

# Strong Towns 2015 Annual Report

## Our Mission

Support a model of development that allows America's cities, towns and neighborhoods to become financially strong and resilient.

## Our Vision

We seek to make [the Strong Towns approach](#) the default for every city, every state and nationally.

## Our Identity

We are a media organization that is growing a national movement for change.

## Our Strategy

We believe that the change we seek will occur when a million Americans care enough to share our message with others.

**Our efforts are to create those million people.**

## Highlights from 2015:

- We grew our audience from 70,000 over the prior twelve months to 353,000, a 500% increase.
- We presented the [Curbside Chat](#) and related materials in person to over 5,000 people throughout the USA and Canada.
- Strong Towns was featured in over 120 publications spreading our message to thousands of people who hadn't previously heard it.
- We held a successful [#BlackFridayParking](#) event that Planetizen called "[a model of online engagement](#)."
- We ran a successful member campaign that made us [#1000Strong](#), accomplishing our goal for 2015.
- Our president, Chuck Marohn, was [invited to a summit at the White House](#).
- We adopted a new Strategic Plan in June, formalizing our approach to fulfilling our mission.



This success would not have been possible without the key staff we were able to bring on board in 2015. After a nationwide search involving over 150 candidates, we were able to add [Rachel Quednau](#) (Communications Specialist), [Jason Schaefer](#) (Member Support Specialist) and [Michelle Erfurt](#) (Pathfinder) to our team. Their efforts at organizing and promoting our events, supporting our members and improving the quantity and quality of our content stream positioned us to achieve our goals.

**"In God we trust. Everyone else: bring data."**

- Michael Bloomberg

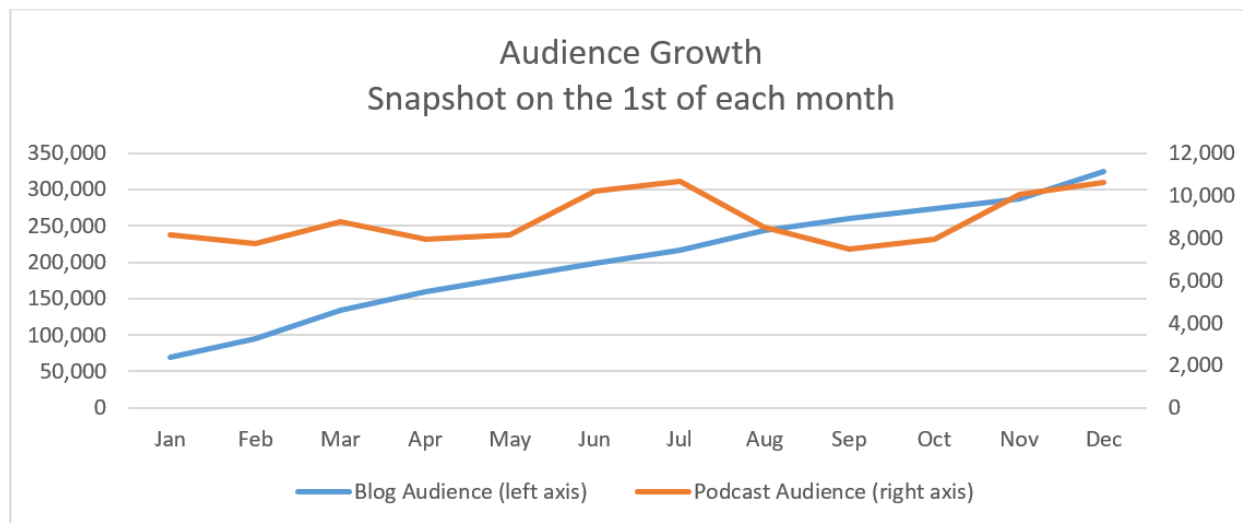
We obsess about data. The [Strong Towns approach](#) is about making [incremental change](#) -- little bets -- then measuring the results. We've embodied this startup mentality in our day-to-day operations.

With the guidance of our [Board of Directors](#), we track a series of metrics that help us discern whether or not we are making progress on reaching a million people who care. We also utilize a number of tools to help us refine our approach. Some highlights of those are included in the following.



## Audience Trends

On the first of every month we record a snapshot of our blog and podcast audience. While the [podcast](#) experienced wide variability (largely correlated with publishing consistency), the blog audience grew steadily throughout the year.



