Mar-Apr 2010

**Facts & Figures Part II**

Rod Eaton—General Supt.

In the last Streetcar Currents we looked at where our revenue comes from. This time we’ll examine where the revenue goes.

Sometimes in December, our Finance Committee sits down and puts together a budget for the coming year. Looking at the past year and ridership trends, we make a conservative income estimate. Then we begin plugging in projected expenses. Some numbers, like utility costs, are fairly easy to predict. For other expenses, like maintenance, we look to others in the museum for guidance: “How much do you think you’ll need for…?” The budget must balance—expense must be matched by income. This requires some jiggling and compromise here and there. Then the annual budget is presented to our Board of Directors for approval.

The chart shows the result of that process for this year. You’ll notice right away that repair and maintenance, at almost 25%, is budgeted to be our major expense. Although our shop crews can plan maintenance, expensive repairs arise unexpectedly. Which brings up the difference between budgeted and actual expenses. Last year, our actual repair and maintenance costs added up to just 17% of total expense, considerably less than the 24% budgeted this year. On the other hand, 2009’s budget for streetcar restoration was far below the 18% we actually spent. This year we’ve budgeted just 6% for restoration, but there’s additional money available in the Winona No. 10 Fund (dollars donated or granted to us specifically for this project).

Why have a budget at all if actual expenses may be different than planned? The answer is the budget is a guide that provides valuable information throughout the year. Russ Olson prepares monthly reports which show how we’re doing year-to-date. If we’re outspending our projected income, we’re able to make corrections. If an opportunity or unforeseen expense crops up, we know if we have the funds to proceed. Using this information, we continue to be a fiscally sound organization. Another big budgeted expense is insurance. Fortunately, by changing companies, we just realized a significant reduction in our 2010 premium (I know, go figure!). This reduction isn’t reflected in the chart.

Publications includes the cost of printing and mailing Twin City Lines and the small number of Currents that aren’t e-mailed. You might recall from the income chart last time that membership dues accounted for about 10% of 2009 income. In dollars, that just about exactly covers the cost of our publications. Ten percent (10%) of our budget is spent on operations, and the major share of that is the cost of electricity for running streetcars. The balance is mostly costs relating to special events, like milk and cookies for PJ Parties. The overhead category doesn’t refer to our wirework; it covers office supplies, general postage costs, telephones, and the

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Hello everyone! Thanks to all of you who made it to our Annual Meeting on March 10th. In order to transact business at the meeting we need at least 10% of our membership to attend. Luckily we had over 40 people so we easily met the requirement. For those who do not attend our Annual Meeting, you might be thinking that it has to be really, really boring. Well, there is a small amount of business to discuss and vote on, but you also get to see some great historical presentations. My slide show on the “State of the Museum” has many historic photos and a little humor too (Some will say “Very little!”), and Joe Metzler gave us a great show about the Chalet Station at Lake Harriet. That station is a key piece of the heritage of our CHSL line. It seems to always be lurking in the background of old photos of the streetcars at Lake Harriet, but did you know that there are many things we don’t know about it? For example, how was it constructed? How long was that canopy over the platform and how was it connected to the station? And what did the station look like inside? Joe is an architect who has “adopted” the Chalet Station and is doing research to answer these questions. Part of his work is done the old fashioned way, just like Russ Olson did when he wrote The Electric Railways of Minnesota, by digging through old records and photos looking for clues. Joe is also using some modern tools. On his computer he has made slides showing how the structure was built and what it looked like. As he uncovers new information, he updates his slides to show new facets of the structure. All of you will be seeing Joe’s work in a future issue of our Museum’s Twin City Lines history magazine, and I know it will give you new appreciation of the work our museum does to uncover and preserve transit history.

This year our annual meeting was held at the Firefighters Hall and Museum in Minneapolis. I’ve been a member of the Extra Alarm Association of the Twin Cities for many years and on previous visits I was impressed by their beautiful meeting room. So, I thought, why not have our Annual Meeting there? Those who came early got a tour of the museum from our host Steve Skaar, and I heard many favorable comments about the exhibits and the meeting room. Steve and I agreed that MSM and FH&M will promote each other, and I suggested that they send one of their vintage fire rigs down to Lake Harriet when we have a special event. The museum is located at 664 22nd Ave NE, between Central and University. They are open Saturdays 9 to 4. Their website is www.firehallmuseum.org and phone number (612) 623-3817. I know you’ll enjoy the museum and it’s great for kids and grandkids too. As an added bonus, you can watch the freights and the Northstar trains rumble by on the BNSF mainline from the parking lot.

