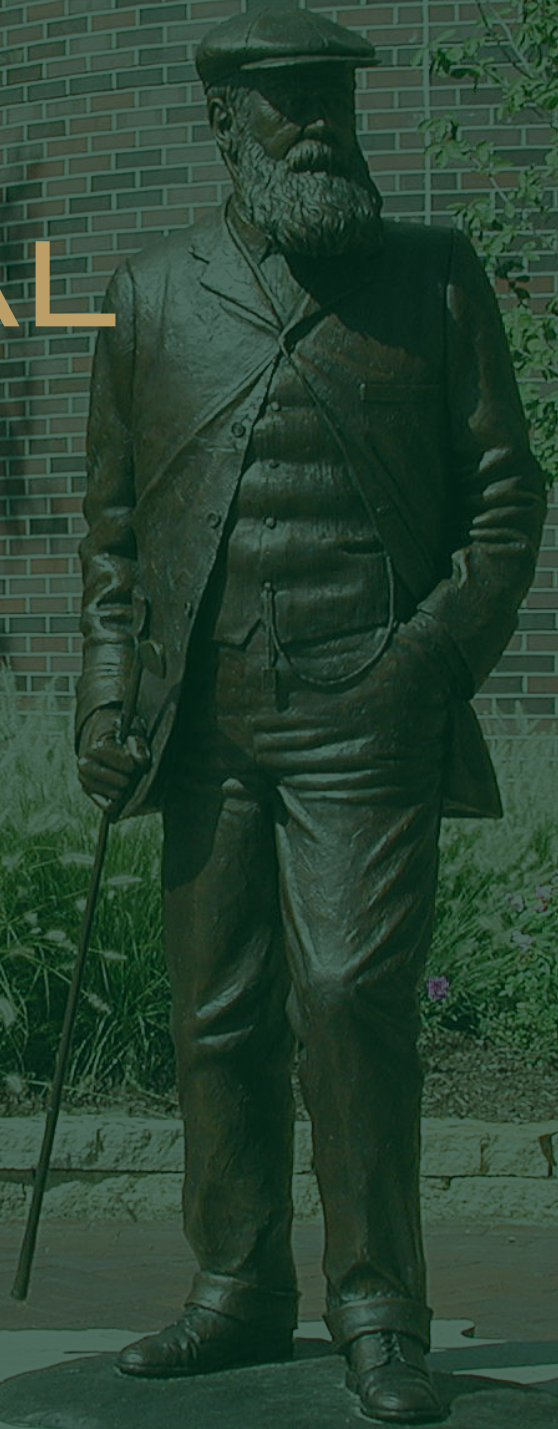


2018

ANNUAL FINANCIAL REPORT



GCSAA



EIFG



First Green field trips have welcomed

2,000 students

40 states already on
track for **50 by 2020** BMP goal

Melrose Equipment
Management Endowment

\$1 million

THE LONG GAME

While golf's most dramatic moments usually happen in the short game, it's the long game that best exhibits strength, emphasizes the importance of going the distance and sets the short game up for victory.

GCSAA's long game isn't about yardage or velocity. For us, it's about careful planning and forward thinking that will reap benefits for our members and association for years to come. This approach has kept both GCSAA and our Environment Institute for Golf on a firm financial foundation that allows us to meet our members' needs now and further our mission and vision in the years ahead.

Providing members with the programs and services they need and want is the cornerstone of our organization. The proof that we are meeting their needs comes in the retention of current members and when new members join. For 2018, we exceeded our membership goal and surpassed 18,000 members for the first time since the recession of the early 2000s began. This has positioned us well to reach our goal of 20,000 members by the end of 2020. Growing our membership ensures increasing our strength and increasing our voice with golfers, lawmakers and the general public.

Along with growing membership, growing the game helps secure a bright future. GCSAA took a huge step in introducing the next generation to the game when we assumed leadership of First Green on Aug. 1, 2018. First Green provides hands-on STEM (science, technology, engineering and math) education at golf courses. First Green field trips are led by superintendents and the activities fall within the focus of environmental science and horticulture curriculum. First Green was founded in 1997 in the Pacific Northwest, but combining it with GCSAA's resources and network of more than 18,000 members allows it to expand nationally. In less than a year since GCSAA took over operations, there have been First Green field trips in states from Maryland to Hawaii, and more than 2,000 students have learned about golf, the environmental and the role of the superintendent.

