



# RESOLUTION No. 98-17

## OF THE BOARD OF SUPERVISORS OF THE COUNTY OF NEVADA

### (A RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT OR AGREEMENT)

BE IT HEREBY RESOLVED by the Board of Supervisors, of the County of Nevada, State of California, that the Chairman of the Board of Supervisors be and he is hereby authorized to execute, on behalf of the County of Nevada, that certain Joint Exercise of Powers Agreement amending Res. 93-522 and restated as of March 1, 1995 dated the 13th day of January, 1998, and between said County and other counties, cities and local agencies pertaining to creating the California Rural Home Mortgage Finance Authority

PASSED AND ADOPTED by the Board of Supervisors of the County of Nevada at a regular meeting of said Board, held on the 13th day of January, 1998, by the following vote of said Board:

Ayes: Supervisors Peter Van Zant, Karen Knecht,  
Fran Grattan, Rene Antonson, Sam Dardick.  
Noes: None.  
Absent: None.  
Abstain: None.

ATTEST;

CATHY R. THOMPSON

Clerk of the Board of Supervisors

By Cathy R. Thompson

[Signature]  
Chairman

DATE	COPIES SENT TO
1-14-98	CRHMFA c/o Marcia Basque Administration
	A-C
12/6/00	HCS

## JOINT EXERCISE OF POWERS AGREEMENT

### CALIFORNIA RURAL HOME MORTGAGE FINANCE AUTHORITY

(Amended and Restated as of ~~March 1, 1995~~\*December 1, 1997)

THIS JOINT EXERCISE OF POWERS AGREEMENT, dated for convenience as of July 1, 1993, by and among the California Local Government Finance Authority, the County Members (hereinafter defined), the Associate Members (hereafter defined) and any other public agencies that may hereafter be added as a County Member or Associate Member pursuant to the terms hereof (with all parties to the agreement collectively referred to herein as the "Members") identified on the signature page hereto and incorporated by reference herein.

#### WITNESSETH:

WHEREAS, the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California) (the "Act") authorizes the Members to create a joint exercise of powers entity to be designated the "California Rural Home Mortgage Finance Authority" (the "Authority") which has the power to jointly exercise any powers common to any or all of the Members:

WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of homes;

WHEREAS, the Members have determined that a joint exercise of powers authority should be formed to exercise their respective powers for the purpose of financing home mortgages with respect to property within the boundaries of the Members and other participating public agencies;

WHEREAS, by this Agreement the Members desire to create and establish the California Rural Home Mortgage Finance Authority for the purposes set forth herein and to exercise the powers described herein and as provided by law.

NOW, THEREFORE, the Members for and in consideration of the mutual premises and agreements herein contained so each agrees as follows:

#### **SECTION 1. Definitions**

Unless the context otherwise requires, the terms defined in this Section 1 shall for all purposes of this Agreement have the meanings herein specified.

"Act" Means the Joint Exercise of Powers Act commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended by any supplemental agreement entered into pursuant to the provisions hereof.

"Authority" means the California Rural Home Mortgage Finance Authority created by this Agreement.

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\*Conformed copy- March 1, 1997

"Associate Member" means a non-Regional Council of Rural Counties member county, city or other public entity having housing powers admitted to associate membership in the Authority pursuant to a vote of the Board establishing that admission.

"Board" means the governing board of the Authority as described in Section 7.

"Board member" means a duly appointed director of the Board.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority or financing agreements entered into by the Authority pursuant to the Act and any other obligation *given within the meaning of* to the term "Bonds" under the Act.

"California Local Government Finance Authority" means the California Local Government Finance Authority, a joint powers authority, organized and established under the provisions of the act.

"County Member" means each county which is a member of the Regional Council of Rural Counties (RCRC) and which is a party to this Agreement, including the initial Counties identified on the signature page of this Agreement and each additional RCRC member county added pursuant to the provisions of this Agreement.

"Member" means each County Member or Associate Member which is a party to this Agreement.

"Regional Council of Rural Counties" means that agency incorporated under that name which shall staff the Authority.

## **SECTION 2. Purpose**

The purpose of this Agreement is to provide financing for the construction, acquisition and rehabilitation of homes in accordance with applicable provisions of law for the benefit of the residents of the Members and other participating public agencies. In pursuit of ~~these~~ *this* purposes, this Agreement provides for the joint exercise of powers common to any of its Members and other local agencies as provided in this Agreement, including assisting in financing as further authorized herein ~~These~~ *This* common powers will be jointly exercised in the manner hereinafter set forth.

