



EXPLORE BUTTE COUNTY EXECUTIVE COMMITTEE MEETING

2023 BOARD OF DIRECTORS

Bruce Spangler, President
Lake Oroville Holiday Inn Express
& Suites, Oroville

Tamba Sellu, Treasurer
Courtyard by Marriott, Chico

Kate Pinsonneault
Hotel Diamond, Chico

Melissa Schuster
Chapelle de L'Artiste Château &
Retreat, Paradise

Jennifer Owens
CSU Chico University Farm

ADVISORY BOARD

Ev Duran, UTB Studios
Patricia Macias, Museum of
Northern California Art (monca)
Debbie Moseley, Paradise
Chocolate Fest
Marci Shadd, The Colonia Building

Audrey Taylor, Downtown Chico
Business Association
Megan Gaddis, Chico Chamber of
Commerce
Eric Smith, Oroville Chamber of
Commerce
Monica Nolan, Paradise Chamber
of Commerce

Katie Simmons, Butte County
Administration
Jennifer Macarthy, City of Chico
Jordan Daley, City of Oroville
Collette Curtis, Town of Paradise

March 12, 2024

Time: 3:00 pm - 4:00 pm

Residence Inn by Marriott - Chico
2485 Carmichael Dr, Chico, CA 95928

AGENDA

MISSION: Explore Butte County inspires people to visit Butte County, creates tourism opportunities that contribute to economic vitality, and builds community through partnerships.

VISION: Explore Butte County is the heart and champion of growing and sustaining a flourishing and diverse tourism economy, making Butte County THE must-visit destination in the North State.

VALUES: Authenticity. Innovation. Exploration. Stewardship. Equity. Inclusion. Fun.

BRAND POSITION: The Explorer - Adventurer, Pioneer, Seeker, Open-minded, Resourceful, Tolerant, Ambitious, Down to Earth, Authentic, Determined, Outdoorsy

MEMBERS: Tamba Sellu, Melissa Schuster

1. CALL TO ORDER

2. DISCUSSION ITEMS

2.1. DECEMBER 2023, JANUARY 2024, AND FEBRUARY 2024 FINANCIALS

[December 2023 Reports](#) - [January 2024 Report](#) - February 2024 Report

2.2. BOARD LEADERSHIP AND TRANSITION

Transition of new Board of Directors and Executive Committee Leadership on March 14.

2.3. ADDITIONAL BYLAW AMENDMENTS

Amendment of the Board of Directors criteria for the City of Oroville and Butte County, City of Gridley, and City of Biggs to include a representative from the community at large with an interest in travel and tourism. Amendment of a quorum from five (5) members of the Board to a majority of the board serving.

Members of the Board of Directors were notified by email 7 days in advance of the board meeting, as required in the current bylaws.

[Bylaws with Proposed Amendments](#) - [Summary of Bylaw Amendments](#)

3. PUBLIC COMMENT

The public is invited to address the Board regarding any non-agenda items at this time. Time is limited to three (3) minutes per speaker. The Board may not take any action on public comment.

