



As approved by the Board on July 22, 2017 via email.

**Meeting Minutes
NRHS Board of Directors
Nashville Airport Hotel (Hilton) Nashville TN
Friday, June 23, 2017**

Pursuant to notice, the Board of Directors of the National Railway Historical Society, Inc. met at the Nashville Airport Hotel (Hilton), Nashville, TN on Friday, June 23, 2017.

Call to Order - Open Session

President Al Weber called the meeting to order at 12:20PM CDT on Friday, June 23, 2017.

Welcome and Roll Call

President Al Weber welcomed the Directors to this meeting. The Board attendance for this meeting was as follows:

| Name | Office | Present | Absent |
|------------------------|-----------------------------------|---------|--------|
| Al Weber | President (2014 - 2018) | 1 | |
| Joseph C. Maloney, Jr. | Vice President (2016 - 2020) | P | |
| David Flinn | Global Director (2014 - 2018) | | E |
| E. Steven Barry | Global Director (2014 - 2018) | 1 | |
| Walter Zullig | Global Director (2016 - 2020) | | E |
| Robert J. Ernst | Global Director (2016 - 2020) | 1 | |
| William Brotherton | Global Director (2016 - 2020) | 1 | |
| R. Douglas Scott | District 1 Director (2014 - 2018) | 1 | |
| Tony White | District 1 Director (2016 - 2020) | P | |
| Harold Shaak | District 2 Director (2014 - 2018) | 1 | |
| Charles Webb | District 2 Director (2016 - 2020) | 1 | |
| Frank Fowler | District 3 Director (2014 - 2018) | | E |
| Ralph Robert Bitzer | District 3 Director (2016 - 2020) | 1 | |
| Sanford Williamson | District 4 Director (2014 - 2018) | | E |
| Charles S Williams | District 4 Director (2016 - 2020) | P | |
| Jim Pahris | District 5 Director (2014 - 2018) | 1 | |
| Wesley F. Ross | District 5 Director (2016 - 2020) | | E |
| John Goodman | District 6 Director (2014 - 2018) | 1 | |
| Duane Durr | District 6 Director (2016 - 2020) | | E |

| | | | |
|------------------|-----------------------------------|---|---|
| Steven Siegerist | District 7 Director (2014 - 2018) | 1 | |
| Skip Waters | District 7 Director (2016 - 2020) | 1 | |
| Jeffrey S. Smith | District A Director (2014 - 2018) | | E |
| Wes Weis | District A Director (2016 - 2020) | | E |
| Jack Hilborn | District B Director (2014 - 2018) | 1 | |
| Ricky Durrant | District B Director (2016 - 2020) | | E |

P = Attended via phone E=Excused Absence U=Unexcused Absence

There was a quorum present in order to conduct business.

General Counsel John Fiorilla and Asst. General Counsel Scott Andes were in attendance and Comptroller Bob Heavenrich was attending via the phone.

Approval of April 2017 Meeting Minutes

The minutes of the Spring 2017 Board of Directors' Meeting were approved via email and posted to the admin site on June 4, 2017.

Reports

President - Al Weber

President Weber welcomed all to the meeting. He did not have a specific report to give and deferred to the reports of the Officers and Directors.

Vice President - Joe Maloney

Joe submitted a written report prior to the meeting. (Appendix B)

Membership Awards – Joe has completed the distribution of all membership awards for 2017. He has one more chapter award to present in person. It will be to the Inland Empire Chapter on September 5, 2017 for their 50th anniversary.

Library Committee – Joe has been working with NLR on the movement of the remaining materials. Per his report, *Bulletins*, slides, photos and corporate records have been moved from NLR. He is waiting on notification from the DeGolyer Library that they are ready to accept delivery of the NRHS Library material.

Film Project – Joe reports that work on the film digitalization project is progressing as outlined on his report.

Electoral Committee – The committee has canvased all current office holders subject to the next election. Responses to the canvasing are coming in. An article will be drafted for an upcoming *NRHS News* issue soliciting nominations.

Treasurer - Bob Bitzer

Treasurer Bob Bitzer reported that money is available for future investments. Cash flow in the Society is good. The NRHS has received some bequests of which a few were large. A Treasury Direct Account has been opened. A number of Treasury Bills have been purchased. The dates for the T-Bills are staggered in 13 and 26 week intervals. A total of \$35,000 is currently invested. The money invested is not required for the current daily operations of the NRHS.

The 2016 audit is in progress with no issues to date. The final report is expected shortly.

There are new accounting standards for non-profit organizations such as the NRHS which will be going into place next year. Bob Bitzer has attended seminars on the changes.

Comptroller Bob Heavenrich reviewed the financial reports of the NRHS and NRHS Fund. (Appendix C.)

Secretary - Bob Ernst

Bob reported the minutes for the Spring 2017 BOD Meeting were posted to the NRHS Admin site on June 4, 2017.

Hundreds of proxies were received for the 2017 NRHS Annual Membership Meeting

General Counsel - John Fiorilla

John reported that he received five quotes for insurance on the 2017 Convention and RailCamp. Insurance for the two events was secured at a 50% savings over last year's costs. John will continue to investigate better insurance rates and look to consolidate insurance policies to cover all NRHS events. The NRHS continues to have insurance coverage for all NRHS Board and Advisory Council meetings.

John played an integral part in securing some of the latest bequests to the NRHS. One came from a British member.

Membership Records – Al Weber

The move of the NRHS database from Amilia to NeonCRM is in progress. The current database is being cleaned-up and converted for use in Neon.

The next NRHS dues renewal cycle will be handled by Neon.

Advisory Council – Del Kittendorf

The Advisory Council met earlier in the day and brought two recommendations to the NRHS Board. One is to consider approving Cumberland, MD as the site for the 2018 NRHS Convention. The second is to continue action on creating a definition for chapters.

RailCamp – Carl Jensen

A report to the Board from RailCamp Director Rebecca Gerstung was presented at the meeting. (Appendix D)

Carl reviewed the report emphasizing the importance of chapters and outside organizations sponsoring campers. All sponsored campers will be evaluated prior to acceptance to attend camp. He noted that RailCamp East starts Sunday, June 25, 2017. Similar dates are expected for the 2018 RailCamps.