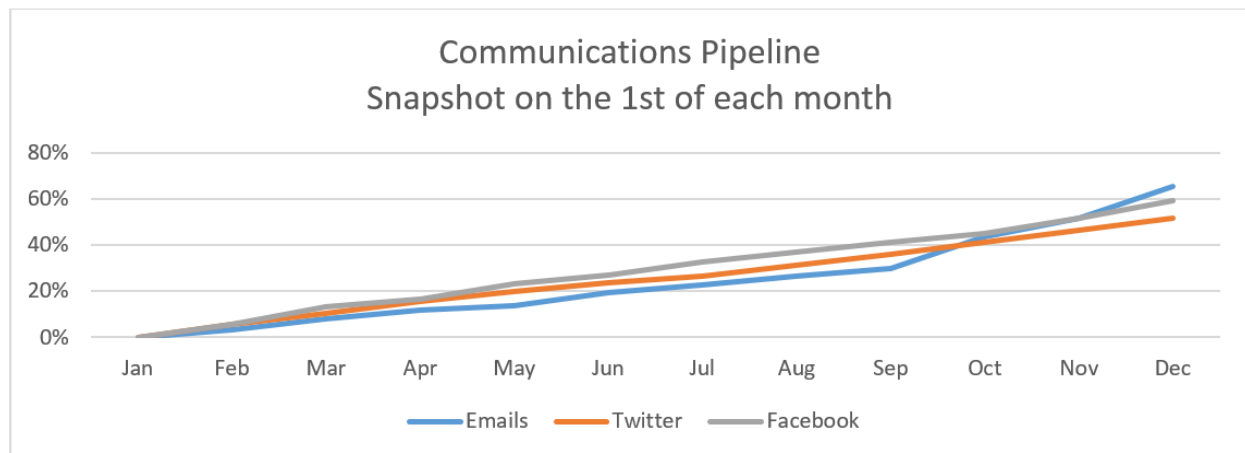
## Communications Pipeline

Our operational strategy for creating a movement of a million people who care is to move our audience through a communications pipeline. We envision our communications pipeline as follows:

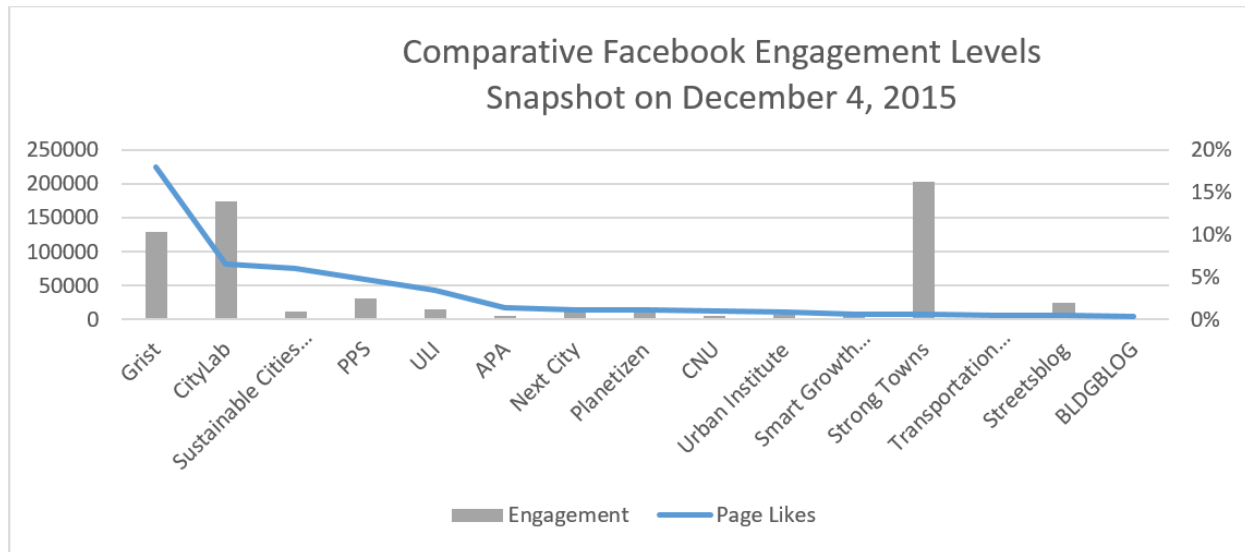
**Audience --> Weak Connection --> Strong Connection --> Advocate --> Member**

When someone finds Strong Towns and becomes a member of our audience, we work to make a weak connection with them, such as on social media. Once we have a weak connection, we work to strengthen that connection through email. Where we have a strong connection, we work to help that individual become an advocate, sharing our message with others. Ultimately, we need many of our advocates to become members of Strong Towns so that we can continue to expand the pipeline.