For those who have already developed a love for the game, our Rounds 4 Research annual auction lets golfers give back to the game while engaging in their favorite pastime. The 2018 auction sold 1,330 rounds of golf and raised \$313,000 and helped us

WITH AN EYE TO THE FUTURE
AND DEEP RESPECT FOR OUR
HISTORY, GCSAA MOVES FORWARD
WITH A CLEAR MISSION AND VISION...



surpass the \$1 million mark in total funds raised since it began in 2012. It's hard to believe that the very first auction featured just 60 rounds of golf. Rounds 4 Research is a prime example of how forward thinking and going the distance brings long-term benefits.

Rounds 4 Research would not be possible without the hard work of our chapters and generous assistance from the Toro Co. Strong relationships with chapters and our industry partners are built over years and decades. For nearly 50 years, Ken Melrose, former CEO and chairman of the Toro Co., has been a good friend of the golf industry and GCSAA. In 2012 his Kendrick B. Melrose Family Foundation donated \$1 million to the EIFG for creation of the Melrose Leadership Academy for superintendents, and in 2018 we were recipients of another \$1 million gift from the Melrose Foundation to create the Melrose Equipment Management Endowment. The endowment will benefit GCSAA's equipment manager members by funding continuing education and leadership opportunities. GCSAA and the EIFG are fortunate to have a benevolent visionary such as Ken Melrose support our members and their futures.

Golf does not exist in a vacuum, and the future of the game will potentially be shaped by lawmakers and public perception as much as it will be by golfers and the industry. It is critical for the industry to demonstrate sustainable methods of land management, and GCSAA is helping members and their facilities stay ahead of the curve with our ambitious goal of having best management practices for golf courses in place in all 50 states by 2020. Through tools, grants and other support, this is becoming a reality. By the end of 2018, nearly 40 states had either completed their BMPs or were in the process. BMPs arm GCSAA and our members with a solid response to misconceptions about golf and are a focal point of our advocacy efforts at all levels of government.

With an eye to the future and deep respect for our history, GCSAA moves forward with a clear mission and vision that sets up the association, our members and the golf course management to have short-term triumphs and long-term success.



5,600
GIS seminar seats sold

GCSAA research grants distributed
\$112,500

GOLF COURSE SUPERINTENDENTS ASSOCIATION OF AMERICA AND SUBSIDIARIES

As of December 31, 2018 and 2017

	2018	2017
ASSETS		
Cash	\$ 737,211	\$ 1,515,732
Accounts receivable, less allowance for doubtful accounts of \$10,000 in 2018 and 2017	890,930	1,203,974
Due from related party	17,999	16,500
Inventory, net of valuation allowance	183,491	199,414
Investments	7,602,648	8,162,288
Other assets	1,416,403	866,010
Property and equipment, net of accumulated depreciation	5,595,280	5,914,983
Software, net of accumulated amortization	718,309	626,000
	\$ 17,162,271	\$ 18,504,901
LIABILITIES		
Accounts payable	\$ 774,059	\$ 634,039
Accrued expenses	605,411	530,796
Deferred revenue	8,412,787	8,544,839
Note payable	818,070	1,068,455
	\$ 10,610,327	\$ 10,778,129
NET ASSETS		
Net assets without donor restrictions	\$ 6,551,944	\$ 7,726,772
	\$ 17,162,271	\$ 18,504,901

The consolidated financial statements for GCSAA, GCSAA Communications, Inc. and GCSAAPAC were audited by an independent certified public accounting firm. The full text of the audit reports, financial statements and related notes are available at www.gcsaa.org (in the 'About GCSAA' section), or by contacting GCSAA at 800-472-7878.

