

**REGIONAL HOUSING ALLIANCE of LA PLATA COUNTY**  
**FIFTH AMENDED AND RESTATED BYLAWS**

**Adopted – Effective October 12th, 2023**

**FIFTH AMENDED AND RESTATED BYLAWS OF THE  
REGIONAL HOUSING ALLIANCE OF LA PLATA COUNTY**

**ARTICLE I – THE RHA**

1. Establishment. The Regional Housing Alliance of La Plata County, (RHA), a multi-jurisdictional housing authority, was formed as a political subdivision and public corporation of the State of Colorado pursuant to C.R.S. § 29-1-204.5, and an Intergovernmental Agreement (IGA) by and between La Plata County, Colorado, the City of Durango, the Town of Ignacio and the Town of Bayfield, dated August 5, 2004 (the “IGA”), as amended.

2. Office of the RHA. The office of the RHA shall be at such place in La Plata County as the RHA Board of Directors may designate by resolution.

**ARTICLE II – DIRECTORS, OFFICERS AND MEETINGS**

1. Board of Directors. As provided in the IGA, The RHA is governed by a Board of Directors, in which all legislative power of the RHA is vested. The Board of Directors is comprised of nine board members. Each of the entity parties to the IGA appoint two Directors to the Board of Directors, and the Board of Directors by majority vote of the other party appointed members shall select one additional Director at large who has experience or expertise in areas related to the services provided by the RHA, such as real estate, banking, finance, legal or social services. If an entity fails to appoint a Director within sixty days of the date when the vacancy began, then the appointing entity shall be deemed to have relinquished the right to appoint that Director’s seat for the applicable term of the seat. Any relinquished seat shall be filled by the majority vote of the RHA’s Board of Directors. The entity that relinquished its right to appoint a Director shall again have the right to appoint a Director when there is a vacancy in that seat for any reason, including the end of the term or a resignation. Each party shall establish the term of office of the Director appointed by that party, and the term of office for each Director shall be communicated to the RHA. The term for the appointed at-large Director shall be three (3) years but such Director shall serve until his/her successor is appointed by the other members of the Board of Directors. A Director may be reappointed by any party for successive terms. Any Director may resign at any time, effective upon receipt by the Secretary or the President of written notice signed by the person who is resigning. Each Director serves at the pleasure of his or her appointing entity. The appointing entities may terminate the appointment of its appointee, at will at any time without cause. Furthermore, unless excused by the Board, if a Director fails to attend three consecutive meetings of the Board, or otherwise fails to perform any of the duties devolving upon them as a Director, they may be removed by the Board and the appointing entity shall fill such vacancy within sixty (60) days after such removal. Consideration of removal of a Director by the Board shall be at a regular or special meeting of the Board, reasonable notice of which shall be given to the Director to be removed, and to the entity which

appointed them. Directors shall receive no compensation for services, but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties. Each Director shall have one vote on matters brought before the Board. A majority of the Directors shall constitute a quorum and a majority of the quorum shall be necessary for any action taken by the Board. Notwithstanding the foregoing, or any other provision herein to the contrary, the following actions shall require the approval of seventy-five percent (75%) of the full board of directors: (i) condemnation of property for public use; (ii) proposal of ballot initiatives; (iii) the removal of a director; and (iv) termination of the RHA. The Directors shall govern the business and affairs of the RHA. The Directors shall also comply with all provisions of parts 1, 5, and 6 of article I of title 29 of the Colorado Revised Statutes, which provisions relate to the obligations of local governments with respect to budgets, accounting, and audits, as such provisions may be amended from time to time.

2. Officers. The officers of the RHA shall be a President, a Vice President, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary. The Secretary and Treasurer need not be a Director of the RHA.

a. Election and Term of Office. The officers of the RHA shall be elected annually by the Board at the January meeting or first meeting of the calendar year. Each officer shall hold office until his/her successor shall have been duly elected and shall have been qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

b. Resignation or Removal. Any officer may resign at any time, effective upon receipt by the Secretary or the President of written notice signed by the person who is resigning. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the RHA will be served thereby

c. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

d. Duties.

