



**EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
BOARD OF DIRECTORS MEETING
AGENDA**

**Friday, February 8, 2019
9:00 a.m.**

**Wine & Roses
2505 West Turner Road, Lodi, CA 95242
(209) 334-6988**

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Brittany Claypool at (916) 244-1109 or (916) 244-1199 (fax). Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Documents and materials relating to an open session agenda item that are provided to the ERMA Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection at 1750 Creekside Oaks Dr., Suite 200, Sacramento, CA 95833.

- | | |
|-------------|---|
| <i>Page</i> | 1. CALL TO ORDER |
| | 2. INTRODUCTIONS |
| | 3. APPROVAL OF AGENDA AS POSTED (OR AMENDED) |
| | 4. PUBLIC COMMENTS - This time is reserved for members of the public to address the Committee relative to matters of ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and twenty minutes in total. |
| | 5. CONSENT CALENDAR - If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar. |
| 6 | *A. Minutes of December 12, 2018, Special Meeting of the Board of Directors and Summary of Action Items |
| 11 | *B. General Warrants from October 1, 2018, through December 31, 2018 |
| 12 | *C. Claims Payments from October 1, 2018, through December 31, 2018 |
| 13 | *D. Petty Cash Statement from October 1, 2018, through December 31, 2018 |
| 14 | *E. Treasurer's Reports as of September 30, 2018 and December 31, 2018 |
| 72 | *F. Internal Financial Statement for the Quarter Ended December 31, 2018 |



- 77 *G. Notice of Intent to Withdraw – City of West Hollywood
 Recommendation: Approval of the Consent Calendar.

6. GOALS AND OBJECTIVES

- 78 *A. Review and Approval of ERMA Goals and Objectives Established at the
 2019 Annual Workshop
 *Recommendation: Staff recommends the Board of Directors adopt
 the goals and objectives established at the February 7, 2019, Annual
 Workshop.*

7. LITIGATION MANAGEMENT

- 79 *A. Report from Kathy Maylin, Litigation Manager
 Recommendation: None.

8. CLAIMS MATTERS

- 80 *A. Closed Session - Pursuant to Government Code Section 54956.95(a), the
 Board of Directors will recess to closed session to discuss the following
 claims:
- Aldaoud, et al. v. Adelanto
 - Alvarez v. Delano
 - Johnson v. Kingsburg
 - Escobar v. Parlier
 - Ornellas v. Piedmont
 - Myers v. Pleasanton
- B. Report from Closed Session
 Pursuant to Government Code Section 54957.1, the Board of Directors must
 report in open session any action, or lack thereof, taken in closed session.

9. MEMBERSHIP MATTERS

- 81 *A. City of Adelanto Performance Improvement Plan
 *Recommendation: Staff recommends the Board of Directors accept the
 Performance Improvement Agreement, as presented and direct staff to
 proceed with the terms as outlined in the Agreement.*
- 87 *B. Review of Prospective New Member Application - Town of Fort Jones
 (SCORE)
 *Recommendation: The Underwriting Committee recommends the Board
 of Directors approve the Town of Fort Jones as an underlying member
 of SCORE at a \$25,000 SIR, effective January 1, 2019, with the express
 condition the Town update its personnel policies and procedures and
 provide evidence of such by January 1, 2020.*

10. ADMINISTRATIVE MATTERS

- 93 *A. Resolution 2018-1 of the Board of Directors of the Employment Risk Management Authority Establishing a Litigation Management Program
 Recommendation: Staff recommends the Board of Directors approve Resolution 2018-1, incorporating changes/updates to Resolution 2014-3 Resolution of the Board of Directors of the Employment Risk Management Authority Establishing a Litigation Management Program.

11. TRAINING/LOSS PREVENTION MATTERS

- 101 *A. Training for the 2018/19 Program Year
 Recommendation: Staff recommends the Board of Directors approve additional live, regional AB 1825 trainings for the 2018/19 Program Year.

12. COVERAGE MATTERS

- 102 *A. Proposed Revisions to the Memorandum of Coverage for the 2018/19 Program Year, Effective January 1, 2019
 Recommendation: The Coverage Committee recommends the Board of Directors approve all revisions to the Memorandum of Coverage for the 2018/19 Program Year, effective January 1, 2019, as presented.
- 138 *B. Excess Coverage and Marketing Strategy for the 2019/20 Program Year
 Recommendation: None.
- 140 *C. City of Barstow (Trujillo) Appeal of Denial of Coverage
 Recommendation: Staff requests the Board of Directors provide direction as necessary.

13. FINANCIAL MATTERS

- 144 *A. Investment Performance Review Presented by PFM Asset Management LLC
 Recommendation: None.
- 145 *B. Annual Review and Approval of Investment Policy
 Recommendation: Staff recommends the Board of Directors approve the Investment Policy, as amended.
- 159 *C. Review of Target Equity Ratios
 Recommendation: Staff recommends the Board of Directors approve the Target Equity Benchmarking Ratio Calculation as of June 30, 2018.

14. CLOSING COMMENTS – This time is reserved for comments by the Board of Directors members and staff to identify matters of future Board of Directors business.

A. Board of Directors

B. Staff

15. ADJOURNMENT

NOTICES:

- The next Board of Directors meeting will be held on Tuesday, April 30, 2019, 9:00 a.m. at the York office in Sacramento, CA.

CONSENT CALENDAR

SUBJECT: Consent Calendar

BACKGROUND AND STATUS:

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and require no discussion. If the Board would like to discuss any item listed, it may be pulled from the Consent Calendar.

RECOMMENDATION:

Approval of the Consent Calendar.

REFERENCE MATERIALS ATTACHED:

- A. Minutes of December 12, 2018, Special Meeting of the Board of Directors and Summary of Action Items
- B. General Warrants from October 1, 2018, through December 31, 2018
- C. Claims Payments from October 1, 2018, through December 31, 2018
- D. Petty Cash Statement from October 1, 2018, through December 31, 2018
- E. Treasurer's Reports as of September 30, 2018, and December 31, 2018
- F. Internal Financial Statement for the Quarter Ended December 31, 2018
- G. Notice of Intent to Withdraw – City of West Hollywood

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
DECEMBER 12, 2018**

A special meeting of the Board of Directors of ERMA was held on December 12, 2018, via teleconference.

BOARD MEMBERS PRESENT: Scott Ellerbrock, President, PERMA
John Gillison, Vice President, PARSAC
Truc Dever, Treasurer, VCJPA
Stuart Schillinger, BCJPIA
Charlene Calica,
Contra Costa County Housing Authority
Don White, ERMAC
Brett Miller, MBASIA (*joined at 10:10am*)
Artesia Dupree, Oakland Housing Authority
John Duckett, SCORE

BOARD MEMBERS ABSENT: Robert Thompson, CalTIP
Linda Cox, MPA
Sean Scully, CSJVRMA

ALTERNATE MEMBERS PRESENT: Shannon Esenwein, CSJVRMA
Kin Ong, PARSAC

ALTERNATE MEMBERS ABSENT: Todd Cusimano, BCJPIA
George Fink, CalTIP
Jamie Goldstein, MBSIA
Tracy Robinson, MPA
Kerry Trost, PERMA
Drew Felder, Oakland Housing Authority
Roger Carroll, SCORE
Jamie Scott, VCJPA
Nataline Jindoian,
Contra Costa County Housing Authority

OTHERS PRESENT: Jennifer Jobe, Executive Director
Kathy Maylin, Litigation Manager
Chee Xiong, Senior Accountant
Brittany Claypool, Analyst
Greg O'Dea, General Counsel
Yahaira Martinez, York Pooling
Seth Cole, Alliant Insurance Services, Inc.
Melissa Guerrero, City of Santa Maria
Joanne Rennie, PARSAC
Jaesa McCulligan, BCJPIA
Jeanette Workman, CSJVRMA

1. CALL TO ORDER

The December 12, 2018, ERMA Special Board of Directors meeting was called to order at 10:04 a.m. by President Scott Ellerbrock. It was determined a quorum was present.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

John Gillison moved to approve the agenda as posted. Seconded by Shannon Esenwein. The motion passed unanimously.

3. PUBLIC COMMENTS

None.

4. CONSENT CALENDAR

John Gillison moved to approve the following items: A) Minutes of November 5, 2018, Board of Directors Meeting and Summary of Action Items. Seconded by Artesia Dupree. The motion passed unanimously.

5. COVERAGE MATTERS

A. City of Adelanto (PERMA) Update

Ms. Jennifer Jobe, Executive Director, advised written Notice of Termination as issued to the City of Adelanto following the November 5, 2018, Board of Directors meeting. Ms. Jobe stated that although the Board's intent was to increase the City's self-insured retention (SIR), effective December 12, 2018, ERMA's governing documents preclude such action outside of a sixty (60) day notice prior to the inception of the next program year. Given that the City's participation in ERMA will be terminated, there is no need to increase the SIR.

6. MEMBERSHIP MATTERS

A. Review of Prospective Member Application – City of Santa Maria (ERMAC)

Ms. Jobe reported the City of Santa Maria previously applied and was approved for participation in ERMA in 2016. The City subsequently rescinded their application. Ms. Jobe noted the City re-applied and the application was reviewed by the Underwriting Committee on November 15, 2018. Ms. Jobe advised the City reports payroll at \$48 million, and if approved as an underlying member of ERMAC, the City will be the second largest member following the City of Hayward, thus bringing ERMAC's total payroll to \$127 million. Ms. Jobe further noted the City reports 466 full-time employees and 70 part-time employees. The City has advised their personnel policy and procedures are up-to-date and have recently been reviewed by legal counsel. Within the last seven program years, the City reported five employment practices claims, with a total incurred of \$2.8 million, and the City utilized their

in-house City Attorney. Ms. Jobe advised the Underwriting Committee's recommendation to the Board of Directors is to approve the City of Santa Maria as an underlying member of ERMAC at a \$500,000 SIR, effective January 1, 2019, with the caveat that all claims are to be defended by an approved member of ERMA's defense panel.

Truc Dever moved to approve the City of Santa Maria as an underlying member of ERMAC at a \$500,000 SIR, effective January 1, 2019, with the caveat that any EPL claims are to be defended by an approved member of ERMA's defense panel. Seconded by John Gillison. The motion passed unanimously.

B. Review of Prospective Member Application – Central Marin Fire Authority (BCJPIA)

Ms. Jobe reported the Central Marin Fire Authority is a newly formed entity comprised of fire services from two existing BCJPIA underlying members, the Town of Corte Madera and the City of Larkspur. Ms. Jobe noted the Central Marin Fire Authority is being considered for participation effective January 1, 2019, by BCJPIA's Executive Committee on December 13, 2018. Ms. Jobe stated the City reports 37 full-time employees and, all personnel policies and procedures are up-to-date and have recently been reviewed by legal counsel. In addition, the Authority reports \$5.8 million in payroll, no known losses and has submitted a "No Known Loss" letter. Ms. Jobe advised the recommendation of the Underwriting Committee is to approve the Central Marin Fire Authority as an underlying member of BCJPIA at a \$250,000 SIR, effective January 1, 2019, pending final approval by the BCJPIA Executive Committee.

John Duckett moved to approve the Central Marin Fire Authority as an underlying member of BCJPIA at a \$250,000 SIR, effective January 1, 2019. Seconded by Artesia Dupree. The motion passed unanimously.

7. FINANCIAL MATTERS

B. Update Regarding the Local Agency Investment Fund (LAIF)

Ms. Jobe provided background regarding the discussion from the November 5, 2018, Board of Directors meeting regarding principal funds and LAIF. Ms. Jobe stated following a conversation between Ms. Nancy Broadhurst, Finance Manager, and LAIF representatives, it has been confirmed that LAIF does not provide a guarantee of principal funds.

8. CLOSING COMMENTS

A. Board


Ms. Joanne Rennie, PARSAC, advised she is retiring, effective December 31, 2018, and Mr. Kin Ong will take her place as the Board Alternate for PARSAC.

B. Staff

None.

9. ADJOURNMENT

The December 12, 2018, ERMA Special Board of Directors meeting adjourned at 10:17 a.m. by general consent.



Jennifer Jobe, Executive Director

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
SUMMARY OF ACTION ITEMS
SPECIAL BOARD OF DIRECTORS MEETING OF DECEMBER 12, 2018

- ❖ The following Consent Calendar items were approved by the Board:
 - A. Minutes of November 5, 2018, Board of Directors Meeting and Summary of Action Items
- ❖ The Board approved the City of Santa Maria as an underlying member of ERMAC at a \$500,000 SIR, effective January 1, 2019, with the caveat that any EPL claims are to be defended by an approved member of ERMA's defense panel.
- ❖ The Board approved the Central Marin Fire Authority as an underlying member of BCJPIA at a \$250,000 SIR, effective January 1, 2019.

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Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

Page: 1
User ID: lkokhanets

Ranges:	From:	To:	Check Date	From:	To:
Check Number	First	Last	10/1/2018	10/1/2018	12/31/2018
Vendor ID	First	Last	Checkbook ID	CBT GENERAL	CBT GENERAL
Vendor Name	First	Last			

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
EFT000063	DR100	Alliant Insurance Services, In	10/10/2018	CBT GENERAL	PMCHK00000611	\$2,553.37
EFT000064	JA100 EFT	Jackson Lewis P.C.	10/10/2018	CBT GENERAL	PMCHK00000611	\$2,295.00
EFT000065	LO120	Longyear, O'Dea, & Lavra, LLP	10/10/2018	CBT GENERAL	PMCHK00000611	\$1,867.50
EFT000067	BI100	Bickmore	11/12/2018	CBT GENERAL	PMCHK00000616	\$7,648.12
EFT000068	LO120	Longyear, O'Dea, & Lavra, LLP	11/12/2018	CBT GENERAL	PMCHK00000616	\$2,904.60
EFT000070	AG100	in2vate, LLC	12/12/2018	CBT GENERAL	PMCHK00000621	\$6,000.00
EFT000071	BI100	Bickmore	12/12/2018	CBT GENERAL	PMCHK00000621	\$175,448.50
EFT000072	LO120	Longyear, O'Dea, & Lavra, LLP	12/12/2018	CBT GENERAL	PMCHK00000621	\$5,539.68
G 003182	SA100	Sampson, Sampson and Patterson	10/10/2018	CBT GENERAL	PMCHK00000612	\$5,000.00
G 003183	GR105	Greater LA County VCD	11/12/2018	CBT GENERAL	PMCHK00000617	\$278.26
G 003184	LI100	Liebert Cassidy Whitmore	11/12/2018	CBT GENERAL	PMCHK00000617	\$4,919.00
G 003185	ED100	Edible Events	11/12/2018	CBT GENERAL	PMCHK00000618	\$401.88
G 003186	EL100	Scott Ellerbrock	12/12/2018	CBT GENERAL	PMCHK00000622	\$548.88
G 003187	LA140	City of Laguna Hills	12/12/2018	CBT GENERAL	PMCHK00000622	\$484.44
G 003188	LI100	Liebert Cassidy Whitmore	12/12/2018	CBT GENERAL	PMCHK00000622	\$2,150.00
G 003189	RA100	City of Rancho Cucamonga	12/12/2018	CBT GENERAL	PMCHK00000622	\$431.42
G 003190	SA100	Sampson, Sampson and Patterson	12/12/2018	CBT GENERAL	PMCHK00000622	\$4,700.00

Total Checks:	17	Total Amount of Checks:	\$223,170.65
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Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	10/1/2018
Vendor ID	First	Last	Checkbook ID	CBT CLAIMS
Vendor Name	First	Last		CBT CLAIMS

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
L 007035	IA100	Iarusso and Dagher	10/24/2018	CBT CLAIMS	PMCHK00000613	\$50,000.00
L 007036	ME135	Melvin Cook	10/24/2018	CBT CLAIMS	PMCHK00000613	\$50,000.00
L 007037	DA120	David Pavesi	10/25/2018	CBT CLAIMS	PMCHK00000614	\$21,000.00
L 007038	FR110	Frank Sarro	10/25/2018	CBT CLAIMS	PMCHK00000614	\$20,000.00
L 007039	BE100	Best Best and Krieger LLP	10/30/2018	CBT CLAIMS	PMCHK00000615	\$1,526.16
L 007040	BE100	Best Best and Krieger LLP	10/30/2018	CBT CLAIMS	PMCHK00000615	\$87.00
L 007041	BE100	Best Best and Krieger LLP	10/30/2018	CBT CLAIMS	PMCHK00000615	\$18,815.15
L 007042	CL115	City of Clearlake	10/30/2018	CBT CLAIMS	PMCHK00000615	\$8,012.50
L 007043	JA100	Jackson Lewis P.C.	10/30/2018	CBT CLAIMS	PMCHK00000615	\$345.00
L 007044	JA100	Jackson Lewis P.C.	10/30/2018	CBT CLAIMS	PMCHK00000615	\$6,258.00
L 007045	JA100	Jackson Lewis P.C.	10/30/2018	CBT CLAIMS	PMCHK00000615	\$75.98
L 007046	JA100	Jackson Lewis P.C.	10/30/2018	CBT CLAIMS	PMCHK00000615	\$442.32
L 007047	JA100	Jackson Lewis P.C.	10/30/2018	CBT CLAIMS	PMCHK00000615	\$14,003.74
L 007048	JA100	Jackson Lewis P.C.	10/30/2018	CBT CLAIMS	PMCHK00000615	\$87.00
L 007049	KE120	City of Kerman	10/30/2018	CBT CLAIMS	PMCHK00000615	\$816.50
L 007050	RI050	City of Rialto	10/30/2018	CBT CLAIMS	PMCHK00000615	\$2,372.62
L 007051	BE100	Best Best and Krieger LLP	12/4/2018	CBT CLAIMS	PMCHK00000619	\$42,438.99
L 007052	JA100	Jackson Lewis P.C.	12/4/2018	CBT CLAIMS	PMCHK00000619	\$3,409.39
L 007053	JA100	Jackson Lewis P.C.	12/4/2018	CBT CLAIMS	PMCHK00000619	\$1,378.00
L 007054	JA100	Jackson Lewis P.C.	12/4/2018	CBT CLAIMS	PMCHK00000619	\$148.07
L 007055	JA100	Jackson Lewis P.C.	12/4/2018	CBT CLAIMS	PMCHK00000619	\$15,886.42
L 007056	LI100	Liebert Cassidy Whitmore	12/4/2018	CBT CLAIMS	PMCHK00000619	\$8,643.31
L 007057	LI100	Liebert Cassidy Whitmore	12/4/2018	CBT CLAIMS	PMCHK00000619	\$40,365.28
L 007058	RI050	City of Rialto	12/4/2018	CBT CLAIMS	PMCHK00000619	\$11,350.91
L 007059	BU120	Michael Buera	12/11/2018	CBT CLAIMS	PMCHK00000620	\$65,469.60
L 007060	FE100	Law Offices of Felicia C. Curr	12/11/2018	CBT CLAIMS	PMCHK00000620	\$49,530.40
L 007061	AR105	Shanae Armstrong	12/20/2018	CBT CLAIMS	PMCHK00000623	\$97,642.12
L 007062	LE145	Levy Vinick Burrell Hyams LLP	12/20/2018	CBT CLAIMS	PMCHK00000623	\$452,357.88
L 007063	ME145	MetLife Assignment Company, In	12/20/2018	CBT CLAIMS	PMCHK00000623	\$550,000.00

Total Checks:	29	Total Amount of Checks:	\$1,532,462.34
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Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

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Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	10/1/2018
Vendor ID	First	Last	Checkbook ID	CBT PETTY
Vendor Name	First	Last		CBT PETTY

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
1289	ME140	Michael Mejia	10/11/2018	CBT PETTY	PMTRX00000743	\$49.48
1290	LA140	City of Laguna Hills	10/18/2018	CBT PETTY	PMTRX00000743	\$94.41
1291	CH120	City of Chowchilla	10/18/2018	CBT PETTY	PMTRX00000743	\$96.89
1292	PE110	City of Perris	10/30/2018	CBT PETTY	PMTRX00000743	\$160.00
1293	CE100	City of Ceres	11/20/2018	CBT PETTY	PMTRX00000749	\$167.34
Total Checks: 5						\$568.12

Employment Risk Management Authority

Cash & Investment Report

September 30, 2018

Accounts	Book Value	Market Value *	% of Total	Effective Yield
California Bank & Trust - Administration ¹	\$ 2,799	\$ 2,799	0.01%	0.00%
California Bank & Trust - General Operating ¹	92,329	92,329	0.30%	0.00%
California Bank & Trust - Claims Payment ²	(67,328)	(67,328)	-0.22%	0.00%
Local Agency Investment Fund	6,967,441	6,952,338	22.48%	2.16%
CAMP - Money Market	109,721	109,721	0.35%	2.14%
CAMP - Investments managed by PFM	24,219,828	23,834,043	77.07%	2.09%
Total	\$ 31,324,790	\$ 30,923,902		2.11%

* Yield to Maturity at Cost

Notes:

¹ These accounts are non-interest bearing analysis checking accounts in which the earning credit offsets a portion of the banking service charges.

² Beginning on February 2, 2016, ERMA's claims account was converted to a zero-balance account with a sweep arrangement to the general operating account. The negative balance represents the total outstanding checks as of the end of the quarter.

Attached are the PFM Asset Management (PFM) and Local Agency Investment Fund (LAIF) statements detailing all investment transactions. Market prices are derived from closing bid prices as of the last business day of the month from either Interactive Data, Bloomberg, Telerate, and other widely-used third party pricing vendors.

This report reflects all cash and investments and is in conformity with the investment policy of the Authority. The investment program shown herein is sufficient to meet the Authority's expenditure requirements over the next six months.

Respectfully submitted,


Nancy Broadhurst, Assistant Treasurer

Accepted,


Truc Dever, Treasurer

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
October 04, 2018

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

PMIA Average Monthly Yields

Account Number:
35-34-011

Tran Type Definitions

September 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
9/21/2018	9/20/2018	RW	1584256	NANCY BROADHURST	-270,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	7,237,440.61
Total Withdrawal:	-270,000.00	Ending Balance:	6,967,440.61

**ERMA
LAIF Market Value
9/30/2018**

Adjustment for Market Value	
LAIF Statement Balance	\$ 6,967,440.61
Fair Value Factor per LAIF Performance Report*	<u>0.997832404</u>
Adjusted Market Value	<u><u>\$ 6,952,338.01</u></u>



**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
09/17/18	2.07	1.99	187
09/18/18	2.07	1.99	188
09/19/18	2.08	1.99	188
09/20/18	2.08	1.99	188
09/21/18	2.08	1.99	187
09/22/18	2.08	1.99	187
09/23/18	2.08	1.99	187
09/24/18	2.08	2.00	189
09/25/18	2.08	2.00	188
09/26/18	2.09	2.00	190
09/27/18	2.09	2.00	192
09/28/18	2.09	2.00	193
09/29/18	2.09	2.00	193
09/30/18	2.09	2.00	193
10/01/18	2.11	2.11	205
10/02/18	2.11	2.11	205
10/03/18	2.12	2.11	206
10/04/18	2.12	2.12	206
10/05/18	2.12	2.12	205
10/06/18	2.12	2.12	205
10/07/18	2.12	2.12	205
10/08/18	2.12	2.12	202
10/09/18	2.12	2.12	202
10/10/18	2.13	2.12	202
10/11/18	2.14	2.12	203
10/12/18	2.14	2.12	202
10/13/18	2.14	2.12	202
10/14/18	2.14	2.13	202
10/15/18	2.14	2.13	200
10/16/18	2.15	2.13	198
10/17/18	2.15	2.13	198

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

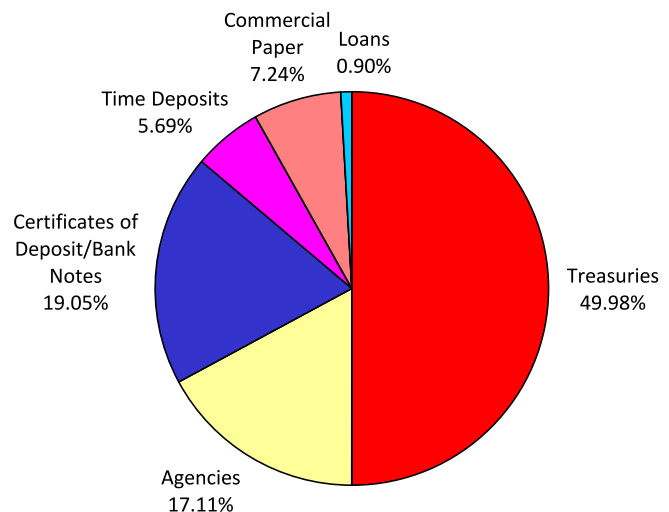
Quarter Ending 09/30/18

Apportionment Rate: 2.16%
 Earnings Ratio: 0.00005909460836489
 Fair Value Factor: 0.997832404
 Daily: 2.09%
 Quarter to Date: 2.00%
 Average Life: 193

PMIA Average Monthly Effective Yields

Sept 2018 2.063
 Aug 2018 1.998
 July 2018 1.944

**Pooled Money Investment Account
Portfolio Composition
09/30/18
\$88.3 billion**



Percentages may not total 100%, due to rounding.

Based on data available as of 10/17/2018

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
 September 07,
 2018

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
 1750 CREEKSIDE OAKS DRIVE
 SACRAMENTO, CA 95833

[PMIA Average Monthly Yields](#)

Account Number:

35-34-011

[Tran Type Definitions](#)

August 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
8/6/2018	8/3/2018	RD	1581202	NANCY BROADHURST	5,680,000.00
8/21/2018	8/20/2018	RD	1582220	NANCY BROADHURST	815,000.00
8/23/2018	8/22/2018	RW	1582386	NANCY BROADHURST	-40,000.00

Account Summary

Total Deposit:	6,495,000.00	Beginning Balance:	782,440.61
Total Withdrawal:	-40,000.00	Ending Balance:	7,237,440.61

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp

August 15, 2018

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

PMIA Average Monthly Yields

Account Number:

35-34-011

Tran Type Definitions

July 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
7/11/2018	7/10/2018	RW	1574576	NANCY BROADHURST	-160,000.00
7/13/2018	7/12/2018	QRD	1578250	SYSTEM	15,090.23

Account Summary

Total Deposit:	15,090.23	Beginning Balance:	927,350.38
Total Withdrawal:	-160,000.00	Ending Balance:	782,440.61



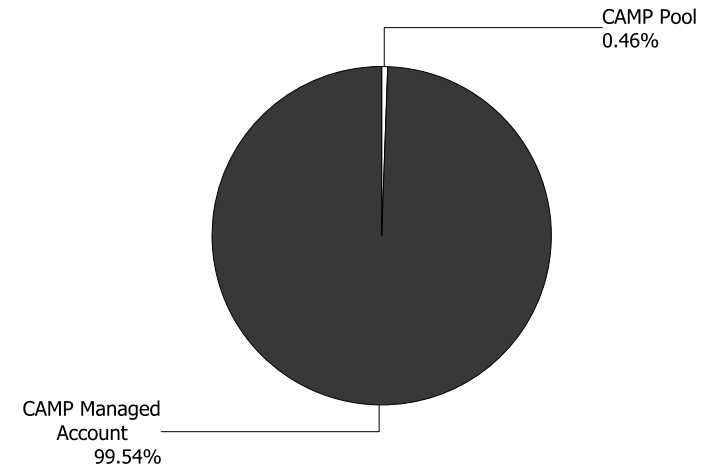
Account Statement - Transaction Summary

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

CAMP Pool	
Opening Market Value	306,180.41
Purchases	337,329.27
Redemptions	(533,789.06)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$109,720.62
Cash Dividends and Income	196.27
CAMP Managed Account	
Opening Market Value	23,671,811.97
Purchases	526,925.78
Redemptions	(306,731.43)
Unsettled Trades	0.00
Change in Value	(57,963.50)
Closing Market Value	\$23,834,042.82
Cash Dividends and Income	23,161.98

Asset Summary		
	September 30, 2018	August 31, 2018
CAMP Pool	109,720.62	306,180.41
CAMP Managed Account	23,834,042.82	23,671,811.97
Total	\$23,943,763.44	\$23,977,992.38
Asset Allocation		





Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/15/2010 2.625% 11/15/2020	912828PC8	35,000.00	AA+	Aaa	05/03/16	05/06/16	37,171.09	1.21	347.03	36,033.02	34,838.69
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	250,000.00	AA+	Aaa	09/01/16	09/02/16	258,984.38	1.22	1,680.33	255,110.01	244,414.00
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	650,000.00	AA+	Aaa	03/15/17	03/17/17	633,115.24	2.02	3,003.59	639,146.33	625,117.35
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	485,000.00	AA+	Aaa	10/03/16	10/05/16	503,206.45	1.21	830.66	495,951.35	473,140.30
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	675,000.00	AA+	Aaa	12/01/16	12/05/16	677,003.91	1.93	1,156.08	676,259.89	658,494.23
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	AA+	Aaa	07/06/17	07/11/17	905,449.22	1.85	1,541.44	903,885.74	877,992.30
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	AA+	Aaa	06/27/17	06/29/17	1,111,988.28	1.73	1,883.98	1,108,472.85	1,073,101.70
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	AA+	Aaa	08/30/17	08/31/17	541,320.31	1.64	2,877.04	543,525.66	523,509.80
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	350,000.00	AA+	Aaa	12/04/17	12/06/17	346,363.28	2.12	2,746.26	347,017.35	337,709.05
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	425,000.00	AA+	Aaa	01/03/18	01/04/18	419,604.49	2.18	3,334.75	420,496.36	410,075.28
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	AA+	Aaa	07/03/18	07/06/18	509,496.09	2.69	4,119.40	510,417.02	506,563.58
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	AA+	Aaa	05/03/18	05/07/18	580,828.13	2.73	4,707.88	582,662.93	578,929.80
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	550,000.00	AA+	Aaa	09/05/18	09/07/18	526,925.78	2.76	1,141.47	527,290.36	523,853.55
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	225,000.00	AA+	Aaa	08/01/18	08/03/18	218,232.42	2.86	1,208.31	218,465.78	217,696.28



