



# Broker Best Practices

## Established by the Colorado Special Districts Property and Liability Pool

The Colorado Special Districts Property and Liability Pool (CSD Pool) values its broker relationships. Our goal is to provide brokers with the tools necessary to offer superior service to their special district clients. These practices were developed with Broker input and we hope they provide increased knowledge, growth opportunities, and higher client retention levels. The CSD Pool's Broker Best Practices include:

- Annual review of district exposures and risk management needs 60 to 90 days prior to renewal.
- Survey district facilities to assist in risk evaluation.
- Assist district with completion of the CSD Pool's initial application and subsequent renewal updates.
- Clearly communicate to districts the CSD Pool's Coverage Form exclusions and limitations as they might pertain to the specific operations of the special district.
- Offer solutions deemed appropriate, as they exist in the insurance industry, for any uninsured exposures; suggest alternative ways to eliminate, transfer, or control the district's risk of loss.
- Review and propose appropriate limits and deductible options.
- Review and distribute loss data and claim reports to member districts; review claim results as appropriate for areas of concern to eliminate any surprises due to a specific claim.
- Communicate the CSD Pool's Loss Prevention Services and video training capabilities to member districts, and encourage them to follow appropriate loss prevention Best Practices.
- Review and update Liability, Property, and Automobile schedules for accuracy in descriptions and valuation. Recommend appropriate deductible options for all lines of coverage.
- Help the district report all Property the district chooses to self-insure and designate such properties on the district's Property schedule. This will eliminate misunderstandings in the event of claims.
- Review district contracts with indemnification clauses or insurance requirements to ensure adequate insurance coverage and/or to suggest appropriate legal review.
- Provide districts with their workers' compensation annual projected and final experience rating worksheets once they have been promulgated.
- Attend district Board Meetings as needed and requested by the district.
- Understand the Colorado Governmental Immunity Act as it applies to special district insurance needs.
- Educate the district in reporting their claims accurately and promptly to the CSD Pool's Claims Administrator, TRISTAR Risk Management, Inc (TRISTAR).
- Inform the member of their responsibilities at the time of loss for each line of coverage.
- Communicate clearly that per the terms of the IGA, contributions are due at inception and that coverage will automatically terminate on the 60th day should any past due annual contribution remain unpaid.
- When notified of a district's failure to secure annual Special District Association membership, confirm payment of the district's annual membership fee with the SDA, as this is a requirement for access to the CSD Pool's insurance programs.

- Do not issue Certificates of Insurance; request that the CSD Pool issue them, as it is imperative that all certificates include Colorado Governmental Immunity Act wording.
- Annually review and update schedule of previously issued certificates, prior to each renewal.
- Advise the district on motor vehicle operation Best Practices. The CSD Pool strongly suggests that each employee with any type of driving responsibility (district owned or non-owned vehicle) be required to annually obtain and submit their driving record to the district. Brokers will provide the district with the CSD Pool's Driver Standards and acceptability guidelines.
- Deliver all the CSD Pool's renewal insurance documents to the district prior to January 1, each year. This includes, but is not limited to, Named Member's declaration pages, invoices, schedules, certificates, auto ID cards, and workers' compensation experience rating worksheets, as applicable.
- Communicate to the CSD Pool any competing programs and/or services to enable the CSD Pool the opportunity to review and possibly enhance our own services to extend to member districts.
- Become familiar with all of the resources available to members via the CSD Pool's programs and SDA services in order to help districts run their operations effectively.
- Encourage districts to attend the SDA Annual Conference, as well as the CSD Pool's regional workshops, monthly webinars, and other training. These opportunities are the most cost effective way for CSD Pool members to acquire the skills needed to assist with managing daily operational and administrative risks.
- Review the CSD Pool's website at [csdpool.com](http://csdpool.com) prior to annual renewal for the latest and most current coverage and risk management information for your special district clients.

### **Mid-Term Broker Change**

The Pool also recognizes that issues arise around the appointment and change of status of Brokers that our members work with and would like to suggest these guidelines concerning the appointment process as well as any interim changes in broker relations. Our general guiding principal is that a Broker should be compensated for the work they do as discussed above. An exception will be given only on a merit case-by-case basis. The below points clarify what these Best Practices are:

- Broker Changes are recommended to be made 90 to 120 days in advance of renewal.
- Broker Changes within 30-days may not include commission change where incumbent Broker has in good faith already processed the renewal to include:
  - Delivered the CSD Pool Renewal Update Forms to the district
  - Followed-up with member and received the updated renewal information
  - Submitted renewal updates to CSD Pool
  - Received renewal documents from CSD Pool
  - Delivered renewal to Member
- Broker of Record Letter received after Renewals have been issued to the member will not be honored unless:
  - Work product of incumbent Broker can be shown to be substandard
  - Significant improvement for the member's benefit can be demonstrated
  - Member requests to pay new Broker a commission

Broker representation to Direct or Pool Direct placement to Broker representation will likewise not be honored within 30-days prior to renewal for the current renewal, where the renewal process has been substantially completed as outline above.