

Authority By-Laws

Knox County Housing Authority
216 W. Simmons St.
Galesburg, IL 61401
(309) 342-8129

Article I. The Authority

- Section 1.01 The name of the authority shall be the “Knox County Housing Authority.”
- Section 1.02 The Knox County Housing Authority (the Authority) shall constitute a body politic and corporate, as provided in the Illinois Housing Authorities Act (310 ILCS 10/).
- Section 1.03 The management and control of all officers, employees, property, and business of the Authority shall be exercised in accordance with the standards, limitations, and controls set forth in Illinois Housing Authorities Act (310 ILCS 10/).
- Section 1.04 The fiscal year shall begin with the first day of April of each year and end with the last day of March of the following year.
- Section 1.05 The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its organization.
- Section 1.06 The principal offices of the Authority shall be located at 216 West Simmons Street in Galesburg, Illinois.

Article II. Members of the Authority

- Section 2.01 The members shall constitute the governing body of the Authority. The general management of the affairs and property of the Authority will be vested in its members.
- Section 2.02 The Authority shall consist of seven (7) Commissioners and an Executive Director.
- Section 2.03 All members of the Board shall have the title of “Commissioner”.
- Section 2.04 There will be seven (7) Commissioners, comprised of individuals who are residents of Knox County, Illinois.
- Section 2.05 The membership shall contain no less than one (1) Resident Commissioner.
- Section 2.06 Commissioners shall be appointed by majority vote of the County Board of Knox County, Illinois.
- Section 2.07 Commissioners shall provide the following as a means of direct communication regarding matters concerning the Authority:
- (a) A primary telephone number and, if appropriate, a secondary telephone number;
 - (b) Mailing address; and
 - (c) Email address.

- Section 2.08 The term of each Commissioner shall be five (5) years, except that the initial appointees will serve terms ranging from one to five years with term expiring each year on the anniversary date of the appointment.
- Section 2.09 No more than two (2) members of the Board of Commissioners may be elected officials with Knox County, Illinois.
- Section 2.10 The Commissioners shall serve without compensation other than the payment of necessary expenses as approved by the Authority.
- Section 2.11 Any Commissioner may resign at any time by giving written notice to the Board Chairperson. Such resignation shall take effect at the time specified therein, or if the time is not specified, upon receipt thereof; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- Section 2.12 Commissioners may be removed from service through notice given to the Knox County Board of the Commissioner's failure to adequately perform the duties of his or her office with a recommendation that he or she be replaced. Reasons for removal from service to the Board of Commissioners include, but are not limited to:
- (a) At such time as an incumbent commissioner may be determined derelict or negligent of his or her duties;
 - (b) Poor meeting attendance, consisting of absence from more than 25% of the regular meetings of the Authority within twelve (12) months from appointment date, or miss THREE consecutive such meetings. In cases of excessive absences transmittals of this notice may be forgone or deferred by vote of the Commissioners after having given due consideration to the cause(s) of the absences.
 - (c) Conduct detrimental to the Authority;
 - (d) Other good cause.
- Section 2.13 In the event of a vacancy on the Board of Commissioners, the County Board of Knox County, Illinois shall appoint a replacement who shall serve for the remaining portion of the vacated term.
- Section 2.14 Commissioner duties and responsibilities are provided for in the Annual Contributions Contract (ACC), federal regulations, and notices/handbooks. The Authority shall develop and monitor policies for providing decent, safe, and sanitary housing to the program participants it serves. Specifically, Commissioners shall be responsible to:
- (a) Approve By-Laws, resolutions, and policies;
 - (b) Selection, hiring, and evaluation of a qualified Executive Director;
 - (c) Regularly attend scheduled Board meetings, unless excused as set forth in the By-Laws;
 - (d) Reviewing and monitoring Authority financial information, including budgets, claims, expenditures, financial reports, and audits to ensure compliance with federal and local laws and other requirements;

- (e) Prevent conflicts of interest, and avoid the appearance of conflicts of interest;
- (f) Ensure the Authority is acting legally and with integrity in its daily operations.
- (g) Attend training as deemed fit by the Authority for the purpose of staying current with HUD regulations and Public Housing Agency operations.

