

- Example given of shoots done in a similar way at Reno Air Races.
- Photographer and models have offered to do this for no fee. Asked for credit.
- Concensus to explore issue further and review budgets and legal / responsibility issues.

President's Report

- *Safe Deposit Box* – Safe Deposit box was opened on October 19, 1999. Was signed by Norm Holmes, Andy Anderson and Skip Englert. Bill for box has been paid. Need to get Norm and / or Andy to the bank to access the box. Rod McClure has tried contacting Norm and we have heard no response. Kirk Baer spoke to Norm about the box. Norm is looking for the box key.

Financial Reports

- Financials and financial reports provided.
- Questions about some charges asked by members. Answers provided along with background.
- Our budget position over last year is \$102,000 in the black. Currently have over \$108,000 in bank. SP 4404 money being held "in escrow" until locomotive moves.

Director's Reports

- *Monger* – Is assisting in the creation of an Arcadia Press book on the Edward Hines Lumber Company. Also working on a book with Signature Press.
- *Elms* – crew worked 3 Saturdays working on ballasting new ties installed last year. Next spring expect to do more ballasting, tamping and tie replacement. Balloon slow order has been lifted.
- *Habeck* – "Gems" of collection have been moved into Diesel Shop or close proximity as security measure.

Department Reports

- *Museum Store / RAL* – Basically done for the season except for one scheduled for the 21st. One RAL was missed while Gail was on vacation and gentleman received an RAL certificate for replacement and appreciated our customer service on this. Intuit has sold Homestead web store operation and has discontinued interface between their POS and webstores. We need to upgrade our POS system, our version is no longer supported. Cost is \$899 plus tax. Gail is looking at lowering credit card / merchant service costs with Intuit. Looking also at adding debit card capability. Cost of 3rd Party software to link POS and webstore runs from \$23 / month to \$899 one time. Has been talking about web operations with Tom Carter as webmaster. Discussing how to proceed as webstore was not set up properly in beginning. Recommending to upgrade to Intuit Store version 11 and upgrade our credit card / debit card systems, purchase a third party interface to the web store and

update our webstore and continue with it when properly operating, then later evaluate its performance after having them properly them linked and operating for several. Total estimated expenses to update as outlined are about \$1500 to \$2000. Concensus direction for Gail McClure to proceed as outlined.

Legal / Insurance Report

- Insurance is in place for Fourth Street house.

Status of Surplus Property Report

- *SP SD9 4404* – Coupler replacement is proceeding.
- *MILW U25B 5057* – Cascade Rail is over \$10,000 and they have \$1,500 in challenge donations out. Looking good for \$15,000 by March. Cascade is still looking for shop in Washington to do cosmetic restoration work.

Safety Report

- Getting cold and snowy around museum.
- Due to incidents this year, suggestion we emphasize during crew training that we have 5 MPH speed limit. We have a lot of kids running around and people moving around terminal when caboose trains operate. Plan to completely revamp Operations Bulletins Book.

Public Comments

- *Scott McAllister* – Commented that there is a lot more going on than average member sees. Offered to write item for web and Train Sheet to help encourage members and volunteers. Asked what is going on with the archives. Gave background on recent changes. Asked that more info be placed in the Train Sheet on the archives.
- *Kirk Baer* – Has a set of rail tongs he will donate to museum. Expressed concerns over loss of members due to lack of conventions and fewer Headlights. Stated that the gift shop has been disappointing in years past and is impressed with this year's improvements. Thanked Gail McClure and her volunteers for their hard work this year in the gift shop.
- *Debra Baer* – Portola RR Days is at crossroads, no one showed up at last planning meeting. They are looking for people to chair / work on committees.

Notices

- Santa Trains December 1 and 8

December 2012 Board Meeting Motions and Actions Summary

Motion 12-12-01

Consent Calendar

Correction to November minutes: All locomotive radios are NOT compliant with new regulations.

Accept the minutes for the October and November 2012 Meetings as corrected.

Vicknair / Cochran. Aye - 8, Nay - 0, Abstain - 0.
Motion carries.

Radio System License and Museum Radios

tabled from October

- Written report and information provided.
- Review of issues concerning museum radio system.
- On November 24, the radio license was processed for modification. Currently still pending with FCC.
- Did research into replacement radios. Found a vendor that can provide radios for \$260 each.
- Suggestion we look at offering this price to members who want personal radios and do a mass buy. Would be cash up front purchase. Quote is for portable radios only, not locomotive or station radios.
- Verified that currently we only have 6 portable radios compliant with new requirements.
- Two compliant station radios will be donated after January 1, 2013.
- We will need five new station / locomotive radios. Need to look into replacing those.
- Questions about what bandwidths are covered and other radios to be converted.

Motion 12-12-03

Accept the report and move forward as suggested with purchase of 12 new compliant portable radios. Total cost is \$3,982.00 on line item 51060 – Tools.

