

**MINUTES OF THE ANNUAL MEETING
OF THE MEMBERS OF
GREENWAY FIELDS HOMES ASSOCIATION**

**January 10, 2009
9:00 a.m.-9:30 a.m. – Breakfast
9:30 a.m.-11:00 a.m. – Meeting
The Brooksider
6330 Brookside Plaza, Kansas City, Missouri 64113**

Attendance

- Members
 - The Members in attendance are listed on Exhibit A attached hereto.
- Board Members
 - Present: Gina Valentino, Joe Groebl, Aaron House, Mike McAdam, Barbara Martin, Wendy Trainor
 - Absent: JT Forristal

Breakfast

- Breakfast was served from 9:00 a.m.-9:30 a.m.

Agenda

- The Agenda for the 2009 Annual Meeting is attached hereto as Exhibit B.

Business

- Welcome and Introduction of Board of Directors
 - 9:32 a.m. – Gina Valentino began the meeting by welcoming those in attendance and introducing the Board of Directors.
- Project Updates
 - Gina Valentino provided updates on the following projects:
 - Newsletter – Gina Valentino talked about the newsletter and thanked newsletter sponsors.
 - Telephone Calling System – Most Members have received Gina's recorded voice messages, but some have not. The Board will continue to work out kinks in the calling system.
 - Block Captains – Gina spoke about the block captain program and thanked the block captains for their hard work.
 - Meyer Boulevard Columns – Gina thanked Katie Allison for her hard work in getting the funding required to repair the columns.
 - Holiday Party – Gina stated that the 2008 Holiday Party was a success and thanked the Dickey's for hosting at their home on Meyer Boulevard. The Board has received two (2) offers from families willing to host the Holiday Party in 2009.
- Bylaws and Votes

- Aaron House spoke about problems with the current Bylaws and provided copies of the current Bylaws with comments from the Board of Directors, attached hereto as Exhibit C.
- The Board of Directors provided proposed Amended and Restated Bylaws, attached hereto as Exhibit D.
- A general discussion was had regarding adoption of the Amended and Restated Bylaws.
- A vote was held to adopt the Amended and Restated Bylaws. 35 Members voted to adopt the Amended and Restated Bylaws, and 1 Member voted not to adopt the Amended and Restated Bylaws.
- Services
 - Joe Groebl spoke about the services that the Greenway Fields Homes Association provides, including security patrol, snow removal, and parks maintenance.
- Election of Board Members
 - Gina Valentino announced that (i) Aaron House and Mike McAdam are up for re-election, (ii) J.T. Forristal is not running for re-election, and (iii) Philip Bouillette is running for a position on the Board of Directors.
 - Gina asked if anyone else is interested in running, and Ryan Felton stated that he desired to run for a position on the Board of Directors.
 - The Members voted to re-elect Aaron House and Mike McAdam. The Members voted to elect Philip Bouillette and Ryan Felton to the Board of Directors.
- Financials
 - 9:57 a.m. – Gina Valentino provided the budget of Greenway Fields Homes Association, attached hereto as Exhibit E, and a general discussion was held regarding the budget.
- Community Improvement District
 - 10:20 a.m. – Aaron House and Gina Valentino presented the Proposal attached hereto as Exhibit F.
 - The Board of Directors held a general discussion lasting nearly 40 minutes regarding the formation of Greenway Fields Neighborhood Community Improvement District and asked for volunteers to help with the formation process (such as becoming notaries and holding signing parties). The Members asked a number of questions about CID mechanics, how CIDs function, collections of assessments, and other general questions about the CID, and the Board of Directors responded to those questions.
- Conclusion
 - 10:57 a.m. – Gina Valentino concluded the 2009 Annual Meeting.

Members present at GFHA Annual Meeting 1/10/09

Allison	Katie	
Bement	Pat	
Borthwick	Tom	Jennifer Martin
Bouillette	Philip	Kara
Bull	Neil	
Daly	Sarah	Jesse
Deeg	Bob	
Dorlac	Jim	Rose
Dunham	Mary Ann	
Felton	Ryan	Jessica
Gartin	John	Cheri
Gorsuch	Ed	Norma Harper
Groebl	Joe	Kelly
Grover	Karen	
Hanson	Matt	Sarah
Hayob	David	Andrea
Hedgpeth	Brian	Clem Helmstetter
House	Aaron	
Johnson	Matthew	
Jones	Linda	
Kline	Linda	
Leonard	Mary	
McAdam	Mike	

McClellan	Valerie	
Meers	Sam	Julie
Parks	Arthur	Nancy
Paul	Steve	Carol Zastoupil
Schmitz	Joe	
Stogsdill	Shawn	
Stuhan	Venus	
Trainor	Wendy	
Valentino	Gina	
VanAsdale	Karen	
Van Roden	Cynthia	
Walline	Todd	Janice
Warren	James	
Whitney	Jim	

37 Households represented
52 adults present (plus 2 children)



Greenway Fields Homes Association
Annual General Meeting
Saturday, January 10, 2009
Brooksider: 9am Breakfast /9:30am Meeting

Agenda

- 1 Welcome
- 2 Introduction of Current Board
- 3 Project Updates
- 4 Restating the Bylaws
- 5 Voting: Bylaws
- 6 Voting: Board Members
- 7 Services (snow, islands, park)
- 8 Financials
- 9 CID - Community Improvement District
- 10 Conclusion

QUORUM: Bylaws state 10 Members constitute a quorum.

Email Us: greenwayfields@hotmail.com

Current Bylaws



BY LAWS OF THE GREENWAY FIELDS HOMES ASSOCIATION

ARTICLE I

SECTION 1. Any person who shall be the owner of the legal title to any lot or tract of ground within the following described limits, to wit: Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 of Greenway Fields and Blocks 1, 2, 3, 4, 5, 6, 7, 8 of Wornall Manor shall be entitled to membership in this Company, subject to the consent of the Board of Directors of the company.

In case legal title is held by a corporation then the Board of Directors of said corporation or its President, or Vice President may designate in writing some person to be a member of this Company and such member shall have the same rights and privileges as any other member.

In case legal title is held by a minor, then the legal guardian may designate some other person to become a member and such guardian or person shall have the same rights and privileges as any other member.

In case legal title is held by a wife she may designate in writing her husband and he may become a member with the same rights and privileges as any other member.

Whenever such lots or tracts of land are owned in joint tenancy or tenancy in common, the membership as to such lots shall be joint and the rights and the rights of such membership, including the voting power, shall be exercised only by the joint action of all owners of such lots or tracts respectively; provided, however, that such owners or tenants in common may designate in writing one of their number to serve as a member and when so designated such member shall have the same rights and privileges as any other member.

SECTION 2. No charges shall be made for the privilege of membership except the maintenance charge or assessment as set forth in the agreement which now affects a portion of the land within the above described limits, which agreement was dated **April 21, 1922**, and is filed of record in the Office of the Record of Deeds, of Jackson County, Missouri, at Kansas City.

Membership in said company shall be non-transferable except on transfer of legal title to that lot and then only when such transfer is made on the books or records of the company with the consent by resolution of the Board of Directors.

Punctuation

Does not account for other entities - LLCs, etc.

usage

gender discrimination even though typically only to another Member

gelling

tedious

SECTION 3. The company or its Board of Directors shall be the sole judge of its membership and any actions or proceedings of the company made or done in the manner herein described shall be conclusive as against all parties. In case a member owns the legal title to one or more of such lots or tracts and conveys the title to another party, such party, with the consent of the Board of Directors by resolution may become a member of the company and shall thereupon be entitled to all the rights and privileges of membership.

