

## Proposal to Amend and Restate the CYC Bylaws

At its October 11, 2021 meeting, the CYC Board unanimously approved amendments and a restatement of the CYC Bylaw. The Board so adopted a resolution to submit the Amended and Restated Bylaws to the membership at the November 17, 2021, Annual Meeting with the recommendation that the members approve the amendments and restatement; if so approved, the Amended and Restated Bylaws would become effective on January 1, 2022.

A copy of the Amended and Restated Bylaws accompanies this explanation.

The amendments to the Bylaws accomplish the following:

1. In 2021 the Washington State legislative significantly redrafted the Washington Nonprofit Corporation Act to modernize the Act's provisions and to establish procedures by which nonprofit corporations, such as CYC, could deliver notices by means of "electronic transmissions" (such as email) and conduct meetings through "remote communications" (such as Zoom and similar technologies). The amendments to the CYC Bylaws adopt these procedures which provide the Board, Board committees and the membership greater certainty in their operations. These changes are found in various provisions in **Article V**, **Article VI** and **Article VII**. The new Washington Nonprofit Corporation Act becomes effective on January 1, 2022 and so the proposed amended Bylaws would become effective on the same date.
2. The definition of "Family" in **Article IV, Section 2**, is proposed to be changed to permit children of members to continue as part of the Family membership until they reach age 25; currently, such children could not maintain their Family membership once they reached age 19. This change permits children to maintain their CYC membership if they are in college or in other situations in which they could not afford CYC dues. The Board believes this will strengthen the attraction of the Family membership and, hopefully, better facilitate transition by younger individuals to becoming Club members themselves. As members through their Family membership, such children have all rights and privileges of Club membership except the right to vote. Of course, any individual 19 and older may apply to join CYC as an individual member if he or she so wants.
3. For many years the Board has operated with a quorum requirement of just 5 members (with at least one an officer and one Director being present) even though the Board consists of 14 individuals. The last sentence of **Article V, Section 1** has been amended to require a quorum of 8 members, a majority of the Board. Given the greater flexibility in attending meetings, the Board believed this to be an appropriate change and to be in conformity with customary corporate practice.
4. One fairly new requirement for CYC to sponsor certain national sailing events was for the Board to adopt a **policy against discrimination and harassment**, and to include that

policy in the Club's bylaws. The Board adopted that policy earlier this year and the policy is published on the Club's website. The proposed Bylaws now include that policy as a new **Article X**.

5. Finally, the amendments provide several non-substantive changes in the organization of the Bylaws, such as combining procedures for Board and Committees in one Article (**Article V**) rather than being spread out over three separate articles. In addition, the amendments update and/or clarify certain provisions of the Bylaws, none of which are believed to be substantive and many of which conform to current practice, including for example:
  - (a) In 2017 the membership approved terminating the separate "Junior" membership category but grandfathered all then current Juniors –all such individuals have now "aged" out of being Juniors so that membership category is eliminated from **Article IV, Section 1**.
  - (b) Historically, the Bylaws have included the initiation fees and dues in **Article IV, Section 4** but have delegated to the Board the authority to revise the charges, subject to member approval for any increase of more than the greater of 10% or \$30 in any year. The proposed change does NOT change the process by which fees and dues may be changed by the Board or membership but simply removes the reference to the current level of fees and dues from the Bylaws, thereby allowing the charges to be changed from time to time without technically "amending" the bylaws. No change in the fees or dues is being proposed for membership approval at this time.
  - (c) Added to **Article V, Section 1**, is the following first sentence which states the legal responsibility of the Board: "The activities and property of the Club shall be managed under the direction of the Board."
  - (d) In **Article V, Section 2**, the definition of "Treasurer," if read literally, requires that officer to write all checks, make all deposits of funds, give all receipts, etc; the definition is changed to provide that while the Treasurer still has oversight responsibility for all the Club's funds, the Treasurer can delegate such actions to Club employees and other officers.
  - (e) The term "Junior Staff Commodore" is now defined in **Article V, Section 2**.
  - (f) Quorum requirements were added to the descriptions of the Nominations and Elections Committee and the Membership Committees in **Article V, Section 6**.
  - (g) **Article V, Section 9** provides that the Board or any Committee may act by unanimous written consent, a customary provision in corporate bylaws, and provides greater flexibility for action without requiring a special meeting.
  - (h) The reference to the Washington Liquor Control Board in **Article XI, Section 3**, is updated to the "Washington Liquor and Cannabis Control Board."

The CYC Board unanimously recommends that the membership approve the proposed Amended and Restated Bylaws to become effective on January 1, 2022.