

# MUSKEGON RAILROAD HISTORICAL SOCIETY BOARD OF DIRECTORS

*Thomas Anderson, President  
Andy Busard, Treasurer  
Allen Anderson  
Kent McFaden*

*Stan Murray, Vice President  
Thomas Van Bruggen, Secretary  
Jim Funnell*

## **Minutes of the May 17, 2005 Board Meeting**

### **President Thomas Anderson, Presiding**

The Board Meeting of the Muskegon Railroad Historical Society was called to order by President Thomas Anderson at 7:00 P.M.

#### **Roll Call**

Present: Allen Anderson, Thomas Anderson, Andy Busard, Jim Funnell, Kent McFaden,  
Thomas Van Bruggen  
Absent: Stan Murray (unexcused)  
Guests: Eight (8) Guests Present

#### **Approval of Minutes of April 19, 2005 Board Meeting**

Moved by Kent McFaden and supported by Allen Anderson to approve the minutes of the Board Meeting of April 19, 2005 as presented with three typographic corrections

Motion Carried

#### **Correspondence**

Reported by Secretary Thomas Van Bruggen

Art Train: Postcard of summer and fall stops within Michigan.

There is a stop in Grand Haven in October

Card will be posted on bulletin board

The Conductor: Durand Union Station Newsletter

Placed on file in library

World's Greatest Hobby Newsletter

Posted on bulletin board

City of Muskegon Registration Card

Must be posted

Treasurer will post

Letter from Art Million in response to "Old Freight Main" articles in the newsletter.

Response will be included into the MRHS Mainline Newsletter

#### **Treasurers Report**

Moved by Allen Anderson and supported by Kent McFaden to accept the Treasurers Report for the month as presented by the Treasurer. Reports are presented at the end of the minutes.

Motion Carried

Note: Treasurer Andy Busard noted that for the month we have spent \$275 from the building fund. \$55.00 was for utilities and the \$220.00 was for our annual insurance payment for the building insurance.

## **Committee Reports**

### **Layout Committees**

#### **O Gauge**

O Gauge Chairman Kent McFaden reported that the layout was running fine. There are some electrical problems that Bill Cartwright was working on, but none of them are documented. Bill was attempting to wire the layout so the entire layout could be run from the central panel. There are also seven (7) new switches that need to be installed. Kent will be looking for help with the electrical issues.

#### **HO Gauge**

HO Gauge Chairman Stan Murray was absent. Jim Beal reported that the layout was running and that carpet had been installed under the layout in both the HO & O gauge rooms. Andy Busard reported that none of the powered switch machines are working and that the reversing loop is not working. Tom Van Bruggen asked if the survey had been finished because a copy of what appeared to be the tabulated results was on the desk in the office.

#### **N Scale**

President Thomas Anderson asked Steve Bowyer for a report on the "eNticing and eNchanting" N scale layout. N Scale Chairman Steve Bowyer responded by saying "you said it," and then added that the layout is "fiNe."

### **Building**

Building Chairman Jim Funnell reported the building was "still here." The floor in the meeting room is solid. The rest of the work on the building is a matter of finding time to work on it.

### **Library**

Library Chairman Jim Funnell reported that 3 new tapes were in (Amtrak, Ohio Central, and Underwater Train Wreck) and about 10 to 12 new books have been added to the shelves. There are sheet protectors for photos on order. All of the new inventory is in the library database and all are available for check out.

### **Equipment**

President Thomas Anderson reported on the status of the equipment inventory. Tom is meeting with the museum on the issue and will report additional findings in the future. The changes in displays at the depot have to go through the head of maintenance at the depot, and Tom will talk with them as the opportunity allows.

### **Train Show**

Co-chair Andy Busard reported that one (1) dealer has paid for tables to date. The Lego group has also confirmed their interest in returning and would like the same corner to use. Andy and Jim Funnell spoke with the dealer from the Spring 2005 show that cancelled his tables at the last minute. He can not confirm if he will be at the fall show at this point because he is trying to get out of the business.

