



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

Location: The Offices at Park 39 (formerly Westport Plexpod), Meeting Room #2-I
300 E. 39th St.
Kansas City, MO 64111

Date: Thursday, February 27th, 2025, 6:00pm

Proposed Minutes

1. Call to Order

Dr. Hicks called the meeting to order at 6:01 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:

Hon. Ardie Bland (6:04pm)
Ms. Sophia Bond
Mrs. Lydia Butler (6:03pm)
Mrs. Angela DeWilde
Ms. Brandi Finocchario (via phone)
Dr. Asiya Foster
Dr. Sarah Hicks
Mr. Jim MacDonald
Ms. Selina Rios

Absent:

Mr. James Brown
Mr. Roosevelt Lyons

Dr. Hicks determined that with 7 of 11 (later 9 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]*

Dr. Miles shared that within "7-b-ii: Update on Second Charter Renewal," she would like a Board Action to formally start the renewal process with MCPSC.

Ms. Rios moved to approve the agenda as modified 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 January 23rd, 2025 regular meeting 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.

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

6. New Business *[Information/Discussion]*

- a. Board Holiday Gift (Dr. Danielle Miles)

Mrs. Butler joined the meeting at 6:03pm.

Dr. Miles presented the Board with a belated holiday gift and expressed her appreciation for their service to the school.

- b. Operation Breakthrough Partnership Discussion (Dr. Mary Esselman, Operation Breakthrough)

Hon. Bland joined the meeting at 6:04pm.

Dr. Miles introduced Dr. Esselman, CEO of Operation Breakthrough.

Dr. Esselman gave the Board an overview of the OB/CWCKC partnership programs. For 2024-25, in addition to the existing PK program, OB piloted a Kindergarten classroom as well as a split 3rd/4th grade classroom. Looking ahead to 2025-26, another on-site partner at OB is moving out of their space, leaving 7 open classrooms. Dr. Esselman is interested in an expanded partnership with the school to utilize that space.

She presented NWEA scores of the 3rd/4th split classroom; both grade levels showed growth from fall to winter (3rd grade 6 points, 4th grade 8 points).

Dr. Hicks asked to clarify what the future partnership proposal is. Dr. Esselman replied to keep two PK classes, then go 1 class K-5. Dr. Miles clarified that is the long-term proposal; for 2025-26, OB would add one 1st grade classroom, then split the existing 3rd/4th cohort into full 4th and full 5th grade classrooms. Beyond that, then add a grade each year to a full K-5 track.

Dr. Esselman also noted that financially, the management fee retained by Citizens would be doubled from the current level to cover operational and administrative costs.

Mrs. DeWilde asked if this expansion would cause issues with the school's charter capacity; Dr. Miles replied that it would not initially.

Mr. MacDonald asked if there are any issues with accreditation at Operation Breakthrough; Dr. Esselman affirmed there are not. Additionally, the existing Citizens/OB MOU outlines the need for state statute requirements (teacher certification, etc.) to be met.

Dr. Foster asked how assessment data will be able to be separated and extrapolated; Dr. Miles affirmed that Citizen's SIS already separates that and Dr. Esselman confirmed that OB's onsite clerk inputs attendance.

Dr. Foster asked what curriculum OB uses and how it parallels Citizens'; Dr. Esselman replied that they would adopt and purchase Citizens' reading and math curriculum.

Dr. Foster said that she appreciates the proposal and always has the "to the [Broadway school] building" transition in mind and this is a way to ensure continued support.

Dr. Esselman extended an offer to all Board members to come visit OB and/or guest read to students anytime.

c. School Quality Review Presentation (MCPSC)

Dr. Miles welcomed Ms. McGeehon, Ms. Bounds and Ms. Brown (MCPSC).

Ms. McGeehon did note that the report is the 2023-2024 School Quality Report (DESE data was not released until November, and the Commission also waited until the school's audit results were finalized); the Commission is looking at ways to provide more timely updates.

