

ANNUAL REPORT FOR
Palestine
COMMUNITY IMPROVEMENT DISTRICT ("CID")
FISCAL YEAR ENDING APRIL 30TH, 2025

SECTION I

DATE OF REPORT SUBMITTAL: 8/20/2025

DISTRICT POINT OF CONTACT NAME: Alex Reed

POINT OF CONTACT PHONE AND EMAIL: 816-460-5539

alex.reed@lathrogpm.com

SECTION II

CURRENT BOARD MEMBERS, CONTACT INFORMATION, AND TERM DATES:

NAME:	EMAIL:	TERM START DATE:	TERM END DATE:
Melvin Gross	melvin.gross@sbcglobal.net	11/10/23	11/9/2027
Michael Riley	mriley@kcata.org	11/10/23	11/9/2025
Rhonda Iverson	riversonmcallister@yahoo.com	11/10/23	11/9/2025
Simone Curls	prospectbakcmo@gmail.com	11/10/23	11/9/2027
Rick Abel	rearabel@gmail.com	11/10/23	11/9/2025
Dick Bryant	dick2479@aol.com	11/10/23	11/9/2027
Arfan Paroya	786paroya@gmail.com	11/10/23	11/9/2025

SECTION III

SERVICES PROVIDED DURING THE CURRENT FISCAL YEAR:

The CID did not provide services during FY 2025, as the District remains in its early stages. During FY 2025, the CID began to collect sales tax within the District, obtained other funding from the City of Kansas City, Missouri, and is coordinating security services to begin in FY 2026.

SECTION IV

For this section provide the date of budget and report submittal that occurred during the fiscal year this report is regarding.

DATE PROPOSED BUDGET WAS SUBMITTED: 1/28/2025

DATE ANNUAL BUDGET WAS ADOPTED: 4/2/2025

DATE ANNUAL REPORT WAS SUBMITTED: 8/9/2024

SECTION V

RESOLUTIONS APPROVED DURING FISCAL YEAR (ATTACH COPIES):

RESOLUTION NUMBER	RESOLUTION TITLE
2025-01	Approval of FY 2026 Budget
2025-02	Electing Officers

BOARD RESOLUTIONS:

☒ **ATTACHED**

☐ **NONE APPROVED**

CID BYLAW AMENDMENTS:

☐ **ATTACHED**

☒ **NONE APPROVED**

SECTION VI

REVENUE AND EXPENSES:

BALANCE FROM PRIOR FY:		\$ N/A
REVENUE:		
a) Sales/Use Tax Collections	\$ 31962.68	
b) Special Assessment Collections	\$	
c)	\$	
d)	\$	
e)	\$	
f)	\$	
g)	\$	
h)	\$	
i)	\$	
j)	\$	
TOTAL REVENUE:		\$ 31962.68
EXPENSES:		
I. Public Infrastructure Improvements:		
a)	\$	
b)	\$	
c)	\$	
d)	\$	
e)	\$	
f)	\$	
g)	\$	
h)	\$	
i)	\$	
j)	\$	
SUB-TOTAL:		\$ 0
II. Interior Improvements:		
a)	\$	
b)	\$	
c)	\$	
d)	\$	
e)	\$	
f)	\$	
g)	\$	
h)	\$	
i)	\$	
j)	\$	
SUB-TOTAL:		\$ 0

SECTION VI CONTINUED

REVENUE AND EXPENSES CONTINUED:

III. Exterior Improvements		
a)	\$	
b)	\$	
c)	\$	
d)	\$	
e)	\$	
f)	\$	
g)	\$	
h)	\$	
i)	\$	
j)	\$	
SUB-TOTAL:		\$ 0
IV. Services:		
a)	\$	
b)	\$	
c)	\$	
d)	\$	
e)	\$	
f)	\$	
g)	\$	
h)	\$	
i)	\$	
j)	\$	
SUB-TOTAL:		\$ 0
V. Other Expenses		
a) Bank Fees and Service Charges	\$ 111.42	
b)	\$	
c)	\$	
d)	\$	
e)	\$	
f)	\$	
g)	\$	
h)	\$	
i)	\$	
j)	\$	
SUB-TOTAL:		\$ 111.42

