

BYLAWS OF
PALM DESERT CITY FOUNDATION

(A California Nonprofit Public Benefit Foundation)

ARTICLE I – Organization

Section 1. Name.

The name of this Foundation is Palm Desert City Foundation (“Foundation”).

Section 2. Objectives.

The Foundation has been formed to raise funds for and otherwise conduct or support programs and activities that benefit the shared public assets and amenities owned by the City of Palm Desert (“City”). These are, but not limited to, the City’s libraries, public art, aquatic centers, fire stations, parks, and police stations.

Section 3. Principal Office.

The principal office of the Foundation shall be fixed and located at the Palm Desert City Hall, located at 73-510 Fred Waring Drive, Palm Desert, California, 92260. The Board of Directors (“Board”) is hereby granted full power and authority to establish additional offices in other City-owned facilities. The Foundation shall be charged reasonable rent for said facilities.

Section 4. Members

The Foundation shall be maintained in accordance with Title 1, Division 2 of the California Foundations Code, otherwise known as the California Nonprofit Foundations Law (the “Law”). The Foundation has elected not to have members as defined in section 5056 of the Law.

Section 5. Ralph M. Brown, Public Records and Political Reform Acts

The Foundation is committed to ensuring that the deliberations of the Board are conducted openly, the actions of the Board are taken openly and all records of the Foundation are made available for public inspection in accordance with the Ralph M. Brown Act (“Brown Act”), California Government Code sections 54950 through 54963, as amended from time to time, the California Public *Records* Act (“Public Records Act”), California Government Code sections 6250 through 6276.48, as amended from time to time, and the Political Reform Act of 1974 (the “Political Reform Act”), California Government Code sections 81600 through 9105, as amended from time to time. Accordingly, in the event of a conflict between a provision of these Bylaws and a section of the Brown Act, the Public Records Act or the Political Reform Act, the Brown Act or, as applicable, the Public Records Act or the Political Reform Act, shall control.

ARTICLE II - Board of Directors

Section 1. Powers.

Subject to the limitations of the Articles of Incorporation and other provisions of these Bylaws, and the laws of the State of California, all corporate powers shall be exercised by, or under the authority of, and the business and affairs of the Foundation, shall be controlled by the Board.

Section 2. Number, Selection, and Terms of Office of Directors.

The Board shall consist of five (5) directors appointed by the City Council (“Directors”). The term of each Director shall be three (3) years or until a successor has been elected and qualified provided that two (2) of the initial Directors shall have an initial term of four (4) years. The initial distribution of terms may be accomplished voluntarily or by lot. Thereafter, the term of office shall be three (3) years. There shall be no limitation upon the number of consecutive terms to which a Director may be re-elected. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified. All vacancies on the Board including, without limitation, vacancies caused by expiration of a term, resignation or removal, including a demand resignation for failing to attend meetings, shall be appointed by the City Council.

Section 3. Vacancies.

- (a) A vacancy or vacancies on the Board shall be deemed to exist (i) in case of the death, resignation, or removal of any director or (ii) if the authorized number of directors is increased. The Board may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or found by a final order of judgment of any court to have breached any duty arising under section 5230 of the Law. A Director shall be deemed to have resigned if they accumulate unexcused absences amounting to at least one-half of the Board's regularly scheduled meetings during any fiscal year.
- (b) Subject to the limitations of provision of section 5226 of the Law, any director may resign effective upon giving written notice to the Chair or the Secretary, of the Foundation and the Mayor or City Manager, unless the notice specifies a later time for the effectiveness of such resignation. If a director resigns by giving notice specifying that such resignation shall be effective at a future time, a successor may be designated by the City Council before such time to take office when the resignation becomes effective.
- (c) No reduction in the number of Directors shall have the effect of removing any Director prior to the expiration of their term of office.

Section 4. Removal of Directors.

Any Director may be removed from office, with or without cause, by the City Council, in accordance with sections 5222 and 5223, as applicable.

ARTICLE III - Meetings of the Board

Section 1. Place of and Public Access to Meetings.

All meetings of the Board shall be held at the principal business office of the Foundation or at such other place within Palm Desert as may be designated from time to time by resolution of the Board, or in the notice of said meeting. All meetings of the Board shall be open and public and any member of the public shall be permitted to attend any meeting of the Board, except as otherwise provided in the Brown Act.

