

# Board Brief

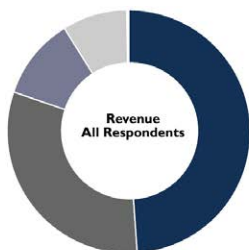
January/February 2021

Designed for Club Board of Directors



**CLUB  
MANAGEMENT  
ASSOCIATION  
OF AMERICA**

## By the Numbers: Insights from the 2020 Finance and Operations Report



### Income Statement 2018

Membership dues	Food, beverage, and social events
<b>49.1%</b>	<b>31.3%</b>
Golf operations and golf shop	All other operating revenue
<b>10.9%</b>	<b>8.8%</b>



### Income Statement 2019

Membership dues	Food, beverage and social events
<b>48.2%</b>	<b>31.9%</b>
Golf operations and golf shop	All other operating revenue
<b>10.8%</b>	<b>9.1%</b>



### Revenue by Category 2020

Membership dues	Food, beverage and social events
<b>48.3%</b>	<b>30.0%</b>
Golf operations and golf shop	All other operating revenue
<b>10.7%</b>	<b>11.1%</b>

Released in November 2020, the CMAA Finance and Operations Report presents key financial and operating data from across the club management industry, based on confidential surveys completed by 357 clubs in 2020.

This year's Finance and Operations Report (based on 2019 data) has been designed to provide easy-to-understand guidelines for identifying business performance improvement opportunities. We've compared this data to that of the past two years to demonstrate trends in the area of finance and operations and to give a basic understanding of the Report.

This report includes data regarding the Income Statement (as a % of club operating revenue) for respondents. Membership dues have remained consistent between 2017 to 2019, providing approximately 49 percent of income. Food, Beverage, and other social events have similarly seen consistent stability, providing around 30 percent of income to clubs.

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**Membership annual dues 2018  
(excluding capital dues) (\$)**



**Membership annual dues 2019  
(excluding capital dues) (\$)**



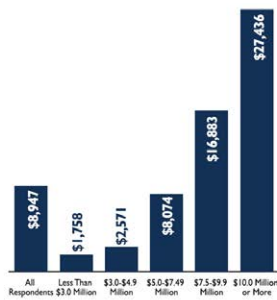
**Membership annual dues 2020  
(excluding capital dues) (\$)**



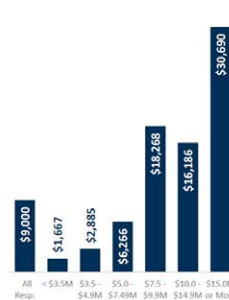
In the 2020 report, the median annual dues for a full family membership was \$7,436 for all responding clubs. This figure tended to increase as the size of club increased in terms of

operating revenue size. Above, you can see Membership Annual Dues for the past three years – there has been steady growth across most membership classes/types.

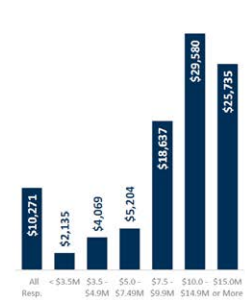
**Median initiation fee 2018**



**Median initiation fee 2019**



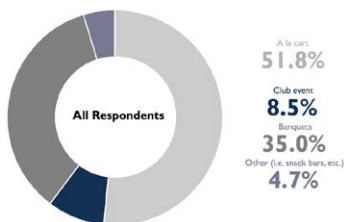
**Median initiation fee 2020**



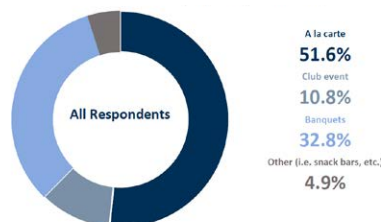
Similarly, growth has been demonstrated in median initiation fees. For all respondents in the last three years, there has been a 12 percent increase from 2017 to 2019.

Data has been broken down by operating revenue and most tiers have seen growth over time, as demonstrated in the charts above.

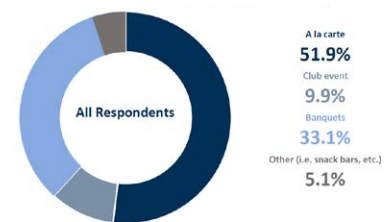
**Food revenue and gross profit 2018  
(as a percentage of food revenue)**



**Food revenue and gross profit 2019  
(as a percentage of food revenue)**



**Food revenue and gross profit 2020  
(as a percentage of food revenue)**



A key piece of data presented annually examines food revenue and gross profit, broken down by area. À la carte dining accounted for more than half of gross profits from food revenue in the 2020 report, which is consistent with

data from the previous two years. Similarly, banquets have consistently accounted for nearly a third of all gross profits from food revenue.

**Source:** Access the 2020 Finance and Operations Report Executive Summary at [cmaa.org/surveys.aspx](http://cmaa.org/surveys.aspx). Club survey participants may access the Full Report and their Individual Club Report on the Research Portal at [cmaa-research.org](http://cmaa-research.org). Club Resource Center subscribers receive a copy of the print report and have access to an online data analytics platform, which allows clubs to compare their data versus five peer groups and create customized aggregations of the survey results. Learn more about the subscription at [clubresourcecenter.org](http://clubresourcecenter.org).





