

**¹CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY
BYLAWS**

ARTICLE I – NAME

Section 1. Name

The name of the agency shall be the Cortland County Industrial Development Agency (hereinafter referred to as “Agency”), a corporate governmental agency constituting a public benefit corporation of the State of New York.

Section 2. Governing Law

The Agency shall be governed by Article 18-A of the New York General Municipal Law, also known as the New York State Industrial Development Act (hereinafter referred to as the “Act”).

Section 3. Office

The office of the Agency shall be located in the County of Cortland, State of New York, at a location designated by the Members.

Section 4. Seal

The official seal of the Agency shall be in the form of a circle and shall bear the name of the Agency and the year of organization. The seal shall be maintained at the office of the Agency.

ARTICLE II – MEMBERS

Section 1. Number of Members

The Agency shall consist of seven (7) members, each of whom shall be appointed by the Cortland County Legislature in accordance with the Act.

Section 2. Term of Office

The term of office for each member shall be in accordance with the appointing resolution or until a successor is appointed, has qualified, and assumes office.

Section 3. Restriction on Members

No Member shall serve as the Agency’s Chief Executive Officer, Chief Financial Officer, Comptroller, Chief Operating Officer or hold any other equivalent position while also a Member.

Section 4. Compensation

- A. No Member shall be compensated for his/her services.
- B. A Member may be reimbursed for expenses actually and reasonably incurred in the performance of his/her duties as a Member.

Section 5. Authority

- A. The Members shall govern the Agency and shall exercise oversight of the officers and staff of the Agency.
- B. The Members shall be vested with all of the rights and obligations conferred upon Industrial Development Agencies by applicable state law as enacted and amended, including but not limited to: the New York State Industrial Development Act, the Public Authorities Accountability Act of 2005, the New York General Municipal Law and the New York Public Officers Law.
- C. The Members shall determine the selection and compensation of all staff of the Agency, subject to the laws of the State of New York.

Section 6. Vacancies.

In the event of a vacancy in any position of Member of the Agency, the CEO shall notify the Chair of the Cortland County Legislature of the vacancy and request a replacement be appointed as soon as possible.

Section 7. Independence

A majority of Members shall be Independent Members as defined in the Public Authorities Accountability Act of 2005.

Section 8. Required Training

- A. All Members appointed after January 13, 2006, within one year of their appointment, shall participate in training approved by the State of New York regarding their legal, fiduciary, financial, and ethical responsibilities as Members.
- B. Failure to participate in the required training may result in removal from membership in the Agency.
- C. Members appointed prior to January 13, 2006 shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the Agency and adhere to the highest standards of responsible governance.

ARTICLE III – OFFICERS

Section 1. Composition.

The officers of the Agency shall be a Chairman, Vice Chairman, Secretary, Treasurer, Chief Executive Officer (CEO) and Chief Financial Officer (CFO).

Section 2. Selection.

All officers of the Agency, including the CEO and CFO shall be selected by the Members at the first meeting of the Agency following the appointment of the Members by the Cortland County Legislature.

Section 3. Term of Office.

The term of offices for the officers shall be for one year or until the successors are selected and assume office.

Section 4. Duties.

The officers shall perform the duties provided in this section and such other duties as are prescribed for the office in these bylaws and appropriate statutes, by the Members or by the Chairman.

- A. Duties of the Chairman.** The Chairman shall:
 - 1. preside at all meetings of the Agency;
 - 2. in the absence of the CEO or at the direction of the Members, execute all official documents of the Agency, including but not limited to, agreements, contracts, deed, leases, and other instruments.
- B. Duties of the Vice Chairman.** The Vice Chairman shall:
 - 1. perform the duties of the Chairman in the Chairman's absence or inability to perform such duties;
 - 2. in the event of a permanent vacancy in the office of Chairman, succeed to that office for the remainder of the unexpired term.
- C. Secretary.** The Secretary shall:
 - 1. ensure that accurate minutes of all meetings of the Agency are recorded;
 - 2. verify that the official minutes of the Agency are maintained in an appropriate minute book;
 - 3. sign official documents of the Agency and apply the Agency seal when the document requires endorsement by the Secretary or at the direction of the Agency.
- D. Treasurer.** The Treasurer shall:
 - 1. oversee the Chief Financial Officer in the execution of his/her duties;
 - 2. review the books, records, and accounts of the Agency;
 - 3. advise the CFO regarding the charge, custody, and investment of all funds and securities of the Agency;
 - 4. ensure proper deposits by the CFO in such banks, trust companies, or other depositories authorized by the Agency of all funds in the name of and to the credit of the Agency.

