

**MINUTES OF THE MARCH 29, 2022 MEETING
OF THE
BOARD OF DIRECTORS
OF THE
CHICAGOLAND LIONEL RAILROAD CLUB, INC.**

The March 29, 2022 meeting of the board of directors of the Chicagoland Lionel Railroad Club, Inc. (CLRC) was held at the CLRC club house in New Lenox, Illinois. President Herb Koch called the the meeting to order at 9:00 a.m. Present when the meeting was called to order were: officers Herb Koch, Bob Ciolino, Joe Oster, and Ed Carter and directors Swav Kojro, Jeff Mills, Ed Zeglicz, and Kevin Barry. Director Michael Fradin arrived shortly after the meeting was called to order. Ed Carter acted as secretary of the meeting.

The meeting began with a presentation by Tom McMahon of the Historic Pullman Foundation. The Foundation is the philanthropic partner of the Pullman National Monument on Chicago's far southside. Mr. McMahon told the board about the Monument and the work of the Foundation. He explained that the Foundation is interested in forging a relationship with the Club that might include development of a modular layout that would be set up and operated at the Monument during certain times of the year. Mr. McMahon proposed that the CLRC board of directors select a time to visit the Monument as a group and said he would give the group a guided tour. Mr. McMahon also advised the board that he would talk to Terri Gage, the superintendent of the Monument, about visiting the CLRC during an open house.

Following that presentation the board took up the consent agenda. In connection with the consent agenda the board unanimously approved the minutes of the February 7, 2022 board meeting, a membership report by Bob Ciolino and the Treasurer's report by Bob Ciolino.

In his membership report Bob advised that as of March 29, 2022 the Club had 100 Regular Members, 13 of which were new regular members and that 8 Regular Members had not renewed. Bob also reported that as of that same date the Club had 20 Long Distance Members.

In his Treasurer's report Bob advised that as of March 29, 2022 the Club had more cash on hand than at any time since at least 2018. Bob also reported that as of March 29, 2022 total receipts from the sale of items in the Flaherty collection were \$16,066. Bob reported that he was reviewing deposit options that might pay higher interest than the account where the Club's money is currently deposited and is also reviewing the amount of money that might be moved to such an account.

Bob then reviewed upcoming major expenses the Club would need to pay. Those expenses included: 1) insurance (estimated annual premium \$2,500 for 2022); 2) condominium association dues \$2,400 annually (\$600 per calendar quarter); 3) ADT (\$800 annually); 4) real estate taxes (estimated for 2022 to be at least \$6,000 payable in two instalments), and subject to board approval of the budget for the new fiscal year (FYE 3/31/23) \$6,185 for maintenance and repairs to the clubhouse and improvements to the Club's two layouts. Bob also noted that for the current fiscal year which ends on March 31 of this year the Club had budgeted \$21,400 for non-discretionary spending, but the actual non-discretionary spending for the fiscal year was \$18,847.

Bob advised that as of March 29, 2022 the Club had sold a total of 90 Santa Fe club cars, that the net profit from those sales was \$129.00, and that 10 cars remained unsold.

The board then heard a report from director Jeff Mills about staffing at the March open house. Jeff reported that a sufficient number of members were present over the course of the open house day so that it was adequately staffed at all times.

The board then took up consideration of the CLRC's budget for the fiscal year beginning on April 1, 2022. As proposed the budget projects income of \$38,065 during the fiscal year, non-discretionary expenses of \$21,785 and discretionary expenses of \$39,374. It was noted that for the FYE 3/31/22 the Club had projected income of \$28,570 but that the actual gross income for the fiscal year substantially exceeded that amount and that in the new fiscal year income can be monitored and, if necessary, discretionary spending can be adjusted downward to better match the income being generated. Jeff Mills moved that the budget be adopted. Kevin Barry seconded the motion. Following discussion the motion passed by unanimous vote.

At the last board meeting director Jeff Mills gave a report about the use of Club owned equipment. At that meeting, consistent with the authority the board had previously conferred on yard masters, Jeff reported that Club owned equipment consisted of three categories each of which had authorization of use and operation requirements. Those categories were: the lift bridge, which only the yard master has authority to operate, and engines and rolling stock whose use by members requires yard master authorization and is subject to supervision by the yard master. Jeff moved that policy on club owned equipment be modified as follows: 1) that yard master authorization is only good for the day it is given and 2) that subject to review by the board of directors a member operating Club owned equipment may be held responsible for any damage to it and that as so modified that policy be formally adopted by the board and posted in the club house. Bob Ciolino seconded the motion. Following discussion the motion passed with eight voting in favor of the motion and one director, Michael Fradin, voting against the motion.

The board then heard a report from Michael Fradin about progress on the project to add MTH's DCS system to the Club layout. Michael reported that he had talked to a number of members who use the DCS system on their home layouts and with John Billone. Michael advised that he and the members assisting him were prepared to do a test run using the DCS system on one of the tracks, but thought it might be helpful to consult MTH. Michael then made a motion that he be given authority to test the DCS system at a time and on a track of the club layout that he considers appropriate and that he have the authority to contact MTH on behalf of the club for the purpose of consulting on any technical matters relating to the installation of the DCS system. Jeff Mills seconded the motion. Following discussion the motion passed by a unanimous vote.

Michael also reported that he had emailed Dave Olson, Lionel's Director of Engineering, about Lionel's new Cab-3 control system and its compatibility with our layout, but had yet to receive a reply.

At the February 7, 2022 meeting of the board the board adopted a motion to provide members who staff open houses with a ticket redeemable at the diner on the day of the open house for \$3.00 in food or beverages. Bob Ciolino made a motion to rescind adoption of that motion.

Ed Zeglicz seconded the motion. Following discussion the motion to rescind passed with seven voting in favor of the motion to rescind and Ed Carter and Michael Fradin voting against the motion.

The board then took up discussion of risk management and liability issues. Following discussion Bob Ciolino was asked to talk to the Club's insurance agent to determine if officers and directors of the Club are protected under the Club's liability insurance policy and if not to see if they could be named as additional insureds and if so what that would cost.

At 11:30 a.m. club secretary Joe Oster advised that he had to leave the meeting and that effective immediately he was resigning as secretary. Joe said that he planned to remain active in the Club.

The board then took up a discussion about transparency that was initiated by Jeff Mills. Jeff advised that he had heard complaints from members that they did not know what the board of directors was doing or about decisions the board has made about the Club and Club business. It was noted that the by-laws call for an annual business meeting in April of each year at which the members are informed about the Club's business and other operations, but that due to Covid related restrictions the Club has not held an annual meeting since 2019. Following discussion the board agreed that: 1) an annual meeting needed to be held, but that to give adequate time to prepare for the meeting that this year the meeting be held in May instead of April and 2) in an effort to improve communication between the board and the membership that the practice of posting board minutes in the club house once they are approved be resumed and that once approved the minutes also be posted on the Club's website. Jeff Mills volunteered to post the minutes in the club house once they are approved.

There being no further business the meeting adjourned *sine die* at 1:00 p.m.

Respectfully submitted

Edward Carter
Secretary of the meeting