(i) President: The President shall be the principal executive officer of the RHA and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the RHA; shall, when present, preside at all meetings of the Board of Directors; may sign, with the Secretary or any other proper officer of the RHA deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the

RHA, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

(ii) Vice President. In the absence of the President or in the event of his or her death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as 'from time to time may be assigned to him by the President or by the Board of Directors.

(iii) Secretary. The Secretary shall: (a) keep the minutes of the proceedings of the Board of Directors; (b) see that all notices are duly given in accordance with the provisions of the C.R.S. 24-72-201 et seq and the IGA or as otherwise provided by law; (c) sign with the President; (d) and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

(iv) Treasurer. The Treasurer shall be the financial officer for the RHA and shall: (a) coordinate with the department of revenue regarding the collection of sales and use tax authorized pursuant to paragraph (f.1) of subsection (3) of C.R.S. § 29-1-204.5; (b) have charge and custody of and be responsible for all funds of the RHA; (c) receive and give receipts for moneys due and payable to the RHA from any source whatsoever, and deposit all such moneys in the name of the RHA in such banks, trust companies or other depositories as designated by the Board of Directors; (d) and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Directors. All checks written from an RHA bank account over \$10,000 shall require the signature of the Treasurer and a single member of the Board of Directors or the signature of two members of the Board of Directors.

2. Regular Meetings. Regular Board meetings shall be held at such time and place as originally designated or subsequently changed by resolution and adopted by the Directors at any regular or special meeting. All meetings shall be held at the RHA office in the absence of a specific designation of another meeting place in any such resolution. In the event that the date of any regular meeting as provided in any such resolution shall fall on a Saturday, Sunday or legal holiday, the meeting shall be held on the next succeeding calendar day at the place and time designated in the resolution.

3. Special Meetings. Special meetings may be called at any time by the President or by a majority vote of the Directors. Written notice of such meeting must be delivered in person, by facsimile, mail or email at least 24 hours prior to said meeting. Said notice shall specify the meeting time and place and the business to be transacted. No other business shall be considered at such meetings. Such notice may be dispensed

with as to any Director who prior to the time the meeting convenes, files with the Secretary a written waiver of notice.

4. Posting Notice of Meetings. Notice of any regular or special meeting of the Directors shall be posted at the RHA office and the La Plata County Courthouse at least 24 hours prior to the time of such meeting, as specified in the notice.

5. Public Meetings. All regular and special meetings of the Board shall be open to the public except for such executive sessions as allowed by C.R.S. § 24-6-401.

6. Order and Conduct of Business. At the regular meetings of the Board, the following shall be the order of business:

- a. Roll Call
- b. Approval of the Agenda
- c. Approval of the minutes of the previous regular meeting and any intervening special meeting
- d. Consent Agenda (approval of action items not requiring discussion)
- e. Decision Agenda (consideration of action items requiring discussion)
- f. Report of Directors and Officers
- g. Committee Reports
- h. Public Comment
- i. Adjournment

No formal action may be taken on any item that does not appear on the posted Agenda.

7. Manner of Voting. All questions presented to the Board shall be in the form of motions or resolutions, chronologically numbered. All resolutions shall be in writing and entered into the minutes of the meeting. A Director proxy shall not be accepted, recognized or valid for any purpose. Votes shall be cast and displayed so that each Director's vote may be recorded by the Secretary. In the event that a clear majority cannot be determined, the presiding officer shall call the roll for voting. At the conclusion of the voting, the presiding officer shall announce the results of the vote, stating whether the measure carried or failed and by what vote. In the event of a tie, the vote is lost; however, the presiding officer or any Director may request the item carry forward to the next regular meeting at which the full Board will be present.

8. Quorum. As provided in the IGA, a majority of the Directors (at least 5 out of 9 Directors) shall constitute a quorum, and a majority of the quorum present at the meeting shall be necessary for any action taken by the Board. Notwithstanding the foregoing, the following actions require the approval of seventy-five percent (75%) of the full Board of Directors (which is at least 7 out of 9 Directors): (i) condemnation of property for public use; (ii) proposal of ballot initiatives; (iii) the removal of a Director under Section 3.1(d) of the IGA; and (iv) termination of the RHA.

