

BY-LAWS

-of-

CENTRAL BUSINESS IMPROVEMENT DISTRICT MANAGEMENT ASSOCIATION, INC.

(A New York Type C Not-For-Profit Association)

ADOPTED MAY 20, 2005

ARTICLE I

NAME, STATEMENT OF PURPOSE AND PRINCIPAL OFFICE

SECTION 1.1. Name. The name of the Association shall be the "Central Business Improvement District Management Association, Inc." (the "Association")

SECTION 1.2. Purpose. To promote the development and preservation of the downtown business area of the City of Glens Falls and to organize in order to do all things necessary and proper to make such area more attractive and accessible. To this end, the management association will work to enhance the public perception of the downtown area through overseeing and managing the appearance, cleanliness and commercial viability of the business improvement district.

SECTION 1.3. Offices. The Association shall maintain a principal office in the City of Glens Falls, County of Warren, State of New York.

ARTICLE II

MEMBERSHIP

SECTION 2.1. Classes and Qualifications. The Association shall have three (3) voting classes of membership:

a. Class A. Owners of record of real property in the district described in the Central Business District Improvement Plan (the "Plan") for the Central Business Improvement District (the "District") of the City of Glens Falls, as same may be amended and approved by the Glens Falls Common Council, or such other persons as are registered with the City of Glens Falls to receive real property tax bills for property located within the District, shall be Class A members of the Association. One vote shall be allocated for each parcel of property individually assessed.

b. Class B. Tenants who are occupants pursuant to leases of commercial space within the District, shall be Class B members of the Association. Each separate leasehold shall be allocated one vote.

c. Class C. The persons serving by virtue of their appointment as Municipal representatives, as described in Article III, SECTION 2.2, shall be Class C members of the Association, who shall be allocated one vote.

SECTION 2.2. Evidence of Membership. Each member shall be issued a membership certificate upon completion of a membership application. Membership and membership certificates are not transferable.

SECTION 2.3. Termination of Membership. Membership in the Association shall be terminated, (1) if the member is an individual of a partnership, upon the death or resignation of the individual member or partner of the partnership or, (2) if such member is a Association, upon the dissolution or liquidation of such Association. Additionally, (a) Class A membership shall terminate when the Class A member is no longer the owner of record or the person registered with the City of Glens Falls to receive real property tax bills for real property located in the District; (b) Class B membership shall terminate when the Class B member is no longer a commercial tenant in the District; and (c) Class C membership shall terminate when the Class C member is replaced by the appointing authority.

SECTION 2.4. Annual Meetings. A meeting of members entitled to vote shall be held for the election of directors and the transaction of business in the month of January of each year on any day in that month as determined by the Board of Directors.

SECTION 2.5. Special Meetings. Special meetings of the members may be called at any time by the President, the Board of Directors, or members entitled to cast ten percent (10%) of the total number of allocated votes of either Class A or Class B.

SECTION 2.6. Place of Meetings. Meetings of Members shall be held at the principal office of the Association or at such other place, within or without the State of New York, as may be fixed by the Board of Directors.

SECTION 2.7. Notice of Meetings.

(a) Written notice shall be given of each meeting of members stating the place, date and hour of the meeting and, unless it is an Annual Meeting, shall also indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a Special Meeting shall also state the purpose or purposes for which it is being called, except for the annual meeting.

(b) A copy of the notice of any meeting shall be given, personally or by first class mail not less than ten (10) nor more than fifty (50) days before the date of the meeting, or by another class of mail not less than thirty (30) nor more than sixty (60) days before such date, to each member entitled to vote at such meeting. If mailed, such notice is given when deposited in the United States mail, with postage thereon prepaid, directed to the member at the member's address as it appears on the record of members, or if the member shall have filed with the Secretary a written request that notices to the member be mailed to some other address, then directed to the member at such other address.

(c) Notice of meeting need not be given to any member who submits a signed waiver of notice, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him.

