

Meeting was opened at 6:33pm by Club President John Eyre

Present: Club Officers Florin B., John E., Randy S., Scott G., and 9 Members

Officers absent but excused: Tim V. (Secretary), Alan D. (Treasurer)

August 2018 Meeting Minutes: Approval of the minutes of the previous meeting were tabled.

Treasurers Report: See the August financial report handouts for details on the report. President John E. reviewed the report and he stated that Treasurer Alan D. is pretty happy about our current financial condition. There was a question from the floor about current fuel prices and the possibility of raising rates. John stated that there are no plans to raise rates but fuel prices are always an unknown part of the equation. It was M/S/C to accept the Treasurer report as presented by President Eyre.

Maintenance Report: See Maintenance Report Handout for aircraft by aircraft details. MO Florin Botezatu reported that the month was rather uneventful regarding maintenance. 9MA had a small bird strike but was cleaned and ready for flight fairly quickly. He asked Jon to take the cowling off for the cleanup and check it out. All planes have been washed recently. 9MA is currently past TBO but everything looks very good on the engine. He noted that instead of spending \$35k on a new engine when the time comes, the club should do like they did on 63S. He explained the process that was gone thru during that upgrade. Florin noted that a few items are due but Florin and Jon are continuing to inspect regularly. Past due items on the sheet are being monitored and are listed in parenthesis on the maintenance sheet. He stated that it looks like someone may have tried to get out of 88L with a headset still on and screwed up the headset jacks. It was noted that the pilots side push to talk button is working intermittently. Florin stated he will check into that. Florin noted that magneto's are due soon. Florin noted that he has been in contact with Bernie at Olympia Avionics regarding ADSB installations and he will take the first two planes to them in Olympia in October. The hope is to have them all done by the end of November. He noted that they will each have Garmin GTX 345's installed per the quotes. There was a question about the investigation into the incident with 9MA and SO Scott reported that the Committee has met multiple times and their investigation is complete but the report was not quite finished and will be presented at the October meeting. Scott. G. asked about a seat belt issue with 88L and Florin stated he would look at the issue. Florin was asked about where the bird strike to 9MA happened and he stated that it happened at Auburn. Florin was asked about details about the future rebuild of 9MA and Florin answered by taking the group through what happened when 63S was rebuilt. Most of the original parts were inspected and used in the rebuild which he termed as a Field Overhaul (in leu of the term Full Overhaul). He noted doing it the way 63S was done would probably save over \$15k. He also noted that he thought knowing what you have for parts in a field overhaul versus a full overhaul with new parts that may or may not hold up, was an important consideration. He offered his opinion that inspection and reuse of parts that are known to be good was a good thing generally. Scott G. asked if an AI has to buy off on the process and Florin stated that yes the have to and they frequently do.

Safety Officer Report: SO Randy Scott reported and passed a handout about an upcoming Air Safety Institute Seminar which will happen at the Museum of Flight in early October. He also passed out a handout on best glide speed for aircraft. He briefly spoke about the work of the Safety Committee regarding 9MA. He stated a full report will be given at the next meeting. Florin remarked about the culture of the club and how some look at the club as just a rental type situation. Florin stated that when the club got somewhat popular, some members came in and really were not invested in the club idea. Early on there seem to be a more social aspect to the club which may have helped club members bond and then consequently treat the club more as a club than a rental group. He stated that when he first became a member, many of the members used to meet on Saturdays once a month at the lounge at Auburn Airport and it always seemed to him it was very well attended. Mark stated that an event could be done at his facility if someone were to put it together. Florin stated that many factors contribute to his view that 9MA has changed from a real nice airplane to something that looks like pigs have flown it. He thought that some people treat them like cheap cars. Florin noted also that the cost of maintenance has and will continue to escalate because of 2 reasons, the planes are flown a lot more now and because some people treat them poorly.

New Business: A question was asked about whether all of the CFI's that are currently listed by the club are actually current and available. President Eyre stated he thought the list was current. It was M/S/C for Randy Stein to be recognized as a club CFI.

Old Business: President John Eyre reported that he is still talking to AOPA Insurance needs the amounts of the repairs to 88L as he is going through a renewal comparison for insurance. Last year the premium was \$19k and John has been looking at other insurers.

Other Business: A question was posed about the timeline for completed installs for ADSB. The answer from Florin was that the hope was to be completed on all airplanes by the end of November. A question was also asked about the possibility of training on the new units thru a possible workshop. SO Scott stated he would look into that.

Drawing for Free Hour of Flight was won by Tom Follet.

The meeting was adjourned at 7:35pm.

Next Meeting: Wednesday, October 10, 2018 @ 6:30 (Food and Social @6:00), Trotters

Submitted by Randy W. Scott, Temporary Secretary.

