

THE BOARDROOM

CELEBRATING 23 YEARS OF EDUCATING THE PRIVATE CLUB INDUSTRY

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SPECIAL INSERT

GAUGING THE IMPACT
OF PRIVATE CLUB TRENDS

Distinguished President of the Year

Michael Scimo
Medinah Country Club

Medinah's Michael Scimo Selected Boardroom's Distinguished Club President for 2018

"Leadership is the capacity to translate vision into reality. Mike Scimo has done that and much more. Medinah is a better club because of his commitment and hard work."

– Bruce D'Angelo, past president 2016-17.

And so go the accolades for Michael Scimo, president of Medinah Country Club in Medinah, Ill., upon his selection as *BoardRoom's Distinguished Club President for 2018*.

BoardRoom magazine this year is recognizing 26 Private Club Presidents of the Year – 2018, for practicing what they preach – leadership for the betterment of their clubs – board presidents or chairs who serve as the volunteer leaders of their club.

It's the 11th year *BoardRoom magazine* has recognized the industry's top private club presidents for their outstanding work. This year nominations and applications were received from different clubs throughout Canada and the United States.

"Our selection of the top 25 presidents and Michael Scimo as our *Distinguished Club President* signifies another successful search for leaders who have contributed so much to their private clubs and their member experience," expressed John Fornaro, *Boardroom magazine's* publisher and CEO.

"We honor board leaders, exemplary individuals, who go beyond the basic requirements of governance and work collaboratively with the club's management. The award underscores the role that a board president and his leadership play in driving a club's success and contributing to the club's long-term health.

"The non-profit private club industry is the most difficult industry of which to be board member and a manager. Board members, who are also the shareholders (owners) of the club, are also the customers. Often fraught with conflicts of interest, a private club can be very challenging to manage," Fornaro added.

"Through the process of collaborative governance, the general manager, the club's president and the board members are meant to work collaboratively. We recognize board presidents that don't delve into micromanaging. Micromanagement is not only frustrating for management, but also wastes board members' often limited time to do their actual job, which is directing ... setting policy, and *not managing* the organization or operations. That's management's job," Fornaro emphasized. ➤



*Distinguished
President*

PICTURED LEFT TO RIGHT: MICHAEL SCIMO, PRESIDENT OF MEDINAH COUNTRY CLUB
AND CLUB GENERAL MANAGER ROBERT SERECI

The impetus for BoardRoom's top president recognition program comes from its sponsors, the Association of Private Club Directors, the parent organization of *Boardroom magazine*, and Kopplin Kuebler & Wallace, one of the country's leading private club industry consultants.

"We have been privileged through the years to assist BoardRoom magazine in identifying some of the outstanding private club board members and club presidents throughout the country. These men and women give a significant amount of their time to the betterment of their clubs and lend their expertise to improving the governance model in the private club world," explained Dick Kopplin, partner in KK&W, with Kurt Kuebler and Tom Wallace.

"As our team travels the country, we are pleased to see such dedicated club leaders who are truly committed to enhancing the club experience for their fellow members. It's appropriate that these unpaid volunteers should be recognized for their efforts and along with BoardRoom magazine we salute them and want them to know we appreciate their efforts," Kopplin added.

At least from the day I joined the Medinah board in 2003, our boards knew of the club industry's views about Medinah's shortcomings, and we all worked to change that image. To that end, in 2005, a strategic planning committee was formed. Our first task was to identify and retain a consultant...one committee member had a suggestion. He had a member friend, a business consultant, very busy traveling the world, but perhaps he would be willing to help. And help Mike Scimo did. Mike has continued to work to transform Medinah Country Club from that day to the present. He is most deserving of this recognition."

Matthias Lydon,
past president 2014-2015

Change is the important story for Medinah Country Club and a governance process that had changed profoundly in recent years. The drivers for change?

- The need for the Medinah board to think and act more strategically
- The need for more clarity in roles and responsibilities between management, committees and the board, and
- The need for more consistent, transparent and effective board operations.

"Addressing these governance deficiencies was fundamental to the club's ambitious strategic planning initiative, which started in 2013 with the support of Global Golf Advisors, advising the Medinah board," explained the club general manager Robert Sereci.

"Our president at the time, Matt Lydon, recognized the importance of transforming our governance process as a key enabler to the overall transformation of the club."

Improving governance was equally important as membership development, capital planning, technology and financial excellence, and the outcome produced profound changes in how Medinah's board operated.

The creation and adoption of a board policy manual (BPM), the first major change several years ago, provides consistency and transparency in Medinah's governance. It also clarifies critically important board functions including:

- Annual objective setting and ongoing management of objectives
- Board and management roles and responsibilities
- Committee selection process
- Succession planning
- Annual board calendar, including general outlines for each meeting, and
- Defined process for taking action through approved motions.

The BPM, a living document, is enhanced with each board year. It's also visible to the members through the club website, ensuring a degree of transparency in board operations.

Changes to the club's bylaws and most notably, the adoption of the club's strategic plan marked another important phase. Scimo, then vice-president and leader of the long-range planning committee continued Medinah's transformation by converting the strategy, with the assistance of McMahon & Associates, to a detailed master plan. This provided a blueprint for strengthening Medinah's value proposition for current and prospective members.

Medinah's board also adopted a 'consent agenda' where individual committee minutes are approved in a single motion and this has dramatically reduced board meeting times. It helps ensure the board is focused on more strategic issues and activities to provide management and committees with guidance.

Change has been a multi-year effort and recently, because club committees had been given little guidance for how they should be run, who should serve and what the committees needed to accomplish, the board adopted committee charters. This provides clarity



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for what committees will accomplish and aligns expectations among committee members.

More importantly, the charter ensures alignment of the overall board objectives and minimizes the prospects for misguided or rogue committee actions.

The club also evaluates the slate of committees to achieve the club's strategic objectives. For example, at a time when membership growth was critical, the board created a membership development committee and management hired a membership development director. These moves, complementary to broader changes, helped drive the membership growth to record levels.

With the adoption of the board policy manual, Medinah's board's path is very clear and consistent year to year, much of which can be attributed to the board's annual retreat, a process guided by principals of Kopplin Kuebler & Wallace.

Before each retreat, KK&W with the outgoing board completes a survey that provides insight into what is working well and where improvement is needed. The board retreat also plays a valuable role in getting the entire board engaged and committed to what the club needs to accomplish in the coming year.

"It helps that we have a knowledgeable and experienced third party facilitating to ensure that we exit our comfort zones, and that we are considering bold possibilities aligned with or complementary to our club strategy," said Sereci. And of course, these retreats help engage new board members as they begin their terms as board members.

"We discuss survey results, and this is especially valuable when our results are compared to industry averages and best practices from other clubs," Sereci explained. "No matter how well we think we've scored, it's important to understand we can do better."

This also leads to a discussion about emerging club trends, "and this rids our group of any notion that our work is 'done.' KK&W does a terrific job of painting the picture of an industry in transition, with shifting values and needs, and the creative and progressive ways top clubs are responding to these changes. It energizes the new board as we contemplate board goals and objectives for the coming year," Sereci added.

"As I've been involved in the board retreats ...and watched Michael Scimo in action, I've been hugely impressed with his thoughtful, respectful, inclusive and highly-effective style," offered one of the retreat facilitators, Kurt Kuebler of KK&W.

"Collaboratively with GM Sereci, we've seen first-hand an iconic, well performing club elevate even further to one of the more innovative, forward-thinking clubs in America. It's clearly evident that Medinah, under its collective leadership efforts, has recognized that *being a great golf club and a great full-service country club* simultaneously are mutually inclusive efforts," praised Kuebler.

EYES ON THE BIG PICTURE

"Michael Scimo, as president, immediately understood the strategic scale and scope of planning Medinah's future," offered Henry DeLozier, a principal with Global Golf Advisors. "He has proven to be a process-driven leader who shared credit and accountability in equal portion. Most importantly, he did not cross the line from strategy to tactics. He has kept his board focused on the strategic purpose of the process.