Director Skip Waters noted that there is a former camper from the 2011 RailCamp attending the convention with his wife. He points out that RailCamp is producing NRHS members and RailCamp attendees are securing jobs in the railroad industry. He congratulates the RailCamp team for this successful program.

Carl reported that the RailCamp Committee will investigate a “Junior Counselor” to keep recent graduates, under the age of 25, enthusiastic and active in RailCamp.

NRHS Fund – Al Weber

Al reported that the NRHS Fund President Wes Weis was unable to attend the convention due to a recent illness. Al is looking for the NRHS Fund to become more independent of the NRHS as to better protect the donations of the NRHS and to promote giving to the NRHS and its programs. Wes is working towards this goal.

Publications***NRHS Bulletin* – Jeff Smith**

Jeff submitted four reports to the Board prior to the meeting. The reports were for current *NRHS Bulletin* production (Appendix E), available *NRHS Bulletin* back issues (Appendix F), the *NRHS Bulletin* digitization project (Appendix G) and free *NRHS Bulletins* available for chapter use (Appendix H).

***NRHS News* – Charles Williams**

The next printed issue of the *NRHS News* is at the printer and will be mailed soon. The *NRHS News* production is maintaining a regular schedule.

***NRHS Telegraph* – Valli Hoski**

Valli is in need of articles for the *Telegraph* relating to the business of the NRHS. An issue was just posted to the admin site.

Other**Roanoke Chapter's Grant Challenge – Carl Jensen**

The Roanoke Chapter, in an effort to promote and support the Railway Heritage Grants, is launching a challenge to the members of the NRHS. The chapter has created a matching fund challenge where the chapter will donate \$3,000 to the Railway Heritage Grants Fund and offers to match up to an additional \$2,000 based on certain criteria. (Appendix I)

The Roanoke Chapter is urging the NRHS to focus on fundraising for the Railway Heritage Grants Fund.

Conventions – John Goodman

2016 Denver, CO – A small amount of excess income over expenses was made from the convention. The final financial report will be available after the 2016 audit is completed.

2017 Nashville, TN – The Nashville Airport Hotel is in the middle of a rehabilitation project but the disruptions have been minimal for the convention group. All trips and excursions have run as scheduled. This convention is also expected to bring in a small amount of excess income over expenses to the NRHS.

2018 Cass, WV – John, along with some members of the Convention Committee, visited the Cass, WV area to investigate events and lodging for the 2018 convention. Unfortunately the area would be very challenging for a convention. A full report was presented to the Board at the meeting. (Appendix J)

There was discussion around the options presented in the report for alternative sites for the 2018 Convention. It was felt that Cumberland, MD gave the NRHS the best option to hold a successful convention. John will investigate lodging and events in the Cumberland area.

Motion: John Goodman motioned and Doug Scott seconded to rescind the motion from the Spring 2017 Board of Directors' Meeting approving Cass, WV as the 2018 NRHS Convention site and to approve that the 2018 NRHS Convention be based in Cumberland, MD on dates to be determined.

Motion passed by voice vote.

2019 – Salt Lake City - John reported that he is working on lodging in the Salt Lake City vicinity. To date there is no trip information available from the Union Pacific Railroad. The date at Promontory Point is May 10, 2019.

2020 and Beyond – John is starting to investigate the area around Williams, AZ and the Grand Canyon for a possible convention site in 2020.

Conferences – Bob Bitzer

Fall 2017 – Kansas City

John DeRoo, National Representative of the Kansas City Chapter, presented the activities for the Conference.

The dates for the Fall Conference will be October 19 – 21, 2017. The Conference will be held at the Westin Hotel Kansas City at Crown Center located near Kansas City Union Station. The room rate is \$139 per night plus tax.

Activities on Friday will include a tour of Union Station and a trip on the Kansas City Streetcar with a shop tour. The tour will be split into two groups, each doing the same tour but starting at different locations. Saturday will be the meeting day. There is an optional trip on Sunday on a private car, round trip to St. Louis on the rear of the scheduled Amtrak trains. This trip is limited to 30 passengers.

The registration form is now available.

2018 and beyond

Bob Bitzer is seeking proposals for future Conferences.

Fall 2019 – North Texas Chapter Proposal

Director Skip Waters offered that the North Texas Chapter sponsor the Fall 2019 Conference in the Dallas, TX area. He proposed a date of November 8-9, 2019, with lodging and activities to be determined.

Motion: Doug Scott motioned and Bob Ernst seconded to accept the proposal from the North Texas Chapter to sponsor the 2019 Fall Conference as outlined.

Motion passed by voice vote.

Unfinished Business

Actions of the Executive Committee

No actions of the Executive Committee were taken since the Spring Conference.

Gerstung Fund

At the 2017 Spring BOD Meeting a motion was tabled to allow Becky Gerstung time to review the proposed definition and return to the Board with an acceptable definition. Becky submitted a definition for consideration. Since both Directors who made the original motion are not in attendance a new motion was introduced.

Motion: Bob Ernst motioned and Jim Pahriss seconded to approve the definition of the Gerstung Fund as submitted by Becky Gerstung. The definition reads: "Funds in this account are restricted to pay for expenses incurred for operating the NRHS RailCamp program for teenagers, including funds to be used for RailCamp scholarships."

Motion passed by voice vote.

NRHS Military Sponsorship Program

At the 2017 Spring BOD Meeting a motion was tabled to allow the Board time to review the proposal which grants a free NRHS membership to an active serviceman or veteran of military service for their first year of membership. A short discussion took place to explain the mechanics of the proposed membership.

The original motion read:

Motion: Charles Webb motioned and John Goodman seconded to approve the NRHS Military Sponsorship Program as outlined in the report presented by Ken Mosby. (Appendix K)

Motion passed by voice vote.

New Business

Chapter Withdrawal – North Jersey Chapter

The NRHS received a letter from Bruce Russell, President of the North Jersey Chapter, dated March 3, 2017, requesting the NRHS withdraw the charter of the group. The North Jersey Chapter became affiliated with the NRHS in 1938 but is no longer able to keep it as a viable group due to low membership and the general age of the remaining members.