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total		7,320,000.00					7,269,689.07	2.03	30,578.22	7,264,734.65	7,085,435.91
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVEL BK NOTE DTD 04/12/2017 1.625% 05/12/2020	4581X0CX4	400,000.00	AAA	Aaa	04/05/17	04/12/17	399,052.00	1.70	2,509.72	399,496.71	392,173.20
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	AAA	Aaa	09/12/17	09/19/17	623,500.00	1.64	514.91	624,011.38	608,583.13
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	500,000.00	AAA	Aaa	10/02/17	10/10/17	504,634.55	1.81	4,190.97	503,197.18	491,812.50
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	150,000.00	AAA	Aaa	04/12/18	04/19/18	149,670.00	2.70	1,771.88	149,717.85	148,637.25
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	AAA	Aaa	07/18/18	07/25/18	498,830.00	2.83	2,520.83	498,898.98	496,913.00
Security Type Sub-Total		2,175,000.00					2,175,686.55	2.04	11,508.31	2,175,322.10	2,138,119.08
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 08/17/2016 1.300% 08/15/2019	20772J3D2	275,000.00	A	A1	08/03/16	08/17/16	275,594.00	1.23	456.81	275,175.19	270,129.75
Security Type Sub-Total		275,000.00					275,594.00	1.23	456.81	275,175.19	270,129.75
Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AQSW1	5,920.67	AA+	Aaa	11/06/15	11/30/15	5,979.87	1.20	9.36	5,920.67	5,898.89
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	44,264.30	AA+	Aaa	10/07/15	10/30/15	44,707.56	1.08	60.72	44,323.10	44,095.92
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	155,776.69	AA+	Aaa	04/11/18	04/30/18	158,875.24	2.27	462.14	158,535.55	157,246.13



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Collateralized Mortgage Obligation											
FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	AA+	Aaa	04/04/18	04/09/18	131,107.03	2.61	334.75	130,970.06	129,569.95
Security Type Sub-Total		335,961.66					340,669.70	2.23	866.97	339,749.38	336,810.89
Federal Agency Bond / Note											
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	150,000.00	AA+	Aaa	02/24/17	02/28/17	149,904.00	1.52	206.25	149,954.40	147,434.70
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	625,000.00	AA+	Aaa	07/14/16	07/15/16	621,199.38	1.25	1,503.91	622,852.18	595,967.50
Security Type Sub-Total		775,000.00					771,103.38	1.30	1,710.16	772,806.58	743,402.20
Corporate Note											
BERKSHIRE HATHAWAY INC NOTES DTD 03/15/2016 1.700% 03/15/2019	084664CG4	35,000.00	AA	Aa2	03/08/16	03/15/16	34,973.40	1.73	26.44	34,995.87	34,879.53
WELLS FARGO & COMPANY CORP NOTE DTD 04/22/2014 2.125% 04/22/2019	94974BFU9	250,000.00	A-	A2	03/10/16	03/15/16	251,022.50	1.99	2,346.35	250,188.97	249,207.25
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	35,000.00	BBB+	A3	04/20/16	04/25/16	34,902.70	2.10	303.33	34,981.16	34,867.67
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	200,000.00	BBB+	A3	04/21/16	04/26/16	199,872.00	2.02	1,733.33	199,975.23	199,243.80
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	100,000.00	BBB+	Baa1	06/02/16	06/09/16	99,948.00	2.07	649.17	99,987.85	99,507.40
BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	125,000.00	A+	A3	06/03/16	06/08/16	137,987.50	1.48	2,937.50	128,986.74	127,240.25
CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020	172967LF6	250,000.00	BBB+	Baa1	01/04/17	01/10/17	249,900.00	2.46	1,378.13	249,956.63	247,817.50



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
AMERICAN EXPRESS CREDIT (CALLABLE) NOTE DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	180,000.00	A-	A2	02/28/17	03/03/17	179,812.80	2.24	308.00	179,909.72	177,984.00
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020	25468PDP8	100,000.00	A+	A2	03/01/17	03/06/17	99,974.00	1.96	146.25	99,987.42	98,639.90
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	350,000.00	AA-	Aa3	04/11/17	04/17/17	349,839.00	1.97	3,109.17	349,915.95	344,714.30
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	200,000.00	AA+	Aa1	05/04/17	05/11/17	199,796.00	1.84	1,400.00	199,889.08	196,652.40
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	125,000.00	A	A2	05/24/17	06/05/17	124,927.50	1.82	725.00	124,958.98	123,001.88
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 06/23/2015 2.750% 06/23/2020	46625HLW8	250,000.00	A-	A3	04/01/16	04/04/16	256,172.50	2.13	1,871.53	252,521.16	248,123.75
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	100,000.00	A+	A2	07/17/17	07/20/17	99,899.00	1.98	384.58	99,938.61	97,999.80
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	185,000.00	A	A3	09/05/17	09/07/17	184,844.60	1.88	256.69	184,898.94	180,514.49
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	125,000.00	A+	A1	11/06/17	11/13/17	124,988.75	2.05	982.29	124,991.99	122,055.00
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	250,000.00	AA	Aa2	10/11/17	10/20/17	249,637.50	1.95	1,398.61	249,742.44	244,678.75
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	65,000.00	A-	A2	10/23/17	10/26/17	64,970.10	2.17	232.92	64,977.74	63,441.11
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A+	A1	02/01/18	02/06/18	249,877.50	2.67	1,030.56	249,903.29	247,183.25
AMERICAN HONDA FINANCE DTD 02/15/2018 2.650% 02/12/2021	02665WCD1	125,000.00	A+	A2	02/12/18	02/15/18	124,825.00	2.70	450.87	124,860.46	123,539.88



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	A	A2	02/21/18	02/26/18	99,889.00	2.94	128.89	99,910.94	99,304.00
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	04/12/18	04/19/18	149,365.50	3.05	193.33	149,464.74	148,956.00
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	165,000.00	A+	A1	10/05/17	10/10/17	164,967.00	2.01	1,521.67	164,975.76	160,594.17
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A3	11/01/17	11/03/17	25,194.00	2.39	295.31	25,144.56	24,598.68
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	250,000.00	BBB+	A3	11/01/17	11/03/17	250,810.00	2.40	2,777.78	250,604.36	244,264.00
BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	250,000.00	A	A1	05/17/16	05/20/16	250,532.50	2.00	2,106.94	250,281.83	242,522.75
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	150,000.00	A-	A2	05/25/16	05/31/16	149,721.00	2.29	1,368.75	149,849.88	146,212.35
BRANCH BANKING & TRUST (CALLABLE) NOTE DTD 05/10/2016 2.050% 05/10/2021	05531FAV5	125,000.00	A-	A2	05/10/16	05/16/16	124,917.50	2.06	1,003.65	124,955.89	121,089.63
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	A	A1	05/03/18	05/10/18	99,931.00	3.12	1,214.17	99,939.84	99,961.90
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	A	A1	05/19/16	05/24/16	69,735.40	2.03	500.50	69,857.02	67,725.98
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	A	A2	05/17/18	05/22/18	159,995.20	3.25	1,863.33	159,995.68	160,019.84
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	175,000.00	A-	A3	09/13/17	09/18/17	175,000.00	2.33	2,037.00	175,000.00	171,211.78
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	A	A2	03/10/17	03/15/17	224,007.75	2.75	1,407.81	224,315.88	220,462.65



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A3	05/14/18	05/17/18	50,000.00	3.50	651.20	50,000.00	49,972.55
Security Type Sub-Total		5,295,000.00					5,312,236.20	2.25	38,741.05	5,299,864.61	5,218,188.19
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 07/20/2018 0.000% 04/16/2019	62479MRG0	500,000.00	A-1	P-1	07/20/18	07/20/18	490,362.50	2.62	0.00	492,968.20	492,830.50
Security Type Sub-Total		500,000.00					490,362.50	2.62	0.00	492,968.20	492,830.50
Certificate of Deposit											
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	500,000.00	A-1	P-1	12/01/16	12/05/16	499,610.00	1.78	2,957.78	499,967.73	499,512.50
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	500,000.00	A-1+	P-1	12/01/16	12/05/16	500,000.00	1.74	3,031.11	500,000.00	499,775.50
SVENSKA HANDELSBANKEN NY CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	500,000.00	A-1+	P-1	01/10/17	01/12/17	500,000.00	1.91	2,178.75	500,000.00	498,710.00
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	250,000.00	A-1	P-1	04/05/17	04/06/17	250,000.00	1.91	2,374.24	250,000.00	249,118.00
SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVN0	500,000.00	A-1	P-1	05/03/17	05/04/17	500,000.00	2.05	4,299.31	500,000.00	498,719.00
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	500,000.00	A-1	P-1	08/03/17	08/04/17	499,805.00	1.85	1,533.33	499,918.31	496,760.00
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	250,000.00	A-1	P-1	09/25/17	09/27/17	250,000.00	2.07	86.25	250,000.00	247,947.25
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	250,000.00	A	A1	02/07/18	02/08/18	250,000.00	2.67	4,320.21	250,000.00	249,888.75
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	250,000.00	A+	Aa2	03/02/18	03/06/18	250,000.00	2.93	543.75	250,000.00	250,598.50



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	250,000.00	A+	Aa2	06/05/18	06/07/18	249,905.00	3.10	2,438.33	249,919.58	251,207.25
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	425,000.00	A+	Aa2	08/01/18	08/03/18	425,000.00	3.23	2,221.92	425,000.00	424,454.73
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	450,000.00	AA-	Aa3	08/03/17	08/07/17	450,000.00	2.05	1,383.75	450,000.00	443,540.70
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	AA-	Aa2	11/16/17	11/17/17	500,000.00	2.30	4,350.83	500,000.00	490,159.50
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	AA-	Aa2	06/07/18	06/08/18	425,000.00	3.24	4,322.25	425,000.00	427,288.20
Security Type Sub-Total		5,550,000.00					5,549,320.00	2.28	36,041.81	5,549,805.62	5,527,679.88
Asset-Backed Security / Collateralized Mortgage Obligation											
HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	15,394.49	AAA	NR	02/16/16	02/25/16	15,392.30	1.23	6.78	15,393.91	15,346.59
FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	11,325.12	AAA	Aaa	09/15/15	09/22/15	11,322.91	1.42	7.10	11,324.69	11,313.82
NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	46,054.06	NR	Aaa	07/15/15	07/22/15	46,050.41	1.34	27.43	46,053.12	45,952.47
TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	57,203.71	AAA	Aaa	02/23/16	03/02/16	57,200.47	1.25	31.78	57,202.71	56,984.52
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	31,227.94	NR	Aaa	07/19/16	07/27/16	31,225.45	1.25	17.35	31,227.00	31,070.45
FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	37,060.31	AAA	NR	01/20/16	01/26/16	37,059.52	1.39	22.90	37,060.04	36,941.83
ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	34,333.31	AAA	Aaa	05/24/16	05/31/16	34,329.98	1.44	21.97	34,331.93	34,213.31
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	29,789.00	AAA	Aaa	03/22/16	03/30/16	29,783.22	1.57	20.65	29,786.75	29,671.53



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	190,151.90	AAA	NR	10/18/16	10/25/16	190,139.56	1.04	83.09	190,146.04	188,424.27
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	380,000.00	AAA	Aaa	01/19/17	01/26/17	379,927.23	1.75	1,359.13	380,000.00	379,163.96
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	125,000.00	AAA	Aaa	03/07/17	03/15/17	124,985.29	1.74	96.11	124,990.93	124,115.29
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	127,292.59	AAA	Aaa	09/14/16	09/21/16	127,275.45	1.30	72.98	127,283.82	126,098.46
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	95,535.35	NR	Aaa	01/24/17	01/31/17	95,527.00	1.70	72.18	95,530.36	94,864.62
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	330,000.00	NR	Aaa	01/18/17	01/25/17	329,998.78	1.67	244.93	329,999.35	327,026.34
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	360,000.00	NR	Aaa	03/21/17	03/29/17	359,957.56	1.79	284.80	359,972.89	357,302.70
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	AAA	NR	09/25/17	09/29/17	64,992.96	1.94	42.02	64,994.67	64,073.09
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	AAA	Aaa	01/23/18	01/31/18	99,998.85	2.35	104.44	99,999.07	98,883.17
Security Type Sub-Total		2,035,367.78					2,035,166.94	1.63	2,515.64	2,035,297.28	2,021,446.42
Managed Account Sub-Total		24,261,329.44					24,219,828.34	2.09	122,418.97	24,205,723.61	23,834,042.82
Money Market Mutual Fund											
CAMP Pool		109,720.62	AAA	NR			109,720.62		0.00	109,720.62	109,720.62
Money Market Sub-Total		109,720.62					109,720.62		0.00	109,720.62	109,720.62



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Securities Sub-Total	\$24,371,050.06	\$24,329,548.96	2.09%	\$122,418.97	\$24,315,444.23	\$23,943,763.44
Accrued Interest						\$122,418.97
Total Investments						\$24,066,182.41



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
BUY										
09/05/18	09/07/18	US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	550,000.00	(526,925.78)	(558.59)	(527,484.37)			
Transaction Type Sub-Total				550,000.00	(526,925.78)	(558.59)	(527,484.37)			
INTEREST										
09/01/18	09/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
09/01/18	09/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	8,590.27	0.00	13.59	13.59			
09/01/18	09/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	160,285.52	0.00	484.10	484.10			
09/01/18	09/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	51,443.82	0.00	70.56	70.56			
09/03/18	09/03/18	AMERICAN EXPRESS CREDIT (CALLABLE) NOTE DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	180,000.00	0.00	1,980.00	1,980.00			
09/04/18	09/04/18	CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	185,000.00	0.00	1,711.25	1,711.25			
09/04/18	09/04/18	WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020	25468PDP8	100,000.00	0.00	975.00	975.00			
09/04/18	09/04/18	UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	250,000.00	0.00	3,665.28	3,665.28			
09/12/18	09/12/18	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	0.00	4,881.25	4,881.25			
09/15/18	09/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	66,361.11	0.00	69.13	69.13			
09/15/18	09/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	125,000.00	0.00	180.21	180.21			
09/15/18	09/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	17,395.00	0.00	20.44	20.44			
09/15/18	09/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	43,231.04	0.00	50.08	50.08			



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
INTEREST										
09/15/18	09/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	360,000.00	0.00	534.00	534.00			
09/15/18	09/15/18	BERKSHIRE HATHAWAY INC NOTES DTD 03/15/2016 1.700% 03/15/2019	084664CG4	35,000.00	0.00	297.50	297.50			
09/15/18	09/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	34,167.51	0.00	35.59	35.59			
09/15/18	09/15/18	NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	0.00	2,404.58	2,404.58			
09/15/18	09/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	33,409.54	0.00	43.43	43.43			
09/15/18	09/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	39,303.01	0.00	47.16	47.16			
09/15/18	09/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	100,000.00	0.00	141.67	141.67			
09/15/18	09/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	56,800.47	0.00	63.43	63.43			
09/15/18	09/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	330,000.00	0.00	459.25	459.25			
09/15/18	09/15/18	NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	0.00	1,603.06	1,603.06			
09/15/18	09/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	130,000.00	0.00	139.75	139.75			
09/15/18	09/15/18	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	0.00	195.83	195.83			
09/18/18	09/18/18	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	0.00	96.96	96.96			
09/18/18	09/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	18,308.89	0.00	18.61	18.61			
09/18/18	09/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	206,313.92	0.00	208.03	208.03			
09/25/18	09/25/18	MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	250,000.00	0.00	5,218.13	5,218.13			
Transaction Type Sub-Total				3,950,610.10	0.00	25,942.62	25,942.62			



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
PAYDOWNS										
09/01/18	09/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	7,179.52	7,179.52	0.00	7,179.52	(71.90)	0.00	
09/01/18	09/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	4,508.83	4,508.83	0.00	4,508.83	(89.69)	0.00	
09/01/18	09/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	2,669.60	2,669.60	0.00	2,669.60	(26.70)	0.00	
09/15/18	09/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	4,969.70	4,969.70	0.00	4,969.70	0.48	0.00	
09/15/18	09/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	4,464.65	4,464.65	0.00	4,464.65	0.39	0.00	
09/15/18	09/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	2,707.41	2,707.41	0.00	2,707.41	0.36	0.00	
09/15/18	09/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	10,746.41	10,746.41	0.00	10,746.41	0.85	0.00	
09/15/18	09/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	6,170.73	6,170.73	0.00	6,170.73	0.13	0.00	
09/15/18	09/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	6,069.88	6,069.88	0.00	6,069.88	1.18	0.00	
09/15/18	09/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	2,939.58	2,939.58	0.00	2,939.58	0.23	0.00	
09/15/18	09/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	9,157.40	9,157.40	0.00	9,157.40	0.52	0.00	
09/15/18	09/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	3,620.55	3,620.55	0.00	3,620.55	0.70	0.00	
09/18/18	09/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	16,162.02	16,162.02	0.00	16,162.02	1.05	0.00	
09/18/18	09/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	2,914.40	2,914.40	0.00	2,914.40	0.41	0.00	
Transaction Type Sub-Total				84,280.68	84,280.68	0.00	84,280.68	(181.99)	0.00	
SELL										
09/05/18	09/07/18	MICROSOFT CORP NOTES DTD 02/06/2017 1.850% 02/06/2020	594918BV5	225,000.00	222,450.75	358.44	222,809.19	(2,398.50)	(2,477.17)	FIFO



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale
Trade	Settle							Cost	Amort Cost	
Transaction Type Sub-Total				225,000.00	222,450.75	358.44	222,809.19	(2,398.50)	(2,477.17)	
Managed Account Sub-Total					(220,194.35)	25,742.47	(194,451.88)	(2,580.49)	(2,477.17)	
Total Security Transactions					(\$220,194.35)	\$25,742.47	(\$194,451.88)	(\$2,580.49)	(\$2,477.17)	



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
BUY										
08/01/18	08/03/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	225,000.00	(218,232.42)	(441.75)	(218,674.17)			
08/01/18	08/03/18	BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	425,000.00	(425,000.00)	0.00	(425,000.00)			

Transaction Type Sub-Total				650,000.00	(643,232.42)	(441.75)	(643,674.17)			
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INTEREST										
08/01/18	08/01/18	BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	65,000.00	0.00	698.75	698.75			
08/01/18	08/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	165,000.00	0.00	506.19	506.19			
08/01/18	08/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
08/01/18	08/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	75,586.22	0.00	103.68	103.68			
08/01/18	08/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	8,609.65	0.00	13.62	13.62			
08/02/18	08/02/18	SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	500,000.00	0.00	4,625.56	4,625.56			
08/05/18	08/05/18	IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	0.00	3,294.10	3,294.10			
08/06/18	08/06/18	MICROSOFT CORP NOTES DTD 02/06/2017 1.850% 02/06/2020	594918BV5	225,000.00	0.00	2,081.25	2,081.25			
08/07/18	08/07/18	WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	450,000.00	0.00	4,612.50	4,612.50			
08/12/18	08/12/18	AMERICAN HONDA FINANCE DTD 02/15/2018 2.650% 02/12/2021	02665WCD1	125,000.00	0.00	1,628.65	1,628.65			
08/15/18	08/15/18	CT ST TXBL GO BONDS DTD 08/17/2016 1.300% 08/15/2019	20772J3D2	275,000.00	0.00	1,787.50	1,787.50			
08/15/18	08/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	67,745.31	0.00	75.65	75.65			



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
08/15/18	08/15/18	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	0.00	195.83	195.83			
08/15/18	08/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	44,317.65	0.00	53.18	53.18			
08/15/18	08/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	130,000.00	0.00	139.75	139.75			
08/15/18	08/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	36,974.82	0.00	48.07	48.07			
08/15/18	08/15/18	CARMAX ABS 2016-4 A2 DTD 10/26/2016 1.210% 11/15/2019	14312QAB2	9,340.42	0.00	9.42	9.42			
08/15/18	08/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	37,825.28	0.00	39.40	39.40			
08/15/18	08/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	125,000.00	0.00	180.21	180.21			
08/15/18	08/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	100,000.00	0.00	141.67	141.67			
08/15/18	08/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	23,797.50	0.00	27.96	27.96			
08/15/18	08/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	75,754.18	0.00	78.91	78.91			
08/15/18	08/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	49,604.44	0.00	57.46	57.46			
08/15/18	08/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	330,000.00	0.00	459.25	459.25			
08/15/18	08/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	360,000.00	0.00	534.00	534.00			
08/18/18	08/18/18	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	0.00	96.96	96.96			
08/18/18	08/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	21,251.21	0.00	21.61	21.61			
08/18/18	08/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	222,414.16	0.00	224.27	224.27			
08/28/18	08/28/18	FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	150,000.00	0.00	1,125.00	1,125.00			



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
INTEREST										
08/31/18	08/31/18	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	675,000.00	0.00	6,750.00	6,750.00			
08/31/18	08/31/18	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	0.00	11,000.00	11,000.00			
08/31/18	08/31/18	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	0.00	9,000.00	9,000.00			
08/31/18	08/31/18	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	485,000.00	0.00	4,850.00	4,850.00			
Transaction Type Sub-Total				7,378,220.84	0.00	54,795.15	54,795.15			
PAYDOWNS										
08/01/18	08/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	24,142.40	24,142.40	0.00	24,142.40	(241.77)	0.00	
08/01/18	08/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	19.38	19.38	0.00	19.38	(0.19)	0.00	
08/01/18	08/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	4,714.48	4,714.48	0.00	4,714.48	(93.78)	0.00	
08/15/18	08/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	5,014.64	5,014.64	0.00	5,014.64	0.49	0.00	
08/15/18	08/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	6,402.50	6,402.50	0.00	6,402.50	1.25	0.00	
08/15/18	08/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	3,657.76	3,657.76	0.00	3,657.76	0.29	0.00	
08/15/18	08/15/18	CARMAX ABS 2016-4 A2 DTD 10/26/2016 1.210% 11/15/2019	14312OAB2	9,340.42	9,340.42	0.00	9,340.42	0.50	0.00	
08/15/18	08/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	9,393.07	9,393.07	0.00	9,393.07	0.53	0.00	
08/15/18	08/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	10,944.84	10,944.84	0.00	10,944.84	0.87	0.00	
08/15/18	08/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	3,565.28	3,565.28	0.00	3,565.28	0.69	0.00	
08/15/18	08/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	6,373.40	6,373.40	0.00	6,373.40	0.13	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
PAYDOWNS										
08/18/18	08/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	16,100.24	16,100.24	0.00	16,100.24	1.04	0.00	
08/18/18	08/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	2,942.32	2,942.32	0.00	2,942.32	0.42	0.00	
Transaction Type Sub-Total				102,610.73	102,610.73	0.00	102,610.73	(329.53)	0.00	
SELL										
08/01/18	08/03/18	BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	500,000.00	498,427.40	4,595.56	503,022.96	(1,572.60)	(1,572.60)	FIFO
08/01/18	08/03/18	FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	150,000.00	147,648.00	645.83	148,293.83	(2,118.00)	(2,267.43)	FIFO
08/01/18	08/03/18	FHLB GLOBAL NOTE DTD 08/04/2016 0.875% 08/05/2019	3130A8Y72	35,000.00	34,439.30	151.42	34,590.72	(493.50)	(537.99)	FIFO
Transaction Type Sub-Total				685,000.00	680,514.70	5,392.81	685,907.51	(4,184.10)	(4,378.02)	
Managed Account Sub-Total					139,893.01	59,746.21	199,639.22	(4,513.63)	(4,378.02)	
Total Security Transactions					\$139,893.01	\$59,746.21	\$199,639.22	(\$4,513.63)	(\$4,378.02)	



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
BUY										
07/03/18	07/06/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	(509,496.09)	(1,792.20)	(511,288.29)			
07/18/18	07/25/18	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	(498,830.00)	0.00	(498,830.00)			
07/20/18	07/20/18	MUFG BANK LTD/NY COMM PAPER DTD 07/20/2018 0.000% 04/16/2019	62479MRG0	500,000.00	(490,362.50)	0.00	(490,362.50)			
Transaction Type Sub-Total				1,525,000.00	(1,498,688.59)	(1,792.20)	(1,500,480.79)			
INTEREST										
07/01/18	07/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	21,221.86	0.00	33.57	33.57			
07/01/18	07/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
07/01/18	07/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	165,000.00	0.00	489.50	489.50			
07/01/18	07/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	76,620.06	0.00	112.09	112.09			
07/06/18	07/06/18	JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	0.00	2,981.25	2,981.25			
07/10/18	07/10/18	SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	500,000.00	0.00	4,751.25	4,751.25			
07/10/18	07/10/18	CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020	172967LF6	250,000.00	0.00	3,062.50	3,062.50			
07/14/18	07/14/18	FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	625,000.00	0.00	3,515.63	3,515.63			
07/15/18	07/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	360,000.00	0.00	534.00	534.00			
07/15/18	07/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	49,367.45	0.00	59.24	59.24			
07/15/18	07/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	29,819.58	0.00	35.04	35.04			



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
INTEREST										
07/15/18	07/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	330,000.00	0.00	459.25	459.25			
07/15/18	07/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	55,681.58	0.00	64.50	64.50			
07/15/18	07/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	40,828.78	0.00	53.08	53.08			
07/15/18	07/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	78,806.44	0.00	88.00	88.00			
07/15/18	07/15/18	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	0.00	195.83	195.83			
07/15/18	07/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	130,000.00	0.00	139.75	139.75			
07/15/18	07/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	40,921.60	0.00	42.63	42.63			
07/15/18	07/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	85,058.25	0.00	88.60	88.60			
07/15/18	07/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	125,000.00	0.00	180.21	180.21			
07/15/18	07/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	100,000.00	0.00	141.67	141.67			
07/15/18	07/15/18	CARMAX ABS 2016-4 A2 DTD 10/26/2016 1.210% 11/15/2019	14312QAB2	20,909.23	0.00	21.08	21.08			
07/17/18	07/17/18	CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	380,000.00	0.00	3,306.00	3,306.00			
07/18/18	07/18/18	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	0.00	96.96	96.96			
07/18/18	07/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	225,000.00	0.00	226.87	226.87			
07/18/18	07/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	24,345.99	0.00	24.75	24.75			
07/20/18	07/20/18	AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	100,000.00	0.00	975.00	975.00			
Transaction Type Sub-Total				4,333,580.82	0.00	22,013.00	22,013.00			



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
MATURITY										
07/20/18	07/20/18	MUFG BANK LTD/NY COMM PAPER DTD 10/24/2017 0.000% 07/20/2018	06538CGL9	500,000.00	500,000.00	0.00	500,000.00	6,127.22	0.00	
Transaction Type Sub-Total				500,000.00	500,000.00	0.00	500,000.00	6,127.22	0.00	
PAYDOWNS										
07/01/18	07/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	12,612.21	12,612.21	0.00	12,612.21	(126.12)	0.00	
07/01/18	07/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	1,033.84	1,033.84	0.00	1,033.84	(10.35)	0.00	
07/15/18	07/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	6,022.08	6,022.08	0.00	6,022.08	1.17	0.00	
07/15/18	07/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	3,096.32	3,096.32	0.00	3,096.32	0.25	0.00	
07/15/18	07/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	6,077.14	6,077.14	0.00	6,077.14	0.13	0.00	
07/15/18	07/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	11,061.13	11,061.13	0.00	11,061.13	0.88	0.00	
07/15/18	07/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	3,853.95	3,853.95	0.00	3,853.95	0.75	0.00	
07/15/18	07/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	9,304.07	9,304.07	0.00	9,304.07	0.53	0.00	
07/15/18	07/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	5,049.80	5,049.80	0.00	5,049.80	0.49	0.00	
07/15/18	07/15/18	CARMAX ABS 2016-4 A2 DTD 10/26/2016 1.210% 11/15/2019	14312OAB2	11,568.81	11,568.81	0.00	11,568.81	0.63	0.00	
07/18/18	07/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	2,585.84	2,585.84	0.00	2,585.84	0.17	0.00	
07/18/18	07/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	3,094.78	3,094.78	0.00	3,094.78	0.44	0.00	
Transaction Type Sub-Total				75,359.97	75,359.97	0.00	75,359.97	(131.03)	0.00	
SELL										



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
SELL										
07/03/18	07/06/18	FEDERAL HOME LOAN BANK AGENCY NOTES DTD 05/12/2017 1.375% 05/28/2019	3130ABF92	100,000.00	99,135.00	145.14	99,280.14	(676.00)	(781.56)	FIFO
07/03/18	07/06/18	INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	350,000.00	345,775.50	515.28	346,290.78	(3,174.50)	(3,930.70)	FIFO
07/18/18	07/25/18	US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	500,000.00	490,664.06	1,502.73	492,166.79	(27,304.69)	(20,256.62)	FIFO
Transaction Type Sub-Total				950,000.00	935,574.56	2,163.15	937,737.71	(31,155.19)	(24,968.88)	
Managed Account Sub-Total					12,245.94	22,383.95	34,629.89	(25,159.00)	(24,968.88)	
Total Security Transactions					\$12,245.94	\$22,383.95	\$34,629.89	(\$25,159.00)	(\$24,968.88)	

Employment Risk Management Authority

Cash & Investment Report

December 31, 2018

Accounts	Book Value	Market Value *	% of Total	Effective Yield
California Bank & Trust - Administration ¹	\$ 2,231	\$ 2,231	0.01%	0.00%
California Bank & Trust - General Operating ¹	380,106	380,106	1.29%	0.00%
California Bank & Trust - Claims Payment ²	(65,470)	(65,470)	-0.22%	0.00%
Local Agency Investment Fund	4,957,298	4,952,594	16.78%	2.16%
CAMP - Money Market	457,744	457,744	1.55%	2.46%
CAMP - Investments managed by PFM	23,975,198	23,785,828	80.59%	2.21%
Total	\$ 29,707,107	\$ 29,513,034		2.21%

* Yield to Maturity at Cost

Notes:

¹ These accounts are non-interest bearing analysis checking accounts in which the earning credit offsets a portion of the banking service charges.

² Beginning on February 2, 2016, ERMA's claims account was converted to a zero-balance account with a sweep arrangement to the general operating account. The negative balance represents the total outstanding checks as of the end of the quarter.

Attached are the PFM Asset Management (PFM) and Local Agency Investment Fund (LAIF) statements detailing all investment transactions. Market prices are derived from closing bid prices as of the last business day of the month from either Interactive Data, Bloomberg, Telerate, and other widely-used third party pricing vendors.

This report reflects all cash and investments and is in conformity with the investment policy of the Authority. The investment program shown herein is sufficient to meet the Authority's expenditure requirements over the next six months.

