

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



August 12, 2015

Mr. Ken Humphreys
Board Chair
El Dorado Local Agency Formation Commission
550 Main Street, Suite E
Placerville, California 95667

Re: President's Special Acknowledgement Award - Workers' Compensation Program

Dear Mr. Humphreys:

This letter is to formally acknowledge the dedicated efforts of the El Dorado Local Agency Formation Commission's Governing Body, management and staff towards proactive loss prevention and workplace safety for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in either the Property/Liability or Workers' Compensation Programs.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. Your agency's efforts have resulted in no "paid" workers' compensation claims for the prior 5 consecutive program years including 2014-15. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as El Dorado Local Agency Formation Commission that SDRMA has been able to continue providing affordable workers' compensation coverage to over 415 public agencies throughout California. While 271 members or 65% in the workers' compensation program had no "paid" claims in program year 2014-15, 123 members or 30% had no paid claims for the prior 5 consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2014-15 earn 2 credit incentive points (CIPs) reducing their annual contribution amount and members with no "paid" claims for the prior 5 consecutive program years will earn 3 additional bonus CIPs. Also, members without claims receive a lower "experience modification factor" (EMOD) which also reduces their annual contribution amount.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate the Governing Body, management and staff of El Dorado Local Agency Formation Commission for their commitment to proactive loss prevention and safety in the workplace.

Sincerely,
Special District Risk Management Authority

David Aranda, President
Board of Directors

A proud California Special Districts
Alliance partner.

California Special Districts Association
1112 I Street, Suite 200
Sacramento, California 95814-2865
T 877.924.CSDA (2732)
F 916.442.7889

CSDA Finance Corporation
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Sacramento, California 95814-2865
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F 916.442.7889

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AUG 14 2015

EL DORADO LAFCO



President's Special Acknowledgement Award

THE PRESIDENT OF THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
HEREBY GIVES SPECIAL RECOGNITION TO

El Dorado Local Agency Formation Commission

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Workers' Compensation Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period. Congratulations on your excellent claims record!

David Aranda, SDRMA Board President

August 12, 2015
Date

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August 12, 2015

Mr. Ken Humphreys
Board Chair
El Dorado Local Agency Formation Commission
550 Main Street, Suite E
Placerville, California 95667

Re: President's Special Acknowledgement Award – Property/Liability Program

Dear Mr. Humphreys:

This letter is to formally acknowledge the dedicated efforts of the El Dorado Local Agency Formation Commission's Governing Body, management and staff towards proactive risk management and loss prevention training for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in either the Property/Liability or Workers' Compensation Programs.

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. Your agency's efforts have resulted in no "paid" property/liability claims for the prior 5 consecutive program years including 2014-15. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as El Dorado Local Agency Formation Commission that SDRMA has been able to continue providing affordable property/liability coverage to over 491 public agencies throughout California. While 424 members or 86% in the property/liability program had no "paid" claims in program year 2014-15, 287 members or 58% had no paid claims for the prior 5 consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2014-15 earn 2 credit incentive points (CIPs) reducing their annual contribution amount and members with no "paid" claims for the prior 5 consecutive program years will earn 3 additional bonus CIPs. Also, members with no "paid" claims for at least 3 consecutive program years may receive a lower "risk factor" which also helps to reduce the annual contribution amount.

On behalf of the SDRMA Board of Directors and staff, it is my honor to congratulate the Governing Body, management and staff of El Dorado Local Agency Formation Commission for their commitment to proactive risk management and loss prevention training.

Sincerely,
Special District Risk Management Authority

David Aranda, President
Board of Directors

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David Aranda, SDRMA Board President

August 12, 2015

Date



California Special
Districts Association
Districts Stronger Together

MEMORANDUM

DATE: August 1, 2015
TO: CSDA Members (Board and Staff)
FROM: Steve Perez, CSDA President
Neil McCormick, Chief Executive Officer
SUBJECT: 2016 CSDA Committee & Expert Feedback Team Participation



CSDA's strength and effectiveness as an organization is directly related to our ability to involve the member district/agency Board members and staff in the work of the Association. The talents and energy that both groups bring to CSDA and to the issues that concern special districts in California through active involvement are critical components of CSDA's success.

With this in mind, we are asking for volunteers from your district (staff and/or Board members) to participate and contribute on one or more of our committees and/or expert feedback teams to assist in shaping CSDA.

If you or any others from your district would like to become even more involved as a member of CSDA, please review and complete the form included with this letter. Committees need dedicated participants who are able to expend the time to provide their expertise in directing the activities and policies of CSDA. CSDA does not reimburse for committee related travel expenses.

