

**National Model Railroad Association**  
**BOD Meeting**  
**2007 Mid-Year Meeting**  
**18 – 20 January, 2007**

- 1) President Brestel called the meeting to order at 7:30 PM 18 January, 2007
- 2) The roll was called. With the exception of the ADM and SCDM, all were present.
- 3) MBOD-010701: ALWWD Koester moved that the Minutes of previous meeting be approved. CDD Thornton pointed out an error in those minutes where he was incorrectly listed as ADD. Minutes were approved as corrected on voice vote.
- 4) MTSDM Jordan reported on the history of the organization and that we are starting to prepare for the 75<sup>th</sup> Anniversary announcement in *Scale Rails*. He indicated that we need to start assembling material now and requested that the Board and Officers be thinking of and suggesting items for inclusion.
- 5) At 7:42 PM the meeting was recessed until 8:30 AM, 19 January, 2007, to allow for the Director's caucus and the Operations Committee meeting.
- 6) The meeting reconvened at 9:08 AM, 19 January, 2007.
- 7) ADM Hendricks and SCDM Voss were in attendance after transportation problems the previous day. Also present was visitor Ron Plies, incoming PCR President.
- 8) Treasurer Draper reported that the mileage rate has been raised to \$0.49.5/mile which may affect some of the Expense Reports.
- 9) MBOD-010702: PDD Jensen moves to receive all reports of Directors and Officers except the missing reports from CAND and WDD whose reports will be submitted later. Motion approved on voice vote.
- 10) ADM Hendricks had no additions to her report.
- 11) DDM Cason reported that the fund drive receipts now stands at \$69,000, which is up \$3,000 from previous report.
- 12) EDM Flock indicated he is looking for an Assistant Model Contest Chair. He also indicated he still has material from JCP which he will send to whichever department may need some of the material for the cost of shipping as long as he gets a report on transaction.
- 13) ADM Hendricks reported that the Kalmbach Memorial Library had nothing to add to their report.
- 14) MTSDM Jordan reported that he has the list of room assignments for the 2007 Annual Board meeting which he will pass around. That meeting will start at 7:30 PM, 20 July, 2007.
- 15) MSPDM Wescott reported that the Great Lakes group has agreed to provide staff for the membership booth at the Detroit train show. She also highlighted the report of Frank Koch that he needs help on moving surplus inventory cars.

- 16) ADM Hendricks reported that the rate of Rail Pass members signing over to regular membership is running at 30%.
- 17) HDMCC Roberts reported that the Narrow Gauge Foundation group will participate with the NMRA on space for the Howell Day Museum at the California Railway Museum. Bob Brown will be coordinating and John Olson will be supporting the design work. He further indicated that we are looking at 3 – 5 years before the physical setup of Howell Day Museum in California. ALNAD Getz raised issue of rent charges for the Museum while stored in the basement of NMRA Headquarters in Chattanooga.
- 18) MBOD 010703: ALNAD Getz moved to suspend effective immediately and until further action of the Board, rent charges to Howell Day Museum at Headquarters. Second by EDD Feeney. Motion approved on voice vote.
- 19) President Brestel indicated his column in the April 2007 *Scale Rails* will discuss development of Howell Day and fund raising efforts.
- 20) MAPDM Roberts will look at advertising projects developments with Haber & Quinn. John decides the project, they develop campaign. Need to plan into the budget process to cost back to departments involved.
- 21) PDM DeYoung reports that he has another month of data on ad sales; now has three months, all favorable on increasing sales. ADM Hendricks indicated she needs information on invoices for sales on a monthly basis rather than quarterly – she is getting checks but is not sure of the billings. PDM DeYoung will get with Hank Kraichley to resolve problems.
- 22) ALWWD Koester raised point of the budget for publications; they are on a fixed budget, but their sales are up and they don't get additional money for expanding the press run. We need more flexibility on page counts as ad revenues increase.
- 23) SCDM Voss reports that he has a new ad for the C & I campaign for placement in MR and RMC for the use of the "football" logo on products. He showed samples of the ads. He needs input on update of the NMRA gauges. John Roberts raised question on gauges for the various scales. Mr. Voss indicated he is looking into various manufacturing techniques; laser cutting is not a good process, EDM is workable but still a problem – the cost would be \$3.50/ea at 10,000 gauges. SCDM Voss needs input from modelers as to needs of gauge sizes and has posted requests for comments on some of the model railroaders' websites. He also needs an article for *Scale Rails* on On30 gauge.
- 24) President Brestel summarized the Operations Committee meeting from the previous evening: in addition to MSTDM Jordan's comments on necessity of knowing special needs for the 2010 NMRA 75<sup>th</sup> Anniversary announcements and plans for publicity, there was discussion of some changes to the EHB which may be affected by involved Department heads agreeing to language changes; the scheduled Budget meeting for 3 – 6 May, 2007 in Phoenix; EDM Flocks need to get names of all Region Education Representatives and Boy Scout Merit Badge Program Coordinators; DDM Cason desire to have the references to removing the staff development and training from his area of the Regulations and EHB; the Secretary's distribution on request of the

