

LAKE CUMBERLAND AREA DEVELOPMENT DISTRICT, INC.

BY-LAWS

Article I
Name and Purpose

Section 1: Name

This organization shall be known as the Lake Cumberland Area Development District, Inc.; incorporated as a non-profit corporation duly incorporated and existing under and by virtue of the laws of the Commonwealth of Kentucky.

Section 2: Purpose

The primary purpose of the Development District shall be to promote and protect the economic, health, education, and general welfare of the people of the ten (10) county area of Kentucky, known as the Lake Cumberland Area, consisting of the Counties of Kentucky; Adair, Casey, Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Taylor, and Wayne.

Article II
Membership

Section 1: General Membership

Membership in this organization shall consist of such persons or organizations of Adair, Casey, Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Taylor, and Wayne Counties, Kentucky, hereinafter called the District, who are interested in and have demonstrated a willingness to give of their time and talents to promote the objectives and purposes of the Area Development District. Any resident of the area may participate as a member of the Lake Cumberland Area Development District upon expressing a desire to serve, and having actively demonstrated an interest in the comprehensive development of the area in the furtherance of Article I.

Section 2: Function

The membership of the Lake Cumberland Area Development District shall be kept as broadly based as possible. The membership shall function in an advisory open forum capacity.

The District membership may suggest to the Board of Directors certain policies, programs, areas of opportunity, and ideas pertaining to the comprehensive development of the area. Members of the District may become members of and serve on committees for study, consultations, and recommendations to the Board of Directors.

Section 3: Membership Representation

Efforts will be made to maintain, in the membership, representatives from such organizations, groups, and individuals from each county as follows:

1. Tourist and Travel Organizations
2. Minority Groups
3. Low Income
4. Health Council
5. Community Action Organizations
6. Agriculture
7. Professional Associations
8. Industry
9. Labor
10. Civic Organizations
11. Youth
12. Business
13. Education
14. Ministry
15. Natural Resources
16. News Media
17. Women's Organizations
18. Government

It shall be the responsibility of the members and the Board of Directors of the Lake Cumberland Area Development District to request, solicit and encourage attendance and active participation of the leadership from their respective areas, cities, counties, organizations, groups, and individuals to the meetings of the general membership of the Development District.

Members of the Board of Directors from each participating city and county should endeavor to keep the membership they are representing cognizant of the activities of the Development District and work together to keep the general membership actively participating in the comprehensive development of the area.

Article III
Meeting of Membership

Section 1: THE KENTUCKY OPEN MEETINGS ACT-KRS 61.800-61.850, KRS 273.162(1), KRS.273.161 (19), KRS 273.217 (2), KRS 273.217 (4) AND KRS.273.195

All meetings of the General Membership and Board of Directors shall comply with the basic policies of KRS 61.800 to 61.850 that the formation of public policy is public business and shall not be conducted in secret and the exceptions provided for by KRS 61.810 or otherwise provided for by law shall be strictly construed.

Section 2: Annual Meeting

The annual meeting of the general membership of the Development District shall be held at Lure Lodge, Lake Cumberland State Resort Park, or at such time and place as may be designated by the Board of Directors, in the notice of said meeting.

Section 3: Membership Meetings

Meetings of the full membership of the Area Development District shall be held at least one (1) time per annum and shall be in conjunction with the annual meeting, which will be held at such place and time as may be designated in the notice of said meeting.

Section 4: Meeting Notices

Notices of the meeting shall be mailed or electronically mailed to each member on the record of the Development District, at the address that appears on the record, not less than seven (7) days prior to the meeting. This notice shall be mailed by the Secretary of the Board of directors or some person the Secretary may designate.

Section 5: Special Meetings

Special meetings of the Board of Directors may be called by the Chairperson of the Board of Directors, or by the majority of members, provided the Board of Directors are notified in writing and at least forty-eight (48) hours prior to the called meeting. Notices of the meeting, with date, time, place and agenda must be delivered to members, media and posted in a conspicuous place. Duly stamped and addressed notice to a member at his/her address as it appears on the Development District's records shall be deemed as compliance with the requirement for meeting notification. Public agencies may transmit written notice of special meetings by email to all public agency members and media organizations that: (1) file a written request with the agency (2) include their email addresses.

