

Board Brief

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Designed for Club
Board of Directors



**CLUB
MANAGEMENT
ASSOCIATION
OF AMERICA**

By the Numbers: Facility & Renovation Trends

When 2020 began, trends for facility use or renovations likely looked a lot different than they do now. While capital improvements may still be on the table for some clubs, others are rethinking their plans for the next year as the COVID-19 pandemic has impacted club revenues.

In April, CMAA fielded a survey addressing club operations resuming amidst the coronavirus pandemic. As part of that survey, recipients were asked whether certain capital improvement projects would continue as planned or would be paused for the time being. Based on the data received, it's fair to say that the pandemic has significantly impacted clubs' ability to move forward with planned improvements and renovations.

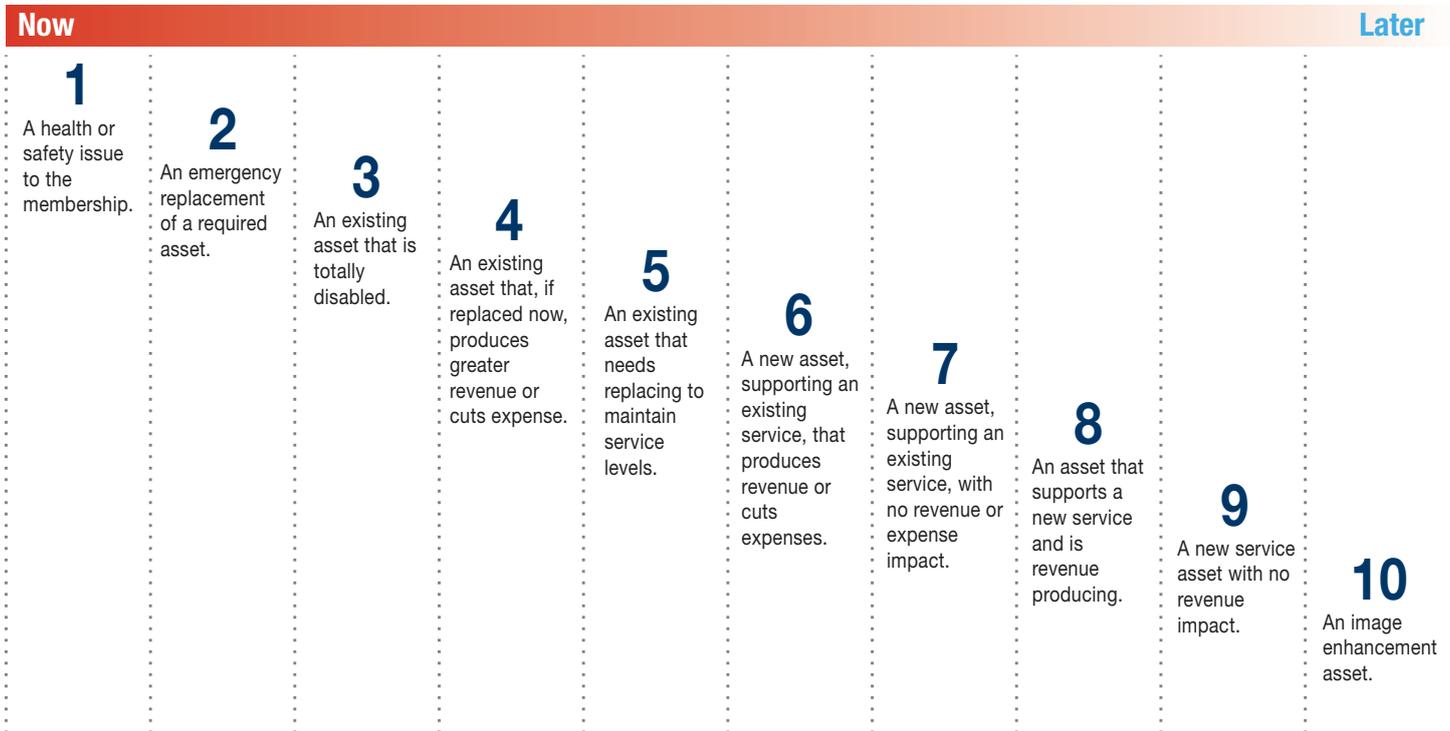
- **Golf Course Improvements:** 44.4% of responding clubs indicated that golf course capital improvement or renovation projects for 2020 will proceed as planned. 16.6% have canceled or postponed these projects. Similarly, golf course maintenance equipment capital improvement or renovation projects for 2020 was on the docket for many clubs. 54.1% of responding clubs plan to proceed with such improvements while only 12.5% have canceled or postponed these projects.

- **Spa and Fitness Improvements:** Renovation and capital improvement projects for 2020 will proceed as planned for only 24.8% of the responding clubs, while 14.4% have canceled or postponed these projects. Just over half of the clubs responding did not have plans for their fitness or spa facilities for 2020.
- **Clubhouse Improvements:** Capital improvement or renovation projects in clubhouses for 2020 will proceed as planned for 36.7% of the responding clubs and 23.1% have canceled or postponed these projects.
- **Dining Area Improvements:** 32.1% of clubs responded that dining area improvement or renovation projects will proceed as planned, and 21.6% have canceled or postponed these projects.

