NEW ENGLAND ELECTRIC RAILWAY HISTORICAL SOCIETY, INC.

OWNER AND OPERATOR OF THE SEASHORE TROLLEY MUSEUM

Kennebunkport, Maine
On the front platform of Biddeford & Saco No. 31 are, from left, State Rep. George Carroll, Foster Leavitt (at the controls), Alexander Hamilton, Theodore Santarelli de Brasch and Sen. Muskie being given, along with other guests and dignitaries, an inspection trip of the museum following the ground breaking ceremony. Woolnough Photo
REPORT OF THE PRESIDENT

The year ended December 31, 1979 can best be described as a year of challenges and contrasts. In the Charles Dickens sense, these are indeed the best of times and the worst of times. We have been threatened by external forces: inflation and the economic squeeze on summer tourism; the gasoline crunch of the spring and early summer of 1979 and the deteriorating international political situation, especially in the Middle East, have created an atmosphere of instability and apprehension which has touched each of us to varying degrees.

Yet in the midst of these disquieting developments we have observed a dramatic reassessment of priorities in personal transportation and the best uses of available energy resources. Mass transit in its various forms will assume a greater role in our increasingly urbanized society. The Seashore Trolley Museum with its comprehensive, worldwide collection of mass transit vehicles is in a unique position to offer a lesson in living history to the general public, and, a resource of tried and proven technology to scholars of history as well as designers of tomorrow's mass transit systems. Our challenge is to seize upon this opportunity and use it to improve and strengthen our museum and its programs.

The Five Year Development Program, first conceived in the summer of 1977 and officially launched a year later, is designed to meet this challenge. The stated goal is to broaden the base of our public support through major capital improvements to the physical plant: a visitors center building, extension of the main line ride, completion of the Central-Fairview exhibit barn complex, creation of a shuttle loop ride to serve the major points of interest in the museum, and expansion of the existing car repair and restoration shop. In 1978, we anticipated a steady decrease over the next several years in the number of casual visitors and an increase in visits by organized bus tours. The attendance and income figures for 1979 have proved us right. Our emphasis in the next five years will be on improving our capability to accommodate tour groups. This will include stepped up solicitation efforts. The new Visitors Center is the centerpiece of this program.

The accomplishments achieved during 1979 are described in detail in the various departmental reports. Several highlights deserve mention here.

The availability during the winter of 1978-79 of several skilled people made possible a winter shop program. Two car restoration projects were thus given a head start on the regular summer program. It is increasingly difficult to inspire volunteers to work under adverse conditions, such as severe cold, or to perform routine maintenance chores. We continue therefore to be grateful for the presence within the membership of individuals who are available and willing to work for their museum under these conditions, and to accept less compensation than they could earn elsewhere. We are likewise indebted to those members, as often as not from within this same group, whose financial contributions have permitted continuity of car restoration programs not otherwise possible with the museum's tightened budget. Without the dedication of such people, your museum could not have advanced to its present level of achievement.

In the area of fund raising, we were turned down a second time by the Kresge Foundation in a bid to fund the Central-Fairview exhibit barn complex. We did succeed in securing a $25,000 grant from the Institute.
of Museum Services funded by the Department of Health, Education, and Welfare. This grant is being used as seed money to establish a museum library, organize the cataloging and accessioning of the collection, expand the education program, and stabilize the condition of certain vehicles now awaiting restoration.

Several developments during 1979 gained for the museum additional recognition and improved public stature. The loan to the Massachusetts Bay Transportation Authority of Type Five streetcar No. 5734 has been a mutually beneficial venture, and hopefully will set a precedent for additional programs of this nature. Currently being explored jointly with the Museum of Transportation and the Boston Street Railway Association is the concept of an old time trolley operation in the soon to be redeveloped waterfront area of Boston. Yet another possibility now under review is the museum’s involvement in a trolley car operation within the old mill district of the Lowell (Mass.) National Historic Site. The ramifications of both of these opportunities will require increased output of the museum’s resources in the form of funds, personnel, and rolling stock. The long range potential for positive gain should far outweigh the initial effort. In September the museum hosted jointly with the Brick Store Museum of Kennebunk the semi-annual meeting of the Maine museum directors sponsored by the Maine State Commission on the Arts and the Humanities. In November the Society received an Award of Merit from the American Association for State and Local History.