SECTION 2.8. Quorum and Adjournment of Meetings. A quorum of the meetings of the membership shall consist of twenty percent (20%) of the members holding Class A or Class B votes; but a lesser number may adjourn a meeting to a future date. The Secretary shall thereafter mail notice of the adjournment at least three (3) days before the rescheduled meeting to each member who was absent from the meeting adjourned.

SECTION 2.10. Organization. At every meeting of the members, the President, or in the absence of the President, a Vice President, or in the absence of such officers, a person selected by the meeting, shall act as the chairman of the meeting. The Secretary or, in the absence of the Secretary, any Assistant Secretary, shall act as secretary of the meeting, and in the absence of both the Secretary and any Assistant Secretary, a person selected by the meeting shall act as secretary of the meeting.

SECTION 2.11. Voting.

(a) Whenever any corporate action, other than the election of Directors, is to be taken by vote of the members, it shall, except as otherwise required by law or by the Certificate of Incorporation be authorized by a majority of the votes cast at such meeting.

(b) Directors shall be elected by a majority of the votes cast at a meeting of members except as otherwise required by law.

SECTION 2.12. Proxies.

(a) Every member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize another person or persons to act for such member by proxy.

(b) Every proxy must be signed by the member or the member's attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. No member shall carry more than five (5) proxies.

(c) The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the member who executed the proxy unless, before the authority is exercised, written notice of an adjudication of incompetence or of death is received by the Secretary or an Assistant Secretary.

SECTION 2.13. Order of Business. The order of business at the meetings of the Association shall be as follows:

1. Presentation of the roll.
2. Proof of service of the notice of meeting.
3. Reading of the minutes.
4. Receiving of communications.
5. Elections of directors at annual meeting or special meeting called for that purpose.
6. Reports of officers.
7. Reports of committees.
8. Unfinished business.
9. New Business.

The order of business may be altered or suspended at any meeting by a majority of the members present. The President of the Board shall be the chairperson of the annual meeting.

SECTION 2.14. Elections. An annual election shall be held for all directors representing Class A and Class B members at the annual meeting. The elections Committee shall prepare a list of nominations for the elections to be held at the annual meeting to fill any vacancies for Class A or Class B directors. This slate and the notice of the annual meeting and the elections shall be mailed to each owner and tenant no later than (10) days before the annual meeting. Nominations shall also be accepted from the floor. The Elections Committee shall verify that all candidates nominated are members in the voting class for the directorship position for which they have been nominated; and shall conduct the annual election and shall be the final arbiter as to validity of any vote cast, and the results of the election. Only those listed on the yearly membership list shall be eligible to vote, and shall vote only for those directors representing their own membership class(es). Votes by proxy will be allowed as provided in SECTION 2.12 above.

SECTION 2.15. List of Membership. A yearly update of all property owners and tenants shall be conducted by the Board prior to August 1 of each year so as to reasonably reflect all owners and tenants as of July 15 of each year.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.1. Management. The property affairs, corporate powers, business and concerns of the Association shall be vested in, managed and controlled by the Board of Directors, which shall control all matters of policy and expenditure of funds.

SECTION 3.2 Number. The Board of Directors shall consist of the following Eleven (11) members:

- a. One (1) shall be chosen by the Common Council of the City of Glens Falls who is a Class C members.
- b. One (1) shall be chosen by the Mayor of the City of Glens Falls who shall be a Class C member.
- c. One (1) shall be chosen by the Chief Financial Officer of the City of Glens Falls who shall be a Class C member.
- d. One (1) shall be elected tenants of the District who are Class B members
- e. Seven (7) shall be elected owners of real property located within the District who are Class A members.

SECTION 3.3 Term of Office. The term of all elected members of the Board of Directors shall be three (3) years, except as determined by the elections committee (or the Board). Three (3) of the elected directors elected in the initial year or at the first election of directors shall serve for two (2) years; three (3) shall serve for three (3) years; two (2) shall serve for four (4) years. At the expiration of the said terms, the terms of all elected members of the Board of Directors shall be three (3) years.

