MINUTES

SCHOOL BOARD FINANCIAL WORKSHOP

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

June 23, 2026

4:30 P.M.

The workshop was open to the public and electronically recorded.

The following Board members were present: Ms. Cathy S. Johnson, Vice Chairperson; 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. Mr. Leroy McMillan was absent.

1. Call To Order

   The workshop was called to order by the Vice Chairperson, Ms. Cathy S. Johnson, at 4:30 p.m.

2. Financial Information

   •2026 – 05 Board Revenue Summary Report

   •2026 – 05 Board Expenditure Summary Report

   Mrs. Bruner stated that the Board received the District's expenditure and revenue report in their packet, which reflects our financial activity through the end of May. She stated that we are currently working through our year-end closeout process, including reconciling all grant accounts and ensuring that expenditures are properly coded. She stated that as we reviewed our records today, we identified several items that will affect these numbers. She stated that for example, some grants received carryforward funds or budget amendments that provided additional funding, but those budget adjustments had not yet been entered into the financial reports. She stated that as a result, the report before you reflect our financial position as of the end of May, but we anticipate a number of corrections and revisions before the fiscal year is finalized. She stated that at this time, we continue to project a deficit for the current fiscal year, and we are working diligently to ensure that every transaction is accurately recorded. She stated that one of our priorities has been reviewing outstanding purchase orders. She stated that the purchase orders reserve funding, so if they are no longer needed, we must close them to release those budgeted funds and obtain a more accurate picture of our financial position. She stated that we have also been working closely with the Florida Department of Education. She stated that they have advised us not to submit our official financial statements until we have finalized our numbers so that we can move forward with accurate reporting. She stated that the Board should also have received a copy of the Auditor General's Report No. 2026-178. She stated that she prepared a one-page summary highlighting the audit findings. She stated that the full audit report contains much more detailed explanations on several pages, so this summary is intended to provide an overview along with the District's responses to each finding. She stated that the first finding relates to school internal funds and the untimely completion of those audits. She stated that this was an issue we already anticipated. She stated that we inherited three years of overdue internal fund audits, and completing them has been challenging due to staff turnover, missing records, relocated files, and incomplete documentation. She stated that to add this, our Assistant Director of Finance, Ms. Cyrilla Hackley, has been working closely with school office managers and principals to ensure all required documentation is complete and submitted. She stated that our goal was to have the remaining information submitted by June 30. She stated that currently, two schools are 100 percent complete, while several others are missing only a few documents that we are helping them obtain. He stated that once all documentation is received, our external audit firm, James Moore Certified Public Accountants, will begin the internal funds audits in July. She stated that unfortunately, this work could not be completed in time to be included in the 2024-2025 audit, but we expect the process to be much more timely in future years. She stated that the finding was identified as a material weakness. She stated that the next finding, identified as a significant deficiency, involved the Annual Financial Report (AFR) not being submitted on time. She stated that we expected this finding as well because of prior reporting delays. She stated that we had more than a year's worth of AFR work that had not been completed, and significant corrections were required. However, we expect this finding to be resolved as we move forward. She stated that another finding involved information technology access controls. She stated that we have been working closely with our Management Information Systems (MIS) Department to strengthen those procedures. She stated that we have established a process in which Human Resources notifies MIS whenever an employee leaves the District so that system access can be removed promptly. She stated that likewise, when temporary access is needed—for example, within the Finance Department—we now submit written requests identifying the employee, the purpose of the access, and the length of time it is needed. She stated that the auditors have acknowledged that we have made significant improvements in this area. She stated however, there are still several technical issues related to Skyward's security settings. She stated that the system contains numerous permission levels, abbreviated menu options, and multiple access checkboxes. She stated that determining which permissions should be enabled or disabled can be difficult because changing one setting can unintentionally affect another. She stated that we will continue working with PAEC and other school districts to better understand Skyward's programming so that we can further strengthen our access controls. She stated that another audit finding involved bank reconciliations. She stated that since hiring Ms. Hackley, this has become one of her primary responsibilities. She stated that before we can complete all reconciliations, however, we must obtain several bank statements from approximately three years ago that are currently missing from our Finance Department records. She stated that she is hoping to visit the bank tomorrow morning to obtain those statements so we can complete that reconciliation process. The Board was concerned about the number of outstanding audit findings. They want to ensure that the appropriate systems and procedures are in place so these issues are not repeated in next year's audit. Mrs. Bruner stated that prior to her arrival, the District used a consultant to perform bank reconciliations. She stated that unfortunately, instead of reconciling each transaction correctly, the reconciliations were essentially cleared using lump-sum adjustments to bring the accounts current. She stated that in order to correct that process, we have had to reverse those reconciliations and complete them properly. She stated that as we began that work, we discovered that several bank statements were missing. She stated that additionally, before she joined the District, an employee discarded documents that were believed to be outdated. She stated that unfortunately, some of those records were important financial documents and were never replaced. She stated that because the bank's electronic portal does not retain records going back that many years, she must visit the