	2018	2017
REVENUES		
Advertising and marketing opportunities	\$ 2,529,265	\$ 2,505,955
Conference and show	8,781,063	8,876,477
Membership dues	4,297,534	4,269,141
Contributions	11,373	1,635
Investment income	(657,582)	1,419,672
Professional development	1,263,342	1,436,142
	\$ 16,224,995	\$ 18,509,022
EXPENSES		
Program services		
Education, environmental programs, <i>GCM</i> and website	\$ 5,456,083	\$ 5,127,349
Conference and show	4,537,409	4,901,339
Member and chapter services	2,607,707	2,448,743
Career development, marketing and branding, and media relations	2,205,347	2,140,635
	\$ 14,806,546	\$ 14,618,066
Management and general	3,120,750	3,164,539
	\$ 17,927,296	\$ 17,782,605
CHANGE IN NET ASSETS BEFORE OTHER INCOME (EXPENSE)	\$ (1,702,301)	\$ 726,417
OTHER INCOME (EXPENSE)		
Interest expense	\$ (39,856)	\$ (39,362)
Benevolence fund replenishment (expense)	2,920	(2,920)
Rent income	533,589	520,529
Gain (loss) on disposal of assets	4,522	(84,740)
Bad debt expense	5,000	—
Other	21,298	10,306
	\$ 527,473	\$ 403,813
CHANGE IN NET ASSETS	\$ (1,174,828)	\$ 1,130,230
Total net assets, beginning of year	\$ 7,726,772	\$ 6,596,542
Total net assets, end of year	\$ 6,551,944	\$ 7,726,772



Rounds 4 Research raised
\$313,000 | Membership surpassed
18,000

ENVIRONMENTAL INSTITUTE FOR GOLF

As of December 31, 2018 and 2017

	2018	2017
ASSETS		
Cash	\$ 189	\$ 164,950
Accounts receivable, net	86,638	22,706
Prepaid expenses	16,602	23,452
Pledges receivable, net	225,472	365,900
Investments	8,723,568	8,735,003
Intangible assets, net	26,250	33,750
	\$ 9,078,719	\$ 9,345,761
LIABILITIES		
Accounts payable and accrued expenses	\$ 75,470	\$ 74,848
Due to related party	17,999	16,500
Deferred revenue	29,585	—
	\$ 123,054	\$ 91,348
NET ASSETS		
Net assets without donor restrictions	\$ 8,730,193	\$ 8,888,513
Net assets with donor restrictions	225,472	365,900
	\$ 8,955,665	\$ 9,254,413
	\$ 9,078,719	\$ 9,345,761

The financial statements for the Environmental Institute for Golf were audited by an independent certified public accounting firm. The full text of the audit reports, financial statements and related notes are available at www.eifg.org, or by contacting GCSAA at 800-472-7878.

	2018	2017
REVENUES		
Individual contributions	\$ 190,002	\$ 151,661
Facility and chapter contributions	54,950	59,760
Industry contributions	79,678	88,823
Silent auction income	109,660	103,094
Scholarship and grant contributions	83,850	88,450
Online auction	393,493	291,377
Disaster relief	20,231	124,177
Investment income (loss)	(711,434)	1,581,672
Net assets released from restrictions	142,828	124,850
	\$ 363,258	\$ 2,613,864
EXPENSES		
Program activities	\$ 1,626,599	\$ 1,390,985
Management and general	42,483	38,523
Fundraising	207,612	192,878
	\$ 1,876,694	\$ 1,622,386
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	\$ (1,513,436)	\$ 991,478
Restricted contributions — major gifts	\$ 1,357,516	\$ 508,878
Net assets released from restrictions	(142,828)	(124,850)
	\$ 1,214,688	\$ 384,028
CHANGE IN NET ASSETS	\$ (298,748)	\$ 1,375,506
Net assets, beginning of year	\$ 9,254,413	\$ 7,878,907
Net assets, end of year	\$ 8,955,665	\$ 9,254,413



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GCSAA IS...

A leading golf organization that has as its focus golf course management. Since 1926, GCSAA has been the top professional association for the men and women who manage golf courses in the United States and worldwide. From its headquarters in Lawrence, Kan., the association provides education, information and representation to 18,000 members in more than 78 countries.

GCSAA'S MISSION IS...

To serve its members, advance their profession and enhance the enjoyment, growth and vitality of the game of golf.

GCSAA'S VISION IS...

To be the global leader in golf course management.

EIFG IS...

The philanthropic organization of GCSAA, which is made possible through the generous donations of GCSAA members and industry partners.

EIFG'S MISSION

The Environmental Institute for Golf fosters sustainability through research, awareness, education, programs and scholarships for the benefit of golf course management professionals, golf facilities and the game.

EIFG'S VISION

With respect for the game and the environment, the EIFG inspires environmental, social and economic progress through golf for the benefit of communities.

Collaboration between the golf industry, environmental interests and communities will lead to programs and services beneficial to all who come into contact with the game of golf.

Golf Course Superintendents Association of America

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www.gcsaa.org • @GCSAA