Article IV
Directors

Section 1: Board of Directors

The Board of Directors, a majority of which shall be composed of the chief elected officials (Judges and Mayors) of the area, shall be the governing body of this Development District.

Section 2: Board Membership

1. The County Judge Executive of each county located within the Area Development District shall be a member of the Board of Directors.

2. The Mayor of each city located in the Area Development District shall be a member of the Board of Directors.

3. In counties without incorporated cities, the County Judge Executive shall submit three (3) nominees from said county(s) who reside in and represents the county town seat, from which the Board of Directors shall elect one (1). This member shall be included in the number representing the category of elected officials, and the term shall run concurrently with the County Judge Executive.

4. Elected officials, provided for in subsections (1) and (2) of this section, may authorize by letter alternates to represent their interests on the Board of Directors. A person so designated shall serve at the pleasure of the elected official who designated him or her, and any action taken or vote cast by a designated alternate shall be considered the action or vote of the designating elected official. Designated alternates who are not elected officials must meet the requirements of citizen members as set out hereinafter.

5. The elected officials provided for in subsections (1) and (2) of this section shall select citizen members in accordance with the following procedure:

a. A citizen member must reside within the Area Development District and shall have demonstrated an interest in regional development and/or public service.

b. The distribution of citizen members will be equal among the counties of the Area Development District.

c. The citizen members of the Board of Directors shall be representative of the major minority group, females, low-income citizens and the principal economic interests of the District, and those groups set down in Article II, Section 3.

6. There shall be no at-large members other than Senators and Representatives who shall serve as ex-officio members without vote.

7. The chairperson of functional advisory committees of the Board of Directors shall not serve as members of the Board of Directors unless they qualify for membership as serving County Judge Executives or Mayors or a duly appointed citizen member.

Section 3: Elections; Tenure

1. Elected public officials shall serve on the Board of Directors of the Area Development District during the tenure of their public office.

2. Citizen members shall be individually selected pursuant to the provisions made herein for a term not to exceed three (3) years beginning in January, 1996. The terms shall be staggered (approximately one third being appointed each year). Citizen members may be reappointed. All terms after initial appointment will be for three (3) years.

3. Citizen board membership shall terminate on the expiration of a term, board acceptance of a resignation, or change of residence to a locality outside of the Area Development District.

4. The Board of Directors may declare a membership vacant when a member has failed to attend three (3) successive regular or special meetings of the Board of Directors, with the exception of elected officials, who by law, are elected to the Board concurrent with their elected term of office.

5. Where any member, elected official or citizen member, fails to attend three (3) successive meeting of any committee to which they have been duly appointed their membership to said committee may be declared vacant and the Chairman shall appoint a replacement member within thirty (30) days.

Section 4: Development District Operation

The Board of Directors shall regulate and supervise the management and operation of the Area Development District. It shall attend to arrangements for carrying on the business as it deems fit. The Board of Directors shall have the responsibility of developing policies under which the Development District will function.

Section 5: Vacancies

Any vacancy on the Board of Directors, however, occasioned, shall be filled pending the election of his/her successor by the majority vote of the remaining Directors present.

Article V **Director's Meeting**

Section 1: Director's Meetings

At all Board of Directors meetings, one (1) officer and at least fourteen (14) members present representing at least six (6) counties shall be necessary to constitute a quorum to transact business, but any lesser number shall be sufficient to adjourn a meeting.

Section 2: Regular Meetings of the Board of Directors

Regular meetings of the Board of Directors shall be held bi-monthly and/or at such time and place as shall be determined by the Board of Directors.

