

August 9, 2017

Valley Fliers August Board Meeting

Meeting Called to Order at: 6:30, Treasurer DeWitt presiding.

Present: DeWitt, Scott, Vader plus 12 members and 1 guest.

Excused Late: Botezatu

Excused Absent: Eyre

Approval of July Meeting Minutes

Randy moved for approval as written. Alan seconded. Motion carried unanimously.

Treasurer's Report

See Alan's handout. The month was weak, but better. One membership turned over in the month as Tom Follett rejoined the club. There were no minimum flying fees levied during both June and July. Alan proposes we also waive them during August. The amphibious plane in 88L's spot has helped to defray our rent costs. Maintenance was a little high due to 63S's engine work. Alan has opted to expense, rather than capitalize the engine work because it was not technically an overhaul. 117's maintenance is probably the prop work and some parts. We've not received the bill for 117. Most of 117's work will be capitalized. Alan hopes the core refund will cover Jon's work. The core refunds should be about \$6000. The monthly loss was \$7500 without depreciation. \$19000 of the current assets is allocated to the 88L repair costs, so the true current assets are lower. Alan expects August will be closer to a financial wash, but that will depend upon the final bill for 117. Alan asked Florin about the final bill on 117. Florin says Jon is waiting until we have about 50 hours on the plane in case we need to pull something else off the old engine. Florin says the case has gone back, so we should see a core refund soon. Alan will call them to let them know where to send the funds. Alan asked if the prop on 117 was re-pitched; he hasn't seen that on a bill. Florin believes it was, but will check.

Maintenance Officer's Report

See Florin's handout. He hasn't updated the numbers in the last three days, so the numbers are a little off.

9MA Has good compression. We are chasing some oil leaks. Florin thinks we can push this engine to or through the winter. The 250 hour inspection is overdue, but we are doing 50 hour inspections. Given the state of the fleet, we are pushing that inspection to the annual in September. The mags will be done during that annual as well. Correction to his notes: the mounts that were replaced were cowling mounts, not engine mounts. The intake air scoop will need to be better repaired during the annual. The belly of 9MA and 63S was not washed during our recent washes. Alan pointed out it was likely due to the fact the airplanes were on jacks and missing their cowls.

88L We are checking the nose gear for hidden damage. Alan asked whether or not we have any timeline? Answer: no. Alan reminded Florin we only have the plane blocked for another week.

117 The top number is not correct. It now has 16 hours on it. Members should minimize ground time and try to keep the temperatures under 400 degrees. The temperature rise is characteristic of break in and is moderating. Cylinder head 1 temp is what should be monitored. Climbs should be done at about 80 MPH and 200-300 fpm. Climbs should be done in steps. Question from the floor: what should the cylinder head temps get down to? Answer: 380 degrees. Above 400 degrees, the aluminum loses strength. Question: why do temps get higher during break in? Answer: The friction in bearings and rings, etc. is higher until the parts wear-in. Florin will be talking with members prior to their flights during break-in. The arm-rests are really tearing up the seat tracks. Florin will work on that issue. Florin showed an inappropriately welded bracket, incorrect fittings, carb heat cable, and cowling mounts to show the sorts of issues he and Jon have been discovering. The tach cable disconnected itself. Jon suggested that was potentially due to the new engine. The plane used less than one quart of oil in 16 hours of flight. The temperatures have come down well.

63S The break in was a different procedure because the work was different. The engine oil hoses were brittle and lacked fire jackets (that has now been fixed).

