

**THE BRANSON HILLS INFRASTRUCTURE AND RECREATIONAL FACILITIES
COMMUNITY IMPROVEMENT DISTRICT**

**MINUTES OF THE INITIAL MEETING OF
THE BOARD OF DIRECTORS OF THE DISTRICT**

The initial meeting of the Board of Directors ("Board") of The Branson Hills Infrastructure and Recreational Facilities Community Improvement District (the "District") was held on August 15, 2006 commencing at 1:42 p.m., in the conference room at the offices of HCW, LLC, 3027 West Highway 76, Branson, Taney County, Missouri, pursuant to notice duly given.

The members of the Board were physically present at the meeting were Gary Fultz and Marc Williams. Board members Rick Huffman, Barry Schwartz and Mark Elgin attended the meeting via teleconference. Also present by teleconference were Rick McConnell and Joe Lauber of Gilmore & Bell, P.C.

Mr. Lauber called the meeting to order and explained that the members of the Board of Directors had been stated in the Petition to establish the District, which was approved by Ordinance No. 2006-108 of the City of Branson Board of Aldermen. Attendance of the members was verified. Mr. McConnell provided a brief overview of the meeting's purpose.

Upon motion duly made, seconded and unanimously carried, Mr. Huffman was elected temporary chairman of the meeting, who proceeded to conduct the meeting. A simple majority of Board was present, a quorum was recognized and the meeting was commenced.

Mr. Lauber introduced Resolution 2006-01. Mr. McConnell explained the Bylaws for the management and regulation of the affairs of the District. Mr. Elgin moved to adopt Resolution 2006-01, approving the proposed Bylaws, a copy of which is attached to these minutes. Mr. Schwartz seconded the motion. Mr. Huffman called for discussion; hearing none, a vote was held, the motion unanimously carried and Resolution 2006-01 was adopted.

Mr. Lauber introduced Resolution 2006-02 and explained the need to appoint officers to manage the affairs of the District. Mr. Huffman called for nominations for officers of the District. Nominations were made and Mr. Huffman entertained a motion to adopt Resolution 2006-02, approving the appointment of Rick Huffman as Chairman of the District, Mark Elgin as Vice Chairman of the District, Gary Fultz as Secretary of the District, Barry Schwartz as Treasurer of the District, and Marc Williams as Executive Director of the District, a copy of which is attached to these minutes. Mr. Williams made the motion, which was seconded by Mr. Elgin. There was no discussion. A vote was held, the motion unanimously carried and Resolution 2006-02 was adopted.

Mr. Lauber introduced Resolution 2006-03. Mr. Elgin moved for the adoption of Resolution 2006-03 to ratify the organization and past actions of the District, and to authorize the reimbursement of costs of the formation of the District. Mr. Williams seconded the motion. There was no discussion. A vote was held, the motion unanimously carried and Resolution 2006-03 was adopted. A copy Resolution 2006-03 is attached to these minutes.

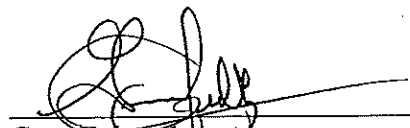
Mr. Lauber introduced Resolution 2006-05 and explained that Resolution 2006-04 had been pulled from the agenda before notice was given and would be discussed at the next Board meeting.

Mr. Lauber discussed the matter of the imposition of a sales and use tax within the District as authorized by the Act and contemplated by the Petition filed for the formation of the District. Mr. Huffman called for a motion to adopt of Resolution 2006-05 to impose a sales tax to be presented to qualified voters of the District, which motion was made by Mr. Elgin. Mr. Fultz seconded the motion. Mr. Huffman called for a discussion; hearing none, a vote was held, the motion unanimously carried and Resolution 2006-05 was adopted. A copy of Resolution 2006-05 is attached to these minutes.

Mr. Lauber sought and received permission to introduce an item of Other Business regarding the notification to the Taney County election authority the District Sales Tax election. Mr. Lauber provided information on the documents needed to provide this notice and explained the reason notification was necessary on August 15, 2006.

There being no other business to come before the meeting, Mr. Elgin made a motion to adjourn the meeting, which was seconded by Mr. Williams. A vote was held, the motion carried and the meeting was adjourned.

Respectfully submitted,



Gary Fultz, Secretary