



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

Location: The Offices at Park 39, Meeting Room #Annex-A
300 E. 39th St.
Kansas City, MO 64111

Date: Thursday, May 22nd, 2025, 6:00pm

Proposed Minutes

1. Call to Order

Ms. Rios called the meeting to order at 6:01 p.m.

Ms. Rios welcomed the members of the public in attendance and gave an overview of the meeting order.

2. Roll Call by Board Chair

Ms. Rios called roll as follows:

Present:

Ms. Sophia Bond
Mr. James Brown (6:16pm)
Mrs. Lydia Butler
Ms. Brandi Finocchario
Mr. Roosevelt Lyons
Ms. Selina Rios

Absent:

Hon. Ardie Bland
Mrs. Angela DeWilde
Mr. Jim MacDonald

Mrs. Herman was also in attendance and present.

Ms. Rios determined that with 5 of 9 (later 6 of 9) 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 she received a contract earlier today from LevelField covering their work retroactive to October through closing. Therefore, she requested an addition to the Finance Committee's Board Actions to approve this contract.

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

Ms. Bond moved to approve the agenda as revised and Mrs. Butler provided a second to the motion. The motion was unanimously approved with none abstaining.

4. Public Comments

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

5. Consent Agenda *[Board Action]*

- a. Review & Consideration of minutes from the April 24th, 2025 regular meeting of the Board
- b. School Dashboard
- c. Strategic Plan Dashboard
- d. Board & Committee Calendar
- e. Staffing Report
- f. Events Calendar

Ms. Rios 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.

Mrs. Butler moved to approve the Consent Agenda as proposed and Ms. Finocchario provided a second. The motion was unanimously approved with none abstaining.

6. Board Committee Business & Reports

- a. **Executive Committee** (Ms. Selina Rios)
 - i. Review & Consideration of appointing Mrs. Jessica Herman to the Board of Directors, with an initial term expiring March 31, 2028. *[Board Action]*

Ms. Rios introduced Mrs. Herman and asked for a motion of appointment.

Ms. Finocchario moved to appoint Mrs. Jessica Herman to the Board of Directors of Citizens of the World Charter Schools – Kansas City with an initial term expiring March 31, 2028; Mr. Lyons provided a second. The motion was unanimously approved with none abstaining.

The Board welcomed Mrs. Herman and provided brief introductions.

- ii. Affirmation that Annual Executive Director Evaluation is Complete *[Information/Discussion]*

Ms. Rios confirmed with the Board that she delivered and reviewed the Executive Director Annual Evaluation with Dr. Miles.

iii. Update on 2026-2031 Charter Renewal *[Information/Discussion]*

Dr. Miles reported that she received confirmation from MCPSC that, due to possible pending charter changes, the Commission granted an extended window of submission for the school's charter renewal.

Ms. Bond clarified if that extension was in writing; Dr. Miles replied that it was just verbal. Ms. Bond further clarified if the extension reflects an exception to established process; Dr. Miles affirmed, but said the Commission does it regularly since the timing is not statute-driven. Ms. Rios suggested a summary/confirmation email to the Commission and Dr. Miles replied she would follow-up.

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

i. Review & Consideration of Monthly Financials (April 2025), including Check Register *[Board Action]*

Mrs. Butler presented the April Financial Report and highlighted page 8's Balance Sheet, showing a current Cash Balance of \$1.9MM, with a projected year-end balance of \$1.8MM. She noted that recent indications from the state show there is still an additional upside of \$200k, which will be reflected on May's Financial Report; therefore, a more accurate projected year-end balance is \$2MM.

She noted while the school continues to manage expenses well, transportation costs continue to increase, shown by the current forecast being 2.6x higher than budgeted. She also reiterated that current revenue is based only on things the school absolutely knows to be true, making the forecast solid and conservative.

