

# Board Brief

Designed for Club Board of Directors



CLUB  
MANAGEMENT  
ASSOCIATION  
OF AMERICA

May/June 2023

## By the Numbers: Emerging Trends and Challenges

This year, GGA Partners has again teamed up with the CMAA Research Committee to administer a research survey for members of the Association. The survey – *A Club Leader's Perspective: Emerging Trends & Challenges* – serves as a contemporary update on the pressing needs of CMAA managers and looks at emerging trends and challenges from the perspective of those in club management.

This report was designed to gauge the impact of the coronavirus pandemic on club operations and its ripple effects into 2023 and beyond, and the research results will help club managers and their boards better prepare for the next normal. We'll look at data from the Executive Summary section in this edition of Board Brief – but you can find more data in the full report.

### Industry Strength

The outlook for the club industry remains strong. Membership demand continues to drive up member counts and waitlists, which dominoes into entrance fee increases. Members are joining clubs at a younger average age and these generations are also exhibiting an uptick in utilization. This favorable era of demand also incites challenges of managing amenity capacity and utilization, though the results suggest clubs are improving in their ability to optimize member capacities.

### Challenges Persist

The ongoing difficulties in human resources continue to be prevalent, especially concerning people-intensive

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departments that are impacted by the growth of wages. Club leaders anticipate another year of high inflation-impacted expense budgets, though there is consistent agreement in the importance of matching these costs by aligning the increase in dues and other revenue levers – in other words, not sacrificing the desired member experience and service standard in the effort of cost savings.

## Financial Health

Clubs have benefited from increased funding from traditional sources, and the operational health of clubs has allowed most to maintain service levels. Financial position has improved for many despite the inflationary and operational challenges, which has allowed clubs to maintain an aggressive and opportunistic outlook for capital investment over the next five years. Despite heightened caution of future financial risks (including the cost of borrowing), clubs remain committed to continuous improvement of the member experience through capital enhancement and operational excellence.

Given the continually evolving landscape of the COVID-19 pandemic and its changing impact on the workplace, time will tell what the lasting impacts will be for clubs.

Source: GGA Partners 2022/2023 Club Leaders' Perspective Report. Access at <https://ggapartners.com/2023/02/a-club-leaders-perspective-2022-2023/>.

## Best Practices: What Does Your Job Description Look Like?

The responsibilities of a board of directors have never been greater as clubs manage unprecedented demand and interest. Duties include fiduciary and legal responsibilities, while keeping an eye on the future to prepare now for tomorrow's opportunities with crave-worthy amenities and programming.

Clear roles and responsibilities for board members as well as the general manager/chief operating officer are key. What are the key responsibilities in the Board's job description?

**Board Job Description.** The job of the Board is to lead the club toward the desired performance and ensure that that performance occurs. The Board's specific contributions are unique to its trusteeship role and necessary for proper governance and management. Consistent with the powers granted the Board in the Bylaws, the Board shall:

Determine the strategies, and major goals/outcomes (strategic initiatives), and hold the GM/COO/CEO accountable for developing a strategic plan based on these policies.

- Determine the limitations or parameters within which the GM is expected to achieve the goals/outcomes.
- Monitor the performance of the organization relative to the achievement of the goals/outcomes within the executive parameters.
- Maintain and constantly improve all ongoing policies of the Board in the Board Policy Manual.
- Ensure financial solvency and integrity through policies and behavior.
- Require periodic financial and other external audits to ensure compliance with the law and with good practices.
- Evaluate and constantly improve the Board's performance and set expectations for Board members' involvement as volunteers.
- Communicate regularly through the President with club members regarding the status of club affairs.

Source: Excerpted from CMAA's Board Policy Manual, [cmaa.org](http://cmaa.org).



## Legal, Legislative, & Regulatory Update

### H-2B Visa Program Update

As of February 27, US Citizenship and Immigration Services (USCIS) had received enough petitions to exhaust the standard supply of 33,000 H-2B visas for the second half of FY2023.

The supplemental FY2023 visas became available on the following schedule:

#### **March 14**

For clubs seeking nationals of El Salvador, Guatemala, Honduras, and Haiti, USCIS will begin accepting petitions requesting an employment start date from April 1 to September 30.

For clubs seeking workers for the early second half of FY 2023 (April 1 to May 14), USCIS will begin accepting petitions for the additional 16,500 visas made available to returning workers regardless of country of nationality. As of March 30, this allotment of visas was exhausted.

