Red River Valley Amateur Radio Club (RRVARC) Sponsorship Program Paper

March 7, 2023

Objective

For the Red River Valley Amateur Radio Club (RRVARC) to develop stabile financial flexibility to ensure and enhance our service to the Club membership and community. Towards that goal, the Club leadership should embark on a plan to develop corporate sponsorship and other funding methods not formerly employed by RRVARC. Corporate sponsorship can take at least two forms – Ongoing contributions and one-off contributions of money or real property that would support Club efforts on behalf of the community.

What Service Does RRVARC Provide?

Radio communications support for planned events such as the annual Tour de Paris bike rally and unplanned events such as tornados and other disasters, natural or otherwise. That service is provided by a group of highly-trained and credentialed volunteers using their own personal handheld (portable), vehicle mounted (mobile) and base station "ham" radios through a fixed repeater site in Atlas, TX, southwest of Paris.

The repeater site is co-located with a Lamar County Electric Co-op power station and has multi-path redundant electrical provisioning. The equipment receives radio transmissions from, for example, storm spotters and chasers and then rebroadcasts them. These personal radios would rarely reach much beyond 25 miles and in many cases less. Due to a combination of site repeater features, most notably its antenna height, these operators have the ability to instead provide coverage for all 933 mi² Lamar County, TX, and adjacent areas of northeast Texas and southeast Oklahoma.

One way RRVARC provides a service to the community is that during severe weather events they go to an activated weather net posture. Previously vetted members with credentials to directly access the Paris Police Department Emergency Operations Center (EOC) go there while others that are trained weather spotters and observers start making reports from the field. RRVARC has a direct radio connection to the National Weather Service Fort Worth. Broadcast storm spotter reports are coordinated by the RRVARC personnel at the EOC and available to everyone in the Red River Valley area by listening to the repeater frequency (146.76 MHz) via scanner, ham radio, Internet simulcast via Broadcastify.com or the Broadcastify app on their smartphone. These simulcasts can be monitored from anywhere in the world.

Weather Radar Limitations

Radar coverage for the Red River Valley area is chiefly from the Dallas/Fort Worth area. These sites are approximately 120 miles from Paris, TX. Due to natural limitations imposed by the curvature of the Earth, radar images do not show what is happening on the ground (i.e. tornado), they only depict weather many thousands of feet in the air over the area. Here are some of the numbers:

Paris 14,850' (That's over 2.8 miles up!) Honey Grove 11,300' Brookston/Roxton 12,800' Powderly 16,300' Tigertown 13,500' As a result, storm spotter and chaser reports are literally the only means of accurately knowing what is happening on the ground.

Finances

RRVARC was founded in 1973 and is a club that is affiliated with the Amateur Radio Relay League (ARRL) which was itself founded by Hiram Percy Maxim in 1914. Since its inception RRVARC has funded its operations with annual member dues, contributions by members and others in the community, along with special events. To replace the current equipment at the Atlas site would cost approximately \$15,000 for labor and materials. Insurance (liability and hardware) costs about \$2,000 per year. Meetings, ongoing training and practice adds hundreds if not thousands more to the cost of providing this service. **RRVARC has provided decades of this service for free to the community**, albeit on a very thin budget. In order to continue to add value for all, RRVARC wants to do things like adding one or more additional repeater sites, developing portable "go team" capability to quickly recreate our current infrastructure in case our repeater site were to be knocked out by a tornado or other event, and other redundancies. RRVARC also wishes to broaden its community outreach so that persons understand the huge safety component added by amateur radio, our Club and member volunteers.

The Problem

The first thing anyone sponsoring the Club is going to want to know is "What is in it for me?" A tax write-off is insufficient in most cases to warrant support.

- "For the 2022 tax year, the standard deduction is \$12,950 for single filers and married filing separately, \$25,900 for joint filers and \$19,400 for head of household."
- "The qualified business income deduction (QBI) is a tax deduction that allows eligible selfemployed and small-business owners to deduct up to 20% of their qualified business income on their taxes. In general, total taxable income in 2021 must be under \$164,900 for single filers or \$329,800 for joint filers to qualify."

So, the pitch that supporting the Club with a charitable donation is going to require that a person, family or business to have between \$12,950 - \$65,960 in charitable giving before any of it becomes of any benefit. And then it is not a 1:1 ratio on the deduction, it is a percentage of their income.

