

Friends of the Cumbres and Toltec Scenic Railroad
Board of Directors Meeting – Albuquerque Marriott Courtyard
March 19, 2022

Call to Order: The meeting was called to order at 9:29 AM MDT by Don Stewart, Chairman

Present: Don Stewart, Chairman; Tim Tennant, President and CEO; Caroline Tower, Vice Chairman; Bill Lock, Founder; Bill Kepner, Secretary, John Eng, Project Committee Chair; Dan Pyzel, Collection Committee Chair; John Ferrell, Interpretation Committee Chair; Jim Herron, Nominating Committee Chair; Ed Beaudette, Scott Hardy, Bill Kepner, Ian Kelly, Tom Stewart, and Greg Coit, Membership Chair attending via Zoom. Armando Sanchez of the SJT Group was present for Finance Report and the auditor selection discussion. Not present: Wayne Huddleston.

Minutes: Bill Kepner, Secretary

M/S (missing) to approve the minutes for October BOD Minutes, and November 18, December 15, January 20, and February 17 EC Committee Meeting Minutes (U).

President's Report

Tim distributed a full report, but the following items were specifically discussed during the meeting

- The transition of Katharina to the SJT Group is going well and she is still working in the Friends office Tuesdays and Wednesdays. Since she is now an employee of that firm, they will no longer be able to be the Friends audit firm. Normally it is a good idea to limit the time any firm provides audit services to a client, so a change was needed regardless.
- John Eng and Bill Kepner will coordinate attendance at the TCA Train Show in Denver on April 2-3. Tim provided a box of give-aways including lots of back-issue Dispatch Magazines and old calendars.
- Work Session registrations are starting to arrive at the Albuquerque office, although not as fast as in years past.
- Boy Scouts – John has had a dialog with Neil Hubbard who is the BSA coordinator for the Cumbres project.
- Gift - \$25K for the 163 baggage car project from Rob Van Camp's family
- The CRM Firm has started the project to upgrade Salesforce and integrate with the Work Session Registration on the website.
- Charter in September – 33 or 34 tickets sold, we need 40 to make it a go. There will be 50 tickets sold max. Annual meeting on June 17th. The Board meeting will be on June 18, location is to be determined.
- The Moonlight Train was scheduled for Friday, July 8, the railroad would like us to move it to Saturday the 9th to avoid crew conflicts. **M/S Lock/D.Stewart U to move to July 7, 2022.**
- Tim provided copies of the Classic Trains advertisement. Passenger Train Journal article on the Iron Horse Roundup was also distributed.

Finance Committee Report – President Tim Tennant

- Questions about Katharina Root's new role with the SJT Group. Armondo Sanchez explained she will continue to focus on accounting and reporting tasks for the Friends. Doing so strengthens the Friends accounting and financial needs, as SJT will cross-train another person in case she is not available. The one year contract will save the Friends some money. We will need to find a new audit firm, but that was needed anyway. What about other items she did? Website and calendar. She was there 3 days a week, now 1-1/2.
- RFP for Audit Services – Armando prepared a scoring sheet, and he sent to 4 firms, got responses from Patillo, Brown, and Hill, and Schlenker and Cantwell. Schlenker and Cantwell scored higher, SJT has had good experiences with them and is recommended by Armando. SJT will continue to do audit preparation, so the Audit firm will not need to charge as much time. Would start for the 2021 year audit. Motion to hire Schlenkar and Cartewell **M/S Lock/D.Stewart U**
- Tim distributed the 2021 Budget vs Actual report that contained:
 - Profit & Loss is unaudited but shows a good rebound from 2020.
 - Charts showing trends 2017-2021 Profit, SORFA, Total Assets, Project Expenditures all show positive trends in 2021.
 - 2022 YTD – Good start for P&L, some of the exceptions included:
 - Income is very positive thanks to one large donation
 - Wages: payout vacation time for Katharina
 - IT: CRM/SalesForce Project
 - Membership expense: Launch payment advertisement/budgeted
 - Van Camp donation for the baggage car project.
 - Profit through the end of February: \$138,298
- SORFA - \$388,262
 - Back in black for major restoration projects
- Detailed Cash report
Overall \$1.1M as opposed to \$978K in 2021
- Balance Sheet in strong position
 - Comments:
 - Few liabilities
 - Strong Capital Assets
 - Frequent inquiries regarding Estate Gifts

Development Committee Report – Caroline Tower

- (Report distributed)
- Money raised since the beginning of the year - \$41,155
- PNGPF since beginning of the campaign - \$1.8M
- PNGPF is very strong so far in 2022
- Maybe highlight Antonito concrete work in 2023, perhaps also Night Watchman's House
- Setup funding account for 163 Baggage Car

Interpretation Committee Report – John Ferrell

- Phone App Rollout – Has come a long ways, we're helping the railroad with their part.. TABB (Tracks Across the Border) Corrine Williams has been tremendous help coordinating with Railroad. The Phone App is now downloadable.
- Sign Garden project will be started this summer, John Ferrell will be Team Leader with 2 volunteers.
- Docents – Falls under HIC and the Interpretation Committee will fill in the void Bob Ross provided Thought is that the Docents wish to be brought back into the fold.“ Need to be coordinated. Docents are physically isolated and they don't deal with traditional Friends activities. John will be calling Rich Muth to discuss needs and understand possible improvements to communications. Get their voice on the board, and maybe bring one of their coordinators on to the board. Maybe use docents for Train Shows and other Winter research projects. The Railroad acknowledges that the Docents are an important part of 'The Product', but there is no education about the Friends work and mission.
- Rich Muth wants to run the program, and perhaps we can get Hank Morris to run on the board. Docents are a potential source of membership recruiting. It's suggested that Friends have some sort of get-together at times throughout the summer to bring everyone together.

