

FEATHER RIVER RAIL SOCIETY – AGENDA REPORT

DATE: May 8, 2013
FROM: Gail McClure, Director / Board of Trustees Liaison
ITEM: Old Business 2
SUBJECT: Revisit Life and Family Life Membership Structure

The Board of Trustees met Friday, April 26th and requested this item be reviewed and possibly acted upon by the Board of Directors at the May Regular Board of Directors' Meeting. Being tasked with growing the endowment, one of the items they reviewed was the structure and distribution of Life/Family Life Memberships and money collected as a result. I advised them that the number of new Life/Family Life Memberships had dropped dramatically since a restructuring of the pricing some years ago and that I was under the belief that there had only been two life memberships purchased in the last several years. I also advised them I believed that the money collected from these memberships went to the endowment with long term membership support being funded from the General Fund.

The Board of Trustees reviewed the organizations brochure for current pricing information as part of their consideration of the matter. They recommended that Life Membership be repriced at \$500 with Family Life pricing at \$800 based in part on their experiences with other organizations offering this level of membership. Further, they suggested a convention special of \$300/\$500, and that this special be run in conjunction with museum events such as Railroad Days and Santa Trains. To defer some of the cost of member servicing, it is recommended that one-third of the membership fees be deposited to the General Fund with the balance to the Endowment. Additionally, it is suggested that we run an RAL special of 50% discount on a Plan "A" rental with a Life membership to boost that program and hasten pay back of the borrowed amount secured by locomotives from the collection.

The Board of Trustees believes that generation of life memberships to help build the endowment will serve two purposes: Some revenue is better than the zero amount we are collecting now, and these memberships can function as a gauge of the economy (in as far as an upward trend of Life Membership Growth could signal growth in other areas of our operations). Should we find that growth is moving upward quickly over time, review and raise of Life Membership costs should be reviewed again.

Any change to the cost of Life Membership will require a motion and action from the Board of Directors.