The Treasurer shall not, at any time, perform duties required of the Chief Financial Officer or the Chief Executive Officer.
- E. Chief Executive Officer.** The CEO shall:
 - 1. serve as Executive Director of the Agency;
 - 2. have general supervision over the administration of the business of the Agency between meetings of the Agency;
 - 3. manage all Agency projects;
 - 4. supervise all Agency staff;
 - 5. execute all official documents of the Agency, including but not limited to: agreements, contracts, deed, leases, and other instruments, unless otherwise directed by the Members;
 - 6. assist the Members in fulfilling the Agency's public purposes;
 - 7. lead the Agency in carrying out its policies;
 - 8. prepare and distribute all annual reports, including the annual budget, as required by law or by the Office of the Comptroller of New York State;
 - 9. prepare the annual budget for approval by the Agency; and

10. coordinate all dispositions and acquisitions of real and personal property of the Agency, subject to the approval of the Agency, ensuring compliance with all appropriate and applicable laws.

F. Chief Financial Officer. The CFO shall:

1. have the care and custody of all funds of the Agency and shall deposit said funds in the name of the Agency in such banks, trust companies, or other depositories as the Agency shall authorize;
2. keep regular books of accounts showing receipts and expenditures; and
3. render to the Treasurer and the Agency at each regular meeting an account of all transactions and the overall financial condition of the Agency.

Section 5. Vacancies.

If the event of a vacancy in any office other than Chairman, CFO or CEO, the Agency shall fill the vacancy by selecting another Member to fill the vacancy for the unexpired term of the office. If the event of a vacancy in the offices of CFO or CEO, the Members shall fill the vacancy by selecting an individual who is not a Member.

ARTICLE IV – MEETINGS

Section 1. Regular Meetings.

Regular meetings of the Agency shall be held at such times and places as determined by the Members.

Section 2. Special Meetings.

- A. Special meetings:
 1. may be called by the Chairman of the Agency;
 2. shall be called upon the written request of two Members of the Agency.
- B. Notice of a special meeting shall be delivered or mailed to each member of the Agency at least two (2) business days prior to the date of the meeting.
- C. No business shall be transacted at a special meeting other than the business designated in the call of the meeting.

Section 3. Annual Meeting.

The annual meeting of the Agency shall be held in December of each year at such time and place as determined by the Members.

Section 4. Quorum.

A majority of the members of the Agency then in office constitute a quorum for the transaction of business.

Section 5. Voting.

- A. An affirmative vote of a majority of the Members (not the quorum) is required for the Agency to take official action.
- B. Voting shall be by roll call, with the vote recorded in the minutes.
- C. Selection of officers may be by ballot if there is more than one candidate for an office.

Section 6. Open Meetings.

All meetings of the Agency shall be governed by Article 7 of the New York Public Officers Law, known as the Open Meetings Law.

ARTICLE V – COMMITTEES

Section 1. Audit Committee. The Audit Committee shall:

- A. consist of no less than three (3) members nor more than five (5) independent members;
- B. have as a member the Treasurer who shall not serve as Chair of the committee;
- C. shall be appointed by the Chairman of the Agency at the Annual Meeting of the Agency to serve a term of one (1) year or until the successors are appointed and assume office;
- D. select its own Chairman;
- E. recommend to the Agency the hiring of an independent Certified Public Accountant to conduct the annual independent audit in accordance with the Public Authorities Accountability Act of 2005, as amended;
- F. establish the compensation to be paid to the Certified Public Accountant;
- G. provide direct oversight of the performance of the annual audit; and
- H. perform such other responsibilities as directed by the Agency or required by law.

