

NEVADA COMMISSION FOR
CULTURAL CENTERS AND HISTORIC PRESERVATION (CCCHP)
GRANT APPLICATION FY2019-2020

For SHPO use only
Initials: SJ
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APPLICATION COVER PAGE (This *unaltered* form must be submitted with the application.)

Applicant Organization: Nevada Northern Railway Foundation, Inc.

EIN (Taxpayer Identification Number): 88-0203211

Mailing Address: PO Box 150040

City: Ely County: White Pine ZIP: 89315

Project Contact: Mark S. Bassett

Title: President

Daytime Phone: (775) 289-0103

Evening Phone: (775) 289-0103

Fax: None

Email: president@nnry.com

Project Title: Urgent Building Repair – Transportation Building

Project Address: 1100 Avenue A

City: Ely County: White Pine ZIP: 89301

Project Type: Rehabilitation/Construction Planning/Construction Architectural/Engineering Study/Construction

Historic Property Name: Transportation Building Date Built: 1910

Property Insured: Yes; please enclose one copy of policy No; please explain: _____

Project Synopsis (brief): The grant funds that we are requesting will allow us to finish the rehabilitate of the Station Agents' Office; bring water and sewer to the building; install a HVAC system and finish the remodel of the bathrooms. Once these projects are completed, the Foundation will invest in displays and interpretative materials to tell the story of the copper industry and immigration in White Pine County. Upon completion, the McGill Depot will once again be the center of the community. Our long awaited goal of opening the depot, as a community center and a museum will have been accomplished! This in turn will support the renaissance that beginning to materialize in McGill.

Proposed Start Date: Upon Funding

Proposed End Date: December, 2021

Project Budget Summary:

Amount Requested: \$ 196,200

Proposed Match: Cash \$ 125,000

In-Kind/Donations: \$ 71,893

Total Project Budget: \$ 393,093

Applicant's authorized signature:



Name (please print): Mark S. Bassett


Title: President

Date: February 28, 2020

**I HAVE READ THE 2019-2020 CCCHP APPLICATION
GRANTS MANUAL***

***PLEASE NOTE—IF THIS PAGE IS NOT SIGNED, THE APPLICATION IS CONSIDERED
INCOMPLETE AND CANNOT MOVE FORWARD IN THE FUNDING PROCESS.***

I HAVE READ THE GRANTS MANUAL AND COMPLETED THIS CCCHP APPLICATION FOR
2019-2020 AND CERTIFY THE INFORMATION CONTAINED HEREIN IS TRUE AND CORRECT TO
THE BEST OF MY KNOWLEDGE.

Applicant's authorized signature:


Title: President

Name (*please print*): Mark S. Bassett

Date: February 28, 2020

Part II. Narrative

1. Project Description.

- What building(s) are you restoring/rehabilitating?

The McGill Railroad Depot project will preserve a unique historical structure from a grand era in Nevada's history. Constructed at the town of McGill, Nevada, in 1910, the 30'x97' depot is one-story, concrete block construction with a 6' deep wooden platform around half the building.

The grant funds that we are requesting will allow us to finish the rehabilitation of the Station Agents' Office; bring water and sewer to the building; install a HVAC system and finish the remodel of the bathrooms. Once these projects are completed, the Foundation will invest in displays and interpretative materials to tell the story of the copper industry and immigration in White Pine County. Upon completion, the McGill Depot will once again be the center of the community. Our long awaited goal of opening the depot, as a community center and a museum will have been accomplished! This in turn will support the renaissance that is beginning to materialize in McGill.

- What is the historical significance of the property?

For thousands of people, the depot served as micro Ellis Island. Their arrival at the McGill Depot was the start of their pursuit of the American Dream. The immigrants, who got off the train here, are the story of America and illustrate the history of Nevada. The Depot was core to the community of McGill. It housed the telegraph office, passenger waiting rooms and the freight operations of the railroad. When those function ended, it served as the community credit union. The building is on the Federal Register of Historic Places. Our long term intent is to add it to the railroad's National Historic Landmark nomination.

- How do you propose to restore/rehabilitate it?

Harsh winters, moderate vandalism, and decades of deferred maintenance prior to its transfer to the Foundation led to severe deterioration of the building and roof allowing major interior damage. Disintegration of the southeast corner of the roof had put the depot at serious risk of catastrophic damage.

Previous CCA/CCCHP grants have allowed us to save the structure from collapse; stabilize the structure; repair the roof; repair the exterior and interior walls; repair the deck; replace the electrical system; install an alarm system; install period correct lighting and repair the floors in the Men's and Women's Waiting Rooms. The completion of this phase will allow us to open the McGill Depot to the public with regular hours and displays.

We are following the Secretary of Interior's Guidelines for the restoration of the depot. We are matching the construction techniques that built the building. We are fortunate to have the original 1910 drawings of the building and are following those plans. The successful completion of this project will bring another historic Nevada Northern Railway structure back from being lost.

- Who will be doing the work?

The work will be done by licensed contractors, assisted by staff, volunteers and the honor camp.

- What is the timeline for the project?

For this phase of the project, our intent is to complete this project by December 2021, with a grand opening of the McGill Depot on Memorial Day Weekend 2022.

- Who holds title to the property?

The property is jointly owned by the City of Ely and the Nevada Northern Railway Foundation.

2. Building Use/Community Involvement.

- How and by whom will the facility be used?

The McGill Depot is a one-of-kind historic structure that was central to the history of Nevada Northern Railway and the town of McGill. Our plan is to have the Depot serve as a center for both historical and

Project: McGill Depot Interior Renovation, Phase 4
Sponsor: Nevada Northern Railway Foundation

cultural education as well as a meeting space for the community. The Depot will become a destination for tourists in McGill. This is essential to drawing tourism to the community. The Nevada Northern Railway Foundation's Board of Directors have voted to restore rail service to the depot as part of our Master Plan. The Foundation has been tentatively invited to apply for a major grant to open the railroad to the McGill Depot from Ely.

The exterior and most of the interior rehabilitation of the McGill Railroad Depot is now complete. To continue the project forward the Foundation wants to rehabilitate the interior of the depot. By doing this, the previous investments that have been made by the Foundation and the CCA/CCCHP can then be showcased to the public. The money that has been invested in the depot will begin to benefit the community and provide a "destination" for tourists to the community.

- Who will be responsible for management of the building and its programs/activities?

The Nevada Northern Railway Foundation will be responsible for the management and maintenance of the building.

- How has the community been involved in your project?

This project to preserve the McGill Railroad Depot has been presented and discussed widely in the community to positive response. The concept has also been featured in the local newspaper on several occasions. The McGill Town Council has written letters of support in favor of the project.

Additionally this project has started a renaissance in McGill. A Marie's Café, a small café, has opened and has been featured for its home cooked meals in regional publications and on traveler review sites. Recently the Oddfellow's Hall has been purchased and is undergoing restoration with the plan to open it as an entertainment venue. The McGill Theater recently changed hands. The new owner plans on restoring it too.

- How will the community continue to be involved in your project?

Once the interior is open to the public, we will be dependent on local volunteers to assist the staff in covering the building during operating hours. The Depot will also be available to the community for use as a community meeting space for public events and reunions.

- How will the community continue to be involved in the use of the building?

There is no place in White Pine County that tells the story of the development of the copper industry. The copper industry made possible the use of electricity and the telephone for everyday life. McGill was a major copper production center not only for Nevada but also the United States. Our plan is to use the freight room as a display space to tell the story of copper in White Pine County, Nevada and the United States.

The freight room will also be used as a meeting space for the community and for family reunions. McGill is a tight knit community that has very deep roots. Offering the use of the depot as a venue for family reunions will be very popular.

Once the tracks are open to McGill, the railroad will bring tourists to the community. We will encourage the tourists to explore the community on their layover.

- How are your restoration/rehabilitation plans related to the uses of the building?

The McGill Depot building is the only structure of its kind on the historic Nevada Northern Railway line. The renovated interior will provide suitable display space for interpretive materials depicting the important role that the Nevada Northern Railway played in the history of the town of McGill and northeastern Nevada throughout the 20th century, as well as relevant artwork.

Project: McGill Depot Interior Renovation, Phase 4
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Our plan is to use the waiting rooms and the station agent's office to tell the story of immigration to White Pine County and how vital the railroad was to the development of the region. In the freight room we will tell the story of the copper industry and be available as a community meeting space and family reunion venue.

Our overall goal, is to once again use the depot for its intended purpose as a train station.

- What importance to tourism (cultural or otherwise) will the facility have?

Upon completion, the Depot will become a museum of the railroad to tell the story of the area. Our long term plan will be to have the depot to once again serve as an arrival/departure point for our excursion passengers on the historical Nevada Northern Railway. This will promote and support our programs while bringing tourism revenue to an economically struggling rural community.

Family reunions play an important part of the social fabric in McGill. The Foundation will offer the use of the depot to the community for a nominal fee, so the family reunions can be held at the depot. This is important in that it ties the depot to the community and explains to the current generation what the challenges were like when their ancestors came to McGill.

3. Project Support/Financial.

The Kennecott Copper Corporation donated the Nevada Northern Railway complex to the City of Ely and the Nevada Northern Railway Foundation, Inc. The Foundation manages the complex.

