
ASSOCIATION MEETING MINUTES

Association Kentucky PGA
Meeting Board of Directors Meeting
Date February 22, 2015
Location Embassy Suites Lexington

Members Present

Jamie DeKeuster, Pete Garvey, Craig Heibert, John Kells, Kris Kleinsasser, Ralph Landrum, Garry Nelson, Chris Osborne, Barry Payne, Chris Redle, Larry Ward, Kelly Williams

Members Absent

none

National Staff and Guests Present

Dick Bradow

Staff and Guests Present

Bill Coomer, Erin Horn, Steve McMillen, Kim Shafer, Chris Redle

Call to Order

President, Kelly Williams called the meeting to order at 4:01 p.m.

Approval of Minutes

The minutes from the January 29 and February 19, 2015 Board of Directors Meetings (which were previously distributed), were reviewed. There was a small attendance correction to be made on February 19 meeting.

Jamie DeKeuster made a motion to approve the minutes as written. Craig Heibert seconded the motion. Motion carried (unanimous)

President's Report

Mr. Williams welcomed new board members Barry Payne and John Kells. He thanked and congratulated Jamie DeKeuster and Chris Redle on their board service and new positions. Both board seats will be replaced by a special election at the Spring Member Conference. Mr. Williams thanked everyone for their participation on the February 16 conference call. His message theme for the conference will be for KPGA members to try new things, get out of their comfort zones, and grow revenues (personally and at facilities). He is focused on supporting five initiatives: middle school golf, KPGA amateur tour events, growing handicaps (most important initiative to get all KPGA members to do), digital golf pass and Kentucky PGA REACH Charity Classic on August 3 at Valhalla Golf Club. Valhalla has given the Kentucky Golf Foundation an extremely good rate per golfer (\$180 per player, complimentary for PGA Professionals) for the event and we're lucky to have that PGA relationship with them. He asked the board to promote the event – there is always a small customer base at each facility that would be interested. The entry fee is expected to be \$2,500 per team (exploring playing as foursomes or fivesomes with a Professional) and 18-20 are needed to make the event a success. Mr. Williams explains he knows KPGA members cannot always accomplish all five initiatives, but should look to adopt 2-3. The Family of Organizations is not healthy and these methods would go a long way to improve that, otherwise raising the dues structure may be the motivating factor.

The PGA of America announced their acquisition of PGA Junior League Golf from League Golf Sports to Executive Directors this week (will formally announce tomorrow). It will be good to have this under the PGA Foundation with a new website. The immediate impact and any price changes are unknown at this point. Mr. Williams thanked the KPGA Officers and staff for their work. With the election coming up for the fall, directors should consider getting involved as an officer. There was a discussion about PGA Junior League, including Professionals creating their own leagues, regional and state events being very effective, stableford formats at some junior events and the ability to “pick up” after so many shots.

Vice President’s Report

Ralph Landrum stated he fully supports Mr. Williams’ five initiatives. He also stated that if something doesn’t pay for itself he believe it isn’t sustainable. He asked for questions on the previously distributed finance report. There was a loss of \$25,000 shown because of the pledge payoff of \$160,000. He complimented the staff, who have greatly reduced and kept on top of expenses. There was a discussion about where funds from the KPGA Amateur Tour and Middle School Golf initiatives go. The funds will stay with the KPGA and then be turned over to the joint body. The Amateur tour will have approximately six events in year one and conclude in mid-October, being managed similar to club championships. There was a discussion about marketing and social media presence for the tour versus the GolfWeek Tour’s efforts. It will be marketed through the golf handicap base. Initiatives like this open the doors for the development of a Marketing Committee.

The Operations/Checking Account was in excess of \$72,000 as of the end of year, compared to last year. Does the excess need to be moved to the Vanguard account, per previous board motions of only keeping a certain amount of funds in this account? The minutes from previous meetings will be reviewed and the proper amount of money will be moved per that motion. The KPGA is also budgeted to make a nice profit in 2015, and this will most likely have to be done again.

