

**FIFTH AMENDED BYLAWS
OF THE
CITY OF BUDA TYPE B ECONOMIC DEVELOPMENT CORPORATION**

These Bylaws govern the affairs of **CITY OF BUDA TYPE B ECONOMIC DEVELOPMENT CORPORATION**, a nonprofit corporation.

**ARTICLE 1
OFFICES**

Principal Office

1.01. The Corporation's principal office in Texas is located at 405 E. Loop Street, Building 100-EDC, Buda, Texas. The Corporation may have such other offices, in Buda, Texas as the Board of Directors may determine.

Registered Office and Registered Agent

1.02. The Corporation will maintain a registered office and registered agent in Buda, Texas. The registered office may, but need not, be identical with the Corporation's principal office in Texas. The Board of Directors may change the registered office and the registered agent as permitted under The Development Corporation Act, Chapters 501 to 505 of the Texas Local Government Code, as amended (hereinafter referred to as the "Act").

**ARTICLE 2
BOARD OF DIRECTORS**

Management of Corporation

2.01. The Board of Directors will manage corporate affairs.

Number, Tenure and Qualifications of Directors

2.02. The number of Directors will be seven. Directors serve staggered two-year terms of office. The terms of three (3) directors begin on May 1 of each odd-numbered year and expire on April 30 of the next following odd-numbered year. The terms of four (4) directors begin on May 1 of each even-numbered year and expire on April 30 of the next following even-numbered year. All Directors shall be residents of the City of Buda or of the City's extra-territorial jurisdiction in Hays County, Texas. At least three of the Directors shall not be persons who are employees, officers or Councilmembers of the City of Buda, except that at least two but no more than three of the Directors may be City Councilmembers of the City of Buda. Except as otherwise provided herein, Directors shall routinely serve regular two-year terms.

Appointment of Directors

2.03. Directors shall be appointed by the Mayor and confirmed by the City Council, and shall serve at the pleasure of the Buda City Council. Directors may be reappointed to a new term at the end of any term at the pleasure of the City Council. Directors who are not replaced at or before the expiration of their respective terms shall continue to serve until replaced. Any new Director appointment made by the City Council may include the obligation to complete any then remaining unexpired term at the time of appointment and to serve the following regular term of appointment.

Vacancies

2.04. The Board will promptly notify the City Council of any vacancy occurring on the Board, and the vacancy will be filled by the City Council at its pleasure.

Meetings

2.05. The Board will meet from time to time, but at least once a calendar quarter to carry out its duties. The Board may provide for regular meetings by resolution stating the time and place of such meetings. The meetings must be held within the City of Buda. All meetings shall be held in accordance with the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, as amended.

Special Meetings

2.06. Special Board meetings may be called by, or at the request of, the president or by the chief administrative employee of the Board as a result of a request by any three Directors. A person or persons authorized to call special meetings of the Board may fix any place within the City of Buda, Texas, as the place for holding a special meeting. The person or persons calling a special meeting will inform the administrative staff of the Corporation of the information to be included in the notice of the meeting. The administrative staff of the Corporation will give notice to the Directors and the City Manager, in the form that these Bylaws require and in compliance with the Texas Open Meetings Act, as amended.

Notice

2.07. Written, printed or emailed notice of any special meeting of the Board will be delivered to each Director not less than three, nor more than 30 days before the date of the meeting. The notice will state the place, day, and time of the meeting; who called it; and the purpose or purposes for which it is called. Notice is sufficient if it includes a copy of the Notice provided to the public in accordance with the Texas Open Meetings Act, as amended.

Quorum and Action

2.08. Four (4) Directors shall constitute a quorum for the conduct of the official business of the Corporation. No action of the Corporation shall be valid unless approved by the affirmative vote of four (4) Directors, except as provided in Section 2.13 of these Bylaws. The affirmative vote of an action by four (4) Directors shall constitute an act of the Board and of the Corporation unless a vote of a greater number of Directors is required by law. Directors must be present in order to vote at any meeting.

