



**Regular Meeting of the
Board of Directors of Citizens of the World Kansas City**

Location: Virtual Meeting via Zoom

Online Link:

<https://us06web.zoom.us/j/81691476653>

Passcode: R561iZ

(360) 209-5623 | 839813

Date: Thursday, September 26th, 2024, 6:00pm

Proposed Minutes

1. Call to Order

Dr. Hicks called the meeting to order at 6:11 p.m.

Dr. Hicks welcomed the members of the public in attendance and gave an overview of the meeting order.

2. Roll Call by Board Chair

Dr. Hicks called roll as follows:

Present (all via video):

Hon. Ardie Bland
Ms. Sophia Bond
Mr. James Brown
Dr. Asiya Foster
Dr. Sarah Hicks
Mr. Jim MacDonald

Absent:

Mrs. Lydia Butler
Mrs. Angela DeWilde
Ms. Brandi Finocchario
Mr. Roosevelt Lyons
Ms. Selina Rios

Dr. Hicks determined that with 6 of 11 Board Members present, a quorum is established for purposes of holding the meeting and voting.

3. Review & Consideration of Proposed Agenda *[Board Action]*

The Board did not have any comments regarding the proposed agenda.

Mr. MacDonald moved to approve the agenda as presented and Dr. Foster provided a second to the motion. The motion was unanimously approved with none abstaining.

4. Public Comments

Dr. Hicks introduced herself, thanked the public, and provided an overview of the public comment process and guidelines. Dr. Hicks then invited public comment; no public comment was made.

5. Consent Agenda *[Board Action]*

- a. Review & Consideration of minutes from the August 10th, 2024 annual retreat of the Board
- b. School Dashboard
- c. Strategic Plan Dashboard
- d. Board & Committee Calendar
- e. Staffing Report
- f. Events Calendar

Dr. Hicks presented the Consent Agenda and asked the Board if any member wanted to remove any item from the Consent Agenda in order to further discuss and/or solely vote on that item; no member did.

Mr. MacDonald moved to approve the Consent Agenda as proposed and Dr. Foster provided a second. The motion was unanimously approved with none abstaining.

6. Board Committee Business & Reports

- a. **Executive Committee** (Ms. Brandi Finocchario) *[Information/Discussion]*
 - i. Discussion on Additional Board Member Recruitment.

Dr. Hicks noted that the Committee has considering additional recruitment due to Dr. Hicks' and Dr. Foster's pending roll-off in March. The Committee is looking for skillsets in HR and Public Education. They would like to hold conversations with candidates through the winter, present final candidates to the Board in March, and vote to appoint in April. Dr. Miles further offered that if any Board member has a person in mind, she and Ms. Finocchario would be happy to meet for an initial introductory and vetting conversation.

- b. **Facilities Committee** (Dr. Danielle Miles)
 - i. Presentation from LevelField Partners

Dr. Miles welcomed Mr. Rossley from LevelField Partners.

Mr. Rossley refreshed the Board on the process LevelField has worked with the school on. The partnership initially explored two long-term facilities options (identify/acquire/renovate a new permanent facility and/or purchase the Broadway building and renovate/expand it to make it the school's permanent facility). Due to local commercial real estate dynamics, a parcel search yielded few viable options. Of those options, the project cost profile (driven by the school's programming and operational requirements, as well as the new storm shelter code requirement)

proved to be unaffordable. Therefore, in June, the Board directed the staff team and LevelField to begin work on purchasing and renovating/expanding the Broadway building.

Since then, LevelField has worked with MultiStudio to understand and document the school's programming and operational requirements to enroll a target of 558 students (K-8) at the Broadway campus and to translate those requirements into potential conceptual design options. Additionally, they worked with MultiStudio and McCown-Gordon to understand all costs associated with the upcoming remediation/renovation/expansion plans, including:

- Remediation of existing conditions (façade improvements, lintel repairs, cooling tower repair, and parking lot repair)
- Targeted renovations within existing building (providing larger dedicated art and music classrooms, creating dedicated breakout and assessment areas, recreating teacher workroom areas).
- Two-Story building addition (construction of a 8,080 ft² addition to include six classrooms, administrative space, and an outdoor plaza)

Mr. Rossley noted that the targeted renovations are still a work-in-progress with the school team and it is likely that additional scope and cost will be added.). He also noted that delivering a specific gym space would not align with programmatic needs as well as affordability.

