

2018

*Annual
Report*



**CLUB
MANAGEMENT
ASSOCIATION
OF AMERICA**

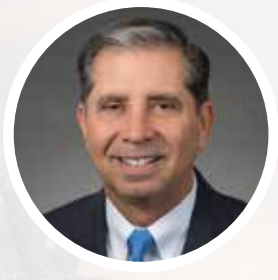
CMAA

MISSION STATEMENT

The Club Management Association of America advances the profession of club management by fulfilling the educational and related needs of its members.

VISION STATEMENT

A thriving club industry led by CMAA educated professionals.



PRESIDENT

Robert "Bobby" Crifasi, CCM, CCE, CPA

**CHANGE IS CONSTANT.
OUR CLUBS ARE EVOLVING,
AND SO MUST OUR ASSOCIATION.**

The club industry is changing fast, and it is incumbent upon us to keep pace with the innovations and best practices in amenities, governance, member engagement, and technology. It is our responsibility to explore these trends and survey our memberships to determine what is right for our club. These trends are reflected in the work of our Association, and it was a busy year as CMAA expanded its member offerings, brand, and role as the leader in the club management practice.

In the first quarter of 2018, CMAA and Global Golf Advisors (GGA) partnered on a **research** project on innovation in the club industry. In the findings, members rated innovation as very important to the long-term success and sustainability of clubs; however, most do not regard their own clubs as very innovative, and believe clubs are not keeping pace with other industries and broader society as whole. It is apparent that many managers struggle with evolving the institution of the club and resistance to changes to tradition. Our research efforts will be imperative to support our members in these endeavors.

Our research capabilities continued to expand. In the fall, CMAA released the **2018 Compensation and Benefits Report**. Based on confidential surveys completed by more than 400 clubs in the summer, the report includes detailed analysis of key compensation and benefits data from the club management industry including expanded information on mid-management positions.

continued on next page >

continued from previous page >

On July 1, our organization officially became the **Club Management Association of America**. This bylaw change was approved by more than 90 percent of voters. This name change more accurately identifies who CMAA is and helps distinguish what the organization does. The new name better reflects the composition of CMAA's membership, which has diversified in the last 10 years. Today, approximately one third of the membership is comprised of professionals serving in management roles at their club facilities but are not necessarily the top executive like the general manager/chief operating officer.

CMAA launched the process of updating our existing ten competencies for success in profession. In September, CMAA unveiled the comprehensive **Competency Study**. Member feedback on the importance of these competencies will shape all professional development offerings including the Business Management Institute (BMI) curriculum, the Certified Club Manager (CCM) exam, and other educational resources like *Contemporary Club Management*. This process will serve to enhance and maintain the relevancy of our certification pathways and ensure pertinent and valuable educational offerings.

On November 1, the **Club Spa and Fitness Association (CSFA)** officially became a CMAA subsidiary. The growth of spa and fitness amenities in the club industry has been increasing since 2000, with more than 60 percent of clubs offering this recreational opportunity to their members. The addition of CSFA under the CMAA umbrella is a natural fit with our expanded role as the Club Management Association of America. Members of both organizations will benefit from the collaboration in many areas including research, professional development, education, and communication efforts.

Fiscally, our Association remains strong. The National Board has created a dedicated financial reserve for debt reduction – specifically the Headquarters mortgage – which will be funded by one-half of any organizational profits beginning with the 2018 year end.

As our clubs continue to move in new directions, our Association is moving our industry and profession forward.



CEO

Jeff Morgan, FASAE, CAE

THIS YEAR WAS MARKED BY NEW EFFORTS, COLLABORATIONS, AND OPPORTUNITIES. AS WE WORKED TOGETHER WITH OUR MEMBERS AND OUR CHAPTERS, THERE WAS THOUGHTFUL DISCOURSE, DELIBERATION, AND CONSIDERATION.

Our collaborative efforts continued to focus on strengthening the Chapter-National relationship. Due diligence was taken to provide the opportunity for considered dialogue and feedback during the 18-month process to finalize the **CMAA Chapter Affiliation Agreement**. The agreement was finalized in November and is ready for adoption by each Chapter. The goal is to have this completed by all Chapters by the World Conference and Club Business Expo in Nashville, TN, in February 2019.

