

IN THE COUNTY COURT IN AND FOR  
BROWARD COUNTY, FLORIDA

STEVEN J. BORER,  
MICHAEL W. BORER,

CASE NO.: COWE 20022099 (81)

Plaintiffs,

vs.

POMPANO BEACH FLYING CLUB,  
GREGORY GILHOLLY,

Defendants.

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**DEFENDANT'S NOTICE OF FILING REQUESTED BOARD MEETING  
MINUTES**

Defendant, POMPANO SENIOR SQUADRON FLYING CLUB D/B/A POMPANO BEACH FLYING CLUB, by and through its undersigned counsel, hereby files this Notice of Filing Requested Board Meeting Minutes.

**I HERBY CERTIFY** that a true and correct copy of the foregoing has been sent U.S. Mail this 11th day of January 2021 to Steve Borer.

/s/ Edward F. Holodak  
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**Pompano Senior Squadron Flying Club Inc.**  
**DBA**  
**Pompano Beach Flying Club**  
**Minutes of the Special Meeting of Members**  
**May 04, 2020**  
**1800**

**Location of Meeting:**

Location: Virtual Meeting

Platform: ZOOM

**Board Members Present:**

President:	Gregory Gilhooly
Vice President:	Tor Holm
Secretary:	Gregory Galyo
Treasurer:	Andrew Bilukha
Board Director:	Robert Breeden

**I. Call to Order / Opening Remarks**

The May 04, 2020 Members Special Meeting of the Pompano Beach Flying Club was called to order at 1802 on May 04, 2020 via ZOOM virtual meeting by President Gregory Gilhooly. There were an additional 11 attendees who joined the virtual meeting.

**President:**

- Addressed the special meeting noting Bylaws Article VI, section 6 reads “the Corporation shall pay to the withdrawing member a sum as predetermined by the Board set annually as of January 1 of such stock” and this has not been done by the prior board with no record of it every being completed.

**Treasurer:**

- According to the evaluation we have, our airplanes and shop equipment are worth approximately 250K, and our liabilities including alleged liens are close to 400K. Club's liabilities exceed its assets, and thus the club's shares have negative value, or no value

**President:**

- Noted that we are a corporation and need to have a value on our stock share. Motion made for \$1.00, Andrew B second, board approved.
- Open to members for discussion.

**Open Discussion:**

-Paul S. Commented that 96F is a money maker, fly's a lot of hours and we should consider dry rate. President said we would look at this at future meetings.

Board Director:

- Made a motion to eliminate the \$1,700.00 membership and have a \$500.00 application fee. President motioned to make it \$499.00 not refundable application fee and \$1.00 share buy in. Treasurer 2<sup>nd</sup> , board approved.

President:

- Opened floor again for any discussions, comments or questions. There were no comments or questions by attendees.

## **VI. Adjourned**

Treasurer made a *Motion* to adjourn; President adjourned meeting at 1820 and thanked everyone for their attendance.

The next members meeting of the Pompano Beach Flying Club will be on May 13, 2020 at 1800 Location virtual meeting due to COVID-19.

Submitted: Secretary Gregory Galyo



## Information and Resources Regarding the Pompano Beach Flying Club

*Not affiliated with the Pompano Senior Squadron Flying Club, Inc. (dba Pompano Beach Flying Club)*

**|(HTTPS://POMPANOBEACHFLYINGCLUB.INFO/)**



## YOU HEARD IT HERE FIRST November 11th Membership Meeting Report

November 25, 2020

We know that many recipients of this newsletter are no longer active members and will therefore probably not receive official minutes to the Club's most recent regular membership meeting (held via Zoom conference on Wednesday evening, November 11, 2020). This is unfortunate considering many of you never got your "buy in" back. But the By-Laws provide that, until the Club refunds the membership fee you paid when joining, then you are still a member because you are still deemed to own a share of stock (Article V, Section 1 (<https://pompanobeachflyingclub.info/docs/by-laws/#V>)). In any case, if the official minutes are anything like recently-prior minutes (significant omissions and short on key details), we thought even current members would appreciate this comprehensive analysis.