Recently your MSM leadership has discussed salvaging parts from Mesaba Railway No. 16, a steel interurban car that was made into a cabin just north of Virginia, MN in 1927. The owners planned to build a new cabin and offered No. 16 to us. A few years ago some of us examined No. 16 and we decided that because a major section of the side of the car had been removed it was not a viable candidate for restoration. Well, the new cabin has been completed and the owners intend to dismantle the car, so they invited us to strip it for parts. It

(Continued on bottom of next page)
Welcome New Member. We’d like to welcome Dan Lapham as our newest member.

Annual Appeal donations continue to be received. We are still receiving donations from our members and friends to our 2009-2010 Annual Appeal fund raising campaign. Many, many thanks to each of you for your generosity.

Here is the list of people who have donated to these projects since the last report rendered in the January-February issue of the Streetcar Currents.

Carbarn Improvements & Sprinkler System
Marv Krafve   Brother James Wegesin

42nd Street Rebuilding Project
Marv Krafve

General Operating Fund
Brian Krysinski  Bill Herzog  Tom Boies
George Ittner    Jim Otto    Jim Willmore
Earl & Bettye Anderson  Tom Fairbairn
Weck Charitable Trust   Jan & Ken Albrecht

Annual meeting Reports. If you missed our annual meeting on March 10th, the minutes of the meeting, along with the reports rendered during the meeting, can be found in our website www.trolleyride.org in the “Organizational Documents” section. There is a wealth of information concerning the governance and operations of our Museum on our website. This information includes: all Board approved policies; our Museum’s by-laws and organization chart; the documents we submitted to gain our non-profit status from the IRS and all our IRS tax returns; all past Board of Directors meeting minutes; the Operating Rules for both demonstration railways; other operational documents such as the sequence of operations and the Foreman’s checklists; many of the forms we use including the volunteer interest form, the hat order form, the name badge order form, etc.; and, in a password protected section our crew rosters and our master member roster. All the information you really need to know is at a click of your computer mouse’s buttons. Check it out sometime.

Two Year Memberships Now Available. We are now offering two-year memberships to our new and current members. If you keep forgetting to write your dues check each year, here’s your chance to make your membership a two-year deal. Joining or renewing your membership for two years also eliminates a lot of work for our Membership Services Director, John DeWitt and saves us money on printing, postage, second notices, etc. So consider joining or renewing for two years.

Merchandise reflects the wholesale cost of the stuff we sell. Merchandise sales accounted for about 11% of last year’s income, so looking at the chart, you might think our margin is only 2%. But because the income pie is bigger, a percentage point of income equals more dollars. Additionally, we often buy merchandise in large quantities, so a T-shirt purchase might provide a two- or three-year inventory. (Inventory, by the way, becomes part of museum assets on our ledger.) Profit on merchandise sales varies by item, but averages well over 50%.

Because they’re not considered part of our Operating Budget, two items don’t show on the chart. We add $5,000 each year to a track maintenance account. Then we put 10% of our income into a general reserve account. And yes, that’s being saved for a rainy day.

So, what’s the solution? One idea I have is to have a proactive volunteer recruiting program targeting groups such as retiree clubs, retiree residences and trade union newsletters. Personal contact in a situation like this is very important. Do you know someone who is looking for something to do, now that they are retired? If you know anyone who might be interested in working on old trolleys, or just to do something worthwhile to keep them busy, please encourage them to check us out. They can come out for a “no obligation” work session on any Tuesday or Saturday morning to check us out and see if they like it. This is critical to our future! Let’s all put on our recruiting hats and keep MSM thriving for generations to come!
Work at CHSL has been focussed on getting our equipment ready for our 2010 season. One thing that was noticed in 2009 was that the interior of TCRT No. 1300 was showing a lot of wear, especially the windows. Thankfully our Saturday crew has a new helper/member: Matt Leibel. We all welcome Matt to our work crew and hope he enjoys learning about our cars. While he has been working on some of the windows, we introduced him to some of the “dirty work” when he was pressed into service helping replace brake shoes on DSR No. 265. While we have just started pre-season maintenance on No. 265, it will be ready for service in May.

