<u>Meeting Minutes</u>

VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS
Monthly Meeting on February 11, 2025

The meeting was convened at the home of Jim and Jeanette Vyduna at 15886 Delta Court, Brighton, CO, on February 11, 2025.

Present at the Meeting are (indicate those present in person, present electronically, or absent):

- **Board Members:**
  - Director Maureen Bendure, Vice-President (1B) (Term expires at end of 2025) **<u>Absent</u>**
  - Director Ed Cole (1A) – (Term expires at end of 2024) **<u>Present</u>**
  - Director Tom Edwards (2A) (Term expires at end of 2024) **<u>Absent</u>**
  - Director Charles Elliston, President (Director At-large) (Term expires at end of 2025) **<u>Present</u>**
  - Director Buddy Goeritz (2B) (Term expires at end of 2025) **<u>Present</u>**
  - Treasurer Jeanette Vyduna **<u>Present</u>**
  - Secretary Mandy Donovan **<u>Present</u>**
  - Office Manager Ron Stites, Stites & Associates, LLC (attending electronically) (plans to retire at end of 2025) **<u>Present</u>**
- **Guests**: (Indicate the names of guests in attendance.)
  - Mr. Jim Vyduna
  - Mr. Don Watkins

NOTE: Everyone present should assume that all aspects of the meeting are being video and/or audio recorded.

1. President Elliston called the meeting to order at 6:14 pm.

2. Secretary Donovan:
   - verified that meeting notice was issued in accordance with the bylaws,
   - conducted a roll call,
   - verified that a quorum was present, (three directors are required to be present in person or electronically for a quorum)
   - verified that the previous month's meeting minutes had been approved via email.

3. **President's Report**:
   - President Elliston advised the board that the agenda for the Annual General Membership Meeting was emailed and a hard copy mailed to the membership in the third week of January, 2025, along with a copy of the proposed bylaw revision, and two proxies per property, Therefore, the Notice of Meeting deadline between 50 and 10 days prior to the meeting had been met.
   - President Elliston reminded the board that During the "New Business" portion of the previous month's meeting, a first reading of the proposed VASC **Policy Prescribing Methodology in Revising Governing Documents** was conducted. It is expected that the board will discuss the proposed policy during the "Old Business" portion of this meeting and hopefully it will be adopted.
   - President Elliston advised the board that a complaint was received regarding the board's failure to enforce the Protective Covenant requirement that property owners do not exceed three aircraft tied down or hangered on their property. He suggested that this issue be discussed in detail under "New Business".
   - President Elliston queried the board members present if they had read the Board Members Duties and Responsibilities document he presented to the board last year. He reiterated his desire that all board members study the document carefully and take it seriously. With an annual budget of $4 million plus, it is imperative that the board and the corporation "up their game" to meet the increased demands created by having so much at stake. A copy of the document is appended to these minutes.
   - President Elliston also mentioned the new requirement for all board members to sign a Conflict-of-Interest Disclosure Policy form going forward. This form will be presented for all board members to sign at the first board meeting following the annual meeting, and kept on file by the Board Secretary. He emphasized that avoiding and disclosing conflicts of interest is a legal and moral requirement for board directors and officers. A copy of this Policy is appended to these minutes.
   - President Elliston also passed out copies of a proposed VASC Vision and Mission Statement. Most credible organizations have such a document to guide the board in considering and making decisions regarding the organization. A copy of the proposed statement is appended to these meeting minutes.
   - President Elliston stated that recent events have served to highlight the importance of adhering to the principles prescribed in the three documents

discussed above. He stated that VASC belongs to all of us. We each own 1.2 % of the assets. It is unacceptable for any single individual to attempt to dictate policy as if this airport is her or his personal property. It is the board's duty and responsibility to scrupulously act exclusively in the best interest of all of our residents, not just the loudest or most politically powerful ones.

