

**ANNUAL REPORT FOR  
12<sup>TH</sup> STREET HERITAGE  
COMMUNITY IMPROVEMENT DISTRICT (“CID”)  
FOR THE FISCAL YEAR ENDING APRIL 30, 2025**

**SECTION I**

Date of Annual Report Submittal: August 28, 2025

Political Subdivision or  
Not for Profit: Political Subdivision

Date of Council Approval  
and Ordinance No: April 12, 2018; Ordinance No. 180249

District Point of Contact Name: George Gates, Chairman  
Patrick Sterrett

Point of Contact Phone & Email: George Gates, Chairman  
(816) 923-0900  
gque1325@gmail.com  
  
Patrick Sterrett  
(816) 686-9559  
psterrett@sterretturban.com

## **SECTION II**

### *BOARD MEMBERS AS OF DATE OF MOST RECENT ANNUAL MEETING:*

George Gates, Chairman  
gque1325@gmail.com  
Current Term Start: April 2022  
Current Term End: April 2026

Arzelia Gates, Treasurer  
arzelia@gatesbbq.com  
Current Term Start: April 2020  
Current Term End: Pending

Dwayne Williams, Vice-Chairman  
dwaynewilliams@twelfthstreetheritage.org  
Current Term Start: April 2022  
Current Term End: April 2026

Vera Willis  
willis5409@aol.com  
Current Term Start: April 2020  
Current Term End: Pending

Maurice Glover, Secretary  
Maurice.glover09@yahoo.com  
Current Term Start: April 2020  
Current Term End: Pending

Ingrid Hadley-Jackson  
ingrid@gatesbbq.com  
Current Term Start: April 2022  
Current Term End: April 2026

Vewiser Dixon  
vewiser@yahoo.com  
Current Term Start: April 2023  
Current Term End: Pending

## **SECTION III**

### *SERVICES PROVIDED DURING FY 2025:*

Activities conducted during FY 2025 include: 1) administrative functions; 2) explore hosting events and other programming in the District to increase economic activity; 3) continued discussions with various staff and leadership at local and state government levels regarding maintenance and safety issues within and adjacent to the District; 4) begin discussions with local leaders and the Kansas City Police Department regarding security enhancements within the District and surrounding area; 5) work with local leadership to install security cameras on 12<sup>th</sup> Street; 6) work with District businesses to reduce crime in the District and vicinity; 7) install new landscaping in the District; and 8) continued trash pick-up, snow and ice removal, and grass/weed cutting in the public right-of-way throughout the District.

#### **SECTION IV**

##### *DATE OF BUDGET AND REPORT SUBMITTALS MADE DURING FY 2025:*

Date Proposed FY 2026 Budget was Submitted to City:	January 31, 2025
Date Proposed FY 2026 Budget was Adopted by District:	March 19, 2025
Date FY 2024 Annual Report Submitted to City, State:	August 27, 2024

#### **SECTION V**

##### *LIST OF RESOLUTIONS APPROVED DURING FY 2025 (COPIES OF RESOLUTIONS ARE ATTACHED):*

RESOLUTION NUMBER	RESOLUTION TITLE
2024-05	Approving and Authorizing Submission of 2023-2024 Annual Reports to the City of Kansas City, the Missouri Department of Economic Development, the Missouri Department of Revenue and the Missouri State Auditor's Office
2024-06	Authorizing the Execution of an Engagement Letter with Ralph C. Johnson & Company, P.C. to Provide Independent Audit Services of the District's Financial Statements for Fiscal Year 2023-2024
2024-07	Approving an Amendment to the Contract between the District and Signature Landscape to Install New Landscaping in the District
2025-01	Authorizing Submittal of the Proposed FY 2025-2026 Budget to the City for Review and Comment Adoption of the Proposed FY 2025-2026 Budget
2025-02	Appointing Officers of the District
2025-03	Approval of a Request to OG Investment to Assist the District with Funding the Installation of Security Cameras in the District
2025-04	Approving an Amendment to the Contract between the District and Signature Landscape to Install New Landscaping in the District

Per City Ordinance No. 240979 a copy of the District's Bylaws, adopted March 20, 2019, has been attached.

BOARD RESOLUTIONS:

☒ ATTACHED

NONE APPROVED

CID BYLAW AMENDMENTS:

ATTACHED

☒ NONE APPROVED**SECTION VI***FY 2025 REVENUE AND EXPENSES:*

<b>INCOME:</b>		
a) Sales & Use Tax Revenue		<b>\$ 71,399.96</b>
b) Interest		<b>\$ 151.02</b>
<b>TOTAL INCOME</b>		<b>\$ 71,550.98</b>
<b>EXPENSES:</b>		
<b>I. Administrative:</b>		
a) Management/Administrative	\$ 5,940.00	
b) Accounting	\$ 975.00	
c) KCMO Annual Review Fee	\$ 1,000.00	
<b>SUB-TOTAL</b>	<b>\$ 7,915.00</b>	
<b>II. Services:</b>		
a) Landscaping	\$ 16,964.52	
b) Maintenance/Trash Pick-up	\$ 11,933.28	
c) Snow/Ice Removal	\$ 5,543.26	
d) Security Patrol	\$ 13,310.00	
<b>SUB-TOTAL</b>	<b>\$ 47,751.06</b>	
<b>III. Programming/Event Planning</b>		
a) Holiday Lighting	\$ 5,170.50	
<b>SUB-TOTAL</b>	<b>\$ 5,170.50</b>	
<b>IV. Other</b>		
a) Clean/Restripe Parking Lots	\$ 4,499.50	
<b>SUB-TOTAL</b>	<b>\$ 4,499.50</b>	
<b>EXPENSE TOTAL:</b>		
I. Administrative		\$ 7,915.00
II. Services		\$ 47,751.06
III. Programming/Event Planning		\$ 5,170.50
IV. Other		\$ 4,499.50
<b>TOTAL EXPENSES</b>		<b>\$ 65,336.06</b>
<b>NET INCOME</b>		<b>\$ 6,214.92</b>
<b>BEGINNING FUND BALANCE</b>	05/01/2024	<b>\$ 87,517.93</b>
<b>ENDING FUND BALANCE</b>	04/30/2025	<b>\$ 93,732.85</b>



*RELEVANT AGENCY CONTACT INFORMATION:*

Missouri Dept of Economic Development Attn: CID Annual Report 301 W. High Street, P. O. Box 118 Jefferson City, MO 65102 Email: missouridevelopment@ded.mo.gov	City Clerk 25 <sup>th</sup> Floor, City Hall 414 E. 12 <sup>th</sup> Street Kansas City, MO 64106 Email: Marilyn.Sanders@kcmo.org
Missouri Department of Revenue Attn: Taxation Division – Local Gov’t P.O. Box 3380 Jefferson City, MO 65105-3380 Email: LocalGov@dor.mo.gov	Missouri State Auditor's Office Attn: Local Government Unit P.O. Box 869 Jefferson City, MO 65102 Email: localgovernment@auditor.mo.gov

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2024-05**

**APPROVING AND AUTHORIZING SUBMISSION OF 2023-2024 ANNUAL REPORTS  
TO THE CITY OF KANSAS CITY, THE MISSOURI DEPARTMENT OF ECONOMIC  
DEVELOPMENT, THE MISSOURI DEPARTMENT OF REVENUE AND THE  
MISSOURI STATE AUDITOR’S OFFICE.**

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WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”); and

WHEREAS, pursuant to Section 67.1471.4, RSMo., the Board of Directors (the “Board”) of the District shall submit a report to the City Clerk of Kansas City, Missouri, the Missouri Department of Economic Development, the Missouri Department of Revenue, and the Missouri State Auditor’s Office stating the services provided, revenues collected and expenditures made by the district during such fiscal year within one hundred twenty (120) days after the end of each fiscal year; and

WHEREAS, pursuant to Section 105.145, RSMo. and 15 C.S.R. 40-3.030, the Board shall submit an annual report of the financial transactions of the District to the Missouri State Auditor’s Office within six (6) months after the end of each fiscal year; and

WHEREAS, the 2023-2024 fiscal year of the District ended April 30, 2024; and

WHEREAS, the Board desires to comply with all applicable financial reporting requirements for the District.

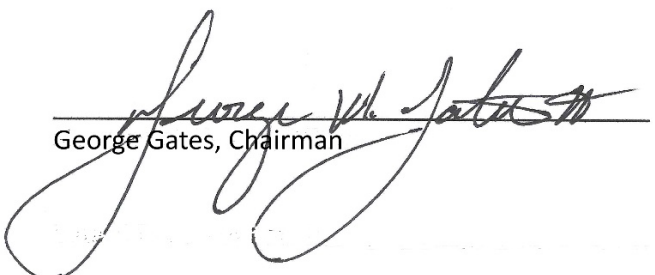
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Annual Report for the District attached as Exhibit “A” hereto and incorporated herein by reference (the “Annual Report”) is hereby approved by the Board.
2. The District Manager is authorized and directed to submit the Annual Report to the City Clerk of Kansas City, Missouri, the Missouri Department of Economic Development, the Missouri Department of Revenue, and the Missouri State Auditor’s Office no later than August 28, 2023.

**RESOLUTION NO. 2024-05**

3. The Missouri Local Government Financial Statement attached as Exhibit “B” hereto and incorporated herein by reference (the “Auditor Report”) is hereby approved by the Board.
4. The District Manager is authorized and directed to submit the Auditor Report to the Missouri State Auditor’s Office no later than October 31, 2024.
5. The Officers and District Manager of the District are authorized to take such further actions as are reasonably necessary for the submission of the 2023-2024 annual reports.
6. This resolution shall take effect immediately.

PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on August 21, 2024.

  
George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

**ANNUAL REPORT FOR  
12<sup>TH</sup> STREET HERITAGE  
COMMUNITY IMPROVEMENT DISTRICT (“CID”)  
FOR THE FISCAL YEAR ENDING APRIL 30, 2024**

**SECTION I**

Date: August 21, 2024

CID Contact Information: George Gates, Chairman; 4621 The Paseo, Kansas City,  
Missouri 64110; 816-923-0900

Political Subdivision or Not for Profit: Political Subdivision

Date of and Ordinance No: April 12, 2018; Ordinance No. 180249

**SECTION II**

**PURPOSES OF CID AND SERVICES PERFORMED DURING FISCAL YEAR:**

The purposes of the 12<sup>th</sup> Street Heritage CID are generally described as follows:

(1) demolish and remove, renovate, reconstruct, or rehabilitate privately-owned structures so as to remove blight within the District’s boundaries; (2) to construct public improvements within the boundaries of the District as permitted by law, including but not limited to: (i) lawns, trees and other landscaping; (ii) sidewalks, internal streets, internal traffic signs and signals, utilities drainage, water, storm and sewer systems, and other site improvements; (iii) parking lots; and (iv) streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers; (3) provide for professional fees, including without limitation legal and accounting, architectural and engineering, marketing and advertising, approvals, permits, inspections and other fees, and funding of City expenses; (4) employ or contract for personnel and services necessary to carry out the purposes of the District, including improved safety and assistance to patrons within the District; (5) provide maintenance of public areas within the District; (6) provide transportation related improvements within the District; (7) advocate and provide assistance to attract further investment within the District; (8) prepare and implement programs and plans designed to attract patrons, visitors, tourists, employees, businesses, investors, residents and other invitees to the District by promoting the image and marketability of the District (collectively the “Eligible Services”); and (9) fund such other costs necessary and related to implementation of the Eligible Services.

Activities conducted during FY 2024 include: 1) administrative functions; 2) explore hosting events and other programming in the District increase economic activity; 3) continued discussions with various staff and leadership at local and state government levels regarding maintenance and safety issues within and adjacent to the District; 4) begin discussions with local leaders and the Kansas City Police Department regarding security enhancements within the District and surrounding area; and 4) continued trash

pick-up, snow and ice removal, and grass/weed cutting in the public right-of-way throughout the District.

### **SECTION III**

#### **BOARD MEMBERS AS OF DATE OF MOST RECENT ANNUAL MEETING:**

George Gates, Chairman  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
gque1325@gmail.com

Arzelia Gates, Treasurer  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
arzelia@gatesbbq.com

Dwayne Williams, Vice-Chairman  
12th Street Heritage Development Corporation  
2124 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 216-6242  
dwaynewilliams@twelfthstreetheritage.org

Vera Willis  
Peachtree Café'Teria  
2128 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 213-1337  
willis5409@aol.com

Maurice Glover, Secretary  
Glover Consulting Services, LLC  
2501 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 401-0148  
Maurice.glover09@yahoo.com

Ingrid Hadley-Jackson  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
ingrid@gatesbbq.com

Vewiser Dixon  
Wing Lovers USA  
2313 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(913) 333-0469  
vewiser@yahoo.com

## SECTION IV

### REVENUE AND EXPENSES:

<b>INCOME:</b>		
a) Sales & Use Tax Revenue		\$ 72,873.55
b) Interest		\$ 133.24
<b>TOTAL INCOME</b>		<b>\$ 73,006.79</b>
<b>EXPENSES:</b>		
<b>I. Administrative:</b>		
a) Management/Administrative	\$ 5,940.00	
b) Accounting	\$ 825.00	
c) Independent Audit	\$ 5,000.00	
d) KCMO Annual Review Fee	\$ 1,000.00	
<b>SUB-TOTAL</b>	<b>\$ 12,765.00</b>	
<b>II. Services:</b>		
a) Landscaping/Maintenance/Trash Pick-up	\$ 29,560.13	
b) Snow/Ice Removal	\$ 2,969.96	
c) Security Patrol	\$ 6,848.00	
<b>SUB-TOTAL</b>	<b>\$ 39,378.09</b>	
<b>III. Programming/Event Planning</b>		
a) Holiday Lighting	\$ 4,430.80	
<b>SUB-TOTAL</b>	<b>\$ 4,430.80</b>	
<b>IV. Other</b>		
a)	\$ 0.00	
<b>SUB-TOTAL</b>	<b>\$ 0.00</b>	
<b>EXPENSE TOTAL:</b>		
I. Administrative		\$ 12,765.00
II. Services		\$ 39,378.09
III. Programming/Event Planning		\$ 4,430.80
IV. Other		\$ 0.00
<b>TOTAL EXPENSES</b>		<b>\$ 56,573.89</b>
<b>NET INCOME</b>		<b>\$ 16,432.90</b>
<b>BEGINNING FUND BALANCE</b>	05/01/2023	<b>\$ 71,085.03</b>
<b>ENDING FUND BALANCE</b>	04/30/2024	<b>\$ 87,517.93</b>

## **SECTION V**

### **LIST OF RESOLUTIONS APPROVED DURING FISCAL YEAR (COPIES OF RESOLUTIONS ARE ATTACHED):**

RESOLUTION NUMBER	RESOLUTION TITLE
2023-05	Approving and Authorizing Submission of 2022-2023 Annual Reports to the City of Kansas City, the Missouri Department of Economic Development, the Missouri Department of Revenue and the Missouri State Auditor's Office
2023-06	Accepting a Proposal from Sonié Joi Thompson-Ruffin and Authorizing the Chairman to Negotiate an Agreement to Provide Event Planning Services for Consideration by the Board
2023-07	Authorizing the Execution of an Engagement Letter with Ralph C. Johnson & Company, P.C. to Provide Independent Audit Services of the District's Financial Statements for Fiscal Year 2022-2023
2023-08	Accepting the Fiscal Year 2022-2023 District's Audited Financial Statements Independent Audit of Financial Statements from Ralph C. Johnson & Company, P.C.
2024-01	Authorizing Submittal of the Proposed FY 2024-2025 Budget to the City for Review and Comment, with Copies to the Missouri Department of Revenue and the State Auditor; Adoption of the FY 2024-2025 Budget
2024-02	Approving and Authorizing Execution of Agreement with O.G. Investment to Jointly Pay for Security Patrols
2024-03	Appointing Officers of the District
2024-04	Approving and Authorizing Execution of a Contract with Signature Landscape, LLC to Maintain Landscaping within the District from January 1, 2024 to December 31, 2024.



**SECTION VI**  
**RELEVANT DATES FOR FISCAL YEAR:**

DATE	BOARD ACTION
January 26, 2024	Submitted 2024-2025 Fiscal Year Budget to City
March 20, 2024	Adopted 2024-2025 Fiscal Year Budget
August 17, 2023	Submitted 2022-2023 Annual Report to City

**SUBMIT FORM AND ATTACHMENTS TO:**

Missouri Dept of Economic Development Attn: CID Annual Report 301 W. High Street, P. O. Box 118 Jefferson City, MO 65102 Email: <a href="mailto:missouridevelopment@ded.mo.gov">missouridevelopment@ded.mo.gov</a>	City Clerk 25 <sup>th</sup> Floor, City Hall 414 E. 12 <sup>th</sup> Street Kansas City, MO 64106 Email: <a href="mailto:Marilyn.Sanders@kcmo.org">Marilyn.Sanders@kcmo.org</a>
Missouri Department of Revenue Attn: Taxation Division – Local Gov’t P.O. Box 3380 Jefferson City, MO 65105-3380 Email: <a href="mailto:LocalGov@dor.mo.gov">LocalGov@dor.mo.gov</a>	Missouri State Auditor's Office Attn: Local Government Unit P.O. Box 869 Jefferson City, MO 65102 Email: <a href="mailto:localgovernment@auditor.mo.gov">localgovernment@auditor.mo.gov</a>

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2023-05**

**APPROVING AND AUTHORIZING SUBMISSION OF 2022-2023 ANNUAL REPORTS  
TO THE CITY OF KANSAS CITY, THE MISSOURI DEPARTMENT OF ECONOMIC  
DEVELOPMENT, THE MISSOURI DEPARTMENT OF REVENUE AND THE  
MISSOURI STATE AUDITOR’S OFFICE.**

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WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”); and

WHEREAS, pursuant to Section 67.1471.4, RSMo., the Board of Directors (the “Board”) of the District shall submit a report to the City Clerk of Kansas City, Missouri, the Missouri Department of Economic Development, the Missouri Department of Revenue, and the Missouri State Auditor’s Office stating the services provided, revenues collected and expenditures made by the district during such fiscal year within one hundred twenty (120) days after the end of each fiscal year; and

WHEREAS, pursuant to Section 105.145, RSMo. and 15 C.S.R. 40-3.030, the Board shall submit an annual report of the financial transactions of the District to the Missouri State Auditor’s Office within six (6) months after the end of each fiscal year; and

WHEREAS, the 2022-2023 fiscal year of the District ended April 30, 2023; and

WHEREAS, the Board desires to comply with all applicable financial reporting requirements for the District.

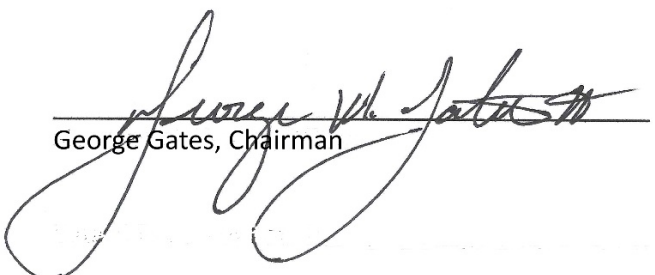
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Annual Report for the District attached as Exhibit “A” hereto and incorporated herein by reference (the “Annual Report”) is hereby approved by the Board.
2. The District Manager is authorized and directed to submit the Annual Report to the City Clerk of Kansas City, Missouri, the Missouri Department of Economic Development, the Missouri Department of Revenue, and the Missouri State Auditor’s Office no later than August 28, 2023.

**RESOLUTION NO. 2023-05**

3. The Missouri Local Government Financial Statement attached as Exhibit “B” hereto and incorporated herein by reference (the “Auditor Report”) is hereby approved by the Board.
4. The District Manager is authorized and directed to submit the Auditor Report to the Missouri State Auditor’s Office no later than October 31, 2023.
5. The Officers and District Manager of the District are authorized to take such further actions as are reasonably necessary for the submission of the 2022-2023 annual reports.
6. This resolution shall take effect immediately.

PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on August 16, 2023.

  
George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

**ANNUAL REPORT FOR  
12<sup>TH</sup> STREET HERITAGE  
COMMUNITY IMPROVEMENT DISTRICT (“CID”)  
FOR THE FISCAL YEAR ENDING APRIL 30, 2023**

**SECTION I**

Date: August 16, 2023

CID Contact Information: George Gates, Chairman; 4621 The Paseo, Kansas City,  
Missouri 64110; 816-923-0900

Political Subdivision or Not for Profit: Political Subdivision

Date of and Ordinance No: April 12, 2018; Ordinance No. 180249

**SECTION II**

**PURPOSES OF CID AND SERVICES PERFORMED DURING FISCAL YEAR:**

The purposes of the 12<sup>th</sup> Street Heritage CID are generally described as follows:

(1) demolish and remove, renovate, reconstruct, or rehabilitate privately-owned structures so as to remove blight within the District’s boundaries; (2) to construct public improvements within the boundaries of the District as permitted by law, including but not limited to: (i) lawns, trees and other landscaping; (ii) sidewalks, internal streets, internal traffic signs and signals, utilities drainage, water, storm and sewer systems, and other site improvements; (iii) parking lots; and (iv) streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers; (3) provide for professional fees, including without limitation legal and accounting, architectural and engineering, marketing and advertising, approvals, permits, inspections and other fees, and funding of City expenses; (4) employ or contract for personnel and services necessary to carry out the purposes of the District, including improved safety and assistance to patrons within the District; (5) provide maintenance of public areas within the District; (6) provide transportation related improvements within the District; (7) advocate and provide assistance to attract further investment within the District; (8) prepare and implement programs and plans designed to attract patrons, visitors, tourists, employees, businesses, investors, residents and other invitees to the District by promoting the image and marketability of the District (collectively the “Eligible Services”); and (9) fund such other costs necessary and related to implementation of the Eligible Services.

Activities conducted during FY 2023 include: 1) administrative functions; 2) commence implementation of achieving goals established in FY 2022 strategic plan; 3) continued discussions with various staff and leadership at local and state government levels regarding maintenance and safety issues within and adjacent to the District; and 4) continued trash pick-up, snow and ice removal, and grass/weed cutting in the public right-of-way throughout the District.