In regard to **CSDA's Expert Feedback Teams**, when a need for feedback arises on a particular policy matter, CSDA advocacy staff will send an e-mail to an expert feedback team asking for its input. Team members need only reply with their thoughts, opinions and experiences. The workload of a team member will ultimately be what he or she makes of it. Team members will not be required to travel; they should expect to receive a handful of e-mails each month and, on rare occasions, they may be contacted by phone.

Please return the attached form by **5:00 PM on October 9, 2015**. The selection and ratification of CSDA's 2016 committees will take place in November and selected participants will be notified by the end of November 2015. Committee participation begins in January 2016.

Thank you for your continued support of CSDA!

California Special Districts Associations
1112 I Street, Suite 200
Sacramento, CA 95814
Toll Free: 877-924-CSDA (2732)
Phone: 916-442-7887
Fax: 916-442-7889

A proud California Special Districts Alliance partner
Special District Risk Management Authority CSDA Finance Corporation
1112 I Street, Suite 300 1121 I Street, Suite 200
Sacramento, CA 95814 Sacramento, CA 95814
Toll Free: 800-537-7790 Toll Free: 877-924-CSDA (2732)
Fax: 916-231-4111 Fax: 916-442-7889

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**California Special
Districts Association**
Districts Stronger Together

**2016 COMMITTEE AND EXPERT FEEDBACK TEAM
INTEREST FORM**

Please make additional copies for each participant.
Please use actual contact information where you can be reached

Name: _____
Title/Position: _____
District/Organization: _____
Telephone: _____ Fax: _____
E-mail: _____

COMMITTEES: We hope your District will participate in one or more of CSDA's committees. The CSDA Board of Directors encourages the participation of individuals from member agencies and Business Affiliates on CSDA's committees. As space is limited, please choose more than one committee which you would like to participate on, and please rank according to preference: **1 = 1st choice; 2 = 2nd choice; 3 = 3rd choice**

If we are able to place you on more than one committee, how many committees would you like to serve on?
_____ (maximum 3)

NOTE: All committees meet in-person at least twice annually. Committees generally meet in Sacramento, however locations may vary.

_____ **Audit Committee:** Responsible for maintaining and updating internal controls. Provides guidance to auditors regarding possible audit and fraud risks. Commitment: May meet with auditors prior to the commencement of the audit, when audit is completed and possibly one meeting during the auditing process. Financial experience preferred.

_____ **Professional Development Committee:** Plans, organizes and directs the professional development and events for CSDA. Commitment: Meets at least twice annually.

_____ **Elections & Bylaws Committee:** Conducts annual elections and occasionally reviews bylaws upon request of the CSDA Board, members or as needed. Commitment: Minimum of one meeting in Sacramento.

_____ **Fiscal Committee:** Oversees the financial direction of the organization including budget review and implementation. Commitment: Meets at least three times annually. Financial experience preferred.

_____ **Member Services Committee:** Responsible for recruitment of new members, member retention, development of new member benefits and review of current programs. Commitment: Meets at least twice annually.

_____ **Legislative Committee (space is limited):** Develops CSDA's legislative agenda; reviews, directs and assists with legislative/public policy issues. Commitment: Meets six times a year in Sacramento. Attending CSDA's Special Districts Legislative Days (May 17-18) and Annual Conference (October 10-13) is expected if you serve on this committee. All 2016 Legislative Committee applicants are invited to join the 2015 committee members and CSDA staff for a legislative planning session on November 6, 2015.

Each Legislative Committee member will be assigned to 1 or 2 working groups. Please rank from 1 to 6 which working groups you prefer to serve on (1 being most preferred):

- _____ Environment Working Group
- _____ Formation & Reorganization Working Group
- _____ Governance Working Group
- _____ Human Resources & Personnel Working Group
- _____ Public Works & Facilities Working Group
- _____ Revenue Working Group

I prefer to serve on _____ (1 or 2) Legislative Committee working groups

_____ **Alternative Option: CSDA Blog and Legislative Distribution List** - Because seats are limited on the Legislative Committee, CSDA has created an alternative option whereby members can receive the same legislative information via email that Legislative Committee members receive. Members on this list will be subscribed to receive "real-time" e-mail updates from the CSDA Blog and will be copied on Legislative Committee e-mails. Select this option instead of the Legislative Committee if you are unable to meet the requirements of serving on the Legislative Committee, but still want to keep informed of the latest legislative issues impacting special districts and provide input to CSDA as appropriate.