Section 2.15 The Authority may establish standing committees. The following will be designated as standing committees:

- (a) Finance Committee: The Finance Committee shall be appointed by the Board at each Annual Meeting or at any regular or special meeting of the Board. The Finance Committee shall consist of at least two Commissioners and the Executive Director, as provided in the appointing resolution. The Finance Committee shall review and recommend to the Board the approval of the financial statements of the Authority and the audit, recommend to the Board the approval of control and finance procedures of the Authority, and the Finance Committee shall meet with the independent accountants to the Authority (who shall be appointed by the Board) and shall consult with and approve their audit of the financial statements of the Authority for recommendation of the audited financial statements to the Board;
- (b) Special Committees: The Authority may establish special committees. The function and duration of a special committee will be determined by its specific assignment, as stated in a resolution of the Authority creating it.

Section 2.16 In the event of a vacancy on the Board of Commissioners, the County Board of Knox County, Illinois shall appoint a replacement who shall serve for the remaining portion of the vacated term.

Article III. Officers and Employees

Section 3.01 The officers of the Authority shall be: Chairperson, Vice-Chairperson, and Secretary-Treasurer.

Section 3.02 The Chairperson and Vice-Chairperson shall be elected at the annual meeting of the Authority from among the Commissioners of the Authority and shall hold office for one year, or as long as the board deem necessary, or until their successors are elected and qualified. The Chairperson and Vice-Chairperson must have leadership and management skills, and patience to perform such duties as described in Section 2. The Secretary-Treasurer shall be appointed by the Authority. Any person appointed that office, or any vacancy therein, shall serve such term as the Authority fixes.

Section 3.03 Chairperson. The Chairperson shall preside at all meetings of the Authority and sign all official orders thereof. She or he shall see that all orders and resolutions of the Authority are carried into effect; she or he shall also have such additional powers and duties as may from time to time be imposed upon the position by the Authority, subject however, to the right of the Authority to delegate any specific power or duty, except such as may be made by statute exclusively conferred on the Chairperson, to any other officer or officers of the Authority.

Section 3.04 Vice-Chairperson. In the absence or incapacity of the Chairperson the Vice Chairperson shall perform the duties of the Chairperson. In case of the resignation or death of the

Chairperson, the Vice-Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Authority shall select a new Chairperson.

Section 3.05 Secretary-Treasurer. The Secretary-Treasurer shall keep the records of the Authority, shall act as secretary of the meetings of the Authority, recording all votes and the proceeding of the Authority in a journal of proceedings to be kept for such purpose. The Secretary-Treasurer shall perform all duties incident to that office. The Secretary-Treasurer shall keep the seal of the Authority and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Authority.

- (a) The Secretary-Treasurer shall have care and custody of all funds of the Authority and shall deposit same in the name of the Authority in such bank as the Authority may select. He or she shall sign all orders and checks for payment of money and shall pay out and disburse any such moneys under the direction of the Authority. Except as otherwise authorized by resolution of the Authority, all such orders and checks shall be countersigned by the chairperson. The Secretary-Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Authority, at regular meetings (or as otherwise requested by the Authority) an account of the transactions and financial condition of the Authority. The Secretary shall give bond for the faithful performance of these duties as the Authority may designate.
- (b) The Secretary-Treasurer of the Authority shall serve in that capacity without compensation (other than payment of necessary expenses).

Section 3.06 Vacancies. Should the office of Chairperson or Vice-Chairperson become vacant, the Board of Commissioners shall elect a successor from its membership at the next regular meeting. Such election shall be for the unexpired term of said office. When the office of Secretary-Treasurer becomes vacant the Authority shall appoint a successor as provided in there By-Laws.

