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Executive Director
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(661) 392-5500 • FAX (661) 392-5585

DATE: November 17, 2016

TO: SJVUAPCD Governing Board

FROM: Seyed Sadredin, Executive Director/APCO

RE: **ITEM NUMBER 8: RECEIVE AND FILE
RECOGNITION FROM INDEPENDENT
AUTHORITIES COMMENDING THE DISTRICT FOR
JUDICIOUS EXERCISE OF FIDUCIARY
RESPONSIBILITIES AND COST CONTAINMENT
EFFORTS**



RECOMMENDATIONS:

1. Receive and file letter from the Special District Risk Management Authority formally acknowledging "the dedicated efforts of the San Joaquin Valley Air District's Governing Body, management and staff towards proactive risk management and loss prevention" (attachment A).
2. Receive and file the Government Finance Officers' Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2015 (attachment B).

DISCUSSION:

Under your Board's leadership, the judicious exercise of fiduciary responsibilities and efficient execution of District responsibilities have been among the top objectives for the District. In addition to providing effective guidance, your Board has also provided the staff with the necessary tools and resources to provide excellent customer service and outstanding productivity at low cost to the public and the rate payers. The District's operations and activities are routinely reviewed by independent authorities, who have consistently recognized the District's commitment to excellence with respect to transparency and efficiency. This item summarizes two recognitions recently received

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from independent authorities commending the District for its judicious exercise of fiduciary responsibilities and cost containment efforts.

Government Finance Officers' Association Certificate of Achievement for Excellence in Financial Reporting

GFOA is an internationally recognized organization that offers guidance and support to local and state government budget and finance professionals throughout the United States and Canada.

Once again, GFOA has awarded the District the "Certificate of Achievement for Excellence in Financial Reporting," its highest form of recognition in governmental accounting and financial reporting, for the latest CAFR (Fiscal Year 2014-15). Receiving this award represents a significant recognition by an expert independent authority of your Board's commitment to meeting the highest principles of governmental reporting and transparency to the public, and excellence in exercising fiduciary responsibilities.

The District CAFR is prepared annually and has received high marks by independent auditors in the past. To earn this latest award, the CAFR was judged by an impartial panel as meeting the high standards of the GFOA program, including demonstrating a constructive "spirit of full disclosure" to clearly communicate the District's financial story and motivate the public to read the CAFR.

Special District Risk Management Authority Recognition for District Efforts Resulting in No Paid Property Or Liability Claims In 2015-16

In pursuit of the above-described objectives, the District operates a robust and proactive risk management and loss prevention program. This program is designed specifically for the protection of District employees, District property and the members of the community which interact with District. The program includes extensive policies, procedures and training which are combined into the Injury & Illness Prevention Program, periodic inspections of District property and monitoring of District staff activities.

In addition, to further reduce the potential for liability, the District has contracted with the Special District Risk Management Authority (SDRMA) as our property and liability insurer since 1992. SDRMA is a joint powers authority that provides special districts, joint power authorities, cities and other public agencies with comprehensive property, liability and workers' compensation coverage.

SDRMA operates a Credit Incentive Program (CIP) which is designed to encourage agencies to take a proactive approach for loss prevention administration, training and safety/risk management. For agencies that meet guidelines/milestones under the CIP,

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credits are earned which positively impact the overall cost of property/liability insurance. Each CIP point is equal to a 1% discount on the agencies property/liability program the auto and general liability net contribution. One such CIP guideline/milestone is no paid claims during a program year.

On September 16, 2016, the SDRMA Board of Directors formally recognized the District Governing Board and staff for the commitment to proactive risk management and loss prevention programs. These efforts have resulted in no paid property or liability claims for program year 2015-16. Through this great accomplishment, the District has earned 2 additional CIP credits which will result in reduced annual premiums.

FISCAL IMPACT:

The additional CIP credits earned by the District during the 2015-16 year will reduce annual premiums by 2% for auto and general liability insurance coverage.

Attachments:

Attachment A: Letter of Recognition from Special District Risk Management Authority (1 page)

Attachment B: GFOA Certificate of Achievement (1 page)

San Joaquin Valley Unified Air Pollution Control District
Meeting of the Governing Board
November 17, 2016

**RECEIVE AND FILE RECOGNITION FROM INDEPENDENT
AUTHORITIES COMMENDING THE DISTRICT FOR JUDICIOUS
EXERCISE OF FIDUCIARY RESPONSIBILITIES AND COST
CONTAINMENT EFFORTS**

Attachment A:

Letter of Recognition from Special District Risk Management Authority
(1 PAGE)

September 16, 2016

Mr. Oliver Baines
Governing Board Chair
San Joaquin Valley Air Pollution Control District
1990 East Gettysburg Avenue
Fresno, California 93726-0244

Re: No Paid Property/Liability Claims in 2015-16

Dear Mr. Baines:

This letter is to formally acknowledge the dedicated efforts of the San Joaquin Valley Air Pollution Control District's Governing Body, management and staff towards proactive risk management and loss prevention training. Your agency's efforts have resulted in no "paid" property/liability claims for program year 2015-16. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year and excludes property claims. This is a great accomplishment!

It is through the efforts of members such as San Joaquin Valley Air Pollution Control District that SDRMA has been able to continue providing affordable property/liability coverage to over 500 public agencies throughout California. In fact, 425 members or 85% in the property/liability program had no "paid" claims in program year 2015-16.

In addition to this annual recognition, members with no "paid" claims during 2015-16 earn 2 credit incentive points (CIPs) thereby reducing their annual contribution amount. Also, members with no "paid" claims for at least 3 consecutive program years may receive a lower "risk factor" which also reduces their annual contribution amount.

As SDRMA is dedicated to serving its members and preventing claims, we would appreciate your agency taking a moment and sharing with us what made your District successful in preventing property/liability losses. Our goal is to incorporate your successful ideas and suggestions into our loss prevention programs to benefit all members of SDRMA. Please forward any comments or suggestions to Dennis Timoney, SDRMA Chief Risk Officer at dtimoney@sdrma.org.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management and staff of San Joaquin Valley Air Pollution Control District for their commitment to proactive risk management and loss prevention training.

Sincerely,
Special District Risk Management Authority



David Aranda, President
Board of Directors

San Joaquin Valley Unified Air Pollution Control District
Meeting of the Governing Board
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Attachment B:

GFOA CERTIFICATE OF ACHIEVEMENT
(1 PAGE)



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

San Joaquin Valley

Unified Air Pollution Control District

California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO