

MISGA BOARD MEETING
DECEMBER 3RD, 2019
CROFTON COUNTRY CLUB
MINUTES

ATTENDEES:

Board Members in Attendance:

President - Malcom Peterson; Vice President – Jeff Hild; Treasurer - Gary Manion; Secretary -Chris Pariseau; Jim Wilcox – Associates Chair; Errol Myers – Audit Chair; Lloyd Stimson – Historian; Greg Morris – Tournaments Chair; Jake Jacobi – WEB Master; Tom Taylor; Tom Tarpley; Carl Lazar – Membership; Bob Hodges – MISGAGRAM; Pete Sorge – Events Chairman

Division 1 – Malcom Peterson (Prospect Bay)

Division 2 – Jeff Hild (Musket Ridge)

Division 4 – Wayne Rowland (Montgomery)

Division 6 – Gary Kramer (Univ of MD)

Crofton Country Club – Chuck Woods – (Host)

ABSENT:

Jim Ewalt – Counsel

The meeting was called to order at 10 AM

President's Report

Malcom Peterson welcomed everyone to the club and meeting. He asked all in attendance to introduce themselves to the group. Malcom Peterson then summarized the year and thanked everyone for their hard work and support. He remarked about the improvements to the web site, financial reporting and the successful tournaments that were conducted this year. He especially noted all the work that Gary Manion (treasurer) has done over the course of the year

Vice President's Report

Jeff Hild echoed Malcom's remarks and thanked everyone for their contributions to MISGA

Secretary's Report

Chris Pariseau reminded everyone that they had all seen the minutes from the previous meeting which were emailed to everyone before this meeting. He asked for a motion to accept the minutes as presented – Jeff Hild made a motion – was seconded - the minutes passed and approved unanimously by the members.

Treasurer's Report

Gary Manion provided the board with a financial report which included 2019 year-end report and a forecast budget for 2020. The 2020 proposed budget will be voted on at the February meeting and presented to the MISGA membership in April. The financial reports are attached at the end of the minutes.

Attached is a 4-page PDF file that provides the following information:

Income Statement Comparisons – (Actual through November 30, 2019, 2019 Full Year Projection, 2019 Approved Budget)

- Proposed 2020 Budget (Income Statement)
- Income Statement Comparison (2020 Proposed Budget vs 2019 Full Year Projection and 2020 Proposed Budget vs 2019 Approved Budget)
- Balance Sheet (as of November 30, 2019, Projected as of December 31, 2019 and Proposed Budget as of December 31, 2020)

There was discussion about the restricted endowment which was made to the organization many years ago. Gary Manion and Lloyd Stimson reviewed all the records with regards to the endowment. Several clarifications with regards to the finances were presented by Gary Manion via email after the meeting:

Just to set the record straight I believe there is a correction that needs to be made - it pertains to the date of the amount of interest earned on the Endowment account. The oldest financial records that I have start with January 2001 and the earliest financial information I have applicable to the Endowment is 5/8/2001 (not 1990). As of 5/8/2001 the balance of the endowment was \$5,000.50. From my perspective what that means is one of two scenarios:

- 1) In 1990 when the \$5,000 contribution was received and up until May 8, 2001 all interest earned on the endowment (except for 50 cents) was spent for its intended purpose or
- 2) The endowment was never separately invested and was comingled with the unrestricted cash balance and it only earned \$0.50 in interest applied to the endowment from 1990 to May 8, 2001.

Regardless of either 1) or 2) of above, the \$2,188.91 of interest you mention below, minus 50 cents, was earned from May 8, 2001, not from 1990.

* **Anonymous \$5,000 gift to subsidize the annual MISGA Past Presidents Tournament** – In 1990, an anonymous \$5,000 gift was made by a MISGA associate Merle Shumaker – (Crofton) to subsidize the prize pool of the annual *Past Presidents' Tournament*. The subsidy would begin in 1991. A Certificate of Deposit was to be purchased with the annual interest used to subsidize the prize pool. However, over the years, the MISGA treasury has provided a \$150 subsidy to the tournament. In addition, since 1990, the amount of unused interest accrued by the CD is \$2,188.91.

Treasurer Gary Manion and Historian Lloyd Stimson conducted an in-depth review of the: (1) MISGA BoD Meeting minutes, (2) MISGA Board Action documents (*both annual & cumulative*) and (3) MISGA

Championship Tournament history records. Their review revealed there is no written record of when the \$150 subsidy began nor by whom it was initiated.

