

SCHOOL BOARD FINANCIAL WORKSHOP

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

December 16, 2025

4:30 P.M.

The workshop 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. Hannigan; 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 workshop was called to order by the Chairman, Mr. Leroy McMillan, at 4:32 p.m.

2. Financial Information

• 2025 – 11 Board Expenditure Summary Report

Mrs. Bruner stated that the district submitted the ESE 348 portion of the Annual Financial Report (AFR) to the State last week. She stated that FDOE has reviewed it and did not find any errors. She stated that the calculation for the fund balance percentage unassigned fund balance was shown in Exhibit K-1 Page 3 of DOE 384 divided by the total revenues in Exhibit K-1 Page 1. She stated that the unassigned fund balance was $\$1,320,009.50 \div \text{revenues } \$43,963,323.60$. She stated that the cost report is still in progress and does not impact the fund balance. She stated that the December payroll was scheduled for Tuesday, December 23rd. She stated that the timesheets are due December 12th. She stated that invoices received by noon on Monday, December 15th would have checks printed on Friday, December 19th. She stated that invoices received by noon Wednesday, December 17th will have checks printed on Monday, December 22nd. She stated that invoices received in the week of December 22nd through noon on Monday, January 5th will be printed on Friday, January 9, 2026. She stated that the revenue report is not available. She stated that Ms. Hackley, the new Assistant Finance Director, was still in training. She stated that Ms. Hackley has been working on the cost report to be submitted to DOE. She stated that she was hopeful that by the January Board meeting we will have it caught up. She stated that was the piece that DOE needed to finish their report. She stated that the information listed was about all the findings and corrections for the AFR (Annual Financial Report), and the fund balance of Gadsden County School District was the portion the State wanted the district to submit.

Mr. McMillan stated that he was a part of the exit audit for the operations of the district. He stated that the audit went quite well, and he was happy with the findings. He stated that they were told about the AFR. He stated that the average person cannot take that documentation and know what it's about, it is very complicated. Mrs. Bruner explained information about grants, revenues and expenditures, and how it effects the district's fund balance. Mr. McMillan wanted to know whether the federal grants have an effect on the budget. Mrs. Bruner responded yes, because we have federal grants that cover certain things. She stated that the district has noticed that within the last two AFR reports, the percentage allocated for benefits has been underreported. She stated that any of those benefits that go over the grant now must come from general funds. She stated that a piece of the unanticipated general fund expenses is eating into the general fund. Mr. McMillan stated that the grant writer needs to be a bit more detailed and get what's needed when the grant is written. He stated that we are not coming out of the general fund without having to supplement something grant funded. Mrs. Bruner stated, now that we have identified this, we would be able to go to each of the grants and show the actual

