



**EMPLOYMENT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS MEETING
AGENDA**

**Monday, November 7, 2022
10:00 a.m.**

**Hilton Garden Inn
20 Advantage Court
Sacramento, CA 95834**

In compliance with the Americans with Disabilities Act, if you need a disability–related modification or accommodation to participate in this meeting, please contact Danielle Davis at (916) 244-1116 or danielle.davis3@sedgwick.com. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

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

<u>Page</u>	1. CALL TO ORDER; INTRODUCTIONS
	2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)
	3. PUBLIC COMMENTS - 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. Comments will be limited to five minutes per person and twenty minutes in total.
	4. CONSENT CALENDAR
	If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar.
5	*A. Minutes of the June 6, 2022, Board of Directors Meeting
13	*B. Minutes of the September 12, 2022, Special Board of Directors Meeting
16	*C. General Warrants from May 1, 2022, through September 30, 2022
18	*D. Claims Payments from May 1, 2022, through September 30, 2022
21	*E. Treasurer’s Report as of June 30, 2022
55	*F. PFM Quarterly Investment Report as of June 30, 2022

- 101 *G. EPL Excess Policies & Invoices
- 139 *H. Internal Financial Statements as of June 30, 2022
- 147 *I. Resolution No. 2022-5, Establishing All Bank Accounts and Authorized Signatures
- 149 *J. Defense Panel Update
- 150 *K. Investigator Panel Update
- 152 *L. ERMA 22/23 Training Program FAQs – redline/strikeout
- 156 *M. Board Document Review Schedule

Recommendation: Approval of the Consent Calendar.

5. FINANCIAL MATTERS

- 164 *A. Draft Audited Financial Statements for the Fiscal Year Ended June 30, 2022
Recommendation: Staff recommends the Board of Directors accept and file the ERMA Audited Financial Statements for the Fiscal Year Ended June 30, 2022.

6. TRAINING/LOSS PREVENTION MATTERS

- 201 A. In2vate Presentation - Online Training & Employee Protection Line
Recommendation: None
- 202 B. Training Update
Recommendation: None
- 204 *C. 2022 Target Risk Appraisal Recommendations
Recommendation: Staff recommends to the Board of Directors that one member undergo a risk assessment or be subjected to further evaluation on a follow-up basis, with a report to be presented at the June 2023 meeting, based upon the outcome of the 2022 target ratio calculations.

7. MEMBERSHIP MATTERS

- 207 *A. Update Regarding Members with Participation Conditions
Recommendation: None
- 212 *B. Review of Prospective New Member Application – San Joaquin Regional Transit District (CalTIP)
Recommendation: The Underwriting Committee recommends the Board of Directors approve the San Joaquin Regional Transit District (CalTIP) at a \$75,000 SIR, effective January 1, 2023, with the following considerations: 1) the district is accepted as a participating member of CalTIP, effective January 1, 2023; 2) submission of requested underwriting information regarding district policies and procedures and historical loss information; and 3) the district's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by the district's Board of Directors, no later than July 1, 2024.

8. ADMINISTRATIVE MATTERS

- 218 A. 2022/23 Goals and Objectives Update
Recommendation: None

** Reference materials enclosed with staff report.*

- 219 *B. Review of the 23rd Annual Workshop Agenda
 *Recommendation: Staff recommends the Board of Directors review the
 proposed workshop agenda and provide direction.*

- 222 *C. Discussion Regarding Actuarial Services
 *Recommendation: Staff recommends the Board of Directors provide direction,
 as necessary.*

9. COVERAGE MATTERS

- 223 *A. City of Escalon (CSJVRMA) Appeal of Denial of Coverage
 *Recommendation: Staff recommends the Board of Directors provide direction
 as necessary.*

- 229 *B. City of Barstow (PERMA) Appeal of Denial of Coverage
 *Recommendation: Staff recommends the Board of Directors provide direction
 as necessary.*

- 233 *C. City of Murietta (PERMA) Appeal of Denial of Coverage
 *Recommendation: Staff recommends the Board of Directors provide direction
 as necessary.*

10. CLAIMS MATTERS

- 238 A. Closed Session – Pursuant to Government Code Section §54956.95(a), the Board of
 Directors will recess to Closed Session to discuss the following claims:
 • Walcholz v. Novato (BCJPIA)
- 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.

11. 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

12. ADJOURNMENT

NOTICES:

The next meetings of the Board of Directors will be held on the following dates:

- Thursday, February 2, 2023, at 10:00 a.m. – Annual Workshop, Napa Valley Marriot Hotel
- Friday, February 3, 2023, at 10:00 a.m. – Board Meeting, Napa Valley Marriot Hotel
- Tuesday, April 25, 2023, at 10:00 a.m. – Board Meeting, TBD
- Monday, June 5, 2023, at 10:00 a.m. – Board Meeting, TBD

** Reference materials enclosed with staff report.*

Agenda Items 4.A.-M.

CONSENT CALENDAR

SUBJECT: Consent Calendar
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *Approval of the Consent Calendar.*

BACKGROUND AND STATUS:

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

REFERENCE MATERIALS ATTACHED:

- A. Minutes of the June 6, 2022, Board of Directors Meeting
- B. Minutes of the September 12, 2022, Special Board of Directors Meeting
- C. General Warrants from May 1, 2022, through September 30, 2022
- D. Claims Payments from May 1, 2022, through September 30, 2022
- E. Treasurer's Report as of June 30, 2022
- F. PFM Quarterly Investment Report as of June 30, 2022
- G. EPL Excess Policies & Invoices
- H. Internal Financial Statements as of June 30, 2022
- I. Resolution No. 2022-5, Establishing All Bank Accounts and Authorized Signatures
- J. Defense Panel Update
- K. Investigator Panel Update
- L. ERMA 22/23 Training Program FAQs – redline/strikeout
- M. Board Document Review Schedule

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

MINUTES OF THE BOARD OF DIRECTORS MEETING OF JUNE 6, 2022

A regular meeting of the Board of Directors of ERMA was held on June 6, 2022, at the Embassy Suites Hotel in Sacramento, CA.

BOARD MEMBERS PRESENT:

John Gillison, President, CIRA
Robert Thompson, CalTIP
Charlene Calica, CCCHA
Bryan Whitemyer, CSJVRMA
Linda Cox, MPA
Beth Lyons, PERMA
Kevin Bryant, PLAN
Roger Carroll, SCORE
Jeremy Wittie, VCJPA

BOARD MEMBERS ABSENT:

Stuart Schillinger, Vice President, BCJPIA
Brett Miller, Treasurer, MBASIA
Melissa Guerrero, ERMAC
Drew Felder, OHA

ALTERNATE MEMBERS PRESENT:

Kin Ong, CIRA
Heather Rowden, BCJPIA
George Fink, CalTIP
Nataline Jindoaian, CCCHA

ALTERNATE MEMBERS ABSENT:

Steve Adams, MBASIA
Reina Schwartz, MPA
George Rodericks, PLAN
Wendy Howard, SCORE
Becky Ramirez, CSJVRMA
Yumi Augustus, PERMA
Jamie Scott, VCJPA

OTHERS PRESENT:

Jennifer Jobe, Executive Director
Maria De Leon, Sedgwick
Stacey Brock, Sedgwick
Stacey Sullivan, Litigation Manager
Jim Elledge, Interim Finance Manager
Chee Xiong, Senior Accountant
Doug Alliston, Board Counsel (*absent during Agenda Item 7.C.*)
Elizabeth Arce, Liebert Cassidy Whitmore
Shane Larsen, Jackson Lewis
Sally Nguyen, Jackson Lewis
Chrissy Mack, CalTIP/VCJPA
Amy Northam, CIRA
Shadi Jalali, Alliant
Greg Greeson, City of California City (*present only for Agenda Item 6.A.*)

1. CALL TO ORDER/INTRODUCTIONS

The June 6, 2022, Board of Directors Meeting was called to order at 11:15 a.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Beth Lyons moved, seconded by Linda Cox, to approve the agenda as posted. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

3. PUBLIC COMMENTS

None

4. CONSENT CALENDAR

Linda Cox moved, seconded by Beth Lyons, to approve the Consent Calendar as follows: A) Minutes of the April 26, 2022, Board of Directors Meeting; B) 2022/23 Memorandum of Coverage; C) General Warrants from April 1, 2022, through April 30, 2022; D) Claims Payments from April 1, 2022, through April 30, 2022; E) Treasurer's Report as of March 31, 2022; F) Internal Financial Statements as of March 31, 2022; G) PFM Quarterly Investment Report as of March 31, 2022; and H) Board Document Review Schedule. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

5. 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 11:16 a.m. to discuss the following claims:

- Hernandez, A. v. Barstow (PERMA)
- Martindale, W. v. Yreka (SCORE)
- Stump, G. v. California City (CIRA)

B. Report from Closed Session

The Board reconvened to Open Session at 11:28 a.m. Doug Alliston, Board Counsel, advised no reportable action was taken in Closed Session.

6. MEMBERSHIP MATTERS

A. Update Regarding the City of California City's (CIRA) Performance Improvement Plan

Jennifer Jobe, Executive Director, reminded the Board of the decision at the November 2021 meeting to issue formal notice of termination of participation to the City of California City, an underlying member of the California Intergovernmental Risk Authority (CIRA), effective

June 30, 2022, in conjunction with the city's placement on a Performance Improvement Plan (Plan). The Plan included completion of targeted training and regular meetings with staff to monitor the city's progress approaching the June 30th deadline.

Ms. Jobe reported the city experienced substantive leadership changes since issuance of the Plan, with Anne Ambrose acting initially as Interim City Manager. Effective May 2nd, Ms. Ambrose was succeeded by Doug Dunford, former City Manager of the City of Gustine, member of the Central San Joaquin Valley Risk Management Authority (CSJVRMA). Mr. Dunford has also employed the assistance of Greg Greeson, former City Manager of Wheatland (CIRA), on an interim basis. She further noted the city has successfully met the majority of the terms of the Plan; however, ERMA continues to recognize a number of claims. In response, Ms. Jobe stated staff proposed the addition of the following requirements to the existing Plan, via Amendment One:

- Continuation of Management 101 training for any incoming department leaders and senior level managers
- Acquisition and retention of experienced, professional Human Resources leadership with public sector expertise
- Increase of the city's self-insured retention (SIR) from \$250,000 to \$350,000 for all claims

Ms. Jobe confirmed staff would continue to meet with management on a regular basis and provide updates to the Board at future meetings.

Mr. Greeson addressed the Board, expressing his appreciation for the support shown by both ERMA and CIRA. He reaffirmed his commitment to working with City Council to institute changes and stated the city is in communication with multiple talent acquisition resource groups to develop a swift and efficient recruitment strategy.

Roger Carroll moved, seconded by Linda Cox, to approve Amendment One to the City of California City's (CIRA) Performance Improvement Plan, effective June 6, 2022. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

B. Review of Prospective New Member Application – City of Tracy (CSJVRMA)

Ms. Jobe reviewed the application of the City of Tracy, a long-tenured underlying member of the CSJVRMA. After providing an overview of the city's staffing, payroll, and training compliance status, she advised the Underwriting Committee recommended the Board approve the city's application, with the condition the city's personnel policies and procedures be updated, reviewed by legal counsel with expertise in public sector employment law, and approved by the city's governing body no later than July 1, 2024.

Beth Lyons moved, seconded by Kevin Bryant, to approve the City of Tracy (CSJVRMA) at a \$100,000 SIR, effective July 1, 2022, with the condition the city's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by City Council, no later than July 1, 2024. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

C. Review of Prospective New Member Application – City of Colton (PERMA)

Ms. Jobe stated ERMA staff had been working with Public Entity Risk Management Authority (PERMA) staff to review an application from the City of Colton, who was considering participation in PERMA and, by extension, ERMA, effective July 1, 2022. Ms. Jobe noted the city's councilmembers intended to vote to finalize the decision regarding membership in PERMA/ERMA on June 21st.

Ms. Jobe summarized the city's staffing, payroll, and training compliance status, and further relayed the Underwriting Committee's recommendation to approve the city's application for approval, with the condition the city's personnel policies and procedures are updated, reviewed, legal counsel with expertise in public sector employment law, and approved by the City Council no later than July 1, 2024.

Beth Lyons, PERMA Board Representative, extended her appreciation for staff's effort coordinating the application process. Ms. Lyons corroborated the city's firm adherence to the June 21st deadline, as noted by Ms. Jobe.

Linda Cox moved, seconded by Roger Carroll, to approve the City of Colton (PERMA) at a \$500,000 SIR, effective July 1, 2022, with the condition the city's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by City Council, no later than July 1, 2024. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

7. ADMINISTRATIVE MATTERS

A. Draft Resolution 2022-4, Establishing All Bank Accounts and Authorized Signatures

Ms. Jobe summarized the adjustments proposed in Draft Resolution 2022-4, Establishing All Bank Accounts and Authorized Signatures. She stated the current iteration of the Resolution authorizes the 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; however, staff has observed a trend in vendors shifting away from direct billing (i.e., check) transactions in favor of credit card transactions. Ms. Jobe explained rising venue costs would increase the likelihood a credit card deposit would be required that exceeds the current \$5,000 limit, thereby prompting staff's recommendation to increase the maximum credit line to \$10,000.

In response to Board inquiry, Ms. Jobe reaffirmed staff's conclusion that \$10,000 would be a sufficiently high limit given historical venue billing cycles. She also noted \$10,000 aligns with limits retained by many other joint powers authorities (JPAs) in the California pooling industry.

Linda Cox moved, seconded by Charlene Calica, to approve Resolution 2022-4, Establishing All Bank Accounts and Authorized Signatures, effective June 6, 2022. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

B. Proposed Amendments to ERMA's Underwriting Guidelines

Ms. Jobe stated the Underwriting Committee met on May 12th to conduct a formal review of ERMA's Underwriting Guidelines, the last review having taken place in February 2014. She provided a summary of changes to ERMA's program that have since been adopted, including updates to minimum payroll and retrospective claims history, additional documentation denoting intent to participate and desired SIR, guidelines for designating conditional acceptance, and the addition of a \$350,000 SIR. Ms. Jobe explained the Guidelines are heavily and frequently utilized by staff and Committee members during review of prospective members, warranting revisions to address such changes and accurately reflect the current underwriting procedures. She further noted the changes were unanimously approved by the Underwriting Committee.

Bryan Whitemyer moved, seconded by Charlene Calica, to approve the proposed amendments to ERMA's Underwriting Guidelines, effective June 6, 2022. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

C. Approval of Legal Services Agreement – Doug Alliston

Prior to introduction of this item, Mr. Alliston recused himself from discussion.

Ms. Jobe explained that Mr. Alliston has served as General and Coverage Counsel for ERMA since November 2019, following an extensive request for proposal (RFP)/interview process. She advised Mr. Alliston will terminate his partnership with Murphy, Campbell, Alliston, and Quinn (MCAQ) to pursue a sole proprietorship effective June 30th and has requested to continue to serve the ERMA Board. Ms. Jobe also confirmed the terms and rates in Mr. Alliston's proposed Legal Services Agreement were identical to the existing MCAQ Agreement.

Discussion ensued regarding the proposed rates, as well as whether Mr. Alliston's firm contained sufficient support staff to continue to serve ERMA at his current capacity. Ms. Jobe explained the reduction in support staff was offset by a narrowing of Mr. Alliston's client pool, thereby posing no additional imposition for handling client matters. Ms. Jobe also advised Mr. Alliston was the only attorney at MCAQ to provide services within the highly specified area of public entity risk pool law; therefore, the Board must issue an RFP for Legal Services if the Agreement is declined.

Bryan Whitemyer moved, seconded by Linda Cox, to approve the Legal Services Agreement with Doug Alliston, effective July 1, 2022, and direct staff to issue notice of termination of the MCAQ Agreement, effective June 30, 2022. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

8. COVERAGE MATTERS

A. Discussion and Action Regarding Excess Coverage for the 2022/23 Program Year

Ms. Jobe recalled the report provided by Seth Cole, Alliant Insurance Services (Alliant), at the April 26th meeting regarding the state of the excess insurance market, noting RSUI (ERMA's excess carrier for the 12th consecutive year) was expected to offer a flat renewal for

the 2022/23 Program Year, subject to adverse claim development. She further summarized ERMA's current coverage limits, stating participating members retain limits of \$2M x \$1M on a per-claim basis with \$4M per-member and \$10M policy aggregates, respectively.

Ms. Jobe indicated the Alliant team solicited pricing for increased policy limits for the 2022/23 Program Year in response to recent expansions in ERMA membership. She noted additional excess limits were quoted through Ascot Specialty Insurance Company (Ascot), which were proposed at \$1M per member, per claim, with a \$1M member aggregate and a \$5M policy aggregate, at a corresponding premium of \$154,875. The Ascot layer would increase total excess policy limits to \$3M per member, per claim, with a \$5M member aggregate and a \$15M policy aggregate.

Shadi Jalali, Alliant, confirmed details from Ms. Jobe's presentation, noting a modest 1.7% increase in pricing for RSUI paralleling increases in payroll. Ms. Jobe also advised the additional Ascot layer was included in the proposed budget.

Beth Lyons moved, seconded by Kevin Bryant, to authorize binding excess coverage for the 2022/23 Program Year through RSUI, with the same terms and limits as expiring, and through Ascot Specialty Insurance at \$1M per member, per claim, with a \$1M member aggregate and a \$5M policy aggregate, as presented. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

9. FINANCIAL MATTERS

A. Review of Annual Retrospective Adjustment Calculation

Jim Elledge, Interim Finance Manager, presented the Annual Retrospective Adjustment Calculation as of March 31, 2022. He reminded the Board a preliminary version of this Calculation was presented at the April 26th meeting, and summarized the following four conditions that must be met through the retrospective adjustment calculation process to allow declaration of dividends:

- (1) The program years must be greater than five years old.
- (2) There must be equity in each of the five most recent program years (i.e., no liabilities).
- (3) Dividends must first be reduced for deficits incurred for program years less than five years old.
- (4) The program's overall net position must be positive with liabilities stated at the 90% confidence level.

Based on this calculation, Mr. Elledge concluded approximately \$4.4M was eligible for release in the form of a dividend. He further relayed staff's recommendation to declare a dividend of \$2M from the 2012/13 and 2013/14 Program Years, consistent with ERMA's historical practice of releasing approximately half (\$1.75M) to membership. As also discussed at the April 26th meeting, Mr. Elledge recommended depositing \$250,000 to increase the Capital Contribution Fund to \$1M, as well as the closure of the 2012/13 Program Year. However, he advised against depositing funds into 2017/18 and 2019/20 deficit Program Years, for two reasons: (1) the claims are relatively new and are (historically) likely to develop favorably over time, and 2) substantial changes in membership have occurred over the course of the referenced Program Years, which complicates the equitable application of dividends.

Discussion then ensued regarding the possibility of increasing the dividend amount distributed to members to \$2M, noting the increased amount would still meet the aforementioned parameters. Mr. Elledge concurred, stating staff had no objections to this recommendation.

Linda Cox moved, seconded by Jamie Scott, to approve the following: (1) a release of dividends in the amount of \$2.25M from the 2012/13 and 2013/14 Program Years, with \$250,000 of the dividend transferred to the Capital Contribution Fund and the remainder \$2M released to the participating membership from the aforementioned Program Years; and (2) closure of the 2012/13 Program Year. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

B. Review of Administrative and Operating Budget for the 2022/23 Program Year

Chee Xiong, Senior Accountant, reminded the Board of the preliminary budget for the 2022/23 Program Year presented at the April 26th meeting. Ms. Xiong continued by providing an overview of staff's proposed near-final budget, stressing areas where updates were made.

Ms. Xiong stated the proposed budget, like the preliminary budget, was drafted at the 80% confidence level with a 1.5% discount rate, applying a three-tiered experience modification (ex-mod) factor to each underlying member's contribution utilizing payroll from the 2021 fiscal year. She noted the budget incorporated expenses for the City of Tracy but did not address the increase in SIR from \$250,000 to \$350,000 for the City of California City, nor did it reflect the City of Colton's participation.

Ms. Xiong continued by noting total contributions of \$10.8M for the 2022/23 Program Year, an 8% increase over the prior year. She then provided a summary of contribution totals within the four main expense categories comprising ERMA's budget:

- \$9M for Funding for Losses, a 6.2% increase from the prior year (unchanged from the preliminary budget)
- Over \$2B in payroll, an increase of 1.1% from the prior year (now incorporates the City of Tracy), with premium for the Ascot layer at \$155k
- \$169,000 for Loss Prevention and Training, an 8% increase from the prior year (unchanged from the preliminary budget)
- Approximately \$1.1M for Administrative Expenses, a 6.4% increase resulting from contractual increases in program administration primarily due to the addition of the City of Tracy

Ms. Xiong concluded her presentation by stating the final budget would be distributed to the Board once necessary amendments are confirmed and incorporated.

Linda Cox moved, seconded by Beth Lyons, to approve the Proposed Administrative and Operating Budget for the 2022/23 Program Year, with losses funded at the 80% confidence level and discounted at 1.5%, pending additional amendments. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

10. TRAINING/LOSS PREVENTION MATTERS

A. Risk Assessment Update – SunLine Transit Agency (PERMA)

Stacey Sullivan, Litigation Manager, reviewed the results of the risk assessment conducted for the SunLine Transit Agency (Agency) as approved by the Board at the November 1, 2021, meeting. Ms. Sullivan stated the majority of claims filed against the Agency during the 2019/20 Program Year – the year in which the Agency exceeded parameters of ERMA’s Target Ratio Calculations – were a product of contentious union relations that ultimately yielded no substantiated claims. Ms. Sullivan concluded despite the high volume of claims, the cost to ERMA was insubstantial and no further assessment or action was necessary.

No action was taken on this item.

11. CLOSING COMMENTS

A. Board of Directors

None

B. Staff

None

12. ADJOURNMENT

The June 6, 2022, ERMA Board of Directors Meeting adjourned at 12:24 p.m. by general consent.



Danielle Davis, Board Secretary

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING
OF SEPTEMBER 12, 2022

A special meeting of the Board of Directors of ERMA was held on September 12, 2022. All portions of this meeting were conducted via Zoom in accordance with Government Code Section 54953.

BOARD MEMBERS PRESENT: John Gillison, President, CIRA
Brett Miller, Treasurer, MBASIA
Robert Thompson, CalTIP
Charlene Calica, CCCHA
Bryan Whitemyer, CSJVRMA
Melissa Guerrero, ERMAC
Linda Cox, MPA
Drew Felder, OHA
Beth Lyons, PERMA
Roger Carroll, SCORE
Jeremy Wittie, VCJPA

BOARD MEMBERS ABSENT: Stuart Schillinger, Vice President, BCJPIA
Kevin Bryant, PLAN

ALTERNATE MEMBERS PRESENT: Kin Ong, CIRA
George Fink, CalTIP
Becky Ramirez, CSJVRMA (*joined at 3:25 p.m.*)
Nataline Jindoaian, CCCHA (*joined at 3:26 p.m.*)

ALTERNATE MEMBERS ABSENT: Heather Rowden, BCJPIA
Steve Adams, MBASIA
Reina Schwartz, MPA
George Rodericks, PLAN
Wendy Howard, SCORE
Becky Ramirez, CSJVRMA
Yumi Augustus, PERMA
Jamie Scott, VCJPA

OTHERS PRESENT: Jennifer Jobe, Executive Director
Danielle Davis, Board Secretary
Stacey Sullivan, Litigation Manager
Jim Elledge, Interim Finance Manager
Chee Xiong, Senior Accountant
Doug Alliston, Board Counsel
Amy Northam, CIRA
Doug Dunford, City of California City

1. CALL TO ORDER/INTRODUCTIONS

The September 12, 2022, Special Board of Directors Meeting was called to order at 3:12 p.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Linda Cox moved, seconded by Brett Miller, to approve the agenda as posted. A roll call was conducted. The motion passed with affirmative votes by Robert Thompson, Brian Whitemyer, Linda Cox, Beth Lyons, Roger Carroll, Charlene Calica, Drew Felder, Jeremy Wittie, Brett Miller, and John Gillison with no nays or abstentions.

3. PUBLIC COMMENTS

None.

4. MEMBERSHIP MATTERS

A. Consideration of Expulsion of the City of California City (CIRA)

Jennifer Jobe, Executive Director, summarized the Board of Directors' recent activity and discussions concerning the City of California City (California City), an underlying member of the California Intergovernmental Risk Authority (CIRA).

Ms. Jobe reminded the Board of the decision at the November 2021 meeting to issue formal notice of termination of participation effective June 30, 2022, in conjunction with the city's placement on a Performance Improvement Agreement (Agreement). She noted the decision was based on information presented at the November 2020 meeting, in which the Board directed the Litigation Manager to conduct a risk assessment after it was discovered the city significantly exceeded the maximums allowed for the three parameters tracked by ERMA: claim severity, claim frequency, and loss ratio. Ms. Jobe explained the risk assessment included targeted guidance from staff and specialized training aimed at identifying and addressing existing organizational impediments to assist overall program performance.

At the June 2022 meeting, Ms. Jobe advised of the recent appointment of Doug Dunford as City Manager. Mr. Dunford met with staff and agreed to the terms of an Amendment to the existing Agreement, which expanded the terms to include an increase to the city's self-insured retention from \$250,000 to \$350,000 and a requirement to employ a professional and credentialed Human Resources Director. The Board approved the issuance of the Amendment in exchange for the city's continued participation in ERMA.

Ms. Jobe advised staff was recently notified of Mr. Dunford's resignation from the city effective September 16, 2022, noting the city's history of frequent leadership changes since the assessment in 2020. She expressed staff's concern that despite considerable efforts to assist the city, ongoing organizational, administrative, and other significant personnel-related changes will continue to impede the city's ability to comply with many of the terms of the Agreement. Consequently, the Board may wish to consider expulsion of the city from the ERMA program via adoption of one of the following options:

- Option A: Expel California City, effective November 1, 2022, and return pro-rated contribution to CIRA.
- Option B: Expel California City, effective July 1, 2022, and return 2022/23 contribution to CIRA.

Ms. Jobe stated Option A allows time for ERMA and CIRA staff to aid in the city's transition from the current program and secure new coverage, whereas Option B retroactively removes the city from participation in the 2022/23 Program Year entirely. Kin Ong, CIRA, endorsed Option A, confirming this date aligns with that currently being considered by the CIRA Board

of Directors for the city's expulsion. Mr. Ong also noted CIRA staff is working with the city to secure alternate coverage, effective November 1st.

Mr. Dunford addressed the Board and acknowledged the difficult decision brought forth for consideration. He expressed his appreciation for the support and resources provided by ERMA and CIRA, to-date.

Discussion ensued regarding the city's loss history, procedures for returning premium in the event of expulsion, and the proposed expulsion options. It was noted that irrespective of the present decision, the city's participation in ERMA, as a member of CIRA, will cease on November 1st should the CIRA Board vote to expel the city. A consensus formed dismissing Option B due to complexities involved with coverage continuity and inconsistency with corresponding action taken by CIRA.

Roger Carroll moved, seconded by Linda Cox, to expel the City of California City effective November 1, 2022, and return a pro-rated contribution to CIRA (Option A). The motion passed with affirmative votes by Robert Thompson, Brian Whitemyer, Linda Cox, Beth Lyons, Roger Carroll, Charlene Calica, Drew Felder, Jeremy Wittie, Brett Miller, and John Gillison with no nays or abstentions.

5. CLOSING COMMENTS

A. Board of Directors

None.

B. Staff

None.

6. ADJOURNMENT

The September 12, 2022, Special ERMA Board of Directors Meeting adjourned at 3:51 p.m. by general consent.



Danielle Davis, Board Secretary

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	5/1/2022
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
EFT000254	MU110	Murphy, Campbell, Alliston & Q	5/16/2022	CBT GENERAL	PMCHK00000834	\$4,112.50
EFT000256	AG100	in2vate, LLC	6/16/2022	CBT GENERAL	PMCHK00000840	\$18,972.50
EFT000257	BC100	BCJPIA	6/16/2022	CBT GENERAL	PMCHK00000840	\$265,972.00
EFT000258	CS100	CSJVRMA	6/16/2022	CBT GENERAL	PMCHK00000840	\$455,196.00
EFT000259	JA100	Jackson Lewis P.C.	6/16/2022	CBT GENERAL	PMCHK00000840	\$5,725.00
EFT000260	MP100	Municipal Pooling Authority	6/16/2022	CBT GENERAL	PMCHK00000840	\$357,279.00
EFT000261	MU110	Murphy, Campbell, Alliston & Q	6/16/2022	CBT GENERAL	PMCHK00000840	\$963.50
EFT000262	PA120	PARSAC	6/16/2022	CBT GENERAL	PMCHK00000840	\$369,098.00
EFT000263	PE100	PERMA	6/16/2022	CBT GENERAL	PMCHK00000840	\$347,005.00
EFT000264	VC100	VCJPA	6/16/2022	CBT GENERAL	PMCHK00000840	\$97,051.00
EFT000266	DR100	Alliant Insurance Services, In	7/12/2022	CBT GENERAL	PMCHK00000842	\$515,010.08
EFT000268	LI100	Liebert Cassidy Whitmore	7/28/2022	CBT GENERAL	PMCHK00000847	\$2,000.00
EFT000269	MU110	Murphy, Campbell, Alliston & Q	7/28/2022	CBT GENERAL	PMCHK00000847	\$2,491.00
EFT000270	YO110	York Risk Services Group, Inc.	7/28/2022	CBT GENERAL	PMCHK00000847	\$224,969.75
EFT000272	AG100	in2vate, LLC	8/22/2022	CBT GENERAL	PMCHK00000848	\$8,298.90
EFT000273	AL130	Alliston Law Office	8/22/2022	CBT GENERAL	PMCHK00000848	\$94.00
EFT000274	CS100	CSJVRMA	8/22/2022	CBT GENERAL	PMCHK00000848	\$26.25
EFT000275	LI100	Liebert Cassidy Whitmore	8/22/2022	CBT GENERAL	PMCHK00000848	\$7,000.00
EFT000276	PE100	PERMA	8/22/2022	CBT GENERAL	PMCHK00000848	\$279.46
EFT000277	YO110	York Risk Services Group, Inc.	8/22/2022	CBT GENERAL	PMCHK00000848	\$18,355.61
EFT000279	AL130	Alliston Law Office	9/19/2022	CBT GENERAL	PMCHK00000854	\$7,402.50
EFT000280	LI100	Liebert Cassidy Whitmore	9/19/2022	CBT GENERAL	PMCHK00000854	\$11,000.00
EFT000281	YO110	York Risk Services Group, Inc.	9/19/2022	CBT GENERAL	PMCHK00000854	\$231,195.45
G 003330	CA185	Charlene Calica	5/16/2022	CBT GENERAL	PMCHK00000835	\$70.20
G 003331	CO110	City of Coalinga	5/16/2022	CBT GENERAL	PMCHK00000835	\$2,500.00
G 003332	KIN001	City of King	5/16/2022	CBT GENERAL	PMCHK00000835	\$1,276.00
G 003333	LI110	City of Lindsay	5/16/2022	CBT GENERAL	PMCHK00000835	\$118.54
G 003334	TE095	City of Tehachapi	5/16/2022	CBT GENERAL	PMCHK00000835	\$1,665.00
G 003335	TR110	City of Truckee	5/16/2022	CBT GENERAL	PMCHK00000835	\$2,500.00
* G 003336	AL125	City of Albany	6/16/2022	CBT GENERAL	PMCHK00000841	\$7.50
* G 003337	BA110	City of Banning	6/16/2022	CBT GENERAL	PMCHK00000841	\$100.00
* G 003338	CA125	City of Cathedral City	6/16/2022	CBT GENERAL	PMCHK00000841	\$1,168.00
* G 003339	CO140	Contra Costa Housing Authority	6/16/2022	CBT GENERAL	PMCHK00000841	\$11,693.00
* G 003340	CV001	Coachella Valley Mosquito & Ve	6/16/2022	CBT GENERAL	PMCHK00000841	\$1,816.30
* G 003341	EU001	City of Eureka	6/16/2022	CBT GENERAL	PMCHK00000841	\$720.00
* G 003342	MB100	MBASIA	6/16/2022	CBT GENERAL	PMCHK00000841	\$26,361.00
* G 003343	OA100	Oakland Housing Authority	6/16/2022	CBT GENERAL	PMCHK00000841	\$47,739.00
* G 003344	SC100	SCORE	6/16/2022	CBT GENERAL	PMCHK00000841	\$25,106.00
* G 003345	TH115	Rob Thompson	6/16/2022	CBT GENERAL	PMCHK00000841	\$330.25
* G 003346	WH110	Bryan Whitemyer	6/16/2022	CBT GENERAL	PMCHK00000841	\$102.42
G 003348	AL125	City of Albany	6/16/2022	CBT GENERAL	PMCHK00000841	\$7.50
G 003349	BA110	City of Banning	6/16/2022	CBT GENERAL	PMCHK00000841	\$100.00
G 003350	CA125	City of Cathedral City	6/16/2022	CBT GENERAL	PMCHK00000841	\$1,168.00
G 003351	CO140	Contra Costa Housing Authority	6/16/2022	CBT GENERAL	PMCHK00000841	\$11,693.00
G 003352	CV001	Coachella Valley Mosquito & Ve	6/16/2022	CBT GENERAL	PMCHK00000841	\$1,816.30
G 003353	EU001	City of Eureka	6/16/2022	CBT GENERAL	PMCHK00000841	\$720.00
G 003354	MB100	MBASIA	6/16/2022	CBT GENERAL	PMCHK00000841	\$26,361.00
G 003355	OA100	Oakland Housing Authority	6/16/2022	CBT GENERAL	PMCHK00000841	\$47,739.00
G 003356	SC100	SCORE	6/16/2022	CBT GENERAL	PMCHK00000841	\$25,106.00
G 003357	TH115	Rob Thompson	6/16/2022	CBT GENERAL	PMCHK00000841	\$330.25
G 003358	WH110	Bryan Whitemyer	6/16/2022	CBT GENERAL	PMCHK00000841	\$102.42
G 003359	AR110	City of Arcata	7/28/2022	CBT GENERAL	PMCHK00000846	\$1,567.00
G 003360	BA110	City of Banning	7/28/2022	CBT GENERAL	PMCHK00000846	\$2,500.00
G 003361	CL115	City of Clearlake	7/28/2022	CBT GENERAL	PMCHK00000846	\$2,500.00
G 003362	EX001	City of Exeter	7/28/2022	CBT GENERAL	PMCHK00000846	\$2,500.00
G 003363	FA110	City of Farmersville	7/28/2022	CBT GENERAL	PMCHK00000846	\$349.00
G 003364	FO115	City of Fort Bragg	7/28/2022	CBT GENERAL	PMCHK00000846	\$1,460.00
G 003365	RE120	REMIF	7/28/2022	CBT GENERAL	PMCHK00000846	\$2,500.00
G 003366	SC100	SCORE	7/28/2022	CBT GENERAL	PMCHK00000846	\$1,277.00

System: 10/10/2022 7:32:55 PM
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Employment Risk Management Aut
VENDOR CHECK REGISTER REPORT
Payables Management

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* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
G 003369	C0111	City of Coachella	8/22/2022	CBT GENERAL	PMCHK00000849	\$92.29
G 003370	LA135	City of La Mesa	8/22/2022	CBT GENERAL	PMCHK00000849	\$2,500.00
G 003371	TE095	City of Tehachapi	8/22/2022	CBT GENERAL	PMCHK00000849	\$1,569.00
G 003372	BA135	BankCard Center	9/19/2022	CBT GENERAL	PMCHK00000855	\$10,750.00
G 003373	TE095	City of Tehachapi	9/19/2022	CBT GENERAL	PMCHK00000855	\$835.00

Total Checks: 66

Total Amount of Checks: \$3,103,611.98
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Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	5/1/2022
Vendor ID	First	Last	Checkbook ID	CBT CLAIMS
Vendor Name	First	Last		CBT CLAIMS

Sorted By: Check Number

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
* L 007560	BA110	City of Banning	5/13/2022	CBT CLAIMS	PMCHK00000832	\$4,729.50
* L 007561	PL120	City of Placentia	5/13/2022	CBT CLAIMS	PMCHK00000832	\$1,915.54
* L 007562	BA110	City of Banning	5/13/2022	CBT CLAIMS	PMCHK00000832	\$4,729.50
* L 007563	PL120	City of Placentia	5/13/2022	CBT CLAIMS	PMCHK00000832	\$1,915.54
L 007564	BA110	City of Banning	5/13/2022	CBT CLAIMS	PMCHK00000832	\$4,729.50
L 007565	PL120	City of Placentia	5/13/2022	CBT CLAIMS	PMCHK00000832	\$1,915.54
* L 007566	BO120	Rachel Oules and Bohm Law Grou	6/15/2022	CBT CLAIMS	PMCHK00000837	\$260,000.00
* L 007567	CA130	City of Calimesa	6/15/2022	CBT CLAIMS	PMCHK00000837	\$40,849.00
* L 007568	CO110	City of Coalinga	6/15/2022	CBT CLAIMS	PMCHK00000837	\$3,394.50
* L 007569	GO113	Goyette, Ruano & Thompson, Inc	6/15/2022	CBT CLAIMS	PMCHK00000837	\$140,000.00
* L 007570	MT100	City of Mt. Shasta	6/15/2022	CBT CLAIMS	PMCHK00000837	\$40,000.00
* L 007571	SA085	City of Sanger	6/15/2022	CBT CLAIMS	PMCHK00000837	\$3,011.48
* L 007572	CO110	City of Coalinga	6/15/2022	CBT CLAIMS	PMCHK00000838	\$3,394.50
L 007573	BO120	Rachel Oules and Bohm Law Grou	6/15/2022	CBT CLAIMS	PMCHK00000839	\$260,000.00
L 007574	CA130	City of Calimesa	6/15/2022	CBT CLAIMS	PMCHK00000839	\$40,849.00
L 007575	CO110	City of Coalinga	6/15/2022	CBT CLAIMS	PMCHK00000839	\$3,394.50
L 007576	GO113	Goyette, Ruano & Thompson, Inc	6/15/2022	CBT CLAIMS	PMCHK00000839	\$140,000.00
L 007577	MT100	City of Mt. Shasta	6/15/2022	CBT CLAIMS	PMCHK00000839	\$40,000.00
L 007578	SA085	City of Sanger	6/15/2022	CBT CLAIMS	PMCHK00000839	\$3,011.48
L 007579	BA115	City of Barstow	7/21/2022	CBT CLAIMS	PMCHK00000844	\$11,238.95
* L 007580	CA130	City of Calimesa	7/21/2022	CBT CLAIMS	PMCHK00000844	\$5,934.74
L 007581	DE105	City of Delano	7/21/2022	CBT CLAIMS	PMCHK00000844	\$7,706.30
L 007582	EA100	City of Eastvale	7/21/2022	CBT CLAIMS	PMCHK00000844	\$58,666.67
L 007583	EA100	City of Eastvale	7/21/2022	CBT CLAIMS	PMCHK00000844	\$29,333.33
L 007584	CA130	City of Calimesa	7/25/2022	CBT CLAIMS	PMCHK00000845	\$6,349.71
L 007585	AN120	City of Angels Camp	8/22/2022	CBT CLAIMS	PMCHK00000851	\$3,158.56
L 007586	AN120	City of Angels Camp	8/22/2022	CBT CLAIMS	PMCHK00000851	\$4,500.00
L 007587	IA110	Iarusso Legal	8/22/2022	CBT CLAIMS	PMCHK00000851	\$10,500.00
L 007588	WA135	Benjamin Waswa	8/22/2022	CBT CLAIMS	PMCHK00000851	\$23,500.00
L 007589	WE100	West Valley MVCD	8/22/2022	CBT CLAIMS	PMCHK00000851	\$1,000.00
L 007590	WE115	Susan Wenger and Mayall Hurley	8/22/2022	CBT CLAIMS	PMCHK00000851	\$65,500.00
L 007591	DE100	City of Desert Hot Springs	9/16/2022	CBT CLAIMS	PMCHK00000853	\$3,600.00
* L 007592	FI105	Finkel Firm APC Client Trust A	9/16/2022	CBT CLAIMS	PMCHK00000853	\$56,400.00
L 007593	PL105	City of Pleasanton	9/16/2022	CBT CLAIMS	PMCHK00000853	\$1,813.33
* L 007594	FI105	Finkel Firm APC Client Trust A	9/19/2022	CBT CLAIMS	PMCHK00000856	\$56,400.00
L 007595	FI105	Finkel Firm APC Client Trust A	9/20/2022	CBT CLAIMS	PMCHK00000857	\$56,400.00
* L EFT000408	BE100	Best Best and Krieger LLP	5/13/2022	CBT CLAIMS	PMCHK00000831	\$22,813.32
L EFT000409	BE130	Bertrand, Fox, Elliot, Osman &	5/13/2022	CBT CLAIMS	PMCHK00000831	\$93.00
* L EFT000410	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000831	\$42,629.48
* L EFT000411	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000831	\$42,469.55
* L EFT000412	LO100	Lozano Smith, LLP	5/13/2022	CBT CLAIMS	PMCHK00000831	\$15,593.35
L EFT000414	BE100	Best Best and Krieger LLP	5/13/2022	CBT CLAIMS	PMCHK00000833	\$4,236.00
L EFT000415	BE100	Best Best and Krieger LLP	5/13/2022	CBT CLAIMS	PMCHK00000833	\$18,577.32
L EFT000416	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$3,922.91
L EFT000417	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$292.00
L EFT000418	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$2,431.00
L EFT000419	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$93.00
L EFT000420	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$10,931.00
L EFT000421	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$884.00
L EFT000422	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$1,326.34
L EFT000423	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$4,020.00
L EFT000424	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$18,504.23
L EFT000425	JA100	Jackson Lewis P.C.	5/13/2022	CBT CLAIMS	PMCHK00000833	\$225.00
L EFT000426	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000833	\$3,012.00
L EFT000427	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000833	\$17,183.65
L EFT000428	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000833	\$2,864.00
L EFT000429	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000833	\$16,357.90
L EFT000430	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000833	\$602.00
L EFT000431	LI100	Liebert Cassidy Whitmore	5/13/2022	CBT CLAIMS	PMCHK00000833	\$1,552.00