4. **Treasurer's Report**:
   - Treasurer Vyduna and Office Manager Stites Provided the board with an Overview of financial activities since the last board meeting on January 9th.
     - Notable expenditures include $40,000 filed with the federal government for income taxes, over $4,000 paid to Illumine Legal, LLC for tax advice, and a $500 deposit to Brighton Armory for the upcoming meeting.
     - Correspondence and statements from Schwab and Morgan Stanley were sent to Office Manager Stites for his review.
     - A payment of $50 to Agfinity for soil tests was noted.
     - Payment to Don Smallwood: On April 21, 2023, a payment of $2,800 was made to Don Smallwood for storage of the snowplow truck and tractor, consistent with previous years.
     - Flood and Peterson Payments: $3,101 for commercial property policy. $6,768 for general liability coverage policy.
     - Altitude Community Law: Paid $175 for filing a periodic report with the Colorado Secretary of State's office.
     - Adams County Treasurer: Paid $5,030.66 for 2024 taxes to be paid in 2025.
     - Adams County Stormwater: Paid $83 for stormwater fees.
     - Account Status and Collections: There was discussion of how the collections policy works. Late fees accrue at $25 per month if dues are unpaid. If paid within 25 days of a late fee due date, the fee can be waived.
     - Financial Documents Shared with Membership: Profit and Loss, Budget vs. Actual, and Balance Sheet as of December 31, 2024. An oil and gas chart showing revenue by month from January 2023, alongside the West Texas Intermediate crude price, was provided. The chart reflects changes in production rather than price fluctuations, with minor bumps due to price changes.
     - Annual Budget Worksheet: Details of the $635 assessment calculation were shared, allowing members to review the math.
     - Reserve Calculations: Oil and Gas Reserve and General Reserve: Starting

reserve figures from January 1, 2024, were discussed.

5. **Committee Reports:**
   - **Architectural Control Committee:**
     Tom Edwards, John Conroy, Laura Larkin, Maria Rhiel
     - No committee representative was present. Nothing was reported.

   - **Audit Committee:**
     Maureen Bendure, Wendy Odenbrett, Ed Cole, Helen Gaines, Nancy Flanagan
     - Board Treasurer Vyduna reported that the Audit Committee had met earlier in the month to conduct the internal audit and found the corporation's books to be in order.

   - **Common Area Committee:**
     Terry Jackson, Vince Phelps, Charles Elliston
     - Don Smallwood's proposed invoice for seeding the 16-acre addition was discussed. No action taken pending absent board members' input.

   - **Covenant/Bylaw Review Committee:**
     Carl Goeritz, Don Watkins, Charles Elliston
     - President Elliston and Director Goeritz led a discussion regarding the proposed Bylaws Revision to be presented to the General Membership for a first reading at the upcoming Annual General Membership Meeting.
     - There was also brief discussion of work on a proposed revision to the Airport Operating Rules and Regulations for presentation to the membership for approval later in the year. The board agreed that the presentation format should be a line-item format similar to the proposed Bylaws Revision that will be presented to the Membership at the annual meeting.
     - Voting Process: The format for voting on amended by-laws has been updated to include a YES or NO vote on each individual amendment. There was confusion regarding the amendments, but it was clarified that 18 items are up for vote.
       - Membership Voting: The membership will vote on the proposed revisions on March 11th, assuming the new website is operational. Online voting will be the primary method, with

hard copies available for those unable to vote online.

- A 50% approval margin is required for by-law amendments, while covenants require a 67% margin.
- Future Amendments: Additional by-law revisions can be proposed once the online voting system is established. Covenant revisions will follow a similar process, with a minimum 30-day review period for membership consideration.
- General Discussion on Voting Accessibility: Members without online access will receive hard copies for voting. The number of such members is expected to be seven.
- Proxy Voting Concerns: Director Goeritz raised concerns about the two-proxy limit, emphasizing the need for clear communication and understanding among members. Director Elliston suggested that online voting should eliminate the need for proxies for membership votes.
- Voting Process and Online System issues: Addresses and emails need to be updated on the website for online voting.
    - Voters must sign up on the website, create a password, and log in to vote.
    - Aim to have the system ready by March, with potential practice elections to ensure functionality.

