

Resolution 2021-1: Proposed Amendment to the MACD By-Laws Article 12 Endowment Fund

Recommend by the Executive Committee, as the managers of the MACD Endowment fund.

Rationale: Since the Endowment fund was established it has earned pennies of interest because it has been invested with the backing required in Article 12.17. We believe that the fund has not been “sufficiently income producing” as described in Article 12.18 and therefore, proposed this amendment to 12.17 to allow MACD to earn more reasonable interest to grow the fund for the use and benefit of MACD and its members.

Proposed amendment:

12.17 The managers shall be limited to investing the cash principal of the MACD Endowment Fund in savings accounts, certificates of deposit, bills, notes and other investment securities which are ~~either insured by or the repayment of which is guaranteed by the Government of the United States of America~~ **deemed to be a risk a reasonable person would take, as recommended by MACD finance committee.**

Approved by the Executive Committee November 5, 2021 for action of the MACD Assembly on December 13th, 2021

Background: Existing Article

ARTICLE 12 – ENDOWMENT FUND

12.1 MACD ENDOWMENT FUND – There is hereby established and created a fund to be designated The Endowment Fund of the Michigan Association of Conservation Districts. The official abbreviation of its name shall be the MACD Endowment Fund.

12.11 The MACD Endowment Fund shall consist of donations, gifts, devices and bequests heretofore and hereafter received by MACD and directed thereto. The donations, gifts and bequests of money received by MACD for the MACD Endowment Fund and the money received from the sale of other MACD Endowment Fund property shall be considered the cash principal of the MACD Endowment Fund.

12.12 The MACD Endowment Fund shall be held in trust in perpetuity to assist MACD in accomplishing its purposes and performing its activities according to its policies as they are set forth in these Bylaws.

12.13 The MACD Endowment Fund shall be administered by the President, Vice-President and Secretary-Treasurer of MACD, who shall be called its managers. A majority vote of the managers shall control their decisions.

12.14 The MACD Endowment Fund shall be kept distinct from the other funds of MACD.

12.15 The managers shall make a full statement of the condition of the MACD Endowment Fund to the Assembly and the MACD membership at the annual convention of MACD.

12.16 The rents, revenues, and other income received from the MACD Endowment Fund property shall be devoted, expended and applied to the use and benefit of MACD.

12.17 The managers shall be limited to investing the cash principal of the MACD Endowment Fund in savings accounts, certificates of deposit, bills, notes and other investment securities which are either

insured by or the repayment of which is guaranteed by the Government of the United States of America.

12.18 The managers shall hold and retain securities and properties other than cash of the MACD Endowment Fund as long as they are in the opinion of the managers sufficiently income-producing.

12.181 The managers shall have the power, respecting securities held in the MACD Endowment Fund, to vote stock; give proxies; exercise conversion rights; participate in foreclosure, reorganizations, consolidations, mergers and liquidations; and to sell securities when, in their opinion, such securities cease to be sufficiently productive.

12.182 The managers shall have the power to lease the MACD Endowment Fund property on such terms as they deem proper, including oil, gas, sand, gravel, coal, lignite, uranium and other mineral leases and to enter into pooling, unitization and other types of agreements relating to the development, operation and conservation of mineral properties; and the managers shall have the power to sell, upon which terms and for such amounts as they deem fit, such property when, in their opinion, it ceases to produce sufficient income.

12.183 The proceeds from the sale of any securities or other property held by the MACD Endowment Fund shall become part of the cash principal of the MACD Endowment Fund and be invested pursuant to Section 12.17 of these Bylaws.

12.19 This article of the MACD Bylaws shall be and is hereby made a covenant on the part of MACD, its successors and assigns with every person, firm association, corporation, or other donor to the MACD Endowment Fund who shall make a donation, gift, devise or bequest or who shall promise to make a donation, gift, devise or bequest to the MACD Endowment Fund that the cash principal of the MACD Endowment Fund shall be held in trust in perpetuity and the income only there used for the purposes stated in this Article and upon the terms and conditions contained in this Article.