The revised accounting procedure prescribed by our independent accountant, Price Waterhouse & Co., was put into effect during 1979, and the immediate result is the audited financial statements which form a part of this annual report. The farther reaching results will be improved eligibility for outside funding. The lower than anticipated income from the past summer’s operation has served to accelerate our efforts to free the museum from its dependency on summer tourism for the bulk of its operating support. This period of transition will continue over the next several years and will require a proportionate level of support and the same stamina from the membership as did the struggle of 25 to 40 years ago just to protect the growing collection from the elements.

AUXILIARY OPERATIONS

The gift shop continues to be a major source of income from the public and of financial support for the museum. The impact of the decreased visitor attendance on gift shop sales was not as great as it was on receipts from admissions. This is partially attributed to the increase in the number of bus tour visitors who purchase mostly souvenir items with a higher markup value than the books and railroadiana. A change in mail order policy has simplified the accounting in this area of the gift shop operation. Open accounts have been discontinued, and when a customer’s order cannot be shipped complete due to items out of stock or out of print, the unspent cash is refunded by check.

After the first full season of providing on site food service, the dining car operation has proved itself to be a worthwhile convenience for visitors and staff alike. The present short order service does not adapt itself very well during peak periods to a railroad dining car with limited seating at tables. The outdoor picnic tables have alleviated this situation somewhat. The placement of a North Shore coach car next to the dining car to provide seating for patrons waiting for their orders is a possible solution to the problem encountered during the experimental period.

Preliminary conversations have been held with the Boston Museum of Transportation and the Boston Street Railway Association on the possibility of establishing an old-time trolley operation in the waterfront section which is being redeveloped into an entertainment, residential, and commercial area. Cars

A frequently repeated scene day in and day out at the Highwood Exhibition Barn where guided tours are given to display many of the museums show pieces. On the left in this photo is No. 621 Montreal & Southern Counties interurban that along with several others of its class used to hold down the Granby run, and on the right, the beautifully restored turn-of-the-century single truck parlor car, the City of Manchester. Woolough Photo
from the museum’s Boston collection would be loaned for this venture which could provide new exposure for the museum and ultimately generate additional income to support the museum’s other programs. The successful deployment of Type 5 No. 5734 on the MBTA’s Green Line and the restoration of Car No. 475 now in progress in Boston are both steps in this direction.

At the same time the museum has been exploring another possible satellite operation in the city of Lowell, Massachusetts. The National Park Service and Lowell Historic Preservation Commission are creating a national historic site in the old mill district. The plans include a visitor circulation system by trolley using existing railroad industrial trackage which would be electrified and extended to include operation in streets that are to be closed to automobile traffic. In exchange for restoration funds, the museum would loan one or more of its Eastern Massachusetts Street Railway cars which once ran in Lowell under possible terms of an operating contract.

DEVELOPMENT PROGRAM

At the end of its first full year, the five year Development Program had made noteworthy progress. A total of $86,088 was pledged largely from the Society’s membership, and $37,482 cash was paid in. Some of this amount came from nonmember friends of the museum through a local community fund drive. To aid in this and future efforts, a support group, “Friends of the Seashore Trolley Museum,” was organized, and includes our Congressional delegation, local public officials, and members of the business community.

The 40th anniversary of the museum’s founding was observed on Saturday, July 7, 1979 with a ground breaking ceremony at the site of the new Visitors Center. The initial site preparation followed shortly thereafter, and the foundation was completed at the end of November. Construction of the building itself commenced in January 1980. The first phase of the construction has been partially financed by the Ocean National Bank of Kennebunk in the form of a $100,000 construction loan at 12 percent. At the end of its six month term, this loan will convert to a ten year mortgage at a fixed 12 percent interest rate. Funding for the final phases of the Visitors Center project is being sought from other sources.

The extension of the main line track took an initial step forward during August when Central Maine Power Company relocated its 38KV transmission line further from the Atlantic Shore Line road bed thus clearing the way for the laying of track. Efforts are continuing to locate a source of reasonably priced, good quality relay rail.

A special two-day open house was held on the weekend of October 13 and 14. Billed as “Community Days,” the occasion offered free admission to residents of the surrounding area. The museum’s regular program of operation was supplemented with entertainment by three local music groups and bake sales by two community organizations. Over 1,200 people attended.

GENERAL ADMINISTRATION

The hiring of a qualified bookkeeper-secretary enabled a smooth transition to the new accounting system prescribed by the Society’s accountant, Price Waterhouse & Co. This provided the necessary data to produce the audited financial statements which are part of this annual report. In mid July, after it became obvious that income from admissions and gift shop sales were falling short of the pre-season projection, steps were taken to trim the operating budget for the balance of the year. At the same time, a special appeal
went out to the membership to offset a projected budgetary shortfall. The membership responded generously by raising $4,087 by year's end.

