

Town of Franklin

TOWN OF FRANKLIN TOURISM DEVELOPMENT AUTHORITY

RULES OF PROCEDURE

Article 1: Franklin Tourism Board Authorized

1.1 The name of this organization shall be the Town of Franklin Tourism Development Authority "TDA" as created under the authority of the Town of Franklin, North Carolina Board of Aldermen on the 3rd Day of March, 2008.

1.2 The Town of Franklin Tourism Development Authority shall be a public authority under the Local Government Budget and Fiscal Control Act.

1.3 Principal Office: The Principal Office of the Board shall be Franklin Town Hall or any other place within Franklin as the Board may designate.

Article 2: Powers, Duties, Objectives, and Mission

2.1 Powers and Duties: The Board shall have the power and duty to promote travel and tourism, pursuant to Session Law 2004-105. The Board may also conduct or cooperate with other entities in preserving, enhancing and programming our historic and natural environment and sponsoring programs and activities designed to upgrade services to improve Franklin's attraction to its visitors.

2.2 Uses of Funds: The TDA Board may approve projects and make grants that, in its discretion, promote travel and tourism, pursuant to Session Law 2004-105 and these bylaws. However, the TDA disfavors uses of TDA funds for recipients' current operating expenses, including but not limited to salaries, rent, purchase of insurance, and payment of utility expenses such as electricity, water and sewer service, and fuel.

(Amended 5/13/2013)

2.3 Contracts Required: The TDA shall require each recipient of funds pursuant to law and these procedures, prior to disbursing funds, to execute a contract between itself and the TDA which requires at minimum that:

- The recipient will use the funds only for the purposes specified in its written application, as submitted to and modified by (if applicable) the TDA Board.
- The recipient will use best efforts to comply with Generally Accepted Accounting Practices (GAAP), will make its records available for inspection by the TDA Board or its designee during reasonable business hours, and will upon request

make a full accounting for expended funds to the TDA Board, which accounting must be made to the satisfaction of the TDA Board before the recipient may be eligible for future funding.

- The recipient has obtained special event or other insurance, as required by and to the satisfaction of the TDA Board, which names the Town of Franklin Tourism Development Authority as additional insured and proof of which is attached to the contract.

(Adopted 1/14/13)

2.4 Reserve Fund: The TDA Board shall maintain a reserve fund, which shall be added to by reserving to this fund 25% of its monthly receipts. The reserve fund shall be capped at \$50,000.00. In order to expend funds from the reserve fund, a unanimous vote by all seated members of the TDA Board (excluding vacancies) shall be required.

(Adopted 1/14/13, amended 11/12/13)

Article 3: Membership

3.1 Eligibility and Terms of Office: Members of the Board must be residents of, own, operate, or have an interest in a business or entity in the Town of Franklin. Members shall serve three year terms except as provided below. No member may serve more than three successive three-year terms.

- The Chairman of the Board will be appointed to a three year term by the Town of Franklin Board of Aldermen.
- Two members will be appointed by the Town of Franklin Board of Aldermen to serve three year terms.
- Three members will be appointed by the Town of Franklin Board of Aldermen to serve two year terms.
- Two members will be appointed by the Town of Franklin Board of Aldermen to serve a one year term.
- By appointment of the Town of Franklin Board of Aldermen, the Town Manager shall be an ex officio Member of the Board. The Town Manager's appointment to the Board is not limited in number of years. The Town Manager is authorized to appoint a designee, who shall attend meetings and vote on matters before the Board at the direction of the Town Manager.

(Amended 4/13/15)

3.2 Termination and Transfer of Membership: The appointing authority (Town of Franklin Board of Aldermen) may remove a member at the recommendation of the majority of the TDA Members.

- Members of the Board are expected to attend all meetings of the Board. Failure to attend at least 75% of the regular meetings in any calendar year, or any three consecutive meetings, shall be considered grounds for recommending removal of the member to the Board of Aldermen, unless extenuating circumstances dictate otherwise. Consideration of circumstances shall be made by the Board before recommending action to the Board of Aldermen.
- Voluntary resignations shall be made in writing to the Board of Aldermen.
- Membership is not transferable or assignable.

3.3 Conduct of Members: All business of Board shall be conducted by the Board. The Board shall carry on such business as may be consistent with the objectives and purposes of the Board. The Board shall not in any way conduct its business in a political manner, or in any way participate directly or indirectly in the election of any person to governmental office, whether in city, town,

county, state, national elections, except that Board members individually may participate in the political process.