We are constantly looking for ways to improve this pipeline. For example, last September we developed some new methods for collecting email addresses, which shows up in the pipeline chart below.



We're not just interested in reaching people -- that is actually the easiest part -- but in engaging them with content that is compelling. We monitor others that work in related spaces to get new ideas that can drive our engagement levels. As the chart below shows, while our movement is still in the early stages (left axis), we have really high engagement levels (right axis).



On a day-to-day basis, we use a variety of tools to help us deliver our content. For some time, we've used a program called CrazyEgg to help us see how far people scroll down and stay with our posts, where they click and what they find engaging. When a page is not performing as we hoped, we rework it until it does.

Last year we also started using a program called Chartbeat, a display that gives us an up-to-the-second readout on how many people are on the site, where they came from and what content they are most interested in. This has been a critical tool for helping us display content, especially with the dynamic home page redesign we launched in January.

We will continue to track data and use a [#DotheMath](#) approach to determine the organization's next steps.

Our Strategic Plan outlines eleven program areas we are using to pursue our mission. These can be reduced to three core strategies: (1) Create powerful content, (2) Share our message widely and (3) Nudge people to take action. Following each program, we've identified how we are going to incrementally improve upon what we did in 2015.

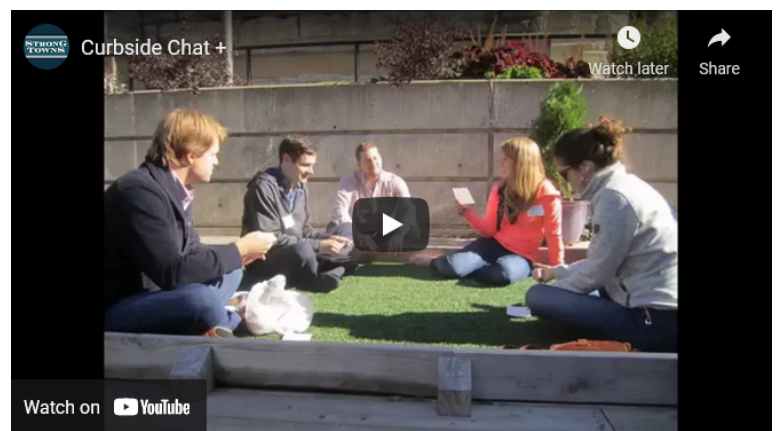
## Create Powerful Content

### 1. **Expand the Content Stream: Provide powerful and influential content in an expanding web of distribution channels.**

- Use issue campaigns throughout the year (such as #BlackFridayParking and #NoNewRoads) to reach a broader audience and give our content a longer shelf life.
- Continue to expand our pool of contributors.
- Continue to publish a minimum of 15 posts per week and, where we can maintain quality, increase that to 20 by the end of the year.
- Establish a content review process to ensure that we maintain quality as our frequency increases.
- Consistently publish the podcast and use extra podcasts to drive engagement in our issue campaigns.

### 2. **Curbside Chat Program: Share our message in person with people around the country.**

- Deliver between 30 and 50 Curbside Chat, Transportation in the Next American City, Neighborhood First or related events in venues across North America.
- Identify four regions to introduce the Curbside Chat+ program, a deep dive to change the conversation. We will need foundation or donor support for this effort.



- Update the Curbside Chat companion booklet.
- Target non-traditional audiences (those lacking the resources to pay for an event) for Curbside Chats. Seek donor support to engage with these communities.

### **3. Issue Campaigns: Operate targeted messaging campaigns around high velocity issues.**

- Run a series of issue campaigns throughout the year where we leverage all of the assets of the organization to focus on a single message. We have a goal of doing sixteen of these campaigns in 2016.