The museum has experienced nineteen years of record growth. The Foundation has successfully generated over \$28,000,000 revenue over the past fifteen years for both restoration and operation of this Nevada treasure. The Foundation is responsible for over 72 buildings and structures, 30 miles of railroad track, its own utility system, roads, and of course 4 steam locomotives, 12 diesel locomotive and over 100 pieces of antique railroad cars.

The museum has a very active volunteer base that generates tens of thousands of hours of free labor per year.

Revenue comes from corporate sponsorship, memberships, excursion trains, grants, individual contributions, as well as a 2% tax on lodging in White Pine County to benefit the Nevada Northern Railway Foundation's programs.

4. Planning.

No request for financial assistance for planning is being made. A development plan was funded by a previous CCA grant.

1. McGill Depot Exterior Photographs



Southeast Corner of the Depot at the beginning of the project.



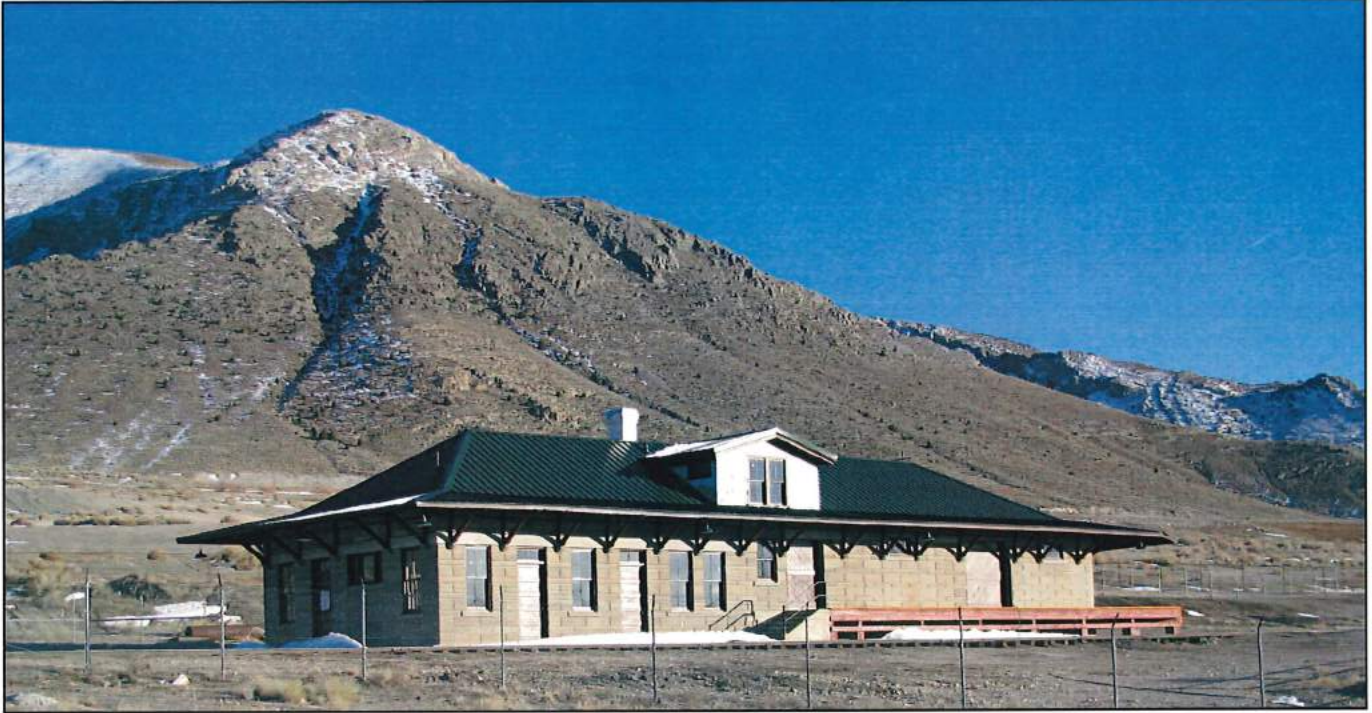
Southeast Corner of the Depot as it is today.

Previous CCA grants have allowed us to stabilize the McGill Depot and save it for future generations. At the last CCCHP grant cycle, funds were awarded to begin inside restoration work.

The building has been saved. The last CCCHP grant made the two waiting rooms safe, for the public to enter the building. But without restrooms and a HVAC system, the building can't be used as a museum or community gathering spot.

Awarding this grant would allow us to open the building to the public as a museum and a community venue.

Project: McGill Depot Interior Renovation, Phase 4
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West Side of Depot overlooking McGill.



McGill Depot - 1913

2. McGill Depot Interior Photographs

Station Agents Office before photo.



Station Agents Office – Today



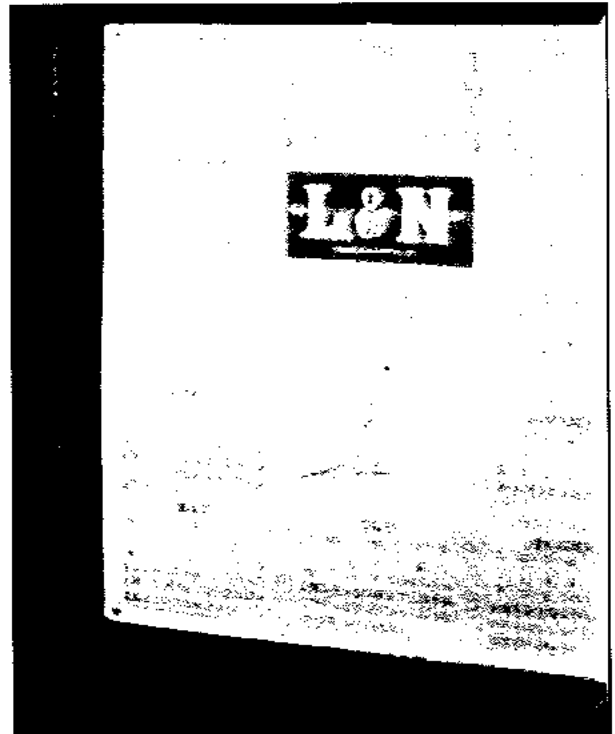
The plaster has been repaired on the walls and ceiling. The wainscoting has been clean, stained and sealed. The period lights have been installed. Awarding this grant would allow us to rehabilitate the floor. Allowing us to finish this room.

Project: McGill Depot Interior Renovation, Phase 4
Sponsor: Nevada Northern Railway Foundation

Station Agents Office - 1913, when the room is done, we will replica this scene using funds from other sources.



Above, Antique Strowger Potbelly Dial Candlestick Phone. High tech for 1913.



1913 L & N Wall Calendar, establishes the date of the photo.



The upper photo on the right shows the women's waiting room entrance today. The floors and walls have been repaired. The doorway goes into the station agent's office. It gives a before and after comparison showing the progress that has been made. Below is an overview of the room.



Project: McGill Depot Interior Renovation, Phase 4
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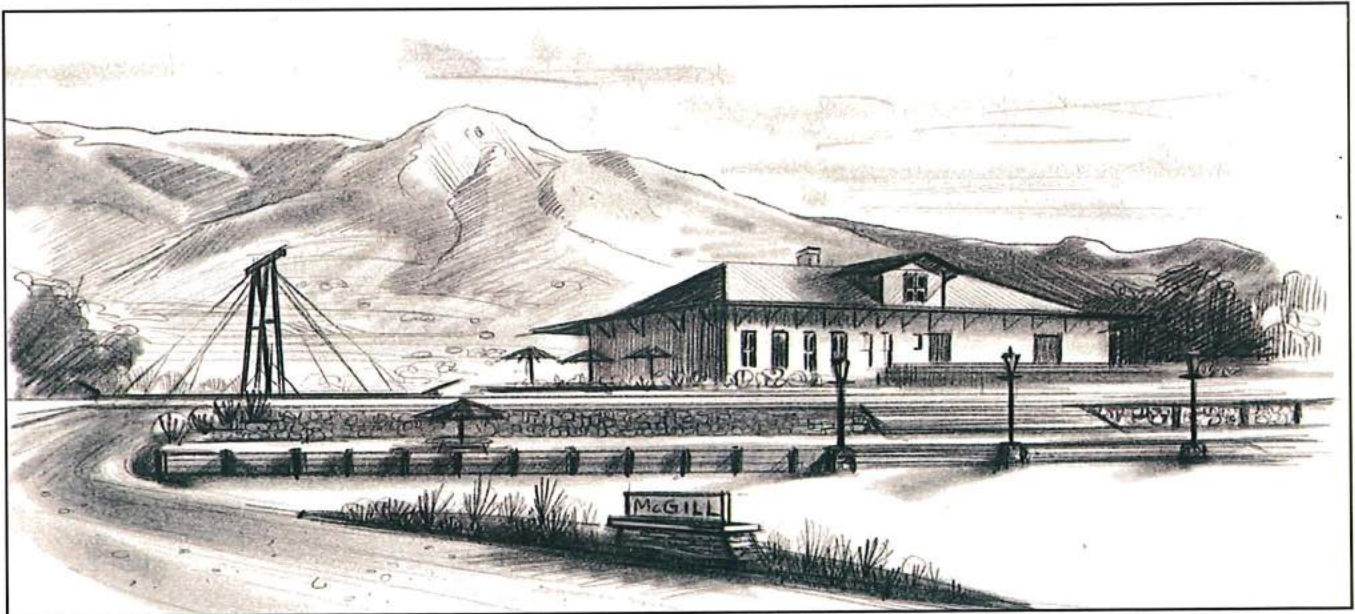
Above the Men's Waiting Room at the beginning of the project, below the Men's Waiting Room today.



