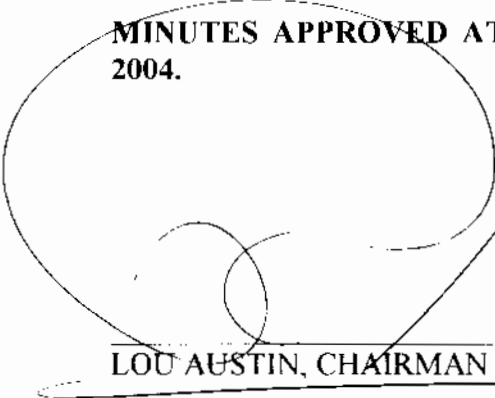


THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

CERTIFICATION OF MINUTES

CERTIFICATION OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON JULY 19, 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 AUGUST 16, 2004.



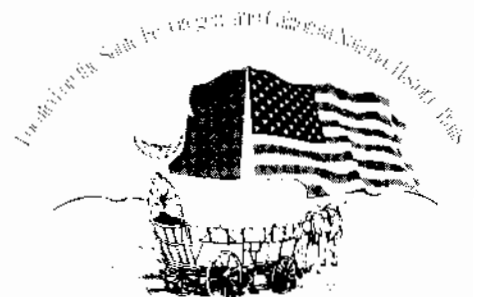
LOU AUSTIN, CHAIRMAN

DATE 8/16/04



JANET LARIMER

DATE 8/16/04



3-Trails
Community Improvement District

**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT
MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE DISTRICT
July 19, 2004**

I. CALL TO ORDER

The meeting was called to order at 1:05 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
Paul Denzer
Mark Hoyt
Mary Norman
Tony Privitera

Directors Whitney Kerr, Sr., and Troy Marquis 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
Barbara Engel, South KC Chamber
Chad Biggerstaf, Future Spec.
Ms. Robinson, The Gathering
Todd Thalmann, Trans Systems Corp.
Chad Thompson, KCMO – Public Works
Patty Hilderbrand, KCMO - Public Works
Mr. Regan, MODOT
Patty Noll, KCMO Planning & Development
Greg Patterson, Prudential Realty – Dillard's Building
Jason Goertzen, Damon Pursell Construction
Curtis Stroud, Rosehill Gardens Inc. / South KC Chamber

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 June 21, 2004 meeting. After discussion the motion was approved. Director Denzer abstained from the vote.

III. NEW BUSINESS:

A. Special Presentations:

1. KCMO Public Works: Patty Hilderbrand gave the background of the project on 87th Street. Public Works will transfer the project over to CIMO (Capital Improvements Management Department). Todd Thalmann went over the 1st phase of the project (Blue River to Denver). Phase I is currently in the Public Comment process. Construction will start spring/summer of 2005. Phase 2 (Denver to Newton) will be a two season project. Mr. Wallwork and Kiddelson will be consultants the project development process. The Bicycle/Trail committee is looking at a potential trail plans but current plan show only a 5 foot sidewalk in Phase I. Phase II portion (435 to Newton) will have a full 10' Metro Green Trail on the south side (Wallwork/CID plan).
2. KCATA: Update given for the trial shuttle service within the CID. Plans include performance criteria, marketing and the operational logistics. Director Austin asked the KCATA to look at the Bannister Road bus stop near Red Lobster in regards to mud problems and consider relocating shelter to east concrete pad. See D(12) below.
3. KCMO City Planning: Application for federal enhancement funds of \$210,000. (93rd Street & Hillcrest to Hwy 435). Patti Nole with KCMO City Planning and Development Department gave an update on the impending review and revision of the City zoning codes.

B. Treasurer's Report:

1. Financial Statement: Lou Austin, District Chairman, reviewed the District financial statement through June 30, 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: None.
3. Insurance: None.

4. Budget: Chicago Title has completed their work on CID ownership with invoice approved for payment per Board approval.
5. Other: Reviewed the new format for CID project income and expense tracking.