4. CLOSED SESSION

4.1. Anticipated Litigation: Pearson Collaborative Projects - Contract Termination Fees with Legal Counsel

5. ADJOURNMENT

Explore Butte County

As of December 31, 2023

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Explore Butte County

As of December 31, 2023

Explore Butte County

January - December 2023

Explore Butte County

January - December 2023

Explore Butte County

January - December 2023

Explore Butte County

January - December 2023

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Explore Butte County

January - December 2023

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Explore Butte County

January - December 2023

Explore Butte County

January - December 2023

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Financial Statements

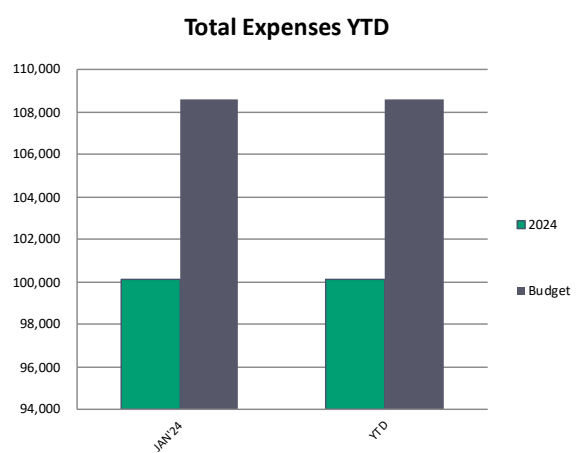
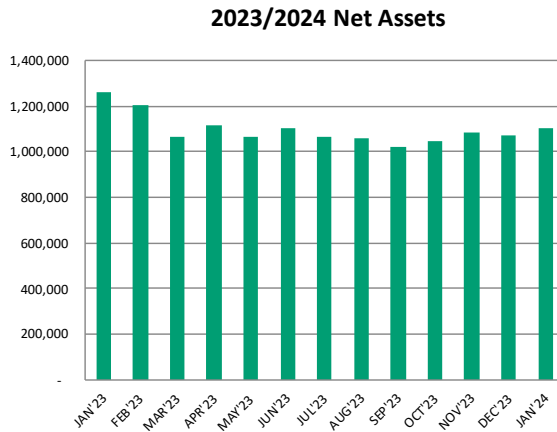
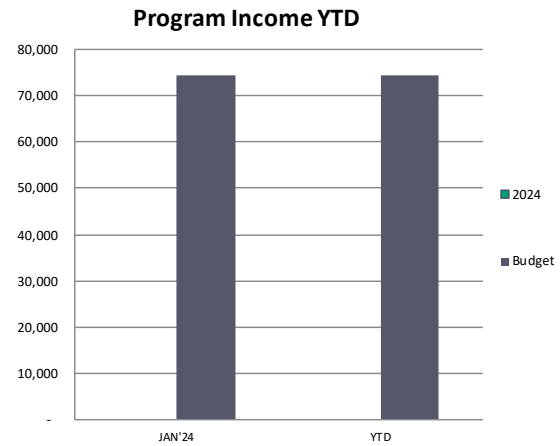
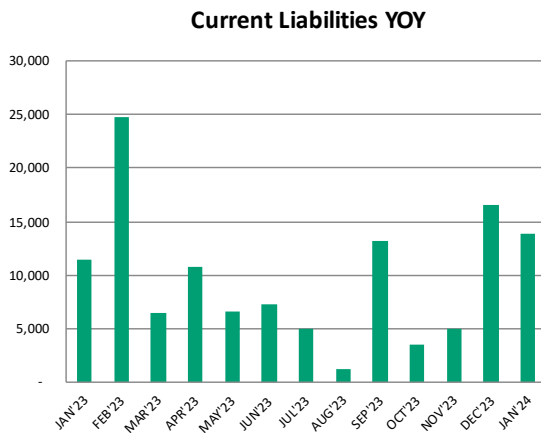
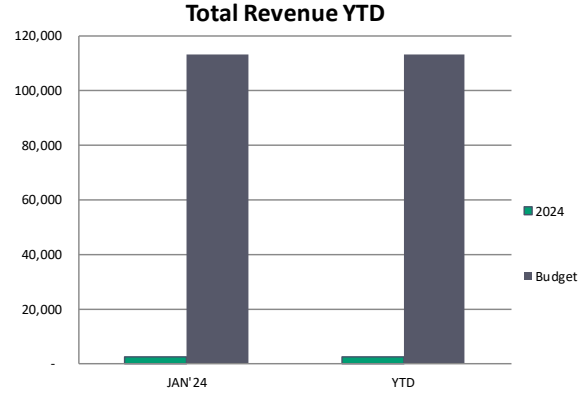
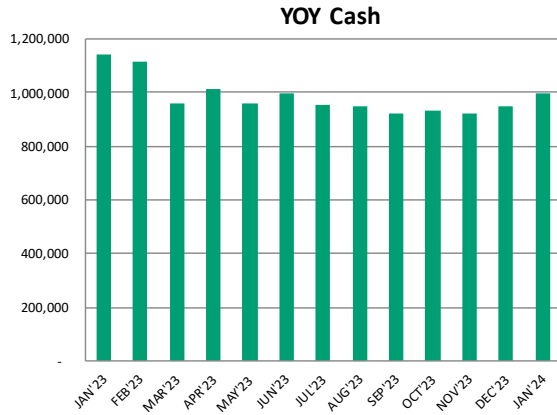
For the period ending YTD January 31st, 2024

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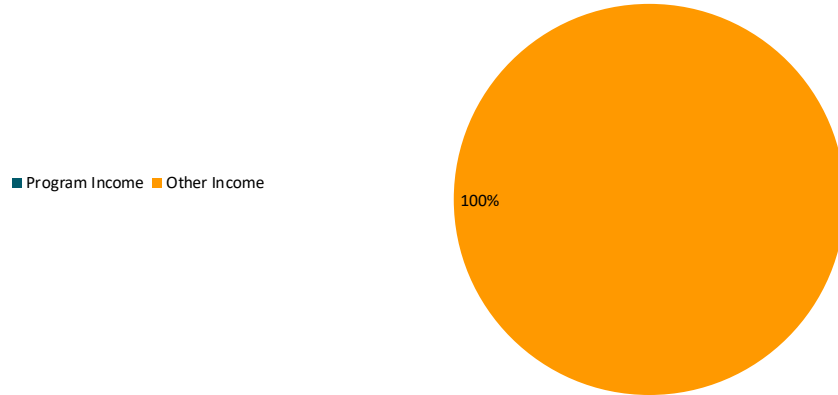
Page 1 -2	Dashboards
Page 3	Balance Sheet
Page 4	Year to Date Statement of Activities
Page 5	Statement of Activities by Class

Explore Butte County
Financial Dashboard
For the period ending January 31st, 2024

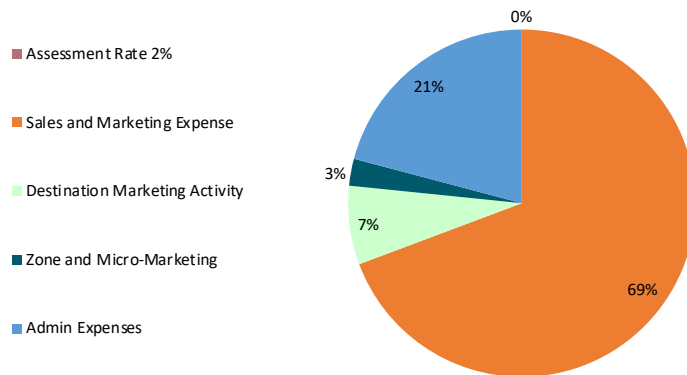
Color Code	
	Significant Underperformance
	Slight Underperformance
	Good Performance



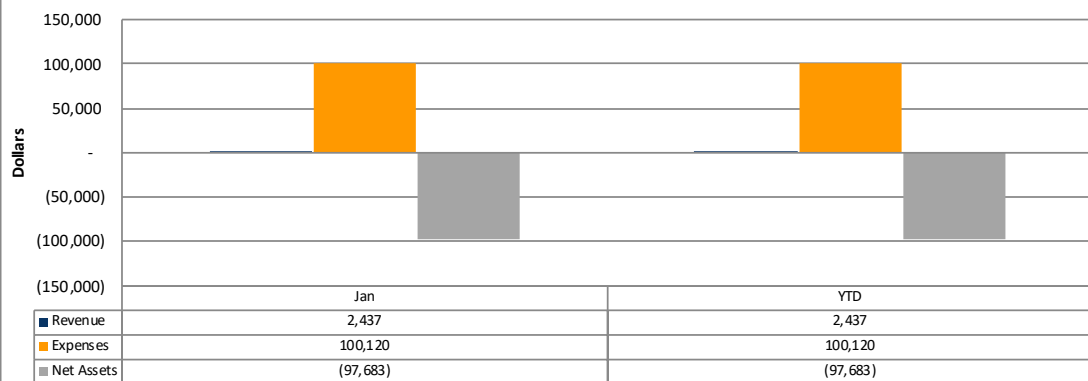
Summary of Revenues



Summary of Expenses



YTD Operating Performance



Explore Butte County
Comparative Balance Sheet
For the period ending January 31st, 2024 and January 31st, 2023

