

Minutes of the MFNZ Annual General Meeting held 21 July 2018 in Wellington

Meeting commenced 13:07

Present: (see Appendix B)

A quorum for the meeting was established with 27 members present and 148 proxy votes (see Appendix C)

J Shorer chaired the meeting and welcomed all.

Apologies for Absence

Apologies were received from

- Steve Hutchison
- Bryan Treloar
- Joe Wurts
- Daniel Munro
- Gavin Rhodes

Minutes of Previous AGM

Accepted as a true and accurate record

Matters Arising from Previous Minutes

Nothing raised

Election of Council Members

Council elected unopposed as no other nomination were available

President Report

Presidents Report was summarised by Jonathan Shorer and proposed for acceptance

Treasurers Report

Treasurers Report was summarised by Fran Roulston and proposed for acceptance

2018/2019 Budget

The 2018/2019 Budget was presented and proposed for acceptance

2018/2019 Affiliation Fees

Due to issues presented in the budget an increase to Membership fees has been proposed to allow the books to be balanced. Suetonia Palmer suggested a revised Junior fee from that circulated in the meeting documentation.

The proposed fees for 2018/2019 were amended to:

- Senior member \$85
- Family member \$90
- Junior member \$25

The MFNZ Council also has requested authority to raise the fees by a further \$3 in order to achieve a balanced budget for 2019/2020. It will be decided in the November Council meeting if this is required.

Passed Unanimously

Ricky Bould proposed a Vote of thanks for the outgoing president, Jonathan Shorer, for all his efforts in running the organisation over the last 5 years.

Meeting closed at 13:41

Accepted

J Knox

Seconded

L Drabble

R Bould

M Cuthbert

L Drabble

W Summerton

S Spooner

F Briggs

L Drabble

R Bould

C Jackson

J Smart

(Hearty clapping by all present)

Jonathan Shorer, President

A handwritten signature in black ink on a light blue background. The signature reads "Jonathan Shorer" in a cursive, flowing script. The first letter of "Jonathan" is a large, stylized 'J' that loops back. The name is written in a single line.

July 2018



MEMBER INFORMATION SUPPLEMENT

ANNUAL GENERAL MEETING 2018

Contents:	Annual General Meeting Reports
	a) Agenda
	b) President's Report
	c) Financial Report
	d) Minutes of 2017 AGM

Agenda

- **Welcome by MFNZ President**
- **Apologies for absence**
- **Minutes of previous AGM**
- **Matters Arising**
- **Election of Council members**
- **President Report**
- **Annual Accounts and Treasurers report**
- **2018 / 2019 Budget and affiliation fees**
- **Remits**
- **General Business**

Minutes of the Annual General Meeting of the New Zealand Model Aeronautical Association Held in Auckland on July 8 2017

The meeting commenced at 2 pm with a welcome from the President, Jonathan Shorer.

A roll call of those present was conducted by Kevin Botherway.

The President then presented an overview of the matters to be discussed.

Referred to past issues and explained the Member Information Supplement given to those present.

At this point Chris Pickering and Dave Marriott challenged the number present, including Proxies and wished to be assured a quorum was present.

Following discussions and heated debate the meeting was adjourned.

The AGM was reconvened in Hastings on October 14, 2017 at 1 pm.

A roll call was conducted by Kevin Botherway and 41 members were present.

A call on Proxies was taken and there were 243 held by those present.

The President gave a welcoming address.

He then stated that as his impartiality had been called in to question he requested the meeting vote on Mr Mark von Dadelszen taking the chair. This was passed unanimously.

The Chair laid out the process the meeting would follow and his rules for meetings.

As a leading New Zealand expert on Incorporated Society Law and a Barrister and Solicitor of New Zealand his credentials are impeccable.

Apologies were called for and Barry Kerr and Peter Hammond were noted.

Moved L Drabble seconded K Botherway

Passed Unanimous

Minutes of the 2016 AGM were taken as read.