NMRA Convention Handbook; PDM DeYoung reporting that both subscriptions and advertising for *Scale Rails* have increased in the past three months; MSPDM Wescott sending lists of names of NMRA members receiving 50-year certificates to *Scale Rails* for publication and MAPM Roberts draft brochure for the Corporate Membership program.

- 25) Budget and Finance Committee: Treasure Draper reported that the Calendar receipts were \$6,000 below expectations in November; in December we received returns on costs so we are only \$5,000 below expectations but receivables are continuing to come in. President Brestel indicated he will be speaking to the calendar issue in his column in *Scale Rails*. ADM Hendricks indicated that Headquarters would send copies of the calendar to outside the continental United States to those requesting for the cost of mailing.
- 26) MAPM Roberts indicated that they would be looking at revising the schedule for calendar preparation and for adding a month or two to the calendar, probably with the 2008-2009 versions. He may also need some extra work for the 2010 75<sup>th</sup> Anniversary issue of the calendar.
- 27) International Committee – No report.
- 28) Audit Committee: Chairman Thornton distributed copies of the Code of Ethics Policy and the Disclosure Report to those present, requesting that completed copies of the Disclosure Report be given him during this weekend's meeting.
- 29) Policy Committee: Nothing to report.
- 30) Library Committee: Nothing to report other than the resolution of a problem of an individual damaging copies of magazines; the individual has been apprehended and is in the court system. The Library has adjusted their policies to preclude as much as possible future such occurrences.
- 31) Insurance Report: John Roberts had previously distributed copies of his report, both electronically and in print, and discussed features. With regard to SIGs, the policy should be more definitive of authorizations from the NMRA. Both Mr. Roberts and Bob Amsler will further review the language of the policy. [Note that the language regarding deductibles is of major significance to Regions and Divisions. Note also the importance of Regions and Divisions reporting to Headquarters any incident that may result in a claim.] The best protection for the organization is to buy a Rail Pass membership for any layout displayer not currently an NMRA member.
- 32) At 11:20 AM the meeting was recessed until 6:30 PM for lunch and tour of the California Railway Museum facilities.
- 33) The meeting reconvened at 6:33 PM.
- 34) President Brestel presented ADD Steve Park, HLM, with a belated President's Award Certificate (Steve had previously received the pin) and recognized Mr. Park's service to the NMRA having been first elected to the Board in 1976. Members present gave Mr. Park a standing ovation.
- 35) Budget: Treasurer Draper indicated there was nothing to add to the report already submitted. EDD Feeney indicated we need to highlight income and expenses rather

than have them buried in the body of the report. Mr. Draper will make adjustments in the report format. EDD Feeney also suggested that the inventory value of old cars in the Heritage and Living Legend lines is over-valued in the report of 31 August, 2006. Frank Koch will be asked to identify some of the products that can be reduced in value; a motion from the Board is needed to effect such change.