Carter / G. McClure. Aye - 7, Nay - 0, Abstain - 1.
Motion carries.

- The 6 radios currently in hand can be converted by Kerry quickly. Discussion about getting those converted as soon as possible. They will be shipped to Kerry for quick conversion.
- Recommendation that we put word out on radio offer for volunteers who want personal radios.
- Question about liability if general public brings non-compliant radios. If they are not working for museum, then we are not responsible. We are only responsible for our volunteers doing FRRS business.

Question about status of Treasurer position. James Mason is functioning as Acting Treasurer currently and will handle year end report.

Volunteer Hours Tracking System

- Issue is whether to approve acquisition of hour tracking system previously discussed.
- Issues are still being investigated. Will bring report to next meeting.

- Tabled to January.

WP 2013 Convention

- Written report provided.
- Issue is to approve proposal for 2013 WP Convention.
- Convention dates suggested are May 17-19, 2013. Projected location is CSRM in Sacramento.
- Current fund for conventions is 11003 – Convention. Has \$1,824.00. Thom Anderson is current signator on the account. Will review account status in January.
- Discussion about structure of the account and how to handle it.
- Question about work weekend before season open on Memorial Day weekend. Schedule new work weekend.

Concensus direction to proceed with planning and report back. Dates are approved.

Santa Maria Beet Gon Donation

- Written report provided.
- Proposal to donate SP Sugar Beet Gon for display in Santa Maria, CA.
- President McClure has been talking to Santa Maria Valley Historical Museum. They have reformed their organization in the last few years.
- Suggestion to give them a beet gon and have SMVHM cover costs.

Motion 12-12-04

Motion to donate to SMVHM one of the SP / Holly Sugar beet gondolas (SP 358262) acquired by the FRRS in 1989. SMVHM to cover all related loading, tie-down and shipping costs. Beet Gon must be moved within 6 months of contract acceptance.

Monger / Vicknair. Aye - 8, Nay - 0, Abstain - 0.
Motion carries.

Short-term Debt Repayment

- Proposal to review financial status for repayment of short term debt.
- Suggested that this be tabled to March 2013 and continue current payment plan.
- Concensus direction to continue with current payment plan and revisit in March 2013.

Santa Train Planning

- Written report provided.
- Issues are to find ways to improve Santa Train attendance, finances and planning, appoint Event Coordinator and discuss adding 3rd weekend of trains.
- Vice-President Habeck has requested a third Santa Train weekend this year.

- Opinions expressed that we need to complete SP 4404 and Santa Train is interfering with that work.
- We are losing money on Santa Train currently.
- Suggested in report to appoint a coordinator for Santa Train and improve fundraising and publicity.
- Reported that SP 4404 welder cannot return until after first of the year. We need to find another welder.
- Concern that we have no time to get a crew together. Also there has been no advertising.
- Last Saturday we had only 29 cars at \$5 a car. Cost for materials and set-up was over \$660.
- Suggestion to look at possible 3rd weekend next year or move it farther down in the month for 2013.
- Noted that this year no one advertised, requested cookies or other advertising items.
- Thanks to Steve Habeck and his family for their great job decorating the train.
- Concensus is for no 3rd Santa Train this year.

Motion 12-12-05

Accept the report recommendations to appoint a Coordinator for 2013 to handle planning, fundraising, publicity and logistics. Planning activities to begin no later than October 1, 2013.

Vicknair / G. McClure. Aye - 8, Nay - 0, Abstain - 0.
Motion carries.

- Gail McClure has volunteered to be Coordinator for 2013 and Debra Baer and Bruce Veilleux have volunteered to assist.

Year End Fundraising Budget

- Fundraising letter and written report provided.
- Suggestion in report to do two mailings. Recommendation to do spring mailing through mailing house and do fall mailing as more elaborate mailing. Suggestion to up the budget to \$3,000.

Motion 12-12-06

Accept the report recommendation of two annual mailings. Budget to be \$3,000 annual from line item 56600 - Fundraising.

Vicknair / G. McClure. Aye - 8, Nay - 0, Abstain - 0.
Motion carries.

President's Report

- Bill for damage to car on Railroad Days as been paid.
- Building has been drained.
- Rod McClure saw a black bear heading into the museum this morning.

Financial Report

- Financial information was not sent due to

unavoidable circumstances.

