FEATHER RIVER RAIL SOCIETY – AGENDA REPORT

DATE: July 9, 2013

FROM: Eugene Vicknair - Director

ITEM: New Business 4

SUBJECT: Fundraising Proposals

I would like to get the Board's approval to create two on-line fundraising programs. They are each for different purposes and have different goals and structures as outlined below.

PROGRAM 1 – Create a profile and fundraising portal with Rally.org. Rally.org is a crowd-funding platform that's designed to fundraise online and build social awareness on a large scale. It is intended for causes, non-profits and other areas of public benefit. Rally.org has over 5 million users and its fundraising programs address a wide range of topics.

We would create a portal on Rally.org and ask for general support for the Society. The profile would showcase our benefit to the local community economy, our current and future education efforts and our on-going preservation programs. Rally is an open ended funding source which stays active as long as we want it up and open. The cost is a 5.75% fee on any funds collected.

PROGRAM 2 – Create a project specific fundraiser on Kickstarter.com. Kickstarter is a project based crowd-funding website. Projects are posted with a goal, time limit, donation levels and gifts or premiums for the donors. If the project reaches its goal, it is funded. If it does not, then it is terminated and no money collected.

I propose we start with a small but high profile project, such as the painting of two locomotives: WP 731 and WP 1503. Since there would be a cost for premiums to the donors, as well as a fee to Kickstarter, we would need to set a goal above what is needed. I have found other restoration programs for aircraft and structures asking for $30,000 to $50,000 dollars. A goal of $40,000 should net us around $25,000 for repainting the locomotives after cost of gifts / premiums and the 9% fee charged by Kickstarter.

While this fee is high, Kickstarter is a high profile platform that is completely outside of our usual fundraising demographics and targets.

If either or both of these programs prove successful, we can move onto larger cost projects via these platforms, such as the Disney Zephyr Gallery, restoration of the Charles O. Sweetwood, construction of a permanent Library, etc. Also, these would be a test of such crowd-sourcing programs to evaluate them for inclusion in the overall FRRS Business Plan.

ACTION: I would like the Board's approval to create the Rally.org portal, working with Tom Carter as webmaster and Matt Parker as our public relations manager. I would like approval of the Kickstarter project and I will work with Gail McClure as store manager and James Mason as financial adviser to construct a viable premium structure that will maximize our income.