Respectfully submitted,


Nancy Broadhurst, Assistant Treasurer

Accepted,


Truc Dever, Treasurer

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
January 09, 2019

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

PMIA Average Monthly Yields

Account Number:
35-34-011

Tran Type Definitions

December 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
12/5/2018	12/5/2018	RW	1591349	NANCY BROADHURST	-320,000.00
12/13/2018	12/12/2018	RW	1591873	NANCY BROADHURST	-1,525,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	6,802,298.07
Total Withdrawal:	-1,845,000.00	Ending Balance:	4,957,298.07

**ERMA
LAIF Market Value
12/31/2018**

Adjustment for Market Value	
LAIF Statement Balance	\$ 4,957,298.07
Fair Value Factor per PMIA Market Valuation Report*	<u>0.999051127</u>
Adjusted Market Value	<u><u>\$ 4,952,594.22</u></u>



State of California

Pooled Money Investment Account

Market Valuation

12/31/2018

		Carrying Cost Plus			Accrued Interest
Description		Accrued Interest	Purch.	Amortized Cost	
1*	United States Treasury:				
	Bills	\$ 16,494,774,781.04		\$ 16,650,272,651.45	\$ 16,646,254,000.00 NA
	Notes	\$ 26,084,822,813.35		\$ 26,080,601,689.42	\$ 26,027,720,500.00 \$ 95,204,336.00
1*	Federal Agency:				
	SBA	\$ 733,319,305.60		\$ 733,319,305.60	\$ 725,337,181.24 \$ 1,533,321.99
	MBS-REMICs	\$ 25,252,637.32		\$ 25,252,637.32	\$ 25,738,470.69 \$ 117,951.22
	Debentures	\$ 2,067,679,296.33		\$ 2,067,564,886.61	\$ 2,060,749,900.00 \$ 9,201,096.20
	Debentures FR	\$ -		\$ -	\$ - \$ -
	Debentures CL	\$ 100,000,000.00		\$ 100,000,000.00	\$ 99,761,500.00 \$ 594,375.00
	Discount Notes	\$ 11,645,482,250.14		\$ 11,720,182,916.69	\$ 11,717,455,500.00 NA
1*	Supranational Debentures	\$ 489,261,978.98		\$ 489,261,978.98	\$ 489,012,600.00 \$ 2,258,474.00
1*	Supranational Debentures FR	\$ 150,312,991.24		\$ 150,312,991.24	\$ 150,570,884.05 \$ 793,633.61
2*	CDs and YCDs FR	\$ 525,000,000.00		\$ 525,000,000.00	\$ 525,074,250.00 \$ 1,941,077.42
2*	Bank Notes	\$ 850,000,000.00		\$ 850,000,000.00	\$ 849,554,819.14 \$ 8,304,430.54
2*	CDs and YCDs	\$ 12,900,000,000.00		\$ 12,900,000,000.00	\$ 12,895,987,828.73 \$ 77,810,611.13
2*	Commercial Paper	\$ 5,751,563,722.24		\$ 5,773,027,569.44	\$ 5,772,338,388.88 NA
1*	Corporate:				
	Bonds FR	\$ -		\$ -	\$ - \$ -
	Bonds	\$ -		\$ -	\$ - \$ -
1*	Repurchase Agreements	\$ -		\$ -	\$ - \$ -
1*	Reverse Repurchase	\$ -		\$ -	\$ - \$ -
	Time Deposits	\$ 4,647,740,000.00		\$ 4,647,740,000.00	\$ 4,647,740,000.00 NA
	AB 55 & GF Loans	\$ 797,898,000.00		\$ 797,898,000.00	\$ 797,898,000.00 NA
	TOTAL	\$ 83,263,107,776.24		\$ 83,510,434,626.75	\$ 83,431,193,822.73 \$ 197,759,307.11

Fair Value Including Accrued Interest

\$ 83,628,953,129.84

* Governmental Accounting Standards Board (GASB) Statement #72

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (**0.999051127**).
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at **\$19,981,022.54** or \$20,000,000.00 x **0.999051127**.



**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
09/17/18	2.07	1.99	187
09/18/18	2.07	1.99	188
09/19/18	2.08	1.99	188
09/20/18	2.08	1.99	188
09/21/18	2.08	1.99	187
09/22/18	2.08	1.99	187
09/23/18	2.08	1.99	187
09/24/18	2.08	2.00	189
09/25/18	2.08	2.00	188
09/26/18	2.09	2.00	190
09/27/18	2.09	2.00	192
09/28/18	2.09	2.00	193
09/29/18	2.09	2.00	193
09/30/18	2.09	2.00	193
10/01/18	2.11	2.11	205
10/02/18	2.11	2.11	205
10/03/18	2.12	2.11	206
10/04/18	2.12	2.12	206
10/05/18	2.12	2.12	205
10/06/18	2.12	2.12	205
10/07/18	2.12	2.12	205
10/08/18	2.12	2.12	202
10/09/18	2.12	2.12	202
10/10/18	2.13	2.12	202
10/11/18	2.14	2.12	203
10/12/18	2.14	2.12	202
10/13/18	2.14	2.12	202
10/14/18	2.14	2.13	202
10/15/18	2.14	2.13	200
10/16/18	2.15	2.13	198
10/17/18	2.15	2.13	198

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

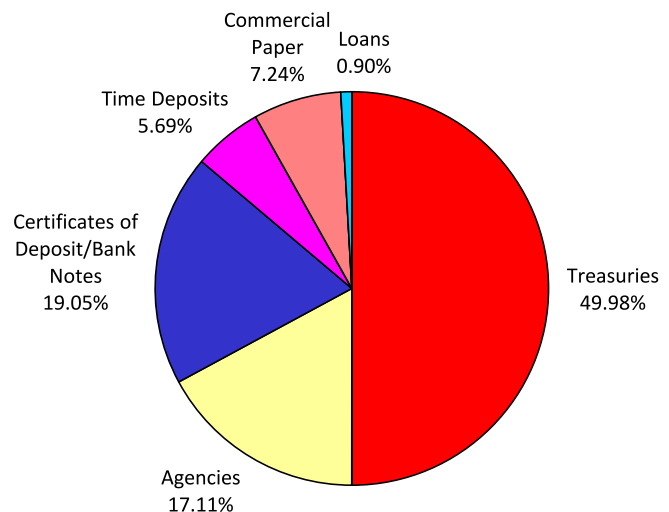
Quarter Ending 09/30/18

Apportionment Rate: 2.16%
 Earnings Ratio: 0.00005909460836489
 Fair Value Factor: 0.997832404
 Daily: 2.09%
 Quarter to Date: 2.00%
 Average Life: 193

PMIA Average Monthly Effective Yields

Sept 2018 2.063
 Aug 2018 1.998
 July 2018 1.944

**Pooled Money Investment Account
Portfolio Composition
09/30/18
\$88.3 billion**



Percentages may not total 100%, due to rounding.

Based on data available as of 10/17/2018

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
December 06,
2018

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

PMIA Average Monthly Yields

Account Number:
35-34-011

Tran Type Definitions

November 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
11/14/2018	11/13/2018	RW	1589997	NANCY BROADHURST	-5,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	6,807,298.07
Total Withdrawal:	-5,000.00	Ending Balance:	6,802,298.07

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
November 06,
2018

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

PMIA Average Monthly Yields

Account Number:
35-34-011

Tran Type Definitions

October 2018 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/15/2018	10/12/2018	QRD	1587272	SYSTEM	24,857.46
10/25/2018	10/24/2018	RW	1588801	NANCY BROADHURST	-90,000.00
10/29/2018	10/29/2018	RW	1589061	NANCY BROADHURST	-95,000.00

Account Summary

Total Deposit:	24,857.46	Beginning Balance:	6,967,440.61
Total Withdrawal:	-185,000.00	Ending Balance:	6,807,298.07



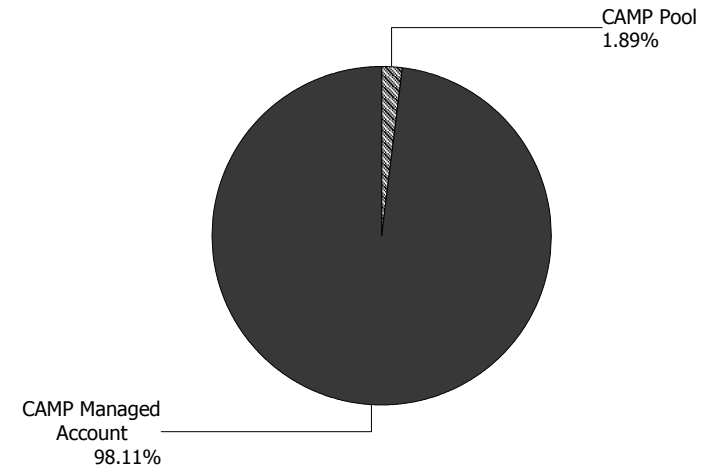
Account Statement - Transaction Summary

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

CAMP Pool	
Opening Market Value	1,139,460.76
Purchases	162,942.17
Redemptions	(844,659.02)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$457,743.91
Cash Dividends and Income	1,455.58
CAMP Managed Account	
Opening Market Value	22,919,925.99
Purchases	837,573.71
Redemptions	(122,989.91)
Unsettled Trades	0.00
Change in Value	151,318.50
Closing Market Value	\$23,785,828.29
Cash Dividends and Income	33,436.27

Asset Summary		
	December 31, 2018	November 30, 2018
CAMP Pool	457,743.91	1,139,460.76
CAMP Managed Account	23,785,828.29	22,919,925.99
Total	\$24,243,572.20	\$24,059,386.75
Asset Allocation		





Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/15/2010 2.625% 11/15/2020	912828PC8	35,000.00	AA+	Aaa	05/03/16	05/06/16	37,171.09	1.21	119.29	35,911.66	35,064.26
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	250,000.00	AA+	Aaa	09/01/16	09/02/16	258,984.38	1.22	439.56	254,634.11	247,226.50
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	650,000.00	AA+	Aaa	03/15/17	03/17/17	633,115.24	2.02	785.71	640,147.18	633,293.05
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	485,000.00	AA+	Aaa	10/03/16	10/05/16	503,206.45	1.21	3,295.86	495,011.10	478,975.33
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	675,000.00	AA+	Aaa	12/01/16	12/05/16	677,003.91	1.93	4,587.02	676,152.73	666,615.15
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	AA+	Aaa	07/06/17	07/11/17	905,449.22	1.85	6,116.02	903,554.86	888,820.20
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	AA+	Aaa	06/27/17	06/29/17	1,111,988.28	1.73	7,475.14	1,107,750.24	1,086,335.80
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	AA+	Aaa	08/30/17	08/31/17	541,320.31	1.64	1,177.49	544,045.00	531,652.55
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	350,000.00	AA+	Aaa	12/04/17	12/06/17	346,363.28	2.12	1,123.96	347,220.76	343,300.65
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	425,000.00	AA+	Aaa	01/03/18	01/04/18	419,604.49	2.18	1,364.81	420,803.20	416,865.08
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	AA+	Aaa	07/03/18	07/06/18	509,496.09	2.69	1,685.95	511,404.95	514,950.98
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	AA+	Aaa	05/03/18	05/07/18	580,828.13	2.73	1,926.80	583,834.09	588,515.40
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	550,000.00	AA+	Aaa	09/05/18	09/07/18	526,925.78	2.76	3,375.85	528,687.89	533,607.25
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	225,000.00	AA+	Aaa	08/01/18	08/03/18	218,232.42	2.86	13.21	218,829.77	221,827.05



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	500,000.00	AA+	Aaa	12/12/18	12/13/18	487,617.19	2.78	29.35	487,769.93	492,949.00
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	850,000.00	AA+	Aaa	11/02/18	11/06/18	821,013.67	3.00	49.90	822,028.61	838,013.30
Security Type Sub-Total		8,670,000.00					8,578,319.93	2.17	33,565.92	8,577,786.08	8,518,011.55
Supra-National Agency Bond / Note											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	AAA	Aaa	09/12/17	09/19/17	623,500.00	1.64	2,953.98	624,136.71	613,547.50
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	500,000.00	AAA	Aaa	10/02/17	10/10/17	504,634.55	1.81	1,534.72	502,823.70	495,333.50
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	150,000.00	AAA	Aaa	04/12/18	04/19/18	149,670.00	2.70	787.50	149,744.73	150,148.50
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	AAA	Aaa	07/18/18	07/25/18	498,830.00	2.83	5,958.33	498,993.03	502,033.50
Security Type Sub-Total		1,775,000.00					1,776,634.55	2.12	11,234.53	1,775,698.17	1,761,063.00
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 08/17/2016 1.300% 08/15/2019	20772J3D2	275,000.00	A	A1	08/03/16	08/17/16	275,594.00	1.23	1,350.56	275,125.16	272,019.00
Security Type Sub-Total		275,000.00					275,594.00	1.23	1,350.56	275,125.16	272,019.00
Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AQSW1	2,495.45	AA+	Aaa	11/06/15	11/30/15	2,520.40	1.20	3.95	2,495.45	2,490.24



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Collateralized Mortgage Obligation											
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	15,399.10	AA+	Aaa	10/07/15	10/30/15	15,553.31	1.08	21.12	15,409.11	15,305.80
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	139,322.59	AA+	Aaa	04/11/18	04/30/18	142,093.84	2.27	413.32	141,567.98	140,887.45
FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	AA+	Aaa	04/04/18	04/09/18	131,107.03	2.61	334.75	130,894.75	130,636.39
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	125,000.00	AA+	Aaa	12/07/18	12/17/18	124,999.63	3.11	333.65	125,000.00	125,742.20
Security Type Sub-Total		412,217.14					416,274.21	2.58	1,106.79	415,367.29	415,062.08
Federal Agency Bond / Note											
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	150,000.00	AA+	Aaa	02/24/17	02/28/17	149,904.00	1.52	768.75	149,962.43	148,292.70
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8OS5	625,000.00	AA+	Aaa	07/14/16	07/15/16	621,199.38	1.25	3,261.72	623,041.69	603,602.50
Security Type Sub-Total		775,000.00					771,103.38	1.30	4,030.47	773,004.12	751,895.20
Corporate Note											
BERKSHIRE HATHAWAY INC NOTES DTD 03/15/2016 1.700% 03/15/2019	084664CG4	35,000.00	AA	Aa2	03/08/16	03/15/16	34,973.40	1.73	175.19	34,998.14	34,922.72
WELLS FARGO & COMPANY CORP NOTE DTD 04/22/2014 2.125% 04/22/2019	94974BFU9	250,000.00	A-	A2	03/10/16	03/15/16	251,022.50	1.99	1,018.23	250,104.46	249,262.00
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	35,000.00	BBB+	A3	04/20/16	04/25/16	34,902.70	2.10	128.33	34,989.46	34,877.92
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	200,000.00	BBB+	A3	04/21/16	04/26/16	199,872.00	2.02	733.33	199,986.14	199,302.40



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	100,000.00	BBB+	Baa1	06/02/16	06/09/16	99,948.00	2.07	136.67	99,992.27	99,578.40
CITIGROUP INC (CALLABLE) CORP NOTE DTD 01/10/2017 2.450% 01/10/2020	172967LF6	250,000.00	BBB+	Baa1	01/04/17	01/10/17	249,900.00	2.46	2,909.38	249,965.01	247,992.50
AMERICAN EXPRESS CREDIT (CALLABLE) NOTE DTD 03/03/2017 2.200% 03/03/2020	0258M0EE5	180,000.00	A-	A2	02/28/17	03/03/17	179,812.80	2.24	1,298.00	179,925.40	178,064.82
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020	25468PDP8	100,000.00	A+	A2	03/01/17	03/06/17	99,974.00	1.96	633.75	99,989.60	99,031.80
TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	350,000.00	AA-	Aa3	04/11/17	04/17/17	349,839.00	1.97	1,402.92	349,929.40	345,653.00
APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	200,000.00	AA+	Aa1	05/04/17	05/11/17	199,796.00	1.84	500.00	199,906.09	197,480.60
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BO4	125,000.00	A	A2	05/24/17	06/05/17	124,927.50	1.82	162.50	124,965.01	123,211.38
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 06/23/2015 2.750% 06/23/2020	46625HLW8	250,000.00	A-	A2	04/01/16	04/04/16	256,172.50	2.13	152.78	252,144.54	248,567.00
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	100,000.00	A+	A2	07/17/17	07/20/17	99,899.00	1.98	872.08	99,946.98	98,419.30
CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	185,000.00	A	A3	09/05/17	09/07/17	184,844.60	1.88	1,112.31	184,911.88	181,397.13
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	125,000.00	A+	A1	11/06/17	11/13/17	124,988.75	2.05	341.67	124,992.92	122,982.25
WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	250,000.00	AA	Aa2	10/11/17	10/20/17	249,637.50	1.95	211.11	249,771.05	246,078.00
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	65,000.00	A-	A2	10/23/17	10/26/17	64,970.10	2.17	582.29	64,980.07	63,632.14



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A	A1	02/01/18	02/06/18	249,877.50	2.67	2,686.81	249,913.32	247,188.25
AMERICAN HONDA FINANCE DTD 02/15/2018 2.650% 02/12/2021	02665WCD1	125,000.00	A+	A2	02/12/18	02/15/18	124,825.00	2.70	1,278.99	124,874.81	123,592.00
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	A	A2	02/21/18	02/26/18	99,889.00	2.94	853.89	99,918.13	99,544.70
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	04/12/18	04/19/18	149,365.50	3.05	1,280.83	149,515.42	149,317.05
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	165,000.00	A+	A1	10/05/17	10/10/17	164,967.00	2.01	696.67	164,978.10	161,713.37
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A3	11/01/17	11/03/17	25,194.00	2.39	131.25	25,130.74	24,659.98
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	250,000.00	BBB+	A3	11/01/17	11/03/17	250,810.00	2.40	1,215.28	250,546.75	244,699.00
BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	250,000.00	A	A1	05/17/16	05/20/16	250,532.50	2.00	825.69	250,254.48	244,006.25
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	150,000.00	A-	A2	05/25/16	05/31/16	149,721.00	2.29	525.00	149,863.97	146,785.95
BRANCH BANKING & TRUST (CALLABLE) NOTE DTD 05/10/2016 2.050% 05/10/2021	05531FAV5	125,000.00	A-	A2	05/10/16	05/16/16	124,917.50	2.06	363.02	124,960.02	121,716.25
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	A	A1	05/03/18	05/10/18	99,931.00	3.12	396.11	99,945.44	100,885.30
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	A	A1	05/19/16	05/24/16	69,735.40	2.03	159.25	69,870.27	68,034.68
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	A	A2	05/17/18	05/22/18	159,995.20	3.25	577.78	159,996.05	160,780.80



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	175,000.00	A-	A3	09/13/17	09/18/17	175,000.00	2.33	1,018.50	175,000.00	171,584.18
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	A	A2	03/10/17	03/15/17	224,007.75	2.75	2,898.44	224,366.02	220,697.10
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A3	05/14/18	05/17/18	50,000.00	3.50	213.83	50,000.00	50,007.50
Security Type Sub-Total		5,170,000.00					5,174,248.70	2.27	27,491.88	5,170,631.94	5,105,665.72
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 07/20/2018 0.000% 04/16/2019	62479MRG0	500,000.00	A-1	P-1	07/20/18	07/20/18	490,362.50	2.62	0.00	496,252.09	495,853.00
Security Type Sub-Total		500,000.00					490,362.50	2.62	0.00	496,252.09	495,853.00
Certificate of Deposit											
SVENSKA HANDELSBANKEN NY CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	500,000.00	A-1+	P-1	01/10/17	01/12/17	500,000.00	1.91	4,593.75	500,000.00	499,925.00
BANK OF NOVA SCOTIA HOUSTON CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	250,000.00	A-1	P-1	04/05/17	04/06/17	250,000.00	1.91	1,167.22	250,000.00	249,370.50
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	500,000.00	A-1	P-1	08/03/17	08/04/17	499,805.00	1.85	3,884.44	499,942.95	497,206.50
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	250,000.00	A-1	P-1	09/25/17	09/27/17	250,000.00	2.07	1,408.75	250,000.00	248,255.75
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	250,000.00	A	A1	02/07/18	02/08/18	250,000.00	2.67	5,988.96	250,000.00	249,572.25
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	250,000.00	A+	Aa2	03/02/18	03/06/18	250,000.00	2.93	2,396.53	250,000.00	250,141.50
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	250,000.00	A+	Aa2	06/05/18	06/07/18	249,905.00	3.10	556.11	249,931.19	250,731.00



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	425,000.00	A+	Aa2	08/01/18	08/03/18	425,000.00	3.23	5,686.62	425,000.00	424,504.88
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	450,000.00	AA-	Aa3	08/03/17	08/07/17	450,000.00	2.05	3,690.00	450,000.00	443,896.20
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	250,000.00	A	A1	10/16/18	10/18/18	249,660.00	3.46	1,718.54	249,693.56	251,724.25
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	AA-	Aa2	11/16/17	11/17/17	500,000.00	2.30	1,450.28	500,000.00	490,519.00
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	AA-	Aa2	06/07/18	06/08/18	425,000.00	3.24	918.00	425,000.00	425,043.35
Security Type Sub-Total		4,300,000.00					4,299,370.00	2.50	33,459.20	4,299,567.70	4,280,890.18
Asset-Backed Security / Collateralized Mortgage Obligation											
HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	7,352.02	AAA	NR	02/16/16	02/25/16	7,350.97	1.23	3.24	7,351.80	7,335.17
NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	17,859.26	NR	Aaa	07/15/15	07/22/15	17,857.84	1.34	10.64	17,858.96	17,836.52
TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	33,230.42	AAA	Aaa	02/23/16	03/02/16	33,228.54	1.25	18.46	33,229.94	33,126.28
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	20,972.14	NR	Aaa	07/19/16	07/27/16	20,970.47	1.25	11.65	20,971.61	20,876.91
FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	20,744.61	AAA	NR	01/20/16	01/26/16	20,744.16	1.39	12.82	20,744.49	20,688.14
ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	21,507.21	AAA	Aaa	05/24/16	05/31/16	21,505.13	1.44	13.76	21,506.48	21,430.44
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	19,867.37	AAA	Aaa	03/22/16	03/30/16	19,863.51	1.57	13.77	19,866.10	19,792.62
HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	148,173.22	AAA	NR	10/18/16	10/25/16	148,163.61	1.04	64.74	148,169.24	146,838.85



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	380,000.00	AAA	Aaa	01/19/17	01/26/17	379,927.23	1.75	3,012.13	380,000.00	379,755.47
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	112,377.45	AAA	Aaa	03/07/17	03/15/17	112,364.22	1.74	86.41	112,370.12	111,576.70
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	101,521.33	AAA	Aaa	09/14/16	09/21/16	101,507.66	1.30	58.21	101,515.14	100,536.90
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	76,928.95	NR	Aaa	01/24/17	01/31/17	76,922.22	1.70	58.12	76,925.34	76,396.96
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	303,226.28	NR	Aaa	01/18/17	01/25/17	303,225.16	1.67	225.06	303,225.75	300,851.35
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	314,781.97	NR	Aaa	03/21/17	03/29/17	314,744.86	1.79	249.03	314,760.51	312,395.48
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	AAA	NR	09/25/17	09/29/17	64,992.96	1.94	42.02	64,995.10	64,204.02
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	AAA	Aaa	01/23/18	01/31/18	99,998.85	2.35	104.44	99,999.13	99,038.50
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	AAA	Aaa	11/20/18	11/28/18	224,966.36	3.17	316.00	224,967.00	226,068.95
NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	AAA	Aaa	12/04/18	12/12/18	224,956.89	3.53	382.38	224,957.45	226,619.30
Security Type Sub-Total		2,193,542.23					2,193,290.64	2.01	4,682.88	2,193,414.16	2,185,368.56
Managed Account Sub-Total		24,070,759.37					23,975,197.91	2.21	116,922.23	23,976,846.71	23,785,828.29
Money Market Mutual Fund											
CAMP Pool		457,743.91	AAAm	NR			457,743.91		0.00	457,743.91	457,743.91
Money Market Sub-Total		457,743.91					457,743.91		0.00	457,743.91	457,743.91



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Securities Sub-Total	\$24,528,503.28	\$24,432,941.82	2.21%	\$116,922.23	\$24,434,590.62	\$24,243,572.20
Accrued Interest						\$116,922.23
Total Investments						\$24,360,494.43



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
BUY										
12/04/18	12/12/18	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	(224,956.89)	0.00	(224,956.89)			
12/07/18	12/17/18	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	125,000.00	(124,999.63)	(177.94)	(125,177.57)			
12/12/18	12/13/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	500,000.00	(487,617.19)	(4,792.80)	(492,409.99)			

Transaction Type Sub-Total				850,000.00	(837,573.71)	(4,970.74)	(842,544.45)			
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INTEREST										
12/01/18	12/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
12/01/18	12/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AQSW1	4,902.51	0.00	7.75	7.75			
12/01/18	12/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	142,350.37	0.00	426.62	426.62			
12/01/18	12/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	16,855.28	0.00	23.12	23.12			
12/05/18	12/05/18	BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	250,000.00	0.00	3,807.22	3,807.22			
12/05/18	12/05/18	HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	125,000.00	0.00	1,125.00	1,125.00			
12/07/18	12/07/18	ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	0.00	6,846.75	6,846.75			
12/07/18	12/07/18	CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	100,000.00	0.00	1,025.00	1,025.00			
12/15/18	12/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	375.43	0.00	0.44	0.44			
12/15/18	12/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	25,934.75	0.00	30.04	30.04			
12/15/18	12/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	82,819.76	0.00	117.33	117.33			
12/15/18	12/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	325,370.21	0.00	452.81	452.81			



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
INTEREST										
12/15/18	12/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	25,597.66	0.00	30.72	30.72			
12/15/18	12/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	26,791.36	0.00	29.92	29.92			
12/15/18	12/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	40,805.75	0.00	42.51	42.51			
12/15/18	12/15/18	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	0.00	195.83	195.83			
12/15/18	12/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	121,304.05	0.00	174.88	174.88			
12/15/18	12/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	24,071.62	0.00	25.07	25.07			
12/15/18	12/15/18	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	0.00	335.75	335.75			
12/15/18	12/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	22,922.33	0.00	29.80	29.80			
12/15/18	12/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	337,537.61	0.00	500.68	500.68			
12/15/18	12/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	109,778.35	0.00	118.01	118.01			
12/15/18	12/15/18	WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	250,000.00	0.00	2,375.00	2,375.00			
12/18/18	12/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	9,904.49	0.00	10.07	10.07			
12/18/18	12/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	161,427.71	0.00	162.77	162.77			
12/18/18	12/18/18	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	0.00	96.96	96.96			
12/23/18	12/23/18	JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 06/23/2015 2.750% 06/23/2020	46625HLW8	250,000.00	0.00	3,437.50	3,437.50			
12/31/18	12/31/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	500,000.00	0.00	5,312.50	5,312.50			



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
INTEREST										
12/31/18	12/31/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	225,000.00	0.00	2,390.63	2,390.63			
12/31/18	12/31/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	850,000.00	0.00	9,031.25	9,031.25			
Transaction Type Sub-Total				4,973,749.24	0.00	38,496.68	38,496.68			
PAYDOWNS										
12/01/18	12/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	1,456.18	1,456.18	0.00	1,456.18	(14.58)	0.00	
12/01/18	12/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	2,407.06	2,407.06	0.00	2,407.06	(24.07)	0.00	
12/01/18	12/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	3,027.79	3,027.79	0.00	3,027.79	(60.23)	0.00	
12/15/18	12/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	3,054.96	3,054.96	0.00	3,054.96	0.59	0.00	
12/15/18	12/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	4,090.46	4,090.46	0.00	4,090.46	0.40	0.00	
12/15/18	12/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	5,890.81	5,890.81	0.00	5,890.81	0.51	0.00	
12/15/18	12/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	22,755.64	22,755.64	0.00	22,755.64	2.68	0.00	
12/15/18	12/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	8,926.60	8,926.60	0.00	8,926.60	1.05	0.00	
12/15/18	12/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	22,143.93	22,143.93	0.00	22,143.93	0.08	0.00	
12/15/18	12/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	5,190.14	5,190.14	0.00	5,190.14	0.11	0.00	
12/15/18	12/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	375.43	375.43	0.00	375.43	0.07	0.00	
12/15/18	12/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	8,257.02	8,257.02	0.00	8,257.02	1.11	0.00	
12/15/18	12/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	7,575.33	7,575.33	0.00	7,575.33	0.43	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
PAYDOWNS										
12/15/18	12/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	8,932.11	8,932.11	0.00	8,932.11	0.71	0.00	
12/15/18	12/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	3,099.49	3,099.49	0.00	3,099.49	0.25	0.00	
12/18/18	12/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	2,552.47	2,552.47	0.00	2,552.47	0.36	0.00	
12/18/18	12/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	13,254.49	13,254.49	0.00	13,254.49	0.86	0.00	
Transaction Type Sub-Total				122,989.91	122,989.91	0.00	122,989.91	(89.67)	0.00	
Managed Account Sub-Total					(714,583.80)	33,525.94	(681,057.86)	(89.67)	0.00	
Total Security Transactions					(714,583.80)	\$33,525.94	(\$681,057.86)	(\$89.67)	\$0.00	



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
BUY										
11/02/18	11/06/18	US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	850,000.00	(821,013.67)	(6,331.69)	(827,345.36)			
11/20/18	11/28/18	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	(224,966.36)	0.00	(224,966.36)			
Transaction Type Sub-Total				1,075,000.00	(1,045,980.03)	(6,331.69)	(1,052,311.72)			
INTEREST										
11/01/18	11/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
11/01/18	11/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	5,912.04	0.00	9.35	9.35			
11/01/18	11/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	148,680.67	0.00	457.83	457.83			
11/01/18	11/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AODO0	26,741.04	0.00	36.68	36.68			
11/03/18	11/03/18	BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	250,000.00	0.00	2,562.50	2,562.50			
11/05/18	11/05/18	AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	150,000.00	0.00	1,687.50	1,687.50			
11/09/18	11/09/18	INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	500,000.00	0.00	5,312.50	5,312.50			
11/10/18	11/10/18	BRANCH BANKING & TRUST (CALLABLE) NOTE DTD 05/10/2016 2.050% 05/10/2021	05531FAV5	125,000.00	0.00	1,281.25	1,281.25			
11/11/18	11/11/18	APPLE INC BONDS DTD 05/11/2017 1.800% 05/11/2020	037833CS7	200,000.00	0.00	1,800.00	1,800.00			
11/13/18	11/13/18	PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	125,000.00	0.00	1,281.25	1,281.25			
11/15/18	11/15/18	HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	0.00	1,593.06	1,593.06			



