MINUTES OF REGULAR MEETING OF THE VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS
February 6, 2023

- The meeting was convened at the home of John Conroy. It was called to order by John at 4:30 pm.

- Present at the Meeting were:
  - Board Members
    - John Conroy (President and 2B)
    - Bill Teater (Acting Secretary and 1B)
    - Ed Cole (Treasurer)
    - Tom Edwards (2A)
    - Tom Thrall (Member-at-Large)
  - Visitors
    - Ron Stites, Stites & Associates, LLC (Office Manager)
    - Carl Goeritz ("Buddy")
    - Charles Elliston
    - Leon Brodie

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

- Ron led a discussion on some items that arose from the 2023 Annual Meeting.
  - Capitalize Bike/Walking Path?
    - The consensus was that the project was not dead. It may be reconsidered in a different configuration/cost. Tom E. moved that the Bike/Walking Path costs continued to be capitalized for up to three years as other designs were considered. Tom T. seconded the motion. The motion passed unanimously.
  - Continue PES Invoice in Accounts Receivable?
    - Bill noted that this theft was not fully discovered until 2022. The consensus was to "write off" the receivable and recognize any collected funds if and when it occurs. Furthermore, the consensus was to follow CPA Marty Wadworth's lead on handling the accounting and amending the 2021 tax return if necessary.
      - Note: Marty was consulted on February 7. It was noted that the way the latest PES invoice was done, it could be reversed and not impact 2021 or 2022 taxes or income statements. A General Journal entry reversed it.
  - Continue reporting "Unrecognized Income" in the P&L?
    - Ron consulted Marty on this matter and recommended not listing this and reversing all the entries. It was booked as Recognized Income for January 2023 because we had converted the Morgan Stanley Accounts into cash to purchase CDs through TD Ameritrade.

        - Ron asked if the Balance Sheets in 2023 should display the split between O&G and Other funds in the TD Ameritrade CDs.
            - The board noted that though this tracking was contrary to advice provided by our tax attorney (Hurwit & Associates), the consensus was to continue the practice until otherwise decided.
            - John moved that the board engage a local attorney who is fully aware of non-profit tax issues and State of Colorado Corporate law. Seconded by Tom T and passed unanimously. In addition, we will need to ensure our corporate structure remains consistent with our tax status.
            - In reference to the future tax strategy questions brought up during the Annual Meeting, Tom E moved that the Board write a letter/memo to former Treasurer Linda Alexander soliciting specific questions to ask the new attorney. The motion was seconded by John and passed unanimously.

    - Approve and promulgate the Minutes of the 2023 Annual Meeting
        - Ron drafted these Minutes from notes taken by Ron and Bill at the meeting. They have been circulated and approved by the Board via email. These will be posted on the website as "Draft" Minutes to be approved at the next Annual Meeting.

- Audit/Internal Fiscal Review Committee:
    - Nothing new to report.

- Fuel Committee:
    - Tom T. has ordered a fuel nozzle rebuild kit and will repair the nozzle at the fuel farm when received

- Nominating Committee:
    - Bill has sent an email announcing Charles's resignation from the Board and soliciting volunteers to serve for Block 1A. Members have until February 14 to respond.
    - Ed volunteered to run for Board Member representing Block 1A.

- Runway Committee:
    - Charles reported that on October 9th, 2019, the Board voted to repaint the displaced thresholds on the runway. The painting has not been done. Charles presented an analysis of glide paths that showed this does have safety implications, especially with truck traffic on streets near the ends of the runway. Charles plans to repaint the displaced thresholds as soon as the weather clears and warms, i.e, .toward the end of March. He wanted to verify that the Board is still committed to the displaced thresholds. The board requested that Charles wait on doing this until after the March Board Meeting to give them time to study the issue. Charles agreed. Tom E moved and Bill seconded to table the decision until the March meeting.

- Common Area:
  - John reported that Don Smallwood recommended we treat all the common areas with a pre-emergent herbicide. John expressed concern about wells and water contamination, and also noted that improperly applied pre-emergent herbicides can wreck vegetable and flower gardens. After some discussion of the risks and proper setbacks, Tom T moved that the COOP be hired to treat all the common areas and taxiways with a pre-emergent herbicide. All concerns being satisfied, the motion was seconded by Tom E and passed unanimously.

- Architectural Committee:
  - John noted that there was nothing new to report.

- Investment Committee:
  - Bill noted that he and Ron had discussed certain security issues surrounding handling the CD Ameritrade account. One good security feature, however, was that funds moving out of the TD account could only go to the Van Aire checking account (i.e., NOT to any third party). .
    - Tom E moved to modify our check signing policy to require the check signers to initial the check stub in addition to continuing the policy of requiring two signors. This change was seconded by Tom T and passed unanimously.
    - Tom T also moved that all transactions in, out, or within the TD Ameritrade account be pre-authorized by a vote of the Board and that only the Treasurer and the Chairperson of the Investment Committee can access the TD Ameritrade account. The motion was seconded by Tom T and passed unanimously. In the discussion, it was noted that with these measures in place, it would take a conspiracy of four persons to embezzle from TD Ameritrade funds.

