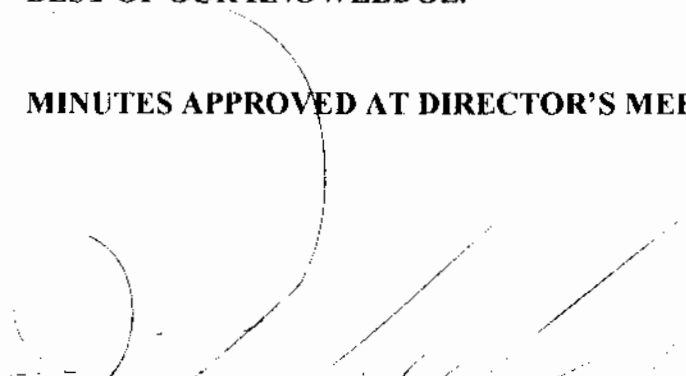


THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

CERTIFICATION OF MINUTES


CERTIFICATION OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON JUNE 21, 2004. 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 JULY 19, 2004.



LOU AUSTIN, CHAIRMAN DATE

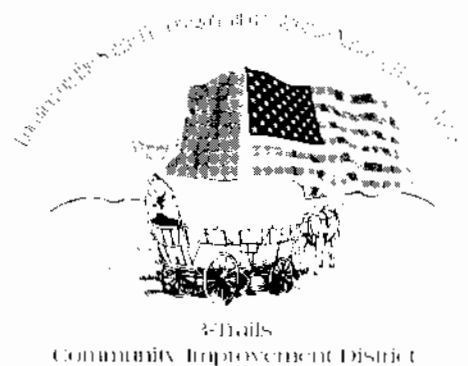
July 19, 2004



JANET LARIMER DATE

7-19-04

DATE



**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT
MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE DISTRICT
June 21, 2004**

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.

1. Roll Call / Determination of Quorum: Board of Directors Members were present as follows:

Board Members:

Lou Austin
Whitney Kerr, Sr.,
Troy Marquis
Mary Norman
Tony Privitera

Directors Paul Denzer and Mark Hoyt were absent

Lou Austin acted as Chairman and Janet Larimer acted as Secretary of the meeting.

Others present:

Charles Renner, Esq., Husch & Eppenberger, District Counsel
Gary Ogzewalla, Copaken, White & Blitt
Marvin Walker, resident
Gerald Williams, KCMO City Planning Department
Steve Noble, KCMO City Planning Department
Mark Thomas, Copaken, White & Blitt
David Reynolds, Center for Community Solutions
Mark Swope, KCATA

3. Meeting Notice: The meeting notice was certified and attached to these minutes as Exhibit A.

4. Welcome visitors.

II. OLD BUSINESS:

- A. Approval of minutes: A motion was made and seconded to approve the meeting minutes for the May 17, 2004 meeting. After discussion the motion was approved.

III. NEW BUSINESS:

A. Special Presentations:

1. KCMO Public Works: Rescheduled to July meeting.
2. KCATA: Mr. Swope presented the plans for the trial shuttle service within the CID. Plans include performance criteria, marketing and the operational logistics.
3. KCMO City Planning: Mr. Williams and Mr. Noble of the Kansas City Planning & Development Department gave an update on grant application for construction of the trail from I-435 to 93rd Street and Hillcrest Road. Under review by MARC. Decision will be made in Dec./ Jan. 25% local match from the CID will be required plus design costs in fiscal year 2004.

B. Treasurer's Report:

1. Financial Statement: Troy Marquis, District Treasurer, reviewed the District financial statement through May 31, 2004 (attached to these minutes as Exhibit B). Motion was made and seconded to accept the financial statement. After discussion the motion was unanimously approved.
2. Sales / Real Estate Tax Revenues: Reconciliation of real estate CID taxes not paid is being made by Treasurer and Legal Counsel.
3. Insurance: None.
4. Budget: Audit scheduled for July.
5. Other: Statement format recommendations will be made at July Board meeting.

