

**Kerry Cochran**

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**From:** Jay Sarno [REDACTED]  
**Sent:** Tuesday, January 02, 2007 12:32 PM  
**To:** Eugene Vicknair  
**Cc:** Kerry Cochran; Rod McClure; Hank Stiles; Jay Sarno (h)  
**Subject:** Re: FRRS membership levels  
**Attachments:** Membership revenue.xls

Eugene et al,

Attached is a worksheet to help us examine the true cost of carrying these proposed categories. Please fill in what you know about the costs and make any changes you think are appropriate. Then send it around and we can all discuss these points. I think you have a good start on this and I would like to get this wrapped up in the first quarter as part of it needs to be fixed before I start the Legacy / Life membership up-sell program.

Jay

Eugene Vicknair wrote:

Hello, all,

Well, I'm finally catching up on some business that got interrupted by my adventures this summer. One big one is the membership levels. Now that the season is over and the holidays soon to be over, I would like to have something to present to the Board for the February BOD Meeting concerning revised memberships.

When last we left this issue, we were discussing whether to lower the number of levels we offer, what the benefits and "branding" should be on each one, and what the costs should be.

Currently, these are our membership levels:

**Associate**

..does not have a vote  
..receives The Train Sheet but not The Headlight  
..\$20.00 annually (35.00 foreign).

**Active**

..receives both The Train Sheet and The Headlight  
..has voting rights  
..\$40.00 annually (55.00 foreign).

**Family**

..receives both The Train Sheet and The Headlight  
..have one vote and include all members of ones immediate family  
..\$60.00 annually (75.00 foreign).

**Sustaining**

..receives both The Train Sheet and The Headlight  
..for a maximum of two persons with one vote each  
..\$100.00 annually (115.00 foreign).

**Life**

- ..receives both The Train Sheet and The Headlight
- ..have voting rights
- ..Use current age to calculate amount due. Proof of age required.
- ...Birth-17 years of age \$1200.00 or (5 payments of 280.00)
- ...Age 18-39 \$900.00 or (5 payments of 220.00)
- ...Age 40-61 \$600.00 or (5 payments of 160.00)
- ...Age 62 and above \$300.00 or (5 payments of 100.00)

**Family Life**

- ..receives both The Train Sheet and The Headlight
- ..for a maximum of two people and have two votes (one per member) for life
- ..Use age of youngest member to calculate amount due. Proof of age required.
- ...Birth-17 years of age \$1800.00 or (5 payments of 420.00)
- ...Age 18-39 \$1350.00 or (5 payments of 330.00)
- ...Age 40-61 \$900.00 or (5 payments of 240.00)
- ...Age 62 and above \$450.00 or (5 payments of 150.00)

Jay Sarno has made several good points about the various levels being somewhat confusing and has argued for simplifying the levels and increasing the Life prices while dropping the age-based pricing.

I have some proposals for reorienting the levels and general price increases. I particularly want to "brand" the various levels, with Sustaining being the most altered and branded as a premium, single person/single vote membership level.

Below are the last ideas we were reviewing:

**Possible Membership Revamp for FRRS****Associate**

- No vote
- receives The Train Sheet
- does not receive The Headlight
- free train rides (must present membership card)
- does not have insurance standing to work at the museum (I recall this being something that was instituted years ago. Does it still hold?)
- \$25.00 annually (40.00 foreign)

**Active**

- Voting rights
- receives The Train Sheet
- receives The Headlight
- 10% discount in the Gift Shop (must present membership card)
- free train rides (must present membership card)
- \$40.00 annually (55.00 foreign)

**Family**

- Voting rights for two adults at the same address
- receives The Train Sheet
- receives The Headlight
- 10% discount in the Gift Shop (must present membership card)
- free train rides for immediate family (must present membership card)
- \$75.00 annually (80.00 foreign)

### Sustaining (– set-up as a premium membership level)

- Voting rights (single vote)
- receives The Train Sheet
- receives The Headlight
- 15% discount in the Gift Shop (must present membership card)
- free train rides (must present membership card)
- special recognition pin
- priority tickets/notice on special museum events
- \$150.00 annually (165.00 foreign)

### Life

- Voting rights
- receives The Train Sheet
- receives The Headlight
- 15% discount in the Gift Shop (must present membership card)
- free train rides (must present membership card)
- special recognition pin and laminated membership card
- priority tickets/notice on special museum events
- \$2000.00 one time (can be paid in installments)

### Family Life

- Voting rights for two adults at the same address
- receives The Train Sheet
- receives The Headlight
- 15% discount in the Gift Shop (must present membership card)
- free train rides for immediate family (must present membership card)
- special recognition pin and laminated membership cards for two adults
- priority tickets/notice on special museum events
- \$3000.00 one time (can be paid in installments)

All existing Life memberships are grandfathered. Non-life levels would change upon next renewal after date of adoption.

I'd like to hear more input and thoughts on how we can or even should we reconfigure the membership levels. With the new by-laws now in place and the push about to begin for the 2009 celebrations, now would be a good time.

Thank you.

Eugene

## FRRS Membership Categories Worksheet - JAN 2007

Level	Associate	Active	Family	Sustaining	Life	Family Life
Revenue	\$25.00	\$40.00	\$75.00	\$150.00	\$80.00	\$120.00
Train Sheet						
Headlight	\$0.00					
Election Mailings	\$0.00					
General Mailings						
Misc. Expense	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25	\$0.25
FRRS Yield	\$24.75	\$39.75	\$74.75	\$149.75	\$79.75	\$119.75

Notes:

1. Life and Family Life revenue assumes endowment yield of 8% and 50% reinvestment ratio.
2. Foreign mailing higher cost covered by added fee and statistically negligible.
3. Headlight cost may go down if majority switch to e-blast and FRRS charges for paper copy.
4. Misc expenses are cost of maintaining list and other unknowns. If it takes work, it should be assigned a cost, even if arbitrary.