

Overview Diversify Your Revenue Sources!

1

DONNA ANN HARRIS
HERITAGE CONSULTING INC.

© 2017 Donna Ann Harris

Agenda for this session

2

- Main Street budgets in general
- Benefits of diverse revenue sources
- Where do charitable dollars come from?
- Quickest ways to raise money
- 7 traditional Main Street revenue sources
- Focus on revenue YOU control
- Who raises the money in Main Street?

© 2017 Donna Ann Harris

Main Street budgets in general

3

- Budgets start small, grow incrementally
- Are a function of local talent and persistence
- Harder to raise money as time goes on, not easier
- Diversify your revenue sources ASAP



© 2017 Donna Ann Harris

Benefits of multiple sources of revenue

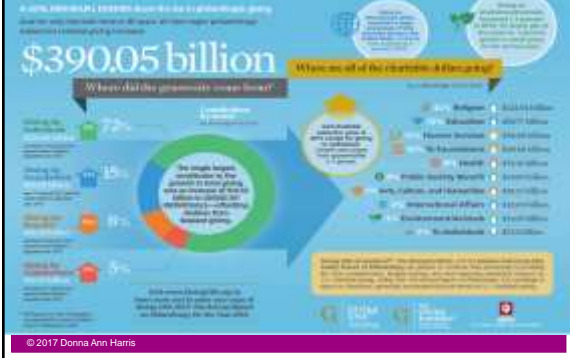
4

- ✓ Prevents over-reliance on any one revenue source
- ✓ Cushions the organization against unforeseen circumstances
- ✓ Allows mistakes to be made without dire consequences
- ✓ Encourages many people to become involved with the organization



© 2017 Donna Ann Harris

Who gives to charity? What organizations get charitable dollars?



Quickest way to raise money

6

- Dues today
- Individual donations today
- Corporate donations 1-6 months
- Special events 1-6
- Foundation proposals 3-12
- Corp sponsorships 3-12
- Corporate philanthropy 3-12 months

From Joan Flannigan Grass Roots Fundraising Book

© 2017 Donna Ann Harris

Quickest way to raise money

7

- Major donors 3-6
- Selling products 3-6
- Auction 3-12
- Government grants 1-3 years
- New business set up 2-5 years
- Direct mail only 3-5 years
- Bequests/planned gifts 3-20 years

From Joan Flannigan Grass Roots Fundraising Book

© 2017 Donna Ann Harris

7 traditional sources of MS support

8

1. Government
2. Investors/annual gifts
3. Sponsorship
4. Special events
5. Signature fundraising events
6. Project grants
7. Tax revenue (BID, Hotel motel taxes)



© 2017 Donna Ann Harris

1. Government appropriations

9

- Government should provide a portion of the funds to operate
- Over reliance on this source is problematic
- Need philosophical support too
- Local government and county government
 - Direct appropriations
 - In kind services (public works)
 - Maintenance of public areas

© 2017 Donna Ann Harris

1. Government appropriations

10

- Longstanding financial commitment
- Government support should never stop
- High interest and involvement by elected and appointed officials in the work of MS
- A true public/private partnership makes Main Street great



© 2017 Donna Ann Harris

11

2. Investor Campaigns & Annual gifts

- Annual unrestricted gifts by interested folks to support the organization in general
- Multi-year pledges vs. annual dues
- Definitions: Investors/members; donors; sponsors, IRS issues
- Whom to ask to become a member?
 - EVERYONE! Not just merchants/property owners

© 2017 Donna Ann Harris

2. Typical start up Investor Campaign

12

Amt	title	#	\$	%
\$35	individual	55	1925	14
\$50	family	30	1500	11
\$100	friend	35	3500	26
\$250	patron	12	3000	22
\$500	benefactor	5	2500	18
\$1000	best friend	1	1000	7
Total		135	\$13,425	100%

