

President's Report

January 2019

As previously reported elsewhere, the 2018 Santa Trains were very successful, although I was unable to see the last night through, having to leave early for the hospital due to a life-threatening intestinal bleed issue, that most likely had been developing over the past six months, based on my symptoms, until it opened up into a major problem. I spent 7 days over Christmas in Renown in Reno dealing with this, finally getting home on the 28th. I am now on a leave of absence until at least February as I slowly work on rebuilding my stamina and blood count. The down side to this is that any physical activity tires me out very quickly; the up side is that I am able to work at home on FRRS business, and all my paperwork due to being off work, at my own pace, and I've managed to get a lot done.

I have completed the renewal application for our liability insurance, and it has been sent off to Vivian at HMBD. She says she will have plenty of time to get it through in time for the renewal date of 2/1/2019. Expect the premium to be in the range of \$22,000- \$25,000, which we will pay in 9 installments, as usual.

The never-ending saga of the 849 may finally be over for us. With a lot of prodding from Ray Breedlove, the 849 was finally picked up in Portola on the morning of January 9th, and left for Roseville. I'll watch it on the equipment trace, but it should no longer be our problem. Next up to move: Doyle's sleeper, and the ex-Via lounge. No word yet on their movement.

Vice-President/Director Greg Elems and Director Janet Steeper just returned from Sacramento, where they loaded up Janet's 20' trailer and Greg's pickup with a full load of various passenger car parts. This is quite a score for us, and we'll have to go through it all and see what we got.

Now for a couple of issues I have problems with. Based on all the pre-orders, we ordered 50 copies of Jeff Asay's new book, *The Iron Feather*. In the end, we sold 48 copies in the store and by mail order/PayPal. That's good. The problem came in that there was absolutely no planning or process put in place in advance to package up and ship all these books (and the calendars, for that matter). If we do this again, all the necessary boxes, bubble wrap, and planning will be in place, on hand, prior to any books/calendars being bought. I have to acknowledge the work done by Greg Elems over a two-week period to obtain the stuff we needed, get the packaging done, and ship most of the books and calendars out, largely at his own expense. Another issue is the shipping costs. Although I understand that Eugene paid for the shipping, the cost to ship an \$80 book to Sweden was \$65, and it cost \$56 to ship a book to Brazil. We didn't charge these people for these costs, so someone (or the FRRS) had to eat it.

I have been warning of gloom and doom with our finances in the off-season since September, yet here we are, two weeks into January, dipping into the restricted funds. While I do see the need to get the Train Sheet out, due to it's election content, it still bugs me. We just paid \$2500 for Asay's books, and \$3000 for property insurance, already this month, and we're still on the hook for the electric bill (\$1400), Big Fish's bill (\$1440) and the first installment on the liability insurance (\$2800; and the first of each month after that). It is my opinion, and strong recommendation, that we suspend our contract with Big Fish until at least May. While I acknowledge that they have created openings and contacts for us, to me, the cost-to-benefit ratio is not adequate. I am looking at other issues that play into this. We are very low on diesel fuel, but I do not intend to buy any. Another looming problem is the batteries in the 1100. Last year, these batteries showed signs of possible failure, but by extensive care and maintenance, we were able to restore them. Now, however, the 1100 will not start without being jumped, and one or more cell failures are quite likely the cause. Where are we going to get \$7K for a new set of batteries for one of the RAL engines? We will do everything we can to resurrect these batteries, if possible, but eventually, failure is unavoidable, especially given their age.

I have to recognize the work Ethan has been doing, especially in my absence. He is now removing all the lights from the Santa Train (between storms), and will be working with my family on the Board weekend to get the passenger cars stripped, and the Christmas stuff put away, so that the cars can be pulled out of the shop, and Mechanical can fill the shop with locomotives for maintenance and repair (Fritz intends to have a detailed plan for us).

Another open item is the end-of-year inventory for the WP Store. I'd like to see KC and her team get going on this, so it doesn't drag out too far again. I fully understand the difficult conditions in the Store during the cold months, but we still have to get it done.

Steven J. Habeck

President, FRRS