C. Legal Report:

1. Petition to Extend District: City has approved draft petition format. Lou Austin has completed the property ownership audit and will meet with Shafer, Warren & Kline to initiate Exhibit E – Ownership and Tax information update. Expect to have petitions in August-September.
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: See D(8) this section.
 - c. CID Life Extension & Expansion: See C(1) this section.
 - d. South KC Chamber Master Membership: Curtis Stroud presented the Chamber's recommendation to hire a person to meet with area owners/managers. Stroud requested specific information pertaining to the responsibilities of the position and the amount of hours required. Chamber would like to continue with Master Membership on some basis.
2. Master Plan -- Image & Marketing Program:
 - a. 3-Trails Village information brochure: None.
 - 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: None.
 - b. Litter Removal – MCSP Program: None.
 - c. KCATA – Circulator Shuttle: None.
 - d. Security – CID master plan / program: None.
 - e. Business Watch (Armbans, decals, magnetic signs): See D(11) this section.
 - f. District boundary signs: None.
 - g. Promotion / Special events: None.
 - h. Landscaping / beautification: None.
 - i. Inter-District communication: None.
4. Transportation Program:
- a. 87th Street Upgrade & Enhancement: See A(1) this section.
 - b. Bannister Road Upgrade & Enhancement: None.
 - c. 3-Trails Transit Station: None.
 - d. 3-Trails Shuttle: See A(2) this section.
 - e. 3-Trails Corridor: None.
5. Investment Program:
- a. Fire Station No. 41: Brief update from Lou Austin.
 - b. Penney's Building: None.
 - c. Federal STP Grant: See D(7) this section.
 - d. Federal CMAC Grant (\$368,000): None.
 - e. PIAC Transit Grant (\$500,000): None.
 - f. Federal Enhancement Grant (\$210,000): See A(3) this section.

6. Pending & Follow-up items:
 - a. None.
7. Request(s) for Action: Motion was made to move \$52,000 from unrestricted funds to reserve for earmarked funds as 20% local match for \$260,000 STP grant. After discussion the motion was unanimously approved.
8. Request(s) for Action: Motion was made to Opt out of RFP process and contract with Future Spec. for the upgrade of the CID web site in the amount not to exceed \$4,575 plus up to \$55.00 per month for hosting expenses (Resolution 2004-09). After discussion the motion was approved. Director Lou Austin abstained from the vote.
9. Request(s) for Action: A motion was made to extend the SKCCC Master Membership for one quarter while determining business merit for CID. After discussion the motion was unanimously approved.
10. Request(s) for Action: Motion was made to opt out of the RFP process and contract with MCSP and Miles Mobile Wash for supervision of litter removal within the CID through the end of the calendar year in the amount not to exceed \$160 per week plus cost of supplies (trash bags) (Resolution 2004-10). After discussion the motion was unanimously approved.
11. Request(s) for Action: Motion was made to opt out of the RFP process in favor of ACME Sign and Complete Sewing and Manufacturing, Inc. for purchase of armbands, decals, and magnetic signs in the amount not to exceed \$2,100 (Resolution 2004-11). After discussion the motion was unanimously approved.
12. Request(s) for Action: Motion was made to enter into a contract with KCATA for 90 day trial of the circulator shuttle with a commitment of \$22,000 for project (\$20,000 for transportation and \$2,000 for marketing) Approval is contingent on confirmation and approval of the marketing program by the CID Board. After discussion the motion was unanimously approved.

E. Other:

1. Communication:

- a. Next regular Board meeting: August 16, 2004 @ 1PM, 5912 E. Bannister Road.

2. Presentations:

- a. Ms. Wilda Robinson – Development Proposal: Ms. Robinson presented her vision of a worship center – cultural arts center to be located within the CID. Attached to the meeting minutes as Exhibit D.

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 – July 2004 Financial Statement
3. Exhibit C- Future Spec. Proposal
4. Exhibit D- Ms. Robinson’s Proposal

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

Date: July 19, 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: June 21, 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. 3-Trails Transit Station
 - d. 3-Trails Shuttle
 - e. 3-Trails Corridor

5. Investment Program
 - a. Fire Station No. 41
 - b. Penney's Building & Site
 - c. Federal STP Grant (\$260,000) Trails
 - d. Federal CMAC Grant (\$368,000) Trails Transit Station
 - e. KCMO PIAC Grant (\$500,000) Transit Station & Trails
 - f. KCMO Planning Department Federal Enhancement Grant (\$210,000) Trails