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
L EFT000434	LO100	Lozano Smith, LLP	5/13/2022	CBT CLAIMS	PMCHK00000833	\$13,371.00
L EFT000435	LO100	Lozano Smith, LLP	5/13/2022	CBT CLAIMS	PMCHK00000833	\$980.00
L EFT000436	LO100	Lozano Smith, LLP	5/13/2022	CBT CLAIMS	PMCHK00000833	\$1,212.35
L EFT000438	BE100	Best Best and Krieger LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$1,239.13
L EFT000439	BE100	Best Best and Krieger LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$7,800.80
L EFT000440	BE130	Bertrand, Fox, Elliot, Osman &	6/15/2022	CBT CLAIMS	PMCHK00000836	\$636.03
L EFT000441	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$9,106.35
L EFT000442	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$2,837.82
L EFT000443	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$590.64
L EFT000444	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$262.00
L EFT000445	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$1,764.00
L EFT000446	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$699.00
L EFT000447	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$12,772.00
L EFT000448	JA100	Jackson Lewis P.C.	6/15/2022	CBT CLAIMS	PMCHK00000836	\$8,044.00
L EFT000449	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$4,850.00
L EFT000450	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$15,755.50
L EFT000451	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$3,448.00
L EFT000452	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$10,471.21
L EFT000453	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$646.00
L EFT000454	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$558.00
L EFT000455	LI100	Liebert Cassidy Whitmore	6/15/2022	CBT CLAIMS	PMCHK00000836	\$93.00
L EFT000456	LO100	Lozano Smith, LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$22,688.50
L EFT000457	LO100	Lozano Smith, LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$62.00
L EFT000458	LO100	Lozano Smith, LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$31.00
L EFT000459	LO100	Lozano Smith, LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$62.00
L EFT000460	LO100	Lozano Smith, LLP	6/15/2022	CBT CLAIMS	PMCHK00000836	\$1,357.16
L EFT000462	BE100	Best Best and Krieger LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$91.50
L EFT000463	BE100	Best Best and Krieger LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$19,967.34
L EFT000464	BE130	Bertrand, Fox, Elliot, Osman &	7/21/2022	CBT CLAIMS	PMCHK00000843	\$186.00
L EFT000465	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$5,585.00
L EFT000466	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$1,762.00
L EFT000467	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$2,945.00
L EFT000468	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$702.00
L EFT000469	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$602.00
L EFT000470	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$6,330.00
L EFT000471	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$485.38
L EFT000472	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$18,565.20
L EFT000473	JA100	Jackson Lewis P.C.	7/21/2022	CBT CLAIMS	PMCHK00000843	\$11,694.82
L EFT000474	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$200.00
L EFT000475	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$656.00
L EFT000476	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$2,801.00
L EFT000477	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$1,225.00
L EFT000478	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$611.80
L EFT000479	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$2,759.00
L EFT000480	LI100	Liebert Cassidy Whitmore	7/21/2022	CBT CLAIMS	PMCHK00000843	\$927.00
L EFT000481	LO100	Lozano Smith, LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$341.00
L EFT000482	LO100	Lozano Smith, LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$186.00
L EFT000483	LO100	Lozano Smith, LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$93.00
L EFT000484	LO100	Lozano Smith, LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$279.00
L EFT000485	LO100	Lozano Smith, LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$5,106.85
L EFT000486	LO100	Lozano Smith, LLP	7/21/2022	CBT CLAIMS	PMCHK00000843	\$2,313.00
L EFT000488	BE100	Best Best and Krieger LLP	8/22/2022	CBT CLAIMS	PMCHK00000850	\$156.00
L EFT000489	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$3,236.00
L EFT000490	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$8,104.00
L EFT000491	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$465.00
L EFT000492	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$1,296.00
L EFT000493	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$1,655.90
L EFT000494	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$15,801.00
L EFT000495	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$2,785.00
L EFT000496	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$5,951.70
L EFT000497	JA100	Jackson Lewis P.C.	8/22/2022	CBT CLAIMS	PMCHK00000850	\$300.00
L EFT000498	LI100	Liebert Cassidy Whitmore	8/22/2022	CBT CLAIMS	PMCHK00000850	\$1,784.95
L EFT000499	LI100	Liebert Cassidy Whitmore	8/22/2022	CBT CLAIMS	PMCHK00000850	\$1,936.00
L EFT000500	LI100	Liebert Cassidy Whitmore	8/22/2022	CBT CLAIMS	PMCHK00000850	\$2,283.00
L EFT000501	LI100	Liebert Cassidy Whitmore	8/22/2022	CBT CLAIMS	PMCHK00000850	\$5,034.60
L EFT000502	LI100	Liebert Cassidy Whitmore	8/22/2022	CBT CLAIMS	PMCHK00000850	\$255.00

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
L EFT000505	LO100	Lozano Smith, LLP	8/22/2022	CBT CLAIMS	PMCHK00000850	\$181.50
L EFT000506	LO100	Lozano Smith, LLP	8/22/2022	CBT CLAIMS	PMCHK00000850	\$612.50
L EFT000507	LO100	Lozano Smith, LLP	8/22/2022	CBT CLAIMS	PMCHK00000850	\$3,916.68
L EFT000508	LO100	Lozano Smith, LLP	8/22/2022	CBT CLAIMS	PMCHK00000850	\$9,446.00
L EFT000509	RI105	Richards, Watson & Gershon	8/22/2022	CBT CLAIMS	PMCHK00000850	\$4,871.11
L EFT000510	RI105	Richards, Watson & Gershon	8/22/2022	CBT CLAIMS	PMCHK00000850	\$64.76
L EFT000512	BU125	Buchalter	9/16/2022	CBT CLAIMS	PMCHK00000852	\$891.75
L EFT000513	BU125	Buchalter	9/16/2022	CBT CLAIMS	PMCHK00000852	\$3,081.50
L EFT000514	JA100	Jackson Lewis P.C.	9/16/2022	CBT CLAIMS	PMCHK00000852	\$5,924.75
L EFT000515	JA100	Jackson Lewis P.C.	9/16/2022	CBT CLAIMS	PMCHK00000852	\$8,749.00
L EFT000516	JA100	Jackson Lewis P.C.	9/16/2022	CBT CLAIMS	PMCHK00000852	\$292.50
L EFT000517	LI100	Liebert Cassidy Whitmore	9/16/2022	CBT CLAIMS	PMCHK00000852	\$3,967.00
L EFT000518	LI100	Liebert Cassidy Whitmore	9/16/2022	CBT CLAIMS	PMCHK00000852	\$1,229.00
L EFT000519	LI100	Liebert Cassidy Whitmore	9/16/2022	CBT CLAIMS	PMCHK00000852	\$32.50
L EFT000520	LI100	Liebert Cassidy Whitmore	9/16/2022	CBT CLAIMS	PMCHK00000852	\$4,386.50
L EFT000521	LO100	Lozano Smith, LLP	9/16/2022	CBT CLAIMS	PMCHK00000852	\$812.00
L EFT000522	LO100	Lozano Smith, LLP	9/16/2022	CBT CLAIMS	PMCHK00000852	\$224.50
L EFT000523	LO100	Lozano Smith, LLP	9/16/2022	CBT CLAIMS	PMCHK00000852	\$261.70
L EFT000524	LO100	Lozano Smith, LLP	9/16/2022	CBT CLAIMS	PMCHK00000852	\$1,495.00

Total Checks: 148

Total Amount of Checks: \$1,195,684.58

Employment Risk Management Authority

Cash & Investment Report

June 30, 2022

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	279,936	279,936	0.85%	0.00%
California Bank & Trust - Claims Payment ²	(261,916)	(261,916)	-0.80%	0.00%
Local Agency Investment Fund	7,649,831	7,551,342	23.06%	0.75%
CAMP - Liquidity Account	10,029	10,029	0.03%	1.14%
CAMP - Money Market	753,763	753,763	2.30%	1.14%
CAMP - Investments managed by PFM	25,476,408	24,415,742	74.55%	1.20%
Total	\$ 33,911,557	\$ 32,752,401		1.09%

* 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,



Brett Miller, Treasurer

California State Treasurer
Fiona Ma, CPA



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

July 08, 2022

[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

June 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
6/17/2022	6/17/2022	RW	1706293	1666600	KATIE O'BRIEN	-2,630,000.00

Account
Summary

Total Deposit:	0.00	Beginning Balance:	10,279,830.57
Total Withdrawal:	-2,630,000.00	Ending Balance:	7,649,830.57

**ERMA
LAIF Market Value
6/30/2022**

Adjustment for Market Value	
LAIF Statement Balance	\$ 7,649,830.57
Fair Value Factor per LAIF Performance Report	<u>0.987125414</u>
Adjusted Market Value	<u><u>\$ 7,551,342.17</u></u>



PMIA/LAIF Performance Report as of 07/18/22



PMIA Average Monthly Effective Yields⁽¹⁾

June	0.861
May	0.684
Apr	0.523

Quarterly Performance Quarter Ended 06/30/22

LAIF Apportionment Rate ⁽²⁾ :	0.75
LAIF Earnings Ratio ⁽²⁾ :	0.00002057622201151
LAIF Fair Value Factor ⁽¹⁾ :	0.987125414
PMIA Daily ⁽¹⁾ :	0.99%
PMIA Quarter to Date ⁽¹⁾ :	0.69%
PMIA Average Life ⁽¹⁾ :	311

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 06/30/22 \$234.5 billion

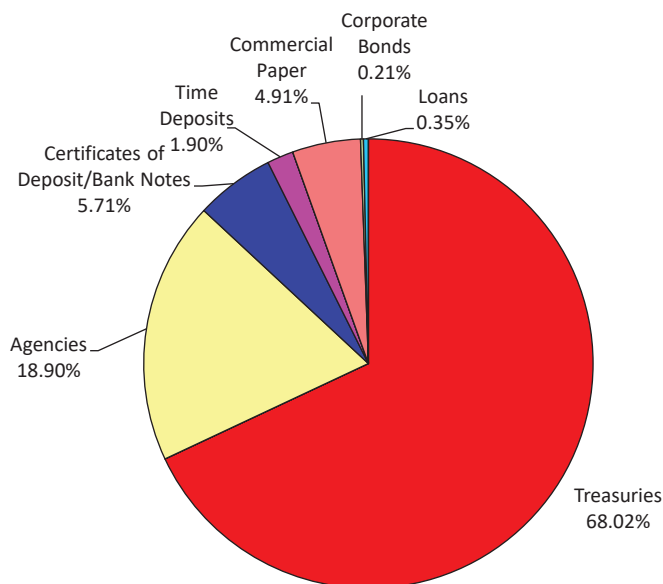


Chart does not include \$4,693,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

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

June 28, 2022

[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

May 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
5/18/2022	5/18/2022	RW	1704759	1665050	KATIE O'BRIEN	-130,000.00

Account
Summary

Total Deposit:	0.00	Beginning Balance:	10,409,830.57
Total Withdrawal:	-130,000.00	Ending Balance:	10,279,830.57

California State Treasurer

Fiona Ma, CPA



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

May 03, 2022

[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

April 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
4/15/2022	4/14/2022	QRD	1701256	N/A	SYSTEM	8,752.50
4/26/2022	4/26/2022	RW	1703529	1663823	KATIE O'BRIEN	-160,000.00

Account

Summary

Total Deposit:	8,752.50	Beginning Balance:	10,561,078.07
Total Withdrawal:	-160,000.00	Ending Balance:	10,409,830.57



Account Statement

For the Month Ending **June 30, 2022**

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					10,019.97
06/30/22	07/01/22	Accrual Income Div Reinvestment - Distributions	1.00	9.38	10,029.35
Closing Balance					10,029.35

	Month of June	Fiscal YTD January-June		
Opening Balance	10,019.97	10,005.84	Closing Balance	10,029.35
Purchases	9.38	23.51	Average Monthly Balance	10,020.28
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	1.14%
Check Disbursements	0.00	0.00		
Closing Balance	10,029.35	10,029.35		
Cash Dividends and Income	9.38	23.51		



Account Statement

For the Month Ending **May 31, 2022**

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					10,013.00
05/31/22	06/01/22	Accrual Income Div Reinvestment - Distributions	1.00	6.97	10,019.97
Closing Balance					10,019.97

	Month of May	Fiscal YTD January-May		
Opening Balance	10,013.00	10,005.84	Closing Balance	10,019.97
Purchases	6.97	14.13	Average Monthly Balance	10,013.22
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	0.82%
Check Disbursements	0.00	0.00		
Closing Balance	10,019.97	10,019.97		
Cash Dividends and Income	6.97	14.13		



Account Statement

For the Month Ending **April 30, 2022**

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					10,008.89
04/29/22	05/02/22	Accrual Income Div Reinvestment - Distributions	1.00	4.11	10,013.00
Closing Balance					10,013.00

	Month of April	Fiscal YTD January-April		
Opening Balance	10,008.89	10,005.84	Closing Balance	10,013.00
Purchases	4.11	7.16	Average Monthly Balance	10,009.16
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	0.50%
Check Disbursements	0.00	0.00		
Closing Balance	10,013.00	10,013.00		
Cash Dividends and Income	4.11	7.16		



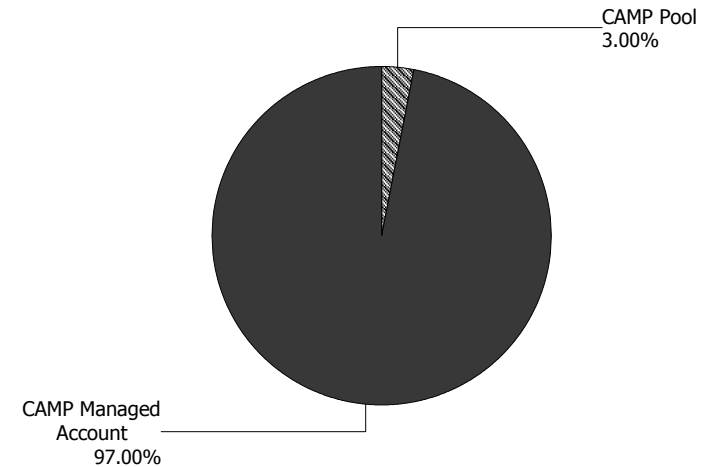
Account Statement - Transaction Summary

For the Month Ending **June 30, 2022**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

CAMP Pool	
Opening Market Value	1,192,120.76
Purchases	133,160.76
Redemptions	(571,518.87)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$753,762.65
Cash Dividends and Income	706.03
CAMP Managed Account	
Opening Market Value	24,363,057.13
Purchases	318,513.67
Redemptions	(80,637.06)
Unsettled Trades	0.00
Change in Value	(185,191.82)
Closing Market Value	\$24,415,741.92
Cash Dividends and Income	50,773.65

Asset Summary		
	June 30, 2022	May 31, 2022
CAMP Pool	753,762.65	1,192,120.76
CAMP Managed Account	24,415,741.92	24,363,057.13
Total	\$25,169,504.57	\$25,555,177.89
Asset Allocation		





Managed Account Detail of Securities Held

For the Month Ending **June 30, 2022**

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 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	2,747.24	449,409.21	449,929.71
US TREASURY 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	137.64	99,819.64	98,843.75
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	889.77	324,339.11	319,261.74
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	1,232.00	450,845.70	442,054.71
US TREASURY N/B NOTES DTD 04/15/2021 0.375% 04/15/2024	91282CBV2	350,000.00	AA+	Aaa	12/02/21	12/06/21	346,937.50	0.75	276.13	347,673.78	334,085.92
US TREASURY 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	16.30	303,704.37	294,281.25
US TREASURY 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	19.02	357,891.98	343,328.12
US TREASURY 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	35.33	654,271.25	637,609.38
US TREASURY 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	51.63	958,264.16	931,890.63
US TREASURY 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	65.22	1,207,872.98	1,177,125.00
US TREASURY NOTES 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	8.32	181,850.69	169,585.94
US TREASURY NOTES 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	15.46	336,837.14	314,945.31
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	325,000.00	AA+	Aaa	04/01/21	04/05/21	318,703.13	0.72	2.21	320,542.94	299,152.36
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	425,000.00	AA+	Aaa	03/01/21	03/04/21	419,006.84	0.58	2.89	420,843.88	391,199.24



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2022**

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

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	100,000.00	AA+	Aaa	11/02/21	11/04/21	97,269.53	1.05	1.02	97,699.43	91,109.38
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	125,000.00	AA+	Aaa	06/02/21	06/07/21	123,164.06	0.70	1.27	123,592.23	113,886.73
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	175,000.00	AA+	Aaa	07/01/21	07/07/21	171,561.52	0.82	1.78	172,315.13	159,441.41
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	275,000.00	AA+	Aaa	05/04/21	05/06/21	270,348.63	0.75	2.80	271,500.53	250,550.80
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	70,000.00	AA+	Aaa	02/10/22	02/14/22	66,694.14	1.92	88.45	66,989.00	64,159.37
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	375,000.00	AA+	Aaa	01/04/22	01/06/22	365,859.38	1.33	473.85	366,880.81	343,710.94
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	300,000.00	AA+	Aaa	05/03/22	05/05/22	271,500.00	3.03	782.11	272,549.42	271,968.75
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	350,000.00	AA+	Aaa	06/02/22	06/06/22	318,513.67	2.94	912.47	319,032.90	317,296.88
Security Type Sub-Total		8,145,000.00					8,130,592.57	1.46	7,762.91	8,104,726.28	7,815,417.32
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVEL BK 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	124,987.65	122,375.00
INTER-AMERICAN DEVEL BK NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	650,000.00	AAA	Aaa	09/22/21	09/24/21	653,068.00	0.22	334.02	651,652.78	636,350.00
INTL BK RECON & DEVELOP 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	399,598.67	385,186.40
INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	535,000.00	AAA	Aaa	09/15/21	09/23/21	534,604.10	0.52	728.19	534,705.60	505,777.23
Security Type Sub-Total		1,710,000.00					1,711,769.60	0.36	1,229.23	1,710,944.70	1,649,688.63



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2022**

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+	Aa3	05/29/20	06/11/20	50,000.00	2.00	499.50	50,000.00	49,231.50
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	58,684.80
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	365.63	125,000.00	118,625.00
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	640.42	250,000.00	232,675.00
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	65,047.50
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	314.50	50,221.52	46,865.00
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	408.85	65,270.05	60,924.50
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	786.25	125,000.00	117,162.50
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	210.00	80,000.00	73,723.20
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	322.08	100,000.00	92,580.00
CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025	13077DOD7	65,000.00	AA-	Aa2	07/09/21	07/29/21	65,000.00	0.86	93.38	65,000.00	60,094.45
Security Type Sub-Total		1,040,000.00					1,040,784.45	1.03	4,244.84	1,040,491.57	975,613.45
Federal Agency Commercial Mortgage-Backed Security											
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	17,845.42	AA+	Aaa	04/04/18	04/09/18	17,997.38	2.88	45.95	17,848.41	17,814.71
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	3,519.51	AA+	Aaa	12/07/18	12/17/18	3,519.50	3.20	9.39	3,519.51	3,497.79



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2022**

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 Commercial Mortgage-Backed Security											
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	5,866.48	AA+	Aaa	11/20/19	11/26/19	5,866.33	2.09	10.23	5,866.41	5,852.14
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	179,475.75	174,207.12
Security Type Sub-Total		202,231.41					211,051.18	2.06	512.11	206,710.08	201,371.76
Federal Agency Bond / Note											
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	249,970.41	245,037.75
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	661.46	749,708.07	727,258.50
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	176.56	225,016.23	217,950.30
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	235.42	299,960.90	290,600.40
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	249,598.05	241,059.50
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	105.03	274,888.67	265,166.00
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	59.03	249,866.46	240,581.25
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	249,882.24	240,420.00
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	249,307.94	232,844.00
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	249,710.31	233,291.00



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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											
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	541.67	324,009.73	299,463.13
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	360.94	274,187.86	252,755.53
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	140.16	114,779.80	105,594.50
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	280.73	274,464.50	252,392.25
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	206.25	274,337.72	252,417.55
Security Type Sub-Total		4,315,000.00					4,305,541.84	0.38	3,591.90	4,309,688.89	4,096,831.66
Corporate Note											
PNC BANK NA CORP NOTES (CALLABLE) 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	250,542.44	249,935.50
CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024	808513BN4	85,000.00	A	A2	03/16/21	03/18/21	84,957.50	0.77	182.40	84,975.73	81,533.79
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	250,000.00	A-	A1	07/19/19	07/23/19	264,322.50	2.59	1,668.40	255,492.21	250,661.25
AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	230,000.00	AA	A1	05/10/21	05/12/21	229,664.20	0.50	140.88	229,791.35	218,652.72
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	249,501.67	244,489.50
GOLDMAN SACHS GROUP INC (CALLABLE) BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A2	07/08/19	07/11/19	261,645.00	2.84	4,625.35	254,347.56	250,339.75
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	250,169.29	243,668.75



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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											
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/09/2021 0.500% 08/09/2024	69371RR40	105,000.00	A+	A1	08/03/21	08/09/21	104,943.30	0.52	207.08	104,960.17	98,785.16
WALT DISNEY COMPANY/THE (CALLABLE) 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	249,556.69	240,945.00
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 09/10/2021 0.625% 09/10/2024	24422EVU0	80,000.00	A	A2	09/07/21	09/10/21	79,948.00	0.65	154.17	79,961.95	75,499.84
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 01/10/2022 1.250% 01/10/2025	24422EVY2	70,000.00	A	A2	01/04/22	01/10/22	69,967.10	1.27	415.63	69,972.26	66,284.26
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	25,193.38	23,831.72
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	50,271.45	47,663.45
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	862.50	125,678.63	119,158.63
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	125,000.00	AA	A1	04/11/22	04/13/22	124,801.25	3.06	812.50	124,815.58	123,914.25
HOME DEPOT INC (CALLABLE) CORPORATE NOTE DTD 03/28/2022 2.700% 04/15/2025	437076CM2	20,000.00	A	A2	03/24/22	03/28/22	19,965.00	2.76	139.50	19,967.98	19,574.18
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025	06051GJR1	200,000.00	A-	A2	04/16/21	04/22/21	200,000.00	0.98	374.13	200,000.00	188,054.80



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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											
CINTAS CORPORATION NO. 2 CORP NOTE (CALL DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	60,000.00	A-	A3	04/26/22	05/03/22	59,986.80	3.46	333.50	59,987.51	60,086.28
CITIGROUP INC CORPORATE NOTES DTD 05/04/2021 0.981% 05/01/2025	172967MX6	95,000.00	BBB+	A3	04/27/21	05/04/21	95,000.00	0.98	155.33	95,000.00	88,974.53
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	450,000.00	AA+	Aaa	05/11/20	05/13/20	450,904.50	1.08	703.13	450,511.74	422,718.30
JPMORGAN CHASE & CO CORPORATE NOTES DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	250,000.00	A-	A2	05/24/21	06/01/21	250,000.00	0.82	171.67	250,000.00	233,850.50
NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	250,000.00	AA-	Aa3	05/31/22	06/09/22	250,000.00	3.50	534.72	250,000.00	247,666.50
NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025	63743HFE7	45,000.00	A-	A2	04/27/22	05/04/22	44,987.85	3.46	245.81	44,988.47	44,744.00
JPMORGAN CHASE & CO CORPORATE NOTES DTD 08/10/2021 0.768% 08/09/2025	46647PCM6	95,000.00	A-	A2	08/03/21	08/10/21	95,000.00	0.77	287.79	95,000.00	88,229.45
CITIGROUP INC CORP NOTE (CALLABLE) DTD 11/03/2021 1.281% 11/03/2025	172967ND9	60,000.00	BBB+	A3	10/27/21	11/03/21	60,000.00	1.28	123.83	60,000.00	55,623.66
UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026	91324PEC2	200,000.00	A+	A3	05/17/21	05/19/21	199,652.00	1.19	293.89	199,729.93	181,748.20
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026	06051GJD2	200,000.00	A-	A2	07/23/21	07/27/21	200,918.00	1.22	87.93	200,699.31	181,547.40
AMERICAN EXPRESS CO (CALLABLE) CORPORATE DTD 11/04/2021 1.650% 11/04/2026	025816CM9	200,000.00	BBB+	A2	11/19/21	11/23/21	199,696.00	1.68	522.50	199,733.01	181,306.00



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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											
JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026	46647PBT2	150,000.00	A-	A2	11/24/21	11/29/21	145,593.00	1.66	182.88	146,112.33	133,304.85
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 01/10/2022 1.700% 01/08/2027	14913R2U0	200,000.00	A	A2	01/11/22	01/13/22	198,990.00	1.81	1,615.00	199,083.73	183,148.20
TARGET CORP CORPORATE NOTES DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	35,000.00	A	A2	01/19/22	01/24/22	34,940.50	1.99	297.65	34,945.67	32,405.70
BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	375,000.00	A	A1	01/26/22	01/28/22	374,167.50	2.10	3,309.90	374,237.79	344,162.63
BERKSHIRE HATHAWAY CORP NOTES (CALLABLE) DTD 03/15/2022 2.300% 03/15/2027	084664CZ2	375,000.00	AA	Aa2	03/15/22	03/17/22	367,965.00	2.70	2,539.58	368,373.83	354,376.50
Security Type Sub-Total		5,655,000.00					5,670,007.75	1.91	29,486.76	5,653,601.66	5,376,885.25
Certificate of Deposit											
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	A-1	P-1	07/10/20	07/14/20	250,000.00	0.70	836.11	250,000.00	249,945.75
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	A-1+	P-1	08/27/19	08/29/19	250,000.00	1.84	1,580.21	250,000.00	249,958.00
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A-1	P-1	08/29/19	09/03/19	250,000.00	1.85	1,614.58	250,000.00	249,961.75
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	A-1+	P-1	12/04/19	12/06/19	250,000.00	2.03	410.83	250,000.00	249,305.75
CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	200,000.00	A-1	P-1	03/19/21	03/23/21	200,000.00	0.59	347.44	200,000.00	196,106.20
Security Type Sub-Total		1,200,000.00					1,200,000.00	1.44	4,789.17	1,200,000.00	1,195,277.45
Asset-Backed Security											



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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											
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	68,117.55	AAA	Aaa	01/21/20	01/29/20	68,109.57	1.85	38.51	68,113.88	67,931.55
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	499,945.90	499,910.90
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	96,038.81	AAA	NR	09/22/20	09/29/20	96,024.71	0.37	12.83	96,030.81	94,338.13
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	64,994.83	64,321.71
BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	49,466.22	AAA	NR	07/08/20	07/15/20	49,462.48	0.48	3.96	49,464.19	48,817.10
BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	230,000.00	NR	Aaa	09/08/21	09/15/21	229,991.31	0.43	16.48	229,993.35	218,377.48
CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	87,612.18	AAA	NR	07/14/20	07/22/20	87,597.17	0.62	24.14	87,603.43	86,393.77
GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	110,883.18	NR	Aaa	08/11/20	08/19/20	110,857.82	0.46	20.79	110,867.97	109,061.47
GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	30,000.00	AAA	NR	05/18/21	05/26/21	29,997.47	0.41	3.76	29,998.17	28,819.31
GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	60,000.00	AAA	NR	08/10/21	08/18/21	59,997.83	0.50	9.17	59,998.31	57,012.43
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	149,979.53	146,454.47
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	84,987.86	83,180.49
HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	60,000.00	AAA	NR	04/20/21	04/28/21	59,993.69	0.38	10.13	59,995.38	58,111.31
TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	275,000.00	AAA	NR	06/08/21	06/14/21	274,970.38	0.26	31.78	274,977.38	264,643.94



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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											
HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025	43815EAC8	120,000.00	AAA	NR	08/17/21	08/25/21	119,998.25	0.41	17.77	119,998.60	114,865.06
HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	170,000.00	AAA	NR	07/20/21	07/28/21	169,962.48	0.39	28.71	169,970.25	163,327.64
CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	90,000.00	AAA	NR	04/13/21	04/21/21	89,980.61	0.52	20.80	89,985.41	87,368.90
MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026	58772WAC7	130,000.00	AAA	Aaa	09/15/21	09/22/21	129,983.00	0.46	26.58	129,985.78	124,340.19
CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	170,000.00	AAA	Aaa	07/21/21	07/28/21	169,972.04	0.55	41.56	169,977.34	163,351.64
GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	105,000.00	AAA	NR	07/13/21	07/21/21	104,993.51	0.48	21.00	104,994.76	100,777.52
COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	255,000.00	AAA	NR	07/15/21	07/22/21	254,989.67	0.55	62.33	254,991.62	240,577.30
COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	80,000.00	AAA	Aaa	10/19/21	10/27/21	79,998.49	0.77	27.38	79,998.70	75,734.38
DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	155,000.00	AAA	Aaa	09/20/21	09/27/21	154,966.81	0.58	39.96	154,971.88	145,189.49
GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	65,000.00	AAA	Aaa	10/13/21	10/21/21	64,998.34	0.68	18.42	64,998.57	61,750.22
Security Type Sub-Total		3,207,117.94					3,206,660.90	0.70	907.93	3,206,823.90	3,104,656.40
Managed Account Sub-Total		25,474,349.35					25,476,408.29	1.19	52,524.85	25,432,987.08	24,415,741.92
Joint Powers Authority											
CAMP Pool		753,762.65	AAAm	NR			753,762.65		0.00	753,762.65	753,762.65
Liquid Sub-Total		753,762.65					753,762.65		0.00	753,762.65	753,762.65



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Securities Sub-Total	\$26,228,112.00	\$26,230,170.94	1.20%	\$52,524.85	\$26,186,749.73	\$25,169,504.57
Accrued Interest						\$52,524.85
Total Investments						\$25,222,029.42



Managed Account Security Transactions & Interest

For the Month Ending **June 30, 2022**

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										
05/31/22	06/09/22	NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	250,000.00	(250,000.00)	0.00	(250,000.00)			
06/02/22	06/06/22	US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	350,000.00	(318,513.67)	(761.40)	(319,275.07)			

Transaction Type Sub-Total				600,000.00	(568,513.67)	(761.40)	(569,275.07)			
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INTEREST										
06/01/22	06/01/22	JPMORGAN CHASE & CO CORPORATE NOTES DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	250,000.00	0.00	1,030.00	1,030.00			
06/01/22	06/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	16,107.57	0.00	28.08	28.08			
06/01/22	06/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	3,528.85	0.00	9.42	9.42			
06/01/22	06/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	51,716.86	0.00	133.17	133.17			
06/01/22	06/25/22	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
06/02/22	06/02/22	DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	0.00	2,578.33	2,578.33			
06/04/22	06/04/22	FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAF2	250,000.00	0.00	312.50	312.50			
06/15/22	06/15/22	COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	80,000.00	0.00	51.33	51.33			
06/15/22	06/15/22	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	155,000.00	0.00	74.92	74.92			
06/15/22	06/15/22	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	170,000.00	0.00	77.92	77.92			
06/15/22	06/15/22	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	94,856.40	0.00	49.01	49.01			
06/15/22	06/15/22	HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	170,000.00	0.00	53.83	53.83			



Managed Account Security Transactions & Interest

For the Month Ending **June 30, 2022**

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										
06/15/22	06/15/22	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	33.88	0.00	0.09	0.09			
06/15/22	06/15/22	MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026	58772WAC7	130,000.00	0.00	49.83	49.83			
06/15/22	06/15/22	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	275,000.00	0.00	59.58	59.58			
06/15/22	06/15/22	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	60,000.00	0.00	19.00	19.00			
06/15/22	06/15/22	COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	255,000.00	0.00	116.87	116.87			
06/15/22	06/15/22	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	90,000.00	0.00	39.00	39.00			
06/15/22	06/15/22	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	0.00	35.42	35.42			
06/15/22	06/15/22	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
06/16/22	06/16/22	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	65,000.00	0.00	36.83	36.83			
06/16/22	06/16/22	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	105,000.00	0.00	42.00	42.00			
06/16/22	06/16/22	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	118,700.95	0.00	44.51	44.51			
06/18/22	06/18/22	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	103,159.91	0.00	31.81	31.81			
06/18/22	06/18/22	HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025	43815EAC8	120,000.00	0.00	41.00	41.00			
06/19/22	06/19/22	BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026	06051GJD2	200,000.00	0.00	1,319.00	1,319.00			
06/20/22	06/20/22	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	0.00	27.63	27.63			
06/20/22	06/20/22	GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	60,000.00	0.00	25.00	25.00			



Managed Account Security Transactions & Interest

For the Month Ending **June 30, 2022**

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

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
06/20/22	06/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	77,586.51	0.00	119.61	119.61			
06/20/22	06/20/22	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	0.00	56.25	56.25			
06/20/22	06/20/22	GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	30,000.00	0.00	10.25	10.25			
06/25/22	06/25/22	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	54,295.48	0.00	21.72	21.72			
06/25/22	06/25/22	BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	230,000.00	0.00	82.42	82.42			
06/27/22	06/27/22	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			
06/30/22	06/30/22	US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024	912828XX3	3,450,000.00	0.00	34,500.00	34,500.00			
06/30/22	06/30/22	US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	750,000.00	0.00	937.50	937.50			
06/30/22	06/30/22	US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024	912828YY0	500,000.00	0.00	4,375.00	4,375.00			
06/30/22	06/30/22	US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	675,000.00	0.00	1,265.63	1,265.63			

Transaction Type Sub-Total			10,064,986.41	0.00	51,817.67	51,817.67				
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PAYDOWNS										
06/01/22	06/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	9.34	9.34	0.00	9.34	0.00	0.00	
06/01/22	06/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	10,241.09	10,241.09	0.00	10,241.09	0.25	0.00	
06/01/22	06/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	33,871.44	33,871.44	0.00	33,871.44	(288.43)	0.00	
06/15/22	06/15/22	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	33.88	33.88	0.00	33.88	0.01	0.00	
06/15/22	06/15/22	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	7,244.22	7,244.22	0.00	7,244.22	1.24	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **June 30, 2022**

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										
06/16/22	06/16/22	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	7,817.77	7,817.77	0.00	7,817.77	1.79	0.00	
06/18/22	06/18/22	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	7,121.10	7,121.10	0.00	7,121.10	1.05	0.00	
06/20/22	06/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	9,468.96	9,468.96	0.00	9,468.96	1.11	0.00	
06/25/22	06/25/22	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	4,829.26	4,829.26	0.00	4,829.26	0.36	0.00	
Transaction Type Sub-Total				80,637.06	80,637.06	0.00	80,637.06	(282.62)	0.00	
Managed Account Sub-Total					(487,876.61)	51,056.27	(436,820.34)	(282.62)	0.00	
Total Security Transactions					(\$487,876.61)	\$51,056.27	(\$436,820.34)	(\$282.62)	\$0.00	



Managed Account Security Transactions & Interest

For the Month Ending **May 31, 2022**

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

Transaction Type					Principal	Accrued		Realized G/L	Realized G/L	Sale
Trade	Settle	Security Description	CUSIP	Par	Proceeds	Interest	Total	Cost	Amort Cost	Method
BUY										
04/26/22	05/03/22	CINTAS CORPORATION NO. 2 CORP NOTE (CALL DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	60,000.00	(59,986.80)	0.00	(59,986.80)			
04/27/22	05/04/22	NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025	63743HFE7	45,000.00	(44,987.85)	0.00	(44,987.85)			
05/03/22	05/05/22	US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	300,000.00	(271,500.00)	(486.88)	(271,986.88)			
05/31/22	06/09/22	NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	250,000.00	(250,000.00)	0.00	(250,000.00)			

Transaction Type Sub-Total				655,000.00	(626,474.65)	(486.88)	(626,961.53)			
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INTEREST										
05/01/22	05/01/22	CITIGROUP INC CORPORATE NOTES DTD 05/04/2021 0.981% 05/01/2025	172967MX6	95,000.00	0.00	465.98	465.98			
05/01/22	05/01/22	CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025	13077DQD7	65,000.00	0.00	280.15	280.15			
05/01/22	05/25/22	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
05/01/22	05/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	3,538.75	0.00	9.45	9.45			
05/01/22	05/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	60,381.89	0.00	155.48	155.48			
05/01/22	05/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	18,694.69	0.00	41.60	41.60			
05/03/22	05/03/22	CITIGROUP INC CORP NOTE (CALLABLE) DTD 11/03/2021 1.281% 11/03/2025	172967ND9	60,000.00	0.00	384.30	384.30			
05/04/22	05/04/22	AMERICAN EXPRESS CO (CALLABLE) CORPORATE DTD 11/04/2021 1.650% 11/04/2026	025816CM9	200,000.00	0.00	1,650.00	1,650.00			



Managed Account Security Transactions & Interest

For the Month Ending **May 31, 2022**

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											
	05/05/22	05/05/22	FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	250,000.00	0.00	468.75	468.75			
	05/06/22	05/06/22	FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023	3137EAEZ8	275,000.00	0.00	343.75	343.75			
	05/07/22	05/07/22	FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025	3135G06G3	275,000.00	0.00	687.50	687.50			
	05/11/22	05/11/22	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			
	05/12/22	05/12/22	AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	230,000.00	0.00	517.50	517.50			
	05/15/22	05/15/22	HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	170,000.00	0.00	53.83	53.83			
	05/15/22	05/15/22	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	275,000.00	0.00	59.58	59.58			
	05/15/22	05/15/22	MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026	58772WAC7	130,000.00	0.00	49.83	49.83			
	05/15/22	05/15/22	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	170,000.00	0.00	77.92	77.92			
	05/15/22	05/15/22	COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	255,000.00	0.00	116.87	116.87			
	05/15/22	05/15/22	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	155,000.00	0.00	74.92	74.92			
	05/15/22	05/15/22	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	7,903.45	0.00	21.21	21.21			
	05/15/22	05/15/22	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	0.00	35.42	35.42			
	05/15/22	05/15/22	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
	05/15/22	05/15/22	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	60,000.00	0.00	19.00	19.00			
	05/15/22	05/15/22	COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	80,000.00	0.00	51.33	51.33			
	05/15/22	05/15/22	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314OAC8	90,000.00	0.00	39.00	39.00			



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For the Month Ending **May 31, 2022**

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											
05/15/22	05/15/22	UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026	91324PEC2	200,000.00	0.00	1,150.00	1,150.00				
05/15/22	05/15/22	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	102,479.25	0.00	52.95	52.95				
05/15/22	05/15/22	UNIV OF CAL TXBL REV BONDS DTD 07/16/2020 0.883% 05/15/2025	91412HGE7	70,000.00	0.00	309.05	309.05				
05/16/22	05/16/22	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	126,990.50	0.00	47.62	47.62				
05/16/22	05/16/22	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	65,000.00	0.00	36.83	36.83				
05/16/22	05/16/22	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	105,000.00	0.00	42.00	42.00				
05/18/22	05/18/22	HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025	43815EAC8	120,000.00	0.00	41.00	41.00				
05/18/22	05/18/22	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	110,791.98	0.00	34.16	34.16				
05/19/22	05/19/22	JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026	46647PBT2	150,000.00	0.00	783.75	783.75				
05/20/22	05/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	87,238.00	0.00	134.49	134.49				
05/20/22	05/20/22	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	0.00	56.25	56.25				
05/20/22	05/20/22	GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	30,000.00	0.00	10.25	10.25				
05/20/22	05/20/22	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	0.00	27.63	27.63				
05/20/22	05/20/22	GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	60,000.00	0.00	25.00	25.00				
05/24/22	05/24/22	INTER-AMERICAN DEVEL BK NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	775,000.00	0.00	1,937.50	1,937.50				
05/24/22	05/24/22	INTL BK RECON & DEVELOP NOTES DTD 11/24/2020 0.250% 11/24/2023	459058JM6	400,000.00	0.00	500.00	500.00				



Managed Account Security Transactions & Interest

For the Month Ending **May 31, 2022**

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										
05/25/22	05/25/22	BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	230,000.00	0.00	82.42	82.42			
05/25/22	05/25/22	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	59,344.98	0.00	23.74	23.74			
05/27/22	05/27/22	FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023	3135G06H1	250,000.00	0.00	312.50	312.50			
05/31/22	05/31/22	US TREASURY NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	100,000.00	0.00	812.50	812.50			
Transaction Type Sub-Total				7,392,363.49	0.00	15,717.47	15,717.47			
PAYDOWNS										
05/01/22	05/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	2,587.12	2,587.12	0.00	2,587.12	0.06	0.00	
05/01/22	05/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	8,665.03	8,665.03	0.00	8,665.03	(73.79)	0.00	
05/01/22	05/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	9.90	9.90	0.00	9.90	0.00	0.00	
05/15/22	05/15/22	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	7,869.57	7,869.57	0.00	7,869.57	1.50	0.00	
05/15/22	05/15/22	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	7,622.85	7,622.85	0.00	7,622.85	1.31	0.00	
05/16/22	05/16/22	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	8,289.55	8,289.55	0.00	8,289.55	1.90	0.00	
05/18/22	05/18/22	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	7,632.07	7,632.07	0.00	7,632.07	1.12	0.00	
05/20/22	05/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	9,651.49	9,651.49	0.00	9,651.49	1.13	0.00	
05/25/22	05/25/22	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	5,049.50	5,049.50	0.00	5,049.50	0.38	0.00	
Transaction Type Sub-Total				57,377.08	57,377.08	0.00	57,377.08	(66.39)	0.00	
Managed Account Sub-Total					(569,097.57)	15,230.59	(553,866.98)	(66.39)	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **May 31, 2022**

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

Total Security Transactions	(\$569,097.57)	\$15,230.59	(\$553,866.98)	(\$66.39)	\$0.00
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Bolded items are forward settling trades.



