



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

**Friday, February 2, 2024
8:00 a.m.**

**Napa Valley Marriott
3425 Solano Avenue
Napa, CA 95858**

Public comments may be submitted in advance of the meeting by emailing Yvette Flama at yvette.flama@sedgwick.com. Alternatively, members of the public may offer spoken comments when public comment is requested, either at the beginning of the meeting as to non-agenda items, or regarding an agenda item at the time that item is considered.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Yvette Flama at (916) 290-4629 or via [email](#). 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.

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| <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. |
| 5 | 4. CONSENT CALENDAR If a Board member would like to discuss any item listed, it may be pulled from the Consent Calendar. <ul style="list-style-type: none">*A. Minutes of the August 22, 2023, Special Board of Directors Meeting*B. Minutes of the September 25, 2023, Special Board of Directors Meeting |

- *C. Minutes of the November 6, 2023, Board of Directors Meeting
- *D. Minutes of the December 20, 2023, Special Board of Directors Meeting
- *E. General Warrants from October 1, 2023, through December 31, 2023
- *F. Claims Payments from October 1, 2023, through December 31, 2023
- *G. Treasurer's Reports as of September 30, 2023, and December 31, 2023
- *H. Internal Financial Statements for the Quarter Ending December 31, 2023
- *I. Target Net Position Benchmarking Ratios as of June 30, 2023
- *J. Defense Panel
- *K. Investigator Panel
- L. Board Document Review Schedule

Recommendation: Staff recommends the Board of Directors approve the Consent Calendar.

5. ADMINISTRATIVE MATTERS

- 118 A. Consideration of Goals and Objectives Established at the 24th Annual Workshop
Recommendation: Staff recommends the Board of Directors approve the 2024/25 Goals and Objectives.
- 119 *B. Review and Consideration of Non-Claims Dispute Resolution Policy for ERMA
Recommendation: Staff recommends the Board of Directors approve the Non-Claims Dispute Policy as presented.
- 122 *C. Discussion of Enterprise Risk Management (ERM) Strategies for ERMA
Recommendation: Staff recommends the Board of Directors discuss this matter and develop a list of items that can be formulated into a more formal ERM plan.
- 125 *D. Consideration of Updates to the ERMA Underwriting Guidelines
Recommendation: Staff recommends the Board of Directors approve the Underwriting Guidelines update as presented, to include the underwriting process for existing members.
- 129 *E. Biennial Review and Consideration of ERMA Conflict of Interest Code
Recommendation: Staff recommends the Board of Directors approve the Conflict of Interest Code as amended.
- 135 *F. Provision of Independent Claims Auditing Services – Review of RFP
Recommendation: Staff recommends the Board of Directors review the RFP and provide direction after discussion.
- 147 *G. Review of Withdrawal Notices – City of Sausalito, City of Canyon Lake, and City of Jurupa Valley
Recommendation: Staff recommends the Board of Directors approve the withdrawal of the City of Sausalito and conditionally approve the withdrawal of the Cities of Canyon Lake and Jurupa Valley should they formally withdraw from the PERMA program.
- 150 *H. Consideration of Amendment 1 to the Contract for Administration, Finance, and Litigation Management Services Agreement Between ERMA and Sedgwick
Recommendation: Staff makes no recommendation on this item as it concerns Sedgwick.

* Reference materials enclosed with staff report.

153 *I. Review of CAJPA Accreditation Report
 Recommendation: Staff recommends the Board receive and file the Accreditation Report.

192 *J. Review and Consideration of Other Administrative Items Arising from the Annual Workshop Discussions
 Recommendation: Staff recommends the Board provide direction or take action as necessary related to any ERMA Administrative items.

6. LOSS PREVENTION AND MEMBER SERVICES

193 *A. Consideration of Member EPL Policy Review Program
 Recommendation: Staff is seeking direction from the Board as to the outlines desired for the 2024 version of this program. It is anticipated a more formal program plan will be brought back to the Board for consideration at the April meeting.

196 *B. Review of Live & Online Training Topics
 Recommendation: Staff recommends the Board of Directors consider adding live and online Diversity & Inclusion training to the 2024-25 list of approved ERMA trainings.

7. COVERAGE MATTERS

199 *A. Excess Coverage and Marketing Strategy for the 2024/25 Program Year
 Recommendation: None.

201 *B. ERMA 2024/25 Memorandum of Coverage
 Recommendation: Staff recommends the Board of Directors provide direction on any potential changes to be evaluated and approve the revised Endorsement #1 to the ERMA 2023/24 Memorandum of Coverage.

8. FINANCIAL MATTERS

233 *A. Investment Performance Report as of December 31, 2023
 Recommendation: None.

287 *B. Review and Consideration of Investment Policy
 Recommendation: Staff recommends the Board of Directors approve the Investment Policy as amended.

300 *C. Review of Target Surplus (Capital Adequacy Study)
 Recommendation: Staff recommends the Board of Directors accept and file the Target Surplus Study.

323 *D. Review of Financial Stability Plan
 Recommendation: Staff recommends the Board of Directors approve the proposed revisions to the Financial Stability Plan.

9. CLAIMS MATTERS

329

- 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:
 - Yoo v. City of San Pablo (MPA)
- 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.

10. 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

11. ADJOURNMENT

NOTICES:

The next meetings of the Board of Directors will be held:

- Tuesday, April 23, 2024, at 10:00 a.m. – Board Meeting, Sacramento, CA
- Monday, June 3, 2024, at 10:00 a.m. – Board Meeting, Sacramento, CA

CONSENT CALENDAR

SUBJECT: Consent Calendar

RECOMMENDATION: *None*

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 August 22, 2023, Special Board of Directors Meeting
- *B. Minutes of the September 25, 2023, Special Board of Directors Meeting
- *C. Minutes of the November 6, 2023, Board of Directors Meeting
- *D. Minutes of the December 20, 2023, Special Board of Directors Meeting
- *E. General Warrants from October 1, 2023, through December 31, 2023
- *F. Claims Payments from October 1, 2023, through December 31, 2023
- *G. Treasurer's Reports as of September 30, 2023, and December 31, 2023
- *H. Internal Financial Statements for the Quarter Ending December 31, 2023
- *I. Target Net Position Benchmarking Ratios as of June 30, 2023
- *J. Defense Panel
- *K. Investigator Panel
- *L. Board Document Review Schedule

Recommendation: Staff recommends the Board of Directors approve the Consent Calendar.

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

**MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING
OF AUGUST 22, 2023**

A special meeting of the Board of Directors of ERMA was held on August 22, 2023. All portions of this meeting were conducted via Zoom in accordance with Government Code Section 54953.

BOARD MEMBERS PRESENT:

John Gillison, President, CIRA
Bryan Whitemyer, Vice President, CSJVRMA
Rob Thompson, CalTIP
Paul Wood, MBASIA
Linda Cox, MPA
Beth Lyons, PERMA
Kevin Bryant, PLAN
Charlene Calica, CCCHA
Jeremy Wittie, VCJPA

BOARD MEMBERS ABSENT:

Drew Felder, OHA

ALTERNATE MEMBERS PRESENT:

Amy Northam, CIRA
Becky Padron, CSJVRMA
Jon Maginot, BCJPIA
Jamie Scott, VCJPA
Wendy Howard, SCORE

ALTERNATE MEMBERS ABSENT:

George Fink, CalTIP
Yumi Augustus, PERMA
Nataline Jindoian, CCCHA
Steve Adams, MBASIA
Sukari Beshears, MPA
George Rodericks, PLAN

OTHERS PRESENT:

Rob Kramer, Executive Director
Yvette Flama, Pool Administration Analyst
Stacey Sullivan, Litigation Manager
Doug Alliston, Board Counsel
Rebecca Green, Richards, Watson, & Gershon
Guido Toscano, Richards, Watson, & Gershon

1. CALL TO ORDER; ROLL CALL

The August 22, 2023, Board of Directors Meeting was called to order at 2:02 p.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Beth Lyons moved, seconded by Linda Le, to approve the agenda as posted. A roll call vote was conducted. The motion passed unanimously with affirmative votes by Brian Whitemyer, Jeremy Wittie, Charlene Calica, Kevin Bryant, Paul Wood, and John Gillison with no nays or abstentions.

3. PUBLIC COMMENTS

None.

4. 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 2:08 P.m. to discuss the following claims:

- Horton vs. Porterville (CSJVRMA)

B. Report from Closed Session

The Board reconvened to Open Session at 2:32 p.m. Doug Alliston, Board Counsel, advised no reportable action was taken in Closed Session.

5. CLOSING COMMENTS

A. Board of Directors

None.

B. Staff

None.

6. ADJOURNMENT

The August 22, 2023, ERMA Board of Directors Meeting adjourned at 2:34 p.m. by general consent.



Yvette Flama, Board Secretary

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING OF SEPTEMBER 25, 2023

A special meeting of the Board of Directors of ERMA was held on September 25, 2023. All portions of this meeting were conducted via Zoom in accordance with Government Code Section 54953.

BOARD MEMBERS PRESENT:

John Gillison, President, CIRA
Charlene Calica, CCCHA
Jeremy Wittie, Treasurer, VCJPA
Kevin Bryant, PLAN
Linda Cox, MPA
Robert Thompson, CalTIP

BOARD MEMBERS ABSENT:

Beth Lyons, PERMA
Muriel Howarth Terrell, SCORE
Linda Le, ERMAC
Bryan Whitemyer, Vice President, CSJVRMA
Drew Felder, OHA
Paul Wood, MBASIA

ALTERNATE MEMBERS PRESENT:

Jon Maginot, BCJPIA
Amy Conley, CIRA
Becky Padron, CSJVRMA
George Fink, CalTIP
Jamie Scott, VCJPA
Sukari Beshears, MPA
Yumi Augustus, PERMA

ALTERNATE MEMBERS ABSENT:

Steve Adams, MBASIA
George Rodericks, PLAN
Wendy Howard, SCORE
Nataline Jindoian, CCCHA

OTHERS PRESENT:

Rob Kramer, Executive Director
Yvette Flama, Pool Administration Analyst
Stacey Sullivan, Litigation Manager
Doug Alliston, Board Counsel

1. CALL TO ORDER; ROLL CALL

The September 25, 2023, Board of Directors Meeting was called to order at 3:03 p.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Beth Lyons moved, seconded by Linda Le, to approve the agenda as posted. A roll call vote was conducted. The motion passed unanimously with affirmative votes by Jon Maginot, Robert Thompson, George Fink, Linda Cox, Sukari Beshears, Yumi Augustus, Kevin Bryant, Charlene Calica, Jeremy Wittie, Jamie Scott, Becky Padron, John Gillison, and Amy Conley.

3. PUBLIC COMMENTS

None.

4. 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 2:08 P.m. to discuss the following claims:

- Choate v. City of Shafter (CSJVRMA)
- McNeff v. City of Pleasanton (BCJPIA)

B. Report from Closed Session

The Board reconvened to Open Session at 3:45 p.m. Doug Alliston, Board Counsel, advised no reportable action was taken in Closed Session.

5. CLOSING COMMENTS

A. Board of Directors

None.

B. Staff

None.

6. ADJOURNMENT

The September 25, 2023, ERMA Board of Directors Meeting adjourned at 3:50 p.m. by general consent.



Yvette Flama, Board Secretary

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

MINUTES OF THE BOARD OF DIRECTORS MEETING OF November 6, 2023

A regular meeting of the Board of Directors of ERMA was held on November 6, 2023, at the Hilton Garden Inn, 20 Advantage Ct, Sacramento, CA.

BOARD MEMBERS PRESENT:

Jason Castleberry, BCJPIA
Bryan Whitemyer, Vice President, CSJVRMA
Charlene Calica, CCCHA
Jeremy Wittie, Treasurer, VCJPA
John Gillison, President, CIRA
Kevin Bryant, PLAN
Linda Cox, MPA
Muriel Howarth Terrell, SCORE
Paul Wood, MBASIA
Robert Thompson, CalTIP

BOARD MEMBERS ABSENT:

Beth Lyons, PERMA
Thoms Watson, ERMAC
Drew Felder, OHA

ALTERNATE MEMBERS PRESENT:

Yumi Augustus, PERMA
Amy Conley, CIRA
Becky Padron, CSJVRMA
Jamie Scott, VCJPA
Nataline Jindoian, CCCHA

ALTERNATE MEMBERS ABSENT:

Jon Maginot, BCJPIA
George Fink, CalTIP
George Rodericks, PLAN
Steve Adams, MBASIA
Sukari Beshears, MPA
Wendy Howard, SCORE

OTHERS PRESENT:

Rob Kramer, Executive Director
Yvette Flama, Board Secretary
Stacey Sullivan, Litigation Manager
Julia Byrd, Litigation Analyst
Chee Xiong, Finance Manager
Doug Alliston, Board Counsel
Will Portello, Sedgwick Litigation Director
Maria De Leon, VCJPA
Jaesa Cusimano, BCJPIA
Elizabeth Arce, Liebert Cassidy Whitmore
Shane Larsen, Jackson Lewis, P.C.
Danielle Davis, MPA
Max Leung, Sampson, Sampson, & Patterson LLP

Michelle Minnick, Alliant/SCORE
Tim Farley, Farley Consulting (Virtual)
Traci Maxey, iLearning Engines (Virtual)
Vlad Tsering, Sedgwick
Conor Boughey, MBASIA

1. CALL TO ORDER; INTRODUCTIONS

The November 6, 2023, Board of Directors Meeting was called to order at 10:00 a.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Jeremy Wittie moved, seconded by Charlene Calica, to approve the agenda as amended. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

3. PUBLIC COMMENTS

On November 2, 2023 at 7:05 AM, ERMA received a written public comment from Mr. Brad Anderson regarding a prior agenda and meeting. The comment was distributed to all attendees at the meeting. Doug Alliston, Board Council, stated that ERMA staff has addressed Mr. Anderson's concerns and they should not pose any further issues.

4. CONSENT CALENDAR

President Gillison drew attention to the Consent Calendar and asked if there were any questions regarding any specific items listed on the calendar.

Linda Cox moved, seconded by Bryan Whitemyer, to approve the following Consent Calendar items: (A) Minutes of the June 5, 2023, Board of Directors Meeting, (B) Minutes of the May 16, 2023, Special Board Member Meeting, (C) Minutes of the May 3, 2023, Coverage Committee Meeting, (D) General Payments from May 1, 2023, through September 30, 2023, (E) Claims Payments from May 1, 2023, through September 30, 2023, (F) Treasurer's Report as of June 30, 2023, (G) PFM Quarterly Investment Report as of September 30, 2023, (H) EPL Excess Policies & Invoices, (I) Internal Financial Statements as of June 30, 2023, (J) Investigator Panel Update, and (K) Defense Panel Update. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

5. ELECTION OF OFFICERS FOR PROGRAM YEARS 2023/24 AND 2024/25

Recommendations for the vacant position of Treasurer/Auditor, for program years 2023/24 and 2024/25, are as follows:

Bryan Whitemyer moved, seconded by John Gillison, to appoint Jeremy Wittie as Treasurer, to serve through June 30, 2025. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

6. STAFFING UPDATES

Appointment of a Board Secretary effective November 6, 2023, are as follows:

Jason Castleberry moved, seconded by Nataline Jindoian, to appoint Yvette Flama as Board Secretary. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

7. CLAIMS AUDIT

Mr. Tim Farley, from Farley Consulting Services, conducted a claims audit where he reviewed a sample of 40 employment liability claims incurred by ERMA. In his report, he provides specific observations and recommendations regarding those claims. Mr. Farley found that the program is being administered effectively, with only minor program deficiencies in the area of case reserve accuracy. To select the sample claims, Mr. Farley contacted the Administrator, who sent him a list of claims. The audit was conducted from June 19, 2023, through June 23, 2023. Upon completion of the audit, Mr. Farley held an exit conversation with Stacey Sullivan (Litigation Manager), Julia Byrd (Litigation Analyst), and Jennifer Jobe (former ERMA Executive Director). The Administrator submitted a detailed response on June 26, 2023, which was considered when preparing the final report. The last comprehensive audit of ERMA was conducted in June 2021.

During the audit, an analysis of the Case Reserves was conducted. Mr. Farley, who conducted the audit, found that the reserving policy followed by the company was logical and was applicable during all prior audits. A separate reserve category, known as "SIR" (ERMA member's self-insured retention), is established. Costs related to each claim are extracted from this category, up to the member's specific SIR. Mr. Farley recommended that two claims be considered for reserve adjustment. All the claims were documented, and the performance of the Administrator remained consistent. ERMA has a unique investigation process, and the Administrator uses expert attorneys to review and analyze claims. Overall, Mr. Farley found no significant issues with the Administrator's claim management. Mr. Farley presented his findings to the Board virtually via Zoom. Mr. Rob Kramer noted a response from the Litigation Management team to the findings of the audit.

Jamie Scott moved, seconded by Paul Wood, to accept and file the Employment Practices Liability Claims Audit Report. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

8. FINANCIAL MATTERS

A. Draft Audited Financial Statements for the Fiscal Year Ended June 30, 2023

During the meeting, Mr. Rob Kramer introduced the financial audit report for the year ending on June 30, 2023. The report was prepared by Sampson, Sampson, and Patterson, LLP. Mr. Max Leung from the same firm presented the findings of the audit to the Board. Mr. Leung stated that the financial statements have been prepared and maintained in compliance with the Government Auditing Standards, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts.

Mr. Leung presented the Management Discussion and Analysis, the Basic Financial Statements, which included the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and Notes to the Financial Statements. Finally, Mr. Leung presented the findings from the audit that were sent to the Board in the Auditor's Letter to the Governing Board.

Amy Conley moved, seconded by Bryan Whitemyer, to accept and file the ERMA Audited Financial Statements for the Fiscal Year Ended June 30, 2023. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

9. TRAINING AND LOSS PREVENTION MATTERS

A. Ad Hoc Training Committee Update

Mr. Rob Kramer informed the Board about the Ad Hoc Training Committee meeting held on October 4, 2023. The committee consisted of John Gillison, Bryan Whitemyer, and Lind Cox, along with our partners from iLearning Engines. During the meeting, the committee discussed the possibility of providing police liability training to ERMA members. They also focused on the Personnel Policies and Procedures Survey, which was launched in 2017 to review all the members' policies and procedures. A survey was conducted, and all members were asked to provide their policies, which were then reviewed by attorney firms Liebert Cassidy Whitmore and Jackson Lewis. Now, the ERMA staff is preparing for another resurvey of members as per the Board's direction, six years later.

During the meeting, the Committee discussed the best approach to resurvey members for the 2023/24 program year. The ERMA staff has been working together with iLearning Engines to review and modify the survey. The Committee reviewed the survey presented by the ERMA staff and discussed the areas they wanted to see changed from the last survey conducted in 2017. Mr. Kramer informed the Board that the survey was now ready to be disseminated to Members. The ERMA staff will now focus on educating members and finding the correct HR contact for each member to complete the survey.

ERMA staff strategically planned to launch the survey in December of 2023 so members will

have an opportunity to participate. ERMA staff will provide an update to the Board at the Annual Workshop on February 1, 2024. At the Annual Workshop, ERMA staff will seek direction and feedback from the Board on how they want to proceed in the process. Potentially, looking for additional resources to aid members who need the policy review but may need assistance in collaborating with the attorney firms.

Mr. Rob Kramer started using the ERMA Training Bulletins which were distributed every week. However, ERMA staff found that the frequency and content of the bulletins were not effective. So, ERMA staff requested the Committee to consider allowing them to adjust the frequency and content of the bulletins. The Committee agreed to the change and provided feedback on areas that needed improvement. ERMA staff took the feedback into consideration and made the necessary changes.

Mr. Jeremy Wittie asked about the new police-focused training program and how many members have shown interest in it. Mr. Kramer responded that the program was launched on the ERMA website just a week ago. ERMA staff is now sharing the information with the Board members and staff to educate the members about this new offering. Mr. Wittie further asked if ERMA had made any provisions for members who did not participate in the survey. Currently, there are no such provisions in place. However, the Board may consider requiring it during the Annual Workshop scheduled for February 1, 2024. Mr. John Gillison added that the resurvey in the program year would indicate whether members took advantage of the process and resources provided by ERMA to update their policies.

B. iLearning Engines Presentation – Personnel Policy & Procedure Survey

Traci Maxey, a representative from iLearning Engines, presented an updated survey to the Board. The revised survey includes more current Employment Practice Litigation topics, is comprised of 31 questions grouped by category, and features new capabilities. One such capability is that any member representative with administrative rights can now access and complete the survey, as opposed to it being assigned to an individual user.

During the presentation, Mrs. Maxey addressed a question from a member of the Board regarding data capture at a higher level. She assured the Board that the new system has built-in aggregation capability, and there are also triggers to responses that provide key insights into issues such as missing policies or training compliance. This will enable ERMA and the Board to see at an aggregate level where some underlying issues are.

During the discussion, Mrs. Maxey mentioned that the Ad Hoc Training Committee had identified eight "hot topic" policies that they considered crucial to focus on. These policies include new questions such as whether a member participated in the 2017 survey, whether they are compliant with AB1825/SB1323, whether they adopted the new policies in 2017 after going through the process, and so on. Mr. John Gillison added that these eight policies were selected because they are the ones that cause the most claims for ERMA.

C. Training Update

Concerning training compliance, the ERMA Memorandum of Coverage (MOC), Section VII, Conditions, Article 1 (F), requires that all covered parties within ERMA must provide proof of compliance with training, as outlined in California Government Code §12950.1. These trainings consist of:

- 1-hour SB 1343-compliant training for non-supervisory employees
- 2-hour AB 1825-compliant training for supervisory employees

During the board meeting, Mr. Rob Kramer informed everyone that the ERMA staff had updated the Board and all JPA member representatives regarding the pool members who have met the required 90% threshold. Mrs. Amy Conley asked if a pool has achieved the 90% threshold, but an individual member is not compliant, would the member still incur the SIR penalty? Mr. Rob Kramer clarified that the SIR penalty would still apply as compliance is necessary at the individual level.

D. 2023 Target Risk Appraisal Recommendations

As per Resolution 2011-1, ERMA Staff conducts an annual review of member loss performance. We analyze the loss ratio, frequency, and severity rate of our members and compare them to the targets set forth in the Resolution. If any member exceeds two of the targets, we subject them to further evaluation, including a comprehensive risk appraisal.

During our most recent review, Ms. Stacey Sullivan presented the target ratio calculations for the last five completed program years. She identified members who may need training and support based on the results. The City of Barstow and the City of Eastvale were among the members who needed to go through the risk appraisal process.

The City of Barstow was selected for further evaluation due to concerning claims that are currently under investigation. Ms. Sullivan engaged with Mr. Gerry Preciado to work with the senior-level management and elected officials in the city.

On the other hand, the City of Eastvale had six claims in just one year. Ms. Sullivan suggested that they may need additional training that could benefit the city. Three employees have alleged harassment, and other claims have shown that harassment training is beneficial.

Amy Conley moved, seconded by Muriel Terrell, to allow the two members to undergo a risk assessment or be subject to further evaluation. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

10. MEMBERSHIP MATTERS

A. Update Regarding Members with Participation Conditions

According to the ERMA Underwriting Guidelines, Mr. Kramer has reported that membership approval is subject to the review of a formal submission of required documents by the Underwriting Committee. To help agencies meet their participation requirements and provide support to those who need it, staff sent a reminder to six agencies approaching their compliance deadline of July 1, 2023. Staff also requested a progress report from each agency, including details such as their timeline for completion, legal counsel used, and any other relevant information.

Mr. Kramer has reported that out of the seven agencies that were contacted, only four have completed the necessary member requirements. Three members have formally requested an extension by providing written correspondence to the Board. Based on the recommendations of the ERMA staff, the Board has been advised to officially approve the members who have already completed the requirements and grant an extension to those members who require more time.

Bryan Whitemyer moved, seconded by Linda Cox, to formally approve those members who have completed their conditional requirements and provide an extension to those requesting more time. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

B. Review of Prospective Member Application – City of Burlingame (PLAN JPA)

Mr. Kramer reported an application was received from the City of Burlingame, an underlying member of the Pooled Liability Assurances Network (PLAN) JPA, for participation in ERMA at \$50,00 self-insured retention (SIR), effective January 1, 2024. He advised the Underwriting Committee met on October 11, 2023 and reviewed the city's seven-year loss history and provided an overview of the application as follows:

- The City reports payroll of approximately \$26,883,468.00 for the 2022 calendar year and has 217 full-time employees and 140 part-time employees.
- The City fairly recently had its written personnel policies and procedures reviewed with a few noted exceptions.
- The City is compliant with AB 1825 and SB 1343 training requirements.

Mr. Kramer noted the Committee's conditional recommendation that the city's personnel policies and procedures are reviewed and updated by legal counsel with public sector employment law expertise and formally approved by the district's governing board no later than July 1, 2025. Additionally, the Committee recommends the city join at \$100,000 SIR.

Kevin Bryant moved, seconded by Jason Castleberry, to recommend the Board approve the City of Burlingame (PLAN) at a \$100,000 SIR, effective January 1, 2024, 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 governing council no later than July 1, 2025. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

C. Review of Prospective Member Application – City of Milpitas (PLAN JPA)

Mr. Kramer reported an application was received from the City of Milpitas, an underlying member of the Pooled Liability Assurances Network (PLAN) JPA, for participation in ERMA at \$100,000 self-insured retention (SIR), effective January 1, 2024. He advised the Underwriting Committee met on October 11, 2023, and reviewed the city's seven-year loss history and provided an overview of the application as follows:

- The City reports payroll of approximately \$63,120,648.00 for the 2022 calendar year and has 402 full-time employees and 316 part-time employees.
- The City recently had its written personnel policies and procedures reviewed.
- The City is compliant with AB 1825 and SB 1343 training requirements.

Mr. Kramer noted the Committee's recommendation the city join at \$100,000 SIR effective January 1, 2024.

Charlene Calica moved, seconded by Beth Lyons, to recommend the Board formally approve the City of Milpitas (PLAN) at a \$100,000 SIR, effective January 1, 2024. A vote was conducted, and the motion passed unanimously with no nays or abstentions.

11. ADMINISTRATIVE MATTERS

A. 2023/24 Goals and Objectives Updates

Mr. Rob Kramer shared that the next board meeting will take place at the Annual Workshop in Napa, CA. At the 2023 workshop, the Board had identified strategic initiatives which were discussed. Mr. Kramer updated the Board on the actions taken by ERMA staff in promoting resources and providing online and live training. He also informed the Board of the survey's progress. Mr. Kramer noted that ERMA's equity has increased from \$13 million to \$16 million, indicating that the program is healthy and in good shape. Moreover, the Board is scheduled to receive an equity review from the actuary service provider, Bickmore at the annual workshop in February.

B. Review of the 24th Annual Workshop Agenda

The Board of Directors conducts a strategic planning workshop every February in conjunction with a Board meeting. As per Resolution No. 2021-1, Meeting Dates for the 2023/24 Fiscal Year, the 24th Annual Workshop is scheduled for February 1, 2024, alongside a Board meeting on February 2nd. To provide accommodations to attendees and serve as the workshop and meeting venue, the staff has identified and secured the Napa Valley Marriott Hotel & Spa in Napa, CA. The annual workshop is an excellent opportunity to present an overview of ERMA's training program, financial position, and claims from the previous year. It also allows for strategic planning and goal setting for upcoming program years.

Mr. Kramer reviewed the agenda presented by ERMA staff. Mr. John Gillison asked if there were any specific items the Board would like in addition to what was presented. All members of the Board agreed with what was presented.

C. Provision of Independent Claims Auditing Services

During the meeting, Mr. Rob Kramer informed the Board that the report presented by Tim Farley from Farley Consulting was the final report as per the contract. Mr. Kramer also reported that Mr. Farley has been providing claims auditing services since the inception of ERMA. As the contract was up for renewal, the ERMA staff requested direction from the Board. During the discussion, the Board searched for other vendor options, but Mr. Kramer advised them that the selections were limited. President Gillison directed the staff to compile a draft request for proposal (RFP) and present it to the board for review in their next meeting in February.

12. 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 10:55 a.m. to discuss the following claims:

- Carlos v. City of Perris (PERMA)
- Hernandez v. City of Barstow (PERMA)
- Dominguez v. Adelanto (CSJVRMA)

The Board reconvened to Open Session at 11:35 p.m. Doug Alliston, Board Counsel, advised no reportable action was taken in Closed Session.

13. CLOSING COMMENTS

A. Board of Directors

None

B. Staff

None.

14. ADJOURNMENT

The November 6, 2023, ERMA Board of Directors Meeting adjourned at 11:45 a.m. by general consent.



Yvette Flama, Board Secretary

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

MINUTES OF THE SPECIAL BOARD OF DIRECTORS MEETING OF DECEMBER 20, 2023

A special meeting of the Board of Directors of ERMA was held on December 20, 2023. All portions of this meeting were conducted via Zoom in accordance with Government Code Section 54953.

BOARD MEMBERS PRESENT:

Beth Lyons, PERMA
John Gillison, President, CIRA
Bryan Whitemyer, Vice President, CSJVRMA
Drew Felder, OHA
Jason Castleberry, BCJPIA
Jeremy Wittie, Treasurer, VCJPA
Kevin Bryant, PLAN
Linda Cox, MPA
Robert Thompson, CalTIP
Thomas Watson, ERMAC

BOARD MEMBERS ABSENT:

Paul Wood, MBASIA
Muriel Howarth Terrell, SCORE
Charlene Calica, CCCHA

ALTERNATE MEMBERS PRESENT:

Jon Maginot, BCJPIA
George Fink, CalTIP
Yumi Augustus, PERMA
Wendy Howard, SCORE
Nataline Jindoian CCCHA
Becky Padron, CSJVRMA
Amy Conley, CIRA

ALTERNATE MEMBERS ABSENT:

Steve Adams, MBASIA
Sukari Beshears, MPA
George Rodericks, PLAN
Jamie Scott, VCJPA

OTHERS PRESENT:

Rob Kramer, Executive Director
Yvette Flama, Board Secretary
Stacey Sullivan, Litigation Manager
Doug Alliston, Board Counsel
Jamie Maddox, Liebert Cassidy Whitmore

1. CALL TO ORDER; ROLL CALL

The December 20, 2023, Board of Directors Meeting was called to order at 3:01 p.m. by President John Gillison.

2. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Beth Lyons moved, seconded by Jeremy Wittie, to approve the agenda as posted. A roll call vote was conducted. The motion passed unanimously with affirmative votes by John Gillison, Bryan Whitemyer, Drew Felder, Jason Castleberry, Jeremy Wittie, Kevin Bryant, Linda Cox, Robert Thompson, and Thomas Watson.

3. PUBLIC COMMENTS

None.

4. 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 3:10 p.m. to discuss the following claims:

- Roulston v. City of Porterville (CSJVRMA)

B. Report from Closed Session

The Board reconvened to Open Session at 3:50 p.m. Doug Alliston, Board Counsel, advised no reportable action was taken in Closed Session.

5. CLOSING COMMENTS

A. Board of Directors

None.

B. Staff

None.

6. ADJOURNMENT

The December 20, 2023, ERMA Board of Directors Meeting adjourned at 4:00 p.m. by general consent.



Yvette Flama, Board Secretary

Employment Risk Management Authority Check register

| Date | Payee | Document no. | Amount |
|------------|--|-------------------------------|--------------------------|
| | Bank: 10000_CBT General - California Bank & Trust | Account no: 1030041601 | |
| 10/24/2023 | VEND00148--San Gabriel Valley Mosquito and Vector Control District | 10052 | 2,500.00 |
| 10/24/2023 | VEND00131--City of Rancho Cucamonga | 10050 | 900.00 |
| 10/24/2023 | VEND00224--Sampson, Sampson & Patterson, LLP | 10051 | 6,000.00 |
| 10/24/2023 | VEND00007--Alliston Law Office | 122232100000023 | 1,739.00 |
| 10/24/2023 | VEND00050--Alliant Insurance Services, Inc. | 122232100000022 | 4,179.88 |
| 10/24/2023 | VEND00003--in2vate, LLC | 122232100000021 | 8,169.60 |
| 11/16/2023 | VEND00007--Alliston Law Office | 122232100000025 | 634.50 |
| 11/16/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000024 | 5,000.00 |
| 12/06/2023 | VEND00016--BankCard Center | 122232100000026 | 2,446.21 |
| 12/20/2023 | VEND00211--Greater LA County Vector Control District | Voided - 10044 | (2,150.00) |
| 12/27/2023 | VEND00142--Sacramento Yolo MVCD | 10065 | 580.00 |
| 12/27/2023 | VEND00121--City of Pittsburg | 10057 | 1,990.00 |
| 12/27/2023 | VEND00229--Muriel Terrell | 10061 | 286.89 |
| 12/27/2023 | VEND00184--Yumi Augustus | 10066 | 575.77 |
| 12/27/2023 | VEND00228--City of Rohnert Park | 10058 | 755.00 |
| 12/27/2023 | VEND00227--City of Cotati | 10054 | 2,500.00 |
| 12/27/2023 | VEND00082--City of King | 10056 | 1,135.00 |
| 12/27/2023 | VEND00075--City of Healdsburg | 10055 | 2,280.00 |
| 12/27/2023 | VEND00170--City of Twentynine Palms | 10059 | 755.00 |
| 12/27/2023 | VEND00108--Northwest Mosquito VCD | 10063 | 1,203.00 |
| 12/27/2023 | VEND00030--Charlene Calica | 10053 | 83.84 |
| 12/27/2023 | VEND00079--Nataline Jindoian | 10062 | 105.65 |
| 12/27/2023 | VEND00162--Rob Thompson | 10064 | 129.81 |
| 12/27/2023 | VEND00211--Greater LA County Vector Control District | 10060 | 2,150.00 |
| 12/27/2023 | VEND00209--Sedgwick Claims Management Services, Inc | 122232100000030 | 272,588.00 |
| 12/27/2023 | VEND00007--Alliston Law Office | 122232100000029 | 799.00 |
| 12/27/2023 | VEND00104--Municipal Pooling Authority | 122232100000028 | 766.00 |
| 12/27/2023 | VEND00003--in2vate, LLC | 122232100000027 | 29,472.50 |
| | Total for 10000_CBT General | | <u>347,574.65</u> |

Employment Risk Management Authority Check register

| Date | Payee | Document no. | Amount |
|------------|---|-------------------------------|------------|
| | Bank: 10010_CBT EPL Claims - California Bank & Trust | Account no: 1030041791 | |
| 10/04/2023 | VEND00217--Sudano Law Firm Client Trust Account | 20015 | 50,000.00 |
| 10/09/2023 | VEND00218--Law Offices of Parnell Fox | 20016 | 420,000.00 |
| 10/19/2023 | VEND00223--Mahoney Law Group, APC Client Trust Account F/B/O [REDACTED] | 20022 | 28,950.47 |
| 10/19/2023 | VEND00220--[REDACTED] | 20021 | 108,000.00 |
| 10/19/2023 | VEND00221--Shegerian & Associates Client Trust Account | 20023 | 132,000.00 |
| 10/19/2023 | VEND00057--City of Escalon | 20018 | 1,036.50 |
| 10/19/2023 | VEND00129--City of Porterville | 20019 | 83,976.44 |
| 10/19/2023 | VEND00175--City of Victorville | 20020 | 34,565.00 |
| 10/19/2023 | VEND00219--Burke, Williams & Sorensen, LLP | 20017 | 1,690.00 |
| 10/19/2023 | VEND00158--SunLine Transit Agency | 20024 | 17,664.00 |
| 10/19/2023 | VEND00092--Lozano Smith, LLP | 122232100000148 | 195.00 |
| 10/19/2023 | VEND00092--Lozano Smith, LLP | 122232100000147 | 288.00 |
| 10/19/2023 | VEND00092--Lozano Smith, LLP | 122232100000146 | 7,493.85 |
| 10/19/2023 | VEND00092--Lozano Smith, LLP | 122232100000145 | 5,267.00 |
| 10/19/2023 | VEND00024--Buchalter | 122232100000144 | 8,147.25 |
| 10/19/2023 | VEND00024--Buchalter | 122232100000143 | 77,376.44 |
| 10/19/2023 | VEND00024--Buchalter | 122232100000142 | 3,128.50 |
| 10/19/2023 | VEND00024--Buchalter | 122232100000141 | 21,494.93 |
| 10/19/2023 | VEND00024--Buchalter | 122232100000140 | 8,931.00 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000139 | 14,971.50 |
| 10/19/2023 | VEND00135--Richards, Watson & Gershon | 122232100000138 | 13,884.29 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000137 | 23,497.70 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000136 | 966.00 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000135 | 2,711.50 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000134 | 9,565.50 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000133 | 6,029.42 |
| 10/19/2023 | VEND00077--Jackson Lewis P.C. | 122232100000132 | 9,282.38 |
| 10/19/2023 | VEND00135--Richards, Watson & Gershon | 122232100000131 | 30,196.26 |
| 11/20/2023 | VEND00219--Burke, Williams & Sorensen, LLP | 122232100000176 | 552.50 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000175 | 29,516.34 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000174 | 11,785.00 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000173 | 4,522.50 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000172 | 1,413.73 |
| 11/20/2023 | VEND00024--Buchalter | 122232100000171 | 22,305.14 |
| 11/20/2023 | VEND00024--Buchalter | 122232100000170 | 19,702.80 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000169 | 16,735.37 |
| 11/20/2023 | VEND00024--Buchalter | 122232100000168 | 3,654.00 |
| 11/20/2023 | VEND00024--Buchalter | 122232100000167 | 370.00 |
| 11/20/2023 | VEND00024--Buchalter | 122232100000166 | 25,456.50 |
| 11/20/2023 | VEND00024--Buchalter | 122232100000165 | 8,731.00 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000164 | 3,016.50 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000163 | 621.00 |
| 11/20/2023 | VEND00077--Jackson Lewis P.C. | 122232100000162 | 8,913.00 |
| 11/20/2023 | VEND00135--Richards, Watson & Gershon | 122232100000161 | 2,819.30 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000160 | 16,252.38 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000159 | 7,773.00 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000158 | 17,638.00 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000157 | 15,447.50 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000156 | 34.50 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000155 | 30,252.80 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000154 | 4,885.00 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000153 | 9,687.76 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000152 | 69.00 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000151 | 2,263.50 |
| 11/20/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000150 | 1,550.50 |
| 11/20/2023 | VEND00152--Skane Mills LLP | 122232100000149 | 13,942.35 |
| 12/01/2023 | VEND00225--[REDACTED] | 20025 | 63,028.52 |
| 12/01/2023 | VEND00226--The Law Offices of Willie W. Williams | 20026 | 38,221.48 |
| 12/21/2023 | VEND00120--City of Perris | 20028 | 1,102.03 |
| 12/21/2023 | VEND00031--City of California City | 20027 | 20,985.42 |
| 12/21/2023 | VEND00129--City of Porterville | 20031 | 20,868.50 |
| 12/21/2023 | VEND00122--City of Piedmont | 20029 | 5,172.20 |
| 12/21/2023 | VEND00230--Town of Moraga | 20033 | 95,000.00 |
| 12/21/2023 | VEND00187--City of Yreka | 20032 | 37,276.00 |
| 12/21/2023 | VEND00128--City of Placentia | 20030 | 1,915.54 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000219 | 227.50 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000218 | 3,094.50 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000217 | 4,101.00 |

Employment Risk Management Authority Check register

| Date | Payee | Document no. | Amount |
|---------------------------------------|--|-----------------|----------------------------|
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000216 | 6,244.06 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000215 | 97.50 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000214 | 1,582.50 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000213 | 13,108.40 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000212 | 8,968.70 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000211 | 8,669.50 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000210 | 35,321.08 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000209 | 92.00 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000208 | 5,323.25 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000207 | 2,711.18 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000206 | 4,068.00 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000205 | 276.00 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000204 | 5,066.27 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000203 | 2,598.00 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000202 | 2,890.50 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000201 | 1,726.50 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000200 | 621.00 |
| 12/21/2023 | VEND00077--Jackson Lewis P.C. | 122232100000199 | 8,767.67 |
| 12/21/2023 | VEND00135--Richards, Watson & Gershon | 122232100000198 | 855.31 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000197 | 1,628.07 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000196 | 8,799.74 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000195 | 5,987.75 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000194 | 6,117.60 |
| 12/21/2023 | VEND00092--Lozano Smith, LLP | 122232100000193 | 2,065.50 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000192 | 3,914.00 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000191 | 3,332.30 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000190 | 34.50 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000189 | 3,721.93 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000188 | 2,992.50 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000187 | 5,310.00 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000186 | 538.65 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000185 | 475.50 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000184 | 5,205.00 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000183 | 2,110.50 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000182 | 18,093.58 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000181 | 13,047.47 |
| 12/21/2023 | VEND00089--Liebert Cassidy Whitmore | 122232100000180 | 46,385.80 |
| 12/21/2023 | VEND00024--Buchalter | 122232100000179 | 6,395.50 |
| 12/21/2023 | VEND00152--Skane Mills LLP | 122232100000178 | 3,534.03 |
| 12/21/2023 | VEND00219--Burke, Williams & Sorensen, LLP | 122232100000177 | 1,169.50 |
| 12/26/2023 | VEND00231--[REDACTED] | 20034 | 45,000.00 |
| Total for 10010_CBT EPL Claims | | | <u>1,987,059.43</u> |

Employment Risk Management Authority

Cash & Investment Report

September 30, 2023

| 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 | 2,598,221 | 2,598,221 | 5.98% | 0.00% |
| California Bank & Trust - Claims Payment ² | (2,577,646) | (2,577,646) | -5.93% | 0.00% |
| Local Agency Investment Fund | 39,293 | 38,755 | 0.09% | 3.59% |
| CAMP - Liquidity Account | 9,965,233 | 9,965,233 | 22.92% | 5.55% |
| CAMP - Money Market | 66,813 | 66,813 | 0.15% | 5.55% |
| CAMP - Investments managed by PFM | 34,494,480 | 33,378,752 | 76.78% | 2.90% |
| Total | \$ 44,589,901 | \$ 43,473,635 | | 3.51% |

* Yield to Maturity at Cost

Notes:

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

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

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

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

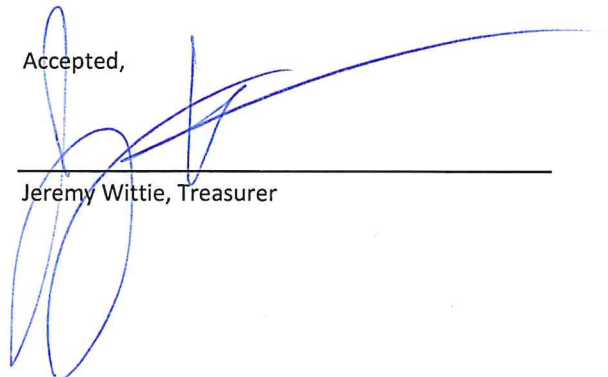
Respectfully submitted,



10/24/2023

Chee Xiong, Finance Manager

Accepted,



Jeremy Wittie, Treasurer



PMIA/LAIF Performance Report as of 10/16/23



Quarterly Performance Quarter Ended 09/30/23

| | |
|--|---------------------|
| LAIF Apportionment Rate ⁽²⁾ : | 3.59 |
| LAIF Earnings Ratio ⁽²⁾ : | 0.00009812538629360 |
| LAIF Administrative Cost ^{(1)*} : | TBD |
| LAIF Fair Value Factor ⁽¹⁾ : | 0.986307739 |
| PMIA Daily ⁽¹⁾ : | 3.48 |
| PMIA Quarter to Date ⁽¹⁾ : | 3.42 |
| PMIA Average Life ⁽¹⁾ : | 256 |

PMIA Average Monthly Effective Yields⁽¹⁾

| | |
|-----------|---------|
| September | 3.534 |
| August | 3.434 |
| July | 3.305** |
| June | 3.167 |
| May | 2.993 |
| April | 2.870 |

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 09/30/23 \$156.4 billion

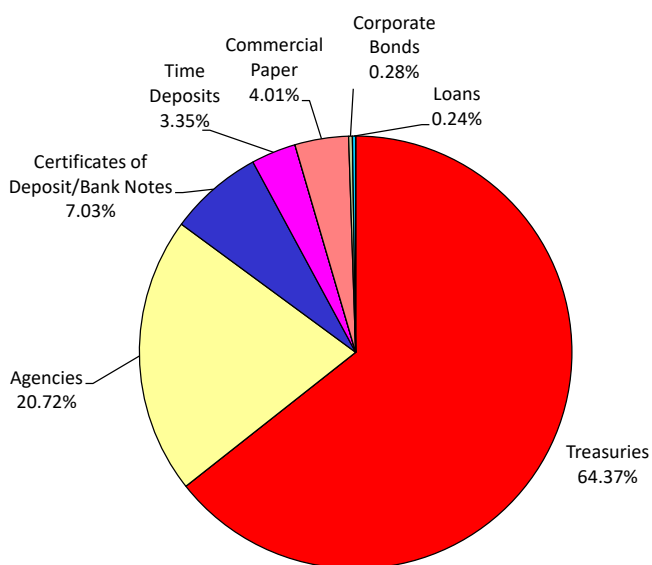


Chart does not include \$2,444,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

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).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

** Revised

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

October 02, 2023

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

September 2023 Statement

Account Summary.

| | | | |
|-------------------|------|--------------------|-----------|
| Total Deposit: | 0.00 | Beginning Balance: | 39,292.98 |
| Total Withdrawal: | 0.00 | Ending Balance: | 39,292.98 |

| | |
|---|-------------|
| LAIF Fair Value Factor for the Quarter Ended 9/30/2023: | 0.986307739 |
| LAIF Fair Market Value as of 9/30/2023: | \$38,754.97 |

California State Treasurer
Fiona Ma, CPA



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

September 01, 2023

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

//

Account Number: 35-34-011

August 2023 Statement

Account Summary

| | | | |
|-------------------|------|--------------------|-----------|
| Total Deposit: | 0.00 | Beginning Balance: | 39,292.98 |
| Total Withdrawal: | 0.00 | Ending Balance: | 39,292.98 |