Motion: Doug Scott motioned and Harold Shaak seconded to withdraw the charter of the North Jersey Chapter. Motion passed by voice vote.

Investment Committee

Director Steven Siegerist commented on the immediate need to invest the cash on hand of the NRHS and NRHS Fund which is not required for daily operations. The money is currently in non-interest or very low interest bearing accounts. This money could be producing additional income if better invested by the NRHS and NRHS Fund.

President Weber responded that the NRHS Fund Board of Trustees is working on this matter. Investment strategy and policy was to be part of the NRHS Fund's Board of Trustees' convention meeting but, due to unexpected absences of a few Trustees, the meeting was not held. AI is expecting this issue to be resolved and action to be taken at the Fall Conference.

NRHS Fund Loan Resolution

The NRHS Fund, Inc. was originally set up by the NRHS with a loan of \$50,000. The intent was to "repay" the NRHS but for bookkeeping purposes, it would be better for the NRHS to show the \$50,000 as an expense to start up the new corporation. The recommendation of converting the loan to an expense was reviewed by the NRHS auditors at PGA who found that it would be acceptable and pursuant to GAAP.

Motion: Bob Ernst motioned and Doug Scott seconded:

"Be it hereby resolved that:

Whereas

The NRHS Fund has begun to solicit, collect and manage donations given for the projects of the NRHS and

Whereas

NRHS advanced \$50,000 to the NRHS FUND now classified as a loan at the Fund's inception to pay for initial expenses related to setting up the Fund and operating it. Now

THEREFORE

The NRHS hereby will reclassify the loan to the NRHS FUND as an expense of the NRHS not to be repaid by the NRHS FUND pursuant to GAAP, and all other expenses which the NRHS has been paying on behalf of the NRHS FUND shall be repaid to the NRHS by the NRHS FUND and that all future expenses incurred by The NRHS FUND shall be paid directly by the NRHS Fund on a timely basis from a bank account or bank accounts to be set up by the Trustees of the Fund."

Motion passed by voice vote.

Chapter Definition

At the Spring 2017 meeting President Weber appointed a committee to create a definition of a chapter to be presented at the Nashville meeting for discussion. The committee consists of Jon Baake, Ron Gawedzinski, Valli Hoski, Carl Jensen, Jim Pahrns and Frank Fowler.

There was no action taken by the committee since the Spring meeting. Al appointed Frank Fowler to Chair the committee and asked the committee members to come back to the Fall meeting with a definition.

Membership Class Definitions

Director Steven Siegerist and his committee made some recommendations regarding membership classes in the NRHS. A written report was distributed to the Board prior to the meeting. (Appendix L) The following action was taken on the recommendations by the Board.

Motion: Steven Siegerist motioned and Bob Ernst seconded that the membership class for youth is removed from the classes available to join the NRHS. Membership in the student class is limited to people aged 14 thru 24 on the first day of the calendar year of membership.

Motion passed by voice vote.

Motion: Steven Siegerist motioned and Harold Shaak seconded that all family members currently on the NRHS membership list who do not report the same address as the primary member will be advised during the next membership renewal period that they must renew as a primary member.

Motion passed by voice vote.

Motion: Steven Siegerist motioned and Steve Barry seconded that when the President writes the letter to the organizations in the database and advises them that the price is \$250.00 he not state that they are Affiliates.

Discussion – Organizations that are listed in the current database as a “Regular” member should be shown as an organization with a rate of \$250. Individuals within an organization can still join as a “Regular” member at the normal dues rate.

Motion passed by voice vote.

Announcements

Director Steve Barry announced that the Wilmington Chapter is celebrating its 50th anniversary with a banquet on December 3, 2017. Contact Steve for information. All are welcome to attend.

Adjournment

Motion: John Goodman motioned to adjourn.

The Board meeting adjourned at 3:38PM.

Respectfully Submitted:

Robert Ernst
NRHS Secretary

Appendix A Members and Guests in attendance

National Representatives X – In Person P – Via phone

| Chapter | # | Last Name | First Name | Present |
|-----------------------------------|-----|------------|------------|----------|
| Arkansas-Boston Mountains Chapter | 188 | Eddy | Kenneth | X |
| Atlanta Chapter | 046 | Kittendorf | Delmar | X |
| Baltimore Chapter | 003 | Shulby | Richard | X |
| Blue Ridge Chapter | 043 | Leslie | Robert | X |
| Cape Cod Chapter | 183 | Scott | Ellen | X |
| Central Coast Chapter | 097 | Graham | Edward | X |
| Cincinnati Chapter | 110 | Andes | Scott | X |
| Collis P. Huntington Chapter | 048 | Hensley | Timothy | X |
| Connecticut Valley Chapter | 012 | Ballard | Roberta | X |
| East Carolina Chapter | 067 | Varney | R. Victor | X |
| East Tennessee Chapter | 042 | Hopkins | M.Paul | X |
| George L. Carter | 242 | Pahris | Charlotte | X |
| Heart Of Dixie Chapter | 060 | Owen | Martin | X |
| Hoosierland Chapter | 186 | Harris | Hugh | P |
| Inland Empire Chapter | 089 | Simanton | John | X |
| Kansas City Chapter | 023 | De Roo | John | X |
| Memphis Chapter | 050 | Strong | William | X |
| New York Chapter | 022 | Sowa | Cora | X |

| | | | | |
|-----------------------------|-----|----------|-------------|---|
| North Florida Chapter | 160 | Fiorilla | Marjorie | X |
| Northstar Chapter | 105 | McLean | Jim | X |
| Old Smoky Chapter | 049 | Freeman | Robert | X |
| Pacific Northwest Chapter | 032 | Baker | Al | X |
| Philadelphia Chapter (Alt) | 004 | Senin | Peter | X |
| Piedmont Carolinas Chapter | 129 | Shulby | Richard | X |
| Potomac Chapter | 116 | Davidson | Richard | X |
| Pottstown & Reading Chapter | 120 | Sweigart | John | X |
| Roanoke Chapter | 036 | Jensen | Carl | X |
| Saint Louis Chapter | 064 | Huesling | David (ALT) | X |
| Washington DC Chapter | 019 | Baake | Jon | X |
| Western Connecticut Chapter | 030 | Ballard | Roberta | X |
| Western Maryland Chapter | 148 | Soderman | Richard | P |