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	Method
INTEREST										
11/15/18	11/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	26,364.16	0.00	34.27	34.27			
11/15/18	11/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	118,577.12	0.00	127.47	127.47			
11/15/18	11/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	360,000.00	0.00	534.00	534.00			
11/15/18	11/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	36,937.91	0.00	41.25	41.25			
11/15/18	11/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	49,230.78	0.00	51.28	51.28			
11/15/18	11/15/18	US TREASURY NOTES DTD 11/15/2010 2.625% 11/15/2020	912828PC8	35,000.00	0.00	459.38	459.38			
11/15/18	11/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	28,175.80	0.00	29.35	29.35			
11/15/18	11/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	89,432.49	0.00	126.70	126.70			
11/15/18	11/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	330,000.00	0.00	459.25	459.25			
11/15/18	11/15/18	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	0.00	195.83	195.83			
11/15/18	11/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	125,000.00	0.00	180.21	180.21			
11/15/18	11/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	30,192.08	0.00	36.23	36.23			
11/15/18	11/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	6,067.15	0.00	7.13	7.13			
11/15/18	11/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	31,723.85	0.00	36.75	36.75			
11/16/18	11/16/18	SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	0.00	5,801.11	5,801.11			
11/17/18	11/17/18	BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	0.00	874.75	874.75			
11/18/18	11/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	12,651.60	0.00	12.86	12.86			



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	Method
INTEREST										
11/18/18	11/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	176,156.55	0.00	177.62	177.62			
11/18/18	11/18/18	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	0.00	96.96	96.96			
11/19/18	11/19/18	STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	0.00	682.50	682.50			
11/21/18	11/21/18	CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	0.00	2,585.56	2,585.56			
11/30/18	11/30/18	CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	500,000.00	0.00	4,400.00	4,400.00			
11/30/18	11/30/18	US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	650,000.00	0.00	4,468.75	4,468.75			
11/30/18	11/30/18	NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	500,000.00	0.00	4,497.78	4,497.78			
11/30/18	11/30/18	US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	250,000.00	0.00	2,500.00	2,500.00			
Transaction Type Sub-Total				6,061,843.24	0.00	44,773.66	44,773.66			
MATURITY										
11/30/18	11/30/18	NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	500,000.00	500,000.00	0.00	500,000.00	0.00	0.00	
11/30/18	11/30/18	CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	500,000.00	500,000.00	0.00	500,000.00	390.00	0.00	
Transaction Type Sub-Total				1,000,000.00	1,000,000.00	0.00	1,000,000.00	390.00	0.00	
PAYDOWNS										
11/01/18	11/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	6,330.30	6,330.30	0.00	6,330.30	(125.92)	0.00	
11/01/18	11/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	9,885.76	9,885.76	0.00	9,885.76	(98.99)	0.00	
11/01/18	11/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	1,009.54	1,009.54	0.00	1,009.54	(10.09)	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	
PAYDOWNS										
11/15/18	11/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	22,462.39	22,462.39	0.00	22,462.39	2.65	0.00	
11/15/18	11/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	4,594.41	4,594.41	0.00	4,594.41	0.45	0.00	
11/15/18	11/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	6,612.73	6,612.73	0.00	6,612.73	0.58	0.00	
11/15/18	11/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	8,425.03	8,425.03	0.00	8,425.03	0.48	0.00	
11/15/18	11/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	10,146.55	10,146.55	0.00	10,146.55	0.80	0.00	
11/15/18	11/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	5,691.72	5,691.72	0.00	5,691.72	1.11	0.00	
11/15/18	11/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	4,629.79	4,629.79	0.00	4,629.79	0.02	0.00	
11/15/18	11/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	5,789.10	5,789.10	0.00	5,789.10	0.12	0.00	
11/15/18	11/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	8,798.77	8,798.77	0.00	8,798.77	1.19	0.00	
11/15/18	11/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	3,441.84	3,441.84	0.00	3,441.84	0.67	0.00	
11/15/18	11/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	3,695.95	3,695.95	0.00	3,695.95	0.43	0.00	
11/15/18	11/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	4,104.18	4,104.18	0.00	4,104.18	0.33	0.00	
11/18/18	11/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	2,747.11	2,747.11	0.00	2,747.11	0.39	0.00	
11/18/18	11/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	14,728.84	14,728.84	0.00	14,728.84	0.96	0.00	
Transaction Type Sub-Total				123,094.01	123,094.01	0.00	123,094.01	(224.82)	0.00	
SELL										
11/02/18	11/06/18	INTER-AMERICAN DEVEL BK NOTE DTD 04/12/2017 1.625% 05/12/2020	4581X0CX4	400,000.00	392,148.00	3,141.67	395,289.67	(6,904.00)	(7,378.56)	FIFO



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal	Accrued	Total	Realized G/L	Realized G/L	Sale
Trade	Settle				Proceeds	Interest		Cost	Amort Cost	Method
SELL										
11/21/18	11/28/18	BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	125,000.00	126,535.00	930.21	127,465.21	(11,452.50)	(1,822.83)	FIFO
Transaction Type Sub-Total				525,000.00	518,683.00	4,071.88	522,754.88	(18,356.50)	(9,201.39)	
Managed Account Sub-Total					595,796.98	42,513.85	638,310.83	(18,191.32)	(9,201.39)	
Total Security Transactions					\$595,796.98	\$42,513.85	\$638,310.83	(\$18,191.32)	(\$9,201.39)	



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
BUY										
10/16/18	10/18/18	SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	250,000.00	(249,660.00)	0.00	(249,660.00)			
Transaction Type Sub-Total				250,000.00	(249,660.00)	0.00	(249,660.00)			
INTEREST										
10/01/18	10/01/18	BURLINGTON NRTH CORP DTD 09/24/2009 4.700% 10/01/2019	12189TBC7	125,000.00	0.00	2,937.50	2,937.50			
10/01/18	10/01/18	BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	175,000.00	0.00	2,037.00	2,037.00			
10/01/18	10/25/18	FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
10/01/18	10/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AODO0	44,264.30	0.00	60.72	60.72			
10/01/18	10/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	5,920.67	0.00	9.36	9.36			
10/01/18	10/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	155,776.69	0.00	478.81	478.81			
10/05/18	10/05/18	BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	250,000.00	0.00	2,427.29	2,427.29			
10/15/18	10/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	31,227.93	0.00	32.53	32.53			
10/15/18	10/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	127,292.59	0.00	136.84	136.84			
10/15/18	10/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	29,789.00	0.00	38.73	38.73			
10/15/18	10/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	46,054.05	0.00	51.43	51.43			
10/15/18	10/15/18	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	360,000.00	0.00	534.00	534.00			
10/15/18	10/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	37,060.31	0.00	42.93	42.93			



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
10/15/18	10/15/18	PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	165,000.00	0.00	1,650.00	1,650.00			
10/15/18	10/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	57,203.71	0.00	59.59	59.59			
10/15/18	10/15/18	TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	125,000.00	0.00	180.21	180.21			
10/15/18	10/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	95,535.35	0.00	135.34	135.34			
10/15/18	10/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	11,325.12	0.00	13.31	13.31			
10/15/18	10/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	34,333.31	0.00	41.20	41.20			
10/15/18	10/15/18	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	330,000.00	0.00	459.25	459.25			
10/15/18	10/15/18	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	100,000.00	0.00	195.83	195.83			
10/17/18	10/17/18	TOYOTA MOTOR CREDIT CORP DTD 04/17/2017 1.950% 04/17/2020	89236TDU6	350,000.00	0.00	3,412.50	3,412.50			
10/18/18	10/18/18	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	65,000.00	0.00	96.96	96.96			
10/18/18	10/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	15,394.49	0.00	15.65	15.65			
10/18/18	10/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	190,151.90	0.00	191.74	191.74			
10/19/18	10/19/18	BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	0.00	328.13	328.13			
10/19/18	10/19/18	INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	150,000.00	0.00	1,968.75	1,968.75			
10/21/18	10/21/18	MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	250,000.00	0.00	3,125.00	3,125.00			
10/22/18	10/22/18	WELLS FARGO & COMPANY CORP NOTE DTD 04/22/2014 2.125% 04/22/2019	94974BFU9	250,000.00	0.00	2,656.25	2,656.25			



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
10/25/18	10/25/18	GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	200,000.00	0.00	2,000.00	2,000.00			
10/25/18	10/25/18	GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.000% 04/25/2019	38141GVT8	35,000.00	0.00	350.00	350.00			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	425,000.00	0.00	3,984.38	3,984.38			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	0.00	5,624.99	5,624.99			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	0.00	4,921.88	4,921.88			
10/31/18	10/31/18	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	350,000.00	0.00	3,281.25	3,281.25			
10/31/18	10/31/18	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	0.00	3,437.50	3,437.50			

Transaction Type Sub-Total			6,416,329.42	0.00	47,251.60	47,251.60				
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PAYDOWNS										
10/01/18	10/25/18	FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AOD00	17,523.26	17,523.26	0.00	17,523.26	(175.48)	0.00	
10/01/18	10/25/18	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	7,096.01	7,096.01	0.00	7,096.01	(141.15)	0.00	
10/01/18	10/25/18	FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	8.62	8.62	0.00	8.62	(0.09)	0.00	
10/15/18	10/15/18	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	8,715.47	8,715.47	0.00	8,715.47	1.17	0.00	
10/15/18	10/15/18	FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	5,257.97	5,257.97	0.00	5,257.97	1.03	0.00	
10/15/18	10/15/18	HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020	44930UAD8	3,424.83	3,424.83	0.00	3,424.83	0.66	0.00	
10/15/18	10/15/18	ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	6,102.86	6,102.86	0.00	6,102.86	0.53	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2018**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 - (12510475)

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L	Realized G/L	Sale Method
Trade	Settle							Cost	Amort Cost	
PAYDOWNS										
10/15/18	10/15/18	ALLY ABS 2016-3 A3 DTD 05/31/2016 1.440% 08/15/2020	02007LAC6	4,141.23	4,141.23	0.00	4,141.23	0.40	0.00	
10/15/18	10/15/18	NISSAN ABS 2015-B A3 DTD 07/22/2015 1.340% 03/15/2020	65475WAD0	9,116.14	9,116.14	0.00	9,116.14	0.72	0.00	
10/15/18	10/15/18	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	3,052.13	3,052.13	0.00	3,052.13	0.24	0.00	
10/15/18	10/15/18	TOYOTA ABS 2016-A A3 DTD 03/02/2016 1.250% 03/15/2020	89237KAD5	7,972.93	7,972.93	0.00	7,972.93	0.45	0.00	
10/15/18	10/15/18	FORD ABS 2016-A A3 DTD 01/26/2016 1.390% 07/15/2020	34531PAD3	5,336.46	5,336.46	0.00	5,336.46	0.11	0.00	
10/18/18	10/18/18	HONDA ABS 2016-1 A3 DTD 02/25/2016 1.220% 12/18/2019	43814NAC9	2,742.89	2,742.89	0.00	2,742.89	0.39	0.00	
10/18/18	10/18/18	HONDA ABS 2016-4 A3 DTD 10/25/2016 1.210% 12/18/2020	43814RAC0	13,995.35	13,995.35	0.00	13,995.35	0.91	0.00	
Transaction Type Sub-Total				94,486.15	94,486.15	0.00	94,486.15	(310.11)	0.00	
SELL										
10/16/18	10/18/18	SUMITOMO MITSUI BANK NY CD DTD 05/04/2017 2.050% 05/03/2019	86563YVNO	500,000.00	497,873.88	4,783.33	502,657.21	(2,126.12)	(2,126.12)	FIFO
Transaction Type Sub-Total				500,000.00	497,873.88	4,783.33	502,657.21	(2,126.12)	(2,126.12)	
Managed Account Sub-Total					342,700.03	52,034.93	394,734.96	(2,436.23)	(2,126.12)	
Total Security Transactions					\$342,700.03	\$52,034.93	\$394,734.96	(\$2,436.23)	(\$2,126.12)	

EMPLOYMENT RISK MANAGEMENT AUTHORITY

~ BALANCE SHEET ~

As of December 31, 2018

(Unaudited)

ASSETS

CURRENT ASSETS

Cash in Bank	\$	316,867	
Local Agency Investment Fund		4,957,298	
Market Valuation - LAIF		(10,745)	
Investments - Managed Portfolio		3,369,649	
Market Valuation - Investments		(10,942)	
Accounts Receivable - Members		18,255	
Accounts Receivable - Excess Insurance		182,609	
Accounts Receivable - Miscellaneous		542	
Interest Receivable		133,922	
Prepaid Expense		191,991	
Prepaid Insurance		151,925	
TOTAL CURRENT ASSETS			9,301,370

NONCURRENT ASSETS

Investments - Managed Portfolio		21,063,293	
Market Valuation - Investments		(178,428)	
TOTAL NONCURRENT ASSETS			20,884,865
TOTAL ASSETS			\$ 30,186,235

LIABILITIES AND EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	17,650	
Unearned Revenue		3,581,509	
Reserve - Claims		2,426,782	
Reserve - IBNR & ULAE		1,308,517	
TOTAL CURRENT LIABILITIES			7,334,457

NONCURRENT LIABILITIES

Reserve - IBNR & ULAE		9,273,912	
TOTAL NONCURRENT LIABILITIES			9,273,912
TOTAL LIABILITIES			16,608,369

EQUITY

Retained Earnings - Prior Year		11,754,132	
Retained Earnings - Capital Fund		763,107	
Retained Earnings - Current Year		1,060,627	
TOTAL EQUITY			13,577,866
TOTAL LIABILITIES AND EQUITY			\$ 30,186,235

EMPLOYMENT RISK MANAGEMENT AUTHORITY

~ INCOME STATEMENT ~

For the Quarter Ended December 31, 2018

(Unaudited)

	Actual	Budget	% Used	\$ Variance
INCOME				
Deposit Premium	\$ 3,431,984	\$ 6,863,968	50%	\$ (3,431,985)
Excess Insurance Premium	149,525	299,049	50%	(149,524)
Interest Income	427,140			427,140
Miscellaneous Income	(2,500)			(2,500)
TOTAL INCOME	<u>4,006,148</u>	<u>7,163,016</u>	<u>56%</u>	<u>(3,156,869)</u>
EXPENSES				
Claims Expense				
Claims Paid	\$ 1,927,274 **	\$ 5,897,762 *	40%	(3,542,393)
Incr/(Decr) in Reserves	428,095 **			
Excess Insurance	149,369	299,049	50%	(149,681)
Subtotal Claims Expense	<u>2,504,738</u>	<u>6,196,811</u>	<u>40%</u>	<u>(3,692,073)</u>
Loss Prevention & Training				
Employee Reporting	5,004	9,500	53% +	(4,496)
Web-based Training / Training Bulletins	12,000	24,000	50%	(12,000)
Additional Web-based Training	6,000	12,000	50%	(6,000)
Hotline Services	0	7,000	0%	(7,000)
Miscellaneous Training Expenses	913	6,000	15%	(5,087)
Attorney / Training Workshops	14,700	47,300	31%	(32,600)
Subtotal Loss Prevention & Training	<u>38,617</u>	<u>105,800</u>	<u>36%</u>	<u>(67,183)</u>
Capital Fund Expenditures				
Development/ Delivery of Survey/ Results	4,029			4,029
SubtotalCapital Fund Expenditures	<u>4,029</u>			<u>4,029</u>
General & Administrative Expenses				
Program Management	348,581	698,706	50%	(350,125)
Risk Assessments	0	10,000	0%	(10,000)
Board Meetings & Retreat	2,145	30,000	7%	(27,855)
Memberships & Conferences	1,024	6,700	15%	(5,676)
Actuarial Study	0	9,950	0%	(9,950)
Legal Services	13,539	45,000	30%	(31,461)
Financial Audit	9,700	9,950	97%	(250)
Claims Audit	0	5,900	0%	(5,900)
Accreditation	1,417	1,500	94%	(84)
Fidelity Bond	641	1,200	53% +	(559)
SLIP Insurance	1,260	2,500	50%	(1,240)
Investment Management Services	12,956	30,000	43%	(17,044)
Claims System	5,000	5,000	100%	0
Miscellaneous	1,874	4,000	47%	(2,126)
Subtotal General & Admin Expenses	<u>398,137</u>	<u>860,406</u>	<u>46%</u>	<u>(462,269)</u>
TOTAL EXPENSES	<u>2,945,521</u>	<u>7,163,017</u>	<u>41%</u>	<u>(4,217,496)</u>
NET INCOME/(LOSS)	<u>\$ 1,060,627</u>	<u>\$ (1)</u>		

* Amount budgeted for claims expense is for the current program year only, to be paid in current and future years.

** Amount paid for claims is for all program years paid in the current year, as well as changes in reserves for prior years.

+ See attached "Report of Line Items Expected to Exceed Budgeted Amount"

EMPLOYMENT RISK MANAGEMENT AUTHORITY
~ INCOME STATEMENT ADDENDUM ~
Report of Line Items Expected to Exceed Budgeted Amount
For the Quarter Ended December 31, 2018

	<u>Actual</u>	<u>Budget</u>	<u>% Used</u>	<u>\$ Variance</u>
Loss Prevention & Training				
+ <u>Employee Reporting</u>	5,004	9,500	53%	(4,496)
<i>Annual invoice from in2vate increased over prior year due to increased FTE's (33,200 to 35,000) used in the calculation.</i>				
<hr/>				
+ <u>Fidelity Bond</u>				
	641	1,200	53%	(559)
<i>The crime policy is expected to exceed the budgeted amount due to higher renewal premium.</i>				
<hr/>				

Employment Risk Management Authority
Program Retained Earnings by Member
At the Expected Confidence Level
As of December 31, 2018

Member	2011/12 Program Year	2012/13 Program Year	2013/14 Program Year	2014/15 Program Year	2015/16 Program Year	2016/17 Program Year	2017/18 Program Year	2018/19 Program Year	Total
BCJPIA	\$ 331,815	\$ 457,341	\$ 302,362	\$ 69,857	\$ 117,488	\$ 177,377	\$ 169,711	\$ 98,202	\$ 1,724,153
CaITIP							17,899	11,004	28,902
CSJVRMA	523,381	865,435	486,158	58,082	176,484	321,526	272,597	178,510	2,882,174
ERMAC						35,456	23,389	13,500	72,344
MBASIA	29,193	46,691	34,442	3,631	10,795	15,742	12,563	9,003	162,059
MPA	432,603	671,540	395,803	45,091	157,741	230,481	184,916	118,421	2,236,595
PARSAC	395,896	621,175	439,311	97,209	156,066	305,739	255,905	161,100	2,432,401
PERMA	440,151	577,378	441,903	103,134	132,154	178,119	177,936	143,495	2,194,268
SCORE	35,705	42,535	30,100	6,991	12,134	17,298	16,516	10,648	171,927
VCJPA	81,786	180,573	110,889	12,023	34,159	61,171	46,598	34,376	561,575
Oakland HA	42,999	90,218	51,986	5,748	14,835	24,452	26,470	15,425	272,134
Contra Costa County HA	13,444	21,775	13,329	1,290	2,877	4,911	4,229	2,655	64,509
Capital Fund									774,824
Total	\$ 2,326,972	\$ 3,574,660	\$ 2,306,284	\$ 403,054	\$ 814,733	\$ 1,372,271	\$ 1,208,729	\$ 796,339	\$ 13,577,866

NOTES:

- * ERMA's first three program years, 1999/2000 - 2001/2002 were closed as of June 30, 2008.
- * Program years 2002/2003 and 2003/2004 were closed as of April 1, 2013.
- * Program years 2004/2005 through 2007/2008 were retrospectively adjusted as of June 30, 2013.
- * Program years 2004/2005 and 2005/2006 were closed as of April 1, 2014.
- * Program years 2004/2005 through 2008/2009 were retrospectively adjusted as of June 30, 2014.
- * Program years 2006/2007 through 2009/2010 were retrospectively adjusted as of June 30, 2015.
- * Program years 2007/2008 through 2010/2011 were retrospectively adjusted as of June 30, 2016.
- * Program years 2006/2007 through 2008/2009 were closed as of April 1, 2016.
- * Program years 2009/2010 through 2010/2011 were closed as of May 1, 2018.
- * ERMA's Capital Fund was reactivated as of June 30, 2015 with \$300,000 allocated based on 2015/16 premiums. An additional \$400,000 was funded on June 30, 2016 allocated based on 2016/17 premiums. An additional \$150,000 was funded on June 30, 2017 allocated based on 2017/18 premiums. An additional \$150,000 was funded on June 30, 2018 allocated based on 2018/19 premiums.

Additional Information:

Current IBNR

IBNR as of 12/31/18	\$0	\$ 207,040	\$ 420,296	\$ 645,902	\$ 596,753	\$ 2,538,958	\$ 3,977,025	\$ 2,196,456	\$10,582,430
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Retained Earnings @ 90%:

Retained Earnings @ 90% CL:	<u>\$ 2,326,972</u>	<u>\$ 3,490,723</u>	<u>\$ 2,068,948</u>	<u>\$ (293,138)</u>	<u>\$ (259,743)</u>	<u>\$ (229,002)</u>	<u>\$ (684,852)</u>	<u>\$ (868,217)</u>	<u>\$ 6,326,515</u>
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Assessments / (Dividends):

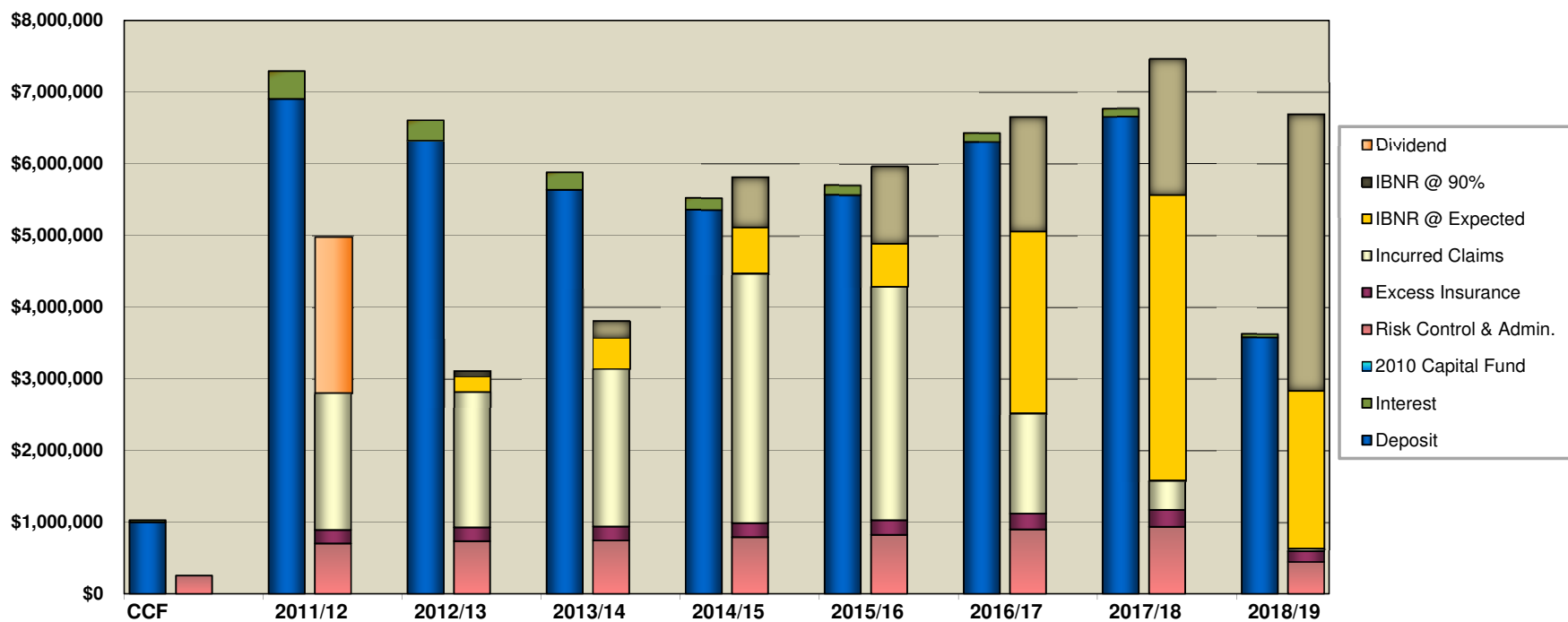
Net Assessments

Net Assessments / Dividends	<u>\$ (2,166,447)</u>								<u>\$ (14,171,759)</u>
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Confidence Level Funding:

75%	80%	80%	80%	80%	80%	80%	80%	80%
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Employment Risk Management Authority
Review of Financial Condition
As of December 31, 2018





CITY OF WEST HOLLYWOOD

CITY HALL
8300 SANTA MONICA BLVD.
WEST HOLLYWOOD, CA
90069-6216
TEL: (323) 848-6460
FAX: (323) 848-6562

OFFICE OF THE CITY MANAGER

PAUL AREVALO
CITY MANAGER

December 17, 2018

Employment Risk Management Authority
Attn: Jennifer Jobe, Executive Director
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833

Dear Ms. Jobe:

On behalf of the City of West Hollywood, I am providing ERMA with this Timely Notice of Withdrawal from the Employment Practices Coverage Program effective June 30, 2019.

Please contact David Wilson, Assistant City Manager, if you have any questions regarding this Timely Notice of Withdrawal.

Sincerely,

Paul Arevalo
City Manager

cc: Kathy Maylin, ERMA Litigation Manager (via email)
Kin Ong, PARSAC Acting Executive Director (via email)
David Wilson, West Hollywood Assistant City Manager (via email)

FINANCIAL MATTERS

**SUBJECT: Review and Approval of ERMA Goals and Objectives Established at the
 2019 Annual Workshop**

BACKGROUND AND STATUS:

This time is reserved for the Board to review and approve the goals and objectives established at the February 7, 2019, Annual Workshop.

RECOMMENDATION

Staff recommends the Board of Directors adopt the goals and objectives established at the February 7, 2019, Annual Workshop.

LITIGATION MANAGEMENT

SUBJECT: Report from Kathy Maylin, Litigation Manager

BACKGROUND AND STATUS:

This time is reserved for Kathy Maylin, Litigation Manager, to report to the Board regarding any general litigation management and member support activities.

RECOMMENDATION:

None

CLAIMS MATTERS

SUBJECT: Closed Session – Pursuant to Government Code Section 54956.95(a) to Discuss Claims

BACKGROUND AND STATUS:

The confidential Litigation Manager’s Report was distributed to the Board of Directors under separate cover. The Board will discuss the claims listed below during the closed session.

For the Board’s reference, we have included the claim and corresponding page number from the Litigation Manager’s Report.

Claim	Litigation Mgr. Rpt. Pg. #
Aldaoud, et al. v. Adelanto	Page 20
Alvarez v. Delano	Page 37
Johnson v. Kingsburg	Page 40
Escobar v. Parlier	Page 46
Ornellas v. Piedmont	Page 26
Myers v. Pleasanton	Page 27

REFERENCE MATERIALS ATTACHED:

- Confidential Litigation Manager’s Report (distributed under separate cover; copies to be turned in at the meeting)

COVERAGE MATTERS

SUBJECT: City of Adelanto Performance Improvement Plan

BACKGROUND AND STATUS:

As of June 30, 2017, staff determined via target ratio calculations, the City of Adelanto (PERMA) significantly exceeded the maximums allowed for the three parameters tracked by ERMA: claim severity, claim frequency and loss ratio. As a result, Kathy Maylin, ERMA Litigation Manager, was directed by the Board to conduct a risk assessment in December 2017.

As a reminder, the following is a timeline of events related to the City of Adelanto's risk assessment and subsequent Notice of Termination:

EVENT	DATE	NOTES
Board of Directors approved targeted risk assessment recommendation.	November 6, 2017	
Kathy Maylin begins risk assessment process.	December 6, 2017	On-site visit and additional follow up in-person and telephonic meetings.
Specialized City Council Training per risk assessment (Gerry Preciado).	December 19, 2017	Training did not take place as scheduled due to lack of quorum for Council meeting.
Specialized City Council Training per risk assessment (Gerry Preciado).	January 24, 2018	Completed.
Correspondence to City Attorney, Rueben Duran, re: risk assessment and requests for compliance with pending claim matters.	January 30, 2018	City complied with requests re: pending claim matters.
Correspondence to City Attorney, Ruben Duran, re: notice of Board's review of Adelanto's SIR, effective July 1, 2018.	March 8, 2018	
Correspondence to City Attorney, Ruben Duran, re: Board approval of an SIR increase to \$250k, effective July 1, 2018 and notice of Board's review of City's continued ERMA participation at November 5, 2018 meeting.	May 1, 2018	
Board of Directors unanimously voted to terminate the City's participation in ERMA, effective July 1, 2019.	November 5, 2018	
Notice of Termination of Membership provided to City Manager.	November 8, 2018	
ERMA receives Notice of Appeal of Termination of Membership from the City.	January 10, 2019	

As noted in the above timeline, the City of Adelanto appealed the Board's Notice of Termination of Membership in ERMA. In response to the City's appeal, staff presented the attached Performance Improvement Plan (Plan) for the City's consideration.

City representatives including Tom Madruga and Victor Ponto, City Attorneys; Jessie Flores, City Manager; Geriann Kingslan, Human Resources; Teri Nelson, Risk Manager; and Brenda Lopez, City Clerk, met via teleconference on January 22, 2019, with Jennifer Jobe, Executive Director and Kathy Maylin, Litigation Manager, to review and discuss the Plan.

The Plan, in its entirety, was accepted by the Adelanto City Council at a regularly scheduled meeting on January 23, 2019.

Staff will provide additional updates regarding the status of the Plan and answer any questions from the Board.

RECOMMENDATION:

Staff recommends the Board of Directors accept the Performance Improvement Agreement, as presented and direct staff to proceed with the terms as outlined in the Agreement.