6. Pending & Follow-up items
 - a. None.

7. Request(s) for Action

ITEM: Federal STP Grant (\$260,000) Trails

RECOMMENDATION:

1. Appropriate \$52,000 from unrestricted funds to reserve for earmarked funds as CID sponsored 20% local match.

FUNDS REQUESTED: \$52,000 (Reserve for earmarked funds)

8. Request(s) for Action

ITEM: Web Site Upgrade

RECOMMENDATION:

1. Opt out of public RFP process in favor of Future Spec

2. Authorize contract in amount not to exceed \$4,575
3. Authorize hosting expense @ approximately \$55.00 per month

FUNDS REQUESTED: \$4,575 plus hosting expense (Adm. – Consulting & Telephone)

9. Request(s) for Action

ITEM: Master Membership – South KC Chamber

RECOMMENDATION:

1. Authorize interim continuing funding for 90 days.

FUNDS REQUESTED: \$3,000 (Adm. – Dues & Subscriptions)

10. Request(s) for Action

ITEM: MCSP Community Service – Litter Removal

RECOMMENDATION:

1. Authorize contact with MCSP
2. Opt out of public RFP process in favor of Miles Mobile Wash.
3. Authorize weekly supervision expense not to exceed \$160 (4 hours @ \$40 per hour) plus cost of supplies (trash bags).

FUND REQUESTED: \$160 per week plus supplies (Maintenance Litter)

11. Request(s) for Action

ITEM: Business Watch- Clean, Green & Secure

RECOMMENDATION:

1. Opt out of public RFP process in favor of ACME Sign and Complete Sewing and Manufacturing, Inc.
2. Authorize purchase of armbands, decals, and magnetic signs (as determined by CGS Committee) in an amount not to exceed \$2,100.

FUND REQUESTED: \$2,100 (Maintenance – Business Watch)

12. Request(s) for Action:

ITEM: KCATA/CID Joint Circulator Shuttle

RECOMMENDATION:

1. Authorize entering into contract with KCATA for 90 day trial

circulator shuttle in an amount not to exceed \$35,000.

FUNDS REQUESTED: \$35,000 (Transportation – 3-Trails Shuttle)

E. Other:

1. Communication:

a. Next Board meeting: August 16, 2004 @ 1PM, 5912 E. Bannister Road.

2. Presentations:

a. Ms. Wilda Robinson – Development Proposal.

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 11:30 AM on JUL 17 2004

By: _____

Name Printed:

For: 3-Trails Community Improvement District

LEW AUSTIN, CHAIRMAN



3-Trails
Community Improvement District

3 Trails Community Improvement District Financial Summary

To: 3 Trails CID Board of Directors
From: Troy M. Marquis, Treasurer
Date: July 19, 2004
Subject: CID Financial Summary through June 30, 2004

Overview: Through the remainder of the CID's 3 year life cycle (ending July 7, 2005), there is approximately **\$450,585** available at the Board's discretion after all committed projects and future administrative expenses are paid.

Cash balance as of June 30, 2004	\$253,841
Less: Outstanding commitments & liabilities	(\$90,665)
Current unrestricted funds	\$163,176
Projected revenue expected through July 7, 2005	\$422,070
Less: Projected expense expected through July 7, 2005	(\$134,661)
Estimate of cash available for future programs	\$450,585

Commitments: In May, resolution 2004-07 was passed to purchase trees for the median area on Hillcrest Road in the amount of \$7,812. I failed to accrue this in June, but will do so in July.

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: July 19, 2004
Re: Treasurer's Report

Overview:

The financial statements this month reflect some additional format changes to reflect more clearly and simply the detail on the Board approved programs. In addition, as a part of the audit, I needed to restate the April financials into this format for comparability purposes and I need to reflect a few minor timing changes that resulted from the audit. So, your packet this month includes three sets of financial statements:

1. April 30, 2004 – Restated: This set includes format changes and includes a couple of audit adjustments to move some expenses from May 2004 into April 2004 as that is the accrual period they belong in. This change also necessitates a minor restatement of the May 2004 statements since May is a part of fiscal year 2005.
2. May 31, 2004 – Restated: This is due to the audit adjustments discussed in item #1.
3. June 30, 2004: This is our regular reporting package for this month and is analyzed subsequently.

Financial Report:

The Net Revenues and Expenses totaled \$15,918 which was \$14,944 worse than plan. Administrative Income accounted for substantially all of the Net Revenues and Expenses and lower than expected sales tax revenues are accounting for the worse than plan performance.

Administrative Department:

For the month, we received sales tax deposits from the State of Missouri totaling \$23,710 which was worse than plan by \$6,290. There was a small amount of additional real estate taxes received in the amount of \$2,693; however, we are still significantly behind our anticipated annual total. Expenses were in line with the budget as no significant variances were generated.

Year-to-date, sales tax collections total \$23,710 but this account is worse than plan by \$21,290. The only variance of any significance is that legal fees are currently better than plan by \$4,228. There are no other material variances.

Program Department:

Only small administrative expenses were incurred in relation to the Board approved programs in the amount of \$551.
If, upon review, 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>June 30, 2004</u>	<u>April 30, 2004</u>
CASH AND CASH EQUIVALENTS		
Checking Account	53,841	243,629
Savings Account	-	-
Certificate of Deposit	200,000	-
Other	-	-
	<u>253,841</u>	<u>243,629</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	6,700	15,514
Prepaid Expenses	-	-
	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>260,541</u>	<u>259,143</u>
LIABILITIES & NET ASSETS		
LIABILITIES		
Accounts Payable	-	-
Line of Credit - Hillcrest Bank	-	-
Accrued Expenses	-	3,570
Reserve for Encumbrances		
Bannister Road Feasibility Study	-	-
Transit Station Environmental Study	1,000	11,950
	<u>1,000</u>	<u>11,950</u>
Reserve for Earmarked Funds		
Transit Station Remainder	88,000	-
Shafer Kline & Warren	1,665	89,665
	<u>89,665</u>	<u>89,665</u>
TOTAL LIABILITIES	90,665	105,185
NET ASSETS		
Retained Earnings	153,958	51,277
Current Period Revenues and Expenses	15,918	102,681
	<u>169,876</u>	<u>153,958</u>
TOTAL NET ASSETS	169,876	153,958
TOTAL LIABILITIES & NET ASSETS	<u>260,541</u>	<u>259,143</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

SUMMARY OF REVENUES AND EXPENSES

FOR THE PERIOD ENDED

	<u>June 30, 2004</u>	<u>April 30, 2004</u>
ADMINISTRATIVE DEPARTMENT		
Revenue	26,403	329,999
Expense	9,934	123,285
	<u>-</u>	<u>-</u>
ADMINISTRATIVE INCOME	<u>16,469</u>	<u>206,714</u>
PROGRAMS		
Program Grant Income	-	27,700
Program Expenditures	551	131,733
	<u>-</u>	<u>-</u>
PROGRAM INCOME	<u>(551)</u>	<u>(104,033)</u>
TOTAL OF REVENUE & EXPENSES	<u>15,918</u>	<u>102,681</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	June 04			May 04 - June 04			Jul 02 - June 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
ADMINISTRATIVE DEPARTMENT									
REVENUE									
Property Tax Revenue	2,693	-	2,693	2,693	-	2,693	294,686	365,000	(70,314)
Sales Tax Revenue	23,710	30,000	(6,290)	23,710	45,000	(21,290)	270,107	273,820	(3,713)
Interest Income	-	-	-	-	-	-	70	-	70
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	26,403	30,000	(3,597)	26,403	45,000	(18,597)	564,863	638,820	(73,957)
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	210	212	2	17,910	52,212	34,302
Dues & Subscriptions	-	-	-	-	-	-	17,000	20,000	3,000
Electricity	279	300	21	529	600	71	4,733	3,570	(1,163)
Furniture & Equipment	-	-	-	-	-	-	1,139	1,000	(139)
Gas	34	60	26	85	120	35	2,001	1,690	(311)
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	3,772	4,000	228	3,772	8,000	4,228	120,490	86,074	(34,416)
Licenses, Fees & Permits	-	-	-	100	-	(100)	645	605	(40)
Meals & Entertainment	-	-	-	-	-	-	128	-	(128)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,478	2,478	-	4,956	4,956	-	33,643	39,192	5,549
Office Supplies	-	50	50	25	100	75	959	1,950	991
Other	8	50	42	79	100	21	330	950	620
Postage & Delivery	14	25	11	28	50	22	229	8,350	8,121
Printing	-	-	-	-	-	-	-	-	-
Professional Services	-	-	-	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	6,690	7,069	379	9,934	14,138	4,204	290,403	342,161	51,758
ADMINISTRATIVE INCOME	19,713	22,931	(3,218)	16,469	30,862	(14,393)	274,460	296,659	(22,199)

