

APN Expansion

Initial thoughts on expansion of the building, site improvements, and layout growth

November 15th, 2008

APN 2008

- Our club members follow one or more interests:
 - Builders who do most of the construction
 - Operators who are enthusiastic about operation
 - Hobbyists who just want to run trains, socialize, and enjoy the hobby
- At the end of 2008 we will hit a milestone, where we pay off our stakes from the building in 2000
- We have one more assessment in 2009 which is dedicated to layout finishing expenses, \$210
- We are ahead of building and layout expenses due to the generosity of many members who donated their stakes and supplied materials for the layout we would have had to purchase

The Future of APN

- As the “real estate” for towns and scenicking proceeds on the existing layout, the Members need now to decide how best to evolve as a Club.
- What will engage the interest and energy of the Members over the next five years that will allow them to continue to enjoy their time and money spent there?
- How will the Club attract new members?
- Can we afford to operate a larger facility?
- How will we pay for the expansion?
- How will expansion be different than what we are already doing?

Proposed Club Vision:

- We will evolve to **Operational and Modeling Excellence** with the existing layout:
 - We will become APN **excellent** in operations
 - The existing layout will be upgraded to a “**museum**” quality layout with better quality scenery, rolling stock, structures, and detail.
- We will **protect** our existing investment by maintaining the building, improving infrastructure and security
- We will plan for a future **expansion** of the building which will include more facilities and bigger layout
- We will **perform the process in a manner we control financial expectations of the members, promote unity, and have fun.**

Road Map to Expansion

- At APN we get things done by committees of volunteers:
- **Electrical**-responsible for the electrical improvements of the railroad
- **Scenery**-responsible to create the look and feel of the existing layout
- **Operations**-plans and runs operation sessions
- **Infrastructure**-handles our facility improvements such as driveways and lighting
- Today we will today appoint an **Expansion Planning Committee**

Expansion Planning Committee

- We expect them to meet 4X per year minimum
- We expect to approximately double the building and expand the layout by 2013
- The parts of this expansion will be organized by the committee:
 - Site Preparation-driveway, drainage, trees, soil preparation
 - Slab and Building shell
 - Build-out the inside, provide mechanical, electrical, plumbing, ceilings, interior walls and rooms, and connection.
 - Layout planning
 - We request volunteers to plan and execute these subtasks

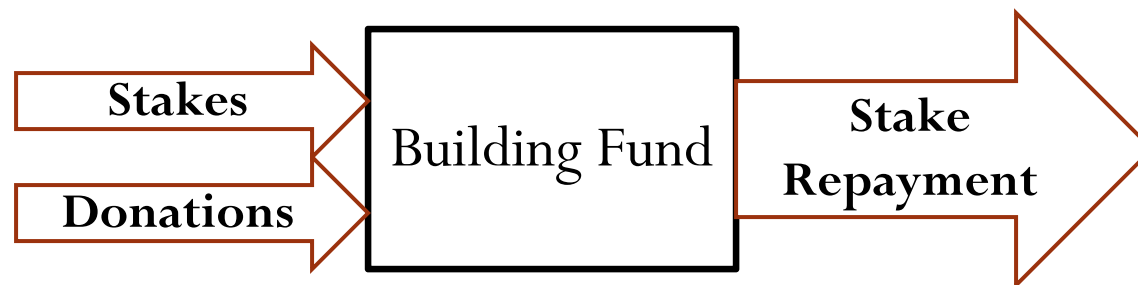
Initial Timetable

- Estimate for Site preparation expenditures, end of Q1 2009
- Building Shell estimate, end of Q1 2009
- Appoint Layout planning committee, end of Q1 2009
- Create financing mechanism and inform members of proposed site preparation plans and financing, end of Q2 2009
- First round presentation of layout plan, end of Q2 2009
- Site preparation work complete, end of Q4 2009
- Create financing mechanism and inform members of proposed building plans, layout plans and financing, end of Q4 2009
- Building shell built 6/30/2010
- Inside Build out 12/31/2010
- Layout Expansion 2011-2013
- Operating the new layout like the current one Q4 2013



How much and how will we pay for this?

