

Valley Fliers June Board Meeting

Meeting Called to Order at: 6:37

Present: Eyre, Glassmyer, DeWitt, Botezatu, Neville, Vader

Approval of February Meeting Minutes

Alan moved to approve as written. Richard seconded. Motion carried unanimously.

Treasurer's Report

See Alan's handouts. It was a better month, but not an outstanding one. 88L was the big winner in terms of flight time. 9MA is not flying a lot. Alan asks if we can release it to the general membership? Florin says yes, they just need to change out the break-in oil, and we can release it. Richard noted there was no oil in the back of 9MA. Alan recently bought some, but it looks like that oil has been used. Fuel prices being down has helped the club finances. The board briefly discussed whether and when we might adjust hourly rates with fuel prices down. Alan says he would like to look at that in the fall after we put some expenses behind us. On the balance sheet comparison, Alan says the change in total current assets is the number to note. That decrease is in part due to the new engine, but also is due to the large maintenance expenses on other airplanes. Richard asked whether given our planes' age should anticipate higher ongoing maintenance costs and reflect that in our rates? Alan agrees we should expect higher maintenance costs, but we also need to bear in mind our club's mission to provide low-cost flying. Florin suggests we should prepare the members for higher rates in lieu of assessments. Alan also notes we need to be careful with our spending. Florin acknowledged we cannot continue the maintenance as we have been doing it, but notes all the work was legitimate and well intentioned. Richard noted he recently got to the airport and the plane he intended to fly had a flat tire. He squawked it and went to the simulator feeling he wouldn't fly that day. While he was on the sim, Jon came and fixed the tire. Richard was able to fly that day. Florin reminds us that Jon's responsiveness provides real value to the club. Richard noted availability is really important to the club. Alan noted it is valuable to have multiple sources for maintenance. (Particularly when we have multiple airplanes needing maintenance at once.) The current liabilities line for Membership Equity Shares Traded is because we have recorded the purchase of a share, but not the sale and will zero out. Year to date, we are still down 20% this year on revenue. The board discussed the number of hours on 88L's engine and started the discussion of when we should do something about the engine, as well as whether or not it should be upgraded. Alan noted it might be worth starting oil analysis on 88L. The reserve for 88L is fulfilled. 117 and 63S might not make it to TBO, so we may have some major bills coming.

Maintenance Officer's Report

See Florin's handouts.

9MA is 6 hours or less from done with its break-in time. Dan has got the fuel consumption and indicated HP dialed in. John asked about the prop hours since overhaul which is clearly off. Florin will check on them and a few of the other calculations. Upon further looking, the plane may have enough hours to be completely done with break-in.

88L The tachometer will need an overhaul at the next opportunity. We need to consider upgrading it to 180 hp when we need to do something about the engine, but given the top overhaul we are pretty comfortable pushing well past TBO. Richard suggests we send a message to the members noting the tach discrepancy.

117 The mags are coming up on recommended overhaul.

63S is in annual. Normandy found an issue with the electric trim wiring effecting the ability to trim. Richard noted the switch feel is different between nose up and nose down. John suggests we have Logan call the other folks on the field. The door piston should be replaced. Regarding the Wing Walk: there was an old repair that was not done correctly. There is not a structural issue, but the fix would be a major undertaking requiring the plane be sent somewhere the wing can be removed and the skin pulled back. Alan notes we will have to do the repair at some point. Richard suggests when we have it done we send it out to a specialist. He has the name of a company in Indiana that is a specialist in this sort of work. He also notes there may be someone local who is also a specialist. John suggests that given that the problem has been stop drilled and is not structural, we have time to

find the right place to do this. The board agreed. John suggested we have Normandy knock out the issues on their punch list. The board agreed.

