



2011 Annual Report

Overview

Scope

- ▶ Covering National Society Only
- ▶ Audited Data Only (2011 being finalized)

Headlines - 2011

- ▶ Strategic Plan Adopted
- ▶ New Governance System Approved
- ▶ New www.nrhs.com Website Launched
- ▶ Short Term Stability

Longer Term Issues

- ▶ Decline in Traditional Membership
- ▶ Long-Term Finances
- ▶ Implementing New Governance
- ▶ Implementing the Strategic Plan
- ▶ Future of Major Programs (Libraries, Conventions)
- ▶ Interacting with the Rail Heritage Community

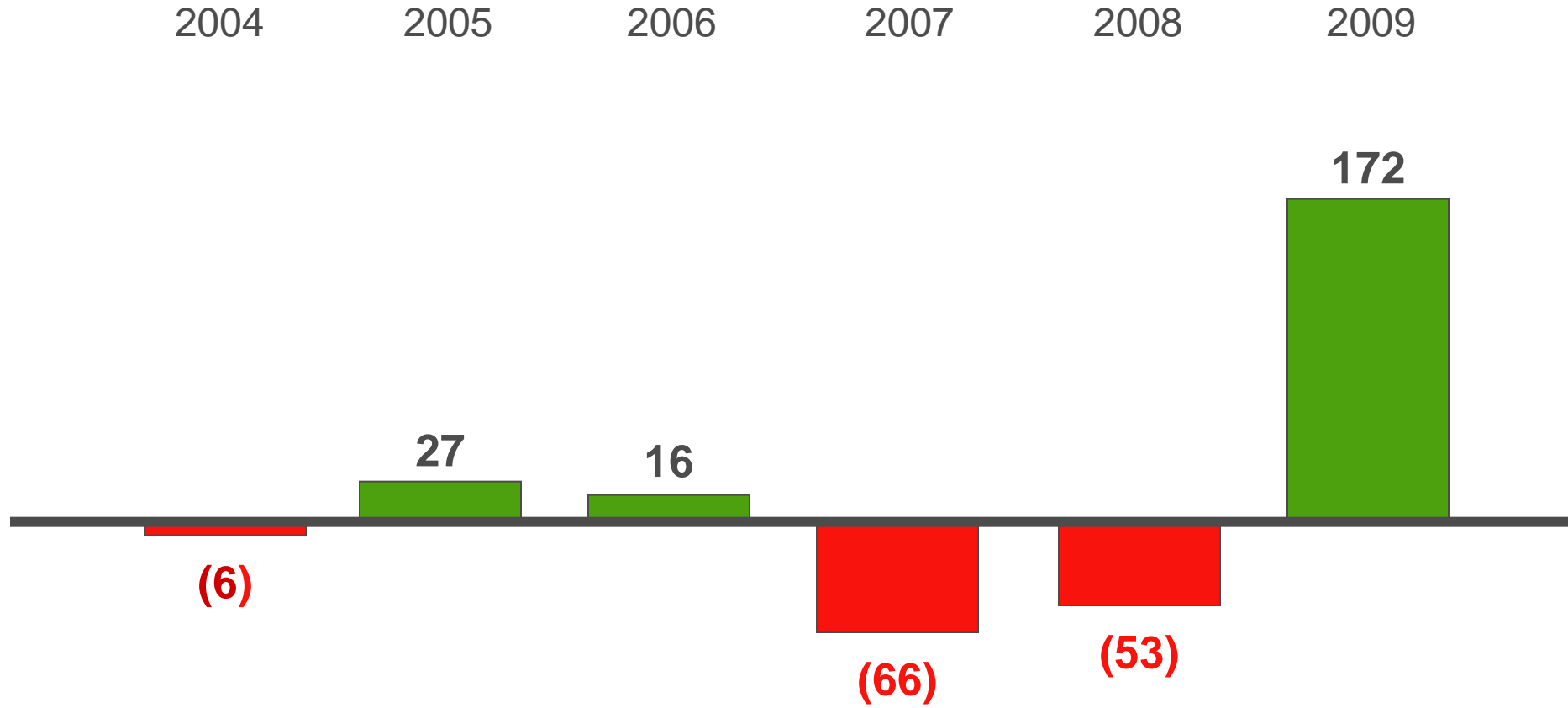
Financial Results

Fiscal Year 2011

2010 Net Income

- ▶ Actual **(\$16,000)**
- ▶ Adjusted Budget **(\$79,000)**

Net Income History (review)



