

TABOOMA FLYERS, INC.

CLUB BYLAWS

Updated August 16, 2017

ARTICLE I: PURPOSE

The purpose of this club shall be to provide for its members convenient and safe means for flying at the most economical rates.

ARTICLE II: MEETING OF MEMBERS

1. All meetings of the members, except as herein otherwise provided, shall be held at a place to be determined by the President.
2. The annual meeting of the Club shall be held at such other time during the year to coincide with the aircraft annual inspection. The President shall determine the meeting date and time in order to allow and encourage maximum participation by the club members.
3. Written notice of the annual meeting of the members shall be e-mailed to each at least ten (10) days before such annual meeting.
4. Special meetings of the members may be held at such time and place as the President may determine, or by written petition of at least fifty percent (50%) of the membership. It shall be the duty of the Secretary/Treasurer to call such a meeting within thirty (30) days after such demand.
5. Notice of a general meeting of members, stating the time and in general terms the purpose thereof, shall be given in a like manner as the notice required for the regular annual meeting. If all the members shall be present at any gathering, any business may be transacted without previous notice.
6. At any meeting of the members, a quorum shall consist of one-half of the members who are in good standing.
7. The President, or in his absence, a chairman elected by the members present shall call the meeting of the members to order and shall act as the presiding officer thereof.
8. At the annual meeting of the members, the members shall elect a President, Secretary/Treasure, and Aircraft Maintenance Officer.
9. At every meeting of the members, each member shall have only one vote. Votes cast by e-mail will be accepted provided they are received by the Secretary at least one day prior to the meeting when the vote is to be taken. Proxy votes in writing will be accepted.
10. If a resolution or petition has been properly formed and presented to the membership by submittal to the Secretary, and the matter requires a timely decision, the President may take an e-mail vote of the membership with a two-thirds affirmative vote of active members necessary for passage.

11. A majority vote of the members present is necessary for the adoption of any resolution and for the election of an officer.
12. Parliamentary procedures will be followed and minutes will be kept at all meetings.

ARTICLE III: OFFICERS

1. The Executive Board of the Club shall consist of a President, Secretary/Treasurer, and Aircraft Maintenance Officer.
2. The President, Secretary/Treasurer, and Aircraft Maintenance Officer shall be elected from the general membership at the annual meeting and shall hold office until the next annual meeting and until their successors are elected and qualified.

III.a PRESIDENT

1. The President shall be the Chief Executive Officer of the Club. He shall preside at all meetings of the Club. He may call any special meeting of the members and shall have general charge of the business of the Club, and shall execute, with the Secretary, in the name of the Club, all certificates of membership, contracts and instruments other than checks which have first been approved by appropriate means.
2. The President shall be responsible to the membership for the operation of the Club. He shall make and enforce decisions regarding the suitability of all equipment and the qualifications of all members for each type of flight operation. He shall recommend for approval to the general membership all operational rules of the Club and shall report with recommendations all violations of such rules by any member of the Club.

III.b SECRETARY/ TREASURER

1. The Secretary/Treasurer shall keep the minutes of all proceedings of the members in books provided for that purpose. Secretary/Treasurer shall attend to the giving and serving of all notices of all meetings of the members and otherwise. Secretary/Treasurer shall keep a proper membership book showing the name of each member of the club, the book of bylaws, the Club seal (if any), and such other books and papers as the membership may direct. He shall execute with the President, in the name of the Club, all certificates of membership or officers pursuant to their authority.
2. The Secretary/Treasurer shall make timely payment for the expenditures authorized. He shall receive and deposit all funds of the Club in the Bank selected by the membership which funds shall be paid out only by check as hereinbefore provided. He shall also account for all receipts, disbursements and balance on hand.
3. The Secretary/Treasurer shall also perform all duties incident to the Office of The Secretary/Treasurer, subject to the control of the President and the Membership.
4. The Secretary/Treasurer shall also perform duties connected with the operation of the Club as directed by The President.

III.c AIRCRAFT MAINTENANCE OFFICER

1. The Aircraft Maintenance Officer shall be responsible for maintaining current information in the log books of the aircraft.
2. The Aircraft Maintenance Officer shall be responsible for maintaining the aircraft in proper operating condition, by or under the supervision of a properly certificated aircraft and power plant mechanic (with the exception of those maintenance functions which can be performed by non-certificated Club Members under the supervision of The Aircraft Maintenance Officer), and for obtaining all inspections, major overhauls, and for the compliance with all service bulletins for the aircraft.
3. The Aircraft Maintenance Officer shall be responsible for all papers required to be carried in the aircraft and for the execution of all papers required upon completion of inspection and major repairs.

ARTICLE IV: VACANCIES

If any Office, other than the President, becomes vacant for any reason, the President shall appoint an interim successor until such time as the general membership shall elect a successor who shall hold office for the unexpired term. If the Office of President becomes vacant, the membership shall elect a new president within thirty (30) days.