	January 2024 \$	January 2023 \$	Variance Inc/(Dec) \$	Variance Inc/(Dec) %
ASSETS				
Current Assets				
Cash				
Checking	477,694	1,141,063	(663,369)	(58.1%)
Savings	500,856	-	500,856	100.0%
Money Market	20,006	-	20,006	100.0%
Total Cash	998,556	1,141,063	(142,507)	(12.5%)
Accounts Receivable	61,000	31,277	29,723	95.0%
Other Assets				
Prepaid Expenses	33,338	-	33,338	100.0%
	33,338	-	33,338	100.0%
Total Current Assets	1,092,894	1,172,339	(79,446)	(6.8%)
Fixed Assets				
Furniture And Equipment	19,636	19,636	-	-
Vehicle	137,837	137,837	-	-
Less Accumulated Depreciation	(76,475)	(43,328)	(33,147)	(76.5%)
Total Fixed Assets	80,998	114,145	(33,147)	(29.0%)
TOTAL ASSETS	1,173,891	1,286,484	(112,593)	(8.8%)
LIABILITIES				
Current Liabilities				
Accounts Payable	875	-	875	100.0%
Credit Card Payable	4,106	8,804	(4,697)	(53.4%)
Accrued Salaries and Wages	8,912	-	8,912	100.0%
Payroll Liabilities	31	2,625	(2,594)	(98.8%)
Total Current Liabilities	13,924	11,429	2,495	21.8%
Deferred Revenue	60,000	-	60,000	100.0%
TOTAL LIABILITIES	73,924	11,429	62,495	546.8%
NET ASSETS				
Unrestricted Net Assets	725,304	872,784	(147,480)	(16.9%)
Net Assets - Reserved	472,346	486,559	(14,213)	(2.9%)
Current Year Income	(97,683)	(84,288)	(13,396)	(15.9%)
Total Net Assets	1,099,967	1,275,055	(175,088)	(13.7%)
TOTAL LIABILITIES & NET ASSETS	1,173,891	1,286,484	(112,593)	(8.8%)

Explore Butte County

Year-to-Date Comparative Income Statement
For the period ending January 31st, 2024