One Time Events - 2009

- ▶ Bequests

- ▶ John Marshall **\$248,000**

- ▶ Frederick Houser **\$ 25,000**

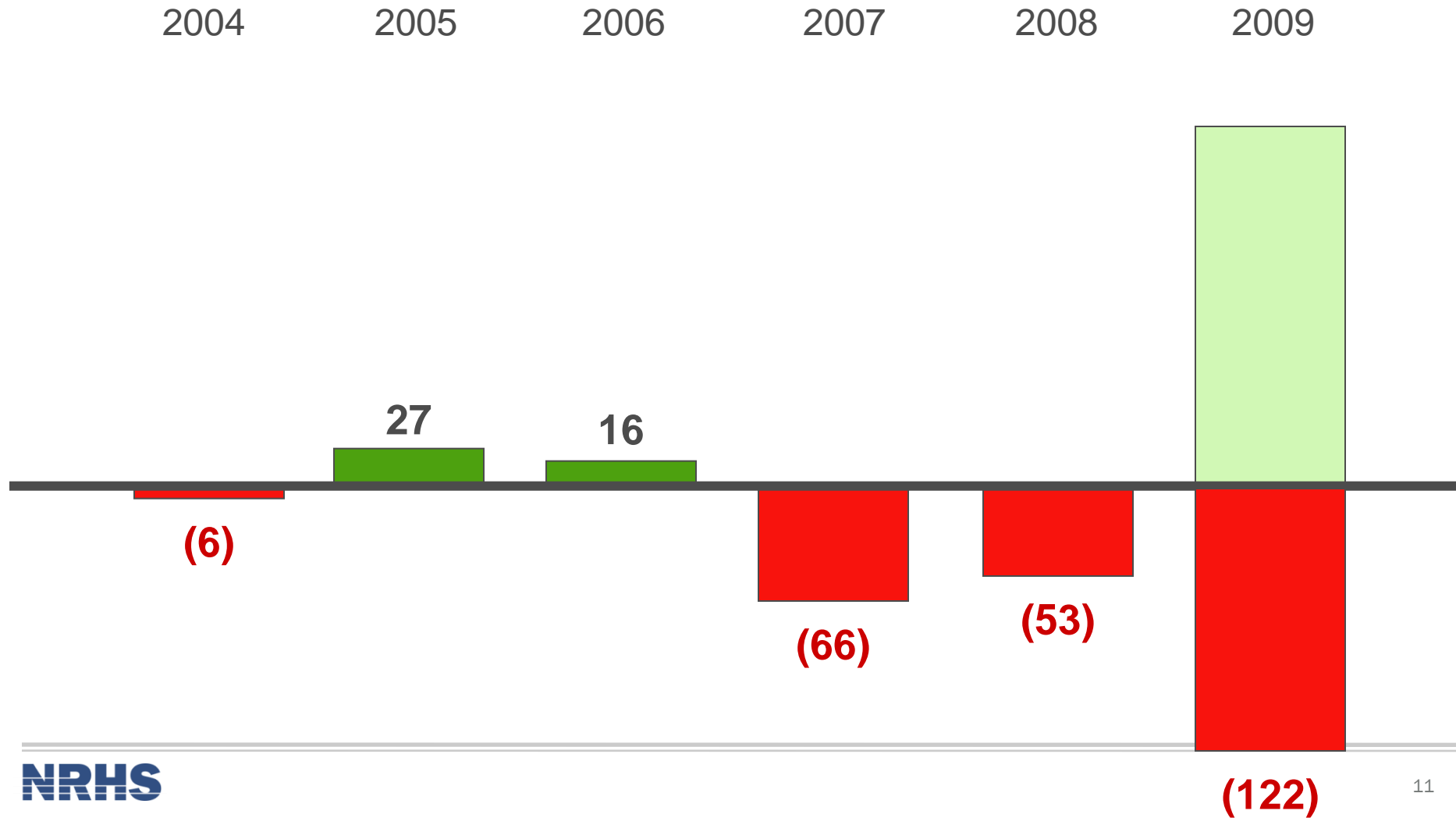
- ▶ Accounting Change **\$ 21,000**

\$294,000

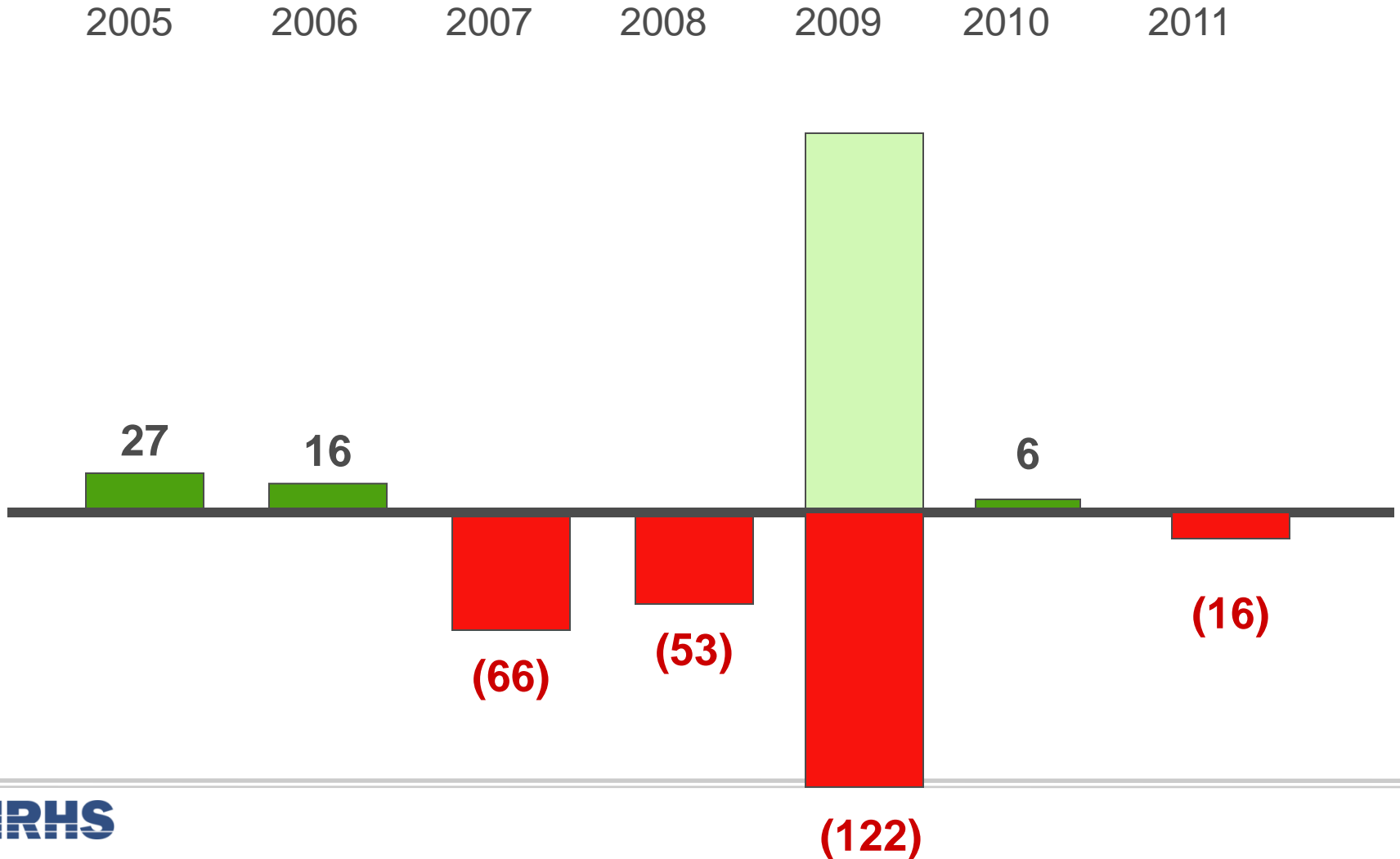
2009 Adjusted Net Income

▶ Actual	\$172,000
(Less One-Time Events)	(\$294,000)
▶ Adjusted	(\$122,000)

