

NAR Board of Trustees conference call, April 1, 2020

The meeting was called to order at 9:03 PM Eastern Time.

Present: John Hochheimer, President; Carol Marple, Vice President; Mark Wise, Secretary; Kevin Johnson, Treasurer; Randy Boadway; Becky Green; Ed LaCroix; Lynn Thomas, Jim Wilkerson (arrived 9:40 PM).

Absent: None.

Treasury Report

We currently have an outstanding bill of \$85,000 for insurance, while we have a bit over \$87,000 in cash on hand. Kevin has asked Ed Chess not to write any committee checks for the time being. We are starting to draw down on the Americhoice certificates of deposit to obtain operating cash.

Kevin has ensured that Anne Heacock, our accountant, has a backup copy of the password file that has all of the NAR account information in it. She will use the coming weekend to work on reconciliation of the NAR bank accounts, which is necessary to prepare for an audit.

We have instituted a new invoicing system. Todd Schweim has been invoicing the NAR using this system for the past couple of months, and we have been using that as an opportunity to work out bugs.

John asked Kevin whether Anne has mentioned the 2019 IRS Form 990 (the required tax return for tax-exempt organizations, nonexempt charitable trusts, and section 527 political organizations). Kevin said that she had not, and that he will ask her whether the deadline for filing the return has been extended due to the COVID crisis. John said that Anne has just about figured out what we did financially in 2019, which she needs to know before completing the Form 990.

John said that he is working with John Lyngdal to find out how much NASA will pay NAR for this year's Student Launch Program, which has been cancelled. We might receive the full sum.

John provided an update on the NAR insurance policy. A new company will underwrite the policy this year, and the maximum coverage will remain at \$5,000,000 as in past years. NAR will not be subjected to the wildfire exclusion that had been discussed during the board meeting at NARCON. (This is very good news.) The higher premium can mostly be attributed to the increase in NAR membership. The new insurance company has reserved the right to audit our membership numbers at the end of the year and charge us more at the end of the term if we have added a substantial number of new members. John doubts that any additional charge would be significant. John will work with Todd Schweim when we have the new policy in hand, in order to update the insurance page on the NAR website. John expressed his great appreciation for Bob Blomster, our insurance agent, who did a fantastic job finding the new insurance company and maintaining our coverage.

Launches and Shutdown Policy

All scheduled launches have been cancelled for the time being, consistent with the stay-home policy enacted in most states. Most members have accepted the situation, but Chuck Neff and John have heard from a few people who expressed objections. John has been talking regularly with Tripoli president Steve Shannon so that NAR and Tripoli can maintain consistent policies.

Ed expressed the opinion that NRC launches should continue within state guidelines, with 10 people or fewer in attendance, and everyone maintaining social distancing.

Chuck Neff has been deleting launches from the launch calendar on the NAR website, which interferes with the proper functioning of the Contest Manager software. John agrees with Chuck that the calendars must be removed, and that Chris Kidwell (who wrote Contest Manager) or someone with similar skills can make the necessary changes to the program. We do not want to encourage people to go to launches, and controlling the attendance at an announced launch would be difficult to impossible. John suggested that Chuck could take the calendar offline but maintain it so that Contest Manager continues to work. Once the calendar is offline, we can announce that NRC launches are still permissible as long as the restrictions of the local jurisdiction are followed.

Carol wondered about the best way to message this news to the Facebook group. Non-competitors are unlikely to understand the distinction between a section sport launch and a two-person NRC launch. John said that people can go out and fly NRC events, but they can't have an NRC launch *per se*. John asked if it wasn't unfair that he couldn't fly in Virginia, where he lives, but Ed could fly in Arizona. Ed said that NRC flying at this time is simply practice, and that everybody starts over at NARAM anyway.

Lynn said that we could refuse to accept results until May 15, or until such time as we give members the green light to post results. Carol said that if people see updates to the national scoreboard, they'll sense that something irregular is going on. How about not posting results in the meantime? Ed said that we could ask Contest Board chair Dan Wolf to reach out to the regional contest board chairs, asking them not to verify and post any results for the time being. Randy asked how we would handle the situation when restrictions begin to be lifted, and half the country is open while half the country is still locked down.