	January 2024		January 2024		VARIANCE		January 2023		Jan '24 TO Jan '23	
	YTD - ACTUALS		YTD - BUDGET		TO BUDGET		YTD - ACTUALS		ACTUALS VARIANCE	
	\$	%	\$	%	\$	%	\$	%	\$	%
REVENUES & OTHER SUPPORT:										
Program Income										
Butte County	-	-	515	0.5%	(515)	(100.0%)	-	-	-	-
Chico	-	-	57,508	50.8%	(57,508)	(100.0%)	-	-	-	-
Gridley	-	-	601	0.5%	(601)	(100.0%)	-	-	-	-
Oroville	-	-	12,875	11.4%	(12,875)	(100.0%)	-	-	-	-
Paradise	-	-	3,004	2.7%	(3,004)	(100.0%)	-	-	-	-
Sub-Total Program Income	-	-	74,503	65.8%	(74,503)	(100.0%)	-	-	-	-
Other Income										
Interest Income	637	26.1%	8	0.0%	628	7,541.8%	9	4.4%	627	6,774.3%
Butte County - Microfunding	-	-	264	0.2%	(264)	(100.0%)	-	-	-	-
City of Chico - Microfunding	-	-	21,490	19.0%	(21,490)	(100.0%)	-	-	-	-
City of Oroville - Microfunding	-	-	4,491	4.0%	(4,491)	(100.0%)	-	-	-	-
County ARPA -Wayfinding Signage	-	-	8,723	7.7%	(8,723)	(100.0%)	-	-	-	-
Town of Paradise - Microfunding	-	-	1,406	1.2%	(1,406)	(100.0%)	-	-	-	-
Cooperative Program Funding	800	32.8%	2,083	1.8%	(1,283)	(61.6%)	200	95.6%	600	300.0%
City of Gridley - Microfunding	-	-	192	0.2%	(192)	(100.0%)	-	-	-	-
Other Income	1,000	41.0%	-	-	1,000	100.0%	-	-	1,000	100.0%
Sub-Total Other Income	2,437	100.0%	38,659	34.2%	(36,222)	(93.7%)	209	100.0%	2,227	1,064.4%
TOTAL REVENUE	2,437	100.0%	113,162	100.0%	(110,725)	(97.8%)	209	100.0%	2,227	1,064.4%
PROGRAM EXPENSES:										
Assessment Rate 2%										
2% Fee - Butte County	-	-	10	0.0%	(10)	(100.0%)	-	-	-	-
2% Fee - Chico	-	-	1,150	1.0%	(1,150)	(100.0%)	-	-	-	-
2% Fee - Gridley	-	-	12	0.0%	(12)	(100.0%)	-	-	-	-
2% Fee - Oroville	-	-	258	0.2%	(258)	(100.0%)	-	-	-	-
2% Fee - Paradise	-	-	60	0.1%	(60)	(100.0%)	-	-	-	-
Sub-total Assessment Rate 2%	-	-	1,490	1.3%	(1,490)	(100.0%)	-	-	-	-
Sales and Marketing Expense										
Advertising	11,455	470.1%	11,083	9.8%	371	3.4%	46,889	22,407.1%	(35,434)	(75.6%)
Conferences	682	28.0%	2,500	2.2%	(1,818)	(72.7%)	1,695	810.0%	(1,013)	(59.8%)
Creative Services	13,809	566.7%	14,583	12.9%	(775)	(5.3%)	12,871	6,150.7%	938	7.3%
Dues and Memberships	336	13.8%	833	0.7%	(497)	(59.7%)	-	-	336	100.0%
Marketing Contracts	6,765	277.7%	13,417	11.9%	(6,651)	(49.6%)	-	-	6,765	100.0%
Meals	392	16.1%	250	0.2%	142	56.6%	-	-	392	100.0%
Office Supplies	-	-	38	0.0%	(38)	(100.0%)	-	-	-	-
Postage	21	0.9%	208	0.2%	(187)	(89.8%)	2	1.1%	19	817.7%
Printing	206	8.5%	3,750	3.3%	(3,544)	(94.5%)	-	-	206	100.0%
Public Relations	132	5.4%	417	0.4%	(285)	(68.3%)	115	55.0%	17	14.8%
Sales and Marketing Exp. - Other	-	-	167	0.1%	(167)	(100.0%)	-	-	-	-
Hospitality for Hospitality	296	12.2%	333	0.3%	(37)	(11.1%)	-	-	296	100.0%
SponsorShip Marketing	1,535	63.0%	500	0.4%	1,035	207.1%	-	-	1,535	100.0%
Travel Trader& Consumer Market Show	-	-	2,083	1.8%	(2,083)	(100.0%)	-	-	-	-
Staff-Marketing	31,121	1,277.2%	27,817	24.6%	3,304	11.9%	7,899	3,774.8%	23,221	294.0%
Vehicle Maintenance	66	2.7%	417	0.4%	(351)	(84.2%)	-	-	66	100.0%
Website	2,551	104.7%	5,000	4.4%	(2,449)	(49.0%)	487	232.9%	2,064	423.5%
Sub-Total Sales and Marketing Expense	69,367	2,846.9%	83,396	73.7%	(14,029)	(16.8%)	69,959	33,431.6%	(592)	(0.8%)
Destination Marketing Activity										
ARPA Wayfinding	7,337	301.1%	8,560	7.6%	(1,223)	(14.3%)	1,796	858.0%	5,542	308.6%
City of Chico Travel Chico Brand	-	-	-	-	-	-	2,328	1,112.3%	(2,328)	(100.0%)
Sub-Total Destination Marketing Activity	7,337	301.1%	8,560	7.6%	(1,223)	(14.3%)	4,123	1,970.3%	3,214	78.0%
Zone and Micro-Marketing										
Chico Zone/Travel Chico	2,008	82.4%	3,333	2.9%	(1,326)	(39.8%)	2,527	1,207.6%	(519)	(20.5%)
Paradise Zone	-	-	583	0.5%	(583)	(100.0%)	-	-	-	-
Oroville Zone	500	20.5%	2,500	2.2%	(2,000)	(80.0%)	-	-	500	100.0%
Sub-Total Zone and Micro-Marketing	2,508	102.9%	6,417	5.7%	(3,909)	(60.9%)	2,527	1,207.6%	(19)	(0.8%)
Admin Expenses										
Bank fees	-	-	42	0.0%	(42)	(100.0%)	6	2.9%	(6)	(100.0%)
Conference, Convention, Meeting	258	10.6%	625	0.6%	(367)	(58.8%)	1,161	554.8%	(903)	(77.8%)
Depreciation	2,483	101.9%	-	-	2,483	100.0%	-	-	2,483	100.0%
Filing fees/ taxes	-	-	50	0.0%	(50)	(100.0%)	-	-	-	-
General Administration	809	33.2%	250	0.2%	559	223.5%	401	191.8%	407	101.5%
Insurance	-	-	417	0.4%	(417)	(100.0%)	-	-	-	-
Meals	139	5.7%	83	0.1%	56	67.0%	131	62.4%	8	6.5%
Membership dues	-	-	100	0.1%	(100)	(100.0%)	2,100	1,003.5%	(2,100)	(100.0%)
Office supplies	378	15.5%	333	0.3%	44	13.3%	385	183.9%	(7)	(1.9%)
Postage	109	4.5%	46	0.0%	63	137.0%	123	58.8%	(14)	(11.8%)
Printing and Copying	-	-	83	0.1%	(83)	(100.0%)	-	-	-	-
Professional fees - Accounting	11,220	460.5%	2,500	2.2%	8,720	348.8%	875	418.1%	10,345	1,182.3%
Professional fees - Legal	1,226	50.3%	250	0.2%	976	390.3%	-	-	1,226	100.0%
Professional fees - Human Resources	38	1.5%	625	0.6%	(587)	(94.0%)	-	-	38	100.0%
Rent/ Office Space	525	21.5%	667	0.6%	(142)	(21.3%)	690	329.7%	(165)	(23.9%)
401k Administration	-	-	42	0.0%	(42)	(100.0%)	-	-	-	-
Staffing - Admin	3,396	139.4%	1,696	1.5%	1,700	100.2%	1,443	689.6%	1,953	135.3%
Subscriptions	144	5.9%	100	0.1%	44	44.0%	252	120.3%	(108)	(42.8%)
Telephone, Telecommunications	149	6.1%	292	0.3%	(143)	(49.0%)	123	58.5%	26	21.5%
Travel	36	1.5%	292	0.3%	(256)	(87.7%)	73	34.9%	(37)	(51.0%)
Admin Expense- Other	-	-	208	0.2%	(208)	(100.0%)	125	59.9%	(125)	(100.0%)
Sub-Total Admin Expenses	20,908	858.1%	8,700	7.7%	12,208	140.3%	7,888	3,769.4%	13,020	165.1%
TOTAL PROGRAM EXPENSES	100,120	4,109.1%	108,563	95.9%	(8,443)	(7.8%)	84,497	40,378.8%	15,623	18.5%
NET INCOME/(NET LOSS)	\$ (97,683)	(4,009.1%)	\$ 4,599	4.1%	\$ (102,282)	(2,224.0%)	\$ (84,288)	(40,278.8%)	\$ (13,396)	(15.9%)

Explore Butte County
Income Statement by Class
For the period ending January 31st, 2024