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	June 04			May 04 - June 04			Jul 02 - June 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
GRANT INCOME									
Program I - Transit Station									
Direct Grant Income	-	-	-	-	-	-	-	-	-
3rd Party Grant Income	-	-	-	-	-	-	16,000	-	16,000
Program II - 87 Street Ph IV Feasibility									
Direct Grant Income	-	-	-	-	-	-	5,000	-	5,000
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Grant Income	-	-	-	-	-	-	6,700	-	6,700
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
TOTAL GRANT REVENUE	-	-	-	-	-	-	27,700	-	27,700
PROGRAM EXPENDITURES									
Program I - Transit Station									
Direct Project Expenses	-	-	-	-	-	-	4,000	-	(4,000)
3rd Party Grant Expenses	-	-	-	-	-	-	16,000	-	(16,000)
Earmarked Expenses	-	-	-	-	-	-	88,000	-	(88,000)
Program II - 87 Street Ph IV Feasibility									
Direct Project Expenses	83	-	(83)	83	-	(83)	12,866	-	(12,866)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Project Expenses	468	-	(468)	468	-	(468)	11,418	-	(11,418)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
TOTAL PROGRAM EXPENDITURES	551	-	(551)	551	-	(551)	132,284	-	(132,284)
NET PROGRAM INCOME	(551)	-	(551)	(551)	-	(551)	(104,584)	-	(104,584)
TOTAL OF REVENUE AND EXPENSES	19,162	22,931	(3,769)	15,918	30,862	(14,944)	169,876	296,659	(126,783)

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	245,629	243,629
Savings Account	-	-
Money Market	-	-
Other	-	-
	<u>245,629</u>	<u>243,629</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	6,700	15,514
Prepaid Expenses	-	-
	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>252,329</u>	<u>259,143</u>
LIABILITIES & NET ASSETS		
LIABILITIES		
Accounts Payable	-	-
Line of Credit - Hillcrest Bank	-	-
Accrued Expenses	-	3,570
Reserve for Encumbrances		
Bannister Road Feasibility Study	10,950	
Transit Station Environmental Study	1,000	11,950
	<u>11,950</u>	<u>11,950</u>
Reserve for Earmarked Funds		
Transit Station Remainder	88,000	
Shafer Kline & Warren	1,665	89,665
	<u>89,665</u>	<u>89,665</u>
TOTAL LIABILITIES	101,615	105,185
NET ASSETS		
Retained Earnings	153,958	51,277
Current Period Revenues and Expenses	(3,244)	102,681
	<u>150,714</u>	<u>153,958</u>
TOTAL NET ASSETS	150,714	153,958
TOTAL LIABILITIES & NET ASSETS	<u>252,329</u>	<u>259,143</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	-	329,999
Expense	3,244	123,285
	<u>-</u>	<u>-</u>
ADMINISTRATIVE INCOME	<u>(3,244)</u>	<u>206,714</u>
PROGRAMS		
Program Grant Income	-	27,700
Program Expenditures	-	131,733
	<u>-</u>	<u>-</u>
PROGRAM INCOME	<u>-</u>	<u>(104,033)</u>
TOTAL OF REVENUE & EXPENSES	<u>(3,244)</u>	<u>102,681</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	May 2004			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	-	15,000	(15,000)	-	15,000	(15,000)	246,397	243,820	2,577
Interest Income	-	-	-	-	-	-	70	-	70
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	-	15,000	(15,000)	-	15,000	(15,000)	538,460	608,820	(70,360)
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	1,967	1,830	(337)
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	-	4,000	4,000	-	4,000	4,000	116,718	82,074	(34,644)
Licenses, Fees & Permits	100	-	(100)	100	-	(100)	645	605	(40)
Meals & Entertainment	-	-	-	-	-	-	128	-	(128)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,478	2,478	-	2,478	2,478	-	31,165	36,714	5,549
Office Supplies	25	50	25	25	50	25	959	1,900	941
Other	71	50	(21)	71	50	(21)	322	900	578
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	3,244	7,069	3,825	3,244	7,069	3,825	283,713	335,092	51,379
ADMINISTRATIVE INCOME	(3,244)	7,931	(11,175)	(3,244)	7,931	(11,175)	254,747	273,728	(18,981)