SECTION 4. The record holder of a membership as shown by the records of the Company shall be entitled to vote at any member's meetings of the company, unless such membership has been by resolution of the Directors previously declared forfeited and void because of the transfer of the legal title to real estate in Country Club District or within the limits of the above described land.

ARTICLE II

SECTION 1. The corporate power of this company shall be vested in a Board of **five** Directors who shall be members of the company, and **three** shall constitute a quorum for the transaction of business. (See Addendum)

SECTION 2. All directors shall be bona fide residents of the District described above. *All directors shall be elected to serve for two years or until their successors are elected and qualified, provided, however, that two of the three shall serve for two years from the date of this meeting.* Thereafter at each annual election, there shall be elected either two or three directors, as the case requires, to fill the vacancies of the retiring directors. Directors shall be elected by ballot at the annual meeting of the members. (See Addendum)

SECTION 3. Vacancies in the Board of Directors cause by resignation, death or removal from the land first above described, shall be filled by the remaining Directors when assembled as a Board.

ARTICLE III

POWERS AND DUTIES OF DIRECTORS

The directors shall conduct, manage, and control the affairs and business of the corporation, and shall make all necessary rules and regulations, not inconsistent with the laws of the State of Missouri or those for guidance of officers and management of the affairs of the corporation. They shall cause to be kept a complete record of all their minutes and acts, and of the proceedings of the members, and they shall present a complete statement at the regular meeting of the members, showing in detail the assets and liabilities of the corporation, and the condition in general of its affairs. They shall appoint and remove at will all agents, servants and employees of the corporation, prescribe

their duties, fix their compensation, and require from them security for faithful service whenever they shall, in the exercise of their discretion, believe the same necessary. The Directors shall have and exercise such other powers and duties as set forth in these by-laws.

ARTICLE IV

OFFICERS

SECTION 1. The officers of the corporation shall be a President, Vice President, Secretary and Treasurer, which officers shall be elected by and hold office at the will of the Directors. The compensation and tenure of office of all the officers of the corporation, other than Directors, shall be fixed and determined by the Board of Directors. The President and Vice President must be Directors; the offices of Secretary and Treasurer may be held by the same person; neither the Secretary nor the Treasurer need be a member or director of the company.

SECTION 2. The President shall preside over all meetings of the members and directors; shall sign all instruments of writing to be executed by the corporation, and as he may be directed by the Board of Directors, and he shall perform such other duties as are usually performed by the chief executive officer of a corporation, or as may be conferred upon him by the Board of Directors, but his authority shall at all times be subject to the control and direction of the Board of Directors.

SECTION 3. It shall be the duty of the Secretary to keep a record of the proceedings of the Board of Directors and of the members. He shall keep the corporate seal and records of the corporation. He shall serve all notices required either by law or by the bylaws of the corporation, but in case of his absence, inability, refusal or failure to do so, then such notices may be served by any person so directed by the President or Vice President of the corporation.

SECTION 4. The Treasurer shall receive and deposit in such bank or banks as the Board of Directors may direct, all funds of the corporation, subject to the check of such officers as the Board of Directors shall designate.

SECTION 5. The Vice-President shall have all of the powers and perform all of the duties of the President in case of the death, absence from the County or inability of the President to serve.

SECTION 6. The President and Vice President shall not receive any salary or compensation for their services.

*Want to make
gender
neutral*

ARTICLE V

SECTION 1. MEETINGS. The annual meeting of the members of the Association for the election of Directors and for the transaction of such other business as may come before the meeting, shall be held in Kansas City, Missouri, **on or before June 30th each year** (See Addendum) and shall be called in writing, mailed at least ten days prior to the date of the meeting to each member at his last known place of residence or business, unless this address shall be changed and a different address be given by such member to the Secretary of the corporation, in which case such notice shall be sent to the address so given.

Special meetings of the members shall be called in like manner after five days notice, but the call for any such special meeting shall designate the purpose of the meeting.

At any meeting of the members, ten members shall constitute a quorum for the transaction of business and it will be necessary for a majority of the quorum to vote for any director, resolution or proposition before the same may be declared elected or adopted, except as otherwise provided for in these by-laws or the agreement or declaration hereinbefore mentioned in Section 2, Article 1.

If, for want of a quorum or any other cause, annual members' meeting shall not be held on the day above mentioned, or should the members fail to complete an election of Directors, or such other business as may be presented for their consideration, those present may adjourn from day to day until the same can be accomplished.

Regular meetings of the Board of Directors shall be held at such time as may be provided by the Board of Directors by resolution. No notice of the regular meeting of the Board of Directors need be given.

The President or any two of the directors may call a special meeting of the Directors at any time and notice shall be given of such called meetings by deposition in the United States Post Office, a written or printed notice thereof, with the postage thereon prepaid, addressed to each Director at the last address left with the Secretary, at least two days before the time of meeting, or by serving personally such notice on each Director one day before the meeting.

Want to
allow board to
vote by proxy
and by electronic vote

ARTICLE VI

VOTING

At all corporate meetings each member may vote either in person or by proxy. All proxies shall be in writing and filed with the Secretary. No Directors, however, shall be permitted to vote at any meeting of the Directors unless he is present in person to cast his vote. In all proceedings of the members' meeting each member shall have one vote. All votes shall be by ballot, unless waived by unanimous consent.

gender

ARTICLE VII

The corporation shall have a common seal, of which the following is a correct impression

No
seal
exists

ARTICLE VIII

AMENDMENTS TO BY LAWS

These by-laws may be repealed or amended, or new by-laws may be adopted, at any meeting of the members, but a vote of two thirds of the membership of the company present at any such meeting, or by the Board of Directors when thereunto authorized at any meeting of the members, or by the evidenced written consent of a majority of the members of the company.

ADDENDUM

At the annual meeting of the Greenway Fields Homes Association on **November 16, 1982**, the following by-laws were amended by a vote of 2/3 of the membership at the meeting:

ARTICLE V. Section 1. Meetings. The Annual Meeting of the members of the Association for the election of Directors and for the transaction of such other business as may come before the meeting, shall be held in Kansas City, Missouri **on or before June 30th each year...**

ARTICLE II. Section 1. **The corporate power of this company shall be vested in a Board of seven Directors** who shall be members of the company, and **four** shall constitute a quorum for the transaction of business.

ARTICLE II. Section 2. All directors shall be bona fide residents of the District described above. Board members are to be elected for two year terms: four members are to be elected in even numbered years, and three in odd numbered years. Directors shall be elected by ballot at the annual meeting of the members.

Need flexibility -
set number
between 5-9

Other issues

Legalese

More thorough where needed - proxy voting



DRAFT
01/08/09 2:57 PM

**AMENDED AND RESTATED BYLAWS
OF
GREENWAY FIELDS HOMES ASSOCIATION**

These Amended and Restated Bylaws of Greenway Fields Homes Association (these "Amended and Restated Bylaws") are hereby established by Greenway Fields Homes Association (the "Association") this 10th day of January, 2009.

RECITALS

WHEREAS, the Association's annual meeting was held on January 10, 2009 (the "2009 Annual Meeting");

WHEREAS, a quorum of the Members (as defined below) was present at the 2009 Annual Meeting; and

WHEREAS, two-thirds (2/3) or more of the Members (as defined below) present at the 2009 Annual Meeting voted to amend and restate the Bylaws of the Greenway Fields Homes Association (as amended).