Adjusted Net Income History through 2009



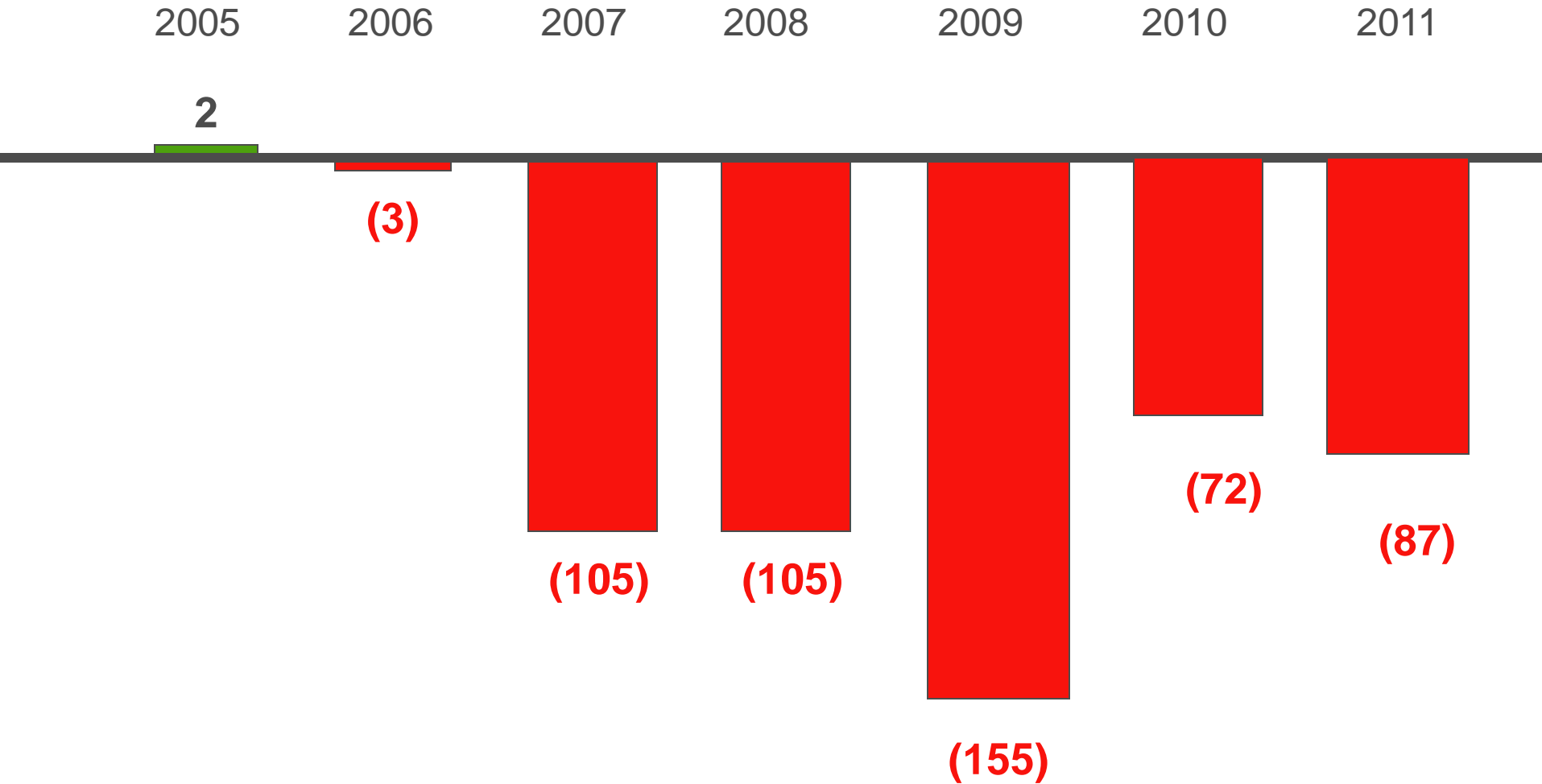
Adjusted Net Income History



Operating Net

- ▶ 2007 Actual (Audited) **(\$105,000)**
- ▶ 2008 Actual (Audited) **(\$105,000)**
- ▶ 2009 Actual (Audited) **(\$155,000)**
- ▶ 2010 Actual (Audited) **(\$72,000)**
- ▶ 2011 Actual (Unaudited) **(\$87,000)**

