
MEMORANDUM

Nancy Kerry
2310 Eagle Bend Trl, Reno, Nevada 89523

To: Board of Directors, Somerset Owners Association
From: Nancy Kerry, SOA Transition Coordinator
Re: Agreement with UniqueHR
Meeting Date: October 13, 2021

Background

At the Board of Director's meeting on September 22, 2021, the Board directed the Transition Coordinator to work with UniqueHR, a processional employer organization ("PEO") to provide a comprehensive "turn-key" solution for human resource management and employee engagement services under the new management structure beginning November 1, 2021.

UniqueHR

UniqueHR is a full-service PEO providing a wide range of services to employers for the handling of employee benefits administration, payroll services, human resource management (policies, hiring, onboarding, performance appraisal guidance) and compliance resources to ensure employers are compliant with the myriad of federal, state, and local requirements.

The Transition Coordinator and Board members met with Michael Davis, CEO and managing member of UniqueHR and Chad Skutt to review their services and determine the best fit for the employees of Somerset Owners Association ("SOA").

The attached agreement outlines the services UniqueHR will provide to the SOA to assist in managing the employees. The services include, but are not limited to the following:

- Payroll Administration including the payment and reporting of all payroll taxes, unemployment insurance, and other federal, state and local taxes for its employees
- Employee Benefits as agreed upon and approved by the Board of Directors including health plans, ancillary benefits including paid-time-off, accrual administration and usage, retirement contributions and plan administration of same including the preparation and filing of all necessary plan documents, meeting with employees to explain the benefits and provide guidance and assistance as appropriate.
- Workers Compensation Insurance: Obtaining, maintaining, and administering all workers compensation insurance, plan documents, and administration of claims.

- Consulting to the extend required and request for personnel administrating including creating Employee Handbook and assisting with outside counsel review if necessary.
- Onboarding to the extend of ensuring all new hires are properly entered into the system and provided appropriate guidance as to the payroll and benefits administration.

Comparison to Other Providers

As noted during the Board of Directors meeting on September 22, 2021, quotes and comparisons for payroll administration were sought and obtained by various other providers, including ADP and Nevada Payroll Services – quotes from both companies are attached. As noted, the cost to produce and remit payroll services can be inexpensive (less than \$5,000 a year). However, these quotes are not comparable to UniqueHR which is able to immediately provide a turn-key solution for the management of all aspects of payroll, benefits, workers compensation, retirement and others as noted herein and more completely in the attached Agreement.

Financial Impact

The attached agreement with UniqueHR may be terminated at any time with 30 days written notice in accordance with the terms of the Agreement. The Transition Coordinator recommends reviewing the terms of the Agreement and soliciting detailed comparable proposals from qualified firms during the summer of 2022, after the new management structure is fully settled in place.

UniqueHR provides its services for a fee of 3% of payroll, payable during each payroll cycle, which will be twice per month, plus a one-time set up free of \$3,600.

UniqueHR's workers compensation insurance is quoted as \$17,786.39 for the year.

The total estimated fee for their services and workers compensation insurance is just under \$40,000, which is within current budgeted figures (note: currently the 2022 budget includes approximately \$200,000 for benefits administration, which includes workers compensation, health insurance, and all ancillary benefits).

Attachments

1. Agreement with UniqueHR
2. Quotes from ADP and Nevada Payroll Services