C. Legal Report:

1. Petition to Extend District: Received no comment from the City on petition format. Lou Austin is completing the property ownership for audit then to Shafer, Warren & Kline for preparation of new Exhibit E. Expect to have petition completed by July or August.
2. Other: None.

D. District Manager's Report:

1. District / Administrative Programs:
 - a. Summary of Activities: Summary of CID activities has been posted on the web site.
 - b. Web Site: Gathering information for upgrade @ committee level. Recommendation will be made to Board in July.
 - c. CID Life Extension & Expansion: See C(1).
 - d. South KC Chamber Master Membership: Matter has been referred to the CGS committee for evaluation and Board recommendation.

2. Master Plan – Image & Marketing Program:
 - a. 3-Trails Village information brochure: Brochure given to the Board for review.
 - b. Master Plan – Village Square: None.
 - c. Master Plan – 3-Trails Village: None.

3. Maintenance Program (Clean, Green & Secure Committee):
 - a. Litter Removal – KCMO Police Community Service: Reviewed program with Board.
 - b. Litter Removal MCSP Program: Researching the possibility of having a weekly program.
 - c. KCATA – Circulator Shuttle: None.
 - d. Security – CID master plan / program: Working with ADT for possibilities of District wide security programs.
 - e. Business Watch (Armbans, decals, magnetic signs): Presentation on business watch program from Mr. Renolds.
 - f. District boundary signs: Reviewed proposed CID signage marking the boundaries of the CID.
 - g. Promotion / Special events: Researching events for late summer and early fall focused on attracting customers into the CID district.

- h. Landscaping / beautification: None.
 - i. Inter-District communication: None.
4. Transportation Program:
- a. 87th Street Upgrade & enhancement: City Manager submitted bond recommendations to the PIAC committee which included funding for 87th Street. PIAC recommended \$11.8 million to City Council - \$3 million in 2004 and \$8.8 million in 2005. PIAC recommendation is before the City Council.
 - b. Bannister Road Upgrade & Enhancement: None.
 - c. 3-Trails Transit Station: Pending while possibilities for the Penney's building are explored.
 - d. 3-Trails Shuttle: See A(2).
 - e. 3-Trails Corridor: None.
5. Investment Program:
- a. Fire Station No. 41: Station may relocate from Bannister Road to 93rd Street and Hillcrest Road.
 - b. Penney's Building: Developing a building abstract and information package for CID. Currently have several candidates for the Penney's building.
 - c. Federal STP Grant: CID application filed with Mid. America Regional Council.
 - d. Federal CMAC Grant (\$368,000): None.
 - e. PIAC Transit Grant (\$500,000): None.
6. Pending & Follow-up items:
- a. Hickman Mills School District has loaned 16 oak "teachers" chairs for use in the CID offices.
 - b. National Parks Trails brochures to be purchased – 2,000 brochures for \$400.

7. Request(s) for Action:

A motion was made to approve Resolution 2004-08 expressing support of certain Bannister Road enhancements and upgrades and recommending implementation of Option 1 of the CID sponsored Bannister Road Feasibility Report. After discussion the motion was unanimously approved. Bannister Road Feasibility Report and Board resolution will be transmitted to MODOT and the City of Kansas City by District Legal Counsel.

E. Other:

1. Communication:

- a. Next regular Board meeting: July 19, 2004 @ 1PM, 5912 E. Bannister Road.

F. Public comments and communications: None.

G. Adjournment

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

H. List of Exhibits

1. Exhibit A -- Meeting Notice
2. Exhibit B -- June 2004 Financial Statement

EXHIBIT A
NOTICE & AGENDA
Meeting of the Board of Directors
3-Trails Community Improvement District

Date: June 21, 2004

Time: 1:00 p.m.

Place: 5912 East Bannister Road
Kansas City, Jackson County, Missouri

I. CALL TO ORDER

- A. Roll Call / Determination of Quorum
- B. Meeting notice certification
- C. Welcome / Meeting Protocols

II. OLD BUSINESS

- A. Approval of minutes: May 17, 2004.

