

**The Arrowhead Community Improvement District**  
**Report for the Fiscal Year Ending June 30, 2020**

This report is prepared in compliance with RSMo 67.1471.4, requiring that the District state the services provided, revenues collected, and expenditures made by the District during the most recently completed fiscal year, and that the District attach the written resolutions approved by the District's Board of Directors during that period. The following information is for the District's fiscal year that ended June 30, 2020.

**Services Provided** – The District did not provide any services.

**Cash on Hand at beginning of fiscal year:** \$102,747

**CID Revenues Collected** – \$179,267

**Developer Advances Operating Costs-** \$409

**Expenditures** – \$251,910

**Cash on Hand at end of fiscal year:** \$30,514

**Written Resolutions Passed by the Board** – The Board passed eight (8) written resolutions, specifically:

- Resolution No. 2020-1: Approving Minutes
- Resolution No. 2020-2: Appointing Officers
- Resolution No. 2020-3: Approving FYE 6/30/2021 Budget
- Resolution No. 2020-4: Appropriate Funds for City Admin Fee
- Resolution No. 2020-5: Appropriate Funds for Insurance
- Resolution No. 2020-6: Appropriate Funds for Legal Services
- Resolution No. 2020-7: Appropriate Funds for Reimbursement of Developer
- Resolution No. 2020-8: Nomination of Successor Directors

A copy of each of these resolutions is attached hereto.

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-1**

**APPROVING THE MINUTES OF THE MAY 9, 2019 BOARD OF DIRECTORS  
MEETING**

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**WHEREAS**, the Bylaws of the Arrowhead Community Improvement District (the "District") require the District to keep minutes of Board of Directors Meetings;

**WHEREAS**, the Board of Directors of the District conducted a Board of Directors meeting on May 9, 2019; and

**WHEREAS**, minutes of such meeting have been prepared and circulated to members of the Board.

**NOW, THEREFORE, BE IT RESOLVED** that the minutes of the Board of Directors meeting held on May 9, 2019 are attached hereto as Exhibit A and shall be and are hereby approved in all respects.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, 2019. **2020**

  
Justin Kaufmann, Executive Director

**EXHIBIT A**

**May 9, 2019 Meeting Minutes**

## **ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

### **MINUTES OF THE ANNUAL MEETING OF THE BOARD OF DIRECTORS OF THE DISTRICT**

An annual meeting of the Board of Directors ("Board") of the Arrowhead Community Improvement District (the "District") was held on May 9, 2019 commencing at 1:00 p.m., at Independence City Hall, 111 East Maple Avenue, Independence, MO 64050, pursuant to notice duly given.

The following members of the Board were present via telephone conference: Justin Kaufmann, Dante Cosentino and Adam Lyngar (Board Members Jennifer Kaufmann and Beth Cosentino were not present). Also present were Curtis Petersen and Amy Grant, legal counsel to the District.

After determining that a simple majority of Board members was present and a quorum was recognized, the meeting was commenced.

Mr. Kaufmann made a motion to adopt Resolution 2019-1, approving the minutes of the June 19, 2018 Board meeting. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-1.

Mr. Kaufmann made a motion to adopt Resolution 2019-2, approving the appointment of Justin Kaufmann as Chairman/Executive Director of the District and Adam Lyngar as Secretary/Treasurer of the District. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-2.

Mr. Kaufmann made a motion to adopt Resolution 2019-3, approving a budget for fiscal year ending June 30, 2020. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-3.

Mr. Kaufmann made a motion to adopt Resolution 2019-4, appropriating funds for City Administration Fee. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-4.

Mr. Kaufmann made a motion to adopt Resolution 2019-5, appropriating funds for insurance. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-5.

Mr. Kaufmann made a motion to adopt Resolution 2019-6, appropriating funds for legal services. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-6.

Mr. Lyngar made a motion to adopt Resolution 2019-7, appropriating funds for reimbursement of Developer. Mr. Kaufmann seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-7.

Mr. Kaufmann made a motion to adopt Resolution 2019-8, Nomination of Successor Directors. Mr. Lyngar seconded the motion, a vote was held, and the Board unanimously adopted Resolution 2019-8.

Mr. Kaufmann mentioned that he would like Polsinelli to assist the CID with certifying on-going CID Operating Costs, including interest. Mr. Petersen suggested that Ms. Grant would be happy to assist, as needed.

There being no other business to come before the meeting, the meeting was adjourned.