California State Treasurer
Fiona Ma, CPA



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

August 04, 2023

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

July 2023 Statement

| Effective Date | Transaction Date | Tran Type | Confirm Number | Web Confirm Number | Authorized Caller | Amount |
|----------------|------------------|-----------|----------------|--------------------|-------------------|--------|
| 7/14/2023 | 7/19/2023 | QRD | 1734738 | N/A | SYSTEM | 272.92 |

Account Summary.

| | | | |
|-------------------|--------|--------------------|-----------|
| Total Deposit: | 272.92 | Beginning Balance: | 39,020.06 |
| Total Withdrawal: | 0.00 | Ending Balance: | 39,292.98 |



Account Statement

For the Month Ending **September 30, 2023**

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 | | | | | 13,018,704.31 |
| 09/25/23 | 09/25/23 | Redemption - ACH Redemption | 1.00 | (3,110,000.00) | 9,908,704.31 |
| 09/29/23 | 10/02/23 | Accrual Income Div Reinvestment - Distributions | 1.00 | 56,529.18 | 9,965,233.49 |
| Closing Balance | | | | | 9,965,233.49 |

| | Month of September | Fiscal YTD January-September | | |
|-----------------------------------|---------------------|------------------------------|-----------------------------------|---------------|
| Opening Balance | 13,018,704.31 | 8,593,561.77 | Closing Balance | 9,965,233.49 |
| Purchases | 56,529.18 | 10,591,671.72 | Average Monthly Balance | 12,400,472.92 |
| Redemptions (Excl. Checks) | (3,110,000.00) | (9,220,000.00) | Monthly Distribution Yield | 5.55% |
| Check Disbursements | 0.00 | 0.00 | | |
| Closing Balance | 9,965,233.49 | 9,965,233.49 | | |
| Cash Dividends and Income | 56,529.18 | 291,671.72 | | |



Account Statement

For the Month Ending **August 31, 2023**

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 | | | | | 2,869,497.56 |
| 08/09/23 | 08/09/23 | Purchase - ACH Purchase | 1.00 | 10,300,000.00 | 13,169,497.56 |
| 08/28/23 | 08/28/23 | Redemption - ACH Redemption | 1.00 | (200,000.00) | 12,969,497.56 |
| 08/31/23 | 09/01/23 | Accrual Income Div Reinvestment - Distributions | 1.00 | 49,206.75 | 13,018,704.31 |

Closing Balance **13,018,704.31**

| | Month of August | Fiscal YTD January-August | |
|-----------------------------------|----------------------|---------------------------|-----------------------------------|
| Opening Balance | 2,869,497.56 | 8,593,561.77 | Closing Balance |
| Purchases | 10,349,206.75 | 10,535,142.54 | Average Monthly Balance |
| Redemptions (Excl. Checks) | (200,000.00) | (6,110,000.00) | Monthly Distribution Yield |
| Check Disbursements | 0.00 | 0.00 | 5.52% |
| Closing Balance | 13,018,704.31 | 13,018,704.31 | |
| Cash Dividends and Income | 49,206.75 | 235,142.54 | |



Account Statement

For the Month Ending **July 31, 2023**

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 | | | | | 2,856,606.57 |
| 07/31/23 | 08/01/23 | Accrual Income Div Reinvestment - Distributions | 1.00 | 12,890.99 | 2,869,497.56 |
| Closing Balance | | | | | 2,869,497.56 |

| | Month of July | Fiscal YTD January-July | | |
|-----------------------------------|---------------------|-------------------------|-----------------------------------|--------------|
| Opening Balance | 2,856,606.57 | 8,593,561.77 | Closing Balance | 2,869,497.56 |
| Purchases | 12,890.99 | 185,935.79 | Average Monthly Balance | 2,857,022.41 |
| Redemptions (Excl. Checks) | 0.00 | (5,910,000.00) | Monthly Distribution Yield | 5.31% |
| Check Disbursements | 0.00 | 0.00 | | |
| Closing Balance | 2,869,497.56 | 2,869,497.56 | | |
| Cash Dividends and Income | 12,890.99 | 185,935.79 | | |



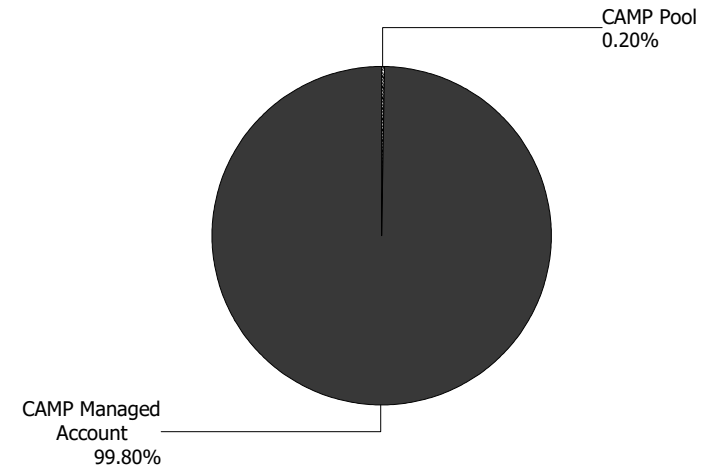
Account Statement - Transaction Summary

For the Month Ending **September 30, 2023**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

| CAMP Pool | |
|-----------------------------|------------------------|
| Opening Market Value | 778,561.38 |
| Purchases | 751,795.71 |
| Redemptions | (1,463,543.61) |
| Unsettled Trades | 0.00 |
| Change in Value | 0.00 |
| Closing Market Value | \$66,813.48 |
| Cash Dividends and Income | 2,948.64 |
| CAMP Managed Account | |
| Opening Market Value | 32,747,091.85 |
| Purchases | 1,457,589.72 |
| Redemptions | (717,045.67) |
| Unsettled Trades | 0.00 |
| Change in Value | (108,883.48) |
| Closing Market Value | \$33,378,752.42 |
| Cash Dividends and Income | 27,035.86 |

| Asset Summary | | |
|-----------------------------|---------------------------|------------------------|
| | September 30, 2023 | August 31, 2023 |
| CAMP Pool | 66,813.48 | 778,561.38 |
| CAMP Managed Account | 33,378,752.42 | 32,747,091.85 |
| Total | \$33,445,565.90 | \$33,525,653.23 |
| Asset Allocation | | |





Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|--------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| U.S. Treasury Bond / Note | | | | | | | | | | | |
| US TREASURY N/B NOTES DTD 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 1,950,000.00 | AA+ | Aaa | 03/14/23 | 03/15/23 | 1,900,335.93 | 4.85 | 20,400.82 | 1,924,444.70 | 1,916,484.38 |
| 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 | 1,516.30 | 301,385.33 | 292,359.36 |
| 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 | 1,769.02 | 352,951.38 | 341,085.92 |
| US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024 | 912828XX3 | 400,000.00 | AA+ | Aaa | 12/02/19 | 12/05/19 | 406,000.00 | 1.66 | 2,021.74 | 400,981.43 | 389,812.48 |
| 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 | 3,285.33 | 651,597.33 | 633,445.28 |
| 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 | 773.95 | 178,425.34 | 167,398.44 |
| US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024 | 912828YY0 | 275,000.00 | AA+ | Aaa | 07/01/20 | 07/06/20 | 292,960.94 | 0.28 | 1,216.20 | 280,008.02 | 263,054.69 |
| US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 1,900,000.00 | AA+ | Aaa | 03/14/23 | 03/15/23 | 1,797,726.56 | 4.45 | 3,639.95 | 1,826,822.84 | 1,804,406.25 |
| 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 | 205.33 | 322,403.10 | 298,644.51 |
| 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 | 268.52 | 422,578.44 | 390,535.14 |
| 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 | 94.77 | 98,521.45 | 90,375.00 |
| 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 | 118.46 | 124,095.24 | 112,968.75 |
| 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 | 165.85 | 173,274.46 | 158,156.25 |
| 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 | 260.61 | 272,750.93 | 248,531.25 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| U.S. Treasury Bond / Note | | | | | | | | | | | |
| US TREASURY N/B NOTES DTD 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 | 219.70 | 67,972.58 | 63,054.68 |
| 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 | 1,176.97 | 369,533.04 | 337,792.95 |
| 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 | 315.90 | 280,963.18 | 267,000.00 |
| US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 325,000.00 | AA+ | Aaa | 08/01/22 | 08/04/22 | 299,203.13 | 2.74 | 342.22 | 306,692.54 | 289,250.00 |
| 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 | 368.55 | 328,524.50 | 311,500.00 |
| US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 425,000.00 | AA+ | Aaa | 07/05/22 | 07/08/22 | 389,057.62 | 2.84 | 447.52 | 399,956.59 | 378,250.00 |
| US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 550,000.00 | AA+ | Aaa | 08/08/22 | 08/15/22 | 500,843.75 | 3.04 | 579.14 | 514,849.54 | 489,500.00 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 425,000.00 | AA+ | Aaa | 10/05/22 | 10/11/22 | 391,697.27 | 4.10 | 3,210.60 | 399,599.99 | 390,867.19 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 625,000.00 | AA+ | Aaa | 01/04/23 | 01/06/23 | 581,469.73 | 3.96 | 4,721.47 | 589,749.44 | 574,804.69 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 725,000.00 | AA+ | Aaa | 12/05/22 | 12/07/22 | 674,618.16 | 3.92 | 5,476.90 | 685,051.65 | 666,773.43 |
| US TREASURY N/B NOTES DTD 04/30/2022 2.750% 04/30/2027 | 91282CEN7 | 700,000.00 | AA+ | Aaa | 01/31/23 | 02/03/23 | 673,996.09 | 3.70 | 8,055.71 | 678,030.31 | 654,609.34 |
| US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 100,000.00 | AA+ | Aaa | 07/03/23 | 07/07/23 | 94,273.44 | 4.30 | 463.32 | 94,605.08 | 93,156.25 |
| US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 275,000.00 | AA+ | Aaa | 06/02/23 | 06/06/23 | 262,259.77 | 3.97 | 1,274.12 | 263,243.02 | 256,179.69 |
| US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 675,000.00 | AA+ | Aaa | 05/01/23 | 05/05/23 | 652,192.38 | 3.62 | 3,127.38 | 654,387.69 | 628,804.68 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|----------------------|---------------|-------------------|---------------|----------------|----------------------|----------------|---------------------|----------------------|----------------------|
| U.S. Treasury Bond / Note | | | | | | | | | | | |
| US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 875,000.00 | AA+ | Aaa | 03/02/23 | 03/06/23 | 816,518.55 | 4.44 | 4,054.01 | 824,119.68 | 815,117.19 |
| US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 1,050,000.00 | AA+ | Aaa | 03/14/23 | 03/15/23 | 998,320.31 | 3.98 | 4,864.81 | 1,004,784.31 | 978,140.63 |
| Security Type Sub-Total | | 15,270,000.00 | | | | | 14,675,905.08 | 3.25 | 74,435.17 | 14,792,303.13 | 14,302,058.42 |
| Supra-National Agency Bond / Note | | | | | | | | | | | |
| 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 | 352.78 | 399,957.59 | 397,000.00 |
| 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 | 59.44 | 534,870.68 | 509,190.53 |
| Security Type Sub-Total | | 935,000.00 | | | | | 933,744.10 | 0.44 | 412.22 | 934,828.27 | 906,190.53 |
| Municipal Bond / Note | | | | | | | | | | | |
| CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024 | 20772KJW0 | 50,000.00 | AA- | Aa3 | 05/29/20 | 06/11/20 | 50,000.00 | 2.00 | 249.75 | 50,000.00 | 48,744.50 |
| 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 | 210.10 | 60,000.00 | 58,361.40 |
| 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 | 146.25 | 125,000.00 | 119,725.00 |
| NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025 | 650036DT0 | 250,000.00 | NR | NR | 12/16/20 | 12/23/20 | 250,000.00 | 0.87 | 96.67 | 250,000.00 | 232,682.50 |
| 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 | 233.50 | 70,000.00 | 65,300.20 |
| 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 | 157.25 | 50,129.15 | 46,469.50 |
| FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025 | 341271AD6 | 65,000.00 | AA | Aa3 | 09/03/20 | 09/16/20 | 65,430.95 | 1.12 | 204.42 | 65,157.45 | 60,410.35 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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 | | | | | | | | | | | |
| 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 | 393.12 | 125,000.00 | 116,173.75 |
| MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025 | 60412AVJ9 | 80,000.00 | AAA | Aaa | 08/11/20 | 08/25/20 | 80,000.00 | 0.63 | 84.00 | 80,000.00 | 73,636.00 |
| 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 | 128.83 | 100,000.00 | 92,415.00 |
| CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025 | 13077DQD7 | 65,000.00 | AA- | Aa2 | 07/09/21 | 07/29/21 | 65,000.00 | 0.86 | 233.46 | 65,000.00 | 59,273.50 |
| CA ST MUNICIPAL BONDS DTD 03/15/2023 4.846% 03/01/2027 | 13063D3N6 | 100,000.00 | AA- | Aa2 | 03/09/23 | 03/15/23 | 100,000.00 | 4.85 | 403.83 | 100,000.00 | 99,605.00 |
| Security Type Sub-Total | | 1,140,000.00 | | | | | 1,140,784.45 | 1.38 | 2,541.18 | 1,140,286.60 | 1,072,796.70 |
| Federal Agency Commercial Mortgage-Backed Security | | | | | | | | | | | |
| 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 | 177,161.93 | 169,635.35 |
| FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | AA+ | Aaa | 04/11/23 | 04/14/23 | 167,753.91 | 4.37 | 400.31 | 168,994.43 | 165,380.86 |
| FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | AA+ | Aaa | 04/06/23 | 04/12/23 | 335,261.72 | 4.02 | 773.79 | 337,361.96 | 325,798.78 |
| FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | AA+ | Aaa | 05/19/23 | 05/24/23 | 232,612.50 | 4.31 | 669.40 | 233,376.52 | 227,307.03 |
| FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXOY1 | 350,000.00 | AA+ | Aaa | 08/16/23 | 08/18/23 | 330,148.44 | 4.98 | 940.33 | 330,825.02 | 328,421.28 |
| FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | AA+ | Aaa | 06/08/23 | 06/13/23 | 335,384.77 | 4.44 | 945.88 | 336,543.04 | 327,762.55 |
| FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,729.28 | AA+ | Aaa | 07/19/23 | 07/27/23 | 279,722.28 | 4.78 | 1,113.56 | 279,722.54 | 274,510.64 |
| FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | AA+ | Aaa | 07/13/23 | 07/20/23 | 353,495.80 | 4.59 | 1,405.54 | 353,352.27 | 343,561.57 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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 | | | | | | | | | | | |
| FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BODE6 | 350,000.00 | AA+ | Aaa | 07/18/23 | 07/31/23 | 344,066.41 | 4.58 | 1,222.08 | 344,271.13 | 334,413.87 |
| FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | AA+ | Aaa | 09/07/23 | 09/14/23 | 541,863.85 | 4.99 | 2,131.25 | 541,934.55 | 534,363.73 |
| FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | AA+ | Aaa | 09/20/23 | 09/28/23 | 345,816.45 | 5.07 | 1,400.00 | 345,822.95 | 343,660.39 |
| Security Type Sub-Total | | 3,519,729.28 | | | | | 3,449,794.10 | 4.52 | 11,448.68 | 3,449,366.34 | 3,374,816.05 |
| Federal Agency Bond / Note | | | | | | | | | | | |
| 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 | 143.23 | 249,987.23 | 249,476.50 |
| 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 | 276.91 | 274,991.87 | 273,650.58 |
| 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 | 215.28 | 249,985.19 | 248,010.75 |
| FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023 | 3137EAF2 | 250,000.00 | AA+ | Aaa | 12/02/20 | 12/04/20 | 249,752.50 | 0.28 | 203.13 | 249,985.53 | 247,760.75 |
| 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 | 579.86 | 249,618.62 | 232,618.25 |
| FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025 | 3135G03U5 | 250,000.00 | AA+ | Aaa | 04/22/20 | 04/24/20 | 249,485.00 | 0.67 | 690.10 | 249,839.34 | 232,801.50 |
| 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 | 236.98 | 324,415.25 | 298,290.85 |
| 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 | 103.13 | 274,510.32 | 251,412.15 |
| FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025 | 3130AK5E2 | 115,000.00 | AA+ | Aaa | 09/10/20 | 09/11/20 | 114,655.00 | 0.44 | 32.34 | 114,866.48 | 105,130.24 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Federal Agency Bond / Note | | | | | | | | | | | |
| 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 | 22.92 | 274,671.90 | 250,782.68 |
| 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 | 550.00 | 274,584.79 | 250,148.80 |

| | | | | | | | | | | | |
|--------------------------------|--|---------------------|--|--|--|--|---------------------|-------------|-----------------|---------------------|---------------------|
| Security Type Sub-Total | | 2,790,000.00 | | | | | 2,781,469.75 | 0.43 | 3,053.88 | 2,787,456.52 | 2,640,083.05 |
|--------------------------------|--|---------------------|--|--|--|--|---------------------|-------------|-----------------|---------------------|---------------------|

| | | | | | | | | | | | |
|---|-----------|------------|------|----|----------|----------|------------|------|----------|------------|------------|
| 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 | 1,652.78 | 250,083.37 | 247,897.00 |
| 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 | 23.02 | 84,993.45 | 82,991.96 |
| 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 | 4,090.28 | 251,734.81 | 246,890.00 |
| 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 | 399.63 | 229,931.37 | 222,851.14 |
| AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024 | 02665WCZ2 | 250,000.00 | A- | A3 | 07/11/19 | 07/15/19 | 248,760.00 | 2.51 | 1,566.67 | 249,814.93 | 243,722.25 |
| 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 | 2,219.10 | 251,276.72 | 245,957.25 |
| BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024 | 05531FBH5 | 250,000.00 | A- | A3 | 08/01/19 | 08/05/19 | 250,415.00 | 2.46 | 1,041.67 | 250,063.45 | 242,354.00 |
| 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 | 75.83 | 104,983.81 | 100,429.35 |
| WALT DISNEY COMPANY/THE (CALLABLE) DTD 09/06/2019 1.750% 08/30/2024 | 254687FK7 | 250,000.00 | A- | A2 | 09/03/19 | 09/06/19 | 248,980.00 | 1.84 | 376.74 | 249,812.81 | 241,391.75 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate Note | | | | | | | | | | | |
| TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025 | 89236TGT6 | 25,000.00 | A+ | A1 | 05/21/20 | 05/26/20 | 25,348.00 | 1.49 | 60.00 | 25,101.13 | 23,746.47 |
| TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025 | 89236TGT6 | 50,000.00 | A+ | A1 | 05/20/20 | 05/26/20 | 50,488.50 | 1.58 | 120.00 | 50,141.96 | 47,492.95 |
| TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025 | 89236TGT6 | 125,000.00 | A+ | A1 | 05/20/20 | 05/26/20 | 126,221.25 | 1.58 | 300.00 | 125,354.90 | 118,732.38 |
| 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 | 1,750.00 | 124,898.45 | 120,705.38 |
| 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 | 249.00 | 19,982.34 | 19,215.06 |
| BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025 | 06051GJR1 | 200,000.00 | A- | A1 | 04/16/21 | 04/22/21 | 200,000.00 | 0.98 | 862.13 | 200,000.00 | 193,806.40 |
| 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 | 862.50 | 59,993.03 | 58,020.48 |
| CITIGROUP INC (CALLABLE) 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 | 388.31 | 95,000.00 | 91,748.06 |
| 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 | 1,968.75 | 450,281.33 | 420,293.25 |
| JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025 | 46647PCH7 | 250,000.00 | A- | A1 | 05/24/21 | 06/01/21 | 250,000.00 | 0.82 | 686.67 | 250,000.00 | 241,670.50 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate Note | | | | | | | | | | | |
| NATIONAL 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 | 2,722.22 | 250,000.00 | 241,655.75 |
| 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 | 457.13 | 44,993.35 | 43,344.90 |
| IBM CORP CORPORATE NOTES DTD 07/27/2022 4.000% 07/27/2025 | 459200KS9 | 200,000.00 | A- | A3 | 07/20/22 | 07/27/22 | 200,000.00 | 4.00 | 1,422.22 | 200,000.00 | 194,537.20 |
| JPMORGAN CHASE & CO CORP NOTES (CALLABLE) DTD 08/10/2021 0.768% 08/09/2025 | 46647PCM6 | 95,000.00 | A- | A1 | 08/03/21 | 08/10/21 | 95,000.00 | 0.77 | 105.39 | 95,000.00 | 90,492.16 |
| 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 | 315.98 | 60,000.00 | 56,683.86 |
| UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026 | 91324PEC2 | 200,000.00 | A+ | A2 | 05/17/21 | 05/19/21 | 199,652.00 | 1.19 | 868.89 | 199,817.21 | 179,933.00 |
| BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026 | 06051GJD2 | 200,000.00 | A- | A1 | 07/23/21 | 07/27/21 | 200,918.00 | 1.22 | 747.43 | 200,404.49 | 182,988.80 |
| 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 | 1,347.50 | 199,809.89 | 176,925.20 |
| JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026 | 46647PBT2 | 150,000.00 | A- | A1 | 11/24/21 | 11/29/21 | 145,593.00 | 1.66 | 574.75 | 147,221.36 | 133,933.95 |
| 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 | 783.89 | 199,337.20 | 179,069.60 |
| TARGET CORP CORP NOTES (CALLABLE) 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 | 144.08 | 34,960.64 | 31,579.73 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Corporate Note | | | | | | | | | | | |
| BANK OF 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 | 1,388.02 | 374,446.37 | 335,188.50 |
| MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027 | 594918BY9 | 500,000.00 | AAA | Aaa | 03/14/23 | 03/17/23 | 481,295.00 | 4.36 | 2,520.83 | 483,899.49 | 474,521.00 |
| 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 | 383.33 | 370,136.44 | 342,483.75 |
| BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 04/26/2023 4.947% 04/26/2027 | 06406RBO9 | 150,000.00 | A | A1 | 04/19/23 | 04/26/23 | 150,000.00 | 4.95 | 3,194.94 | 150,000.00 | 145,826.85 |
| TEXAS INSTRUMENTS INC CORP NOTE (CALLABL DTD 11/18/2022 4.600% 02/15/2028 | 882508BV5 | 55,000.00 | A+ | Aa3 | 05/11/23 | 05/18/23 | 56,322.20 | 4.04 | 323.28 | 56,216.61 | 53,860.57 |
| MASTERCARD INC CORP NOTES (CALLABLE) DTD 03/09/2023 4.875% 03/09/2028 | 57636QAW4 | 250,000.00 | A+ | Aa3 | 03/14/23 | 03/16/23 | 251,270.00 | 4.76 | 744.79 | 251,128.89 | 248,176.00 |
| HERSHEY COMPANY CORP NOTES CALLABLE DTD 05/04/2023 4.250% 05/04/2028 | 427866BH0 | 250,000.00 | A | A1 | 05/16/23 | 05/18/23 | 251,920.00 | 4.08 | 4,338.54 | 251,773.55 | 241,660.75 |
| LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028 | 539830BZ1 | 40,000.00 | A- | A2 | 05/23/23 | 05/25/23 | 39,928.00 | 4.49 | 623.00 | 39,933.11 | 38,636.84 |
| JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028 | 24422EXB0 | 250,000.00 | A | A2 | 07/21/23 | 07/25/23 | 251,910.00 | 4.78 | 2,646.88 | 251,838.48 | 246,275.00 |
| Security Type Sub-Total | | 7,200,000.00 | | | | | 7,202,737.85 | 2.53 | 44,346.17 | 7,184,364.94 | 6,847,689.04 |
| Certificate of Deposit | | | | | | | | | | | |
| TORONTO DOMINION BANK NY CERT DEPOS DTD 10/31/2022 5.600% 10/27/2025 | 89115B6K1 | 350,000.00 | A | A1 | 10/27/22 | 10/31/22 | 350,000.00 | 5.58 | 18,238.89 | 350,000.00 | 349,883.42 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|-------------------|---------------|-------------------|---------------|----------------|-------------------|----------------|---------------------|-------------------|-------------------|
| Certificate of Deposit | | | | | | | | | | | |
| NORDEA BANK ABP NEW YORK CERT DEPOS DTD 11/03/2022 5.530% 11/03/2025 | 65558UYF3 | 350,000.00 | AA- | Aa3 | 11/02/22 | 11/03/22 | 350,000.00 | 5.53 | 7,957.06 | 350,000.00 | 347,243.05 |
| Security Type Sub-Total | | 700,000.00 | | | | | 700,000.00 | 5.56 | 26,195.95 | 700,000.00 | 697,126.47 |
| Asset-Backed Security | | | | | | | | | | | |
| HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 13,665.81 | AAA | NR | 09/22/20 | 09/29/20 | 13,663.80 | 0.37 | 1.83 | 13,665.29 | 13,554.32 |
| 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 | 229,996.58 | 226,386.77 |
| CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 5,721.86 | AAA | NR | 07/14/20 | 07/22/20 | 5,720.88 | 0.62 | 1.58 | 5,721.55 | 5,705.47 |
| GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 20,236.97 | NR | Aaa | 08/11/20 | 08/19/20 | 20,232.35 | 0.46 | 3.79 | 20,235.44 | 20,057.30 |
| GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 6,776.28 | AAA | NR | 05/18/21 | 05/26/21 | 6,775.71 | 0.41 | 0.85 | 6,776.05 | 6,761.93 |
| 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 | 59,999.00 | 58,813.17 |
| CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 23,964.19 | AAA | NR | 10/14/20 | 10/21/20 | 23,958.92 | 0.50 | 5.33 | 23,962.14 | 23,576.12 |
| HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 26,066.76 | AAA | NR | 04/20/21 | 04/28/21 | 26,064.02 | 0.38 | 4.40 | 26,065.54 | 25,552.36 |
| TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 148,974.76 | AAA | NR | 06/08/21 | 06/14/21 | 148,958.71 | 0.26 | 17.21 | 148,967.04 | 144,873.47 |
| HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 79,933.69 | AAA | NR | 08/17/21 | 08/25/21 | 79,932.53 | 0.41 | 11.83 | 79,933.11 | 77,447.02 |
| HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 104,775.42 | AAA | NR | 07/20/21 | 07/28/21 | 104,752.30 | 0.39 | 17.70 | 104,763.56 | 101,620.63 |
| CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 47,155.39 | AAA | NR | 04/13/21 | 04/21/21 | 47,145.22 | 0.52 | 10.90 | 47,150.37 | 45,749.27 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Asset-Backed Security | | | | | | | | | | | |
| MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 90,398.26 | AAA | Aaa | 09/15/21 | 09/22/21 | 90,386.43 | 0.46 | 18.48 | 90,391.49 | 87,332.98 |
| CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 119,628.53 | AAA | Aaa | 07/21/21 | 07/28/21 | 119,608.86 | 0.55 | 29.24 | 119,617.63 | 114,909.05 |
| GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 71,883.39 | AAA | NR | 07/13/21 | 07/21/21 | 71,878.95 | 0.48 | 14.38 | 71,880.94 | 69,446.98 |
| 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 | 254,994.22 | 244,664.57 |
| COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 70,227.51 | AAA | Aaa | 10/19/21 | 10/27/21 | 70,226.18 | 0.77 | 24.03 | 70,226.70 | 67,398.11 |
| 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 | 154,980.24 | 147,445.21 |
| GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 56,046.56 | AAA | Aaa | 10/13/21 | 10/21/21 | 56,045.14 | 0.68 | 15.88 | 56,045.70 | 53,813.63 |
| CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | AAA | NR | 07/12/22 | 07/20/22 | 174,995.87 | 3.97 | 308.78 | 174,996.92 | 170,844.03 |
| FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | AAA | NR | 03/28/23 | 03/31/23 | 89,990.61 | 4.65 | 186.00 | 89,991.58 | 88,375.26 |
| HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815OAC1 | 225,000.00 | AAA | NR | 08/15/23 | 08/22/23 | 224,953.61 | 5.42 | 439.56 | 224,954.74 | 224,295.50 |
| DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | NR | Aaa | 04/04/23 | 04/11/23 | 224,986.95 | 4.31 | 431.00 | 224,988.20 | 219,077.64 |
| BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | AAA | NR | 06/08/23 | 06/16/23 | 119,972.83 | 4.79 | 255.47 | 119,974.45 | 118,327.74 |
| AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | AAA | NR | 06/07/23 | 06/14/23 | 129,988.47 | 4.87 | 281.38 | 129,989.17 | 128,278.07 |
| DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | AAA | Aaa | 06/21/23 | 06/28/23 | 244,966.90 | 4.93 | 536.82 | 244,968.63 | 242,048.09 |



Managed Account Detail of Securities Held

For the Month Ending **September 30, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------------------|---------------|-------------------|---------------|----------------|------------------------|----------------|---------------------|------------------------|------------------------|
| Asset-Backed Security | | | | | | | | | | | |
| FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | AAA | Aaa | 08/15/23 | 08/23/23 | 244,984.81 | 5.53 | 602.16 | 244,985.14 | 244,157.15 |
| CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | AAA | NR | 09/07/23 | 09/15/23 | 279,922.38 | 5.17 | 642.13 | 279,922.34 | 278,467.48 |
| AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | AAA | NR | 09/12/23 | 09/19/23 | 289,987.04 | 5.23 | 505.57 | 289,986.46 | 289,012.84 |
| Security Type Sub-Total | | 3,610,455.38 | | | | | 3,610,045.09 | 3.02 | 4,494.24 | 3,610,130.22 | 3,537,992.16 |
| Managed Account Sub-Total | | 35,165,184.66 | | | | | 34,494,480.42 | 2.90 | 166,927.49 | 34,598,736.02 | 33,378,752.42 |
| Joint Powers Authority | | | | | | | | | | | |
| CAMP Pool | | 66,813.48 | AAAm | NR | | | 66,813.48 | | 0.00 | 66,813.48 | 66,813.48 |
| Liquid Sub-Total | | 66,813.48 | | | | | 66,813.48 | | 0.00 | 66,813.48 | 66,813.48 |
| Securities Sub-Total | | \$35,231,998.14 | | | | | \$34,561,293.90 | 2.90% | \$166,927.49 | \$34,665,549.50 | \$33,445,565.90 |
| Accrued Interest | | | | | | | | | | | \$166,927.49 |
| Total Investments | | | | | | | | | | | \$33,612,493.39 |



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|----------------------------|----------|--|-----------|--------------|----------------|------------|----------------|--------------|--------------|--------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | Method |
| BUY | | | | | | | | | | |
| 09/07/23 | 09/14/23 | FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | (541,863.85) | (923.54) | (542,787.39) | | | |
| 09/07/23 | 09/15/23 | CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | (279,922.38) | 0.00 | (279,922.38) | | | |
| 09/12/23 | 09/19/23 | AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | (289,987.04) | 0.00 | (289,987.04) | | | |
| 09/20/23 | 09/28/23 | FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | (345,816.45) | (1,260.00) | (347,076.45) | | | |
| Transaction Type Sub-Total | | | | 1,470,000.00 | (1,457,589.72) | (2,183.54) | (1,459,773.26) | | | |
| INTEREST | | | | | | | | | | |
| 09/01/23 | 09/01/23 | CA ST MUNICIPAL BONDS DTD 03/15/2023 4.846% 03/01/2027 | 13063D3N6 | 100,000.00 | 0.00 | 2,234.54 | 2,234.54 | | | |
| 09/01/23 | 09/25/23 | FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | 0.00 | 1,405.54 | 1,405.54 | | | |
| 09/01/23 | 09/25/23 | FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | 0.00 | 400.31 | 400.31 | | | |
| 09/01/23 | 09/25/23 | FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | 0.00 | 773.79 | 773.79 | | | |
| 09/01/23 | 09/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | 0.00 | 669.40 | 669.40 | | | |
| 09/01/23 | 09/25/23 | FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXQY1 | 350,000.00 | 0.00 | 940.33 | 940.33 | | | |
| 09/01/23 | 09/25/23 | FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | 0.00 | 945.88 | 945.88 | | | |
| 09/01/23 | 09/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,865.00 | 0.00 | 1,114.10 | 1,114.10 | | | |
| 09/01/23 | 09/25/23 | FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BQDE6 | 350,000.00 | 0.00 | 1,222.08 | 1,222.08 | | | |
| 09/01/23 | 09/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 175,000.00 | 0.00 | 446.54 | 446.54 | | | |
| 09/04/23 | 09/04/23 | FEDERAL HOME LOAN BANK NOTES DTD 09/11/2020 0.375% 09/04/2025 | 3130AK5E2 | 115,000.00 | 0.00 | 215.63 | 215.63 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

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 | | | | | | | | | | |
| 09/09/23 | 09/09/23 | MASTERCARD INC CORP NOTES (CALLABLE) DTD 03/09/2023 4.875% 03/09/2028 | 57636QAW4 | 250,000.00 | 0.00 | 6,093.75 | | 6,093.75 | | |
| 09/15/23 | 09/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 51,372.40 | 0.00 | 22.26 | | 22.26 | | |
| 09/15/23 | 09/15/23 | BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | 0.00 | 479.00 | | 479.00 | | |
| 09/15/23 | 09/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 10,330.50 | 0.00 | 5.34 | | 5.34 | | |
| 09/15/23 | 09/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 74,503.72 | 0.00 | 47.81 | | 47.81 | | |
| 09/15/23 | 09/15/23 | FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | 0.00 | 348.75 | | 348.75 | | |
| 09/15/23 | 09/15/23 | FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | 0.00 | 827.96 | | 827.96 | | |
| 09/15/23 | 09/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 127,624.41 | 0.00 | 58.49 | | 58.49 | | |
| 09/15/23 | 09/15/23 | AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | 0.00 | 527.58 | | 527.58 | | |
| 09/15/23 | 09/15/23 | DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | 0.00 | 1,006.54 | | 1,006.54 | | |
| 09/15/23 | 09/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 29,133.50 | 0.00 | 9.23 | | 9.23 | | |
| 09/15/23 | 09/15/23 | CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | 0.00 | 578.96 | | 578.96 | | |
| 09/15/23 | 09/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 97,278.67 | 0.00 | 37.29 | | 37.29 | | |
| 09/15/23 | 09/15/23 | COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026 | 14041NFW6 | 255,000.00 | 0.00 | 116.87 | | 116.87 | | |
| 09/15/23 | 09/15/23 | DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | 0.00 | 808.12 | | 808.12 | | |
| 09/15/23 | 09/15/23 | DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026 | 254683CP8 | 155,000.00 | 0.00 | 74.92 | | 74.92 | | |



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

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 | | | | | | | | | | |
| 09/15/23 | 09/15/23 | NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025 | 650036DT0 | 250,000.00 | 0.00 | 1,087.50 | 1,087.50 | | | |
| 09/15/23 | 09/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 162,645.82 | 0.00 | 35.24 | 35.24 | | | |
| 09/15/23 | 09/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 27,592.81 | 0.00 | 11.50 | 11.50 | | | |
| 09/15/23 | 09/15/23 | BERKSHIRE HATHAWAY CORP NOTES (CALLABLE) DTD 03/15/2022 2.300% 03/15/2027 | 084664CZ2 | 375,000.00 | 0.00 | 4,312.50 | 4,312.50 | | | |
| 09/15/23 | 09/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 114,141.23 | 0.00 | 36.14 | 36.14 | | | |
| 09/16/23 | 09/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 77,099.45 | 0.00 | 30.84 | 30.84 | | | |
| 09/16/23 | 09/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 59,455.47 | 0.00 | 33.69 | 33.69 | | | |
| 09/16/23 | 09/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 25,168.34 | 0.00 | 9.44 | 9.44 | | | |
| 09/18/23 | 09/18/23 | CHARLES SCHWAB CORP NOTES (CALLABLE) DTD 03/18/2021 0.750% 03/18/2024 | 808513BN4 | 85,000.00 | 0.00 | 318.75 | 318.75 | | | |
| 09/18/23 | 09/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 86,507.52 | 0.00 | 29.56 | 29.56 | | | |
| 09/18/23 | 09/18/23 | HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815OAC1 | 225,000.00 | 0.00 | 879.12 | 879.12 | | | |
| 09/18/23 | 09/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 17,845.68 | 0.00 | 5.50 | 5.50 | | | |
| 09/20/23 | 09/20/23 | GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 60,000.00 | 0.00 | 25.00 | 25.00 | | | |
| 09/20/23 | 09/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 19,384.56 | 0.00 | 6.62 | 6.62 | | | |
| 09/23/23 | 09/23/23 | INTER-AMERICAN DEVEL BK NOTES DTD 09/23/2021 0.500% 09/23/2024 | 4581X0DZ8 | 535,000.00 | 0.00 | 1,337.50 | 1,337.50 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|----------------------------|----------|---|-----------|--------------|------------|-----------|------------|--------------|--------------|------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | |
| INTEREST | | | | | | | | | | |
| 09/23/23 | 09/23/23 | FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025 | 3137EAEX3 | 275,000.00 | 0.00 | 515.63 | 515.63 | | | |
| 09/25/23 | 09/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 230,000.00 | 0.00 | 82.42 | 82.42 | | | |
| Transaction Type Sub-Total | | | | 7,739,949.08 | 0.00 | 30,167.96 | 30,167.96 | | | |
| MATURITY | | | | | | | | | | |
| 09/08/23 | 09/08/23 | FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023 | 3137EAEW5 | 225,000.00 | 225,000.00 | 281.25 | 225,281.25 | (41.09) | 0.00 | |
| 09/08/23 | 09/08/23 | FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023 | 3137EAEW5 | 300,000.00 | 300,000.00 | 375.00 | 300,375.00 | 99.00 | 0.00 | |
| Transaction Type Sub-Total | | | | 525,000.00 | 525,000.00 | 656.25 | 525,656.25 | 57.91 | 0.00 | |
| PAYDOWNS | | | | | | | | | | |
| 09/01/23 | 09/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 135.72 | 135.72 | 0.00 | 135.72 | 0.00 | 0.00 | |
| 09/15/23 | 09/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 4,217.01 | 4,217.01 | 0.00 | 4,217.01 | 0.91 | 0.00 | |
| 09/15/23 | 09/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 6,880.41 | 6,880.41 | 0.00 | 6,880.41 | 0.90 | 0.00 | |
| 09/15/23 | 09/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 4,276.21 | 4,276.21 | 0.00 | 4,276.21 | 0.08 | 0.00 | |
| 09/15/23 | 09/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 3,628.62 | 3,628.62 | 0.00 | 3,628.62 | 0.80 | 0.00 | |
| 09/15/23 | 09/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 7,995.88 | 7,995.88 | 0.00 | 7,995.88 | 1.32 | 0.00 | |
| 09/15/23 | 09/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 3,066.74 | 3,066.74 | 0.00 | 3,066.74 | 0.32 | 0.00 | |
| 09/15/23 | 09/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 13,671.06 | 13,671.06 | 0.00 | 13,671.06 | 1.47 | 0.00 | |
| 09/15/23 | 09/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 9,365.81 | 9,365.81 | 0.00 | 9,365.81 | 2.07 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **September 30, 2023**

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 |
| PAYDOWNS | | | | | | | | | | |
| 09/15/23 | 09/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 4,608.64 | 4,608.64 | 0.00 | 4,608.64 | 0.79 | 0.00 | |
| 09/16/23 | 09/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 3,408.91 | 3,408.91 | 0.00 | 3,408.91 | 0.09 | 0.00 | |
| 09/16/23 | 09/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 4,931.37 | 4,931.37 | 0.00 | 4,931.37 | 1.13 | 0.00 | |
| 09/16/23 | 09/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 5,216.06 | 5,216.06 | 0.00 | 5,216.06 | 0.32 | 0.00 | |
| 09/18/23 | 09/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 6,573.83 | 6,573.83 | 0.00 | 6,573.83 | 0.10 | 0.00 | |
| 09/18/23 | 09/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 4,179.87 | 4,179.87 | 0.00 | 4,179.87 | 0.61 | 0.00 | |
| 09/20/23 | 09/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 12,608.28 | 12,608.28 | 0.00 | 12,608.28 | 1.06 | 0.00 | |
| Transaction Type Sub-Total | | | | 94,764.42 | 94,764.42 | 0.00 | 94,764.42 | 11.97 | 0.00 | |
| SELL | | | | | | | | | | |
| 09/20/23 | 09/27/23 | US TREASURY N/B NOTES DTD 04/15/2021 0.375% 04/15/2024 | 91282CBV2 | 100,000.00 | 97,281.25 | 169.06 | 97,450.31 | (1,843.75) | (2,514.48) | FIFO |
| Transaction Type Sub-Total | | | | 100,000.00 | 97,281.25 | 169.06 | 97,450.31 | (1,843.75) | (2,514.48) | |
| Managed Account Sub-Total | | | | | (740,544.05) | 28,809.73 | (711,734.32) | (1,773.87) | (2,514.48) | |
| Total Security Transactions | | | | | (\$740,544.05) | \$28,809.73 | (\$711,734.32) | (\$1,773.87) | (\$2,514.48) | |



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2023**

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 | | | | | | | | | | |
| 08/15/23 | 08/22/23 | HAROT 2023-3 A3 | 43815QAC1 | 225,000.00 | (224,953.61) | 0.00 | (224,953.61) | | | |
| | | DTD 08/22/2023 5.410% 02/18/2028 | | | | | | | | |
| 08/15/23 | 08/23/23 | FITAT 2023-1 A3 | 31680EAD3 | 245,000.00 | (244,984.81) | 0.00 | (244,984.81) | | | |
| | | DTD 08/23/2023 5.530% 08/15/2028 | | | | | | | | |
| 08/16/23 | 08/18/23 | FHMS K064 A2 | 3137BXOY1 | 350,000.00 | (330,148.44) | (532.86) | (330,681.30) | | | |
| | | DTD 05/15/2017 3.224% 03/01/2027 | | | | | | | | |

| | | | | | | | | | | |
|-----------------------------------|--|--|--|-------------------|---------------------|-----------------|---------------------|--|--|--|
| Transaction Type Sub-Total | | | | 820,000.00 | (800,086.86) | (532.86) | (800,619.72) | | | |
|-----------------------------------|--|--|--|-------------------|---------------------|-----------------|---------------------|--|--|--|

| | | | | | | | | | | |
|-----------------|----------|---|-----------|------------|------|----------|----------|--|--|--|
| INTEREST | | | | | | | | | | |
| 08/01/23 | 08/01/23 | MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025 | 60412AVJ9 | 80,000.00 | 0.00 | 252.00 | 252.00 | | | |
| 08/01/23 | 08/01/23 | SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024 | 798306WN2 | 125,000.00 | 0.00 | 438.75 | 438.75 | | | |
| 08/01/23 | 08/01/23 | BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024 | 05531FBH5 | 250,000.00 | 0.00 | 3,125.00 | 3,125.00 | | | |
| 08/01/23 | 08/01/23 | CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024 | 157411TK5 | 60,000.00 | 0.00 | 630.30 | 630.30 | | | |
| 08/01/23 | 08/01/23 | LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025 | 54438CYK2 | 100,000.00 | 0.00 | 386.50 | 386.50 | | | |
| 08/01/23 | 08/25/23 | FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | 0.00 | 400.31 | 400.31 | | | |
| 08/01/23 | 08/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 280,000.00 | 0.00 | 1,114.63 | 1,114.63 | | | |
| 08/01/23 | 08/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 175,000.00 | 0.00 | 446.54 | 446.54 | | | |
| 08/01/23 | 08/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | 0.00 | 669.40 | 669.40 | | | |
| 08/01/23 | 08/25/23 | FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | 0.00 | 945.88 | 945.88 | | | |
| 08/01/23 | 08/25/23 | FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | 0.00 | 773.79 | 773.79 | | | |
| 08/01/23 | 08/25/23 | FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BQDE6 | 350,000.00 | 0.00 | 1,222.08 | 1,222.08 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L | Realized G/L | Sale |
|------------------|----------|---|-----------|------------|--------------------|------------------|----------|--------------|--------------|--------|
| Trade | Settle | | | | | | | Cost | Amort Cost | Method |
| INTEREST | | | | | | | | | | |
| 08/01/23 | 08/25/23 | FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | 0.00 | 1,405.54 | 1,405.54 | | | |
| 08/06/23 | 08/06/23 | MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027 | 594918BY9 | 500,000.00 | 0.00 | 8,250.00 | 8,250.00 | | | |
| 08/09/23 | 08/09/23 | JPMORGAN CHASE & CO CORP NOTES (CALLABLE DTD 08/10/2021 0.768% 08/09/2025 | 46647PCM6 | 95,000.00 | 0.00 | 364.80 | 364.80 | | | |
| 08/09/23 | 08/09/23 | PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/09/2021 0.500% 08/09/2024 | 69371RR40 | 105,000.00 | 0.00 | 262.50 | 262.50 | | | |
| 08/13/23 | 08/13/23 | TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025 | 89236TGT6 | 200,000.00 | 0.00 | 1,800.00 | 1,800.00 | | | |
| 08/15/23 | 08/15/23 | DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026 | 254683CP8 | 155,000.00 | 0.00 | 74.92 | 74.92 | | | |
| 08/15/23 | 08/15/23 | COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026 | 14041NFW6 | 255,000.00 | 0.00 | 116.87 | 116.87 | | | |
| 08/15/23 | 08/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 30,919.89 | 0.00 | 12.88 | 12.88 | | | |
| 08/15/23 | 08/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 14,647.78 | 0.00 | 7.57 | 7.57 | | | |
| 08/15/23 | 08/15/23 | FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | 0.00 | 348.75 | 348.75 | | | |
| 08/15/23 | 08/15/23 | DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | 0.00 | 808.12 | 808.12 | | | |
| 08/15/23 | 08/15/23 | BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | 0.00 | 942.03 | 942.03 | | | |
| 08/15/23 | 08/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 104,251.57 | 0.00 | 39.96 | 39.96 | | | |
| 08/15/23 | 08/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 134,879.72 | 0.00 | 61.82 | 61.82 | | | |
| 08/15/23 | 08/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 78,683.09 | 0.00 | 50.49 | 50.49 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2023**

