

**Bylaws
of
La Jolla Parks and Beaches Incorporated**
(A Nonprofit California Corporation)
A Park and Recreation Council of the City of San Diego

**ARTICLE I
NAME, PURPOSE, DUTIES**

- 1.1. Name. The name of this organization shall be La Jolla Parks and Beaches Incorporated also known as La Jolla Parks and Beaches Council (hereafter LJPB or the COUNCIL).

- 1.2. Purpose. The primary purpose of the COUNCIL shall be to preserve, protect and enhance La Jolla parks and beaches, other recreational resources, public open spaces and coastal accesses in La Jolla, California, particularly those within the geographic area depicted on the map attached to the Special Use Permit issued by the DEPARTMENT to the COUNCIL as Attachment A (hereafter the AREA). Subject to the duties, i.e., restrictions and requirements, described in Sections 1.3 to 1.17 below, the COUNCIL may take the following actions when such action would further its primary purpose:
 - (1) Provide input and make recommendations for all AREA development projects and other AREA-related matters to the Park and Recreation Department (DEPARTMENT), to the DEPARTMENT Director or his/her designee (collectively DIRECTOR), to the Park and Recreation Board and/or to other park advisory committees of the City of San Diego (CITY);
 - (2) Serve as a recognized conduit and sponsor for community input regarding AREA programs and facilities, AREA development projects, and other AREA-related matters;
 - (3) Enter into contracts relating to the AREA in its official name;
 - (4) Collect and expend funds for AREA-related purposes with the approval of the Park and Recreation DIRECTOR);
 - (5) Develop reasonable restrictions for programs or activities in the AREA consistent with the rights of the general public and all applicable laws and policies of the CITY and subject to the review and approval of the DIRECTOR;
 - (6) Make or cause improvements, changes, or alterations to the AREA spaces with the prior written approval of the CITY;
 - (7) Conduct COUNCIL meetings, special events, fund-raising activities, DEPARTMENT programs and programs contracted for by the COUNCIL in the AREA, and assist with coordination of AREA field and facility usage with the prior written approval of the DIRECTOR;
 - (8) Make official authorizations, take positions, and give opinions which have been obtained through broad community input by a public meeting of the COUNCIL;

- (9) Sponsor and co-sponsor activities within and outside of the AREA with prior written approval of the DIRECTOR;
- (10) Provide a neutral forum for public debate such as a “candidate forum,” and endorse non-partisan ballot measures that directly benefit park and recreation facilities in the AREA; and
- (11) Take any other actions permitted by that certain 2016 Special Use Permit issued by the DEPARTMENT to the COUNCIL, including Attachment B which contains the December 2015 Standard Operating Procedures and Responsibilities for Recreation Councils (2015 SOP) (hereafter collectively referred to as 2016 PERMIT).

Duties

- 1.3. Community Input. All COUNCIL recommendations, and official authorizations, positions, and opinions shall be obtained through broad community input by a public meeting of the COUNCIL held in compliance with the Ralph M. Brown Act (California Government Code sections 54950-54963) (“Brown Act”), DEPARTMENT policies, and the requirements of the 2016 PERMIT. All members of the public shall be given the opportunity to comment on items during COUNCIL meetings.
- 1.4. Use of AREA. All COUNCIL use of the AREA shall be subject to the prior written approval of the DIRECTOR in each instance. All COUNCIL flyers, brochures, electronic media, programs, contracts, sponsored or co-sponsored events and promotional materials must be approved by the DIRECTOR prior to duplication, execution and/or distribution.
- 1.5. Political Activities. All COUNCIL activities shall be non-partisan and non-sectarian. The COUNCIL shall not officially or unofficially participate in, or lend its influence to, the adoption or defeat of any public ballot measure, or the election of any candidate for public office, regardless of whether the nomination or election is partisan or non-partisan.
- 1.6. Contracts. The COUNCIL shall only enter into contracts with individuals or businesses that comply with all applicable laws and regulations, including the requirement that individuals or business entities obtain a City business tax certificate unless otherwise lawfully exempt. The COUNCIL shall be responsible for all contractual relationships involved with COUNCIL programs and activities. All COUNCIL contracts shall be executed by the COUNCIL in its official name and shall be in a form approved by the DEPARTMENT. All such contracts for services shall use the most recent version of the “Independent Contractor Agreement” provided by the DEPARTMENT.
- 1.7. Community Outreach. It shall be the duty of the COUNCIL to periodically outreach to its community through such methods as local newspapers to further community-wide understanding of and participation in COUNCIL duties, activities,