NOW, THEREFORE, in consideration of the Recitals and of the promises and covenants contained herein, it is agreed as follows:

These Amended and Restated Bylaws shall be subject to the restrictions (the "Restrictions") governing Blocks 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10 of Greenway Fields and Blocks 1, 2, 3, 4, 5, 6, 7, and 8 of Wornall Manor (Blocks 1 through 10 of Greenway Fields and Blocks 1 through 8 of Wornall Manor are referred to collectively as, the "Neighborhood"), which have been recorded with the Recorder of Deeds of Jackson County, Missouri (the "Recorder of Deeds").

ARTICLE 1. MEMBERS

A. CLASSES OF MEMBERS. The Association shall have one (1) class of members (each, a "Member" and collectively, the "Members"), as follows:

1. The Association, through its board of directors (the "Board of Directors"), shall be the sole judge of its membership and any acts or proceedings of the Association made or done in the manner herein described shall be conclusive against all any person, corporation, limited liability company, partnership, or other organization (individually referred to herein as "Person" and collectively as "Persons"). Any Person who is the owner of legal title to any lot or parcel of ground within the Neighborhood ("Parcel") shall be a Member of the Association.

2. Any Member shall be entitled to a total of one (1) vote per Parcel owned. When more than one Person holds an interest in any Parcel, all such Persons shall be Members and the vote for such Parcel shall be exercised as they among themselves

determine, but in no event shall more than one vote be cast with respect to any one Parcel.

3. Membership in the Association may continue only during the ownership of any Parcel in the Neighborhood by the Member. Membership in the Association shall terminate when a Member ceases to be a legal title owner of a Parcel within the Association, and Membership in the Association is non-transferrable except upon the transfer of legal title to a Parcel as recorded with the Recorder of Deeds. The Association shall maintain in its corporate records (the "Records") a complete list of the Members, indicating whether each Member is in good standing, and any change of the Members resulting from a transfer of legal title to a Parcel.

4. If legal title to a Parcel is held by a corporation or other organization, then its board of directors or other governing body may designate in writing an individual person to serve as the Member, and such Member shall have the same rights and privileges as any other Member.

B. VOTING RIGHTS. Each Member in good standing shall be entitled to vote on each matter submitted to a vote of the Members conditioned upon the above qualifications.

1. Each meeting of the Association shall be held in within Kansas City, Missouri, at a location convenient to the Members, as may be designated from time to time by the Board of Directors.

2. At meetings at which any Member is entitled to vote, all votes shall be cast in person or by proxy as provided for in Article 2 hereof.

C. ASSIGNMENT OF RIGHTS. Voting rights as described above are not assignable by legal title holders to any other Person or authorized representative.

ARTICLE 2. MEMBERS' MEETINGS

A. ANNUAL MEETING. An annual meeting ("Annual Meeting") of the Association for the purpose of hearing reports from all directors (the "Directors"), Officers (as defined below), and standing committees, and for electing Directors, shall be held in the City of Kansas City, Missouri, before June 30 of each year. The time and place of the Annual Meeting shall be fixed by the Board of Directors. The Board of Directors shall have the right to fix any other date and time for the Annual Meeting, either on or after June 30 of each year by appropriate order entered in the minutes of the Association. Notwithstanding any other section, all votes for the election of any Director at the Annual Meeting shall be done by secret ballot, unless the Members present at such Annual Meeting unanimously agree otherwise. Votes on any matter, other than for the election of the Directors, at any meeting, shall be conducted by secret ballot or otherwise as the Board of Directors shall determine from time to time. At each Annual Meeting, the Board of Directors shall present a statement showing in detail the assets and liabilities of the Association, and the general condition of its affairs.

B. REGULAR MEETINGS. In addition to the Annual Meeting, regular meetings shall be had at such time and place as shall be determined by the Board of Directors.

C. **SPECIAL MEETINGS.** A special meeting of the Members may be called at any time by the President, by two or more Directors, or by at least ten (10) Members in good standing.

D. **NOTICE OF MEETINGS.** Written notice stating the place, day, and hour of any meeting of Members shall be delivered personally, by mail, or by electronic mail ("e-mail") to each Member entitled to vote at such meeting, not less than ten (10) days before nor more than sixty (60) days in advance of the date of such meeting. Special meetings may be called in like manner after five (5) days notice, but any such notice shall designate the purpose of the meeting. In all cases, the notice shall be deemed delivered when deposited in the United States mail, postage prepaid, addressed to each Member at the address shown for such Member in the Records, or in the case of e-mail, when the e-mail message is sent. It shall be the responsibility of any Member to keep the Association apprised of any changes with regards to a mailing address or e-mail address by providing written notice of any such change to the Secretary. Notice of meetings may be waived in writing by any Member.

E. **QUORUM.** At any meeting at which the Members are entitled to vote, ten (10) Members shall constitute a quorum. In the absence of a quorum, a majority of the Members present may adjourn the meeting from time to time without further notice.

F. **VOTING BY PROXY.** A vote may be cast in person or by proxy. A proxy must (i) be in writing, (ii) be signed by all Persons who have legal title to the Parcel pursuant to which such Persons have the right to vote, (iii) state the duration of such proxy, which duration shall not be for more than one (1) year, (iv) be only to another Member, and (v) be filed with the Secretary before any vote can be cast by such proxy. A proxy may be revoked at any time by delivering to the Secretary a notice in writing signed by all Persons making up the ownership of such Parcel who gave the proxy stating that such proxy has been terminated.

G. **MANNER OF ACTING.** When a quorum is present at a meeting, any question brought before the meeting shall be decided by a majority of the Members present in person or by proxy, unless express provisions of applicable law, the Restrictions, or these Amended and Restated Bylaws require a greater vote.

H. **CUMULATIVE VOTING.** There shall be no cumulative voting.

ARTICLE 3. BOARD OF DIRECTORS

A. **GENERAL POWERS.** The affairs of the Association shall be managed by its Board of Directors, subject to instructions of the Members of the Association at a regular meeting or subject to the approval of the Members as expressed by a vote of the Members. The Board of Directors may appoint, hire, fire, and remove at will all agents and/or employees of the Association, prescribe their duties, and set their compensation, if any. The Board of Directors shall keep a complete Record of all of its minutes and acts, and of the proceedings and meetings of the Members.

B. **NUMBER, TENURE, AND QUALIFICATIONS.** The number of Directors constituting the Board of Directors on January 10, 2009, shall be between five (5) and nine (9), as determined by elections at the 2009 Annual Meeting. Directors serving terms existing prior to

the 2009 Annual Meeting which do not expire in 2009 shall continue to serve in such capacity until the natural expiration of their respective terms. The number of Directors constituting the Board of Directors may be changed by the Board of Directors at any time, except that the number of Directors shall never be less than five (5) or more than nine (9). Each Director shall be a Member of the Association and shall be elected by the Members at the Annual Meeting for a term of two (2) years or until the election of Directors at the first Annual Meeting occurring after such Director's second anniversary. The terms of the Directors shall be staggered. If the Board of Directors is comprised of an even number of Directors in any given year, one-half (1/2) of the Directors' terms must expire in such year. If the Board of Directors is comprised of an odd number of Directors in a given year, the minimum number of Directors' terms that must expire in such year is determined by subtracting one (1) from the total number of the Directors and dividing the resulting number by two (2). Thus, if the Board of Directors is comprised of nine (9) Directors in a given year, at least four (4) Directors' terms must expire in such year.

