

February 14, 2018

Valley Fliers February Board Meeting

Meeting Called to Order at: 6:32

Present: Eyre, DeWitt, Glassmyer, Vader plus 4 members and one associate member.

Excused Absent: Botezatu, Scott

Approval of January Meeting Minutes

Alan moved to approve with spelling correction. John seconded. The motion carried unanimously.

Treasurer's Report

See Alan's handouts. It was one of the lightest flying months Alan has ever seen. More than 50% of club members did not fly. One membership changed hands. Alan reminded folks the numbers are preliminary, for example the depreciation numbers haven't been calculated for 2018. Since we used less than 500 gallons of fuel, we did not get our discount. The equipment repairs was the simulator update. Alan noted that he has done the quarterly sales and use tax report, but he has not yet filed it. The B&O tax will be about the same as last year. Alan hopes to get a couple thousand dollars in tax rebates as we paid a lot more sales tax than our liability from flying time. We did begin a financial recovery during January, though the amount is less than it looks like from the report, in part because we have expenses we pay on a quarterly and annual basis. Alan has decided to capitalize the engine work on 63S even though it wasn't a full rebuild. He will also capitalize the work on 117. Depreciation will be calculated and will be discussed at the annual meeting.

Maintenance Officer's Report

See Florin's handouts. In Florin's absence, Alan reviewed the report briefly. Jon noted the planes are now legal paperwork-wise and in pretty good shape. Jon reminded us that there is an AD coming up on 63S for wing spar inspection (it is currently just an advisory, not an AD). That inspection will be \$1000 to \$1500. Alan asks if we have to do the vacuum pump before 500 hours on 117. Jon says it is not required, but should be done soon thereafter.

Safety Officer's Report

No report as Randy was not present. Randy is still traveling (he's our hero). Ed Bryce will step in temporarily in his absence.

Old Business

Annual Meeting John reminded us it is next month, March 14th.

Insurance Review John spoke with AOPA. We need to assemble a pilot profile for all the members before we can get a quote. John will set up SurveyMonkey to collect the data from members. Question from the floor: how much are we paying for insurance now? Answer: Just short of \$18000 a year.

Social Activities Tabled because Florin was absent. Comment from the floor: perhaps that should be discussed at the annual meeting. John said he would add it to the agenda.

Bylaw Changes The board has been looking at proposing bylaw changes at the annual meeting. John reviewed a proposed amendment allowing the board to increase the number of members. See John's handout. John asks whether or not we would consider associate members? Alan answered there was a vote not to create new asso-

ciates. John asks whether we should remove associate members from the bylaws? Alan notes leaving it in allows the board more flexibility, and the current language has appropriate controls on creation of associate members. John will continue to work on the language regarding associate members. The second change being proposed is to remove the dollar amount for monthly dues from the bylaws. Doing so would allow the board to be more flexible as our fixed costs change. Alan expressed a concern the draft language might overly constraint the board. John will rework the language. A commenter from the floor suggested the board announce the monthly dues at the annual meeting. John notes fixed costs might change during the year and suggests we might need to change them more frequently. Alan agrees. Alan notes we may need to move hangars to the row to the south if the airport decides to add doors and raise hangar rates. The airport seems to have slowed their efforts to enclose more hangars. Alan may have more changes to propose to the bylaws to correct grammar and meaning issues.

New Business

Simulator: Spanaflight has no simulator. Fribley has discussed moving our simulator to their office, paying us for the use of it and providing access to it there. Various members of the board expressed cautious interest. It seems to get an hour a week or less of usage where it is.

Wheel Pants: Alan points out the wheel pants went back on the planes we didn't vote on putting them on. Jon says 9MA has a broken wheel pant. 63S will get its pants back on at its next annual. Jon could put 9MA's back on once he has fixed and painted the pant.

Spanaway Airport: John notes it is closed, sold to a developer and the runway is being torn out.

63S Comment from the floor: the stall horn doesn't seem to go off in the air; it does seem to work in the air. He didn't check it during slow flight. The member squawked the issue.

Carbon Tax Scott asked if we know what possible impact of the proposed WA state carbon tax might be on the club? Answer: we do not know, but suspect 100LL would not be exempted.

John moved to adjourn, Alan seconded.