Florin also noted he and Jon have been re-considering the oils we use. Aeroshell 15-50 looks like it will be a better choice year round. We will also continue to add CamGuard as an additive. Question from the floor: where is oil kept? Answer: we've been trying to keep the winter and summer oils separate. Usually we keep the oil in the cabinets behind 88L. Alan asked if we could add the combinations to the white board in the office. Question from the floor: what oil should we use right now? The oil in the back of the planes should be ok until the new oil arrives. What should not be done is break in oil should not be mixed with regular oil. Randy says he pulled oil from one of the cabinets during the break-in period as there was none in the back of the plane. When in doubt, Alan suggests we call Florin's cell. Florin says pilots should check the engine log book. The break in oils should say M and mineral oil on them. They do not have the detergent additives. Question from the floor: so when flying 117, the procedure is shallow climbing. Should the mixture be rich? Answer: Lean to best RPMs over 3000 feet. Below that, full rich. Alan notes the primary effect of mixture is on EGT, not CHT. Florin agrees. Clarification: in cruise, cylinder temps should be below 380-390. Florin says yes, and that shouldn't be too hard in cruise.

Safety Officer's Report

Randy reported he has now read the bylaws and reviewed what the duties of the safety officer are. 1) knowledge of the safe condition of the aircraft, and notice to the maintenance officer of unsafe conditions. 2) investigation of reports of unsafe operation of club planes. 3) oversees flight-training operations, including review of the qualifications of all club instructors. Can suspend instructors. 4) can review

logbooks, medical certificates, and other records of any members. Randy will discuss this with Ed Bryce and may propose changes at the next annual meeting. Randy is most concerned with the oversight of all flight training operations and CFIs. Comment from the floor: the third task is the only one that requires periodic action. Randy also intends to bring a safety topic ever other meeting or so.

Old Business

VP Position Alan reviewed the status: Eric has left the club and per the bylaws John Eyre is now the president. The board can vote in a new Vice President and Scott Glassmyer has volunteered. Alan opened the floor to additional VP candidates. Randy nominates Scott for VP, Alan seconded. The motion carried unanimously.

New Business

None raised.

Free flight hour won by: Kelsey Wildstone.

Randy moved to adjourn. Alan seconded. Motion approved unanimously.

Meeting adjourned at: 7:33.

4:06 PM
08/09/17
Accrual Basis

Valley Fliers
Sales by Item Summary
July 2017

	Jul 17			
	Qty	Amount	% of Sales	Avg Price
Service				
63S (hrs - Flight time: PA-28-180F N-5163S)	36.5	2,425.50	21.0%	66.45
9MA (hrs - Flight time: C-182 N-759MA)	47.9	4,560.00	39.4%	95.20
Dues - monthly (Membership monthly dues)	55	4,125.00	35.7%	75.00
Total Service	139.40	11,110.50	96.1%	79.70
Other Charges				
Membership Purchase Hull Fund (Membership Purchase Hull Replacement Fund)	1	454.54	3.9%	454.54
Total Other Charges	1.00	454.54	3.9%	454.54
TOTAL	140.4	11,565.04	100.0%	82.37

Valley Fliers
Profit & Loss YTD Comparison
July 2017

	Jul 17	Jan - Jul 17
Ordinary Income/Expense		
Income		
Sales		
N-80117 Flight Time	0.00	13,944.30
N-759MA Flight Time	4,560.00	19,432.00
Aircraft Hull Replacement Fund	454.54	909.09
Fees	0.00	8,313.90
Membership Monthly Dues	4,125.00	28,500.00
N-5163S Flight Time	2,425.50	8,798.30
Total Sales	<u>11,565.04</u>	<u>79,897.59</u>
Total Income	<u>11,565.04</u>	<u>79,897.59</u>
Gross Profit	11,565.04	79,897.59
Expense		
Re-Registration	0.00	260.00
Depreciation Expense	2,525.47	17,678.29
Meeting Expenses	136.27	1,215.85
G&A		
Mail Services and Supplies	0.00	125.00
Office Supplies	0.00	11.75
Information Technology	73.99	1,344.20
Total G&A	73.99	1,480.95
Tires and tubes	0.00	476.04
Bank Service Charges	0.00	25.00
Cash Discounts	0.00	0.01
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	341.61	7,305.92
9MA Fuel	2,621.12	10,427.56
Fuel Rebate	-37.19	-187.04
88L Fuel	0.00	177.48
63S Fuel	1,482.93	4,712.04
Total Fuel	<u>4,408.47</u>	<u>22,435.96</u>
Insurance		
Aircraft Policy	0.00	8,127.00
Total Insurance	0.00	8,127.00
Licenses and Permits		
9MA Reg and Lic	0.00	27.50
Total Licenses and Permits	0.00	27.50
Professional Fees		
Accounting	0.00	675.00
Total Professional Fees	0.00	675.00
Rent		
N80117	236.97	1,658.79
N2388L	236.97	1,658.79
N759MA	236.97	1,658.79
Utilities	42.37	949.62
N5163S	236.97	1,658.79
Office Rent	153.44	1,085.35
Total Rent	<u>1,143.69</u>	<u>8,670.13</u>