## **Old Business**

### **Bylaws Committee**

President Thomas Anderson reported that the Bylaws Committee will be meeting in the near future to begin review of the bylaws.

Note: It was determined later in the meeting that the committee will meet on Tuesday, May 24, 2005 at the club

### **Readers Digest Cartoon**

President Thomas Anderson stated that the cartoon he referenced in the May 2005 MRHS Mainline Prez Sez column is now posted on the bulletin board.

### **Visitors to the Club**

President Thomas Anderson reported that the club continues to have visitors up on Saturday's. We need club members to run the layouts. Andy Busard reported that more visitors were at the club this past weekend.

### **MRHS Model Train Layout Postcards**

President Thomas Anderson stated that the postcards that have been created are available at a price of \$0.75 each. They currently feature the O Gauge and N Scale layouts. We are in need of additional pictures for all layouts. Kent McFaden reported that he has spoke with numerous people who do not know where the club is located. Kent took a picture of the club building façade and Andy has created a postcard with this picture to show where the club is located. Kent checked with the MAISD about the cost of producing color and black-and-white cards to place a business to get the word out about the club. It would cost \$205.00 for 2000 cards.

Moved by Andy Busard and supported by Allen Anderson to authorize the expenditure of \$205.00 to the MAISD for the printing of 2000 postcards of the club building for use as publicity for the club.

Motion Carried

### **Stolen Depot Donation Box**

It was reported that Allen Anderson found the stolen depot donation box that had been stolen a couple of months ago. It was found on the wall by the garden planting area behind the building. The box is not in that bad of shape considering, and it is repairable. It will be repaired in the coming months.

### **Sale of Model Railroad Collection of Robert Kersch**

Kent McFaden inquired as to the status of the Robert Kersch Train Collection. President Thomas Anderson reported that he had been approached by Bill Cartwright Jr. concerning the matter and it was requested that he (Tom Anderson) talk with and interview Mrs. Verle Kersch. Tom arranged the meeting/interview with Mrs. Kersch and it was conducted and audio taped on May 5, 2005.

President Thomas Anderson played the audio tape of the interview with Mrs. Kersch.

A transcript of this tape is being created and will be added as an addendum to these minutes once completed.

Following the playing of the audio tape, there was much discussion. The following minutes are not meant to be a full transcript of the discussions, but main points were recorded. It should also be noted that the rules were suspended numerous times informally so as to recognize non board members for their comments.

Thomas Anderson commented following the playing of the tape that Mrs. Kersch broke down crying numerous times. Some of these could be heard on the tape, and some could not. Tom also commented that on that day (May 5, 2005) John Rockcole was to present Mrs. Kersch with another bill of sale for her to sign.

It was noted that on the tape, Mrs. Kersch had no idea of what the collection entailed much less what was in the basement of her home.

Mike Wood stated that before the May 2005 general meeting he was visited by John Rockcole at his house regarding the situation. Mike also apologized for his actions during the May 2005 General Membership Meeting. Mike also stated that he still disagrees with Kent and Andy's "cut off the top." Mike also expressed his feeling that he was set up by John and Stan Murray to be an instigator at the General Membership meeting.

Thomas Anderson and Andy Busard thanked Mike for his comments and being upfront about his involvement in the situation.

Mike Wood added that he felt Don Pratt was also possibly caught up in this situation by John and Stan. Mike then reiterated his point was to apologize for his actions at the meeting.

Thomas Anderson mentioned that after the tape was finished, Verle Kersch continued to talk about things and was very disturbed by what was going on.

Andy Busard noted that the inventory of Bob's collection here at the club, at the worst case of sale was still estimated to total about \$11,000. Andy noted that there were numerous special run cars that would best be sold on E-bay to find the best prices.

Mike Wood commented as to Bill Cartwright's rumored \$10,000 involvement.

Thomas Anderson commented that he feels the club needs to move on and away from this situation, but that he did need to state that members have spoke with him and feel that Stan Murray is the instigator and needs to be removed from the club.

