

National Model Railroad Association
Board of Directors Meeting
2011 Winter Meeting
23 – 24 February 2011
Palace Station Hotel & Casino, Las Vegas, NV
Minutes

- 1) President Brestel called the meeting to order at 9:03 AM 23 February 2011.
- 2) Introduction of guests Ray de Blicek and Ed Slintak representing the X2011 Sacramento NMRA Convention hosts.
- 3) Approval of previous meeting minutes - the Secretary reported corrections to published minutes of the July 2010 meeting of the Board: Item 20) should have included report by Henry Jordan, HLM, that the X2011 Committee indicated they will not pay for any NTS (National Train Show) staff expenses for the NTS in Sacramento. Mr. Getz questioned if this decision could be made without Board action. Henry Jordan and Ray de Blicek were to meet. Item 26) Mr. Thornton's notes indicate that the Board discussed the timing of elections that would allow petitions to be processed at the convention. The Board discussed the requirement for signatures from multiple Regions. Item 56) "MBOD 10070915 moved by WDD with second by RACD that henceforth all models such as Commerative cars and Heritage cars sold or sponsored by the NMRA shall have a valid NMRA Warrant certifying that the models meet all applicable NMRA Standards. No vote on the motion." This motion was actually tabled pending a review of the currently available Commerative and Heritage cars by the S & C Department. A report is to be provided for the Winter 2011 meeting and the motion acted on at that meeting.
 - a. Motion MBOD 11022301 moved by WDD with second by ALNAD to approve corrected minutes approved by voice vote.
- 4) Correspondence: The Board discussed the package received just prior to the meeting from Bob Jacobsen. No action was taken at this time.
- 5) ALNAD moves a consent agenda to approve all reports included in the agenda package, second by CDD. MBOD 11022302 unanimously approved.
- 6) Charlie Getz reported on the Howell Day Museum. No major changes to Gallery Exhibits time line. This year organizing and fund raising actions raised two pledges of matching funds from anonymous NMRA member donors, one for \$50,000 and one for \$250,000. It is estimated that the cost of the Gallery exhibit will be \$750 K. The exhibit should be open by the end of 2012.
- 7) John Roberts, HLM, MMR, presented a proposed package for the Gallery Exhibit publicity and discussed plan for fund raising campaigns. May launch first phase with a hand-out tri-fold brochure to help raise funds. Second phase will occur later in year. A reception and ribbon cutting ceremony in Sacramento Thursday evening during convention will be held.
- 8) Discussion of Region definitions report by John Stevens was postponed until later when he arrives at meeting.
- 9) Department reports: There were no additions or corrections to reports submitted. A copy of the Education Department Report submitted at the meeting is attached with these Minutes.

- 10) The reports of the Communications Director and the Budget and Finance report were postponed until later in the meeting.
- 11) Charlie Getz deferred to the motion by WDD Hamilton on election process, but suggests a requirement for the end of May 2011. Mr. Getz will send a message to the Secretary.
- 12) President Brestel discussed the Diamond Club and the progress on the scanning project. The Club had raised \$89,000 as of December 18, 2010, and has received more this year to date. Problems have arisen with getting accurate captions for some of the photographs. Board members discussed possibility of getting grants for the scanning. They also discussed the need for updating and adding metadata for the photographs, many of which have limited data. There is a need for a procedure for backing up metadata. There was additional discussion on a policy for donations for the project (Library policy), priority for scanning and marketing of scanned material. CDD Beaty, MMR, suggests looking into a Library of Congress grant for the scanning project. VP-Special Projects Kaufman will research along with some other projects. The Diamond Club Committee will have to work out a schedule for backup of metadata to Chattanooga as well as on the web server. They are still working on a “soft” opening for the web site.
- 13) President Brestel introduced Mike Jorgus – a new addition to volunteer staff for data projects.
- 14) Meeting recessed at 10:15 am.
- 15) Meeting reconvened at 10:44 am.
- 16) Board reviewed the Action List from the 2010 Board meeting [this was part of the agenda package for this meeting].
 - a. CAND Clark Kooning, MMR, reported on the NFR situation. The NFR President decided not to call an annual meeting of the Region. The Region will deal with the cross-border member problems.
 - b. Plans for 50th Anniversary of Achievement Program. At this time no one has expressed interest in taking on the project. Further action to be determined.
 - c. The issue of the NTS staff at the 2011 NTS is being worked out.
 - d. The reconstruction of NMRA financial reports under the new Chief Financial Officer was approved.
 - e. Calgary has withdrawn from bid for 2015 National Convention, but may return later with another proposal.
 - f. Tabled motion MBOD 10070915 to have NMRA Commemorative and Heritage cars receive a Conformance Warrant was then taken off the table by motion MBOD 11022303, made by WDD with second by CDD and approved by voice vote. After considerable discussion, MBOD 11022304 to make this a matter of policy in the Executive Handbook, Section O 7.7 was prepared ALNAD Getz and moved by WDD with second by CDD and approval by voice vote of the Board. A copy of the text of the motion is included in these Minutes as Attachment B.
 - g. ITDM Klevar reported that the “Members Only” web site had a “soft” {no publicity} opening since the 2010 National Convention and his department is now adding content
 - h. ITDM Tim Klevar discussed the concept of electronic meetings of Directors and/or Officers including the cost/benefit evaluation of a trial unit. WEBX.com