Section 3.07 Executive Director. The Executive Director will be the chief operating officer of the Authority and will have general charge and supervision of the operations of the Authority, subject to the direction of the Board of Commissioners. With regards to the position of Executive Director:

- (a) The Executive Director shall have general supervision over the administration of the business and affairs of the Authority;
- (b) The Executive Director shall maintain a record of all matters pertaining to the management of the housing programs of the Authority and shall submit reports on all such matters at regular meetings of the Authority;
- (c) The Executive Director shall serve as primary advisor to the Board of Commissioners;
- (d) The Executive Director shall be charged with the management, administration, and daily operation of the Authority in accordance with all applicable laws, rules, and regulations;
- (e) The Executive Director shall serve as the Secretary-Treasurer of the Authority and shall have all powers and duties of that office as described in Section 3.04;

- (f) The Executive Director shall serve as the primary contracting official of the Authority;
- (g) The Compensation of the Executive Director shall be determined by the Board of Commissioners.

Section 3.08 In addition to the foregoing offices, the Authority may from time to time select and appoint such other officers and employees as may be required for the performance of the duties of the Authority.

Section 3.09 Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or the by-laws, rules, or regulation of the Authority.

Section 3.10 Additional Personnel. The Authority may, from time to time, employ such personnel as it deems necessary to exercise its powers, duties, and functions as prescribed by applicable federal law and the laws of the State of Illinois, including the Housing Authorities Act of Illinois and any amendments or supplements thereto now in force or which may be enacted. The selection and compensation of such personnel shall be determined by the Executive Director, subject to the laws of the State of Illinois and the terms of any contractual obligations assumed by the Authority.

Article IV. Meetings

Section 4.01 Meeting conduct shall abide by Robert's Rules of Order.

- (a) The presiding officer shall conduct Board meetings to allow for the full, fair, and efficient conduct of Board business;
- (b) Any Commissioner may move a proposal. At least one other Commissioner must second the motion in order to have a discussion or vote on the matter. If no other Commissioner seconds the motion, there shall be no vote on the proposal;
- (c) Upon second of a proposal or motion, discussion shall continue until the presiding Commissioner calls for a vote of the majority of the quorum present.

Section 4.02 Meetings will be held and business transacted in accordance with the Illinois Open Meetings Act (5 ILCS 120/).

Section 4.03 Regular Meetings. Regular meetings shall be held monthly without public notice on the last Tuesday of each month at 10:00 A.M., unless the same shall be a legal holiday, in which event said meeting shall be on the next succeeding business day. No notice of Regular meetings shall be required to be provided to the Commissioners, and it shall be the duty of each Commissioner to attend such meetings without notice.

Regular meetings shall include the following sessions:

- (a) Open Business: an open session for the purpose of financial ratification, resolution of old business, transacting new business, and providing information on the operations and performance of the Authority;
- (b) Public Comment (if applicable);
- (c) Executive session (if applicable): a closed session for the purpose of discussing confidential personnel matter, pending or potential litigation, or other matters which

require confidentiality. Matters discussed in Executive Session will be done in accordance with the Illinois Open Meetings Act (5 ILCS 120/2(c)). Action resulting from discussion during Executive Session must be conducted in Open Session.

- Section 4.04 Annual Meetings. The annual meeting of the Authority shall be held in conjunction with the regular meeting date in April of each year.
- Section 4.05 Special Meetings. The Chairperson may, when she or he deems it necessary to do so, or upon the written request of two or more Commissioners, call a special meeting of the Authority.
- (a) The call for a special meeting of the Authority may be delivered personally (in person or by telephone), mailed (either sent via first class U.S. Mail or emailed) to the business or home address of each Commissioner and to the newspaper(s) of general circulation in the jurisdiction at least forty-eight (48) hours prior to the date of the special meeting.
 - (b) At any such special meeting no business shall be considered other than as designated in the notice.
 - (c) Attendance of a Commissioner at any special meeting and participation therein without objecting at the opening of such meeting that it was not lawfully called shall constitute a waiver of notice of such meeting. Failure to give notice of such meeting to a Commissioner so attending it and making no such objection shall in no way affect the validity of any action taken at such meeting.
- Section 4.06 Emergency Meetings. In the event of unexpected circumstances that require immediate consideration by the Board of Commissioners, the Chairperson or any two (2) Commissioners may call an emergency meeting of the Board for the purpose of transacting business in connection with the emergency. The Authority shall provide reasonable notice of such meeting to Commissioners and media outlets by the same method prescribed in Section 4.05(a.). Only business connected with the emergency may be considered at such an emergency meeting.
- Section 4.07 Alternative Meetings. At the discretion of the Authority, any of the following meeting types may be employed as deemed necessary to execute the business of the Authority:
- (a) Audio conference;
 - (b) Video conference;
- Section 4.08 Board packets containing information for the upcoming meeting shall be prepared and distributed no later than forty-eight (48) hours prior to each regular and special meeting.