Andy Busard stated that he, Kent McFaden, and Don Pratt had all set aside items from the collection that they wanted to buy at the sale. When everything else occurred regarding the collection being sold, that is when they purchased the items from Mrs. Kersch.

Kent McFaden stated that he has since returned all of the items he had purchase to John Rockcole. Kent also asked why Stan is involved if the money was from John Rockcole or Bill Cartwright.

Steve Bowyer noted that he had received a lengthy (1 hour) phone call from Stan Murray. Steve stated that he told Stan that if the situation was as Stan presented it to him, Stan should file a complaint with the police. Steve then noted that if the story stays as it has been presented to date, he feels that two (2) members should be removed from the club, and those two (2) members are not Kent or Andy. Steve also stated that he felt there is a need for a formal policy regarding the disposal of collections if the club is to continue to assist in the disposal of collections. Current policies and bylaws are not specific enough. The problem is that the policy is not specific enough to prevent others from "stirring things up."

Mike Wood commented that there may need to be a policy preventing members from storing their collections at the club.

Thomas Anderson stated that another view may be that if a member has a collection at the club and passes away that the collection becomes a donation to the club.

Andy Busard and Jim Funnell commented on the Noel Black collection disposal that occurred approximately one (1) year ago. That disposal only brought in about \$72.00 according to treasury records and notes on the list of inventory.

Mike Wood commented on his recollection of that collection.

Terry Temple commented that there is something wrong with the system of donation tracking.

Thomas Van Bruggen responded to Terry Temple regarding the issue of trust no matter what system is in place regarding donations. Efforts have been ongoing for the past two (2) years to try and formulate a better donation tracking system.

Thomas Anderson responded regarding donations and the need to have more people work on figuring out a way to track donations.

Andy Busard stated that there is the possibility that Bob Kersch's collection has already been liquidated to someone in Chicago. Andy also stated that he has talked with the prosecutor's office and that it would need to be Mrs. Kersch that would need to deal with them to pursue any legal issues.

### **Motion for the Removal of Stan Murray from the Position of Vice President of the MRHS**

It is moved by Andy Busard and supported by Jim Funnell to remove the incumbent vice president from the office for repeated failure to disclose a financial conflict of interest with the MRHS, causing the society to lose an income opportunity, and for failure to fulfill his duty to the MRHS, specifically bylaw IV.C.7. That article reads: "The board is accountable for insuring that none of the society's net earnings inure to the benefit of any person having a personal and private interest in the activities of the organization."

#### Discussion of Motion

Andy Busard questioned if removal from office was sufficient enough.

Kent McFaden questioned the issue of potential earnings vs. net earnings

Mike Wood stated that there are issues beyond just the earnings.

Open discussion as to if the motion was applicable

Secretary Thomas Van Bruggen called for a roll call vote

#### Roll Call Vote:

Thomas Van Bruggen:	No
Andy Busard:	Yes
Kent McFaden:	No because of wording
Jim Funnell:	No because of wording
Allen Anderson:	No because of wording

Motion is defeated 4:1

### **Continuation of Discussion Regarding Sale of Model Railroad Collection of Robert Kersch**

Steve Bowyer stated a couple of concerns with previous motion and commented on the wording of motions

**Motion for the Removal of Stan Murray from the Position of Vice President of the MRHS and the revoking of membership from Stan Murray and revoking of membership of John Rockcole**

Moved by Jim Funnell and supported by Andy Busard that due to conflict to interest and conduct detrimental and damaging to the Muskegon Railroad Historical Society, it is moved that Stan Murray be removed from his position on the Board of Directors and expelled as a member of the Muskegon Railroad Historical Society and it is moved that John Rockcole be expelled as a member of the Muskegon Railroad Historical Society.

Discussion of motion:

President Thomas Anderson commented on Stan's unexcused absence versus if he was here. Stan chose not to be at the meeting.

