**Myrtle Beach Golf Holiday Annual Membership Meeting**

**Thursday, May 17, 2018**

**Agenda**

**Opening Remarks**

**MBAGCOA**

* Todd Woodard – Site Tech
	+ Overview on Historical Tourism Trends
* Revenue Management report
* Rounds Report
* Tim Dewitt – Capital One
	+ Golf Course Rebate Program
* ETS Software Update Requirement

**Myrtle Beach Golf Holiday**

* Audit Report
* By-Laws Proposed Amendments
* Board Seats
* Dues
* Fundraising Initiatives

**Golf Tourism Solutions**

* T-Links RFP Update
* Credits
* Spring Golf
	+ Communications Plan - Turf Conditions

**Closing Remarks**

***Slide Presentation Attached. Meeting shared between MBAGCOA and MBGH.***

**Myrtle Beach Area Golf Course Owners Association (MBAGCOA)**

Provided their meeting review to include: Grand Strand Economic Indications (include population demographics, employment and tourism growth, real estate sales, construction.) Myrtle Beach is one of the fastest-growing areas in the U.S. from 2016-2017, and an estimated 3.7% annual growth.

* Steady increase of sales growth since 2008 to 10% in 2017.
* Condo sales up 17.5% in 2017.
* Over 100,000 second home owners.
* Building Permits up 22% in2017.
* Tourism up 36% in 2017
* Airline Service: Markets grew from 23 to 48 Markets

**Rounds and Revenue Update:** We want to grow without sacrificing demand. RevTech as a tool – it’s based on all different measurements and dynamic pricing. As of April, about 49.5 18-hole courses were in some mode of RevTech and in some kind of strategy. (28.5 not engaged.) The weather of course, played a role for this year.

Considering variables of different types of play, weather, population growth: we are already seeing an increase. Rates could grow 2.1%; $17K difference in growth vs. last year. It’s too early to make a call for the Fall season. We want to ensure our local programs are better positioned.

**Capital One:** Offer of Spark Business Credit Card / Rebate program. Presented by Tim Dewitt, VP, Small Business Card, SC Territory. Have partnered with MBAGCOA – for Golf Course Rebate Program. It’s a Rewards Program for business and 2% unlimited cash back. More businesses are accepting them. Unlimited balance and Non-taxable rebate.

**ETS Software Update Requirement.**

**End of MBAGCOA Meeting and Presentation Portion**

**Overview: Discuss the transition from MBGH to GTS; it’s still important to maintain MBGH as a separate entity for various reasons, including: assets, tax exemption status, events, email database, future purposes. *(Refer to Slides Presentation for additional details.)***

**Myrtle Beach Golf Holiday: 12.31.17 Audited Financial Statements**

* Larry Tuttle, CPA (with Smith Sapp, et al) reviewed the 2017 Audited Financial Statements at 12.31.17, presenting some highlights to the spreadsheets and charts.
* Confirmed that 89-90% expenditures do go to marketing or event activities.
* Current Assets of $600K (cash/cash equivalents), Net assets of $2 million.
* Overall loss (bad debt) of $125K.
* Note: MBGH has a tax exemption which is challenging to get nowadays as a 501(c)(6), so you don’t want to just let go of that standing. Have had it for about 50 years. MBGH is a dues-paying organization.
* Equity: cash reserves are about $1 million. Royalty fees are not subject to tax.
* Expense Comparison: Marketing is at the top of spending, followed by Events and then administrative.

**By-Laws Amendments:** MBGH is a dues-based entity. Maintain tax exemption as a 501(c)(6) organization. Keeping in mind only Members can benefit from any MBGH benefits, including if MBGH were to dissolve (which is not intended – but just to be noted). The following were voted on:

**Dues**: $100 per year, per property. Renew the Membership Agreement and to change the dues paid by the members to the organization.

*Motion made by: Steve Mays | Second by Dave Nelson | All were in favor: Motion carried*

**Board of Directors:** Reduce the number from 14 seats to 9. Subsequently, reducing the Quorum amount from 8 to 6. Continue with Annual Meetings. Those 5 directors rotating off the Board are: Dennis Nicholl (Past Chair), Bob Seganti, Mark Stoneking, Mike Buccerone, and Bill Baldree.

*Motion made by: Bob Zuercher | Second by Dennis Nicholl | All were in favor: Motion carried*

**Myrtle Beach Medical Fund - Additional Dues:** An additional annual amount of $100 would be invoiced to each property to go towards the Myrtle Beach Medical Fund: a charity fund (fund held in Crescom Bank) that would benefit in this initial instance: Hugh Royer and Jim Woodring during their health crises. The added dues amount would help initiate the balance of the fund. Moving forward, would benefit the golf community for those in need due to sudden, unforeseen health crises. Fund would be “transparent”. Are there other companies that may want to collaborate? Shows we are participants for such cause.

*Motion made by: Mike Buccerone | Second by Bob Seganti | All were in favor: Motion carried*

**Fundraising Initiatives:** Community support – Employee Health Crises

Waccamaw Community Fund was approached but their policy options didn’t match our needs and goals. Too many requirements or restrictions with their specific funds.

Connect our lawyer with accountant to work out the details.

ProjectGolf.org | Myrtle Beach Golf Cares (within Project Golf scope)

Expanded purpose. No one will be exposed regarding personal information.

