

**MINUTES OF DIRECTOR'S MEETING, JULY 20, 2008
RED LION HOTEL, WENATCHEE WA**

The meeting was opened at 8:03 am by President Duane Buck.

The following persons were in attendance: **Directors:** Duane E. Buck, James F. Chinquist, Lindsay Korst, John Langlot, William C. Sornsin, Beverly Tracy, Max Ulver. **Officers and Staff:** Raymond A. Chappell, Phillip Gjevre, James Knollmiller, Don McGlothlin, Fr. Dale Peterka, John Thomas, John Tracy. **Members:** Tom Arms, Mike Baeterstein, Bruce Barsness, Stan Blatti, Paul H. Boening, George Boggs, Tom Carr, Jay Eiklor, Bruce Goeser, Andy Kern, George Krausse, Joel McCurry, Stan Michaels, Chuck Mitchell, Daniel A. Mitchell, Cordell Newby, Dale Page, Jim Parr, Jack Porzig, Jeff Richardson, Mike Sharpe, Marilyn Thomas, Bob Ulberg, Tim Victor.

After determining a quorum was present, President Buck continued with the meeting.

Item 01: On motion made and seconded, the minutes of the Director's Meeting of July 20, 2008 at Wenatchee, WA were **accepted**.

Item 02: On motion made by Tracy and seconded by Ulver, the President and all other Operating Officers were **reelected** for two, with the exception of Duane Amdahl who was **elected for one year**.

Items 03-14: Reports were received, either written or oral from the following:

03: President's Report: President Duane Buck reported on the following: Hustle Muscle Status – Ron Erickson reported that the loco is in a "stored" state in the Jackson Street Roundhouse. It will not be powered up until next year if a decision is reached to take #400 to Duluth. It is full of fuel. Caboose X-240 – An email request for a status report to John Robinson has not been answered at this time, but an answer is expected soon. Operating Manual – Little progress has been made since last year. This will be a top priority over the next 12 months.

04: Publications: Phil Gjevre reported that 4 issues of the Goat were published in 2007 with a total count of 300 pages, not including convention brochures and the calendar. Phil said that the Goat is a collaborative effort of a lot of dedicated people who donate countless volunteer hours every year. Costs: For 2007 we anticipated a \$55,000 publication expense, but are pleased to report that the actual 2007 costs were \$50,843.57 before adjustments and reimbursable expenses. The expected 2008 expenditures are anticipated to be between \$55,000 and \$60,000. Phil went on to remind the Board that most of our members joined because of our publication, and that the search for a replacement Managing Editor must be pressed so that a smooth transition can happen before his retirement date, which is after the 2010 September Goat..

05: Ask Bev: Bev Tracy reported that this year she had 114 inquiries. She said that it takes a lot of time to research and answer the questions, some of which she passes on to others who are more knowledgeable than she is.

06: Operating Manual: See Item 03.

07: Archive Committee: John Thomas reported that the GN AFE file collection cataloging is ongoing, but takes a great deal of time. Bill Sornsin reported for Stu Holmquist. He said that they had visited other Historical Society Boards to see how they handled archives. John Thomas again reported that everyone is working at full speed trying to figure out what will work for the GNRHS. John Tracy asked a question about the status of a possible donation he had offered. Bill Sornsin responded to John's question by saying that because of not having a concrete figure with which to respond to John's offer, it was felt by the committee that his donation should not be taken at that time.

08: Web-Site/Paypal: Lindsay Korst reported that this was the first complete year of online transactions. He went on to say that the use of Paypal and Credit Cards continues to grow as we add more items to purchase. GNRHS Billboards, sale of Reference Sheets to non-members, dues renewal and new memberships are what is seen most on the website. In summary, the total net income from online transactions for 2007 was \$13,335, and \$7,403.07 for the first half of 2008. The website is averaging about 89.2 hits a day in 2008, up from 87.4 hits a year ago.

09: Back Issues: John Thomas reported a total income from July 1, 2007 to July 1, 2008 of \$4,273.00. John requested that the Board consider an increase of \$.15 to \$.20 cents in the selling price of the Reference Sheets due to higher copying cost. The Board authorized John to adjust the selling price as necessary to defray the cost of copying.

10: Freight Cars/Mugs: Don McGlothlin reported that sales of freight cars have been sluggish. Most of the sales are around Christmas with activity falling off in the spring and almost nonexistent in the summer. He has received orders from 38 individuals. The biggest cost is shipping. Most shipping is done through USPS priority mail using a flat rate system. Don went on to report on mug sales, which are very slow. He only has mugs from the conventions at Kalispell and Minot, but now has found out that there are mugs from other conventions that were not sent to him. Don recommended that we not purchase any more manufactured cars until he can get the inventory down.

11: Convention Chairman: John Tracy reported on the status of the 2010 convention at Glacier Park. After the 2007 Convention, he signed the contract with Glacier Park and made the first deposit of \$5,000. About 200 letters were mailed to 2006 and 2007 convention attendees about Glacier Park. We were sold out by the middle of March. A change was requested to the original motion to add the Izaak Walton Inn to the 2010 Convention, an additional (20) rooms, and these were sold out. John went on to explain the various balance sheets for the 2006, 2007 and 2008 conventions. He went on to say that we should urge the attendees to stay at the Convention Hotel as it affects whether or not we get the meeting rooms for free. Future conventions might consider adding a convention fee to those attendees who do not stay at the convention hotel.

12: Apparel Sales: John Tracy reported that these sales should, in the future, be treated as part of the convention and not as a separate item.

13: Membership Committee: Covered under Item 18.

