

3 Trails Community Improvement District Financial Summary

To: 3 Trails CID Board of Directors
 From: Troy M. Marquis, Treasurer
 Date: August 16, 2004
 Subject: CID Financial Summary through July 31, 2004

Overview: Through the remainder of the CID's 3 year life cycle (ending July 7, 2005), there is approximately **\$350,206** available at the Board's discretion after all committed projects and future administrative expenses are paid.

Cash balance as of July 31, 2004	\$258,380
Less: Outstanding commitments & liabilities	(\$192,152)
Current unrestricted funds	\$66,228
Projected revenue expected through July 7, 2005	\$406,070
Less: Projected expense expected through July 7, 2005	(\$122,092)
Estimate of cash available for future programs	\$350,206

Commitments: In June, several resolutions were approved and committed as follows: (1) Shuttle bus costs were reserved for \$22,000, (2) web site enhancement costs were reserved for \$4,575, (3) costs were reserved for armbands, decals and CID signage for \$2,100 and (4) \$65,000 was reserved for the CID's 20% portion of a federal STP grant for trail construction from Schumacher Park over to Hillcrest Road.

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: August 16, 2004
Re: Treasurer's Report

Financial Report:

The Net Revenues and Expenses produced a net expenditure of \$94,348 which was \$97,779 worse than plan. Administrative Department Income totaled a net expenditure of \$27,248 and Program Department Income totaled a net expenditure of \$67,100.

Administrative Department:

For the month, we received sales tax deposits from the State of Missouri totaling \$21,809 which was better than plan by \$5,809. Expenses were \$49,290 which was \$36,721 higher than plan. Significant items that have been recently approved by the board and were accrued this month are as follows: (1) \$22,000 for the temporary operation of the Shuttle Bus, (2) \$4,575 for the web site enhancements, (3) \$7,812 for the Cypress trees being installed by Rosehill and (4) \$3,309 paid to Chicago Title related to the CID extension. Items #1 and #2 were coded as Contract Services and items #3 and #4 were coded as Professional Fees. Year-to-date these four items substantially account for the expenses being higher than planned.

The Shuttle Bus costs were not created as a new Board Approved Program since the project is short-term and preliminary in nature. However, should the Board feel that this should be a separately tracked Program, we can reclassify this as such.

Program Department:

Based on recent board approval two new programs were established this month: (1) Program IV – Clean, Green and Secure and (2) Program V – 3 Trails Corridor Installation. Program IV relates to the weekly working committee of the same name for which the Board approved \$2,100 last month for “ambands, decals and signs”. Program V relates to the federal STP grant that the Board approved \$52,000 for last month that would install the trail corridor from Schumacher Park to Hillcrest Road. (This grant application is separate from the potential \$210,000 grant for trails installation that the Planning Department is working on.) The total grant is actually \$325,000 and therefore, the CID's 20% portion would equal \$65,000 – not the \$52,000 that was approved. There is a clean up resolution on today's agenda to clarify this amount, but we have booked the \$65,000 in these financial statements.

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>July 31, 2004</u>	<u>April 30, 2004</u>
CASH AND CASH EQUIVALENTS		
Checking Account	58,380	243,629
Savings Account	-	-
Certificate of Deposit	200,000	-
Other	-	-
	<u>258,380</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	2,600	-
	<u>9,300</u>	<u>15,514</u>
TOTAL ASSETS	<u>267,680</u>	<u>259,143</u>
LIABILITIES & NET ASSETS		
LIABILITIES		
Accounts Payable	-	-
Line of Credit - Hillcrest Bank	-	-
Accrued Expenses	-	3,570
Reserve for Encumbrances		
Hillcrest Road Tree Maint/Rosehill	7,812	
Website Services	4,575	
Ambands and Decals	2,100	
Shuttle Service	22,000	
Transit Station Environmental Study	1,000	
	<u>37,487</u>	<u>11,950</u>
Reserve for Earmarked Funds		
Transit Station Remainder	88,000	
3 Trails Corridor Installation	65,000	
Shafer Kline & Warren	1,665	
	<u>154,665</u>	<u>89,665</u>
TOTAL LIABILITIES	<u>192,152</u>	<u>105,185</u>
NET ASSETS		
Retained Earnings	153,958	51,277
Current Period Revenues and Expenses	<u>(78,430)</u>	<u>102,681</u>
TOTAL NET ASSETS	<u>75,528</u>	<u>153,958</u>
TOTAL LIABILITIES & NET ASSETS	<u>267,680</u>	<u>259,143</u>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT
SUMMARY OF REVENUES AND EXPENSES
FOR THE PERIOD ENDED**