Section 2. Annual Meeting.

The annual meeting of the Board shall be the regular meeting of the Board held in May or June of each year. The officers of the Board shall be elected at this meeting for terms commencing July 1.

Section 3. Regular Meetings.

The Board shall hold regular meetings on the date(s) established by Board by resolution. Notice of regular meetings shall be given in accordance with the Brown Act. The Board shall hold at least six (6) regular meetings during each fiscal year.

Section 4. Special Meetings.

Special meetings of the Board may be called at any time in accordance to the Brown Act.

Section 5. Agendas.

All agendas shall be prepared and posted as required by the Brown Act.

Section 6. Action at a Meeting; Quorum; Required Vote.

Presence of a majority of the Directors at a meeting of the Board constitutes a quorum for the transaction of business. Directors may participate in a meeting through use of a conference telephone, video conference or similar communications equipment pursuant to section 54953 of the Brown Act. Participation in a meeting as permitted in the preceding sentence constitutes presence in person at such meeting. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number, is required by law, or by these Bylaws. All votes taken during a meeting involving the expenditures of funds or an amendment to the Bylaws or Articles of Incorporation shall be by roll call and shall be reported in the minutes of the meeting. All other votes may be by voice vote unless otherwise required by these Bylaws or the Chair.

Section 7. Adjourned Meetings.

A quorum of the Directors may adjourn any Board meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any Board meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board. Notice of an adjourned meeting shall be provided pursuant to the Brown Act.

Section 8. Rights of Inspection.

The City Manager of the City, every Director, and every City Councilmember shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind, and to inspect the physical properties of the Foundation.

Section 9. Fees and Compensation.

The Directors shall receive no compensation for their service on the Board. However, Directors may be reimbursed for, or advanced funds for, any expenses actually incurred or reasonably expected to be incurred in connection with the performance of their duties as Directors.

ARTICLE IV - Officers

Section 1. Officers.

The officers of the Board shall be a Chair, a Vice Chair, a Secretary and a Treasurer. Two or more offices may be held by the same person except that neither the Secretary nor the Treasurer may serve concurrently as the Chair. The Chair and Vice Chair must also be Directors. The removal or resignation of a Director who is an officer of the Foundation shall be deemed a resignation by such person from all offices held.

Section 2. Nomination and Election.

The officers of the Foundation, shall be elected annually by the Board, at its annual meeting, and each officer so elected shall hold office until re-elected unless such officer shall resign, removed with or without cause, or otherwise becomes disqualified to serve, or until a successor shall be elected and qualified. At any regular or special meeting of the Board, the Board may fill a vacancy caused by the death, resignation, removal or disqualification of any officer.

Section 3. Removal and Resignation.

Any officer may be removed, either with or without cause, by the Board on a 2/3 vote or by the City Council on a majority vote, at any regular or special meeting of the respective bodies. Any officer may resign at any time by giving written notice to the Chair or Secretary of the Board and the Mayor or City Manager. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Chair of the Board.

The Chair of the Board shall preside at all meetings of the Board and exercise and perform such other powers and duties as may be from time to time assigned to the Chair by the Board or prescribed by these Bylaws. The duties of the Chair shall include the following:

- (a) Scheduling meetings when necessary and conducting them in accordance with Robert's Rules of Order (or other such procedures duly adopted by the Board) **and** the requirements of the Brown Act.
- (b) Setting meeting agendas in conjunction with the City Manager (or their designee)

and ensuring adequate discussion of items;

- (c) Keeping the Vice Chair and members of the Board, City Council, and City Manager informed on issues affecting the Foundation; and
- (d) On behalf of the Board and in conjunction with the City Manager, responding to issues from the Palm Desert community, private and public sectors, the City Council, and the media, or designating another member of the Board to represent the Foundation.

Section 5. Vice Chair.

In the absence of the Chair, the Vice Chair will exercise the duties of the Chair and shall perform such other duties as may be from time to time required by the Chair or by the Board.

Section 6. Secretary.

