

**RHSC Member Retention Policy Proposal – July 20, 2010**  
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**I. Policy Objectives**

- Retain members whose reduced Lodge usage may prompt them to give up their memberships, especially in light of potential annual dues increase
- Do this without limiting the Club's ability to make necessary and responsible upgrades to the Lodge or jeopardizing its quality
- Do this without creating situation where one group 'subsidizes' another group

**II. Approach**

Create a new Low-Usage membership class open to current or prior members designed to maintain membership strength & income levels

**III. Tactical Considerations**

- Allow members to select membership class once annually at Membership Renewal time
- Limit the % of this membership in order to provide budget stability, giving priority based on length of membership
  - This could also incentivize target members to grow the membership
- Benefits and responsibilities of each member are determined by the membership class held during the current year (similarly to health insurance choices selected annually)
- Increase Guest rates substantially (by 30%) to encourage those who do use the Lodge to become or remain Active members at full rates
- Grant partial election voting rights using same % used for Annual Dues. Without this benefit, there is no incentive to continue being a dues-paying member over simply being a guest with no financial obligations at all.

**IV. New Classification Defined (Individual & Family)**

	<b>Low-Usage</b>
<b>Eligibility</b>	Any current member past their 2-year probation period Any prior member who was full member within the last 5 years
<b>Limited to</b>	10% of total Memberships (priority based on membership length)
<b>Annual Dues</b>	Up to 50% of Active (tbd annually by Board)
<b>Vouchers</b>	Up to 50% of Active (tbd annually by Board)
<b>Lodge Usage – Winter weekends &amp; Holiday weeks</b>	Guest level
<b>Lodge Usage – Winter non-holiday weekdays &amp; Off-season</b>	Member level (to promote Lodge usage when it's normally empty anyway)
<b>Election vote</b>	Same % as Annual Dues
<b>Lodge Equity</b>	None
<b>Assessments</b>	None
<b>Assessment vote</b>	None

**V. Cost/Breakeven Examples for winter weekends (assuming dues at 50%)**

**A. At current Guest rates (\$75/weekend)**

**1. Individual**

Save \$82.50 in dues ( $=\$165/2$ )

Any stays are at guest rates costing \$25 more (\$75 vs \$50)

→ Savings used up in 3.3 weekends ( $=\$82.50 / 25$ )

→ **Breakeven point = 3.3 person/weekends \*\***

**2. Family**

Save \$132.50 in dues ( $=\$265/2$ )

Any stays are at guest rates costing \$25 more (\$75 vs \$50)

→ Savings used up in 5.3 person/weekends ( $=\$132.50 / 25$ )

→ **Breakeven point = 5.3 person/weekends \*\***

**B. At Guest rates increased by 30% (to \$100/weekend)**

**1. Individual**

Save \$82.50 in dues ( $=\$165/2$ )

Any stays are at guest rates costing \$50 more (\$100 vs \$50)

→ Savings used up in 1.65 weekends ( $=\$82.50 / 50$ )

→ **Breakeven point = 1.65 person/weekends \*\***

**2. Family**

Save \$132.50 in dues ( $=\$265/2$ )

Any stays are at guest rates costing \$50 more (\$100 vs \$50)

→ Savings used up in 2.65 person/weekends ( $=\$132.50 / 50$ )

→ **Breakeven point = 2.65 person/weekends \*\***

**\*\* Person/weekend = one adult staying over one winter weekend**