EXPENSES SUB-TOTAL:		
I. Public Infrastructure Improvements	\$ 0	
II. Interior Improvements	\$ 0	
III. Exterior Improvements	\$ 0	
IV. Services	\$ 0	
V. Other Expenses	\$ 111.42	
TOTAL EXPENSES:		\$ 111.42
BALANCE FROM PRIOR FY:		\$ 0
TOTAL REVENUE:		\$ 31962.68
LESS TOTAL EXPENSES:		\$ 111.42
BALANCE:		\$ 31851.260000000002

RELEVANT AGENCY CONTACT INFORMATION:

Missouri Dept. of Economic Development
Attn: CID Annual Report
P. O. Box 1157
Jefferson City, MO 65102
Phone: 573-522-8004
Email: reddevelopment@ded.mo.gov

City Clerk
25th Floor, City Hall
414 E. 12th Street
Kansas City, MO 64106
Phone: 816-513-6401
Email: clerk@kcmo.org

Missouri Dept. of Revenue
Attn: CID Annual Report
P.O. Box 3380
Jefferson City, MO 65105-3380
Phone: 573-751-4876
Email: localgov@dor.mo.gov

Missouri State Auditor
Attn: CID Annual Report
P.O. Box 869
Jefferson City, MO 65102
Phone: 573-751-4213
Email: moaudit@auditor.mo.gov

RESOLUTION NO. 2025-01

THE PALESTINE COMMUNITY IMPROVEMENT DISTRICT

**RESOLUTION OF THE PALESTINE COMMUNITY IMPROVEMENT DISTRICT
("DISTRICT") REGARDING THE FY 2026 BUDGET.**

WHEREAS, RSMo. § 67.1471.3 provides that no later than 30 days prior to the first day of each fiscal year, the District shall adopt an annual budget for the District.

NOW, THEREFORE, BE IT RESOLVED, that the proposed FY 2026 annual budget of the District attached hereto as Exhibit A is hereby approved, and that the Chair and Secretary are authorized and directed to take all further action necessary to submit such budget, and to otherwise carry out the purposes and intent of this Resolution. This Resolution shall take effect immediately.

Adopted this 2nd day of April, 2025.

Signed by:
Melvin Gross
By: _____
480600EAF17E472...
Melvin Gross, Chair

ATTEST:

DocuSigned by:
Alex Reed
300385804DDE44C...
Alex Reed, Secretary

EXHIBIT A

FY 2025 Budget

See attached.

Palestine Community Improvement District
FISCAL YEAR BUDGET MAY 1, 2025 - APRIL 30, 2026

	FY 2025
Revenue	
<u>CID Project Generation</u>	
Sales Tax Revenue - 1.0%	\$ 72,000
Budgeted Palestine CCEDST Funding	40,000 *
KCMO CID Revolving Loan Fund	69,406
PIAC Funding	288,775 **
<i>Subtotal Generated</i>	<u>\$ 470,181</u>
Total Revenue	<u><u>\$ 470,181</u></u>
Expenses	
<u>Administration</u>	
Initial Election Costs	\$ -
Bank Charges	500
Insurance	5,000 *
Management Fee	12,000 *
Marketing / Advertising	-
Meals & Entertainment	-
Office Supplies & Equipment	500
Postage & Delivery	250
Printing & Reproduction	500
Audit, Accounting, Tax, Compliance	20,000
Professional Fees - Legal	- ***
Community Events	10,000
<i>Subtotal Administration</i>	<u>\$ 48,750</u>
<u>Security</u>	
Contracted Security Service	\$ 112,656
<i>Subtotal Security</i>	<u>\$ 112,656</u>
<u>Office Build-Out</u>	
Construction & FFE	\$ 20,000 *
<i>Subtotal Office Build-Out</i>	<u>\$ 20,000</u>
<u>Public Improvements</u>	
Street Lighting	\$ 80,000 **
Pedestrian Lighting	\$ 104,000 **
Cur, Gutter, Sidewalk, Trees	\$ 104,775 **
<i>Subtotal Office Build-Out</i>	<u>\$ 288,775</u>
Total Expenses	<u><u>\$ 470,181</u></u>