The Secretary shall record or cause to be recorded, and shall keep or cause to be kept, at the principal business office or such other place as the Board may order, a Minute Book of actions taken at all meetings of the Board, which must include, but is not limited to:

- a) The time and place where each meeting was held;
- b) Whether regular or special, and if special, how authorized, the notice thereof given, and the names of those present at Board meetings. The Secretary shall give, or cause to be given, notice of all the meetings of the Board required by the Bylaws or by law to be given, and shall have such other powers to perform such other duties as may be prescribed by the Board or by the Bylaws.

Section 7. Treasurer.

The Treasurer shall act as the Foundation's chief financial officer, and shall keep and maintain, or cause to be maintained, adequate and correct accounts of the properties and business transactions of the Foundation, including accounts of its liabilities, receipts, disbursements, gains and losses. The Treasurer shall submit a statement of accounts at each regular meeting of the Board and shall make such reports as the Board may require, and shall make, an annual report prior to the annual meeting of the Board. The Treasurer shall cause to be deposited or shall cause to be disbursed in accordance with procedures approved by the Board all monies and other valuables in the name and to the credit of the Foundation with such depositories as may be designated by the Board. The Treasurer shall disburse funds of the Foundation as may be ordered by the Board, shall render to the Chair of the Board, the City Manager, the City Council, and the Board, whenever they request, an account of all transactions as Treasurer and of the financial condition of the Foundation, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

ARTICLE V - Committees

Section 1. Committees.

- a) The Board may, by resolution adopted by a majority of the Directors then in office, provided that a quorum is present, establish one or more committees consisting of at least a majority of directors of the Board plus any other person or persons. Members of all committees shall be appointed by the Board. Members of all committees shall serve at the pleasure of the Board.
- b) The Board shall have the power to prescribe the manner in which proceedings of any committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless these Bylaws, the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board which shall be subject to the Brown Act. Each committee shall keep regular minutes of its proceedings and shall report the same to the Board from time to time, as the Board may require.

Section 2. Alternates.

The Board may designate one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting of the committee.

Section 3. Standing Committees.

The Board may create standing committees consisting of two or more directors of the Board that have continuing subject matter jurisdiction over a particular issue. Each such standing committee shall establish its rules for the conduct of its affairs, shall establish its duties and purposes, and shall perform such other duties as the Board may prescribe from time to time.

Section 4. Special Advisory Committees.

From time to time, the Chair of the Board may appoint one or more special advisory committees consisting of less than a majority of the Board for purposes of considering specific matters of concerns of the Board for a temporary period of time.

Section 5. Term of Office.

Each member of a committee shall serve until their successor is appointed, or until such committee is sooner terminated, or until they are removed, resigns, or otherwise ceases to qualify as a member of the committee.

Section 6. Quorum; Meetings.

Each committee, standing committee and special advisory committee shall meet as often as necessary to perform its duties, at such times and places as directed by the committee chair, the Chair of the Board or the Board and, if applicable, in compliance with the Brown Act. A majority of the members of any of the above committees (except special advisory committees) shall constitute a quorum of such committee and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Each of the above

committee (excepting special advisory committees) shall keep accurate minutes of its meetings, the chair designating a secretary of the committee for this purpose, and shall make periodic reports and recommendations to the Board.

Section 7. Vacancies.

Vacancies on any committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointments.

Section 8. Conflict of Interest.

The Board shall adopt a Conflict of Interest Policy as required by Article VII, Section 5 of these Bylaws which shall be enforced by a committee designated for that purpose. Each Director shall, not less frequently than once a year, submit a statement setting forth all business and other affiliations which relate in any way to the business of the Foundation. Each director shall be responsible for disclosing to the Foundation any matter which would make such director an "interested director" within the meaning of section 5233 of the Law. In addition, each director shall disclose to the Foundation any relationship or other factor which would cause that director to be considered to be an "interested person" within the meaning of section 5227 of the Law.

Section 9. Limitation on Delegation.

The Board may not delegate to its committees any legal authority that under the Law can only be exercised by the full Board.

ARTICLE VI - Indemnification and Insurance

Section 1. Right of Indemnity.

To the fullest extent permitted by law, this Foundation shall indemnify its directors, officers, employees, and other persons described in section 5238(a) of the Law, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, including an action by or in the right of the Foundation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this Bylaw, shall have the same meaning as in section 5238(a) of the Law.

Section 2. Approval of Indemnity.

