

RESOLUTION NO. 3156

WHEREAS, diminishing revenues have made it increasingly more difficult to fund library programs at a satisfactory level; and

WHEREAS, property tax funding of the Downtown Library was eliminated for Fiscal Year 1991-92 and services were maintained through the collection of citizen contributions; and

WHEREAS, property tax funding of both the Main Library and Downtown Library are included in the 1992-93 proposed budget; however, continued funding of the Downtown Library and expanded services at either Library is unlikely without obtaining a new revenue source.

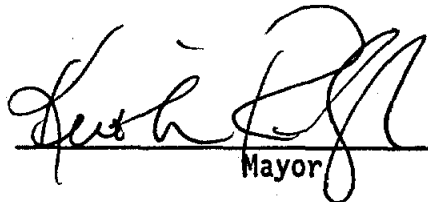
NOW, THEREFORE, BE IT RESOLVED, that the Albany City Council does hereby authorize the establishment of The Albany Public Library Foundation.

BE IT FURTHER RESOLVED that Mayor Keith Rohrbough, Deputy City Attorney Merle Long, and City Manager Steve Bryant are authorized to sign the Articles of Incorporation of The Albany Public Library Foundation.

BE IT FURTHER RESOLVED that the Mayor of the City of Albany will initially appoint the Board of Directors of The Albany Public Library Foundation in accordance with Article IV, Section 2, of the Articles of Incorporation and thereafter Directors will be appointed by the remaining Board of Directors.

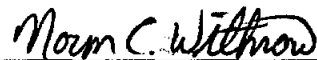
BE IT FURTHER RESOLVED, as described in the Bylaws of The Albany Public Library Foundation there will be three classes of directors, with one director appointed to the first class whose initial term will expire on December 31, 1992; there will be two directors initially appointed to the second class whose initial term will expire on December 31, 1993; and, there will be two directors initially appointed to the third class whose term will expire on December 31, 1994. If after incorporation a sixth and seventh director is appointed, the sixth director will be assigned to the first class and the seventh director will be appointed to the second class. All successive terms will be three years in length.

DATED this 22nd day of April 1992.



Mayor

ATTEST:



Deputy City Recorder

ARTICLES OF INCORPORATION
OF
THE ALBANY PUBLIC LIBRARY FOUNDATION
(A Nonprofit Corporation)

The undersigned natural persons of the age of 18 years or more, acting as incorporators under the Oregon Nonprofit Corporation Law, adopt the following Articles of Incorporation:

ARTICLE I.

The name of this corporation is the Albany Public Library Foundation and its duration shall be perpetual.

ARTICLE II.

The purposes for which the corporation is organized are:

1. This corporation is organized exclusively for educational, charitable and scientific purposes, within the meaning of Section 501(c)(3) of the federal Internal Revenue Code of 1954 (or the corresponding provision of any future federal internal revenue law), including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future internal revenue law). The corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization to which contributions are deductible under Section 170(c)(2) of such Code and the regulations pertinent thereto, as they now exist or as they may hereafter be amended.

2. Without limiting the generality of the foregoing, this corporation shall have the following purposes:

(a) The benefit and support of the Albany Public Library of the City of Albany, Albany, Oregon, its branches and its successors, by providing goods and services which include but are not limited to the following: personnel, books and other library materials, buildings, facilities, equipment, monies, endowment funds and other real and personal property or grants for any such purposes.

(b) The principal purpose of this corporation shall be to provide for services and facilities for the Albany Public Library, including the Albany Downtown Public Library as a specific funding objective. The provision of services and facilities, in each instance, shall be wholly within the discretion of the Board of Directors of this corporation. Contributions to the Albany Public Library Foundation shall be designated (1) to the general support of library services in Albany; (2) to the continuation of library services at the

Downtown Library; or (3) to be placed in the Albany Downtown Library Endowment Fund whereby only interest earnings may be used to support activities described in Section 2. (a).

(c) In achieving its purpose or purposes, the corporation may engage in any lawful activity, none of which is for profit, for which corporations may be organized under Chapter 61 of the Oregon Revised Statutes, and particularly ORS 61.061, as they presently exist or may be amended.