SECTION 3.4. Organization. At each meeting of the Board of Directors, the President, or, in the absence of the President, a Vice President, shall preside, or in the absence of either of such officers, a chairman chosen by a majority of the Board of Directors. In the event the Secretary shall be absent from any meeting of the Board of Directors, the meeting shall select its secretary.

SECTION 3.4. Resignation and Removal of Directors.

(a) Any director of the Association may resign at any time by giving written notice to the President or to the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery.

(b) Any or all of the directors may be removed for cause by vote of the members, or by vote of the directors provided there is a quorum of not less than a majority of the entire Board of Directors present at the meeting of directors at which such action is taken. Any or all of the directors may be removed without cause by vote of the members.

SECTION 3.5. Vacancies. Vacancies occurring in the Board of Directors for any reason shall be filled by vote of a majority of directors. Directors elected to fill vacancies shall serve until the next annual meeting at which election of directors is in the regular order of business, and until their successors are elected and have qualified.

SECTION 3.6. Action by the Board of Directors.

(a) Except as otherwise provided by law or in these by-laws, the act of the Board of Directors means

action at a meeting of the Board by vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time.

(b) Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

(c) Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communication equipment allowing all persons participating in the meeting to hear each other at the same time. Participating by such means shall constitute presence in person at a meeting.

SECTION 3.7. Place of Meeting. The Board of Directors may hold its meetings at the principal office of the Association, or at such place or places within or without the State of New York as the Board of Directors may from time to time by resolution determine.

SECTION 3.8. Annual Meetings. As soon as practical after each annual election of directors, the Board of Directors shall meet for the purpose of organization and the transaction of other business. Notice of such meeting need not be given. Such first meeting may be held at any other time; and if it is held at another time, notice shall be given as hereinafter provided for special meetings of the Board of Directors.

SECTION 3.9. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such times as may be fixed from time to time by resolution of the Board of Directors.

SECTION 3.10. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, or by any of the directors. Notice shall be given orally, by telefax, or by mail and shall state the purposes, time and place of the meeting. If notice is given orally, in person or by telephone, it shall be given not less than one (1) day before the meeting; if it is given by telefax or by mail, it shall be given not less than three (3) days before the meeting.

SECTION 3.11. Waivers of Notice. Notice of a meeting need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

SECTION 3.12. Quorum.

(a) A majority of the entire Board of Directors shall constitute a quorum for the transaction of business.

(b) A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place without notice to any director.

SECTION 3.13. Compensation. Directors shall receive no compensation for their services but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

SECTION 3.14. Annual Report. The Board of Directors shall present at the Annual Meeting of members a report verified by the President and Treasurer or by a majority of the directors, showing in appropriate detail the following:

(a) The assets and liabilities, including the trust funds, of the Association as of the end of the twelve-month fiscal period terminating not more than six months prior to said meeting.

(b) The principal changes in assets and liabilities, including trust funds, during said fiscal period.

(c) The revenue or receipts of the Association, both unrestricted and restricted to particular purposes

during said fiscal period.

(d) The expenses or disbursements of the Association for both general and restricted purposes, during said fiscal period.

(e) The number of members of the Association as of the date of the report, together with a statement of the place where the names and places of residence of the current members may be found.

This report shall be filed with the records of this Association and a copy thereof entered in the minutes of the proceedings of the Annual Meeting of members.

ARTICLE IV

COMMITTEES

SECTION 4.1. Standing Committees, Special Committees and Committees of the Association. The President may appoint from among the Board standing committees, each to consist of at least two (2) Directors. The Chairperson of each committee shall be a Board member. Non-Board members may serve on any Standing or Special Committee except the Elections Committee. Each committees' actions and decisions are subject to approval of the Board of Directors. Each committee shall keep minutes of proceedings and report to the Board.

SECTION 4.2. Standing Committees. The standing committees of the Board shall be as follows:

- a. Budget and Finance. The Budget and Finance Committee shall work with the Manager and the Treasurer to prepare an annual budget for the district which shall be submitted to the Board of Directors for approval. It shall also review financial reports prepared by the Treasurer and shall review and make recommendations with respect to the financial affairs of the Association. This committee shall be chaired by the Treasurer.

