Pros endorse a pension plan

According to GOLFDOM's survey, 93 per cent of the pros want the PGA to start a pension plan. Here's the plan

Ninety-three per cent of the club pros queried in GOLFDOM's First Annual Marketing and Research Study registered their endorsement of a pension plan. This overwhelming response on the part of club pros to the need for such a plan may have been spurred by the additional study finding that among those responding, 88.2 per cent are currently without provision for a pension or similar protection to help see them through their later or retirement years.

It is by now, of course, a matter of public record that the Professional Golfers' Assn. has formulated a pension plan that will be, according to the PGA, instituted very soon.

The plan, as outlined by the PGA, is based on a number of factors that have still to be ironed out, mostly having to do with current and continued financing of the program. Because of this, actual benefits that may accrue to operating pros are still somewhat up in the air.

In order for a pro to earn eligibility, his club must make a monthly payment into the fund of $50. The $50 must be paid into the fund by the club, *as a matter of record*, to satisfy requirements of the Internal Revenue Service as to the fund's tax-free status.

This is one of the gray areas of funding. The club may choose to be generous and pay the $50 for the pro. They may pay half the amount and the pro the other half. In either instance the money must still be, *in actuality*, forwarded to the pension people by the club. However, if the club decides it will not help the pro in financing, he must pay the entirety himself, but as before it must be the club which makes the payment for the record.

The pro must be in what is called a state of "salaried employment" at a golf course or country club. GOLFDOM's study shows that among respondents 62.2 per cent already meet that requirement and, according to those managing the pension fund, it is not difficult to fit into the category of salaried employment to satisfy legal requirements.

It might be well to mention at this point that of those surveyed, 37.8 per cent have no contract with their club that would fulfill this requirement and of these, 63.9 per cent want to remain that way. This latter group would not be eligible for participation in the plan unless at some time in the future they changed their status of employment within their clubs.

In addition to funds that come from the clubs on behalf of the pros or funds that come from the pros themselves, although by payment from the club, PGA is committed to place in the fund revenues from royalty payments for PGA brand golf equipment. The PGA has assigned all royalties from this source to the pension fund as well as proceeds from the sale of "The Book of Golf."

Commenting on this, PGA executive director Robert T. Creasey, who is also the administrator of the plan, told GOLFDOM, "If the overwhelming majority of our members participate in the plan, and if royalties continue to rise from PGA merchandise, and if 'The Book of Golf' produces a substantial profit, as we expect it will, the trustees will be able to make improvements in the benefit program."

As of now all royalties from the sale of PGA-endorsed golf merchandise made and sold by the Victor Golf Equipment Company have been assigned to the plan. These, said Creasey, are running well ahead of the minimum guaranteed by Victor to PGA of $100,000 per year and, he predicts, will approach $250,000 a year by 1970. But Creasey also stated that "The Book of Golf" has not yet shown a profit, but anticipates that it shall in the future.

All pension funds will be invested by The Travelers Insurance Company under the watchful eye of the plan's board of trustees.

Joseph C. Dey, executive director of the United States Golf Assn. is chairman of the trustees.

That a pension plan was needed by pros is evidenced by the overwhelming response in the affirmative to GOLFDOM's questionnaire. At nine-hole facilities 97.9 per cent of pros responding said they have no pension plan, and 84.7 of those at 18-hole courses said the same. Those at nine-hole clubs who said their club had a plan are entirely covered, whereas only 80 per cent of those at 18-hole courses are covered.

A number of questions concerning the plan have already arisen. If a pro's club management should prove recalcitrant and not wish to contribute to the fund, then the pro seeking to participate would have to ask the club to make the monthly payment of $50 for him, although he would actually provide these funds himself. It would thus be necessary for the club and the pro to establish some relationship that would be recognizably (to the IRS) an employer-employee relationship and at the same time the pro would need to pay the club the $50 so the club could in turn pay the money into the fund.

This, according to the PGA, is practicable, and the following example will show how this might work. If a club does not wish to pay all or the recommended 50 per cent of the monthly amount required by the plan, an arrangement might be worked out in which the club pays the pro a salary of perhaps $3,000 a year. This would establish the IRS requirement of a salaried job with taxes withheld and social security deducted.