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	May 2004			May 04 - May 04			Jul 02 - May 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
GRANT INCOME									
Program I - Transit Station									
Direct Grant Income	-	-	-	-	-	-	-	-	-
3rd Party Grant Income	-	-	-	-	-	-	16,000	-	16,000
Program II - 87 Street Ph IV Feasibility									
Direct Grant Income	-	-	-	-	-	-	5,000	-	5,000
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Grant Income	-	-	-	-	-	-	6,700	-	6,700
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
TOTAL GRANT REVENUE	-	-	-	-	-	-	27,700	-	27,700
PROGRAM EXPENDITURES									
Program I - Transit Station									
Direct Project Expenses	-	-	-	-	-	-	4,000	-	(4,000)
3rd Party Grant Expenses	-	-	-	-	-	-	16,000	-	(16,000)
Earmarked Expenses	-	-	-	-	-	-	88,000	-	(88,000)
Program II - 87 Street Ph IV Feasibility									
Direct Project Expenses	-	-	-	-	-	-	12,783	-	(12,783)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Project Expenses	-	-	-	-	-	-	10,950	-	(10,950)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
TOTAL PROGRAM EXPENDITURES	-	-	-	-	-	-	131,733	-	(131,733)
NET PROGRAM INCOME	-	-	-	-	-	-	(104,033)	-	(104,033)
TOTAL OF REVENUE AND EXPENSES	(3,244)	7,931	(11,175)	(3,244)	7,931	(11,175)	150,714	273,728	(123,014)

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

BALANCE SHEETS

AS OF

<u>ASSETS</u>	<u>April 30, 2004</u>	<u>April 30, 2003</u>
CASH AND CASH EQUIVALENTS		
Checking Account	243,629	47,399
Savings Account	-	-
Money Market	-	-
Other	-	-
	<u>243,629</u>	<u>47,399</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	15,514	5,588
Prepaid Expenses	-	-
	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>259,143</u>	<u>52,987</u>
LIABILITIES & NET ASSETS		
LIABILITIES		
Accounts Payable	-	96
Line of Credit - Hillcrest Bank	-	-
Accrued Expenses	3,570	1,614
Reserve for Encumbrances		
Bannister Road Feasibility Study	10,950	
Transit Station Environmental Study	1,000	
	<u>11,950</u>	<u>-</u>
Reserve for Earmarked Funds		
Transit Station Remainder	88,000	
Shafer Kline & Warren	1,665	
	<u>89,665</u>	<u>-</u>
TOTAL LIABILITIES	105,185	1,710
NET ASSETS		
Retained Earnings	51,277	-
Current Period Revenues and Expenses	102,681	51,277
	<u>153,958</u>	<u>51,277</u>
TOTAL NET ASSETS	153,958	51,277
TOTAL LIABILITIES & NET ASSETS	<u>259,143</u>	<u>52,987</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