local branch to request archived copies. She stated that the bank has assured us those records are available, and once we receive them, Ms. Hackley will be able to complete the reconciliation process. She stated that we are also working with our bank to establish an electronic connection between Skyward and the bank's system. She stated that once that integration is complete, future bank reconciliations should take only a few clicks and approximately 30 seconds to complete. She stated that before implementing the automated process, however, we wanted Ms. Hackley to fully understand how to complete reconciliations manually so she understood both the process and the reasoning behind it. She stated that once that foundation is established, we will continue streamlining the process to improve both efficiency and timeliness. Ms. Johnson asked are we reconciling the accounts now? Mrs. Bruner stated yes, there are really two parts to the reconciliation process. She stated right now, we are reconciling transactions check by check and month by month. She stated the portion that has not been fully caught up is the formal monthly bank reconciliation within Skyward. She stated once the individual transactions are reconciled, the monthly reconciliation process recognizes those entries and identifies any remaining discrepancies. She stated that Ms. Hackley has been completing the transaction-level reconciliations as she processes cash receipts. She stated that we have had to undo and redo some of the previous reconciliations to ensure they are accurate. She stated that our goal is to have all bank reconciliations completed and fully caught up by the end of July. Ms. Johnson wanted to know where do we stand with our fund balance. Mrs. Bruner stated that as reflected in the audit report, our fund balance for the prior fiscal year was 3.5 percent. She stated that even so, based on our current fiscal year projections, we are still anticipating a deficit and a negative fund balance. Ms. Johnson wanted to know why is that. Mrs. Bruner stated that because we did not have all of our financial records fully reconciled in time. She stated that in addition, when the State reduced our budget during the third quarter, we had already been spending based on the budget that had originally been approved. She stated that once those reductions occurred, there was no practical way to recover from that deficit during the remainder of the fiscal year. Mr. Scott stated that he thought there were ten audit findings. He stated that there are only six listed on your summary sheet. He wanted to know if some of the findings had already been addressed and therefore are not included here. Mrs. Bruner stated that she will go back and review the report. She stated that if there are additional findings that were omitted from the summary, she will make sure they're included. Mr. Scott stated that another question concerns the finding related to expenditures exceeding budgeted amounts. He wanted to know how does that happen. He stated that if the Board approves a spending limit, wouldn't exceeding that amount be improper? Mrs. Bruner stated that we inherited a significant number of unpaid invoices from prior years, and by law those invoices had to be paid within 45 days. She stated that even if the necessary budget authority was not in place, those obligations still had to be paid. She stated that when she first arrived, many of the budgets had not yet been entered into Skyward, so we first had to determine how to properly establish them. She stated that initially, PAEC asked whether we wanted to copy the prior year's budget into the new fiscal year, and we agreed. She stated however, once Ms. Kathy joined the District, she pointed out that doing so would overstate our budget because many beginning balances reflected where the prior year had ended. She stated that as result, we had to clean up those budget entries. She stated that during that time, our highest priorities were ensuring payroll and employee benefits were processed correctly while also paying outstanding obligations owed to vendors and creditors. She stated that the District had accumulated numerous prior-year expenditures that had to be paid, which steadily reduced the available fund balance. She stated that during the current fiscal year, Skyward also lacked certain budget controls that would have prevented expenditures from exceeding available appropriations. She stated that we were spending according to the approved budget, but then the State significantly reduced our allocation during the third quarter. She stated that going forward, our process will change. She stated that rather than spending solely according to the approved budget, we will limit expenditures to the revenues that have actually been received from the State and through local property taxes. Mr. Scott wanted to know where did the additional money come from. Mrs. Bruner stated that the expenditures were originally supported by the budget that had been approved. She stated that the issue was not that we exceeded the approved budget initially. She stated that the problem occurred when the State reduced our funding during the third quarter, after those expenditures had already been committed. She stated that at that point, the available revenue no longer matched the approved spending plan. Mr. Scott stated that wouldn't those changes require budget amendments to come back before the Board? Mrs. Bruner stated not necessarily. She stated that the Board had already approved the budget based on the funding provided by the State. She stated that the reduction occurred after that budget had already been adopted. Ms. Johnson stated that so, in other words, our financial reports reflected spending based on the approved budget, but because our cash flow and reconciliations were not current, we ended up relying on projections that ultimately changed. She stated that's why she has consistently asked about reconciling our books. Mrs. Bruner stated that our revenue projections themselves were not incorrect because they were based on the funding estimates provided by the State. She stated that during the first recalculation, we lost approximately $10,000, which was easily absorbed by reducing travel and supply expenditures. She stated that the real challenge came when the State reduced our funding by more than $1 million during the third quarter. She stated that we had not positioned ourselves to absorb a reduction of that magnitude. She stated going forward, we will only spend at the level of revenues actually received. She stated that we will also begin encumbering all salaries at the beginning of each fiscal year. She stated that on day one, the full annual cost of salaries and benefits will be reflected on our financial reports as encumbered funds. She stated that while it will appear that a large portion of the budget has already been spent, those encumbrances will provide a much clearer picture of our financial obligations and the amount of funding remaining for the rest of the year.

