

21st Annual Workshop & Board of Directors Meeting

Thursday, February 11, 2021

9:00 a.m. – 4:00 p.m.

ANNUAL WORKSHOP *(Conducted as a Zoom Webinar)*

Estimated Time: 9:00 a.m. – 12:30 p.m.

Dial-in Number: (669) 900-6833

Webinar ID: 881 9892 4733

Passcode: 129642

[Webinar Link](#)

AGENDA ITEMS 1 – 3:

To assist the scheduled speakers and presenters:

1. All scheduled speakers and presenters will participate as interactive video panelists.
2. All other attendees will participate in webinar-view mode; this means:
 - a. **NO** audio (attendees are muted) and **NO** video (attendees are not on camera).
 - b. Wish to comment or ask a question? Please use the “Q & A” or chat features.
 - c. Wish to speak to the group? Please send a chat to Mona Hedin to enable your audio.

AGENDA ITEMS 4 – 5:

1. Staff will enable all attendees’ audio and video.
 - a. Video and use of your camera is optional.
 - b. To ensure optimum audio quality, please mute your audio when not speaking.

~30 Minute Break~

BOARD OF DIRECTORS MEETING *(Conducted as a Zoom Meeting)*

Estimated Time: 1:00 p.m. – 4:00 p.m.

Dial-in Number: (669) 900-6833

Meeting Number: 835 1794 1579

Meeting Passcode: 459499

[Meeting Link](#)

1. All attendees will have audio and video capabilities.
2. All video and use of your camera is optional.
3. To ensure optimum audio quality, please mute your audio when not speaking.
4. A separate link will be distributed to the Board directly for their participation in Closed Session.





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

**Thursday, February 11, 2021
*Following the 21st Annual Workshop***

Zoom Meeting

**Dial-in Number: (669) 900-6833
Meeting Number: 835 1794 1579
Meeting Passcode: 459499
[Meeting Link](#)**

All portions of this meeting will be conducted by teleconferencing in accordance with the State of California Executive Order N-29-20.

Members of the public may observe and listen to the meeting telephonically. No physical location will be available from which members of the public may observe the meeting and offer public comment. Public comments may be submitted in advance of the meeting by emailing Mona Hedin at mona.hedin@sedgwick.com no later than 5 p.m. on Wednesday, February 10, 2021. If a member of the public would like to address the Board of Directors during the meeting, the person may email Ms. Hedin during the meeting and, if timely received, Ms. Hedin will read or summarize the email to the Board members.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Mona Hedin at (916) 290-4645 or mona.hedin@sedgwick.com. Requests must be made as early as possible, and preferably 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 Board less than 72 hours prior to a regular meeting will be available for public inspection. Please contact Mona Hedin at (916) 290-4645 or mona.hedin@sedgwick.com.

Page

- 1. CALL TO ORDER; ROLL CALL**
- 2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)**
- 3. PUBLIC COMMENTS** - The public may submit any questions in advance of the meeting by contacting Mona Hedin at: mona.hedin@sedgwick.com. This time is reserved for members of the public to address the Board relative to matters of ERMA not on the agenda. No action may be taken on non-agenda items unless authorized by law.

4. 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 November 2, 2020, Board of Directors Meeting and Summary of Action Items
- 15** *B. General Warrants from October 1, 2020, through December 31, 2020
- 16** *C. Claims Payments from October 1, 2020, through December 31, 2020
- 17** *D. Treasurer's Reports as of September 30, 2020 and December 31, 2020
- 76** *E. Internal Financial Statement for the Quarter Ended December 31, 2020
- 81** *F. Annual Review and Approval of Investment Policy
- 95** *G. PARSAC Reimbursement for Overpayment of Contribution
- 97** *H. ERMA Benchmarking Ratio Results as of June 30, 2020
- 105** *I. EPL Excess Invoice and Policy
- 124** *J. Excess Coverage and Marketing Strategy for the 2021/22 Program Year
- 126** *K. Notice of Intent to Withdraw: Oroville Mosquito Abatement District (VCJPA)
- 129** *L. ERMA Board Document Review Schedule
- 134** *M. Resolution No. 2021-1, Establishing Criteria for Adding and Removing Defense Counsel
- 139** *N. CAJPA Re-Accreditation

Recommendation: Approval of the Consent Calendar.

5. ADMINISTRATIVE MATTERS

- 171** A. Staffing Update
Recommendation: None
- 172** B. Appointment of Assistant Treasurer
Recommendation: Staff recommends the Board of Directors appoint Katie O'Brien as Assistant Treasurer, effective February 11, 2021.
- 173** C. Review and Approval of Goals and Objectives Established at the 2021 Annual Workshop
Recommendation: Staff recommends the Board of Directors adopt the goals and objectives established at the February 11, 2021, Annual Workshop.
- 174** D. Consideration of Additional Self-Insured Retention Option
Recommendation: The Coverage Committee recommends the Board of Directors approve the addition of a \$350,000 SIR option, effective July 1, 2021.
- 175** *E. Resolution No. 2021-3, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law
Recommendation: The Coverage Committee recommends the Board of Directors approve Resolution No. 2021-3, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law, as presented.

- 180 *F. Proposed Revisions to the Memorandum of Coverage for the 2020/21 Program Year, Effective January 1, 2021
 Recommendation: The Coverage Committee recommends the Board of Directors approve all revisions to the Memorandum of Coverage for the 2020/21 Program Year, effective January 1, 2021, as presented.

6. FINANCIAL MATTERS

- 214 *A. Resolution No. 2021-2, Establishing All Bank Accounts and Authorized Signatures
 Recommendation: Staff recommends the Board of Directors approve Resolution No. 2021-2, Establishing All Bank Accounts and Authorized Signatures, as presented.
- 223 *B. Investment Performance Review - PFM Asset Management, LLC
 Recommendation: None

7. COVERAGE MATTERS

- 270 *A. Sunline Transit Agency (PERMA) Appeal of Denial of Coverage
 Recommendation: Staff recommends the Board of Directors provide direction as necessary.

8. CLAIMS MATTERS

- 273 A. Pursuant to Government Code Section 54956.95(a), the Board of Directors will recess to closed session to discuss the following claims:
- Guillen v. City of California City
 - Macias/Morales v. City of Eastvale
 - Oules v. City of Mt. Shasta
- B. Report from Closed Session
- Pursuant to Government Code 54957.1, the Board of Directors must report in open session any action, or lack thereof, taken in closed session.

9. CLOSING COMMENTS

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

- A. Board of Directors
- B. Staff

10. ADJOURNMENT

NOTICES:

- Board of Directors Meeting: Tuesday, April 27, 2021, 10:00 a.m. – TBD
- Board of Directors Meeting: Tuesday, June 8, 2021, 10:00 a.m. – TBD

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 November 2, 2020, Meeting of the Board of Directors and Summary of Action Items
- *B. General Warrants from October 1, 2020, through December 31, 2020
- *C. Claims Payments from October 1, 2020, through December 31, 2020
- *D. Treasurer's Reports as of September 30, 2020, and December 31, 2020
- *E. Internal Financial Statement for the Quarter Ended December 31, 2020
- *F. Annual Review and Approval of Investment Policy
Proposed modifications to the Investment Policy include eligible securities and criteria and code changes within Assembly Bill 857 and Senate Bill 998.
- *G. PARSAC Reimbursement for Overpayment of Contribution
The JPA participation credit for program years 2018/19 and 2020/21 was incorrectly calculated, resulting in an over contribution of \$43,896—\$13,198 in 2018/19 and \$30,698 in 2020/21.
- *H. ERMA Benchmarking Ratio Results as of June 30, 2020
- *I. EPL Excess Invoice and Policy
- *J. Excess Coverage and Marketing Strategy for the 2021/22 Program Year
RSUI currently provides \$2,000,000 in limits Each Claim Per Member with a \$4,000,000 Per Member Aggregate, with a \$10,000,000 Policy Aggregate excess of ERMA's Retained Limit of \$1,000,000.
- *K. Notice of Intent to Withdraw: Oroville Mosquito Abatement District (VCJPA)
- *L. ERMA Board Document Review Schedule
- *M. Resolution No. 2021-1, Establishing Criteria for Adding and Removing Defense Counsel
Exhibit A of Resolution No. 2021-1 is amended to reflect billing rates of the pre-approved defense panel for program years 2020/21, 2021/22 and 2022/23.
- *N. CAJPA Re-Accreditation

* = Material on agenda item enclosed

Agenda Items 4.A.-N.

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

MINUTES OF THE BOARD OF DIRECTORS MEETING OF NOVEMBER 2, 2020

A regular meeting of the Board of Directors of ERMA was held on November 2, 2020, all portions of this meeting were conducted via Webex in accordance with Government Code Section 54953(b). The meeting was conducted under Governor Gavin Newsom's Executive Order N-25-20 wherein public noticing of teleconference locations for each meeting participant is suspended.

BOARD MEMBERS PRESENT: John Gillison, President, PARSAC
Truc Dever, Vice President, VCJPA
Stuart Schillinger, Treasurer, BCJPIA
Scott Ellerbrock, PERMA
Robert Thompson, CalTIP
Sean Scully, CSJVRMA
Don White, ERMAC (*Left during item 9.A.*)
Brett Miller, MBASIA
Linda Cox, MPA
Kevin Bryant, PLAN
John Duckett, SCORE
Charlene Calica, CCCHA
Artesia Dupree, OHA

BOARD MEMBERS ABSENT: *None*

ALTERNATE MEMBERS PRESENT: Kin Ong, PARSAC
Jamie Scott, VCJPA
Heather Rowden, BCJPIA
Deneen Proctor, CSJVRMA
Mellissa Guerrero, ERMAC
Nataline Jindoian, CCCHA

ALTERNATE MEMBERS ABSENT: Yumi Augustus, PERMA
George Fink, CalTIP
Jamie Goldstein, MBASIA
Reina Schwartz, MPA
George Rodericks, PLAN
Drew Felder, OHA
Roger Carroll, SCORE

OTHERS PRESENT: Jennifer Jobe, Executive Director
Mona Hedin, Analyst/Training Coordinator
Kathy Maylin, Litigation Manager
Ligia Nicolae, Litigation Analyst
Alana Theiss, Finance Manager
Doug Alliston, General Counsel
Jared Bryan, Jackson Lewis
Geoff Sheldon, Liebert Cassidy Whitmore (*Joined during Introductions*)
Liz Arce, Liebert Cassidy Whitmore
Seth Cole, Alliant
Roger Duffield, in2vate (*Left during item 8.A.*)
Traci Maxey (*Left during item 7.A.*)

Jaesa McCulligan, BCJPIA
Chrissy Mack, CalTIP/VCJPA
Conor Boughey, MBASIA
Jon Paulsen, PLAN
Salvador Navarrete, City of Lathrop (*Left after item 10.A.*)
Juliana Burns, City of Lathrop (*Left after item 10.A.*)
Tawnya Bold, City of Lathrop (*Left after item 10.A.*)

1. CALL TO ORDER

The November 2, 2020, Board of Directors Meeting was called to order at 10:01 a.m., by President John Gillison.

2. INTRODUCTIONS

Roll call was conducted, and it was determined a quorum was present.

3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Truc Dever moved to approve the Agenda as posted. Seconded by Scott Ellerbrock. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Sean Scully, Don White, Jamie Goldstein, Linda Cox, John Duckett, Charlene Calica, Artesia Dupree and John Gillison, with no nays or abstentions. The motion passed unanimously.

4. PUBLIC COMMENTS

None

5. CONSENT CALENDAR

Sean Scully moved to approve the Consent Calendar as follows: A) Minutes of June 9, 2020 Meeting of the Board of Directors and Summary of Action Items; B) General Warrants from May 1, 2020, through September 30, 2020; C) Claims Payments from May 1, 2020, through September 30, 2020; D) Treasurer's Report as of June 30, 2020; E) PFM: Quarter Ended June 30, 2020 Review of Investment Portfolio; F) ERMA Board Document Review Schedule; and G) 2020/21 Goals and Objectives Update. Seconded by John Duckett. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Sean Scully, Don White, Brett Miller, Linda Cox, Kevin Bryant, John Duckett, Charlene Calica, Artesia Dupree and John Gillison, with no nays or abstentions. The motion passed unanimously.

6. PRESENTATION

A. in2vate – Online Training & Employee Reporting Protection Line

Roger Duffield, President, and Traci Maxey, Director of Client and Support Services, in2vate, provided an overview of the services available to ERMA members.

Ms. Maxey reviewed statistics with the Board derived from ERMANet, the learning management system (LMS) utilized by members for live and online training.

She reviewed with the Board the available online modules and noted the SB 1343 training as the most frequently utilized. She further discussed member usage of the LMS throughout the program year, including a breakdown by JPA. Ms. Maxey noted the correlation in the increases in module usage and registrations for live training at the beginning of each program year and speculated upon its relation to member communication from ERMA staff.

Ms. Maxey continued with a review of the Employee Protection Line, and the low level of use by members. She stated that presently, approximately 5% of members are active users of the service.

Ms. Maxey concluded her report by highlighting new services to be introduced in 2021, including splash pages hosting human resource assessments, risk management articles and customizable video and document libraries.

7. ADMINISTRATIVE MATTERS

A. Discussion Regarding the 21st Annual Workshop

Jennifer Jobe, Executive Director, stated ERMA's upcoming Annual Workshop is scheduled to be held on February 11, 2021 with a Board meeting to follow on February 12, 2021 in Napa, California. Ms. Jobe reviewed with the Board the Workshop objectives; to provide education for new Board members, conduct a "year in review" of ERMA's programs and claims and to develop long-term strategic plans and goals for the coming program year.

Ms. Jobe noted that following Coronavirus (COVID-19)-related public health orders, the Board has not made plans to meet in person and requested feedback from the Board to aid in determining whether the Workshop should take place as planned.

Discussion ensued wherein it was determined a modified Workshop would be conducted remotely. The Board expressed a desire to reduce the Workshop from a two-day meeting to one day, with annual program review to be held in the morning and the Board of Directors Meeting to follow in the afternoon.

8. FINANCIAL MATTERS

A. Draft Audited Financial Statements for the Fiscal Year Ended June 30, 2020

Bill Patterson, Sampson, Sampson & Patterson, LLP, reviewed the draft audited financial statements for the Fiscal Year ended June 30, 2020.

Mr. Patterson advised the Board ERMA was provided an unmodified opinion, meaning the financial statements are in accordance with generally accepted accounting principles.

Mr. Patterson reviewed the audit parameters and the program and financial highlights from the 2019/20 Program Year. He discussed the changes in revenues, expenses, assets, and liabilities,

noting total revenues increased by \$733,000; expenses increased by \$1.6 million; assets decreased by \$320,000 and liabilities increased by \$1.2 million over the prior year.

Mr. Patterson then reviewed the Statement of Net Position, presented in comparison format for the current and prior year. He stated the total assets were \$28.7 million, which was a decrease of \$319,000 from the prior year. Total liabilities were noted at \$18.4 million, which was an increase of \$1.2 million over the prior year. Mr. Patterson stated the increase was largely due to claims liabilities increasing over \$4 million.

Mr. Patterson reviewed Operating Revenues which were \$7.8 million, an increase of approximately \$600,000, a result of a 3.5% increase in payroll and a 5.5% increase in the fee for Pooling and Funding Rates. Operating Expenses were \$9.5 million, an increase of \$3.4 million, most of which is related to claims paid and an increase in claims liabilities.

Overall, ERMA experienced a change in Net Position from \$11.7 million in the prior year to \$10.2 million in the current year.

Mr. Patterson concluded his report noting there were no deficiencies in ERMA's internal controls.

Linda Cox moved to accept and file the ERMA Audited Financial Statement for the Fiscal Year Ended June 30, 2020. Seconded by Artesia Dupree. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Sean Scully, Don White, Brett Miller, Linda Cox, Kevin Bryant, John Duckett, Charlene Calica, Artesia Dupree and John Gillison, with no nays or abstentions. The motion passed unanimously.

B. Financial Status Report for the Fiscal Year Ended June 30, 2020

Alana Theiss, Finance Manager, reviewed the Financial Status Report for the Fiscal Year Ended June 30, 2020.

Ms. Theiss noted the decrease in net position included in Mr. Patterson's report and agreed it was primarily due to the increase in claims liabilities and pooling rates as well as the release of dividends of \$1.2 million.

Ms. Theiss reviewed ERMA's net loss of \$1.5 million, confirming the main driver of the loss was adverse claim development for program years 2017/18 and 2018/19.

She then went on to discuss the JPA Performance Report and highlighted the total assets for the last eight years which remain level while the liabilities have increased, resulting in a decrease in net position.

Ms. Theiss concluded her report with a review of member payroll, funding rates, layers of coverage and claims liabilities over the last eight program years.

Linda Cox moved to approve the Internal Financial Statement for the Fiscal Year Ended June 30, 2020, and the JPA Performance Report, as of June 30, 2020. Seconded by Brett Miller. Roll call was conducted with affirmative votes by Truc Dever,

Stuart Schillinger, Scott Ellerbrock, Robert Thompson, Sean Scully, Don White, Brett Miller, Linda Cox, Kevin Bryant, John Duckett, Charlene Calica, Artesia Dupree and John Gillison, with no nays or abstentions. The motion passed unanimously.

C. Resolution No. 2020-4, Establishing All Bank Accounts and Authorized Signatures

Ms. Theiss reviewed ERMA's internal control process for the authorization and execution of all ERMA-related financial transactions. She advised staff proposed a resolution modifying ERMA's current requirement for two signatures on a physical check to a single signature for general and claims accounts.

She noted staff implemented the single signature as an emergency measure in relation to COVID-19, however, is now seeking to formalize the process as it has proven to be effective. Ms. Theiss reviewed the segregation of duties for all financial transactions and confirmed the implementation of a single signature on physical checks would allow staff to meet the objectives of the internal controls over cash disbursements.

A discussion ensued wherein the Board inquired as to the efficacy of delineating the segregated duties within the Resolution. A desire to further modify the Resolution was expressed to clarify internal controls utilized when disbursing payments. Ms. Jobe noted ~~she would discuss the matter with legal counsel and staff would revise the Resolution as discussed and~~ provide the Board with the final proposed document for review at the next Board of Directors Meeting.

9. TRAINING/LOSS PREVENTION MATTERS

A. 2020 Target Risk Appraisal Recommendations

Ms. Theiss advised staff reviews member's loss performance annually to aid in determining whether a member would benefit from a risk assessment. She reviewed the various factors considered in determining a risk assessment recommendation, including frequency, severity, and the overall loss ratio for each member using payroll, contribution, number of claims, and total incurred data.

She noted ERMA ratios are then compared to each individual member's overall performance. If a member's ratio exceeds two times ERMA's ratio in any of the three categories, they are reviewed by staff for consideration of a risk assessment.

Kathy Maylin, Litigation Manager, stated in addition to the factors noted by Ms. Theiss, staff also utilizes the relationship with the member to take in to account cultural, systematic, departmental, supervisory and other issues that may be adversely affecting the member.

Ms. Maylin concluded by requesting authorization from the Board to conduct a risk assessment of the City of California City, with a follow up report to be presented to the Board at the June Meeting.

Scott Ellerbrock moved to approve the City of California City undergo a risk assessment. Seconded by John Duckett. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Rob Thompson, Sean Scully, Mellissa Guerrero, Brett Miller, Linda Cox, Kevin Bryant, John Duckett, Charlene Calica, Artesia Dupree

and John Gillison, with no nays or abstentions. The motion passed unanimously.

B. Training Update

Mona Hedin, Analyst & Training Coordinator, provided an update on training activities in the current program year.

Ms. Hedin noted staff has been able to accommodate live training sessions for members by introducing a webinar-based format. She advised scheduled trainings through November have transitioned to this format, which has thus far, been well received by the members. She further noted members are also utilizing the online training available through in2vate in an effort to meet state-mandated training requirements while public health orders remain in place.

Ms. Hedin discussed the Training & Risk Management Consortium (Consortium) implemented on July 1, allowing members to seek reimbursement of up to \$2,500 annually for employment-related training and loss control activities. She advised the Consortium is promoted weekly to each member's designated training contact and to-date, staff has received several inquiries about the program, as well as one request for reimbursement.

It was reported ERMA's strategic partner attorney firms, Jackson Lewis and Liebert Cassidy Whitmore, presented a webinar on September 30, 2020 entitled, "Important Steps to Avoid New Employment Claims and Best Practices for Managing COVID-19 Pandemic Issues." Ms. Hedin noted over 160 individuals participated in the webinar and 150 requests for the recording have been received. She advised a formal question and answer document was provided to all registered individuals addressing inquiries received during the webinar.

Ms. Hedin stated that during the November 2019 Board Meeting; a discussion was held regarding the availability of a survey wherein members are able to self-certify compliance with state-mandated training. Ms. Hedin stated with assistance from the Training Ad Hoc Committee, staff developed a self-certification survey to provide to members beginning January 1. She noted the survey would be made available to members through the weekly Training Bulletin, bi-annual membership letters and will be located on ERMA's website. Ms. Hedin concluded her report by noting staff will monitor member compliance and provide follow-up as necessary at the end of the program year

10. COVERAGE MATTERS

A. City of Lathrop (CSJVRMA) Appeal of Denial of Coverage

Ms. Maylin presented the City of Lathrop's appeal of denial of coverage and provided background information relating to the denial based upon late reporting.

Ms. Maylin stated the City took all appropriate steps in response of the charge and did not believe the late reporting of the claim would result in financial or other prejudice to the ERMA Program.

Salvador Navarrete, Lathrop City Attorney, thanked the Board for the opportunity to present the City's appeal and provided supporting details and background relating to the City's actions.

Scott Ellerbrock moved to grant the City of Lathrop's appeal of denial of coverage with a 25% increase to the SIR from \$25,000 to \$31,250. Seconded by Sean Scully. Roll call was conducted with affirmative votes by Truc Dever, Stuart Schillinger, Scott Ellerbrock, Rob Thompson, Sean Scully, Mellissa Guerrero, Brett Miller, Linda Cox, Kevin Bryant, John Duckett, Charlene Calica, Artesia Dupree and John Gillison, with no nays or abstentions. The motion passed unanimously.

11. CLAIMS MATTERS

A. Closed Session Pursuant to Government Code Section 54956.95(a) to Discuss Claims

Pursuant to Government Code Section 54956.95(a), the Board recessed to Closed Session at 12:28 p.m. to discuss the following claim:

- Hernandez v. City of Lathrop
- Estarziau v. City of Manteca
- Soriano v. City of Twentynine Palms
- Bollinger/Wood v. City of Susanville

B. Report from Closed Session

The Board reconvened to Open Session at 12:42 p.m. The Board met to discuss the claims listed above. Mr. Alliston advised no reportable action was taken in Closed Session.

C. Litigation Managers Report

Ms. Maylin provided the Board with a brief overview of defense counsel's performance relating to timely reporting and status updates. She stated she intends to issue a formal request to the firms that status reports be provided in a timelier manner and in accordance with ERMA defense counsel guidelines.

12. EXECUTIVE DIRECTORS REPORT

Ms. Jobe addressed the Board regarding the following items:

REMIF/CIRA Presentation

Staff provided an overview of ERMA to the California Intergovernmental Risk Authority (CIRA) Transition Committee on October 19, 2020. CIRA is a joint venture wherein participating members of the Redwood Empire Municipal Insurance Fund (REMIF) and the Public Agency Risk Sharing Authority of California (PARSAC) are discussing a merger of the two programs and current REMIF members are considering participation in ERMA's program.

Staffing Update

Ms. Jobe advised Ms. Maylin provided notice of retirement as ERMA's Litigation Manager on September 30, 2021. Both the Board and Ms. Jobe extended gratitude to Ms. Maylin for her many years of service to ERMA both as defense counsel and the Litigation Manager.

Scott Ellerbrock Retirement

Ms. Jobe concluded by recognizing Scott Ellerbrock's final ERMA Board Meeting. Both the Board and Ms. Jobe extended thanks to Mr. Ellerbrock for his years of service and noted his successor, Beth Lyons, will participate in the next Board Meeting as PERMA's primary Board representative in February.

13. **CLOSING COMMENTS**

A. **Board of Directors**

None

B. **Staff**

None

14. **ADJOURNMENT**

The November 2, 2020, ERMA Board of Directors Meeting adjourned at 1:04 p.m. by general consent.

Mona Hedin

Mona Hedin, Board Secretary

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
SUMMARY OF ACTION ITEMS
BOARD OF DIRECTORS MEETING OF NOVEMBER 2, 2020

- ❖ The following consent calendar items were approved by the Board:
 - A. Minutes of June 9, 2020, Board of Directors Meeting and Summary of Action Items
 - B. General Warrants from May 1, 2020, through September 30, 2020
 - C. Claims Payments from May 1, 2020, through September 30, 2020
 - D. Treasurer's Report as of June 30, 2020
 - E. PFM Quarter Ended June 30, 2020 Review of Investment Portfolio
 - F. ERMA Board Document Review Schedule
 - G. 2020/21 Goals and Objectives Update
- ❖ The Board accepted and filed the ERMA Audited Financial Statement for the Fiscal Year Ended June 30, 2020.
- ❖ The Board approved the Internal Financial Statement for the Fiscal Year Ended June 30, 2020, and the JPA Performance Report, as of June 30, 2020.
- ❖ The Board approved the City of California City to undergo a risk assessment.
- ❖ The Board granted the City of Lathrop's appeal of denial of coverage with a 25% increase to the SIR from \$25,000 to \$31,250.

System: 1/22/2021 3:52:17 PM
 User Date: 1/22/2021

Employment Risk Management Aut
 VENDOR CHECK REGISTER REPORT
 Payables Management

Page: 1
 User ID: cxiong

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	10/1/2020
Vendor ID	First	Last	Checkbook ID	CBT GENERAL
Vendor Name	First	Last		CBT GENERAL

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
EFT000173	AG100	in2vate, LLC	10/16/2020	CBT GENERAL	PMCHK00000736	\$6,000.00
EFT000174	MU110	Murphy, Campbell, Alliston & Q	10/16/2020	CBT GENERAL	PMCHK00000736	\$5,240.50
EFT000176	JA100 EFT	Jackson Lewis P.C.	11/18/2020	CBT GENERAL	PMCHK00000739	\$2,500.00
EFT000177	LI100 EFT	Liebert Cassidy Whitmore	11/18/2020	CBT GENERAL	PMCHK00000739	\$2,150.00
EFT000178	MU110	Murphy, Campbell, Alliston & Q	11/18/2020	CBT GENERAL	PMCHK00000739	\$1,245.50
EFT000180	AG100	in2vate, LLC	12/15/2020	CBT GENERAL	PMCHK00000743	\$6,000.00
EFT000181	MU110	Murphy, Campbell, Alliston & Q	12/15/2020	CBT GENERAL	PMCHK00000743	\$1,668.50
EFT000182	YO110	York Risk Services Group, Inc.	12/15/2020	CBT GENERAL	PMCHK00000743	\$189,726.25
G 003278	LA120	City of Lathrop	10/16/2020	CBT GENERAL	PMCHK00000737	\$2,150.00
G 003279	SA100	Sampson, Sampson and Patterson	10/16/2020	CBT GENERAL	PMCHK00000737	\$5,500.00
G 003280	CA100	CAJPA	11/18/2020	CBT GENERAL	PMCHK00000740	\$1,500.00
G 003281	PL110	City of Pleasant Hill	11/18/2020	CBT GENERAL	PMCHK00000740	\$2,500.00
G 003282	SA100	Sampson, Sampson and Patterson	12/15/2020	CBT GENERAL	PMCHK00000744	\$4,700.00
G 003283	TI105	Town of Tiburon	12/15/2020	CBT GENERAL	PMCHK00000744	\$2,500.00

Total Checks:	14	Total Amount of Checks:	\$233,380.75
---------------	----	-------------------------	--------------

Ranges:	From:	To:	From:	To:
Check Number	First	Last	10/1/2020	12/31/2020
Vendor ID	First	Last	CBT CLAIMS	CBT CLAIMS
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
L 007473	MP100	Municipal Pooling Authority	10/16/2020	CBT CLAIMS	PMCHK00000735	\$206,963.06
L 007474	AD110	City of Adelanto	12/14/2020	CBT CLAIMS	PMCHK00000742	\$12,967.98
L 007475	AT120	City of Atwater	12/14/2020	CBT CLAIMS	PMCHK00000742	\$2,210.90
L 007476	CE100	City of Ceres	12/14/2020	CBT CLAIMS	PMCHK00000742	\$13.50
L 007477	SH115	City of Shafter	12/14/2020	CBT CLAIMS	PMCHK00000742	\$4,038.35
L EFT000038	JA100	Jackson Lewis P.C.	10/16/2020	CBT CLAIMS	PMCHK00000734	\$242.00
L EFT000039	JA100	Jackson Lewis P.C.	10/16/2020	CBT CLAIMS	PMCHK00000734	\$88.50
L EFT000040	JA100	Jackson Lewis P.C.	10/16/2020	CBT CLAIMS	PMCHK00000734	\$383.50
L EFT000041	JA100	Jackson Lewis P.C.	10/16/2020	CBT CLAIMS	PMCHK00000734	\$7,771.10
L EFT000042	JA100	Jackson Lewis P.C.	10/16/2020	CBT CLAIMS	PMCHK00000734	\$17,708.50
L EFT000043	JA100	Jackson Lewis P.C.	10/16/2020	CBT CLAIMS	PMCHK00000734	\$4,848.00
L EFT000044	LI100	Liebert Cassidy Whitmore	10/16/2020	CBT CLAIMS	PMCHK00000734	\$118.00
L EFT000045	LI100	Liebert Cassidy Whitmore	10/16/2020	CBT CLAIMS	PMCHK00000734	\$442.50
L EFT000046	LI100	Liebert Cassidy Whitmore	10/16/2020	CBT CLAIMS	PMCHK00000734	\$1,352.00
L EFT000047	LO100	Lozano Smith, LLP	10/16/2020	CBT CLAIMS	PMCHK00000734	\$7,017.05
L EFT000048	LO100	Lozano Smith, LLP	10/16/2020	CBT CLAIMS	PMCHK00000734	\$13,952.97
L EFT000049	LO100	Lozano Smith, LLP	10/16/2020	CBT CLAIMS	PMCHK00000734	\$2,168.00
L EFT000050	LO100	Lozano Smith, LLP	10/16/2020	CBT CLAIMS	PMCHK00000734	\$88.50
L EFT000052	BE100	Best Best and Krieger LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$4,189.00
L EFT000053	BE100	Best Best and Krieger LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$369.75
L EFT000054	BE100	Best Best and Krieger LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$56.00
L EFT000055	BE100	Best Best and Krieger LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$321.25
L EFT000056	BE100	Best Best and Krieger LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$95.50
L EFT000057	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$7,497.06
L EFT000058	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$728.50
L EFT000059	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$74.00
L EFT000060	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$265.50
L EFT000061	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$17,596.50
L EFT000062	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$2,957.00
L EFT000063	JA100	Jackson Lewis P.C.	11/18/2020	CBT CLAIMS	PMCHK00000738	\$2,205.00
L EFT000064	LI100	Liebert Cassidy Whitmore	11/18/2020	CBT CLAIMS	PMCHK00000738	\$118.00
L EFT000065	LI100	Liebert Cassidy Whitmore	11/18/2020	CBT CLAIMS	PMCHK00000738	\$512.50
L EFT000066	LI100	Liebert Cassidy Whitmore	11/18/2020	CBT CLAIMS	PMCHK00000738	\$871.00
L EFT000067	LO100	Lozano Smith, LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$11,777.64
L EFT000068	LO100	Lozano Smith, LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$902.00
L EFT000069	LO100	Lozano Smith, LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$19,514.25
L EFT000070	LO100	Lozano Smith, LLP	11/18/2020	CBT CLAIMS	PMCHK00000738	\$88.50
L EFT000072	BE100	Best Best and Krieger LLP	12/14/2020	CBT CLAIMS	PMCHK00000741	\$220.00
L EFT000073	BE100	Best Best and Krieger LLP	12/14/2020	CBT CLAIMS	PMCHK00000741	\$90.00
L EFT000074	BE100	Best Best and Krieger LLP	12/14/2020	CBT CLAIMS	PMCHK00000741	\$16,462.89
L EFT000075	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$14,484.25
L EFT000076	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$6,098.50
L EFT000077	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$9,428.50
L EFT000078	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$5,007.50
L EFT000079	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$1,420.00
L EFT000080	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$1,476.50
L EFT000081	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$150.20
L EFT000082	JA100	Jackson Lewis P.C.	12/14/2020	CBT CLAIMS	PMCHK00000741	\$354.00
L EFT000083	LI100	Liebert Cassidy Whitmore	12/14/2020	CBT CLAIMS	PMCHK00000741	\$188.00
L EFT000084	LI100	Liebert Cassidy Whitmore	12/14/2020	CBT CLAIMS	PMCHK00000741	\$26.25
L EFT000085	LO100	Lozano Smith, LLP	12/14/2020	CBT CLAIMS	PMCHK00000741	\$13,399.65
L EFT000086	LO100	Lozano Smith, LLP	12/14/2020	CBT CLAIMS	PMCHK00000741	\$386.30
L EFT000087	LO100	Lozano Smith, LLP	12/14/2020	CBT CLAIMS	PMCHK00000741	\$2,803.97

Total Checks:	53	Total Amount of Checks:	\$424,509.87
			=====

Employment Risk Management Authority

Cash & Investment Report

September 30, 2020

Accounts	Book Value	Market Value *	% of Total	Effective Yield
California Bank & Trust - Administration ¹	\$ 3,506	\$ 3,506	0.01%	0.00%
California Bank & Trust - General Operating ¹	231,267	231,267	0.65%	0.00%
California Bank & Trust - Claims Payment ²	(221,808)	(221,808)	-0.63%	0.00%
Local Agency Investment Fund	9,154,756	9,192,424	25.98%	0.84%
CAMP - Liquidity Account	9,996	9,996	0.03%	0.27%
CAMP - Money Market	75,346	75,346	0.21%	0.27%
CAMP - Investments managed by PFM	25,461,552	26,095,631	73.74%	1.75%
Total	\$ 34,714,615	\$ 35,386,362		1.51%

* 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), Local Agency Investment Fund (LAIF), and CAMP Liquidity Account 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,



Alana Theiss, Assistant Treasurer

Accepted,



Stuart Schillinger, Treasurer



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

October 02, 2020

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

September 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
9/23/2020	9/22/2020	RW	1654618	1614721	ALANA THEISS	-1,215,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,369,756.37
Total Withdrawal:	-1,215,000.00	Ending Balance:	9,154,756.37

**ERMA
LAIF Market Value
9/30/2020**

Adjustment for Market Value	
LAIF Statement Balance	\$ 9,154,756.37
Fair Value Factor per LAIF Performance Report	<u>1.004114534</u>
Adjusted Market Value	<u><u>\$ 9,192,423.93</u></u>



PMIA/LAIF Performance Report as of 10/14/20



PMIA Average Monthly Effective Yields⁽¹⁾

Sep	0.685
Aug	0.784
Jul	0.920

Quarterly Performance Quarter Ended 09/30/20

LAIF Apportionment Rate ⁽²⁾ :	0.84
LAIF Earnings Ratio ⁽²⁾ :	0.00002309407394024
LAIF Fair Value Factor ⁽¹⁾ :	1.004114534
PMIA Daily ⁽¹⁾ :	0.65%
PMIA Quarter to Date ⁽¹⁾ :	0.80%
PMIA Average Life ⁽¹⁾ :	169

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 09/30/20 \$109.2 billion

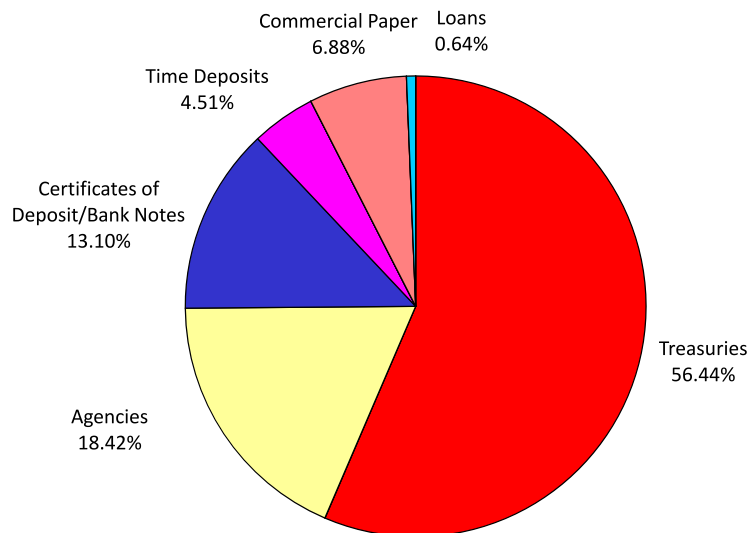


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

California State Treasurer
Fiona Ma, CPA



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

September 11,
2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type](#)
[Definitions](#)

Account Number: 35-34-011

August 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
8/4/2020	8/3/2020	RD	1651562	1611658	ALANA THEISS	2,690,000.00
8/19/2020	8/18/2020	RW	1652566	1612668	ALANA THEISS	-20,000.00
8/31/2020	8/26/2020	RD	1653066	1613167	ALANA THEISS	700,000.00

Account Summary

Total Deposit:	3,390,000.00	Beginning Balance:	6,999,756.37
Total Withdrawal:	-20,000.00	Ending Balance:	10,369,756.37

California State Treasurer
Fiona Ma, CPA



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

August 03, 2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type](#)
[Definitions](#)

Account Number: 35-34-011

July 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
7/14/2020	7/13/2020	RD	1645397	1605475	ALANA THEISS	700,000.00
7/15/2020	7/14/2020	QRD	1646124	N/A	SYSTEM	6,388.23
7/15/2020	7/29/2020	QRD	1649589	N/A	SYSTEM	520.09
7/20/2020	7/17/2020	RD	1648180	1608269	ALANA THEISS	2,815,000.00
7/28/2020	7/27/2020	RD	1648758	1608853	ALANA THEISS	1,800,000.00

Account Summary

Total Deposit:	5,321,908.32	Beginning Balance:	1,677,848.05
Total Withdrawal:	0.00	Ending Balance:	6,999,756.37



Account Statement

For the Month Ending **September 30, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					9,993.51
09/30/20	10/01/20	Accrual Income Div Reinvestment - Distributions	1.00	2.25	9,995.76
Closing Balance					9,995.76

	Month of September	Fiscal YTD January-September		
Opening Balance	9,993.51	2,667,271.71	Closing Balance	9,995.76
Purchases	2.25	12,724.05	Average Monthly Balance	9,993.59
Redemptions (Excl. Checks)	0.00	(2,670,000.00)	Monthly Distribution Yield	0.27%
Check Disbursements	0.00	0.00		
Closing Balance	9,995.76	9,995.76		
Cash Dividends and Income	2.25	12,724.05		



Account Statement

For the Month Ending **August 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					709,834.65
08/28/20	08/28/20	Redemption - ACH Redemption	1.00	(700,000.00)	9,834.65
08/31/20	09/01/20	Accrual Income Div Reinvestment - Distributions	1.00	158.86	9,993.51
Closing Balance					9,993.51

	Month of August	Fiscal YTD January-August		
Opening Balance	709,834.65	2,667,271.71	Closing Balance	9,993.51
Purchases	158.86	12,721.80	Average Monthly Balance	619,517.19
Redemptions (Excl. Checks)	(700,000.00)	(2,670,000.00)	Monthly Distribution Yield	0.30%
Check Disbursements	0.00	0.00		
Closing Balance	9,993.51	9,993.51		
Cash Dividends and Income	158.86	12,721.80		



Account Statement

For the Month Ending **July 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					709,611.49
07/31/20	08/03/20	Accrual Income Div Reinvestment - Distributions	1.00	223.16	709,834.65
Closing Balance					709,834.65

	Month of July	Fiscal YTD January-July		
Opening Balance	709,611.49	2,667,271.71	Closing Balance	709,834.65
Purchases	223.16	12,562.94	Average Monthly Balance	709,618.69
Redemptions (Excl. Checks)	0.00	(1,970,000.00)	Monthly Distribution Yield	0.37%
Check Disbursements	0.00	0.00		
Closing Balance	709,834.65	709,834.65		
Cash Dividends and Income	223.16	12,562.94		



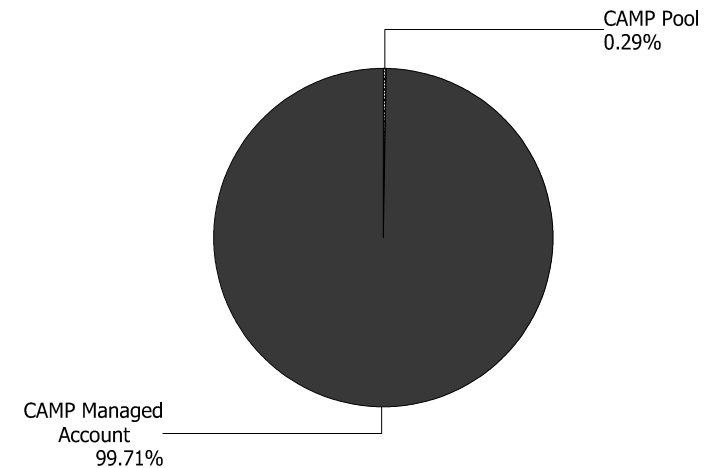
Account Statement - Transaction Summary

For the Month Ending **September 30, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

CAMP Pool	
Opening Market Value	169,768.70
Purchases	1,244,407.30
Redemptions	(1,338,829.89)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$75,346.11
Cash Dividends and Income	68.86
CAMP Managed Account	
Opening Market Value	26,017,637.10
Purchases	1,334,527.80
Redemptions	(1,224,949.34)
Unsettled Trades	0.00
Change in Value	(31,584.08)
Closing Market Value	\$26,095,631.48
Cash Dividends and Income	46,778.24

Asset Summary		
	September 30, 2020	August 31, 2020
CAMP Pool	75,346.11	169,768.70
CAMP Managed Account	26,095,631.48	26,017,637.10
Total	\$26,170,977.59	\$26,187,405.80
Asset Allocation		





Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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	35,059.07	35,103.91
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	325,000.00	AA+	Aaa	03/15/17	03/17/17	316,557.62	2.02	1,501.79	323,669.89	327,691.39
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	410,000.00	AA+	Aaa	12/01/16	12/05/16	411,217.19	1.93	702.21	410,235.00	416,982.79
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	1,541.43	901,203.73	915,328.08
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	1,102,627.35	1,118,734.32
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	547,747.39	556,617.16
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	275,000.00	AA+	Aaa	01/03/18	01/04/18	271,508.79	2.18	2,157.78	273,724.83	282,519.55
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	4,119.39	518,593.79	539,355.49
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	592,405.09	616,406.28
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	AA+	Aaa	09/05/18	09/07/18	431,121.09	2.76	933.93	441,033.17	462,585.96
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	350,000.00	AA+	Aaa	06/03/19	06/07/19	347,251.95	1.83	1,911.37	348,162.93	363,726.58
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	325,000.00	AA+	Aaa	07/01/19	07/03/19	322,854.49	1.78	2,210.09	323,473.31	339,574.24
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	450,000.00	AA+	Aaa	10/02/19	10/04/19	452,583.98	1.48	3,060.12	451,953.61	470,179.71
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	300,000.00	AA+	Aaa	02/03/20	02/07/20	308,144.53	1.36	1,516.30	306,941.88	320,156.25



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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 N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	350,000.00	AA+	Aaa	03/02/20	03/06/20	367,048.83	0.85	1,769.02	364,789.35	373,515.62
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	AA+	Aaa	01/02/20	01/07/20	659,572.27	1.66	3,285.33	658,004.20	693,671.88
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	950,000.00	AA+	Aaa	11/01/19	11/06/19	969,222.66	1.55	4,801.63	965,486.81	1,013,828.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,200,000.00	AA+	Aaa	12/02/19	12/05/19	1,218,000.00	1.66	6,065.22	1,214,753.74	1,280,625.00
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	175,000.00	AA+	Aaa	08/05/20	08/07/20	187,044.92	0.18	773.95	186,632.68	186,210.94
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	325,000.00	AA+	Aaa	07/01/20	07/06/20	346,226.56	0.28	1,437.33	345,099.83	345,820.31
Security Type Sub-Total		10,245,000.00					10,294,608.00	1.76	47,602.82	10,311,597.65	10,658,633.59
Supra-National Agency Bond / Note											
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	500,160.52	500,860.00
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	149,939.78	151,928.70
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	2,597.22	499,684.51	510,120.50
INTER-AMERICAN DEVEL BK CORPORATE NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	125,000.00	AAA	Aaa	04/17/20	04/24/20	124,957.50	0.51	220.49	124,963.54	125,734.50
Security Type Sub-Total		1,275,000.00					1,278,092.05	2.19	8,780.56	1,274,748.35	1,288,643.70
Municipal Bond / Note											



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	50,000.00	A	A1	05/29/20	06/11/20	50,000.00	2.00	305.25	50,000.00	51,870.00
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	AA-	Aa1	11/06/19	12/05/19	60,000.00	2.10	210.10	60,000.00	63,138.60
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	70,000.00	AA	Aa2	07/10/20	07/16/20	70,000.00	0.88	128.77	70,000.00	70,289.80
CT ST T/E GO BONDS DTD 06/25/2020 2.000% 06/01/2025	20772KKK4	70,000.00	A	A1	06/12/20	06/25/20	73,567.90	0.94	373.33	73,373.86	73,367.70
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	50,000.00	AA	Aa3	09/03/20	09/16/20	50,353.50	1.11	26.21	50,350.47	50,758.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	65,000.00	AA	Aa3	09/03/20	09/16/20	65,430.95	1.12	34.07	65,427.25	65,986.05
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	125,000.00	AA	Aa3	09/03/20	09/16/20	125,000.00	1.26	65.52	125,000.00	126,896.25
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	80,000.00	AAA	Aa1	08/11/20	08/25/20	80,000.00	0.63	50.40	80,000.00	80,358.40
Security Type Sub-Total		570,000.00					574,352.35	1.21	1,193.65	574,151.58	582,665.30
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	71,227.19	AA+	Aaa	04/11/18	04/30/18	72,643.98	2.93	211.31	71,616.23	71,715.60
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	AA+	Aaa	04/04/18	04/09/18	131,107.03	2.88	334.75	130,470.22	133,949.50
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	34,486.06	AA+	Aaa	12/07/18	12/17/18	34,485.95	3.20	92.05	34,485.99	35,719.28
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	74,239.31	AA+	Aaa	11/20/19	11/26/19	74,237.51	2.09	129.42	74,237.84	76,626.92
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	AA+	Aaa	03/19/20	03/25/20	183,667.97	1.95	446.54	182,705.99	191,960.77



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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											
Security Type Sub-Total		484,952.56					496,142.44	2.44	1,214.07	493,516.27	509,972.07
Federal Agency Bond / Note											
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	624,404.40	629,883.75
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	250,000.00	AA+	Aaa	05/05/20	05/07/20	249,895.00	0.39	375.00	249,909.12	251,022.50
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	750,000.00	AA+	Aaa	08/19/20	08/21/20	749,235.00	0.28	208.34	749,263.57	750,501.75
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	225,000.00	AA+	Aaa	09/02/20	09/04/20	225,041.09	0.24	42.18	225,040.08	225,086.85
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	300,000.00	AA+	Aaa	09/02/20	09/04/20	299,901.00	0.26	56.25	299,903.43	300,115.80
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	250,000.00	AA+	Aaa	04/15/20	04/16/20	248,760.00	0.60	572.92	248,874.21	251,141.25
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	250,000.00	AA+	Aaa	04/22/20	04/24/20	249,485.00	0.67	681.42	249,530.18	252,557.00
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	325,000.00	AA+	Aaa	07/21/20	07/23/20	323,381.50	0.48	230.21	323,443.61	324,175.80
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	275,000.00	AA+	Aaa	08/25/20	08/27/20	273,713.00	0.47	97.40	273,737.70	274,289.13
FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	115,000.00	AA+	Aaa	09/10/20	09/11/20	114,655.00	0.44	23.96	114,658.79	114,981.14
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	275,000.00	AA+	Aaa	09/23/20	09/25/20	274,172.25	0.44	17.19	274,174.97	274,143.10
Security Type Sub-Total		3,640,000.00					3,629,438.22	0.55	3,808.78	3,632,940.06	3,647,898.07
Corporate Note											



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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 (CALLED OMD 10/01/2 DTD 09/18/2017 2.328% 10/01/2020	06051GGS2	175,000.00	A-	A2	09/13/17	09/18/17	175,000.00	2.33	2,037.00	175,000.00	175,008.75
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	124,999.56	125,251.38
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	249,976.40	250,859.75
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A	A2	02/01/18	02/06/18	249,877.50	2.67	1,030.56	249,985.79	252,048.00
NATIONAL RURAL UTIL COOP NOTE 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	99,983.54	101,200.80
NATIONAL RURAL UTIL COOP NOTE 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	149,901.33	151,801.20
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	164,994.96	166,400.03
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A2	11/01/17	11/03/17	25,194.00	2.39	295.31	25,030.72	25,310.90
BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	150,000.00	A	A1	05/17/16	05/20/16	150,319.50	2.00	1,264.17	150,033.05	151,314.90
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	149,966.52	151,464.75
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	1,171.11	99,985.84	101,755.90
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	69,966.58	70,690.90
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	1,877.78	159,998.98	162,562.24



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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											
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	224,739.24	231,432.98
PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	A+	A1	02/22/19	03/01/19	49,956.00	2.88	118.75	49,979.28	51,778.15
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A2	05/14/18	05/17/18	50,000.00	3.50	651.20	50,000.00	50,869.75
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	A-	A2	03/15/19	03/22/19	250,000.00	3.21	4,008.75	250,000.00	259,761.50
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 07/08/2020 0.650% 07/07/2023	14913R2D8	200,000.00	A	A3	07/06/20	07/08/20	199,888.00	0.67	299.72	199,896.70	201,115.00
PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	A-	A3	02/12/19	02/15/19	251,780.00	3.34	1,652.78	251,193.58	272,097.50
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	250,000.00	BBB+	A3	07/19/19	07/23/19	264,322.50	2.59	4,090.28	260,737.76	275,051.50
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	250,000.00	A-	A3	07/11/19	07/15/19	248,760.00	2.51	1,566.67	249,064.34	264,055.25
GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A3	07/08/19	07/11/19	261,645.00	2.84	2,219.10	258,784.82	274,274.50
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	A-	A3	08/01/19	08/05/19	250,415.00	2.46	1,041.67	250,318.71	265,523.50
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	A-	A2	09/03/19	09/06/19	248,980.00	1.84	376.74	249,199.13	260,204.50
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	A	A1	01/21/20	01/28/20	100,440.00	2.00	915.83	100,377.22	105,874.00
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	25,000.00	A+	A1	05/21/20	05/26/20	25,348.00	1.49	60.00	25,322.16	26,080.22



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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											
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	05/20/20	05/26/20	50,488.50	1.58	120.00	50,452.23	52,160.45
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	125,000.00	A+	A1	05/20/20	05/26/20	126,221.25	1.58	300.00	126,130.58	130,401.13
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	450,000.00	AA+	Aa1	05/11/20	05/13/20	450,904.50	1.08	1,968.75	450,833.41	459,742.50
Security Type Sub-Total		4,895,000.00					4,921,777.85	2.33	34,568.02	4,916,852.43	5,066,091.93
Commercial Paper											
MUFG BANK LTD/NY COMM PAPER DTD 01/13/2020 0.000% 10/06/2020	62479LK61	250,000.00	A-1	P-1	01/10/20	01/13/20	246,662.50	1.82	0.00	249,937.50	249,991.50
Security Type Sub-Total		250,000.00					246,662.50	1.82	0.00	249,937.50	249,991.50
Certificate of Deposit											
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	A-1	P-1	11/16/17	11/17/17	500,000.00	2.27	4,287.78	500,000.00	501,230.50
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	A-1+	P-1	06/07/18	06/08/18	425,000.00	3.24	4,360.50	425,000.00	434,043.58
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	200,000.00	A+	A1	08/05/20	08/07/20	200,000.00	0.52	158.89	200,000.00	200,170.60
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	250,000.00	A	A1	02/27/19	02/28/19	250,000.00	2.96	4,511.39	250,000.00	259,577.25
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	A	A1	07/10/20	07/14/20	250,000.00	0.70	384.03	250,000.00	250,270.50
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	AA-	Aa3	08/27/19	08/29/19	250,000.00	1.84	462.50	250,000.00	257,386.50



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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											
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A+	Aa2	08/29/19	09/03/19	250,000.00	1.85	465.00	250,000.00	257,434.00
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	AA-	Aa2	12/04/19	12/06/19	250,000.00	2.03	1,714.17	250,000.00	259,269.75
Security Type Sub-Total		2,375,000.00					2,375,000.00	2.10	16,344.26	2,375,000.00	2,419,382.68
Asset-Backed Security											
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	6,750.28	AAA	NR	09/25/17	09/29/17	6,749.54	1.79	4.36	6,750.10	6,761.69
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	39,806.59	AAA	Aaa	01/23/18	01/31/18	39,806.13	2.35	41.58	39,806.42	40,067.88
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	199,226.04	AAA	Aaa	11/20/18	11/28/18	199,196.25	3.16	279.80	199,209.54	202,877.83
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	3.22	322.00	224,974.15	229,788.14
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	AAA	Aaa	01/21/20	01/29/20	124,985.36	1.85	70.66	124,987.56	128,184.13
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	AAA	NR	08/28/19	09/05/19	499,874.10	1.73	382.22	499,901.43	513,726.45
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	AAA	NR	09/22/20	09/29/20	114,983.11	0.37	2.36	114,983.13	114,963.95
GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	AAA	Aaa	09/22/20	09/29/20	64,990.90	0.51	1.84	64,990.91	64,993.27
BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	AAA	NR	07/08/20	07/15/20	89,993.21	0.48	7.20	89,993.55	90,229.72
CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	AAA	NR	07/14/20	07/22/20	129,977.72	0.62	35.82	129,978.65	130,643.63
GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	NR	Aaa	08/11/20	08/19/20	149,965.68	0.46	28.13	149,966.55	150,115.95



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2020**

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											
Security Type Sub-Total		1,645,782.91					1,645,478.89	1.72	1,175.97	1,645,541.99	1,672,352.64
Managed Account Sub-Total		25,380,735.47					25,461,552.30	1.75	114,688.13	25,474,285.83	26,095,631.48
Money Market Mutual Fund											
CAMP Pool		75,346.11	AAAm	NR			75,346.11		0.00	75,346.11	75,346.11
Money Market Sub-Total		75,346.11					75,346.11		0.00	75,346.11	75,346.11
Securities Sub-Total		\$25,456,081.58					\$25,536,898.41	1.75%	\$114,688.13	\$25,549,631.94	\$26,170,977.59
Accrued Interest											\$114,688.13
Total Investments											\$26,285,665.72



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2020**

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
BUY										
09/02/20	09/04/20	FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	300,000.00	(299,901.00)	0.00	(299,901.00)			
09/02/20	09/04/20	FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	225,000.00	(225,041.09)	0.00	(225,041.09)			
09/03/20	09/16/20	FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	50,000.00	(50,353.50)	0.00	(50,353.50)			
09/03/20	09/16/20	FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	125,000.00	(125,000.00)	0.00	(125,000.00)			
09/03/20	09/16/20	FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	65,000.00	(65,430.95)	0.00	(65,430.95)			
09/10/20	09/11/20	FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	115,000.00	(114,655.00)	0.00	(114,655.00)			
09/22/20	09/29/20	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	(64,990.90)	0.00	(64,990.90)			
09/22/20	09/29/20	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	(114,983.11)	0.00	(114,983.11)			
09/23/20	09/25/20	FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	275,000.00	(274,172.25)	0.00	(274,172.25)			
Transaction Type Sub-Total				1,335,000.00	(1,334,527.80)	0.00	(1,334,527.80)			
INTEREST										
09/01/20	09/01/20	PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	0.00	712.50	712.50			
09/01/20	09/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	74,368.12	0.00	129.65	129.65			
09/01/20	09/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
09/01/20	09/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	73,385.67	0.00	218.36	218.36			
09/01/20	09/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2020**

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										
09/01/20	09/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	62,287.70	0.00	166.26	166.26			
09/12/20	09/12/20	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	0.00	0.00	4,881.25	4,881.25			
09/14/20	09/14/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	0.00	0.00	(2,211.81)	(2,211.81)			
09/14/20	09/14/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	0.00	0.00	2,114.58	2,114.58			
09/14/20	09/14/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	0.00	0.00	2,187.50	2,187.50			
09/14/20	09/14/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	0.00	0.00	(2,090.28)	(2,090.28)			
09/15/20	09/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75	603.75			
09/15/20	09/15/20	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	0.00	67.17	67.17			
09/15/20	09/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	45,401.63	0.00	88.91	88.91			
09/15/20	09/15/20	NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	250,000.00	0.00	3,625.00	3,625.00			
09/15/20	09/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
09/15/20	09/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	214,633.58	0.00	565.20	565.20			
09/16/20	09/16/20	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	0.00	50.63	50.63			
09/18/20	09/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	9,362.02	0.00	13.97	13.97			
09/20/20	09/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	0.00	192.71	192.71			
09/25/20	09/25/20	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	0.00	36.00	36.00			
Transaction Type Sub-Total				2,304,438.72	0.00	12,849.31	12,849.31			



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2020**

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										
09/12/20	09/12/20	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	625,000.00	625,000.00	0.00	625,000.00	1,500.00	0.00	
Transaction Type Sub-Total				625,000.00	625,000.00	0.00	625,000.00	1,500.00	0.00	
PAYDOWNS										
09/01/20	09/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	2,158.48	2,158.48	0.00	2,158.48	(42.93)	0.00	
09/01/20	09/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	128.81	128.81	0.00	128.81	0.00	0.00	
09/01/20	09/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	27,801.64	27,801.64	0.00	27,801.64	0.08	0.00	
09/15/20	09/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	15,407.54	15,407.54	0.00	15,407.54	2.30	0.00	
09/15/20	09/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	5,595.04	5,595.04	0.00	5,595.04	0.06	0.00	
09/18/20	09/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	2,611.74	2,611.74	0.00	2,611.74	0.28	0.00	
Transaction Type Sub-Total				53,703.25	53,703.25	0.00	53,703.25	(40.21)	0.00	
SELL										
09/02/20	09/04/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	300,000.00	312,140.62	1,278.69	313,419.31	19,359.37	16,983.82	FIFO
09/02/20	09/04/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	225,000.00	234,105.47	959.01	235,064.48	10,872.07	10,319.25	FIFO
Transaction Type Sub-Total				525,000.00	546,246.09	2,237.70	548,483.79	30,231.44	27,303.07	
Managed Account Sub-Total					(109,578.46)	15,087.01	(94,491.45)	31,691.23	27,303.07	
Total Security Transactions					(109,578.46)	15,087.01	(94,491.45)	31,691.23	27,303.07	



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

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										
08/05/20	08/07/20	US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	175,000.00	(187,044.92)	(316.24)	(187,361.16)			
08/05/20	08/07/20	CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	200,000.00	(200,000.00)	0.00	(200,000.00)			
08/11/20	08/19/20	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	(149,965.68)	0.00	(149,965.68)			
08/11/20	08/25/20	MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	80,000.00	(80,000.00)	0.00	(80,000.00)			
08/19/20	08/21/20	FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	750,000.00	(749,235.00)	0.00	(749,235.00)			
08/25/20	08/27/20	FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	275,000.00	(273,713.00)	0.00	(273,713.00)			
Transaction Type Sub-Total				1,630,000.00	(1,639,958.60)	(316.24)	(1,640,274.84)			
INTEREST										
08/01/20	08/01/20	CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	0.00	630.30	630.30			
08/01/20	08/01/20	BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	0.00	3,125.00	3,125.00			
08/01/20	08/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
08/01/20	08/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	83,772.69	0.00	251.02	251.02			
08/01/20	08/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	62,396.89	0.00	166.55	166.55			
08/01/20	08/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
08/01/20	08/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	76,407.29	0.00	179.94	179.94			
08/05/20	08/05/20	IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	0.00	3,312.50	3,312.50			



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

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

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	08/13/20	08/13/20	TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	200,000.00	0.00	1,800.00	1,800.00			
	08/15/20	08/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75	603.75			
	08/15/20	08/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
	08/15/20	08/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	0.00	592.50	592.50			
	08/15/20	08/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	51,248.90	0.00	100.36	100.36			
	08/15/20	08/15/20	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	0.00	51.49	51.49			
	08/15/20	08/15/20	US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	0.00	3,656.25	3,656.25			
	08/18/20	08/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	12,313.62	0.00	18.37	18.37			
	08/20/20	08/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	0.00	192.71	192.71			
	08/25/20	08/25/20	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	0.00	48.00	48.00			
	08/26/20	08/26/20	SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	0.00	2,350.83	2,350.83			
	08/26/20	08/26/20	NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	0.00	2,338.19	2,338.19			
	08/30/20	08/30/20	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	0.00	2,211.81	2,211.81			
	08/31/20	08/31/20	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	2,410,000.00	0.00	24,100.00	24,100.00			
Transaction Type Sub-Total					6,256,139.39	0.00	47,227.53	47,227.53			

MATURITY



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

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										
08/03/20	08/03/20	BANK OF MONTREAL CHICAGO CERT DEPOS	06370REU9	425,000.00	425,000.00	13,708.14	438,708.14	0.00	0.00	
		DTD 08/03/2018 3.190% 08/03/2020								
08/03/20	08/03/20	WESTPAC BANKING CORP NY CD	96121T4A3	450,000.00	450,000.00	4,510.00	454,510.00	0.00	0.00	
		DTD 08/07/2017 2.050% 08/03/2020								
Transaction Type Sub-Total				875,000.00	875,000.00	18,218.14	893,218.14	0.00	0.00	
PAYDOWNS										
08/01/20	08/25/20	FHMS KJ27 A1	3137F03V3	2,039.17	2,039.17	0.00	2,039.17	0.05	0.00	
		DTD 11/01/2019 2.092% 07/01/2024								
08/01/20	08/25/20	FNA 2018-M5 A2	3136B1XP4	10,387.02	10,387.02	0.00	10,387.02	(206.61)	0.00	
		DTD 04/01/2018 3.560% 09/01/2021								
08/01/20	08/25/20	FHMS KP05 A	3137FKK39	109.19	109.19	0.00	109.19	0.00	0.00	
		DTD 12/01/2018 3.203% 07/01/2023								
08/15/20	08/15/20	HAROT 2018-4 A3	43815AAC6	10,366.42	10,366.42	0.00	10,366.42	1.55	0.00	
		DTD 11/28/2018 3.160% 01/15/2023								
08/15/20	08/15/20	TAOT 2018-A A3	89238BAD4	5,847.27	5,847.27	0.00	5,847.27	0.07	0.00	
		DTD 01/31/2018 2.350% 05/16/2022								
08/18/20	08/18/20	HAROT 2017-3 A3	43814PAC4	2,951.60	2,951.60	0.00	2,951.60	0.32	0.00	
		DTD 09/29/2017 1.790% 09/18/2021								
Transaction Type Sub-Total				31,700.67	31,700.67	0.00	31,700.67	(204.62)	0.00	
SELL										
08/19/20	08/21/20	US TREASURY N/B NOTES	912828R69	100,000.00	104,062.50	364.07	104,426.57	6,468.75	5,699.53	FIFO
		DTD 05/31/2016 1.625% 05/31/2023								
08/19/20	08/21/20	US TREASURY N/B NOTES	912828R69	325,000.00	338,203.13	1,183.23	339,386.36	22,051.75	19,111.93	FIFO
		DTD 05/31/2016 1.625% 05/31/2023								
08/19/20	08/21/20	US TREASURY N/B NOTES	912828R69	325,000.00	338,203.12	1,183.23	339,386.35	24,997.07	20,925.98	FIFO
		DTD 05/31/2016 1.625% 05/31/2023								
Transaction Type Sub-Total				750,000.00	780,468.75	2,730.53	783,199.28	53,517.57	45,737.44	
Managed Account Sub-Total					47,210.82	67,859.96	115,070.78	53,312.95	45,737.44	



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2020**

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

Total Security Transactions	\$47,210.82	\$67,859.96	\$115,070.78	\$53,312.95	\$45,737.44
-----------------------------	-------------	-------------	--------------	-------------	-------------



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2020**

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										
07/01/20	07/06/20	US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	325,000.00	(346,226.56)	(92.73)	(346,319.29)			
07/06/20	07/08/20	CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 07/08/2020 0.650% 07/07/2023	14913R2D8	200,000.00	(199,888.00)	0.00	(199,888.00)			
07/08/20	07/15/20	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	(89,993.21)	0.00	(89,993.21)			
07/10/20	07/14/20	SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	(250,000.00)	0.00	(250,000.00)			
07/10/20	07/16/20	UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	70,000.00	(70,000.00)	0.00	(70,000.00)			
07/14/20	07/22/20	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	(129,977.72)	0.00	(129,977.72)			
07/21/20	07/23/20	FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	325,000.00	(323,381.50)	0.00	(323,381.50)			

Transaction Type Sub-Total				1,390,000.00	(1,409,466.99)	(92.73)	(1,409,559.72)
-----------------------------------	--	--	--	---------------------	-----------------------	----------------	-----------------------

INTEREST										
07/01/20	07/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	62,510.90	0.00	166.85	166.85			
07/01/20	07/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/25/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
07/01/20	07/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FO3V3	76,550.68	0.00	133.45	133.45			
07/01/20	07/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	90,330.16	0.00	280.96	280.96			
07/01/20	07/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
07/06/20	07/06/20	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			
07/08/20	07/08/20	GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	0.00	4,812.50	4,812.50			



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2020**

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										
07/14/20	07/14/20	FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	625,000.00	0.00	3,515.63	3,515.63			
07/15/20	07/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	225,000.00	0.00	592.50	592.50			
07/15/20	07/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	5,383.80	0.00	7.99	7.99			
07/15/20	07/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	57,085.81	0.00	111.79	111.79			
07/15/20	07/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75	603.75			
07/15/20	07/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
07/18/20	07/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	15,235.28	0.00	22.73	22.73			
07/20/20	07/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	0.00	192.71	192.71			
07/23/20	07/23/20	INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	0.00	6,875.00	6,875.00			
07/23/20	07/23/20	PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	0.00	4,375.00	4,375.00			
Transaction Type Sub-Total				3,537,096.63	0.00	26,170.07	26,170.07			
PAYDOWNS										
07/01/20	07/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	6,557.47	6,557.47	0.00	6,557.47	(130.43)	0.00	
07/01/20	07/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	114.01	114.01	0.00	114.01	0.00	0.00	
07/01/20	07/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/25/2024	3137FQ3V3	143.39	143.39	0.00	143.39	0.00	0.00	
07/15/20	07/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	5,836.91	5,836.91	0.00	5,836.91	0.07	0.00	
07/15/20	07/15/20	ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	5,383.80	5,383.80	0.00	5,383.80	0.64	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2020**

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										
07/18/20	07/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	2,921.66	2,921.66	0.00	2,921.66	0.32	0.00	
Transaction Type Sub-Total				20,957.24	20,957.24	0.00	20,957.24	(129.40)	0.00	
SELL										
07/06/20	07/08/20	CATERPILLAR FINL SERVICE NOTE DTD 09/07/2017 1.850% 09/04/2020	14913Q2A6	185,000.00	185,456.95	1,178.86	186,635.81	612.35	465.20	FIFO
07/08/20	07/15/20	US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	75,000.00	75,796.88	126.79	75,923.67	2,745.12	1,202.76	FIFO
07/10/20	07/14/20	SUMITOMO MITSUI BANK NY CERT DEPOS DTD 10/18/2018 3.390% 10/16/2020	86565BPC9	250,000.00	252,040.00	2,095.21	254,135.21	2,380.00	2,083.84	FIFO
07/10/20	07/16/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	50,000.00	52,095.70	102.12	52,197.82	3,910.15	3,326.05	FIFO
07/14/20	07/22/20	US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	125,000.00	126,318.36	244.19	126,562.55	4,565.43	1,980.04	FIFO
07/21/20	07/23/20	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	325,000.00	347,838.87	406.25	348,245.12	16,262.70	17,269.65	FIFO
Transaction Type Sub-Total				1,010,000.00	1,039,546.76	4,153.42	1,043,700.18	30,475.75	26,327.54	
Managed Account Sub-Total					(348,962.99)	30,230.76	(318,732.23)	30,346.35	26,327.54	
Total Security Transactions					(348,962.99)	\$30,230.76	(\$318,732.23)	\$30,346.35	\$26,327.54	

Employment Risk Management Authority

Cash & Investment Report

December 31, 2020

Accounts	Book Value	Market Value *	% of Total	Effective Yield
California Bank & Trust - Administration ¹	\$ 3,506	\$ 3,506	0.01%	0.00%
California Bank & Trust - General Operating ¹	860,495	860,495	2.44%	0.00%
California Bank & Trust - Claims Payment ²	(15,192)	(15,192)	-0.04%	0.00%
Local Agency Investment Fund	8,120,918	8,139,364	23.10%	0.63%
CAMP - Liquidity Account	10,000	10,000	0.03%	0.12%
CAMP - Money Market	202,513	202,513	0.57%	0.12%
CAMP - Investments managed by PFM	25,473,942	26,038,096	73.89%	1.60%
Total	\$ 34,656,182	\$ 35,238,782		1.36%

* 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), Local Agency Investment Fund (LAIF), and CAMP Liquidity Account 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.

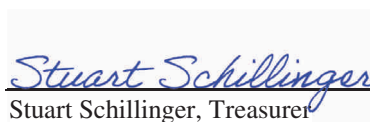
This report reflects all cash and investments and is in conformity with the investment policy of the Authority. The investment program shown herein is sufficient to meet the Authority's expenditure requirements over the next six months.

Respectfully submitted,



Jim Elledge, Interim Finance Manager

Accepted,


Stuart Schillinger, Treasurer

California State Treasurer
Fiona Ma, CPA



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

January 06, 2021

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type](#)
[Definitions](#)

Account Number: 35-34-011

December 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
12/16/2020	12/15/2020	RW	1661823	1621951	ALANA THEISS	-300,000.00
12/23/2020	12/22/2020	RW	1662347	1622475	ALANA THEISS	-420,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	8,840,918.43
Total Withdrawal:	-720,000.00	Ending Balance:	8,120,918.43

ERMA
LAIF Market Value
12/31/2020

Adjustment for Market Value

LAIF Statement Balance	\$ 8,120,918.43
Fair Value Factor per LAIF Performance Report	<u>1.002271318</u>
Adjusted Market Value	<u><u>\$ 8,139,363.62</u></u>



PMIA/LAIF Performance Report as of 01/15/21



PMIA Average Monthly Effective Yields⁽¹⁾

Dec	0.540
Nov	0.576
Oct	0.620

Quarterly Performance Quarter Ended 12/31/20

LAIF Apportionment Rate ⁽²⁾ :	0.63
LAIF Earnings Ratio ⁽²⁾ :	0.00001719170547343
LAIF Fair Value Factor ⁽¹⁾ :	1.002271318
PMIA Daily ⁽¹⁾ :	0.49%
PMIA Quarter to Date ⁽¹⁾ :	0.58%
PMIA Average Life ⁽¹⁾ :	165

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 12/31/20 \$107.4 billion

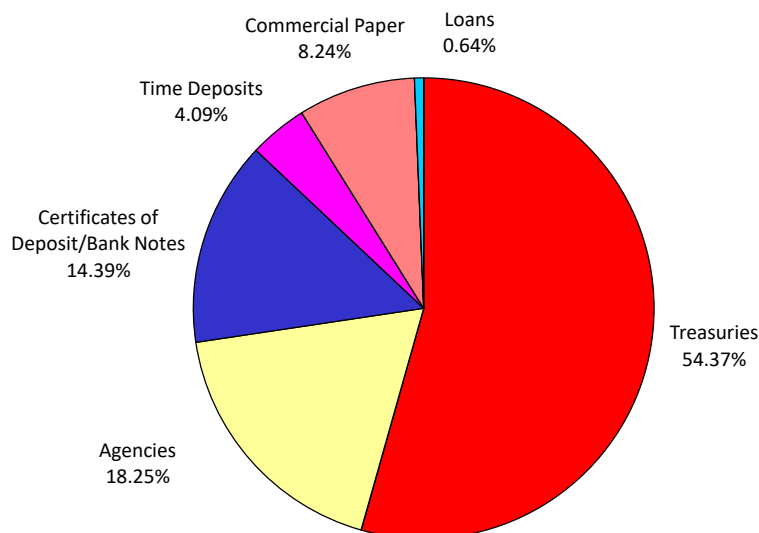


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller

California State Treasurer
Fiona Ma, CPA



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

December 01,
2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type](#)
[Definitions](#)

Account Number: 35-34-011

November 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
11/19/2020	11/18/2020	RW	1660331	1620459	ALANA THEISS	-45,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	8,885,918.43
Total Withdrawal:	-45,000.00	Ending Balance:	8,840,918.43

California State Treasurer
Fiona Ma, CPA



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

November 02,
2020

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type](#)
[Definitions](#)

Account Number: 35-34-011

October 2020 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
10/15/2020	10/14/2020	QRD	1656531	N/A	SYSTEM	16,162.06
10/19/2020	10/16/2020	RW	1658463	1618575	ALANA THEISS	-285,000.00

Account Summary

Total Deposit:	16,162.06	Beginning Balance:	9,154,756.37
Total Withdrawal:	-285,000.00	Ending Balance:	8,885,918.43



Account Statement

For the Month Ending **December 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					9,998.47
12/31/20	01/04/21	Accrual Income Div Reinvestment - Distributions	1.00	1.03	9,999.50
Closing Balance					9,999.50

	Month of December	Fiscal YTD January-December		
Opening Balance	9,998.47	2,667,271.71	Closing Balance	9,999.50
Purchases	1.03	12,727.79	Average Monthly Balance	9,998.50
Redemptions (Excl. Checks)	0.00	(2,670,000.00)	Monthly Distribution Yield	0.12%
Check Disbursements	0.00	0.00		
Closing Balance	9,999.50	9,999.50		
Cash Dividends and Income	1.03	12,727.79		



Account Statement

For the Month Ending **November 30, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					9,997.36
11/30/20	12/01/20	Accrual Income Div Reinvestment - Distributions	1.00	1.11	9,998.47
Closing Balance					9,998.47

	Month of November	Fiscal YTD January-November		
Opening Balance	9,997.36	2,667,271.71	Closing Balance	9,998.47
Purchases	1.11	12,726.76	Average Monthly Balance	9,997.40
Redemptions (Excl. Checks)	0.00	(2,670,000.00)	Monthly Distribution Yield	0.14%
Check Disbursements	0.00	0.00		
Closing Balance	9,998.47	9,998.47		
Cash Dividends and Income	1.11	12,726.76		



Account Statement

For the Month Ending **October 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - Liquidity Account - 596-01

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					9,995.76
10/30/20	11/02/20	Accrual Income Div Reinvestment - Distributions	1.00	1.60	9,997.36
Closing Balance					9,997.36

	Month of October	Fiscal YTD January-October		
Opening Balance	9,995.76	2,667,271.71	Closing Balance	9,997.36
Purchases	1.60	12,725.65	Average Monthly Balance	9,995.86
Redemptions (Excl. Checks)	0.00	(2,670,000.00)	Monthly Distribution Yield	0.19%
Check Disbursements	0.00	0.00		
Closing Balance	9,997.36	9,997.36		
Cash Dividends and Income	1.60	12,725.65		



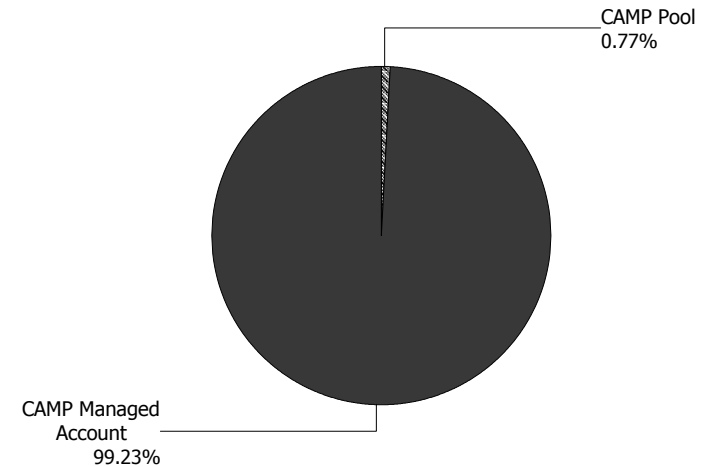
Account Statement - Transaction Summary

For the Month Ending **December 31, 2020**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

CAMP Pool	
Opening Market Value	229,752.51
Purchases	627,771.25
Redemptions	(655,010.97)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$202,512.79
Cash Dividends and Income	20.12
CAMP Managed Account	
Opening Market Value	26,108,358.20
Purchases	499,752.50
Redemptions	(566,850.98)
Unsettled Trades	0.00
Change in Value	(3,163.63)
Closing Market Value	\$26,038,096.09
Cash Dividends and Income	69,010.67

Asset Summary		
	December 31, 2020	November 30, 2020
CAMP Pool	202,512.79	229,752.51
CAMP Managed Account	26,038,096.09	26,108,358.20
Total	\$26,240,608.88	\$26,338,110.71
Asset Allocation		





Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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 05/31/2016 1.375% 05/31/2021	912828R77	150,000.00	AA+	Aaa	03/15/17	03/17/17	146,103.52	2.02	181.32	149,619.48	150,750.00
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	410,000.00	AA+	Aaa	12/01/16	12/05/16	411,217.19	1.93	2,786.19	410,170.27	415,060.96
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	900,872.16	911,109.42
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	1,101,903.65	1,113,578.18
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	548,272.05	555,156.25
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	275,000.00	AA+	Aaa	01/03/18	01/04/18	271,508.79	2.18	883.12	273,928.51	281,359.38
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	519,617.01	537,140.62
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	593,618.17	613,875.00
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	AA+	Aaa	09/05/18	09/07/18	431,121.09	2.76	2,762.06	442,241.00	460,898.46
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	100,000.00	AA+	Aaa	06/03/19	06/07/19	99,214.84	1.83	142.86	99,524.80	103,562.50
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	325,000.00	AA+	Aaa	07/01/19	07/03/19	322,854.49	1.78	904.52	323,598.16	338,507.81
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	450,000.00	AA+	Aaa	10/02/19	10/04/19	452,583.98	1.48	1,252.42	451,793.85	468,703.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	300,000.00	AA+	Aaa	02/03/20	02/07/20	308,144.53	1.36	16.57	306,475.03	318,656.25
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	350,000.00	AA+	Aaa	03/02/20	03/06/20	367,048.83	0.85	19.34	363,794.74	371,765.62



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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 N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	AA+	Aaa	01/02/20	01/07/20	659,572.27	1.66	35.91	657,465.90	690,421.88
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	950,000.00	AA+	Aaa	11/01/19	11/06/19	969,222.66	1.55	52.49	964,445.30	1,009,078.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,200,000.00	AA+	Aaa	12/02/19	12/05/19	1,218,000.00	1.66	66.30	1,213,761.53	1,274,625.00
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	175,000.00	AA+	Aaa	08/05/20	08/07/20	187,044.92	0.18	8.46	185,943.11	185,335.94
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	325,000.00	AA+	Aaa	07/01/20	07/06/20	346,226.56	0.28	15.71	343,908.35	344,195.31
Security Type Sub-Total		9,785,000.00					9,838,945.70	1.76	27,508.67	9,850,953.07	10,143,779.84
Supra-National Agency Bond / Note											
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	149,967.48	151,049.10
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	6,034.72	499,782.90	507,167.50
INTER-AMERICAN DEVEL BK CORPORATE NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	125,000.00	AAA	Aaa	04/17/20	04/24/20	124,957.50	0.51	64.24	124,967.02	125,817.50
INTL BK RECON & DEVELOP CORPORATE NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	400,000.00	AAA	Aaa	11/17/20	11/24/20	399,140.00	0.32	102.78	399,169.84	400,258.00
Security Type Sub-Total		1,175,000.00					1,172,597.50	1.72	6,989.24	1,173,887.24	1,184,292.10
Municipal Bond / Note											



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	50,000.00	A	A1	05/29/20	06/11/20	50,000.00	2.00	555.00	50,000.00	52,030.50
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	AA-	Aa1	11/06/19	12/05/19	60,000.00	2.10	525.25	60,000.00	63,060.60
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	125,000.00	NR	Aa2	10/16/20	10/29/20	125,000.00	0.70	151.13	125,000.00	124,582.50
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	250,000.00	AA+	NR	12/16/20	12/23/20	250,000.00	0.87	48.33	250,000.00	250,370.00
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	70,000.00	AA	Aa2	07/10/20	07/16/20	70,000.00	0.88	78.98	70,000.00	71,094.10
CT ST T/E GO BONDS DTD 06/25/2020 2.000% 06/01/2025	20772KKK4	70,000.00	A	A1	06/12/20	06/25/20	73,567.90	0.94	116.67	73,191.71	73,349.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	50,000.00	AA	Aa3	09/03/20	09/16/20	50,353.50	1.11	183.46	50,331.87	51,134.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	65,000.00	AA	Aa3	09/03/20	09/16/20	65,430.95	1.12	238.50	65,404.59	66,474.85
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	125,000.00	AA	Aa3	09/03/20	09/16/20	125,000.00	1.26	458.65	125,000.00	127,836.25
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	80,000.00	AAA	Aa1	08/11/20	08/25/20	80,000.00	0.63	176.40	80,000.00	80,538.40
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	100,000.00	AA+	Aaa	10/30/20	11/10/20	100,000.00	0.77	109.51	100,000.00	101,310.00
Security Type Sub-Total		1,045,000.00					1,049,352.35	1.03	2,641.88	1,048,928.17	1,061,781.20
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	60,018.61	AA+	Aaa	04/11/18	04/30/18	61,212.45	2.93	178.06	60,256.40	60,151.54
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	AA+	Aaa	04/04/18	04/09/18	131,107.03	2.88	334.75	130,405.56	133,487.03



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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											
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	17,123.97	AA+	Aaa	12/07/18	12/17/18	17,123.92	3.20	45.71	17,123.94	17,574.14
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	71,645.48	AA+	Aaa	11/20/19	11/26/19	71,643.74	2.09	124.90	71,644.16	73,627.40
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	AA+	Aaa	03/19/20	03/25/20	183,667.97	1.95	446.54	182,240.19	191,495.37
Security Type Sub-Total		453,788.06					464,755.11	2.40	1,129.96	461,670.25	476,335.48
Federal Agency Bond / Note											
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	3,261.72	624,595.99	628,386.88
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	250,000.00	AA+	Aaa	05/05/20	05/07/20	249,895.00	0.39	145.83	249,917.96	251,267.00
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	750,000.00	AA+	Aaa	08/19/20	08/21/20	749,235.00	0.28	677.09	749,327.66	751,232.25
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	225,000.00	AA+	Aaa	09/02/20	09/04/20	225,041.09	0.24	182.81	225,036.64	225,315.00
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	300,000.00	AA+	Aaa	09/02/20	09/04/20	299,901.00	0.26	243.75	299,911.72	300,420.00
FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	250,000.00	AA+	Aaa	10/14/20	10/16/20	249,067.50	0.25	65.10	249,133.07	249,427.50
FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	275,000.00	AA+	Aaa	11/03/20	11/05/20	274,752.50	0.28	106.94	274,765.37	275,330.00
FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	250,000.00	AA+	Aaa	11/23/20	11/25/20	249,715.00	0.29	62.50	249,724.61	250,306.25
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAFA2	250,000.00	AA+	Aaa	12/02/20	12/04/20	249,752.50	0.28	46.88	249,758.83	250,308.25



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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 Bond / Note											
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	250,000.00	AA+	Aaa	04/15/20	04/16/20	248,760.00	0.60	267.36	248,936.75	251,353.00
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	250,000.00	AA+	Aaa	04/22/20	04/24/20	249,485.00	0.67	299.48	249,556.15	252,691.75
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	325,000.00	AA+	Aaa	07/21/20	07/23/20	323,381.50	0.48	534.90	323,525.25	324,599.93
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	275,000.00	AA+	Aaa	08/25/20	08/27/20	273,713.00	0.47	355.21	273,802.61	274,402.15
FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	115,000.00	AA+	Aaa	09/10/20	09/11/20	114,655.00	0.44	131.77	114,676.24	114,748.61
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	275,000.00	AA+	Aaa	09/23/20	09/25/20	274,172.25	0.44	275.00	274,216.72	274,263.83
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	275,000.00	AA+	Aaa	11/09/20	11/12/20	274,015.50	0.57	187.15	274,042.53	275,758.45
Security Type Sub-Total		4,940,000.00					4,926,741.22	0.49	6,843.49	4,930,928.10	4,949,810.85
Corporate Note											
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A	A2	02/01/18	02/06/18	249,877.50	2.67	2,686.81	249,996.08	250,525.00
NATIONAL RURAL UTIL COOP NOTE 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	99,992.72	100,499.90
NATIONAL RURAL UTIL COOP NOTE 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	149,956.34	150,749.85
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	164,997.33	165,587.40
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A2	11/01/17	11/03/17	25,194.00	2.39	131.25	25,016.59	25,171.45



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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 NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	150,000.00	A	A1	05/17/16	05/20/16	150,319.50	2.00	495.42	150,016.52	150,747.75
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	525.00	149,980.78	150,749.55
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	99,991.60	101,051.20
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	69,979.95	70,453.53
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	159,999.39	161,402.08
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	224,791.16	230,331.83
PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	A+	A1	02/22/19	03/01/19	49,956.00	2.88	475.00	49,982.98	51,496.75
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A2	05/14/18	05/17/18	50,000.00	3.50	213.83	50,000.00	50,563.60
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	A-	A2	03/15/19	03/22/19	250,000.00	3.21	2,004.38	250,000.00	258,604.50
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 07/08/2020 0.650% 07/07/2023	14913R2D8	200,000.00	A	A3	07/06/20	07/08/20	199,888.00	0.67	624.72	199,906.12	201,507.60
PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	A-	A3	02/12/19	02/15/19	251,780.00	3.34	3,840.28	251,102.75	272,350.25
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	250,000.00	BBB+	A2	07/19/19	07/23/19	264,322.50	2.59	1,668.40	259,981.35	276,332.25
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	250,000.00	A-	A3	07/11/19	07/15/19	248,760.00	2.51	66.67	249,127.41	265,720.00



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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											
GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A3	07/08/19	07/11/19	261,645.00	2.84	4,625.35	258,197.47	273,585.25
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	A-	A3	08/01/19	08/05/19	250,415.00	2.46	2,604.17	250,297.76	266,146.00
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	BBB+	A2	09/03/19	09/06/19	248,980.00	1.84	1,470.49	249,250.69	260,274.25
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	A	A1	01/21/20	01/28/20	100,440.00	2.00	390.83	100,353.83	106,451.00
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	25,000.00	A+	A1	05/21/20	05/26/20	25,348.00	1.49	172.50	25,303.59	26,176.15
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	05/20/20	05/26/20	50,488.50	1.58	345.00	50,426.16	52,352.30
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	125,000.00	A+	A1	05/20/20	05/26/20	126,221.25	1.58	862.50	126,065.41	130,880.75
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	450,000.00	AA+	Aa1	05/11/20	05/13/20	450,904.50	1.08	703.13	450,787.03	462,072.60
Security Type Sub-Total		4,345,000.00					4,372,151.60	2.35	30,768.70	4,365,501.01	4,511,782.79
Certificate of Deposit											
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	A-1+	P-1	06/07/18	06/08/18	425,000.00	3.24	918.00	425,000.00	430,891.35
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	200,000.00	A+	Aa3	08/05/20	08/07/20	200,000.00	0.52	424.67	200,000.00	200,359.60
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	250,000.00	A	A1	02/27/19	02/28/19	250,000.00	2.96	6,415.28	250,000.00	258,119.25



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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											
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	A	A1	07/10/20	07/14/20	250,000.00	0.70	831.25	250,000.00	250,656.50
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	AA-	Aa3	08/27/19	08/29/19	250,000.00	1.84	1,644.44	250,000.00	256,858.50
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A+	Aa2	08/29/19	09/03/19	250,000.00	1.85	1,653.33	250,000.00	256,899.50
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	AA-	Aa2	12/04/19	12/06/19	250,000.00	2.03	425.00	250,000.00	258,854.25
Security Type Sub-Total		1,875,000.00					1,875,000.00	2.05	12,311.97	1,875,000.00	1,912,638.95
Asset-Backed Security											
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	24,689.77	AAA	Aaa	01/23/18	01/31/18	24,689.48	2.35	25.79	24,689.68	24,792.82
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	155,611.19	AAA	Aaa	11/20/18	11/28/18	155,587.93	3.16	218.55	155,599.72	157,879.95
NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	184,435.86	AAA	Aaa	12/04/18	12/12/18	184,400.52	3.22	263.95	184,416.64	187,641.26
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	AAA	Aaa	01/21/20	01/29/20	124,985.36	1.85	70.66	124,988.38	127,710.18
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	AAA	NR	08/28/19	09/05/19	499,874.10	1.73	382.22	499,907.84	512,213.95
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	AAA	NR	09/22/20	09/29/20	114,983.11	0.37	15.37	114,984.18	115,187.52
GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	AAA	Aaa	09/22/20	09/29/20	64,990.90	0.51	10.13	64,991.48	65,248.11
BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	AAA	NR	07/08/20	07/15/20	89,993.21	0.48	7.20	89,993.95	90,407.06
CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	AAA	NR	07/14/20	07/22/20	129,977.72	0.62	35.82	129,979.86	130,717.28



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2020**

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											
GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	NR	Aaa	08/11/20	08/19/20	149,965.68	0.46	28.13	149,968.40	150,510.57
VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	AAA	NR	11/24/20	12/03/20	149,968.98	0.45	20.63	149,969.51	150,340.34
CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	AAA	NR	10/14/20	10/21/20	84,981.29	0.50	18.89	84,982.06	85,025.84
Security Type Sub-Total		1,774,736.82					1,774,398.28	1.48	1,097.34	1,774,471.70	1,797,674.88
Managed Account Sub-Total		25,393,524.88					25,473,941.76	1.60	89,291.25	25,481,339.54	26,038,096.09
Money Market Mutual Fund											
CAMP Pool		202,512.79	AAAm	NR			202,512.79		0.00	202,512.79	202,512.79
Money Market Sub-Total		202,512.79					202,512.79		0.00	202,512.79	202,512.79
Securities Sub-Total		\$25,596,037.67					\$25,676,454.55	1.60%	\$89,291.25	\$25,683,852.33	\$26,240,608.88
Accrued Interest											\$89,291.25
Total Investments											\$26,329,900.13



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2020**

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										
11/24/20	12/03/20	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	(149,968.98)	0.00	(149,968.98)			
12/02/20	12/04/20	FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAFA2	250,000.00	(249,752.50)	0.00	(249,752.50)			
12/16/20	12/23/20	NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	250,000.00	(250,000.00)	0.00	(250,000.00)			
Transaction Type Sub-Total				650,000.00	(649,721.48)	0.00	(649,721.48)			
INTEREST										
12/01/20	12/01/20	CT ST T/E GO BONDS DTD 06/25/2020 2.000% 06/01/2025	20772KKK4	70,000.00	0.00	606.67	606.67			
12/01/20	12/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	34,364.75	0.00	91.73	91.73			
12/01/20	12/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	73,962.55	0.00	161.33	161.33			
12/01/20	12/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
12/01/20	12/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
12/01/20	12/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	64,911.49	0.00	192.95	192.95			
12/02/20	12/02/20	DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	0.00	2,592.50	2,592.50			
12/07/20	12/07/20	ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	0.00	6,885.00	6,885.00			
12/15/20	12/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
12/15/20	12/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	169,094.45	0.00	445.28	445.28			
12/15/20	12/15/20	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	0.00	35.42	35.42			
12/15/20	12/15/20	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	0.00	67.17	67.17			



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2020**

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										
12/15/20	12/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	198,072.37	0.00	531.49	531.49			
12/15/20	12/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	29,373.22	0.00	57.52	57.52			
12/16/20	12/16/20	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	0.00	56.25	56.25			
12/18/20	12/18/20	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	0.00	35.46	35.46			
12/18/20	12/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	1,661.48	0.00	2.48	2.48			
12/20/20	12/20/20	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	0.00	31.88	31.88			
12/20/20	12/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	0.00	192.71	192.71			
12/20/20	12/20/20	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	0.00	27.63	27.63			
12/25/20	12/25/20	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	0.00	36.00	36.00			
12/27/20	12/29/20	AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	250,000.00	0.00	3,000.00	3,000.00			
12/31/20	12/31/20	US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	500,000.00	0.00	4,375.00	4,375.00			
12/31/20	12/31/20	US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	3,450,000.00	0.00	34,500.00	34,500.00			
Transaction Type Sub-Total				7,231,440.31	0.00	55,422.43	55,422.43			
MATURITY										
12/15/20	12/15/20	WAL-MART STORES INC CORP NOTE DTD 10/20/2017 1.900% 12/15/2020	931142EA7	250,000.00	250,000.00	2,375.00	252,375.00	362.50	0.00	
Transaction Type Sub-Total				250,000.00	250,000.00	2,375.00	252,375.00	362.50	0.00	
PAYDOWNS										



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2020**

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										
12/01/20	12/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	2,317.07	2,317.07	0.00	2,317.07	0.06	0.00	
12/01/20	12/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	4,892.88	4,892.88	0.00	4,892.88	(97.32)	0.00	
12/01/20	12/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	17,240.78	17,240.78	0.00	17,240.78	0.06	0.00	
12/15/20	12/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	13,636.51	13,636.51	0.00	13,636.51	2.61	0.00	
12/15/20	12/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	13,483.26	13,483.26	0.00	13,483.26	2.02	0.00	
12/15/20	12/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	4,683.45	4,683.45	0.00	4,683.45	0.05	0.00	
12/18/20	12/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	1,661.48	1,661.48	0.00	1,661.48	0.18	0.00	
Transaction Type Sub-Total				57,915.43	57,915.43	0.00	57,915.43	(92.34)	0.00	
SELL										
12/02/20	12/04/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	250,000.00	258,935.55	44.64	258,980.19	10,898.44	10,161.34	FIFO
Transaction Type Sub-Total				250,000.00	258,935.55	44.64	258,980.19	10,898.44	10,161.34	
Managed Account Sub-Total					(82,870.50)	57,842.07	(25,028.43)	11,168.60	10,161.34	
Total Security Transactions					(82,870.50)	57,842.07	(25,028.43)	\$11,168.60	\$10,161.34	



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2020**

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
BUY										
10/30/20	11/10/20	LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	100,000.00	(100,000.00)	0.00	(100,000.00)			
11/03/20	11/05/20	FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	275,000.00	(274,752.50)	0.00	(274,752.50)			
11/09/20	11/12/20	FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	275,000.00	(274,015.50)	0.00	(274,015.50)			
11/17/20	11/24/20	INTL BK RECON & DEVELOP CORPORATE NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	400,000.00	(399,140.00)	0.00	(399,140.00)			
11/23/20	11/25/20	FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	250,000.00	(249,715.00)	0.00	(249,715.00)			
11/24/20	12/03/20	VWALT 2020-A A4 DTD 12/03/2020 0.820% 07/21/2025	92868VAD1	150,000.00	(149,968.98)	0.00	(149,968.98)			
Transaction Type Sub-Total				1,450,000.00	(1,447,591.98)	0.00	(1,447,591.98)			
INTEREST										
11/01/20	11/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	34,425.10	0.00	91.89	91.89			
11/01/20	11/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	67,413.41	0.00	200.48	200.48			
11/01/20	11/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
11/01/20	11/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
11/01/20	11/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	74,092.61	0.00	129.17	129.17			
11/03/20	11/03/20	BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	150,000.00	0.00	1,537.50	1,537.50			
11/05/20	11/05/20	FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	250,000.00	0.00	463.54	463.54			



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2020**

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

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	11/05/20	11/05/20	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			
	11/11/20	11/11/20	APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	450,000.00	0.00	2,531.25	2,531.25			
	11/15/20	11/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	34,376.62	0.00	67.32	67.32			
	11/15/20	11/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	183,781.12	0.00	483.96	483.96			
	11/15/20	11/15/20	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	0.00	67.17	67.17			
	11/15/20	11/15/20	UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	70,000.00	0.00	204.32	204.32			
	11/15/20	11/15/20	HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	0.00	1,550.00	1,550.00			
	11/15/20	11/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
	11/15/20	11/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	212,643.81	0.00	570.59	570.59			
	11/15/20	11/15/20	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	0.00	28.33	28.33			
	11/16/20	11/16/20	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	0.00	56.25	56.25			
	11/17/20	11/17/20	BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	0.00	874.75	874.75			
	11/18/20	11/18/20	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	0.00	35.46	35.46			
	11/18/20	11/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	4,137.96	0.00	6.17	6.17			
	11/19/20	11/19/20	STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	0.00	682.50	682.50			
	11/20/20	11/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	0.00	192.71	192.71			



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2020**

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										
11/20/20	11/20/20	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	0.00	27.63	27.63			
11/21/20	11/21/20	CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	0.00	2,600.00	2,600.00			
11/24/20	11/24/20	INTER-AMERICAN DEVEL BK CORPORATE NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	125,000.00	0.00	312.50	312.50			
11/25/20	11/25/20	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	0.00	36.00	36.00			
11/30/20	11/30/20	US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	150,000.00	0.00	1,031.25	1,031.25			
11/30/20	11/30/20	US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	350,000.00	0.00	2,843.75	2,843.75			
Transaction Type Sub-Total				4,250,870.63	0.00	19,809.95	19,809.95			
MATURITY										
11/09/20	11/09/20	INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	500,000.00	500,000.00	5,312.50	505,312.50	(4,634.55)	0.00	
11/13/20	11/13/20	PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	125,000.00	125,000.00	1,281.25	126,281.25	11.25	0.00	
11/15/20	11/15/20	US TREASURY NOTES DTD 11/15/2010 2.625% 11/15/2020	912828PC8	35,000.00	35,000.00	459.38	35,459.38	(2,171.09)	0.00	
11/16/20	11/16/20	SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	500,000.00	500,000.00	5,738.06	505,738.06	0.00	0.00	
Transaction Type Sub-Total				1,160,000.00	1,160,000.00	12,791.19	1,172,791.19	(6,794.39)	0.00	
PAYDOWNS										
11/01/20	11/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	60.35	60.35	0.00	60.35	0.00	0.00	
11/01/20	11/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	130.06	130.06	0.00	130.06	0.00	0.00	
11/01/20	11/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	2,501.92	2,501.92	0.00	2,501.92	(49.77)	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2020**

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										
11/15/20	11/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	14,686.67	14,686.67	0.00	14,686.67	2.20	0.00	
11/15/20	11/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	14,571.44	14,571.44	0.00	14,571.44	2.79	0.00	
11/15/20	11/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	5,003.40	5,003.40	0.00	5,003.40	0.06	0.00	
11/18/20	11/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	2,476.48	2,476.48	0.00	2,476.48	0.27	0.00	
Transaction Type Sub-Total				39,430.32	39,430.32	0.00	39,430.32	(44.45)	0.00	
SELL										
11/03/20	11/05/20	US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	175,000.00	176,271.48	1,038.76	177,310.24	5,817.38	1,884.11	FIFO
Transaction Type Sub-Total				175,000.00	176,271.48	1,038.76	177,310.24	5,817.38	1,884.11	
Managed Account Sub-Total					(71,890.18)	33,639.90	(38,250.28)	(1,021.46)	1,884.11	
Total Security Transactions					(71,890.18)	33,639.90	(38,250.28)	(1,021.46)	1,884.11	

Bolded items are forward settling trades.



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2020**

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										
10/14/20	10/16/20	FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	250,000.00	(249,067.50)	0.00	(249,067.50)			
10/14/20	10/21/20	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	(84,981.29)	0.00	(84,981.29)			
10/16/20	10/29/20	SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	125,000.00	(125,000.00)	0.00	(125,000.00)			
10/30/20	11/10/20	LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	100,000.00	(100,000.00)	0.00	(100,000.00)			
Transaction Type Sub-Total				560,000.00	(559,048.79)	0.00	(559,048.79)			
INTEREST										
10/01/20	10/01/20	JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	0.00	4,008.75	4,008.75			
10/01/20	10/25/20	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
10/01/20	10/25/20	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	0.00	334.75	334.75			
10/01/20	10/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	34,486.06	0.00	92.05	92.05			
10/01/20	10/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	74,239.31	0.00	129.42	129.42			
10/01/20	10/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	71,227.19	0.00	212.08	212.08			
10/14/20	10/14/20	FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	250,000.00	0.00	618.06	618.06			
10/15/20	10/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	199,226.04	0.00	524.63	524.63			
10/15/20	10/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	39,806.59	0.00	77.95	77.95			
10/15/20	10/15/20	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			



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2020**

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										
10/15/20	10/15/20	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67		716.67		
10/15/20	10/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	225,000.00	0.00	603.75		603.75		
10/15/20	10/15/20	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	0.00	67.17		67.17		
10/16/20	10/16/20	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	0.00	56.25		56.25		
10/18/20	10/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	6,750.28	0.00	10.07		10.07		
10/18/20	10/18/20	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	0.00	22.46		22.46		
10/19/20	10/19/20	BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	0.00	328.13		328.13		
10/19/20	10/19/20	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		
10/20/20	10/20/20	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	0.00	19.34		19.34		
10/20/20	10/20/20	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	0.00	192.71		192.71		
10/22/20	10/22/20	FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	250,000.00	0.00	772.57		772.57		
10/24/20	10/24/20	BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	0.00	1,050.00		1,050.00		
10/25/20	10/25/20	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	0.00	36.00		36.00		
10/29/20	10/29/20	MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	250,000.00	0.00	4,843.75		4,843.75		
10/31/20	10/31/20	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	0.00	3,437.50		3,437.50		
10/31/20	10/31/20	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	1,400,000.00	0.00	13,125.00		13,125.00		



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2020**

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										
10/31/20	10/31/20	US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	775,000.00	0.00	6,296.88	6,296.88			
Transaction Type Sub-Total				6,295,735.47	0.00	41,641.23	41,641.23			
MATURITY										
10/01/20	10/01/20	BANK OF AMERICA CORP (CALLED OMD 10/01/2 DTD 09/18/2017 2.328% 10/01/2020	06051GGS2	175,000.00	175,000.00	2,037.00	177,037.00	0.00	0.00	
10/06/20	10/06/20	MUFG BANK LTD/NY COMM PAPER DTD 01/13/2020 0.000% 10/06/2020	62479LK61	250,000.00	250,000.00	0.00	250,000.00	3,337.50	0.00	
Transaction Type Sub-Total				425,000.00	425,000.00	2,037.00	427,037.00	3,337.50	0.00	
PAYDOWNS										
10/01/20	10/25/20	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	60.96	60.96	0.00	60.96	0.00	0.00	
10/01/20	10/25/20	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	146.70	146.70	0.00	146.70	0.00	0.00	
10/01/20	10/25/20	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	3,813.78	3,813.78	0.00	3,813.78	(75.86)	0.00	
10/15/20	10/15/20	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	15,444.92	15,444.92	0.00	15,444.92	2.31	0.00	
10/15/20	10/15/20	TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	5,429.97	5,429.97	0.00	5,429.97	0.06	0.00	
10/15/20	10/15/20	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	12,356.19	12,356.19	0.00	12,356.19	2.37	0.00	
10/18/20	10/18/20	HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	2,612.32	2,612.32	0.00	2,612.32	0.29	0.00	
Transaction Type Sub-Total				39,864.84	39,864.84	0.00	39,864.84	(70.83)	0.00	
Managed Account Sub-Total					(94,183.95)	43,678.23	(50,505.72)	3,266.67	0.00	
Total Security Transactions					(94,183.95)	\$43,678.23	(\$50,505.72)	\$3,266.67	\$0.00	



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2020**

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

Bolded items are forward settling trades.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

~ STATEMENT OF NET POSITION ~

December 31, 2020

(Unaudited)

ASSETS

CURRENT ASSETS

Cash in Bank	\$	848,808	
Camp Liquidity Account		10,000	
Local Agency Investment Fund		8,120,918	
Market Valuation - LAIF		33,414	
Investments - Managed Portfolio		6,393,498	
Market Valuation - Investments		59,253	
Accounts Receivable - Members		2,004	
Interest Receivable		103,291	
Prepaid Expense		205,906	
Prepaid Insurance		169,320	
TOTAL CURRENT ASSETS			15,946,413

NONCURRENT ASSETS

Investments - Managed Portfolio		19,282,956	
Market Valuation - Investments		504,901	
TOTAL NONCURRENT ASSETS			19,787,857
TOTAL ASSETS			\$ 35,734,270

LIABILITIES AND NET POSITION

CURRENT LIABILITIES

Accounts Payable	\$	337,339	
Unearned Revenue		4,585,685	
Reserve - Claims		3,603,748	
Reserve - IBNR & ULAE		1,456,670	
TOTAL CURRENT LIABILITIES			9,983,442

NONCURRENT LIABILITIES

Reserve - IBNR & ULAE		13,933,571	
TOTAL NONCURRENT LIABILITIES			13,933,571
TOTAL LIABILITIES			23,917,013

NET POSITION

Net Position - Undesignated		9,421,704	
Net Position - Capital Fund		828,307	
TOTAL NET POSITION - BEGINNING OF YEAR			10,250,011
Change in Net Position - Undesignated		1,569,859	
Change in Net Position - Capital Fund		(2,613)	
TOTAL CHANGE IN NET POSITION - CURRENT YEAR			1,567,246
TOTAL NET POSITION - ENDING			\$ 11,817,257

\$ -

EMPLOYMENT RISK MANAGEMENT AUTHORITY
~ STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION ~
For the Quarter Ended December 31, 2020
(Unaudited)

	<u>Actual</u>	<u>2020-21 Budget</u>	<u>% Used</u>	<u>\$ Variance</u>
REVENUES				
Deposit Premium	\$ 4,419,171	\$ 8,838,339	50%	\$ (4,419,169)
Excess Insurance Premium	166,515	333,029	50%	(166,515)
Miscellaneous Income	14,437			14,437
Interest Income	175,461			175,461
TOTAL REVENUES	<u>4,775,583</u>	<u>9,171,368</u>	<u>52%</u>	<u>(4,395,785)</u>
EXPENSES				
Claims Expense				
Claims Paid	\$ 1,587,792 **	\$ 7,778,834 *	33%	(5,187,857)
Incr/(Decr) in Reserves	1,003,185 **			
Excess Insurance	166,515	333,029	50%	(166,515)
Subtotal Claims Expense	<u>2,757,491</u>	<u>8,111,863</u>	<u>34%</u>	<u>(5,354,372)</u>
Loss Prevention & Training				
Employee Reporting	5,478	11,500	48%	(6,022)
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	6,500	0%	(6,500)
Miscellaneous Training Expenses	0	6,000	0%	(6,000)
Attorney / Training Workshops	4,650	88,750	5%	(84,100)
Subtotal Loss Prevention & Training	<u>28,128</u>	<u>148,750</u>	<u>19%</u>	<u>(120,622)</u>
Capital Fund Expenditures				
Training & Risk Management Consortium	7,150			7,150
Subtotal Capital Fund Expenditures	<u>7,150</u>			<u>7,150</u>
General & Administrative Expenses				
Program Management	369,453	738,905	50%	(369,453)
Risk Assessments	0	10,000	0%	(10,000)
Board Meetings & Retreat	0	30,000	0%	(30,000)
Memberships & Conferences	1,105	7,500	15%	(6,395)
Actuarial Study	0	10,450	0%	(10,450)
Legal Services	13,304	50,000	27%	(36,697)
Financial Audit	10,200	10,200	100% +	0
Claims Audit	0	5,900	0%	(5,900)
Accreditation	709	1,500	47%	(792)
Fidelity Bond	641	1,300	49%	(659)
SLIP Insurance	1,404	3,000	47%	(1,596)
Investment Management Services	13,751	32,000	43%	(18,249)
Claims System	2,500	5,000	50%	(2,500)
Miscellaneous	2,503	5,000	50%	(2,497)
Subtotal General & Admin Expenses	<u>415,568</u>	<u>910,755</u>	<u>46%</u>	<u>(495,187)</u>
Dividend Expense - Return of Equity	<u>0</u>	<u>0</u>		<u>0</u>
TOTAL EXPENSES	<u>3,208,337</u>	<u>9,171,368</u>	<u>35%</u>	<u>(5,963,031)</u>
CHANGE IN NET POSITION	<u>\$ 1,567,246</u>	<u>\$ -</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 Exceeded Budgeted Amount"

EMPLOYMENT RISK MANAGEMENT AUTHORITY

~ STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION ADDENDUM ~

Report of Line Items Exceeded Budgeted Amount

For the Quarter Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>% Used</u>	<u>\$ Variance</u>
General & Administrative Expenses				
+ <u>Financial Audit</u>	10,200	10,200	100%	-
<i>Work is performed early in the year and billed based on percentage of completion (i.e. progress billing).</i>				
<hr/>				

Employment Risk Management Authority
Program Net Position by Member
At the Expected Confidence Level
As of December 31, 2020

Member	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	2019/20 Program Year	2020/21 Program Year	Total
BCJPIA	\$ 371,651	\$ 319,764	\$ 45,562	\$ 171,514	\$ 243,679	\$ 28,263	\$ 55,093	\$ 133,247	\$ 133,975	\$ 1,502,749
CalTIP						(417)	2,516	12,411	15,099	29,608
CSJVRMA	686,641	519,096	6,504	299,426	481,818	(50,742)	(5,088)	177,623	226,995	2,342,273
ERMAC					48,708	3,895	10,188	32,921	32,590	128,302
MBASIA	37,045	36,774	408	18,315	23,590	(2,338)	(257)	9,472	12,519	135,528
MPA	532,804	422,615	5,051	267,626	345,384	(34,421)	(3,375)	137,879	185,455	1,859,017
PARSAC	504,794	464,595	63,400	227,832	420,020	42,617	90,381	149,563	184,634	2,147,836
PERMA	469,202	467,336	67,261	192,924	244,697	29,633	80,504	176,253	197,915	1,925,723
PLAN JPA									9,278	9,278
SCORE	34,567	31,832	4,559	17,714	23,763	2,751	6,064	14,419	18,391	154,060
VCJPA	143,267	118,403	1,343	57,954	91,667	(8,674)	(980)	36,985	46,676	486,641
Oakland HA	71,580	55,508	644	25,170	36,641	(4,927)	(440)	16,265	20,763	221,203
Contra Costa County HA	17,276	14,232	144	4,881	7,360	(787)	(76)	2,626	3,688	49,344
Capital Fund										825,694
Total	\$ 2,868,828	\$ 2,450,154	\$ 194,877	\$ 1,283,355	\$ 1,967,327	\$ 4,852	\$ 234,530	\$ 899,664	\$ 1,087,978	\$ 11,817,257

NOTES:

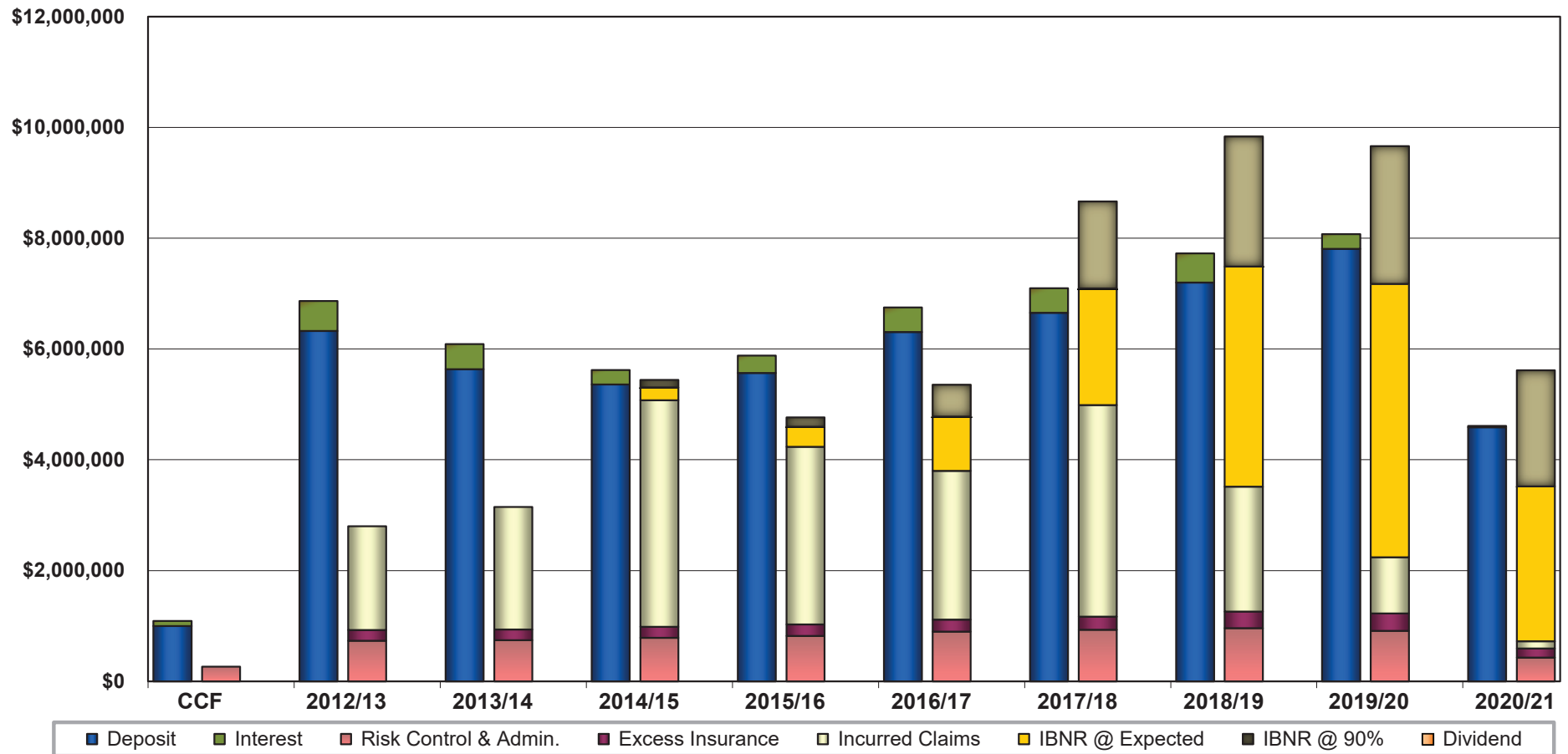
- * ERMA's first three program years, 1999/2000 - 2001/2002 were closed as of June 30, 2008.
- * Program years 2002/2003 and 2003/2004 were closed as of April 1, 2013.
- * Program years 2004/2005 through 2007/2008 were retrospectively adjusted as of June 30, 2013.
- * Program years 2004/2005 and 2005/2006 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.
- * Program year 2011/2012 was closed as of June 11, 2019.
- * Program years 2012/2013 through 2014/2015 were retrospectively adjusted as of June 30, 2020.
- * 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 12/31/20	\$ -	\$ -	\$ 232,930	\$ 360,889	\$ 981,482	\$ 2,106,059	\$ 3,975,428	\$ 4,937,273	\$ 2,796,180	\$ 15,390,241
Net Position @ 90% CL:										
Net Position @ 90% CL:	\$ 2,868,828	\$ 2,450,154	\$ 60,894	\$ 1,116,139	\$ 1,393,294	\$ (1,563,641)	\$ (2,109,888)	\$ (1,584,981)	\$ (1,004,723)	\$ 1,626,075
Assessments / (Dividends):										
Net Assessments										
Net Assessments / Dividends	(\$1,199,128)	(490,071)	(118,139)						<i>From 1999/00 to Present</i>	\$ (18,352,384)
Confidence Level Funding:	80%	80%	80%	80%	80%	80%	80%	80%	80%	

Employment Risk Management Authority

Review of Financial Condition As of December 31, 2020





January 20, 2021

Memorandum

To: Jim Elledge, Interim Finance Manager
Employment Risk Management Authority

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

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 is in compliance with the sections of the California Government Code (the "Code") that govern the investment of public funds. This year, our proposed changes to the Policy are generally minor and are designed to reflect recent updates to Code and/or to provide additional clarity to the Policy.

Additionally, we want to make the Authority aware of several recent changes to the sections of California Government Code that govern the investment of public agency funds.

We have also included a redlined version of the Policy with our proposed modifications.

General Recommended Modifications

Eligible Securities and Criteria

To provide additional clarity, we recommend that the Authority specify that government-sponsored enterprise (GSE) obligations are also included in the general "federal agency" category, and thus, are also exempt from the 5% per issuer limitation.

Information and Recommended Modifications Related to Code Changes

Assembly Bill 857

In last year's review, we made the Authority aware of Assembly Bill No. 857 (AB 857), which took effect on January 1, 2020, and provides for the establishment of public banks by local agencies. AB 857 also added subsection (r) to Code section 53601, which permits local agencies to invest in the commercial paper, debt securities, or other obligations of such public banks.



As we stated last year, we do not recommend that the Authority add this investment type as a permitted investment to its Policy at this time. However, the addition of subsection (r) to Code 53601 impacted the language in Code Section 53601 (p), shares of beneficial interest issued by a joint powers authority (also referred to as Local Government Investment Pools), an investment type currently allowed by the Authority's Policy. We do recommend that the Authority edit its Policy to address this change, and, in the attached blacklined version of the Policy, we have edited the relevant language under *subsection L* of the Eligible Securities and Criteria section of the Policy accordingly.

Senate Bill 998 - Overview

Senate Bill No. 998 (SB 998), which took effect on January 1, 2021, and shall be in effect until January 1, 2026, made a number of amendments to certain sections of the Code which govern the investment of public funds, including:

1. allowing investment in securities issued or backed by the U.S. government that could result in zero or negative interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates;
2. deleting the commercial paper language regarding the issuing corporation's outstanding paper;
3. establishing a 10% issuer limit on commercial paper and corporate notes for all agencies, other than a county or a city and county;
4. allowing local agencies that have more than \$100 million of investment assets under management to invest up to 40% in commercial paper (existing limit is 25% for all agencies, other than a county or a city and county); and
5. adding permission for federally recognized Indian tribes to invest and participate in investment JPAs.

Senate Bill 998 – Analysis & Recommendation

Our analysis and recommendations for the Authority's Policy with respect to each bullet are described below:

1. We recommend that the Authority edit the Prohibited Investments section of its Policy to reflect the fact that, in certain circumstances, public agencies in California may now invest in zero- or negative-interest accrual securities issued or backed by the United States Government. While we do not view



that investment in such security types is likely, we would recommend that the Authority allow these types of investments, in order to better align with Code language, and to provide maximum prudent investment flexibility.

2. With regard to bullet 2, we recommend that the Authority strike the language related to the Authority's holdings of the outstanding commercial paper of a single issuer to be consistent with Code (*Eligible Securities and Criteria, subsection E*).
3. With regard to bullet 3, we are not recommending any changes to the Authority's Policy; we note that the Policy already establishes a more stringent 5% issuer limit across all credit-sensitive security types.
4. With regard to bullet 4, we are not recommending any changes to the Authority's Policy as the Authority's assets under management are less than the \$100 million.
5. The change described in bullet 5 does not impact the Authority's Policy.

We look forward to further discussing these recommendations with you. Please let us know if you have any questions.

6.2. INVESTMENT POLICY

EMPLOYMENT RISK MANAGEMENT AUTHORITY INVESTMENT POLICY Revised February 2021

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/government sponsored enterprise (GSE) 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. 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 (r), 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 mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond.** Securities eligible for investment under this subdivision shall be 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, except that, in the event of, and for the duration of, a period of negative interest rates, the Authority may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual. Per 53601.6, these limitations shall not apply to shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (l) of Section 53601.

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.

Employment Risk Management Authority (ERMA)

Recalculate PARSAC 2018/19 Participation Credit

Prepared by AT 10/26/2020

Background: Cities of Alturas and Rialto withdrew from ERMA at the end of the 2016/17 fiscal year and were properly excluded from the 2017/18 budget and participation credit calculation. However, the cities' payroll was included in the 2018/19 participation credit calculation as part of PARSAC's total payroll as reported by the JPA. In October 2020, ERMA finance team was told that Alturas and Rialto had withdrawn from PARSAC and that the cities' payroll should not have been part of the 2018/19 participation credit calculation.

Procedures: Recalculated PARSAC's 2018/19 participation credit excluding Alturas and Rialto payroll figures from the total JPA payroll for PARSAC. Allocated additional participation credit to the members proportionate to their original contributions to arrive at a recalculated contribution. Presented dollar and percentage differences below.

	ORIGINAL	RECALCULATED	DIFFERENCE	% DIFFERENCE
	2018/19 Contribution	2018/19 Contribution		
Participation Credit %	8.76%	9.98%		
Participation Credit	-94,694	-107,892	13,198	
1 Amador	\$212	\$210	\$2	0.9%
2 Avalon	36,060	\$35,670	390	1.1%
3 Belvedere (7/1/15)	13,116	\$12,974	142	1.1%
4 Blue Lake	2,348	\$2,323	25	1.1%
5 California City	54,643	\$54,052	591	1.1%
6 Calimesa	8,567	\$8,475	92	1.1%
7 Calistoga	29,161	\$28,845	316	1.1%
8 Citrus Heights	74,968	\$74,157	811	1.1%
9 Clearlake	19,526	\$19,315	211	1.1%
10 Coalinga	50,289	\$49,745	544	1.1%
11 Ferndale	3,604	\$3,565	39	1.1%
12 Grass Valley	35,003	\$34,624	379	1.1%
13 Highland	14,737	\$14,578	159	1.1%
14 Menifee (10/1/08)	47,559	\$47,045	514	1.1%
15 Nevada City	13,472	\$13,326	146	1.1%
16 Pacific Grove	31,012	\$30,677	335	1.1%
17 Placentia	77,483	\$76,645	838	1.1%
18 Placerville	29,424	\$29,105	319	1.1%
19 Plymouth	2,853	\$2,822	31	1.1%
20 Point Arena	2,730	\$2,700	30	1.1%
21 Rancho Cucamonga	78,172	\$77,327	845	1.1%
22 Rancho Cucamonga FPD (7/1/16)	77,173	\$76,339	834	1.1%
23 Rancho Santa Margarita (1/1/04)	14,205	\$14,051	154	1.1%
24 San Juan Bautista	2,690	\$2,661	29	1.1%
25 South Lake Tahoe	101,694	\$100,594	1,100	1.1%
26 Tehama	168	\$166	2	1.1%
27 Trinidad	1,850	\$1,830	20	1.1%
28 Truckee	49,968	\$49,428	540	1.1%
29 Twentynine Palms	12,590	\$12,453	137	1.1%
30 Watsonville	123,090	\$121,759	1,331	1.1%
31 West Hollywood (7/1/14)	136,907	\$135,426	1,481	1.1%
32 Wheatland	8,169	\$8,081	88	1.1%
33 Wildomar (7/1/08)	6,271	\$6,203	68	1.1%
34 Yountville	28,261	\$27,956	305	1.1%
35 Yucaipa	21,303	\$21,073	230	1.1%
36 Yucca Valley	10,932	\$10,814	118	1.1%
Total	\$1,220,212	\$1,207,014	\$13,198	1.1%

Employment Risk Management Authority (ERMA)

Recalculate PARSAC 2020/21 Participation Credit

Prepared by AT 10/26/2020

Background: Cities of Alturas, Pacific Grove, Rialto and West Hollywood had withdrawn from ERMA prior to the 2020/21 fiscal year and were properly excluded from the 2020/21 budget. However, the cities' payroll was included in the 2020/21 participation credit calculation as part of PARSAC's total payroll as reported by the JPA. In October 2020, ERMA finance team was told that these cities had withdrawn from PARSAC and that the cities' payroll should not have been part of the 2020/21 participation credit calculation.

Procedures: Recalculated PARSAC's 2020/21 participation credit excluding withdrawn cities from the total JPA payroll for PARSAC. Allocated additional participation credit to the members proportionate to their original contributions to arrive at a recalculated contribution. Presented dollar and percentage differences below.

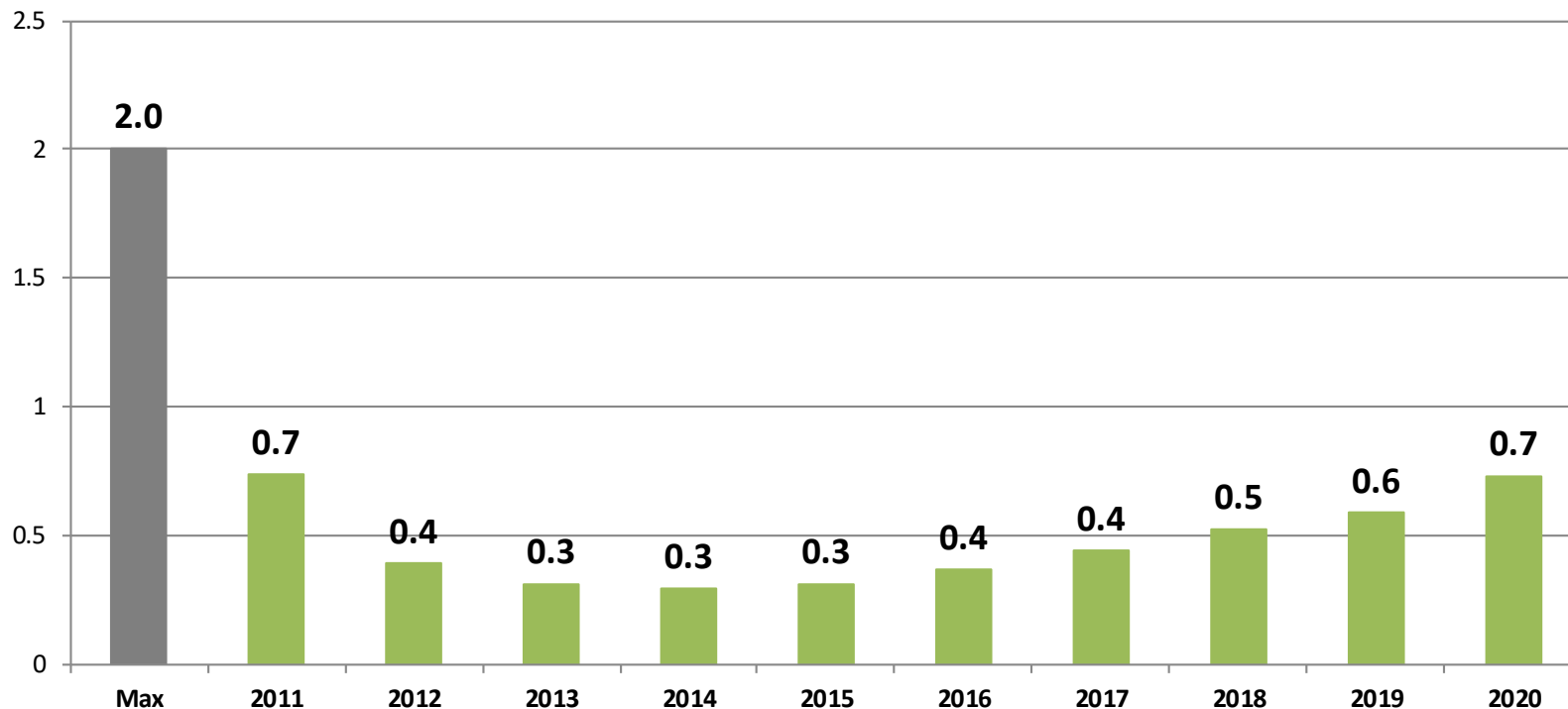
	ORIGINAL	RECALCULATED	DIFFERENCE	% DIFFERENCE
	2020/21 Contribution	2020/21 Contribution		
Participation Credit %	7.52%	9.98%		
Participation Credit	-94,128	-124,826	30,698	
1 Amador	\$236	\$230	\$6	2.5%
2 Avalon	39,454	\$38,557	897	2.3%
3 Belvedere (07/01/15)	17,073	\$16,685	388	2.3%
4 Blue Lake	3,092	\$3,022	70	2.3%
5 California City	76,556	\$74,815	1,741	2.3%
6 Calimesa	15,306	\$14,958	348	2.3%
7 Calistoga	38,417	\$37,543	874	2.3%
8 Citrus Heights	87,576	\$85,584	1,992	2.3%
9 Clearlake	35,638	\$34,827	811	2.3%
10 Coalinga	58,159	\$56,836	1,323	2.3%
11 Ferndale	4,159	\$4,065	94	2.3%
12 Grass Valley	46,730	\$45,667	1,063	2.3%
13 Highland	18,789	\$18,362	427	2.3%
14 Menifee (10/1/08)	85,103	\$83,168	1,935	2.3%
15 Nevada City	15,994	\$15,631	363	2.3%
16 Placentia	57,865	\$56,549	1,316	2.3%
17 Placerville	36,885	\$36,046	839	2.3%
18 Plymouth	3,672	\$3,589	83	2.3%
19 Point Arena	2,261	\$2,209	52	2.3%
20 Rancho Cucamonga	151,025	\$147,590	3,436	2.3%
21 Rancho Cucamonga FPD (7/1/16)	85,724	\$83,774	1,950	2.3%
22 Rancho Santa Margarita (01/01/04)	16,616	\$16,239	377	2.3%
23 San Juan Bautista	4,364	\$4,265	99	2.3%
24 South Lake Tahoe	86,876	\$84,901	1,975	2.3%
25 Tehama	204	\$199	5	2.4%
26 Trinidad	2,231	\$2,180	51	2.3%
27 Truckee	61,572	\$60,172	1,400	2.3%
28 Twentynine Palms	21,295	\$20,811	484	2.3%
29 Watsonville	186,322	\$182,084	4,238	2.3%
30 Wheatland	10,696	\$10,453	243	2.3%
31 Wildomar (07/01/08)	8,052	\$7,869	183	2.3%
32 Yountville	29,302	\$28,636	666	2.3%
33 Yucaipa	29,611	\$28,938	673	2.3%
34 Yucca Valley	12,969	\$12,674	295	2.3%
Total	\$1,349,825	\$1,319,128	\$30,698	2.3%

Target Equity Ratios

- Used as a tool by the Board to monitor the financial position and performance of ERMA.
- Assists the Board with decisions regarding dividends and assessments.
- Ratios are widely used in the pooling and insurance industry.
- Results are presented to the Board annually.

Target Equity Ratios

Ratio A: Net Contribution to Equity

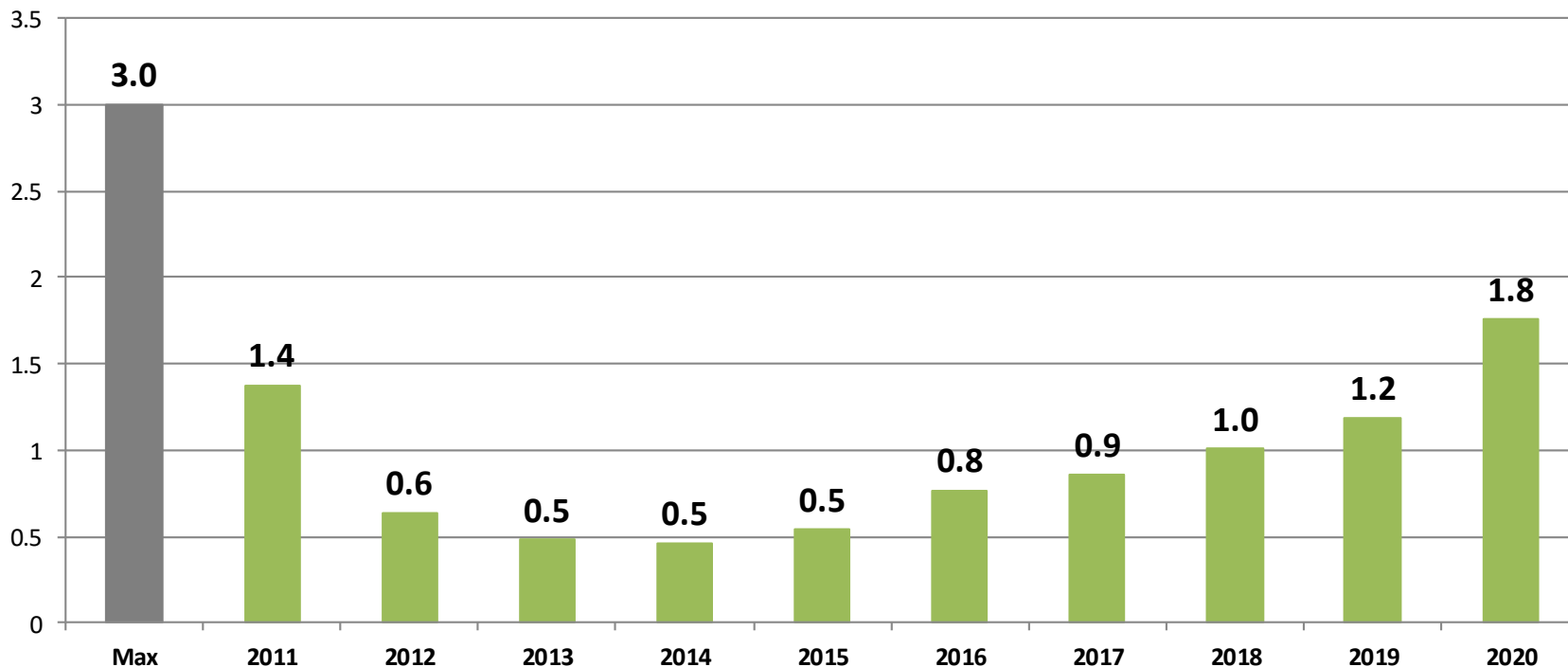


Notes:

- **Net Contribution ÷ Equity**
- Current years premiums should not exceed 2 times equity
- Appropriate when there is a large increase in premiums due to changes in makeup of membership or increase in coverage.

Target Equity Ratios

Ratio B: Net Reserves to Equity

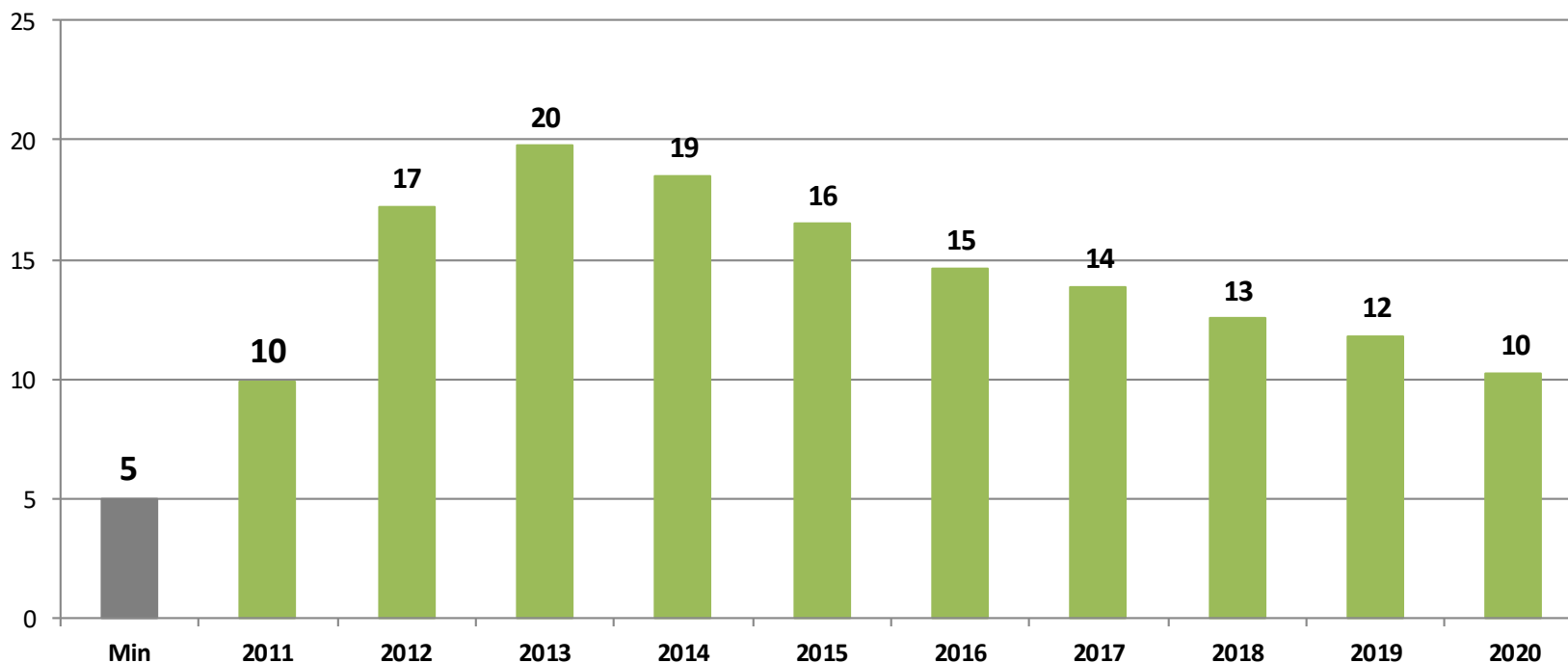


Notes:

- $\text{Unpaid Claim Liability} \div \text{Equity}$
- Outstanding liabilities should stay below 3.0 times equity.
- This ratio recognizes the uncertainty in ERMA's largest liability.

Target Equity Ratios

Ratio C: Equity to Self-Insured Retention

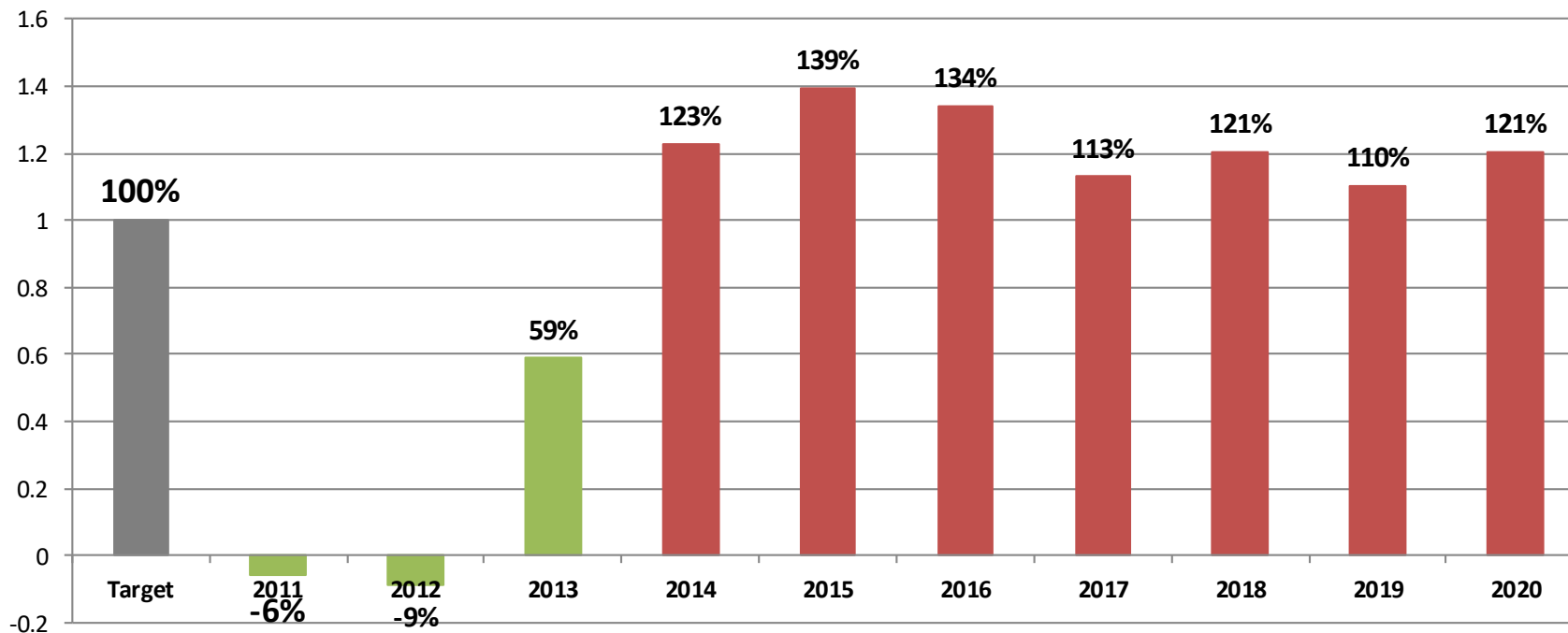


Notes:

- $\text{Equity} \div \text{Self-Insured Retention}$
- Equity must be sufficient to cover 5 full limits losses.
- Review when increasing pool limits and when membership is growing.

Target Equity Ratios

Ratio D: Operating Ratio

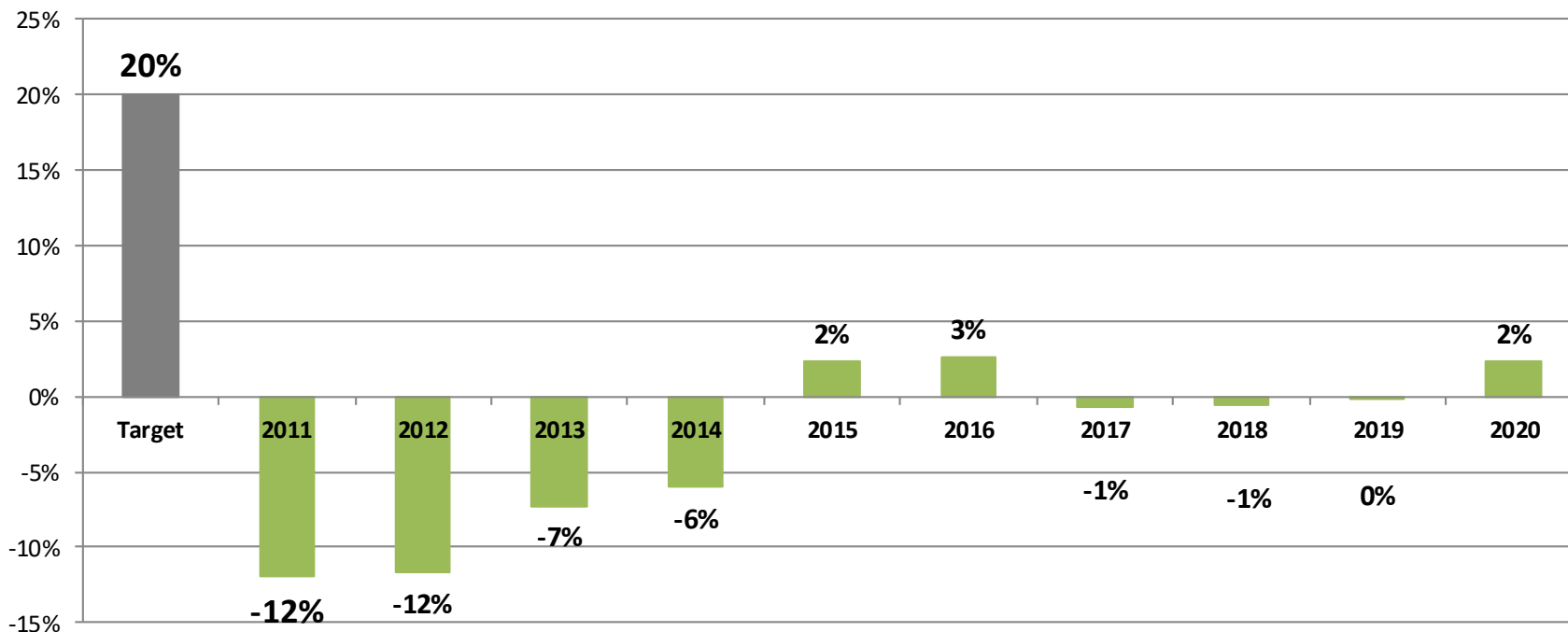


Notes:

- $(\text{Expenses} - \text{Investment Income}) \div \text{Net Contributions}$
- Expenses include current and prior year claims, administrative expenses, and dividends.

Target Equity Ratios

Ratio E: One-Year Reserve Development

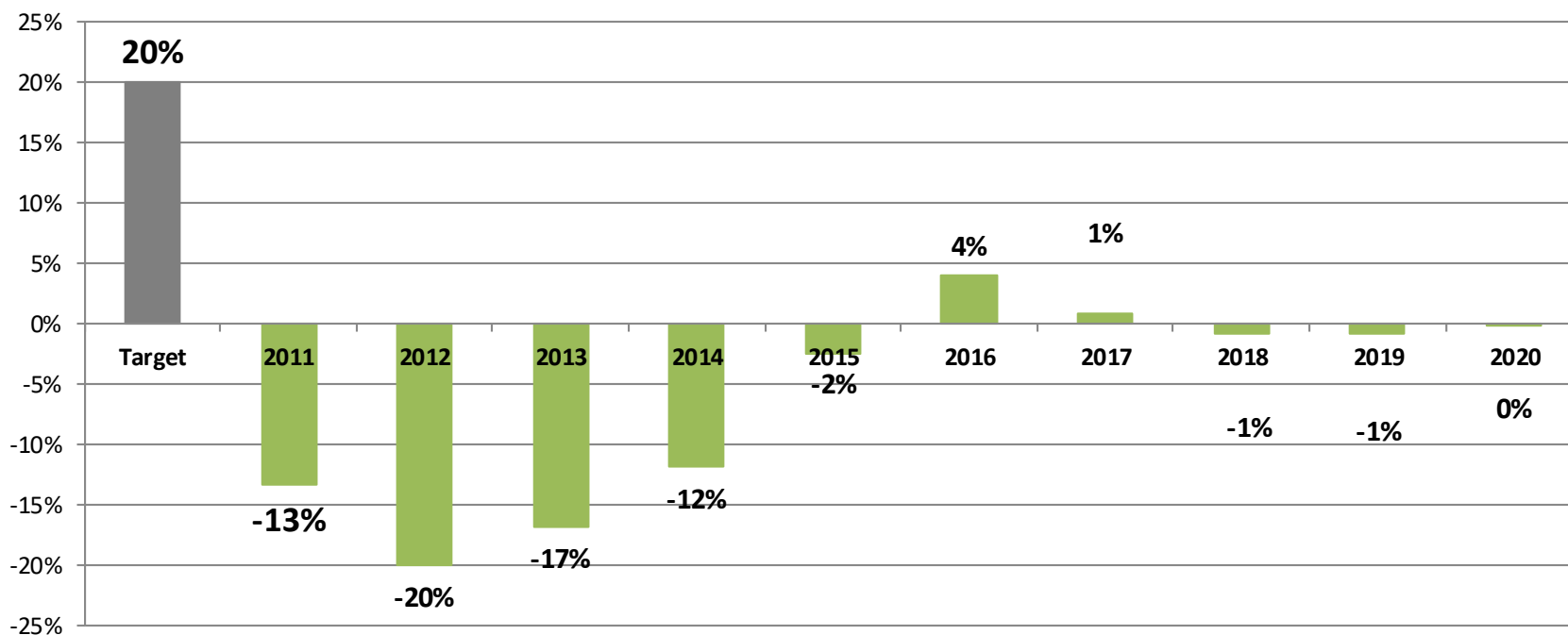


Notes:

- $\text{Change in Ultimate Loss} \div \text{Equity}$
- Change in estimates of ultimate value of claims over a one-year period (program years 2018/19 valued as of 6/30/19 and 6/30/20).

Target Equity Ratios

Ratio F: Two-Year Reserve Development

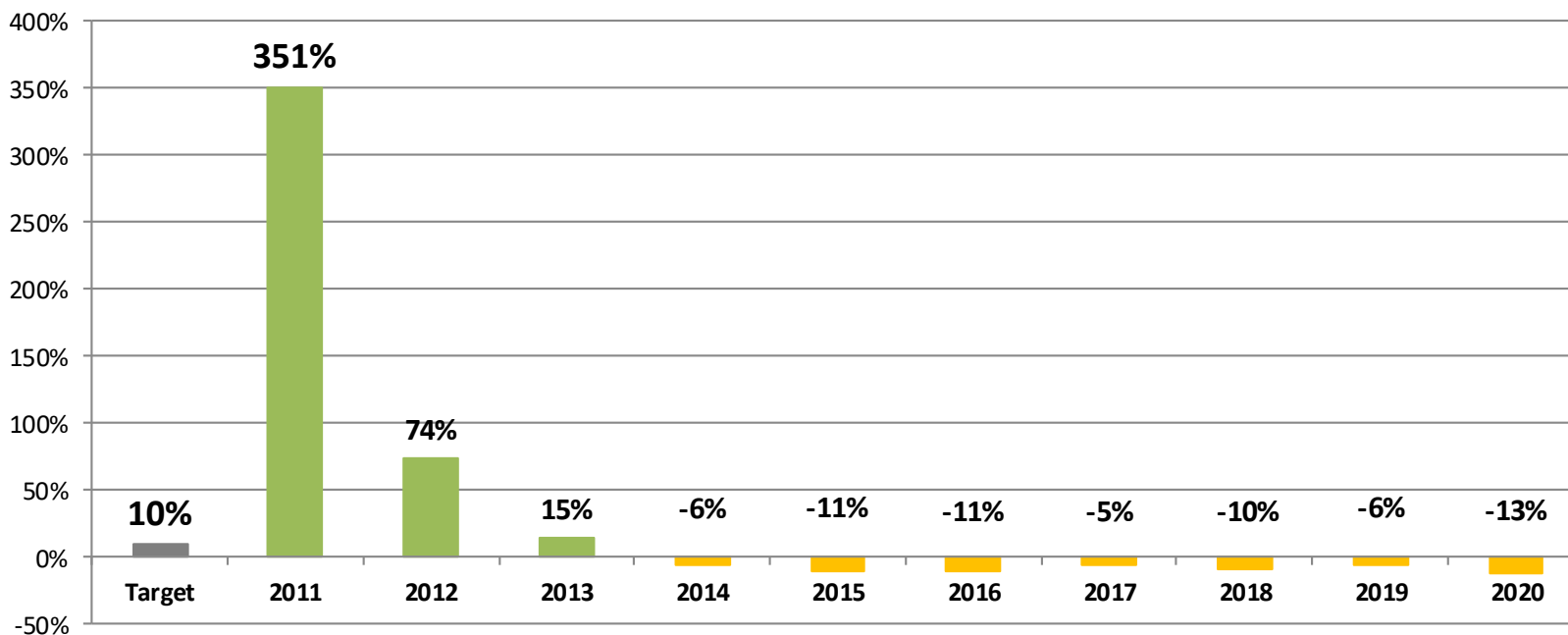


Notes:

- $\text{Change in Ultimate Loss} \div \text{Equity}$
- Change in estimates of ultimate value of claims over a one-year period (program years 2017/18 valued as of 6/30/18 and 6/30/20)

Target Equity Ratios

Ratio G: Annual Change in Equity





Sacramento-Alliant Insurance Services, Inc.
Alliant Insurance Services, Inc. - NPB Main
PO Box 8473
Pasadena, CA 91109-8473
Phone: (949) 756-0271

Invoice # 1395774	Page 1 of 1
ACCOUNT NUMBER	DATE
EMPLRIS-01	7/1/2020
BALANCE DUE ON	AGENCY CODE
7/27/2020	200
AMOUNT PAID	AMOUNT DUE
	\$333,029.00

Employment Risk Management Authority
c/o Sedgwick
1750 Creekside Oaks Dr Ste
200 Sacramento, CA 95833

Client:	Employment Risk Management Authority (ERMA)	Policy:	Employment Practices Liability
Policy Number:	NHS687631	Effective:	7/1/2020 to 7/1/2021
Insurance Carrier:	RSUI Indemnity Company		

Item #	Trans Eff Date	Due Date	Trans	Description	Amount
5492939	7/1/2020	7/27/2020	RENB	Excess EPL Premium	\$333,029.00
Total Invoice Balance:					\$333,029.00

PLEASE MAIL A COPY OF THIS INVOICE WITH PAYMENT

REMITTANCE ADDRESS

Alliant Insurance Services, Inc. - NPB Main
PO Box 8473
Pasadena, CA 91109-8473

OVERNIGHT/COURIER ADDRESS

Alliant Insurance Services, Inc. - Lockbox #8473
Comerica Bank
5th Floor
2321 Rosecrans Ave
El Segundo, CA 90245

ACH/WIRE PAYMENTS

Comerica Bank
333 W. Santa Clara Street
San Jose, CA 95113
ABA/Routing Number: 121137522
SWIFT: MNBDUS33
Account Number: 1894398625

ACH/Wire Reference: Include your ten-digit Client Account Number and Invoice Number (both can be found in the top right of this invoice)

E-mail remittances to accountsreceivable@alliant.com.

IMPORTANT NOTICE: The Nonadmitted & Reinsurance reform act (NRRRA) went into effect July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees owed must be promptly remitted to Alliant Insurance Services, Inc.

IMPORTANT NOTICE: The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice. Please contact your tax consultant for your obligations regarding FATCA.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income Alliant may earn on a placement, are available at www.alliant.com. For a copy of our policy or for inquiries regarding compensation issues pertaining to your account contact: Alliant Insurance Services, Inc., Attn: General Counsel, 701 B St., 6th Floor, San Diego, CA 92101

EXCESS LIABILITY POLICY DECLARATIONS



Corporate Office
945 E. Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326

COMPANY SYMBOL N	POLICY PREFIX & NUMBER HS687631	RENEWAL OF NHS682067
---------------------	------------------------------------	-------------------------

•THIS IS A CLAIMS MADE POLICY. PLEASE READ IT CAREFULLY. •

THIS POLICY IS ISSUED BY: RSUI Indemnity Company (hereinafter referred to as the Insurer)

ITEM 1. INSURED'S NAME AND MAILING ADDRESS

PRODUCER'S NAME AND ADDRESS

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
C/O BICKMORE RISK SERVICES
1750 CREEKSIDE OAKS DRIVE, SUITE 200
SACRAMENTO, CA 95833

IN CONSIDERATION OF THE PAYMENT OF THE PREMIUM, IN RELIANCE UPON THE STATEMENTS HEREIN OR ATTACHED HERETO, AND SUBJECT TO ALL THE TERMS OF THIS POLICY, THE INSURER AGREES TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

ITEM 2. POLICY PERIOD:

FROM 7/1/2020 TO 7/1/2021 12:01 AM Standard Time at the Insured's address as stated herein

ITEM 3. LIMIT OF LIABILITY: \$ 2,000,000 (A) Aggregate Limit of Liability each policy period
\$ 1,000,000 (B) Underlying Limits of Liability

ITEM 4. PREMIUM: \$ 333,029.00

ITEM 5. COVERAGE: Employment Practices Liability

ITEM 6. POLICY FORM AND ENDORSEMENTS MADE A PART OF THIS POLICY AT THE TIME OF ISSUE:

SEE RSG 230014 1007 - SUPPLEMENTAL DECLARATIONS - SCHEDULE OF ENDORSEMENTS; RSG 231007 0609 - EXCESS LIABILITY POLICY - 2009

ITEM 7. FOLLOWED POLICY

<u>Insurer</u>	<u>Policy Number</u>	<u>Limits</u>	<u>Premium</u>
Employment Risk Management Authority	ERMA 2020-1EPL	\$1,000,000	\$4,689,412.00

ITEM 8. UNDERLYING INSURANCE

(A) Primary Policy:

<u>Insurer</u>	<u>Policy Number</u>	<u>Limits</u>	<u>Premium</u>
Employment Risk Management Authority	ERMA 2020-1EPL	\$1,000,000	\$4,689,412.00

(B) Underlying Excess Policy(ies):

<u>Insurer</u>	<u>Policy Number</u>	<u>Limits</u>	<u>Premium</u>
----------------	----------------------	---------------	----------------

THESE DECLARATIONS TOGETHER WITH THE COMPLETED, SIGNED AND DATED APPLICATION, POLICY FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned: _____

July 27, 2020

DATE


AUTHORIZED REPRESENTATIVE



POLICY NUMBER: NHS687631

SCHEDULE OF ENDORSEMENTS

TITLE	FORM NUMBER
Cap on Losses From Certified Acts of Terrorism	RSG 204081 0118
Disclosure Pursuant to Terrorism Risk Insurance Act	RSG 204123 0116
Additional Named Insured	RSG 234031 0210
Amendatory Endorsement - Claims Made And Reported And Limit Of Liability	
Amended Declarations	
Exclusion - Prior Acts	RSG 206069 1009
Exclusion - Prior and or Pending Litigation Backdated	RSG 236008 0204
Exclusion - Prior and or Pending Litigation Backdated - Higher Limits	RSG 236009 0204
Exclusion - Specific Entities and Individuals	RSG 206095 0115
Three (3) Year Bilateral Discovery Period	

This Endorsement Changes The Policy. Please Read It Carefully.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

**DIRECTORS AND OFFICERS LIABILITY POLICY - PUBLIC COMPANY
EXCESS DIRECTORS AND OFFICERS LIABILITY POLICY
EXCESS LIABILITY POLICY**

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and the **Insurer** has met our insurer deductible under the Terrorism Risk Insurance Act, the **Insurer** shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Certified Act of Terrorism means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a **Certified Act of Terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Policy, such as losses excluded by the Nuclear Exclusion.

All other terms and conditions of this policy remain unchanged.

Policy No.: NHS687631 **Effective:** 7/1/2020

RSG 204081 0118

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

THIS ENDORSEMENT IS ATTACHED TO AND MADE A PART OF THIS POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THIS POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Terrorism Premium	\$0
<p>Additional information, if any, concerning the terrorism premium: The portion of your premium for the policy term attributable to coverage for all acts of terrorism covered under this policy including terrorist acts certified under the Act is listed above.</p>	
<p><small>*Information required to complete this Schedule, if not shown above, will be shown in the Declarations Page.</small></p>	

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended, the **Insurer** is required to provide the **Insured** with a notice disclosing the portion of the **Insured's** premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of the **Insured's** premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations Page.

As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security, and the Attorney General of the United States – to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses that exceeds the applicable **Insurer** retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap Insurer Participation in Payment of Terrorism Losses

If aggregate **Insured** losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and the **Insurer** has met our **Insurer** deductible under the Terrorism Risk Insurance Act, the **Insurer** will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case **Insured** losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

Policy No.: NHS687631

Effective: 7/1/2020

This Endorsement Changes The Policy. Please Read It Carefully.

ADDITIONAL NAMED INSURED

This endorsement modifies insurance provided under the following:

EXCESS DIRECTORS AND OFFICERS LIABILITY POLICY EXCESS LIABILITY POLICY

The **Insured's** name, as set forth in Item 1. of the Declarations Page, is amended to include the following:

Central San Joaquin Valley Risk Management Authority (CSJVRMA)

City of Angels Camp
 City of Atwater
 City of Ceres
 City of Chowchilla
 City of Corcoran
 City of Delano
 City of Dos Palos
 City of Escalon
 City of Fowler
 City of Gustine
 City of Hughson
 City of Huron
 City of Kerman
 City of Kingsburg
 City of Lathrop
 City of Livingston
 City of Madera
 City of McFarland
 City of Merced
 City of Newman
 City of Orange Cove
 City of Porterville
 City of Reedley
 City of San Joaquin
 City of Selma
 City of Shafter
 City of Taft
 City of Wasco
 City of Riverbank
 City of Tulare
 City of Oakdale (added effective 8/1/2012)
 City of Patterson
 City of Mendota
 City of Lemoore
 City of Sonora
 City of Tehachapi
 City of Sanger (added effective 4/18/2016)
 City of Woodlake (added effective 7/1/2016)
 City of Dinuba (added effective 7/1/2016)
 City of Farmersville (added effective 7/1/2016)

Municipal Pooling Authority (MPA)

City of Antioch

City of Brentwood
City of Clayton
Town of Danville
City of El Cerrito
City of Hercules
City of Lafayette
City of Manteca
City of Martinez
Town of Moraga
City of Oakley
City of Orinda
City of Pacifica
City of Pinole
City of Pittsburg
City of Pleasant Hill
City of San Pablo
City of San Ramon
City of Walnut Creek

Vector Control Joint Powers Agency (VCJPA)

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

Oakland Housing Authority

Housing Authority of the County of Contra Costa

Monterey Bay Area Self Insurance Authority (MBASIA)

City of Capitola
City of Del Rey Oaks
City of Gonzales
City of Greenfield
City of Hollister
King City
City of Marina
Sand City
City of Scotts Valley
City of Soledad

California Transit Indemnity Pool (CaTIP)

Livermore Amador Valley Transit Authority
Mendocino Transit Authority
San Luis Obispo Regional Transit Authority
South County Area Transit
Tahoe Transportation District
Yolo County Transportation District

Small Cities Organized Risk Effort (SCORE)

Town of Fort Jones (added effective 1/1/2019)

The above addition shall not serve to increase the Limit of Liability, as set forth in Item 3.(A) of the Declarations Page.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

AMENDATORY ENDORSEMENT – CLAIMS MADE AND REPORTED AND LIMIT OF LIABILITY

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY

SECTION II, Definitions, shall be deleted in its entirety and replaced by the following:

II. DEFINITIONS

- A. **Followed Policy** means the policy indicated in Item 7. of the Declarations page.
- B. **Insured** means any natural person or entity designated as a *Covered Party* in the **Underlying Insurance** or any group or series of such *Covered Parties*.
- C. **Policy Period** means the period beginning at the inception date and ending at the expiration date stated in Item 2. of the Declarations Page or any earlier cancellation or termination date.
- D. **Underlying Insurance** means the **Primary Policy** and/or **Followed Policy** and **Underlying Excess Policy(ies)** listed in Item 8. of the Declarations page.
- E. The term **Wrongful Act** shall mean *Wrongful Employment Practice*, as defined in the **Followed Policy**; the term **Loss** shall mean *Ultimate Net Loss* as defined in the **Followed Policy**; and the term **Claim** shall have the same meaning as defined in the **Followed Policy**.
- F. The term Limit of Liability shall mean a single, aggregate Limit of Liability as listed in Item 3 (A) of the Declarations Page.

SECTION V, Claim and Other Notices, shall be deleted in its entirety and replaced by the following:

V. CLAIM AND OTHER NOTICES

The Insurer shall be given notice in writing as soon as practicable: (a) in the event of cancellation or non-renewal of any **Underlying Insurance**; and (b) of any additional or return premiums assessed in connection with any **Underlying Insurance**. Any changes in policy provisions in the **Underlying Insurance** or any changes in the **Insured** that would require notice under the **Underlying Insurance** shall be reported to the Insurer in writing as soon as practicable, provided always that the Insurer shall not be bound by any such changes without its consent.

Notwithstanding notice conditions in the **Underlying Insurance**, it is a condition precedent to any coverage under this Policy that written notice of occurrences, or **Claims** made against any **Insured** during the **Policy Period**, be provided to the Insurer as soon as practicable when the **Insured's** General Manager has determined that such **Claim** or occurrence is reasonably likely to result in indemnity or defense exposure in any amount greater than \$250,000. The **Insured** will provide written notice to the **Insurer** (via certified mail at the address shown on the Declarations Page or via fax or email as shown on the Declarations), of such **Claims** or occurrences, along with the full particulars described below, and any **Claim** subsequently made against any **Insured** arising out of such an occurrence will be deemed first made during the **Policy Period**. The written notice shall include, at a minimum:

- a. The names or identity of the potential claimants and a detailed description of the specific alleged **Wrongful Act**; and
- b. The circumstances by which the **Insured** first became aware of the specific alleged **Wrongful Act**.

It is a condition precedent to any coverage under this Policy that the **Insured** will also provide, within sixty (60) days following the end of the **Policy Period**, a "loss run" containing the names of all claimants, allegations, status of claims, defense expenses incurred and indemnity paid (and/or reserves for payment) as of that date for all **Claims**, regardless of reasonably estimable indemnity and defense exposure.

There is no coverage for **Claims** first made outside of the **Policy Period** except where there is valid notice of occurrence prior to the making of such **Claim** as described in this endorsement.

Notice of any **Claim** or occurrence that arises from any **Wrongful Act** or series of related **Wrongful Acts** that first occurred prior to July 1, 2010 shall not be accepted as valid under this Policy.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

AMENDED DECLARATIONS

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY

Item 3A. Limit of Liability of the Declarations Page is amended to read as follows:

\$2,000,000	Each Claim Each Member
\$4,000,000	Aggregate Each Member
\$10,000,000	Policy Aggregate Limit of Liability Each Policy Period

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – PRIOR ACTS

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY POLICY - NOT FOR PROFIT ORGANIZATION
DIRECTORS AND OFFICERS LIABILITY POLICY - PRIVATE COMPANY
DIRECTORS AND OFFICERS LIABILITY POLICY - PUBLIC COMPANY
EXCESS DIRECTORS AND OFFICERS LIABILITY POLICY
EXCESS LIABILITY POLICY

The **Insurer** shall not be liable to make any payment for **Loss** in connection with any **Claim** made against any **Insured** that alleges, arises out of, is based upon or attributable to, directly or indirectly, in whole or in part, any actual or alleged **Wrongful Acts** which first occurred prior to July 1, 2010; July 1, 2011 for Monterey Bay (MBASIA); July 1, 2013 for City of Patterson, City of Mendota, City of Lemoore, City of Sonora and City of Tehachapi; April 18, 2016 for City of Sanger; July 1, 2016 for City of Woodlake, City of Dinuba and City of Farmersville; July 1, 2017 for California Transit Indemnity Pool (CalTIP). Town of Fort Jones 1/1/2019; JPA July 1, 2020.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – PRIOR AND/OR PENDING LITIGATION BACKDATED

This endorsement modifies insurance provided under the following:

**EXCESS DIRECTORS AND OFFICERS LIABILITY POLICY
EXCESS LIABILITY POLICY**

The **Insurer** shall not be liable to make any payment for loss in connection with any claim made against any **Insured** alleging, arising out of, based upon or attributable to, in whole or in part, any litigation involving any **Insured** that was commenced or initiated prior to, or pending as of July 1, 2010; July 1, 2011 for Monterey Bay (MBASIA); July 1, 2013 for City of Patterson, City of Mendota, City of Lemoore, City of Sonora and City of Tehachapi; April 18, 2016 for City of Sanger; July 1, 2016 for City of Woodlake, City of Dinuba and City of Farmersville; July 1, 2017 for California Transit Indemnity Pool (CalTIP). Town of Fort Jones 1/1/2019; JPA July 1, 2020, or arising out of or based upon, in whole or in part, any facts or circumstances underlying or alleged in any such prior or pending litigation.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION - PRIOR AND/OR PENDING LITIGATION BACKDATED (HIGHER LIMITS)

This endorsement modifies insurance provided under the following:

EXCESS DIRECTORS AND OFFICERS LIABILITY POLICY EXCESS LIABILITY POLICY

The **Insurer** shall not be liable to make any payment for loss in connection with any claim made against any **Insured** alleging, arising out of, based upon or attributable to, in whole or in part, any litigation involving any **Insured** that was commenced or initiated prior to, or pending as of July 1, 2010; July 1, 2011 for Monterey Bay (MBASIA); July 1, 2013 for City of Patterson, City of Mendota, City of Lemoore, City of Sonora and City of Tehachapi; April 18, 2016 for City of Sanger; July 1, 2016 for City of Woodlake, City of Dinuba and City of Farmersville; July 1, 2017 for California Transit Indemnity Pool (CalTIP) Town of Fort Jones 1/1/2019, or arising out of or based upon, in whole or in part, any facts or circumstances underlying or alleged in any such prior or pending litigation.

With respect to the portion of the Limit of Liability that is \$1,000,000 excess \$1,000,000, the **Insurer** shall not be liable to make any payment for loss arising out of or in connection with any claim made against any **Insured** arising out of, based upon or attributable to, in whole or in part, litigation prior to or pending as of July 1, 2018.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION - SPECIFIC ENTITIES AND INDIVIDUALS

This endorsement modifies insurance provided under the following:

DIRECTORS AND OFFICERS LIABILITY POLICY - NOT FOR PROFIT ORGANIZATION
DIRECTORS AND OFFICERS LIABILITY POLICY - PRIVATE COMPANY
DIRECTORS AND OFFICERS LIABILITY POLICY - PUBLIC COMPANY
EXCESS DIRECTORS AND OFFICERS LIABILITY POLICY
EXCESS LIABILITY POLICY

The **Insurer** shall not be liable to make any payment for **Loss** arising out of or in connection with any **Claim** made against any **Insured** which is brought by or on behalf of the following entities or individuals:

1. Bay Cities Joint Powers Insurance Authority (BCJPIA) and Members
2. Public Entity Risk Management Authority (PERMA) and Members
3. Public Agency Risk Sharing Authority of California (PARSAC) and Members
4. Small Cities Organized Risk Effort (SCORE) and Members except for individual members listed on Additional Named Insured

including, but not limited to any **Claim** brought by any director, officer, heir, trustee or partner of the entity, or by any security holder thereof, whether such **Claim** is brought directly or derivatively.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

THREE (3) YEAR BILATERAL DISCOVERY PERIOD

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY

If the **Insurer** shall refuse to renew this policy or the **Insured Organization** shall cancel or refuse to renew this policy, the **Insured Organization** shall have the right, upon payment of one hundred percent (100%) of the Full Annual Premium, to a period of three hundred and sixty five (365) days following the effective date of such cancellation or non-renewal (herein referred to as the "Discovery Period") in which to give written notice to the **Insurer** of any **Claim** first made against the **Insured** during said three hundred and sixty five (365) day period for any **Wrongful Act** occurring prior to the end of the **Policy Period** and otherwise covered by this policy. As used herein, "Full Annual Premium" means the premium stated in Item 4. of the Declarations Page and any additional premium(s) charged during the **Policy Period**.

Alternatively, the **Insured Organization** shall have the right to elect a Discovery Period greater than the three hundred and sixty five (365) Days referenced above. The following alternative Discovery Period options are as follows:

<u>Discovery Period</u>	<u>Additional Premium</u>
730 Days	<u>150%</u> of Full Annual Premium
1,095 Days	<u>175%</u> of Full Annual Premium

The rights contained in this clause shall terminate unless written notice of such election together with the additional premium due is received by the **Insurer** at the address shown on the Declarations Page within thirty (30) days of the effective date of cancellation or non-renewal.

The Discovery Period is not cancelable and the additional premium charged shall be fully earned at the inception of the Discovery Period. The Limit of Liability available under the Discovery Period is part of and not in addition to the Limit of Liability stated in Item 3 (A) of the Declarations Page.

The rights contained in this clause shall not apply in the event of cancellation resulting from non-payment of premium.

All other terms and conditions of this policy remain unchanged.



RSUI Indemnity Company

Corporate Office
945 East Paces Ferry Rd.
Atlanta, GA 30326-1160

EXCESS LIABILITY POLICY

NOTICE: THIS IS A **CLAIMS** MADE AND REPORTED POLICY THAT APPLIES ONLY TO THOSE **CLAIMS** FIRST MADE AGAINST THE **INSURED** DURING THE **POLICY PERIOD** AND REPORTED TO THE INSURER DURING THE **POLICY PERIOD**. THE LIMIT OF LIABILITY AVAILABLE TO PAY **LOSS** MAY BE REDUCED OR TOTALLY EXHAUSTED BY PAYMENT OF DEFENSE EXPENSES. PLEASE REFER TO THE **FOLLOWED POLICY** FOR MORE INFORMATION.

PLEASE READ YOUR POLICY CAREFULLY

CLAIM NOTICE

Mail notices to: RSUI Group, Inc.
945 East Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326-1160

Fax notices to: (404) 231-3755
Attn: Claims Department

E-mail notices to: reportclaims@rsui.com

A member of Alleghany Insurance Holdings LLC

Words and phrases that appear in **bold** text have special meaning. Refer to SECTION II. - DEFINITIONS.

I. INSURING AGREEMENT

The Insurer designated on the Declarations Page, in consideration of the payment of the premium and in reliance upon all applications, documents and information provided or made available to it by or on behalf of the **Insured**, and subject to all of the terms, conditions and other provisions of this policy, including endorsements hereto, agrees with the **Insured** that the Insurer shall provide the **Insured** with insurance during the **Policy Period** which is in excess of the total limits of liability and any retention or deductible amounts under the **Underlying Insurance**, as set forth in Item 8. of the Declarations Page, and shall pay **Loss** arising from a **Claim** for a **Wrongful Act** first made during the **Policy Period**.

II. DEFINITIONS

- A. **Followed Policy** means the policy indicated in Item 7. of the Declarations page.
- B. **Insured** means any natural person or entity designated as such in the **Underlying Insurance**.
- C. **Policy Period** means the period beginning at the inception date and ending at the expiration date stated in Item 2. of the Declarations Page or any earlier cancellation or termination date.
- D. **Underlying Insurance** means the **Primary Policy** and **Underlying Excess Policy(ies)** listed in Item 8. of the Declarations page.
- E. The terms **Wrongful Act**, **Loss** and **Claim** shall each have the same meaning as defined in the **Primary Policy**.

III. LIMIT OF LIABILITY AND PAYMENTS UNDER UNDERLYING INSURANCE

- A. The Insurer shall be liable to pay **Loss** only after any combination of the **Insured** and all Insurers that issued the **Underlying Insurance** shall have paid the full amount of the limits provided by the **Underlying Insurance**. The Insurer shall then be liable to pay only such additional amount up to the Limit of Liability set forth in Item 3. (A) of the Declarations Page.
- B. Any **Claim**, **Loss** or coverage that is subject to any Sublimit shall not be considered a covered **Loss** under this policy, but shall, for purposes of this policy's attachment, be deemed to have reduced or exhausted the **Underlying Insurance** limits.
- C. In the event of the reduction or exhaustion of the aggregate limits of liability in the **Underlying Insurance** by reason of **Loss** paid thereunder for **Claim(s)** first made during the **Policy Period**, this policy shall (1) in the event of reduction, continue in force in excess of the remaining amount of **Underlying Insurance**; or (2) in the event of total exhaustion, continue in force as would the **Followed Policy**, subject to all terms, conditions and other provisions of this policy, including endorsements hereto; provided that in the event of this policy becoming primary insurance, it shall only pay excess of the retention or deductible amount, if any, that would be applicable in the absence of **Underlying Insurance** exhaustion, which retention or deductible amount shall be applied to any subsequent **Loss**. Notice of reduction or exhaustion of any limits of liability within the **Underlying Insurance** shall be given to the Insurer promptly upon such reduction or exhaustion. Nothing herein shall be construed to provide for any duty on the part of the Insurer to defend any **Insured** or to pay defense costs or any other part of **Loss** in addition to the Limit of Liability set forth in Item 3. (A) of the Declarations Page.

IV. MAINTENANCE OF UNDERLYING INSURANCE

- A. This policy is subject to the same terms, conditions, other provisions and endorsements (except as regards the premium, the amount and limits of liability, and duty to defend, and except as otherwise provided herein) as are contained in the **Followed Policy** as such policy has been represented to the Insurer to be issued, or as may be added at a later time to restrict coverage. Any changes made to such **Followed Policy** to expand or broaden it shall be effective as part of this policy solely where accepted in writing by the Insurer.
- B. The **Underlying Insurance** shall be maintained in full effect while this policy is in force, except for any reduction of the aggregate limits contained therein (as provided for in Section III. C. above), and such maintenance shall be a condition precedent to the attachment of any liability of the Insurer under this policy. To the extent that any **Underlying Insurance** is not maintained in full effect while this policy is in force, the **Insured** shall be deemed to be self-insured for the amount of the **Underlying Insurance** limit(s) that is not maintained.
- C. The Insurer's obligation under this policy shall not be increased, expanded or otherwise modified or changed as a result of the receivership, insolvency, inability or refusal to pay any **Underlying Insurance**. It is agreed that the Insurer shall not pay any amount until all retentions and all **Underlying Insurance** limits have actually been paid by any combination of the **Insured** and all Insurers constituting the **Underlying Insurance**.

V. CLAIM AND OTHER NOTICES

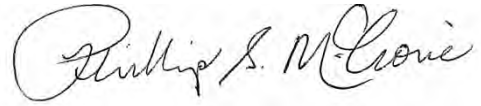
The Insurer shall be given notice in writing as soon as practicable: (a) in the event of cancellation or non-renewal of any **Underlying Insurance**; and (b) of any additional or return premiums assessed in connection with any **Underlying Insurance**. Any changes in policy provisions in the **Underlying Insurance** or any changes in the **Insured** that would require notice under the **Underlying Insurance** shall be reported to the Insurer in writing as soon as practicable, provided always that the Insurer shall not be bound by any such changes without its consent.

Written notice of **Claim** made against any **Insured** or any circumstances or matters that might later result in a **Claim** shall be given to the Insurer in the same manner and at the same time as given to the **Followed Policy**.

In Witness Whereof, the Insurer has caused this policy to be executed and attested, but this policy shall not be valid unless countersigned on the Declarations Page by a duly authorized agent of the Insurer.

A handwritten signature in black ink, appearing to read "Ron Hulse", written in a cursive style.

Secretary

A handwritten signature in black ink, appearing to read "Phillip S. McElone", written in a cursive style.

President

January 25, 2021

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

ERMA 2021/22 Program Year Marketing Report of Excess Liability Coverage

Dear Jennifer:

ERMA's excess liability coverage will renew on July 1, 2021. While 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 employment practices liability insurance market and our renewal marketing strategy for the coming year.

Organizations today face many employment practice liability related risks beyond harassment. According to AmWINS, your insurance wholesale broker, the following are the top eight trends affecting the EPL insurance market today.

- COVID-19
- Black Lives Matters
- #MeToo
- Equal Pay and Wage Laws
- Transgender Employees
- Age Discrimination
- Wage and Hour
- Medical and Recreational Marijuana

Since March 2020, rates have increased from single to double digits. This trend will continue into the foreseeable future as the true impact of COVID-19 layoffs and furloughs is yet to be seen.

Today, we are seeing market conditions in the EPL segment harden, with rates increasing anywhere from 10% to 50% for many classes of business. There will be steeper increases in problematic classes, such as healthcare and hospitality, as well as problematic states, such as Florida, Illinois, New York, and Texas. California in particular has seen significant hardening, with some underwriters increasing retentions dramatically in the state or pulling out of the market altogether.

ERMA is somewhat shielded from the market fluctuations due to your high excess liability coverage attachment of \$1,000,000. However, ERMA has been experiencing increased development of larger claims in the more recent years that could affect future renewals.

RSUI currently provides \$2,000,000 in limits Each Claim Per Member with a \$4,000,000 Per Member Aggregate, with a \$10,000,000 Policy Aggregate excess of ERMA's Retained Limit of

\$1,000,000. We have reached out to RSUI to begin a dialogue on the ERMA renewal. As long as there are no material changes, they anticipate maintaining a similar renewal strategy we have had in the past. If RSUI's position regarding the renewal was to change, we stand ready to market coverage to explore alternatives.

Considering current EPL trends, and as ERMA continues to grow its membership, we recommend that ERMA continue to explore higher limits, and more importantly, higher Policy Aggregates.

We look forward to seeing everyone on Zoom on February 11th.

Sincerely,



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

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



VECTOR CONTROL JOINT POWERS AGENCY

1750 Creekside Oaks Dr. #200 ~ Sacramento, CA 95833

(916) 244-1100 ~ FAX (916) 244-1199

Website: www.vcjpa.org

DATE: November 23, 2020

TO: Jennifer Jobe, ERMA Executive Director

FROM: Chrissy Mack, VCJPA Administrator

SUBJECT: Withdrawal of Oroville Mosquito Abatement District from VCJPA Effective July 1, 2021

Oroville Mosquito Abatement District, a member of the Vector Control Joint Powers Agency (VCJPA), is in the process of being dissolved and will no longer be a member of the VCJPA and ERMA as of July 1, 2021. The Oroville Mosquito Abatement District's Board of Trustees adopted the attached resolution in November 2019 initiating reorganization proceedings for dissolution of the district. VCJPA member, and ERMA member, Butte County Mosquito Abatement District will be the successor agency for Oroville Mosquito Abatement District.

The Butte County Local Agency Formation Commission (LAFCO) approved the dissolution in August 2020 and is in the process of working with Oroville Mosquito Abatement District to finalize the dissolution. I will forward Butte County LAFCO's final documentation approving the dissolution once received.

Please let me know if you have any questions.

**RESOLUTION OF APPLICATION
OF THE OROVILLE MOSQUITO ABATEMENT DISTRICT
INITIATING LAFCO REORGANIZATION PROCEEDINGS FOR
DISSOLUTION OF THE OROVILLE MOSQUITO ABATEMENT DISTRICT
AND ANNEXATION TO THE BUTTE COUNTY MOSQUITO AND VECTOR
CONTROL DISTRICT OF ALL TERRITORY CONTAINED THEREIN**

WHEREAS, on December 7, 2017, the Butte Local Agency Formation Commission, pursuant to Government Code §56425 and §56430, adopted the Final Municipal Service Reviews and Sphere of Influence Plans for the Mosquito Abatement Districts within Butte County;

WHEREAS, the Final Municipal Service Reviews and Sphere of Influence Plan for the Oroville Mosquito Abatement District indicated the District 1) was unable to provide satisfactory mosquito abatement services; 2) was given a zero sphere of influence; 3) was encouraged to contract with the Butte County Mosquito and Vector Control District for interim service provision; and 4) was encouraged to dissolve and annex its territory into the Butte County Mosquito and Vector Control District; and

WHEREAS, in accordance with the findings and conclusions of the Final Municipal Service Reviews and Sphere of Influence Plans for the Mosquito Abatement Districts within Butte County, the Oroville Mosquito Abatement District in accordance with Government Code §56654, desires to initiate a proceeding for dissolution specified herein; and

WHEREAS, the territory proposed to be dissolved is inhabited, and a description of the boundaries of the territory is set forth in Exhibit “A” attached hereto and by this reference incorporated herein; and

WHEREAS, the proposal is consistent with the Zero Sphere of Influence of the District, as adopted by LAFCo on December 7, 2017; and

NOW, THEREFORE, the Oroville Mosquito Abatement District does hereby resolve and order as follows:

1. This resolution of application initiates the LAFCo process to dissolve the Oroville Mosquito Abatement District and annex the dissolved territory of the District to the Butte County Mosquito and Vector Control District.

2. This proposal is made, and it is requested that LAFCo order the dissolution pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, commencing with section 56000 of the California Government Code.
3. A plan for providing services required by Government Code §56653 has been provided that will reflect that all District services will be transferred to the Butte County Mosquito and Vector Control District as the successor agency.
4. The dissolution proposal has the unanimous support of the District Board of Trustees and it is further requested that the dissolution proposal be processed pursuant to Government Code Section 57077.1(c)(1) and that the Commission immediately approve the dissolution without protest proceedings and elections.
5. This District Board certifies that this proposal is exempt from the provisions of the California Environmental Quality Act under Section 15320 of the State CEQA Guidelines.
6. The proposed dissolution will result in all of the District's assets, property tax share and service responsibility being transferred to the Butte County Mosquito and Vector Control District as the successor agency and the District's obligations to CalPERS for its former employees being assumed by it or otherwise provided for or resolved by LAFCo.

PASSED AND ADOPTED by the Board of Directors of the Oroville Mosquito Abatement District this 12th day of November 2019.

AYES: *Gunderson; Hottinger; Mitchell*
NOES: *None*
ABSTENTIONS: *None*
ABSENT: *None*


Chad Gunderson, Chair

I hereby certify that this is a correct copy of a resolution passed and adopted by this Board on the date stated above.

Dated: November 12, 2019


John Jeffery Carter, Secretary

BOARD DOCUMENT REVIEW SCHEDULE

I. Governing Documents

Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Joint Powers Authority Agreement	June 1999	July 2020	As Needed	The joint powers agreement by and between member agencies. Any changes need to be signed by all JPA members.
2. Bylaws	August 2005	April 2019	As Needed	Establishes the rules for governance.
3. Memorandum of Coverage	June 1999	July 2020	February 2021	Provides coverage for pooled risk sharing.
4. Master Program Document	June 1999	July 2020	July 2021	Sets forth the manner in which services shall be delivered to the membership.
5. Financial Stability Plan	February 2012	February 2016	As Needed	Tool to provide long-term financial viability and sustainability.
6. Investment Policy	August 1998	February 2020	February 2021	Applies to activities with regard to investing the Authority's financial assets.

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies

Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Resolution 1-1998	January 1998			Authorizing the President to Approve a Demand For Payment
2. Resolution 3-1998	March 1998			Establishing the Office of Assistant Treasurer
3. Resolution 4-1998	April 1998			Establishing an Investment Policy
4. Resolution 1-2001	January 2001			Establishing a Policy for Conference Attendance
5. Resolution 3-2004	March 2004			Canceling Obsolete Resolutions
6. Resolution 4-2005	April 2005			Establishing Guidelines for the Implementation for Risk Assessments of the Underlying ERMA Members
7. Resolution 4-2007	April 2007			Authorizing ERMA to Join with Other Public Agencies as a Participant of the CA Asset Management Trust and to Invest in Shares of the Trust and in Individual Portfolios
8. Resolution 6-2007	February 2006	June 2007		Establishing Implementation Deadlines for the Employee Practices Protection Program
9. Resolution 3-2010	March 2010			Retroactivity of 2010-11 Definition of "Occurrence" in Memorandum of Coverage
10. Resolution 4-2010	April 2010			Establishing a Records Retention Policy
11. Resolution 1-2015	January 2015			Precluding Existing Members Participating Through an ERMA Affiliated JPA from Applying for Individual Membership
12. Resolution 2-2015	February 2015			Appreciation for Services to Judy Hayes (CCHA)
13. Resolution 1-2016	January 2016			Appreciation for Services to Craig Downs (VCJPA)
14. Resolution 2-2016	November 2016			Appreciation to Debra Stutsman (BCJPIA)

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies Continued

Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
15. Resolution 3-2016	November 2016			Appreciation to Florice Lewis (OHA))
16. Resolution 4-2016	June 1998	April 2016		Establishing All Bank Accounts And Authorized Signatures
17. Resolution 5-2016	May 2016			Establishing Criteria for Adding And Removing Defense Counsel to the Panel of Approved Attorney Firms
18. Resolution 8-2016	August 2016			Appreciation for Services to Dan Weakley (BCJPIA)
19. Resolution 2-2017	November 2017			Regarding an Underwriting Policy and Related Processes
20. Resolution 3-2017	March 2017			Electronic Data Security and Disaster Recovery
21. Resolution 4-2017	February 2017			Travel and Expense Policy
22. Resolution 5-2017	May 2017			Establishing Guidelines Regarding Members Self-Insured Retentions
23. Resolution 3-2018	February 2003	March 2018		Establishing Criteria for Approval of Investigators
24. Resolution 4-2018	January 2011	April 2018		Establishing Target Performance Standards and Assistance Program
25. Resolution 5-2018	April 2004			Establishing Approval for Payments to Vendors
26. Resolution 1-2020	May 2005	February 2020		Requiring Members to Provide Proof of Compliance with Training Mandated by State Law
27. Resolution 2-2020	March 2014	June 2020		Establishing a Litigation Management Program
28. Resolution 3-2020	June 2020	June 2019	June 2021	Establishing Meeting Dates for the 2020/21 Fiscal Year

BOARD DOCUMENT REVIEW SCHEDULE

III. Operational Documents

Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Underwriting Guidelines	April 2010	February 2014	April 2021	Document sets the “rules” used to underwrite coverage including the methodology by which rates will be set.

IV. Contracts and Agreements

Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Bickmore Actuarial	January 2010	January 2020	April 2022	Actuarial services and annual study. <i>Current term: 7/1/2020 – 7/1/2022.</i>
2. Alliant	July 2007	July 2018	June 2021	Broker of record relationship for reinsurance and other insurance placed. <i>Current term: 7/1/2018 – 7/1/2021.</i>
3. Farley Consulting Services	March 2012	July 2017	April 2023	Claims auditing services. <i>Current term: 7/1/2018 – 7/1/2021.</i>
4. In2vate	June 1999	December 2017	N/A	Online training platform and reporting protection line for members. <i>Current term: 9/1/14 - Auto renewal unless terminated.</i>
5. Jackson Lewis & Liebert Cassidy Whitmore	July 1999	April 2020	April 2023	Training, 24/7 hotline, legal updates and litigation services. <i>Current term: 7/1/2020 – 7/1/2023.</i>
6. Murphy, Campbell, Alliston Quinn	November 2019	November 2019	N/A	Board & Coverage Counsel services <i>Current term: 11/1/19 – terminated by mutual agreement.</i>
7. Sampson, Sampson & Patterson	June 2007	June 2019	April 2021	Financial audit services. <i>Current term: 7/1/2020 – 7/1/2021.</i>
8. Sedgwick	May 2002	June 2019	Feb 2023	Pool administration, finance, accounting, and litigation management services. <i>Current term: 7/1/2018 – 6/30/2023.</i>

BOARD DOCUMENT REVIEW SCHEDULE

V. Audits and Recognition

Document Name	Last Review	Next Review	Description/Comments
1. Actuarial Study	April 2020	April 2021	Independent actuarial audit and study performed annually.
2. Financial Audit	November 2020	November 2021	Independent financial audits performed annually.
3. California Association of Joint Powers Authority Accreditation	August 2020	August 2023	Ensures quality and professional standards for risk management pools.
4. Claims Audit	April 2019	April 2021	Independent claims audits performed biennially.

RESOLUTION NO. 2016-521-1

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EMPLOYMENT RISK MANAGEMENT AUTHORITY
ESTABLISHING CRITERIA FOR ADDING AND REMOVING DEFENSE COUNSEL
TO THE PANEL OF APPROVED ATTORNEY FIRMS**

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” coverage 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

WHEREAS, the ERMA program is now entering its eighteenth year of existence and the Board of Directors previously established a panel of approved attorney firms to handle the employment practices litigation of ERMA and its members, and

WHEREAS, the previously established panel now consists of the two pre-approved attorney firms and ten (10) other approved attorney firms across the State of California, some of which have never handles cases for ERMA and others of which have handled cases for ERMA with varying degrees of success, and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors as follows:

The ERMA Board continues to pre-approve to handle ERMA litigation, the two attorney firms that provide training and hot-line-services under the “Pooled Wrongful Employment Practices” program. ERMA members are encouraged to utilize as defense counsel the two law firms that are under contract to ERMA to provide training and hotline services. Those firms are:

Jackson Lewis, P.C.; and
Liebert Cassidy Whitmore.

A. Criteria to be Included on the Panel of Approved Attorney Firms

Attorney firms requesting to be included on the panel of approved attorney firms must meet and agree to the following provisions before the Board of Directors will consider their inclusion on the panel:

1. The firm must have at least five years of civil litigation practice which includes substantial and significant defense experience in the area of public sector employment practices liability in California. A substantial and significant percentage of the firm’s practice must consist of legal work relating to public sector employment practices liability;
2. The firm must agree to assign ERMA cases to attorneys within their firm with no less than ~~five~~ (5) years civil litigation practice which includes substantial and significant defense experience in the area of public sector employment practices liability.

3. The firm shall provide a resume setting forth the experience of the individual attorneys that would handle ERMA cases and their areas of expertise;
4. The firm must agree that the hourly rate charged shall not exceed the currently approved rates for partners and associates as listed in Exhibit A, unless the member entity agrees to pay any difference between the maximum allowed rate and the actual rate charges. ERMA must be notified in writing if the member entity agrees to exceed the maximum allowed rate. The currently approved rates will be contained in each firm's annual contract for legal services with ERMA;
5. The firm must agree to abide by the policies and procedures established by ERMA for the handling of litigation;
6. The firm must complete the "survey of insurance" attached and incorporated herein as though fully set forth, listing applicable information with regard to general liability, automobile liability, workers' compensation, and errors and omissions liability insurance. The firm must carry errors and omissions liability insurance appropriate to the legal profession, and in an amount not less than \$1,000,000 per occurrence; and
7. The firm must not represent employees as plaintiffs in employment practices liability matters.

Nothing in this resolution shall be construed to limit the right of a member entity to retain its own defense counsel to represent the member entity in any litigation. If, however, a member entity retains its own counsel who is not one of the defense panel firms, the member entity shall be solely responsible for that counsel's attorney's fees and costs, and the member entity shall be deemed to have waived any rights to defense and indemnity coverage from ERMA for that particular litigation.

B. Selection of Defense Counsel

Once the approved panel of attorney firms has been reconstituted, an attorney firm on the panel may be assigned cases from any ERMA member. Assignment to defense counsel for each case belonging to a member entity for wrongful employment practices shall be made from the defense panel by the Litigation Manager after consultation with the entity. Authority to assign a defense firm is at the sole discretion of the Litigation Manager.

Regardless of the defense counsel selected, the member entity shall bear the financial responsibility of the defense expenses, including fees, until such time as its retained limit is exhausted.

Counsel selected must be qualified to handle the type of litigation required; i.e., employment or labor law, appellate work, etc. In addition, the defense counsel selected must agree to abide by the policies and procedures established in this resolution and in Resolution 2014-3 – Establishing a Litigation Management Program, or its successor.

C. Evaluation of Attorney Firms

The performance of defense panel firms will be evaluated annually by the Board of Directors. The performance of the particular attorneys from each firm who worked on ERMA cases will

also be reviewed annually. The Board of Directors reserves the right to remove any firm or any attorney from the panel.

D. In-House Counsel

A member entity has the right to utilize its own in-house counsel (i.e. an employee of the member and not a non-employee or contracted city attorney) to represent the member entity in any litigation. However, no in-house counsel's fees or costs shall be applied towards the satisfaction of the member entity's retained limit.

Furthermore, ERMA retains the right to associate in as counsel any of the defense panel firms in any litigation in which the member entity utilizes its own in-house counsel to represent the member entity at the member entity's expense. The associated defense counsel's fees and costs will apply to the member entity's retained limit.

This resolution supersedes and replaces Resolution ~~5-2016 which replaced Resolution 4-2004 which replaced Resolution 2-2003 which replaced Resolution 3-2000 which replaced Resolution 3-1999~~; eEstablishing Criteria for Adding ~~e~~Defense Counsel to the Panel of Approved Attorney Firms for ERMA. This resolution was adopted by the Board of Directors at a regular meeting of the Board held on ~~May 16, 2017~~February 11, 2021, ~~in Sacramento, California~~ by the following vote:

AYES _____
NOES _____
ABSTAIN _____
ABSENT _____

PRESIDENT

ATTEST:

BOARD SECRETARY

ERMA DEFENSE PANEL SURVEY OF INSURANCE

Please complete and return this form at your earliest convenience.

Firm Name _____ **Completed By** _____

1. **Errors and Omissions Liability** Yes___ No___ Amount_____

Deductible or S.I.R. _____ Claims made/occurrence basis _____

Carrier or Provider _____

Aggregate (if applicable) _____

2. **General Liability** Yes___ No___ Amount_____

Deductible or S.I.R. _____ Claims made/occurrence basis _____

Carrier or Provider _____

Aggregate (if applicable) _____

Would you be willing to extend coverage to the pool? Yes___ No___

By way of _____ certificate _____ endorsement

3. **Workers' Compensation** Yes___ No___ Amount_____

Carrier or Provider _____

4. **Automobile Liability** Yes___ No___ Amount_____

Deductible or S.I.R. _____ Claims made/occurrence basis _____

Carrier or Provider _____

Aggregate (if applicable) _____

Would you be willing to extend coverage to the pool? Yes___ No___

By way of _____ certificate _____ endorsement

EXHIBIT A

BILLING RATES OF PRE-APPROVED DEFENSE PANEL
EFFECTIVE JULY 1, 2020

□ □ □ □ □ □ □ □

-	2017/18	2018/19	2019/20
Partner	\$285	\$290	\$295
Of Counsel	\$270	\$275	\$280
Associate	\$225	\$230	\$235
Paralegal	\$90	\$95	\$100

	2020/21	2021/22	2022/23
Partner	\$295	\$310	\$325
Of Counsel	\$280	\$295	\$310
Associate	\$235	\$250	\$265
Paralegal	\$100	\$110	\$115

Formatted Table



**California Association
of
Joint Powers Authorities**

***Accreditation Report
of
Employment Risk Management Authority***

**CONFIDENTIAL
(See Sections B & C)**

**Prepared by
Marylin Kelley
Consultant
January 19, 2021**

Table of Contents

I. Background

A.	Description of JPA	3
B.	Limitations	4
C.	Distribution and Use	5

II. Findings and Recommendations

A.	Requirements	6
B.	Suggestions	7

Accreditation Standards Worksheets

I.	Governing Documents and Administrative Contracts	9
II.	Government Rules	14
III	Insurance and Coverages	16
IV	Accounting and Finance	19
V.	Investment of Funds.....	22
VI.	Actuarial Standards – Property / Liability / Workers’ Compensation.....	26
VII	Risk Control.....	27
VIII.	Claims Management – Property / Liability.....	28
IX.	Underwriting	30
X.	Operations and Administrative Management	32

I. BACKGROUND

- **Description of JPA** – The Employment Risk Management Authority (ERMA) began providing coverage, litigation management and loss prevention services to its Members on July 1, 1999. The program now covers approximately 200 public entities throughout California. ERMA is the only statewide risk sharing pool created exclusively to provide broad coverage for employment practices liability with active litigation management and tailored loss preventions services.

ERMA program highlights include:

1. Coverage options up to \$3 million per occurrence
2. Various retention levels from \$25,000 - \$500,000
3. Litigation management and oversight of all claims
4. Educational seminars with Liebert, Cassidy & Whitmore and Jackson, Lewis

Loss Prevention services are a major component of the ERMA program and are designed to minimize the employment practices exposures of its members. These services include:

1. Live and online trainings with focus on employment related topics, harassment prevention and response which meets the California state mandated requirements.
2. One hour per month of complimentary legal advice from Jackson-Lewis and Liebert, Cassidy Whitmore. Members may access their assigned firm through a toll-free number.
3. Access to a 24/7 employee reporting line, toll-free, third party reporting.
4. ERMA Members are trained on how to manage reports retrieved via the line as well as those received internally.

Composition – ERMA is comprised of 11 Joint Powers Authorities and two individual members. Not all Members of each JPA participates.

Members:

BCJPIA – 19 Members	PARSAC – 43 Members
Cal TIP – 10 Members	PERMA – 24 Members
CSJVRMA – 49 Members	Plan JPA – 3 Members
ERMAC – 3 Members	SCORE – 18 Members
MBASIA – 10 Members	VCJPA – 39 Members
MPA – 22 Members	Oakland Housing Authority Contra Costs Housing Authority

Mission Statement – The Employment Risk Management Authority (ERMA) is the premier authority for employment liability protecting California public entities. ERMA reduces employment practices risk through its comprehensive, innovative training and resources.

Program Summary

Program	Member Retention	Self-Insured Retention	Excess Coverage
Employment Practices Liability	\$25,000 to \$500,000	\$1 million	\$2 million xs of \$1 million Through RSUI Indemnity Company with a \$4

					million/ \$10 million aggregate
				NOTE: Not all Members participate in the excess coverage.	

Total 2019 Covered Payroll is \$1,717,879,999

Website: ermajpa.org

Service Providers

Service	Organization
Actuary – EPL	Bickmore Actuarial
Financial Auditor	Sampson, Sampson & Patterson
Investment Advisor	PFM Asset Management – CAMP Program
Investment Custodian	Bank of New York
Program Administrator	Sedgwick
Financial Accounting	Sedgwick
Insurance Broker	Alliant Insurance Services, Inc.
Claims Auditor – EPL	Farley Consulting Services, LLC
Claims Administrator – EPL	Sedgwick

B. Consultant Activities

Data was received from *ERMA* during August 2020 with follow up information received through *January 2021*.

C. Purpose / Limitations

California Association of Joint Powers Authorities (CAJPA) Accreditation Program reviews the organizational structure and activities of a Joint Powers Authority (JPA), comparing the JPA with standards adopted by the Association believed to be advantageous to the preservation and performance of the individual JPA and JPA's in California as a whole.

This review was conducted for the purpose of forming an opinion on the general operations of the JPA in accordance with the accreditation best practices standards.

CAJPA does not guarantee that accreditation by CAJPA ensures the legality of the JPA, its governing document, its contracts, or practices. In addition, by accrediting the JPA CAJPA does not guarantee the JPA's solvency or liquidity at the time of the accreditation or any time before or after such accreditation. Neither does accreditation guarantee that an accredited JPA is administered in such a way that the JPA and its programs are, or will continue to be, financially sound.

D. Distribution and Use

This report has been prepared solely for the internal use of CAJPA as a guide in determining the applicant's compliance with the CAJPA Accreditation Standards in force at the time of the accreditation review. No further use or distribution is authorized without the prior written consent of CAJPA and the consultant

Judgments as to the conclusions, recommendations, methods, and data contained in the report should be made only after studying the report in its entirety and understanding the limitations inherent in the analysis, as outlined in the "limitations" section. Of particular note is the limitation that we cannot assure or guarantee the financial soundness of the applicant JPA.

The supporting data, analysis, description, exhibits, and appendices to this report are provided to support the conclusions stated herein and are not necessarily suitable for any other purpose. Furthermore, CAJPA and its accreditation consultants are available to explain any matter presented herein, and it is assumed that the user of this report will seek such explanation as to any matter in question.

II. FINDINGS AND RECOMMENDATIONS

We find *ERMA* to be in compliance with current Accreditation with Excellence Standards. The Accreditation Committee confers continuous accreditation with excellence effective *August 29, 2020* for a period of three years.

A. Full Accreditation Requirements

None

B. Accreditation with Excellence Requirements

None

C. Suggestions

Suggestion 1

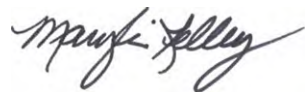
I. GOVERNING DOCUMENTS AND ADMINISTRATIVE CONTRACTS

B. Pursuant to Section 6509 of the Government Code, the agreement shall specify the member which restricts the manner of exercising the power of the JPA (Suggestion).

We recommend this requirement be considered during the next review and update of your JPA agreement.

We are pleased to grant *Accreditation with Excellence* to *Employment Risk Management Authority*.

Respectfully submitted,



Marilyn Kelley
Consultant name

California Association of Joint Powers Authorities (CAJPA)

ACCREDITATION WORKSHEETS

As of July 1, 2017

Key:

√ = Satisfactory (Meets or Exceeds Standards)

U = Unsatisfactory (Does Not Meet Standards)

? = Unable to Determine

N/A = Not Applicable

I. GOVERNING DOCUMENTS AND ADMINISTRATIVE CONTRACTS

Objective

To determine that the governing documents and contracts with major service providers contain all essential provisions.

CRITERIA	STATUS	DISCUSSION
A. The JPA maintains in its records a signed original of the Joint Exercise of Powers Agreement or other acceptable documentation from each member agency. (Mandatory) <i>Other = signed copy of resolution from member's board, photo copy of signed JPA agreement. If not an original, suggest JPA check with counsel about the use of resolutions.</i>	√	
B. The agreement shall contain all of the provisions required in the enabling legislation in Section 6500 of the Government Code.		
1. §6503 requires that the purpose or power to be exercised and the method by which the purpose will be accomplished or the manner in which the power is to be exercised is to be stated in the agreement. (Mandatory)	√	JPA agreement Article II – Purposes and Article VI – Powers of ERMA
2. Pursuant to Section 6509 of the Government Code, the agreement shall specify the member which restricts the manner of exercising the power of the JPA (Suggestion) <i>The member has to be named by name.</i>	S	Currently JPA agreement says powers are those which are common to all Members.
3. In accordance with provisions of §6505.5 or §6505.6 the Section agreement must designate a treasurer and an auditor. (Mandatory) <i>If §6505.5</i> <i>a. Treasurer and auditor from same member</i> <i>b. Treasurer and auditor from same county (if under 6505.5 the auditor shall be from the same entity as the treasurer but does not have to be specifically named and can be the same person.)</i> <i>c. A Certified Public Accountant, who can serve both functions</i> <i>If §6505.6: Can be an officer or employee of the JPA for either or both positions. (Does not have to name any one particular person in the agreement. If the agreement refers to duties under 65.05.6, this includes auditor/and treasurer, we count this as met.)</i>	√	Bylaws Article VI – Election, Appointment and Duties of Officers – A. Election of Officers and C. Duties of Officers 3. Treasurer/Auditor
4. §6511 requires that the agreement provide for the disposition, division or distribution of any property acquired as the result of the joint exercise of powers. (Mandatory)	√	JPA Agreement Articles XVI – XVIII also Refers to Bylaws and Master Program Document

CRITERIA	STATUS	DISCUSSION
5. §6512 or Sec. 6512.2 “requires that the agreement provide that any surplus money on hand after the completion of its purpose shall be returned in proportion to the contributions made.” Or may, in the alternative, in proportion to contributions made and claims or losses paid. (Mandatory)	√	JPA Agreement Article XXIV Termination & Distribution
C. The following are described in appropriate governing documents (agreement, bylaws, resolutions, master plan documents, memorandums of coverage, memorandums of understanding, adopted board policies or other similar documents):		DOCUMENTS IN WHICH ITEM CAN BE LOCATED
1. Eligibility criteria; (Mandatory)	√	JPA Agreement ARTICLE XX – New Members & Bylaws Article XVI – New Members & MPN – article V – Participation
2. Procedure for electing officers; (Mandatory)	√	JPA Agreement – Article VI . A. Election of Officers
3. Terms of office; (Mandatory)	√	JPA Agreement – Article VI A. Election of Officers 2 year terms Pres. Vice Pres & Treasurer
4. Record retention policy; (Excellence only)	√	Resolution 2010-4
5. Power and duties of Board; (Mandatory)	√	JPA Agreement Article VIII – Board of Directors, Bylaws Article VIII – Duties of Directors
6. Indemnification for liability; (Excellence only) <i>The governing documents address that anyone acting in their official capacity (board/committee) is indemnified by the JPA or (not) to eliminate gray area. Employees are already covered under Gov. Code.</i>	√	JPA Agreement Article XXIX – Hold Harmless & Indemnification
7. Provisions for dissolution of pool; (Mandatory) <i>There is a process specified for the members to elect to dissolve the pool.</i>	√	JPA Agreement Article XXIV – Termination & Distribution
8. Provisions for financial audits; (Mandatory)	√	JPA Agreement Article XV – Financial Audit
9. Provisions for actuarial studies; (Excellence only)	√	Master Program Document – Article I – B. Program Years 2. & Article IV Admin B. Reports & Schedules – 3. a
10. Provisions for claims audits: (Excellence only)	√	Master Program Document – Article IV Admin – B. Reports & Schedules – 2.c

CRITERIA	STATUS	DISCUSSION
11. Provisions for assessments & distributions; (Mandatory)	√	JPA Agreement Article XVIII -Assessments & Master Program Document Article III- Premiums, Rates & Assessments
12. Provisions for member withdrawal from a program or JPA as a whole. These provisions shall include: <ul style="list-style-type: none"> • Notice requirements (<i>recommend board resolution for withdrawal from JPA; resolution to get in, resolution to get out</i>) • Financial obligations and entitlements, i.e. responsibilities for future assessments or rights for future dividends. (Mandatory) 	√	JPA Agreement Article XXI – Withdrawal
13. Provisions for termination of JPA members (such as the right to cancel for non-payment of premiums, underwriting problems, or the failure to adequately control risks); (Mandatory)	√	JPA Agreement Article XXII-Expulsion. Any Member can be expelled with or without cause by 2/3 vote of the Board or Executive Committee. Bylaws Article XIV-Billings D. Failure to pay billings or interest. States failure to pay may result in termination.
14. Provision for a meeting of the board at least annually; (Mandatory) (<i>The board will meet at least annually, not an annual meeting according to Roberts Rules of Order.</i>)	√	Bylaws Article VII – Board of Directors Meetings
15. Provision for the resolution of coverage and claims disputes with its members; (Excellence only)	√	Master Program Document – Article VI – Claims Administrations E. Disputes Regarding Management of a Claim.
16. Provision for obligations of members. (Mandatory) <i>The governing documents identify obligations of members, e.g.</i> <ul style="list-style-type: none"> • <i>Payment of contributions</i> • <i>Representative for board</i> • <i>Provide requested data</i> 	√	JPA Agreement Article VII – Member Powers & Responsibilities
D. Governing Documents and Prior Accreditation Report:		
1. The JPA is in substantial compliance with its governing documents. (Mandatory)	√	Board Minutes reviewed.
2. The JPA Governing Board has reviewed the prior Accreditation Report for findings and recommendations. (Excellence)	√	Board Meeting – February 9, 2018 – Consent Calendar

CRITERIA	STATUS	DISCUSSION
<p>E. The JPA has written contracts with firms or individuals that provide program administration services, insurance brokerage services, claims administration services, or have access to JPA funds. Such contracts shall include: (Mandatory)</p> <ol style="list-style-type: none"> 1. Scope of services of the contractor; 2. Indemnification and insurance requirements; <i>(A fidelity bond is required for any contractor that has access to JPA funds. If coverage doesn't cover forgery and alteration then it would not be sufficient coverage; or is employee dishonesty enough. Optional for consultant to add as a recommendation if they believe this is a concern.)</i> 3. Compensation; 4. Term of Agreement; 5. Contract cancellation provisions; 6. Ownership of records; 7. Duty to disclose conflicts of interest including but not limited to other sources of income; and <i>(Suggest consultant inquire if there is a process to provide for this disclosure but this is not a standard requirement and may just be a suggestion.)</i> 8. Language addressing how and by whom fines and penalties are to be paid (applies to workers' compensation third party claims administrators only). <p><i>(For investment advisor contract see V-H)</i></p>	√	Refer to Exhibit 4 Below
<p>F. The JPA has certificates of insurance on file evidencing coverage required in contracts under E., above. (Mandatory) <i>(Consider writing a suggestion for the pool to have a process to collect and review these if they do not have them on file and must collect them during the study.)</i></p>	√	
<p>G. If the JPA offers employee benefit programs to member agencies, a written plan description must be provided to covered employees. (Mandatory)</p>	N/A	
<p>H. The JPA keeps minutes of all meetings of its governing body and standing committees. (Mandatory)</p> <ul style="list-style-type: none"> • <i>Minutes are maintained in conformance with the Brown Act as amended where a record of how each member has voted is maintained as required under G.C. Section 54953(c)(2)</i> 	√	Minutes reviewed

Exhibit 4
Contracts with Major Service Providers

Name of Contractor	Scope Of Services	Indemnification & Insurance <i>Fidelity bond if they write checks</i>	Compensation	Term	Cancellation	Ownership of Records	Disclosure of conflicts of interest and other sources of income	Fines & Penalties W/C only
Bickmore (Sedgwick)	JPA Administration	√	√	7/1/18-6/30/23	√	√	√	N/A
Alliant Insurance Services, Inc.	Insurance Brokerage Services	√	√	7/1/18 – 6/30/21	√	√	√	N/A
Bickmore (Sedgwick)	Employment Practices Liability Claims Administrator	√	√	7/1/18-6/30/21	√	√	√	N/A

II. GOVERNMENT RULES

Objective

To determine that the JPA complies with the various reporting requirements and other mandates imposed by the State of California and its regulatory agencies.

CRITERIA	STATUS	DISCUSSION
<p>A. The JPA has filed a notice of its joint exercise of powers agreement and any amendments or membership changes with the Secretary of State identifying (GC 6503.5): (Mandatory)</p> <ol style="list-style-type: none"> 1. The name of each member; 2. The effective date; 3. The purpose or power to be exercised; and 4. A description of the amendment, if any. <p><i>If the name of the JPA changes, counsel may be asked whether a new JPA agreement must be signed.</i></p> <p><i>Required if you add a new member or delete a member</i></p> <p><i>Notice must be filed within 30 days of amendment or member changes</i></p>	√	<p>Filed 1999</p> <p>Amended parties filed 2017</p>
<p>B. The JPA has made the necessary Public Agency Roster filing with the Secretary of State and county clerks in the counties in which the JPA has offices. (G.C. 53051) (Mandatory)</p> <p><i>Filing required when board members or location changes.</i></p>	√	<p>July 22, 2020</p>
<p>C. The JPA has adopted a Conflict of Interest Code, formally reconsiders it prior to October 1st of all even-numbered years, and oversees any required filings of the Statements of Economic Interest with the Fair Political Practices Commission or the designated filing agent. (G.C. 87306.5) (Mandatory)</p> <p><i>If the filing office is not perceived to be a governmental facility and accessible to the public, the JPA is required to send originals to Section the FPPC and retain copies. Review with the FPPC.</i></p> <p><i>If the Executive Director has provided waivers these waivers should be documented. If the JPA did not document such waivers, then this would be a suggestion the first time and a requirement in future accreditations.</i></p>	√	<p>Filed in August of 2018.</p>
<p>D. If the JPA is subject to Education Code 17566(e) it procures triennial actuarial studies on its employee benefit programs. (Mandatory) <i>(Provision for community college districts Education Code Section 81602 actuarial study under ERISA)</i></p>	N/A	
<p>E. The JPA's governing body approves its annual budget. (G.C. 6508) (Mandatory)</p>	√	<p>BOD June 9, 2020</p>
<p>F.1 The JPA has filed the "Special Districts Financial Transactions Report" with the State Controller/Division of Local Government Fiscal Affairs Special District Unit. (GC 53891) (Mandatory)</p>	√	<p>Fiscal Year 2019/20</p>

CRITERIA	STATUS	DISCUSSION
F.2 The JPA has filed the annual compensation report with the State Controller's office. (Mandatory) GC 53892 (I)	√	
F.3 If the JPA has a website, the web site must contain or link to the annual compensation report for the JPA. (Mandatory) GC 53908	√	Located on Sedgwick Member Portal
G. The JPA has filed its Audited Financial Statement with <ul style="list-style-type: none"> the State Controller and, the county auditor of the county where the home office of the JPA is located within 12 months of the end of each fiscal year. (G.C. 6505 (c)) (Mandatory) 	√	November 20, 2019
H. JPA and/or members have valid certificate(s) of consent to self-insure Workers' Compensation (Labor Code 3700) and files any changes in claims administrators (8Cal Code Regs Sec.15402) and the necessary annual reports with the Dept. of Industrial Relations on or before October 1st of each year. (Labor Code 3702.2) (Mandatory) (<i>This does not apply to excess pools.</i>)	N/A	
I. Meetings and Meeting Notices		
1. The JPA properly posts meeting notices and, (Mandatory) <i>Board and standing committees. Check for ADA posting requirements. Note, the Attorney General has determined that valid posting means available to view 24/7 (consider posting on outside window). Agendas must be posted to the JPA website. Ensure notices are provided for teleconferencing as necessary including proper posting requirements.</i>	√	Copy of posting notice provided.
2. Conducts its meetings in accordance with the Brown Act. (G.C. 54954.2, G.C. 54953.2 and 42 U.S.C. 12132) (Mandatory)	√	Reviewed meeting minutes for past year.
J. JPA's that self-insure medical benefits annually file a copy of their audit with a declaration to the Department of Managed Health Care as required for exemption from Knox-Keene requirements. (Code of Civil Procedures 2015.5) (Excellence Only)	N/A	

III. INSURANCE AND COVERAGES

Objective

To determine that the JPA properly identifies and handles its own exposures to loss, secures any insurance required by its governing documents and/or any other legal requirement, monitors the adequacy of coverages it provides to its members and maintains permanent policy files.

CRITERIA	STATUS	DISCUSSION
A. Insurance and Coverages		
1. The JPA maintains an official bond as required by state law (G.C. 6505.1 and 6505.5). The JPA requires fidelity coverage for a person or persons that are entrusted with any property of the JPA. (Mandatory) <i>Pool needs coverage for treasurer, most employee dishonesty policies exclude the Treasurer, have insurance company issue an endorsement deleting this exclusion. Suggest that the JPA fix the amount of the bond as a specific amount as described in GC Section 6505.1</i>	√	Travelers 7/1/18 to 7/1/21
2. The JPA insures or self-insures for the following exposures as appropriate: (Mandatory) <i>Review to ensure the JPA is named as a covered party. If the JPA is not a covered party and is not buying coverage then ensure that the JPA is making a conscious decision to retain this risk.</i>		
a. Public Officials Errors & Omissions;	√	Great American
b. Employee Fidelity; (insurance only, self-insurance not allowed) (G.C. 6505.1)	√	Travelers
c. Commercial General Liability;	√	Great American
d. Workers Compensation;	N/A	
e. Fiduciary Liability; <i>Required for self-funded health and welfare plans (May review public officials Errors and Omissions coverage, look at exclusions (if it only excludes ERISA then that doesn't exclude government entities) A standard commercial general liability policy doesn't extend to fiduciary coverage.)</i>	N/A	
f. Auto Liability; including hired and non-owned auto; and even if no autos are owned.	N/A	
g. Property.	N/A	

CRITERIA	STATUS	DISCUSSION
<p>3. For the risk retained by the pool the JPA provides a coverage document that includes or references a declaration page that includes:</p> <ul style="list-style-type: none"> • Definitions • Insuring agreement • Conditions • Exclusions <p><i>Note, this can be met by reference to other agreements or laws; ie labor code. (Mandatory)</i></p> <p><i>Recommend that the JPA not include excess limits on the declaration page else it might be interpreted as included in the JPA's form. In that case the JPA may have to assume the same coverage provisions in to the excess layer.</i></p> <p><i>The notes below provide additional considerations but in themselves are not specific requirements:</i></p> <p><i>The JPA should in addition consider scope of coverage, obligation if any to defend and indemnify, report claims, expectation of member to report, settlement. When you are not covering? Details to consider:</i></p> <p><i>Declaration Page (unique to each member and/or year of coverage)</i></p> <ul style="list-style-type: none"> • Identify covered parties, persons, entities • Retention/deductible and limits • Dates of coverage • Premium/contributions <p><i>Definitions (key terms)</i></p> <ul style="list-style-type: none"> • Coverage trigger (i.e. "occurrence", "wrongful act", etc.) • Coverage parts (E&O, Personal Injury, etc.) <p><i>Insuring Agreement (what is covered)</i></p> <ul style="list-style-type: none"> • Reimburse vs. indemnify • BI/PD • E&O • EPLI • Stat WC benefits <p><i>Conditions (obligations to be met)</i></p> <ul style="list-style-type: none"> • Claim reporting/notice • Appeals • Action against authority (dispute resolution) • Other coverage • Subrogation • Assignment • Cancellation/non-renewal • Severability • Defense and Settlement (may be condition or stand-alone) • Increased cost of construction; enforcement of ordinance and law. <p><i>Exclusions</i></p> <ul style="list-style-type: none"> • Asbestos, contract, nuclear, punitive damages, terrorism, etc. <p><i>If the JPA follows form of the excess carrier or pool then is there a policy document that makes this explicit?</i></p> <p><i>Is the document clear regarding the duty to defend within a deductible, member retention or pool sir?</i></p> <p><i>Issue has been some JPA's do not have these items articulated then if there is a dispute the court will say... you don't say you don't do this so you must...</i></p>	√	

CRITERIA	STATUS	DISCUSSION
<p>B. The JPA evaluates its insurers, excess insurers, reinsurers and risk pools for quality, stability, and financial solvency. (Mandatory)</p> <p><i>(Review of current and past insurers due to outstanding claims. See process for evaluating excess insurers and excess risk pools and reinsurers document)</i></p> <p><i>Suggest that insurance carriers current and past be reviewed; this review may include current ratings and any solvency issues.</i></p> <p><i>Suggest that any pooling arrangements entered into that the pool be reviewed annually to evaluate the financial condition and if the pool is accredited.</i></p>	√	Reviewed at the April 28, 2020 BOD meeting.
<p>C. The JPA keeps all memoranda of coverages and insurance policies permanently on file. (Mandatory)</p>	√	Record Retention policy requires permanent storage of all ERMA and Excess policies and records.
<p>D. The JPA maintains and distributes coverage agreements and insurance policies as appropriate. (Mandatory)</p>	√	Maintained on Website

IV. ACCOUNTING & FINANCE

Objective

To determine that the JPA complies with all applicable accounting standards and has adopted an investment policy.

CRITERIA	STATUS	DISCUSSION
<p>A. The JPA materially adheres to all applicable GAAP, GASB, and other accounting standards. (Mandatory)</p> <p><i>Noncompliance examples:</i></p> <ul style="list-style-type: none"> • Not recording IBNR • Unrecorded ULAE (material) • Inadequate disclosures (Required Supplementary Information (RSI) #1, by line of coverage and RSI #2) loss development by line of coverage and disclosure of ceded insurance. • Inappropriate application of GAAP, (such as recording equity in another pool) (cannot be cured by disclosing the policy and limitations) • Liabilities not fairly stated (materially overstated). • Don't record above expected, any additional should be recorded as a designation of retained earnings). • GASB 31, market value of investments • GASB 40 Custodial Credit Risk Disclosures • GASB 27 Pension Liabilities • GASB 45 Other Post-Employment Benefits • Capital Asset Impairments • Related Party Transactions • Extraordinary Items • Prior Period Adjustments • Contingent Liabilities • Recording reinsurance recoveries when received instead of netting out of claims expense when paid and setting up as a receivable. • The MD&A is sufficient <p><i>(Consultant will review above irrespective of auditor's opinion)</i></p>	√	Sampson & Sampson November 2019
<p>B. The JPA issues to its members periodic financial reports at least annually or more frequently if required by its governing documents. (Mandatory)</p>	√	Included in all BOD meeting agendas.
<p>C. Financial Audits</p>		
<p>1. The JPA has undergone annual independent financial audits conducted by a CPA in accordance with generally accepted auditing standards, a report of which has been made available to all members as required by its governing documents. (Mandatory)</p>	√	Presented to BOD at the November 4, 2019 meeting.

CRITERIA	STATUS	DISCUSSION
2. If the JPA has received an opinion other than an unqualified opinion on the audit of its financial statements, the JPA governing board has satisfactorily addressed any such qualifications of opinion, audit exceptions or negative statements. (Mandatory)	√	No deficiencies noted.
3. The independent auditor shall include a report on internal controls. Mandatory <i>(Issue a report on internal control and compliance for governmental auditing standards or an internal control report under Statement on Auditing Standards 115 to meet this.)</i>	√	Included
4. If a management letter or report on internal controls has been issued, the JPA governing board has addressed any recommendations. (Mandatory)	√	No recommendations.
D. Unpaid Claims Liabilities		
1. The JPA has assets sufficient to pay all unpaid claims liabilities and maintains a reasonable contingency margin. The determination of whether there is a reasonable margin for contingencies will include consideration of investment income, excess of loss insurance, aggregate stop loss insurance, assess ability, size of program, volatility of risk, tolerance of membership, disclosure to board and any other relevant factors. (Excellence only) <i>(If there is a deficit and the board has made an assessment, the receivable is recorded to offset the deficit.)</i>	√	Assets at 3/30/20 \$30,458,550 Liabilities at 3/30/20 \$18,809,475 @ Expected. 6/30/20 Actuarial Study shows Liabilities @ Exp. \$18,054,000 @ 70% \$20,744,000 @ 80% \$22,639,000 @ 90% 25,636,000 Discounted 2%
2. If the JPA does not currently have sufficient assets to pay unpaid claims liabilities, it has a reasonable financial plan in effect that will generate sufficient revenues to pay all unpaid claims liabilities and to establish a contingency margin. (Mandatory)	N/A	
For both D (1) and D (2) above, unpaid claims include: (Mandatory) a. Case reserves for reported claims; b. Incurred but unreported claims; c. Expected loss development; and, d. Allocated & unallocated loss adjusting expenses.	√	
3. JPAs with a self-funded medical benefits plan must fund at a level sufficient to cover expected claims, including the run-out, plus a reasonable contingency for adverse experience. Absent any acceptable evidence to the contrary, the contingency for adverse experience shall be set at an amount equal to or greater than the expected run-out of claims. (Mandatory)	N/A	
4. JPA's with self-funded benefit plans other than medical must fund such programs at a level sufficient to cover expected claims and projected run-out, plus a reasonable contingency for adverse experience. (Mandatory)	N/A	
E. The JPA's current contribution levels for each self-funded program is in concert with Section D, above. (Mandatory)	√	

CRITERIA	STATUS	DISCUSSION
F. The JPA has adopted a target equity policy and considers it when evaluating funding and dividends. (Mandatory) <i>(For sample targets see target equity worksheet)</i>	√	
G. Any JPA with non-risk sharing program(s) must clearly indicate in the governing documents the financial and operational structure of such program(s). (Mandatory) <i>To be considered as a W.C. non-risk sharing program, it must not be operating under a master workers' compensation certificate filed with the State Dept. of Self-Insurance Plans.</i>		
In lieu of funding standards contained in Section E above, a non-risk sharing program must:		
1. Calculate and communicate the individual member net asset balances and liabilities to the members annually.	N/A	
2. Be sufficiently assessable to ensure that program's cash flow needs are met.	N/A	
3. Demonstrate that it has adequate cash on hand to meet future claims costs.	N/A	
H. The JPA maintains a suitable management information system that includes premium computation methods and/or allocation formulas. (Excellence only).	√	Premium calculation provided to members shows calculation methodology.

V. INVESTMENT OF FUNDS

Objective

To assure that policies and procedures are in effect to protect and preserve the JPA's financial assets.

CRITERIA	STATUS	DISCUSSION
A. The JPA has a written investment policy that contains: (Mandatory) <i>Required for all, even if they only have money in LAIF and or County Treasury.</i>	√	Reviewed at BOD February 2020
1. A statement of objectives as required by G.C. § 53646	√	
2. Description of permitted investments, which must be in conformity with California G.C. §53601 and reasonable under "prudent investment rule."	√	
3. The written investment policy is reviewed annually by governing body or an investment committee pursuant to California G.C. § 53646(a).	√	Reviewed by BOD
B. The JPA invests its funds in conformity with GC §53601. (G.C. 6509.5) (Mandatory)	√	
C. The JPA provides evidence that the governing body or an investment committee periodically considers diversification of risk as to type of investment and individual institution. (Excellence only)	√	Reviewed by BOD 2/2020
D. The JPA has in place internal controls that include: (Mandatory) <i>Government pooled funds excepted.</i>		
1. Separation of functions (buying and selling of securities is separate from accounting and reporting of transactions) if the size of the staff can accommodate this;	√	
2. Separate verification of all transactions; and	√	
3. Written documentation of procedures.	√	
E. If the Treasurer has the authority to reinvest, sell and exchange securities:		
1. The JPA makes such delegation of authority annually. (G.C. §53607). (Mandatory)	N/A	
2. The Treasurer renders a monthly report of investment transactions to the governing board. (G.C. 53607). (Mandatory)	√	Included in BOD Agendas.

CRITERIA	STATUS	DISCUSSION
THE FOLLOWING REQUIREMENTS (F, G, H & I) ONLY APPLY TO JPAs THAT MANAGE THEIR OWN INVESTMENTS, WITH OR WITHOUT THE USE OF INVESTMENT CONSULTANTS. <i>Does not apply to JPA funds that are deposited with county or state investment pools.</i>		
F. The JPA provides evidence that the Treasurer or Chief Financial Officer has submitted a quarterly report in a timely manner to the governing board containing the investment information required by California G.C. §53646 (b) (1), a description of compliance with the statement of investment policy G.C. §53646 (b) (2), and a statement of ability to meet expenditure requirements over the next six months G.C. §53646 (b) (3). (Excellence) <i>Should be signed by Treasurer or CEO. (Note; under 53646 it does not state that you must provide the transaction detail as described under 53607 for a treasurer that has investment authority)</i>	√	Included in BOD Agendas.
G. The quarterly investment report filed with the governing body shall also contain:		
1. Type of investments; (Excellence)	√	
2. Issuing institution; (Excellence)	√	
3. Dates of purchase and maturity; (Excellence)	√	
4. Par and dollar amount invested on all securities; (Excellence)	√	
5. Investments and monies held by the JPA; (Excellence)	√	
6. Current market value, including source; (Excellence)	√	
7. Coupon rate; (Excellence only)	√	
8. Effective yield rate; <i>(yield to maturity)</i> (Excellence only)	√	
9. Portfolio total rate of return; (Excellence only)	√	
10. Cash and security transactions; (Excellence only)	√	
11. Percentage of portfolio by issuer or security type. (Excellence only)	√	
H. JPAs that own investment securities shall have an independent custodian who shall not be from the same department of the financial institution or broker/dealer from whom the JPA buys or sells the security, or the investment advisor. (Mandatory)		
1. There shall be a written contract between the JPA and the independent custodian that includes: (Mandatory) a. Scope of services b. Compensation c. Termination	√	Bank of New York

CRITERIA	STATUS	DISCUSSION
2. Monthly reports shall be sent directly from custodian to a specific person at the JPA. (Excellence only)	√	
3. Custodial statements shall be reconciled with an in-house or investment advisor's report. (Mandatory) <i>Should be independent of the custodian and investment advisor. Should be documented in the investment accounting procedures. Recommend quarterly.</i>	√	
4. The third-party custodian shall maintain adequate fidelity coverage. (Excellence only)	√	\$25 million limit with Indian Harbor and Liberty Surplus
I. For JPAs that engage in services of a professional investment advisor, the following safeguards are in place: <i>For the purpose of this Section I, an investment advisor is a person or firm that provides advice as to the value of securities or property or the advisability of purchasing or selling such securities or property. The advisor may have discretionary authority or control to purchase or sell. An investment advisor renders advice to the JPA on a regular basis with the understanding that his or her advice will be an integral factor in the investment decision-making process relative to the particular needs of the JPA. Purely clerical or ministerial duties such as record-keeping, reporting, processing, or disseminating information generally will not be classified as investment advisory activities, absent authority, discretion, or control.</i>		
1. There is a written contract between the advisor and the JPA that includes; (Mandatory) a. Scope of services b. Compensation c. Duty to disclose conflicts of interest d. Termination e. Disclosure to JPA of any investigation by a regulatory body for investment-related regulatory violations.	√	
2. The JPA has a process to ensure the investment advisor has disclosed any conflict of interests (Mandatory) <i>(This may be satisfied by a provision in the contract as addressed in (1) above or FPPC form 700, or review of Form ADV Parts 1 and 2; this should be done annually.) We are concerned that this does not satisfy the objectives of "disclosure" form 700 and ADV, recommend an annual statement of conflicts, list conflicts.</i>	√	Form ADV annually provided
3. All securities are purchased in the name of the JPA. (Mandatory) <i>Deposits in LAIF or a treasury are not "securities"</i>	√	CAMP Agreement states funds are invested in Individual Portfolios.
4. The advisor sends monthly reports to the JPA containing information described in Section D above. (Mandatory)	√	
4. The advisor reports at least quarterly an evaluation including total rate of return and a comparison of the pool's total rate of return to reasonable benchmarks (i.e., U.S. Treasury securities, an index comprised of Treasuries, or LAIF). (Excellence only)	√	Provided by CAMP and Treasurer

CRITERIA	STATUS	DISCUSSION
5. The investment advisor carries Investment Advisor Professional Liability Insurance with a per <u>claim</u> /aggregate limit of at least \$1,000,000. (Mandatory)	√	Limit \$40 million Exp 11/30/21
J. JPA's that place their investments in or through County or State investment pools, or in FDIC insured contracts will issue quarterly reports to the governing body, chief financial officer, and auditor in accordance with G.C. §53646 (e). (Excellence)	√	Some funds held in LAIF. Varies from \$500,000 - \$3,000,000 during the year.

VI. FUNDING AND ACTUARIAL STANDARDS

Objective

To determine that the JPA has completed actuarial studies or independent evaluations on each of its self-funded programs. There may be instances in which the provisions of this section may be waived because such studies may not be considered necessary (such as for property or vehicle physical damage programs).

Programs: Property / Liability/Workers Compensation

CRITERIA	STATUS	DISCUSSION
A. The JPA has had property or casualty (including W.C.) actuarial study(ies). Such study was conducted by a Member of the American Academy of Actuaries and addressed all of the relevant items in Sections IV. E and IV. F. Such study(ies) shall be conducted within the last three years (Mandatory) or annually. (Excellence only). <i>(The actuary should be conducted for major programs, if a pool is in run-out it still should have an actuary study, unless as determined by the committee the risk and variability has sufficiently diminished. Such considerations would be; line of coverage, the risk layer retained, whether the pool is an excess layer pool, the variability inherent in the claims and how the claims are developing.)</i>	√	Bickmore Actuarial Mark Priven FCAS, MAAA and Derek Burkhalter Actuary, ACAS, MAAA 3/27/20 Study conducted annually.
B. If loss reserves requirements were computed on a discounted (present value) basis, the payout pattern and projected rate of return were reasonable. (Mandatory) <i>Is the discount rate reasonable given; current cash and investment balances, accounts receivable or deficit balances, or the character of the assets such as buildings?</i>	√	2 % discount Earnings reports show average earnings of 2.07% as of 8/20 Funding is at the 80% Confidence Level.
C. If the JPA has a self-funded medical benefits plan, it must conduct an independent rate study and fund level evaluation, including consideration of a reasonable contingency margin for adverse experience. Such study shall be conducted annually (Excellence only) or within the last 36 months. (Mandatory).	N/A	
D. If JPA has other miscellaneous self-funded programs (such as dental, vision, long-term disability or life), it must conduct independent rate studies and fund level evaluations within the last 36 months (Mandatory) or bi-annually. (Excellence only) <i>Evaluation does not have to be prepared by actuary - can be by benefit consultant.</i>	N/A	

VII. RISK CONTROL

Objective

To determine that the JPA actively promotes risk control principles and practices to its members and that necessary budgetary appropriations for such services are made. An excess JPA may meet this requirement by requiring its member agencies to be responsible for having their own risk control program.

CRITERIA	STATUS	DISCUSSION
A. JPAs are active in promoting risk control principles among their member agencies. This shall include the following: (Compliance with two or more is required for Excellence) <i>Not applicable for benefit programs.</i>		
1. Promoting a risk transfer policy that addresses additional insured's, minimum insurance limits and proof of suitable insurance coverage.	N/A	
5. Establishing risk control standards for the significant exposures of its member agencies. <i>For liability and property.</i>	√	
3. Prioritizing the use of its risk control resources, based on such factors as; (a) loss ratios, (b) frequency, and (c) severity rates.	√	
4. Offering risk control assistance to its member agencies, including (a) conducting or facilitating risk control inspections, (b) investigating large losses, (c) conducting risk control training for its member agencies, and/or (d) providing wellness and/or employee assistance program.	√	
5. Providing or facilitating the procurement of appraisal services, in order to maintain accurate records of its members' property components and values.	N/A	
B. The JPA's budget provides for the above. (Excellence only)	√	
C. The JPA maintains a suitable management information system that includes: (Excellence only)		
1. Relevant information about type and quantity of exposures being assumed.	√	Annual renewal questionnaire.
2. Relevant information about the type, number and cause of accidents resulting in claims against its member agencies.	√	Internal Bickmore System

VIII. CLAIMS MANAGEMENT

Objective

Measure nature, scope, and quality of the claims management services provided by JPA and its contractors.

Program: Property / Liability

CRITERIA	STATUS	DISCUSSION
A. The JPA has established a suitable claims management system. Excess JPA's must have a process to monitor primary claims handled by, or for, its member agencies. (Mandatory)	√	
B. The JPA has established a litigation management program. (Excellence only) <i>Evidence of this may include</i> <ul style="list-style-type: none"> • Budget • Written plan for litigation on each litigated case • Guidelines for oversight of litigation • Contracts with attorneys <i>Although the above may not be applicable for excess pools; does the excess pool</i> <ul style="list-style-type: none"> • have oversight only over primary layer litigation? • assign associate defense counsel? • ensure the primary pool or covered party has a litigation program? 	√	
C. The JPA has conducted a claims audit on each significant self-funded program within the last 2 years. Significant self-funded programs shall include W.C., liability, and medical malpractice. (Excellence only) <i>(A periodic OBEA audit may be acceptable replacement on a self-administered program (in-house administration) however; this audit does not have the same scope in review of reserves).</i> The audit should be conducted by a qualified claims auditor, independent of the JPA, the claims administrator and the insurers, and should determine whether or not:	√	Claims Audit 4/18/19 Farley Consulting Services
1. Claims are handled in a timely and organized manner;	√	
2. The claims administrator adequately communicates with the JPA, its members, and the claimants;	√	
3. Case reserving practices are reasonable;	√	No deficiencies
6. Loss experience reports accurately reflect the case reserves and the payments. As an alternative, this determination may be made during the financial audits required in Section IV. C. of these Accreditation Standards. 7.	√	Financial Audit

CRITERIA	STATUS	DISCUSSION
5. The JPA is receiving quality claims services. General evidence of this may be indicated from the following:		
a. Staffing levels are adequate in relation to caseloads;	√	
b. Adjusters identify claims with subrogation potential;	N/A	
c. Excess insurers are notified of claims with excess potential;	√	
d. Litigated claims are adequately managed;	√	Nearly all claims reviewed are litigated claims which is normal due to nature of EPL claims.
e. Coverage is verified; and	√	
f. Adequate investigations are performed.	√	
D. The JPA has addressed all major recommendations and significant findings included in the audit report. <i>Consideration of a future standard: (An excess pool has a process of reviewing primary layer claim audit results and follow-up with members (Excellence only)</i>	√	No major recommendations.
E. The JPA maintains a management information system that includes relevant information about the type, number and cost of claims being reported and adjusted. (Excellence only)	√	Origami
F. If the JPA provides employee benefit plans for its members, it must have an appeals process for handling claims and/or coverage related disputes. (Mandatory)	N/A	
G. The JPA has a written policy addressing settlement authority (Excellence only)	√	Settlement Policy is in Article VI of ERMA Master Plan Document

IX. Underwriting

Objective

To determine that the JPA has a clear process for developing and monitoring its underwriting policies and processes

CRITERIA	STATUS	DISCUSSION
I. Underwriting Objectives <i>This applies to rating individual members and overall program management</i>		ERMA has Underwriting Guidelines last amended in 2014 and Master Program Document which was amended July 1, 2020.
1. The JPA has established a written underwriting policy. This policy should include the following (mandatory): <i>This should be a written policy approved by the board</i>		
a. A definition of the underwriting function / mission	√	
b. Address suitability or fit of member	√	
c. As applicable considers i. Claims ii. Exposures iii. Actuarial results	√	
d. Defines relevant period or value of data. (<i>last 5 years; or capped at \$150,000</i>)	√	<i>Five years. Loss Ratio not to exceed 80% for new members.</i>
2. There is an objective contribution allocation formula (mandatory) (Addresses both new and existing members)	√	This is in the Master Plan Document
a. It identifies the components in writing as part of the policy	√	
b. The policy identifies guidelines for credits or debits, if any	√	

CRITERIA	STATUS	DISCUSSION
3. There is an approval process for new members by board or who they delegate this approval. (mandatory)	√	
4. The underwriting policy is formally reviewed periodically or at least once every three years. (mandatory) <i>(a fresh look at the formulas)</i> This review should consider:	√	<i>Last updated in 2017. Master Plan Document reviewed in 2020</i>
a. Is the process adequately measuring the risks?	√	Part of Master Plan Document
b. Is the process adequately allocating costs?	√	Part of Master Plan Document
5. Underwriting considers the target net assets (Excellence) May include a dividend & assessment formula	√	Part of Master Plan Document

X. OPERATIONS AND ADMINISTRATIVE MANAGEMENT

Objective

To determine that the JPA (A) has a process for developing and implementing a strategic plan setting forth its goals and objectives for the future, (B) regularly and effectively communicates with its members (C) actively involves its governing board members and staff in education and training programs offered by relevant professional associations and (D) maintains procedures and policies relating to information systems.

CRITERIA	STATUS	DISCUSSION
A. The JPA conducts an effective strategic planning process to guide its future efforts. This should include an analysis of the environmental trends and the organizational strengths, weaknesses, opportunities and threats. Such a process may also include the following: (Excellence only)	√	2/6/20 Last Annual Workshop
1. A survey of member expectations and related perceptions; <i>(either formally or informally)</i>	√	
2. A mission statement with supporting goals, objectives and tasks.	√	
3. Consideration of the target equity policy.	√	Reviewed 2/20/20
B. The JPA regularly communicates with its member entities. Such communication may include (Excellence only) <i>One or more or related communication efforts with members</i>		
1. Annual reports, newsletters, or similar media;	√	ERMA provides training bulletins schedules of training
2. Notice of major policy issues;	√	
3. Periodic workshops, seminars, or similar educational activities;	√	Liebert, Cassidy Whitmore, and Jackson Lewis conduct seminars as well as in-house staff seminars.
4. Surveys of its member agencies, its service providers, and staff.		
5. JPA website for communication with members	√	
C. The JPA governing board and staff are actively involved in education and training programs. Such involvement may be indicated by the following: (Excellence only)		
1. Participation in one or more of the following organizations:		
a. CAJPA (California Association of Joint Powers Authorities)	√	
b. PARMA (Public Agency Risk Managers Association)	√	
c. PRIMA (Public Risk Management Association)	√	
d. CPCU Society (Chartered Property and Casualty Underwriters)		
e. RIMS (Risk and Insurance Management Society)		
a. CASBO (California Association of School Business Officials)		

CRITERIA	STATUS	DISCUSSION
g. COSIPA (Council of Self-Insured Public Agencies)		
h. CSIA (California Self-Insurers Association)		
i. PASMA (Public Agency Safety Management Association)		
j. AGRiP (Association of Governmental Risk Insurance Pools)		
k. IEA (Insurance Educational Association)		
l. ASSE (American Society of Safety Engineers)		
m. SCIC (Society of Certified Insurance Counselors)		
2. Top management has attended at least two professional conferences or seminars in the preceding 12 months.	√	Attended 2 AGRIP virtual conferences.
3. The governing body members participate in pool management and risk management training.	√	ERMA provides training in risk management. Since Members belong to pools the pools are responsible for pool management raining.
4. There is formal training of all key personnel. <i>(As needed)</i>	√	
5. The JPA's budget provides for the above participation and training.	√	
D. The JPA has developed and implemented processes and procedures relating to protection of electronic data, including:		Sedgwick Policy update 11/19
1. A suitable security and back-up system for all stored data. (Mandatory)	√	
2. A written policy with respect to:		
a. Disaster recovery (Excellence only)	√	
b. Physical and electronic data security (Excellence only)	√	
c. Electronic data retention (Excellence only)	√	
d. Protection of electronic data as required by Health Insurance Portability and Accountability Act of 1996 (HIPAA), as applicable. (Excellence only)	N/A	

ADMINISTRATIVE MATTERS

SUBJECT: Staffing Update

BACKGROUND AND STATUS:

ERMA contracts with Sedgwick (Bickmore) for Administrative, Litigation Management and Financial Services. As part of this contract, Sedgwick appoints staff for key positions including, Finance Manager and Litigation Manager.

Alana Theiss, ERMA's Finance Manager since 2018, resigned from her position with Sedgwick in late December 2020. While Sedgwick continues to recruit for a new finance manager, Jim Elledge serves on an interim basis with the continued support of Chee Xiong, Senior Accountant and Liz Kokhanets, Staff Accountant, both of whom have worked as a part of the ERMA team for many years. Mr. Elledge is a long-tenured finance manager and program administrator and is well versed in joint powers authority accounting.

Kathy Maylin, ERMA's Litigation Manager since 2015, provided notice of intent to retire from her position effective September 30, 2021. Ms. Maylin will assist Sedgwick in the recruitment and transition to her successor.

RECOMMENDATION:

None

ADMINISTRATIVE MATTERS

SUBJECT: Appointment of Assistant Treasurer

BACKGROUND AND STATUS:

In accordance with the established policies and procedures, ERMA authorizes the President, Vice President, Treasurer and Assistant Treasurer to deposit or withdraw funds held in the Local Agency Investment Fund (LAIF).

LAIF transactions are typically managed by ERMA's Finance Manager, however as Sedgwick continues to recruit to replace Alana Theiss, staff recommends Katie O'Brien, Director, Pool Accounting, be designated as ERMA's Assistant Treasurer. All future LAIF transactions will be directed jointly by ERMA's Finance Manager and Ms. O'Brien.

RECOMMENDATION:

Staff recommends the Board of Directors appoint Katie O'Brien as Assistant Treasurer, effective February 11, 2021.

ADMINISTRATIVE MATTERS

SUBJECT: Review and Approval of Goals and Objectives Established at the 2021 Annual Workshop

BACKGROUND AND STATUS:

Time is reserved for the Board to review and approve the goals and objectives established at the February 11, 2021 Annual Workshop.

RECOMMENDATION:

Staff recommends the Board of Directors adopt the goals and objectives established at the February 11, 2021, Annual Workshop.

ADMINISTRATIVE MATTERS

SUBJECT: Consideration of Additional Self-Insured Retention Option

BACKGROUND AND STATUS:

ERMA currently offers member agencies a choice of six self-insured retention (SIR) options: \$25,000; \$50,000; \$75,000; \$100,000; \$250,000; and \$500,000.

As previously reported, the Public Agency Risk Sharing Authority of California (PARSAC) and the Redwood Empire Municipal Insurance Fund (REMIF) intend to merge operations and form the California Intergovernmental Risk Sharing Authority (CIRA), beginning July 1, 2021. REMIF is comprised of fifteen member cities, all of whom plan to apply for participation in ERMA.

Pursuant to CIRA's planned coverage structure, ERMA was asked to consider the addition of a \$350,000 SIR beginning in the 2021/22 Program Year. PARSAC's thirty-four member cities participate in ERMA with SIRs varying from \$25,000 to \$250,000, as follows:

Self-Insured Retention (SIR)	# of Member Cities
\$25,000	24
\$50,000	2
\$75,000	1
\$100,000	5
\$250,000	2

The Coverage Committee met on January 21, 2021 to review and consider CIRA's request and recommends the Board of Directors approve the addition of a \$350,000 SIR option, effective July 1, 2021.

RECOMMENDATION:

The Coverage Committee recommends the Board of Directors approve the addition of a \$350,000 SIR option, effective July 1, 2021.

ADMINISTRATIVE MATTERS

SUBJECT: Resolution No. 2021-3, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law

BACKGROUND AND STATUS:

Resolution No. 2020-1, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law (Resolution) was most recently reviewed and adopted in February 2020. As a result of recent legislative changes, staff requested the Coverage Committee review the Resolution to consider necessary changes. The Committee met on January 21, 2021, and reviewed the following:

1. Page 2 of the Resolution states:

“For any Claim, as such term is defined in ERMA’s Memorandum of Coverage, that is submitted to ERMA by an underlying member which relates to the subject matter of California Government Code §12950.1, each underlying member is required to provide ERMA with documentation evidencing they have substantially complied with as the training requirements mandated by said code section. Substantial compliance is defined as having 90% of all employees and elected officials trained in compliance with §12950.1 as of the date of occurrence of the Claim.”

References to “substantial compliance” are contained within the Resolution, the Memorandum of Coverage, member communication utilized to establish training compliance upon receipt of certain claim types, and the online training self-certification survey tool.

The Committee determined use of the term “substantial compliance” as defined as 90% compliance of all employees and elected officials, should remain. However, in recognition of the need for a formalized process to ensure compliance, staff was directed to develop such a process for the Committee’s further review and consideration of implementation in future program years.

2. Page 2 of the Resolution also states:

“Any underlying member that fails to comply with the mandated sexual harassment training or fails to provide ERMA with documentation evidencing compliance will have its retained limit increased by 100% for the submitted claim.”

Pursuant to the language noted above, should it be determined a member is non-compliant or fails to provide evidence of such, they are subject to a 100% SIR increase for the submitted claim.

The Committee determined a penalty for failure to comply with training requirements should remain, but instead proposed the penalty structure in place for late reporting of claims be applied for non-compliance with training requirements. This penalty structure is as follows:

SIR	Penalty	% 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%

Staff was further directed to develop an expanded penalty structure for the Committee's further review and consideration of implementation in future program years.

RECOMMENDATION:

The Coverage Committee recommends the Board of Directors approve Resolution No. 2021-3, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law, as presented.

REFERENCE MATERIAL ATTACHED:

- Resolution No. 2021-3, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law, in redline/strikeout text

DRAFT RESOLUTION NO. 2021-~~3X~~

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EMPLOYMENT RISK MANAGEMENT AUTHORITY REQUIRING
MEMBERS TO PROVIDE PROOF OF COMPLIANCE WITH TRAINING
MANDATED BY STATE LAW**

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;

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

WHEREAS, it is in the best interests of the ERMA members to ensure that all underlying members comply with the minimum training requirements mandated by state law;

WHEREAS, the Board previously adopted Resolution No. ~~2019-3~~2020-01 to ensure that all ERMA members complied with sexual harassment training mandated by state law (Government Code § 12950.1) and to establish a compliance program in which underlying members would be required to establish proof of compliance with such training to avoid penalties for noncompliance; and

WHEREAS, the Legislature has addressed conduct other than sexual harassment in Government Code § 12950.1, and this Resolution reflecting such scope is therefore appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors as follows: This

Resolution ~~2020-1X3~~ supersedes Resolution ~~2019-20-31~~.

Senate Bill 778 extends the deadline from January 1, 2020 to January 1, 2021 for all employers with five or more employees to provide: 1) At least two hours of sexual harassment prevention training to all supervisory employees and elected officials and 2) At least one hour of sexual harassment prevention training to all non-supervisory employees. New employees should be trained within six months of appointment to a supervisory position. Thereafter, employees must be provided with refresher training once every two years. Temporary and/or seasonal employees must receive harassment prevention training by January 1, 2021.

Such training is required to address sexual harassment as well as harassment based on gender identity, gender expression, and sexual orientation; “abusive conduct” as defined; and more generally address unlawful discrimination, harassment and retaliation.

In an effort to ensure mandated training requirements are met, ERMA staff will monitor participation of live and online training for ERMA members via an established self-certification process, beginning January 1, 2021.

For any *Claim*, as such term is defined in ERMA’s Memorandum of Coverage, that is submitted to ERMA by an underlying member which relates to the subject matter of California Government Code §12950.1, each underlying member is required to provide ERMA with documentation evidencing they have substantially complied with as the training requirements mandated by said code section. Substantial compliance is defined as having 90% of all employees and elected officials trained in compliance with §12950.1 as of the date of occurrence of the *Claim*.

At the time the Claim is submitted, and at the request of an ERMA representative, the underlying member shall within 30 days provide an attestation that the following occurred:

1. The underlying member is in compliance with the training and education requirements set forth in California Government Code §12950.1 and the regulations of the Fair Employment and Housing Commission relating thereto;
2. The underlying member documented the date of the training for each employee;
3. The underlying member retained a description of the course (including content and duration) and the course materials;
4. The underlying member retained a brief biography on the course trainer; and
5. The underlying member retained a copy of the participant sign-in sheets, certificates of completion, or other proof of attendance.

Any underlying member that fails to comply with the mandated sexual harassment training or that fails to provide ERMA with documentation evidencing compliance will have its retained limit increased as follows for the submitted Claim:

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

~~will have its retained limit increased by 100% for the submitted Claim.~~ The Board of Directors will have discretion to consider lack of compliance as a factor in determining whether a member should be subject to a Risk Assessment.

This Resolution was adopted by the Board of Directors at a regular meeting held on ~~February 711, 2020~~1, in Santa Cruz, California ~~via teleconference~~, by the following vote:

AYES _____
 NOES _____
 ABSTAIN _____
 ABSENT _____

ATTEST:

Formatted: Normal, Justified, Right: 0.08", Space Before: 0 pt

Formatted: Indent: Left: 0.5"

Formatted Table

Formatted: Highlight

PRESIDENT

BOARD SECRETARY

ADMINISTRATIVE MATTERS

SUBJECT: Proposed Revisions to the Memorandum of Coverage for the 2020/21 Program Year, Effective January 1, 2021

BACKGROUND AND STATUS:

As noted in the previous agenda item, Resolution No. 2020-1, Requiring Members to Provide Proof of Compliance with Training Mandated by State Law (Resolution), is referenced in the Memorandum of Coverage (MOC), Section VII, Conditions, Article 1 (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.”

Should the Board determine the Resolution be revised to limit the effect of a 100% increase of the member’s self-insured retention (SIR), it becomes necessary to amend the MOC.

Additionally, should the Board determine the Resolution be revised to mirror the existing penalty structure applied for late reporting of claims, it becomes necessary to amend the MOC.

RECOMMENDATION:

The Coverage Committee recommends the Board of Directors approve all revisions to the Memorandum of Coverage for the 2020/21 Program Year, effective January 1, 2021, as presented.

REFERENCE MATERIALS ATTACHED:

- Memorandum of Coverage for the 2020/21 Program Year, Effective January 1, 2021 in redline/strikeout text

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
(ERMA)**

MEMORANDUM OF COVERAGE

FOR THE 2020/21 PROGRAM YEAR

EFFECTIVE ~~JULY 1, 2020~~ JANUARY 1,
2021

Table of Contents

SECTION I - COVERAGE.....	3
SECTION II - DEFINITIONS.....	3
SECTION III - DEFENSE AND SETTLEMENT	8
SECTION IV - ERMA'S <i>LIMIT OF COVERAGE</i>	9
SECTION V - <i>COVERAGE PERIOD</i> AND TERRITORY	9
SECTION VI - EXCLUSIONS	10
SECTION VII – CONDITIONS.....	12
SECTION VIII – MISCELLANEOUS PROVISIONS	17

FORM NUMBER ERMA 2020-1EPL

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 *Ultimate Net Loss*, less the *Retained Limit*, up to the *Limit of Coverage* on behalf of the *Covered Party* due to a *Claim* against the *Covered Party* because of a *Wrongful Employment Practice* to which this Memorandum applies, caused by an *Occurrence*, 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 oral or written notice to the *Covered Party* that an *Employee* alleges a *Wrongful Employment Practice*.

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 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.

Formatted: Justified, Right: 0.06"

4 "Covered Party" means:

Formatted: Justified

- (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.

Ⓢ—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

Formatted: Justified, Right: 0.06"

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

Formatted: Justified, Right: 0.06"

- 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 harassment specifically authorized under Cal. Gov. Code 12940 (j)(1) 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 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 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 act or omission or series of related acts or omissions by a *Covered Party* during the Coverage Period which results in a *Claim* for a *Wrongful Employment Practice*. All acts or omissions alleged by the same *Employee* in the same *Claim* shall be deemed to constitute one *Occurrence* that took place on the date of the first alleged act or omission.

Regardless of the number of *Covered Parties*, all *Claims* by all *Employees* arising from the same act or omission or series of related acts or omissions shall be deemed to be one *Occurrence* for the purpose of the Limit of Coverage, and that *Occurrence* shall be deemed to have taken place on the date of the first such act or omission alleged by the *Employee* or *Employees*.

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.

8 “Wrongful Employment Practice” means any actual or alleged *Wrongful Termination, Discrimination, Harassment, Retaliation, or Workplace Tort*.

9 “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 Litigation Manager shall have discretion to accept as timely any *Claim* reported after 30 days except for any of the following: 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 *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:

- (l) 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.

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.

- (2) 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.
- (3) 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 Board shall increase the *Covered Party's Retained Limit* as follows:

PENALTY STRUCTURE

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

shall be doubled for such cla

(F) ~~in~~ Proof of substantial compliance shall be provided at the request of the *Authority* and in the form set forth in Resolution No. ~~2010-22~~2021-X, 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

Formatted: Font: 12 pt

Formatted: Justified, Indent: Left: 0.47", Hanging: 0.38", Right: 0", No bullets or numbering, Tab stops: Not at 0.85"

Formatted: Font: 14 pt, Bold

Formatted: Font: 12 pt

Formatted: Font: 12 pt

Formatted: Normal, Justified, Indent: Left: 0.85", No bullets or numbering

Formatted: Font: 12 pt

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* thirty (30) calendar 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 thirty (30) calendar day period commences from receipt of such new opinion or decision in which the *Covered Party* may appeal to the Board. The Program Administrator shall have the discretion to extend the time period within which an appeal from a coverage decision or opinion must be presented to the Board by an additional 30 days.

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

In the event a *Covered Party* disputes a decision by the Board, the *Covered Party* must request to binding arbitration within thirty (30) calendar days of written notification of the Board's decision. The *Covered Party* must exhaust all rights to appeal as established by the Bylaws, the Master Program Document and the Memorandum of Coverage 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. 7/1/2020, forms a part of ERMA 2020-1EPL. 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	\$100,000
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 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 Placencia	\$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 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 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
City of Rancho Mirage	\$50,000
San Diego Regional Training Center	\$25,000
City of San Jacinto	\$25,000
SunLine Transit Agency	\$50,000
Victor Valley Transit Authority	\$25,000
City of Victorville	\$25,000

Pooled Liability Assurances Network (PLAN)

COVERED PARTY	RETENTION
City of American Canyon	\$50,000
Town of Atherton	\$100,000
Town of Woodside	\$50,000

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Dunsmuir	\$50,000
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 Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

Vector Control Joint Powers Agency (VCJPA)

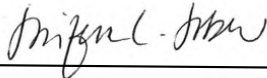
COVERED PARTY	RETENTION
Alameda County Mosquito Abatement District	\$25,000
Burney Basin Mosquito Abatement District	\$25,000
Butte County Mosquito and Vector Control District	\$25,000
Coachella Valley Mosquito and Vector Control District	\$25,000
Colusa Mosquito Abatement District	\$25,000
Compton Creek 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: ~~July 1, 2020~~January 1, 2021

Endorsement No.: 1



AUTHORIZED REPRESENTATIVE

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #2**

This endorsement, effective 12:01 a.m. ~~1/7/2020~~1/1/2021, forms a part of ERMA 20201-1EPL.

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:

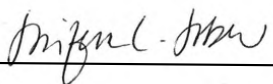
Bay Cities Joint Powers Insurance Authority (BCJPIA)
California Transit Indemnity Pool (CalTIP)
Central San Joaquin Valley Risk Management Authority (CSJVRMA)
Employment Risk Management Authority (ERMA)
Exclusive Risk Management Authority of California (ERMAC)
Monterey Bay Area Self Insurance Authority (MBASIA)
Municipal Pooling Authority (MPA)
Public Agency Risk Sharing Authority of California (PARSAC)
Public Entity Risk Management Authority (PERMA)
Pooled Liability Assurances Network (PLAN)
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: ~~July 1, 2020~~January 1, 2021

Endorsement No.: 2



AUTHORIZED REPRESENTATIVE

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

This endorsement, effective 12:01 a.m. ~~1/7/2021~~, forms a part of ERMA 202~~10~~-1EPL.

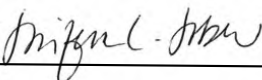
It is understood that for the following Covered Parties, the limit of coverage is \$500,000 per *Occurrence*.

Small Cities Organized Risk Effort (SCORE)

COVERED PARTY	RETENTION
City of Biggs	\$25,000
City of Colfax	\$25,000
City of Dunsmuir	\$50,000
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 Loomis	\$25,000
City of Weed	\$100,000
City of Yreka	\$25,000

Effective Date: ~~July 1, 2020~~ January 1, 2021

Endorsement No.: 3



AUTHORIZED REPRESENTATIVE

FINANCIAL MATTERS

SUBJECT: Resolution No. 2021-2, Establishing All Bank Accounts and Authorized Signatures

BACKGROUND AND STATUS:

At the November 2020 Board of Directors Meeting, the current disbursement processes and internal controls were reviewed along with proposed changes to the Resolution regarding bank accounts and authorized signers. Staff was directed to add additional language regarding internal disbursement controls to memorialize the current practice. The attached proposed Resolution contains those additions, and the modifications are summarized below.

Change	Discussion
1. Housekeeping changes	<ul style="list-style-type: none">• Removing superfluous content.• Change titles to match those in use.
2. Allow one signer on checks	<ul style="list-style-type: none">• Matches current practice necessitated by remote working environment.• Positive pay service in use and matches checks against list of those issued by staff. Accounting staff is notified of exceptions prior to the bank releasing for payment.• Executive Director has no access to disbursement system or positive pay.• Check printing systems and hardware restricted to key accounting staff.
3. Authorize Executive Director to sign checks and approve electronic funds transfers (EFT)	<ul style="list-style-type: none">• Aligning with current practice.• Allows Executive Director to sign physical checks and approve EFTs.• Requires prior approval of all disbursements by an authorized Board officer prior to release (typically the Treasurer).
4. Require disbursements be made in accordance with internal accounting controls	<ul style="list-style-type: none">• Requires all forms of disbursement to be made in accordance with internal accounting controls maintained by the Executive Director. Controls were reviewed at the November 2020 Board of Directors meeting.
5. Add discussion of online banking authority	<ul style="list-style-type: none">• Adds language regarding individuals who are authorized to act as security administrators for online treasury functions. Language added to memorialize current practice.

RECOMMENDATION:

Staff recommends the Board of Directors approve Resolution No. 2021-2, Establishing All Bank Accounts and Authorized Signatures, as presented.

REFERENCE MATERIALS ATTACHED:

- Resolution No. 2021-2, Establishing Bank Accounts and Authorized Signatures in redline/strikeout text
- Internal Controls for Disbursements

RESOLUTION NO. ~~2021-22~~2016-4

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
ESTABLISHING ALL BANK ACCOUNTS AND AUTHORIZED SIGNATURES

WHEREAS, the Employment Risk Management Authority must maintain various Bank accounts in order to operate and manage the fiscal affairs of ERMA;

WHEREAS, to protect and control the cash assets and fiscal integrity of the various Bank accounts, signatory authority should be specifically granted to particular positions recognized by ERMA officers;

~~WHEREAS, it is a good accounting practice to require two signatures for large disbursements of ERMA funds; and~~

~~WHEREAS, it is an inefficient process to issue checks of small amounts to pay bills occurring with some frequency;~~

NOW, THEREFORE, BE IT RESOLVED:

Resolution No. ~~6-99~~2016-4 Establishing all bank accounts and authorized signatures is herewith canceled.

The Board of Directors of ERMA has determined that it is in the best interests of ERMA to establish bank accounts for the deposit and disbursement of funds and that all positions listed on this Resolution are authorized to enter into all agreements set forth in the California Bank & Trust Business Account Disclosure, or any other bank as authorized by the Board of Directors, to sign/pay checks, make withdrawals and originate wire transfers or ACH EFT transfers against each account listed below:

General Account (requires ~~two~~one signatures):

1. President of ERMA
2. Vice President of ERMA
3. Treasurer of ERMA
4. ~~Administrator~~Executive Director of ERMA

Administration Account - maximum limit of \$5,000 (requires one signature):

1. ~~Administrator~~Executive Director of ERMA
2. ~~Assistant Treasurer~~Finance Manager of ERMA

Claims Payment Account - (requires ~~two~~one signatures):

1. ~~Administrator~~Executive Director of ERMA

[Type text]

2. ~~Assistant Litigation Manager of ERMA~~

3.2. ~~Board Secretary~~ Finance Manager of ERMA

4. ~~Assistant Treasurer of ERMA~~ Director, Pool Management of Sedgwick

The Executive Director may sign checks drawn on the General and Claims Payment Accounts upon prior approval of the disbursements from an individual holding one of the other authorized positions listed in this resolution. All disbursements shall be made in accordance with internal accounting controls established by the Administrator.

The ERMA Board of Directors authorizes the ~~Administrator~~ Executive Director to obtain a Business Credit Card with a credit line of up to \$5,000 and open the Administration Account with a maximum limit of \$5,000;

The ~~Secretary-Treasurer~~ acting alone is hereby authorized, in connection with wire transfers out of our accounts at California Bank & Trust (or other bank, as authorized by the Board of Directors), to designate persons who may request wire ~~or ACH EFT~~ transfers and to execute and deliver such agreements, documents and other instruments, and to perform such other acts, relating to wire ~~or ACH EFT~~ transfers as the ~~Secretary-Treasurer~~ shall approve. However, the ~~Secretary-Treasurer~~ can only designate individuals listed above.

Online Banking and Electronic Funds Transfers

The Executive Director and the Administrator's Director of Finance are authorized to act as Security Administrators with respect to the online banking with California Bank & Trust (or other bank, as authorized by the Board of Directors), and establish additional users of online banking and the entitlements necessary to conduct effective treasury management duties on behalf of ERMA.

The Executive Director may execute electronic funds transfers (EFT) out of the ERMA bank accounts at California Bank & Trust (or other bank, as authorized by the Board of Directors), upon prior approval of the disbursements from an individual holding one of the other authorized positions listed in this resolution.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board held on ~~November 7, 2016, in Sacramento, California~~ November 5, 2020 February 11, 2021, by the following vote:

AYES	_____
NOES	_____
ABSTAIN	_____
ABSENT	_____

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

SECRETARY, BOARD OF DIRECTORS

ERMA INTERNAL CONTROLS FOR DISBURSEMENTS

JANUARY 2021

The objectives of internal controls for cash disbursements are to ensure that cash is disbursed only upon proper authorization of management, for valid business purposes, and that all disbursements are properly recorded. Generally, the above objectives are met by employing a series of checks and balances along with segregation of duties.

The general cash disbursement cycle for ERMA is designed as follows. Where there are differences between processing of general warrants and claims payments, they are noted below.

Authorization:

- Authorization for ERMA expenditures is first given by the Board of Directors by their approval of the annual operating budget.
- Authorization for invoices associated with general expenditures is then handled by the Executive Director. Authorization for specific claims payments is given by ERMA's Litigation Manager.
- Upon authorization invoices are further reviewed by the Staff Accountant, Senior Accountant and Finance Manager prior to payment.
- The Executive Director and the Litigation Manager cannot post invoices to the accounting system.
- No payments are authorized without a formal invoice, or other back up documentation.

Preventative control(s): Transactions are authorized by multiple parties. Authorizing parties cannot access the accounting system. Three levels of internal staff review other than the Authorizing parties.

Posting of invoices in Accounting System (Recording):

- Invoices are not posted to the accounting system prior to initial authorization from the Executive Director or Litigation Manager.
- As applicable, the Staff Accountant establishes vendors in the accounting system. New vendor files are reviewed by the Senior Accountant and specific comparison is made between vendor-provided Forms W-9 and electronic payment information, if applicable.
- Coding of invoices in the accounting system by the Staff Accountant is approved by the Senior Accountant prior to posting.
- The accounting system will not allow multiple postings of the same invoice.
- Invoices must be posted to the accounting system prior to a payment being released.
- Each general disbursement payment batch is sent to the Board Treasurer for review and approval prior to release.

Preventative control(s): Invoices are not posted prior to initial approval. Authorizing parties cannot access the accounting system. Coding is checked prior to posting.

Electronic Payments:

- Invoices paid electronically undergo the same authorization process as payments made by checks.

**ERMA INTERNAL CONTROLS FOR DISBURSEMENTS
JANUARY 2021**

- Payment batch information is generated by the accounting system and uploaded to ERMA's bank by the Staff Accountant.
- Staff Accountant provides the fully-approved payment batch to the Finance Manager for review in concert with release of the electronic payments from the bank website.
- Remittance notices for the electronic payments are emailed to the vendors by the Staff Accountant.
- Positive pay for electronic payments has been established with the bank. The bank captures any attempt to make electronic withdrawals from the ERMA accounts that is not initiated by staff. Those transactions are flagged in positive pay and an email message is sent to all of the ERMA finance staff to review the relevant transaction.

Preventative control(s): Online access to ERMA's bank accounts is limited. The Staff Accountant may upload electronic payment batches to the bank website but cannot release them for payment. The Finance Manager may release payments but may not upload electronic payment batches.

Detective control(s): Any electronic payment generated requested from outside parties (e.g. automatic payments, transfers to investments) are subject to positive pay restrictions and all of ERMA finance team is alerted. Vendors are alerted to expect electronic payments by the Staff Accountant and would likely report back if those payments were not received.

Check printing:

- Checks can only be printed in the office from blank stock on a special, designated printer. The Staff Accountant is the only individual with access to ERMA's file on the accounting system that is also authorized to print checks from the accounting system.
- Positive pay has been established with the bank. The accounting system produces a check register from the system to upload for positive pay. This ensures that only checks that are written through the accounting system and uploaded via positive pay clear the bank account.

Preventative control(s): Checks may only be printed at the office of ERMA's staff on a special, designated printer. Only invoices that have been posted to the accounting system may be paid. Only the Staff Accountant is authorized to print checks from the accounting system for ERMA. Check data from the accounting system is uploaded to positive pay upon completion of the check run.

Check signing:

All checks are subject to dual signature requirements.* Checks written from the general account are signed by the Executive Director and the Board Treasurer. Additionally, the Board President and Vice President are authorized to sign on the ERMA general account but are not typically asked to do so. General account checks are mailed to the Board Treasurer for signature by ERMA's Analyst & Training Coordinator. The checks are returned to the Analyst & Training Coordinator after signing for mailing to the vendors. Checks from the claims account are signed by the Executive Director and the Finance Manager. Claims checks are mailed out by the Litigation Analyst.

ERMA INTERNAL CONTROLS FOR DISBURSEMENTS
JANUARY 2021

*Since the office has been generally closed, except for by appointment, ERMA has allowed a single signer on the checks: the Executive Director.

This practice started on an emergency basis but has continued. Continued use of one signer is justified by the following:

- a. Banks do not review for dual signatures, checks with one signature only will clear. i.e. The application of dual signatures is not preventing checks from clearing the bank.
- b. Checks which are not uploaded to positive pay will be flagged as exceptions. Executive Director does not have access to positive pay system for ERMA.
- c. Checks cannot be written outside the accounting system and designated printer. Executive Director does not have access to GP or the special printer.
- d. Checks are reconciled by Finance based on bank statements received directly from the bank. Executive Director does not control bank statements.

Preventative control(s): Checks must have an authorized signature to clear the bank.

Reconciliation:

- Bank statements are received and reconciled by the Staff Accountant who is independent of the authorization, check signing and release of electronic payments functions.
- Reconciliations are prepared within the accounting system; only checks written or electronic payments generated from that system would be available on the reconciliation.
- Reconciliations are reviewed by the Senior Accountant prior to being reviewed by the Finance Manager in conjunction with the Treasurer's Report.
- Reconciliations are prepared timely for inclusion of bank balances in the quarterly Treasurer's Report.

Detective control(s): If a check or electronic payment that was not generated by the accounting system was pushed through positive pay somehow, it would be detected during the bank reconciliation process as only transactions originating from the accounting system are available to reconcile.

ERMA INTERNAL CONTROLS FOR DISBURSEMENTS
JANUARY 2021

Overall for this cycle:

Preventative control(s): Proper segregation of duties is in place. This means that no financial transaction is handled by only one person from beginning to end: different people authorize payments, sign checks, record payments in the books, and reconcile the bank statements.

Detective control(s): Budget to actual report evaluated on a quarterly basis. Expenses in excess of budget would be identified and investigated as part of that process. Reconciliations are performed timely and reviewed by more than one person.

Mitigating control(s): Volume of expenditures budgeted for ERMA is limited. Number of vendors and claimants is also limited. i.e. It would be difficult to push a fraudulent expense through the cash disbursements cycle. Check registers are routine items on the Consent Agenda and are subject to Board scrutiny.

Segregation of Duties

General Account

Position	Name	Authorization	Recording	Upload Electronic Payments	Release Electronic Payments	Check Printing	Check Signing	Positive Pay	Mailing	Reconciliation
Executive Director	Jennifer Jobe	X					X			
Analyst & Training Coordinator	Mona Hedin								X	
Interim Finance Manager	Jim Elledge		X		X			X		X
Senior Accountant	Chee Xiong		X					X		X
Staff Accountant	Liz Kokhanets		X	X		X		X		X
Board President	John Gillison	X					X			
Board Vice President	Truc Dever	X					X			
Board Treasurer	Stuart Schillinger	X					X			

**ERMA INTERNAL CONTROLS FOR DISBURSEMENTS
JANUARY 2021**

Claims Account

Position	Name	Authorization	Recording	Upload Electronic Payments	Release Electronic Payments	Check Printing	Check Signing	Positive Pay	Mailing	Reconciliation
Executive Director	Jennifer Jobe						X			
Litigation Manager	Kathy Maylin	X								
Litigation Analyst	Cheyenne Herold								X	
Interim Finance Manager	Jim Elledge		X		X		X	X		X
Senior Accountant	Chee Xiong		X					X		X
Staff Accountant	Liz Kokhanets		X	X		X		X		X
Board President	John Gillison	X								
Board Vice President	Truc Dever	X								
Board Treasurer	Stuart Schillinger	X								

FINANCIAL MATTERS

SUBJECT: Investment Performance Review – PFM Asset Management, LLC

BACKGROUND AND STATUS:

Annually, an update regarding ERMA’s investment activities related to the portfolio is provided to the Board of Directors.

Lesley Murphy, Senior Managing Consultant, PFM Asset Management, LLC, will provide the Board with an overview of ERMA’s investment portfolio and an update regarding current market conditions.

RECOMMENDATION

None

REFERENCE MATERIALS ATTACHED:

- ERMA Investment Performance Review for the Quarter Ended December 31, 2020



EMPLOYMENT RISK MANAGEMENT AUTHORITY

Investment Performance Review For the Quarter Ended December 31, 2020

Client Management Team

Lesley Murphy, Senior Managing Consultant

PFM Asset Management LLC

50 California St, Suite 2300
San Francisco, CA 94111
415-982-5544

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

Market Update

Markets Weigh Massive Policy Support Against Economic Challenges

◆ Coronavirus

- **Resurgence** in fourth quarter due to colder weather
- Initial distribution of **vaccines**

◆ Economy

- **Recovery** continues
- **Big business** maintain liquidity cushion
- **Consumers** generally in good shape to drive future spending
- **Impact of pandemic** not felt evenly

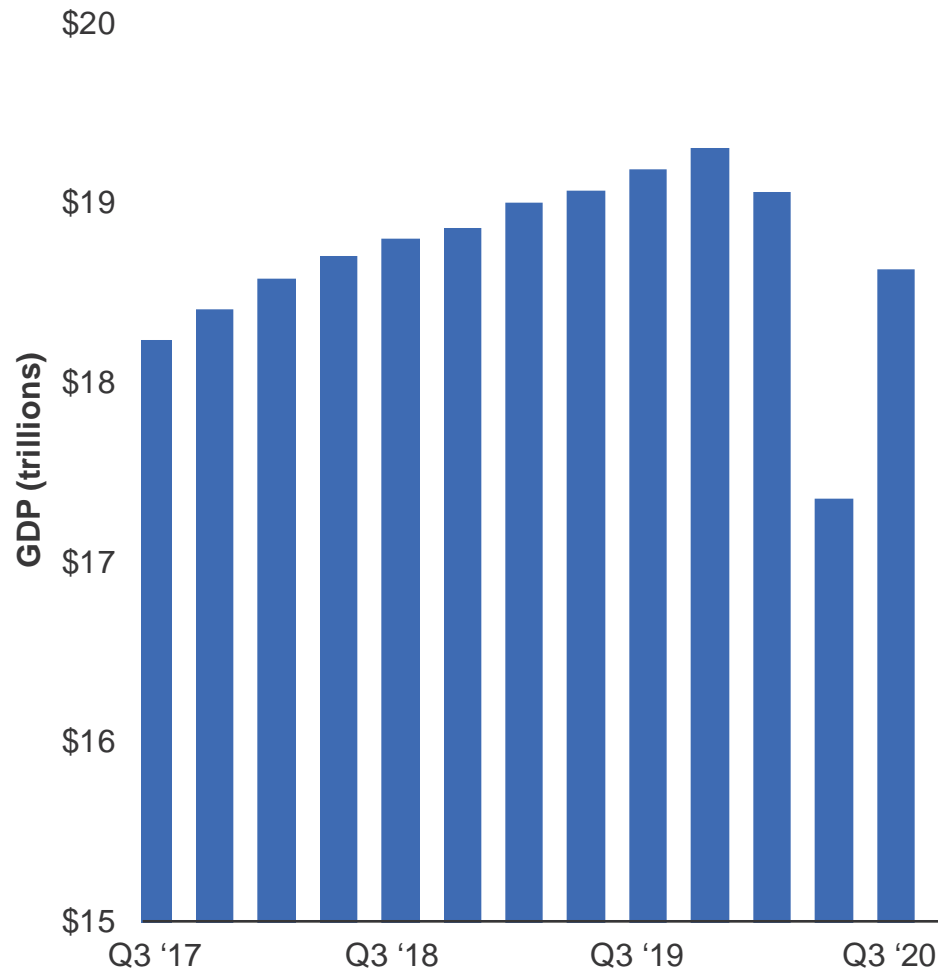
◆ Markets

- Markets rally after **presidential election**
- **Fed** committed to strong accommodation
- Additional **fiscal stimulus** on the way

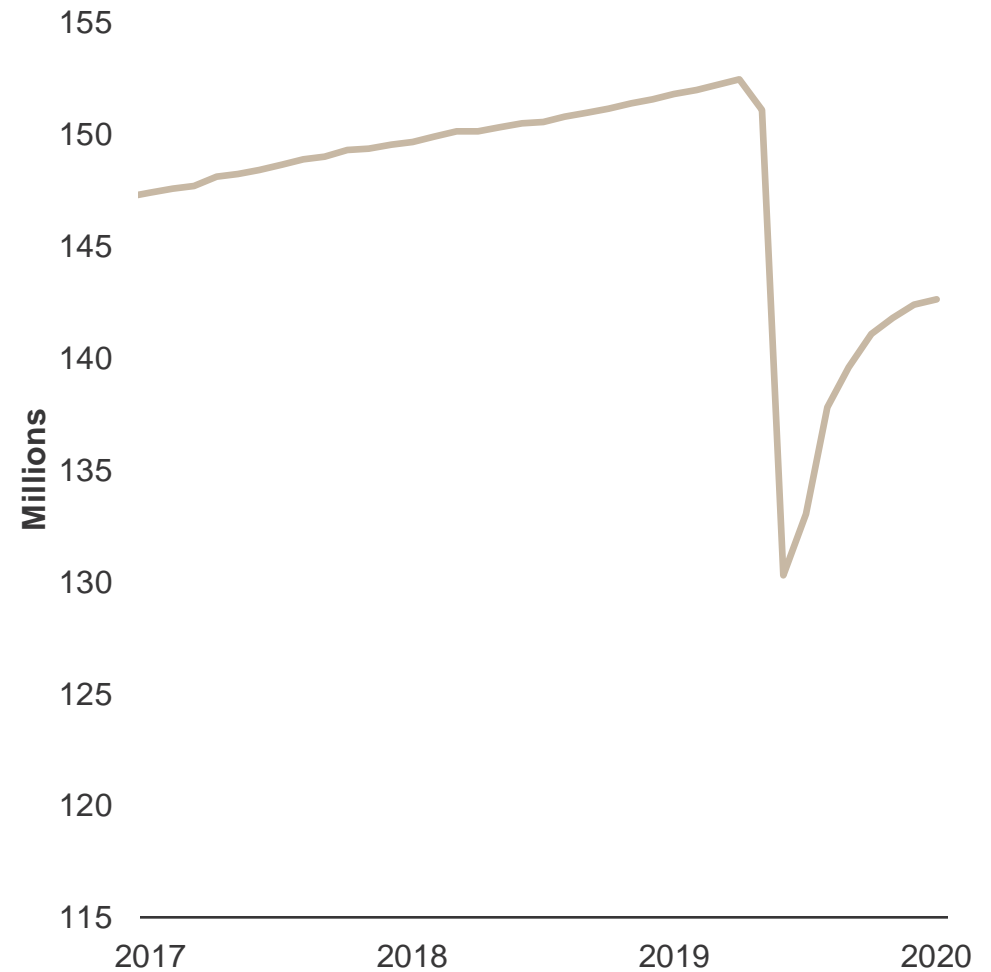


Economy Still Has a Long Road Ahead to Full Recovery

U.S. Real GDP



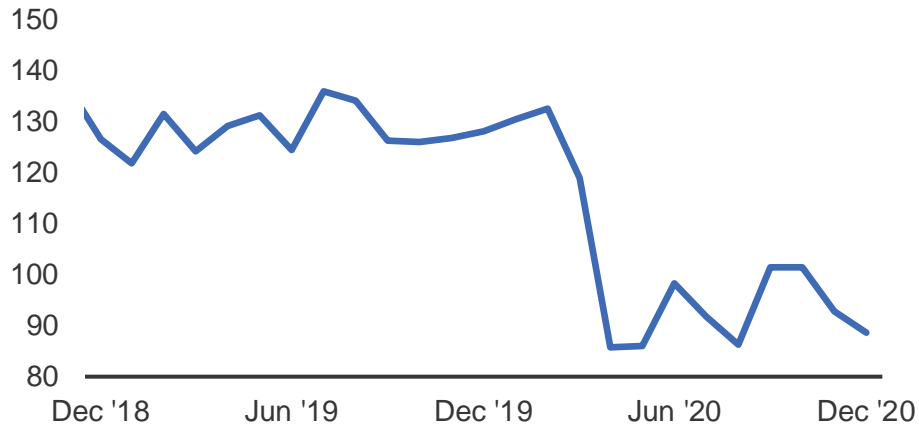
Total U.S. Employment



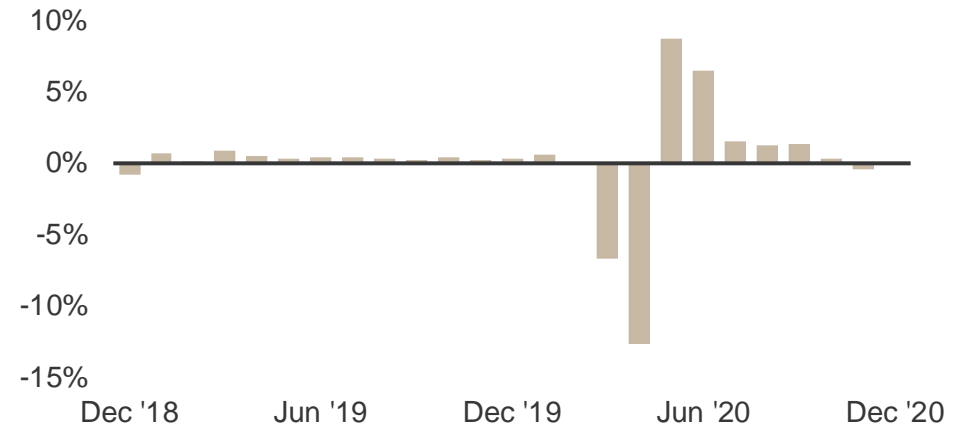
Source: Bloomberg, latest available data as of 12/31/2020. Total U.S. Employment is total non-farm payrolls.

Uptick in COVID-19 Cases Slows Economic Recovery

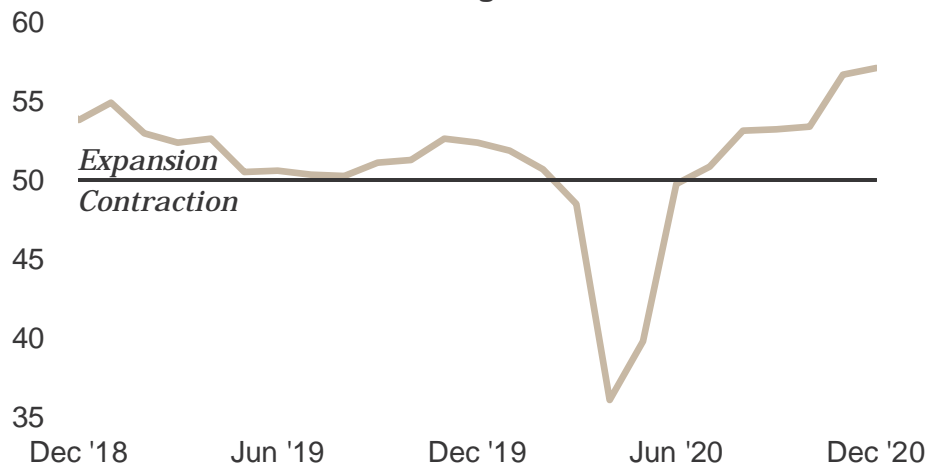
Conference Board Consumer Confidence



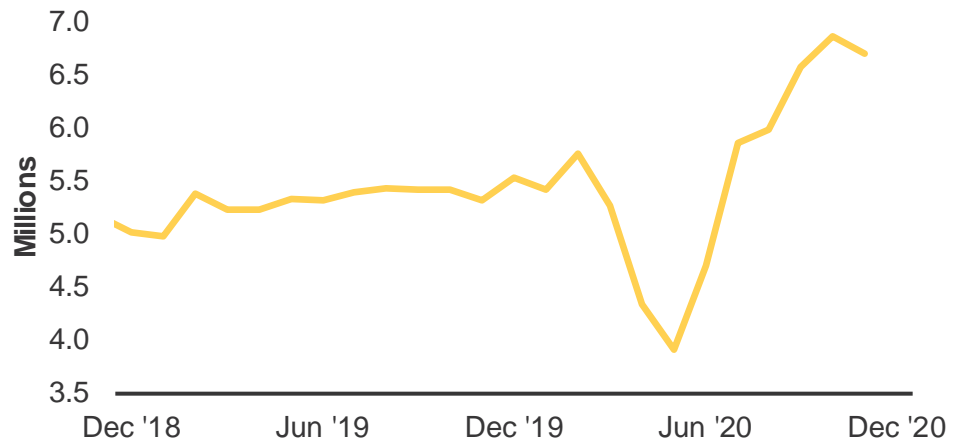
Personal Spending (MoM%)



Manufacturing Markit PMI



Existing Home Sales (SAAR)



Source: Bloomberg and FRED, latest available data as of 12/31/2020. SAAR is Seasonally Adjusted Annual Rate.

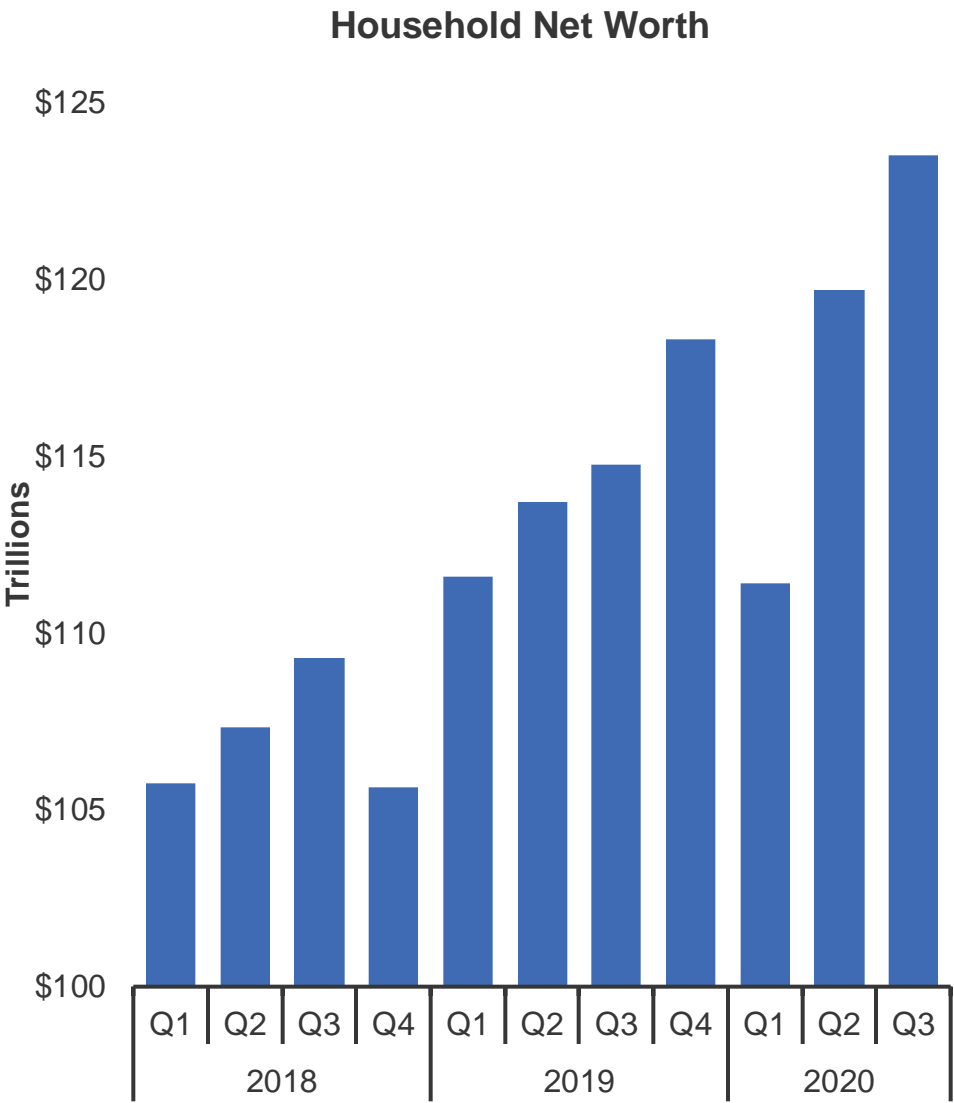
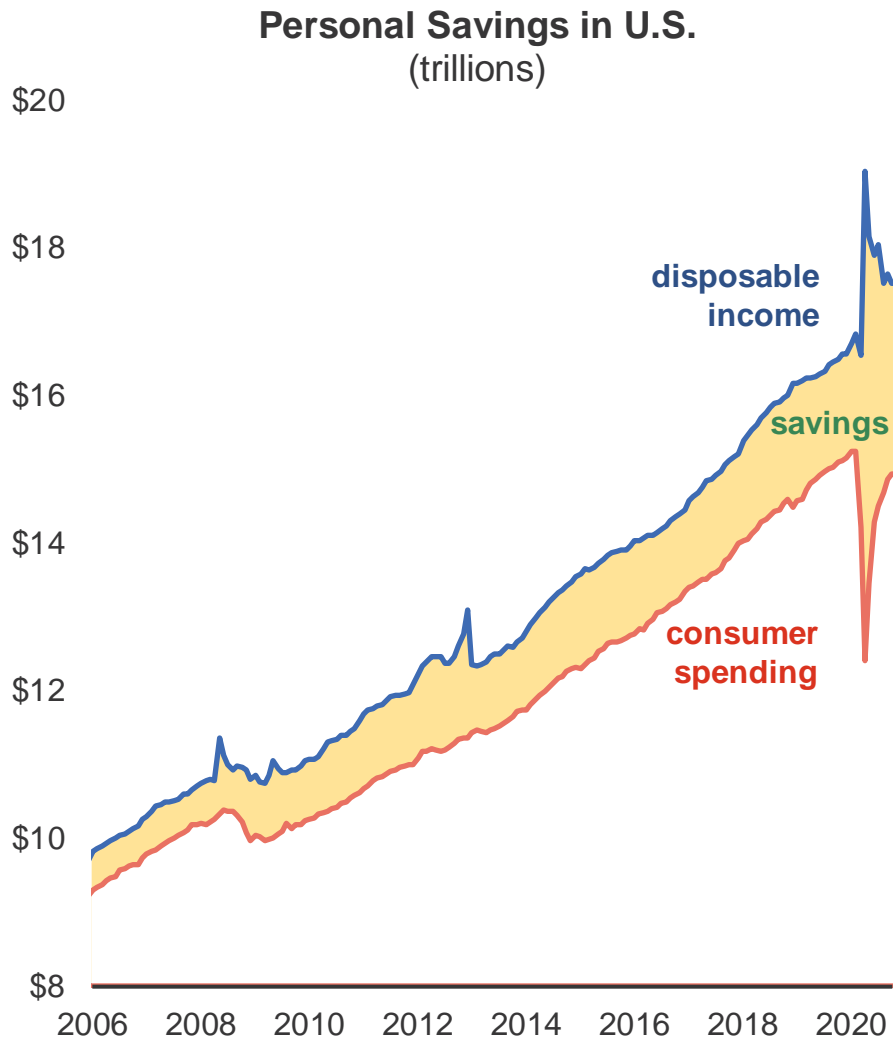
Equities Rise to Record High on Vaccine News and Passing of New Stimulus

S&P 500 Price Chart



Source: Bloomberg, as of 12/31/2020.

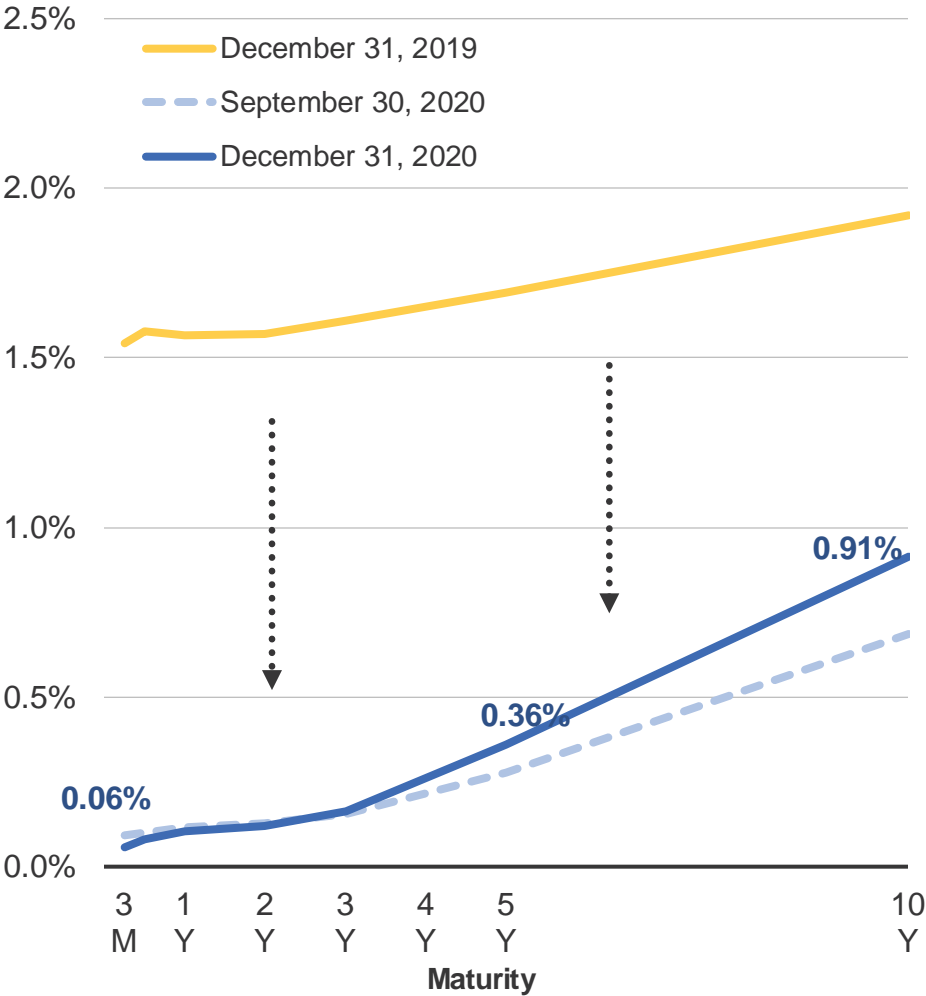
Accumulated Savings and Wealth Are Likely to Fuel Consumer Spending



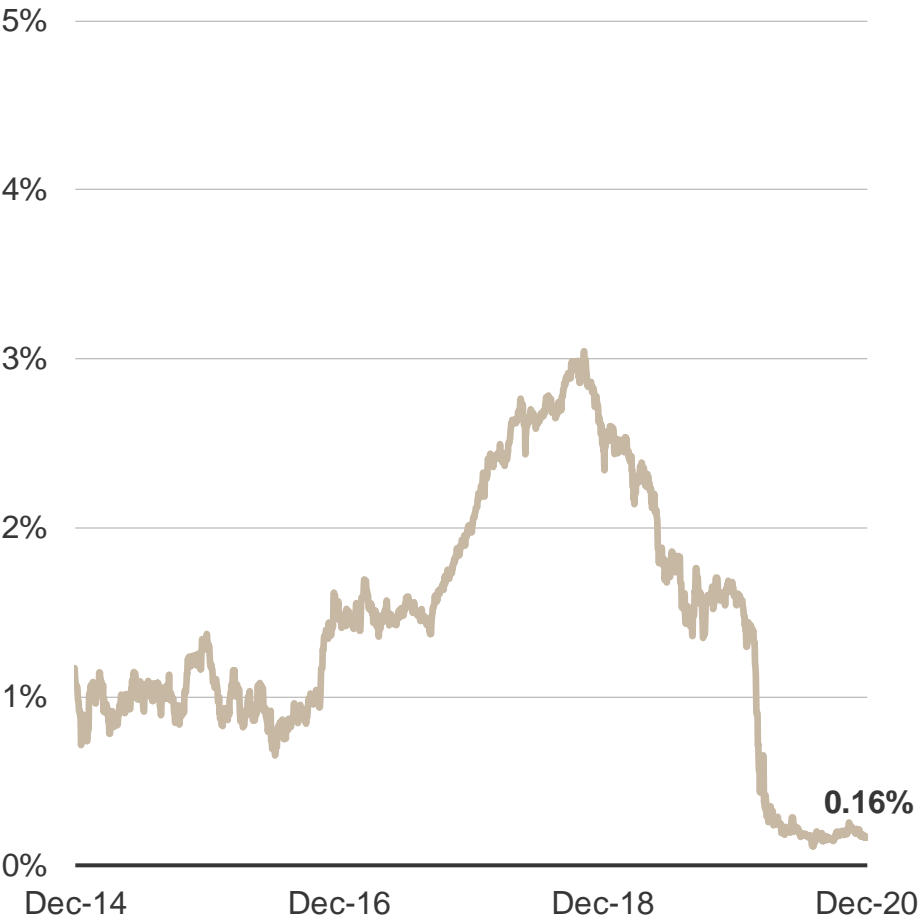
Source (left): Federal Reserve, as of December 2020. Sources (right): U.S. Bureau of Economic Analysis and FRED.

Short Rates Were Steady, but the Yield Curve Steepened in Fourth Quarter

U.S. Treasury Yield Curve



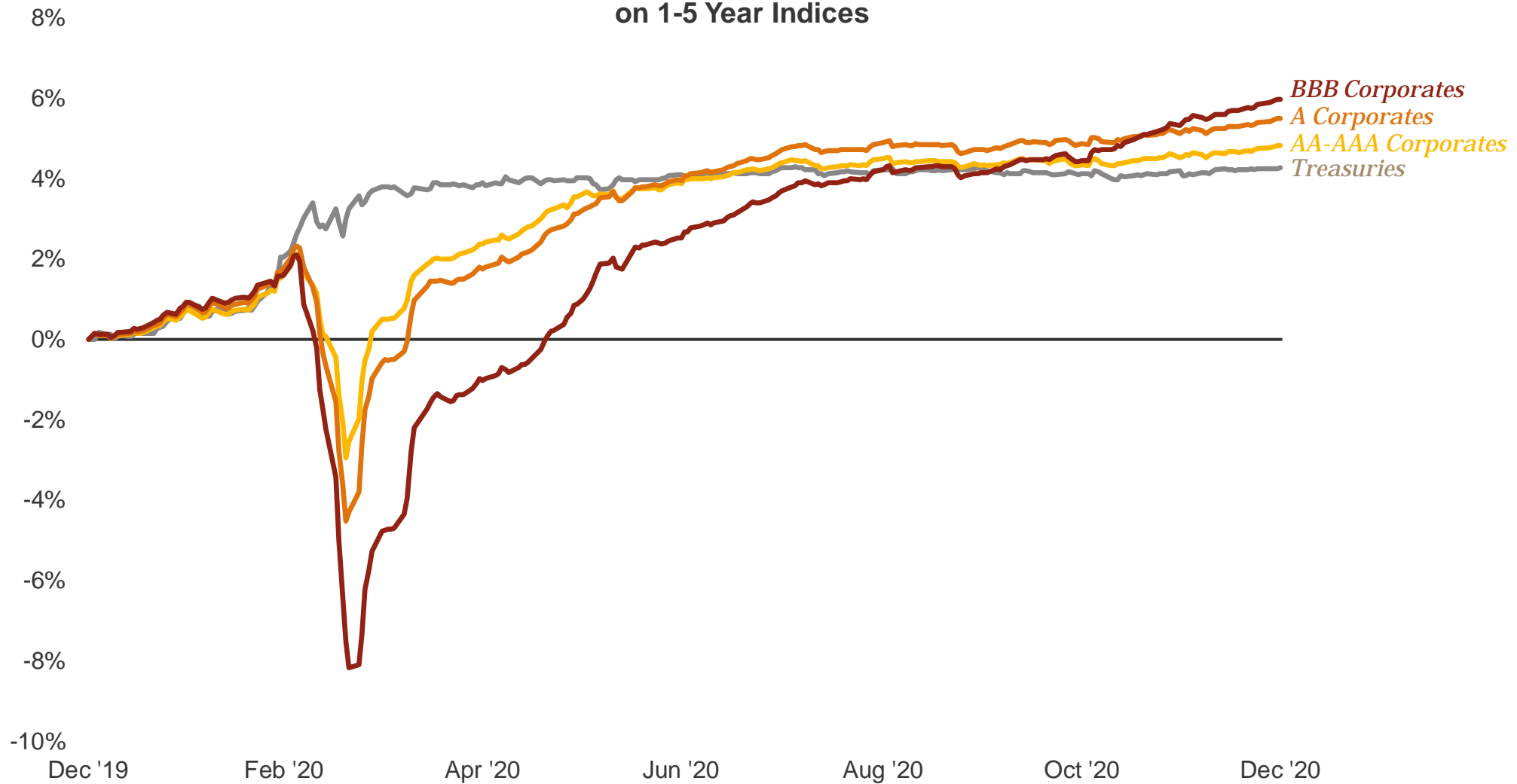
3-Year Treasury Yield



Source: Bloomberg as of 12/31/2020.

After Big Decline in the First Quarter, Corporates Ultimately Lead Performance for 2020

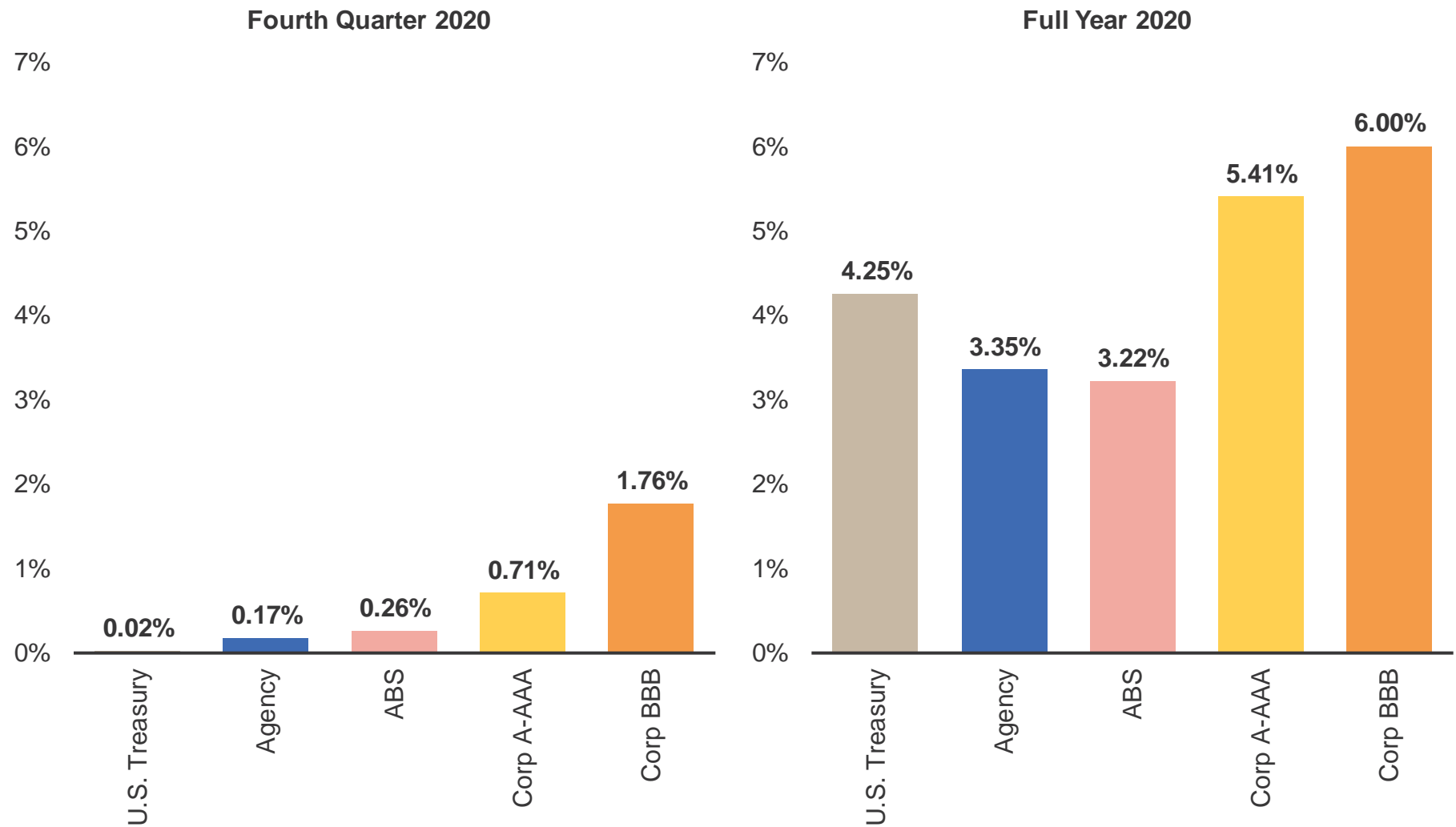
2020 Year-to-Date Return on 1-5 Year Indices



Source: ICE BofAML 1-5 Year Indices, as of 12/31/2020.

Credit Sector Continues Strong Outperformance in the Fourth Quarter

1-5 Year Indices



Source: ICE BofAML Indices. ABS indices are 0-5 year, based on weighted average life. As of 12/31/2020.

Portfolio Overview

Portfolio Recap

- PFM continued to employ a disciplined portfolio management strategy in the Authority's portfolio. In the fourth quarter, PFM maintained a **neutral** duration positioning, maintained broad **diversification** across permitted investment sectors, and continued to carefully **monitor** and manage the risks associated with the uneven and decelerating economic recovery.
- Key highlights of our strategy during the fourth quarter included the following:
 - We continued to look to the **federal agency** sector for opportunities to add value. While limited new issuance towards year-end generally pressured spreads (the yields available on federal agency obligations less the yields available on similar-maturity U.S. Treasury notes) lower, we were still able to identify several well-priced issues throughout the quarter, increasing the portfolio's overall allocation to the sector by 5%.
 - Issuance continued at a robust pace in the **taxable municipal** sector as issuers continued to benefit from record-low borrowing rates. This steady supply presented attractive buying opportunities. We capitalized on this as we purchased over \$475,000 of high-quality municipal obligations in the Authority's portfolio during the quarter. In one instance, we purchased \$100,000 of a Los Angeles CCD taxable municipal note with 5 years to maturity at a yield of 0.77%. This represented an attractive yield pick up of approximately 40 basis points (0.40%) over similar-maturity U.S. Treasury notes.
 - Holdings of investment-grade **corporate notes** were, once again, a significant boon for portfolio performance as continued strong investor demand pushed spreads to near 20-year lows by year-end. Narrower spread levels benefited current-quarter performance but made new purchases less attractive. As a result, we modestly reduced allocations while keeping durations extended where value was greatest.
- As always, while we continue to seek opportunities to enhance portfolio earnings, our priority remains to maintain the **safety** and the **liquidity** of the Authority's investments.

For details on these and all other transactions, please see the "Security Transactions and Interest" section of your monthly reports.

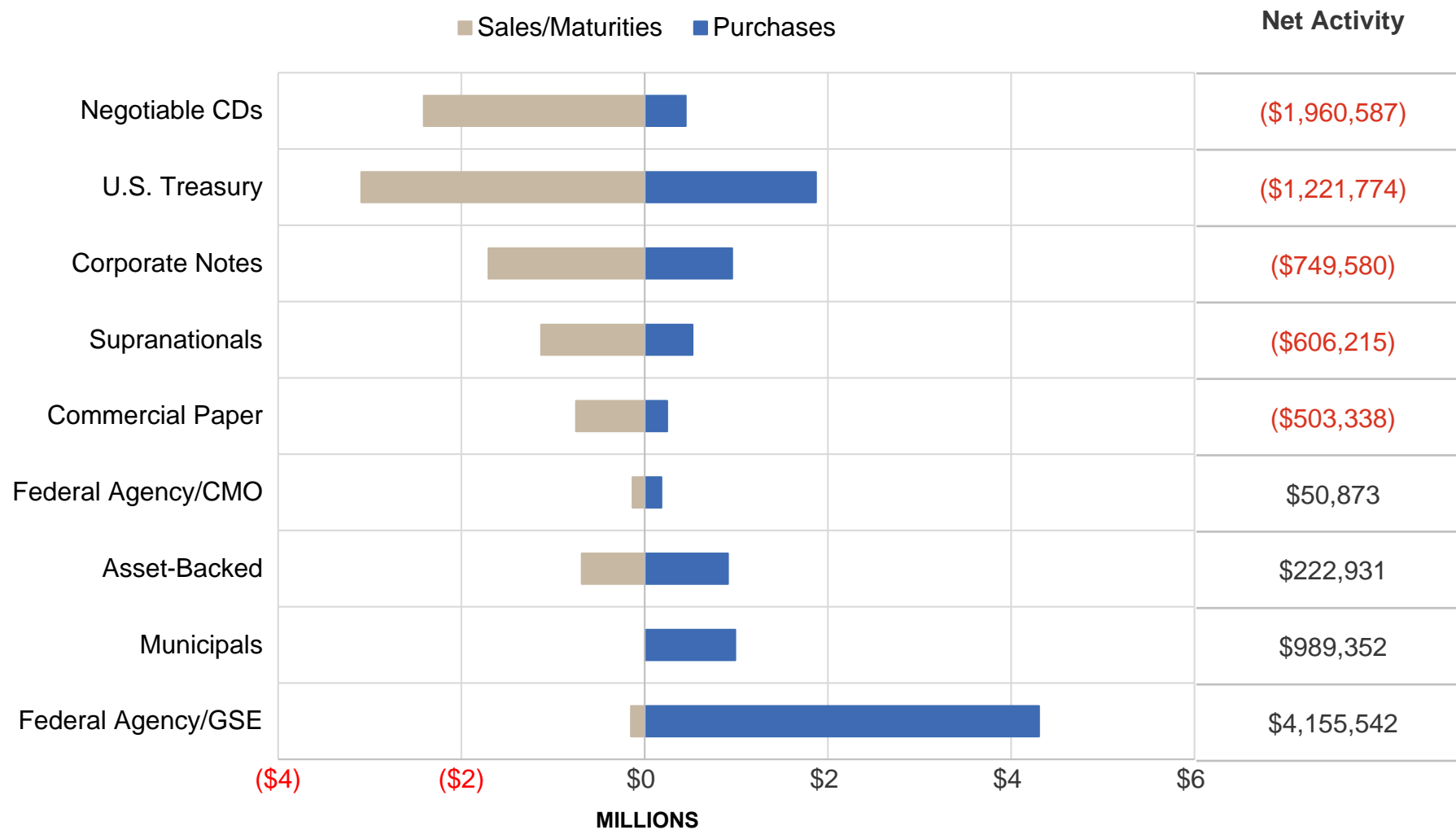
Sector Allocation and Compliance

- The portfolio is in compliance with the Authority's Investment Policy and California Government Code.

Security Type	Market Value	% of Portfolio	% Change vs. 9/30/20	Permitted by Policy	In Compliance
U.S. Treasury	\$10,143,780	38.6%	-2%	100%	✓
Federal Agency	\$4,949,811	18.9%	+5%	100%	✓
Federal Agency CMOs	\$476,335	1.8%	-	20%	✓
Municipal Obligations	\$1,061,781	4.0%	+2%	100%	✓
Supranationals	\$1,184,292	4.5%	-	30%	✓
Negotiable CDs	\$1,912,639	7.3%	-2%	30%	✓
Corporate Notes	\$4,511,783	17.2%	-2%	30%	✓
Commercial Paper	\$0	0.0%	-1%	25%	✓
Asset-Backed Securities	\$1,797,675	6.8%	-	20%	✓
Securities Sub-Total	\$26,038,096	99.2%			
Accrued Interest	\$89,291				
Securities Total	\$26,127,387	99.2%			
CAMP Pool - Portfolio	\$202,513	0.8%	-	100%	✓
CAMP Pool - Liquidity	\$10,000	<0.1%	-		
Total Investments	\$26,339,900	100.0%			

Market values, excluding accrued interest. Detail may not add to total due to rounding. Current Investment Policy as of February 2020.

Summary of Investment Activity December 31, 2019 – December 31, 2020^{1,2,3}



1. Net activity reported on a trade date basis for the period December 31, 2019– December 31, 2020.

2. Transaction amounts include principal and accrued interest.

3. Sales/maturities include principal paydowns on CMO/ABS and realized gains/losses.

Earnings Analysis

Portfolio Earnings Analysis

As of December 31, 2020

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Past Year
Interest Earned	\$132,422	\$129,070	\$120,477	\$109,880	\$491,849
+ Change in Value	\$401,827	\$201,461	-\$54,105	-\$56,511	\$492,672
= Portfolio Earnings	\$534,249	\$330,531	\$66,372	\$53,369	\$984,521
Total Return %	2.11%	1.28%	0.25%	0.20%	3.88%
Quarter-over-Quarter Change in 2-Year U.S. Treasury Yield	-1.32%	-0.10%	-0.02%	-0.01%	-1.45%

Notes:

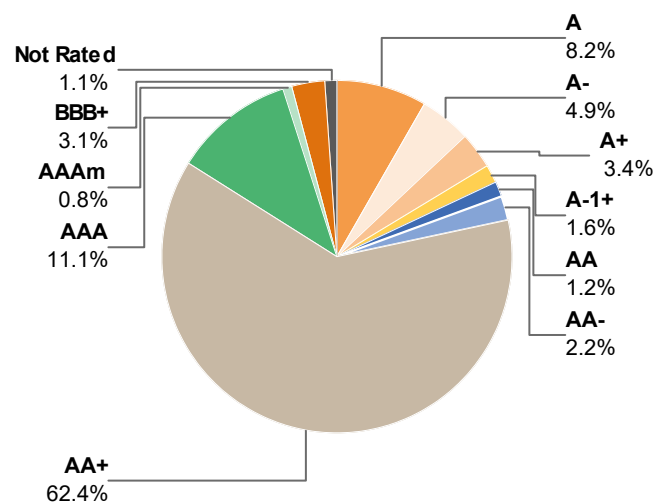
- Performance on trade-date basis, gross (i.e., before fees) in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
- Quarterly returns are presented on an unannualized basis.
- May not sum to total due to rounding.

Portfolio Statistics

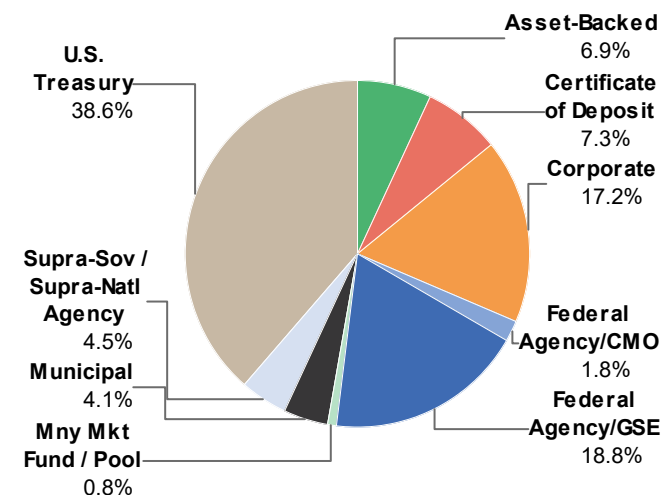
As of December 31, 2020

Par Value:	\$25,596,038
Total Market Value:	\$26,329,900
Security Market Value:	\$26,038,096
Accrued Interest:	\$89,291
Cash:	-
CAMP	\$202,513
Amortized Cost:	\$25,683,852
Yield at Market:	0.39%
Yield at Cost:	1.60%
Effective Duration:	2.28 Years
Average Maturity:	2.49 Years
Average Credit: *	AA

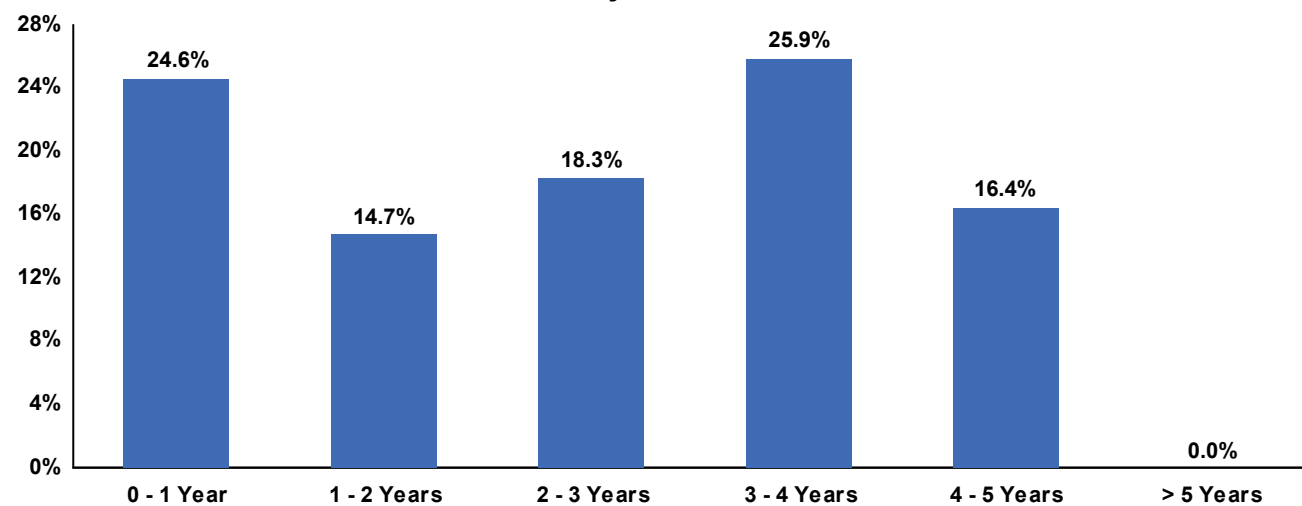
Credit Quality (S&P Ratings)**



Sector Allocation



Maturity Distribution

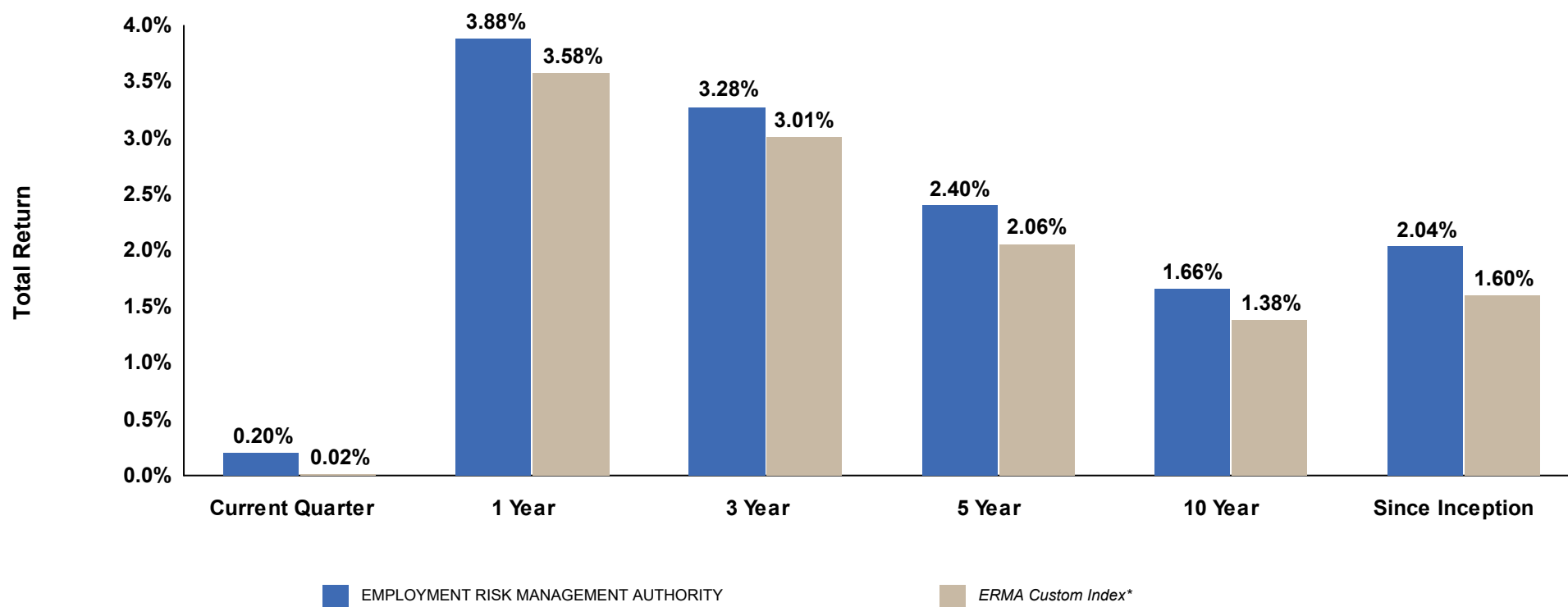


*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

**Securities held in the Authority's portfolio are in compliance with California Government Code and the Authority's Investment Policy dated February 2020.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			
				3 Year	5 Year	10 Year	Since Inception (09/30/08)
EMPLOYMENT RISK MANAGEMENT AUTHORITY	2.28	0.20%	3.88%	3.28%	2.40%	1.66%	2.04%
ERMA Custom Index*	2.11	0.02%	3.58%	3.01%	2.06%	1.38%	1.60%
Difference		0.18%	0.30%	0.27%	0.34%	0.28%	0.44%



*Portfolio performance is gross of fees unless otherwise indicated.

**ERMA's Custom Index is the ICE Bank of America Merrill Lynch (BofAML) 1-3 Year Treasury Index from inception through March 31, 2016 and the ICE BofAML 0-5 Year U.S. Treasury Index thereafter.

Earnings Analysis

Portfolio Earnings Analysis

As of December 31, 2020

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Past Year
Interest Earned	\$132,422	\$129,070	\$120,477	\$109,880	\$491,849
+ Change in Value	\$401,827	\$201,461	-\$54,105	-\$56,511	\$492,672
= Portfolio Earnings	\$534,249	\$330,531	\$66,372	\$53,369	\$984,521
Total Return %	2.11%	1.28%	0.25%	0.20%	3.88%
Quarter-over-Quarter Change in 2-Year U.S. Treasury Yield	-1.32%	-0.10%	-0.02%	-0.01%	-1.45%

Notes:

- Performance on trade-date basis, gross (i.e., before fees) in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
- Quarterly returns are presented on an unannualized basis.
- May not sum to total due to rounding.

Outlook

Fixed Income Sector Outlook – January 2021

Sector	Our Investment Preferences	Comments
COMMERCIAL PAPER / CD		<ul style="list-style-type: none"> Credit spreads have tightened 5-10 basis points across the curve as year-end volatility has subsided. Select issuers may offer fixed paper at about 15 basis points to comparable-maturity Treasuries in 6- to 12-month maturities.
TREASURIES		
T-Bill		<ul style="list-style-type: none"> The T-Bill curve is very flat; however, the sector remains attractive relative to agency discount notes. Bill supply is expected to decline in 2021, but additional fiscal stimulus may offset the reduction.
T-Note		<ul style="list-style-type: none"> Yields have repriced higher, more notably in longer tenors, with the outcome of the Georgia Senate Election and additional fiscal stimulus. Market-based measures of inflation expectations climbed above 2.0% for the first time since 2018.
FEDERAL AGENCIES		
Bullets		<ul style="list-style-type: none"> Federal agency bullet spreads continue to tighten, erasing most of the relative value in the sector. Potentially higher rates and lighter supply will likely pressure spreads. There may be opportunities to reduce allocations of bonds trading at or through comparable-maturity Treasuries. Attractive new issues will continue to be evaluated.
Callables		<ul style="list-style-type: none"> New issue callable levels are low, leaving spreads near historic highs. There may be value in longer-maturity, longer lock-out structures for some accounts.
SUPRANATIONALS		<ul style="list-style-type: none"> Supranational spreads started the year unchanged, but the new issue pipeline has opened across the curve. Given the expected increased supply, there will likely be attractive new issue opportunities.
CORPORATES		
Financials		<ul style="list-style-type: none"> Spreads on high-quality corporate bonds have reached new highs as investors looked forward to further economic recovery in 2021. The expiration of the Fed's corporate facilities may leave credit markets exposed to higher volatility than during the second half of 2020, although lax monetary policy will remain supportive of the sector.
Industrials		<ul style="list-style-type: none"> Companies that borrowed heavily during 2020 warrant closer scrutiny to ensure that management prioritizes balance sheet repair over M&A or share buybacks. Overall, we remain cautious on the sector and are well-positioned to take advantage of opportunities should spreads widen.
SECURITIZED		
Asset-Backed		<ul style="list-style-type: none"> ABS spreads are tighter month-over-month and are approaching the record lows of early 2020 on the back of strong collateral performance and better-than-expected macro economic data. Further spread compression from current levels is likely limited. We expect a healthy level of new issuance in January.
Agency Mortgage-Backed		<ul style="list-style-type: none"> The Fed continues "to support the smooth functioning" of the MBS market through its ongoing purchase program. Spreads are narrow, especially in the lower coupons. Expectations are that prepayments will slow modestly in the coming months but remain elevated relative to historic standards.
Agency CMBS		<ul style="list-style-type: none"> Strong demand has led to CMBS outperformance as spreads tightened, leaving valuations stretched. Multifamily fundamentals remain challenged in certain markets.
MUNICIPALS		<ul style="list-style-type: none"> Taxable supply will begin to ramp up at the start of the new year, but investor demand will keep spreads contained. Issuers' fiscal positions need to continue to be monitored.

● Current outlook

○ Outlook one quarter ago

Negative

Slightly Negative

Neutral

Slightly Positive

Positive

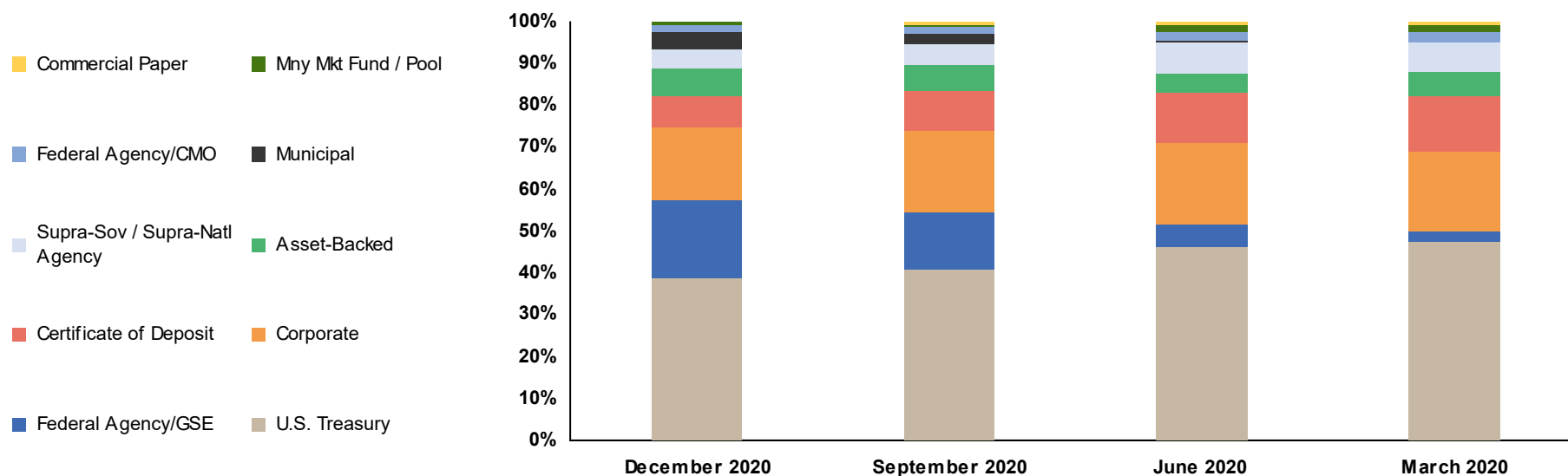
Portfolio Details

Portfolio Earnings*Quarter-Ended December 31, 2020*

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2020)	\$26,170,977.59	\$25,549,631.94
Net Purchases/Sales	\$126,142.33	\$126,142.33
Change in Value	(\$56,511.04)	\$8,078.06
Ending Value (12/31/2020)	\$26,240,608.88	\$25,683,852.33
Interest Earned	\$109,879.68	\$109,879.68
Portfolio Earnings	\$53,368.64	\$117,957.74

Sector Allocation

Sector	December 31, 2020		September 30, 2020		June 30, 2020		March 31, 2020	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	10.1	38.6%	10.7	40.7%	12.1	46.2%	12.2	47.3%
Federal Agency/GSE	4.9	18.8%	3.6	13.9%	1.4	5.3%	0.6	2.5%
Corporate	4.5	17.2%	5.1	19.4%	5.1	19.4%	4.9	19.1%
Certificate of Deposit	1.9	7.3%	2.4	9.2%	3.1	11.9%	3.3	13.0%
Asset-Backed	1.8	6.9%	1.7	6.4%	1.2	4.5%	1.5	5.8%
Supra-Sov / Supra-Natl Agency	1.2	4.5%	1.3	4.9%	1.9	7.4%	1.8	7.0%
Municipal	1.1	4.1%	0.6	2.2%	0.2	0.7%	0.1	0.2%
Federal Agency/CMO	0.5	1.8%	0.5	2.0%	0.6	2.1%	0.6	2.3%
Mny Mkt Fund / Pool	0.2	0.8%	0.1	0.3%	0.4	1.5%	0.5	1.8%
Commercial Paper	0.0	0.0%	0.2	1.0%	0.2	1.0%	0.2	1.0%
Total	\$26.2	100.0%	\$26.2	100.0%	\$26.1	100.0%	\$25.8	100.0%

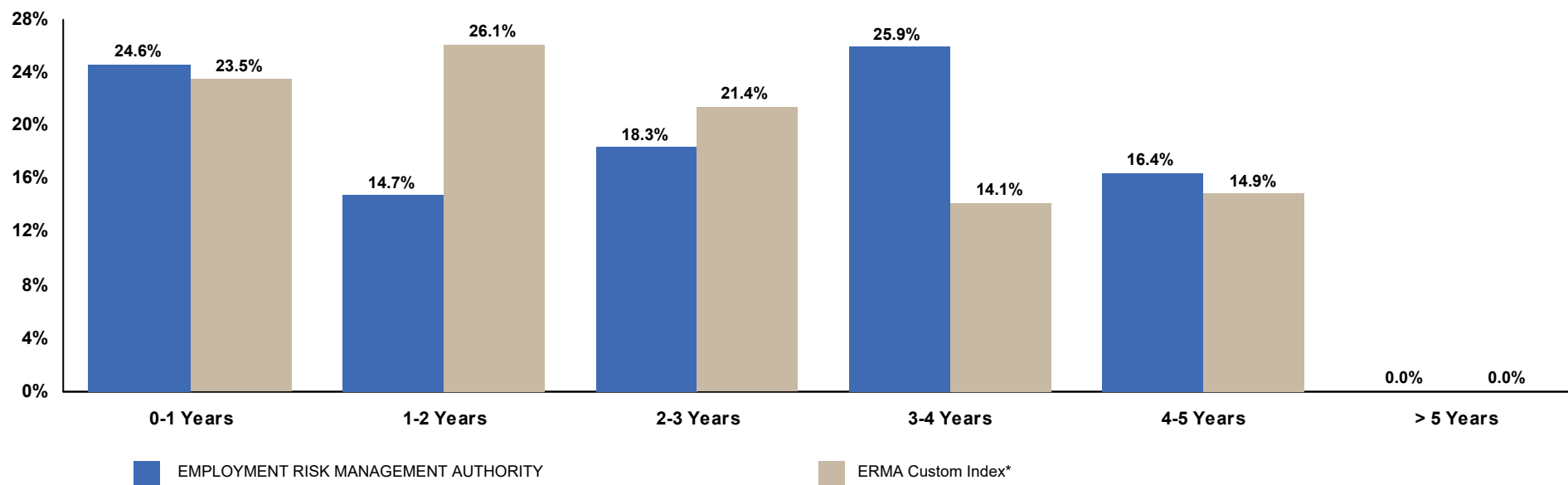


Detail may not add to total due to rounding.

Maturity Distribution

As of December 31, 2020

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
EMPLOYMENT RISK MANAGEMENT AUTHORITY	0.39%	2.49 yrs	24.6%	14.7%	18.3%	25.9%	16.4%	0.0%
ERMA Custom Index*	0.18%	2.24 yrs	23.5%	26.1%	21.4%	14.1%	14.9%	0.0%



*ERMA's Custom Index is the ICE Bank of America Merrill Lynch (BofAML) 1-3 Year Treasury Index from inception through March 31, 2016 and the ICE BofAML 0-5 Year U.S. Treasury Index thereafter.

Issuer Distribution
As of December 31, 2020

Issuer	Market Value (\$)	% of Portfolio	Top 5 = 62.8%	Top 10 = 70.3%
UNITED STATES TREASURY	10,143,780	38.7%		
FREDDIE MAC	3,318,348	12.7%		
FANNIE MAE	1,113,310	4.2%		
FEDERAL HOME LOAN BANKS	994,488	3.8%		
INTL BANK OF RECONSTRUCTION AND DEV	907,426	3.5%		
CAPITAL ONE FINANCIAL CORP	512,214	2.0%		
APPLE INC	462,073	1.8%		
ROYAL BANK OF CANADA	430,891	1.6%		
INTER-AMERICAN DEVELOPMENT BANK	276,867	1.1%		
MORGAN STANLEY	276,332	1.1%		
GOLDMAN SACHS GROUP INC	273,585	1.0%		
HONDA AUTO RECEIVABLES	273,067	1.0%		
PNC FINANCIAL SERVICES GROUP	272,350	1.0%		
TRUIST FIN CORP	266,146	1.0%		
AMERICAN HONDA FINANCE	265,720	1.0%		
THE WALT DISNEY CORPORATION	260,274	1.0%		
DNB ASA	258,854	1.0%		
JP MORGAN CHASE & CO	258,605	1.0%		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
MITSUBISHI UFJ FINANCIAL GROUP INC	258,119	1.0%
THE BANK OF NEW YORK MELLON CORPORATION	257,199	1.0%
SKANDINAVISKA ENSKILDA BANKEN AB	256,900	1.0%
NORDEA BANK ABP	256,859	1.0%
NATIONAL RURAL UTILITIES CO FINANCE CORP	251,250	1.0%
SUMITOMO MITSUI FINANCIAL GROUP INC	250,657	1.0%
IBM CORP	250,525	1.0%
NEW YORK ST URBAN DEVELOPMENT CORP	250,370	1.0%
FLORIDA STATE BOARD OF ADMIN FIN CORP	245,446	0.9%
TOYOTA MOTOR CORP	234,202	0.9%
DEERE & COMPANY	230,332	0.9%
CARMAX AUTO OWNER TRUST	215,743	0.8%
CAMP POOL	202,513	0.8%
CATERPILLAR INC	201,508	0.8%
CREDIT SUISSE GROUP RK	200,360	0.8%
NISSAN AUTO RECEIVABLES	187,641	0.7%
PEPSICO INC	165,587	0.6%
CHARLES SCHWAB	161,402	0.6%
AMERICAN EXPRESS CO	150,750	0.6%
GM FINANCIAL SECURITIZED TERM	150,511	0.6%
VOLKSWAGEN AUTO LEASE TURST	150,340	0.6%

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
VERIZON OWNER TRUST	127,710	0.5%
STATE OF CONNECTICUT	125,380	0.5%
SAN JUAN UNIFIED SCHOOL DISTRICT	124,583	0.5%
LOS ANGELES COMMUNITY COLLEGE DISTRICT	101,310	0.4%
HERSHEY COMPANY	101,051	0.4%
BMW VEHICLE OWNER TRUST	90,407	0.3%
STATE OF MINNESOTA	80,538	0.3%
BANK OF AMERICA CO	75,735	0.3%
UNIVERSITY OF CALIFORNIA	71,094	0.3%
STATE STREET CORPORATION	70,454	0.3%
GM FINANCIAL AUTO LEASING TRUST	65,248	0.3%
CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT	63,061	0.2%
PACCAR FINANCIAL CORP	51,497	0.2%
Grand Total:	26,240,609	100.0%

Portfolio Transactions and Holdings

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
10/14/20	10/16/20	250,000	3137EAEY1	FREDDIE MAC NOTES	0.12%	10/16/23	249,067.50	0.25%	
10/14/20	10/21/20	85,000	14316HAC6	CARMX 2020-4 A3	0.50%	8/15/25	84,981.29	0.50%	
10/16/20	10/29/20	125,000	798306WN2	SAN JUAN USD, CA TXBL GO BONDS	0.70%	8/1/24	125,000.00	0.70%	
10/30/20	11/10/20	100,000	54438CYK2	LOS ANGELES CCD, CA TXBL GO BONDS	0.77%	8/1/25	100,000.00	0.77%	
11/3/20	11/5/20	275,000	3137EAEZ8	FREDDIE MAC NOTES	0.25%	11/6/23	274,752.50	0.28%	
11/9/20	11/12/20	275,000	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/25	274,015.50	0.57%	
11/17/20	11/24/20	400,000	459058JM6	INTL BK RECON & DEVELOP CORPORATE NOTES	0.25%	11/24/23	399,140.00	0.32%	
11/23/20	11/25/20	250,000	3135G06H1	FANNIE MAE NOTES	0.25%	11/27/23	249,715.00	0.29%	
11/24/20	12/3/20	150,000	92868VAD1	VWALT 2020-A A4	0.45%	7/21/25	149,968.98	0.45%	
12/2/20	12/4/20	250,000	3137EAF2	FREDDIE MAC NOTES	0.25%	12/4/23	249,752.50	0.28%	
12/16/20	12/23/20	250,000	650036DT0	NY ST URBAN DEV CORP TXBL REV BONDS	0.87%	3/15/25	250,000.00	0.87%	
Total BUY		2,410,000					2,406,393.27		
INTEREST									
10/1/20	10/1/20	250,000	46647PBB1	JPMORGAN CHASE & CO BONDS	3.20%	4/1/23	4,008.75		
10/1/20	10/25/20	175,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	446.54		
10/1/20	10/25/20	71,227	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	212.08		
10/1/20	10/25/20	34,486	3137FKK39	FHMS KP05 A	3.20%	7/1/23	92.05		
10/1/20	10/25/20	74,239	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	129.42		
10/1/20	10/25/20	130,000	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/22	334.75		
10/14/20	10/14/20	250,000	3130AJHU6	FEDERAL HOME LOAN BANK NOTES	0.50%	4/14/25	618.06		
10/15/20	10/15/20	130,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	67.17		
10/15/20	10/15/20	225,000	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	603.75		
10/15/20	10/15/20	500,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	716.67		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/15/20	10/15/20	39,807	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	77.95		
10/15/20	10/15/20	199,226	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	524.63		
10/15/20	10/15/20	165,000	713448DX3	PEPSICO INC CORP (CALLABLE) NOTE	2.00%	4/15/21	1,650.00		
10/16/20	10/16/20	150,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	56.25		
10/18/20	10/18/20	6,750	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	10.07		
10/18/20	10/18/20	115,000	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/24	22.46		
10/19/20	10/19/20	150,000	4581X0DB1	INTER-AMERICAN DEVELOPMENT BANK NOTE	2.62%	4/19/21	1,968.75		
10/19/20	10/19/20	25,000	06051GFW4	BANK OF AMERICA CORP NOTE	2.62%	4/19/21	328.13		
10/20/20	10/20/20	125,000	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/24	192.71		
10/20/20	10/20/20	65,000	362569AD7	GMALT 2020-3 A4	0.51%	10/21/24	19.34		
10/22/20	10/22/20	250,000	3135G03U5	FANNIE MAE NOTES	0.62%	4/22/25	772.57		
10/24/20	10/24/20	100,000	06406RAL1	BANK OF NY MELLON CORP	2.10%	10/24/24	1,050.00		
10/25/20	10/25/20	90,000	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/24	36.00		
10/29/20	10/29/20	250,000	61746BDQ6	MORGAN STANLEY CORP NOTES	3.87%	4/29/24	4,843.75		
10/31/20	10/31/20	550,000	912828T67	US TREASURY NOTES	1.25%	10/31/21	3,437.50		
10/31/20	10/31/20	775,000	912828T91	US TREASURY NOTES	1.62%	10/31/23	6,296.88		
10/31/20	10/31/20	1,400,000	912828X47	US TREASURY NOTES	1.87%	4/30/22	13,125.00		
11/1/20	11/25/20	175,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	446.54		
11/1/20	11/25/20	130,000	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/22	334.75		
11/1/20	11/25/20	67,413	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	200.48		
11/1/20	11/25/20	74,093	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	129.17		
11/1/20	11/25/20	34,425	3137FKK39	FHMS KP05 A	3.20%	7/1/23	91.89		
11/3/20	11/3/20	150,000	06406FAB9	BANK OF NEW YORK MELLON (CALLABLE) NOTES	2.05%	5/3/21	1,537.50		
11/5/20	11/5/20	150,000	0258M0EB1	AMERICAN EXPRESS CREDIT (CALLABLE) NOTES	2.25%	5/5/21	1,687.50		
11/5/20	11/5/20	250,000	3137EAER6	FREDDIE MAC NOTES	0.37%	5/5/23	463.54		
11/11/20	11/11/20	450,000	037833DT4	APPLE INC (CALLABLE) CORP NOTES	1.12%	5/11/25	2,531.25		
11/15/20	11/15/20	85,000	14316HAC6	CARMX 2020-4 A3	0.50%	8/15/25	28.33		
11/15/20	11/15/20	212,644	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	570.59		
11/15/20	11/15/20	100,000	427866BA5	HERSHEY COMPANY CORP NOTES	3.10%	5/15/21	1,550.00		
11/15/20	11/15/20	183,781	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	483.96		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/15/20	11/15/20	70,000	91412HGE7	UNIV OF CAL TXBL REV BONDS	0.88%	5/15/25	204.32		
11/15/20	11/15/20	34,377	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	67.32		
11/15/20	11/15/20	500,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	716.67		
11/15/20	11/15/20	130,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	67.17		
11/16/20	11/16/20	150,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	56.25		
11/17/20	11/17/20	50,000	06051GHH5	BANK OF AMERICA CORP NOTES	3.49%	5/17/22	874.75		
11/18/20	11/18/20	4,138	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	6.17		
11/18/20	11/18/20	115,000	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/24	35.46		
11/19/20	11/19/20	70,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	682.50		
11/20/20	11/20/20	125,000	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/24	192.71		
11/20/20	11/20/20	65,000	362569AD7	GMALT 2020-3 A4	0.51%	10/21/24	27.63		
11/21/20	11/21/20	160,000	808513AW5	CHARLES SCHWAB CORP NOTES	3.25%	5/21/21	2,600.00		
11/24/20	11/24/20	125,000	4581X0DM7	INTER-AMERICAN DEVEL BK CORPORATE NOTES	0.50%	5/24/23	312.50		
11/25/20	11/25/20	90,000	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/24	36.00		
11/30/20	11/30/20	350,000	912828R69	US TREASURY N/B NOTES	1.62%	5/31/23	2,843.75		
11/30/20	11/30/20	150,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	1,031.25		
12/1/20	12/1/20	70,000	20772KKK4	CT ST T/E GO BONDS	2.00%	6/1/25	606.67		
12/1/20	12/25/20	175,000	3137BGK24	FHMS K043 A2	3.06%	12/1/24	446.54		
12/1/20	12/25/20	130,000	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/22	334.75		
12/1/20	12/25/20	73,963	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	161.33		
12/1/20	12/25/20	64,911	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	192.95		
12/1/20	12/25/20	34,365	3137FKK39	FHMS KP05 A	3.20%	7/1/23	91.73		
12/2/20	12/2/20	250,000	23341VZT1	DNB BANK ASA/NY LT CD	2.04%	12/2/22	2,592.50		
12/7/20	12/7/20	425,000	78012UEE1	ROYAL BANK OF CANADA NY CD	3.24%	6/7/21	6,885.00		
12/15/20	12/15/20	29,373	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	57.52		
12/15/20	12/15/20	130,000	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/25	67.17		
12/15/20	12/15/20	169,094	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	445.28		
12/15/20	12/15/20	198,072	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	531.49		
12/15/20	12/15/20	500,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	716.67		
12/15/20	12/15/20	85,000	14316HAC6	CARMX 2020-4 A3	0.50%	8/15/25	35.42		

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/16/20	12/16/20	150,000	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/25	56.25		
12/18/20	12/18/20	1,661	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	2.48		
12/18/20	12/18/20	115,000	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/24	35.46		
12/20/20	12/20/20	65,000	362569AD7	GMALT 2020-3 A4	0.51%	10/21/24	27.63		
12/20/20	12/20/20	125,000	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/24	192.71		
12/20/20	12/20/20	150,000	92868VAD1	VWALT 2020-A A4	0.45%	7/21/25	31.88		
12/25/20	12/25/20	90,000	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/24	36.00		
12/27/20	12/29/20	250,000	02665WCZ2	AMERICAN HONDA FINANCE CORP NOTE	2.40%	6/27/24	3,000.00		
12/31/20	12/31/20	500,000	912828YY0	US TREASURY N/B	1.75%	12/31/24	4,375.00		
12/31/20	12/31/20	3,450,000	912828XX3	US TREASURY N/B NOTES	2.00%	6/30/24	34,500.00		
Total INTEREST		17,778,046					116,873.61		

MATURITY

10/1/20	10/1/20	175,000	06051GGS2	BANK OF AMERICA CORP (CALLED OMD 10/01/2	2.32%	10/1/20	177,037.00		0.00
10/6/20	10/6/20	250,000	62479LK61	MUFG BANK LTD/NY COMM PAPER	0.00%	10/6/20	250,000.00		0.00
11/9/20	11/9/20	500,000	4581X0CD8	INTER-AMERICAN DEVELOPMENT BANK	2.12%	11/9/20	505,312.50		0.00
11/13/20	11/13/20	125,000	69371RN85	PACCAR FINANCIAL CORP NOTES	2.05%	11/13/20	126,281.25		0.00
11/15/20	11/15/20	35,000	912828PC8	US TREASURY NOTES	2.62%	11/15/20	35,459.38		0.00
11/16/20	11/16/20	500,000	87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	2.27%	11/16/20	505,738.06		0.00
12/15/20	12/15/20	250,000	931142EA7	WAL-MART STORES INC CORP NOTE	1.90%	12/15/20	252,375.00		0.00
Total MATURITY		1,835,000					1,852,203.19		0.00

PAYDOWNS

10/1/20	10/25/20	3,814	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	3,813.78		0.00
10/1/20	10/25/20	147	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	146.70		0.00
10/1/20	10/25/20	61	3137FKK39	FHMS KP05 A	3.20%	7/1/23	60.96		0.00

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/15/20	10/15/20	15,445	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	15,444.92		0.00
10/15/20	10/15/20	12,356	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	12,356.19		0.00
10/15/20	10/15/20	5,430	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	5,429.97		0.00
10/18/20	10/18/20	2,612	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	2,612.32		0.00
11/1/20	11/25/20	130	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	130.06		0.00
11/1/20	11/25/20	2,502	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	2,501.92		0.00
11/1/20	11/25/20	60	3137FKK39	FHMS KP05 A	3.20%	7/1/23	60.35		0.00
11/15/20	11/15/20	5,003	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	5,003.40		0.00
11/15/20	11/15/20	14,687	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	14,686.67		0.00
11/15/20	11/15/20	14,571	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	14,571.44		0.00
11/18/20	11/18/20	2,476	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	2,476.48		0.00
12/1/20	12/25/20	17,241	3137FKK39	FHMS KP05 A	3.20%	7/1/23	17,240.78		0.00
12/1/20	12/25/20	2,317	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	2,317.07		0.00
12/1/20	12/25/20	4,893	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	4,892.88		0.00
12/15/20	12/15/20	13,483	43815AAC6	HAROT 2018-4 A3	3.16%	1/15/23	13,483.26		0.00
12/15/20	12/15/20	4,683	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	4,683.45		0.00
12/15/20	12/15/20	13,637	65478NAD7	NAROT 2018-C A3	3.22%	6/15/23	13,636.51		0.00
12/18/20	12/18/20	1,661	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	1,661.48		0.00
Total PAYDOWNS		137,211					137,210.59		0.00
SELL									
11/3/20	11/5/20	175,000	912828R77	US TREASURY NOTES	1.37%	5/31/21	177,310.24		1,884.11
12/2/20	12/4/20	250,000	912828R69	US TREASURY N/B NOTES	1.62%	5/31/23	258,980.19		10,161.34
Total SELL		425,000					436,290.43		12,045.45

Managed Account Detail of Securities Held

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 05/31/2016 1.375% 05/31/2021	912828R77	150,000.00	AA+	Aaa	3/15/2017	3/17/2017	146,103.52	2.02	181.32	149,619.48	150,750.00
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,100,000.00	AA+	Aaa	6/27/2017	6/29/2017	1,111,988.28	1.73	7,475.14	1,101,903.65	1,113,578.18
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	900,000.00	AA+	Aaa	7/6/2017	7/11/2017	905,449.22	1.85	6,116.02	900,872.16	911,109.42
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	410,000.00	AA+	Aaa	12/1/2016	12/5/2016	411,217.19	1.93	2,786.19	410,170.27	415,060.96
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	550,000.00	AA+	Aaa	8/30/2017	8/31/2017	541,320.31	1.64	1,177.49	548,272.05	555,156.25
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	AA+	Aaa	7/3/2018	7/6/2018	509,496.09	2.69	1,685.95	519,617.01	537,140.62
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	275,000.00	AA+	Aaa	1/3/2018	1/4/2018	271,508.79	2.18	883.12	273,928.51	281,359.38
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	AA+	Aaa	5/3/2018	5/7/2018	580,828.13	2.73	1,926.80	593,618.17	613,875.00
US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022	912828TJ9	450,000.00	AA+	Aaa	9/5/2018	9/7/2018	431,121.09	2.76	2,762.06	442,241.00	460,898.46
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	100,000.00	AA+	Aaa	6/3/2019	6/7/2019	99,214.84	1.83	142.86	99,524.80	103,562.50
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	325,000.00	AA+	Aaa	7/1/2019	7/3/2019	322,854.49	1.78	904.52	323,598.16	338,507.81
US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	450,000.00	AA+	Aaa	10/2/2019	10/4/2019	452,583.98	1.48	1,252.42	451,793.85	468,703.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	650,000.00	AA+	Aaa	1/2/2020	1/7/2020	659,572.27	1.66	35.91	657,465.90	690,421.88
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	950,000.00	AA+	Aaa	11/1/2019	11/6/2019	969,222.66	1.55	52.49	964,445.30	1,009,078.13
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	350,000.00	AA+	Aaa	3/2/2020	3/6/2020	367,048.83	0.85	19.34	363,794.74	371,765.62

Managed Account Detail of Securities Held

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 N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	300,000.00	AA+	Aaa	2/3/2020	2/7/2020	308,144.53	1.36	16.57	306,475.03	318,656.25
US TREASURY N/B NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	1,200,000.00	AA+	Aaa	12/2/2019	12/5/2019	1,218,000.00	1.66	66.30	1,213,761.53	1,274,625.00
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	325,000.00	AA+	Aaa	7/1/2020	7/6/2020	346,226.56	0.28	15.71	343,908.35	344,195.31
US TREASURY N/B DTD 12/31/2019 1.750% 12/31/2024	912828YY0	175,000.00	AA+	Aaa	8/5/2020	8/7/2020	187,044.92	0.18	8.46	185,943.11	185,335.94
Security Type Sub-Total		9,785,000.00					9,838,945.70	1.76	27,508.67	9,850,953.07	10,143,779.84
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	150,000.00	AAA	Aaa	4/12/2018	4/19/2018	149,670.00	2.70	787.50	149,967.48	151,049.10
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	500,000.00	AAA	Aaa	7/18/2018	7/25/2018	498,830.00	2.83	6,034.72	499,782.90	507,167.50
INTER-AMERICAN DEVEL BK CORPORATE NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	125,000.00	AAA	Aaa	4/17/2020	4/24/2020	124,957.50	0.51	64.24	124,967.02	125,817.50
INTL BK RECON & DEVELOP CORPORATE NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	400,000.00	AAA	Aaa	11/17/2020	11/24/2020	399,140.00	0.32	102.78	399,169.84	400,258.00
Security Type Sub-Total		1,175,000.00					1,172,597.50	1.72	6,989.24	1,173,887.24	1,184,292.10
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	50,000.00	A	A1	5/29/2020	6/11/2020	50,000.00	2.00	555.00	50,000.00	52,030.50

Managed Account Detail of Securities Held

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
Municipal Bond / Note											
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	125,000.00	NR	Aa2	10/16/2020	10/29/2020	125,000.00	0.70	151.13	125,000.00	124,582.50
CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024	157411TK5	60,000.00	AA-	Aa1	11/6/2019	12/5/2019	60,000.00	2.10	525.25	60,000.00	63,060.60
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	250,000.00	AA+	NR	12/16/2020	12/23/2020	250,000.00	0.87	48.33	250,000.00	250,370.00
UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	70,000.00	AA	Aa2	7/10/2020	7/16/2020	70,000.00	0.88	78.98	70,000.00	71,094.10
CT ST T/E GO BONDS DTD 06/25/2020 2.000% 06/01/2025	20772KKK4	70,000.00	A	A1	6/12/2020	6/25/2020	73,567.90	0.94	116.67	73,191.71	73,349.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	50,000.00	AA	Aa3	9/3/2020	9/16/2020	50,353.50	1.11	183.46	50,331.87	51,134.50
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	125,000.00	AA	Aa3	9/3/2020	9/16/2020	125,000.00	1.26	458.65	125,000.00	127,836.25
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	65,000.00	AA	Aa3	9/3/2020	9/16/2020	65,430.95	1.12	238.50	65,404.59	66,474.85
MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025	60412AVJ9	80,000.00	AAA	Aa1	8/11/2020	8/25/2020	80,000.00	0.63	176.40	80,000.00	80,538.40
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	100,000.00	AA+	Aaa	10/30/2020	11/10/2020	100,000.00	0.77	109.51	100,000.00	101,310.00
Security Type Sub-Total		1,045,000.00					1,049,352.35	1.03	2,641.88	1,048,928.17	1,061,781.20
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	60,018.61	AA+	Aaa	4/11/2018	4/30/2018	61,212.45	2.93	178.06	60,256.40	60,151.54

Managed Account Detail of Securities Held

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 SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	130,000.00	AA+	Aaa	4/4/2018	4/9/2018	131,107.03	2.88	334.75	130,405.56	133,487.03
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	17,123.97	AA+	Aaa	12/7/2018	12/17/2018	17,123.92	3.20	45.71	17,123.94	17,574.14
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	71,645.48	AA+	Aaa	11/20/2019	11/26/2019	71,643.74	2.09	124.90	71,644.16	73,627.40
FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	AA+	Aaa	3/19/2020	3/25/2020	183,667.97	1.95	446.54	182,240.19	191,495.37
Security Type Sub-Total		453,788.06					464,755.11	2.40	1,129.96	461,670.25	476,335.48
Federal Agency Bond / Note											
FHLB GLOBAL NOTE DTD 07/14/2016 1.125% 07/14/2021	3130A8QS5	625,000.00	AA+	Aaa	7/14/2016	7/15/2016	621,199.38	1.25	3,261.72	624,595.99	628,386.88
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	250,000.00	AA+	Aaa	5/5/2020	5/7/2020	249,895.00	0.39	145.83	249,917.96	251,267.00
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	750,000.00	AA+	Aaa	8/19/2020	8/21/2020	749,235.00	0.28	677.09	749,327.66	751,232.25
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	300,000.00	AA+	Aaa	9/2/2020	9/4/2020	299,901.00	0.26	243.75	299,911.72	300,420.00
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	225,000.00	AA+	Aaa	9/2/2020	9/4/2020	225,041.09	0.24	182.81	225,036.64	225,315.00
FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	250,000.00	AA+	Aaa	10/14/2020	10/16/2020	249,067.50	0.25	65.10	249,133.07	249,427.50
FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	275,000.00	AA+	Aaa	11/3/2020	11/5/2020	274,752.50	0.28	106.94	274,765.37	275,330.00
FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	250,000.00	AA+	Aaa	11/23/2020	11/25/2020	249,715.00	0.29	62.50	249,724.61	250,306.25
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAF2	250,000.00	AA+	Aaa	12/2/2020	12/4/2020	249,752.50	0.28	46.88	249,758.83	250,308.25

Managed Account Detail of Securities Held

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 Bond / Note											
FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	250,000.00	AA+	Aaa	4/15/2020	4/16/2020	248,760.00	0.60	267.36	248,936.75	251,353.00
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	250,000.00	AA+	Aaa	4/22/2020	4/24/2020	249,485.00	0.67	299.48	249,556.15	252,691.75
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	325,000.00	AA+	Aaa	7/21/2020	7/23/2020	323,381.50	0.48	534.90	323,525.25	324,599.93
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	275,000.00	AA+	Aaa	8/25/2020	8/27/2020	273,713.00	0.47	355.21	273,802.61	274,402.15
FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025	3130AK5E2	115,000.00	AA+	Aaa	9/10/2020	9/11/2020	114,655.00	0.44	131.77	114,676.24	114,748.61
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	275,000.00	AA+	Aaa	9/23/2020	9/25/2020	274,172.25	0.44	275.00	274,216.72	274,263.83
FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	275,000.00	AA+	Aaa	11/9/2020	11/12/2020	274,015.50	0.57	187.15	274,042.53	275,758.45
Security Type Sub-Total		4,940,000.00					4,926,741.22	0.49	6,843.49	4,930,928.10	4,949,810.85
Corporate Note											
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	250,000.00	A	A2	2/1/2018	2/6/2018	249,877.50	2.67	2,686.81	249,996.08	250,525.00
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	A	A2	2/21/2018	2/26/2018	99,889.00	2.94	853.89	99,992.72	100,499.90
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	150,000.00	A	A2	4/12/2018	4/19/2018	149,365.50	3.05	1,280.83	149,956.34	150,749.85
PEPSICO INC CORP (CALLABLE) NOTE DTD 10/10/2017 2.000% 04/15/2021	713448DX3	165,000.00	A+	A1	10/5/2017	10/10/2017	164,967.00	2.01	696.67	164,997.33	165,587.40
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	25,000.00	A-	A2	11/1/2017	11/3/2017	25,194.00	2.39	131.25	25,016.59	25,171.45

Managed Account Detail of Securities Held

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 NEW YORK MELLON (CALLABLE) NOTES DTD 05/02/2016 2.050% 05/03/2021	06406FAB9	150,000.00	A	A1	5/17/2016	5/20/2016	150,319.50	2.00	495.42	150,016.52	150,747.75
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 05/05/2016 2.250% 05/05/2021	0258M0EB1	150,000.00	A-	A2	5/25/2016	5/31/2016	149,721.00	2.29	525.00	149,980.78	150,749.55
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	100,000.00	A	A1	5/3/2018	5/10/2018	99,931.00	3.12	396.11	99,991.60	101,051.20
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	70,000.00	A	A1	5/19/2016	5/24/2016	69,735.40	2.03	159.25	69,979.95	70,453.53
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	160,000.00	A	A2	5/17/2018	5/22/2018	159,995.20	3.25	577.78	159,999.39	161,402.08
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	225,000.00	A	A2	3/10/2017	3/15/2017	224,007.75	2.75	2,898.44	224,791.16	230,331.83
PACCAR FINANCIAL CORP NOTE DTD 03/01/2019 2.850% 03/01/2022	69371RP75	50,000.00	A+	A1	2/22/2019	3/1/2019	49,956.00	2.88	475.00	49,982.98	51,496.75
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	50,000.00	A-	A2	5/14/2018	5/17/2018	50,000.00	3.50	213.83	50,000.00	50,563.60
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	A-	A2	3/15/2019	3/22/2019	250,000.00	3.21	2,004.38	250,000.00	258,604.50
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 07/08/2020 0.650% 07/07/2023	14913R2D8	200,000.00	A	A3	7/6/2020	7/8/2020	199,888.00	0.67	624.72	199,906.12	201,507.60
PNC BANK NA CORP NOTES DTD 01/23/2019 3.500% 01/23/2024	693475AV7	250,000.00	A-	A3	2/12/2019	2/15/2019	251,780.00	3.34	3,840.28	251,102.75	272,350.25
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	250,000.00	BBB+	A2	7/19/2019	7/23/2019	264,322.50	2.59	1,668.40	259,981.35	276,332.25
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	250,000.00	A-	A3	7/11/2019	7/15/2019	248,760.00	2.51	66.67	249,127.41	265,720.00

Managed Account Detail of Securities Held

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											
GOLDMAN SACHS GROUP INC BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A3	7/8/2019	7/11/2019	261,645.00	2.84	4,625.35	258,197.47	273,585.25
BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024	05531FBH5	250,000.00	A-	A3	8/1/2019	8/5/2019	250,415.00	2.46	2,604.17	250,297.76	266,146.00
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	250,000.00	BBB+	A2	9/3/2019	9/6/2019	248,980.00	1.84	1,470.49	249,250.69	260,274.25
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	100,000.00	A	A1	1/21/2020	1/28/2020	100,440.00	2.00	390.83	100,353.83	106,451.00
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	5/20/2020	5/26/2020	50,488.50	1.58	345.00	50,426.16	52,352.30
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	125,000.00	A+	A1	5/20/2020	5/26/2020	126,221.25	1.58	862.50	126,065.41	130,880.75
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	25,000.00	A+	A1	5/21/2020	5/26/2020	25,348.00	1.49	172.50	25,303.59	26,176.15
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	450,000.00	AA+	Aa1	5/11/2020	5/13/2020	450,904.50	1.08	703.13	450,787.03	462,072.60
Security Type Sub-Total		4,345,000.00					4,372,151.60	2.35	30,768.70	4,365,501.01	4,511,782.79
Certificate of Deposit											
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	425,000.00	A-1+	P-1	6/7/2018	6/8/2018	425,000.00	3.24	918.00	425,000.00	430,891.35
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	200,000.00	A+	Aa3	8/5/2020	8/7/2020	200,000.00	0.52	424.67	200,000.00	200,359.60
MUFG BANK LTD/NY CERT DEPOS DTD 02/28/2019 2.980% 02/25/2022	55379WZU3	250,000.00	A	A1	2/27/2019	2/28/2019	250,000.00	2.96	6,415.28	250,000.00	258,119.25

Managed Account Detail of Securities Held

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											
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	A	A1	7/10/2020	7/14/2020	250,000.00	0.70	831.25	250,000.00	250,656.50
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A+	Aa2	8/29/2019	9/3/2019	250,000.00	1.85	1,653.33	250,000.00	256,899.50
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	AA-	Aa3	8/27/2019	8/29/2019	250,000.00	1.84	1,644.44	250,000.00	256,858.50
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	AA-	Aa2	12/4/2019	12/6/2019	250,000.00	2.03	425.00	250,000.00	258,854.25
Security Type Sub-Total		1,875,000.00					1,875,000.00	2.05	12,311.97	1,875,000.00	1,912,638.95
Asset-Backed Security											
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	24,689.77	AAA	Aaa	1/23/2018	1/31/2018	24,689.48	2.35	25.79	24,689.68	24,792.82
HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	43815AAC6	155,611.19	AAA	Aaa	11/20/2018	11/28/2018	155,587.93	3.16	218.55	155,599.72	157,879.95
NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	184,435.86	AAA	Aaa	12/4/2018	12/12/2018	184,400.52	3.22	263.95	184,416.64	187,641.26
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	125,000.00	AAA	Aaa	1/21/2020	1/29/2020	124,985.36	1.85	70.66	124,988.38	127,710.18
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	AAA	NR	8/28/2019	9/5/2019	499,874.10	1.73	382.22	499,907.84	512,213.95
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	AAA	NR	9/22/2020	9/29/2020	114,983.11	0.37	15.37	114,984.18	115,187.52
GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	AAA	Aaa	9/22/2020	9/29/2020	64,990.90	0.51	10.13	64,991.48	65,248.11
BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	90,000.00	AAA	NR	7/8/2020	7/15/2020	89,993.21	0.48	7.20	89,993.95	90,407.06

Managed Account Detail of Securities Held

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											
CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	130,000.00	AAA	NR	7/14/2020	7/22/2020	129,977.72	0.62	35.82	129,979.86	130,717.28
GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	150,000.00	NR	Aaa	8/11/2020	8/19/2020	149,965.68	0.46	28.13	149,968.40	150,510.57
VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	AAA	NR	11/24/2020	12/3/2020	149,968.98	0.45	20.63	149,969.51	150,340.34
CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	AAA	NR	10/14/2020	10/21/2020	84,981.29	0.50	18.89	84,982.06	85,025.84
Security Type Sub-Total		1,774,736.82					1,774,398.28	1.48	1,097.34	1,774,471.70	1,797,674.88
Managed Account Sub Total		25,393,524.88					25,473,941.76	1.60	89,291.25	25,481,339.54	26,038,096.09
Money Market Mutual Fund											
CAMP Pool		202,512.79	AAAm	NR			202,512.79		0.00	202,512.79	202,512.79
Money Market Sub Total		202,512.79					202,512.79		0.00	202,512.79	202,512.79
Securities Sub-Total		\$25,596,037.67					\$25,676,454.55	1.60%	\$89,291.25	\$25,683,852.33	\$26,240,608.88
Accrued Interest											\$89,291.25
Total Investments											\$26,329,900.13

Bolded items are forward settling trades.

Appendix

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.
- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

GLOSSARY

- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

COVERAGE MATTERS

SUBJECT: Sunline Transit Agency (PERMA) Appeal of Denial of Coverage

BACKGROUND AND STATUS:

The Sunline Transit Agency, an underlying member of PERMA, untimely reported an internal complaint of gender and race-based harassment. The Complainant (Conners) reported the complaint to the agency's EEO Officer sometime before October 14, 2020, on which date the investigation was initiated. The investigation report (dated November 18, 2020) also states that Conners had previously disclosed allegations that a female administrative officer had made sexual and racial comments about him, along with other alleged inappropriate behavior. A full investigation was conducted, including interviews of multiple witnesses. Conclusion of the investigation was reported to Conners on November 20, 2020. ERMA received notice of the claim on December 28, 2020, when the agency provided ERMA information that an EEOC charge had been received by the agency on December 25, 2020. Given that the agency's first notice of the claim was before October 14, 2020, the report of the claim to ERMA on December 28, 2020 occurred at least six weeks beyond the required 30-day reporting requirement. As a result, ERMA was deprived of the opportunity to provide the agency advice and counsel by defense panel and/or other guidance in managing the complaint. The claim was denied in accordance with the Memorandum of Coverage (MOC).

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

The Litigation Manager shall:

- (u) 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;

The 2020/21 MOC includes a late reporting clause and a penalty provision. These late reporting provisions are as follows:

Section VII – Conditions 1.

- (B) 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.

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 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 Sunline Transit Agency regarding the Connors claim is based on the following mitigating circumstances:

- In sum, the agency disputes that the claim was untimely reported, and contends that the reporting requirement was not triggered until the agency received the EEOC charge.
- The agency took reasonable initial steps in investigating and responding to the complaint.
- The Litigation Manager received notice of the claim on December 28, 2020 – three days following the agency's receipt of the EEOC charge, though 45 days after the 30-day reporting requirement.
- The Litigation Manager has reviewed the context and status of the claim, and has determined that, should the claim be accepted, the late reporting of the claim will not cause significant financial or other prejudice to the Authority.
- The Transit Agency has a \$50,000 SIR. Should the agency's appeal be granted, the increase to the agency's Retained Limit is 25% or \$12,500.

RECOMMENDATION:

Staff recommends the Board of Directors provide direction as necessary.

REFERENCE MATERIALS ATTACHED:

- Summary of Historical Coverage Appeal Decisions: 2015 – Current

**Summary of Historical Coverage Appeal Decisions
2015 – Current**

Agency	Appeal Date	Appeal Decision	Penalty	Notes
City of Lathrop (CSJVRMA)	November 2, 2020	Granted	25% SIR increase \$25,000 to \$31,250	Untimely Report
City of El Cerrito (MPA)	February 7, 2020	Granted	\$500,000 SIR	Untimely Report
City of Hayward (ERMAC)	November 4, 2019	Granted	10% SIR increase \$500,000 to \$550,000	Untimely Report
City of Reedley (CSJVRMA)	April 30, 2019	Denied	N/A	Untimely report - Significant financial or other prejudice
City of Barstow (PERMA)	February 8, 2019	Granted	25% SIR increase \$25,000 to \$31,250	Untimely report
City of Susanville (SCORE)	February 9, 2018	Granted	25% SIR increase \$25,000 to \$31,250 per claim (3)	Untimely report
City of Menlo Park (BCJPIA)	November 6, 2017	Granted	15% SIR increase \$250,000 to \$287,500	Untimely report
City of Pinole (MPA)	November 2, 2015	Granted	25% SIR increase \$50,000 to \$62,500	Untimely report
City of Coachella (PERMA)	November 2, 2015	Granted	25% SIR increase \$25,000 to \$31,250	Untimely report
City of Calimesa (PARSAC)	November 2, 2015	Denied	N/A	Non-compliant training

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.

Claim	Page Number
Guillen v. City of California City	N/A
Macias/Morales v. City of Eastvale	Page 105
Oules v. City of Mt. Shasta	Page 113

RECOMMENDATION:

None

REFERENCE MATERIALS ATTACHED:

- Confidential Litigation Manager's Report (distributed under separate cover; copies to be deleted after the meeting)