## **SECTION 3. Creation of Authority; Addition of Members**

- a) There is hereby created pursuant to the Joint Powers Law an agency and public entity to be known as the "California Rural Home Mortgage Finance Authority." As provided in the Act, the Authority shall be a public entity separate from the Members.
- b) Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of California in the manner set forth in Section 6503.3 of the Act.
- c) Additional Members may be added upon the affirmative vote of a majority of the Board members. The addition of any new Member shall become effective upon the execution on behalf of such Member of a counterpart of this Agreement.

- d) Associate Members may be added to the Authority pursuant to action by the Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more housing programs of the Authority, as determined by the board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as listed in By-Law No. 1 to the Agreement, as amended from time to time by the Board. Changes by the Board of the terms and conditions for Associate Membership will not constitute an amendment to this Agreement.

#### **SECTION 4. Terms**

This Agreement shall become effective as of the date hereof and shall continue until such time as all Bonds and the interest thereon shall have been paid in full, or provision for such payment shall have been made, whichever period is shorter, or at such time as the Authority shall no longer own or hold any interest in a public capital improvement or program.

#### **SECTION 5. Powers: Restriction Upon Exercise**

- a) To effectuate the purposes hereof, the Authority shall have the power to exercise any and all powers of the Members and other participating local agencies under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein before and hereinafter in this Agreement contained. Each Member may also separately exercise any and all such powers.
- b) The Authority may adopt, from time to time, such bylaws, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as are necessary or desirable for the purposes hereof.
- c) The Authority shall have the power to finance residential home mortgages. The Authority shall have the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members and other local agencies at public or negotiated sale, for the purposes set forth in Section 2 hereof, all in accordance with the Act. Any such bonds so purchased may be held by the Authority or sold to public or private purchasers at public or negotiated sale, in whole or part. The Authority shall set any other terms and conditions on any purchase or sale contemplated herein as it deems to be necessary, appropriate and in the public interest, in furtherance of the Act.
- d) The Authority may issue or cause to be issued Bonds and other indebtedness, and pledge any of its property or revenues as security to the extent permitted under any applicable provision of law.

The Bonds, together with the interest and premium, if any, thereon of the Authority shall not constitute debts, liabilities or obligations of any Member. The Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefore, and neither the faith and credit nor the taxing power of the Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members of the Authority be obligated in any manner to make any appropriation for such payment.

No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Director, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board of Directors of the Authority nor any officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

- e) To effectuate the purposes hereof, the Authority is hereby authorized to do all acts necessary for the exercise of such powers, including, but not limited to, any or all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any building, works or improvements; to acquire, hold or dispose of property wherever located, including property subject to home mortgages; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entity; to sue and be sued in its own name; and generally to do any and all things necessary or convenient to accomplish the purpose set forth in Section 2 hereof. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as otherwise provided in this Agreement.
- f) Subject to the applicable provisions of any indenture or resolution providing for the investment of moneys held thereunder, the Authority shall have the power to invest any money in the treasury pursuant to Section 9(b) hereof that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.
- g) Such powers shall be exercised subject only to such restrictions upon the manner of exercising such powers as are imposed upon the County of Nevada in the exercise of such powers, as provided in Section 6509 of the Act.
- h) Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members.

#### **SECTION 6. Termination of Powers**

The Authority shall continue to exercise the powers herein conferred upon it until the termination of this Agreement, except that if any Bonds are issued and delivered, then in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made.

#### **SECTION 7. Governing Board**

- a) The number of Board members on the Board shall be the number of the members of the California Local Government Finance Authority, if that authority becomes a Member, plus the number of County Members that are parties to this Agreement. The governing board of each member of the California Local Government Finance Authority and of each County Member shall select a Board member.
- b) Members of the governing bodies of the Members may serve as Board members. The governing body of each member county represented on the board may designate an alternate Board member to act on its behalf and in the absence of the principal Board member and to exercise all the rights and privileges of the principal Board member, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, to execute and deliver documents, and to vote upon any and all matters. No such person may represent more than one Board member at any meeting of the Board. Any such designation shall be in writing, shall be filed with the secretary of the Authority and shall be effective for the meeting, meetings or other period of time specified in the writing.

- c) Each Associate member may designate a representative to the Board, such representative shall not be a voting member of the Board; and shall not count for or against a quorum; but may attend meetings, propose agenda items and otherwise participate in Board Meetings.
- d) Board members shall not receive any compensation for serving in their capacity as Board members, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a Board member if the Board shall determine that those expenses shall be reimbursed and there are unencumbered funds available for that purpose.