Mr. Rossley presented initial preliminary designs and walked the Board through them. Mr. Rossley then presented a conceptual project budget, including:

- Remediation of existing conditions: 2,000,000
- Renovation of existing space: 460,000 (again noting this number will increase)
- Expansion project: 5,310,000
- Total hard costs: \$7.77m

Then, noting that discussions are ongoing with IFF regarding the Broadway purchase price and related dynamics, he shared that LevelField has penciled in \$5m in acquisition costs to go along with budgeted amounts of:

- \$1.17m in soft costs,
- \$230,000 in FF&E,
- \$1.14m in Contingency, and
- \$450,000 in transition costs

To result in a total project cost of \$15.75m.

From a metric perspective, this equates to \$28,300/seat and a total per-pupil revenue allocated to debt service at just under 13%. Mr. Rossley reminded Board that the national best practice of total per pupil revenue allocated to debt service is 12-15%, and further noted that, nationally, \$28,300/seat is low.

Mr. Rossley also presented a financial projections model for SY24-25 through SY29-30. He highlighted key metrics for the upcoming five years (SY25-26, SY26-27, SY27-28, SY28-29, SY29-30) as follows:

- Debt Service Coverage Ratio (goal of 1.3x): 1.85x, 1.29x, 1.86x, 2.01x, 2.02x
- Days of Cash on Hand (goal of 60): 74, 80, 122, 165, 209
- % Per-Pupil Revenue allocated to Debt (goal ~12%): 10.2%, 15.5%, 14.1%, 13.1%, 12.8%

Overall, he posited “Can Citizens generate enough revenue to pay debt service while still adding to surplus?” And, using those metrics, answered yes, particularly as enrollment increases. Mr. Rossley said candidly, increases in Missouri’s per-pupil funding is what is making this project financially feasible, and shared overall excitement for the state.

Lastly, Mr. Rossley presented a project timeline:

- In order to mobilize on remediation work in June 2025 and expansion work in August 2025, the team has to press forward on the design development process now to allow sufficient time for the KCMO permitting process. The primary steps in that process included selection of the project team (general contractor and architect) and collaborating with our team on the full design development efforts leading to the submission of construction documents to KCMO.
- In parallel, working with potential lenders to secure project financing. Depending on lender feedback, the timing of the building acquisition may be separate from closing on project financing (thereby requiring two closings) or consolidated into a single closing (preferred).
- Looking ahead:
 - CWCKC acquires Broadway facility from IFF: March-June 2025
 - Construction Permit Received: June-July 2025
 - Remediation work occurs: June through August 2025
 - Expansion work occurs: August 2025 through May 2026
 - Internal renovation work occurs: June through July 2026
 - 2026-2027 school year opens in the fully completed Broadway facility

Mr. Rossley will plan to come back and present at the October and November meetings, focusing on the following:

- Work with IFF to negotiate a favorable purchase price for the Broadway building
- Support Bliss Associates in finalizing its as-is appraisal of the Broadway facility
- Conduct an RFP process to ensure we work with the best possible partners and receive the most competitive pricing for project services
- Begin preliminary discussions with lenders to affirm financing options and further refine affordability
- Align on project greenlighting criteria (e.g. design, project budget, financing) and continue evaluating the project’s affordability and feasibility.

Mr. MacDonald asked if this project could align under the potential KCPS Bond; Dr. Miles affirmed that portions could, but deferred the conversation for later on the agenda.

