

***Valley Pilots Flying Club Inc.  
P.O. Box 2242  
Martinez, CA 94553***

***Annual Report 2008-2009  
Fiscal Year, April 1, 2008 – March 31, 2009***

**Officers**

President  
Board Member  
Board Member  
Board Member

Carol Early  
Vacant  
Ray Terheyden  
Mike Townsend

Treasurer and Manager  
Safety Officer  
Secretary  
Membership Chairman  
Maintenance Officer

Steve Kennedy  
Jim Duvall  
Cheryl Summers  
Carol Early  
John Summers

***Valley Pilots Flying Club Inc.***  
***Fiscal Year 2008-2009 Annual Report***  
***Submitted by Steve Kennedy, Treasurer***  
***June 30, 2009***

Last year I told you that the remainder of 5205R's paint job was going to show up on this years Profit and Loss Statement. Well it has. You'll notice that we show a loss of \$9,200. We paid \$11,035 in this Fiscal Year for the paint job. That means that without the paint job we would have had a very flat P&L. (a surplus of about \$1,800). As a non-profit organization, we are not supposed to make a profit, but \$1800 is a very very very small financial cushion. We put no money towards the overhaul fund this year or LAST year. I am extremely concerned that we will have to dip into the overhaul fund to pay any extraordinary maintenance this year. For the last 3 years I've advocated a membership drive to increase our base. This is even more important this year. We now have only 10 paying members. Our club rules state that we will maintain 1 airplane fore every 10 members. By rights we should be down to one airplane. If we can't have an ACTIVE, full participation, membership drive, and increase our membership by at least 5-10 new members within the next 6 months, I believe we should sell one of the planes.

Let's talk about airplane usage. N7255E had about 36 hours of usage. N5205R had 78 hours of usage. This is less than half the number of hours we've averaged in the past. Fuel prices are high, but with about half the members, we are flying about half as many hours as well. We could certainly support 20 to 25 new members and still have very little contention for the planes.

It's easy to blame the economy, lack of student pilots, and the general malaise of the aviation industry for our problems, but the fact is there are many very viable flying clubs out there. There are also many people looking for "ownership" option who fly. We need to find these people and sign them up. I'm looking for some creative ways to market our club. Let's hear your ideas.

Respectfully submitted to the Valley Pilots Flying Club Inc. membership  
Steve Kennedy [kennedys@pacbell.net](mailto:kennedys@pacbell.net) Fly Safe

**Valley Pilots**  
**Statement of Income and Expense**  
**April 1, 2008 - March 31, 2009**

<b>Income</b>						
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Fixed Charges	\$14,330.00	\$14,395.00	\$14,820.00	\$14,306.75	\$15,120.00	\$13,920.00
5205R Income	\$4,237.50	\$4,215.50	\$7,434.00	\$4,468.50	\$1,872.00	\$3,397.50
7589X Income	\$7,986.00	\$7,532.00	\$7,265.00	\$907.00	\$0.00	
7255E Income	-	-	-	\$1,213.00	\$2,710.50	\$2,171.00
Membership	\$500.00	\$3,000.00	\$1,050.00	\$500.00	\$1,000.00	
Upgrades/Recapitalization	\$1,055.00	\$1,065.00	\$1,090.00	\$10,055.00	\$0.00	
Interest Income	\$228.41	\$198.76	\$243.96	\$277.98	\$190.95	\$26.49
Misc. Income	\$0.00	\$100.00	\$0.00	\$673.25	\$0.00	\$475.00
<b>Gross Income</b>	<b>\$28,336.91</b>	<b>\$30,506.26</b>	<b>\$31,902.96</b>	<b>\$32,401.48</b>	<b>\$20,893.45</b>	<b>\$19,989.99</b>
<b>Operating Expenses</b>						
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
5205R Maintenance	\$9,538.85	\$4,826.25	\$6,681.92	\$1,941.91	\$5,498.02	\$13,084.30
7589X Maintenance	\$14,061.35	\$6,417.08	\$6,294.86	\$6,618.38	\$0.00	\$0.00
7255E Maintenance				\$774.05	\$8,736.02	\$2,727.67
Aircraft Support	\$41.44	\$34.96	\$62.58	\$64.30	\$181.84	\$168.72
Taxes	\$1,084.74	\$1,099.02	\$1,100.22	\$6,682.49	\$1,767.36	\$1,186.24
Accounting Service	\$1,450.00	\$1,450.00	\$1,450.00	\$1,450.00	\$1,612.14	\$1,450.00
Office - Postage - Scheduling - Bank S/C	\$673.96	\$716.33	\$630.10	\$538.26	\$764.34	\$521.34
Insurance	\$10,670.94	\$10,467.00	\$10,453.00	\$7,764.43	\$8,085.00	\$7,536.00
Tie-Down	\$1,440.00	\$1,440.00	\$1,440.00	\$1,440.00	\$1,440.00	\$1,320.00
Miscellaneous	\$56.00	\$935.76	\$127.42	\$1,596.95	\$13.56	\$1,090.27
Advertisement (Web Site)			\$143.40	\$649.24	\$0.00	\$149.40
<b>Gross Expenses</b>	<b>\$39,017.28</b>	<b>\$27,386.40</b>	<b>\$28,383.50</b>	<b>\$29,520.01</b>	<b>\$28,098.28</b>	<b>\$29,233.94</b>
<b>Net Surplus/Shortfall</b>	<b>(\$10,680.37)</b>	<b>\$3,119.86</b>	<b>\$3,519.46</b>	<b>\$2,881.47</b>	<b>(\$7,204.83)</b>	<b>(\$9,243.95)</b>
Overhaul Savings	\$2,101.00	\$4,342.00	\$1,399.00	(\$4,833.00)	(\$5,840.80)	\$0.00
5205R	\$1,046.00	\$1,158.00	\$1,655.00	\$167.00	\$1,034.80	\$0.00
7589X - 7255E	\$0.00	\$2,119.00	(\$1,346.00)	(\$5,000.00)	(\$6,875.60)	\$0.00
	\$1,055.00	\$1,065.00	\$1,090.00	\$0.00	\$0.00	\$0.00
<b>Surplus/Shortfall After Overhall Savings</b>	<b>(\$12,781.37)</b>	<b>(\$1,222.14)</b>	<b>\$2,120.46</b>	<b>\$7,714.47</b>	<b>(\$5,840.80)</b>	<b>\$0.00</b>