Respectfully submitted,

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Adam Lyngar, Secretary

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-2**

**APPOINTING OFFICERS OF THE DISTRICT**

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**WHEREAS**, the Bylaws of the Arrowhead Community Improvement District (the "District") require the District's Board of Directors to annually appoint a chairman, executive director, secretary, treasurer and such other officers or employees as it deems necessary;

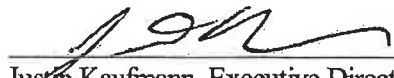
**WHEREAS**, the Board of Directors of the District desires to appoint a chairman, secretary, treasurer and executive director as the officers of the District in accordance with the Bylaws; and

**WHEREAS**, the chairman, secretary, treasurer and executive director shall have the powers and duties described in the Bylaws.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:**

1. Justin Kaufmann is appointed Executive Director/Chairman.
2. Adam Lyngar is appointed Secretary/Treasurer of the District.
3. Each officer of the District shall exercise those powers and perform those duties as set forth in the Bylaws of the District.
4. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, ~~2019~~ **2020**

  
Justin Kaufmann, Executive Director

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-3**

**APPROVING A BUDGET FOR FYE 6/30/2021**

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**WHEREAS**, the Board of Directors of Arrowhead Community Improvement District (the "District") is required to submit to the governing body of the City a proposed annual budget for the operation of the District;

**WHEREAS**, the District has submitted to the City a proposed annual budget for FYE 6/30/2021, which is attached hereto as Exhibit A; and

**WHEEAS**, the District desires to adopt such budget for the operation of the District with respect to the District's FYE 6/30/2021.

**NOW, THEREFORE, BE IT RESOLVED**, the District hereby adopts the budget attached hereto as Exhibit A for the District's FYE 6/30/2021.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, 2019. ~~2019~~ **2020**

  
Justin Kaufmann, Executive Director

**EXHIBIT A**  
**FYE 6/30/2021 BUDGET**



**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**FYE 6/30/2021 PROPOSED BUDGET**

**BUDGET MESSAGES:**

The Arrowhead Community Improvement District was established by the City Council of Independence, Missouri on March 21, 2016.

The District's Board of Directors and the owner of the real property that constitutes the District approved a 1.0% CID sales and use tax on June 20, 2017, with the tax becoming effective on October 1, 2017. The first deposit of CID Revenues was received from the Missouri Department of Revenue on December 7, 2017.

	<u>FYE 6/30/2021*</u> (as proposed)	<u>FYE 6/30/2020*</u> (as amended)	<u>FYE 6/30/2019</u> (actual)
<b>FUNDS AVAILABLE:</b>			
- Cash on Hand (Beginning of Fiscal Year)	\$ -	\$ 102,747	\$ 98,035
<b>ESTIMATED REVENUE:</b>			
- CID Sales Tax (effective October 1, 2017)	\$ 173,000	\$ 172,000	\$ 169,224
- Net Proceeds of Developer Advances	\$ -	\$ -	\$ 3,415
<b>TOTAL ESTIMATED FUNDS AVAILABLE &amp; REVENUE:</b>	<u>\$ 173,000</u>	<u>\$ 274,747</u>	<u>\$ 279,673</u>
<b>ESTIMATED EXPENDITURES:</b>			
- City Admin Fee (1.5%)^	\$ 2,595	\$ 2,580	\$ 4,009
- Administrative costs (e.g., insurance)	\$ 1,280	\$ 1,280	\$ 1,280
- Legal & Other Consultant fees	\$ 3,000	\$ 3,000	\$ 2,135
- Design & Construction Costs of Improvements	\$ -	\$ -	\$ -
- Principal and/or interest in repayment of Developer Advances^^	\$ 166,125	\$ 267,887	\$ 160,502
<b>TOTAL ESTIMATED EXPENDITURES:</b>	<u>\$ 173,000</u>	<u>\$ 274,747</u>	<u>\$ 167,926</u>
<b>FUNDS AVAILABLE:</b>			
- Cash on Hand End of Fiscal Year	\$ -	\$ -	\$ 102,747

\*Estimated values.

^ For FYE 6/30/2019, the payment of the City Admin Fee includes fees that were due and payable to the City during FY2018.

^^ The terms of the repayment of Developer Advances, including interest thereon, is addressed and governed by that Cooperative Agreement by and between the City, the CID and the Developer.

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-4**

**APPROPRIATING FUNDS FOR CITY ADMINISTRATION FEE**

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**WHEREAS**, the Arrowhead Community Improvement District (the "District") wishes to transfer a portion of the Community Improvement District sales and use tax revenues generated during fiscal year ending June 30, 2021, to the City as provided for under the Cooperative Agreement, by and between the City, Developer and District.

