



Created using the **SVR Tool** - An actuarial study of lodge membership and financial trends
 Spring, 2004 draft edition (2002 data)

Developed for The Grand Lodge of Minnesota, A.F. & A.M.
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This page is the "shorter" printable output page. One of several pages of the SVR Tool.

This language helps lodge leaders explain confidently, why we encourage them to study their trends and set goals. It also explains how to read the charts.

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Member Retention, Recruitment and Financial Review

Brothers of "Positive Lodge" #501,

One purpose of our visit today is to alert you to your lodge's trend in terms of membership retention and recruitment, and to help you understand the impact such changes in membership will have on your financial wherewithal.

A good way to predict the future is to look at what has been done in the recent past. Lodges that do a good job retaining members will likely continue their trend. So too, lodges that have shown an ability to gain *new* members are likely to continue. Conversely, lodges that struggle in retention and recruitment will likely have difficulty in the future, unless they address the problem and work to correct it. It is imperative that lodges in our jurisdiction consider these projections and implement strategies that help them survive and flourish in the years to come.

The officers of The Grand Lodge of Minnesota want to ensure that you and your brethren have all the facts so that your lodge can respond to these trends, change course where you need to, and improve your long-term prospects. We want all our lodges to grow in health and solvency in order to guarantee a solid future.

Below, you will find your five-year historical trend, along with some suggested "stretch goals" that, if met, would help stabilize or improve your lodge. We've provided charts to make these trends more clear.

The blue bars indicate your current trend, based on your five-year history.

The red line indicates what would happen if you improved your member retention.

The green line indicates what would happen if you improved both member retention AND recruitment.

Finally, the last chart shows your buying power. The blue line is your current trend, the red line shows how your buying power would improve if you had better retention, the green line shows further improvement if you had better retention and recruitment, and the beige line at top shows how much buying power you'd have if you added a cost of living adjustment (COLA) to your dues, along with better recruitment and retention.

Inflation, being a fact of life here in the US, affects our budgets every year. We recommend that lodges make small automatic adjustments each year, of 3.5% to 5%, to counter inflation and to gain back the buying power we've lost over the years.

If you have questions about these results, or wish to try other scenarios, contact the Grand Lodge.

This field, in grey, mirrors the "Input Page" of the spreadsheet. It shows past history based on 5-year averages, stretch goals for improvement, and the net figure (far right).

On to the numbers --

Here are your 5-year averages for raisings, demits, etc., and some reasonable stretch goals for your consideration:

Lodge number:	<input type="text" value="501"/>	Lodge dues \$48.25	Input Lodge dues, including per capita, here:	<input type="text"/>
Suggest how many additional members you could recruit or retain, in addition to what you are currently doing:				
You now demit	0.6	per year (5-yr avg.).	WHAT IF you kept	<input type="text" value="0.3"/> more per year, net: 0.3
Your stricken/NPDs are	2.4	per year (5-yr avg.).	WHAT IF you kept	<input type="text" value="1.4"/> more per year, net: 1.0
You now raise	6.4	per year (5-yr avg.).	WHAT IF you raised	<input type="text" value="3.6"/> more per year, net: 10.0
You now affiliate	0.0	per year (5-yr avg.).	WHAT IF you affiliated	<input type="text" value="0"/> more per year, net: 0.0
Suggest a percentage which could be added to your lodge dues each year to maintain solvency:				
Dues increase				<input type="text" value="4.00%"/> Note, 3.5% is the historical rate of inflation...

This lodge, modeled after an actual lodge in Minnesota, is doing all the right things. We just need to ask more of them. They need to set stretch goals, not to sit back under the false impression that they can coast along. As a stable lodge, they could bring it up to the next level quite easily.

Observation: For their size, they have a low amount of demits, but a few too many suspensions/NPDs. A rule of thumb is to look for about 1 of each PER HUNDRED. I offered stretch goals that would cut these in half. Further, though raisings are decent, they should increase the goal to 10 (They can do it...)

I also think it crucial to manage dues so that the lodge continues to keep pace with inflation, or exceed it a bit. This will enable this cash-poor lodge (they're a young lodge) to buy a building some day.

Had you been preparing this printout for use at a lodge, the lower section of this page allows space to insert your personalized interpretation of the numbers.

