

SCHOOL BOARD FINANCIAL WORKSHOP

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

April 28, 2026

4:30 P.M.

This workshop was open to the public and electronically recorded.

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

1. Call To Order

The workshop was called to order by the Chairman, Mr. Leroy McMillan, at 4:30 p.m.

2. Financial Information

- 2026 – 03 Board Revenue Summary Report
- 2026 – 03 Board Expenditure Summary Report

Mrs. Bruner shared with the Board the following updates: FSBIT SPRING MEETING

- a. The FSBIT Spring Meeting was held March 21-24 to review insurance renewal information as well as educational session roof, vacant property, the advantages of insurance polling, contracts and insurance framework, investment strategies, the current market conditions, legal issues impacting school district, artificial intelligence and its role in cyber risk, and a legislative update.
 - b. There will be a cost saving from the prior year. The amount of savings will depend on the level of optional coverage the Distract is willing to continue or obtain.
 - c. DRAFT rates are attached for review. Rates for 2026-2027 will be addressed at a Special Board meeting in early May. The draft of the rates was given to the CFO on April 23rd: however, there are additional cost savings that need to be applied.
- HURRICANE MICHAEL/FEMA UPDATE
Revised figures will be given at a later meeting with potential Board approvals needed; how significant progress is being made.
 - TSIA funding will be separate payroll run but will be paid by April 30, 2026
 - Budget planning documents are still in the development process
 - a. The Finance Department is requesting a special Board Meeting to address this along with other financial issues.
 - CURRENT FINANCIAL SITUATION
 - a. We are still working with the Auditor General to close FY 2024-25. We are projecting to fall below 3% in the General Fund balance
 - b. We are working to find solutions to adjust for the loss of funding from the FDOE third calculation to try to prevent falling below 3% in the General Fund balance for FY 2025-26
 - c. Working on staffing plan which requires a decision on the transfer of James A. Shanks Middle School students to complete.

Mrs. Bruner stated that we did have our spring meeting with FSBIT (Florida School Boards Insurance Trust). She stated that she attached a copy of the update that FSBIT produced, as well as a draft of what our current renewal looks like. She

stated that the positive news, we are getting a reduction in the cost of our insurance on both the casualty loss side and on the property premium side. She stated that the area at the very bottom under the grand total says excess liability additional limits. She stated that previously we opted for the additional 2 million limit and the premium for that from 2025 – 2026 to 2026 – 2027 will be an increase of \$1836. She stated that the Board obviously has the option not to pursue any additional limits and then it would just be those amounts on the grand total line. She stated that there has been a savings on the Alliant fees and the FSBIT fees. She stated that is not on this spreadsheet and this is a draft. She stated that we were notified that there's new coverage, sexual abuse and molestation SAM coverage, it's an additional 25,000 unless every district in FSBIT opts to take the additional coverage. She stated that if so, then it'll be a much cheaper cost because we're all taking it. She stated that we're projecting a savings of 101,000 over the prior year. She stated that if the additional SAM is added to that, it could be a little bit less. She stated that if we were to pick up the excess liabilities, there will be an increase. She stated that overall, not having hurricanes or any weather events really helped us this past year. She stated that when we had the Hurricane Michael update, she didn't have the figures finalized, but we will have that soon. She stated that there were some directions that we were given by the Florida Department of Emergency Management Services that will change some of those projects that we had listed, and there was one that our consultants based on their prior experience. She stated that we are going to be in a agree to disagree with the State on it, that we think that they don't have a full understanding of what it was we were presenting and based on their experience, they've not seen FEMA deny it. She stated that we're going to put it through and see if we can't get it approved. She stated that the Teacher Salary Increase Allocation (TSIA). She stated that payroll was run today, so that is prepared to hit everyone's bank accounts on the 30th. She stated that the TSIA funding will be a separate payroll run and we're hoping to get that to hit people's banks by the 30th. She stated that with the budget planning, we still have documents that are needed to develop for that. She stated that we are in the process of still getting information from the departments. Ms. Hannigon stated that in reference to the statement Mrs. Bruner made earlier, we know scholarship students are costing us \$6 million. She wanted an explanation of the scholarship students and the cost. Mrs. Bruner stated that the statement was from the documents presented at the last board meeting, the special board meeting. She stated that the information was run from the third calculation and it tells us exactly how much of our FEFP funding is going to that scholarship fund. She stated that when we looked at what we received from DOE at the beginning of the school year to now, those estimates were close. She stated that now we are realizing that it is costing us \$6,000,000, but the State had already told us that. Ms. Hannigon stated that the reason why she asked was because we have staff and board member conversations, but for the general public to hear such a statement, it's like what exactly does that mean. Mrs. Bruner stated that does not include the charter school and that does not include private schools, which are two separate categories but the scholarships is the largest and over \$6,000,000. Ms. Hannigon stated that they are working on the staffing plans, which requires decision on transfers, and how soon do we see that being completed. Mrs. Bruner stated that as soon as the recommendation is brought before the Board and approves it or makes a decision then we'll update because we have one in draft right now. Ms. Hannigon stated that she would like to know where we are and how are we with the teacher supplies. Mrs. Bruner stated that it all depends on who is recommended back. She stated that we will be able to allocate everything once the recommendations and staffing plans are completed. She stated that the payments for teacher supplies will start June 1, 2026 – until September 1, 2026. Ms. Hannigon stated that everything should be on time this year. Mr. Key stated that the State actually adopted class wallet and so that is their model throughout the State of Florida. He stated that we didn't have to pay for class wallet this year because that is what the State want everybody to use. He stated that class wallet will already be in place for teachers to receive their monies as they are approved to come back. Ms. Hannigon stated that she needed more information on the budget. She stated that she had a conversation with the Superintendent following our last meeting that proved to be very informative for me from the financial side. She stated that he shared with her the impression that her statement given was that she was requesting a process that really did not make sense. She stated that for the record that the idea she was suggesting that we as a Board develop a budget was nowhere near what she was communicating from her seat on the municipal and county level. She stated that duty is left to the CEO and the finance director and the department heads. She stated that after that development happens, then the tentative budget is brought to the Board for review, changes, and so forth. She stated that then the Board will move forward to actually adopting a budget.