### **4. Aggregate Content: Package and repackage content in ways that accelerate the distribution of our message.**

- Continue to develop landing pages around our campaigns and issues where we have developed a deep amount of quality content.
- Publish Volume 2 of *Thoughts on Building Strong Towns*.
- Retain a specialist to help us aggregate content.

## **Share Our Message Widely**

### **5. Public Relations: Use traditional and non-traditional public relations strategies to broadly distribute our message.**

- Expand our database of media contacts who are interested in Strong Towns or related issues.
- Continue to feature content from the Member Blogroll and nurture the community of Strong Towns bloggers.
- Target traditional and non-traditional media as part of our event promotion strategy.

### **6. Advertising: Pay for the strategic distribution of our message.**

- Devote \$500 per month for online advertising. Track the ROI of this investment.
- Deploy the free Adwords offered by Google to drive search traffic to our key landing pages.

**7. Targeting Key Influencers: Identify and engage influential individuals and organizations that will benefit from distributing our message.**

- Share Strong Towns content with key bloggers and podcasters that have overlapping messages. Solicit contributions from them to our content stream.

**8. Issue Summits: Gather individuals together to draw attention to specific messages.**

- Plan and execute at least one issue summit in 2016. Seek a donor or foundation interested in sponsoring this engagement.

## **Nudge People to Action**

**9. Member Support: Support our members as they share our message with others.**

- Move our member support platform from Nationbuilder to Salesforce/Pardot to improve our ability to engage with and support our members.
- Hold monthly educational sessions for the benefit of our members.
- Provide monthly briefings, chats or hangouts with our members.
- Look for ways to add member-only content as part of each campaign for those who want a deep dive into an issue.

**10. Curbside Chat Follow Up Campaign: Start local conversations following our in-person events.**

- Do monthly Q&A webinars as part of the Curbside Chat process.
- Collect email addresses as part of our events so that we can communicate directly with participants afterwards.

## 11. Meetup Groups: Assist strong citizens in initiating local conversations.

- Launch a public Slack with an eye towards developing local/regional conversations.

The following are our basic financial statements. If you would like to view spreadsheets with more detailed information, [those are available here](#).

### Balance Sheet

	As of Dec 31, 2015	As of Dec 31, 2014
<b>ASSETS</b>		
<b>Current Assets</b>		
Total Bank Accounts	\$63,113.58	\$61,782.08
Total Accounts Receivable	\$10,715.34	\$7,030.75
Total Current Assets	\$73,828.92	\$68,812.83
Total Fixed Assets	\$1,836.69	\$0.00
<b>TOTAL ASSETS</b>	<b>\$75,665.61</b>	<b>\$68,812.83</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Total Accounts Payable	\$1,529.50	\$0.00
Total Credit Cards	\$6,234.05	\$4,336.16
Total Other Current Liabilities	\$6,421.19	\$3,725.79
<b>Total Liabilities</b>	<b>14,184.74</b>	<b>\$8,061.95</b>
<b>Equity</b>		
Retained Earnings	60,750.88	59,701.71
Net Income	729.99	1,049.17
<b>Total Equity</b>	<b>\$61,480.87</b>	<b>\$60,750.88</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$75,665.61</b>	<b>\$68,812.83</b>

While our balance sheet doesn't indicate a lot of change from 2014 to 2015, our profit and loss statement presents a much different story. Our Board has worked to have our revenue sources and program expenses align closely with our strategic objectives and our theory of change (a movement with a million people who care). As we made this transition in 2015, we reduced the amount of grant funding and consulting and put our emphasis on membership and content.