In the case of emergency meetings, board packets will be sent out as appropriate given the emergency.

- (a) Board packets shall contain the following information at a minimum:
 - (i) Agenda for the upcoming meeting
 - (ii) Prior meeting's minutes (if applicable)
 - (iii) Claims from the previous reporting period (if applicable)
 - (iv) Financial Reports (if applicable)
 - (v) Old Business Items (if applicable)
 - (vi) Current or New Business
 - (vii) Reports (if applicable)
 - (viii) Other Information (if applicable)
- (b) Delivery of packets shall be made as follows:
 - (i) Email delivery to each Commissioner and appropriate media outlets;
 - (ii) In the event the Commissioner or other requesting entity requires a printed packet, a copy of the Board Packet shall be made available for pickup at the principal office of the Authority no later than forty-eight (48) hours prior to the meeting;
 - (iii) Posted to the Authority website;

Section 4.09 Quorum. A quorum consists of a majority of Commissioners and represents the minimum number of Commissioners who must be present for the transaction of business.

- (a) A "majority" is defined as the number greater than half of any total. Four (4) Commissioners shall constitute a quorum for the transaction of the business of the Authority.
- (b) When a quorum is in attendance, action may be taken upon a majority vote of the Commissioners in attendance.
- (c) In the absence of the quorum, the meeting may be adjourned by the Chairperson, Vice-Chairperson, or any Commissioner present, in such order, to a given date,

subject to the approval of the Board. Notice of such meeting shall be in accordance with notice requirements set forth in Section 4.05(a.).

- Section 4.10 All resolutions shall be in writing and shall be copied in a journal of the proceedings of the Authority.
- Section 4.11 Order of Business. At a regular meeting of the Authority the following shall be the order of business:
- (a) Roll Call / Notation of Persons in Attendance
 - (b) Review / Approval of Minutes of the Previous Meeting
 - (c) Review / Ratification of Claims
 - (d) Review / Ratification of Financial Report
 - (e) Old Business
 - (f) New Business
 - (g) Reports
 - (h) Executive Session (If Applicable)
 - (i) Adjournment
- Section 4.12 Manner of Voting. All questions or action coming before the Authority shall be presented in the form of motions or resolutions. Any such question or action shall be voted on by roll call with the response of each Commissioner recorded in the minutes of the meeting.
- Section 4.13 Minutes of Meetings. A written record of each meeting, including standing committees, shall be maintained by the Secretary/Treasurer. The minutes shall accurately reflect motions on action, seconds to the motions, discussion, and voting on each proposal or resolution. The minutes shall reflect the date, time and place of the meeting, and shall be the record of attendance by Commissioners and others present at each meeting. Minutes shall be approved in the following manner:
- (a) Regular Meeting Minutes: Minutes of the prior regular meeting shall be distributed for the purpose of review and approval in advance of the next regularly scheduled meeting;
 - (b) Committee Meeting Minutes: Committee meeting minutes shall follow the same approval procedure as Regular Meeting minutes;
 - (c) Special Meeting Minutes: Special meeting minutes shall follow the same approval procedure as Regular Meeting minutes;
 - (d) Executive (Closed) Session Minutes: Closed session minutes shall be reviewed semi-annually, and such determinations will be made that:
 - (i) The need for confidentiality still exists as to all or part of those minutes; or

- (ii) The minutes or portions thereof no longer require confidential treatment and are available for public inspection.

