

Winter Risk Management: Tips for Golf Course Owners and Operators

Winter is the quiet time when many golf course general managers, owners and operators start planning for the upcoming season. It is also the time when you must think about managing the unique risks brought on by the cooler temperatures. To help get the conversation started we have put together a list of items for you to consider as we enter the winter season.

1) Asset Inventory

The Clubhouse

Knowing what you own is as important as “protecting” what you own. Every GM and owner should insist that each department (F&B, Golf Shop, Greens, etc.) complete an asset inventory. Most insurance policies are written on a “Replacement Cost” basis which means that it is the responsibility of the club to determine how much it would cost to replace existing buildings, machinery and contents.

For every building there will be a cost associated with replacing the structure and the contents. The contents include such obvious items as furniture (inside and out), equipment and tools however there are many items that you may not have considered for many years including:

- Art
- Trophies
- Computer equipment (EDP)
- Stock (Pro Shop, Wine Cellar, etc)
- Audio visual equipment (TV's, Sound Systems and Teaching Equipment)

Compiling a complete list of values for your golf clubs equipment and treasures is a critical step in the risk management process. Many clubs have artwork that may have been donated by a member and never properly valued or trophies, cups and trays that have become increasingly more valuable over time. Take some time to create an itemized list along with good quality photos so that you have a proper and complete record of the clubs prized possessions.

Maintenance Buildings

One of the trickiest and most important areas to consider are the Maintenance and Storage Buildings. Many golf clubs operate with in excess of \$1 million worth of owned and leased equipment. This inventory is changing all the time as golf car fleets are updated and rolling stock is replaced and upgraded. It is extremely important for all parties to know exactly what is stored in the Maintenance Buildings and every golf club must keep and maintain a current Mobile Equipment List which details, as a minimum, all assets by type, manufacturer, serial number, replacement cost and age.

Armed with a current inventory list your insurance renewal will be a breeze and more importantly, if there should ever be a loss, you will be ready to assist the adjuster and therefore the claims process will be a relatively quick and straightforward affair.

2) Water Damage

Despite your best efforts to winterize the irrigation system at your club, many courses will experience the agony of dealing with frozen pipes this winter. Water damage can be very expensive to repair and may result in a costly insurance claim leading to the potential of higher insurance premiums down the road. There are some suspect areas to look out for including:

- Outdoor hose bibs
- Water sprinkler lines and pipes in unheated areas such as basements, crawl spaces and attics
- Swimming pool supply lines
- Any piping that runs along exterior walls (plastic and copper)

There are many preventative measures that you can take now to avoid dealing with this potential winter nightmare:

1. Clubhouse sprinkler systems must be serviced regularly and checked for any trapped water. Lines must have access to heat. **Caution:** your insurer must be notified if the system is ever shut down for maintenance or repairs.
2. Insulate all pipes in unheated areas such as crawl spaces and attics.
3. Heat tape and thermostatically-controlled cables can prevent freezing.
4. Ensure that all piping vents are insulated and caulked to prevent cold air leaks.
5. Disconnect all outdoor faucets and hoses and shut off these supply valves.

3) Golf Carts

Properly inspect the entire golf car fleet to ensure that they are in good working order and winterized in accordance with the manufacturers recommendations. Fluid levels and batteries must be topped up and stored as directed by the service manual.

Performing routine maintenance at the end of the season will ensure that your golf car operates perfectly when you bring it out in the spring. If you use your car year 'round, a routine checkover every six months will save you money over the life of the car.

Preparing an electric car for a winter rest is a little different than preparing a gas car so be sure to follow the manufacturers recommendations.

4) Vacancy

Many golf courses in Canada are closed for 3 to 5 months every year. It is very important for management to undertake regular scheduled inspections of the entire property and its contents during this period.

The owner/operator must do a proper walk-around being sure to inspect the different buildings and their contents on a weekly basis and it is a good idea to keep a journal of these site visits.

After large snow storms it is recommended that extra visits are made to ensure that the buildings are able to withstand the increased snow load. If the load is excessive it must be removed manually as quickly as possible.

5) Conclusion

Properly preparing the golf course for the winter is a very important process that must be completed every year. This is also a great opportunity to review all the outdoor areas of your facility including the high traffic areas such as staircases, entranceways and outdoor patio areas.

Once the club has been properly winterized you can turn your attention to planning for the upcoming golf season in comfort knowing that you have taken the proper steps to protect your club through the off season.

Proactive risk management is better protection than any insurance that you can buy and it starts with you.

For More Information

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