To keep pace with the rising costs of membership services, the Trustees increased the annual dues effective January 1, 1980 to $12.50, regular adult rate, and $7.50, reduced rate. It was also decided to make the membership newsletter, "The Trolley Museum Dispatch," a quarterly publication instead of bi-monthly, and at the same time expand the circulation of the Monthly Activity Report. This move was designed to provide interested members with more current information on museum activities. Members wishing to receive this and other monthly reports have been asked to contribute the postage in advance. The wholehearted support of these changes by the membership has been most gratifying.

**MAINTENANCE OF THE PHYSICAL PLANT**

A wood pole was set to support the rebuilt south end truss in Riverside Barn. The former Eastern Massachusetts Street Railway starter's booth received a new floor and underframe, and the exterior was repainted. Numerous repairs and improvements were made to the electrical distribution and water systems, and other supporting facilities. Special metering equipment was installed to limit the demand peaks set during times when extra streetcar operation combines with other electrical loads. This move has already produced savings in electricity expenses. The three pairs of big doors on Highwood Barn were repainted. A concerted volunteer effort in the late spring provided another season of brightly blooming flower beds. The front end of the roof on Central Barn was framed and sheathed. It is now possible to close in and sheath the gable over the doorways as well as build and hang the doors.

**PUBLIC RELATIONS**

The planning and distribution of the museum leaflet was accomplished by a team of volunteers. This together with the public service television spots provided a major portion of the museum's publicity effort. Several individuals were instrumental in adding to the number of bus tours which visited the museum. Special appreciation is due the numerous members who make slide and movie presentations to various community and service organizations in their home areas. The museum continues to benefit from this form of outreach.

Interest in the museum by the local community was increased as a result of the "Community Days" open house in October. Several community organizations have inquired about using space in the new Visitors Center for their meetings and activities. The orientation room has been designed as an all-purpose room with this idea in mind.

The museum was invited to participate in the 20th anniversary of the Massachusetts Bay Transportation Authority's Riverside Line on July 1, 1979 by loaning one or more cars from the collection to run in a special procession. The car finally selected was Boston Type 5 No. 5734. The period of the loan was subsequently extended until September 7, 1980. Numerous excursions have been run with this car on the MBTA's Green Line. Excellent cooperation by Authority personnel at all levels has aided in the success of this precedent setting experiment.

**INSTITUTE OF MUSEUM SERVICES GRANT PROGRAM**

In early September the museum was awarded a $25,000 grant for general operating support by the
Builders picture shows Denver & South Platte Ry. Birney Safety Car No. 1 as it appeared in 1919. Transformed into York Utilities No. 82 at their Town House Shop in 1927, it is currently being restored in the Museum's Town House Shop to its original paint scheme and number. As soon as new pinions are procured for the ex Boston El motors, it can be made operational again. The Birney car, originally designed by Stone & Webster for their own use, overnight became an industry standard providing the big city systems with a means of introducing the one man car and the interurbans with a suitable car for local service in the smaller cities. American Car Co. Photo

Institute of Museum Services, a division of the Department of Health, Education and Welfare. The grant period runs through August 31, 1980. The program to be funded by this grant includes several areas of the museum's operation in which the accreditation committee of the American Association of Museums recommended improvement. These include establishing a library to hold books, drawings, plans, and other historical material relating to the electric railway industry, and setting up a system to accession and catalog this material along with the museum's collection of rolling stock and smaller artifacts. Development of an educational program, improvement to the security of the collection, and stabilization of certain vehicles awaiting restoration are also included in the IMS program. A full time curator has been employed to plan the program with assistance from outside consultants as needed. Application has been filed for a second year grant from IMS to move these projects forward.

CURATORIAL ACTIVITIES

The demonstration by operation of selected cars from the collection and static display of others together with interpretive exhibits and an audio visual presentation represent the museum's primary offering to the public. The operation of the cars in passenger service in 1979 was staffed almost entirely by volunteer members. The exhibit barns were under the care of both paid and volunteer staff. Seventy-six members served as volunteers in these capacities. A new feature was added to the program in the form of "extra fare" cars. The operation was announced each day with special platform signs, keyed to the car by color, logo, and lettering, giving the times of departure and the extra fare charged per person. During the trip, the conductor describes the history of the car, points out its special features, and explains its significance to the museum's collection. The service was inaugurated with Liberty Bell Limited Parlor Car No. 1030. Additional
candidates are “City of Manchester,” Car No. 38, and Boston 25 foot box car No. 396. The experiment met with immediate favorable response from the public.