Article V. Contracts and other Negotiable Instruments

Section 5.01 All authorized contracts, deeds, and commitments will be executed in the name of the Authority by the Executive Director.

Section 5.02 All checks, notes, drafts, and other negotiable instruments will be signed by the Chairperson, and must be co-signed by a different officer from among the Commissioners or another employee as designated by the Authority.

Article VI. Ethical Standards

Section 6.01 All members of the Authority, including employees, Commissioners, and Officers, shall abide by the Knox County Housing Authority Ethical Standards Policy.

Section 6.02 It is expected that each Commissioner will voluntarily and fully outline his or her personal interests and potential conflicts of interest prior to assuming their seat on the board.

- (a) Such a statement shall be submitted to the Board Chairperson within ninety (90) days of the Commissioner's Appointment;
- (b) For Commissioners currently serving, such an updated statement shall be developed annually in conjunction with the Authority's Annual Meeting;
- (c) Such statements shall disclose the following:
 - (i) The names of any business, organizational, or professional involvements that might reasonably be inferred as having business with the Authority and for which at some point a Commissioner might be expected to vote, legislate, or rule on a matter involving said party.
 - (ii) Any current or past contact in, or interest in, activities or programs of the Authority, including, but not limited to, any contracts previously bid and let, familial relationships with any staff or other board members, or any consultative or professional contracts.

Section 6.03 No Commissioner shall vote, decide on, or discuss any matter before the Board if that Commissioner has any interest, real or perceived, in the matter, except that:

- (a) A Commissioner having such interest through a voluntary association with the person or organization may be allowed to discuss the matter.
- (b) If the matter concerns a person or organization with which the Commissioner had former contact, and that former contact existed either prior to his or her selection, or

occurred at least two years prior to the current discussion of the matter, the Commissioner may freely act.

Section 6.04 No Commissioner may use his or her position on the Board to intimidate, coerce, persuade or otherwise influence any of the activities or employees of the Authority.

Section 6.05 Funds permitting, each Commissioner shall undertake training not less than one time per year. All costs associated with such training are to be paid by the Knox County Housing Authority in accordance with the travel procedures of the Authority.

Article VII. Indemnification

Section 7.01 The Authority shall indemnify, to the extent not covered by insurance, to the fullest extent provided by law any current or former KCHA Commissioner, Officer, or employee against any and all expenses and liabilities actually and necessarily incurred by him or her in connection with any claim, action, suit, or proceeding, whether actual or threatened, including civil, administrative, or investigative, including appeals, to which any current or former KCHA Commissioner, Officer, or employee may be made a party by reason of having been a KCHA Commissioner, Officer, or employee acting in the course of employment, regardless of the final resolution of the claim, action, investigation, suit, or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the Authority's best interest.

Section 7.02 Persons claiming indemnification under these By-Laws shall promptly advise the Authority and its General Counsel in writing of the existence of any matter which may give rise to such indemnification.

Section 7.03 Subject to the limitation, however, that there shall be no indemnification:

- (a) For the amount of any punitive damages awarded, including the amount of any punitive damages awarded under a statute providing for a doubling, trebling, or other multiple of actual damages;
- (b) In relation to matters as to which the any current or former KCHA Commissioner, Officer, or employee shall be adjudged to be guilty of a criminal offense, liable for fraud, liable to the Authority for damages, or found to have acted in violation of Authority policy, including but not limited to the KCHA Employee Handbook or these By-Laws.

Section 7.04 Any current or former KCHA Commissioner, Officer, or employee claiming indemnification under these By-Laws must receive written authorization from the Executive Director, at the discretion of the Board, prior to retaining counsel. The Authority shall not be liable for any counsel fees or other legal costs incurred prior to receipt of said written authorization. The Authority shall not be required to make indemnification payments, to include counsel fees, to any current or former KCHA Commissioner, Officer, or employee covered by this Article until complete and final resolution of the subject litigation has occurred. In no event shall this provision be construed as interference with, discouragement of, or an impediment to the

retention of counsel by such employees or officers in circumstances where the employee does not claim a right of entitlement to indemnification for the cost of such counsel.