14: Hustle Muscle: Covered in Item 03.

15: Archives: John Thomas reported for Stu Holmquist who is concerned about archives that are stored in various members homes and the contents of these archives are not known to the Archives Committee. The committee needs to know who has what and what is in those collections. We need to be very careful about collections that have copyrighted material in them.

16: Budget/Finances: President Buck commented that we should have a budget to work with. Jim Knollmiller commented on the health of the organization. He reported that we had a deficit in 2006 and a profit in 2007. Financially, we are on good ground, but not overly flush at this time. President Buck stated we should hold off for a year and see how everything is going. To equalize the costs should we increase the dues again in the light of a \$60,000 request for publications? Several members commented that we must also look at other income before we increase the dues. Belt tightening should also be looked into. We could possibly consider a dues increase in 2010. A fund raising letter might be a way to help. Bill Sornsin requested a reconciliation of the Paypal account. People who report sales should align to Jim Knollmiller's calendar year. Insurance costs were also discussed.

17a: Publications: Bill Sornsin reported on Goat sales in hobby shops. He is looking for volunteers to take Goat issues to local hobby shops. Phil Gjevre spoke on the hobby shop sales. Phil also talked about going into a magazine format and how the publication is printed. He also

talked about a book about steam locomotives of the Great Northern and predecessor roads. The book will be in excess of 400 pages. The cost of the book will be about \$45,000. This book represents the life long work of Ken Middleton and Norm Priebe. This book will correct some errors in previously published books. To help with the cost of the book, some Goats in 2009 will have a lesser content. The copyright will be owned by Priebe and Middleton. President Buck asked Phil Gjevre if, in the event that the Goat goes into a magazine format after he steps down in 2010, he would be willing to lend his expertise to his successor.

17b: Officer Replacement Committee: President Buck noted that we will be losing 3 major officers, the Membership Secretary, the Managing Editor and the Convention Chairman, in the next one or two years. He said that new replacements are needed as soon as possible so that a smooth transition can take place. If you or someone you know might be interested please let the officers know. John Tracy suggested that a committee be set up to receive applications and act as a clearing house. President Buck called for a motion to set up a committee to receive applications and act as a clearing house to replace the Membership Secretary, the Managing Editor and the Convention Chairman. The motion was made by Bev Tracy, seconded by Jim Chinquist and was **Approved**. President Buck said that he would chair the committee and asked for additional volunteers to serve on the committee. Jim Chinquist, Bruce Goeser, John Langlot and Don McGlothlin volunteered to serve.

18: Membership: President Buck proposed forming committees for membership recruitment in the various geographic areas. Max Ulver and Don McGlothlin will take care of the Idaho and Montana area and Cordel Newby has been handling the Washington area. We still need a group to handle the North Dakota and Minnesota area. Last year we approved money for displays for people to use for recruitment. Other Historical Societies have been advertising in "Classic Trains" and have been having some success. This might be something we could do. Members should have application forms to hand out at shows and meets. Ways of sharing information with people who are recruiting was discussed.

19: Future Conventions: President Buck asked if we should change the timeframe of the conventions to a time other than July and scheduling it so as to not interfere with the other organizations. Extensive discussion followed. The taking of a poll at the Business meeting or at any other meeting about changing the time to September or staying in July was discussed.

20: Marketing Policy: Don McGlothlin said he wants to have a sale to get rid of our excess inventory. He also said that he is looking for an additional person on the east end of the system to sell items.

21: 2009 Convention Site: The 2009 Convention site will be in Duluth, MN. Phil Gjevre reported that Earl Currie has done a great job of helping to pull it all together. Room costs are good at about \$120.00. A number of tours have been set up.

22: Heritage Fund Distribution: The following requests have been received:

- a. Illinois Railway Museum to restore a GN hopper car requests \$1,500
 - b. Iron Goat Trail requests \$750 a year for 5 years
 - c. Lake Superior Transportation Museum \$1,500 Donation
- a. Motion by Buck, seconded by Korst to approve \$1,500 for the Illinois Railway Museum. The motion was **Approved**, with one no vote.
- b. Motion by Korst, seconded by Langlot to approve \$750 a year for 5 years for the Iron Goat Trail. The motion was **Approved**.
- c. Motion by Chinquist, seconded by Sornsins to approve a \$1,500 donation for the Lake Superior Transportation Museum. The motion was **Approved**.

23. Hustle Muscle Movement for Duluth Convention: Phil Gjevre reported about the movement. LSTM trying to put together an all Great Northern train. The estimated cost to do this would be about \$3,600. If we want to use Hustle Muscle on the train, LSTM would make all of the arrangements to move the engine to Duluth and returning it to Jackson Street, including insurance. Phil said that Ron Erickson says that the engine is up to date on inspections and is road worthy. Ron suggested that BNSF might want to put it on as part of the power on a Duluth run. If the engine is moved dead as a freight move, the cost would be about \$2,500. A motion was made by Sornsins and seconded by Tracy to move Hustle Muscle to Duluth to be used at the GNRHS Convention and at the Lake Superior Transportation Museum's Railroad Days at a cost to be covered by the Duluth Convention Committee. The motion was **Approved**.

24: Additional Items: President Buck reported the following donation:

Bill Sornsins reported that a Burlington Northern collection in excess of 50,000 aperture cards has been donated to the Society by a private individual. The GN and NP societies are exploring a joint proposal to scan the cards in a digital format for preservation.

25: Motion to Adjourn: A motion to adjourn the meeting was made at 11:57 am by Ulver and seconded by Korst. The motion was **Approved**.

Respectfully Submitted,

Raymond A. Chappell
Secretary