Under the Agreement, National and Chapters will migrate to one standardized **CMAA logo** effective July 1, 2019. All Chapters were solicited for their feedback on two possible logo variations and the majority voted in favor of the adopted logo. Chapters may choose to have their Chapter name within the logo featured in one of the approved colors. Logo standardization will improve visibility for Chapters and the greater CMAA brand with club members, boards, and the general public.

As part of this process, the **CMAA Policy Manual**, which details all national policies for Members and Chapters, was updated and circulated. This document also includes newly released policies specific to **Expected Conduct for CMAA Events & Programs and Credit Reporting**. These policies complement CMAA's existing **Code of Ethics & Conduct**.

continued on next page >

continued from previous page >

The work of the two-year **Chapter-National Alignment Executive Task Force** continued in earnest. Chartered in 2017, the Task Force is charged with exploring ways the entire CMAA organization can better serve members through an interconnected network of National and Chapter entities. In May, the Chapter-National Alignment survey was distributed and the efforts were utilized in a working session at the Leadership/Legislative Conference (LLC) in Washington, DC, in September. This session engaged attendees to create better alignment at all levels of CMAA.

Internally, CMAA enhanced its technology and member service capabilities through the unveiling of a new **Association Management System (AMS)** in June. We're modernizing our systems to bring them in line with current business rules, make the staff more efficient, and improve the online experience. A new Chapter portal was released in November to Chapter Managing Directors and administrators and will continue to evolve. This was a big step but also allows for a more iterative process moving forward.

Finally, at the World Conference in San Francisco, the **CMAA Fellows Program** was announced. This honorary recognition program distinguishes those living CMAA members who epitomize the leadership, integrity, involvement, and contributions of club management professionals. These individuals have made a significant impact on the profession and CMAA throughout their careers – and will continue to do so when called upon to serve as mentors, facilitators, thought leaders, and champions within the club community. The first class of CMAA Fellows will be introduced at the 2019 World Conference and Club Business Expo in February.

Over the past year, we have developed **new educational programs** addressing emerging trends in the industry which will debut in 2019. Members will have the opportunity to attend the BMI Sports & Recreation Management in January, the Club Communications Summit in March, and the BMI Capital Improvements Summit in the Fall.

As we look forward into 2019, our collective momentum – from our Members, Chapters, and National Headquarters team – is strong and will propel us all forward as we embark on the next CMAA Strategic Plan.



SECRETARY-TREASURER

Mark A. Bado, MCM, CCE

For the fiscal year ended **October 31, 2018**, the results from operations were a net income of **\$400,000**, which was **\$200,000** better than budget. It should be noted that earlier this year, the Board designated that going forward, 50 percent of all such profits would be set aside to help fund the 2023 debt balloon payment of approximately **\$2,100,000**. We decided to create this balloon payment fund because prepayment penalties associated with the loan make it senseless to pay the loans off in advance of the loan's due date.

We have been beneficiaries of four consecutive years of strong financial performance, which is a direct result of the financial leadership of our CEO, Jeff Morgan, and the addition of our new CFO, Jason Tate. Additional factors that contributed to these positive results were achieved with attendance at World Conference in San Francisco exceeding budgeted projections, a fully subscribed Club Business Expo, and the management of expenses by staff which led to the both the World Conference and Expo coming in under budget. Other items contributing to this positive impact were increased membership census levels, increased utilization of job postings on Career Services, and the Pre-Certification Business Management Institutes being fully subscribed. During 2018, six companies renewed their Partnership Network program commitments ranging from three to seven years, thereby generating nearly **\$3,800,000** over that same period. This will provide CMAA and The Club Foundation with a tremendous level of funding for a variety of member-centric programs as we work together on our future.

continued on next page >

continued from previous page >

Other highlights of the financial report include the new AMS software system that is projected to come in under the **\$930,000** total budget. This multi-year project began in 2017 and will run through 2023. The largest cash outlay was in 2018 with the remaining payments of license fees will be made through the end of the contract. Because the development and implementation continue with this software, we are still at least a year away from experiencing member benefits that are on par with the level of our expectations going into this project. Additionally, our new Event Sponsorship funding program that we rolled out in 2018 that provides corporations sponsorship opportunities not included in the Partnership Network program fell short of its 2018 budget. Going forward, we see this as an area of opportunity to grow our top line revenues and, as such, this will be a focus point for both Jeff and Seth Gregg in fiscal year 2019.