Average \$99.44

© 2017 Donna Ann Harris

2. Typical 3-5 year old Investor Campaign


13

Amt	title	#	\$	%
\$35	individual	145	5,075	20
\$50	family	33	1,650	6
\$100	friend	78	7,800	30
\$250	patron	19	4,750	19
\$500	benefactor	8	4,000	16
\$1000	best friend	2	2,000	8
Total		285	\$25,275	100%
Average gift is \$88.68				

© 2017 Donna Ann Harris

History of Hartwood Main Street


Approximately 100 years ago, in 1888, the town of Hartwood was founded. It was a small town with a few stores and a church. Over the years, it has grown into a vibrant community with a rich history. The town is known for its beautiful architecture and scenic views. It is a place where you can enjoy the best of both worlds: a small town feel with all the amenities of a larger city.



Look for the signs that tell the story of Hartwood. The signs are a mix of old and new, and they tell a story of the town's growth and development. The signs are a mix of old and new, and they tell a story of the town's growth and development.

The Main Street Approach

The Main Street Approach is a way of thinking about the town's future. It is a way of thinking about the town's future that is based on the town's history and its unique character. It is a way of thinking about the town's future that is based on the town's history and its unique character.



How to Help our Downtown Thrive!

My shopping
 Cash only
 Cashless
 Cashless
 Cashless
 Cashless

Sign up for Hartwood
 Hartwood
 Hartwood
 Hartwood

Name: _____
 Title: _____
 Email: _____
 Phone: _____
 Address: _____
 City: _____
 State: _____
 Zip: _____

Thank you for your support!

© 2017 Donna Ann Harris 14

3. Sponsorship

15

- Supports specific activities
- Sponsor gets a specific benefit for their contribution
 - Marketing, merchandizing opportunities
 - Sampling, promotions
 - Advertising
 - Hospitality for clients, employees



© 2017 Donna Ann Harris

3. Sponsorship management

- Org. Comm. generates list of potential sponsors
- Sponsorship management is each committee's responsibility
- Assess how your sponsorship program is doing
- Increase amount for a few categories each year
- Develop a year-long calendar of solicitation opportunities
- Ask sponsors to become members too

3. Sponsorship annual plan

- Prevents nickel and dime solicitations
- Targets sponsorship dollars
- Allows sponsors to spread their marketing dollars over several events
- Makes you look more professional



4. Special events

- Purpose: Builds downtown traffic
- Not designed to ring cash registers that day
- Types of special events
 - Community heritage
 - Traditional and not so traditional holidays
 - Dates/events that have meaning here
 - Social events

19

4. Special events

- Events have their own life cycle, need to be refreshed constantly
- Grooming leadership to take over event
- Volunteer retention and rotation
- Should pay for themselves at least, if not make money....however sometimes you do events for community benefit.....

© 2017 Donna Ann Harris

4. Special events

20

- Time for an assessment
 - Have your events become too big? Police?
 - Should some events be cut?
 - Are volunteers burned out?
 - Can you generate more profits other ways?



© 2017 Donna Ann Harris

21

5. Signature fundraising events

- Signature: identified with your organization only
- Grows over time
- But...they get stale
- **Don't make them weather dependent**
- Gross vs. net—is the event worth your time?
- Once a year vs. several during the year

© 2017 Donna Ann Harris

5. Ten types of downtown fundraising events

22

1. Auctions
2. Dances, awards dinners, roasts
3. Races, contests
4. Raffles, NE Gambling laws
5. Gambling
6. Events at specific locations
7. Product sales
8. Green
9. Tours
10. Shows: antique, car etc.