and decisions. The COUNCIL shall give due consideration to all responsible community input in order to identify what is in the best long-term interest of the community at large.

- 1.8. Projects. When considering proposed AREA development projects for the COUNCIL's recommendation, the COUNCIL shall allow participation of all members of the public, including those from other areas as directed by the DEPARTMENT, and with special emphasis on obtaining participation from property owners, residents, and business establishments in proximity to the proposed development. The COUNCIL shall inform the project applicant or representative each time such review by the COUNCIL will take place, and provide the applicant with an opportunity to present the project.
- 1.9. Compliance with Law. The COUNCIL shall at all times in its use, occupancy, maintenance and restoration of the AREA comply with all applicable laws, rules, regulations, and directives of competent governmental authorities, including the provisions of the California Public Records Act, codified in California Government Code sections 6250-6270. At least annually, the COUNCIL shall deliver to the CITY copies of all documentary evidence of such compliance received by or otherwise available to the COUNCIL. The COUNCIL shall operate in full compliance with the 2016 PERMIT. In the event of any conflict between these Bylaws and the 2016 PERMIT, the 2016 PERMIT shall control.
- 1.10. Non-Profit Status. The COUNCIL shall obtain and maintain status as a non-profit organization from the Internal Revenue Service and the State of California and comply with all applicable laws and regulations to maintain such status as a non-profit organization. The COUNCIL shall provide any documentation requested by the DEPARTMENT regarding the COUNCIL's non-profit status.
- 1.11. Cooperation and Coordination. The COUNCIL shall cooperate and coordinate with the DEPARTMENT in regard to all aspects of the COUNCIL's activities. The COUNCIL shall coordinate with the CITY when the CITY is arranging for repairs of AREA facilities, repair or replacement of equipment, or undertaking of any AREA development projects. All such activities shall be in accordance with applicable City Council Policy including Council Policy 600-33.
- 1.12. Improvements/Alterations. Any and all improvements, fixtures, structures and installations or additions to the AREA constructed or installed by or on behalf of the COUNCIL shall be the property of the CITY.
- 1.13. Permits and Approvals. The COUNCIL, at the COUNCIL's sole cost and expense, shall obtain all required permits and approvals from the applicable local, state and federal authorities, including without limitation from the CITY.

- 1.14. Prevailing Wage. In the event that the COUNCIL procures services in qualifying amounts and which constitute a “public works contract” or a “maintenance contract” under the CITY’s “Compliance with State Prevailing Wage Laws” Ordinance (SDMC section 22.3019), so long as it remains applicable, the COUNCIL shall ensure, including by providing for such in all agreements for such services, that the contractor for such services shall comply with said Ordinance and all applicable California Labor Code provisions regarding prevailing wages. The COUNCIL shall use the most current version of the CITY’s standard contract provisions to ensure compliance with these provisions.
- 1.15. Assignment and Sublicense. The COUNCIL shall not assign or sublicense any rights granted by the 2016 PERMIT or any interest in the 2016 PERMIT without the CITY’s prior written consent in each instance. Any assignment by operation of law shall automatically terminate the 2016 Permit.
- 1.16. No Discrimination. The COUNCIL shall not discriminate or permit discrimination in any manner against any person or class of persons on account of race, color, religion, gender, sexual orientation, medical status, national origin, ethnicity, age, marital status or disability, including without limitation the provision of goods, services facilities, privileges, advantages and accommodations, and the hiring and retention of employees and contractors.
- 1.17. Compliance with Disability and Other Laws. The COUNCIL shall comply with the California Fair Employment and Housing Act, the Federal Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990 and any other applicable local, state and federal laws and regulations hereafter enacted protecting the rights of people with disabilities. The COUNCIL’s compliance shall include those circumstances described in the 2016 PERMIT, Section 11.5.