SUMMARY OF REVENUES AND EXPENSES

FOR THE PERIOD ENDED

	<u>April 30, 2004</u>	<u>April 30, 2003</u>
ADMINISTRATIVE DEPARTMENT		
Revenue	329,999	208,461
Expense	123,285	157,184
	<u>-</u>	<u>-</u>
ADMINISTRATIVE INCOME	<u>206,714</u>	<u>51,277</u>
PROGRAMS		
Program Grant Income	27,700	-
Program Expenditures	131,733	-
	<u>-</u>	<u>-</u>
PROGRAM INCOME	<u>(104,033)</u>	<u>-</u>
TOTAL OF REVENUE & EXPENSES	<u>102,681</u>	<u>51,277</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	April 2004			May 03 - April 04			Jul 02 - April 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
ADMINISTRATIVE DEPARTMENT									
REVENUE									
Property Tax Revenue	-	-	-	120,455	175,000	(54,545)	291,993	365,000	(73,007)
Sales Tax Revenue	25,971	38,899	(12,928)	209,474	228,820	(19,346)	246,397	228,820	17,577
Interest Income	-	-	-	70	-	70	70	-	70
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	25,971	38,899	(12,928)	329,999	403,820	(73,821)	538,460	593,820	(55,360)
EXPENSES									
Accounting & Auditing	-	-	-	4,000	10,000	6,000	4,000	20,000	16,000
Administrative Fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	703	-	(703)	703	-	(703)
Borrowings Repaid	-	-	-	-	-	-	-	3,000	3,000
Business Development	-	-	-	-	-	-	-	-	-
Conferences & Meetings	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Contract Services	105	-	(105)	1,700	-	(1,700)	17,700	52,000	34,300
Dues & Subscriptions	-	-	-	12,000	10,000	(2,000)	17,000	20,000	3,000
Electricity	194	100	(94)	3,146	1,320	(1,826)	4,204	2,970	(1,234)
Furniture & Equipment	-	-	-	1,139	-	(1,139)	1,139	1,000	(139)
Gas	84	100	16	878	1,145	267	1,916	1,570	(346)
Insurance - Public Officials	-	-	-	5,880	5,000	(880)	5,880	4,000	(1,880)
Insurance - General Liability, E&O	-	-	-	7,035	6,700	(335)	17,447	11,700	(5,747)
Interest Expense	-	-	-	-	1,525	1,525	467	1,525	1,058
Leased Equipment	-	-	-	-	-	-	-	-	-
Legal Fees	12,785	4,000	(8,785)	47,466	48,000	514	116,718	78,074	(38,644)
Licenses, Fees & Permits	-	-	-	345	145	(200)	545	605	60
Meals & Entertainment	-	-	-	128	-	(128)	128	-	(128)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,479	2,478	(1)	23,804	29,736	5,932	28,687	34,236	5,549
Office Supplies	-	50	50	845	850	5	934	1,850	916
Other	-	50	50	204	600	396	251	850	599
Postage & Delivery	27	525	498	129	6,300	6,171	201	8,300	8,099
Printing	-	-	-	-	-	-	-	-	-
Professional Services	175	-	(175)	8,790	22,000	13,210	25,419	41,712	16,293
Program / Events	-	-	-	5,073	5,000	(73)	5,073	5,000	(73)
Signs & Directories	-	-	-	-	-	-	1,989	1,750	(239)
Start Up Costs	-	-	-	-	-	-	29,978	35,186	5,208
Telephone	-	25	25	-	300	300	-	300	300
Travel	-	-	-	-	-	-	-	-	-
Wages	-	-	-	-	-	-	-	1,920	1,920
Wages - Payroll Taxes	-	-	-	-	-	-	-	300	300
Wages - Costs / Benefits	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	175	175
TOTAL EXPENSE	15,849	7,328	(8,521)	123,285	148,621	25,336	280,469	328,023	47,554
ADMINISTRATIVE INCOME	10,122	31,571	(21,449)	206,714	255,199	(48,485)	257,991	265,797	(7,806)