C. **REGULAR MEETINGS.** The Board of Directors shall meet regularly at such times and places as the Board of Directors may designate. No notice of the regular meetings of the Board of Directors shall be given. Special meetings of the Board of Directors may be held at any time on call of the President, the Vice President or two (2) Directors with actual written notice of the meeting, by hand delivery, by written notice mailed to the last known address of the Directors, or by e-mail addressed to the last known e-mail address of the Directors at least five (5) days before the date of the meeting stating the time, place, and purpose of the meeting. The notice shall be deemed delivered when hand delivered, when deposited in the United States mail addressed to each Director at the last known address, with postage prepaid, or when sent electronically to the last known e-mail address. Notice may be waived by unanimous vote of the Board of Directors.

D. **QUORUM.** A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time and without further notice.

E. **MANNER OF ACTING.** Each Director shall be entitled to one (1) vote, and the act of a majority of the Directors present at a meeting at which a quorum is present shall constitute the act of the Board of Directors unless the act of a greater number is required by these Amended and Restated Bylaws, the Restrictions, or by applicable law. The Board of Directors is authorized to establish regulations providing for voting by mail, e-mail, facsimile, by proxy.

F. **VOTING BY PROXY.** A vote may be cast in person or by proxy. A proxy must (i) be in writing, (ii) be signed by the Director entitled to vote, (iii) state the duration of such proxy, which duration shall not be for more than one (1) year, (iv) be only to another Director, and (v) be filed with the Secretary before any vote can be cast by such proxy. A proxy may be revoked at any time by delivering to the Secretary a notice in writing signed by the Director who gave the proxy stating that such proxy has been terminated.

G. **BOARD ACTION WITHOUT MEETING.** Notwithstanding any other section, any action required by law to be taken at a meeting of the Board of Directors or any action that may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent

in writing setting forth the action so taken, is signed by all Directors. Any consent required to be in writing or otherwise pursuant to this Section may be satisfied by e-mail or by facsimile.

H. **COMPENSATION OF DIRECTORS RESTRICTED.** Unless approved by the vote or written consent of a majority of the Members, Directors shall receive no compensation for their services, but may be paid for all out-of-pocket expenses incurred in the performances of their duties as Directors.

I. **RESIGNATION AND REMOVAL.** Any member of the Board of Directors may resign at any time by providing written notice to the President (or to the Secretary if by the President) stating that the Director will resign as well as the effective date of the resignation. Any member of the Board of Directors may be removed, with or without cause, by a vote of two-thirds (2/3) of all Directors present and entitled to vote, at any meeting of the Board of Directors at which a quorum is present, and a successor may then and there be elected by the Board of Directors to serve for the balance of the predecessor's term.

J. **VACANCIES.** Any vacancy occurring on the Board of Directors as a result of death, resignation, removal, disqualification, or otherwise, and any Director position to be filled by reason of the increase in the number of Directors, shall be filled by election by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of the predecessor's office.

ARTICLE 4. OFFICERS

A. **OFFICERS.** The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer (the "Officers").

B. **QUALIFICATIONS AND METHOD OF ELECTION.** The Officers shall be Members of the Association and the Board of Directors, shall be elected by the Board of Directors, and shall serve for a term of one (1) year or until the election of Officers at the first Board of Directors meeting occurring after such Officer's first anniversary.

C. **PRESIDENT.** The President shall preside at all meetings of the Association and of the Board of Directors at which the President is present. The President shall exercise general supervision of the affairs and activities of the Association and shall serve as a member ex officio of all standing committees.

D. **VICE PRESIDENT.** The Vice President shall assume the duties of the President during the President's absence.

E. **SECRETARY.** The Secretary shall keep the minutes of all of the meetings and Board of Director meetings, which shall be an accurate and official record of all business transacted. The Secretary shall be the custodian of all Records. The Secretary shall (i) call special meetings of the Board of Directors and of the membership whenever requested by the President, two (2) or more Directors, or ten (10) or more Members; (ii) keep a list of all Members of the Association and their addresses; and (iii) do and perform all other duties that usually and properly pertain to the office of the Secretary. In the case of the failure, absence, inability, or refusal of the Secretary to perform, the President may appoint someone to act as

Secretary until the next meeting of the Board of Directors. The Secretary shall turn over to the successor in office all Records, papers, books, and other property belonging to the Association. An assistant secretary (the "Assistant Secretary") may be appointed to aid and assist the Secretary of the Association, and said Assistant Secretary shall be subject to the direction of the Secretary.

F. **TREASURER.** The Treasurer shall receive all corporate funds, keep such funds in a bank approved by the Board of Directors, and pay out funds only on notice signed by the President. The Treasurer shall make a true and detailed account of all monies received and paid out and shall make a financial report in writing at each Annual Meeting of the Members, and at any special meeting of the Members or any meeting of the Board of Directors whenever requested to do so. The Treasurer shall turn over to the successor in office all monies, Records, papers, and other property then on hand belonging to the Association and do and perform all other duties that usually and properly pertain to the office of the Treasurer. An assistant treasurer (the "Assistant Treasurer") may be appointed by the Board of Directors to aid and assist the Treasurer, and said Assistant Treasurer shall be subject to the direction of the Treasurer.

G. **RESIGNATION AND REMOVAL.** Any Officer may resign at any time by providing written notice to the President (or to the Secretary if by the President) stating that the Officer will resign as well as the effective date of the resignation. Any Officer may be removed, with or without cause, by a vote of two-thirds ($\frac{2}{3}$) of all Directors present and entitled to vote, at any meeting of the Board of Directors at which a quorum is present, and a successor may then and there be elected by the Board of Directors to serve for the balance of the predecessor's term.

H. **VACANCIES.** Any vacancy occurring in any office as a result of death, resignation, removal, disqualification, or otherwise, may be filled by any member of the Board of Directors for the unexpired portion of the term.

ARTICLE 5. FEES, DUES, AND ASSESSMENTS

A. **RECORD OWNERSHIP.** Record ownership of any Parcel(s) within the Neighborhood shall establish the owner as a Member of the Association subject to the requirements heretofore mentioned.

B. **ANNUAL ASSESSMENTS.** Assessments shall be levied, collected, and enforced as described in the Restrictions, that certain Agreement, dated as of April 21, 1922, by and between the Association and the Members, the other governing documents, and the other agreements made between the Members and the Association (collectively, the "Assessment Documents").

C. **DEFAULT IN PAYMENT OF ASSESSMENTS.** When any Member shall be in default in the payment of a legally enforceable assessment (an "Assessment") for a period of ninety (90) days from the date on which such Assessment became due, such Member shall not be considered a Member in good standing and shall not be entitled to vote on any matter as provided herein. In addition, such Member shall be listed as "not in good standing" in the Records. Such Member shall not be entitled to vote on any matter until all Assessments have been paid in full, and until such Member is listed "in good standing" in the Records. This

paragraph shall not limit the remedies and rights of the Association to enforce the Assessments, as provided in the Assessment Documents or by law.

D. **TRANSFER OF OWNERSHIP.** In the event any Member's membership shall terminate due to the sale or transfer of that Member's Parcel, the transferee will be required to pay a pro rata share of the Assessment for the remainder of the current year in order for the transferee Member to be entitled to the benefits of membership in the Association.

