

SERVANT AIR MINISTRIES, INC.

ANNUAL REPORT 12/31/2007

Servant Air Ministries, Inc., 2007 had a very productive year providing flight training and air transportation. With the fuel prices doubling and additional insurance premiums, Servant Air Ministries, Inc. was still able to fly a total of 454.7 hours utilizing our three aircraft. This being the ministries fourteenth year of the organization's existence, Servant Air continues to provide quality missionary flight services to the Southeast part of the United States and the Bahamas. The ministry continues to meet its mission statement of providing a chapel on the field at Merritt Island Airport, and providing individualized missionary flight training and ground school experiences. Air transportation for various ministries and churches throughout the state of Florida is a final area of our services.

A slate of officers was presented to the Board in our June 2007 meeting, and the following officers agreed to serve: Dr. Robert E. Lehton was again elected as president, Mr. Dick Todd was elected as Vice President, Mr. Ryan Roberts as Board Secretary, and Mr. Skip Williams as Treasurer. The motion to elect the four officers was carried with an affirmative vote. A motion was entertained to continue with the same General Board Membership and that was likewise unanimously approved. Mr. Fred Pino will continue his responsibilities recruiting and dues collection, and Mr. Kyle Dixon and Mr. Tom Liston for coordination of air show evangelism. Mr. Steve Miller will be responsible for dispatching of flights and Mr. Dick Todd will be responsible for supervision of the maintenance of the aircraft.

The financial position of Servant Air Ministries, Inc. remains very stable, with a positive cash flow and the ministry experienced no large expenditures in the area of maintenance or facilities. Much of the general flight training is now being referred to Voyager Aviation. Our Cessna 172 is used for missionary flying and flight training, whereas, the Aztec and Saratoga are utilized mainly for longer mission flights to the Bahamas, Central America and throughout the eastern part of the United States.

This year our 172 was flown some 256.2 hours. Our Saratoga PA 32 -301T was utilized only 58.2 hours. Our Aztec PA-23 was flown for approximately 140.3 hours. Flight instruction was more limited this year and was conducted mainly by Mr. Dick Todd, Patty Carter, and Dr. Robert Lehton. The ministry is moving more towards missionary flight services and less flight training, which has been the trend over the last three years.

Mr. Dick Todd who is Servant Air Ministries, AI and A&P mechanic have kept all three airplanes in excellent shape, along with the help of Mr. Steve Miller. Both also provided needed missionary piloting during this past year. Mr. Todd continues to be a blessing to the organization by supervising maintenance of all three aircraft, which includes annual inspections and routine progressive maintenance throughout the year.

Mission flights this year were more than in previous year's by the addition of over 100 flights performed for the Young Eagles which is part of the Experimental Aircrafts Association. Servant Air Ministry pilots and aircraft took over 100 young Eagles for individual flights up through the 3 children per airplane over the last year. Servant Air continues to make its annual flight to Walker's Cay for Faith Temple in Orlando, providing transportation for their conferences and missionary activities in the Bahamas.

This year Dr. Lehton joined the Southeast Angel Flight crew in order to make more mercy Angel Flights in the upcoming year. Mr. Ryan Roberts took a group of leaders from Ft. Pierce Alliance Church again to Cat Island. This has opened the door for a group of over 30 teenagers to provide missionary evangelism at Cat Island.

KLD Youth Foundation has become more a vital part of Servant Air Ministries, by our partnership of providing air transportation to Governor's Harbor on Eleuthra. KLD provided 12 missionary flights mainly using the Saratoga and Aztec and one flight in an Aerostar. This produced 12 trips to Governor's Harbor and the group has been able to start the construction of a Christian surfer's mission's camp and has painted over 20 houses as part of their dream to have the town totally painted "by Jesus".

This year Servant Air Ministries, Inc. provided limited flights for WEGO (World Evangelistic Gospel Outreach), as well as International Christian Embassy USA. Mr. Dick Todd provided a flight to Pensacola which again links our partnership with Bill Glass Ministries for the Weekend of Champions, in the Prison Invasion. Mr. Todd took four members of Lighthouse Church to be part of this prison ministry.

In February of March 2007, Servant Air Ministries, Inc. again sponsored our third annual trip to Israel. Approximately 40 people attended this trip which is co-sponsored by Torah Study Class and Servant Air Ministries, Inc. Financial support through Servant Air Ministries, Inc. is growing in supporting the Feast for Tabernacles and International Christian Embassy in Jerusalem, along with the Christian caucus in the Knesset. Mr. Ryan Roberts continues to manage our web site, and it continues to run smoothly. Ryan Roberts at the end of this year put "Pay pal" on the web site to receive donations by credit card for our new projects.

In September, Dr. Lehton was a speaker for the Pilots for Christ Convention held at Midwestern Baptist Theological Seminary in Kansas City, MO. Four members from Servant Air Ministries, Inc. attended the convention and Dr. Lehton also provided the Chapter report for the year 2006 at this convention. Dr. Lehton continued as Board Secretary and Mr. Dick Todd was elected to General Membership

The most exciting event this year has been a dream come true that the Board has visualized for over ten years, and that is the construction of an 80 x 80 hanger on the property at Merritt Island Airport. This hanger will give us a visible presentation of Christ's ministry on the field, and likewise a place to store aircraft and have our Chapel meetings. On December 31, 2007, Servant Air signed a 20 year lease for .42 acres to build the 80 x 80 hanger with the Tico-Cocoa Airport Authority. During the last three months in 2007,

Servant Air received \$27,000 in donations towards the construction of the hanger. The lease was signed with two five year extensions allowed at the end of the term. After the hanger is constructed, this lease provides cost effective measures in order to continue to care for our aircraft and provide a visible presence on the field. The new hanger will be located next to the beacon which will be a light of Christ on the field.

In conclusion, even with the escalating price of fuel, Servant Air Ministries, Inc. flew more hours this year than previous years noted. Again, it has been my privilege to serve as President of Servant Air Ministries, Inc. for the past 14 years, and I again thank the Board of Directors and volunteers for their efforts in service in Jesus' name. This coming year 2008 looks good for finishing our hanger and our dream of having a hanger on the field at Merritt Island. We'll also continue to make Young Eagle flights approximately four times a year and numerous trips to the Bahamas and Southeast part of the United States providing mercy flights. We'll continue our efforts to provide evangelism at air shows and work with all ministries throughout the Southeast part of the United States in providing charity and missionary flight activities.

We sincerely thank all the members, Board, pilots and supporters of Servant Air Ministries, Inc. for a fruitful year in 2007 and expect the Lord to produce great fruit in this coming season.

Respectfully Submitted,

Robert E. Lehton, CFII, MEI, President

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