Article 4: Officers of the Board

4.1 Officers: Elected officers of the Board shall be as provided below:

- Chairman of the Board will be appointed to a three year term by the Town of Franklin Board of Aldermen.
- Vice-Chairman and Secretary appointed on an annual basis by a vote of the Authority.
- Terms of Office: Elected officers shall serve for one year or until their successors have been elected. No elected officer may serve more than three consecutive one year terms in any one office. Terms of office normally shall begin immediately upon election to the office and continue until the office is filled by a subsequent election or re-election under the terms of these by-laws. Officers elected to fill an unexpired term shall not be charged for the partial term in computing eligibility for office under the time constraints listed above.

4.2 Election of Officers: Election of officers shall take place at the first regular meeting in May.

4.3 Duties of Elected Officers: Duties of the elected officers shall include, but not be limited to the following:

- 4.3.1 Chairman: The Chairman shall call and preside at all regular and special meetings of the Board and make certain that appropriate notices are provided to the members of the Board, the public, and the media. The Chairman shall appoint the chair and members of any subcommittee, with the approval of the Board.
- 4.3.2 Vice-Chairman: The Vice-Chairman, unless otherwise determined by the Board, shall in the absence of the Chairman, perform the duties and exercise the powers of that office.
- 4.3.3 Secretary: The Secretary shall take and keep minutes of the meetings of the Authority in accordance with the General Statutes of the State of North Carolina.
- 4.3.4 Treasurer: The Town of Franklin Finance Officer will serve as ex-officio Treasurer for the Authority.

Article 5: Meetings

5.1 Regular Meetings: The Board shall meet at least quarterly. Notice of at least 10 days shall be given to members in advance of any Board meeting.

5.2 Special Meetings: Special meetings of the Board may be called at any time by the Chairman or at the request of five or more members. Notice of at least 72 hours shall be given of any special meetings. Business at special meetings shall be limited to the matter specified in the call unless all members are present and agree.

5.3 Emergency Meetings: Emergency meetings of the Board may be held upon notification of Board members in person, by telephone, or by delivery of a written notice to the residence of the member; this notification of the members shall be followed with notification given to the public and the media in accordance with Article 33C, paragraph 143-318.12, (b)(3) of the North Carolina General Statutes.

5.4 Open Meetings: All meetings of the Board and its committees including authorized executive sessions, shall be conducted in accordance with the provisions of Article 33C of Chapter 143 of the North Carolina General Statutes (commonly known as the Open Meetings Law).

5.5 Quorum: Five members shall constitute a quorum for any meeting of the Board and no action shall be taken by the Board unless a quorum is present. The quorum shall be determined at the time the meeting is called to order and any member who absents himself after the determination

of a quorum without being excused by a vote of the Board shall be considered present until adjournment. If a quorum is not present, a majority of the members present may adjourn the meeting from time to time without further notice except as otherwise provided by law or in these by-laws.

Article 6: Sub-committees

6.1 The Tourism Development Authority may establish sub-committees made up of such TDA members and others as it may deem necessary and appropriate to provide recommendations to the TDA Board.

Article 7: Administrative Staff

7.1 Manager: The Franklin Town Manager or any person that the Manager may designate shall be the Chief Operating Officer of the organization, subject to the provisions of these by-laws and the supervision and control of the Chairman. It shall generally be the duties of the Chief Operating Officer to report on behalf and at the direction of the TDA Board to the Town's Board of Aldermen, to act as a liaison between the boards, and to perform administrative functions at the direction of the Chairman. In the absence of a designation by the Town Manager under this section, the Chairman may assign the duties of Chief Operating Officer to any officer or member. (Adopted 1/14/13)

7.2 Finance Director: The Town Finance Director shall be the financial officer for the Board and will serve in an ex-officio capacity as Treasurer of the Authority.

Article 8: Fiscal Affairs

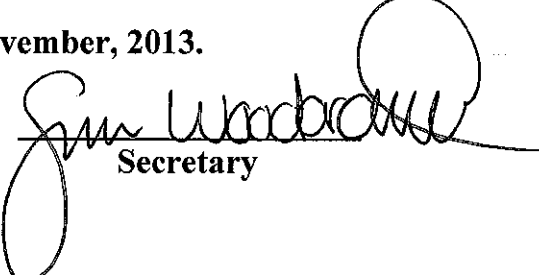
8.1 Source of Funds: The Town of Franklin Tourism Development Authority shall receive and use proceeds from a three percent occupancy tax as specified in and under the authority of Senate Bill 1060 / S.L. 2004-105 Session Laws of the General Assembly of North Carolina.

Article 9: Amendment of Rules of Procedure

9.1 The by-laws may be amended at any properly convened regular meeting of the TDA by a vote of seven members, provided that the amendment has been submitted in writing to all TDA members at least thirty days prior to the meeting.

Adopted as amended, this 12th day of November, 2013.


Chairman


Secretary