Moved D Richards Seconded L Drabble

Passed Unanimous

Matters Arising.

C Pickering requested a change re the Working Group – this had already been done.

W Cartwright stated the mover and seconder of the motion to form a group to look at the constitution was wrong.

He believed it was R Bould and K Botherway.

He also requested the wording of his Remit as presented in the September 2017 MFW be used and not the version in

the Member Information Supplement.

Matters Arising Passed Unanimous

The President read the email from Nigel Wilson, retired Barrister and Solicitor who had examined the Working Groups Draft Constitution and declared it unfit for purpose.

Discussion from W Cartwright and C Pickering on why their remit needed to be considered first.
The Chair stated the order of remits was as per the Agenda.

The Election of Council was called and the following persons duly elected unanimously

President	Jonathan Shorer	
Secretary	Des Richards	
Treasurer	Fran Roulston	
Competition Manager	Kevin Botherway	
North North Island Area Representative		Chris Jackson
Central North Island Area Representative		Scott Spooner
South North Island Area Representative		Len Drabble
North South Island Area Representative		Alex Hewson
South South Island Area Representative		Daniel Munro

Presidents Report, This was taken as read as it has been published in MFW.

The President spoke to a few points.

A summary of the facts re the new Constitution

Has run the largest Nationals for many years.

There has been a major step forward in members administration

The website has been refurbished and made more user friendly

The Bylaws have been updated

The Wings Scheme has been updated and expanded

Pressure has been kept on CAA re the difference between commercial and recreational flying.

The area of RPAS / Drones / Models is in a state of rapid development

J Shorer Moved and L Drabble seconded the Presidents Report be received.

R Bould moved a vote of thanks for the work done by the President

Passed Unanimous

Treasurers Report, This was R Baines report presented by F Roulston

Moved F Roulston seconded L Drabble that it be accepted as presented.

Passed Unanimous

The Budget, As circulated, Moved F Roulston seconded D Munro

Passed Unanimous

Moved F Roulston seconded M Job that Affiliation Fees remain at the current level for the next financial year

Passed Unanimous

Remits were the next order of business

W Cartwright, C Pickering, B Lennox and D Marriott then challenged the content, order and the proxy votes as they related to the remits.

The chair allowed a very fair two hours of input from the above named on these topics.

A motion was then put that the Remits all lie on the table, moved B Lennox

As it is a procedural matter no seconder was required.

The vote was 45 for and 237 against.

The motion was lost.

Remit 1; That the draft constitution presented to the 2016 AGM be withdrawn.

Moved J Shorer Seconded D Richards

A short discussion then a vote was taken.

Passed Unanimous

Remit 2; That the existing rules of the association (The Constitution) be repealed and replaced by the new Constitution, as distributed.

Moved J Shorer Seconded D Richards

A period was spent discussing this with W Cartwright and C Pickering opposing the remit.

Their reasons were shown to be false or flawed during this period.

M Job moved that the vote be taken and any alterations to the document can be fixed next year.

A vote was taken, the result was 239 for and 45 against.

The Remit was carried.

Remit 3; That the NZMAA/MFNZ Council investigate means of enabling member's clubs to have a greater input into the strategic and operational management of NZMAA/MFNZ, and that proposals to achieve this be submitted in a remit to the 2018 NZMAA/MFNZ annual general meeting.

Moved D Marriott Seconded P Buckrell

This was discussed by those present and put to the vote

The result was 45 for and 239 against.

The Remit was lost.

It was moved by J Shorer that the Remit/s submitted by W Cartwright and the Working Group be not put.

This is due to the new Constitution being passed and this remit has been superseded.

As this is a procedural motion no seconder is required.

The vote result was 247 for

Against Nil

Passed Unanimous

General Business

The Chair made the following observation.

What has happened is normal in many National associations.

If an explanation is given most member eyes glaze and they are off to the bar.

This applies to a whole raft of Health and Safety and compliance issues .