Valley Fliers
Profit & Loss YTD Comparison
July 2017

	<u>Jul 17</u>	<u>Jan - Jul 17</u>
Repairs & Maintenance		
117 Maintenance	1,973.48	5,460.48
9MA Maintenance	0.00	2,616.72
Aircraft oil	0.00	271.15
88L Maintenance	0.00	623.93
Maintenance Supplies	0.00	283.31
63S Maintenance	11,367.30	29,773.27
Repairs & Maintenance - Other	0.00	36.99
Total Repairs & Maintenance	<u>13,340.78</u>	<u>39,065.85</u>
Taxes		
State	131.22	309.76
Total Taxes	<u>131.22</u>	<u>309.76</u>
Total Expense	<u>21,759.89</u>	<u>101,327.34</u>
Net Ordinary Income	-10,194.85	-21,429.75
Other Income/Expense		
Other Income		
Interest Income	0.21	7.46
Total Other Income	<u>0.21</u>	<u>7.46</u>
Net Other Income	<u>0.21</u>	<u>7.46</u>
Net Income	<u><u>-10,194.64</u></u>	<u><u>-21,422.29</u></u>

Valley Fliers
Balance Sheet Prev Year Comparison
As of July 31, 2017

	Jul 31, 17	Jul 31, 16
ASSETS		
Current Assets		
Checking/Savings		
Reserve fund	24,356.88	24,344.16
Escrow savings account	25,353.36	25,351.48
Checking - Columbia State Bank	17,115.66	41,251.67
Total Checking/Savings	66,825.90	90,947.31
Accounts Receivable		
Accounts Receivable	14,328.50	17,254.77
Total Accounts Receivable	14,328.50	17,254.77
Other Current Assets		
Deposits - Fuel Purchases	7,500.00	7,500.00
Undeposited Funds	14,145.75	12,312.76
Total Other Current Assets	21,645.75	19,812.76
Total Current Assets	102,800.15	128,014.84
Fixed Assets		
N-80117 Accumulated Deprec	-11,099.14	-5,027.78
N-80117 Cessna 172M	85,237.95	85,237.95
N-759MA Accumulated Deprec.	-27,260.28	-20,556.47
N-759MA Cessna C-182Q	98,946.08	98,946.08
Asset Aquisition in Process	1,892.61	0.00
Operating Equipment	17,525.58	17,247.58
Accumulated Depreciation	-10,243.89	-7,128.99
N-2388L Cessna 172	147,244.29	146,903.79
N-2388L Accumulated Deprec.	-89,893.38	-78,435.61
N-5163S Piper PA-28-180F	121,171.59	120,809.64
N-5163S Accumulated Deprec.	-94,687.32	-89,009.65
Total Fixed Assets	238,834.09	268,986.54
TOTAL ASSETS	341,634.24	397,001.38
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	-15,077.55	3,237.14
Total Accounts Payable	-15,077.55	3,237.14
Other Current Liabilities		
Sales Tax Payable		
Sales Tax Paid - Maintenance	-2,969.47	-683.87
Taxes Paid - Fuel	-382.76	-459.67
Sales Tax Payable - Other	1,150.51	1,447.70
Total Sales Tax Payable	-2,201.72	304.16
Total Other Current Liabilities	-2,201.72	304.16
Total Current Liabilities	-17,279.27	3,541.30
Total Liabilities	-17,279.27	3,541.30
Equity		
Retained Earnings	380,335.80	383,066.76
Net Income	-21,422.29	10,393.32
Total Equity	358,913.51	393,460.08
TOTAL LIABILITIES & EQUITY	341,634.24	397,001.38

