

FEATHER RIVER RAIL SOCIETY – AGENDA REPORT

DATE: August 4, 2013
FROM: Eugene Vicknair - Director
ITEM: Old Business 2
SUBJECT: Fundraising Proposals – continued from July

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 – RALLY.ORG

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 – KICKSTARTER

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.

OPTION 1 – Painting of two locomotives: WP 731 and WP 1503.

Fundraising goal of \$40,000 with a net of \$25,000 to \$26,000. Goal to fully repaint both locomotives.

OPTION 2 – Painting and repair of one locomotive: WP 501 or WP 1503.

Fundraising goal of \$24,000 with a net of \$15,000 to \$16,000. Goal to return one locomotive to full operation.

OPTION 3 – Painting and repair of one locomotive: WP 917-D.

Fundraising goal of \$35,000 with a net of \$22,000 to \$23,000. Combine with previously raised funds to return WP 917-D to full operation and support RAL program.

Premiums for the donors would / could range from stickers and pins to books, RALs and special tours of the facility. I have included a sample premium structure for Option 1 with this proposal.

I have found other restoration programs for aircraft and structures asking for \$30,000 to \$50,000 dollars. Based on the projected costs of premiums and the 9% fee charged by Kickstarter, expected net return on any fundraiser appears to be about 65%. 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 selection of an option. 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.

SAMPLE KICKSTARTER PREMIUM STRUCTURE

limit	#	level	cost	total	gift costs																			
					\$0	\$1.50	\$3.00	\$10.00	\$20.00	\$40.00	\$50.00	\$65.00	\$120.00	\$300.00										
		\$2	\$0.00																					
	200	\$5	\$0.00	\$1,000	name on donor page																			
	100	\$10	\$1.50	\$1,000	name on donor page	WP Stickers																		
	70	\$25	\$4.50	\$1,750	name on donor page	WP Stickers	WP Pin																	
	50	\$50	\$14.50	\$2,500	name on donor page	WP Stickers	WP Pin	WP Lives Shirt																
	35	\$120	\$34.50	\$4,200	name on donor page	WP Stickers	WP Pin	WP Lives Shirt	WP Headlight 1/2 Collection															
limit 30	20	\$300	\$54.50	\$6,000	name on donor page	WP Stickers	WP Pin	WP Lives Shirt		WP Headlight Collection	RAL Plan A													
limit 16	14	\$600	\$169.50	\$8,400	name on donor page	WP Stickers	WP Pin	WP Lives Shirt		WP Headlight Collection	RAL Plan A	Special dinner / tour												
limit 10	8	\$1,200	\$288.00	\$9,600	name on donor page		WP Pin	WP Lives Shirt		WP Headlight Collection	RAL Plan A	Special dinner / tour	WP book collection											
limit 5	4	\$2,000	\$428.00	\$8,000	name on donor page		WP Pin	WP Lives Shirt			RAL Plan A	Special dinner / tour								Life Membership				
				501																				
				subtotal	\$42,450	subtotal costs	\$433.50	\$603.00	\$1,310.00	\$1,000.00	\$3,240.00	\$2,300.00	\$1,690.00	\$480.00	\$1,200.00									
				net	\$26,594	cumulative costs	\$433.50	\$1,036.50	\$2,346.50	\$3,346.50	\$5,586.50	\$7,886.50	\$9,576.50	\$10,056.50	\$11,256.50									
						administrati on costs	\$3,600																	
									10 past issues		20 past issues		at WP Museum using Silver Plate		WP Diesels by Strapac	WP Color Guide by Eager	WP Stations by Hayes							