Both Manion and Stimson recommended the \$150 subsidy continue. Manion elucidated the current 1.6% CD interest rate should yield an annual interest income of \$80. This income can be used for a portion of the \$150 subsidy and the MISGA unrestricted general operations revenue can be used to fund the remaining \$70 (*i.e.*, $\$80 + \$70 = \$150$). This recommendation was approved by the Board of Directors. (*BoD Meeting – 12/3/19*)

Division 1 Report – Malcom Peterson

Malcom Peterson announced that Bob Hodges is the new Division 1 Director. At the Div. 1 meeting, discussion involved the pace of play and recommendations about improving the pace of play. He mentioned that a recommendation was made to put some responsibility on the A player in the foursome to keep the group moving along.

Division 2 Report – Jeff Hild

Quail Valley Golf Course dropped out of MISGA. Gary Gafke will be the new Assistant Director for Division 2. Waverly Woods wants to join MISGA but has no one to serve as the MISGA Rep and become a MISGA club. Summer Frolic was poorly attended. Is this outing necessary or should we just have the meeting?

Division 4 Report – Wayne Rowland

Nothing significant to report. CJ Meyers has stepped down as Assistant Division Director. Looking for replacement for this position. Norbeck has reported dwindling membership.

Division 6 – Gary Kramer

There was nothing significant to report for Division 6, however, Gary asked what was the purpose for the Division reports? He didn't see the significance of these reports. Who uses them? Wayne Rowland agreed to look into the use of the reports to make them meaningful for the organization. This topic prompted some lively discussion among the Board members.

Counsel Chairman Report – Jim Ewalt

- NTR -

Associates Chairman Report – Jim Wilcox

The following associates report is at the end of the minutes

AUDIT Chairman Report – Errol Myers

All the audits for the state tournaments were nearing completion, the spring fling audit was in mid-stream and the overall MISGA audit was in the preliminary stage with the Treasurer

PP AD HOC, Committee Report – Tom Tarpley

Continued contact with Past Presidents and previous Awardees to solicit recommendations for dedicated service to MISGA is ongoing.

Events Committee Report – Pete Sorge

Working on the winter frolic. Many of the events are suffering from lack of participation. Most members are not traveling as far. This year's winter fling is in Florida.

Historian Chairman Report – Lloyd Stimson

The documents listed below are updated and currently posted on the MISGA website.

http://www.misga.org/Organizational/Past_Presidents.pdf & <http://www.misga.org/documents.htm>

1. Roster of MISGA's Presidents (1976-2019)
2. Roster of MISGA's Board Members (1976-2019)
3. MISGA Board Actions - 2019
4. MISGA Board Actions - Cumulative (1983-2018)

Membership Chairman Report – Carl Lazar

The following clubs have expressed an interest in starting a MISGA club: Lake Presidential; Oak Creek; and Heritage Shores. No reps have stepped up to start. Discussion followed about "rent a MISGA rep" to help these clubs get started. More to follow. This needs further discussion.

MISGAGRAM Chairman Report – Bob Hodges

The next MISGAGRAM will be published in December of this year. Please submit articles by Dec 20th

Rules and Handicap Chairman Report – Wayne Rowland

Wayne reviewed some of the changes in the new rules and highlighted many of the ones that will directly affect our pace of play and how the handicap system will work. Key highlights of the changes will be the tee box from which you play. The weather and course conditions will also affect your handicap. The system will update handicaps on a daily basis. Here are the most important rule changes:

20 Most Important USGA Rule Changes of 2019

1. Search Time (Rule 18)
 - a. Reduced from five minutes to three minutes
2. Ball moved during search (Rule 7)
 - a. Replace no penalty
3. Embedded Ball (Rule 16)