ARTICLE II MEMBERSHIP ON COUNCIL

- 2.1. Number of MEMBERS. The COUNCIL shall consist of not less than seven (7) MEMBERS, nor more than twenty (20) MEMBERS. COUNCIL shall maintain a current, up-to-date roster of the names of each and every MEMBER and whether the MEMBER is an At-Large MEMBER or an Organization MEMBER. The roster shall be provided by the COUNCIL to the DEPARTMENT promptly, but no later than within thirty (30) days upon any change.
- 2.2. MEMBER Qualifications. MEMBERS shall be at least eighteen (18) years of age and may consist of At-Large and Organization MEMBERS. An At-Large MEMBER shall mean any individual who lives, works, or owns property in the AREA. An Organization MEMBER shall mean an individual who represents an organized or special interest community service or athletic group that conducts primary

operations within the AREA. MEMBERS shall be, to the extent possible, representative of the AREA. MEMBERS must be willing to accept and perform responsibilities delegated by the COUNCIL. Unless otherwise stated, the term "MEMBERS" shall include both At-Large and Organization MEMBERS.

- 2.3. Duty to Attend Meetings and Quorum. It shall be the duty of each MEMBER to attend all COUNCIL meetings. The minimum amount of MEMBERS in attendance at each COUNCIL meeting in order to constitute a quorum shall be a majority or more of the MEMBERS then in office. At least five (5) MEMBERS must be present if total membership falls below ten (10) MEMBERS. A quorum must be present in order to conduct business and/or to vote on projects or actions at regular COUNCIL meetings. Proxy or telephone votes are strictly prohibited.
- 2.4. MEMBER Eligibility. To be eligible for membership on the COUNCIL, the potential MEMBER must meet the requirements in Section 2.2 above and attend three (3) consecutive meetings during the prior twelve (12) month period, submit a letter of intent to the DEPARTMENT and a statement of qualifications as described in Section 2.2 above, and interest to the COUNCIL. Those eligible for membership will be notified at least seventy-two (72) hours before the next regular meeting that they will be considered for membership at that meeting.
- 2.5. MEMBER Selection. When a vacancy occurs, the COUNCIL shall select a new MEMBER to fill the vacancy from those who are eligible for membership under Section 2.4 above. Those eligible will be selected for membership on the COUNCIL in the chronological order that they have become eligible under 2.4 above. In case more than one person qualifies on the same date, a coin toss will be used to determine who becomes a MEMBER first.
- 2.6. Vacancies. A vacancy exists upon receipt of a written resignation from a MEMBER, or upon removal of a MEMBER pursuant to Section 2.9 below. In the event of a vacancy, a MEMBER to fill such a vacancy shall be selected as provided in Section 2.5 above.
- 2.7. Public Communications. MEMBERS shall not identify with the COUNCIL in public communications unless specifically directed by the COUNCIL to be their official representative as part of a publicly noticed meeting in full compliance with the Brown Act. This includes, but is not limited to, written communications, public testimony and newspaper interviews.
- 2.8. Dues. No membership dues may be required.
- 2.9. MEMBER Removal. Any MEMBER found by the COUNCIL, by a preponderance of the evidence, to be in violation of these Bylaws, the COUNCIL's corporate governance documents, or the 2016 PERMIT, may be removed from the COUNCIL

by two-thirds (2/3) vote of COUNCIL and confirmation by the DIRECTOR. A MEMBER who refuses to resign after three (3) consecutive unexcused absences or four (4) total unexcused absences in the prior twelve (12) months from the COUNCIL's regular meetings may also be removed by this process.

- 2.10. Excused Absences. An absence can be excused when due to illness or other physical inability to attend or due to unavoidable personal or professional commitment. Request for excuse should be made to the President in advance of the absence, if possible. The President may choose to present the request at the next COUNCIL meeting for vote of approval. Request for excuse of the third consecutive unexcused absence or of the fourth unexcused absence in the calendar year must be made before the occurrence of the absence. For any potential removal of a MEMBER, the MEMBER at issue shall be informed by the COUNCIL, in writing, at least thirty (30) calendar days in advance of any action to revoke his or her membership.

ARTICLE III COUNCIL FUNDS

- 3.1. COUNCIL Fees. All fees imposed by the COUNCIL are subject to the requirements of the 2016 PERMIT, Section 4.1.
- 3.2. Use of COUNCIL Funds. In compliance with the 2016 PERMIT, the COUNCIL may collect and expend funds. Any funds collected or received by the COUNCIL shall be used only for park-related purposes within the AREA, including promoting and conducting community recreation programs, purchasing equipment, and providing assistance where necessary with the accountability and record keeping functions related to COUNCIL activities. Any other activities or services funded by the COUNCIL must be approved in advance by the DIRECTOR. Funds collected or otherwise received by COUNCIL shall be used and expended in compliance with all applicable laws, regulations, policies, and applicable DEPARTMENT Instructions ("DEPARTMENT Instructions" means those certain policy and procedure directives promulgated by the DIRECTOR and subject to periodic amendment). All disbursements must be approved by the COUNCIL by a majority vote of the MEMBERS present and shall require the signatures of at least two COUNCIL officers (OFFICERS). If the disbursement is \$200 or less, the majority vote may be obtained via an email vote. The designation or earmarking of any funds must be approved by the DIRECTOR in each instance.
- 3.3. Expenditure of Reserves. Except with respect to earmarked funds collected in support of a designated, usually a long-term project, the COUNCIL shall, to the best of its abilities, expend all of its funds in the calendar year in which the funds were collected. In the event that COUNCIL has carryover funds at the end of any calendar year and is required to adopt a Carryover Expenditure Plan pursuant to

Article VII of the 2016 PERMIT, COUNCIL shall expend carryover funds as set forth in the COUNCIL's adopted Carryover Expenditure Plan (Article 7.3 below).

- 3.4. Limitation on Expenditures. No MEMBER or COUNCIL committee shall have the power or authority to commit the COUNCIL to any expenditure or to raise any funds in the name of the COUNCIL without prior approval of a majority of the MEMBERS present at the COUNCIL meeting at which approval is sought.

ARTICLE IV MEETINGS OF COUNCIL, COMMITTEES, AND WORKING GROUPS

- 4.1 Open Meetings and Brown Act Compliance. The COUNCIL, and all its committees and subcommittees, are subject to and shall comply with the Brown Act. All meetings of the COUNCIL, and of any of its committees and subcommittees, shall be noticed and conducted in compliance with the Brown Act. Accordingly, for all such meetings an agenda containing the date, time and location of the meeting, and a general description of each item of business to be discussed or transacted, shall be posted in a place freely accessible to the public at least seventy-two (72) hours prior to the meeting. At the time of the posting of the agenda, the agenda shall also be sent, by facsimile, via the United States Postal Service, or electronic mail, to every member of the public who has requested notification of the meetings.
- 4.2. Meetings Noticed and Open to Public. At least ten (10) meetings per year shall be held at such place within La Jolla as designated from time to time by the OFFICERS. All meetings of the COUNCIL and its committees shall be noticed and open to the public, as described in Section 4.1 above, except for matters related to COUNCIL personnel or litigation, and shall be conducted in accordance with Robert's Rules of Order, Newly Revised, Tenth Edition, Article XIII.
- 4.3. Annual Meeting. There shall be an annual meeting of COUNCIL once per calendar year in January. The date, time and place of the annual meeting shall be determined by the OFFICERS. Notice of the time, date and place of the meeting shall be sent to the MEMBERS at least thirty (30) days before the scheduled meeting and shall be posted in a place freely accessible to the public as indicated in Section 4.1 above.
- 4.4. Special Meetings. Special meetings of the COUNCIL for any purpose may be called by the President or at the written request of twenty five percent (25%) of the MEMBERS. If practical, any special meeting shall be held within fifteen (15) days from notice to the all MEMBERS and the date time, place and issues to be discussed being announced in writing to all MEMBERS at least ten (10) days in advance of the meeting. Public notice must be provided pursuant to Section 4.1 above. Only those issues so announced shall be brought up for discussion or vote.