Randy suggested that results not be recorded until the shutdown is over. John will draft a statement to this effect, emphasizing that we are trying to make the situation fair for everybody. Lynn suggested telling people that they can practice-fly as much as they want between now and May 15, but that results will not be recorded (Under the NRC framework, practice for its own sake is beneficial.) John asked Ed to consult his stable of competition experts for their suggestions and opinions.

Ed asked whether we needed to think about cancelling NARAM, and that a decision would have to be made soon because of the hotel contract. He pointed out that NARAM could not be held in New York state under the current restrictions. There is a *force majeure* provision in the Quality Inn contract, so we would not be liable if New York state were still locked down during the NARAM time frame, but we would be subject to a \$25,000 penalty if cancelling the contract was entirely the NAR's decision. Ed said the best time to decide is *now*, in order to minimize our financial risk. He has talked to Jane Eisele of Experient, who handles most of our hotel contracts. She believes that our risk is lowest if we cancel now, but she suggested we have an attorney look at the contract. John doubted that we could invoke a *force majeure* clause this far in advance of the event. John, who was looking at the contract during this discussion, said that there was a sliding scale of charges based on how far in advance we canceled the contract. Jim asked whether we needed a motion to make the decision 90 days out. Randy said that it may be best to cancel now and push NARAM out to 2021.

Lynn pointed out that we have a couple of weeks to spare before we reach the 90-day deadline. Randy wondered whether the situation would create such poor turnout at NSL and NARAM that the events wouldn't be worth running, and he suggested postponing both events for one year. Ed said that the NSL host section is happy to push the event back a year if necessary, and that the event director's close connections with the host city are a huge help in this situation. He hasn't talked to the event directors about NARAM, and has no sense of how the situation might work out in New York. John said that Jane

will talk to the NARAM hotel for clarification, which will help the Board make a better-informed decision. Carol suggested an ad-hoc board call next week so that Ed could get more information and report back to the full Board. Ed said that he would contact MARS (the NARAM host section) about delaying a year and that when he's heard from them, we can schedule an emergency board meeting. Ed said that NSL hotels can wait until May 11 before releasing the rooms. Ed suggested turning off registration for NSL for the time being and having Todd post a message to the website that we will have a go/no-go decision by May 6. (We also need to make sure that Colorado's guidance doesn't preclude holding NSL.) No decision was reached during the conference call. John volunteered to call Mary Beth Clune regarding NARAM.

Proposal for School Students for Free NAR Membership

A member e-mailed John with an idea about attracting younger members. The member suggested offering all students free memberships, which the Academy of Model Aeronautics (AMA) does. However, AMA has nearly 200,000 members as compared to NAR's 8,000, and they are in a better position to fund such a program. John's opinion is that this would create an entirely different business model for the NAR, and that we probably cannot afford it. If we factor in the cost of *Sport Rocketry* and insurance, NAR already takes a loss on each Junior member. John suggested an electronic edition of *Sport Rocketry* to accompany any free Junior memberships. Mark pointed out that this would lead to an outcry from Senior members who would want an electronic *Sport Rocketry* for a reduced membership rate, which would raise the per-copy cost of *Sport Rocketry*, perhaps dramatically. Jim asked about a flat rate for TARC teams, perhaps a \$100 flat fee that would cover all team members. Randy said that this might be a challenge to implement in the NEON member database. John asked for volunteers to look into this: What could we do for TARC? What could we do for ten-year-old Member X? Jim will talk to Marie Stumpe and Trip Barber, and report our options during the May conference call. Carol volunteered to help.

Elections

The deadline for nominations is April 8th. As of April 1st, only one member has submitted a formal nomination, but several other have expressed an interest in running. John announced that he would stay on, which means two incumbents (John and Kevin) will run for re-election. Randy has elected to step down at the end of his term.

The next scheduled conference call will be on May 6 at 9:00 PM Eastern Time.

Call adjourned at 10:41 PM.