C Pickering requested a statement from him be put in the minutes.

The secretary could not get this correct so he was asked to put it in writing to ensure accuracy.

The wording was handed to the chair who could not read the writing.

J Wurts suggested C Pickering read it to the meeting so it could be recorded.

Unfortunately he could not read his own writing which lightened the meeting with good natured humour.

What is produced here is a transcript of his words.

"That members have been disadvantaged by not having the unnumbered remit as featured in Model Flying World, September 2017 issue, together with the supporting information. This has had a detrimental effect on the outcome of the remit and the member's ability to make an informed, fair and just decision."

P Williams laid a complaint with the meeting as follows.

"At the 2016 AGM it was decided a group of members would update the draft constitution."

Wayne Cartwright, Colin Kemp, Steve Hutchison, Ken Buckley, Chris Pickering and Bill de Renzy were appointed (by council) to do that task. Since preparing their draft document they have been in disagreement with the Council and have brought Model Flying New Zealand into disrepute both with its members and the public via the internet. I would request the actions of this group be investigated and disciplinary action taken if necessary."

The Chair asked if he wished it debated or dealt with under the provisions of the new constitution which you have just adopted. To raise the issue formally with the council.

The reply was to use the new constitution that has been adopted.

The information from the September Issue of MFW, Secretary's Desk, was questioned re the separate roles of Secretary and Administrator.

M Fairgray explained that this is what he did for eight years and is appropriate.

This separation will occur over the next twelve months.

J Shorer explained the ongoing update of our systems and moving our IT into this century.

R Bould supported the moves made and also stated it is time the President receives an Honorarium.

Also a dedicated person provide the link with government departments to retain continuity.

The Chair advised that an organisation he was in paid the President, Secretary and Treasurer \$10,000 per annum.

M Cuthbert moved a vote of thanks to the Chair

G Findon moved a vote of thanks to J Shorer and D Richards

Both drew applause from the meeting.

The meeting closed at 3.30 pm.

Matters arising from the previous minutes.

Election of Council members

President	Len Drabble
Secretary	Jonathan Shorer
Treasurer	Fran Roulston
Competition Manager	Kevin Botherway
NNI Area Rep	Chris Jackson
CNI Area Rep	Scott Spooner
SNI Area Rep	Graham Job
NSI Area Rep	Suetonia Palmer
SSI Area Rep	Daniel Munro

In accordance with the Constitution, those nominated for Council are returned unopposed.

President's AGM report

This is my fifth and final annual report as the President of Model flying New Zealand. Looking back over all of the years, I've had a great time meeting fellow modellers along with some challenges.

Advocating for members with CAA and other external bodies

A considerable part of my effort is devoted to liaison with the Civil Aviation Authority, CAA, on your behalf. Throughout the whole of my tenure, the introduction of ever increasing numbers and types of unmanned aircraft has been a growing focus for authorities and the public. We have two very diverse pressures threatening to impact on our hobby.

On one side are flying cameras typified by DJI Phantoms. They are extremely capable but can be used by people who may have no idea or care for other airspace users. A small number of examples of irresponsible use have caused strong reactions from the traditional aviation community. There have been many, well publicised events characterised as "a drone nearly hit my aircraft" when there is little or no evidence to support that claim. For example, the most recent spate has been found to be caused by Chinese lanterns released as part of their New Year celebrations. Although they were not actually drones, the result will probably be a drone detector radar at Auckland International and the introduction by the Ministry of Transport of a registration scheme.

At the other end of the spectrum are developments in flying taxis and delivery services. Trials are progressing and they will inevitably want to make more use of the same airspace as the rest of us. Airspace is a common resource and all of the current users are working hard to retain their current privileges to use it.

The Goal for MFNZ is to protect aeromodelling in the face of these twin pressures. It is recognised around the world that aeromodelling is a safe hobby and a compliant airspace user. We will be working to ensure that we are not impacted by "one size fits all" legislation.