- 36) MBOD 010704: ALNAD Getz moves that the BOD authorizes the Executive Committee to use their discretion to reduce the costs of cars in inventory to be sold and make such sales as possible. Motion passed 8 in favor, one opposed.
- 37) MBOD 010705: ALNAD Getz moved to suspend charges to the Howell Day Museum, except for taxes and security, until further action of the Board. Motion approved on voice vote.
- 38) CDD Thornton raised question regarding dues collection – a problem of deviation from the budget figures. There was a discussion of other variations between budget and actual costs, i.e. the Company Store lost \$18,000 at the Philadelphia Convention and Train Show; the Board needs to decide how to record for the future. President Brestel indicated that staff will discuss as to how to reflect this in future reports.
- 39) WDD deBlieck raised questions about the Philadelphia convention report: regarding the facility rental charge, what was included? What was included in the tours expense item? MSTDM Jordan responded that the cost was of those charges for transportation including boat rental. Treasurer Draper indicates he had additional information on income and expenses. Board members indicated they are looking for the net effect after reporting income and expenses by category.
- 40) The Board, by a majority show of hands, indicated support of the detailed presentation with net figure. They also wished for more detail on specific expense categories. The Board would also like a report on the inventory of equipment, by kind and value. CDD Thornton suggests using similar model for NMRA income and expenses as is used for convention and trade show activity (reference pages 29-30 of the NMRA 30 November, 2006 report).
- 41) Per agreement of the Board, Treasurer Draper will send weekly backup of financial activity to Headquarters for filing.
- 42) Budget meeting: EDD Feeney was designated to represent the BOD at the meeting.
- 43) Treasurer Draper reported that in regards to Item 56 from the previous Board meeting (designating an individual within the Convention Department to maintain a small account for the purpose of issuing refunds) this has been carried out and an individual designated.
- 44) Old Business: None
- 45) New Business:
- 46) MBOD 010706: RACD Ferguson moves that the revised Executive Handbook (EHB) as distributed to the Board be adopted. Motion passed on voice vote. Secretary Gangwish asked for clarification on the distribution of the EHB; the language directs distribution of the EHB to Directors, Officers, Department Managers, Region Presidents and members. This would imply posting to the NMRA website which is

currently open to all visitors. Is that the intent? The consensus of the Board was to make electronic distribution to all but the members at this time, and to hold off posting for general distribution until a secured website is obtained. Individual members may request an electronic copy from the Secretary, understanding that the document is 255 pages at present.

- 47) MBOD 010707: EDD Feeney and WDD deBlieck moved amendment to Regulations, Article III, paragraph 6 C to change from “the fiscal year shall run from September 1 to August 31” to read “The fiscal year shall run from June 1 to May 31.” ALNAD Getz seconded. (in the Agenda package this was listed as MBOD B-1 and MBOD B-2, MBOD B-2 was withdrawn). Treasurer Draper discussed the various problems that this change would create. After further discussion the motion was amended to change Article III, paragraph 6 C to read “The fiscal year shall run from January 1 to December 31. Motion then passed by a vote of 7 in favor, one opposed and one not present.
- 48) MBOD 010708: ALWWD Koester moved that the President of the NMRA become a permanent voting member of the Board of Directors. In his absence, the Vice President shall temporarily become a voting member of the board. [The original MBOD C went on to further amend sections of the Regulations to enable such action]. A replacement motion was offered in place of the language of MBOD 010708, to wit: ALWWD Koester moves, ALNAD Getz seconds, to Amend Article III, Section 3 to add the following sentence: “In the event of a tie vote of the Board of Directors, the President shall cast the deciding vote.” Motion approved on voice vote.
- 49) The meeting recessed at 9:49 PM for an Executive Session and will reconvene at 8:30 AM 20 January, 2007.
- 50) The meeting reconvened at 8:36 AM, 20 January, 2007.
- 51) MBOD 010710 ALNAD Getz moved that Section J of MBOD 010709 be separated from the motion. ALWWD Koester seconded motion and motion passed on voice vote.
- 52) MBOD 010709 – minus Section J moved by WDD deBlieck seconded by ALWWD Koester and EDD Feeney was passed on voice vote. The text of this motion is included in these minutes as Appendix B.
- 53) MBOD 010711 ALNAD Getz moved to amend the Regulations, Article VII, Committees by adding Section J to read “J. The Convention Committee shall consist of a chair appointed by the President upon advice and counsel of the Board of Directors, and at least four members appointed by the Chair with the concurrence of the President, one of whom shall be a representative of the Meetings and Trade Show Department. The Committee shall provide assistance and oversight to the Meeting and Trade Show Department in administering the policy of the Board on convention and Trade Show activities, including, but not limited to review of major contracts prior to execution and bids by candidate host cities prior to consideration by the Board of Directors. The Chair shall report to the Board on a periodic basis.” Motion passed on voice vote.

