

Valley Fliers September Board Meeting

Meeting Called to Order at: 6:30

Present: DeWitt, Botezatu, Walter, Vader, plus 10 members.

Excused Absent: Eyre, Glassmyer

Approval of August Minutes

Alan moved to approve. Shawn seconded. The motion carried unanimously.

Treasurer's Report

See Alan's handouts. Last month was down overall for a summer month, but we were down an airplane. Minimum flight hours were up. The depreciation expense has been adjusted to remove 88L. Alan hopes to include 727 in depreciation next month. 63S includes the replacement seat costs. We are financially much better than last year. 88L is still on the books at \$34000 and we received \$75000, so from an accounting perspective that is likely to appear to be a gain. Alan was late on the July revenue report, but he will personally pay the late penalty. The balance sheet report Alan distributed is as of September 15th instead of August 31st, so he will provide the correct report to John Eyre to be posted on the club web site. Question from the floor: have we received the money from the insurance company? Answer: yes, but that is not on the report.

Maintenance Officer's Report

See Florin's handout.

9MA Annoying nose rattle turned out to be due to a really bad tire. Florin talked about broken window springs and referenced the message he sent to the whole club on the topic. Question from the floor: have members been removing the window stays so it will open wider? Answer: yes.

117 The inspection of the landing gear did not reveal any damage to the airplane, so the issues with the door pins are not due to a major structural issue.

63S Florin asked Alan what the status is on the seat reupholstery? Alan says the firm in Spokane has the old seat and he intends to fly the plane to them to have it put onto the replacement seat.

Question from the floor: what is the status on 63S's electric trim? Florin and Jon say Jon has a replacement wire and will correct it when he gets a chance.

Question from the floor: when will the carbon monoxide sensors be updated? Answer: they are actually up-to-date. Jon checks them and replaces them during the annual inspections.

Safety Officer's Report

Shawn noted the NTSB report (which was distributed previously via email and paper copies were handed out in the meeting). Shawn noted that while the board is working hard to keep the planes well maintained, but wanted to reinforce with members that if members see something wrong with a plane, they should not fly it. He also asked members to forward any safety concerns to him. He asked about the status of the checklists. Ed Bryce said 117 doesn't have the original, it has some other checklist. Comment from the floor: the plane copies of the checklist should be very visibly labeled as the PLANE COPY.

Question from the floor: how will we be doing checkouts for 727? Answer: Shawn said he wanted to discuss it with other CFIs. Question from the floor: Do we really need to do checkouts? Answer: It has a variable pitch propeller and cowl flaps, and a stabilator, so it is very different.

Question from the floor: Will the safety officer have a safety stand-down as a result of 88L's crash? Answer: we cannot make any judgements until the NTSB rules on the accident. The questioner asked when and how the decision was made to wait for the NTSB report. Several board members noted that we have little or no information about what actually happened and we don't feel we have the information to perform an investigation at this point. Several members related that mountain flying checkouts have been discussed. Florin asked if members can see his notes about why he closed a squawk? Several members said they can see them. Question from the floor: can Schedulmaster email all members on any squawk. Comment from the floor: those squawks will just

fill up the inbox. Florin believes John can configure members to receive squawks. Comment from the floor: members can actually configure that for themselves.

Old Business

88L Status Discussed above.

Insurance Renewal We have updated the hull insurance values for all airplanes including the new airplane. Our new rate is \$26482/year. That is an increase of about \$6000 from current rates. That new cost will be effective September 20th. Florin asked whether the planes could be replaced for the new insured values? Alan says not likely. Comment from the floor: we could shop for another insurance company. Question from the floor: have we ever had a full loss before? Answer: no. Comment from the floor: perhaps we should start a hull replacement savings fund to cover the gap between the insured value and replacement costs. Alan agrees we may need to consider doing that. Cessna 172s and 152s are very expensive because of flight school demand.

63S Seat Upholstery Discussed above.

New Business

Statement from John Eyre Alan read a formal statement from John Eyre. The text of that statement is included below. The statement received applause from members present.