National Championships

We held the 70th National Championships at Carterton early in the New Year and attendance was very good. The weather disrupted the programme a little with strong winds and heavy rain but almost all of the competitions were completed after some juggling of the programme. Next year the Championships return to Matamata with Steve Warner heading up a new team of organisers. Some work has been done to try to manage our presentation trophies more effectively and photos of every one of them are now on the website.

Insurance

One of the key features of membership of the Association is the insurance policy. This provides third party damage cover for all members throughout New Zealand. We have been with the same insurer for many years, but three days before the policy was due to renew, they declined to do so, without any kind of warning. Finding a new insurer was not easy, particularly when the media keeps carrying stories about hazards caused by drones, but our broker found a solution. The new policy is not an exact replica and is considerably more expensive. On the plus side, it has some new features and the extension of legal cover for all club officials is very welcome. Several clubs have already re-negotiated their own policies now to remove duplicated cover so this should help keep subscription rates as low as possible.

Documentation

A priority has been updating our constitution so that it meets current legal requirements and sets us up well for the future. Unfortunately the year began with an AGM which could not proceed because of an objection to the way that we have always collected proxy votes to establish a quorum. We had to undertake a large amount of legal work, at great expense, to ensure that the meeting could go

ahead and the proposed new Constitution could be adopted. Ultimately, common sense prevailed and the members have been able to continue to enjoy the hobby.

The upgrade of documentation continues. In addition to publishing the new Constitution, during the year we have:

Renewed our Part 102 Large model certification for 5 years

Updated the Large Model Code of Practice

Updated the Members Manual

Updated the Wings proficiency scheme

Written Rules for Special Interest Groups that are almost ready to circulate and work on Rules for Competitions has begun.

Changed the look of the website to make it easier to navigate and continued to update it.

Incorporated more than 400 Large model records into the MFNZ database to improve our management of these aircraft and their Inspectors.

Worked to give on-line access to bank accounts for SIG committees

Transition

I've offered to remain on the Council as Secretary so that I can continue to represent you at meetings with the CAA and other bodies.

The Administrator, Paul Clegg, will manage all of the routine administration. He continues to find new ways of making better use of technology do things smarter and more efficiently. The membership renewal process is now much more efficient and each year, more clubs are taking advantage of the systems that have been introduced.

So, I finish my term of office with my thanks to all of the Councillors past and present for helping make the job fun. Also, thanks to the many helpers who have taken on supporting roles or worked to write and update documentation. Thank you all, and I look forward to meeting you at events as well as spending more time in the workshop as I have plenty of models that must be built and flown.

Jonathan Shorer

President

Annual Accounts and Treasurers report

The Profit & Loss and the Balance Sheet have been reviewed by Coretex Chartered Accountants Limited, who confirms the reports comply with New Zealand's Generally Accepted Accounting Practices.

In the coming year, we want to increase the utilisation of Xero as a financial tool to track income and expenditure more accurately. Features that we will be implementing include:

Invoicing for Model Flying World advertising will be created and sent through Xero. This will provide us with a dashboard that allows us to easily track and reconcile payments against the bank account.

Monthly based budgets have been implemented that can be tracked against actual expenditure.

All invoices will now be stored as PDFs against the reconciled payments in Xero.

Xero has created a new expenses system that MFNZ will be implementing this year. The system utilises mobile phone apps that allow people to create expense claims on the go. Using these tools members will be able to send in expense claims with invoices electronically attached. The expense claims will be able to be coded by the users to the actual budget lines in the Chart of Accounts.

This year's result was a loss of \$28,532.79. Despite the loss, the cash account only reduced by \$2,000, due to prepayments incurred in FY16/17 of \$14,000 insurance and \$7,000 grants. The association still has strong cash reserves.