	1 - TBID Program	4 - MicroFunding	5 - Travel Chico ARPA	6 - Wayfinding Signage - County ARPA	TOTAL
REVENUES & OTHER SUPPORT:					
Program Income					-
Chico					-
Sub-Total Program Income	-	-	-	-	-
Other Income					
Interest Income	637				637
County ARPA -Wayfinding Signage					-
Cooperative Program Funding	800				800
Other Income	1,000				1,000
Sub-Total Other Income	2,437	-	-	-	2,437
TOTAL REVENUE	2,437	-	-	-	2,437
PROGRAM EXPENSES:					
Assessment Rate 2%					
2% Fee - Chico	-				-
Sub-total Assessment Rate 2%	-	-	-	-	-
Sales and Marketing Expense					
Advertising	11,455				11,455
Conferences	682				682
Creative Services	13,809				13,809
Dues and Memberships	336				336
Marketing Contracts	6,765				6,765
Meals	392				392
Postage	21				21
Printing	206				206
Public Relations	132				132
Hospitality for Hospitality	296				296
SponsorShip Marketing	1,535				1,535
Staff-Marketing	31,121				31,121
Vehicle Maintenance	66				66
Website	2,351		200		2,551
Sub-Total Sales and Marketing Expense	69,167	-	200	-	69,367
Destination Marketing Activity					
ARPA Wayfinding				7,337	7,337
Sub-Total Destination Marketing Activity	-	-	-	7,337	7,337
Zone and Micro-Marketing					
Chico Zone/Travel Chico			2,008		2,008
Oroville Zone		500			500
Sub-Total Zone and Micro-Marketing	-	500	2,008	-	2,508
Admin Expenses					
Conference, Convention, Meeting	258				258
Depreciation	2,483				2,483
General Administration	809				809
Meals	139				139
Office supplies	378				378
Postage	109				109
Professional fees - Accounting	11,220				11,220
Professional fees - Legal	1,226				1,226
Professional fees - Human Resources	38				38
Rent/ Office Space	525				525
Staffing - Admin	3,396				3,396
Subscriptions	144				144
Telephone, Telecommunications	149				149
Travel	36				36
Sub-Total Admin Expenses	20,908	-	-	-	20,908
TOTAL PROGRAM EXPENSES	90,075	500	2,208	7,337	100,119
NET INCOME/(NET LOSS)	\$ (87,638)	\$ (500)	\$ (2,208)	\$ (7,337)	\$ (97,683)



Proposed Bylaw Modification

ARTICLE V: DIRECTORS

Section 1: Number. The corporation shall have nine (9) Directors. Each Director shall have one vote. A reduction in the number of Directors shall not result in any Director's being removed before his or her term of office expires.

Section 2: Tenure. Each Director of the corporation shall serve for a term of two years.

Section 4: Criteria. An owner or management group which owns or manages multiple lodging businesses in Butte County may only have one (1) representative on the Board of Directors. Among the nine (9) Directors:

- A. Three (3) Directors shall be representatives of businesses paying the Butte County Tourism Business Improvement District ("BCTBID") assessment within the City of Chico;
- B. Two (2) Directors shall be representatives of businesses paying the BCTBID assessment *or a representative of the community at large with an interest in the travel and tourism industry* within the City of Oroville;
- C. One (1) Director shall be a representative of a business paying the BCTBID assessment within the Town of Paradise;
- D. One (1) Director shall be a representative of a business paying the BCTBID assessment *or a representative of the community at large with an interest in the travel and tourism industry* within the unincorporated area of the County of Butte, the City of Gridley, or the City of Biggs; and
- E. Two (2) Directors shall be representatives of the community at large with an interest in Butte County's travel and tourism industry.

Section 5: Annual Election. Election of Directors shall take place at the annual meeting of the corporation. A call for nominations shall be sent to lodging businesses paying the BCTBID assessment. A nomination committee shall seek nominees and confirm their eligibility. Directors shall be elected by the Board.

ARTICLE VI MEETINGS

Section 7: Quorum. At any meeting of the Board, *a majority of the Directors of the Board serving* shall constitute a quorum. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. There shall be no voting by proxies or voting by absentia.

Bylaws of Explore ButteCounty
A California Nonprofit Mutual Benefit Corporation

ARTICLE I NAME AND PRINCIPAL OFFICE

The name of the corporation is Explore Butte County ("Corporation"). The principal office for the transaction of the affairs and activities of this corporation shall be located in the County of Butte. The Board of Directors may change the location of the principal office.

ARTICLE II PURPOSE

The purpose of this corporation shall be to promote Butte County tourism through the development and operation of a tourism business improvement district and other programs and initiatives.

ARTICLE III LIMITATIONS

Section 1: Assets. This Corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits or dividends of its Directors and is organized solely for nonprofit purposes. No part of the profits or net income of this Corporation shall ever inure to the benefit of any Director, officer or to any individual.

Upon the dissolution or winding up of the Corporation, after payment of, or provision for payment of, all debts and liabilities of this Corporation, the remaining assets shall be distributed to a nonprofit fund, foundation or corporation which has been formed to provide benefits or services for Butte County and which has established its tax exempt status under §501(c) of the Internal Revenue Code. If no such corporation as described above is in existence at the time of dissolution, then the remaining assets shall be distributed to a nonprofit fund, foundation or corporation, which has established its tax-exempt status under §501(c) of the Internal Revenue Code.

Section 2: Construction. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE IV MEMBERS

Section 1: Definitions. This corporation shall have no members within the meaning of the California Nonprofit Corporation Law, pursuant to Corporation Code §7332(a).

Section 2: Non-Voting Members. The Corporation's Board of Directors may, in its discretion, admit individuals to one or more classes of non-voting members; the class or classes shall have such rights and obligations as the Board finds appropriate.

ARTICLE V DIRECTORS

Section 1: Number. The corporation shall have nine (9) Directors. Each Director shall have one vote. A reduction in the number of Directors shall not result in any Director being removed before his or her term of office expires.