Project: McGill Depot Interior Renovation, Phase 4
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This is current condition of the restrooms off of the waiting rooms. Both restrooms would be converted to unisex restrooms with the larger one being made ADA accessible. As you can see they are barebones. To complete the remodel of the restrooms, we will need to do the plaster work, plumbing and of course install the fixtures.



The completion of the restrooms, with the addition of the HVAC system would allow us to open the building to the public as a museum, cultural center, community meeting center and of course as a depot. This is our conceptual drawing of how the complex would look.

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The freight room, our plan is to use this space to tell the story of the copper industry in the White Pine County. And also to make the space available for community events. All it needs is a heavy cleaning.



Historic graffiti from 1920 on one of the interior walls of the freight room. It is possible this person was an employee of the railroad.

The McGill Depot: The granting of the requested funds will allow us to finish the structural work on the depot. We can see the light at the end of the tunnel and it is not an oncoming train! If this project is funded then we can open the McGill Depot to the public as a museum, cultural center, community meeting center and of course as a depot.

Hundreds of thousands of dollars of CCA/CCCHP and Nevada Northern Railway funds have been spent on stabilizing and saving this unique Nevada structure.

The depot towers over the community. We are so close to allowing the public to go into the building. Letting them learn about the impact that the building had not only on McGill's history, but also on Nevada's and our county's history. On that fascinating story we are silent. To alleviate that situation, we will work to open the Station Agent's Office, the Waiting Rooms and the Freight Room to the public.



A recent tour of the McGill Depot

We will use the Station Agents' Office to tell the story of the importance of railroads to the economy of White County, Nevada and the United States. In the freight room we will focus on copper mining in Nevada. In the waiting rooms we will tell the story of immigration. The McGill Depot served as a micro Ellis Island and that is the story we want to tell.

3. Mission Statement

The Nevada Northern Railway Foundation was created in 1984. The museum's mission is four-fold:

1. To preserve and restore to operating condition, the complete collection of the Nevada Northern Railway for the education and enjoyment of present and future generations.
2. To preserve the museum's seventy-two buildings and structures for the permanent protection and display of the locomotives, railroad cars, equipment and paper records.
3. To perpetuate the memory of the "can-do" spirit and vision that built not only Nevada but also the United States.
4. To teach and make available the indispensable heritage industrial arts, mechanical skills and techniques needed to preserve, maintain and operate all components of the railroad.

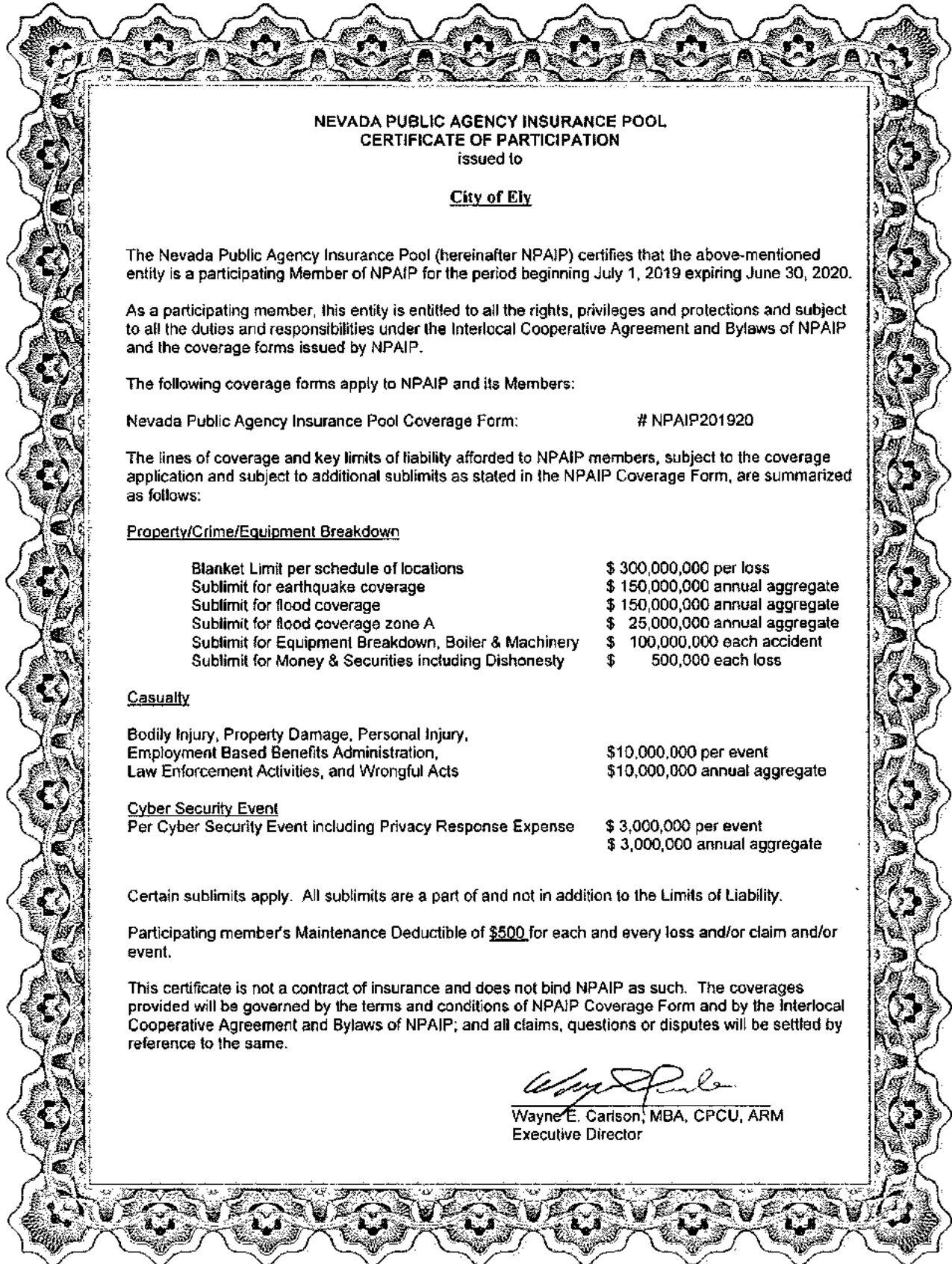
4. CCA & CCCHP Grant Status

- CCA Grant 98-18 Railroad Shed, \$71,845 - Completed
- CCA Grant 00-24 Railroad Shed, \$132,486 - Completed
- CCA Grant 01-21 Coach House Window Replacement – Completed
- CCA Grant 02-30 Enginehouse/Machine Shop Repair, \$92,240 – Completed
- CCA Grant 03-31 Enginehouse/Machine Shop Stabilization, \$200,000 – Completed
- CCA Grant 04-29 Enginehouse/Machine Shop Utility Upgrade, \$100,000 – Completed
- CCA Grant 04-30 McGill Depot Stabilization, \$75,000 – Completed
- CCA Grant 05-24 ADA Restrooms in Boiler Building - \$56,055 - Completed
- CCA Grant 05-25 McGill Depot - \$139,000 – Completed

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- CCA Grant 06-26 Building Remodel \$180,000 - Completed
- CCA Grant 06-27 Heat and Sewer to Enginehouse \$191,000 - Completed
- CCA Grant 07-33 McGill Depot Phase 2 \$125,000 - Completed
- CCA Grant 07-34 East Ely Yards Urgent Building Repairs \$140,000 – Completed
- CCA Grant 08-25 McGill Depot Development Plan \$104,486 - Completed
- CCA Grant 08-26 East Ely Yard Improvements \$136,000 – Completed
- CCA Grant 09-25 Nevada Northern Railway Buildings \$173,000 – Completed
- CCA Grant 09-25 Nevada Northern Railway Buildings \$180,000 – Completed
- CCA Grant 10-02 Imperative Building and Utility Repairs \$180,000 – Completed
- CCA Grant 14-14 Utility Mitigation & Building Stabilization \$100,000 - Completed
- CCA Grant 14-15 McGill Depot Interior Renovation \$50,000 – Completed
- CCCHP Grant 16-10 McGill Depot Interior Renovation Phase 2 \$69,000 – Completed
- CCCHP Grant 16-11 Dangerous Utility Mitigation & Building Stabilization, Phase 2 \$48,000 – Completed
- CCCHP Grant 17-14 Machine Shop Access Rehabilitation - \$86,121 In progress
- CCCHP Grant 17-15 McGill Depot Interior Renovation, Phase 3 - \$48,000 In progress

5. Insurance Policy The City of Ely provides insurance for the railroad.



NEVADA PUBLIC AGENCY INSURANCE POOL
CERTIFICATE OF PARTICIPATION
issued to

City of Ely

The Nevada Public Agency Insurance Pool (hereinafter NPAIP) certifies that the above-mentioned entity is a participating Member of NPAIP for the period beginning July 1, 2019 expiring June 30, 2020.