### **SECTION III**

#### **BOARD MEMBERS AS OF DATE OF MOST RECENT ANNUAL MEETING:**

George Gates, Chairman  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
gque1325@gmail.com

Arzelia Gates, Treasurer  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
arzelia@gatesbbq.com

Dwayne Williams, Vice-Chairman  
12th Street Heritage Development Corporation  
2124 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 216-6242  
dwaynewilliams@twelfthstreetheritage.org

Vera Willis  
Peachtree Café'Teria  
2128 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 213-1337  
willis5409@aol.com

Maurice Glover, Secretary  
Glover Consulting Services, LLC  
2501 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 401-0148  
Maurice.glover09@yahoo.com

Ingrid Hadley-Jackson  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
ingrid@gatesbbq.com

## SECTION IV

### REVENUE AND EXPENSES:

<b>INCOME:</b>		
a) Sales & Use Tax Revenue		<b>\$ 74,296.34</b>
b) Interest		<b>\$ 100.66</b>
<b>TOTAL INCOME</b>		<b>\$ 74,397.00</b>
<b>EXPENSES:</b>		
<b>I. Administrative:</b>		
a) Management/Administrative	\$ 5,940.00	
b) Accounting	\$ 900.00	
c) KCMO Annual Review Fee	\$ 1,000.00	
<b>SUB-TOTAL</b>	<b>\$ 7,840.00</b>	
<b>II. Services:</b>		
a) Landscaping/Maintenance/Trash Pick-up	\$ 37,046.98	
b) Snow/Ice Removal	\$ 1,760.00	
<b>SUB-TOTAL</b>	<b>\$ 38,806.98</b>	
<b>III. Programming/Event Planning</b>		
a) Holiday Lighting	\$ 4,315.98	
<b>SUB-TOTAL</b>	<b>\$ 4,315.98</b>	
<b>IV. Other</b>		
a) Grant Writing	\$ 300.00	
<b>SUB-TOTAL</b>	<b>\$ 300.00</b>	
<b>EXPENSE TOTAL:</b>		
I. Administrative		\$ 7,840.00
II. Services		\$ 38,806.98
III. Programming/Event Planning		\$ 4,315.98
IV. Other		\$ 300.00
<b>TOTAL EXPENSES</b>		<b>\$ 51,262.96</b>
<b>NET INCOME</b>		<b>\$ 23,134.04</b>
<b>BEGINNING FUND BALANCE</b>	05/01/2022	<b>\$ 47,950.99</b>
<b>ENDING FUND BALANCE</b>	04/30/2023	<b>\$ 71,085.03</b>

## **SECTION V**

LIST OF RESOLUTIONS APPROVED DURING FISCAL YEAR  
(ATTACH COPIES):

RESOLUTION NUMBER	RESOLUTION TITLE
2022-05	Approving and Authorizing Submission of 2021-2022 Annual Reports
2022-06	Approving and Authorizing Execution of a Contract with Signature Landscape to Provide Landscaping Services
2023-01	Approving and Authorizing Execution of a Contract with Signature Landscape to Provide Landscaping Services
2023-02	Approval of District's FY2024 Budget
2023-03	Election of Officers for 2023
2023-04	Appointment of Interim Director

## **SECTION VI**

RELEVANT DATES FOR FISCAL YEAR:

DATE	BOARD ACTION
January 18, 2023	Adopted 2023-2024 Fiscal Year Budget
January 24, 2023	Submitted 2023-2024 Fiscal Year Budget to City
August 17, 2023	Submitted 2022-2023 Annual Report to City



**SUBMIT FORM AND ATTACHMENTS TO:**

Missouri Dept of Economic Development Attn: CID Annual Report 301 W. High Street, P. O. Box 118 Jefferson City, MO 65102 Email: <a href="mailto:missouridevelopment@ded.mo.gov">missouridevelopment@ded.mo.gov</a>	City Clerk 25 <sup>th</sup> Floor, City Hall 414 E. 12 <sup>th</sup> Street Kansas City, MO 64106 Email: <a href="mailto:Marilyn.Sanders@kcmo.org">Marilyn.Sanders@kcmo.org</a>
Missouri Department of Revenue Attn: Taxation Division – Local Gov’t P.O. Box 3380 Jefferson City, MO 65105-3380 Email: <a href="mailto:LocalGov@dor.mo.gov">LocalGov@dor.mo.gov</a>	Missouri State Auditor's Office Attn: Local Government Unit P.O. Box 869 Jefferson City, MO 65102 Email: <a href="mailto:localgovernment@auditor.mo.gov">localgovernment@auditor.mo.gov</a>

**12<sup>th</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT APPROVING AND AUTHORIZING SUBMISSION OF 2021-2022 ANNUAL REPORTS.**

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “**District**”); and

WHEREAS, pursuant to Section 67.1471.4, RSMo., the Board of Directors (the “**Board**”) of the District shall submit a report to the City Clerk of Kansas City, Missouri and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the district during such fiscal year within one hundred twenty (120) days after the end of each fiscal year; and

WHEREAS, pursuant to Section 105.145, RSMo. and 15 C.S.R. 40-3.030, the Board shall submit an annual report of the financial transactions of the District to the Missouri State Auditor’s Office within six (6) months after the end of each fiscal year; and

WHEREAS, the 2021-2022 fiscal year of the District ended April 30, 2022; and

WHEREAS, the Board desires to comply with all applicable financial reporting requirements for the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

1. The Annual Report for the District attached as Exhibit “A” hereto and incorporated herein by reference (the “**City/MDED Report**”) is hereby approved by the Board.
2. The District Manager is authorized and directed to submit the City/MDED Report to the City Clerk of Kansas City, Missouri and the Missouri Department of Economic Development no later than August 28, 2022.
3. The Missouri Local Government Financial Statement attached as Exhibit “B” hereto and incorporated herein by reference (the “**Auditor Report**”) is hereby approved by the Board.
4. The District Manager is authorized and directed to submit the Auditor Report to the Missouri State Auditor’s Office no later than October 31, 2022.
5. The Officers and District Manager of the District are authorized to take such further actions as are reasonably necessary for the submission of the 2021-2022 annual reports.

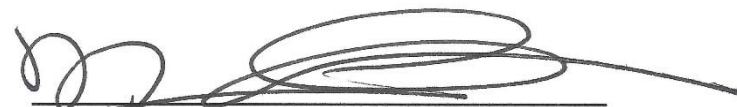
6. This resolution shall take effect immediately.

PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District  
on July 20, 2022.



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

ANNUAL REPORT FOR  
12<sup>TH</sup> STREET HERITAGE  
COMMUNITY IMPROVEMENT DISTRICT (“CID”)  
FOR THE FISCAL YEAR ENDING APRIL 30, 2022

**SECTION I**

Date: August 28, 2022

CID Contact Information: George Gates, Chairman; 2124 E. 12<sup>th</sup> Street, Kansas City,  
Missouri 64127; 816-923-0900

Political Subdivision or Not for Profit: Political Subdivision

Date of and Ordinance No: April 12, 2018; Ordinance No. 180249

**SECTION II**

PURPOSES OF CID AND SERVICES PERFORMED DURING FISCAL YEAR:

The purposes of the 12<sup>th</sup> Street Heritage CID are generally described as follows:

(1) demolish and remove, renovate, reconstruct, or rehabilitate privately-owned structures so as to remove blight within the District’s boundaries; (2) to construct public improvements within the boundaries of the District as permitted by law, including but not limited to: (i) lawns, trees and other landscaping; (ii) sidewalks, internal streets, internal traffic signs and signals, utilities drainage, water, storm and sewer systems, and other site improvements; (iii) parking lots; and (iv) streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers; (3) provide for professional fees, including without limitation legal and accounting, architectural and engineering, marketing and advertising, approvals, permits, inspections and other fees, and funding of City expenses; (4) employ or contract for personnel and services necessary to carry out the purposes of the District, including improved safety and assistance to patrons within the District; (5) provide maintenance of public areas within the District; (6) provide transportation related improvements within the District; (7) advocate and provide assistance to attract further investment within the District; (8) prepare and implement programs and plans designed to attract patrons, visitors, tourists, employees, businesses, investors, residents and other invitees to the District by promoting the image and marketability of the District (collectively the “Eligible Services”); and (9) fund such other costs necessary and related to implementation of the Eligible Services.

Activities conducted during FY 2022 include: 1) administrative functions; 2) development of a strategic plan; 3) discussions with various staff and leadership at local and state government levels regarding maintenance and safety issues within and adjacent to the District; and 4) continued trash pick-up, snow and ice removal, and grass/weed cutting in the public right-of-way throughout the District.

### **SECTION III**

#### **BOARD MEMBERS AS OF DATE OF MOST RECENT ANNUAL MEETING:**

George Gates, Chairman  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
gque1325@gmail.com

Arzelia Gates, Treasurer  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
arzelia@gatesbbq.com

Dwayne Williams, Vice-Chairman  
12th Street Heritage Development Corporation  
2124 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 216-6242  
dwaynewilliams@twelfthstreetheritage.org

Vera Willis  
Peachtree Café'Teria  
2128 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 213-1337  
willis5409@aol.com

Maurice Glover, Secretary  
Glover Consulting Services, LLC  
2501 E. 12<sup>th</sup> Street  
Kansas City, MO 64127  
(816) 401-0148  
Maurice.glover09@yahoo.com

Ingrid Hadley-Jackson  
Gates Bar-B-Q  
4621 The Paseo  
Kansas City, MO 64110  
(816) 923-0900  
ingrid@gatesbbq.com

## **SECTION IV**

### **REVENUE AND EXPENSES:**

<b>INCOME:</b>		
a) Sales & Use Tax Revenue		<b>\$ 72,067.77</b>
b) Interest		<b>\$ 42.95</b>
<b>TOTAL INCOME</b>		<b>\$ 72,110.72</b>
<b>EXPENSES:</b>		
<b>I. Administrative:</b>		
a) Management/Administrative	\$ 5,940.00	
b) Accounting	\$ 900.00	
c) Office Supplies	\$ 545.24	
<b>SUB-TOTAL</b>	<b>\$ 7,385.24</b>	
<b>II. Services:</b>		
a) Mowing/Trash Pick-up	\$ 19,455.63	
b) Snow/Ice Removal	\$ 4,748.24	
<b>SUB-TOTAL</b>	<b>\$ 24,203.87</b>	
<b>III. Other</b>		
a)		
<b>SUB-TOTAL</b>	<b>\$ 0.00</b>	
<b>EXPENSE TOTAL:</b>		
I. Administrative		\$ 7,385.24
II. Services		\$ 24,203.87
III. Other		\$ 0.00
<b>TOTAL EXPENSES</b>		<b>\$ 31,589.11</b>
<b>NET INCOME</b>		<b>\$ 40,521.61</b>
<b>BEGINNING FUND BALANCE</b>	05/01/2021	<b>\$ 7,429.38</b>
<b>ENDING FUND BALANCE</b>	04/30/2022	<b>\$ 47,950.99</b>

## **SECTION V**

LIST OF RESOLUTIONS APPROVED DURING FISCAL YEAR  
(ATTACH COPIES):

RESOLUTION NUMBER	RESOLUTION TITLE
2021-04	AUTHORIZATION TO SUBMIT THE DISTRICT'S FY2021 ANNUAL REPORT TO THE CITY CLERK AND THE MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT
2022-01	APPROVAL OF DISTRICT'S FY2023 BUDGET.
2022-02	ELECTION OF OFFICERS FOR 2022.
2022-03	APPROVAL OF PROPOSAL FROM 12 <sup>TH</sup> STREET HERITAGE DEVELOPMENT CORPORATION TO PROVIDE SERVICES TO THE DISTRICT.
2022-04	AUTHORIZATION OF FUNDS FOR GRANT WRITER TO PREPARE THE DISTRICT'S APPLICATION FOR THE REBUILD KC-NEIGHBORHOOD GRANT

Date Adopted FY2023 Annual Budget	January 26, 2022
Submitted FY2023 Annual Budget to City	February 3, 2022
Submitted FY2022 Annual Report to City	August 28, 2022

### **SUBMIT FORM AND ATTACHMENTS TO:**

Missouri Dept of Economic Development  
Attn: CID Annual Report  
301 W. High Street, P. O. Box 118  
Jefferson City, MO 65102  
Phone: 1-573-526-8004  
Fax: 1-573-522-9462  
Email: [missouridevelopment@ded.mo.gov](mailto:missouridevelopment@ded.mo.gov)

City Clerk  
25th Floor, City Hall  
414 E. 12<sup>th</sup> Street  
Kansas City, MO 64106  
Phone: 816/513-6402  
Fax: (816) 513-3353  
Email: [Marilyn.Sanders@kcmo.org](mailto:Marilyn.Sanders@kcmo.org)



**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT (THE “DISTRICT”) ADOPTING THE ANNUAL REPORT FOR FISCAL YEAR ENDED APRIL 30, 2021.**

WHEREAS, the fiscal year (the “Fiscal Year”) of the District is the same as the City of Kansas City, Missouri, which begins May 1<sup>st</sup> of the present calendar year and ends April 30<sup>th</sup> of the following calendar year;

WHEREAS, Section 67.1471.4 of the Revised Statutes of Missouri requires that the District submit to the Missouri Department of Economic Development (“DED”) and the Clerk of the City of Kansas City, Missouri (“Clerk”), no later than one hundred twenty (120) days after the end of the Fiscal Year, certain items which together consist of an annual report of the activities of the District;

WHEREAS, the District Manager of the District has prepared such annual report for the Fiscal Year of the District ending April 30, 2021 (the “Annual Report”);

WHEREAS, the District desires to approve the Annual Report as the District’s Annual Report for the Fiscal Year ending April 30, 2021; and

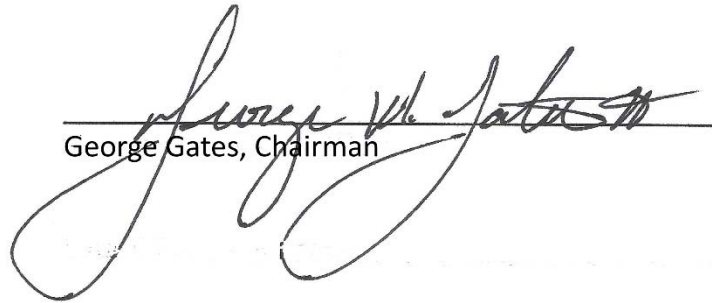
WHEREAS, the District authorizes the District Manager to submit the Annual Report to the DED and Clerk.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

1. That the actions taken on behalf of the District in preparing the Annual Report are accepted and ratified.
2. That the Annual Report for the Fiscal Year ending April 30, 2021 is hereby accepted and approved as the District’s Annual Report for the Fiscal Year ending April 30, 2021.
3. The District Manager is authorized to submit the Annual Report to the DED and Clerk on behalf of the District.
4. This Resolution shall take effect immediately.

Adopted this 21<sup>st</sup> day of July, 2021.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT  
("DISTRICT") APPROVING THE BUDGET FOR FISCAL YEAR 2023**

WHEREAS, the District, which was formed April 12, 2018 by Ordinance Number 180249 adopted by the City of Kansas City, Missouri, City Council, is a public body created under the authority of the "Missouri Community Improvement District Act," Sections 67.1401, et seq., RSMo, as amended (the "Act"), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the Board of Directors ("Board") desires to approve the District's proposed budget for the fiscal year 2023, in substantially the form attached hereto as Exhibit A; and

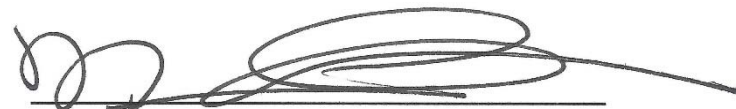
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

1. The Board approves the proposed budget for fiscal year 2023.
2. The Chairman is authorized and directed to take all further action necessary to carry out the purposes and intent of this Resolution.
3. This Resolution shall take effect immediately.

Adopted this 26<sup>th</sup> day of January, 2022.

  
George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**12TH STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**PROPOSED BUDGET FOR  
FISCAL YEAR 2023**

**Date:** January 26, 2022  
**CID Contact Information:** George Gates, Chairman  
 4621 Paseo, Kansas City, MO 64110 (816) 923-0900  
**Political Subdivision or Not for Profit:** Political Subdivision  
**Date of and Ordinance No.:** April 12, 2018, Ordinance No. 180249

<b>PROJECTED INCOME</b>	<b>5/1/22 - 4/30/23</b>
<i>Sales &amp; Use Tax Revenue</i>	\$67,986.00
<i>Interest</i>	\$66.00

<b>TOTAL PROJECTED INCOME</b>	<b><u>\$68,052.00</u></b>
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<b>PROJECTED EXPENSES</b>	<b>5/1/22 - 4/30/23</b>
<b><i>Management</i></b>	
Administration	\$5,940.00
Insurance	\$1,600.00
Accounting	\$900.00
Sub-total	\$8,440.00

<b><i>District Services (maintenance/landscaping)</i></b>	
Snow/Ice Removal	\$6,000.00
Landscaping/Maintenance/Trash pick-up	\$17,900.00
Sub-total	\$23,900.00

<b><i>Programming/Event Planning</i></b>	<b>\$24,000.00</b>
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<b><i>Operating Reserve</i></b>	<b>\$3,255.00</b>
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<b><i>Miscellaneous</i></b>	
Miscellaneous	\$600.00
	\$600.00

<b>TOTAL PROJECTED EXPENSES</b>	<b><u>\$60,195.00</u></b>
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<b>PROJECTED BEGINNING BALANCE (5/1/2022)</b>	<b>\$35,520.38</b>
<b>TOTAL PROJECTED INCOME</b>	<b>\$68,052.00</b>
<b>TOTAL PROJECTED EXPENSES</b>	<b>\$60,195.00</b>
<b>PROJECTED ENDING BALANCE (4/30/2023)</b>	<b>\$43,377.38</b>

**NOTES:**

The 12th Street Heritage Community Improvement District ("District") was declared established by Ordinance No. 180249 of the City Council of the City of Kansas City on April 12, 2018. The District desires to fund, or assist in the funding of, certain services and improvements as allowed by Sections 67.1401 to 67.1571 RSMo.

On June 20, 2018, the District's Board of Directors passed Resolution No. 2013-07 which imposed, upon approval of the qualified voters of the District, a one percent (1.0%) sales tax on retail sales in the District. The sales tax was approved December 26, 2018

The District has adopted a fiscal year beginning May 1 and ending April 30 of each year

The District budget is presented in accordance with the requirements of Missouri statute on a cash basis.

Reserve Fund equal to two months of projected operating expenses	
Beginning Balance of Reserve Fund (5/01/2022)	\$0.00
Ending Balance of Reserve Fund (4/30/2023)	\$3,255.00

Insurance includes general liability and D&O insurance

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

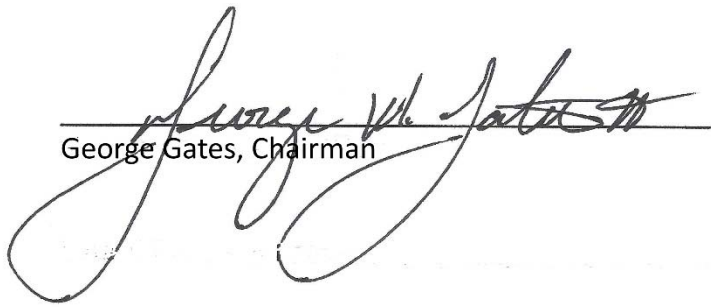
**RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT  
("DISTRICT") APPOINTING OFFICERS**

WHEREAS, the Board of Directors of the District desires to appoint a Chairman, Vice-Chairman, Secretary, Treasurer and District Manager in accordance with the District's Bylaws.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

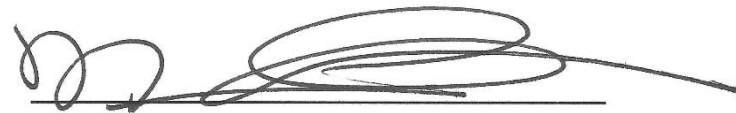
1. George Gates is appointed Chairman of the District.
2. Dwayne Williams is appointed Vice-Chairman of the District.
3. Maurice Glover is appointed Secretary of the District.
4. Arzelia Gates is appointed Treasurer of the District.
5. Patrick Sterrett is appointed District Manager of the District.

Adopted this 26<sup>th</sup> day of January, 2022.



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT (THE “DISTRICT”) APPROVING A PROPOSAL FROM 12<sup>TH</sup> STREET HERITAGE DEVELOPMENT CORPORATION TO PROVIDE SERVICES INCLUDING LANDSCAPE MAINTENANCE, TRASH PICK-UP, AND SNOW REMOVAL WITHIN THE DISTRICT FROM JANUARY 1, 2022 TO DECEMBER 31, 2022.**

WHEREAS, the District, which was formed April 12, 2018 by Ordinance Number 180249 adopted by the City of Kansas City, Missouri, City Council, is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the District has committed to providing landscaping maintenance, trash pick-up, snow removal, and other matters related to the beautification of the entirety of the District;

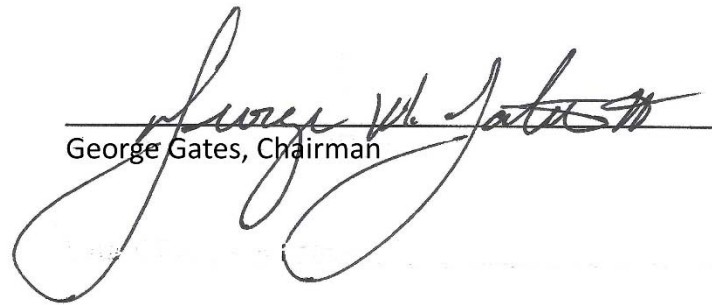
WHEREAS, the Directors desire to approve the proposal submitted by 12<sup>th</sup> Street Heritage Development Corporation (“12<sup>th</sup> Street”), in an amount not to exceed \$17,000.00 (the “Contract”), for the purpose of performing landscape maintenance and trash pick-up in the District and vicinity, remove snow from within the District from an agreed-to allowance in the District’s budget, and other matters related thereto for the calendar year of 2022, and authorize negotiation of a contract and execution of same by the Chairman of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

1. The Board hereby approves the proposal, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the District to negotiate and execute a Contract that incorporates the proposal, and take such actions as deemed appropriate for implementation of the services described above.
3. This Resolution shall take effect immediately.

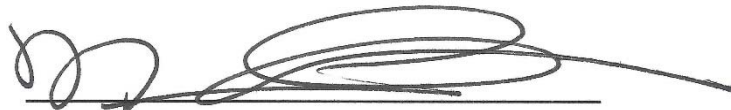
Adopted this 16<sup>th</sup> day of February, 2022.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT (THE “DISTRICT”) APPROVING A PROPOSAL FROM 12<sup>TH</sup> STREET HERITAGE DEVELOPMENT CORPORATION TO PROVIDE GRANT WRITING SERVICES FOR THE PURPOSE OF SUBMITTING A PROPOSAL TO THE REBUILD KC NEIGHBORHOOD GRANT FOR LED PEDESTRIAN LIGHTING ON 12<sup>TH</sup> STREET BETWEEN PROSPECT AVENUE AND THE PASEO BOULEVARD.**

WHEREAS, the District, which was formed April 12, 2018 by Ordinance Number 180249 adopted by the City of Kansas City, Missouri, City Council, is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the District has committed to making improvements within the District that will improve safety; and

WHEREAS, the Directors desire to approve the proposal submitted by 12<sup>th</sup> Street Heritage Development Corporation (“12<sup>th</sup> Street”), in an amount not to exceed \$300.00 (the “Contract”), for the purpose of writing a proposal for the Rebuild KC Neighborhood Grant to fund LED pedestrian lighting on 12<sup>th</sup> Street between Prospect Avenue and The Paseo Boulevard.

