

Proposed Bylaw Amendments

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These changes are unanimously recommended by the Board of Trustees. Deleted text is ~~struck out~~. New text is underlined.

Proposal to delete Article II, Section B, Paragraph 2, deleting the formal description of a “friend” of the Society. This category has never been used and confuses people who use the common-English term “friend” when describing their relationship to the community.

~~Section B.2.~~

~~Friend, which shall consist of all persons who:~~

- ~~a. Are in general accord with the goals and objectives of the Mission Statement,~~
- ~~b. Subscribe to these by laws~~
- ~~c. Intend to participate in the fellowship of the Society~~
- ~~d. Assist in the support of the Society by making either a financial gift or a gift of personal time and talent, and~~
- ~~e. Affirm their affiliation to the Society~~

Proposal to amend Article IV, Section D, Paragraph 7 to reinstate a requirement that bequests not restricted by the donor be used to build up the Operating Reserve balance to a level of 1/2 of the annual operating budget:

IV.D7:

Upon receipt of each bequest, unless the terms of the bequest provide otherwise, the Society shall first fund the Operating Reserves to equal at least one-half of the current fiscal year's operating budget. Bequests shall be fully allocated to the Operating Reserves until that threshold is met, after which the Board may specify a particular purpose or purposes for which the income may be used according to the following standard: two-thirds of each bequest to the Society shall be managed as endowment, spendable as to income and net appreciation (realized or unrealized) only, but not spendable as to principal, in accordance with the Uniform Management of Institutional Funds Act or successor California statute then in effect, and in accordance with the Society's endowment payout policy then in effect. ; the remaining one-third may be applied for any charitable Society purpose as deemed a priority by the Board.

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Proposal to amend Article IV Section A to remove language put into the Bylaws in 2008 to describe how the number of Trustees would be gradually reduced from 12 to the current 9.

Section A. Composition and Qualifications

The number of trustees shall be ~~12 through June 30, 2009; ten from July 1, 2009 through June 30, 2010; and~~ nine (9) beginning July 1, 2010.

Proposal to amend Article IV Section D Paragraph 1 to allow the Board of Trustees to lease rooms for 5 years (instead of 1) before requiring a vote of the Membership and also to allow Trustees to sell property received as part of a bequest. The first change formally empowers the Board to enter into a commercially standard term for parts of the building such as those currently leased to the Montessori school.

Section D.1. Responsibilities and Powers

...However, without the approval of the Members, the Board shall not have the power to sell, or to lease for a period of more than ~~one~~ five years, the Society's real property, not including real property received as a bequest which may be sold and the proceeds distributed according to the formula described in Article IV, Section D. 7., of these Bylaws.

Proposal to amend Article IV Section D Paragraph 5 to delete the 2% maximum deviation in a budget category the Board is allowed to authorize while maintaining the overall 5% cap in expense deviation.

Section D.5.

The cumulative net effect of all modifications made by the board may not increase or decrease total expenditures in the budget adopted by Members by an amount greater than five percent of the total budget for all expenditure categories. ~~The cumulative net effect of all modifications made by the board may not increase or decrease any expenditure category in the budget adopted by the Members by an amount greater than two percent of the total budget for all expenditure categories. Modifications necessary to make emergency building repairs certified by competent authority as immediately necessary shall not be subject to the five percent and two percent limitations.~~

[the remainder of this section is unchanged.]