**WHEREAS**, the Board wishes to appropriate funds necessary to pay for such administration fees as are necessary during fiscal year ending June 30, 2021.

**NOW, THEREFORE, BE IT RESOLVED**, the Board hereby appropriates from the general funds of the District such funds as are necessary to pay for administration fees.

**BE IT FURTHER RESOLVED**, the Board authorizes and directs the Treasurer of the District to make such payments as they become due and payable as funds are available.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, 2019. *2020*

  
Justin Kaufmann, Executive Director

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-5**

**APPROPRIATING FUNDS FOR INSURANCE**

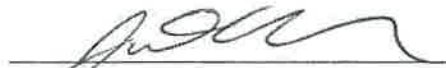
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**WHEREAS**, the Arrowhead Community Improvement District (the "District") wishes to purchase insurance for the District that provides coverage for errors and omissions, employed practice liability, and general liability.

**NOW, THEREFORE, BE IT RESOLVED**, as follows:

1. The District's officers are authorized to obtain insurance for the fiscal year ending June 30, 2021 that provides the District with coverage for error and omissions, employment practice liability, and general liability.
2. The District hereby appropriates such funds as are necessary to purchase such insurance.
3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, ~~2019~~ **2020**

  
Justin Kaufmann, Executive Director

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-6**

**APPROPRIATING FUNDS FOR LEGAL SERVICES**

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**WHEREAS**, the Arrowhead Community Improvement District (the "District") Board of Directors (the "Board") has required and continues to require legal services from Polsinelli PC law firm as the District's general counsel; and

**WHEREAS**, the Board wishes to appropriate funds necessary to pay for such legal services as are necessary during fiscal year ending June 30, 2021.

**NOW, THEREFORE, BE IT RESOLVED**, the Board hereby appropriates from the general funds of the District such funds as are necessary to pay for legal services provided to the District.

**BE IT FURTHER RESOLVED**, the Board authorizes and directs the Treasurer of the District to make such payments as they become due and payable as funds are available.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, ~~2019~~ **2020**

  
Justin Kaufmann, Executive Director

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-7**

**APPROPRIATING FUNDS FOR REIMBURSEMENT TO DEVELOPER**

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**WHEREAS**, the Arrowhead Community Improvement District (the "District") wishes to transfer a portion of the Community Improvement District sales and use tax revenues generated during fiscal year ending June 30, 2021, after paying Administration Fees and Operating Costs due and payable to Enterprises Arrowhead, LLC (the "Developer") under the Cooperative Agreement, by and between the City, Developer and District.

**NOW, THEREFORE, BE IT RESOLVED**, as follows:

1. That the District hereby appropriates a portion of the funds on deposit with the District during the fiscal year ending June 30, 2021, net of amounts used to pay for Administration Fees and Operating Costs, to the Developer for reimbursement of costs advanced by Developer, including interest thereon, under the Cooperative Agreement.
2. This Resolution will take effect immediately.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, ~~2019~~ **2020**

  
Justin Kaufmann, Executive Director

**ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2020-8**

**NOMINATION OF SUCCESSOR DIRECTORS**

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**WHEREAS**, The Arrowhead Community Improvement District (the "District"), established on March 21, 2016, by Ordinance No. 18563 of the City Council of the City of Independence, Missouri, is a political subdivision of the State of Missouri and is transacting business and exercising powers granted to it pursuant to the Community Improvement District Act, Section 67.1401 through 67.1571 of the RSMo, as amended (the "CID Act"); and

**WHEREAS**, the CID Act and Article III, Section 3 of the District Bylaws provide for the Mayor of the City to appoint Successor Directors of the District, with the consent of the City Council, and the District Bylaws set forth that Successor Directors shall serve for a term of four years.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ARROWHEAD COMMUNITY IMPROVEMENT DISTRICT**, as follows:

1. The District hereby nominates Justin Kaufmann to serve a new four-year term as an Owner's Representative representing Enterprises Arrowhead, LLC (new term is 6/21/2020-6/20/2024).
2. The District hereby nominates Adam Lyngar to serve a new four-year term as an Owner's Representative Enterprises Arrowhead, LLC (new term is 6/21/2020-6/20/2024).
3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the Arrowhead Community Improvement District on May 14, ~~2019~~ **2020**

  
Justin Kaufmann, Executive Director