While more clubs plan to proceed with renovations or capital improvement projects this year, it's important to note that a significant number have had to reconsider their plans for the year. Perhaps your club is among those in a position to re-think financial commitments in 2020 – you're not alone.

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Capital Priority Rating Chart



Source: CMAA's Director's Guide for Understanding Club Governance

In re-thinking those commitments, consider these data points from CMAA's recently released *2020 Finance and Operations Report*:

- **Golf and Country Clubs:** The top three capital spending priorities for the next three years includes general golf course at 53%, general clubhouse at 36%, and informal dining at 22%.
- **City/Athletic Clubs:** Over the next three years, these clubs will prioritize capital spending for general club house at 60%, fitness center at 30%, and men's locker room at 20%.
- **Yacht Clubs:** The top three capital spending priorities for the next three years for Yacht Clubs are general clubhouse and informal dining, tied at 36% and swimming pool and pool snack bar, also tied, at 21%.

Best Practices: Prioritizing Capital Investment

A difficult aspect of governance is allocating limited capital resources to a myriad of needs. Many times, there is no clear thought process that follows each allocation. Priorities can be set for strictly political reasons, to pacify special interest groups, or just so that all parts of the club get a share of the resources. It can also be hard to prioritize within just one department where many needs outweigh potential resources.

It is suggested that the board take a pragmatic approach to prioritization on capital needs. Certainly, it is appropriate to separate out very large projects from regular asset replacement.

However, when it comes to regular assets, there should be a system for evaluating the need of one asset over the need of another asset in a completely different department.

The diagram above offers one solution to the process of prioritization:

Each asset can be considered as to how it relates to the ten types of assets listed. It can be logically argued that the higher the relationship to the list, the higher the priority that is placed on that asset request.



Legal, Legislative, & Regulatory Update

OSHA Updates FAQs on Reporting COVID-19 in the Workplace

On September 30, the Occupational Safety and Health Administration (OSHA) published additional frequently asked questions and answers (FAQs) regarding the need to report employees' in-patient hospitalizations and fatalities resulting from work-related cases of COVID-19. To date, OSHA has issued \$490,575 in fines for coronavirus violations.

Specifically, the FAQs provide guidance on how to calculate reporting deadlines for in-patient hospitalizations and fatalities, and clarify the definition of "incident" as it relates to work-related COVID-19.

Defining "Incident": For cases of COVID-19, the term "incident" means an exposure to SARS-CoV-2 in the workplace.

Reporting a Fatality or In-Patient Hospitalization

Fatality – An employer must "report a fatality to OSHA if the fatality occurs within 30 days of the work-related incident." Therefore, in order to be reportable, a fatality due to COVID-19 must occur within 30 days of an exposure to SARS-CoV-2 at work. The employer must report the fatality within eight hours of knowing both that the employee has died, and that the cause of death was a work-related case of COVID-19. Thus, if an employer learns that an employee died within 30 days of a work-related incident, and determines afterward that the cause of the death was a work-related case of COVID-19, the case must be reported within eight hours of that determination.

However, employers should note that the 30-day limitation only applies to reporting; employers who are required

to keep OSHA injury and illness records must still record work-related fatalities.

In-Patient Hospitalization - Employers are only required to report in-patient hospitalizations to OSHA if the hospitalization "occurs within 24 hours of the work-related incident." Therefore, in order to be reportable, an in-patient hospitalization due to COVID-19 must occur within 24 hours of an exposure at work. The employer must report such hospitalization within 24 hours of knowing both that the employee has been in-patient hospitalized and that the reason for the hospitalization was a work-related case of COVID-19. Thus, if an employer learns that an employee was in-patient hospitalized within 24 hours of a work-related incident, and determines afterward that the cause of the in-patient hospitalization was a work-related case of COVID-19, the case must be reported within 24 hours of that determination.

As a reminder, you may use one of the three following methods to report and should be prepared with your club name; name(s) of affected employee(s); location and time of the incident; and your contact information.

- Call the nearest OSHA office;
- Call the OSHA 24-hour hotline at 1-800-321-OSHA (6742); or
- By electronic submission report online.

Earlier guidance released in May defined COVID-19 as an illness recordable by employers if it is a confirmed case, is worked related, and it meets general recording criteria.

Full Source: <https://www.osha.gov/SLTC/covid-19/covid-19-faq.html#reporting>



CMAA News & Announcements

Virtual Educational Opportunities Abound

This fall CMAA presented more than a dozen virtual programs including its popular Leadership/Legislative and Mid-Management Conferences, Business Management Institutes (BMI), Summits, and more. But this is not the only option for virtual programming for club management professionals. As technology evolved, CMAA has been committed to offering our members educational opportunities online.

Launched on its current platform in 2013, CMAA University is a comprehensive education platform that is complimentary for CMAA members, to earn credits towards certification and further career development. Courses are taken at the individual's pace and schedule. Content areas include Archived Webinars, Certificate Programs, Conference Education, the Manager in Development program, Executive Level Education, and Micro Learning.

Beyond CMAA University, club management professionals can benefit from CMAA's live Webinars which first debuted in 2009. CMAA hosts biweekly webinars on relevant club management topics throughout the year. Past webinars can be accessed on CMAA University.

For more information on the wealth of accessible educational programming offered by CMAA, visit [cmaa.org/ProfessionalDevelopment.aspx](https://www.cmaa.org/ProfessionalDevelopment.aspx).

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://www.cmaa.org).