Safety Officer's Report

Richard dug into the wing walk issue, and into the history of 63S. He found that cracks in the waffle-board underlying the skin are common and monitored until they become severe. He discovered in 1987 there was an AD for similar aircraft due to a wing failure due to a spar cap failure., but later rescinded the AD. He found a Piper Service Bulletin that is still in force and includes our plane. It is based on some weighted calculation of service hours. The inspection of the spar cap would require taking off the wing because the spar cap is under the skin. Richard found that the two previous owners to us also flew part 91, but the two owners prior to that we can't figure out whether or not they were doing instructions. John says Jon did the calculation of hours flown when he did the inspection work last year. There is a new AD in draft, but our aircraft has been withdrawn from that draft AD. John says if Jon's assessment shows we are not a high risk we need to accept his analysis as a mechanic. Alan noted that the inspection might be higher risk than doing nothing. Richard agrees that was the NTSB's position. Richard says the service bulletin indicates that we as the owners need to decide whether or not to apply the service bulletin. Given all of that and the age of our aircraft, Richard asks whether we should not allow primary flight training in our airplanes. He noted he raised it not for a decision tonight but for starting the board's consideration. Florin suggested when we send the plane out to a specialist for the cracks, maybe we should have them inspect when they have the one wing off to see if we have cracks. Doing only one side will not comply with the service bulletin, but will give us some light on the situation. There was general agreement we should discuss this with the airframe specialist.

Old Business

None raised.

New Business

Access Cards We will need to replace access cards when the airport projects finish up. The airport has asked whether we wanted to get issued 65 cards and we would manage it. Several board members expressed concerns about the club taking over that management.

Free flight hour won by: No flight hour as meeting was limited to board members due to COVID-19 precautions.

Meeting adjourned at: 9:08

Next Meeting: The next meeting is July 8th (hopefully at Trotters Restaurant, with food at 6, business starting at 6:30).

Valley Fliers
Sales by Item Summary
 May 2020

	May 20			
	Qty	Amount	% of Sales	Avg Price
Service				
117 (hrs - Flight time: C-172 N-80117)	37.4	2,966.76	15.8%	79.33
63S (hrs - Flight time: PA-28-180F N-5163S)	26.1	2,247.21	12.0%	86.10
88L (hrs - Flight time: C-172 N-2388L)	59.2	4,647.12	24.7%	78.50
9MA (hrs - Flight time: C-182 N-759MA)	19.9	2,002.74	10.7%	100.64
Dues - monthly (Membership monthly dues)	59	4,425.00	23.5%	75.00
Minimum flying fee (Minimum flight fee - assessed when no flights made ...)	25.7	2,061.15	11.0%	80.20
Total Service	227.30	18,349.98	97.6%	80.73
Other Charges				
Membership Purchase Hull Fund (Membership Purchase Hull Replaceme...)	1	454.55	2.4%	454.55
Total Other Charges	1.00	454.55	2.4%	454.55
TOTAL	228.3	18,804.53	100.0%	82.37

Valley Fliers
Profit & Loss YTD Comparison
 May 2020

	May 20	Jan - May 20
Ordinary Income/Expense		
Income		
Sales		
N-80117 Flight Time	2,966.76	11,432.88
N-759MA Flight Time	2,002.74	2,371.06
Aircraft Hull Replacement Fund Fees	454.55	1,363.65
Membership Monthly Dues	2,061.15	11,919.51
N-2388L Flight Time	4,425.00	22,125.00
N-5163S Flight Time	4,647.12	10,580.64
N-5163S Flight Time	2,247.21	9,643.20
Total Sales	18,804.53	69,435.94
Total Income	18,804.53	69,435.94
Gross Profit	18,804.53	69,435.94
Expense		
Landing Fees	0.00	46.87
Re-Registration	0.00	260.00
Depreciation Expense	3,290.01	16,450.05
Meeting Expenses	0.00	566.33
G&A		
Mail Services and Supplies	0.00	199.25
Office Supplies	0.00	35.64
Information Technology	90.00	453.98
Total G&A	90.00	688.87
Bank Service Charges	0.00	10.00
Dues and Subscriptions		
Data 117	0.00	450.00
Data 9MA	0.00	450.00
Total Dues and Subscriptions	0.00	900.00
Fuel		
117 Fuel	751.33	3,721.02
9MA Fuel	700.24	1,972.50
88L Fuel	1,110.69	4,078.96
63S Fuel	603.64	3,458.16
Total Fuel	3,165.90	13,230.64
Insurance		
Aircraft Policy	1,592.92	7,964.58
Total Insurance	1,592.92	7,964.58
Postage and Delivery	0.00	25.08
Rent		
N80117	260.66	1,303.30
N2388L	260.66	1,303.30
N759MA	260.66	1,303.30
N5163S	260.66	1,303.30
Office Rent	171.52	857.60
Total Rent	1,214.16	6,070.80
Repairs & Maintenance		
Tires and tubes	0.00	1,431.50
117 Maintenance	441.00	11,976.20
9MA Maintenance	0.00	24,536.82
Aircraft oil	0.00	1,225.00
88L Maintenance	183.75	11,813.44
63S Maintenance	0.00	2,095.15
Total Repairs & Maintenance	624.75	53,078.11
Taxes		
State	51.87	183.42
Total Taxes	51.87	183.42
Travel & Ent		
Travel	0.00	154.77
Total Travel & Ent	0.00	154.77
Total Expense	10,029.61	99,629.52
Net Ordinary Income	8,774.92	-30,193.58
Other Income/Expense		
Other Expense		
Tax Penalty	0.00	67.30
Total Other Expense	0.00	67.30
Net Other Income	0.00	-67.30
Net Income	8,774.92	-30,260.88