Members and Guests

Dawn Holmberg
Marlin Taylor
Peggy Sweigart
Wayne James
Carol Ann Cornelius
Frank Cornelius

NRHS VP Notes
Summer 2017 BOD Meeting Status Report

As of 14 June 2017

- **Membership Awards**
 - Individuals
 - 2 – 70 years
 - 7 – 60 years
 - 26 – 50 years
 - 157 – 25 years
 - Chapters' Anniversaries
 - Seven Total
 - Niagara Frontier – 75 Years, Presented 18-Mar-17
 - Winchester – 50 Years, Presented 11-Mar-17
 - Charleston – 50 Years, Presented 08-Apr-17
 - Gulf Coast – 50 Years, Presented 18-Mar-17
 - Wilmington – 50 Years, Date TBD
 - Inland Empire – 50 Years, Scheduled 05-Sep-17
 - Red River Valley – 50 Years, Date TBD
 - All remaining certificates mailed to effected chapters 06-Jun-17
- **Library Move**
 - Working with DeGolyer to set schedule – no firm dates
 - NLR meeting 3-4 April 2017 to lay out move plans
 - Bulletins – Shipped to Jeff Smith for digitizing
 - Photos & 35 mm Slides – Shipped to Mitch Dakelman
 - Corporate Records – Shipped to Bitzer Storage Site
 - One truck delivered all above items 09-May-17
 - PHL Street Plats – TBD
 - All the rest to DeGolyer – date TBD
- **Film Digitizing**
 - 8 mm – Tom Coughlin has requested and is waiting for various Chapters' Inputs
 - 16mm – Call on Marlin
 - Will call committee meeting in NJ sometime in August to review work progress
- **General Staff Work**
 - Amilia Replacement Meeting in Chicago 19-May-17
 - Signed contract on behalf of NRHS for Neon CRM to start programing work
 - First roll out for Beta Test due 01-Aug-17

Appendix C

Unaudited Preliminary NRHS Income/Expense Comparison

| | 2016 | 2017 to 05/31 | 2017 Budget | \$ Over Budget | Percent of Budget |
|-------------------------------|----------------|------------------|----------------|-------------------|----------------------|
| Income | | | | | |
| 4100 · Dues | 246,314 | 218,280 | 225,600 | -7,320 | 97% |
| 4200 · Interest and Dividends | 7 | 48 | 0 | -48 | |
| 4300 · Sales | 3,272 | 410 | 3,500 | -3,090 | 12% |
| 4400 · Convention Parent | 116,556 | 0 | 110,000 | -110,000 | -100% |
| 4450 · RailCamp Income | 45,450 | 2,000 | 45,500 | -43,500 | 4% |
| 4600 · Other Events | 0 | 418 | 0 | 0 | |
| 4800 · Unrestricted Donations | 56,893 | 207,580 | 46,000 | 161,580 | 451% |
| 4900 · Restricted Donations | 28,628 | 7,189 | 30,000 | -22,811 | 24% |
| 4999 · Other Income | 10 | 0 | 0 | 0 | |
| Total Income | 497,130 | 435,925 | 460,000 | -24,075 | 95% |
| Expense | | | | | |
| 5100 · Convention | 111,176 | 42,609 | 100,000 | -57,391 | 43% |
| 5200 · NRHS Bulletin | 45,028 | 4,723 | 60,000 | -55,277 | 8% |
| 5300 · NRHS News | 15,853 | 5,378 | 33,000 | -27,622 | 16% |
| 5350 · Misc. Publication | 1,200 | 300 | 3,000 | -2,700 | 10% |
| 5400 · Membership Records | 14,609 | 4,171 | 17,000 | -12,829 | 25% |
| 5600 · Meetings & Travel | 4,267 | 7,108 | 5,000 | 2,108 | 142% |
| 5700 · Staff Expenses | 0 | 0 | 5,000 | -5,000 | -100% |
| 5800 · Admin. Office | 3,347 | 1,818 | 3,000 | -1,182 | 61% |
| 5950 · Financial Fees | 18,551 | 1,489 | 30,000 | -28,511 | 5% |
| 6000 · Corporate | 4,880 | 3,469 | 5,000 | -1,531 | 69% |
| 6050 · Accounting | 29,335 | 6,442 | 30,000 | -23,558 | 21% |
| 6060 · Legal Fees | 14,230 | 6,471 | 11,000 | -4,529 | 59% |
| 6090 · Insurance | 7,136 | 2,886 | 8,000 | -5,115 | 36% |
| 6100 · Public Relations | 0 | 0 | 0 | 0 | |
| 6150 · Advertising | 824 | 0 | 4,000 | -4,000 | -100% |
| 6300 · Fund Raising | 0 | 570 | 10,000 | -9,430 | 6% |
| 6400 · Emblem Sales | 2,074 | 299 | 2,700 | -2,401 | 11% |
| 6490 · Non Emblem Sales | 32 | 0 | 300 | -300 | -100% |
| 6500 · Services | 7,617 | 2,006 | 10,000 | -7,994 | 20% |
| 6600 · Library Operations | 126 | 3,988 | 0 | 0 | |
| 6650 · Rent | 13,114 | 5,483 | 14,000 | -8,517 | 39% |
| 6700 · RailCamp | 51,072 | 3,758 | 48,000 | -44,242 | 8% |
| 6800 · IT Systems | 0 | 0 | 0 | 0 | |
| 6900 · IT Systems Development | 893 | 0 | 0 | 0 | |
| 6999 · Other Expenses | 835 | 0 | 0 | 0 | |
| 9100 · Grants | 35,000 | 20,000 | 16,000 | 4,000 | 125% |
| 9300 · Library Acquisitions | 700 | 2,354 | 0 | 0 | |
| Total Expense | 381,899 | 125,321 | 415,000 | -289,679 | 30% |
| Net Income | 115,231 | 310,604 | 45,000 | 265,604 | 690% |