As a participating member, this entity is entitled to all the rights, privileges and protections and subject to all the duties and responsibilities under the Interlocal Cooperative Agreement and Bylaws of NPAIP and the coverage forms issued by NPAIP.

The following coverage forms apply to NPAIP and its Members:

Nevada Public Agency Insurance Pool Coverage Form: # NPAIP201920

The lines of coverage and key limits of liability afforded to NPAIP members, subject to the coverage application and subject to additional sublimits as stated in the NPAIP Coverage Form, are summarized as follows:

Property/Crime/Equipment Breakdown

Blanket Limit per schedule of locations	\$ 300,000,000 per loss
Sublimit for earthquake coverage	\$ 150,000,000 annual aggregate
Sublimit for flood coverage	\$ 150,000,000 annual aggregate
Sublimit for flood coverage zone A	\$ 25,000,000 annual aggregate
Sublimit for Equipment Breakdown, Boiler & Machinery	\$ 100,000,000 each accident
Sublimit for Money & Securities including Dishonesty	\$ 500,000 each loss

Casualty

Bodily Injury, Property Damage, Personal Injury, Employment Based Benefits Administration, Law Enforcement Activities, and Wrongful Acts	\$10,000,000 per event \$10,000,000 annual aggregate
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Cyber Security Event

Per Cyber Security Event including Privacy Response Expense	\$ 3,000,000 per event \$ 3,000,000 annual aggregate
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Certain sublimits apply. All sublimits are a part of and not in addition to the Limits of Liability.

Participating member's Maintenance Deductible of \$500 for each and every loss and/or claim and/or event.

This certificate is not a contract of insurance and does not bind NPAIP as such. The coverages provided will be governed by the terms and conditions of NPAIP Coverage Form and by the Interlocal Cooperative Agreement and Bylaws of NPAIP; and all claims, questions or disputes will be settled by reference to the same.

Wayne E. Carlson, MBA, CPCU, ARM
Executive Director

6. Current Board Members

- John Gianoli, Chairman
- Carl Marsh, Vice-Chairman
- Roger Bowers, Member
- Caroline McIntosh, Member
- Steve Leith, Member
- Jim Alworth, City of Ely Member
- Michelle Beecher, City of Ely Member

7. Resumes

M A R K S . B A S S E T T

EXPERIENCE

2002-PRESENT	Nevada Northern Railway <i>President</i> Responsible for the operation of railroad and museum. Increase operating season and train operations to over 600 trains. Increased visitation by over 100%. Aggressively worked to upgrade the maintenance of the buildings, equipment and track.	Ely, NV
1995-2004	Spee-Dee Mailing Services, Inc <i>Owner/Publisher</i> Increased sales from \$100 thousand to \$1.25 million. Expanded market area to include all of northeast Nevada. Developed 9 new products and saved the oldest newspaper in Nevada	Elko, NV
1989-1995	Corral West Ranchwear <i>Store Director</i> Doubled store sales to \$2.5 million. Trained and motivated sales associates and support staff. Implemented sales and marketing campaign to increase sales.	Elko, NV
1985-1987	Historic Downtown Laramie <i>Project Manager, National Main Street Project</i> Developed public/private partnership to redevelop the downtown. Attracted \$20 million in redevelopment money. Initiated a comprehensive public relations program that built awareness and increased retail sales in the downtown.	Laramie, WY
1983-1985	Ft Collins Municipal Railway Society <i>President</i> Developed policy for 200 member non-profit organization. Manage and complete a \$1 million track project Supervised construction of track, buildings, and restoration of historic trolley equipment to create an operating trolley museum.	Ft Collins, CO

EDUCATION

1982	University of New York A. S., Business Administration and Computer Science.	Albany, NY
1980	University of Alaska Civil Engineering, Surveying, Math, and Fire Science.	Anchorage, AK

Nathan Robertson

PO Box 151964
Ely, NV 89315
vwnathan@hotmail.com
775.293.0010

- Education** Bachelor of Science, **Construction Management**, Brigham Young University
- Minor, **Business Management**
 - Graduated, **April 2009**, GPA 3.1/4.0
- Experience**
- Project Manager**, White Pine Historical Railroad Foundation, Ely NV, Oct. 2009-Present
- Responsible for expending grant funds in the restoration of historic structures and infrastructure at a 55 acre National Historic Landmark
 - Prepare pre-bid documents, manage bidding processes and prepare contracts
 - Manage project documents and meet regularly with contractor and owner
 - Responsible to update and manage project budget
- Construction Manager**, Day Engineering, Ely NV, Nov. 2009-Present
- Participate in site surveys
 - Manage application processes with state agencies
 - Oversee construction of projects as the owners representative
- Assistant Engineer**, Corp. of the First Presidency, Provo UT, Oct. 2006-Aug. 2009
- Assisted in managing crews for renovation and maintenance closures
 - Monitored building and performed adjustments on all mechanical systems
 - Responsible for the safety of a 130,000 SF building, during assigned shift
 - Participated in reviewing building seismic study
- Project Engineer Intern**, Kinetic Systems Inc., Union City CA, May 2007-Aug. 2007
- Managed documents for a biopharmaceutical project—Wrote and logged RFI's, submittals, and valve lists
 - Participated in project correlation meetings and the bidding process
 - Adjusted AutoCAD drawings for an office remodel for Kinetics
 - Reviewed contracts for a potential projects and made reports to management
- Electrician (student program)**, Robinson NV Mining Co., Ruth NV, May 2006-Aug. 2006
- Maintained lighting systems, motor control centers, and miscellaneous electrical instruments which resulted in more effective working hours for the certified electrical and instrumentation technicians
 - Assisted certified electricians in the wiring of new structures, the maintaining of the electrical delivery systems, and in servicing the copper reduction mill
- Custodian**, B.Y.U., Provo UT, Sept. 2005-April 2006 and Sept. 2006-Nov. 2006
- Performed early morning custodial duties in campus classrooms and faculty offices
- Volunteer Representative**, Pernambuco Brazil, Aug. 2003-July 2005
- Developed skills in public relations, presentation, and customer service
 - Oversaw the work and training of a team of sixteen other volunteers which resulted in the elevated effectiveness of volunteer labor in a geographic area
- Map Data Technician**, Bureau of Land Management, Ely NV, May 2003-Aug. 2003
- Worked with a team to accurately plot existing roads and trails on topo maps
 - Utilized government GPS systems together with \$100,000 of field equipment to gather road data which resulted in the mapping of four watersheds in 3 months
- Skills**
- Construction** – Estimating, Scheduling, Bidding, Take-offs, Safety, Document Reading
Computer – Excel, AutoCAD, Timberline, SureTrack, P3 (Primavera), On-Screen Takeoff
Electronic – GPS systems, GE Flowmeters, SignLab Pro, Mikron Infrared Cameras
Language – Conversational Portuguese (Brazil), written and spoken
- Affiliations**
- White Pine County Library Volunteer
 - Management Board Member of the White Pine Public Museum
 - BYU ASC Mechanical Team 2007, 2008, and 2009
 - Wasatch Vintage Volkswagen
- Awards**
- ASC National Mechanical Competition, 2nd Place, 2007
 - ASC National Mechanical Competition, Outstanding Presenter, 2007 and 2009
 - Recipient of the Reed Arne Scholarship, 2008 and 2009

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Jacques Errecart, AIA

Occupation: Architect

Education: Bachelor of Architecture, University of Oregon, 1987
Architectural Drafting Technician, Phoenix Institute of Technology, 1981
Graduate Studies:
Child Care Design Institute: Harvard University
Graduate School of Design: Tufts University, 1994
Other: Co-Participant, Johnson & Johnson/Head Start Management Fellowship Program at U.C.L.A., 1997

Registration/Licensing: Architect, Nevada, 1991 (#2835)
General Contractor, Nevada, 1993 (#228368999)

Public Service: Head Start of Northeastern Nevada, Board of Directors, 1991-Present
Selective Service System, Board Member by Presidential Appointment, 1994

Experience: 1997-present: Architect in private practice
1991-1997: Architect, Associate at the office of J.D. Long, Elko Nevada
1988-1991: Intern-Architect at above firm

Other Experience:
1999-Present: Private Consultant of Danya International, reviewing federally funded preschool programs
1989-Present: Instructor, Part-time, Great Basin College, Elko, Nevada
Subjects: Drafting Fundamentals, Architectural Drafting, Computer-Aided Drafting & Design

Liz Sheldon
100 6th Street
Ely, NV 89301
(901) 610-6801

Objective

I have a diverse background, allowing for flexibility in a variety of business roles. Adept at managing multiple assignments and meeting tight deadlines in a fast paced environment.