Garry Nelson made a motion to move any future overages in the Operations and Reserve Account to the Vanguard Account. Jamie DeKeuster seconded the motion. Motion carried (unanimous)

In the Vice Presidents’ Breakout Session of the Annual Meeting, it was recommended to have a non-PGA member serve on the Finance and Investment Committees. Mr. Garvey has been asked to identify 2-4 potential candidates and provide their names to Mr. Williams, who will make appointments to the committees. This should be a two-year term, but those wishing to server can do so for consecutive terms. Mr. Williams recognized Mr. Nelson for his work in this area. A new person could take some unforeseen “heat” off Mr. Nelson.

Also in the Vice President’s breakout session information about the Section Accounting Service (SAS) was discussed. This is a free accounting service in its tenth year and utilized by 31 Sections. Mr. Landrum has spoken with Eileen Hartmann (Staff Accountant), Paul Levy, Tom Schoenbaechler and others about the service. The goals would be take advantage of a free professional service, allowing staff to focus on managing the business. It would be labor intensive in the first year, but could prove to save time in the long term. There was discussion about this not being adopted in the past because of issues with the joint body books. The PGA can provide this service to the KPGA and not the entire family of golf organizations. The program was started for Sections who struggled financially or with limited staff. A decision does not have to be made until June and the KPGA fiscal year would not have to change. Craig Heibert asked Mr. McMillen to share his thoughts on the idea. Mr. McMillen outlined his pros and cons: it’s an internet based system with cost savings, may reduce some staff workload, but financial reports may not be customizable. DMLO services would still need to be utilized for the other GHK organizations. There may be bank agreement issues because a Bank of America relationship is required. A secondary staff credit card may have to be issued, chart of accounts would change and checks would be processed out of state and take longer to reach tournament winners and those with

reimbursements. Mike Thomas and Gary Bebelaar should be contacted, as they were last officers to discuss the SAS. Many questions were raised and the consensus was to organize questions and present a united front before scheduling an online meeting with Ms. Hartmann with Mr. Schoenbaechler involved. Questions will be gathered and distributed to Ms. Hartmann, Mr. Schoenbaechler and Mr. McMillen to review and presented at the April meeting.

The KGA-PGA recently met to finalize the 2015 budget. With handicap revenue continuing to decline, the Kentucky PGA will need to help this year in order to balance the budget. Mr. Landrum stated there needs to be out of the box ideas generated to grow revenue. There was a discussion about raising KPGA dues and how much revenue that would generate. Mr. Landrum presented that idea that the KPGA accelerate the payoff of Golf House, which would stabilize the joint bodies' budgets. The KPGA does have the cash to accomplish this task. Righting the ship of the joint body will be a multiple year project. However if this was done the KGA should be asked to sign a 10 year agreement to continue contributing the net revenue from the handicap service. Mr. Landrum stated he felt it would be a good idea to do a five-year P&L projection for both the KPGA and KGA-PGA. Once this was done, the KPGA could look at options similar to what was done with the refinancing of Golf House. Mr. Landrum will reach out to Mr. Schoenbaechler to identify three firms to begin this project, or to conduct it on his own.

Chris Osborne made a motion to approve the financial report. Larry Ward seconded the motion. Motion carried (unanimous)

A break was taken for dinner.

Secretary's Report

Pete Garvey submitted the Secretary's report as written. Between now and the end of June there are 11 online PGA Required MSR courses available from National and up to 15 hours from Section opportunities. Mr. Garvey asked Dick Bradow if he could share some statistics from his Employment report with the membership on Monday. The KPGA is charge of appointing the next District 10 Director by the PGA Annual Meeting in late November. This person would shadow current Director, Rick Murphy in 2016. Mr. Garvey will call upon those interested to email him. They will then attend the Board Meeting in August where they will spend time campaigning. At the formal Planning Retreat Board meeting in October, an appointment will be made. Mr. McMillen will compile a list of duties and responsibilities and a letter from Mr. Garvey to distribute to the membership.