**Valley Pilots**  
**Statement of Assets and Liabilities**  
**April 1, 2008 - March 31, 2009**

<b>Assets</b>						
	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
Checking Account	\$6,983.13	\$5,056.22	\$6,853.81	\$12,006.74	\$12,285.90	\$2,501.55
Overhaul Reserve (Savings)	\$30,760.00	\$35,102.50	\$36,133.50	\$32,483.00	\$22,242.20	\$22,242.20
5205R	\$11,862.20	\$13,020.20	\$14,507.20	\$14,674.20	\$15,709.00	\$15,709.00
7255E	\$17,635.80	\$19,754.80	\$18,408.80	\$13,408.80	\$6,533.20	\$6,533.20
Upgrades	\$1,262.00	\$2,327.50	\$3,217.50	\$4,400.00	\$0.00	\$0.00
Savings Account (other)	\$518.58	\$714.10	\$557.01	\$182.61	\$365.91	\$390.15
Total Bank Accounts	\$38,261.71	\$40,872.82	\$43,544.32	\$44,672.35	\$34,894.01	\$25,133.90
<b>Fixed Assets</b>						
1974 Cessna Skyhawk 5205R	\$55,100.00	\$49,860.00	\$49,860.00	\$49,860.00	\$49,860.00	\$49,860.00
1978 Cessna Skylane RG 7589X	\$110,100.00	\$95,400.00	\$95,400.00	\$0.00	\$0.00	\$0.00
1959 Cessna Skylane B 7255E				\$65,000.00	\$65,000.00	\$65,000.00
Total Fixed Assets	\$165,200.00	\$145,260.00	\$145,260.00	\$114,860.00	\$114,860.00	\$114,860.00
<b>Total Assets</b>	<b>\$203,461.71</b>	<b>\$186,132.82</b>	<b>\$188,804.32</b>	<b>\$159,532.35</b>	<b>\$149,754.01</b>	<b>\$139,993.90</b>

<b>Liabilities and Capital</b>						
Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Worth (Capitol)	\$203,461.71	\$186,132.82	\$188,804.32	\$159,532.35	\$149,754.01	\$139,993.90
<b>Net Liabilities and Capital</b>	<b>\$203,461.71</b>	<b>\$186,132.82</b>	<b>\$188,804.32</b>	<b>\$159,532.35</b>	<b>\$149,754.01</b>	<b>\$139,993.90</b>

<b>Flight Time Totals by Year</b>						
	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2008-2009</b>
1974 Cessna 172 N5205R	106.4	104.1	165.5	101.3	44.3	78.4
1978 Cessna 182 RG N7589X	127.2	102.4	99.4	13.4	0 0	0 0
1959 Cessna 182B N7255E	0	0	0	18.8	48.6	35.8
<b>Total Time</b>	<b>233.6</b>	<b>206.5</b>	<b>264.9</b>	<b>133.5</b>	<b>92.9</b>	<b>114.2</b>

<b>Maintenance Cost per Hour</b>						
	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>	<b>2007-2008</b>
1974 Cessna 172 N5205R	\$89.65	\$46.36	\$40.37	\$19.17	\$124.11	\$166.89
1959 Cessna 182B N7255E				\$41.17	\$179.75	\$76.19

<b>Engine Hours or Tach Readings as of March 31, 2009</b>		
N5205R 1974 Cessna 172 Skyhawk II Purchased new in September 1974	Air Frame Total Time:	<b>5873.4</b>
	Tach Time:	<b>1870.7</b>
	Majored at (10/94):	<b>225.6</b>
	Time SFOH:	<b>1644.3</b>
N7255E 1959 Cessna 182B Purchase October 27, 2006 4589.9 TT when purchased.	Air Frame Total Time:	<b>4693.1</b>
	Tach Time:	<b>2174.6</b>
	Majored at (05/97):	<b>2477.5</b>
	Time SFOH:	<b>509.3</b>

<b>Total Members at close of Year</b>			
<b>2009 10 Members</b>			
2008	13 Members	2002	17 members
2007	13 Members	2001	16 Members
2006	20 members	2000	18 members
2005	17 members	1999	21 Members
2004	17 members	1998	20 Members
2003	19 members	1997	14 Members
		1996	15 Members