Managed Account Security Transactions & Interest

For the Month Ending **April 30, 2022**

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

Transaction Type					Principal	Accrued		Realized G/L	Realized G/L	Sale
Trade	Settle	Security Description	CUSIP	Par	Proceeds	Interest	Total	Cost	Amort Cost	Method
BUY										
04/11/22	04/13/22	AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	125,000.00	(124,801.25)	0.00	(124,801.25)			
04/26/22	05/03/22	CINTAS CORPORATION NO. 2 CORP NOTE (CALL DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	60,000.00	(59,986.80)	0.00	(59,986.80)			
04/27/22	05/04/22	NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025	63743HFE7	45,000.00	(44,987.85)	0.00	(44,987.85)			

Transaction Type Sub-Total				230,000.00	(229,775.90)	0.00	(229,775.90)			
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INTEREST										
04/01/22	04/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	95,023.47	0.00	244.69	244.69			
04/01/22	04/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	3,547.99	0.00	9.47	9.47			
04/01/22	04/25/22	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	175,000.00	0.00	446.54	446.54			
04/01/22	04/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	18,768.40	0.00	32.72	32.72			
04/14/22	04/14/22	FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	250,000.00	0.00	625.00	625.00			
04/15/22	04/15/22	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	275,000.00	0.00	59.58	59.58			
04/15/22	04/15/22	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	16,877.54	0.00	45.29	45.29			
04/15/22	04/15/22	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	155,000.00	0.00	74.92	74.92			
04/15/22	04/15/22	US TREASURY N/B NOTES DTD 04/15/2021 0.375% 04/15/2024	91282CBV2	350,000.00	0.00	656.25	656.25			
04/15/22	04/15/22	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	170,000.00	0.00	77.92	77.92			



Managed Account Security Transactions & Interest

For the Month Ending **April 30, 2022**

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										
04/15/22	04/15/22	COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	80,000.00	0.00	51.33	51.33			
04/15/22	04/15/22	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	0.00	35.42	35.42			
04/15/22	04/15/22	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	500,000.00	0.00	716.67	716.67			
04/15/22	04/15/22	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	111,339.08	0.00	57.53	57.53			
04/15/22	04/15/22	HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	170,000.00	0.00	53.83	53.83			
04/15/22	04/15/22	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	90,000.00	0.00	39.00	39.00			
04/15/22	04/15/22	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	60,000.00	0.00	19.00	19.00			
04/15/22	04/15/22	COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	255,000.00	0.00	116.87	116.87			
04/15/22	04/15/22	MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026	58772WAC7	130,000.00	0.00	49.83	49.83			
04/16/22	04/16/22	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	105,000.00	0.00	42.00	42.00			
04/16/22	04/16/22	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	136,590.41	0.00	51.22	51.22			
04/16/22	04/16/22	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	65,000.00	0.00	36.83	36.83			
04/16/22	04/16/22	FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	250,000.00	0.00	156.25	156.25			
04/18/22	04/18/22	HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025	43815EAC8	120,000.00	0.00	41.00	41.00			
04/18/22	04/18/22	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	115,000.00	0.00	35.46	35.46			
04/20/22	04/20/22	GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	30,000.00	0.00	10.25	10.25			
04/20/22	04/20/22	GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	60,000.00	0.00	25.00	25.00			



Managed Account Security Transactions & Interest

For the Month Ending **April 30, 2022**

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

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
04/20/22	04/20/22	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	150,000.00	0.00	56.25	56.25			
04/20/22	04/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	100,193.57	0.00	154.47	154.47			
04/20/22	04/20/22	GMALT 2020-3 A4 DTD 09/29/2020 0.510% 10/21/2024	362569AD7	65,000.00	0.00	27.63	27.63			
04/22/22	04/22/22	BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025	06051GJR1	200,000.00	0.00	976.00	976.00			
04/22/22	04/22/22	FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	250,000.00	0.00	781.25	781.25			
04/25/22	04/25/22	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	65,084.39	0.00	26.03	26.03			
04/25/22	04/25/22	BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	230,000.00	0.00	82.42	82.42			
04/29/22	04/29/22	MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	250,000.00	0.00	4,843.75	4,843.75			
04/30/22	04/30/22	US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	775,000.00	0.00	6,296.88	6,296.88			
04/30/22	04/30/22	US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	445,000.00	0.00	1,668.75	1,668.75			

Transaction Type Sub-Total			6,402,424.85	0.00	18,723.30	18,723.30				
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MATURITY										
04/30/22	04/30/22	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	600,000.00	600,000.00	5,625.00	605,625.00	19,171.87	0.00	
04/30/22	04/30/22	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	150,000.00	150,000.00	1,406.25	151,406.25	1,904.30	0.00	
04/30/22	04/30/22	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	525,000.00	525,000.00	4,921.88	529,921.88	15,503.91	0.00	

Transaction Type Sub-Total			1,275,000.00	1,275,000.00	11,953.13	1,286,953.13	36,580.08	0.00		
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PAYDOWNS										
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Managed Account Security Transactions & Interest

For the Month Ending **April 30, 2022**

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										
04/01/22	04/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	34,641.58	34,641.58	0.00	34,641.58	(294.99)	0.00	
04/01/22	04/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	9.24	9.24	0.00	9.24	0.00	0.00	
04/01/22	04/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FO3V3	73.71	73.71	0.00	73.71	0.00	0.00	
04/15/22	04/15/22	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	65478NAD7	8,974.09	8,974.09	0.00	8,974.09	1.72	0.00	
04/15/22	04/15/22	CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	8,859.83	8,859.83	0.00	8,859.83	1.52	0.00	
04/16/22	04/16/22	GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	9,599.91	9,599.91	0.00	9,599.91	2.20	0.00	
04/18/22	04/18/22	HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	4,208.02	4,208.02	0.00	4,208.02	0.62	0.00	
04/20/22	04/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	12,955.57	12,955.57	0.00	12,955.57	1.52	0.00	
04/25/22	04/25/22	BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	5,739.41	5,739.41	0.00	5,739.41	0.43	0.00	
Transaction Type Sub-Total				85,061.36	85,061.36	0.00	85,061.36	(286.98)	0.00	
SELL										
04/11/22	04/13/22	US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	125,000.00	125,102.54	1,061.81	126,164.35	1,689.45	119.65	FIFO
Transaction Type Sub-Total				125,000.00	125,102.54	1,061.81	126,164.35	1,689.45	119.65	
Managed Account Sub-Total					1,255,388.00	31,738.24	1,287,126.24	37,982.55	119.65	
Total Security Transactions					\$1,255,388.00	\$31,738.24	\$1,287,126.24	\$37,982.55	\$119.65	

Bolded items are forward settling trades.



EMPLOYMENT RISK MANAGEMENT AUTHORITY

Investment Performance Review For the Quarter Ended June 30, 2022

Client Management Team

Lesley Murphy, Director
Allison Kaune, Senior Analyst

PFM Asset Management LLC

1 California Street Ste. 1000
San Francisco, CA 94111-5411
415-393-7270

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

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Market Update

Summary

► In Q2, U.S. economic conditions were characterized by: (1) persistently high inflation; (2) declining consumer sentiment; (3) slowing economic growth and increasing recession probabilities; (4) more aggressive Federal Reserve (Fed) monetary policy tightening; (5) rising yields and decade-high mortgage rates; and (6) elevated volatility and risk-off sentiment in credit and equity markets.

► The first half of 2022 was one of the most difficult investment environments in the past 40 years due to the pace of interest rate increases and the resulting simultaneous weakness in both bond and stock market returns. As we enter the second half of the year, many of the first half's significant headwinds are still in place: high inflation, tighter Fed monetary policy, rising rates, wider credit spreads, slowing growth and lingering geopolitical turmoil.

► The focus of headlines on inflation remains very high, with the Consumer Price Index increasing 9.1% year-over-year (YoY) through June, the largest 12-month increase since December 1981. Numerous factors have driven this inflation: gasoline prices surged nearly 60%, shelter costs rose 5.6%, food was up 10.4%, while new and used cars rose 9% over that span. Some of these price pressures resulted from surging input costs for oil, industrial metals and agricultural products, exacerbated by Russia's ongoing invasion of Ukraine. But, more recently, many commodity prices have fallen substantially. For example, lumber, copper, aluminum, steel, cattle and coffee prices are now down on a year-to-date basis.

► As a result of surging inflation, the Fed lifted the overnight federal funds target rate three times in the first half of 2022, in March, May and June. The last hike was by three quarters of a percentage point (0.75%) to a new range of 1.5% to 1.75%, the largest hike since 1994. The market now expects short-term rates to reach 3.25% to 3.75% by year-end. In addition, the Fed kicked off its plan to reduce its balance sheet holdings of Treasuries and agency-backed mortgage securities through monthly runoff of maturities and principal payments.

Economic Snapshot

► U.S. economic real growth (inflation-adjusted) declined at an annual pace of 1.6% in Q1 2022, a big disappointment. The drop was a sharp reversal from the 6.9% increase in Q4. It resulted from decreases in exports, federal government spending, private inventory investment, and state and local government spending, while imports, which are a subtraction in the calculation of GDP, increased. The economy has downshifted from its torrid pace of 2021 as federal stimulus programs ended and rampant inflation cut into consumer spending habits and corporate profits. Economists' estimates for future GDP reflect expectations for growth to normalize in the future, with projections for the full calendar year 2022 at 2.1% and 2023 at 1.5%.

► The U.S. labor market remains a tailwind as the economy added 2.7 million new jobs this year. The unemployment rate remained at 3.6%, while wage growth remained elevated and job openings remained plentiful. Despite this apparent strength, job gains have begun to moderate, and the level of new weekly jobless claims has increased noticeably, indicating a possible sea change.

► Household spending has also adapted to rising food and energy costs. The share of

disposable income going towards non-discretionary items such as food, energy, debt service and rent broke a decade-long downtrend and is now rising quickly. Largely due to pain at the pump and grocery check-out counter, measures of consumer sentiment nosedived. The Conference Board Consumer Confidence Index dipped below 100 for the first in over a year, while the University of Michigan Consumer Sentiment Index reached an all-time low in June.

► Increasing inventories and a falling mortgage affordability index led to a sharp decline in home sales. Sales of both new and existing homes sales declined. On the manufacturing front, indices of activity posted a decline and moved toward their lowest levels in nearly two years, although still in expansionary territory. Automobile sales in June were down nearly 15% YoY.

Interest Rates

► U.S. Treasury yields rose sharply in Q2. By the end of the quarter, the yield on a 3-month U.S. Treasury Bill stood at 1.67% (up 1.17% over the quarter), the 2-year note was 2.96% (up 0.62%), the 5-year note was 3.04% (up 0.58%), the 10-year note was 3.02% (up 0.68%) and the 30-year ended the quarter at 3.19% (up 0.74%).

► As a result of rapidly increasing Treasury yields, fixed income indices posted large negative total returns. The ICE BofA 2-, 5-, and 10-year U.S. Treasury indices returned -0.50%, -2.05%, and -4.92%, respectively. Underscoring the recent historic underperformance of U.S. Treasuries, from peak to trough (August 3, 2020, to June 14, 2022), the 10-year Treasury Index lost -17%.

Sector Performance

► Diversification in securities other than U.S. Treasury securities generally detracted from performance as few sectors were immune to risk-off sentiment and wider yield spreads. The exceptions were shorter-duration municipals and federal agency securities with maturities inside five years.

► Despite relatively stable fundamentals and a favorable upgrade/downgrade ratio, wider spreads on investment-grade (IG) corporates generated notably negative excess returns. Quickly tightening financial conditions and an increasing repricing of recession risks were the primary culprits. After rapidly retracing to close Q1, IG corporate spreads slowly and steadily increased throughout Q2, finishing at their widest level in two years. For the second consecutive quarter, lower quality and longer duration corporates underperformed their higher quality and shorter duration counterparts.

► Like corporates, AAA-rated asset-backed securities fundamentals remain strong, however growing economic growth concerns pushed spreads wider over the quarter. Historically, spreads in the sector remain elevated and appear attractive. The result of wider spreads was negative excess returns from the sector regardless of type, although credit card collateral outperformed auto loan-backed issues.

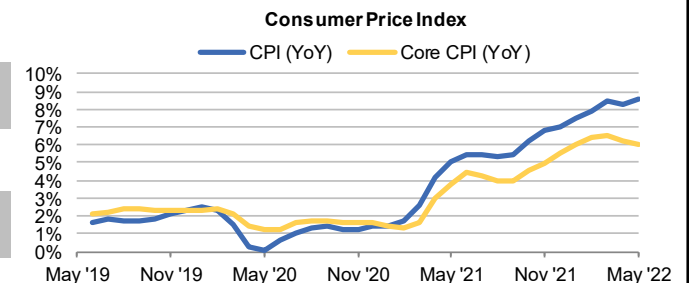
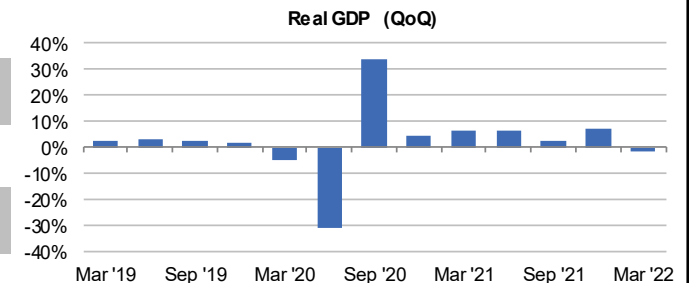
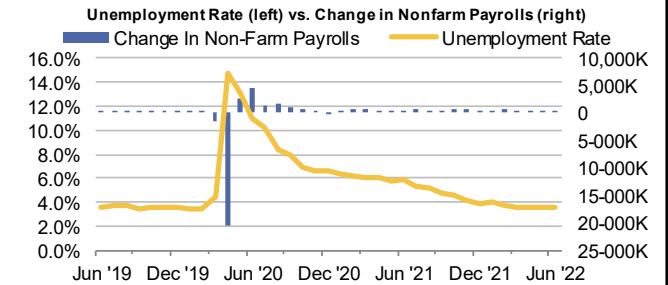
► Mortgage-backed securities (MBS) continued the trend of underperformance, finishing the worst start to a year in several decades. The looming acceleration of Fed balance sheet reduction of its MBS holdings has weighed on the sector for the better part of the year. Refinancing activity has plummeted and MBS durations have extended noticeably due to decade-high mortgage rates, further pressuring performance in the sector. Only the highest coupon MBS avoided sharply negative excess returns.

Economic Snapshot

Labor Market		Latest	Mar '22	Jun '21
Unemployment Rate	Jun'22	3.6%	3.6%	5.9%
Change In Non-Farm Payrolls	Jun'22	372,000	398,000	557,000
Average Hourly Earnings (YoY)	Jun'22	5.1%	5.6%	4.0%
Personal Income (YoY)	May'22	5.3%	-11.4%	3.1%
Initial Jobless Claims (week)	7/2/22	235,000	171,000	405,000

Growth		Latest	Mar '22	Jun '21
Real GDP (QoQ SAAR)	2022Q1	-1.6%	6.9% ¹	6.3% ²
GDP Personal Consumption (QoQ SAAR)	2022Q1	1.8%	2.5% ¹	11.4% ²
Retail Sales (YoY)	May'22	8.1%	7.1%	19.4%
ISM Manufacturing Survey (month)	Jun'22	53.0	57.1	60.9
Existing Home Sales SAAR (month)	May'22	5.41 mil.	5.75 mil.	5.97 mil.

Inflation / Prices		Latest	Mar '22	Jun '21
Personal Consumption Expenditures (YoY)	May'22	6.3%	6.6%	4.0%
Consumer Price Index (YoY)	May'22	8.6%	8.5%	5.4%
Consumer Price Index Core (YoY)	May'22	6.0%	6.5%	4.5%
Crude Oil Futures (WTI, per barrel)	Jun 30	\$105.76	\$100.28	\$73.47
Gold Futures (oz.)	Jun 30	\$1,807	\$1,949	\$1,772



1. Data as of Fourth Quarter 2021.

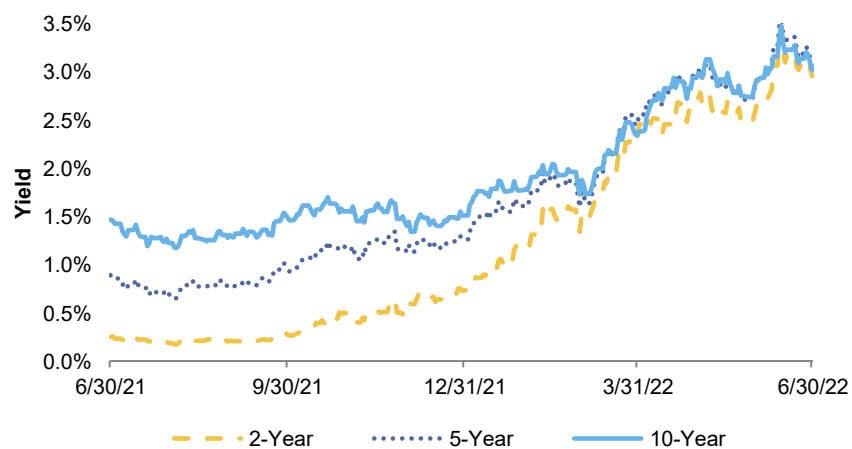
2. Data as of First Quarter 2021.

Note: YoY = year-over-year, QoQ = quarter-over-quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil.

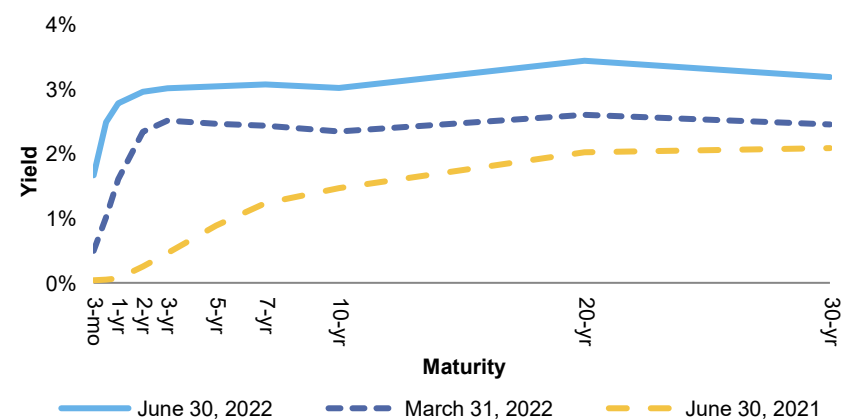
Source: Bloomberg.

Interest Rate Overview

U.S. Treasury Note Yields



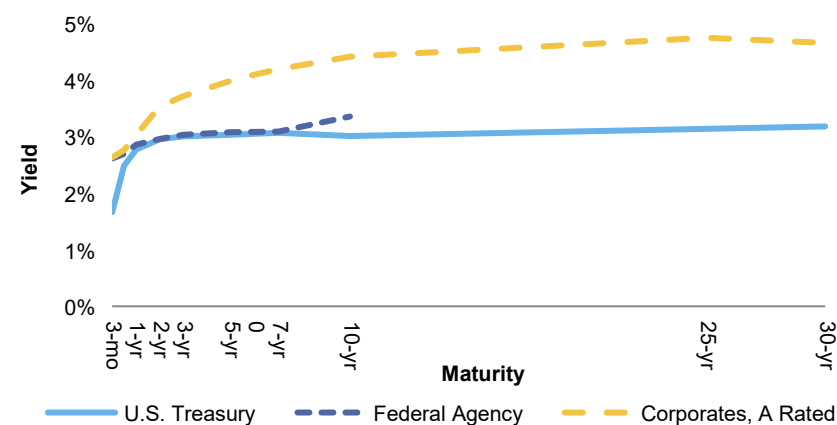
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	Jun '22	Mar '22	Change over Quarter	Jun '21	Change over Year
3-Month	1.67%	0.50%	1.17%	0.04%	1.63%
1-Year	2.78%	1.61%	1.17%	0.07%	2.71%
2-Year	2.96%	2.34%	0.62%	0.25%	2.71%
5-Year	3.04%	2.46%	0.58%	0.89%	2.15%
10-Year	3.02%	2.34%	0.68%	1.47%	1.55%
30-Year	3.19%	2.45%	0.74%	2.09%	1.10%

Yield Curves as of 06/30/2022



Source: Bloomberg.

ICE BofAML Index Returns

As of 06/30/2022		Returns for Periods ended 06/30/2022			
June 30, 2022	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.85	2.95%	(0.50%)	(3.30%)	0.24%
Federal Agency	1.79	2.95%	(0.58%)	(3.25%)	0.16%
U.S. Corporates, A-AAA rated	1.95	3.70%	(0.91%)	(3.74%)	0.66%
Agency MBS (0 to 3 years)	2.14	3.14%	(0.35%)	(4.43%)	(0.09%)
Taxable Municipals	1.82	3.30%	(0.29%)	(2.64%)	1.78%
1-5 Year Indices					
U.S. Treasury	2.58	2.98%	(0.81%)	(4.61%)	0.04%
Federal Agency	2.34	3.00%	(0.90%)	(4.53%)	(0.14%)
U.S. Corporates, A-AAA rated	2.76	3.86%	(1.66%)	(5.82%)	0.39%
Agency MBS (0 to 5 years)	2.98	3.32%	(1.67%)	(5.87%)	(0.55%)
Taxable Municipals	2.66	3.47%	(0.64%)	(4.15%)	0.95%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	6.67	3.06%	(3.85%)	(8.91%)	(0.85%)
Federal Agency	3.77	3.12%	(1.98%)	(6.49%)	(0.11%)
U.S. Corporates, A-AAA rated	7.38	4.28%	(6.10%)	(12.90%)	(0.88%)
Agency MBS (0 to 30 years)	6.19	3.66%	(3.91%)	(9.10%)	(1.42%)
Taxable Municipals	9.99	4.40%	(7.05%)	(14.94%)	(0.52%)

Returns for periods greater than one year are annualized.

Source: ICE BofAML Indices.

Disclosures

PFM Asset Management LLC ("PFMAM") is an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM.

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NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

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Fixed-Income Sector Commentary – 2Q 2022

- ▶ **U.S. Treasury** securities posted negative returns for more than two quarters. Yields continued to move higher on surging inflation data and expectations for aggressive Fed rate hikes over the course of 2022.
- ▶ The **Federal Agency** sector generated modest incremental returns over Treasuries in Q2 but continue to offer narrow yield spreads and limited value.
- ▶ **Supranational** spreads are elevated for shorter maturities but remained historically tight further out the curve. Issuance has been relatively light year-to-date which has helped keep downward pressure on yield spreads.
- ▶ Investment grade **Corporates** appear to have priced in a recession on the horizon; however, fundamentals and ratings are expected to stabilize while also carrying a low default rate. Yield spreads have been driven wider to historically attractive levels as uncertainties persist.
- ▶ **Asset-Backed** yield spreads widened after a volatile start to the year. Some measures of collateral performance are trending worse, but overall are in a good position from a historical perspective and remain within rating agency expectations.
- ▶ **Mortgage-Backed Securities** were hampered by soaring mortgage rates and the looming reduction to the Fed's balance sheet. The sector will likely remain under pressure for the foreseeable future as it faces a myriad of headwinds.
- ▶ **Taxable Municipals** were one of the few investment grade sectors that performed well during the quarter. But while issuance has slowed despite appearing at attractive levels, deals remain heavily oversubscribed, pressuring spreads lower.
- ▶ **Commercial Paper and CD** spreads remain elevated and attractive, particularly on maturities near nine months which have heightened value and a steeper curve.

Fixed-Income Sector Outlook – 3Q 2022

Sector	Our Investment Preferences
COMMERCIAL PAPER / CD	
TREASURIES	
T-Bill	
T-Note	
FEDERAL AGENCIES	
Bullets	
Callables	
SUPRANATIONALS	
CORPORATES	
Financials	
Industrials	
SECURITIZED	
Asset-Backed	
Agency Mortgage-Backed	
Agency CMBS	
MUNICIPALS	

● Current outlook

○ Outlook one quarter ago

Negative

Slightly Negative

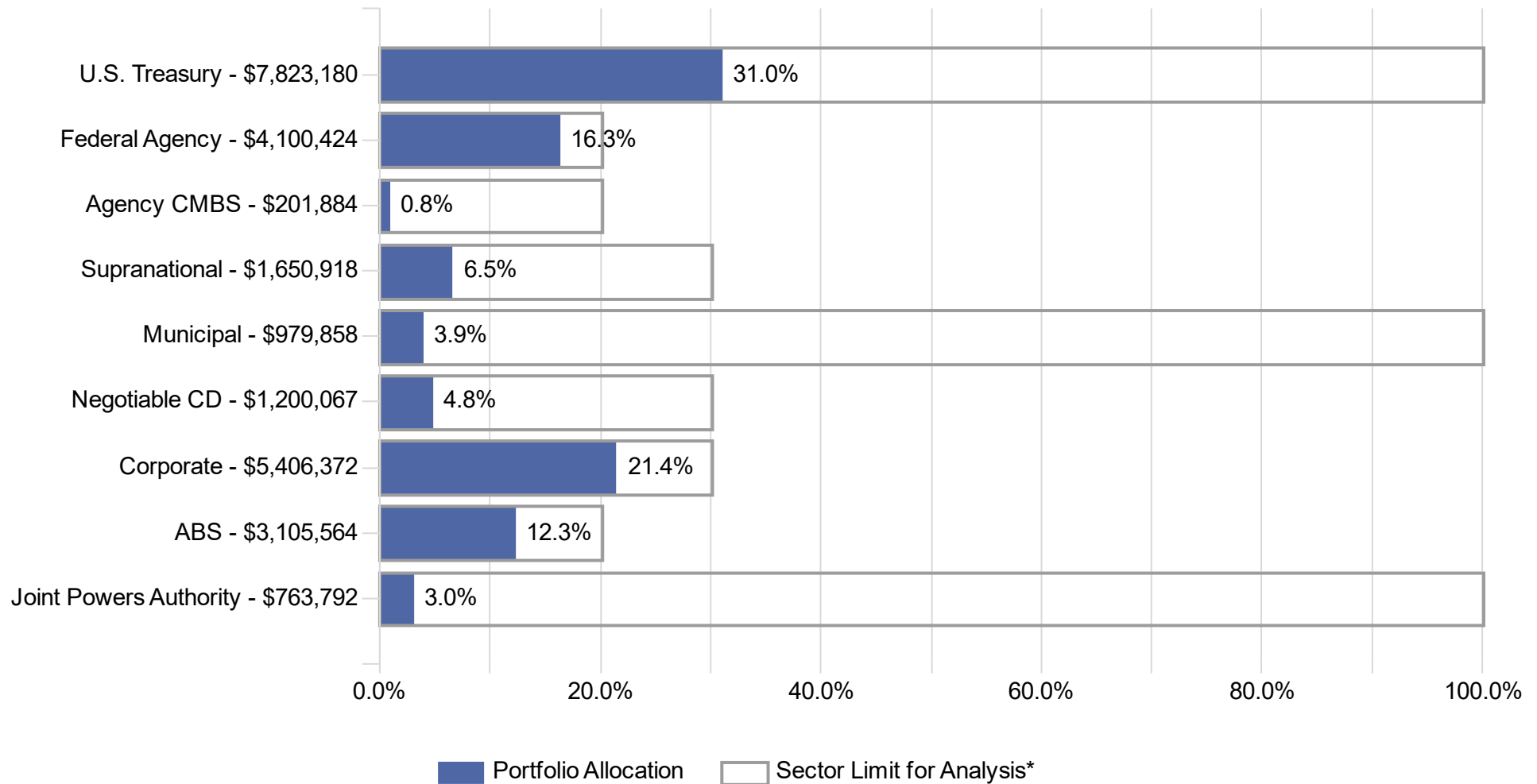
Neutral

Slightly Positive

Positive

Account Summary

Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

Certificate of Compliance

During the reporting period for the quarter ended June 30, 2022, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").

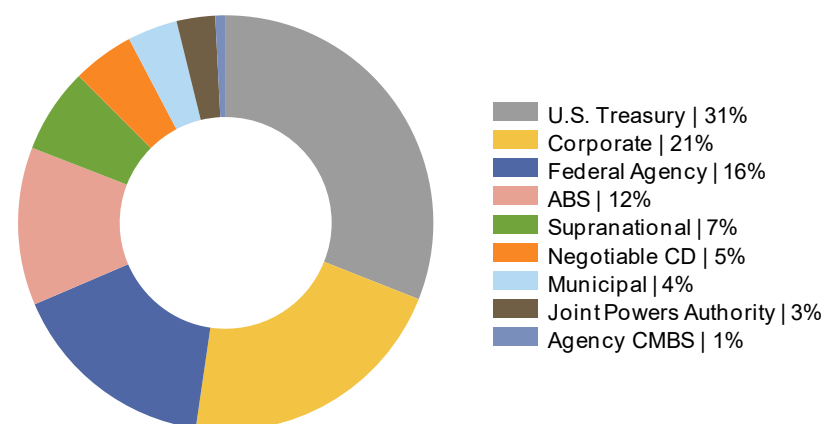
Portfolio Review

Portfolio Snapshot - CAMP-EMPLOYMENT RISK MGMT AUTHORITY¹

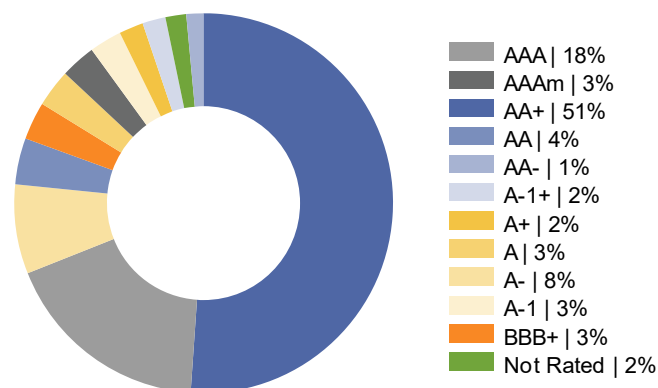
Portfolio Statistics

Total Market Value	\$25,222,029.42
Managed Account Sub-Total	\$24,415,741.92
Accrued Interest	\$52,524.85
Pool	\$753,762.65
Portfolio Effective Duration	2.03 years
Benchmark Effective Duration	2.03 years
Yield At Cost	1.20%
Yield At Market	2.91%
Portfolio Credit Quality	AA

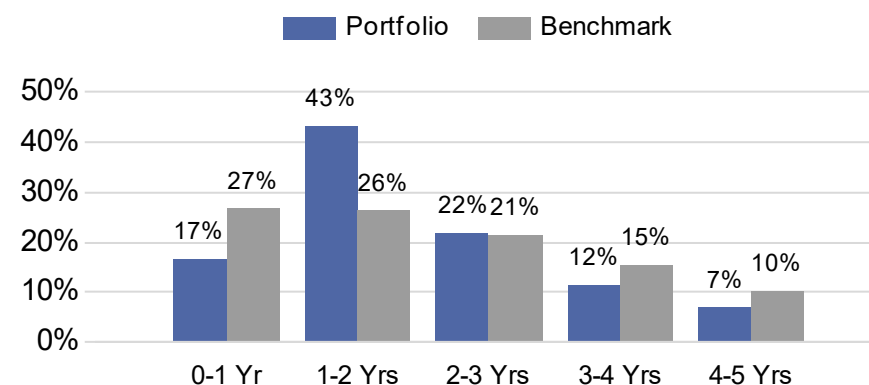
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. Total market value includes accrued interest and balances invested in CAMP, as of June 30, 2022.

Yield and duration calculations exclude balances invested in CAMP.

The portfolio's benchmark is currently the ICE BofAML 0-5 Year U.S. Treasury Index. Prior to 3/31/16 it was the ICE BofAML 1-3 Year U.S. Treasury Index. Source: Bloomberg.

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

Account Summary

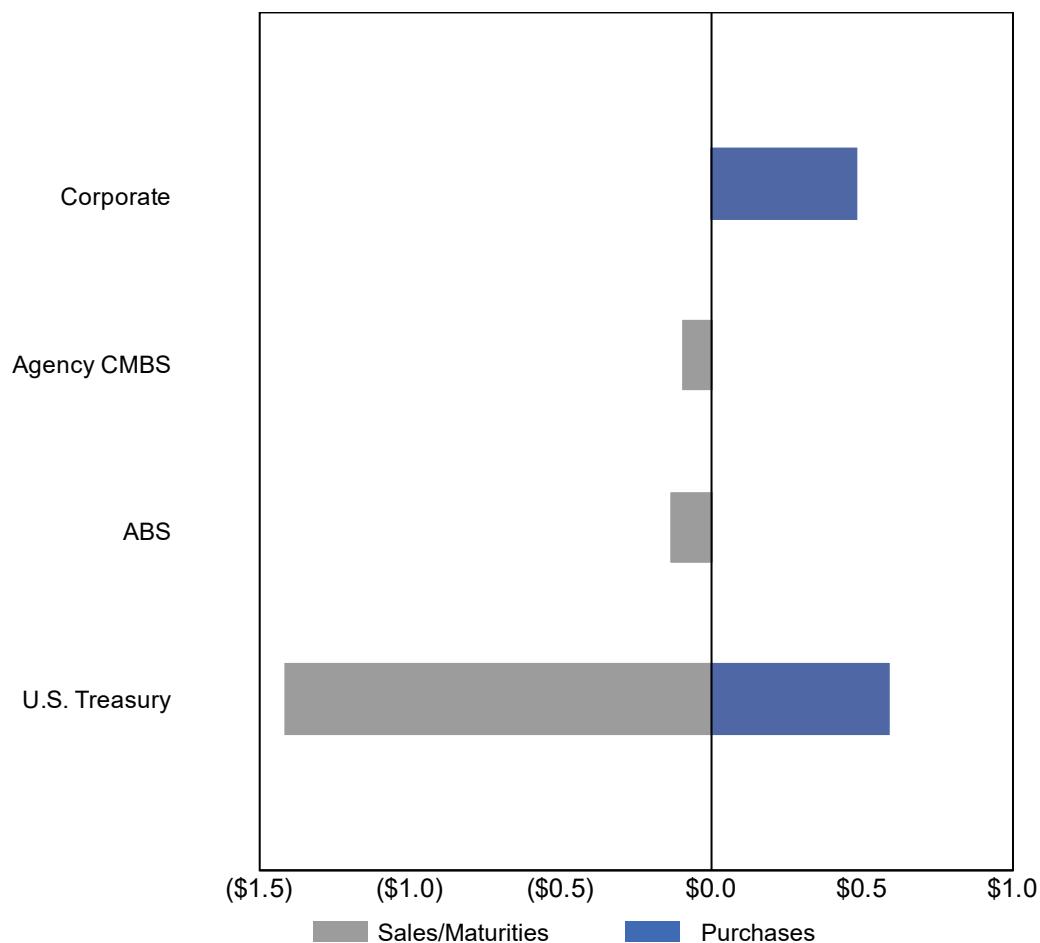
EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00			
Portfolio Values	June 30, 2022	Analytics ¹	June 30, 2022
CAMP Managed Account	\$24,415,742	Yield at Market	2.91%
CAMP Pool	\$753,763	Yield on Cost	1.20%
Amortized Cost	\$25,432,987	Portfolio Duration	2.03
Market Value	\$24,415,742	CAMP Pool 7-Day Yield	1.40%
Accrued Interest	\$52,525		

1. Yield at market, yield on cost, and portfolio duration only include investments held within the separately managed account(s), excludes balances invested in overnight funds.

2. The current 7-day yield is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

Portfolio Activity - CAMP-EMPLOYMENT RISK MGMT AUTHORITY

Net Activity by Sector
(\$ millions)

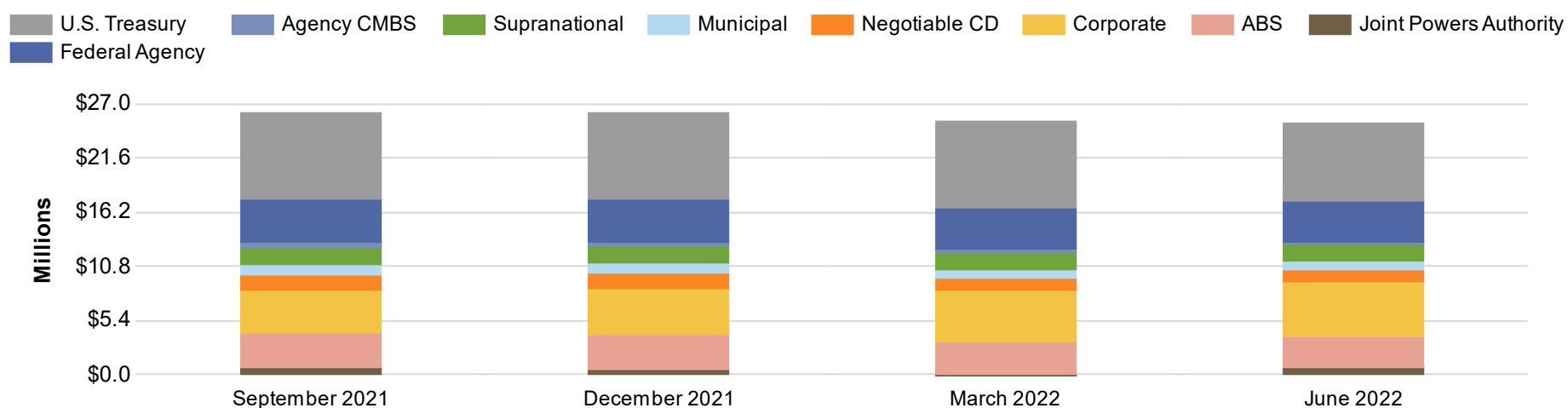


Sector	Net Activity
Corporate	\$479,776
Agency CMBS	(\$90,108)
ABS	(\$132,967)
U.S. Treasury	(\$821,856)
Total Net Activity	(\$565,155)

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

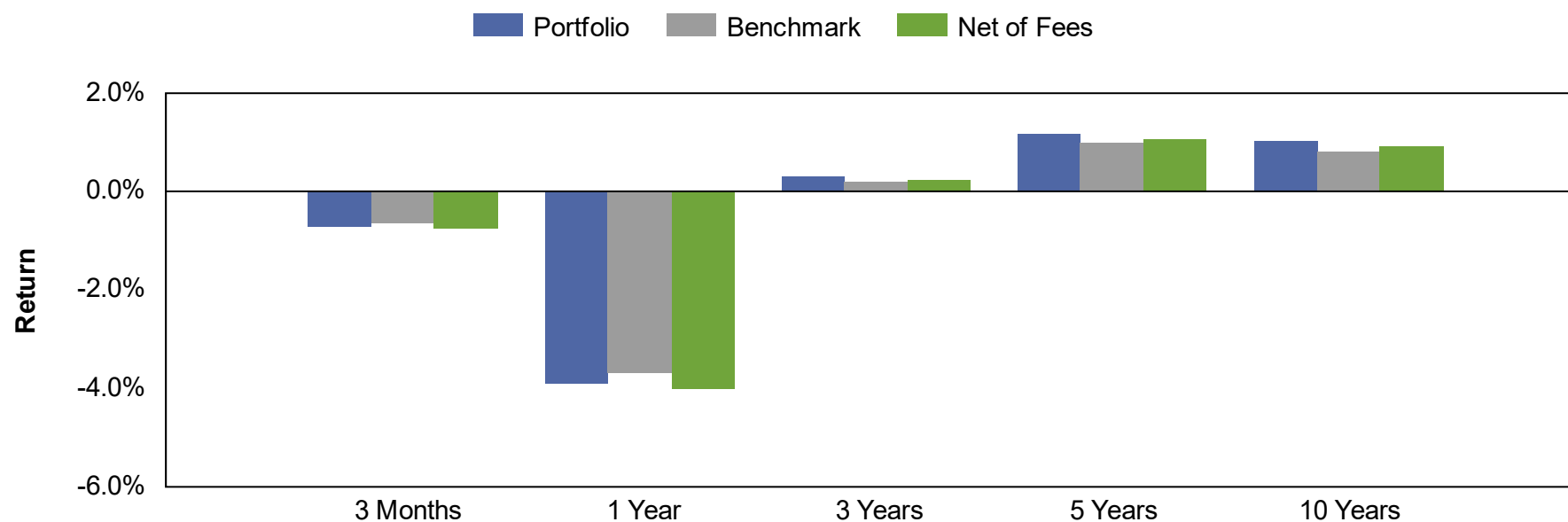
Sector Allocation Review - CAMP-EMPLOYMENT RISK MGMT AUTHORITY

Security Type	Sep-21	% of Total	Dec-21	% of Total	Mar-22	% of Total	Jun-22	% of Total
U.S. Treasury	\$8.7	33.2%	\$8.5	32.7%	\$8.7	34.3%	\$7.8	31.0%
Federal Agency	\$4.3	16.4%	\$4.3	16.3%	\$4.1	16.3%	\$4.1	16.3%
Agency CMBS	\$0.4	1.5%	\$0.3	1.3%	\$0.3	1.2%	\$0.2	0.8%
Supranational	\$1.7	6.5%	\$1.7	6.5%	\$1.7	6.5%	\$1.6	6.6%
Municipal	\$1.1	4.3%	\$1.1	4.3%	\$1.0	3.9%	\$1.0	3.9%
Negotiable CD	\$1.5	5.6%	\$1.5	5.6%	\$1.2	4.7%	\$1.2	4.8%
Corporate	\$4.4	16.7%	\$4.7	18.1%	\$5.0	19.8%	\$5.4	21.3%
ABS	\$3.4	12.9%	\$3.4	13.2%	\$3.3	12.9%	\$3.1	12.3%
Joint Powers Authority	\$0.8	2.9%	\$0.5	2.0%	\$0.1	0.4%	\$0.8	3.0%
Total	\$26.2	100.0%	\$26.1	100.0%	\$25.3	100.0%	\$25.2	100.0%



Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	10 Years
Interest Earned ²	\$76,689	\$315,875	\$1,271,104	\$2,217,786	\$3,822,276
Change in Market Value	(\$262,109)	(\$1,341,894)	(\$1,033,043)	(\$792,028)	(\$1,227,562)
Total Dollar Return	(\$185,420)	(\$1,026,019)	\$238,061	\$1,425,758	\$2,594,714
Total Return³					
Portfolio	-0.73%	-3.91%	0.31%	1.16%	1.03%
Benchmark ⁴	-0.65%	-3.68%	0.19%	0.98%	0.80%
Basis Point Fee	0.02%	0.10%	0.10%	0.10%	0.10%
Net of Fee Return	-0.75%	-4.01%	0.21%	1.06%	0.93%

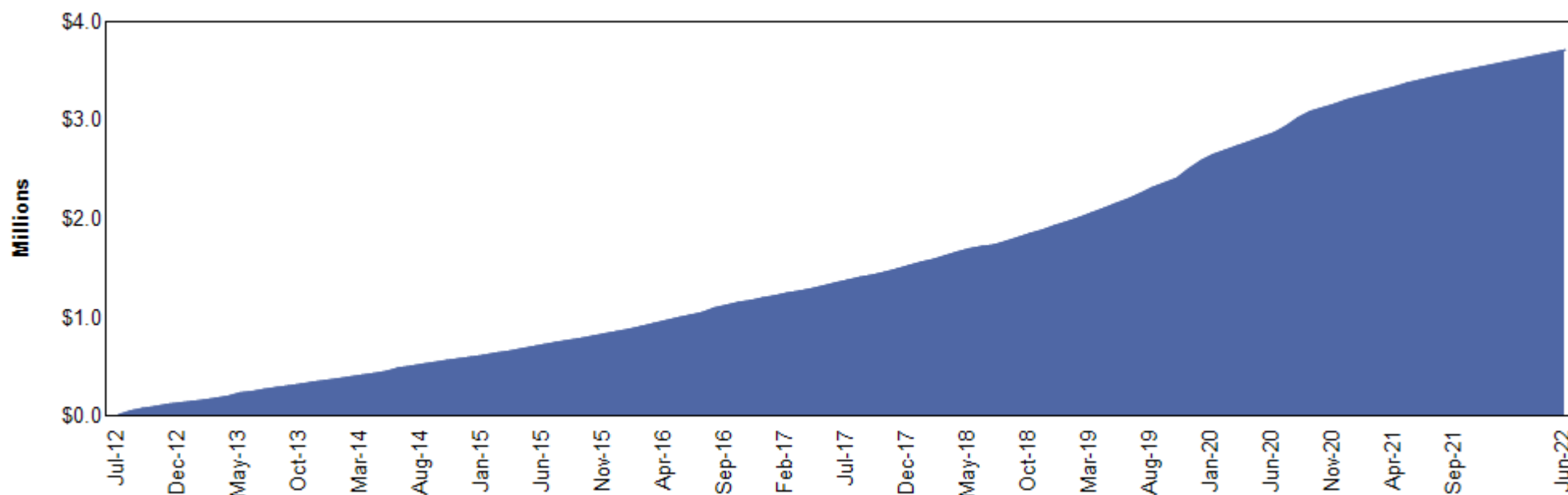
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is September 30, 2008.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is currently the ICE BofAML 0-5 Year U.S Treasury Index. Prior to 3/31/16 it was the ICE BofAML 1-3 Year U.S Treasury Index. Source: Bloomberg.

