

Virtual meeting (online)

Attendees:

Jerry Seckler (President)	Arthur Gunn (Treasurer) – present for most of meeting	
Bruce Kaufman (Secretary)	Dennis Haber	Mark Waddell
Timm Preusser	Tim Loy	

The meeting was called to order by Jerry Seckler (at approximately 12:15 PM Central time).

Treasurer report

Arthur Gunn had circulated to all attendees prior to the meeting an unverified quarterly financial report for the SEF and the Training LLC (quarter 1, 2023)

He noted the following:

The SEF is showing a ‘loss’ – but that is the result of depreciation on equipment

The Training LLC has a current negative balance of over \$3,000, but the just completed Wichita CPPP is likely to have a significant profit that will offset that deficit and create a slightly balance.

There were no further issues or questions raised.

Discussion of donation from the SEF

An active CPPP instructor/Dean in the CPPP has suffered the loss of a family member; it was brought up for discussion whether to make a contribution towards that family on behalf of the SEF.

The discussion noted that such a donation may not be appropriate use of the SEF funds. In addition, it was noted that creating such a precedent may not be wise.

It was agreed that the information for donations would be circulated to each of the Board members, who may donate personally as they see fit.

Contribution to the SEF

Jerry reviewed the agreement by COPA c7 to provide a quarterly contribution to the SEF (\$25,000/quarter), with the expectation that several conditions (related to reporting back to COPA Board) would be met. There was no objection to those conditions, and we will graciously accept these contributions.

Jerry also noted his observation that the various manufacturers and vendors involved with COPA and the SEF are not likely to donate cash, but seem to prefer to donate material

Dennis noted the ongoing need to continue to develop other sources of funding.

Tim Loy noted that he had obtained some information from the American Bonanza Society on how they solicit for donations, including the use of lifetime memberships, estate contributions, etc. He has the goal of preparing these (formatting the information) so that we can use the same options for COPA members – with a plan to include these instructions on the SEF and/or the COPA website. It was felt important to have this defined in advance of the Migration.

Endowment

The COPA c7 Board has also made a donation of \$25,000 to be used to start an SEF Endowment fund.

Tim Loy noted that he has been in touch with the American Bonanza Society, and has been gathering information on how they maintain and utilize their endowment. They currently have over \$4 million (noting that they did receive a very large one time donation in the past).

Tim will attempt to define further how they manage the fund – vis a vis the items below.

The establishment of an ‘endowment’ was discussed.

It was noted that there are a number of issues to be further discussed and defined going forward.

These include:

Defining the ‘use’ of the endowment funds:

- Will there be any allowance, or definition of, the ability to use the donated principle of the fund? The discussion noted that there should be an allowance to use the principle, but that the timing and parameters of that use need to be defined.
 - There was an agreement that at least until those parameters are defined – the earnings will be allowed to accumulate and compound.
 - In addition, when those parameters are defined they will need to be communicated to all past and future donors to the endowment.
- How to ‘hold’ the funds?
 - It was noted that these funds need to be fully segregated from our operating income/uses. This could be by way of separate accounts or just separate investment vehicles.
 - It was generally agreed that the funds should be invested – but initially in a manner that protects the funds (ie ‘insured’ as in a bank account, or conservatively invested).
 - Investments can be managed by the SEF Board (or sub-group) and employment of an investment advisor is not currently needed.
- Where to ‘hold’ the funds (and this includes our operating funds)

With the recent increase in interest rates, the funds should be kept in an interest bearing account or device (ie CD, treasury bonds).

The funds will likely need to be placed in an institution that will provide additional services, like easily accepting stocks donated.

Arthur and other board members will investigate options for what institution to use for our investments/financial management.

Subsequently there will be discussions around WHAT to invest the funds in (both operating and endowment)..

In order to facilitate future evaluation of where to locate our finances – Arthur will be instructed to create a list of all current accounts (‘name’ and location).

Financial work going forward:

Future board discussions and decisions will need to be done in the following:

1. Define the methods of donation to the SEF/Endowment
 - a. Get these onto the websites (SEF &/or COPA);
 - b. Perhaps prepare to present them at the Migration
2. Define location for holding our 'investments'
 - a. Note the options for companies - (ex Fidelity, Schwab, other)
 - b. Define the best approach -including safety and returns (specific vehicles).
3. Endowment discussion topics – need to define:
 - a. circumstances / conditions that would allow spending of 'endowment principle'
 - b. goal for endowment (initial amount prior to using any earnings and/or principle).
 - c. How to use the income generated (after achieving size desired).

Video archive of CPPP classes

The most recent CPPP classes were video captured.

The c7/COPA has requested that content be made available online.

The SEF Board discussed this – noting that there is a trade-off between posting CPPP content online and resulting in fewer participants at CPPP events.

It was felt that there may be more 'gain' (getting information to folks that would not come to a CPPP) than 'loss' (encouraging someone to get the content online and not attend an event).

It is anticipated that the videos captured will be reviewed before being placed online – looking for clarity and product quality. This is likely to be done by Jerry Seckler and Mike Barnes initially.

It is to be defined what are the most desired topics to be captured and placed on line first.

Noting that some topics are 'general' (apply to all aspects of aviation – such as decision making), some are 'cirrus centric' (mostly but not exclusively related to Cirrus aircraft – such as some of the avionics), and some are "cirrus specific" (such as our electrical system layout/trouble shooting or CAPS maintenance/use).

At approximately 1:30P Central time the meeting was concluded.