Operating Results History



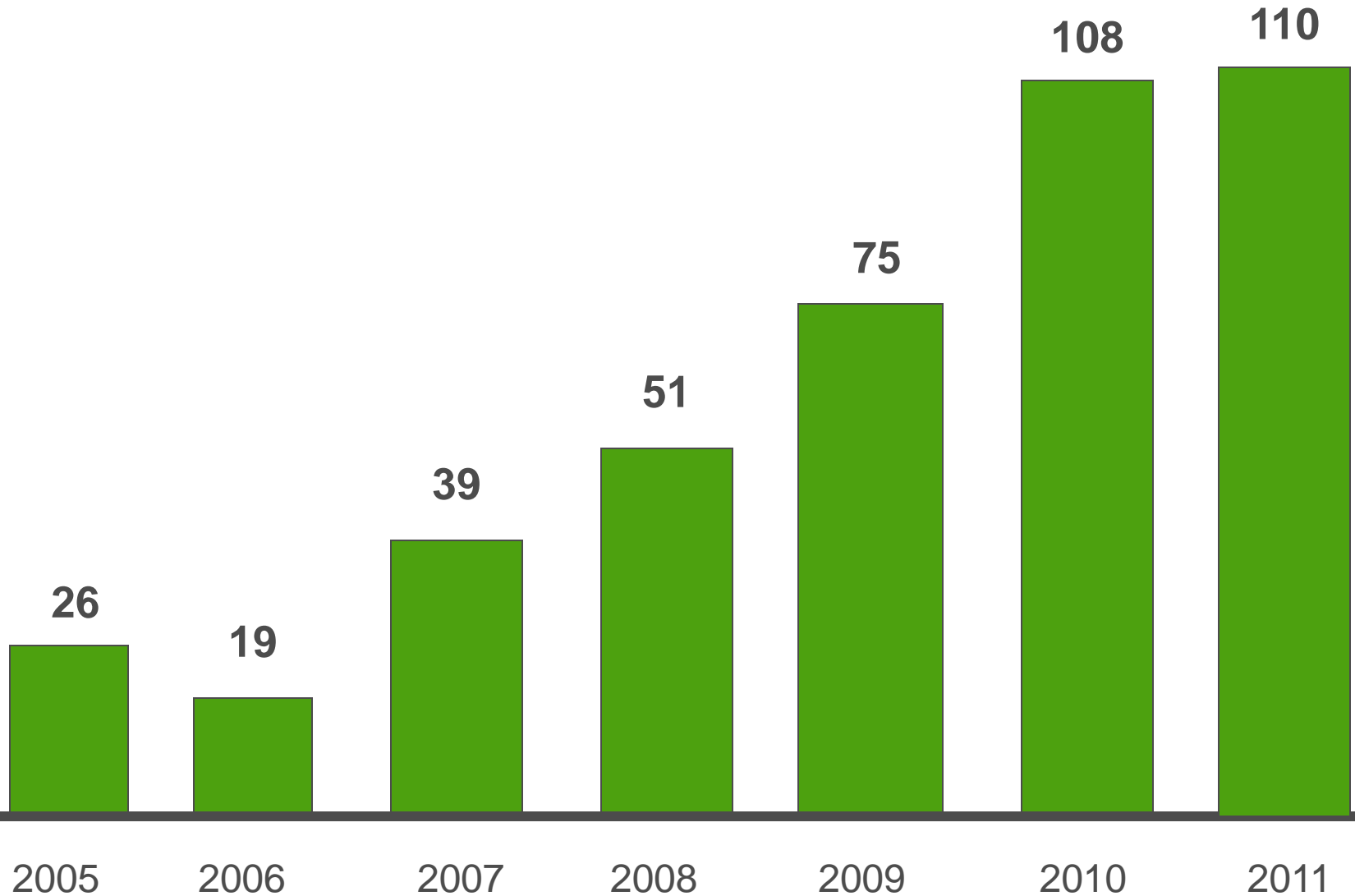
2010 Operating Income

- ▶ Strong Capital Gains/Active Investments
- ▶ No Dues Rate Change
- ▶ Negative Convention Net (Some Income Deferred)
- ▶ Reduced Meeting & Travel (Bylaws Work Completed)
- ▶ More Purchased Services (Accounting, Legal, Fundraising)

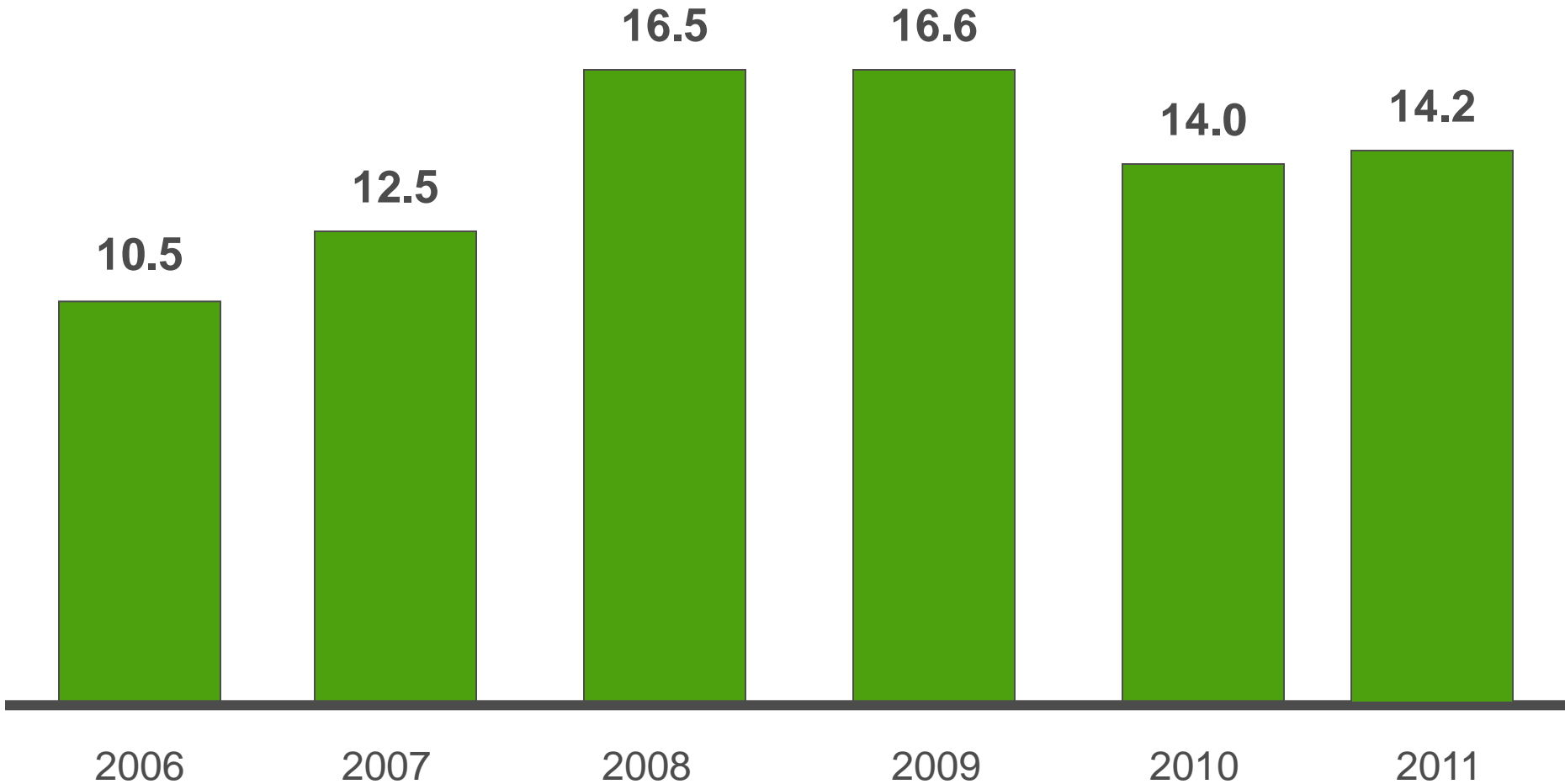
Non-Operating Income

▶ 2007 Actual (Audited)	\$ 39,000
▶	
▶ 2008 Actual (Audited)	\$ 51,000
▶ 2009 Actual (Audited)	\$327,000
▶ 2009 Adjusted	\$ 75,000
▶ 2010 Actual (Audited)	\$108,000
▶ 2011 Actual (Unaudited)	\$110,000