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 | | | | | | | | | | |
| 08/15/23 | 08/15/23 | DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | 0.00 | 1,006.54 | 1,006.54 | | | |
| 08/15/23 | 08/15/23 | US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 2,250,000.00 | 0.00 | 16,875.00 | 16,875.00 | | | |
| 08/15/23 | 08/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 175,947.20 | 0.00 | 38.12 | 38.12 | | | |
| 08/15/23 | 08/15/23 | TEXAS INSTRUMENTS INC CORP NOTE (CALLABL DTD 11/18/2022 4.600% 02/15/2028 | 882508BV5 | 55,000.00 | 0.00 | 1,265.00 | 1,265.00 | | | |
| 08/15/23 | 08/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 123,763.30 | 0.00 | 39.19 | 39.19 | | | |
| 08/15/23 | 08/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314QAC8 | 55,332.08 | 0.00 | 23.98 | 23.98 | | | |
| 08/15/23 | 08/15/23 | CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | 0.00 | 578.96 | 578.96 | | | |
| 08/15/23 | 08/15/23 | AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | 0.00 | 527.58 | 527.58 | | | |
| 08/15/23 | 08/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 32,237.47 | 0.00 | 10.21 | 10.21 | | | |
| 08/16/23 | 08/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 30,324.05 | 0.00 | 11.37 | 11.37 | | | |
| 08/16/23 | 08/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 82,168.94 | 0.00 | 32.87 | 32.87 | | | |
| 08/16/23 | 08/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 62,803.19 | 0.00 | 35.59 | 35.59 | | | |
| 08/18/23 | 08/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 93,179.78 | 0.00 | 31.84 | 31.84 | | | |
| 08/18/23 | 08/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 22,037.86 | 0.00 | 6.79 | 6.79 | | | |
| 08/20/23 | 08/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 30,000.00 | 0.00 | 10.25 | 10.25 | | | |
| 08/20/23 | 08/20/23 | 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 **August 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L Cost | Realized G/L Amort Cost | Sale Method |
|------------------|----------|---|-----------|------------|-----------------------|---------------------|----------|----------------------|----------------------------|----------------|
| Trade | Settle | | | | | | | | | |
| INTEREST | | | | | | | | | | |
| 08/25/23 | 08/25/23 | FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025 | 3135G05X7 | 275,000.00 | 0.00 | 515.63 | 515.63 | | | |
| 08/25/23 | 08/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 230,000.00 | 0.00 | 82.42 | 82.42 | | | |
| 08/25/23 | 08/25/23 | BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024 | 09661RAD3 | 1,798.24 | 0.00 | 0.72 | 0.72 | | | |
| 08/30/23 | 08/30/23 | WALT DISNEY COMPANY/THE (CALLABLE) DTD 09/06/2019 1.750% 08/30/2024 | 254687FK7 | 250,000.00 | 0.00 | 2,187.50 | 2,187.50 | | | |

| | | | | | | | | | | |
|-----------------------------------|--|--|--|---------------------|-------------|------------------|------------------|--|--|--|
| Transaction Type Sub-Total | | | | 9,372,974.16 | 0.00 | 48,255.99 | 48,255.99 | | | |
|-----------------------------------|--|--|--|---------------------|-------------|------------------|------------------|--|--|--|

| | | | | | | | | | | |
|-----------------|----------|---|-----------|------------|------------|--------|------------|--------|------|--|
| MATURITY | | | | | | | | | | |
| 08/24/23 | 08/24/23 | FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023 | 3137EAEV7 | 700,000.00 | 700,000.00 | 875.00 | 700,875.00 | 714.00 | 0.00 | |

| | | | | | | | | | | |
|-----------------------------------|--|--|--|-------------------|-------------------|---------------|-------------------|---------------|-------------|--|
| Transaction Type Sub-Total | | | | 700,000.00 | 700,000.00 | 875.00 | 700,875.00 | 714.00 | 0.00 | |
|-----------------------------------|--|--|--|-------------------|-------------------|---------------|-------------------|---------------|-------------|--|

| | | | | | | | | | | |
|-----------------|----------|---|-----------|-----------|-----------|------|-----------|------|------|--|
| PAYDOWNS | | | | | | | | | | |
| 08/01/23 | 08/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 135.00 | 135.00 | 0.00 | 135.00 | 0.00 | 0.00 | |
| 08/15/23 | 08/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 4,179.37 | 4,179.37 | 0.00 | 4,179.37 | 0.08 | 0.00 | |
| 08/15/23 | 08/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 6,972.90 | 6,972.90 | 0.00 | 6,972.90 | 0.91 | 0.00 | |
| 08/15/23 | 08/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 9,622.07 | 9,622.07 | 0.00 | 9,622.07 | 2.12 | 0.00 | |
| 08/15/23 | 08/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 3,959.68 | 3,959.68 | 0.00 | 3,959.68 | 0.85 | 0.00 | |
| 08/15/23 | 08/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 4,317.28 | 4,317.28 | 0.00 | 4,317.28 | 0.74 | 0.00 | |
| 08/15/23 | 08/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 3,103.97 | 3,103.97 | 0.00 | 3,103.97 | 0.33 | 0.00 | |
| 08/15/23 | 08/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 13,301.38 | 13,301.38 | 0.00 | 13,301.38 | 1.43 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **August 31, 2023**

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 | | | | | | | | | | |
| 08/15/23 | 08/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 7,255.31 | 7,255.31 | 0.00 | 7,255.31 | 1.19 | 0.00 | |
| 08/15/23 | 08/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 3,327.08 | 3,327.08 | 0.00 | 3,327.08 | 0.73 | 0.00 | |
| 08/16/23 | 08/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 5,155.71 | 5,155.71 | 0.00 | 5,155.71 | 1.18 | 0.00 | |
| 08/16/23 | 08/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 5,069.49 | 5,069.49 | 0.00 | 5,069.49 | 0.31 | 0.00 | |
| 08/16/23 | 08/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 3,347.72 | 3,347.72 | 0.00 | 3,347.72 | 0.09 | 0.00 | |
| 08/18/23 | 08/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 4,192.18 | 4,192.18 | 0.00 | 4,192.18 | 0.61 | 0.00 | |
| 08/18/23 | 08/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 6,672.26 | 6,672.26 | 0.00 | 6,672.26 | 0.10 | 0.00 | |
| 08/20/23 | 08/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 10,615.44 | 10,615.44 | 0.00 | 10,615.44 | 0.90 | 0.00 | |
| 08/25/23 | 08/25/23 | BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024 | 09661RAD3 | 1,798.24 | 1,798.24 | 0.00 | 1,798.24 | 0.14 | 0.00 | |
| Transaction Type Sub-Total | | | | 93,025.08 | 93,025.08 | 0.00 | 93,025.08 | 11.71 | 0.00 | |
| SELL | | | | | | | | | | |
| 08/15/23 | 08/22/23 | US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 350,000.00 | 331,761.72 | 99.86 | 331,861.58 | 601.56 | (3,686.31) | FIFO |
| 08/16/23 | 08/18/23 | US TREASURY N/B NOTES DTD 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 350,000.00 | 343,054.69 | 2,615.49 | 345,670.18 | 1,968.75 | (1,406.48) | FIFO |
| Transaction Type Sub-Total | | | | 700,000.00 | 674,816.41 | 2,715.35 | 677,531.76 | 2,570.31 | (5,092.79) | |
| Managed Account Sub-Total | | | | | 667,754.63 | 51,313.48 | 719,068.11 | 3,296.02 | (5,092.79) | |
| Total Security Transactions | | | | | \$667,754.63 | \$51,313.48 | \$719,068.11 | \$3,296.02 | (\$5,092.79) | |



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2023**

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 | | | | | | | | | | |
| 07/03/23 | 07/07/23 | US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 100,000.00 | (94,273.44) | (1,192.68) | (95,466.12) | | | |
| 07/13/23 | 07/20/23 | FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | (353,495.80) | (890.18) | (354,385.98) | | | |
| 07/18/23 | 07/31/23 | FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BODE6 | 350,000.00 | (344,066.41) | (1,222.08) | (345,288.49) | | | |
| 07/19/23 | 07/27/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 280,000.00 | (279,993.00) | (966.02) | (280,959.02) | | | |
| 07/21/23 | 07/25/23 | JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028 | 24422EXB0 | 250,000.00 | (251,910.00) | (378.13) | (252,288.13) | | | |

| | | | | | | | | | | |
|-----------------------------------|--|--|--|---------------------|-----------------------|-------------------|-----------------------|--|--|--|
| Transaction Type Sub-Total | | | | 1,330,000.00 | (1,323,738.65) | (4,649.09) | (1,328,387.74) | | | |
|-----------------------------------|--|--|--|---------------------|-----------------------|-------------------|-----------------------|--|--|--|

| | | | | | | | | | | |
|-----------------|----------|---|-----------|------------|------|----------|----------|--|--|--|
| INTEREST | | | | | | | | | | |
| 07/01/23 | 07/01/23 | CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024 | 20772KJW0 | 50,000.00 | 0.00 | 499.50 | 499.50 | | | |
| 07/01/23 | 07/01/23 | FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025 | 341271AD6 | 240,000.00 | 0.00 | 1,509.60 | 1,509.60 | | | |
| 07/01/23 | 07/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | 0.00 | 669.40 | 669.40 | | | |
| 07/01/23 | 07/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 175,000.00 | 0.00 | 446.54 | 446.54 | | | |
| 07/01/23 | 07/25/23 | FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | 0.00 | 400.31 | 400.31 | | | |
| 07/01/23 | 07/25/23 | FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | 0.00 | 773.79 | 773.79 | | | |
| 07/01/23 | 07/25/23 | FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | 0.00 | 945.88 | 945.88 | | | |
| 07/08/23 | 07/08/23 | CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 01/10/2022 1.700% 01/08/2027 | 14913R2U0 | 200,000.00 | 0.00 | 1,700.00 | 1,700.00 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2023**

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 | | | | | | | | | | |
| 07/08/23 | 07/08/23 | GOLDMAN SACHS GROUP INC (CALLABLE) BONDS DTD 07/08/2014 3.850% 07/08/2024 | 38141EC23 | 250,000.00 | 0.00 | 4,812.50 | 4,812.50 | | | |
| 07/10/23 | 07/10/23 | JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 01/10/2022 1.250% 01/10/2025 | 24422EVY2 | 70,000.00 | 0.00 | 437.50 | 437.50 | | | |
| 07/15/23 | 07/15/23 | COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026 | 14041NFW6 | 255,000.00 | 0.00 | 116.87 | 116.87 | | | |
| 07/15/23 | 07/15/23 | TARGET CORP CORP NOTES (CALLABLE) DTD 01/24/2022 1.950% 01/15/2027 | 87612EBM7 | 35,000.00 | 0.00 | 341.25 | 341.25 | | | |
| 07/15/23 | 07/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 133,531.52 | 0.00 | 42.28 | 42.28 | | | |
| 07/15/23 | 07/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 34,605.67 | 0.00 | 14.42 | 14.42 | | | |
| 07/15/23 | 07/15/23 | DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | 0.00 | 570.37 | 570.37 | | | |
| 07/15/23 | 07/15/23 | DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026 | 254683CP8 | 155,000.00 | 0.00 | 74.92 | 74.92 | | | |
| 07/15/23 | 07/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 190,053.41 | 0.00 | 41.18 | 41.18 | | | |
| 07/15/23 | 07/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 142,782.66 | 0.00 | 65.44 | 65.44 | | | |
| 07/15/23 | 07/15/23 | DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | 0.00 | 808.13 | 808.13 | | | |
| 07/15/23 | 07/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 111,672.12 | 0.00 | 42.81 | 42.81 | | | |
| 07/15/23 | 07/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 59,522.29 | 0.00 | 25.79 | 25.79 | | | |
| 07/15/23 | 07/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 19,436.90 | 0.00 | 10.04 | 10.04 | | | |
| 07/15/23 | 07/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 35,513.46 | 0.00 | 11.25 | 11.25 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L | Realized G/L | Sale |
|------------------|----------|---|-----------|------------|-----------------------|---------------------|----------|--------------|--------------|--------|
| Trade | Settle | | | | | | | Cost | Amort Cost | Method |
| INTEREST | | | | | | | | | | |
| 07/15/23 | 07/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 80,000.00 | 0.00 | 51.33 | 51.33 | | | |
| 07/15/23 | 07/15/23 | FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | 0.00 | 348.75 | 348.75 | | | |
| 07/15/23 | 07/15/23 | AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | 0.00 | 545.17 | 545.17 | | | |
| 07/15/23 | 07/15/23 | CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | 0.00 | 578.96 | 578.96 | | | |
| 07/16/23 | 07/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 65,000.00 | 0.00 | 36.83 | 36.83 | | | |
| 07/16/23 | 07/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 87,675.87 | 0.00 | 35.07 | 35.07 | | | |
| 07/16/23 | 07/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 35,506.04 | 0.00 | 13.31 | 13.31 | | | |
| 07/18/23 | 07/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 100,186.72 | 0.00 | 34.23 | 34.23 | | | |
| 07/18/23 | 07/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 26,581.04 | 0.00 | 8.20 | 8.20 | | | |
| 07/20/23 | 07/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 30,000.00 | 0.00 | 10.25 | 10.25 | | | |
| 07/20/23 | 07/20/23 | GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 60,000.00 | 0.00 | 25.00 | 25.00 | | | |
| 07/21/23 | 07/21/23 | FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025 | 3137EAEU9 | 325,000.00 | 0.00 | 609.38 | 609.38 | | | |
| 07/23/23 | 07/23/23 | PNC BANK NA CORP NOTES (CALLABLE) DTD 01/23/2019 3.500% 01/23/2024 | 693475AV7 | 250,000.00 | 0.00 | 4,375.00 | 4,375.00 | | | |
| 07/25/23 | 07/25/23 | BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024 | 09661RAD3 | 4,611.13 | 0.00 | 1.84 | 1.84 | | | |
| 07/25/23 | 07/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 230,000.00 | 0.00 | 82.42 | 82.42 | | | |
| 07/26/23 | 07/26/23 | BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027 | 06406RBA4 | 375,000.00 | 0.00 | 3,843.75 | 3,843.75 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2023**

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 | | | | | | | | | | | |
| | 07/27/23 | 07/27/23 | IBM CORP CORPORATE NOTES DTD 07/27/2022 4.000% 07/27/2025 | 459200KS9 | 200,000.00 | 0.00 | 4,000.00 | 4,000.00 | | | |
| | 07/31/23 | 07/31/23 | US TREASURY N/B NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 2,975,000.00 | 0.00 | 40,906.25 | 40,906.25 | | | |
| | 07/31/23 | 07/31/23 | US TREASURY N/B NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 1,950,000.00 | 0.00 | 6,093.75 | 6,093.75 | | | |

| | | | | | | | | | | | |
|-----------------------------------|--|--|--|--|----------------------|-------------|------------------|------------------|--|--|--|
| Transaction Type Sub-Total | | | | | 10,931,678.83 | 0.00 | 75,959.26 | 75,959.26 | | | |
|-----------------------------------|--|--|--|--|----------------------|-------------|------------------|------------------|--|--|--|

| | | | | | | | | | | | |
|-----------------|----------|----------|---|-----------|-----------|-----------|------|-----------|------|------|--|
| PAYDOWNS | | | | | | | | | | | |
| | 07/15/23 | 07/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 7,902.94 | 7,902.94 | 0.00 | 7,902.94 | 1.30 | 0.00 | |
| | 07/15/23 | 07/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 4,789.12 | 4,789.12 | 0.00 | 4,789.12 | 0.82 | 0.00 | |
| | 07/15/23 | 07/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 1,316.91 | 1,316.91 | 0.00 | 1,316.91 | 0.02 | 0.00 | |
| | 07/15/23 | 07/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 3,275.99 | 3,275.99 | 0.00 | 3,275.99 | 0.35 | 0.00 | |
| | 07/15/23 | 07/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 9,768.22 | 9,768.22 | 0.00 | 9,768.22 | 2.16 | 0.00 | |
| | 07/15/23 | 07/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 14,106.21 | 14,106.21 | 0.00 | 14,106.21 | 1.52 | 0.00 | |
| | 07/15/23 | 07/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314QAC8 | 4,190.21 | 4,190.21 | 0.00 | 4,190.21 | 0.90 | 0.00 | |
| | 07/15/23 | 07/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 7,420.55 | 7,420.55 | 0.00 | 7,420.55 | 0.97 | 0.00 | |
| | 07/15/23 | 07/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 3,685.78 | 3,685.78 | 0.00 | 3,685.78 | 0.81 | 0.00 | |
| | 07/16/23 | 07/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 2,196.81 | 2,196.81 | 0.00 | 2,196.81 | 0.06 | 0.00 | |
| | 07/16/23 | 07/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 5,506.93 | 5,506.93 | 0.00 | 5,506.93 | 0.34 | 0.00 | |
| | 07/16/23 | 07/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 5,181.99 | 5,181.99 | 0.00 | 5,181.99 | 1.19 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **July 31, 2023**

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 | | | | | | | | | | |
| 07/18/23 | 07/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 7,006.94 | 7,006.94 | 0.00 | 7,006.94 | 0.10 | 0.00 | |
| 07/18/23 | 07/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 4,543.18 | 4,543.18 | 0.00 | 4,543.18 | 0.67 | 0.00 | |
| 07/25/23 | 07/25/23 | BMWOT 2020-A A3 DTD 07/15/2020 0.480% 10/25/2024 | 09661RAD3 | 2,812.89 | 2,812.89 | 0.00 | 2,812.89 | 0.21 | 0.00 | |
| Transaction Type Sub-Total | | | | 83,704.67 | 83,704.67 | 0.00 | 83,704.67 | 11.42 | 0.00 | |
| SELL | | | | | | | | | | |
| 07/03/23 | 07/07/23 | FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023 | 3137EAEV7 | 50,000.00 | 49,668.50 | 46.18 | 49,714.68 | (280.50) | (329.27) | FIFO |
| 07/13/23 | 07/20/23 | US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 375,000.00 | 355,825.20 | 2,408.49 | 358,233.69 | 1,010.75 | (2,635.86) | FIFO |
| 07/18/23 | 07/25/23 | US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 375,000.00 | 355,400.39 | 2,486.19 | 357,886.58 | 585.94 | (3,204.23) | FIFO |
| 07/19/23 | 07/26/23 | US TREASURY N/B NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 275,000.00 | 260,691.41 | 1,834.60 | 262,526.01 | 494.14 | (2,306.38) | FIFO |
| 07/21/23 | 07/25/23 | JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 09/10/2021 0.625% 09/10/2024 | 24422EVU0 | 80,000.00 | 75,836.80 | 187.50 | 76,024.30 | (4,111.20) | (4,143.61) | FIFO |
| 07/21/23 | 07/25/23 | JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 01/10/2022 1.250% 01/10/2025 | 24422EVY2 | 70,000.00 | 66,115.00 | 36.46 | 66,151.46 | (3,852.10) | (3,868.94) | FIFO |
| Transaction Type Sub-Total | | | | 1,225,000.00 | 1,163,537.30 | 6,999.42 | 1,170,536.72 | (6,152.97) | (16,488.29) | |
| Managed Account Sub-Total | | | | | (76,496.68) | 78,309.59 | 1,812.91 | (6,141.55) | (16,488.29) | |
| Total Security Transactions | | | | | (\$76,496.68) | \$78,309.59 | \$1,812.91 | (\$6,141.55) | (\$16,488.29) | |

Employment Risk Management Authority

Cash & Investment Report

December 31, 2023

| 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 | 203,536 | 203,536 | 0.47% | 0.00% |
| California Bank & Trust - Claims Payment ² | (182,320) | (182,320) | -0.42% | 0.00% |
| Local Agency Investment Fund | 4,647 | 4,584 | 0.01% | 3.59% |
| CAMP - Liquidity Account | 9,301,047 | 9,301,047 | 21.27% | 5.55% |
| CAMP - Money Market | 462,823 | 462,823 | 1.06% | 5.55% |
| CAMP - Investments managed by PFMAM ³ | 34,223,372 | 33,936,760 | 77.61% | 3.16% |
| Total | \$ 44,016,613 | \$ 43,729,938 | | 3.69% |

* 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.

³ The CAMP - Investments managed by PFMAM balance includes an unsettled trade: Paydown of \$58,866.84 for CUSIP 09690AAD5 on December 25, 2023. The funds will reflect on the Money Market account on the next statement.

Attached are the PFM Asset Management (PFMAM), 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,



1/16/2024

Chee Xiong, Finance Manager

Accepted,



1/17/2024

Jeremy Wittie, Treasurer

ERMA
LAIF Market Value
12/31/2023

| Adjustment for Market Value | | |
|---|----|------------------------|
| LAIF Statement Balance | \$ | 4,647.35 |
| Fair Value Factor per LAIF Performance Report | | <u>0.986307739</u> |
| Adjusted Market Value | \$ | <u><u>4,583.72</u></u> |

- * The fair value factor as of December 31, 2023 was not available at the time the ERMA financial books as of December 31, 2023 were closed. Management elected to use the fair value factor as of September 30, 2023 to adjust the market value of the investment in LAIF.



PMIA/LAIF Performance Report as of 12/20/23



Quarterly Performance Quarter Ended 09/30/23

| | |
|--|---------------------|
| LAIF Apportionment Rate ⁽²⁾ : | 3.59 |
| LAIF Earnings Ratio ⁽²⁾ : | 0.00009812538629360 |
| LAIF Administrative Cost ^{(1)*} : | 0.29 |
| LAIF Fair Value Factor ⁽¹⁾ : | 0.986307739 |
| PMIA Daily ⁽¹⁾ : | 3.48 |
| PMIA Quarter to Date ⁽¹⁾ : | 3.42 |
| PMIA Average Life ⁽¹⁾ : | 256 |

PMIA Average Monthly Effective Yields⁽¹⁾

| | |
|-----------|---------|
| November | 3.843 |
| October | 3.670 |
| September | 3.534 |
| August | 3.434 |
| July | 3.305** |
| June | 3.167 |

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 11/30/23 \$159.4 billion

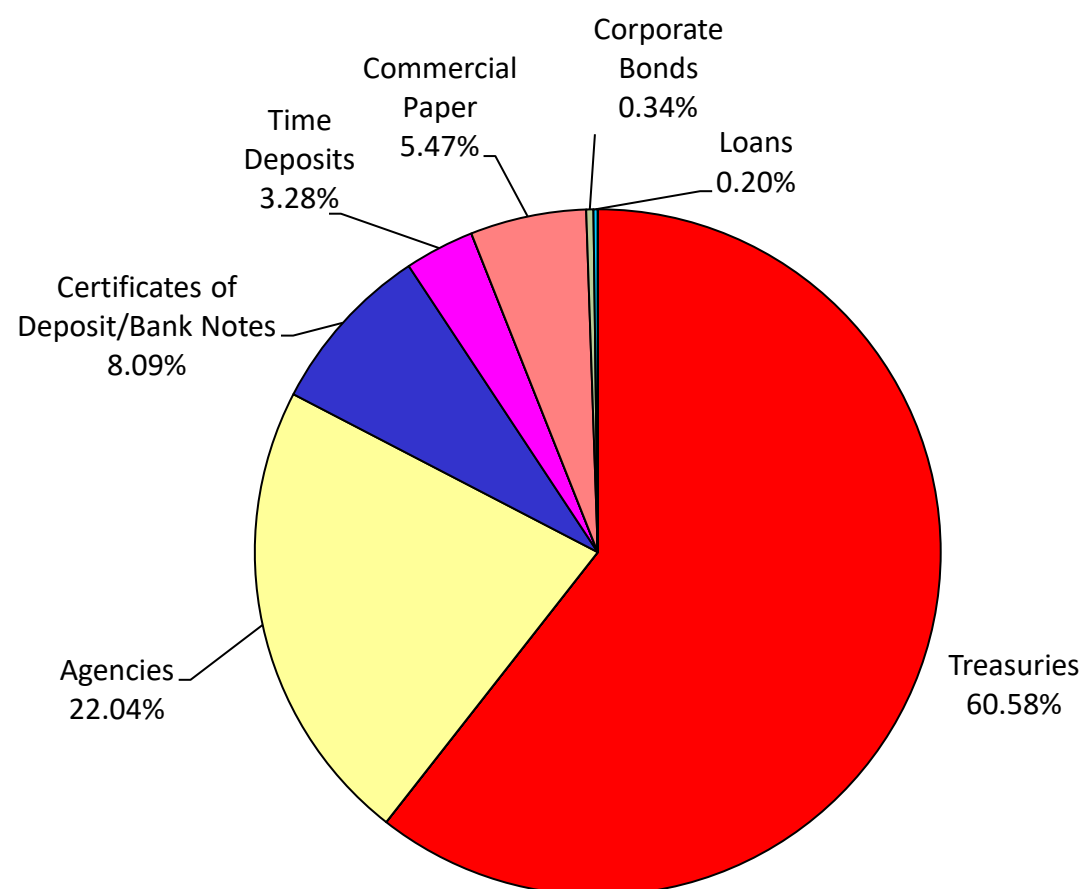


Chart does not include \$2,218,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

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).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

** Revised

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

January 02, 2024

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

December 2023 Statement

| Effective Date | Transaction Date | Tran Type | Confirm Number | Web Confirm Number | Authorized Caller | Amount |
|----------------|------------------|-----------|----------------|--------------------|-------------------|------------|
| 12/27/2023 | 12/26/2023 | RW | 1744300 | 1704708 | CHEE XIONG | -35,000.00 |

Account Summary

| | | | |
|-------------------|------------|--------------------|-----------|
| Total Deposit: | 0.00 | Beginning Balance: | 39,647.35 |
| Total Withdrawal: | -35,000.00 | Ending Balance: | 4,647.35 |

California State Treasurer
Fiona Ma, CPA



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

December 01, 2023

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

November 2023 Statement

Account Summary

| | | | |
|-------------------|------|--------------------|-----------|
| Total Deposit: | 0.00 | Beginning Balance: | 39,647.35 |
| Total Withdrawal: | 0.00 | Ending Balance: | 39,647.35 |

California State Treasurer
Fiona Ma, CPA



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

November 01, 2023

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY

ASSISTANT TREASURER
1750 CREEKSIDE OAKS DRIVE
SACRAMENTO, CA 95833

[Tran Type Definitions](#)

Account Number: 35-34-011

October 2023 Statement

| Effective Date | Transaction Date | Tran Type | Confirm Number | Web Confirm Number | Authorized Caller | Amount |
|----------------|------------------|-----------|----------------|--------------------|-------------------|--------|
| 10/13/2023 | 10/12/2023 | QRD | 1740140 | N/A | SYSTEM | 354.37 |

Account Summary

| | | | |
|-------------------|--------|--------------------|-----------|
| Total Deposit: | 354.37 | Beginning Balance: | 39,292.98 |
| Total Withdrawal: | 0.00 | Ending Balance: | 39,647.35 |



Account Statement

For the Month Ending **December 31, 2023**

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

| Trade Date | Settlement Date | Transaction Description | Share or Unit Price | Dollar Amount of Transaction | Total Shares Owned |
|------------------------|-----------------|---|---------------------|------------------------------|---------------------|
| CAMP Pool | | | | | |
| Opening Balance | | | | | 9,905,525.66 |
| 12/20/23 | 12/20/23 | Redemption - ACH Redemption | 1.00 | (650,000.00) | 9,255,525.66 |
| 12/29/23 | 01/02/24 | Accrual Income Div Reinvestment - Distributions | 1.00 | 45,521.75 | 9,301,047.41 |
| Closing Balance | | | | | 9,301,047.41 |

| | Month of December | Fiscal YTD January-December | | |
|-----------------------------------|---------------------|-----------------------------|-----------------------------------|--------------|
| Opening Balance | 9,905,525.66 | 8,593,561.77 | Closing Balance | 9,301,047.41 |
| Purchases | 45,521.75 | 11,627,485.64 | Average Monthly Balance | 9,658,318.09 |
| Redemptions (Excl. Checks) | (650,000.00) | (10,920,000.00) | Monthly Distribution Yield | 5.55% |
| Check Disbursements | 0.00 | 0.00 | | |
| Closing Balance | 9,301,047.41 | 9,301,047.41 | | |
| Cash Dividends and Income | 45,521.75 | 427,485.64 | | |



Account Statement

For the Month Ending **November 30, 2023**

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 | | | | | 10,159,431.13 |
| 11/20/23 | 11/20/23 | Redemption - ACH Redemption | 1.00 | (300,000.00) | 9,859,431.13 |
| 11/30/23 | 12/01/23 | Accrual Income Div Reinvestment - Distributions | 1.00 | 46,094.53 | 9,905,525.66 |
| Closing Balance | | | | | 9,905,525.66 |

| | Month of November | Fiscal YTD January-November | | |
|-----------------------------------|---------------------|-----------------------------|-----------------------------------|---------------|
| Opening Balance | 10,159,431.13 | 8,593,561.77 | Closing Balance | 9,905,525.66 |
| Purchases | 46,094.53 | 11,581,963.89 | Average Monthly Balance | 10,050,967.61 |
| Redemptions (Excl. Checks) | (300,000.00) | (10,270,000.00) | Monthly Distribution Yield | 5.58% |
| Check Disbursements | 0.00 | 0.00 | | |
| Closing Balance | 9,905,525.66 | 9,905,525.66 | | |
| Cash Dividends and Income | 46,094.53 | 381,963.89 | | |



Account Statement

For the Month Ending **October 31, 2023**

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

| Trade Date | Settlement Date | Transaction Description | Share or Unit Price | Dollar Amount of Transaction | Total Shares Owned |
|------------------------|-----------------|---|---------------------|------------------------------|---------------------|
| CAMP Pool | | | | | |
| Opening Balance | | | | | 9,965,233.49 |
| 10/06/23 | 10/06/23 | Redemption - ACH Redemption | 1.00 | (750,000.00) | 9,215,233.49 |
| 10/31/23 | 10/31/23 | Purchase - ACH Purchase | 1.00 | 900,000.00 | 10,115,233.49 |
| 10/31/23 | 11/01/23 | Accrual Income Div Reinvestment - Distributions | 1.00 | 44,197.64 | 10,159,431.13 |

Closing Balance **10,159,431.13**

| | Month of October | Fiscal YTD January-October | | |
|-----------------------------------|----------------------|-------------------------------|-----------------------------------|---------------|
| Opening Balance | 9,965,233.49 | 8,593,561.77 | Closing Balance | 10,159,431.13 |
| Purchases | 944,197.64 | 11,535,869.36 | Average Monthly Balance | 9,366,659.22 |
| Redemptions (Excl. Checks) | (750,000.00) | (9,970,000.00) | Monthly Distribution Yield | 5.56% |
| Check Disbursements | 0.00 | 0.00 | | |
| Closing Balance | 10,159,431.13 | 10,159,431.13 | | |
| Cash Dividends and Income | 44,197.64 | 335,869.36 | | |



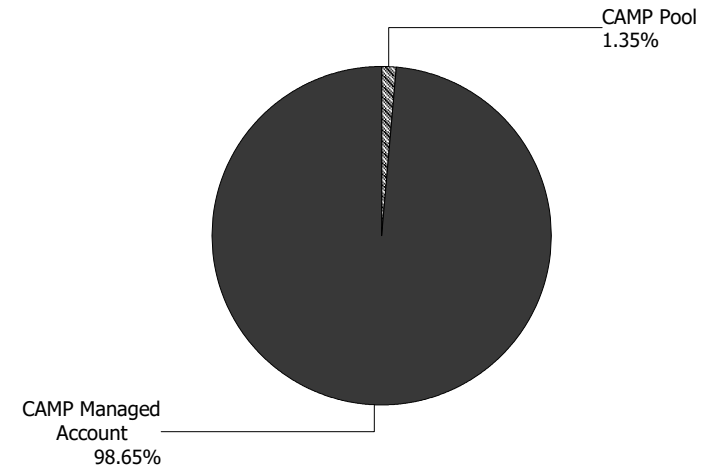
Account Statement - Transaction Summary

For the Month Ending **December 31, 2023**

EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00

| CAMP Pool | |
|-----------------------------|------------------------|
| Opening Market Value | 907,702.41 |
| Purchases | 355,520.44 |
| Redemptions | (800,399.51) |
| Unsettled Trades | 0.00 |
| Change in Value | 0.00 |
| Closing Market Value | \$462,823.34 |
| Cash Dividends and Income | 2,909.49 |
| CAMP Managed Account | |
| Opening Market Value | 33,255,852.46 |
| Purchases | 602,332.53 |
| Redemptions | (376,890.18) |
| Unsettled Trades | 0.00 |
| Change in Value | 396,598.95 |
| Closing Market Value | \$33,877,893.76 |
| Cash Dividends and Income | 57,227.81 |

| Asset Summary | | |
|-------------------------------|--------------------------|--------------------------|
| | December 31, 2023 | November 30, 2023 |
| CAMP Pool | 462,823.34 | 907,702.41 |
| CAMP Managed Account | 33,877,893.76 | 33,255,852.46 |
| <small>Type text here</small> | | |
| Total | \$34,340,717.10 | \$34,163,554.87 |
| Asset Allocation | | |





Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 1,450,000.00 | AA+ | Aaa | 03/14/23 | 03/15/23 | 1,413,070.31 | 4.85 | 6,174.45 | 1,439,243.78 | 1,436,406.25 |
| 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 | 16.48 | 300,918.48 | 295,265.64 |
| 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 | 19.23 | 351,956.78 | 344,476.58 |
| US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024 | 912828XX3 | 400,000.00 | AA+ | Aaa | 12/02/19 | 12/05/19 | 406,000.00 | 1.66 | 21.98 | 400,650.69 | 393,687.52 |
| 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 | 35.72 | 651,059.03 | 639,742.22 |
| 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 | 8.41 | 177,735.78 | 169,832.04 |
| US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024 | 912828YY0 | 275,000.00 | AA+ | Aaa | 07/01/20 | 07/06/20 | 292,960.94 | 0.28 | 13.22 | 278,999.84 | 266,878.92 |
| US TREASURY NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 1,900,000.00 | AA+ | Aaa | 03/14/23 | 03/15/23 | 1,797,726.56 | 4.45 | 10,764.95 | 1,840,207.14 | 1,833,500.00 |
| 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 | 2.23 | 322,777.58 | 305,195.31 |
| 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 | 2.92 | 422,927.63 | 399,101.57 |
| 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 | 1.03 | 98,686.93 | 92,687.50 |
| 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 | 1.29 | 124,196.50 | 115,859.38 |
| 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 | 1.80 | 173,467.59 | 162,203.12 |
| 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 | 2.83 | 273,002.65 | 254,890.63 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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 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 | 89.42 | 68,170.59 | 64,760.93 |
| US TREASURY 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 | 479.06 | 370,066.97 | 346,933.58 |
| US TREASURY 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 | 784.65 | 282,656.98 | 274,781.25 |
| US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 325,000.00 | AA+ | Aaa | 08/01/22 | 08/04/22 | 299,203.13 | 2.74 | 850.03 | 308,321.45 | 297,679.69 |
| US TREASURY 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 | 915.42 | 330,435.28 | 320,578.13 |
| US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 425,000.00 | AA+ | Aaa | 07/05/22 | 07/08/22 | 389,057.62 | 2.84 | 1,111.58 | 402,184.82 | 389,273.44 |
| US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 550,000.00 | AA+ | Aaa | 08/08/22 | 08/15/22 | 500,843.75 | 3.04 | 1,438.52 | 517,977.05 | 503,765.62 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 425,000.00 | AA+ | Aaa | 10/05/22 | 10/11/22 | 391,697.27 | 4.10 | 1,097.53 | 401,648.02 | 401,890.63 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 625,000.00 | AA+ | Aaa | 01/04/23 | 01/06/23 | 581,469.73 | 3.96 | 1,614.01 | 592,591.73 | 591,015.62 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 725,000.00 | AA+ | Aaa | 12/05/22 | 12/07/22 | 674,618.16 | 3.92 | 1,872.25 | 688,272.72 | 685,578.13 |
| US TREASURY NOTES DTD 04/30/2022 2.750% 04/30/2027 | 91282CEN7 | 700,000.00 | AA+ | Aaa | 01/31/23 | 02/03/23 | 673,996.09 | 3.70 | 3,278.85 | 679,576.76 | 673,531.25 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 100,000.00 | AA+ | Aaa | 07/03/23 | 07/07/23 | 94,273.44 | 4.30 | 1,150.82 | 94,959.86 | 96,015.62 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 275,000.00 | AA+ | Aaa | 06/02/23 | 06/06/23 | 262,259.77 | 3.97 | 3,164.74 | 264,016.17 | 264,042.95 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 675,000.00 | AA+ | Aaa | 05/01/23 | 05/05/23 | 652,192.38 | 3.62 | 7,768.00 | 655,743.18 | 648,105.44 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 875,000.00 | AA+ | Aaa | 03/02/23 | 03/06/23 | 816,518.55 | 4.44 | 10,069.63 | 827,465.64 | 840,136.68 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 1,050,000.00 | AA+ | Aaa | 03/14/23 | 03/15/23 | 998,320.31 | 3.98 | 12,083.56 | 1,007,757.75 | 1,008,164.01 |
| US TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027 | 91282CFZ9 | 200,000.00 | AA+ | Aaa | 12/01/23 | 12/05/23 | 197,351.56 | 4.24 | 677.60 | 197,400.67 | 199,656.24 |
| Security Type Sub-Total | | 14,970,000.00 | | | | | 14,385,991.02 | 3.21 | 65,512.21 | 14,545,076.04 | 14,315,635.89 |
| Supra-National Agency Bond / Note | | | | | | | | | | | |
| 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 | 534,903.91 | 517,797.08 |
| Security Type Sub-Total | | 535,000.00 | | | | | 534,604.10 | 0.52 | 728.19 | 534,903.91 | 517,797.08 |
| Municipal Bond / Note | | | | | | | | | | | |
| CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024 | 20772KJW0 | 50,000.00 | AA- | Aa3 | 05/29/20 | 06/11/20 | 50,000.00 | 2.00 | 499.50 | 50,000.00 | 49,165.50 |
| 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 | 58,945.20 |
| 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 | 121,767.50 |
| NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025 | 650036DT0 | 250,000.00 | NR | NR | 12/16/20 | 12/23/20 | 250,000.00 | 0.87 | 640.42 | 250,000.00 | 237,212.50 |
| 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 | 66,441.90 |
| 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 | 50,110.56 | 47,482.50 |
| FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025 | 341271AD6 | 65,000.00 | AA | Aa3 | 09/03/20 | 09/16/20 | 65,430.95 | 1.12 | 408.85 | 65,134.78 | 61,727.25 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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 | | | | | | | | | | | |
| 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 | 118,706.25 |
| MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025 | 60412AVJ9 | 80,000.00 | AAA | Aaa | 08/11/20 | 08/25/20 | 80,000.00 | 0.63 | 210.00 | 80,000.00 | 75,204.00 |
| 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 | 93,989.00 |
| CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025 | 13077DQD7 | 65,000.00 | AA- | Aa2 | 07/09/21 | 07/29/21 | 65,000.00 | 0.86 | 93.38 | 65,000.00 | 60,681.40 |
| CA ST MUNICIPAL BONDS DTD 03/15/2023 4.846% 03/01/2027 | 13063D3N6 | 100,000.00 | AA- | Aa2 | 03/09/23 | 03/15/23 | 100,000.00 | 4.85 | 1,615.33 | 100,000.00 | 101,274.00 |
| Security Type Sub-Total | | 1,140,000.00 | | | | | 1,140,784.45 | 1.38 | 5,860.17 | 1,140,245.34 | 1,092,597.00 |
| Federal Agency Commercial Mortgage-Backed Security | | | | | | | | | | | |
| FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 172,482.27 | AA+ | Aaa | 03/19/20 | 03/25/20 | 181,025.53 | 1.95 | 440.12 | 174,153.99 | 169,029.50 |
| FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | AA+ | Aaa | 04/11/23 | 04/14/23 | 167,753.91 | 4.37 | 400.31 | 169,665.77 | 168,738.05 |
| FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | AA+ | Aaa | 04/06/23 | 04/12/23 | 335,261.72 | 4.02 | 773.79 | 338,485.34 | 334,155.48 |
| FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 239,641.28 | AA+ | Aaa | 05/19/23 | 05/24/23 | 232,264.82 | 4.31 | 668.40 | 233,567.58 | 232,656.90 |
| FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXOY1 | 350,000.00 | AA+ | Aaa | 08/16/23 | 08/18/23 | 330,148.44 | 4.98 | 940.33 | 332,239.70 | 338,122.95 |
| FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | AA+ | Aaa | 06/08/23 | 06/13/23 | 335,384.77 | 4.44 | 945.88 | 337,511.77 | 337,815.23 |
| FHMS KJ48 A1 DTD 12/01/2023 4.858% 05/01/2028 | 3137HBC69 | 280,000.00 | AA+ | Aaa | 12/06/23 | 12/14/23 | 279,997.76 | 4.86 | 1,133.53 | 279,997.78 | 283,746.53 |
| FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,245.89 | AA+ | Aaa | 07/19/23 | 07/27/23 | 279,238.89 | 4.78 | 1,111.63 | 279,239.51 | 280,466.15 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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 K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | AA+ | Aaa | 07/13/23 | 07/20/23 | 353,495.80 | 4.59 | 1,405.54 | 353,171.39 | 355,739.64 |
| FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BODE6 | 350,000.00 | AA+ | Aaa | 07/18/23 | 07/31/23 | 344,066.41 | 4.58 | 1,222.08 | 344,574.91 | 347,538.64 |
| FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028 | 3137HA074 | 350,000.00 | AA+ | Aaa | 10/11/23 | 10/19/23 | 342,322.40 | 5.26 | 1,382.50 | 342,608.49 | 355,287.71 |
| FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | AA+ | Aaa | 09/07/23 | 09/14/23 | 541,863.85 | 4.99 | 2,131.25 | 542,304.80 | 556,358.30 |
| FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028 | 3137HAST4 | 265,000.00 | AA+ | Aaa | 10/25/23 | 10/31/23 | 256,551.01 | 5.60 | 1,071.04 | 256,809.91 | 270,318.49 |
| FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | AA+ | Aaa | 09/20/23 | 09/28/23 | 345,816.45 | 5.07 | 1,400.00 | 346,010.93 | 356,430.18 |
| FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028 | 3137HB3D4 | 125,000.00 | AA+ | Aaa | 11/14/23 | 11/21/23 | 124,638.63 | 5.14 | 528.02 | 124,645.92 | 128,539.73 |
| FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028 | 3137HB3G7 | 195,000.00 | AA+ | Aaa | 11/28/23 | 12/07/23 | 194,439.77 | 4.93 | 789.75 | 194,446.71 | 199,131.38 |
| Security Type Sub-Total | | 4,731,369.44 | | | | | 4,644,270.16 | 4.70 | 16,344.17 | 4,649,434.50 | 4,714,074.86 |
| Federal Agency Bond / Note | | | | | | | | | | | |
| FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025 | 3130AJHU6 | 250,000.00 | AA+ | Aaa | 04/15/20 | 04/16/20 | 248,760.00 | 0.60 | 267.36 | 249,681.16 | 237,514.50 |
| 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 | 249,865.32 | 237,665.75 |
| FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025 | 3137EAEU9 | 325,000.00 | AA+ | Aaa | 07/21/20 | 07/23/20 | 323,381.50 | 0.48 | 541.67 | 324,496.88 | 305,386.58 |
| 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 | 274,575.23 | 257,512.75 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Federal Agency Bond / Note | | | | | | | | | | | |
| FEDERAL HOME LOAN BANK NOTES DTD 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 | 114,883.93 | 107,650.47 |
| 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 | 274,713.65 | 256,890.70 |
| 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 | 274,634.53 | 256,400.38 |
| Security Type Sub-Total | | 1,765,000.00 | | | | | 1,758,182.25 | 0.53 | 2,096.59 | 1,762,850.70 | 1,659,021.13 |
| 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 | 250,000.00 | 249,734.25 |
| 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 | 84,997.01 | 84,096.03 |
| 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 | 250,978.40 | 248,482.50 |
| 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 | 229,959.56 | 225,938.66 |
| 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 | 249,877.99 | 246,269.25 |
| 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 | 250,658.52 | 247,549.75 |
| 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 | 250,042.15 | 245,808.00 |
| 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 | 104,988.57 | 101,924.24 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate Note | | | | | | | | | | | |
| WALT DISNEY COMPANY/THE (CALLABLE) DTD 09/06/2019 1.750% 08/30/2024 | 254687FK7 | 250,000.00 | A- | A2 | 09/03/19 | 09/06/19 | 248,980.00 | 1.84 | 1,470.49 | 249,864.37 | 244,045.00 |
| TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025 | 89236TGT6 | 25,000.00 | A+ | A1 | 05/21/20 | 05/26/20 | 25,348.00 | 1.49 | 172.50 | 25,082.56 | 24,159.12 |
| 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 | 50,115.89 | 48,318.25 |
| 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 | 125,289.73 | 120,795.63 |
| 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 | 124,915.13 | 122,302.63 |
| 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 | 114.00 | 19,985.23 | 19,505.30 |
| BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025 | 06051GJR1 | 200,000.00 | A- | A1 | 04/16/21 | 04/22/21 | 200,000.00 | 0.98 | 374.13 | 200,000.00 | 196,883.00 |
| 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 | 345.00 | 59,994.14 | 58,920.36 |
| 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 | 450,234.95 | 429,125.85 |
| JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025 | 46647PCH7 | 250,000.00 | A- | A1 | 05/24/21 | 06/01/21 | 250,000.00 | 0.82 | 171.67 | 250,000.00 | 245,669.50 |
| 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 | 245,772.50 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate Note | | | | | | | | | | | |
| NATIONAL RURAL UTIL COOP 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 | 69.00 | 44,994.33 | 44,071.25 |
| IBM CORP CORPORATE NOTES DTD 07/27/2022 4.000% 07/27/2025 | 459200KS9 | 200,000.00 | A- | A3 | 07/20/22 | 07/27/22 | 200,000.00 | 4.00 | 3,422.22 | 200,000.00 | 197,771.80 |
| JPMORGAN CHASE & CO CORP NOTES (CALLABLE) DTD 08/10/2021 0.768% 08/09/2025 | 46647PCM6 | 95,000.00 | A- | A1 | 08/03/21 | 08/10/21 | 95,000.00 | 0.77 | 287.79 | 95,000.00 | 91,934.26 |
| UNITEDHEALTH GROUP INC (CALLABLE) CORP DTD 05/19/2021 1.150% 05/15/2026 | 91324PEC2 | 200,000.00 | A+ | A2 | 05/17/21 | 05/19/21 | 199,652.00 | 1.19 | 293.89 | 199,834.79 | 185,155.20 |
| BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026 | 06051GJD2 | 200,000.00 | A- | A1 | 07/23/21 | 07/27/21 | 200,918.00 | 1.22 | 87.93 | 200,345.14 | 188,295.00 |
| 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 | 199,825.37 | 184,533.80 |
| JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026 | 46647PBT2 | 150,000.00 | A- | A1 | 11/24/21 | 11/29/21 | 145,593.00 | 1.66 | 182.88 | 147,444.62 | 138,855.15 |
| 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 | 1,633.89 | 199,388.23 | 184,883.40 |
| TARGET CORP CORP NOTES (CALLABLE) 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 | 314.71 | 34,963.65 | 32,661.37 |
| BANK OF NY MELLON CORP (CALLABLE) CORP 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 | 374,488.36 | 348,804.38 |
| MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027 | 594918BY9 | 500,000.00 | AAA | Aaa | 03/14/23 | 03/17/23 | 481,295.00 | 4.36 | 6,645.83 | 485,109.66 | 487,054.50 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Corporate Note | | | | | | | | | | | |
| 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 | 370,491.27 | 353,637.75 |
| BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 04/26/2023 4.947% 04/26/2027 | 06406RBO9 | 150,000.00 | A | A1 | 04/19/23 | 04/26/23 | 150,000.00 | 4.95 | 1,339.81 | 150,000.00 | 149,972.55 |
| TEXAS INSTRUMENTS INC CORP NOTE (CALLABL DTD 11/18/2022 4.600% 02/15/2028 | 882508BV5 | 55,000.00 | A+ | Aa3 | 05/11/23 | 05/18/23 | 56,322.20 | 4.04 | 955.78 | 56,145.18 | 55,885.56 |
| MASTERCARD INC CORP NOTES (CALLABLE) DTD 03/09/2023 4.875% 03/09/2028 | 57636QAW4 | 250,000.00 | A+ | Aa3 | 03/14/23 | 03/16/23 | 251,270.00 | 4.76 | 3,791.67 | 251,063.65 | 257,423.25 |
| HERSHEY COMPANY CORP NOTES CALLABLE DTD 05/04/2023 4.250% 05/04/2028 | 427866BH0 | 250,000.00 | A | A1 | 05/16/23 | 05/18/23 | 251,920.00 | 4.08 | 1,682.29 | 251,674.48 | 249,673.75 |
| LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028 | 539830BZ1 | 40,000.00 | A- | A2 | 05/23/23 | 05/25/23 | 39,928.00 | 4.49 | 227.44 | 39,936.76 | 40,187.84 |
| JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028 | 24422EXB0 | 250,000.00 | A | A2 | 07/21/23 | 07/25/23 | 251,910.00 | 4.78 | 5,740.63 | 251,741.72 | 256,344.00 |
| CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028 | 17325FBB3 | 500,000.00 | A+ | Aa3 | 10/02/23 | 10/04/23 | 497,520.00 | 5.92 | 7,414.94 | 497,625.53 | 520,548.50 |
| Security Type Sub-Total | | 7,545,000.00 | | | | | 7,545,257.85 | 2.80 | 59,703.55 | 7,527,056.94 | 7,372,993.13 |
| Certificate of Deposit | | | | | | | | | | | |
| TORONTO DOMINION BANK NY CERT DEPOS DTD 10/31/2022 5.600% 10/27/2025 | 89115B6K1 | 350,000.00 | A | A1 | 10/27/22 | 10/31/22 | 350,000.00 | 5.58 | 3,702.22 | 350,000.00 | 356,714.79 |
| NORDEA BANK ABP NEW YORK CERT DEPOS DTD 11/03/2022 5.530% 11/03/2025 | 65558UYF3 | 350,000.00 | AA- | Aa3 | 11/02/22 | 11/03/22 | 350,000.00 | 5.53 | 3,118.31 | 350,000.00 | 347,624.55 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|-------------------|---------------|-------------------|---------------|----------------|-------------------|----------------|---------------------|-------------------|-------------------|
| Security Type Sub-Total | | 700,000.00 | | | | | 700,000.00 | 5.56 | 6,820.53 | 700,000.00 | 704,339.34 |
| Asset-Backed Security | | | | | | | | | | | |
| HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 2,327.15 | AAA | NR | 09/22/20 | 09/29/20 | 2,326.81 | 0.37 | 0.31 | 2,327.08 | 2,322.52 |
| BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 171,133.16 | NR | Aaa | 09/08/21 | 09/15/21 | 171,126.69 | 0.43 | 12.26 | 171,131.10 | 170,515.95 |
| GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 6,587.98 | NR | Aaa | 08/11/20 | 08/19/20 | 6,586.47 | 0.46 | 1.24 | 6,587.56 | 6,567.29 |
| GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 59,801.07 | AAA | NR | 08/10/21 | 08/18/21 | 59,798.91 | 0.50 | 9.14 | 59,800.22 | 59,550.81 |
| CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 14,628.52 | AAA | NR | 10/14/20 | 10/21/20 | 14,625.30 | 0.50 | 3.25 | 14,627.44 | 14,475.29 |
| HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 17,352.14 | AAA | NR | 04/20/21 | 04/28/21 | 17,350.31 | 0.38 | 2.93 | 17,351.43 | 17,115.26 |
| TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 112,010.34 | AAA | NR | 06/08/21 | 06/14/21 | 111,998.27 | 0.26 | 12.94 | 112,005.22 | 109,474.03 |
| HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 61,828.49 | AAA | NR | 08/17/21 | 08/25/21 | 61,827.59 | 0.41 | 9.15 | 61,828.09 | 60,159.61 |
| HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 78,587.34 | AAA | NR | 07/20/21 | 07/28/21 | 78,570.00 | 0.39 | 13.27 | 78,579.42 | 76,916.21 |
| CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 36,022.42 | AAA | NR | 04/13/21 | 04/21/21 | 36,014.66 | 0.52 | 8.33 | 36,019.00 | 35,223.73 |
| MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 72,677.57 | AAA | Aaa | 09/15/21 | 09/22/21 | 72,668.06 | 0.46 | 14.86 | 72,672.64 | 70,541.93 |
| CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 98,973.88 | AAA | Aaa | 07/21/21 | 07/28/21 | 98,957.60 | 0.55 | 24.19 | 98,965.70 | 95,814.55 |
| GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 57,711.16 | AAA | NR | 07/13/21 | 07/21/21 | 57,707.60 | 0.48 | 11.54 | 57,709.38 | 56,089.14 |
| 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 | 254,994.74 | 248,529.48 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Asset-Backed Security | | | | | | | | | | | |
| COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 58,219.49 | AAA | Aaa | 10/19/21 | 10/27/21 | 58,218.39 | 0.77 | 19.92 | 58,218.88 | 56,337.21 |
| 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 | 154,981.92 | 149,867.87 |
| GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 46,828.27 | AAA | Aaa | 10/13/21 | 10/21/21 | 46,827.08 | 0.68 | 13.27 | 46,827.61 | 45,283.45 |
| CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | AAA | NR | 07/12/22 | 07/20/22 | 174,995.87 | 3.97 | 308.78 | 174,997.14 | 172,615.89 |
| FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | AAA | NR | 03/28/23 | 03/31/23 | 89,990.61 | 4.65 | 186.00 | 89,992.06 | 89,586.88 |
| HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815QAC1 | 225,000.00 | AAA | NR | 08/15/23 | 08/22/23 | 224,953.61 | 5.42 | 439.56 | 224,957.34 | 228,127.12 |
| DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | NR | Aaa | 04/04/23 | 04/11/23 | 224,986.95 | 4.31 | 431.00 | 224,988.87 | 223,425.70 |
| BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | AAA | NR | 06/08/23 | 06/16/23 | 119,972.83 | 4.79 | 255.47 | 119,975.84 | 120,392.71 |
| AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | AAA | NR | 06/07/23 | 06/14/23 | 129,988.47 | 4.87 | 281.38 | 129,989.76 | 131,001.92 |
| DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | AAA | Aaa | 06/21/23 | 06/28/23 | 244,966.90 | 4.93 | 536.82 | 244,970.31 | 246,960.27 |
| HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028 | 438123AC5 | 60,000.00 | NR | Aaa | 11/01/23 | 11/08/23 | 59,989.43 | 5.67 | 94.50 | 59,989.73 | 61,266.49 |
| FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | AAA | Aaa | 08/15/23 | 08/23/23 | 244,984.81 | 5.53 | 602.16 | 244,985.90 | 247,682.43 |
| CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | AAA | NR | 09/07/23 | 09/15/23 | 279,922.38 | 5.17 | 642.13 | 279,926.44 | 284,314.80 |
| AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | AAA | NR | 09/12/23 | 09/19/23 | 289,987.04 | 5.23 | 674.09 | 289,987.69 | 294,983.74 |