Experience

August 2019 – Current

Nevada Northern Railroad Foundation

Finance Officer

- Payroll – Weekly payroll processing, quarterly and annual payroll tax reporting
- Credit Card Reconciliation – Monthly review, reconciliation and analysis of discrepancies.
- Accounts Payable – Review and Entry of all incoming vendor invoices
- Financial Statement review and audit preparation

February 2017 – July 2019

Icon Building Supplies dba Icon Utility Services

Accountant

- Accounts Payable -General Ledger Coding, verification of delivery/completion of work, approval for payment, process check runs, cash management and projections. Maintain W9's and process year end 1099's.
- Accounts Receivable – Management of billing over 50 construction yards, with strict adherence to detailed contracts and purchase orders. Proposals, master service agreements and verification of scope of work prior to invoice submission.
- Payroll – review and process timecards, prepare monthly labor union certifications, job cost labor with employer burden overhead allocated to each construction project. Prepare journal entries for weekly, bi-weekly payroll from multiple company divisions. Calculation of month end labor accruals.
- Reconcile Balance Sheet accounts and maintain detailed schedules, bank reconciliations, credit card and fuel card use and post to QuickBooks
- Job Cost and review actual versus budget variances.
- Human Resources – oversee onboard of new hires, explanation of benefit programs and training. Maintenance of employee files,
- Month End Financial Statements including supplemental schedules.
- Preparation of year end financial statements for CPA review and audit.
- Workers Compensation audits, company insurance certificates, company vehicle leases and loan documents, land leases renewals and ad-hoc information as requested.

March 2016 through December 2017

Cirrascale Corporation

Accounting Manager

- Responsible for high volume accounts payable with 3way matching
- Accounts receivable involving adherence to contracts
- Bank, credit card and Paypal account reconciliations.
- Payroll and commission computation
- Deferred Revenue and Warranty cost calculations

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- Sales and Use tax returns
- Weekly cash projections and supplier logistics projections. Loan draw schedules.
- Fixed assets schedules
- Monthly financial statements, including all supporting schedules.
- Year end financial statements and 1099's.

January 2011 through November 2015
Silent Knight Farms
Self-Employed Owner

- Multiple financial statements and account reconciliations due to numerous diverse entities.

July 2011 through December 2010
I.B. Fischer Properties
Assistance Controller

- Implementation of ADP Payroll System
- Sales and Use Tax returns
- Financial Statement preparation for multiple locations and roll ups for combined statements.
- Supervision of accounts payable and payroll.

Education

Pacific Coast College – Diploma Accounting
Southwestern College and University of Phoenix – General and Accounting Classes

8. Organizational Long Range Plan

On July 11, 2016, the Foundation was reorganized from the White Pine Historic Railroad Foundation to the Nevada Northern Railway Foundation. This reorganization fundamentally changed the structure of the Foundation.

The Board of Directors was increased from five to seven. Five of the directors are now elected by the members of the Foundation, the remaining two are appointed by the Mayor of the City of Ely. The change also made the Foundation an independent corporation from the City of Ely.

Over the past three years we have been implementing these fundamental changes to the Foundation. We are our long-range strategic plan to include components on preservation, operation, fund raising and interpretation. The Plan is called the Phoenix Dare.

Here is an excerpt from the plan:

To insure that the museum can accomplish its mission, it launched the Phoenix Dare to keep the railroad on track! From mythology, a Phoenix is a long-lived bird that is cyclically regenerated or reborn, a Phoenix typically dies by fire and rises from the ashes. The symbolism of a Phoenix fits a steam railroad to a 'T'.

Steam locomotives go through the same cycle as a Phoenix. A steam locomotive's service cycle is fifteen years. At the end of this cycle, a steam locomotive is removed from service or you could say that it dies. Ironically, a Phoenix and a steam locomotive both die because of fire! Every time we light a fire in a steam locomotive, we consume portion of it. But, just like a Phoenix, a steam locomotive can be regenerated or reborn to begin the cycle all over again!



The Museum's Phoenix Dare is a multi-faceted program designed to address all aspects of this National Historic Landmark:

1. Maintaining, preserving and operating our steam locomotives for the long term.
2. Maintaining, preserving and operating our diesel locomotives for the long term.
3. Maintaining, preserving and operating our extensive collection railroad rolling stock.
4. Maintaining and preserving all of our buildings and structures.
5. Maintaining and upgrading the railroad complex's water, sewer and electrical system.
6. Developing and implementing an Associates of Science Degree Program in the Heritage Industrial Arts.

Why a dare? Because our undertaking is daring! We intend to keep a 19th century railroad operating in the 21st century. If that isn't daring enough, we are 240 miles from the nearest city. We are in a county that is 9,000 square miles, with a population of only 10,000. That's right, about one person per square mile!

And then there is the technological aspect. We are now a throwaway society. Repair something? Maybe, if you could find the person with the tools, parts, skills and knowledge. This is the crucial challenge that the museum is facing - keeping alive the necessary mechanical and industrial skills needed to maintain our century old locomotives, rolling stock and buildings. We need to train the next generation of young men and women the skills needed to maintain the railroad. If we don't train and teach to keep the knowledge and skills alive, well, then, we will eventually wind up with just a bunch of scrap iron. The exciting aspect of developing a training program is that these skills are needed by industries across the country. This crucial challenge is not unique to us, but actually to our society. There is a demand for skilled workers who know and understand the Heritage Industrial Arts.

Is it daring, yes! The first phase of the Phoenix Dare is to bring four locomotives, a tank car and a caboose back to life, back from the ashes. Ambitious, yes! Daring, unquestionably! Necessary? Yes! The successful completion of these projects will help insure the survival of the railroad, the City of Ely and White Pine County.

Annually, almost \$4,000,000 is spent in White Pine County because of the visitors to the railroad. In 30 years that's about \$60,000,000 in tourist dollars. Factor in grants, donations and memberships and the number is closer to \$80,000,000.

It took the railroad 17 years, from 1987 to 2004 to carry 100,000 passengers. In just 8 years, in less than half of that time, the railroad carried another 100,000 passengers. This is a doubling of ridership in less than half of the time of our first 100,000 passengers. The existence of the Nevada Northern Railway is having a major economic impact to not only the City of Ely and White Pine County, but also the State of Nevada.

9. Our Recent Accomplishments

- Now open daily year round.
- Expanded the operating season to year round.
- Continued our comprehensive marketing plan.
- Increased awareness and visitation to approximately 34,000 annually.
- Increased the volunteer base; developed and implemented a volunteer training program.
- Completed the FRA mandated 1,472 day inspection on Locomotive 93 in less than a year.



- Built an Interpretative Structure in the Plaza between the Depot and Transportation Building.
- Featured on a special episode of Modern Marvels, *Hottest Rides*. We were number 2 on the list and it featured our steam locomotive #93. The hottest ride was a Mustang.
- Repaired steam locomotive 40 and returned it to service.
- Kept a 65 and 68 year old diesel locomotives in operation.
- Completed general cleanup of the fifty-six acre rail yard.
- Developed a successful Spend the Night in the Museum using the crew dormitory that was renovated thanks to a previous CCA grant.
- Trained sixty-six volunteers to work as train service crewmembers.
- Did a 10 mile track rehabilitation project; replaced over 5,000 ties and dumped 50,000 tons of ballast.
- Continued our vegetation control program both in the yard and on the track.
- Successfully hosted Railroad Reality Week for adults and teens.

Project: McGill Depot Interior Renovation, Phase 4
Sponsor: Nevada Northern Railway Foundation

- Successfully hosted annually winter photo shoots that attracted people from around the world.



- Successfully hosted a Velocipede and Rail Bike Rally on the railroad.
- Finished the restoration of a 1956 Pontiac Station Wagon to replicate Nevada Northern Railway Hi-Rail Motorcar #18.



Project: McGill Depot Interior Renovation, Phase 4
Sponsor: Nevada Northern Railway Foundation

- Energized outside lights throughout the complex.
- Started a video outreach program called Railway Fun, Facts and Trivia. These are a series of short videos on different aspects of the railroad. There are now twelve episodes.
- Hosted two interns this past summer. One of which spent time making the Blacksmith shop that was saved by a previous CCA grant functional.
- Started the Phoenix Dare Capital Campaign to raise \$2,000,000, in 2 years, to restore 2 of our steam locomotives to operation.
- Following Nevada Northern Railway practice, signed all of the buildings with the building name.
- Purchase a replica pump handcar that was constructed from original plans.
- Flipkey by Trip Advisor released a list of the Top Family Attractions worth traveling for and in Nevada it was the Nevada Northern Railway National Historic Landmark.
- We reupholstered the seats in two coaches.
- Installed two new heating units in two coaches.
- Received a Trip Advisor Certificate of Excellence in 2018, 2017, 2016, 2015 and 2014.
- We were awarded the Best Event in Rural Nevada, our Polar Express.
- For the eleventh year in a row, we were recognized as the Best Place to Take the Kids in Rural Nevada.
- The Nevada Northern Railway was featured in Steve Crise's and Yoko Mazza's show "Portraitures in Steam" at the Showcase Gallery in Santa Anna, California.
- Made repairs to the Team Track and opened it for service.
- Successfully completed a SNPLMA grant that paved our parking lot, installed street lights and paved walking trails to the Enginehouse.
- The Nevada Northern Railway was featured in the New York Times for One of a Type Gifts, the article featured our Be the Engineer program.
- CBS Sunday Morning featured the Dark Skies of the Great Basin and our Star Trains which are a joint production of Great Basin National Park's Dark Rangers and the railroad.
- And Dr. Sheldon L. Cooper of *The Big Bang Theory* was given the Ultimate Rail Fan Experience at the Nevada Northern Railway in Ely Nevada. And I'm pleased to say he correctly pronounced Nevada and Ely.
- Featured on CBS's series "American Wonders," "CBS This Morning" is exploring places that make America wonderful, from majestic natural landscapes to spectacular creations. This week, "CBS Sunday Morning" correspondent Lee Cowan hops on board a historic train bound for the remote Great Basin Desert in northern Nevada. Its passengers aren't there to see sunny landscapes – instead, they're focused on the views after dark. This publicity sold out all eighteen 2020 Star Trains by the end of August 2019.
- KSNV featured the Star Train in a segment called, Ride the 'Star Train' to see brilliant night sky you can't witness anywhere near Las Vegas



Restored Blacksmith Shop, now functional.