was the program tried. WDD moved MBOD 11022305, second by ALNAD that we have a six (6) month trial of system with a report at Sacramento. Motion passed on voice vote. CAND Kooning volunteered to be coordinator.

- i. The issue of cost involving an on-line version of the NMRA Magazine is being researched and will be reported at a future meeting.
 - j. Disaster planning – No report
 - k. Updating magazine database – No report.
- 17) Discussion of issue of video recording policy, addressed at previous meeting under motion MBOD 10070910. ALNAD Getz moves that this be a permanent policy and be put under Convention material in EHB. MBOD 11022306 seconded by ? and approved by voice vote. Ray de Blicke reported that the X2011 coordinators will not permit videotaping of clinics as the convention.
 - 18) MS&PM Howard Goodwin circulated a listing for those present at this meeting who may be willing to be clinicians at the 2013 convention in the Atlanta, GA area.
 - 19) Recessed for an executive session and lunch at 11:53 AM.
 - 20) Reconvened at 3:10 PM.
 - 21) VP-Special Projects Bill Kaufman reported on the retirement of SIG Coordinator Marlin McLaughlin after many years of dedicated service. A replacement has been found with Doug Harding who has agreed to serve and looks forward to getting more active involvement with the SIGs.
 - 22) Mr. Kaufman made a presentation on the subject of online social networking, giving the Board an update on developments and suggested their visiting the site <http://facebook.com/nmra.org>. This and similar sites on social networks would expand our contacts with members.
 - 23) Mr. Kaufman presented survey results from the Regions and Divisions Yahoo group including feedback from Region Presidents. There is an obvious difference of views of roles and responsibilities. Board members discussed the need to communicate with Region Presidents and let them know what is going on at the National level. Even though Gerry Leone, MMR, as Communications Director is putting out a monthly e-blast on actions at the National level, word is not filtering through the organization as it should.
 - 24) John Stevens, Assistant Secretary, presented an update on his project to get a common basis for defining Regions for the EHB. He still has a few that need definition – one area needing work is for cooperation of the Secretary on defining Florida counties in the Sunshine Region and those in the Southeast Region. The Secretary will work this out with John and there should be a final report available to the Board at Sacramento.
 - 25) Meeting recessed for the day at 4:00 PM.
 - 26) An Executive Session of the Directors was held between 9:00 AM and 10:10 AM on Friday, March 24, 2011.
 - 27) The regular meeting of the Board of Directors was reconvened at 10:27 AM.
 - 28) Communications Director Gerry Leone, MMR, gave further results of his survey, through January 2011m if former members on “Why I didn’t renew.” He got a 15% return from non-renewing former members. Board members felt that we need to ask a few more demographic questions to identify real and potential problem areas. We also need to

expand information ads in magazines as well as get something in the "Members Only" section of www.nmra.org.

