

**Mid-Continent Railway Historical Society, Inc.**  
**Minutes of the September 24th, 2022 Regular Board of Directors Meeting**

**Date:** September 24th, 2022

**Location:** MCRHS Office

**Roll Call:**

**Directors:**

R. Anderson, Treasurer  
G. Bjorge  
R. Colby  
J. Huttenburg - left at 12:58 PM  
R. Miller  
C. O'Brien, Secretary  
C. Salmonson - via conference call  
A. Spinelli, Vice President  
R. Wagner

**Other Officers:**

J. Bloohm, President

**Other Guests:**

**12:01 PM:** Meeting is called to order by President Bloohm

**New Business:**

**12:15 PM:** C. O'Brien moves and R. Anderson seconds to amend the Endowment Policy for Mid-Continent Railway Historical Society, Inc. as set forth below:

“FIRST AMENDMENT TO ENDOWMENT POLICY FOR MID-CONTINENT RAILWAY  
HISTORICAL SOCIETY, INC.

**Mid-Continent Railway Historical Society, Inc.** (hereinafter referred to as **Society**) of North Freedom, Wisconsin, hereby adopts the following amendment to the Endowment Policy for Mid-Continent Railway Historical Society, Inc., approved on June 27, 2015:

1 - The original “**ARTICLE I- Purpose**,” “**ARTICLE II- Principal and Additions**,” “**ARTICLE III- Designated Funds**,” and “**ARTICLE IV- Income Distributions**” are hereby revoked and amended as follows:

**ARTICLE I – Purpose**

The purpose of this endowment policy is to set up general endowment accounts made up of gifts and bequest of money and/or property received from **Society**, donors, and testators. Funds received from donors and testators are subject to a requirement that the principal is to be maintain intact for perpetuity. Funds received from the Society shall be governed as set forth below in **Article II – Undesignated Funds**, B - **Board Endowed Funds**. All funds received by the **Society** shall be invested to create a source of income for the support of the organization’s general budget and special projects. Donor(s) and testator(s) may set up a restricted endowment account to fund a specific interest. See **Article III – Designated Funds** regarding how to set up a restricted endowment account.

## **ARTICLE II – Undesignated Funds**

A – **Donor Endowed Funds**. All funds given to the **Society** by a donor or a testator as permanently endowed funds, but undesignated, shall be held and administer under this endowment policy and shall be held in a general endowment account entitled **Mid-Continent Railway Historical Society, Inc., - Donor Endowed Funds**. All funds transferred into the general endowment account described in this paragraph shall be held in perpetuity.

B – **Board Endowed Funds**. All funds given to the **Society** by a donor or testator that are not permanently endowed and not designated for any purpose, the Board of Directors of the **Society** may, at its discretion, transfer all or any portion of said undesignated funds to be held and administer under this endowment policy and shall be held in a general endowment account entitled **Mid-Continent Railway Historical Society, Inc., - Board Endowed Funds**. Any funds transferred into the general endowment account described in this paragraph, may only be withdrawn from the above account by the **Society** upon written approval of at least 75% of the Board of Directors of the **Society**.

All of the above accounts, whether **Donor Endow Funds** or **Board Endowed Funds**, shall be invested with an investment advisor approved by the Board of Directors of the **Society** with the principal balance invested under the prudent investor rule.

## **ARTICLE III – Designated Funds**

All funds given to the **Society** by a donor or a testator as permanent endowed funds and specifically designated for a specific purpose or a project, or invested in a specific investment, shall be segregated into a separate restricted endowment account, and shall be identified under the donor’s name or project purpose and entitled **Mid-Continent Railway Historical Society, Inc., - “-Donor Name/Restricted Purpose-” Restricted ,Endowed Fund**, as set forth on a Restricted Funds Form. A copy of the Restricted Funds Form shall be an attachment to this policy and incorporated herein by reference as **Schedule A**. The restricted endowment account shall be administered pursuant to the terms and conditions set forth on Restricted Funds Form. All

funds transferred into a restricted endowment account described in this paragraph shall be held in perpetuity.