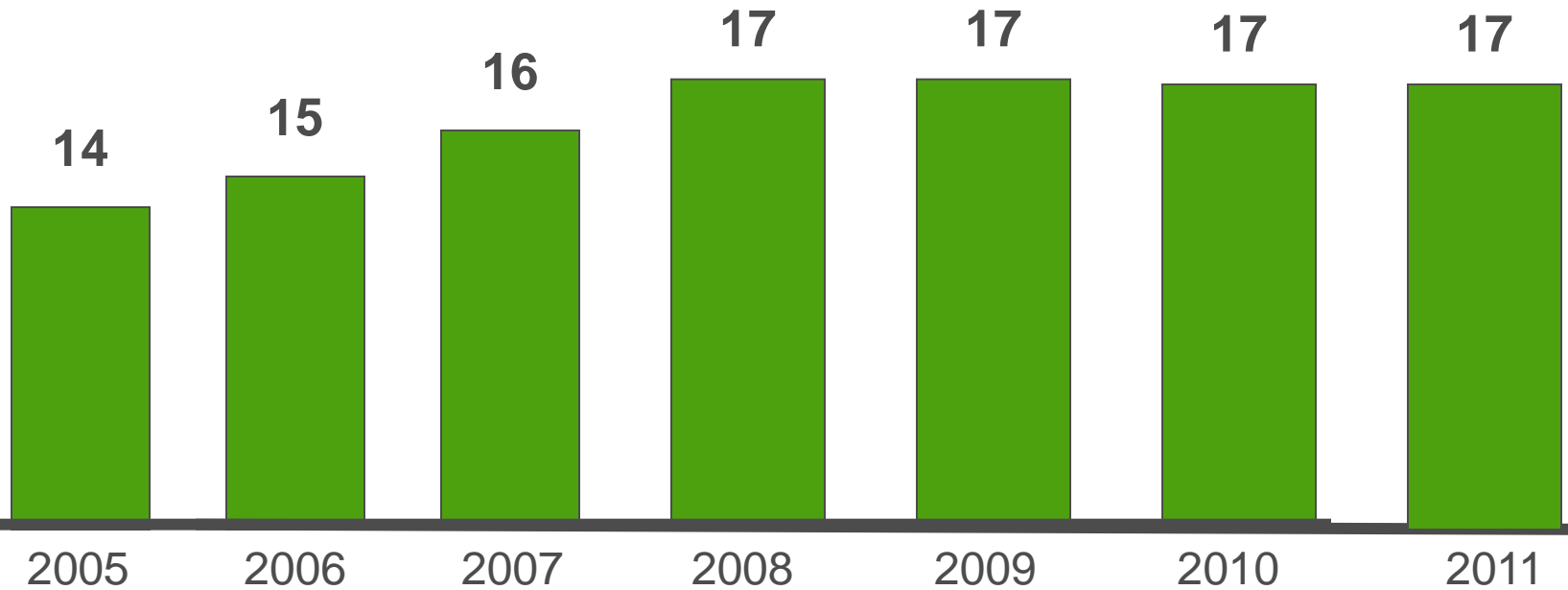
Adjusted Non-Operating Income History



CFC (Combined Federal Campaign)



Geoffrey W. Gerstung Fund History



Membership

2011 Trends

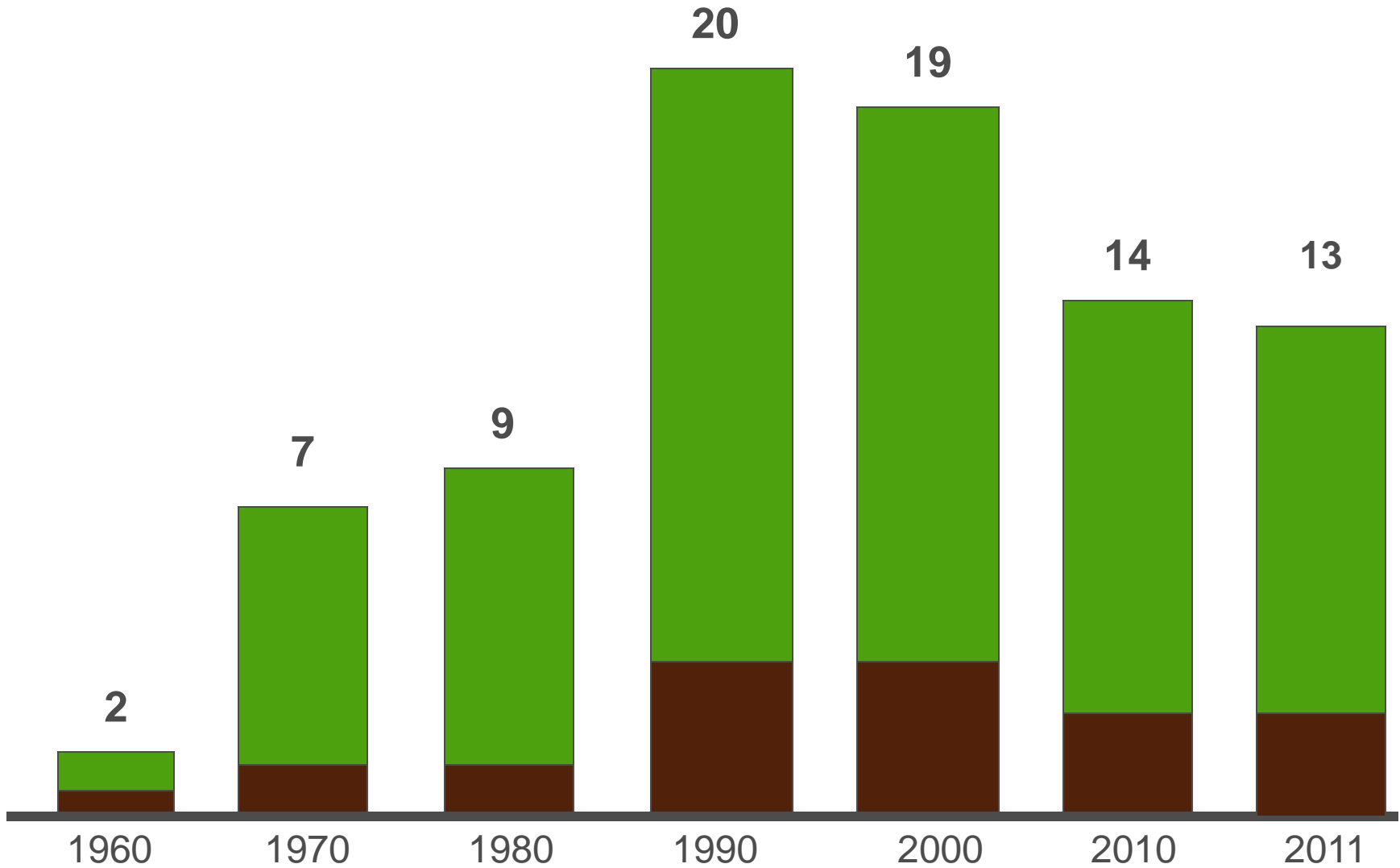
Membership October 1, 2011

Primary Chapter	8,131	(7.3%)
Primary At-Large	2,487	3.0%
Family	2,583	(5.5%)
Total	13,201	(5.1%)