In addition to this the pro would in turn pay the club a rental fee of $3,600 per year for the rental on the pro shop. This would in effect reimburse the club for the salary paid the pro and also give the club the necessary money to pay the pro's assessment of $50 per month to make him eligible for pension benefits. This would all be contingent on the club's willingness to work out such an arrangement on the pro's behalf.

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SCHEDULE OF BENEFITS—PGA PENSION PLAN

Normal Pension Benefit

A participant who has reached his 65th birthday shall be eligible for a normal pension benefit provided he has at least 300 months of credit for service, either past service or future service or a combination of both. The monthly amount of normal pension benefit shall be in accordance with the following table:

Total Months of Service Credit	Months of Future Service Credit	Monthly Normal Pension Benefit
	Less than 25 months	None
300 months or more	25 months but less than 37 months	$ 50.00
300 months or more	37 months but less than 43 months	60.00
300 months or more	43 months but less than 46 months	70.00
300 months or more	46 months but less than 49 months	80.00
300 months or more	49 months but less than 52 months	90.00
300 months or more	52 months but less than 55 months	100.00
300 months or more	55 months but less than 58 months	110.00
300 months or more	58 months but less than 61 months	120.00
300 months or more	61 months but less than 62 months	130.00
300 months or more	62 months but less than 63 months	140.00
300 months or more	63 months but less than 64 months	150.00
300 months or more	64 months but less than 65 months	160.00
300 months or more	65 months but less than 66 months	170.00
300 months or more	66 months but less than 67 months	180.00
300 months or more	67 months but less than 68 months	190.00
300 months or more	68 months but less than 69 months	200.00
300 months or more	69 months but less than 70 months	225.00
300 months or more	70 months but less than 71 months	250.00
300 months or more	71 months but less than 72 months	275.00
300 months	72 months	300.00

After a minimum of 72 months of participation in the plan, the monthly amount of normal pension benefit shall be in accordance with the following table:

300 months but less than 312 months	72 months but less than 84 months	$300.00
312 months but less than 324 months	84 months but less than 96 months	315.00
324 months but less than 336 months	96 months but less than 108 months	330.00
336 months but less than 348 months	108 months but less than 120 months	345.00
348 months but less than 360 months	120 months but less than 132 months	360.00
360 months but less than 372 months	132 months but less than 144 months	375.00
372 months but less than 384 months	144 months but less than 156 months	390.00
384 months but less than 396 months	156 months but less than 168 months	405.00
396 months but less than 408 months	168 months but less than 180 months	420.00
408 months but less than 420 months	180 months but less than 192 months	435.00
420 months but less than 432 months	192 months but less than 204 months	450.00
432 months but less than 444 months	204 months but less than 216 months	465.00
444 months but less than 456 months	216 months but less than 228 months	480.00
456 months but less than 468 months	228 months but less than 240 months	495.00
468 months but less than 480 months	240 months but less than 252 months	510.00

Here is how to interpret the chart: Start with the middle column (Months of Future Service Credit). This actually means the number of months that a club has made payments to the plan for the pro and/or assistants. The column on the left (Total Months of Service Credit) actually refers to the number of months a pro has been a member of the PGA or how long he has been working at a golf club. In order for any pro (or assistant) to qualify for a pension, he must have a minimum of 300 months of total service. In other words, if a pro has been a member of the PGA or been working at a golf club for 20 years, he has 240 months of past service. To qualify for a pension, he must then add an additional 60 months of payments by his club to the plan to his credit. This would give him a pension of $120 a month upon retirement. If he was ready to retire, but only had 55 months of payments by his club to the plan to his credit, he would not qualify for the pension since his combined total service would only come to 295 months.

Once a pro goes past 300 months of service credit (bottom chart) this is how to interpret it. If a pro has 305 months of service credit (left-hand column), and his club has paid for him to the plan for 75 months, he qualifies for a $300 pension. If a pro has 315 months of service credit, and his club has paid for him to the plan for 75 months also, he, too, gets $300, not $315. In other words, with any time over 300 months of service credit, the pro only gets the amount indicated at the corresponding number of months of future service credit (number of payments made to the plan by the club for the pro), and that's provided he has enough total months of service credit.