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2023**

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

| Security Type/Description Dated Date/Coupon/Maturity | CUSIP | Par | S&P Rating | Moody's Rating | Trade Date | Settle Date | Original Cost | YTM at Cost | Accrued Interest | Amortized Cost | Market Value |
|---|-----------|------------------------|---------------|-------------------|---------------|----------------|------------------------|----------------|---------------------|------------------------|------------------------|
| Asset-Backed Security | | | | | | | | | | | |
| BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028 | 05522RDH8 | 125,000.00 | NR | Aaa | 12/07/23 | 12/14/23 | 124,983.21 | 4.98 | 293.96 | 124,983.36 | 126,293.05 |
| Security Type Sub-Total | | 3,514,688.98 | | | | | 3,514,282.33 | 3.35 | 5,004.74 | 3,514,371.87 | 3,501,435.33 |
| Managed Account Sub-Total | | 34,901,058.42 | | | | | 34,223,372.16 | 3.16 | 162,070.15 | 34,373,939.30 | 33,877,893.76 |
| Joint Powers Authority | | | | | | | | | | | |
| CAMP Pool | | 462,823.34 | AAAm | NR | | | 462,823.34 | | 0.00 | 462,823.34 | 462,823.34 |
| Liquid Sub-Total | | 462,823.34 | | | | | 462,823.34 | | 0.00 | 462,823.34 | 462,823.34 |
| Securities Sub-Total | | \$35,363,881.76 | | | | | \$34,686,195.50 | 3.16% | \$162,070.15 | \$34,836,762.64 | \$34,340,717.10 |
| Accrued Interest | | | | | | | | | | | \$162,070.15 |
| Total Investments | | | | | | | | | | | \$34,502,787.25 |



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|----------------------------|----------|---|-----------|------------|--------------|----------|--------------|--------------|--------------|--------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | Method |
| BUY | | | | | | | | | | |
| 11/28/23 | 12/07/23 | FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028 | 3137HB3G7 | 195,000.00 | (194,439.77) | (157.95) | (194,597.72) | | | |
| 12/01/23 | 12/05/23 | US TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027 | 91282CFZ9 | 200,000.00 | (197,351.56) | (105.87) | (197,457.43) | | | |
| 12/06/23 | 12/14/23 | FHMS KJ48 A1 DTD 12/01/2023 4.858% 05/01/2028 | 3137HBC69 | 280,000.00 | (279,997.76) | (491.20) | (280,488.96) | | | |
| 12/07/23 | 12/14/23 | BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028 | 05522RDH8 | 125,000.00 | (124,983.21) | 0.00 | (124,983.21) | | | |
| Transaction Type Sub-Total | | | | 800,000.00 | (796,772.30) | (755.02) | (797,527.32) | | | |
| INTEREST | | | | | | | | | | |
| 12/01/23 | 12/01/23 | JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025 | 46647PCH7 | 250,000.00 | 0.00 | 1,030.00 | 1,030.00 | | | |
| 12/01/23 | 12/25/23 | FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | 0.00 | 945.88 | 945.88 | | | |
| 12/01/23 | 12/25/23 | FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028 | 3137HAST4 | 265,000.00 | 0.00 | 1,071.04 | 1,071.04 | | | |
| 12/01/23 | 12/25/23 | FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | 0.00 | 773.79 | 773.79 | | | |
| 12/01/23 | 12/25/23 | FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXOY1 | 350,000.00 | 0.00 | 940.33 | 940.33 | | | |
| 12/01/23 | 12/25/23 | FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | 0.00 | 1,405.54 | 1,405.54 | | | |
| 12/01/23 | 12/25/23 | FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | 0.00 | 2,131.25 | 2,131.25 | | | |
| 12/01/23 | 12/25/23 | FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | 0.00 | 400.31 | 400.31 | | | |
| 12/01/23 | 12/25/23 | FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028 | 3137HB3D4 | 125,000.00 | 0.00 | 528.02 | 528.02 | | | |
| 12/01/23 | 12/25/23 | FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | 0.00 | 1,400.00 | 1,400.00 | | | |
| 12/01/23 | 12/25/23 | FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028 | 3137HAQ74 | 350,000.00 | 0.00 | 1,382.50 | 1,382.50 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

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 | | | | | | | | | | |
| 12/01/23 | 12/25/23 | FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BQDE6 | 350,000.00 | 0.00 | 1,222.08 | 1,222.08 | | | |
| 12/01/23 | 12/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 172,782.81 | 0.00 | 440.88 | 440.88 | | | |
| 12/01/23 | 12/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,420.35 | 0.00 | 1,112.33 | 1,112.33 | | | |
| 12/01/23 | 12/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | 0.00 | 669.40 | 669.40 | | | |
| 12/09/23 | 12/09/23 | NATIONAL AUSTRALIA BK/NY CORPORATE NOTES DTD 06/09/2022 3.500% 06/09/2025 | 63254ABD9 | 250,000.00 | 0.00 | 4,375.00 | 4,375.00 | | | |
| 12/15/23 | 12/15/23 | FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | 0.00 | 348.75 | 348.75 | | | |
| 12/15/23 | 12/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 123,902.26 | 0.00 | 26.85 | 26.85 | | | |
| 12/15/23 | 12/15/23 | AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | 0.00 | 527.58 | 527.58 | | | |
| 12/15/23 | 12/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 105,603.38 | 0.00 | 48.40 | 48.40 | | | |
| 12/15/23 | 12/15/23 | CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | 0.00 | 1,204.00 | 1,204.00 | | | |
| 12/15/23 | 12/15/23 | COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026 | 14041NFW6 | 255,000.00 | 0.00 | 116.87 | 116.87 | | | |
| 12/15/23 | 12/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 17,640.28 | 0.00 | 7.35 | 7.35 | | | |
| 12/15/23 | 12/15/23 | DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026 | 254683CP8 | 155,000.00 | 0.00 | 74.92 | 74.92 | | | |
| 12/15/23 | 12/15/23 | FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | 0.00 | 1,129.04 | 1,129.04 | | | |
| 12/15/23 | 12/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 78,413.08 | 0.00 | 30.06 | 30.06 | | | |
| 12/15/23 | 12/15/23 | DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | 0.00 | 1,006.54 | 1,006.54 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

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 | | | | | | | | | | | |
| 12/15/23 | 12/15/23 | DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | 0.00 | 808.13 | 808.13 | | | | |
| 12/15/23 | 12/15/23 | NATIONAL RURAL UTIL COOP CORPORATE NOTES DTD 05/04/2022 3.450% 06/15/2025 | 63743HFE7 | 45,000.00 | 0.00 | 776.25 | 776.25 | | | | |
| 12/15/23 | 12/15/23 | BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | 0.00 | 479.00 | 479.00 | | | | |
| 12/15/23 | 12/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 20,118.81 | 0.00 | 6.37 | 6.37 | | | | |
| 12/15/23 | 12/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 86,903.79 | 0.00 | 27.52 | 27.52 | | | | |
| 12/15/23 | 12/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 62,102.99 | 0.00 | 39.85 | 39.85 | | | | |
| 12/15/23 | 12/15/23 | AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | 0.00 | 1,263.92 | 1,263.92 | | | | |
| 12/15/23 | 12/15/23 | CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | 0.00 | 578.96 | 578.96 | | | | |
| 12/15/23 | 12/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 39,583.81 | 0.00 | 17.15 | 17.15 | | | | |
| 12/16/23 | 12/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 10,965.76 | 0.00 | 4.11 | 4.11 | | | | |
| 12/16/23 | 12/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 62,198.42 | 0.00 | 24.88 | 24.88 | | | | |
| 12/16/23 | 12/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 49,769.54 | 0.00 | 28.20 | 28.20 | | | | |
| 12/18/23 | 12/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 5,948.21 | 0.00 | 1.83 | 1.83 | | | | |
| 12/18/23 | 12/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 67,595.11 | 0.00 | 23.09 | 23.09 | | | | |
| 12/18/23 | 12/18/23 | HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815OAC1 | 225,000.00 | 0.00 | 1,014.37 | 1,014.37 | | | | |
| 12/19/23 | 12/19/23 | 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 | | | | |



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L | Realized G/L | Sale Method |
|----------------------------|----------|---|-----------|---------------|--------------------|------------------|------------|--------------|--------------|-------------|
| Trade | Settle | | | | | | | Cost | Amort Cost | |
| INTEREST | | | | | | | | | | |
| 12/20/23 | 12/20/23 | GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 60,000.00 | 0.00 | 25.00 | 25.00 | | | |
| 12/21/23 | 12/21/23 | HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028 | 438123AC5 | 60,000.00 | 0.00 | 406.35 | 406.35 | | | |
| 12/25/23 | 12/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 230,000.00 | 0.00 | 82.42 | 82.42 | | | |
| 12/27/23 | 12/27/23 | AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024 | 02665WCZ2 | 250,000.00 | 0.00 | 3,000.00 | 3,000.00 | | | |
| 12/31/23 | 12/31/23 | US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024 | 912828YY0 | 450,000.00 | 0.00 | 3,937.50 | 3,937.50 | | | |
| 12/31/23 | 12/31/23 | US TREASURY NOTES DTD 12/31/2020 0.375% 12/31/2025 | 91282CBC4 | 675,000.00 | 0.00 | 1,265.63 | 1,265.63 | | | |
| 12/31/23 | 12/31/23 | US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024 | 912828XX3 | 1,700,000.00 | 0.00 | 17,000.00 | 17,000.00 | | | |
| 12/31/23 | 12/31/23 | US TREASURY NOTES DTD 06/30/2020 0.250% 06/30/2025 | 912828ZW3 | 750,000.00 | 0.00 | 937.50 | 937.50 | | | |
| Transaction Type Sub-Total | | | | 12,342,948.60 | 0.00 | 57,415.74 | 57,415.74 | | | |
| MATURITY | | | | | | | | | | |
| 12/04/23 | 12/04/23 | FREDDIE MAC NOTES DTD 12/04/2020 0.250% 12/04/2023 | 3137EAF42 | 250,000.00 | 250,000.00 | 312.50 | 250,312.50 | 247.50 | 0.00 | |
| Transaction Type Sub-Total | | | | 250,000.00 | 250,000.00 | 312.50 | 250,312.50 | 247.50 | 0.00 | |
| PAYDOWNS | | | | | | | | | | |
| 12/01/23 | 12/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 358.72 | 358.72 | 0.00 | 358.72 | 11.04 | 0.00 | |
| 12/01/23 | 12/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 174.46 | 174.46 | 0.00 | 174.46 | 0.00 | 0.00 | |
| 12/01/23 | 12/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 300.54 | 300.54 | 0.00 | 300.54 | (14.89) | 0.00 | |
| 12/15/23 | 12/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 11,891.92 | 11,891.92 | 0.00 | 11,891.92 | 1.28 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **December 31, 2023**

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 |
| PAYDOWNS | | | | | | | | | | |
| 12/15/23 | 12/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 5,735.51 | 5,735.51 | 0.00 | 5,735.51 | 0.75 | 0.00 | |
| 12/15/23 | 12/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 3,561.39 | 3,561.39 | 0.00 | 3,561.39 | 0.77 | 0.00 | |
| 12/15/23 | 12/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 2,766.67 | 2,766.67 | 0.00 | 2,766.67 | 0.29 | 0.00 | |
| 12/15/23 | 12/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 6,629.50 | 6,629.50 | 0.00 | 6,629.50 | 1.09 | 0.00 | |
| 12/15/23 | 12/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 8,316.45 | 8,316.45 | 0.00 | 8,316.45 | 1.84 | 0.00 | |
| 12/15/23 | 12/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 3,883.50 | 3,883.50 | 0.00 | 3,883.50 | 0.07 | 0.00 | |
| 12/15/23 | 12/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 3,011.76 | 3,011.76 | 0.00 | 3,011.76 | 0.66 | 0.00 | |
| 12/16/23 | 12/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 4,487.26 | 4,487.26 | 0.00 | 4,487.26 | 0.28 | 0.00 | |
| 12/16/23 | 12/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 4,377.78 | 4,377.78 | 0.00 | 4,377.78 | 1.00 | 0.00 | |
| 12/16/23 | 12/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 2,941.27 | 2,941.27 | 0.00 | 2,941.27 | 0.07 | 0.00 | |
| 12/18/23 | 12/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 3,621.06 | 3,621.06 | 0.00 | 3,621.06 | 0.53 | 0.00 | |
| 12/18/23 | 12/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 5,766.62 | 5,766.62 | 0.00 | 5,766.62 | 0.08 | 0.00 | |
| 12/20/23 | 12/20/23 | GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 198.93 | 198.93 | 0.00 | 198.93 | 0.01 | 0.00 | |
| 12/25/23 | 12/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 58,866.84 | 58,866.84 | 0.00 | 58,866.84 | 2.22 | 0.00 | |
| Transaction Type Sub-Total | | | | 126,890.18 | 126,890.18 | 0.00 | 126,890.18 | 7.09 | 0.00 | |
| Managed Account Sub-Total | | | | | (419,882.12) | 56,973.22 | (362,908.90) | 254.59 | 0.00 | |
| Total Security Transactions | | | | | (419,882.12) | \$56,973.22 | (\$362,908.90) | \$254.59 | \$0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|----------------------------|----------|---|-----------|------------|--------------|----------|--------------|--------------|--------------|--------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | Method |
| BUY | | | | | | | | | | |
| 11/01/23 | 11/08/23 | HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028 | 438123AC5 | 60,000.00 | (59,989.43) | 0.00 | (59,989.43) | | | |
| 11/14/23 | 11/21/23 | FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028 | 3137HB3D4 | 125,000.00 | (124,638.63) | (352.01) | (124,990.64) | | | |
| 11/28/23 | 12/07/23 | FHMS K511 A2 DTD 12/07/2023 4.860% 10/25/2028 | 3137HB3G7 | 195,000.00 | (194,439.77) | (157.95) | (194,597.72) | | | |
| Transaction Type Sub-Total | | | | 380,000.00 | (379,067.83) | (509.96) | (379,577.79) | | | |
| INTEREST | | | | | | | | | | |
| 11/01/23 | 11/01/23 | CA ST UNIV TXBL REV BONDS DTD 07/29/2021 0.862% 11/01/2025 | 13077DOD7 | 65,000.00 | 0.00 | 280.15 | 280.15 | | | |
| 11/01/23 | 11/01/23 | CINTAS CORPORATION NO. 2 CORP NOTE (CALL DTD 05/03/2022 3.450% 05/01/2025 | 17252MAP5 | 60,000.00 | 0.00 | 1,035.00 | 1,035.00 | | | |
| 11/01/23 | 11/25/23 | FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | 0.00 | 2,131.25 | 2,131.25 | | | |
| 11/01/23 | 11/25/23 | FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | 0.00 | 945.88 | 945.88 | | | |
| 11/01/23 | 11/25/23 | FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXOY1 | 350,000.00 | 0.00 | 940.33 | 940.33 | | | |
| 11/01/23 | 11/25/23 | FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028 | 3137HAST4 | 265,000.00 | 0.00 | 1,071.04 | 1,071.04 | | | |
| 11/01/23 | 11/25/23 | FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | 0.00 | 400.31 | 400.31 | | | |
| 11/01/23 | 11/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | 0.00 | 669.40 | 669.40 | | | |
| 11/01/23 | 11/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,562.42 | 0.00 | 1,112.89 | 1,112.89 | | | |
| 11/01/23 | 11/25/23 | FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | 0.00 | 1,405.54 | 1,405.54 | | | |
| 11/01/23 | 11/25/23 | FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | 0.00 | 773.79 | 773.79 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|------------------|----------|--|-----------|------------|-----------|----------|----------|--------------|--------------|--------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | Method |
| INTEREST | | | | | | | | | | |
| 11/01/23 | 11/25/23 | FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BQDE6 | 350,000.00 | 0.00 | 1,222.08 | 1,222.08 | | | |
| 11/01/23 | 11/25/23 | FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | 0.00 | 1,400.00 | 1,400.00 | | | |
| 11/01/23 | 11/25/23 | FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028 | 3137HAQ74 | 350,000.00 | 0.00 | 1,382.50 | 1,382.50 | | | |
| 11/01/23 | 11/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 173,065.57 | 0.00 | 441.61 | 441.61 | | | |
| 11/03/23 | 11/03/23 | NORDEA BANK ABP NEW YORK CERT DEPOS DTD 11/03/2022 5.530% 11/03/2025 | 65558UYF3 | 350,000.00 | 0.00 | 9,677.50 | 9,677.50 | | | |
| 11/04/23 | 11/04/23 | HERSHEY COMPANY CORP NOTES CALLABLE DTD 05/04/2023 4.250% 05/04/2028 | 427866BH0 | 250,000.00 | 0.00 | 5,312.50 | 5,312.50 | | | |
| 11/04/23 | 11/04/23 | 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 | | | |
| 11/07/23 | 11/07/23 | FANNIE MAE NOTES DTD 11/12/2020 0.500% 11/07/2025 | 3135G06G3 | 275,000.00 | 0.00 | 687.50 | 687.50 | | | |
| 11/11/23 | 11/11/23 | APPLE INC (CALLABLE) CORP NOTES DTD 05/11/2020 1.125% 05/11/2025 | 037833DT4 | 450,000.00 | 0.00 | 2,531.25 | 2,531.25 | | | |
| 11/12/23 | 11/12/23 | AMAZON.COM INC CORPORATE NOTES DTD 05/12/2021 0.450% 05/12/2024 | 023135BW5 | 230,000.00 | 0.00 | 517.50 | 517.50 | | | |
| 11/15/23 | 11/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 95,657.92 | 0.00 | 30.29 | 30.29 | | | |
| 11/15/23 | 11/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 112,560.43 | 0.00 | 51.59 | 51.59 | | | |
| 11/15/23 | 11/15/23 | FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | 0.00 | 348.75 | 348.75 | | | |
| 11/15/23 | 11/15/23 | LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028 | 539830BZ1 | 40,000.00 | 0.00 | 840.56 | 840.56 | | | |
| 11/15/23 | 11/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 84,567.13 | 0.00 | 32.42 | 32.42 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|------------------|----------|---|-----------|--------------|-----------|-----------|-----------|--------------|--------------|--------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | Method |
| INTEREST | | | | | | | | | | |
| 11/15/23 | 11/15/23 | DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026 | 254683CP8 | 155,000.00 | 0.00 | 74.92 | 74.92 | | | |
| 11/15/23 | 11/15/23 | 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 | | | |
| 11/15/23 | 11/15/23 | DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | 0.00 | 1,006.54 | 1,006.54 | | | |
| 11/15/23 | 11/15/23 | CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | 0.00 | 1,204.00 | 1,204.00 | | | |
| 11/15/23 | 11/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 43,319.95 | 0.00 | 18.77 | 18.77 | | | |
| 11/15/23 | 11/15/23 | 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 | | | |
| 11/15/23 | 11/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 1,490.96 | 0.00 | 0.77 | 0.77 | | | |
| 11/15/23 | 11/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 23,017.57 | 0.00 | 7.29 | 7.29 | | | |
| 11/15/23 | 11/15/23 | BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | 0.00 | 479.00 | 479.00 | | | |
| 11/15/23 | 11/15/23 | DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | 0.00 | 808.13 | 808.13 | | | |
| 11/15/23 | 11/15/23 | US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 1,775,000.00 | 0.00 | 17,750.00 | 17,750.00 | | | |
| 11/15/23 | 11/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 20,778.44 | 0.00 | 8.66 | 8.66 | | | |
| 11/15/23 | 11/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 66,107.36 | 0.00 | 42.42 | 42.42 | | | |
| 11/15/23 | 11/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 136,404.13 | 0.00 | 29.55 | 29.55 | | | |
| 11/15/23 | 11/15/23 | AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | 0.00 | 1,263.92 | 1,263.92 | | | |
| 11/15/23 | 11/15/23 | AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | 0.00 | 527.58 | 527.58 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|------------------|----------|---|-----------|------------|-----------|----------|----------|--------------|--------------|--------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | Method |
| INTEREST | | | | | | | | | | |
| 11/15/23 | 11/15/23 | COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026 | 14041NFW6 | 255,000.00 | 0.00 | 116.87 | 116.87 | | | |
| 11/15/23 | 11/15/23 | CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | 0.00 | 578.96 | 578.96 | | | |
| 11/15/23 | 11/15/23 | FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | 0.00 | 1,129.04 | 1,129.04 | | | |
| 11/16/23 | 11/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 15,532.97 | 0.00 | 5.82 | 5.82 | | | |
| 11/16/23 | 11/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 66,874.97 | 0.00 | 26.75 | 26.75 | | | |
| 11/16/23 | 11/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 52,831.66 | 0.00 | 29.94 | 29.94 | | | |
| 11/18/23 | 11/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 9,733.16 | 0.00 | 3.00 | 3.00 | | | |
| 11/18/23 | 11/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 73,647.19 | 0.00 | 25.16 | 25.16 | | | |
| 11/18/23 | 11/18/23 | HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815QAC1 | 225,000.00 | 0.00 | 1,014.37 | 1,014.37 | | | |
| 11/19/23 | 11/19/23 | JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026 | 46647PBT2 | 150,000.00 | 0.00 | 783.75 | 783.75 | | | |
| 11/20/23 | 11/20/23 | GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 60,000.00 | 0.00 | 25.00 | 25.00 | | | |
| 11/25/23 | 11/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 230,000.00 | 0.00 | 82.42 | 82.42 | | | |

| | | | | |
|-----------------------------------|----------------------|-------------|------------------|------------------|
| Transaction Type Sub-Total | 11,775,151.83 | 0.00 | 65,393.31 | 65,393.31 |
|-----------------------------------|----------------------|-------------|------------------|------------------|

| | | | | | | | | | | |
|-----------------|----------|---|-----------|------------|------------|--------|------------|--------|------|--|
| MATURITY | | | | | | | | | | |
| 11/06/23 | 11/06/23 | FREDDIE MAC NOTES DTD 11/05/2020 0.250% 11/06/2023 | 3137EAEZ8 | 275,000.00 | 275,000.00 | 343.75 | 275,343.75 | 247.50 | 0.00 | |
| 11/24/23 | 11/24/23 | INTL BK RECON & DEVELOP NOTES DTD 11/24/2020 0.250% 11/24/2023 | 459058JM6 | 400,000.00 | 400,000.00 | 500.00 | 400,500.00 | 860.00 | 0.00 | |
| 11/27/23 | 11/27/23 | FANNIE MAE NOTES DTD 11/25/2020 0.250% 11/27/2023 | 3135G06H1 | 250,000.00 | 250,000.00 | 312.50 | 250,312.50 | 285.00 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

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 | |
| Transaction Type Sub-Total | | | | 925,000.00 | 925,000.00 | 1,156.25 | 926,156.25 | 1,392.50 | 0.00 | |
| PAYDOWNS | | | | | | | | | | |
| 11/01/23 | 11/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 142.07 | 142.07 | 0.00 | 142.07 | 0.00 | 0.00 | |
| 11/01/23 | 11/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 282.76 | 282.76 | 0.00 | 282.76 | (14.01) | 0.00 | |
| 11/15/23 | 11/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 3,736.14 | 3,736.14 | 0.00 | 3,736.14 | 0.81 | 0.00 | |
| 11/15/23 | 11/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 6,154.05 | 6,154.05 | 0.00 | 6,154.05 | 0.81 | 0.00 | |
| 11/15/23 | 11/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 6,957.05 | 6,957.05 | 0.00 | 6,957.05 | 1.14 | 0.00 | |
| 11/15/23 | 11/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 12,501.87 | 12,501.87 | 0.00 | 12,501.87 | 1.35 | 0.00 | |
| 11/15/23 | 11/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 8,754.13 | 8,754.13 | 0.00 | 8,754.13 | 1.93 | 0.00 | |
| 11/15/23 | 11/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 1,490.96 | 1,490.96 | 0.00 | 1,490.96 | 0.26 | 0.00 | |
| 11/15/23 | 11/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 2,898.76 | 2,898.76 | 0.00 | 2,898.76 | 0.30 | 0.00 | |
| 11/15/23 | 11/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 3,138.16 | 3,138.16 | 0.00 | 3,138.16 | 0.69 | 0.00 | |
| 11/15/23 | 11/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 4,004.37 | 4,004.37 | 0.00 | 4,004.37 | 0.08 | 0.00 | |
| 11/16/23 | 11/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 3,062.12 | 3,062.12 | 0.00 | 3,062.12 | 0.08 | 0.00 | |
| 11/16/23 | 11/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 4,567.21 | 4,567.21 | 0.00 | 4,567.21 | 1.04 | 0.00 | |
| 11/16/23 | 11/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 4,676.55 | 4,676.55 | 0.00 | 4,676.55 | 0.29 | 0.00 | |
| 11/18/23 | 11/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 6,052.08 | 6,052.08 | 0.00 | 6,052.08 | 0.09 | 0.00 | |
| 11/18/23 | 11/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 3,784.95 | 3,784.95 | 0.00 | 3,784.95 | 0.56 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **November 30, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L | Realized G/L | Sale |
|-----------------------------|--------|----------------------|-------|------------------|-----------------------|---------------------|---------------------|-------------------|---------------|------|
| Trade | Settle | | | | | | | Cost | Amort Cost | |
| Transaction Type Sub-Total | | | | 72,203.23 | 72,203.23 | 0.00 | 72,203.23 | (4.58) | 0.00 | |
| Managed Account Sub-Total | | | | | 618,135.40 | 66,039.60 | 684,175.00 | 1,387.92 | 0.00 | |
| Total Security Transactions | | | | | \$618,135.40 | \$66,039.60 | \$684,175.00 | \$1,387.92 | \$0.00 | |

Bolded items are forward settling trades.



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2023**

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 | | | | | | | | | | |
| 10/02/23 | 10/04/23 | CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028 | 17325FBB3 | 500,000.00 | (497,520.00) | (402.99) | (497,922.99) | | | |
| 10/11/23 | 10/19/23 | FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028 | 3137HA074 | 350,000.00 | (342,322.40) | (829.50) | (343,151.90) | | | |
| 10/25/23 | 10/31/23 | FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028 | 3137HAST4 | 265,000.00 | (256,551.01) | (1,071.04) | (257,622.05) | | | |

| | | | | | | | | | | |
|-----------------------------------|--|--|--|---------------------|-----------------------|-------------------|-----------------------|--|--|--|
| Transaction Type Sub-Total | | | | 1,115,000.00 | (1,096,393.41) | (2,303.53) | (1,098,696.94) | | | |
|-----------------------------------|--|--|--|---------------------|-----------------------|-------------------|-----------------------|--|--|--|

| | | | | | | | | | | |
|-----------------|----------|--|-----------|------------|------|----------|----------|--|--|--|
| INTEREST | | | | | | | | | | |
| 10/01/23 | 10/25/23 | FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | 0.00 | 400.31 | 400.31 | | | |
| 10/01/23 | 10/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 175,000.00 | 0.00 | 446.54 | 446.54 | | | |
| 10/01/23 | 10/25/23 | FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BODE6 | 350,000.00 | 0.00 | 1,222.08 | 1,222.08 | | | |
| 10/01/23 | 10/25/23 | FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | 0.00 | 1,400.00 | 1,400.00 | | | |
| 10/01/23 | 10/25/23 | FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | 0.00 | 1,405.54 | 1,405.54 | | | |
| 10/01/23 | 10/25/23 | FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | 0.00 | 2,131.25 | 2,131.25 | | | |
| 10/01/23 | 10/25/23 | FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | 0.00 | 945.88 | 945.88 | | | |
| 10/01/23 | 10/25/23 | FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXOY1 | 350,000.00 | 0.00 | 940.33 | 940.33 | | | |
| 10/01/23 | 10/25/23 | FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | 0.00 | 773.79 | 773.79 | | | |
| 10/01/23 | 10/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,729.28 | 0.00 | 1,113.56 | 1,113.56 | | | |
| 10/01/23 | 10/25/23 | FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 240,000.00 | 0.00 | 669.40 | 669.40 | | | |
| 10/13/23 | 10/13/23 | AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025 | 023135CE4 | 125,000.00 | 0.00 | 1,875.00 | 1,875.00 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2023**

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 | | | | | | | | | | |
| 10/14/23 | 10/14/23 | FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025 | 3130AJHU6 | 250,000.00 | 0.00 | 625.00 | 625.00 | | | |
| 10/15/23 | 10/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 26,066.76 | 0.00 | 8.25 | 8.25 | | | |
| 10/15/23 | 10/15/23 | BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | 0.00 | 479.00 | 479.00 | | | |
| 10/15/23 | 10/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 23,964.19 | 0.00 | 9.99 | 9.99 | | | |
| 10/15/23 | 10/15/23 | DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026 | 254683CP8 | 155,000.00 | 0.00 | 74.92 | 74.92 | | | |
| 10/15/23 | 10/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 148,974.76 | 0.00 | 32.28 | 32.28 | | | |
| 10/15/23 | 10/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 90,398.26 | 0.00 | 34.65 | 34.65 | | | |
| 10/15/23 | 10/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 104,775.42 | 0.00 | 33.18 | 33.18 | | | |
| 10/15/23 | 10/15/23 | CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | 0.00 | 1,204.00 | 1,204.00 | | | |
| 10/15/23 | 10/15/23 | CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | 0.00 | 578.96 | 578.96 | | | |
| 10/15/23 | 10/15/23 | HOME DEPOT INC (CALLABLE) CORPORATE NOTE DTD 03/28/2022 2.700% 04/15/2025 | 437076CM2 | 20,000.00 | 0.00 | 270.00 | 270.00 | | | |
| 10/15/23 | 10/15/23 | FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | 0.00 | 1,129.04 | 1,129.04 | | | |
| 10/15/23 | 10/15/23 | AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | 0.00 | 1,095.39 | 1,095.39 | | | |
| 10/15/23 | 10/15/23 | FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | 0.00 | 348.75 | 348.75 | | | |
| 10/15/23 | 10/15/23 | DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | 0.00 | 1,006.54 | 1,006.54 | | | |
| 10/15/23 | 10/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 5,721.86 | 0.00 | 2.96 | 2.96 | | | |



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal | Accrued | Total | Realized G/L | Realized G/L | Sale |
|------------------|----------|--|-----------|------------|-----------|----------|-------|--------------|--------------|------|
| Trade | Settle | | | | Proceeds | Interest | | Cost | Amort Cost | |
| INTEREST | | | | | | | | | | |
| 10/15/23 | 10/15/23 | COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026 | 14041NFW6 | 255,000.00 | 0.00 | 116.87 | | 116.87 | | |
| 10/15/23 | 10/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 70,227.51 | 0.00 | 45.06 | | 45.06 | | |
| 10/15/23 | 10/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 47,155.39 | 0.00 | 20.43 | | 20.43 | | |
| 10/15/23 | 10/15/23 | DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | 0.00 | 808.13 | | 808.13 | | |
| 10/15/23 | 10/15/23 | AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | 0.00 | 527.58 | | 527.58 | | |
| 10/15/23 | 10/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 119,628.53 | 0.00 | 54.83 | | 54.83 | | |
| 10/16/23 | 10/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 71,883.39 | 0.00 | 28.75 | | 28.75 | | |
| 10/16/23 | 10/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 20,236.97 | 0.00 | 7.59 | | 7.59 | | |
| 10/16/23 | 10/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 56,046.56 | 0.00 | 31.76 | | 31.76 | | |
| 10/18/23 | 10/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 79,933.69 | 0.00 | 27.31 | | 27.31 | | |
| 10/18/23 | 10/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 13,665.81 | 0.00 | 4.21 | | 4.21 | | |
| 10/18/23 | 10/18/23 | HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815OAC1 | 225,000.00 | 0.00 | 1,014.37 | | 1,014.37 | | |
| 10/20/23 | 10/20/23 | GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 60,000.00 | 0.00 | 25.00 | | 25.00 | | |
| 10/20/23 | 10/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 6,776.28 | 0.00 | 2.32 | | 2.32 | | |
| 10/22/23 | 10/22/23 | 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 | | |
| 10/22/23 | 10/22/23 | FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025 | 3135G03U5 | 250,000.00 | 0.00 | 781.25 | | 781.25 | | |



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L Cost | Realized G/L Amort Cost | Sale Method |
|------------------|----------|---|-----------|--------------|-----------------------|---------------------|-----------|----------------------|----------------------------|----------------|
| Trade | Settle | | | | | | | | | |
| INTEREST | | | | | | | | | | |
| 10/25/23 | 10/25/23 | TORONTO DOMINION BANK NY CERT DEPOS DTD 10/31/2022 5.600% 10/27/2025 | 89115B6K1 | 350,000.00 | 0.00 | 19,545.56 | 19,545.56 | | | |
| 10/25/23 | 10/25/23 | BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 230,000.00 | 0.00 | 82.42 | 82.42 | | | |
| 10/26/23 | 10/26/23 | BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 04/26/2023 4.947% 04/26/2027 | 06406RBQ9 | 150,000.00 | 0.00 | 3,710.25 | 3,710.25 | | | |
| 10/29/23 | 10/29/23 | MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024 | 61746BDO6 | 250,000.00 | 0.00 | 4,843.75 | 4,843.75 | | | |
| 10/31/23 | 10/31/23 | US TREASURY NOTES DTD 04/30/2022 2.750% 04/30/2027 | 91282CEN7 | 700,000.00 | 0.00 | 9,625.00 | 9,625.00 | | | |
| 10/31/23 | 10/31/23 | US TREASURY NOTES DTD 04/30/2021 0.750% 04/30/2026 | 91282CBW0 | 445,000.00 | 0.00 | 1,668.75 | 1,668.75 | | | |
| 10/31/23 | 10/31/23 | US TREASURY NOTES DTD 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 1,575,000.00 | 0.00 | 19,687.50 | 19,687.50 | | | |

| | | | | | | | | | | |
|-----------------------------------|--|--|----------------------|-------------|------------------|------------------|--|--|--|--|
| Transaction Type Sub-Total | | | 11,445,184.66 | 0.00 | 83,891.28 | 83,891.28 | | | | |
|-----------------------------------|--|--|----------------------|-------------|------------------|------------------|--|--|--|--|

MATURITY

| | | | | | | | | | | |
|----------|----------|---|-----------|------------|------------|--------|------------|--------|------|--|
| 10/16/23 | 10/16/23 | FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023 | 3137EAEY1 | 250,000.00 | 250,000.00 | 156.25 | 250,156.25 | 932.50 | 0.00 | |
|----------|----------|---|-----------|------------|------------|--------|------------|--------|------|--|

| | | | | | | | | | | |
|-----------------------------------|--|--|-------------------|-------------------|---------------|-------------------|---------------|-------------|--|--|
| Transaction Type Sub-Total | | | 250,000.00 | 250,000.00 | 156.25 | 250,156.25 | 932.50 | 0.00 | | |
|-----------------------------------|--|--|-------------------|-------------------|---------------|-------------------|---------------|-------------|--|--|

PAYDOWNS

| | | | | | | | | | | |
|----------|----------|---|-----------|-----------|-----------|------|-----------|---------|------|--|
| 10/01/23 | 10/25/23 | FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 1,934.43 | 1,934.43 | 0.00 | 1,934.43 | (95.81) | 0.00 | |
| 10/01/23 | 10/25/23 | FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 166.86 | 166.86 | 0.00 | 166.86 | 0.00 | 0.00 | |
| 10/15/23 | 10/15/23 | COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 4,120.15 | 4,120.15 | 0.00 | 4,120.15 | 0.08 | 0.00 | |
| 10/15/23 | 10/15/23 | TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 12,570.63 | 12,570.63 | 0.00 | 12,570.63 | 1.35 | 0.00 | |