Section 2: Tenure. Each Director of the corporation shall serve for a term of two years.

Section 3: Initial Appointment. The initial members of the Board of Directors shall be appointed by the incorporator of the corporation. The initial Directors shall serve for staggered terms of one or two years. At the first duly constituted meeting of the Board of Directors, the initial Board members shall draw lots to determine their individual terms.

Section 4: Criteria. An owner or management group which owns or manages multiple lodging businesses in Butte County may only have one (1) representative on the Board of Directors.

Among the nine (9) Directors:

- A. Three (3) Directors shall be representatives of businesses paying the Butte County Tourism Business Improvement District ("BCTBID") assessment within the City of Chico;
- B. Two (2) Directors shall be representatives of businesses paying the BCTBID assessment *or a representative of the community at large with an interest in the travel and tourism industry* within the City of Oroville;
- C. One (1) Director shall be a representative of a business paying the BCTBID assessment within the Town of Paradise;
- D. One (1) Director shall be a representative of a business paying the BCTBID assessment *or a representative of the community at large with an interest in the travel and tourism industry* within the unincorporated area of the County of Butte, the City of Gridley, or the City of Biggs; and
- E. Two (2) Directors shall be representatives of the community at large with an

interest in Butte County's travel and tourism industry.

Section 5: Annual Election. Election of Directors shall take place at the annual meeting of the corporation. A call for nominations shall be sent to lodging businesses paying the BCTBID assessment. A nomination committee shall seek nominees and confirm their eligibility. Directors shall be elected by the Board.

Section 6: Powers. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation law, the provisions of the BCTBID Management District Plan, and any other applicable laws, and subject to any limitations of the Articles of Incorporation and these Bylaws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised by, or under the direction of, the Board.

Section 7: Specific Powers. Without prejudice to the general powers set forth in Article V, Section 6 of these Bylaws, but subject to the same limitations, the Board shall have the power to do the following:

- A. Appoint and remove, at the pleasure of the Board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation, and these Bylaws; fix their compensation; and require from them security for faithful service.
- B. Change the principal office or the principal business office in the County of Butte from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in the County of Butte for holding any meeting of the Board.
- C. Borrow money and incur indebtedness on the corporation's behalf and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidence of debt and securities.

Section 8: Occurrence of Vacancies. A vacancy or vacancies on the Board shall occur in the event of:

- A. The death, removal or resignation of any Director; or
- B. The declaration by resolution of the Board of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty arising under Corporations Code §7238, the BCTBID Management District Plan, or other applicable laws; or
- C. An increase in the authorized number of Directors; or
- D. The failure of an election to elect the number of Directors required to be elected

in that election; or

- E. A Director missing three regular meetings in a row and an affirmative vote by the remaining Directors to remove the absent Director; or
- F. A Director no longer meeting the criteria in Section 4 of this Article.

Section 9: Filling Vacancies. Vacancies on the Board may be filled by approval of the Board, or if the number of Directors then in office is less than a quorum, by either:

- A. The affirmative vote of a majority of Directors then in office at a meeting held according to the notice provisions of these Bylaws and the Ralph M. Brown Act; or
- B. A sole remaining Director.

Section 10: Resignation of Directors. Any Director may resign by giving written notice to the chair of the Board, if any, or to the President or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Directors' resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

Section 11: Removal of Directors. Any Director may be removed, with or without cause, by the vote of the majority of the entire Board of Directors at a special meeting called for that purpose, or at regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Article VI.

Section 12: Compensation and Reimbursement. Directors shall serve as volunteers and shall not be compensated. Directors may be reimbursed for expenses, as the Board may establish by resolution to be just and reasonable to the corporation at the time that the resolution is adopted.

Section 13: Advisors. The Board may designate individuals to serve as advisors to the Board. Advisors will receive notice of meetings in the same manner as Directors but will not be considered Directors for any purpose including voting.

Advisors shall serve for a term of one (1) year and may be removed by the Board at any time. Advisors shall be voted on by the Board of Directors at the annual meeting. Advisors will be a representative from their place of business' location or from their service area. Advisors shall be removed from their position by missing three (3) consecutive regular meeting; they can send a representative in their stead. There shall be no more than two (2) times the total number of voting Board members serving as Advisors to the Board. The Nominating Committee will have the power to review nominees annually and ensure there is reasonable representation from the participating jurisdictions.

Advisors can join any one of the Board Committees unless expressly disallowed. As a member of a committee they will have the right to vote, at the committee level, on the recommendation of the committee.

Advisors may be called upon if a vacancy occurs on the Board of Directors.

ARTICLE VI MEETINGS

Section 1: Annual Meeting. The annual meeting of the corporation shall be held at such time in March as the Board may fix from time to time. At the annual meeting, Directors shall be elected and other business may be transacted, subject to the provisions of these Bylaws. Notice of the annual meeting shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location and on the Corporation's website, in accordance with the requirements of the Ralph M. Brown Act. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.

Section 2: Board of Directors Regular Meetings. The Board shall meet quarterly on dates agreed upon by the Board. Notice of regular meetings shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location, and on the corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act. Each such notice shall state the general business to be transacted, and the day, time and place of the meeting. Business may be transacted at any regular meeting of the Board in accordance with the requirements of the Ralph M. Brown Act.

Section 3: Board of Directors Special Meetings. Special meetings of the Board may be called by the President or any three Directors. Notice of special meetings shall be given to each Director stating the time, place, and business to be discussed at least twenty-four hours before the time of the meeting specified in the notice. Notice shall be delivered to the Board personally or by any other means pursuant to Government Code §54956. Notice shall also be posted at least twenty-four hours prior to the meeting in a publicly accessible location, and on the corporation's website, if any, in accordance with the requirements of the Ralph M. Brown Act.

Section 4: Notice of Meetings. Notice of all meetings will be given in accordance with the provisions of the Ralph M. Brown Act, Government Code §54950 et. seq. The noticing provisions in these Bylaws shall be subject to any amendments of the Ralph M. Brown Act.

