

SPECIAL SCHOOL BOARD MEETING

GADSDEN COUNTY SCHOOL BOARD
 MAX D. WALKER ADMINISTRATION BUILDING
 35 MARTIN LUTHER KING, JR. BLVD.
 QUINCY, FLORIDA

April 14, 2026

4:30 P.M.

This meeting was open to the public and electronically recorded.

The following Board members were present: Mr. Leroy McMillan, Chairman; Ms. Cathy S. Johnson; Ms. Stacey S. Hannigon; Mr. Steve Scott; and Mr. Charlie D. Frost. Also present were Mr. Elijah Key, Superintendent and Secretary to the Board; Mrs. Deborah Minnis, Attorney for the Board; and others.

1. CALL TO ORDER

The meeting was called to order by the Chairman, Mr. Leroy McMillan, at 4:30 P.M.

2. OPENING PRAYER

The opening prayer was led by Mr. Leroy McMillan.

3. PLEDGE OF ALLEGIANCE

Recited in unison.

4. PERSONNEL MATTERS (resignations, retirements, recommendations, leaves of absence, terminations of services, volunteers, and job descriptions)

a. 2025 – 2026 Teacher Salary Increase (TSIA)

Fund Source: State / General Fund

Amount: \$162,108

Mr. Key stated that the union ratified the amount of \$162,108.00 Friday before spring break. He stated that going back prior to that was an executive session in which the Board agreed upon. He stated that moving forward with the numbers \$504.00 for each teacher's increase. He stated that the teachers with 0 to two years of experience were excluded and the Board agreed to pay them as well out of the general fund. He stated that it is a onetime payment of \$504.00 for the teachers.

Dr. Sonya Jackson stated that it would be a one-time payment. She stated that if the ratification was done earlier, the amount would have been broken up for the remainder of the school year, but because we are at the very end of the school year, we are just going to make the one-time payment of \$504.00 to the teachers. Mr. McMillan stated that this money is allocated by the State. He stated that if he were a teacher, he would like the district to go ahead and give him his money and not spread it out over a period. He stated that it would help the teachers more if the money was given to them at the beginning of the school year, and not spreading it out throughout the year. Mr. Scott wanted to know when the teachers would receive the money. Mr. Key stated that the payments were going to start in September, but it was not going to be a lump sum because this is salary. Mr. Scott stated that this is a onetime deal with this amount; it is not going to bother anyone's taxes. Mrs. Bruner stated that the finance department is working on all the information that we need right now, and if we can get it before the end of the month payroll it will be given to the teachers, since this is something that has been outstanding for a while. Mr. McMillan inquired about the information that was needed. Mrs. Bruner stated that each of the personnel records needed to be adjusted, and the Human Resources looks at it before it comes over to the payroll. She stated that it is a lengthy process for us to do these increases.

Ms. Hannigon stated that she wanted to know about the label TSIA proposal dated January 8th. She wanted to know if the document was a part of the union contract or is this document separate and apart from the contract

as a whole. Dr. Sonya Jackson stated that it would be a part of the contract once the Board approve it. She stated that whenever the document is uploaded to the actual contract that will be present. Ms. Hannigon stated that the dates were bothersome to her because again as was just stated, this would be a part of the contract and she understand that you may start negotiations at one point, and you don't finalize until a set point. She stated that you have your tentative agreements, but the dates of August 2025, September 30, 2025. She stated that those dates should be updated or should have been updated when the tentative agreement happened back in January, so it actually reflects current dates. Dr. Jackson stated that that at the time it is a proposal. She stated that now we have an updated amount that can be provided. She stated that there are 36 teachers in which all of that information will be provided to finance to make all of the corrections when it comes to paying these individuals. She stated that she understands that the proposal was put before them actually in August, but we had to wait for the union to make their decision. She stated that then they decided as we have the TSIA document on January 8th, then you have to wait for the union to ratify, and they did not ratify until March 13th. Mr. Key stated that because this is the actual bargaining document, we do not alter what was put before the union. He stated that if there was a different proposal that was brought on January 8th, then we change it. He stated that this was the original document that never was changed. He stated that this was the document that was put before everyone. He stated that everything that is in this document stay, even though we understand that the numbers on the backside are going to change. He stated that this is the proposal that the union agreed on. Attorney Minnis stated that these dates reflect the bargaining process. She stated that it is important that they stay intact the way they are because it reflects the process that occurred during bargaining. She stated that it is not a matter of updating it; this just shows the process of when it was proposed, when it was ratified and presented. Ms. Hannigon stated that none of that was satisfying to her. She stated that she understands the negotiation process, she understands the bargaining process. She stated that even with the points that were made when the tentative agreement that happened on January 8th, even then she would think that this document would have been updated to reflect that date, future dates and or include some notation that speaks to future dates because we were so far behind already.