On written request to the Board by any person seeking indemnification under section 5238 (b) or section 5238 (c) of the Law, the Board shall promptly determine under section 5238(e) of the Law whether the applicable standard of conduct set forth in section 5238(b) has been met and, if so, the Board shall authorize indemnification.

Section 3. Advancing Expenses.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 1 and 2 of these Bylaws in defending any proceeding covered by those sections shall be advanced by the Foundation before final disposition of the proceeding, on receipt by the Foundation of an

undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined by the Board, that the person is entitled to indemnification by the Foundation for those expenses, and on receipt by the Foundation of such security as the Board may deem appropriate.

Section 4. Insurance.

The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Foundation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Foundation would have the power to indemnify the agent against that liability under the provisions of this Article.

ARTICLE VII - General Provisions

Section 1. Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Foundation, and any and all securities owned or held by the Foundation requiring signature for transfer, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by the Board.

Section 2. Inspection of Corporate Records.

The Foundation shall keep at its principal business office, the originals or copies of its Articles of Incorporation and Bylaws, as amended or otherwise altered to date, certified by its Secretary; written minutes of the meetings of its Board, and any committees of the Board; its books and records of account; and all other books, records and documents of the Foundation.

Section 3. Endorsement of Documents; Contracts.

Any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing, and any assignment or endorsement thereof executed or entered into between the Foundation and any other person, when signed by the Chair, the Secretary, or the Treasurer, shall be valid and binding on the Foundation in the absence of actual knowledge on the part of the other person that the signing officer(s) had no authority to execute the same. Any such instrument may be signed by any other officers, agents or employees and in such manner as shall from time to time be determined by the Board and, unless so authorized by the Board no officer, agent or employee shall have any power or authority to bind the Foundation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 4. Annual Report.

The Foundation shall furnish annually to the City Council, the City Manager, and each Director within a reasonable period of time not to exceed 210 days after the close of its fiscal year, a written report containing the following information in reasonable detail:

- a) The assets and liabilities, including the trust funds, of the Foundation as of the end

of the fiscal year.

- b) The principal changes in the assets and liabilities, including trust funds, during the fiscal year.
- c) The revenue or receipts of the Foundation, both unrestricted and restricted to particular purposes, for the fiscal year.
- d) The expenses or disbursements of the Foundation, for both general and restricted purposes, during the fiscal year.
- e) Any information required by section 6322 of the Law, as from time to time amended.

Section 5. Conflict of Interest.

The Foundation, through the Board, shall promulgate, from time to time, a written conflict of interest policy, according to the current law then in effect, including section 87100 of the California Government Code, to be adhered to by its officer and directors, and which includes guidelines for the resolution of actual or potential conflicts of interest.

Section 6. Fiscal Year.

The fiscal or business year of the Foundation shall be July 1 of the current year through June 30 of the subsequent year.

Section 7. Construction and Definitions.

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the general provisions of the Law shall govern the construction of these Bylaws.

ARTICLE VIII - Amendments and Dissolution

Section 1. Amendment.

New bylaws may be adopted, or these Bylaws may be amended, modified or repealed by the Board provided, however, that any proposed amendment shall require the prior approval of the City Council before it shall become effective.

Section 2. Record of Amendments.

Any amendment or alteration in these Bylaws shall be forthwith filed with the original Bylaws of the Foundation.

Section 3. Dissolution.

The Corporation shall not be voluntarily dissolved, except by approval of the Board subject to approval by the City Council. In the event of dissolution of the Corporation in any manner and for any cause, after the payment or adequate provision for the payment of all of its debts and liabilities, all of the remaining funds, assets and properties of the Corporation shall be paid or distributed as provided for in the Articles of Incorporation.

CERTIFICATE OF SECRETARY
BYLAWS OF
PALM DESERT PUBLIC TRUST

I, the undersigned, do hereby certify:

- 1) That I am the duly elected and acting secretary of the Palm Desert Public Trust, a California nonprofit public benefit corporation; and
- 2) That the foregoing Bylaws, consisting of nine (9) pages, exclusive of cover sheet and table of contents, constitute the Bylaws of said corporation as duly adopted by the Incorporator on _____, 2024.

IN WITNESS WHEREOF, I have executed this Certificate as of this ___ day of _____, 2024.

_____, Secretary