(d) Notwithstanding any other provisions of these Articles, this corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the federal Internal Revenue Code of 1954 (or the corresponding provisions of any future federal internal revenue law). Said limitations include, but are not restricted to, the requirement that no part of the net earnings of this corporation shall inure to the benefit of or be distributable to any private individual (except that this corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Articles); that no part of its activities shall consist of the carrying on of propaganda or otherwise attempting to influence legislation; and that it shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

(e) To the extent that this corporation shall at any time be subject to Sections 4941 through 4945 of the federal Internal Revenue Code of 1954 (or the corresponding provisions of any future internal revenue law), then this corporation:

(1) Shall distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954 (or the corresponding provision of any future internal revenue law);

(2) Shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954 (or the corresponding provision of any future internal revenue law);

(3) Shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954 (or the corresponding provision of any future internal revenue law);

(4) Shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954 (or the corresponding provision of any future internal revenue law); and

(5) Shall provide an annual report and fiscal audit to the Attorney General of the State of Oregon, pursuant to ORS 128.670, the Library Board of the Albany Public Library (for inspection by the public), and to the Albany City Council.

ARTICLE III.

The address of the initial registered office of the corporation is: City of Albany, Albany Public Library Foundation, PO Box 490, Albany, OR 97321.

ARTICLE IV.

1. The number of directors constituting the initial board of directors of the corporation is five (5), and the names and addresses of the persons who are to serve as directors until the first annual meeting or until their successors are elected and shall qualify are:

2. This corporation shall have no members. The affairs of the corporation shall be managed by a Board of Directors. The number of directors shall be not less than five (5) nor more than seven (7). One of the directors shall be a current member of the Library Board of the Albany Public Library, chosen by the Board (or invited by the foundation's directors if the Library Board does not act), chosen (or invited) to serve for one (1) year. The chief administrator of the Albany Public Library shall serve as an ex officio member of the Board of Directors, with no voting power. At least two members shall have a current interest in the preservation of library services at the Downtown Library.

3. The number of directors and the manner of electing successor directors may be fixed or changed from time to time by appropriate provisions of the Bylaws of this corporation, adopted by the vote or written assent of a majority of the directors of this corporation.

4. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, which committees shall have and exercise such authority of the Board of Directors in the management of this corporation as may be delegated by the board, within such limitations as may be imposed by ORS Chapter 61.

5. Provision for the regulation of the internal affairs of this corporation shall be set forth in the Bylaws adopted and as amended from time to time by the Board of Directors.

6. This corporation shall defend, indemnify and hold harmless every registered agent, director or officer and his/her heirs, executors, and administrators, against liability and against expenses reasonably incurred by him/her in connection with any action, suit or proceedings to which he/she may be made a party by reason of his/her being or having been a director or officer of this corporation, except in relation to matters as to which he/she shall be finally adjudged in such action, suit or proceeding to be liable for willful misconduct. The foregoing rights shall be exclusive of other rights to which he/she may be entitled.

ARTICLE V.

The name and address of each incorporator is:

ARTICLE VI.

The provisions for the distribution of assets on dissolution or final liquidation are:

Upon dissolution or final liquidation of this corporation, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of this corporation, dispose of all of the assets of this corporation to the City of Albany, Albany, Oregon, a municipal corporation, for the use of the Albany Public Library, pursuant to the requirements of Section 501(c)(3) of the Internal Revenue Code of 1954 and its Reg. 1.501(c)-(3)-1(b)(4); provided that if the City of Albany shall cease to exist (by reason of merger or change of name or otherwise), then such assets shall be disposed of exclusively for the purposes of this corporation, in such manner or to such organizations organized exclusively for such purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future internal revenue law) as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court of the State of Oregon for the County of Linn, exclusively for such purposes or to such societies, organizations or domestic or foreign corporations as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VII.

Amendments to these Articles of Incorporation shall be made and adopted by vote of the majority of the directors in office and filed with the Corporation Commissioner, State of Oregon, as provided in ORS 61.375.

We, the undersigned incorporators, declare under penalties of perjury that we have examined the foregoing and, to the best of our knowledge and belief, it is true, correct and complete.

DATED this _____ day of _____, 1992.

Incorporators:

Merle Long, Deputy City Attorney

Keith Rohrbough, Mayor

Steve Bryant, City Manager

BYLAWS
OF
THE ALBANY PUBLIC LIBRARY FOUNDATION
(A Nonprofit Corporation)

ARTICLE I.
Board of Directors

Section 1. Powers and Qualifications. The affairs of the corporation shall be managed by the Board of Directors. The Board may exercise all powers vested in the corporation.