## Best Practices: Starting the Conversation on Diversity & Equity

Clubs are waking up to the fact that they are not nearly as demographically representative of our US population as they very likely will need to be in the coming years. Boardrooms have certainly started to be more representative of the demographics of their memberships, mostly regarding gender, but memberships in general continue to be less reflective of the diversity of race, ethnicity, gender, age, religion, identity, and experience found in the general population.

The issue of diversity within volunteer leadership roles can be rooted in bylaws that designate the “primary” member as the only one of a family who can be involved in elected leadership roles. A number of clubs have changed that provision to allow either a spouse or significant other to serve; others have opted to continue one designated “primary” member but have encouraged [oftentimes] the most active golfer of the family to be this designee, regardless of gender.

***Best Practice: Club bylaws should be reviewed by a club industry expert looking to update them for relevancy to this topic.***

Additionally, creating or improving Leadership Development Committees is critical. Having a committee focused solely on identifying and recruiting future leaders, and then ensuring that they understand how the club functions and gets its work done is a key to smooth and effective transitions of volunteer leaders. They should be armed with a written plan of what they are looking for in their ideal committee or board member, and if they need to develop educational programs to ensure that these potential volunteer leaders have the necessary skills, experience, or personal characteristics to be successful, a process can be outlined and implemented. The old SYMS department store ad and slogan, “An Educated Consumer is Our Best Customer” can be thoughtfully adapted to make the same impact in this case—taking the time to educate well-intended volunteers to understand their roles and to be excited about them is critical.

***Best Practice: Creating or improve your club’s Leadership Development Committee; ensure a written plan defining the ideal committee or board member.***

As it relates to staff leadership positions, diversity is coming much more quickly, hastened even further by the COVID-19 crisis as other hospitality industry professionals have sought the stability of the club industry. Read more on best practices within club management recruitment in the March/April edition of Board Brief.

## Legal, Legislative, & Regulatory Update

### H-2B Visa Update: Cap Hit for First Half of FY2021

As of November 16, US Citizenship and Immigration Services (USCIS) has received enough petitions to reach the congressionally mandated cap of 33,000 on H-2B visas for temporary nonagricultural workers for the first half of fiscal year 2021. For petitions received on November 16, USCIS utilized its lottery system to allocate H-2B visas.

Further petitions with employment start date requests prior to April 1, 2021, will be rejected. In 2019, the first half cap was hit on November 7.

In December, clubs received good news regarding access to additional H-2B visas appropriations for the Department of Homeland Security. Similar to past years, DHS is authorized to increase the H-2B cap for FY2021 by up to approximately 69,000 visas if it determines that the needs of seasonal businesses cannot be met with US workers, in consultation with the Department of Labor. Further, the DOL is prohibited from enforcing the corresponding employment and three-fourths guarantee provisions of its H-2B regulations, the use of private wage surveys is now permitted, and the maximum season is now increased to 10 months, as opposed to the nine months allowed under existing regulations.

For more information, please visit <https://www.uscis.gov/working-in-the-united-states/temporary-workers/h-2b-non-agricultural-workers/cap-count-for-h-2b-nonimmigrants>.



# CMAA '21 *VIRTUAL* 21 WORLD CONFERENCE AND CLUB BUSINESS EXPO

*Anywhere & Everywhere*

## CMAA News & Announcements

### Registration Opens for 2021 World Conference and Club Business Expo: Access the World Conference Anywhere

The challenges of 2020 have been unparalleled and the demands on club management professionals to adapt, evolve, and improve have never been greater. The 2021 CMAA World Conference and Club Business Expo will be presented virtually to meet the needs, budgets, and time constraints of the club management professional.

The World Conference is the only event focused on the business of running a club, attracting more than 2,000 attendees annually. Club management professionals can expand their skills and industry knowledge, connecting with fellow professionals, and exploring the latest innovations at the Club Business Expo.

Attendees will immerse themselves in five days of stellar educational programming and interactive networking opportunities engineered for their challenges, without the cost of travel or concern about time away from the club.

Access the complete schedule, registration categories, FAQs on how to make the most of a virtual event, and register today at [cmaa.org/conference](https://cmaa.org/conference).

**The Board Brief** is a publication of the Club Management Association of America. Founded in 1927, the Club Management Association of America (CMAA) is the largest professional association for managers of membership clubs with 6,800 members throughout the US and internationally. Our members contribute to the success of more than 2,500 country, golf, athletic, city, faculty, military, town, and yacht clubs. The objectives of the Association are to promote relationships between club management professionals and other similar professions; to encourage the education and advancement of members; and to provide the resources needed for efficient and successful club operations. Under the covenants of professionalism, education, leadership, and community, CMAA continues to extend its reach as the leader in the club management practice. CMAA is headquartered in Alexandria, VA, with 42 professional chapters and more than 40 student chapters and colonies. Learn more at [cmaa.org](https://cmaa.org).