Mr. MacDonald asked Mr. Rossley specific questions regarding the sale negotiation with IFF.

ii. Discussion on additional Board Committee involvement

Dr. Miles asked for additional Board involvement on the Facilities committee. Mr. MacDonald and Dr. Hicks volunteered. Rossley affirmed his commitment to being in those meetings, whenever it was convenient for the Board.

c. **Finance & Operations Committee** (Mrs. Lydia Butler)

- i. Review & Consideration of Monthly Financials (July 2024), including Check Register [Board Action]
- ii. Review & Consideration of Monthly Financials (August 2024), including Check Register [Board Action]

In Mrs. Butler's absence, Mr. Brennan presented the August Financial Report (inclusive of July as well) and highlighted page 5's Balance Sheet, showing a current Cash Balance over \$2.2m, with a projected year-end balance of \$1.6m.

He walked through Page 6's Income Statement, highlighting:

- Year-to-date revenue of \$1.1m, against a budget of \$860k.
- Year-to-date expenses of \$1.1m, against a budget of \$1.1m.
- Net Income of \$49k, against a budget of (-\$288k).
- Forecasted year-end revenue of \$6.3m, against a budget of \$6.3m.
- Forecasted year-end expenses of \$6.9m, against a budget of \$6.9m.
- Forecasted year-end Net Income of (-\$540k) against a budget of (-\$566k).
- A projected 86 days of cash on hand position, decreasing from last year due to a different burn rate this fiscal year.

All in all, the school is right on top of the original projections and budget. On the revenue side, the school has seen higher per-pupil revenue from DESE but are waiting for it to settle out over the next 30-45 days; forecast adjustments will start in November. Expenses are on par with the full-year budget, but there is some early savings in salaries/benefits due to vacancies; Dr. Miles will further discuss those in a moment.

Additionally, the school was awarded a Children's Services grant of \$185k, as expected, but also an unexpected McKinney-Vento transportation reimbursement grant. Those two grants meet the annual operating fund-raising threshold. The school has also received two non-budgeted grants to fund programs above our operating budget.

Lastly, he stated that the Finance Committee did not note anything as out of order on the Check Register or Accounts Payable for either July or August.

Dr. Foster asked about the two non-budgeted grants; Dr. Miles gave an overview of CSFJC's Capacity Grant for Conscious Discipline and SSKC's student-based mental health grant.

Ms. Bond moved to approve the August Financial Report, July Check Register and August Check Register as proposed and Hon. Bland provided a second. The motion was unanimously approved with none abstaining.

- iii. Review & Consideration of Executive Director's Additional Staffing Request [Board Action]

Dr. Miles referred back to the additional per-pupil funding discussion, and reminded the board the school experienced some key unexpected resignations over the summer (notably our Literacy Coach); those responsibilities have "flowed up" to Mr. Butler and Dr. Miles. She is acknowledging the need for additional support at the leadership level. She has not landed on a specific position or responsibilities, but would like to ask for additional flexibility to hire a leadership level. Currently, the school is \$45k below budget on the salary line; would like to ask for an additional \$45k (for a total of \$90k in benefits/salary) approval for overspending on this line as she works to refine what is needed and what candidates are available.

The current ELA Coach vacancy will be separately grant-funded. This new position would manage tier 2 and 3 supports, and manage school classroom partnerships (especially literacy partnerships).

Dr. Foster asked how the position will fit into long-term structure. Dr. Miles replied that is one of the variables she needs to finalize. The need appears to be a one-year need, so she wants to form the role as a one-year role. Dr. Foster clarified that the job posting would be short-term/temporary; Dr. Miles affirmed.

Mrs. Bond asked if that person take on ELA intervention responsibilities until the grant position is filled; Dr. Miles affirmed.

Dr. Foster asked how long would it take to create a job description; Dr. Miles replied 'soon.'

Hon. Bland moved to increase the 2024-25 salary budget line by \$45k in order to hire an additional leadership team member and Mrs. Bond seconded. The motion was unanimously approved with none abstaining.

- d. **Brand Identity Committee** (Mrs. Angela DeWilde)
 - i. No September meeting/update

Dr. Miles reported that the Brand Identity Committee has no update for September.