SECTION 4.3. Special Committees. Special Committees on any subject in which there are no standing committees may also be appointed, which may also include non-Board members.

SECTION 4.4. Elections Committee. The Elections Committee shall consist of the three (3) Directors holding Class C memberships and three (3) other Directors appointed by the Board, and shall conduct the elections of Directors from Class A and B membership in accordance with Article II.

ARTICLE V

OFFICERS

SECTION 5.1. Number. The officers of the Association shall be a President, one or more Vice Presidents, a Treasurer, a Secretary and/or such other officers as the Board of Directors may in its discretion determine. No officer shall hold multiple offices.

SECTION 5.2. Removal of Officers. Any officer may be removed by the Board of Directors with or without cause at any time.

SECTION 5.3. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, or to the President or to the Secretary. Any such resignation shall take effect at the time specified therein, or, if no time be specified, then upon delivery.

SECTION 5.4. Vacancies. A vacancy in any office shall be filled by the Board of Directors.

SECTION 5.5. Duties and Powers of Officers. Duties of the President, Vice President, Secretary, and

a) The President shall preside over all meetings, appoint all committees and shall be an ex-officio member of all committees.

b) The Vice President shall, in the absence of the President, perform the functions and have the duties of the President. The Vice President shall have and perform such other duties as may be prescribed by the Board.

c) The Secretary shall keep the minutes of all meetings of the Board and shall have custody of the seal of the Association and shall affix the seal to documents when authorized to do so.

d) The Treasurer shall oversee accounting functions as is necessary to confirm that the proper financial records of the Association are kept; and prepare and file fiscal reports to keep the Board of Directors advised of the financial condition of the Association. The Treasurer shall:

1. Verify that the Association shall not expend or commit any funds unless the President shall first certify that there is an unencumbered balance of funds available for the purpose.

a) No expenditure shall be made other than in accordance with and pursuant to a budget for which a total Operating Budget amount has been approved and adopted by the Board of Directors and the Glens Falls Common Council.

2. Verify, prior to payment of bills, claim or demand in excess of \$500.00 against the Association, that the President has certified that the materials, supplies or equipment have been received according to purchase order or that the work, labor or services have been rendered according to the order or contract.

a) All checks shall require the endorsement of two officers of the organization.

b) All checks shall be hand endorsed

SECTION 5.6. Election of Officers. The officers of the Association shall be elected by the Board of Directors at the reorganization meeting of the Board except for vacancies which may be filled at any regular or special meeting. All officers shall hold office until the next reorganization meeting of the Board or until successors have been elected by action of the Board. Vacancies resulting from such action by the Board or from the death or resignation of officers shall be promptly filled by the Board.

SECTION 5.7. Compensation of Officers. The officers shall serve without compensation.

ARTICLE VI

CONTRACTS, GIFTS AND GRANTS

SECTION 6.1. Consultants. The Board may retain, on behalf of the Association, such consultants and/or independent contractors, as it may find desirable and appropriate. The compensation to be paid and responsibilities

provided to such consultants and/or independent contractors shall be determined at the discretion of the Board.

SECTION 6.2. Contracts. The contracts of the Association shall be subject to all applicable provisions of law relating to the bidding and letting of contracts by the City of Glens Falls.

SECTION 6.3. Gifts, Grants. The Board may accept gifts on behalf of the District to be disposed of as the Board chooses. The Board may accept grants from private institutions and public entities, and enter into contracts for the same.

SECTION 6.4. Investments. The Board shall have the power to make investments of the funds of the Association and to change the same and sell any part of the securities owned by the Association or any rights or privileges that may accrue thereon.