- Rules and Regulations: VASC is still operating under the original Airport Operating Rules and Regulations. The plan is for the GDRC to review the existing AOR&R and compare them to the proposed version submitted by Former Board President Jewett last May, after the Annual Meeting, including adding language clarifying statements about emergency authority for pilots. It was also suggested that controversial rules be accompanied by a link to the respective meeting minutes documenting their passage.
- Communication and Transparency: A suggestion was made to add hyperlinks on the website citing relevant FAR's and AC's for additional information on airport rules and regulations. Discussion emphasized the need for members to understand the full context of rules, not just isolated sentences.

- **Fuel Facility Committee:**
  Jim Vidula, Charles Elliston, Ed Cole, Ryan Bendure, Dan Metz
    - Fuel Committee Chairman, Mr. Jim Vyduna, advised the board that the fuel-on-hand quantity was getting low (about 800 gallons) and that he had called Mr. Jim McClaughlin at Platte Valley for expeditious resupply, without response.

- **Investment Committee:**
  Maureen Bendure, Laura Larkin, Office Manager Ron Stites, Jim Vyduna
    - Board Treasurer Vyduna and Office Manager Stites apprised the board of the most recent rotation of CD's with Schwab.
    - On January 31st, a meeting was held to reinvest funds. $250,000 from the Bank of Colorado was moved to Schwab for a 15-month JP Morgan CD at 4.55%. Another $250,000 from a Schwab cash account was invested in a 12-month CD at 4.2% from First Carolina Bank. Bank account balance reduced to just over $100,000, considered a reserve amount, with expectations of incoming funds from Verdad and assessments.
    - Investment Decision: The team attempted to invest $250,000, but the initial option was unavailable. They opted for a 4.2% return over 12 months as mentioned above.

- **Nominating Committee:**
  Maureen Bendure, Tom Edwards, Kathy Metz
    - Current Status: No new nominations were reported. DJ Hernandez is set to replace Director Cole, and Director Edwards has agreed to stay on for another two years.
    - If unchallenged, D.J. Hernandez, and Director Edwards can be appointed by the board or voted in by acclamation by the 1A and 2A membership respectively. Secret ballots have been prepared for potential write-ins.

- **Runway/Facility Committee:**
  Vince Phelps, Charles Elliston, Wayne Henke, John Conroy, Leon Brodie
    - Director Goeritz updated the board on progress in acquiring bids for crack sealing, and seal coating. A new paving contractor using CDOT-approved materials has been contacted. The project is planned for early spring. The board urged the committee to expedite accomplishment of the crack sealing and seal coating

operations.

  - Zoning and Landing Strip Issues: Incorporating the new property into Van Aire under commercial zoning could be complicated, potentially requiring rezoning. There was a problem with the designation of the 42 acres as a landing strip. A letter from Adams County clarifies that any use of the site as a landing strip other than the paved runway is a zoning violation. For a grass runway to be compliant with county zoning requirements, FAA approval is necessary, as per a letter from Adams County addressed to Brandon Jewett in 2013.

- **Oil and Gas Committee:**
  <u>Don Smallwood, John Allison</u>
    - Current Status: Awaiting royalty checks from Verdad; no significant updates.

- **Tax Strategy Task Force Committee**:
  <u>John Conroy – Chair,…</u>
    - The board discussed tax bills for the 42.18 acres and the additional 5 acres purchased last year. The contiguous acreage is zoned Agricultural 1 (A1), while the 5.5 acres are zoned commercial, affecting tax rates.
  - There was a query regarding whether the 42 acres zoned as A1 are being taxed. Currently, only a bill for the new 5-acre plot is available. It was mentioned that due to non-profit status, there might be a tax exemption. This was discussed six months ago, and the consensus was to incorporate the new property under tax-exempt status.

