Mid-Continent Railway Historical Society, Inc.

Minutes of the September 2011 Regular Board of Directors Meeting

Date: September 24, 2011
Location: MCRHS Office Building
Roll Call:

Directors:

B. Anderson
J. Bloohm, President
S. Brist (By Phone)
J. Dillenburg, Parliamentarian
B. Handschin, Treasurer
R. McLeod
C. O'Brien
D. Schumacher, Vice President
D. Scobie
D. Viste
J. Sorrel (12:13 PM)

Absent Directors:

M. Deets
A. Joyce

Other Officers:

K. Bauman, Secretary

Guests:

N. Miller
R. Ristow

Meeting called to order at 12:01 PM by President Bloohm.

Next annual meeting of the Board will be December 17, 2011 in the Office Building at 12 noon.

12:05 PM – B. Handschin moves and D. Schumacher seconds to approve the agenda and allow the President the option to go out of order as needed to effectively conduct the meeting. Motion passed unanimously.

Reports of the Directors' work done for benefit of the Museum in the past quarter

12:17 PM – The minutes of the June 25th Regular Meeting stand approved as presented.

12:19 PM – B. Handschin moves and D. Viste seconds to approve the email poll to allow the President to pay off the Line of Credit using the Board designated funds (Reardon/Anonymous Estate) to save $1,000 per month in interest. Motion passed unanimously.

Reports:

Don Meyer submitted written reports on the Gandy Dancer Festival and the 1385 fund raising campaign.

Mike Wahl submitted a written report on the 1385 project. It was noted that Mike Wahl will also give a detailed report at the annual meeting of the members.

WCC#1 Report: The owner wants the drivers loaded into a gondola car and put in the coach shed. They will continue gathering parts and maybe consider renting a storage container for the parts. The engine is not a dead issue at this time, but simply on hold waiting funding. The museum still has a legal obligation to the owner to restore the engine.

B. Anderson feels we need to be sure that we tell donors that projects such as the WCC#1 are private equipment and not owned by the museum.

ST#2: The owner is working on it daily, but nothing further to report at this time.

Financial Report: Treasurer feels we need to be better at getting numbers out on time. We need full time management. The profit and loss statement this year to date for August shows us $96,000 under budget. He recommends that we remove the board designation of the Reardon and anonymous fund moneys. Some numbers related to the Mazomanie side of the operations, because all numbers are not yet in, there is a concern the conclusions of the report are not yet complete. It is likely that the operation in general will break even. Mazomanie has also been allowing us to build relationships with other donors for projects here at MC. We have become dependent on outside donations for up to $100,000 in operating revenue and strongly encourages us to find someone to help with accounting and someone to work with management.

1:02 PM – B. Handschin moves and C. O'Brien seconds to ask the management committee to take on the responsibility of creating policies and procedures to tighten up the accounting practices on large capital projects. Motion passed unanimously.

Presidents Report: The Boy Scouts have cancelled their Santa Train contract with us. We did manage to gain $200 from a filming company for some static night filming they did. The WSOR has signed a lease on the transfer caboose. They have not yet signed a lease on the crane. We are working on a deal to lease the crane in exchange for super truck use and possibly access to WSOR car department personnel and equipment for jacking cars. There is also the issue of the 20 ton locomotive at Circus World, as we currently don't have paperwork on this. President will start with contacting Circus World to get a lease in place between us.

Membership and Election Committee: Sadly I have to report the deaths of members Ronald Ford and Joseph Krajniak. However we have also gained 17 new Associate Members since the last meeting. Additionally we have a request to upgrade one member Matt Meyer from Associate to Regular member, and Kelly Bauman has requested to upgrade from Regular to Life. Both Mr. Meyer and Mr. Bauman have completed the required steps for upgrading to the higher membership status. This brings our membership to 270 Associate Members, 115 Regular Members, 185 Life Members and 18 Honorary Members. For a total of 588 members. At the last meeting the board requested that K. Bauman make suggestions on revamping our membership categories with an eye towards using them as a fund raising tool. While I have been working to do so, it was felt due to the length of the agenda that we would postpone that report until the December meeting.

The elections committee is continuing to review the information submitted to it. The hope is to have the ballots finalized in the next week, but the current issue is validating the petition received by the committee to ensure it meets the requirements of the bylaws.

