

## SPECIAL SCHOOL BOARD MEETING

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

March 10, 2021

10:00 A.M.

This meeting was open to the public and electronically recorded.

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

1. CALL TO ORDER

The meeting was called to order by the Chairman, Mr. Leroy McMillan, at 10:00 a.m.

2. OPENING PRAYER

The opening prayer was led by Mrs. Karema D. Dudley.

3. PLEDGE OF ALLEGIANCE

Recited in unison.

4. ATTORNEY-CLIENT SESSION

Mr. McMillan stated that the attorney requested an attorney-client session to discuss a pending litigation.

The Board recessed the meeting at 10:05 a.m. to convene in an attorney-client session to discuss a pending litigation matter at 10:06 a.m. The Board adjourned the attorney-client session at 10:15 a.m.; and reconvened the special meeting at 10:17 a.m.

5. SETTLEMENT AGREEMENT

a. Gadsden County School Board v. FMIT

Following discussion, Mr. Steve Scott made a motion to accept the Superintendent's recommendation to approve agenda item #5a. The motion was seconded by Ms. Cathy S. Johnson and carried unanimously.

ACTION REQUESTED: The Superintendent recommended approval.

Mr. McMillan stated that discussion was needed on insurance.

Mrs. Wood stated that FSBIT needs reassurance that the district will use the insurance money to repair the buildings that were insured. She stated that there is over \$100,000,000 in property. She presented the Board with a spreadsheet of Hurricane Michael damages and claims.

Mr. McMillan asked if Board members were wanting to go through the list of damages and claims to remove or leave the insurance as is. He stated that if there was another storm and the repairs were not made the insurance will not pay the claim again.

Mrs. Wood suggested to see the claims that have been paid but doesn't feel the district will be able to repair all of them. She stated that she thinks the Board should go through the list of properties and to talk to the insurance company for their guidance.

Mr. Scott Blaser stated that FSBIT is a subpart of the Florida School Boards Association to self-insure. He stated that FSBIT finds the best insurance coverage possible designed specifically for Florida School Boards.

Mr. Hunter stated that FEMA requirement is to lower the amount of money so districts can self-insure. He stated that the schools the Board don't want to stay in are the ones that are in question as to whether to use the money to repair, because some repairs can be made "in-house". He stated that the Board is free to do anything with the insurance money. He stated that new insurance will require repairs. He stated that he is reviewing the scope of work and preparing purchase orders and will put the plans into a spreadsheet for the Board's review.

Mr. McMillan asked to look at property on the document (CPA). He asked what was the listed total insurable value of the building, the amount of damage and the amount of repairs. He stated that in excess of \$1M was received and in order to have a claim for another storm, the repairs must be made recommended by the insurance company.

Mrs. Wood stated that this property should be covered by \$7.1M.

Mr. Hunter questioned whether to spend any money on the property. He stated that the planning committee has just started meeting and will bring information to the Board. He stated that this item could be tabled until the committee can bring more information to allow the Board the tools needed to make a decision.

Mr. Key stated that the time table is a factor because of the May 1<sup>st</sup> insurance renewal date.

Mr. Scott stated that the Board cannot make these decisions without recommendations from the committee.

Mr. Hunter stated that he cannot do much with repairs between now and May which means the full insurance premium must be made. He stated that the Board needs to remove property that cannot be repaired and see if it can be removed from the insurance premium.

Mr. McMillan stated that he isn't qualified to decide which buildings cannot be repaired. He stated that it appears the Board will have to wait on the committee and make payment on the insurance.

Dr. Sylvia Jackson asked if the Board could insure buildings without making repairs and pay additional premiums paid annually to allow ample time to review which buildings can be removed.

Mrs. Wood stated yes, that is what the \$200M appraisal represents.

Mr. Key stated that if there is another hurricane FSBIT will not repair the buildings because the previous damages were not repaired.

Mr. Blaser stated that is a standard clause on all insurance policies. He stated that the recommendation made by the district's adjuster has stated what needs to be replaced.

Dr. Jackson asked if that means the Board has to finish all repairs by May 1<sup>st</sup>.

Mr. Key stated no, the insurance company knows the district just received the money and in good faith we will need time to repair. He stated that the buildings that we are planning on replacing we need to decide whether to use the money on those schools or use it for a better facility. He stated that in that case we would self-insure those buildings because it is only the buildings that have been damaged on a campus and not all buildings need repairs so they would be covered by insurance. He asked if the buildings that are going to be repaired will be completed by May 1<sup>st</sup>, or if not will a schedule be provided of when the repairs will be completed.

Mr. Blaser stated that as soon as progress is done FSBIT can lobby the insurance companies to let them know the district is trying to repair the buildings. He stated that there would need to be a projection/plan as to when the repairs will be done.

Dr. Jackson stated that as long as we have a "good faith" schedule of repairs on those other buildings the district will be good.

In response to Mrs. Wood's question regarding the items that the district wants to take off the schedule can they totally be removed from the property insurance and not cover them, Mr. Blaser stated to let him know which buildings the district does not want to insure so he can go to the insurance company prior to May 1<sup>st</sup> as leverage to look at the properties and possible reduce contributions to the Trust.

In response to Mr. McMillan's question if Gretna Elementary was removed entirely would the district's liability insurance be dropped, Mr. Blaser stated no and that all the buildings will still be covered under liability.

Dr. Jackson asked for clarity if the Board could go through each building on the list and decide which buildings not to insure on a campus but still insure other buildings on that campus, Mr. Blaser said yes that was correct.

