



PUBLIC NOTICE
Special Meeting of the
Board of Directors of Citizens of the World Kansas City

Location: Virtual Meeting via Zoom

Date: Thursday, November 7th, 2024, 6:00pm

Proposed Minutes

1. Call to Order

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

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

2. Roll Call by Board Chair

Ms. Finocchario called roll as follows:

Present:

- Hon. Ardie Bland
- Ms. Sophia Bond
- Mrs. Lydia Butler
- Mr. James Brown
- Mrs. Angela DeWilde
- Ms. Brandi Finocchario
- Dr. Sarah Hicks
- Mr. Jim MacDonald
- Ms. Selina Rios

Absent:

- Dr. Asiya Foster
- Mr. Roosevelt Lyons

Ms. Finocchario determined that with 9 of 11 Board Members present, a quorum is established for purposes of holding the meeting and voting.

Ms. Finocchario also welcomed Ms. Charnissa Holliday-Scott (Guin Mundorf, LLC) to the meeting.

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

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

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

4. Public Comments

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

5. Review & Consideration of Charter School Funding Agreement, Dated 10/31/2024

Ms. Bond and Dr. Miles reported that they met with representatives from KCPS last Thursday about the potential 2025 Bond and, positively, KCPS made changes that Citizens wanted to see in the funding agreement.

Ms. Bond shared that there were several versions of the MOU between the respective attorneys, with the larger issues relating to understanding the ramifications around a possibility of a potential rebranding or merger. She believes conversations resolved those issues, particularly:

- 1st article section 2 - how the proceeds would be held: KCPS will use a 3rd party trustee in an interest-generating account and Citizens will receive accrued interest based on Citizens' portion of the bond.
- Section 4 - language was modified about the purchasing policy and that Citizens has 3 years from the day the bonds are issued.
- Article 2 changed the language from reimbursement to disbursement. There was a back-and-forth about a disbursement schedule but that was not added into the MOU.
- Article 2 use of funds was clarified; funds cannot be used for physical expansion. She elaborated in that since Citizens does not yet own the building, the school would have to do an addendum to make the change if bond comes out before the school owns the building
- Article 6 regarding default – if charters were to close within those 3 years, that would count as a default; if charters merged with someone else, it would be defaulting unless rebranding and still operating under the same LEA
- Added provision to hold harmless the charter school board members

Ms. Holliday-Scott also advised the Board to pay close attention to Article 1, Section 4 and the related statutes; typically these statutes, including Prevailing Wage, do not apply to charter schools. Citizens would need to look into this while going through the construction process, should the bond pass.

Ms. Holliday-Scott reported that, in general, Citizens and MCSPA went back and forth with KCPS legal counsel, resulting in KCPS' declination to negotiate with us. Other calls were made to get external help, then we received a notice that negotiations would open back up with modifications to the MOU. As Ms. Bond shared:

- The bond funds will be held in a 3rd party bank, not held by the district. This allows for the interest to be redistributed back to charter schools on a per pupil basis
- The bond will be based on 2023-2024 enrollment
- As long as the school does not change business entity, merging or rebranding is allowed. Articles are filed with Missouri Secretary of State, so the situation can not be multiple schools actually

closing and reincorporating. With a merger, one of the entities has to disappear (which will it be); this will impact closure

She also reported the school would have 45 days to submit a request for funds and confirmed the school would receive \$3.9 million of bond proceeds.

Mrs. DeWilde asked for timeline clarification; does the building need to be purchased before the bond election? Ms. Holliday-Scott confirmed that Citizens would need to have the building purchased by March 31st in advance of the April 1st vote. The Bond assumption is that proceeds are for the building owner to make changes to the physical building; the school must be the building owner.

Ms. Holliday-Scott discussed how to navigate funding for expansion vs. renovation and strongly encouraged the Board/school to keep the project and funds very distinct as far as renovation vs. expansion; make it very identifiable where bond money is going to. She also confirmed that while the school cannot use bond money to expand, it can use external money/funding/financing; it just needs to be obvious the bond money did not result in seat expansion.

Dr. Hicks asked if there is concern that the school purchases a building and the bond does not pass, does that result in the school having costs that we can't cover? Dr. Miles affirmed that all construction plans are within budget, separate from any bond proceeds.

Ms. Bond & Mr. MacDonald discussed exposure for the school if Citizens purchased furnishings for the existing building, that where then used by students in the expansion.

Ms. Holliday-Scott also confirmed the third-party bank would be responsible for distributing all bond proceeds (including interest) to each of the participating charter schools.

Dr. Miles also confirmed that, even with the building expansion, the school cannot exceed student limitations set in the charter and the 501(c)3 and LEA must stay intact.

Hon. Bland moved to approve the Funding Agreement as proposed and Mr. MacDonald provided a second. The motion was unanimously approved with none abstaining.

6. Adjourn *[Board Action]*

Ms. Finocchario moved to adjourn and Ms. Bond provided a second. The motion was unanimously approved with none abstaining. The meeting was adjourned at 6:42 pm.

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