Section 5: Place of Meetings. All meetings of the corporation shall be held at such location in the County of Butte as may be determined by the Board.

Section 6: Telephonic Appearance. Teleconferencing, as authorized by §54953 of the Ralph M. Brown Act may be used for all purposes in connection with meetings. All requests for a telephonic appearance must be made to the President of the Board at

least 72 hours in advance. Board Advisors can make the same request of the President. All votes taken during a teleconferenced meeting shall be by roll call. If teleconferencing is used, the Board shall post the agenda at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the Board. Each teleconference location shall be identified in the notice and agenda of the meeting, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the Board shall participate from locations within the boundaries of Butte County. The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to §54954.3 at each teleconference location.

Section 7: Quorum. At any meeting of the Board, *a majority of the Directors of the Board serving* shall constitute a quorum. If less than a quorum is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. There shall be no voting by proxies or voting by absentia.

ARTICLE VII OFFICERS

Section 1: Offices Held. The officers of the corporation shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as the Board may from time to time designate. All officers shall be Directors. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as the President.

Section 2: Election of Officers. The officers of this corporation shall be chosen annually by the Board and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract.

Section 3: Term. The President and Vice President shall be elected for a term of one (1) year or until their successors are elected and qualified. The Secretary and Treasurer shall be elected for a term of two (2) years or until their successors are elected and qualified.

Section 4: Removal of Officers. Without prejudice to the rights of any officer under an employment contract, the Board may remove any officer with or without cause.

Section 5: Resignation of Officers. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

Section 6: Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed by these Bylaws for normal appointments to that office. However, vacancies need not be filled on an annual basis.

Section 7: Responsibilities of President. Subject to the control of the Board, the President shall be the executive officer of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, officers, and staff. The President shall preside at all meetings of the Board. The President shall have such other powers and duties as the board or the bylaws may require. Additionally, the President shall be authorized to sign checks, drafts, endorsements, notes and evidence of indebtedness of the Corporation issued by the Corporation.

Section 8: Responsibilities of Vice President. If the President is absent or disabled, the Vice President, if any, shall perform all duties of the President. When so acting, the Vice President shall have all powers of and be subject to all restrictions on the President. The Vice President shall have such other powers and duties as the board or the bylaws may require.

Section 9: Responsibilities of Secretary. The Secretary of the corporation shall have the following responsibilities:

- A. The Secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and if special, how authorized; the notice given; the names of persons present at Board and committee meetings; and any action taken and the vote or abstention on that action of each Director present for the action.
- B. The Secretary shall keep or cause to be kept, at the corporation's principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date.
- C. The Secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by resolution of the Board, a record of the Corporation's Directors, showing each Director's name, address, and business represented.
- D. The Secretary shall give, or cause to be given, notice of all meetings that these Bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may require.
- E. The Secretary shall maintain, or cause to be maintained, the corporation's records in accordance with the requirements of the California Public Records Act, Government Code §6250 et seq.

Section 10: Responsibilities of Treasurer. The Treasurer of the corporation shall have the following responsibilities:

- A. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, by the BCTBID Management District Plan, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.
- B. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate; shall disburse the corporation's funds as the Board may order; shall render to the President and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation; and have such other powers and perform such other duties as the Board or these Bylaws may require.

Section 11: Contracts with Directors. A mere common Directorship does not constitute a material financial interest within the meaning of this Section. No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any domestic or foreign corporation, firm or association in which one or more of the Corporation's Directors has a material financial interest, is either void or voidable because such Director or Directors or such other corporation, business corporation, firm or association are parties or because such Director or Directors are present at the meeting of the Board or a Committee thereof which authorizes, approves or ratifies the contract or transaction if:

- A. The material facts as to the transaction and as to such Director's interest are fully disclosed or known to the Board of Directors and such contract or transaction is approved by the Board of Directors in good faith, with any membership owned by any interested Director not being entitled to vote thereon;
- B. The material facts as to the transaction and as to such Director's interest are fully disclosed or known to the Board or Committee, and the Board or Committee authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the interested Director or Directors and the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified; or
- C. As to contracts or transactions not approved as provided in A or B above, the person asserting the validity of the contract or transaction sustains the burden of proving that the contract or transaction was just and reasonable as to the Corporation at the time it was authorized, approved, or ratified.

Section 12: Loans. The corporation shall not loan any money or property to, or guarantee the obligation of, any Director or officer of the corporation. The corporation

may advance money to a Director or officer for reasonable business expenses, provided that the Director or officer is entitled to reimbursement.

ARTICLE VIII COMMITTEES

Section 1: Establishment. The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except that no committee may do the following:

- A. Fill vacancies on the Board or any committee of the Board;
- B. Fix compensation of the Directors for serving on the Board or any committee;
- C. Amend or repeal Bylaws or adopt new Bylaws;
- D. Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- E. Create any other committees of the Board or appoint the members of committees of the Board; or
- F. Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be elected; or
- G. With respect to any assets held in charitable trust, approve any contract or transaction between this corporation and one or more of its Directors or between this corporation and an entity in which one or more of its Directors have a material financial interest, subject to the approval provisions of Corporations Code §5233(d)(3).

Section 2: Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of committees and calling of special meetings of committees may be set either by Board resolution, or if none, by resolution of the committee. Notice of committee meetings will be given in accordance with the provisions of the Ralph M. Brown Act. Minutes of each meeting shall be kept and shall be filed with the corporate records, and in accordance with the provisions of the California Public Records Act.

The Board may adopt rules for governance of any committee as long as the rules are consistent with these Bylaws. If the Board has not adopted rules, the committee may do

so.

Section 3: Ad Hoc Nominations Committee. Each year the Board may appoint a Nominations Committee composed of at least three (3) Directors. Nominations for Directors shall be submitted in writing to the Nominations Committee not less than 60 days prior to the Annual Meeting. The recommendations of the Nominations Committee shall be submitted to the Board at least 30 days prior to the Annual Meeting, which recommendations will ensure compliance with Article V, Section 4. Election of Directors shall be conducted at the Annual Meeting.