Board members requested that financial reports be presented in a consistent format for every meeting. They were concerned that some reports are currently printed in landscape orientation while others are printed in portrait orientation. The Board asked that all reports follow the same formatting standard going forward.

Board members also expressed concern about funds being transferred between accounts, particularly in relation to the construction of the new school.

Mrs. Bruner stated that the funds initially come into the District through the General Fund. She stated that within our accounting system, we record those dollars as PECO funds. She stated however, before those funds can be spent, they must be transferred into the appropriate operating accounts. She stated that as a result, you will see a number of transfer entries. She stated that those transfers simply move the restricted PECO funds into the operating accounts where expenditures for the new school project can legally be made. Mrs. Bruner stated that before we move on, she wanted to remind the Board that the findings contained in Auditor General Report No. 2026-178 are for the 2024-2025 fiscal year. She stated that we are now operating in the 2025-2026 fiscal year, and many of the issues identified in the audit have already been addressed or are in the process of being resolved.

Material Weakness
Finding No. 2025-001 – School Internal Funds Audit Not Timely
The District has engaged an external auditing firm to complete the internal account audits for fiscal years 2022-2023, 2023-2024, and 2024-2025. Due to turnover among District office staff, school office managers, and principals, completing this work has taken additional time. The auditors are expected to begin testing the District's submissions in July 2026.

Significant Deficiencies
Finding No. 2025-002 – Annual Financial Report (AFR) Not Timely
The District has contracted with an external consultant to strengthen financial controls and assist Finance Department staff with the financial reporting process.

Finding No. 2025-003 – Information Technology Access Controls
Access permissions for the identified employees have been corrected, and the District is developing standardized procedures to ensure consistent access controls for all positions.

Finding No. 2025-004 – Bank Account Reconciliations
The District has filled the Assistant Director of Finance position and is providing ongoing training. This position will be responsible for completing regular bank reconciliations. The District is also working with its banking institution and financial management software provider to automate and streamline the reconciliation process.

Finding No. 2025-005 – Expenditures Exceeded Budgeted Amounts
The District has implemented several improvements, including monthly budget reporting and analysis, mandatory purchase orders, required budget amendment forms, and software controls that prevent expenditures when sufficient budget authority is unavailable. Additional training will also be provided to employees involved in the budgeting process.

U.S. Department of Education
Finding No. 2025-006 – Noncompliance with the Davis-Bacon Act
The District is reviewing its procedures for federally funded construction projects and will ensure that future projects comply with all applicable contracting and payment requirements.