54) MBOD 010712: RACD Ferguson moved that the Regulations, Article VIII, paragraph 7 be changed to read:

“Article VIII, Section 7: The Regions of the NMRA shall be defined using any combination of the following criteria:

- a) Country boundaries
- b) State borders
- c) County or equivalent boundaries
- d) Postal or ZIP codes
- e) Latitude and Longitude descriptors

The Regions not included in the above shall be described using any of the following criteria:

- a. Country Names
- b. Counties, townships, villages, or other descriptors to describe a landmass in a foreign country.”

[The existing Geographic boundaries are then described.]

The motion was passed as written on voice vote.

55) MBOD 010713: RACD Ferguson moved to amend Regulations, Article VIII, Section 8A to read: “Two-thirds of the Region members residing within an area definable using the criteria in Article VIII-7 above and adjoining another Region must sign a petition to change their Region affiliation to the adjoining Region and submit said petition to the governing bodies of both Region involved.” Motion passed on voice vote and is approved to be placed on the next available ballot for membership ratification.

56) MBOD 010714: RACD Ferguson moved to amend Regulations, Article VIII, Section 8C to read: “If the petition is not approved by either or both Regions, then the members may submit a petition signed by two-thirds of those members in the area described in the petition to the Board of Directors for action. A two-thirds vote of the Board in favor of the petition is needed for approval.” Motion passed on voice vote and is approved to be placed on the next available ballot for membership ratification.

57) MBOD 010715: CAND Kooning moved that all payment of life member rebates also include all life members in BR, AR and those residing in Canada and that reimbursement be retroactive to the first payment to all members residing in the United States. Motion passed on voice vote.

58) MBOD 010716: WDD deBlieck moves to amend the Regulations, Article III, Section 21, such that the Section shall read:

“21. The term of office of a Director shall be for three (3) years.

A. Directors cannot be elected to more than two consecutive terms.

B. Nothing prohibits Directors from running for an additional two terms after leaving office for at least one term.

C. The terms of office shall be staggered so that the terms of three Directors expire each year.

D. The term limits shall apply at the beginning of a Director's first elected three-year term.

E. The term of office for a Director shall begin on that date set forth in the Executive Handbook and continue for a duration of three (3) years until that time set forth in the Executive Handbook.”

Motion passed on voice vote.

59) MBOD 010717: ALNAD Getz moves to extend the Rail Pass program until 31 December 2010. Motion passed on voice vote.

60) MBOD 010718: PDD Jensen moves, WDD deBlieck seconds to amend Section K of the EHB as follows:

1. Renumber the pages of the existing language in K2.x series and change the subheading to Internet Presence Committee.
2. Adopt the following as the first subsection, with the subheading of General.
  - A. The Information Technology Department is responsible for setting, implementing and maintaining an IT strategy that supports the business goals and mission of the NMRA. The strategy is to be approved by the BOD.
  - B. The Information Technology Department will advise the Executive Committee, the Directors, and the Department Heads on information technology issues and compliance.
  - C. The Information Technology Department is responsible for recommending and approving all hardware and software acquisitions and upgrades. This approval must ensure that all new acquisitions interface with and supports the approved IT strategy. For projects of appropriate size this authority may be delegated to the Administration Department Manager, but responsibility remains with the Information Technology Department to ensure appropriate integration with the IT environment.
  - D. The Information Technology Department does not exercise control of, and is not responsible for, day-to-day operations of physical technological resources of the NMRA.
  - E. The Information Technology Department must provide support to the various departments and users as required.
  - F. The Internet Presence Committee shall fall under the purview of the Information Technology Department.

Motion passed on voice vote.

61) MBOD 010719: RACD Ferguson moves on behalf of Honors Committee Chairman Pollock that Section R 2.1.7, Pioneer Award be implemented with the following criteria:

7. An impeccable record of integrity and respect as well as a history of service in the model railroad industry. Nominees should also have accomplished one or

more of the following: Prominence in promoting public awareness of the hobby of model railroading, developed a unique manufacturing process which has significantly impacted the industry, and/or innovation in product marketing or development.

