

BYLAWS OF BEAR PAW SERVICE DISTRICT

ARTICLE I. NAME, LOCATION, AUTHORITY

Section 1. Name. The name of the organization is the Bear Paw Service District, sometimes hereinafter referred to as the Service District.

Section 2. Location. The principal office of the Bear Paw Service District shall be located in Bear Paw, Cherokee County, North Carolina. The current mailing address is Route 4, Bear Paw, Murphy, North Carolina 28906.

Section 3. Authority. The Bear Paw Service District is a recreational and security service created by resolution of the Board of Commissioners for Cherokee County, North Carolina. A resolution as provided for in Senate Bill 1448 was adopted on the 7th day of January, 1990. Pursuant to the enabling legislation set forth in Chapter 1049 of the North Carolina Session of 1990 and the Resolution adopted by the Board of Commissioners, the Service District is authorized to and within the Service District may provide for: (a) Recreational services and facilities. (b) The acquisition, management and preservation of open space and common areas for the use and benefit of the residents and property owners of Bear Paw. (c) The maintenance and improvement of local roads. (d) Security to the residents and property owners of Bear Paw. (e) Land use planning and regulations. (f) General Administration for the business affairs of the Service District. (g) Such other services as may be granted to the Service District from time to time by the Board of Commissioners for Cherokee County, or any other lawful authority. (h) Such other services as may be allowed under the general law of the State of North Carolina.

Section 4. Funding. In general, the services described above and any other services undertaken by the Service District shall be funded by a special ad valorem tax, at a rate not to exceed one percent per \$100.00 assessed valuation on all taxable real and personal property in the Service District. Taxes levied by the Service District shall be collected by the Board of County Commissioners and disbursed to the Service District from time to time. The tax so levied, collected and disbursed to the Service District shall be expended by the Service District in accordance with its duly adopted budget and may be used only for services provided in the Service District. Additional funds for services provided and projects undertaken may include special assessments imposed by the Service District and user fees and other contract fees as may be collected by the Service District from time to time.

Section 5. General Powers. The Service District may provide for authorized services by employing persons for those purposes and acquiring or constructing facilities, or by contracting with other persons, appropriating Service District money to any person, association or corporation. The Service District shall not appropriate money to any person, association or corporation.

may control but not prohibit access to streets and roads by using security gates or other appropriate means. Security officers employed by or contracted for by the Service District company police as provided for in Chapter 74A of the General Statutes of North Carolina services may be provided in any other manner authorized by law.

ARTICLE II. MEMBERS

There shall be no members of the Bear Paw Service District. Nevertheless, every property resident or other party having an interest in the administration of services within the Service District shall have the right to petition the Board of Directors and to appear before such Board and be heard on matters pertaining to the business affairs of the Service District.

ARTICLE III. GOVERNMENT

Section 1. Board of Directors The governing body of the Service District is the Board of Directors consisting of not less than 7 nor more than 10 members who are permanent residents or owners of the Service District. At least 7 Board members shall be members of the Bear Paw Property Owners Association. The Board of Directors shall be appointed by the Board of Commissioners of Cherokee County, North Carolina, as provided by law.

Section 2. Officers. The officers of the Service District shall consist of a Chairman, Vice Chairman, Secretary, Assistant Secretary, and Treasurer.

Section 3. Qualifications. Any property owner or resident shall be qualified for appointment to the Board of Directors by the Board of Commissioners so long as the appointment is made in a manner consistent with Chapter 1049 of the Session Laws of North Carolina of 1990. Members of the Board of Directors who cease to be property owners in the Service District shall automatically forfeit their seat on the board.

Section 4. Term. Directors shall be appointed for a 2 year term. The Board of Commissioners making its initial appointments shall provide for staggered terms of the Directors by appointing some members of the initial board for a one year term. Thereafter, each person appointed shall serve a 2 year term. Terms shall begin on July 1 and end on June 30. Vacancies shall be filled by the Board of Commissioners. No board member may serve more than two consecutive two-year terms. Initial terms of one year or less or completion of an unexpired term shall not disqualify a board member from serving two (2) additional consecutive two (2) year terms.

ARTICLE IV. POWERS.

Section 1. General Power. The Service District is a political subdivision of the State of North Carolina and is a body corporate and politic, exercising public power. The Service District is a public authority under the Local Government Budget and Fiscal Control Act.