#### **SECTION 8. Meetings of the Board**

- a) The Board shall hold at least one regular meeting each year, and, by resolution, may provide for the holding of regular meetings at more frequent intervals. The date upon which, and the hour and place at which, each regular meeting shall be held shall be fixed by resolution of the board.
- b) All meetings of the board shall be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.
- c) The secretary of the Authority shall cause minutes of all meetings of the board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Board member and to each Member.
- d) ~~A majority of the Board members entitled to vote shall constitute a quorum for the transaction of business; The presence of one Director each from at least ten county members shall constitute a quorum for the transaction of all business at any regular or special meeting of the Board.~~ except that less than a quorum may adjourn from time to time. Each Board member shall have one vote. Associate Members shall have no vote.
- e) The principal office for the transaction of the business of the California Rural Home Mortgage Finance Authority is located at 1020 12th Street, Suite ~~200 A~~ 400 Sacramento, CA 95814, in Sacramento County, including properly posted meetings at any facility in Sacramento County which complies with the requirements of California Government Code Section 54954(b)(4) and (d).

#### **SECTION 9. Officers; Duties; Official Bonds**

- a) The Board shall elect a chair of the Authority and a vice chair of the Authority among its Board members. The officers shall perform the duties normal to those offices and as otherwise may be provided in the by-laws of the Authority. The Chair shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the board. The Vice Chair shall act, sign contracts and perform all of the Chair's duties in the absence of the Chair. The Board shall appoint an Executive Director who shall perform the duties of Secretary, Treasurer, and Auditor of the Authority; and shall be authorized to sign all contracts and conduct all business and shall perform those duties that may be imposed by the Board. The board shall appoint the Regional Council of Rural Counties Legislative Advocate as Assistant Secretary/Treasurer/Auditor for the Authority authorized to perform the duties of the Executive Director in his/her absence. The Board shall also appoint the Regional Council of Rural Counties Legislative Advocate as Legislative Advocate for the Authority. A Board member may hold more than one office of the Authority.
- b) Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the treasurer is designated as the depository of the Authority to have custody of all the money of the Authority, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

- c) The Auditor shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.
- d) The Treasurer and Auditor of the Authority are designated as the public officers or persons who have charge of, handle, or have access to any property of the Authority, and each such officer, if the offices are held by separate persons, shall file an official bond with the secretary of the Authority in the amount of \$100,000. If and to the extent permitted by law, any such officer may satisfy this requirement by filing an official bond in at least that amount obtained in connection with another public office.
- e) The offices of treasurer and auditor may be held by separate officers or employees of the Authority or combined and held by one officer or employee; provided that such person or persons shall comply with the duties and responsibilities of such office or offices as set forth in the Act. In the event the Board designates its officers or employees to fill the functions of treasurer or auditor, or both, such officers or employees shall cause periodic independent audits to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.
- f) The Authority shall be staffed by the Regional Council of Rural Counties or any successor thereto. The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent financial advisors, counsel, consultants, contractors and accountants. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to delegate any of its functions to one or more of the Board members or officers or agents of the Authority and to cause any of said Board members, officers or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Authority. The Board may establish an Executive Committee to oversee day-to day administrative matters of the Authority, subject to policy approval by the Board. The Executive Committee shall consist of the Chairman and Vice Chairman of the Board, and one other member to be elected by the Board to serve for the term elected (one year or the remainder of an unexpired term). The Board may also establish any other committees for any lawful purpose as it may determine

#### **SECTION 10. Fiscal Year**

Unless and until changed by resolution of the Board, the fiscal year of the Authority shall be the period from July 1 of each year to and including the following June 30, except for the first fiscal year which shall be the period from the date of this Agreement to June 30, 1994.

#### **SECTION 11. Disposition of Assets**

Upon termination of this Agreement, all assets of the Authority shall be distributed to the respective Members and other participating local agencies in such manner as shall be agreed by the Members.

#### **SECTION 12. Bonds**

The Authority shall have power to issue Bonds in accordance with the provisions of the Act for the purpose of raising funds necessary to carry out its powers under this Agreement and to enter into appropriate agreement to secure those Bonds. The Authority shall also have the power to issue any other forms of indebtedness authorized by the Act in accordance with the provisions of the Act for those purposes.