REFERENCE MATERIALS ATTACHED:

- City of Adelanto - Notice of Termination of Membership, dated November 8, 2018
- City of Adelanto Performance Improvement Agreement



November 8, 2018

Mr. Jessie Flores
City Manager
City of Adelanto
11600 Air Expressway
Adelanto, CA 92301
jflores@ci.adelanto.ca.us

Re: Notice of Termination of Membership

Dear Mr. Flores:

On May 1, 2018, ERMA advised the City of Adelanto ("City") of its decision to increase the City's self-insured retention ("SIR") from \$100,000 to \$250,000 per occurrence, effective July 1, 2018. At that time, the City was also advised that because of the issues identified in the loss history analysis and related concerns, the Board requested the matter of the City's continued participation in ERMA be placed on the agenda for the November 5, 2018, Board meeting.

This letter is to notify the City that pursuant to Article V. Section D. 3.(f) and (g) of the ERMA Master Program Document (outlined below), the ERMA Board of Directors has exercised its right to terminate the City's membership, effective July 1, 2019.

"D. TERMINATION OF PARTICIPATION

3. The Executive Committee or *Board of Directors* may terminate future participation by a *Member* for the following reasons:

- (a) Termination as a member of *ERMA*;
- (b) Declination to cover the *Member* by the organization;
- (c) Nonpayment of past billings, *Assessments*, *Equity Allocation Adjustments*, or other charges;
- (d) Habitual late payment of billings, *Assessments*, retrospective adjustments, and/or other charges, or habitual late response in submitting data required by the PEPLP;
- (e) Failure to provide underwriting information;
- (f) Development of an extraordinary poor loss history;
- (g) A substantial change in exposures which are not acceptable in this program;
- (h) Financial impairment that is likely to jeopardize this program's ability to collect amounts due in the future;
- (i) Failure to comply with loss control services, training or compliance auditing programs adopted by *ERMA*;
- (j) Conduct detrimental to *ERMA*; and/or

1750 Creekside Oaks Drive, Suite 200
Sacramento, California 95833
800.541.4591 Fax 916.244.1199



- (k) Termination of the *Member* by its primary joint powers authority.”

This letter shall serve as written notice of termination from the Board of Directors to the City, effective July 1, 2019, pursuant to Article V. Section D. 1. of the ERMA Master Program Document (outlined below).

“1. A *Member* in one *Program Year* shall participate in the next *Program Year* unless, at least six months before the next *Program Year*:

- (a) a written request to terminate participation is received from the *Member*, or
- (b) a written termination notice from the Executive Committee or *Board of Directors* has been sent to the *Member*.”

The Board unanimously voted to terminate the City’s participation in ERMA on the basis of the City’s loss history, information from the risk assessment including information regarding the City’s management and organization, causes of claims and the substantial increase in claims.

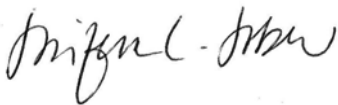
Additionally, please be aware that the City will still be required to fulfill all obligations outlined in the applicable ERMA governing documents and specifically, Article V. Section D. 2. of the ERMA Master Program Document.

“D. TERMINATION OF PARTICIPATION

2. Termination of participation in future *Program Years* does not relieve the terminated *Member* of any benefits or obligations of those *Program Years* in which the *Member* participated. These obligations include payment of *Assessments*, *Equity Allocation Adjustments*, wrap-up costs, or any other amounts due and payable.”

If you have any questions, please contact me at (916) 244-1141.

Sincerely,



Jennifer L. Jobe
ERMA Executive Director

cc: Scott Ellerbrock, ERMA President
ERMA Board of Directors
Gregory P. O’Dea, ERMA Board Counsel
Kathy Maylin, ERMA Litigation Manager

City of Adelanto Performance Improvement Agreement

THIS AGREEMENT (Agreement) is made and effective as of _____, 2019, between the Employment Risk Management Authority (“Authority”), and the City of Adelanto (“City”), sometimes collectively referred to as the “Parties”.

On November 5, 2018, the Board of Directors of ERMA voted to terminate the City’s status as a Member of ERMA effective July 1, 2019. The ERMA Board made this decision because of significant concerns regarding the City’s governance, risk management practices, concerns regarding the adequacy of training, claims history and employment practices.

On January 10, 2019, the City requested reconsideration of ERMA’s decision. In response, ERMA proposes the City enter into a Performance Improvement Plan (“Plan”), which if the conditions of the Plan are met within the term of the Agreement, the ERMA Board of Directors will reconsider its decision to terminate the City’s participation as a Member in ERMA.

Upon the express consideration arising by reason of the Board of Director’s decision to reconsider its decision to terminate the City’s participation in ERMA, which consideration is expressly acknowledged and relied upon by City, and upon express consideration of the City’s agreement to participate in and complete the Plan, which consideration is expressly acknowledged and relied upon by ERMA, the Parties agree as follows:

Performance Improvement Plan

- ERMA staff to meet with City Manager to discuss the terms of the Plan prior to consideration by the ERMA Board of Directors.
- All Council members and City Manager are required to complete specific training on council relations regarding the scope and limits of public official authority as identified by ERMA no later than 30 days after adoption of the Plan.
- All Council members and City Manager are required to complete specific training on preventing discrimination, harassment and retaliation as identified by ERMA no later than 30 days after adoption of the Plan.
- City Manager is required to retain and actively partner with an adviser via the League of California Cities Senior Advisor program within 30 days of the effective date of this Agreement.

- All City management staff is required to complete “Management 101” training as identified by ERMA no later than 60 days after adoption of the Plan.
- City shall retain an ERMA-recommended employment attorney from the ERMA defense panel to provide City ongoing advice and counsel on any/all personnel matters that have the potential to become an ERMA claim. Such personnel matters include, but are not limited to, termination, lay-off, job/position elimination, demotion, transfer, significant discipline, administrative leave, ADA/religion interactive process communication, and personnel investigation. Advice and counsel services shall be sought before City takes personnel action. Should any specific advice and counsel recommendation wish to be disregarded by City, City shall first confer with the ERMA Litigation Manager prior to taking the particular personnel action.
- City shall withdraw and dismiss coverage appeals to ERMA Board of Directors regarding: Elliott, Gabriel v. City of Adelanto and Herrera, Cindy v. City of Adelanto.
- City Council to adopt the Plan by resolution no later than 30 days following adoption of the Plan by the ERMA Board of Directors.
- City Manager to meet with ERMA staff telephonically no later than 30 days after adoption of the Plan by the City Council to establish timelines for completion of identified actions. Dates of completion for all items must be completed as specified in the Plan and in no event beyond the term of the Plan, which date shall be June 11, 2019, unless extended as provided below.
- City Manager to meet with ERMA staff telephonically every 30 days in order to review the status and progress of the Plan. Dates to be established following adoption of the Plan by the City Council.

In the event the ERMA Board of Directors rescinds its termination of the City as a Member, ERMA reserves the right to continue implementation of the Plan until such time as ERMA determines that the City’s employment practices are consistent with and in compliance with the City’s obligations as a Member of ERMA.

For ERMA:

For City of Adelanto:

Jennifer Jobe, Executive Director

Date: _____, 2019

(name/title)

Date: _____, 2019

MEMBERSHIP MATTERS

SUBJECT: Review of Prospective New Member Application – Town of Fort Jones (SCORE)

BACKGROUND AND STATUS:

The Town of Fort Jones is applying for membership in ERMA as an underlying member of SCORE and has requested a \$25,000 self-insured retention (SIR). The Town reported payroll of \$462,893 in the 2017 calendar year.

The Town reports two full-time and five part-time employees, has incurred no EPL-related claims within the previous seven fiscal years and issued a letter attesting to “No Known Losses.” The information provided in the application indicates the Town has written personnel policies in place; however, it has been many years since a thorough review was conducted. The Town has a small fire department comprised of 2 part-time employees and 20 volunteers and utilizes the services of a contracted City Attorney.

The Underwriting Committee met on January 14, 2019, and reviewed the City’s application. Given the size of the Town’s payroll, coupled with no known losses, the Underwriting Committee and staff recommend approval of the Town’s participation in ERMA at a \$25,000 SIR, effective January 1, 2019, with the express condition the Town update its personnel policies and procedures and provide evidence of such, by January 1, 2020.

RECOMMENDATION:

The Underwriting Committee recommends the Board of Directors approve the Town of Fort Jones as an underlying member of SCORE at a \$25,000 SIR, effective January 1, 2019, with the express condition the Town update its personnel policies and procedures and provide evidence of such by January 1, 2020

REFERENCE MATERIALS ATTACHED:

- Town of Fort Jones Completed Potential New Member Application
- Town of Fort Jones Premium Indication

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

LIABILITY COVERAGE APPLICATION

If completed electronically, this application will adjust to allow space for any answers. If not completed electronically, then additional sheets may be needed.

ENTITY NAME: <u>Town of Fort Jones</u>	Date: <u>December 12, 2018</u>
EMPLOYMENT PRACTICES INFORMATION	
A. Policies and Procedures	
1.	Does the Entity have written personnel policies and procedures? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Does the Entity have employees sign an acknowledgement form indicating they have read and understood the above-referenced policies? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:
	<input checked="" type="checkbox"/> Hiring <input checked="" type="checkbox"/> Termination <input checked="" type="checkbox"/> Suspension
	<input checked="" type="checkbox"/> Medical Leave <input checked="" type="checkbox"/> Unpaid Leave <input checked="" type="checkbox"/> Grievance Procedures
	<input checked="" type="checkbox"/> Drug & Alcohol Testing <input checked="" type="checkbox"/> Discipline <input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Family Medical Leave Act <input checked="" type="checkbox"/> Anti-Harassment Policies
	<input type="checkbox"/> Written Job Description for all Positions <input checked="" type="checkbox"/> Workplace Violence Policies
	<input type="checkbox"/> Annual Written Performance Evaluations for all Employees <input type="checkbox"/> Employee Hotline/Complaint Procedure
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If no, when was the manual or rules last reviewed? <u>Unknown</u>
8.	Were the above-referenced policies formally approved and adopted by council/governing board? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p><i>If you answered no to any of the above, please use this space to provide more information:</i></p> <p>Unknown when Employee Handbook was written or reviewed. Unknown when (or if) Employee Handbook was approved</p>	

B. Employee Information					
1.	Number of Full Time Employees: <u>2</u>				
2.	Number of Part time Employees: <u>5</u>				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?				
	<u>2014</u>	<u>0</u>	<u>0%</u>	<u>2015</u>	<u>0</u> <u>0%</u>
	<u>2016</u>	<u>0</u>	<u>0%</u>	<u>2017</u>	<u>0</u> <u>0%</u>
	<u>2018</u>	<u>0</u>	<u>0%</u>		
4.	How many involuntary employment terminations have occurred in the past two years?				
	<u>2017</u>	<u>None</u>	<u>2018</u>	<u>None</u>	

		<i>Involuntary employment termination with respect to this questionnaire means notification to an employee that such employee will no longer be employed whether such notification is effective immediately or in the future. Involuntary employment termination shall also include actual or alleged constructive discharge.</i>	
5.	Percentage of Employees with salaries less than \$100,000 100 %	Should = 100%	
6.	Percentage of Employees with salaries greater than \$100,000 0%		

C. Employment Practices Claims Handling			
1.	Who in the Entity has been designated to handle claims? City Manager		
2.	(a) With respect to oral or written claims, do you have a written procedure for obtaining information and conducting required follow up on the claim?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(b) Do you require written claims for EEO-related complaints?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
	If yes to 2(a), describe the policy and procedure for receiving, reviewing, and responding to claims: Supervisor reports claims for subordinates. Manager reviews claims and makes decision. Appeal process through City Council.		
3.	Does the Employment Claims handler coordinate with the Workers' Compensation Administrator on all claims involving actual or potential industrial injuries? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
4.	Has your entity received any claim in the previous 7 completed fiscal years, including the partial current fiscal year, (including but not limited to Tort Claim, any and all claims filed with the DFEH, EEOC, Department of Labor or Federal Department of Justice, any civil lawsuit or other written claim) alleging the following?		
	(a) Allegations of discrimination or harassment under FEHA, Title VII or any other federal or state law relating to discrimination based on race, sex, religion, disability, national origin, marital status, age, sexual orientation, retaliation or any other protected legal status;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(b) Allegations of retaliation relating to an Employee engaging in protected activity involving any EEO-related complaint, protected leave status, worker's compensation claim, or any other protected activity or status;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(c) Actual or alleged constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful, or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(d) Allegations of negligent or wrongful evaluation, wrongful demotion, wrongful discipline, failure to promote, failure to grant tenure, or wrongful deprivation of career opportunity;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(e) Allegations of misrepresentation or defamation made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(f) Allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	(g) Allegations of false imprisonment, detention, or malicious prosecution made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline;	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

	(h) Allegations of libel, slander, defamation of character, invasion of privacy made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline; and	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	(i) Other personal injury allegations made by an <i>Employee</i> which arise from an employment decision to hire, fire, promote, demote or discipline.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If the answer is yes to any of the above, please attach a listing of the loss(es) showing a full description of each claim, including the date filed, the substance of the allegations, the disposition of the claim, and any monetary amounts paid in connection with the claim.		

D. Employment Practices Risk Management		
1.	Does the applicant have a Human Resources or Personnel Department?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If no, please describe handling of this function: City Manager handles all HR and Personnel issues	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
4.	Have you had any "layoffs" in the past 36 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 training records:	
7.	Does your entity provide AB 1825 training for non-supervisory employees (i.e., "top to bottom" training)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION						
<input checked="" type="checkbox"/> \$25K	<input type="checkbox"/> \$50K	<input type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$500K	
Please attach the following: <ul style="list-style-type: none"> • <i>Member application fee of \$2,500 for prospective JPAs. (Upon approval and completion of the first year of membership, a credit in the amount equal to the fee remitted upon application will be issued in the form of a premium credit.)</i> • <i>EPL individual loss information (including Date of Loss and total incurred) for the previous 7 completed fiscal years, including the partial current fiscal year;</i> • <i>Payroll information for the previous 7 completed calendar years;</i> • <i>Completed resolution authorizing participation in ERMA;</i> • <i>Completed intent to participate; and</i> • <i>Most Recent Financial Audit.</i> 						

The undersigned declares that no fact, circumstance, or situation indicating the probability of a claim or action is now known to any person proposed for this coverage; and it is agreed by all concerned that if there be knowledge of any such fact, circumstance or situation, any claim or action subsequently emanating therefrom shall be excluded from coverage under the coverage for herewith being applied. The undersigned being authorized by, and acting on behalf of, the applicant and all persons or concerns seeking coverage, has read and understands this application, and declares all statements set forth herein are true, complete, and accurate, and include all material information.

The undersigned further declares and represents that any occurrence taking place prior to the inception of the coverage for which is being applied, which may render inaccurate, untrue or incomplete any statement made herein will immediately be reported in writing to ERMA. The undersigned acknowledges and agrees that the submission and ERMA's receipt of such report, prior to the inception of the coverage for which being applied, is a condition precedent to coverage.

The undersigned acknowledges:

- (1) ERMA does not require the submittal of the aforementioned policies and procedures. ERMA does, however, rely on the information provided by the applicant in review of the application and the undersigned, therefore, declares and represents that the policies and procedures as represented above are the current policies and procedures of the entity.
- (2) ERMA's Board of Directors may recommend a risk assessment of any new member within 60 days of joining ERMA and/or a higher self-insured retention from what was requested, if an application for membership is approved.

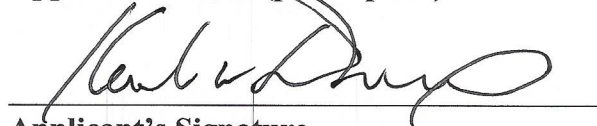
The undersigned further acknowledges and agrees this application contains requests for information and requests for data on a range of exposures, but such requests do not imply that coverage is afforded in the program for which is being applied.

Town of Fort Jones

Agency or Entity Name

Karl W Drexel

Applicant's Name (please print)



Applicant's Signature

City Administrator

Title

December 12, 2018

Date

EMPLOYMENT RISK MANAGEMENT AUTHORITY PREMIUM INDICATION

SCORE

Name of Entity	Town of Fort Jones
2017 Payroll	\$462,893
Coverage Period	July 1, 2018 to June 30, 2019

CALCULATION

Member Retained Limit Options		\$25,000	\$50,000	\$75,000
Retained Limit Factor		1.14	1.00	0.90
Retained Limit Rate		0.440	0.386 *	0.347
Defense & Indemnity: Pooled Funding		\$2,037	\$1,787	\$1,608
Administration	0.0566	262	262	262
Loss Prevention & Training	0.0070	32	32	32
Subtotal		\$2,331	\$2,081	\$1,902
JPA Participation Credit	8.96%	(\$209)	(\$186)	(\$170)
Individual Experience Mod Factor **		1.000		
Off-Balance Factor		1.166		
TOTAL ERMA PREMIUM ***		\$2,475	\$2,209	\$2,019

* SCORE receives a \$.091 credit off the base rate due to its adjoining CJPRMA coverage in the layer from \$500K to \$1M.

** New members are assigned an experience modification factor of 1.000 their first year in ERMA.

*** Premium prorated based on date of inception of coverage.

ADMINISTRATIVE MATTERS

SUBJECT: Resolution 2018-1 of the Board of Directors of the Employment Risk Management Authority Establishing a Litigation Management Program

BACKGROUND AND STATUS:

ERMA's Resolution 2014-3, Resolution of the Board of Directors of the Employment Risk Management Authority Establishing a Litigation Management Program (LMP), accompanies the assignment letter when a claim is assigned to panel counsel.

The LMP has not been reviewed or revised since 2015, and staff determined the guidelines contained within the LMP, though generally sufficient, should be updated. The proposed updated LMP will more clearly inform panel counsel of 1) ERMA requirements and 2) information required by the Litigation Manager in order to more effectively manage claims.

The following proposed changes/updates to Resolution 2014-3 are as follows:

CHANGE/UPDATE	NOTES
A. Panel	Inclusion of investigation costs, expert costs, vendor costs and any other related costs. (Page 1)
D. Communication	Delete verbiage re: specific communication. (Page 2)
E. Depositions, Trials, etc.	Clarifying language. (Page 2)
F. Case Analysis & Litigation Budget	Clarifying language. (Page 3)
G. Mandatory Status Reports	Clarifying language. (Page 4)
J. Fees and Billings	Clarifying language. (Page 5)
K. Performance Evaluation and Exit Analysis	Clarifying language. (Page 6)
L. Audit of Defense Firms	Clarifying language. (Page 7)

Staff will review the proposed changes and answer any questions from the Board.

RECOMMENDATION:

Staff recommends the Board of Directors approve Resolution 2018-1, incorporating changes/updates to Resolution 2014-3, Resolution of the Board of Directors of the Employment Risk Management Authority Establishing a Litigation Management Program.

REFERENCE MATERIALS ATTACHED:

- Proposed changes/updates to Resolution 2014-3, Resolution of the Board of Directors of the Employment Risk Management Authority Establishing a Litigation Management Program, in redline/strikeout text.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY
ESTABLISHING A LITIGATION MANAGEMENT PROGRAM

WHEREAS, the Employment Risk Management Authority, hereinafter ERMA, is a Joint Powers Authority organized and existing in accordance with the laws of the State of California, and

WHEREAS, one of the functions of ERMA is to operate a “Pooled Wrongful Employment Practices,” “risk-sharing” program, and

WHEREAS, it is in the best interest of all members to ensure the professional, competent, and cost effective handling of defense litigation of cases that come within the parameters of this program, and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

A. Panel

ERMA has approved a defense panel of attorney firms. Additions to the defense panel will be made pursuant to the Resolution Establishing Criteria for Adding Defense Counsel to the Panel of Approved Attorney Firms, or its successor.

The Board of Directors shall have the responsibility of approving the panel of defense firms, as well as the authority to add or delete individual counsel or firms from time to time pursuant to recommendations from the Litigation Manager.

Assignment to defense counsel for each case belonging to a defendant entity for Wrongful Employment Practices shall be made by the Litigation Manager after consultation with the entity. Counsel selected must agree to abide by these policies and procedures.

The defendant entity shall bear the financial responsibility of the defense expenses, including fees, until such time as its retained limit is exhausted.

In the event the defendant entity has a preference for a particular defense firm or counsel from the defense panel, other than the one designated or selected by the Litigation Manager, this preference shall be made known to the Litigation Manager. In the event the Litigation Manager should determine to designate counsel or assign a case for defense to a firm or individual counsel on the defense panel other than the one expressly preferred by the defendant entity, the entity shall have the right to appeal the decision to the Board of Directors, whose decision shall be binding and final.

Defense counsel may not assign an attorney to any ERMA case or claim who has less than five (5) years’ experience practicing public sector employment law in California. Any deviation from this mandate must be requested of and approved by the Litigation Manager prior to the attorney billing any time on the case or claim.

B. Acknowledgement of Assignment

The defense counsel assigned shall send an acknowledgement of assignment letter to the Litigation Manager within seven (7) calendar days of receiving the case assignment. Defense counsel shall also

acknowledge within seven (7) calendar days of receiving the case assignment that appropriate evidence preservation protocols have been discussed with and initiated by the member.

C. Conflicts

The defense counsel selected and the law firm to which he/she belongs must certify that they have no ethical or legal conflicts which would in general disqualify them from representing any of the member entity defendants. In addition, they shall certify they will refrain from initiating any legal action against any of the member entities of this organization either by way of complaint or cross-complaint during the time they are included on the defense panel and accepting defense work from this organization.

Finally, they shall agree to disclose within two (2) business days any special facts which would or could potentially disqualify them from representation of a particular member entity, commensurate with or shortly after the case assignment, or immediately upon discovery.

D. Communication

Correspondence and Pleadings

Copies of all substantive correspondence and all pleadings shall be provided to the member entity and to the Litigation Manager.

After a case has been reported to an excess coverage provider, defense counsel shall ensure that additional copies of all correspondence and pleadings are forwarded to such excess coverage provider.

Defense counsel will promptly respond to all letters or phone calls from the Litigation Manager and keep him/her fully advised as to the progress of each case. Defense counsel will cooperate with the Litigation Manager in all other aspects of the Litigation Management Program, ~~including but not limited to helping to maintain the resource and motions libraries, and completing expert witness and plaintiff counsel evaluations.~~

E. Depositions, Motions, Hearings, Mediations, and Trials, Arbitrations, Motions, and Hearings

~~Prompts n~~Notice of depositions, motions, court hearings, mediations, settlement conferences, and trials, arbitrations, mediations, settlement conferences, case management conferences, and court hearings shall be sent to all parties specified above who are to receive copies of correspondence.

Defense counsel shall not file a dispositive motion, either via demurrer, motion to dismiss, or motion for summary judgment, without the pre-authorization of the Litigation Manager.

F. Case Analysis & Litigation Budget

Within sixty (60) days of retention in each case, selected defense counsel shall complete and return a Case Analysis to the Litigation Manager. The Case Analysis form is attached to this policy and

incorporated herein as though fully set forth. This requirement also applies to all pre-litigation claims assigned to defense counsel, but the initial and follow-up reports on pre-litigation claims may be provided via email.

In congruence with the Case Analysis form, defense counsel shall provide a comprehensive plan and evaluation including:

1. Evaluation of factual and legal issues key to the claim-to-be-resolved and action needed on each;
2. Evaluation of assigned judge, venue, and plaintiff's counsel;
2. Preparation of a litigation budget including estimated cost of fact investigation and preparation of motions, discovery, ADR, and trial;
3. Elicitation of a settlement demand and evaluate case for early settlement negotiations, mediation, or settlement conference; and
4. Evaluation of liability and suggested plan of immediate action (ADR, motion work, settlement, trial, motions, further investigation).

To assist ~~the~~ defense counsel in projecting anticipated legal costs, a litigation budget must be completed (see attached form which is incorporated herein as though fully set forth) and submitted with the Case Analysis form. The form is used to set ERMA's defense, indemnity, and other cost reserves.

Unanticipated litigation activity may give rise to an under-reserved litigation budget. As soon as it is reasonably foreseeable that the file is under budgeted, an updated litigation budget should be completed with defense counsel's recommendation for a budget increase. The Litigation Manager will closely monitor the basis for budget increases. If the litigation budget has been exceeded, no further payments of fees will be made until a revised litigation budget is submitted. Significant deviations from the budget will be taken into account when evaluating defense counsel's performance.

G. Mandatory Status Reports

Status reports are mandatory on all cases and claims assigned to defense counsel every sixty (60) days. Defense counsel shall report only on new developments since the last report. It is not necessary to repeat/refresh the case facts or repeat information previously reported. Requests for extensions shall be made in advance to the Litigation Manager. Requests for extensions shall be sparingly made as delays in reporting negatively impacts the Litigation Manager's ability to appropriately manage claims and keep ERMA's Board of Directors informed.

The Initial Case Analysis, Litigation Budget and revisions thereto, and Mandatory Status Reports are critical to ERMA's ability to accurately reserve and assess each case and control costs. Failure to timely submit these reports will be taken into account by ERMA's Board of Directors when evaluating defense counsel's performance. Defense Counsel's bills for legal fees and costs may not be approved unless status reports are provided on a timely basis.

The defense attorney handling the case should prepare the status reports. Status reports sh~~all~~ould include the following:

1. The ongoing strategy for defense or resolution of the case, including factual and legal analysis of issues related to liability and damages;
2. A description of planned discovery with a time table for completion;
3. A brief synopsis of the discovery completed since the last report;
4. Court dates including, but not necessarily limited to, mandatory settlement conferences, trial setting conferences, arbitration, mediations, trial dates, hearings on discovery, etc.; and
5. Settlement demands and negotiations.

~~Furthermore, n~~No later than one hundred and twenty (120) days prior to trial ~~(or binding arbitration)~~, the defense trial attorney will provide a ~~pre-trial/binding arbitration~~ report, which shall include:

1. An assessment of ~~the~~ defendant entity's liability;
2. An assessment of plaintiff's damages;
3. An assessment of legal defenses and probability of prevailing;
4. As assessment of chances of prevailing at trial;
5. The verdict value assuming liability;
6. An appraisal of settlement value, considering verdict value and chances of prevailing;
7. An assessment of the trial judge, jury pool, and plaintiff's counsel;
8. The status of settlement discussions; and
9. The defense fees and costs to date, along with the estimated fees and costs through trial.

The same type of report shall be provided by the defense trial attorney within two weeks of a mediation or MSC being calendared, except the report shall also include discussions on the viability of a motion for summary judgment, should the case not settle, and recommendations on ADR strategy.

It is expected that cases will proceed to trial as expeditiously as possible. Defense counsel shall obtain the Litigation Manager's approval prior to continuing the trial date set by the court.

After a deposition is taken, the defense attorney will provide the Litigation Manager with a two to three paragraph summary of the deposition. This report should summarize:

1. The deponent's key testimony;
2. Whether the testimony calls for additional discovery or investigation;
3. Whether the testimony changes the case assessment in any material way; and,
4. An assessment of the deponent's presentation and credibility as a potential witness at trial

The report shall be prepared by the attorney who took the deposition transmitted via email to the Litigation Manager. The report must be provided within seven (7) calendar days of the deposition.

H. Further Evaluations and Reserves

Upon request by the Litigation Manager, or any excess coverage provider, and whenever any significant developments occur, defense counsel shall furnish supplemental written or oral

evaluations of the case. These evaluations shall disclose any weaknesses or strengths of the case that have been discovered, any increase or decrease in anticipated costs, ~~any recommended change in reserves~~, and, if pertinent, settlement recommendations.

I. Settlements

Defense counsel shall not settle any litigation by way of any monetary offering without the prior approval of the entity and the Litigation Manager. Defense counsel shall prepare a long-form settlement agreement prior to any mediation or settlement conference, and shall be prepared to finalize the agreement at the time of the proceeding. Defense counsel shall make known to plaintiff's counsel as soon as any settlement discussions take place that ERMA mandates that all monetary settlements are reported by IRS Form 1099.

J. Fees and Billings

All bills for legal services and related costs shall be submitted through ERMA on a monthly basis. In addition to standard invoice format, bills shall also be submitted in Excel format. All bills submitted shall describe the services and costs provided during the previous billing period. Bills shall include the following information to which such services or costs pertain:

1. The name of the matter;
2. A brief description of services performed;
3. The date the services were performed;
4. The number of hours, or fraction thereof, spent and by whom;
5. The hourly or project rate for the services; and
6. A brief description of any costs incurred; and
- ~~7. The signature of the billing attorney.~~

The following expenses are to be approved by the Litigation Manager before being incurred:

1. Experts - whether investigative (consulting) or testimonial;
2. Independent medical examinations (IMEs);
3. Background investigations;
3. Outside investigators;
4. More than one attorney at meetings, interviews, depositions, hearings, appearances or other like engagements;
5. Travel out-of-town or outside designated area for investigation - e.g., for depositions, meetings with expert witnesses, etc.;
6. Filing of cross-complaints/counter-claims;
- ~~8.~~ 7. Legal research projects expected to exceed two (2) hours;
9. Voluntary settlement conferences, mediations, or any ADR method;
10. Co-defendant cost-sharing agreements; and
11. Research in preparation of and the filing of all motions;
12. Expenses expected to exceed \$500.00, including copying expenses; and
13. Video-taping of depositions; and
14. All appeals.

Defense counsel shall not bill for internal conferences or duplicate services performed by more than one person unless specifically authorized by the Litigation Manager. *There will be no block billing accepted for payment.* Defense counsel shall not bill for administrative time. Defense counsel shall not submit more than one (1) monthly invoice per case or claim (i.e., separate billing for different phases of the claim or litigation is not allowed).

All charges for expenses shall be based on actual costs. No blanket charge for office expenses, administrative charges, or the like shall be accepted for payment. ERMA will not pay Westlaw or LexisNexis charges unless approved ahead of time by the Litigation Manager.

Defense counsel submitting the bill is responsible for the content of the bill and will work directly with the Litigation Manager in resolving any problems or answering any questions related to such billing. Defense counsel shall not bill for time incurred regarding billing issues or disputes.

Rates per hour or per project will not be increased without at least ninety (90) days advanced written notice to the Litigation Manager and ERMA and only after receiving permission for such rate change by ERMA.

K. Performance Evaluation and Exit Analysis

Within ~~thirninety~~ (390) days of the conclusion of a case, ~~and upon request~~, defense counsel will complete and return a Self-Performance Evaluation, attached and incorporated herein as though fully set forth, assessing his or her performance and accuracy or inaccuracy as to the initial prognosis of the issues of the case (i.e., the investigation needed, the experts anticipated, the cost projections, and compliance with these policies and procedures).