9. Meeting By Telecommunications. Any or all of the Directors may participate in a regular or special Board meeting by, or the meeting may be conducted through the use of, any means of communication by which all personal participating in the meeting may hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

10. Adjournment of Meetings. The Board may adjourn any regular, adjourned-regular, special or adjourned-special meeting to a time and place specified in the order of adjournment. If all Directors are absent from a regular or adjourned meeting the Secretary of the Board may declare the meeting adjourned to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as provided in Section 2 for special meetings. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned-regular, special or adjourned-special meeting was held within 24 hours of the adjournment. When a regular or adjourned-regular meeting is adjourned as provided in this section, the resulting adjourned-regular meeting is a regular meeting for all purposes.

When an order of adjournment of any meeting fails to state the hour at which the next meeting is to be held after adjournment, it shall be held at the hour specified for regular meetings by resolution, Bylaws or other rule of the RHA.

11. Public Comment. At any regular Board meeting and at the designated time on the agenda, members of the public may be given the opportunity to directly address the Board on items of interest to the public that are within the subject matter jurisdiction of the RHA. Public comment shall be limited to twenty minutes total, with each speaker limited to three (3) minutes, unless the Board approves an extended time as part of the agenda.

12. Abstention; Recusal;.

Abstention and recusal have sometimes been used interchangeably, yet they have different meanings.

Abstention refers to a Director withholding from a vote, where the Director decides not to vote on a particular matter.

By contrast, recusal refers to a Director who removes and withdraws himself/herself from a particular matter due to a financial conflict of interest or as required by the laws of the State of Colorado or other applicable law. Recusal is generally understood to mean that the member not only won't vote, but won't participate at all in the consideration of a motion.

Abstentions and recusal are not "no" votes. They are not votes at all. It is not counted either way. Abstention or recusal shall not constitute either consent or opposition to the action proposed, and the Secretary shall announce at the meeting and enter in the minutes that the Director had recused or abstained from the vote.

Each Director present at a Board meeting shall strive to vote on each matter or question requiring action from the Board, unless a Director is required by applicable law to recuse himself/herself, such as where the Director:

(a.) Is disqualified because it is reasonably foreseeable that the decision would have a material financial effect on the Director, the Director's immediate family, or on specified economic interests of the Director, if that financial effect is different from the effect on the general public; or

(b.) Is disqualified because the vote deals with a public contract or contracts in which the Director may have a direct or indirect financial interest (such prohibition extends to preliminary discussions, negotiations, planning and solicitation of bids); or

(c) Has a conflict of interest as provided in the IGA with respect to the matter before the Board. (Section 3.4 of the RHA IGA provides the following: No member of the Board nor any immediate member of the family of any such member shall acquire or have any interest, direct or indirect, in any property or project acquired, held, leased or sold by the RHA; or any entity with whom the RHA has contracted with to plan, finance, construct, reconstruct, repair, maintain, manage or operate any property, project or program related to the RHA. Any Board member having such an interest, whether direct or indirect, shall immediately disclose the same in writing to the Board of Directors, and such disclosure shall be entered upon the minutes of the Board. Upon such disclosure, such Board member shall not participate in any action by the Board affecting the project, property, or contract unless the Board determines that, in light of such personal interest, the participation of such member in any such act would not be contrary to the public interest.); or

(d) Is otherwise required by applicable law to recuse himself/herself, such as where the Director is an elected official or planning commissioner or is in any other role where the Director's participating in hearing the matter or voting may be determined by the Director at the Directors' appointing entity in a quasi-judicial hearing (for example at a licensing, land use permit matter, or other matter where vested property rights attach), or where the Director's appointing government's rules or regulations require such recusal. In those instances if the Director did not recuse himself/herself, the Director's ex-parte communications or consideration of outside information may lead to a due process violation.

In all cases where the Director recuses himself or herself, the recusing Director shall leave the room during the Board's further discussion and Board voting on the matter.

At other times, a Director may choose to abstain for a reason where recusal is not strictly required. An example, is where A Director perceives a non-financial conflict of interest.

A quorum is not lost due to recusal or abstention of the Board.  
See Appendix 1, Hypotheticals re Abstention/Recusal.