- **No Meeting Minutes After Two Weeks:** As of this newsletter being sent, some two weeks after the November 11, 2020 meeting, no minutes have been sent to the Club membership. This is appalling. According to [businessmanagementdaily.com](https://www.businessmanagementdaily.com) (<https://www.businessmanagementdaily.com/25775/distribute-meeting-minutes-promptly/pdf/>), *"the sooner you can provide meeting minutes to the attendees and relevant non-attendees, the better. A reasonable time frame is within 24 hours. Wait any longer, and memories will fade along with the group's enthusiasm to follow through with key points discussed during the meeting."* Of course, if the President ran the meeting using the required Order of Business contained in the By-Laws (Article I, Section 5 (<https://pompanobeachflyingclub.info/docs/by-laws/#I.5>)), and distributed a meeting agenda in advance, it would be a trivial matter to quickly produce minutes after any meeting. Noting this deficiency may seem harsh to some, but when candidates run on a platform to improve something that they only make worse, criticism of their communication failure is well-placed.

Near the end of the meeting, the President expressed his odd belief that it was not proper for minutes to contain anything more than "motions and approvals." He wrongly stated the Club had historically,

only as a courtesy, included discussion of operational guidance issues in the minutes, but claimed this was a “confusing” practice, since it would be better to create a new medium, a newsletter.

Interestingly, the President’s proposed change would only increase workload by creating a new form of communication, which would only serve to exacerbate unreasonable delays in distribution. The By-Laws provide the best means for the Club to “keep it simple” and put out proper minutes including the reports presented. Introducing the need for additional editorial copy for a newsletter hardly seems like a solution.

- Order of Business: Even though the Order of Business in the By-Laws (Article I, Section 5 (<https://pompanobeachflyingclub.info/docs/by-laws/#1.5>)) describes a required format for all membership meetings, including nine specific items, the President once again failed to conduct this meeting in compliance with the By-Laws. This is especially problematic because, as we have previously noted, on February 10, 2020, when President Greg Gilhooly was running for the Club’s Board, he said the prior Secretary was “*negligent in his duties to inform the members of this club via of minutes of the prior meeting of club business*” adding that the Board’s prior performance was “*not acceptable to normal Parliamentary Procedures.*” Since the By-Laws clearly describe a specific order of business for membership meetings, it seems clear that President Greg Gilhooly believes he, unlike his “negligent” predecessors, can violate the By-Laws at will and with impunity. The contempt this Club President displays for the By-Laws and even his own campaign promises only compounds adversity for the entire Club. On this occasion, the consequence was a disorganized period of almost two hours consisting of aimless rambling with no semblance to “*normal Parliamentary Procedures.*”
- Roll Call: The first order of business (after formally convening the meeting) is supposed to be a roll call (and record) of members in attendance. While the Zoom format does allow members to see who is present at any given time, the roll call has a legally important governance function. If the Club omits this required agenda item, they invalidate any votes by the membership since a quorum is required to convene a meeting and conduct business. The identity of members present at the beginning of a meeting is important because the By-Laws (Article I, Section 2 (<https://pompanobeachflyingclub.info/docs/by-laws/#1.2>)) explicitly requires a quorum “consisting of a majority of the stockholders” to be present in person or by proxy in order for the meeting to be properly convened or conduct business according to “*normal Parliamentary Procedures.*” This requirement is compounded by the club’s claim there are 72 members. If the Articles of Incorporation were followed, legally limiting the membership to 50 (<https://pompanobeachflyingclub.info/docs/articles/#III>), then 26 members would need to be present to have a quorum. But if 72 is the number, 37 members would need to be present to convene a meeting. But the Club routinely fails to attract a majority of members to meetings. Near the close of

the meeting, the President lamented that only 10-15 members usually attend meetings. All meetings require a record of the roll call at the beginning even if only to note that no quorum was present and so no votes could be taken.