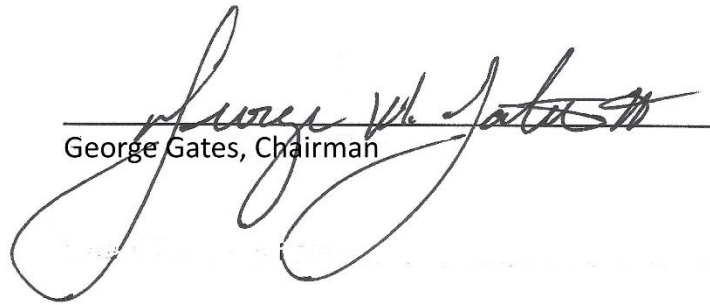
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

1. The Board hereby approves the proposal from 12<sup>th</sup> Street Heritage Development Corporation to provide grant writing services in an amount not to exceed \$300.00.
2. The grant writer will prepare the application to the Rebuild KC Neighborhood Grant for the purpose of funding LED pedestrian lighting on 12<sup>th</sup> Street between Prospect Avenue and The Paseo Boulevard.
3. This Resolution shall take effect immediately.

Adopted this 16<sup>th</sup> day of February, 2022.

*[Signature Page follows]*





George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT B**

## Local Government Financial Statement

This file is provided as an alternative to the PDF version of the Financial Statement. Excel formulas are used throughout the file to eliminate the need to manually calculate totals. Cells that display as "0" contain Excel formulas that will change as data is entered in other cells. These cells are protected; therefore, you will receive a warning message if you try to type information in them.

The P\_1 worksheet tab is formatted to allow you to enter your specific political subdivision information in specified cells. The fund names that you enter on the P\_1 tab are carried throughout the document where they are needed.

Information can be entered for the General Fund and up to three other funds that you specify. The "Total All Funds" columns contain Excel formulas that total the other fund columns together.

Disbursements are broken down by both function and object and the totals of both should agree. A "Totals do not agree" message will display adjacent to line 7 Total Disbursements by object on the P\_7 worksheet tab where the totals do not agree.

Contact Jill Wilson of the Missouri State Auditor's Office if you need assistance with the information necessary for completing the Financial Statement. Contact Jeff Roberts of the Missouri State Auditor's Office if you have questions about working with this file. Both can be reached at (573)751-4213.

<h1 style="margin: 0;">MISSOURI LOCAL GOVERNMENT FINANCIAL STATEMENT</h1>		1. Financial Statement Summary for Month Year the Year Ended April 2022	
		2. Name of political subdivision 12th Street Heritage Community Improvement District	
		3. Political subdivision number	
		4. Name of county Jackson	
5. Name of contact Arzelia Gates		6. Mailing address 4621 Paseo Blvd Kansas City, MO 64110	
7. Telephone number (816) 923-0900		8. Fax number	
		9. Email address arzelia@gatesbbq.com	
10. List up to 3 funds (other than General Fund) in the order you want them to appear in the Local Government Financial Statement (omit the word "fund")		1. 2. 3.	
<p>The undersigned attests that this report is a true and accurate account of all financial transactions for the political subdivision listed above.</p>			
Preparer's name, title and date (required)		Patrick Sterrett      Manager      19-Oct-22 <small>Preparer's Name      Title      Date</small>	
<b>INSTRUCTIONS FOR COMPLETING FINANCIAL REPORT FOR POLITICAL SUBDIVISIONS</b>			
Please mail the completed form to		State Auditor's Office P.O. Box 869 Jefferson City, MO 65102	
OR Email to: <a href="mailto:localgovernment@auditor.mo.gov">localgovernment@auditor.mo.gov</a>			
<b>Part I – FINANCIAL STATEMENT</b>			
<b>A. Receipts (pages 3 and 4)</b>			
1. <b>Property Tax</b> – Include real, personal, and other property tax, but do not include any tax revenues which you collect as agent for another governmental entity.			
2. <b>Sales Tax</b> – Include any and all sales taxes by fund and type. Municipalities in St. Louis County should report their share of the county sales tax.			
3. <b>Amusement Sales Tax</b> – Taxes on admission tickets and on gross receipts of all or specified types of amusement businesses.			
4. <b>Motor Fuel Tax</b> – Taxes on gasoline, diesel oil, aviation fuel, gasohol, "ethanol," and any other fuels used in motor vehicles or aircraft.			
5. <b>Public Utilities Sales Tax</b> – Taxes imposed distinctively on public utilities, and measured by gross receipts, gross earnings, or units of service sold, either as a direct tax on consumers or as a percentage of gross receipts of utility.			
6. <b>Tobacco Products Tax</b> – Taxes on tobacco products and synthetic cigars and cigarettes, including related products like cigarette tubes and paper.			
7. <b>Hotel/Motel and Restaurant/Meals Tax</b> – Sales tax on hotel/motel and restaurant/meals.			
8. <b>Alcoholic Beverages Licensing and Permit Taxes</b> – Licenses for manufacturing, importing, wholesaling, and retailing of alcoholic beverages.			
9. <b>Amusements Licensing and Permit Taxes</b> – Licenses on amusement businesses generally and on specific types of amusement enterprises or devices.			
10. <b>Motor Vehicles Licensing and Permit Taxes</b> – Licenses imposed on owners or operators of motor vehicles for the right to use public roads.			
11. <b>Franchise Tax (Public Utilities Tax)</b> – Licenses distinctively imposed on public utilities, whether distinctively imposed on public utilities, whether privately or publicly owned.			
12. <b>Occupation and Business Licensing and Permit Taxes</b> – Licenses required of persons engaged in particular professions, trades, or occupations.			

## Part I - FINANCIAL STATEMENT - Continued

- 13. Other Licenses and Permit Fees** – License and inspections charges on buildings, animals, marriage, guns, etc.
- 14. Intergovernmental Receipts** – Specify source of intergovernmental grants and monies received (federal, state or local).
- 16. Charges for Services** – Include fees and service revenue.
- 17. Utility Receipts** – Gross receipts of any water, electric, gas, or transit systems operated by your government, from utility sales and charges.
- 18. Interest Earned** – Interest earned from investments.
- 19. Fines, Costs, and Forfeitures** – Receipts from penalties imposed for violations of law and civil penalties.
- 20. Rents** – Revenues from temporary possession or use of government-owned buildings, land, and other properties.
- 21. Donations** – Gifts of cash or securities from private individuals or corporations.
- 22. Other Receipts and Transfers** – Include any other receipts that your political subdivision receives that would not be included in the above categories.
- Sections B and C Disbursements** – Should be broken down by function and/or object. Governments having multiple functions, (such as police, fire, etc.) or objects (salaries, supplies, etc.) should provide both (if available) and the totals of both should agree.
- B. Disbursements By Function (pages 5 and 6)** – List amounts on the line pertaining to the category or write in a category on one of the blank lines.
- C. Disbursements By Object (pages 6 and 7)** – List amounts on the line pertaining to the category or write in a category on one of the blank lines.
- D. Statement Of Indebtedness (pages 7 and 8)** – This section requests information on debt issued by your political subdivision. Debt outstanding at the beginning of the fiscal year, plus debt issued less debt retired should equal the debt outstanding at the end of the fiscal year. All types of debt (e.g., general obligation bonds, revenue bonds, leases, notes) should be reported here.
- E. Interest on Debt – (page 8)** – Amounts of interest paid, including any interest paid on short-term or non-guaranteed obligations as well as general obligations.
- F. Statement of Assessed Valuation and Tax Rates (page 8)** – The assessed valuation information, will be available from your county. The tax rate information will pertain to the tax rate set for the fiscal year reported.

**Part II – FINANCIAL STATEMENT SUMMARY (page 9)** – Five columns are provided, one for the total of all funds, one for your General Fund, and three for any other funds which you may have. If you have funds in addition to your General Fund, such as a Debt Service, Street, Water, or Sewer Fund, you need to insert the name of any such fund in the blanks provided. If you have more than three funds in addition to your General Fund, you will need to attach a separate page showing the additional funds.

The beginning balance of each fund, plus total receipts, less total disbursements should equal your ending balance. Total receipts for each fund should equal the total receipts shown on page 3. Total disbursements for each fund should equal the total disbursements shown on page 6.

**Part III - TAX ABATEMENT SUMMARY (page 10)** - Amounts from tax abatements resulting from an agreement between your political subdivision and individuals or entities in which your political subdivision has agreed to forgo tax revenues it otherwise would be entitled to in return for the individuals or entities taking a specific action after the agreement is entered into for economic development or other activities that benefit your political subdivision.

If you have any questions regarding the completion of this form, please feel free to call the Missouri State Auditor's Office, telephone (573) 751-4213.

**NOTICE** – State law requires political subdivisions to file a financial report with the State Auditor's Office each year pursuant to Section 105.145, RSMo, and 15 CSR 40-3.030.

# Part I - FINANCIAL STATEMENT

12th Street Heritage Community Improvement District

## A. Receipts

FUNDS - Report in whole dollars					
TOTAL all funds	General Fund	Fund	Fund	Fund	Fund
1. Total property tax	\$ 0	\$	\$	\$	
2. Total sales tax	69,812	69,812			
3. Amusement sales tax	0				
4. Motor fuel tax	0				
5. Public utilities sales tax	0				
6. Tobacco products tax	0				
7. Hotel/Motel and restaurant/meals tax	0				
8. Alcoholic beverages licensing and permit taxes	0				
9. Amusement licensing and permit taxes	0				
10. Motor vehicles licensing and permit taxes	0				
11. Franchise tax (public utilities tax)	0				
12. Occupation and business licensing and permit taxes	0				
13. Other licenses and permit fees	0				
14. Intergovernmental receipts					
a.	0				
b.	0				
c.	0				
d.	0				
e.	0				
f.	0				
g.	0				
h.	0				
i. TOTAL					
Sum of lines 14a-h	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
15. SUBTOTAL					
Sum of items 1-14i	\$ 69,812	\$ 69,812	\$ 0	\$ 0	\$ 0

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## A. Receipts - Continued

FUNDS - Report in whole dollars

		TOTAL all funds	General Fund	Fund	Fund	Fund
<b>15. SUBTOTAL</b> (from page 3)	\$	69,812	69,812	0	0	0
<b>16. Charges for Services</b>						
a.		0				
b.		0				
c.		0				
d. <b>TOTAL</b> Sum of lines 16a-c	\$	0	0	0	0	0
<b>17. Utility receipts</b>						
a.		0				
b.		0				
c.		0				
d.		0				
e. <b>TOTAL</b> Sum of lines 17a-d	\$	0	0	0	0	0
<b>18. Interest earned</b>		43	43			
<b>19. Fines, costs, and forfeitures</b>		0				
<b>20. Rents</b>		0				
<b>21. Donations</b>		0				
<b>22. Other receipts and transfers</b>						
a. Use Tax		2,255	2,255			
b.		0				
c. Interfund transfers		0				
d. <b>TOTAL</b> Sum of lines 22a-c	\$	2,255	2,255	0	0	0
<b>23. TOTAL RECEIPTS</b> Sum of items 15 through 22d	\$	72,110	72,110	0	0	0

PLEASE CONTINUE WITH **DISBURSEMENTS** ON PAGE 5

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## B. Disbursements (by function)

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
1. Highways and streets	\$ 0	\$	\$	\$	
2. Financial administration	900	900			
3. Central administration	6,485	6,485			
4. Fire	0				
5. Parks and recreation	0				
6. Solid waste management	0				
7. Sewerage	0				
8. Water supply system	0				
9. Hospitals	0				
10. Health (other than hospital)	0				
11. Police	0				
12. Judicial and legal	0				
13. Correctional institutions	0				
14. Probation	0				
15. General public buildings	0				
16. Libraries	0				
17. Public welfare	0				
18. Protective inspection and regulation	0				
19. Housing and community development	0				
20. Economic development	0				
21. Natural resources	0				
22. Airports	0				
23. SUBTOTAL Sum of lines 1-22	\$ 7,385	\$ 7,385	\$ 0	\$ 0	\$ 0



**Part I - FINANCIAL STATEMENT - Continued**

12th Street Heritage Community Improvement District

**B. Disbursements (by function)**

Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>23. SUBTOTAL</b> (from page 5)	\$ 7,385	\$ 7,385	\$ 0	\$ 0	\$ 0
<b>24.</b> Electric power system	0				
<b>25.</b> Parking facilities	0				
<b>26.</b> Gas supply system	0				
<b>27.</b> Transit or bus system	0				
<b>28.</b> Sea and inland port facilities	0				
<b>29.</b> Miscellaneous commercial activities	0				
<b>30.</b> Other - Specify					
a. Maintenance	24,204	24,204			
b.	0	0			
c.	0	0			
<b>31.</b> Interfund transfers	0				
<b>32. TOTAL DISBURSEMENTS</b> (by function) Sum of items 23-31	\$ 31,589	\$ 31,589	\$ 0	\$ 0	\$ 0
<b>C. Disbursements</b> (by object)					
1. Salaries	0				
2. Fringe benefits	0				
3. Operations	31,589	31,589			
<b>4. SUBTOTAL</b> Sum of items C1-3	\$ 31,589	\$ 31,589	\$ 0	\$ 0	\$ 0

 PLEASE CONTINUE WITH **DISBURSEMENTS** ON PAGE 7

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## B. Disbursements (by object) - Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>4. SUBTOTAL</b> (from page 6)	\$ 31,589	\$ 31,589	\$ 0	\$ 0	\$ 0
<b>5. Capital expenditures - Specify</b>					
a.	0	0			
b.	0				
c.	0				
d.	0				
e.	0				
f.	0				
g.	0				
<b>6. Interfund transfers - Specify</b>					
a.	0				
b.	0				
<b>7. TOTAL DISBURSEMENTS</b> (by object) Sum of items 4-6b	\$ 31,589	\$ 31,589	\$ 0	\$ 0	\$ 0

## D. Statement of Indebtedness

### 1. General obligation bonds

a.				0
b.				0
c.				0

### 2. 2 Revenue bonds

a.				0
b.				0
c.				0

### 3. SUBTOTAL

Sum of items D1 and 2

\$ 0	\$ 0	\$ 0	\$ 0
------	------	------	------

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## D. Statement of Indebtedness Continued

	FUNDS - Report in whole dollars			
	Outstanding Beginning of Fiscal Year	During Fiscal Year --		Outstanding End of Fiscal Year
		Issued	Retired	
<b>3. SUBTOTAL</b> (from page 7)	\$ 0	\$ 0	\$ 0	\$ 0
<b>4. Other debt - Specify</b>				
a.				0
b.				0
c.				0
<b>5. Conduit debt</b>				0
<b>6. TOTAL STATEMENT OF INDEBTEDNESS</b> Sum of items 3-5	\$ 0	\$ 0	\$ 0	\$ 0

## E. Interest on Debt

1. Interest on water supply system debt	\$
2. Interest on electric power system debt	\$
3. Interest on gas supply system debt	\$
4. Interest on transit or bus system debt	\$
5. Interest on all other debt	\$

## F. Statement of Assessed Valuation and Tax Rates

1. Real estate	\$
2. Personal property	
3. State assessed railroad and utility	
<b>TOTAL VALUATION</b>	
<b>4. Sum of items F1-3</b>	\$ 0
<b>Tax Rates Funds - Specify</b>	<b>Tax rate (per \$100)</b>
1.	
2.	
3.	
4.	
5.	
6.	

## Part II - FINANCIAL STATEMENT SUMMARY

FUNDS - Report in whole dollars					
	TOTAL all funds	General Fund	Fund	Fund	Fund
A. Beginning balance	\$ 7,429	\$ 7,429	\$ 0	\$	
B. Total receipts	72,110	72,110	0	0	0
C. Total disbursements	31,589	31,589	0	0	0
D. Ending balance	\$ 47,950	\$ 47,950	\$ 0	\$ 0	0

### NOTES

*Please use this space to provide additional explanations if the space provided for any item was not sufficient. Be sure to reference the item number.*

Disbursements - 30a. Maintenance includes landscaping maintenance, trash pick-up, snow and ice removal

Part III - TAX ABATEMENT SUMMARY

Political Subdivision's Abatements				
	Abatement 1	Abatement 2	Abatement 3	Abatement 4
Taxes Abated				
Authority of Tax Abatement				
Abatement Rate				
Dollar Amount of Taxes Abated	\$	\$	\$	\$

NOTES

*Please use this space to provide additional explanations if the space provided for any item was not sufficient. Be sure to reference the item number.*



**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**A RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT APPROVING AND AUTHORIZING EXECUTION OF A CONTRACT WITH SIGNATURE LANDSCAPE, LLC, TO PROVIDE IMMEDIATE LANDSCAPE MAINTENANCE WITHIN THE DISTRICT.**

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing landscaping maintenance services throughout the District and other matters related thereto; and

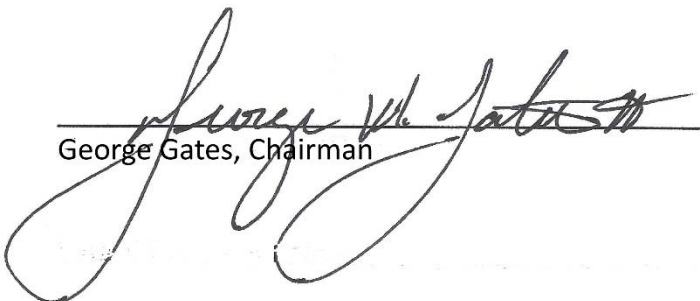
WHEREAS, the Board desires to approve a contract submitted by Signature Landscape, LLC (“Signature”), totaling \$1,200.00 (the “Contract”), for the purpose of immediately performing landscape maintenance, and other matters related thereto, by the end of October 2022, in substantially the same format as attached hereto as Exhibit A, and authorize execution of same by the Chairman of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The Board hereby approves the Contract, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the Board to execute the Contract, in substantially the same format as attached hereto as Exhibit A, and take such actions as deemed appropriate for implementation of the Contract.
3. This Resolution shall take effect immediately.

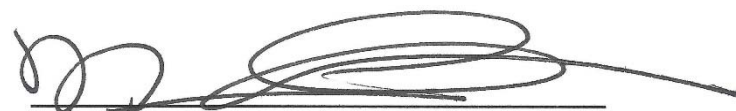
PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on September 21, 2022.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary



**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**A RESOLUTION OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT APPROVING AND AUTHORIZING EXECUTION OF A CONTRACT WITH SIGNATURE LANDSCAPE, LLC, TO MAINTAIN LANDSCAPING WITHIN THE DISTRICT FROM JANUARY 1, 2023 TO DECEMBER 31, 2023.**

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing landscaping maintenance services throughout the District and other matters related thereto; and

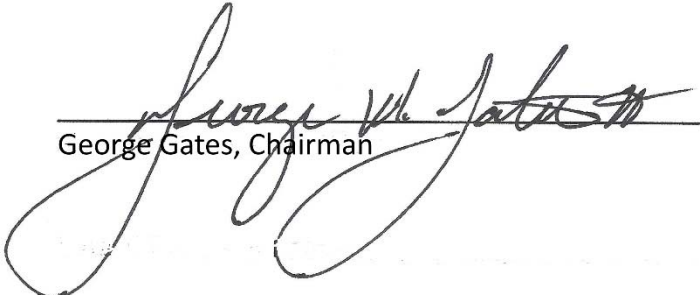
WHEREAS, the Board desires to approve a contract submitted by Signature Landscape, LLC (“Signature”), totaling \$10,656.18 (the “Contract”), for the purpose of performing landscape maintenance, and other matters related thereto, for the calendar year of 2023, in substantially the same format as attached hereto as Exhibit A, and authorize execution of same by the Chairman of the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT AS FOLLOWS:

1. The Board hereby approves the Contract, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the Board to execute the Contract, in substantially the same format as attached hereto as Exhibit A, and take such actions as deemed appropriate for implementation of the Contract.
3. This Resolution shall take effect immediately.

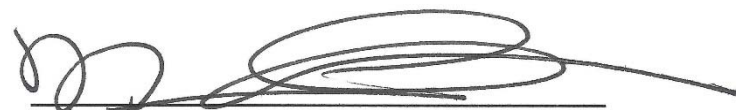
PASSED by the Board of Directors of the Plaza East Community Improvement District on January 18, 2023.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT ADOPTING THE 2023-2024 FISCAL YEAR BUDGET.**

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “**District**”);

WHEREAS, pursuant to Section 67.1471.2, RSMo., the Board of Directors (the “Board”) of the District shall submit to the City of Kansas City, Missouri a proposed annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year, no earlier than one hundred eight (180) days and no later than ninety (90) days prior to the first day of each fiscal year; and

WHEREAS, pursuant to Section 67.1471.3, RSMo., the Board shall adopt an annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year, no later than thirty (30) days prior to the first day of each fiscal year;

WHEREAS, the next fiscal year of the District begins May 1, 2023; and

WHEREAS, the Board desires to adopt the 2023-2024 fiscal year budget of the District and submit the 2023-2024 fiscal year budget of the District to the City Clerk of the City of Kansas City, Missouri for review.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

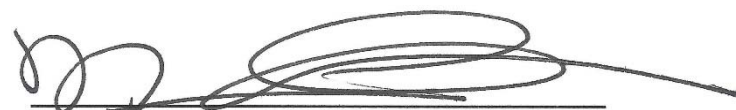
1. The 2023-2024 fiscal year budget of the District attached as Exhibit A hereto and incorporated herein by reference is hereby adopted by the Board.
2. The District Manager is authorized and directed to submit the adopted 2023-2024 fiscal year budget to the City Clerk of the City of Kansas City, Missouri no later than January 31, 2023.
3. The District Manager is directed to provide copies of any comments made by the City of Kansas City, Missouri concerning the District’s 2023-2024 fiscal year budget to the Board within seven (7) days of receipt.
4. The Officers and District Manager of the District are authorized to take such further actions as are reasonably necessary for the submission of the District’s 2023-2024 fiscal year budget to the City of Kansas City, Missouri as authorized by this resolution.

5. This Resolution shall take effect immediately.

PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 18, 2023.