Free flight hour won by: Jon Gunnarsson

Meeting adjourned at: 7:40

Next Meeting: Annual General Meeting Wednesday, March 14, 2018 @ 6:30 (Food and Social @6:00), Trotters

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02/14/18

Accrual Basis

Valley Fliers
Sales by Item Summary
January 2018

	Jan 18			
	Qty	Amount	% of Sales	Avg Price
Service				
117 (hrs - Flight time: C-172 N-80117)	6.7	458.28	4.1%	68.40
63S (hrs - Flight time: PA-28-180F N-5163S)	15.1	1,041.81	9.4%	68.99
88L (hrs - Flight time: C-172 N-2388L)	15.2	1,222.08	11.0%	80.40
9MA (hrs - Flight time: C-182 N-759MA)	13.6	1,429.36	12.9%	105.10
Dues - monthly (Membership monthly dues)	55	4,125.00	37.1%	75.00
Minimum flying fee (Minimum flight fee - assessed when no flights made during th...	29.6	2,374.71	21.4%	80.23
Total Service	135.20	10,651.24	95.9%	78.78
Other Charges				
Membership Purchase Hull Fund (Membership Purchase Hull Replacement Fund)	1	454.55	4.1%	454.55
Total Other Charges	1.00	454.55	4.1%	454.55
TOTAL	136.2	11,105.79	100.0%	81.54

Valley Fliers

Profit & Loss Prev Year Comparison

January 2018

	Jan 18	Jan 17	\$ Change	% Change
Ordinary Income/Expense				
Income				
Sales				
N-80117 Flight Time	458.28	2,368.80	-1,910.52	-80.7%
N-759MA Flight Time	1,429.36	1,821.60	-392.24	-21.5%
Aircraft Hull Replacement Fund	454.55	0.00	454.55	100.0%
Fees	2,374.71	1,518.30	856.41	56.4%
Membership Monthly Dues	4,125.00	4,050.00	75.00	1.9%
N-2388L Flight Time	1,222.08	0.00	1,222.08	100.0%
N-5163S Flight Time	1,041.81	1,925.00	-883.19	-45.9%
Total Sales	11,105.79	11,683.70	-577.91	-5.0%
Total Income	11,105.79	11,683.70	-577.91	-5.0%
Gross Profit	11,105.79	11,683.70	-577.91	-5.0%
Expense				
Re-Registration	265.00	260.00	5.00	1.9%
Depreciation Expense	0.00	2,525.47	-2,525.47	-100.0%
Meeting Expenses	241.45	210.01	31.44	15.0%
G&A				
Information Technology	73.99	73.99	0.00	0.0%
Total G&A	73.99	73.99	0.00	0.0%
Fuel				
117 Fuel	259.47	912.65	-653.18	-71.6%
9MA Fuel	602.75	975.02	-372.27	-38.2%
Fuel Rebate	0.00	-29.43	29.43	100.0%
88L Fuel	584.14	137.61	446.53	324.5%
63S Fuel	445.34	844.57	-399.23	-47.3%
Total Fuel	1,891.70	2,840.42	-948.72	-33.4%
Rent				
N80117	248.25	236.97	11.28	4.8%
N2388L	248.25	236.97	11.28	4.8%
N759MA	248.25	236.97	11.28	4.8%
Utilities	274.50	285.93	-11.43	-4.0%
N5163S	248.25	236.97	11.28	4.8%
Office Rent	163.61	142.15	21.46	15.1%
Total Rent	1,431.11	1,375.96	55.15	4.0%
Repairs & Maintenance				
117 Maintenance	0.00	972.95	-972.95	-100.0%
9MA Maintenance	0.00	205.00	-205.00	-100.0%
88L Maintenance	0.00	623.93	-623.93	-100.0%
Maintenance Supplies	0.00	41.84	-41.84	-100.0%
63S Maintenance	700.00	844.50	-144.50	-17.1%
Equipment Repairs	350.00	0.00	350.00	100.0%
Total Repairs & Maintenance	1,050.00	2,688.22	-1,638.22	-60.9%
Taxes				
State	0.00	94.24	-94.24	-100.0%
Total Taxes	0.00	94.24	-94.24	-100.0%
Total Expense	4,953.25	10,068.31	-5,115.06	-50.8%
Net Ordinary Income	6,152.54	1,615.39	4,537.15	280.9%
Other Income/Expense				
Other Income				
Interest Income	0.16	0.51	-0.35	-68.6%

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02/14/18

Accrual Basis

Valley Fliers
Profit & Loss Prev Year Comparison
January 2018

	Jan 18	Jan 17	\$ Change	% Change
Total Other Income	0.16	0.51	-0.35	-68.6%
Net Other Income	0.16	0.51	-0.35	-68.6%
Net Income	<u>6,152.70</u>	<u>1,615.90</u>	<u>4,536.80</u>	<u>280.8%</u>

