Resolution 2010-05

BY LAWS OF
THE TOM BEAN COMMUNITY DEVELOPMENT CORPORATION

ARTICLE I
PURPOSE AND POWERS

Section 1. <u>Purpose.</u> The Corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation, the same to be accomplished on behalf of the City of Tom Bean, Texas, a Texas municipal corporation (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1970, Tex. Rev. Civ. Stat. Ann. Art. 5190.6. as amended, (the "Act"), and other applicable laws.

Section 2. <u>Powers.</u> In the fulfillment of its corporation purpose, the Corporation shall be governed by Section 4A of the Act, and shall have all of the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

ARTICLE II
BOARD OF DIRECTORS

Section 1. <u>Powers Number and Term of Office.</u>

(a) **The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (the "Board") and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws, the Board shall exercise all of the powers of the Corporation;**

(b) The Board shall consist of five (5) directors, each of whom shall be appointed by the City Council (the "City Council") of the City;

(c) As stated in the Articles of Incorporation, two (2) directors shall be persons who are not employees, officers, or members of the governing body of the City.

(d) Each director must be a resident of the City, a resident of the county in which the major part of area of the municipality is located; or reside within ten (10) miles of the municipalities boundaries and active in the Tom Bean business community for at least one (1) year prior to appointment;

(e) The directors constituting the first Board shall be those directors named in the Articles of Incorporation. The respective initial terms of the Board are set forth in the Articles of Incorporation. Thereafter, each successor member of the Board shall be appointed and serve for six (6) years or until his or her successor is appointed as hereinafter provided.

(f) Any director may be removed from office by the City Council at any time without cause.

Section 2. Meetings of Directors. The directors may hold their regular meetings at such place or places within the City limits as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the principal office of the corporation as specified in Article V of these Bylaws. Special meetings of the Board shall be held whenever called by the president, by the secretary, by the majority of the directors, by the Mayor of the City, or by the majority of the City Council. Any and all special meetings shall notify the secretary of the Corporation of the information required to be included in the notice of the meeting. All posting of meeting notices will be in accordance with these Bylaws. A meeting notice shall be deemed delivered to any director when deposited in the United States mail addressed to the director at his or her address as it appears on the records of the corporation. Such additional notice may be waived in writing by a director at any time either before or after the time of the meeting and such additional notice shall be deemed waived by attendance.

Section 3. Notice and Open Meetings Act. All meetings and deliberations of the Board shall be called, convened, held and conducted, and notice of each meeting shall be given to the public in accordance with the provisions of the Texas Government code, Chapter 551 (The Texas Open Meetings Act) as amended.

Section 4. Quorum and Voting. A majority of the entire membership of the Board shall constitute a quorum for the conduct of the official business of the corporation. The act of a majority of the directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation unless the act of a greater number is required by law.

Section 5. Conduct of Business.

(a) At the meetings of the Board, matters pertaining to the business of the corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board.

(b) At all meetings of the Board, the president shall preside, and in the absence of the President, the vice president shall exercise the powers of the president.

(c) The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the

secretary, the presiding officer may appoint any person to act as secretary of the meeting.

Section 6. Committees of the Board. The Board may designate two or more directors to constitute an official committee of the Board to exercise such authority of the Board as may be specified in the resolution. It is provided, however, that all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation.

Section 7. Compensation of Directors. Directors shall not receive any salary or compensation for their services as directors. However, they shall be reimbursed for their actual expenses incurred in the performance of their duties hereunder.

Section 8. Ex-Officio Members. The Mayor, or her/his designee, may attend all meetings of the Board of directors or committees, including executive sessions. The Mayor, or her/his designee, shall not have the power to vote in the meetings attended; however, she/he shall have the right to participate in any discussion.

ARTICLE III
OFFICERS

Section 1. Titles and Terms of Office.

(a) The officers of the Corporation shall be a president, a vice president, a secretary and a treasurer, and such other officers as the Board may from time to time elect or appoint. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of office shall be six (6) years with the right of an officer to be re-elected.

(b) All officers shall be subject to removal from office at any time by a vote of a majority of the entire Board.

(c) A vacancy in the office of any officer shall be filled by a vote of a majority of the directors.

Section 2. <u>Powers and Duties of the President.</u> The president shall be the chief executive officer of the Corporation, and subject to the paramount authority of the Board, the president shall be in general charge of the properties and affairs of the corporation, shall preside at all meetings of the Board, and may sign and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other legal instruments in the name of the Corporation.

Section 3. <u>Vice President.</u> The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of his/her duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 4. <u>Treasurer.</u> The treasurer shall have the responsibility to see to the handling, Custody, and security of all funds and securities of the Corporation in accordance with these Bylaws and statutes governing corporations formed under the Act. Upon the approval of the Board, the treasurer may endorse and sign, on behalf of the corporation, for collection or issuance, checks, notes and other obligations in or drawn upon such bank or bands or depositories as shall be designated by the Board consistent with these Bylaws. The treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all monies received and paid out on account of the Corporation. The treasurer shall, give a bond at the expense of the City for the faithful discharge of his duties in such form and amount as the City Council may require.