"Following in a succession of courageous and dedicated leaders at Medinah, Scimo integrated the club's broad reach and potential into a focused strategic planning process, which brought forth the best in the club's servant leaders. The resulting strategy is bold and visionary...giving Medinah an uncommon forward lean," DeLozier added.

Global Golf's Stephen Johnston, who also has worked extensively with president Scimo, says, "Over the past few years, Medinah has made many changes to club governance with significant capital expenditures to enhance the member experience and maintain assets.

"This doesn't happen without strong leadership which focuses on 'doing what is right' and letting individuals with the skills and expertise make change. Medinah has done an excellent job in having strong leadership.

"I cannot say enough about Michael Scimo. He listens and above all else keeps the club focused on what matters. Under his leadership tough decisions have been made. However, he insured the club remain focused on its strategic plan and let management and others implement the tactical aspects of the plan while keeping everyone accountable and maintaining the club's vision and standard of excellence," Johnston added.

"Michael's leadership has allowed the club to succeed and evolve as it should. He is passionate about the club and more importantly is well respected by management, staff, fellow board members and the membership."

Sometimes the story isn't all peaches and cream. Like many clubs, in times of uncertainty, members become anxious...unsettled about the future of their club. But strong leadership often is the path to success.

"For most club boards the easiest decision to a destination is always the status quo and that's what many have chosen to do," expounded GM Sereci. "But unlike most club boards, our boards not only designed a path to get us to a new destination, but also provided great clarity on how we will get there.



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*Michael McCarthy, COO/GM
Addison Reserve, Delray Beach, FL*

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*Stephen J. LoGiudice, CCM, COO/GM
The Club at Ibis, West Palm Beach, FL*



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“At first, many members were skeptical and critical, and some threatened to resign. Others listened, asked questions and ultimately offered support. Having been through this process in other clubs, I can tell you this can be a very painful experience for all involved, especially for the club president and board. The courage required to undertake a club transformation like ours is usually unappreciated and unnoticed by the membership,” Sereci added.

“We continue to receive a tremendous amount of press and recognition for some of our ‘out of the box’ initiatives, be it the chicken coop, the food truck, the golf for life program or something significant like leading the design and programming of our new facilities.

“Much of that success is attributed to the support I receive from the club president,” Sereci opined. “Our team can have the best of ideas, but without a strong and supportive club president, it means nothing. I provide my team with a large safety net and encourage them to be innovative only because I know Mr Scimo has my back and provides a safety net for me as well. In return I am very protective of him and do my best to guard him from negative forces.”

So, has this governance transformation inspired other changes at Medinah?

“Absolutely,” remarked an enthused GM Sereci. “The most important outcome of governance transformation has been the pivot from the board’s overly operational focus to a more strategic focus. It created the ‘oxygen’ for strategic thinking and capacity to drive bold changes to the club.

“Medinah had a reputation, somewhat well-deserved, for micromanaging its staff. Confusion between the roles of management, committees and the board were prevalent, leading to frustration and lack of progress. We have significantly clarified the roles and responsibilities of the board, committees and management, allowing us to advance dramatic change relatively efficiently and effectively.”

This also means change for management. “For starters, there is great clarity on who is responsible for what. Our responsibility matrix, a key part of the board policy manual, identifies or clarifies the roles, responsibilities and authority of each governing body – the board, executive committee, committees and the general manager. There’s no ambiguity,” Sereci explained.

As any club manager will tell you, a general manager’s roles and responsibilities can vary tremendously from one club to another. At Medinah, the general manager/chief operating officer’s focus is on

- 1) team/staff development;
- 2) strategy;
- 3) operations and
- 4) member relations.

“My effectiveness is measured by membership and staff satisfaction, growth or retention in membership, achieving revenue targets, the club’s reputation in and outside of our community, and a strong balance sheet,” added Sereci, and at each retreat the board, given these priorities, evaluates the GM’s performance.