Section 2. Other Powers and Duties. The powers and duties of the Board of Directors shall be such as are conferred upon it by law together with such other powers and duties as may be lawfully conferred upon it by the Board of Commissioners. The Chairman shall be recognized as the official head of the Service District for the purposes of service of civil process and for other purposes. The Chairman or Treasurer shall sign all checks. All checks drawn on the accounts of the Service District and all funds expended by the Service District shall be in full compliance with the requirements of the Local Government Budget and Fiscal Control Act and the Local Government Commission of the State of North Carolina.

Section 3. Zoning and Land Use Regulations. For the purpose of promoting and protecting the public health, safety and general welfare of the State, the Board of Directors is authorized to establish zoning units and adopt and administer subdivision regulations. In exercising the powers, the Board of Directors shall have all the rights, privileges, powers, and duties granted to counties under Parts 1, 2, and 3 of Article 18 of Chapter 153A of the General Statutes of North Carolina; however, the Board of Directors shall not be required to appoint a planning commission or a board of adjustment. If neither a planning commission or a board of adjustment is appointed, then the Board of Directors shall have all the rights, privileges, powers and duties of such entities.

ARTICLE V. MEETINGS

Section 1. Organizational Meeting. The Board of Directors shall fix the date and time of its organizational meeting which shall be held in July each year. At the organizational meeting the Board of Directors shall organize itself by electing a Chairman, a Vice Chairman, a Secretary, an Assistant Secretary and Treasurer. All terms will be for one year.

Section 2. Regular Meetings. The Board of Directors shall fix the time and place for its regular meetings which shall be held at least quarterly. Written notice of the schedule of regular meetings shall be provided to the Clerk of the Board of Commissioners. They shall be posted in a conspicuous place at the administration building of the Service District. They shall also be made available to any person requesting the schedule, as required by the Open Meetings Law in North Carolina.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman by providing at least 3 days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the date, time, place and purpose of the meeting. Any 4 members of the Board of Directors may at any time call a special Board meeting by providing a written notice stating the time and place of the meeting and subjects to be considered.

notice shall be delivered to the Chairman and each member of the Board of Directors and his/her usual dwelling place at least 3 days before the meeting. Only those items of business specified in the notice may be transacted at a special meeting, unless all members are present or have signed a written waiver of notice. Special meetings may also be held at any time when the Chairman and all of the members of the Board of Directors are present and consent thereunto, when those not present have signed a written waiver of notice.

Section 4. Quorum. At all meetings of the Board of Directors, either regular or special, a majority of the board members shall constitute a quorum. If a quorum is not present, the presiding officer may adjourn the meeting to a date and hour fixed by him.

Section 5. Order of Business. At all meetings of the Service District, the order of business shall be as follows: (a) Reading and approval of minutes of prior meeting. (b) Treasurers Report. (c) Reports. (d) Unfinished business. (e) New Business.

ARTICLE VI. PROCEDURES

Section 1. Records. Full and accurate minutes of all proceedings shall be kept and shall be open to the inspection of the public. The results of each vote shall be recorded in the minutes and, at the request of any member of the Board of Directors, the ayes and nays upon any question shall be taken. All records and financial documents including the checkbook shall be kept at the District office.

Section 2. Voting. No member shall be excused from voting except upon matters involving the consideration of his own financial interest or official conduct. In all other cases, a failure to vote by a member who is physically present or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote. An affirmative vote equal to a majority of all board members present shall be required to take any action on any matter, authorize any expenditure of funds or make, ratify or authorize any contract.

Section 3. Compensation. Neither the Officers nor Directors shall receive any salary or compensation for services rendered to the Service District. The Board may adopt a policy providing for the reimbursement to each member for any expenses actually incurred by that member on behalf of or in furtherance of Service District Business.

ARTICLE VII. GENERAL DUTIES.

Section 1. Management. The Board of Directors shall have the general charge and management of the affairs, funds and properties of the Service District according to the general laws of North Carolina and these bylaws.

Section 2. Budget. The Board of Directors shall adopt an annual budget under the Local Government Budget and Fiscal Control Act, and shall levy the tax rate provided for in the budget to produce the necessary revenue, in accordance with the Machinery Act. The budget may provide for a reasonable reserve or fund balance.

Section 3. Fiscal Year. The fiscal year for the Service District shall extend from July 1, of each calendar year through June 30th of the succeeding calendar year. Property located within the Service District as of January 1 of each calendar year shall be subject to taxation by the Service District for the fiscal year beginning July 1 of that same calendar year.

Section 4. Special Assessments. The Service District may levy special assessments against benefited property within the District for street purposes in the same manner as a city may levy special assessments under the authority of Article 10 of Chapter 160A of the General Statutes of North Carolina.

