

2017 Valley Fliers Annual General Meeting March 29, 2017

Present: Lawton, Botezatu, DeWitt, Patrick, Chumbley, Vader
Meeting Commenced at: 6:30

Opening Remarks

Eric welcomed members and reminded them that this is their meeting and where their votes really matter. Eric noted we will modify the agenda to allow the FAA speaker to go first.

Safety Officer's Report (Part 1)

Hunter introduced Bruce Kitelinger from the FAA and noted we wanted him here because we had a unreported incident. Bruce noted we had damage that appears to have been from a hard landing. He says hard landings are not unusual, but this one was different. At annual, 88L had controls that were within tolerances but on the edge. The hard landing bent the floor and firewall, pushing ribs back and loosening tension on the aileron cables. When it was discovered it was a cold day, and the cables get looser when it is cold. The cables were then between ten and twenty pounds tension which is not nearly enough. It probably wouldn't have shown during the preflight. Bruce is not a pilot, his speciality is maintenance. He says the bottom line is that the failure to report the issue resulted in a dangerous situation. The important thing is if something happens, it be squawked/reported even if the airplane looks ok. Smaller aircraft do not have required inspections due to hard landings and the like, but it should be reported and inspected.

Bruce suggests the issue with the plane might not have been reported due to concerns about the FAA's reaction. He says that over the last two years the FAA is increasingly focusing more on education and compliance than on writing violations. From a maintenance perspective, the FAA has historically done a poor job of educating people on maintenance issues. He notes maintenance is rarely mentioned in the FAA Wings program. The FSDO now has a maintenance related seminar monthly at the Museum of Flight. Those seminars include pilot-owner maintenance as a topic. He notes that when pilot-owner-operators lift off they are approving the maintenance state of that plane. He notes there have been multiple articles in recent press describing the FAA's new compliance philosophy. He distributed leaflets describing the FAA's compliance philosophy. The only time violation is the first step the FAA takes is when the act is negligent and or intentional. The FAA now has an automated system for detecting airspace violations, and there is no discretion in terms of recording them, but the FAA's response includes counseling, discussion, education, and only in rare cases violations. The FAA can also force a re-test if a pilot has an issue. That re-test is not a violation. The re-test is known as a 709 after the law authorizing them. They also can mandate re-training. Re-training is generally done with an instructor who has been advised by the FAA what the pilot needs re-training on.

In summary, Bruce reminds us not to be afraid to talk with the FAA. Doing so is unlikely to result in a violation. The thing the FAA really doesn't want to have to investigate in an accident. In Bruce's experience, 40% of accidents he has seen are due to the plane running out of gas. Bruce also left some of his business cards with us.

Approval of Prior Annual Meeting Minutes

Alan provided a correction. Eric moved for approval as corrected. Hunter seconded. The motion carried by show of hands.

Treasurer's Report

See the slides. Alan asked if the waiting list is still long. Eric says it has shrunk, but we still have potential members waiting for shares. The business and occupation taxes went down because revenue went down. While revenue looks down for the year, when you remove the impact of 34H's sale, it was only down by about \$2000. Our net cash increased by about \$20000 over the year, some of that is because we are building engine reserves. All four airplanes cost us more last year in variable costs than we charged for them in hourly rates. Our flight hours were down 100 hours from the prior year. Normal tach hours on the 172s would be over 400 hours, but they were well under that. Alan has increased the engine reserve portion of 9MAs hourly rate to better reflect its engine replacement cost. Alan presented a new slide this year that is intended to give a breakdown of his variable costs. That slide is the Upgrade/Replace Contribution Analysis. That analysis shows that we are still positive in terms of our contributions over the last five years. Our current rates are based on \$4.50/gallon and fuel is now over \$5. Alan presented an analysis that indicates the planes' hourly rates should rise, but indicates we do not need to do that immediately. Question from the floor: aren't the rates on the slide the current hourly rate? Alan says it looks like it on the web site, but the slide doesn't show the tax amount so no. Question from the floor: will RTA raise our sales tax? Alan doesn't know. Hunter asks if we need to ask the members for approval of the rate change. Alan says we don't have to ask them; we can deal with it in a regular board meeting. Eric suggests we might just do it here. Question from the floor: Why did the hours drop off, was it due to rates? Alan says the years we had the highest usage we had the highest rates. Question from the floor: has the cost of 88L been reflected in the financials presented? Answer: no, all but about \$2500 will be covered by the insurance. The \$2500 bill hasn't yet come in. The insurance rates will also go up due to the large 88L claim. Several folks observe raising rates sooner rather than later may be advisable. Comment from the floor: the switch of 62H and 34H to 88L and 117 have replaced our most popular aircraft. People may be flying less due to liking the planes less. Comment from the floor: maybe we need a 180HP 172. Comment from the floor: the weather this winter may have lowered flying. Eric moves to raise rates to those on the slide. Hunter seconded. The motion carried on a show of hands. Eric asked whether we have any shares in danger of being taken for non-payment. Alan says no, but one perhaps flirting with it. Alan also noted our tax return has been prepared and will be submitted soon.