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Valley Fliers
Balance Sheet Prev Year Comparison
As of January 31, 2018

02/14/18

Accrual Basis

	Jan 31, 18	Jan 31, 17	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Reserve fund	-5.18	24,352.68	-24,357.86	-100.0%
Escrow savings account	39,717.80	25,352.74	14,365.06	56.7%
Checking - Columbia State Bank	762.65	52,486.77	-51,724.12	-98.6%
Total Checking/Savings	40,475.27	102,192.19	-61,716.92	-60.4%
Accounts Receivable				
Accounts Receivable	11,192.04	14,319.67	-3,127.63	-21.8%
Total Accounts Receivable	11,192.04	14,319.67	-3,127.63	-21.8%
Other Current Assets				
Deposits - Fuel Purchases	7,500.00	7,500.00	0.00	0.0%
Undeposited Funds	13,395.82	10,007.51	3,388.31	33.9%
Total Other Current Assets	20,895.82	17,507.51	3,388.31	19.4%
Total Current Assets	72,563.13	134,019.37	-61,456.24	-45.9%
Fixed Assets				
N-80117 Accumulated Deprec	-13,580.04	-8,122.06	-5,457.98	-67.2%
N-80117 Cessna 172M	85,237.95	85,237.95	0.00	0.0%
N-759MA Accumulated Deprec.	-30,053.53	-23,908.38	-6,145.15	-25.7%
N-759MA Cessna C-182Q	98,946.08	98,946.08	0.00	0.0%
Asset Aquisition in Process	34,636.82	0.00	34,636.82	100.0%
Operating Equipment	17,525.58	17,525.58	0.00	0.0%
Accumulated Depreciation	-11,517.24	-8,715.87	-2,801.37	-32.1%
N-2388L Cessna 172	147,244.29	147,244.29	0.00	0.0%
N-2388L Accumulated Deprec.	-93,603.03	-85,441.80	-8,161.23	-9.6%
N-5163S Piper PA-28-180F	121,171.59	121,171.59	0.00	0.0%
N-5163S Accumulated Deprec.	-97,057.52	-91,843.08	-5,214.44	-5.7%
Total Fixed Assets	258,950.95	252,094.30	6,856.65	2.7%
TOTAL ASSETS	331,514.08	386,113.67	-54,599.59	-14.1%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	1,359.69	4,242.36	-2,882.67	-68.0%
Total Accounts Payable	1,359.69	4,242.36	-2,882.67	-68.0%
Other Current Liabilities				
Sales Tax Payable				
Sales Tax Paid - Maintenance	-5,879.97	-911.27	-4,968.70	-545.3%
Taxes Paid - Fuel	-954.39	-269.69	-684.70	-253.9%
Sales Tax Payable - Other	4,720.78	1,100.57	3,620.21	328.9%
Total Sales Tax Payable	-2,113.58	-80.39	-2,033.19	-2,529.2%
Total Other Current Liabilities	-2,113.58	-80.39	-2,033.19	-2,529.2%
Total Current Liabilities	-753.89	4,161.97	-4,915.86	-118.1%
Total Liabilities	-753.89	4,161.97	-4,915.86	-118.1%
Equity				
Retained Earnings	326,115.27	380,335.80	-54,220.53	-14.3%
Net Income	6,152.70	1,615.90	4,536.80	280.8%
Total Equity	332,267.97	381,951.70	-49,683.73	-13.0%
TOTAL LIABILITIES & EQUITY	331,514.08	386,113.67	-54,599.59	-14.1%

Valley Fliers
Statement of Cash Flows
January 2018

	<u>Jan 18</u>
OPERATING ACTIVITIES	
Net Income	6,152.70
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	3,036.09
Accounts Payable	-19,237.12
Sales Tax Payable	1,110.57
Sales Tax Payable:Sales Tax Paid - Maintenance	-70.00
Sales Tax Payable:Taxes Paid - Fuel	-189.43
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Net cash provided by Operating Activities	-9,197.19
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Net cash increase for period	-9,197.19
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Cash at beginning of period	63,068.28
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Cash at end of period	<u><u>53,871.09</u></u>

Tacometer Readings

(add 3,452.3)