ARTICLE 6. INDEMNITY

The Association shall indemnify and hold harmless the Directors and Officers of the Association from any loss, damage, liability, or expense incurred or sustained by them by reason of any act performed by them or any omission of theirs, for or on behalf of the Association and in furtherance of its interest, it being understood, however, that the foregoing shall not apply to or relieve the Directors and Officers from liability gross negligence or willful malfeasance.

ARTICLE 7. FISCAL YEAR

The fiscal year of the Association shall be the calendar year.

ARTICLE 8. AMENDMENTS AND CONFLICTS

These Amended and Restated Bylaws may be amended, restated, supplemented, or otherwise modified from time to time, at any meeting of the Members, by a vote of two-thirds (2/3) of the Members present at any such meeting, or by the Board of Directors when authorized at any meeting of the Members, or by the evidenced written consent of a majority of the Members.

In the case of any conflict between these Amended and Restated Bylaws and the Restrictions, the Restrictions shall control.

ARTICLE 9. RULES AND REGULATIONS

The Board may promulgate from time to time such rules and regulations as it deems reasonable and necessary governing the administration, management, operation, and use of the common areas in the Neighborhood so as to promote the common use and enjoyment thereof by owners and occupants, and for the protection and preservation thereof.

ARTICLE 10. CORPORATE SEAL

The Association shall not have a corporate seal.

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CERTIFICATE

The undersigned, as Secretary of the Association, hereby certifies this 10th day of January, 2009, that the foregoing Amended and Restated Bylaws were adopted at the 2009 Annual Meeting at which a quorum of the Members was present, by a vote of two-thirds (2/3) of the Members present thereat.

Aaron M. House, Secretary

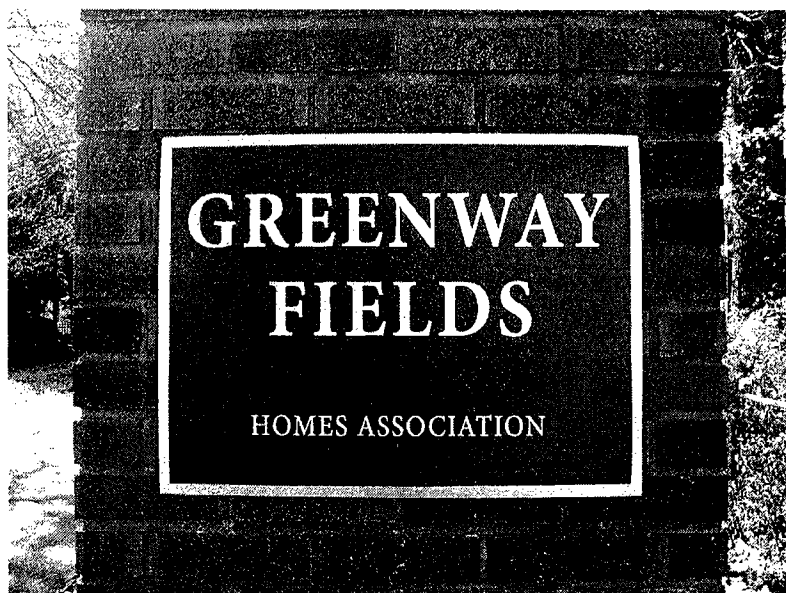
Financials	Jan-Dec	Jan-Dec	
Greenway Fields Homes Association	2008	2008	
	YTD	BUDGET	DIFF

HACCD Chart of Accounts**Income**

Base Assessment	\$2,928	\$3,000	(\$72)
Island Beautification	\$22,124	\$19,469	\$2,655
(Park) Pledge Income	\$6,860	\$6,860	\$0
Security Service Income	\$10,922	\$16,464	(\$5,542)
Interest on Investments	\$486		\$486
Interest on Assessments	(\$12)		(\$12)
Other Income	\$150		\$150
Newsletter Income	\$875	\$1,500	(\$625)
Less Adj for Nonpay OS (Pk Pledge)	(\$339)		(\$339)
Total Revenues	\$43,993	\$47,293	(\$3,300)

Expenses

A/R Written Off	\$21	\$100	(\$79)
Administration	\$3,152	\$3,152	(\$0)
Annual Meeting	\$23	\$600	(\$577)
Computer Services	\$0	\$450	(\$450)
Garage Sale	\$49	\$150	(\$101)
Insurance	\$200	\$350	(\$150)
Island Maintenance (Atlas)	\$5,791	\$6,500	(\$709)
Legal Services	\$0	\$300	(\$300)
Meetings	\$296	\$500	(\$204)
Newsletter	\$1,314	\$1,500	(\$186)
Other	\$689	\$150	\$539
Postage	\$1,068	\$1,200	(\$132)
Security Service Fee	\$15,360	\$16,000	(\$640)
Snow Plowing	\$3,643	\$3,500	\$143
Social Activities	\$1,127	\$1,200	(\$73)
Stationery & Supplies	\$8	\$100	(\$92)
Trash Collection	\$292	\$150	\$142
Total Expenses	\$33,032	\$35,902	(\$2,870)
Income - Expenses	\$10,961	\$11,391	(\$430)



**PROPOSAL FOR THE
GREENWAY FIELDS NEIGHBORHOOD
COMMUNITY IMPROVEMENT DISTRICT
KANSAS CITY, MISSOURI**

SUBMITTED BY:

Greenway Fields Homes Association
222 West Gregory - Suite 201
Kansas City, Missouri 64114

PREPARED BY:

Charles G. Renner
Husch Blackwell Sanders LLP
1200 Main Street, Suite 2300
Kansas City, Missouri 64105

December 1, 2008

**SUMMARY
OF
GREENWAY FIELDS NEIGHBORHOOD
COMMUNITY IMPROVEMENT DISTRICT**

What is this?

Your Greenway Fields Homes Association Board of Directors is introducing the opportunity for all of the residents in our homes association to form and be recognized as a community improvement district (“**CID**”).

Why Should I Agree?

A CID provides the means to ensure fair and equitable payment from every homeowner for upkeep and the provision of services in our neighborhood. In 2008, only 60% of Greenway Fields residents actually paid their assessment. Since every homeowner benefits from the upkeep and services of our association, which increases our property values, the CID will provide fair and equitable payment from each homeowner.

What Changes?

Once you sign the petition and over 50% of the homeowners agree to form the CID, the following changes will benefit you:

- No invoices in January
- No invoices for Security Patrol
- Reduction of fees for administrative services
- Fair and equitable participation from every homeowner
- Billing and collection will be provided by Jackson County, Missouri

What's Next?

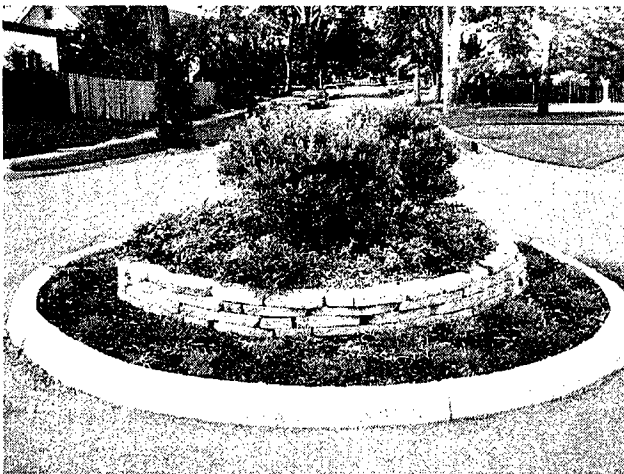
December-January	You should provide feedback to a board member or by email to greenwayfields@hotmail.com
February-April	Your opportunity to sign the petition
May-June	The City Council will review the petition
August	The City Council will make a decision
September	If the petition is approved, the 2010 assessment will be billed in the 2009 county tax bill

What Is A CID?