Section 7.05 Amounts paid in indemnification of expenses and liabilities may include but shall not be limited to counsel and other fees, costs and disbursements, judgments, fines, penalties against, and amounts paid in settlement by such employee.

Section 7.06 Any current or former KCHA Commissioner, Officer, or employee may, at his or her option:

- (a) Tender the defense of the claim, action, suit or proceeding to the Authority to be handled by an attorney of the Authority's choosing at its expense;
- (b) Select a licensed attorney to defend him or her in the claim, action, suit or proceeding. Any such independent counsel shall work cooperatively with insurance counsel and/or the Authority's counsel. The Authority shall pay all reasonable attorney's fees and expenses incurred by the current or former KCHA Commissioner, Officer, or employee promptly after receiving bills therefor in advance of the final disposition of the claim, action, investigation, suit, or proceeding so long as the attorney's fees and expenses are reasonable relative to the fees and expenses the Authority would pay to outside counsel for similar representation. Such fees and expenses shall be subject to review for reasonableness and approval by the Authority's General Counsel.

Section 7.07 As part of the indemnification provided for hereunder, the Authority shall undertake to defend any noncriminal claim, action, suit, or proceeding threatened or pending against any current or former KCHA Commissioner, Officer, or employee. Pursuant to such duty to defend, the Authority shall have the power to the fullest extent permitted by law to:

- (a) Select and retain counsel;
- (b) Require that defenses be tendered to the Authority;
- (c) Review and approve payment of all expenses for reasonableness (including attorney's fees); and
- (d) Approve any settlement of any dispute giving rise to a claim for indemnification.

Section 7.08 The Authority shall have no obligation to indemnify any current or former KCHA Commissioner, Officer, or employee who fails to comply with or abide by the provisions of these By-Laws, federal regulations, or other applicable state law, or who is adjudged to be guilty of a criminal offense, , liable for fraud, liable to the Authority for damages, or found to have acted in violation of Authority policy, including but not limited to the KCHA Employee Handbook or these By-Laws. If, following any indemnification payments, it is determined that any current or former KCHA Commissioner, Officer, or employee who received such payments was not entitled to such indemnification, the Authority shall be authorized to recover from such employee or officer all indemnification sums paid, including

all defense fees and costs paid pursuant to the duty to defend, and all legal costs, fees, and attorney's fees incurred in recovering the indemnification property.

Article VIII. Severability

Section 8.01 The terms and sections of the by-laws are severable.

Section 8.02 If any term or section of the by-laws is to any extent illegal, otherwise invalid, or incapable of being enforced, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms hereof shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

Article IX. Amendments

Section 9.01 These By-Laws may be altered, amended, or repealed by a majority vote of the Commissioners at any regular or special meeting of the Authority if appropriate notification of the proposed alterations, amendments, or repeals be contained in a written notice to the Commissioners not less than thirty (30) days prior to such a meeting.

Section 9.02 In no event shall Articles VI. and VII., or any subparts thereof, be retroactively altered, amended, or repealed subsequent to the date of adoption of this amendment to the By-Laws of the Authority. Said articles, or any subparts thereof, may only be altered, amended, or repealed prospectively and any purported retroactive amendment of said articles shall be null and void.

Section 9.03 In the event that said articles are subsequently altered, amended, or repealed, all persons indemnified under said Articles, prior to such alteration, amendment, or repeal, shall continue to be indemnified to the same extent for any and all claims, actions, suits, or proceedings arising out of any act, omission, whether known or unknown, which occurred prior to the date of said alteration, amendment, or repeal.

Article X. Repeal

Section 10.01 The foregoing constitutes all the bylaws of the Knox County Housing Authority, and any and all bylaws heretofore enacted and not contained herein are repealed.