

Diversify Your Revenue Sources!

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Agenda for this session

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- Main Street budgets in general
- Benefits of diverse revenue sources
- Quickest ways to raise money
- Where do charitable dollars come from today?
- 7 traditional Main Street revenue sources
- Who is responsible for fundraising?
- Focus on revenue YOU control
- Identifying new revenue sources
- Work plans for new revenue sources

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Main Street budgets in general

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

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Benefits of multiple sources of revenue

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Quickest way to raise money

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• Dues	today
• Individual donations	today
• Corporate donations	1-6
• Special events	1-6
• Selling services	1-6
• Foundation proposals	3-12
• Corp sponsorships	3-12

From Joan Flannigan Grass Roots Fundraising Book

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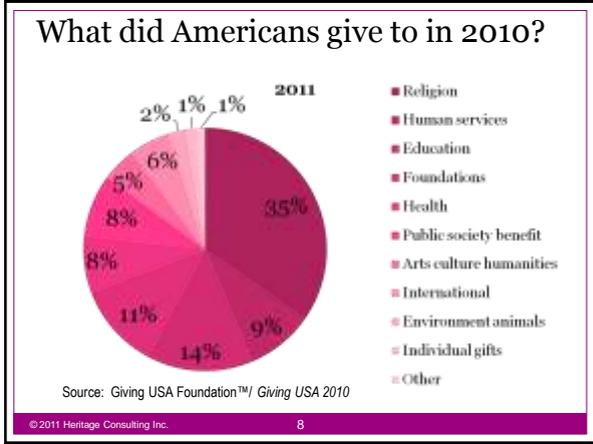
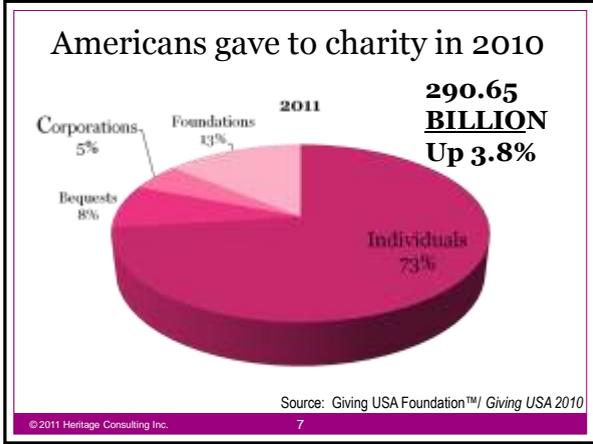
Quickest way to raise money

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• Corporate philanthropy	3-12
• 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

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- ### 7 traditional sources of support
1. Government
 2. Membership/annual gifts
 3. Sponsorship
 4. Special events
 5. Signature fundraising events
 6. Project grants
 7. Tax revenue (SSA, Hotel motel taxes)
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1. Government

- Government should provide a portion of the funds to operate
- Over reliance on one source is problematic

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2. Membership/Annual gifts

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Annual Gifts

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

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7 ways to increase membership dollars



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Common membership problems

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2. Typical start up membership

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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

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Typical 3-5 year old membership

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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

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3. Sponsorship

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



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5. Signature fundraising events

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Types of fundraising events

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6. Project grants

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7. Tax revenues & special assessments

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7. Special Service Areas/BIDs

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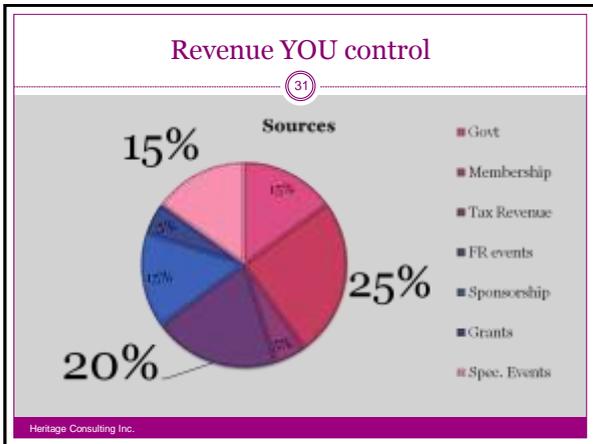
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An ideal revenue mix NO SSA

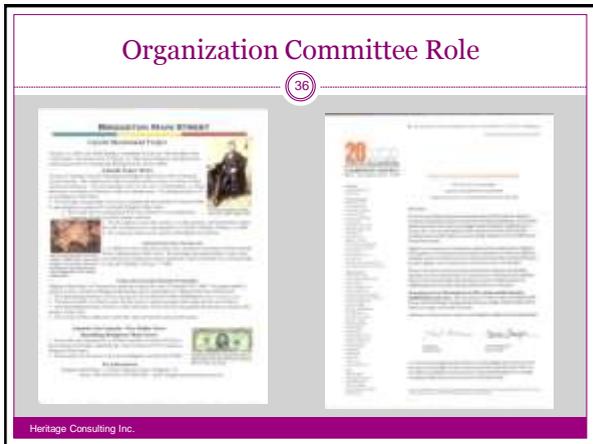
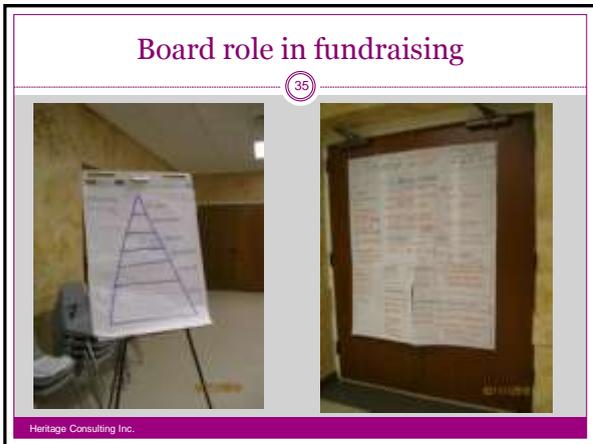
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Revenue Source	Percentage
Government	30%
Membership	25%
FR events	15%
Special events	10%
Grants	5%
Tax revenue	5%

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- ### Roles and responsibilities for fundraising
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- The Board of Directors
 - Organization team
 - Other teams
 - Main Street Manager
 - Volunteers
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Other Committees

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Manager role in fundraising

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Finding volunteers to help

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Finding partners

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- Identify potential partner organizations
- Solicit volunteers 'wholesale' from these sources
- Remember: quid pro quo

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A sustainable MS organization

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- 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
- Experiments and risks failure
- Thinks about the future— BID, endowment

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Questions about who does what?

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See all the resources discussed!

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- <http://www.heritageconsultinginc.com/blog/?p=2239>

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Contact me!

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