Valley Fliers
Balance Sheet Prev Year Comparison
As of May 31, 2020

	May 31, 20	May 31, 19	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Escrow savings account	39,724.79	39,721.79	3.00	0.0%
Checking - Columbia State Bank	9,259.18	62,638.26	-53,379.08	-85.2%
Total Checking/Savings	48,983.97	102,360.05	-53,376.08	-52.2%
Accounts Receivable				
Accounts Receivable	19,644.89	15,491.77	4,153.12	26.8%
Total Accounts Receivable	19,644.89	15,491.77	4,153.12	26.8%
Other Current Assets				
Undeposited Funds	16,605.13	12,028.08	4,577.05	38.1%
Total Other Current Assets	16,605.13	12,028.08	4,577.05	38.1%
Total Current Assets	85,233.99	129,879.90	-44,645.91	-34.4%
Fixed Assets				
N-80117 Accumulated Deprec	-43,776.26	-31,620.27	-12,155.99	-38.4%
N-80117 Cessna 172M	115,879.95	115,879.95	0.00	0.0%
N-759MA Accumulated Deprec.	-50,876.11	-40,008.88	-10,867.23	-27.2%
N-759MA Cessna C-182Q	146,227.27	103,874.08	42,353.19	40.8%
Asset Aquisition in Process	9,265.00	2,560.00	6,705.00	261.9%
Operating Equipment	18,125.58	17,525.58	600.00	3.4%
Accumulated Depreciation	-15,665.97	-14,965.18	-700.79	-4.7%
N-2388L Cessna 172	152,672.29	152,672.29	0.00	0.0%
N-2388L Accumulated Deprec.	-112,467.96	-105,878.66	-6,589.30	-6.2%
N-5163S Piper PA-28-180F	152,919.94	152,919.94	0.00	0.0%
N-5163S Accumulated Deprec.	-116,949.42	-110,791.97	-6,157.45	-5.6%
Total Fixed Assets	255,354.31	242,166.88	13,187.43	5.5%
TOTAL ASSETS	340,588.30	372,046.78	-31,458.48	-8.5%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	424.52	17,516.41	-17,091.89	-97.6%
Total Accounts Payable	424.52	17,516.41	-17,091.89	-97.6%
Other Current Liabilities				
Membership Equity Shares Traded	2,000.00	0.00	2,000.00	100.0%
Sales Tax Payable				
Sales Tax Paid - Maintenance	-312.72	-1,501.27	1,188.55	79.2%
Taxes Paid - Fuel	-314.34	-746.59	432.25	57.9%
Sales Tax Payable - Other	1,851.09	3,558.71	-1,707.62	-48.0%
Total Sales Tax Payable	1,224.03	1,310.85	-86.82	-6.6%
Total Other Current Liabilities	3,224.03	1,310.85	1,913.18	146.0%
Total Current Liabilities	3,648.55	18,827.26	-15,178.71	-80.6%
Total Liabilities	3,648.55	18,827.26	-15,178.71	-80.6%
Equity				
Member Shares - Current Price	130,000.00	130,000.00	0.00	0.0%
Retained Earnings	237,200.63	229,569.17	7,631.46	3.3%
Net Income	-30,260.88	-6,349.65	-23,911.23	-376.6%
Total Equity	336,939.75	353,219.52	-16,279.77	-4.6%
TOTAL LIABILITIES & EQUITY	340,588.30	372,046.78	-31,458.48	-8.5%

