

Questions and Comments Submitted by Members for the MAAC 2022 Annual General Meeting

97938 - DAVE HORD, April 11, 2022 | 23:08

Love the format and ease of registration in 2022. Thanks!!

95853 – TIMOTHY FUSSNER, April 12, 2022 | 16:56

Q1: Where can I read the organization's policies that address new member recruitment, training and testing? I have been a MAAC member for 3 years, a member of three local clubs, two currently and i state plainly that I have not experienced any coordination with respect to these three objectives.

A1: Model Aeronautics Association of Canada is an association of members and clubs. Clubs have always had the autonomy, freedom and responsibility for any kind of indoctrination for new members. Recruitment is typically driven at the club level, since it tends to be in their interest to grow and retain members.

MAAC creates the framework for what constitutes safe practices and behaviours, but the responsibility for the implementation of rules, policies and procedures stays with the clubs and, by extension with individual members. For example, MAAC's pilot qualification policy (MSD-25) outlines the requirements for a student to become a qualified pilot, but the clubs will use their own practices to prepare the student for the evaluation they conduct.

Q2: Why is it a "violation of privacy policy" to sent to me a numeric declination of membership by age bracket and local?

A2: Without more context it is unclear what has been asked for and not provided. , MAAC takes the protection of our members' personal information very seriously and we expect our member clubs will do the same.

85275 – MARC BELCOURT, April 13, 2022 | 10:45

Have a good meeting and keep up the good work.

35223 AZD – ATHOL COHEN, April 13, 2022 | 16:31:

Q3. What steps would you take to reduce the secrecy and increase the transparency of the operation of MAAC?

A3: We are developing new communications requirements for committee outreach as we develop and implement new policies. The association is also engaging external consultants to help us review our governance documents with an eye to ensuring accountability to and engagement of the membership.

Q4. How would you introduce “a voice of the member” and create an association and environment to build trust and foster friendly relationships?

*A4: **The elected Zone Directors are the voice of the member on the board**, and they are expected to be in regular contact with their constituents either directly or through their deputies and assistants. Members have the opportunity to ensure they are being represented both through the zone meeting process as well as through direct communication with their zone directors and through special interest committees as appropriate.*

Q5. The AGM in its currently On-line” format has not lent itself to dialogue and debate. How would you change the format to provide for an open forum, notwithstanding the fact that the on-line attendance has been somewhat greater than the in-person format?

A5: Notwithstanding the technical challenges, the current virtual meeting format has shown significantly more member engagement and information exchange than in-person meetings have ever had. The fact this question and answer is being shared with every member prior to their voting is a perfect example of that.

7877-L AZD CD CH CM – STEVE WOLOZ, April 14, 2022 | 07:09

Q6: wrt the part IX of the CARS exemption for operating micro RPAS i.e. under 250 grams within 3 NM of a controlled airspace, if the club directors establish club rules limiting the altitude (eg 25 metres) for micro RPAS, above which the members are prohibited to fly above, thus not to be judged hazardous to the operation of full sized aircraft, would this not be justifiable grounds to request permission from NAVC Canada to fly micro RPAS under these conditions ?

A6: At present, MAAC is exempt from Part IX regulations, but is subject to a number of conditions attached to that exemption. Your question appears to confuse several issues, however here are our limitations.

MAAC can not authorize any new flying sites that are inside controlled airspace without an agreement in place with the controlling agency. However, we can authorise new flying sites underneath controlled airspace.

In accordance with conditions four and fourteen of MAAC’s exemption from Part IX, if an aerodrome is in uncontrolled airspace, MAAC Clubs or Members within 3 nm must have rules and policies to identify and avoid conflicts with full size aircraft.

At this time, there is no opportunity to request an agreement for a MAAC field within Controlled airspace at any altitude, but that is something we are working towards.

Q7: Please explain the use of the measuring tool to determine NM distance between an aerodrome and any one of MAAC clubs

A7: The RPAS Wilco App is the only accepted source of airspace information for MAAC operations. The site survey report includes the distances from the identified location to all nearby aerodromes

96156 DZD CM - Cowboy Rowland, April 22, 2022 | 14:09

Q8: Should have been in person or at least ZOOM... Way to controlling for a "Members Based Organization". You have no training program but yet, some of your board members talks down to people condescendingly i.e. the basics 101 board functions??? Really.... You have systematically torn down MAAC, i.e. constitution committee, MAAC store, Youth Program, Wings Program and now running people off and do not listen to your Zone directors, and you always seem to have an excuse. Very Sad.