Section 3: Special Meetings of the Board of Directors

Special meetings of the Board of Directors may be called by the Chairperson of the Board of Directors, or by the majority of members, provided the Board of Directors are notified in writing and at least forty-eight (48) hours prior to the called meeting. Notices of the meeting, with date, time, place and agenda must be delivered to members, media and posted in a conspicuous place. Duly stamped and addressed notice to a member at his/her address as it appears on the Development District's records shall be deemed as compliance with the requirement for meeting notification. Public agencies may transmit written notice of special meetings by email to all public agency members and media organizations that: (1) file a written request with the agency (2) include their email addresses.

Article VI
Officers

Section 1: Term of Office

The term of office shall be for one year. No member shall be eligible to hold more than one (1) office at a time. Officers may serve more than one (1) consecutive full term in the same office.

Section 2: Officers

The officers of the Board of Directors shall be a Chairperson of the Board, Vice-Chairperson of the Board, Secretary of the Board, and Treasurer of the Board.

Section 3: Elections

The officers shall be elected by the Board of Directors at their January meeting of each year and shall hold office until their successors have been duly elected and qualified. In the event of any vacancy occurring during the period for which an officer has been elected, then the Board of Directors may fill such vacancy at any regular meeting or any special meeting of the Board of Directors.

Section 4: Removal of an Officer

An officer elected or appointed by the Board may be removed, for due cause as determined by the Board of Directors, at any time by the majority vote of the Board of Directors.

Section 5: Eligibility of Officers

Officers shall be made up of a minimum of one(1) judge executive, one (1) mayor, and one (1) citizen member.

Section 6: Expenses

Payment of expenses of the officers and of the Board of Directors shall be in accordance with the approved travel policies of the Board of Directors.

Article VII
Committees

Section 1: Executive Committee

An Executive Committee shall be selected from the membership of the Board of Directors, with representation consistent with the membership of the Board of Directors, a majority (51 percent), consisting of elected officials, and the Board of Directors delegate to the committee such duties as: employment of staff members as may be required for the district; to management the financial assets and obligation of the District; to guide the activities of the District between meetings of the Board of Directors; and to perform such other duties as the Board of Directors may delegate to the Committee. The Executive Committee shall make regular reports of its action to the full Board. The Executive Committee shall consist of a representative from each of the ten counties plus one at-large minority representative. The Executive Committee shall consist of the Chairman, Vice Chairman, Secretary, Treasurer and Immediate Past Chairman. The remaining members to be appointed by the Chairman. A quorum shall consist of at least one (1) officer and five (5) committee members. These appointees shall be ratified by the Board of Directors. Lack of ratification will require the Chairperson to re-submit new appointees.

Section 2: Nominating Committee

The Chairperson shall appoint a nominating committee comprised of one (1) mayor, one (1) county judge executive and one (1) citizen member each representing a different county. Only one (1) member may be a current Executive Committee member, and members of the nominating committee will not be eligible for nomination to an office. The Chairperson of the Board of Directors shall not serve on the nominating committee. The nominating committee shall be appointed within ten (10) days after the November general election and shall report their recommendations in writing to the full Board no later than ten (10) days prior to the January meeting.

Section 3: Other Committees

The Chairpersons of the Revolving Loan Fund Committee, the Transportation Committee, and the Water Council shall have equal representation of a Judge Executive, a Mayor and a Citizen Member.

The Board of Directors, pursuant to KRS 147A.090, shall have the power, duty and authority to create the necessary standing functional advisory committees, and ad hoc committees, whether of a permanent or temporary nature, as it determines is useful and necessary to the operations of the agency.

Unless required by funding agency regulation the Chairperson of any such committee shall be an existing member of the Board of Directors but its general membership may be drawn from among members of the Board or from citizens of the counties as the Directors shall determine best.

The Chairperson of the Board of Directors shall have the authority to appoint members of single purpose, temporary, ad hoc committees. All standing functional advisory committees shall be appointed by the Chairperson of the Board of Directors and shall require approval by a majority of the Board of Directors present and voting at a duly constituted meeting.