The restoration and maintenance of the rolling stock collection falls into two categories. The museum funded shop program included maintenance and repairs to the cars used in revenue service. Progress was made on three major restoration projects. At year's end, Boston Type 5 No. 5821 had new steel sheets riveted to the rebuilt frame on both sides of the carbody. New roof boards were milled and applied to the main roof section on one end bonnet. The other did not require replacement. The entire roof then received a new canvas. A new wood floor and interior side panels were installed. A complete new set of doors was made up. Mechanical and electrical repairs included overhaul of the trucks, motors, wiring, air piping and brakes. The car was successfully test run just prior to Labor Day. Funds to continue this restoration have been donated by several interested members. During the fall and winter, one end has been completely rebuilt. It is planned to rebuild the second end, hang and glaze the doors, and repaint the car by the end of June 1980.

The restoration of Montreal single end, high floor Car No. 957, sponsored by an individual member, had the rear platform structurally rebuilt. Portions of the underframe of the main carbody were reinforced. New wood side post fillers were made up and installed. The rear truck was removed and with the motors received a complete overhaul, and was replaced. The car was then turned and the front truck removed for overhaul in 1980. Portions of the interior cherry woodwork were stripped in preparation for refinishing.

Denver & South Platte Birney Car No. 1 (York Utilities Co. No. 80) had its window sash refinished and prepared for installation. The new motor support bearings had to be modified before they could be placed in the truck. New pinion gears are required before the car can be run under its own power.

Under the exhibits program, Milwaukee Car No. 861 was prepared for a cosmetic repainting of the exterior, and received a spray coat of orange with the help of several volunteers.

Two of the Connecticut Company open cars required repairs to their running gear. No. 303 sustained a grounded armature in one motor which necessitated its removal for rewinding by an outside firm. The car should be returned to service in early July 1980. In addition to the resecuring of the split bull gear on one motor axle, No. 838 required a new length of one inch threaded rod for brake slack adjuster in one truck. This was made up by a local member in his own machine shop. A portion of the roof canvas on Quebec Railway Light & Power No. 454 was renewed along with the nailing strips.

The paid shop force of ten people could not have accomplished what they did without the help of 54 volunteers some of whom donated up to two weeks vacation time on shop projects. Others worked on individual projects of their own.

Volunteer restoration projects comprise the other category of care of the museum's collection. The decision to loan Boston Type 5 Car No. 5734 to the Massachusetts Bay Transportation Authority in early June resulted in a crash program by an unprecedented number of volunteers which produced a refurbished, operable exhibit in a record breaking three weeks. Included were structural repairs to the carbody, repair and reglazing of window sash and doors, replacement of one headlight and a section of sheet metal anti-liner skirting, and a complete repainting inside and out. The project was completed by the summer shop force in time for test runs prior to shipment to Boston.

Before. Photo taken in mid-summer 1978 contrasts sharply with photo on opposite page. Boston Type 5 Semi No. 5821 as it appeared with major portions of the under/ frame renewed and side ‘‘T’’ posts on the first side rebuilt, in readiness for riveting on of new side sheets. Woolnough Photo

Boston area museum volunteers engaged in three week crash program taking Type 5 No. 5734 out of the “mothball fleet” and readying it for its return to Boston for the Highland Branch’s Twentyieth. Woolnough Photo
A fresh coat of orange enamel is being sprayed on Milwaukee 861 to move it farther along the road to serviceability. Just twenty years ago efforts of a specially formed “Milwaukee Club” had been successful in funding this car’s move to the museum. Lane Photo

The exterior livery chosen was the mid 1930’s scheme of orange body and doors, cream sash and window posts with maroon beltrail stripe, gray roof, and black lettering and underbody. The interior received the familiar “commonwealth” red, gray floor, and white ceiling. During the car’s sojourn in Boston, museum volunteers have performed additional repairs and maintenance to motors, bearings, heaters, and compressor governor.

In January 1979, another historic Boston car, 26’6” “box” car No. 475 was moved to the MBTA’s Watertown Carhouse where restoration was begun by a team of museum volunteers. Both of the original wood side sills were reinforced by bolting on five inch angle plates. Some cross members were replaced, and one vestibule has received a new end sill and rebuilt framing. The wood roof sheathing was repaired or replaced as needed in preparation for new canvas. New trolley boards have been made up and both side sign boxes rebuilt.