Mrs. Bruner stated that as an update, we are continuing to work with Class Wallet. She stated that because Class Wallet was selected as the statewide vendor for Florida, they are now managing a much larger workload than in previous years. She stated that State statute requires that eligible employees receive access by July 1. She stated that Class Wallet has informed us that if employee usernames are submitted between July 1 and July 17, those users will become active on August 10. She stated that she has contacted Class Wallet to determine whether we can move that activation date closer to the statutory deadline. She stated that we already have our employee list prepared, and because we are an existing customer rather than a new district, we are hopeful that an earlier implementation may be possible.

Board members emphasized the importance of ensuring teachers receive timely access and requested that communication be maintained with the teachers' union throughout the process.

Mrs. Bruner stated that going forward, the District will only spend funds that have actually been received. She stated that we will no longer base expenditures solely on projected revenues. She stated that at our next budget workshop, she will present the proposed budget and projected financial outlook for the upcoming fiscal year, along with the related contracts.

Mr. Key stated that he believes that another factor that will help improve our financial position moving forward is the closure of James A. Shanks Middle School and Carter Parramore Academy. He stated that staffing accounts for approximately 85 percent of our operating budget. He stated that when the State reduced our funding during the third FEFP calculation, the only way we could have generated savings of that magnitude would have been to lay off employees in the middle of the school year. He stated that reducing the number of school sites and adjusting staffing levels moving forward will help place the District in a much stronger financial position.

Mr. Scott wanted to know if there was a schedule for the Insurance Committee to meet. He stated that he understands that the renewal information from Capital Health has already been submitted. Mrs. Bruner stated yes, she was out of the office last week when that information arrived. She stated that they contacted Mr. Melvin