Ideas: Examples of ways to raise funds: auction/charity site | industry comp rounds (est. 40,000 legitimate rounds to potentially donate). Would people be interested in donating $5-$10 as a donation? (lengthy discussion followed). Create separate rate codes for this purpose to distinguish | Hall of Fame tournament.

Target amount: initial $10,000 – demonstrates what we can do for the community.

“Quasi” Endowment Fund (Clay Grayson coined)

Establish criteria for distribution of funds – applications with similar initiatives. Not developed yet, legal team is on it.

**Technology: Potential Partnerships with a New Provider**:

* Considerations for New Technology – for a variety of reasons, i.e., cost factor, more control of software and developments, long-term security, reporting, revenue management, etc.
* Options to Build a Portal: GTS can 1) contract with a Non-Golf tee sheet provider; or 2) contract with a Golf Technology Provider; or 3) remain with EZ Links. All have pros and cons.

**Option to Partner with New Provider:**

**T-Snap:** owns Allegiant Air – good technology. We are still waiting on a response to the RFP.

**GolfNow:** provides more software platforms / their marketplace is the most commonly used in the industry. We are still waiting on a response to the RFP.

**Supreme Golf:** (based out of Texas) – company has significant private funding. We’d be under a license agreement – benefits: will provide tee sheet and POS; offers POS tools for Golf Courses at no extra cost. Use of their Credit Card Processor (CC rate won’t exceed current rate). Huge savings. Will partner with GTS to develop Travel Provider interface. Provide tee sheet and POS. Negative: not certain the revenue model will last over time.

**Chrono Golf:** (based out of Montreal) – received a demonstration of the software. GTS would own 3 components: database, portal, and API. Works with any approved tee sheet and will develop hotel interface and tools for Travel Providers. We’d own the product. Chrono is one of the best in the business. Negative: will have issues with getting other tee sheets to connect.

**Purchase T-Links from EZ Links:** We received two proposals: either one is too much money; technology is 10 years old. So, we’ve moved past this option.

**Stay with EZ Links:** EZ Links will hire a dedicated programmer for enhancements. Easy transition, minimal development. Major Hotel interface enhancement. Negative: POS options could be a challenge. One company will be primary partner.

**Stracka Proposal:** Jim Stracka is a developer and trusted source. Stracka’s team spent a week evaluating our current software system. If we move forward with his proposal, it would take about 18 months to complete, so we’d have to move on it then within 4 to 6 weeks. We would continue with EZ Links through the end of 2019, which is when our contract ends. Negative: tee sheet initially will only have necessary features. Higher degree of risk.

In conclusion: In the golf-technology world – should we question our technical path in the industry? What do we do with it? What are the considerations? User interface – who does it? Consistent platform; flexible API. T-Links 2.0, revenue management / billing. Do we have our own portal (T-links without the tee sheet)? What do we want to accomplish?

Overall, a technology partner truly working with us and not competing with us is a great option. We need to continue to consult, discuss, have more meetings and getting thoughts down. Discuss terms of contract with EZ Links. Negotiate costs and scenarios of access with EZ Links. Consider whether it’s better to partner or to take on our own development and have control.

**Marketing Credits:** Note to Members: those that still have any credits left, it’s important to use it for Fall promotions and to start working on your plan with it now. Don’t wait until November to use them – required to use them before the end of the year as they don’t carry over.

**Spring Golf:** While we acknowledge that it was a colder than usual, and a longer than usual winter (including winterkill issues), this is aside from those issues. In general practice, are the greens maintained up to standard for spring season readiness? If customers come expecting perfect conditions, is that what they are getting?

There has been no recent photography of greens during the springtime, when it should be pristine golf. Social media is an instrument that can be held for or against us. Are we presenting the best product? What is the best way to address these conditions: are overseeding and/or tarps viable options? Is added maintenance required? What does the consumer expect? Spring is the most in-demand time of year.

Given the adverse conditions, we need to “own” our responses on social media and take initiative of the situation. Address reasons, how we will deal with it moving forward, be proactive with our responses, communication within our industry, and handling of it.

**Turf Conditions.** Consider turf management process. Yes, it’s an added expense so that’s a key variable. Estimated $30-40K minimum to overseed – depending on the course. Does that mean we need to increase rates to cover the expense? Consistent-looking grass is an issue. Example: DJ World Amateur event – pristine weather and course conditions. Sets a great example.

Consider putting a group of experts, superintendents, etc., together to take a look at this. Packagers encourage courses to increase their rates. RevTech is a tool that helps determine if raising rates is a viable consideration and at what percentage based on certain levels.

Lengthy discussion on this topic. Needs more research and collaboration. We can’t afford a bad “spring” – either financially or on social media.

**2018 Market Sentiment Study:**

A copy of this study was distributed to attendees. Bill deems it as “Required Reading”. It’s a National Survey, a research study that provides insights for golf course owners and operators, as well as online tee time agents and software providers. Research objectives: how Tee Time distributors and Golf Management Systems are serving course operators through the eyes of the “customer” – feedback, perceptions and challenges taken into consideration for this survey. (Even though it’s targeting Golf Course Owners, it’s also relevant to Packagers.) 926 entities/individuals participated.

**In Closing:**  Chris Shroff expressed his sincere thanks to all who attended for their support and dedication.

**Meeting adjourned at 11:15 a.m.**