Preliminary NRHS Balance Sheet Comparison

| | Dec 31, 14 Audited | Dec 31, 15 Audited | Dec 31, 16 Unaudited | May 31, 17 Unaudited |
|---------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash Accounts | 242,597 | 197,731 | 394,928 | 679,044 |
| Accounts Receivable | 1,554 | 0 | 0 | 0 |
| Inventory | 13,380 | 5,102 | 14,835 | 14,835 |
| Prepaid Expenses | 43,237 | 106 | 3,250 | 5,320 |
| NRHS Fund Receivable | 13,749 | 22,407 | 36,834 | 39,457 |
| Loan to NRHS Fund | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Current Assets | 364,516 | 275,347 | 499,848 | 788,656 |
| Historical Items | 14,940 | 14,940 | 14,940 | 14,940 |
| Other Assets | 2,787 | 893 | 0 | 0 |
| TOTAL ASSETS | 382,243 | 291,180 | 514,788 | 803,596 |
| LIABILITIES & EQUITY | | | | |
| Liabilities | | | | |
| Accounts Payable | 74,190 | 5,173 | 6,155 | 0 |
| Unpublished Bulletins | 0 | 0 | 20,623 | 0 |
| Deferred Income | 270,636 | 43,502 | 140,275 | 147,418 |
| Litigation Settlement | 100,000 | 90,000 | 80,000 | 72,000 |
| Total Liabilities | 444,826 | 138,675 | 247,052 | 219,418 |
| Equity | | | | |
| Unrestricted Assets | 52,840 | 36,021 | 34,848 | 48,497 |
| Temporarily Restricted Assets | | | | |
| Library | 22,215 | 22,244 | 22,244 | 17,150 |
| Grants | 0 | 5,619 | 5,742 | 0 |
| RailCamp | 21,421 | 28,799 | 32,927 | 32,927 |
| Educational Program | 27,433 | 29,151 | 27,374 | 27,394 |
| Preservation | 0 | 2,074 | 236 | 0 |
| Other Restricted Assets | 0 | 0 | 537 | 0 |
| Total Temporarily Restricted Assets | 71,068 | 87,887 | 89,060 | 77,471 |
| Permanently Restricted Assets | 17,399 | 17,399 | 17,399 | 17,399 |
| Total Net Assets | -62,583 | 152,505 | 267,736 | 584,178 |
| TOTAL LIABILITIES & EQUITY | 382,243 | 291,180 | 514,788 | 803,596 |

Preliminary NRHS Fund Balance Sheet

| | Dec 31, 14 Audited | Dec 31, 15 Audited | Dec 31, 16 Unaudited | May 31, 16 Unaudited |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| ASSETS | | | | |
| Cash Accounts | 36,770 | 49,131 | 58,853 | 65,052 |
| Fixed Assets | 6,026 | 3,734 | 1,442 | 487 |
| TOTAL ASSETS | 42,797 | 52,865 | 60,296 | 65,539 |
| LIABILITIES & EQUITY | | | | |
| Liabilities | | | | |
| Accounts Payable | 13,749 | 22,407 | 36,834 | 39,457 |
| Loan From NRHS | 50,000 | 50,000 | 50,000 | 50,000 |
| Total Liabilities | 63,749 | 72,407 | 86,834 | 89,457 |
| Equity | | | | |
| Temp. Restricted Net Assets | | | | |
| Library | 0 | 55 | 180 | 180 |
| Film & Video Library | 11,094 | 8,802 | 13,802 | 13,802 |
| Grants | 0 | 1,810 | 2,175 | 5,335 |
| RailCamp | 0 | 208 | 2,517 | 2,517 |
| Educational Program | | 0 | 200 | 200 |
| Total Temp. Restricted Net Assets | 11,094 | 10,874 | 18,874 | 22,034 |
| Total Equity | -20,952 | -19,542 | -26,539 | -23,917 |
| TOTAL LIABILITIES & EQUITY | 42,797 | 52,865 | 60,296 | 65,539 |

Preliminary NRHS Fund Income and Expenses: 2014 to 5/31/17

| | 2014 Audited | 2015 Audited | 2016 Unaudited | 2017 Unaudited | TOTAL |
|------------------------------------|-----------------|-----------------|-------------------|-------------------|---------|
| Income | | | | | |
| 4200 · Interest and Dividends | 5 | 2 | 3 | 4 | 14 |
| 4800 · Unrestricted Donations | 7,620 | 9,869 | 2,887 | 555 | 20,931 |
| 4900 · Restricted Donations | | | | | |
| 4910 · Library | 0 | 55 | 125 | 0 | 180 |
| 4911 · Film and Video Library | 20,000 | 0 | 5,000 | 2,100 | 27,100 |
| 4920 · Grants to by issued by NRHS | 0 | 1,810 | 2,676 | 3,260 | 7,745 |
| 4940 · RailCamp | 0 | 208 | 2,309 | 400 | 2,917 |
| 4950 · Educational Program | 0 | 0 | 200 | 0 | 200 |
| 4990 · Other Restricted Donations | 200 | 0 | 1,200 | 0 | 1,400 |
| Total 4900 · Restricted Donations | 20,200 | 2,073 | 11,510 | 5,760 | 39,542 |
| Total Income | 27,825 | 11,944 | 14,400 | 6,319 | 60,488 |
| Expense | | | | | |
| 5700 · Office Expenses | 0 | 73 | 0 | 250 | 323 |
| 5950 · Financial Fees | 346 | 306 | 744 | 240 | 1,636 |
| 5990 · Interest Expense | 6 | 0 | 0 | 0 | 6 |
| 6050 · Accounting Fees | 0 | 7,570 | 9,825 | 1,558 | 18,953 |
| 6060 · Legal Fees | 7,474 | 293 | 4,931 | 955 | 13,653 |
| 6300 · Fundraising Fees | | | | | |
| 6310 · Fund Raising Consultant | 1,050 | 0 | 0 | 0 | 1,050 |
| 6360 · Fund Raising Events | 686 | 0 | 0 | 0 | 686 |
| 6300 · Fundraising Fees - Other | 30,110 | 0 | 1,295 | 0 | 31,404 |
| Total 6300 · Fundraising Fees | 31,846 | 0 | 1,295 | 0 | 33,140 |
| 6500 · Program Services | 0 | 0 | 2,310 | 0 | 2,310 |
| 8000 · Depreciation FFE | 850 | 2,292 | 2,292 | 955 | 6,389 |
| 9311 · Film Preservation | 8,056 | 0 | 0 | 0 | 8,056 |
| Total Expense | 48,577 | 10,534 | 21,396 | 3,697 | 84,205 |
| Net Income | -20,752 | 1,410 | -6,997 | 2,622 | -23,717 |

2017 RAILCAMP INTERIM REPORT – June 23, 2017

RailCamp 2017 begins on Sunday, so there is nothing to report yet about the camps.