Valley Fliers
Statement of Cash Flows
July 2017

	<u>Jul 17</u>
OPERATING ACTIVITIES	
Net Income	-10,194.64
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	218.99
Accounts Payable	3,055.16
Sales Tax Payable	-2,479.02
Sales Tax Payable:Sales Tax Paid - Maintenance	-613.93
Sales Tax Payable:Taxes Paid - Fuel	655.44
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Net cash provided by Operating Activities	-9,358.00
INVESTING ACTIVITIES	
N-80117 Accumulated Deprec	496.18
N-759MA Accumulated Deprec.	558.65
Accumulated Depreciation	254.67
N-2388L Accumulated Deprec.	741.93
N-5163S Accumulated Deprec.	474.04
	<hr/>
Net cash provided by Investing Activities	2,525.47
Net cash increase for period	-6,832.53
Cash at beginning of period	87,804.18
Cash at end of period	<u><u>80,971.65</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
2/3/16	3,526.4	6.6	3,702.4	8.5	3,446.9	10.6	2,108.2	0.0
2/25/16	3,535.3	8.9	3,733.6	31.2	3,456.0	9.1	2,111.5	3.3
3/2/16	3,540.1	4.8	3,737.6	4.0	3,456.0	0.0	2,115.2	3.7
3/15/16	3,546.8	6.7	3,753.0	15.4	3,456.0	0.0	2,118.3	3.1
3/30/16	3,560.0	13.2	3,780.7	27.7	3,463.3	7.3	2,133.9	15.6
4/11/16	3,577.7	17.7	3,800.6	19.9	3,477.0	13.7	2,144.5	10.6
4/21/16	3,589.4	11.7	3,812.9	12.3	3,490.1	13.1	2,152.8	8.3
5/9/16	3,604.3	14.9	3,829.6	16.7	3,510.0	19.9	2,165.0	12.2
5/25/16	3,609.3	5.0	3,839.7	10.1	3,525.2	15.2	2,168.7	3.7
6/12/16	3,650.3	41.0	3,858.7	19.0	3,554.9	29.7	2,174.6	5.9
7/9/16	3,678.6	28.3	3,885.3	26.6	3,593.2	38.3	2,185.9	11.3
7/20/16	3,684.6	6.0	3,888.5	3.2	3,606.1	12.9	2,191.3	5.4
8/7/16	3,707.6	23.1	3,913.4	24.9	3,636.5	30.4	2,204.3	13.0
8/15/16	3,724.5	16.9	3,913.6	0.2	3,639.6	3.1	2,210.8	6.5
9/7/16	3,741.4	16.9	3,936.5	22.9	3,674.5	34.9	2,236.2	25.4
9/24/16	3,741.8	0.4	3,954.1	17.6	3,689.0	14.5	2,245.1	8.9
10/9/16	3,758.3	16.5	3,966.9	12.8	3,703.9	14.9	2,256.9	11.8
10/28/16	3,770.6	12.3	3,975.6	8.7	3,720.5	16.6	2,265.3	8.4
11/7/16	3,778.5	8.0	3,981.1	5.5	3,726.1	5.6	2,274.0	8.7
11/13/16	3,788.5	10.0	3,984.3	3.2	3,726.1	0.0	2,278.1	4.1
11/22/16	3,790.5	2.0	3,997.0	12.7	3,729.1	3.0	2,278.8	0.7
11/30/16	3,798.1	7.6	4,001.0	4.0	3,736.2	7.1	2,281.5	2.7
12/7/16	3,799.3	1.2	4,005.8	4.8	3,743.3	7.1	2,281.5	0.0
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	4,012.4	2.3	3,855.0	0.0	2,329.0	5.0
4/26/17	3,894.5	27.3	4,012.4	0.0	3,891.2	36.2	2,342.7	13.7
5/3/17	3,903.9	9.4	4,012.4	0.0	3,904.8	13.6	2,348.1	5.4
5/18/17	3,905.3	1.4	4,012.4	0.0	3,920.4	15.6	2,352.6	4.5
6/12/17	3,942.0	36.7	4,012.4	0.0	3,920.4	15.6	2,352.6	4.5
6/17/17	3,950.9	8.9	4,012.4	0.0	3,936.9	16.5	2,369.9	17.3
7/11/17	3,990.4	39.5	4,012.4	0.0	3,936.9	0.0	2,369.9	17.3
7/23/17	4,011.2	20.8	4,012.4	0.0	3,936.9	0.0	2,397.3	27.4
8/5/17	4,011.2	20.8	4,012.4	0.0	3,947.1	10.2	2,409.0	11.7