In closing, it is important to note that though we have enjoyed four years of very favorable financial performance that we as a Board continue to challenge Jeff Morgan and his team to look for new and innovative ways to provide value to our entire membership that is commensurate with your investment in our Association.

BALANCE SHEET

Club Management Association Of America And Affiliates Consolidated Statement Of Financial Position

Year Ended October 31, 2018

ASSETS

Current Assets

2018

Cash & Cash Equivalents	5,186,133
Accounts Receivable	295,045
Pledges Receivable	77,950
Prepaid Expenses	397,137
Total Current Assets	5,956,265

Pledge Receivable non current	95,765
Investments in Marketable Securities	2,989,608
Other Assets	77,539
Property & Equipment	1,807,520

Total Assets **10,926,697**

LIABILITIES AND NET ASSETS

Accounts Payable	21,821
Accrued Expenses	616,668
Deferred Income	4,963,782
Mortgage Payable, Current Portion	70,532
Total Current Liabilities	5,672,803
Mortgage Payable, Long Term Portion	2,356,496
Other Liabilities	77,539
Net Assets	2,819,859

Total Liabilities and Net Assets **10,926,697**

STATEMENT OF REVENUE AND EXPENSES

Year Ended October 31, 2018

REVENUES

Member Dues	3,495,264
Meetings & Events	2,379,885
Professional Development	1,856,736
Business Development	2,143,075
The Club Foundation Contributions and other income	316,631
Interest Income	351,401
Other Income	288,220
Wine Society	158,264

Total Revenues

10,989,476

EXPENSES

Meetings & Events	2,439,115
Professional Development	1,679,710
General Admin & Board Comm	2,407,247
Business Development	1,189,265
The Club Foundation	450,695
Member Services	1,220,547
Wine Society	218,650
Building	525,414
Other Expenses	220,997
Total Expenses	10,351,640
Net Loss on Investments in Marketable Securities	<55,110>
Change in Temporarily Restricted Net Assets	<5,900>
Changes in Net Assets	576,826