Collections Committee: They will be meeting on Oct. 1st. They will be considering a Motor Car, The C&NW Narrow Gauge combine, The Jim Connor and Kyle Gehrke Soo Line Caboose, and an Old Fashioned Time Card Punch Machine.

1:20 PM – B. Handschin moves and D. Schumacher seconds to approve the upgrade of Matthew Meyer as a Regular Member and Kelly R. Bauman as a Life Member. Motion passed unanimously.

1:29 PM – B. Handschin moves and R. McLeod seconds to have the President sign the engagement letter to join the Jeffrey T Peterson group in the matter of the estate of Laurence Dorcy. Motion passed unanimously.

1:36 PM – J. Dillenburg moves and B. Handschin seconds to accept the employment agreement of MCRY-JL-002A for the part time employment of Jeffrey Lentz. Motion passed unanimously.

1:37 PM – S. Brist moves and B. Handschin seconds to designate the water funds in the amount of $1,106.57 to the 1385 fund. Motion passed unanimously.

1:37 PM – B. Anderson moves and B. Handschin seconds to adopt resolution 2011-01 allowing the President to sell the Reardon House and sign the deed over to the buyer. Motion passed unanimously.

1:38 PM – S. Brist moves and J. Dillenburg seconds to designate $2000 to the Restorations Department. Motion passed with B. Handschin voting against.

1:50 PM – Meeting stands in recess.

2:11 PM – Meeting recalled to order by President Bloohm. B. Handschin not present.

B. Handschin returns at 2:14 PM.

By consent of the board the issue of designating money to the 1385 fund from the Flagg Coal 75 ticket sales will be tabled until the December Annual Meeting

By consent of the board the issue of the C&NW Narrow Gauge Combine will be tabled until the December Annual Meeting.

2:20 PM – B. Anderson moves and B. Handschin seconds to engage Wagner L.L.P as the auditor for this year. Motion passed unanimously.

2:26 PM – B. Handschin moves and D. Schumacher seconds that we should plan for a steam event in 2013. Motion passed unanimously.

2:27 PM – J. Dillenburg moves and B. Handschin seconds to make C. O'Brien the official MCRHS delegate to the ARM/TRAINC convention. Motion passed unanimously.

2:29 PM – S. Brist moves and B. Handschin seconds to allow Laurie Lewis to publish and distribute Steam & Steel, Songs of Railroad's under her record label Spruce & Maple Music. Motion passed unanimously.

2:31 PM – B. Handschin moves and D. Scobie seconds that we offer the Fairbanks-Morse drawings to Lake States Railway Historical Association of Baraboo, WI.

2:34 PM – B. Handschin and D. Scobie withdraw their motion.

By consensus of the board the issue of the FM drawing donation is tabled until the December Annual Meeting.

2:40 PM – B. Anderson moves and D. Schumacher seconds to sell the Abbot Labs stock. Motion passed with 1 vote against.

2:42 PM – S. Brist moves and R. McLeod seconds to decline the right of first refusal of Soo Line caboose currently owned by Jim Connor and Kyle Gehrke, pending the recommendation of the Collections Committee. Motion fails with S. Brist voting for.

2:49 PM – S. Brist moves and B. Handschin seconds to decline the right of first refusal of Soo Line caboose currently owned by Jim Connor and Kyle Gehrke. Motion passed unanimously.

2:51 PM – S. Brist moves and D. Scobie seconds to designate the MCRR foundation interest in the amount of $2,317. 13 to CNW 1385 fund. Motion passed unanimously.

2:52 PM – B. Anderson moves and D. Viste seconds to waive the 7% administrative fee from all restricted donations for this fiscal year which ends on October 31, 2011. Motion passed unanimously.

2:54 PM – B. Handschin moves and J. Dillenburg seconds to go into executive session. Motion passed unanimously.

3:35 PM – J. Sorrel moves and B. Anderson seconds to end the executive session. Motion passed unanimously.

3:36 PM – J. Sorrel moves and D. Schumacher seconds to adjourn the meeting. Motion passed unanimously.

Kelly R. Bauman
Secretary
Mid-Continent Railway Historical Society, Inc.

Approved by the Board at the December 17, 2011 Meeting.