Collins, but he was also out yesterday, so she just received the information today. She stated that she still need to contact our insurance agent to arrange a virtual meeting. She stated that she also need to coordinate with the employee unions so they can identify their representatives. Once everyone is available, we'll schedule the meeting as quickly as possible. Ms. Hannigon stated that she would like to follow up on the information she requested at our previous meeting regarding the student cost at Carter Parramore Academy. She stated that her interest was understanding the financial impact if the Board ultimately voted to close the school. She stated that she believes the information we reviewed compared enrollment at the beginning of the school year with enrollment at the end of the year. She stated that her question is whether the District has access to that enrollment information throughout the school year so we can monitor those trends. She wanted to know how often is that information available. Mr. Key stated that information is finalized after the Annual Financial Report (AFR) has been completed at the end of the fiscal year. Ms. Hannigon stated that she receives a great deal of financial information each month, but she was surprised we don't spend more time discussing it. She stated that from the outside looking in, it's difficult to understand the full picture. She stated that at a minimum, she thinks it would be helpful to highlight the major financial changes from one month to the next. She stated that the reports are presented, and we often talk around them, but we don't always discuss the significant trends or what they mean. She stated that she believes those discussions would be beneficial for the Board. She stated that she also wanted to ask about your comment regarding streamlining the bank reconciliation process so that it would take only a few clicks. She stated that she realizes our Assistant Director of Finance has many more responsibilities than bank reconciliations, but she wanted to make sure the record reflects that this automation does not minimize the scope of her position. Mrs. Bruner stated that was correct. She stated that as Assistant Director of Finance, Ms. Hackley has responsibilities well beyond bank reconciliations. She stated that she works closely with our Budget Manager on grant administration and has extensive experience with Exceptional Student Education (ESE) and IDEA grants. She stated that she also helps ensure that employees are charging expenditures to the correct grant numbers and that outdated grant codes are no longer being used. She stated that Ms. Hackley is responsible for journal entries and many of the accounting functions that require a certified public accountant’s skill set. She stated that automating the bank reconciliation process will simply eliminate much of the repetitive manual work. She stated that instead of reviewing every line of every bank statement each month, she will be able to focus her attention on only those transactions that require research because of an exception or discrepancy. She stated that will significantly improve efficiency while allowing her to devote more time to higher-level financial responsibilities. Mrs. Bruner stated that the District experienced a substantial reduction in FEFP funding because of declining student enrollment. She stated that this was the first time we have experienced a State funding reduction of this magnitude. She stated that in previous years, reductions were relatively minor—approximately $10,000—and could be absorbed through normal budget adjustments. She stated however, the recent reduction exceeded $1 million, creating a financial impact unlike anything the District had previously experienced. Mr. Key stated that he will use Mr. Hudson as an example. He stated that suppose Mr. Hudson's department is approved for a $5 million annual budget. He stated that in the past, we essentially allowed department heads to operate with access to that full budget from the beginning of the fiscal year. She stated that going forward, that process will change. Rather than having immediate access to the entire $5 million, departments will only be authorized to spend based on the percentage of revenues the District has actually received. He stated that for example, during the first quarter, only a portion of that budget will be available. He stated that some departments, such as Transportation, have operating costs that cannot easily be reduced. He stated however, many expenditures are tied directly to the General Fund. He stated that when department heads are told, "This is your annual budget," they naturally begin operating within that amount. He stated that much of that spending is tied to staffing. He stated that at the school level, staffing is somewhat easier to manage because staffing allocations are based on student enrollment. He stated that if a school has a certain number of students, it receives a corresponding number of teachers and support staff. He stated that at the district level, however, the process is much more complicated. He stated that for example, we have asked Mr. Bryant in Transportation to identify exactly how many bus drivers, mechanics, and other employees are required to operate his department so we can accurately assign personnel costs and determine the true cost of operations. He stated that once departments have unrestricted access to their full annual budgets, spending naturally occurs throughout the year. He stated that then, if the State reduces our funding by $1.4 million during the third FEFP calculation because of declining enrollment, we are forced to make adjustments after those commitments have already been made. He stated that at that point, our only real option would be to come before the Board and begin reducing staff, and none of us wants to be in that position. He stated that our goal is to stay ahead of the problem by aligning staffing levels with actual student enrollment and class-size requirements. He stated that historically, we've operated with more flexibility because of the unique needs of our students. He stated that our students require additional services and support that many other districts do not face. He stated however, we can no longer afford to operate with excess staffing. He stated that every department—both at the school level and at the District Office—has been asked to reduce where possible. He stated that the Board has expressed a desire to avoid reducing personnel during the 2027-2028 school year except through normal attrition. He stated that while that remains our goal, we cannot guarantee it if financial conditions do not allow us to maintain positions that are no longer sustainable. Mr. Scott stated that earlier you mentioned that the high school lost approximately 200 students. He stated that by January, were we aware that those students were no longer enrolled? Mr. Key stated yes, those positions were never filled. He stated that at the beginning of the school year, staffing allocations were based on approximately 1,000 students, using prior enrollment data. He stated that as enrollment declined to roughly 800 to 900 students, we left vacant positions unfilled. He stated that in December, principals were instructed to reassign existing teachers to cover vacancies rather than hiring additional employees. He stated that direction was communicated through both meetings and written correspondence. Mr. Scott stated that so, in other words, we were not going to allow additional hiring. Mr. Key stated that correct, some of our funding calculations are based on students who ultimately never attend our schools. He stated that while we know there will be some enrollment changes in advance, we don't always know the full impact until later. He stated that because of that uncertainty, we sometimes have to budget conservatively for anticipated enrollment losses. Ms. Hannigon stated that she wanted to continue the discussion that Mr. Scott and Mr. Key started. She stated that she understands that salaries and staffing are the largest expenditures, and no disrespect is intended, but staffing seems to become the default answer whenever we discuss budget challenges. She stated that several months ago, when we first discussed the projected deficit, she asked whether enrollment projections could have been used to make earlier budget adjustments. She stated that while we continue talking about staffing, we've also heard that many vacant positions were never filled. She stated that since FEFP funding supports much more than salaries, shouldn't we be having a broader discussion? Shouldn't we examine every area where District funds are being spent to determine where additional savings could be achieved? She stated that she recognizes that salaries are the largest expense in virtually every organization, whether public, private, or nonprofit. She stated however, expenditures occur across every department. She stated that if our focus remains solely on staffing, she believes we risk missing opportunities to improve our financial position in other areas. Mrs. Bruner stated that she agrees. She stated that one area we've already begun reviewing is our software systems and long-term service agreements. She stated that many of these contracts automatically renew unless notice is provided six to nine months in advance. She stated that during the past year, we've been evaluating each system to determine whether it remains necessary. She stated that some software is required by the State, while other subscriptions may no longer be needed. She stated that we're also reviewing renewal dates, cancellation provisions, and whether contracts require Board approval based on their dollar amounts. She stated that the challenge is that we've spent much of our time correcting historical financial issues. She stated that in a stable finance office, much of that work is already complete, allowing staff to focus on financial analysis and contract management. She stated that right now, we're still rebuilding our processes. She stated that when she speaks with other Chief Financial Officers and staff at the Department of Education, they recognize that restoring our financial systems will take several years. She stated that we expect to make continuous improvements each year rather than correcting everything overnight. She stated that our departments have already begun reviewing their software subscriptions, purchase orders, and contracts to determine what can be reduced, eliminated, renewed, or brought before the Board at the appropriate time. Ms. Hannigon stated that at what point does the Board receive information about the effectiveness of these contracts? She stated that when grants are awarded, they include required deliverables and performance measures. She stated that currently, when contracts come before us, we generally receive a cover sheet identifying the funding source and total cost along with the contract itself. She stated that what we don't receive is information showing whether the program is producing results. She stated that if the contract serves students or staff, how many individuals benefited? What measurable outcomes were achieved? What return did the District receive on its investment? She stated that having that information would help me make better-informed decisions when voting on contracts. She stated that leads her to another question regarding Class Wallet. She wanted to know does the District compensate Class Wallet for the services they provide? Mrs. Bruner stated yes. Ms. Hannigon stated that in light of the August 10 implementation date you mentioned, she believes the fact that we are paying for the service should be enough reason to ensure our teachers receive their classroom supply funds by August 1. Mrs. Bruner stated that the State now pays the majority of the Class Wallet cost. She stated that the only portion the District pays is the optional Amazon integration. She stated that if we eliminated Amazon access, the program would cost the District nothing. Mr. Key stated that the use of Class Wallet itself is now required by the State for every school district. He stated that previously, districts could issue teachers a $300 classroom supply payment directly. He stated that the State has changed that process. He stated that now, if districts wish to distribute those funds, they must do so through Class Wallet. He stated that the only optional feature we pay for is Amazon access because many of our teachers rely on Amazon for classroom purchases. He stated that so, while I understand your concern, the State now mandates the use of Class Wallet. Ms. Hannigon stated that regarding Mr. Frost's earlier question about FEFP funding, she has to acknowledge that she is somewhat limited in answering because she has never been provided a complete departmental operating budget. She stated that she can't review Human Resources' detailed budget or Transportation's line-item budget.