- Over half of this (\$15k) was directly attributable to legal bills owing to members' disruptive behaviour regarding the constitution and AGM
- \$5,600 relates to South Island grants which will be transferred from the South Island Development Fund when it comes off term deposit
- \$4,500 in increased council mileage reflects more activity on CAA liaison and attendance at a conference in Queenstown to maintain the profile of MFNZ in developing legislation
- \$2,000 is due to less advertising and membership income than expected
- \$2,000 is due to more grants to SIGs than budgeted.

Although the result was unfavourable, there have been many improvements made in the financial oversight of the association:

- Have collected on outstanding advertising revenue from previous years
- Hosted council meetings at council member's homes where possible to save money
- Thorough review of the year-end accounts completed
- Updated the authorisers for our payments processes
- Revised the expense claim form for more clarity of council expenditure, enacted in FY18/19 – this will be done directly in Xero
- Utilising Xero capabilities more including budgeting directly in Xero and reviewing our GST processes
- Drafted a delegated financial authority policy, to be implemented in FY18/19.

Profit & Loss
Model Flying New Zealand
1 April 2017 to 31 March 2018

	31 Mar 2018	31 Mar 2017
Income		
Equipment Hire	-	52
Interest Income	6,328	6,493
Membership Dues	126,165	119,157
MFW-Advertising Income	6,308	7,364
Sales- Wings badges	452	904
Total Income	139,254	133,971
Less Cost of Sales		
CAA-Large Model Certification	-	123
Insurance	14,205	7,281
MFW Production Costs	4,249	4,220
MFW-Postage	7,334	9,446
MFW-Production costs	29,858	26,996
Purchases - Wings Badges	570	701
Total Cost of Sales	56,214	48,768
Gross Profit	83,039	85,203
Plus Other Income		
Donations - Defibrillator	-	500
Nationals Surplus	770	980
Total Other Income	770	1,480
Less Operating Expenses		
Accounting / Audit	843	995
Administration	28,235	33,000
Asset Write-off	401	-
Bank Fees	343	313
Council Expenses- Mileage	9,121	4,604
Council Management	9,014	3,160
Council Reps Expenses-other	1,432	3,674
Depreciation	2,209	2,690
F.A.I.Subscriptions	2,249	3,502
Grants Other	6,121	-
Grants to SIGs	16,070	13,449
Large Model Certification Costs- Other	988	-
Legal expenses	15,251	6,260
Loan write-offs	1,000	1,000
MFNZ Meetings- travel,accom,venue costs	11,543	15,052
Office Expenses	1,115	995
Postage & Courier	360	2,173
Printing & Stationery	972	1,322
Promotions and Publicity	1,828	4,127
Subscriptions	350	350
Trophys and Awards	269	-
Website and Internet	2,630	2,343
Total Operating Expenses	112,342	99,009
Net Profit	(28,533)	(12,326)

Balance Sheet
Model Flying New Zealand
As at 31 March 2018

31 Mar 2018

31 Mar 2017

Assets

Bank		
ANZ 00 Bank Account	64,152	66,496
Total Bank	64,152	66,496
Current Assets		
ANZ- Term Deposit	113,868	110,835
ANZ-Bequest Deans	50,368	49,027
ANZ-Nationals Account	4,915	5,487
Interest Receivable	1,506	-
Prepayments	350	21,205
SIG Combined Bank Accounts	42,472	35,596
South Island Development Fund	11,608	11,223
Sundry Debtors	4,667	6,099
Total Current Assets	229,755	239,470
Fixed Assets		
Fixed Assets	21,421	21,822
Less Depreciation	(16,240)	(14,031)
Total Fixed Assets	5,181	7,791
Non-current Assets		
Tauranga MAC Loan	-	1,000
Total Non-current Assets	-	1,000
Total Assets	299,088	314,757
Liabilities		
Current Liabilities		
Accrued Payables	16,780	-
GST	9,548	8,556
SIG Managed Funds	42,472	35,596
Subscriptions in Advance	52,139	63,924
Total Current Liabilities	120,940	108,075
Total Liabilities	120,940	108,075
Net Assets	178,149	206,681
Equity		
Current Year Earnings	(28,533)	(12,326)
Retained Earnings	206,681	219,008
Total Equity	178,149	206,681