Proxies

2.09. A Director may not vote by proxy.

Compensation

2.10. Directors may not receive compensation but are entitled to reimbursement for actual expenses incurred in the performance of their duties on behalf of the Corporation.

Removing Directors

2.11. The City Council may remove a Director at any time, with or without cause.

Board Meeting Attendance

2.12. The voluntary absence of a Director from three (3) consecutive meetings, or more than a total of six (6) meetings within a calendar year, will result in automatic resignation of the Director from the Board. An absence of a Director from a regularly scheduled Board meeting may be regarded as excused, rather than voluntary, at the discretion of the Board, if it results from the illness or from a factor beyond the control of the Board Director.

Training Requirements

2.13. The Buda EDC shall comply with all training and education requirements, as provided by Texas Local Government Code, Sec. 502.101. All Board members are encouraged to attend the Basic Economic Development Course at an acceptable education provider within six months of initial appointment. Corporation funds shall be used to pay the cost of attending the required course as provided by the Texas Local Government Code § 502.101.

2.14. The chief administrative employee of the Corporation, and the City Attorney, the City Manager or the City Clerk of the City of Buda, is required to attend an economic development training seminar within 90 days of taking office. The seminar must be repeated every two years. Corporation funds shall be used to pay the cost of attending the required course as provided by the Texas Local Government Code § 502.101.

ARTICLE 3 OFFICERS

Officer Positions

3.01. The Corporation's officers will be a president, a secretary, a vice president, and a treasurer. The Board may define the authority and duties of each such position and shall elect or appoint persons to fill the positions by Resolution of the Board. The same person may hold any two or more offices, except for president and secretary.

Election and Term of Office

3.02. The Corporation's officers will be appointed annually by the Board and will remain in office until their successors have been appointed and qualified. An officer may be appointed to succeed himself or herself in the same office.

Removal

3.03. Any officer elected or appointed by the Board may be removed by the Board or the City Council at any time, with or without good cause.

Vacancies

3.04. The Board may select a person to fill a vacancy in any office for the unexpired portion of the officer's term.

President

3.05. The president is the Corporation's chief executive officer. He or she will supervise and control all of the Corporation's business and affairs and will preside at all meetings of the members and of the Board. The president may execute any deeds, mortgages, bonds, contracts, or other instruments that the Board authorizes to be executed. However, the president may not execute instruments on the Corporation's behalf if this power is expressly delegated to another officer or agent of the Corporation by the Board, these Bylaws, or statute. The president will perform other duties prescribed by the Board and all duties incident to the office of president.

Vice President

3.06. When the president is absent, cannot act, or refuses to act, a vice president will perform the president's duties. When acting in the president's place, the vice president has all the powers of and is subject to all the restrictions on-the president. A vice president will perform other duties as assigned by the president or Board.

Treasurer

3.07. The treasurer will:

- (a) Have charge and custody of—and be responsible for—all the Corporation's funds and securities.
- (b) Receive and give receipts for moneys due and payable to the Corporation from any source.
- (c) Deposit all moneys in the Corporation's name in banks, trust companies, or other depositories as these Bylaws provide or as the Board or president directs.
- (d) Write checks and disburse funds to discharge the Corporation's obligations, except that, funds may not be drawn from the Corporation or its accounts for amounts greater than \$1,500.00 without signature of the president or vice president in addition to that of the treasurer.
- (e) Maintain, the Corporation's financial books and records.
- (f) Prepare financial reports at least annually.
- (g) Perform other duties as assigned by the president or the Board.
- (h) If the Board requires, give a bond for faithfully discharging his or her duties in a sum and with a surety as determined by the Board.
- (i) Perform all of the duties incident to the office of treasurer.
- (j) Will serve as the Chair of the Budget Committee.

3.08. The Treasurer may assign any duties to the staff or a hired agent of the Corporation upon approval of the Board. The Treasurer will maintain a supervisor role regarding these duties if assigned.

