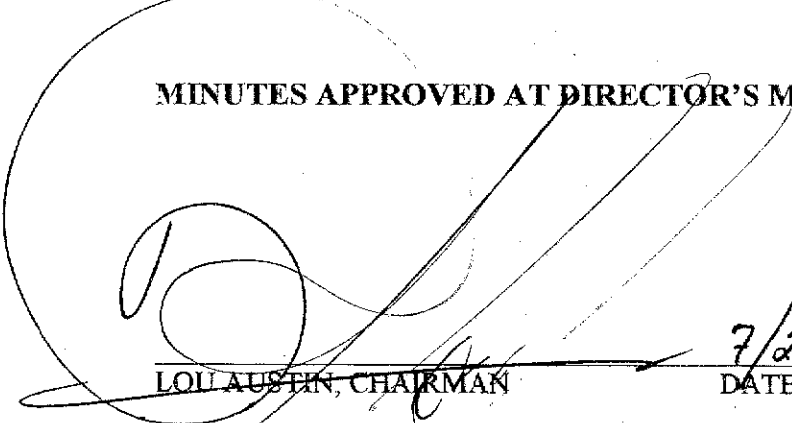


**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**CERTIFICATION OF MINUTES**

**CERTIFICATION OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON FEBRUARY 3, 2003. THE UNDERSIGNED CHAIRMAN AND SECRETARY OF THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT, A POLITICAL SUBDIVISION OF THE STATE OF MISSOURI, CERTIFY THAT THE ATTACHED MINUTES OF THE ABOVE REFERENCED BOARD OF DIRECTORS MEETING ARE TRUE AND ACCURATE TO THE BEST OF OUR KNOWLEDGE.**

**MINUTES APPROVED AT DIRECTOR'S MEETING HELD ON MARCH 3, 2003.**

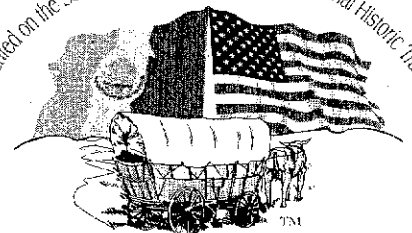
  
LOU AUSTIN, CHAIRMAN

7/21/03  
DATE

  
JANET LARIMER

7/21/03  
DATE

Located on the Santa Fe, Oregon, and California National Historic Trails



3-Trails  
Community Improvement District

# MEETING NOTICE AND AGENDA

## AGENDA

Meeting of the Board of Directors  
3-Trails Community Improvement District

EXHIBIT A (11 11)

Date: February 3, 2003  
Time: 1:00 p.m.  
Place: 5912 East Bannister Road  
Kansas City, Jackson County, Missouri

### I. CALL TO ORDER

1. Attendance / Quorum
2. Acknowledgement / Submission of Meeting Notice
3. Welcome / Meeting Protocols

### II. OLD BUSINESS

- A. Approval of Minutes: Postponed to March 3<sup>rd</sup> due to Substantial Changes.

### III. NEW BUSINESS

- A. Presentations:
  1. Economic Development Corp. - KCMO
  2. Ryan Hudspeth - Commercial Group Inc.
- B. Status of Requests for proposals for District Office:
- C. Treasurer's Report:
  1. Banking/Finance - Update, action as necessary
  2. Insurance - Update, action as necessary
  3. Webb Site- Update, action as necessary
- D. Legal Report:
  1. Real estate Tax Assessment - Update, action as necessary
  2. Sales Tax- Update, action as necessary
  3. Solicitation Letter- Update, action as necessary
  4. Summary of District Boundaries, Expansion Summary
  5. Status of Base Line Services Request
- E. District Manager's Report:
  1. District Newsletter- Update, action as necessary
  2. Grant Writing Proposal - Update, action as necessary
  3. Operation Clean-Up Front Door- Update, action as necessary

### IV. OTHER BUSINESS

A

### V. ADJOURNMENT

Posted 4:30 pm Saturday 2/1/03  
 5912 East Bannister Rd.  
 Lou Austin

**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT  
MINUTES OF THE MEETING OF  
THE BOARD OF DIRECTORS OF THE DISTRICT  
February 3, 2003**

**I. CALL TO ORDER**

The meeting was called to order at 1:00 p.m. at 5912 East Bannister Road, Kansas City, Jackson County, Missouri.