Executive Director's Report

Mr. McMillen gave some national updates. The Youth Safety Program requires anyone on staff or on site at junior program events to be certified. Names are submitted via an online report for a fee of \$5.80. A background is conducted and a credential is issued upon approval. Event hosts do not have to be certified. Coaches for PGA Junior League teams do. Financial Assistance Grants are due March 6 and Mr. McMillen will promote this through KPGA Weekly. The deadline to nominate someone for the PGA Hall of Fame is March 31 and there is a KPGA Member who has the potential of being nominated. It is possible an MSR hour will be offered to those who complete their online profile at the new PGA.org. Mr. McMillen explained the difference between revenue generating programs, sponsorship and fundraising for consistency. He had many good meetings at the PGA Merchandise Show, getting in front of national sales managers and VPs. Taylor Made and Callaway have agreed to Gold Sponsorship in 2015. Taylor Made has agreed to a 2-year deal. Corporate Partners for the family of organizations include Pepsi and Clark's Pump-N-Shop. They agree to this deal because of the leverage provided by being a family of organizations. He has two deals in the works with a bank and a golf company. There was a discussion about how revenue is divided from Corporate Partnership to the organizations. Kentucky Golf Captains will be a group (ideally 12 individuals) tasked with raising awareness for the Kentucky Golf Foundation using extensive contacts and passion for the game. Programs for the Foundation include Friends of Kentucky Golf (annual giving), Kentucky PGA Golf Day (has success every

other year, going to be a void with Mr. DeKeuster and Mr. Redle in new roles), the Kentucky PGA REACH Charity Classic and other special events that do not conflict with PGA REACH activities. He explained an activity with Garry Nelson where hockey players are involved in a golf outing at Lindsey Golf Course that would share proceeds. Revenues from Digital Golf Pass will go back to the Foundation in the form of a donation. Mr. McMillen passed around a Friends of Kentucky Golf donation form and challenged everyone to make a donation, which he will match up to \$100. Giving begins at the board level. There was a discussion about referring to the joint body as “they” versus “we.” There was a discussion about Mr. McMillen’s training under the Association of Fundraising Professionals of America, a license plate program, having a donor “wall” on kygolf.org and Kentucky Women’s Open sponsorship. Lexmark had first right of refusal on sponsorship of that event, but were not able to provide sponsorship this year.

Committee Reports

Assistants | Apprentices Division

Kris Kleinsasser’s report will stand as written. He will discuss the upcoming season and the group will elect a Vice President at their meeting.

Education

Craig Heibert submitted the Education report as written. The Pro2Pro Helpline Directory is now live on the website and he will provide a demo of its functionality to the membership at the meeting. If anyone is interested in being added to this directory, please contact Erin Horn. He commended fellow KPGA Professional, Josh Snider on the work he did on a webinar about the Certified Professional Program, which is awaiting approval from National before it goes live.

Employment

Mr. Bradow congratulated Mr. DeKeuster and Mr. Redle on their positions. He will discuss the PGA.org launch, the Compensation Survey, Careerlinks and the MSR deadline at the Member Conference. He passed around a report for the board to view that included information on job changes, PGA facility conversion, employment rates, golf courses that have closed nationwide (420). 61% of KPGA members have completed their MSR hours. Last year 75% completed the Compensation Survey, currently ranked fifth with a 31% completion rate. The goal is 70% in 2015 and the deadline is March 23. Last year 700 jobs were posted on Career Links.