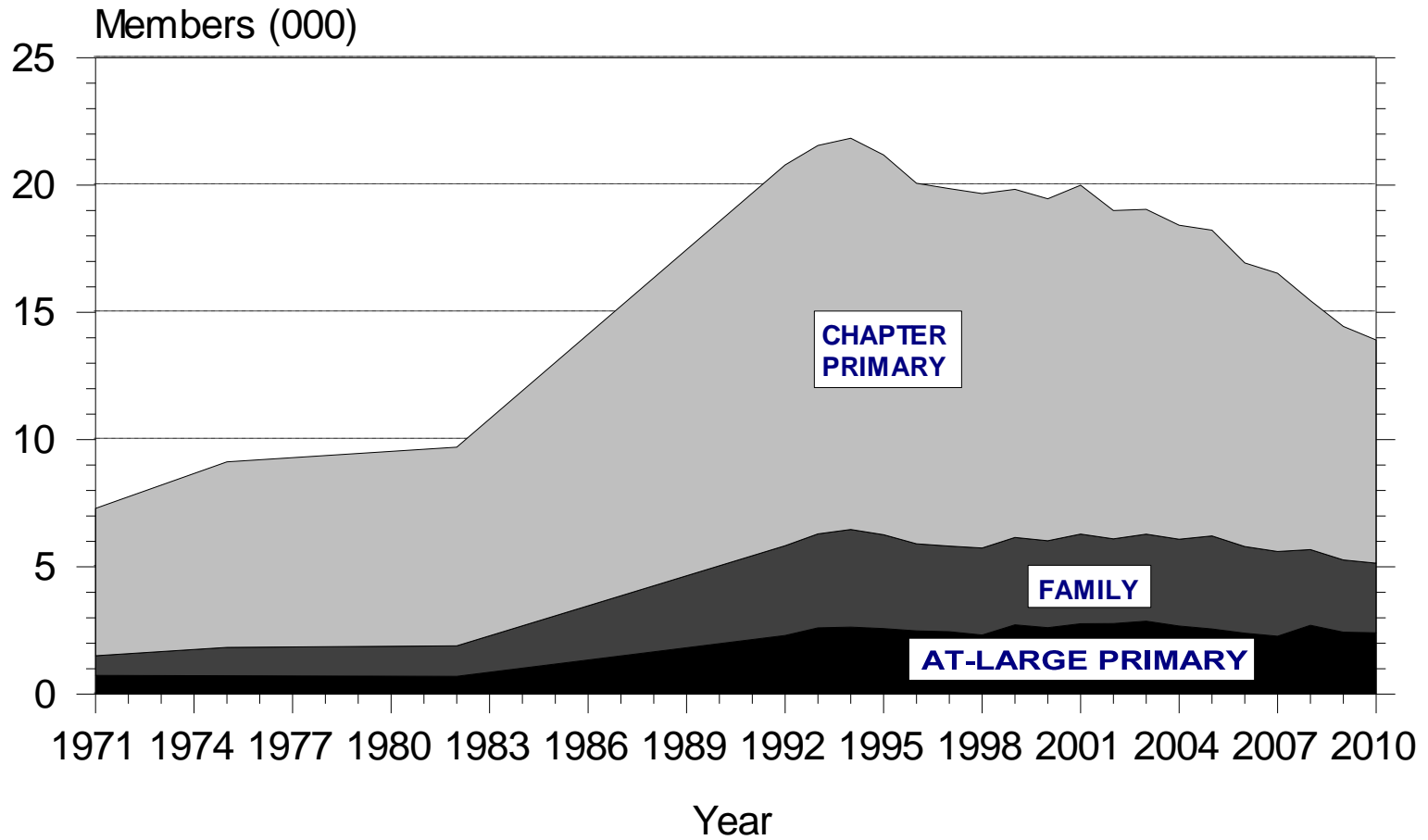
2011 Membership

- ▶ **(5.1%)** vs. **(3.7%)** in 2010
- ▶ Was Budgeted for 5% Decrease
- ▶ Still Primary Source of Operating Income
- ▶ 8th Consecutive Annual Decrease

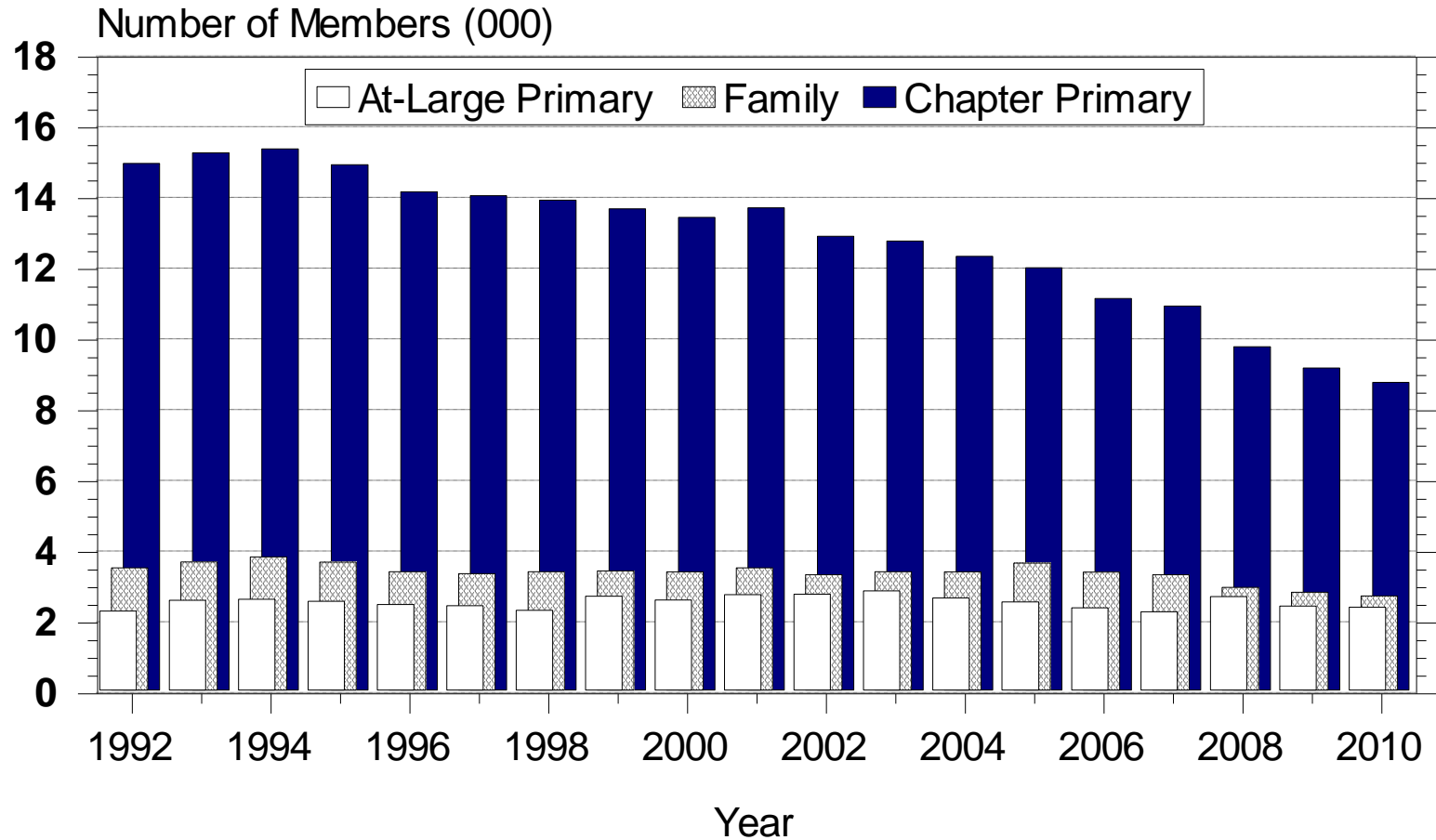
Membership History



NRHS Membership



NRHS Membership



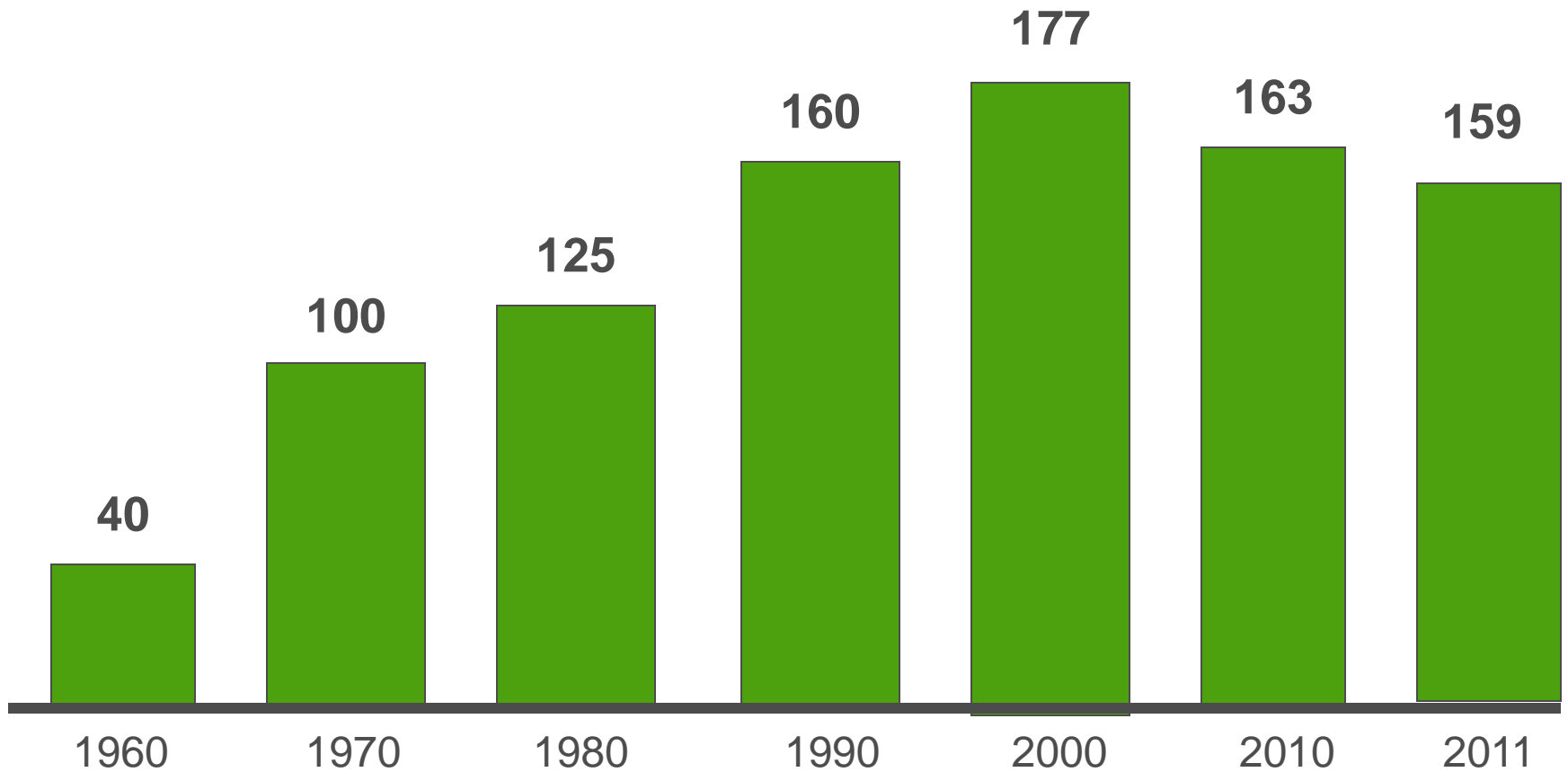
Chapters

- ▶ Added
 - Memphis & Charleston Railroad

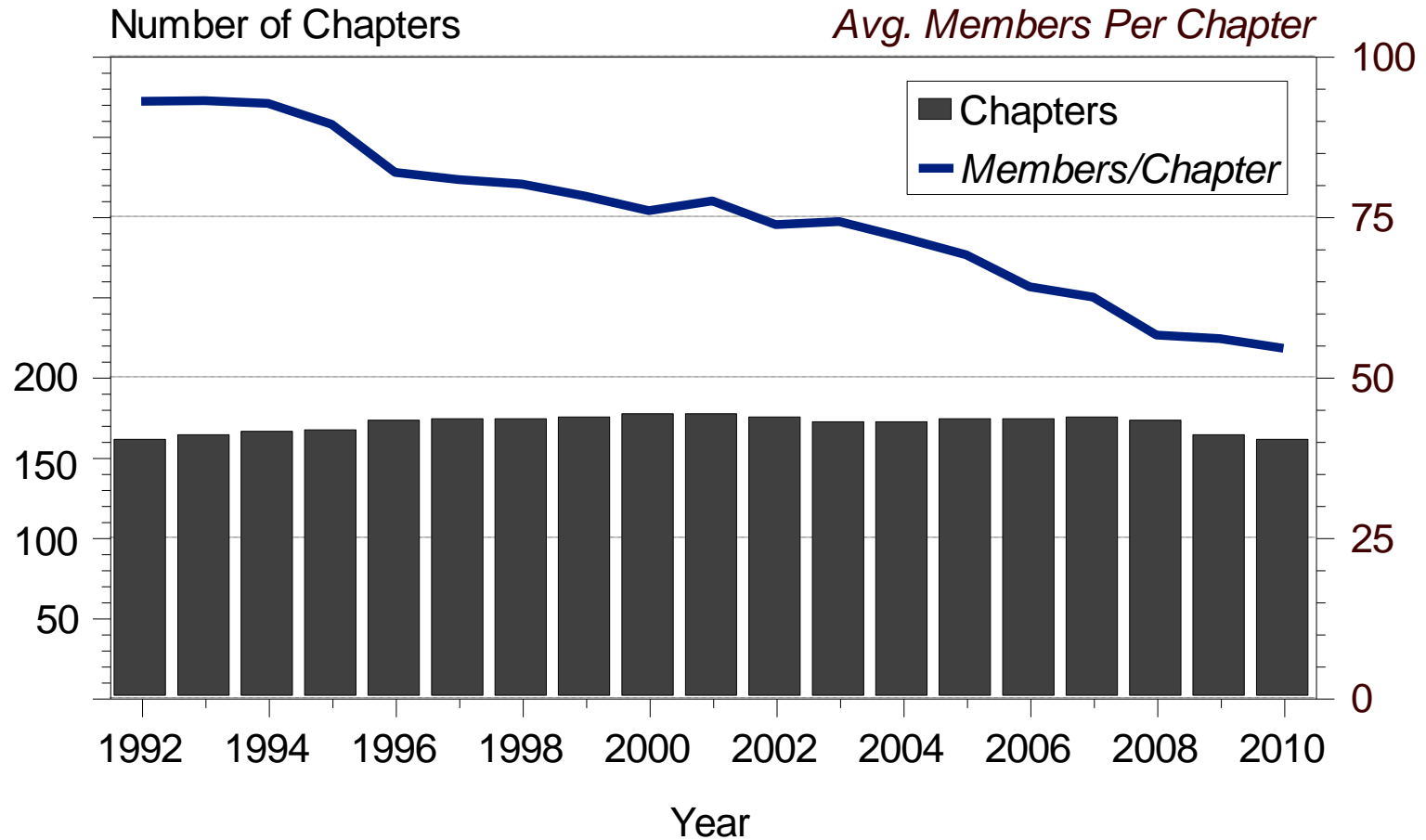
- ▶ Dropped
 - Oregon Coast
 - Dalsa/Sunset
 - Quebec Central
 - Rochester (replacement chapter in 2012)
 - West Michigan

- ▶ 159 Chartered Chapters

Chapter History



Chapter Primary Members per NRHS Chapter



Excludes Family Members

Other Programs

2011

Film Library

- ▶ Operating in Phillipsburg, N.J.
- ▶ No major acquisitions or restorations
- ▶ Transfer of Willard Thomas material

Print Library

- ▶ Operating in Three Rivers, Mass.
- ▶ Reference Materials at Fernley & Fernley
- ▶ Planned to start catalog project in 2012

RailCamp

- ▶ Steamtown Youth Program Only
- ▶ All participants received financial support
- ▶ Preparations to add Northwest venue in 2012

Conventions

- ▶ 2011 – Tacoma, Washington
- ▶ Hosted by Tacoma Chapter, support from other chapters in region
- ▶ All Events Operated
- ▶ Detailed arrangements for 2012 – Cedar Rapids
- ▶ Advance arrangements for 2013 – Anchorage
- ▶ Investigate options for 2014 & 2015
