

BR&CF

HIGHBALL

Brotherhood's
Relief &
Compensation
Fund

SPRING
2011



A message from your president

This year is off to a great start. Yes, the monthly dues rate reduction is a reality. A decrease in the monthly rate means you keep more of your hard-earned income. The decrease is evidence of our ongoing commitment to keep the dues affordable while maintaining a high level of membership benefits and excellent service. A BR&CF membership provides the least expensive protection in the industry.

Members are responding positively to the revised format of Article XII, Sec. 4, of the Constitution. A clearer understanding of member rights is an advantage for all members. If you have not already done so, please complete the acknowledgement of receipt found on the inside front cover of the Constitution and drop it in the mail to us for inclusion in your membership file.

At the January meeting of the Board of Directors, our independent auditors reported that, everything is in order and our already strong internal controls are enhanced with the implementation of an improved document management system.

The Board considered the performance of the investment portfolio, discussed recent financial trends, and confirmed that the diversified, conservative investment strategy is proving successful. In addition, the major expenditures for the fiscal quarter, income statements and other reports including the 2010 IRS tax return were topics discussed.

The Board evaluated the impact of current discipline programs on members employed by major railroads, discussed membership development activity and the increase in new member applications. It was noteworthy to see the number of

applications for increased levels of participation in the Fund coming from existing members who reinvested their monthly dues savings into higher levels of participation. Another significant and separate factor in new membership applications arose from the abrupt collapse of an insurance company that provided similar services to railroaders. The BR&CF is solid and financially healthy and thus, provided a safe haven for many of those railroaders who were suddenly without protection.

Our web site will have more features added in 2011. I expect improved navigation and expanded services. One service now available pertains to dues information that a member or their tax preparer may need for tax reporting. This is important to members who received membership benefits that exceed \$600.

In March, the US Postal Service will deliver your notice of annual meeting, annual financial report and proxy. A quorum must be present either in person or by proxy to conduct business at the meeting. You control the future direction of this Fund with the exercise of your proxy. If you are unable to attend the meeting yourself, I ask you to complete the proxy by selecting one person whom you know will actually be in attendance at the annual meeting, sign, date, and mail the proxy. It is that easy. Please send it back promptly. Don't set it aside. Exercising your vote and voice in the affairs of the organization is important.

J.M. Robb, International President

Proxies to be mailed to all active members in preparation for the April 23, 2011, Annual Meeting

Early in March, your mail carrier will deliver one of the most important mailings you can receive from the home office — your proxy packet. Your packet will contain a notice of annual meeting, the BR&CF financial report and a proxy which will enable you to vote on the important issues at hand, even if you are unable to attend the annual meeting in person.

Our organization's Constitution requires that a quorum of the membership must be represented in person or by proxy in order for the annual meeting to commence. It is, therefore, very important that you review the contents of the packet and return your completed proxy in the envelope provided. The proxy is not complicated and will only take a few minutes of your time to complete.

In addition to the usual items of business, there are three offices up for election this year: Assistant International President, International Secretary-Treasurer and one director's seat.

NOTE: The deadline for proxies to be received in the BR&CF office is April 18, 2011.

WHY NOT ME? THE REASONING BEHIND WHO IS ACCEPTED AND WHO ISN'T...

Membership in the BR&CF is exclusive to railroaders who are members of a railroad brotherhood or union. We are also a Brotherhood, but of a different nature than a brotherhood or union responsible for collective bargaining and representation. Our purpose is unique. We are dedicated to maintaining a society for beneficial purposes to all members from the dues collected when members receive formal discipline for eligible occurrences.

Some applications for membership are accepted and some applications must be declined. What criteria do we use to determine which applicants we accept into this society? Why do we decline some applications for membership?

Over the years, a prudent and responsible method of evaluation has evolved. Approval of membership applications or applications for increases in the level of participation for existing members is determined with an informal, general guideline that considers the applicants discipline history over the two-year period prior to application. Other factors also play important roles. Those factors include consideration of previous membership history when applicable, if the types of violations in the applicants discipline history are serious or repetitive, and whether infractions are conduct issues or rules violations. These and many more considerations weigh in the decision to accept or decline an application.

We strive to include as many railroaders as possible. We are a Brotherhood that embraces the needs of the individual while still protecting the interests of the entire membership. It is a delicate balance. The large majority of applications are from proactive railroaders who are accepted for membership or an increase in their participation. Some applicants make the mistake of waiting until after they are in trouble before applying and are disappointed to learn that they may need to be discipline free for a couple of years before their application is accepted.

I encourage you to take a moment to review your level of participation and if you are satisfied at your current level of participation, great. If you are considering an increase in your participation in the Fund, please act before an incident involving discipline gets in the way of obtaining the increase you seek.

PREPARING YOUR INCOME TAX RETURN?