- Discussion Without Direction: As a result of the President's decision to violate the By-Laws and ignore the required Order of Business, and to conduct the meeting without a quorum, he ended up presiding over a disorganized random discussion of issues without direction. After a few informal comments between members of the Board, the President spontaneously decided to talk about the Club's Christmas Party. He lamented the fact that confirmations had been underwhelming with only six RSVPs. The President also made the surprising statement that former Treasurer, Carl Kennedy, who is currently defending himself against a lawsuit from the Club at the direction of the President and Board, had always done a great job getting members to attend the Christmas Party. While this will surely not be included in the meeting minutes, it was indeed a sad statement of irony.
- A Very COVID Christmas Party: The President lamented that only six members had signed up for the indoor four-hour sit-down dinner Christmas Party. There was no discussion at all about the "elephant in the room" – the most likely reason for low interest – the ongoing COVID-19 pandemic and the fact that both the CDC and State of Florida both recommend avoiding congregating in groups larger than 10 (<https://floridahealthcovid19.gov/prevention/>). In spite of this guidance issued to help prevent further spread of COVID-19, the Club President said that he planned – the next day – to contractually guarantee that at least 25 members would attend (25 x \$35 = \$875). Beyond that, the Club President acted both agitated and perplexed when offering that the restaurant would not provide a community self-serve buffet as they had in the past. The Club President ignored the obvious, that all restaurants have stopped providing self-serve buffet service to prevent the spread of COVID-19. But none of the other Board members stepped up to explain this. Instead, they gleefully committed to attending the Christmas gathering – right then and there – during the meeting. Even though all Americans have been advised against extended-family gatherings, even for Thanksgiving, it's mind-numbing to try and rationalize the Board's decision to not only hold this party, but then guarantee nearly \$1,000 of members' dues money to pay for the party! They want to hold a four-hour sit-down dinner for dozens of members contrary to explicit guidance from both the CDC and State of Florida. It seems like a responsible person would weigh the risks against their preference and just pass on the Christmas gathering this year. Certainly everybody would understand that decision. But, instead, the Club fiduciaries are fixated on relentlessly pursuing an ignorant and reckless path, even continuing to pursue a community self-serve buffet in spite of the fact the restaurant directly told the Club there would be no self-serve buffet.

- **Burning Bridges:** Just as spontaneously as the Christmas Party discussion was introduced, it was abandoned in favor of a wide-range of opinions regarding the cost of aircraft maintenance. It seems that, after the Club split from Ameer Mohamed (A&P and President of Aviation Specialty Services Corporation, on KPMP airport) under less-than-desirable circumstances, and after the President discharged – with prejudice – Alex Sanchez (a Club member and A&P who subsequently resigned from the Club), their most-recent “go to” mechanic, Augustin “Gus” Maiz, left his job at South Florida Aircraft Management (SFAM) also on the airport. Now the Club feels it is being presented with quotes from SFAM for work that President Greg Gilhooly believes are usury. But Gilhooly makes no apology for his controversial and unilateral termination of services from Alex Sanchez, who always got along with Club members and was getting the work done for a very reasonable price. Instead, the President stated the Club had run out of maintenance options available on the airport and now had no good place to turn. Rather than propose potential remedies for this self-induced predicament, the President added that he had a personal problem with the Club contemplating maintenance services from Ameer, going on to say that he would not deal with Ameer under any circumstances. This led to a conversation with Club officers (none of whom are A&P mechanics) and members, all offering to fix things or – in the alternative – defer correction of some discrepancies. In any case, it seems the decisions made by Club officers with respect to maintaining airplanes have been increasingly expensive and there is no actual capacity to coordinate maintenance, and that uncontrolled costs will almost certainly escalate.
- **Insurance Related to CFIs:** Vice President Tor Holm said he was submitting documents to the insurance company with identification of the club-approved CFIs. This led to discussion of the fact that the Club’s former Chief Pilot, Ron Ziller, had been unable to renew his CFI and the insurance company would not insure him. Tor Holm also offered that Ron Ziller was no longer paying Club dues or even a Club member, and Ziller was not at this meeting. Various workarounds were discussed that would allow Ron Ziller to continue to do approval for Club CFIs, but no conclusions were reached. Various officers said they would try to discuss the issue with the insurance broker, but they did not sound hopeful. It wasn’t entirely clear what they were trying to accomplish, except it seemed like the Club leadership was pursuing the ability of Ron Ziller to still perform aircraft checkouts (perhaps under the guise of some sort of “observation”) as long as the PIC was FAA current. President Greg Gilhooly expressed regret that this was happening but felt the Club owed better to the members. It was unclear what, exactly, the President believed the Club owes its members, short of a fully current and qualified CFI to conduct aircraft checkouts. If somebody loses their medical certificate, pilot license, or CFI privileges and the insurance carrier says that person can’t be flight-checking other pilots, it is not up to the Club to rectify or try to circumvent FARs or insurance requirements, and there is risk in doing so. If Club officials are successful in seeking an exception to “remedy” Ron Ziller’s

unfortunate circumstances, and an accident or incident occurs, what then? How is any of this in the Club members' best interests?