6. **Old Business:**
    - Walking/Biking Path: No action was taken on this topic pending results of the membership survey which will be tabulated on March 11th, 2025.
    - At the January board meeting, President Elliston presented a draft copy of a proposed **Policy Prescribing Methodology in Revising Governing Documents** for board members to read prior discussion and adoption at the February monthly board meeting. Mr. Elliston stated that ongoing governing document revision is necessary to ensure that all governing documents are consistent with each other, CCIOA's requirements, and other applicable legal requirements. One of the primary aims is to ensure that big-ticket items are presented to the board and membership with ample time for careful consideration before voting. Historically, the corporation has had no uniform method for introducing, analyzing, and

adopting revisions to existing governing documents. This policy will provide a standardized methodology involving a side-by-side, word-for-word comparison of the text of the existing document with the text of the proposed revision. The document aims to prevent arbitrary changes. It outlines a clear process for changing articles of incorporation, covenants, bylaws, and rules and regulations. The policy specifies a 30-day period for membership review and voting. Voting will occur line-by-line to avoid rejecting the entire document due to membership disagreement with one item. This process will be more laborious, time consuming, and require greater membership participation than previous methods, but it will produce higher quality governing documents for the corporation.

Director Cole_____ moved that the policy be adopted as presented. Director _Goeritz_____ seconded the motion. The motion passed with two votes FOR, no votes opposed, with two board members absent. (President Elliston did not vote, as is his custom unless there is a tie vote.)

- The board discussed the sequence of presentations planned for the annual membership meeting scheduled for February 15th. The board agreed that the order of events prescribed in the agenda will be followed.

7. **New Business:**
   - The board discussed the idea of removing the 3-aircraft limitation per plot requirement of the Protective Covenants. President Elliston reminded the board that in the Protective Covenants under the heading "DEDICATION", it is stated that *"…each property owner shall be a member of the Van Aire Skyport Corporation… to insure* (sp) *Van Aire Skyport Corporation financial support and compliance with rules and regulations set by the Van Aire Skyport Corporation concerning the operation of aircraft, including, but not limited to, take offs, landings, and in-flight usage and maintenance of common facilities*." He further pointed out that under the heading "AIRCRAFT ON PREMISES", it is stated that "*No more than 3 aircraft shall be on any one plot, either tied down or in hangar*." He added that an argument could be made that the rule limiting the number of aircraft that may be kept on any one private plot is contrary to the stated purpose of regulating the usage and maintenance of common facilities. Private plots and hangars are not common facilities.

     Another argument could be made that the 3-aircraft limitation is arbitrary and capricious. Why 3, why not 2 or 5?

Yet another argument against the rule is that covenants in general are created to protect and maintain the external appearance of a neighborhood and thereby protect owners' property values. While the number of aircraft tied down outdoors might materially affect the appearance of our neighborhood, the number of aircraft in a hangar, out of public view, will have no material deleterious effect on neighborhood appearance or neighbors' property values.

According to President Elliston's research, the most persuasive argument against the rule, one that has been successful in litigation on many occasions in many jurisdictions, is that the association has been aware of a covenant violation for a significant period of time, but had not during that time enforced the covenant. The fact that VASC has been aware that numerous residents have been in violation of the 3-aircraft limitation for many years, more than ten, but not ever taken any steps to enforce the limitation since the beginning, makes it highly probable that litigation to enforce the covenant would be unsuccessful, in addition to being costly.

And lastly, a predominant attitude in our neighborhood is that "What I do in my own hangar, ain't none of your damn business!" Essentially, residents do not want protective covenants until their neighbor does something they do not like. Accordingly, the Board should consider proposing an amendment to the Protective Covenants that will more accurately reflect the mood and desires of the majority of the membership. Obviously, protective covenants are necessary, but they need not be onerous or intrusive.

Director _Edwards______ moved that in light of the foregoing issues, the board pass a resolution to direct the Governing Documents Review Committee to study the issue in detail, with an eye to recommending to the membership that three-hangered-airplane restriction, along with other inappropriate and unjustifiable rules, be removed from the protective covenants in accordance with the procedure specified in the governing documents and VASC Policy Prescribing Methodology for Amending Governing Documents. Director __Cole_____ seconded the motion. The motion passed with three votes FOR, and no votes opposed, with two members of the board absent. (President Elliston voted under duress on this issue, not because there was a tie, but because the other board members and officers argued that his vote on this issue was essential.)