- a. Free relief anywhere in the General Area (formerly called Through the Green)
4. Measuring a drop Club-length (definition)
 - a. The length of the longest club in a player's bag other than the putter.
5. Dropping the ball in Relief Area (Rule 14)
 - a. Drop from knee height (not shoulder height)
6. Ball Dropped in Right Way Must Come to Rest in Relief Area (Rule 14)
7. Wrong Green (Rule 13)
 - a. Taking stance on the wrong green is no longer allowed.
8. Ball unintentionally hits the player or equipment (Rule 11)
 - a. No penalty
9. Double Hit (Rule 10)
 - a. No penalty; now counts as one stroke.
10. Touching sand in bunker (Rule 12)
 - a. Touching sand in bunker incidentally is permitted
11. Loose impediments (Rule 15)
 - a. Loose impediments can be removed anywhere on the course (including bunkers and penalty areas).
12. Unplayable ball in the bunker (Rule 19)
 - a. Options for one stroke penalty
 - i. Stroke and distance
 - ii. Back-on-the line relief in bunker
 - iii. Lateral relief in bunker
 - b. Dropping a ball outside of a bunker – two stroke penalty
13. Penalty Areas (Rule 17)
 - a. Water hazards – now called Penalty Areas
14. Touching the ground and water in Penalty Areas (Rule 17)
 - a. Touching ground in a penalty area – no penalty (can ground the club)
15. Ball moves on the green after being marked and put back (Rule 13)
 - a. Replace without penalty
16. Ball accidentally moved on the putting green (Rule 13)
 - a. Replace without penalty.
17. Repairing damage on the green (Rule 13)
 - a. All damage to the green can now be repaired.
18. No positioning the club to help line up the shot (Rule 10)
 - a. You must not take a stance for the stroke using any object that was set down to help in lining up your feet or body.

19. Hitting the flagstick (Rule 13)

- a. Putting with the flagstick in the hole is now allowed.

20. Ball Wedged on the flagstick (Rule 13)

- a. If any part of the ball is in the hole below the surface of the putting green, the ball is treated as holed even if the entire ball is not below the surface.

Policy and Planning Chairman – Jeff Hild

Discrepancies in the MISGA state tournament instructions as to Mixed Club Partners in the Two-Person Tournament

- Discussions are still underway.
- No recommendations yet.

Suggestion to amend the MISGA Guidelines document to be numbered like the MISGA Constitution and Bylaws

- Draft revisions are being made to be presented to the Board.

Suggestions have been made to amend the MISGA Bylaws to clarify the sections on succession planning

- Suggestions are being evaluated.
- No recommendations yet.

Tournament Chairman Report – Greg Morris

Tournaments for this year will be held at Holly Hills and Norbeck. The tournaments will be spaced farther apart. One in July and the other in September. Trying to reduce the cost to entice more people to play. Two flyers will be sent to all divisions to alert all members of the tournament schedule. Possible changes to the tournament format being considered: earlier start time; change from a plated diner to a buffet style menu will hopefully reduce the costs. Will also be looking at other clubs who have expressed an interest in hosting a tournament. “Super Seniors” tournament being considered and up for discussion.

Web Master Report – Jake Jacobi

Jake keeps the web site up to date. He added the new rules of golf. There is a world handicap link – flyers for this year’s tournaments – remove the clubs that have dropped out of MISGA – deleted obsolete material.

NEW BUSINESS

Change in leadership. Jeff Hild became the new President of MISGA for 2020. Jeff presented Malcom Peterson with a gift clock from the MISGA board. Malcom once again thanked everyone for their help and support

Next a motion to nominate Wayne Rowland to the Vice President position. Nomination was made, seconded and he was voted into office unanimously.

After the elections – the meeting was adjourned at 12:27 pm.

MISGA
Income Statement
For the Periods Identified

	Actual 1/1/2019 thru 11/30/2019	2019 Projection (Full Year)	2019 Budget (Full Year)	Variance (Projection vs Budget)
Revenues				
Associates Dues	\$ 22,680	\$ 22,680	\$ 20,110	\$ 2,570
Club Dues	2,150	2,150	1,950	200
Total Dues	\$ 24,830	\$ 24,830	\$ 22,060	\$ 2,770
Interest Income	(14)	13	395	(382)
Total Revenues	\$ 24,816	\$ 24,843	\$ 22,455	\$ 2,388
Expenses				
Division Operations	\$ 11,125	\$ 11,125	\$ 8,750	\$ (2,375)
Business Insurance	2,760	2,760	2,760	-
Travel	1,320	2,800	2,800	-
Tournaments Subsidy	1,645	1,645	1,510	(135)
Board Meetings	395	1,000	1,000	-
Trophies and Awards	679	1,179	1,175	(4)
Supplies	454	600	600	-
Scheduling System	500	500	500	-
Contingency	-	2,100	2,100	-
Total Expenses	\$ 18,878	\$ 23,709	\$ 21,195	\$ (2,514)
Profit / (Loss)	\$ 5,938	\$ 1,134	\$ 1,260	\$ (126)