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2023**

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

| Transaction Type | | Security Description | CUSIP | Par | Principal Proceeds | Accrued Interest | Total | Realized G/L Cost | Realized G/L Amort Cost | Sale Method |
|----------------------------|----------|--|-----------|------------|--------------------|------------------|------------|-------------------|-------------------------|-------------|
| Trade | Settle | | | | | | | | | |
| PAYDOWNS | | | | | | | | | | |
| 10/15/23 | 10/15/23 | HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 3,049.19 | 3,049.19 | 0.00 | 3,049.19 | 0.32 | 0.00 | |
| 10/15/23 | 10/15/23 | CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 3,185.75 | 3,185.75 | 0.00 | 3,185.75 | 0.70 | 0.00 | |
| 10/15/23 | 10/15/23 | CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314OAC8 | 3,835.44 | 3,835.44 | 0.00 | 3,835.44 | 0.83 | 0.00 | |
| 10/15/23 | 10/15/23 | MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 5,831.13 | 5,831.13 | 0.00 | 5,831.13 | 0.76 | 0.00 | |
| 10/15/23 | 10/15/23 | CARMX 2020-3 A3 DTD 07/22/2020 0.620% 03/17/2025 | 14315FAD9 | 4,230.90 | 4,230.90 | 0.00 | 4,230.90 | 0.72 | 0.00 | |
| 10/15/23 | 10/15/23 | HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 9,117.50 | 9,117.50 | 0.00 | 9,117.50 | 2.01 | 0.00 | |
| 10/15/23 | 10/15/23 | CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 7,068.10 | 7,068.10 | 0.00 | 7,068.10 | 1.16 | 0.00 | |
| 10/16/23 | 10/16/23 | GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 4,704.00 | 4,704.00 | 0.00 | 4,704.00 | 1.07 | 0.00 | |
| 10/16/23 | 10/16/23 | GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 5,008.42 | 5,008.42 | 0.00 | 5,008.42 | 0.31 | 0.00 | |
| 10/16/23 | 10/16/23 | GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 3,214.90 | 3,214.90 | 0.00 | 3,214.90 | 0.08 | 0.00 | |
| 10/18/23 | 10/18/23 | HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 6,286.50 | 6,286.50 | 0.00 | 6,286.50 | 0.09 | 0.00 | |
| 10/18/23 | 10/18/23 | HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 3,932.65 | 3,932.65 | 0.00 | 3,932.65 | 0.58 | 0.00 | |
| 10/20/23 | 10/20/23 | GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025 | 380144AD7 | 6,776.28 | 6,776.28 | 0.00 | 6,776.28 | 0.57 | 0.00 | |
| Transaction Type Sub-Total | | | | 85,032.83 | 85,032.83 | 0.00 | 85,032.83 | (85.18) | 0.00 | |
| SELL | | | | | | | | | | |
| 10/02/23 | 10/04/23 | CITIGROUP INC CORP NOTE (CALLABLE) DTD 11/03/2021 1.281% 11/03/2025 | 172967ND9 | 60,000.00 | 56,736.00 | 322.39 | 57,058.39 | (3,264.00) | (3,264.00) | FIFO |
| 10/02/23 | 10/04/23 | US TREASURY NOTES DTD 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 300,000.00 | 294,960.94 | 3,199.73 | 298,160.67 | 2,601.57 | (1,163.11) | FIFO |








Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2023**

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 |
| SELL | | | | | | | | | | |
| 10/02/23 | 10/04/23 | CITIGROUP INC (CALLABLE) CORPORATE NOTES DTD 05/04/2021 0.981% 05/01/2025 | 172967MX6 | 95,000.00 | 91,911.55 | 396.08 | 92,307.63 | (3,088.45) | (3,088.45) | FIFO |
| 10/16/23 | 10/19/23 | US TREASURY NOTES DTD 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 75,000.00 | 73,828.13 | 876.36 | 74,704.49 | 738.29 | (272.43) | FIFO |
| 10/26/23 | 10/31/23 | US TREASURY NOTES DTD 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 125,000.00 | 123,173.83 | 0.00 | 123,173.83 | 1,357.42 | (419.83) | FIFO |
| Transaction Type Sub-Total | | | | 655,000.00 | 640,610.45 | 4,794.56 | 645,405.01 | (1,655.17) | (8,207.82) | |
| Managed Account Sub-Total | | | | | (120,750.13) | 86,538.56 | (34,211.57) | (807.85) | (8,207.82) | |
| Total Security Transactions | | | | | (\$120,750.13) | \$86,538.56 | (\$34,211.57) | (\$807.85) | (\$8,207.82) | |

| | | | | | |
|---|--------------------|---|--------------------|--|-----------------------------|
|  | = MET |  | = NOT MET | | |
|  | = INCREASE OVER PY |  | = DECREASE FROM PY |  | = UNCHANGED OVER PRIOR YEAR |

SECTION ONE: FINANCIAL STATEMENTS

| December 2023 | | December 2022 | Change |
|---------------|------------|---------------|---|
| ASSETS | 44,551,941 | 41,720,870 |  2,831,071 |
| LIABILITIES | 26,284,772 | 27,422,447 |  (1,137,675) |
| NET POSITION | 18,267,169 | 14,298,424 |  3,968,746 |

- Assets increased over the prior year due to collection of 2023/24 program year contributions and a decrease in provision for unrealized loss on investments.
- Provision for unrealized loss on investments were approximately \$345K and \$1.4 million as of December 31, 2023, and 2022, respectively.
- Liabilities decreased from the prior year due to a decrease in claim liabilities in prior program years, offset by the introduction of a new program year claim liabilities.

| December 2023 | | Budget (Target=50%) | December 2022 |
|--------------------------|-----------|--|---|
| CONTRIBUTIONS | 5,537,508 |  11,075,015/50% |  5,345,901 |
| INVESTMENT INCOME (LOSS) | 1,387,413 | -- |  (144,312) |
| CLAIM EXPENSE | 4,354,146 |  8,974,638/49% |  3,321,710 |
| EXCESS INSURANCE | 275,448 |  581,375/47% |  257,505 |
| OPERATING EXPENSE | 690,749 |  1,519,002/45% |  544,157 |
| NET INCOME | 1,604,578 | -- |  1,078,217 |

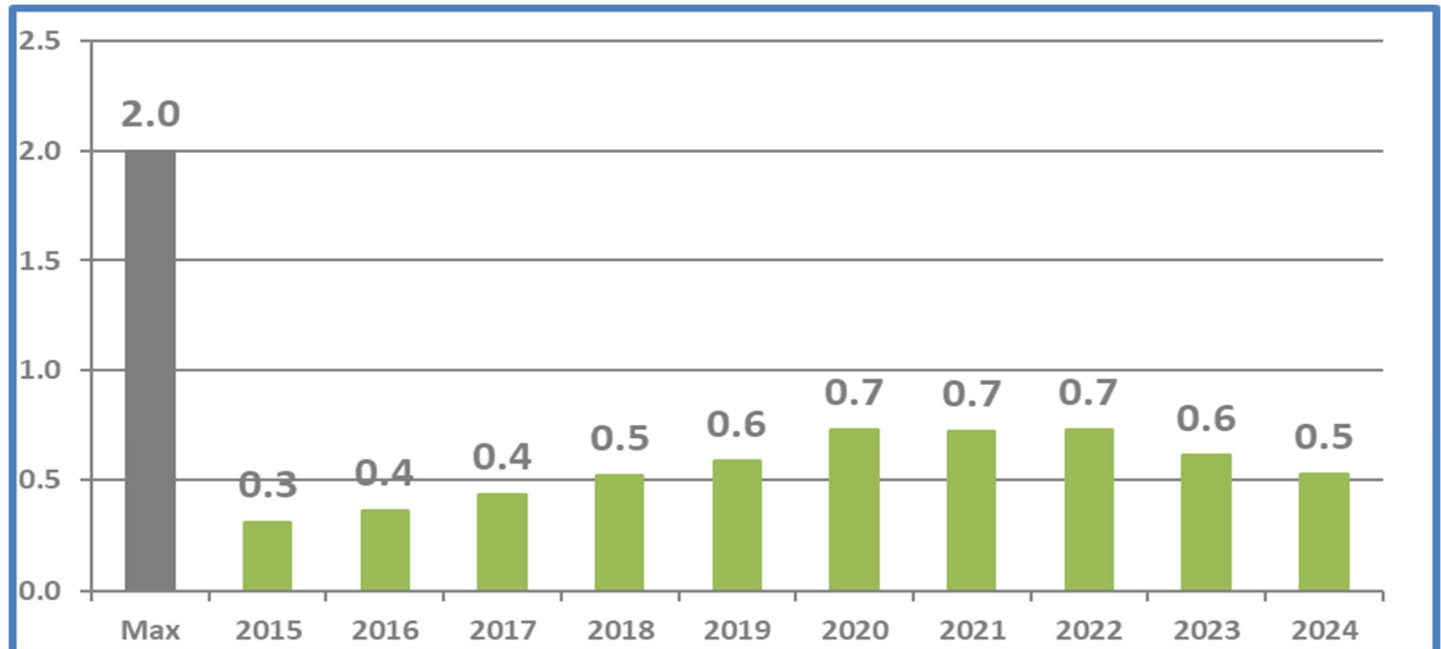
- Contributions for the 23/24 program year are on budget and higher than the prior year, due to an increase in payroll and additions of new members.
- Total interest earned from liquidity and investment accounts is approximately \$614K and unrealized gains of \$772K for a total investment income of \$1.4 million as compared to the prior year, investment loss of \$144K.
- Claim payments were \$4.1M and \$833K for the quarter ended December 31, 2023, and 2022, respectively.
- Claims expense increased over the prior year, due to an increase in claims payments, offset by a decrease in the change in claims liabilities. 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 the prior year due to contractual increases, mainly in program management.

SECTION TWO: RATIO ANALYSIS

Note: All items are projected actual for the 2023/24 fiscal year using the most recent actuarial study.

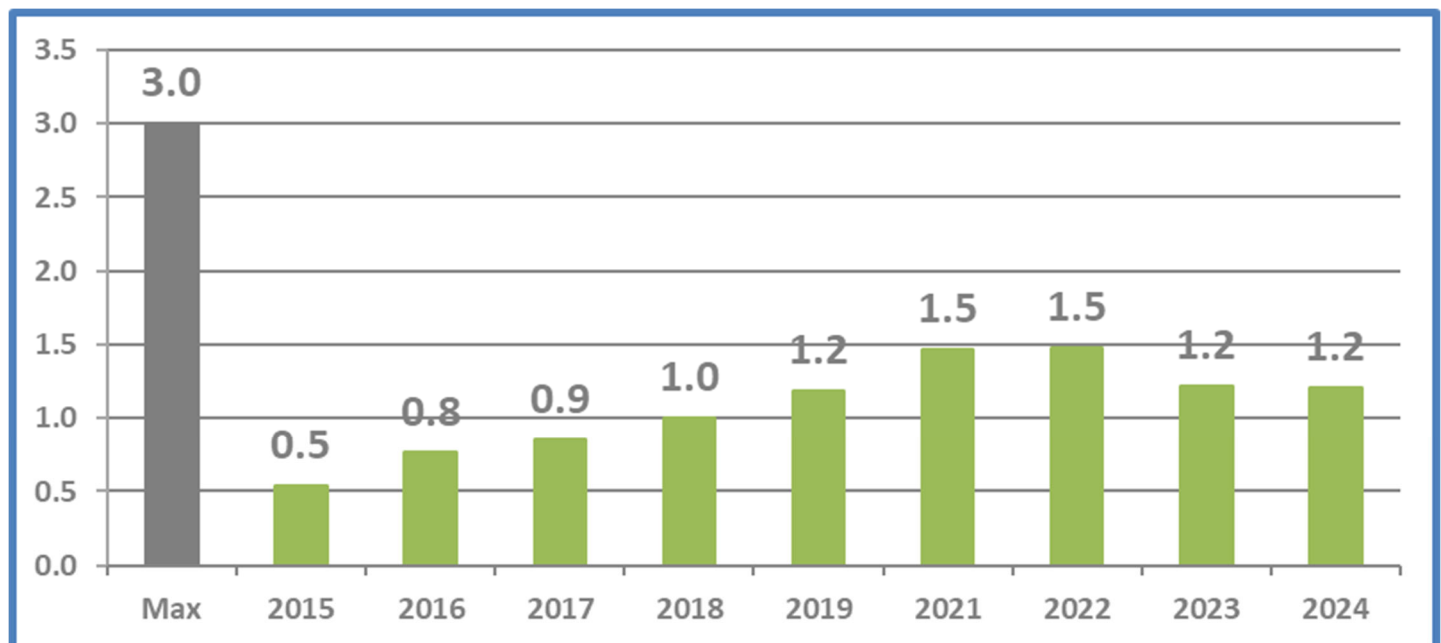
Net Contribution to Net Position

| | Net Contribution | | Net Position | Ratio | Maximum | Result |
|---------------|------------------|---|--------------|-------|---------|--------------------------------------|
| December 2023 | 10,493,640 | / | 19,856,612 | 0.5 | <2:1 | ● |



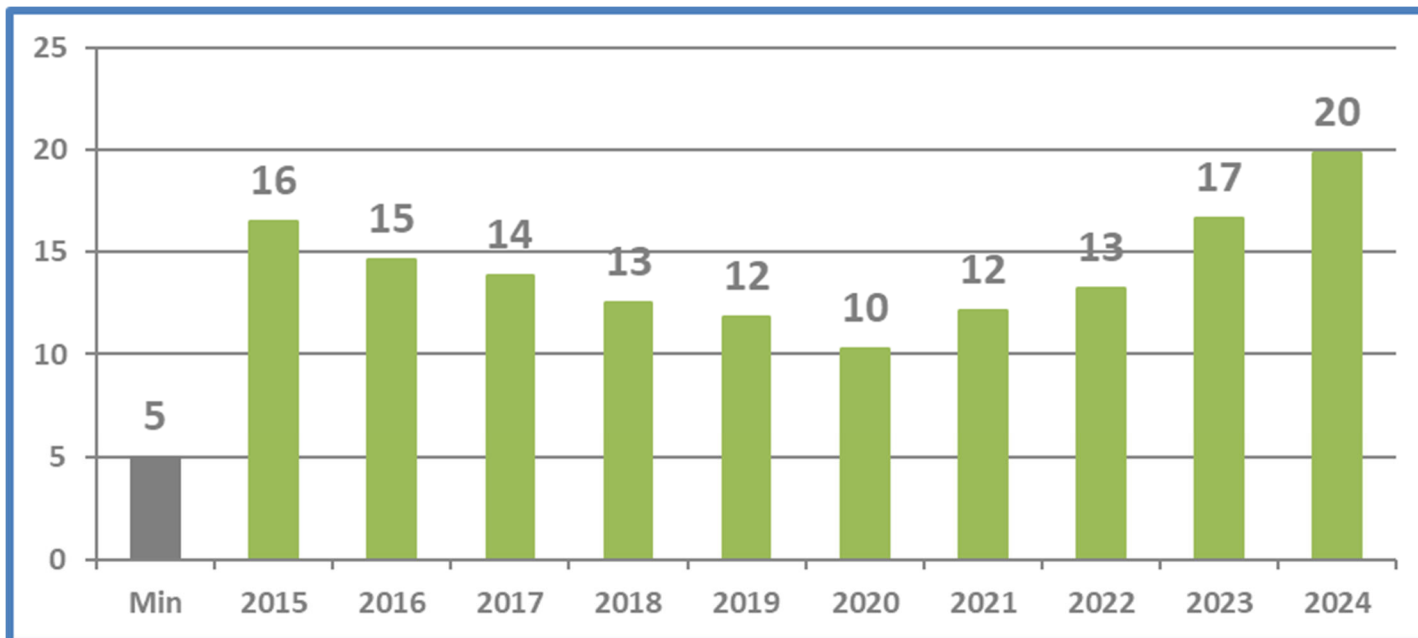
Loss Reserves to Net Position

| | Claim Liability | | Net Position | Ratio | Maximum | Result |
|---------------|-----------------|---|--------------|-------|---------|--------------------------------------|
| December 2023 | 23,974,514 | / | 19,856,612 | 1.2 | <3:1 | ● |



Net Position to Self-Insured Retention

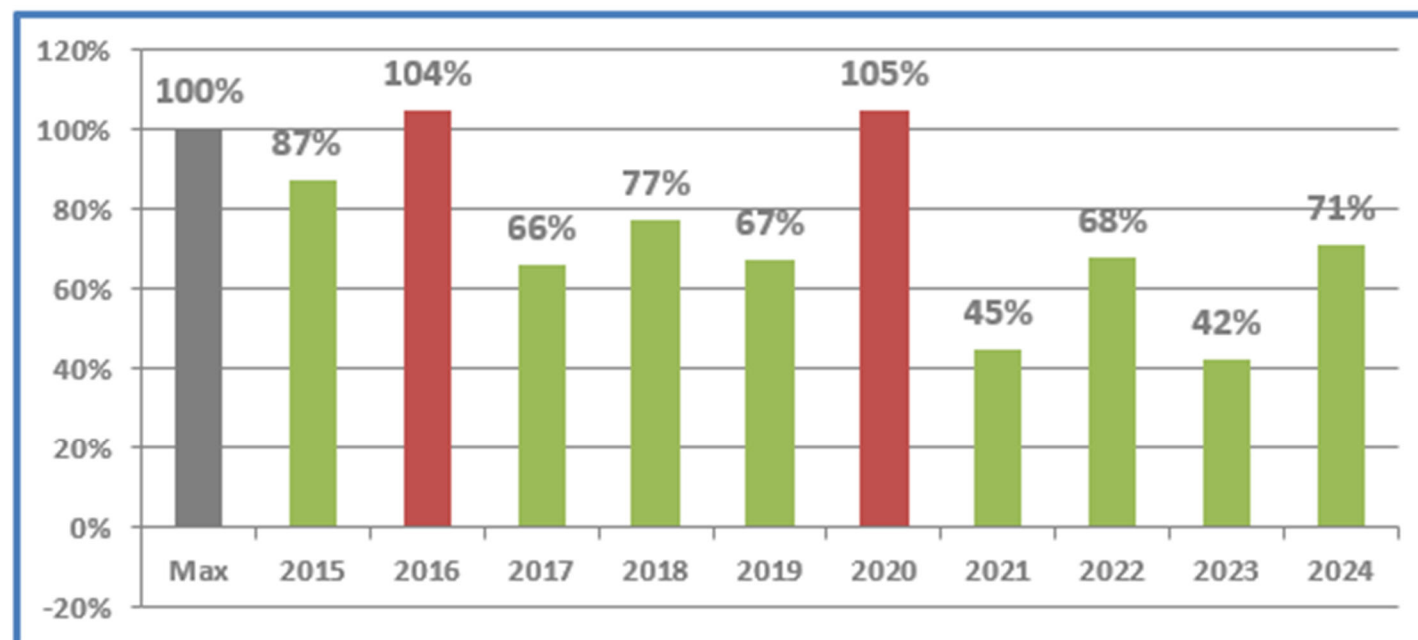
| | Net Position | | SIR | Ratio | Minimum | Result |
|---------------|--------------|---|-----------|-------|---------|--------------------------------------|
| December 2023 | 19,856,612 | / | 1,000,000 | 20 | >10:1 * | ● |



* Currently is being recommended for the Board to approve target of 10:1 from 5:1 at the February 2, 2024, Board meeting. Previous target for years 2015 through 2023 was 5:1.

Operating Ratio

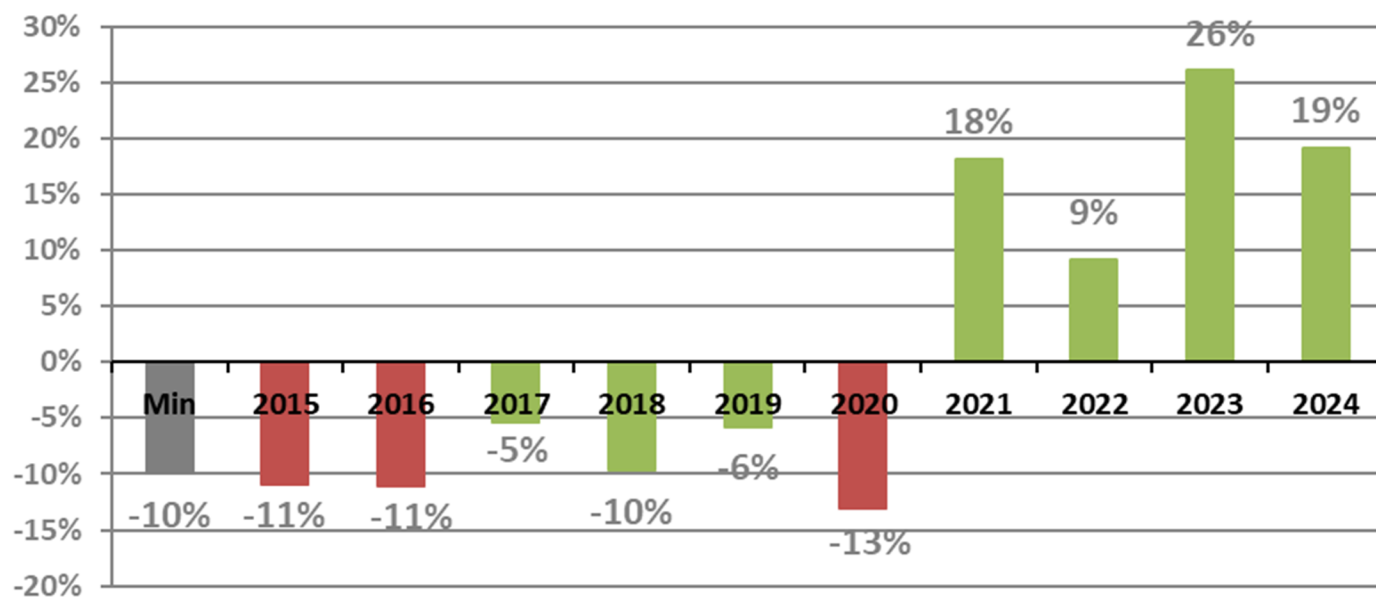
| | Expenses (Less Investment Income)* | | Net Contributions | Ratio | Maximum | Result |
|---------------|---------------------------------------|---|-------------------|-------|---------|--------------------------------------|
| December 2023 | 7,419,320 | / | 10,493,640 | 71% | <100% | ● |



* Exclude dividend expenses

Change in Equity

| | December 2023 | | June 2023 | Change | Minimum | Result |
|--------------|---------------|---|------------|--------|---------|--------------------------------------|
| Net Position | 19,856,612 | / | 16,662,592 | 19% | (10%) | ● |





STATEMENT OF NET POSITION

December 31, 2023 and 2022

CURRENT ASSETS

| | 2023 | 2022 |
|---|-------------------|-------------------|
| Cash and Cash Equivalents | 9,793,177 | 16,531,911 |
| Investments - Managed Portfolio | 6,532,266 | 4,799,178 |
| Provision for Unrealized Gain (Loss) on Investments | (173,102) | (131,662) |
| Accounts Receivable - Excess Insurance | 50,386 | 0 |
| Accounts Receivable - Miscellaneous | 33,942 | 3,986 |
| Interest Receivable | 162,070 | 61,927 |
| Prepaid Expense | 575,606 | 287,974 |
| TOTAL CURRENT ASSETS | 16,974,345 | 21,553,313 |

NONCURRENT ASSETS

| | | |
|---|-------------------|-------------------|
| Investments - Managed Portfolio | 27,749,973 | 21,432,013 |
| Provision for Unrealized Gain (Loss) on Investments | (172,377) | (1,264,456) |
| TOTAL NONCURRENT ASSETS | 27,577,596 | 20,167,558 |

| | | |
|---------------------|-------------------|-------------------|
| TOTAL ASSETS | 44,551,941 | 41,720,870 |
|---------------------|-------------------|-------------------|

CURRENT LIABILITIES

| | | |
|--|-------------------|-------------------|
| Accounts Payable | 145,209 | 11,284 |
| Unearned Revenue | 5,626,729 | 5,324,715 |
| Case Reserves | 4,841,025 | 2,893,748 |
| Incurred But Not Reported and Unallocated Loss Adjustment Expenses | 1,374,007 | 2,977,509 |
| TOTAL CURRENT LIABILITIES | 11,986,970 | 11,207,255 |

NONCURRENT LIABILITIES

| | | |
|--|-------------------|-------------------|
| Incurred But Not Reported and Unallocated Loss Adjustment Expenses | 14,297,802 | 16,215,192 |
| TOTAL NONCURRENT LIABILITIES | 14,297,802 | 16,215,192 |

| | | |
|--------------------------|-------------------|-------------------|
| TOTAL LIABILITIES | 26,284,772 | 27,422,447 |
|--------------------------|-------------------|-------------------|

NET POSITION

| | | |
|---|-------------------|-------------------|
| Net Position - Undesignated | 17,386,516 | 13,333,114 |
| Net Position - Capital Fund | 880,653 | 965,310 |
| TOTAL NET POSITION | 18,267,169 | 14,298,424 |
| TOTAL LIABILITIES AND NET POSITION | 44,551,941 | 41,720,870 |

Statement of Revenues, Expenses, and Changes in Net Position

For the Quarter Ended December 31, 2023

| | Actual | 2023-24 Budget | % Used | \$ Variance |
|--|------------------|-------------------|------------|--------------------|
| REVENUES | | | | |
| Deposit Premium | 5,246,820 | 10,493,640 | 50% | (5,246,820) |
| Excess Insurance Premium | 290,688 | 581,375 | 50% | (290,688) |
| Interest Income | 1,387,413 | | | 1,387,413 |
| Total Revenue | 6,924,920 | 11,075,015 | 63% | (4,150,095) |
| EXPENSES | | | | |
| Claims Expense | | | | |
| Claims Paid | 4,134,338 | 8,974,638 | 49% | (4,620,492) |
| Incr/(Decr) in Reserves | 219,808 | | | |
| Excess Insurance | 275,448 | 581,375 | 47% | (305,927) |
| Total Claims Expense | 4,629,594 | 9,556,013 | 48% | (4,926,419) |
| Loss Prevention & Training | | | | |
| Online Training and Reporting (In2vate) | 24,051 | 51,100 | 47% | (27,049) |
| Hotline Services | 0 | 6,500 | 0% | (6,500) |
| Miscellaneous Training Expenses | 0 | 6,000 | 0% | (6,000) |
| Customized Training / Workshop / Sedgwick Training | 19,500 | 167,500 | 12% | (148,000) |
| Total Loss Prevention and Training | 43,551 | 231,100 | 19% | (187,549) |
| Capital Fund Expenditures | | | | |
| Training & Risk Management Consortium | 52,651 | | | 52,651 |
| Total Capital Fund Expenditures | 52,651 | | | 52,651 |
| General & Administrative Expenses | | | | |
| Program Management | 545,176 | 1,090,352 | 50% | (545,176) |
| Risk Assessments | 0 | 10,000 | 0% | (10,000) |
| Board Meetings & Annual Workshop | 4,984 | 55,000 | 9% | (50,016) |
| Memberships & Conferences | 2,208 | 8,800 | 25% | (6,592) |
| Actuarial Study | 0 | 11,350 | 0% | (11,350) |
| Legal Services | 6,157 | 50,000 | 12% | (43,843) |
| Financial Audit | 11,550 | 11,550 | 100% | 0 |
| Accreditation | 958 | 1,750 | 55% | (792) |
| Fidelity Bond | 1,197 | 3,000 | 40% | (1,803) |
| SLIP Insurance | 1,925 | 3,600 | 53% | (1,675) |
| Investment Management Services | 17,470 | 32,000 | 55% | (14,530) |
| Capital Adequacy Study | 0 | 5,000 | 0% | (5,000) |
| Miscellaneous | 2,922 | 5,500 | 53% | (2,578) |
| Total General and Administrative Expenses | 594,547 | 1,287,902 | 46% | (693,355) |
| Total Expenses | 5,320,343 | 11,075,015 | 48% | (5,754,672) |
| Change in Net Position | 1,604,578 | - | | |

Target Net Position Benchmarking Ratios:

| Net Contribution to Net Position Target (< 2.0) | Program Year Ended June 30 | | | | | | | | | |
|--|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio | 0.3 | 0.3 | 0.4 | 0.4 | 0.5 | 0.6 | 0.7 | 0.7 | 0.7 | 0.6 |
| Result | MET | MET | MET | MET | MET | MET | MET | MET | MET | MET |
| Trend | Improving | Improving | Worsening | Worsening | Worsening | Worsening | Worsening | Worsening | Worsening | Improving |

| Loss Reserves to Net Position Target (< 3.0) | Program Year Ended June 30 | | | | | | | | | |
|---|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio | 0.5 | 0.5 | 0.8 | 0.9 | 1.0 | 1.2 | 1.8 | 1.5 | 1.5 | 1.2 |
| Result | MET | MET | MET | MET | MET | MET | MET | MET | MET | MET |
| Trend | Improving | Improving | Worsening | Worsening | Worsening | Worsening | Worsening | Improving | Improving | Improving |

| Net Position to Self-Insured Retention Target (> 5.0) | Program Year Ended June 30 | | | | | | | | | |
|--|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio | 18.5 | 16.5 | 14.7 | 13.9 | 12.5 | 11.8 | 10.3 | 12.1 | 13.2 | 16.7 |
| Result | MET | MET | MET | MET | MET | MET | MET | MET | MET | MET |
| Trend | Improving | Worsening | Worsening | Worsening | Worsening | Worsening | Worsening | Improving | Improving | Improving |

| Operating Ratio Target (< 100%) | Program Year Ended June 30 | | | | | | | | | |
|------------------------------------|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio (exclude dividend) | 17% | 87% | 104% | 66% | 77% | 67% | 105% | 45% | 68% | 42% |
| Result | MET | MET | NOT MET | MET | MET | MET | NOT MET | MET | MET | MET |
| Trend | Worsening | Worsening | Worsening | Improving | Worsening | Improving | Worsening | Improving | Worsening | Improving |

| One-Year Development Target (< 20%) | Program Year Ended June 30 | | | | | | | | | |
|--|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio | -6% | 2% | 3% | -1% | -1% | 0% | 2% | -4% | -3% | -3% |
| Result | MET | MET | MET | MET | MET | MET | MET | MET | MET | MET |
| Trend | Worsening | Worsening | Worsening | Improving | Improving | Worsening | Worsening | Improving | Improving | Improving |

| Two-Year Development Target (< 20%) | Program Year Ended June 30 | | | | | | | | | |
|--|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio | -12% | -2% | 4% | 1% | -1% | -1% | 0% | -2% | -7% | -5% |
| Result | MET | MET | MET | MET | MET | MET | MET | MET | MET | MET |
| Trend | Worsening | Worsening | Worsening | Worsening | Improving | Improving | Worsening | Improving | Improving | Worsening |



| Change in Equity Target (< -10%) | Program Year Ended June 30 | | | | | | | | | |
|-------------------------------------|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Ratio | -6% | -11% | -11% | -5% | -10% | -6% | -13% | 18% | 9% | 26% |
| Result | MET | NOT MET | NOT MET | MET | MET | MET | NOT MET | MET | MET | MET |
| Trend | Worsening | Worsening | Worsening | Improving | Worsening | Improving | Worsening | Improving | Worsening | Improving |

Additional Information:

| Confidence Level | Program Year Ended June 30 | | | | | | | | | |
|--------------------------|----------------------------|------|------|------|------|------|------|------|------|------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Funding Confidence Level | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% |
| | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ |

| Discount Rate | Program Year Ended June 30 | | | | | | | | | |
|---------------------------------------|----------------------------|------|------|------|------|------|------|------|------|------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Outstanding Liabilities Discount Rate | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.5 | 1.5 | 1.5 |
| Funding Rates | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.5 | 1.5 |
| | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↔ | ↘ | ↔ |

| Net Position | Program Year Ended June 30 | | | | | | | | | |
|-------------------------------|----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Net Position (at expected CL) | 18.5M | 16.5M | 14.7M | 13.9M | 12.5M | 11.8M | 10.3M | 12.1M | 13.2M | 16.7M |
| | ↘ | ↘ | ↘ | ↘ | ↘ | ↘ | ↘ | ↗ | ↗ | ↗ |


| | | | |
|---|-------|---|-----------|
|  | = MET |  | = NOT MET |
|---|-------|---|-----------|

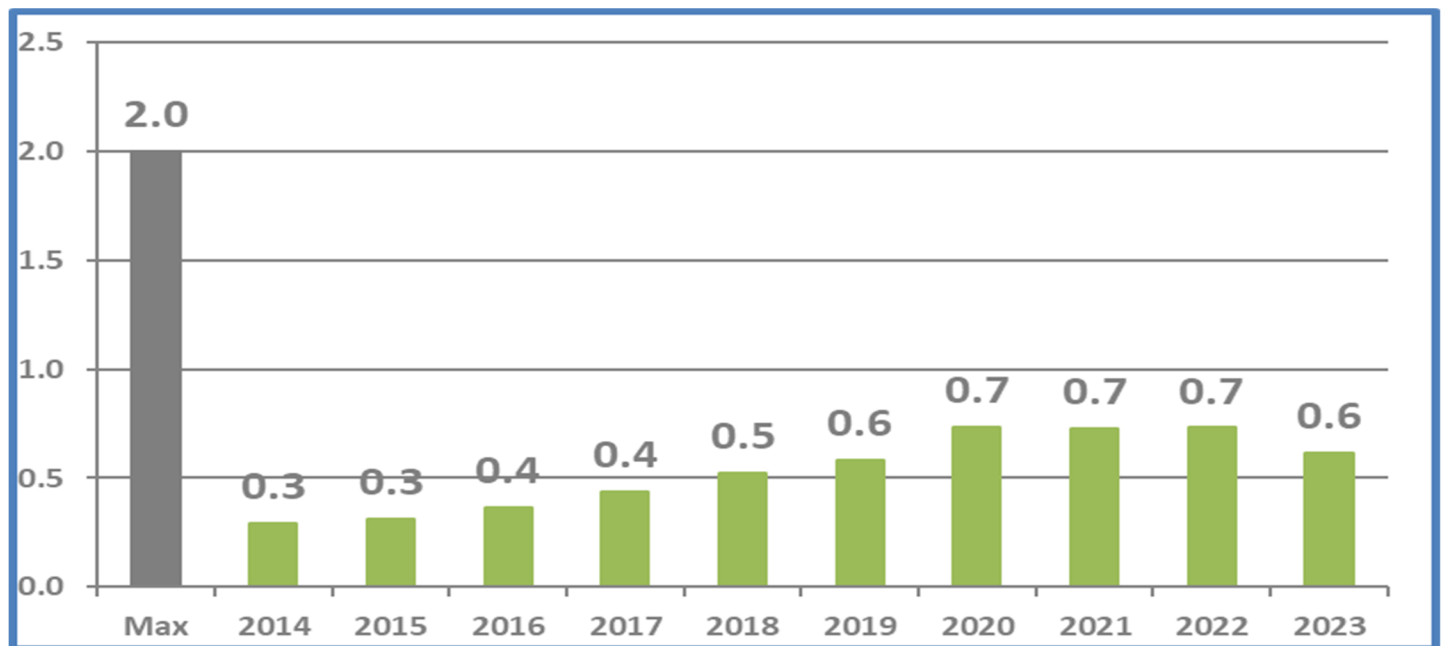
Target Net Position Ratios:

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

RATIO ANALYSIS:

Note: All items are actual for the 2022/23 fiscal year using the most recent actuarial study.

| Net Contribution to Net Position | | | | | | |
|----------------------------------|------------------|---|--------------|-------|---------|---|
| | Net Contribution | | Net Position | Ratio | Maximum | Result |
| June 2023 | 10,186,488 | / | 16,662,592 | 0.6 | <2:1 |  |

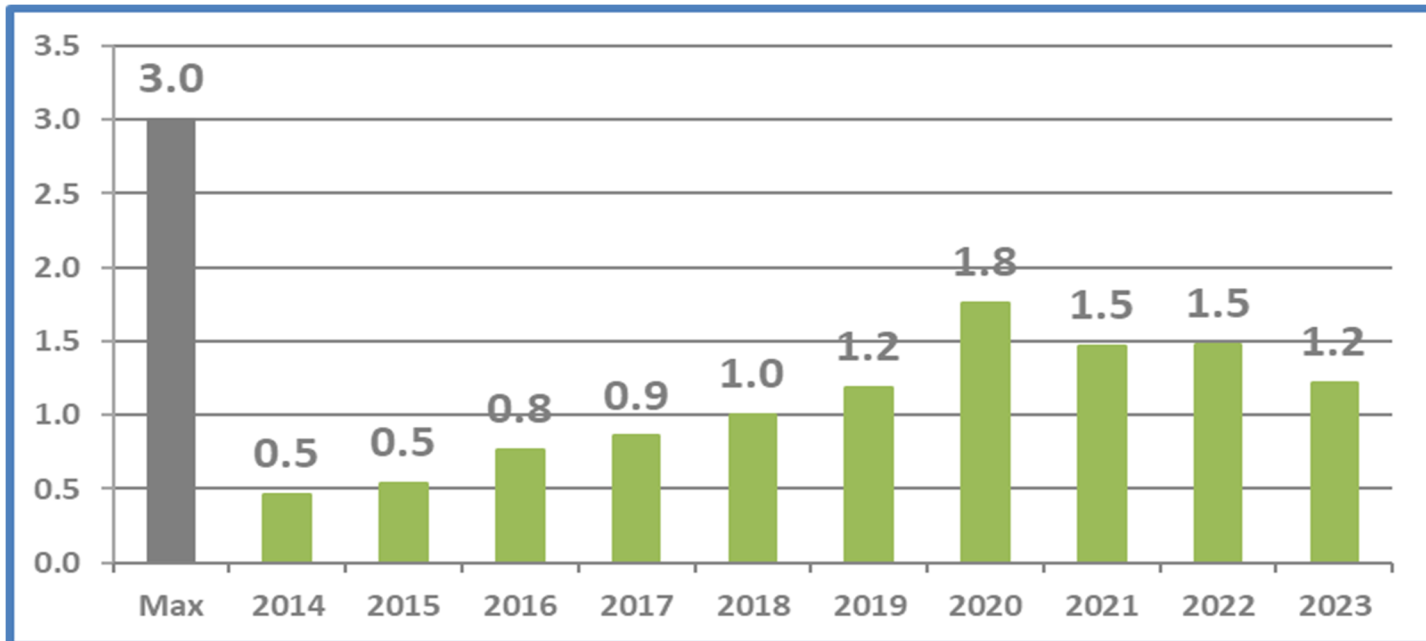


Notes:

- Net Contribution ÷ Net Position
- Current years contributions should not exceed 2 times net position
- Appropriate when there is a large increase in contributions due to changes
- The higher the net position, the lower the ratio. Hence a low ratio is desirable.

Loss Reserves to Net Position

| | Claim Liability | | Net Position | Ratio | Maximum | Result |
|-----------|-----------------|---|--------------|-------|---------|--------------------------------------|
| June 2023 | 20,293,026 | / | 16,662,592 | 1.2 | <3:1 | ● |

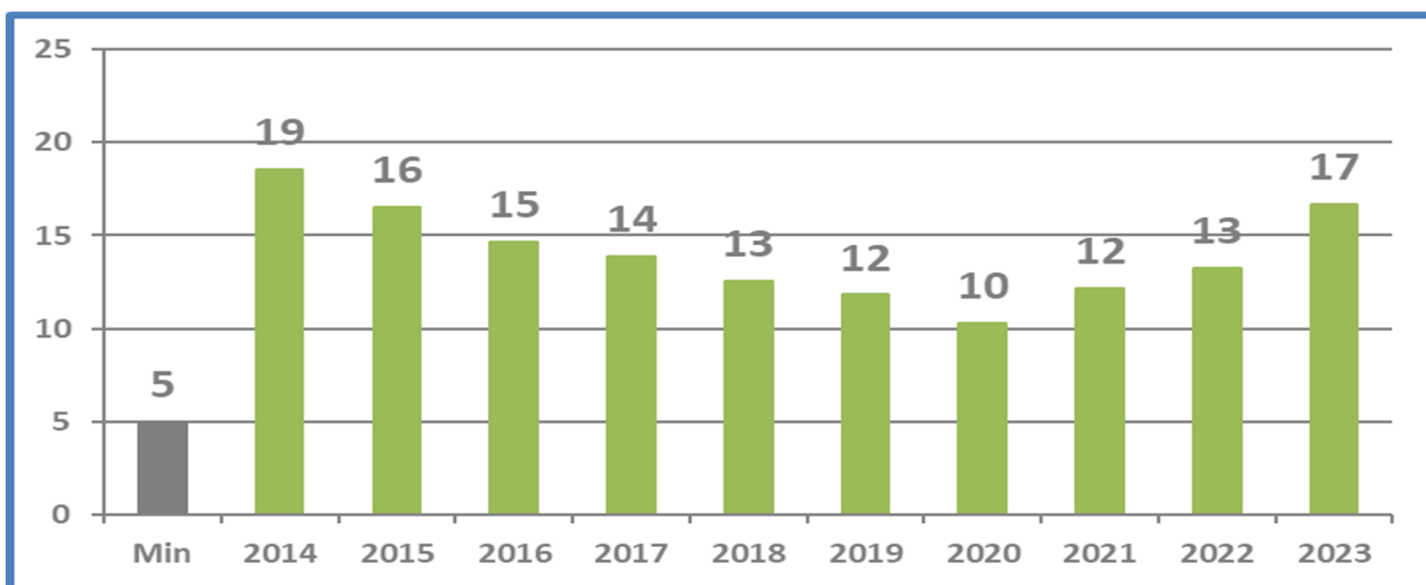


Notes:

- Unpaid Claim Liability ÷ Net Position
- Outstanding liabilities should stay below 3.0 times net position.
- This ratio recognizes the uncertainty in ERMA's largest liability.
- The lower the liabilities, and/or the higher the net position, the lower the ratio. Hence a low ratio is desirable.

Net Position to Self-Insured Retention

| | Net Position | | SIR | Ratio | Minimum | Result |
|-----------|--------------|---|-----------|-------|---------|--------------------------------------|
| June 2023 | 16,662,592 | / | 1,000,000 | 17 | >5:1 | ● |

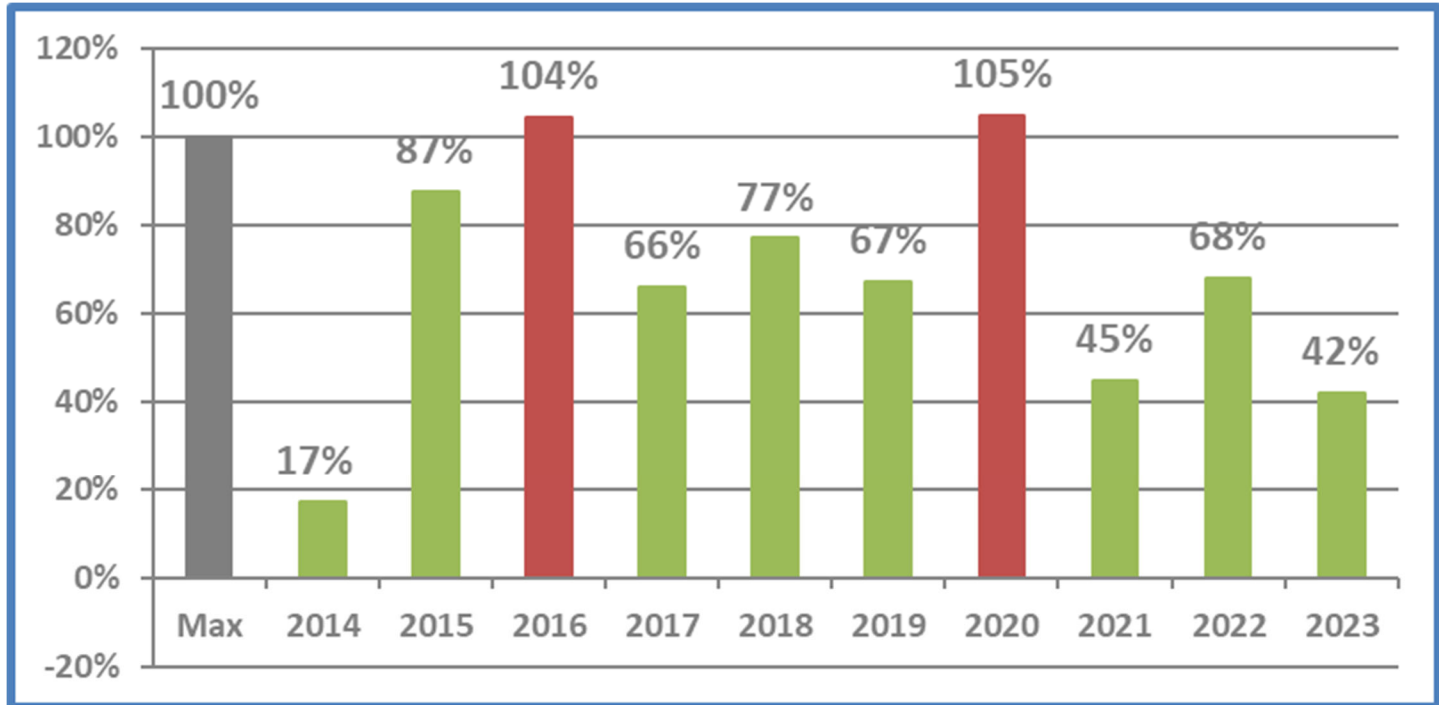


Notes:

- Net Position ÷ Self-Insured Retention
- Net Position must be sufficient to cover 5 full limits losses.
- Review when increasing pool limits and when membership is growing.
- The higher the net position, the greater number of “full hits” the group can absorb. Hence, a high ratio is desirable.

Operating Ratio

| | Expenses (Less Investment Income) * | | Net Contributions | Ratio | Maximum | Result |
|-----------|--|---|-------------------|-------|---------|--------------------------------------|
| June 2023 | 4,261,700 | / | 10,186,488 | 42% | <100% | ● |



* Exclude dividend expenses

Notes:

- (Expenses – Investment Income) ÷ Net Contributions
- Expenses include current and prior year claims and administrative expenses. It excludes dividend expenses.
- The higher the revenues, and/or the lower the expenses, the lower the ratio. Hence, an operating ratio of less than 100% is desirable.