Current Chief Pilot Ara Yanikian said he thought it would be fine for Ron Ziller to conduct these kinds of pseudo observation rides because, as long as the PIC being flight-checked out is already FAA current and the other occupant is an uncertified passenger, then everything is still FAA legal. That may be, but this kind of pairing would probably void the insurance coverage since neither occupant would meet the minimum Club insurance requirements. The insurance carrier should be entitled to a reasonable expectation that ALL flight checks are being conducted by fully current, qualified, and insured CFIs. But the Club's current leadership, including Chief Pilot Yanikian, seem blinded and too willing to sacrifice protection afforded by well-reasoned layers of FAA policies and insurance clauses.

- The Challenge of Maintaining 45-Year-Old Aircraft: After about 30 minutes, members of the Board and others began talking about a wide range of maintenance issues, but did not seem to reach any meaningful conclusions. They began with discussion of the challenges of keeping the GPS software in the aircraft updated, concluding it required more skill than an average pilot. But the discussion evolved to cover numerous maintenance issues, some avionics, others mechanical, that the Club has faced in trying to maintain an aging fleet. They seemed to miss the connection of this problem to their earlier acknowledgement of the Club's failure to keep consistent maintenance personnel on the job so that preventive maintenance can be performed in a timely manner to increase aircraft reliability and reduce ever-increasing maintenance costs. They did not acknowledge that their own decisions to direct maintenance away from qualified independent maintenance contractors to an expensive repair shop alone had become a major contributor to these cost increases. The Treasurer reported the Club was spending over \$8,000 a month on maintenance, but it is unclear if that includes maintenance for aircraft the Club rents out but does not own (another contentious issue that never seems to get addressed or fully disclosed).
- Virtual Hangar Flying: That discussion led to members expressing their appreciation for broad-ranging discussion of aviation issues, suggesting that such discussion should become a feature of each meeting that would draw more members to attend. They even mentioned creating a series of YouTube videos on such subjects as flying to the Bahamas. Later in the meeting, Club officials began talking about crosswind landing techniques as if the Club was some kind of flight school, which it definitely is not. The Club often says it is just a social club that provides economical access to aircraft for its members, which indeed is consistent with the charter in the Articles of Incorporation. That charter, however, falls far short of describing the structure, leadership, and certification needed to support the operation of the club as anything close to a ground or flight school. There is serious



liability in being ambiguous. The FAA approves flight schools under FAR Part 141

([https://www.faa.gov/training\\_testing/training/pilot\\_schools/](https://www.faa.gov/training_testing/training/pilot_schools/)). The Club is not organized or recognized as a flight school, ground school, or training facility of any kind, and it would be well served not to be doing things that create that impression.

- **Treasurer's Report:** At about 6PM, the meeting recessed for a few minutes. When the meeting resumed, Greg Gilhooly again promoted attendance at the Christmas Party before giving the floor to Treasurer Andrew Bilukha to provide a financial report. Bilukha said the Club ended the month of October with \$5,500 more in the bank than it began. He did not substantiate the accounting with a detailed balance sheet. He only reported general numbers reflecting the Club had nearly 12% more in the bank at the end of October than it had started with. Bilukha said the Club had 72 members (an incriminating admission since the Club is legally limited to 50 members (<https://pompanobeachflyingclub.info/docs/articles/#III>)). Former Treasurer Carl Kennedy noted the "Miscellaneous" expenses were 10 times higher than the previous month and asked for a description and breakdown. Bilukha said he had recently paid Florida income tax for 2016, a surprising disclosure given that Article VI, Section 1, of the By-Laws (<https://pompanobeachflyingclub.info/docs/by-laws/#VI.1>) explicitly state the Club "*has been incorporated as a stock corporation under the laws of the State of Florida, but it is a non-profit company and will be operated as such.*" Furthermore, the IRS has long-recognized the Club as a 501(c)(7) not-for-profit "Social Club" and the Club has filed not-for-profit forms annually with the IRS since at least 2005 (<https://pompanobeachflyingclub.info/irs/>). So, why is the Treasurer wasting dues money on income tax for any year to Florida? Kennedy also asked Bilukha to identify the accounting firm he had spent \$4,000 on in October. Bilukha claimed he could not remember the firm's name, but committed to get back to Kennedy with the name. For his part, Kennedy asked that the minutes reflect that Bilukha could not remember the name of the accounting firm the Club just spent \$4,000 on, but President Gilhooly refused this request. So even if Bilukha fulfills his commitment to give Kennedy the name of the firm, that information will continue to be kept secret from the membership unless the Board or membership overrules the President's declaration that the information would not be in the minutes. When asked if there was a monthly balance sheet that went with his report, Bilukha said the Board decided to keep monthly balance sheets a secret and instead only provide quarterly balance sheets. That raises an important question: When did the Board vote on that? Where are the Board's minutes? This entire exchange is particularly troubling since these very officers are spending thousands of dollars suing Kennedy, seeking an accounting records of his time as Treasurer. Just imagine how the Club or Judge would react if Kennedy pretended not to know to whom \$4,000 of the Club's money went. The reality is that the membership should have been advised immediately that an accounting firm had been retained, who that accounting firm was, what their scope of work was, and how much it was costing the Club.