Secretary

3.09. The Secretary will:

- (a) Give all notices as provided in the bylaws or as required by law.
- (b) Take minutes of the meetings of the members and the Board and keep the minutes as part of the corporate records.
- (c) Maintain custody of the corporate records and seal.
- (d) Affix the corporate seal to all documents as authorized.
- (e) Perform duties as assigned by the president or the Board.
- (f) Perform all duties incident to the office of secretary.
- (g) Comply in all respects with the Texas Open Meetings Act and the Texas Public Information Act.

3.10. The Secretary may assign any duties to the staff or a hired agent of the Corporation upon approval of the Board. The Secretary will maintain a supervisor role regarding these duties if assigned.

**ARTICLE 4
TRANSACTIONS OF THE CORPORATION**

Contracts

4.01. Subject to the approval of any expenditure as provided in Section 6.02 of these Bylaws, the Board may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the Corporation. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

Deposits

4.02. All the Corporation's funds will be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Board selects.

Gifts

4.03. The Board may accept, on the Corporation's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

Prohibited Acts

4.04. As long as the Corporation exists, the Corporation and its Board and Officers shall comply in all respects with the Act, as amended, and shall not take any action that shall be inconsistent with the requirements of that Act. In addition, no Board member or Officer shall:

- (a) Do any act in violation of these Bylaws or a binding obligation of the Corporation.
- (b) Do any act with the intention of harming the Corporation or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the Corporation's intended or ordinary business.
- (d) Receive an improper personal benefit from the operation of the Corporation.
- (e) Use the Corporation's assets, directly or indirectly, for any purpose other than carrying on the Corporation's business.
- (f) Wrongfully transfer or dispose of Corporation property.
- (g) Use the Corporation's name (or any substantially similar name) except on behalf of the Corporation in the ordinary course of its business.

**ARTICLE 5
BOOKS AND RECORDS**

Required Books and Records

5.01. The Corporation will keep correct and complete books and records of account and the Buda City Council is entitled to access the Corporation's books and records at all times in accordance with Texas Local Government Code § 501.073(b).

Inspection and Copying

5.02. The Corporation is subject to the Texas Public Information Act, as amended, and shall at all times comply with the requirements of that law.

ARTICLE 6 FISCAL MATTERS

Fiscal Year

6.01. The Corporation's fiscal year will begin on the first day of October and end on the last day in September of each following year.

Budgets and Expenditure Approvals

6.02. At least ninety (90) days prior to the beginning of each fiscal year, the chief administrative employee of the Corporation must prepare and submit to the Board of Directors and to the City Manager a proposed budget for the Corporation for the upcoming fiscal year. The budget shall provide a plan for a program of activities, include a budget message, explain any major changes in fiscal policy and provide detail regarding any notable changes from the current budget in expenditure and revenue items. It shall also show revenues and expenditures to date for the then current year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the Buda City Council. At least sixty (60) days prior to the beginning of each fiscal year, the Corporation must submit for City Council's consideration the Corporation's budget. The Corporation's budget and any amendments to the budget are not effective until approved by the Buda City Council. Programs and expenditures which are specifically identified with sufficient detail within the Corporation's budget are considered approved by the City when the Corporation's budget is approved by the Buda City Council. Programs and expenditures not included in the Corporation's budget must be presented to and must be approved by the Buda City Council by City Council Resolution or budget amendment prior to expenditure in compliance with Texas Local Government Code § 501.073(a). All expenditures made by the Corporation shall comply with State law, the City's Home Rule Charter and Code of Ordinances, the Corporation's Articles of Incorporation, and these Bylaws, and all expenditures shall be presented to and authorized by the Buda City Council.