- Oil and Gas Committee:
  - Nothing new to report on receiving money.
  - John has executed the second set of division orders and noted that he would follow up on ensuring Verdad had all the necessary documents from Van Aire.

- Covenant Review Committee:
  - Nothing new to report.

- Old Business:
  - There was nothing specific.

- New Business:

  - Annual Meeting Review and Critique:
    - It was noted that we need to memorialize an annual schedule for future boards so that we do things in a logical, consistent order

throughout the year to prepare for the Annual Meeting. Several historical conflicts were noted, such as the practice of billing for dues that had not been approved etc.

  - Tom E. moved that everyone on the Board think about how a schedule could be established to resolve these timing issues. The motion was not seconded, but Bill committed to trying to craft such a schedule.

- Buddy observed that the voting process (and numbers required) to change the Covenants are impractical when attempted at an Annual Meeting . He stated that a much better method would be a mail-in ballot for greater participation. Discussion ensued revealing the need to revamp our controlling documents to be consistent with the new laws and each other.

- Tax Strategy:

The consensus was that this topic had been dealt with in sufficient detail earlier in the evening and will require several months to resolve~~.~~

- Changes to Airport Rules and Regulations:
  - Charles shared that Members had provided constructive criticism of the promulgated Airport Rules and Regulations. The feeling was that the wording was too strong. He passed out a revision for the Board to consider.
  - From feedback from his constituents, John agreed that the language was too strong. He suggested that all the Board Members review the new language and be prepared to discuss it at the next Board Meeting.
  - Discussion ensued revolving around the title, “Rules and Regulations,” and whether this was what makes them a hot issue. Clarification was given that this was but the first chapter in the larger document known as "Rules and Regulations", with other chapters to be added as needed. This chapter could be retitled if necessary.
  - Buddy and others reinforced that the words “Rules and Regulations” are used in the Covenants and CCIOA. Therefore, the Board is supposed to make “Rules and Regulations.”
  - Tom E. noted that this is another area where residents need to be educated. They need to know what the Board is required to do under current law.
  - Discussion extended to the problem of having a “fly-in” without Rules and Regulations. It was brought up that our insurance company thinks we are remiss to not have serious Rules and Regulations. We have a waiver system, but the agent requires a separate policy for an “event” that we can’t call a “fly-in.”

    - This started a discussion about insurance for airplanes hangered at Van Aire but not owned by Van Aire residents. Bill volunteered to check with our insurance agency, Flood and Peterson, on the matter.

- Walking/Biking Path Revisited:
  - Tom E. stated that the Walking/Biking Path may have failed because it did not address the space conflict between airplanes with cars, pedestrians, bikes, drones, etc. He suggested that if the Walking/Biking Path were designed to include a parallel taxiway feature, it might have gained enough support to pass.
    - Discussion also ensued regarding the property for sale near Harvest and 156th. It is feared that failure to acquire it might result in new owners utilizing it in a manner that may interfere with or jeopardize airport operations. Therefore, the Board resolved to investigate the possibility of acquiring that land.

- Developing Document Control Policy/System:
  - Ron briefly noted that he was loading documents on the website. He claimed the program was clunky, and the security did not seem that robust. This highlighted the need to investigate other programs like Dropbox, OneDrive, or some other structured file management system if we want to manage documents securely. Work will continue along this front.

- Election of 2023 Officers:

  This item was postponed until March.

- Need to Identify Leaders for Committees:
  - Standing Committees per Bylaws:
    - Architectural Control Committee (John Conroy)
    - Nominating Committee (Bill Teater)
  - Ad-Hoc Committees to be Continued by the Board
    - Audit/Internal Financial Review Committee (the Bylaws imply this Committee but do not name it) (?)
    - Fuel Committee (Tom Thrall)
    - Runway Committee (Charles Elliston)
    - Common Area Committee (?)
    - Investment Committee (Bill Teater)
    - Oil and Gas Committee (?)
    - Covenant/Bylaw Review Committee (?)

- Bylaw and Covenant Overhaul 2023
  - Some work had been done at this meeting. It will be continued in March and beyond.

- PES Pursuit and Financial Status:
    - Tom T. gave some background on why recovering some of this money is likely.

- Presentation of a proposed Aviation Safety Committee
    - Charles proposed adding an Aviation Safety Committee to promote awareness of hazards that can arise from aviation operations. He did not see this as an enforcement effort but as an educational program. He described some of the many video resources available that could make this both educational and interesting.
    - The idea was well received, but several Board Members expressed that the timing may not be ideal.

- Meeting Adjourned at 8:15 pm.