

THE SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

RISK MANAGEMENT / HUMAN RESOURCES DEPARTMENT

M_E_M_O_R_A_N_D_U_M

TO: Allison Foster Executive Director of Human Resources

FROM: Lynn Peterson, Supervisor of Risk Management

DATE: April 21, 2022

SUBJECT: Third Party Liability Claims Adjusting Services

The district agreement with *Johns Eastern Company, Inc.*, (Johns Eastern) for claims adjusting services will reach the end of the three (3) year rate guarantee on June 30, 2022. Johns Eastern has agreed to provide the district with another three (3) year rate guarantee to provide claims adjusting services for our self-funded general and auto liability programs. The new rate guarantee will be for the period July 1, 2022 through June 30, 2025. All other terms and conditions of the existing service agreement will remain the same. The following is a summary of the expiring Johns Eastern assignment fees and cost:

Auto Liability Assignments, as of 4/21/2022

Claim Period	Claim Assignments	Johns Eastern Fee	Total Cost
2019-2020	11	\$1,002	\$11,022
2020-2021	6	\$1,022	\$6,132
2021-2022	8	\$1,042	\$8,336
Totals	25		\$25,490

General Liability Assignments, as of 4/21/2022

Claim Period	Claim Assignments	Johns Eastern Fee	Total Cost
2019-2020	14	\$1,002	\$14,028
2020-2021	9	\$1,022	\$9,198
2021-2022	7	\$1,042	\$7,294
Totals	30		\$30,520

RENEWAL

The new assignment fee structure calls for a 0% increase the first year. There will be a 3% increase for each year after that. The assignment fee is per occurrence, regardless of the number of claims included in the assignment. The proposed fees are as follows:

Claim Period	Auto Liability Fee	General Liability Fee
2022-2023	\$1,042	\$1,042
2023-2024	\$1,073	\$1,073
2024-2025	\$1,105	\$1,105

RECOMMENDATION

The agreement grants the district the right to cancel at anytime with 90 days notice without penalty or additional cost. The total cost of the agreement is driven by the number of assignments we make to Johns Eastern. There is no minimum or maximum number of assignments called for in the agreement.

I strongly recommend that the district renew its agreement with Johns Eastern Company, Inc. Johns Eastern has a depth of knowledge and experience with the Florida Sovereign Immunity Law and Florida governmental entities in general. They have been highly dependable, professional and timely with their reporting. They have been a major factor in the savings the district has realized by self-funding its Auto Liability and General Liability programs.

If you have any questions or need additional information, please let me know.

Attachment (1)



JOHNS EASTERN

Claim Adjusters & Third Party Administrators

ADDENDUM NUMBER VI **AGREEMENT FOR CLAIMS ADMINISTRATION AND RELATED SERVICES FOR** **THIRD PARTY LIABILITY**

This is the Sixth Addendum to the Agreement entered into between Johns Eastern Company, Inc., hereinafter referred to as the "Service Agent", and Sarasota County School Board, hereinafter referred to as the "Employer", dated the 17th day of March, 1998.

This Addendum affects the Service Agent's the remuneration to be paid by the Employer to the Service Agent for the handling of claims assigned between July 1, 2022 and June 30, 2025.

Claims Administration and Related Fees

1. Claims administrations fees shall be billed following receipt of the claims assignment.
2. Claims related expenses shall be billed monthly.
3. Service Agent has guaranteed the rates for three years at the rate set forth in Claims Administration and related Fees as adjusted annually provided herein.
4. For the purpose of billing claims adjusting and administrative fees, a claim is defined as all losses arising from a single accident at a single location.

Claims Administration and Related Fees

<u>Type of Claim</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
Automobile (includes all claims arising out of one occurrence)	\$1,042.00	\$1,073.00	\$1,105.00

<u>Type of Claims</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
General Liability (includes all claims arising out of one occurrence)	\$1,042.00	\$1,073.00	\$1,105.00

*Fees include salaries, benefits, educations costs (including travel), overhead and profit.

Reimbursable Expense – Sarasota County School Board has the right and option to select outside vendors of its choice. No reimbursable expense will be borne without prior approval by the School Board.

Surveillance/investigation: Not to exceed \$75 per hour (inclusive of mileage and tax.)

All items purchased from reimbursable expenses become the property of Sarasota County School Board upon termination of this Agreement. All reimbursable expenses shall be reimbursed at cost, only. Reimbursable expenses shall mean the actual cost, as authorized by the Sarasota County School Board, reasonably incurred by the Service Agent directly in connection with the Service Agent's performance of this Agreement.

All other terms and conditions of the original contract remain unchanged.

IN WITNESS WHEREOF, the parties have executed this Agreement effective for all purposes as of July 1, 2022.

WITNESSES:


WITNESSES:





SARASOTA COUNTY SCHOOL BOARD

JOHNS EASTERN COMPANY, INC.



Beverly Adkins, AIC, AIM
Executive Vice President