Section 2. Number of Directors. The number of directors of the corporation shall be not less than five (5). The Board of Directors, by amendment of these Bylaws, may increase or decrease the number of directors; provided, that no decrease in the number shall have the effect of shortening the term of any incumbent or reducing the number of directors to less than five (5) or to electing more than seven (7). With the exception of the director chosen from the Library Board of the Albany Public Library (whose term is limited to one (1) year, upon the first annual election of directors, the directors shall be divided by lot into three classes, the first class to serve a term of one (1) year, the second class to serve a term of two (2) years and the third class to serve a term of three (3) years thereafter. Each such class to serve a term of three (3) years thereafter. Each such director shall hold office for the term for which he/she is elected and until his/her successor shall have been elected to serve a term of three (3) years, except those elected to fill a vacancy left by a former director. If and when additional memberships in the Board are created, the three classes shall be balanced in numbers so far as may be feasible.

Section 3. Honorary Directors. (Hereinafter referred to as "Honorary Directors.") The directors may establish and elect such number of Honorary Directors as they desire for such terms as the directors shall specify. Honorary Directors shall not have a vote and shall not be required to attend meetings or Foundation activities. Honorary Directors shall be supplied with all notices, minutes, financial reports and other written materials furnished to directors and have a standing invitation to attend board meetings. The function of Honorary Directors is to share their ideas, insights and information with the Foundation, to promote and assist the Foundation in achieving its goals and generally be ambassadors of goodwill. Honorary Directors may serve as members of committees and actively participate in foundation activities. Honorary Directors are not disqualified from becoming duly elected directors of the Foundation.

Section 4. Executive Committee. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint an Executive Committee which shall consist of three (3) directors, including the Foundation President, the Treasurer and the Chief Administrator of the Albany Public Library, who shall have and exercise such authority of the Board of Directors in the management of the corporation as may be specified in such

resolution; provided, that no such committee shall have the authority to amend, alter or repeal any Bylaws or Articles of Incorporation; to elect, appoint or remove any committee member, director or officer; to merge, consolidate, liquidate or otherwise reorganize the corporation; to sell, lease, exchange or encumber all or substantially all of the assets of the corporation or amend or repeal any resolution of the Board of Directors unless expressly authorized to do so by such resolution. The designation and authority shall not operate to relieve the Board of Directors or any individual director of any responsibility imposed upon it or him/her by law. Actions of the Executive Committee shall be recorded in minutes which shall be distributed promptly to all of the members of the board.

Section 5. Election and Term. After the first annual meeting, the member or members of one class of directors shall be elected by the Board of Directors at each annual meeting, to hold office until the expiration of the term of office of the class of directors into which elected and until his/her or their respective successors are elected and qualified.

Section 6. Vacancies. The Board of Directors shall have power to fill any vacancy occurring in the Board and any directorship to be filled by reason of an increase in the number of directors created by amendment to these Bylaws. The director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office. Any director appointed by the Board by reason of an increase in the size of the Board shall stand for election at the next annual meeting for the remainder of the specified term for such position.

ARTICLE II.

Meetings of Board of Directors

Section 1. Annual Meeting. The first annual meeting of the Board of Directors shall be held in the last full week of September, 1992, on a day set by the Executive Committee. Annual meetings thereafter shall be held in September.

Section 2. Special Meetings. Special meetings of the Board of Directors may be held at any place and time, whenever called by the President or any three or more directors.

Section 3. Notice of Meetings. Notice of the time and place of any meeting of the Board of Directors shall be required. Notice of the time and place of any special meetings of the Board of Directors shall be given by the Secretary, or by the person or persons calling the meeting, by mail, telegram, or by personal communication, over the telephone or otherwise, at least three (3) days prior to the date on which the meeting is to be held. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where the director attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any meeting of the Board of Directors need be specified in the notice or any waiver of notice of such meeting.

Section 4. Quorum. A majority of the duly elected Board of Directors at the time of the meeting shall constitute a quorum for the transaction of business. The act of the majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. At any meeting of the Board of Directors at which a quorum is present, any business may be transacted and the Board may exercise all of its powers.

ARTICLE III.
Actions by Written Consent

Any corporate action required or permitted by the Articles of Incorporation, Bylaws or laws of the State of Oregon to be taken at a meeting of the directors of the corporation may be taken without a meeting if a consent, in writing, setting forth the action to be taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote and may be described as such.