- We estimate \$50K for the building and \$20K for the layout.
- The site prep, building, and build-out will be financed by a building fund
- It would be funded by stakes and donations



- The layout would be financed by a mandatory assessment plan
- The committee and the Board will develop details

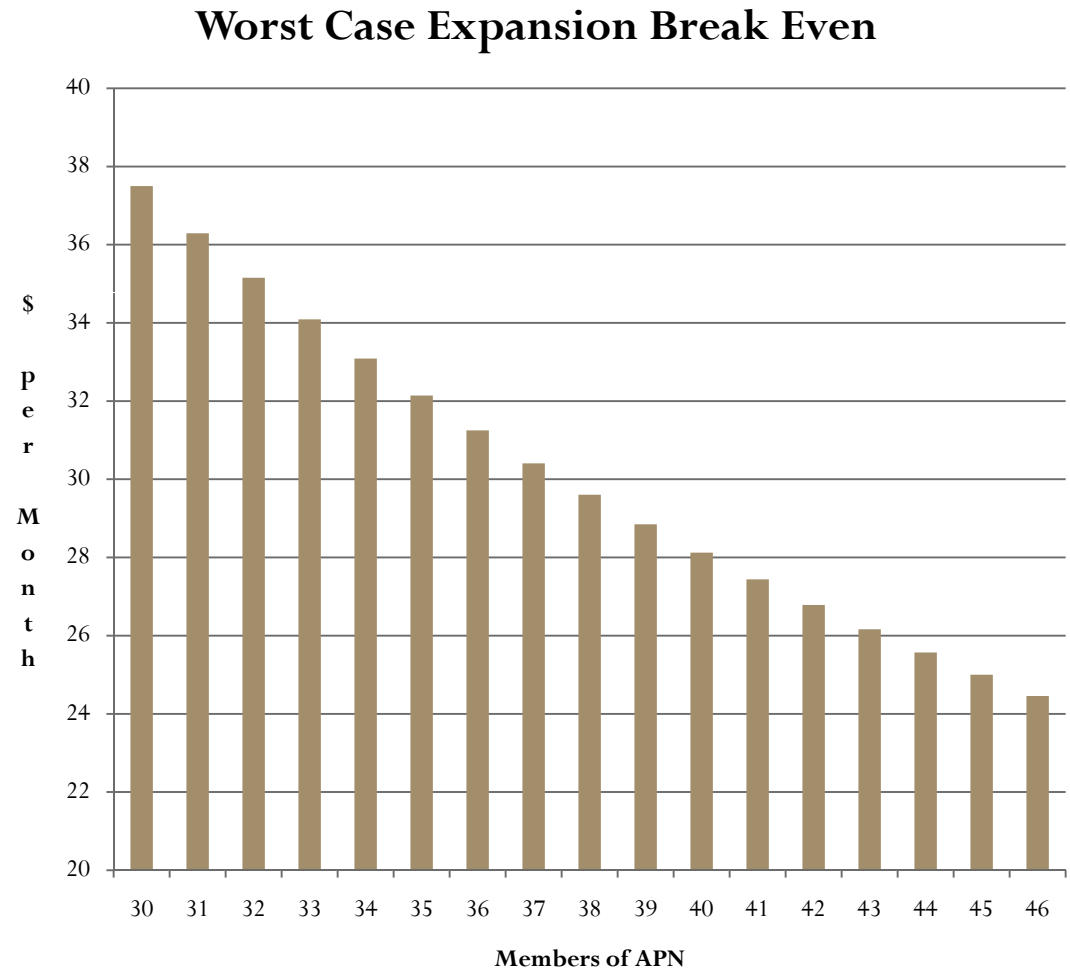
Membership Committee

- We will also seek members to work on a membership promotion committee. We seek more members because there is natural attrition in membership and to get to a higher number to share operating costs
- A larger building means our costs will increase

Expense	2008	Expansion
Heating/Air Conditioning Bill	2550	5100
General Layout Expenses	150	200
Building Maint.	800	1000
Member Expenses	415	450
Repayment of Stakeholder	2500	2500
Insurance	1400	2200
Property Taxes	1200	2000
Admin : Bank Charges & Misc.	25	50
TOTAL EXPENSES	\$9,040.00	\$13,500.00
No. Members to Break Even	30	45

More Member or Higher Dues

- If we do not get more members and incur more operating costs, our dues will go up.
- Even if this happens APN will be affordable for its members



It may take longer or it may be shorter..but it will happen!

- We will have a great club
- We will have a great layout
- We will control our finances and ensure we have a club 20 years from now
- We will have fun!



Great projects happen one piece at a time

Q and A?