This year we have 35 young men and one young lady attending RailCamp from 22 states. Thirteen of them are receiving full tuition from NRHS chapters and other sponsors. Every camper needing financial assistance has been helped. Thanks to other donations and all the volunteers we have been able to keep the same tuition for the past three years even with rising costs of housing, food, transportation and insurance.

All of our partners have been extremely helpful arranging interesting and educational programs for these campers. Once again the University of Delaware, Newark, and the University of Puget Sound, Tacoma, will be housing campers and staff. Directors Tony White, East, and Bud Thompson, Northwest, have handled all the details with each venue to provide a week of memorable experiences for these young people.

Look for articles in THE NEWS on each camp. We hope to have a brochure ready for 2018 promotion soon. Contact the committee at railcampnrhs@yahoo.com and we will send some to you. It's not too early to look for candidates for the 2018 season. The application will be available January 1, 2018, on the NRHS website.

If your chapter is considering sponsoring a camper you must notify the committee by January 15th of your intention. The application deadline for sponsored campers is March 1st. Sponsored campers, when accepted by the committee, are given priority placement. Do not assume your candidate is accepted. The committee's final decision will be made after review of the application and interviews with references. Contact the committee for sponsor guidelines.

There will be a full report of the 2017 camps at the October conference in Kansas City.

Rebecca Gerstung, RailCamp Program Chairman

Bulletin Production Update

The production of the 2017 Bulletin's remains on schedule. The first issue Vol. 80 No. 1 featuring the Strasburg Rail Road was distributed the first week of June. The content for No. 2 is in hand and being edited. I expect that issue to be published in late summer (August/September). The final issue will be published in November/December and I am working with several authors on the content for that issue. Planning has begun for four issues in 2018 and I am working with several authors on articles to fill those issues.

If you or a fellow member have any ideas for articles you would like to author, please reach out to Jeff Smith at bulletin@nrhs.com.

Jeff Smith
Editor, NRHS Bulletin

NRHS Bulletin Back Issues

Since the NRHS is moving out of National Library Relocators, the *NRHS Bulletin* back issue inventory needed to be moved to a location I can easily access. In consultation with the Officers, we determined that it was best to move it to a storage locker near my home. I received the collection the first week of May consisting of about 60 boxes on two pallets and it is in a 10x10 storage locker about 5 minutes from my home in Bucks County. Many thanks to Joe Maloney for handling the planning and logistics for the move.

I did an initial assessment of the material and frankly the volume is overwhelming. The boxes are extremely heavy and difficult to manage in a small space in such a large quantity. In consultation with the Officers, I made the strategic decision to significantly reduce our back issue inventory based on the following criteria:

- We only handle a few dozen or so back issue requests per year so our current stock of magazine will take hundreds of years to sell off. For some issues of the *Bulletin* we have nearly 500 extra copies. We simply will never sell these.
- We are moving to an electronic archive product (see Bulletin scanning report) and so it doesn't make sense to also be retaining hundreds of copies of the printed product.
- The storage locker cost about \$1,300 a year. With such low sales we are taking a heavy loss on the back issues resale program.
- Without storage in a climate controlled facility, the paper product will quickly degrade. With such low revenue, it is difficult to justify the significant additional costs of climate controlled storage.
- Reducing the number of copies we retain will make it easier to afford climate controlled storage or move the inventory into my home.

So, the path forward that I have determined for back issues is as follows:

- We will retain 2 almost complete collections of the *NRHS Bulletin* for archival purposes. I say almost complete because there are some issues in the 1930s and 1940s that we are missing entirely or only have one copy.
- We have retained 3 copies of each *Convention Trip Guide* and *Yearbook* that we have in inventory. The remainder have been recycled. In nearly 20 years of managing the *Bulletin*, we have only sold two *Yearbooks* or *Trip Guides*.
- We have retained an archive of one copy of each *NRHS News* that has been published. All remaining issues of the *NRHS News* have been recycled. We had thousands of copies of about 5 issues and they have no commercial value. Additionally, there is an archive of recent issue in PDF format on admin.nrhs.com.
- We will retain a maximum of 5 copies of each issue of the *Bulletin* from 1937 to present for limited back issue sales and reference.

The remainder of the *Bulletins* will be disposed of with the following priorities:

- Recent issues (post-2005) where we have hundreds of copies we will offered to the Chapters for free to be used in PR. This inventory is provided in a separate report and

will be published in the *NRHS News Extra*, email and the *NRHS News*. Chapters will have 6 months to a year to claim material they desire.

- We will make a reasonable effort to notify libraries that issues are available to complete their collections. Magazines will be provided for free to interested institutions.
- The membership will have a last chance to purchase back issues for the next 12 months or so. Once I have a reasonable inventory, notification will be made via Facebook, the website and the *NRHS News*. Issue published post-2005 have already been offered for sale. Sales have been very slow (less than 15 magazines sold).
- The public will have a chance to purchase back issues. This has also been done for issues published post-2005. Sales have been very limited (less than 10 magazines)
- Offered to vendors who sell back issues of historical magazines (for example railpub.com)
- Anything remaining - I expect it will be most of the material - will be recycled.

I expect that it will take 12-18 months to complete this process. If you have any questions or concerns, please reach out to Jeff Smith at bulletin@nrhs.com.

Thanks,
Jeff Smith
Editor, *NRHS Bulletin*

***NRHS Bulletin* Scanning Project Update**

Thank you for appropriating money for the scanning of the *NRHS Bulletin*. Much has been accomplished in the past few months and this report will bring you up to speed.