Ms. Bounds presented key highlights, including MCPSC Performance Framework Measures and the School Contract Goals, across six domains:

- Instruction
- Students' Opportunities to Learn
- Educators' Opportunities to Learn
- Leadership & Governance
- Financial Performance
- Organizational Performance

She noted that Areas of Strength [Green] included Finance, Learning Environment, Governance, and Organizational Compliance. Areas to Monitor [Yellow] included MCPSC Academic Measures, and Areas to Improve [Red] included School Contract Goals, specifically School Academic Measures and Learning Environment, and areas of Governance (Board Attendance).

Broadly, Ms. Bounds reported that while there are a handful of “Does Not Meet,” areas, they are 1) primarily relating to School-Specific Goals, which are tighter than the MCPSC Standard, and 2) the trends are heading upward.

ELA overall performance is above the district and Student Group data is also above the district. Math overall performance is above the district, but Student Group data is below the district.

Overall, “CWCKC is on track for renewal and to continue to stay on track toward renewal, CWCKC needs to address the school-specific goals in the domains of Academics, Learning Environment, and Governance.”

7. Board Committee Business & Reports

a. Facilities Committee (Dr. Danielle Miles) *[Information/Discussion]*

i. Broadway Project Update from LevelField Partners

Dr. Miles welcomed Mr. Rossley & Mr. Endom (LevelField Partners).

Mr. Rossley provided the updated Greenlighting Criteria Summary, showing all 5 criteria in “Yellow” status, progressing steadily towards Green, and none are in danger of becoming Red. Overall, the project continues to progress on schedule. He reviewed each criterion as follows:

1. Criteria #1: Site Acquisition

Guiding question: Is the school satisfied that the school/LevelField has exhausted negotiation efforts with IFF before agreeing to a purchase price?

- The school executed a Letter of Intent to purchase the Broadway building from IFF for \$5.07m after determining we had exhausted all negotiation efforts.
- IFF's general counsel is drafting a Purchase & Sale Agreement this week which, once received, we will share with Citizens' attorney for his review and comments
- IFF is aware of our April 4th deadline to purchase the building and has made it clear they will work with us to close by then, including providing us with a Seller's Note equal to the amount of their remaining equity in the building should we require short-term subordinate debt for the acquisition financing.

2. Criteria #2: Schedule

Guiding questions: Is the team on pace to support a Summer 2026 delivery of both the expansion and renovation projects? Has the team encountered any major hurdles relative to timing and/or budget pressures? Is the team on track to receive construction permits for the remediation project no later than April and for the expansion and renovation projects no later than July?

- LevelField is working with McCown-Gordon to finalize the work schedule for this and next summer's remediation/repair scope and remains on track to receive construction permits no later than late April.
- LevelField is meeting regularly with McCown-Gordon and MultiStudio to work through design iterations and pricing updates for both the expansion and renovation scopes and the team remains on track to submit for construction permits no later than early April in order to commence construction by August.

3. Criteria #3: Project Budget

Guiding Questions: How confident is the team that the school will be able to hit the targeted project budget for both the GO Bond "passes" and "does not pass" scenarios and deliver the desired programmatic requirements? Is the team identifying sufficient potential value engineering options to mitigate potential cost escalations until the Guaranteed Maximum Price is signed?

- The difference between the two scenarios remains the fact that the \$3.95MM of General Obligation Bond proceeds would enable Citizens to increase the renovation scope by ~\$0.95MM, eliminate the assumed equity contribution, and reduce the assumed total debt burden by ~\$2.15MM.
- LevelField is working with McCown and MultiStudio to ensure that as design iterations are being completed, Citizens is being presented with a menu of potential cost savings options to mitigate potential cost escalations.
- LevelField is developing a detailed project budget that they will share at a future meeting.