Section 5. Secretary. The secretary shall keep the minutes of all the meetings of the Board in books provided for that purpose, shall give and serve all notices, may sign with the president upon approval of the Board in the name of the Corporation, and/or attest to the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments of the Corporation, shall have charge of the corporate books, records, documents and instruments, except the papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the office of the corporation during business hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 6. Eligible individuals. The president, vice president and secretary shall be named from among the members of the Board. The treasurer and any assistant secretaries may, at the option of the Board, be persons other than members of the Board, including but not limited to employees of the City.

Section 7. General Manager. The Mayor, or her/his designee, shall serve as the General Manager of the Corporation and be the Chief Administrator Officer to be in general charge of the properties and affairs of the Corporation. The General Manager shall administer all work orders, requisitions for payment, purchase orders, contract administrations/oversight, contract management, and other instrument or activities as prescribed by the Board in the name of the Corporation.

Section 8. Compensation. Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for their actual expenses incurred in the performance of their duties. Other officers may be compensated as directed by the Board.

ARTICLE IV
FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 1. Annual Corporation Budget. At least sixty (60) days prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues and proposed expenditure for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the Mayor of inclusion with the annual budget and submitted to the Council. The budget shall not be effective until the same has been approved by the Council.

Section 2. Books, Records, Audits.

(a). The corporation shall keep and properly maintain, in accordance with generally accepted accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities and affairs.

(b). At the direction of the Council, the books, records, accounts and financial statements to be maintained for the Corporation by the Corporation.

(c). The Corporation shall cause its books, records, accounts and financial statements to be audited at least once each fiscal year by an outside, independent auditing and accounting firm selected by the City. Such audit shall be at the expense of the Corporation. Audit copies are to be filed with the City.

(d). All books, records, accounts, and financial statements shall be kept and administered in accordance with the Texas Public Information Act, Chapter 552, Texas Government Code. Any member of the City Council of the City of Tom Bean, Mayor, Director of Officer of the Corporation may inspect and receive copies of all books, and records of the Corporation.

Section 3. <u>Deposits and Investment of Corporate Funds.</u>

(a). All proceeds from the issuance of bonds, notes or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture or other documents authorizing or relating to their issuance.

(b). All other monies of the corporation shall be handled pursuant of the guidelines established in the City Investment Policy and shall be deposited, secured and /or invested in the manner provided for the deposit, security and/or investment of the public funds of the City. The Board shall designate the accounts and depositories to be created and designated for such purposes of the corporation upon the signature of its President and the Treasurer and such other and accounts will be performed by the Corporation.

Section 4. <u>Expenditures of Corporate Money.</u> The monies of the corporation, including sales and use taxes collected pursuant to the Act, the proceeds form the investment of the funds of the corporation, the proceeds from the sale of property, monies derived from the repayment of loans, rents received from the lease or use of property, the proceeds derived from the sale of authorized by the Act, subject to the following limitations.

(a). Expenditures from the proceeds of bonds shall be identified and described in the orders, resolutions, indentures, or other agreements submitted to an approved by the City Council.

(b). Expenditures that may be made from a fund from the proceeds of bonds, and expenditures of monies derived from sources other than the proceeds of bonds may be used for the purposes of financing or otherwise providing one or more projects, as defined in the Act. As approved by City Council.

(c). All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by these Bylaws or in contracts meeting the requirements of the Article, as approved by the City Council.

No bonds, including refunding bonds, shall be authorized or sold and delivered by the corporation without the approval of the City Council.

Section 5. Contracts. As provided in Section 5 above, the President and Secretary shall execute any contracts or other instruments which the Board has approved and authorized to be executed, provided, however, that the Board may, by appropriate resolution, authorize any officer(s) or any other agent(s), to enter into contract or execute and deliver any instrument in the name and on behalf of the corporation. Such authority may be confirmed to specific instances or defined in general terms. When appropriate the Board may grant a specific or general power of attorney to carry out action on behalf of the Board, provided, however, that no such power of attorney may be granted unless as appropriate resolution of the Board authorizes the same to be done.

Section 6. Fiscal Year. The fiscal year of the corporation shall begin on October 1 and end on September 30 of the following year.

Section7. Checks and Drafts. All checks, drafts or orders for the payment of money, notes or others evidences of indebtedness issued in the name of the corporation shall be signed by the President and/or Treasurer and the Mayor.

Section 8. Contributions. The Board of Directors may accept on behalf of the Corporation and contributions, grant or request to be used for the general purpose of or for any special purpose of the Corporation. Special funds shall include all funds from government contracts and contributions designated by a donor for special purposes. All other funds shall be general funds.

PASSED, APPROVED, AND ADOPTED this 8th day of November, 2010.

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Sherry E. Howard, Mayor
City of Tom Bean

ATTEST:

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Cathy Pugh, City Secretary