She stated however, based on the information available, FEFP funds can be used for basic K-12 operations, including teacher salaries, classroom supplies, school administration, supplemental instruction, tutoring, mentoring, summer school, class-size reduction, reading and math intervention, school safety, school resource officers, suicide prevention, bullying prevention, she stated that Exceptional Student Education services, digital classrooms, and school choice programs. She stated that because FEFP supports so many functions, she doesn't think our discussion should focus solely on staffing. Mrs. Bruner stated that she wanted to clarify one point. She stated that she did not say departments would only spend the revenues they individually receive. She stated that Transportation, for example, does not receive transportation-specific revenue. She stated that the District receives one overall pool of funding, and then we allocate those dollars through the budget. She stated that each summer, the Board approves a detailed tentative budget that allocates funding across categories such as transportation, maintenance, operations, and other functions. She stated that those accounting categories are required by the State, even though departments do not operate exactly that way on a day-to-day basis. She stated that as a result, our financial system has to cross-reference those allocations internally. She stated that our review process begins with purchase orders, contracts, and agreements. She stated that naturally, salaries and benefits are our first priority because they represent approximately 85 percent of the District's budget. She stated that leaves relatively little flexibility in the remaining expenditures. She stated that after that, we examine areas such as transportation and maintenance to determine whether adjustments can be made. She stated that for example, we may evaluate whether the number of bus drivers, bus aides, substitutes, or other positions appropriately matches student transportation needs. She stated that those are detailed operational decisions that department heads may not routinely analyze because they are focused on meeting immediate operational needs—repairing facilities, maintaining buses, addressing air conditioning failures, and keeping schools operating. She stated that those broader financial conversations need to occur much earlier in the budget process. She stated that we also have recurring contracts that automatically renew because cancellation deadlines have already passed. She stated that in some cases, neither Finance nor the departments had complete information about those agreements. She stated that our responsibility now is to research every contract, understand renewal and cancellation provisions, and ensure future decisions are made with complete information. Ms. Hannigon stated that just so she understands correctly, could you restate the District's spending approach moving forward? Mrs. Bruner stated that each July, the Board adopts a tentative budget, which is finalized in September. She stated that as revenues are received throughout the year, departments will only be authorized to spend based on the percentage of revenues the District has actually collected in relation to the adopted budget.