The spring of 1979 saw the completion of the interior restoration of North Shore Dining Car No. 415. The mahogany wall panels and six doors in the corridor were stripped of their pastel green paint and refinished in natural varnish. The pieces of three new tables ordered in 1978 were received in early 1980, and await finishing, assembly and installation. Also required to complete the interior refurnishing are ten new chairs and the refinishing of the existing chairs and tables.

The 1924 Graham Brothers bus, a small, engine in front vehicle with box type body, acquired several years ago from a school bus operator in Wayland, Massachusetts, received attention from its sponsor. Restoration commenced with replacement of the wood

*After*. Photo taken near end of season, 1979. Shows basic work completed on sides of No. 5821. Although still minus window sash, doors, seats and inside trim, car had already been re-equipped electrically and mechanically. At this moment it is being readied for a trial run on the main line on Member’s Day. Woolnough Photo

Father and son team installs the first set of new hardwood doors on 5821. The best of the old door sections were hastily refurbished to outfit Type 5, No. 2734, for its return to Boston to participate in the Riverside Line’s 20th anniversary celebration. Lane Photo
roof framing. Tongue and groove sheathing was milled for completion of the new roof. Research by the sponsor reveals that this is the only such vehicle known to exist, at least east of the Mississippi.

A new team of volunteers took up the restoration of Cambridge Subway Car No. 0719. In previous years, the roof, one side, and portions of both ends had been sandblasted, primed, and painted. During the summer of 1979, the remainder of one end and a portion of the second side were stripped, primed, and sprayed with enamel.

Further body restoration of Boston Type 3 Snowplow No. 5154 included a new wood letterboard on the one side which required it, one complete new side post, and a spliced-in portion of another. A new steel side door track was installed, and the door rehung. The monitor portion of the roof was repainted.

The interior restoration of Chicago Surface Lines Pullman Car No. 225 during 1979 focused on stripping and priming the large agasote headlinings panels.

A volunteer effort in November involved the cars of another museum. The Baltimore Streetcar Museum's collection had suffered flood damage in September which required the removal, cleaning, and repair of every traction motor, a time consuming and expensive task. Five Society members journeyed to Baltimore and spent a weekend assisting with the removal of motors from two cars.

The museum's collection and operation were inspected in September by the assembled museum directors of Maine. Sponsored by the Maine State Commission on the Arts and Humanities, the semi-annual gathering was hosted jointly with the Brick Store Museum of Kennebunk, and brought together a wide variety of disciplines — from the fine arts and local history to sailing ships and streetcars.

Construction of new track consisted of the new turnout at the rear of Town House Shop which restored the connection between Tracks 0 and 1. Removal of the previous turnout was necessitated by the lowering of the grade outside the building and the concreting of a portion of the floor inside. This work was accomplished entirely by volunteers. Minor repairs to track included realignment of the annual frost heave in the main line north of Meserve's Crossing, replacement of the headblock ties in the South Riverside turnout, and realignment of the throat turnout in Town House Yard. In the late fall, the track at the south end of Riverside Barn was partially dismantled to permit the setting of the center support pole under the end truss of the building. This was the first step in the complete replacement of the South Riverside turnout to be carried out in the spring of 1980. At the end of November the upper tangent portion of the main line was resurfaced requiring one load of rock ballast. Two members of the Baltimore Streetcar Museum assisted with the project which also included restoring several pullel apart rail joints.

The overhead trolley wire serves both as a necessity and as an exhibit of electric railway technology. It provides electric power for the cars and represents the different types of overhead design and hardware employed by the industry throughout its history. Different segments of the museum's overhead system have been designed to recreate noteworthy styles of individual railway companies. The short but gradually expanding segment of trolley coach overhead provides for the occasional, as well as, the only operation, ever, of this type of vehicle in the "Pine Tree State". Additional work on the Fairview Yard layout moved this project nearer to completion. The section insulator and frog in the South Riverside lead were relocated, and general maintenance was performed over the rest of the system.