At the Litigation Manager's discretion, and in all cases in which total incurred costs ultimately exceed \$125,000, within sixty (60) days of receipt of defense counsel's Self-Performance Evaluation, the Litigation Manager will confer with defense counsel and representatives from the member entity to conduct an exit analysis of the claim. The exit analysis shall include a review of the facts giving rise to the claim, the law firm's strategy and handling of the claim, and a discussion of what subsequent remedial measures, if any, could be taken to prevent similar claims from arising in the future. Participation in this process is required by both defense counsel and the member entity.

~~The Litigation Manager will subsequently report the outcome of this Exit Analysis to the Board of Directors at their next regularly scheduled meeting following the completion of the analysis.~~

~~T~~~~In addition,~~ the Litigation Manager shall periodically ~~(not to exceed every two (2) years)~~ review the Self-Performance Evaluations, ~~as well as the performance and~~ the Initial Case Analysis/Budget and ~~other information regarding defense counsel's performance, and~~ if necessary, make periodic ~~(not to exceed every two (2) years)~~ recommendations to the ERMA Board of Directors concerning the purging of a particular defense counsel or firm from the defense panel.

L. Audit of Defense Firms

At least biannually, the Litigation Manager shall conduct a ~~n-on-site~~ meeting with all active law firms on the ERMA Panel of Approved Attorneys. The purpose of the meeting will be to review the

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performance of the law firm in handling ERMA matters, to audit a sampling of the files they are handling for ERMA, to review the requirements set forth herein with the firms, and to otherwise solidify the law firm/ERMA relationship. ~~become acquainted with the attorneys assigned to work on ERMA matters.~~

This resolution hereby replaces Resolution ~~2014-3.4-2008~~.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board held on ~~June 15, 2015~~ February 8, 2019, in ~~Lodi, Sacramento~~, California by the following vote:

AYES	<u>9</u>
NOES	<u>0</u>
ABSTAIN	<u>0</u>
ABSENT	<u>1</u>

PRESIDENT

ATTEST:

BOARD SECRETARY

TRAINING/LOSS PREVENTION MATTERS

SUBJECT: Training for the 2018/19 Program Year

BACKGROUND AND STATUS:

On an annual basis, ERMA conducts 47 live, regional and individual trainings throughout the State. Of the 47 allocated trainings, 25 are conducted by York under the pool administration contract and 22 are conducted by ERMA's attorney partner firms, Jackson Lewis and Liebert Cassidy Whitmore (LCW), or another approved vendor.

To-date, 40 of the 47 budgeted trainings have taken place or are scheduled. With the implementation of SB 1343 on January 1, 2019, staff has received numerous requests for additional trainings from member agencies seeking to comply with the expanded sexual harassment training requirements. Staff anticipates that due to the expanded training requirements, ERMA will exceed the allocated number of trainings established for the 2018/19 Program Year.

RECOMMENDATION:

Staff recommends the Board of Directors approve additional live, regional AB 1825 trainings for the 2018/19 Program Year.

COVERAGE MATTERS

SUBJECT: Proposed Revisions to the Memorandum of Coverage for the 2018/19 Program Year, Effective January 1, 2019

BACKGROUND AND STATUS:

In response to the #MeToo movement, a number of bills intended to protect employees from workplace harassment and retaliation under the Fair Employment and Housing Act (FEHA) took effect on January 1, 2019.

At staff's request, Greg O'Dea, Board Counsel, reviewed and provided recommended changes to the Memorandum of Coverage for the 2018/19 Program Year, effective January 1, 2019.

Additional amendments were made to Endorsement #1 to reflect new members, effective January 1, 2019, as covered parties: Central Marin Fire Authority (BCJPIA) - \$250,000 SIR; the City of Santa Maria (ERMAC) - \$500,000 SIR; and the Town of Fort Jones (SCORE) - \$25,000 SIR and Endorsement #3, to include the Town of Fort Jones (SCORE) - \$25,000 SIR.

The Coverage Committee met on January 14, 2019, to review the proposed revisions and recommends the Board of Directors approve the Memorandum of Coverage for the 2018/19 Program Year, effective January 1, 2019, as presented.

RECOMMENDATION:

The Coverage Committee recommends the Board of Directors approve all revisions to the Memorandum of Coverage for the 2018/19 Program Year, effective January 1, 2019, as presented.

REFERENCE MATERIALS ATTACHED:

- Recommended revisions to the Memorandum of Coverage for the 2018/19 Program Year prepared by Greg O'Dea, Board Counsel
- ERMA Memorandum of Coverage for the 2018/19 Program Year, effective January 1, 2019, in redline/strikeout text

Proposed Revisions to MOC

Background

Effective January 1, 2019, changes to employment law will take effect. These changes have expanded the potential employment practices liability of ERMA members. The changes to employment law fall into three general categories: 1) changes that create new areas of liability; 2) changes that impact how liability is proven; and 3) changes that create expanded training requirements.

This analysis addresses the changes that create new areas of liability and proposes coverage revisions to ensure that ERMA members are protected. Changes to how liability can be proven do not affect whether coverage is provided under the MOC. Changes to training requirements are addressed separately in proposed Board resolutions.

Summary of 2019 Changes that Create Liability

1) SB 1300 – Changes to the FEHA

Under existing law, employers may be responsible for the acts of *nonemployees*, with respect to *sexual harassment* of employees, and others, including applicants, unpaid interns and volunteers, or a person providing services to the employer under a contract, if employers, or their agents or supervisors, knew or should have known of the wrongful conduct and failed to take immediate and appropriate corrective action.

Under SB 1300, employers can now be responsible for the acts of *nonemployees* with respect to *any* other harassment activity prohibited by FEHA, i.e., harassment based on other protected characteristics including, but not limited to, race, religious creed, color, national origin and ancestry. Potential plaintiffs include employees, applicants, unpaid interns and volunteers, or persons providing services to the employer under a contract. Liability can exist where the employer, or their agents or supervisors, knew or should have known of the wrongful conduct and failed to take immediate and appropriate corrective action.

2) SB 224 – Changes to Civil Code 51.9(a)(1)

Civil Code section 51.9 establishes the elements of a cause of action for sexual harassment outside the employment setting. Under SB 224, the list of professional relationships where liability for sexual harassment can arise has been expanded to include elected officials. Under section 51.9 as amended, an elected official who

engages in sexual harassment as defined in the statute can be liable to a plaintiff for damages arising from the conduct, including economic loss or personal injury, including emotional distress.

Proposed Revisions to the MOC

1) Revisions to address SB 1300 expansion of liability

SB 1300 expands employer liability to include *any* form of harassment caused by nonemployees. Existing law limited employer liability for the conduct of nonemployees to sexual harassment only. Existing law provided for the liability of the employer for any form of harassment claim by persons providing services pursuant to a contract as well as by employees. The expansion of liability means that persons providing services pursuant to a contract can also bring claims for *any* form of harassment caused by *nonemployees*. In reviewing the MOC, it became apparent that there is an existing coverage gap for claims against an ERMA member by persons providing services pursuant to a contract.

Thus, there are two coverage areas that should be addressed through the proposed revisions to the MOC: the existing coverage gap for claims against the employer by persons providing services pursuant to a contract, and new coverage for the expansion of liability for claims for any form of harassment caused by nonemployees.

Coverage for harassment claims by persons providing services pursuant to a contract.

The existing MOC contains language that appears to have been intended to provide coverage for claims brought by persons providing services pursuant to a contract, however the existing language limited coverage to only *sexual* harassment claims brought by persons providing services pursuant to a contract. Thus, while ERMA members can be liable under existing law for a claim for *any* form of harassment caused by the employer or an employee brought by persons providing services pursuant to a contract, the existing MOC only covered liability for claims against the employer for *sexual* harassment brought by persons providing services pursuant to a contract.

The existing language in the MOC provides coverage for claims for sexual harassment brought by persons providing services pursuant to a contract by modifying the definition of *Employee* to include contractors and subcontractors.

Existing language in the MOC:

“Employee” means any person whose labor or services is engaged and directed by a *Covered Party*, whether past, present or future, including a volunteer, official, or applicant for employment. This includes part-time, seasonal, and temporary labor or services, as well as any person employed in a supervisory, managerial, or confidential position. *Employee* shall not include leased employees, independent contractors or subcontractors, agents, or servants of any *Covered Party*, unless the *Covered Party* has the right to and does control and direct the details of their work rather than the result of that work. *Employee* also shall not include the spouse, child, unborn fetus, parent, brother, or sister of the *Employee*. *Employee* shall not include any person performing labor or services, either voluntarily or involuntarily, while incarcerated in any state or local correctional or penal institution or facility of any nature, or who performs labor or services, either voluntarily or involuntarily, as a condition of or in satisfaction of any penal sentence.

The exclusion of independent contractors or subcontractors from the definition of *Employee* shall not apply to a *Claim* for sexual harassment specifically authorized under Cal. Gov. Code 12940(j)(4) and (5).

The proposed revision to remedy the coverage gap to provide coverage for claims for *any* form of harassment brought by contractors is to delete “sexual” from the definition and modify the statutory reference as follows:

The exclusion of independent contractors or subcontractors from the definition of *Employee* shall not apply to a *Claim* for ~~sexual~~ harassment specifically authorized under Cal. Gov. Code 12940(j) (1), (4) and (5).

Coverage for claims for *any* form of harassment arising from the conduct of nonemployees in the workplace

SB 1300 expands the liability of employers to provide for liability for any form of harassment caused by nonemployees in the workplace. Under current law, employers could be liable for only claims for *sexual* harassment caused by nonemployees in the workplace.

Coverage for harassment is provided through the definition of *Harassment* in the MOC. The existing definition limits coverage to harassment caused by *Covered Parties* only. The existing definition does not address coverage for the liability of the member for harassment caused by nonemployees. To provide coverage that

addresses the expansion of liability under SB 1300, the definition of *Harassment* can be modified as below, to remove the limitation on coverage to harassment caused by *Covered Parties* only. This change tracks the expansion of liability by providing coverage for workplace harassment committed by anyone in the workplace, not just *Covered Parties*.

“Harassment” means:

- (A) Unwelcome sexual advances, requests for sexual favors, or other verbal, visual or physical conduct of a sexual nature, including those which:
 - (1) are made a condition of employment with the *Covered Party*;
 - (2) are used as a basis for employment decisions by the *Covered Party*; or
 - (3) create a work environment ~~by a Covered Party~~ that interferes with performance or creates an intimidating, hostile or offensive working environment; or
- (B) Workplace conduct (i.e. *Harassment* of a non-sexual nature) committed ~~by a Covered Party~~ in violation of law or because of any protected category or characteristic which creates a work environment that interferes with performance, or creates an intimidating, hostile, or offensive working environment.

2) Recommendation Against Any Revision to MOC to Address Change to Civil Code 51.9

The amendment of Civil Code section 51.9 expands the list of professional relationships where liability for sexual harassment can arise to include elected officials. Under section 51.9 as amended, an elected official who engages in sexual harassment as defined in the statute can be liable to a plaintiff for damages arising from the conduct, including economic loss or personal injury, including emotional distress. This expansion of liability for sexual harassment exposes elected officials to liability for sexual harassment having no relationship to the workplace, that is, section 51.9 provides for liability for claims brought by members of the public who are not employees of a Member.

Under the MOC, coverage is provided to elected officials for *Claims* brought by *Employees*. Elected officials are defined as *Employees* and are provided coverage

as *Covered Parties* for *Damages* arising from claims for *Harassment*, including sexual harassment, providing the official is acting in an official capacity for or on behalf of the Member. Coverage may be excluded for sexual harassment claims where the official is found to have acted outside the course and scope of his duties for the Member.

The ERMA MOC provides employment practices liability coverage. Coverage is provided to elected officials for sexual harassment claims arising in connection with the workplace. Expansion of coverage to encompass non-workplace related sexual harassment claims by citizens is an extension of coverage beyond the parameters of employment practices coverage.

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
(ERMA)**

MEMORANDUM OF COVERAGE

FOR THE 2018/19 PROGRAM YEAR

EFFECTIVE JANUARY 1, 2019

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FORM NUMBER ERMA 2018-1EPL

MEMORANDUM OF COVERAGE FOR THE EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

In consideration of the payment of the deposit premium, the *Authority* agrees with the *Members* as follows:

SECTION I - COVERAGE

The *Authority* will pay up to the *Limit of Coverage* those sums on behalf of the *Covered Party* for the *Ultimate Net Loss*, less the *Retained Limit*, that the *Covered Party* becomes legally obligated to pay as *Damages* because of a *Wrongful Employment Practice*, as that term is herein defined and to which this Memorandum applies, caused by an *Occurrence* during the *Coverage Period*, except as otherwise excluded.

This Memorandum of Coverage does not provide insurance, but instead provides for pooled risk sharing. This Memorandum is a negotiated agreement amongst the *Covered Parties* of the *Authority* and none of the parties to the Memorandum is entitled to rely on any contract interpretation principles which require interpretation of ambiguous language against the drafter of such Memorandum. This Memorandum shall be applied according to the principles of contract law, giving full effect to the intent of the *Covered Parties* of the *Authority*, acting through the Board of Directors in adopting this Memorandum of Coverage. Since the *Authority* is not an insurer, it has no obligation to issue reservation of rights letters, and failure to provide notice to a *Covered Party* of any coverage issue or dispute shall not operate to waive any of the provisions of this Memorandum. Since this Memorandum does not provide insurance, neither the *Authority* nor any *Covered Parties* shall be liable for or subject to any legal action or proceeding as to any claim alleging breach of the implied covenant of good faith and fair dealing with respect to any dispute between the *Authority* and any *Covered Parties* that may arise under this Memorandum.

SECTION II - DEFINITIONS

1. "*Authority*" means the Employment Risk Management Authority.
2. "*Claim*" means: (a) a written demand or notice which is made or brought by an *Employee*, or an oral demand or notice by an *Employee* which is memorialized by the *Covered Party* in writing within fifteen (15) days of the oral demand or notice, and (b) seeks or alleges *Damages* or alleges other injury, harm, or invasion of rights, and (c) which contains an allegation that a *Wrongful Employment Practice* or a series of *Wrongful Employment Practices* has been committed during the *Coverage Period*. *Claim* includes a civil action, an administrative proceeding or charge commenced before the Equal Employment Opportunity Commission or similar state or other agency having jurisdiction over the *Covered Party*, or an alternative dispute resolution proceeding, or action brought by a person or entity acting on behalf of an *Employee* of the *Covered Party*.

Claim does not include a *Union Grievance*, or any type of criminal proceeding, or any claim arising under the FLSA or any California Wage Orders or any similar federal or state law. *Claim* does not include a dispute arising out of a contract for employment between the *Covered Party* and any individual or *Employee*, including but not limited to any dispute regarding the validity or enforceability of such contract.

Claim does not include an internal administrative or disciplinary proceeding pursuant to the terms and conditions of employment.

A *Claim* shall be deemed to be made on the earliest date such written demand or notice is received by a *Covered Party*.

3. "Coverage Period" means that term prescribed for coverage by the *Authority* as set forth in the Declarations page.
4. "Covered Party" means:
 - (A) The *Member* and any additional entities named in the Declarations page.
 - (B) Any person who is an *Employee* of a *Covered Party* identified in Section (A) herein, whether or not compensated, while acting in an official capacity for or on behalf of such *Covered Party*, including while acting on any outside board at the direction of such *Covered Party*.

Covered Party shall not include any person, whether or not compensated, who is not acting in the course and scope of his or her employment or whose conduct, as a matter of law, is not within the course and scope of his or her employment by the *Covered Party* at the time of the act or acts alleged in a *Claim*.

- (C) All entities named in Endorsement #2, and any officer, director or employee thereof while acting in an official capacity for or on behalf of such entity and in the course and scope of his or her duties. Except for those expressly identified in Endorsement #2, no other person, organization, or entity shall be deemed to be a "Covered Party" under Endorsement #2.
 - (D) Notwithstanding sections (B) and (C) above, the defense and indemnity coverage afforded by this Memorandum to a past or present *Employee* of a *Covered Party* is not broader than the *Covered Party's* duty to defend and indemnify its *Employee*, pursuant to California Government Code Section 815, 815.3, 825 to 825.6, 995 to 996.6, inclusive, and any amendments thereof. If the *Covered Party* which employs the *Employee* is not obligated under the California Government Code to provide a defense or to provide indemnity for a *Claim*, or if said *Covered Party* refuses to provide such defense and/or indemnity to said *Employee*, then this Memorandum shall not provide any such defense or indemnity coverage to said *Employee*. All immunities, defenses, rights, and privileges afforded to a *Covered Party* under California Government Code Section 815, 815.3, 825 to 825.6, 995 to 996.6, inclusive, and any amendments thereof, shall

be afforded to the *Authority* to bar any defense or indemnity coverage under this Memorandum to that *Covered Party's Employee*.

5. "Damages" means compensation in money which a *Covered Party* is legally obligated to pay as a result of a *Claim*. *Damages* include: (1) attorney fees not based on contract, awarded against the *Covered Party*, (2) interest on judgments, or (3) costs for which the *Covered Party* is liable either by adjudication, or by compromise with the written consent of the *Authority*, if the fees, interest, or costs arise from an *Occurrence* to which this coverage applies.

Damages with respect to *Wrongful Employment Practice* shall not include those sums owed by a *Covered Party* as contract *Damages*, prospective salary, wages, or benefits, any salary, wage or benefits resulting from an order that a *Covered Party* hire an applicant or from promotion or reinstatement, or any *Damages* owing under an express contract of employment or an express obligation to make severance payments in the event of termination of employment.

Damages with respect to *Wrongful Employment Practice* also shall not include amounts awarded under a labor grievance or arbitration pursuant to a collective bargaining agreement, nor sums paid pursuant to any judgment or agreement, whether injunctive or otherwise, to undertake actions to correct past discriminatory or unlawful conduct or to establish practices or procedures designed to eliminate or prevent future discriminatory or other unlawful conduct, or any non-monetary relief.

6. "Defense Costs" means all fees and expenses incurred by any *Covered Party*, caused by and relating to the adjustment, investigation, defense, or litigation of a *Claim* to which this coverage applies, including attorney's fees, court costs, interest on judgments accruing after entry of judgment, and the time and travel expenses of the Litigation Manager for attendance at trials, mediations, arbitrations and settlement conferences. *Defense Costs* shall not include attorney fees or costs awarded to a prevailing plaintiff against the *Covered Party*.

Defense Costs shall not include the office expenses, salaries of *Employees*, or expenses of the *Covered Party* or the *Authority*. *Defense Costs* shall not include investigation costs incurred by investigators or adjusting expenses that were not approved by ERMA prior to the costs being incurred. *Defense Costs* are included within, and are not in addition to, the applicable *Limit of Coverage*.

Defense Costs shall not include any fee or expense relating to coverage issues or disputes between the *Authority* and any *Covered Party*.

7. "Discrimination" means termination of the employment relationship, a demotion, a failure or refusal to hire or promote, denial of an employment benefit, or the taking of any adverse or differential employment action because of race, color, creed, religion, age, sex, disability, pregnancy, sexual orientation, national origin, AIDS, or other protected category or characteristic established pursuant to any applicable federal, state, or local statute or ordinance.

8. “Employee” means any person whose labor or services is engaged and directed by a *Covered Party*, whether past, present or future, including a volunteer, official, or applicant for employment. This includes part-time, seasonal, and temporary labor or services, as well as any person employed in a supervisory, managerial, or confidential position. *Employee* shall not include leased employees, independent contractors or subcontractors, agents, or servants of any *Covered Party*, unless the *Covered Party* has the right to and does control and direct the details of their work rather than the result of that work. *Employee* also shall not include the spouse, child, unborn fetus, parent, brother, or sister of the *Employee*. *Employee* shall not include any person performing labor or services, either voluntarily or involuntarily, while incarcerated in any state or local correctional or penal institution or facility of any nature, or who performs labor or services, either voluntarily or involuntarily, as a condition of or in satisfaction of any penal sentence.

The exclusion of independent contractors or subcontractors from the definition of *Employee* shall not apply to a *Claim* for ~~sexual~~ harassment specifically authorized under Cal. Gov. Code 12940 (j)(1) (4) and (5).

9. “Harassment” means:

(A) Unwelcome sexual advances, requests for sexual favors, or other verbal, visual or physical conduct of a sexual nature, including those which:

- (1) are made a condition of employment with the *Covered Party*;
- (2) are used as a basis for employment decisions by the *Covered Party*; or
- (3) create a work environment ~~by a Covered Party~~ that interferes with performance or creates an intimidating, hostile or offensive working environment; or

(B) Workplace conduct (i.e. *Harassment* of a non-sexual nature) committed ~~by a Covered Party~~ in violation of law or because of any protected category or characteristic which creates a work environment that interferes with performance, or creates an intimidating, hostile, or offensive working environment.

10. “Limit of Coverage” shall be the amount of coverage stated in the Declarations Page, or sublimits as stated therein for each *Covered Party* per *Occurrence*, subject to any lower sublimit stated in this Memorandum. The *Limit of Coverage* shall include the *Covered Party’s Retained Limit*. For each *Occurrence*, there shall be only one *Limit of Coverage* regardless of the number of claimants or *Covered Parties* against whom a *Claim* is made, or the number of *Coverage Periods* through which the *Occurrence* continues. In the event that a structured settlement, whether purchased from or through a third-party, or paid directly by the *Covered Party* in installments, is utilized in the resolution of a *Claim* or suit, the *Authority* will pay only up to the amount stated in the Declarations in present value of the *Claim*, as determined on the date of settlement, regardless of whether the full value of the settlement exceeds the amount stated in the Declarations.

11. “Member” means a governmental entity, including any commissions, agencies, districts, authorities, boards, or other similar government entity under the direct control of the governmental entity, that is eligible to participate in a joint powers authority. A *Member* is one who has been accepted into ERMA and, is a Named Covered Party in the Memorandum of Coverage and Endorsements thereto.
12. “Occurrence” means an act, policy, or course of conduct by a *Covered Party* during the *Coverage Period* which results in a *Claim* for *Wrongful Employment Practice* during the *Coverage Period* if the first act, policy or course of conduct occurred during the *Coverage Period*.

All allegations by the same *Employee* in the same *Claim* shall be considered one *Occurrence* for the purpose of the *Limit of Coverage*, and such *Occurrence* shall be deemed to exist on the date of the alleged first act, policy, or conduct, in the event of an allegation of multiple acts, policies, or course of conduct.

Regardless of the number of *Covered Parties*, all *Claims* by all *Employees* arising from the same act, policy, or course of conduct shall be considered as one *Occurrence* for the purpose of the *Limit of Coverage*.

13. “Retained Limit” means the amount of *Ultimate Net Loss*, identified in the applicable Declaration, which the *Covered Party* becomes liable to pay before the *Authority* is obligated to make payment.

For each *Occurrence*, there shall be only one *Retained Limit* regardless of the number of claimants or *Covered Parties* against whom a *Claim* is made, or *Coverage Periods* during which the *Occurrence* continues.

14. “Retaliation” means retaliatory treatment against an *Employee* of the *Covered Party* on account of such *Employee’s* exercise or attempted exercise of his or her rights under the law.
15. “Ultimate Net Loss” means the total of all *Defense Costs* incurred by the *Covered Parties* and all *Damages* for which the *Covered Parties* are liable either by adjudication or by compromise with the written consent of the *Authority*, arising from an *Occurrence* to which this coverage applies.
16. “Union Grievance” is limited to labor negotiations with respect to wages or working conditions, union organizing efforts, or unfair labor practice charges within the jurisdiction of the National Labor Relations Board or the Public Employment Relations Board.
17. “Workplace Tort” means any of the following acts alleged to have been committed in violation of law or because of any protected category or characteristic:
 - (A) Actual or constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful, or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract;

- (B) Allegations of negligent or wrongful evaluation, wrongful demotion, wrongful discipline, failure to promote, failure to grant tenure, or wrongful deprivation of career opportunity;
- (C) Allegations of misrepresentation or defamation made by an *Employee* which arise from an employment decision to hire, fire, promote or demote;
- (D) Allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an *Employee* which arise from an employment decision to hire, fire, promote or demote;
- (E) Allegations of false imprisonment, detention, or malicious prosecution made by an *Employee* which arise from an employment decision to hire, fire, promote or demote;
- (F) Allegations of libel, slander, defamation of character, invasion of privacy made by an *Employee* which arise from an employment decision to hire, fire, promote or demote; or
- (G) Other allegations made by an *Employee* which arise from an employment decision to hire, fire, promote or demote.

Workplace Torts do not include *Damages* determined to be owing under a written contract of employment or obligation to make payments, including but not limited to severance payments, in the event of the termination of employment.

Workplace Torts shall not include any allegations other than those set forth above.

- 18. "Wrongful Employment Practice" means any actual or alleged *Wrongful Termination, Discrimination, Harassment, Retaliation, or Workplace Tort*.
- 19. "Wrongful Termination" means termination of an employment relationship in a manner which is alleged to have been committed in violation of law or because of any protected category or characteristic or in breach of an implied agreement to continue employment.

Wrongful Termination shall not include *Damages* determined to be owing under an express contract of employment or an express obligation to make payments in the event of the termination of employment.

SECTION III - DEFENSE AND SETTLEMENT

The *Authority* shall have no duty to assume charge of investigation or defense of any *Claim*. However, the *Authority* shall have the right to assume the control of the negotiation, investigation, defense, appeal, or settlement of any *Claim* the *Authority* determines, in its sole discretion, to have reasonable probability of resulting in an *Ultimate Net Loss* in excess of the applicable *Retained Limit*. The *Covered Parties* shall fully cooperate in all matters pertaining to such *Claim* or proceeding. Such cooperation shall include, but not be limited to, executing all documents necessary to effectuate a settlement. If the *Covered Party's* lack of cooperation prevents

settlement of the claim for a reasonable amount, defined as the amount the *Authority* is willing to pay and the claimant is willing to accept, and increases the potential liability for *Damages* and continued *Defense Costs*, the *Covered Party* shall pay or shall reimburse the *Authority* for those *Defense Costs* incurred after the claim could have been settled, and for any *Damages* awarded or settlement agreed upon in excess of the amount for which the claim could have been settled, or, in the alternative, the *Authority* shall have the right to tender the claim back to the *Covered Party* and coverage shall cease.

If the *Authority* assumes the control of the handling of a *Claim*, the *Covered Parties* shall be obligated to pay at the discretion of the *Authority* any sum necessary for the defense and settlement of a *Claim*, or to satisfy liability imposed by law, up to the applicable *Retained Limit*.

No *Claim* shall be settled for an amount in excess of the *Retained Limit* without the prior written consent of the *Authority*, and the *Authority* shall not be required to contribute to any settlement to which it has not consented.

SECTION IV - ERMA'S LIMIT OF COVERAGE

Regardless of the number of (1) *Covered Parties* under this Memorandum, (2) persons or organizations who sustain injury or damage, (3) *Claims* made or suits brought, or (4) *Coverage Periods involved*, the *Authority's* liability is limited as follows:

With respect to coverage provided, the *Authority's* liability for any one *Occurrence* shall be limited to the *Ultimate Net Loss* which is in excess of the *Covered Party's Retained Limit*, but then only up to the sum set forth in the Declarations as the *Authority's Limit of Coverage* for any one *Occurrence*. In the event that a structured settlement, whether purchased from or through a third party, or paid directly by the *Covered Party* in installments, is utilized in the resolution of a *Claim* or suit, the *Authority* will pay only up to the amount stated in the Declarations in present value of the *Claim*, as determined on the date of settlement, regardless of whether the full value of the settlement exceeds the amount stated in the Declarations.

Nothing contained herein shall operate to increase the *Authority's Limit of Coverage* under this Memorandum.

SECTION V - COVERAGE PERIOD AND TERRITORY

This Memorandum applies to *Wrongful Employment Practice* that occurs anywhere in the world during the *Coverage Period* identified in the applicable Declaration.

SECTION VI - EXCLUSIONS

This Memorandum does not cover:

1. **Bodily Injury.** We do not cover *Claims*:

- (A) for bodily injury, sickness, disease or death of any person; or
- (B) brought by the person's domestic partner, spouse, child, parent, brother or sister as a result of such bodily injury, sickness, disease or death.

This does not apply to *Claims* for emotional distress, mental anguish or humiliation that arise from a *Wrongful Employment Practice*.

2. **Compliance with ADA Requirements.** We do not cover any costs or expenses incurred to make premises accessible to persons with disabilities as required by:

- (A) the Americans with Disabilities Act of 1990;
- (B) any similar federal, state or local law;
- (C) any amendments to such laws; or
- (D) any regulations promulgated under any such laws.

3. **Contractual Liability.** We do not cover the liability of others assumed by the *Covered Party* in a contract or agreement. This does not apply to liability that the *Covered Party* would have had in the absence of the contract or agreement.

4. **ERISA, COBRA WARN Act, and FLSA Liability.** We do not cover any liability imposed on the *Covered Party* under:

- (A) the Employee Retirement Income Security Act of 1974;
- (B) the Comprehensive Omnibus Budget Reconciliation Act;
- (C) the Worker Adjustment and Retraining Notification Act;
- (D) the Fair Labor Standards Act, including but not limited to any wage and hour or other claim arising under the FLSA or any California Wage Orders or any similar federal or state law;
- (E) any similar federal, state or local laws;
- (F) any amendments to such laws; or

- (G) any regulations promulgated under any such laws.
5. **Fines, Multiplied Damages, or Non-Monetary Relief.** We do not cover:
- (A) fines, taxes, penalties, or liquidated Damages;
 - (B) the multiplied portion of any Damage award that is subject to a multiplier;
 - (C) non-monetary relief; or
 - (D) any punitive damages or other uninsurable amounts.
6. **Intentional Conduct Done with Willful and Conscious Disregard.** We do not cover *Claims* for injury or *Damages* caused by intentional conduct done by the *Covered Party* with willful and conscious disregard of the rights or safety of others, or with malice. However, where the *Covered Party* did not authorize, ratify, participate in, consent to, or have knowledge of such conduct by its *Employee*, and the *Claim* against the *Covered Party* is based solely on its vicarious liability arising from its relationship with such *Employee*, this exclusion does not apply to said *Covered Party*.
7. **Intentional Violations of Laws and Orders.** We do not cover *Claims* that arise out of a *Covered Party's* intentional failure to comply with, or reckless disregard of, any law, order or regulation relating to employment practices.
8. **Prior Wrongful Employment Practices.** We do not cover liability arising out of any *Claim*, fact, circumstance, situation, transaction or event concerning a *Wrongful Employment Practice* of which any *Covered Party* had received a prior *Claim*, or which was the subject of any notice given under any insurance policy or coverage prior to the *Covered Party* obtaining coverage under this Memorandum.
9. **Property Damage.** We do not cover *Claims* for damage to or destruction of any tangible property, including loss of its use.
10. **Strikes and Lockouts.** We do not cover *Claims* that arise out of a lockout, strike, picket line, replacement or other similar actions resulting from labor disputes or labor negotiations.
11. **Ultimate Net Loss.** We do not cover *Ultimate Net Loss* arising out of relief, or redress, in any form other than money *Damages* or seeking only injunctive or non-monetary relief, regardless of whether a prevailing claimant may be entitled to recover attorney's fees and costs.
12. **Actions for Administrative or Equitable Relief.** We do not cover any action, in any forum, for injunctive, administrative, declaratory, or other non-monetary form of relief, including specific performance, nor hearings of internal administrative matters or actions involving the review of any final administrative order or decision made as the result of an administrative hearing, regardless of whether such action seeks *Damages* or attorneys' fees. This exclusion is in addition to, and does not conflict with, Exclusion 11, above.