Based on these numbers, your lodge's most recent 5-year history of members who enter the Fraternity or leave, and based on your actual lodge population, their ages and standard mortality tables, here is a projection on your membership trend:

Estimate of future membership levels for: "Positive Lodge", # 501

Membership Projections		Membership Projections		Membership Projections	
Jan 1, Year	Membership estimate	Jan 1, Year	Membership estimate	Jan 1, Year	Membership estimate
2003	132	2022	165	2041	179
2004	133	2023	167	2042	179
2005	136	2024	167	2043	180
2006	138	2025	169	2044	180
2007	141	2026	169	2045	180
2008	143	2027	170	2046	181
2009	145	2028	171	2047	181
2010	147	2029	172	2048	181
2011	149	2030	173	2049	182
2012	151	2031	174	2050	182
2013	153	2032	174	2051	182
2014	155	2033	175	2052	182
2015	156	2034	175	2053	182
2016	158	2035	176	2054	182
2017	159	2036	177	2055	182
2018	161	2037	177		
2019	162	2038	178		
2020	163	2039	178		
2021	164	2040	179		

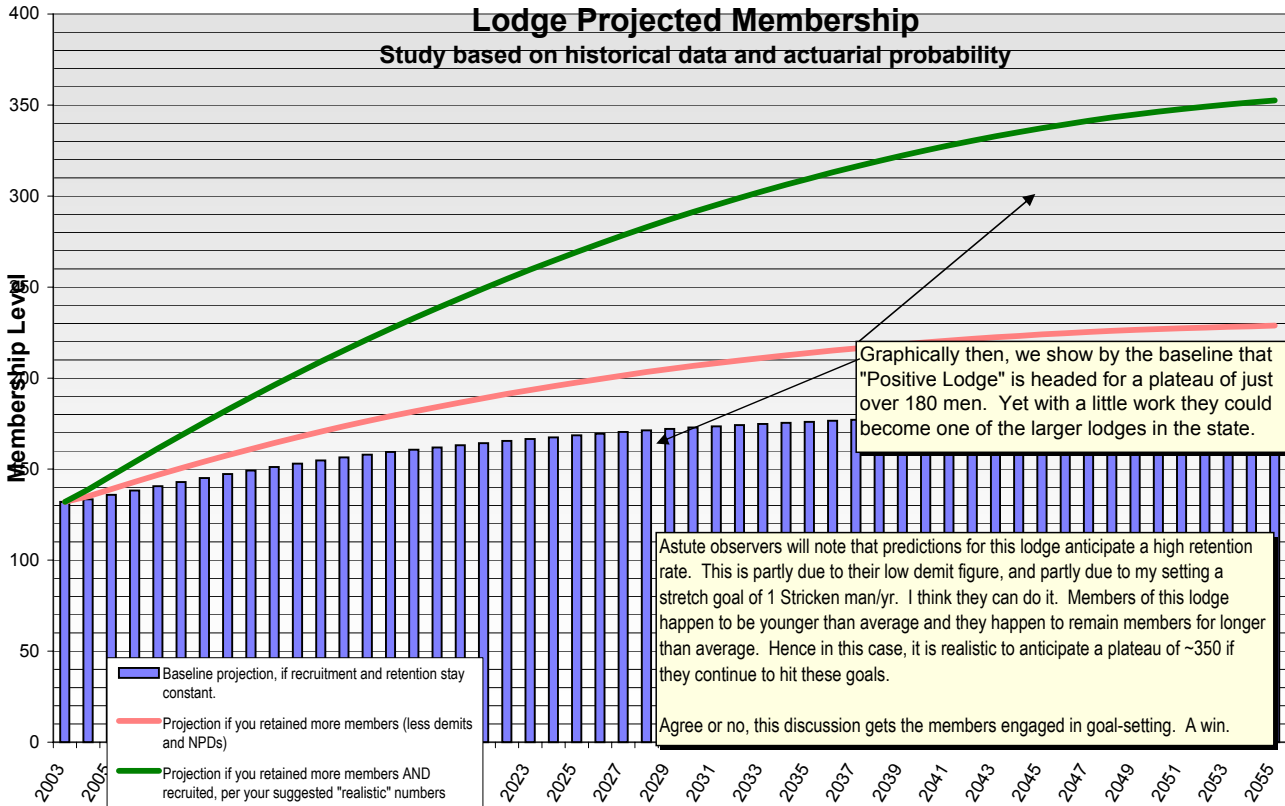
Here, I note that the lodge is GROWING by 1.57% annually. (Give em credit!)