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

- Year-to-date revenue of \$6.1MM, against a budget of \$5.17MM.
- Year-to-date expenses of \$6.39MM, against a budget of \$5.77MM.
- Net Income of (-\$285k), against a budget of (-\$600k). She again noted the upside potential of the additional \$200k, so the school is realistically looking at being just shy of break-even.
- Forecasted year-end revenue of \$7.44MM, against a budget of \$6.36MM.
- Forecasted year-end expenses of \$7.8MM, against a budget of \$6.93MM.
- Forecasted year-end Net Income of (-\$370k) against a budget of (-\$566k). However, again factoring in the additional \$200k, this would increase net income to (-\$170k).
- A projected 84 days of cash on hand position, slightly increasing from last month.

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

Ms. Finocchiaro moved to approve the April Financial Report and Check Register as proposed and Mrs. Herman provided a second. The motion was unanimously approved with none abstaining.

ii. Review of 2025-2026 Annual Budget Draft *[Information/Discussion]*

Mrs. Butler presented a draft of the 2025-26 annual budget. The Finance Committee's plan is to present the high-level overview today, and provide a final approval vote at the June meeting/retreat.

Mr. Brown joined (via Zoom) at 6:16p.

She presented a high-level overview of Revenue, noting an increase to \$8.75MM since both enrollment and the state per-pupil revenue amount will be higher.

Mrs. Butler then summarized Expenses and reminded the Board of last month's discussion regarding the major expense driver – salaries. She disaggregated the salary increases into 1) the original, normal stepped increases, 2) accelerating 5 positions and retaining 2 positions, 3) proposed salary increases for all salary bands. She affirmed her belief that all three are within the affordability plan of our pro-forma.

She also noted that the final budget draft will further increase Local Revenue as well as Transportation expenses. There was Board discussion, specifically on the cost drivers of the transportation increase. Dr. Miles shared she is reviewing best practice on the family qualification process as well as exploring a supportive partnership with truancy court to increase attendance (and decrease no-show transportation charges).

Mrs. Butler also recapped that the school is projected to start 2025-26 with approximately \$2MM in cash, and end with approximately \$1.5MM, reflecting 64 days of cash on hand.

She presented the 5-year outflow, showing a steadily increasing cash position, inclusive of financing payments starting.

Mrs. Butler then asked for Board questions and discussion. Mr. Lyons asked for historical detail on the breakdown of history of increases; Dr. Miles provided. The Board did not have further direction or questions. Mrs. Butler again indicated a final draft will be presented for approval in June.

iii. Notice of Approval of 2024 Form 990 *[Information/Discussion]*

Mrs. Butler shared that KPM prepared the school's 2024 Form 990, Ed-Ops verified the numbers, and the Finance Committee reviewed and approved it.

iv. Review & Consideration of Contract Approval – LevelField Partners

Dr. Miles reminded the Board that, per policy, the Board must approve new contracts above \$50k. LevelField's initial contract specified a limited scope of "site selection," and counsel believes there's a clear enough distinction between "site selection" and "project closing" to warrant this contract as a new approval rather than a modification of existing. The final contract is based on 1.5% of the project budget (which we now know equates to \$300k). The school has been pay a monthly retainer (indicative of the original monthly contract amount), but the balance will now be due. The entirety of the contract balance is included in the loan financing so the budget impact has already been realized.

The Board discussed the contract and attempted to quickly review it. Ms. Bond requested tabling the vote to allow for additional review time and scheduling a Special Meeting next week to vote. The Board agreed and a midday meeting was discussed – targeting Thursday.

Ms. Bond moved to schedule a Special Board Meeting at 1:00pm on May 29, 2025 for the purposes of contract approval; Mrs. Herman provided a second. The motion was unanimously approved with none abstaining.

c. Academic Excellence Committee

i. No May Meeting/Report

Ms. Rios reported that the Academic Excellence Committee did not meet in May.

Did share the Ms. Finocchiaro offered to chair the committee and looks forward to finalizing schedules, along with all committees, at the June retreat.

d. Brand Identity Committee (Mrs. Angela DeWilde) [Information/Discussion]

i. Update on Committee Discussions

In Mrs. DeWilde's absence, Ms. Bond reported that the Committee met this past week. She reminded the Board that last month, the Board approved a communication to CWCS. The Board sent that communication and also received a response to it. In the response, CWCS requested the Board to attest awareness of the termination fee before they would respond to the request for details on their initial grant funding sources.