- 29) CAND Kooning, MMR, and others discussed ways of getting the word out about organization actions and benefits. Clark discussed a "Clinic in a Box" program that could be made available to Regions and Divisions. We could also have a monthly listing of videos available to members from the Company Store, with no charges except postage and handling. We might also consider putting up items for sale from Kalmbach Memorial Library via the NMRA "Members only" portion of the web site. It was suggested that Tom Piccorello, President of Micro-Mark and also an MMR, be approached about having a periodic sale on railroad related items in the company catalog. We may also be able to get similar specials through Walthers and others. We are still missing out on contact with the 250, 000 non-member modelers.
- 30) Treas/CFO Frank Koch, HLM, presented the report on the budget and finances for the NMRA. He discussed his recommendations and gave an overview of 2010 sources of revenue and expenditures, including 2010 actuals. Mr. Koch also announced that Tom Draper, HLM, will be the Howell Day Museum Treasurer in reality and handle funds for that element as Frank's Assistant CFO. Mr. Koch also discussed the "Heart of America" fund history and requirements. He has discussed problems with MCR President Paul Richardson, MMR, (the original providers of the fund) and the Region is willing to bear with us while we get reporting back in line.
- 31) ALNAD moved, CDD seconded, motion MBOD 11022306 to waive requirements of Regulations on fund activities. Motion passed on voice vote. The Diamond Club has completed 5000 scans to date.
- 32) Mr. Koch presented recommendations for ten (10) resolutions and after some discussion, RBOD 11022301 was moved by WDD with second by CDD on eight (8) of the ten. Resolution passed on voice vote. Copy of these resolutions is included as Attachment C to these Minutes.
- 33) Recessed for lunch at 12:15 PM until 1:30 PM.
- 34) Board, Officers and others recessed from 1:30 PM until 2:00 PM for the wedding of RACD Bob Ferguson and fiancée Darlene Burgess. Mr. Ferguson then presented the Secretary with his proxy, designating Stephen Priest, MMR, to be his proxy for the balance of the meeting.
- 35) The Board meeting reconvened at 2:04 PM
- 36) President Brestel announced a new title for Jenny Hendricks; she will be designated as Chief Administrative Officer for the NMRA. Board members approved by acclaim.
- 37) Mr. Koch reiterated the position that no monies were taken from the "Life Fund." Monies were taken from investment accounts.
- 38) Mr. Koch presented the 2011 Budget. It appears that there will be a \$24K deficit for next year. There will be several updates to the budget in coming months. We will need to add money to the budget for replacement of HVAC units at Headquarters – one of which was stolen last weekend – as well as improved security measures. This will add up to \$25K.
- 39) MBOD 11022307 ALNAD moved approval of the proposed 2011 Budget plus the additional monies for the replacement HVAC units and improved security at HQ, second by WDD. Motion was approved on voice vote.