Following discussion, Mr. Leroy McMillan made a motion to accept the Superintendent's recommendation to approve agenda item #4a. The motion was seconded by Mr. Charlie D. Frost and carried unanimously.

ACTION REQUESTED: The Superintendent recommended approval.

b. Approval of an Extension of Disciplinary Suspension Without Pay

Following discussion, Mr. Charlie D. Frost made a motion to accept the Superintendent's recommendation to approve agenda item #4b. The motion was seconded by Mr. Steve Scott and carried unanimously.

ACTION REQUESTED: The Superintendent recommended approval.

ITEMS FOR DISCUSSION

5. 2025 – 2026 FISCAL YEAR UPDATE

Mr. Key stated that after the third calculation that was released in February, Ms. Kathy Sneads and Mrs. Bruner began to work on the budget to see what the impact would be on the district. He stated that there is a potential if we do not make some corrections with spending, we could find ourselves in a financial emergency at the end of June, because it was February when the numbers changed at the third calculation. He stated that prior to that, there have already been two districts declaring financial emergencies for this year. He stated that Mrs. Bruner and Mrs. Sneads have been working to ensure and find a way that the district do not close this year out below a 3% fund balance. He stated that all of the district monies were decreased after the third calculation that was released in February. He stated that these are issues Superintendents throughout the State are currently facing. Mr. Frost stated that we could take a day, maybe starting at 12:00 noon, where we can go line by line with our finance information. He stated that he would like to have a workshop to really get into the district's budget. Mr. Key stated that however, the cause of this information and all the stuff that they've been doing to ensure how we close out this year, this became more pertinent because we don't want to close this year out below 3%. He stated that right now, when we looked at the third calculation, there was going to be a shortfall if we did not change some of the things that we were doing. He stated that the district is still going through an audit. He stated until you get the fund balance from last year, you cannot really close out this year, but until we get that from the audit you, you really do not know where you are. He stated that there are some things that are still being done with the audit that is in the hands of the Auditor General's Office. Mrs. Bruner stated that the tentative budget has to be done by July 2026. Mr. McMillan stated that he believes that the Board is very serious about the budget, and he personally would like

to see the Board come in 8:00 in the morning and go throughout the day talking to the different departments to make sure this is done right. Mrs. Bruner stated that since we mentioned the future budget, she wanted to be clear that we have to wait for the State to give us our budget amount. She stated that we need to know what we are doing with our staffing plan because our staffing plan drives the budget, where those FTE funds are located, and how many teachers are needed? She stated that once we have that information, we could start these discussions because we will have the staffing plan to review with the Board. Mr. McMillan wanted to know if the district was losing students due to scholarships, if this had anything to do with the third calculation and the shortfalls. Mr. Key stated yes. Mr. McMillan stated for the record that the State is not helping the district in any form with these scholarships. He stated that they will pull these kids out of school and get this money, pull them out of our district and they are paid for it. He stated that when it is too tedious and too labor intensive for them to teach their kids at home or wherever they are sending them, then they expect us to take them back. He stated that it was unfair. Mrs. Bruner shared with the Board the following link regarding the budget: [file:///gcps-fs01.gadsdenschools.net/Redirect\\$/bibb-mitchelld/Desktop/M.%20Bruner/041426%20UPDATED%20INFO.pdf](file:///gcps-fs01.gadsdenschools.net/Redirect$/bibb-mitchelld/Desktop/M.%20Bruner/041426%20UPDATED%20INFO.pdf)