- ▶ Need to determine future program direction

Grants (2011)

- ▶ 14 Grants
- ▶ 3 to NRHS Chapters
- ▶ \$38,500 Awarded

Grants (1991 through 2011)

- ▶ 200 Grants Awarded
- ▶ \$498,000 Awarded
- ▶ 85 to NRHS Chapters
- ▶ 115 to Outside Organizations

Grants (2012)

- ▶ 21 Grants
- ▶ 4 to NRHS Chapters
- ▶ \$50,000 Awarded

Grants (1991 through 2012)

- ▶ 221 Grants Awarded
- ▶ \$548,000 Awarded
- ▶ 89 to NRHS Chapters
- ▶ 132 to Outside Organizations

NRHS Strategic Plan

- ▶ Relevance: Brand and Services for All Tiers of Market
- ▶ Money: Build Stable Financial Base
- ▶ Sound Business Structure: Professional Management & Improved Governance
- ▶ Leader at Core Business: Define the Field and Become a Leader

Current Issues (2012)

- ▶ Implement New Governance System
- ▶ Building Revenue Sources
- ▶ Outreach to Other Organizations
- ▶ Additional Websites
- ▶ Future of Convention Program
- ▶ Broaden Fundraising Program

Issues Ahead (2013 and Beyond)

- ▶ Continue 2012 Issues plus:
 - ▶ Expand Film Preservation Efforts
 - ▶ Additional Web Products
 - ▶ Prepare for Online Renewals

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