Valley Fliers
Statement of Cash Flows
May 2020

	<u>May 20</u>
OPERATING ACTIVITIES	
Net Income	8,774.92
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-5,705.85
Accounts Payable	868.92
Membership Equity Shares Traded	2,000.00
Sales Tax Payable	566.50
Sales Tax Payable:Taxes Paid - Fuel	-65.60
Net cash provided by Operating Activities	<u>6,438.89</u>
INVESTING ACTIVITIES	
N-80117 Accumulated Deprec	992.25
N-759MA Accumulated Deprec.	1,304.42
Accumulated Depreciation	28.62
N-2388L Accumulated Deprec.	337.37
N-5163S Accumulated Deprec.	627.35
Net cash provided by Investing Activities	<u>3,290.01</u>
Net cash increase for period	9,728.90
Cash at beginning of period	55,860.20
Cash at end of period	<u><u>65,589.10</u></u>

Valley Fliers
Statement of Cash Flows
January through May 2020

	Jan - May 20
OPERATING ACTIVITIES	
Net Income	-30,260.88
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-7,838.49
Accounts Payable	-6,156.00
Membership Equity Shares Traded	2,000.00
Sales Tax Payable	-760.65
Sales Tax Payable:Sales Tax Paid - Maintenance	743.96
Sales Tax Payable:Taxes Paid - Fuel	215.24
Net cash provided by Operating Activities	-42,056.82
INVESTING ACTIVITIES	
N-80117 Accumulated Deprec	4,961.25
N-759MA Accumulated Deprec.	6,522.10
Asset Aquisition in Process	-5,205.00
Accumulated Depreciation	143.10
N-2388L Accumulated Deprec.	1,686.85
N-5163S Accumulated Deprec.	3,136.75
Net cash provided by Investing Activities	11,245.05
Net cash increase for period	-30,811.77
Cash at beginning of period	96,400.87
Cash at end of period	<u>65,589.10</u>

Tacometer Readings

(add 3,452.3)

Date	C-182		C-172		C-172		PA-28	
	N759MA	Hours	N2388L	Hours	N80117	Hours	N5163S	Hours
3/2/19	4,436.7	5.4	4,329.9	0.0	4,531.8	22.2	2,692.6	4.2
3/12/19	4,441.9	5.2	4,357.9	28.0	4,559.8	28.0	2,699.5	6.9
3/26/19	4,451.6	9.7	4,357.9	28.0	4,572.8	13.0	2,699.5	6.9
4/10/19	4,451.6	9.7	4,373.1	15.2	4,591.1	18.3	2,717.5	18.0
4/18/19	4,519.7	68.1	4,375.9	2.8	4,605.4	14.3	2,717.5	0.0
5/6/19	4,541.8	22.1	4,397.3	21.4	4,624.4	19.0	2,728.7	11.2
5/26/19	4,550.5	8.7	4,405.5	8.2	4,637.7	13.3	2,728.7	0.0
6/27/19	4,568.5	18.0	4,431.2	25.7	4,671.6	15.6	2,741.0	12.3
7/10/19	4,594.1	25.6	4,447.8	16.6	4,683.2	11.6	2,755.4	14.4
7/28/19	4,619.7	25.6	4,469.7	21.9	4,701.2	18.0	2,763.1	7.7
8/12/19	4,619.7	0.0	4,495.1	25.4	4,711.4	10.2	2,774.5	11.4
8/25/19	4,619.7	0.0	4,495.1	0.0	4,725.2	13.8	2,786.7	12.2
9/11/19	4,619.7	0.0	4,526.4	31.3	4,755.9	30.7	2,799.8	13.1
9/25/19	4,619.7	0.0	4,545.0	18.6	4,764.9	9.0	2,808.2	8.4
10/7/19	4,619.7	0.0	4,561.8	16.8	4,779.3	14.4	2,808.2	8.4
11/23/19	4,619.7	0.0	4,609.9	48.1	4,831.0	51.7	2,837.7	29.5
12/6/19	4,619.7	0.0	4,626.7	16.8	4,837.7	58.4	2,837.7	0.0
1/8/20	4,619.7	0.0	4,626.7	0.0	4,854.8	17.1	2,854.9	17.2
1/14/20	4,619.7	0.0	4,641.3	14.6	4,854.8	0.0	2,854.9	0.0
3/8/20	4,619.7	0.0	4,641.3	0.0	4,911.8	57.0	2,903.7	48.8
3/19/20	4,619.7	0.0	4,641.3	0.0	4,911.8	57.0	2,906.1	2.4
3/31/20	4,619.7	0.0	4,641.3	0.0	4,925.4	13.6	2,906.1	0.0
4/13/20	4,619.7	0.0	4,696.0	54.7	4,925.4	0.0	2,906.1	0.0
5/15/20	4,658.1	38.4	4,731.2	35.2	4,952.1	26.7	2,935.2	29.1
5/20/20	4,658.1	0.0	4,741.8	10.6	4,958.3	6.2	2,935.2	0.0
6/6/20	4,670.5	12.5	4,771.5	29.7	4,985.0	26.7	2,935.2	0.0