4. Criteria #4: Financing

Guiding Questions: Does LevelField have lenders "committed" to the project and at terms that don't exacerbate near-term affordability pressures? Can the lenders meet the project's closing timelines? Is the school prepared to close assuming both the GO Bond "passes" and "does not pass" scenarios?

- LevelField evaluated three primary financing options and shared the pros/cons of each with the Facility Committee on February 11, along with aligning on what needed to be true to select each option. LevelField made a final inquiry of CSDC before eliminating Option #1 (CSDC) and then evaluated the impact of the proposed terms for Options #2 (Civic Builders) and #3 (LISC/BlueHub).
- The team selected Option #3 (LISC/BlueHub) on February 12 in order to maintain the overall financing timeline and close on the site prior to the April 8th GO Bond referendum.
- In summary, this option has a high certainty to close by April 4th, no LTV risk (with or without IFF's seller's note), and has no prepayment penalty. It does, however, eliminate EFF as project lender and has the highest cost of capital.
- For both the acquisition and the overall project financing, LISC / BlueHub will serve as senior co-lenders.
- For the acquisition financing, the draft capital stack assumes a \$3.0m senior loan from LISC / BlueHub, \$1.65m Seller's Note from IFF as subordinate debt, and \$865k of Citizens equity – all of which will serve as bridge financing from April 4th to the planned project financing closing on or around May 23rd.

- The final capital stack will be known once the team has the as-is appraised value in ~2 weeks.
- For the overall project financing, LevelField sized the senior debt based on a conservative as-completed appraised value, with CSDC providing subordinate debt.
- In the event the GO Bond Referendum passes, Citizens will be able to refinance the entirety of its \$865k equity contribution and return those funds to its balance sheet at closing. In the event the GO Bond does not pass, LevelField has assumed that Citizens will leave \$400k in the capital stack.

Mrs. Butler asked LevelField that they said there is a healthy contingency built into the budget; if that is not used, would it then be possible for the school to be reimbursed more, therefore lowering the equity requirement? Mr. Endom replied yes, possibly; if the bond does not pass, lenders may have a higher equity contribution requirement though, so that's why the contingency is in there.

5. Criteria #5: Affordability

Guiding questions: Does the team have a financial model that the team is confident in? How reasonable would it be to close any potential affordability gaps?

- This latest version of the financial projections is based on the GO bond "does not pass" scenario and includes financing assumptions for LISC and BlueHub as senior co-lenders and CSDC as subordinate lender.

Mr. Rossley & Mr. Endom presented a model pro-forma through SY 29-30, which showed the following key metrics:

- Debt Service Coverage Ratio: 2.15x in SY25-26, then fluctuating between 1.17x-1.32x through SY29-30.
- Days of Cash on Hand: increasing from 63 (26-27) to 76 (29-30).
- Percent of Per-Pupil Revenue allocated to Debt Service: 6.9% in SY25-26, then moving to 14%, 16.1%, 14.9%, and 14%, respectively.

They also noted that the pro-forma does not reflect a planned refinance to EFF; once that occurs, finances would then be better. They also underscored again that this financial picture is "worst-case" and assumes the bond not passing.

Mr. Rossley also presented the short-term next steps:

- On March 4th, the underwriting teams from LISC and BlueHub will spend part of the day at the Broadway campus getting to know the leadership team and gaining a better understanding of the scopes of the upcoming projects. Level Field and Multistudio will also attend.
- The team ordered a new as-is / as-completed appraisal of the Broadway campus from Adamson & Associates and are on track to receive the final report March 10th.
- The team also ordered an updated Phase I Environmental Report from UES Professional Solutions. UES conducted the original Phase I and Phase II Environmental Reports and is helping the team understand what mitigation efforts are necessary based on those reports.
- The team is meeting weekly with Eskie + Associates (KCPS's project manager for bond-approved construction projects), McCown-Gordon, and Multistudio to ensure the team is

fully prepared to proceed on schedule in the event the GO Bond Referendum passes and to meet all requirements.