A CID is an economic development tool authorized by Missouri Revised Statutes (RSMo. §§ 67.1401, *et. seq.* (2008)) (all statutory references contained herein are to RSMo. 2008 unless otherwise indicated) that allows people within an area to band together, plan improvements considered important to their area's vitality, and share costs through an assessment paid by all. These assessments allow a CID to finance many targeted services, such as off-duty Kansas City Police Department (“**KCPD**”) patrol and security, snow removal, general maintenance, island maintenance, and playground maintenance. A summary of Missouri's Community Improvement District Act is attached as Exhibit A.

CIDs are formed with the consent and active participation of a majority of property owners within a defined district. Once a CID is formed, all property owners are required to contribute revenue to support it.

Over 1,200 CIDs have been successfully implemented throughout the United States. Ruskin Heights Homes Association (a South Kansas City homes association) is currently forming a CID. Commercial areas also use CIDs, and there are several in the Kansas City metropolitan area, including the Westport Community Improvement District, Martin City Community Improvement District, and the Downtown Kansas City Community Improvement District. Our Greenway Fields Homes Association (“**GFHA**”) has an exciting opportunity to follow the lead of Ruskin Heights Community Improvement District and other residential CIDs in maintaining and improving our neighborhood, thereby increasing safety and security, property values, and pride in our area.



One of the three islands in Greenway Fields and the playground at Strawn Park

WHY SHOULD YOU SUPPORT GREENWAY FIELDS NEIGHBORHOOD COMMUNITY IMPROVEMENT DISTRICT?

- **A CID Will Provide Fairness and Equity For Our Greenway Fields Neighborhood**
 - Currently, only 60% of Greenway Fields residents pay the voluntary assessments, which provide for snow removal, KCPD off-duty security patrol, and park and traffic island maintenance. These important services contribute to make Greenway Fields neighborhood the desirable place to live in Brookside. These services also increase real estate values for all Greenway Fields residents. Yet, some property owners contribute nothing toward these neighborhood amenities – an unfair situation that will be corrected under the new Greenway Fields Neighborhood CID, which will require all owners to pay their fair share.
- **A CID Will Bring Greenway Fields Neighborhood Into the 21st Century**
 - GFHA is governed by outdated and archaic restrictions and agreements adopted in 1917 that limit the legally enforceable annual assessment to an average of \$8.03 per residence, for a total annual GFHA budget of \$2,754.29. By way of comparison, an assessment of \$8.03 in 1917 would be equal to \$135.87 in 2008. See the Department of Labor's website at www.bls.gov.

CURRENT NEIGHBORHOOD SERVICES AND IMPROVEMENTS PROVIDED BY GFHA

- Security and off-duty KCPD patrol
- Snow removal
- Neighborhood capital improvements (like the purchase of playground equipment)
- Island and Park maintenance
- Playground maintenance
- Emergency telephone alert system
- Events (like the holiday party, annual meeting, picnics)
- Landscaping

IT'S YOUR DECISION

- **YOU** decide the maximum amount of annual assessments
- **YOU** decide upon the duration of the CID
- **YOU** select the board of directors



FORMATION OF A CID

A majority of property owners affected by the CID must first agree to its formation. Revenues for the CID will be raised through property assessments, and a majority of the owners must agree on the amount of the assessment. A majority of the property owners must also agree on how the CID will be organized and managed. Official proceedings to create a CID may begin after a proper petition has been filed with the municipal clerk of the City of Kansas City, Missouri (the “**City**”). The petition must be signed and acknowledged by:

- (i) Property owners representing more than 50% of the assessed value of the real property located within the CID; and
- (ii) More than 50% by number of all owners of the real property located within the CID.

Within 45 days after the petition has been verified, the City must hold a public hearing on the establishment of the proposed CID. After the public hearing is held, the City may establish the CID by adopting an ordinance approving the petition. Thereafter, the CID will be governed by its board of directors.

CID MANAGEMENT

Under Missouri’s Revised Statutes, CIDs can be either:

- (i) Political subdivisions with the power to impose special assessments and real property taxes; or
- (ii) Nonprofit corporations with the power to impose special assessments.

Both political subdivision CIDs and nonprofit CIDs must be governed by a board of directors.

While the initial petition determines the length of the CID, it **can be terminated or extended at any time by vote** of the property owners. Nationally, over 90% of CIDs have been extended by the property owners after the initial term.

THE GREENWAY FIELDS CID PROPOSAL

Why Is Greenway Fields Neighborhood Community Improvement District an Excellent Idea?

There are three reasons you should favor the Greenway Fields Neighborhood Community Improvement District (“**GFNCID**”):

- (1) GFNCID increases fairness and equity in the payment of annual dues;
- (2) GFNCID brings GFHA into the 21st century; and
- (3) GFNCID increases the ease of assessment billing and collection and reduces related expenses.

Fairness and Equity

Approximately 60% of Greenway Fields residents pay their legally enforceable and voluntary assessments. This means that 60% of Greenway Fields residents are subsidizing off-duty KCPD patrol, snow removal, public area maintenance, and improvements for the other 40% of Greenway Fields residents. If you approve the formation of GFNCID, you will allow annual assessments to be billed by Jackson County instead of by a private organization (the Homes Associations of the Country Club District (HACCD)). In addition, a property owner's failure to pay will immediately result in a legally enforceable lien on that person's real property. Nearly 100% of property owners within CIDs pay the assessments listed on their tax bills. The increased participation and payment in Greenway Fields to nearly 100% of property owners would make it so that nearly all property owners are paying for the services that increase the safety, beauty, and value of properties in Greenway Fields.

The 21st Century

Greenway Fields is governed by restrictions and agreements, most of which are dated in or around 1917. These documents do not allow GFHA to amend the documents to reflect Greenway Fields as it exists today, and it is difficult for GFHA to operate within them. GFNCID will give the GFHA the flexibility it needs to function properly as your neighborhood homes association by providing GFHA with the revenue it needs to help keep Greenway Fields a safe, prosperous, and beautiful place in which to live.

Ease of Billing and Collection

GFHA sends out several statements each year to collect dues for basic home assessments, security payments, and other special assessments. Under GFNCID, each of these assessments would be combined into a single assessment that would be billed to each homeowner once per year in your homeowner's property tax bill. This will result in lower administrative costs for GFHA (like postage and accounting fees), and it will result in fewer statements that homeowners receive and must pay each year. GFNCID would simplify billing and collection of annual dues, and it would reduce associated costs.

Purpose of the CID

The purpose of GFNCID is to provide for the **fair and equitable** payment of services and improvements, like off-duty KCPD patrol, snow removal, general maintenance of public areas, island landscaping, and property maintenance.

GFNCID will be comprised of the same area that comprises GFHA. A boundary map showing the boundaries of GFHA is attached as Exhibit B. For 2010, GFNCID will be funded with an average annual assessment billed in fall 2009 in each property owner's county property tax bill in the amount of \$132.00.