A special committee consisting of four members shall select the Pioneer Award recipients. Three of these members shall be the President of the NMRA, the Vice President of the NMRA, and the Immediate Past President of the NMRA. These three members shall then select a fourth member of the committee who shall be a person from the model railroad industry. This person shall serve as the committee chairman.

Motion passed on voice vote.

- 62) MBOD 010720: ALWWD Koester moves to amend Section P 1.1.6 of the EHB to include language that as a matter of Board policy, “the desired ratio of advertising to editorial copy in *Scale Rails* should not materially exceed twenty percent (20%). If advertising copy exceeds that threshold by an amount sufficient to justify the added costs, the Publication Department Manager is authorized to expand the magazines size as appropriate.”

Motion approved on voice vote.

- 63) Garden Railroad Presentation: Jack Verducci, MMR, Dave Connery, Vice President of PCR and Jim Long, Sierra Division, PCR, gave a presentation on the history and practices of garden railroaders. The Garden Railroaders seek some assistance from the NMRA with regard to standardizing some practices and seeking some resolution to problems with coupler variations, etc. in their sizes of railroads. President Brestel appointed a working group, consisting of Ray deBlieck, Charlie Getz and Bob Ferguson, as well as such others who might be interested in this area, get together and develop a package for the Board’s consideration. Members agreed to this approach.

- 64) New Business Discussion topics:

- a. Financial Handbook/Accounting Policy: This item was resolved by actions of Friday 19 January, 2007 discussion on Finance.
- b. Internet Registration/Membership processing, including integration with Database, and e-mailing credit card information. VP Liesse indicated that automatic registration still has problems. The membership process is in the works but still has several problems and unforeseen difficulties with setting up for Region access. The original date of 10 February, 2007 has proven unworkable. They are at about 80% confidence level and currently estimate an April completion.
- c. Review concept of NMRA run conventions vs. Host committee run. The subject was postponed to a future meeting.
- d. 100% Club Policy. No particular discussion though a suggestion was raised as to whether such clubs should get a *Scale Rails* subscription. Since by definition such clubs are all NMRA members, it was felt that at least some members would be getting *Scale Rails*; another copy would be redundant.



- e. Inclusion of Convention Handbook into the EHB. Board members agreed that such documents should be included as Appendices to the EHB, and not in the main body of that book.
  - f. Equipment purchase policy. Limits on amount spent w/o BOD approval. Use of operations budget items for capital purchases. Treasurer Draper noted that we use \$25,000 as a capital item limit. He also raised the point that as we do not have a capital items budget, we have to use the operations budget for such purchases.
  - g. Self guided convention layout tours. Board members discussed whether we should have options to current bussing practice. MTSDM Jordan pointed out that guided tours are money makers for convention operations. In response to a question of whether there was a way to have both, Mr. Jordan indicated there is a problem in designing layout tour maps and such as to how much work NMRA inputs beyond simple information. Beyond simple information, anything else opens up liability potential.
  - h. Advance publicity and registration policy. The question here was of how far in advance of a convention can host groups publicize their convention and sell advance registration. It was determined that it would be best to let the host group make such decision.
  - i. Establish a program for organizational training and increased emphasis of convention for that purpose. This was discussed by the Board as to how to help Regions run their operations by providing training on organization practices, possibly as part of the convention clinic schedule. While it is a good idea, there are some problems in setting such training schedules into the convention schedule. Further study is needed and suggestions welcome.
  - j. WDD/CDD boundaries. Question was raised as to the geographical size of these Districts. While admittedly large geographically, the original decision was made on the basis of population distribution in the United States. No further action was recommended.
- 65) President Brestel reported that he had received an invitation, as NMRA President, to attend the 2009 Australasian Region Convention, their 25<sup>th</sup> Anniversary. It is noted for the record that the Board supports the participation of the President or his representative to that Convention.
- 66) MBOD 010721: RACD Ferguson moved to have ADM and MSPDM investigate the feasibility of increasing the Rail Pass fee to \$12.99, which would include \$3 to the Region for providing copies of their region newsletter during the term of enrollment. Motion approved on voice vote.
- 67) ALNAD Getz wished to recognize the work of DDM Roger Cason, ADM Jenny Hendricks and President Mike Brestel for their work on the fund raising project and particularly Mrs. Hendricks for all her work. He also extended thanks to MTSDM Jordan for all his work with the convention.
- 68) MBOD 010722: ALNAD Getz moved to approve RP 9.3.1 Version 2 to allow decoder approval to be separate from other aspects of a model. It was suggested that we may use the DCC symbol to acknowledge conformance and/or the “football” logo