- e. **Educational Equity Committee** (Dr. Asiya Foster)
 - i. No September meeting/update

Dr. Miles reported that the Educational Equity Committee has no update for September and the Committee is moving to quarterly meetings.

7. **Executive Director's Report** (Dr. Danielle Miles) *[Information/Discussion]*

- i. Report on 2025 Excellence in Education Awards
 - 1. Mrs. Latasha Roland, Teacher of the Year Finalist

Dr. Miles reminded the Board that MCPSA hosts the annual Excellence in Education Awards and Citizens proudly boasted Mrs. Latasha Roland (5th Grade Teacher) as a finalist for the Teacher of the Year. Dr. Miles congratulated Mrs. Roland and encouraged her on her passion, care and skill.

- ii. Update on 2024-2025 Starting Enrollment

Mrs. Lineberry reported the school started the year with 413 enrolled students, 56 over last year's. About 30 of those seats are due to additional capacity at Operation Breakthrough, but it still above last years. There were only a handful of unexpected no-shows on the first day and grades are full in 2nd, 5th, 7th, and 8th and nearly full in Kinder (at Broadway), 3rd, and 4th.

Dr. Miles also reported that last week's first parent event of the year boasted 250 parents; staff ran out of ice cream and had to go for seconds!

8. New Business

a. Presentation on Potential 2025 KCPS Bond

Dr. Miles introduced Ms. Holliday-Scott, counsel for MCPSA and representing Citizens in discussions with KCPS. Ms. Holliday-Scott walked through the provided FAQ.

Ms. Holliday-Scott presented potential "clauses" that KCPS is requesting, as well as the funding mechanism, and potential per-pupil amount. She discussed general guidance of use of bond proceeds, including for a "capital project" and the various restrictions on equipment throughout the life of the bond and equipment.

She also noted that MCPSA is donating a grant to the partner schools to offset the legal fees.

Ms. Holliday-Scott presented polling results commissioned by MCPSA, saying "this [bond vote] is a tough climb; there is not much of an appetite for higher property taxes." KCPS' polling indicated 53% support; MCPSA's polling indicated 54% support. 57% support is needed for passage and she clarified that a ballot measure should poll at least 5-10 points ahead of a vote to feel comfortable. She does anticipate KCPS' marketing efforts to increase throughout the spring. She also walked through the current legal environment regarding Jackson County's real estate assessments and said she believes this will have an impact on polling and ultimately, voting.

She highlighted the following issues/questions as still pending, including:

- Ballot language has not been defined, including the specific inclusion/wording/amount of Charter Schools (collectively or individually).
- Open questions regarding investment earnings (interest on the bonds once they are drawn).

The Board thanked Ms. Holliday-Scott and deferred discussion to Closed Session.

9. Closed Session

Pursuant to § 610.021(1) RSMo, the Board Committee will enter into closed session to discuss matters related to Legal Discussion.

a. Roll Call Vote to Enter *[Board Action]*

Dr. Hicks invited Dr. Miles, & Mr. Brennan and Ms. Holliday-Scott (Guin Mundorf) to Closed Session.

Dr. Miles moved to enter Closed Session and Dr. Hicks provided a second. The motion was unanimously approved via roll call, as follows:

<i>Hon. Ardie Bland</i>	<i>Aye</i>
<i>Ms. Sophia Bond</i>	<i>Aye</i>
<i>Mr. James Brown</i>	<i>Aye</i>
<i>Dr. Asiya Foster</i>	<i>Aye</i>
<i>Dr. Sarah Hicks</i>	<i>Aye</i>
<i>Mr. Jim MacDonald</i>	<i>Aye</i>

10. Return from Closed Session; report on any action taken as required.

Dr. Hicks welcomed members of the public back into Open Session and reported that discussion related to (1) Legal Discussion. No actions were taken that require reporting.

11. Adjourn *[Board Action]*

Dr. Foster moved to adjourn and Ms. Bond provided a second. The motion was unanimously approved with none abstaining. The meeting was adjourned at 8:32 pm.

[/rb]