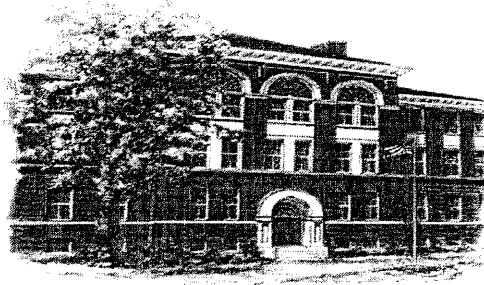


G. NEW BUSINESS  
1.

JEAN BRIGGS BADGER  
Superintendent

MICHAEL LIMANNI  
Business Administrator



SCHOOL ADMINISTRATIVE UNIT #11  
McCONNELL CENTER  
61 LOCUST STREET SUITE 409  
DOVER, NEW HAMPSHIRE 03820-4132  
TEL (603) 516-6800  
FAX (603) 516-6809

## THE DOVER SCHOOL DISTRICT

TO: Jean Briggs Badger, Superintendent of Schools

CC: Members Dover School Board

FROM: Michael Limanni, Business Administrator

DATE: April 29, 2013

RE: Request to Enter into Multi-Year Discount Program Agreement (2016) with Primex<sup>3</sup>

We have received an offer from Primex<sup>3</sup> – NH Public Risk Management Exchange, to extend our participating agreement for Property and Liability coverage through June 30, 2016. The District will agree to renew with Primex for the following fiscal year (July 1, 2013/June 2014) with an 18.2% contribution increase (see attached) as well as for FY15 (July 1, 2014/June 2015) - maximum contribution increase not to exceed 7%, and for FY16 (July 1, 2015/June 2016) - maximum contribution increase not to exceed 7%.

Recently, Primex<sup>3</sup> expanded its service and coverage to its membership. Some of the coverage and service enhancements are as follows:

- Employment Practices Claim Prevention: Members can call for claim prevention assistance before employment action is taken. The in-house legal counsel and Claims Director are available to discuss claim prevention, mitigation issues and opportunities before the District would have to take action. Input from the District's employment practices liability carrier prior to action will help the District, the District's local legal counsel, and Primex<sup>3</sup> collectively develop a strategy to prevent or minimize claim exposure. Developing a sound strategy first, prevents issues tomorrow.
- Contribution Assurance Program (CAP): For members who have demonstrated commitment to the pool, CAP provides stability by creating a limit on your Property and Liability contribution for future renewals.
- Program Discounts: Primex<sup>3</sup> members also receive a 10% discount when expanding coverage to include both Workers' Compensation and Property & Liability.

We have had an excellent working and supportive relationship with Primex<sup>3</sup> for 15 years. Please consider this memorandum a request to extend our Multi-Year Agreement through June 30, 2016 as outlined in the attached document.

*Dover School District Mission Statement*

*Strengthening our community by educating every child, every day!*

FEBRUARY 13, 2013

**PROPERTY and LIABILITY PROGRAM**

**MEMBER CONTRIBUTION SUMMARY  
JULY 1, 2013 - JULY 1, 2014 RENEWAL  
NOT TO EXCEED**

MEMBER: Dover School District, SAU# 11  
MEMBER NUMBER: 900

2012		2013	
		Multi-Year Agreement	Expiring
		Contribution Assurance Program (CAP)	No
		PRIME <sup>3</sup> Program	No
Member Contribution	\$96,744	Member Contribution	\$114,360

Your 2012 Property Values	\$106,345,222
Your 2013 Property Values	\$123,419,082
Change in Property	16.1%
Your 2012 Payroll (2010 Audited)	\$25,690,183
Your 2013 Payroll (2011 Audited)	\$24,973,076
Change in Payroll	- 2.8%
Your 2012 Loss Ratio Adjustment Factor	0.63
Your 2013 Loss Ratio Adjustment Factor	0.69
Change in Loss Ratio Adjustment Factor	9.5%
Change from 2012 to 2013:	
Contribution Amount Change	\$17,616
Contribution Percent Change	18.2%

Please contact the Primex<sup>3</sup> Member Services Team if you have any questions or comments.