Junior Golf Report

Larry Ward submitted his report as written. He commended Mr. Redle on a job already well done in the early stages of his new position. Mr. Redle thanked the staff and board for their assistance. He pledged the Junior Tour will be profitable in 2015. The schedule of events was distributed. He looks forward to keeping up his efforts (and marketing to a new base of families) with the PGA Golf Day. He recently helped present a check to the James Graham Brown Cancer Center and V Foundation at a Louisville Women’s Basketball game because of his 2014 efforts. He discussed the “3’s for V” initiative and how it could be easily adapted to golf. Kyle Twomey will be the USGA Boatwright intern for the junior tour in 2015. He worked with the tour in 2013 and did great things with the Illinois Golf Association last year. They are working in a five-stage process: finalizing the schedule, completing the handbook, listing event registration on Blue Golf and kygolf.org, developing partnerships for site preparation and tournament execution. In 2015, all members will get a golf handicap, all scores of 9-holes or more will be posted, low net prizes will be distributed to those who finish outside of the top three (once they have posted five scores), three regional events were added, non-members must pay \$25 to play in special events (to hopefully entice people to play), expanding eligibility to those who do not live in Kentucky but have a Kentucky handicap, expanding the use of caddies in younger 18-hole divisions in some events, adding a “circle 9” rule, creating a possible PTA style communication with parents and the addition of social media presence @TuckPGA and theme “Game On.” Two week revenue streams will be distributed once the season begins. The tour will hopefully expand into Northern Kentucky in 2016; they could not get a date at a

facility this year. There were discussion about Play with a Pro, sponsorship (would need to be “presented by” for branding reasons) and marketing events to high school coaches to attract new players.

Player Development

Mr. Landrum’s report stands as written. Discussions about the Middle School and KPGA Amateur Tour continue among this committee. There was a discussion about fees for PGA Junior League and those who have not paid for participating last year not being eligible for participation this year.

Sponsorship & Fundraising

Mr. McMillen will speak in his Executive Director’s Report at the Member Conference about this committee and the report stands as written. A list of sponsors will not be distributed at the meeting tomorrow, because the levels will change and new contracts will be completed by March 1. This avoids confusing the membership. Dever, Inc. and E-Z-GO will be recognized for their support of the conference. Steve Cisco and Club Glove will also be recognized, they are distributing a towel for each attendee tomorrow.

Tournaments

Mr. Kleinsasser will recognize the committee at the Member Conference in an effort to garner more feedback from players and highlight the changes for 2015. Bill Coomer is working with Joni Lockridge to allow TPP to promote events via PGA.org much in the same way that Blue Golf is able to do. He is currently conducting Town Hall type meetings of KGA Players for feedback and would like to do the same with professionals in 2016. Bushnell is now sponsoring the Player of the Year rankings.

A short break was taken.

Old Business

There was no old business on file.

New Business

Business Plan

Mr. McMillen reviewed the 2015 Business Plan, which had been previously distributed. Part One includes committee structure, main areas and Key Performance Indicators. Part Two is the “nuts and bolts” of the plan with five areas: Strategic Relations, Governance, Operations, Member Programs and Services and Player Development. There are 24 objectives and 74 individual action plans, please check in with Staff Liaisons on the progress of your specific objectives and their action plans. The goal is for 90% of the Business Plan to be successfully completed. There were questions about the numbers listed on the Scorecard Summary, the definition of successful on some tasks, adding the District 10 Director Appointment to Strategic Relations, adding budget being drafted by Fall Retreat as an Operations KPI, the Junior Golf Task Force members, Growth of the Game KPI needs to be changed to Player Development KPI, adding Mr. Landrum’s name to the Middle School Golf responsibility with Mr. Williams’.

Ralph Landrum made a motion to approve the Section Business Plan with the above-mentioned corrections. Craig Heibert seconded the motion. Motion carried (unanimous).

Fundraiser for Joint Body

Mr. Landrum presented an idea to reach out to each golf course to donate three tee times to be placed on Active.com to be sold with proceeds going to the joint body. The tee times can be for any time of year, done on a monthly schedule, the staff can decide the fee structure (look closely at the numbers and raise and lower them as needed), price bidding would be another option, this could be marketed through social media and tell the story of Kentucky PGA REACH. There was discussion of needing a handicap to bid on courses, allocating staff time used, KPGA Grant Restrictions, how money is allocated in the Kentucky Golf Foundation and using this idea for tee times and instruction. A draft plan will be written by March and Mr. Williams will contact Tom Cooksey and Jimmy Riddle to have them involved in the project.

The meeting was adjourned to move into an Executive Session.