### ARTICLE III – RULES OF ORDER AND DEBATE

1. Rules of Order. At all meetings of the RHA, the rules of order set forth herein shall be the governing rules of order and debate, subject to the discretion of the presiding officer.

2. Presiding Officer. The President, if present, shall preside at all Board meetings. In the absence of the President, the Vice-President shall preside. In the absence of the President and the Vice-President, the senior Director present shall preside. The presiding officer may debate, vote, make a motion, offer a resolution or introduce an ordinance without relinquishing the chair. The presiding officer shall preserve order and decorum, prevent attacks on personalities or impugment of Directors' motives, confine Directors in debate to the question under discussion, and otherwise curtail disruption of the meeting. The presiding officer shall determine all points of order.

3. Directors. Directors who desire to speak shall so signify by addressing the presiding officer. In general, the presiding officer shall call upon the Directors in the sequence in which they have sought recognition. However, when the presiding officer understands that persons seeking the floor have opposite opinions on the motion, he or she may alternate between speakers who favor and those who oppose the debated proposal.

a. Personal Privilege. The right of a Director to address the Board on a question of privilege shall be limited to cases in which such Director's integrity, character or motives are assailed, questioned or impugned.

b. Dissents and Protests. Any Director shall have the right to dissent from any action of the Board or ruling of the presiding officer and have the reason therefore entered in the minutes. Such dissent shall be in writing, couched in respectful terms and presented to the Board no later than the next regular meeting following the date of such action.

c. Points of Order. A Director may, without waiting for recognition, raise a point of order to secure a ruling from the presiding officer on a matter thought to be of sufficient importance to require immediate attention. A Director may: (i) call a speaker to order for the inappropriate use of language or any breach of decorum; (ii) call attention to a condition that inconveniences Directors; (iii) raise a parliamentary inquiry or call attention to a violation of correct procedure; or (iv) question a ruling by the presiding officer on a point of parliamentary procedure.

d. Points of Information. A Director may make a request for information relevant to the business at hand but not related to parliamentary procedure. The request may be directed to the presiding officer or through the presiding officer to another Director or to an officer or employee of the RHA.



4. Discussion Prior to Formal Action. It shall not be necessary to make a motion or offer a resolution before debate by the Board or before the public is allowed to speak. No such motion or resolution shall be made at any time before a public hearing is closed.

5. Motions. Motions must be stated precisely and recorded by the Secretary. A second shall be required to make a motion or offer a resolution for Board action.

6. Amendment. A Director may propose amendments to a motion which, if adopted, modify the wording and sometimes the meaning of the main motion. Amendments shall state exactly where in the main motion the change is to be made and precisely what words will be used. The vote on an amendment does not decide whether the main motion will be adopted, only whether the wording in the main motion will be changed. After an amendment is adopted, the main motion as amended may be further debated and further amended. A motion may not be amended more than twice. A substitute motion, proposing to strike out the entire original motion and to insert in its place a more satisfactory motion, ranks as an amendment to the main motion.

7. Division of Question. If a motion or any proposed amendment thereto contains two or more separable propositions, the presiding officer may, and upon request of a Director shall, divide the question.

8. Motions to Postpone. A motion to postpone indefinitely is debatable if the main motion to which it applies is debatable. The motion cannot be amended or referred. If carried, the subject cannot be brought up again except by way of a motion to reconsider at a subsequent meeting as provided below.

A motion to postpone definitely (i.e., to a time certain) has priority over motions to refer, amend, postpone indefinitely and the main motion. It is debatable as to desirability of postponement and the time to which postponement is to be made. It can be amended by changing the time to which postponement is to be made. It yields only to a motion to close debate or to table.

9. Motion to Refer. A motion may be made to refer the question at hand to a specified committee, special committee to be appointed, staff member or other person. The motion is debatable as to desirability of referring, size and method of committee appointment if one is to be appointed, and as to instructions and responsibility of those to whom it is referred. The motion shall have priority over the main motion, a motion to amend and a motion to postpone indefinitely. It cannot be tabled or postponed.