EXPERT FEEDBACK TEAMS: In order for CSDA to quickly and effectively gauge the impact new laws may have on special districts, we depend on the expertise of the people who are directly impacted in the field. If you have firsthand experience in one or more of the areas below, please join CSDA's Expert Feedback Team.

_____ **Environment:** CEQA; Greenhouse Gas/AB 32; Land Use; Renewable Energy; Sustainable Communities/SB 375

_____ **Formation & Reorganization:** LAFCO

_____ **Governance:** Audits and Reporting; Bankruptcy; Elections; Ethics; Mandates and Mandate Reimbursement; Political Reform/Conflict of Interest/FPPC; Transparency and Accountability

_____ **Human Resources & Personnel:** Contracted Services; Occupational Safety; Labor Relations; Retirement and Other Benefits; Workers' Compensation and Other Insurance

_____ **Legal:** General legal matters affecting special districts

_____ **Public Works & Facilities:** Bidding Process (Design Build, JOC, P3, Best Value); Bonds and Financings; Indemnification; Prevailing Wage; Retention Proceeds

_____ **Revenue:** Benefit Assessments; Fees/Prop 218; Mello-Roos/CFDs; Property Taxes; Redevelopment Agencies/(E)FIDs; Special Taxes

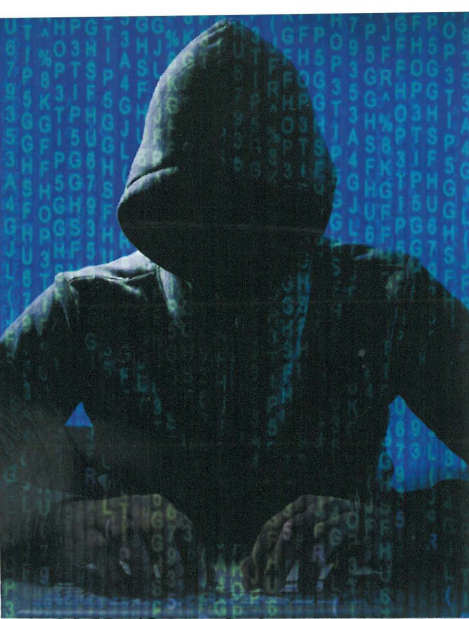
Committee and Expert Feedback Team participation is open to both member district/agency Board Members and Staff. **Please note that the Association does not reimburse any expenses incurred from this participation.** CSDA is committed to keeping travel costs to a minimum for committee members and handles a significant amount of committee work through webinars, conference calls and e-mail; however, most committees do meet at least two times a year in person.

***Either the District/Company General Manager or Board President must authorize below**

*Signature: _____ Date: _____

Please return this completed form to Charlotte Lowe at CSDA by mail, fax (916) 442-7889 or email charlottel@csda.net no later than **5:00 PM on Friday, October 9, 2015**

CSDA, 1112 I St., Suite 200, Sacramento, CA 95814, T - (916) 442-7887, F - (916) 442-7889 www.csda.net



By Michael Bazzell, Computer Crime Specialist

HOW WOULD I HACK YOU?

Online fraud changes every day. We are seeing the evening news transition from reports of violent crime to details of the latest cyber-attack. Cyber criminals adapt their techniques constantly in order to always stay one step ahead of victims. Lately, many hacking groups focus on stealing a large amount of data from a company. This may be credit card numbers, login credentials, or private personal information such as SSNs. The groups find it much more lucrative to put the time into stealing large databases of information instead of targeting individuals. Recent attacks such as those against Anthem and Target are typical of these cases. In these attacks, criminals stole the details of millions of people, causing great financial loss. However, these attacks are less common than smaller personal attacks.

I believe the most probable attack against smaller organizations is spear-phishing. Standard phishing has been around for many years. When you receive an email that appears to be from your bank, it is likely a phishing attack. These messages use a scare tactic to make you think that your account has been compromised, and provides an internet link that will allow you access to your account to protect your money. Of course, the link forwards to a cloned website that is visually similar to the real bank website, and the criminals hope that you provide your user name and password to gain access. As soon as you do, they access your real account and do as much damage as possible in a short amount of time. Spear-phishing takes things to a different level.

How would I hack you?

The following is a scenario that I would use if I were going to target a specific entity as a hacker. This is based on my experience investigating these types of incidents.

I would do my homework and research the entity. I might look up current and previous hiring opportunities

for a position such as computer technician or network administrator. These posts probably include a reference to the type of systems that are present, such as the operating system of your network or the type of database that is used. It is common for a recruitment post to mention required skills such as "SQL Server Administration" or "Microsoft Exchange Administration." Both of these tell me enough about your environment to start an attack.