Additional miscellaneous discussion continued

Steve Bowyer commented that this is not an issue of a lynch mob of Kent and Andy vs. John and Stan. Steve also noted that if the board is reluctant, they may want to table and hold discussions at the next board meeting.

The motion and support was verified and Secretary Thomas Van Bruggen called for a roll call vote.

Roll Call Vote:

Kent McFaden:	Yes
Jim Funnell:	Yes
Allen Anderson:	Yes
Thomas Van Bruggen:	Yes
Andy Busard:	Yes

Motion Carried

**Letter Regarding Board Action**

President Thomas Anderson requested that Allen Anderson and Thomas Van Bruggen work together to formulate a letter to both Stan Murray and John Rockcole regarding the board action. The letter will be from the board of directors as a whole.

**Letter of Appreciation to Mrs. Verle Kersch**

President Thomas Anderson, in response from a comment from Steve Bowyer will be writing a letter to Mrs. Verle Kersch in support of her and thanking her for taking the time to deal with this issue and to offer the club's continued support of her.

**New Business**

**No New Business Reported**

**Adjournment of the Board of Directors Meeting of May 17, 2005**

Moved by Jim Funnell and supported by Andy Busard to adjourn the meeting.

Motion Carried

Meeting adjourned at 8:55 P.M.

**Minutes Submitted by:**

**Thomas Van Bruggen, MRHS Secretary**

**Minutes Approved at the June 21, 2005 MRHS Board Meeting**

## Treasurer's Report Statements

All Treasurers' reports have been reformatted from Microsoft Money, so appearance is different but the data contained in the report matches the report given by the treasurer.

### Account Balances

As of 5/17/2005

Account	Total
<b>Assets</b>	
Bank and Cash Accounts	
Bulk Mail	\$127.62
Cash Account	\$280.34
CPR-Coffee-Pop-Rolls	\$49.87
Fifth Third Bancorp Checking	\$1,723.36
Fifth Third Bancorp Savings	\$4,705.03
Muskegon School Emp CU Savings	\$371.16
Total Bank and Cash Accounts	\$7,257.38
Investment Accounts	
Muskegon School Em Investment #2	\$7,508.37
Muskegon School Em Invest (Cash)	\$314.98
Muskegon School Emp C Investment	\$8,068.00
Muskegon School Emp C Inv (Cash)	\$381.14
Total Investment Accounts	\$16,272.49
Total Assets	\$23,529.87
Net Worth	\$23,529.87

Monthly Income and Expenses by Category

1/1/2005 through 12/31/2005

Category	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total
Income													
Copy Machine		18.05											\$18.05
Donations	1000			112									\$1,112.00
Dues	440	370	170	160	60								\$1,200.00
Flea Mkt-Spring05	288	502	2134.25	36									\$2,960.25
Food Sales	1.58												\$1.58
Investment Income	29.52	28.8	27.54	29.68									\$115.54
Layout		10											\$10.00
Library Sales				5.75									\$5.75
Miscellaneous Club Sales	6	60											\$66.00
Other Income	8	7	8	7.5	6								\$36.50
Total Income	1773.1	995.85	2339.79	350.93	66								\$5,525.67
Expenses													
Building		16.59	3	75.13	275								\$369.72
Flea Market-Fall 2005				37									\$37.00
Flea Mkt-Fall 05		70											\$70.00
Flea Mkt-Spring 05	35	108.27	1104.35										\$1,247.62
Gifts	75												\$75.00
Layouts		138.6											\$138.60
Library		38.89	161.45										\$200.34
Miscellaneous			20.44	74.43									\$94.87
Newsletter	60.38	46.38	13.75	33.34									\$153.85
Office Expense	19.77	78.95	41.58	84.99									\$225.29
Petty Cash			-240.65										-\$240.65
Utilities	212.57	108.2	229.39	245.47	55.75								\$851.38
Total Expenses	402.72	605.88	1333.31	550.36	330.75								\$3,223.02
Income less Expenses	\$1,370.38	\$389.97	\$1,006.48	\$199.43	\$264.75								\$2,302.65