* Palestine CCEDST Budget

** The CID submitted a PIAC request for FY 2026

*** Lathrop Agreement In Place

RESOLUTION NO. 2025-02

**A RESOLUTION OF THE PALESTINE
COMMUNITY IMPROVEMENT DISTRICT
ELECTING OFFICERS FOR THE PALESTINE
COMMUNITY IMPROVEMENT DISTRICT**

WHEREAS, Article V of the Bylaws provides that the board of directors of the District (the "Board") shall appoint officers from among the members of the Board or their designated consultants at each annual meeting of the Board; and

WHEREAS, the bylaws adopted by the Board establish officer roles for a Chair, a Secretary, and a Treasurer to serve until the subsequent annual meeting of the Board and until their successors are duly elected and qualified; and

WHEREAS, the current officers of the Board have duly served through the subsequent annual meeting of the Board; and

WHEREAS, the Board desires to elect certain of its members to serve as officers of the Board.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Palestine Community Improvement District that the following individuals are appointed to serve as officers of the Board, to serve until the next annual meeting of the Board and until their successors are duly elected and qualified:

Chair: Melvin Gross

Secretary: Alex Reed

Treasurer: Michael Riley

Adopted this 4th day of June, 2025.

I, the undersigned, Chair of the Palestine Community Improvement District, hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the District at a meeting held, after proper notice, on June 4, 2025.

**PALESTINE COMMUNITY
IMPROVEMENT DISTRICT**

Signed by:
Melvin Gross

455600EAF47E472...
Melvin Gross, Chair

Attest:
DocuSigned by:

Alex Reed

360385804DDE44C...
Alex Reed, Secretary

**BYLAWS OF THE
PALESTINE COMMUNITY IMPROVEMENT DISTRICT**

**ARTICLE I
OFFICES, RECORDS**

1. **Principal Office.** The principal office of the Palestine Community Improvement District (the "District") shall be located at Lathrop GPM, 2345 Grand Boulevard, Suite 2200, Kansas City, Missouri 64108, or such other place as may from time to time be designated by the Board of Directors (the "Board").

2. **Records.** The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board and each committee of the Board. The District shall keep a record of the name and place of residence of each director and each officer.

**ARTICLE II
PURPOSES**

The purposes of the District shall be to provide those services and improvements set forth in the petition for creation of the District (the "Petition"), and for all other lawful purposes that may be authorized by the Board and permitted under Sections 67.1401 through 67.1571, RSMo (the "Act").

**ARTICLE III
BOARD**

1. **Powers of Board.** The Board shall have and is vested with all powers and authorities granted by the Act, except as it may be expressly limited by law, by the terms of the Petition, or these Bylaws, to supervise, control, direct and manage the property, affairs and activities of the District, to determine the policies of the District, to do or cause to be done any and all lawful things for and on behalf of the District, to exercise or cause to be exercised any or all of its powers, privileges or franchises, and to seek the effectuation of its objects and purposes.

2. **Official Actions.** In accordance with Section 67.1451.8, RSMo, all official acts of the Board shall be by written resolution approved by the Board.