“However, the greatest benefit in my opinion is that there is tremendous amount of trust between the GM and club president. I am extremely open and transparent with my club presidents including president Scimo. I tell him everything and constantly seek his advice. Why wouldn’t I, we are on the same team. My fellow club managers gasp when I tell them this.

“When there is mutual trust, I don’t worry about micromanagement. Absent of mutual trust, how much a president is or is not involved is the least of my problems,” Sereci expounded.

CLEAR VISION

“Organizations rarely change because they want to. Change is always initiated by outside influences,” expressed past president Bruce D’Angelo.

“Good organizations provide effective responses when an event occurs. Great organizations look to the future and initiate change long before it becomes a crisis. The process Medinah embarked on transformed our outlook from one that reacts to one that looks toward the future. That transformation is never easy, it needs leadership from the staff, the board and the president.

“Leaders need a clear vision of the organization and where it is going, but a vision is of little value unless it is shared in a way as to generate enthusiasm and commitment. Leadership and communication are inseparable.” Words synonymous with the words, *President Michael Scimo*. BR

“For most club boards the easiest decision to a destination is always the status quo and that’s what many have chosen to do,” expounded GM Sereci.

“But unlike most club boards, our boards not only designed a path to get us to a new destination, but also provided great clarity on how we will get there.

**Robert Sereci, GM/COO
Medinah Country Club**



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President Scimo Offers A Diverse Background

Michael D. Scimo, *BoardRoom's Distinguished Private Club President for 2018*, a number of years ago rolled up his sleeves to get involved in his club's governance process.

"Our vision has been to strengthen Medinah's value proposition for current and prospective members. The key? Creating more year-round and family-oriented experiences," voiced President Scimo.

President of Medinah Country Club in Medinah, IL, until September 2019, Scimo has been a member of the club's board of directors since 2011 and during the intervening years has held a variety of roles in club governance and strategic planning.

He has served as the club's heritage committee chair, long range planning committee chair, and vice-president before becoming the club's president in 2017.

Scimo, before retiring in October 2015, spent more than 30 years with Accenture, a \$40 billion global professional services company with more than 420,000 employees serving clients in 120 countries. In his most recent position as global managing director, he served on the company's global leadership council.

Michael resides in Wayne, IL with his wife of 26 years, Celeste. They have three sons: Dan, a technology specialist with Links Technology in Schaumburg, IL; Andy, a consulting analyst with Accenture in Chicago, IL, and Joey, a senior at Bradley University majoring in television and video production.

President Scimo is a member of the Board of Skills for Chicagoland's Future, a non-profit that provides employment opportunities to more than 1,200 needy Chicagoans (annually) who have struggled to re-enter the work force after long periods of unemployment.

He is a member of the board of trustees of Bradley University, his undergraduate alma mater. He was named Bradley's Distinguished Alumni of the Year in 2016. Michael also holds an MBA from Northwestern University's J.L. Kellogg Graduate School of Management.

A prolific volunteer, Scimo is a member of the Commercial Club of Chicago and has served on the club's Civic Committee. He also has served on the boards of Junior Achievement, the Civic Consulting Alliance, and the Accenture Foundation. **BR**

Medinah Undergoes a Transformation

In the early 1920s, a group of Shriners from Chicago's Medinah Temple, sought to create a country retreat... in a space with rolling terrain, bountiful trees and an ample water supply.

The result... Chicago's finest private golf courses and Medinah Country Club built in an area known as Meacham, in northern DuPage Country.

Shriners enjoyed their first round of golf at Medinah Course No. 1 in 1925, followed by course No. 2 in 1926 and Course No. 3 in 1928.

In the mid-1920s, while the courses were under development, Richard G. Schmid planned and designed the clubhouse, blending the classic lines of Byzantine, Oriental, Louis XIV and Italian architecture, lending the style and elegance still evident today.

Schmidt Brothers Construction Company served as general contractors and all three brothers, Otto, August and Ernest were Shriners and charter members of Medinah.