Section 4: Advisory Committees. The Board may establish one or more advisory committees. The members of any advisory committee may consist of directors or advisors. Advisory committees may not exercise the authority of the Board to make decisions on behalf of the corporation, but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory committees shall be subject to the supervision and control of the Board.

ARTICLE IX INDEMNIFICATION AND INSURANCE

Section 1: Indemnification.

- A. To the fullest extent permitted by law, this corporation shall indemnify its Directors and officers, and may indemnify employees and other persons described in the Corporations Code, including persons formerly occupying such positions, 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 the Corporations Code, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in the Corporations Code. "Expenses," as used in these Bylaws, shall have the same meaning as in the Corporations Code.
- B. On written request to the Board by any person seeking indemnification under the Corporations Code, the Board shall promptly decide under that code whether the applicable standard of conduct set forth has been met, and if so the Board shall authorize indemnification.
- C. 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 these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the corporation for those expenses.

Section 2: Insurance. This corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees and other agents, to cover any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising from the officer's, Director's, employee's, or agent's status as such.

ARTICLE X RECORDS

Section 1: Maintenance. This corporation shall keep all of the following records, either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two:

- A. Adequate and correct books and records of account; and
- B. Minutes of the proceedings of its Board and committees.

Section 2: Inspection by Directors. Every Director shall have the absolute right, at any reasonable time, to inspect the corporation's books, records, and documents of every kind, and to inspect the physical properties of the corporation. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of books, records, and documents of every kind.

Section 3: Articles and Bylaws. This Corporation shall keep, at its principal office, the original or a copy of the Articles of Incorporation and Bylaws, as amended to the current date, that shall be open to inspection by Directors at all reasonable times during office hours.

Section 4: Annual Reports. The Treasurer of the corporation shall prepare and submit, or cause to be prepared and submitted, the following annual reports. The Treasurer shall keep, or cause to be kept, copies of all annual reports with the corporation's records. The two reports may be combined into one all-inclusive document.

- A. BCTBID Annual Report. The BCTBID annual report will be prepared and submitted in accordance with the provisions of Streets and Highways Code §36650 and the BCTBID Management District Plan.
- B. Corporation Annual Report. The Corporation annual report shall be prepared within 120 days after the end of the corporation's fiscal year. This section shall not apply if the corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year. The report shall contain the following information in appropriate detail:
 - 1. A balance sheet as of the end of the fiscal year, an income statement, and statement of cashflows for the fiscal year, accompanied by an independent accountant's report, or if none, by the certificate of an authorized officer of the corporation that they were prepared without audit from the corporation's

books and records;

2. A statement of the place where the names and addresses of current Directors are located; and
3. Any other information required by these Bylaws or the Board.

Section 5: Annual Statement. As part of the annual report, or as a separate document if no annual report is issued, the corporation shall annually prepare and mail, deliver or send by electronic transmission to its Directors a statement of any transaction or indemnification of the kinds in subparagraph B below within 120 days after the end of the corporation's fiscal year.

A. The statement shall include:

1. A brief description of the transaction;
2. The names of interested persons involved and their relationship to the corporation;
3. The nature of interested persons in the transaction;
4. The amount of the interested persons' interest, except that in a partnership in which such person is a partner, only the partnership interest need be stated.

B. Transactions included in the statement shall be those transactions:

1. To which the corporation or its subsidiary was a party;
2. Which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000; and
3. In which either of the following interested persons had a direct or indirect material financial interest (a mere common Directorship is not a material financial interest):
 - a. Any Director or officer of the corporation;
 - b. Any holder of more than 10 percent of the voting power of the corporation.

ARTICLE XI OPERATIONS AND ADMINISTRATION

Section 1: Fiscal Year. The fiscal year of the corporation shall begin on January 1 and end on December 31 of each year.

Section 2: Funds. All funds of the corporation shall be deposited in such banks, trust companies, or other reliable depositories as the Board from time to time may determine.

All checks, drafts, endorsements, notes and evidence of indebtedness of the corporation shall be signed by such officers or agents of the corporation and in such manner as the Board may determine from time to time. Endorsements for deposits to the credit of the corporation shall be made in such manner as the Board may determine from time to time.

Section 3: Contracts. The President or any other officer or agent specifically authorized by the Board may, in the name of and on behalf of the corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board. Without the express and specific authorization of the Board, no officer or agent may enter into any contract or execution or deliver any instrument in the name of or on behalf of the corporation.

Section 4: Brown Act Compliance. To the extent that the Corporation is subject to the open meeting requirements of the Ralph M. Brown Act, then the Board will comply with the provisions of Government Code §54950 through and including §54961. Accordingly, the Owner's Association shall publicly report any action taken and the vote or abstention on that action of each Director present for the action. To the extent that any provisions of these Bylaws are inconsistent with the Ralph M. Brown Act, the provisions of said Act shall prevail. In the event the Corporation is not required to comply with the Brown Act, then the Board will not endeavor to meet the requirements of the Brown Act.

ARTICLE XII AMENDMENT

Except as otherwise provided herein, and subject to the power of Directors to amend or repeal the Bylaws, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by an affirmative vote of a majority of the Directors present at any regular or special meeting, a quorum being assembled, provided that written notice of such meeting, setting forth in detail the proposed revision(s) and explanation(s) therefore, be given not less than 7 days prior to such meeting.

CERTIFICATE OF SECRETARY

I, Melissa Schuster, certify as follows:

1. I am the duly elected and acting, Secretary of Explore Butte County, a California Nonprofit Mutual Benefit Corporation;
2. That these Bylaws, consisting of 14 pages, inclusive of the Certificate of Secretary, are the Bylaws of the corporation as modified by the Board of Directors on March 14, 2024;
3. That these Bylaws have not been amended or modified since that date.

_____, Secretary of the Board