

Motion to the Board of Directors

May 29, 2019

The Treasurer moves that PNR Policy Manual Section E be revised as follows: Section E, Paragraph A Division Support, be modified to read as follows:

**Acting for the Treasurer, J.E. Hamilton, MMR L05662_JE
Hamilton__**

E. Office of the Treasurer

A. Division Support

1. NMRA Dues Allotment Policy

a. NMRA policy is to forward to each region certain funding (\$1 as of May 2019) twice each year to help fund NMRA-mandated expenses, notably the Achievement Program and elections. This policy also specifies that the full amount is to be forwarded to the divisions based on their membership. The funds are distributed based on official NMRA membership lists dated 28 February and 31 August.

b. Because of different dues policies, the classes of membership eligible for this allotment are different for US and Canadian divisions. US divisions (as of May 2019) are allotted funds for regular members, life members (including Honorary Life Members), and sustaining members. Canadian divisions are funded based only on life members and the payment is sent to NMRA Canada.

2. Pacific Northwest Region Policy

a. The Pacific Northwest Region will support the divisions from its own funds, in addition to forwarding the NMRA allotments as required. The PNR support to all divisions will be based on

the NMRA allotments to the US division (*i.e.*, based on the May 2019 policy PNR will forward to all divisions \$1 per regular, life, or sustaining member per the 28 February and 31 August membership lists).

b. The Treasurer will forward both the NMRA allotment and the PNR support to the US divisions as soon as practical after receiving the semiannual allotment from NMRA. The payments may be combined.

c. The Treasurer will forward the PNR support to the Canadian divisions once per year, after the February allotment. This payment will reflect the amounts based on that February's and the previous August's membership. [Note: this is at the request of the Canadian divisions, due to the significantly lower payments and the challenges in dealing with multiple currencies.]

d. The portion of this policy relating specifically to PNR support will remain in effect through 31 December 2023 at which time it will be reviewed for sustainability. The portion relating to the NMRA allotments will remain consistent with NMRA policy.

Discussion of changes:

1. Changed the wording from "rebate" to "allotment" (in reference to NMRA payments) or "support" (in relation to PNR additional payments). Although the NMRA policy refers to rebates, you can't rebate something to someone who didn't pay it. This is just a technical correction that will also help to separate the payments in the financial records.

2. The NMRA sends a different amount for the Canadian divisions due to the nature of the national dues structure, and their payment to the Canadian divisions actually goes to NMRA Canada, so there is nothing for PNR to forward to those divisions. However, the intent is for PNR to fund each of its divisions equitably.

Some background:

1. When the "rebate" program was initially put together at the national level, the intent was to help fund elections and the Achievement Program for both the division and the regions since their ability to collect dues was eliminated and these activities were still mandatory. The plan was for the region to

keep half and send the other half to the divisions. At the time dues were not collected and administered separately for the Canadian members, so those divisions were treated equally. The amount set, incidentally, was based on the cost of postage at the time, percentage participation in the Achievement Program, current postage rates, and rounded up to an even dollar multiple to allow for inflation and not having to adjust the rates for some time. [I, Dave, know this because the policy was formulated at my dining room table.]

2. The so-called ABC plan was introduced shortly thereafter, meaning the Canadian members sent their dues to NMRA Canada instead of the NMRA HQ. Because NMRA HQ no longer received funds from Canadian members, there was no money to send back to their divisions. Funding for life members was continued since their dues had long ago been sent to NMRA HQ.

3. Over time it became apparent that some regions were keeping all the NMRA allotments for themselves, so the national policy was changed to require they be sent in full to the divisions.