

BY-LAWS FOR THE SOUTH MAIN STREET WATER DISTRICT

Article 1-Name

Section 1: The name of the District shall be the "South Main Street Water District"

Article 11- Object

Section 1: The District was duly laid out according to law for the following purpose: to furnish water to the inhabitants of the District.

Article 111-Administration of the District

Section 1: The Administration of the District shall be the responsibility of the Commissioners and the Officers elected at the Annual Meeting.

Section 2: This District shall be governed by the provisions of NH Law, New Hampshire Revised Statutes Annotated and any amendments thereto pertaining to Village Districts.

Section 3: Rules and Regulations of the District will govern the management of the affairs of the District pertaining to applications for service, charges, meters, service connection, line extensions customers' premises, rates, and such other general conditions that may apply and require special rules or regulations in order to be properly administered by the District.

Article IV-Eligibility

Section 1: The services of the District shall be available only to the residents within the bounds of the District according to the Rules and Regulations of the District.

Section 2: Residents outside the boundaries of the District may be provided services because of special conditions but only under terms approved by the Commissioners. Services so provided must conform to rules and regulations of the District.

All costs of construction, including labor, materials, permitting, and related costs incurred for the purpose of extending water lines to an entity outside the boundaries of the District, as well as future repairs beyond its boundaries, shall be borne by the entity served by such extension (s). This includes the costs of upgrading any lines within the District in terms of quality or capacity necessary to accommodate the extension(s). All workmanship and materials must meet the approval of the Commissioners an applicable specifications.

Section 3: Only those legal voters residing in the District shall be permitted to vote in District affairs.

Article V-Meetings

Section 1: The annual Meeting of the SMSWD shall be held on the third Tuesday In March.

Section 2: Special and Emergency Meetings may be called as provided by NH Law, NH Revised Statues Annotated

Section 3: Regular meetings of the District Commissioners shall be held quarterly and place of such meetings shall be announced by the Commissioners. These meetings will be open to the public.

Article VI- Officers

Section 1: The officers of the District shall be: one Moderator, one Clerk, one Treasurer, and three Commissioners.

Section 2: The terms of office shall be for three years for Moderator, and one year for the Clerk and Treasurer. The Commissioners shall be elected for three years, one Commissioner's term expiring each year.

Section 3. The Commissioner shall elect vacancies in offices when they occur for the remainder of the term to the next Annual Meeting.

Article VII- Duties of Officers

Section 1: The Moderator, Clerk, Treasurer and Commissioners shall severally qualify and possess the same powers and perform the same duties in respect to the District meetings and business affairs that the officers of towns possess and perform in respect to like matters in towns.

Section 2: The principal duties and responsibilities of district Officers are herein listed as general information and a guide for the management of the affairs of the District.

- A. Commissioners: Normally each Commissioner shall serve as Chairman during the third year of his term, however, if he declines, for any reason, one of the following members of the Board must be designated as Chairman for that year.

The Commissioners are responsible for the planning, operation and maintenance of the water system. They may appoint agents, other representatives and committees to assist them.

Some of the principal duties of the Commissioner include the preparation of the annual budgets to be submitted to the District for approval; the preparation and posting of Warrants for the Annual or Special Meetings (the subject matter of all business to be acted upon at the District meeting shall be distinctly stated in the Warrant); making a report of the District

activities and of plans and estimates of the needs of the District systems at the Annual Meeting; publishing the budget; Commissioners' Annual Report and a tentative copy of the Warrant in the annual Town Report; adopting revisions of rules and regulations of the District; conducting or supervising studies for the improvements to the system; approving applications for service; disconnecting delinquent customers for nonpayment; holding regular meetings quarterly; approving of payment of invoices and purchase orders by the agreement and signature of at least two Commissioners; ascertaining that proper invoices or payroll sheets are attached to payment invoices before signing, supervising workers or contractors performing work for the District. Treasurer: Treasurer must be bonded. Principal duties providing the records of expenditures of the District; Providing to each Commissioner a monthly statement of bank statements and reconciliation, District receipts, funds remaining unexpended and capital reserve and other reserve account balances; arranging for temporary notes and other financing as authorized by vote of the District; assisting the Commissioners in the preparation of annual budgets; the preparation of all appropriate reports to state agencies; providing an annual financial statement to be published in the Annual Town Report.

- B. **Clerk:** Principal duties include recording proceedings of all Meeting of the District; assisting the Commissioners in the preparation of the Warrants for the Annual or Special Meetings and the posting in two public places within the District at least fifteen days before these meetings; keeping official minutes of the quarterly meetings of the district Commissioners; assisting the Commissioners with District correspondence and keeping files therefore; officially recording the proceedings and minutes of District and Commissioners' meetings within seven days of such meetings; making a report to the State Tax Commission after the Annual meeting of the names and addresses of all District Officers.

Article VIII- Financial Transactions

Section 1: Prior Authorization by at least one of the Commissioners must be received for the purchase of equipment, supplies and services over \$200.00. Emergency spending and chemical purchases do not fall under the limitation of this section.

Section 2: Original invoices or payroll sheets will be presented to Commissioners for approval and will require the signature of at least one Commissioner to be valid. Upon approval of the invoices and payroll sheets, the Treasurer and one Commissioner must sign all checks for payment.

Article IX- Audits

Section 1: A review report by a licensed CPA of the Treasurers accounts and finances of the District shall be conducted annually

Section 2: The licensed CPA shall carefully examine the accounts of the Treasurer and of any other Officer or agent handling funds of the District whether the same are correctly cast and pre approved. The licensed CPA report shall also be published in the Annual Town Report and include a statement of the verification of the Treasurer's bond.

Article X-Amendments

Section 1: These by-laws may be amended at any Annual Meeting or Special Meeting called for this purpose by a majority vote of the legal voters of the District present and voting at such meeting, provided an Article in the Warrant states that certain changes are to be considered at such meeting

Section 2: The rules and regulations, rates and fees of the district may be amended in the same manner as for amending the by-laws