- 4.5. Committee Meetings. COUNCIL Committees (Committees) and their Chairs shall be appointed by the President. Meetings of Committees shall be conducted as described in Sections 4.1 and 4.2 above. Membership on Committees may include interested members of the general public and are not limited to MEMBERS but must include at least one MEMBER. All Committees shall keep minutes of their proceedings and provide copies of such minutes to the COUNCIL Recording Secretary in a timely manner.
- 4.6. Working Groups. One or more MEMBERS (a “Working Group”) may prepare materials for the COUNCIL’s consideration at a Regular or Special Meeting. Such Working Groups shall be formed at the President’s or COUNCIL’s request made at a Regular or Special Meeting and noticed on the agenda for that meeting. Any MEMBER or non-MEMBER may participate in such a Working Group. No decisions shall be made at any Working Group meeting on behalf of COUNCIL and no consensus of COUNCIL shall be sought by Working Group MEMBERS prior to a Regular or Special Meeting of the COUNCIL.

ARTICLE V OFFICERS

- 5.1. OFFICERS. COUNCIL OFFICERS shall be the President, the Vice President, the Recording Secretary, and the Treasurer; optionally, COUNCIL OFFICERS may include a Corresponding Secretary (collectively OFFICERS).
- 5.2. Nomination of OFFICERS. A three-person (3-person) nominating committee shall be appointed by the COUNCIL’s President no later than the October meeting. The Nominating Committee shall choose the slate of OFFICERS. The Nominating Committee shall present the slate of OFFICERS no later than the December meeting, with elections no later than the January meeting.
- 5.3. Election of OFFICERS. COUNCIL shall elect its OFFICERS at the annual meeting. The election shall be by written ballot at the annual meeting. No secret ballot shall be permitted. Ballots shall be available at the noticed meeting at which the election will be held. Completed ballots are to be kept available to the public at each meeting for no less than thirty (30) days after the meeting in which elections were held. In the event of a single slate, the election may be held by “voice vote.” A “voice vote” means an oral vote of the COUNCIL consisting of a tally of the “yeas”, “nays”, and “abstentions” of each MEMBER. The tally shall be conducted in open session and documented in the official COUNCIL minutes as to the vote of each MEMBER. The minutes in which the tally is recorded shall be made available to the public and shall be kept for a minimum of at least thirty (30) calendar days.