  
George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

**12TH STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**PROPOSED BUDGET FOR  
FISCAL YEAR 2024**

**Date:** January 18, 2023  
**CID Contact Information:** George Gates, Chairman  
 4621 Paseo, Kansas City, MO 64110 (816) 923-0900  
**Political Subdivision or Not for Profit:** Political Subdivision  
**Date of and Ordinance No.:** April 12, 2018, Ordinance No. 180249

<b>PROJECTED INCOME</b>	<b>5/1/23 - 4/30/24</b>
<i>Sales &amp; Use Tax Revenue</i>	\$84,240.00
<i>Interest</i>	\$120.00

<b>TOTAL PROJECTED INCOME</b>	<b><u>\$84,360.00</u></b>
-------------------------------	---------------------------

<b>PROJECTED EXPENSES</b>	<b>5/1/23 - 4/30/24</b>
<i>Management</i>	
Administration	\$5,940.00
City of KCMO - Annual Review Fee	\$1,000.00
Insurance	\$1,600.00
Accounting	\$900.00
Sub-total	\$9,440.00

<i>District Services (maintenance/landscaping)</i>	
Snow/Ice Removal	\$6,000.00
Landscaping/Maintenance/Trash pick-up	\$33,000.00
Sub-total	\$39,000.00

<i>Programming/Event Planning</i>	\$24,000.00
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<i>Operating Reserve</i>	\$4,820.00
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<i>Miscellaneous</i>	
Miscellaneous	\$600.00
	\$600.00

<b>TOTAL PROJECTED EXPENSES</b>	<b><u>\$77,860.00</u></b>
---------------------------------	---------------------------

<b>PROJECTED BEGINNING BALANCE (5/1/2023)</b>	<b>\$63,566.29</b>
<b>TOTAL PROJECTED INCOME</b>	<b>\$84,360.00</b>
<b>TOTAL PROJECTED EXPENSES</b>	<b>\$77,860.00</b>
<b>PROJECTED ENDING BALANCE (4/30/2024)</b>	<b>\$70,066.29</b>

**NOTES:**

The 12th Street Heritage Community Improvement District ("District") was declared established by Ordinance No. 180249 of the City Council of the City of Kansas City on April 12, 2018. The District desires to fund, or assist in the funding of, certain services and improvements as allowed by Sections 67.1401 to 67.1571 RSMo.

On June 20, 2018, the District's Board of Directors passed Resolution No. 2013-07 which imposed, upon approval of the qualified voters of the District, a one percent (1.0%) sales tax on retail sales in the District. The sales tax was approved December 26, 2018.

The District has adopted a fiscal year beginning May 1 and ending April 30 of each year.

The District budget is presented in accordance with the requirements of Missouri statute on a cash basis.

Reserve Fund equal to two months of projected operating expenses.

Beginning Balance of Reserve Fund (5/01/2023)	\$3,255.00
Ending Balance of Reserve Fund (4/30/2024)	\$8,075.00

Insurance includes general liability and D&O insurance.

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT APPOINTING OFFICERS OF THE DISTRICT.**

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”);

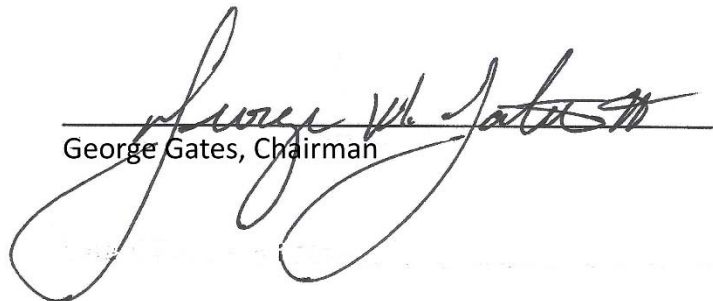
WHEREAS, the District’s Bylaws require the Board of Directors (the “Board”) to appoint a Chairman, Vice-Chairman, Secretary, Treasurer and District Manager at each annual meeting; and

WHEREAS, the Board desires to appoint a Chairman, Vice-Chairman, Secretary, Treasurer and District Manager to serve as the officers of the District until the next annual meeting in accordance with the Bylaws.

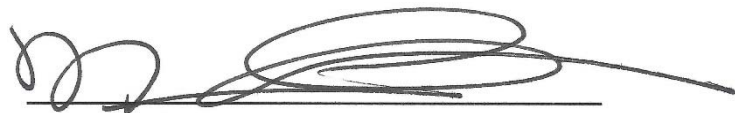
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

1. George Gates is the appointed Chairman of the District.
2. Dwayne Williams is the appointed Vice-Chairman of the District.
3. Maurice Glover is the appointed Secretary of the District.
4. Arzelia Gates is the appointed Treasurer of the District.
5. Patrick Sterrett is the appointed District Manager of the District.

PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 18, 2023.

  
George Gates, Chairman

ATTEST:

A handwritten signature in dark ink, consisting of several loops and a long horizontal stroke extending to the right, positioned above a solid horizontal line.

Maurice Glover, Secretary



**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT NOMINATING AN INTERIM DIRECTOR.**

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”);

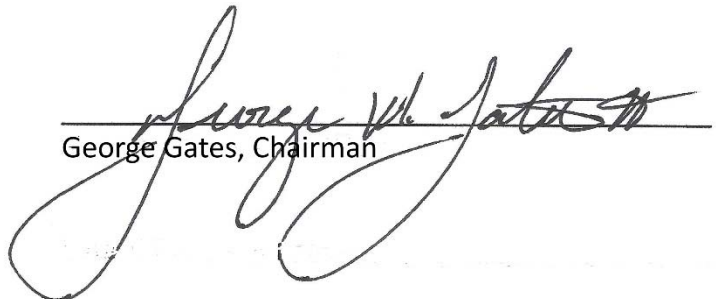
WHEREAS, the Petition authorizes the Board of Directors (the “Board”) of the District to select qualified individuals to serve as Interim Directors in accordance with the qualifications set forth in the Petition;

WHEREAS, the Board desires to fill a vacancy on the Board and to appoint Vewiser Dixon as an Interim Director to serve the remainder of the term, until April 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT, AS FOLLOWS:

1. The following individual was selected by the Board on April 19, 2023 to serve as an Interim Director:
  - a. Vewiser Dixon, Owner’s Representative (1 year, until April 2024).
2. The Board Chairman and District Manager are authorized to take all actions necessary to carry out this Resolution.
3. This Resolution shall take effect immediately.

PASSED by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on April 19, 2023.

  
George Gates, Chairman

ATTEST:

A handwritten signature in dark ink, consisting of several loops and a long horizontal stroke extending to the right. The signature is written over a solid horizontal line.

Maurice Glover, Secretary

**EXHIBIT B**

<h1 style="margin: 0;">MISSOURI LOCAL GOVERNMENT FINANCIAL STATEMENT</h1>		1. Financial Statement Summary for Month Year the Year Ended April 2023	
		2. Name of political subdivision 12th Street Heritage Community Improvement District	
		3. Political subdivision number	
		4. Name of county Jackson	
5. Name of contact Arzelia Gates		6. Mailing address 4621 Paseo Blvd Kansas City, MO 64110	
7. Telephone number (816) 923-0900		8. Fax number	
		9. Email address arzelia@gatesbbq.com	
10. List up to 3 funds (other than General Fund) in the order you want them to appear in the Local Government Financial Statement (omit the word "fund")		1. 2. 3.	
<p>The undersigned attests that this report is a true and accurate account of all financial transactions for the political subdivision listed above.</p>			
Preparer's name, title and date (required)		Patrick Sterrett                      Manager                      30-Oct-23 Preparer's Name                      Title                      Date	
<b>INSTRUCTIONS FOR COMPLETING FINANCIAL REPORT FOR POLITICAL SUBDIVISIONS</b>			
Please mail the completed form to		State Auditor's Office P.O. Box 869 Jefferson City, MO 65102	
OR Email to: <a href="mailto:localgovernment@auditor.mo.gov">localgovernment@auditor.mo.gov</a>			
<b>Part I – FINANCIAL STATEMENT</b>			
<b>A. Receipts (pages 3 and 4)</b>			
1. <b>Property Tax</b> – Include real, personal, and other property tax, but do not include any tax revenues which you collect as agent for another governmental entity.			
2. <b>Sales Tax</b> – Include any and all sales taxes by fund and type. Municipalities in St. Louis County should report their share of the county sales tax.			
3. <b>Amusement Sales Tax</b> – Taxes on admission tickets and on gross receipts of all or specified types of amusement businesses.			
4. <b>Motor Fuel Tax</b> – Taxes on gasoline, diesel oil, aviation fuel, gasohol, "ethanol," and any other fuels used in motor vehicles or aircraft.			
5. <b>Public Utilities Sales Tax</b> – Taxes imposed distinctively on public utilities, and measured by gross receipts, gross earnings, or units of service sold, either as a direct tax on consumers or as a percentage of gross receipts of utility.			
6. <b>Tobacco Products Tax</b> – Taxes on tobacco products and synthetic cigars and cigarettes, including related products like cigarette tubes and paper.			
7. <b>Hotel/Motel and Restaurant/Meals Tax</b> – Sales tax on hotel/motel and restaurant/meals.			
8. <b>Alcoholic Beverages Licensing and Permit Taxes</b> – Licenses for manufacturing, importing, wholesaling, and retailing of alcoholic beverages.			
9. <b>Amusements Licensing and Permit Taxes</b> – Licenses on amusement businesses generally and on specific types of amusement enterprises or devices.			
10. <b>Motor Vehicles Licensing and Permit Taxes</b> – Licenses imposed on owners or operators of motor vehicles for the right to use public roads.			
11. <b>Franchise Tax (Public Utilities Tax)</b> – Licenses distinctively imposed on public utilities, whether distinctively imposed on public utilities, whether privately or publicly owned.			
12. <b>Occupation and Business Licensing and Permit Taxes</b> – Licenses required of persons engaged in particular professions, trades, or occupations.			

## Part I - FINANCIAL STATEMENT - Continued

- 13. Other Licenses and Permit Fees** – License and inspections charges on buildings, animals, marriage, guns, etc.
- 14. Intergovernmental Receipts** – Specify source of intergovernmental grants and monies received (federal, state or local).
- 16. Charges for Services** – Include fees and service revenue.
- 17. Utility Receipts** – Gross receipts of any water, electric, gas, or transit systems operated by your government, from utility sales and charges.
- 18. Interest Earned** – Interest earned from investments.
- 19. Fines, Costs, and Forfeitures** – Receipts from penalties imposed for violations of law and civil penalties.
- 20. Rents** – Revenues from temporary possession or use of government-owned buildings, land, and other properties.
- 21. Donations** – Gifts of cash or securities from private individuals or corporations.
- 22. Other Receipts and Transfers** – Include any other receipts that your political subdivision receives that would not be included in the above categories.
- Sections B and C Disbursements** – Should be broken down by function and/or object. Governments having multiple functions, (such as police, fire, etc.) or objects (salaries, supplies, etc.) should provide both (if available) and the totals of both should agree.
- B. Disbursements By Function (pages 5 and 6)** – List amounts on the line pertaining to the category or write in a category on one of the blank lines.
- C. Disbursements By Object (pages 6 and 7)** – List amounts on the line pertaining to the category or write in a category on one of the blank lines.
- D. Statement Of Indebtedness (pages 7 and 8)** – This section requests information on debt issued by your political subdivision. Debt outstanding at the beginning of the fiscal year, plus debt issued less debt retired should equal the debt outstanding at the end of the fiscal year. All types of debt (e.g., general obligation bonds, revenue bonds, leases, notes) should be reported here.
- E. Interest on Debt – (page 8)** – Amounts of interest paid, including any interest paid on short-term or non-guaranteed obligations as well as general obligations.
- F. Statement of Assessed Valuation and Tax Rates (page 8)** – The assessed valuation information, will be available from your county. The tax rate information will pertain to the tax rate set for the fiscal year reported.

**Part II – FINANCIAL STATEMENT SUMMARY (page 9)** – Five columns are provided, one for the total of all funds, one for your General Fund, and three for any other funds which you may have. If you have funds in addition to your General Fund, such as a Debt Service, Street, Water, or Sewer Fund, you need to insert the name of any such fund in the blanks provided. If you have more than three funds in addition to your General Fund, you will need to attach a separate page showing the additional funds.

The beginning balance of each fund, plus total receipts, less total disbursements should equal your ending balance. Total receipts for each fund should equal the total receipts shown on page 3. Total disbursements for each fund should equal the total disbursements shown on page 6.

**Part III - TAX ABATEMENT SUMMARY (page 10)** - Amounts from tax abatements resulting from an agreement between your political subdivision and individuals or entities in which your political subdivision has agreed to forgo tax revenues it otherwise would be entitled to in return for the individuals or entities taking a specific action after the agreement is entered into for economic development or other activities that benefit your political subdivision.

If you have any questions regarding the completion of this form, please feel free to call the Missouri State Auditor's Office, telephone (573) 751-4213.

**NOTICE** – State law requires political subdivisions to file a financial report with the State Auditor's Office each year pursuant to Section 105.145, RSMo, and 15 CSR 40-3.030.

# Part I - FINANCIAL STATEMENT

12th Street Heritage Community Improvement District

## A. Receipts

		FUNDS - Report in whole dollars				
		TOTAL all funds	General Fund	Fund	Fund	Fund
1. Total property tax	\$	0	\$	\$	\$	
2. Total sales tax		70,523	70,523			
3. Amusement sales tax		0				
4. Motor fuel tax		0				
5. Public utilities sales tax		0				
6. Tobacco products tax		0				
7. Hotel/Motel and restaurant/meals tax		0				
8. Alcoholic beverages licensing and permit taxes		0				
9. Amusement licensing and permit taxes		0				
10. Motor vehicles licensing and permit taxes		0				
11. Franchise tax (public utilities tax)		0				
12. Occupation and business licensing and permit taxes		0				
13. Other licenses and permit fees		0				
14. Intergovernmental receipts						
a.		0				
b.		0				
c.		0				
d.		0				
e.		0				
f.		0				
g.		0				
h.		0				
i. TOTAL						
Sum of lines 14a-h	\$	0	\$	0	\$	0
15. SUBTOTAL						
Sum of items 1-14i	\$	70,523	\$	70,523	\$	0

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## A. Receipts - Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>15. SUBTOTAL</b> (from page 3)	\$ 70,523	\$ 70,523	\$ 0	\$ 0	\$ 0
<b>16. Charges for Services</b>					
a.	0				
b.	0				
c.	0				
d. <b>TOTAL</b> Sum of lines 16a-c	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>17. Utility receipts</b>					
a.	0				
b.	0				
c.	0				
d.	0				
e. <b>TOTAL</b> Sum of lines 17a-d	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>18. Interest earned</b>	101	101			
<b>19. Fines, costs, and forfeitures</b>	0				
<b>20. Rents</b>	0				
<b>21. Donations</b>	0				
<b>22. Other receipts and transfers</b>					
a. Use Tax	3,773	3,773			
b.	0				
c. Interfund transfers	0				
d. <b>TOTAL</b> Sum of lines 22a-c	\$ 3,773	\$ 3,773	\$ 0	\$ 0	\$ 0
<b>23. TOTAL RECEIPTS</b> Sum of items 15 through 22d	\$ 74,397	\$ 74,397	\$ 0	\$ 0	\$ 0

PLEASE CONTINUE WITH **DISBURSEMENTS** ON PAGE 5

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## B. Disbursements (by function)

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
1. Highways and streets	\$ 0	\$	\$	\$	
2. Financial administration	900	900			
3. Central administration	6,940	6,940			
4. Fire	0				
5. Parks and recreation	0				
6. Solid waste management	0				
7. Sewerage	0				
8. Water supply system	0				
9. Hospitals	0				
10. Health (other than hospital)	0				
11. Police	0				
12. Judicial and legal	0				
13. Correctional institutions	0				
14. Probation	0				
15. General public buildings	0				
16. Libraries	0				
17. Public welfare	0				
18. Protective inspection and regulation	0				
19. Housing and community development	0				
20. Economic development	0				
21. Natural resources	0				
22. Airports	0				
23. SUBTOTAL Sum of lines 1-22	\$ 7,840	\$ 7,840	\$ 0	\$ 0	\$ 0



# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## B. Disbursements (by function)

Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>23. SUBTOTAL</b> (from page 5)	\$ 7,840	\$ 7,840	\$ 0	\$ 0	\$ 0
<b>24.</b> Electric power system	0				
<b>25.</b> Parking facilities	0				
<b>26.</b> Gas supply system	0				
<b>27.</b> Transit or bus system	0				
<b>28.</b> Sea and inland port facilities	0				
<b>29.</b> Miscellaneous commercial activities	0				
<b>30.</b> Other - Specify					
a. Maintenance	38,807	38,807			
b. Events (Holiday Lighting)	4,316	4,316			
c. Grant Writing	300	300			
<b>31.</b> Interfund transfers	0				
<b>32. TOTAL DISBURSEMENTS</b> (by function) Sum of items 23-31	\$ 51,263	\$ 51,263	\$ 0	\$ 0	\$ 0
<b>C. Disbursements</b> (by object)					
1. Salaries	0				
2. Fringe benefits	0				
3. Operations	51,263	51,263			
<b>4. SUBTOTAL</b> Sum of items C1-3	\$ 51,263	\$ 51,263	\$ 0	\$ 0	\$ 0

PLEASE CONTINUE WITH **DISBURSEMENTS** ON PAGE 7

## Part I - FINANCIAL STATEMENT - Continued

<b>B. Disbursements (by object) -</b>	<b>FUNDS - Report in whole dollars</b>
---------------------------------------	----------------------------------------

## Continued

<b>TOTAL all funds</b>	General Fund	Fund	Fund	Fund
----------------------------	-----------------	------	------	------

(from page 6) \$

### 5. Capital expenditures - Specify

	0	0			
--	---	---	--	--	--

0

0

0

0

0

0

0

[illegible]

(by object)

\$	51,263	\$	51,263	\$	0	\$	0	\$	0
----	--------	----	--------	----	---	----	---	----	---

\$	51,263	\$	51,263	\$	0	\$	0	\$	0
----	--------	----	--------	----	---	----	---	----	---

## 1. General obligation bonds

0

0

0

0

0

0

**Sum of items D1 and 2**

\$	0	\$	0	\$	0	\$	0
----	---	----	---	----	---	----	---

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## D. Statement of Indebtedness Continued

	FUNDS - Report in whole dollars			
	Outstanding Beginning of Fiscal Year	During Fiscal Year --		Outstanding End of Fiscal Year
		Issued	Retired	
<b>3. SUBTOTAL</b> (from page 7)	\$ 0	\$ 0	\$ 0	\$ 0
<b>4. Other debt - Specify</b>				
a.				0
b.				0
c.				0
<b>5. Conduit debt</b>				0
<b>6. TOTAL STATEMENT OF INDEBTEDNESS</b> Sum of items 3-5	\$ 0	\$ 0	\$ 0	\$ 0

## E. Interest on Debt

1. Interest on water supply system debt	\$
2. Interest on electric power system debt	\$
3. Interest on gas supply system debt	\$
4. Interest on transit or bus system debt	\$
5. Interest on all other debt	\$

## F. Statement of Assessed Valuation and Tax Rates

1. Real estate	\$
2. Personal property	
3. State assessed railroad and utility	
<b>TOTAL VALUATION</b>	
<b>4. Sum of items F1-3</b>	\$ 0
<b>Tax Rates Funds - Specify</b>	<b>Tax rate (per \$100)</b>
1.	
2.	
3.	
4.	
5.	
6.	

## Part II - FINANCIAL STATEMENT SUMMARY

FUNDS - Report in whole dollars					
	TOTAL all funds	General Fund	Fund	Fund	Fund
A. Beginning balance	\$ 47,951	\$ 47,951	\$ 0	\$	
B. Total receipts	74,397	74,397	0	0	0
C. Total disbursements	51,263	51,263	0	0	0
D. Ending balance	\$ 71,085	\$ 71,085	\$ 0	\$ 0	0

### NOTES

*Please use this space to provide additional explanations if the space provided for any item was not sufficient. Be sure to reference the item number.*

Disbursements - 30a. Maintenance includes landscaping maintenance, trash pick-up, snow and ice removal

Part III - TAX ABATEMENT SUMMARY

Political Subdivision's Abatements				
	Abatement 1	Abatement 2	Abatement 3	Abatement 4
Taxes Abated				
Authority of Tax Abatement				
Abatement Rate				
Dollar Amount of Taxes Abated	\$	\$	\$	\$

NOTES

*Please use this space to provide additional explanations if the space provided for any item was not sufficient. Be sure to reference the item number.*

12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-06

**ACCEPTING A PROPOSAL FROM SONIÉ JOI THOMPSON-RUFFIN AND  
AUTHORIZING THE CHAIRMAN TO NEGOTIATE AN AGREEMENT TO PROVIDE  
EVENT PLANNING SERVICES FOR CONSIDERATION BY THE BOARD.**

---

WHEREAS, the District, which was formed on April 12, 2018, by Ordinance No. 180249, adopted by the City Council of the City of Kansas City, Missouri, is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq, RSMo, as amended (the “Act”) and is transacting business and exercising the powers granted by the Act; and

WHEREAS, the Board of Directors (the “Board”) of the District has committed to provide planned events and other programming throughout the District, and other matters related thereto, that will increase the number of people visiting businesses in the District; and

WHEREAS, on August 16, 2023, Sonié Joi Thompson-Ruffin presented a proposal to provide event planning services to the Board for consideration; and

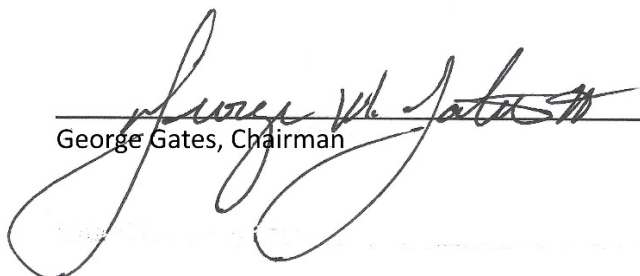
WHEREAS, the Board wishes the Board Chairman to negotiate an agreement with Sonié Joi Thompson-Ruffin to provide said services for her proposed fee of \$5,000 to initiate planning and to explore the feasibility of producing an ethnic art/music festival within the District ; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Board hereby authorizes the Chairman to negotiate an agreement with Sonié Joi Thompson-Ruffin to provide event planning services for the purpose of planning and determining the feasibility of producing an ethnic art/music festival in the District for a fee of \$5,000.
2. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on September 20, 2023.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-07

**AUTHORIZING THE EXECUTION OF AN ENGAGEMENT LETTER WITH RALPH C. JOHNSON & COMPANY, P.C., TO PROVIDE INDEPENDENT AUDIT SERVICES OF THE DISTRICT'S FINANCIAL STATEMENTS FOR FISCAL YEAR 2022-2023.**

---

WHEREAS, the District, which was formed on April 12, 2018, by Ordinance No. 180249, adopted by the City Council of the City of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Sections 67.1401, et seq, RSMo, as amended (the "Act") and is transacting business and exercising the powers granted by the Act; and

WHEREAS, on June 20, 2018 the Board of Directors (the "Board") of the District adopted Bylaws (the "Bylaws") of the District; and

WHEREAS, per Article XIII of the Bylaws, the Board shall provide for the annual independent audits of the accounts of the District; and

WHEREAS, on September 19, 2018 the Board adopted Procurement Policies & Procedures Guidelines by Resolution No. 2018-17; and

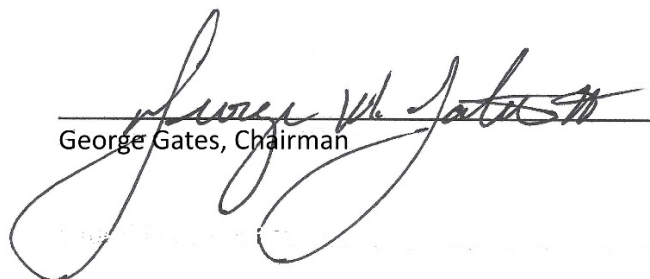
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Board, per the District's Procurement Policies & Procedures Guidelines, has determined a bid solicitation is unnecessary for the provision of an independent audit of the District's financial statements.
2. The Board authorizes the Chairman, or his designee(s), to execute the engagement letter, attached hereto as Exhibit A, with Ralph C. Johnson & Company, P.C., for the purpose of conducting an independent audit of the District's financial statements for Fiscal Year 2023, with the condition that the fee and all reimbursable expenses shall not exceed \$5,000.00.
3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on September 20, 2023.


