

**BYLAWS OF THE ST. FRANCIS  
ECONOMIC DEVELOPMENT AUTHORITY**

ARTICLE I - THE AUTHORITY

Section 1.1. Name of Authority. The name of the Authority shall be the "Economic Development Authority for the City of St. Francis" (which may sometimes be referred to as the "SFEDA" or the "Authority"), and its governing body shall be called the board of commissioners (the "Board"). The Board shall be the body responsible for the general governance of the Authority and shall conduct its official business at meetings thereof.

Section 1.2. Seal of Authority. The Authority shall have an official seal, which shall consist of a circle with the name of the Authority located inside.

Section 1.3. Office of Authority. The offices of the Authority shall be the St. Francis City Hall, 23340 Cree Street NW, St. Francis, MN 55070.

Section 1.4. Scope of Authority. Except as limited by the enabling resolution adopted by the City Council of the City of St. Francis (the "City") on June 20, 2011, and as it may be amended from time to time, the Authority shall have all the powers, duties and responsibilities set forth in Minnesota Statutes, Sections 469.090 to 469.108, as amended, Minnesota Statutes, Sections 469.001 to 469.047, as amended and Minnesota Statutes, Sections 469.124 to 469.134, as amended and all other applicable laws.

ARTICLE II - BOARD

Section 2.1. Number and Appointment of Commissioners. The Authority shall consist of a governing body of five commissioners. The five commissioners shall be two members of the City Council and three citizens of the City. Commissioners initially appointed will be appointed for terms of two, three, four, five and six years respectively. Thereafter all commissioners shall be appointed for six year terms. Terms for commissioners who are also members of the City Council shall coincide with their terms of office on the City Council.

ARTICLE III - OFFICERS

Section 3.1. Officers. The officers of the Authority shall be a president, a vice president, a treasurer, an assistant treasurer, and a secretary, each of whom shall have the usual duties and powers of such offices, the duties and powers given to them by the Board from time to time, and those duties and powers prescribed by Minnesota law or these bylaws. The president, treasurer and secretary shall be elected annually by the Board. No commissioner may be both president and vice president simultaneously. No commissioner may be both treasurer and assistant treasurer

simultaneously. The secretary and the assistant treasurer need not be commissioners. Each officer of SFEDA shall be compensated for his or her actual expenses for attending each regular and special meeting of SFEDA.

Section 3.2. President. The president shall preside at all meetings of the Board. Except as otherwise authorized by resolution of the Board, the president shall sign all contracts, deeds, and other instruments made or authorized by the Board. At each meeting the president shall submit such recommendations and information as he or she may consider proper concerning the business, affairs, and policies of the Authority.

Section 3.3. Vice President. The vice president shall perform the duties of the president in the absence or incapacity of the president. In case of the resignation or death of the president, the vice president shall perform the duties of the president until such time as the Board shall elect a new president.

Section 3.4. President Pro Tem. In the event of the absence or incapacity of both the president and the vice president at any meeting, the Board may appoint any remaining commissioner as president pro tem to preside at such meeting.

Section 3.5. Secretary. The secretary shall keep the minutes of all meetings of the Board and shall maintain all records of the Authority and shall have such other duties and responsibilities as the Board may from time to time prescribe by resolution.

Section 3.6. Assistant Secretary. Intentionally left open.

Section 3.7. Treasurer. The treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such national or state bank or banks in Minnesota as the Board may select. The treasurer shall sign all Authority orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Board. The treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board, at least annually (or more often when requested), an account of such transactions and also of the financial condition of the Authority by filing a detailed financial statement with the secretary. The treasurer is responsible for the acts of the assistant treasurer and must give bond as required by law.

Section 3.8. Assistant Treasurer. The assistant treasurer has the powers and duties of the treasurer if the treasurer is absent or disabled.

Section 3.9. Executive Director. Initially, the City Administrator shall serve as the executive director of the Authority. The executive director shall be the chief executive officer of the Authority, shall have general supervision over the administration of its business and affairs, subject to the direction of the Authority, and shall have such additional responsibilities and authority as the Board may from time to time by resolution prescribe. The executive director shall serve at the pleasure of the Authority.

Section 3.10. Additional Personnel. The Board may from time to time employ such personnel as it deems necessary to exercise its powers, duties, and functions. The selection and compensation of such personnel shall be determined by the Board.

Section 3.11. Advisory Committees. The Authority may by resolution establish one or more advisory committees to the Authority.

Section 3.12. Signature Authority. The following signature authority shall be authorized for transactions executed under direction of the Board:

(A) All orders and checks of the Authority for the payment of money as directed by the Board shall be signed by the president and the treasurer.

(B) All contracts, deeds and other instruments made or authorized by the Board, except as otherwise authorized by resolution of the Board, shall be signed by the president and the executive director.

(C) The vice president shall have the capacity to sign as an alternate officer of the Authority under extenuating circumstances such as lengthy excused absence, vacancy, termination, resignation, incapacitation or death of the president or of the executive director. The vice president may sign as an alternate for only one absent individual for any Authority matter until the absent individual has returned or a successor is elected to fill the office. The vice president may not sign in the capacity of more than one individual for any particular item requiring more than one signature. For purposes of definition, absent is defined as a period, usually significant in length, during which an officer is away and/or unable to fulfill the officer's role within the Authority leading to the potential for business issues of the Authority to be delayed and/or deadlines to be missed.

#### ARTICLE IV – FINANCIAL MATTERS

Section 4.1. Fiscal Year. The fiscal year of the Authority shall be the same as the fiscal year of the City.