- 5.4. Term. The term of office for OFFICERS shall be two (2) years. Elected OFFICERS shall not serve more than four (4) consecutive years in the same office. OFFICERS shall begin their terms at the first meeting following the elections. To stagger OFFICER terms, two (2) will be elected every two (2) years.
- 5.5. OFFICER Resignation and Removal. An OFFICER may resign by submission of a written resignation to the COUNCIL. An OFFICER shall be deemed to have resigned upon death or if he or she fails to attend three (3) consecutive meetings or four (4) meetings in any twelve (12) month period. An OFFICER also shall be subject to removal by the procedures described in Section 2.9 above if he or she fails to carry out the duties required by the OFFICER as described in Sections 5.8 through 5.11 below.
- 5.6. Filling of Vacancy. If an OFFICER resigns, or is deemed to have resigned, or is removed, a successor will be elected by the procedures described in Sections 5.2 and 5.3 above except that the election will be held at the next regular meeting. The vacancy may be filled by one of the current MEMBERS or by a potential MEMBER who is eligible for membership. The person elected to fill the vacancy shall serve the remaining, unexpired term of his/her predecessor in office. When filling a vacancy, the partial year (less than 12 months) of the remaining term shall not be counted in the maximum of four (4) consecutive years.
- 5.7. Duties of the President. The President shall be the principal officer of the COUNCIL and shall:
- (1) Supervise and control the affairs of the COUNCIL and act as official spokesperson for the COUNCIL;
 - (2) Preside over all COUNCIL meetings and review annual financial reports;
 - (3) Direct the preparation of COUNCIL agenda for each meeting and prioritize items on the agenda;
 - (4) Review and provide his or her signature approval of the minutes of each COUNCIL meeting in which he or she is in attendance;
 - (5) Appoint chairs and members of Committees and be an ex-officio member of all Committees, except the Nominating Committee;
 - (6) Vote only when either (a) the vote is by ballot, in which case the President votes along with and at the same time as all other MEMBERS, or (b) the President's vote will change the result of the vote; and
 - (7) Perform all duties incident to the Office of President and other duties as prescribed in these Bylaws or as may be prescribed by the COUNCIL, the DEPARTMENT, or the CITY.
- 5.8. Duties of the Vice President. The Vice President shall perform all duties and exercise all powers of the President when the President is absent or is otherwise unable to act. The Vice President shall perform such other duties as may be

prescribed from time to time by the COUNCIL, the DEPARTMENT, or the CITY, such as maintaining the COUNCIL'S website.

5.9. Duties of the Recording Secretary. The Recording Secretary generally shall perform all duties incident to the Office of Recording Secretary and other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the COUNCIL, the DEPARTMENT, or the CITY. Pursuant to these duties, the Recording Secretary shall:

- (1) After every COUNCIL meeting, prepare a report of attendance and a copy of the draft minutes which shall include final voting results on each matter acted upon at the meeting, including the number of yea, nay, and abstention votes;
- (2) Make the draft minutes available to the public at a publicly-accessible area at the location where the COUNCIL regularly conducts its meetings and official business as soon as reasonably possible, and at least seventy-two (72) hours prior to the next COUNCIL meeting;
- (3) Provide a copy of the draft minutes to the DEPARTMENT-designated representative by the same time;
- (4) Following adoption of the draft minutes by a majority vote of the MEMBERS present at the next COUNCIL meeting, make copies of approved minutes available to the public within seventy-two (72) hours of the next scheduled COUNCIL meeting, and arrange to have the approved minutes kept for a minimum of thirty (30) calendar days at the location where the COUNCIL regularly conducts its meetings and official business;
- (5) Maintain an attendance record, and, on behalf of the COUNCIL, provide the roster to the DEPARTMENT promptly, but no later than within thirty (30) days upon any change; and
- (6) Provide the attendance record at each COUNCIL meeting.

5.10. Duties of the Corresponding Secretary. The Corresponding Secretary generally shall perform all duties incident to the Office of Corresponding Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the COUNCIL, the DEPARTMENT, or the CITY. Pursuant to these duties, the Corresponding Secretary shall:

- (1) Maintain a record of all COUNCIL business;
- (2) Be responsible for all COUNCIL correspondence;
- (3) Maintain (a) a MEMBER roster listing current MEMBERS, the dates when each joined the COUNCIL, and their addresses and other contact information, and (b) a potential MEMBER roster, the dates when each attended, their addresses and other contact information;
- (4) Provide the MEMBER and potential MEMBER rosters at each COUNCIL meeting and to the DEPARTMENT promptly but in no event later than thirty (30) days upon any change;

- (5) Notify a potential MEMBER that he/she will be considered for membership at the next regular meeting at least seventy-two (72) hours before that meeting; and
- (6) Provide correspondence to the COUNCIL and general public upon request of the COUNCIL, the CITY, or any member of the general public.

