

**Minutes of the Seventy-Eighth
NRHS Annual Membership Meeting – First Draft (7/10/2012)
Clarion Hotel, Cedar Rapids, IA
Friday, June 22, 2012**

Pursuant of notice, the members of the National Railway Historical Society, Inc. met at the Clarion Hotel, Cedar Rapids, IA on Friday, June 22, 2012.

Call to Order

President Greg Molloy called the meeting to order at 3:05 p.m. CDT. Eighty-five members and guests were present.

Invocation

Dr. Barry Smith gave the invocation.

Approval of Minutes

President Molloy presented the minutes of the membership meeting held in Tacoma, WA, on June 22, 2011. Mr. Steve Siegerist moved and Dr. Wesley Ross seconded a motion to accept the minutes as written. Motion carried.

Welcome to 2012 Convention

Dr. Barton Jennings, Chair of the NRHS 2012 Convention, welcomed everyone to Cedar Rapids. He thanked everyone for their business and reminded everyone about the remaining events. Dwight Long publically thanked Bart for making many changes in how NRHS conducted this convention, especially for providing the option to receive tickets by mail rather than having to wait in the very long registration lines as was prior practice. The attendees provided Dr. Jennings with a very long applause for that fact.

President's Report (See Attachment 1)

President Molloy presented a summary of the 2011 Annual Report. Mr. Molloy's slides are attached as Attachment 1.

The report covered various improvements to the NRHS programs, and concerns about the Society's operations.

NRHS adopted its first Strategic Plan in 2011. The NRHS also adopted a new governance system in 2011, and took the first steps to implement it. NRHS launched its new website in 2011 (www.nrhs.com). For the short term, things are okay.

The longer term picture is uncertain. NRHS membership levels are declining. Long term finances can no longer be based on the traditional model using members' dues. Implementing the new governance system is challenging NRHS Management, while we concurrently implement the Strategic Plan.

In 2011, NRHS lost some money, and the audit for 2011 is not yet fully completed. The one open issue is a technical one regarding satisfaction of temporary restrictions, and it did not impact the overall financial results.

Geoffrey Gerstung Education Fund – The Geoffrey Gerstung Education Fund History was donated as a permanently restricted asset, and the fund is stable at \$17,000

Membership Numbers: Total membership was down 5.1% from the previous year, but this did not have a significant financial impact because the Society had budgeted for a 5% loss. The loss was most significant in chapter primary members and some in families, while At-Large primary membership stayed pretty steady. Membership dues are still our primary income source even though it is declining, and the NRHS will need to address how we continue to build additional sources of revenue in the future.

Chapters - Added 1 chapter in 2011

Memphis & Charleston Railroad

Dropped 5 chapters in 2011

Oregon Coast
Dalsa/Sunset
Quebec Central
Rochester
West Michigan

159 chartered chapters at the end of 2011.

Other Programs:

- Film library in Phillipsburg, NJ
 - No major acquisitions or restorations completed
 - Transfer of Willard Thomas material
 - Health concerns with only volunteer sidetracked any work
- Print library
 - Three Rivers, MA – accessible to NRHS members
 - Reference materials at F&F
 - Developing options for the future

- RailCamp
 - One teen session at Steamtown only
 - All participants received financial support
 - New teen session announced for 2012 in Pacific Northwest

- 2011 Convention - Tacoma, WA
 - All events operated
 - Financial results are incomplete
 - Continued support for 2012 and 2013
 - Looking into options for 2014 and beyond – ongoing process

- Grants
 - 2011 awarded 14 grants, three to chapters and \$38.5k awarded
 - Through 2012, 221 grants awarded, \$548,000, 89 to NRHS Chapters and 132 to outside organizations
 - For 2012, 21 Grants worth \$50K; Four to NRHS Chapters

- 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 in 2012
 - Implement new governance system
 - Build revenue sources since we can't rely as much on membership dues; have to build investments, convention income and donations.
 - Outreach to Other Organizations
 - Additional Websites
 - Future of Convention Program beyond 2013
 - Broaden Fundraising Program

- 2013 and beyond issues
 - 2012 Issues
 - Expand Film Preservation Efforts
 - Additional Web Products
 - Prepare for Online Renewals

Guest Speaker

President Molloy introduced Mr. John Hankey who presented a short talk on the need for the Railway Heritage Initiative, and suggested NRHS should become more of the industry leader in this work. In the last five years railway heritage has been under a lot of stress due to a wide

variety of factors. At the same time there has been a transition of some of the railroad societies and groups – Association of Tourist Railroads and Railway Museums will merge this Fall.

Introduction of Officers and Staff

President Molloy introduced the officers and staff who attended this meeting.

New Business

A suggestion came up about moving the convention back to the weekend of Labor Day as was done in the 1960s and 1970s. President Molloy agreed to take this suggestion under advisement as part of NRHS completely reviewing the business models for conventions and trying out different approaches for conventions.

President Molloy introduced Helen Renfrew from the Fairbanks Convention and Visitors Bureau.

Questions/Initiatives

1. What is the industry that Greg is referring to? That industry is the non-profit, non-religious, volunteer-based groups such as “train world” that encompasses such things as the Railway Heritage Initiative.
2. Is there any follow up with the campers from RailCamp? Barry Smith responded that each camper receives an 18 month NRHS membership, and alerts the camper about local NRHS chapters. Campers have created a Facebook page to trade information among themselves. At Steamtown, Dr. Smith is using eight counselors who are former RailCamp campers to improve rapport between staff and the new campers. Dr. Smith is tracking some of the former campers and how they are involved in “train world.”
3. Was there a reason Greg did not mention the NRHS publications in his annual report? The speaker thinks the NRHS needs a publications committee. President Molloy responded that we used to show various statistics about the publications, i.e. page counts, but those statistics are no longer applicable in current operations. The publications are all being printed in color and are coming out on time. As far as creating a Publications Committee, many more NRHS members propose new committees than are willing to serve on those new committees. No one volunteered to serve on the proposed committee. There is a new template coming for the *NRHS News* to give it a more consistent appearance with the recent changes to the NRHS brand.
4. Why was a new template for NRHS News imposed without input from the people working on the News? Greg replied that the new artwork was developed to be consistent with brand image of nrhs.com website and other products to come. NRHS officers are working with the News editor about implementation. But in the end, consistency of brand image among products is a management decision.

5. Has NRHS Management considered a differential dues structure for members willing to receive publications on-line rather than hard copy? NRHS Management has considered the idea, but is not ready to implement it because we do not have a viable means for economically maintaining the servers, data bases, etc. needed to effectively handle the online subscriptions.

Benediction

Barry Smith provided the benediction.

Adjournment

Steve Barry moved and Wesley Ross seconded a motion to adjourn. Motion carried.

The meeting adjourned at 4:42 PM, CDT.

Respectfully submitted,

Joseph C. Maloney, Jr.
Secretary
National Railway Historical Society

1 Attachment

2011 Annual Report Presentation Charts