Today, Medinah Country Club, three years into its transformative Medinah 2020 plan, bears little resemblance to the early years for Medinah.

The scope of Medinah 2020 investments approved by members in 2015 included:

- Oasis remodel (2016) - \$2.3 M
- Pool deck and new cabana (2018) - \$0.7 M
- Heritage display (2017) - \$0.7 M
- Grill remodel and new member bar (2018) - \$2.2 M
- New deck construction (2018) - \$1.0 M
- Golf learning center (2017) - \$2.1 M
- Racquet center (2017) - \$2.6 M
- General capital replacement and repairs (2016-18) - \$10.0 M

Medinah Country Club boasts some outstanding achievements as a result of the Medinah 2020 program including:

- 275 members added, without reducing entrance fees.
- Currently 1,000 total members in all categories, the most on record.
- Lowest member attrition levels on record.
- 22 percent growth in revenue with no operating assessments, even during periods of extensive construction, and uncertain environment for operational budgeting.
- Overall increase in member satisfaction.
- Steady rise in staff satisfaction and drop in staff attrition. **BR**

2018 Top Private Club Presidents of the Year

Private club board presidents play a huge role in the professional operations of their club as volunteers working diligently with their board of directors and general managers, striving for well informed, but not emotional decisions.

BoardRoom magazine's 25 most outstanding private club presidents for 2018, plus the selection of Michael Scimo of Medinah Country Club as the **Distinguished Club President for 2018**, exemplifies the focus on the leadership responsibilities, the accountability and the management of the board, while providing a healthy respect for the club's macromanagement.

These board presidents, chosen from clubs in the United States and Canada, understand the importance of working, effectively and efficiently, with their volunteer boards and the dedication that's required from everyone with whom they work.

They practice what they preach – outstanding leadership to maintain best practices and an extraordinary member experience for their members clubs. Systems alone do not insure a good board. Key elements include commitment, competence, diversity, collective decision making, openness, transparency, effective communication with management and the membership, fiscal responsibility, development and establishment of the club's mission, vision and policy direction, especially through establishment of a strategic plan.

Successful board presidents draw upon the expertise of other board members, the club's institutional memory and stewardship of the club's resources. As well, board presidents provide new board members and future presidents with information they need to perform effectively as board members. BR

Congratulations to BoardRoom's outstanding private club board presidents for 2018.

Michael Scimo.....	Medinah Country Club	USA	
Bruce Barfield.....	Atlanta Athletic Club	USA	
Thomas Bird	Augusta Country Club	USA	
Ted Bloom.....	Lancaster Country Club.....	USA	
Todd Bright.....	Brook Hollow Golf Club	USA	
Paul Burke.....	Country Club of Fairfax	USA	
Buck Claussen.....	Myers Park Country Club	USA	
Mike Curry.....	Midland Country Club	USA	
Patrick J. Fallon	Burlingame Country Club	USA	
Valerie Fitzpatrick	Victoria Golf Club	Canada	
Larry Guy.....	Birnam Wood Golf Club	USA	
Terry Hill	Country Club of Spartanburg	USA	
Dr. Tim Kingston	Happy Hollow Club	USA	
Mark Leavitt.....	The Fountaingrove Club	USA	
Ms. Deanna B. Marcum.....	Cosmos Club	USA	
Michael McNamara	Fairmount Country Club	USA	
Vic Memenas	El Niguel Country Club	USA	
William J. Nissen	Union League Club of Chicago	USA	
Ken Silverwood	Chester Valley Golf Club	USA	
William "Bill" Stevens.....	Manchester Country Club	USA	
Richard E. Straughn.....	Mountain Lake	USA	
Ms. Pat Thirlby	Sand Point Country Club	USA	
Dr. Joshua Weiss	Four Seasons Golf and Sports Club	USA	
Mrs. Anne Willcoxon.....	Moraga Country Club HOA	USA	
Tad Willenbrock.....	Glenmoor Country Club	USA	
John Young.....	Monterey Peninsula Country Club	USA	

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