Final contribution summary sheets will be issued by April 15, 2013.

**Property & Liability Program**  
**Contribution Assurance Program (CAP) Agreement**  
**THIS AGREEMENT AMENDS AND EXTENDS YOUR MEMBERSHIP AGREEMENT**  
**PLEASE READ CAREFULLY**

Primex<sup>3</sup> is offering members in our **Property & Liability Program** an opportunity to stabilize their annual contributions through participation in our Contribution Assurance Program (**CAP**). **CAP** is offered to members who qualify, providing them predictability by limiting the annual contribution increase during a defined period of years (**CAP Period**). By signing this Agreement, you agree to extend your Membership Agreement for **two (2) years** and Primex<sup>3</sup> agrees to guarantee that your annual contribution increase will not exceed seven percent (7%) of the prior year's contribution. Because performance matters with Primex<sup>3</sup>, you may realize an annual increase that is less than the **CAP** through sound risk management and stable underwriting exposures. The annual member contribution will be based upon your exposure base, members' loss experience, and the rates established each year by the Primex<sup>3</sup> Board of Trustees.

We are offering this opportunity so that our members can extend their commitment to pooling through the Primex<sup>3</sup> programs. Participation in **CAP** for each year of the **CAP Period** is conditioned upon a two-year commitment to participation in the Primex<sup>3</sup> Property & Liability Program.

The following **CAP Period** years qualify for the Contribution Assurance Program (**CAP**):

**FY 2015 July 1, 2014 to June 30, 2015**

(maximum 7% increase over July 1, 2013 to June 30, 2014 contribution)

**FY 2016 July 1, 2015 to June 30, 2016**

(maximum 7% increase over July 1, 2014 to June 30, 2015 contribution)

By signing this Agreement, the **Dover School District** agrees to extend its risk pool membership and participation in the Primex<sup>3</sup> **Property & Liability Program** for two coverage period years, through **June 30, 2016**. The **Dover School District** agrees and understands it remains bound by and subject to the terms and conditions of the Membership Agreement, Public Entity Coverage Documents and Trust Agreement, and all Trust by-laws, policies and procedures.

Dover School District agrees that the seven percent (7%) maximum increase currently available for this **CAP Period** does not apply to any other year or period of years, and upon expiration of the **CAP Period** in this Agreement, any subsequent participation in a Primex<sup>3</sup> **CAP** will be subject to underwriting review, membership criteria, **CAP** criteria, determination of contribution and the maximum increase in place for the subsequent **CAP Period**.

The **Dover School District** further acknowledges that by extending its Membership Agreement for two (2) coverage period years, the Public Entity Coverage Documents, General Conditions Section (L) ("Terminating Participation in Our Program(s)") is suspended during year one (1) of the two (2) year term, as there is no right to cancel or terminate during year one (1) but shall be reinstated for the end of year two (2).

The **Dover School District** agrees that failure to provide notice in strict accordance with the Public Entity Coverage Documents, General Conditions Section (L) shall result in automatic renewal of risk management





**RESOLUTION TO ENTER PRIMEX<sup>3</sup>  
Property & Liability Contribution Assurance Program (CAP)**

**RESOLVED:** To hereby accept the offer of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) to enter into its **Property & Liability Contribution Assurance Program (CAP)** as of the date of the adoption of this resolution, and to be contractually bound to all of the terms and conditions of Primex<sup>3</sup> risk management pool membership during the term of the **Property & Liability Contribution Assurance Program (CAP)**. The coverage provided by Primex<sup>3</sup> in each year of membership shall be as then set forth in the Coverage Documents of Primex<sup>3</sup>.

I attest that the foregoing is a true copy of the Resolution of the Governing Board of the **Dover School District** adopted on \_\_\_\_\_.

Board: \_\_\_\_\_  
Title of Board

Signature \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_ duly authorized

Date: \_\_\_\_\_