Date	C-182		C-172		C-172		PA-28	
	N759MA	Hours	N2388L	Hours	N80117	Hours	N5163S	Hours
1/2/17	3,814.4	15.0	4,010.1	4.3	3,758.7	15.4	2,291.0	9.5
1/5/17	3,818.7	4.4	4,010.1	0.0	3,761.9	3.2	2,295.2	4.2
1/10/17	3,827.2	8.4	4,010.1	0.0	3,767.5	5.6	2,300.8	5.6
1/20/17	3,833.4	6.2	4,010.1	0.0	3,771.4	3.9	2,308.1	7.3
2/8/17	3,835.5	2.1	4,010.1	0.0	3,793.1	21.7	2,314.4	6.3
2/13/17	3,837.3	1.8	4,010.1	0.0	3,797.3	4.2	2,318.1	3.7
3/22/17	3,855.3	17.9	4,010.1	0.0	3,844.4	47.1	2,324.0	5.9
3/29/17	3,860.6	5.3	4,010.1	0.0	3,855.0	10.6	2,324.0	0.0
3/30/17	3,867.2	6.5	4,010.1	0.0	3,855.0	0.0	2,329.0	5.0
4/26/17	3,894.5	27.3	4,010.1	0.0	3,891.2	36.2	2,342.7	13.7
5/3/17	3,903.9	9.4	4,010.1	0.0	3,904.8	13.6	2,348.1	5.4
5/18/17	3,905.3	1.4	4,010.1	0.0	3,920.4	15.6	2,352.6	4.5
6/12/17	3,942.0	36.7	4,010.1	0.0	3,920.4	0.0	2,352.6	4.5
6/17/17	3,950.9	8.9	4,010.1	0.0	3,936.9	16.5	2,369.9	17.3
7/11/17	3,990.4	39.5	4,010.1	0.0	3,936.9	0.0	2,369.9	0.0
7/23/17	4,011.2	20.8	4,010.1	0.0	3,936.9	0.0	2,397.3	27.4
8/5/17	4,011.2	0.0	4,010.1	0.0	3,947.1	10.2	2,409.0	11.7
8/11/17	4,052.4	41.2	4,010.1	0.0	3,956.8	9.7	2,409.0	0.0
8/15/17	4,052.4	0.0	4,010.1	0.0	3,956.8	0.0	2,411.0	2.0
8/26/17	4,072.2	19.8	4,010.1	0.0	3,974.6	17.8	2,427.3	16.3
8/26/17	4,080.9	8.7	4,010.1	0.0	3,974.6	0.0	2,427.3	0.0
9/13/17	4,088.6	7.7	4,010.1	0.0	3,985.7	11.1	2,443.3	16.0
9/20/17	4,094.4	6.3	4,010.1	0.0	3,992.2	6.5	2,448.2	4.9
9/29/17	4,094.4	0.0	4,010.1	0.0	3,998.4	6.2	2,448.2	0.0
10/4/17	4,094.4	0.0	4,010.1	0.0	3,998.4	0.0	2,454.2	6.0
10/10/17	4,094.4	0.0	4,010.1	0.0	4,020.4	22.0	2,458.6	4.4
10/26/17	4,111.9	17.5	4,010.1	0.0	4,041.8	21.4	2,468.4	9.8
11/7/17	4,121.5	9.6	4,010.1	0.0	4,057.5	15.7	2,475.9	7.5
11/15/17	4,121.5	0.0	4,010.1	0.0	4,064.2	6.7	2,475.9	0.0
12/6/17	4,133.6	12.2	4,014.1	4.0	4,064.2	0.0	2,486.2	10.3
12/12/17	4,137.8	4.2	4,020.2	6.1	4,064.2	0.0	2,487.6	1.4
1/1/18	4,137.8	0.0	4,020.2	0.0	4,080.8	16.6	2,487.6	0.0
1/7/18	4,151.2	13.4	4,034.2	14.0	4,082.4	1.6	2,496.2	8.6
1/28/18	4,160.7	9.5	4,044.4	10.2	4,085.9	3.5	2,496.2	0.0
1/31/18	4,160.7	9.5	4,044.4	10.2	4,085.9	0.0	2,504.9	8.7