Section 2. Governance Committee. The Governance Committee shall:

- A. consist of no less than three (3) members nor more than five (5) independent members;
- B. shall be appointed by the Chairman of the Agency at the Annual Meeting of the Agency to serve a term of one (1) year or until the successors are appointed and assume office;
- C. select its own Chairman;
- D. review the governing documents of the Agency and corporate governance trends and advise the Agency on the best governance practices;
- E. provide input to the appointing authority of the skills and experience preferred for Members of the Agency; and
- F. perform such other responsibilities as directed by the Agency or required by law.

Section 3. Special Committees.

The Agency may establish and appoint special committees as it deems necessary to carry out the purpose of the Agency.

Section 4. Meetings.

Committee meetings shall be held at such times and places as designated by the committee, subject to the provisions of the Open Meetings Law.

Section 5. Quorum and Voting.

A majority of the members of a committee shall constitute a quorum. A majority of the members present and voting at a properly called meeting shall be required for the adoption of all committee business.

ARTICLE VI – INDEMNIFICATION

Section 1. Authorized Indemnification.

Unless clearly prohibited by law or Section 2 of this Article, the Agency shall indemnify, defend, and hold harmless any person (“Indemnified Person”) made, or threatened to be made, a party in any action of proceeding, whether civil or administrative, investigative or otherwise, including any action by or in the right of the Agency, by reason that he or she, whether before or after adoption of this Section (a) is or was a member or officer of the Agency, or (b) is serving or served, in any capacity, at the request of the Agency, as a member or officer of any affiliate of the Agency. The indemnification shall include, but shall not be limited to, all judgments, fines, penalties, amounts paid in settlement (provided the Agency shall have consented to such settlement) and reasonable expenses, including attorneys’ fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

Section 2. Prohibited Indemnification.

The Agency shall not indemnify any person if a judgment or other final adjudication adverse to the indemnified person (or to the person whose actions are the basis for the action or proceeding) establishes, or the members in good faith determine, that such person’s acts were committed in bad faith or were the result of active and deliberative dishonesty and were material to the cause of action so adjudicated or that he or she personally gained a financial profit or other advantage to which he or she was not legally entitled.

Section 3. Advancement of Expenses.

The Agency shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Agency, pay or promptly reimburse the Indemnified Person’s reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Agency, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 2 of this Article. An Indemnified Person shall cooperate in good faith with any requested by the Agency that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts among the interests of the parties.

Section 4. Indemnification of Others.

Unless clearly prohibited by law or Section 2 of this Article, the Agency may approve indemnification as set forth in this Article for a person who is or was employed by the Agency or who is or was a volunteer of the Agency, and who is made, or threatened to be made, a party in any action or proceeding, as the result of such employment or volunteer activity.

Section 5. Determination of Indemnification.

Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court, the members shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these bylaws. Before indemnification can occur, the members must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article. No member with a personal interest in the outcome, or who is a party to such actual or threatened proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested members is not obtainable, the members shall act only after receiving the opinion in writing of independent counsel that indemnification is proper in the circumstances under then applicable law and these Bylaws.

Section 6. Binding Effect.

Any person entitled to indemnification under these Bylaws has a legally enforceable right to indemnification which cannot be abridged by amendment of these bylaws with respect to any event, action, or omission occurring prior to the date of such amendment.

Section 7. Insurance.

The Agency shall purchase Members' and Officers' liability insurance. To the extent permitted by law, such insurance may insure the Agency for any obligation it incurs as a result of this Article or operation of law and it may insure directly the Members, officers, employees, or volunteers of the Agency for liabilities against which they are not entitled to indemnification under this Article as well as for liabilities against which they are entitled or permitted to be indemnified by the Agency.

ARTICLE VII – PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the proceedings of the Agency in all cases to which they are applicable and in which they are not inconsistent with these bylaws, any special rules of order that the Agency may adopt, and any statutes applicable to this organization that do not authorize the provisions of these bylaws to take precedence.

ARTICLE VIII – AMENDMENTS

These bylaws may be amended by a majority of the Members at any meeting of the Members of the Agency provided that written notice of the amendment shall have been provided at least seven (7) calendar days before the meeting at which the amendment is to be considered.