8. **Speaker's Corner, or Open Forum:**
    - Corporation Member, and Governing Documents Review Committee member, Don Watkins, spoke briefly about member Jimmy Ochs' trees along 160th Ave being cut down. He said he spoke with Mr. Ochs and Mr. Ochs said he had called the County about some downed limbs. The County then came out and cut all the trees on Mr. Ochs' property along 160th Ave. The message here is, "if you do not want trees that are along the road right-of-way easement to be removed, do not call the County." One of the primary concerns Mr. Watkins shared is that before he planted trees on his property along 160th Avenue, he had experienced burglary of his personal property on three different occasions. Planting the trees seemed to prevent subsequent occurrences. Mr. Watkins suggested that depending upon experience, it may become necessary for property owners along 160th Avenue to erect fencing to protect their property from passersby with larcenous intent.

9. **Executive Session**:
    - Executive Session was not necessary.

10. **The next board meeting** was be scheduled to be held at 6:30 pm on March 11, 2025 at the home of Jim and Jeanette Vyduna.

11. **Adjournment**: The meeting was adjourned at 8:40 pm.

Addendum:

Record of Board Motions at the February 11, 2025 Meeting:

- Director ___Cole____ moved that the proposed **Policy Prescribing Methodology in Revising Governing Documents** be adopted as presented. Director _Goeritz_____ seconded the motion. The motion passed with two votes FOR, no votes opposed, with two board members absent. *Completed.*
- Director __Edwards_____ moved that the board direct the Governing Documents Review Committee to study the Protective Covenants in detail, with an eye to recommending to the membership that the three-hangered-airplane restriction, along with other inappropriate and unjustifiable rules, be removed from the protective covenants in accordance with the procedure specified in the governing documents and

VASC Policy Prescribing Methodology for Amending Governing Documents. Director __Cole_____ seconded the motion. The motion passed with three votes FOR, and no votes opposed, with two members of the board absent. *In process.*

Previous Year's Board Motions and Disposition:

- **July 15, 2024**: Maureen nominated Charles Elliston to fill the vacant At-Large Director position. Since the position was uncontested, the nomination was accepted unanimously. *Completed.*
- **July 15, 2024:** Maureen called for a motion to nominate Charles for the position of President. Tom nominated Charles and Buddy seconded the motion. The motion passed unanimously. *Completed.*
- **July 15, 2024:** Tom proposed a motion to increase the cap for Ron's work by $500.00 monthly. Which will be a total of 1500.00 per month for his continued support. Ed seconded the motion and it was approved unanimously. *Ongoing.*
- **July 15, 2024:** Tom proposed a motion, in light of Ron's move to Missouri, for an extra person to help with the Certificates of Deposit and Schwab account rollovers. Maureen volunteered to serve in that capacity going forward. Ed and Maureen will coordinate with Ron to manage the CD investments portfolio to make sure they are properly timed and accounted for. Maureen seconded the motion and it was approved unanimously. *Completed.*
- **July 15, 2024:** Buddy made a motion to retract the Board's proposed revision of the Airport Operating Rules and Regulations. Maureen seconded the motion and it passed unanimously. *Completed.*
- **August 19, 2024**: The board moved to require formal Adams County approval of a proposal by Adam Vaughn to partner with Rod Woodard to create a drainage system that would spill into the bar ditch on the east side of Fortune Court towards 160th Avenue prior to Architectural Committee approval of the plan. Further, the board directed that Mr. Vaughn should be notified of this decision in writing ASAP. *Completed.*
- **September 16, 2024**: Director Cole moved to authorize rental of a handicapped capable Porta-Potty unit for the VASC Annual Picnic/Fly-in. Director Edwards seconded the motion and it was passed unanimously. *Completed.*
- **September 16, 2024**: Director Bendure moved for the directors to take two weeks to present the three walking/biking path options suggested by Director Edwards to their constituents for comments or suggestion of improvements. If no significant improvement suggestions are received from the membership by October 1, 2024, Director Edwards will proceed to acquire updated engineering drawings of all three options from Western Engineering and seek contractors

willing to make bids for all three options. Director Edwards will then forward the updated drawings to the members of the board via e-mail before the October meeting, at which the options will be further considered prior to presentation to the full membership for approval at a special meeting. Director Cole seconded the motion, and it was passed unanimously. (*NOTE: Membership response to the survey was insufficient to make a definitive decision regarding the desires of the membership. Hence, a second survey was issued with the Notice of Annual General Membership Meeting. 24 responses were received and analyzed. In an effort to obtain a wider statistical sample of membership opinion, the survey will be reissued via email with a published suspense date of March 16, 2025.*) *In process.*