Maintenance Report

See the slides. Tom points out that all our planes are fairly low time. He points out that 117 is now our most popular plane and 63S seems to be fading. Maintenance is up this year and the cost to repair is up for all planes except 9MA. Tom calculates the engine reserves differently from Alan, but notes we have a bucket of money for engine replacement. Tom notes that 9MA is past TBO, but had major maintenance that extends its life. We recently rebuilt one of its cylinders. We are likely to push three of our engines past TBO due to top end overhauls and other maintenance. 88L is just about due for an IFR certification this month. The GPS data updates were done today. Tom's highlight slide incorrectly lists 88L as the plane that needed paint issues, but it was actually 117. Tom notes the 88L hard landing is a \$38000 problem. Question from the floor: when will 88L be fixed? Jon Gunnarsson says a month or so. 9MA has a Continental motor, which made its prop strike less expensive than if it had been a Lycoming. Tom spent a little time reminding members to treat the aircraft as their own. We've had a lot of windshield scratched from the visors. Eric notes we will discuss ADS-B in the next board meeting. Randy will come to that meeting with quotes and a lot of research. Question from the floor: will you decide in that meeting? Eric says possibly. The questioner suggests we need to get going on that transition. Hunter notes we may have an opportunity to put it in 88L while it is down. Tom reminds members there are weight and balance spreadsheets on the web site, and that they should also make sure they are familiar with the POH. Tom notes that he is retiring

from the maintenance officer role and that Florin has agreed to run for the maintenance officer position. Tom reminds members to contact the maintenance officer when they enter a significant squawk. Florin suggests if the maintenance officer cannot be contacted members can contact Jon Gunnarsson since he will be fixing our planes. Eric notes members should contact any other officer if they can't reach the maintenance officer. Alan and Tom remind the members there are "Plane Down" placards in each plane and members should use them as well as calling the next few people who have the plane scheduled. Question from the floor: does Schedulmaster email the maintenance officer if a plane is squawked? Answer: we haven't yet figured out how to do that. Question from the floor: how should a member proceed if they have a broken plane at a distant airport? Should they call the maintenance officer? Tom says it never hurts to call that maintenance officer, and you should also feel OK asking a local mechanic for help or advice. Tom noted the maintenance officer will react differently based on the scenario involved. Follow up question from the floor: what if no board member can be contacted, can we talk with a mechanic? Answer: absolutely. You are an owner of the plane. Alan notes the most important thing is not to fly the plane if you shouldn't.

Safety Officer's Report

Hunter spoke to the members about the NASA safety reporting form that can be used to report incidents. He noted that Jon Gunnarsson is often around the airport and can answer questions about the planes when members have questions.

Hunter also mentioned that we had hangar rash that we were able to identify the person from the new video system and to use what happened as a learning opportunity.

Hunter presented his first "Safety Minute" video showing how to correctly park and put away the planes without damaging them.