Service Plan and Budget

The estimated first-year budget, which follows, estimates the cost of the services and activities mentioned above. Revenue for GFNCID will be generated through the above-mentioned assessment.

First Year Budget for Greenway Fields Neighborhood CID

Base Assessment	\$2,928
Assessment Income	\$39,797
Interest	\$475
Newsletter Income	\$1,000
Total Revenues	\$44,200
Snow Plowing	\$5,000
Security	\$16,000
Insurance	\$1,500
Island Maintenance/Landscaping	\$9,000
Playground Fund Maintenance	\$1,600
Events and Meetings	\$4,600
Administration	\$3,500
Newsletter	\$2,000
Postage	\$1,000
Total Expenses	\$44,200

Board of Directors

GFNCID will be governed by a Board of Directors consisting of at least five (5) persons, all of which will be directors of GFHA. The initial directors and their respective terms will be determined prior to the formation of GFNCID.

Base Level of City Services – CANNOT BE REDUCED

By Missouri Statute, the City is not permitted to reduce the existing level of city services being provided within GFNCID as a result of GFNCID's provision of additional services. **No city services will be reduced** in Greenway Fields without an equal reduction taking place throughout the entire city.

District Boundaries – WILL NOT CHANGE

GFNCID will consist of the area shown on the Boundary Map attached as Exhibit B, which is the same area that comprises GFHA.

What is needed to Form the District

After this Proposal has been circulated and comments have been received from property owners within GFNCID, a petition to form GFNCID (the “*Petition*”), will be prepared in accordance with the Missouri Community Improvement District Act, RSMo. §§ 67.1401 to 67.1571. The Petition must be signed by (1) more than 50% of the property owners per capita and (2) the owners of property totaling more than 50% of the total assessed value within GFNCID. The Petition will also include:

- (1) GFNCID’s purposes;
- (2) GFNCID’s proposed first year budget;
- (3) a five-year plan for GFNCID;
- (4) whether GFNCID will be a political subdivision or nonprofit corporation;
- (5) the initial term of GFNCID’s existence (currently proposed to be a minimum of 20 years); and
- (6) the annual assessment to be imposed by GFNCID.

Annual Assessment/Tax

In 2010, GFNCID will impose an average annual assessment of \$132.00 on each parcel of property within its boundaries, which will be billed in the fall 2009 Jackson County property tax bill. These annual assessments will support GFNCID’s purposes and will provide Greenway Fields with enhanced services, a strengthened image, a stronger neighborhood, and higher property values. The initial term of GFNCID’s assessment is expected to be a minimum of 20 years.

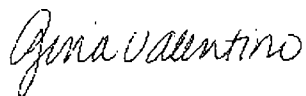
Timeline

Your GFHA Board of Directors will disseminate and discuss the Proposal in December 2008 and January 2009. We would like to receive comments and feedback from you. Please call one of your board members or email us at greenwayfields@hotmail.com. We look forward to hearing from you.

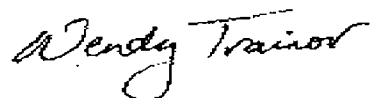
During February and March of 2009, we will gather your signatures for the Petition by having block parties, signing parties, and by going door to door. We hope you will support this wonderful opportunity.

Once all of the necessary signatures have been gathered, the Petition will be submitted to the Municipal Clerk of the City. The City should make a decision by August 2009. If the City approves the Petition, your first GFNCID annual assessment will be billed in your Jackson County property tax bill in fall 2009.

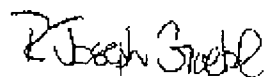
Your Greenway Fields Homes Association Board of Directors unanimously supports the formation of the Greenway Fields Neighborhood Community Improvement District.



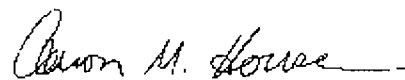
Gina Valentino, President



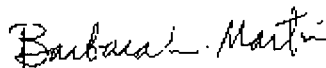
Wendy Trainor, Vice President



R. Joseph Groebl, Treasurer



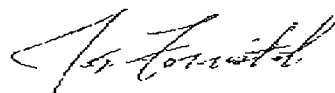
Aaron M. House, Secretary



Barbara L. Martin, Director



Michael R. McAdam, Director



J.T. Forristal, Director

EXHIBIT A
SUMMARY OF THE MISSOURI COMMUNITY IMPROVEMENT DISTRICT ACT

THE MISSOURI COMMUNITY IMPROVEMENT DISTRICT ACT



Prepared by:

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COMMUNITY IMPROVEMENT DISTRICTS

A Community Improvement District (“**CID**”) in Missouri can provide residential and business communities with an innovative way to fund, implement, and enhance services and capital improvements, while concurrently stimulating economic growth. CIDs share many common characteristics with homeowners’ or business’ associations. CIDs allows real property owners within the CID to organize and coordinate efforts to secure, beautify, improve, and develop their community in an effective, efficient, and reliable manner.

CIDs can utilize several financing options to fund improvements and services. CIDs can impose special assessments, real property taxes, and fees. This particularly attractive revenue source was, until now, limited to Kansas City where the use of a CID sales tax has stimulated community services and development throughout the City. CIDs can also be combined with other funding methods to pay for the additional services and improvements.

I. ESTABLISHMENT OF DISTRICT

A. Initial Petition

In accordance with the Community Improvement District Act, RSMo. §§ 67.1401 to 67.1571 (the “**Act**”), a homes association may commence proceedings to create a CID after a proper petition has been filed with the municipal clerk. The petition must be signed by (1) property owners collectively owning real property representing more than 50% of the assessed value of the real property located within the CID and (2) more than 50% per capita of all owners of the real property located within the CID.

The petition is the document that sets forth the purpose, duration of, and limitation of powers of the CID. The petition must set forth an initial five-year plan specifying the type and estimated costs of the improvements and services to be provided by the CID. It must specify the size, area, duration, and type of the CID, and the maximum rates of real property taxes and special assessments that may be imposed by the CID. The petition may set forth limitations on the powers of the CID.

B. Verification of Petition

After the initial petition has been filed and received by the municipal clerk, the municipal clerk must verify within 90 days whether the petition meets all requirements of the Act.

C. Public Hearing

Within 45 days after the petition has been verified, the governing body of the municipality, in which the proposed CID is located, must hold a public hearing on the establishment of the proposed CID. The municipality must give proper notice of the hearing by publication and mailing in compliance with the requirements set forth in the Act.

D. Establishment by Ordinance

After the public hearing has been held, the governing body of the municipality may establish a CID by adopting an ordinance approving the proposed petition and establishing the CID as set forth in the petition.

E. Amendments to Petition

Amendments may be made to the petition without an additional public hearing if such amendments do not change the boundaries of the proposed CID, and if they are made prior to the adoption of an ordinance approving the petition. If the amendments are made prior to the close of the public hearing, notice of the amendments may be given at the public hearing. Otherwise notice must be given by mail and publication not less than 10 days prior to the adoption of an ordinance establishing the proposed CID and approving the amended petition. After the ordinance establishing the CID and approving the petition is adopted, the petition may be amended only after a public hearing is held and proper notice is given regarding the proposed amendments.