Article VIII **Duties of the Officers of the Board of Directors**

Section 1: Chairperson of the Board

The Chairperson shall be the chief executive officer of the Board of Directors. The Chairperson shall set the agenda for and preside at all meetings of the Directors. The Chairperson shall be responsible for general and active management of the business of the Board and shall see that all orders, policies, and resolutions of the Board of Directors are carried into effect.

Section 2: Vice-Chairperson of the Board

In the absence of the Chairperson, the Vice-Chairperson shall preside at meetings of the Board of Directors; in the event of the Chairperson's illness, absence from the District, or inability to perform the duties of Chairperson, the Vice-Chairperson shall assume the responsibilities of the Chairperson hereinbefore described.

Section 3: Secretary

The Secretary or the Secretary's designee shall be responsible for keeping the records of the Board of Directors and the minutes of the meetings of the Board. The Secretary shall cause to be kept a current register or roll of the Board of Directors and to call the roll when required. The secretary shall cause the notification of officers, committees, and delegates of their appointments and shall affect the sending of notices of all meetings of the Board of Directors.

Section 4: Treasurer

The Treasurer shall have custody of all monies and securities of the Development District Board of Directors and shall cause to be kept regular books of its funds and property. The Treasurer shall cause to be deposited all money and valuables of the Board of Directors in such banks and depositories as the Board of Directors shall from time to time designate. The Treasurer shall cause the disbursement of the funds of the Area Development District in a manner that conforms to the Generally Accepted Accounting Procedures and the financial policy of the District. The Treasurer shall be bonded to the extent as may be set forth by the Board of Directors and/or the laws of the Commonwealth of Kentucky or as may be recommended by a reputable Certified Public Accountant and the expense of said bonds shall be borne by the Development District. All checks drawn on funds of the Lake Cumberland Area Development District, Inc., account(s) shall be co-signed by the Treasurer and the Executive Director of the Development District.

Section 5: Delegation

In case of absence or disability of an officer, or for any other reason the Board may deem sufficient, the Board of Directors may delegate, in whole or in part, the powers and duties of such officer to any other person the Board deems qualified to perform the same

Section 6: Audit

There shall be an audit as directed by the Board of Directors at least annually and/or at such time as may be requested by the Board of Directors.

(1) No area development district shall enter into any contract with a certified public accountant or firm to perform an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The area development district shall furnish the Auditor of Public Accounts with a comprehensive statement of the scope and nature of the proposed audit. The actual expense of audit performed by the Auditor of Public Accounts shall be billed to the audited area development district.

(2) Any contract with a certified public accountant or firm entered into as a result of the Auditor of Public Accounts either declining to perform the audit or failing to respond within thirty (30) days of receipt of a written request for an audit shall specify the following:

- (a) That the certified public accountant shall forward a copy of the audit report and management letters to the Auditor of Public Accounts for review;
- (b) That the Auditor of Public Accounts shall have the right to review the certified public accountant or firm's work papers before and after the release of the audit; and
- (c) That after review of the certified public accountant or firm's work papers, should

discrepancies be found, the Auditor of Public Accounts shall notify the audited entity of the discrepancies. If the certified public accountant or firm does not correct these discrepancies prior to the release of the audit, the Auditor of Public Accounts may conduct its own audit to verify the findings of the certified public accountant's report.

(d) If an audit verifying the findings of the certified public account or firm's report is conducted by the Auditor of Public Accounts, the actual expense of the audit shall be billed to the area development district.

Article IX
Policies

Section 1: Policies

The Executive Director shall maintain currently a manual consisting of all policies adopted and ratified by the Board of Directors, and the same shall be made available to the Board.

Article X
Kentucky Open Records Act
KRS 61.870 to 61.874

Comply with revised statues definitions and requirements concerning open records.

Article XI
Amendments

Section 1: Amendments

The By-Laws of the Lake Cumberland Area Development District, Inc., may be amended by:

Adoption by a majority of the Board of Directors provided the proposed changes were distributed to members with notice at least seven (7) days prior to the meeting.

Revised and adopted this 20th day of December 2017.

Eddie Wesley, Chairman
Lake Cumberland Area Development District