5.11. Duties of the Treasurer. The Treasurer shall:

- (1) Oversee the receipt, deposit, and disbursement of all COUNCIL funds;
- (2) Submit, or cause to be submitted, all necessary returns and reports required by federal and state directives;
- (3) Ensure accuracy of all financial transactions as required by the 2016 PERMIT and the DEPARTMENT;
- (4) Submit a financial report at each regular COUNCIL meeting covering all transactions since the prior meeting; and
- (5) Only make disbursements with the approval of a majority vote of the MEMBERS present at the meeting at which approval is sought and with the signatures of at least two OFFICERS.

**ARTICLE VI
COUNCIL RECORDS**

- 6.1. **Records and Inspection.** All COUNCIL records shall be maintained for five (5) years. COUNCIL shall make all data and records with respect to all matters covered by the 2016 PERMIT available to CITY at reasonable locations within the CITY and County of San Diego and shall assist the DEPARTMENT in any response to requests for records, received pursuant to the California Public Records Act. The COUNCIL shall permit CITY to make audits of any invoices, materials, payrolls, records, and other data and media relating to all matters covered by the 2016 PERMIT.

**ARTICLE VII
BUDGETS, FINANCIAL REPORTS AND AUDITS**

- 7.1. **Budget.** The COUNCIL shall prepare and adopt an annual budget for each calendar year, and any remainder portion thereof, during the term of the 2016 PERMIT (TERM), which budget shall be adopted prior to January 1st of each year. The COUNCIL shall submit a copy of the adopted budget to the DIRECTOR within ten (10) days of its approval by the COUNCIL.
- 7.2. **Financial Statements.** The COUNCIL shall prepare an annual financial statement summarizing the COUNCIL's receipts and disbursements for each calendar year during the TERM. The COUNCIL shall submit a financial statement to the DIRECTOR on or before April 1st of each calendar year. If the total balance of all of the accounts maintained by the COUNCIL exceeds One Thousand Dollars (\$1,000.00) at the end of the calendar year, the COUNCIL shall identify each account

containing ten percent (10%) or more of the total balance on its financial statement.

- 7.3. Carryover Expenditure Plan. At the end of the calendar year, if the total balance of all of the accounts maintained by the COUNCIL exceeds One Thousand Dollars (\$1,000.00), COUNCIL shall prepare and adopt a Carryover Expenditure Plan on the form provided by the DEPARTMENT for that purpose. The Carryover Expenditure Plan shall be approved by the COUNCIL and subject to review by the DIRECTOR. This requirement shall not apply to charitable funds raised by the COUNCIL as a result of its status as a 501(c)(3) corporation.
- 7.4. Audits. The CITY reserves the right to require the COUNCIL to perform and submit to the CITY an audit, in form and content deemed acceptable to the CITY in the CITY's sole discretion, of all finances, revenues, and expenditures of the COUNCIL. The COUNCIL shall timely submit to the CITY any such requested audit.

ARTICLE VIII INDEMNIFICATION

- 8.1. Defense and Indemnification by the CITY. MEMBERS and the COUNCIL will be defended and indemnified under the provisions of Article VIII of the 2016 PERMIT. In order to be eligible for defense and indemnification, the COUNCIL and/or the MEMBER must make a written request for representation to the DIRECTOR within five (5) working days of having been served with the first complaint in any legal action.
- 8.2. Indemnification by the COUNCIL. In addition to the indemnification rights provided by the CITY, the COUNCIL shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an OFFICER, MEMBER, or agent of the COUNCIL, or is or was serving at the request of the COUNCIL as a MEMBER, OFFICER, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California Nonprofit Corporation Law. In determining whether indemnification is available to the MEMBER, OFFICER, or agent of the COUNCIL under California law, the determination as to whether the applicable standard of conduct set forth in Corporations Code 5238 has been met shall be made by a majority vote of a quorum of MEMBERS who are not parties to the proceeding. If the number of MEMBERS who are not parties to the proceeding is less than two-thirds (2/3) of the total number of MEMBERS seated at the time the determination is made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending. The indemnification provided in this Section 8.2 shall