Budget
Model Flying New Zealand
April 2019 to March 2020

	Mar-19	Mar-20
Income		
Interest Income	6,000	7,000
Membership Dues	128,000	150,000
MFW-Advertising Income	7,500	8,000
Sales- Wings badges	1,000	1,000
Total Income	142,500	166,000
Less Cost of Sales		
Insurance	38,000	40,000
MFW-Advertising Manager	1,028	1,028
MFW-Editor	3,188	3,188
MFW-Postage	6,000	8,000
MFW-Production costs	20,000	24,000
Purchases - Wings Badges	800	800
Total Cost of Sales	69,016	77,016
Gross Profit	73,484	88,984
Plus Other Income		
Nationals Surplus	1,000	1,000
Other Income- NZ Aviation Federation	1,500	1,800
Total Other Income	2,500	2,800
Less Operating Expenses		
Software	1,000	2,500
Accounting / Audit	2,000	1,000
Council Expenses- Mileage	3,000	3,000
Council Management	17,000	20,000
Council Reps Expenses-other	3,000	3,000
Grants Other	2,000	2,000
Grants to SIGs	12,000	14,000
MFNZ Council Meetings-Venue Costs	800	800
MFNZ Meetings- travel,accom,venue costs	10,000	10,000
Promotions and Publicity	5,000	4,000
Total Operating Expenses	55,800	60,300
Less Overheads		
Administration	24,000	24,000
Asset Write-off	500	500
Bank Fees	350	350
Depreciation	2,000	1,800
F.A.I.Subscriptions	3,500	3,500
General Expenses	1,500	1,500
Legal expenses	1,000	1,000
Office Expenses	900	900
Postage & Courier	500	500
Repairs and Maintenance	500	500
Subscriptions	325	325
Website and Internet	2,500	2,668
Total Overheads	37,575	37,543
Net Profit	(17,391)	(6,059)

2018 / 2019 Budget and affiliation fees

Because of the rise in the cost of Insurance, the Council recommends an increase in the Annual subscription of \$10 resulting in fees as follows:

Senior Member	\$85
Family Member	\$90
Junior Member	\$30

The budget outlined above still forecasts a deficit as it includes provision for a number of costs that may be outside of our control such as postage and other administrative costs which we are seeking to reduce further. If it becomes clear by February 2019 that we are still heading towards a deficit, the Council seeks the members' authority to raise fees by up to a further \$3 in order to achieve a balanced budget for 2019/2020

Remits

There are no remits to consider.

General Business

Meeting close

Appendix B: MFNZ AGM Attendees

Name	MFNZ membership number
JONATHAN SHARON	10190
Paul Clegg	5875 5785
Gordon Job	3562
Scott Spooner	9115
Chris Jackson	9856
David Squires	8696
Alan Knox	7821
Kevin Botterweg	7554
RICHARD BOULD	1173
Mike FAIRGRIEVE	1422
DAVID JAMES	1692
Fran Rowleston	12187
Phil Eldridge	5526
MICHAEL WINDHAM	10574
Ken DRABBLE	10205
Suetonia Palmer	KBUN 11131
NEIL SCHRAPER	5134
DAVID THORNLEY	10338
Andrew Pahr	3253
Steve Warner	8002
CHRIS MURPHY	2070
Brian Squires	3348
GRAHAM LovJoy	3564
TERRY BRAUMONT	1095

Appendix C Proxy Votes

qryProxyVotesTotals	
Proxy Votes	Proxy Holder
13	Chris Jackson
2	David Thornley
6	Jeff Smart
21	Jonathan Shorer
28	Kevin Botherway
29	Len Drabble
12	Scott Spooner
58	Suetonia Palmer