13. **Workers' Compensation or Similar Law.** We do not cover obligations under a workers' compensation law, Labor Code 132a, disability benefits or unemployment compensation law, or any similar law. This exclusion does not apply to *Retaliation* or *Discrimination* for filing a workers' compensation *Claim* or a *Claim* for disability benefits.
14. **Actions by Inmates or Prisoners.** We do not cover *Claims* for injury or *Damages* brought by any person:
 - (A) performing labor or services, either voluntarily or involuntarily, while incarcerated in any state or local correctional or penal institution or facility; or
 - (B) performing labor or services, either voluntarily or involuntarily, as a condition of or in satisfaction of any penal sentence.

SECTION VII – CONDITIONS

1. Covered Party's Duties in the Event of Occurrence, Claim, or Suit

The following provisions are conditions precedent to coverage under this Memorandum. The *Covered Party's* failure to comply with any of these provisions shall void the coverage provided herein.

- (A) The *Covered Party* shall notify the *Authority* within 30 days upon receipt of notice of a *Claim* by an *Employee*.

Written notice containing particulars sufficient to identify the claimant(s), the *Covered Party(ies)*, and also reasonably obtainable information with respect to the time, place, and circumstances thereof, and the names and addresses of the *Covered Party* and of available witnesses, shall be given to the *Authority* or any of its authorized agents as soon as possible.

- (B) Any *Claim*, except one which the Litigation Manager has discretion to accept, which is not reported to the *Authority* within 30 days, as required by subsection (A) herein, shall be considered untimely and shall be denied.

The *Covered Party* may appeal the denial of such *Claim* to the *Authority's* Board of Directors in accordance with the appeal procedure set forth in Section 7 below. The Board shall consider the following factors in its determination of the appeal:

- (1) Late reported *Claims* are strongly disfavored. Relief from denial of coverage for a *Claim* reported more than 90 days late shall not be granted, absent extraordinary circumstances as determined by the Board, in its sole discretion.
- (2) An appeal based on the *Covered Party's* lack of familiarity with the definition of a *Claim* and/or its obligation to timely report the *Claim* to the *Authority* shall be

strongly disfavored, since the *Covered Party* is responsible for understanding the definition of a *Claim* and adhering to the reporting requirements set forth herein.

- (3) An appeal based on the absence of the employee designated by the *Covered Party* as responsible for reporting *Claims* must be verified, and the employee must have been absent during the entire time the *Claim* was not reported.
- (4) An appeal of any late-reported *Claim* which the Board, in its sole discretion, determines may result in any financial or other prejudice to the *Authority* shall be denied regardless of any provision set forth herein or any other basis for the appeal.

Each appeal shall be considered on its own merits, and the Board's decision on any one appeal shall not establish any precedent for future appeals.

For all late-reported *Claims* for which the *Covered Party's* appeal of the denial of coverage is granted, the Board shall increase the *Covered Party's Retained Limit* as follows:

PENALTY STRUCTURE

SIR	Penalty	Percentage of Penalty to SIR
\$25,000	\$6,250	25%
\$50,000	\$12,500	25%
\$75,000	\$18,750	25%
\$100,000	\$25,000	25%
\$250,000	\$37,500	15%
\$500,000	\$50,000	10%

This provision shall not be construed as limiting the Board's power to deny an appeal of any late-reported *Claim*.

- (C) If a suit is brought against the *Covered Party*, in addition to the information required by subparagraph (A), the *Covered Party* shall be obligated to forward immediately to the *Authority* every demand, notice, summons, or other process received by it or its representative.
- (D) The *Covered Party* shall cooperate with the *Authority* and upon its request assist in making settlements, in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the *Covered Party* because of *Wrongful Employment Practice* with respect to which coverage is afforded under this Memorandum. The *Covered Party* shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. In all matters in which the *Authority* has selected defense counsel, the *Covered Party* shall refrain from interference with the *Authority's* control of the defense, and shall cooperate fully with the defense counsel and the *Authority* in respect to the defense of the *Covered Parties* in the *Claim* or suit.

With regard to the settlement of any *Claim* or suit, if the *Covered Party's* refusal to cooperate with the *Authority* in the conduct of the defense, execution of documents, enforcement of any right of contribution or indemnity, or in any other manner prevents settlement of the claim for a reasonable amount, defined as the amount the *Authority* is willing to pay and the claimant is willing to accept, and increases the potential liability for *Damages* and continued *Defense Costs*, the *Covered Party* shall pay or shall reimburse the *Authority* for those *Defense Costs* incurred after the claim could have been settled, and for any *Damages* awarded or settlement agreed upon in excess of the amount for which the claim could have been settled, or, in the alternative, the *Authority* shall have the right to tender the claim back to the *Covered Party* and coverage shall cease.

- (E) The *Authority* shall be entitled to complete access of the *Covered Party's Claim* file, the defense attorney's complete file, and all investigation material and reports, including all evaluations and information on negotiations. The *Covered Party through assigned defense counsel* shall be responsible to report on the progress of the litigation and any significant developments to the *Authority*, and to provide the *Authority* with simultaneous copies of all correspondence provided to the *Covered Party* by its defense attorneys and/or agents.
- (F) If the *Covered Party* is not in substantial compliance with the requirements of Government Code §12950.1 (AB 1825) during the *Coverage Period* for an *Occurrence* related to that code section, the *Covered Party's Retained Limit* shall be doubled for such claim. Proof of substantial compliance shall be provided at the request of the *Authority* and in the form set forth in Resolution No. 2010-2, or any superseding Resolution, which requires documentation to confirm compliance with the sexual harassment training mandated by State law.

2. Bankruptcy or Insolvency

Bankruptcy or insolvency of the *Covered Party* shall not relieve the *Authority* of any of its obligations hereunder.

3. Other Coverage

If any *Covered Party* has coverage with any insurer, joint powers authority or other source which covers a loss also covered hereunder (whether on a primary, excess or contingent basis), the *Covered Party* shall, as soon as practicable after reporting a *Claim* to the *Authority*, or upon request of the *Authority*, provide the *Authority* with copies of all applicable policies, memorandums or documents evidencing such coverage, and shall cooperate in all respects with the *Authority* with respect to such coverage, including but not limited to the tendering of any *Claim* and providing the *Authority* with copies of all communications between the *Covered Party* and any entity providing coverage for such *Claim*.

If insurance or any other coverage with any insurer, joint powers authority or other

source is available to the *Covered Party* covering a loss also covered hereunder (whether on primary, excess, or contingent basis), the coverage hereunder shall be in excess of, and shall not contribute with, such other insurance or coverage.

This coverage shall be in excess of, and shall not contribute with, any insurance or coverage which names a *Covered Party* herein as an additional *Covered Party* or additional insured party, where coverage is extended to a loss also covered hereunder. In order for the coverage herein to apply, the *Covered Party* must pay the full amount of its *Retained Limit*. Payment of the *Retained Limit* by the *Covered Party* is required in addition to and despite any payments from any other source for or on behalf of that *Covered Party*, unless the *Covered Party* has purchased insurance coverage solely and expressly for the purpose of satisfying its *Retained Limit*, in which case that insurance coverage may be used by the *Covered Party* in payment of its *Retained Limit*.

4. Accumulation of Limits

A *Claim* which contains allegations extending to a duration of more than one *Coverage Period* shall be treated as a single *Occurrence* arising during the *Coverage Period* when the first act takes place without regard to any review process or appeal relating to such conduct.

5. Severability of Interests

The term *Covered Party* is used severally and not collectively, but the inclusion herein of more than one *Covered Party* shall not operate to increase the limits of the *Authority's* liability or the *Retained Limit* applicable per *Occurrence*.

6. Subrogation

The *Authority* shall be subrogated to the extent of any payment hereunder to all the *Covered Parties'* rights of recovery thereof and the *Covered Parties* shall do nothing after loss to prejudice such right and shall do everything necessary to secure such right. Any amounts so recovered shall be apportioned as follows:

- (A) The highest layer of coverage shall be reimbursed first and if there are sufficient recoveries then the next highest layer shall be reimbursed until all recoveries are used up.
- (B) The expenses of all such recovery proceedings shall be paid before any reimbursements are made. If there is no recovery in the proceedings conducted by the *Authority*, it shall bear the expenses thereof.

7. Arbitration

Decisions by the *Authority* whether to assume control of the negotiation, investigation, defense, appeal, or settlement of a *Claim*, or whether or not coverage exists for a particular *Claim* or part of a *Claim* or any other dispute that arises under and in connection with the Memorandum shall be made by the Board of Directors of the

Authority. An appeal to the Board from a coverage decision or opinion by staff or general counsel must be made in writing to the *Authority* by the *Covered Party* within ninety (90) days of receipt of such opinion or decision. If, either prior to or following the Board's decision, a new coverage opinion or decision is sent by staff or general counsel to the *Covered Party*, a new ninety (90) day period commences from receipt of such new opinion or decision in which the *Covered Party* may appeal to the Board.

The Board will take action on any appeal within sixty (60) days or the next scheduled Board of Directors meeting, whichever is later, unless an extension is agreed to by the parties.

Any dispute concerning a decision by the Board shall be submitted to binding arbitration within ninety (90) days of written notification of the Board's decision. The *Covered Party* must exhaust all rights to appeal as established by the Bylaws prior to requesting arbitration of a dispute.

Arbitration shall be conducted pursuant to the California Code of Civil Procedure. Arbitration shall be conducted by a single arbitrator. No arbitrator shall be employed or affiliated with the *Authority* or the *Covered Party(ies)* or any Member of the Authority.

The selection of the arbitrator shall take place within twenty (20) calendar days from the receipt of the request for arbitration. The arbitration hearing shall commence within forty-five (45) calendar days from the date of the selection of the arbitrator.

Each party shall bear one-half the cost of the selected arbitrator. In addition, each party shall be responsible for its own attorneys' fees, costs and expenses of arbitration.

In the event that the *Member* prevails in the coverage dispute in the arbitration, the following shall apply to any monetary award in the *Member's* favor:

- (A) Any interest awarded shall be at the Local Agency Investment Fund (LAIF) rate + 1% in effect at the time of the award;
- (B) Any attorneys' fees award for *Defense Costs* of the underlying *Claim* above the *Member's Retained Limit* shall be subject to all provisions of the ERMA Litigation Management Guidelines and shall not exceed the hourly rate established by the ERMA Litigation Management Guidelines in effect at the time of the *Occurrence* of the underlying *Claim*;
- (C) Any award shall be subject to and shall not exceed the *Defense Costs* and indemnity *Coverage* under the *Limit of Coverage* afforded under the ERMA Memorandum in effect at the time of the *Occurrence* of the underlying *Claim*;
- (D) No award at the arbitration shall be permitted for damages of any nature or in any amount other than as expressly allowed in this Section VII, subsection 7. By way of example, and without limitation, no award shall be permitted for consequential damages, extra

contractual damages, tort damages or damages for any alleged breach of the implied covenant of good faith and fair dealing; and

- (E) Any award for *Defense Costs* and/or indemnity with respect to the underlying *Claim* shall be treated the same for purposes of the determination of the *Member's* Ex Mod or premium calculation, as if the *Claim* had been originally covered by ERMA.

Except for notification of appointment and as provided in the California Code of Civil Procedure, there shall be no communication between the parties and the arbitrator relating to the subject of the arbitration other than at oral hearings.

The procedures set forth in California Code of Civil Procedure Section 1283.05 relating to depositions and discovery shall apply to any arbitration pursuant to this paragraph 8.

Except as provided otherwise above, arbitration shall be conducted as provided in Title 9 of the Code of Civil Procedure (commencing with Section 1280).

The decision of the arbitrator shall be final and binding, and shall not be subject to appeal.

SECTION VIII – MISCELLANEOUS PROVISIONS

1. Termination

This Memorandum may be terminated at any time in accordance with the Bylaws of the *Authority*.

2. Changes

Notice to any agent of the *Authority* or knowledge possessed by such agent or by any other person shall not effect a waiver or a change in any part of this Memorandum of Coverage, nor shall the terms of this Memorandum of Coverage be waived or changed, except by endorsement issued to form a part of this Memorandum of Coverage.

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #1

This endorsement, effective 12:01 a.m. 1/1/2019, forms a part of ERMA 2018-1EPL. It is understood that the named Covered Party of the Declarations and the “Retained Limits” for the Covered Parties are completed as follows:

Employment Risk Management Authority,

Bay Cities Joint Powers Insurance Authority (BCJPIA)

COVERED PARTY	RETENTION
City of Albany	\$50,000
City of Brisbane	\$50,000
City of Emeryville	\$50,000
Management of Emeryville Services Authority (MESA)	
Town of Corte Madera	\$100,000
Town of Fairfax	\$50,000
Central Marin Police Authority	\$100,000
Central Marin Fire Authority	\$250,000
City of Larkspur	\$250,000
City of Los Altos	\$100,000
City of Menlo Park	\$250,000
City of Mill Valley	\$50,000
City of Novato	\$250,000
City of Piedmont	\$50,000
City of Pleasanton	\$75,000
<i>(No coverage under this Memorandum is afforded to the Livermore-Pleasanton Fire Department)</i>	
Town of San Anselmo	\$50,000
City of Sausalito	\$50,000
Town of Tiburon	\$25,000
City of Union City	\$75,000

California Transit Indemnity Pool (CalTIP)

COVERED PARTY	RETENTION
El Dorado County Transit Authority	\$50,000
Humboldt Transit Authority	\$75,000
Livermore Amador Valley Transit Authority	\$50,000
Mendocino Transit Authority	\$50,000
Morongo Basin Transit Authority	\$50,000
San Luis Obispo Regional Transit Authority	\$50,000
South County Area Transit	\$50,000
Tahoe Transportation District	\$50,000
Western Contra Costa Transit Authority	\$50,000
Yolo County Transportation District	\$50,000

Central San Joaquin Valley Risk Management Authority (CSJVRMA)

COVERED PARTY	RETENTION
City of Angels	\$25,000
City of Atwater	\$25,000
City of Ceres	\$25,000
City of Chowchilla	\$25,000
City of Corcoran	\$25,000
City of Delano	\$25,000
City of Dinuba	\$100,000
City of Dos Palos	\$25,000
City of Escalon	\$25,000
City of Farmersville	\$75,000
City of Fowler	\$25,000
City of Gustine	\$25,000
City of Hughson	\$25,000
City of Huron	\$25,000
City of Kerman	\$25,000
City of Kingsburg	\$25,000
City of Lathrop	\$25,000
City of Lemoore	\$25,000
City of Livingston	\$25,000
City of Madera	\$25,000
City of McFarland	\$50,000
City of Mendota	\$25,000
City of Merced	\$100,000
City of Newman	\$25,000
City of Oakdale	\$50,000
City of Orange Cove	\$50,000
City of Parlier	\$50,000
City of Patterson	\$50,000
City of Porterville	\$25,000
City of Reedley	\$25,000
City of Riverbank	\$50,000
City of San Joaquin	\$25,000
City of Sanger	\$25,000
City of Selma	\$50,000
City of Shafter	\$25,000
City of Sonora	\$25,000
City of Taft	\$25,000
City of Tehachapi	\$25,000
City of Tulare	\$100,000
City of Wasco	\$50,000
City of Woodlake	\$25,000

Exclusive Risk Management Authority of California (ERMAC)

COVERED PARTY	RETENTION
City of Hayward	\$500,000
City of Laguna Hills	\$100,000
City of Santa Maria	\$500,000

Monterey Bay Area Self Insurance Authority (MBASIA)

COVERED PARTY	RETENTION
City of Capitola	\$500,000
City of Del Rey Oaks	\$500,000
City of Gonzales	\$500,000
City of Greenfield	\$500,000
City of Hollister	\$500,000
City of King City	\$500,000
City of Marina	\$500,000
City of Sand City	\$500,000
City of Scotts Valley	\$500,000
City of Soledad	\$500,000

Municipal Pooling Authority (MPA)

COVERED PARTY	RETENTION
City of Antioch	\$50,000
City of Brentwood	\$50,000
City of Clayton	\$50,000
Town of Danville	\$50,000
City of El Cerrito	\$50,000
City of Hercules	\$50,000
City of Lafayette	\$50,000
City of Manteca	\$50,000
City of Martinez	\$50,000
Town of Moraga	\$50,000
City of Oakley	\$50,000
City of Orinda	\$50,000
City of Pacifica	\$75,000
City of Pinole	\$50,000
City of Pittsburg	\$50,000
City of Pleasant Hill	\$50,000
City of San Pablo	\$100,000
City of San Ramon	\$50,000
City of Walnut Creek	\$50,000

Public Agency Risk Sharing Authority of California (PARSAC)

COVERED PARTY	RETENTION
City of Amador	\$25,000
City of Avalon	\$25,000
City of Belvedere	\$25,000
City of Blue Lake	\$25,000
City of California City	\$100,000
City of Calimesa	\$25,000
City of Calistoga	\$25,000
City of Citrus Heights	\$100,000
City of Clearlake	\$25,000
City of Coalinga	\$25,000
City of Ferndale	\$25,000
City of Grass Valley	\$25,000
City of Highland	\$25,000
City of Menifee	\$25,000
City of Nevada City	\$25,000
City of Pacific Grove	\$50,000
City of Placentia	\$100,000
City of Placerville	\$50,000
City of Plymouth	\$25,000
City of Point Arena	\$25,000
City of Rancho Cucamonga	\$250,000
Rancho Cucamonga Fire Protection District	\$75,000
City of Rancho Santa Margarita	\$25,000
City of San Juan Bautista	\$25,000
City of South Lake Tahoe	\$100,000
City of Tehama	\$25,000
City of Trinidad	\$25,000
City of Truckee	\$25,000
City of Twentynine Palms	\$25,000
City of Watsonville	\$250,000
City of West Hollywood	\$250,000
City of Wheatland	\$25,000
City of Wildomar	\$25,000
Town of Yountville	\$25,000
City of Yucaipa	\$50,000
Town of Yucca Valley	\$100,000

Public Entity Risk Management Authority (PERMA)

COVERED PARTY	RETENTION
City of Adelanto	\$250,000
City of Banning	\$25,000
City of Barstow	\$25,000
City of Canyon Lake	\$25,000
City of Cathedral City	\$25,000
City of Coachella	\$25,000
City of Desert Hot Springs	\$25,000
City of Eastvale	\$25,000
City of Hesperia	\$50,000
City of Holtville	\$25,000
Imperial County Transportation Commission	\$25,000
City of Jurupa Valley	\$25,000
City of La Mesa	\$25,000
City of Murrieta	\$100,000
Palm Springs Aerial Tramway	\$25,000
City of Perris	\$25,000
San Diego Regional Training Center	\$25,000
City of San Jacinto	\$25,000
City of Stanton	\$25,000
SunLine Transit Agency	\$50,000
Victor Valley Transit Authority	\$25,000
City of Victorville	\$25,000

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Live Oak	\$25,000
City of Mt. Shasta	\$25,000
City of Portola	\$25,000
City of Rio Dell	\$25,000
City of Shasta Lake	\$25,000
City of Susanville	\$25,000
City of Tulelake	\$25,000
Town of Fort Jones	\$25,000
Town of Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

Vector Control Joint Powers Agency (VCJPA)


COVERED PARTY	RETENTION
Alameda County Mosquito Abatement District	\$25,000
Burney Basin Mosquito Abatement District	\$25,000
Butte County Mosquito and Vector Control District	\$25,000
Coachella Valley Mosquito and Vector Control District	\$25,000
Colusa Mosquito Abatement District	\$25,000
Compton Creek Mosquito Abatement District	\$25,000
Consolidated Mosquito Abatement District	\$25,000
Contra Costa Mosquito and Vector Control District	\$25,000
Delta Vector Control District	\$25,000
Durham Mosquito Abatement District	\$25,000
Fresno Mosquito and Vector Control District	\$25,000
Glenn County Mosquito and Vector Control District	\$25,000
Greater Los Angeles County Vector Control District	\$25,000
Kings Mosquito Abatement District	\$25,000
Lake County Vector Control District	\$25,000
Los Angeles County West Vector Control District	\$25,000
Marin-Sonoma Mosquito and Vector Control District	\$25,000
Mosquito and Vector Management District of Santa Barbara County	\$25,000
Napa County Mosquito Abatement District	\$25,000
Northwest Mosquito and Vector Control District	\$25,000
Orange County Mosquito and Vector Control District	\$25,000
Oroville Mosquito Abatement District	\$25,000
Placer Mosquito and Vector Control District	\$25,000
Sacramento-Yolo Mosquito and Vector Control District	\$25,000
San Gabriel Valley Mosquito and Vector Control District	\$25,000
San Joaquin County Mosquito and Vector Control District	\$25,000
San Mateo County Mosquito Abatement District	\$25,000
Shasta Mosquito and Vector Control District	\$25,000
Sutter-Yuba Mosquito and Vector Control District	\$25,000
Tehama County Mosquito and Vector Control District	\$25,000
Turlock Mosquito Abatement District	\$25,000
West Valley Mosquito and Vector Control District	\$25,000

Individual Entities

COVERED PARTY	RETENTION
Oakland Housing Authority	\$50,000
Contra Costa County Housing Authority	\$50,000

Effective Date: January 1, 2019

Endorsement No.: 1



AUTHORIZED REPRESENTATIVE

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #2

This endorsement, effective 12:01 a.m. 1/1/2019, forms a part of ERMA 2018-1EPL.

It is understood that the definition of “Covered Party” in Section II is amended to include the following entities and any officer, director or employee while in the course and scope of their duties for the following entities:

Bay Cities Joint Powers Insurance Authority (BCJPIA)
California Transit Indemnity Pool (CalTIP)
Central San Joaquin Valley Risk Management Authority (CSJVRMA)
Employment Risk Management Authority (ERMA)
Exclusive Risk Management Authority of California (ERMAC)
Public Agency Risk Sharing Authority of California (PARSAC)
Public Entity Risk Management Authority (PERMA)
Monterey Bay Area Self Insurance Authority (MBASIA)
Municipal Pooling Authority (MPA)
Small Cities Organized Risk Effort (SCORE)
Vector Control Joint Powers Agency (VCJPA)

The retained limit for the coverage provided by this endorsement is \$25,000.

It is further understood that no other person, organization, or entity shall be deemed to be a “Covered Party” under this endorsement except for those expressly identified herein.

Effective Date: January 1, 2019

Endorsement No.: 2



AUTHORIZED REPRESENTATIVE

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #3**

This endorsement, effective 12:01 a.m. 1/1/2019, forms a part of ERMA 2018-1EPL.

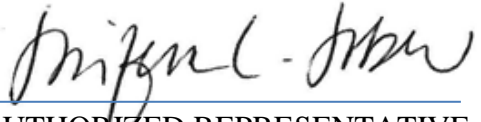
It is understood that for the following Covered Parties, the limit of coverage is \$500,000 per *Occurrence*.

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Live Oak	\$25,000
City of Portola	\$25,000
City of Mt. Shasta	\$25,000
City of Shasta Lake	\$25,000
City of Susanville	\$25,000
City of Tulelake	\$25,000
City of Rio Dell	\$25,000
Town of Fort Jones	\$25,000
Town of Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

Effective Date: January 1, 2019

Endorsement No.: 3



AUTHORIZED REPRESENTATIVE

COVERAGE MATTERS

SUBJECT: Excess Coverage and Marketing Strategy for the 2019/20 Program Year

BACKGROUND AND STATUS:

Following eight consecutive program years with RSUI, in 2018 the Board directed Alliant Insurance Services (Alliant) and staff to work together to ensure current pricing and coverage was in line with the market for the 2018/19 Program Year excess coverage renewal.

As a result of these marketing efforts, the 2018/19 Program Year Each Claim Per Member limit increased from \$1,000,000 to \$2,000,000, the Per Member Aggregate Limit increased from \$2,000,000 to \$4,000,000, and the Policy Aggregate Limit remained at \$10,000,000.

Seth Cole, Alliant, will be in attendance to discuss ERMA's excess coverage placement strategy for the 2019/20 Program Year.

RECOMMENDATION:

None.

REFERENCE MATERIALS ATTACHED:

- 2019/20 Program Year Marketing Report of Excess Liability Coverage

January 20, 2019

Jennifer Jobe, Executive Director
ERMA c/o York
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833

ERMA 2019/20 Program Year Marketing Report of Excess Liability Coverage

Dear Jennifer:

ERMA's excess liability coverage will renew on July 1, 2019. Although much can happen in the next several months, the purpose of this letter is to provide you and the ERMA Board with Alliant's current thoughts on the insurance market and our renewal marketing strategy for the 2019/20 Program Year.

Not surprisingly, the #MeToo movement has increased awareness, and employment practices liability claims are increasing both in frequency and severity. Many states have new sexual harassment laws that insureds will have to comply with and underwriters are being highly prudent on having insureds confirm that they are aware of these new laws and working to be compliant with them. More specifically to California, it continues to be a challenging market for employment practices liability coverage. Accounts with claims/loss frequency are having a much more difficult time getting interest from carriers, especially when a claim is pending (employment practices liability claims in progress are even more expensive to litigate, negotiate, and settle than ever before due to increased awareness, and the cost to dispute allegations).

ERMA's excess liability program was marketed extensively last year and coverage was renewed with RSUI. The Each Claim Per Member limit increased from \$1,000,000 to \$2,000,000 and the Per Member Aggregate limit increased from \$2,000,000 to \$4,000,000. The Policy Aggregate limit remained at \$10,000,000. RUSI is committed to a long term partnership with ERMA and unless a significant change occurs with market conditions, we don't expect a meaningful price change for the renewal, and we would recommend ERMA renew coverage with RSUI. As ERMA continues to grow its membership, we recommend that you continue to explore higher limits, and possibly more importantly, the Policy Aggregate.

We look forward to seeing everyone on February 8th.

Sincerely,



Seth A. Cole, ARM
Senior Vice President
scole@alliant.com

cc: Michael Simmons, Vice Chairman – Public Entities
msimmons@alliant.com

COVERAGE MATTERS

SUBJECT: City of Barstow (Trujillo) Appeal of Denial of Coverage

BACKGROUND AND STATUS:

The City of Barstow untimely reported an Equal Employment Opportunity Commission (EEOC) claim dated October 15, 2018. In accordance with ERMA's Memorandum of Coverage, the claim was subsequently denied.

Pursuant to ERMA's Master Program Document, the Litigation Manager has the following discretion with respect to determining whether a claim has been timely filed with ERMA:

The Litigation Manager shall:

- (w) Determine, using reasonable discretion and based on the particular facts and circumstances, whether a claim has been timely reported to ERMA as a condition precedent to coverage under the Memorandum of Coverage; provided, however, the Litigation Manager shall have no discretion to accept as timely any of the following claims reported after 30 days: notice from the U.S. Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing or any other state or federal Government agency to which an Employee has made a *Claim*; a Government claim; or a civil lawsuit. The Litigation Manager's decision may be appealed to the Board of Directors;

ERMA's 2018/19 Memorandum of Coverage (MOC), includes a late reporting clause and a penalty provision. These late reporting provisions are as follows:

Section VII – Conditions 1.

- (B) Any Claim, except one which the Litigation Manager has discretion to accept, which is not reported to the Authority within 30 days, as required by subsection (A) herein, shall be considered untimely and shall be denied.

The Covered Party may appeal the denial of such Claim to the Authority's Board of Directors in accordance with the appeal procedure set forth in Section 7 below. The Board shall consider the following factors in its determination of the appeal:

- (i) Late reported Claims are strongly disfavored. Relief from denial of coverage for a Claim reported more than 90 days late shall not be granted absent extraordinary circumstances as determined by the Board in its sole discretion.
- (ii) An appeal based on the Covered Party's lack of familiarity with the definition of a Claim and/or its obligation to timely report the Claim to the Authority shall be strongly disfavored, since the Covered Party is responsible for understanding the definition of a Claim and adhering to the reporting requirements set forth herein.
- (iii) An appeal based on the absence of the employee designated by the Covered Party as responsible for reporting Claims must be verified, and the employee must have been absent during the entire time the Claim was not reported.

- (iv) An appeal of any late-reported Claim which the Board, in its sole discretion, determines may result in any financial or other prejudice to the Authority shall be denied regardless of any provision set forth herein or any other basis for the appeal.

Each appeal shall be considered on its own merits, and the Board's decision on any one appeal shall not establish any precedent for future appeals.

For all late-reported Claims for which the Covered Party's appeal of the denial of coverage is granted, the Board shall increase the Covered Party's Retained Limit as follows:

PENALTY STRUCTURE

SIR	Penalty	Percentage of Penalty to SIR
\$25,000	\$6,250	25%
\$50,000	\$12,500	25%
\$75,000	\$18,750	25%
\$100,000	\$25,000	25%
\$250,000	\$37,500	15%
\$500,000	\$50,000	10%

The relief sought by the City of Barstow in regard to the Trujillo v. City of Barstow claim is based on the following mitigating circumstances:

- As a result of an unexpected staffing change in the position of Administrative Services Manager, the new individual in this position was neither aware of the claim nor ERMA's reporting requirements.
- The City attempted to mediate the matter to fully resolve it at no cost to the City. Following an unsuccessful mediation, the City was advised by DFEH they had until January 7, 2019 to file a Position Statement.
- The Litigation Manager received notice of the DFEH claim on December 18, 2018 - 33 days after the 30-day reporting deadline.
- The Litigation Manager has reviewed the context and procedural status of the claim, and has determined that, should the claim be accepted, the late reporting of the claim will not cause financial or other prejudice to the Authority.
- The City of Barstow has a \$25,000 SIR. Should the Trujillo claim be accepted, the potential increase to the City's Retained Limit is \$6,250.