*[Signature Page follows]*





George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

# *Ralph C. Johnson & Company, p.c.*

CERTIFIED PUBLIC ACCOUNTANTS

Mark Twain Tower  
106 W. 11<sup>th</sup> Street, Suite 1530  
Kansas City, Missouri 64105-1817  
(816)0472-8900  
Fax (816) 472-4633

TODAY IS TUESDAY  
19 SEPTEMBER 2023  
**OUR 52<sup>ND</sup> YEAR**

12<sup>th</sup> Street Heritage Community Improvement District  
Attn: Mr. George Gates, Chair  
4621 The Paseo  
Kansas City, Missouri 64110

We are pleased to confirm our understanding of the services we are to provide for **12<sup>th</sup> Heritage Community Improvement District (THCID)** (the District) for the year ended April 30, 2023.

We will audit the financial statements of **THCID**, which comprise the governmental fund statement of assets and net position - cash basis as of April 30, 2023, and the related statements of revenues, expenditures, and changes in net position- cash related notes to the financial statements (the financial statements). Also, the schedule of Revenues, Expenditures, and Changes in Net Position Budget and Actual - Cash basis. will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole. Cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States. Management determined that the cash basis of accounting is appropriate for its purposes.

## **Audit Objective**

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of **THCID's** financial statements. Our report will be addressed to the Governing Board of **THCID**. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

## **Audit Procedures**

Our procedures will include tests of documentary evidence which supports the transactions recorded in the accounts. We may also request written representations from your attorneys as part of the engagement. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence which supports the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Management has determined that the cash basis of accounting is appropriate for its purposes. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.



12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT  
AUDIT ENGAGEMENT LETTER  
FYE 4-30-2023

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

**Management Responsibilities**

You are responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the company from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

**Engagement Administration, Fees, and Other**

We understand that your employees will prepare and/or locate any documents selected by us for testing.

The audit documentation of this engagement is the property of Ralph C. Johnson & Company, p.c. and constitutes confidential information. However, subject to applicable laws and regulations and audit documentation and appropriate individuals will be made available upon request and in a timely manner to **THCID's** cognizant State agency which provide direct or indirect funding for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Ralph C. Johnson & Company, p.c.'s personnel. Further, upon request, we may provide copies of selected audit documentation the aforementioned party. That party may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Ralph C. Johnson is the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately within a reasonable time after we are advised that the records are available for audit. Barring any unforeseen condition or circumstance, we

*Ralph C. Johnson & Company, p.c.*

12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT  
AUDIT ENGAGEMENT LETTER  
FYE 4-30-2023

will complete our audit and issue our report within 30 days after field work commences.

We estimate that our fees for the audit and other services for the fiscal year ending April 30, 2023 will be \$5,000. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. Additional expenses are estimated to be \$100. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered bi-weekly as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Ralph C. Johnson

**RESPONSE:**

This letter correctly sets for the understanding of **12<sup>th</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

Management Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

*Ralph C. Johnson & Company, p.c.*

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2023-08**

**ACCEPTING THE FISCAL YEAR 2022-2023 AUDITED FINANCIAL STATEMENTS  
FROM RALPH C. JOHNSON & COMPANY, P.C.**

---

WHEREAS, the District, which was formed on April 12, 2018, by Ordinance No. 180249, adopted by the City Council of the City of Kansas City, Missouri, is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq, RSMo, as amended (the “Act”) and is transacting business and exercising the powers granted by the Act; and

WHEREAS, on September 20, 2023 the Board of Directors (the “Board”) of the District passed and adopted Resolution 2023-07 that engaged Ralph C. Johnson & Company, P.C. to conduct an independent audit of the District’s financial statements for that fiscal year ending April 30, 2023; and

WHEREAS, on September 22, 2023, Ralph C. Johnson & Company, P.C. completed their audit of the District’s financial statements for fiscal year 2023 (the “Audited Financial Statements”), attached hereto as Exhibit A and incorporated herein; and

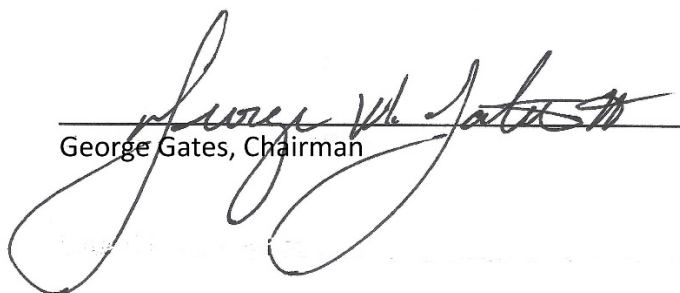
WHEREAS, on November 15, 2023 the Board reviewed the Audited Financial Statements.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Audited Financial Statements for Fiscal Year 2023 from Ralph C. Johnson & Company, P.C. are accepted as part of the formal public record, and available for public review.
2. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on November 15, 2023.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**



**12<sup>TH</sup> STREET COMMUNITY IMPROVEMENT DISTRICT**  
**BASIC FINANCIAL STATEMENTS**  
**TOGETHER WITH**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED APRIL 30, 2023**

*Ralph C. Johnson & Company*

*Ralph C. Johnson & Company, p.c.*

Certified Public Accountants  
4609 The Paseo, Suite 104  
Kansas City, Missouri 64110-1825  
(816) 472-8900  
Fax (816) 472-4633

To the Governing Board  
12<sup>th</sup> Street Heritage Community Improvement District  
Kansas City, MO

We have audited the financial statements of the governmental fund statement of assets and net position – cash basis, of 12<sup>th</sup> Street Heritage Community Improvement District (the District) as of April 30, 2023 and the related statement of revenues, expenditures and change in net position for the year then ended. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 19, 2023. Professional standards also require that we communicate to you the following information related to our audit.

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements

Inasmuch as, the financial statements are prepared on the modified cash basis of accounting, there were no significant estimates made by management which are a part of the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated September 22, 2023.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We discussed a variety of matters, including the application of accounting principles and auditing standards, with management prior to our retention as the District's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Restriction on Use*

This information is intended solely for the information and use of 12<sup>th</sup> Street Heritage Community Improvement District's Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Kansas City  
22 SEPTEMBER 2023  
OUR 52<sup>ND</sup> YEAR

*Ralph C. Johnson & Company, p.c.*

*Ralph C. Johnson & Company, p.c.*

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*Ralph E. Johnson & Company, p.c.*

**Certified Public Accountants**

**4609 The Paseo Blvd**

**Suite 104**

**Kansas City, Missouri 64110-1825**

**(816) 472-8900**

**Fax (816) 472-4633**

**INDEPENDENT AUDITOR'S REPORT**

To the Governing Board  
12TH Street Heritage Community Improvement District  
Kansas City, Missouri

We have audited the accompanying financial statements of the governmental activities and major fund of the 12TH Street Heritage Community Improvement District (District) as of April 30, 2023 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting described in Note 2, this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the District as of April 30, 2022, and the respective changes in cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

**Other Matters***Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The statement of revenues, expenditures, and changes in fund balances, budget and actual - general fund, and notes to the budgetary comparison schedule - general fund, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Management has omitted *management's discussion and analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operations, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

*Ralph C. Johnson & Company, p.c.*

Kansas City  
22 September 2023  
**Our 52<sup>ND</sup> Year**

*Ralph C. Johnson & Company, p.c.*

**12TH STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT****Governmental Fund Statement of Assets and Net Position**

Cash Basis

April 30, 2023

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>ASSETS</b>			
Cash and investments	\$ <u>69,593</u>	\$ <u>-</u>	\$ <u>69,593</u>
Total assets and deferred outflows	\$ <u><u>69,593</u></u>	\$ <u><u>-</u></u>	\$ <u><u>69,593</u></u>
<b>FUND BALANCE/NET POSITION</b>			
Net position:			
Unrestricted	<u>69,593</u>	<u>-</u>	<u>69,593</u>
Total net position	<u><u>69,593</u></u>	<u><u>-</u></u>	<u><u>69,593</u></u>
Total liabilities, deferred inflows, and net position	\$ <u><u>69,593</u></u>	\$ <u><u>-</u></u>	\$ <u><u>69,593</u></u>

See Notes to Financial Statements

**12TH STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

Statement of Revenue, and Expenditures

Cash Basis

For the Year Ended April 30, 2023

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>Revenues:</b>			
Taxes:			
Sales taxes	\$ 23,201	\$ -	\$ 23,201
Interest Income	36	-	36
Total Revenue	<u>23,237</u>	<u>-</u>	<u>23,237</u>
<b>Expenditures/Expenses:</b>			
Current:			
Management			
Administration	1,980	-	1,980
Insurance	-	-	-
Accounting	225	-	225
<b>Total Management</b>	<u>2,205</u>	<u>-</u>	<u>2,205</u>
District Services (Security & Maintenance)			
Snow/Ice Removal	-	-	-
Landscaping/Maintenance/Trash pick-up	21,998	-	21,998
<b>Total District Services</b>	<u>21,998</u>	<u>-</u>	<u>21,998</u>
Programming/Event Planning			
Operating Reserve	-	-	-
Miscellaneous	1,000	-	1,000.00
<b>Total Expenditures/Expenses</b>	<u>25,203</u>	<u>-</u>	<u>25,203</u>
Excess of revenues over expenditures/expenses	<u>(1,966)</u>	<u>-</u>	<u>(1,966)</u>
Net change in fund balance/net position	<u>(1,966)</u>	<u>-</u>	<u>(1,966)</u>
Fund balance/net position, beginning	<u>71,559</u>	<u>-</u>	<u>71,559</u>
Fund balance/net position, ending	<u>\$ 69,593</u>	<u>\$ -</u>	<u>\$ 69,593</u>

See Notes to Financial Statements



**12<sup>th</sup> Street Heritage Community Improvement District**  
**Notes to the Financial Statements**  
**April 30, 2023**

**Note 1: Financial Reporting Entity**

12th Street Heritage Community Improvement District (the District) was formed as a political subdivision of the State of Missouri on April 12, 2018. The District is governed by an elected three member board of directors. The purpose of the District is to demolish and remove, renovate, reconstruct, or rehabilitate any of the buildings and structures located therein owned by such owners, and the expenditure or loaning of the Districts revenues to fund a contract for such purposes, are reasonably anticipated to remediate the blighting conditions and will serve a public purpose. On April 12, 2018, the City's Planning, Zoning and Economic Development Committee unanimously passed an ordinance that would create the 12th Street Heritage Community Improvement District (CID), if it's ultimately approved by the City Council.

The CID would be valid for 20 years in an area from East 12<sup>th</sup> Street between Prospect Avenue and The Paseo Boulevard. If approved, the CID created by Ordinance No. 180249 would impose a new 1% sales tax within the CID. The funds would be used for improvements to the corridor's street scape, increased security and the installation of additional pedestrian lighting along this stretch of 12th street.

The CID is intended to cut down on crime and remove blight from the area. As with other such districts, the 12th Street Heritage CID would be required to submit annual reports, budgets and copies of any written resolutions that are passed by the district's board to the City Council.

The District prepares its financial statements in conformity with the cash basis of accounting which is a basis of accounting other than generally accepted accounting principles (GAAP).

**Note 2: Basis of Presentation**

The District's basic financial statements include both government-wide (the District as a whole) and fund financial statements (the District's major fund- the General Fund).

Government-wide financial statements

The District's basic financial statements include both government-wide (the District as a whole) and fund financial statements (the District's major fund- the General Fund).

Fund financial statements

Fund financial statements report detailed information about the District's major fund- the General Fund.

**Basis of Accounting**

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus, within the limitations of the cash basis of accounting, as described below.

Governmental Fund Financial Statements

In the fund financial statements, the 'current financial resources' measurement focus, as

**12<sup>th</sup> Street Heritage Community Improvement District**  
**Notes to the Financial Statements**  
**April 30, 2023**

applied to the cash basis of accounting, is used. Only current financial assets and liabilities are generally included in the statement of assets and net position. The operating statement presents sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Capital Assets

Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of greater than one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increases the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The District did not have any capital assets as of April 30, 2023.

Net Position and Fund Balance Classifications:

Government Wide

As noted previously, in the government-wide statements, equity is classified as net position and displayed in three components:

Net investment in capital assets – this component consist of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

- (1) Restricted net position – this component consist of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Fund first utilizes restricted resources to finance qualifying activities.
- (2) Unrestricted net position – All other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

Governmental Funds

Fund balance for governmental funds as reported includes classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent

- A. Non-spendable Fund Balance - This portion of fund balance cannot be spent either because it is in non-spendable form or is required to be maintained intact.
- B. Restricted Fund Balance - This portion of fund balance is restricted to specific purposes by state or federal laws, or externally imposed conditions by grantors and creditors. This portion of the District’s fund balance is restricted for debt service and capital projects.
- C. Committed Fund Balance - This consists of amounts which can only be used for specific purposes determined by a formal action of passing an ordinance by the District’s Board of Directors, the District’s highest level of decision-making authority. Any changes or removal of specific purposes requires the same action by Board of Directors.

**12<sup>th</sup> Street Heritage Community Improvement District**  
**Notes to the Financial Statements**  
**April 30, 2023**

- D. Assigned Fund Balance - This consists of amounts which are constrained by District's management's intent to be used for a specific purpose but do not meet the criteria to be classified as committed.
- E. Unassigned Fund Balance - This consists of the residual fund balance that does not meet the requirements for the non-spendable, restricted, committed, or assigned classifications. The District first utilizes restricted resources when an expenditure is incurred for which both unrestricted and restricted fund balances are available. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance

**Note 3: Cash**

Missouri State Statutes authorize the District, with certain restrictions, to deposit funds in open accounts, time deposits, investment pools and certificates of deposit. The Statutes also require that collateral pledged must have a fair value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the District or an independent third party and must be of the kind prescribed by State Statutes and approved by the State.

**Custodial Credit Risk**

The custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the Board will not be able to recover deposits, or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is that, in the event of the failure of a counter party to a transaction, the Board will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The Board's policy is to collateralize deposits with securities held by the financial institution's agent and in the District's name.

As of April 30, 2023, the District's deposits were insured with Federal depository insurance. Management has determined that none of the District's deposits were exposed to custodial credit risk as of April 30, 2023.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end all investments were of a short duration and the fund was exposed to no interest rate risks

**Credit Risk**

Missouri statutes prohibit government agencies from investing in derivative, leveraged or speculative securities.

**Note 4: Tax Revenues**

The District is authorized to impose and levy District sales tax up to an aggregate levy up to one percent (1%) on sales within the District. The District received \$140,216 in sales tax revenue during the fiscal year ending April 30, 2023.

**12<sup>th</sup> Street Heritage Community Improvement District**  
**Notes to the Financial Statements**  
**April 30, 2023**

**Note 5: Risk Management**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God. The Board maintains commercial insurance for significant insurable risks. There were no claims on any of the commercial coverage during the year.

**12th STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

## Statement of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual - General Fund

For the Year Ended April 30, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>			
Taxes:			
Sales taxes	\$ 68,052	\$ 23,201	\$ (44,851)
Interest Income	-	36	36
Total revenues	<u>68,052</u>	<u>23,237</u>	<u>(44,815)</u>
<b>Expenditures</b>			
Current:			
Management			
Administration	5,940	1,980	3,960
Insurance	1,600	-	1,600
Accounting	900	225	675
<b>Total Management</b>	<u>8,440</u>	<u>2,205</u>	<u>6,235</u>
District Services (Security & Maintenance)			
Snow/Ice Removal	6,000	-	6,000
Landscaping/Maintenance/Trash pick-up	17,900	21,998	(4,098)
<b>Total District Services</b>	<u>23,900</u>	<u>21,998</u>	<u>1,902</u>
Programming/Event Planning	24,000	-	
Operating Reserve	3,255	-	3,255
Miscellaneous	600	1,000	(400)
<b>Total Expenditures/Expenses</b>	<u>60,195</u>	<u>25,203</u>	<u>2,855</u>
Excess of revenues over expenditures/expenses	<u>7,857</u>	<u>(1,966)</u>	
Net change in fund balance	<u>\$ 7,857</u>	<u>(1,966)</u>	<u>\$</u>
Fund balance, beginning of year, as restated		<u>71,559</u>	
Fund balance, end of year		<u>\$ 69,593</u>	

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

Notes to Budgetary Comparison Schedule-General Fund

For the Year Ended April 30, 2023

The reported budgetary data represent the final approved budget after amendments as adopted by the Board of Directors. The basis of accounting is the same for both budgeting and financial reporting purposes.

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**AUTHORIZING SUBMITTAL OF THE PROPOSED 2024-2025 FISCAL YEAR  
BUDGET TO THE CITY FOR REVIEW AND COMMENT, WITH COPIES TO THE  
MISSOURI DEPARTMENT OF REVENUE AND THE STATE AUDITOR**

**ADOPTION OF THE 2024-2025 FISCAL YEAR BUDGET**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “**District**”);

WHEREAS, pursuant to Section 67.1471.2, RSMo., the Board of Directors (the “Board”) of the District shall submit to the City of Kansas City, Missouri a proposed annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year, no earlier than one hundred eight (180) days and no later than ninety (90) days prior to the first day of each fiscal year; and

WHEREAS, pursuant to Section 67.1471.3, RSMo., the Board shall adopt an annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year, no later than thirty (30) days prior to the first day of each fiscal year;

WHEREAS, the next fiscal year of the District begins May 1, 2024; and

WHEREAS, the Board desires to submit the 2024-2025 fiscal year budget of the District and submit the 2024-2025 fiscal year budget of the District to the City Clerk of the City of Kansas City, Missouri for review by the City Council, with copies of the proposed 2024-2025 fiscal year budget to the Missouri department of revenue and the state auditor.

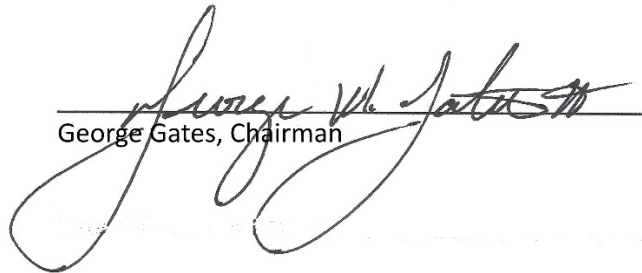
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The District’s proposed 2024-2025 fiscal year budget is attached as Exhibit A hereto and incorporated herein by reference.
2. The District Manager is authorized and directed to submit the District’s proposed 2024-2025 fiscal year budget to the City Clerk of the City of Kansas City, Missouri no later than January 31, 2024, with copies to the Missouri department of revenue and the state auditor.


**RESOLUTION NO. 2024-01**

3. The District Manager is directed to provide copies of any comments made by the City of Kansas City, Missouri concerning the District's 2024-2025 fiscal year budget to the Board within seven (7) days of receipt.
4. Absent receipt of comments regarding the District's proposed 2024-2025 fiscal year budget thirty days after transmittal to the City, the 2024-2025 fiscal year budget shall become adopted and effective as of March 20, 2024.
5. Should comments be received from the City, such comments shall be reviewed and changes to the proposed budget considered. The District's budget for fiscal year 2024-2025 shall then be adopted no later than thirty (30) days prior to the first day of the fiscal year, May 1, 2024.
6. The Officers and District Manager of the District are authorized to take such further actions as are reasonably necessary for the submission of the District's proposed 2024-2025 fiscal year budget to the City of Kansas City, Missouri as authorized by this resolution.
7. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 17, 2024.

  
George Gates, Chairman

ATTEST:

  
Maurice Glover, Secretary



**EXHIBIT A**

**12TH STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**PROPOSED BUDGET FOR  
FISCAL YEAR 2024**

**Date:** January 18, 2023  
**CID Contact Information:** George Gates, Chairman  
 4621 Paseo, Kansas City, MO 64110 (816) 923-0900  
**Political Subdivision or Not for Profit:** Political Subdivision  
**Date of and Ordinance No.:** April 12, 2018, Ordinance No. 180249

<b>PROJECTED INCOME</b>	<b>5/1/23 - 4/30/24</b>
<i>Sales &amp; Use Tax Revenue</i>	\$84,240.00
<i>Interest</i>	\$120.00

<b>TOTAL PROJECTED INCOME</b>	<b><u>\$84,360.00</u></b>
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<b>PROJECTED EXPENSES</b>	<b>5/1/23 - 4/30/24</b>
<i>Management</i>	
Administration	\$5,940.00
City of KCMO - Annual Review Fee	\$1,000.00
Insurance	\$1,600.00
Accounting	\$900.00
Sub-total	\$9,440.00

<i>District Services (maintenance/landscaping)</i>	
Snow/Ice Removal	\$6,000.00
Landscaping/Maintenance/Trash pick-up	\$33,000.00
Sub-total	\$39,000.00

<i>Programming/Event Planning</i>	\$24,000.00
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<i>Operating Reserve</i>	\$4,820.00
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<i>Miscellaneous</i>	
Miscellaneous	\$600.00
	\$600.00

<b>TOTAL PROJECTED EXPENSES</b>	<b><u>\$77,860.00</u></b>
---------------------------------	---------------------------

<b>PROJECTED BEGINNING BALANCE (5/1/2023)</b>	<b>\$63,566.29</b>
<b>TOTAL PROJECTED INCOME</b>	<b>\$84,360.00</b>
<b>TOTAL PROJECTED EXPENSES</b>	<b>\$77,860.00</b>
<b>PROJECTED ENDING BALANCE (4/30/2024)</b>	<b>\$70,066.29</b>

**NOTES:**

The 12th Street Heritage Community Improvement District ("District") was declared established by Ordinance No. 180249 of the City Council of the City of Kansas City on April 12, 2018. The District desires to fund, or assist in the funding of, certain services and improvements as allowed by Sections 67.1401 to 67.1571 RSMo.