The Solutions

Ongoing Financial Sponsorship

The Club should establish a set of sponsorship levels which necessitate a monthly or annual contribution. For sake of discussion those levels should be:

Platinum = \$250-500 per month Gold = \$100 per month Silver = \$50 per month Bronze = \$25 per month

Businesses that pledge to support us in this manner should be recognized. Something like a double-sided static cling-decal for their door or a plaque with the spots for additional years to be added are two examples. **A professionally designed** cling-decal might have a tornado, a radio tower and a

radio depicted along with verbiage "Weather Aware – Proud Sponsor Red River Valley Amateur Radio Club" or something similar along with our website address. Here are some decal examples:









Similarly, plaques could be made up with blank areas for each year so we keep businesses on the "perpetual giving" plan. That part at the top should be **professionally developed** to ensure total clarity in our messaging.





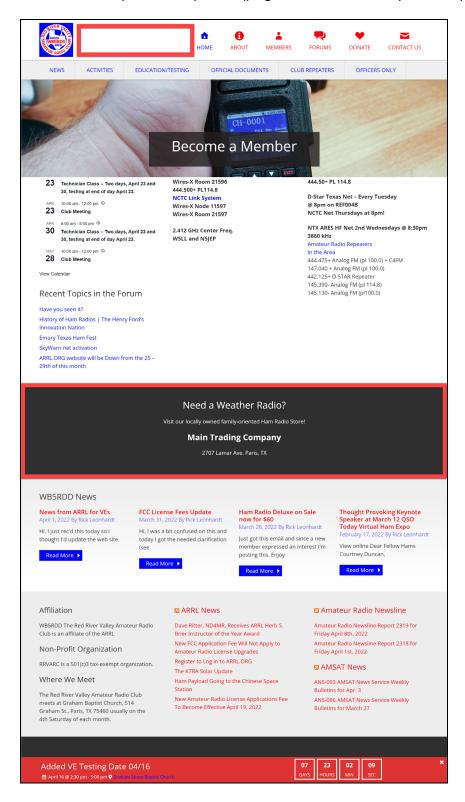


Donating in this manner would also get them prominent mention on our Club website.

Website Recognition

The Club does not want a garish and unpleasant website. With that statement made, there are opportunities to monetize some of the spots on our site via the sponsorship model mentioned above.

Depending on how much the sponsor donates they could get increasingly enhanced visibility on the Club site. Here is an illustration of possible options (page content dated April 2022):



The red boxes, top left and edge-to-edge about $2/3^{rd}$ of the way down the page present opportunities. That top spot is extremely valuable and should be a "value added" component to sponsorship. If someone is a gold or platinum sponsor, they could add that spot for a value to be determined later. No platinum sponsors? Use that top square to encourage people to look at the sponsors further down the page.

Further down the page, where we currently have Main Trading plugged in without compensation, illustrates how it might be done:

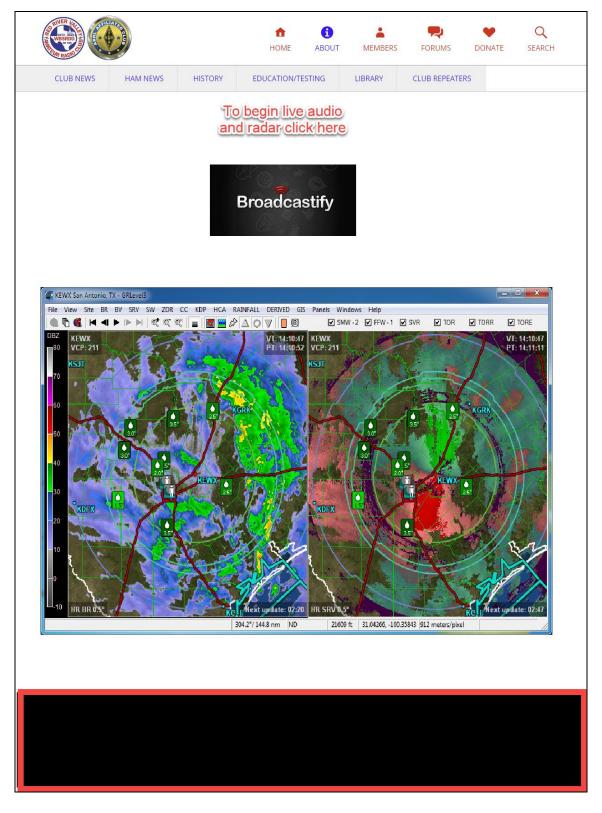


A platinum \$250-500 a month supporter gets a box like the top one. Gold \$100 a month sponsor gets one of the two boxes on the middle row. Right down the line. No platinum sponsors? Gold might get top spot or still be located in one of the two on the second row down, there are options. You get the idea; this would be an iterative process. And regardless of which block they are in, viewers will also be pointed to a standalone "sponsors" page, one that is dedicated to them. They should be ranked based on level of support. Each sponsor could tailor their "block" to whatever message they wanted to convey. A car dealer might have a picture of their new car lot and dealership, or just their marquee, sign or logo. And then a text message that says to contact Joe Smith who is their Internet pricing guy. If you click on their logo it opens up a new tab with their dealership website loaded up in it.

Who should we pursue? Anyone with an interest in supporting what we do for weather watchers, storm chasers, etc. Car dealerships, hospitals, banks, auto-body shops, car windshield businesses, lots of places. If we have a catchy cling-decal, plaque and website offerings, they will sign on. Only our imagination is our limitation. Someone will say "Nobody looks at your website." Not true and we have the statistics to prove it. Hundreds a week, thousands a month and those numbers are growing and will continue to grow as we continue to evolve and improve our offerings.

Weather Page

Value added: I also want a dedicated weather page. That is the page the non-hams and businessman sponsoring us is going to really want to see. On the next page is my concept for how that might look.



We already have the "API key" from Broadcastify to embed the audio right into the page. There are services that provide the type of radar image that you see above. They are subscription based and we would have to inquire about pricing for our application. You as an individual can get it for \$8-10 per month. Does it get us anything better than a DFW TV station might offer? Yes, because it is tailored to your specific area, not an afterthought out of the big metromess market.

Sponsors would salivate to have their stuff in that red box at the bottom of the page, especially during a storm. If we wanted to really be sophisticated, we could sell that box for one price 24/7, but the

price goes up for any day where we have a net activation. I call it storm enhanced value pricing. LOL In any case, another value-added advertising spot.

One-Off Sponsorship

Here an example might be a box trailer or even a 4x4 van outfitted with a turnkey mobile repeater site. If we are talking about a trailer, what do we want to use it for, just storage? Or do we want one large enough to do storage and to hold a "go kit" to drag to an emergency response? Regardless, outreach to local manufacturers for a trailer donation should be made. What is in it for them? Plaster their name on the sides and back of the trailer "Proud sponsor of the Red River Valley Amateur Radio Club". Ditto a 4x4 van or something similar.

Lamar County Electrical Co-op (LCEC)

A tax write-off is not really all that great in most discussions we will have, but a great current example where we should be discussing it is Lamar County Electric Co-op (LCEC). LCEC has allowed us to put our gear on their Atlas tower. I personally believe we need a contract for our equipment to be on their tower for myriad reasons. If we were to secure a contract with them and part of that agreement is that we will give them a statement of charitable contribution for the retail value of what they are allowing us to do, that might be something of value. We would have to figure out what the going rate for tower space is. At one point my recollection is that towers charged like \$5 a foot vertical per month. 300' tower and you are at the 200' mark, \$10,000 per month. That is not an insubstantial tax write-off for the LCEC. I understand not wanting to rock the boat and get thrown off of their tower, but I will continue to advocate for a contract in everything the Club does to protect the Club and its members.

Individual Giving

Going forward we should make it clear that individuals in the community can make one-time or ongoing donations to the Club. If a family gets security from looking at our weather page, listening to our Broadcastify simulcast and perhaps looking at a radar feed we provide and they want to give us \$10 a month, why not make it easy?

Legacy Gifting

We need to emphasize to our members that they can gift the Club with something from their estate when they pass. I have no idea who has what in our Club and I honestly could not care less. But, as an example, if just one childless person left their home to the Club and that home could be sold and the cash be used to fund our projects, it would change the mindset of the entire Club. The next time I hear a member complain that we don't do anything I am going to ask him if he will write a check to cover the expense of a balloon project that I want to do? No? Then shut up and start helping us to get the funding to do stuff like that.