One-Year Reserve Development

Change in Ultimate
Loss from 2022 to
2023 Study *

Change in
Ultimate Loss

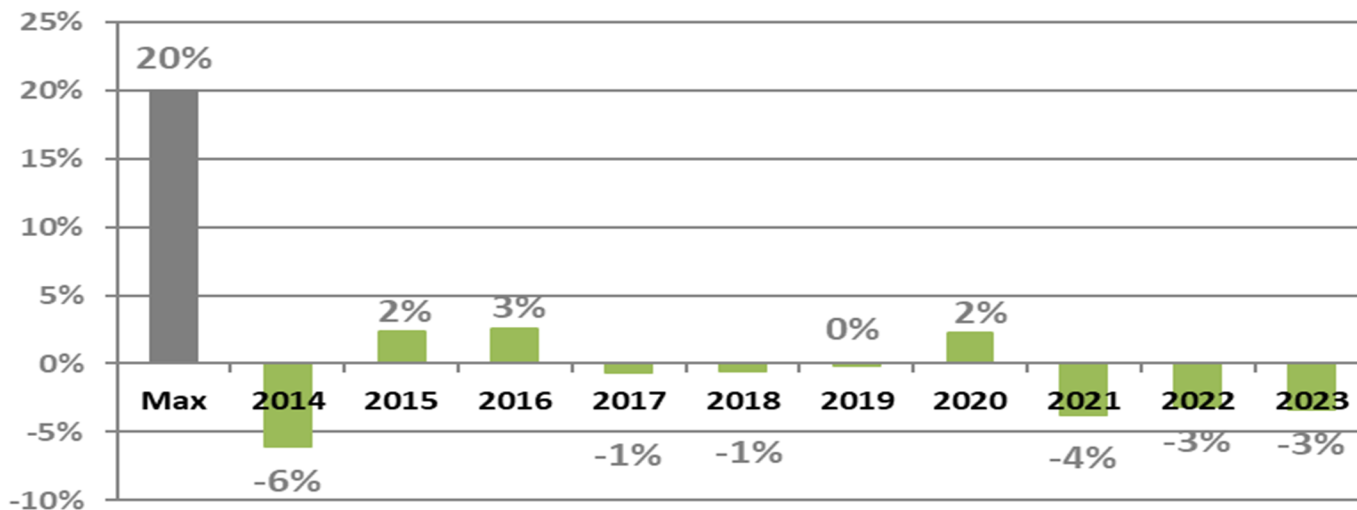
6/30/2022
Total Ultimate Loss

Ratio

Maximum

Result

| | | | | | | |
|-----------|-------------|---|------------|-----|-----|--------------------------------------|
| June 2023 | (2,605,000) | / | 77,702,768 | -3% | 20% | ● |
|-----------|-------------|---|------------|-----|-----|--------------------------------------|



Notes:

- Change in Ultimate Loss ÷ Net Position
- Change in estimates of ultimate value of claims over a one-year period (program years 2021/22 valued as of 6/30/22 and 6/30/23).
- The smaller the change in liability, the more stable the program. Hence, generally, both thresholds should be less than 20%.

Two-Year Reserve Development

Change in Ultimate
Loss from 2021 to
2023 Study *

Change in
Ultimate Loss

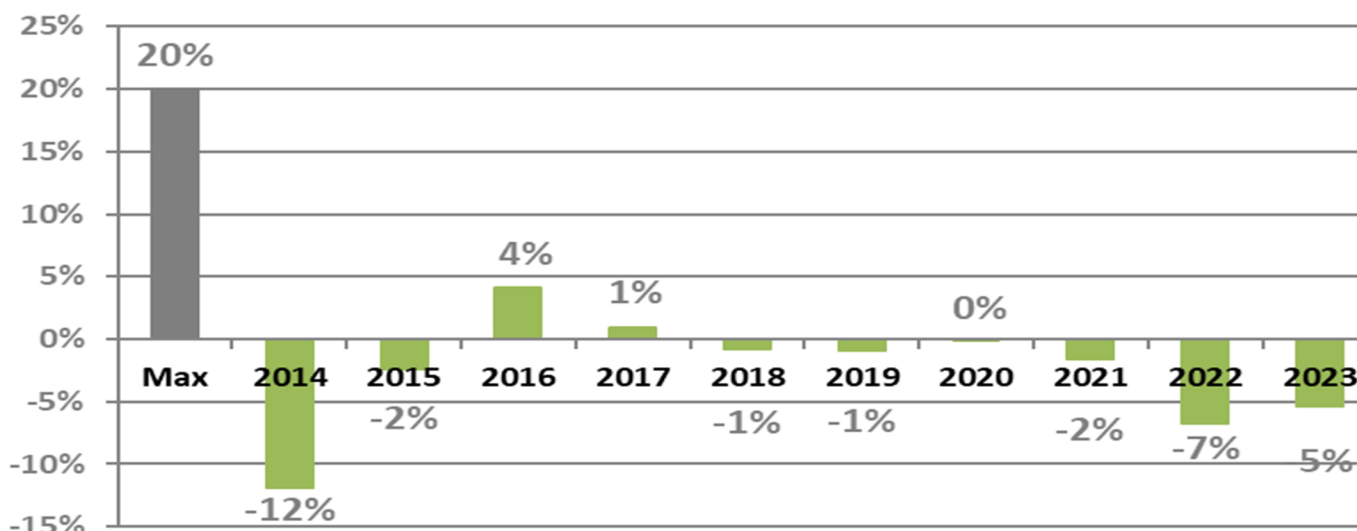
6/30/2021
Total Ultimate Loss

Ratio

Maximum

Result

| | | | | | | |
|-----------|-------------|---|------------|------|-----|--------------------------------------|
| June 2023 | (3,973,000) | / | 73,453,768 | (5%) | 20% | ● |
|-----------|-------------|---|------------|------|-----|--------------------------------------|

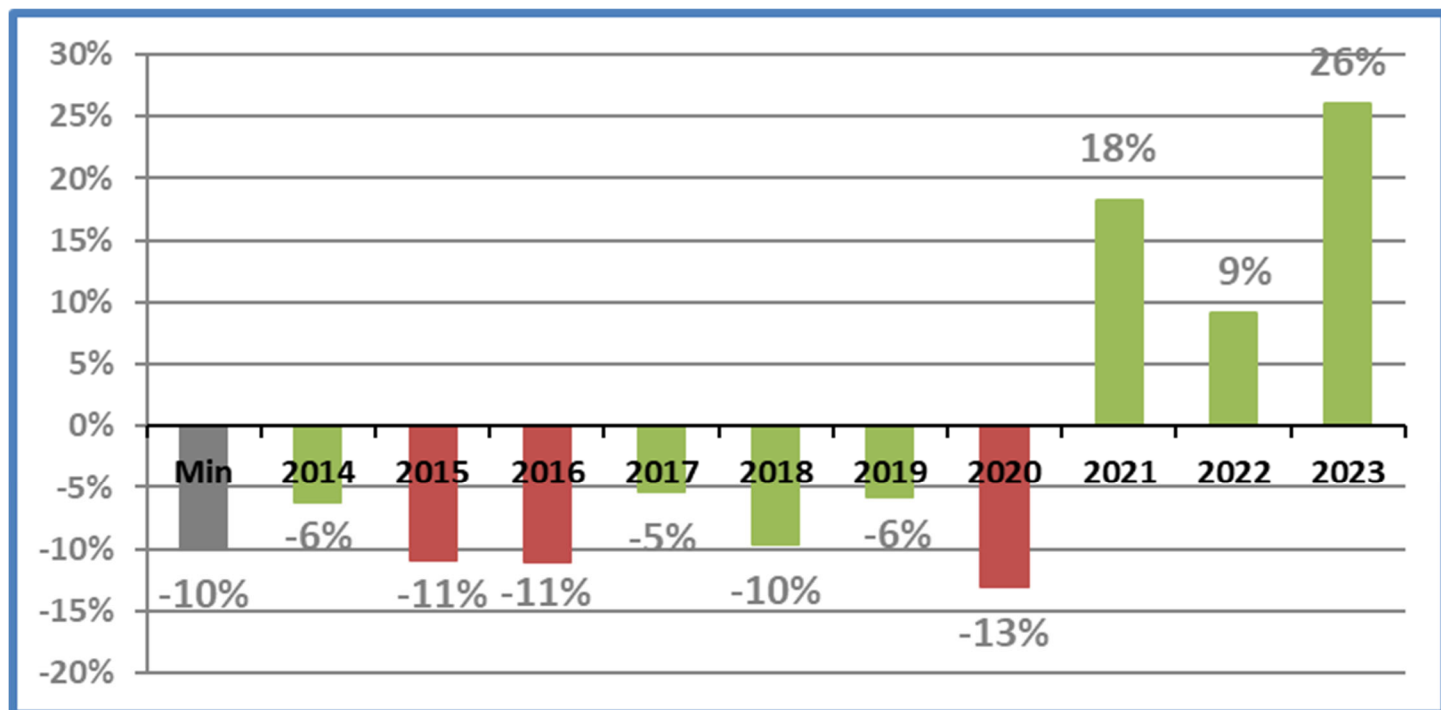


Notes:

- Change in Ultimate Loss ÷ Net Position
- Change in estimates of ultimate value of claims over a one-year period (program years 2020/21 valued as of 6/30/21 and 6/30/23)
- The smaller the change in liability, the more stable the program. Hence, generally, both thresholds should be less than 20%.

Change in Equity

| | June 2023 | | June 2022 | Change | Minimum | Result |
|--------------|------------|---|------------|--------|---------|--------------------------------------|
| Net Position | 16,662,592 | / | 13,220,207 | 26% | (10%) | ● |



Notes:

- Measures change in total net position from one year to the next.
- This ratio measures if a decline in net position in excess of 10% warrants action by the Board, such as an increase in annual contribution, or an assessment.

ERMA PANEL OF APPROVED DEFENSE COUNSEL

(Effective November 2023)

| | | |
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| | | |
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|---|--|---|

ERMA INVESTIGATORS

(November 2023)

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.

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ADMINISTRATIVE MATTERS

SUBJECT: **Consideration of Goals and Objectives Established at the 24th Annual Workshop - *Presented by Rob Kramer, Executive Director***

RECOMMENDATION: *Staff recommends the Board of Directors approve the 2024/25 Goals and Objectives.*

BACKGROUND AND STATUS:

This time is reserved for the Board of Directors to consider any new or revised goals and objectives discussed during the strategic planning portion of the preceding 2024 Annual Workshop.

REFERENCE MATERIALS ATTACHED:

None.

ADMINISTRATIVE MATTERS

**SUBJECT: Review and Consideration of Non-Claims Dispute Resolution Policy
for ERMA - *Presented by Rob Kramer, Executive Director***

RECOMMENDATION: *Staff recommends the Board of Directors
approve the Non-Claims Dispute Policy as presented.*

BACKGROUND AND STATUS:

As part of the accreditation process through the California Association of Joint Powers Authorities (CAJPA), there is a new requirement that ERMA have in place a policy for resolution of non-claims disputes. Claims dispute resolution is outlined in the ERMA MOC; however, ERMA does not currently have a non-claims dispute resolution process.

Staff worked with Board Counsel to develop Resolution 2023_1 establishing a policy for resolution of non-claims disputes and will review the proposed draft resolution with the Board.

REFERENCE MATERIALS ATTACHED:

- Draft – Resolution 2023_1 – Establishing a Non-Claims Dispute Resolution

RESOLUTION NO. 2023-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA) POLICY REGARDING DISPUTES BETWEEN ERMA & A MEMBER OR UNDERLYING MEMBER

WHEREAS, the Employment Risk Management Authority (ERMA) Memorandum of Coverage addresses disputes between ERMA and ERMA members (Members) regarding claims only; and,

WHEREAS, ERMA desires to establish a dispute resolution process should a non-claim dispute arise between ERMA and a Member or an ERMA underlying member.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The ERMA Board of Directors adopts the following policy regarding disputes between the Authority and a Member or underlying member.
2. Disputes related to claims are to be resolved following the dispute resolution procedure outlined in the Memorandum of Coverage.
3. When a non-claim dispute arises between ERMA and a Member or underlying member, the following procedures are to be followed:
 - (a) Board of Directors Appeal. If a Member disagrees with a final decision made by the Administrator or his or her designee, the Member affected by the decision may appeal the decision to the ERMA Board of Directors. The grounds for the appeal must be that the decision was contrary to the ERMA governing documents, rules, or applicable law, or otherwise an abuse of the Administrator's discretion. The appeal must be initiated by filing a written notice of appeal with the Administrator within 30 days of the date of the Administrator's final written decision. If the affected Member fails to timely file a notice of appeal, the decision of the Administrator shall be final and binding and not subject to further appeal, arbitration or mediation, or judicial review. Any appeal of a final decision from an underlying member of ERMA must be brought through the Member of ERMA (i.e. their primary JPA).

Upon timely filing a notice of appeal, the appeal shall be placed on the agenda of the next regularly scheduled Board of Directors meeting occurring no less than 30 days from the date of the notice. ERMA shall notify the Member about the date and time of the meeting. The Member shall be given an opportunity to provide oral and written statements in support of the appeal. The Board of Directors shall render a decision and ERMA shall provide written notice of the decision to the Member. If the Member requesting reconsideration is represented on the Board of Directors, that Board of Directors member shall be deemed to have a conflict and shall be excluded from participating in the appeal.

- (b) Arbitration or Mediation. If the Member wishes to challenge a final decision of the Board of Directors, the next step in the appeal process is arbitration or mediation. The Member may file a written demand for arbitration or mediation with the Administrator within 30 days from the date of the Board of Director's decision. If the affected Covered Member fails to timely file a demand for arbitration or mediation, the decision of the Board of Directors shall be final and binding and not subject to further appeal, arbitration, mediation, or judicial review.

Upon timely filing a demand for arbitration or mediation, the Member who filed the appeal shall select binding arbitration or non-binding mediation.

If binding arbitration is selected, then the decision of the arbitrator is final and not subject to further appeal or litigation. The matter will be submitted to a mutually agreed arbitrator or panel of arbitrators for a determination. The cost of arbitration will be shared equally by the Member and ERMA.

If the parties fail to agree upon an arbitrator, then either party may petition the Sacramento County Superior Court to appoint an arbitrator pursuant to Code of Civil Procedure section 1281.6.

If non-binding mediation is selected, then the parties will submit the matter to a mutually agreed mediator. The cost of mediation will be shared equally by the Member and ERMA.

- (c) Judicial Review. If, after following the dispute resolution procedure paragraphs 3(a)-(b) described above, either party is not satisfied with the outcome of the non-binding mediation process, either party may pursue judicial review if authorized by law.

4. This Resolution shall not be construed to impart any substantive or procedural rights on a Member where they would not otherwise exist by law.

This Resolution was adopted by the Board of Directors at a regular meeting of the Board on February 2, 2024, by the following vote:

AYES _____
NOES _____
ABSTAIN _____

PRESIDENT

ATTEST:

BOARD SECRETARY

ADMINISTRATIVE MATTERS

SUBJECT: Discussion of Enterprise Risk Management (ERM) Strategies for ERMA - *Presented by Rob Kramer, Executive Director*

RECOMMENDATION: *Staff recommends the Board of Directors discuss this matter and develop a list of items that can be formulated into a more formal ERM plan.*

BACKGROUND AND STATUS:

As part of the accreditation process through the California Association of Joint Powers Authorities (CAJPA), ERMA members that wish to be Accredited with Excellence should periodically review enterprise risk management goals and objectives and establish a process for identifying major overall risk areas for the JPA and a plan to reduce these risks, if possible.

ERMA has completed CAJPA re-accreditation with Excellence and this time is reserved to discuss these matters and develop the outline of a plan.

REFERENCE MATERIALS ATTACHED:

- ERMA ERM - Spreadsheet

Enterprise Risk Management

| | | | |
|----------------|--|--|---------------|
| Assessment | ERM - consideration for area | | |
| Criteria | Policies | | |
| How | Procedures | Education | Communication |
| Who | People | Management, Staff, Consultant, Board Members | |
| Accountability | Timing, measurement and accountability | | |

The plan should be designed to reduce to a relatively low risk that events in these areas would significantly put the pool at risk.

I. Member Understanding and Value - Meeting member needs through various cycles.

| | | | |
|----------------|----------------------------|--|---|
| Assessment | | Identify the major risks (demonstrative/excellence) | |
| a. | | i. | Members do not understand the program and services |
| | | ii. | Members do not understand the historical reason the pool was formed and the services and risks the pool addresses. |
| | | iii. | Members do not value the program and services |
| | | iv. | The JPA is not responsive to member wants and needs |
| Response | | Develop a plan to reduce the risk to a "relatively low level." | |
| b. | | (demonstrative/excellence) | |
| | Who (name specific person) | Criteria | |
| | i. | Identify program services and benefit descriptions | |
| | ii. | Document historical issues the industry has faced, the members and pool have faced and what is currently developing in our environment | |
| | iii. | Identify value provided; access to coverage, unique coverage provisions, member input, cost savings, cost stabilization, loss control and training | |
| | iv. | develop member surveys, plan strategic planning, anticipate member wants and needs | |
| Implementation | Who (name specific person) | | |
| c. | | Implement the plan (demonstrative/excellence) | |
| | Criteria | i. | Criteria |
| | | | Developed member resource manual describing programs |
| | | | Prepare annual memorandum of coverage |
| | Procedures | | Post documents on website, member portal, annually review with members, meet with new member representatives |
| | Who | Staff | Member services meets with members annually |
| | | Leadership | iii. |
| | | | Executive Director meets with new member representatives to go over programs |
| | | | Each new member or new member representative (for new member leadership) |
| | | Membership | iv. |
| | | | is paired with a board representative as an additional liaison |
| Accountability | | | |
| d. | | Monitor and develop plans to address next level risks (demonstrative/excellence) | |
| | | i. | Member services will review and update program services list annual |
| | | | update website |
| | | | Communicate to members periodically and annually on members services by providing |
| | | | Member service list |
| | | | Meet annually to do a member benefit review that includes |
| | | | Identification of services |
| | | | Member needs |
| | | | Loss data and recommended responses |
| | | ii. | Member services and Executive Director will monitor and identify member leadership changes and reach-out to new leadership within 30 days |
| | | iii. | Board member liaisons will be assigned |
| | | iv. | Quarterly monitoring report will be provided to the management team and executive board. |

II. Funding, Capitalization and Risk Financing Structure - Board not adequately funding and capitalizing a program.

| | | | |
|----|--------------------------|--|---|
| | Identify and define role | | |
| a. | Management | Identify the major risks (demonstrative/excellence) | |
| | Finance | i. | Structure |
| | Actuary | ii. | Funding |
| | Broker | iii. | Capital |
| | | iv. | |
| | | Develop a plan to reduce the risk to a "relatively low level." | |
| b. | | (demonstrative/excellence) | |
| | | i. | Structure |
| | | ii. | Develop funding criteria |
| | | | evaluate and make, avoidance, retention, risk transfer or alternative risk transfer decisions |
| | | | Funding amount Budget, actuarial, excess costs |
| | | | Funding allocation Underwriting policy |
| | | | Rate setting policy; risk sharing vs. risk bearing criteria |
| | | | Examine loss experience review historical variability, current variability, projected and exposed variability |

| | | | |
|------|---|--|---|
| | iii. | Capital | Funding margin Develop rate setting funding margins Develop long-term capital criteria |
| | iv. | | |
| c. | Implement the plan (demonstrative/excellence) | | |
| | i. | Structure | Annually review program structure with Executive Director, Finance Manager, Broker, Actuary Evaluate options Retain or revise structure |
| | ii. | Funding | Adopt underwriting policy Monitor results of cost allocation plan Develop budgeted costs Obtain actuary estimates and options set rate funding targets in a form of specific capital amounts, confidence levels or other benchmarks |
| | iii. | Capital | Have actuary develop capital benchmarks Adopt long-term capital benchmarks using a variety of stress test measures Confidence level Retention level measures |
| d. | Monitor and develop plans to address next level risks (demonstrative/excellence) | Contemplate changes member and industry demands and how the following may need to change to meet these demands Structure Funding Capital | |
| III. | Operations and Operational Interruption. | | |
| a. | Identify the major risks (demonstrative/excellence) | | |
| | i. | Staff | |
| | ii. | Vendors | |
| | iii. | Members/ Board members | |
| | iv. | Systems | |
| | | Data | |
| | | Security | |
| b. | Develop a plan to reduce the risk to a "relatively low level." (demonstrative/excellence) | | |
| | i. | | Documentation of policies and procedures |
| | ii. | | cross training |
| | iii. | | identification of alternative staff resources |
| | iv. | | Identification of critical vendors; gain an understanding of how they are strengthening short and long-term capabilities |
| | v. | | Develop member cross communication, ensure new board members are brought onto the board to maintain institutional knowledge |
| | vi. | | Identify critical systems and evaluate single source risks, continuity, ability to maintain systems through changing needs (COVID, new requirements) |
| | vii. | | Ensure inhouse and vendor managed data is adequately backed up |
| | viii. | | People, data |
| c. | Implement the plan (demonstrative/excellence) | | |
| d. | Monitor and develop plans to address next level risks (demonstrative/excellence) | | |

ADMINISTRATIVE MATTERS

SUBJECT: Consideration of Updates to the ERMA Underwriting Guidelines
Presented by Rob Kramer, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors approve the Underwriting Guidelines update as presented, to include the underwriting process for existing members.*

BACKGROUND AND STATUS:

ERMA has in place a set of underwriting guidelines that is periodically reviewed and updated by the ERMA Board of Directors.

As part of the CAJPA accreditation process, CAJPA is recommending these guidelines not only explain the underwriting process for prospective new members to the ERMA program, but also outline the annual underwriting process for existing members.

An amended draft of the ERMA Underwriting Guidelines has been provided for consideration by the Board.

REFERENCE MATERIALS ATTACHED:

- ERMA Underwriting Guidelines – Proposed Amendments for February 2, 2024

ERMA Underwriting Guidelines:
Adopted June 21, 2010; Amended June 18, 2012; Amended February 21, 2014;
Amended June 6, 2022; Amended February 2, 2024

Any public agency acceptable to the Board of Directors shall be eligible for membership in ERMA. Agencies may request a preliminary premium indication by providing ERMA with total payroll for the last completed calendar year to mirror data collection for the annual budget process.

Upon request from a prospective member, a preliminary premium indication will be provided including available self-insured retention (SIR) options. If the request for a premium indication is presented prior to the next fiscal year premium rates, an indication will be provided based on the rates used for the current program year. Approval for membership will be contingent upon the review of a formal submission of the required documents by the Underwriting Committee (Committee), the Committee's recommendation for membership to the Board of the Directors, and membership approval by the Board of Directors, at a regular or special Board meeting. A prospective member may select from a variety of SIRs, but any selection of an SIR outside these Guidelines' recommendations must be specifically approved by the Board of Directors.

The member's SIR must be exhausted prior to ERMA paying any defense or indemnity to which the member may become liable. The applicant must have the financial ability to pay for all claims that fall under their SIR. A copy of the ERMA governing documents will be included in the premium indication for the prospective member's review.

Formal Submittal Documents Required:

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 SIRs 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 submission to join ERMA, staff will:

- Review the submission documents for completion and prepare a report to be presented at the next Underwriting Committee meeting, to review the prospective applicant for a recommendation to the Board.
- If a regular Board of Directors' meeting is not scheduled prior to the desired membership inception date, a special Board of Directors' meeting will be called.
- Staff will provide a letter to the prospective member, notifying them of the Board's decision regarding membership, within 15 business days of the Board's decision, or sooner if necessary to accommodate the prospective member's desired inception date.
- The Underwriting Committee's recommendation may include conditions of acceptance of participation such as, an abbreviated risk assessment within 60 days of joining ERMA, requirements regarding updates to personnel policies and procedures, and/or a larger SIR from that which was requested at the time of application.

Underwriting Guidelines for Prospective Members:

1. Completeness of submission materials as requested on the ERMA Liability Coverage Application
 - Policies and procedures are in place as indicated on the application;
 - Attachments provided as indicated on the application;
 - Completed Intent to Participate; and
 - Signed Resolution.
2. Acceptable detailed loss history for last seven completed years including:
 - Claim frequency (reportable claim count per \$100,000 payroll), not to exceed two-times the ERMA average for the past five completed program years.
 - Claim severity (incurred claim cost per \$100,000 payroll) not to exceed two-times the ERMA average for the past five completed program years.
 - Loss Ratio not to exceed 80% for the last five completed program years.
3. Acceptability of SIR request, based on payroll and loss history.
 - Review of payroll for the last seven years relative to losses.
 - Comparison to members with similar payroll.
 - Review of SIR request in consideration of the Recommended SIRs.
4. SIR guidelines have been developed as a guide for new members applying to join ERMA, either as direct or underlying member of an ERMA member JPA.

| ERMA Recommended SIRs | Payroll Range |
|---------------------------------|--------------------------|
| 25K | < \$10,000,000 |
| 50K | < \$25,000,000 |
| 75K | < \$30,000,000 |
| 100K, 250K, 350K or 500K | < \$50,000,000 |

6. Thresholds for membership
 - New direct members: Must meet the minimum payroll requirement of \$5,000,000.
 - Underlying members of a participating JPA member: Will not have any minimum requirements.

ERMA's Board of Directors will reserve its rights to evaluate any other relevant factors and/or data for inclusion in this Joint Powers Authority. Moreover, ERMA's Board of Directors further reserves its rights to approve an increase or decrease of an applicant's SIR based on the SIR guidelines and the review of the applicant's most current financial statements.

Continued Underwriting Guidelines for Existing Members:

ERMA's Board of Directors will continue to review the loss history and changes in payroll of each member annually as respects the frequency, severity and loss ratio of each member. This process is already in place and is tied to the annual Target Ratio Calculation that leads to the Target Risk Appraisal Program.

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 Board considers this as well as anecdotal offerings from the ERMA Staff when annually evaluating and underwriting existing members.

In addition, ERMA utilizes an experience rating formula, outlined in the ERMA Master Program document, to ensure equity in the annual rating and contribution for each member.

ADMINISTRATIVE MATTERS

SUBJECT: Biennial Review and Consideration of ERMA Conflict of Interest Code - *Presented by Rob Kramer, Executive Director*

RECOMMENDATION: *Staff recommends the Board of Directors approve the Conflict of Interest Code as amended.*

BACKGROUND AND STATUS:

The Political Reform Act requires each local government agency to review its Conflict of Interest Code on even-numbered years in order to determine whether amendments to the Code are necessary. Pursuant to the requirement, ERMA staff reviewed the existing Code and determined that changes were warranted to be in line with Fair Political Practices Commission's (FPPC's) current requirements, including filing original statements electronically with the FPPC as opposed to the Authority.

REFERENCE MATERIALS ATTACHED:

- ERMA Conflict of Interest Code – Draft
- FPPC Biennial Filing

CONFLICT OF INTEREST CODE FOR THE EMPLOYMENT RISK MANAGEMENT AUTHORITY

The Political Reform Act, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs., Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments to the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, are hereby incorporated by reference and constitute the Conflict of Interest Code of the **Employment Risk Management Authority** (Authority).

Individuals holding designated positions shall file their statements of economic interests with the [Fair Political Practices Commission Authority](#), which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) ~~All statements will be retained by the Authority.~~

CONFLICT OF INTEREST CODE FOR THE
EMPLOYMENT RISK MANAGEMENT AUTHORITY

APPENDIX A

| DESIGNATED EMPLOYEES | DISCLOSURE CATEGORIES |
|-----------------------------|-----------------------|
| Executive Committee | All |
| Administrator | All |
| Board Secretary | All |
| Litigation Manager | All |
| General Counsel | All |
| Insurance Broker | All |
| Consultants & New Positions | * |

*Consultants/new positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Administrator, or the President in the absence of the Administrator, may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Administrator determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code (Gov. Code Sec. 81008).

The following positions are not covered by the code because the positions manage public investments. Individuals holding such positions must file under Government Code Section 87200 and are listed for informational purposes only. Section 87200 requires disclosure of all investments and business positions in business entities, all income, including gifts, loans and travel payments, and real property.

Members of the Board
Alternate Members of the Board

DISCLOSURE CATEGORIES

1. Investments and business positions in business entities, and sources of income, of the type to contract with ERMA to supply materials, commodities, supplies, books, machinery, vehicles or equipment utilized by the agency.
2. Investments and business positions in business entities, and sources of income, which are contractors, or subcontractors, engaged in the performance of work or services of the type utilized by ERMA, including but not limited to, insurance companies, carriers, holding companies, underwriters, agents or accounting firms.
3. Investments and business positions in business entities, and sources of income, which have filed claims, or have claims pending against ERMA.
4. Investments and business positions in business entities, and sources of income, from banks or savings and loans.
5. Investments and business positions in, and income from, entities in which ERMA is empowered to invest its funds.

This is the last page of the conflict of interest code for the **Employment Risk Management Authority**.

2022 Multi-County Agency Biennial Notice

Name of Agency: EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

Mailing Address: 1750 CREEKSIDE OAKS DRIVE, SUITE 200 SACRAMENTO CA 95833

Contact Person: Rob Kramer, Executive Director Phone No. _____

Email: ROB.KRAMER@SEDGWICK.COM Alternate Email: _____

Counties within Jurisdiction, or for Charter Schools, Counties in which the School is Chartered:

(if more space is needed, include an attachment):

No. of Employees* 0 No. of Form 700 Filers* 29
*Including board and committee members

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

Please identify which statement accurately describes your agency's status.

- ☒ This agency has reviewed its conflict of interest code. The current code designates all positions which make or participate in making governmental decisions. The designated positions are assigned accurate disclosure categories that relate to the job duties of the respective positions. The code incorporates FPPC regulation 18730 so that all relevant Government Code Sections are referenced.
- ☐ This agency has reviewed its conflict of interest code and has determined that an amendment is necessary. An amendment may include the following:
- ☐ New positions which involve the making or participating in the making of decisions which may foreseeably have a material impact on a financial interest
 - ☐ Current designated positions need renaming or deletion
 - ☐ Statutorily required provisions of the code need to be addressed
 - ☐ Disclosure categories need revision

Verification (to be completed if no amendment is required)

This multi-county agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.


Signature of Chief Executive Officer

2-2-2024
Date

All multi-county agencies must complete and return this notice, including those agencies whose codes are currently under review. Please return this notice no later than **October 3, 2022** to the FPPC at biennialnotice@fppc.ca.gov or 1102 Q Street, Suite 3000, Sacramento, CA 95811.

www.fppc.ca.gov
FPPC Advice: advice@fppc.ca.gov (866.275.3772)
Page 1 of 1

ADMINISTRATIVE MATTERS

SUBJECT: Provision of Independent Claims Auditing Services – Review of RFP
Presented by Rob Kramer, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors review the RFP and provide direction after discussion.*

BACKGROUND AND STATUS:

At the November 6, 2023, ERMA Board of Directors meeting, staff was directed to vet the potential consultants in the market and prepare a draft Request for Proposals (RFP) for Independent Claims Auditing Services, should ERMA desire to seek competitive bids for this service.

Staff will discuss with the Board the results of the outreach to potential consultants and the attached Draft RFP for Independent Claims Auditing Services.

REFERENCE MATERIALS ATTACHED:

- Draft RFP for Independent Claims Auditing Services



REQUEST FOR PROPOSAL

FOR

**EMPLOYMENT PRACTICES LIABILITY CLAIMS AUDIT
SERVICES**

FOR THE

EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)

RETURN PROPOSALS TO:

Employment Risk Management Authority
ATTN: Mr. Rob Kramer, Executive Director
rob.kramer@sedgwick.com

DEADLINE FOR FILING:
April 1, 2024, at 5:00 p.m. PST

**REQUEST FOR PROPOSAL
FOR
EMPLOYMENT PRACTICES LIABILITY CLAIMS AUDIT SERVICES
FOR
EMPLOYMENT RISK MANAGEMENT AUTHORITY (ERMA)**

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I. INTRODUCTION

The Board of Directors of the Employment Risk Management Authority (ERMA) is requesting proposals from qualified Independent Claims Auditors to provide a bi-annual claims audit for the program.

ERMA is one of an estimated 150 Joint Powers Authority self-insurance pools operating in California. ERMA is a statewide JPA formed in 1999 to provide broad coverage and tailored loss prevention services to reduce the employment practices liability (EPL) exposure of California public entities. ERMA is the first and only statewide risk sharing pool created exclusively for this purpose and its program covers over 225 California public entities.

ERMA members share EPL losses on a self-insured basis, jointly purchase excess coverage, and jointly purchase and provide administrative and other services such as litigation management, EPL training, and other loss prevention programs, accounting services, actuarial services, and legal services in connection with the program. ERMA is administered by Sedgwick.

ERMA is governed by a thirteen-member Board of Directors (Board) that meets four times per year in the months of February, April, June, and November.

ERMA has been accredited with excellence by the California Association of Joint Powers Authorities (CAJPA).

Please consult the ERMA [website](#) for additional information.

Employment Practices Liability Program

ERMA currently has 229 members with a total of 268 open claims. Claims handling and litigation management is handled by Sedgwick under the direction of Stacey Sullivan, and her team. Sedgwick utilizes its own JURIS claims management system to track and manage claims.

II. SCOPE OF SERVICES

The claims selection will be based on claims data valued as of June 30, 2025 and 2027. Audits are to be completed after July 1, 2025 and 2027, with final reports due to ERMA by October 15, 2025 and 2027.

The audits will include a review of a reasonable sample of open and closed employment practices liability claim files. ***The most current audit was conducted with a review of 40 claims.*** Only open claims and those claims closed within 3 years of the date the audit is performed, will be considered as part of the sample.

III. PROPOSAL REQUIREMENTS

The general objectives of the claims audit is to:

1. To assess the efficiency and effectiveness of the present claims administrator and litigation management team;
2. To evaluate the experience, competence, and staffing levels;
3. To obtain suggestions for improvement in claims handling, litigation oversight, reserving, and reporting; and
4. To ensure that all provisions of the contract for services are met.

Each claims audit report must address the following areas:

Administration

1. Evaluation of review for legal sufficiency and timeliness of claims;
2. Evaluation of reserving practices, procedures, and accuracy of the claim reserves;
3. Evaluation of the effectiveness and thoroughness of the claims investigation techniques, including the appropriateness of the use of outside employment investigation services;
4. Evaluation of identification of available governmental immunities;
5. Evaluation of the adequacy, if any, of early disposition evaluation and strategies;
6. Evaluation of proper claims monitoring procedures, including compliance factors with claims administration procedures and controls;
7. Evaluation of procedures utilized in the verification, justification and documentation of claims payments and settlements, including properly executed releases;
8. Identification of areas of deficiencies in the claims handling process;
9. Evaluation of timely claims reporting to ERMA and reinsurance/excess carriers, where applicable;
10. Determination as to adequacy of diary system and if it is being used effectively;
11. Accuracy of computer generated reports for management purposes, including a comparison of file data with reports, etc.;
12. Evaluation of the general competence of the claims and litigation management services being provided;

13. Evaluation of early analysis as to the conformance of the complaint to the allegations in the claim, if litigated;
14. Evaluation of the control of litigation costs, including use of defense counsel and outside vendors, such as expert witnesses;
15. Evaluation of defense attorney's handling of the case, if litigated, *i.e.*, providing an initial case analysis, use of experts, and litigation budget (and updates, as required), providing routine status reports, etc.;
16. Determination that adequate insurance, including errors and omissions coverage and fidelity coverage maintained by defense firms is monitored; and
17. Evaluation of defense counsel performance (at conclusion of case).

Personnel

1. Evaluation of the technical competence and expertise of claims personnel, and litigation management resources assigned to handle claims; and
2. Evaluation of the case-loads of the team.

Payment

1. Timeliness of payments;
2. Accuracy or excessiveness of payments;
3. Review of payments of allocated expense factors;
4. Review of the claims payment process identifying any weakness in the procedures;
5. Claim file financial reconciliation with loss run; and

Each proposer shall submit a complete proposal with all information requested. The content of the proposal will be as follows:

A. Consultant Corporate Data

This section should include:

1. A description of at least two similar or related contracts under which the proposer has provided services within the last year.
2. A brief description of the experience and qualifications of the proposed staff member(s) who will be conducting the audits.
3. A brief description of the organization.
4. A list of references including joint powers authorities supporting California public entities.
5. A description of any conflict of interest, apparent or real, that would prohibit or affect the proposer in carrying out the services for which a proposal is being submitted.

A. Work Plan

This section should contain the proposer's work plan for providing the services required. **Please include detail of your firm's philosophy and approach to claims auditing.**

B. Cost

This section should contain a complete breakdown of all costs to ERMA relating to the contents of the proposal, including travel and expenses (including presentation of the report to the Board), as well as an itemized breakdown of the compensation required to accomplish the full performance of all tasks outlined in the proposal. **Costs specific to travel versus actual audit work are to be separately itemized.**

Proposers should bid on a multi-year engagement (audits to be completed in 2025 and 2027).

All proposals shall remain firm for at least one-hundred fifty (150) days from the deadline for submitting the request for proposal.

IV. INSURANCE REQUIREMENTS

Proposers shall have and maintain during the entire term of the agreement insurance pertaining to the activities associated with the agreement. **Proposers will be required to obtain, at their own cost and expense; all insurance endorsements required below and shall provide evidence of such insurance and endorsements with their proposal.**

A. Insurance:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If commercial general liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile liability: \$1,000,000 per accident for bodily injury and property damage.
3. Workers' compensation: Statutory limits.
4. Employer's liability: \$1,000,000 per accident for bodily injury or disease.
5. Professional liability: \$1,000,000 per covered event on a claims-made basis. Professional Liability insurance shall be maintained and evidence of insurance shall be provided for at least (2) years after completion.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by each ERMA Member. At the option of each ERMA Member, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects BSSFP, CRSIG, NBSIA, RESIG its officers, officials, employees and volunteers; or the Consultant shall provide a financial guarantee satisfactory to BSSFP, CRSIG, NBSIA, and RESIG, independently, guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

C. Other Insurance Provisions

The commercial general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. BSSFP, CRSIG, NBSIA, RESIG, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of work or operations performed by or on behalf of the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant.
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects BSSFP, CRSIG, NBSIA, RESIG, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by BSSFP, CRSIG, NBSIA, RESIG, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to BSSFP, CRSIG, NBSIA, and RESIG.

D. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to BSSFP, CRSIG, NBSIA, and RESIG.

V. SELECTION PROCESS

Upon receipt of the proposals, ERMA's Board of Directors will review each firm's response to this Request for Proposals. Failure to properly address all the items set forth above may disqualify the prospective auditor's proposal.

A. Right to Reject

ERMA's Board of Directors reserves the right to reject any or all proposals at their sole discretion and to request additional information from all proposers. At their discretion, the ERMA Board of Directors may interview one or more firms to further assist in the review process. ERMA reserves the right to award the contract to the auditor at its discretion depending upon multiple areas of criteria.

B. Proposal Deadline

All proposals must be received **electronically** by **5:00 p.m. PST on April 31, 2024**; **paper proposals will not be accepted**. Late proposals will be rejected. Please send one (1) electronic copy of your proposal and correspondence to:

Mr. Rob Kramer, ERMA Executive Director
Employment Risk Management Authority (ERMA)
Rob.kramer@sedgwick.com

Listed below is an anticipated timetable:

| | |
|------------------------------|--|
| February 4, 2024 | Dissemination of Request for Proposals |
| April 1, 2024 | Proposals due to ERMA by 5:00pm PST |
| April 23, 2024 | Selection of Firm by ERMA Board |
| After April 23, 2024 | ERMA Executive Director to Inform Bidders of Selection |
| April 24, 2015-June 30, 2024 | Execution of Contracts with Individual ERMA Members |
| July 1, 2025-October 1, 2025 | Complete 1 st year of Engagement |
| July 1, 2027-October 1, 2027 | Complete 2 nd year of Engagement |
| October 15, 2025 and 2027 | Delivery of Final Report to ERMA |
| November 2025 and 2027 | ERMA Board Review of Audit |

For further information and/or answers to any questions you may have concerning this proposal, please contact Rob Kramer, ERMA Executive Director, at rob.kramer@sedgwick.com or (916) 995-9391.

ERMA reserve the right to cancel and/or modify the above dates at any time.

VI. LIST OF POTENTIAL PROVIDERS

CRMI
Erica Hanson
info@crmi.com

Farley Consulting Services
Tim Farley
farleyconsulting2000@gmail.com

Independent Consultant
Ken Maiolini
ken@mrscotati.com

JS Risk Consulting
Jiles Smith
jilessmith@gmail.com

Praxis Consulting
Timothy Vincent
tim@praxisclaims.com

VII. CONTRACT REQUIREMENTS

If selected, the chosen firm will be required to provide a draft contract for review and consideration by the ERMA Executive Director and Board of Directors, prior to July 1, 2025, to include the following provisions:

- **Scope of Services:**
 - The selected firm will complete a employment practices liability claims audit of ERMA.
 - Claims selection will be based on data valued as of June 30, 2025 and 2027.
 - The audits will include a review of a reasonable sample of open and closed liability and property claim files and no claims closed more than 3 years from the date the audit is performed.
 - Individual audit sheets will be prepared for all files audited with significant findings notated. Each audit should include a review of loss runs (open and closed) and the claims procedures manual. Each report should thoroughly address the purposes of the report and areas outlined.
 - The scope of work section of the contract shall include reference to all the report requirements identified in the Administration, Personnel, and Payment sections detailed in Section III. Proposal Requirements, of this RFP (pages 3-4).
- **Term and Fees:**
 - This section shall contain a complete breakdown of all costs for ERMA relating to the contents of the proposal, including travel and expenses, and the maximum total cost for ERMA, as well as an itemized breakdown of the compensation required to accomplish the full performance of all tasks outlined in the proposal. Costs specific to travel versus actual audit work are to be separately itemized.
 - Proposers should bid multi-year engagement (audits to be completed in 2025 and 2027).
- **Insurance Requirements:**
 - The Insurance Requirements section of the contract shall include reference to all the insurance requirements identified in Section IV. Insurance Requirements, of this RFP (pages 5-6), inclusive of the Other Insurance provisions.
- **Termination Provisions:**
 - The contract shall include reference to the ability of either party to terminate the contract at any time, with or without cause, giving 30-days' notice.
- **Mediation Provision:**
 - The contract shall specify that disputes arising under this agreement shall be submitted to mediation. A competent and impartial 3rd party,

acceptable to both parties, shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under the agreement until at least 60 days after the mediator's first meeting with the involved parties.

- **Incorporation of RFP:**

- The contract shall include reference to incorporating all of the requirements, provisions, and timelines as detailed in the original RFP.

ADMINISTRATIVE MATTERS

SUBJECT: Review Withdrawal Notices – City of Sausalito, City of Canyon Lake, and City of Jurupa Valley - *Presented by Rob Kramer, Executive Director*

RECOMMENDATION: *Staff recommends the Board approve the withdrawal of the City of Sausalito and conditionally approve the withdrawal of the Cities of Canyon Lake and Jurupa Valley should they formally withdraw from the PERMA program.*

BACKGROUND AND STATUS:

The PERMA JPA has two members that have provided conditional notice of withdrawal and are evaluating other coverage options.

The BCJPIA has one member that will be leaving the JPA as of July 1, 2024.

While there is some question of meeting the ERMA notice requirement in the second situation, staff is recommending the ERMA Board of Directors approve the withdrawal of the City of Sausalito from the ERMA program and conditionally approve the withdrawal of the Cities of Canyon Lake and Jurupa Valley should they formally withdraw from PERMA.

Staff will discuss the details of these two situations with the Board, and answer questions prior to formal consideration.

REFERENCE MATERIALS ATTACHED:

- E-Mail of Conditional Notice of Withdrawal submitted to PERMA
- Letter from BCJPIA regarding Withdrawal of the City of Sausalito from the JPA



January 16, 2024

Mr. Rob Kramer
ERMA Executive Director
Employment Risk Management Authority (ERMA)
1750 Creekside Oaks Drive, Suite 200
Sacramento, California 95833

Re: Withdrawal Notice from City of Sausalito from Bay Cities Joint Powers Insurance Authority (BCJPIA) and the Employment Risk Management Authority (ERMA)

Dear Rob,

I informed you verbally back in November 2023 of the unique situation regarding the City of Sausalito's separation from BCJPIA. On December 27, 2023, BCJPIA and the City executed an agreement outlining the City's voluntary withdrawal from BCJPIA effective June 30, 2024. However, I failed to inform you via writing of the execution of this agreement and the City's subsequent withdrawal from the ERMA program.

Please consider this letter written notice of withdrawal from ERMA on behalf of the City of Sausalito, effective June 30, 2024. I understand this notice is not timely per the language outlined in the ERMA JPA agreement to provide notice of withdrawal but hope the Board will consider the extenuating circumstances of this agreement and allow the City to withdraw as an ERMA member June 30, 2024, as they will no longer be a member of BCJPIA at that point.

If you have any questions, please contact me at (916) 206-7863.

Sincerely,

Jaesa Cusimano
BCJPIA Executive Director

CC: Chris Zapata

1750 Creekside Oaks Drive, Suite 200, Sacramento, CA 95833
Telephone: (916) 244-1100 ♦ Fax: (916) 244-1199
E-mail: info@bcjpia.org



Flama, Yvette

From: Beth Lyons <blyons@permarisk.gov>
Sent: Friday, January 5, 2024 3:49 PM
To: Kramer, Rob; Sullivan, Stacey
Cc: Katie Achterberg; Seth Cole; Michael Torcaso; Jessica Andersen
Subject: PERMA: Member withdrawal notice (Canyon Lake & Jurupa Valley) - ERMA

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...

Hi Rob and Stacey.

Happy new year!

PERMA members Canyon Lake (payroll \$2M) and Jurupa Valley (payroll \$7.3M), which participate in the ERMA program through PERMA, provided notice last month that they are withdrawing from PERMA on June 30, 2024. While the Cities have stated this is a due diligence exercise, we are proceeding with our budget preparation as if they are leaving the pool.

We have asked that the Cities rescind notice, if they intend to do so, by Friday, March 29. We are hopeful this will provide enough time to add them back into the renewal submissions and/or confirm removal, depending on how our various partners/programs are handling the withdrawal notice.