Valley Fliers Aircraft Maintenance Summary

Date of Report: 6/6/2020

	Total Airframe Hours: 4,671 4,772 4,985 6,388			
Aircraft	N759MA	N2388L	N80117	N5163S
Next Oil Change (50 hrs)	(0.9)	50.0	50.0	20.9
Hours Before TBO (2,000 hrs)	1,949.1	(632.1)	951.9	434.6
Hours Since Top Overhaul	50.9	1,087.0	1,048.1	565.3
Prop Hours (Since OH)	4,619.7	2,632.1	1,048.1	1,565.4
Next Annual Inspection Date	12/31/20	1/31/21	3/31/21	5/30/20
Hours to Next 250 hr Inspection	199.1	119.8	176.8	43.5
Magneto OH Due (Rec. - 500 hrs)	449.1	9.1	46.8	470.9
Vacuum Pump - Rec. - 1000 hrs	949.1	1,000.0	95.8	173.0
Pitot-Static/Altimeter Insp Due	10/31/20	10/31/20	11/30/20	11/30/20
Transponder Inspection Due	10/31/20	10/31/20	11/30/20	11/30/20
ELT Battery Due (5yrs)	4/30/21	1/31/22	11/30/21	4/30/21
ELT Registration Expires (2yrs)	2/18/20	2/18/20	2/18/20	2/18/20
Fin & Rudder AD Due (1,000 hrs)	949.1			
Fuel Cap Placard AD Due (Annl)	12/31/20			
Seat Tracks AD & Seats (100 hrs)	49.1		26.8	
Rear Seat AD Due (Annl Insp)				Annual
Induction Paper Filter AD (500 hrs)		362.20		
Bendix Ignition AD Due(2000 hrs)	1,561.2		1,095.8	
Fuel Inj. Insp. AD Due (100 hrs)		70.30		
FAA Reg Exp (App 3-5 mo prior)	7/31/19	1/31/21	11/30/20	1/31/21
Carbon Monoxide Indicator Due	11/17/19	7/19/19	11/17/19	11/17/19
Oil Hoses Replaced at TAC				2,409.0

N759MA

8 hours form break-in completion

N2388L

C/W Fuel Inj. AD
 Insp. & Lubed L/H Flap ctrl. Rod
 Oil Changed
 R & Repl. Brocken Vac. Pump
 (pump was not inspected at last annual)
 Tac. 100 RPM Low at Full Trottle

N80117

Repl. L/H Main tire and tube
 Inspected oil leak Squawk
 Oil Changed
 Inspected Hobbs meter
 Nose Tire Worn

N5163S

Fuel Smell whei changing tanks