### **SECTION 13. Agreement Not Exclusive; Operation in Jurisdiction of Member**

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issued other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members, except as expressly provided herein; provided that, the Authority shall not make or purchase any home mortgage secured by any home within the jurisdiction of a Member financed by an issue of Bonds without the consent of the Member to the issuance of those Bonds and that the giving or withholding of that consent is in the sole and absolute discretion of the Member but, if given by the Member and then relied upon by the Authority for purposes of entering into agreements with developers, lenders, other Members or others, such consent may not be revoked.

### **SECTION 14. Conflict of Interest Code**

The Authority by resolution shall adopt a Conflict of Interest Code as required by law.

### **SECTION 15. Contributions and Advances**

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member or any other local agency for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid, in the manner agreed upon by the advancing Member or other local agency and the Authority at the time of making the advance.

### **SECTION 16. Accounts and Reports; Annual Budget and Administrative Expenses**

- a) The Authority shall establish and maintain those funds and accounts as may be required by good accounting practice and by any provision of any resolution or indenture of the Authority securing the Bonds. The books and records of the Authority shall be open to inspection at all reasonable times by each Member and its representatives. The Authority shall give a written report of all financial activities ~~for each fiscal year to each Member within 120 days after the close of each fiscal year as of each January 1, April 1, July 1 and October 1 to each Member within 60 days after the close of such quarter.~~
- b) Subject to Section 9(e), the auditor of the Authority shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. In each case, the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with each member and also with the county auditor of each county which is, or in which there is, a Member. The report shall be filed within 12 months of the end of the fiscal year.
- c) Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for the purpose.
- d) In any year in which the annual budget of the Authority does not exceed \$5,000, the Board may replace the annual special audit with an audit covering a two-year period.
- e) Annually prior to July 1 of each year, the Board shall adopt a budget for administrative expenses of the Authority in the succeeding Fiscal Year, which shall include all expenses not included in any Bond issue of the Authority.
- f) All the books, records, accounts and files referred to in this Section shall be open to the inspection of owners of Bonds to the extent and in the manner provided in any resolution or



indenture providing for the issuance of Bonds.

#### **SECTION 17. Breach**

If default shall be made by any Member in any covenant contained in this Agreement, the default shall not excuse a Member from fulfilling its obligations under this Agreement, and each Member shall continue to be liable for the performance of all conditions herein contained. Each Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enact are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

#### **SECTION 18. Indemnification**

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board member or alternate Board member of the Board, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member or alternate member of the Board, or an officer, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

#### **SECTION 19. Immunities**

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or other local agencies when performing their respective functions, shall apply to them to the same degree and extent while engaged as Board members or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

#### **SECTION 20. Severability**

Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

#### **SECTION 21. Successors; Assignment**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

#### **SECTION 22. Amendment of Agreement**

This Agreement may be amended by the Board. Notice of each such amendment shall be given by the Board to each Member *by registered or certified mail* and shall be binding upon each Member unless notice is given by a Member to the Authority within 30 days of receipt of such amendment that it does not consent thereto. In the event such notice is timely given by a Member to the Authority, that Member shall not be bound by the terms of such Amendment.

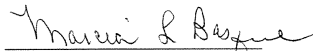
### **SECTION 23. Withdrawal of Members**

A Member may withdraw from this agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority so long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall be effective only upon receipt of notice of withdrawal by the Board and the filing of the notice as an amendment to this Agreement

### **SECTION 24. Miscellaneous**

- a) This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- b) The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.
- c) Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.
- d) This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed.
- e) This Agreement is the complete and exclusive statement of the agreement among the parties hereto, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

**Certification By Executive Director:** In accordance with amendment provisions provided, this Agreement as amended and dated ~~March 1, 1995~~ December 1, 1997 reflects the actions of the Board of Directors in Resolutions 94-1, 94-2, 94-5, and 95-4 and other directions of the Executive Committee. This amended Agreement was mailed to the Members on ~~Wednesday March 22, 1995~~ December 16, 1997.

  
\_\_\_\_\_  
Marcia L. Basque  
Executive Director

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

ATTEST:

COUNTY OF NEVADA

By: 

Clerk of the Board

By: 

Title: Chairman, Board of Supervisors



8. Associate Member status may be accorded to counties, cities and other public entities without regard to population or to being rural in nature provided those counties, cities and other public entities comply with all other Associate Member requirements set forth in these By-laws; that they assign their tax-exempt housing allocation entitlement and any additional revenues derived from those entitlements to the Authority; and that such counties, cities and other public entities agree to utilize the Regional Council of Rural Counties as Compliance Agent to review, process and approve loan packages for loans originated under their allocation entitlement.