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In the case of the pro's assistant or assistants, the problem becomes a little knottier. If a club should decline to pay a pro's assessment it would almost certainly decline to pay into the fund for any assistants he may have. Then the payment of the $50 per month for assistants would fall right on the pro's shoulders.

Mr. Creasey told GOLFDOM that the PGA is looking forward to 3,000 pros being in the pension program and anywhere from 4,500 to 6,000 assistants as well.

The PGA has taken the first giant step in a pension program that the country's pros have been seeking for nearly a generation. The machinery is there. Final clearance by IRS is still pending. The pension plan is a welcome addition to the game of golf and should be a boon for the pros. □

The pension plan: how it will work

Here is the PGA pension plan and how it will work. The plan is available to all golf professionals who are PGA members and who receive some salary from clubs, salary which is subject to social security and Federal withholding taxes. It is also available to the assistants of these pros who are also PGA members. This is to include all active members of the PGA, even though they may be over 65 years of age.

Payment for each person who is subscribing to the pension plan is $50 a month. In order to meet requirements of the Internal Revenue Service that would make the program tax-exempt, payment for each professional or assistant who wishes to participate must actually come from the club.

Should there be some question of the pro's actual employment by the club it must be clearly shown that the pro or assistants who wish to enroll are in a salaried position regarding the club. (In actuality it has been determined that to meet such a requirement would not be that difficult.) If there should be an arrangement necessary between the club and the pro to meet the requirements, the Treasury department recognizes this type of agreement and regards it as entirely permissible when done for such a purpose, says the PGA.

Every participant must make payments for a minimum of twenty-four months before becoming eligible for benefits. If a participant dies or withdraws before qualifying for benefits, he or his heirs get back half the money that has been paid into the plan, plus 5 per cent interest compounded annually. If the club voluntarily pays the monthly assessment into the fund the pro is still entitled to half back on this basis.

Should the pro enroll in the pension plan whereby he is actually making the payments himself through the club, he or his heirs may then find that half the investment is lost because there would be no way of showing that all monies paid to the fund on his behalf (or assistants as the case may be) had come out of the pro's pocket. (Records would only show payment by a club.) Since the withdrawal or death provision only entitles a return of one-half the amount, with whatever appropriate interest might have been earned, the other half paid by the pro would be lost.

Using fertilizers

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desired turf, use of weed control, and eventual introduction of a proportion of *Poa annua* plus a turf species of grass. The proportion of *Poa annua* may vary from moderate to near-dominance.

This species is known for its satisfactory (to the golfer) turf, spring and fall, and poor performance during the height of the season. Many fertilizer programs that are adequate for a permanent base turf are totally unsatisfactory for a predominantly *Poa annua* turf.

The science of turfgrass culture has been based on the growth of permanent grass species. It's easy to see the conflict in the turf desired by golfers, turf managers and the desires to create an environment for general plant growth. If he considers fertilization alone, the super is placed in the position of fertilizing for environmental growth and may defeat the purpose of turfgrass fertilization.

General turf maintenance operations are often, at best, a gamble. Many of the problems that arise on golf turf are the product of severe or unusual climatic conditions. Under the pressure of the immediate problem, solutions contemplated are even put to the test and do not satisfactorily eliminate the problem. And to add to the already vexing situation more and more demands are being made by golfers for better and better turf in the face of what are truly worsening turf management conditions.

Golfers travel and play a wide variety of courses during a short span of time and expect conditions to be uniform no matter what the geographic location. When super attempts to explain in relevant terms that conditions must vary from Maine to southern California, he receives little attention. When an increased budget for soil amendments is then offered as a solution and in fact is not, the super is then placed in the position of explaining why this is so.

These are turf problems and belong in the hands of a turf expert, the super. A definite trend for many will be the reduction in overall fertilizer use, as the lesser of two evils. Another way of dealing with the problem will be a more concerted effort to chemically rid turf of *Poa annua* and grow stronger grasses. □