- **September 16, 2024**: Director Elliston called for adoption of the Approved Vendor Policy that was presented to the board at the August board meeting. Director Edwards moved to accept proposed policy as presented. Director Bendure seconded the motion, and it was passed unanimously. *Completed*.
- **September 16, 2024**: Director Cole moved to authorize the purchase of the Owl Meeting device for $1,099.00 from Mr. Jim Vyduna. The device will become the property of VASC. Director Goeritz seconded the motion, and it passed unanimously. For the foreseeable future the board president will maintain custody of the unit. *Completed*.
- **September 16, 2024:** Director Edwards moved, and Director Cole seconded the motion to approve an annual subscription with the HOA Start web-hosting service as requested by Director Elliston and Office Manager Stites. The motion passed unanimously. *In progress. Note: HOA Start failed to meet our needs, so we are now developing a website using EasyHOA software. It is hoped the new website will be on line for introduction to the membership at the annual membership meeting on January 18th, 2025*. *In Process*.
- **October 13, 2024:** Director Goeritz moved to formally appoint Jeanette Vyduna as the VASC Treasurer. Director Bendure seconded, and it passed unanimously. *Completed.*
- **October 13, 2024:** Director Bendure moved to authorize Director Goeritz to negotiate with Front Range Asphalt for procurement of a multi-year maintenance contract to include crack filling and seal coating using CDOT approved materials for runway preservation. Director Goeritz seconded the motion and it passed unanimously. Director Goertiz was further instructed to email the board with the results of the negotiations. *In process.*
- **December 5, 2024:** A motion was made and passed unanimously to accept the proposal by Prairie Dog Pros to perform the prairie dog poison application for an amount not to exceed $900. *Completed.*

- **December 5, 2024:** Director Edwards moved, and Director Cole seconded a motion to table a discussion of Director Goeritz' desire to rescind the two-proxy limit specified in the bylaws until the next board meeting. The motion passed unanimously. *Discussion tabled.*
- **December 5, 2024:** Director Edwards moved, and Director Bendure seconded a motion, to approve the proposed 2025 budget for presentation to the general membership at the Annual Meeting in January 2025. The motion passed unanimously. *Awaiting approval at annual meeting.*
- **December 5, 2024:** Director Cole moved, and Director Edwards seconded a motion to adopt the proposed Policy for adopting new rules and policies in compliance with CCIOA requirements. The motion passed unanimously. *Completed.*
- **December 5, 2024:** Director Edwards moved, and Director Cole seconded a motion to adopt the proposed policy detailing how board members will resolve conflicts of interests in their board work, in compliance with CCIOA requirements. The motion passed unanimously. *Completed.*
- **December 5, 2024:** Director Bendure moved, and Director Edwards seconded a motion to adopt the proposed Dispute Resolution Policy in compliance with CCIOA requirements. The motion passed unanimously. *Completed.*
- **December 5, 2024:** Director Edwards moved, and Director Cole seconded a motion to adopt the proposed policy prescribing unit owners' right to inspect and copy corporate documents in compliance with CCIOA requirements. The motion passed unanimously. *Completed.*
- **December 5, 2024:** Director Edwards moved, and Director Cole seconded a motion to adopt the proposed amendment to the previously adopted Conduct of Meetings Policy to bring it in line with proposed amendments to the Bylaws. The motion passed unanimously. *Completed.*

Year to Date Board Motions and Disposition:

- **January 9, 2025:** Director Cole moved, and Director Edwards seconded a motion "To create an ad hoc committee called the Tax Strategy Task Force, to be chaired by John Conroy and populated by volunteers he selects. Said committee will conduct research and seek legal advice from qualified tax and non-profit experts, providing monthly reports to the board, which may be verbal or in writing. The committee will be funded initially with $5000.00 for legal and research fees." The motion passed unanimously. (*In Process*)
- **January 9, 2025:** Director Edwards moved, and Director Cole seconded a motion to "Approve the proposed bylaw revisions for presentation to the membership for a first reading at the annual meeting, followed by a 30-day comment period,

followed by a full membership vote on the website or US Postal Service for our members who prefer working in hard copy."   The motion was approved unanimously. (In process)
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Appended Documents:

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Basic Board Member Duties and Responsibilities

Each Board Member has fundamental legal duties and responsibilities which include:

- **Duty of Care** — Each board member has a legal responsibility to participate actively in making decisions on behalf of the organization and to exercise their best judgment while doing so.

- **Duty of Primacy** — Each board member must always put the interests of the organization before their personal and professional interests when acting on behalf of the organization.

- **Duty of Loyalty** - The Board always speaks to the Corporate Membership with one voice. If a Board Member does not agree with a majority decision of the Board, s/he is obligated to support the Board's decision when interacting with the Corporate Membership outside the Boardroom.

- **Duty of Legal Compliance** — Board members are responsible for ensuring that the organization complies with all applicable federal, state, and local laws, as well as the organization's governing documents, while assiduously adhering to the Corporation's mission.

- **Ethical Duty** – In addition to observing the above listed duties, Board Members have a responsibility to behave ethically by scrupulously striving to openly and transparently do the right thing for the organization and its members at all times. Good Board Members serve the organization, not themselves.

Board and Board Member Responsibilities:

- Attend all board and committee meetings and functions, arriving on-time, every time.

- Review the meeting agenda and supporting materials prior to Board and committee meetings so as to be prepared to intelligently discuss the issues the Board will be addressing.

- Follow conflict-of-interest and confidentiality policies. The organization's mission always comes first! Board Members must always avoid even the appearance of a conflict of interest. Recusal is mandatory in the event of a real conflict of interest.

- Continually monitor the Corporation's financial health through a monthly review of the financial statements provided by the Treasurer/Office Manager/Accountant, and commissioning frequent outside audits by professional agencies.

- Serve on committees, both standing and ad hoc, as well as take on special assignments.

- Serve as a communication interface between the Corporation's Membership and the Board to both understand the desires of the membership, and communicate those to the Board, as well as inform the Membership regarding the Board's intentions, actions, and reasoning.

- Ensure that the organization has up-to-date risk management policies and procedures, and appropriate insurance to mitigate legal and fiscal liability. Risk management policies include airport operational rules and regulations, as well as published standard operating procedures for fiscal management and accountability.

- Annually review published corporate policies to ensure compliance with statutory changes and best practices.

- Continually monitor progress of projects designed to further achievement of goals related to the organization's mission.

- Actively recruit individuals from the Corporate Membership who can make significant contributions to the work of the board and the organization.

- Keep up-to-date on developments in the organization's field.
- The Board should provide, and Board Members should seek and receive appropriate training in effective board membership.

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Van Aire Skyport Corporation
Conflict of Interest Policy

Adopted December 5, 2024
Van Aire Skyport Corporation Board of Directors

Authority:

The Colorado Revised Statutes, Title 38, Section 33.3-209.5, also known as the the Colorado Common Interest Ownership Act (CCIOA), requires Home Owners Associations (HOA's) to "adopt policies, procedures, and rules and regulations" prescribing how the HOA's will interact with the owners. The Van Aire Skyport Corporation (VASC) governing documents also empower and require the association to adopt rules and regulations. This policy is adopted in compliance with these requirements.

Article I
Purpose

The purpose of this conflict of interest policy is to protect the interests of Van Aire Skyport Corporation (VASC, or HOA), a Colorado nonprofit corporation, and the interests of the corporate membership, whenever the corporation or the board is contemplating any matter, transaction or arrangement that might benefit the private interest(s) of an officer or director or other person in a position of authority within the corporation or that might result in a possible excess benefit transaction. This policy is intended to comply with applicable local, state, and federal laws governing conflict of interest policy and prescribe actions of corporate officers with respect to potential conflicts of interest.

