

Update on Insurance Coverage: Robert Rutter, Attorney, Rutter & Rusin

- Mr. Rutter, who has 30 years of experience in his field, shared information on the District's insurance coverage. So far, he has reviewed the property section of the District's policy. He shared a chart that sets forth our major coverages available. Mr. Rutter explained that at first glance, our policy looks to be adequate.
- Mr. Rutter explained that once the District classifies damages by category, then the District can be paid by our insurer, Argonaut Insurance Company. He added that the goal is to maximize coverage so that we can maximize what insurance pays.
- Mr. Rutter explained that the measure of damages is not the cost to rebuild, but the cost to rebuild the school as it was. The damages are set by the damage costs to the existing structure.
- Mr. Rutter also explained that this process typically involves many rounds of negotiations and that policies are designed to pay out in two steps: replacement cost (which applies to the cost associated with replacing a value) and actual cash value of an item (which applies to items not selected for replacement).
- District Treasurer Bryan Christman reported that Argonaut has paid a \$975K advance to pay vendors.
- Dr. Wilkins reported that our disaster recovery team will need an additional 2-3 weeks for complete debris removal.