- James Mason brought financial report.
- Current finances are looking good. Chart presented showing 2011 vs. 2012. Net income for 2012 is currently over \$50,000 for the year. We will be higher, close to \$100,000, when we book 4404 sale money.
- Income has improved due to hard work by many people to bring in income, donations, improve the Gift Shop and find cost savings.
- Thanks to Gail McClure and her team, we have saved over \$35,000 in Gift Shop direct costs.
- Cash on hand is over \$100,000.
- Memberships are up \$166 over last year this time.
- We are running \$123,624 ahead of this time last year in net income, not including SP 4404 income.
- Recommended delaying full payment of short term debt until after the SP 4404 money is released.
- Discussed recent stock donation. James Mason donated 60 shares of stock to Steam Program. Board needs to direct that stock be sold and funds transferred to income item 40422 – Steam Fund. Recommended that a policy / procedure be enacted to handle future stock donations.
- Direct donation of appreciated stock to non-profit avoids taxes on appreciation, donor gets full write-off.
- Recommendation to start drafting long-term business plan to present to the Board. Review prior business plans and proposals. Recommended that Business Practices Committee start looking at this.
- Questions about stock donation. A portion of stock can be donated. Value set on day stock is transferred.
- James Mason will work with Kerry Cochran to draft stock policy.

Motion 12-12-07

Direct that stock donated by James Mason be sold and transferred through BofA account to line item 40422 – Steam Fund.

Carter / Vicknair. Aye - 8, Nay - 0, Abstain - 0.
Motion carries.

- Concensus direction to have Business Practices Committee prepare a draft Business Plan looking forward 10 years. Include information from March 2012 special meeting.

Director's Reports

- *Vicknair* – donated a set of outdoor information signs for equipment.
- *Monger* – Vic Neves' dog Zephyr who often came to the museum passed away recently.

Legal / Insurance Report

- Fourth Street house insurance is paid and in effect.

- Rick Gruninger needs values for Meeker collection. Eugene Vicknair to resend.
- President McClure renewing museum liability policy.

Status of Surplus Property Report

- *SP SD9 4404, MILW U25B 5057, NVR DS-4-4-750 51* – written reports provided. No real change in status on any. Wayne Monger is putting up a \$3,000 challenge for Cascade Rail 5057 fundraiser.

Public Comments

- *Rick Gruninger* – Asked that crew training dates be decided soon. Kerry, Rick and Tom Carter to discuss. Asked about plans to install cameras and suggested that camera not show parking area next to Edenwold. Will discuss with Bruce Veilleux.

Notices

- Santa Train December 8
- Board Nominations open January 1, 2013

Closed Session

Adjourned to closed at 3:09 PM, returned at 3:23 PM.

- The Board heard a report on a legal item – FRRS v. Kasten / ITAC. No action taken.
- The Board heard a report on a legal item – Worthen v. FRRS. No action taken.

January 2013 Board Meeting Motions and Actions Summary

Motion 13-01-01

Consent Calendar

Accept the minutes for the December 2012 Meetings.

G. McClure / Cochran. Aye - 7, Nay - 0, Abstain - 1.

Motion carries.

Volunteer Hours Tracking System

- Issue is whether to approve acquisition of hour tracking system previously discussed.
- Gail McClure had copy of report from March 2007 on system then approved for \$5000.
- Now believe that we can do that for about ½ of cost.
- Bruce Veilleux investigating software. There are now many options available beyond original vendor.
- Gail and Bruce are still investigating.
- We may have computer that will work, needs upgrades.
- Concensus direction is to continue.

President's Report

- President has been sick for past month.

- Museum is cold and snowed in.
- Bank of America safety deposit box was drilled open and had nothing in it. Box is closed and we are no longer being billed for it. Thanks to Norm and Gail for handling the issue.

Financial Reports

- Reports provided.
- Review of financial report. Cashflow for December 2012 looked normal for this time of year. We are in our down time and expenses are exceeding income as is typical.
- Have over \$89,700 cash on hand. Income for this year is positive over \$35,500. We are ahead \$117,500 over this time last year. This is a huge improvement.
- There have been many cost reductions this year that are working well and our income has improved as well.
- Current year-end reports are preliminary and will be adjusted before final report is published in April or May.
- Comment that we should consider going back to a lower cost for a Life Memberships. Since new life membership costs were put in, we have had only 1 person sign up as Life Member. Request to review this for a future meeting.
- Steve Habeck has received a number of fundraiser responses with member renewals.

Preliminary Budget for 2013

- We need about \$140,000 to support annual operations.
- Reviewed budget numbers and assumptions.

Motion 13-01-02

Accept the draft budget as presented.

Vicknair / G. McClure. Aye - 8, Nay - 0, Abstain - 0.

Motion carries.

- Board extends a formal thank you to Susan Scarlett and Cheryl Cole for all their hard work on our finances.
- Suggestion to have a formal letter drafted and include a gift card.

Motion 13-01-03

Direct the President to draft a formal letter of thanks to Susan Scarlett and Cheryl Cole and include a \$100 gift certificate funded from line item 69500 – Administrative Expense.

G. McClure / Elems. Aye - 7, Nay - 1, Abstain - 0.

Motion carries.

Event Reports

- *2013 Convention* – Report on status of convention, planning going well, show list being finalized and we have most of special events finalized and ready to announce. Suggestion to do on-line registration using PayPal store instead of on-line store. Decision to use PayPal for registration. Thank you to CSRM, Kyle Wyatt and Paul