On June 20, 2018, the District's Board of Directors passed Resolution No. 2013-07 which imposed, upon approval of the qualified voters of the District, a one percent (1.0%) sales tax on retail sales in the District. The sales tax was approved December 26, 2018.

The District has adopted a fiscal year beginning May 1 and ending April 30 of each year.

The District budget is presented in accordance with the requirements of Missouri statute on a cash basis.

Reserve Fund equal to two months of projected operating expenses.

Beginning Balance of Reserve Fund (5/01/2023)	\$3,255.00
Ending Balance of Reserve Fund (4/30/2024)	\$8,075.00

Insurance includes general liability and D&O insurance.

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2024-02**

**APPROVING AND AUTHORIZING EXECUTION OF AN AGREEMENT WITH O.G. INVESTMENT TO JOINTLY PAY FOR SECURITY PATROLS**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing security services throughout the District, including security patrols and other matters related thereto; and

WHEREAS, O.G. Investment, a property owner and owner in the District, has retained the services of American Homeland Security to provide security patrols throughout the District five days per week between the hours of 1:00am and 5:00am; and

WHEREAS, O.G. Investment and the District agree to each pay 50% of the cost to retain American Homeland Security, amounting to an expense of approximately \$1,000 per month for the District;

WHEREAS, the Board desires to approve an agreement with O.G. Investment that obligates the District to pay 50% of the amounts invoiced by American Homeland Security on a weekly basis and send payments directly to American Homeland Security (the “Agreement”), for the purpose of providing security patrols throughout the District, and other matters related thereto, in substantially the same format as attached hereto as Exhibit A, and authorize execution of same by the Chairman of the Board.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District as follows:

1. The Board hereby approves the Agreement, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the Board to execute the Agreement, in substantially the same format as attached hereto as Exhibit A, and take such actions as deemed appropriate for implementation of the Agreement.

3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 17, 2024.

  
George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2024-03**

**APPOINTING OFFICERS OF THE DISTRICT**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”);

WHEREAS, the District’s Bylaws require the Board of Directors (the “Board”) of the District to annually appoint a chairman, secretary, treasurer and such other officers or employees as it deems necessary; and

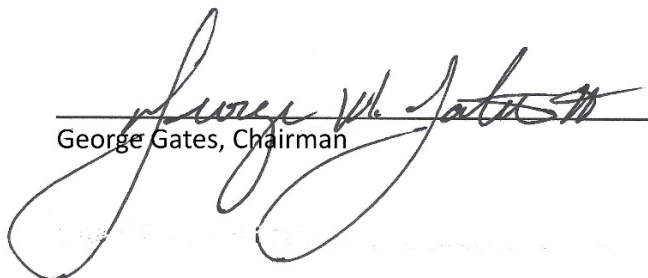
WHEREAS, the Board of Directors desires to appoint a Chairman, Vice-Chairman, Secretary, Treasurer and District Manager in accordance with the Bylaws; and

WHEREAS, the Chairman, Vice-Chairman, Secretary, Treasurer and District Manager shall have the powers and duties described in the Bylaws.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. George Gates is appointed as the Chair of the District.
2. Dwayne Williams is appointed as the Vice-Chair of the District.
3. Maurice Glover is appointed as the Secretary of the District.
4. Arzelia Gates is appointed as the Treasurer of the District.
5. Patrick Sterrett is appointed as the District Manager of the District.
6. Each officer of the District shall exercise those powers and perform those duties as set forth in the Bylaws of the District.
7. Each officer of the District appointed above shall serve for a term of one year and until his or her successor has been duly appointed.
8. This resolution shall take effect immediately

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 17, 2024.



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF THE DIRECTORS

RESOLUTION NO. 2024-04

**APPROVING AND AUTHORIZING EXECUTION OF A CONTRACT WITH  
SIGNATURE LANDSCAPE, LLC, TO MAINTAIN LANDSCAPING WITHIN THE  
DISTRICT FROM JANUARY 1, 2024 TO DECEMBER 31, 2024.**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing landscaping maintenance services throughout the District and other matters related thereto; and

WHEREAS, the Board desires to approve a contract submitted by Signature Landscape, LLC (“Signature”), totaling \$14,880.00 (the “Contract”), for the purpose of performing landscape maintenance, and other matters related thereto, for the calendar year of 2024, in substantially the same format as attached hereto as Exhibit A, and authorize execution of same by the Chairman of the Board.

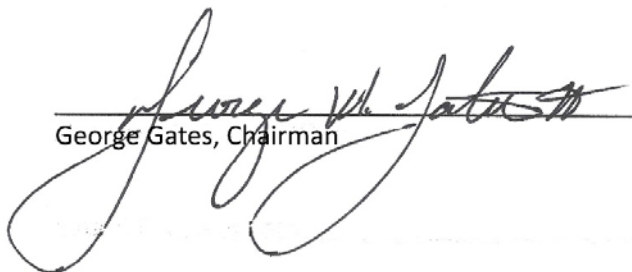
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Board hereby approves the Contract, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the Board to execute the Contract, in substantially the same format as attached hereto as Exhibit A, and take such actions as deemed appropriate for implementation of the Contract.
3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on February 21, 2024.

*[Signature Page follows]*





George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**



## Grounds Maintenance Agreement

<b>Branch</b>	SIG - KCK
<b>Contract ID</b>	111951
<b>Contract Date</b>	4/22/2024
<b>Contract Commence:</b>	1/1/2024
<b>Contract Expiration:</b>	12/31/2024

Submitted <b>O.G. Investments</b> To:	Property Name: <b>Gates Retail Corner (12th &amp; Brooklyn)</b>	Contact: <b>Ollie Gates</b>
------------------------------------------	-----------------------------------------------------------------	-----------------------------

### Contracted Operations:

<u>Contracted Operations:</u>	<u>Cost Per Occurrence</u>	<u>Frequency</u>	<u>Annual Cost</u>
<b><i>Routine Maintenance</i></b>			
Mow, Trim, Edge and Sweep	\$140.00	26	\$3,640.00
Mow, Trim, Edge and Sweep (City Blvd Areas)	\$65.00	12	\$780.00
Spring Clean-Up	\$450.00	1	\$450.00
Fall Clean-Up	\$535.00	1	\$535.00
<b><i>Applications</i></b>			
Turf App - Spring Fert & Pre-Emergent	\$350.00	1	\$350.00
Turf App - Spring Fert & Broadleaf	\$205.00	1	\$205.00
Shrub Insect Control	\$200.00	2	\$400.00
<b><i>Hort Services</i></b>			
Weekly Hort Service	\$205.00	24	\$4,920.00
Plant Bed Pre-Emergent	\$195.00	1	\$195.00
Cultivate Existing Mulch (Early Spring)	\$900.00	1	\$900.00
Top Dress Bark Mulch (Incls redefine bed edges & tree rings)	\$1,375.00	1	\$1,375.00
Perennial Cutback (Spring)	\$85.00	1	\$85.00
Aeration & Overseed	\$1,045.00	1	\$1,045.00
		Subtotal	\$14,880.00
		Sales Tax	\$54.19
		<b>Total</b>	\$14,934.19

Notes: This sales tax amount represents the State/County/City rate at the time this contract was printed. Actual sales tax will be charged at the applicable statutory rate at the time services are billed. Routine service quantities performed may vary up or down based on weather conditions and the needs of the property.

The Contracted Operations will be billed over 3 monthly installments beginning on 2/1/2024 in the amount of \$4,978.06 (which includes applicable taxes) per month for the term of this agreement.



## Grounds Maintenance Agreement

Branch SIG - KCK  
Contract ID 111951  
Contract Date 4/22/2024  
Contract Commence: 1/1/2024  
Contract Expiration: 12/31/2024

Submitted To: <b>O.G. Investments</b>	Property Name: <b>Gates Retail Corner (12th &amp; Brooklyn)</b>	Contact: <b>Ollie Gates</b>
---------------------------------------	-----------------------------------------------------------------	-----------------------------

### Optional Services

### Cost Per Occurrence

Any Optional Service authorized by Customer will be invoiced on a monthly basis for services performed during the month at the rates listed above, plus all applicable sales taxes required.

### Irrigation Repair Services:

Repair Rate:  
Hourly rate (billed in 15 minute increments) \$95.00

Initial here for authorization to repair while on site, as needed, not to exceed \$500.00.  
Billed at the above rate.

*Terms: [PaymentTerms] days. Accounts past due will have a service charge of 1.5% per month added.*

**ACCEPTANCE OF PROPOSAL:** The above prices and following terms and conditions as stated are satisfactory and herein accepted.

**P.O. Number** \_\_\_\_\_

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Signature Landscape, LLC

Date \_\_\_\_\_

Date 11/29/2023



## Grounds Maintenance Agreement

Branch SIG - KCK  
Contract ID 111951  
Contract Date 4/22/2024  
Contract Commence: 1/1/2024  
Contract Expiration: 12/31/2024

Submitted To: <b>O.G. Investments</b>	Property Name: <b>Gates Retail Corner (12th &amp; Brooklyn)</b>	Contact: <b>Ollie Gates</b>
---------------------------------------	-----------------------------------------------------------------	-----------------------------

### TERMS AND CONDITIONS

#### **Assignment:**

No assignment, transfer of right, obligation, claim or relief under this Agreement may be made by either Contractor or Client without prior written consent of the other party. Any assignment or transfer made in violation of the requirements of this paragraph shall be void and unenforceable.

#### **Relationship of Parties:**

The legal relationship of the Contractor to the Client with respect to the services rendered pursuant hereto shall be that of an independent contractor and not that of an agent or employee.

#### **Default:**

If Contractor fails to fully perform in a timely and proper manner its obligations under this Agreement, or violates any of the covenants, agreements or stipulations of this Agreement and Contractor fails to cure any such default within 10 days after receipt of written notice from Client specifying the acts or omissions which constitute a default hereunder, Client shall have the right to terminate this Agreement for cause by providing Contractor with not less than 10 days prior written notice which specifies the termination date. In the event of termination for cause, the Client shall pay the Contractor in accordance with this Agreement for all services performed to the effective date of termination. In the event Client fails to make payment for any services provided pursuant to this Agreement within the payment terms of this Agreement, Contractor may, but shall not be obligated to, suspend services until all past due amounts have been paid in full.

#### **Payment Terms:**

Payment for service(s) is due within 30 days upon receipt of monthly invoices or based on applicable terms mutually agreed to. Late charges on past due amounts shall accrue at the rate of one and one half percent (1½%) per month, beginning on the first day following the due date of the invoice. In the event that payment is not timely and Contractor must commence collection efforts, Contractor reserves the right to suspend services until past due amounts are paid in full. If collection measures become necessary, the Client agrees to pay all of Contractor's related costs, including but not limited to reasonable attorney's fees and court costs, whether or not suit is filed. Client agrees that if sales tax is, or becomes applicable to the services or any portion(s) thereof, that Client shall pay these taxes in addition to the fees specified in the Landscape Management Agreement. Sales tax as listed on the Landscape Management Agreement is an estimate based on applicable jurisdictions at the time the Agreement was produced, therefore Client understands and agrees that any subsequent change in rates will be reflected on future invoices on the effective date of any tax rate changes. All payments should be mailed to:

Signature Landscape, LLC  
PO Box 200324  
Dallas, TX 75320-0324

#### **Choice of Law:**

This Agreement shall be governed by the laws of the State of Kansas. Venue for any action brought under this Agreement will be in Johnson County, Kansas.

#### **Insurance:**

Contractor shall secure and maintain, throughout the performance of services under this Agreement, General liability, Employers Liability, Auto Liability & Umbrella Liability coverage, as specified below.

- Worker's Compensation Insurance with statutory limits;
- Employer's Liability Insurance with limits of not less than \$1,000,000;
- Commercial General Liability Insurance with combined single limits of not less than \$1,000,000 per occurrence/\$2,000,000 annual aggregate;
- Comprehensive Automobile Liability Insurance, including owned, non-owned and hired vehicles, with combined single limits of not less than \$1,000,000.
- Umbrella Coverage of at least \$5,000,000 per occurrence/\$5,000,000 annual aggregate

Insurance shall be placed with insurance companies rated, at a minimum, "A" by Best Key Rating Guide. If required by Client, Contractor shall furnish to the Client Certificates of Insurance verifying that such insurance has been obtained. Such Certificates of Insurance shall incorporate a commitment to provide written notice to the client at least thirty (30) days prior to any cancellation, non-renewal or material modification of the policies. If the Client or Indemnities are damaged by failure of the Contractor to purchase and maintain the required insurance coverage and limits of liability, the Contractor shall bear all reasonable costs, expenses and damages incurred by the Client or Indemnities arising out of such failure to purchase and maintain the required insurance coverage and/or limits of liability.

#### **Withholdings and Licenses:**

Contractor and Client agree that Signature is an independent contractor and, as such, shall assume liability for its own withholding taxes, social security taxes, unemployment taxes, licenses, and insurance pertaining to its employees or operations. Contractor is required to maintain all applicable licenses and permits within the cities, counties, and states of operation.

#### **Indemnification:**

Contractor agrees to indemnify, defend, and hold harmless the Client/Owner, together with their respective subsidiaries, assigns, employees, and representatives (herein collectively and individually referred to as the "Indemnitees") from and against any and all claims, losses, liabilities, judgments, costs and expenses and damages and injuries to third parties arising out of or caused by the negligent act, error, omission or intentional wrongdoing of the Contractor, Contractor's subcontractors or their respective agents, employees or representatives which arise from the performance of Contractor's operations hereunder or otherwise while present on the property for the purpose of rendering services pursuant to this Agreement. The Contractor's obligations with respect to indemnification hereunder shall remain effective notwithstanding completion of the services or the termination of an applicable Agreement. The indemnity rights and obligations identified in these specifications shall be, and are the only indemnity rights and obligations between the parties, in law or equity, arising out of or related to Contractor's services under this Agreement or any claims asserted in relation thereto.

#### **Limitation of Liability:**

Except for the indemnification provision applicable to claims by third parties against Client, Contractor's total and cumulative liability to Client for any and all claims, losses, costs, expenses and damages, whether in contract, tort or any other theory of recovery, shall in no event exceed the amount Client has paid to Contractor for services under this Agreement during the calendar year in which the claim first accrued. In no event shall Contractor be liable for incidental, consequential, special or punitive damages.

#### **Risk of Loss:**

Contractor shall not be responsible for delays or losses caused or attributable, in whole or in part, to circumstances beyond its reasonable control, including but not limited to, acts of God, governmental restrictions or requirements, severe or unusual weather, natural catastrophes, vandalism or acts of third persons. Client assumes the full risk of loss attributable to all such occurrences, including but not limited to, the repair or replacement of landscaping.

#### **Nonwaiver:**

No delay or omission by Contractor in exercising any right under this Agreement, and no partial exercise of any right under this Agreement, shall operate as a waiver of such right or of any other right under this Agreement as provided for by law or equity. No purported waiver of any right shall be effective unless in writing signed by an authorized representative of Contractor and no waiver on one occasion shall be construed as a bar to or waiver of any such right on any other occasion. All rights of Contractor under this Agreement, at law or in equity, are cumulative and the exercise of one shall not be construed as a bar to or waiver of any other.

**EXHIBIT B**

# MISSOURI LOCAL GOVERNMENT FINANCIAL STATEMENT

1. Financial Statement Summary the Year Ended	for	Month	Year
		April	2024
2. Name of political subdivision	12th Street Heritage Community Improvement District		
3. Political subdivision number	17-048-0116		
4. Name of county	Jackson		
5. Name of contact	Arzelia Gates		
6. Mailing address	4621 The Paseo Kansas City, MO 64110		
7. Telephone number	8. Fax number	9. Email address	
(816) 923-0900		arzelia@gatesbbq.com	

10. List up to 3 funds (other than General Fund) in the order you want them to appear in the Local Government Financial Statement (omit the word "fund")

1.	
2.	
3.	

The undersigned attests that this report is a true and accurate account of all financial transactions for the political subdivision listed above.

Preparer's name, title and date (required)

Patrick Sterrett	District Manager	10/17/2024
Preparer's Name	Title	Date

## INSTRUCTIONS FOR COMPLETING FINANCIAL REPORT FOR POLITICAL SUBDIVISIONS

Please mail  
the completed  
form to

State Auditor's Office  
P.O. Box 869  
Jefferson City, MO 65102

OR Email to: [localgovernment@auditor.mo.gov](mailto:localgovernment@auditor.mo.gov)

### Part I – FINANCIAL STATEMENT

#### A. Receipts (pages 3 and 4)

- Property Tax** – Include real, personal, and other property tax, but do not include any tax revenues which you collect as agent for another governmental entity.
- Sales Tax** – Include any and all sales taxes by fund and type. Municipalities in St. Louis County should report their share of the county sales tax.
- Amusement Sales Tax** – Taxes on admission tickets and on gross receipts of all or specified types of amusement businesses.
- Motor Fuel Tax** – Taxes on gasoline, diesel oil, aviation fuel, gasohol, "ethanol," and any other fuels used in motor vehicles or aircraft.
- Public Utilities Sales Tax** – Taxes imposed distinctively on public utilities, and measured by gross receipts, gross earnings, or units of service sold, either as a direct tax on consumers or as a percentage of gross receipts of utility.
- Tobacco Products Tax** – Taxes on tobacco products and synthetic cigars and cigarettes, including related products like cigarette tubes and paper.
- Hotel/Motel and Restaurant/Meals Tax** – Sales tax on hotel/motel and restaurant/meals.
- Alcoholic Beverages Licensing and Permit Taxes** – Licenses for manufacturing, importing, wholesaling, and retailing of alcoholic beverages.
- Amusements Licensing and Permit Taxes** – Licenses on amusement businesses generally and on specific types of amusement enterprises or devices.
- Motor Vehicles Licensing and Permit Taxes** – Licenses imposed on owners or operators of motor vehicles for the right to use public roads.
- Franchise Tax (Public Utilities Tax)** – Licenses distinctively imposed on public utilities, whether distinctively imposed on public utilities, whether privately or publicly owned.
- Occupation and Business Licensing and Permit Taxes** – Licenses required of persons engaged in particular professions, trades, or occupations.

## Part I - FINANCIAL STATEMENT - Continued

- 13. Other Licenses and Permit Fees** – License and inspections charges on buildings, animals, marriage, guns, etc.
- 14. Intergovernmental Receipts** – Specify source of intergovernmental grants and monies received (federal, state or local).
- 16. Charges for Services** – Include fees and service revenue.
- 17. Utility Receipts** – Gross receipts of any water, electric, gas, or transit systems operated by your government, from utility sales and charges.
- 18. Interest Earned** – Interest earned from investments.
- 19. Fines, Costs, and Forfeitures** – Receipts from penalties imposed for violations of law and civil penalties.
- 20. Rents** – Revenues from temporary possession or use of government-owned buildings, land, and other properties.
- 21. Donations** – Gifts of cash or securities from private individuals or corporations.
- 22. Other Receipts and Transfers** – Include any other receipts that your political subdivision receives that would not be included in the above categories.
- Sections B and C Disbursements** – Should be broken down by function and/or object. Governments having multiple functions, (such as police, fire, etc.) or objects (salaries, supplies, etc.) should provide both (if available) and the totals of both should agree.
- B. Disbursements By Function (pages 5 and 6)** – List amounts on the line pertaining to the category or write in a category on one of the blank lines.
- C. Disbursements By Object (pages 6 and 7)** – List amounts on the line pertaining to the category or write in a category on one of the blank lines.
- D. Statement Of Indebtedness (pages 7 and 8)** – This section requests information on debt issued by your political subdivision. Debt outstanding at the beginning of the fiscal year, plus debt issued less debt retired should equal the debt outstanding at the end of the fiscal year. All types of debt (e.g., general obligation bonds, revenue bonds, leases, notes) should be reported here.
- E. Interest on Debt – (page 8)** – Amounts of interest paid, including any interest paid on short-term or non-guaranteed obligations as well as general obligations.
- F. Statement of Assessed Valuation and Tax Rates (page 8)** – The assessed valuation information, will be available from your county. The tax rate information will pertain to the tax rate set for the fiscal year reported.

**Part II – FINANCIAL STATEMENT SUMMARY (page 9)** – Five columns are provided, one for the total of all funds, one for your General Fund, and three for any other funds which you may have. If you have funds in addition to your General Fund, such as a Debt Service, Street, Water, or Sewer Fund, you need to insert the name of any such fund in the blanks provided. If you have more than three funds in addition to your General Fund, you will need to attach a separate page showing the additional funds.

The beginning balance of each fund, plus total receipts, less total disbursements should equal your ending balance. Total receipts for each fund should equal the total receipts shown on page 3. Total disbursements for each fund should equal the total disbursements shown on page 6.

**Part III - TAX ABATEMENT SUMMARY (page 10)** - Amounts from tax abatements resulting from an agreement between your political subdivision and individuals or entities in which your political subdivision has agreed to forgo tax revenues it otherwise would be entitled to in return for the individuals or entities taking a specific action after the agreement is entered into for economic development or other activities that benefit your political subdivision.

If you have any questions regarding the completion of this form, please feel free to call the Missouri State Auditor's Office, telephone (573) 751-4213.

**NOTICE** – State law requires political subdivisions to file a financial report with the State Auditor's Office each year pursuant to Section 105.145, RSMo, and 15 CSR 40-3.030.