	<u>July 31, 2004</u>	<u>April 30, 2004</u>
ADMINISTRATIVE DEPARTMENT		
Revenue	48,445	329,999
Expense	59,224	123,285
	<u>(10,779)</u>	<u>206,714</u>
ADMINISTRATIVE INCOME	<u>(10,779)</u>	<u>206,714</u>
PROGRAMS		
Program Grant Income	-	27,700
Program Expenditures	67,651	131,733
	<u>(67,651)</u>	<u>(104,033)</u>
PROGRAM INCOME	<u>(67,651)</u>	<u>(104,033)</u>
TOTAL OF REVENUE & EXPENSES	<u>(78,430)</u>	<u>102,681</u>

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	July 04			May 04 - July 04			Jul 02 - July 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
ADMINISTRATIVE DEPARTMENT									
REVENUE									
Property Tax Revenue	52	-	52	2,745	-	2,745	294,738	365,000	(70,262)
Sales Tax Revenue	21,809	16,000	5,809	45,519	61,000	(15,481)	291,916	289,820	2,096
Interest Income	181	-	181	181	-	181	251	-	251
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
TOTAL REVENUE	22,042	16,000	6,042	48,445	61,000	(12,555)	586,905	654,820	(67,915)
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	26,680	106	(26,574)	26,890	318	(26,572)	44,590	52,318	7,728
Dues & Subscriptions	3,000	3,000	-	3,000	3,000	-	20,000	23,000	3,000
Electricity	271	300	29	800	900	100	5,004	3,870	(1,134)
Furniture & Equipment	-	-	-	-	-	-	1,139	1,000	(139)
Gas	34	60	26	119	180	61	2,035	1,750	(285)
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	4,844	4,000	(844)	8,616	12,000	3,384	125,334	90,074	(35,260)
Licenses, Fees & Permits	-	-	-	100	-	(100)	645	605	(40)
Meals & Entertainment	-	-	-	-	-	-	128	-	(128)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,845	2,478	(367)	7,801	7,434	(367)	36,488	41,670	5,182
Office Supplies	58	50	(8)	83	150	67	1,017	2,000	983
Other	413	2,550	2,137	492	2,650	2,158	743	3,500	2,757
Postage & Delivery	24	25	1	52	75	23	253	8,375	8,122
Printing	-	-	-	-	-	-	-	-	-
Professional Services	11,121	-	(11,121)	11,271	-	(11,271)	36,690	41,712	5,022
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	49,290	12,569	(36,721)	59,224	26,707	(32,517)	339,693	354,730	15,037
ADMINISTRATIVE INCOME	(27,248)	3,431	(30,679)	(10,779)	34,293	(45,072)	247,212	300,090	(52,878)