ARTICLE VII

INDEMNIFICATION AND INSURANCE

SECTION 7.1. Authorized Indemnification. Unless clearly prohibited by law or SECTION 6.2 of this Article VI, the Association shall indemnify any person ("Indemnified Person") made, or threatened to be made, a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by or in the right of the Association, by reason of the fact that he or she (or his or her testator or intestate), whether before or after adoption of this SECTION, (a) is or was a Director or officer of the Association, or (b) in addition is serving or served, in any capacity, at the request of the Association, as a director or officer of any Association, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Association shall have consented to such settlement) and reasonable expenses, including attorneys' fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

SECTION 7.2. Prohibited Indemnification. The Association shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board of Directors in good faith determines, that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

SECTION 7.3. Advancement of Expenses. The Association shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Association, pay or promptly reimburse the Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Association, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or SECTION 6.2 of this Article VI. An Indemnified Person shall cooperate in good faith with any request by the Association that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

SECTION 7.4. Indemnification of Others. Unless clearly prohibited by law or SECTION 6.2 of this Article VI, the Board of Directors may approve Association indemnification as set forth in SECTION 6.1 of this Article VI or advancement of expenses as set forth in SECTION 6.3 of this Article VI, to a person (or the testator

or the intestate of a person) who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Association in any capacity for any other Association, partnership, joint venture, trust, employee benefit plan or other enterprise.

SECTION 7.5. Determination of Indemnification. Indemnification mandated by a final order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if indemnification has not been ordered by a court, the Board of Directors shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these by-laws. Before indemnification can occur the Board of Directors must explicitly find that such indemnification will not violate the provisions of SECTION 6.2 of this Article VI. No Director with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Directors is not obtainable, the Board of Directors shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these by-laws.

SECTION 7.6. Binding Effect. Any person entitled to indemnification under these by-laws has a legally enforceable right to indemnification which cannot be abridged by amendment of these by-laws with respect to any event, action or omission occurring prior to the date of such amendment.

SECTION 7.7. Insurance. The Association is not required to purchase directors' and officers' liability insurance, but the Association may purchase such insurance if authorized and approved by the Board of Directors. To the extent permitted by law, such insurance may insure the Association for any obligation it incurs as a result of this Article VI or operation of law and it may insure directly the Directors, officers, employees or volunteers of the Association for liabilities against which they are entitled or permitted to be indemnified by the Association.

SECTION 7.8. Nonexclusive Rights. The provisions of this Article VI shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board of Directors is authorized to enter into agreements on behalf of the Association with any Director, officer, employee or volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition the provisions therefore in this Article VI, subject in all cases to the limitations of SECTION 6.2 of this Article VI.

ARTICLE VIII

DISTRICT MANAGER

SECTION 8.1. Appointment of District Manager. The Board of directors may appoint and employ, by a majority plus one (1) vote, a Manager for an indefinite term, and shall fix the compensation annually. If such Manager is appointed, the Manager shall be appointed solely on the basis of execution and administrative qualifications and shall be responsible for the administration of the day-to-day operations, business and affairs of the Association.

- a. The Manager shall be selected by the Board Screening Committee.
- b. The Manager shall be evaluated on an annual basis by the Board of Directors.

SECTION 8.2. Powers and Duties. The Manager shall be the Chief Executive Officer of the Association and shall be responsible for the implementation of all policies developed by the Board of Directors and the execution of all contracts authorized by the Board. The Manager shall:

- a. See that all provisions of these by-laws, acts of the Board of Directors and all State laws subject to enforcement by Association action, are faithful enforced and executed.
- b. Represent the Association and assert its proper interest in relation to the City of Glens Falls and other outside agencies, with respect to the negotiation of and execution of contracts and franchises.
- c. Serve in an ex-officio capacity on the Board and all committees of the Board, and may participate in discussions, but may not participate in the vote thereof.
- d. Shall be authorized to sign checks and vouchers of the Association, subject to the limitations of these by-laws, and assist the treasurer in the preparation and filing of fiscal reports to keep the Board advised of the financial condition of the Association.
- e. Provide for the exercise of budgetary control for revenues and expenditures as approved by the Board of Directors; develop policies to safeguard the Association's financial interest in the fullest extent.
- f. Prepare the current expense and revenue estimates for the annual budget.
- g. Annually prepare a capital improvement plan for submission to the Board of Directors which shall include compilation of the capital expenditure estimates for the annual budget.
- h. Make reports to the Board of Directors as requested by it, and, at least once a year, make an annual report to the Board of Directors and the Glens Falls Common Council on the administration of the Association.
- i. Hire, supervise and evaluate the work of all other employees of the Association.