Section 4.2. Accounting System and Audits; Books and Records. The financial records and financial statements of the Authority shall be prepared, audited, filed, and published or posted in the manner required for the financial statements of the City. The books and records of the Authority shall be public records maintained in accordance with state law and with such rules, regulations, and ordinances adopted by the City for maintaining public records.

Section 4.3 Public Money; Checks. All Authority money is public money. An Authority check must be signed by the treasurer and the president, unless as described above in Section 3.12. The check must state the name of the payee and the nature of the claim for which the check was issued.

Section 4.4 Reports to the City. Annually, at a time and in a form fixed by the City Council, the Authority shall make a written report to the City Council giving a detailed account of its activities and of its receipts and expenditures during the preceding calendar year, together with additional matters and recommendations it deems advisable for the economic development of the City. The Authority shall also submit a report to the City Council annually within 60 days of the anniversary date of the adoption of the enabling resolution stating whether and how the enabling resolution should be modified.

Section 4.5 Financial Statement. Annually, or more often, the Authority shall examine the treasurer's detailed financial statement, together with the treasurer's vouchers, filed with the secretary. The financial statement must show all receipts and disbursements, their nature, the money on hand, the purposes to which the money on hand is to be applied, the Authority's credits and assets, and its outstanding liabilities in a form required for the City's financial statements. If the Authority finds that the statement and vouchers are correct, it shall approve them by resolution and enter the resolution in its records.

Section 4.6 Budget to the City. The Authority shall annually, at a time fixed by the City, send its budget to the City Council. The budget must include a detailed written estimate of the amount of money that the Authority expects to need from the City to do Authority business during the next fiscal year. The needed amount is what is needed in excess of any expected receipts from other sources.

Section 4.7 Employees, Services, Supplies, and Contracts. The Authority shall have all of the power and do all of the things permitted by Minnesota Statutes, Section 469.097, as amended, including but not limited to: employing an executive director, a chief engineer, technical experts and other employees as it may require; contracting for the services of consultants, agents, public accountants, legal services, and such other persons or services as it may need to perform its duties and exercise its powers; purchasing supplies and materials; and using City facilities, offices, and staff, including the City engineer and City attorney, in the exercise of its powers and the performance of its duties.

Section 4.8 Execution of Contracts. The Authority may make and enter into contracts pursuant to Minnesota Statutes, Section 469.101 and other applicable law. All contracts, notes, and other written agreements or instruments to which the Authority is a party or by which the Authority may be bound must be executed by the president and the executive director. If the president or the executive director is absent or otherwise unable to execute a document, the vice president may execute the document in place of one individual but not both.

## ARTICLE V - MEETINGS

Section 5.1. Regular Meetings. The Board may hold regular meetings according to a meeting schedule, if any, adopted or revised from time to time by resolution of the Board, and shall hold at least one regular meeting per year.

Section 5.2. Special Meetings. Special meetings of the Board may be called by the president or any two commissioners for the purpose of transacting any business designated in the call notice. The call notice for a special meeting may be delivered to each commissioner, ~~or~~ may be mailed to the business or home address of each commissioner, or at commissioner option, electronically mailed to a designated email address of each commissioner at least three (3) days prior to the date of such special meeting. Notice of any special meeting shall also be posted and/or published as may be required by law.

Section 5.3. Quorum. The powers of the Authority shall be vested in the Board. Three (3) commissioners shall constitute a quorum for the purpose of conducting the business and exercising the powers of the Authority and for all other purposes, but a smaller number may adjourn from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Board upon a vote of a majority of the commissioners present.

Section 5.4. Order of Business. At the regular meetings of the Board the following shall be the order of business:

- (A) Open meeting
- (B) Approval of the minutes of previous meeting
- (C) Approval of the agenda
- (D) Public hearings
- (E) Accounts payable
- (F) Adjournment

Section 5.5. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all commissioners present, unless a different requirement for adoption is prescribed by law. Resolutions may but need not be read aloud prior to vote taken thereon but the title must be read aloud prior to vote taken thereon. Resolutions shall be reduced to writing and shall be executed after passage. All resolutions shall be written or transcribed and shall be retained in the journal of the proceedings maintained by the assistant secretary.

ARTICLE VI – CONFLICT OF INTEREST

Section 6.1. Conflict of Interest. No commissioner or employee of the Authority shall take any action or make any decision which could substantially affect the commissioner’s or the employee’s financial interests or those of an organization with which the commissioner or employee is associated. A commissioner who has a potential conflict of interest shall not attempt to influence an employee in any manner related to the action or decision in question and shall not take part in the action or decision and shall not be counted toward a quorum during the portion of the meeting in which the action or decision is considered. In the case of an employee who has a potential conflict of interest, the matter shall be assigned to another employee who does not have a conflict of interest.

Section 6.2 Disclosure. Any commissioner or employee who has a potential conflict of interest must submit to the Board a written statement describing the matter requiring the action or decision and the nature of the potential conflict of interest.

Section 6.3 Exceptions. The exceptions specified in Minnesota Statutes, Section 471.88 apply to commissioners and employees of the Board.

ARTICLE VII - MISCELLANEOUS

Section 7.1. Amendments to Bylaws. The bylaws of the Authority shall be amended only by resolution approved by a majority of the members of the full Board.

Section 7.2 Consistency with Community Objectives. The Authority shall strive to ensure that its actions are consistent with the comprehensive plan of the City and other community objectives established by the City Council from time to time.

ST. FRANCIS ECONOMIC  
DEVELOPMENT AUTHORITY

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President

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Executive Director