- 40) MBOD 11022308 ALNAD moved that Agenda Motions (as presented in agenda package) D, E, F, H, K, L, M, R and AG be considered as "Scriveners Corrections" and the Secretary directed to take appropriate action. Seconded by WDD, the motion was approved by voice vote.
- 41) MBOD 11022309 WDD moves that Agenda Motion Z proposing revision to Regulations, Article IX, Section 4, Paragraph A. 4 by adding words such that Paragraph 4 shall read: "to discuss other matters of business pertaining to the NMRA." (Underscored words are the addition) Motion seconded by EDD and on being put to vote, was approved by voice vote.
- 42) MBOD 11022310 ALNAD moved, with second by WDD, that Agenda Motions I, J, N, O, P, Q, S, T, U, V, W, X, Y, AA through AL be sent to the Policy Committee which will obtain appropriate Department input and report at Sacramento meeting. Motion approved by voice vote.
- 43) MBOD 11022311 ALNAD Moves, with second by WDD, that proposed amendments to the EHB through Agenda Motions AM through CF and CH be sent to the appropriate Departments for review and either enactment or report back to Board at Sacramento after coordination with VP- Administration on concerns. Motion passed on voice vote.
- 44) Agenda Motion A was withdrawn.
- 45) MBOD 11022312 Agenda Motion B, PDD moves, ADD seconds, that the Board preliminarily concurred with the decision of the S & C Department Manager Voss on the selection of the CAN data frame format for 9.X.1. The motion it will be re-considered at Sacramento and those with objections can present their version and objections. Motion passed on voice vote.
- 46) MBOD 11022313 EDD moves with second by CDD, that Agenda Motion C regarding S-7 clearances refer to plates in the ORER standards be approved but suggests further language to clarify the time periods of "old time," "classic," and "modern" to help modelers understanding.
- 47) Agenda Motion G withdrawn from consideration.
- 48) MBOD 11022314 ALNAD moves, with second by WDD, that Agenda Motion CG to amend the Regulations, Article III, Section I B, Section 4, Section 9, Section 24 and EHB Section D 2.1 clarifying the duties and roles of the two Vice Presidents be approved. Motion passed on voice vote. Copy of text of the motion is included with these minutes as Attachment D.
- 49) Ray de Blieck presented an update on the X2011 convention in Sacramento. They have 1325 registrations to date. The registration is ahead of Hartford, Anaheim and Detroit for the same time period in the process. He noted that the convention badge will serve to admit the holder to the California State Railroad Museum as well as some other events. There will be no banquet on Saturday evening, but there will be multi-media presentation of awards to be presented during breaks in clinics at hotel. The Board will be invited on a layout tour on Saturday night before the convention. The reservation cut-off is 2328 for the prime hotel, the Sheraton, with another 700 that can be lodged at the Hyatt.
- 50) Resolution RBOD 11022302 was made by ALNAD with second by WDD recognizing CAND Clark Kooning, MMR, for 21 years of service to the Board and the NMRA. Resolution passed with unanimous approval of the Board.

- 51) Resolution RBOD11022303 moved by ALNAD, with seconds by WDD and ALWWD recognizing the service of RACD Bob Ferguson to the Board and the NMRA. Resolution passed with unanimous approval of the Board.
- 52) Resolution RBOD 11022304 in recognition of Henry Jordan, HLM for his service to the NMRA since at least 1989 moved by ALNAD with second by WDD. Motion passed with unanimous approval of the Board.
- 53) Members discussed the need for a Strategic Plan Review. Board members need to be reviewing the plan and conduct email discussions in preparation for discussion at Sacramento.
- 54) In connection with the above Resolutions, President Brestel presented Clark Kooning, MMR and Bob Ferguson with the President's Award presenting plaques and pins and directing their awards be recognized on the web site.
- 55) Motion to adjourn in memory of Dean Freytag and Jim Boyd, and in honor of Bob Ferguson, Henry Jordan, HLM, and Clark Kooning, MMR, approved.
- 56) Meeting adjourned at 3:11 PM.

Respectfully Submitted,
Robert V. Gangwish,
NMRA Secretary

Attachments:

- A Abbreviations used in these Minutes
- B Text of MBOD 11022304 Policy on NMRA products
- C Resolutions under RBOD 11022301 re: financial processes
- D Text of MBOD 11022314 regarding two Vice President positions
- E Resolution recognizing services of Clark Kooning, MMR
- F. Resolution recognizing services of Robert Ferguson
- G Resolution recognizing services of Henry Jordan, HLM

ATTACHMENT A
ABBREVIATIONS USED IN THESE MINUTES

ADD	Atlantic District Director
ADM	Administration Department Manager
ALNAD	At-Large North America Director
ALWWD	At-Large Worldwide Director
ASST SECY	Assistant Secretary
CAND	Canada Director
CDD	Central District Director
COMMD	NMRA Communications Director
COUNSEL	NMRA Legal Counsel
EDD	Eastern District Director
EDUCDM	Education Department Manager
FRDM	Fund Raising Department Manager
HCC	Honors Committee Chair
HDMCC	Howell Day Museum Committee Chair
HLM	Honorary Life Member
ITDM	Information Technology Department Manager
KMLM	Kalmbach Memorial Library Manager
MAPDM	Marketing, Advertising & Promotions Department Manager
MSPDM	Membership Services & Promotion Department Manager
MSTDM	Meetings & Trade Shows Department Manager
PDD	Pacific District Director
PDM	Publications Department Manager
PREZ	President
RACD	Regional Advisory Council Director
SECY	Secretary
SCDM	Standards & Conformance Department Manager
TREAS	Treasurer/Chief Financial Officer
VP-ADMIN	Vice President - Administration
VP-SPEC PROJ	Vice President – Special Projects
WDD	Western District Director