Please let us know if you need additional information and I hope you have a nice weekend,
Beth

Beth Lyons
PERMA Executive Director
72811 Highway 111 #1014
Palm Desert, CA 92260
[Note: this is a virtual mailbox. Please do not send packages to this address.]
Phone: (760) 258-4255
Email: blyons@permarisk.gov



Please visit www.permarisk.gov for important resources and information.

ADMINISTRATIVE MATTERS

SUBJECT: Consideration of Amendment 1 to the Contract for Administration, Finance, and Litigation Management Services Agreement between ERMA and Sedgwick - *Presented by Rob Kramer, Executive Director*

RECOMMENDATION: *Staff makes no recommendation on this item as it concerns Sedgwick.*

BACKGROUND AND STATUS:

As part of the CAJPA re-accreditation study, it was determined the recent agreement between ERMA and Sedgwick did not include a provision regarding the disclosure of conflicts.

Staff worked with Board Counsel and Sedgwick legal to draft the attached Amendment One to the Agreement for Administration, Litigation Management, and Financial Services in order to rectify this issue.

REFERENCE MATERIALS ATTACHED:

- Amendment One to the Agreement for Administration, Litigation Management and Financial Services.

AMENDMENT TO SERVICE AGREEMENT

This Amendment to Service Agreement dated February 2, 2024 (the “Agreement”), by and between the Employment Risk Management Authority (“ERMA”), and Sedgwick Claims Management Services, Inc. (“Sedgwick”) (ERMA and Sedgwick together the “Parties”), shall modify and amend and be attached to and made a part of that certain Agreement for Administrative, Litigation Management and Financial Services dated July 1, 2023 (the “Agreement”), by and between the Parties.

In consideration of the Agreement recitals and the mutual covenants and conditions contained herein, the Parties acknowledge that the Agreement is hereby modified and amended as follows:

The Agreement is hereby modified and amended to incorporate the following as Section 24 therein:

“24. CONFLICT OF INTERESTS

Sedgwick agrees to disclose to ERMA any actual or apparent conflicts of interest including but not limited to other sources of income. Sedgwick hereby certifies, to the best of its knowledge, that it has no conflict of interest in carrying out the provisions of this Agreement, except as follows: Sedgwick provides full-service program management services including Administration, Risk Management, Financial, and Safety & Loss Control to five members of ERMA (Bay Cities Joint Powers Insurance Authority, California Transit Indemnity Pool, Central San Joaquin Valley Risk Management Authority, Vector Control Joint Powers Agency and Pooled Liability Assurance Network Joint Powers Authority). Sedgwick also provides stand-alone consulting services, risk control, financial management and/or risk management to five additional members of ERMA (Exclusive Risk Management Authority of California, Municipal Pooling Authority, California Intergovernmental Risk Authority, Public Entity Risk Management Authority, and Small Cities Organized Risk Effort.) To the best of Sedgwick’s knowledge no conflict of interest currently exists in Sedgwick’s performance of duties for these agencies with respect to ERMA. Should any conflict, apparent or real, occur in the future, Sedgwick shall immediately notify ERMA in writing.”

All terms and conditions of the Agreement shall otherwise remain the same, except those terms and conditions which have been added, deleted, or modified by the Parties in writing.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed on the dates shown below.

SEDGWICK CLAIMS MANAGEMENT
SERVICES, INC.

EMPLOYMENT RISK
MANAGEMENT AUTHORITY

By _____

By _____

Title _____

Title _____

Dated _____

Dated _____

ADMINISTRATIVE MATTERS

SUBJECT: Review of CAJPA Accreditation Report
Presented by Rob Kramer, Executive Director

RECOMMENDATION: *Staff recommends the Board receive and file the Accreditation Report.*

BACKGROUND AND STATUS:

The California Association of Joint Powers Authorities (CAJPA) is a non-profit organization comprised of more than 150 public entity joint powers authorities in the State of California.

Among its many services, CAJPA sponsors educational programs and conferences and grants an accreditation to joint powers authorities that apply to go through the process and meet CAJPA's model standards. Further, the CAJPA accreditation program promotes fiscally-sound practices of JPAs, and provides industry standards used to evaluate the levels of performance and compliance with the state-required and commonly accepted practices.

Two levels of accreditation are awarded by CAJPA, a full accreditation and an accreditation with excellence. Accreditation is awarded on a three-year basis, and at the conclusion of the third year, the JPA must apply and go through the review process for re-accreditation.

ERMA was awarded its last Accreditation with Excellence in 2020-21 and recently completed the re-accreditation process. ERMA staff has been working with CAJPA Consultant, Mr. James Marta, to complete a full review of ERMA's documents, systems, and practices, to ensure ERMA continues to meet the model standards under the Accreditation Program.

Attached for the Board's review is Mr. Marta's Accreditation Report.

REFERENCE MATERIALS ATTACHED:

- CAJPA Accreditation Report Dated December 5, 2023



California Association
of
Joint Powers Authorities
Accreditation Report
of
Employment Risk Management Authority

CONFIDENTIAL
(See Sections B & C)

Prepared by
James Marta
Consultant
December 5, 2023

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I. BACKGROUND

Description of JPA – The Employment Risk Management Authority (ERMA) began providing coverage, litigation management and loss prevention services to its Members on July 1, 1999. The program now covers approximately 300 public entities throughout California. ERMA is the only statewide risk sharing pool created exclusively to provide broad coverage for employment practices liability with active litigation management and tailored loss preventions services.

ERMA program highlights include:

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

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

1. Live and online trainings with focus on employment related topics, harassment prevention and response which meets the California state mandated requirements.
2. One hour per month of complimentary legal advice from Jackson-Lewis and Liebert, Cassidy Whitmore. Members may access their assigned firm through a toll-free number.
3. Access to a 24/7 employee reporting line, toll-free, third-party reporting.
4. Access to an Annual Grant Fund program where members can submit for reimbursement up to \$2,500 each for employment practices support or training they've implemented during the course of the year.
5. A program to periodically review of personnel policies and procedures of each member .

Composition – ERMA is comprised of 11 Joint Powers Authorities and two individual members totaling 230 underlying members. Not all Members of each JPA participate. The current members are as follows:

| | |
|----------------------|---------------------------------------|
| BCJPIA – 19 Members | CIRA – 52 Members |
| Cal TIP – 10 Members | PERMA – 23 Members |
| CSJVRMA – 42 Members | Plan JPA – 4 Members (6 as of 1/1/24) |
| ERMAC – 3 Members | SCORE – 13 Members |
| MBASIA – 10 Members | VCJPA – 31 Members |
| MPA – 19 Members | Oakland Housing Authority |
| | Contra Costa Housing Authority |

Mission Statement

The Employment Risk Management Authority (ERMA) is a statewide joint powers authority designed to provide broad coverage and tailored loss prevention services to reduce the employment practices liability (EPL) exposures of California public entities.

Program Summary

| Program | Member Retention | Self-Insured Retention | Excess Coverage |
|--------------------------------|-----------------------|------------------------|---|
| Employment Practices Liability | \$25,000 to \$500,000 | \$1 million | \$3M XS of \$1M through RSUI Indemnity and Ascot Specialty with a \$5M per member \$15M per policy year aggregate |
| | | | |

Total Covered Payroll is \$2,242,143,041 (yes \$2 Billion)

Website: ermajpa.org

Service Providers

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

B. Consultant Activities

Data was received from ERMA on October 18, 2023 with follow up information received through November 27, 2023.

C. Purpose / Limitations

This study is conducted for the purpose of the CAJPA Accreditation Committee forming an opinion on the general operations of the JPA in accordance with the accreditation best practices standards.

California Association of Joint Powers Authorities (CAJPA) Accreditation Program reviews the organizational structure and activities of a Joint Powers Authority (JPA), comparing the JPA with best practices standards adopted by the Association believed to be advantageous to the preservation and performance of the individual JPA and JPA's in California as a whole. Accreditation consultant work is conducted solely to assist the CAJPA Accreditation Committee to determine the general operations of a JPA compared with CAJPA Accreditation Standards. CAJPA and the CAJPA Accreditation Committee are responsible for all accreditation decisions. The supporting worksheets and exhibits to

this report are provided to outline the accreditation work performed herein and are not necessarily suitable for any other purpose.

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

This accreditation report cannot be relied upon to disclose errors, irregularities, or noncompliance with laws and regulations, including fraud or defalcations that may exist, or to ensure the sufficiency of programs and coverages, investments, security or disclosures. Although certain consultants or committee members may be involved in reviewing this report or related documents and processes, they are not rendering professional opinions as the scope of this engagement is limited. We have not independently verified the information provided by the JPA contained in this report and we did not perform any procedures regarding the formation, regulatory compliance or operations of the JPA or any related entities.

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

D. Distribution and Use

This report has been prepared solely for the internal use of CAJPA as a guide in determining the applicant's compliance with the CAJPA Accreditation Standards in force at the time of the accreditation review and for the use of the applicant JPA. No parties other than CAJPA acknowledge the sufficiency and appropriateness of the procedures for their purposes; we make no representations regarding the sufficiency or appropriateness of the procedures performed; and we have no responsibility to update this report.

II. FINDINGS AND RECOMMENDATIONS

We find *Employment Risk Management Authority* to be in substantial compliance with current Accreditation Standards. The Accreditation Committee confers continuous accreditation effective with Excellence August 29, 2023 for a period of three years conditional on the following requirements being met.

A. Full Accreditation Requirements

I. GOVERNING DOCUMENTS AND ADMINISTRATIVE CONTRACTS

Requirement 1

- E. The JPA has written contracts with firms or individuals that provide program administration services, insurance brokerage services, claims administration services, or have access to JPA funds. Such contracts shall include: (Mandatory)
1. Scope of services of the contractor;
 2. Indemnification and insurance requirements; *(A fidelity bond is required for any contractor that has access to JPA funds. If coverage doesn't cover forgery and alteration then it would not be sufficient coverage; or is employee dishonesty enough. Optional for consultant to add as a recommendation if they believe this is a concern.)*
 3. Compensation;
 4. Term of Agreement;
 5. Contract cancellation provisions;
 6. Ownership of records;
 7. Duty to disclose conflicts of interest including but not limited to other sources of income; and *(Suggest consultant inquire if there is a process to provide for this disclosure but this is not a standard requirement and may just be a suggestion.)*
 8. Language addressing how and by whom fines and penalties are to be paid (applies to workers' compensation third party claims administrators only).

The Sedgwick administrative contract did not include a provision requiring disclosures of conflicts.

Requirement 2

- F. The JPA has certificates of insurance on file evidencing coverage required in contracts under E., above. (Mandatory) *(Consider writing a suggestion for the pool to have a process to collect and review these if they do not have them on file and must collect them during the study.)*

The Alliant broker contract we did not see evidence of insurance.

II. GOVERNMENT RULES

Requirement 3

F.3 If the JPA has a website, the website must contain or link to the annual compensation report for the JPA. (Mandatory) GC 53908

IX. Underwriting

Requirement 4

1. The JPA has established a written underwriting policy. This policy should include the following (mandatory):
 - b. Address suitability or fit of member
Shouldn't the policy also address ongoing underwriting not just new members?

Requirement 5

- c. There is an objective contribution allocation formula (mandatory)
(Addresses both new and existing members)

These items are addressed in the MPD- underwriting document should have this information or refer to the MPD.

B. Accreditation with Excellence Requirements

I. GOVERNING DOCUMENTS AND ADMINISTRATIVE CONTRACTS

Requirement 1

16. Provision for the resolution of nonclaim disputes (Excellence)
We reviewed the draft policy, pending board approval.

X. Underwriting

Requirement 2

5. Underwriting considers the target net assets (Excellence)
May include a dividend & assessment formula.

Part of financial Stability policy, underwriting, rates, budget, and financial position considered when setting rates. Should refer to MPD

C. Suggestions

Suggestion 1

I. GOVERNING DOCUMENTS AND ADMINISTRATIVE CONTRACTS

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

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

Suggestion #2

CAJPA has adopted a new standard for Enterprise Risk Management beginning January 1, 2021. This new standard is demonstrative.

To determine that the JPA has an ongoing process to identify major overall risk areas for the JPA and a plan reduce these risks to a relatively low level.

The JPA leadership has identified the relevant; policies, procedures, people, systems, training and monitoring to address first level risks in each of these three areas. A plan should be developed to

- a. Identify the major risks
- b. Develop a plan to reduce the risk to a “relatively low level.”
- c. Implement the plan
- d. Monitor and develop plans to address next level risks.

(Note must have a plan in process. It doesn't have to be fully implemented) The plan must be in writing and approved by the proper level of governance (Demonstrative).

We suggest you review this standard and develop and document an enterprise risk management process to meet this new standard.

We look forward to receiving the information documented in the requirements listed above and following through to grant *Accreditation with Excellence* to *Employment Risk Management Authority*.

Respectfully submitted,

Committee Chair

California Association of Joint Powers Authorities (CAJPA)

ACCREDITATION WORKSHEETS

As of January 1, 2021

Key:

√ = Satisfactory (Meets or Exceeds Standards)
U = Unsatisfactory (Does Not Meet Standards)
? = Unable to Determine
N/A = Not Applicable
S = Suggestion

I. GOVERNING DOCUMENTS AND ADMINISTRATIVE CONTRACTS

Objective

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

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

| CRITERIA | STATUS | DISCUSSION |
|--|--------|---|
| 5. §6512 or Sec. 6512.2 “requires that the agreement provide that any surplus money on hand after the completion of its purpose shall be returned in proportion to the contributions made.” Or may, in the alternative, in proportion to contributions made and claims or losses paid. (Mandatory) | √ | JPA Agreement Article XXIV Termination & Distribution |
| C. The following are described in appropriate governing documents (agreement, bylaws, resolutions, master plan documents, memorandums of coverage, memorandums of understanding, adopted board policies or other similar documents): | | DOCUMENTS IN WHICH ITEM CAN BE LOCATED |
| 1. Eligibility criteria; (Mandatory) | √ | JPA Agreement Article XX new members |
| 2. Procedure for electing officers; (Mandatory) | √ | Bylaws Article VI |
| 3. Terms of office; (Mandatory) | √ | Bylaws Article VI |
| 4. Record retention policy; (Mandatory) | √ | Res 2010-4 |
| 5. Power and duties of Board; (Mandatory) | √ | JPA agreement Article II |
| 6. Indemnification for liability; (Mandatory) <i>The governing documents address that anyone acting in their official capacity (board/committee) is indemnified by the JPA or (not) to eliminate gray area. Employees are already covered under Gov. Code.</i> | √ | JPA Agreement Article XXIX |
| 7. Provisions for dissolution of pool; (Mandatory) <i>There is a process specified for the members to elect to dissolve the pool.</i> | √ | JPA agreement XXIV |
| 8. Provisions for financial audits; (Mandatory) | √ | JPA Agreement Article XV |
| 9. Provisions for actuarial studies; (Excellence) | √ | Master Program agreement Article I Section B |
| 10. Provisions for claims audits; (Excellence) | √ | Master Program agreement Article VI B |
| 11. Provisions for assessments & distributions; (Mandatory) | √ | JPA Agreement Article XVIII and Master Program Document |
| 12. Provisions for member withdrawal from a program or JPA as a whole. These provisions shall include: <ul style="list-style-type: none"> • Notice requirements (<i>recommend board resolution for withdrawal from JPA; resolution to get in, resolution to get out</i>) • Financial obligations and entitlements, i.e. responsibilities for future assessments or rights for future dividends. (Mandatory) | √ | JPA Agreement Article XXI |

| 13. Provisions for termination of JPA members (such as the right to cancel for non-payment of premiums, underwriting problems, or the failure to adequately control risks); (Mandatory) | √ | JPA Agreement XXII |
|---|--------|---------------------------------------|
| 14. Provision for a meeting of the board at least annually; (Mandatory) <i>(The board will meet at least annually, not an annual meeting according to Roberts Rules of Order.)</i> | √ | Bylaws Article VII |
| CRITERIA | STATUS | DISCUSSION |
| 15. Provision for the resolution of coverage and claims disputes with its members; (Mandatory) | √ | Master Program Document Article VI E. |
| 16. Provision for the resolution of nonclaim disputes (Excellence) | U | Reviewed draft policy |
| 17. Provision for obligations of members. (Mandatory) <i>The governing documents identify obligations of members, e.g.</i> <ul style="list-style-type: none"> • <i>Payment of contributions</i> • <i>Representative for board</i> • <i>Provide requested data</i> | √ | JPA Agreement, Article VII |
| D. Governing Documents and Prior Accreditation Report: | | |
| 1. The JPA is in substantial compliance with its governing documents. (Mandatory) | √ | |
| 2. The JPA Governing Board has reviewed the prior Accreditation Report for findings and recommendations. (Mandatory) | √ | February 11, 2021 |

| <p>E. The JPA has written contracts with firms or individuals that provide program administration services, insurance brokerage services, claims administration services, or have access to JPA funds. Such contracts shall include: (Mandatory)</p> <p>9. Scope of services of the contractor;</p> <p>10. Indemnification and insurance requirements; <i>(A fidelity bond is required for any contractor that has access to JPA funds. If coverage doesn't cover forgery and alteration then it would not be sufficient coverage; or is employee dishonesty enough. Optional for consultant to add as a recommendation if they believe this is a concern.)</i></p> <p>11. Compensation;</p> <p>12. Term of Agreement;</p> <p>13. Contract cancellation provisions;</p> <p>14. Ownership of records;</p> <p>15. Duty to disclose conflicts of interest including but not limited to other sources of income; and <i>(Suggest consultant inquire if there is a process to provide for this disclosure but this is not a standard requirement and may just be a suggestion.)</i></p> <p>16. Language addressing how and by whom fines and penalties are to be paid (applies to workers' compensation third party claims administrators only).</p> <p><i>(For investment advisor contract see V-H)</i></p> | <p>U</p> | <p>Refer to Exhibit 4 Below</p> |
|---|------------|--|
| <p>F. The JPA has certificates of insurance on file evidencing coverage required in contracts under E., above. (Mandatory) <i>(Consider writing a suggestion for the pool to have a process to collect and review these if they do not have them on file and must collect them during the study.)</i></p> | <p>U</p> | |
| CRITERIA | STATUS | DISCUSSION |
| <p>G. If the JPA offers employee benefit programs to member agencies, a written plan description must be provided to covered employees. (Mandatory)</p> | <p>N/A</p> | |
| <p>H. The JPA keeps minutes of all meetings of its governing body and standing committees. (Mandatory)</p> <ul style="list-style-type: none"> <i>Minutes are maintained in conformance with the Brown Act as amended where a record of how each member has voted is maintained as required under G.C. Section 54953(c)(2)</i> | <p>√</p> | |

Exhibit 4
Contracts with Major Service Providers

| Name of Contractor | Scope Of Services | Indemnification & Insurance <i>Fidelity bond if they write checks</i> | Compensation | Term | Cancellation | Ownership of Records | Disclosure of conflicts of interest and other sources of income | Fines & Penalties W/C only |
|--------------------|---|--|--------------|------|--------------|----------------------|---|----------------------------|
| Sedgwick | JPA Administration, Accounting and claims | √ | √ | √ | √ | √ | U, not duty to disclose conflicts not evident. | N/A |
| Alliant | Insurance Brokerage Services | √ need evidence of ins | √ | √ | √ | √ | √ | N/A |

II. GOVERNMENT RULES

Objective

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

| CRITERIA | STATUS | DISCUSSION |
|--|------------|------------|
| <p>A. The JPA has filed a notice of its joint exercise of powers agreement and any amendments or membership changes with the Secretary of State identifying (GC 6503.5): (Mandatory)</p> <ol style="list-style-type: none"> 1. The name of each member; 2. The effective date; 3. The purpose or power to be exercised; and 4. A description of the amendment, if any. <p><i>If the name of the JPA changes, counsel may be asked whether a new JPA agreement must be signed.</i></p> <p><i>Required if you add a new member or delete a member</i></p> <p><i>Notice must be filed within 30 days of amendment or member changes</i></p> | √ | no changes |
| <p>B. The JPA has made the necessary Public Agency Roster filing with the Secretary of State and county clerks in the counties in which the JPA has offices. (G.C. 53051) (Mandatory)</p> <p><i>Filing required when board members or location changes.</i></p> | √ | |
| <p>C. The JPA has adopted a Conflict of Interest Code, formally reconsiders it prior to October 1st of all even-numbered years, and oversees any required filings of the Statements of Economic Interest with the Fair Political Practices Commission or the designated filing agent. (G.C. 87306.5) (Mandatory)</p> <p><i>If the filing office is not perceived to be a governmental facility and accessible to the public, the JPA is required to send originals to the FPPC and retain copies. Review with the FPPC.</i></p> <p><i>If the Executive Director has provided waivers these waivers should be documented. If the JPA did not document such waivers then this would be a suggestion the first time and a requirement in future accreditations.</i></p> | √ √ | |
| <p>D. If the JPA is subject to Education Code 17566(e) it procures triennial actuarial studies on its employee benefit programs. (Mandatory) (Provision for community college districts Education Code Section 81602 actuarial study under ERISA)</p> | N/A | |
| <p>E. The JPA's governing body approves its annual budget. (G.C. 6508) (Mandatory)</p> | √ | |

| F.1 The JPA has filed the "Special Districts Financial Transactions Report" with the State Controller/Division of Local Government Fiscal Affairs Special District Unit. (GC 53891) (Mandatory) | √ | Need copy of filing and evidence of filing. |
|--|--------|---|
| CRITERIA | STATUS | DISCUSSION |
| F.2 The JPA has filed the annual compensation report with the State Controller's office. (Mandatory) GC 53892 (I) | √ | |
| F.3 If the JPA has a website, the website must contain or link to the annual compensation report for the JPA. (Mandatory) GC 53908 | U | Needs to be publicly available. Did not see it on or linked to website |
| G. The JPA has filed its Audited Financial Statement with <ul style="list-style-type: none"> the State Controller and, the county auditor of the county where the home office of the JPA is located within 12 months of the end of each fiscal year. (G.C. 6505 (c)) (Mandatory) | √ √ | |
| H. JPA and/or members have valid certificate(s) of consent to self-insure Workers' Compensation (Labor Code Section 3700) and files any changes in claims administrators (8Cal Code Regs Sec.15402) and the necessary annual reports with the Dept. of Industrial Relations on or before October 1st of each year. (Labor Code 3702.2) (Mandatory) (<i>This does not apply to excess pools.</i>) Including evidence that they have filed the OSIP form J-1. The consultant can confirm this online with the Office of Self-Insured Plans https://www.dir.ca.gov/osip/PublicEntitiesAndJPA.htm | N/A | P-1 for TPA AR-2 |
| I. Meetings and Meeting Notices | | |
| 1. The JPA properly posts meeting notices and, (Mandatory) <i>Board and standing committees. Check for ADA posting requirements. Note, the Attorney General has determined that valid posting means available to view 24/7 (consider posting on outside window). Agendas must be posted to the JPA website.</i> <i>Ensure notices are provided for teleconferencing as necessary including proper posting requirements.</i> | √ | Describe how this is done Virtual meeting; all sites post where they post their notices. |
| 2. Conducts its meetings in accordance with the Brown Act. (G.C. 54954.2, G.C. 54953.2 and 42 U.S.C. 12132) (Mandatory) | √ | |
| J. JPA's that self-insure medical benefits annually file a copy of their audit with a declaration to the Department of Managed Health Care as required for exemption from Knox-Keene requirements. (Code of Civil Procedures 2015.5) (Mandatory) | N/A | |

III. INSURANCE AND COVERAGES

Objective

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

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

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

| CRITERIA | STATUS | DISCUSSION |
|---|--------|---|
| C. For the risk excess of that retained by the JPA. The JPA evaluates its insurers, excess insurers, reinsurers and risk pools for coverage continuity, quality, stability, and financial solvency. (Mandatory) <i>(Review of current and past insurers due to outstanding claims. See process for evaluating excess insurers and excess risk pools and reinsurers document)</i> <i>Suggest that insurance carriers current and past be reviewed; this review may include current ratings and any solvency issues.</i> <i>Suggest that any pooling arrangements entered into that the pool be reviewed annually to evaluate the financial condition and if the pool is accredited.</i> | √ | Broker reviewed when started with carrier. Broker reviews. Suggest you have Alliant present this analysis |
| D. For risks covered by the JPA, the JPA maintains sufficient evidence of coverage by way of excess or reinsurance as applicable: | | |
| a. Workers Compensation | N/A | |
| b. Property | N/A | |
| c. Liability | √ | RSUI |
| d. Fiduciary Liability | N/A | |
| e. Auto Liability (if separate) | N/A | |
| f. Health Benefits and related | N/A | |
| Fiduciary Liability <i>Required for self-funded health and welfare plans</i> <i>(May review public officials Errors and Omissions coverage, look at exclusions (if it only excludes ERISA then that doesn't exclude government entities)</i> <i>A standard commercial general liability policy doesn't extend to fiduciary coverage.)</i> | N/A | |
| E. The JPA keeps all memoranda of coverages and insurance policies permanently on file. (Mandatory) | √ | |
| F. The JPA maintains and distributes coverage agreements and insurance policies as appropriate. (Mandatory) | √ | website |

IV. ACCOUNTING & FINANCE

Objective

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

| CRITERIA | STATUS | DISCUSSION |
|--|--------|---------------------------|
| <p>A. The JPA materially adheres to all applicable GAAP, GASB, and other accounting standards. (Mandatory)</p> <p><i>Noncompliance examples:</i></p> <ul style="list-style-type: none"> • Not recording IBNR • Unrecorded ULAE (material) • Inadequate disclosures (Required Supplementary Information (RSI) #1, by line of coverage and RSI #2) loss development by line of coverage and disclosure of ceded insurance. • Inappropriate application of GAAP, (such as recording equity in another pool) (cannot be cured by disclosing the policy and limitations) • Liabilities not fairly stated (materially overstated; • Don't record above expected, any additional should be recorded as a designation of retained earnings). • GASB 31, market value of investments • GASB 40 Custodial Credit Risk Disclosures • GASB 68 Pension Liabilities • GASB 75 Other Post-Employment Benefits • Asset Impairments • Related Party Transactions • Extraordinary Items • Prior Period Adjustments • Contingent Liabilities • Recording reinsurance recoveries when received instead of netting out of claims expense when paid and setting up as a receivable. • The MD&A is sufficient <p><i>(Consultant will review above irrespective of auditor's opinion)</i></p> | √ | Need copy of audit report |
| <p>B. The JPA issues to its members periodic financial reports at least annually or more frequently if required by its governing documents. (Mandatory)</p> | √ | |
| <p>C. Financial Audits</p> | | |
| <p>1. The JPA has undergone annual independent financial audits conducted by a CPA in accordance with generally accepted auditing standards, a report of which has been made available to all members as required by its governing documents. (Mandatory)</p> | √ | |

| CRITERIA | STATUS | DISCUSSION |
|--|--------|------------|
| 2. If the JPA has received an opinion other than an unmodified opinion on the audit of its financial statements, the JPA governing board has satisfactorily addressed any such qualifications of opinion, audit exceptions or negative statements. (Mandatory) | N/A | |
| 3. The independent auditor shall include a report on internal controls. (Mandatory) <i>(Issue a report on internal control and compliance for governmental auditing standards or an internal control report under Statement on Auditing Standards 115 to meet this.)</i> | √ | |
| 4. If a management letter or report on internal controls has been issued, the JPA governing board has addressed any recommendations. (Mandatory) | N/A | |
| D. Unpaid Claim Liabilities | | |
| 1. The JPA has assets sufficient to pay all unpaid claims liabilities and maintains a reasonable contingency margin. The determination of whether there is a reasonable margin for contingencies will include consideration of investment income, excess of loss insurance, aggregate stop loss insurance, assessability, size of program, volatility of risk, tolerance of membership, disclosure to board and any other relevant factors. (Excellence) <i>(If there is a deficit and the board has made an assessment, the receivable is recorded to offset the deficit.)</i> | N/A | |
| 2. If the JPA does not currently have sufficient assets to pay unpaid claims liabilities, it has a reasonable financial plan in effect that will generate sufficient revenues to pay all unpaid claims liabilities and to establish a contingency margin. (Mandatory) | N/A | |
| For both D (1) and D (2) above, unpaid claims include: (Mandatory) a. Case reserves for reported claims; b. Incurred but unreported claims; c. Expected loss development; and, d. Allocated & unallocated loss adjusting expenses. | N/A | |
| 3. JPAs with a self-funded medical benefit plans must fund at a level sufficient to cover expected claims, including the run-out, plus a reasonable contingency for adverse experience. Absent any acceptable evidence to the contrary, the contingency for adverse experience shall be set at an amount equal to or greater than the expected run-out of claims. (Mandatory) | N/A | |
| 4. JPA's with self-funded benefit plans other than medical must fund such programs at a level sufficient to cover expected claims and projected run-out, plus a reasonable contingency for adverse experience. (Mandatory) | N/A | |

| CRITERIA | STATUS | DISCUSSION |
|--|--------|---|
| E. The JPA's current contribution levels for each self-funded program is in concert with Section D, above. (Mandatory) | N/A | |
| F. The JPA has adopted a target equity policy and considers it when evaluating funding and dividends. (Mandatory) <i>(For sample targets see target equity worksheet)</i> | √ | Financial Stability Plan, adopted February 2018 |
| G. Management provides those with governance a five-year summary of: a. The rate setting confidence level by policy year and program (Excellence) b. The equity targets by program and policy year (Excellence) <i>Recommend you show the targets to your equity and demonstrate strengthening or erosion. Show board progression overtime.</i> | √ | Benchmarking results 2023 |
| H. The JPA rate funding at the 80% confidence level or describes why this level is not needed; due to: (Excellence) a. Nature of the program and retentions (explain) b. Met or exceed target equity (explain) c. Has a retrospective assessment process in place (explain) <i>Actuary Guidance Funding:</i> <u>Primary Programs</u> 70% = Marginally Acceptable 75%-85% = Recommended 90% = Conservative <u>Excess Programs</u> 75% = Marginally Acceptable 80%-90% = Recommended 95% = Conservative <i>In cases where the loss estimates are less than the SIR (e.g. expected is \$500K, SIR is \$1M), I typically recommend setting aside a multiple of the SIR or layer exposure (e.g. 5 times) since the CL estimates are not sufficient for surplus protection.</i> | √ | |
| I. Any JPA with non-risk sharing program(s) must clearly indicate in the governing documents the financial and operational structure of such program(s). (Mandatory) <i>To be considered as a W.C. non-risk sharing program, it must not be operating under a master workers' compensation certificate filed with the State Dept. of Self-Insurance Plans.</i> | N/A | |
| In lieu of funding standards contained in Section E above, a non-risk sharing program must: | | |
| 1. Calculate and communicate the individual member net asset balances and liabilities to the members annually. | N/A | |

| | | |
|--|-----|--|
| 2. Be sufficiently assessable to ensure that program's cash flow needs are met. | N/A | |
| 3. Demonstrate that it has adequate cash on hand to meet future claims costs. | N/A | |
| J. The JPA maintains a suitable management information system that includes premium computation methods and/or allocation formulas. (Mandatory). | √ | |

V. INVESTMENT OF FUNDS

Objective

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

| CRITERIA | STATUS | DISCUSSION |
|---|--------|------------|
| A. The JPA has a written investment policy that contains: (Mandatory) <i>Required for all, even if they only have money in LAIF and or County Treasury.</i> | | |
| 1. A statement of objectives as required by G.C. § 53646 | √ | |
| 2. Description of permitted investments, which must be in conformity with California G.C. §53601 and reasonable under "prudent investment rule." | √ | |
| 3. The written investment policy is reviewed annually by governing body or an investment committee pursuant to California G.C. § 53646(a). | √ | |
| 4. The JPA provides evidence that the governing body or an investment committee periodically considers diversification of risk as to type of investment and individual institution. (Mandatory) | √ | |
| B. The JPA invests its funds in conformity with GC §53601. (G.C. 6509.5) (Mandatory) | √ | |
| C. The JPA has in place internal controls that include: (Mandatory) <i>Government pooled funds excepted.</i> | | |
| 1. Separation of functions (buying and selling of securities is separate from accounting and reporting of transactions) if the size of the staff can accommodate this; | √ | |
| 2. Separate verification of all transactions; and | √ | |
| 3. Written documentation of procedures. | √ | |
| D. If the Treasurer has the authority to reinvest, sell and exchange securities: | | |
| 1. The JPA makes such delegation of authority annually. (G.C. §53607). (Mandatory) | √ | |
| 2. The Treasurer renders a monthly report of investment transactions to the governing board. (G.C. 53607). (Mandatory) | √ | |

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

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

| CRITERIA | STATUS | DISCUSSION |
|---|--------|------------|
| 4. The advisor sends monthly reports to the JPA containing information described in Section D above. (Mandatory) | √ | |
| 5. The advisor reports at least quarterly an evaluation including total rate of return and a comparison of the pool's total rate of return to reasonable benchmarks (i.e., U.S. Treasury securities, an index comprised of Treasuries, or LAIF). (Excellence) | √ | |
| 6. The investment advisor carries Investment Advisor Professional Liability Insurance with a per <u>claim</u> /aggregate limit of at least \$1,000,000. (Mandatory) | N/A | |
| I. JPA's that place their investments in or through County or State investment pools, or in FDIC insured contracts will issue quarterly reports to the governing body, chief financial officer, and auditor in accordance with G.C. §53646 (e). (Mandatory) | √ | |

VI. FUNDING AND ACTUARIAL STANDARDS

Objective

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

Programs: Liability

| CRITERIA | STATUS | DISCUSSION |
|--|--------------------------------|---|
| A. The JPA has had property or casualty (including W.C.) actuarial study(ies). Such study was conducted by a Member of the American Academy of Actuaries and addressed all of the relevant items in Sections IV. E and IV. F. Such study(ies) shall be conducted within the last three years (Mandatory) or annually. (Excellence). <i>(The actuary should be conducted for major programs, if a pool is in run-out it still should have an actuary study, unless as determined by the committee the risk and variability has sufficiently diminished. Such considerations would be; line of coverage, the risk layer retained, whether the pool is an excess layer pool, the variability inherent in the claims and how the claims are developing.)</i> | √ | EPL Program Bickmore Actuarial Mark Priven April 7, 2023 |
| B. The actuary provides claim funded factors or measures for the: <ul style="list-style-type: none"> a. Expected level (Mandatory) b. 70% confidence level (Mandatory) c. 80% confidence level (Mandatory) d. 90% confidence level (Mandatory) e. At least one of the factors below or similar: <ul style="list-style-type: none"> 98% confidence level (1:50) (Excellence) 99% confidence level (1:100) (Excellence) 99.5% confidence level (1:200) (Excellence) <i>This information would be valuable for long-term risk financing and meeting forever pool benchmarks and goals.</i> | √ √ | The higher confidence levels are being requested from actuary |
| C. If loss reserves requirements were computed on a discounted (present value) basis, the payout pattern and projected rate of return were reasonable. (Mandatory) <i>Is the discount rate reasonable given; current cash and investment balances, accounts receivable or deficit balances, or the character of the assets such as buildings?</i> | √ | 1.5 % discount |
| D. If the JPA has a self-funded medical benefit plans, it must conduct an independent rate study and fund level evaluation, including consideration of a reasonable contingency margin for adverse experience. Such study shall be conducted within the last 36 months. (Mandatory). | N/A | |

| | | |
|---|------------|--|
| <p>E. If JPA has other miscellaneous self-funded programs (such as dental, vision, long-term disability or life), it must conduct independent rate studies and fund level evaluations within the last 36 months by an actuary (Mandatory) <i>note this is a requirement for education JPA's under AB 1200 Chapter 1213.</i></p> | <p>N/A</p> | |
|---|------------|--|

VII. RISK CONTROL

Objective

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

| CRITERIA | STATUS | DISCUSSION |
|--|--------|--|
| A. JPAs are active in promoting risk control principles among their member agencies. This shall include the following: (Compliance with two or more is required) <i>Not applicable for benefit programs.</i> (Mandatory) | | |
| 1. Promoting a risk transfer policy that addresses additional insured's, minimum insurance limits and proof of suitable insurance coverage. | N/A | |
| 2. Establishing risk control standards for the significant exposures of its member agencies. <i>For liability and property.</i> | | Offer service to contact attorney if there is personnel action or termination. |
| 3. Prioritizing the use of its risk control resources, based on such factors as; (a) loss ratios, (b) frequency, and (c) severity rates. | √ | Risk assessment for members over past 3-5 years |
| 4. Offering risk control assistance to its member agencies, including (a) conducting or facilitating risk control inspections, (b) investigating large losses, (c) conducting risk control training for its member agencies, and/or (d) providing wellness and/or employee assistance program. | √ | EPL only, employee protection line to call. Attorney hotline Online training for mandated training In person training once per year Grant fund \$2,500 Review personnel policies and procedures. Training Database - ERMANET |
| 5. Providing or facilitating the procurement of appraisal services, in order to maintain accurate records of its members' property components and values. | N/A | |
| B. The JPA's budget provides for the above. (Mandatory) | √ | |
| C. The JPA maintains a suitable management information system that includes: (Mandatory) | | |
| 1. Relevant information about type and quantity of exposures being assumed. | √ | Data base – spreadsheet. |
| 2. Relevant information about the type, number and cause of accidents resulting in claims against its member agencies. | √ | |

VIII. CLAIMS MANAGEMENT

Objective

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

Program: Liability

| CRITERIA | STATUS | DISCUSSION |
|--|--------|---|
| A. The JPA has established a suitable claim's management system. Excess JPA's must have a process to monitor primary claims handled by, or for, its member agencies. (Mandatory) | √ | |
| B. The JPA has established a litigation management program. (Mandatory) <i>Evidence of this may include</i> <ul style="list-style-type: none"> • Budget • Written plan for litigation on each litigated case • Guidelines for oversight of litigation • Contracts with attorneys <i>Although the above may not be applicable for excess pools; does the excess pool</i> <ul style="list-style-type: none"> • have oversight only over primary layer litigation? • assign associate defense counsel? • ensure the primary pool or covered party has a litigation program? | √ | |
| C. The JPA has conducted a claims audit on each significant self-funded program within the last 2 years. Significant self-funded programs shall include W.C., liability, and medical malpractice. (Excellence) <i>(A periodic Profile Audit Review (PAR) audit may be acceptable replacement on a self-administered program (in-house administration) however; this audit does not have the same scope in review of reserves).</i> The audit should be conducted by a qualified claims auditor, independent of the JPA, the claims administrator and the insurers, and should determine whether or not: | √ | Farley Consulting Services, LLC. June 28, 2023 |
| 1. Claims are handled in a timely and organized manner; | √ | |
| 2. The claims administrator adequately communicates with the JPA, its members, and the claimants; | √ | |
| 3. Case reserving practices are reasonable; | √ | |
| 4. Loss experience reports accurately reflect the case reserves and the payments. As an alternative, this determination may be made during the financial audits required in Section IV. C. of these Accreditation Standards. | | Determined during audits |

| CRITERIA | STATUS | DISCUSSION |
|--|--------|------------------------------------|
| 5. The JPA is receiving quality claims services. General evidence of this may be indicated from the following: | | |
| a. Staffing levels are adequate in relation to caseloads; | √ | |
| b. Adjusters identify claims with subrogation potential; | | |
| c. Excess insurers are notified of claims with excess potential; | | |
| d. Litigated claims are adequately managed; | √ | |
| e. Coverage is verified; and | √ | |
| f. Adequate investigations are performed. | √ | |
| D. The JPA has addressed all major recommendations and significant findings included in the audit report. <i>Consideration of a future standard: (An excess pool has a process of reviewing primary layer claim audit results and follow-up with members) (Mandatory)</i> | N/A | |
| E. The JPA maintains a management information system that includes relevant information about the type, number and cost of claims being reported and adjusted. (Mandatory) | √ | |
| F. If the JPA provides employee benefit plans for its members, it must have an appeals process for handling claims and/or coverage related disputes. (Mandatory) | N/A | |
| G. The JPA has a written policy addressing settlement authority (Mandatory) | √ | Master Plan Document, Article VI D |

XI. Underwriting Objective

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

| CRITERIA | STATUS | DISCUSSION |
|---|--------|--|
| I. Underwriting Objectives <i>This applies to rating individual members and overall program management</i> | | |
| d. The JPA has established a written underwriting policy. This policy should include the following (mandatory): <i>This should be a written policy approved by the board</i> | | |
| a. A definition of the underwriting function / mission | √ | |
| b. Address suitability or fit of member | U | Shouldn't the policy also address ongoing underwriting not just new members? |
| c. As applicable considers i. Claims ii. Exposures iii. Actuarial results | √ | |
| d. Defines relevant period or value of data. (last 5 years; or capped at \$150,000) | √ | |
| e. There is an objective contribution allocation formula (mandatory) (Addresses both new and existing members) | | |
| a. It identifies the components in writing as part of the policy | U | Should refer to MPD In MPD |
| b. The policy identifies guidelines for credits or debits, if any | N/A | |
| 3. There is an approval process for new members by board or who they delegate this approval. (mandatory) | √ | |
| 4. The underwriting policy is formally reviewed periodically or at least once every three years. (Mandatory) (a fresh look at the formulas) This review should consider: | | |
| a. Is the process adequately measuring the risks? (Mandatory) | √ | |
| b. Is the process adequately allocating costs? (Mandatory) | √ | |

| | | |
|---|---|--|
| 6. Underwriting considers the target net assets (Excellence) May include a dividend & assessment formula | U | Part of financial Stability policy, underwriting, rates, budget, and financial position considered when setting rates. Should refer to MPD |
|---|---|--|

XII. OPERATIONS AND ADMINISTRATIVE MANAGEMENT

Objective

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

| CRITERIA | STATUS | DISCUSSION |
|---|--------|------------------|
| A. The JPA conducts an effective strategic planning process to guide its future efforts. This should include an analysis of the environmental trends and the organizational strengths, weaknesses, opportunities and threats. Such a process may also include the following: (Excellence) | √ | February 2, 2023 |
| 1. A survey of member expectations and related perceptions; (either formally or informally) | | |
| 2. A mission statement with supporting goals, objectives and tasks. | √ | |
| 3. Consideration of the target equity policy. | √ | |
| B. The JPA regularly communicates with its member entities. Such communication may include (Mandatory) <i>One or more or related communication efforts with members</i> | | |
| 1. Annual reports, newsletters, or similar media; | √ | |
| 2. Notice of major policy issues; | | |
| 3. Periodic workshops, seminars, or similar educational activities; | √ | |
| 4. Surveys of its member agencies, its service providers, and staff. | | |
| 5. JPA website for communication with members | | |
| C. The JPA governing board and staff are actively involved in education and training programs. Such involvement may be indicated by the following: (Excellence) | | |
| 1. Participation in one or more of the following organizations: | | |
| a. CAJPA (California Association of Joint Powers Authorities) | √ | |
| b. PARMA (Public Agency Risk Managers Association) | √ | |
| c. PRIMA (Public Risk Management Association) | | |
| d. CPCU Society (Chartered Property and Casualty Underwriters) | | |
| e. RIMS (Risk and Insurance Management Society) | | |

| CRITERIA | STATUS | DISCUSSION |
|---|--------|-------------------|
| f. CASBO (California Association of School Business Officials) | | |
| g. COSIPA (Council of Self-Insured Public Agencies) | | |
| h. CSIA (California Self-Insurers Association) | | |
| i. PASMA (Public Agency Safety Management Association) | | |
| j. AGRiP (Association of Governmental Risk Insurance Pools) | | |
| k. IEA (Insurance Educational Association) | | |
| l. ASSE (American Society of Safety Engineers) | | |
| m. SCIC (Society of Certified Insurance Counselors) | | |
| 2. Top management has attended at least two professional conferences or seminars in the preceding 12 months. | √ | |
| 3. The governing body members participate in training such as; governance training, pool management or risk management training. | √ | |
| 4. There is formal training of all key personnel. <i>(As needed)</i> | √ | |
| 5. The JPA's budget provides for the above participation and training. | √ | |
| D. The JPA has developed and implemented processes and procedures relating to protection of electronic data, including: | | |
| 1. A suitable security and back-up system for all stored data. (Mandatory) | √ | |
| 2. A written policy with respect to: | | |
| a. Disaster recovery (Mandatory) | √ | |
| c. Data backup and recovery (Mandatory) | √ | Resolution 2017-3 |
| b. Physical and electronic data security (Mandatory) | √ | Resolution 2017-3 |
| c. Electronic data retention (Mandatory) | √ | Resolution 2017-3 |
| d. Protection of electronic data as required by Health Insurance Portability and Accountability Act of 1996 (HIPAA), as applicable. (Mandatory) | √ | Resolution 2017-3 |

XI. ENTERPRISE RISK MANAGEMENT

OBJECTIVE

Demonstrative for the first cycle to make this part of the conversation management has with the board; the goal would be to make this demonstrative for a three- year cycle beginning January 1, 2021 then after this section will be for the excellence standard.

To determine that the JPA has an ongoing process to identify major overall risk areas for the JPA and a plan reduce these risks to a relatively low level.

The JPA leadership has identified the relevant; policies, procedures, people, systems, training and monitoring to address first level risks in each of these three areas. A plan should be developed to

- e. Identify the major risks
- f. Develop a plan to reduce the risk to a “relatively low level.”
- g. Implement the plan
- h. Monitor and develop plans to address next level risks.

(note must have a plan in process. It doesn't have to be fully implemented) The plan must be in writing and approved by the proper level of governance (Demonstrative).