III. NEW BUSINESS

A. Special Presentations:

- 1. KCMO Public Works – Update on 87th Street
- 2. KCATA – Update on CID Circulator Shuttle
- 3. KCMO City Planning – Update on CID Trails Grant Application

B. Treasurer's Report:

- 1. Financial Statements
- 2. Sales and Real Estate Tax
- 3. Insurance
- 4. Budget
- 5. Other: None.

C. Legal Report:

- 1. Petition to Extend District - Update
- 2. Other: None.

D. District Manager's Report:

- 1. District / Administrative Programs
 - a. Summary of Activities log.
 - b. Web Site.
 - c. CID Life Extension & Expansion.
 - d. South KC Chamber Master Membership
- 2. Master Plan – Image & Marketing Program
 - a. 3-Trails Village information brochure
 - b. Master Plan – Village Square
 - c. Master Plan 3-Trails Village

3. Maintenance Program (Clean, Green & Secure Committee)
 - a. Litter Removal – KCMO Police Community Service
 - b. Litter Removal - MCSP Program
 - c. KCATA – Circulator Shuttle
 - d. Security – CID master plan / program
 - e. Business Watch (Armbands, decals, magnetic signs)
 - f. District boundary signs
 - g. Promotion / Special events
 - h. Landscaping / beautification
 - i. Inter-District communications
4. Transportation Program
 - a. 87th Street Upgrade & Enhancement
 - b. Bannister Road Upgrade & Enhancement
 - c. SKCCC Master Membership
 - d. 3-Trails Transit Station
 - e. 3-Trails Shuttle
 - f. 3-Trails Corridor
5. Investment Program
 - a. Fire Station No. 41
 - b. Penney's Building & Site
 - c. Federal STP Grant (\$1 million dollars)
 - d. Federal CMAC Grant (\$368,000)
 - e. PIAC Transit Grant (\$500,000)
6. Pending & Follow-up items
 - a. None.
7. Request(s) for Action

ITEM: Bannister Road Phase I – US 71 to White Avenue.

RECOMMENDATION:

1. Accept feasibility report.
2. Transmit report to MODOT & KCMO (through Legal Council) with recommendation to implement Option I as soon as possible.

FUNDS REQUESTED: None.

E. Other:

1. Communication:
 - a. Next Board meeting: July 19, 2004 @ 1PM, 5912 E. Bannister Road.

2. Presentations:

a. None.

F. Public comments and communications:

ADJOURNMENT

I certify that a copy of this agenda and notice of meeting of the Board of Directors of the 3-Trails Improvement District was posted on the door of the District's office at 5912 East Bannister Road, Kansas City, Missouri 64134 at 5:00 AM/PM on JUNE 18 2004.

By: _____

Name Printed: _____

For: 3-Trails Community Improvement District

LOU AUSTIN
CHAIRMAN

3 Trails Community Improvement District Financial Summary

To: 3 Trails CID Board of Directors
 From: Troy M. Marquis, Treasurer
 Date: June 21, 2004
 Subject: CID Financial Summary through May 31, 2004

Overview: Through the remainder of the CID's 3 year life cycle (ending July 7, 2005), there is approximately **\$458,055** available at the Board's discretion after all committed projects and future administrative expenses are paid.

Cash balance as of May 31, 2004	\$245,630
Less: Outstanding commitments & liabilities	(\$6,915)
Current unrestricted funds	\$238,715
Projected revenue expected through July 7, 2005	\$452,070
Less: Projected expense expected through July 7, 2005	(\$232,730)
Estimate of cash available for future programs	\$458,055

Commitments: At the last Board meeting, resolution 2004-07 was passed to purchase trees for the median area on Hillcrest Road. Three bids were solicited and only Rosehill responded at a total price of \$7,812. This amount will be accrued in June.

Financial Reports Enclosed:

Treasurer's Report Memo
 Balance Sheet
 Statement of Revenues and Expenses (Current Fiscal Year)
 Departmental Detail for the Administrative and Program Department

To: 3 Trails CID Board of Directors
From: **Troy Marquis, Treasurer**
CC: Charles Renner, Janet Larimer
Date: June 21, 2004
Re: Treasurer's Report

Financial Report:

The month of May is the first month of fiscal year 2005. The Net Revenues and Expenses totaled \$2,002 which was \$5,929 worse than plan. Administrative Income accounted for all of the Net Revenues and Expenses as no costs were incurred on the specific Board approved programs.