Mr. McMillan asked if the Board wants to remove buildings now or wait for the committee. He stated that at the next Board meeting Gretna will be disposed so we may want to go ahead and pull Gretna from the list.

Mrs. Dudley asked that the Board wait on a recommendation from the facilities planning committee before making a decision.

Mr. Key stated that he thinks the Board should just wait until the committee provides a recommendation. He stated that way the Board can insure buildings with the understanding that there will be no re-insurance without repairs.

Mr. Hunter stated that there is a question as to whether Shanks Middle School, George W. Munroe, Gadsden Elementary Magnet School, Carter Parramore Academy, Stewart Street Elementary and Gretna Elementary should be pulled because we can't repair them and self-insure them.

Mrs. Wood explained that self-insurance is taking the money you receive and restrict it for repairs only. She stated that by resolution self-insurance funds are only to be used for repairing buildings that have been removed from the insurance list, it will restrict the cash.

Mrs. Dudley stated that the Board is assuming the risk if there is no insurance but the money will be there if needed.

Mr. Key recommended the removal of 6 campuses (Shanks Middle School, George W. Munroe, Gadsden Elementary Magnet School, Carter Parramore Academy, Stewart Street Elementary and Gretna Elementary) off the insurance list where no repairs will be done and restrict those funds.

Mrs. Karema D. Dudley made a motion to accept the Superintendent's recommendation to remove George W. Munroe, Carter Parramore Academy, Stewart Street Elementary, Shanks Middle School, Gadsden Elementary Magnet School, and Gretna from the property insurance coverage list.

Mr. Scott questioned whether the complete campuses were being removed or just buildings so do that mean the entire campus is self-insured.

Mr. Hunter asked if FEMA required a certain amount of money and what was the Board self-insuring.

Mr. Blaser stated that he needed a spreadsheet showing the individual buildings that needed to be removed from being insured. He stated that any of the buildings that have not been damaged should be listed under the adjuster and remain insured. He stated that for example 631 S Stewart St lists buildings specific towards structures. He stated that individual buildings should be identified the same way instead of as a campus.

Mr. Key changed his recommendation to take off buildings at George W. Munroe Elementary, Gadsden Elementary Magnet School, Carter Parramore Academy, Stewart Street Elementary, and Shanks Middle School that have not been repaired, and remove Gretna Elementary completely from the insurance list.

Mr. Hunter stated that he will share with the Board a list of buildings to be removed so it can be submitted to the insurance company.

In response to Ms. Johnson's concern about if the Board decided to keep one of the buildings could we go back and reinsure, Mr. McMillan stated yes after repairs have been made.

Mrs. Karema D. Dudley made a motion to accept the Superintendent's recommendation to take off buildings at George W. Munroe Elementary, Gadsden Elementary Magnet School, Carter Parramore Academy, Stewart Street Elementary, and Shanks Middle School that have not been repaired and remove Gretna Elementary completely from the insurance list. The motion was seconded by Mr. Leroy McMillan.

Mrs. Wood pointed out that even if the buildings were left on the insurance list that FSBIT would not pay because the buildings were not repaired. She stated that this vote doesn't change any future repairs.

The vote approved unanimously.

Mr. McMillan stated that Mrs. Wood will need to provide information for the resolution to include the insurance settlement that was approved in the Board meeting earlier.

Mr. Steve Scott made a motion to put the insurance settlement aside for self-insurance purposes. The motion was seconded by Mrs. Karema D. Dudley and carried unanimously.

6. EDUCATIONAL ITEMS BY THE SUPERINTENDENT

Mr. Key stated that the use of facilities has been restricted by the Board. He stated that he has received a facility request to use the football field for a funeral service. He stated that he has denied all indoor requests, but there was an event at a school parking lot that he was not aware of. He stated that he wants to know the desires of the Board for outside use of facilities. He recommended that all indoor use be restricted for facilities use but allow the use of the outside.

Mrs. Vicki Johnson stated the Family & Community Engagement Center constantly get requests for use of facilities.

Mr. McMillan stated that everything must be done across the Board so it is the same in all facilities. He stated that use of the outside is permitted but not indoor facilities.

Mr. Key asked the Board to think about getting the Gadsden Elementary Magnet students out of that location because of the safety of students and handicap accessibility.

Mr. McMillan stated that George W. Munroe Elementary have 10 classrooms that could be made available to Gadsden Elementary Magnet School students according to Dr. Peterson. He stated that he is in agreement to remove students from Gadsden Elementary Magnet School.

Mr. Key asked what can be done differently at Carter Parramore Academy and Gadsden Central. He stated that there are 120 students and 40 employees. He stated that there are about 23 individuals that have applied to the Assistant Principal pool and not even 5 are in the county. He stated that he is satisfied with the applicant's credentials. He stated that he hopes to expand this in the future. He asked Mr. Hunter what it would cost for the district to purchase paint and have volunteers or teachers paint their own classroom to brighten up the schools.

7. SCHOOL BOARD REQUESTS AND CONCERNS

Mr. McMillan stated that there are mortgages on Chattahoochee High School and Old Greensboro Elementary School that require insurance. He stated that the owners are not carrying the insurance. He stated that he wants to see that insurance payments are being made. He stated that he received a call about reducing a mortgage payment. He stated that he doesn't think the Board should have mortgages or reduce payments. He stated that foreclosure should take place if mortgages are not being paid. He stated that he wants an employee to be assigned the task of keeping and tracking outstanding mortgages and share information with the Board.

8. The meeting adjourned at 11:50 a.m.