for general conformance of a product. Motion passed. In view of the changes to the C & I segments of the EHB, it was also felt that the language providing for a five (5) year life on the duration of a warrant was no longer necessary and should be eliminated from the EHB. The language now provides that a warrant is good until there is a change in the model. Motion approved on voice vote.

69) At 4:04 PM, 20 January, 2007, ALNAD Getz moved to adjourn in recognition of outgoing Atlantic District Director Steve Park, HLM. Motion approved.

Respectfully Submitted

Robert V. Gangwish  
Secretary

**APPENDIX A**  
**ABBREVIATIONS USED IN THESE MINUTES**

<b>ADD</b>	<b>Atlantic District Director</b>
<b>ADM</b>	<b>Administration Department Manager</b>
<b>ALNAD</b>	<b>At-Large North America Director</b>
<b>ALWWD</b>	<b>At-Large Worldwide Director</b>
<b>CAND</b>	<b>Canada Director</b>
<b>CDD</b>	<b>Central District Director</b>
<b>DDM</b>	<b>Development Department Manager</b>
<b>EDD</b>	<b>Eastern District Director</b>
<b>HCC</b>	<b>Honors Committee Chair</b>
<b>HDMCC</b>	<b>Howell Day Museum Committee Chair</b>
<b>HLM</b>	<b>Honorary Life Member</b>
<b>MSPDM</b>	<b>Membership Services &amp; Promotion Department Manager</b>
<b>MSTDM</b>	<b>Meetings &amp; Trade Shows Department Director</b>
<b>PDD</b>	<b>Pacific District Director</b>
<b>PDM</b>	<b>Publications Department Manager</b>
<b>RACD</b>	<b>Regional Advisory Council Director</b>
<b>SCDM</b>	<b>Standards &amp; Conformance Department Director</b>
<b>WDD</b>	<b>Western District Director</b>

## APPENDIX B

### MBOD 010709

#### REVISION TO REGULATIONS, ART. VII, SEC. 7. {Revised language shown in italics}

#### ARTICLE VII – COMMITTEES

1. The duties of the respective person or persons under this article shall be as published below, and set forth in the Executive Handbook.
2. *Unless otherwise provided, Board Committees shall consist of a Chair appointed by the President and of such members as the chair may deem necessary and appoint.*
  - A. *The **Audit Committee** Chair and members shall be appointed as set forth above upon advice and consent of the Board of Directors. The **Audit Committee** shall: All subsequent sub-paragraphs in this section remain unchanged.*
  - B. *The **International Committee** Chair shall be appointed as set forth in 2 above. The **International Committee** shall: All subsequent text in this section remains unchanged.*
  - C. *The **Operations Committee** shall be appointed as set forth in 2 above. The **Operations Committee** shall: All subsequent text in this section remains unchanged.*
  - D. *The **Policy Committee** shall be appointed as set forth in 2 above. The **Policy Committee** shall: All subsequent text in this section remains unchanged.*
  - E. *The **Investment Committee** shall be appointed as set forth in 2 above. The **Investment Committee** shall: All subsequent text in this section remains unchanged.*
  - F. *The **Finance and Budget Committee** shall be appointed as set forth in 2 above. The **Finance and Budget Committee** shall: All subsequent text in this section remains unchanged.*
  - G. *The **National Nominating Committee** shall be appointed as set forth in 2 above. The **National Nominating Committee** shall: All subsequent text in this section remains unchanged.*
  - H. This paragraph remains unchanged.
  - I. *The **Atlantic and Pacific District Nominating Committees** shall be appointed as set forth in 2 above. The **Atlantic and Pacific District Nominating Committees** shall: All subsequent text in this section remains unchanged.*