Accrual Basis Earnings - CAMP-EMPLOYMENT RISK MGMT AUTHORITY



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	10 Year ¹
Interest Earned ²	\$76,689	\$315,875	\$1,271,104	\$2,217,786	\$3,822,276
Realized Gains / (Losses) ³	\$120	(\$276)	\$236,068	\$112,084	\$325,681
Change in Amortized Cost	(\$981)	(\$7,959)	\$5,485	\$32,225	(\$431,092)
Total Earnings	\$75,827	\$307,641	\$1,512,656	\$2,362,095	\$3,716,865

1. The lesser of 10 years or since inception is shown. Performance inception date is September 30, 2008.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Realized gains / (losses) are shown on an amortized cost basis.

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
U.S. Treasury	32.0%	
UNITED STATES TREASURY	32.0%	AA / Aaa / AAA
Federal Agency	16.8%	
FANNIE MAE	4.0%	AA / Aaa / AAA
FEDERAL HOME LOAN BANKS	1.4%	AA / Aaa / NR
FREDDIE MAC	11.4%	AA / Aaa / AAA
Agency CMBS	0.8%	
FREDDIE MAC	0.8%	AA / Aaa / AAA
Supranational	6.7%	
INTER-AMERICAN DEVELOPMENT BANK	5.2%	AAA / Aaa / AAA
INTL BANK OF RECONSTRUCTION AND DEV	1.6%	AAA / Aaa / AAA
Municipal	4.0%	
CALIFORNIA STATE UNIVERSITY	0.2%	AA / Aa / NR
CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT	0.2%	AA / Aa / NR
FLORIDA STATE BOARD OF ADMIN FIN CORP	0.9%	AA / Aa / AA
LOS ANGELES COMMUNITY COLLEGE DISTRICT	0.4%	AA / Aaa / NR
NEW YORK ST URBAN DEVELOPMENT CORP	1.0%	AA / NR / AA
SAN JUAN UNIFIED SCHOOL DISTRICT	0.5%	NR / Aa / NR
STATE OF CONNECTICUT	0.2%	A / Aa / AA
STATE OF MINNESOTA	0.3%	AAA / Aa / AAA
UNIVERSITY OF CALIFORNIA	0.3%	AA / Aa / AA
Negotiable CD	4.9%	
CREDIT SUISSE GROUP RK	0.8%	A / Aa / A
DNB ASA	1.0%	AA / Aa / NR
NORDEA BANK ABP	1.0%	AA / Aa / AA
SKANDINAVISKA ENSKILDA BANKEN AB	1.0%	A / Aa / AA

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Negotiable CD	4.9%	
SUMITOMO MITSUI FINANCIAL GROUP INC	1.0%	A / Aa / A
Corporate	22.1%	
AMAZON.COM INC	1.4%	AA / A / AA
AMERICAN EXPRESS CO	0.7%	BBB / A / A
AMERICAN HONDA FINANCE	1.0%	A / A / A
APPLE INC	1.7%	AA / Aaa / NR
BANK OF AMERICA CO	1.5%	A / A / AA
BERKSHIRE HATHAWAY INC	1.5%	AA / Aa / A
CATERPILLAR INC	0.8%	A / A / A
CHARLES SCHWAB	0.3%	A / A / A
CINTAS CORPORATION NO. 2	0.2%	A / A / NR
CITIGROUP INC	0.6%	BBB / A / A
DEERE & COMPANY	0.6%	A / A / A
GOLDMAN SACHS GROUP INC	1.0%	BBB / A / A
HOME DEPOT INC	0.1%	A / A / A
JP MORGAN CHASE & CO	1.9%	A / A / AA
MORGAN STANLEY	1.0%	A / A / A
NATIONAL AUSTRALIA BANK LTD	1.0%	AA / Aa / NR
NATIONAL RURAL UTILITIES CO FINANCE CORP	0.2%	A / A / A
PACCAR FINANCIAL CORP	0.4%	A / A / NR
PNC FINANCIAL SERVICES GROUP	1.0%	A / A / A
TARGET CORP	0.1%	A / A / A
THE BANK OF NEW YORK MELLON CORPORATION	1.4%	A / A / AA
THE WALT DISNEY CORPORATION	1.0%	BBB / A / A
TOYOTA MOTOR CORP	0.8%	A / A / A

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
Corporate	22.1%	
TRUIST FIN CORP	1.0%	A / A / A
UNITEDHEALTH GROUP INC	0.7%	A / A / A
ABS	12.7%	
BMW FINANCIAL SERVICES NA LLC	0.9%	NR / Aaa / AAA
BMW VEHICLE OWNER TRUST	0.2%	AAA / NR / AAA
CAPITAL ONE FINANCIAL CORP	3.3%	AAA / Aaa / AAA
CARMAX AUTO OWNER TRUST	1.7%	AAA / Aaa / AAA
DISCOVER FINANCIAL SERVICES	0.6%	AAA / Aaa / NR
GM FINANCIAL CONSUMER AUTOMOBILE TRUST	1.1%	AAA / Aaa / AAA
GM FINANCIAL LEASINGTRUST	0.6%	AAA / Aaa / AAA
HONDA AUTO RECEIVABLES	0.9%	AAA / NR / AAA
HYUNDAI AUTO RECEIVABLES	0.9%	AAA / NR / AAA
MERCEDES-BENZ AUTO RECEIVABLES	0.5%	AAA / Aaa / NR
TOYOTA MOTOR CORP	1.1%	AAA / NR / AAA
VERIZON OWNER TRUST	0.3%	AAA / Aaa / NR
VOLKSWAGEN AUTO LEASE TURST	0.6%	AAA / NR / AAA
Total	100.0%	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

Portfolio Holdings and Transactions

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											
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	2,747.24	449,409.21	449,929.71
US TREASURY 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	137.64	99,819.64	98,843.75
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	889.77	324,339.11	319,261.74
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	1,232.00	450,845.70	442,054.71
US TREASURY N/B NOTES DTD 04/15/2021 0.375% 04/15/2024	91282CBV2	350,000.00	AA+	Aaa	12/2/2021	12/6/2021	346,937.50	0.75	276.13	347,673.78	334,085.92
US TREASURY 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	65.22	1,207,872.98	1,177,125.00
US TREASURY 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	19.02	357,891.98	343,328.12
US TREASURY 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	35.33	654,271.25	637,609.38
US TREASURY 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	51.63	958,264.16	931,890.63
US TREASURY 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	16.30	303,704.37	294,281.25
US TREASURY NOTES 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	15.46	336,837.14	314,945.31
US TREASURY NOTES 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	8.32	181,850.69	169,585.94
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	325,000.00	AA+	Aaa	4/1/2021	4/5/2021	318,703.13	0.72	2.21	320,542.94	299,152.36
US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025	912828ZW3	425,000.00	AA+	Aaa	3/1/2021	3/4/2021	419,006.84	0.58	2.89	420,843.88	391,199.24
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	175,000.00	AA+	Aaa	7/1/2021	7/7/2021	171,561.52	0.82	1.78	172,315.13	159,441.41

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Holdings

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											
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	100,000.00	AA+	Aaa	11/2/2021	11/4/2021	97,269.53	1.05	1.02	97,699.43	91,109.38
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	275,000.00	AA+	Aaa	5/4/2021	5/6/2021	270,348.63	0.75	2.80	271,500.53	250,550.80
US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025	91282CBC4	125,000.00	AA+	Aaa	6/2/2021	6/7/2021	123,164.06	0.70	1.27	123,592.23	113,886.73
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	375,000.00	AA+	Aaa	1/4/2022	1/6/2022	365,859.38	1.33	473.85	366,880.81	343,710.94
US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	70,000.00	AA+	Aaa	2/10/2022	2/14/2022	66,694.14	1.92	88.45	66,989.00	64,159.37
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	300,000.00	AA+	Aaa	5/3/2022	5/5/2022	271,500.00	3.03	782.11	272,549.42	271,968.75
US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026	91282CCP4	350,000.00	AA+	Aaa	6/2/2022	6/6/2022	318,513.67	2.94	912.47	319,032.90	317,296.88
Security Type Sub-Total		8,145,000.00					8,130,592.57	1.46	7,762.91	8,104,726.28	7,815,417.32
Supranational											
INTER-AMERICAN DEVEL BK 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	124,987.65	122,375.00
INTER-AMERICAN DEVEL BK NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	650,000.00	AAA	Aaa	9/22/2021	9/24/2021	653,068.00	0.22	334.02	651,652.78	636,350.00
INTL BK RECON & DEVELOP 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	399,598.67	385,186.40
INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024	4581X0DZ8	535,000.00	AAA	Aaa	9/15/2021	9/23/2021	534,604.10	0.52	728.19	534,705.60	505,777.23
Security Type Sub-Total		1,710,000.00					1,711,769.60	0.36	1,229.23	1,710,944.70	1,649,688.63
Negotiable CD											
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	A-1	P-1	7/10/2020	7/14/2020	250,000.00	0.70	836.11	250,000.00	249,945.75

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Negotiable CD											
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	250,000.00	A-1	P-1	8/29/2019	9/3/2019	250,000.00	1.85	1,614.58	250,000.00	249,961.75
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	250,000.00	A-1+	P-1	8/27/2019	8/29/2019	250,000.00	1.84	1,580.21	250,000.00	249,958.00
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	250,000.00	A-1+	P-1	12/4/2019	12/6/2019	250,000.00	2.03	410.83	250,000.00	249,305.75
CREDIT SUISSE NEW YORK CERT DEPOS DTD 03/23/2021 0.590% 03/17/2023	22552G3C2	200,000.00	A-1	P-1	3/19/2021	3/23/2021	200,000.00	0.59	347.44	200,000.00	196,106.20
Security Type Sub-Total		1,200,000.00					1,200,000.00	1.44	4,789.17	1,200,000.00	1,195,277.45
Municipal											
CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024	20772KJW0	50,000.00	A+	Aa3	5/29/2020	6/11/2020	50,000.00	2.00	499.50	50,000.00	49,231.50
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	58,684.80
SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024	798306WN2	125,000.00	NR	Aa2	10/16/202	10/29/202	125,000.00	0.70	365.63	125,000.00	118,625.00
NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025	650036DT0	250,000.00	AA+	NR	12/16/202	12/23/202	250,000.00	0.87	640.42	250,000.00	232,675.00
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	65,047.50
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	408.85	65,270.05	60,924.50
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	314.50	50,221.52	46,865.00
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	786.25	125,000.00	117,162.50

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Municipal											
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	210.00	80,000.00	73,723.20
LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025	54438CYK2	100,000.00	AA+	Aaa	10/30/202	11/10/2020	100,000.00	0.77	322.08	100,000.00	92,580.00
CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025	13077DQD7	65,000.00	AA-	Aa2	7/9/2021	7/29/2021	65,000.00	0.86	93.38	65,000.00	60,094.45
Security Type Sub-Total		1,040,000.00					1,040,784.45	1.03	4,244.84	1,040,491.57	975,613.45
Joint Powers Authority											
CAMP Pool		753,762.65	AAAm	NR			753,762.65		0.00	753,762.65	753,762.65
Security Type Sub-Total		753,762.65					753,762.65		0.00	753,762.65	753,762.65
Federal Agency											
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	249,970.41	245,037.75
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	661.46	749,708.07	727,258.50
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	176.56	225,016.23	217,950.30
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	235.42	299,960.90	290,600.40
FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	250,000.00	AA+	Aaa	10/14/202	10/16/202	249,067.50	0.25	65.10	249,598.05	241,059.50
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	105.03	274,888.67	265,166.00
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	59.03	249,866.46	240,581.25
FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023	3137EAFA2	250,000.00	AA+	Aaa	12/2/2020	12/4/2020	249,752.50	0.28	46.88	249,882.24	240,420.00

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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											
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	249,307.94	232,844.00
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	249,710.31	233,291.00
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	541.67	324,009.73	299,463.13
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	360.94	274,187.86	252,755.53
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	140.16	114,779.80	105,594.50
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	280.73	274,464.50	252,392.25
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	206.25	274,337.72	252,417.55
Security Type Sub-Total		4,315,000.00					4,305,541.84	0.38	3,591.90	4,309,688.89	4,096,831.66
Corporate											
PNC BANK NA CORP NOTES (CALLABLE) 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	250,542.44	249,935.50
CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024	808513BN4	85,000.00	A	A2	3/16/2021	3/18/2021	84,957.50	0.77	182.40	84,975.73	81,533.79
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	250,000.00	A-	A1	7/19/2019	7/23/2019	264,322.50	2.59	1,668.40	255,492.21	250,661.25
AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024	023135BW5	230,000.00	AA	A1	5/10/2021	5/12/2021	229,664.20	0.50	140.88	229,791.35	218,652.72
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	249,501.67	244,489.50
GOLDMAN SACHS GROUP INC (CALLABLE) BONDS DTD 07/08/2014 3.850% 07/08/2024	38141EC23	250,000.00	BBB+	A2	7/8/2019	7/11/2019	261,645.00	2.84	4,625.35	254,347.56	250,339.75

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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											
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	250,169.29	243,668.75
PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/09/2021 0.500% 08/09/2024	69371RR40	105,000.00	A+	A1	8/3/2021	8/9/2021	104,943.30	0.52	207.08	104,960.17	98,785.16
WALT DISNEY COMPANY/THE (CALLABLE) 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	249,556.69	240,945.00
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 09/10/2021 0.625% 09/10/2024	24422EVU0	80,000.00	A	A2	9/7/2021	9/10/2021	79,948.00	0.65	154.17	79,961.95	75,499.84
JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 01/10/2022 1.250% 01/10/2025	24422EVY2	70,000.00	A	A2	1/4/2022	1/10/2022	69,967.10	1.27	415.63	69,972.26	66,284.26
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	125,678.63	119,158.63
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	50,271.45	47,663.45
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	25,193.38	23,831.72
AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	125,000.00	AA	A1	4/11/2022	4/13/2022	124,801.25	3.06	812.50	124,815.58	123,914.25
HOME DEPOT INC (CALLABLE) CORPORATE NOTE DTD 03/28/2022 2.700% 04/15/2025	437076CM2	20,000.00	A	A2	3/24/2022	3/28/2022	19,965.00	2.76	139.50	19,967.98	19,574.18
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025	06051GJR1	200,000.00	A-	A2	4/16/2021	4/22/2021	200,000.00	0.98	374.13	200,000.00	188,054.80
CITIGROUP INC (CALLABLE) CORPORATE NOTES DTD 05/04/2021 0.981% 05/01/2025	172967MX6	95,000.00	BBB+	A3	4/27/2021	5/4/2021	95,000.00	0.98	155.33	95,000.00	88,974.53

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Corporate											
CINTAS CORPORATION NO. 2 CORP NOTE (CALL DTD 05/03/2022 3.450% 05/01/2025	17252MAP5	60,000.00	A-	A3	4/26/2022	5/3/2022	59,986.80	3.46	333.50	59,987.51	60,086.28
APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025	037833DT4	450,000.00	AA+	Aaa	5/11/2020	5/13/2020	450,904.50	1.08	703.13	450,511.74	422,718.30
JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025	46647PCH7	250,000.00	A-	A2	5/24/2021	6/1/2021	250,000.00	0.82	171.67	250,000.00	233,850.50
NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025	63254ABD9	250,000.00	AA-	Aa3	5/31/2022	6/9/2022	250,000.00	3.50	534.72	250,000.00	247,666.50
NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025	63743HFE7	45,000.00	A-	A2	4/27/2022	5/4/2022	44,987.85	3.46	245.81	44,988.47	44,744.00
JPMORGAN CHASE & CO CORPORATE NOTES DTD 08/10/2021 0.768% 08/09/2025	46647PCM6	95,000.00	A-	A2	8/3/2021	8/10/2021	95,000.00	0.77	287.79	95,000.00	88,229.45
CITIGROUP INC CORP NOTE (CALLABLE) DTD 11/03/2021 1.281% 11/03/2025	172967ND9	60,000.00	BBB+	A3	10/27/202	11/3/2021	60,000.00	1.28	123.83	60,000.00	55,623.66
UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026	91324PEC2	200,000.00	A+	A3	5/17/2021	5/19/2021	199,652.00	1.19	293.89	199,729.93	181,748.20
BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026	06051GJD2	200,000.00	A-	A2	7/23/2021	7/27/2021	200,918.00	1.22	87.93	200,699.31	181,547.40
AMERICAN EXPRESS CO (CALLABLE) CORPORATE DTD 11/04/2021 1.650% 11/04/2026	025816CM9	200,000.00	BBB+	A2	11/19/2021	11/23/2021	199,696.00	1.68	522.50	199,733.01	181,306.00
JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026	46647PBT2	150,000.00	A-	A2	11/24/2021	11/29/2021	145,593.00	1.66	182.88	146,112.33	133,304.85
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 01/10/2022 1.700% 01/08/2027	14913R2U0	200,000.00	A	A2	1/11/2022	1/13/2022	198,990.00	1.81	1,615.00	199,083.73	183,148.20

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Corporate											
TARGET CORP CORPORATE NOTES DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	35,000.00	A	A2	1/19/2022	1/24/2022	34,940.50	1.99	297.65	34,945.67	32,405.70
BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	375,000.00	A	A1	1/26/2022	1/28/2022	374,167.50	2.10	3,309.90	374,237.79	344,162.63
BERKSHIRE HATHAWAY CORP NOTES (CALLABLE) DTD 03/15/2022 2.300% 03/15/2027	084664CZ2	375,000.00	AA	Aa2	3/15/2022	3/17/2022	367,965.00	2.70	2,539.58	368,373.83	354,376.50
Security Type Sub-Total		5,655,000.00					5,670,007.75	1.91	29,486.76	5,653,601.66	5,376,885.25
Agency CMBS											
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	17,845.42	AA+	Aaa	4/4/2018	4/9/2018	17,997.38	2.88	45.95	17,848.41	17,814.71
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	3,519.51	AA+	Aaa	12/7/2018	12/17/201	3,519.50	3.20	9.39	3,519.51	3,497.79
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	5,866.48	AA+	Aaa	11/20/2019	11/26/2019	5,866.33	2.09	10.23	5,866.41	5,852.14
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	179,475.75	174,207.12
Security Type Sub-Total		202,231.41					211,051.18	2.06	512.11	206,710.08	201,371.76
ABS											
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	68,117.55	AAA	Aaa	1/21/2020	1/29/2020	68,109.57	1.85	38.51	68,113.88	67,931.55
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	499,945.90	499,910.90
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	96,038.81	AAA	NR	9/22/2020	9/29/2020	96,024.71	0.37	12.83	96,030.81	94,338.13
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	64,994.83	64,321.71
BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024	09661RAD3	49,466.22	AAA	NR	7/8/2020	7/15/2020	49,462.48	0.48	3.96	49,464.19	48,817.10

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ABS											
BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	230,000.00	NR	Aaa	9/8/2021	9/15/2021	229,991.31	0.43	16.48	229,993.35	218,377.48
CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025	14315FAD9	87,612.18	AAA	NR	7/14/2020	7/22/2020	87,597.17	0.62	24.14	87,603.43	86,393.77
GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025	362590AC5	110,883.18	NR	Aaa	8/11/2020	8/19/2020	110,857.82	0.46	20.79	110,867.97	109,061.47
GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	30,000.00	AAA	NR	5/18/2021	5/26/2021	29,997.47	0.41	3.76	29,998.17	28,819.31
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	149,979.53	146,454.47
GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	60,000.00	AAA	NR	8/10/2021	8/18/2021	59,997.83	0.50	9.17	59,998.31	57,012.43
CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	85,000.00	AAA	NR	10/14/202	10/21/202	84,981.29	0.50	18.89	84,987.86	83,180.49
HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	60,000.00	AAA	NR	4/20/2021	4/28/2021	59,993.69	0.38	10.13	59,995.38	58,111.31
TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	275,000.00	AAA	NR	6/8/2021	6/14/2021	274,970.38	0.26	31.78	274,977.38	264,643.94
HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025	43815EAC8	120,000.00	AAA	NR	8/17/2021	8/25/2021	119,998.25	0.41	17.77	119,998.60	114,865.06
HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026	44934KAC8	170,000.00	AAA	NR	7/20/2021	7/28/2021	169,962.48	0.39	28.71	169,970.25	163,327.64
CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	90,000.00	AAA	NR	4/13/2021	4/21/2021	89,980.61	0.52	20.80	89,985.41	87,368.90
CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	170,000.00	AAA	Aaa	7/21/2021	7/28/2021	169,972.04	0.55	41.56	169,977.34	163,351.64
MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026	58772WAC7	130,000.00	AAA	Aaa	9/15/2021	9/22/2021	129,983.00	0.46	26.58	129,985.78	124,340.19
GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	105,000.00	AAA	NR	7/13/2021	7/21/2021	104,993.51	0.48	21.00	104,994.76	100,777.52
COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	255,000.00	AAA	NR	7/15/2021	7/22/2021	254,989.67	0.55	62.33	254,991.62	240,577.30
DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	155,000.00	AAA	Aaa	9/20/2021	9/27/2021	154,966.81	0.58	39.96	154,971.88	145,189.49

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Portfolio Holdings

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
ABS											
COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	80,000.00	AAA	Aaa	10/19/202	10/27/202	79,998.49	0.77	27.38	79,998.70	75,734.38
GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	65,000.00	AAA	Aaa	10/13/202	10/21/202	64,998.34	0.68	18.42	64,998.57	61,750.22
Security Type Sub-Total		3,207,117.94					3,206,660.90	0.70	907.93	3,206,823.90	3,104,656.40
Managed Account Sub Total		25,474,349.35					25,476,408.29	1.20	52,524.85	25,432,987.08	24,415,741.92
Securities Sub Total		\$26,228,112.00					\$26,230,170.94	1.20%	\$52,524.85	\$26,186,749.73	\$25,169,504.57
Accrued Interest											\$52,524.85
Total Investments											\$25,222,029.42

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
BUY									
4/11/2022	4/13/2022	125,000.00	023135CE4	AMAZON.COM INC CORPORATE NOTES	3.00%	4/13/2025	124,801.25	3.06%	
4/26/2022	5/3/2022	60,000.00	17252MAP5	CINTAS CORPORATION NO. 2 CORP NOTE (CALL	3.45%	5/1/2025	59,986.80	3.46%	
4/27/2022	5/4/2022	45,000.00	63743HFE7	NATIONAL RURAL UTIL COOP CORPORATE NOTES	3.45%	6/15/2025	44,987.85	3.46%	
5/3/2022	5/5/2022	300,000.00	91282CCP4	US TREASURY N/B NOTES	0.62%	7/31/2026	271,986.88	3.03%	
5/31/2022	6/9/2022	250,000.00	63254ABD9	NATIONAL AUSTRALIA BK/NY CORPORATE NOTES	3.50%	6/9/2025	250,000.00	3.50%	
6/2/2022	6/6/2022	350,000.00	91282CCP4	US TREASURY N/B NOTES	0.62%	7/31/2026	319,275.07	2.94%	
Total BUY		1,130,000.00					1,071,037.85		0.00
INTEREST									
4/1/2022	4/25/2022	3,547.99	3137FKK39	FHMS KP05 A	3.20%	7/1/2023	9.47		
4/1/2022	4/25/2022	175,000.00	3137BGK24	FHMS K043 A2	3.06%	12/1/2024	446.54		
4/1/2022	4/25/2022	95,023.47	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/2022	244.69		
4/1/2022	4/25/2022	18,768.40	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/2024	32.72		
4/14/2022	4/14/2022	250,000.00	3130AJHU6	FEDERAL HOME LOAN BANK NOTES	0.50%	4/14/2025	625.00		
4/15/2022	4/15/2022	350,000.00	91282CBV2	US TREASURY N/B NOTES	0.37%	4/15/2024	656.25		
4/15/2022	4/15/2022	80,000.00	14044CAC6	COPAR 2021-1 A3	0.77%	9/15/2026	51.33		
4/15/2022	4/15/2022	170,000.00	44934KAC8	HART 2021-B A3	0.38%	1/15/2026	53.83		
4/15/2022	4/15/2022	155,000.00	254683CP8	DCENT 2021-A1 A1	0.58%	9/15/2026	74.92		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
4/15/2022	4/15/2022	255,000.00	14041NFW6	COMET 2021-A1 A1	0.55%	7/15/2026	116.87		
4/15/2022	4/15/2022	85,000.00	14316HAC6	CARMX 2020-4 A3	0.50%	8/15/2025	35.42		
4/15/2022	4/15/2022	500,000.00	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/2024	716.67		
4/15/2022	4/15/2022	60,000.00	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	19.00		
4/15/2022	4/15/2022	275,000.00	89190GAC1	TAOT 2021-B A3	0.26%	11/17/2025	59.58		
4/15/2022	4/15/2022	16,877.54	65478NAD7	NAROT 2018-C A3	3.22%	6/15/2023	45.29		
4/15/2022	4/15/2022	130,000.00	58772WAC7	MBART 2021-1 A3	0.46%	6/15/2026	49.83		
4/15/2022	4/15/2022	170,000.00	14317DAC4	CARMX 2021-3 A3	0.55%	6/15/2026	77.92		
4/15/2022	4/15/2022	111,339.08	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/2025	57.53		
4/15/2022	4/15/2022	90,000.00	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	39.00		
4/16/2022	4/16/2022	65,000.00	362554AC1	GMCAR 2021-4 A3	0.68%	9/16/2026	36.83		
4/16/2022	4/16/2022	136,590.41	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/2025	51.22		
4/16/2022	4/16/2022	105,000.00	380140AC7	GMCAR 2021-3 A3	0.48%	6/16/2026	42.00		
4/16/2022	4/16/2022	250,000.00	3137EAAY1	FREDDIE MAC NOTES	0.12%	10/16/2023	156.25		
4/18/2022	4/18/2022	120,000.00	43815EAC8	HAROT 2021-3 A3	0.41%	11/18/2025	41.00		
4/18/2022	4/18/2022	115,000.00	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/2024	35.46		
4/20/2022	4/20/2022	150,000.00	92868VAD1	VWALT 2020-A A4	0.45%	7/21/2025	56.25		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
4/20/2022	4/20/2022	30,000.00	380144AD7	GMALT 2021-2 A4	0.41%	5/20/2025	10.25		
4/20/2022	4/20/2022	100,193.57	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/2024	154.47		
4/20/2022	4/20/2022	65,000.00	362569AD7	GMALT 2020-3 A4	0.51%	10/21/2024	27.63		
4/20/2022	4/20/2022	60,000.00	36262XAD6	GMALT 2021-3 A4	0.50%	7/21/2025	25.00		
4/22/2022	4/22/2022	250,000.00	3135G03U5	FANNIE MAE NOTES	0.62%	4/22/2025	781.25		
4/22/2022	4/22/2022	200,000.00	06051GJR1	BANK OF AMERICA CORP NOTES (CALLABLE)	0.97%	4/22/2025	976.00		
4/25/2022	4/25/2022	230,000.00	09690AAD5	BMWLT 2021-2 A4	0.43%	1/27/2025	82.42		
4/25/2022	4/25/2022	65,084.39	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/2024	26.03		
4/29/2022	4/29/2022	250,000.00	61746BDQ6	MORGAN STANLEY CORP NOTES	3.87%	4/29/2024	4,843.75		
4/30/2022	4/30/2022	445,000.00	91282CBW0	US TREASURY N/B NOTES	0.75%	4/30/2026	1,668.75		
4/30/2022	4/30/2022	775,000.00	912828T91	US TREASURY NOTES	1.62%	10/31/2023	6,296.88		
5/1/2022	5/25/2022	3,538.75	3137FKK39	FHMS KP05 A	3.20%	7/1/2023	9.45		
5/1/2022	5/1/2022	65,000.00	13077DQD7	CA ST UNIV TXBL REV BONDS	0.86%	11/1/2025	280.15		
5/1/2022	5/25/2022	18,694.69	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/2024	41.60		
5/1/2022	5/25/2022	60,381.89	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/2022	155.48		
5/1/2022	5/1/2022	95,000.00	172967MX6	CITIGROUP INC (CALLABLE) CORPORATE NOTES	0.98%	5/1/2025	465.98		
5/1/2022	5/25/2022	175,000.00	3137BGK24	FHMS K043 A2	3.06%	12/1/2024	446.54		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
5/3/2022	5/3/2022	60,000.00	172967ND9	CITIGROUP INC CORP NOTE (CALLABLE)	1.28%	11/3/2025	384.30		
5/4/2022	5/4/2022	200,000.00	025816CM9	AMERICAN EXPRESS CO (CALLABLE) CORPORATE	1.65%	11/4/2026	1,650.00		
5/5/2022	5/5/2022	250,000.00	3137EAER6	FREDDIE MAC NOTES	0.37%	5/5/2023	468.75		
5/6/2022	5/6/2022	275,000.00	3137EAEZ8	FREDDIE MAC NOTES	0.25%	11/6/2023	343.75		
5/7/2022	5/7/2022	275,000.00	3135G06G3	FANNIE MAE NOTES	0.50%	11/7/2025	687.50		
5/11/2022	5/11/2022	450,000.00	037833DT4	APPLE INC (CALLABLE) CORP NOTES	1.12%	5/11/2025	2,531.25		
5/12/2022	5/12/2022	230,000.00	023135BW5	AMAZON.COM INC CORPORATE NOTES	0.45%	5/12/2024	517.50		
5/15/2022	5/15/2022	102,479.25	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/2025	52.95		
5/15/2022	5/15/2022	170,000.00	14317DAC4	CARMX 2021-3 A3	0.55%	6/15/2026	77.92		
5/15/2022	5/15/2022	80,000.00	14044CAC6	COPAR 2021-1 A3	0.77%	9/15/2026	51.33		
5/15/2022	5/15/2022	90,000.00	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	39.00		
5/15/2022	5/15/2022	200,000.00	91324PEC2	UNITEDHEALTH GROUP INC (CALLABLE) CORPOR	1.15%	5/15/2026	1,150.00		
5/15/2022	5/15/2022	500,000.00	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/2024	716.67		
5/15/2022	5/15/2022	60,000.00	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	19.00		
5/15/2022	5/15/2022	155,000.00	254683CP8	DCENT 2021-A1 A1	0.58%	9/15/2026	74.92		
5/15/2022	5/15/2022	170,000.00	44934KAC8	HART 2021-B A3	0.38%	1/15/2026	53.83		
5/15/2022	5/15/2022	70,000.00	91412HGE7	UNIV OF CAL TXBL REV BONDS	0.88%	5/15/2025	309.05		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
5/15/2022	5/15/2022	255,000.00	14041NFW6	COMET 2021-A1 A1	0.55%	7/15/2026	116.87		
5/15/2022	5/15/2022	130,000.00	58772WAC7	MBART 2021-1 A3	0.46%	6/15/2026	49.83		
5/15/2022	5/15/2022	85,000.00	14316HAC6	CARMX 2020-4 A3	0.50%	8/15/2025	35.42		
5/15/2022	5/15/2022	7,903.45	65478NAD7	NAROT 2018-C A3	3.22%	6/15/2023	21.21		
5/15/2022	5/15/2022	275,000.00	89190GAC1	TAOT 2021-B A3	0.26%	11/17/2025	59.58		
5/16/2022	5/16/2022	126,990.50	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/2025	47.62		
5/16/2022	5/16/2022	65,000.00	362554AC1	GMCAR 2021-4 A3	0.68%	9/16/2026	36.83		
5/16/2022	5/16/2022	105,000.00	380140AC7	GMCAR 2021-3 A3	0.48%	6/16/2026	42.00		
5/18/2022	5/18/2022	110,791.98	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/2024	34.16		
5/18/2022	5/18/2022	120,000.00	43815EAC8	HAROT 2021-3 A3	0.41%	11/18/2025	41.00		
5/19/2022	5/19/2022	150,000.00	46647PBT2	JPMORGAN CHASE & CO NOTES (CALLABLE)	1.04%	11/19/2026	783.75		
5/20/2022	5/20/2022	87,238.00	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/2024	134.49		
5/20/2022	5/20/2022	60,000.00	36262XAD6	GMALT 2021-3 A4	0.50%	7/21/2025	25.00		
5/20/2022	5/20/2022	150,000.00	92868VAD1	VWALT 2020-A A4	0.45%	7/21/2025	56.25		
5/20/2022	5/20/2022	65,000.00	362569AD7	GMALT 2020-3 A4	0.51%	10/21/2024	27.63		
5/20/2022	5/20/2022	30,000.00	380144AD7	GMALT 2021-2 A4	0.41%	5/20/2025	10.25		
5/24/2022	5/24/2022	400,000.00	459058JM6	INTL BK RECON & DEVELOP NOTES	0.25%	11/24/2023	500.00		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
5/24/2022	5/24/2022	775,000.00	4581X0DM7	INTER-AMERICAN DEVEL BK NOTES	0.50%	5/24/2023	1,937.50		
5/25/2022	5/25/2022	230,000.00	09690AAD5	BMWLT 2021-2 A4	0.43%	1/27/2025	82.42		
5/25/2022	5/25/2022	59,344.98	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/2024	23.74		
5/27/2022	5/27/2022	250,000.00	3135G06H1	FANNIE MAE NOTES	0.25%	11/27/2023	312.50		
5/31/2022	5/31/2022	100,000.00	912828R69	US TREASURY NOTES	1.62%	5/31/2023	812.50		
6/1/2022	6/25/2022	16,107.57	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/2024	28.08		
6/1/2022	6/25/2022	175,000.00	3137BGK24	FHMS K043 A2	3.06%	12/1/2024	446.54		
6/1/2022	6/25/2022	3,528.85	3137FKK39	FHMS KP05 A	3.20%	7/1/2023	9.42		
6/1/2022	6/25/2022	51,716.86	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/2022	133.17		
6/1/2022	6/1/2022	250,000.00	46647PCH7	JPMORGAN CHASE & CO (CALLABLE) CORP NOTE	0.82%	6/1/2025	1,030.00		
6/2/2022	6/2/2022	250,000.00	23341VZT1	DNB BANK ASA/NY LT CD	2.04%	12/2/2022	2,578.33		
6/4/2022	6/4/2022	250,000.00	3137EAFA2	FREDDIE MAC NOTES	0.25%	12/4/2023	312.50		
6/15/2022	6/15/2022	60,000.00	44933LAC7	HART 2021-A A3	0.38%	9/15/2025	19.00		
6/15/2022	6/15/2022	170,000.00	44934KAC8	HART 2021-B A3	0.38%	1/15/2026	53.83		
6/15/2022	6/15/2022	500,000.00	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/2024	716.67		
6/15/2022	6/15/2022	80,000.00	14044CAC6	COPAR 2021-1 A3	0.77%	9/15/2026	51.33		
6/15/2022	6/15/2022	130,000.00	58772WAC7	MBART 2021-1 A3	0.46%	6/15/2026	49.83		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
6/15/2022	6/15/2022	90,000.00	14314QAC8	CARMX 2021-2 A3	0.52%	2/17/2026	39.00		
6/15/2022	6/15/2022	255,000.00	14041NFW6	COMET 2021-A1 A1	0.55%	7/15/2026	116.87		
6/15/2022	6/15/2022	94,856.40	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/2025	49.01		
6/15/2022	6/15/2022	155,000.00	254683CP8	DCENT 2021-A1 A1	0.58%	9/15/2026	74.92		
6/15/2022	6/15/2022	33.88	65478NAD7	NAROT 2018-C A3	3.22%	6/15/2023	0.09		
6/15/2022	6/15/2022	85,000.00	14316HAC6	CARMX 2020-4 A3	0.50%	8/15/2025	35.42		
6/15/2022	6/15/2022	170,000.00	14317DAC4	CARMX 2021-3 A3	0.55%	6/15/2026	77.92		
6/15/2022	6/15/2022	275,000.00	89190GAC1	TAOT 2021-B A3	0.26%	11/17/2025	59.58		
6/16/2022	6/16/2022	105,000.00	380140AC7	GMCAR 2021-3 A3	0.48%	6/16/2026	42.00		
6/16/2022	6/16/2022	118,700.95	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/2025	44.51		
6/16/2022	6/16/2022	65,000.00	362554AC1	GMCAR 2021-4 A3	0.68%	9/16/2026	36.83		
6/18/2022	6/18/2022	103,159.91	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/2024	31.81		
6/18/2022	6/18/2022	120,000.00	43815EAC8	HAROT 2021-3 A3	0.41%	11/18/2025	41.00		
6/19/2022	6/19/2022	200,000.00	06051GJD2	BANK OF AMERICA CORP NOTES (CALLABLE)	1.31%	6/19/2026	1,319.00		
6/20/2022	6/20/2022	30,000.00	380144AD7	GMALT 2021-2 A4	0.41%	5/20/2025	10.25		
6/20/2022	6/20/2022	150,000.00	92868VAD1	VWALT 2020-A A4	0.45%	7/21/2025	56.25		
6/20/2022	6/20/2022	65,000.00	362569AD7	GMALT 2020-3 A4	0.51%	10/21/2024	27.63		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
INTEREST									
6/20/2022	6/20/2022	77,586.51	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/2024	119.61		
6/20/2022	6/20/2022	60,000.00	36262XAD6	GMALT 2021-3 A4	0.50%	7/21/2025	25.00		
6/25/2022	6/25/2022	54,295.48	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/2024	21.72		
6/25/2022	6/25/2022	230,000.00	09690AAD5	BMWLT 2021-2 A4	0.43%	1/27/2025	82.42		
6/27/2022	6/27/2022	250,000.00	02665WCZ2	AMERICAN HONDA FINANCE CORP NOTE	2.40%	6/27/2024	3,000.00		
6/30/2022	6/30/2022	3,450,000.00	912828XX3	US TREASURY NOTES	2.00%	6/30/2024	34,500.00		
6/30/2022	6/30/2022	675,000.00	91282CBC4	US TREASURY NOTES	0.37%	12/31/2025	1,265.63		
6/30/2022	6/30/2022	500,000.00	912828YY0	US TREASURY NOTES	1.75%	12/31/2024	4,375.00		
6/30/2022	6/30/2022	750,000.00	912828ZW3	US TREASURY NOTES	0.25%	6/30/2025	937.50		
Total INTEREST		23,859,774.75					86,258.44		0.00
MATURITY									
4/30/2022	4/30/2022	600,000.00	912828X47	US TREASURY NOTES	1.87%	4/30/2022	605,625.00		
4/30/2022	4/30/2022	525,000.00	912828X47	US TREASURY NOTES	1.87%	4/30/2022	529,921.88		
4/30/2022	4/30/2022	150,000.00	912828X47	US TREASURY NOTES	1.87%	4/30/2022	151,406.25		
Total MATURITY		1,275,000.00					1,286,953.13		0.00
PAYDOWNS									
4/1/2022	4/25/2022	34,641.58	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/2022	34,641.58		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
4/1/2022	4/25/2022	9.24	3137FKK39	FHMS KP05 A	3.20%	7/1/2023	9.24		
4/1/2022	4/25/2022	73.71	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/2024	73.71		
4/15/2022	4/15/2022	8,974.09	65478NAD7	NAROT 2018-C A3	3.22%	6/15/2023	8,974.09		
4/15/2022	4/15/2022	8,859.83	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/2025	8,859.83		
4/16/2022	4/16/2022	9,599.91	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/2025	9,599.91		
4/18/2022	4/18/2022	4,208.02	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/2024	4,208.02		
4/20/2022	4/20/2022	12,955.57	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/2024	12,955.57		
4/25/2022	4/25/2022	5,739.41	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/2024	5,739.41		
5/1/2022	5/25/2022	2,587.12	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/2024	2,587.12		
5/1/2022	5/25/2022	8,665.03	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/2022	8,665.03		
5/1/2022	5/25/2022	9.90	3137FKK39	FHMS KP05 A	3.20%	7/1/2023	9.90		
5/15/2022	5/15/2022	7,622.85	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/2025	7,622.85		
5/15/2022	5/15/2022	7,869.57	65478NAD7	NAROT 2018-C A3	3.22%	6/15/2023	7,869.57		
5/16/2022	5/16/2022	8,289.55	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/2025	8,289.55		
5/18/2022	5/18/2022	7,632.07	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/2024	7,632.07		
5/20/2022	5/20/2022	9,651.49	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/2024	9,651.49		
5/25/2022	5/25/2022	5,049.50	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/2024	5,049.50		

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
PAYDOWNS									
6/1/2022	6/25/2022	33,871.44	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/2022	33,871.44		
6/1/2022	6/25/2022	9.34	3137FKK39	FHMS KP05 A	3.20%	7/1/2023	9.34		
6/1/2022	6/25/2022	10,241.09	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/2024	10,241.09		
6/15/2022	6/15/2022	33.88	65478NAD7	NAROT 2018-C A3	3.22%	6/15/2023	33.88		
6/15/2022	6/15/2022	7,244.22	14315FAD9	CARMX 2020-3 A3	0.62%	3/17/2025	7,244.22		
6/16/2022	6/16/2022	7,817.77	362590AC5	GMCAR 2020-3 A3	0.45%	4/16/2025	7,817.77		
6/18/2022	6/18/2022	7,121.10	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/2024	7,121.10		
6/20/2022	6/20/2022	9,468.96	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/2024	9,468.96		
6/25/2022	6/25/2022	4,829.26	09661RAD3	BMWOT 2020-A A3	0.48%	10/25/2024	4,829.26		
Total PAYDOWNS		223,075.50					223,075.50		0.00
SELL									
4/11/2022	4/13/2022	125,000.00	912828X47	US TREASURY NOTES	1.87%	4/30/2022	126,164.35		119.65
Total SELL		125,000.00					126,164.35		119.65

Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- 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.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **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 Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **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.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- 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.

EXCESS LIABILITY POLICY DECLARATIONS



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

COMPANY SYMBOL N	POLICY PREFIX & NUMBER HS700008	RENEWAL OF NHS694333
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●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 SEDGWICK
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 7/1/2022 TO 7/1/2023 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: \$ 370,546.00

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

Insurer	Policy Number	Limits	Premium
Employment Risk Management Authority	ERMA 2022-1EPL	\$1,000,000	\$8,447,075.00

ITEM 8. UNDERLYING INSURANCE

(A) Primary Policy:

Insurer	Policy Number	Limits	Premium
Employment Risk Management Authority	ERMA 2022-1EPL	\$1,000,000	\$8,447,075.00

(B) Underlying Excess Policy(ies):

Insurer	Policy Number	Limits	Premium
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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: _____

August 10, 2022
DATE


AUTHORIZED REPRESENTATIVE



POLICY NUMBER: NHS700008

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 0121
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.: NHS700008 **Effective:** 7/1/2022

RSG 204081 0118

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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>	
<small>*Information required to complete this Schedule, if not shown above, will be shown in the Declarations Page.</small>	

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. The federal share equals 80% of that portion of the amount of such insured 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 the Treasury.

Policy No.: NHS700008

Effective: 7/1/2022

RSG 204123 0121

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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 Exeter (added effective 7/1/2021)
 City of Fowler
 City of Gustine
 City of Hughson
 City of Huron
 City of Kerman
 City of Kingsburg
 City of Lathrop
 City of Lindsay (added effective 7/1/2021)
 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 Tracy (added effective 7/1/2022)
 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)

RSG 234031 0210

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 (CalTIP)

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

PLAN JPA

City of American Canyon
Town Of Atherton
Town of Woodside

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); July 1, 2020 Plan JPA; July 1, 2021 for City of Exeter & City of Lindsay ; July 1, 2022 for City of Tracy .

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); July 1, 2020 Plan JPA; for City of Exeter & City of Lindsay; July 1, 2022 for City of Tracy, 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); July 1, 2020 Plan JPA; July 1, 2021 for City of Exeter & City of Lindsay; July 1, 2022 for City of Tracy, 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, 2021.

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 cursive script, appearing to read "Daniel T. Anderson".

Secretary

A handwritten signature in cursive script, appearing to read "Andrew J. Whittington".

President



Sacramento-Alliant Insurance Services, Inc.
Alliant Insurance Services, Inc. – 8377
PO Box 8377
Pasadena, CA 91109-8377
Phone: (916) 643-2700 Fax: (916) 643-2750

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

Invoice #	1998955	Page	1 of 1
ACCOUNT NUMBER	DATE		
EMPLRIS-01	6/23/2022		
BALANCE DUE ON	AGENCY CODE		
7/14/2022	200		
AMOUNT PAID	AMOUNT DUE		
	\$363,135.08		

Client:	Employment Risk Management Authority (Policy:	Employment Practices Liability
Policy Number:	NHS700008	Effective:	7/1/2022 to 7/1/2023
Insurance Carrier:	RSUI Indemnity Company		

Item #	Trans Eff Date	Due Date	Trans	Description	Amount
8160416	7/1/2022	7/14/2022	RENB	22-23 Excess EPL Renewal	\$370,546.00
8160424	7/1/2022	7/14/2022	REBT	Rebate 2% commission	(\$7,410.92)
Total Invoice Balance:					\$363,135.08

PLEASE MAIL A COPY OF THIS INVOICE WITH PAYMENT

REMITTANCE ADDRESS

Alliant Insurance Services, Inc. – 8377
PO Box 8377
Pasadena, CA 91109-8377

OVERNIGHT/COURIER ADDRESS

Alliant Insurance Services, Inc. – Lockbox #8377
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 (NRRA) 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 due 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.



ASCOT APEX™

EXCESS FOLLOW FORM INSURANCE POLICY DECLARATIONS

Item 1.

Named Insured and Address	Insurer
Employment Risk Management Authority (ERMA) c/o Sedgwick 1750 Creekside Oaks, Drive, Suite 200 Sacramento, CA 95833	Ascot Specialty Insurance Company (Non-Admitted)
Policy Number	Producer
MLXS2210001004-01	Amwins - Los Angeles (S Flower)

Item 2.

Policy Period: From: 7/1/2022 To: 7/1/2023
12:01 a.m. local time at the address shown in Item 1.

Item 3.

Aggregate Limit of Liability: \$1,000,000 excess of \$3,000,000 for all **Loss** combined, including **Defense Costs**

Item 4.

Underlying Policies:

Followed Policy Insurer	Followed Policy Number	Followed Policy Limit	Retention/Attachment
RSUI Indemnity Company	NHS700008	\$2,000,000	\$1,000,000

Underlying Policy Insurer(s)	Underlying Policy Number(s)	Underlying Limits	Retention/Attachment
Employment Risk Management Authority	ERMA 2022-1EPL	\$1,000,000	\$100,000
RSUI Indemnity Company	NHS700008	\$2,000,000	\$1,000,000

Item 5.

Policy Premium: \$150,000
TRIA Premium: \$0

Item 6.

Endorsement(s) Effective at Inception: See Schedule of Endorsement(s)

Item 7.

Notice to Insurer:


- (a) Notice of **Claim** or Potential **Claim**
Attention: Claims Department
Email: USclaims@ascotgroup.com

- (b) All Other Notices
Ascot Specialty Insurance Company
55 W. 46th Street, 26th Floor
New York, NY 10036
T: +1 (833) 454-3023

California Premium: \$150,000.00
Non-Taxable Fees: _____
Taxable Fees: _____
Surplus Lines Tax: \$4,500.00
Stamping Fee: \$375.00

Item 8. **Pending or Prior Claim / Litigation Date:** 7/1/2022

In witness whereof, the Insurer has caused this Policy to be signed by its authorized officers, but it shall not be valid unless also signed by the duly authorized representative of the Insurer.



Jeff A. Sipos
Corporate Secretary

DATED: 8/30/2022



Matthew Kramer
Chief Executive Officer

COUNTERSIGNED AT: New York, NY

EXCESS FOLLOW FORM INSURANCE POLICY

In consideration of the payment of premium and in reliance on all statements made and information contained in the **Application** or provided to the Insurer in connection with underwriting this Policy, and subject to all of the terms, conditions and exclusions of this Policy, the Insurer and the **Insureds** agree as follows:

I. INSURING AGREEMENT

Except as otherwise stated in this Policy, the Insurer shall provide the **Insureds** with insurance in accordance with the terms, conditions and exclusions set forth in the **Followed Policy**. Liability shall attach to the Insurer only after the insurers of the **Underlying Policies**, the **Insureds**, an excess difference-in-conditions ("DIC") insurer or any other source pay in legal currency loss covered under the respective **Underlying Policy** equal to the full amount of the **Underlying Limit**. The Insurer's maximum aggregate liability for all **Loss** covered under this Policy shall be the Aggregate Limit of Liability as stated in Item 3. of the Declarations.

II. CONDITIONS

- A. If any **Underlying Policy** contains a specific grant of coverage that is subject to a sublimit of liability, then coverage under this Policy shall not apply to any **Loss** which is otherwise subject to such grant of coverage. However, any such **Loss** paid under the **Underlying Policies** shall reduce or exhaust the **Underlying Limit** for purposes of this Policy.
- B. If during the **Policy Period** or any Extended Reporting Period the **Followed Policy** is changed to broaden or expand coverage, such change shall not apply to this Policy unless the Insurer agrees in writing to such broader or expanded coverage and the **Insureds** pay any additional premium required by the Insurer. If any **Underlying Policy** terminates during the **Policy Period** or any Extended Reporting Period, or becomes uncollectable, the Insurer shall not be liable under this Policy to a greater extent than it would have been had such **Underlying Policies** been maintained and were collectable.
- C. Notice to the Insurer shall be given at the respective address shown in Item 7. of the Declarations. Any notice to the insurer of an **Underlying Policy** shall not constitute notice to the Insurer unless also given to the Insurer as provided above.
- D. The Insurer may, at its sole discretion, fully and effectively associate with the **Insureds** in the investigation, defense or settlement of any **Claim** or potential **Claim** reported to the Insurer under this Policy even if the **Underlying Limit** has not been exhausted. No action by any other insurer shall bind the Insurer under this Policy.
- E. The additional premium for any elected Extended Reporting Period shall be the same percentage of this Policy's annual premium as the percentage stated in the **Followed Policy** for calculating the Extended Reporting Period premium unless otherwise endorsed by this Policy.

III. DEFINITIONS

- A. **Application, Claim and Loss** shall have the same meaning as set forth in the **Followed Policy**.
- B. **Followed Policy** and **Underlying Policies** means the policies designated as such in the Declarations.
- C. **Insureds** means the entities and natural persons insured under the **Followed Policy**.
- D. **Policy Period** means the period of time designated in Item 2. of the Declarations, subject to any earlier cancellation date.
- E. **Underlying Limit** means an amount equal to the total limits of liability of all **Underlying Policies**, as set forth in the Declarations, plus any applicable retention or deductible under the **Underlying Policies**.



SCHEDULE OF FORMS /ENDORSEMENTS

Named Insured	Policy Number	Effective Date	Endorsement No.
Employment Risk Management Authority (ERMA)	MLXS2210001004-01	7/1/2022	1

Schedule of Forms		
Endorsement No.	Form Name	Form Number
	Excess Follow Form Declarations Page	EXE-D001-1219-00
	Excess Follow Form Insurance Policy	EXE-P001-1219-00
1	Schedule of Forms / Endorsements	EXE-E001-1219-00
2	Economic Sanctions Endorsement	EXE-C001-1219-00
3	Service of Suit ASIC	EXE-C010-1219-00
4	Prior Acts Exclusion	EXE-E049-1219-00
5	Declarations Amendment	EXE-E015-1219-00
6	Non-Follow Form Specified Coverage (Non-Recognition of Erosion)	EXE-E038-1219-00
	Policyholder Terrorism Disclosure	
	CA Surplus Lines Notice	
	ASIC Signature Page	EXE-C006-1219-00



ECONOMIC SANCTIONS ENDORSEMENT

Named Insured	Policy Number	Effective Date	Endorsement No.
Employment Risk Management Authority (ERMA)	MLXS2210001004-01	7/1/2022	2

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW FORM INSURANCE POLICY

- A. Whenever coverage provided by this policy would be in violation of any U.S. economic or trade sanctions such as, but not limited to, those sanctions administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), such coverage shall be null and void. Similarly, any coverage relating to or referred to in any certificates or other evidences of insurance or any claim that would be in violation of U.S. economic or trade sanctions as described above shall also be null and void.
- B. The Insurer shall not be deemed to provide cover and the Insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, the United Kingdom or the United States of America.

All other terms and conditions remain unchanged.



SERVICE OF SUIT

Named Insured	Policy Number	Effective Date	Endorsement No.
Employment Risk Management Authority (ERMA)	MLXS2210001004-01	7/1/2022	3

It is hereby understood and agreed that *Ascot Specialty Insurance Company* may be sued upon any cause of action arising under any insurance contract made by *Ascot Specialty Insurance Company* or evidence of insurance issued or delivered by the producer, in the courts for the county(s) where the insurance provides coverage or in the courts of New York, New York where the insurer maintains its home office.

It is further agreed that service of process in such suit may be made upon the appropriate person at the state Department of Insurance, Secretary of State or other designee as provided for in specific state laws and/or regulations.

When service of process is made upon a statutory designee according to state law, such process should be provided via certified mail to:

Jeff A. Sipos, Corporate Secretary
Ascot Specialty Insurance Company
55 W. 46th Street
New York, NY 10036

The above-named individual is authorized and directed to accept service of process on our behalf in any suit. It is further agreed that in any suit instituted against any Insured under this policy or otherwise upon this policy, we will abide by the final decision of such court or of any appellate court in the event of an appeal.



PRIOR ACTS EXCLUSION

Named Insured	Policy Number	Effective Date	Endorsement No.
Employment Risk Management Authority (ERMA)	MLXS2210001004-01	7/1/2022	4

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW FORM INSURANCE POLICY

In consideration of the premium charged, it is hereby understood and agreed that the Insurer shall not be liable for **Loss** on account of any **Claim** based upon, arising out of, or attributable to any Wrongful Act, including any related or interrelated Wrongful Acts as defined or described in the **Followed Policy**, committed or alleged to have been committed in whole or in part prior to July 1, 2022

All other terms and conditions remain unchanged.



DECLARATIONS AMENDMENT

Named Insured	Policy Number	Effective Date	Endorsement No.
Employment Risk Management Authority (ERMA)	MLXS2210001004-01	7/1/2022	5

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW FORM INSURANCE POLICY

It is understood and agreed that the below Item(s) of the Declarations is (are) amended and restated as follows:

Limit of Liability - \$1M per member per claim
\$1M per member aggregate
\$5M policy aggregate

All other terms and conditions remain unchanged.



NON-FOLLOW FORM SPECIFIED COVERAGE (NON-RECOGNITION OF EROSION)

Named Insured	Policy Number	Effective Date	Endorsement No.
Employment Risk Management Authority (ERMA)	MLXS2210001004-01	7/1/2022	6

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW FORM INSURANCE POLICY

In consideration of the premium charged, it is hereby understood and agreed that:

1. This Policy shall not follow form to or provide coverage in accordance with the following terms, conditions or endorsements of the **Followed Policy**:

Amended Declarations Endorsement, RSG 206069 1009 Exclusion – Prior Acts, RSG 236008 0204 Exclusion – Prior And/Or Pending Litigation Backdated, RSG 236009 0204 Exclusion – Prior And/Or Pending Litigation Backdated (Higher Limits)

2. Any payment of **Loss** under the **Followed Policy** or any other **Underlying Policy** pursuant to or by reason of such coverage described in paragraph 1. above shall not reduce or exhaust the **Underlying Limit** for purposes of this Policy.

All other terms and conditions remain unchanged.



POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

MANDATORY OFFER OF COVERAGE FOR “ACT OF TERRORISM” AND DISCLOSURE OF PREMIUM

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended (“TRIA”), that you now have a right to purchase insurance coverage for losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended**: The term “act of terrorism” means any act that is 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 an air carrier or vessel 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. Any coverage you purchase for “acts of terrorism” shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS’ LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

MANDATORY PREMIUM DISCLOSURE STATEMENT

Your policy does not contain an exclusion for losses resulting from an “act of terrorism.” Coverage for such losses is still subject to, and may be limited by, all other terms, conditions and exclusions in your policy. The premium charge for this coverage for the policy period is \$0.

IMPORTANT NOTICE:

- 1. The insurance policy that you have purchased is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website www.insurance.ca.gov. Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at www.naic.org. The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: https://naic.org/state_web_map.htm.**
- 6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on**

the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.

7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm.

8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.

D-2 (Effective January 1, 2020)



Underwritten by: **Ascot Specialty Insurance Company**

Administrative Office: 55 West 46th Street, 26th Floor • New York, New York • 10036
1-646-356-8101 • A Stock Company

In Witness Whereof, the Company has caused this policy to be executed and attested.

Jeff A. Sipos
Corporate Secretary

Matthew Kramer
Chief Executive Officer



Sacramento-Alliant Insurance Services, Inc.
Alliant Insurance Services, Inc. – 8377
PO Box 8377
Pasadena, CA 91109-8377
Phone: (916) 643-2700 Fax: (916) 643-2750

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

Invoice #	1999027	Page	1 of 2
ACCOUNT NUMBER	DATE		
EMPLRIS-01	6/23/2022		
BALANCE DUE ON	AGENCY CODE		
7/14/2022	200		
AMOUNT PAID	AMOUNT DUE		
	\$151,875.00		

Client:	Employment Risk Management Authority (Policy:	Employment Practices Liability
Policy Number:	MLXS221000100401	Effective:	7/1/2022 to 7/1/2023
Insurance Carrier:	Ascot Specialty Insurance Company		

Item #	Trans Eff Date	Due Date	Trans	Description	Amount
8160573	7/1/2022	7/14/2022	NEWB	22-23 Excess EPL New	\$150,000.00
8160574	7/1/2022	7/14/2022	SURT	Surplus Lines Taxes	\$4,500.00
8160575	7/1/2022	7/14/2022	SURF	Stamping Fees	\$375.00
8160576	7/1/2022	7/14/2022	REBT	Rebate 2% commission	(\$3,000.00)
Total Invoice Balance:					\$151,875.00

PLEASE MAIL A COPY OF THIS INVOICE WITH PAYMENT

REMITTANCE ADDRESS

Alliant Insurance Services, Inc. – 8377
PO Box 8377
Pasadena, CA 91109-8377

OVERNIGHT/COURIER ADDRESS

Alliant Insurance Services, Inc. – Lockbox #8377
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

IMPORTANT NOTICE: The Nonadmitted & Reinsurance reform act (NRRA) 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 due 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.



Sacramento-Alliant Insurance Services, Inc.
Alliant Insurance Services, Inc. – 8377
PO Box 8377
Pasadena, CA 91109-8377
Phone: (916) 643-2700 Fax: (916) 643-2750

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

Invoice #	1999027	Page	2 of 2
ACCOUNT NUMBER	EMPLRIS-01	DATE	6/23/2022
BALANCE DUE ON	7/14/2022	AGENCY CODE	200
AMOUNT PAID		AMOUNT DUE	\$151,875.00

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 (NRRA) 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 due 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.

This Endorsement Changes The Policy. Please Read It Carefully.

**REVISED 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); July 1, 2020 Plan JPA; July 1, 2021 for City of Exeter & City of Lindsay; July 1, 2022 for City of Tracy, 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.

**EMPLOYMENT RISK
MANAGEMENT AUTHORITY (ERMA)**













**FINANCIAL REPORT
JUNE 2022 (AUDITED)**

	= On plan		= Expected Variance		= Exception - see comments
	= Increase over PY		= Decrease over PY		= Unchanged over prior year

SECTION ONE: FINANCIAL STATEMENTS

June 2022		June 2021	Change
ASSETS	32,888,523	29,920,361	 2,968,162
LIABILITIES	19,668,316	17,809,578	 1,858,737
NET POSITION	13,220,907	12,110,782	 1,109,425

- Assets increased over the prior year due to collection of 2021/22 program year contributions.
- Provision for unrealized loss on investments is approximately \$1.1 million and \$313,000 at June 30, 2022 and 2021, respectively.
- The liability for unpaid claims increased \$1.8 million over the prior year, primarily due to the introduction of a new program year. At the April 2021 Board meeting, the Board approved a change to the interest rate assumption used to discount claim liabilities to net present value from 2.0% to 1.5% to better match the forecasted investment earnings.

June 2022		Budget (Target=100%)	June 2021
CONTRIBUTIONS	10,003,714	 9,974,051/100%	 9,146,911
CAPITAL FUND CONTRIBUTION	250,000	--	 --
INVESTMENT INCOME	(1,085,213)	--	 115,295
CLAIM EXPENSE	4,373,985	 8,447,075/52%	 3,121,121
EXCESS INSURANCE	341,374	 348,341/98%	 333,029
OPERATING EXPENSE	1,093,717	 1,178,634/93%	 947,285
DIVIDEND EXPENSE	2,250,000	--	 3,000,000
NET INCOME	1,109,425		 1,860,771

- 2021/22 contributions are higher than budget and prior year due to an increase in payroll and the addition of a new member and fire department to an existing underlying member. In addition, the interest rate assumption used was changed from 2.0% to 1.5% resulted in an increase of the funding rate.
- The investment portfolio produced income of approximately \$387,000, offset by unrealized losses of \$1.5 million.
- Claim payments decreased \$813,000 from the prior year with \$2.5 million and \$3.4 million paid as of June 30, 2022 and 2021, respectively.
- Claims expense increased primarily due to the introduction of a new program year. Prior program years developed favorably, which resulted in decreases to the actuary's most recent estimates of ultimate loss for prior program years.

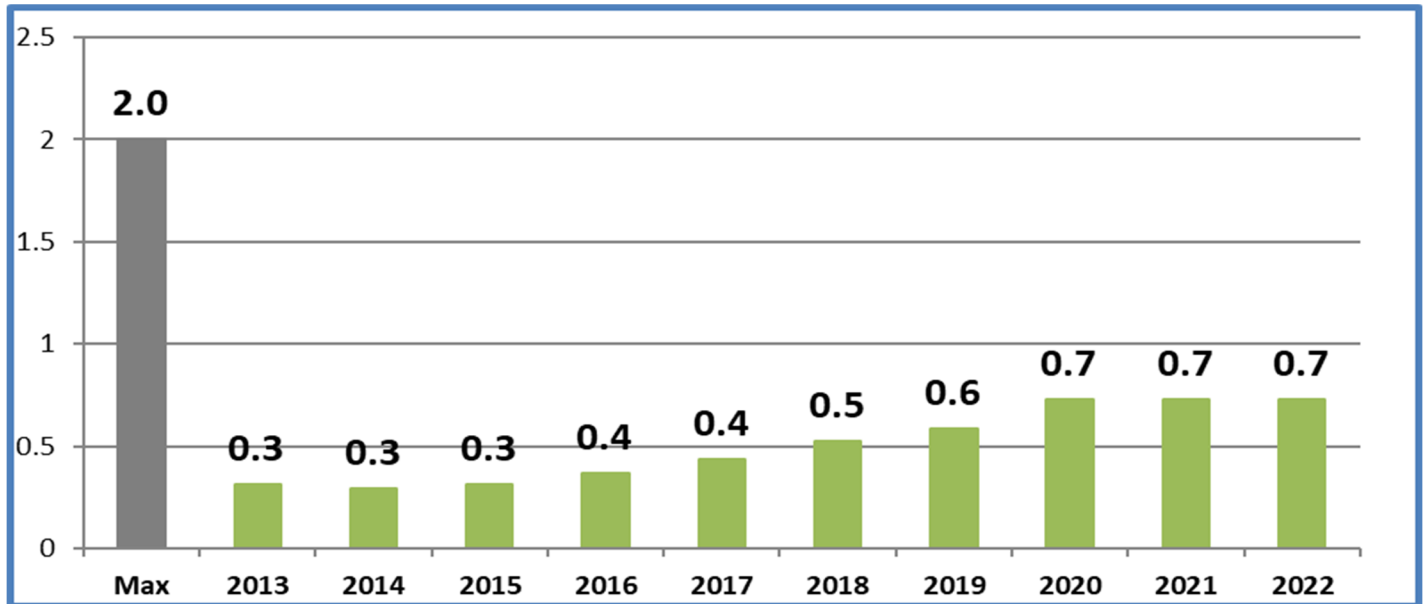
- Operating expenses are higher than prior year due to contractual increases and the Board Meetings & Workshop line item increased because meetings resumed in-person.

SECTION TWO: RATIO ANALYSIS

Note: All items are actual for the 2021/22 fiscal year using the most recent actuarial study.

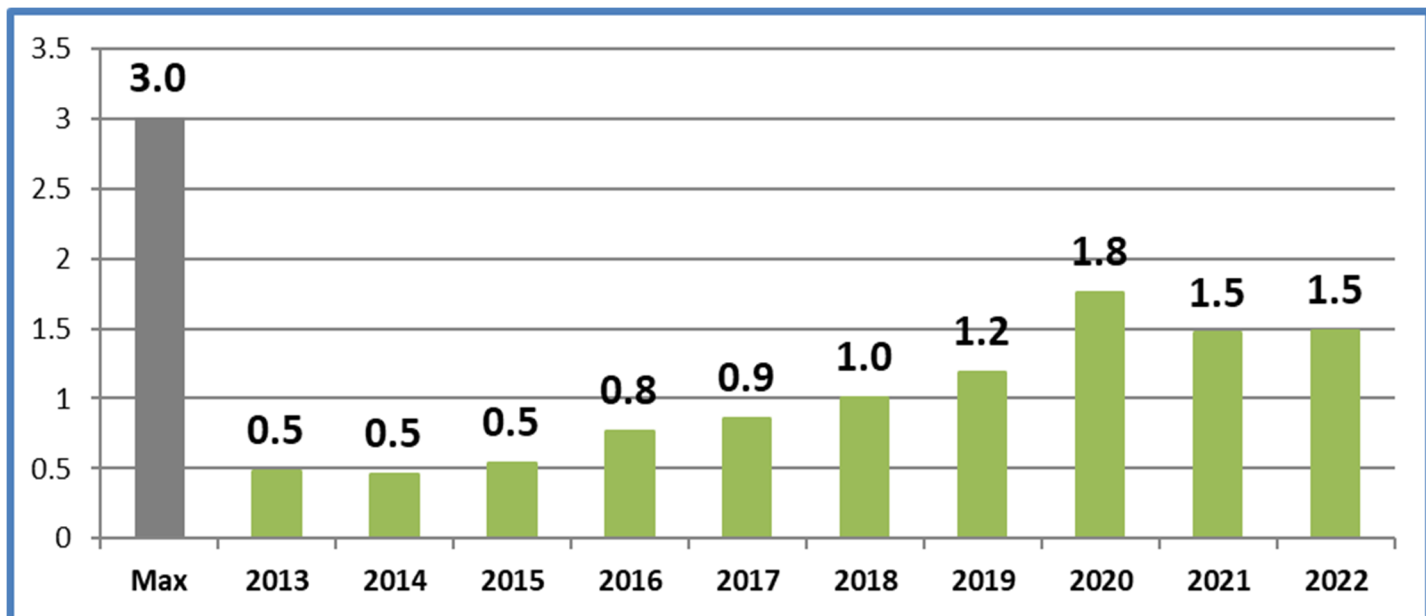
RATIO A: Net Contribution to Net Position

	Net Contribution		Net Position	Ratio	Maximum	Result
June 2022	9,654,166	/	13,220,207	0.7	<2:1	●



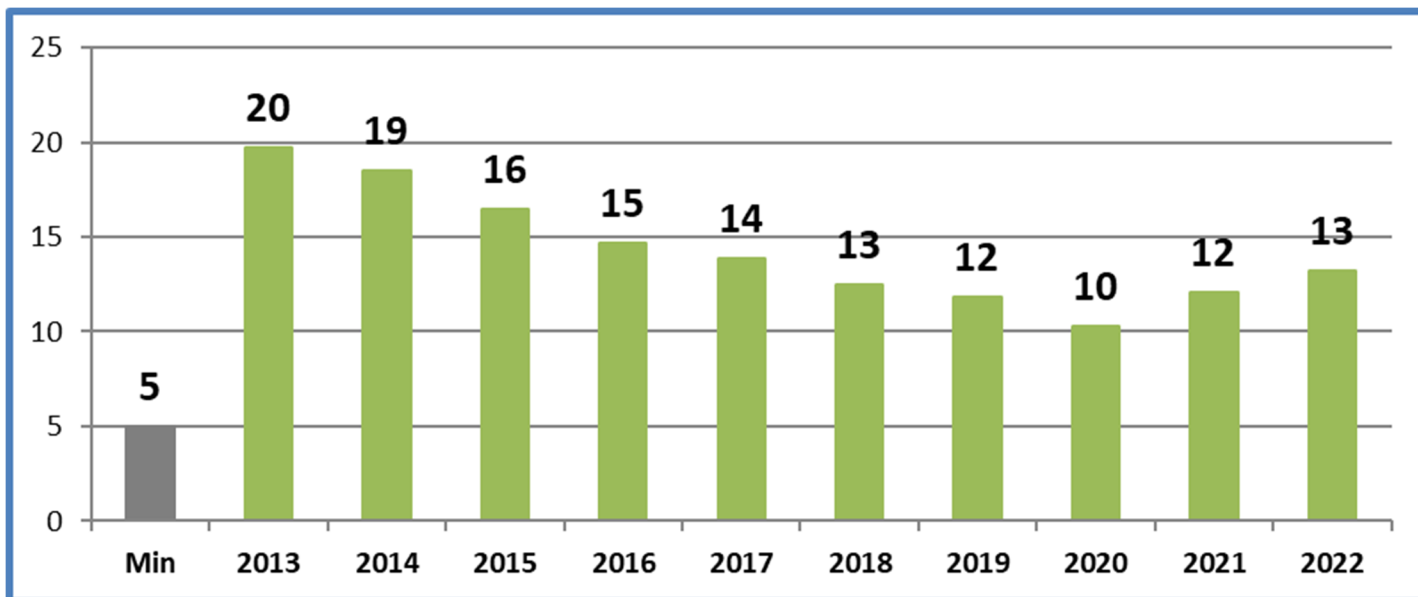
RATIO B: Unpaid Claims to Net Position

	Claim Liability		Net Position	Ratio	Maximum	Result
June 2022	19,597,890	/	13,220,207	1.5:1	<3:1	●



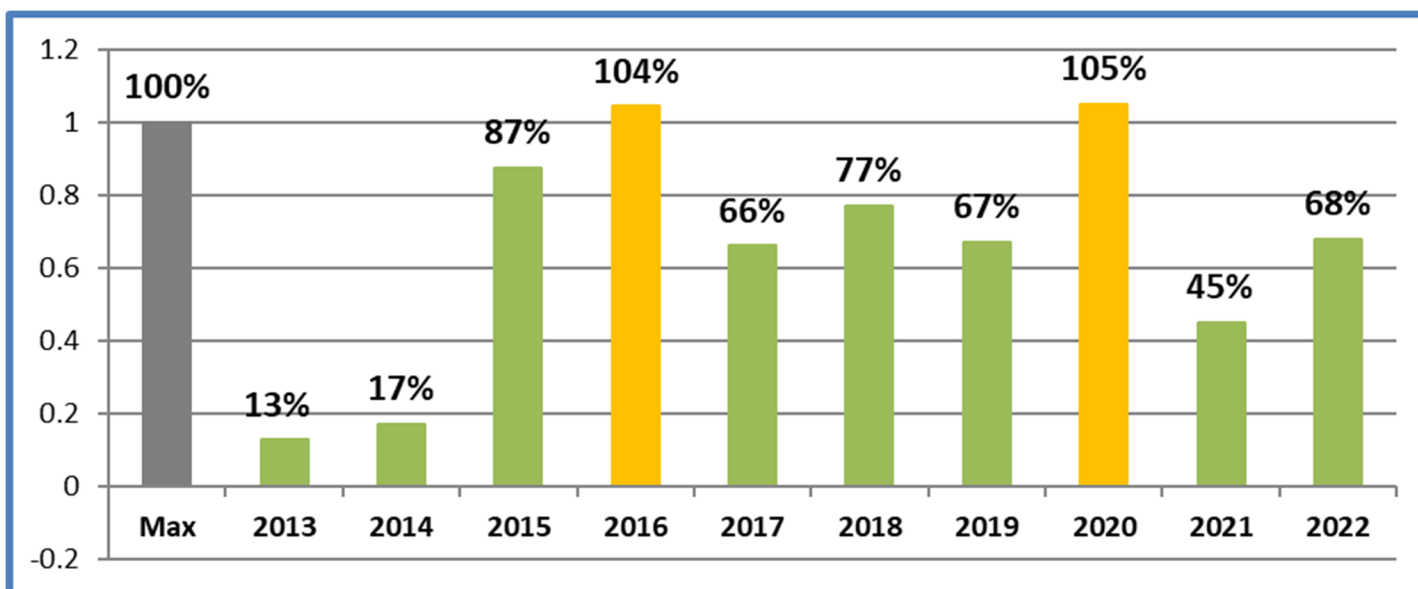
RATIO C: Net Position to Self-Insured Retention

	Net Position		SIR	Ratio	Minimum	Result
June 2022	13,220,207	/	1,000,000	13	>5	●



RATIO D: Operating Ratio

	Expenses (Less Investment Income) *		Net Contributions	Ratio	Maximum	Result
June 2022	6,552,915	/	9,654,166	68%	<100%	●

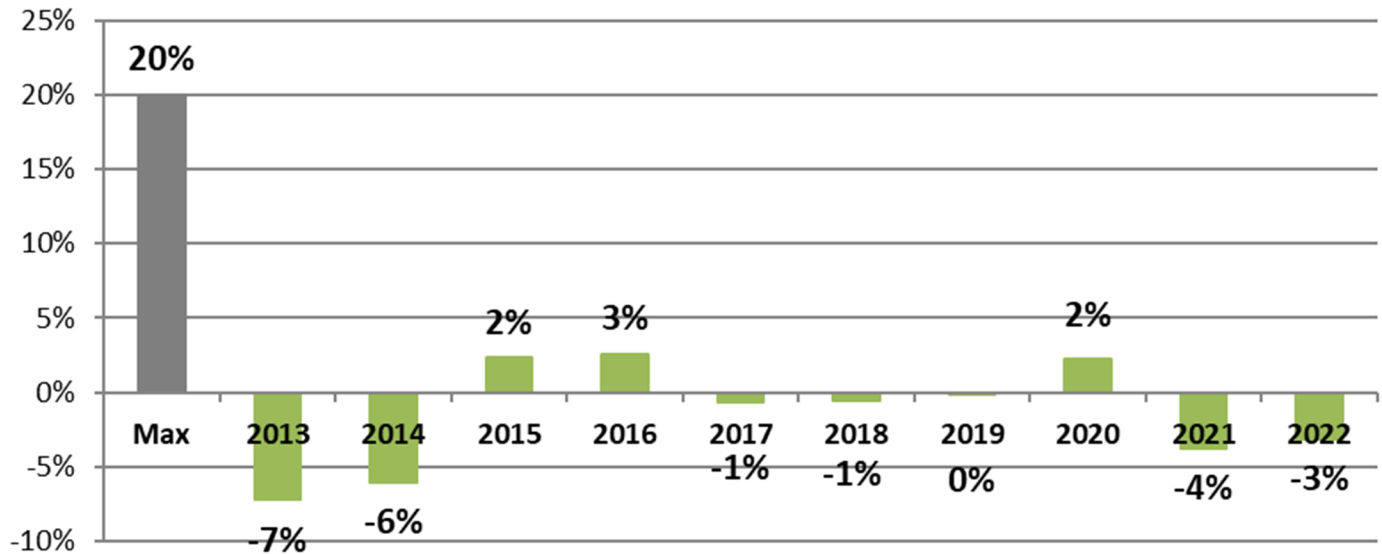


* Exclude dividend expenses

RATIO E: Reserve Development

Change in Ultimate
Loss from 2021 to
2022 Study

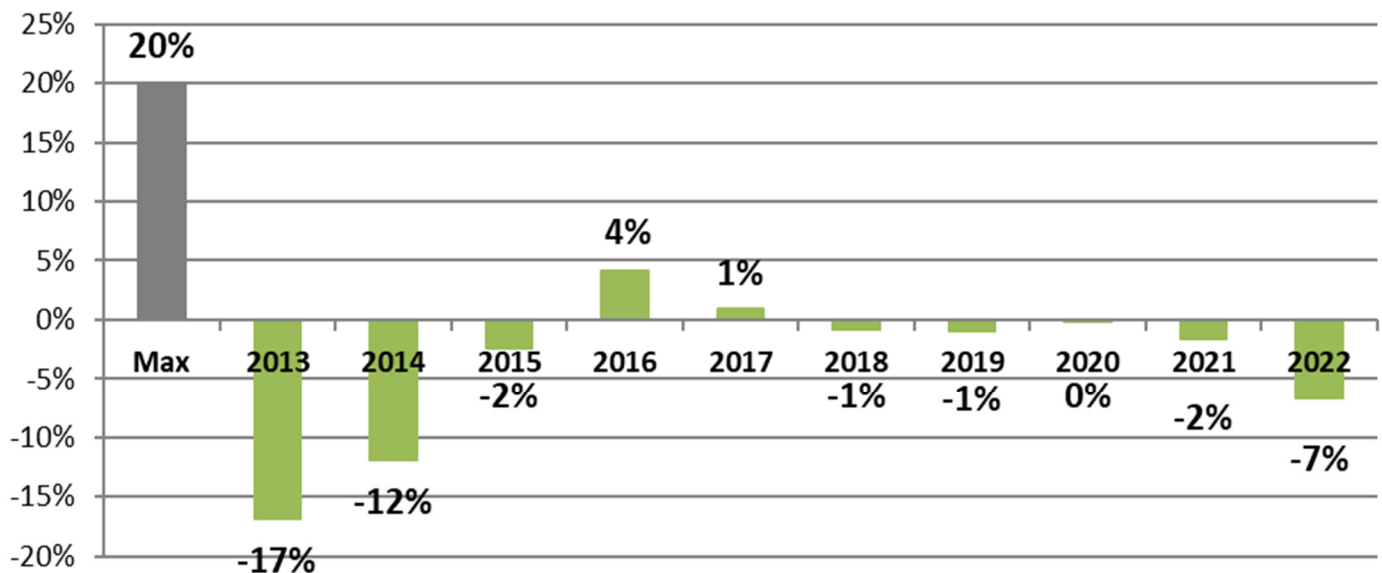
	Change		Net Position	Ratio	Maximum	Result
June 2022	(2,314,000)	/	13,220,207	(3%)	20%	●



RATIO F: Reserve Development

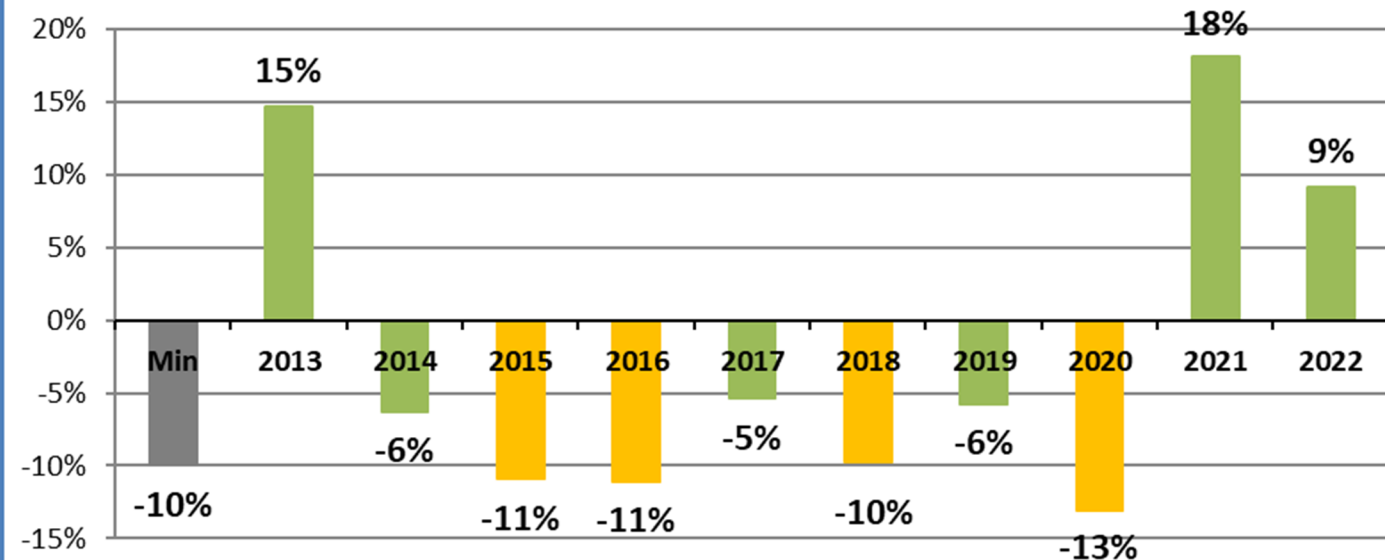
Change in Ultimate
Loss from 2021 to
2022 Study

	Change		Net Position	Ratio	Maximum	Result
June 2022	(4,678,089)	/	13,220,207	(7%)	20%	●



RATIO G: Change in Equity

	June 30, 2021		June 30, 2022	Change	Minimum	Result
Net Position	12,110,782	/	13,220,207	9%	(10%)	●



STATEMENT OF NET POSITION

June 30, 2022 and 2021

CURRENT ASSETS

	2022	2021
Cash and Cash Equivalents	8,336,660	3,856,301
Investments	2,776,254	5,853,672
Provision for Unrealized Gain (Loss) on Investments	(10,625)	74,079
Accounts Receivable - Members	0	9,340
Accounts Receivable - Excess Insurance	27,067	0
Accounts Receivable - Miscellaneous	20,596	0
Interest Receivable	71,221	80,115
Prepaid Expense	17,236	262,734

TOTAL CURRENT ASSETS	11,238,409	10,136,241
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NONCURRENT ASSETS

Investments - Managed Portfolio	22,700,154	19,544,953
Provision for Unrealized Gain (Loss) on Investments	(1,050,041)	239,167

TOTAL NONCURRENT ASSETS	21,650,113	19,784,120
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TOTAL ASSETS	32,888,523	29,920,361
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CURRENT LIABILITIES

Accounts Payable	70,426	48,264
Case Reserves	3,673,315	2,450,876
Incurred But Not Reported and Unallocated Loss Adjustment Expenses	2,197,942	2,712,956

TOTAL CURRENT LIABILITIES	5,941,683	5,212,096
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NONCURRENT LIABILITIES

Incurred But Not Reported and Unallocated Loss Adjustment Expenses	13,726,633	12,597,483
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TOTAL NONCURRENT LIABILITIES	13,726,633	12,597,483
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TOTAL LIABILITIES	19,668,316	17,809,579
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NET POSITION

Net Position - Undesignated	12,238,521	11,310,089
Net Position - Capital Fund	981,685	800,694

TOTAL NET POSITION	13,220,207	12,110,782
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TOTAL LIABILITIES AND NET POSITION	32,888,523	29,920,361
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Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	Actual	2021-22 Budget	% Used	\$ Variance
REVENUES				
Deposit Premium	9,652,312	9,625,710	100%	26,602
Excess Insurance Premium	349,548	348,341	100%	1,207
Capital Fund Contribution	250,000			
Miscellaneous Income	(646)			(646)
Interest Income	(1,085,213)			(1,085,213)
Total Revenue	9,166,001	9,974,051	92%	(1,058,050)
EXPENSES				
Claims Expense				
Claims Paid	2,537,409	8,447,075	52%	(4,073,090)
Incr/(Decr) in Reserves	1,836,575			
Excess Insurance	341,374	348,341	98%	(6,967)
Total Claims Expense	4,715,359	8,795,416	54%	(4,080,057)
Loss Prevention & Training				
Online Training and Reporting (In2vate)	48,070	51,100	94%	(3,030)
Hotline Services	5,725	6,500	88%	(775)
Miscellaneous Training Expenses	299	6,000	5%	(5,701)
Attorney / Training Workshops	18,650	92,500	20%	(73,850)
Total Loss Prevention and Training	72,744	156,100	47%	(35,287)
Capital Fund Expenditures				
Training & Risk Management Consortium	46,899			46,899
Total Capital Fund Expenditures	46,899			46,899
General & Administrative Expenses				
Program Management	844,157	844,157	100%	(0)
Risk Assessments	1,226	10,000	12%	(8,774)
Board Meetings & Workshop	35,030	40,000	88%	(4,970)
Memberships & Conferences	3,285	8,000	41%	(4,715)
Actuarial Study	10,700	10,700	100%	0
Legal Services	22,927	50,000	46%	(27,073)
Financial Audit	10,500	10,500	100%	0
Accreditation	1,417	1,500	94%	(83)
Fidelity Bond	2,177	2,177	100%	-
SLIP Insurance	3,079	3,000	103% +	79
Investment Management Services	26,926	32,000	84%	(5,074)
Claims System	5,000	5,000	100%	0
Miscellaneous	5,152	5,500	94%	(348)
Total General and Administrative Expenses	971,574	1,022,534	95%	(50,960)
Dividend Expense	2,250,000	0		2,250,000
Total Expenses	8,056,576	9,974,050	81%	(4,119,404)
Change in Net Position	1,109,425	1		

+ See attached "Report of Line Items Exceeded Budgeted Amount"



Statement of Revenues, Expenses, and Changes in Net Position
Report of Line Items Exceeded Budgeted Amount

For the Year Ended June 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>% Used</u>	<u>\$ Variance</u>
General & Administrative Expenses				
+ SLIP Insurance	3,079	3,000	103%	79
<i>Actual expense per SLIP insurance policy.</i>				

**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;

NOW, THEREFORE, BE IT RESOLVED:

Resolution No. 2021-~~41~~ 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 one signature):

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

Administration Account - maximum limit of ~~\$20,000~~ ~~\$5,000~~ (requires one signature):

1. Executive Director of ERMA
2. Finance Manager of ERMA

Claims Payment Account - (requires one signature):

1. Executive Director of ERMA
2. Finance Manager of ERMA

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 Executive Director to obtain a Business Credit Card with a credit line of up to ~~\$20,000~~~~\$10,000~~ and open the Administration Account with a maximum limit of ~~\$20,000~~~~\$10,000~~.

The 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 transfers and to execute and deliver such agreements, documents and other instruments, and to perform such other acts, relating to wire transfers as the Treasurer shall approve. However, the Treasurer can only designate individuals listed above.

Online Banking and Electronic Funds Transfers

The Executive Director and the Finance Manager 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, 2022, by the following vote:

AYES	_____
NOES	_____
ABSTAIN	_____
ABSENT	_____

PRESIDENT, BOARD OF DIRECTORS

ATTEST:

SECRETARY, BOARD OF DIRECTORS

ERMA PANEL OF APPROVED DEFENSE COUNSEL

(Effective October 2022)

Jackson Lewis, P.C.

Michael Christian
Shane Larsen
400 Capitol Mall, Ste. 1600
Sacramento, CA 95814
(916) 288-3006

Gina Roccanova
Conor Dale
50 California Street, 9th Floor
San Francisco, CA 94111
(415) 796-5417

Jared L. Bryan
200 Spectrum Center Dr., Ste. 500
Irvine, CA 92618
(949) 885-1366

Liebert Cassidy Whitmore

Geoffrey Sheldon
Elizabeth Arce
Jennifer Rosner
Mark Meyerhoff
6033 W. Century Blvd, 5th Floor
Los Angeles, CA 90045
(310) 981-2069
(310) 981-2000

Morin I. Jacob
135 Main Street, 7th Floor
San Francisco, CA 94105
(415) 512-3000

Jesse Maddox
Shelline Bennett
Michael Youril
5250 N. Palm Avenue, Ste. 310
Fresno, CA 93704
(559) 256-7800
(559) 256-7813

Buchalter P.C.

Thomas O'Connell
655 W. Broadway, Ste. 1600
San Diego, CA 92101
(619) 219-6330

Jennifer Misetich
1000 Wilshire Blvd., Ste. 1500
Los Angeles, CA 90017
(213) 891-5049

Best Best & Krieger LLP *(Offices statewide)*

Howard Golds
Cynthia Germano
3390 University Avenue, 5th Floor
Riverside, CA 92501
(951) 826-8339

Richards, Watson & Gershon

Rebecca Green
350 South Grand Ave., 37th Floor
Los Angeles, CA 90071-3101
(213) 626-8484

Skane Mills LLP *(Offices statewide)*

Felicia Starr
1055 W. 7th Street, Ste. 1700
Los Angeles, CA 90017
(213) 452-1200

Carpenter, Rothans & Dumont

Jill Williams
500 South Grand Ave., 19th Floor
Los Angeles, CA 90071
(213) 228-0400

Lozano Smith *(Offices statewide)*

Mark Kitabayashi
Mark Waterman
515 S. Figueroa St., Ste. 750
Los Angeles, CA 90071
(213) 929-1066

Wiley R. Driskill
7404 North Spalding
Fresno, CA 93720
(559) 431-5600

Bertrand, Fox, Elliot, Osman & Wenzel

Tom Bertrand
2749 Hyde Street
San Francisco, CA 94109
(415) 353-0999

Ethan Lowry
1300 Clay Street, Ste. 58
Oakland, CA 94612
(510) 466-6380

Kreisberg Law Firm

Edward L. Kreisberg
1900 S Norfolk Street, Ste. 350,
San Mateo, CA 94403
(650) 248-2125

Burke Williams & Sorenson

Timothy L. Davis
60 South Market Str., Ste. 1000
San Jose, CA 95113
(408) 606-6317

ERMA INVESTIGATORS

(October 2022)

The individuals listed below are provided to ERMA members as a resource in choosing a workplace investigator. This is not a pre-approved list. Pursuant to ERMA Resolution No. 2021-7 (Establishing Criteria for Approval of Investigators), if an investigation pertains to an ERMA matter, you must first report the claim to ERMA and **obtain written approval from the Litigation Manager prior to engaging an investigator** in order for any expenses to count toward your agency's Self-Insured Retention. An investigator's hourly rate is capped at \$290 per hour for attorney investigators and \$200 per hour for non-attorney investigators.

NORTHERN CALIFORNIA

Karen Kramer, Esq.
Jennifer Perkins, Esq.
Kate Starkebaum, Esq.
Kramer Workplace Investigations
P.O. Box 266, Danville, CA 94526
(925) 838-6435
karen@kramerlaw.net

Shannon Shrewsbury, Esq.
11230 Gold Express Dr., Ste. 310, #420
Gold River, CA 95670
(916) 747-3756
shannon@shrewsburylegal.com

Carolyn L. Gemma, Esq.
Lozano Smith
One Capital Mall, Ste. 640
Sacramento, CA 95814
(916) 329-7433
cgemma@lozanosmith.com

Paul Henry
Bill Cogbill
Independent Investigative Consultants, LLC
8800 Lakewood Dr., #356, Windsor, CA 95492
(707) 484-7871
paul@ph-investigations.com

Todd Simonson, Esq.
(415) 342-3610
todd@toddsimonsonlaw.com

David Stallard, Esq.
Cara Panebianco, Esq.
Stallard Panebianco P.C. (Northern and Central CA)
484 Lake Park Ave. Ste. 75, Oakland, CA 94610
(830) 556-5562; (530) 383-2770
dave@spwpi.com
cara@spwpi.com

Jay Resendez, Esq.
4196 Douglas Blvd. #300,
Granite Bay, CA 95146
(916) 945-9619
jay@resendezlegal.com

Bernadette Bantly, Esq.
Bradley, Curley, Asiano, Barrabee, Abel & Kowalski
1100 Larkspur Landing Circle, Ste. 200
Larkspur, CA 94939
(415) 464-8888, Ext. 251
www.professionals-law.com

***Vida Thomas, Esq.**
Oppenheimer Investigations Group LLP
1442A Walnut St, # 234,
Berkeley, CA 94709
(916) 306-8371
vida@oiglaw.com

**Members are responsible for this investigator's hourly fees in excess of ERMA's capped hourly fees of \$290.*

CENTRAL CALIFORNIA

Jeff Kermode, Esq.
The JJK Group, Inc.
785 Tucker Rd., Ste. G433
Tehachapi, CA 93561
(661) 343-7503
jkermode@jjkgroup.net

James Sanchez, Esq.
Lozano Smith
7404 N. Spalding Ave.,
Fresno, CA 93720
(559) 431-5600
jsanchez@lozanosmith.com

Scott Nelson, CLI, CFE
S. K. Nelson & Company
2547 W. Shaw, Ste. 115, Fresno, CA 93711
(559) 227-9340; (559) 281-0706 (Cell)
skn@sknelson.net

William Leist
Leist and Associates
(559) 307-3041
Bill@leistandassociates.com

SOUTHERN CALIFORNIA

Barry Aninag
B.A. Investigations
27758 Santa Margarita Parkway, #594
Mission Viejo, CA 92691
(949) 795-8704
BarryAnInv@gmail.com

Jeffry Johnson, Esq. (714) 272-0015
Jeffrey Love, Esq. (949) 282-8181
JL Group, LLC
30025 Alicia Pkwy., Ste. 327
Laguna Niguel, CA 92677
jljohnson@jlggroup.net; lovejb@gmail.com

Debra Reilly, Esq.
Reilly Workplace Investigations
2240 Encinitas Blvd, Ste. D-104
Encinitas, CA 92024
(858) 759-4303
debra@wpinvestigations.com

Jessica Armijo, Esq.
Armijo Legal Solutions
400 Spectrum Center Dr., Ste. 1900
Irvine, CA 92618
(949) 298-5145
jessica@armijolegal.com

Barbara Raileanu, Esq.
Woodruff, Spaldin & Smart
555 Anton Boulevard, Ste. 1200
Costa Mesa, CA 92626
(714) 415-1002
braileanu@wss-law.com

Keith Kilmer
Kilmer Investigative Services
(562) 481-5651
kilmerinvestigativeservices@gmail.com

STATEWIDE

Garon Wyatt, AWI-CH
Garon Wyatt Investigative Services
P.O. Box 163, Nuevo, CA 92567
(951) 295-7510
gary@gw-is.org

Tom Chaplin
Jay Hill
Chaplin and Hill Investigative Services LLC
(925) 899-3448
tom@chaplinandhill.com
jay@chaplinandhill.com

Bill Whalen
Bill Whalen and Associates, Inc.
3024 E. Chapman Avenue, #164
Orange, CA 92869
(714) 904-2191
bill@billwhalenassociates.com

Angel Ho, Esq.
Jeff Robinson, Esq.
Kristine Exton, Esq.
Chuck Thomas
Craig Junginger
John Capen
Sean Conroy
Norman A. Traub Associates
(714) 693-3428
(805) 207-9216
ba.normtraub@gmail.com

Aaron Slater
Beauchaine Consulting Group LLC
(415) 689-4014
(707) 726-1079
aslater@beauchaineconsulting.com

Training Program FAQs

Updated Sept 2022

- **Who do we contact regarding training matters?**

- ERMA Training
ermatraining@sedgwick.com
- ERMA Litigation Manager
Stacey Sullivan
stacey.sullivan@sedgwick.com
(916) 244-1125

- **What training topics are available through ERMA?**

- **Live and Webinar-Based Training Sessions - Available by Program Year, July 1 – June 30**
 - AB 1825 & SB 1343 Prevention of Harassment, Discrimination, Retaliation, and Bullying
 - Select topical workshops (please note these trainings vary from year to year) offered by ERMA's attorney partners, Liebert Cassidy Whitmore and Jackson Lewis, and vendor partners. Topics include:
 - First Amendment Issues in a Politically Charged World
 - Legally Compliant Strategies to Promote Workforce Diversity
 - Best Practices for Supervisors of Public Safety Employees - How to Avoid or Defend Workplace Claims and How to Create and Maintain the Ideal Work Environment
 - Understanding and Preventing Implicit Bias and Promoting Diversity and Inclusion in the Workplace
 - Implicit Bias in the Public Safety Workplace
 - Best Practices for Elected Officials - Workplace Law and Understanding the Role of Elected Officials Related to Individual Employees
 - Iron Fists and Kid Gloves: Preventing and Addressing Retaliation in the Workplace
 - The Disability Interactive Process: Is Enough Ever Enough?
- **Online Training (provided through [in2vate](#))**
 - AB 1825 & SB 1343 Prevention of Harassment, Discrimination, and Retaliation
 - California Ethics AB 1234 Training
 - Interviewing Strategies
 - Personnel Files
 - Sensitivity Basics: Creating Positive Working Relationships
 - Workplace Investigation – Part 1: Understanding and Preparing for an Investigation
 - Workplace Investigation – Part 2: Conducting and Concluding an Investigation
 - Collective Risk Management ([Reporting Line contacts](#))
 - Employee Protection Line - Employee Awareness ([Reporting Line contacts](#))

- **Is there a list of scheduled trainings, and are there any close to my agency?**

For a schedule of regional workshops, please visit the ERMA [website](#) under About Us - Services.

- **Does everyone at my agency receive the ERMA training announcements?**

No, each agency has a designated Training Contact responsible for disseminating training information to agency employees. For regional trainings, the date, time, location, and registration link are also available on the ERMA website.

- **Can we use someone other than ERMA to provide AB 1825 or SB 1343 training?**

If you wish to seek reimbursement from ERMA for an AB 1825 or SB 1343 training provided by an outside vendor, the training request must first be approved by [ERMA's Litigation Manager](#) before the training is scheduled. Please note, ERMA will reimburse up to \$2,500 per Program Year, if approved and training funds are available. If you do not wish to receive reimbursement, you may use any of your preferred vendors.

- **What other training is available?**

Each Program Year, Members may access available funds via the [Training & Risk Management Program](#) for reimbursement of up to \$2,500 for eligible expenditures related to employment-related training and loss control activities. Please contact [ERMA Training](#) for more information about this program.

- **Who is responsible for tracking compliance? Are sign-in sheets provided?**

ERMA does not track member compliance and does not provide sign-in sheets. It is each Member's responsibility to keep track of who has completed their AB 1825 and/or SB 1343 requirement. It is encouraged that Members create their own sign-in sheets and maintain them for verification. A self-certification process for training compliance is available via the [Training Compliance Survey](#). Member agencies are required to report on the status of state-mandated training for all supervisory staff, non-supervisory staff, and elected officials by June 30 of each Program Year.

- **What if my agency is out of compliance with AB 1825 and/or SB 1343?**

Members should consult with legal counsel regarding any legal consequences of non-compliance with AB 1825 and/or SB 1343. For purposes of ERMA coverage, if a claim is submitted to ERMA within the subject matter of AB 1825 and/or SB 1343 and the Member is not in substantial compliance with this statute, the Member shall be subject to an increase imposed upon its self-insured retention for the submitted claim. Please refer to the ERMA Memorandum of Coverage (MOC) and Resolution 2021-5 for further information. The MOC can be found on the ERMA [website](#) within the member portal. Please note a login is required to access this page. If you have not already registered for a username and password, please do so.

- **Who do we contact about compliance questions?**

Please contact [Stacey Sullivan](#).

- **Who should attend these trainings? Are local agency officials required to attend?**

AB 1825 requirements state that all supervisory employees are required to participate in two hours of sexual harassment training every two years. Under SB 1343, all non-supervisory employees, including part-time and seasonal, are required to participate in one hour of sexual harassment training every two years.

In addition, pursuant to AB 1661, local agency officials must participate in sexual harassment training every two years. Any training designated for a specific audience will be noted in the ERMA Training Bulletin distributed weekly.

- **What if our agency needs more than one training session?**

ERMA provides numerous regional training sessions and, on occasion, individual trainings. Fee-based trainings are also available. If you have any questions, please contact [ERMA Training](#).

- **What if we have questions on AB 1825, SB 1343, or other employment liability issues?**

For more information regarding AB 1825 and/or SB 1343 training requirements, including agency-specific questions, please feel free to utilize the ERMA Attorney Hotline for legal consultation. Every month, each Member has access to a free one-hour consultation with their designated attorney firm. More information about the Attorney Hotline is available on the ERMA [website](#).

- **What do we need to know if our agency would like to host training?**

Please note that we must have your commitment within four weeks of initial contact.

- **Regional or Individual** – Let us know if you would like to host and allow neighboring ERMA Members to attend, or if you prefer this training just for your agency.
- **Live or Webinar-based** – Indicate whether your agency prefers a live, in-person session or a virtual, webinar session.
- **Room capacity** – If hosting a regional training at your facility, your agency must be able to accommodate up to 50 attendees. *Agencies are responsible for compliance with all local, state, and federal COVID-19 protocols and mandates.*
- **Training Dates** – Please let us know if you would like the training conducted during a specific time frame to assist with the scheduling process.
- **Number of Attendees** – Please provide an estimate of the number of people you expect to attend from your agency. For regional trainings, each attendee may utilize [ERMANet](#) to complete their registration. The host agency should commit to registering a minimum of 15 attendees for the training. If the host agency is unable to meet this requirement, the training may be rescheduled, or the agency may proceed with scheduling and incur the associated costs.

- **Address of training location and mailing address** – Please provide us with the exact address of the training location as well as any parking instructions. This information will be included with registration information and provided to attendees.
- **IT Equipment** – Please provide a laptop, projector, screen, and a microphone and speakers, if requested. Some presenters may bring their own laptop; others may bring their presentation on a flash drive, or it will be emailed to the training contact. Please let us know if your agency has any questions or concerns regarding the availability or use of equipment.
- **Refreshments** – We ask the host entity to provide light refreshments, such as water, coffee, sodas, and snacks. ERMA will assist with the costs of refreshments upon submission of a copy of the receipt(s) and confirmation of the total number of attendees (reimbursement of up to \$10/per person, with a maximum of \$500).

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	June 2022	June 2023	Provides coverage for pooled risk sharing
4. Master Program Document	June 1999	June 2021	As Needed	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 2022	February 2023	Applies to activities with regard to investing the Authority's financial assets

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Resolution No. 1-1998	January 1998			Authorizing the President to Approve a Demand For Payment
2. Resolution No. 3-1998	March 1998			Establishing the Office of Assistant Treasurer
3. Resolution No. 4-1998	April 1998			Establishing an Investment Policy
4. Resolution No. 1-2001	January 2001			Establishing a Policy for Conference Attendance
5. Resolution No. 3-2004	March 2004			Canceling Obsolete Resolutions
6. Resolution No. 4-2005	April 2005			Establishing Guidelines for the Implementation for Risk Assessments of the Underlying ERMA Members
7. Resolution No. 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 No. 6-2007	February 2006	June 2007		Establishing Implementation Deadlines for the Employee Practices Protection Program

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
9. Resolution No. 3-2010	March 2010			Retroactivity of 2010-11 Definition of "Occurrence" in Memorandum of Coverage
10. Resolution No. 4-2010	April 2010			Establishing a Records Retention Policy
11. Resolution No. 1-2015	January 2015			Precluding Existing Members Participating Through an ERMA Affiliated JPA from Applying for Individual Membership
12. Resolution No. 2-2015	February 2015			Appreciation for Services to Judy Hayes (CCHA)
13. Resolution No. 1-2016	January 2016			Appreciation for Services to Craig Downs (VCJPA)
14. Resolution No. 2-2016	November 2016			Appreciation to Debra Stutsman (BCJPIA)
15. Resolution No. 3-2016	November 2016			Appreciation to Florice Lewis (OHA))
16. Resolution No. 8-2016	August 2016			Appreciation for Services to Dan Weakley (BCJPIA)

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
17. Resolution No. 2-2017	November 2017			Regarding an Underwriting Policy and Related Processes
18. Resolution No. 3-2017	March 2017			Electronic Data Security and Disaster Recovery
19. Resolution No. 4-2017	February 2017			Travel and Expense Policy
20. Resolution No. 5-2017	May 2017			Establishing Guidelines Regarding Members Self-Insured Retentions
21. Resolution No. 4-2018	January 2011	April 2018		Establishing Target Performance Standards and Assistance Program
22. Resolution No. 5-2018	April 2004			Establishing Approval for Payments to Vendors
23. Resolution No. 3-2020	March 2014	June 2020		Establishing a Litigation Management Program
24. Resolution No. 5-2021	May 2005	February 2021		Requiring Members to Provide Proof of Compliance with Training Mandated by State Law

BOARD DOCUMENT REVIEW SCHEDULE

II. Resolutions/Policies (cont.)				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
25. Resolution No. 7-2021	November 2021			Establishing Criteria for Approval of Investigators <i>Previous iterations: 3-2007, 1-2014, 4-2014, 3-2018</i>
26. Resolution No. 1-2022	April 2022			Establishing Meeting Dates for the 2022/23 Fiscal Year
27. Resolution No. 2-2022	May 2016	April 2022		Establishing Criteria for Adding and Removing Defense Counsel to the Panel of Approved Attorney Firms <i>Previous iterations: 3-1999, 3-2000, 2-2003, 4-2004, 5-2016</i>
28. Resolution No. 3-2022	April 2022			Requiring Coverage Appeals Involving Discussion of Facts and Legal Opinions Covered by the Attorney-Client and Work Product Privilege to be Held in Closed Session
29. Resolution No. 5-2022	June 1998	June 2022		Establishing All Bank Accounts and Authorized Signatures <i>Previous iterations: 6-1998, 6-1999, 4-2016, 2-2021, 4-2022</i>

BOARD DOCUMENT REVIEW SCHEDULE

III. Operational Documents				
Document Name	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Underwriting Guidelines	April 2010	June 2022		Document sets the “rules” used to underwrite coverage, including the methodology by which rates will be set

BOARD DOCUMENT REVIEW SCHEDULE

IV. Contracts and Agreements				
Service Provider	Origination	Last Review or Amendment	Next Scheduled Review	Description/Comments
1. Bickmore Actuarial	January 2010	January 2020	November 2022	Actuarial services and annual study <i>Current term: 7/1/2020 – 6/30/2022</i>
2. Alliant	July 2007	April 2021	April 2024	Broker of record relationship for reinsurance and other insurance placed <i>Current term: 7/1/2021 – 6/30/2024</i>
3. Farley Consulting Services	March 2012	July 2017	November 2023	Claims auditing services <i>Current term: 7/1/2018 – 6/30/2023</i>
4. In2vate	June 1999	November 2021	November 2024	Online training platform and reporting protection line for members <i>Current term: 9/1/2021 – 8/31/2024</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 – 6/30/2023</i>
6. Sampson, Sampson & Patterson	June 2007	February 2022	February 2024	Financial audit services <i>Current term: 7/1/2022 – 6/30/2024</i>
7. Sedgwick	May 2002	June 2019	November 2022	Pool administration, finance, accounting, and litigation management services <i>Current term: 7/1/2018-6/30/2023</i>
8. Doug Alliston	July 2022			Board & Coverage Counsel services <i>Current term: 7/1/22 – terminated by mutual agreement</i>

BOARD DOCUMENT REVIEW SCHEDULE

V. Audits and Recognition				
Classification	Origination	Last Review or Amendment	Next Review	Description/Comments
1. Actuarial Study		April 2022	April 2023	Independent actuarial audit and study performed annually.
2. Financial Audit		November 2021	November 2022	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 2021	April 2023	Independent claims audits performed biennially.

Agenda Item 5.A.

FINANCIAL MATTERS

**SUBJECT: Draft Audited Financial Statements for the Fiscal Year Ended
June 30, 2022**
Presented by Bill Patterson, Sampson, Sampson and Patterson

RECOMMENDATION: *Staff recommends the Board of Directors accept and file the ERMA Audited Financial Statements for the Fiscal year Ended June 30, 2022.*

BACKGROUND AND STATUS:

Bill Patterson, Sampson, Sampson, and Patterson, LLP, will be in attendance to review the attached Draft Audited Financial Statements for the Fiscal Year Ended June 30, 2022, and address any questions or concerns from the Board of Directors.

REFERENCE MATERIALS ATTACHED:

- Draft Audited Financial Statements for the Fiscal Year Ended June 30, 2022
- Letter to the Governing Board from Sampson, Sampson & Patterson, LLP

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10/18/22

EMPLOYMENT RISK MANAGEMENT AUTHORITY

REPORT ON AUDITED
FINANCIAL STATEMENTS
AND
REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2022

DRAFT
10/18/22

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10/18/22

INDEPENDENT AUDITOR'S REPORT

Governing Board
Employment Risk Management Authority
Sacramento, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Employment Risk Management Authority (ERMA) as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise ERMA's basic financial statements as listed in the table of contents. The prior year comparative information has been derived from the financial statements of ERMA for the year ended June 30, 2021, and in our report dated November 2, 2021, we expressed an unmodified opinion on those financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ERMA as of June 30, 2022, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's office and state regulations governing special districts.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ERMA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ERMA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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10/18/22

Auditor's Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, the *Government Auditing Standards* and the State Controller's Minimum Audit Requirements for California Special Districts will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, the *Government Auditing Standards* and the State Controller's Minimum Audit Requirements for California Special Districts, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ERMA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ERMA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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10/18/22

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and claims development information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated [REDACTED], 2022 on our consideration of ERMA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ERMA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ERMA's internal control over financial reporting and compliance.

Clovis, California
, 2022

EMPLOYMENT RISK MANAGEMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2022

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The management of the Employment Risk Management Authority (ERMA) is pleased to present the following discussion and analysis of the operating results, financial condition, and liquidity of ERMA for the fiscal year ended June 30, 2022. This discussion should be read in conjunction with the financial statements and notes to the financial statements included with this report.

Overall Program Highlights

ERMA is a public entity joint powers authority (JPA), created in 1999 by and among various underlying joint powers authorities in California to provide the state's only pooled approach to exclusively covering and providing loss prevention and litigation management services for the employment practices liability (EPL) exposure for California public entities. On June 30, 2022, ERMA consisted of thirteen primary members, comprised of eleven joint powers authorities: Bay Cities Joint Powers Insurance Authority (BCJPIA); California Transit Indemnity Pool (CalTIP); California Intergovernmental Risk Authority (CIRA), resulting from the merger of Public Agency Risk Sharing Authority of California (PARSAC) and Redwood Empire Municipal Insurance Fund (REMIF) effective July 1, 2021; Central San Joaquin Valley Risk Management Authority (CSJVRMA); Exclusive Risk Management Authority of California (ERMAC); Monterey Bay Area Self Insurance Authority (MBASIA); Municipal Pooling Authority (MPA); Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA); Public Entity Risk Management Authority (PERMA); Small Cities Organized Risk Effort (SCORE); Vector Control Joint Powers Authority (VCJPA); and two independent housing authorities, the Oakland Housing Authority and the Housing Authority of the County of Contra Costa.

The JPAs' underlying members are also direct members of ERMA and are made up of municipalities and special districts. ERMA provides coverage from each underlying member's self-insured retention (SIR) up to \$1.0 million. Members currently attach to the pool at SIRs ranging from \$25,000 to \$500,000. Optional excess insurance of \$2.0 million was available in 2021/2022 program year for those members that purchased this additional coverage through ERMA.

ERMA contracts with Sedgwick, a global provider of technology-enabled risk, benefits, and integrated business solutions, to handle the day-to-day operations of ERMA. The firm's employees provide general administrative, financial, accounting, underwriting, loss prevention, claims and litigation management oversight, risk management, and other services as necessary for the operations of ERMA.

EPL remains a challenging coverage due to the evolution of employment law. The training of supervisors and managers is vital to effective claims management. ERMA provides members with an anonymous reporting service and web-based training. In addition, live training is provided for ERMA's members on a rotating annual basis. ERMA's two primary attorney firm partners also offer regional topical training on a variety of employment-related topics.

ERMA is a member of the California Association of Joint Powers Authorities (CAJPA) and has received accreditation through that body for 20 years. The accreditation process involves an in-depth review of a JPA's operations, financial stability, performance, and overall management effectiveness. Every three years the accreditation process is repeated, and since 2011, ERMA has received the distinguished designation of "Accreditation with Excellence." This is the highest level of accreditation offered by CAJPA and places ERMA among the elite accredited JPAs in California.

ERMA has been a participating member of the Association of Governmental Risk Pools (AGRiP), a national association since 2018. Through AGRiP, ERMA can access risk pooling intelligence, education, networking, best practices, and advocacy on the national level.

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

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Program Highlights for the Fiscal Year Ended June 30, 2022

- **Membership Changes:** During 2021/2022 fiscal year, ERMA's Board of Directors accepted the following members effective July 1, 2021.
 - ❖ 15 REMIF members and staff, members in CIRA
 - ❖ City of Sierra Madre, member in CIRA
 - ❖ City of Exeter, member in CSJVRMA
 - ❖ City of Lindsay, member in CSJVRMA
 - ❖ City of Murrieta Fire Department, member in PERMA
 - ❖ City of Canyon Lake Fire Department, member in PERMA, effective December 1, 2021.
- **Dividend:** In June 2022, the Board of Directors approved ERMA's tenth dividend to its membership since the program began on July 1, 1999. The dividend was released in the amount of \$2.25 million for program years 2012/2013 through 2013/2014 and formally closed program year 2012/13. Equity of \$4,448,566 was available to be released at the 90% confidence level. ERMA issued \$2.0 million in cash payments to the members in June 2022. As per the pool's Financial Stability Plan, ERMA's five most current years were not adjusted.
- **Capital Contribution Fund:** In conjunction with the dividend release in June 2022, \$250,000 was withheld from the dividend release and deposited in the Capital Contribution Fund.
- **Training Program:**
 - ❖ Continued oversight of the Training Program, including scheduling of AB 1825 and SB 1343-compliant and other employment-related trainings throughout the State
 - ❖ Continued distribution of the ERMA Training Bulletin, a weekly electronic communication containing training information relative to the program
 - ❖ Continued promotion of the Training & Risk Management program, providing members with reimbursement up to \$2,500 annually for eligible employment-related training and loss control activity expenditures
 - ❖ Distribution of an annual survey to assess underlying member agencies' compliance with state-mandated training, intervening for those agencies requesting support or resources

EMPLOYMENT RISK MANAGEMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Financial Highlights for the Fiscal Year Ended June 30, 2022

Revenues	\$9.2 million	Total Revenues decreased \$94,000, or 1.0%, from the prior year. Operating revenue increased 12.1% due to an increase in deposit contributions and a deposit to the Capital Contribution Fund. Non-operating revenues decreased \$1.2 million from the prior year mainly due to investment unrealized losses.
Expenses	\$8.1 million	Total Expenses increased \$658,000 over the prior year due to an increase in claims expenses of \$1.3 million and an increase in General and Administration expenses of \$130,000, offset by a decrease in dividend release of \$750,000.
Assets	\$32.9 million	Total Assets increased \$3.0 million, or 9.9%, over the prior year primarily due to retention of the current program year contributions, as each year is funded in advance but paid over an extended period of time, offset by a decrease of cash used in the payment of dividends.
Liabilities	\$19.7 million	Total Liabilities increased \$1.9 million, or 10.4%, over the prior year mainly due to an increase to the most recent actuarial estimates of unpaid claims.

Description of the Basic Financial Statements

ERMA's financial statements are prepared in conformity with generally accepted accounting principles and include certain amounts based upon reliable estimates and judgments. The financial statements include a Statement of Net Position; Statement of Revenues, Expenses, and Change in Net Position; and the Statement of Cash Flows along with accompanying Notes to Financial Statements.

The **Statement of Net Position** presents information on ERMA's assets and liabilities, with the difference between the two representing net position, or pool equity.

The **Statement of Revenues, Expenses, and Changes in Net Position** presents information regarding revenues versus expenses and how ERMA's net position changed during the fiscal year. All revenues and expenses are recognized as soon as the underlying event occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in the collection or disbursement of cash during future fiscal years (e.g., interest receivable and the expense associated with a change in claim liability, both involving cash transactions beyond the date of the financial statements).

The **Statement of Cash Flows** presents the changes in ERMA's cash and cash equivalents during the fiscal year. The statement identifies the sources and uses of ERMA's cash and cash equivalents into operating, capital and related financing, and investing categories.

The **Notes to Financial Statements** provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of ERMA's operations and significant accounting policies as well as clarify unique financial information.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

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Following the basic financial statements and footnotes is the **required supplementary information**, which provides further detail on claims activities.

ERMA's accounting system is organized so that each program year can be accounted for and evaluated independently. The assets, liabilities, revenues and expenses are reported on a full-accrual basis. There were no significant accounting changes during the year.

Analysis of Overall Financial Position and Results of Operations

ERMA Statement of Net Position			
	June 30, 2022	June 30, 2021	Percentage Change
Current Assets	\$11,238,410	\$10,136,240	10.9%
Long-term Investments	21,650,113	19,784,121	9.4%
Total Assets	32,888,523	29,920,361	9.9%
Current Liabilities	\$5,941,683	\$5,212,096	14.0%
Non-current Claims Liabilities	13,726,633	12,597,483	9.0%
Total Liabilities	19,668,316	17,809,579	10.4%
Net Position	\$13,220,207	\$12,110,782	9.2%

Pool Assets

Total assets increased \$2.9 million, or 9.9%, over the prior year, which was driven by the retention of the current program year contributions, as each year is funded in advance but paid over a period time, offset by a decrease in cash payment of dividends in the amount of \$2.0 million and lower claim payment activity in the current fiscal year.

ERMA maintains liquid funds not immediately needed for the payment of claims and administrative expenses in the Local Agency Investment Fund (LAIF) and in the California Asset Management Program (the "CAMP Liquidity" account). The LAIF account and CAMP Liquidity account balances were approximately \$7.6 million and \$10,000 at June 30, 2022, respectively. In June 2022, management executed a transfer from LAIF to fund the dividend cash payments to the members.

ERMA's excess funds have been invested in the California Asset Management Program Trust (CAMP), a joint powers authority managed by PFM Asset Management, LLC (PFM) since August 2008. Custodial services are provided by U.S. Bank. Holdings in ERMA's portfolio were \$25.2 million and \$26.2 million at June 30, 2022, and 2021, respectively. Holdings are maintained in treasury and agency securities, corporate notes, commercial paper, certificates of deposit, municipal bonds, supra-national agency bonds, collateralized mortgage obligations, and asset-backed securities. Portfolio holdings included money market funds of \$754,000 that are reported as an element of cash and cash equivalents at June 30, 2022. ERMA's investment earnings decreased \$1.2 million from the prior year mainly due to unrealized losses.

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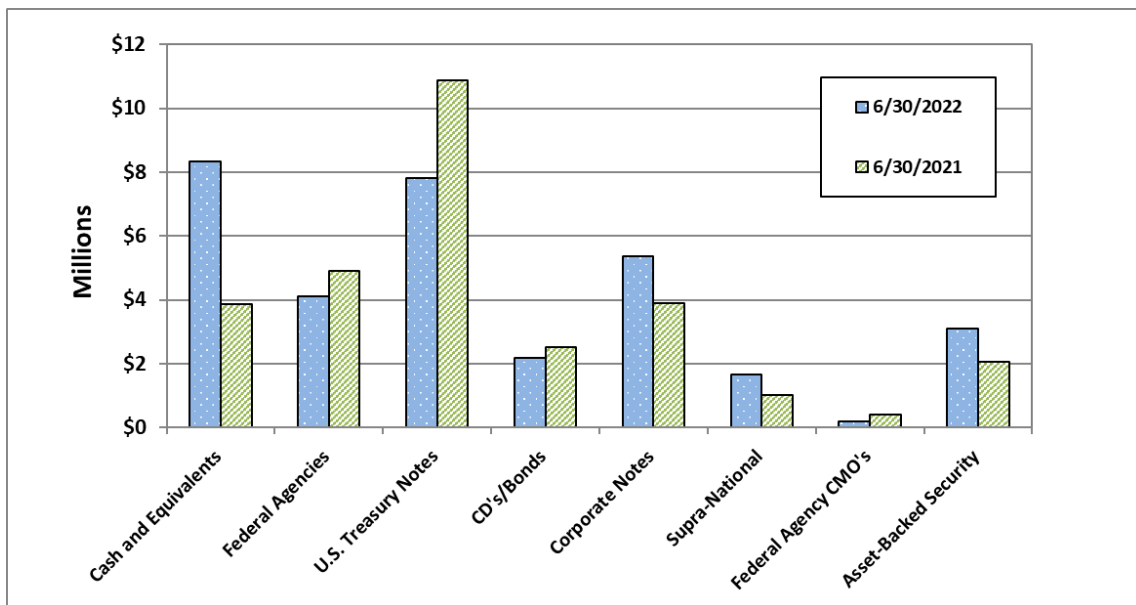
MANAGEMENT'S DISCUSSION AND ANALYSIS

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A complete discussion on the economic conditions affecting government agency portfolios is provided in the **Description of Facts or Conditions that are Expected to have a Significant Effect on Financial Position or Results of Operations** in the last section of this report. At June 30, 2022, the fair market value of ERMA's investments was \$1.1 million less than the book value, as compared to June 30, 2021, when the fair market value of ERMA's investments was \$313,000 more than the book value. The ability of ERMA's excess funds to earn investment income has a direct effect on program rates, as this income is used to discount future claims liabilities. When investment yields fall short of projections, additional funding may be required to meet actuarial estimates. The chart below depicts the make-up of ERMA's cash assets.

Total Cash by Category at June 30, 2022, and June 30, 2021



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MANAGEMENT'S DISCUSSION AND ANALYSIS

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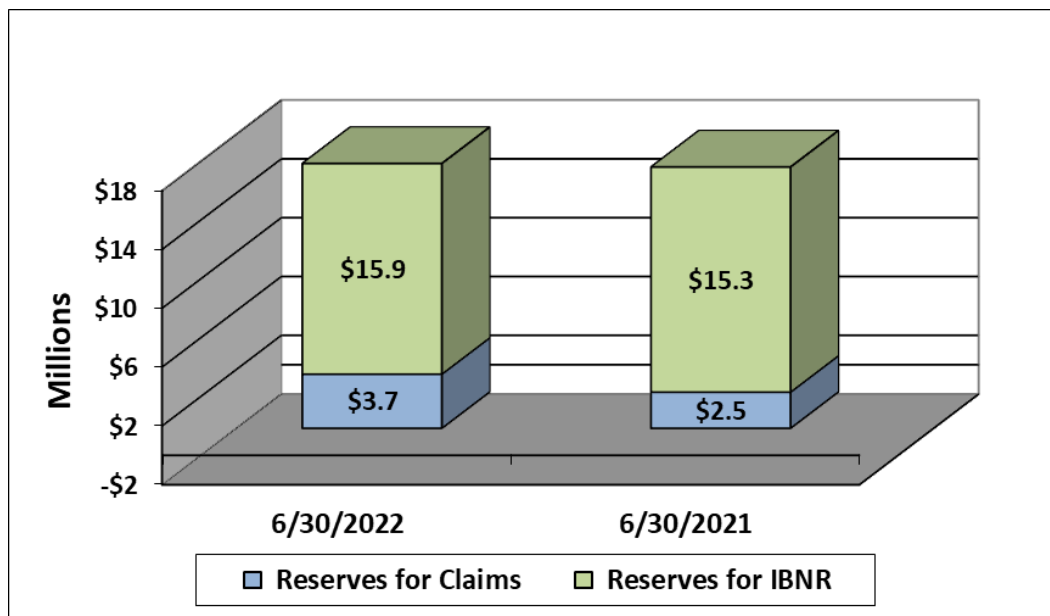
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Pool Liabilities

As shown in the chart below, claim liabilities increased \$1.8 million, or 10.3%, over the prior year. Reserves for known claims increased \$1.2 million and reserves for incurred-but-not-reported claims (IBNR) increased \$614,000. The net increase in claim liability is attributable to a decrease in the actuarial ultimate loss projections for prior program years of \$2.2 million and the introduction of the liabilities for the current program year of \$6.6 million, offset by claims payments of \$2.5 million. A further discussion of this development is found under the **Provision for Insured Events** section of this report.

The portion of claims considered to be currently payable (less than one year) was actuarially determined. ERMA's current claims liability at June 30, 2022, is projected to be \$5.9 million, an increase of \$707,000 over the prior year. ERMA's long-term claims liability is projected to be \$13.7 million, an increase of \$1.1 million over the prior year.

Comparison of Claims Liabilities at June 30, 2022 and June 30, 2021



Capital Fund

ERMA's Capital Fund was reactivated in April 2015 to receive an initial \$300,000 contribution, which was withheld from a dividend release. The purpose of the re-activated Fund was to build a reserve to eventually reach \$1.0 million and be used to finance initiatives developed by the ERMA Training Ad Hoc Committee. The Fund was augmented the following three years until it reached its target total contributions of \$1.0 million in 2017/2018 program year. The balance for the Capital Fund as of June 30, 2022 was \$981,685. The expenditures in the current year were reimbursements to members related to risk management training. Activity in the Fund for the past eight years is shown in a grid found on the following page.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

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ERMA Capital Contribution Fund Activity				
Program Year	Contributions	Expenditures	Accumulated Interest	Balance
2014/2015	\$300,000	\$0	\$0	\$300,000
2015/2016	400,000	0	8,522	708,522
2016/2017	150,000	(15,000)	4,134	847,656
2017/2018	150,000	(238,392)	3,843	763,107
2018/2019	0	(4,029)	30,685	789,763
2019/2020	0	0	38,544	828,307
2020/2021	0	(30,315)	2,702	800,694
2021/2022	250,000	(46,899)	(22,110)	981,685
Totals	<u>\$1,250,000</u>	<u>(\$334,635)</u>	<u>\$66,320</u>	

Revenues and Expenses

ERMA Statement of Revenues, Expenses, and Change in Net Position			
	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	Percentage Change
Revenues:			
Member Contributions	\$10,003,714	\$9,146,911	9.4%
Capital Fund Contribution	250,000		
Investment Income (Loss)	(1,085,213)	115,295	-1041.2%
Total Revenues	<u>\$9,168,501</u>	<u>\$9,262,206</u>	<u>-1.0%</u>
Expenses:			
Excess Insurance	341,374	333,029	2.5%
Claims Payments	2,537,409	3,350,611	-24.3%
Increase in Claims Reserves	1,836,575	(229,489)	900.3%
General and Administration	974,075	844,609	15.3%
Loss Prevention and Training	119,643	102,675	16.5%
Total Operating Expenses	<u>5,809,076</u>	<u>4,401,435</u>	<u>32.0%</u>
Member Dividend	2,250,000	3,000,000	-25.0%
Change in Net Position	1,109,425	1,860,771	-40.4%
Net Position, Beginning of Year	<u>12,110,782</u>	<u>10,250,011</u>	<u>18.2%</u>
Net Position, End of Year	<u>\$13,220,207</u>	<u>\$12,110,782</u>	<u>9.2%</u>

EMPLOYMENT RISK MANAGEMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2022

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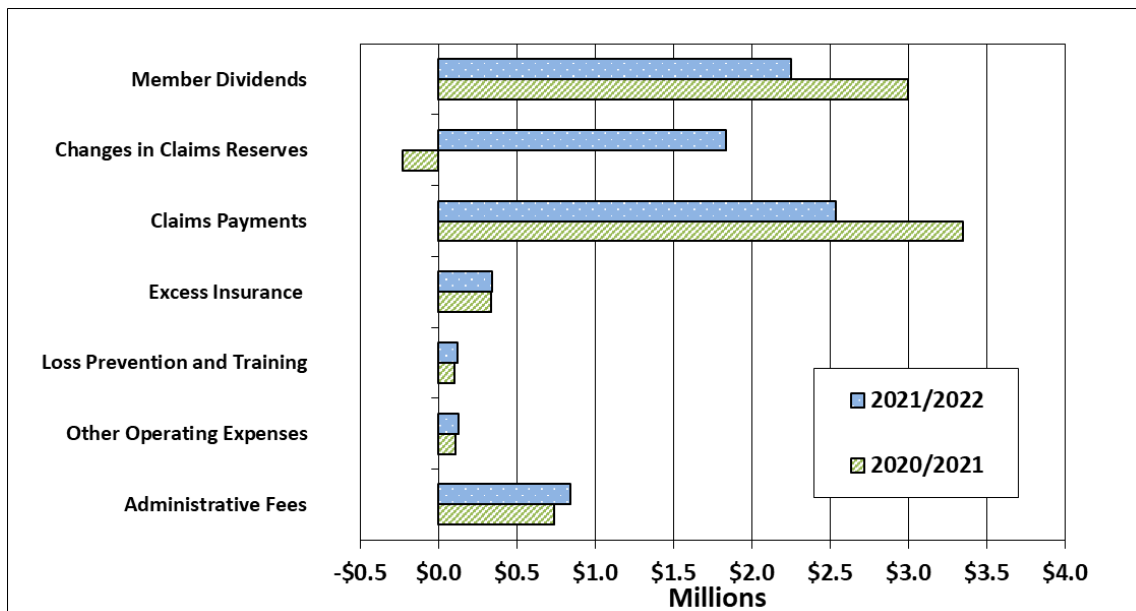
In 2021/2022, revenues consisted of member contributions, capital fund contribution, and interest income. Member contributions increased by 9.4% over the prior year due to an increase in payroll of 12.9% and an increase in the actuarially determined pooling rate of 4.9%, over the prior year's rate. The funding rate for the pooled layer increased to 0.595 from 0.567, both at the 80% confidence level. As aforementioned, interest earnings decreased \$1.2 million from the prior year.

In 2021/2022, revenues exceeded expenses by \$1.1 million. The actual claims costs were \$4.1 million less than the budgeted claims costs (including claim payments and changes in reserves). Dividends were released in the amount of \$2.25 million and net investment income loss was \$1.1 million. General and Administration expenses saw an increase of \$129,000 over the prior year due to an increase in program administration fees per the contract; other expenses experienced minimal changes. As a result, net position increased from \$12.1 million at June 30, 2021 to \$13.2 million at June 30, 2022.

For the fiscal year ended June 30, 2021, revenues exceeded expenses by \$1.9 million. The actual claims costs were \$4.7 million less than the budgeted claims costs (including claim payments and changes in reserves). Dividends were returned to the members in the amount of \$3.0 million and net investment income was \$115,000. Other expenses experienced minimal changes. As a result, net position increased from \$10.3 million at June 30, 2020 to \$12.1 million at June 30, 2021.

The chart below illustrates the differences between the apportionment of expenses for the current and prior year.

Expenses for the Years Ended June 30, 2022 and June 30, 2021



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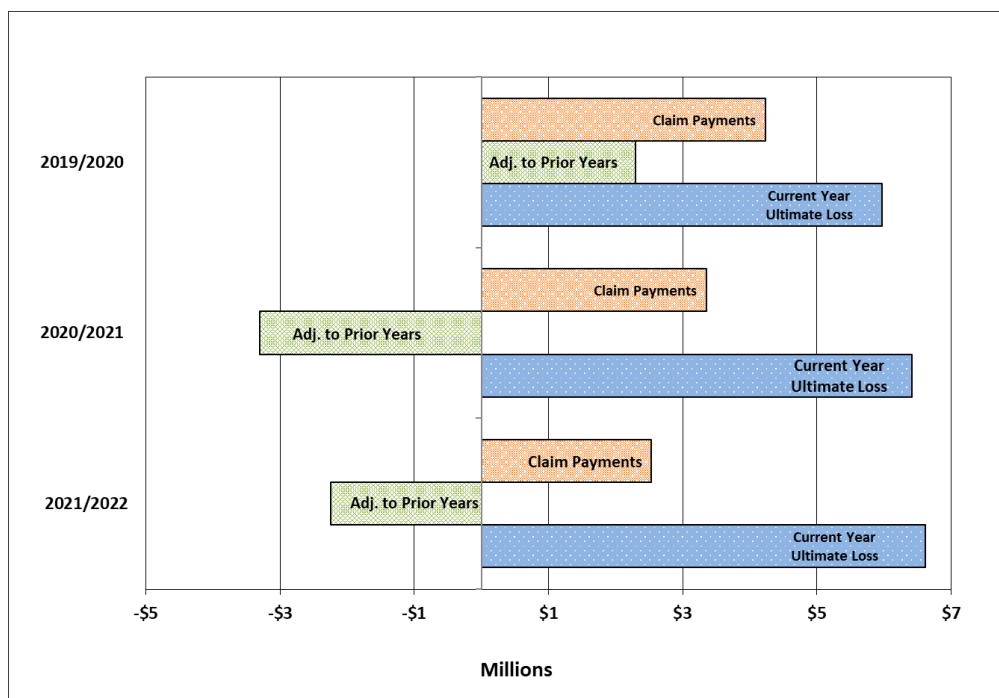
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Provision for Insured Events

ERMA contracts with Bickmore Actuarial for an actuarial valuation of its outstanding claims liability as well as a recommendation of funding levels for the coming year. Funding for the 2021/2022 program year was calculated at the 80% confidence level and discounted at 1.50% as compared to the prior year at the 80% confidence level and discounted at 2.0%. Liabilities were discounted at 1.5% at June 30, 2022, and 2021 to recognize the potential investment earnings in the current market.

Actuarial projections are adjusted each year as claims continue to develop. The chart below illustrates the three components of claims, followed by commentary for each:

Claims Activity
For the Years Ended June 30, 2022, June 30, 2021, and June 30, 2020



- **Claim Payments:** Claim payments decreased from \$4.2 million in 2019/2020 to \$3.4 million in 2020/2021, then decreased to \$2.5 million in 2021/2022. ERMA's average annual claim payments over the past ten years has been \$2.9 million.
- **Adjustments to Prior Years:** Estimates for ultimate losses increased \$2.3 million in the 2019/2020 fiscal year and decreased \$3.3 million in the 2020/2021 fiscal year. The same estimated decreased by \$2.2 million in 2021/2022 fiscal year due to favorable claims development in pre-2022 program years.
- **Current Year Ultimate Loss:** The initial ultimate loss estimates for the past three program years were \$6.0 million for 2019/2020, \$6.4 million for 2020/2021 and \$6.6 million for 2021/2022. The increase in the 2021/2022 program year resulted primarily from the addition of the exposure base for the 2021/22 program year.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

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General Administrative Expenses

General administrative expenses (including the loss prevention and training program) increased \$144,000 over the prior year, mainly due to an increase in program administration fees per the contract.

Total general administrative expenses as a percentage of total expenses were 13.6% and 12.8%, for the 2021/22 and 2020/21 fiscal years, respectively.

Economic Factors

In developing the budget for the fiscal year ended June 30, 2022, pool administration staff and the Board of Directors considered the factors that had significant potential to affect the budgeted figures, primarily the claims, investment, and insurance environments. Projections for investment income were also taken into consideration, as were the trends in the interest income generated by ERMA's cash and investments and the resulting effect on the funding levels.

ERMA enjoys the stability of a JPA which has been in operation for twenty-two years and carries a net position of \$13.2 million. Current funding appears to be sufficient to meet current and future obligations.

Description of Facts or Conditions that are Expected to have a Significant Effect on Financial Position or Results of Operations

Investment Arena:

Overall economic activity was robust in 2021, supported by massive levels of monetary support by the Federal Reserve (Fed) and numerous rounds of fiscal support from Congress to combat the effects of the COVID-19 pandemic. High inflation later became a major issue for the economy, setting the stage for a significant pivot by the Fed late in 2021 when they announced plans to reverse their accommodative policies and begin to raise rates.

Real U.S. gross domestic product (GDP) grew 5.7% in 2021, the strongest pace since 1984. Exports grew, but imports grew even more, resulting in a record trade deficit. Despite the strong momentum carried forward from last year, the U.S. experienced negative real GDP growth in the first two quarters of 2022. Future growth is likely to be positive, but muted, and the risk of a future recession is growing.

Unemployment showed sustained improvement, falling from 6.7% at the beginning of 2021 to 3.6% in June 2022. The economy added more than 6.7 million new jobs in 2021, the largest annual gain on record. In addition, more than 2.7 million new jobs were added in the first half of 2022. Average hourly earnings, an important gauge of wages, rose a strong 5.2% over the year ended June 2022. In another sign of strength in the labor market, job openings remained near record levels, with nearly two jobs for each unemployed person in the U.S. The combination of high demand and supply shortages led to sharply higher inflation. The consumer price index rose 9.1% year-over-year in June 2022—a 40-year high. Gasoline and fuel oil prices were up 50% or more, the cost of both new and used cars surged, and prices for food, clothing, housing, and transportation were also up significantly. Russia's invasion of Ukraine exacerbated the inflation problem, pushing up prices for oil, key agricultural products, and some industrial metals.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

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In response to high inflation, the Fed made a dramatic policy shift and began to aggressively raise rates. Interest rates climbed at the fastest pace seen in recent history. The yield on two-year Treasury notes rose from 0.28% last September to 0.73% by the end of 2021, and reaching 2.95% at the end of June 2022. However, very short-term rates remained ultra-low until the Fed followed through with rate hikes in three consecutive meetings, including a 75-basis point hike in June 2022, the largest increment since 1994. (Note, the Fed raised rates by another 75-basis points in July.) The surge in longer-term interest rates pushed bond market values lower, but also created opportunities for short-term investors to earn much higher yields than in recent years.

Looking forward, economists expect positive but modest growth, a tight labor market, and persistent inflationary pressures. Geopolitical concerns, including the war in Ukraine and China's zero-Covid policy, will serve as additional catalysts for volatility. Inflation remains the biggest challenge for the economy, and the Fed will try to thread the policy needle to slow demand-driven inflation while simultaneously engineering a soft landing for the economy. The market is watching closely as the Fed attempts to control inflation, leading to additional rate hikes that are widely expected to push short-term rates toward 3.5% by the end of 2022.

During the year, ERMA's investment advisor, PFM Asset Management, LLC, continued to manage ERMA's portfolio according to ERMA's investment objectives of safety, liquidity, and return on investment (in that order). The portfolio is of high credit quality and well diversified among sector, issuer, and maturity.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

STATEMENT OF NET POSITION

(Prior Year Data for Comparison Purposes Only)

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	<u>ASSETS</u>	
	June 30,	
	<u>2022</u>	<u>2021</u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 8,336,660	\$ 3,856,301
Investments	2,765,629	5,927,750
Receivables:		
Members		4,340
Excess receivable	27,067	
Other	20,597	5,000
Interest	71,221	80,115
Prepaid expenses	<u>17,236</u>	<u>262,734</u>
Total current assets	<u>11,238,410</u>	<u>10,136,240</u>
Non-current assets:		
Investments	<u>21,650,113</u>	<u>19,784,121</u>
Total non-current assets	<u>21,650,113</u>	<u>19,784,121</u>
 TOTAL ASSETS	 <u>32,888,523</u>	 <u>29,920,361</u>
 <u>LIABILITIES AND NET POSITION</u>		
LIABILITIES:		
Current liabilities:		
Accounts payable	70,426	48,264
Current portion of claims liabilities	<u>5,871,257</u>	<u>5,163,832</u>
Total current liabilities	<u>5,941,683</u>	<u>5,212,096</u>
Non-current liabilities:		
Claims liabilities	<u>13,726,633</u>	<u>12,597,483</u>
Total non-current liabilities	<u>13,726,633</u>	<u>12,597,483</u>
 TOTAL LIABILITIES	 <u>19,668,316</u>	 <u>17,809,579</u>
 NET POSITION - Unrestricted	 <u>\$ 13,220,207</u>	 <u>\$ 12,110,782</u>

See independent auditor's report and notes to financial statements.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND
CHANGE IN NET POSITION

(Prior Year Data for Comparison Purposes Only)

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	<u>Years Ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
OPERATING REVENUES:		
Member contributions	\$ 9,652,312	\$ 8,794,445
Excess insurance contributions	349,548	333,029
Capital fund contribution	250,000	
Other income	<u>1,854</u>	<u>19,437</u>
TOTAL OPERATING REVENUES	10,253,714	9,146,911
OPERATING EXPENSES:		
Claims paid	2,537,409	3,350,611
Increase (decrease) in claims liabilities	1,836,575	(229,489)
Excess insurance	341,374	333,029
Loss prevention and training	119,643	102,675
General and administration	<u>974,075</u>	<u>844,609</u>
TOTAL OPERATING EXPENSES	<u>5,809,076</u>	<u>4,401,435</u>
Operating Income	4,444,638	4,745,476
NONOPERATING REVENUES (EXPENSES):		
Investment income (loss)	(1,085,213)	115,295
Member dividend	<u>(2,250,000)</u>	<u>(3,000,000)</u>
Total nonoperating revenues (expenses)	<u>(3,335,213)</u>	<u>(2,884,705)</u>
CHANGE IN NET POSITION	1,109,425	1,860,771
NET POSITION, BEGINNING OF YEAR	<u>12,110,782</u>	<u>10,250,011</u>
NET POSITION, END OF YEAR	<u>\$ 13,220,207</u>	<u>\$ 12,110,782</u>

See independent auditor's report and notes to financial statements.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

STATEMENT OF CASH FLOWS

(Prior Year Data for Comparison Purposes Only)

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	<u>Years Ended June 30,</u>	
	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from members	\$ 10,253,714	\$ 9,146,911
Cash paid for claims	(2,575,352)	(3,331,544)
Cash paid for excess insurance	(341,374)	(333,029)
Cash paid for general and administration	<u>(826,439)</u>	<u>(1,144,752)</u>
Net cash provided by operating activities	6,510,549	4,337,586
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Member dividend	<u>(2,250,000)</u>	<u>(3,446,265)</u>
Net cash used by capital and related financing activities	(2,250,000)	(3,446,265)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	297,594	639,995
Purchase of investment securities	(6,862,729)	(9,635,785)
Proceeds from sales and maturities of investment securities	<u>6,784,945</u>	<u>9,172,031</u>
Net cash provided by investing activities	219,810	176,241
Net increase in cash and cash equivalents	4,480,359	1,067,562
Cash and cash equivalents, beginning of year	<u>3,856,301</u>	<u>2,788,739</u>
Cash and cash equivalents, end of year	<u>\$ 8,336,660</u>	<u>\$ 3,856,301</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Net operating income	\$ 4,444,638	\$ 4,745,476
Adjustments to reconcile operating income to		
Net cash provided by operating activities:		
Changes in assets and liabilities:		
Member receivables	4,340	10,984
Excess receivable	(27,067)	3,414
Other receivables	(15,597)	26,175
Prepaid expenses	245,498	(241,584)
Accounts payable	22,162	22,610
Claims liabilities	<u>1,836,575</u>	<u>(229,489)</u>
Net cash provided by operating activities	<u>\$ 6,510,549</u>	<u>\$ 4,337,586</u>
SUPPLEMENTAL DISCLOSURES		
Noncash investing, capital and financing activities		
Change in unrealized loss on investments	<u>\$(1,373,912)</u>	<u>\$ (490,289)</u>

See independent auditor's report and notes to financial statements.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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NOTE 1 - ORGANIZATION:

The Employment Risk Management Authority (ERMA) was established on July 1, 1999 as a California Joint Powers Authority under the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500, et. seq.) of the California Government Code. ERMA was established for the purpose of operating and maintaining a cooperative program of self-insurance and risk management to its member entities in the area of Employment Practices Liability. A Board of Directors governs ERMA, which is comprised of appointed representatives from the member agencies. During the year ended June 30, 2022, ERMA was comprised of thirteen members. ERMA currently has one pooled program available to its members, the Pooled Employment Practices Liability Program.

Pooled Employment Practices Liability Program

The Pooled Employment Practices Liability Program is organized and operates in accordance with a "Master Plan Document," which includes the procedures, rules, and regulations applicable to the program. Each program year is accounted for separately. At the inception of each program year, members remit a contribution to fund the actuarially determined expected claims and estimated operating expenses for the life of the program year. Dividends may be declared by the Board of Directors beginning five years following the end of each program year providing they are funded in excess of the 90% confidence level. Assessments can also be made if the program, as a whole, is found to be actuarially unsound. A program year will be closed when the Board of Directors authorizes closure, being convinced that all known claims for the year are closed and any unobligated funds remaining may be returned to the member entities, and funds paid out in excess of the original contribution and allocated interest earnings are collected from the member entities.

Self-insured retention limits of \$25,000, \$50,000, \$75,000, \$100,000, \$250,000, \$350,000 or \$500,000 per occurrence up to \$1 million are established for each member entity. For years prior to 2002/2003, ERMA purchased reinsurance to cover 25% of ultimate net losses in excess of the members' self-insured retention limits. Losses in excess of \$1 million up to \$4 million for 2002/2003 and 2003/2004 and \$10 million for years prior to 2002/2003 were entirely covered through purchased reinsurance. The Authority did not purchase reinsurance for 2004/2005 through 2009/2010. In 2021/2022 ERMA purchased excess coverage of \$2 million for each claim per member city with a \$4 million per member aggregate subject to a \$10 million policy aggregate, for those members who chose to participate. ERMA's administrator, Sedgwick, oversees and pays all claims and related costs once they exceed a member's self-insured retention.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

Accounting Method

The accompanying financial statements have been presented on the accrual basis of accounting. Under the accrual method, revenues are recognized when they are earned or become reasonably estimable. Expenses are recognized when they are incurred or become reasonably estimable. The accounts of ERMA are maintained in accordance with the principles of fund accounting in which separate funds are maintained for each program year. Since the Authority discounts claims liabilities, investment income is considered in determining if a funding deficiency exists.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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Income Taxes

As a governmental agency, ERMA is exempt from both federal income taxes and California state franchise taxes.

Cash Equivalents

For the purpose of the statement of cash flows, cash equivalents include all highly liquid short-term investments with an original maturity of three months or less.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Classification of Revenues

ERMA has classified their revenues as either operating or non-operating revenues. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement 34. Revenues are classified according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as contributions for insured events.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions and other revenue sources described in GASB Statement 34 such as investment earnings.

Comparative Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the prior year financial statements, from which this data was derived.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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NOTE 3 - CASH AND INVESTMENTS:

Cash and investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Cash and cash equivalents:	
Cash deposits with financial institutions	\$ 21,526
CAMP pool – Money Market	753,763
CAMP pool – Liquidity	10,029
State investment pool – Local Agency	
Investment Fund (LAIF)	<u>7,551,342</u>
Total cash and cash equivalents	<u>\$ 8,336,660</u>
Investments:	
Current	\$ 2,765,629
Non-current	<u>21,650,113</u>
Total investments	<u>\$24,415,742</u>
Total cash and investments	<u>\$32,752,402</u>

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized for the Authority by the California Government Code and its investment policy. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Time Certificates of Deposit	1 year	20%	5%
Corporate Notes	5 years	30%	5%
Municipal Bonds	5 years	None	5%
Repurchase Agreements	30 days	25%	5%
Money Market Mutual Funds	5 years	20%	10%
Asset Backed Securities	5 years	20%	5%
Local Agency Investment Fund (LAIF)	5 years	None	Statutory Limit
JPA Pools (other investment pools)	5 years	None	None
Supra-Nationals	5 years	30%	None

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways ERMA manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of ERMA's investments to market interest rate fluctuations is provided by the following table that shows the distribution of ERMA's investments by maturity.

Investment Type	Amount	Remaining Maturity (in Months)		
		12 Months or Less	13-24 Months	25-60 Months
U.S. Treasury Notes	\$ 7,815,417	\$ 548,774	\$4,479,637	\$ 2,787,006
U.S. Agency Securities	4,298,204	262,853	2,226,534	1,808,817
Corporate Notes	5,376,885		1,045,270	4,331,615
Negotiable Certificates of Deposit	1,195,277	1,195,277		
Supra-Nationals	1,649,689	758,725	385,186	505,778
Asset Backed Securities	3,104,656			3,104,656
Municipal Bonds	975,614			975,614
Total	<u>\$24,415,742</u>	<u>\$ 2,765,629</u>	<u>\$8,136,627</u>	<u>\$13,513,486</u>

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

ERMA's portfolio includes the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

<u>Highly Sensitive Investments</u>	<u>Fair Value at Year End</u>
Callable Corporate Notes	\$2,945,257

These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair value of these securities highly sensitive to changes in interest rates.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the Standard and Poors rating as of year end for each investment type.

Investment Type	Amount	Not Rated	Rating as of Year End				
			AAA	AA	A	A-1	BBB
U.S. Treasury Notes	\$ 7,815,417	\$	\$	\$ 7,815,417	\$	\$	\$
U.S. Agency Securities	4,298,204			4,298,204			
Corporate Notes	5,376,885			1,367,329	3,192,366		817,190
Negotiable Certificates of Deposit	1,195,277					1,195,277	
Supra-Nationals	1,649,689		1,649,689				
Asset Backed Securities	3,104,656	327,438	2,777,218				
Municipal Bonds	975,614	118,624	73,723	734,035	49,232		
Total	\$24,415,742	\$446,062	\$4,500,630	\$14,214,985	\$3,241,598	\$1,195,277	\$817,190

Concentration of Credit Risk

The investment policy of ERMA places limits on the amount that may be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total ERMA investments are as follows:

Issuer	Investment Type	Amount
Freddie Mac	Federal Agency Securities	\$2,980,720
Inter-American Development Bank	Supra National Agency Bond	\$1,264,502

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public entity deposits by pledging the first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, none of the Authority's deposits in excess of FDIC limits were held in uncollateralized accounts.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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None of ERMA's investments were subject to custodial credit risk at June 30, 2022. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Managed Investment Pools

ERMA is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of ERMA's investment in this pool is reported in the accompanying financial statements at amounts based upon ERMA's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

As of June 30, 2022, ERMA's investment in the California Asset Management Program (CAMP) pool was \$763,792. A board of seven trustees who are officials or employees of the public agencies has oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn, is determined on an amortized cost basis.

Fair Value Measurements

ERMA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

ERMA has the following recurring fair value measurements as of June 30, 2022:

Investment Type	Level 1	Level 2	Level 3	Total
U.S. Treasury Notes	\$	\$7,815,417	\$	\$7,815,417
U.S. Agency Securities		4,298,204		4,298,204
Corporate Notes		5,376,885		5,376,885
Negotiable Certificates of Deposit		1,195,277		1,195,277
Supra-Nationals		1,649,689		1,649,689
Asset Backed Securities		3,104,656		3,104,656
Municipal Bonds		975,614		975,614

Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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NOTE 4 - CLAIMS LIABILITIES:

ERMA has established a reserve for unpaid claims in the Pooled Employment Practices Liability Program, based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have been reported, but not settled, and of claims that have been incurred, but not reported. The incurred, but not reported claims have been estimated by management based upon an actuarial study performed by ERMA's consulting actuary at the expected confidence level and are discounted at 1.5% for 2021/2022 and 2020/2021. The claims reserves have been estimated by the litigation managers based upon prior experience with similar claims. Because actual costs depend on such factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Accordingly, the reserve for claims is recomputed periodically to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to the reserves are charged to income or expense in the period in which they are made. The face value (undiscounted) amount of unpaid claims at June 30, 2022 and 2021 was \$20,151,594 and \$18,270,916, respectively.

The following represents changes in the total reserves for unpaid claims of ERMA during the past two years:

	<u>2021/2022</u>	<u>2020/2021</u>
Claims liabilities at beginning of year	\$17,761,315	\$17,990,804
Incurred claims and claims adjustment expenses:		
Provision for insured events of the current year	6,613,478	6,418,061
Change in provision for insured events for prior years	<u>(2,239,494)</u>	<u>(3,296,939)</u>
Total incurred claims and claims adjustment expenses	<u>4,373,984</u>	<u>3,121,122</u>
Payments:		
Claims and claims adjustment expenses attributable to insured events of current fiscal year		70,963
Claims and claims adjustment expenses attributable to insured events of prior years	<u>2,537,409</u>	<u>3,279,648</u>
Total payments	<u>2,537,409</u>	<u>3,350,611</u>
Total claims liabilities at end of year	<u>\$19,597,890</u>	<u>\$17,761,315</u>

The components of the claims liabilities as of June 30, 2022 and 2021 were as follows:

	<u>2021/2022</u>	<u>2020/2021</u>
Claims reserves	\$ 3,673,313	\$ 2,450,876
Claims incurred but not reported (IBNR)	15,040,683	14,489,979
Unallocated loss adjustment expenses (ULAE)	<u>883,894</u>	<u>820,460</u>
	<u>\$19,597,890</u>	<u>\$17,761,315</u>

EMPLOYMENT RISK MANAGEMENT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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NOTE 5 - MEMBER DIVIDENDS:

In June, 2022, the Board of Directors approved the return of equity at the 90% confidence level totaling \$2,250,000 to members that participated in the program years 2012/2013 and 2013/2014. ERMA's retrospective adjustment policy provides for the return of equity at the discretion of the Board of Directors for eligible program years that are at least five years old provided that net position remains above the 90% confidence level after this distribution.

NOTE 6 - CAPITAL CONTRIBUTION FUND:

ERMA's Capital Contribution Fund had been used in ERMA's early years as a designated fund to be allocated to future program years in need of solvency. The Fund had previously been fully allocated in June, 2010, and had been inactive until its re-activation in April, 2015. In June, 2022, in conjunction with the return of equity, \$250,000 was withheld from the dividend distribution to members and was deposited in the Capital Contribution Fund. The net position designated for the Capital Contribution Fund at June 30, 2022 was \$981,685.

NOTE 7 – SUBSEQUENT EVENTS:

ERMA's management evaluated its June 30, 2022 financial statements for subsequent events through , 2022, the date the financial statements were issued. Management is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

EMPLOYMENT RISK MANAGEMENT AUTHORITY

CLAIMS DEVELOPMENT INFORMATION

JUNE 30, 2022

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The following table illustrates how the Employment Practices Liability Program earned revenue (net of reinsurance) and investment income compared to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Program for the last ten years. The rows of the table are defined as follows:

- (1) This line shows the total of each fiscal year's gross earned contributions and reported investment revenue amounts of contributions ceded and reported premiums (net of reinsurance) and reported investment revenue.
- (2) This line shows each fiscal year's other operating costs of the Program including overhead and loss adjustment expenses not allocable to individual claims.
- (3) This line shows the Program's gross incurred losses and allocated loss adjustment expense, losses assumed by reinsurers, and net incurred losses and loss adjustment expense (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called program year).
- (4) This section of rows shows the cumulative net amounts paid as of the end of successive years for each program year.
- (5) This line shows the latest reestimated amount of losses assumed by reinsurers for each program year.
- (6) This section of rows shows how each program year's net amount of losses increased or decreased as of the end of successive years. (This annual reestimation results from new information received on known losses, reevaluation of existing information on known losses, and emergence of new losses not previously known.)
- (7) This line compares the latest reestimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought. As data for individual program years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature program years. The columns of the table show data for successive program years.

EMPLOYMENT RISK MANAGEMENT AUTHORITY

CLAIMS DEVELOPMENT INFORMATION

JUNE 30, 2022

(Continued)

EMPLOYMENT PRACTICES LIABILITY PROGRAM

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	<u>2012/2013</u>	<u>2013/2014</u>	<u>2014/2015</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>
1. Required contribution and investment revenue:										
Earned	\$ 6,324,018	\$5,637,666	\$5,360,293	\$5,570,519	\$6,305,939	\$6,656,049	\$7,186,334	\$7,807,782	\$9,140,672	\$10,001,860
Net assessments/(dividends)	(3,979,950)	(2,272,344)	(229,200)	(575,844)						
Ceded	<u>192,610</u>	<u>193,341</u>	<u>195,460</u>	<u>204,358</u>	<u>219,698</u>	<u>235,697</u>	<u>298,737</u>	<u>311,540</u>	<u>333,029</u>	<u>341,374</u>
Net earned before allocated interest	2,151,458	3,171,981	4,935,633	4,790,317	6,086,241	6,420,352	6,887,597	7,496,242	8,807,643	9,660,486
Allocated interest earned (expense)	<u>460,206</u>	<u>368,897</u>	<u>249,165</u>	<u>266,950</u>	<u>358,408</u>	<u>380,812</u>	<u>389,636</u>	<u>90,498</u>	<u>(207,800)</u>	<u>(208,622)</u>
Total net earned	2,611,664	3,540,878	5,184,798	5,057,267	6,444,649	6,801,164	7,277,233	7,586,740	8,599,843	9,451,864
2. Unallocated expenses	733,423	744,782	789,819	823,781	901,310	1,172,746	961,378	913,984	947,284	1,091,217
3. Estimated claims and expenses, end of program year:										
Incurred	3,145,533	2,910,463	3,082,575	3,436,639	4,090,426	4,312,735	4,734,368	5,971,321	6,418,061	6,613,478
Ceded										
Net incurred	<u>3,145,533</u>	<u>2,910,463</u>	<u>3,082,575</u>	<u>3,436,639</u>	<u>4,090,426</u>	<u>4,312,735</u>	<u>4,734,368</u>	<u>5,971,321</u>	<u>6,418,061</u>	<u>6,613,478</u>
4. Net paid (cumulative) as of:										
End of program year			3,154				27,980	18,345	70,963	
One year later	223,823	17,342	571,386	549,594	202,129	163,454	578,825	989,719	460,544	
Two years later	932,721	926,832	1,138,422	1,422,765	1,210,214	3,079,649	1,397,468	1,403,579		
Three years later	1,754,660	1,625,601	2,749,312	3,032,900	1,866,797	3,493,915	1,993,678			
Four years later	1,786,551	2,172,644	3,367,741	3,055,127	2,141,826	4,005,710				
Five years later	1,827,552	2,208,703	3,413,372	3,214,567	2,714,928					
Six years later	1,844,591	2,208,703	4,047,591	3,217,101						
Seven years later	1,868,656	2,210,525	4,089,156							
Eight years later	1,873,510	2,210,525								
Nine years later	1,882,270									
5. Reestimated ceded claims and expenses			673	204,905		233,931				
6. Reestimated net incurred claims and expenses:										
End of program year	3,145,533	2,910,463	3,082,575	3,436,639	4,090,426	4,312,735	4,734,368	5,971,321	6,418,061	6,613,478
One year later	2,620,642	2,431,322	3,571,092	3,918,988	3,889,398	4,603,354	6,255,070	5,936,561	6,225,485	
Two years later	2,570,866	3,139,528	3,524,645	3,868,253	3,784,898	5,938,019	5,262,299	4,877,844		
Three years later	2,676,825	2,846,320	4,140,235	4,278,651	3,671,902	4,715,872	4,398,578			
Four years later	2,214,660	2,637,369	4,020,623	3,572,729	3,136,559	4,637,594				
Five years later	2,107,528	2,416,483	4,337,518	3,430,630	3,261,292					
Six years later	1,975,855	2,208,703	4,212,213	3,217,101						
Seven years later	2,125,016	2,211,018	4,251,215							
Eight years later	1,878,184	2,210,525								
Nine years later	1,882,270									
7. Increase (decrease) in estimated net incurred claims and expenses from end of program year	<u>\$(1,263,263)</u>	<u>\$ (699,938)</u>	<u>\$1,168,640</u>	<u>\$ (219,538)</u>	<u>\$ (829,134)</u>	<u>\$ 324,859</u>	<u>\$ (335,790)</u>	<u>\$(1,093,477)</u>	<u>\$ (192,576)</u>	<u>\$ _____</u>

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OTHER REPORT

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Governing Board
Employment Risk Management Authority
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Employment Risk Management Authority (ERMA) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise ERMA's basic financial statements, and have issued our report thereon dated _____, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered ERMA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ERMA's internal control. Accordingly, we do not express an opinion on the effectiveness of ERMA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of ERMA's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

DRAFT
10/18/22

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether ERMA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of ERMA's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering ERMA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Clovis, California
, 2022



Sampson, Sampson & Patterson, LLP
CERTIFIED PUBLIC ACCOUNTANTS

3148 Willow Avenue, Suite 102
Clovis, California 93612-4739
(559) 291-0277 • FAX (559) 291-6411

November 7, 2022

To the Governing Board
Employment Risk Management Authority
Sacramento, California

We have audited the financial statements of Employment Risk Management Authority (ERMA) for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 14, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by ERMA are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2022. We noted no transactions entered into by ERMA during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting ERMA's financial statements was the provision for unpaid claims.

Management's estimate of the provision for unpaid claims is based on estimates of the ultimate cost of claims that have been reported but not settled and of claims that have been incurred but not reported. We evaluated the key factors and assumptions used to develop the provision for unpaid claims in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures performed.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 7, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to ERMA's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as ERMA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and claims development information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of ERMA and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Sampson, Sampson & Patterson, LLP

Agenda Item 6.A.

TRAINING/LOSS PREVENTION MATTERS

SUBJECT: In2vate Presentation - Online Training & Employee Protection Line
Presented by Roger Duffield and Traci Maxey, in2vate

RECOMMENDATION: *None*

BACKGROUND AND STATUS:

In2vate has served as a strategic partner since inception of the ERMA program in 1999, providing members with online training, live training registration management, data warehouse services, and access to the employee protection line (reporting line). As part of this partnership, ERMA and in2vate staff meet quarterly to review stewardship reports summarizing usage of the learning management system and to discuss trends, system updates, and any other important matters to address ERMA's ever-evolving training needs.

Roger Duffield, President, and Traci Maxey, Director of Client and Support Services, in2vate, last provided an overview and usage statistics of services available to ERMA members at the November 2020 Board of Directors meeting. In light of the recent acquisition of in2vate by iLearningEngines (iLE) in April 2022, as well as noteworthy program expansions in the recent years, Mr. Duffield and Ms. Maxey will be in attendance at the meeting to discuss the current status of the program and answer any questions from the Board.

Agenda Item 6.B.

TRAINING/LOSS PREVENTION MATTERS

SUBJECT: Training Update

Presented by Danielle Davis, Analyst & Training Coordinator

RECOMMENDATION: *None*

BACKGROUND AND STATUS:

Live & Online Training:

At the April 26, 2022, Board of Directors meeting, the following live training topics were approved for the 2022/23 Program Year:

- First Amendment Issues in a Politically Charged World
- Legally Compliant Strategies to Promote Workforce Diversity
- Best Practices for Supervisors of Public Safety Employees - How to Avoid or Defend Workplace Claims and How to Create and Maintain the Ideal Work Environment
- Understanding and Preventing Implicit Bias and Promoting Diversity and Inclusion in the Workplace
- Implicit Bias in the Public Safety Workplace
- Best Practices for Elected Officials - Workplace Law and Understanding the Role of Elected Officials Related to Individual Employees
- Iron Fists and Kid Gloves: Preventing and Addressing Retaliation in the Workplace
- The Disability Interactive Process: Is Enough Ever Enough?

At present, a total of 18 trainings have been completed or are confirmed for future dates, consistent with the average number of trainings at this time in recent years (approximately 15). Of the 18 trainings, 13 were AB 1825- and SB 1343-compliant trainings. Additionally, the number of webinar requests has dropped significantly, with all but two trainings taking place in person during the current Program Year.

Training & Risk Management Program:

Beginning July 1, 2020, ERMA launched the Training & Risk Management Program, wherein members may seek reimbursement of up to \$2,500 annually for eligible employment-related training and loss control expenditures. To date, five member agencies have submitted requests for reimbursement. These reimbursements assist member agencies in offsetting the costs

Agenda Item 6.B., Page 2

associated with activities such as mandated training and attendance at various employment-related conferences and other events.

Training Compliance:

In January 2022, a self-certification survey was launched allowing member agencies to report compliance with mandated training. The following chart illustrates the response rate within each ERMA primary member, as well as reported compliance with AB 1825 and SB 1343-compliant training requirements among respondents:

	<u>Response Rate</u>		<u>Compliance</u>	
	Total	Percentage	AB 1825	SB 1343
BCJPIA	15	83%	100%	100%
CalTIP	8	89%	100%	100%
CIRA	36	72%	92%	94%
CSJVRMA	35	83%	89%	94%
ERMAC	3	100%	67%	67%
MBASIA	10	100%	100%	100%
MPA	17	89%	100%	100%
PERMA	21	100%	95%	90%
PLAN	3	100%	100%	100%
SCORE	13	100%	92%	92%
VCJPA	23	74%	96%	96%
INDEP*	2	100%	100%	100%

**Housing Authority of the County of Contra Costa & Oakland Housing Authority*

In response to member feedback, the compliance survey released in January 2023 will include clarifying verbiage regarding ERMA's definition of "substantial compliance", pursuant to Resolution No. 2021-5:

*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.***

Staff continues to encourage training compliance via the weekly Training Bulletin and regular website updates.

Agenda Item 6.C.

TRAINING & LOSS PREVENTION MATTERS

SUBJECT: 2022 Target Risk Appraisal Recommendations
Presented by Jennifer Jobe, Executive Director and
Stacey Sullivan, Litigation Manager

RECOMMENDATION: *Staff recommends to the Board of Directors that one member undergo a risk assessment or be subjected to further evaluation on a follow-up basis, with a report to be presented at the June 2023 meeting, based upon the outcome of the 2022 target ratio calculations.*

BACKGROUND AND STATUS:

In accordance with Resolution 2011-1, staff annually reviews member loss performance. Members whose loss ratio, frequency, and/or severity rate exceed two of the targets set forth in the Resolution may be subject to further evaluation, including a comprehensive risk appraisal.

The attached target ratio calculations for the most recent five program years are included to provide the Board of Directors with a broad overview of loss performance. The Litigation Manager's notes contain information regarding the number of program years where the ratios were exceeded, whether the claim(s) underlying the calculations were financially significant, and whether the frequency of claims or other factors indicate that a risk appraisal would be beneficial.

REFERENCE MATERIALS ATTACHED:

- 2022 Target Ratio Calculation Summary

**Employment Risk Management Authority (ERMA)
2022 Target Ratio Calculation**

	Prior Risk Assmt.	2016/2017 Target Ratios				2017/2018 Target Ratios				2018/2019 Target Ratios				2019/2020 Target Ratios				2020/2021 Target Ratios				Total Claims Count	<div> <div>One parameter exceeded</div> <div>Two parameters exceeded</div> <div>Three parameters exceeded</div> <div>Assessment Recommended</div> </div>
		Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio		
ERMA's Target Insured:			2.66%	90.32%	206.34%		2.31%	121.21%	285.20%		2.23%	82.26%	202.24%		2.29%	71.54%	156.66%		2.06%	15.85%	31.55%		COMMENTS
City of Adelanto	2017/18	4	13.61%	717.45%	2366.82%	5	19.98%	0.00%	0.00%	3	10.70%	1239.96%	3079.71%									12	Not recommended due to City is no longer a member
City of Angels Camp														1	3.60%	413.97%	707.75%					1	Not recommended, exceeded due to one claim
City of Antioch										2	0.62%	84.98%	286.95%					1	0.30%	0.00%	0.00%	3	Assessment Recommended
City of Atwater		1	1.89%	235.78%	297.37%	2	3.68%	336.80%	366.62%	1	1.83%	410.87%	381.83%					2	3.85%	96.29%	81.54%	6	Not recommended. Ratios exceeded due to historical administrative changes
City of Banning	14/15; 15/16	1	0.75%	55.47%	67.95%	1	0.70%	0.00%	0.00%	3	1.93%	599.27%	597.37%	1	0.61%	0.00%	0.00%	3	1.68%	32.72%	30.11%	9	Not recommended. Ratios exceeded due to one claim
City of Barstow						1	0.68%	17.43%	39.50%					2	1.28%	414.30%	525.25%	1	0.71%	35.33%	48.77%	4	Not recommended. Ratios exceeded due to one claim
City of Brentwood						3	1.05%	331.40%	1091.05%	1	0.32%	0.00%	0.00%					3	0.87%	0.00%	0.00%	7	Not recommended. Ratios exceeded due to one claim
City of California City	2020/21	2	2.88%	0.00%	0.00%	1	1.40%	155.12%	240.70%	1	1.47%	0.00%	0.00%	6	9.10%	124.54%	179.00%	4	4.68%	0.00%	0.00%	14	Not recommended. City is no longer an ERMA member.
City of Calimesa																		1	5.21%	234.38%	294.01%	1	Not recommended. Ratios exceeded due to one claim
City of Cathedral City		1	0.54%	46.99%	115.12%	1	0.50%	316.74%	717.81%													2	Not recommended. Ratios exceeded primarily due to one claim
City of Clearlake						3	8.96%	477.89%	916.20%	1	2.75%	0.00%	0.00%									4	Not recommended. Ratios exceeded due to one claim
Consolidated Mosquito Abatement District										2	13.50%	110.05%	202.86%									2	Not recommended. Ratios exceeded primarily due to one claim
Contra Costa Mosquito and Vector Control District		1	3.31%	0.00%	0.00%	1	3.16%	0.00%	0.00%	1	3.04%	168.98%	186.91%					1	3.26%	0.00%	0.00%	4	Not recommended. Ratios exceeded due to one claim.
City of Del Rey Oaks		2	19.05%	0.00%	0.00%					1	9.82%	981.59%	5854.80%	1	7.23%	0.00%	0.00%					4	Not recommended. Ratios exceeded due to one claim.
Delta Vector Control District														1	7.10%	0.00%	0.00%	1	6.45%	81.99%	134.26%	2	Not recommended. Ratios exceeded due to one claim.
City of Desert Hot Springs	2012/13													1	1.81%	271.87%	574.45%					1	Not recommended. Ratios exceeded due to one claim.
City of Eastvale														1	7.22%	1133.12%	2394.29%					1	Not recommended. Ratios exceeded due to one claim.
City of El Cerrito						1	0.53%	0.00%	0.00%	3	1.50%	104.08%	351.45%	2	0.96%	0.00%	0.00%	4	1.81%	0.00%	0.00%	10	Not recommended. Ratios exceeded due to one claim.
El Dorado Transit Authority														1	2.91%	335.18%	673.18%	1	2.84%	0.00%	0.00%	2	Not recommended. Ratios exceeded due to one claim.
City of Fowler						2	10.44%	1170.36%	1229.39%	1	5.20%	0.00%	0.00%									3	Not recommended. Ratios exceeded due to one claim.
City of Kingsburg		2	6.05%	1097.74%	1820.51%																	2	Not recommended. No significant claim activity.
City of Livingston																		1	2.06%	30.91%	52.36%	1	Not recommended. Ratios exceeded primarily due to one claim
Los Angeles County West Vector Control District						1	3.40%	157.36%	327.83%													1	Not recommended. Ratios exceeded primarily due to one claim
City of Manteca		3	0.93%	0.00%	0.00%					2	0.54%	0.00%	0.00%	1	0.26%	93.85%	145.09%	4	0.95%	23.78%	40.63%	10	Not recommended. Ratios exceeded primarily due to one claim
City of Menifee										3	5.64%	391.03%	437.55%	4	6.56%	0.00%	0.00%	2	2.34%	0.00%	0.00%	9	Not recommended. Ratios exceeded due to one claim.
Town of Moraga														1	2.59%	90.70%	250.37%					1	Not recommended. Ratios exceeded due to one claim.
City of Mt. Shasta						1	5.14%	3344.09%	8424.05%													1	Not recommended. Ratios exceeded due to one claim.
City of Novato		1	0.58%	318.76%	1111.41%	1	0.60%	0.00%	0.00%	1	0.57%	0.00%	0.00%	1	0.57%	0.00%	0.00%					4	Not recommended. Ratios not exceeded.
Palm Springs Aerial Tramway		1	2.23%	9.49%	23.24%													1	2.04%	20.37%	37.49%	2	Not recommended. Ratios exceeded primarily due to one claim
City of Patterson		1	1.59%	0.00%	0.00%	1	1.42%	0.00%	0.00%	1	1.24%	125.75%	262.60%									3	Not recommended. Ratios exceeded primarily due to one claim
City of Piedmont		1	0.86%	0.00%	0.00%	1	0.84%	85.00%	230.29%									2	1.43%	71.74%	83.57%	4	Not recommended. Ratios exceeded primarily due to one claim
City of Pleasanton Fire Department (Livermore-Pleasanton)		1	0.52%	98.67%	308.23%																	1	Not recommended. No recent claim activity.
City of Porterville						2	1.02%	316.68%	574.54%	2	1.00%	24.90%	46.29%	1	0.48%	105.59%	180.53%					5	Not recommended. Ratios exceeded due to one claim.
City of Rialto	2016/17	3	1.03%	272.16%	532.58%																	3	No longer an ERMA member.
SunLine Transit Agency	2021/22	2	1.31%	46.08%	126.73%									7	4.25%	159.68%	189.69%	3	1.72%	0.00%	0.00%	12	Not recommended. Assessment was done last year.
City of Susanville		1	2.72%	431.72%	1094.13%	1	2.52%	0.00%	0.00%													2	Not recommended. No recent claim activity.
City of Twentynine Palms						1	4.43%	0.00%	0.00%	1	4.26%	1088.67%	2030.24%									2	Not recommended. Ratios exceeded due to one claim.

**Employment Risk Management Authority (ERMA)
2022 Target Ratio Calculation**

	Prior Risk Assmt.	2016/2017 Target Ratios				2017/2018 Target Ratios				2018/2019 Target Ratios				2019/2020 Target Ratios				2020/2021 Target Ratios				Total Claims Count	One parameter exceeded
		Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio	Claims Count	Frequency	Severity	Loss Ratio		Two parameters exceeded
																							Three parameters exceeded
ERMA's Target		2.66%	90.32%	206.34%		2.31%	121.21%	285.20%		2.23%	82.26%	202.24%		2.29%	71.54%	156.66%		2.06%	15.85%	31.55%		Assessment Recommended	
Insured:																						COMMENTS	
Victor Valley Transit Authority																		1	6.72%	67.18%	123.65%	1	Not recommended. Ratios exceeded due to one claim.
West Valley Mosquito and Vector Control District										1	7.17%	752.43%	1387.05%					1	6.09%	0.00%	0.00%	2	Not recommended. Ratios exceeded due to one claim.
City of Yreka																		1	2.70%	619.87%	1190.02%	1	Not recommended. Ratios exceeded due to one claim.

Note: The results of insureds who had claims but did not exceed more than one of the parameters are included in totals but not shown on this report.

Entities who have had previous risk assessments

Members with claims: 122
Total number of claims: 441

MEMBERSHIP MATTERS

SUBJECT: Update Regarding Members with Participation Conditions
Presented by Danielle Davis, Analyst & Training Coordinator

RECOMMENDATION: *None*

BACKGROUND AND STATUS:

Pursuant to the ERMA Underwriting Guidelines, approval for membership is contingent upon the review of a formal submission of required documents by the Underwriting Committee (Committee). These documents include:

1. Completed ERMA Liability Coverage Application and the entity's most recent audited financial statements;
2. Payroll for the most current seven calendar years;
3. Seven completed fiscal years, and including the partial current fiscal year, of currently valued loss runs for wrongful employment practices coverage, employment practices liability insurance, and self-insured losses including self-insured retentions (SIR) and deductibles;
4. Completed Intent to Participate, including statement of desired SIR; and
5. Signed Resolution acknowledging acceptance of the rules and regulations set forth in the ERMA Governing Documents and the minimum three-year participation period.

Upon receipt of a prospective member's formal application to participate in ERMA, staff reviews and prepares a report and recommendation to the Committee, who provides a recommendation to the Board of Directors for final approval of participation. At its discretion, the Committee may include recommended conditions of participation such as an abbreviated risk assessment within 60 days of joining ERMA, requirements regarding updates to personnel policies and procedures, and/or an increased SIR from that which was requested at the time of application. To-date, nine agencies have received approval for participation in ERMA, with the condition the agencies' personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by the agency's governing body within two years of acceptance into ERMA.

To ensure agencies are advancing toward meeting these conditions and assist those requiring support, staff issued a reminder to the seven agencies approaching their compliance deadline of July 1, 2023. Staff solicited a progress report from each agency to include such details as timeline

Agenda Item 7.A., Page 2

for completion, legal counsel utilized, and any other relevant information. The reports from responding agencies are attached for the Board's review.

REFERENCE MATERIALS ATTACHED:

- ERMA Members Accepted with Participation Conditions
- Letter from the City of Rohnert Park
- Letter from the City of Exeter

ERMA

Participation Conditions - New Member Tracking

JPA	Agency	Join Effective Date	Condition	Due Date	Reminder Date
CIRA	City of Lakeport	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CIRA	City of Arcata	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CIRA	City of Rohnert Park	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CIRA	City of Willits	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CIRA	Town of Windsor	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CSJVRMA	City of Exeter	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CSJVRMA	City of Lindsay	7/1/2021	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2023	7/1/2022
CSJVRMA	City of Tracy	7/1/2022	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2024	7/1/2023
PERMA	City of Colton	7/1/2022	The city's personnel policies and procedures are updated, reviewed by legal counsel with public sector employment law expertise, and approved by governing board	7/1/2024	7/1/2023



City Administrator

100 North C Street – PO Box 237 Exeter, CA 93221
Ph. #559-592-9244 Fax # 559-592-3556

Via Email Only

Jennifer.jobe@sedgwick.com

July 26, 2022

ERMA

Attn: Jennifer Jobe

1750 Creekside Oaks Drive, Ste. 200

Sacramento, CA 95833

Re: City of Exeter: Rules & Regulations Update

Dear Ms. Jobe:

Pursuant to your request of July 12, 2022, the following will provide an update on the City's efforts to update the City of Exeter's Rules & Regulations.

The City hired Attorney Rachele Berglund of Herr Pedersen & Berglund. The majority of Attorney Berglund's practice is dedicated to the areas of employment and labor law. She has drafted an update, it has been reviewed by the Department Heads, and I am preparing final responses to questions raised prior to the draft update being reviewed by the labor groups.

The estimated project timeline is as follows:

8/15/2022: Final staff revisions to Attorney Berglund
9/15/2022: Updated draft back to City staff for presentation to the labor groups
10/15/2022: First meeting and drafts to labor groups completed
2/15/2022: Negotiations with labor groups completed
3/8/2022: Updated City of Exeter's Rules & Regulations to be considered by City Council
3/31/2022: City of Exeter's Rules & Regulations implemented.

If you have any questions, or need any further information, please do not hesitate to contact me.

Thank you,

Adam Ennis

cc: Shonna Oneal, City Clerk/Human Resources Manager



City Council

Jackie Elward
Mayor

Samantha Rodriguez
Vice Mayor

Gerard Giudice
Susan Hollingsworth-Adams
Pam Stafford
Councilmembers

Darrin Jenkins
City Manager

Don Schwartz
Assistant City Manager

Michelle Marchetta Kenyon
City Attorney

Sergio Rudin
Assistant City Attorney

Cindy Bagley
Director of Community Services

Leo Tacata
Interim Finance Director

Vanessa Garrett
Director of Public Works

Sylvia Lopez Cuevas
City Clerk

Tim Mattos
Public Safety Director

Mary Grace Pawson
Director of
Development Services

Jamie Cannon
Director of Human Resources

October 15, 2022

ERMA Board of Directors
Sedgwick
1750 Creekside Oaks Drive, Ste 200
Sacramento, CA 95983

RE: City of Rohnert Park Personnel Rules

Board of Directors:

Pursuant to the ERMA Participation Requirements, the City of Rohnert Park is actively in the process of reviewing and updating our Personnel Rules.

Currently, the City is utilizing the Liebert Cassidy Whitmore "Library" as a general model for revising and drafting our policies. Once drafted, Burke, Williams, & Sorenson will review all policies for legal compliance. Both Liebert Cassidy Whitmore and Burke, Williams, & Sorenson have decades' worth of Public Sector employment law experience.

Once our policies are drafted and reviewed, they will be submitted to our labor groups for review and feedback. The next step in our process will be ratification by the City Council. A timeline for completion is noted below.

January 2023

Draft Policies submitted to City Attorney's Office
(Burke, Williams & Sorenson) for review and edits

February 2023

Draft Policies submitted to Labor Groups for review and feedback

March 2023

Personnel Rules and Regulations submitted to City Council for formal ratification/action

June 2023

Personnel Rules submitted to ERMA

Please feel free to reach out should you require further information.

Thank you,

Jamie Cannon

Jamie Cannon
Director of Human Resources

Agenda Item 7.B.

MEMBERSHIP MATTERS

SUBJECT: Review of Prospective New Member Application – San Joaquin Regional Transit District (CalTIP)
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *The Underwriting Committee recommends the Board of Directors approve the San Joaquin Regional Transit District (CalTIP) at a \$75,000 SIR, effective January 1, 2023, with the following considerations: 1) the district is accepted as a participating member of CalTIP, effective January 1, 2023; 2) submission of requested underwriting information regarding district policies and procedures and historical loss information; and 3) the district's personnel policies and procedures are updated, reviewed by legal counsel with expertise in public sector employment law, and approved by the district's Board of Directors, no later than July 1, 2024.*

BACKGROUND AND STATUS:

The San Joaquin Regional Transit District, a prospective underlying member of the California Transit Indemnity Pool (CalTIP), provided an application and supporting documentation for participation in ERMA at a \$75,000 self-insured retention (SIR). The Underwriting Committee convened on October 20, 2022, and reviewed the district application materials, as follows:

- The district reports payroll of \$10.7M for the 2021 calendar year and has 255 full-time employees and 6 part-time employees.
- The district has written personnel policies and procedures in place that are regularly reviewed by legal counsel and have been adopted by the district's governing Board. The district is in the process of revising these policies, which were last updated in 2014.
- The district is compliant with AB 1825 and SB 1343 training requirements and utilizes Zywave, a third-party provider, to conduct online training.

REFERENCE MATERIALS ATTACHED:

- San Joaquin Regional Transit District Premium Indication
- San Joaquin Regional Transit District Application for Participation

EMPLOYMENT RISK MANAGEMENT AUTHORITY CONTRIBUTION INDICATION

CalTIP

Name of Entity	San Joaquin Regional Transit District
2021 Calendar Payroll	\$10,701,781
Coverage Period	July 1, 2022 to June 30, 2023

CALCULATION

Retained Limit Options		\$50,000	\$75,000	\$100,000
Retained Limit Factor		1.00	0.90	0.82
Retained Limit Rate		0.602	0.542	0.494
Funding for Losses		\$64,425	\$57,982	\$52,828
Administration	0.0533	5,699	5,699	5,699
Loss Prevention & Training	0.0082	880	880	880
Subtotal		\$71,004	\$64,561	\$59,407
JPA Participation Credit	1.63%	(\$1,160)	(\$1,055)	(\$971)
Individual Experience Mod Factor *		1.000		
Off-Balance Factor		1.285		
Excess Insurance: \$3M x \$1M ~ \$5M / \$15M Aggregate		6,153	6,153	6,153
ERMA CONTRIBUTION **		\$95,917	\$87,772	\$81,256

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

** Contribution will be prorated based on date of inception of coverage.

**EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
LIABILITY COVERAGE APPLICATION FOR PROSPECTIVE MEMBERS
OF A PARTICIPATING JOINT POWERS AUTHORITY**

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

PROGRAM YEAR: 2022/23

ENTITY NAME: <u>San Joaquin Regional Transit District (RTD)</u>	Date: <u>10/14/2022</u>
EMPLOYMENT PRACTICES INFORMATION	
A. Policies and Procedures	
1.	Does the Entity have written personnel policies and procedures? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2.	Does the Entity distribute the manual/rules to all employees? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Does the Entity have employees sign an acknowledgement form indicating they have read and understood the above-referenced policies? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.	Are the following policies or procedures included in the manual? Check all that apply:
	<input checked="" type="checkbox"/> Hiring <input checked="" type="checkbox"/> Termination <input checked="" type="checkbox"/> Suspension
	<input checked="" type="checkbox"/> Medical Leave <input checked="" type="checkbox"/> Unpaid Leave <input checked="" type="checkbox"/> Grievance Procedures
	<input checked="" type="checkbox"/> Drug & Alcohol Testing <input checked="" type="checkbox"/> Discipline <input checked="" type="checkbox"/> Attendance
	<input checked="" type="checkbox"/> Family Medical Leave Act <input checked="" type="checkbox"/> Anti-Harassment Policies
	<input checked="" type="checkbox"/> Written Job Description for all Positions <input checked="" type="checkbox"/> Workplace Violence Policies
	<input checked="" type="checkbox"/> Annual Written Performance Evaluations for all Employees <input checked="" type="checkbox"/> Employee Hotline/Complaint Procedure
5.	Do the policies/rules include all protected categories under the Fair Employment and Housing Act (FEHA), Ca. Gov't. Code section 12940)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.	Does the Entity have legal counsel regularly review the manual/rules? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7.	Have the above-referenced policies been updated within the past five years? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If no, when was the manual or rules last reviewed? 2014 (Currently under revision)
8.	Were the above-referenced policies formally approved and adopted by council/governing board? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9.	Does the Entity have legal counsel to provide advice regarding disciplinary matters? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10.	Does the entity have an orientation program for all employees that addresses workplace conduct, EPL policies and practices, and grievance procedures? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p><i>If you answered no to any of the above, please use this space to provide more information:</i></p> <p>#7. RTD's employee manual last updated in November of 2014, but is currently under revision.</p>	

B. Employee Information					
1.	Number of Full Time Employees: 255				
2.	Number of Part time Employees: 6				
3.	For each of the past five years, what has been your annual percentage turnover rate of employees?				
	2017 17 %	2018 20 %	2019 19 %	2020 32 %	2021 17 %
4.	How many involuntary employment terminations have occurred in the past three years?				
	2020 Terminations: 21	2021 Terminations: 10	2022 Terminations: 26		

		<i>Involuntary employment termination with respect to this questionnaire means notification to an employee that such employee will no longer be employed whether such notification is effective immediately or in the future. Involuntary employment termination shall also include actual or alleged constructive discharge.</i>
5.	Percentage of Employees with salaries less than \$100,000 % 93	Should = 100%
6.	Percentage of Employees with salaries greater than \$100,000 % 7	

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

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

D. Employment Practices Risk Management		
1.	Does the applicant have a Human Resources or Personnel Department?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please describe handling of this function:	
2.	Do you have any established set of grievance or complaint procedures as an effective means of resolving disputes prior to litigation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3.	Do you anticipate any "layoffs" during the next 24 months?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	If yes, please provide details.	
4.	Have you had any "layoffs" in the past 36 months?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, please provide details. Layoffs due to COVID-19	
5.	Is your entity in full compliance with the training requirements set forth in AB 1825, SB 1343 and SB 778?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	If no, please explain.	
6.	Briefly describe the procedure for maintaining AB 1825 and SB 1343 training records: training records are maintained in employee files and updated as training occurs	
7.	Does your entity provide SB 1343 training?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8.	Are elected or appointed officials trained on the entity's policy regarding harassment, discrimination, and retaliation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

E. DESIRED SELF-INSURED RETENTION							
<input type="checkbox"/> \$25K	<input type="checkbox"/> \$50K	<input checked="" type="checkbox"/> \$75K	<input type="checkbox"/> \$100K	<input type="checkbox"/> \$250K	<input type="checkbox"/> \$350K	<input type="checkbox"/> \$500K	
Please attach the following: <ul style="list-style-type: none"> • <i>EPL individual loss information (including Date of Loss and total incurred) for the previous 7 completed fiscal years, including the partial current fiscal year;</i> • <i>Payroll information for the previous 7 completed calendar years;</i> • <i>Completed resolution authorizing participation in ERMA;</i> • <i>Completed intent to participate; and</i> • <i>Most Recent Financial Audit.</i> 							

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

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

The undersigned acknowledges:

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

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

San Joaquin Regional Transit District (RTD)

Agency or Entity Name

Thomas Mlady

Applicant's Name (please print)

Safety and Security Manager

Title

Applicant's Signature

10/14/2022

Date

ADMINISTRATIVE MATTERS

SUBJECT: 2022/23 Goals and Objectives Update
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *None*

BACKGROUND AND STATUS:

At the April 1, 2022, Annual Workshop, the Board of Directors established the following goals and objectives for the 2022/23 Program Year:

Goal 1: Internal Marketing Initiative

- Develop marketing strategy targeting non-participatory underlying members of primary programs

UPDATE: **In Progress**

Goal 2: Personnel Policies and Procedures Updates

- Develop a program providing reimbursement of legal costs associated with personnel policies and rules updates
- Update ERMA-recommended policies/rules

UPDATE: **In Progress**

Goal 3: Review of ERMA Financial Position

- Identify and conduct net position stress test

UPDATE: **In Progress**

Goal 4: Develop targeted Police Department training program, with emphasis upon:

- Prevention of harassment, discrimination, and retaliation training
- Complaint and claims handling procedures training (introductory and remedial)

UPDATE: **In Progress**

Agenda Item 8.B.

ADMINISTRATIVE MATTERS

SUBJECT: Review of the 23rd Annual Workshop Agenda
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors review the proposed workshop agenda and provide direction.*

BACKGROUND AND STATUS:

The Board of Directors holds a strategic planning workshop in conjunction with a Board meeting each year in February. Pursuant to Resolution No. 2021-1, Establishing Meeting Dates for the 2022/23 Fiscal Year, the 23rd Annual Workshop is scheduled to be held on February 2, 2023, in conjunction with a Board meeting on February 3rd. Staff has identified and secured the Napa Valley Marriot Hotel & Spa in Napa, CA, to provide accommodations to attendees and serve as the workshop and meeting venue.

The annual workshop offers an opportunity to provide an overview of ERMA's training program, financial position, and claims from the previous year, as well as conduct long-term strategic planning and goal setting for upcoming program years.

In preparation of the workshop, the Board typically reviews the proposed agenda at the preceding November meeting and directs staff to coordinate with the President to finalize the schedule.

REFERENCE MATERIALS ATTACHED:

- Draft ERMA 23rd Annual Workshop Agenda



**EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)
23rd ANNUAL WORKSHOP
AGENDA**

**Thursday, February 2, 2022
10:00 a.m.**

**Napa Valley Marriot
3425 Solano Ave, Napa, CA, 94558
(707) 253-8600**

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Danielle Davis at (916) 244-1116 or danielle.davis3@sedgwick.com. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

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

Page

1. WELCOME AND INTRODUCTIONS

2. ERMA OVERVIEW

- A. Accomplishments and Review of 2022/23 Goals & Objectives
- B. Status of the Program
 - *1. Claims Overview
 - *2. Financial Overview
 - *3. State of the Market
- C. Loss Prevention & Training
- D. State of the Program: Jackson Lewis & Liebert Cassidy Whitmore

3. PLANNING AND PROJECTED OVERVIEW FOR 2023/24 AND BEYOND

- A. Long-Range Planning - Financial
 - *1. Review of Target Equity Ratios
 - *2. Uses of Equity
- B. Long-Range Planning - Program
 - *1. Expansion of Service Offerings
 - *2. Membership Growth
- C. Training
 - 1. Ad Hoc Training Committee Update

4. PRESENTATION BY DEFENSE PANEL ATTORNEY FIRM

- *A. Presentation by Mark Kitabayashi, Lozano Smith – *Topic TBD*
- *B. Presentation by Tom O’Connell, Buchalter PC – *Topic TBD*

5. STRATEGIC OUTCOME

- A. Establish 2023/24 Goals & Strategic Objectives

6. REVIEW OF SERVICE PROVIDERS

- A. Evaluation of Defense Panel Law Firms
- B. Results of Vendor Services Survey

7. SUMMARY AND CLOSING STATEMENTS

- A. Closing Thoughts

ADMINISTRATIVE MATTERS

SUBJECT: Discussion Regarding Actuarial Services
Presented by Jennifer Jobe, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors provide direction, as necessary.*

BACKGROUND AND STATUS:

Bickmore Actuarial (Bickmore) has provided ERMA's actuarial services since 1999. The most recent engagement expired upon completion of ERMA's actuarial reports as of June 30, 2022, which were presented by Bickmore at the April 2022 Board meeting.

As ERMA has not previously issued a request for proposal (RFP) for actuarial services, it is recommended the Board consider directing staff to issue an RFP for actuarial services. Should the Board determine an RFP is to be issued, staff has identified the following firms as potential recipients of the RFP:

- Aon
- Oliver Wyman
- Pinnacle Actuarial Resources
- PriceWaterhouseCoopers
- Prime Actuarial Consulting, dba
Bickmore Actuarial
- Select Actuarial Services
- WTW (previously Towers Watson)

Should the Board determine the need to solicit RFPs for actuarial services and due to the needs and timeline in relation to ERMA's actuarial analyses, staff recommends the Board delegate review and selection of a provider to the Coverage Committee.

Following is the schedule of fees under the two most recent agreements with Bickmore:

2019/20 - 2021/22 Agreement	
2019/20	\$10,200
2020/21	\$10,450
2021/22	\$10,700
2016/17 - 2018/19 Agreement	
2016/17	\$9,950
2017/18	\$9,950
2018/19	\$9,950

Agenda Item 9.A.

COVERAGE MATTERS

SUBJECT: City of Escalon (CSJVRMA) Appeal of Denial of Coverage
Presented by Stacey Sullivan, Litigation Manager

RECOMMENDATION: *Staff recommends the Board of Directors provide direction, as necessary.*

BACKGROUND AND STATUS:

The City of Escalon (CSJVRMA) received a Government Tort Claim on July 19, 2022, filed by a former Lead Animal Services Officer who claims she was terminated in retaliation for reporting that her co-worker was sexually harassing her. In March 2021, the claimant reported the alleged harassment to the city and alleged that no action was taken. The claimant raised the issue of the harassment again to her direct supervisor during her performance evaluation. She was subsequently advised her complaints of harassment were “unfounded.”

In October 2021, the claimant was ordered to euthanize an animal and refused based upon ethical grounds. The claimant complained to the City Manager, the Chief of Police, and the Human Resources Director, stating she was directed to perform an act as part of her job duties, something which she believed to be unethical and in violation of California Penal Code section 597.1(c)(1). The claimant was terminated on March 14, 2022, for the stated reason that the “working relationship is simply not a good fit.”

The city reported receipt of the Tort Claim to ERMA on August 2, 2022. ERMA did not have timely notice and did not have the opportunity to assign defense counsel to supervise an outside investigation and provide advice and counsel to the city to determine whether the claimant was a victim of sexual harassment and whether the city acted appropriately in terminating the claimant from her employment with the city. Pursuant to the 30-day notice requirement in the Memorandum of Coverage (MOC), the city was required to report the allegations of sexual harassment to ERMA no later than April 2021.

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

Agenda Item 9.A., Page 2

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 January 1, 2021, MOC includes a late reporting clause and a penalty provision. These late reporting provisions are as follows:

Section VII – Conditions 1.

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

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

Agenda Item 9.A., Page 3

and the employee must have been absent during the entire time the Claim was not reported.

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

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

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

PENALTY STRUCTURE

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

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

The relief sought by the city is based on the following mitigating circumstances:

- The city notified ERMA of the Tort Claim immediately after it was served.
- The city has a \$25,000 SIR and should the appeal be granted, the increase to the city's retained limit is 25% or \$6,250.

REFERENCE MATERIALS ATTACHED:

- City of Escalon Appeal
- Summary of Historical Coverage appeal Decisions 2015 – Current

From: Mark Velasquez <Mark.Velasquez@bbklaw.com>

Sent: Thursday, August 11, 2022 4:55 PM

To: Sullivan, Stacey <Stacey.Sullivan@sedgwick.com>

Cc: Nicolae, Ligia Mona <Ligia.Nicolae@Sedgwick.com>; Dominique Romo <dromo@cityofescalon.org>; 'Claire Tyson' <ctyson@cityofescalon.org>

Subject: Appeal of Denial - Crystal Pascale-VanDykhuisen - DOI 2-28-2022

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Stacy,

Thank you for the call to assist in our understanding of the appeal process. **By this e-mail and pursuant to Section 7 of the Memorandum of Coverage for ERMA the City of Escalon hereby appeals the denial on August 2, 2022 of the claim concerning ex-employee Crystal Pascal-VanDykhuisen.** As discussed on the phone, we will endeavor to provide any documents at least two weeks before the agenda for the Board meeting on November 7, 2022.

Sincerely,



Mark Velasquez

Of Counsel

mark.velasquez@bbklaw.com

T: (916) 551-2824

www.BBKlaw.com



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

Agency	Appeal Date	Appeal Decision	Penalty	Notes
City of Pacific Grove (PARSAC)	April 26, 2022	Granted	25% SIR increase \$50,000 to \$62,500	Untimely Report
City of Pleasanton (BCJPIA)	February 10, 2022	Granted	25% SIR increase \$75,000 to \$93,750	Untimely Report
City of Scotts Valley (MBASIA)	February 10, 2022	Granted	N/A	Untimely Report
City of Taft (CSJVRMA)	February 10, 2022	Granted	25% SIR increase \$25,000 to \$31,250	Untimely Report
City of Banning (PERMA)	November 1, 2021	Granted	25% SIR increase \$25,000 to \$31,250	Untimely Report
City of Victorville (PERMA)	April 27, 2021	Stay	N/A	Untimely Report
Sunline Transit Agency (PERMA)	February 11, 2021	Granted	25% SIR increase \$50,000 to \$62,500	Untimely Report
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

COVERAGE MATTERS

SUBJECT: City of Barstow (PERMA) Appeal of Denial of Coverage
Presented by Stacey Sullivan, Litigation Manager

RECOMMENDATION: *Staff recommends the Board of Directors provide direction, as necessary.*

BACKGROUND AND STATUS:

The City of Barstow (PERMA) received a Government Claim for Damages on September 22, 2022. The claimant, a former Parks and Recreation Superintendent, resigned his position in July of 2022. The claimant alleges constructive termination due “intimidating behavior” and threats of termination in retaliation for the claimant’s report of harassing and intimidating behavior as well as allegations of public corruption.

The claimant’s allegations were made to the City Manager, the City Attorney, and City Council on December 20, 2021. Shortly thereafter, the city hired an outside investigator.

The Investigation substantiated findings in support of the claimant’s allegations. On September 13, 2022, the city provided a “Notice of Investigation Closure” to the claimant. The claimant filed a Government Claim against the city on September 27, 2022, and ERMA was notified the same day.

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;

Agenda Item 9.B., Page 2

The November 1, 2021, MOC includes a late reporting clause and a penalty provision. These late reporting provisions are as follows:

Section VII – Conditions 1.

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

- (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.

- (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.

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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*.

The relief sought by the city is based on the following mitigating circumstances:

- The city failed to notify ERMA of the claimant's December 20, 2021, complaint.
- The city promptly conducted an outside investigation utilizing an ERMA investigator.
- The city notified ERMA of the Government Claim in a timely manner.
- The city has a \$25,000 SIR. Should the appeal be granted, the increase to the city's SIR is 25% or \$6,250.

REFERENCE MATERIALS ATTACHED:

- City of Barstow Appeal

From: Matthew Summers <msummers@chwlaw.us>
Sent: Wednesday, October 19, 2022 5:01 PM
To: Sullivan, Stacey <Stacey.Sullivan@sedgwick.com>; Stacy Goopio <sgoopio@adaminsure.com>; Nicolae, Ligia Mona <Ligia.Nicolae@Sedgwick.com>
Cc: Carol Reed <creed@adaminsure.com>; Jared L. Bryan (jared.bryan@jacksonlewis.com) <Jared.Bryan@jacksonlewis.com>; Willie Hopkins <whopkins@barstowca.org>
Subject: RE: City of Barstow - Kyle Woolley - ERMA reporting form 22-166934

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you Stacey.

Yes – the City of Barstow appeals the coverage determination to the ERMA Board.

Please let me know if I can provide any additional information for the Board’s consideration.

Thanks,
-Matt

Matthew T. Summers

Shareholder

Colantuono, Highsmith & Whatley, PC

790 E. Colorado Blvd., Suite 850 | Pasadena, CA 91101

Direct 213-542-5719 | **Main** 213-542-5700

Email: msummers@chwlaw.us | **Web:** www.chwlaw.us | **Blog:** www.californiapubliclawreport.com

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COVERAGE MATTERS

SUBJECT: City of Murrieta (PERMA) Appeal of Denial of Coverage
Presented by Stacey Sullivan, Litigation Manager

RECOMMENDATION: *Staff recommends the Board of Directors provide direction, as necessary.*

BACKGROUND AND STATUS:

The City of Murrieta (PERMA) received a Notice of Filing of Discrimination Complaint by the Department of Fair Employment & Housing (DFEH; *now California Civil Rights Department (CRD)*) on September 1, 2022. The complainant, a former Supervising Librarian on probation, resigned her position after notification of an extension of her probation due to performance concerns. The complainant alleges retaliation for “reporting and resisting discrimination and harassment due to my ancestry.” The complainant filed an Internal EEO Complaint alleging harassment in November 2021, claiming an Investigation indicated that Cultural Diversity training was needed. The complainant alleged no such training was provided and she continued to experience disparate treatment due to her ancestry by her supervisor, the Branch Manager, and other library team members. The claimant alleges constructive termination when her probation was extended, and she resigned from her position on June 6, 2022.

On September 12, 2022, the city reported the DFEH Complaint to ERMA. ERMA did not have timely notice of Complainant’s initial complaint in November 2021 and did not have the opportunity to assign defense counsel to supervise an outside investigation and provide advice and counsel to the city to determine whether Claimant was a victim of discrimination and whether the city acted appropriately in response to Complainant’s allegations of discrimination. Pursuant to the 30-day notice requirement in the Memorandum of Coverage (MOC), the city was required to report the Claimants allegations of sexual harassment to ERMA no later than December 2021.

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;

Agenda Item 9.C., Page 2

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 November 1, 2021, MOC includes a late reporting clause and a penalty provision. These late reporting provisions are as follows:

Section VII – Conditions 1.

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

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

Agenda Item 9.C., Page 3

and the employee must have been absent during the entire time the Claim was not reported.

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

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

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

PENALTY STRUCTURE

SIR	Penalty	Percentage of Penalty to SIR
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\$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*.

The relief sought by the city is based on the following mitigating circumstances:

- The city failed to notify ERMA of the Plaintiff's complaint in a timely manner.
- The city investigated, resulting in a recommendation for Cultural Diversity Training.
- The city notified ERMA of the DFEH Complaint in a timely manner.
- The city has a \$100,000 SIR. Should the appeal be granted, the increase to the city's SIR is 25% or \$25,000.

REFERENCE MATERIALS ATTACHED:

- City of Murrieta Appeal Letter



CITY OF MURRIETA

October 17, 2022

Stacey Sullivan
Litigation Manager
Sedgwick

Delivered via Email – Stacey.Sullivan@sedwick.com

SUBJ: Appeal of Denial

Dear Stacey:

The City of Murrieta received the attached Notice of Charge of Discrimination from the EEOC dated September 1, 2022, regarding a DFEH Complaint of Discrimination, dated August 30, 2022, filed by former City employee Kesia Estrada. The EEOC Notice alleges retaliation as the basis for discrimination. The DFEH Complaint alleges the former employee was “reprimanded” for reporting or resisting discrimination or harassment due to her alleged ancestry. She claims she filed an internal “EEO” complaint in November 2021 that was investigated and closed in March or April 2022. The complainant claims that no action was taken and that she experienced retaliation for making her complaint such that her probation was extended and she “was forced to quit on or about June 6, 2022.”

The City promptly reported the DFEH Complaint and related notices to ERMA via email on September 12, 2022, and provided the DFEH Complaint and the attached Initial Report Form. You responded by email dated September 23, 2022, stating that “it appears that this is a late reported claim under ERMA’s Memorandum of Coverage (MOC).” You made this statement based solely upon your review of “the DFEH complaint and the Initial Claim Report.” However, the facts you assert in denying the claim are solely those alleged by the Complainant in the DFEH Complaint, with no investigation of facts from the City’s perspective.

The City has appealed this presumptive and conclusory denial. We appreciate the opportunity to provide a statement in support of the appeal, which is the purpose of this communication. Our contentions on appeal are as follows:

1. The claim was not late reported. It was reported within two weeks of when the Notices from the EEOC and DFEH were provided to the City. These facts are uncontested.
2. Complainant contends that she reported retaliation for reporting complaints of a hostile work environment in November of 2021, upon which assertion ERMA bases its late claim report argument. However, the alleged complaint in Fall 2021 was not a “claim” as defined under ERMA’s MOC. It was a workplace personality conflict. The City had no obligation to make a report at that time.

3. Ms. Estrada's Fall 2021 complaint, at the time it was made to the City, made no allegation of wrongful employment practices against the City or its employees. The complaint alleged that an employee made a comment to Ms. Estrada that she did not like and one she took issue with. The subject matter of the complaint, therefore, was determined to be one of office chemistry and interpersonal relations, rather than an allegation of "wrongful employment practices." At that time, the City's duties under Section VII.1.A. were not triggered, and the City was not obligated to report the issue to ERMA.
4. Although the allegations in the DFEH and EEOC complaints are scant, the City vehemently disagrees with the self-serving version of events contained therein. While an investigation was conducted by the City, it related only to what the City determined to be a personality conflict involving two employees. The City attempted to reconcile the two personalities. It conducted conflict resolution and believed it had successfully settled the dispute. Following its efforts, the first time the City learned of the scope of the allegations by Ms. Estrada was at the time the DFEH complaint was served on the City.
5. A determination by ERMA that the City failed to comply with its contractual obligations under the MOC should not be based solely on the self-serving allegations contained in the DFEH and EEOC complaints. It is not uncommon or outside the realm of possibility for complainants to exaggerate or otherwise allege facts differently than they occurred. For ERMA to make such a determination, without an opportunity for the City to present its version of events and a related timeline, deprives the City of its rights under the MOC. Rights it would otherwise be entitled to but for the claims by an aggrieved or disgruntled employee. At the very least, ERMA should have waited until the City position statement in response to the DFEH complaint was served.
6. ERMA should reconsider its denial on the basis of timeliness. At all times the City acted in good faith and reported this claim at the time that it met the requirements under the MOC.
7. Moreover, despite the open DFEH and EEOC matters, the DFEH and the EEOC have not made any findings nor conducted administrative hearings on the matters. The agencies likewise have not, to the City's knowledge, issued right-to-sue letters to Ms. Estrada. Therefore, the matters are not yet ripe to proceed to litigation if litigation occurs at all. ERMA may still exercise its strategic options in this matter moving forward without prejudice.
8. ERMA will not be financially or strategically prejudiced by the late acceptance of this claim as the claims are in the administrative phase. Presumably, Ms. Estrada has not incurred significant attorneys' fees, has not incurred substantial (if any) damages and appears to have a dubious claim on its face.

Please feel free to contact me with any questions or concerns you may have regarding this appeal. You can reach me at mmcghee@murrietaca.gov.

Respectfully,



Mike McGhee

Human Resources Manager

Agenda Item 10.A.

CLAIMS MATTERS

**SUBJECT: Closed Session - Pursuant to Government Code §54956.95(a) to
 Discuss Claims
 *Presented by Stacey Sullivan, Litigation Manager***

RECOMMENDATION: <i>None</i>

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
Walcholz v. Novato (BCJPIA)	61

REFERENCE MATERIALS ATTACHED:

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