3 TRAILS COMMUNITY IMPROVEMENT DISTRICT

REVENUES AND EXPENSES

	Current Month			Year to Date			Inception to Date		
	July 04			May 04 - July 04			Jul 02 - July 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	-	-	-	-	-	-	-	-	-
Program IV - Clean, Green & Secure									
Direct Grant Income	-	-	-	-	-	-	-	-	-
3rd Party Grant Income	-	-	-	-	-	-	-	-	-
Program V - 3 Trails Corridor Installation									
Direct Grant Income	-	-	-	-	-	-	-	-	-
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)	12,866	-	(12,866)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
Program III - Bannister Road Feasibility									
Direct Project Expenses	-	-	-	468	-	(468)	11,418	-	(11,418)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
Program IV - Clean, Green & Secure									
Direct Project Expenses	2,100	-	(2,100)	2,100	-	(2,100)	2,100	-	(2,100)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
Program V - 3 Trails Corridor Installation									
Direct Project Expenses	65,000	-	(65,000)	65,000	-	(65,000)	65,000	-	(65,000)
3rd Party Grant Expenses	-	-	-	-	-	-	-	-	-
Earmarked Expenses	-	-	-	-	-	-	-	-	-
TOTAL PROGRAM EXPENDITURES	67,100	-	(67,100)	67,651	-	(67,651)	199,384	-	(199,384)
NET PROGRAM INCOME	(67,100)	-	(67,100)	(67,651)	-	(67,651)	(171,684)	-	(171,684)
TOTAL OF REVENUE AND EXPENSES	(94,348)	3,431	(97,779)	(78,430)	34,293	(112,723)	75,528	300,090	(224,562)

EXHIBIT C

LETTER OF INTENT

russe solutions.com

TO DEDICATE TRAIL/GREENWAY EASEMENT

This letter of intent is between Spigel Properties, 5600 East Bannister Road, Kansas City, Missouri 64134 ("SPIGEL") and 3-Trails Community Improvement District, 5912 East Bannister Road, Kansas City, Missouri 64134 ("CID").

SPIGEL and CID desire to have a trail/greenway ("3-Trails Corridor") constructed in the southeast parking lot of the Bannister Mall between Hillcrest Road and Bannister Road generally following the alignment of the Santa Fe, Oregon and California National Historic Trails. The trail/greenway is consistent with the Blue Ridge Corridor Plan, the FOCUS Plan of Kansas City, Missouri, Mid America Regional Council's Creating Quality Places and Transit Supportive Development, the Certification Agreement between Bannister Mall and the National Park Service, the Metro Green Regional Trails Plan and the provisions of the existing City of Kansas City, Missouri ("CITY") TIF plan for Bannister Mall.

SPIGEL agrees to dedicate a public easement to CID (a political subdivision of the State of Missouri and/or CITY) for construction by others of a trail/greenway over the Bannister Mall property, consistent with the existing CITY and state of Missouri TIF plans. The easement corridor will be 30' (thirty feet) in width.

CID will, at its cost and expense, prepare the easement document for execution and recording in Jackson County, Missouri.

CID will, at its cost and expense, endeavor to secure the necessary funding required to construct the trail/greenway including the preparation of plans and specifications which SPIGEL shall have the right to approve, which approval shall not be reasonably withheld.

SPIGEL shall have the right, at its expense, to reasonably relocate the trail/greenway to accommodate future development of the Bannister Mall property provided a continuous trail corridor is maintained.

CID will work to assemble the necessary easement, which SPIGEL and CID understand requires easements from Sears and Dillards to complete. CID and/or CITY intend to enter into a cooperative agreement with the Kansas City Parks and Recreation Department for the overall management and maintenance of the trail/greenway.

SPIGEL agrees, if necessary, to dedicate additional trail/greenway sufficient to connect the public transit facility contemplated for the Bannister Mall area by the Kansas City Transit Authority with the intent being to provide pedestrian access from the transit facility to the 3-Trails Corridor and vice versa. The connector trail/greenway will be constructed on the same conditions as the 3-Trails Corridor.

Dated this 19th day of September, 2003

SPIGEL PROPERTIES

By: [Signature] Title

3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

By: Lou Austin, Chairman of the Board 9-19-03

7/2



**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT
MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE DISTRICT
August 16, 2004**

I. CALL TO ORDER

The meeting was called to order at 1:15 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
Troy Marquis
Mary Norman
Tony Privitera

Directors Whitney Kerr, Sr., 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
Robin Buckner, Convention Center – Old Wards Building

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 July 19, 2004 meeting. After discussion the motion was approved.

III. NEW BUSINESS:

A. **Special Presentations:**

1. None.

B. Treasurer's Report:

1. Financial Statement: Troy Marquis, Treasurer, reviewed the District financial statement through July 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: None.
3. Insurance: None.
4. Budget / Audit: Working on audit presentation. New law requires a Management Discussion section. Will have completed in one week and will circulate to the Board. Final audit reports will be distributed to Board at October meeting.
5. Other: None.