I would then create a list of employee names that I want to target. I would do this through Facebook, Twitter and LinkedIn. In my presentations, I show how a hacker can create a list of over 75 percent of a business' employees by scraping these social networks in less than five minutes. I would then locate a few official email addresses from the company's website in order to identify the format of all email addresses for the employees. For example, if I find Bob Wilson's email address is b.wilson@company.com, I know that Mary Johnson is m.johnson@company.com, and Tom Williams is t.williams@company.com. I would use Excel to generate the list for me.

Now that I have the email addresses of my targets, I would generate a custom bulk message similar to the following.

Dear employee,

As you may know, our Microsoft Exchange Server was partially compromised in an early morning attack. Fortunately, all of your information is safe; however, we need you to reset your password immediately. Any accounts that have not been converted by the end of the day will be disabled. Please click the following link to update your account.

www.secure-email-server-company.com

This email would be sent from a free program that will “spoof” an email address and name to be anything desired. I would search on LinkedIn to find the name of your computer network administrator and make the email appear to be from him or her. The shady link in the message would forward to a server that I have full access to. As soon as you log in, I have your current credentials to your email account. I would use these to access your real account and look for bank statements, company accounts, etc. I might even send a quick note to everyone in your contact list telling them that I (you) are stuck in the U.K. and need \$1,000 to get a new passport. I only need one person to respond and wire me money to make it worth my effort. If this message was not appropriate for your organization, I might choose something similar to the following.

Dear employee,

As you know, we have finished the migration to the new payroll direct-deposit system. If you are receiving this message, you have not submitted the required form in order to have your paycheck deposited into your account. Please complete the attached document and return by the close of business today. You cannot be paid until this data is entered.

The attachment with this message would be a malicious PDF or PPT file that would not raise any red flags. When you open it, your machine becomes infected and I would have remote access to your data. I would send this email from the name of someone in your payroll division for that extra feel of authenticity.

Overall, these messages always contain three very specific elements:

1. Scare Tactic: This could include a data compromise (example 1) or payroll issues (example 2)
2. Action Requested: This could include clicking a link (example 1) or opening a file (example 2)
3. Familiarity: This could include familiar details (your software provider) or personnel (your payroll manager)

Ultimately, I will use your user name and password combination on any business networks that you may have access to such as online email or private VPN's. If you use the same password for multiple services, I will compromise all of them. Every day, several employees fall for these scams.

What to watch for

Be extremely cautious of unsolicited email messages. If anything seems out of place, challenge the message. If it appears to be from a co-worker, call that person and verify the details. If it appears to be from a business partner, contact that entity through known valid channels and verify the information. While challenging others is often considered rude, it may save you from becoming the next victim.

Also, be careful about the content that you post online. If your Twitter account mentions your upcoming vacation to Hawaii, you are helping a burglar. If your LinkedIn account summarizes your duties at your workplace, you are helping a potential cyber attacker. If your Facebook page has photos of your child with a nickname of “Mikey”, and your security question on your bank account is “What is my son’s nickname?”, you are really asking for trouble. Surprisingly, hackers have all of the time in the world to identify the smallest of vulnerabilities in your life.

Overall, I know that we cannot stop all computer crime. However, I truly believe that you can prevent it from happening to you.

Following some general rules will prevent you from being the easiest target for the criminal. Keeping a close eye on your online activity will help you avoid becoming the next victim on my incident list. ■



Conference Highlight **KEYNOTE: MICHAEL BAZZELL**

Hiding from the Internet

[speaker]

September 10, 2015

El Dorado LAFCo
550 Main Street, Suite E
Placerville, CA 95667

Dear Chair and Commission:

On behalf of the California Association of Local Agency Formation Commissions (CALAFCO), I would like to thank your commission for allowing some of your members and/or staff the opportunity to attend the CALAFCO 2015 annual conference in Sacramento.

We know how lean budgets and resources are and understand that prioritizing expenditures can be difficult. Ensuring you and your staff have access to ongoing professional development and specialized educational opportunities, allows all of you the opportunity to better serve your commission and fulfill the mission of LAFCo. The sharing of information and resources among the LAFCo commissioners and staff statewide serves to strengthen the LAFCo network and creates opportunities for rich and value-added learning that is applied within each LAFCo.

We are also grateful for the leadership of Commissioner Frentzen on the CALAFCO Board of Directors.

Thank you again for your participation in the CALAFCO 2015 annual conference, I hope you found it a valuable experience. We truly appreciate your membership and value your involvement in CALAFCO.

Yours sincerely,



Pamela Miller
Executive Director