Collection Committee Report – Dan Pyzel

- We need to refresh the 2009 report of the condition of rolling stock. Whether the equipment is Display-Only or Operatiabale. Boots on the ground survey is planned.
- Two tank car hulks are sitting in Antonito, which will be a long project. These will be combined to create one frameless Gramps car.
- The parts cars acquired previously acquired are; Stock cars: 5533 and 5536, Boxcar 3150, Drop Bottom Gondola: 701.

Web Site/Marketing Discussion – Ian Kelley

- Web Site – even with the new site that came online in 2020, it is falling behind; news needs to be more current, photos should be rotated out, and overall we need to up our game. The website needs to be Fresh and Current! This is the first place new people see when they are interested in us. There are bout 31 videos online now, and this is an excellent resource for attracting potential members. Analytics tell us that the most popular is *Rerailing the 484*, and Earl Knoob's session on the *Early Years of the C&TS*. The most popular location for viewers had been Colorado, but recently Indiana, more distant became more popular. We need a designated Webmaster to own the website and prepare updated material. They may not make the actual changes as we currently have Simply Design contracted to do this. This is like the Dispatch magazine; the editor pulls together the content and formats the issue but doesn't actually do the printing.

- The Website should be integrated with Social Media and other marketing-related roles. In other organizations, this is a non-volunteer activity. Katharina had been doing some of this, so we need to fill that void. Coordinating the activity should be within the organization (not contracted to an outside firm) to understand what changes should be requested. And it goes along the same lines as the messaging whether it be video or other social media work. It all needs to be consistent and correct.
- We might have the website role added to the social media contract, but we need to have a coordinator; that could be a lot of work for one person. The website could have feeds from the social media platforms. But is it more work than we have planned? Do we first need a marketing strategy? Sounds like we do. How do we go about getting that?
- Don't forget email. Email may not be a great tool for younger folk, but is still a good tool for reaching the majority of our members.
- We have several target audiences. The general public, potential members, railfans, and members. We don't want to be doing this to merely entertain railfans, but their numbers help with the social media platform algorithms.

Projects Committee Report – John Engs

- The schedule and the list of projects for 2022 were distributed. The Sign Project will be added.
- We will have a Zoom meeting with Team Leaders to discuss some of the issues and changes in 2022. In particular, the injury outside the work session raised insurance issues. Volunteers need to always be covered by registration, and this will be a strict requirement if you are performing any work on the property. There are still some open issues that need to be resolved.
- On the 2023 schedule, work session dates are set, and projects are being scheduled.
- Boy Scout Cumbres Project for trail building. They will have use of Section House for their headquarters. We need to supply potable water and restrooms. They will get a safety briefing from our people, but their leaders will be responsible for the activities. Maybe merit badge training could be offered.
- Implementation of the previously approved Online Registration has started, maybe slightly behind schedule, but a demo has been provided. Required a Salesforce upgrade. Expected pilot/beta testing is expected later this summer. No changes to the budget at this time.
- Registrations for 2022 Work Sessions are about half of normal at this point.
- The Antonito shelter work is planned to start in October and foundation work should be done by the start of winter weather. Contract for materials will be delayed so the structural materials will arrive closer to the start of work. We want to get it done by the May work sessions in 2023. There is concern that supply change issues may delay the arrival of materials so we will monitor this.

Executive Session Entered

New Business – Charter Trains

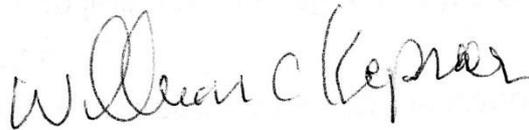
What should our continued philosophy be for photo charters? We've been doing them in September when the prices are higher and while profit isn't our primary motivator, we shouldn't do them for nothing. The old Railfan Committee's goal was to have a train to exercise and show off our good work. There was a market for a lower-key ride that more members would be interested in riding and could afford. Not many Friends members ride the special trains we have offered recently. The trend for high-end exclusive photo charters might be better served by other private promoters that contract with the railroad.

The market for charters is small. The Railroad doesn't make a lot of money on them and they cause disruptions and eat crews. If the Friends offer a train and the Railroad gives us a discount, then they barely break even. Photo Charters are part of the overall product portfolio so should the Friends be competing in that market? It might be mission-creep. Also from a photographer's point of view, fall is the best time, but also the busiest time on the Railroad. If we offer a trip, that keeps a high-end operator out where the Railroad can do it at a price to make it more worth while.

Running out of Antonio requires equipment to be deadheaded across the line; another cost. If we offer trips targeted at Friends members, we can accommodate more passengers, perhaps using passenger cars on the rear of the trains and that keeps the price reasonable. Charters out of Chama attract more freeloaders, but perhaps that isn't as big a deal for this target market. We would still offer photo runbys, but not as many as the exclusive trips.

Motion to Adjourn at 2:06 **M/S Pyzel/Lock U**

Bill Kepner, Secretary

A handwritten signature in cursive script that reads "William C. Kepner". The signature is written in dark ink and is positioned below the printed name "Bill Kepner, Secretary".