Valley Fliers
Balance Sheet
As of August 31, 2018

| | Aug 31, 18 |
|--|-------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Escrow savings account | 39,717.80 |
| Checking - Columbia State Bank | 45,191.53 |
| Total Checking/Savings | 84,909.33 |
| Accounts Receivable | |
| Accounts Receivable | 28,909.78 |
| Total Accounts Receivable | 28,909.78 |
| Other Current Assets | |
| Deposits - Fuel Purchases | 7,500.00 |
| Undeposited Funds | 13,200.84 |
| Total Other Current Assets | 20,700.84 |
| Total Current Assets | 134,519.95 |
| Fixed Assets | |
| N-80117 Accumulated Deprec | -23,012.57 |
| N-80117 Cessna 172M | 110,451.95 |
| N-759MA Accumulated Deprec. | -34,522.74 |
| N-759MA Cessna C-182Q | 98,946.08 |
| Operating Equipment | 17,525.58 |
| Accumulated Depreciation | -13,554.60 |
| N-2388L Cessna 172 | 147,244.29 |
| N-2388L Accumulated Deprec. | -99,343.71 |
| N-5163S Piper PA-28-180F | 147,491.94 |
| N-5163S Accumulated Deprec. | -103,209.27 |
| Total Fixed Assets | 248,016.95 |
| TOTAL ASSETS | 382,536.90 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| Accounts Payable | 7,514.49 |
| Total Accounts Payable | 7,514.49 |
| Other Current Liabilities | |
| Membership Equity Shares Traded | 8,000.00 |
| Sales Tax Payable | |
| Sales Tax Paid - Maintenance | -929.47 |
| Taxes Paid - Fuel | -992.91 |
| Sales Tax Payable - Other | 4,020.40 |
| Total Sales Tax Payable | 2,098.02 |
| Total Other Current Liabilities | 10,098.02 |
| Total Current Liabilities | 17,612.51 |
| Total Liabilities | 17,612.51 |
| Equity | |
| Member Shares - Current Price | 120,000.00 |
| Retained Earnings | 219,423.43 |
| Net Income | 25,500.96 |
| Total Equity | 364,924.39 |
| TOTAL LIABILITIES & EQUITY | 382,536.90 |

Valley Fliers
Statement of Cash Flows
August 2018

| | Aug 18 |
|--|------------------|
| OPERATING ACTIVITIES | |
| Net Income | 6,100.35 |
| Adjustments to reconcile Net Income to net cash provided by operations: | |
| Accounts Receivable | -5,189.47 |
| Accounts Payable | -7,077.64 |
| Membership Equity Shares Traded | -2,000.00 |
| Sales Tax Payable | 5,157.71 |
| Sales Tax Payable:Sales Tax Paid - Maintenance | -239.22 |
| Sales Tax Payable:Taxes Paid - Fuel | -430.99 |
| | -3,679.26 |
| Net cash provided by Operating Activities | -3,679.26 |
| INVESTING ACTIVITIES | |
| N-80117 Accumulated Deprec | 916.42 |
| N-759MA Accumulated Deprec. | 558.65 |
| Accumulated Depreciation | 254.67 |
| N-2388L Accumulated Deprec. | 717.59 |
| N-5163S Accumulated Deprec. | 597.98 |
| | 3,045.31 |
| Net cash provided by Investing Activities | 3,045.31 |
| Net cash increase for period | -633.95 |
| Cash at beginning of period | 98,744.12 |
| Cash at end of period | 98,110.17 |

Valley Fliers
Statement of Cash Flows
 January through August 2018

| | Jan - Aug 18 |
|--|---------------------|
| OPERATING ACTIVITIES | |
| Net Income | 25,500.96 |
| Adjustments to reconcile Net Income to net cash provided by operations: | |
| Accounts Receivable | -14,681.65 |
| Accounts Payable | -13,082.32 |
| Membership Equity Shares Traded | 8,000.00 |
| Sales Tax Payable | 284.69 |
| Sales Tax Payable:Sales Tax Paid - Maintenance | 4,880.50 |
| Sales Tax Payable:Taxes Paid - Fuel | -227.95 |
| | 10,674.23 |
| INVESTING ACTIVITIES | |
| N-80117 Accumulated Deprec | 7,331.36 |
| N-759MA Accumulated Deprec. | 4,469.20 |
| Accumulated Depreciation | 2,037.36 |
| N-2388L Accumulated Deprec. | 5,740.72 |
| N-5163S Accumulated Deprec. | 4,783.84 |
| | 24,362.48 |
| Net cash provided by Investing Activities | 24,362.48 |
| Net cash increase for period | 35,036.71 |
| Cash at beginning of period | 63,073.46 |
| Cash at end of period | 98,110.17 |