ATTACHMENT B

Meeting Minutes Motion #MBOD 11022304

Motion for EHB Section O.7 Paragraph 1(New)
Motion for Policy

The Western District Director moves:

NMRA merchandise produced and marketed by the NMRA or any other merchandise which carries the logo or markings of the NMRA or a Region or Division thereof, shall be produced in a manner which shall cause the end product to conform to any and all applicable NMRA Standards. It shall be the policy of the NMRA, for products sold or merchandised by National, to have that conformance certified by the Standards and Conformance Department.

Rationale:

As the Standards bearer of the model railroad hobby, the NMRA should be the first and foremost entity to abide by its own Standards, Recommended Practices and Policies. The productions of past articles marketed by the NMRA have, at times, failed to comply with those Standards, Recommended Practices and Policies.

Motion was seconded by the Central District Director and on being put to vote, was approved by voice vote at the Winter 2011 meeting of the Board of Directors.

ATTACHMENT C
RESOLUTION RBOD 11022301

Recommended Resolutions by CFO for Board Action
Winter BOD Meeting – February 2011
Frank J. Koch, NMRA CFO, February 21, 2011

Meeting Minutes Motion #RBOD 11022301

WDD moves and CDD seconds that the Board agrees with individual resolutions proposed by the Chief Financial Officer. These individual items do not impact on the existing Regulations or EHB, hence are treated as Resolutions of the Board approving the listed action:

1. Confirm that the Carl Sandberg donation of approximately \$123,252.61 plus any additional proceeds from equipment sale and/or donations from this donor be considered restricted funds and add the principal and income to the Life Liability Service Fund. Action – Agreed.
2. Confirm that the William Ohde donation of approximately \$10,000 plus any additional proceeds or donations from this donor be considered restricted funds and add the principal and income to the Life Liability Service Fund. Action – Agreed.
3. Confirm that the proceeds from the Richard Stromme estate be considered restricted funds and add them to the Life Liability Service Fund. Action - Agreed
4. Examine (FJK) the feasibility of re-establishing a Life Membership and report back to the BOD. Action – Agreed, FJK report back at Sacramento.
5. Allow the donation of securities by Carl Beard to the Howell Day Museum to remain as is in the HDM RBC account as an exception to the EHB policy on donated securities. Action – Agreed.
6. Adopt the proposed 2011 NMRA budget of approximately \$1.5 million dollars which shows a deficit of about \$25,000. The proposed budget reflects changes as discussed and noted by the Budget Committee and the BOD. Action – Agreed.
7. Authorize expenditure of the funds to repair/replace the damaged HVAC system at HQ and to increase the security for the building and property. The funds will come from unrestricted funds, and the expense will become part of the 2011 budget as an additional item. Action – Agreed.
8. Establish a Capital Reserve Fund of \$40,000 from unrestricted funds and make it a temporarily restricted fund used for planned and unexpected capital improvements or repairs at Headquarters. Action – Agreed.
9. Do not change the fiscal year. Keep it January 1 – December 31. Agreed without discussion.

10. Do not change the annual budget approval process – prepare in OND of each year and approve at the Winter 2011 BOD meeting. We learned from this year’s process and will adjust it for next year. Agreed without discussion.
It should be noted that items 9 and 10 required no action other than Board awareness and general agreement.
The Resolution passed on voice vote of the Board.

ATTACHMENT D
TEXT OF AGENDA MOTION 11022314

Agenda Motion MBOD #CG
Meeting Minutes Motion #MBOD 11022314

Amendment to Change Regulations and EHB on Vice Presidents

ALNAD moves and WDD seconds as follows:

That the NMRA Regulations, Art III, Section 1B be amended as follows:

1. "The officers of the NMRA shall consist of a president, vice president – administration, and a vice president – special projects, such additional vice presidents as may be appointed and called for herein, a secretary and a treasurer.
1. "The President, Vice President – Administration and the Vice President – Special Projects shall be determined by popular election by the NMRA members."