Board of Directors Members ("Board") for the 3-Trails Community Improvement District ("District") were present as follows:

Board Members: \*

Lou Austin, Chairman

Craig Fischman, Secretary

Troy Marquis, Treasurer

Ben Benjamin

\*One board position is presently vacant

Others present:

Charles Renner, Esq., Husch & Eppenberger

Janet Larimer, Bannister Mall

Barbara Engel, South Kansas City Chamber of Commerce

Marvin Walker, resident

Betty Lou Carter, McClendon's Hats

Paul Denzer, Hillcrest Bank Building

Gary Sage, EDC (partial attendance)

Terry Guido, EDC (partial attendance)

Annette Beck, The Commercial Group (partial attendance)

Ryan Hudspeth, The Commercial Group (partial attendance)

Chuck Eddy, 6<sup>th</sup> District Councilman (partial attendance)

Exhibits: Notice of 2/3/03 meeting sent by fax posted on 2/1/03. Notice attached to minutes as Exhibit A.

Welcome visitors.

**II. OLD BUSINESS:**

A. Approval of minutes: It was unanimously agreed to postpone minutes for November 4<sup>th</sup>, November 18<sup>th</sup>, December 2<sup>nd</sup>, and January 6<sup>th</sup> meetings until March 3<sup>rd</sup> meeting.

### III. NEW BUSINESS:

#### A. Presentations:

1. Economic Development Corporation: Gary Sage and Terry Guido gave an update on the status of the TIF project concerning Bass Pro and The May Co. State economic supplemental TIF should remain in effect for another year. Development prospects have requested a marketing plan for the CID District. EDC recommended CID develop a District master plan for EDC and others to market from.
2. Commercial Group: Ryan Hudspeth and Annette Beck made a brief presentation of their interests in the Benjamin Suites Hotel. Considering conversion of hotel to multifamily use for singles & elderly. Recommended the CID develop a District master plan. It would help potential developers like Commercial Group perform due diligence and evaluate the District for investment purposes.

#### B. Status of Requests for proposals for District Office:

Received affidavit of publication of RFP. One RFP response was submitted and it complied with the District's applicable policies and procedures. Counsel recommended the Board review the RFP and discuss it in closed session at the next Board meeting. A committee was established to make a recommendation. Committee consists of Marquis, Webb & Fischman.

#### C. Treasurer's Report:

1. Banking / Finance: Treasurer, Troy Marquis reviewed the District Revenues and Expenses and Balance Sheet Report as of January 31, 2003, attached to these minutes as Exhibit B. The District received \$171,538 from property taxes and expects another 20K-30K. Line of credit is paid off. Budget for next fiscal year will be presented to the Board for approval at next Board meeting and will then be sent to City for approval.
2. Insurance: Received quote from Missouri Public Entity Risk Management for general liability coverage. Recommended approval of General Liability be deferred until all board members have a chance to review coverage to determine the best way to proceed.
3. Website: Board Committee is meeting with Digital Evolution to define what to include on the website. Recommend creating policies and procedures for updates and deadlines.

**D. Legal Report:**

1. Real estate Tax Assessment: Have collected some of the Special Assessment Taxes. County Assessor estimates revenue should be approximately \$203,000. Expect to receive a break down of the projected collections from the County Collectors Office.
2. Sales Tax Assessment: Department of Revenue - MO will be responsible for the collection of unpaid sales taxes. Working on identifying businesses not collecting additional sales tax.
3. Solicitation Letter: Counsel recommends the Board review the Draft Letter for discussion and action at the next meeting. Counsel also recommends an informal meeting with the Police Department and the Prosecuting Attorney prior to the next meeting to present to the Board.
4. Summary of District Boundaries: Counsel presented a summary of the statutory requirements to expand the boundaries of the District. District can be expanded by approval of Board and a majority (by number and assessed value) of the proposed new owners requesting annexation into the District. Process requires petition with signatures of new property owners be submitted to the City essentially same approval process as the initial CID petition. May also want to consider amending petition to extend term of the District at the same time. This would require petition approval of majority (by number and assessed value) of the original and new District property owners.
5. Status of Base Line Services Request: Counsel explained the current Base Line Services required by the City are attached to the resolution forming the District. (Resolution No. 020848) Counsel recommends the Board to make an assessment of the performance of the base line services for further discussion at the next meeting. To modify the existing services documentation would require a new ordinance, which would be costly and time consuming.

**E. District Manager's Report:**

1. District Newsletter: Thank you to Doug Webb for his assistance with the newsletter. It had been hand delivered. Recommended monthly frequency via mail/e-mail in the future.
2. Grant Writing Proposal: Tabled.

JH

3. Operation Clean-Up the Front Door: KCATA has determined that it cannot, as a practical matter, transfer money to District to clean Bus Stops. Discussion to create RFP for the daily cleaning of the bus stops, litter pick-up, sign removal and surveillance Recommended more cost information be developed for board evaluation and RFP specifications. District Manager provided detail of KCATA's present level of service and associated costs.