11:46 AM

09/08/18

Accrual Basis

Valley Fliers
Sales by Item Summary
August 2018

| | Aug 18 | | | |
|---|--------------|------------------|---------------|--------------|
| | Qty | Amount | % of Sales | Avg Price |
| Service | | | | |
| 117 (hrs - Flight time: C-172 N-80117) | 44.6 | 3,585.84 | 18.7% | 80.40 |
| 63S (hrs - Flight time: PA-28-180F N-5163S) | 21.2 | 1,825.32 | 9.5% | 86.10 |
| 88L (hrs - Flight time: C-172 N-2388L) | 36.9 | 2,645.16 | 13.8% | 71.68 |
| 9MA (hrs - Flight time: C-182 N-759MA) | 46.5 | 4,782.05 | 25.0% | 102.84 |
| Dues - monthly (Membership monthly dues) | 58 | 4,350.00 | 22.7% | 75.00 |
| Minimum flying fee (Minimum flight fee - assessed when no flights made during th... | 24.5 | 1,952.51 | 10.2% | 79.69 |
| Total Service | 231.70 | 19,140.88 | 100.0% | 82.61 |
| TOTAL | 231.7 | 19,140.88 | 100.0% | 82.61 |

Valley Fliers Profit & Loss YTD Comparison August 2018

| | Aug 18 | Jan - Aug 18 |
|-------------------------------------|-----------|--------------|
| Ordinary Income/Expense | | |
| Income | | |
| Sales | | |
| N-80117 Flight Time | 3,585.84 | 26,958.12 |
| N-759MA Flight Time | 4,782.05 | 22,260.18 |
| Aircraft Hull Replacement Fund | 0.00 | 4,090.95 |
| Fees | 1,952.51 | 16,115.06 |
| Membership Monthly Dues | 4,350.00 | 33,810.81 |
| N-2388L Flight Time | 2,645.16 | 15,235.80 |
| N-5163S Flight Time | 1,825.32 | 11,279.10 |
| Sales - Other | 0.00 | -12.40 |
| Total Sales | 19,140.88 | 129,737.62 |
| Total Income | 19,140.88 | 129,737.62 |
| Gross Profit | 19,140.88 | 129,737.62 |
| Expense | | |
| Re-Registration | 0.00 | 265.00 |
| Depreciation Expense | 3,045.31 | 24,362.48 |
| Meeting Expenses | 135.99 | 1,389.27 |
| G&A | | |
| Mail Services and Supplies | 0.00 | 125.25 |
| Information Technology | 73.99 | 1,304.92 |
| Total G&A | 73.99 | 1,430.17 |
| Bank Service Charges | 0.00 | 0.00 |
| Dues and Subscriptions | | |
| Data 117 | 0.00 | 440.00 |
| Data 9MA | 0.00 | 440.00 |
| Total Dues and Subscriptions | 0.00 | 880.00 |
| Fuel | | |
| 117 Fuel | 1,448.42 | 10,268.19 |
| 9MA Fuel | 843.99 | 10,820.32 |
| Fuel Rebate | -29.34 | -319.93 |
| 88L Fuel | 1,245.71 | 6,887.10 |
| 63S Fuel | 1,034.54 | 5,536.06 |
| Total Fuel | 4,543.32 | 33,191.74 |
| Insurance | | |
| Aircraft Policy | 1,413.00 | 11,304.00 |
| Total Insurance | 1,413.00 | 11,304.00 |
| Miscellaneous | 0.00 | 119.88 |
| Rent | | |
| N80117 | 248.25 | 1,986.00 |
| N2388L | 248.25 | 1,986.00 |
| N759MA | 248.25 | 1,986.00 |
| Utilities | 0.00 | 691.80 |
| N5163S | 248.25 | 1,986.00 |
| Office Rent | 163.61 | 1,308.88 |
| Total Rent | 1,156.61 | 9,944.68 |
| Repairs & Maintenance | | |
| 117 Maintenance | 495.84 | 5,527.52 |
| 9MA Maintenance | 933.01 | 6,216.45 |
| Aircraft oil | 0.00 | 1,559.22 |
| Maint Tax Paid | 17.22 | 17.22 |
| 88L Maintenance | 463.50 | 3,124.39 |
| Maintenance Supplies | 191.10 | 191.10 |
| 63S Maintenance | 0.00 | 3,438.78 |

12:04 PM

09/08/18

Accrual Basis

Valley Fliers
Profit & Loss YTD Comparison
August 2018

| | <u>Aug 18</u> | <u>Jan - Aug 18</u> |
|--|------------------------|-------------------------|
| Equipment Repairs | 0.00 | 350.00 |
| Repairs & Maintenance - Other | 506.64 | 506.64 |
| Total Repairs & Maintenance | 2,607.31 | 20,931.32 |
| Taxes | | |
| State | 65.00 | 440.39 |
| Total Taxes | 65.00 | 440.39 |
| Total Expense | 13,040.53 | 104,258.93 |
| Net Ordinary Income | 6,100.35 | 25,478.69 |
| Other Income/Expense | | |
| Other Income | | |
| Interest Income | 0.00 | 22.27 |
| Total Other Income | 0.00 | 22.27 |
| Net Other Income | 0.00 | 22.27 |
| Net Income | <u>6,100.35</u> | <u>25,500.96</u> |