ARTICLE IX

GENERAL

SECTION 9.1. Office. The office of the Association shall be at such place in the County of Warren , State of New York, as the Board of Directors may determine.

SECTION 9.2. Books and Records. There shall be kept at the office of the Association: (1) correct and complete books and records of account, (2) minutes of the proceedings of the members, the Board of Directors and the Executive Committee, (3) a current list of the directors and officers of the Association and their residence addresses, (4) a list of record containing the names and addresses of all members, the class or classes of membership or capital certificates, and the number of capital certificates (if any) held by each and the dates when they respectively became the holders thereof, (5) a copy of these by-laws, (6) a copy of the Association's application for recognition of exemption with the Internal Revenue Service, and (6) copies of the past three years' information returns to the Internal Revenue Service.

SECTION 9.3. Seal. The seal of the Association shall be circular in form and shall contain the name of the Association, the year of Incorporation and the words "New York".

SECTION 9.4. Loans to Directors and Officers. No loans shall be made by the Association to its directors or officers, or to any other Association, firm, association or other entity in which one or more of its directors or officers are directors or officers or hold a substantial financial interest except as allowed by law.

SECTION 9.5. Fiscal Year. The fiscal year of the Association shall commence January 1st in each calendar

ARTICLE X

AMENDMENTS

SECTION 10.1. Amendments. These by-laws may be amended by the vote of a two-thirds (2/3) of all Directors at a regular or special meeting of Directors provided ten (10) days written notice of such meeting shall have been given to each Director specifying the amendments to be considered.

ARTICLE XI

ANNUAL REPORT

SECTION 11.1. Report to the Association. At the annual meeting of the membership, the Board shall present a report, verified by the Chairperson and the Treasurer or by a majority of Directors or certified by an independent public or certified public accountant selected by the Board, showing in appropriate detail the assets and liabilities, including principal changes in the assets and liabilities, the revenue or receipts and the expenses or disbursements of the Association. The report shall also indicate the number of members of the Association as of the last census, together with a statement of increase or decrease in such number during such fiscal year and a statement of the addresses of property owned or occupied by the members and the total assessed value of all real estate which is included in the District. Such report shall be filed with the records of the Association and a copy thereof entered in the minutes of the proceedings of the annual meeting of the membership and shall be submitted to the Common Council.

SECTION 11.2. Report to Glens Falls Common Council. A proposed annual budget shall be submitted by the Board of Directors to the City of Glens Falls no later than September 1, annually, which shall include:

- A. recommendations for the ensuing fiscal year;
- B. estimates of special District operation and maintenance costs;
- C. available federal and state funds and grants
- D. funds anticipated from assessment and any other sources.

ARTICLE XII

DISSOLUTION

a) The dissolution or other termination of the Association shall be in accordance with Section 980-n of the general Municipal Law, or any equivalent section which may then be in effect and , upon dissolution, the assets for the Association shall be disposed of in accordance with the same section.

b) Any district established or extended pursuant to the provisions of this article, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be dissolved by local law by the legislative body upon its own motion or upon the written petition of (1) the owners of at least fifty-one percent or more of the total assessed valuation of all benefited real property included in the boundaries of the district and (2) at least fifty-one percent of the owners of benefited real property within the area included in the district. The

legislative body shall request and consider the recommendations of the district management association concerning any proposed dissolution; provided that if the Association has not submitted recommendations to the legislative body within sixty days after request therefore, the legislative body may adopt any such proposed dissolution without considering such recommendations. In the event of dissolution, all assets of the district shall revert to the municipality.

g) A certified copy of the order of dissolution shall be filed with the state comptroller at Albany, New York.