A8.1: Our previous two virtual AGMs have proven to have significantly more engagement with the members than our traditional in-person meetings had. With Covid still a concern, the board felt it was not yet time to return to an in-person meeting. We are also evaluating ways we can better provide our AGMs in a blended virtual and live format.

A8.2: One of the goals of this new executive is to improve training, education, and ensuring we properly support our members and leaders who step forward at the club, zone and national level. The association is facing some changes in how we do business, and this will be a focus of some of those changes.

A8.3: The Board of Directors is overdue for a Strategic Planning session and the idea of bringing back some of the items you mentioned are already 'on the radar' to be discussed.

25381-L CH CM – FRED MESSACAR, April 22, 2022 | 15:53

Q9: Resolution #3: Presidential Term of Office.

The resolution (#3) regarding the term of the presidential term of office has been recommended for rejection by the Board of Directors. This resolution is essentially the same as the resolution presented at the previous AGM limiting the serving term of directors.

The following question arises:

If the resolution passes, will the Board create a change to the By-Laws, to be effective immediately, for ratification at the 2023 AGM?

The By-Law change could be simply to change the existing section 13 (e) to read:

Term Limits for Directors and the President

Any director and the President Shall be limited to serving three consecutive two-year terms for a total of six years and Shall only be eligible for re-election after an absence of one two year term. (Fred Messacar - 25381L)

A9: As would be the case with any resolution of this nature passed by the membership, care would be taken to draft the appropriate by-law change needed to bring this into effect. It is notable that the current president is in his first month of service, making the timing of enacting this change an academic one.

Q10: The Academy of Model Aeronautics (AMA) has strong **AND FUNDED** programs for juniors, and for the protection and gaining of flying fields. These programs are achieving significant success. Why is the Model Aeronautics Association of Canada (MAAC) not doing this in a period of declining enrolment? MAAC has plenty of money available that could and should, be used for promotion. (Question submitted on behalf of Richard Barlow - 5744L)

A10: MAAC is overdue for a strategic planning session that would include looking at all of these issues, including marketing, promotion, and growth. It should be remembered that the AMA is approximately 10 times the size of MAAC and can support many more projects that we can both financially and through the other resources they have available to them.

Q11: Why are there so many closed Board of Director and Executive Committee meetings that are not minuted? Is MAAC now a secret society? There are guidelines for the use of "In Camera". Are these simply being ignored? Legitimate "in camera" meetings should still be minuted (although access to the minutes would usually be limited to those qualified to be present plus a few others, such as legal or financial professionals) and any decisions made at "in camera" meetings must still be published *in a timely manner*, they may not be held secret, except for a limited time when necessary because of commercial considerations (e.g. offers to purchase, etc.). Are these norms being followed? "In camera" minutes should be routinely

reviewed and information that is no longer required to be held in secret should be made available. Is this being done? Would not it be better for the organization to be as open and transparent as possible?

(Question submitted on behalf of Richard Barlow - 5744L)

A11: The new President and executive are committed to increased transparency and openness with the members, where possible. However, closed sessions and confidentiality of information given to the board are a part of good governance where candid discussions are expected. MAAC is committed to seeking outside assistance when training Board members in their duties to both the board and the members when it comes to confidentiality, closed sessions, and transparency.

Q12: Is it not true that the advisory groups are appointed by the board? If so, then they should only be able to be disbanded by the board and after full discussion. Is it not the Board that makes decisions which are subsequently to be executed? (Question submitted on behalf of Richard Barlow - 5744L)

A12: That is correct

Q13: The arbitrary, and expensive, decision to have all constitution questions referred to a lawyer did not involve a motion at an Annual General Meeting (AGM). Why was this unauthorized move made? The constitution advisory group was thus eliminated without proper Board discussion. Why was this arbitrary step taken? (Question submitted on behalf of Richard Barlow - 5744L)

A13: These decisions were not made unilaterally or arbitrarily. They were authorized by the board after thorough discussion.

Q14: Should the decision to create a paid executive director position have been discussed and made by the board before the appointment of anyone to a position that technically did not exist? (Question submitted on behalf of Richard Barlow - 5744L)

A14: The Board did discuss the need for an Interim Executive Director and approved the job description for the position before the approval to negotiate a contract was given to the President and Treasurer.

Q15: Why was a candidate for the position of executive director allowed to present his qualifications for the position to the board when no such position existed at the time no other candidate was sought or given the same opportunity and, at the same time, the board had not even discussed or obtained competent advice on what the future structure of MAAC's administration should be following the long-time Office Manager's retirement. How can this

behaviour not be considered to have been highly prejudicial to MAAC's long term future best interest? (Question submitted on behalf of Roy Smith - 7759L)

A15: A candidate was initially asked by the President to prepare a proposal for the board to provide an interim transitional role to help the association sort out it's direction to a new business model. The candidate was asked for a proposal as they have a long history of service with the association as a member and a trusted supplier. The urgent situation for guidance through the coming months was seen as reasonable justification for a short-term sole-source contract.

