

Special District Risk
Management Authority

Maximizing Protection.
Minimizing Risk.

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141
T 800.537.7790
F 916.231.4111
www.sdrma.org



February 19, 2015

Ms. Martha Poyatos
Executive Officer
San Mateo Local Agency Formation Commission
455 County Center
Redwood City, California 94063

Dear Ms. Poyatos,

On January 8, 2015, the SDRMA Board of Directors approved a longevity distribution for the sixth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for either the Property/Liability or Workers' Compensation program is eligible to receive a longevity distribution credit for that particular program when they renew coverage. The longevity distribution may only be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

This year, the Board approved a longevity distribution in the amount of \$819,256 for Property/Liability members and \$178,031 for Workers' Compensation members. For the Property/Liability program, over 90% of members will receive the distribution credit and for the Workers' Compensation program, over 87% of members will receive the distribution credit.

Congratulations! Since you have participated in our Property/Liability program for 6 years as of June 30, 2014, your agency will receive a longevity distribution credit on your 2015-16 renewal invoice in the amount of \$75! We encourage you to share this valuable news with your governing body!

REMINDER – We hope to see you at our Annual Membership Meeting and Safety/Claims Education Day on March 24, 2015 at the Hilton Sacramento Arden West Hotel! Visit our website, www.sdrma.org and click on "Register for a training workshop" in the lower right-hand column for more information.

Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority

David Aranda, President
Board of Directors

RECEIVED

FEB 26 2015

LAFCO