Montreal 957 shown with rear vestibule almost completely rebuilt; that had suffered badly from salt damage due to a combination of many years of uni-directional service and the severity of Canadian winters. The front end has since proven to require far less work which will help speed this several year restoration job along to its last phase — the paint shop — in 1980. Woonough Photo

This closeup view down the right of way shows the new poles of the Central Maine Power Company before the wires were moved over and a streetcar at the present end of the main track. Woonough Photo
## Balance Sheet

**December 31, 1979**

<table>
<thead>
<tr>
<th>Assets</th>
<th>Current Unrestricted</th>
<th>Current Restricted</th>
<th>Plant Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$ 7,511</td>
<td>$</td>
<td>$</td>
<td>$ 7,511</td>
</tr>
<tr>
<td>Savings accounts</td>
<td></td>
<td></td>
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<tr>
<td>and certificates</td>
<td>18,810</td>
<td>28,867</td>
<td>47,677</td>
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<tr>
<td>Accounts receivable</td>
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<td>433</td>
<td>1,062</td>
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<tr>
<td>Investments</td>
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<td>228</td>
<td></td>
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<tr>
<td>Inventories</td>
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<td>51,059</td>
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<td>Other assets</td>
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<td>3,112</td>
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<td><strong>Total current assets</strong></td>
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<td>29,300</td>
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<td>110,649</td>
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<tr>
<td><strong>Fixed assets - net</strong></td>
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<td></td>
<td></td>
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<tr>
<td><strong>Total assets</strong></td>
<td>$ 81,349</td>
<td>$ 29,300</td>
<td>$295,867</td>
<td>$406,516</td>
</tr>
</tbody>
</table>

| Liabilities and Fund Balances | | |
|**Current liabilities:** | | |
| Accounts payable and accrued expenses | $ 10,528 | $ 353 | | $ 10,881 |
| Deferred income           | 28,947 | | | 28,947 |
| **Total current liabilities** | 10,528 | 29,300 | | 39,828 |
| **Fund balances:**        | | |
| Plant fund Unrestricted   | 70,821 | | | 70,821 |
| **Total fund balances**   | 70,821 | | | 295,867 |
| Commitment                | | | | |
| **Total liabilities and fund balances** | $ 81,349 | $ 29,300 | $295,867 | $406,516 |

## Statement of Income, Expenses and Changes in Fund Balances

**Year Ended December 31, 1979**

<table>
<thead>
<tr>
<th>Support and revenue:</th>
<th>Current Unrestricted</th>
<th>Current Restricted</th>
<th>Plant Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and bequests</td>
<td>$ 18,173</td>
<td>$ 44,080</td>
<td>$</td>
<td>$62,253</td>
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<tr>
<td>Grant</td>
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<td>2,350</td>
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<td>Membership dues</td>
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<td>13,220</td>
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<tr>
<td>Admissions</td>
<td>57,987</td>
<td></td>
<td></td>
<td>57,987</td>
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<tr>
<td>Investment income</td>
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<td></td>
<td></td>
<td>3,366</td>
</tr>
<tr>
<td>Miscellaneous</td>
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<td></td>
<td></td>
<td>4,607</td>
</tr>
<tr>
<td>Revenue, auxiliary operation</td>
<td>44,353</td>
<td></td>
<td></td>
<td>44,353</td>
</tr>
<tr>
<td><strong>Total support and revenue</strong></td>
<td>141,706</td>
<td>46,430</td>
<td></td>
<td>188,136</td>
</tr>
</tbody>
</table>

| Expenses: | | |
|----------|----------------------|--------------------|------------|-------|
| Program expenses: | Curatorial and exhibits | 48,191 | 13,856 | 13,030 | 75,077 |
| Support expenses: | Membership | 7,535 | | | 7,535 |
| | General and administrative | 64,503 | 3,967 | 3,024 | 71,494 |
| | Fund raising | 1,519 | 2,167 | | 3,686 |
| **Total support expenses** | 73,557 | 6,134 | 3,139 | 82,830 |
| Auxiliary operation | 21,504 | | | 22,286 |
| **Total expenses** | 143,252 | 19,990 | 16,951 | 180,193 |
| Excess (deficiency) of support and revenue over expenses | (1,546) | 26,440 | (16,951) | 7,943 |
| Transfers for property and equipment acquisitions | | | | |
| Excess (deficiency) of support and revenue over expenses after transfers for property and equipment acquisitions | (1,546) | | 9,489 | 7,943 |
| Fund balance beginning of year | 72,367 | | 286,378 | 358,745 |
| Fund balance end of year | $ 70,821 | | $295,867 | $366,688 |

The accompanying notes are an integral part of the financial statements.
NEW ENGLAND ELECTRIC RAILWAY HISTORICAL SOCIETY, INC.
STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED DECEMBER 31, 1979

Sources of working capital:
Excess of support and revenue over expenses $ 7,943
Depreciation 16,951

24,894

Uses of working capital:
Acquisition of property and equipment 26,440

Decrease in working capital $ (1,546)

Changes in working capital, increase (decrease)
Cash, savings accounts and certificates $ (9,236)
Accounts receivable 1,062
Inventories 5,072
Other assets 123
Accounts payable and accrued expenses 1,999
Deferred income (566)

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1979

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The New England Electric Railway Historical Society, Inc. is a not-for-profit museum dedicated to the purposes of providing a source of information of a scientific and educational nature relating to the historical and mechanical use and development of electric street railways and to collect, preserve and maintain, for study and exhibition, electric street railway cars of the various periods and all types, forms and examples of electric street railway equipment; and to do all things necessary and properly pertaining to the accomplishment of the above mentioned purposes.

