MINUTES OF REGULAR MEETING OF THE VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS DECEMBER 8, 2022

1. The meeting was convened at the home of Bill Teater on December 8, 2022. It was called to order by President John Conroy at 9:12 am.

2. Present at the Meeting were:
   a. Board Members
      i. John Conroy (President and 2B)
      ii. Bill Teater (Acting Secretary and 1B)
      iii. Charles Elliston (1A)
   b. Other Members
      i. Ed Cole (Secretary/Treasurer)
   c. Visitors
      i. Ron Stites, Stites & Associates, LLC (Office Manager)

3. John presented the Agenda. It was accepted by acclamation.

4. Tom Thrall (Member-at-Large) joined the meeting at 9:16 am

5. There was a brief discussion on the role of the Office Manager. All agreed that the Office Manager would assist the Secretary/Treasurer while being careful to that Ed sign official papers except that the Office Manager could co-sign with the President on checks from the Operating Account.

6. Review of November Minutes. These minutes had been presented to the Board, approved, and presented to the Membership. The Minutes were accepted as presented without change by acclamation those present.

7. Financial Report. The Office Manager presented a detailed YTD P&L (see attached). This was to be used for Budget discussions later in the meeting.

8. Audit Committee:

   a. Bill moved that the name of the “Audit Committee” be changed to “Internal Fiscal Review Committee.” Charles seconded the motion. The main issue was the understanding of what an “audit” was meant in the Bylaws. Bill’s point was that this review process usually did not meet the standards of an “audit” in a narrow sense. A long discussion ensued as Board Members checked the Bylaws. It was agreed that the primary purpose of the Treasurer appointed Committee in Article IX, Section 8(c)(2) was to ensure that the Membership had a mechanism to review the books by methods of their choice, even if that method did not fully satisfy a narrow definition of an “audit.” This led the discussion to include what the Board should do relative to periodic, external audits as commonly defined. As a result of the discussion, Charles removed his second and Bill restated his motion as follows:

   i. Pursuant to Article VIII, Section 1(k) and 1(t), the Board will commission an external audit for FY2023 to be conducted in January of 2024.

   ii. The above motion was seconded by John and passed unanimously.

9. Fuel Committee:

   a. Charles reported he had contacted Eaton and requested that they “stick” the fuel tank (i.e., physically measure the volume in the tank) and physically measure aviation fuel flow to ensure that the Veeder Root 3000 system is measuring and recording volumes and flows accurately. Eaton should complete this work in the next few weeks and report their findings.

   b. Charles noted that he had found a fuel delivery ticket that had been missed. The fuel vendor had not noticed this missing payment and Van Aire brought it to his attention. Charles noted that we need to write up a fueling procedure that covers proper handling of documents, payment, and safe fueling practices. The Fuel Committee will begin working on this.

      i. Charles also noted that removing fuel from the tank while a delivery is in progress is hazardous. The fuel procedure should include a prohibition against removing aviation fuel from the tank while a delivery truck is present.

10. Runway Committee:

   a. Nothing significant to report.

11. Common Area:

   a. John noted that Don Smallwood had provided suggested budget items for the Board to consider for FY2023. This will be taken into consideration during the Budget discussion.

12. Architectural Committee:

   a. John reported that there was an application for approval of a hanger. Unfortunately, the current design does not meet setback requirements. A letter to that effect is being sent. It is anticipated that the requirement can be met with a design modification.

13. Investment Committee:

a. Bill led a discussion on the need for an investment policy/procedure. This lengthy discussion resulted in a consensus that:

    i. The current wording in the Bylaws that implies investments must have high yield and no risk is not workable.

    ii. It will take time and effort to sort out how best to meet the intent of the Bylaws and the desires of the Membership – including perhaps a formal amendment to the Bylaws.

14. Oil and Gas Committee:

a. Tom reported that a Division Order from Verdad had been received by Van Aire earlier in the week. The Royalty Interest (RI) had been reviewed by the Committee and seemed substantially correct. The Committee recommended that the President sign and return the Division Order to Verdad. Since there was no objection, John will execute the Division Order.

    i. It was further noted that this was for only three wells and that we should expect additional Division Orders from Verdad.

15. Covenant Review Committee:

a. Bill noted that much of the discussion during the meeting has been focused on simultaneously meeting the letter of the current Bylaws and new requirements arising from the Colorado Common Interest Ownership Act (CCIOA). The current Bylaws predate CCIOA and hence can appear to conflict with it. Since CCIOA has the force of law Van Aire may need to make significant revisions to its Bylaws to comply with CCIOA. The Board has been trying to avoid a major revision, but this seems unworkable. To begin this process Charles moved and Bill seconded:

    i. The Board resolves to hire an attorney in FY2023 to assist the Board in reviewing and rewriting the Bylaws to bring them into compliance with current law and eliminate ambiguity and internal conflicts. This work will be done during FY2023 and presented to the Membership at the 2024 Annual Meeting.

    ii. After extensive discussion the above motion passed unanimously.

16. Old Business:

    i. Charles opened discussion on the “Rules and Regulations Regarding Airport Operations” (also referenced “Operational Safety Procedures and Community Practices”). Charles moved that the document be adopted as written. Since this was a motion by a committee it did not require a second. Tom made a motion to adopt the “Rules and Regulations Regarding Airport Operations” as amended in discussion. It was seconded by Bill. The motion was passed without objection. A copy of the amended document is attached to these Minutes.

ii. John moved to adopt the “Van Aire Skyport Corporation Collection Policy” and the “Van Aire Skyport Corporation Covenant Enforcement Policy” as written except that a statement be placed in prominent place in each of the policies that the current policy supersedes all previous policies and procedures on the relevant topic. Bill seconded the motion. Copies of the amended policies are attached to these Minutes.

17. New Business:

a. 2023 Budget and Annual Meeting Agenda:

i. John suggested that the Board postpone this topic until Monday 12/12/2022. The Board will meet at 2 pm at Bill’s house to finish this agenda item. This was agreed.

b. Conduct of Meetings Procedure:

i. Charles moved to adopt the “Conduct of Meetings Procedure” as originally written. After some discussion, John moved to adopt the “Conduct of Meetings Procedure” after including key changes coming from a final attorney review. Tom seconded the motion and led a discussion on the attorney review. Language was accepted or rejected item by item by a vote of the Board. The final, approved revision is attached to these Minutes.

18. Other matters.

a. A Budget and Annual Meeting work session will be on Monday 12/12/2022 at 2 pm at Bill’s house for the sole purpose of preparing a Budget for FY2023 and preparing for the January 2023 Annual Meeting.

19. Meeting Adjourned at 2:07 pm.