We have also received several additional items for our shop and parts inventory this winter thanks to two donations. One was from long-time member Frank Sandberg, through founding member Russ Olson. Back in the early 1950s Frank rescued from the burn pile over 200 drawings from TCRT’s Snelling Shops, ranging from part drawings to drawings from the Light Weight Noiseless Electric Street Car Company, a TCRT subsidiary that built streetcars for the systems in Chicago, Chattanooga, Tennessee and several other cities. While these may seem to be of little value now, they are priceless for many of our parts on all our car as well as documentation for the future. A big thank you to both Russ and Frank.

A second donation of parts came from a museum friend Ted Lebens. Mr. Leben's father-in-law worked in the old Northern Pacific Railroad’s Como-Shops in St. Paul and he created a unique display in his basement that depicted a streetcar scene, complete with much of a streetcar interior. In cleaning out the basement we were contacted about all these parts and received, among other things, two side “peanut” seats, 4 regular seats, a farebox, a trolley pole with harp and wheel, and much of the interior window parts of a car, as well as many books, railroad lanterns and other parts. A big thank you to the Lebens family for these parts.

Dennis Stephens reports in a recent e-mail: We fired up our new Centaur “NC Whisper Baby” gas forge and tried out our complement of tongs and heading and bucking tools. The ideal temperature range for carbon steel rivets is about 2100-2300 °F. We’re a bit short of that now in part related to placement of the rivets in the forge but also because the tools rapidly siphon off heat. We're not quite satisfied with the way the rivet is being upset, but it was a pretty good start. The first image shows the furnace door open. Certain of you, who shall remain anonymous, might benefit from this preview of the afterlife. For purposes of scale, furnace interior width is 8”. You can see the heads of two carbon steel rivets being heated. The photo on the right shows a 3/8” shank rivet partially inserted from the outside of the car. This placement is only for purposes of illustration.

Left. This is a view of the replica TCRT standard car mural in the basement of Ted Lebens’ father-in-law’s home. As described above in John Prestholdt’s shop report, we gained some valuable streetcar parts from this trove of old streetcar artifacts. This photo was taken after some of the seats and other items were already removed. One of the more useful items we received was the complete trolley pole off a TCRT standard car including the trolley harp with the larger than usual TCRT 7-inch trolley wheel. (Dave French photo)
Uniform hats will be ordered. If you would like to purchase one of the “pillbox” style Motorman’s or Conductor’s hats, we will be sending in a bulk order for them in mid-May. Go to our website and print out the uniform hat order form and mail it in with your payment. Make sure you have the correct hat size on the order form. Deadline for hat orders is May 15th.

Year-end Report. If we needed further proof that there is a recession, we got it in the form of lower merchandise sales in 2009. Merchandise revenues for 2009 were $12,777, down 26 percent from $17,205 in 2008. Even though store revenues were down, they still were almost as large as the total revenues from special events. With few exceptions, we sold fewer of every item we stock. Here are some examples:

- T-shirts, down from 173 to 105
- Twin Cities by Trolley down from 76 to 22 copies
- Trackside Around the Twin Cities, down from 25 to 13 copies
- Como-Harriet books, down from 123 to 105 copies
- TCRT rulebooks, down from 50 to 25 copies
- Christmas ornaments, down from 65 to 46
- Chugga Chews candy, down from 144 to 119
- Postcards, down from 784 to 688

Online sales continued to be a small share of total sales, declining from 143 items in 2008 to 126 items in 2009. Interestingly, the top online seller was vintage streetcar tokens, 53 in all.

The two bright spots were hats and posters. Hats rose from 22 to 48. Posters were up from $240 in 2008 to $780 in 2009. Sales of the Como-Harriet poster doubled from 25 to 57 and Change At Excelsior held even at 21. The newly introduced TCRT 1909 system map was the most popular at 78 copies.

Besides store and online sales, Bruce Gustafson continued to sell on eBay and at local train shows, and Aaron Isaacs staffs a table at the Woodbury train flea market each January.