Basis of Accounting:
The Society follows the accrual basis of accounting in accordance with the principles of fund accounting.

Income Recognition:
Current restricted contributions for which the Society has not incurred expenditures subsequent to the date of the gift are recorded as deferred income in the Current Restricted Fund.

Functional Expenses:
Certain overhead and indirect costs are not allocated to the program service, membership and fund raising services and the auxiliary operation because the Society has not determined a formula for allocating these costs. All such costs are recorded as General and Administrative expenses.

Fixed Assets:
Purchased and donated operating fixed assets are recorded at cost and their fair market value at date of receipt, respectively and depreciated on a straight-line basis over their estimated useful lives ranging from ten to forty years. Donated and purchased collections or exhibits are not capitalized or depreciated.

Inventory:
Inventories are stated at the lower of cost or market, cost being determined on the first-in, first-out basis.

Pledges:
The Society has received certain pledges for its capital fund from members and friends. Because they are not legally enforceable, these pledges are recorded only when related cash payments are received by the Society.
NOTE 2 - FIXED ASSETS:
A summary of fixed assets and the related accumulated depreciation at December 31, 1979 follows:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated Depreciation</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$20,560</td>
<td>$5,887</td>
<td>$20,560</td>
</tr>
<tr>
<td>Land improvements</td>
<td>21,704</td>
<td>13,817</td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>164,901</td>
<td>135,427</td>
<td></td>
</tr>
<tr>
<td>Track and wire</td>
<td>88,653</td>
<td>68,124</td>
<td></td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>87,468</td>
<td>29,499</td>
<td></td>
</tr>
<tr>
<td>Construction-in-progress</td>
<td>26,440</td>
<td>26,440</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$409,726</strong></td>
<td><strong>$113,859</strong></td>
<td><strong>$295,867</strong></td>
</tr>
</tbody>
</table>

NOTE 3 - CONTRIBUTED SERVICES:
A substantial number of unpaid volunteers have made significant contributions of their time to develop the Museum's Curatorial and Exhibits program, as well as its Membership, Administrative and Fund Raising Services. The value of this contributed time is not reflected in these statements since it is not susceptible to objective measurement or valuation.

NOTE 4 - COMMITMENTS:
The Society has entered into an agreement for the construction of a Visitors Center at its museum's location in Kennebunkport, Maine which is expected to cost approximately $170,000. Financing for this project will be derived from a $100,000, 10 year, 12% bank construction mortgage with the remainder to be financed from the capital fund drive initiated in the fall of 1978.

REPORT OF INDEPENDENT ACCOUNTANTS
To the Officers and Trustees of New England Electric Railway Historical Society, Inc.

We have examined the balance sheet of New England Electric Railway Historical Society, Inc. as of December 31, 1979, and the related statements of income, expenses and changes in fund balances and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as stated in the following paragraph.

Because we were not engaged as auditors until after December 31, 1978, we were not present to observe the physical inventory taken at that date and we have not satisfied ourselves by means of other procedures concerning inventory quantities. The amount of inventory at December 31, 1978, enters materially into the determination of the results of operations and changes in fund balances and changes in financial position for the year ended December 31, 1979. Therefore, we do not express an opinion on the accompanying statements of income, expenses and changes in fund balances and changes in financial position for the year ended December 31, 1979.

In our opinion, the accompanying balance sheet presents fairly the financial position of New England Electric Railway Historical Society, Inc. at December 31, 1979, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Pricewaterhouse & Co.
40 Westminster Street
Providence, Rhode Island
March 4, 1980

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NEW ENGLAND ELECTRIC RAILWAY HISTORICAL SOCIETY, INC.