If you received \$600 or more from the Brotherhood's Relief and Compensation Fund in 2010, we recently mailed you an IRS FORM 1099-MISC. You will need this form in order to prepare your income tax return.

Members frequently contact the principal office for information regarding taxes. We remind you that we can offer general information that would be helpful to members and their tax advisors; however, the home office staff is not permitted to give specific income tax advice. Questions should be directed to IRS information centers or individual tax preparation centers. Be careful to make your tax consultant aware of the following:

- * The BR&CF is **NOT** an insurance company.
- * Members pay dues, not insurance premiums.
- * The IRS FORM 1099-MISC is issued to all members who received benefits of \$600 or more during the previous calendar year.

If you received **claim benefits** in 2010, you may want to contact our office regarding dues payment information that your tax consultant will need in order to properly complete your tax return.

Hamilton & Musser, P.C. ***"Meet Our Auditors"***

One of the provisions of our Constitution is that a certified public accountant be employed annually to examine and audit the books, accounts and records of the organization. Last year the firm of Hamilton and Musser, P.C., performed this service.

Hamilton & Musser, P.C. was founded in 1986. It has grown from a staff of two, to a staff of 18, with more than half being Certified Public Accountants. As a full service accounting firm, they have the resources and skills to provide a wide variety of quality services. They are well known for providing auditing and tax services, consulting services, accounting services, and financial and retirement planning services. They have a high client retention rate and several clients have been with them from the very beginning.

Hamilton & Musser, P.C. has been successful because of talented and dedicated staff. Their staff is committed to excellence in the services they provide. Staff members are encouraged to volunteer by serving on boards of local non-profit organizations. These opportunities provide their firm a way of giving back to the community.

Hamilton & Musser, P.C. currently works with more than 100 non-profit organizations in the central Pennsylvania region. They strive to be on the cutting-edge of all the changes and trends that will impact the non-profit community, which allows them to provide up-to-date and meaningful advice and services to their clients.

**Register to
View Your
Membership
Information
on the BR&CF
website at
www.brcf.org**

You may view your membership information, including daily benefits, starting date with the organization, current paid-through date, membership status, and the current contact information on file on the BR&CF website.

Additionally, you can see your record of dues payments processed since the year 2000 and the information on how to contact your local Terminal President.

This site requires a web user name and password, so you must first register for on-line privileges. Registration is required only ONCE.

Call us **NOW** if you plan to attend the
Annual Meeting on April 23, 2011



***WE CAN ASSIST YOU
IN MAKING HOTEL RESERVATIONS***



In keeping with Article XX, Sec. 2, of the BR&CF Constitution, the next annual meeting is scheduled to be held on April 23, 2011.

If you plan to travel to Harrisburg for the annual meeting, you may want to contact us NOW for assistance in scheduling your hotel reservations. You will be responsible for your own expenses, so you should be prepared to provide your credit card number and expiration date for use in making the reservations.

While you're traveling to Harrisburg, why not plan to take in some of the local attractions: The Gettysburg Battlefields, the Strasburg Railroad, or the National Civil War Museum. We are located just 45 minutes from the heart of Pennsylvania Dutch Country, and 15 minutes from Hershey.

DATES TO REMEMBER

March 1, 2011

- Annual Report and Proxies Mailed to All Members "In Good and Regular Standing"
- Deadline for Receipt of Luther G. Smith Scholarship Applications and All Required Documentation in the Principal Office

April 18, 2011

- Deadline for Receipt of Proxies
- Board of Directors Meeting in the Principal Office in Harrisburg, PA

April 23, 2011

- Annual Meeting of the Members in the Principal Office in Harrisburg, PA

**BR&CF
Principal Office
Will Be Closed
On
Friday,
April 22, 2011,
In Observance
Of
Good Friday!**

how to contact the home office

Local Telephone: 717-657-1890

Canada & the United States
Toll Free: 1-800-233-7080

Mailing Address: 2150 Linglestown Road
Harrisburg, PA 17110

Website: www.brcf.org

E-mail: brcf@brcf.org

Business Hours: 8:00 a.m. to 4:15 p.m.
Eastern Time (Monday - Friday)

Frequently Asked Questions?

Q: *May I correspond with the BR&CF via e-mail?*

A: We welcome your general e-mail messages and make an attempt to respond to all of them. However, we cannot ensure that your e-mail will be received by the BR&CF officer or employee intended, due to the high level of

SPAM e-mail that requires filtering. The filtering process is automatically performed by our software.

Our practice is to acknowledge receipt of all member correspondence. If you choose to correspond with us via e-mail, you should note that it is not a guaranteed method of communication. If you don't receive a response from us, please follow up with a telephone call or letter.

When sending us an e-mail, it is important that you include your full name and member number (located above your name on the address label of mailings).

Get answers to more frequently asked questions at our web site. Visit www.brcf.org to learn more.

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