Mrs. Bruner stated that the State gives the district their budget for the FEFP amount. She stated that the current year, the amount that we started the year with is what we budgeted for and then in the 3rd quarter, we were cut by over a million and a half dollars, which caused the district to be in this deficit situation. She stated that no decisions could be completely made regarding the budget until the State gives the district its budget. She stated that once the State gives us our budget, then sound decisions could be made in reference to budgeting for the upcoming year.

6. HURRICANE FUNDING FORENSIC AUDIT REPORT

Ms. Donna Melillo, Senior Account Manager with Carr, Riggs & Ingram, presented to the School Board accounting information regarding Hurricane Michael Funds. She stated that the background information included the following: a) Hurricane Michael Landfall October 22, 2018; b) Analysis Period (April 2021 – June 30, 2024; c) Two Chief Financial Officer (Bonnie Wood and LaClarence Mays); d) Two Tranches of Insurance Proceeds; e) FEMA Public Assistance Proceeds; f) Three Main Funds; g) General Fund 1100; h) Insurance Recovery Hurricane Michael Fund 3950; i) Contracted Projects Fund 4200. She stated that the Scope/Procedures were to: a) Conduct Interviews to obtain Necessary Understanding; b) Analyzed General Ledger Detail Reports and Determined Sources / Uses of Insurance Proceeds; c) Inspected Budgets, Revenues and Expenditure Reports for FY 2020 to 2024; d) Examined Bank, Accounting and Financial Record Related to Use April 2021 Insurance Proceeds for Appropriateness. She stated that a) District Proceeds from Hurricane Michael; b) Hurricane Michael-Related Expenditures, c) FY 2019-2020 Insurance Fund Tracing; d) Hurricane Michael Insurance Settlement Proceeds; and e) Recording of Settlement/Investment Acct. Interest. She stated that an explanation of the expenditures included the following: 1) All Hurricane Michael-Related expenditures appear to have been made directly from the Primary Operating Account; 2) No formal Board policy regarding use of insurance proceeds; 3) No Board - adopted budget for use of insurance proceeds; 4) No Shared files or drives within the finance department; Mr. Mays maintained files on external flash drives; 5) Significant turnover of finance personnel; 6) Lack of enforcement of policies and procedures; 7) Lack of purchase orders and numerous expense account changes; 8) Limited specific Board approval for insurance fund expenditures; 9) Approvals included temporary buildings, roof repair, and design of K-8 school; 10) February 2021 School Board Workshop discussed use of FEMA and insurance money to build new school; 11) Board voted to set aside the insurance settlement funds for “self-insurance purpose” in March 2021. She stated that in conclusion the lack of budgeted expenditures, lack of Board approval, lack of understanding of use of insurance proceeds; numerous transfers within the district books, causing difficulty for Finance Personnel and the Board to trace the receipt and use of funds; lack of documentation maintained related to the need for transfer from Investment Account; and the fund balance were under/overstated.

Surplus/Deficit as of February 18, 2025

Hurricane Insurance Revenue	\$21,153,123.66
Other Hurricane Revenue	\$5,812,138.93
Total Hurricane Revenue	\$26,965,262.59
Hurricane Expenditures	(14,060,827.62)
Surplus (Deficit) as of February 18, 2025	\$12,904,434.97
Hurricane Interest Revenue through June 30, 2024	\$677,629.19

The Board asked questions, shared their concerns, and made comments during the presentation. They were very appreciative of the information.

