

# Board Brief

Designed for Club Board of Directors



**CLUB  
MANAGEMENT  
ASSOCIATION  
OF AMERICA**

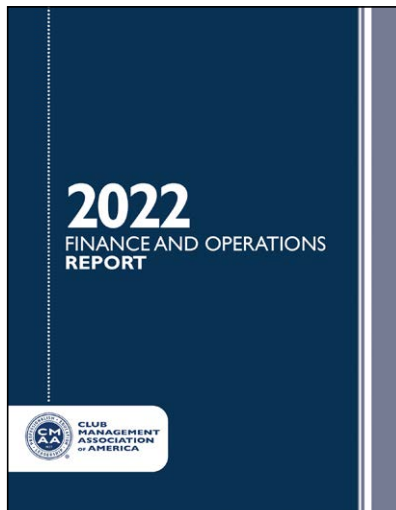
March/April 2023

## By the Numbers: Spotlighting Membership Trends

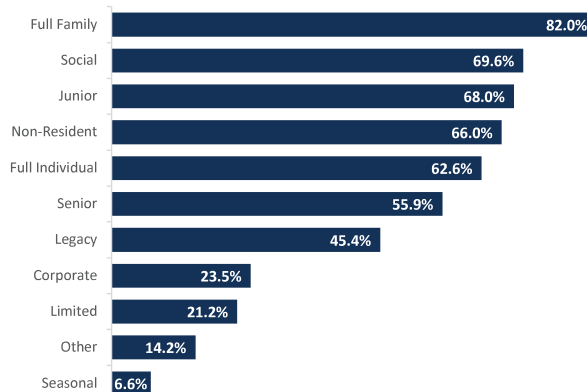
Conducted annually, the CMAA Finance and Operations Report presents key financial and operating data from across the club management industry. Based on confidential surveys completed by 440 clubs, the 2022 report includes a compilation and analysis of club finance and operations data. The report has been designed to provide easy-to-understand guidelines for identifying

business performance improvement opportunities. This edition examines relevant financial metrics.

The full family membership is the most common membership category offered by respondents (82 percent). The median annual dues for a full family membership was \$8,191 for all responding clubs. This figure tended



### Which of the following membership categories does your club offer? (multiple responses allowed)



*continued on next page*

to increase as the size of club increased in terms of operating revenue size.

Median full family membership annual dues were \$8,850 for golf and country clubs, \$3,726 for city/athletic clubs, \$3,720 for yacht clubs, and \$15,439 for CIRA clubs.

The typical growth in membership annual dues (2021 vs. 2020) was nearly 5 percent across most membership classes/types.

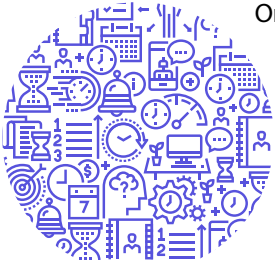
As one would expect, the larger clubs in terms of operating revenue had higher member counts. The average golf and country club reported 770 members, city/athletic clubs reported 3,583 members, yacht clubs reported 953, and CIRA clubs reported an average of 845 members.

Median member attrition rates were 4.3 percent for golf and country clubs, 3.3 percent for city/athletic clubs, 3.7 percent for yacht clubs, and 4.6 percent for CIRA clubs. In terms of operating revenue size, the largest clubs (\$15 million or more in operating revenue) reported the lowest attrition rate of 3.3 percent.

*Source: Access the 2022 Finance and Operations Report Executive Summary at [cmaa.org/club-operations/research/surveys-and-reports/](https://cmaa.org/club-operations/research/surveys-and-reports/). Survey participants may access the Full Report and their Individual Club Report on the Research Portal at [cmaa-research.org](https://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](https://clubresourcecenter.org).*

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## Best Practices: Managing Meeting Dynamics – Part II



One of the biggest governance shortcomings in many clubs is the inability to effectively operate productive and on-time meetings. Part I detailed ideal board meeting length and managing the agenda. This part will focus on establishing rules of order and the uses executive sessions.

**Consistent Rules of Order:** It is common for clubs to dictate that a board meeting will follow some form of order such as Robert's Rules. These rules allow for orderly motions and how business can transpire in a reasonable fashion. These rules work well when followed. However, most boards are made up of individuals that are friends or close associates. There is a tendency to just talk and, on occasion, interrupt each other. This fact alone makes it very difficult for the chairman to manage the agenda and that critical factor of time.

Rules are very important to the effective use of board time. The format of meetings, and associated rules, must be discussed thoroughly in orientation and at the first meeting so that all members have a clear expectation regarding discussion. A board member must get the attention of the chair prior to conversation. If this single rule is abided by, meetings will certainly run much smoother.