For a group that ran on a campaign platform of transparency, this is all looking a lot more like concealment, personal agenda, and “I’ve got a secret.”

- **Strange Club Financing by Officers:** Just after Bilukha excused himself from the meeting, officers began discussing a confusing series of loans and lines of credit extended by officers to the Club. The nature of the deals seemed rather murky and unclear even to the parties involved, but the implication is that, rather than obtaining proper short-term business financing from legitimate financial institutions, officers and other key Club officials have been making side loans to the Club, the amounts and terms of which have never been disclosed to the membership, and creating *at least the appearance* of conflict of interest in Club operations since they are personally profiting from such shadowy financial deals. Again, where is the transparency? And to add even more irony, this very theme is a key component of the officers’ legal pursuit against Kennedy. Yes, they appear to be engaging in self-dealing themselves.
- **The Kennedy Witch Hunt:** Discussion of these confusing and odd financial arrangements was apparently too much for Kennedy to watch without commenting on the hypocrisy and failure of the Club to pay him for a promissory note he had supplied over the summer. But these new officers continued fanning the flames, implying that Kennedy had stolen \$400,000 from the Club and they were looking forward to a trial. But, less than a week after this meeting, the Judge in the “Club vs. Kennedy” lawsuit directly called out the new officers, telling them they needed to “roll up their sleeves” to resolve their case against Kennedy. The Judge clearly implied that the Club had already spent a great deal of money on a losing horse, and they should cut their losses because there was no evidence of theft or misappropriation. It is impossible to know if the new officers made a positive course correction since then, but given the Judge’s assessment, such a correction would be a rational course of action for a Board member who took his fiduciary responsibilities seriously. Given the Judge’s ominous warning that the Club’s needless legal costs will continue to pile up if they failed to just “roll up their sleeves” to resolve this case, this would seem the *only* logical course of action.
- **Rambling ‘Till The Bitter End:** This meeting ultimately devolved into a lengthy counseling session about maintenance discrepancies (“squawks”) and seeking ways to avoid grounding airplanes. The Board members and Chief Pilot talked about subjects including allegedly improper squawks and the effect they had to ground airplanes, but also the operational impact of such no-notice groundings (members arriving and having no airplane to fly because they’d not been told it was grounded). This discussion went on and on, with a variety of different angles, but this underlying theme seemed to emerge: The Club leadership seemed to be trying to figure out how to discourage members from documenting aircraft discrepancies requiring maintenance. They suggested there should be a policy

that members should never “write up” any aircraft discrepancies without first clearing the write up with a Club officer or Maintenance Coordinator. They further wanted to prevent members from grounding a plane without first obtaining permission from the aforementioned individuals. The discussion of this subject, taken in the context of the entire meeting, is that the Club officials know they have a fleet of older aircraft that are minimally maintained and thus fragile, but they want to keep them flying even if someone identifies a maintenance issue. One can only wonder how fast they would have run from this discussion if an FAA representative had been listening in. After what seemed like an eternity of mercilessly beating this issue to death, the meeting ended on this subject just prior to 7pm.

- Our Takeaway: From beginning to end, this was a painful meeting. There was no adherence to required Order of Business. There was no pre-planned agenda. There was no quorum. Practically every subject Club officials discussed bordered on the bizarre (promoting a mass gathering of members to dine via buffet at a Christmas Party during COVID-19; trying to figure out how to end-run insurance requirements; trying to recover from self-inflicted maintenance mismanagement; and even pushing to go to trial against Carl Kennedy). The membership does have the power to rise up, attend meetings (with a quorum of attendees or proxies), and vote to make-much needed course corrections immediately if the current officials refuse to fulfill their fiduciary responsibilities. As unpleasant as such a challenge would be, intervention seems far more critical now than ever.

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