It is worth pointing out that finding 'competent advice' on what the future structure of MAAC's administration should be is a key part of the Interim Executive Director's mandate.

Q16: Can we be guaranteed that all appointments to positions within MAAC paid or otherwise, be thoroughly investigated to ensure no conflict of interest? Does the Board feel that expert opinions should be sought upon the matter of whether the holding of an executive position within MAAC's management structure is in conflict with simultaneously holding the position to the magazine/editor, or does the Board feel that it has all the required expertise to make such a determination? (Question submitted on behalf of Richard Barlow - 5744L)

A16: Conflict of interest was discussed by the Board, at length, in this particular situation and was found not to exist in any meaningful way.

Both The Act and our bylaws state that "A director or an officer has complied with his or her duties if that director or officer exercised the care, diligence and skill that a reasonably prudent person would have exercised in comparable circumstances." We feel that standard has been met.

Q17: Is it honest and fair that appointments to the Safety Advisory Group be at the whim of the president, rather than ensuring that all interest categories are properly represented by members who are expert in their own categories? (Question submitted on behalf of Richard Barlow - 5744L)

A17: Advisory Group composition is determined by the Board of Directors. Generally speaking, Advisory Groups are intentionally small in numbers, and are expected to reach out to standing committees as a normal course of operations.

Q18: Why is the full board not involved in preparing and approving questions to be referred to the corporate lawyer - and why does the full board not get to see the full, unexpurgated, responses from the lawyer? It is not the Board of Directors that governs MAAC and should not every director have full access to all information in order to do their job properly? Is it not unprofessional, not to mention irresponsible, for directors to agree and vote on any matter that

they have not received full information about? (Question submitted on behalf of Roy Smith - 7759L)

A18: Typically the outreach for a legal opinion has some urgency attached. There is a practical need for questions to the lawyer to be drafted by an individual, ideally in consultation with the person raising the question. Having a board of 13 draft, or even approve, a question would add an unreasonable delay to the process. While we can't speak to previous behaviour, we are committed to sharing the full discussion from our legal counsel with the board.

Q19: Can the Board explain under what legal authority it has chosen to act in contravention of the Canada Not For profit Corporations Act and refuse full access to the accounting records to individual Board members? The NFP Act Articles 21 (3) and (7) declare:

21 (3) A corporation shall prepare and maintain adequate accounting records and records containing minutes of meetings of the directors and any committee of directors as well as resolutions adopted by the directors or any committee of directors.

21 (7) the records described in subsections (1) and (3) shall at all reasonable times be open to inspection by the directors. The corporation shall, at the request of any director, provide them with any extract of the records free of charge.

The language seems to be quite clear that accounting record must be open to inspection by directors – who shall be provided with any copies they request. This access is not limited to financial statements or any other summary documentation – the accounting records shall be adequate and they shall open to any director, the whole of the records. Can the Board explain why individual Board members have been refused access? (Question submitted on behalf of Roy Smith - 7759L)

A19: The new administration is committed to enabling and informing Directors so they can fulfill their roles and responsibilities to the association and members. This would include providing records as requested along with contextual information and perspective as is relevant to the request.

Q20: REDACTED (Question submitted on behalf of Roy Smith - 7759L)

A20: We've had to redact a question that deals with a Board approved decision related to a confidential matter. The decision being questioned was made following professional advice and later confirmed by legal counsel to be within the Board's authority.

Q21: Can the Board explain why it arbitrarily and unilaterally canceled the Reciprocal Agreement between MAAC and AMA, allowing members of each to fly in the other's jurisdiction without the need for additional insurance coverage? That agreement had been in place, to the satisfaction

of both parties for many years. The official reason presented to the MAAC membership at the time was that Transport Canada required the nullification of the agreement as part of the terms of the Exemption from Part IX of CARs. Transport Canada completely denies that so - Can the Board please explain what was the real reason for the cancellation of that agreement?
(Question submitted on behalf of Roy Smith - 7759L)

A21: MAAC's exemption from the Part IX regulations only applies to MAAC Members. This means that AMA members must become MAAC members to be able to fly RPAS in Canada under that exemption. While the exemption didn't require the cancellation of the Reciprocal Agreement, the agreement could not continue as written. We are committed to working with the AMA to encourage and foster cross-border activity as much as possible.