II. GOVERNANCE OF DISTRICT

CIDs are unique in that they can be either (1) political subdivisions, with the power to impose sales taxes, special assessments, real property taxes, and business license taxes, or (2) not-for-profit corporations, with the power to impose special assessments. Both political-subdivision CIDs and not-for-profit CIDs are governed by a board of directors.

A. Political Subdivisions

A CID that is a political subdivision is governed by a board of directors, which is either elected by the “qualified voters” or appointed by the municipality. The petition must specify which method will apply. The board must consist of at least five but not more than 30 directors, each of whom must be at least 18 years of age and either (1) an owner of real property or a business within the CID or (2) a registered voter residing within the CID.

1. Election of Directors

If the petition provides that the directors are to be elected, the directors are elected at large by the “qualified voters” of the CID pursuant to a mail-in ballot procedure. “Qualified voters” for the purpose of electing directors is defined by the Act as registered voters residing within the CID and owners of real property that is not exempt from the assessment or levy of taxes by the district within the CID. The terms of the directors shall be equally divided between two and four-year terms based on the number of votes received; if an odd number of directors is elected, the director receiving the least number of votes serves a two-year term. Successor directors serve four-year terms. The procedural requirements of the election are set forth in the Act. If the petition provides for the election of directors, then the persons to serve on the initial board of directors may be stated in the petition instead of holding an election.

2. Appointment of Directors

If the petition states that directors are to be appointed by the municipality, the appointments are made by the chief elected officer with the consent of the governing body of the municipality. One-half of the directors appointed serve a four-year term, one-half serve a two-year term, and if there is an odd number of directors, the last person appointed serves a two-year term. Successor directors serve four-year terms.

B. Nonprofit Corporations

A CID that is a nonprofit corporation is governed by a board of directors selected in accordance with RSMo. Chapter 355 (Nonprofit Corporation Law).

III. REVENUE SOURCES

A. Special Assessments

The board of any CID, whether a political subdivision or nonprofit corporation, can levy by resolution one or more special assessments against real property within its boundaries after a petition to the board requesting such an assessment has been properly submitted. The special assessment petition must be signed by (1) owners of real property collectively owning real property representing more than 50% of the assessed value of real property within the CID and (2) more than 50% per capita of the owners of all real property within the CID. The special assessment petition must also state the purpose, method of assessment, amount and expiration date of the special assessment, and the tracts of real property benefited by the service and/or improvements to be paid with the special assessment.

CIDs may make multiple assessments based on appropriate petitions for proper purposes. The funds received from each special assessment must be placed in separate accounts and may not be commingled.

Real property that is exempt from taxation pursuant to RSMo. § 137.100(5) is exempt from CID special assessments, unless the owners of such property elect to participate in the CID. Such property includes that which is actually and regularly used exclusively for religious worship, for schools and colleges, or for purely charitable purposes and not held for private or corporate profit.

B. Real Property Taxes

Only CIDs that are political subdivisions have the power to levy real property taxes. A political subdivision CID may levy by resolution a tax on real property within the CID. A resolution levying a real property tax is not effective until it is approved by a majority of the votes cast by the “qualified voters” by mail-in ballots. For purposes of approving real property tax levies, “qualified voters” is defined as either (1) registered voters residing within the CID or (2) if there are no registered voters residing within the CID, the owners of real property which is to be subject to such real property tax within the CID.

Real property exempt from taxation pursuant to RSMo. §§ 137.100(2) and (5) is exempt from CID real property taxes. Such property includes that owned by a city, county, or other political subdivision, as well as that which is actually and regularly used exclusively for religious worship, for schools and colleges, or for purely charitable purposes and not held for private or corporate profit.

C. Business and Sales Taxes

CIDs that are political subdivisions located in the county seat of a first class county with a charter form of government with a population of at least 200,000 (Springfield, Missouri) may impose a business license tax or businesses located within the district. Any CID formed as a political subdivision may impose by resolution a sales and use tax on all retail sales made within the CID's boundaries that are subject to taxation pursuant to RSMo. §§ 144.010 to 144.525, except sales of motor vehicles, trailers, boats, or outboard motors and sales to public utilities.

D. Other Sources

In addition to special assessments, real property taxes, business taxes, and sales taxes, a CID is empowered to generate revenue by a number of alternative means. A CID can accept grants, gifts, and donations of property, labor, services, or other contributions from any public or private source. It can also charge and collect fees and rents for the use of its real and personal property, as well as enter into agreements to provide services for a fee.

IV. POWERS OF THE DISTRICT

Because CIDs must provide enhanced services and improvements to different kinds of communities with various needs, the powers granted to CIDs as enumerated in the Act are broad. Any one of the statutorily enumerated powers, however, may be restricted by an express statement of limitation contained in the petition to establish the CID.

A CID has the power to: make and enter into contracts with both public and private entities; enter into agreements with the municipality to eliminate any public nuisance within the CID; acquire and sell real and personal property; borrow money, issue bonds and other obligations, and loan money; employ or contract for services, including managerial, engineering, legal, technical, clerical, accounting, security, cleaning, waste removal, and maintenance; and provide assistance and funding to construct, reconstruct, install, repair, maintain, and equip numerous improvements, including, but not limited to, the following: landscape, streetscape, sidewalks, streets, water and sewer systems, parking lots and garages, waterways, bus stops and other shelters, sculptures and fountains, and any other useful, necessary, or desired improvement.

A CID can assist the growth and development of a neighborhood within the CID by utilizing its power to contract for security, landscaping, and other improvements.

V. OVERSIGHT BY MUNICIPALITY

Although the CID may only be established with the approval of the municipality by ordinance, once formed the CID will operate autonomously in accordance with its purpose and limitations, if any, on powers as set forth in the petition and the Act. The petition may only be amended after a public hearing has been held and the municipality approves such amendment by ordinance.

A CID does not have its own police powers. For instance, if a CID desires to prohibit or restrict vehicular and pedestrian traffic on public property within the CID, it can do so only with the municipality's consent.

The CID also must submit its annual proposed budget to the governing board of the municipality for the municipality to make recommendations. The municipality's recommendations are advisory only, and do not constitute requirements that the board must follow. If the municipality desires to maintain control or oversight over the CID, mechanisms for such control or oversight can be set forth in the petition to establish the CID.

VI. LEVEL OF MUNICIPAL SERVICES

The municipality is obligated to provide the same level of publicly funded services to the CID that existed prior to its creation. The municipality must continue to bear the same financial burden of providing those services to the CID, unless the services are decreased throughout the entire municipality, and it must offer the same level of services to the CID as it does to areas that are not within the CID.

VII. TERMINATION OF CID

As long as a CID has no outstanding obligations, a CID may be terminated before the expiration of its stated term by the adoption of an ordinance by the municipality upon receipt of a proper petition and after notice and a public hearing. A petition is proper if it is filed by (1) owners of real property collectively owning real property representing more than 50% of the assessed value of real property within the CID and (2) more than 50% per capita of owners of real property within the CID. The petition must also provide for a plan for dissolution and distribution of the CID's assets upon termination.

VIII. CONCLUSION

A CID is a unique and valuable tool available to enhance residential and/or commercial communities. A CID can organize multiple property owners to turn an economically underdeveloped or under serviced area into a vibrant and improved community that will attract community growth. The flexibility of the Act allows each CID to be custom designed to finance improvements, maintenance, and services based on the needs and resources of each community seeking to form a CID.

EXHIBIT B **GREENWAY FIELDS HOMES ASSOCIATION DISTRICT BOUNDARY MAP**

