund the hiring of a Golf 2.0 professional to work in the field as part of the Golf House Kentucky staff. This item was tabled to and will be discussed in future board meeting in old business.

Junior Golf

Mr. McMillen reported the Kentucky Junior Tour Summer events have concluded and the Fall Series will begin this weekend. He discussed the current Junior Tour model is stale and has challenged the staff to evaluate and improve upon it by: focusing on quality, not quantity, making the tour relationship-based. He reported Kelly Newland currently is conducting a SWOT analysis and anyone with comments should contact Newland.

Education

Mr. Garvey reported he would like to expand the committee to include assistants, so they will be more successful. He would also like to focus on having more business related topics during the Fall Meeting & instruction related topics at the Spring Meeting.

Special Awards

Garry Nelson reported Special Awards nominations will go out on Oct. 1st and a reminder will be sent out each week to ensure the highest possible participation.

Sponsorship

Brad Morrow presented a KPGA Fall Vendor Expo proposal. “The idea behind hosting this type of event is to produce a mutually agreeable scenario where our members can utilize the presence of multiple vendors in one location that can be tied to our KPGA Fall Meeting schedule. This idea will help our sponsorship commitments to our endemic partners and also allow our members of the KPGA to see vendors from these facilities that may be difficult for the vendors to reach them on an individual basis. The KPGA will allow the vendors to set up and set appointments during the latter part of the Fall Meeting and into the next day. This concept can also be tied in with the proposed Corporate Partnership Program.” Mr. Morrow is using this idea as a discussion starter to generate further conversation and has spoken to a few vendors who are very receptive to the idea. This is how vendor shows were conducted in the past and gives more of an “expo” feel to the Fall Meeting, allowing the sponsors more face time. The Fall Meeting of 2013 would be the target date for this activity and Mr. Morrow will conduct a further discussion at Fall Planning Session.

Mr. McMillen is conducting a vendor appreciation event at Golf House in the near future & will address this subject with them at this time.

Tournaments

Mr. McMillen reported the Tournament Committee is meeting in September and broaching two important topics: scheduling & pace of play. The scheduling discussion will include getting the major events spread out on the calendar a little more and conducting championships at a time when course conditions are optimal (for example, the Professional Championship deadline is not until October & the event is currently held in July). The current once a month format may be taxing to all parties. It was discussed it is not always feasible to have a complete schedule formalized by the December meeting, but it is always the intention. There was a discussion about when championships are currently held & their current “due dates.”

Mr. Landrum brought up the Tournament Committee should evaluate the criteria of allowing amateurs with an Official Handicap Index at a KPGA member club to play in the Kentucky Open even if they live outside of the state. Mr. Landrum commented Traditions Golf Club may stop using our handicap computation services because of this policy.

Bill Coomer reported Olde Stone is scheduled for next year’s Kentucky Open; however, they are in the hunt for the 2014 NCAA Championships. As a result they would be required to host the 2013 Preview, which could cause a conflict with the Open and we be asked to move the Open.

OLD BUSINESS

Strategic Planning Session (format and agenda)

Mr. Osborne presented the proposed agenda for the Strategic Planning Session. The meeting will be held October 17-18 at Idle Hour Country Club. This is a new event has been talked about for a long time, but has never been formalized. Board Members were asked to look at a list of potential topics and pick their top 5 to be discussed & report these findings to Chris Osborne and Steve McMillen. Mr. McMillen will send out an email to the Board to complete a ranking survey.

NEW BUSINESS

Digital Properties project budget request

Mr. McMillen presented a budget of 12,000 for the Digital Platform project. The budget will cover the cost of a new website, mobile APP, and graphics for e-newsletters per the communication initiatives. He reported each individual GHK organization would have a proportion of project to pay. The amounts are; KGA-PGA, Inc. - \$3300, KGA - \$3300, KPGA - \$3300, Kentucky Senior Golf Association - \$2100. There was a lengthy discussion about how this would be paid out and shown on the P&LO. The KGA-PGA will pay the initial bill and then bill the other organizations.

Chris Redle moves that KPGA approves up to \$3300 to approve the Digital Platforms Project with the expense showing as a prepaid expense for 2013. The motion was seconded by Garry Nelson. Steve McMillen advises that this is an acceptable accounting practice. Motion approved (unanimous)

Corporate Partners Program

Mr. McMillen presented the Golf House Kentucky Corporate Partners Program. This unique approach was developed to address the challenge of corporate partners for each individual GHK organization. The concept is to develop relationships with a limited number of corporations by leveraging the Kentucky’s Family of Golf Organizations assets as a group rather than as individual organizations.

The top tier would be 3-5 Official Patrons (at \$15,000) and the other tier is 5-8 Official Supporters (at \$7,500). This would serve the 5 major events of the entire organization: Kentucky State Amateur, Kentucky Open, Kentucky Junior Amateur, Kentucky Senior Amateur and the Junior Golf Tour.

This would be a 3-year deal. Official Patrons can upgrade by \$5000 to be a title tournament sponsor – this money would not be split among the organizations, but go to the applicable organization associated with that event. Mr. McMillen said he has met PNC Bank and is scheduled to meet with Humana soon testing the concept and has received positive feedback. Mr. McMillen reported these relationships would be formalized with a sponsorship agreement, and he has been provided from the PGA a great sponsorship agreement template to use. Because the concept requires the sharing of partners, the funds generated would be split among the individual GHK organizations proportionally. All organizations want or need sponsors but this does not always lend itself to a long term relationship. Kentucky is unique to be able to unite as a family. This will only affect the Kentucky Open, as far as the KPGA is concerned. Focus is on non-endemic sponsors. Mr. Williams reported that he had seen the presentation in the KGA-PGA meeting and fully supports the Program.

Ralph Landrum moved to approved Corporate Partners Program, as proposed 100%. Brad Morrow seconded the motion. Motion approved (unanimous)

Tee Pass

Mr. Osborne reported the current Tee Pass program is broken. A document was presented showing there has been only 111 Tee Pass sold in 2011 and the program will lose money. Mr. Osborne said these types of programs across the state are having difficulties

Kelly Williams moves to put Tee Pass on hold for 2013 & have staff review the project & present new ideas to possibly launch no sooner than 2014. Chris Redle seconded the motion. Motion approved (unanimously)

PGA Annual Meeting

Mr. Osborne expanded upon the discussion in the Financial Report the District 10 and PGA Annual Meeting expenses were over budget because of a lack of communication, understanding and institutional control. The Board gained knowledge from this experience and will be better educated in the future. There was a lengthy discussion about the lack of budget money for the upcoming Fall Meeting. The intent is not to discourage members from attending this meeting but to also control all costs very carefully. There was an in depth review of how the numbers were assigned on the budget.

Kelly Williams moved for the November 2012 PGA National Meeting we modify our PGA National Meeting Attendance Policy that we eliminate the expense of the extra day outlined in item #3 of the policy for the board members in attendance. Ralph Landrum seconded the motion. Motion approved (unanimous)

ADJOURNMENT

Garry Nelson moved to adjourn the meeting. Kelly Williams seconded the motion. Motion approved (unanimous)

The meeting was adjourned at 10:16 p.m.