Reserves

6.03. The Corporation shall maintain in its operating fund unencumbered cash reserves equivalent to three (3) months of expenditures. Any long-term debt shall have at least a three (3) month reserve or such amount as may be required by bond ordinance or instrument. Unencumbered cash reserves in excess of the recommended amounts may be moved by action of the Board of Directors to fund capital projects that constitute authorized projects, the expenditures for which have been approved in compliance with Section 6.02 of these Bylaws. Upon approval by the City Council, funds may also be reallocated from the Corporation's capital project fund to the Corporation's operating fund when the level of reserve of the operating fund falls below minimum levels.

Bonds and Certificates of Obligation

6.04. The Corporation shall not take action to issue any bonds or certificates of obligation, unless the Buda City Council has approved such issuance more than thirty (30) days prior to date of the Corporation's action on the issuance of the bonds or certificates of obligation.

Investments

6.05. Temporary and idle funds, which are not needed for immediate obligations of the Corporation, may be invested in any legal manner as provided in Chapter 2256 of the Texas Government Code, the Public Funds Investment Act, as amended.

Audits

6.06. The Corporation shall undergo and maintain annual audited financial statements of all funds of the Corporation. This audit shall be prepared by a competent independent audit firm as soon as practical following the end of each fiscal year. The Corporation shall use the Auditor selected by the City of Buda to conduct its annual audit to conduct the Corporation's annual audit. The Corporation's audit shall be submitted annually to the Buda City Council as soon as practical following the end of the Corporation's and City's fiscal year. The audit shall be presented to the Corporation's Board and to the Buda City Council for approval.

ARTICLE 7 NOTICES

Notices

7.01. Any notice required or permitted by these Bylaws to be given to a Director or officer of the Corporation may be given by mail or electronic transmission. If mailed, a notice is deemed delivered when deposited in the mail addressed to the person at his or her address as it appears on the corporate records, with postage prepaid. If given by electronic transmission, it is deemed given the day after it is transmitted. A person may change his or her address in the corporate records by giving written notice of the change to the secretary of the Corporation.

Signed Waiver of Notice

7.02. Whenever *any* notice is required by law or under the articles of incorporation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

Waiving Notice by Attendance

7.03. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE 8 AMENDING BYLAWS

8.01. These Bylaws may be amended by the Corporation, provided that any such amendment is consistent with state law and the Corporation's certificate of formation and is approved by Resolution of the Buda City Council.

**ARTICLE 9
MISCELLANEOUS PROVISIONS**

Legal Authorities Governing Construction of Bylaws

9.01. These Bylaws will be construed generally under Texas law and specifically under the Act. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.

Legal Construction

9.02. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the bylaws will be construed as if they had not included the invalid, illegal or unenforceable provision.

Headings

9.03. The headings used in the bylaws are for convenience and may not be considered in construing the bylaws.

Number

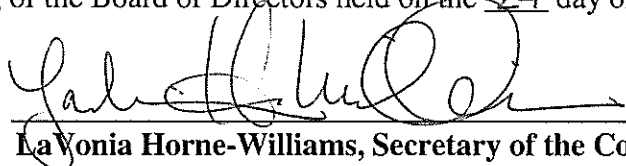
9.04. All singular words include the plural, and all plural words include the singular.

Seal

9.05. The Board of Directors may provide for a corporate seal. Such a seal would consist of two concentric circles containing the words "City of Buda Type B Corporation", "Texas", in one circle and the word "Incorporated" together with the date of incorporation in the other circle.

CERTIFICATE OF SECRETARY OF CORPORATION AND OF CITY CLERK

I certify that I am the duly elected and acting secretary of City of Buda 4B Corporation and that these Bylaws were considered and duly approved at a meeting of the Board of Directors held on the 24 day of June, 2019.



LaVonja Horne-Williams, Secretary of the Corporation

I certify that I am the duly appointed city secretary of the City of Buda and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were considered and duly approved by Resolution #2019-R-_____ at a meeting of the City Council held on _____ 2019, as provided by Texas Local Government Code § 501.064.

Alicia Ramirez, City Clerk