3. **Number of Directors; Qualifications.** The number of directors of the District to constitute the Board shall be seven (7). The initial directors constituting the Board (the "Initial Directors") are set forth below, and successors to the Initial Directors (the "Successor Directors") shall be appointed by the Mayor of the City of Kansas City, Missouri (the "City") with the consent of the City Council by resolution according to a slate submitted by the Chair of the District to the City Clerk, as set forth in the Petition and pursuant to the Act. The number of directors may not be increased or decreased. The directors shall qualify as follows: (i) six directors will be at least eighteen (18) years of age and be an owner or legally authorized representative of an owner of fee

interest in real property ("Owner") situated within the District; (ii) at least one (1) Director will reside within Kansas City, Missouri, be qualified and registered to vote according to the records of the Election Authority as required by Chapter 115 of the Revised Statutes of Missouri, have no financial interest in any property or business operating within the District, and not be a relative within the second degree of consanguinity affinity to an owner of real property or a business operating in the District; and (iii) all directors will be and have been a resident of the State of Missouri for at least one year immediately preceding the date upon which he or she takes office in accordance with Article VII, Section 8 of the Missouri Constitution.

4. Initial Board of Directors. The initial Board shall consist of the following directors who shall serve the initial term and position designated below:

- a. Mel Gross – Director, four (4) year term
- b. Rhonda Iverson – Director, two (2) year term
- c. Rick Abel – Director, two (2) year term
- d. Simone Curls – Director, four (4) year term
- e. Bruce Beatty – Director, two (2) year term
- f. Richard Bryant – Director, four (4) year term
- g. Arfan Paroya – Director, two (2) year term

5. Commencement of Term of Office of Directors. A director shall not be deemed to have commenced his or her term of office or to have any of the powers or responsibilities of a director until the time such director accepts the office of director either by a written acceptance or by participating in the affairs of the District at a meeting of the Board or otherwise.

6. Length of Term of Office of Directors. In accordance with Section 67.1451, RSMo, the length of the term of the Initial Directors is stated in the petition for formation of the District, and each Successor Director shall serve for a four (4) year term or until his/her successor is appointed in accordance with these Bylaws, the Petition, and the Act. If for any reason a director is not able to serve his/her term, the vacancy shall be filled pursuant to the procedure set forth in Article III, Section 9.

7. Removal for Cause. In accordance with Section 67.1451.7, RSMo, any director may be removed for cause by a two-thirds (2/3) affirmative vote of the Board (five directors). Written notice of the proposed removal shall be given to all directors prior to action thereon. Any director's failure to meet the qualification requirements set forth above, either in a director's individual capacity or in a director's representative capacity, shall constitute cause for the Board to take appropriate action to remove said director. In such event, the vacancy so created shall be filled pursuant to the procedure set forth in Article III, Section 6.

8. Resignation. Any director may resign from the Board. Such resignation shall be in writing addressed to the Secretary of the District and shall be effective immediately or upon its acceptance by the Board as such resignation may provide. In such event, the vacancy so created shall be filled pursuant to the procedure set forth in Article III, Section 6.

9. **Vacancy.** In accordance with Section 67.1451.4, RSMo, in the event of a vacancy on the Board prior to the expiration of a director's term, the remaining directors shall elect an Interim. At the expiration of the remaining term of the Interim Director, a Successor Director shall be appointed as set forth in Section 3 above.

10. **Compensation of Directors.** No director shall receive compensation from the District for any service such director may render to it as a director. A director may be reimbursed for his or her actual expenses reasonably incurred in and about such director's performance of his or her duties as a director.

11. **Committees.** The Board may create and appoint such committees as it deems necessary and advisable to conduct studies and reviews and provide advice and recommendations to the Board.

ARTICLE IV **MEETINGS AND PROCEDURES**

1. **Procedural Rules.** All meetings and proceedings of the District shall be in accordance with these Bylaws.

2. **Place.** Meetings of the Board of the District shall be held at the principal office of the District, as designated by the Board, or at any other place as may be determined from time to time by the Board.