Section 4 – should be amended as follows: The Vice Presidents shall aid and assist the President in any way possible.

Section 9 – The President, Vice President – Administration, Vice President – Special Projects, Secretary and Treasurer/CFO shall constitute the executive committee.

Section 24 – "In the event of a vacancy in the Office of Vice President – Administration or Vice President – Special Projects, the Directors shall appoint a successor..."

That the EHB Section D 2.1 be amended as follows:

1. The Office of Vice President – Administration and Vice President – Special Projects are an extension of the Office of President and as such are responsible to the President.
2. The Office of Vice President – Administration is responsible for:
 - a. Overseeing the activities of the Executive Director, if any, and staff which shall include annual performance and salary review.
 - b. Assisting the President as directed and needed.
 - c. Conduct of a review and audit of established programs for effectiveness.
 - d. Confirmation of appointments (when delegated by the President.)
 - e. Other duties as may be assigned by the President.
3. The Office of Vice President – Special Projects is responsible for:
 - a. Coordinating with and working towards better relationships with Regions and Divisions of the organization.
 - b. Updating and posting a Region and Division Guidebook.
 - c. Opening and keeping communications with Regions and Divisions including effective membership retention activities.
 - d. Such other special projects as may be assigned and delegated by the President.

Rationale: The above changes, some of which mysteriously appeared on their own, are necessitated by direction of the Board in creating two vice president positions. However we also discussed the possibility of additional appointed vice presidential positions which positions would not necessarily be subject to election but would be designed, in the modern corporate world, to provide additional impact to appointed individuals running departments. These would be considered “technical” vice presidents and not “policy” vice presidents. Therefore, it is suggested that only the “policy” vice presidents for administration and special projects, be elected. The remaining vice presidents would be appointed and effectively, should the Board decide, replace the department managers. This is an evolving concept which reflects modern corporate framework.

Changes have been made to the EHB, which were not addressed by the mysterious re-drafter and the language is certainly subject to review and discussion.

Motion was approved by action of the Board of Directors at the February 24, 2011 Winter meeting.

ATTACHMENT E

Resolution RBOD 11022302

RESOLUTION
Clark Kooning

WHEREAS, Clark Kooning has given 21 years of service to the NMRA as Trustee and Director, and

WHEREAS Clark has always brought a wonderful sense of humor and optimism to all he has done, and

WHEREAS Clark has represented Canada with great fervor and been instrumental in working on the ABC concept, and

WHEREAS Clark's "Modeling With the Masters" program has been a great commercial success and a wonderful learning benefit for our members,

NOW THEREFORE, the Board of Directors of the NMRA does hereby commend and thank Clark Kooning for his dedicated service to the NMRA

Resolution approved at Winter Meeting of Board of Directors, February 24, 2011

ATTACHMENT F

RBOD 11022303

RESOLUTION
Bob Ferguson

WHEREAS, Bob Ferguson has served on the Board of Directors as the first RAC (Regional Advisory Council) representative and

WHEREAS Bob, aka "Fergie" has always been attentive to detail such as "Members Without Subscription" and

WHEREAS Bob has given great service to the NMRA in his time on the Board,

NOW THEREFORE, the Board of Directors of the NMRA does hereby commend and thank Bob Ferguson for his dedicated service to the NMRA.

Resolution approved at Winter Meeting of Board of Directors, February 24, 2011

ATTACHMENT G

RBOD 11022304

RESOLUTION

Henry Jordan, HLM

WHEREAS, Henry Jordan, HLM, joined the Meetings and Trade Show Department then called Conventions and Meetings Department in 1989, and

WHEREAS Henry Jordan, HLM, became Department Head in approximately 1990, and

WHEREAS Henry Jordan, HLM, has given professional and dedicated service in organizing, administering, and overseeing conventions, and meetings of all sorts including overseeing the National Train Show for a period of 10 years,

NOW THEREFORE, the Board of Directors of the NMRA does hereby commend and thank Henry Jordan, HLM, for his outstanding service to the NMRA.

Resolution approved at Winter Meeting of Board of Directors, February 24, 2011