All restricted endowment accounts shall be invested with an investment advisor approve by the Board of Directors of the **Society** with the principal balance invested under the prudent investor rule. All the income earned in said account shall be made available to the **Society**, at least annually, in accordance with the wishes of the donor(s) or testator(s) as set forth on Restricted Funds Form.

#### **ARTICLE V – Income Distributions**

In each calendar year, the **Society** shall withdraw from the **Donor Endowed Funds** and the **Board Endowed Funds** endowment accounts, a unitrust amount of four percent (4%) of the net fair value of the assets held in said accounts using a 20-quarter trailing average on the last day of each quarter for the Five (5) years prior to the year of distribution. The unitrust amount shall be paid from income and, to the extent that income is not sufficient, from principal. Any income of the account(s) for a calendar year in excess of the unitrust amount shall be added to the principal and reinvested. If the **Society** does not need any of the income generated by this account in any given year, the **Society** may reinvest the income back into this account. Any reinvested income shall become principal of the account and reinvested.

The **Society** shall use the income from the general endowment accounts for the general purposes of promoting and conducting the business of the Society.

2 - In all other respects, the Endowment Policy for Mid-Continent Railway Society, Inc., shall remain in full force and effect.”

Motion passed unanimously.

**12:17 PM:** R. Miller moves and G. Bjorge seconds to endow the funds received from the Ford H. Porter III Estate, being managed by Stifel, pursuant to the terms and conditions of the Endowment Policy for Mid-Continent Railway Historical Society, Inc. as approved on June 27, 2015, and any approved amendments thereto. Value of said funds as of 6/30/2022 is \$2,711,522.47. Motion passed unanimously.

**12:18 PM:** J. Huttenburg moves and R. Wagner seconds to appoint an Endowment Committee, consisting of three to four members of good standing of Mid-Continent Railway Historical Society, Inc, to retain and supervise the management of and to make the investment decisions for the endowed assets held under the Endowment Policy for Mid-Continent Railway Historical Society, Inc. as approved on June 27, 2015, and any approved amendments thereto. Motion passed unanimously.

**12:19 PM:** J. Huttenburg moves and A. Spinelli seconds that endowed assets held in the Adams Diversified Equity fund shall remain as currently invested and the income disbursed pursuant

to the terms of said funds. Motion passed unanimously.

**12:22 PM:** A. Spinelli moves and G. Bjorge seconds to appoint R. Anderson (chair), R. Wagner, J. Huttenburg and C. O'Brien to the Endowment Committee. Motion passed unanimously.

**12:25 PM:** R. Anderson moves and J. Huttenburg seconds to move the DNP Select Income Fund to the Ford Porter Estate. Motion passed unanimously.

The annual meeting will be held on December 10th, 2022 at 12:01 PM.

**12:30 PM:** G. Bjorge moves and A. Spinelli seconds to approve the minutes of the June 25th, 2022 Board meeting as presented. Motion passed unanimously with J. Huttenburg abstaining.

**Reports:**

The President/Manager's report was presented.

The Financial report was presented.

Ford Porter III fund report was presented.

The Elections Committee report was presented.

The Management Committee report was presented.

The Montana Western #31 report was presented.

**New Business (continued):**

**12:59 PM:** R. Anderson moves and R. Miller seconds to approve Wegner LLPs as auditor and prepare the tax and 1099 returns. Motion passed unanimously.

**1:01 PM:** R. Wagner moves and R. Colby seconds to approve the Goodman Shay fund drive. Motion passed unanimously.

**1:11 PM:** R. Wagner moves and G. Bjorge seconds to approve the office work. Motion passed unanimously.

**1:12 PM:** R. Anderson moves and G. Bjorge seconds to fund the office work with the interest money that has accumulated from the DNP and the balance from the general fund.

**1:13 PM:** C. O'Brien moves and A. Spinelli seconds to adjourn the meeting. Motion passed unanimously.

Colin O'Brien

Secretary

Mid-Continent Railway Historical Society, Inc.