Valley Fliers Aircraft Maintenance Summary

Date of Report: 2/10/2018

Total Airframe Hours:		4,164	4,047	4,090	5,961
Aircraft	N759MA	N2388L	N80117	N5163S	
Next Oil Change (50 hrs)	24.0	13.1	40.9	12.0	
Hours Before TBO (2,000 hrs)	(351.0)	92.4	1,847.0	861.4	
Hours Since Top Overhaul	1,708.7	362.5	153.0	138.5	
Prop Hours (Since OH)	1,807.0	1,907.6	153.0	1,138.6	
Next Annual Inspection Date	10/30/18	11/30/18	1/31/19	4/30/18	
Hours to Next 250 hr Inspection	198.1	213.1	240.9	65.6	
Magneto OH Due (Rec. - 500 hrs)	448.1	137.5	347.0	315.6	
Vacuum Pump Due (Rec. - 500 hrs)	78.0	137.5	490.9	99.8	
Pitot-Static/Altimeter Insp Due	4/30/18	4/30/18	4/30/19	1/31/20	
Transponder Inspection Due	4/30/18	4/30/18	4/30/19	1/31/20	
ELT Battery Due (5yrs)	4/30/21	1/31/22	11/30/21	4/30/21	
ELT Registration Expires (2yrs)	4/4/18	4/4/18	4/4/18	4/4/18	
Fin & Rudder AD Due (1,000 hrs)	948.1				
Fuel Cap Placard AD Due (Annl)	10/30/18				
Seat Tracks AD Due (100 hrs)	48.1		90.9		
Rear Seat AD Due (Annl Insp)				Annual	
Induction Paper Filter AD		137.50			
Bendix Ignition AD Due(100 hrs)	48.1		1,990.9		
Fuel Inj. Insp. AD Due (100 hrs)		63.10			
FAA Reg Exp (App 3-5 mo prior)	7/31/19	1/31/21	11/30/18	4/30/18	
Carbon Monoxide Indicator Due	5/19/18	11/19/17	5/19/18	1/20/18	
IFR GPS Data Update Due	2/2/18	2/2/18	2/2/18	2/2/18	

2016 Hours	304	326	361	192
2017 Hours	374	51	347	231
Total Engine Reserve:				\$69,675

N759MA

N80117

N5163S

N2388L

Performed Pitot-Static IFR certification.

Article 15: Membership

1.1. New members may be admitted to the Club only after being approved by a vote of the Board of Directors and payment by the applicant of all current fees for membership. **The total number of active and inactive members of the club shall be limited to sixty (60) at any given time.**

The total number of active and inactive members of the club shall not be less than sixty (60) and at the discretion of the Board of Directors shall not exceed seventy (70) members at any given time.

1.2. Memberships. There are three (3) categories of membership in the Club:

Active Member- A member who is actively flying Club aircraft, is paying monthly dues and charges in a timely manner per Article 15, and has a vote in Club affairs.

Associate Member- A flight instructor or mechanic who has been approved by the Board to fly Club aircraft. They have no vote in Club affairs and pay no monthly dues. They may schedule the use of Club aircraft as needed for instruction of Club members or maintenance, or may occasionally use and pay for the use of a club aircraft personally.

Inactive Member- A member may remove himself from active status with the approval of The Board for a period not to exceed twelve (12) calendar months for reasons of hardship, moving, education, etc. A member's classification of inactive will revert to active status at the end of the twelfth (12th) calendar month. If the member wishes to remain inactive, the member must resubmit the request to remain inactive for the board to review. The Board must take into consideration the continued loss of operation capital while the member is on inactive status as well as the situation of the member requesting a continuation of the inactive status.

The inactive member may return to active status at any time during the twelve (12) month period provided the member's account is current with no back dues or charges outstanding.

While on inactive status, the member remains responsible to the club for those charges and assessments currently outstanding and the continuation of monthly dues payments during and for the period classified as inactive.

A member granted inactive status will be removed from the flight schedule and will not be assessed the minimum flying charge but will be subject to, and responsible for, the payment of monthly dues.

An inactive member maintains a vote in Club affairs, but by reason of the inactive status will not hold club office.

Article 16

1.2 Each member shall be assessed monthly dues in the amount of Seventy-Five (\$75) dollars. Said dues to be payable one (1) month in advance, due on the twentieth (20th) day of each month. The monthly dues may be changed from time to time at the discretion of the Board of Directors. In addition, there shall be a minimum charge of one (1) hour of flying per month at the lowest aircraft's hourly rate.

Each member shall be assessed monthly dues in the amount set by the board of directors. The amount will be based on club "hard-costs" (such as rent, utilities, insurance, and other costs) divided by the number of members. The monthly dues may be changed from time to time at the discretion of the Board of Directors. In addition, there shall be a minimum charge of one (1) hour of flying per month at the lowest aircraft's hourly rate.