Administrative Department:

For the first month of the fiscal year, we received sales tax deposits from the State of Missouri totaling \$8,815. There were no additional receipts of real estate tax revenue. Expenses were in line with the budget as no significant variances were generated.

As a future item, the CID's rental obligation was to have increased slightly during May. This adjustment was overlooked and will be corrected in June's activity.

Program Department:

No additional expenses were incurred during May for the three programs that the Board is currently tracking.

If you have any questions or would like to discuss further, please feel free to call me at 913-383-4527.

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

BALANCE SHEETS

AS OF

<u>ASSETS</u>	<u>May 31, 2004</u>	<u>April 30, 2004</u>
CASH AND CASH EQUIVALENTS		
Checking Account	245,630	243,628
Savings Account	-	-
Money Market	-	-
Other	-	-
	<u>245,630</u>	<u>243,628</u>
PROPERTY & EQUIPMENT		
Furniture & Fixtures	-	-
Office Equipment	-	-
Other	-	-
	<u>-</u>	<u>-</u>
REAL ESTATE		
Easements	-	-
Land	-	-
Other	-	-
	<u>-</u>	<u>-</u>
OTHER ASSETS		
A/R Miscellaneous	-	-
Prepaid Expenses	-	-
	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>245,630</u>	<u>243,628</u>
LIABILITIES & NET ASSETS		
LIABILITIES		
Accounts Payable	-	-
Line of Credit - Hillcrest Bank	-	-
Reserve for Encumbrances		
Bannister Road Quick Study	4,250	
Transit Station Environmental Study	1,000	
	<u>5,250</u>	<u>5,250</u>
Reserve for Earmarked Funds		
Shafer Kline & Warren	1,665	
	<u>1,665</u>	<u>1,865</u>
TOTAL LIABILITIES	<u>6,915</u>	<u>6,915</u>
NET ASSETS		
Retained Earnings	236,713	47,303
Current Period Revenues and Expenses	2,002	189,410
TOTAL NET ASSETS	<u>238,715</u>	<u>236,713</u>
TOTAL LIABILITIES & NET ASSETS	<u>245,630</u>	<u>243,628</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