**Executive Session:** The executive session is an important part of the board meeting process. It allows members to discuss the performance of the GM/COO as a part

of their duty to evaluate. The problem that can occur when executive sessions are an automatic part of each meeting is that, in some clubs, members tend to use this time to complain about specific operating issues or personal experiences with other staff members. These experiences, some having been received second or third hand, can reflect directly on the GM/COO.

Personal experiences of board members and second-, or third-hand rumors should be presented directly to the GM/COO for response and action. The way the GM/COO responded to, or took action regarding, a concern and not the problem itself are appropriate for discussion at executive sessions.

The evaluation responsibility of the board is based on clear and measurable goals. The GM/COO should also be evaluated on his/her ability to manage the organization and by the way he or she personally handles problems. It is important that board members realize the difference and use executive sessions as opportunities to help the GM/COO by offering positive suggestions or solutions. It is the president's responsibility to share the executive session concerns with the GM/COO so that he or she can take further action to resolve the issues.

The best organizations believe that the board and GM/COO are in it together. It is each one's responsibility to assist the other to the betterment of the whole.

*Excerpted from CMAA's Director's Guide for Understanding Club Governance*



## Legal, Legislative, & Regulatory Update

### EPA Announces New Water Rule

In January, the Environmental Protection Agency and Army Corps of Engineers published the final Waters of the United States (WOTUS) rule. Despite calls from the regulated community and our coalition partners with the Waters Advocacy Coalition for a rule that provides the clarity and certainty essential for predictable and efficient permitting, the final rule relies on vague terms will make it difficult for any business or individual trying to comply with the Clean Water Act (CWA).

In addition, the new rule comes at a time when the Supreme Court is weighing the scope of the CWA in the case of *Sackett v. EPA*. A ruling in the *Sackett* case could negate (or render irrelevant) significant elements of this WOTUS rule, which will create even more confusion for landowners and businesses throughout the country.

A Clean Water Act permit will be necessary (for certain activities) to obtain if a landowner's property contains any of the following jurisdictional waters as defined under the final rule:

- Traditional navigable waters, territorial seas, and interstate waters, including wetlands;
- Impoundments of waters;
- Natural, modified, or constructed tributaries of the above two features, including rivers, streams, lakes, ponds, and impoundments that flow into these;

- Wetlands adjacent to the above; and
- Intrastate lakes and ponds, streams, or wetlands not previously identified.

The final rule excludes certain features that commonly contain water but are not defined as WOTUS including ditches (including roadside ditches) excavated wholly in and draining only dry land and that do not carry a relatively permanent flow of water; artificially irrigated areas that would revert to dry land if the irrigation ceased; artificial lakes or ponds created by excavating or diking dry land to collect and retain water and which are used exclusively for such purposes as stock watering, irrigation, settling basins, or rice growing; artificial reflecting or swimming pools or other small ornamental bodies of water created by excavating or diking dry land to retain water for primarily aesthetic reasons; waterfilled depressions created in dry land incidental to construction activity and pits excavated in dry land for the purpose of obtaining fill, sand, or gravel unless and until the construction or excavation operation is abandoned and the resulting body of water meets the definition of WOTUS; and swales and erosional features (e.g., gullies, small washes) characterized by low volume, infrequent, or short duration flow.

The new rule is slated to become effective on March 20, 2023.





## CMAA News & Announcements

### National Golf Day Returns to Capitol Hill on May 10

National Golf Day serves as the pinnacle advocacy event of the year for the American Golf Industry Coalition, formerly known as We Are Golf. More than 200 golf industry professionals will head to Capitol Hill to advocate for the industry and educate lawmakers in Washington, DC.

The 15th annual National Golf Day will return to an in-person format in Washington DC for the first time since 2019. Preceded by a Community Service Project on the National Mall on May 9th, advocates will participate in more than 200 legislative meetings with Members of Congress on May 10.

For more than a dozen years since its founding, the American Golf Industry Coalition has become a banner under which golf's collective priorities can be addressed. The coalition assembles industry representatives annually in Washington, DC, to meet with elected officials and advocate on behalf of golf's \$84 billion economy, \$4 billion in charitable impact, and two million jobs throughout the U.S. The industry came together virtually for National Golf Day in 2021 and 2022.

The coalition also works to amplify tangible examples of key initiatives at both the grassroots and industry workforce level and advocate in support of issues that impact the industry at the state and federal level.

Learn more at [golfcoalition.org](https://golfcoalition.org).

**The Board Brief** is a publication of the Club Management Association of America. Founded in 1927, CMAA is the largest professional association for managers of membership clubs with more than 7,000 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 more than 40 professional chapters and more than 40 student chapters and colonies. Learn more at [cmaa.org](https://cmaa.org).