# Part I - FINANCIAL STATEMENT

12th Street Heritage Community Improvement District

## A. Receipts

		FUNDS - Report in whole dollars				
		TOTAL all funds	General Fund	Fund	Fund	Fund
1. Total property tax	\$	0	\$	\$	\$	
2. Total sales tax		63,264	63,264			
3. Amusement sales tax		0				
4. Motor fuel tax		0				
5. Public utilities sales tax		0				
6. Tobacco products tax		0				
7. Hotel/Motel and restaurant/meals tax		0				
8. Alcoholic beverages licensing and permit taxes		0				
9. Amusement licensing and permit taxes		0				
10. Motor vehicles licensing and permit taxes		0				
11. Franchise tax (public utilities tax)		0				
12. Occupation and business licensing and permit taxes		0				
13. Other licenses and permit fees		0				
14. Intergovernmental receipts						
a.		0				
b.		0				
c.		0				
d.		0				
e.		0				
f.		0				
g.		0				
h.		0				
i. TOTAL						
Sum of lines 14a-h	\$	0	\$	0	\$	0
15. SUBTOTAL						
Sum of items 1-14i	\$	63,264	\$	63,264	\$	0

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## A. Receipts - Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>15. SUBTOTAL</b> (from page 3)	\$ 63,264	\$ 63,264	\$ 0	\$ 0	\$ 0
<b>16. Charges for Services</b>					
a.	0				
b.	0				
c.	0				
d. <b>TOTAL</b> Sum of lines 16a-c	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>17. Utility receipts</b>					
a.	0				
b.	0				
c.	0				
d.	0				
e. <b>TOTAL</b> Sum of lines 17a-d	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<b>18. Interest earned</b>	133	133			
<b>19. Fines, costs, and forfeitures</b>	0				
<b>20. Rents</b>	0				
<b>21. Donations</b>	0				
<b>22. Other receipts and transfers</b>					
a. Total Use Tax	9,609	9,609			
b.	0				
c. Interfund transfers	0				
d. <b>TOTAL</b> Sum of lines 22a-c	\$ 9,609	\$ 9,609	\$ 0	\$ 0	\$ 0
<b>23. TOTAL RECEIPTS</b> Sum of items 15 through 22d	\$ 73,006	\$ 73,006	\$ 0	\$ 0	\$ 0

PLEASE CONTINUE WITH **DISBURSEMENTS** ON PAGE 5

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## B. Disbursements (by function)

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
1. Highways and streets	\$ 0	\$	\$	\$	
2. Financial administration	5,825	5,825			
3. Central administration	6,940	6,940			
4. Fire	0				
5. Parks and recreation	0				
6. Solid waste management	0				
7. Sewerage	0				
8. Water supply system	0				
9. Hospitals	0				
10. Health (other than hospital)	0				
11. Police	0				
12. Judicial and legal	0				
13. Correctional institutions	0				
14. Probation	0				
15. General public buildings	0				
16. Libraries	0				
17. Public welfare	0				
18. Protective inspection and regulation	0				
19. Housing and community development	0				
20. Economic development	0				
21. Natural resources	0				
22. Airports	0				
23. SUBTOTAL Sum of lines 1-22	\$ 12,765	\$ 12,765	\$ 0	\$ 0	\$ 0

**Part I - FINANCIAL STATEMENT - Continued**

12th Street Heritage Community Improvement District

**B. Disbursements (by function)**

Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>23. SUBTOTAL</b> (from page 5)	\$ 12,765	\$ 12,765	\$ 0	\$ 0	\$ 0
<b>24.</b> Electric power system	0				
<b>25.</b> Parking facilities	0				
<b>26.</b> Gas supply system	0				
<b>27.</b> Transit or bus system	0				
<b>28.</b> Sea and inland port facilities	0				
<b>29.</b> Miscellaneous commercial activities	0				
<b>30.</b> Other - Specify					
a. Maintenance	32,530	32,530			
b. Events (Holiday Lighting)	4,431	4,431			
c. Security	6,848	6,848			
<b>31.</b> Interfund transfers	0				
<b>32. TOTAL DISBURSEMENTS</b> (by function) Sum of items 23-31	\$ 56,574	\$ 56,574	\$ 0	\$ 0	\$ 0
<b>C. Disbursements</b> (by object)					
1. Salaries	0	0			
2. Fringe benefits	0	0			
3. Operations	56,574	56,574			
<b>4. SUBTOTAL</b> Sum of items C1-3	\$ 56,574	\$ 56,574	\$ 0	\$ 0	\$ 0

 PLEASE CONTINUE WITH **DISBURSEMENTS** ON PAGE 7

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## B. Disbursements (by object) - Continued

FUNDS - Report in whole dollars

	TOTAL all funds	General Fund	Fund	Fund	Fund
<b>4. SUBTOTAL</b> (from page 6)	\$ 56,574	\$ 56,574	\$ 0	\$ 0	\$ 0
<b>5. Capital expenditures - Specify</b>					
a.	0				
b.	0				
c.	0				
d.	0				
e.	0				
f.	0				
g.	0				
<b>6. Interfund transfers - Specify</b>					
a.	0				
b.	0				
<b>7. TOTAL DISBURSEMENTS</b> (by object) Sum of items 4-6b	\$ 56,574	\$ 56,574	\$ 0	\$ 0	\$ 0

## D. Statement of Indebtedness

### 1. General obligation bonds

a.				0
b.				0
c.				0

### 2. 2 Revenue bonds

a.				0
b.				0
c.				0

### 3. SUBTOTAL

Sum of items D1 and 2

\$ 0	\$ 0	\$ 0	\$ 0
------	------	------	------

FUNDS - Report in whole dollars

Outstanding  
Beginning of  
Fiscal Year

During Fiscal Year --

Issued

Retired

Outstanding  
End of  
Fiscal Year

# Part I - FINANCIAL STATEMENT - Continued

12th Street Heritage Community Improvement District

## D. Statement of Indebtedness Continued

	FUNDS - Report in whole dollars			
	Outstanding Beginning of Fiscal Year	During Fiscal Year --		Outstanding End of Fiscal Year
		Issued	Retired	
<b>3. SUBTOTAL</b> (from page 7)	\$ 0	\$ 0	\$ 0	\$ 0
<b>4. Other debt - Specify</b>				
a.				0
b.				0
c.				0
<b>5. Conduit debt</b>				0
<b>6. TOTAL STATEMENT OF INDEBTEDNESS</b> Sum of items 3-5	\$ 0	\$ 0	\$ 0	\$ 0

## E. Interest on Debt

1. Interest on water supply system debt	\$	
2. Interest on electric power system debt	\$	
3. Interest on gas supply system debt	\$	
4. Interest on transit or bus system debt	\$	
5. Interest on all other debt	\$	

## F. Statement of Assessed Valuation and Tax Rates

1. Real estate	\$	
2. Personal property		
3. State assessed railroad and utility		
<b>TOTAL VALUATION</b>		
<b>4. Sum of items F1-3</b>	\$ 0	
<b>Tax Rates Funds - Specify</b>	<b>Tax rate (per \$100)</b>	
1.		
2.		
3.		
4.		
5.		
6.		

## Part II - FINANCIAL STATEMENT SUMMARY

FUNDS - Report in whole dollars					
	TOTAL all funds	General Fund	Fund	Fund	Fund
A. Beginning balance	\$ 71,085	\$ 71,085	\$	\$	
B. Total receipts	73,006	73,006	0	0	0
C. Total disbursements	56,574	56,574	0	0	0
D. Ending balance	\$ 87,517	\$ 87,517	0	0	0

### NOTES

*Please use this space to provide additional explanations if the space provided for any item was not sufficient. Be sure to reference the item number.*

BII - Financial Administration includes accounting, independent audit  
 BIII - Central Management includes district management/administrative, city annual review fee  
 B30a - Maintenance includes landscaping, maintenance, trash pick-up, snow and ice removal  
 B30b - Events includes holiday lighting  
 B30c - Security includes security patrol by private security company

**Part III - TAX ABATEMENT SUMMARY**

	Political Subdivision's Abatements			
	Abatement 1	Abatement 2	Abatement 3	Abatement 4
Taxes Abated				
Authority of Tax Abatement				
Abatement Rate				
Dollar Amount of Taxes Abated	\$	\$	\$	\$

**NOTES**

*Please use this space to provide additional explanations if the space provided for any item was not sufficient. Be sure to reference the item number.*



12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2024-06

**AUTHORIZING THE EXECUTION OF AN ENGAGEMENT LETTER WITH RALPH C. JOHNSON & COMPANY, P.C., TO PROVIDE INDEPENDENT AUDIT SERVICES OF THE DISTRICT’S FINANCIAL STATEMENTS FOR FISCAL YEAR 2023-2024.**

---

WHEREAS, the District, which was formed on April 12, 2018, by Ordinance No. 180249, adopted by the City Council of the City of Kansas City, Missouri, is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq, RSMo, as amended (the “Act”) and is transacting business and exercising the powers granted by the Act; and

WHEREAS, on June 20, 2018 the Board of Directors (the “Board”) of the District adopted Bylaws (the “Bylaws”) of the District; and

WHEREAS, per Article XIII of the Bylaws, the Board shall provide for the annual independent audits of the accounts of the District; and

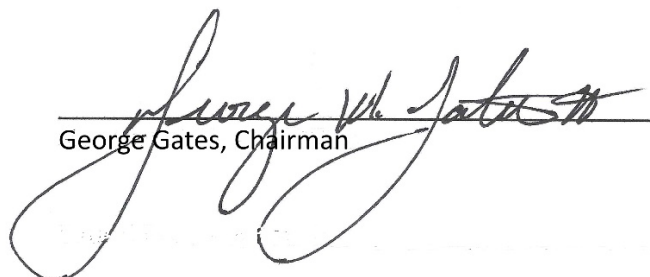
WHEREAS, on September 19, 2018 the Board adopted Procurement Policies & Procedures Guidelines by Resolution No. 2018-17; and

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Board, per the District’s Procurement Policies & Procedures Guidelines, has determined a bid solicitation is unnecessary for the provision of an independent audit of the District’s financial statements.
2. The Board authorizes the Chairman, or his designee(s), to execute the engagement letter, attached hereto as Exhibit A, with Ralph C. Johnson & Company, P.C., for the purpose of conducting an independent audit of the District’s financial statements for Fiscal Year 2024, with the condition that the fee and all reimbursable expenses shall not exceed \$5,000.00.
3. This Resolution shall take effect immediately.


**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on August 21, 2024.

*[Signature Page follows]*



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

# *Ralph E. Johnson & Company, p.c.*

CERTIFIED PUBLIC ACCOUNTANTS

Mark Twain Tower  
106 W. 11<sup>th</sup> Street, Suite 1530  
Kansas City, Missouri 64105-1817  
(816)0472-8900  
Fax (816) 472-4633

TODAY IS THURSDAY  
15 AUGUST 2024  
OUR 53<sup>RD</sup> YEAR

COPY

12<sup>TH</sup> Street Heritage Community Improvement District  
Attn: Mr. George Gates, Chair  
2124 E. 12<sup>th</sup> Street  
Kansas City, Missouri 64127

We are pleased to confirm our understanding of the services we are to provide for **12<sup>TH</sup> Street Heritage Community Improvement District (TSHCID)** for the year ended April 30, 2024.

We will audit the financial statements of **TSHCID**, which comprise the governmental fund statement of assets and net position - cash basis as of April 30, 2024, and the related statements of revenues, expenditures, and changes in net position- cash related notes to the financial statements (the financial statements). Also, the schedule of Revenues, Expenditures, and Changes in Net Position Budget and Actual - Cash basis. will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole. Cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States. Management determined that the cash basis of accounting is appropriate for its purposes.

## **Audit Objective**

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of **TSHCID's** financial statements. Our report will be addressed to the Governing Board of **TSHCID**. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

## **Audit Procedures**

Our procedures will include tests of documentary evidence which supports the transactions recorded in the accounts. We may also request written representations from your attorneys as part of the engagement. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence which supports the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Management has determined that the cash basis of accounting is appropriate for its purposes. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

12<sup>th</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT  
AUDIT ENGAGEMENT LETTER  
FYE 4-30-2024

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

### **Management Responsibilities**

You are responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including identification of all related parties and all related-party relationships and transactions, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the company from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare and/or locate any documents selected by us for testing.

The audit documentation of this engagement is the property of Ralph C. Johnson & Company, p.c. and constitutes confidential information. However, subject to applicable laws and regulations and audit documentation and appropriate individuals will be made available upon request and in a timely manner to TSHCID's cognizant State agency which provide direct or indirect funding for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Ralph C. Johnson & Company, p.c.'s personnel. Further, upon request, we may provide copies of selected audit documentation the aforementioned party. That party may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Ralph C. Johnson is the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately within a reasonable time after we are advised that the records are available for audit. Barring any unforeseen condition or circumstance, we will complete our audit and issue our report within 30 days after field work commences.

*Ralph C. Johnson & Company, p.c.*

12<sup>th</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT  
AUDIT ENGAGEMENT LETTER  
FYE 4-30-2024

We estimate that our fees for the audit and other services for will be \$5,000. (Unchanged from last year.) You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. Additional expenses are estimated to be \$100. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered bi-weekly as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Ralph C. Johnson

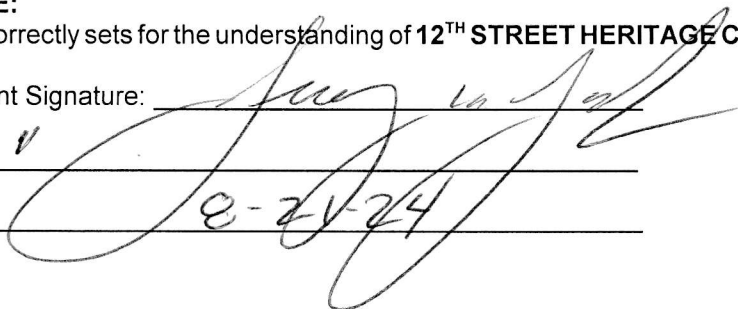
**RESPONSE:**

This letter correctly sets for the understanding of 12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT

Management Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



8-21-24

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF THE DIRECTORS**

**RESOLUTION NO. 2024-07**

**APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO THE  
CONTRACT WITH SIGNATURE LANDSCAPE, LLC, TO INSTALL LANDSCAPING  
WITHIN THE DISTRICT.**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

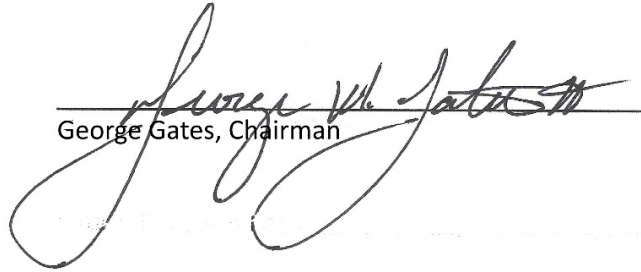
WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing landscaping maintenance services throughout the District and other matters related thereto; and

WHEREAS, the Board desires to amend the contract between by Signature Landscape, LLC (“Signature”), and the District that was approved by Resolution No. 2024-02, totaling \$1,500.00 (the “Amendment”), for the purpose of installing new landscaping in the area of the Gates Restaurant at the southeast corner of 12<sup>th</sup> Street and Brooklyn Avenue, and other matters related thereto, in substantially the same format as attached hereto as Exhibit A, and authorize execution of same by the Chairman of the Board.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:


1. The Board hereby approves the Amendment, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the Board to execute the Amendment, in substantially the same format as attached hereto as Exhibit A, and take such actions as deemed appropriate for implementation of the Amendment.
3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on October 16, 2024



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary



**EXHIBIT A**

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**AUTHORIZING SUBMITTAL OF THE PROPOSED 2025-2026 FISCAL YEAR  
BUDGET TO THE CITY FOR REVIEW AND COMMENT, WITH COPIES TO THE  
MISSOURI DEPARTMENT OF REVENUE AND THE STATE AUDITOR**

**ADOPTION OF THE 2025-2026 FISCAL YEAR BUDGET**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “**District**”);

WHEREAS, pursuant to Section 67.1471.2, RSMo., the Board of Directors (the “Board”) of the District shall submit to the City of Kansas City, Missouri a proposed annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year, no earlier than one hundred eight (180) days and no later than ninety (90) days prior to the first day of each fiscal year; and

WHEREAS, pursuant to Section 67.1471.3, RSMo., the Board shall adopt an annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year, no later than thirty (30) days prior to the first day of each fiscal year;

WHEREAS, the next fiscal year of the District begins May 1, 2025; and

WHEREAS, the Board desires to submit the proposed 2025-2026 fiscal year budget of the District to the City Clerk of the City of Kansas City, Missouri for review by the City Council, with copies of the proposed 2025-2026 fiscal year budget to the Missouri department of revenue and the state auditor.

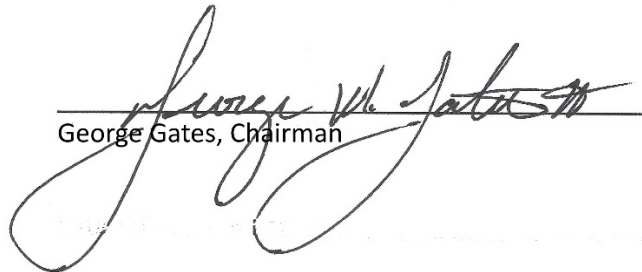
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The District’s proposed 2025-2026 fiscal year budget is attached as Exhibit A hereto and incorporated herein by reference.
2. The District Manager is authorized and directed to submit the District’s proposed 2025-2026 fiscal year budget to the City Clerk of the City of Kansas City, Missouri no later than January 31, 2025, with copies to the Missouri department of revenue and the state auditor.


**RESOLUTION NO. 2025-01**

3. The District Manager is directed to provide copies of any comments made by the City of Kansas City, Missouri concerning the District's 2025-2026 fiscal year budget to the Board within seven (7) days of receipt.
4. Absent receipt of comments regarding the District's proposed 2025-2026 fiscal year budget thirty days after transmittal to the City, the 2025-2026 fiscal year budget shall become adopted and effective as of March 19, 2025.
5. Should comments be received from the City, such comments shall be reviewed and changes to the proposed budget considered. The District's budget for fiscal year 2025-2026 shall then be adopted no later than thirty (30) days prior to the first day of the fiscal year, May 1, 2025.
6. The Officers and District Manager of the District are authorized to take such further actions as are reasonably necessary for the submission of the District's proposed 2025-2026 fiscal year budget to the City of Kansas City, Missouri as authorized by this resolution.
7. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 22, 2025.

  
George Gates, Chairman

ATTEST:

  
Maurice Glover, Secretary

**EXHIBIT A**

**12TH STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**PROPOSED BUDGET FOR  
FISCAL YEAR 2025**

**Date:** January 17, 2024  
**CID Contact Information:** George Gates, Chairman  
 4621 Paseo, Kansas City, MO 64110 (816) 923-0900  
**Political Subdivision or Not for Profit:** Political Subdivision  
**Date of and Ordinance No.:** April 12, 2018, Ordinance No. 180249

<b>PROJECTED INCOME</b>	<u>5/1/24 - 4/30/25</u>
<i>Sales &amp; Use Tax Revenue</i>	\$69,812.00
<i>Interest</i>	\$135.00

<b>TOTAL PROJECTED INCOME</b>	<b><u>\$69,947.00</u></b>
-------------------------------	---------------------------

<b>PROJECTED EXPENSES</b>	<u>5/1/24 - 4/30/25</u>
<b><i>Management</i></b>	
Administration	\$5,940.00
City of KCMO - Annual Review Fee	\$1,000.00
Insurance	\$1,680.00
Accounting - Audit	\$5,000.00
Accounting	\$900.00
Sub-total	\$14,520.00

<b><i>District Services (maintenance/landscaping)</i></b>	
Security Patrol	\$12,000.00
Snow/Ice Removal	\$6,000.00
Landscaping/Maintenance/Trash pick-up	\$34,320.00
Sub-total	\$52,320.00

<b><i>Programming/Event Planning</i></b>	\$10,000.00
------------------------------------------	-------------

<b><i>Operating Reserve</i></b>	\$5,302.00
---------------------------------	------------

<b><i>Miscellaneous</i></b>	
Miscellaneous	\$600.00
	\$600.00

<b>TOTAL PROJECTED EXPENSES</b>	<b><u>\$82,742.00</u></b>
---------------------------------	---------------------------

<b>PROJECTED BEGINNING BALANCE (5/1/2024)</b>	<b>\$67,090.32</b>
<b>TOTAL PROJECTED INCOME</b>	<b>\$69,947.00</b>
<b>TOTAL PROJECTED EXPENSES</b>	<b>\$82,742.00</b>
<b>PROJECTED ENDING BALANCE (4/30/2025)</b>	<b>\$54,295.32</b>

**NOTES:**

The 12th Street Heritage Community Improvement District ("District") was declared established by Ordinance No. 180249 of the City Council of the City of Kansas City on April 12, 2018. The District desires to fund, or assist in the funding of, certain services and improvements as allowed by Sections 67.1401 to 67.1571 RSMo.

On June 20, 2018, the District's Board of Directors passed Resolution No. 2013-07 which imposed, upon approval of the qualified voters of the District, a one percent (1.0%) sales tax on retail sales in the District. The sales tax was approved December 26, 2018.

The District has adopted a fiscal year beginning May 1 and ending April 30 of each year.

The District budget is presented in accordance with the requirements of Missouri statute on a cash basis.

Reserve Fund equal to two months of projected operating expenses.  
 Projected Beginning Balance of Reserve Fund (5/01/2024) \$8,075.00

Insurance includes general liability and D&O insurance.

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF DIRECTORS**

**RESOLUTION NO. 2025-02**

**APPOINTING OFFICERS OF THE DISTRICT**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”);

WHEREAS, the District’s Bylaws require the Board of Directors (the “Board”) of the District to annually appoint a chairman, secretary, treasurer and such other officers or employees as it deems necessary; and

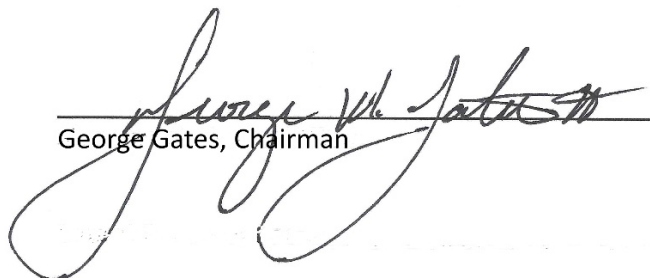
WHEREAS, the Board of Directors desires to appoint a Chairman, Vice-Chairman, Secretary, Treasurer and District Manager in accordance with the Bylaws; and

WHEREAS, the Chairman, Vice-Chairman, Secretary, Treasurer and District Manager shall have the powers and duties described in the Bylaws.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. George Gates is appointed as the Chair of the District.
2. Dwayne Williams is appointed as the Vice-Chair of the District.
3. Maurice Glover is appointed as the Secretary of the District.
4. Arzelia Gates is appointed as the Treasurer of the District.
5. Patrick Sterrett is appointed as the District Manager of the District.
6. Each officer of the District shall exercise those powers and perform those duties as set forth in the Bylaws of the District.
7. Each officer of the District appointed above shall serve for a term of one year and until his or her successor has been duly appointed.
8. This resolution shall take effect immediately

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on January 22, 2025.