3. **Notice of Meetings.** Meetings may be called by the Chair, the Secretary or by a majority of the Board by written notice calling the same and given in the manner hereinafter provided. Written notice stating the time, date, place, and tentative agenda of a meeting shall be delivered to each director not less than twenty-four (24) hours before the time of the meeting, either personally, by mail, by electronic mail or by facsimile. If mailed, such notice shall be deemed to be delivered three days after depositing such notice in the United States mail addressed to the director at such director's address as it appears on the records of the District, with postage thereon prepaid.

4. **Waiver of Notice.** Any notice provided or required to be given to the directors may be waived in writing by any of them whether before or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

5. **Quorum.** The presence of a majority of the Board shall be requisite for and shall constitute a quorum for the transaction of business at all meetings. Vacant positions are not counted in determining a majority of the Board. The acts of directors who are present at a meeting at which a quorum is present shall be valid as the act of the Board except in those specific instances in which a larger vote may be required according to law or these Bylaws.

6. **Decisions Requiring Five Votes.** Notwithstanding anything to the contrary contained herein, the approval of at least 5 directors is required for the following matters: (a) any change to the Bylaws; (b) any amendment to the Cooperative Agreement between the District and the City of Kansas City, Missouri; (c) any change in allocation of funding; (d) any special sales tax or special property assessment; and (e) the formation of any committee.

7. **Adjournment.** Whether or not a quorum shall be present at any such meeting, the directors present shall have power to adjourn the meeting, without notice other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that could have been transacted at the original session of the meeting.

8. **Voting.** Each director present at any meeting shall be entitled to cast one vote on each matter coming before such meeting for decision. If a roll call is taken, all votes shall be recorded so as to attribute each "aye" and "nay" vote, or abstinence if not voting, to the name of the respective director.

9. **Official Actions.** In accordance with Section 67.1451.8, RSMo, all official acts of the Board shall be by written resolution approved by the Board.

10. **Meeting by Conference Telephone.** Members of the Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting. Notice for such meetings shall designate a place where members of the public may hear the conference call for purposes of complying with Chapter 610 of the Revised Statutes of Missouri, as amended (the "**Sunshine Law**").

11. **Compliance with State Sunshine Law.** The District is a "public governmental body" pursuant to the Sunshine Law; therefore, notwithstanding any other provision of these Bylaws and in addition to any requirements of these Bylaws, the District shall give notice of and conduct all meetings of the Board in accordance with the Sunshine Law.

ARTICLE V **OFFICERS**

1. **General.** The officers of the District shall be a Chair, a Secretary, a Treasurer, and such other officers as the Board may appoint. The officers shall be appointed from among the members of the Board or their designated consultants. Any two or more offices may be held by the same person.

2. **Election and Terms of Office.** Initially, the officers shall be appointed by the Board named in these Bylaws at the first meeting of that body, to serve until the first annual meeting of the Board and until their successors are duly elected and qualified.

At the first and each subsequent annual meeting of the Board, the Board shall appoint officers to serve until the next annual meeting of the Board and until their successors are duly appointed and qualified.

An officer shall be deemed qualified when such officer enters upon the duties of the office to which such officer has been appointed and furnishes any bond required by the Board or these Bylaws; but the Board may also require of such person a written acceptance and promise faithfully to discharge the duties of such office.

The term of office of each officer of the District shall terminate at the annual meeting of the Board next succeeding his or her appointment and at which any officer of the District is appointed unless the Board provides otherwise at the time of his or her appointment.

3. Removal. If for any reason any officer who is also a member of the Board ceases to be a member, then such officer shall be deemed automatically removed from office in the District.

4. Compensation of Officers. No officer who is also a member of the Board shall receive any salary or compensation from the District for any services such officer may render to it as an officer. Salaries and compensation of all other officers, agents and employees of the District, if any, may be fixed, increased or decreased by the Board, but until action is taken with respect thereto by the Board, the same may be fixed, increased or decreased by the Chair, or such other officer or officers as may be empowered by the Board to do so; provided, however, that no person may fix, increase or decrease his or her own salary or compensation. Each officer may be reimbursed for such officer's actual expenses if they are reasonable and incurred in connection with the purposes and activities of the District.