Local farmer

Long-term I believe we want our own place with our own gear and beholden to nobody and nothing. If we found the exact perfect geographic location on farmland being used for hay production, with frontage road access and utilities available; if we got our funding in order, we could outright buy what we want. Or, we could enter into agreement whereby they continue to own the land but lease it to the Club for a nominal contractual amount and we give them a statement to use with their taxes for the use of the land. Say a fifteen-year contract for \$1 a year but they get a receipt for (for example) \$5,000 a year in donation. We should consult with a tax professional who knows the interaction of all

the different tax angles to help us craft the right offer. But if we secured (for example) 20 acres we could build our own antenna and put a small building on the site. Project:

- Find a realtor who is interested in helping the Club find such a parcel. Whether they are interested in amateur radio or not, we could see if they might want to make a donation of their services for a receipt from the Club maybe they made a killing this year, they have made other contributions and they would rather donate their services to us rather than paying taxes on what they have done whatever their motivation; this is something where a professional participating would be very helpful.
- Find a **tax professional** who is interested in helping the Club with tax planning analysis so we know how to make our pitch to various entities.
- Both of these individuals/businesses could get a sponsor spot on our website as developed above.

Annual Lion's Club Fair Participation

RRVARC clears about \$1.12 an hour for every manhour that is put in at the fair. I arrive at that number this way – We have the Sunday clean up, three evenings, one all day and then Sunday cleanup. That is Sunday 2 hours, Wednesday 8 hours, Thursday 8 hours, Friday 8 hours, Saturday 11 hours and Sunday 2 hours; that is a total of 39 hours. I am just going to pull a number out of the air and say the headcount for those same days is 4, 6, 6, 6, 6, 4, and I think I am being **very** conservative on those numbers. That totals 32 people to cover the hours. 32 people to cover 39 manhours is 1,248 man hours. This year RRVARC got about \$1,400 from the venture. \$1,400÷1,248=\$1.12. If we throw in the expenses the members expend driving to and from the Fair, really scrutinize the hours and headcount, we don't even probably net \$1 an hour. At first glance, assuming we can come up with **any** kind of replacement revenue source, I don't think we should continue the venture. Project:

- Establish a committee of three people to look into what options are regarding the annual Fair contribution. Some that I can identify are
 - Option 1: Pay a nominal annual fee to Lion's Club to allow RRVARC to keep 100% of the net revenue rather than splitting it 50/50.
 - Option 2: Pay a fee to Lion's Club to outright purchase the agreement on a sublease agreement and then turn around and sublease the spot to a commercial entity.
 - Option 3: Contractually join with Lion's Club to share jointly in revenue from outsourcing the food preparation to another entity and then we jointly operate a RRVARC/Lion's Club recruiting center at the end of the area away from the food service area. We could staff it with 2-3 people per shift for 2-3 hours each night, more hours on Saturday, operating radios, talking to people about amateur radio, our Club and Lion's Club.
 - o Option 4: Simply discontinue participation as return is too low for work that is required.

Regardless of the route the Club leadership determines with regard to the Lion's Club Fair participation, the Club leadership needs to firmly establish a plan for further transparency in all the financial transactions regarding expenses.

Marketing Material and Web Content Development

If the Club leadership decides pursuing sponsorship as outlined in this paper it will require a funding commitment. Club finances are already stretched and so what I will wish to discuss is a front-end commitment that revenue generated by sponsor development be largely devoted to components of this project. Four of those components will be: 1) Getting a 903 forwarding number so that I can stop using my personal cell number for all the myriad places it is listed. 2) Printing brochures to give to our potential sponsors when we meet or try and schedule meeting with them. 3) Website development outsourced to a professional so that we can concentrate on content development and design enhancements. 4) Brochures as a welcome aboard to new people joining the Club. Only after we get those features up and running should we then start reexamining how to allocate any excess funds we start realizing.

Anyone wishing to comment on this paper, suggest changes or corrections, please contact:

Phillip Beall (W5EBC) phillipbeall@beallz.net Cell: 214-729-6182