ARTICLE IV.
Waiver of Notice

Whenever any notice is required to be given to any director of the corporation by the Articles of Incorporation, Bylaws or laws of the State of Oregon, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE V.
Indemnification of Directors and Officers

Each director or officer now or hereafter serving the corporation and each person who, at the request of or on behalf of the corporation, is now serving or hereafter serves as a trustee, director, officer or agent and his/her respective heirs, executors and personal representatives shall be indemnified by the corporation against expenses actually and necessarily incurred by him/her in connection with the defense of any action, suit or proceeding in which he/she is made a party by reason of being or having been such trustee, director or officer, except in relation to matters as to which he/she shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duties; but such indemnification shall not be deemed exclusive of any other rights to which such person may be entitled under any Bylaw, agreement, vote of the Board of Directors or otherwise.

ARTICLE VI.
Officers

Section 1. Officers Enumerated. The officers of the corporation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer (each of whom must be a director of the corporation), and such other officers and assistant officers as may be deemed necessary by the Board of Directors, each of whom shall be annually elected by the Board of Directors and shall serve until his/her successor is duly elected and qualified. Any two or more offices may be

held by the same person, except the offices of President and Secretary. In addition to the powers and duties specified below, the officers shall have powers and perform such duties as the Board of Directors may prescribe. The officers shall be bonded by the City of Albany.

Section 2. The President. The President shall exercise the usual executive powers pertaining to the office of President and shall preside at meetings of the Board of Directors.

Section 3. The Vice President. In the absence or disability of the President, the Vice President senior in service shall act as President.

Section 4. The Secretary. It shall be the duty of the Secretary to keep records of the proceedings of the Board of Directors and, when requested by the President to do so, to sign and execute with the President all deeds, bonds, contracts and other obligations or instruments in the name of the corporation.

Section 5. The Treasurer. The Treasurer shall make periodic financial reports to the Board.

Section 6. Vacancies. Vacancies in any office arising from any cause shall be filled by the Board of Directors at any regular or special meeting.

Section 7. Compensation. The compensation, if any, of all agents of the corporation, excluding the Chief Administrator of the Library, shall be fixed by the Board of Directors.

Section 8. Removal. Any officer elected or appointed may be removed by a majority of the full Board of Directors whenever in its judgment the best interests of the corporation will be served thereby.

ARTICLE VII.

Administrative and Financial Provisions

Section 1. Fiscal Year. The fiscal year of the corporation shall be the period from July 1 to and including the following June 30.

Section 2. Loans Prohibited. No loans shall be made by the corporation to any officer or to any director.

Section 3. Corporate Seal. The corporation shall not have a seal.

Section 4. Books and Records. The City of Albany shall maintain financial records and keep on file the minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors. Funds will be invested by the City of Albany. All contributions (principal) and interest will be segregated in the City's general ledger to simplify the Foundation's financial reports.

Section 5. Amendment of Bylaws. These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the Board of Directors at any annual or special meeting of the Board.

Section 6. Annual Report and Audit. An Annual Report and Financial Audit shall be required. A copy shall be given promptly to the Attorney General of the State of Oregon, to the Library Board of the Albany Public Library and to the Reference Section, Albany Public Library (for inspection by the public) and to the Albany City Council. The Annual Report and Financial Audit may be prepared by the independent accountants hired to conduct the annual audit for the City of Albany and to prepare the City of Albany Comprehensive Annual Financial Report.

Section 7. Rules of Procedure. The rules of procedure at meetings of the Board of Directors of the corporation shall be the rules contained in Robert's Rules of Order on Parliamentary Procedure, as amended, or other recognized parliamentary rules, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation, or any resolution of the Board of Directors.

Section 8. Standing Committees. There shall be two standing committees maintained for the efficient operation of the Foundation, consisting of not less than three (3) individuals each. The committees and their functions shall be:

(a) Finance Committee. The Finance Committee shall conceive and propose fund raising activities. After a fund raising proposal has been approved by the Board, the Committee shall be responsible for supervising the activity.

(b) Expenditures Committee. The Expenditures Committee shall be responsible for all expenditures except those of an administrative nature. The Expenditures Committee shall receive and investigate all requests for expenditures of contributed funds and interest earnings on contributed funds, and shall propose expenditures for programs, grants and other endeavors consistent with the purposes of the Foundation. All proposals shall be submitted by the Committee to the Board for its approval. After approval by the Board, the Committee shall be responsible to monitor the program or expenditure to make certain that the Foundation's policy is followed and shall report to the Board on the success or effectiveness of each program.

APPROVED by the Board of Directors this _____ day of _____, 1992.

President

ATTEST:

Secretary