Net Assets beginning of year

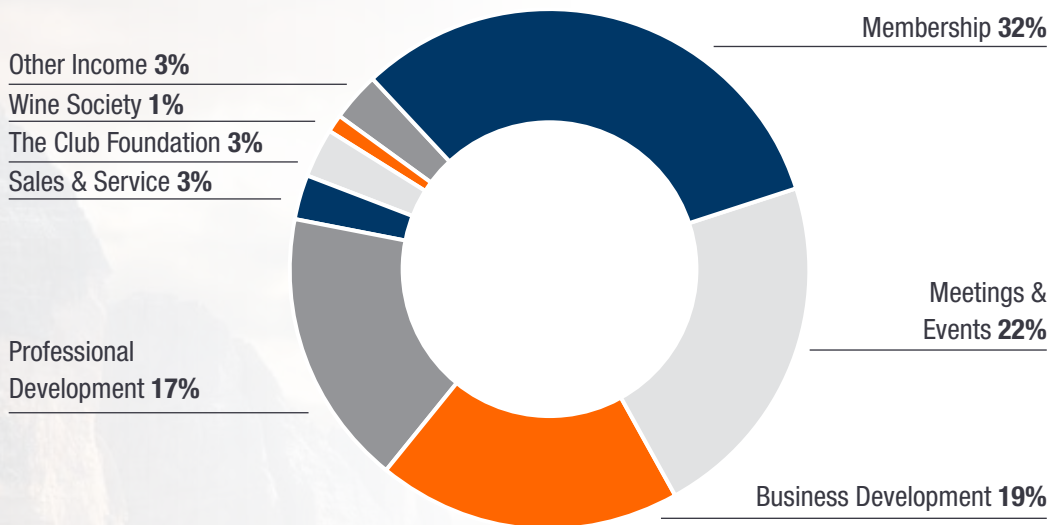
2,243,033

Net Assets end of year

2,819,859

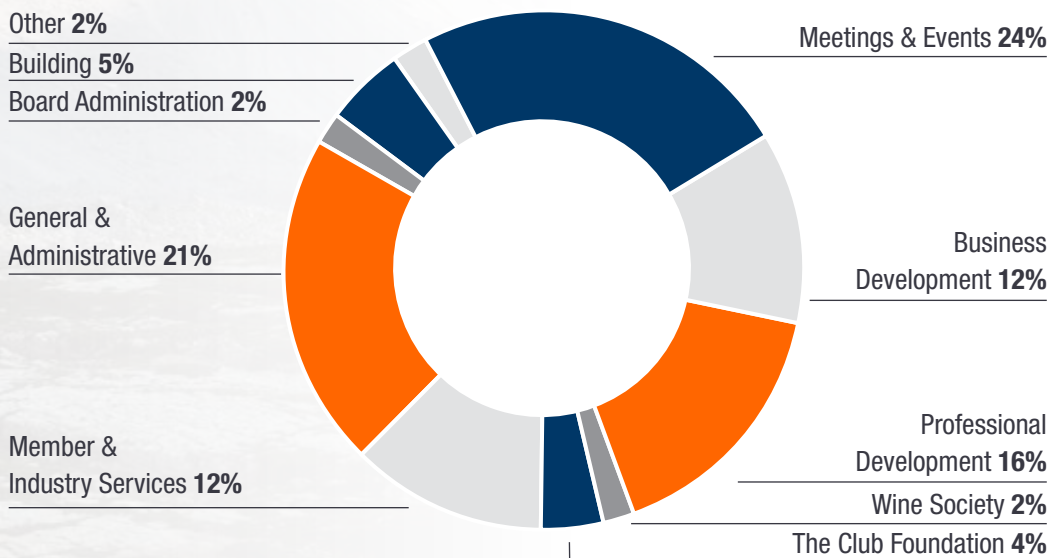
CMAA Consolidated Operating Revenue by Source

Fiscal Year 2018



CMAA Consolidated Operating Expenses by Activity

Fiscal Year 2018



2018 MEMBERS

We had a record year for new members.

6,725

TOTAL NUMBER
OF MEMBERS

742

NEW PROFESSIONAL
MEMBERS

1,287

STUDENT MEMBERS

New Member Growth over the Past Five Years

Month	2014	2015	2016	2017	2018
January	59	56	46	71	82
February	63	74	71	45	89
March	79	49	46	50	60
April	60	78	61	54	71
May	48	46	61	59	63
June	40	42	38	47	33
July	41	30	36	30	41
August	36	33	37	54	43
September	42	44	53	32	45
October	76	70	87	74	71
November	63	79	75	65	91
December	56	60	72	36	53
Total	663	661	683	617	742

MEMBER COMMUNITIES

CMAA continued to place great emphasis on the growth of its existing member communities. The general goals are to bring together members of similar character and shared interests to build communities within the Association at-large; cultivate the expertise that exists within the groups to share not only among themselves, but with all CMAA members; and, together with CMAA staff, co-create an engaged and diverse Association membership.

CMAA's most active member communities – **International Wine Society**, **Women in Club Management**, and **Young Professionals (YoPros)** – all introduced new initiatives in 2018 and, collectively, are providing thousands of CMAA members with a more enriching membership experience.



International Wine Society

Members: **507**

New in 2018: Development of a Strategic Plan based on CMAA member feedback and digital update to The Grapevine newsletter.



Women in Club Management

Members: **1,173**

New in 2018: Creation of a quarterly Coaching Conversation Series.



YoPros

Members: **1,744**

New in 2018: Production of a quarterly YoPro Insights electronic newsletter.

MEMBER ENGAGEMENT AND COMMUNICATIONS

Club Management Magazine

- » Digital readership continues to expand, with each bi-monthly edition averaging 4,506 views.
- » A regular column featuring Member Perspectives was added.

Let's Talk Club Management Podcast

Launched in May, this podcast features a variety of voices of **CMAA** members and the staff team on topics including governance, board relations, career development, and industry trends. Each edition features a club-tested idea and Association news updates. The podcast is now available through **Apple Podcasts** as well as **CMAA's website**.

Social Media

Member and industry engagement across all platforms has increased, with new hashtags and coordinated content around **#MemberMondays**, **#WorldConferenceWednesdays**, and **#IdeaFairFridays**.



6,744

Twitter Followers



1,109

Instagram Followers



2,178

Facebook Followers



8,270

LinkedIn Company Page Followers



1,512

LinkedIn Members-Only Discussion Group

Advocacy

CMAA's Advocacy Platform, *Clubindustryvotes.org*, was promoted as a non-partisan election information resource to members and during club staff members during the midterm election season. Visits to the site increased by more than **178 percent** and unique visitors more than doubled.