BOARD OF TRUSTEES*

Richard A. Berenson
Henry B. Brainerd
Patrick Butler, Jr.
Francis J. Cheney
Bradley H. Clarke
Daniel R. Cohen
John Coughlin
O. R. Cummings
Kenneth M. Curtis
Ralph L. Day
Arthur G. Duncan

Peter Folger
John H. Gannett
Michael C. Lennon
Tolbert M. McKay
Foster M. Palmer
Frederick J. Perry
George M. Sanborn
Theodore F. Santarelli de Brasch
James D. Schantz
Jeffrey N. Sisson
Merritt H. Taylor, Jr.
Paul F. White

SENIOR TRUSTEES

Edward J. Barry
Edward Dana

Clayton D. Sargent

CORPORATE OFFICERS*

Chairman of the Board
O. R. Cummings

Vice Chairman
John Coughlin

President
Theodore F. Santarelli de Brasch

Executive Vice President
Henry B. Brainerd

Senior Vice President
John B. Barr

Vice President & Treasurer
Arthur G. Duncan

Vice President, Purchasing
Clayton D. Sargent

Comptroller
Jeffrey N. Sisson

Assistant Comptroller
Francis J. Welch

Secretary & Ass’l. Treasurer
Cecilia B. Clapp

Membership Secretary
Joseph B. Doherty

General Counsel & Clerk of Corporation
Wayne T. Adams

HONORARY OFFICERS

Past President
Alexander Van Courtlandt Hamilton

Treasurer Emeritus
John E. Amlaw

*UP TO ANNUAL MEETING

CORPORATE AFFILIATIONS

American Association for State and Local History
American Association of Museums
Kennebunk-Kennebunkport Chamber of Commerce
Maine League of Historical Societies and Museums
New England Museum Association, AAM
State of Maine Publicity Bureau
The National Trust for Historical Preservation
Tourist Railway Association, Inc.

SEASHORE TROLLEY MUSEUM — THE MUSEUM OF MASS TRANSIT

ADMINISTRATIVE OFFICERS*

Museum Director & General Manager ............. Richard T. Lane, Jr.
Ass’t. General Manager .......................... Peter Folger
Asst. Supt. Passenger Operations ............... William C. Brice
Gift Shop Manager ............................... Laurel B. Folger
Gift Shop Summer Sales Manager ................ Mary L. Perkins
Director Exhibits & Displays ..................... George Burdick
Electrical Engineer ............................... Thomas M. Brigham
Ass’t. Electrical Engineer ....................... Jeffrey N. Sisson
Supt. Car Restoration & Maintenance .......... Donald G. Curry
Supt. Property Maintenance ...................... Jack R. Murray
Supt. Overhead Construction & Maintenance .... Paul F. White
Supt. Communications & Signals ................. Lyman B. Hurter
Master Mechanic ................................. Frederick J. Perry
Section Foreman ................................. M. Dwight Winkley
Coordinator Landscape & Garden Activities .... Karen H. Perry
Historian & Editor Museum Publications ........ O. R. Cummings
Museum Photographer ........................... Charles Woolnough
Manager Fund Raising, Development Program ... Tom Ruddell
Public Relations Representative ................ C. Murray Cost
Public Relations Representative ................ Ron Palmquist
Manager Flyer Distribution ..................... George F. Braun
Director Special Projects ....................... George M. Sanborn
Special Projects Fund Raiser ...................... Kevin T. Farrell
Special Projects Fund Raiser ...................... Jack Keenan
Special Representative .......................... Robert Baret
Special Representative .......................... Donald K. Black
Special Representative .......................... Ralph L. Day
Special Representative .......................... William M. Dos, Jr.
Special Representative .......................... Kenyon F. Karl
Special Representative .......................... Charles L. Rapport
Special Representative .......................... Carl L. Smith
Special Representative .......................... Marjorie M. Walker
European Representative ......................... Anthony Von Hornstein
Japan Representative ............................ Yuichi Sakamoto
Statistician ........................................ Louis J. Petrillo

*UP TO ANNUAL MEETING
Seashore Trolley Museum’s No. 5734 in this photo taken at Riverside on July 7, 1979 is flanked by “Picture Window” P.C.C. car No. 3295 and a type 3 snow plow. The occasion was the 20th anniversary of the opening of the Highland Branch as a trolley line. The P.C.C. car that had been the official first car to run on the new line has been beautifully refurbished and repainted in the MTA color scheme of the late ’50’s by a volunteer group of MBTA employees, “The Friends of 3295”. Woolnough Photo

SECOND FLOOR

OUTSIDE BACK COVER
No. 5734 revisits Boston’s trolley car subway twenty years later. The scene is at Government Center Station early in the evening of August 30. Although mostly employed in its lease to the MBTA in chartered service, this was a special run for guests of the authority and the museum. Riverside was the destination on this memorable occasion. Woolnough Photo