

Minutes of July 19, 2024 Meeting NRHS FUND BOARD, Via Teleconference
Meeting commenced at 7:05pm EDT

ATTENDANCE of DIRECTORS and OFFICERS

Present

1. Robert Ernst, Director and President
2. R. Victor Varney, Director and VP
3. Kevin Feeney, Director and Treasurer
4. Ralph Robert Bitzer, Director
5. John K. Fiorilla, Secretary and General Counsel
6. Wes Ross, Director
7. Mike Walker, Director
8. Tony White, President NRHS
9. Charles Webb, Director

Absent

1. Jeff Smith, Director

QUORUM WAS PRESENT

1. Previous meeting minutes will be circulated by Kevin Feeney.
2. 2022 Audit report was received earlier this week from Bowers. Feeney said there were some minor differences he had with it and brought these to Bowers' attention. The report showed that the Fund and NRHS (it was a joint audit report had approximately \$1.048,000 in assets. There was a discussion of payments made for the accounting work by Bowers and it was decided that while Bowers charges are more than RKL our previous accountants the work done is superior to that of RKL
3. Discussion ensued about heritage fund moneys and its transfer from the Fund to NRHS. It was noted that the funds in the Fund TD Bank account had been used for this and there only remained \$ 440.89 in that account. The Fund is now using the new Wells Fargo account and Ellen Scott and John Fiorilla are making deposits of donations in the new account not the TD account. The Trustees then discussed the use of Rail Camp funds. It was

decided that it was reasonable to use designated funds for RailCamp to pay RailCamp expenses other than for scholarships with these funds unless they are designated for scholarships. This includes expenses for travel for RailCamp personnel.

4. It was reported that the audit report for 2023 is now in Bowers' hands, and they are working on it.
5. Regarding funds on hand, it was reported that the \$150,000 donation from the Samuel Freeman Trust designated for use over three years is now in our account. The issue of how these funds should be invested before they are used was discussed. Earlier this week at a meeting which some of the Trustees attended this was discussed with our Wells Fargo investment advisors. After discussing current market conditions, a motion to invest \$50,000 of the Freeman funds in a 9-month Certificate of Deposit and invest the remaining \$ 100,000 in our brokerage account to be invested in equities was made by Charley Webb and seconded by Victor Varney. After further discussion the motion was passed on a unanimous vote of the Trustees. Discussion then began on how our portfolio, which is currently 60% equities and 40% in funds was discussed. Upon the recommendation of our WF advisor and upon the motion of Victor Varney, it was decided that 10% of the 60% equities should be invested in a Standard & Poor's 500 "sleeve" so that those funds would follow the S&P 500 investments.
6. Discussion then ensued regarding marketing techniques to obtain more donations from railroad related entities including Class 1 railroads. Victor Varney suggested that an article or articles regarding RailCamp and what is done at RailCamp to be printed in Railway Age or other similar publications. This would be a way that possible contributors could learn more about NRHS and what it does. Varney suggested Tony White write the article and after further discussion Tony agreed to provide material that they had to Varney and to answer any questions he had so that Varney could write the article. A further discussion regarding hiring a consultant to assist in raising funds but no decision was made on this issue which the parties agreed that the NRHS Board would have to approve.
7. The next meeting of the Trustees will take place on October 11, 2024 at the Wilmington, Delaware NRHS Conference. Time and place will be sent to all

members. It should be noted that Trustees who could not attend in person will be able to attend virtually.

8. The meeting was adjourned at 8:48 PM EDT.

John K. Fiorilla
Secretary and General Counsel

7/17/2024 @945PM

NRHS FUND INC						
STATEMENT OF ACTIVITIES				UNAUDITED		
3 MONTHS ENDED			12 MONTHS ENDED			
3/31/2024			12/31/2023		12/31/2022	
WITH RESTRICTIONS	WITHOUT RESTRICTIONS	TOTAL	WITH RESTRICTIONS	WITHOUT RESTRICTIONS	TOTAL	TOTAL
REVENUE						
DONATIONS	\$ 5,000.00	\$ 750.00	\$ 5,750.00	\$ 25,798.00	\$ 32,395.16	\$ 274,124.94
BANK INTEREST				4.56	4.56	13.88
INVESTMENT INCOME		7,903.67	7,903.67	29,924.26	29,924.26	24,794.64
REALIZED GAINS/[LOSSES]		1,997.62	1,997.62	15,997.92	15,997.92	23,972.20
UNREALIZED GAINS/(LOSSES)		26,110.29	26,110.29	58,837.13	58,837.13	(126,515.13)
	5,000.00	36,761.58	41,761.58	25,798.00	137,159.03	196,390.53
EXPENSES						
PROGRAM SERVICES			-	43,483.33	22,400.67	46,859.30
INVESTMENT FEES			-		8,166.35	7,788.45
MGMT & GENERAL		237.50	237.50	15,881.96	15,881.96	22,767.08
	0.00	237.50	237.50	43,483.33	46,448.98	77,414.83
CHANGE IN NET ASSETS	5,000.00	36,524.08	41,524.08	(17,685.33)	90,710.05	118,975.70
BEGINNING NET ASSETS	171,895.81	949,484.85	1,121,380.66	475,781.14	572,574.80	929,380.24
ELIMINATE PERMANENT RESTRICTIONS				(286,200.00)	286,200.00	
ENDING NET ASSETS	<u>\$ 176,895.81</u>	<u>\$ 986,008.93</u>	<u>\$ 1,162,904.74</u>	<u>\$ 171,895.81</u>	<u>\$ 949,484.85</u>	<u>\$ 1,048,355.94</u>

W/ ACCRUALS @ Y/E

STATEMENT OF FINANCIAL POSITION UNAUDITED

AS OF
3/31/2024 12/31/2023* 12/31/2022 COMMENTS

ASSETS			
CASH*	\$ 82,809.77	\$ 74,068.47	\$ 92,668.06
MARKETABLE SECURITIES	1,100,844.97	1,071,391.09	977,597.05
TOTAL	<u>\$ 1,183,654.74</u>	<u>\$ 1,145,459.56</u>	<u>\$ 1,070,265.11</u>
LIABILITIES & NET ASSETS			
ACCOUNTS PAYABLE	\$ 21,000.00	\$ 24,078.90	\$ 21,909.17
TOTAL LIABILITIES	21,000.00	24,078.90	21,909.17
NET ASSETS W/O RESTRICTIONS	986,008.93	949,484.85	572,574.80
NET ASSETS W/ RESTRICTIONS	176,895.81	171,895.81	475,781.14
	<u>1,162,904.74</u>	<u>1,121,380.66</u>	<u>1,048,355.94</u>
TOTAL LIAB & NET ASSETS	<u>\$ 1,183,904.74</u>	<u>\$ 1,145,459.56</u>	<u>\$ 1,070,265.11</u>

*LESS OS CHECKS @Y/E