3. Facilities Update

Mr. Key stated that Mr. Hudson was out of town with family. He stated that Allstate representatives will give the Board an update on the new K-8 school.

Mr. Andrew Wellman with Allstate Construction, Vice President of Operations, Mr. Chris Marshall, Senior Project Manager, and Mr. Steve Wood, Project Superintendent, shared with the Board an update on the new K-8 school. Allstate representatives thanked the Board for allowing them to come and provide an update on the new K-8 school, similar to what we did a month ago. Mr. Wellman stated that they were here at the end of March and shared an update

from when we started mid-January up to that point. He stated that there were a few folks at the steering committee meeting just a few weeks ago that was held at George Monroe Elementary School. He shared some good aerial photos from the last couple of weeks capturing the month of April. He stated that as of to date all of the building paths have been constructed. He stated that the architect has designed all of the building sections. He stated that most of the site grading for the parts of the site that are available to us, which would be West of the existing campus are well completed. He stated that the construction of the new bus loop road, which was Cleveland Street, is underway. He stated that we are going to start stabilizing that road for the first lift of asphalt here in the next couple of weeks. He stated that we are starting to put down storm water piping and structures. He stated that some pretty significant progress has been made over the last six to eight weeks. He stated that work would continue through the summer and into the fall, once that new front parking lot is available, when the school is demolished. He stated that the site utility work just started for the domestic water, the fire service and all the sanitary sewer. He stated that the work for the underground, Cannibal the chilled water and heating hot water piping systems, the central utility plant as we call the cup has begun. He stated that the structure inside the turnaround area of the bus loop, which houses primarily all of the main heating and cooling equipment and components of the electrical equipment for the campus. He stated that the slab will be poured tomorrow (April 29th). He stated that on Thursday (April 30th) the roof structure, and the steel joist and deck will start in the middle of May, followed by the new things, which will start in the beginning of June, the cafeteria, which is building section A1. He stated that the foundations for that building will start in just a couple of weeks. He stated that the layout for the foundations will happen Monday, May 4th and then the same kind of sequence will follow with the masonry stem wall and the underground rough end up to the slab on the grade placement, and then area C that is the most northern 2 classroom wings. He stated that about 35 or 40% of the foundations have been placed in there. He stated that the underground plumbing rough end is done in one of the building sections. He stated that they're moving over to the other building section now. He stated that the concrete crews and plumbers will kind of flip flop. He stated that this is pretty much everything I just described from the last time we presented at the end of March through the 1st of June. He stated that they are on track and the keys should be handed over to them and looking to do demolition on June 1, 2026. Mr. Frost stated that between the time school is out into the demolitions, it is almost a month and a half. Mr. Marshall (Allstate) stated that we have the abatement, asbestos abatement that has to occur before the demolition can start. Ms. Hannigon stated that with that being in mind about asbestos, what is the approach regarding the gymnasium? Mr. Marshall (Allstate) wanted to know if Ms. Hannigon was asking if there's asbestos abatement in the gymnasium, He stated that they won't be starting that right now, we'll be starting it when that part of the project is funded but when we do renovate the gymnasium, that will be the first step to take out the asbestos abatement. He stated that all of those hazardous materials will be removed as part of the renovation and that's already a part of the report that you mentioned. He continued to show slides of the grounds. He stated that progress has been made in the past month. He stated that information will be posted on the New K-8 School District website link at <https://www.gadsschools.org/newk8school>. Ms. Hannigon stated that the Superintendent mentioned May 22nd and May 29th, and then July 6th for demolition. She wanted to know what the exit plan looked like for staff and everything else. Mr. Key stated that there are things actually already in place that has been coordinated by maintenance, Dr. Jackson, Steve Wood (Allstate), and the principal. He stated that he would let Dr. Jackson give more details on that. He stated that there are some deadlines that he knows the school has already had with books, and computers. He stated that the technology department has already been picking things up that are not needed for testing. Dr. Sylvia Jackson stated that the target date is to turn the James A. Shanks campus over to Allstate on May 29th. She stated that the district's IT, maintenance and academic service staff are working together to coordinate based on when grades are due. She stated that the actual teaching staff and staff would have the resources they need to pack up and move their personal items and district equipment out. She stated that basically our 11 month and 12 month employees will be relocated. She stated that it has been confirmed that the target date to turn over the James A. Shanks site to Allstate and CSI on May 29, 2026. Mr. Key stated that there are some deadlines that have been given to the school that they are abiding by and already started their process.

4. Educational Items by the Superintendent

None.

5. School Board Requests and Concerns

None.

6. The workshop adjourned at 5:09 p.m.