After the conclusion of the video, Hunter solicited video and photos from the members for use in future videos. If you see something with safety implications a recording will be helpful (not for punitive purposes, for education). Eric also notes that members should use the shutdown checklists. Hunter also noted the planes should be pulled to the taxiway centerline prior to starting them. Question from the floor: when will 63S be done? Hunter says tomorrow.

Election of Officers

Eric opened the floor for new nominations / self nominations. None were offered.

The vice president candidates were invited to speak.

John Eyre jumped at the chance to serve the club on the board. He has previously served on the board of an RC airplane club. He notes he can generally be reached via email. He also noted that he is the club webmaster. Hunter asked where the club safety forms get submitted. John says there is not yet a place for it on the site yet.

Brian Funk notes that he has been a club member for many years and is faithfully present at the board meetings. He found 117 when we bought it.

John Pearsall has a lot of free time during the day to assist the board. He has been in the club for 4 and an half years. He asks for question.

Question from the floor: what does the VP do? Eric notes the only duties in the bylaws is the take over when the President is not available, but also does other duties as assigned.

The slate of candidates was elected as follows: President: Eric Lawton, Vice President: John Eyre, Treasurer: Alan DeWitt, Maintenance Officer: Florin Botezatu, Safety Officer: Hunter Chumbley,, Secretary: Tim Vader.

New Business

Question from the floor: will there ever be a time when dues can be paid electronically? Alan says he is open to the idea, but the costs work out to 2-4%, which seems high. Tom and others suggest online bill-paying through several banks is a good option. Some folks suggest we might accept an ACH as well. Eric asks if doing that would give Alan enough information to correctly reconcile. Alan notes that many folks just send a check. The concern with ACH and wire transfers is knowing from whom the money came. Alan does get some at his business, and he might be able to do that. John Eyre notes that ACH may change soon. Alan asks John whether there is danger in handing the club account information to members? John says not really. Eric notes the checks could be dropped in Alan's box. Alan notes that he gets many checks from bill-payer services from banks as well.

Comment from the floor: Why do we pay sales tax? Alan says the Dept. of Revenue called about four years ago and we ended up paying, though we still don't think it is right. He notes that Boeing's flying club also pays sales tax. Because we pay sales tax, most of the sales tax the club pays on stuff it gives credit against the member sales tax liability. It doesn't net out to much tax actually paid.

Ed Bryce notes he paid for a US customs sticker for 9MA and it can now be taken to Canada. Comment from the floor: members should keep schedule master up to date when they can't use their reservation. Eric notes that was part of the reason for putting in the camera system. The cameras can be checked remotely. Eric notes that habitual offenders should be raised to the board's attention.

Comment from the floor: members cannot flying out of the country on the new basic medical option as other countries do not recognize that.

Question from the floor: can we remove people's scheduled time if they don't show? Answer: you need a board member to do that.

Question from the floor: how can we see the cameras? Answer: work with Hunter to get the password and the Swanview plus app. Follow up: can we see it on the internet? Answer: we are working on it.

Comment from the floor: Schedulmaster can provide reminders and reports of time members have scheduled.

Eric notes that the search for a replacement insurance firm is on hold for a while because of our large claim on 88L.

Question from the floor: Is basic med ok for our insurance? Answer: the company hasn't yet made any changes in their policy. If they don't change that position we will have to factor it into our medical search. The board will need to understand the tradeoffs involved.

Door Prizes

Flight Hour Winners: Josh Coggins, Ken Walter, Mark Kornei, Jim MacKenzie, Karl Rufener

One free hour of instruction with Gerry Coon: Randy Stein

One free hour of instruction with Ed Bryce: Jason Crum

One free hours of instruction with Pete Roberts: Tim Vader

One free hours of instruction with Steve Fribley: Greg Smith

One free hours of instruction with Hunter Chumbley: John Eyre

One free hours of instruction with Jerome Gagner: Florin Botezatu

Meeting Adjourned at: 8:42