#### **April 13**

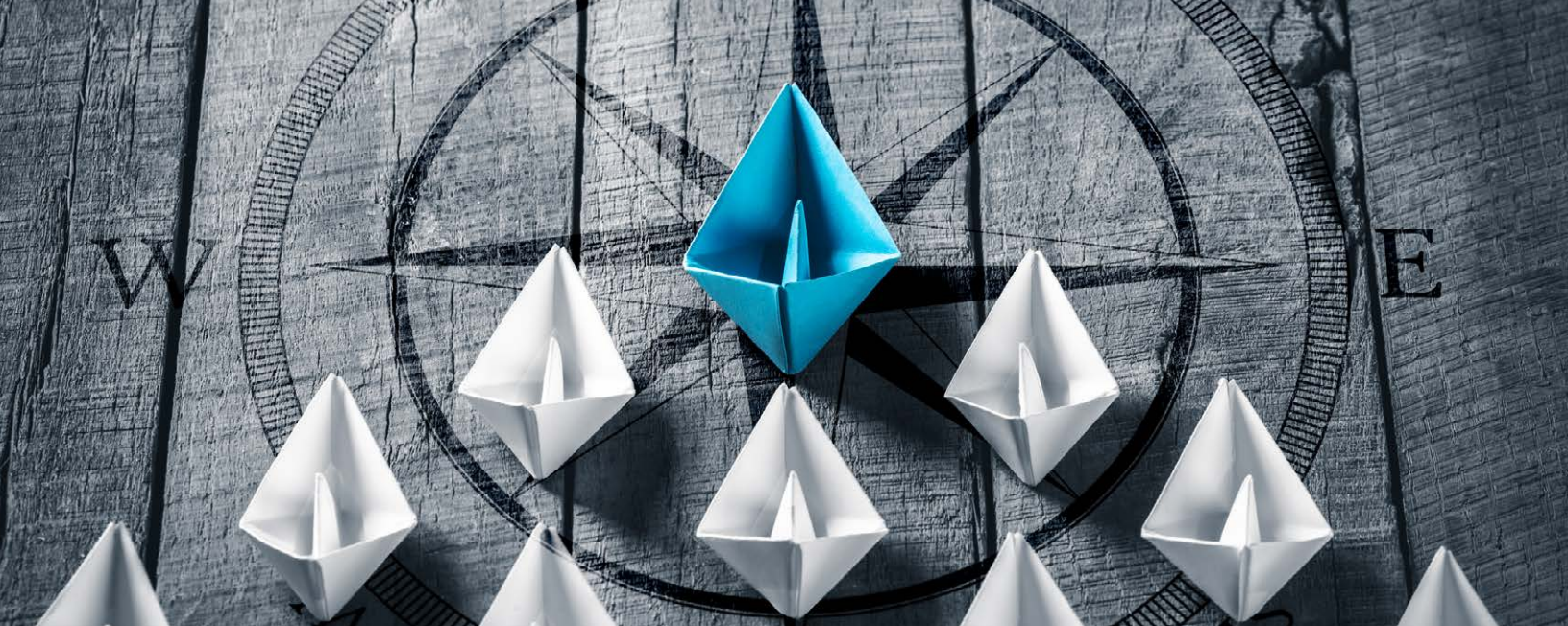
For clubs seeking workers for the late second half of FY 2023 (May 15 to September 30), USCIS will begin

accepting petitions for the additional 10,000 visas made available to returning workers regardless of country of nationality.

Meanwhile, USCIS has proposed a significant increase in the cost of filing petitions for the H-2B visa program, as part of its biennial fee review of all USCIS fees. Additionally, the proposal seeks to differentiate fees for petitions with named workers and petitions with unnamed workers and limit the number of named workers that may be included on a single petition to 25.

The new proposed fees would triple the cost to file the required petition, the I-129. The USCIS explained that the price differential between named and unnamed beneficiaries was “calculated to better reflect the costs associated with processing the benefit requests for the various categories of nonimmigrant worker.”

Additionally, all I-129 petitions would now be subject to the new asylum program fee of \$600. This fee would be charged anytime that the I-129 is used including when requesting changes of status and extensions of stay.



## CMAA News & Announcements

### Get the Latest Club Governance Best Practices and Trends at the Club Leadership Summits

Enhance your partnership with your club's General manager with CMAA's Club Leadership Summits. These one-day Summits bring together club management professionals and their club's President Elect/President or Chairman of the Board for cooperative education and engagement on club governance best practices and trends.

Prepare your club's elected leadership for success with focused information on relevant strategic topics, including:

**Governance** – evaluating organizational health; leading club best practices; board roles and responsibilities; engaging board and committee orientations; and board self-evaluation and efficacy.

**Finance** – understanding the link between strategic governance and understanding the financial model of

clubs; and how the application of the financial model can improve governance.

**Club Trends** – engaging multi-generations of members; club trends in the post-COVID world; and using a strategic model in constantly-changing conditions.

**New This Year! Club Legislation** – learn about the political climate and the impact on clubs with the President and CEO of the National Club Association, Joe Trauger

These highly rated Summits are presented in partnership with KOPPLIN KUEBLER & WALLACE, a CMAA Business Partner.

The upcoming Summit schedule includes May 22 at The Chicago Club in Chicago, IL; June 26 via virtual presentation; and September 6 at The Chevy Chase Club in Chevy Chase, MD.

Learn more at <https://www.cmaa.org/learn/meetings-and-events/club-leadership-summits-2023/>.

**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 [cmma.org](http://cmma.org).