## **SECTION II. DUTIES AND POWERS OF THE EXECUTIVE DIRECTOR**

Pursuant to the direction of the Board of Directors, and in addition to other duties that may be imposed by the Board:

1. The Executive Director will impose an annual Associate Member fee of not less than \$7,500 on counties exceeding 200,000 population; of not less than \$5,000 on counties under 200,000 population; and not less than \$2,000 for cities or other public entities. For those counties, cities and other public entities applying for Associate Member status under the provisions of Section I (8) above, annual Associate Membership fees may be waived provided there is agreement between the Authority and the applicable county, city or other public entity to include, but not limited to, the assignment of the applicable county, city or public entities tax-exempt allocation assignment; distribution of Bond Issuer fees; reimbursement of the Authority's expenses related to pooling and issuing of bonds and other programmatic expenses; utilization of the Regional Council of Rural Counties for compliance services and other matters of mutual interest. The Executive Director is empowered to negotiate and approve the terms and conditions of any agreement between the Authority and any county, city or other public entity in this regard.
2. The Executive Director may establish such other administrative fees as necessary to the operation of the Authority's housing program.
3. The Executive Director may limit the number of lenders participating in the housing program and may impose appropriate application participation fees on lenders desiring to join the program.
4. The Executive Director will allocate available bond funds to insure adequate and appropriate funding is available to a) Member counties; b) Associate Member bodies; c) specific allocation to lenders; and d) other allocations required by law or identified as a program management action.

## **BY-LAW NO. 2. ASSOCIATE MEMBER- LEASE PURCHASE MORTGAGE PROGRAM**

### **SECTION I. TERMS AND CONDITIONS FOR ASSOCIATE MEMBERSHIP IN LEASE PURCHASE MORTGAGE PROGRAM**

Counties, cities or other public entities, either not eligible for or not desirous of belonging to the Regional Council of Rural Counties, or not eligible or desirous of the terms and conditions of By-law No. 1, but wanting to participate only in the Authority's Lease Purchase Mortgage Program and ACCESS Program may be accorded Associate Membership without regard to population or to being rural in nature, subject to the following terms and conditions.

1. Associate Member status accorded to counties, cities and other public entities for participation in the Authority's Lease-Purchase Program and ACCESS Program only does not make that jurisdiction eligible otherwise for participation in any other Authority Housing Program.
2. Any expenditure or allocation of funds for Associate Member jurisdictions shall be strictly from Revenue Pass-through Obligations or Bonds issued in connection with the ACCESS Program and no other Authority revenues.
3. All loans/mortgages originated and funded under the Lease-Purchase Mortgage Program ACCESS Program must be reviewed and approved by the Authority's Compliance Agent, (the Regional Council of Rural Counties), in accordance with Program directives and documents.
4. Associate Membership under this By-Law does not entitle the jurisdiction to a seat on the CRHMFA Board of Directors or a vote on Authority matters.
5. Prospective Associate Members under this Section must inform the Authority of their desire to participate in the Lease-Purchase Program and ACCESS Program and indicate by Resolution of their governing body their acceptance of the terms and conditions of Associate Membership. They must submit an executed counterpart of the Joint Exercise of Powers Agreement and a copy of the publicly adopted Resolution of the governing body indicating their formal acceptance of the terms and conditions of the program. Upon receipt of the appropriate documents, the request for Associate Membership will be placed before the CRHMFA Board of Directors for affirmation. Associate Members which as of the date of the amendment of this By-Law No. 2 (December 11, 1997) participate only in the Lease-Purchase Mortgage Program only may also participate in the ACCESS Program without any further action on their part.
6. Any jurisdiction seeking, and subsequently accorded Associate Member status under this Section understands and accepts that such status does not guarantee any specific or minimum allocation of funds to that jurisdiction and that any allocation will be subject to programmatic decisions of program management and by the Executive Director.

### **SECTION II .DUTIES AND POWERS OF THE EXECUTIVE DIRECTOR**

Pursuant to the direction of the Board of Directors, and in addition to other duties that may be imposed by the Board:

1. The Executive Director is empowered to negotiate and approve the terms and conditions of any agreement between the Authority and any county, city or other public entity in this regard.

2. The Executive Director may limit the number of lenders participating in the Housing Program and may impose appropriate participation fees on lenders desiring to participate in the program.
3. The Executive Director may deny and return any and all applications for Associate Membership that may be considered to be not in the best interests of the Authority.
4. The Executive Director will allocate available funds so as to best serve the needs and goals of the Authority Housing Programs generally, and to insure adequate and appropriate funding is available to a) CRHMFA member counties; b) Associate Member jurisdictions; and c) other allocations.