Business Development

Club Resource Center (CRC)

272

Active Clubs

18,985

Training Courses Passed

15,707

Log Ins

Partnership Network

12

Companies

3

Strategic Partners

9

Business Partners

ClubCareers

Across all categories, **CMAA** featured more than **420 job openings**.

The member-only Managerial Openings List (MOL) continues to be the most visited page on **cmaa.org**.

CMAA has four job boards: Internships, Entry-Level Opportunities (ELO), Mid-Management Opportunities (MMCO), and the Managerial Openings List (MOL). Internships and the ELO are free listings; the MMCO and MOL are charged based on salary range.

Members continue to take advantage of the career resources - résumé critiques, résumé and LinkedIn profiles, and bundles. These services are provided by a Certified Professional Résumé Writer at Riklan Services.

Coaching services continue to be utilized by members in all phases of their career.

Conferences & Events

91st World Conference on Club Management and Club Business Expo,
March 2-6, 2018, San Francisco, CA

10-15%

Attendance
Increase

280

First-Time
Attendees

4.49/5.0

Average Session
Rating

95

Individual Sessions
offered in San
Francisco, CA

51%

Speakers Who
Were First-Time
Presenters

240

Club Business
Expo Exhibiting
Companies

45

New Exhibitors

Leadership/Legislative Conference, September 5-7, 2018, Washington, DC

This annual event featured sessions focused on the education and instruction necessary to have an immediate impact on chapter-national alignment efforts and volunteer management. The event featured the interactive Chapter/National Alignment Hackathon moderated by the Chapter Alignment Task Force and McKinley Advisors. McKinley Advisors is an independent association consulting firm engaged by **CMAA** in the fall of 2017 to explore opportunities to increase alignment and value delivered through the Chapter-National relationship. In close collaboration with the Chapter-National Alignment Task Force, McKinley conducted extensive research through qualitative and quantitative instruments to examine perceptions of the Chapter-National relationship, key pain points and challenges, and identify areas for future development. This session included an overview of preliminary findings uncovered through this research, interactive exercises to provide feedback on these findings, and an update on next steps for the project. In addition, CEO Jeff Morgan unveiled the new standardized Chapter logo during his State of the Association Address.

National Student Education Conference (NSEC), November 1-4, 2018, Chicago, IL

In 2018, **CMAA** brought students to the birthplace of NSEC – Chicago, IL. A total of **99 student and faculty members** from **18 universities** attended the four-day conference, visiting five of the Chicagoland area's best clubs. Attendees heard from eight speakers who covered important topics such as rights and responsibilities in the workplace in the wake of the #MeToo movement, the FISH! Philosophy, and emotional intelligence. Throughout the weekend, students and faculty alike were afforded the opportunity to network and connect with their peers and CMAA managers – building the bridge to ensure the development of the next generation of industry professionals.

PROFESSIONAL DEVELOPMENT

Business Management Institutes

19

Number of Programs Held

726

Attending Club Management Professionals

Certification

In 2018, we embarked on the update the Certified Club Manager (CCM) program. The first step is the Competency Study which was open to member input from September through December. This survey will provide **CMAA** the necessary understanding of how club professionals spend their time as well as the knowledge, skills, and abilities critical to strategically lead a club and manage the operation. This information will ultimately impact the CCM exam, Business Management Institute curriculum, club management text book, and all other CCM materials, as we strive to ensure the authenticity of the CCM educational and testing process.



72

New Certified Club Managers (CCM): 72 from 27 different chapters



25

New Members of the Honor Society: 25 from 10 different chapters



24

New Certified Chief Executives (CCE): 24 from 14 chapters

CMAA University

- » New Mentees in the Manager In Development (MID) Program (including International Partnership with China): **53**
- » Members not attending the World Conference can now purchase Conference recordings online.
- » The Accounting Certificate was finalized and awarded to **9 Members**.