MISGA
Comparative Balance Sheets
For the Periods Identified

	11-30-19 Actual	12-31-19 Projected	12-31-20 Budget	11-30-19 Actual	12-31-19 Projected	12-31-20 Budget
ASSETS						
Cash and Investments						
Checking Account	\$ 11,954	\$ 7,123	\$ 7,378	\$ -	\$ -	\$ -
Savings Account	1,465	1,465	1,466	-	-	-
Certificate of Deposit	15,000	15,020	15,260	-	-	-
Total Unrestricted Cash & Investments	\$ 28,419	\$ 23,608	\$ 24,104	\$ -	\$ -	\$ -
Restricted (Endowment)	5,000	5,007	5,020	\$ 27,581	\$ 27,581	28,615
Total Cash and Investments	\$ 33,419	\$ 28,615	\$ 29,124	\$ 27,581	\$ 27,581	28,615
Prepaid Expenses (insurance)	\$ -	\$ -	\$ -	5,938	1,034	509
Accounts Receivable	\$ 100	\$ -	\$ -	\$ 33,519	\$ 28,615	\$ 29,124
TOTAL ASSETS	\$ 33,519	\$ 28,615	\$ 29,124	\$ 33,519	\$ 28,615	\$ 29,124
LIABILITIES						
Accrued Expenses						
Deferred Revenues						
TOTAL LIABILITIES						
NET EQUITY / FUND BALANCE						
Beginning of Year						
Current Year's Profit / (Loss)						
Total Net Equity / Fund Balance						
TOTAL LIABILITIES AND NET EQUITY	\$ 33,519	\$ 28,615	\$ 29,124	\$ 33,519	\$ 28,615	\$ 29,124

MISGA

Income Statement Comparisons - 2020 Budget to 2019 Projection and 2020 Budget to 2019 Budget
For the Periods Identified

	2020 Proposed Budget	2019 Projection (Full Year)	Favorable (Unfavorable) Difference	2020 Proposed Budget	2019 Approved Budget	Favorable (Unfavorable) Difference
Revenues						
Associates Dues	\$ 21,545	\$ 22,580	\$ (1,035)	\$ 21,545	\$ 20,110	\$ 2,470
Club Dues	2,000	2,150	(150)	2,000	1,950	200
Total Dues	\$ 23,545	\$ 24,730	\$ (1,185)	\$ 23,545	\$ 22,060	\$ 2,670
Interest Income	320	13	307	320	395	(382)
Total Revenues	\$ 23,865	\$ 24,743	\$ (878)	\$ 23,865	\$ 22,455	\$ 2,288
Expenses						
Division Operations	\$ 10,090	\$ 11,125	\$ 1,035	\$ 10,090	\$ 8,750	\$ (2,375)
Business Insurance	2,851	2,760	(91)	2,851	2,760	-
Travel	2,800	2,800	-	2,800	2,800	-
Tournaments Subsidy	1,510	1,645	135	1,510	1,510	(135)
Board Meetings	1,000	1,000	-	1,000	1,000	-
Trophies and Awards	1,575	1,179	(396)	1,575	1,175	(4)
Supplies	600	600	-	600	600	-
Scheduling System	500	500	-	500	500	-
Contingency	2,000	2,100	100	2,000	2,100	-
Total Expenses	\$ 22,926	\$ 23,709	\$ 783	\$ 22,926	\$ 21,195	\$ (2,514)
Profit / (Loss)	\$ 939	\$ 1,034	\$ (95)	\$ 939	\$ 1,260	\$ (226)

MISGA
Income Statement Budget
For the Twelve Months Ending December 31, 2020

Budget	Assumptions and Notes
<u>Revenues</u>	
Associates Dues	Assumes Associates Dues @ \$10 per Associate and a 5% reduction in Associates when compared to 2019 actual Associates Dues of \$22,680
Club Dues	Assumes Club Dues @ \$50 per Club and a 5% reduction in number of Clubs
Total Dues	
Interest Income	Assumes \$20,000 is invested at a 1.6% Return
Total Revenues	
\$ 21,545 90%	
2,050 9%	
\$ 23,595 99%	
320 1%	
\$ 23,915 100%	
<u>Expenses</u>	
Division Operations	Assumes Division Payments will equal 2019 payments less the 2020 Budgeted Associates Dues reduction from 2019 to 2020. (Equates to \$4.91 of Associates Dues Revenue)
Business Insurance	Includes General Liability and Directors and Officers (D&O) liability coverage.
Travel	Utilizes IRS approved mileage rate
Tournaments Subsidy	Keeps subsidy @ same level as previously approved Board action
Board Meetings	Assumes 4 Board meetings w/ room rentals & meals - doesn't exceed \$1,000
Trophies and Awards	Assumes \$875 for MISGA Championship golf tournament awards and \$600 for Green Jacket(s) and other awards & \$100 for outgoing President's gift
Supplies	Routine Supplies and Services, including annual webhosting fee, board packets distributed to all Board members and annual Quicken software subscription
Scheduling System	Tom Rowlett's scheduling system available to all MISGA Clubs
Contingency	If budgeted revenues do not materialize this budget category will cover the shortfall. This expense category is a potential source of funding should a project not currently in the budget be approved by the Board of Directors during 2020. (Equates to \$.93 of Associates Dues Revenue)
Total Expenses	
2,000 9%	
\$ 23,406 100%	
Profit / (Loss)	
\$ 509 2%	Equates to \$0.14 of Associates Dues