Project: McGill Depot Interior Renovation, Phase 4
Sponsor: Nevada Northern Railway Foundation

- Our biggest project to the restoration of Nevada Northern Railway Locomotive 81. The locomotive was delivered to the railroad in April 1917. It operated from then until 1959 when it was given to the community for display. For thirty years it sat outside in the elements, until it was moved back to the railroad in 1990. Recognizing that Locomotive 40 will be going down for a two year overhaul in 2020, the Foundation started a restoration on Locomotive 81. Now past the halfway point, it will be a race to complete Locomotive 81 before Locomotive 40 goes down.



Above Locomotive 81 in the 1907 Machine Shop undergoing restoration. The crew doing the restoration is (top row) John Henry McDonnell, Shop Forman, Nicholas Scheresky, Shop Helper, Lennox Purinton, Mechanic, Ben Lytle, Mechanic, Gary North, Consultant, Henry Stewart, Master Mechanic, Cherish Stevens, Intern, Angela Stevens, Trainmaster, Michael Hughes, Curator of Education.

GRANT APPLICATION FOR 2019-2020
PART III BUDGET FORM

Applicant: Nevada Northern Railway Foundation

1. Personnel:

	Position Title	Hours	Hourly Rate (HR)	✓ if HR includes Fringe Benefits	% of HR that is a fringe benefit	Amount of fringe benefit	Total Amt	State Share	Non-State Share
a.	Mark Bassett	President	70	\$ 62.40	Yes		\$ -	\$ 4,368	\$ 4,368
b.	Nathan	Project Manger	600	\$ 31.20	Yes		\$ -	\$ 18,720	\$ 18,720
c.	Jacques Errecart	Architect	40	\$100.00	NO		\$ -	\$ 4,000	\$ 4,000
d.	Liz Sheldon	Financial Officer	100	\$ 28.74	Yes		\$ -	\$ 2,874	\$ 2,874
e.	Joan Bassett	Curator	603	\$ 30.73	Yes		\$ -	\$ 18,531	\$ 18,531
f.	Con Trumbull	Archivist	1000	\$ 23.40	Yes		\$ -	\$ 23,400	\$ 23,400
g.							\$ -	\$ -	
h.							\$ -	\$ -	
i.							\$ -	\$ -	
j.							\$ -	\$ -	
Sub-total:							\$ 71,894	\$ -	\$ 71,894

2. Travel: (see GSA rates in the application document)

		Rate	Miles/# of days	Total Amount	State Share	Non-State Share
a.	Mileage					
	1. Person #1-			0.00		
	2. Person #2-			0.00		
b.	Per Diem (Breakfast)			0.00		
	Per Diem (Lunch)			0.00		
	Per Diem (Dinner)			0.00		
c.	Transportation costs (parking fees, taxi, etc.)			0.00		
d.	Lodging					
	1. Weeknight (Sun-Th)			0.00		
	2. Weekend (Fri-Sat only)			0.00		
e.	Other:			0.00		
f.	Other:			0.00		
Sub-total:				\$0.00	\$0.00	\$0.00

GRANT APPLICATION FOR 2019-2020
PART III BUDGET FORM

3. Contractual Services: Attach itemized lists or contractor quotes showing the breakdown of materials and labor costs for all proposed work items

	Contractual Service	Total Amount	State Share	Non-State
a.	Office area Floor repairs	\$ 21,000	\$ 21,000	
b.				
c.				
d.				
e.				
f.				
Sub-total:		\$ 21,000	\$ 21,000	\$ -

There are no quotes attached. Because of the uniqueness of the project, our local contractors will only bid time and materials.

4. Operating: List estimated operating expenses relating to the proposed project.

		# of	Rate	Flat Rate	Amount	State Share	Non-State
a.	Photocopying						
b.	Film and Processing						
c.	Maps						
d.	Postage						
e.	Telephone						
f.	Utilities						
g.	Supplies (specify):						
h.	Other (specify):						
i.	Other (specify):						
Sub-total:					\$0.00	\$0.00	\$0.00

5. Other (please specify or attach detailed budget):

		Rate	Amount	State Share	Non-State
a.	Engineering for Utilities		\$ 3,000	\$ 3,000	
b.	Water and sewer utility installation		\$ 32,000	\$ 32,000	
c.	Street repair		\$ 4,000	\$ 4,000	
d.	Engineering for HVAC		\$ 3,700	\$ 3,700	
e.	HVAC System		\$ 35,000	\$ 35,000	
f.	Architectural Design for restrooms		\$ 4,500	\$ 4,500	
g.	Remodel/Finish 3 restrooms		\$ 93,000	\$ 93,000	
h.	Interior Display and Interpretation		\$ 125,000		\$ 125,000
Sub-total:			\$ 300,200	\$ 175,200	\$ 125,000

GRANT APPLICATION FOR 2019-2020
PART III BUDGET FORM

6. Section #1- 5 Subtotals:

		Amounts	State Share	Non-State Share
1.	Personnel	71,893.70	0.00	71,893.70
2.	Travel	0.00	0.00	0.00
3.	Contractual Services	21,000.00	21,000.00	0.00
4.	Operating	0.00	0.00	0.00
5.	Other	300,200.00	175,200.00	125,000.00
	Sub-total:	\$393,093.70	\$196,200.00	\$196,893.70

7.	Requested State Share Total:	Subtotal:	\$196,200.00
8.	Potential Non-State Share:	Subtotal:	\$125,000.00
9.	Actual Non-State Share:	Subtotal:	\$71,893.70
10.	Proposed Project Costs Grand Total:		\$393,093.70

Audit

Enclosed is the 2016 Audit Statement. Since that audit was complete, Foundation has had three different Financial Officers. The 2017 audit will be completed by mid-March, the 2018 Audit will be completed by mid-May and the 2019 will be completed by mid-July.

Once the audits are completed copies can be provided to the CCCHP board.



Keddington & Christensen, LLC
Certified Public Accountants

Gary K. Keddington, CPA
Phyl R. Wamock, CPA
Marcus K. Arbuckle, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Nevada Northern Railway Foundation, Inc.

We have audited the accompanying financial statements of Nevada Northern Railway Foundation, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nevada Northern Railway Foundation, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Keddington & Christensen, LLC

Salt Lake City, Utah
March 13, 2018

NEVADA NORTHERN RAILWAY FOUNDATION

dba NEVADA NORTHERN RAILWAY MUSEUM

FINANCIAL STATEMENTS

Years Ended December 31, 2016 and 2015

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NEVADA NORTHERN RAILWAY FOUNDATION
 dba NEVADA NORTHERN RAILWAY MUSEUM
 STATEMENTS OF FINANCIAL POSITION
 December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash	\$ 53,046	\$ 67,920
Cash, restricted	75,811	141,226
Accounts receivable	-	-
Tax receivable	10,679	10,098
Grants receivable	63,004	24,448
Inventory - gift shop	14,431	15,196
Investment - Great Basin Railroad	8,299	8,299
Construction in progress		
Restricted	782,550	631,744
Unrestricted	54,007	89,438
Property and equipment, net		
Restricted	218,411	218,411
Unrestricted	3,541,474	2,169,718
Collection, net		
Restricted	4,680,107	4,785,812
Unrestricted	508,004	535,354
TOTAL ASSETS	\$ 10,009,823	\$ 8,697,664
LIABILITIES		
Accounts payable	\$ 86,614	\$ 47,812
Accrued compensation and related liabilities	90,704	73,941
Accrued interest	3,670	188
Deferred revenue	152,863	168,418
Notes payable		
Related parties	39,526	51,347
Short-term bank notes	123,604	130,265
TOTAL LIABILITIES	496,981	471,971
NET ASSETS		
Unrestricted	3,831,774	2,525,511
Temporarily restricted	-	64,215
Permanently restricted	5,681,068	5,635,967
	9,512,842	8,225,693
TOTAL LIABILITIES AND NET ASSETS	\$ 10,009,823	\$ 8,697,664

See accompanying notes

NEVADA NORTHERN RAILWAY FOUNDATION
dba NEVADA NORTHERN RAILWAY MUSEUM
STATEMENTS OF ACTIVITIES
For the Years Ending December 31, 2016 and 2015

