

FEATHER RIVER RAIL SOCIETY

BOARD OF DIRECTORS BUSINESS MEETING

SATURDAY, October 14, 1998

At the Portola Railroad Museum

Meeting called to order by Doug Morgan at 9:05 hours.

Roll Call. Present: D. Morgan, H. Stiles, V. Neves, W. Monger, Dan Brady, Terrence Thomas, Dr. Peter Lyman, K. Miller.

Opening Statement: Dan Brady presented the rough draft for the 1999 Budget Plan. He suggested consolidating all of the Bank accounts into one. The following budget sheets were reviewed and suggestions made:
Revenue

Dues: It was suggested to use a checkbox on the membership renewal forms for extra donations for other projects. Patrons who donate large sums should be acknowledged. Fund raiser dome car was added with a budget of \$150,000.00 totaling dues revenue at \$170,000.00.

R.A.L.: An average of annual gross sales was reported at \$50,000.

Charter Train Trips: The budget for next year's two trains was included in budget with a net contribution of \$61,000.00.

Other Revenue Sources: Mr. Brady suggested advertising in the Train Sheet as possible revenue. Mr. Thomas suggested that the museum appeal for large grants and to invite these museum directors to come to the Portola Railroad Museum. Dr. Lyman stated the advantage of having all of the Mission Statements, Financial Statements and Stewardship reports in order. Bequests and gifts were discussed as possible revenue from Principal Trusts given through wills. It was recommended to put the funds of \$200,000.00 of assets into a conservative account with a local bank. The total for other revenue was \$86,000.00.

Gift Shop: Auction pricing for Gift Shop items was discussed. It was suggested to set auction price for gift shop of \$1.00 over second highest bid. Mr. Thomas inquired about vendors nationwide. The total for Gift Shop was a net of \$35,000.00.

General and Administrative Expenses

All of the Administrative expenses were discussed.

Acquisitions: A base of \$150,000.00 for revenue and costs was allocated.

Mechanical Department: A budget of \$40,000.00 was allocated based upon an estimate of a budget submitted approximately two years ago.

Operating Department: \$6,000.00 for expenses was allocated.

Track Department: \$5,000.00 was allocated.

Library & Archives: Mr. Thomas stated there was potential for revenues in Archives. Mr. Brady suggest having a grant received from colleges to pay for a college student to come and organize library and archives.

WPRRHS: It was suggested that the Library be grouped with the WPRRHS.

Projects

99-1 Landscaping & Grounds: Facilities was budgeted at \$35,000.00. The total was \$45,000.00.

99-2 Interpretive Center: A total for start-up costs was placed for the interpretive center. \$5,000.00 was allocated to do perk/soil tests, engineering reports, etc...

99-3 SP1215: Asbestos cleanup - \$9,000.00 and the Survey-\$3,000.00.

The total was \$12,000.00

99-5 WP725 & 731: The total allocated was \$15,000.00.

Pole Barn: The pole barn was discussed but will be put off until a later budget.

99-7 UP Business Car: \$2,000.00 was allocated.

Dr. Lyman inquired if Project Managers were assigned. Mr. Brady recommended placing Officers as Project Managers.

(Break 1150 hours. Reconvened 1300 hours)

Mr. Brady opened meeting. The budget showed a net loss of \$47,000.00.

The budget was revised in the following:

\$11,000.00 taken from the SP Fund.

\$14,000.00 taken from the Locomotive fund.

\$2,000.00 taken from the Car-105 Fund.

\$20,000.00 taken from the Savings (\$40,000.00 was received and ear-marked for facility improvements.)

The budget was balanced by taking the \$47,000.00 out of reserved funds to pay for the projects. Discussion followed on how the budget will work and how the Projects/ Departments will manage their cash flow.

Mr. Brady warned against estimating pseudo expense allotments in order to spend on unauthorized projects.

Dr. Lyman asked when the Official Budget will appear in the Train Sheet. Ex. Director Holmes stated the budget should be ready by 1st of March.

It was suggested to hold Officer meetings for discussions and project decisions. Mr. Brady advised publishing the FRRS Budget annually with Financial Statements two to three times a year, along with a mid-year Budget meeting.

Mr. Brady also recommended that a Bookkeeper collect the financial information for the reports and for the Treasurer to oversee.

The FRRS Business Meeting was adjourned at 1345 hours.

Recording Secretary: Kathleen Miller