MISGA ASSOCIATE DUES SUMMARY FOR 2016, 2017, 2018 and 2019

TOTAL CLUBS	43	2016	2017	2018	2019			2016	2017	2018	2019			
DIVISION I	CLUB	PAID	PAID	PAID	PAID	1 YR DIFF		DIVISION IV	CLUB	PAID	PAID	PAID	PAID	1 YR DIFF
BEAR TRAP DUNES	125	57	65	0	0	0		ARGYLE	432	0	15	23	30	7
CHESTER RIVER	303	51	49	53	61	8		BLUE MASH	443	0	15	19	16	3
CHOPTANK RIVER	323	16	13	0	0	0		BRETTON WOODS	442	83	78	82	78	4
CRIPPLE CREEK	101	84	79	0	0	0		HOBBITS GLEN	434	118	109	104	96	8
EAGLE CREEK	104	43	40	28	20	8		KENWOOD	435	126	121	121	135	14
GARRISONS LAKE	117	57	52	55	49	6		LEISURE WORLD	441	72	66	63	60	3
HOG NECK	322	84	80	83	78	5		MANOR	437	96	101	105	100	5
HOOPER'S LANDING	126	8	8	16	15	1		MONTGOMERY	438	96	86	91	91	0
JONATHAN'S LANDING	121	24	15	0	0	0		NORBECK	440	82	82	70	39	31
MAPLE DALE	106	27	33	26	0	26								
PROSPECT BAY	309	67	76	62	55	7								
ROOKERY NORTH	111	46	34	0	0	0								
WILD QUAIL	115	50	28	21	20	1								
Division Totals	7	614	572	344	298	46		Division Totals	9	673	673	678	645	33
DIVISION II	CLUB	PAID	PAID	PAID	PAID	1 YR DIFF		DIVISION VI	CLUB	PAID	PAID	PAID	PAID	1 YR DIFF
BEAVER CREEK	214	46	41	38	37	1		BAY HILLS	610	70	60	61	74	13
CHALLEDON	230	49	48	47	48	1		BOWIE	641	50	43	0	0	0
CRESS CREEK	231	35	0	31	31	0		CHARTWELL	623	33	39	39	39	0
EAGLE'S NEST	237	0	0	31	12	19		COMPASS POINTE	646	61	54	48	60	12
FOUNTAIN HEAD	233	24	24	63	49	14		CROFTON	625	106	108	107	105	2
GLADE VALLEY	224	54	53	52	55	3		CROSS CREEK	645	29	28	24	0	24
HOLLY HILLS	216	26	22	21	24	3		FAIRWAY HILLS	642	97	100	80	67	13
HUNT VALLEY	217	24	23	15	15	0		HAMPSHIRE GREENS	650	0	0	0	38	38
MUSKET RIDGE	232	78	72	74	67	7		NATIONAL(Tantallon)	629	56	57	52	48	4
QUAIL VALLEY	226	35	32	21	20	1		NORTHWEST GC	649	0	0	0	48	48
RATTLEWOOD	229	67	66	66	56	10		PATUXENT GREENS	627	40	47	47	0	47
SPARROWS POINT	220	29	29	25	24	1		TIMBERS OF TROY	647	73	70	75	83	8
WESTMINSTER NATL	227	25	23	21	27	6		UNIV. OF MD	630	42	48	44	40	4
WINTERS RUN	228	20	20	23	15	8		US NAVAL ACDMY	631	93	98	73	57	16
								WALDEN	636	7	9	9	6	3
								WOODMORE	648	0	70	77	175	98
Division Totals	14	512	453	528	480	48		Division Totals	13	757	831	736	840	104
YEAR	PAID							YEAR	CLUBS					
2019	2263							2019	43					
2018	2286							2018	44					
2017	2529							2017	49					
2016	2699							2016	55					
2015	2929							2015	56					
2014	3030							2014	59					

2013	3204							2013	62					
2011	3582							2011	68					
2010	3667							2010	65					