not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of their heirs, executors, and administrators. The COUNCIL may acquire insurance for purposes of this responsibility but such insurance shall not relieve the COUNCIL of its legal obligations under this Section 8.2.

ARTICLE IX APPOINTMENTS, SUSPENSION AND TERMINATION

- 9.1. Appointment of MEMBERS. In the event that the COUNCIL has fewer than five (5) current MEMBERS, the DIRECTOR may appoint one or more replacement MEMBERS. A replacement MEMBER shall have all rights and responsibilities of other MEMBERS.
- 9.2. Suspension. If the DIRECTOR suspends the COUNCIL for any violation of the 2016 PERMIT, the COUNCIL shall not expend any funds from the date of receipt of such notification until the suspension is lifted or other applicable action is taken, provided that funds collected by the COUNCIL for earmarked purposes shall be applied to the purposes for which the funds were collected.
- 9.3. Duty to Notify the CITY. The COUNCIL shall provide the DIRECTOR with written notice within three (3) working days of becoming aware of any allegations, charges or conviction of any MEMBER for an act or omission involving fraud or moral turpitude.
- 9.4. Termination of 2016 PERMIT. Any termination of the 2016 PERMIT shall not terminate the functioning of the COUNCIL as a California corporation unless the MEMBERS vote to take such action separately and in accord with applicable law.
- 9.5. Continuing Responsibilities. In the event that the CITY does not renew the 2016 PERMIT prior to the expiration of the Term of the 2016 Permit or any extension period thereafter, or if the 2016 PERMIT is terminated, the COUNCIL shall perform the duties described in the 2016 PERMIT, Section 9.6.

ARTICLE X CONFLICTS OF INTEREST

- 10.1. Conflicts of Interest. All MEMBERS and COUNCIL personnel employed in performing the obligations and duties under the 2016 PERMIT, as individuals, and the COUNCIL as a whole, shall at all times comply with all applicable laws regarding conflicts of interest. Unless permitted by applicable laws, no MEMBER shall vote or otherwise participate in any COUNCIL action or project if that MEMBER has a direct or indirect economic interest in the action or project.

10.2. Conflict of Interest Policy. LJPB shall maintain and observe a Conflict of Interest Policy conforming to the IRS sample conflict of interest policy for organizations exempt from income tax under Section 501(c)(3) (Form 1023 Instructions, Appendix A).

ARTICLE XI

11.1. Effective Date and Amendments. These Bylaws became effective on _____, the date they were approved by the DIRECTOR. Subsequent amendments to the Bylaws must be approved by a majority vote of the MEMBERS present at the meeting at which approval is sought and upon proper notice. Proper notice shall constitute at least fourteen (14) days written notice given to all MEMBERS of the intention to alter, amend, repeal or adopt new bylaws at such meeting. COUNCIL shall provide the DIRECTOR with a complete copy of the COUNCIL's amended Bylaws within ten (10) days of adoption of any amendments. The COUNCIL Bylaws and any subsequent amendments must be approved by the DIRECTOR before they take effect.

History of Amendments

Original

Approved by vote of members 27 June 2011

Article II, Section 2.2 - Previously the number of members was 25.

Approved by vote of members 26 September 2011

Approved by the Director of Parks and Recreation 11 August 2011

Comprehensive rewrite

Approved by vote of members 25 July 2016

Article II, Section 2.3 - Previously a quorum was 25%.

Approved by vote of members 26 September 2016