Q22: In the Fall of 2019 the then President of MAAC issued a letter to the President of the FAI, and the President of the ACC, declaring that MAAC and the AMA were in discussions to revoke their memberships in the FAI. This was untrue, the letter was not endorsed by, or copied to, the AMA, and had not been authorized by MAAC's Board of Directors. Can the Board explain why it did not censure the president at that time for his action and why it did not issue a letter of apology and retraction to the ACC and the FAI? (Question submitted on behalf of Roy Smith - 7759L)

A22: This would be a question for the Board and Executive who were in office at that time. We are not aware of any formal disciplinary complaint laid against the President for that action.

8478-L CD CH CM – PAUL GIBEAULT, April 22, 2022 | 17:54:

Q23. Please explain how the MAAC President & Executive has the authority to just eliminate our Constitution Committee with the stroke of a pen, only to be replaced by having any issues go straight to the MAAC Lawyer (based in Nfld.) at \$REDACTED/hour.

A23: This decision was authorized by the board after thorough discussion. The board is authorized to create or disband Advisory Groups at any time. We will note that the redacted hourly rate in the original question is significantly higher than the actual rate.

Q24. Can the President read out the letter from the CRA warning that MAAC was in danger of losing its "Not For Profit" organization status, because of its very high cash reserves. How is the President going to address this issue. Why is this letter such a "BIG SECRET" since even my Zone Director isn't allowed to see it??

A24: This matter dates back to 2013 when MAAC was subject to a random review as a not-for-profit that looked at the 2009 and 2010 operating years. This administration will

share the original letters from CRA, as privileged documents, with any director who requests to see them. It should be noted that as privileged documents the letters cannot be shared outside of the current board.

It is also noted that the content of the letters was summarized in the following reply at last year's Annual General Meeting:

In March of 2013, the CRA sent two letters to MAAC on the topic of assessing MAAC's not for profit status. The President will not be reading these out during the 2021 AGM, but the following should give sufficient information to understand the issues raised by the CRA.

In 2013 the Canada Revenue Agency did a review of the validity of characterizing MAAC as a Non-Profit Organization under paragraph 149(1)(l) of the Income Tax Act.

The first letter, dated March 13th 2013 sent to MAAC, explored 3 main areas in order to assess the requirements that we meet in order to comply with paragraph 149(1)(l) namely:

- a. The organization must not be a charity.*
- b. it must be organized and operated exclusively for a purpose other than profit.*
- c. Its income cannot be payable to or made available for the benefit of it's members.*

The CRA noted two main areas of concern:

- 1) Reserves (Cash and Investments) could demonstrate that the Organization is not operated exclusively for a purpose other than making a profit.*
 - a. Reasonable reserves are acceptable to carry on the activities of the corporation, consequently incidental income will not affect our status.*
 - b. Reasonable reserves to fund capital projects and establish (reasonable) operating reserves are acceptable to be raised from capital contributed by the members.*
 - c. Reasonable reserves are acceptable to cover operating costs during periods of inactivity or to cover costs related to the life cycle winding up of the Corporation.*

In its review the CRA noted, for years 2009 to 2010, there was a significant increase in the cash and investment reserves of some \$288K or an increase of 35%. This increase was considered to potentially put us in non-compliance with the requirement of not making a profit.

2) Property Income

The CRA felt that we could be subject to subsection 149(5) which taxes property income, including capital gains, of organizations whose main purpose is to provide dining, recreational, or sporting facilities to members.

Under this scenario we would be required to file T3 Trust returns under the Act.

Linda Patrick successfully argued that our office was indeed "just an office" and was not used as a building for dining, recreational or sporting facilities.

As a result, the section related to Property Income was removed from the second letter that was dated March 18, 2013.

This final letter did not remove our compliance with Section 149(1)(l) of the act and as such we have retained our Not-for-Profit status under the Act.

Summary:

*This assessment was done **over eight years ago** and the CRA has not expressed interest in revisiting the issue since. It's an overstatement to assert that MAAC is in danger of losing its not-for-profit status. **All** not for profit corporations must remain concerned with not becoming "too profitable".*

Incurring a loss here and there is not a bad thing. We have a budgeted a loss for fiscal 2022. The executive and Board of Directors always consider 'profitability' in financial planning.

Q25. Can the President tell us exactly WHO is behind the need to revise many of the Standing Committee General Safety Documents. It appears several Zone Directors (both East & West) were not aware of why this was being done at this time or who exactly was the main driver of this "rules updating" . Especially regarding non RPAS Committees (i.e. Control Line, Free Flight, Rockets), Why does somebody in MAAC feel these 100% accident free disciplines need to be so carefully scrutinized in these questionnaires?