	2016	2015
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS		
PERMANENTLY RESTRICTED NET ASSETS, BEGINNING	\$ 5,635,967	\$ 5,579,056
Transfers (to)/from unrestricted net assets	45,101	56,911
PERMANENTLY RESTRICTED NET ASSETS, END	\$ 5,681,068	\$ 5,635,967
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
TEMPORARILY RESTRICTED NET ASSETS, BEGINNING	\$ 64,215	\$ -
CONTRIBUTIONS	-	64,215
Transfers (to)/from unrestricted net assets	(64,215)	-
TEMPORARILY RESTRICTED NET ASSETS, END	\$ -	\$ 64,215
CHANGES IN UNRESTRICTED NET ASSETS		
Public support and revenue		
Public support		
Contributions	\$ 361,996	\$ 240,973
Grants	1,534,039	281,704
Room tax	216,340	212,261
In-kind contributions	108,894	103,834
Revenue		
Museum and train tour	528,397	427,832
Concession and gift shop sales	83,954	97,222
Interest income	20	7
Tax credits	69,995	66,495
Other income	3,453	13,812
Total unrestricted public support and revenues	2,907,088	1,444,140
Expenses		
Program services		
Nevada Northern Railway Museum	1,292,806	1,159,858
General and administrative	299,438	237,444
Fundraising	27,695	45,097
Total expenses	1,619,939	1,442,399
CHANGES IN UNRESTRICTED NET ASSETS	1,287,149	1,741
UNRESTRICTED NET ASSETS, BEGINNING	2,525,511	2,580,681
Transfers (to)/from temporarily restricted net assets	64,215	-
Transfers (to)/from permanently restricted net assets	(45,101)	(56,911)
UNRESTRICTED NET ASSETS, END	\$ 3,831,774	\$ 2,525,511

See accompanying notes

NEVADA NORTHERN RAILWAY FOUNDATION
 dba NEVADA NORTHERN RAILWAY MUSEUM
 STATEMENTS OF FUNCTIONAL EXPENSES
 For the Year Ending December 31, 2016

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 326,892	\$ 123,844	\$ 5,330	\$ 456,066
Payroll taxes	28,811	10,923	428	40,162
Employee benefits	50,286	14,576	627	65,489
Total employee costs	<u>405,989</u>	<u>149,343</u>	<u>6,385</u>	<u>561,717</u>
Advertising	197,460	-	-	197,460
Bank and Ticket charges	24,660	3,807	3,325	31,792
Contract labor	4,080	-	-	4,080
Fuel	46,729	-	-	46,729
Interest	-	6,922	-	6,922
Legal and accounting	-	70,633	-	70,633
Other expenses	1,649	3,954	-	5,603
Postage and shipping	12,011	748	5,748	18,507
Printing	9,741	-	-	9,741
Rent	13,770	5,905	-	19,675
Repairs and maintenance				
Roadbed	8,562	-	-	8,562
Buildings	16,478	-	-	16,478
Signals	17,124	-	-	17,124
Rolling stock	12,539	-	-	12,539
Other	27,428	1,025	-	28,453
Specialty train events	52,761	-	-	52,761
Supplies	19,447	8,018	6,097	33,562
Supplies - cost of sales	-	44,160	-	44,160
Taxes and licenses	782	1,417	-	2,199
Telephone	7,020	780	-	7,800
Train crew	1,780	-	6,140	7,920
Training	-	-	-	-
Travel	3,815	-	-	3,815
Utilities	34,459	2,726	-	37,185
In-kind	108,894	-	-	108,894
	<u>1,027,178</u>	<u>299,438</u>	<u>27,695</u>	<u>1,354,311</u>
Depreciation	<u>265,628</u>	<u>-</u>	<u>-</u>	<u>265,628</u>
Total expenses	<u>\$ 1,292,806</u>	<u>\$ 299,438</u>	<u>\$ 27,695</u>	<u>\$ 1,619,939</u>

See accompanying notes

NEVADA NORTHERN RAILWAY FOUNDATION
dba NEVADA NORTHERN RAILWAY MUSEUM
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ending December 31, 2015

	Program Services	General and Administrative	Fundraising	Total
Salaries and wages	\$ 300,447	\$ 103,292	\$ 8,154	\$ 411,893
Payroll taxes	26,994	9,280	732	37,006
Employee benefits	47,587	16,360	1,290	65,237
Total employee costs	<u>375,028</u>	<u>128,932</u>	<u>10,176</u>	<u>514,136</u>
Advertising	101,915	-	-	101,915
Bank charges	27,731	2,000	1,500	31,231
Contract labor	13,033	-	-	13,033
Fuel	61,933	-	-	61,933
Interest	-	9,375	-	9,375
Legal and accounting	-	26,621	-	26,621
Other expenses	5,351	930	-	6,281
Postage and shipping	4,395	942	942	6,279
Printing	2,374	-	-	2,374
Rent	9,744	3,900	-	13,644
Repairs and maintenance:				
Roadbed	19,134	-	-	19,134
Buildings	8,819	-	-	8,819
Signals	13,543	-	-	13,543
Rolling stock	41,645	-	-	41,645
Other	8,475	262	-	8,737
Specialty train events	43,896	-	-	43,896
Supplies	14,656	10,339	29,471	54,466
Supplies - cost of sales	-	49,991	-	49,991
Taxes and licenses	-	792	556	1,348
Telephone	7,304	812	-	8,116
Train crew	-	-	2,452	2,452
Training	1,614	-	-	1,614
Travel	5,995	-	-	5,995
Utilities	30,192	2,548	-	32,740
In-kind	103,834	-	-	103,834
	<u>900,611</u>	<u>237,444</u>	<u>45,097</u>	<u>1,183,152</u>
Depreciation	259,247	-	-	259,247
Total expenses	<u>\$ 1,159,858</u>	<u>\$ 237,444</u>	<u>\$ 45,097</u>	<u>\$ 1,442,399</u>

See accompanying notes

NEVADA NORTHERN RAILWAY FOUNDATION
dba NEVADA NORTHERN RAILWAY MUSEUM
STATEMENTS OF CASH FLOWS
For the Years Ending December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from public support	\$ 595,408	\$ 799,132
Received from revenue	670,883	647,642
Paid to suppliers	(542,739)	(535,385)
Paid to employees	(439,303)	(399,488)
Paid for employee benefits	(105,651)	(102,243)
Interest paid	(3,440)	(12,792)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>175,158</u>	<u>396,866</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(236,965)	(282,155)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(236,965)</u>	<u>(282,155)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of short-term debt	(6,661)	(57,569)
Repayment of long-term debt	(11,821)	(11,584)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>(18,482)</u>	<u>(69,153)</u>
NET INCREASE (DECREASE) IN CASH	(80,289)	45,558
CASH, BEGINNING OF YEAR	<u>209,146</u>	<u>163,588</u>
CASH, END OF YEAR	<u>\$ 128,857</u>	<u>\$ 209,146</u>
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Contribution of capital assets from City of Ely - Federal Grant	<u>\$ 1,382,739</u>	<u>\$ -</u>

See accompanying notes

NEVADA NORTHERN RAILWAY FOUNDATION
dba NEVADA NORTHERN RAILWAY MUSEUM
STATEMENTS OF CASH FLOWS - CONTINUED
For the Years Ending December 31, 2016 and 2015

	2016	2015
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Change in net assets	\$ 1,287,149	\$ 77,263
Depreciation	265,628	259,247
Non-cash contribution of fixed assets	(1,382,739)	-
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in assets		
Grants receivable	(38,556)	(10,043)
Accounts receivable	-	-
Taxes receivable	(581)	18,434
Inventory - concession	765	8,458
Deposits	-	5,000
Increase (decrease) in liabilities		
Accounts payables	38,802	(4,342)
Accrued interest payable	3,482	(3,417)
Accrued liabilities	16,763	12,405
Deferred revenue	(15,555)	33,861
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 175,158	\$ 396,866

See accompanying notes

NEVADA NORTHERN RAILWAY FOUNDATION
dba NEVADA NORTHERN RAILWAY MUSEUM
NOTES TO FINANCIAL STATEMENTS
December 31, 2016 and 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Nevada Northern Railway Foundation, Inc. (the "Foundation"), a component unit of the City of Ely, Nevada, was established in 1983, as a nonprofit organization to receive, administer and develop an operating tourist railroad museum. The Foundation operates as the Nevada Northern Railway Museum (the "Museum"). The Foundation is dedicated to the perseveration of the historical character of the Nevada Northern Railway facilities and railroad equipment.

The City and the Foundation agreed to a reorganization of the Foundations governing board in an attempt to provide more independence to the Foundation. The reorganization has created a new Board of Directors consisting of two members, who are City Council members, and five members who are to be elected by the membership of the Foundation.

The Foundation's Board took actions to change the name of the Foundation to the Nevada Northern Railway Foundation to eliminate confusion between the name of the Foundation and the Museum. It previously operated as the White Pine Historical Railroad Foundation.

The Foundation's primary sources of revenue and support are train ticket sales, donor contributions, grants and room tax receipts.

Financial Statement Presentation

Accounting standards requires financial statements to present balances and transactions according to the existence or absence of donor imposed restrictions. This has been accomplished by classifying net transactions into three classes described below:

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met either by action of the Foundation and/or passage of time. When a restriction does expire, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Unrestricted Net Assets - Net assets not subject to donor-imposed stipulations.

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Accounting for Contributions Received and Contributions Made

The accounting codification establishes accounting standards for contributions received. In general, contributions received, including unconditional promises to give, are recognized as revenue in the period received at their fair values. It sets standards for the recognition of contributed services to situations where the services received (a) create or enhance nonfinancial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Inventory

Purchased inventories are recorded at the lower of cost or market, with cost being determined by the last purchase method. Donated inventories are recorded at fair-market value, as of the date the gift was received.