- LevelField will work with IFF and the Citizens board, leaders, and attorney to finalize a Purchase & Sale Agreement.
- LevelField will plan to ask the Board at the March meeting to approve official resolutions to purchase the building and proceed with project financing.

Mr. MacDonald asked if LevelField believes there is a risk of a low appraisal undercutting the financing deal? Mr. Endom replied that the initial building appraisal (2024) came back unexpectedly low and that is what the project is built on. That initial appraisal relied on comps from several miles away and several years old. If the new appraisal comes in higher, that's a positive for the project.

MacDonald then asked if there is a confirmed closing date? Mr. Endom confirmed April 4th, and again on either May 22nd or 23rd.

b. **Executive Committee** (Ms. Brandi Finocchiaro)

i. Discussion on Additional Board Member Recruitment *[Information/Discussion]*

Dr. Miles reported that she has conversations with two potential candidates scheduled for next week.

ii. Update on Second Charter Renewal (2026-2031) upcoming submission *[Information/Discussion]*

Dr. Miles again shared that MCPSC officially invited the school to submit for a second renewal under their sponsorship. She shared that other sponsorship options the Board could elect to explore would be with KCPS or St. Louis University. The Board held discussion.

Dr. Hicks asked if the school renewed with MCPSC, can the Board propose changes to the charter? Dr. Miles affirmed so, especially around the charter goals that are not reachable and/or worded well.

Dr. Miles shared that her goal is to have the new charter draft written by August and submitted by November.

iii. Review & Consideration of approving an LOI to renew with MCSPC

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

iv. Discussion on Annual Executive Director Evaluation Process & Timeline *[Information/Discussion]*

Dr. Hicks shared appreciation to the Board, parents, leadership team, and staff members that provided feedback to her ED Evaluation survey. She will collate responses and present a summary to the Board in closed session at March's regular board meeting.

v. Review & Consideration of Charter Amendment #2-5 [Board Action]

Dr. Miles shared that, since the school's actual enrollment is lower than the enrollment listed in the charter, MCPSC has requested the school propose, approve, and submit a charter amendment. She clarified with Ms. McGeehon that the amendment would only encapsulate this current school year to ensure compliance with the potential bond requirement to not expand seats.

Hon. Bland moved to approve the Amendment as proposed and Mrs. DeWilde provided a second. The motion was unanimously approved with none abstaining.

vi. Missouri Ethics Commission Conflict of Interest Filing

Dr. Hicks reminded the Board of the requirement of all Board members to complete this online filing before May 1st. Ms. Rios also reminded the Board of potential personal fines imposed by MEC.

c. **Finance & Operations Committee** (Mrs. Lydia Butler) [Board Actions]

i. Review & Consideration of Monthly Financials (January 2025), including Check Register

Mrs. Butler reported that on the revenue side, the school again continues to be stronger than budgeted due to higher enrollment and a higher-than-budgeted per-pupil (ADA) state payment. On the expense side, there is a staffing/substitute trade-off as well as higher-than-budgeted special education service, student food, and student transportation expenses. Additionally, Ed-Ops had not completely factored in all Operation Breakthrough pass-through expenses relating to the Kindergarten classroom.

She also noted again that the facility project expenses will be reimbursed after financing and those have not been factored into the forecast.

Mrs. Butler presented the February Financial Report and highlighted page 8's Balance Sheet, showing a current Cash Balance of \$2.2m, with a projected year-end balance of \$1.8m.

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

- Year-to-date revenue of \$4.2m, against a budget of \$3.4m.
- Year-to-date expenses of \$4.1m, against a budget of \$4m.
- Net Income of \$42k, against a budget of (-\$642k).
- Forecasted year-end revenue of \$7m, against a budget of \$6.3m.
- Forecasted year-end expenses of \$7.4m, against a budget of \$6.9m.
- Forecasted year-end Net Income of (-\$376k) against a budget of (-\$566k).
- A projected 88 days of cash on hand position, decreasing from last month primarily due to self-funding pre-construction work.

Lastly, she stated that the Finance Committee did not note anything as out of order on the Check Register or Accounts Payable.

Ms. Rios moved to approve the February Financial Report and Check Register as proposed and Dr. Foster provided a second. The motion was unanimously approved with none abstaining.

- d. **Educational Equity Committee** (Dr. Asiya Foster) *[Information/Discussion]*
 - i. Presentation of Fall & Winter 2024 NWEA Data

Dr. Foster reported that the Committee met and reviewed assessment data. At a high-level, the data is consistent and the key question is whether the school is using the correct Math curriculum. The Committee and school leadership have pivoted to immediately exploring options.

At a more granular level, Dr. Miles presented specific grade- and group-data showing a drop in both ELA and Math NWEA from Fall 2024 to Winter 2024 (36% on/above in Math and 37% in ELA); additionally, the percentage of students hitting growth targets year-over-year is lower across the board and largely has reset to Winter 2023 levels (52% to 34% in Math and 50% to 40% in ELA). Drs. Foster and Hicks reflected that the Committee said this data was out of line with past performance and expectations.

Grade level and student group performance were presented and discussed. Middle School Math is particularly struggling and, as a result, Dr. Miles has already made an immediate change to remove the 6th grade Elevate platform this year and will not renew the program at all for next year. She also again affirmed that she is leading evaluation work of new math curriculums to change to.

- e. **Brand Identity Committee** (Mrs. Angela DeWilde) *[Information/Discussion]*
 - i. Update on Committee Discussions

Mrs. DeWilde reminded the Board that the Committee sent a request for further detail to CWCS and is awaiting a reply, which is expected in mid-March.

- 8. **Executive Director's Report** (Dr. Danielle Miles) *[Information/Discussion]*
 - i. 2025-2026 Staffing/Leadership Update

Dr. Miles reminded the Board that she has been working almost exclusively in the building supporting the building leadership (Principal/Assistant Principal). She said it has been made apparent to her that the demands of running a K-8 building are extremely broad (and high), especially with the Middle School model not fully developed.

When the school consolidated K-8 into Broadway, the decision was made to hire one principal to fully run K-8. However, due to more completely understanding the daily demands of the building, she has decided to refocus the current K-8 Principal to a Middle School Principal and then hire an additional Elementary School Principal for 2025-26 and beyond. She believes this will result in better support and feedback for all teachers and Mr. Butler can focus on developing out the Middle School model. She also believes it makes sense to bring a new leader on in the midst of the upcoming administrative work (CWCS discussions, charter renewal, and the facility project) to help develop them rather than be onboarded into them.

Dr. Hicks provided affirmation and support for this decision.

- ii. 2025-2026 Enrollment Update (Mrs. Katy Lineberry)

Mrs. Lineberry celebrated that Re-Enrollment opened on January 31st and within these three weeks, 78% of students have completed the process. There is still the rest of the week to go

before next year's seats transition from guaranteed to as-available. She gave the Board an overview of her outreach efforts and shared her excitement for a positive response so far.

She also reminded the Board that the lottery deadline for new students is this Saturday. Overall, the school has received a lower number of new applicants than previous years, but she is seeing that is a city-wide trend, not a Citizens-specific one. She has communication plans in place to capture and convert as many of those applications into acceptances as possible and welcome new students into a full school community.

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 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:

Hon. Ardie Bland	Aye
Ms. Sophia Bond	Aye
Mrs. Lydia Butler	Aye
Mrs. Angela DeWilde	Aye
Ms. Brandi Finocchario	Aye
Dr. Asiya Foster	Aye
Dr. Sarah Hicks	Aye
Mr. Jim MacDonald	Aye
Ms. Selina Rios	Aye

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]*

Ms. Rios moved to adjourn and Dr. Foster provided a second. The motion was unanimously approved with none abstaining. The meeting was adjourned at 8:29 pm.

[/rb]