A 25: An annual review of our rules and safety guidelines is also the first condition of our exemption from the Part IX regulations. While this condition does not extend to non-RPAS operations, a regular review should be seen as a good practice and welcomed by everyone involved. The Safety Advisory Group is tasked with overseeing all aspects of Safety within MAAC and are expected to consult with the discipline committees as needed.

This specific outreach from the Safety Advisory Group was done to engage the discipline committees, and discipline experts, in a review and simplification of the over-arching MAAC Safety documents. The SAG's idea of re-writing the Safety Code was presented to a regular board meeting and approved by a consensus of the Directors. It should be obvious that this sort of revision would require outreach to, and feedback from, the

committees. It is also expected that the committees would want to be engaged and should be ready to respond and support their current safety guidelines openly and cooperatively.

Q26. Can the New President explain why the Executive will continue to "" Hide all information"" with regards to model incident claims. Even Transport Canada does not do that. All reportable TC Incident(s) information can be accessed so that all Aviation Professionals can LEARN from such mistakes rather than just continually hiding them under the rug never to be talked about...EVER.

A26: The President supports the Safety Advisory Group as they advocate for more disclosure of incident information and is currently developing a reporting standard that would allow for anonymized incident reporting to the general membership. The intent is to share lessons learned to prevent recurrence.

Q27. A few years ago, the MAAC BoD's approved a 2018 budget item slipped in at third reading for \$9,561.00 by then VP Frank Klenk (South East Ontario) to sponsor 5 individuals attending an IMAC event held in the USA. The BoD's approved this & put it under the Nationals budget. To be clear, this was no Nationals as they haven't been held for over 15 years. My question is: Can the rest of the other Zone Directors also get this funding for their own Zone Events / Contests just to be fair to the rest of Canada? Or is the South East Ontario Zone just privileged in this manner?

A27: Funding for special events can always be requested by any zone director, committee chair, or event organizer. The board is compelled to consider these requests based on their benefit to the association and the hobby. We can't speak to that particular event beyond saying that the Board must have been convinced that the event warranted that level of investment. While we can not explain why the expense was accounted for under 'Nationals' in the financial review, we will point out that the funds were not drawn from the Internally Restricted Nationals fund. (p 21, March-April 2019 Model Aviation Canada Magazine).

Q28. From Personally viewing some of the BoD's meetings, I note with great dismay the former President was very poor in running his meetings. In particular, he allowed racist remarks, bullying from one Director to another, snide remarks of all kinds, as well as profanity (swearing) in both official languages, with no censure whatsoever. I know because I heard it myself while auditing these meetings! Will the new President give us an assurance his leadership will seriously try to do better in this regard.

A28: Yes, the President has already expressed the need for the Directors to behave appropriately and respectfully at all times when dealing with MAAC business.

Q29. Will the New President summarily dismiss all frivolous charges laid against Zone C ZD as a huge waste of time & contributing to a "" Poisoned work environment "" that this Board does not need.

*A29: At present, there are no outstanding disciplinary actions. However, it would be grossly inappropriate for a President to summarily dismiss **any** accusations without allowing a documented disciplinary process to be followed.*

Q30. Can the President explain to the membership why this new position of Executive Director (@\$[[REDACTED]]/ annum + expenses) was not brought up to the membership nor a bid for such position was never advertised via simple Eblast?

A30: The motion passed by the board considered that this would be a sole-sourced contract based on the critical need for fast implementation for the continuation of the MAAC HQ functions. Any traditional request for quote, bid evaluation, selection and contract negotiation process would be expected to take several weeks at least. The redacted figure was both inaccurate and privileged to protect MAAC in any future similar contract negotiations.

Q31. REDACTED

A31: We've had to redact a question that deals with a Board approved decision related to a confidential matter. The decision being questioned was made following professional advice and later confirmed by legal counsel to be within the Board's authority.

Q32. Can the President tell us how the \$65,000.00 for the RPAS-WILCO App was approved? Under what budget item exactly?

A number of people have found that this App does not work for them. This is A LOT of money to spend on an App that is of dubious value & only works for some people with the right phone. Nobody in my local club (other than the ZD) use this App when they go flying. Much of the info supplied is just plain not of interest to the casual flier. Most pilots use their own eyeballs to determine the weather for themselves."

A32: The Board decided to approve a non-budgeted expense out of our reserves to fund a solution to an urgent need for an airspace evaluation tool that met MAAC's unique requirements. RPAS Wilco is the only airspace tool that accurately reflects MAAC's airspace concerns. Other features, such as checklists and weather reports, are in addition to the key features.