At present, average gain or (-) loss of members for this lodge is 1.57% annually. Without any change to retention and/or recruitment, a COLA should include this percentage PLUS any inflation modifier to maintain the same buying power.

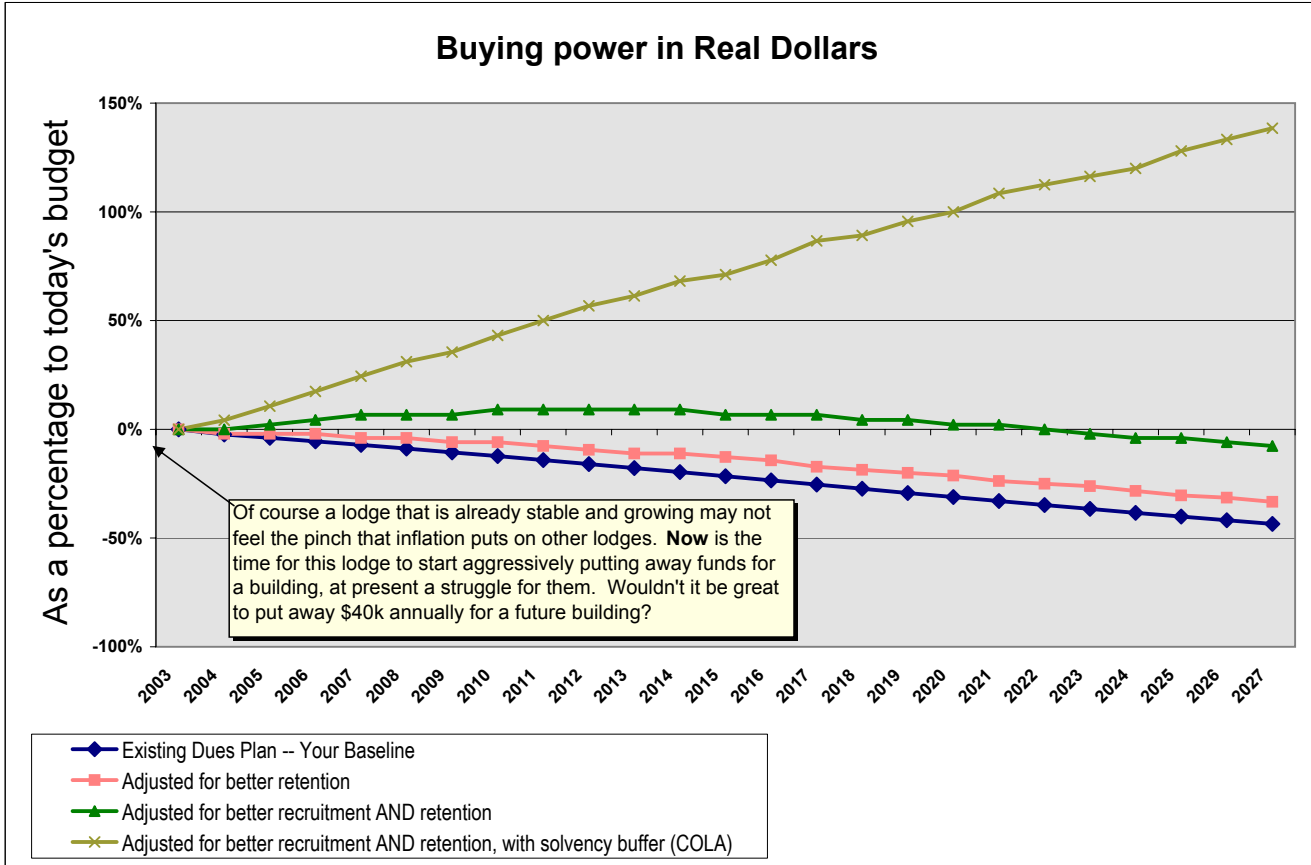
If the lodge is growing, it should still raise dues with inflation (3.5%).

By the way, these yellow highlighted numbers indicate a 5-year, 10-year and 20-year snapshot.

Charted, it looks like this:



Assuming these membership projections, here is how your financial projections look:



Notes --