Governance/Leadership Summits

CMAA Members and Club Board Members Who Participated in Four Regional Programs: **177**

Webinars

25

Webinars Presented
in 2018

1,801

Number of Attendees and
Association Activity Credits
Awarded

RESEARCH INITIATIVES



Industry Survey: Recruiting Hourly Employees

Released in January, CMAA members benefited from best practices on this perennial challenge including:

- » Industry Research Report
- » Two White Papers
- » Five Webinars conducted in conjunction with industry experts in Human Resources, Jodie Cunningham and Insperty, a CMAA Business Partner



Benefits Report

2018 Compensation and Benefits Report, including addition of **Club Spa & Fitness Association** Compensation Information

- » Participating Clubs: **419**
- » Number of Chapters Who Exceeded Participation Goals and Received Customized Reports: **9**



Finance and Operations Report

2018 Finance and Operations Report, including expanded Fitness and Spa Section in collaboration with CSFA

- » Participating Clubs: **426**

Other Projects

- » Began investigating Innovation with Global Golf Advisors, a CMAA Business Partner.
- » Visited two Chapters to talk about how research is shaping the Association.

TECHNOLOGY

CMAA migrated from an almost entirely premise-based infrastructure to an almost fully hosted/cloud-based approach in 2018.



1,388,782

As part of its data conversion efforts, CMAA converted **1,388,782** certification records.

CLUB SPA & FITNESS ASSOCIATION



On November 1, CMAA welcomed the Club Spa & Fitness Association (CSFA) as an official subsidiary. CMAA had assumed management of CSFA in the fall of 2017; and, prior to that, the two associations had a history of collaboration dating back to 2009. The development of the relationship over the years speaks to the importance CMAA believes fitness and wellness has on the overall club operations. CSFA will retain its existing organization and governance structure as a subsidiary of CMAA; however, members of both organizations will now benefit from the collaboration in many areas including research, professional development, education, and communication efforts.

- » Members: **283**
- » Corporate Partners: **14**

THE CLUB FOUNDATION



The Club Foundation, a 501(c)(3) organization, celebrated 30 years of service to the club industry and the development of club management professionals. Since its inception, the Foundation has disbursed more than \$8 million in scholarships, grants, and research funds. In honor of the Foundation's anniversary, a new website was unveiled in November at www.clubfoundation.org.

Number of Scholarships Awarded in FY 2018:
32 Scholarships totaling more than **\$150,000**

- » Joe Perdue: **9**
- » Kendall: **7**
- » Sally Burns Rambo: **9**
- » Singerling: **5**
- » LaRocca Family: **2**

Outreach Initiatives Supported by CF: **\$75,000**

- » **\$10,000** to Caddy for a Cure
- » **\$10,000** to Carolinas Hurricane Relief
- » **\$10,000** to Florida Hurricane Relief
- » **\$5,000** to GLIDE (San Francisco, CA)
- » **\$20,000** to Nextgengolf
- » **\$20,000** to Tee It Up for the Troops

Percent of Staff Team and Boards Who Donated to The Club Foundation

- » CMAA Staff Team: **100%**
- » CMAA Board of Directors: **100%**
- » CF Board of Governors: **100%**

CMAA Members Who Annually Support The Club Foundation: **30%**

Help us reach our goal of **100%** member participation! Please consider donating today. Text the word "**clubs**" to **41444** and donate from your phone. **Every dollar counts.**

2018 BOARD OF DIRECTORS



Front Row (left to right)

Immediate Past President
Robert C. James, CCM,
CCE, CHE
 Centerville, MA

Vice President
Randy J. Ruder, CCM, CCE
 Beach Point Club
 Mamaroneck, NY

President
Robert J. Crifasi, CCM,
CCE, CPA
 New Orleans Country Club
 New Orleans, LA

Secretary-Treasurer
Mark A. Bado, MCM, CCE
 Myers Park Country Club
 Charlotte, NC

Chief Executive Officer
Jeff Morgan, FASAE, CAE
 Alexandria, VA

Middle Row (left to right)

Michael D. Seabrook,
CCM, CCE
 Belle Meade Country Club
 Nashville, TN

Richard L. LaRocca, CCM,
CCE
 The Country Club of
 Orlando
 Orlando, FL

Eric Dietz, CCM, CCE, PGA
 Mountain Lake
 Lake Wales, FL

Christina Toups, CCM,
CCE
 Ridglea Country Club
 Fort Worth, TX

Back Row (left to right)

Mitchell S. Platt, MCM,
CCE
 Cosmos Club
 Washington, DC

Joe Mendez, CCM, CCE
 Germantown Cricket Club
 Philadelphia, PA

Brian Kroh, CCM
 John's Island Club
 Vero Beach, FL

Frank Cordeiro, CCM
 Diablo Country Club
 Diablo, CA

Michael Wheeler, MCM,
CCE
 Cherokee Town
 & Country Club
 Atlanta, GA