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF THE DIRECTORS

RESOLUTION NO. 2025-03

**APPROVING AND AUTHORIZING A REQUEST TO O.G. INVESTMENT TO ASSIST  
WITH FUNDING THE INSTALLATION OF SECURITY CAMERAS AT GATES  
POINTE SHOPPING CENTER.**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing security services throughout the District and other matters related thereto; and

WHEREAS, the Board has previously entered into an agreement with O.G. Investment to fund 50% of security patrols in the District; and

WHEREAS, the Board is now reviewing two proposals for the installation of security cameras at Gates Pointe Shopping Center that range in cost between \$12,000 and \$18,000; and

WHEREAS, funding either proposal would place strain on the District’s budget.

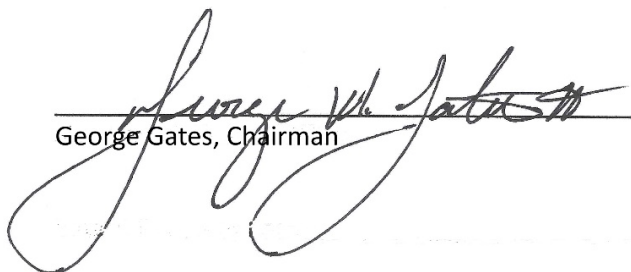
**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Board hereby authorizes the Chairman to request funding from O.G. Investment to cover 50% of the cost of the security cameras and other potential related improvements at Gates Pointe Shopping Center;
2. This Resolution shall take effect immediately.


**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on March 19, 2025.

*[Signature Page follows]*



  
George Gates, Chairman

ATTEST:

  
Maurice Glover, Secretary

**12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**RESOLUTION OF THE BOARD OF THE DIRECTORS**

**RESOLUTION NO. 2025-04**

**APPROVING AND AUTHORIZING EXECUTION OF AN AMENDMENT TO THE CONTRACT WITH SIGNATURE LANDSCAPE, LLC, TO INSTALL LANDSCAPING WITHIN THE DISTRICT AT THE “FOUR CORNERS” INTERSECTION OF 12<sup>TH</sup> STREET AND BROOKLYN AVENUE.**

---

WHEREAS, pursuant to Ordinance No. 180249 passed on April 12, 2018, the City of Kansas City, Missouri approved the Petition to establish the 12<sup>th</sup> Street Heritage Community Improvement District (the “District”), and said District is a public body created under the authority of the “Missouri Community Improvement District Act,” Sections 67.1401, et seq., RSMo, as amended (the “Act”), and is transacting business and exercising the powers granted by the Act;

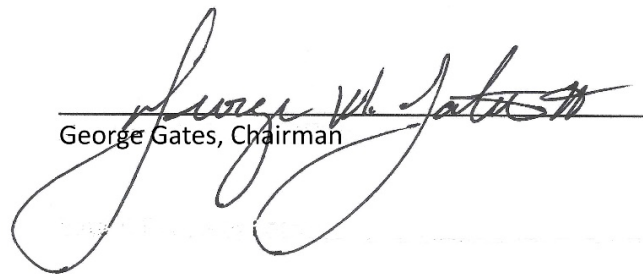
WHEREAS, the Board of Directors (the “Board”) of the District has committed to providing landscaping maintenance services throughout the District and other matters related thereto; and

WHEREAS, the Board desires to approve an amendment to the contract submitted by Signature Landscape, LLC (“Signature”), totaling \$7,598.87 (the “Amendment”), for the purpose of installing new landscaping at each of the “Four Corners” of the intersection of 12<sup>th</sup> Street and Brooklyn Avenue, including the use of self-watering planters, and other matters related thereto, in substantially the same format as attached hereto as Exhibit A, and authorize execution of same by the Chairman of the Board.

**NOW, THEREFORE, BE IT RESOLVED**, by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District, as follows:

1. The Board hereby approves the Amendment to the contract, in substantially the same format as attached hereto as Exhibit A.
2. The Board hereby authorizes the Chairman of the Board to execute the Contract, in substantially the same format as attached hereto as Exhibit A, and take such actions as deemed appropriate for implementation of the Contract.
3. This Resolution shall take effect immediately.

**PASSED** by the Board of Directors of the 12<sup>th</sup> Street Heritage Community Improvement District on April 16, 2025.



George Gates, Chairman

ATTEST:



Maurice Glover, Secretary

**EXHIBIT A**

**BYLAWS OF THE  
12<sup>TH</sup> STREET HERITAGE COMMUNITY IMPROVEMENT DISTRICT**

**ARTICLE I**

Defined Terms

Section 1.1    District.

The 12<sup>th</sup> Street Heritage Community Improvement District, a political subdivision created pursuant to Sections 67.1401 to 67.1571, of the Revised Statutes of Missouri (“RSMo”), and formed by the City Council of Kansas City, Missouri, by Ordinance Number 180249 adopted on April 12, 2018.

Section 1.2    Board.

The Board of Directors of the District, which is the governing body of the District.

Section 1.3    City Council.

The governing body of the City of Kansas City, Missouri.

Section 1.4    City.

The City of Kansas City, Missouri.

Section 1.5    City Clerk.

The City Clerk of the City.

Section 1.6    Directors.

Members of the Board of Directors.

Section 1.7    Community Improvement District Act.

Sections 67.1401 to 67.1571, RSMo as may be amended.

Section 1.8    Initial Directors.

The initial directors set forth in the Petition.

Section 1.9 Operator.

An owner of a business operating within the District or a legally authorized representative of such owner.

Section 1.10 Owner.

An owner of real property within the District or a legally authorized representative of such owner.

Section 1.11 Petition.

The petition forming the District and approved by the City.

Section 1.12 Resident.

A registered voter residing within the District.

Section 1.13 Sunshine Law.

Section 610.010 to 610.200, RSMo, governing meetings of public governmental bodies including the Board, as now or hereafter amended.

Section 1.14 Undefined Terms.

Any term undefined by this Article shall have the same meaning as such term is given under the Community Improvement District Act, if defined therein, otherwise as defined by the Sunshine Law, or other Missouri statute or case law.

## **ARTICLE II**

### Offices and Records

Section 2.1 Principal Office.

The principal office of the District shall be located at c/o 12<sup>th</sup> Street Heritage Development Corporation, 2124 E. 12<sup>th</sup> Street, Kansas City, Missouri 64127. The District may have such other offices within Missouri, as the business of the District may require from time to time, located at such place or places as may be designated by the Board.

Section 2.2 Records.

The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board, and each committee having any Directors of the Board. The District shall keep at its principal office a record of the name and address of each Director.

**ARTICLE III**

Board of Directors

Section 3.1 General Powers.

The business and affairs of the District shall be managed by, or under the District of, the Board.

Section 3.2 Number.

The Board shall consist of at least five (5) but no more than seven (7) Directors.

Section 3.3 Qualifications.

Each Director shall meet the following requirements:

- A. Be at least 18 years of age;
- B. Be and must declare to be either an Owner, an Operator or a Resident; Owners, Operators and Residents shall include their legally authorized representatives;
- C. Meet all other requirements set forth in the Petition.

Section 3.4 Terms.

The Initial Directors shall serve for the terms set forth in the Petition or until their successor is appointed in accordance therewith, whichever occurs later, and their successors shall serve for four-year terms or until their successor is appointed in accordance with the Petition, whichever occurs later.

In the event for any reason a Director is not able to serve his or her full term ("Exiting Director"), any vacancy to the Board shall be filled by the prompt appointment by the remaining Directors of a Director ("Interim Director") to serve for the remainder of the term of such Exiting Director in accordance with the CID Act.

Section 3.5     Successor Directors.

Successor Directors, whether to serve a new term or to fill a vacancy on the Board, not filled by an Interim Director, shall be appointed by the Mayor of the City with the consent of the City Council, in accordance with the nominating and appointment procedures set forth in Section 4(B)(6) of the Petition.

Section 3.6     Regular Meetings.

The Board shall hold regular meetings at such time, date and location as may from time to time be determined by the Directors, one of which regular meetings shall be the District's annual meeting, which shall be held during the month of January each year or such other time as may be agreed by a majority of the Board.

Section 3.7     Special Meetings.

The Chairman or any three (3) Directors may call special meetings of the Board and may fix the time and place of the holding of such meetings, which shall be held for the purpose of transacting any business designated in the notice of the special meeting, or as permitted by Section 3.6.

Section 3.8     Meeting Attendance.

Directors shall be expected to attend all meetings except as they are prevented by a valid reason. Any Director who misses three consecutive meetings without a valid reason as determined by the Chairman may be removed by vote of the majority of the Directors then in office, after which the vacancy shall be filled by appointment of an "Interim Director" by a majority of the Board.

Section 3.9     Notices.

A.   Notice to Directors.

(1) Annual and Regular Meetings. Written or printed notices of meetings of the Board, whether specifically required by the Community Improvement District Act, the Sunshine Law or any other Missouri statute regulating meetings of public governmental bodies, the definition of which includes the Board, shall be delivered personally, by mail, by electronic mail, or by fax to each Director at least twenty-four (24) hours prior to each scheduled meeting.

(2) Special Meetings. Notice of a special meeting shall be delivered personally, by mail, by electronic mail, or by fax to each Director at least



two (2) days prior to the date of such special meeting. At such special meeting no business shall be considered other than as designated in the notice; however, if all of the Directors are present at a special meeting, any item of business, whether or not designated in the notice, may be transacted with their unanimous consent.

If mailed, the notice of a meeting given to a Director shall be deemed to be delivered when deposited in the United States mail, addressed to the Director at the address on the records of the District, with postage thereon prepaid.

- B. Notice to the Public. Notice of the time, date and place of each meeting of the Board, its tentative agenda, and whether any portion of the meeting will be closed shall be given to the public at least twenty-four (24) hours in advance of the meeting time, exclusive of weekends and holidays, in a manner reasonably calculated to advise the public of the matters to be considered and in compliance with the Sunshine Law. Copies of this notice shall be posted on a bulletin board or other prominent place which is easily accessible to the public and clearly designated for that purpose at the principal office of the District. Copies of such notice shall at the same time be provided to any representative of the news media who requests notice of meetings of the District. In addition to the above requirements, if the Board proposes to hold a closed meeting, closed portion of a public meeting, or closed vote, the notice shall state the reason for holding such closed meeting, closed portion of a public meeting, or closed vote by reference to the specific exception allowed pursuant to the Sunshine Law.

#### Section 3.10 Special Circumstances.

When it is necessary to hold a meeting of the Board on less than twenty-four (24) hours notice, at a place that is not reasonably accessible to the public, or at a time that is not reasonably convenient to the public, the nature of the good cause justifying departure from the normal requirements shall be stated at the beginning of the meeting and recorded in the minutes.

#### Section 3.11 Quorum.

A majority of the members of Directors serving at the time of any meeting shall constitute a quorum for the transaction of business at such meeting. If a quorum shall not be present at any such meeting, a majority of the Directors then present shall have power to adjourn the meeting, without notice other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present any business may be transacted which could have been transacted at the original session of the meeting.

Section 3.12 Action.

The concurrence of the majority of the Directors present in any meeting at which a quorum is present shall bind the District.

Section 3.13 Telephone/Electronic Participation in Meetings.

Directors may participate in any Board meeting by telephone or other electronic means so long as all persons participating in the meeting can hear one another, and a location has been identified in the notice of the meeting at which members of the public shall be allowed to observe and attend the public meeting so that the requirements of the Sunshine Law are met. Participation by a Director in Board meetings by telephone or other electronic means shall constitute the Director's presence in person at the meeting and any Director participating in this manner shall be entitled to vote and will count for the purpose of determining whether a quorum is present.

Section 3.14 Manner of Voting.

Votes by the Board shall be by voice vote unless the presiding officer shall direct or any Director shall demand a vote by roll call or by ballot, provided however, that any votes taken during a closed meeting shall be taken by roll call. In the case of an abstention or a nay vote, the Director so abstaining or voting nay may be identified in the minutes of such meeting. However, when any Director is participating in a Board meeting by conference telephone or other similar communications equipment, the presiding officer of the meeting shall take all votes by roll call.

Section 3.15 Compensation.

No Director shall receive compensation from the District for any services performed; provided, however, upon approval of the Board, Directors may receive reimbursement of actual and necessary expenses incurred by them on behalf of the District.

## ARTICLE IV

### Officers

#### Section 4.1 Officers.

The officers of the District shall consist of Chairman, Vice-Chairman, District Manager, Secretary, Treasurer and such other offices as may from time to time be established by the Board.

#### Section 4.2 Election and Term of Office.

- A. Chairman and Vice Chairman. At each annual meeting, the Board shall elect from its membership a Chairman and a Vice-Chairman to serve for the ensuing year or until the next annual meeting and until a successor is duly elected.
- B. Other Officers. All other officers of the District shall be elected annually by the Board at the annual meeting of the District. If the annual election of officers shall not be held at such meeting, all previously elected officers shall continue to hold their respective offices and the annual election shall be held as soon thereafter as convenient to the Board. Any officer duly elected may succeed himself. Each officer shall hold office until his successor shall be duly elected and qualified or until his death, resignation or removal as provided by these Bylaws. Other than the Chairman and Vice-Chairman, no officer need be a member of the Board.

#### Section 4.3 Removal.

Any officer or agent elected or appointed by the Board may be removed by it whenever, in its judgment, the best interests of the District will be served thereby.

#### Section 4.4 Vacancies.

A vacancy in any office for any reason shall be filled by the Board at any meeting for the unexpired portion of the term of such officer.

#### Section 4.5 General Powers.

The officers of the District shall have such powers and control in the District and management of the business and affairs of the District as is usual and proper in the case of, and incident to, such offices, except insofar as such power and control is limited by these Bylaws, by resolution of the Board or by the Community Improvement District Act.

Section 4.6 Duties of Chairman and Vice-Chairman.

The Chairman shall preside at all Board meetings, and in his absence, the Vice-Chairman shall preside.

Section 4.7 Duties of Other Officers.

- A. District Manager. The District Manager shall be the principal executive officer of the District and, subject to the control of the Board, shall in general supervise and control the business and affairs of the District. Unless otherwise directed by these Bylaws or by the Board, the District Manager shall supervise the business and affairs of the District and shall sign and deliver all agreements, documents and instruments executed in the name of the District.
- B. Secretary. The Secretary shall have the following powers and duties:
1. Keep the minutes for the meetings of the Board as provided by law in one or more books provided for that purpose;
  2. Assure that all notices are properly given, in accordance with these Bylaws and as required by law;
  3. Be custodian of the records and seal of the District;
  4. Assure that the seal of the District is affixed to all documents duly authorized for execution under seal on behalf of the District;
  5. Keep a register which includes the address and telephone number of each Director whose address and telephone number shall be furnished to the Secretary by the Director;
  6. Perform all duties incidental to the office of Secretary and such other duties as may be assigned to the Secretary by the Chairman or the Board; and
  7. Exercise such other duties as is from time to time delegated by the Board by resolution.
- C. Treasurer. The Treasurer shall have the following powers and duties:
1. Cause all money to be paid to the District from all sources whatsoever to be properly receipted;

2. Cause all funds of the District to be deposited in such banks, trust companies or other depositories as shall be elected by the Board;
  3. Authorize, pursuant to Board direction, all orders and checks for the payment of money and shall cause the District's money to be paid out as directed by the Board;
  4. Assure that regular books of accounts are kept showing receipts and expenditures, and render to the Board, at each regular meeting (or more often when requested), an account of the District's transactions and also of the financial condition of the District;
  5. Perform all duties incidental to the office of Treasurer and such other duties as may be assigned to the Treasurer by the Chairman or the Board; and
  6. If required by the Board, the Treasurer shall give bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine. The costs, if any, of such bonds shall be paid by the District.
- D. Additional Officers. The powers and duties of any additional officers shall be determined by the Board when creating such offices.

Section 4.8 Compensation.

No officer who is a member of the Board shall receive any salary or other compensation for services rendered unless the same shall first be set by the Board and is in accordance with the Community Improvement District Act or any other applicable law.

Section 4.9 Employees and Independent Contractors.

The District may employ, or contract with any service provider for the services of, a District Manager, technical experts and such other officers, agents and employees, permanent and temporary, as the District may require, and shall determine their qualifications and duties and, if they are employees of the District, their compensation. For such legal services as it may require, the District may retain its own counsel. The District may delegate to one or more of its agents or employees such powers or duties as it may deem proper.

## ARTICLE V

### Contracts, Checks and Deposits

#### Section 5.1 Contracts.

The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District, and such authorization may be general or confined to specific instances.

#### Section 5.2 Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the District shall require ~~one~~two signatures, such signatures being that of the Chairman, Vice-Chairman, ~~District Manager~~, the Treasurer, or such other officers, agent or agents of the District and in such manner as shall from time to time be determined by resolution of the Board, and any payment in excess of \$3,500 shall require approval of the Board.

#### Section 5.3 Deposits.

All funds of the District not otherwise employed shall be deposited from time to time to the credit of the District in such bank, trust companies or other depositories as the Board may select.

## ARTICLE VI

### Fiscal Year

The fiscal year of the District shall end on the same day as the last day of the fiscal year of the City, or in accordance with such other period approved by the Board pursuant to the Community Improvement District Act.

## ARTICLE VII

### Budget

The District will annually prepare a budget (the "Budget") and an annual report describing the major activities of the District during the preceding year and upcoming year. The Budget shall be submitted to the city administrator for review and comment not less than ninety (90) days prior to the intended date of approval of the Budget. The Budget shall not be approved without the prior written consent of the City. Not later than the first day of each fiscal year of the District, the Board shall adopt a Budget for the District for the ensuing budget year, for every fund of the District of any kind, in

such a manner as may be provided by law. If the Board fails to adopt a Budget by the first day of the fiscal year, the District shall be deemed to have adopted for such fiscal year a Budget which provides for application of the District's sales tax revenues collected in such fiscal year in accordance with the budget for the prior fiscal year.

## **ARTICLE VIII**

### **Seal**

The form of the corporate seal of the District shall be prescribed by the Board.

## **ARTICLE IX**

### **Waiver of Notice**

Whenever any notice whatsoever is required to be given under the provisions of these Bylaws, waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the times stated therein, shall be deemed equivalent to the giving of such notice.

## **ARTICLE X**

### **Committees**

The Board may from time to time establish such committees and confer upon them such powers as it deems expedient for the conduct of the District's business. The Board may similarly provide that the members of such committees need not all be members of the Board.

## **ARTICLE XI**

### **Conflict of Interest**

No officer, agent or employee of the District shall have or shall require any interest, direct or indirect, in any project which the District is promoting, or in any contract or proposed contract for materials or services in any lease, mortgage, sale, or contract or any nature whatsoever relating to any such project or the District without forthwith making written disclosure to the District of the nature and extent of his interest, and such disclosure shall be entered in writing upon the minute book of the District.

## **ARTICLE XII**

### **Amendments**

From time to time these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board after ten (10) days' written notice of the proposed alteration, amendment or change has been given to each Director, provided that no alteration, amendment or change shall be made without the affirmative vote of a majority of the total number of Directors voting.

## **ARTICLE XIII**

### **Annual Report and Audit**

The Board shall have annual reports prepared and filed as required by the Community Improvement District Act or any other applicable law, and shall provide for the annual financial reports of the accounts of the District.

## **ARTICLE XIV**

### **Indemnification of Directors**

Each person (and heirs and legal representatives of such person) who serves or has served as a Director, officer or employee of the District shall be indemnified by the District against all liability and reasonable expenses, including but not limited to attorneys fees and disbursements and amounts of judgments, fines or penalties, incurred by or imposed upon him/her in connection with any claim, action, suit or proceeding, actual or threatened, whether civil, criminal, administrative or investigative, and appeals in which he/she may become involved as a party or otherwise by reason of acts or omissions in his/her capacity as and while a commissioner, officer or employee of the District, provided that such person is wholly successful with respect thereto, unless the Board of Directors of the District in its discretion shall determine that such person did not meet the standard of conduct required by these Bylaws.

The term "wholly successful" shall mean termination of any claim, action, suit or proceedings against such person without any finding of liability or guilt against him/her and without any settlement by payment, promise or undertaking by or for such person or the expiration of a reasonable period of time after the making of any claim or threat without action, suit or proceeding having been brought and without any settlement by payment, promise or undertaking by or for such person.



The standard of conduct required shall be that such person acted in good faith for a purpose which he/she reasonably believed to be in the best interest of the District, and that he/she, in addition, in any criminal action or proceeding, had not reasonable cause to believe his/her conduct to be unlawful.

Should indemnification be required under these Bylaws in respect to any claim, action, suit or other proceeding where the person seeking indemnification has not been wholly successful, such indemnification may be made only upon the prior determination by a resolution of a majority of those members of the Board of Directors who are not involved in the claim, action, suit or other proceeding, that such person met the standard of conduct required, or, in the discretion of the Board of Directors, upon the prior determination by non-employee legal counsel, in written opinion, that such person has met such standard and, where a settlement is involved, that the amount of the settlement is reasonable.

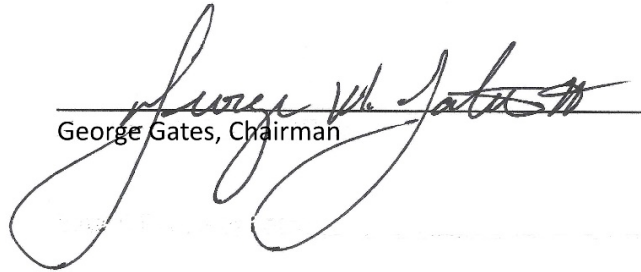
Indemnification under these Bylaws shall not include any amount payable by such person to the District in satisfaction of any judgment or settlement, and indemnification shall be reduced by the amount of any such judgment or settlement.

The termination of any claim, action, suit or other proceeding, by judgment, order settlement (whether with or without court approval) or conviction or upon a plea of guilty or of nolo contendere, or its equivalent, shall not of itself create a presumption that such person did not meet the standard of conduct required.


Expenses incurred which are subject to indemnification may be advanced by the District prior to final disposition of the claim, action, suit or other proceeding upon receipt of any undertaking acceptable to the District by or on behalf of the recipient to repay such amount unless it shall ultimately be determined that he/she is entitled to indemnification.

The right of indemnification shall be in addition to other rights to which those to be indemnified may otherwise be entitled by agreement, operation of law or otherwise and shall be available whether or not the claim asserted against such person is based upon matters which antedate the adoption of these Bylaws. If any word, clause, or provision of these Bylaws or any indemnification made under these Bylaws shall for any reason be determined to be invalid, the other provisions of these Bylaws shall not be affected but shall remain in full force and effect.

Adopted this 20<sup>th</sup> day of March, 2019.

  
George Gates, Chairman

ATTEST:

  
Maurice Glover, Secretary