Section 5. Debts. Service District funds may be used to pay and discharge any valid debt of the Service District or any judgment rendered against it. Service District funds also may be used to provide for the defense of, and payment of civil judgments against, employees, officers or agents of the Service District or employees or officers, resulting from the discharge of their official duties, under policies approved by the Board of Directors. The Board of Directors shall have the right to enforce all valid contracts and agreements to which the Service District is a party and to collect all assessments, fees, charges, or other non tax revenues owed to the Service District and to use Service District funds for such purposes.

Section 6. Open Meetings Law. The Board of Directors is a public body and shall therefore comply with all notice and other requirements of the Open Meetings Law, as set forth in Article 3 of Chapter 143 of the General Statutes of North Carolina.

ARTICLE VIII. AMENDMENTS.

These Bylaws may be amended only by majority vote of the Board of Directors at a regular meeting. Notice of the proposed amendments must be stated in the call for the meeting.

amendments must be in full compliance with Chapter 1049 of the North Carolina Session 1990.

ADOPTED this the twenty-sixth day of January, 1991.

RESOLUTION OF BEAR PAW SERVICE DISTRICT.

WHEREAS Article III, Section 2 of the Bylaws of the Service District provides that the office of the Service District shall consist of a Chairman, Vice Chairman, Secretary, Assistant Secretary and Treasurer; and

WHEREAS, Chapter 159, Article III, Part 1 of the North Carolina General Statutes, the Local Government Budget and Fiscal Control Act, North Carolina G.S.S.. 159-7 et seq. applies to and governs all financial affairs of the Service District pursuant to the express terms of the enabling legislation of the Service District contained in Chapter 1049 of the 1989 Session Laws of the General Assembly, having been adopted as Senate Bill 1448; and

WHEREAS, North Carolina G.S. S. 159-9 provides that the Service District shall appoint "a budget officer" to serve at the will of the Board of Directors of the Service District; and

WHEREAS, G.S.S.. 159-24 provides that the Service District shall appoint "a finance officer" to hold office at the pleasure of the Board of Directors of the Service District; and

WHEREAS, it is deemed by the Board of Directors that it is in the best interest of the Service District to comply with said statutes of the State of North Carolina, and in order to comply with said statutes, the Bylaws of the Service District should be amended to provide that the Treasurer of the Service District shall also hold the office of Budget Officer and the office of Finance Officer and that the Treasurer shall be deemed in all actions which he takes on behalf of the Service District and within the scope of his authority to be the Budget Officer and the Finance Officer of the Bear Paw Service District; and

WHEREAS, it is deemed by the Board of Directors that, in order to comply with said statutes of the State of North Carolina, the Bylaws of the Service District should be amended to provide for the office of a Budget Officer and for the office of a Finance Officer and to combine said offices with the existing office of Treasurer; and

WHEREAS, in order to provide for the efficient handling of the financial affairs of the Service District, it is in the best interest of the Service District, and it is necessary and desirable that the office of Assistant Treasurer be created to assist the Treasurer in performing the duties of the office of Treasurer and that the Bylaws of the Service District should be amended to provide for the office of Assistant Treasurer and should be, further, amended to provide that the office of Treasurer shall also be deemed to be the Assistant Budget Officer and the Assistant Finance Officer.

NOW, THEREFORE, IT IS HEREBY RESOLVED that Article III, Section 2 of the Bylaws of the Bear Paw Service District be and the same hereby are amended to read as follows: *The Bylaws of the Service District shall consist of a Chairman, Vice-Chairman, Secretary, Assistant Secretary*

Treasurer and Assistant Treasurer. The Treasurer shall also serve as the "Budget Officer Bear Paw Service District as the same is defined pursuant to North Carolina G.S.S.S. 159-24. The Assistant Treasurer shall also serve as the Assistant Budget Officer and the Finance Officer of the Service District. The Chairman shall preside at all meetings of the Directors and shall vote on all matters before the Directors, but shall have no right to break a vote in which he participated. In the absence of the Chairman, the Vice Chairman shall preside.

FURTHER RESOLVED that all activities of the Treasurer which have occurred since the beginning of the Service District and all acts of the Treasurer on behalf of the Service District and in the scope of the authority given to said Treasurer by the Service District be and the same hereby ratified and adopted as acts of the Budget Officer and Finance Officer of the Service District.

THIS the eleventh day of July, 1992. ADOPTED this the eleventh day of July 1992.