SUMMARY OF REVENUES AND EXPENSES

FOR THE PERIOD ENDED

	<u>May 31, 2004</u>	<u>April 30, 2004</u>
ADMINISTRATIVE DEPARTMENT		
Revenue	8,814	328,772
Expense	6,812	121,329
	<u>-</u>	<u>-</u>
ADMINISTRATIVE INCOME	<u>2,002</u>	<u>205,443</u>
PROGRAMS		
Program Grant Income	-	27,700
Program Expenditures	-	43,733
	<u>-</u>	<u>-</u>
PROGRAM INCOME	<u>-</u>	<u>(16,033)</u>
TOTAL OF REVENUE & EXPENSES	<u>2,002</u>	<u>189,410</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	May 04			May 04 - May 04			Jul 02 - May 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
ADMINISTRATIVE DEPARTMENT									
REVENUE									
Property Tax Revenue	-	-	-	-	-	-	291,993	365,000	(73,007)
Sales Tax Revenue	8,814	15,000	(6,186)	8,814	15,000	(6,186)	246,396	243,820	2,576
Interest Income	-	-	-	-	-	-	70	-	70
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	8,814	15,000	(6,186)	8,814	15,000	(6,186)	538,459	608,820	(70,361)
EXPENSES									
Accounting & Auditing	-	-	-	-	-	-	4,000	20,000	16,000
Administrative Fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	703	-	(703)
Borrowings Repaid	-	-	-	-	-	-	-	3,000	3,000
Business Development	-	-	-	-	-	-	-	-	-
Conferences & Meetings	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Contract Services	105	106	1	105	106	1	17,805	52,106	34,301
Dues & Subscriptions	-	-	-	-	-	-	17,000	20,000	3,000
Electricity	250	300	50	250	300	50	4,454	3,270	(1,184)
Furniture & Equipment	-	-	-	-	-	-	1,139	1,000	(139)
Gas	51	60	9	51	60	9	1,968	1,630	(338)
Insurance - Public Officials	-	-	-	-	-	-	5,880	4,000	(1,880)
Insurance - General Liability, E&O	-	-	-	-	-	-	17,447	11,700	(5,747)
Interest Expense	-	-	-	-	-	-	467	1,525	1,058
Leased Equipment	-	-	-	-	-	-	-	-	-
Legal Fees	3,570	4,000	430	3,570	4,000	430	116,718	82,074	(34,644)
Licenses, Fees & Permits	100	-	(100)	100	-	(100)	600	605	5
Meals & Entertainment	-	-	-	-	-	-	128	-	(128)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,478	2,478	-	2,478	2,478	-	30,664	36,714	6,050
Office Supplies	25	50	25	25	50	25	959	1,900	941
Other	69	50	(19)	69	50	(19)	320	900	580
Postage & Delivery	14	25	11	14	25	11	215	8,325	8,110
Printing	-	-	-	-	-	-	-	-	-
Professional Services	150	-	(150)	150	-	(150)	25,569	41,712	16,143
Program / Events	-	-	-	-	-	-	5,073	5,000	(73)
Signs & Directories	-	-	-	-	-	-	1,989	1,750	(239)
Start Up Costs	-	-	-	-	-	-	29,978	35,186	5,208
Telephone	-	-	-	-	-	-	-	300	300
Travel	-	-	-	-	-	-	-	-	-
Wages	-	-	-	-	-	-	-	1,920	1,920
Wages - Payroll Taxes	-	-	-	-	-	-	-	300	300
Wages - Costs / Benefits	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	175	175
TOTAL EXPENSE	6,812	7,069	257	6,812	7,069	257	283,166	335,092	51,926
ADMINISTRATIVE INCOME	2,002	7,931	(5,929)	2,002	7,931	(5,929)	255,293	273,728	(18,435)

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	May 04			May 04 - May 04			Jul 02 - May 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
GRANT INCOME									
Program I - Transit Station	-	-	-	-	-	-	-	-	-
Program II - 87 Street Quick Study	-	-	-	-	-	-	5,000	-	5,000
Program III - Bannister Road Improvements	-	-	-	-	-	-	-	-	-
Program IV -	-	-	-	-	-	-	-	-	-
TOTAL GRANT REVENUE	-	-	-	-	-	-	5,000	-	5,000
PROGRAM EXPENDITURES									
Program I - Transit Station									
Consulting Fees	-	-	-	-	-	-	-	-	-
Grant Payments by CID	-	-	-	-	-	-	4,000	-	(4,000)
CMAQ Grant	-	-	-	-	-	-	-	-	-
Program II - 87 Street Quick Study									
Consulting Fees	-	-	-	-	-	-	1,083	-	(1,083)
Grant Payments by CID	-	-	-	-	-	-	11,700	-	(11,700)
Donations From 3rd Parties	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Improvement									
Consulting Fees	-	-	-	-	-	-	4,250	-	(4,250)
Grant Payments by CID	-	-	-	-	-	-	-	-	-
Donations From 3rd Parties	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Program IV -									
Consulting Fees	-	-	-	-	-	-	-	-	-
Grant Payments by CID	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-
Shuttle	-	-	-	-	-	-	-	-	-
Trails / Greenway	-	-	-	-	-	-	-	-	-
Transit Facilities	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL PROGRAM EXPENDITURES	-	-	-	-	-	-	21,033	-	(21,033)
NET PROGRAM INCOME	-	-	-	-	-	-	(16,033)	-	(16,033)
TOTAL OF REVENUE AND EXPENSES	<u>2,002</u>	<u>7,931</u>	<u>(5,929)</u>	<u>2,002</u>	<u>7,931</u>	<u>(5,929)</u>	<u>239,260</u>	<u>273,728</u>	<u>(34,468)</u>