

## **What changes can you expect in the proposed bylaw change?**

While it is still too early to know for sure what exact changes the board will propose, certain changes are highly anticipated.

- Incorporation of an Associate Membership with a maximal cap of 100. This will eliminate our Seasonal Guest Pass Program (in 2018 we had 90 families participating in the Seasonal Guest Pass Program). We will restrict the boundaries where Associate Members need to reside (between Lean Avenue, Bernal Rd, Hwy 85 and the mountains) to ensure exclusivity, which is required by IRS regulations. We will have an exception for families who are existing Seasonal Guest Pass Holders and are proposing to grandfather in those families interested in being an Associate Member. Associate Members will have no voting rights and no participation in decisions of the Association.
- All board meetings will be open to its members. An agenda of a planned board meeting will be posted 4 calendar days prior to the meeting and the meeting minutes will be posted 30 days after. In the past, only the town hall section was open to the members and we never published the agenda prior to the meeting. While our current bylaws do not require this, recent changes in the law do.
- New defined officer roles of a Vice President, Assistant Treasurer and Assistant Secretary. This will improve operation.
- The term of a board member will be two years. This will improve efficiency.
- Elimination of compensation for the Board of Directors.
- Mandatory statute of the California Civil Code, addressing Assessments will be incorporated. (This is a point where our current bylaws are in contradiction and we will talk more about it in the newsletter and town hall section).
- Required annual review by a California State Board licensed Accountancy (Required by law).
- Requirement that no business action outside meetings can be performed by the Board (Required by law).
- New Ethics Policy

There are probably a couple of other minor updates, but these are the most significant items the board anticipates. While some of them have no visible impact, others may have. However, the board's intention is not to establish some new rules that the board desires but rather establish a framework which is in compliance with the law, benefits our members, and provides a clear guidance how the board should operate.

That's it for now. We hope to see you at our town hall meeting on Friday, January 25 at 7pm in our club house and count on your support for the necessary bylaw change. If you have any immediate questions or concerns which cannot wait until the town hall session, please do not hesitate to contact us at [directors@ranchosantateresa.org](mailto:directors@ranchosantateresa.org).

Sincerely,  
Rancho Santa Teresa Board of Directors