Article II
Definitions

1. An **Interested Person** is any director, principal officer, or member of a committee with powers delegated by the Board of Directors, or the corporate membership who has a direct or indirect control or influence over the business decisions or actions of the corporation.
2. **A Conflict of Interest** occurs when an Interested Person may have or appear to have a financial interest in, or an opportunity to receive compensation arising from a business transaction between VASC and a third-party doing business with the corporation.
3. **A Financial Interest** is present if an Interested Person:
    a. has ownership or investment interest in any entity with which the HOA has a financial transaction or arrangement, or

   b. a compensation arrangement with any entity or individual with which the HOA has a financial transaction or arrangement, or
   c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the HOA is negotiating a transaction or arrangement.
4. **Compensation** includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
5. **Significant Relationships:** A Conflict of Interest shall also be deemed to exist when an Interested Person has a significant relationship with a non-profit or for-profit entity that has or is negotiating a transaction with the HOA. This definition shall include, but not be limited to, sitting on the board of a non-profit, or having a leadership role or other significant role in the operations of a for-profit or non-profit, even if there is no compensation.
6. **Benefit to Property:** A Conflict of Interest shall also be deemed to exist when an Interested Person's property will disproportionately benefit from a decision relative to other members of the HOA. A Conflict of Interest shall be deemed *nonexistent* when any Interested Person or their property value will not benefit from a decision in a manner that is inconsistent relative to other members of the HOA.

Article III
<u>Procedures</u>

1. **Duty to Disclose:** In connection with any potential conflict of interest, an Interested Person must disclose the existence of the interest to the other members of the board, officers, or committee members prior to or at the beginning of any discussion involving the potential conflict of interest.
2. **Determining Whether a Conflict of Interest Exists:** After disclosure of the interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. **Procedures for Addressing the Conflict of Interest:**
   a. An Interested Person shall make an appropriate disclosure of all material facts, including the existence of any interest, at any time that any actual or potential conflict of interest arises. The Interested Person may make a presentation at a Board of Directors or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.The President or Vice President of the HOA or the chairperson of the committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
   b. **After** exercising due diligence, the governing board or committee shall determine whether the HOA can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
   c. **If** a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the matter, transaction or arrangement is in the HOA's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to approve or disapprove of the matter or enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV
Records of Proceedings

The minutes of the Board of Directors and all committees with board delegated powers shall contain:

a. The names of the persons who disclosed or otherwise were found to have an interest in connection with an actual or possible conflict of interest, the nature of the interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors or committee's decision as to whether a conflict of interest in fact existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V
Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

a. Has received a copy of this conflicts of interest policy,

b. Has read and understands the policy,

c. Has agreed to comply with the policy and understands that the HOA is a nonprofit mutual benefit organization and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

This Policy was adopted by the Board of Directors on the 5th day of December, 2024, effective immediately and is attested to by the Secretary of Van Aire Skyport Corporation.

____

Secretary

Certification

By my signature on this document, I ____,

(Printed Name)

certify that I have read, understand the content and intent of this policy, and affirm that I will comply with the provisions of this document with the understanding that I serve as a Director or Officer of a non-profit, mutual benefit organization under the laws of the State of Colorado, and the United States of America.

____

(Signature and date)

VAN-AIRE

A “FLYING” COMMUNITY

Vision and Mission Statements

Corporate Vision Statement:

The VAN AIRE SKYPORT CORPORATION envisions a non-commercial residential fly-in community wherein all residents are able to safely and affordably pursue their passion for aviation, while enjoying the support and camaraderie of friends and neighbors who are also aviation enthusiasts.

Corporate Mission Statement:

The VAN AIRE SKYPORT CORPORATION mission is to maintain the community’s aircraft runway and runway environment (common area) to provide Corporation Members with a private, non-commercial, residential airport facility where they may reside and pursue their passion for owning and operating private aircraft affordably in safety and security.

Board of Directors Mission Statement

The VAN AIRE SKYPORT CORPORATION BOARD OF DIRECTORS exists to efficiently, ethically, and legally implement the Corporation’s Vision and Mission on behalf of the Corporation Members.