10. Motion to Close Debate (Previous Question); Limit Debate.

a. A motion to close debate requires a two-thirds vote. It is not debatable and cannot be amended. It yields only to a motion to lie on the table. If the motion carries, and unless the motion is made to include "all pending questions," the

presiding officer shall put pending amendments to the main question, without debate, in the inverse order of their introduction, before putting the main question to vote.

b. A motion to limit debate shall be subject to the same rules as a motion to close debate, which specifies time limits for each speaker, the number of speakers for affirmative and negative sides, or the total time limit for consideration of the main motion or question.

11. Motion to Table. A motion to table (i.e., to lie on the table) is not debatable and cannot be amended. The motion is in order when a motion to close debate has been carried or when it is pending. The motion is proper only when the pending subject needs to be set aside temporarily because something else of immediate urgency has arisen. If the motion is carried, consideration of the subject matter may be resumed at that meeting or the next succeeding meeting. A motion to take the motion off the table can be made by any Director but must be concluded immediately or the subject matter expires.

12. To Withdraw a Motion. A motion or offer of a resolution may be withdrawn by the maker at any time before vote by the Board after first gaining recognition from the presiding officer.

13. Motion to Reconsider. A motion to reconsider any action taken by the Board may be made at any time at the meeting such action was taken or at a recessed session of that meeting. The motion may be made only by a Director who had previously voted with the prevailing side. A resolution or motion authorizing or relating to the approval of a contract may be reconsidered only prior to the actual execution of the contract. A question can be reconsidered only once during the meeting.

14. Motion to Reconsider at Subsequent Meeting. After the Board has taken action on a matter or question, a motion to reconsider that action, or to reconsider any prior action taken on a matter or question having substantially the same content or purpose of the matter already acted upon, shall not be made at any subsequent meeting for at least one calendar year from the date of such action, except by a Director who voted in the majority on such matter or question or upon the written consent of a majority of the Directors filed with the Secretary. The item then before the Board shall be whether the matter or question should be reconsidered; if the Board approves the request shall be placed on a future agenda for consideration.

15. Motion to Adjourn or Recess. An unqualified motion to adjourn has priority over all other motions except the motion to establish the time of the next meeting. It is always in order, except: (a) when repeated without intervening business or discussion; (b) when made as an interruption to a Director speaking; (c) when a previous question has been ordered and is being discussed; and (d) while a vote is being taken. The motion to adjourn is not debatable and cannot be amended. Before putting the motion to adjourn to vote of the Board, the presiding officer may inform the Board of any important matter demanding its attention and consideration before adjournment.

As a privileged motion (i.e., when other business is pending), the motion to recess yields only to the unqualified motion to adjourn and to the motion to establish the time of the next meeting. After a recess, business proceeds from the point reached immediately preceding the recess.

16. Letters of Support. Where individuals or entities request letters of support from the Board, the Board will strive to hear the matter at a regular or special board meeting.

However, when time does not allow for said procedure, for example due to a deadline that must be met by the requestor of the letter of support, the RHA staff or administration shall use its discretion to determine if the letter of supports aligns with the RHA's goals and values. In such case, the RHA staff or administration shall inform the Board via email of their intent to provide the requested letter of support from the RHA, accompanied by a draft of the letter of support, at which time any Director shall have 24 hours to voice opposition to the letter of support, and if not, if no director opposes it, it will be deemed authorized by the Board. Any Board member voicing opposition to the letter of support being sent in such manner will kill the letter of support being approved outside of a Board meeting, and the letter of support would thereafter be placed on the agenda at the next Board meeting for possible determination.

#### **ARTICLE IV – ELECTION OF OFFICERS**

1. Election of Officers. At each annual meeting of Directors at which the terms of the officers expire, the officers' successors shall be elected by the Directors, which shall include the President, Vice-President, Secretary and Treasurer.

#### **ARTICLE V - EXECUTIVE DIRECTOR**

1. Executive Director. The RHA may appoint, by adoption of a resolution, an Executive Director. If appointed, the Executive Director shall answer directly to the Executive Committee of the Board and shall be responsible for supporting and implementing the policies and directions of the RHA and shall have general supervision over the administration of its business and affairs, subject to the control of the RHA.

If an Executive Director is appointed:

The Executive Director shall administer the affairs of the RHA in accordance with the operational, fiscal, personnel and other policies adopted by the Board and all applicable federal and state statutes and regulations, and shall keep the Board fully advised as to the status of the affairs of the RHA;

The Executive Director shall advise and make recommendations to the Board on all matters requiring policy determination, shall represent the Board in meetings with other agencies and organizations, and shall report results of these meetings to the Board;

The Executive Director may appoint administrative, management and maintenance staff in accordance with recognized personnel practices and the personnel rules and regulations adopted by the RHA from time to time;

The Executive Director shall establish and enforce regulations to implement Board policies and to administer the affairs of the Board. He/she shall supervise and participate in the development and preparation of proposals, applications and budgets for federally assisted programs and local developments or projects. He/she shall direct the operation and maintenance of all developments managed by the RHA and shall oversee all programs, grants and contractual agreements entered into by the RHA;

The Executive Director shall have the authority to execute contracts and agreements in amounts of \$25,000 or less on behalf of the RHA, if funds for such contracts or services have been budgeted by the RHA and approved by the Board;

The Executive Director shall perform such other duties and responsibilities as may be prescribed by the Officers of the Board, and;

The compensation of the Executive Director shall be determined by resolution of the RHA.

If an Executive Director is not appointed by the Board of Directors, then:

The President of the Board of Directors, upon the approval of the Board of Directors may perform, delegate, or contract with a person or entity to accomplish the minimal operational, legal and fiscal requirements of the RHA. The President and one additional Director shall be required to execute all RHA checks and purchase orders that are equal to or over Two Thousand Dollars (\$2,000); and

The President may execute RHA checks and purchase orders that are less than Two Thousand Dollars (\$2,000).

2. Additional Personnel. The RHA may from time to time employ such other persons as it deems necessary to exercise its powers, duties and functions as prescribed by § 29-1-204.5, C.R.S. and all other laws of the state of Colorado applicable thereto. The selection, qualifications and compensation of such personnel may be determined by the Executive Director, or in the absence of an Executive Director, then by the Board of Directors.

**ARTICLE VI – GENERAL PROVISIONS**

1. Amendments. The Directors shall have power to add any provision to, or alter or repeal any provision of, these Bylaws by the vote of a majority of all of the Directors at any regular or special meeting of the Board, provided that a statement of the proposed action shall have been included in the notice of such meeting of the Board.

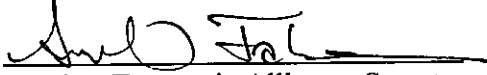
2. Severability. If any provision or clause of these Bylaws or the application thereof to any person or circumstances is held to be unconstitutional or to be otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other provisions, clauses or applications thereof which can be implemented without the invalid provision, clause or application, and to this end the provisions and clauses of these Bylaws are declared to be severable.

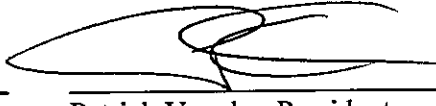
In the event of a conflict between the provisions of these Bylaws and the IGA forming the RHA or Amendments to that IGA, then the provisions of the IGA or Amendments thereto shall prevail.

The foregoing Amended and Restated Bylaws were approved and adopted as the Bylaws of the La Plata County Regional Housing Alliance, effective October 12th, 2023.

ATTEST:

BOARD OF DIRECTORS,  
REGIONAL HOUSING ALLIANCE  
of LA PLATA COUNTY:

  
La Plata Economic Alliance, Secretary

  
Patrick Vaughn, President

### **Appendix 1 -Hypotheticals re Abstention/Recusal**

Hypothetical situation to give an example of : Quorum of 5 Directors are present at a Board meeting in which 1 Director recuses due to a financial conflict of interest in the matter being voted upon and leaves the room after announcing the conflict, and 2 other Directors abstain from voting due to a non-financial perceived conflict of interest. The vote on the item is 1 in favor of the matter, and 1 against. The Secretary would record the vote as a quorum of 5, with the measure failing to pass, as it was a tie vote, 1 in favor, 1 against, with 1 recusal and 2 abstentions.

Another hypothetical situation, assuming the same facts except that both of the votes were in favor. Here the Secretary would record the vote as a quorum of 5, with the measure passing by a vote of 2 in favor, 0 against, with 1 recusal and 2 abstentions.)