## Profit and Loss

	Jan - Dec 2015	Jan - Dec 2014
<b>Income</b>		
4000 Donations	6,880.80	6,878.45
4100 Grants		40,840.00
4200 Events	140,626.43	156,487.34
4300 Membership	67,850.55	39,851.30
4400 Royalties	104.26	
4500 Expense Reimbursement	28,348.03	32,916.82
4900 Interest Earned	143.16	118.63
<b>Total Income</b>	<b>\$243,953.23</b>	<b>\$277,092.54</b>
<b>Gross Profit</b>	<b>\$243,953.23</b>	<b>\$277,092.54</b>
<b>Expenses</b>		
5000 Salaries and Benefits	154,248.37	154,548.52
6010 Bank Charges	2,881.08	1,218.60
6020 Insurance	1,213.00	1,787.19
6050 Dues & Subscriptions	104	225
6060 Conference Registrations		410
6080 Advertising and Marketing	1,784.49	21.49
6090 Meals and Entertainment	1,185.75	1,874.63
6100 Professional Services	11,623.72	3,900.26
6120 Office Expenses	2,210.26	899.21
6130 Rent	3,350.00	2,390.00
6140 Software Services	4,015.19	2,308.32
6150 Telecommunications	4,783.33	3,230.95
6170 Travel	14,741.25	10,520.87
6180 Printing	24.01	11.26
6400 Event Expenses	4,313.82	4,279.29
6410 External Project Expenses	5,418.37	40,969.91
7160 Reimbursed Expenses		3,933.63
7170 Reimbursed Travel	31,763.20	28,985.88
7200 Grant Expenses	324.9	14,377.27
8000 Reconciliation Discrepancies	5.5	151.09
<b>Total Expenses</b>	<b>\$243,990.24</b>	<b>\$276,043.37</b>
<b>Net Operating Income</b>	<b>-\$37.01</b>	<b>\$1,049.17</b>
<b>Other Income</b>	767	
<b>Total Other Income</b>	<b>\$767.00</b>	<b>\$0.00</b>
<b>Net Income</b>	<b>\$729.99</b>	<b>\$1,049.17</b>

In January 2016, the Strong Towns Board of Directors approved the 2016 Budget. That document [can be viewed as a Google spreadsheet](#).

The most important thing from a budget standpoint is this: To be successful in connecting with a million people who care, this year we will continue to see our audience climb. Through successful use of our communications pipeline, that will result in our membership growing from 1,000 to 2,000 by the end of the year.

With this strategy, we have aligned our financial plan and our mission so that they will succeed or fail together. We think this alignment is critical for us to maintain our focus as other, often more financially lucrative, opportunities continue to present themselves. While financially advantageous, these other opportunities (consulting, research, report writing, etc...) do not adequately advance our mission in the time frame we are committed to. We have largely chosen not to pursue them in order to focus on those activities that will help us get to a million people who care.

Friends,

Years ago I started writing a blog. I was trying to sort out what I was experiencing, to find my way through the fog. I had been a part of the [Infrastructure Cult](#), but I knew something was wrong. It didn't make sense, but I lacked the vocabulary to explain why. Writing was the journey I used to discover new truths.

Today we're here together, part of a movement of people trying to change our national dialog on what it means to experience growth, productive investment and prosperity. We've chosen this path, not to triumph in a contest of right versus wrong, but to humbly serve our friends and neighbors. It's up to us to bring this conversation into the mainstream, to pioneer a viable, alternate approach that people can start demanding in their cities, towns and neighborhoods.

Here's the great thing: we're making it happen. You, me, all of us. Whether it is [Hays, Kansas](#), or [Waco, Texas](#), or [Memphis, Tennessee](#), we're starting to see examples -- big and small -- of a shift. The Strong Towns conversation is spreading; last year even to the White House. We have a lot of momentum.

I feel a sense of urgency. So does our [Board of Directors](#). It's clear that the current situation -- America's approach to growth and development -- is not stable, that we can't continue on along this course without more and more people being harmed. I don't want more [Fergusons](#). More [Detroits](#). More [San Bernardinos](#). I fear an America that begins to accept decline as normal, even inevitable.

The urgency we feel has forced us to make some audacious goals. [A million people who care](#) is the centerpiece of our strategy. We're trying to create a movement where a million people care enough about the Strong Towns message to share it with somebody else. If we reach that point -- when we reach that point -- our ideas will quickly become mainstream. And we all know that, when we expose people to Strong Towns thinking -- when we show them the math -- an approach that improves our bottom line while improving people's lives is too powerful to ignore. Or unlearn.

[Last year we reached 1,000 members](#). #1000Strong. To reach a million people who care in a timeframe that matters, we need our membership to double again in 2016. It took us three years to get our first 1,000 members. We have 300+ more days to add our next thousand. Membership is the base of support that we must maintain if we are going to succeed. It is, in fact, the most solid proof that we are succeeding. We need you.

Thank you for being a member, for sharing our stuff with others and for doing what you can to build a strong town.

-Chuck

PS - We're going to be holding some briefings on this report and our strategic plan soon, but why wait for that. Join the [Strong Towns Slack](#) and chat with me directly. I'd love to hear from you.