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	April 2004			May 03 - April 04			Jul 02 - April 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
GRANT INCOME									
Program i - Transit Station									
Direct Grant Income	-	-	-	-	-	-	-	-	-
3rd Party Grant Income	16,000	-	16,000	16,000	-	16,000	16,000	-	16,000
Program II - 87 Street Ph IV Feasibility									
Direct Grant Income	-	-	-	5,000	-	5,000	5,000	-	5,000
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Grant Income	6,700	-	6,700	6,700	-	6,700	6,700	-	6,700
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
TOTAL GRANT REVENUE	22,700	-	22,700	27,700	-	27,700	27,700	-	27,700
PROGRAM EXPENDITURES									
Program I - Transit Station									
Direct Project Expenses	-	-	-	4,000	-	(4,000)	4,000	-	(4,000)
3rd Party Grant Expenses	16,000	-	(16,000)	16,000	-	(16,000)	16,000	-	(16,000)
Earmarked Expenses	88,000	-	(88,000)	88,000	-	(88,000)	88,000	-	(88,000)
Program II - 87 Street Ph IV Feasibility									
Direct Project Expenses	-	-	-	12,783	-	(12,783)	12,783	-	(12,783)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Project Expenses	10,950	-	(10,950)	10,950	-	(10,950)	10,950	-	(10,950)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
TOTAL PROGRAM EXPENDITURES	114,950	-	(114,950)	131,733	-	(131,733)	131,733	-	(131,733)
NET PROGRAM INCOME	(92,250)	-	(92,250)	(104,033)	-	(104,033)	(104,033)	-	(104,033)
TOTAL OF REVENUE AND EXPENSES	(82,128)	31,571	(113,699)	102,681	255,199	(152,518)	153,958	265,797	(111,839)

CID Web Site Upgrades

The following items are a higher priority for the CID web site upgrades. Although all of the upgrades are important they are not as time sensitive as the following four items. I encourage anyone to give feed back on this as well as the Price Comparison for the Web Site Upgrades that is located on the private section of the web site.

Search engines and formulas: 2 Hours

The CID web site will be added to the remaining 2 major search engines and different formulas of the CID name will be added for the browser. People need to be able to find us on the internet.

Projects: 30 Hours

The Projects section would be an additional section to the web site. It would feature Pictures, Summary, Links and downloads of projects within the CID (Ex. 87th Street Feasibility & Transit Center). We want to let everyone know what we are planning.

Development & Leasing: 23 Hours

Although we have a Development & Leasing section, it lacks the pizzaz to attract tenants. The new Development & Leasing section would be rewritten to allow pictures to be associated with each property, link to the property owners web page and content as well as contact information will show for each property. A link to a map site will be provided to get driving directions to the property. Each property owner will have the ability to change/update photos and events. We need to have an attractively designed page that shows what we have to offer new tenants.

Explore the Trails: 6 Hours

Recreate page with pictures of sites along the trails with information about each site and related links. Being that so many projects are linked to the trails and the trails being an important part of the 3-Trails CID I think we need to show them off and display the trails in an interesting and historical manner.

Total 61 Hours X \$75 per hour = \$4,575.00

I recommend contracting Future Spec. for these upgrades. Future Spec. is less expensive (saving aprox. \$1,220 on these updates) and considering we are recreating 2 sections of the web site that Digital Evolution originally created I think we need a new perspective.

Changing Hosts:

If we decide to change hosts, Future Spec recommends uplinkearth.com. The fee would be \$53.95 per month which includes a tracking program. Future Spec. would transfer the site for free with contract on proposed changes.

Time to make changes:

It will take approximately 3 weeks to complete the changes.

EXHIBIT D

JULY 19, 2004
MEETING
ITEM E(2)(a)

July 19, 2004

The 3-Trails Community Improvement District
5904 East Bannister Road
Kansas City, MO 64138

Attention: Board Members

Dear Board Members of the 3-Trails CID:

As a resident in the 3-Trails Community District, with children and grandchildren that have grown up here, I have seen this community go through a cultural shock over the past 30-years.

I have visited the school districts in this area on a regular basis and have witnessed the decline in moral dignity, student respect for one another and those in charge of their well being, as well as in their personal appearance and hygiene.

This community is asleep, for the most part – there appears to be no desire to do anything more than the life necessities. With the depreciation of the Bannister Mall, the life energy has been destroyed for this area – Downtown KC and the Landing Mall are lifeless and Bannister, once the heartbeat of KC, is now gradually going the way of the other two.

The youth and young adults in this area are deprived, angry and bored – You can see it in the faces, hear it in their conversations and witness it in their actions.

Because of what I personally have experienced, I want to make a difference, by designing a catalyst organization that will be an organization for change. Attached is a proposal describing ways to jump start the hearts and minds of families, comprising this community, by raising their level of expectancy, giving them wholesome choices and something to look forward to on a daily basis.

Thanks for your time and consideration and if you have any questions or concerns, please allow me the opportunity to explain.

Sincerely,



Wilder Robinson

1/14