© 2017 Donna Ann Harris

5. Signature fundraising events

23

- Think of them as having component parts you can add to:
 - Add silent auction
 - Add live auction
 - Add sponsorship book
 - Add raffle at event
 - Add preview cocktail party

© 2017 Donna Ann Harris

6. Project grants

24

- Government: Federal, State, County, Local
- Private Foundations: National, State/regional, community
- Corporations
- Rarely for operating funds
- Mostly for projects
- All have strings attached



© 2017 Donna Ann Harris

7. Tax revenues/special assessments/BIDs

25

- State, county and local tax revenue
- Each source has different rules
 - Hotel/motel taxes
 - TIF
 - BID
- Revenue could be in the form of grants, appropriations, RFPs etc.



© 2017 Donna Ann Harris

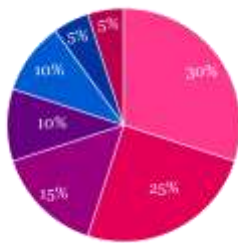
7. BIDs

26

- Local property owners petition government to establish a mandatory assessment on property within a defined boundary
- Revenues from assessment are directed back into boundary to finance enhanced services that benefit everyone
- Predictable and non-voluntary funding stream

© 2017 Donna Ann Harris

An ideal revenue mix (NO BID)



- Government 30%
- Membership 25%
- Sponsorship 15%
- Fundraising events 10%
- Special events 15%
- Grants 5%
- Tax revenue 5%

© 2017 Donna Ann Harris

27

Focus on revenue YOU control

28

- Investors—look for 25%
- Sponsorship—look for 15%
- Signature fundraising events—look for 10%
- Start your budget year knowing you will have 50% of your budget from regular, predictable income each year!



© 2017 Donna Ann Harris

Revenue YOU control

29



© 2017 Donna Ann Harris

Who does fundraising in Main Street?

30



© 2017 Donna Ann Harris

31

Board role in fundraising

- Board ensures that the program is well-funded
- Takes the lead in soliciting public funding
- Works with the organization team to develop a strategic plan for organizational funding
- Staff is NOT solely responsible for raising money
- Staff HELPS

© 2017 Donna Ann Harris

Board role in fundraising

32

- Monitors financial condition of the organization
- Supports all fundraising activities of the organization
- All board members make a financial contribution to the extent that they are able



© 2017 Donna Ann Harris

Organization Committee role in FR

33

- Assists Board in soliciting public funding
- Implements investor campaign and annual appeal
- Produces signature fundraising events and product sales
- Generates other fundraising activities as assigned by board



© 2017 Donna Ann Harris

Organization Committee role in FR

34

- Maintains sponsorship list
- Maintains grant list
- Works with the manager to develop fundraising support materials
- Supports Board in implementing a BID



© 2017 Donna Ann Harris

Other Committees and FR

35

- Raise money for their projects
- Earn money from their events
- Find volunteers to help



© 2017 Donna Ann Harris

Role of the Executive Director in FR

36

- Serves as public relations ambassador
- Makes sure fundraising work plan is implemented
- Writes and monitors all grants
- Assists in the development of membership & fundraising materials
- Supports the organization team and the Board in all fundraising efforts
- Tracks contributions, recordkeeping

© 2017 Donna Ann Harris

37

A sustainable MS organization

- At least 50% of revenue is
 - Regular, predictable & completely within your control
- Watches expenses like a hawk
- Has a reserve of at least 4 months of operating costs, preferably MORE
- Experiments and risks failure
- Thinks about the future—BID, endowment

© 2017 Donna Ann Harris

38

Review
What we covered in this webinar

- Main Street budgets in general
- Benefits of diverse revenue sources
- Where do charitable dollars come from?
- Quickest ways to raise money
- 7 traditional Main Street revenue sources
- Focus on revenue YOU control
- Who raises the money in Main Street?

© 2017 Donna Ann Harris

Questions?

39



© 2017 Donna Ann Harris

Contact Me!

40

Donna Ann Harris
Heritage Consulting Inc
422 South Camac Street
Philadelphia PA 19147
267 251 5444
donna@heritageconsultinginc.com
www.heritageconsultinginc.com

© 2017 Donna Ann Harris