Income Taxes

The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax is reflected in the accompanying financial statements.

The Foundation has been determined, by the Internal Revenue Service, not to be a "private foundation", within the meaning of Section 509 (a) of the Internal Revenue Code.

Advertising

The Foundation expenses advertising costs as incurred.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires the use of estimates based on management's knowledge and experience. Due to their prospective nature, actual results could differ from those estimates.

Cash

Cash, as used in the statement of cash flows, includes all unrestricted and restricted amounts on hand, demand deposits and certificates of deposits. Restricted cash represents grant funds received but not yet spent at the end of the year.

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The Foundation reports gifts of cash and other assets as restricted support, if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires; that is, when a stipulated time restriction ends, or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period, are reported as unrestricted support.

Grant Revenue

Grant revenue is treated as an exchange transaction and not as a contribution.

Accrued Leave

Employees accumulate vacation hours during the course of their employment with the Foundation and are paid, in full, for any unused vacation time upon termination of employment.

Sick leave is earned and available for use by employees. Upon termination of employment, no compensation is received for unused sick leave.

NOTE 2 - PROPERTY AND EQUIPMENT

The Organization currently capitalizes property and equipment over \$5,000. Lesser amounts are expensed. Property and equipment are recorded at cost, if purchased, or at the fair market value on the date received as a gift. Property and equipment are not considered a part of the Foundation's collection. Depreciation of capital assets is provided on the straight-line methods over the estimated useful lives of the assets, which range from 5 to 60 years. At December 31, 2016 and 2015, capital assets consisted of the following:

	2016	2015
Restricted assets		
Land	\$ 148,411	\$ 148,411
Equipment	70,000	70,000
Unrestricted		
Building improvements	776,246	714,549
Rolling stock	336,279	310,614
Machinery, equipment and vehicles	77,966	77,966
Furniture, fixtures and office equipment	10,745	10,745
Track and track improvements	3,046,702	1,663,963
Construction in progress / equipment not in service	54,007	89,438
	4,520,356	3,085,686
Accumulated depreciation	(706,464)	(608,119)
	\$ 3,813,892	\$ 2,477,567

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NOTE 3 - COLLECTION

The Foundation operates the Nevada Northern Railway Museum. The Museum and the majority of its equipment and facilities were a gift from the Kennecott Corporation to the City of Ely and the Foundation.

The collection consists of over 32 miles of trackage, the general office building, freight warehouse, dispatcher's office and the complete East Ely complex of machine shops, roundhouse, yards and rolling stock, which includes Steam Engines #40 and #93, various diesel electric locomotives, numerous rail cars and a train of antique passenger cars.

The capitalization of the collection occurred on January 1, 2003. The collection is valued at its estimated value on the date of donation, for land and buildings and at its appraised value for the rolling stock, on the date of donation. Collection items purchased, since the time of the original donation, are valued at cost. Assets that have been substantially rehabilitated are valued at cost or estimated cost, plus rehabilitation expense, if the rehabilitation substantially improves the asset. The collection is being depreciated over its estimated useful lives of 15 to 60 years.

Purchased items that are original to the Nevada Northern Railway are treated as part of the collection. Operating assets that were never a part of the original railroad are not considered part of the collection.

	<u>2016</u>	<u>2015</u>
Restricted assets		
Land and trackage	\$ 394,967	\$ 394,967
Buildings and improvements	6,813,157	6,806,357
Rolling stock	948,430	921,002
Construction in progress	782,550	631,744
Unrestricted		
Rolling stock	818,163	818,163
	<u>9,757,267</u>	<u>9,572,233</u>
Accumulated depreciation	<u>(3,786,606)</u>	<u>(3,619,323)</u>
	<u>\$ 5,970,661</u>	<u>\$ 5,952,910</u>

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NOTE 4 - PERMANENTLY RESTRICTED ASSETS

The Foundation received the gift of the Nevada Northern Railway from the Kennecott Corporation. The gift deeds, from Kennecott Corporation and its various subsidiaries, include reversionary clauses, such that should the Foundation and the City not use the gift for operation of a Museum, the gift must be returned to the donor. The Foundation receives grants and other income to maintain and improve the donated assets. Improvements added to permanently restricted assets are treated as permanently restricted if the improvements cannot be separated from the underlying asset. Due to the nature of the underlying assets, many of the permanently restricted assets are being depreciated.

The Foundation received the gift of two locomotives, from the United States Army, in August, 2000. The gift deed from the United States Government retains a lien-hold interest in the locomotives in perpetuity and they may only be used in a static exhibit and may not be painted. The gift is not original to the site; therefore, the locomotives have not been added to the Foundation's collection. In their current usage, they are not being depreciated, as they are not expected to sustain material degradation in value. They have been capitalized and are considered a part of the restricted equipment. They are valued at their estimated fair value on the date of the gift, less the estimated cost of required maintenance to be placed into service. The Foundation is attempting to have the gift deed modified to be useful to the Foundation. When this is accomplished and the locomotives are placed in service, they will be depreciated.

The donation documents require the Foundation to remove and properly dispose of hazardous materials (i.e. asbestos) in the locomotives within 60 days of donation. As of December 31, 2016, this has not been accomplished.

NOTE 5 - NOTES PAYABLE

The notes payable at December 31, 2016, and 2015, are as follows:

Related Parties

This is an unsecured note payable to Mark and Joan Bassett, with payment of \$799.26 for the first six months of each year and payments of \$1,332.09 for the second six months of each year until paid off. The note carries an interest rate of 1.95%. Mr. Bassett is the Executive Director of the Foundation.

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Short-term notes payable

Note payable to the First National Bank of Ely, due January 1, 2016 at 3.5%. The note is renewed annually at the discretion of the Bank. This note is secured by CCA Grants from the State of Nevada.	\$ 38,604
Note payable to First National Bank of Ely, due December 31, 2016 at 3.5%. The note is renewed annually at the discretion of the Bank. This note is secured by the personal assets of Mr. and Mrs. Bassett, the Executive Director of the Foundation.	<u>85,000</u>
Total short-term notes payable	<u>\$ 123,604</u>

NOTE 6 -INCOME TAXES

The Organization has tax years open and available for audit by taxing authorities of 2016, 2015, 2014, and 2013 for Federal income and payroll taxes, with the additional of tax years 2012, 2011, 2010, and 2009 available for sales and use-tax reviews. There are currently no tax years under review by any taxing authorities.

NOTE 7 - RELATED PARTY TRANSACTIONS

The City of Ely, as Trustees of the Foundation, provides certain services to the Foundation at no cost. These include the provision of general liability insurance, services of the City Attorney and provision of the financial statement audit. The value of these services have not been estimated and included in the financial statements of the Foundation.

The Foundation has a note payable to Mark and Joan Bassett and Mr. and Mrs. Bassett have personally guaranteed a note payable for the Foundation. Mark Bassett is the President of the Foundation and Joan Bassett is an employee of the Foundation.

The Foundation has short-term notes payable to the First National Bank of Ely, the Chairman of the Foundation's Board is the President of the bank.

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NOTE 8 - RISK MANAGEMENT

The Foundation, as are all entities, is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries of employees; and natural disasters.

The Foundation receives its insurance through the City of Ely, Nevada, which has joined together with similar public agencies (cities, counties, and specific districts) throughout the State of Nevada to create an insurance pool under the Nevada Interlocal Cooperation Act. The Nevada Public Agency Insurance Pool (NPAIP) is a public entity risk pool currently operating as a common risk management and insurance program for its members, under the Nevada Interlocal Corporation Act.

The City pays an annual premium and the Foundation pays specific deductibles, as necessary, to NPAIP for the Foundation's general insurance coverage. NPAIP is considered a self-sustaining risk pool that provides coverage for its members up to \$300,000 per insured event. NPAIP obtains independent coverage for the insured events in excess of this, \$300,000 limit.

Many of the Foundation's collection items are not insured against loss.

NOTE 9 - CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Foundation to significant concentrations of credit risk, consist principally of cash. The Foundation deposits in various financial institutions. At times, these deposits may be in excess of FDIC insurance limits.

NOTE 10 - SHARED ASSETS

On February 27, 2006, the City and the Foundation purchased the remaining short-line track right-of-way. The rail line, purchased from the City of Los Angeles, is recorded on the books of the City of Ely, in the Ely Railroad Enterprise Fund, as day to day control of this portion of the rail line rests with the City of Ely. The City of Ely and the Foundation remain the joint owners of the track right-of-way.

Most of the assets of the Foundation were jointly deeded to the Foundation and the City of Ely. The operational assets under the direct control of the Foundation are recorded in these financial statements although the City of Ely and the Foundation remain the joint owners of the assets.

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NOTE 11 - ASSIGNMENT OF TRACK MILES FOR
PURPOSES OF THE
CREDIT UNDER SECTION 45G

The Foundation has assigned its Internal Revenue Code Section 45G credits for track repairs to another railroad receiving a payment representing a portion of the value of the credits.

NOTE 12- SUBSEQUENT EVENT

Subsequent events have been evaluated by Management for potential recognition or disclosure through the date of this report.