5. Vacancies. Vacancies caused by the death, resignation, incapacity, removal, or disqualification of an officer of the District shall be filled by the Board at any annual or other regular meeting or at any special meeting called for that purpose, and such person or persons so elected to fill any such vacancy shall serve at the pleasure of the Board until the next annual meeting of the Board, and until such officer's successor is duly elected and qualified.

6. The Chair. The Chair shall be the chief executive officer of the District, shall have such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a District, and shall carry into effect all directions and resolutions of the Board. The Chair shall preside at all meetings of the Board at which he or she may be present.

The Chair may execute all bonds, notes, debentures, mortgages, and other contracts requiring a seal, under the seal of the District and may cause the seal to be affixed thereto, and all other instruments for and in the name of the District.

The Chair shall have the right to attend any meeting of any committee of the Board and to express his or her opinion and make reports at such meeting; provided, however, that unless the Chair shall be specifically appointed to any committee, the Chair shall not be considered to be a

committee member or have the right to vote or be counted for the purpose of determining a quorum at any such meeting.

The Chair may create and appoint such committees as he or she deems necessary and advisable to conduct studies and reviews and provide advice and recommendations to the Board.

The Chair shall have such other duties, powers and authority as may be prescribed elsewhere in these Bylaws or by the Board.

7. Secretary. The Secretary shall attend the meetings of the Board and shall record or cause to be recorded all votes taken and the minutes of all proceedings in the minute book of the District to be kept for that purpose. The Secretary shall perform like duties for any committee established pursuant to these Bylaws when requested by such committee to do so. The Secretary shall be the custodian of all the books, papers and records of the District and shall, at such reasonable times as may be requested, permit an inspection of such books, papers, and records by any director of the District. The Secretary shall upon reasonable demand furnish a full, true, and correct copy of any book, paper, or record in his or her possession. The Secretary shall be the administrative and clerical officer of the District under the supervision of the Chair and the Board.

The Secretary shall have the principal responsibility to give or cause to be given notice of the meetings of the Board, but this shall not lessen the authority of others to give such notice as provided in these Bylaws.

The Secretary shall have the general duties, powers, and responsibilities of a secretary of a district and shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board.

8. Treasurer. The Treasurer shall have supervision and custody of all moneys, funds and credits of the District and shall cause to be kept full and accurate accounts of the receipts and disbursements of the District in books belonging to it. The Treasurer shall keep or cause to be kept all other books of account and accounting records of the District as shall be necessary and shall cause all moneys and credits to be deposited in the name and to the credit of the District in such accounts and depositories as may be designated by the Board. The Treasurer shall disburse or supervise the disbursement of funds of the District in accordance with the authority granted by the Board, taking proper vouchers therefor. The Treasurer shall be relieved of all responsibility for any moneys or other valuable property, or the disbursement thereof committed by the Board to the custody of any other person or district, or the supervision of which is delegated by the Board to any other officer, agent, or employee.

The Treasurer shall render to the Chair or the Board, whenever requested by them, an account of all transactions as Treasurer and of those under the Treasurer's jurisdiction and the financial condition of the District.

The Treasurer shall have the general duties, powers, and responsibilities of a treasurer of a district, shall be the chief financial and accounting officer of the District and shall have and

perform such other duties, responsibilities and authorities as may be prescribed from time to time by the Board.

9. **[Intentionally Deleted].**

10. **Other Agents.** The Board from time to time may also appoint such other agents for the District as it shall deem necessary or advisable, each of whom shall serve at the pleasure of the Board or for such period as the Board may specify, and shall exercise such powers, have such titles, and perform such duties as shall be determined from time to time by the Board or by an officer empowered by the Board to make such determinations.

