

Tualatin Valley Water District



BOARD OF COMMISSIONERS
1850 SW 170th AVENUE
BEAVERTON, OR 97003

WORK SESSION AGENDA
TUESDAY, JUNE 30, 2015
6:00 – 8:00 P.M.

Estimated Time ¹	#	Item Title & Presenters
6:00 PM	1	CALL TO ORDER – WORK SESSION <i>Richard Burke, President</i>
6:05 PM	2	Information Item: Board Practices Assessment by the Special Districts Association of Oregon <i>Mark Knudson, Chief Executive Officer</i> <i>Rob Mills, SDIS Board of Trustees</i> <i>George Dunkel, SDAO</i>
7:30 PM	3	ADJOURNMENT

[Listening devices are available upon request 48 hours prior to the day of the meeting \(503-848-3000\).](tel:503-848-3000)

¹ Note: The times indicated are used as estimated times only and are subject to change.

**TUALATIN VALLEY WATER DISTRICT
WORK SESSION AGENDA ITEM**

MEETING DATE: June 30, 2015

TITLE: BOARD PRACTICES ASSESSMENT BY THE SPECIAL DISTRICTS ASSOCIATION OF OREGON

ITEM: Beginning this year, the Special Districts Association of Oregon (SDAO), in coordination with the Special Districts Insurance Services (SDIS), is offering a Board Practices Assessment (BPA) to member districts as an option for earning insurance premium discounts.

This first year of the BPA program is intended to serve as a pilot study to help identify how district boards rate in six key areas including regulatory, fiscal, customer service, personnel and general management responsibilities related to district operations.

The BPA program is intended to demonstrate the link between a board's performance and their district's risk management experience and to reinforce that good board practices lead to sound risk management.

This meeting will consist entirely of the Board Practices Assessment, which will be conducted by representatives of SDAO & SDIS.

BUDGET IMPACT: There is no direct cost to TVWD for the Board Practices Assessment. By completing the BPA in 2015, TVWD will be awarded a 2% discount credit in the SDIS Best Practices Program, which is equivalent to savings of about \$4,000 on TVWD's annual cost of insurance obtained through SDIS.

ATTACHMENTS: Summaries of the Board Practices Assessment and the 2015 SDIS Best Practices Program are attached.

APPROVING MANAGERS INITIAL:

CHIEF EXECUTIVE OFFICER		HUMAN RESOURCES	<u>N/A</u>
FIELD OPERATIONS	<u>N/A</u>	WATER SUPPLY PROGRAM DEPT.	<u>N/A</u>
FINANCIAL SERVICES	<u>N/A</u>	CUSTOMER SERVICES	<u>N/A</u>
ENGINEERING SERVICES	<u>N/A</u>		

“What is the Board Practices Assessment?”

Q: What is the purpose of the Board Practices Assessment (BPA)?

A: The BPA provides a format for a facilitated discussion among board members about their governance practices and how well they “measure up”. By assessing its strengths and weaknesses in key performance areas, the board can discover ways to improve the district's outcomes.

Q: What does the BPA cover?

A: The BPA assesses board practices in six key performance areas that often determine whether the district will successfully achieve its outcomes. The practices involve regulatory, fiscal, customer service, personnel, and general management responsibilities that “come with the territory” of being a special district board.

Q: Why does the BPA require a facilitated discussion?

A: Individual board members often have different perspectives and levels of expertise. A facilitated discussion draws on the insight and knowledge of all members for a consensus-based understanding and analysis of their board's governance practices.

Q: SDAO has a Best Practices Checklist; why offer another tool?

A: SDAO uses the Checklist to encourage and document compliance with industry-wide best practices. Compliance is assessed on the basis of simple yes/no responses that are often provided by a board representative who may not be as well-informed or insightful as the full board. The BPA is designed to reflect a consensus of the views and expertise of all board members to produce a more comprehensive assessment.

Q: Our district seems to be functioning pretty well; how would we benefit from using the BPA?

A: Boards generally believe they are functioning pretty well and in fact, they probably are. But how do they know? What do they use as indicators of “functioning well” and are those the right indicators? Sometimes it takes the “wake-up call” of a serious setback to prompt a board to improve its practices *after* the damage has been done. The BPA offers the advantage of foresight by enabling a board to identify weaknesses in its governance practices that can be corrected before they lead to failure.

Q: After our board completes the BPA, then what?

A: With a consensus-based assessment, a board is well positioned to determine the actions needed to fortify strengths and correct weaknesses in its practices. The actions may be relatively easy to implement, such as adopting a new policy or training for new skills. Or the actions may be more involved – restructuring the organization for example, or improving the budgeting process. In either case, actions implemented will be based on relevant information and thoughtful analysis as a result of completing the BPA.

2015 SDIS Best Practices Program

SDAO offers many great benefits to its members. The most widely taken advantage of is the insurance program through Special Districts Insurance Services. This unique, self-insured pool offers a variety of insurance options to members and is one that is consistently giving back to participants.

Districts enrolled in our property casualty program are able to earn credits toward their insurance contributions with the SDIS Best Practices Program. In 2014, SDIS introduced a new best practices program structure which would allow districts to earn even more credit than offered in the past. We are happy to report that 690 districts participated in the program. In doing so, this group was awarded \$720,000 in credits to their 2015 insurance contributions.

In order to offer variety and more opportunities for involvement, the SDIS Best Practices Program credit categories have been changed for 2015. What didn't change is that members can still receive up to a 10% discount by completing these requirements. Districts can start earning credit right away and the savings earned will be reflected on 2015 contributions.

The opportunities available for credit include:

SDAO/SDIS Training: At least one board member or district staff member from your district must attend an SDAO/SDIS regional training, the 2015 SDAO Annual Conference, OR an SDAO/SDIS on-site risk management training. *2% credit*

Online Training: Sign-up for free online training through SafePersonnel and have at least one person from your district complete one of the following online classes: Public Meetings and Public Records (available spring of 2015), Emergency & Disaster Preparedness, **OR** Workplace Bullying: Awareness & Prevention. *2% credit*

Affiliate Membership: Join or maintain your membership with an affiliated organization to receive specialized advice and training. *2% credit*

Best Practices Checklist: Complete the SDIS Best Practices Checklist that will be mailed this summer. This will not be scored and will focus on questions of most importance. Receive credit by submitting the completed checklist and signed form certifying that your Board has reviewed the checklist, or complete online. *2% credit*

Board Member Duties and Responsibilities Policy: Adopt a public meetings and records policy (sample available) and send a copy to SDAO. *2% credit*

Start earning credits today! If you have any questions, please contact [SDAO Member Services](#) at 800-285-5461.