She shared that the Committee discussed a response, asked Mr. Durphy to review, and deferred further discussion to Closed Session.

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

i. Update on 8th Grade Graduation

Dr. Miles reported that 8th Grade Graduation was held last night. In addition to celebrating all 8th graders, the school presented awards to legacy (K-8th) students, Core Value winners (voted on by peers and teachers), and the Dr. Droege Award winner.

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

Mrs. Lineberry reported that student enrollment for next year is steadily progressing with minimal changes from last month. She continues to see an abnormally high (~55%) initial acceptance rate and is looking ahead to full cohorts in most grade levels.

b. Facilities Committee (Dr. Danielle Miles)

i. Broadway Project Update from LevelField Partners [Information/Discussion]

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

Mr. Rossley first provided an update that Closing has been scheduled for June 3rd; this date is about a week later than originally planned, but allows for an additional time to ensure everything is in place and not rushed, especially after a holiday weekend.

He then provided the updated Greenlighting Criteria Summary, showing all 5 criteria in "Green" status, and confirming façade repairs are set to commence the day after closing – on June 4th.

1. Criteria #1: Site Acquisition

Mr. Rossley recapped:

- The team received an As-Is/As-Complete Appraisal from Adamson & Associates
 - Using a cost approach, sales comparison approach, and income analysis, the Broadway facility was valued at \$5.40MM in its current state
- KC Life waived its Right of First Refusal to purchase the building from IFF
- The school executed a Purchase & Sale Agreement to purchase the facility from IFF for \$5.01MM
- The school is on track to own the facility free and clear prior to the commencement of any activities for which the school plans to pay using general obligation bond proceeds

2. Criteria #2: Schedule

Mr. Rossley stated:

- LevelField worked with McCown-Gordon to finalize the work schedule for this and next summer's remediation/repair scope and received the construction permit on May 1st.
- The team submitted for construction permits on-time April 4th for the expansion and renovation scopes; pacing toward a mid-June receipt.

3. Criteria #3: Project Budget

Mr. Rossley summarized as follows:

- The \$3.84MM General Obligation Bond proceeds enable CWCKC to increase the overall project budget by \$3.73MM, and incorporate additional scope (including comprehensive upgrades to the existing HVAC system, restrooms, exterior play/learning space, and the installation of fencing, gates, and window covers at the existing exterior.
- The final project sources include a \$400k equity contribution from the school
- KCPS confirmed that ~\$6.00MM of the current expansion/renovation scope can be directly paid for using bond proceeds. LevelField has worked with McCown and Eskie+Associates to ensure understanding of the mechanics of procurement and contractual matters
- LevelField reviewed the final expansion/renovation GMP with McCown and Eskie and seeks approval of the final \$8.92MM GMP from the Board this evening.

The final high-level budget (pending approval and closing costs) is as follows:

Acquisition Costs	5,014,169
Hard Costs	
Façade Repairs	2,011,333
Expansion & Renovations	8,915,211
Soft Costs	1,498,083
FF&E	230,000
Contingencies	1,553,078
Project Costs	19,221,875
Capitalized Interest	918,818
Transaction Costs	399,307
Total Project Budget	20,540,000
Senior Debt (LISC + BlueHub)	13,300,000
Subordinate Debt (22 Beacon)	3,000,000
GO Bond Proceeds	3,840,000
Equity	400,000
Total Project Sources	20,540,000
Cost Per Seat	37,000

4. Criteria #4: Financing

Mr. Rossley shared:

- LISC and BlueHub, the project senior co-lenders, and 22Beacon, the junior lender, each received formal approval of the project financing from their respective credit committees.
- Given the passage of the GO Bond, LISC and BlueHub both agreed to size up their loans at up to 100% LTV, which confirmed the senior lenders' maximum loan amount of \$13.7MM.
 - The most recent as-complete appraisal value from Adamson & Associates (which does not include any additional scope) is \$12.2MM, so the loan request of \$11.83MM is already less than 100% LTV.
- Documents were reviewed with school's counsel (Mr. Benton, Benton-Lloyd-Chung) and school leadership and the Board has been provided with substantially complete versions of all loan documents.
- The Board will be asked this evening to approve the maximum loan amount.
- The key terms of each loan are as follows:
 - LISC/BlueHub will loan up to \$13.7MM at 7.2% (100% LTV) for a 5-year loan term, to be amortized over 30 years with an 18-month interest-only period.
 - 22Beacon will loan up to \$3MM at 5.0% for a 5-year loan term, to be amortized over 30 years with an 18-month interest-only period.

5. Criteria #5: Affordability

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

- Debt Service Coverage Ratio: 0x in SY25-26, then fluctuating from 1.77x (SY26-27) down to 1.54x (SY29-30).
- Days of Cash on Hand: increasing from 97 (25-26) to 127 (29-30).
- Percent of Per-Pupil Revenue allocated to Debt Service: 8.6% in SY26-27, then moving to 12.4%, 11.6%, and 11.1%, respectively.

They also noted that the pro-forma does not reflect a planned refinance to EFF; once that occurs, finances would then be better.

Mr. Rossley also presented the short-term next steps to closing on June 3rd:

- On May 16th, LevelField reviewed three documents with the Finance & Real Estate Committees:
 - Secretary's Certificate
 - Treasurer's Certificate
 - Resolution of Board of Directors – Form Votes
 - 1) The Property & The Project
 - 2) Due Diligence: Consultants and Other Professionals
 - 3) Agreements with Public Authorities
 - 4) Financing Transaction
 - 5) Omnibus Resolutions
- Mr. Benton will lead Board Members through each documents, including detailed descriptions of the required votes.

6. Discussion of Approvals & Resolutions related to Facility Project

Ms. Rios directed further discussion relating to the approvals to Closed Session.

8. Closed Session

Pursuant to § 610.021(1) and (2) RSMo, the Board will enter into closed session to discuss matters related to (1) Legal Discussion and (2) Real Estate.

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

Ms. Rios invited Dr. Miles, Mr. Brennan, Mr. Benton, Mr. Rossley, and Mr. Endom to Closed Session.

Ms. Bond moved to enter Closed Session and Mr. Brown provided a second. The motion was unanimously approved via roll call, as follows:

Ms. Sophia Bond	Aye
Mr. James Brown	Aye
Mrs. Lydia Butler	Aye
Ms. Brandi Finocchario	Aye
Mrs. Jessica Herman	Aye
Mr. Roosevelt Lyons	Aye
Ms. Selina Rios	Aye

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

Ms. Rios welcomed members of the public back into Open Session and reported that discussion related to (1) Legal Discussion and (2) Real Estate. Two actions were taken, which require reporting.

First, Mr. Lyons moved to approve Resolution #20250522, authorizing the execution of the Real Estate Contract of Sale for the Property (3435 Broadway and 3420 Central St.); Mrs. Butler provided a second. The motion was unanimously approved via roll call, as follows:

Ms. Sophia Bond	Aye
Mr. James Brown	Aye
Mrs. Lydia Butler	Aye
Ms. Brandi Finocchario	Aye
Mrs. Jessica Herman	Aye
Mr. Roosevelt Lyons	Aye
Ms. Selina Rios	Aye

Second, Mrs. Butler moved to approve a correspondence letter to be sent to CWCS and Ms. Finocchario provided a second. The motion was unanimously approved via roll call, as follows:

Ms. Sophia Bond	Aye
Mr. James Brown	Aye
Mrs. Lydia Butler	Aye
Ms. Brandi Finocchario	Aye
Mrs. Jessica Herman	Aye
Mr. Roosevelt Lyons	Aye
Ms. Selina Rios	Aye

10. Adjourn [Board Action]

Finocchario moved to adjourn and Mrs. Herman provided a second. The motion was unanimously approved with none abstaining. The meeting was adjourned at 7:43 pm.

[/rb]