3. Facilities Update

Mr. Hudson stated he had a brief video to share showing the newly restored track at Gadsden County High School. The Board viewed footage of the restored track and expressed their satisfaction with the completed project. The Board agreed that the restoration allows Gadsden County High School to once again host track meets and Special Olympics events.

Allstate Construction Update
Presenter: Mr. Chris Marshall, Senior Project Manager, Allstate Construction
Mr. Chris Marshall, Senior Project Manager with Allstate Construction, shared with the Board members this month's project update. He stated that although we missed last month's meeting, he will provide a summary of the progress made from May through the present.

Site Work Progress
- All building pads have been completed.
- Foundation construction is underway.
- Construction has begun on the new bus loop along the former Second Street, which will provide campus access for school buses.
- Storm water infrastructure is substantially complete for this phase of the project. Additional utility and storm water work will begin after the demolition of the existing James A. Shanks campus, where the new parking lot will be constructed.
- The Central Utility Plant, which will house the school's electrical and mechanical systems, has been erected and is now under roof. Interior and exterior work continues, with roofing activities scheduled to conclude on Monday.

Building Area, A – Cafeteria, Innovation Center, and Administration Wing

Construction of Building Area A continues to progress.

- Foundations for the Cafeteria, Innovation Center, and Administration Wing are underway.
- Underground plumbing and electrical rough-ins are in progress.
- The central, high-roof section of the Cafeteria will be the first portion of the structure to rise above ground.
- Construction will then continue with the kitchen area on the west side, restroom corridors on the east side, the Innovation Center, and finally the one-story Administration Wing.

Building Areas B and C – Classroom Wings

Progress also continues on the two primary classroom wings.

Building Area B

- Foundations are complete.
- Foundation block installation is underway.
- Underground plumbing and electrical work is substantially complete.

Building Area C

- Foundations and underground utilities are substantially complete.
- Preparations are underway for slab-on-grade concrete placement later this month.

As work advances, significant vertical construction will become increasingly visible on the north side of the campus.

Upcoming Milestone Activities

Building Area A1 – Cafeteria

- Structural steel, joists, and decking – September 2026
- Roofing **– October 2026**
- Mechanical, Electrical, and Plumbing (MEP) rough-in – October 2026
- Storefront installation – November 2026
- Building dry-in – December 2026

Building Area A2 – Innovation Center and Administration Wing

- Structural steel (second floor) – September 2026
- Second-floor deck placement – October 2026
- Joists and decking – November 2026
- Roofing – December 2026
- First-floor overhead rough-in – November 2026
- Second-floor overhead rough-in – December 2026
- Storefront installation – December 2026
- Building dry-in – January 2027

Mr. Marshall stated that one primary construction focus remains Building Areas A1 and A2, which include the Cafeteria, Innovation Center, and Administration Wing. He stated that these are the most complex components of the project and require the greatest amount of construction time; therefore, they have been prioritized. He stated that despite the significant rainfall experienced over the past several weeks, foundation work continues to progress throughout the site. He stated that following the end of the school year, asbestos abatement began immediately after faculty vacated the campus on May 29. He stated that the abatement process has continued for approximately one month and is expected to be completed this week. He stated that beginning July 6, the demolition contractor will mobilize and begin demolition of the existing James A. Shanks school buildings. He stated that residents and stakeholders may stay informed about the progress of the new K–8 School by visiting the district's New K–8 School webpage.
https://www.gadsdenschools.org/newk8school

4. Educational Items by the Superintendent

   None.

5. School Board Requests and Concerns

   None.

6. The workshop adjourned at 5:58 P.M.