Membership Renewals
Over the next four months close to 50 percent of our members renew their annual memberships. Consequently, this is a busy time for our Membership Services Chief, John DeWitt. To help him with the workload, and to save your Museum some money, please send in your dues and member renewal slip as soon as you get it. We always include a return envelope with the first notice so all you have to do is write your check and put a stamp on the envelope and drop it in the mail. New this year: 2-year renewals! Prompt renewal avoids extra work and extra postage expense to send out the second and final notices. Thanks much!

ESL Update
The overhead wire repair work at ESL will definitely be a priority in 2010. Scott Heiderich and “Electric” Mike Miller surveyed the line in 2009 to determine where the emphasis should be placed. First ground anchors will be placed adjacent to the 20 line poles along ESL. From these anchors, back guys will be attached to the line poles to keep them vertical. To do this work will require several people. Therefore, we need volunteers to help install the ground anchors. Please call Bruce Kobs at 612-207-7209 to volunteer.

ESL is adding two new programs to our operating schedule for 2010. From 6 PM to 8 PM on four Thursdays in July we will stage special events for Girls Night Out activities. On a night yet to be determined, Story Time, in cooperation with Excelsior Bay Books, will be added to our schedule. Riders will purchase tickets at the Excelsior Bay Bookstore and cookies and drinks will be served to the children at our Water Street stop. Riders then will board the car for a ride to the Old Excelsior Blvd. stop. There the author will read the story to the children and adults. The car will then proceed to Water Street where the author will have books available for purchase and autographs.

Hot Riveting! Ken Albrecht, Howie Melco, and Dennis Stephens, with several onlookers, began riveting on Winona No. 10 on Saturday, March 20th. (See photos on previous page.) New steel side sheets have been installed on each side which need to be riveted to the new frame on the car. Rivets were heated in a propane fired forge to 2100+ degrees. The hot rivets were taken by tongs and inserted into the hole in the sheet and into the steel angle. A hand held bucking bar held the rivet in place while the rivet was hit with a pneumatic hammer from inside the car shaping the hot metal into a locking position. Riveting is a learned talent so with 200 rivets to be placed, this process will take several sessions. Upon completion, Howie Melco will be welding the new side sheets to the existing side sheets.
### What’s Happening?

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<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>April</td>
<td>Training and recertification sessions—see article in this issue and schedule</td>
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<tr>
<td>May 1</td>
<td>Start of weekend operations at CHSL</td>
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<tr>
<td>May 6</td>
<td>Start of ESL operating season</td>
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<tr>
<td>May 21</td>
<td>Start of weekday operations at CHSL</td>
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<td>May 30</td>
<td>Classic car rally at CHSL—12:30 PM to 3:30 PM</td>
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<td>May 31</td>
<td>Special Memorial Day Operations at CHSL and ESL</td>
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### Training Update

**Recertification.** It’s that time of year again. Spring is just around the corner, and it’s time to get geared-up for MSM’s 2010 operating season. Our goal this year is to get everyone recertified before the operating season begins. See the flyer sent to you on March 26th for the recertification schedule. If you get information from MSM in the mail the recertification notice is with this issue of the Streetcar Currents.

**New operator Training.** New operator Training this year will include:
- First meeting on Street car with hands-on introduction to the controls;
- Second meeting will be a classroom session;
- Follow-on sessions will involve hands-on practice operating the streetcar; and,
- The final phase of training will involve working on revenue runs as an extra operator.

A Date for the first training session will be set after we see how many new operator trainees are signed up. This year each trainee will be required to pay a $30 training fee at the first training session. If they successfully complete training the fee will then be applied towards their membership dues.

**PCC No. 322 training.** If you are interested in training to operate PCC streetcar No. 322 please let one of the trainers know and we will schedule some No. 322 training sessions.

**Cash Register Refresher.** If you want some training on operating the cash register or just need a refresher on how to operate the register please let one of the trainers know and we will schedule some cash register sessions.

If you have question about recertification or any training please contact:
- **Clyde Hawkins**: Phone 763-544-5963 e-mail: chawkb@yahoo.com
- **Tom Fairbairn**: Phone 612-866-8295 e-mail: tnfairbairn@gmail.com

### Address Changes

Please remember to let us know when you have a change to your address, telephone number or e-mail address. A quick note addressed to the Museum’s business address, ATTN: Membership Services, will do the trick. Or you can send Membership Services Chief **John DeWitt** an e-mail with the change(s) to: jdewitt@comcast.net