employees what their total costs are and recommend what to put in the grant for the next year. She stated that December is the perfect time to get ahead of that before next year's grants open. She stated that we are going to have to absorb those costs for the current year. Mr. McMillian asked Mrs. Bruner if she was putting something in place for the grant writer prior to the grant application being submitted to know what the cost would be. Mrs. Bruner stated yes, but right now because we're already in a grant cycle year it's going to have to come for the next grant circle. Ms. Hannigan stated to Mrs. Bruner, based on what you are saying, should we be assuming that deficiency of the \$4.1 billion is totally due to what you just mentioned or if there were other causes. Mrs. Bruner stated that was just one example. She stated that she will keep the Board posted as corrections are made and sent to DOE. Ms. Hannigan stated that she did not understand how we can spend it and our departments do not have a budget. She stated that all of our departments, even the Board, should have a budget to know what we can and cannot spend. Mrs. Bruner stated that the problem was playing catch up. She stated that we still have not caught up. She stated that we are functioning as any other finance department in any other district would function. She stated that was the biggest challenge, we still have the day-to-day fires, payroll, and invoices coming in needing to be paid. Mr. Key stated that 80% is budgeting. He stated that faculty and staff as well as other maintenance issues have come about that must be taken care of. He stated that there is no wiggle room around it. He stated that we are going to have to look at staffing and other major issues. He stated that some people will have to be moved around. Ms. Hannigan asked if the Board could have a budget workshop. She stated that there's so much that we need to work through. She stated that we need to prioritize the needs of our district and make some decisions as a Board regarding how we're going to move forward financially. Ms. Johnson stated that when things come before the Board for approval, you are assuring the Board that the funds are available, but now today you are before us telling us how close we are to our reserve. She stated that when we're talking about spending money, those are the conversations I want to hear where we're really at. Mrs. Bruner stated that you're not going to see that looking at the bank accounts. She stated that the fund balance was taken from things that we've had in the past. She stated that when the district went through Hurricane Michael, we had expenses and stuff, but the district didn't always submit the paperwork. She stated that the money was drawn down and that's what depleted some of the district's fund balance. She stated for example, expenses needed should be within the current budget and not exceeding. She stated that Ms. Deborah Young is the budget manager who send reports to the grant writer. She stated that now that the grants have been sorted and reallocated, we can go back into our skyward system and make those changes to prior paychecks and then it will be corrected moving forward. Ms. Johnson stated that a workshop was needed to discuss budgeting. Mr. Frost stated that the Board needed to keep in mind that the majority of the district's money come from students. He stated that when the district start losing students, we lose money. He stated that the numbers are down with student enrollment. He stated that we need to get students to come back to the district. He stated that he wanted to clarify that when things have been brought to the Board, its things that have already been a part or written in the budget. He stated that for example, the amount for the electrical buses that was written in this budget would not be spent this year, because the things for the electric buses will not be completed until the next fiscal year. He stated that the first payment on that really is in 2026, the \$160,000 that was already allocated towards that is not technically being spent unless there's a bus purchased. Ms. Johnson asked Mrs. Bruner if things were getting better with the finance department? Mrs. Bruner stated that because we were so far behind trying to get things caught up, some of the findings that we had when we first started with 23-24 have been corrected. She stated that even though they may show up as a finding in 24-25, we'll get credit for already having corrected it. She stated that the same was with the operational audit from today, we have 10 findings they reviewed with us. She stated that they don't know if all 10 are going to stick, but out of the 10, 8 have already been in progress for correcting or corrected. She stated that there's two that we still have left to get off the ground. She stated that the auditors are great at working with us and telling us as they go along what they see, and what we need to do. She stated that many times it is just because we do not have a procedure in place. She stated that once the procedure is in place, everyone will know how to follow it. She stated yes, a lot of improvement has been seen with the finance department. Ms. Hannigan stated to Mrs. Bruner that going back to what was referenced to some pieces that needed to be corrected. She asked if any of those pieces would affect the district's fund balance once those corrections are made? Mrs. Bruner stated that no, the corrections are charts and graphs that will not change the dollars.

3. Facilities Update

Mr. Hudson stated that there are heating issues at George W. Munroe Elementary School. He stated that at Carter Parramore Academy there are heating issues and a leak has developed. He stated that another leak has developed at Gadsden County High School. He stated that there are heating issues at Gadsden Technical Institute, and at Havana Magnet School in Building 1400. He stated that there are also heating issues in the science building at Greensboro Elementary School. He stated that some of the issues district-wide have been resolved and some are still being worked on.

Mr. Frost appreciated Mr. Hudson and the Superintendent for all their hard work. He stated that everyone must understand that we have old equipment and are constantly patching things up.

Mr. McMillan asked the taxpayers in Gadsden County to please vote to pass the $\frac{1}{2}$ -cent sales tax when it is placed on the ballot for Gadsden County Schools. He stated that the money is needed to improve our schools. He stated that he would attend a meeting at the County Commissions Office regarding the $\frac{1}{2}$ sales tax.

4. Educational Items by the Superintendent

None.

5. School Board Requests and Concerns

None.

6. The workshop adjourned at 5:23 p.m.