Ms. Judith Mandela, GCCTA President, addressed the Board with questions. She wanted to know if there were any restrictions because at one point it was in general funds and taken out of general funds and put in the SBA account. She wanted to know what the restrictions or limitations were if the funds were left in the general fund account. Mrs. Bruner stated that insurance claims are tied to specific pieces of property. She stated that the list of items that were damaged is evaluated for the value of that item and then the insurance company gives a dollar amount. She stated that there are documents that show the exact item that was damaged and the dollar amount that totals up to this insurance money. She stated that when the Board litigated against that amount and said no, there are questions. She stated that the final payment that came from the insurance company was a lump sum and that was it. She stated that they did not say which pieces of property it could be applied to; however, in our FEMA projects that we still have pending FEMA says the original dollar amount that they gave us was for this particular piece of property. She stated that is where the district is restricted. She stated that the only thing that has changed since that time is that some of these properties are no longer on some of the project, and what remains will be up to the Board to determine how to spend it. She stated that the collective thought on that is that because it was for property damage that it could continue to be used for property damage, and anything outside of that might be seen as not a best practice use of those funds. Ms. Hannigon wanted to know how possible it that we could get year-to-date is numbers as compared to what the consultant provided even if the interest and surplus deficit those two-line items. Mr. Key stated that he could attest to is the \$8.8 million. He stated that the other money that came in did not go to the SBA account. He stated that there are two SBA accounts. He stated that there is an everyday savings account that they call SBA, and that is normally where you do not keep all your money in Capital City bank in case there is any fraud or anything else that can happen. He stated that instead of letting that money sit in Capital City Bank, it's normally sent to the SBA account and then when it's needed it's transferred back to the Capital City Bank to take care of whatever expenses needed to be taken care of.

7. EDUCATIONAL ITEMS BY THE SUPERINTENDENT

Mr. Key stated that the district lost one of its employees, Mr. Ricky Sherman, who was the lead HVAC technician for our maintenance department. He stated that Mr. Sherman passed on Sunday (April 12th) night. He stated that Mr. Sherman's funeral service would be Saturday, April 25th at 11:00 a.m. at the Old West Florida Enrichment Center in Tallahassee. He asked everyone to keep the Sherman family in their prayers. He announced that there would be a Community Meeting regarding the new K-8 school tomorrow (April 15th) @ 6:00 p.m. at George W. Munroe Elementary School. He stated that on Friday (April 17th) afternoon the staff would be having a staff field day at Carter Parramore Academy Field with the starting time at 1:00 P.M. until about 4:00 P.M. He stated that all faculty, staff, and schools would be participating in the Staff Field Day.

8. SCHOOL BOARD REQUESTS AND CONCERNS

Ms. Johnson stated that the Gadsden County Commissioner employees would be at the courthouse Thursday (April 16th) from 11:00 a.m. to about 1:30 p.m. selling hot dogs, baked beans, sausage dogs in support of Relay for Life.

Ms. Hannigon stated that on Saturday, April 18th, the Gadsden County Emergency Management along with many partners including herself would be hosting the 7th Annual Hurricane Preparedness Health and Safety Fair in the Walmart Parking Lot in Quincy, Florida, from 9:00 a.m. to 12:00 noon. She stated that hurricane preparedness supplies would be given to those in attendance. She stated that she received a text from a constituent and wanted to know why the comments on the Facebook feed were disabled. Mr. Key stated that he will follow-up.

Mr. McMillian stated that he received a phone call from OPPAGA and there was some good feedback regarding the half-cent sales surplus tax. He wanted to know what the district was doing to advertise for the half-cent sales tax.

Mr. Key stated that Dr. Sylvia Jackson has already been on it with getting the word out about the half-cent sales tax. He stated that he and staff have been going to schools and talking with everyone about what it is about and how it would benefit the district. He stated that we could only give the facts.

9. The meeting adjourned at 6:42 P.M.