C. Legal Report:

1. Petition to Extend District: Have received no comment from the City. Signed petition should be filed with the City by March 2005 at the latest. Final draft of the petition will be circulated to the Board at October meeting.
2. Resolution to authorize special assessment and adjust for inflation: Motion was made to revert levy back to .62 cents from .65 cents and file with the County. After discussion the motion was unanimously approved. (Resolution 2004-12).
3. Other: Annual Report Audit: Motion was made to provisionally accept the audit subject to final review by Board. After discussion the motion was unanimously approved. (Resolution 2004-13).

D. District Manager's Report:

1. District / Administrative Programs:
 - a. Summary of Activities: Summary of CID activities has been posted on the web site. Increased CID activity has necessitated restricting use of CID facilities for activities directly relevant to CID strategic objectives.
 - b. Web Site: Update on some unforeseen complications that have come up with the transfer of the web site. After discussion it

was decided to postpone the web site transfer until more information was gathered.

- c. CID Life Extension & Expansion: None.
 - d. South KC Chamber Master Membership: None.
2. Master Plan – Image & Marketing Program:
- a. 3-Trails Village information brochure: None.
 - b. Master Plan – Village Square: Presented concept layout of the relocated Fire Station and Transit Station in the Village Square. A letter had been sent to Mr. Spigel with the layout prepared by Mr. Wallwork which included the roundabouts at Hillcrest Road and 93rd Street and in the Village Square.
 - 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): None.
 - 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: None.
 - b. Bannister Road Upgrade & Enhancement: None.

- c. 3-Trails Transit Station: See D2(b) this section.
 - d. 3-Trails Shuttle: None.
 - e. 3-Trails Corridor: None.
5. Investment Program:
- a. Fire Station No. 41: See D2(b) this section.
 - 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): None.
6. Pending & Follow-up items: None.
7. Request(s) for Action: Motion was made to earmark an additional \$13,000 to \$52,000 previously authorized for a total of \$65,000 for the STP local match. After discussion the motion was unanimously approved (Director Marquis was not present for the vote).

E. Other:

- 1. Communication:
 - a. Next regular Board meeting: September 20, 2004 @ 1PM,
5912 E. Bannister Road.
- 2. Presentations: None.
- 3. Update: District Manager updated Board on recent events/developments within the District.

F. Public comments and communications: None.

G. Adjournment

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

II. List of Exhibits

1. Exhibit A – Meeting Notice
2. Exhibit B – August 2004 Financial Statement
3. Exhibit C Letter to Mr. Spigel – Fire Station Designs

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

Date: August 16, 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: July 19, 2004.

III. NEW BUSINESS

A. Special Presentations:

- 1. None

B. Treasurer's Report:

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

C. Legal Report:

- 1. Petition to Extend District - Update
- 2. Resolution to authorize special assessment and adjust for inflation.
- 3. 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. Security – CID master plan / program
 - d. Business Watch (Armbands, decals, magnetic signs)
 - e. District boundary signs
 - f. Promotion / Special events
 - g. Landscaping / beautification
 - h. 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 & 93rd Street Roundabout
 - b. Penney's Building & Site
 - c. Federal STP Grant (\$1 million dollars)
 - d. Federal CMAC Grant (\$368,000)
 - e. PLAC Transit Grant (\$500,000)
 - f. Federal Enhancement Grant / KCMO Planning (\$260,000)
6. Pending & Follow-up items
 - a. None.
7. Request(s) for Action

ITEM: Technical Amendment to STP local match.

RECOMMENDATION:

1. Earmark additional \$13,000 to \$52,000 previously authorized for a total of \$65,000.

FUNDS REQUESTED: \$13,000

E. Other:

1. Communication:
 - a. Next Board meeting: September 20, 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 4:00 AM/PM on AUGUST 13 2004.

By: _____

Name Printed:

For: 3-Trails Community Improvement District

hou [Signature]
Chairman