Most of the time spent on this project has been assembling a copy of each *Bulletin* that was in appropriate condition for scanning. Ten years ago, the office staff in Philadelphia had assembled a complete collection of the *NRHS Bulletin* that represented the best copy of each issue that we had. Unfortunately, the staff at National Library Relocators – who have been storing the library collection since we moved out of the self-managed NRHS office in Philadelphia - integrated these copies with the large collection of extra magazines used for back issue sales. After working with Joe Maloney to get all the magazines shipped to me in Pennsylvania, I spent about 30 hours inspecting each magazine and for those that were not appropriate for scanning, finding a suitable copy in the back-issue sales collection. I am happy to report that aside from some issues from 1936 and 1937 we have a complete collection of magazines for scanning.

I have signed off on a scope of work with a company called Digiscribe (<http://www.digiscribe.info>) to perform the scanning work for us. The work will cost \$11,850 (50 cents a page plus some fees for project setup, delivery of the electronic files and a courier service for handling the magazines). An interesting fact is that the *NRHS Bulletin* has published just under 21,000 pages of content in the past 80 years. A kick-off call was held on May 22, 2017 and I expect that the scanning work will be complete by the end of August.

Unfortunately, after inspection of the magazines, Digiscribe has informed me that they will need to cut each magazine to get the best quality scans. Cutting the binding allows for the pages to be scanned completely flat, leading to a higher quality image. Since some of the issues they will be scanning are our only copy, I will have the complete set of magazines bound at the end of the project to preserve them. The additional cost for binding will likely be covered by the \$15K budget the Board authorized.

At the Fall Board meeting I will have a final report on the scanning operation as well as several options (and costs) for the Board to consider regarding how we can provide access to the digital archive. In the meantime, any questions or concerns can be directed to Jeff Smith (Editor, *NRHS Bulletin*) at bulletin@nrhs.com.

Thank You
Jeff Smith
Editor, NRHS Bulletin

Free Bulletin Issues for Chapter PR

As covered in other reports, the NRHS is looking to significantly reduce the inventory of back issues we keep in stock. Below is a list of issues available for PR use by Chapters. If you are interested they are available in allotments of 50 issues. You can choose which issue you want or you can leave it to me to select the issue(s). In the inventory below you will see how many issues are available and a brief description of the content in that magazine. Please reach out to bulletin@nrhs.com if you are interested in receiving one or more boxes of *Bulletins*. They will be provided free of charge including shipping (National will pay for the shipping).

Spring 2010 (50 copies) - Tehachapi in the 21st Century, FL9 Dual Mode Locomotive
Summer 2010 (50 copies) - Garden City Western, UP's Central Coast Line
Fall 2010 (50 copies) - American Railway Depots

Spring 2011 (50 copies) - Portland Switching District, The Railroad Landscape as a Site of Cross Disciplinary Inquiry
Summer 2011 (50 copies) - Small Town Grain Elevators (railroading in flyover country), Burnside Shops

Fall 2011 (100 copies) - The Challenge of Steam Tourist Railroads in the American West

Summer 2012 (120 copies) - The Pennsylvania Railroad Mainline: Exploring the Railroad Landscape
Fall 2012 (250 copies) - Removing Southern Pacific's Cajon Pass Tunnels, The Virginia & Truckee Railroad

Spring 2013 (110 copies) - Savannah to Tybee Island, CSX's New River Subdivision
Summer 2013 (500 copies) - The Tenacious Tweetsie, Bethlehem Steel
Fall 2013 (50 copies) - The Modern Streetcar: Transit or Time Machine?

Winter 2014 (400 copies) - Some Vernacular Railroad Photographs (a Brief History of Railfan Photography).

Vol 79 No. 2 (80 copies) – Bay Line Graceville Extension, Today's High Priority Trains (intermodal)

Vol 79 No. 3 (100 copies) – Contemporary Views Along the First Transcontinental Railroad

Thanks,
Jeff Smith
Editor, NRHS Bulletin

ROANOKE CHAPTER CHALLENGE GRANT TO SUPPORT NRHS GRANTS PROGRAM

The Chapter Board has moved to help support the NRHS Grants Program, which has been underfunded for several years. Because of this underfunding, there was only \$20,000 of money available in 2017. Some 36 applications were received but only 8 awards were made, the largest being \$3,000 with others of lesser amounts. With few exceptions, Grants made were only able to partially fund the amounts requested.

To help support the Program, and assist in jump-starting the 2018 available money, the Chapter will donate \$3,000 and has established a matching challenge offer of up to \$2,000 more. The provisions are shown below:

1. ROANOKE CHAPTER DONATES \$3,000 TO START AN INITIAL CHALLENGE FOR ALL OTHER NRHS CHAPTERS AND OTHERS WHO MAY WISH TO CONTRIBUTE BY DONATION IN INCREMENTS OF AT LEAST \$500 TOWARD GROWING THE AVAILABLE FUNDS TO SUPPORT THE NEXT ANNUAL NRHS GRANT PROGRAM. THIS \$3,000 IS COMMITTED REGARDLESS OF WHATEVER CHALLENGES MAY BE RECEIVED AS OUTLINED BELOW.
2. ROANOKE CHAPTER CHALLENGES OTHER CHAPTERS, ORGANIZATIONS AND INDIVIDUALS INTERESTED IN RAILROAD PRESERVATION BY ENCOURAGING THEM TO JOIN IN THIS PROJECT. ROANOKE WILL MATCH 10% FOR EACH DONATION OF AT LEAST \$500 CONTRIBUTED BY OTHERS
3. *Example:* 20 Donations @ \$500 each = \$10,000 + matches @10% x \$500 = \$1,000 or a total of \$11,000.
IN ADDITION TO THE INITIAL DONATION BY THE CHAPTER OF \$3,000, THEN WE WILL RAISE \$14,000.
IF THE CHALLENGES ARE MET WITH THE EQUIVALENT OF 20 \$1,000 DONATIONS THEN ROANOKE'S 10% CHALLENGE MATCH WOULD RESULT IN A TOTAL OF \$25,000 GENERATED FOR THE GRANTS FUND. (20x\$1,000 = \$20,000 plus 10% x \$20,000 = \$2,000 Total \$22,000 + \$3,000 = \$25,000).
4. INDIVIDUALS AS WELL AS CHAPTERS MAY CONTRIBUTE. MINIMUM CONTRIBUTION IS \$500 (PREFERABLY \$1,000), OR MORE AND MAY BE DONATED IN \$100 INCREMENTS BEYOND THAT AMOUNT. ALL WILL BE MATCHED BY ROANOKE AT 10% OF THE DONATION. DONORS ARE ENCOURAGED TO MAKE THEIR CONTRIBUTIONS AND APPLY FOR MATCHING FUNDS FROM THEIR EMPLOYER OR OTHER ORGANIZATION THAT HAS THAT SERVICE AVAILABLE. BOTH ROANOKE CHAPTER AND THE NATIONAL NRHS ARE TAX EXEMPT 501c3 CHARITABLE ORGNIZATIONS.
5. THIS PROGRAM WILL BEGIN JULY 1, AND CONTINUE UNTIL APPROXIMATELY FEBRUARY 1, 2018, AT WHICH TIME ALL FUNDS COLLECTED WILL BE EARMARKED FOR THE 2018 GRANTS.
6. MAKE ALL DONATIONS PAYABLE TO Roanoke Chapter, NRHS, P.O. Box 13222, Roanoke, VA 24032. DONATIONS MUST BE CLEARLY MARKED: ***EARMARKED FOR NRHS GRANTS PROGRAM*** . DONATIONS PLUS THE 10% MATCH FROM THE CHAPTER WILL BE SENT DIRECTLY TO THE NRHS FUND FOR DEPOSIT.
7. A FORM ***MUST*** ACCOMPANY THE DONATION, TO BE SENT TO THE CHAPTER FOR ACCOUNTING AND MATCHING TO BE COUNTED. (Form to be available from the Chapter at www.RoanokeNRHS.org)

President Weber, Executive Staff, and National Representatives:

President Weber directed me to make a quick visit to Cass/Elkins, WV, which I just completed this past weekend. This is in preparation for my discussion at next week's BOD meeting concerning our recent decision at our recent Spring BOD meeting in Delaware, to make Cass, WV as the site for our 2018 summer convention location.

Unfortunately, upon visiting both Cass and Elkins, WV, I find this to be a very difficult location for our summer convention. The big problem is access to either of these locations via land transportation other than private automobile. There is no passenger rail, no public bus, and no airport in the area with any airlines of any size, even serving any areas nearby. The closest would be Amtrak to White Sulphur Springs, WV via it trains 50-51, The Cardinal. It is 62 miles up the mountain by private automobile. There are no rental cars available at this location.

The Cass area is wonderful for any railfan, and it is like going back over 60 years in its historical ambivalence, what with the steam locomotives, etc.

I had a discussion with the Sales Manager of the nearby (9 miles away) ski resort of Snowshoe Mountain. She is willing to give us a \$125.00 rate for the week of July 16-19, 2018 up at the top of the mountain in a condo type of housing. There are many restaurants and meeting areas in this location, and they would have available buses to take our people down to Cass for the steam operations. We would have all our meetings, seminars, and banquet up on the mountain in this area.

In Elkins, WV there are some smaller hotels nearby the former Western Maryland RR station, where their trains operate in connection with Cass trains to/from Cass WV.

In all of these cases we still have the problem of "getting there" which will certainly cut into our attendance for our 2018 convention.

I did asked our bus person (Steve Siegerist) to investigate if there were a charter bus operator at Cumberland, MD, where Amtrak's Capitol Limited #29-30 operate on a daily basis. He did find out that there is such a charter service at that location. They quoted Steve about \$1,000.00 for a charter from Cumberland to Cass. We would need service going up to Cass on Tuesday evening (3 1/2 hour trip) and returning on Sunday back from Cass to Cumberland.

I need the direction from all of you as to how I can move forward on 2018.

One other option would be to locate the convention in Cumberland (yes, we were just there last year for a BOD meeting) and spend one very long day going up to Cass and riding their trains, but coming back to Cumberland that evening. Another day could be spent riding the nearby Potomac Eagle for a full day, then a third day riding the locally steam operated Western Maryland Scenic, which is right in town. (and will have a newly rebuilt steam engine in operation by that time)

Please give me your input at the BOD meeting as how I should move forward.

Thank you,

John H. Goodman

National Convention Chairman – jhgoodman2001@yahoo.com

New Business – Membership Class Definitions

The committee has reviewed the membership categories and the latest membership brochure and has issued this report.

The by-laws define four classes of membership:

Individual

Organization

Honorary

Family

The bylaws also state that the BOD may add additional membership classes.

The committee recommends the following:

Individual membership should be shown in the membership brochure as such for \$50.00. There should be no reference to at-large or chapter membership. The brochure should encourage the applicant to seek out and join a local chapter also. Chapters who distribute the brochures should have their identification on the brochure and the brochure should have a white space for them to add a label or stamp.

Family membership should be shown in the brochure as such for \$7.00. An additional statement should be added: "living in the same household as individual member". This is in accordance with the by-law description of this category.

Student membership should be shown in the brochure as 14-24 for \$16.00. This is a class not listed in the bylaws but was established by BOD action.

Youth membership should be removed from the brochure. If in fact this class was established by the BOD, it should be deleted by BOD action. The age group (5-12) does not make decisions or have the money to join directly. The NRHS would prefer a parent to join and the youth be included as a family member.

The Organization class is not listed in the brochure and actually should be changed to the new Affiliate class. The committee is not sure if this class should be shown in the brochure or not. The BOD should consider this option.

New Business – Membership Class Definitions

Based on the above, the committee proposes the following motions:

1. Membership class for youth is removed from the classes available to join the NRHS. Membership in the student class is limited to people aged 14 thru 24 on the first day of the calendar year of membership.
2. All family members currently on the NRHS membership list that do not report the same address as the primary member will be advised during the next membership renewal period that they must renew as a primary member.
3. A proposed amendment to the by-laws to change the membership class of "Organization" to "Affiliate" in Article IV, Section 2, Paragraph b is hereby authorized by the BOD to be put to a vote of the membership at the annual meeting in 2018.