11. **Duties of Officers May Be Delegated.** If any officer of the District be absent or unable to act, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, some or all of the functions, duties, powers and responsibilities of any officer to any other officer, or to any other agent or employee of the District or other responsible person, provided a majority of the whole Board concurs therein.

ARTICLE VI
GENERAL PROVISIONS

1. **Contracts.** The Board may authorize any officer or officers, agent, or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District. All contracts shall be approved by written resolution of the Board.

2. **Depositories and Checks.** The moneys of the District shall be deposited in such manner as the Board shall direct in such banks or trust companies as the Board may designate and shall be drawn out by checks or drafts signed in such manner as may be provided by resolution adopted by the Board.

3. **Bonds.** The Board may require that any officer or employee handling money of the District be bonded at the District's expense, in such amounts as may be determined by the Board.

4. **Custodian of Securities.** The Board may from time to time appoint one or more banks or trust companies to act for reasonable compensation as custodian of all securities and other valuables owned by the District, and to exercise in respect thereof such powers as may be conferred by resolution of the Board. The Board may remove any such custodian at any time.

5. **Fiscal Year.** The District's fiscal year shall begin on May 1 and end on April 30 of each calendar year.

6. **Certain Loans Prohibited.** The District shall not make any loan to any officer or director of the District. No loans shall be contracted on behalf of the District and no evidence of any financial obligation shall be issued in its name unless authorized by resolutions of the Board of the District.

7. **Indemnification and Liability of Directors and Officers.** Each person who is or was a director or officer of the District (including the heirs, executors, administrators and estate of such person) shall be indemnified by the District as of right to the full extent permitted or authorized by the laws of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees) asserted or threatened against or incurred by such person in such person's capacity as or arising out of such person's status as a director or officer of the District. The indemnification provided by this Bylaw provision shall not be exclusive of any other rights to which those indemnified may be entitled under any other bylaw provision or under any agreement, vote of disinterested directors or otherwise, and shall not limit in any way any right which the District may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

No person shall be liable to the District for any loss, damage, liability or expense suffered by it on account of any action taken or omitted to be taken by such person as a director or officer of the District if such person (i) exercised the same degree of care and skill as a prudent person would have exercised under the circumstances in the conduct of his or her own affairs, or (ii) took or omitted to take such action in reliance upon advice of counsel for the District, or upon statements made or information furnished by directors, officers, employees or agents of the District which such person had no reasonable grounds to disbelieve.

8. **Absence of Personal Liability.** The directors and officers of the District are not individually or personally liable for the debts, liabilities, or obligations of the District.

9. **Budgets.** The District will annually prepare a budget for the upcoming fiscal year and submit it to the City. The budget shall set forth the expected expenditures, revenues, and rates of taxes for the following fiscal year. The City Council, in its discretion, may review and comment on the submitted budget. At the District's annual meeting, the District must adopt a budget for the next fiscal year.

10. **Annual Report.** Within one hundred twenty days after the end of each fiscal year, the District shall submit a report to the City Clerk and the Missouri Department of Economic Development stating the services provided by the District, revenues collected and expenditures made by the District during the previous fiscal year, along with copies of all resolutions approved by the Board during such fiscal year.

ARTICLE VII **AMENDMENTS**

The Board of the District shall have the power to make, alter, amend, and repeal the Bylaws of the District and to adopt new Bylaws, which power may be exercised by a unanimous vote of all seven (7) members of the full Board. The District shall keep at its principal office a copy of the Bylaws, as amended, which shall be open to inspection by any member of the Board at all reasonable times during office hours.

CERTIFICATE TO BYLAWS

The foregoing Bylaws were duly adopted as and for the Bylaws of the Palestine Community Improvement District by the Board of said District at its meeting held on December 7, 2023.

PALESTINE COMMUNITY IMPROVEMENT DISTRICT

Chair

Attest:

Secretary