New Airplane N34727 is a 1973 Cessna 177B Cardinal. It is still in Ellensburg due to the poor weather last weekend. We paid \$130000 for it. It has about 830 hours on the engine. It has a beautiful panel. We received \$75k from the insurance company, we got \$33000 from the return of the engine. We expect to receive about \$8800 for the prop and governor when we return them. That gave us about \$115000, so we had to make up the difference and we will need an engine sooner than we would like. The net result is that we have used some of our reserves to cover the purchase. Where it would cause a problem would be if we have multiple engines go bad unexpectedly or the like. Question from the floor: are the insurance payment and returns included in the August financials? Answer: the engine is, but the rest are not. The seller has previously tried to join the club, and after we agreed on a price the seller joined the club. Effectively we bought the plane and the seller bought a share in the club. Question from the floor: will the new member possibly rent the new plane and fly it back to Ellensburg for extended periods? Answer: We don't think that is a problem and he is subject to the same rules and policies of the club.

New Member Jeff Phillips, from whom we bought the plane, is now a member of the club.

Rates and Dues Adjustments Insurance has always been a component of the fixed monthly dues, but Alan proposes we raise the bulk via dues and the remainder via a \$2.00 per hour increase in hourly rates. Question from the floor: why? Alan answers that the big dues increase makes our dues high relative to other area clubs. Commenter from the floor: if our hourly usage goes down, we could then dig ourselves a hole. Answer: The \$2 per hour is actually enough even if our hourly usage drops from about 1500 hours down to around 1300 hours. Florin asked whether we should just make members get their own insurance? Alan and many others say that doesn't work because the club needs to be protected. Comment from the floor: fees currently fund our improvements, perhaps we should move them into the rates and put the insurance into the monthly dues. Alan says the Cardinal will have operating costs similar to those we expected from an upgraded 88L or from 63S. Alan suggests we put it at the same as we planned to charge for 88L plus about \$5 per hour. That works out to about \$110/hour including tax. Question from the floor: have we considered moving from Hobbs to Tach time? Answer: with this plane, the two should be almost identical. Comment from the floor: the commenter likes Alan's plan, but would like the rates to be a little higher than necessary in order to avoid having to change them soon. Alan agrees. Florin asked what would be an average between the Cherokee and the 182? It would be a little higher than what he has been discussing. Alan says he will come up with a rate, it probably won't be under \$100 / hour (pre-tax). Alan notes there are things we would like to do to the plane. Alan noted the plane is wired for the Garmin autopilot. It would also require at least one new servo, but the others might also need to be replaced. Comment from the floor: the commenter would be happy to pay \$110/hour for a three axis autopilot. The autopilot upgrade would qualify the plane as a TAA. Question from the floor: is there a vote to be had tonight? Alan asks generally whether those here would favor dues or dues + hourly rate adjustment. Those commenting generally favored the dues + hourly rate strategy. Alan moved that the dues be raised \$5 / month / member and the hourly rates for all planes be raised \$2.50 / hour. Tim seconded. The motion carried unanimously.

Airplane Washing Commenter from the floor analyzed the rates as \$133/hour for the service we are using. That member suggests he would be willing to wash the planes for \$270/month on the same schedule we have been using and accept flight time as payment. Florin notes the service uses a dry wash. The member would use water,

and whatever finishing products we want. Florin and Jon were of the opinion that waterless washing is likely to be damaging the paint and water washing will be better. Alan asked the member to send a proposal to the board and we will consider it. That member also has an insurance policy that would protect the club against damage. Florin notes he likes both washing with water and compensation via flight hours.

Potential Club Instructor Daniel Swan Daniel is a member. He received his CFI yesterday. Shawn moved we accept Daniel contingent on him completing his TSA. Alan seconded. The motion carried unanimously.

Insurance comment from the floor: The member offered to review the renewal offers when Avemco sends them. The member thinks the policy changed hull values last year. Alan says his research shows it has not changed for at least the last four years. Florin suggested that member might help us look for insurance with another company.

Free flight hour won by: Daniel Swan

Meeting adjourned at: 7:59

Next Meeting: The next board meeting will be held Wednesday, October 13th.

Statement from John Eyre

I would like to apologize to the board of directors for my outburst at the last Board Meeting. I allowed my frustration with an ongoing situation to trigger an emotional outburst. There is no excuse for this outburst and I sincerely apologize. I am not making an excuse, but they are called triggers for a reason and while I do not have many of them, when they happen it can be unexpected. With the pressures of the day and time(s) we live in, none of us are exempt. It was very unfortunate that in the interest of trying to achieve an affordable result some mistakes were made and yet in the end, I feel we are doing the correct thing for the club.

We are all passionate when it comes to our aircraft and club, but we need to react logically not emotionally.

In the future, I will strive to not have outbursts like this and will do my best to not react emotionally to situations. Instead, I intend to take a deep breath and pause before responding to the moment.

At your service,
John Eyre, President, Valley Fliers