Valley Fliers Aircraft Maintenance Summary

Date of Report: 8/5/2017

Aircraft	Total Airframe Hours:			
	N759MA	N2388L	N80117	N5163S
Next Oil Change (50 hrs)	50.0	47.7	39.8	50.0
Hours Before TBO (2,000 hrs)	(198.4)	127.0	1,989.8	1,960.9
Hours Since Top Overhaul	1,556.1	327.9	10.2	39.1
Prop Hours (Since OH)	1,654.4	1,873.0	10.2	1,039.2
Next Annual Inspection Date	9/30/17	8/31/17	11/30/17	4/30/18
Hours to Next 250 hr Inspection	(19.6)	151.2	29.0	165.0
Magneto OH Due (Rec. - 500 hrs)	(12.6)	172.1	489.8	415.0
Vacuum Pump Due (Rec. - 500 hrs)	230.6	172.1	8.9	199.2
Pitot-Static/Altimeter Insp Due	4/30/18	4/30/18	4/30/19	12/31/17
Transponder Inspection Due	4/30/18	4/30/18	4/30/19	12/31/17
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)	730.4			
Fuel Cap Placard AD Due (Annl)	9/30/17			
Seat Tracks AD Due (100 hrs)	79.2		3.9	
Rear Seat AD Due (Annl Insp)				4/30/18
Bendix Ignition AD Due(100 hrs)	79.2			
Fuel Inj. Insp. AD Due (100 hrs)		97.7		
FAA Reg Exp (App 3-5 mo prior)	7/31/19	1/31/18	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	8/18/17	8/18/17	8/18/17	8/18/17

2016 Hours	304	326	361	192
2017 Hours	218	2	204	140
Total Engine Reserve:				\$54,683

N759MA

Oil Changed + 50 H inspection
 4 bottom eng. Mounts replaced
 Reworked damage front intake man. Tube
 Repaired cracked cowl intake air scoop
 Washed eng. & re-sealed top eng block seam
 Repaired detached cowl taxi light wire

N5163S

Oil Changed from mineral to 100 Plus
 AD 2017-14-04 Cmplied with
 (Oil hoses with fire jackets)
 Installed new alternator top bracket
 (replacing the one with elongated hole)

N80117

Flap roller bolts all loose w. improper washers
 Engine mount found cracked; Ordered O/H-ed
 Lord mounts very old; Ordered New.
 Baffling had many cracks
 Alternator main "U" bracket old weld cracked
 Carb Heat cable retaining bolt very worned
 Improper spacers on starter and other brackets
 Lower cowling mount re-riveted

100 inspection performed
 Oil temp probe re-located
 TAC cable re-worked

N2388L

Took apart nose gear to die penetrate