12 in attendance (hosted by Dick and Robbie Broussard)

**Board Members present:**

Jeff Miller (2012), President Telephone 253-639-1915

John Tomlinson (2013), VP

Janet Gundlach (even year), Treasurer

Tara Owens (2022), Vice-treasurer

Andy Karmy (2017)

Mark Owens (2017)

Rex MacLean (2018)

Kevin Mayes (2020)

**Board Members absent**:

Anum Ahmed (2021)

**Guests present**:

Greg Drew (taxiway C)

Dick Broussard (taxiway I)

Robbie Broussard (taxiway I)

Leone Tomlinson (taxiway H)

The meeting was brought to order at 7:37 PM by Jeff Miller.

President’s Report: Jeff Miller

1. General Membership Meeting & Picnic:  After reviewing hangar available dates and Board member availability, October 29, 2023 is the designated date for our annual meeting and picnic. Thanks goes to Eric and Suzanna Eversole for the use of their hangar.
2. Board members available for reelection: **John Tomlinson, Andy Karmy, Mark Owens**. Anum Ahmed would like to retire from the Board but **Shahzad Sattar** has volunteered to continue in her place. The next email to membership should encourage members interested in Board participation to contact a Board member and include themselves as a guest at the next Board meeting.

VP Report: John Tomlinson

John developed a blog post, “Governance: How will we be organized”, to be added to the FAHA website. Jeff would like to include the blog post in his email to membership announcing the date and time for the general meeting/picnic.

***How are we structuring Flying Acres Homeowners Association (FAHA) for airport ownership?***

*Two separate legally recognized organizations are being created. The first is a restructuring of FAHA from a voluntarily supported non-profit corporation into a non-profit bound to the property of Flying Acres homeowners. This change only happens if a homeowner agrees to it. The second organization is New Crest Airpark, LLC, a limited liability company wholly owned by FAHA. The LLC exists solely for the purpose of buying and operating the airport on behalf of FAHA. This division between the FAHA and the LLC provides liability protection for FAHA and its members and eases tax reporting related to operating the airport.*

***So, what are all the documents I see on the website?***

*It is easiest to consider the documents from the viewpoint of the organization that they pertain to. Let’s start with* ***FAHA****. The* ***Flying Acres Homeowners Association*** *has three documents related to its formation and operation:*

* + 1. ***Articles of Incorporation****: The first is the Articles of Incorporation filed with the State in 1992. The articles are a relatively short document whose primary purpose was to create FAHA as a non-profit entity legally recognized by the State of Washington. The articles provide some basic rules for the operation of the corporation. The original name, Crest A.E.R.O., Inc., was later changed to Flying Acres Homeowners Association.*
    2. ***Flying Acres Homeowners Association Agreement****: The Flying Acres Homeowners Association Agreement (Association Agreement) is a new document under development. It is the primary instrument to make Flying Acres Homeowners Association a true neighborhood association with responsibilities and authority necessary to function as members expect. It replaces the Agency Appointment that granted FAHA its original mandate to negotiate on behalf of the members with the airport owner and manage the ongoing relationship.  The Association Agreement takes a significant step forward over the Agency Appointment by binding individual lots and their owners to FAHA. The major functions are establishing budgets, collection of assessments, and managing the LLC per member direction. FAHA has no authority to establish or enforce what homeowners do with their property. It also has no authority to establish rules for taxiways or to intervene in homeowner disputes.*
    3. ***FAHA Bylaws****: FAHA members approved new bylaws on October 2, 2022. At the time, many people were confused by what role they play versus other documents under development and what impact the new bylaws could have on them. The Bylaws, by themselves, grant no legal authority over any individual Flying Acres property and its owner. They are strictly the rules for managing the organization. For the most part, the bylaws are the rules for the Board of Directors to follow as they conduct association business. It is the Association Agreement that grants the authority the Flying Acres Homeowners Association needs to act on behalf of and for the benefit of property owners.*

*Two documents are behind the creation of* ***New Crest Airpark, LLC:***

* + 1. *Limited Liability Company Registration:* ***New Crest Airpark, LLC*** *must register with the State of Washington.**The registration is a relatively short form that creates the company, doing little more than register the name of the company, provide a business address and contact information. The registration can be seen on the State of Washington’s website for corporations.*
    2. ***Limited Liability Company Operating Agreement****: The operating agreement covers all aspects of the company’s operation. New Crest Airpark, LLC is a single member LLC where FAHA is the sole member. The LLC has the authority to purchase the airport and manage its operation subsequent to the acquisition. The Manager is the FAHA board of directors. FAHA members indirectly manage New Crest Airpark by whom they elect to the board and by the directions members give to the FAHA board.*

*Please note, this is a high-level discussion and may not clearly explain all of the moving parts involved. Members are encouraged to contact board members if they still have questions or want additional information. They are also encouraged to consult with their own attorney.*

There are areas in the Bylaws, Association Agreement, and LLC Operating Agreement that the Documents Committee would like to address with our lawyer, Shasta Kelly (Ledger Square Law). The move to the single member LLC has simplified the documents but there are a few areas that could be expanded for better clarity.

Greg Drew brought up his concern for adequate liability insurance and D & O insurance to be called out in each of the documents. John suggested it would be a discussion and review with Shasta Kelly at our next lawyer meeting.

Treasurer’s Report: Janet Gundlach and Tara Owens

Both Janet and Tara reviewed the status of transition from US Bank to BECU. Janet was pleased to report a slight income from interest on accounts. There is still $7,000 in Us Bank but will pay next lawyer fees from this account before transfer and closing the account. Janet asked to be reimbursed for personal funds she used for FAHA business.

**Motion: To reimburse Janet $208.70 for personal funds used for FAHA business**

Proposed by: John

Seconded by: Kevin

Approved: Yes, unanimous

**Motion: To adjourn at 8:48 pm**

Proposed by: Andy

Seconded by: John

Approved: Yes, unanimous

Respectfully submitted,

Jeff Miller