ARTICLE V: MEMBERSHIP

1. New members may be admitted to the Club only after a majority vote of the club members. Membership shall be limited to thirteen (13) persons.
2. Upon receipt of the initiation fee, the applicant shall be considered a full member subject to a ninety (90) day probationary period. If a club member leaves the club within the probationary period, the member's full Initiation Fee will be refunded.
3. A member may withdraw from the club upon notification to the Secretary/Treasurer in writing thirty (30) days in advance. Withdrawn members may not vote. The percentage of reimbursement shall be set by the membership and may be modified by a two-thirds affirmative vote of active members at any time. Any such measure that passes shall be immediately binding on all active members. The reimbursement for withdrawing members that have not yet been paid due to lack of a replacement member will not be affected by such a vote.
4. A member may be expelled by a two-thirds vote of the members voting at any regular or special meeting of the members. Ten (10) days notice shall be given to each member, who shall have the right to be heard at a meeting of the Club called for this purpose.
5. In the event of death of a member, the estate of the deceased member shall have the same rights to reimbursement as a withdrawing member.

ARTICLE VI: MEMBER PAYMENTS

1. **Initiation Fees:** Initiation fees shall be determined on an annual basis by the membership based on the share value of N4542L. See Appendix 2 for the initiation fee formula. A person duly elected to the Club as provided for these bylaws shall be deemed a probationary member upon payment of the initiation fee, and a full member after 90 days.
2. **Dues:** Each member shall be assessed monthly dues in an amount to be periodically set by the membership so as to reflect the expected fixed operation costs of N4542L. Monthly dues are assessed by calculating the expected forward-looking annual all-in costs of owning the airplane and dividing this dollar amount by 12. This amount is the total monthly dues to be collected from the membership. That number is then divided by the number of current members to determine each member's monthly dues responsibility. The monthly dues shall be subject to annual review by the membership. Dues are due within fifteen days of receipt.
3. **Hourly Aircraft Rate:** The hourly rate for use of the aircraft shall be in an amount to be periodically set by the membership based upon expenses for the operation of N4542L. The hourly rate shall be subject to annual review by the membership. Members will forward payment for the aircraft use to the Secretary/Treasurer as billed with regular monthly dues.
4. **Delinquency:** Any member who has failed to pay the dues, hourly aircraft rate charges or any other sum due the club within sixty (60) days after said sum be due shall be considered a delinquent member and shall be automatically suspended from flying the Club aircraft and engaging in any other Club activity. A ten percent (10%) penalty of the delinquent amount shall be charged monthly after two (2) month's delinquency unless the President waives the penalty upon a showing of good cause by the member. When a delinquent member fails to pay any sum owed to the Club, or at the discretion of the President, to make suitable arrangements with the Secretary/Treasurer for payment thereof within ninety (90) days of the due date, the member shall automatically be considered as indicating an intention to withdraw from the Club.

ARTICLE VII: CLUB FINANCES

1. No member may authorize expenditures or otherwise incur financial obligations in the name of the Club except as expressly provided for in these bylaws or other regulations duly promulgated by the Club membership.
2. The secretary/Treasurer is authorized to expend club funds in payment for all normal fixed costs of the Club and all operating costs not in excess of seven hundred fifty (\$750.00) dollars. The Treasurer must obtain approval from the Club, via a majority vote, for any unusual expenditure and all expenditures not related to the airworthiness or insurability of the aircraft in excess of one thousand (\$1000.00) dollars.
3. Individual members will be reimbursed for any personal expenditures for the Club aircraft related to repairs or maintenance necessary to safely complete a trip back to the Club's home base. Payment will be made only after delivery of adequate receipts and proof of payment to the Secretary/Treasurer. The limit for this expense shall be three hundred fifty (\$750.00) dollars after which the verbal approval by the President shall be required.

ARTICLE VIII: FLIGHT RULES AND PROFICIENCY

The membership shall develop, or cause to be developed, a set of Flight Rules. The Flight Rules will take into consideration vary levels of members' experience and proficiency. The Club's Flight Rules are attached as Appendix 1.

ARTICLE IX: SURPLUS FUNDS

The savings or surplus remaining after all operating costs and other expenses have been paid shall remain in the Club's treasury for the purchase of new equipment, engine overhaul, and for contingencies and for the purpose of reducing the hourly rates for flying, as shall be determined by the Executive Board. The net savings shall not be distributed to the members for their individual use.

ARTICLE X: AMENDMENTS

1. These bylaws may be repealed, amended and new bylaws adopted at any meeting of the members called for that purpose or any regular meeting of the members by a two-thirds majority vote of such members.
2. Fifty percent (50%) of the membership shall be considered a quorum.

ARTICLE XI: EMERGENCY LEAVE

A member may request a one-time emergency leave of absence from the club under the following circumstances:

- Must be a member for at least five years.
- It is available only one time for an extraordinary purpose (hardship, job transfer).
- It must be approved by a majority of the Executive Board.
- Maximum duration is six months with an additional six months possible if approved by the Executive Board.
- If the member resigns within six months of the end of the inactive status, dues for the inactive period are deducted from the amount to be refunded.