RECOMMENDATION:

Staff requests the Board of Directors provide direction as necessary.

REFERENCE MATERIALS ATTACHED:

- The City of Barstow's Appeal Letter from Teresa Highsmith, City Attorney, dated January 10, 2019

300 S. Grand Avenue, Suite 2700
Los Angeles, CA 90071-3137
Voice (213) 542-5700
Fax (213) 542-5710

COLANTUONO
HIGHSMITH
WHATLEY, PC

Our File No. 11158.0159

January 10, 2019

Via Email: kathy.maylin@yorkrisk.com

Board of Directors
Employment Risk Management
Authority("ERMA")
1750 Creekside Oaks Drive. Suite 200
Sacramento, CA 95833

Re: [Appeal of initial coverage determination](#)
[Member: City of Barstow](#)
[Claimant: Matthew Trujillo—DFEH/EEOC Claim](#)
[Date Loss: June 25, 2018](#)
[File Number: EEOC 480-2018-03876, filed 10/15/18](#)

Dear ERMA Board of Directors:

By this letter, the City of Barstow appeals the coverage determination in the matter of *Matthew Trujillo v. City of Barstow*, EEOC claim No.480-2018-3876, as stated in the email from Kathy Maylin on December 18, 2018, on the grounds that the risk pool was not notified within the initial 30 days of the claim.

Your initial coverage determination provides that there is a potential for a covered claim triggering your obligation for defense coverage. The City agrees with this determination and appreciates the opportunity to appeal the initial coverage denial.

In the past, the City has been very proactive in identifying potential claims to ERMA even before a claim was actually received, due to the experience and the institutional knowledge of former Administrative Services Manager, Ava Reyes, who was also a resident of the City. Ms. Reyes was tragically killed by a drunk driver on May 30, 2017. The City's new Administrative Services Manager, Darcy Wigington, was hired in late 2017 and at the time that she became aware of Trujillo's DFEH claim, she did not realize that this administrative proceeding should be reported to ERMA, given that it had not ripened to a lawsuit, pending review by DFEH.

Trujillo's claim before the DFEH is that he was denied hire by the City of Barstow as a dispatcher during his interview with Barstow Chief of Police, Albert Ramirez, on the basis of religious discrimination. In fact, Mr. Trujillo was not denied hire, but withdrew from the hiring

January 10, 2019
Employment Risk Management Authority ("ERMA")
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833
Page 2

process; he was not removed from the City's eligibility list and was still considered a viable candidate for hire by the City.

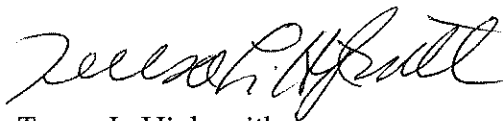
Ms. Wigington was first contacted by DFEH via email on the evening of October 23, 2018 to advise that Mr. Trujillo had filed a written claim of discrimination on the basis of religion. Although Ms. Wigington did not report the DFEH claim to ERMA immediately, the City did attempt to mediate the matter to fully resolve it at no cost to the City. At the mediation, Mr. Trujillo refused to accept any position with the City and demanded \$250,000 in damages. Given the intractable position of Trujillo, the matter did not settle and the City was advised by DFEH that it had until January 7, 2019 to file a Position Statement in the matter.

In order to preserve the City's defense, our firm timely filed the Position Statement, as action on our appeal request could not have occurred before the due date of this document. The Position Statement does not prejudice the Pool's defense, as it is a factual statement of what occurred, with supporting documents, and denials of Mr. Trujillo's claims on the basis of the facts and lack of any evidence to support his claims.

Due to the present federal government shutdown, no action is pending on the claim. Also, the initial 180 days from the date of the claim (filed on October 15, 2018) during which Mr. Trujillo must attempt to resolve this claim at the administrative level with DFEH as a prerequisite to filing a lawsuit against the City, has not yet run.

Given the lack of prejudice to the Pool's defense of this matter, the City respectfully requests that the Board of Directors grant the appeal and reverse the denial of coverage decision, which was based solely on the City's admitted oversight in submitting tendering this matter to the Risk Manager for coverage within 30 days of receipt of the claim.

Sincerely,



Teresa L. Highsmith
Colantuono, Highsmith & Whatley, LLC
City Attorney, City of Barstow

Cc: Kathy Maylin, ERMA Litigation Manager
Charles C. Mitchell, Interim City Manager

FINANCIAL MATTERS

SUBJECT: Investment Performance Review Presented by PFM Asset Management LLC

BACKGROUND AND STATUS:

On an annual basis, an update on the investment activities related to the ERMA investment portfolio is provided to the Board of Directors.

Lesley Murphy, Senior Managing Consultant with PFM Asset Management LLC (PFM) will be in attendance to provide the Board with a review of the ERMA portfolio, as well as a brief update on current market conditions.

RECOMMENDATION

None.

FINANCIAL MATTERS

SUBJECT: Annual Review and Approval of Investment Policy

BACKGROUND AND STATUS:

ERMA's Investment Policy is reviewed on an annual basis and was last reviewed and changes were approved in February 2018.

The Policy has been reviewed by ERMA's investment manager, Lesley Murphy, Senior Managing Consultant with PFM Asset Management LLC (PFM). Ms. Murphy is recommending one change be made to the Policy as detailed in her Memorandum to Nancy Broadhurst, ERMA Finance Manager. Both the memorandum and the proposed amended Investment Policy are attached for the Board's review.

It should be noted the Investment Policy contains a provision stating the Treasurer is authorized by ERMA to manage ERMA's investment needs and the delegation of authority shall be made annually. This is accomplished through the annual approval of the Investment Policy.

Staff and ERMA's Treasurer, Truc Dever, have both reviewed the proposed amended Policy and are in agreement with the suggested changes.

Ms. Murphy will be in attendance to guide the Board through the suggested changes.

RECOMMENDATION:

Staff recommends the Board of Directors approve the Investment Policy, as amended.

REFERENCE MATERIALS ATTACHED:

- Memorandum from Lesley Murphy regarding changes to the current ERMA Investment Policy
- Proposed amended Investment Policy with changes shown in redline/strikeout text



January 14, 2019

Memorandum

To: Nancy Broadhurst, ARM, Director, Finance and Accounting Services
Employment Risk Management Authority

From: Lesley Murphy, Senior Managing Consultant
PFM Asset Management LLC

Re: Annual Investment Policy Review

We have completed our annual review of the Investment Policy (the “Policy”) for the Employment Risk Management Authority (the “Authority”). The Policy remains in compliance with the sections of the California Government Code (the “Code”) that govern the investment of public funds. This year, our only recommendation is to modify some of the text in the Policy to reflect several recent clarifications to the section of the California Government Code related to asset-backed securities (ABS).

Eligible Securities and Criteria: Subsection N – Asset-Backed Securities (ABS)

Background: Assembly Bill No. 1770 (AB 1770), effective January 1, 2019, revises California Government Code (the Code) section 53601(o) to clarify requirements for the purchase of asset-backed securities (ABS) or mortgage-backed securities (MBS) in two respects:

1. First, the maturity limit language was clarified to reflect how many investors already interpret this section: that they may purchase securities with a maximum *remaining* maturity of five years or less.
2. Second, the bill eliminates the requirement that the issuer of these securities be rated “A” (or its equivalent) or better, as provided by a nationally recognized statistical rating organization (NRSRO). The Code still requires that the specific security be rated “AA” (or its equivalent) or better, as provided by an NRSRO.

Analysis: We see these revisions as a matter of clarification for ABS and MBS investors. We believe the removal of the *issuer* rating criteria is appropriate since this requirement generally has no relevance to the issuers of ABS or MBS, which are organized as trusts and do not have standalone ratings. The minimum AA *issue* rating remains, which is an important risk management criteria.



Recommendation: We recommend that the Authority revise the language in its Policy to mirror these changes made to the language used in Code. It is important to note that this clarification to the language used in Code and in the Authority's Policy does not necessitate a change to the investment procedures already in place for the management of the Authority's portfolio.

Please contact us should you have any questions.

6.2. INVESTMENT POLICY

EMPLOYMENT RISK MANAGEMENT AUTHORITY INVESTMENT POLICY Revised February 20189

SCOPE

This investment policy applies to activities of the Employment Risk Management Authority (Authority) with regard to investing the Authority's financial assets.

OBJECTIVES

It is the objective of this policy to provide a system which will accurately monitor and forecast revenues and expenditures so that the Authority can invest funds to the fullest extent possible. Funds of the Authority will be invested in accordance with all applicable California Government Code sections and with sound treasury management principles. The primary objectives, in order of priority, of the Authority's investment program shall be:

1. Safety. Safety of principal is the foremost objective of the investment program. The Authority's investments shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio.
2. Liquidity. The Authority's investments will remain sufficiently liquid to enable the Authority to meet its reasonably anticipated cash flow requirements.
3. Yield. The Authority seeks to attain market rates of return on its investments, consistent with constraints imposed by law, its safety objectives, and its cash flow consideration.

DELEGATION OF AUTHORITY

The Treasurer is authorized by the Authority's Board of Directors to manage the investment needs of the Authority. This delegation of authority will be made annually. The Treasurer may delegate his/her investment decision-making and execution authority to an investment advisor. The advisor shall follow the investment policy, herein stated, and such other written instructions as are provided.

The Treasurer and the delegated staff acting in accordance with this Investment Policy and written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

PRUDENCE

The Treasurer is a fiduciary and shall manage the investment portfolio of the Authority under the Prudent Investor Standard which states, in essence, that “a trustee shall act with care, skill, prudence, and diligence under circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.” The application of this rule leaves open a broad spectrum of investment opportunities as long as the investment is deemed prudent and is permissible under currently effective legislation of the State of California and this policy.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activities that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

INTERNAL CONTROLS

The Treasurer shall establish a system of internal controls to regulate the activities of internal staff and any external investment advisors, if any. No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the Treasurer.

REPORTING

The Treasurer shall submit a monthly report of investment transactions, if any, that is in accordance with California Government Code §53607. In addition, on a regular basis, the Treasurer shall provide the governing body with a report that shall disclose, at a minimum, the following information about the risk characteristics of Authority’s portfolio: A listing of Authority assets showing par value, cost, and market value of each security, type of investment, issuer name, credit quality, coupon rate, and yield to maturity at cost. This report shall also include a statement of compliance with the investment policy, including a schedule of any transactions or holdings which do not comply with this policy or with the California Government Code, if any, including a justification for their presence in the portfolio and a timetable for resolution, and a statement that the Authority has adequate funds to meet its cash flow requirements for the next six months.

These reports shall also contain any additional information as is requested by the governing body.

DELIVERY AND SAFEKEEPING

All trades, where applicable, will be executed by Delivery vs. Payment (DVP). This ensures that securities are deposited in the eligible financial institutions prior to the release of funds. All securities in the Authority’s portfolio shall be held in third party custody in the Authority’s name and control by a third party bank trust department, acting as agent for Authority under the terms of a custody agreement executed by the bank and the Authority. The only exception to the

foregoing shall be depository accounts and securities purchases made with: (i) local government investment pools; (ii) time certificates of deposit, and, (iii) money market mutual funds, since the purchased securities are not deliverable. Written evidence of each of these investments will be held by the Treasurer.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

Purchase and sale of securities shall be made on the basis of competitive bids and offers with a minimum of three quotes being obtained, when practical. It shall be the Authority's policy to purchase securities only from those authorized institutions and firms. No deposit of public funds shall be made except in a qualified public depository as established by state laws

The Treasurer shall maintain a list of authorized broker/dealers and financial institutions that are approved for investment purposes. At a minimum, the firm must be financially sound and have been in business a minimum of three years. In addition, the firms must provide: proof of Financial Industry Regulatory Authority ("FINRA") registration, trading resolutions, proof of state registration or exemption, and certificate of having read the Authority's investment policy. If an external investment advisor is authorized to conduct investment transactions on the Authority's behalf, the investment advisor may use their own list of approved broker/dealers and financial institutions for investment purposes.

ELIGIBLE SECURITIES AND CRITERIA

Security purchases and holdings must be maintained within statutory limits imposed by the California Government Code subject to any additional limitations imposed by this Investment Policy. In the event an apparent discrepancy is found between this Investment Policy and the Government Code, the more restrictive parameters will take precedence.

The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

Percentage holding limits and minimum credit rating requirements listed in this section apply at the time the security is purchased. In the event a security held by the Authority is subject to a rating change that brings it below the minimum credit ratings specified in this Policy, the Authority shall require investment advisors engaged in the investment of Authority funds to notify Authority staff of the downgrade, and provide a plan of action to address the downgrade. The course of action to be followed will then be decided on a case-by-case basis, considering such factors as the reason for the change, prognosis for recovery or further rate drops, and the market price of the security.

Except as provided below, no more than five percent (5%) of the Authority's portfolio may be invested in any one institution, regardless of sector. The types of investments which are excluded from this limitation are:

- United States Treasury and federal agency obligations,
- Obligations of the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and the Inter-American Development Bank (IADB), and

- Money market funds and local government investment pools, including LAIF and CAMP.
- A. **U.S. Treasury Issues.** United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation as to the percentage of the portfolio that may be invested in this category.
- B. **Federal Agency Securities.** Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There is no limitation as to the percentage of the portfolio that may be invested in this category. However, purchases of Federal Agency mortgage-backed securities issued by or fully guaranteed as to principal and interest by government agencies are limited to a maximum of 20 percent of the portfolio.
- C. **Municipal Debt Issues.** Registered treasury notes or bonds of this or any of the other 49 United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of this state or any of the other 49 United States.

Bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, include bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

Purchases are limited to securities rated in a rating category of “A”, or its equivalent or better, by a Nationally Recognized Statistical Rating Organization (“NRSRO”).

- D. **Repurchase Agreements.** Repurchase agreements are to be used solely as short-term investments not to exceed 30 days. The Authority may enter into repurchase agreements with primary government securities dealers rated in a rating category of “AA” or its equivalent or better by an NRSRO. Counterparties should also have (i) a short-term credit rating of at least A-1/P-1; (ii) minimum assets and capital size of \$25 billion in assets and \$350 million in capital; (iii) five years of acceptable audited financial results; and (iv) a strong reputation among market participants.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in A and B above, will be acceptable collateral. All securities underlying repurchase agreements must be delivered to the authority’s custodian bank versus payment or be handled under a properly executed tri-party repurchase agreement. The total market value of all collateral for each repurchase agreement must equal or exceed 102 percent of the total dollar value of the money invested by the Authority for the term of the investment. For any repurchase agreement with a term of more than one day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral.

The Authority or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to repurchase agreement. The Authority shall have properly executed a Master Repurchase Agreement with each counter party with which it enters into repurchase agreements.

A maximum of 25 percent of the portfolio may be invested in this category.

- E. **Commercial Paper.** Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):

(1) (A) Is organized and operating in the United States as a general corporation. (B) Has total assets in excess of five hundred million dollars (\$500,000,000). (C) Has debt other than commercial paper, if any, that is rated in a rating category of “A” or its equivalent or higher, by an NRSRO.

(2) (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond. (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less and not represent more than 10 percent of the outstanding paper of an issuing corporation. A maximum of 25 percent of the portfolio may be invested in this category.

- F. **Banker’s Acceptances.** Banker's acceptances issued by domestic or foreign banks, which are eligible for purchase by the Federal Reserve System. Purchases of banker’s acceptances may not exceed 180 days maturity. Eligible banker’s acceptances are restricted to issuing financial institutions with short-term paper rated in the highest category by an NRSRO. Investments in banker’s acceptances are further limited to 40% of the portfolio.

- G. **Medium-Term Notes.** Medium-term notes, defined as all corporate and depository institution securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or depository institutions licensed by the United States or any state and operating within the United States. Eligible investment shall be rated in a rating category of “A” or its equivalent or better by an NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.

- H. **Negotiable Certificates of Deposit.** Negotiable certificates of deposit (NCDs) issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally- or state-licensed branch of a foreign bank. Eligible negotiable certificates of deposit shall be rated in a rating category of “A” for long-term, “A-1” for short-term, their equivalent or better by an NRSRO. A maximum of 30 percent of the portfolio may be invested in this category.

- I. **Time Certificates of Deposit.** Time Certificates of Deposit (TCDs) placed with

commercial banks and savings and loans with offices in California. The amount on deposit shall not exceed the shareholder's equity in the financial institution. To be eligible for purchase, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided in Government Code Section 53635.2. TCDs are required to be collateralized as specified under Government Code Section 53630 et. seq. The Treasurer, at his discretion, may waive the collateralization requirements for any portion that is covered by federal insurance. The Authority shall have a signed agreement with the depository per Government Code Section 53649. TCDs may not exceed 1 year in maturity. A maximum of 20 percent of the portfolio may be invested in this category.

- J. **State of California Local Agency Investment Fund ("LAIF").** The Authority may invest a portion of its portfolio in LAIF, subject to the statutory deposit limit imposed by LAIF, which is currently \$65 million. Whenever the Authority has any funds invested in LAIF, a copy of LAIF's Answer Book shall be maintained on file for due diligence. In addition, the Treasurer should review the LAIF's summary portfolio holdings on a quarterly basis.
- K. **Money Market Mutual Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.) that invests solely in U.S. Treasuries and Federal Agency obligations and repurchase agreements relating to such obligations.

The Authority may invest in shares of beneficial interest issued by company shall have met either of the following criteria: (1) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs. (2) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that the companies may charge. A maximum of 20 percent of the portfolio may be invested in this category. Further, no more than 10 percent of the portfolio may be invested in the shares of any one money market fund.

- L. **Local Government Investment Pools.** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) through (q), inclusive, of Government Code Section 53601. For due diligence, the Treasurer shall maintain on file a copy of the pool's current Information Statement. Investments are limited to pools that seek to maintain a stable Net Asset Value. There is no limitation as to the percentage of the portfolio that may be invested in this category.
- M. **United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction**

and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB) (also referred to as “U.S. Instrumentalities”), with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO. Purchases of these obligations shall not exceed 30 percent of the portfolio.

- N. ~~A m~~**Mortgage passthrough securityies, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable passthrough certificates, or consumer receivable-backed bonds. of a maximum of five years’ maturity.** Securities eligible for investment under this subdivision shall be ~~issued by an issuer rated in a rating category of “A” or its equivalent or better for the issuer’s debt as provided by an NRSRO and~~ rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of the portfolio.

PROHIBITED INVESTMENTS

Any investment in a security not specifically listed in the Eligible Securities and Criteria section above, but otherwise permitted by the Government Code, is prohibited without the prior approval of the Board. As provided in California Government Code Section 53601.6, the Authority shall not invest any funds in inverse floaters, range notes, mortgage derived, or interest-only strips or in any security that could result in zero interest accrual if held to maturity.

MAXIMUM MATURITIES

It is the objective of the Authority to accurately monitor and forecast revenues and expenditures so that the Authority can invest funds to the fullest extent possible. Funds of the Authority will be invested in accordance with sound treasury management principles.

Where this Policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five years, unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment.

PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

POLICY REVISION

This policy can be revised whenever necessary and will be reviewed by the Board annually at a public meeting.

Appendix A

Glossary

Asset-backed securities (ABS): As referenced in item N under the “Eligible Securities and Criteria” section of this policy, ABS are securities whose income payments and hence value is derived from and collateralized (or "backed") by a specified pool of underlying assets which are receivables. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets. The pools of underlying assets can comprise common payments credit cards, auto loans, mortgage loans, and other types of assets. Interest and principal is paid to investors from borrowers who are paying down their debt.

Bankers' Acceptances: A bankers' acceptance is a time draft drawn on and accepted by a bank for payment of the shipment or storage of merchandise. The initial obligation of payment rests with the drawer, but the bank substitutes its credit standing for that of the borrower and assumes the obligation to pay face value at maturity.

Broker-Dealer: A broker-dealer is a person or a firm who can act as a broker or a dealer depending on the transaction. A broker brings buyers and sellers together for a commission. They do not take a position. A dealer acts as a principal in all transactions, buying and selling for his own account.

Certificate of Deposit (CDs): CDs are receipts for funds deposited in a Bank or Savings and Loan Association for a specified period of time at a specific rate of interest. The first \$250,000 of a certificate of deposit is guaranteed by the Federal Deposit Insurance Corporation (FDIC) if with a bank. Nonnegotiable CDs with a face value in excess of \$250,000 can be collateralized by Treasury Department Securities, which must be at least 110% of the face value of the CDs in excess of the first \$250,000, or by the first mortgage loans which must be at least 150% of the face value of the CD balance in excess of the first \$250,000. Negotiable CDs are marketable securities; they are not collateralized.

Collateral: Collateral is securities, evidence of deposits, or other property that a borrower pledges to secure repayment of a loan. It also refers to securities pledged by a bank to secure deposits. In California, repurchase agreements, reverse repurchase agreements, and public deposits must be collateralized.

Commercial Paper: Commercial paper is a short-term unsecured obligation issued by both financial companies and nonfinancial companies to help satisfy their short-term funding needs.

Issuer: Any corporation, governmental unit, or financial institution that borrows money through the sale of securities.

Liquidity: The ease and speed with which an asset can be converted into cash without loss of value. In the money market, a security is said to be liquid if the difference between the bid and asked prices is narrow and reasonably sized trades can be done at those quotes.

Local Agency Investment Fund (LAIF): LAIF is a voluntary program offering local agencies the opportunity to participate in a multi-billion dollar portfolio. LAIF is part of the State of California's Pooled Money Investment Account (PMIA). Oversight of the PMIA is provided by a board whose members include the State Treasurer, Director of Finance, and the State Controller. All securities are purchased under the authority of the California Government Code.

Market Value: The price at which a security is trading and could presumably be purchased or sold.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Medium-Term Notes (MTNs): MTNs are unsecured promissory notes issued by corporations and financial institutions. MTNs are typically issued through a shelf registration process filed with the SEC, with original maturities of one to five years. MTNs offer higher yields than Treasury or agency securities because of the additional risk of purchasing unsecured corporate debt for a period of years. Credit quality varies with the issuer, and MTNs are typically rated by an NRSRO.

Money Market Funds: Pooled investment funds, which legally are shares of beneficial interest issued by diversified management companies registered with the Securities and Exchange Commission. Money market funds operate under strict guidelines regarding maximum maturities and diversification requirements.

Principal: The original cost of a security. It represents the amount of capital or money that the investor pays for the investment.

Repurchase Agreement: Repurchase Agreements are a contractual arrangement between a financial institution or dealer and an investor. This agreement normally can run for one or more days. The investor puts up his funds for a certain number of days at a stated yield. In return, he takes a given block of securities as collateral. At maturity, the securities are repurchased and the funds repaid plus interest.

U.S. Government Agency Issues: U. S. Government Agency issues include securities which fall into these categories: 1) Issues which are unconditionally backed by the full faith and credit of the United States, 2) Issues which are conditionally backed by the full faith and credit of the United States, and 3) Issues which are not backed by the full faith and credit of the United States.

Issues which are unconditionally backed by the full faith and credit of the United States include the Small Business Administration (SBA) and the General Services Administration (GSA).

Issues which are not backed by the full faith and credit of the United States include the Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Farm Credit System, Banks for Cooperation (Co-ops), Federal Lands Banks (FLB), Federal Immediate Credit Banks (FICB), and the Federal Home Loan Mortgage Corporation (FHLMC).

While all of the above issues are not unconditionally backed by the full faith and credit of the United States, they do in fact have de facto backing from the federal government, and it would be most unlikely that the government would let any of these agencies default on its obligations.

U.S. Instrumentalities: U.S. Instrumentalities are formed by two or more central governments (one of which must be the United States) with the purpose of promoting economic development for the member countries. U.S. Instrumentalities finance their activities by issuing debt. Examples of U.S. Instrumentalities include the International Bank for Reconstruction and Development (IBRD), the International Finance Corporation (IFC), and the Inter-American Development Bank (IADB). Similarly to government bonds, the bonds issued by these institutions are considered direct obligations of the issuing nations and have a high credit rating.

U.S. Treasuries:

U.S. Treasury Bills: U.S. Treasury bills, commonly referred to as T-Bills, are short-term marketable securities sold as obligations of the U.S. Government. They are offered in three-month, six-month, and one-year maturities. T-Bills do not accrue interest but are sold at a discount to pay face value at maturity.

U.S. Treasury Notes: U.S. Treasury Notes are marketable, interest-bearing securities sold as obligations of the U.S. Government with original maturities of one to ten years. Interest is paid semi-annually.

U.S. Treasury Bonds: U.S. Treasury Bonds are the same as U.S. Treasury Notes, except they have original maturities of ten years or longer.

Yield to Maturity: Yield to Maturity (YTM) is the rate of income return on an investment, minus any premium above par or plus any discount with the adjustment spread over the period from the date of the purchase to the date of maturity of the bond.

FINANCIAL MATTERS

SUBJECT: Review of Target Equity Ratios

BACKGROUND AND STATUS:

At the Annual Workshop on February 7, 2019, the Board reviewed the Target Equity Benchmarking Ratio Calculation as of June 30, 2018. Nancy Broadhurst, ERMA's Finance Manager, will be present to review the results with the Board.

RECOMMENDATION

Staff recommends the Board of Directors approve the Target Equity Benchmarking Ratio Calculation as of June 30, 2018.

REFERENCE MATERIALS ATTACHED:

- Target Equity Benchmarking Ratio Calculation as of June 30, 2018.

Employment Risk Management Authority

BENCHMARKING RATIO RESULTS

as of June 30, 2018

DATA:

		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
[1]	Net assets (Equity) (b)	\$519,133	\$2,196,235	\$9,904,219	\$17,224,745	\$19,746,025	\$18,505,137	\$16,482,130	\$14,652,015	\$13,860,226	\$12,517,238
	Gross contributions	7,157,712	7,451,583	7,495,626	6,906,219	6,333,611	5,612,129	5,331,445	5,542,878	6,275,797	6,768,216
	Less: Excess insurance expense	(25,000)	(25,000)	(195,995)	(190,084)	(192,611)	(193,340)	(195,459)	(204,358)	(219,700)	(235,697)
[2]	Net contributions (a)	7,132,712	7,426,583	7,299,631	6,716,135	6,141,000	5,418,789	5,135,986	5,338,520	6,056,097	6,532,519
[3a]	Net reserves and LAE (b)	3,306,780	3,305,382	2,681,308	1,472,584	1,360,156	2,316,273	1,264,701	2,737,154	2,761,620	2,739,752
[3b]	Net IBNR and LAE (b)	12,412,639	13,779,152	10,964,333	9,481,548	8,119,622	6,264,280	7,663,181	8,501,759	9,107,676	9,841,363
[3]	Total loss reserves and LAE	15,719,419	17,084,534	13,645,641	10,954,132	9,479,778	8,580,553	8,927,882	11,238,913	11,869,296	12,581,115
[4a]	Claims expense (a)	4,744,129	5,419,209	(801,987)	(1,029,631)	121,260	556,470	3,939,823	5,189,666	3,200,976	3,986,054
[4b]	Investment income (a)	578,652	291,384	274,502	276,918	71,350	372,131	242,093	444,812	116,818	133,173
[4c]	Operating Expenses (a)	706,769	621,656	668,136	702,158	733,423	744,782	789,819	823,781	913,730	1,172,626
[4d]	Return of Equity/Assessment (b)	-	-	-	-	2,836,388	5,730,555	2,671,443	1,600,000	2,850,000	2,850,000
* Program Years 2014/15 - 2017/18 are shown Net of Capital Fund Contribution											
[5a]	One-Year Reserve Development (c)		(3,993,065)	(8,183,663)	(6,254,077)	(4,619,886)	(3,759,047)	(2,742,203)	(1,791,934)	(3,311,154)	(3,245,048)
[5b]	Two-Year Reserve Development (c)		(8,829,520)	(11,162,707)	(12,902,383)	(10,152,372)	(7,712,013)	(5,960,960)	(4,404,371)	(4,854,967)	(6,355,301)
[6]	Group Self-Insured Retention (SIR)	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000
	(a) From Statement of Revenues, Expenses, and Changes in Net Assets										
	(b) From Balance Sheet										
	(c) From Financial Statements: Supplementary Information, Claims Development.										

BENCHMARK RATIOS:

		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Benchmark	6/30/18 Result
[6]	Net Contributions to Net Assets	13.74	3.38	0.74	0.39	0.31	0.29	0.31	0.36	0.44	0.52	≤ 2.0	Pass
[7]	Outstanding Reserves to Net Assets	30.28	7.78	1.38	0.64	0.48	0.46	0.54	0.77	0.86	1.01	≤ 3.0	Pass
	Net Leverage (Net Contributions + O/S Reserves)	44.02	11.16	2.11	1.03	0.79	0.76	0.85	1.13	1.29	1.53		
[8]	Net Assets to SIR	0.5	2.3	10.4	18.1	20.8	19.5	17.3	15.4	14.6	13.2	≥ 5	Pass
	Operating Ratio:												
	+ Loss Ratio	67%	73%	-11%	-15%	2%	10%	77%	97%	53%	61%		
	+ Expense ratio	10%	8%	9%	10%	12%	14%	15%	15%	15%	18%		
	+ Dividends	0%	0%	0%	0%	46%	106%	52%	30%	47%	44%		
	- Investment income	8%	4%	4%	4%	1%	7%	5%	8%	2%	2%		
[9]	= Operating Ratio	68%	77%	-6%	-9%	59%	123%	139%	134%	113%	121%	< 100%	Fail
[10a]	One-Year Reserve Development to Net Assets	**	-769%	-373%	-63%	-27%	-20%	-17%	-12%	-24%	-26%	< 20%	Pass
[10b]	Two-Year Reserve Development to Net Assets	**	**	-2150%	-587%	-103%	-42%	-36%	-30%	-35%	-51%	< 20%	Pass
[11]	Change in Net Assets	**	323%	351%	74%	15%	-6%	-11%	-11%	-5%	-10%	≥ -10%	Pass

** Comparison to negative equity does not allow equitable calculation

Indicates a Result of "Pass"

Indicates a Result of "Fail"