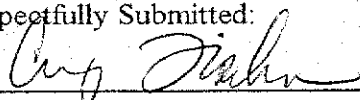
#### IV. OTHER BUSINESS:

- A. South KC Chamber Master Membership: Board Committee recommended approval of the Master Membership with the South KC Chamber. A motion was made to approve the Master Membership with the South KC Chamber for a partial year until June 30, 2003 for \$5,000, consistent with the recommendations of the Committee. After discussion the motion was seconded and adopted with a 3 to 1 vote in favor of the motion.
- B. New Residential in the District: The Chairman requested an informal straw poll of the meeting attendees regarding new residential/mixed use within the CID District. The poll was unanimous in favor of new residential provided it did not involve low income.

#### V. ADJOURNMENT

Upon motion duly made, seconded, and unanimously approved, the meeting was adjourned.

Respectfully Submitted:



2/4/03

Craig Fischman  
Secretary

Date

# EXHIBIT B

## 3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

### REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	Jan 03			Jul 02 - Jan 03			Jul 02 - Jan 03		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
<b>REVENUE</b>									
Property Tax Revenue	171,538	190,000	(18,462)	171,538	190,000	(18,462)	171,538	190,000	(18,462)
<b>TOTAL REVENUE</b>	<b>171,538</b>	<b>190,000</b>	<b>(18,462)</b>	<b>171,538</b>	<b>190,000</b>	<b>(18,462)</b>	<b>171,538</b>	<b>190,000</b>	<b>(18,462)</b>
<b>EXPENSES</b>									
<b>Administration</b>									
Salaries	-	320	320	-	1,280	1,280	-	1,280	1,280
Payroll Taxes	-	50	50	-	200	200	-	200	200
Payroll Costs & Benefits	-	-	-	-	-	-	-	-	-
Office Rent	1,000	500	(500)	3,883	3,500	(383)	3,883	3,500	(383)
Electricity	83	175	92	587	1,300	713	587	1,300	713
Gas	153	50	(103)	494	325	(169)	494	325	(169)
Water	-	25	25	-	125	125	-	125	125
Office Supplies	66	50	(16)	66	900	834	66	900	834
Small Tools & Equipment	-	-	-	-	1,000	1,000	-	1,000	1,000
Postage & Delivery	29	500	471	29	1,000	971	29	1,000	971
Contract Services	-	8,000	8,000	16,000	36,000	20,000	16,000	36,000	20,000
Legal Fees	11,616	1,500	(10,116)	58,787	27,074	(31,713)	58,787	27,074	(31,713)
Professional Services	(115)	-	115	14,874	14,712	(162)	14,874	14,712	(162)
Accounting & Auditing	-	-	-	-	-	-	-	-	-
Grants & Loans	-	-	-	-	3,000	3,000	-	3,000	3,000
Start Up Costs	-	-	-	34,978	35,186	208	34,978	35,186	208
Signs & Directories	-	1,750	1,750	-	1,750	1,750	-	1,750	1,750
Dues & Subscriptions	-	10,000	10,000	-	10,000	10,000	-	10,000	10,000
Licenses, Fees & Prints	-	83	83	-	294	294	-	294	294
Professional Insurance	-	-	-	5,000	4,000	(1,000)	5,000	4,000	(1,000)
Interest Expense	467	-	(467)	467	-	(467)	467	-	(467)
Miscellaneous	47	50	3	47	150	103	47	150	103
<b>Total Administrative Expenses</b>	<b>13,346</b>	<b>23,053</b>	<b>9,707</b>	<b>135,212</b>	<b>141,796</b>	<b>6,584</b>	<b>135,212</b>	<b>141,796</b>	<b>6,584</b>
<b>TOTAL EXPENSES</b>	<b>13,346</b>	<b>23,053</b>	<b>9,707</b>	<b>135,212</b>	<b>141,796</b>	<b>6,584</b>	<b>135,212</b>	<b>141,796</b>	<b>6,584</b>
<b>NET REVENUE &amp; EXPENSES</b>	<b>158,192</b>	<b>166,947</b>	<b>(8,755)</b>	<b>36,326</b>	<b>48,204</b>	<b>(11,878)</b>	<b>36,326</b>	<b>48,204</b>	<b>(11,878)</b>

## EXHIBIT B CONT.

## 3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

## BALANCE SHEET

AS OF JANUARY 31, 2003

<u>ASSETS</u>	
CASH AND CASH EQUIVALENTS	
Cash - Depository	56,443
Investment Account	-
	<u>56,443</u>
<b>TOTAL ASSETS</b>	<b><u>56,443</u></b>
 <u>LIABILITIES &amp; EQUITY</u>	
LIABILITIES	
Line of Credit - Hillcrest Bank	-
Systems Payable	20,117
Accrued Expenses	-
Reserve for Encumbrances	-
	<u>20,117</u>
<b>TOTAL LIABILITIES</b>	<b>20,117</b>
EQUITY	
Retained Earnings	-
Net Income	36,326
	<u>36,326</u>
<b>TOTAL EQUITY</b>	<b>36,326</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>56,443</u></b>