APPENDIX 1: FLIGHT RULES

1. All members of the Club must comply with all State and Federal Aviation Regulations as well as airport and Club rules while operating the Club aircraft. Only current members that have a current and effective medical certificate, meet FAA flight review requirements and have received a checkout from a certificated flight instructor in the aircraft may schedule and fly the aircraft as pilot in command.
2. A violation of any of the Club's rules by any member renders him or her liable to either a temporary flight suspension of not more than thirty (30) days, and/or a monetary fine not to exceed one hundred (\$100) dollars. Repeated violations shall result in a recommendation by the Club Officers that the member be expelled from the club. Such recommendation to be voted on by the membership. A majority vote of the membership shall be necessary for expulsion.
3. All members must be checked out and approved for solo flight by a flight instructor approved by the President before soloing in the Club aircraft.
4. A member must perform a complete preflight inspection of the aircraft, including a visual inspection of the fuel quantity, prior to commencing flight. Any damage or discrepancies discovered by a member will be assumed to be the responsibility of the last user unless it has been reported previously to the Maintenance Officer and entered in the aircraft's squawk log. If a condition is discovered which may affect the airworthiness of the aircraft, the aircraft shall not be flown until cleared by the Maintenance Officer and signed off in the squawk log as resolved.
5. Each member must ascertain that the airworthiness and registration certificates, appropriate operating limitation information, current aircraft radio station license and operator's manual are in the aircraft before commencing flight.
6. All aircraft operating limitations must be observed. Aerobatic maneuvers are prohibited except those which are permissible under the operating limitations when the aircraft is operated in the utility category.
7. Flight Plans must be filed with the FAA and/or VFR Flight Following utilized for flights over sparsely populated areas, mountainous, wooded or desert terrain or for extended over water flight, and for all solo cross-country flights in excess of fifty (50) miles.
8. All flights must be booked in accordance with the Club's current scheduling policies. No member shall schedule the aircraft for longer than fourteen (14) consecutive days during the months of May through September without prior approval by the membership.
9. Except in emergencies, Club aircraft shall be flown from and landed on paved runways of at least 2,500 feet in length. Exceptions to this flight rule may only be granted in advance by the President. Any member who lands on a non-complying field due to emergency must call the President or Training Officer and obtain approval before attempting to take off from the field.
10. Upon completing a flight, the pilot must tidy up the aircraft. Waste paper and extra charts (a current sectional for the local area should be kept in the aircraft) will be removed, seatbelts straightened, leading edges of the wings and windshield cleaned of bugs, etc.

11. All tanks will be fueled to the tabs at the end of every flight, unless prior coordination has been made with the next scheduled pilot.
12. No member (except the Maintenance Officer) may perform any maintenance on Club aircraft, other than preflight inspection, without authorization from the Maintenance Officer.
13. Club Aircraft may not be used to give flight instruction to anyone except club members. Club members who do not have a current medical certificate or flight review may only fly as a passenger with other members or with a Certificated Flight Instructor (CFI) approved by the President.

APPENDIX 2: FINANCES & CAPITALIZATION

1. The Member Share Value (MSV) will be determined annually at the Club's annual meeting by a vote of the members. In practice, the MSV is intended to be the value that roughly makes the club solvent from the perspective of its balance sheet (assets equaling liabilities, or equity close to zero). It is the value that accounts for all assets and club liabilities, and then makes available what is left over for payment to current club members when they depart the club. The MSV value will fluctuate depending on the club's assets and liabilities and its membership count.

The MSV is calculated using the club's current balance sheet. One item of the club's liabilities on the balance sheet is expected payments to current members upon their departure from the club, listed on the balance sheet as "Departed Members Owed (assumed)." This number represents 2/3 of the current MSV, multiplied by the count of current club members. In this way, the balance sheet's total liabilities depend on, and are sensitive to, the value of the MSV. This is the only way that the MSV affects the club's balance sheet, but it is a large component of total liabilities.

The MSV is calculated simply as the value that makes the total Liabilities equal, as closely as possible, the total Assets, therefore making Equity (total assets minus total liabilities) as close to zero as possible. It is calculated using an iterative (guess and check) process using different values until the amount of the balance sheet's total Liabilities equal the total Assets.

As an example: As of August 2017, the club has total Assets of approximately \$89,500. Total Liabilities are approximately \$52,500, excluding a provision for paying back current members upon their departure from the club. This leaves approximately \$37,000 available for current members to be paid assuming their immediate departure from the club. The MSV that allows all nine current members to be paid (at 2/3 of the MSV) is \$6,200 per member ($\$37,000 \div 2/3 \div 9$, rounded to the nearest \$100). When the MSV is set at \$6,200, the club's total Assets equal its Liabilities and the Equity is zero (after accounting for rounding).

2. Membership Fee – the Membership Fee is equal to the Membership Share Value at the time of joining the Club.
3. Termination Benefit – The Termination Benefit will be 2/3 of the Member Share Value (MSV) at the time of a member's resignation from the club.

The Termination Benefit is paid sequentially and is funded by the Membership Fee paid by new members. When a new member joins the club, a portion of the new member's Membership Fee pays the Termination Benefit for the "oldest" departed member – the one who departed the club the longest ago. For this reason, the Termination Benefit is not paid immediately upon departure from the club but rather several years later.