The primary headings identified that must be addressed:

| CRITERIA | STATUS | DISCUSSION |
|--|--------|------------|
| I. Member Understanding and Value - Meeting member needs through various cycles. | | |
| a. Identify the major risks (demonstrative/excellence) | S | |
| b. Develop a plan to reduce the risk to a “relatively low level.” (demonstrative/excellence) | S | |
| c. Implement the plan (demonstrative/excellence) | S | |
| d. Monitor and develop plans to address next level risks (demonstrative/excellence) | S | |
| II. Funding, Capitalization and Risk Financing Structure - Board not adequately funding and capitalizing a program. | | |
| a. Identify the major risks (demonstrative/excellence) | S | |
| b. Develop a plan to reduce the risk to a “relatively low level.” (demonstrative/excellence) | S | |

| | | |
|--|---|--|
| c. Implement the plan (demonstrative/excellence) | S | |
| d. Monitor and develop plans to address next level risks. (demonstrative/excellence) | S | |
| III. Operations and Operational Interruption. | | |
| a. Identify the major risks (demonstrative/excellence) | S | |
| b. Develop a plan to reduce the risk to a “relatively low level.” (demonstrative/excellence) | S | |
| c. Implement the plan (demonstrative/excellence) | S | |
| d. Monitor and develop plans to address next level risks. (demonstrative/excellence) | S | |
| <i>The plan should be designed to reduce to a relatively low risk that events in these areas would significantly put the pool at risk.</i> | | |

ADMINISTRATIVE MATTERS

**SUBJECT: Review and Consideration of Other Administrative Items Arising
from the Annual Workshop Discussions
*Presented by Rob Kramer, Executive Director***

RECOMMENDATION: *Staff recommends the Board provide direction
or take action as necessary related to any ERMA Administrative
items.*

BACKGROUND AND STATUS:

This time is reserved for the Board to discuss and consider any action items arising from the Annual Workshop Discussions.

REFERENCE MATERIALS ATTACHED:

None.

LOSS PREVENTION AND MEMBER SERVICES

SUBJECT: Consideration of Member EPL Policy Review Program
Presented by Rob Kramer, Executive Director

RECOMMENDATION: *Staff is seeking direction from the Board as to the outlines desired for the 2024 version of this program. It is anticipated a more formal program plan will be brought back to the Board for consideration at the April meeting.*

BACKGROUND AND STATUS:

This initiative will have been discussed in detail at the Annual Workshop the day before. Further background is provided in the attached memorandum to the ERMA Ad Hoc Training Committee.

REFERENCE MATERIALS ATTACHED:

- Memo to ERMA Ad Hoc Training Committee Re: Policy Review



September 22, 2023

TO: ERMA Ad Hoc Training Committee

FROM: Rob Kramer, Executive Director

SUBJECT: Personnel Policy and Procedures Review

As new staff has transitioned in at the Executive Director and Analyst level for ERMA, we have been reviewing prior strategic initiatives.

With respect to the continued review of personnel policies and procedures, it appears that the initiative has been relatively slow-moving over the course of the last program year.

Having reviewed the prior history, the following is a brief overview of our thoughts and recommendations for this project.

HISTORY

By all accounts, the initial personnel policy and procedures project was a rousing success when it kicked off back in 2017. ERMA was able to partner with the attorney firms (LCW and JL) as well as iLearning Engines to:

1. Survey and collect data from all of the then-current members with respect to the status of their policies and procedures.
2. Assign either LCW or JL to review the information submitted and provide an individual memorandum to each member outlining any needs or weaknesses.
3. Establish an annual ERMA Grant Fund to allow some financial support for the members to make needed updates to policies and procedures OR enhancements to loss prevention in the EPL area.

It is now five and a half years later; ERMA has a significant number of new members and quite honestly, we do not have a good handle on whether the suggestions made to all of the members back in 2017 were actually implemented.

As such, we have the following recommendations moving forward:

1. Re-survey and collect (through iLearning Engines) updated data from all ERMA members on the status of their personnel policies and procedures as of 2023.
2. Re-assign each member to LCW or JL for either an update to the prior memorandum, or a new memorandum if they are a new member or did not complete the process previously.
3. Consider adding in an additional “follow-up” component where ERMA checks back in with each member 6 to 9 months following receipt of their memorandum to determine if the recommended updates have been accomplished.
4. Consider offering some additional human resources (feet on the ground) type support for both:
 - a. Members that ERMA determines really need some additional support (ERMA directed);
 - b. Members that request of ERMA some additional support (Member requested).

ERMA 2023-6

LOSS PREVENTION AND MEMBER SERVICES

SUBJECT: Review of Live & Online Training Topics
Presented by Rob Kramer, Executive Director

RECOMMENDATION: Staff recommends the Board of Directors consider adding live and online Diversity & Inclusion training to the 2024-25 list of approved ERMA trainings.

BACKGROUND AND STATUS:

Staff is seeking direction from the Board and formal consideration of the 2024-25 list of live and online training topics provided by ERMA to the members, with the addition of diversity training.



[Update My Account](#) | [Logout](#)

System Admin
MBASIA LMS PARENT (ERMA)

[My Platform](#) [Training](#) [Toolbox](#) [Risk Management On-Demand](#) [Surveys](#) [Administration](#)

Reports

- Users
- Online Training
- Live Training

Training Admin

- Assign Training
- Unassign Training
- Expire Training
- Module List

User Management

- User List
- Profiles
- Sites
- Departments
- Communication Center

System Setup

- Users Upload
- Sites Upload
- Departments Upload
- Training Notifications
- Admin Guide

Available Training Modules

| Excel | PDF | Print | Show 10 | entries | | | | | Search | div |
|----------------------------------|---|----------------|----------------------|------------------------------------|--------|----------|-------------------|-----------|--------|-----|
| Module Name | Description | Preview | Category | Audience | Time | Language | Closed Captioning | State | | |
| Diversidad (Empleados) | Público objetivo: empleados/voluntarios ... | Preview Module | Spanish | Employee, Faculty/Staff, Volunteer | 039:00 | Spanish | Yes | | | |
| Diversity (Employees) | Run Time: 34m Completion Requirement: 100% slide ... | Preview Module | Human Resources | Employee | 038:00 | English | Yes | | | |
| Diversity (Managers/Supervisors) | Run Time: N/A (self-paced) Completion Requirement ... | Preview Module | Human Resources | Supervisor/Manager | 039:00 | English | Yes | | | |
| Diversity LGBT Employees | Run Time: Approximately 33 minutes Completion Req ... | Preview Module | Employment Practices | Employee, Faculty/Staff, Volunteer | 033:00 | English | Yes | - Federal | | |
| Diversity LGBT Supervisors | Run Time: Approximately 42 minutes Completion Req ... | Preview Module | Employment Practices | Supervisor/Manager | 042:00 | English | Yes | - Federal | | |

Showing 1 to 5 of 5 entries (filtered from 17 total entries)

Previous 1 Next

REFERENCE MATERIALS ATTACHED:

- Proposed list of 2024-25 Training Topics

ERMA 2023/24 Training Topics

1. **Harassment, Discrimination, and Retaliation Prevention (compliant with SB 1343/AB 1825)**: This workshop is designed for supervisory and/or non-supervisory employees to prevent unlawful discriminatory harassment and retaliation. [2 hours/3 hours]
2. **Best Practices for Navigating Public Safety Workplace Complaints**: Complaints made against public safety employees pose unique issues. This training will explore everything from intake of the complaint through retaining the investigator. More critically, this will cover aspects of the POBR and FBOR that may impact how the investigation is conducted. Best practices for mitigating liability to your agency and ensuring your agency is able to defend decisions related to the complaint will also be reviewed. [3 hours]
3. **Defining the Elected Official's Role with Respect to Individual Employees**: Governing bodies of public agencies often have appointing authority over the agency's highest officials, such as the city manager or executive director. But otherwise, an elected official and the governing body as whole have virtually no role regarding individual employees. This 1-hour training discusses several legal reasons why the role of elected officials with regard to individual employees have such substantial limitations and includes practical approaches for dealing with individual employees. [1 hour]
4. **First Amendment Issues in a Politically Charged World**: Civil unrest, political polarization, the pandemic and conversations related to increased DEI have made fodder for many discussions. This training will explore an employee's right of expression, both inside and outside of the workplace including on social media, as well an employer's ability to address and/or restrict such speech. The latest developments in First Amendment will be explored with the use of case studies to explore navigating free speech issues during this time. [2 hours]
5. **Successful Management of Disabilities in the Workplace**: Public sector disability discrimination claims are on the rise and present challenging reasonable accommodation issues for employers. This presentation will take a closer look into the process that employers are legally required to follow to evaluate common accommodations that are sought by employees such as extended leave, light duty, and telecommuting and flexible work schedules. We will discuss how to address accommodation requests and make legally defensible decisions. We will also discuss lessons learned in recent disability discrimination jury trials that will provide a blueprint for working with legal counsel to ensure litigation ends with a favorable result at the lowest possible cost. [3 hours]
6. **Whistle Blown – Practical Considerations for Handling Whistleblower Complaints**: Almost every employment-related statute applicable to California public employees now has an anti-retaliation provision that allows employees who report wrongdoing (whistleblowing) or engage in other legally protected activity, to sue for damages and, in some cases, reinstatement and attorneys' fees. This presentation will review the anti-retaliation laws a public employer needs to know and the conduct these laws protect. This presentation also will highlight the challenges employers face when defending against whistleblower claims in litigation, and best practices for managing whistleblower complaints and minimizing liability exposure. [2 hours]
7. **They Posted What?!? Social Media, Employer Liability, and the First Amendment**: California employers face with increasing frequency issues surrounding employees' and elected officials' use of social media, both as a component of their positions as well as means to express personal opinions to networks of friends and family. Within this context, public employers commonly struggle to discern their rights and obligations with respect to crafting effective and enforceable social media policies, while simultaneously avoiding First Amendment concerns. This session first analyzes the law in this area from an advisory perspective, to help attendees understand the constitutional boundaries and components of the ability to regulate employee social media usage, and also address the risks in employees' use of their personal devices in conducting official business. The training session then shifts to the practical navigation of issues surrounding social media in the investigatory and litigation context, to demonstrate how such policies can permissibly be enforced within the bounds of First Amendment jurisprudence, as well as in order to avoid running afoul of related state and federal statutes. [3 hours]
8. **Implementing and managing remote work employees**: Following COVID related office shutdowns, many public entity employers are grappling with employees requesting remote work on a full or part time basis, managing remote workers, and compelling employees to return to the office full time. This presentation will go over basic facts regarding mandatory legal requirements for having employees continue to work remotely, effectively managing and disciplining remote workers, potentially compelling remote workers back into the office, and importantly dealing with potential frustrations from employees who are required to perform full time in person work. [2 hours]

9. **Preventing Harassment, Discrimination, and Retaliation in Public Safety Departments:** Now more than ever, public safety employees are held to a higher standard – both by community expectations and by law. This workshop is designed to help public safety agencies to prevent unlawful discrimination, harassment, and retaliation in the workplace, and how to work in partnership with Human Resources when claims arise. Practical case studies are utilized throughout the training to address hypothetical situations unique to public safety officers and supervisors. **[2 hours]**
10. **Diversity Training:** This training addresses various topics related to diversity in the workplace. Topic areas addressed include defining diversity, diversity's impact on the individual, and developing an intercultural mindset. This training can be offered to both supervisory and non-supervisory staff, in both English and Spanish (online only). **[Time TBD]**
11. **Diversity LGBT+ Training:** This training will explore the current landscape for LGBT+ individuals in the workplace, a primer on many things LGBT+ including the gender spectrum and sexuality spectrum, how you can be an ally in the workplace, and supervisor and organizational responsibilities. This training can be offered to both supervisory and non-supervisory staff. **[Time TBD]**

COVERAGE MATTERS

SUBJECT: Excess Coverage and Marketing Strategy for the 2024/25 Program Year - *Presented by Seth Cole, Alliant*

RECOMMENDATION: *None.*

BACKGROUND AND STATUS:

Annually, representatives from Alliant Insurance Services, Inc. (Alliant) provide an update on the status of the current excess market and a plan for the upcoming renewal of ERMA's reinsurance and excess policies.

Seth Cole, Alliant, has provided ERMA with a marketing report for the 2024/25 program year. Mr. Cole will be present at the meeting to discuss this strategy as well as answer questions from the Board.

REFERENCE MATERIALS ATTACHED:

- ERMA 2024-25 Marketing Report from Alliant

January 15, 2024

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

ERMA 2024/25 Program Year Marketing Report of Excess Liability Coverage

Dear Rob:

ERMA's excess liability coverage renews July 1, 2024, and while much can happen between now and when coverage renews, the purpose of this letter is to provide you, and the ERMA Board, with our current thoughts on the employment practices liability insurance market and our renewal marketing strategy for the coming year.

According to Wills Towers Watson's Market Realities 2024, the Employment Practices Liability market continues to stabilize largely due to competition with markets eager to write new business and maintain their renewals. Significant loss history and/or significant change in exposure factors will still elicit rate increases on the higher end. The extent of rate increases will be determined by many factors, particularly industry, loss history and location of employees. Assuming no change in risk profile and no losses, rate increases are more likely to be close to or at flat. *California continues to be the most problematic jurisdiction.*

RSUI currently provides \$2,000,000 in limits Each Claim Per Member with a \$4,000,000 Per Member Aggregate, and a \$10,000,000 Policy Aggregate excess of ERMA's Retained Limit of \$1,000,000. Ascot Specialty Insurance Company provides \$1,000,000 in limits per Member per Claim with a \$1,000,000 per Member Aggregate and a \$5,000,000 Policy Aggregate excess of the RSUI policy.

Looking ahead to ERMA's renewal, we have not seen RSUI's appetite change and suspect they will be happy to renew under the same structure we have built but will need to check in with them as we get closer to the renewal for claim updates and to confirm no increase in their rate. If RSUI takes a different position/approach to the renewal, we stand ready to market coverage to explore alternatives. Ascot on the excess is a bit more volatile given some management changes recently, but if they were to be less interested, we would find alternatives to step in.

We look forward to seeing everyone in Napa on February 2nd.

Sincerely,



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

cc: Shadi Jalali

COVERAGE MATTERS

SUBJECT: ERMA 2024/25 Memorandum of Coverage
Presented by Rob Kramer, Executive Director

RECOMMENDATION: *Staff recommends the Board of Directors provide direction on any potential changes to be evaluated and approve the revised Endorsement #1 to the ERMA 2023/24 Memorandum of Coverage.*

BACKGROUND AND STATUS:

This time is reserved for a discussion of the current ERMA Memorandum of Coverage (MOC) and any potential changes being recommended by staff or that should potentially be considered by the Board. It is anticipated updated MOC language will be brought back to the Board for review and consideration at the April meeting.

Separately staff is recommending the Board consider and approve the revised Endorsement #1 to the ERMA 2023-24 Memorandum of Coverage. Staff will explain the reason for the revisions at the meeting.

REFERENCE MATERIALS ATTACHED:

- ERMA 2023-24 Memorandum of Coverage
- Revised Endorsement #1 to the ERMA 2023-24 Memorandum of Coverage

**EMPLOYMENT RISK MANAGEMENT AUTHORITY
(ERMA)**

MEMORANDUM OF COVERAGE

FOR THE 2023/2024 PROGRAM YEAR

EFFECTIVE JULY 1, 2023

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

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

SECTION I - COVERAGE

The *Authority* will pay *Ultimate Net Loss*, less the *Retained Limit*, up to the *Limit of Coverage* on behalf of the *Covered Party* due to a *Claim* against the *Covered Party* because of a *Wrongful Employment Practice* to which this Memorandum applies, caused by an *Occurrence*, except as otherwise excluded.

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

SECTION II - DEFINITIONS

1. *“Authority”* means the Employment Risk Management Authority.
2. *“Claim”* means oral or written notice to the *Covered Party* that an *Employee* alleges a *Wrongful Employment Practice*.

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

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

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

3 "Coverage Period" means that term prescribed for coverage by the *Authority* as set forth in the Declarations page.

4 "Covered Party" means:

(A) The *Member* and any additional entities named in the Declarations page.

(B) Any person who is an *Employee* of a *Covered Party* identified in Section (A) herein, whether or not compensated, while acting in an official capacity for or on behalf of such *Covered Party*, including while acting on any outside board at the direction of such *Covered Party*.

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

(C) All entities named in Endorsement #2, and any officer, director or employee thereof while acting in an official capacity for or on behalf of such entity and in the course and scope of his or her duties. Except for those expressly identified in Endorsement #2, no other person, organization, or entity shall be deemed to be a "Covered Party" under Endorsement #2.

Notwithstanding sections (B) and (C) above, the defense and indemnity coverage afforded by this Memorandum to a past or present *Employee* of a *Covered Party* is not broader than the *Covered Party's* duty to defend and indemnify its *Employee*, pursuant to California Government Code Section 815, 815.3, 825 to 825.6, 995 to 996.6, inclusive, and any amendments thereof. If the *Covered Party* which employs the *Employee* is not obligated under the California Government Code to provide a defense or to provide indemnity for a *Claim*, or if said *Covered Party* refuses to provide such defense and/or indemnity to said *Employee*, then this Memorandum shall not provide any such defense or indemnity coverage to said *Employee*. All immunities, defenses, rights, and privileges afforded to a *Covered Party* under California Government Code Section 815, 815.3, 825 to 825.6, 995 to 996.6, inclusive, and any amendments thereof, shall be afforded to the *Authority* to bar any defense or indemnity coverage under this Memorandum to that *Covered Party's Employee*.

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

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

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

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

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

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

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

The exclusion of independent contractors or subcontractors from the definition of *Employee* shall not apply to a *Claim* for sexual harassment specifically authorized under Cal. Gov. Code section 12940 (j), but this exception does not apply to any other types of harassment mentioned in subdivision (j).

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

resolution of a *Claim* or suit, the *Authority* will pay only up to the amount stated in the Declarations in present value of the *Claim*, as determined on the date of settlement, regardless of whether the full value of the settlement exceeds the amount stated in the Declarations.

- 9 “Member” means a governmental entity, including any commissions, agencies, districts, authorities, boards, or other similar government entity under the direct control of the governmental entity, that is eligible to participate in a joint powers authority. A *Member* is one who has been accepted into ERMA and, is a Named Covered Party in the Memorandum of Coverage and Endorsements thereto.
- 10 “Occurrence” means act or omission or series of related acts or omissions by a *Covered Party* during the Coverage Period which results in a *Claim* for a *Wrongful Employment Practice*. All acts or omissions alleged by the same *Employee* in the same *Claim* shall be deemed to constitute one *Occurrence* that took place on the date of the first alleged act or omission.

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

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

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

- 12 “Ultimate Net Loss” means the total of all *Defense Costs* incurred by the *Covered Parties* and all *Damages* for which the *Covered Parties* are liable either by adjudication or by compromise with the written consent of the *Authority*, arising from an *Occurrence* to which this coverage applies.
- 13 “Union Grievance” is limited to labor negotiations with respect to wages or working conditions, union organizing efforts, or unfair labor practice charges within the jurisdiction of the National Labor Relations Board or the Public Employment Relations Board.
- 14 “Wrongful Employment Practice” means any tortious act, omission, or policy related to the employment of an *Employee*, including but not limited to harassment, discrimination, retaliation, violation of civil rights, defamation, invasion of privacy, infliction of emotional distress, and/or wrongful termination in violation of public policy. *Wrongful Employment Practice* does not include breach of an express contract, unless such breach would give rise to tort liability in the absence of the contract. Also, *Wrongful Employment Practice* does not include any act or omission in the administration of an employee benefit program.

SECTION III - DEFENSE AND SETTLEMENT

The *Authority* shall have no duty to assume charge of investigation or defense of any *Claim*. However, the *Authority* shall have the right to assume the control of the negotiation, investigation, defense, appeal,

or settlement of any *Claim* the *Authority* determines, in its sole discretion, to have reasonable probability of resulting in an *Ultimate Net Loss* in excess of the applicable *Retained Limit*. The *Covered Parties* shall fully cooperate in all matters pertaining to such *Claim* or proceeding. Such cooperation shall include, but not be limited to, executing all documents necessary to effectuate a settlement. If the *Covered Party's* lack of cooperation prevents settlement of the claim for a reasonable amount, defined as the amount the *Authority* is willing to pay and the claimant is willing to accept, and increases the potential liability for *Damages* and continued *Defense Costs*, the *Covered Party* shall pay or shall reimburse the *Authority* for those *Defense Costs* incurred after the claim could have been settled, and for any *Damages* awarded or settlement agreed upon in excess of the amount for which the claim could have been settled, or, in the alternative, the *Authority* shall have the right to tender the claim back to the *Covered Party* and coverage shall cease.

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

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

SECTION IV - ERMA'S LIMIT OF COVERAGE

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

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

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

SECTION V - COVERAGE PERIOD AND TERRITORY

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

SECTION VI - EXCLUSIONS

This Memorandum does not cover:

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

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

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

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

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

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

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

- (A) the Employee Retirement Income Security Act of 1974;
- (B) the Comprehensive Omnibus Budget Reconciliation Act;
- (C) the Worker Adjustment and Retraining Notification Act;
- (D) the Fair Labor Standards Act;
- (E) any similar federal, state or local laws;
- (F) any amendments to such laws; or
- (G) any regulations promulgated under any such laws.

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

13. **Workers' Compensation or Similar Law.** We do not cover obligations under a workers' compensation law, Labor Code 132a, disability benefits or unemployment compensation law, or any similar law. This exclusion does not apply to retaliation or discrimination for filing a workers' compensation *Claim* or a *Claim* for disability benefits.
14. **Actions by Inmates or Prisoners.** We do not cover *Claims* for injury or *Damages* brought by any person:
 - (A) performing labor or services, either voluntarily or involuntarily, while incarcerated in any state or local correctional or penal institution or facility; or
 - (B) performing labor or services, either voluntarily or involuntarily, as a condition of or in satisfaction of any penal sentence.
15. **Vaccination.** We do not cover *Claims* that arise out of the *Covered Party's* acts to encourage or require vaccination of *Employees* or others, or the failure to take such actions.
16. **California Wage and Hour and Related Claims.** We do not cover *Claims* for violation of California laws governing minimum wages, overtime, meal and rest breaks, vacation pay, paid time off, sick pay, time records, wage statements, payment upon termination of employment, or reimbursement of business expenses, whether imposed by the California Labor Code, California Wage Orders, or other similar laws, but this exclusion does not apply to *Claims* for retaliation for opposing such violations. This exclusion does not apply to *Defense Costs* for such *Claims*.

SECTION VII – CONDITIONS

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

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

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

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

- (B) Any *Claim*, except one which the Litigation Manager has discretion to accept, which is not reported to the *Authority* within 30 days, as required by subsection (A) herein, shall be considered untimely and shall be denied. The Litigation Manager shall have discretion to accept as timely any *Claim* reported after 30 days except for any of the following: notice from the U.S. Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing or any other state or federal Government agency to which an *Employee* has made a claim; a Government claim; or a civil lawsuit.

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

- (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.

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% |
| \$350,000 | \$52,500 | 15% |
| \$500,000 | \$50,000 | 10% |

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

- (C) If a suit is brought against the *Covered Party*, in addition to the information required by subparagraph (A), the *Covered Party* shall be obligated to forward immediately to the *Authority* every demand, notice, summons, or other process received by it or its representative.

- (D) The *Covered Party* shall cooperate with the *Authority* and upon its request assist in making settlements, in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the *Covered Party* because of *Wrongful Employment Practice* with respect to which coverage is afforded under this Memorandum. The *Covered Party* shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. In all matters in which the *Authority* has selected defense counsel, the *Covered Party* shall refrain from interference with the *Authority's* control of the defense, and shall cooperate fully with the defense counsel and the *Authority* in respect to the defense of the Covered Parties in the *Claim* or suit.

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

- (E) The *Authority* shall be entitled to complete access of the *Covered Party's Claim* file, the defense attorney's complete file, and all investigation material and reports, including all evaluations and information on negotiations. The *Covered Party through assigned defense counsel* shall be responsible to report on the progress of the litigation and any significant developments to the *Authority*, and to provide the *Authority* with simultaneous copies of all correspondence provided to the *Covered Party* by its defense attorneys and/or agents.
- (F) If the *Covered Party* is not in substantial compliance with the requirements of Government Code §12950.1 (AB 1825) during the *Coverage Period* for an *Occurrence* related to that code section, the Board shall increase the *Covered Party's Retained Limit* as follows:

PENALTY STRUCTURE

| 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% |
| \$350,000 | \$52,500 | 15% |
| \$500,000 | \$50,000 | 10% |

Proof of substantial compliance shall be provided at the request of the *Authority* and in the form set forth in Resolution No. 2021-5, or any superseding Resolution, which requires documentation to confirm compliance with the sexual harassment training mandated by State law.

2. Bankruptcy or Insolvency

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

3. Other Coverage

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

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

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

4. Accumulation of Limits

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

5. Severability of Interests

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

6. Subrogation

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

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

7. Arbitration

Decisions by the *Authority* whether to assume control of the negotiation, investigation, defense, appeal, or settlement of a *Claim*, or whether or not coverage exists for a particular *Claim* or part of a *Claim* or any other dispute that arises under and in connection with the Memorandum shall be made by the Board of Directors of the *Authority*. An appeal to the Board from a coverage decision or opinion by staff or general counsel must be made in writing to the *Authority* by the *Covered Party* thirty (30) calendar days of receipt of such opinion or decision. If, either prior to or following the Board's decision, a new coverage opinion or decision is sent by staff or general counsel to the *Covered Party*, a new thirty (30) calendar day period commences from receipt of such new opinion or decision in which the *Covered Party* may appeal to the Board. The Program Administrator shall have the discretion to extend the time period within which an appeal from a coverage decision or opinion must be presented to the Board by an additional 30 days.

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

In the event a *Covered Party* disputes a decision by the Board, the *Covered Party* must request to binding arbitration within thirty (30) calendar days of written notification of the Board's decision. The *Covered Party* must exhaust all rights to appeal as established by the Bylaws, the Master Program Document and the Memorandum of Coverage prior to requesting arbitration of a dispute.

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

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

Each party shall bear one-half the cost of the selected arbitrator. In addition, each party shall be

responsible for its own attorneys' fees, costs and expenses of arbitration.

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

- (A) Any interest awarded shall be at the Local Agency Investment Fund (LAIF) rate + 1% in effect at the time of the award;
- (B) Any attorneys' fees award for *Defense Costs* of the underlying *Claim* above the *Member's Retained Limit* shall be subject to all provisions of the ERMA Litigation Management Guidelines and shall not exceed the hourly rate established by the ERMA Litigation Management Guidelines in effect at the time of the *Occurrence* of the underlying *Claim*;
- (C) Any award shall be subject to and shall not exceed the *Defense Costs* and indemnity *Coverage* under the *Limit of Coverage* afforded under the ERMA Memorandum in effect at the time of the *Occurrence* of the underlying *Claim*;
- (D) No award at the arbitration shall be permitted for damages of any nature or in any amount other than as expressly allowed in this Section VII, subsection 7. By way of example, and without limitation, no award shall be permitted for consequential damages, extra contractual damages, tort damages or damages for any alleged breach of the implied covenant of good faith and fair dealing; and
- (E) Any award for *Defense Costs* and/or indemnity with respect to the underlying *Claim* shall be treated the same for purposes of the determination of the *Member's* Ex Mod or premium calculation, as if the *Claim* had been originally covered by ERMA.

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

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

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

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

SECTION VIII – MISCELLANEOUS PROVISIONS

1. Termination

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

2. Changes

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

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #1

This endorsement, effective 12:01 a.m. 7/1/2023, forms a part of ERMA 2023-1EPL. It is understood that the named Covered Party of the Declarations and the “Retained Limits” for the Covered Parties are completed as follows:

Employment Risk Management Authority,

Bay Cities Joint Powers Insurance Authority (BCJPIA)

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

California Transit Indemnity Pool (CalTIP)

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

California Intergovernmental Risk Authority (CIRA)

| COVERED PARTY | RETENTION |
|---|-----------|
| City of Amador | \$250,000 |
| City of Arcata | \$250,000 |
| City of Avalon | \$250,000 |
| City of Belvedere | \$250,000 |
| City of Blue Lake | \$250,000 |
| City of Calimesa | \$250,000 |
| City of Calistoga | \$250,000 |
| City of Citrus Heights | \$250,000 |
| City of Clearlake | \$250,000 |
| City of Cloverdale | \$250,000 |
| City of Coalinga | \$250,000 |
| City of Cotati | \$250,000 |
| City of Eureka | \$250,000 |
| City of Ferndale | \$250,000 |
| City of Fort Bragg | \$250,000 |
| Foresthill Fire Protection District | \$250,000 |
| City of Fortuna | \$250,000 |
| City of Grass Valley | \$250,000 |
| City of Highland | \$250,000 |
| City of Healdsburg | \$250,000 |
| City of Lakeport | \$250,000 |
| City of Menifee | \$250,000 |
| Mosquito Fire Protection District | \$250,000 |
| City of Nevada City | \$250,000 |
| City of Placentia | \$250,000 |
| City of Placerville | \$250,000 |
| City of Plymouth | \$250,000 |
| City of Point Arena | \$250,000 |
| City of Rancho Cucamonga | \$250,000 |
| Rancho Cucamonga Fire Protection District | \$250,000 |
| City of Rancho Santa Margarita | \$250,000 |
| City of Rohnert Park | \$250,000 |
| City of San Juan Bautista | \$250,000 |
| City of Sebastopol | \$250,000 |
| City of Sierra Madre | \$250,000 |
| City of Sonoma | \$250,000 |
| City of South Lake Tahoe | \$250,000 |
| City of St. Helena | \$250,000 |
| City of Tehama | \$250,000 |
| City of Trinidad | \$250,000 |
| City of Truckee | \$250,000 |

| | |
|--------------------------|-----------|
| City of Twentynine Palms | \$250,000 |
| City of Ukiah | \$250,000 |
| City of Watsonville | \$250,000 |
| City of Wheatland | \$250,000 |
| Wheatland Fire Authority | \$250,000 |
| City of Wildomar | \$250,000 |
| City of Willits | \$250,000 |
| Town of Windsor | \$250,000 |
| Town of Yountville | \$250,000 |
| City of Yucaipa | \$250,000 |
| Town of Yucca Valley | \$250,000 |

Central San Joaquin Valley Risk Management Authority (CSJVRMA)

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

Exclusive Risk Management Authority of California (ERMAC)

| COVERED PARTY | RETENTION |
|-----------------------------|----------------------|
| City of Beaumont | \$500,000 |
| City of Hayward | \$500,000 |
| City of Santa Maria | \$500,000 |

Monterey Bay Area Self Insurance Authority (MBASIA)

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

Municipal Pooling Authority (MPA)

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

Public Entity Risk Management Authority (PERMA)

| COVERED PARTY | RETENTION |
|---|-----------|
| City of Banning | \$25,000 |
| City of Barstow | \$25,000 |
| City of Canyon Lake | \$25,000 |
| City of Cathedral City | \$25,000 |
| City of Coachella | \$25,000 |
| City of Colton | \$500,000 |
| City of Desert Hot Springs | \$25,000 |
| City of Eastvale | \$25,000 |
| City of Hesperia | \$50,000 |
| City of Holtville | \$25,000 |
| Imperial County Transportation Commission | \$25,000 |
| City of Jurupa Valley | \$25,000 |
| City of La Mesa | \$25,000 |
| City of Murrieta | \$100,000 |
| City of Norco | \$100,000 |
| Palm Springs Aerial Tramway | \$25,000 |
| City of Perris | \$25,000 |
| City of Rancho Mirage | \$50,000 |
| San Diego Regional Training Center | \$25,000 |
| City of San Jacinto | \$25,000 |
| SunLine Transit Agency | \$50,000 |
| Victor Valley Transit Authority | \$25,000 |
| City of Victorville | \$25,000 |

Pooled Liability Assurances Network (PLAN)

| COVERED PARTY | RETENTION |
|-------------------------------------|-----------|
| City of American Canyon | \$50,000 |
| Town of Atherton | \$100,000 |
| City of Burlingame (1/1/2024 start) | \$100,000 |
| Town of Los Altos Hills | \$75,000 |
| Town of Woodside | \$50,000 |

Small Cities Organized Risk Effort (SCORE)

| COVERED PARTY | RETENTION |
|----------------------|------------------|
| City of Biggs | \$25,000 |
| City of Colfax | \$25,000 |
| City of Dunsmuir | \$50,000 |
| City of Live Oak | \$25,000 |
| City of Mt. Shasta | \$25,000 |
| City of Portola | \$25,000 |
| City of Rio Dell | \$25,000 |
| City of Shasta Lake | \$25,000 |
| City of Susanville | \$25,000 |
| City of Tulelake | \$25,000 |
| Town of Loomis | \$25,000 |
| City of Weed | \$100,000 |
| City of Yreka | \$25,000 |

Vector Control Joint Powers Agency (VCJPA)

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

Individual Entities

COVERED PARTY

RETENTION

Oakland Housing Authority

\$50,000

Contra Costa County Housing Authority

\$50,000

Effective Date: July 1, 2023

Endorsement No.: 1



AUTHORIZED REPRESENTATIVE

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #2

This endorsement, effective 12:01 a.m. 7/1/2023, forms a part of ERMA 2023-1EPL.

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

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

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

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

Effective Date: July 1, 2023

Endorsement No.: 2



AUTHORIZED REPRESENTATIVE

EMPLOYMENT RISK MANAGEMENT AUTHORITY
MEMORANDUM OF COVERAGE
ENDORSEMENT #3

This endorsement, effective 12:01 a.m. 7/1/2023, forms a part of ERMA 2023-1EPL.

It is understood that for the following Covered Parties, the limit of coverage is \$750,000 per *Occurrence*.

Small Cities Organized Risk Effort (SCORE)

| COVERED PARTY | RETENTION |
|---------------------|-----------|
| City of Biggs | \$25,000 |
| City of Colfax | \$25,000 |
| City of Dunsmuir | \$50,000 |
| City of Live Oak | \$25,000 |
| City of Portola | \$25,000 |
| City of Mt. Shasta | \$25,000 |
| City of Shasta Lake | \$25,000 |
| City of Susanville | \$25,000 |
| City of Tulelake | \$25,000 |
| City of Rio Dell | \$25,000 |
| Town of Loomis | \$25,000 |
| City of Weed | \$100,000 |
| City of Yreka | \$25,000 |

Effective Date: July 1, 2023

Endorsement No.: 3



AUTHORIZED REPRESENTATIVE

FINANCIAL MATTERS

SUBJECT: Investment Performance Report as of December 31, 2023
Presented by Michael Kronbetter, PFM Asset Management LLC

RECOMMENDATION: *None.*

BACKGROUND AND STATUS:

PFM Asset Management LLC (PFMAM) has prepared the attached investment report as of December 31, 2023.

Michael Kronbetter of PFMAM will provide the Board with an update regarding current market conditions and an overview of ERMA's investment portfolio.

REFERENCE MATERIALS ATTACHED:

- Investment Performance Review for the Quarter Ended December 31, 2023

EMPLOYMENT RISK MANAGEMENT AUTHORITY

Investment Performance Review For the Quarter Ended December 31, 2023

Client Management Team

Michael Kronbetter, Relationship Manager
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

Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ Economic resilience but expectations for a slowdown
 - ▶ Cooling inflation that still remains above the Federal Reserve's ("Fed") target
 - ▶ The labor market coming into better balance
 - ▶ Consumers that continue to support growth through spending



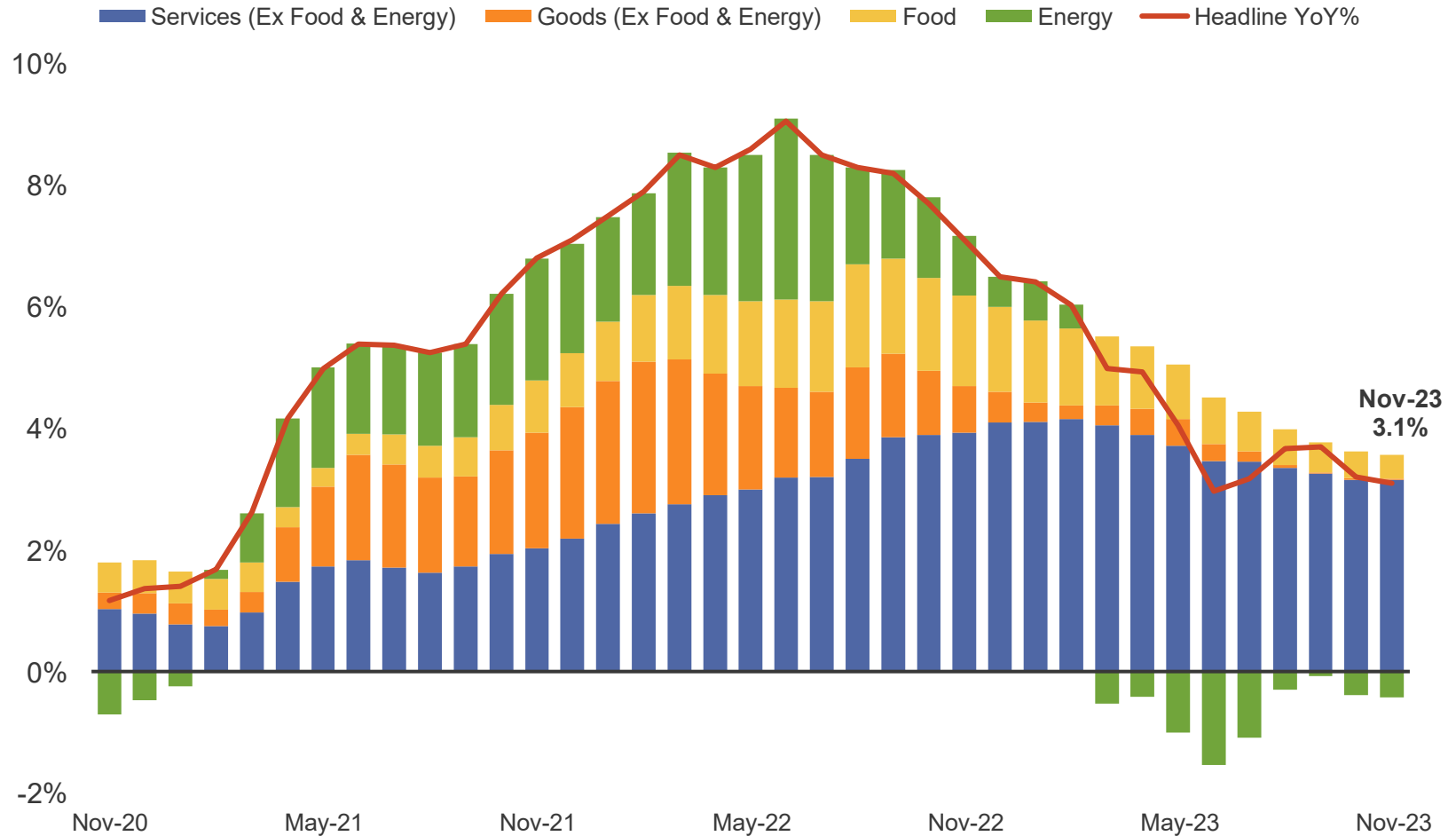
- ▶ Federal Reserve signals end to rate hiking cycle
 - ▶ Fed projected to cut the short-term Fed funds rate by 75 basis points by December 2024, with the overnight rate falling to 4.50% to 4.75%
 - ▶ Markets are pricing a more aggressive 6 rate cuts by year end
 - ▶ Fed officials reaffirm that restoring price stability is the priority



- ▶ Treasury yields ended the quarter materially lower
 - ▶ After peaking in October, yields reversed course on dovish Fed pivot
 - ▶ Yield curve inversion persisted throughout the rally
 - ▶ Credit spreads narrowed sharply on increased expectations for a soft landing




























Inflation Continues to Trend Lower

Consumer Prices (CPI) Year-over-Year Change in Top-Line Contributions



Source: Bloomberg, as of November 2023.

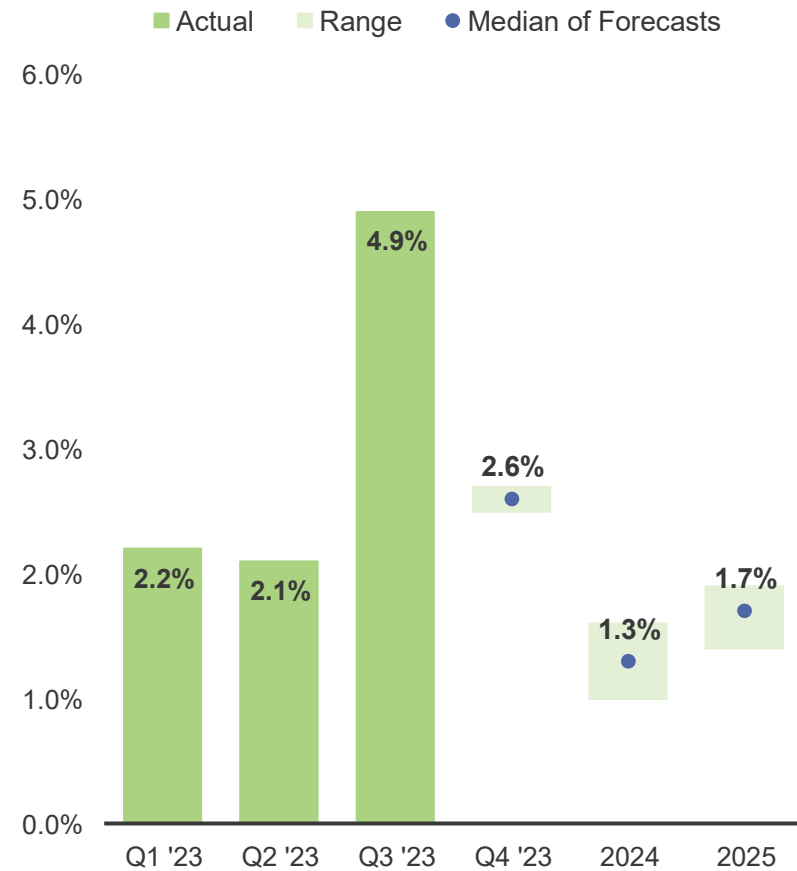
Balanced Risks Support Soft Landing

| | | | |
|-----------------------------|---|---|---|
| Consumer |  |  |  |
| Wages |  |  |  |
| Credit spreads |  |  |  |
| Employment |  |  |  |
| Inflation |  |  |  |
| Housing |  |  |  |
| Manufacturing |  |  |  |
| Inverted yield curve |  |  |  |
| Rate hike cycle |  |  |  |

Source: Bloomberg, Economist Forecasts.

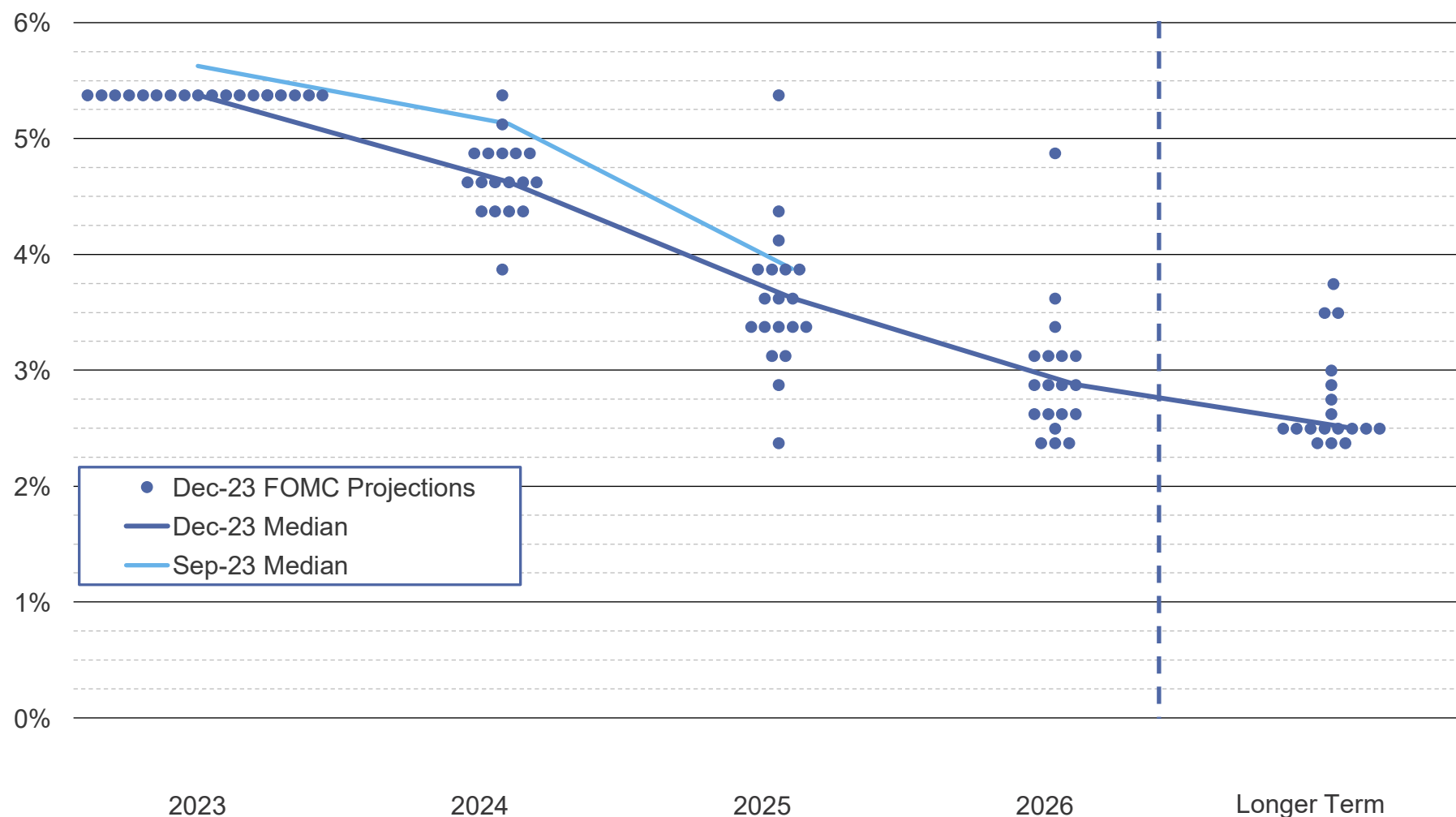
U.S. GDP Forecasts

Annualized Rate



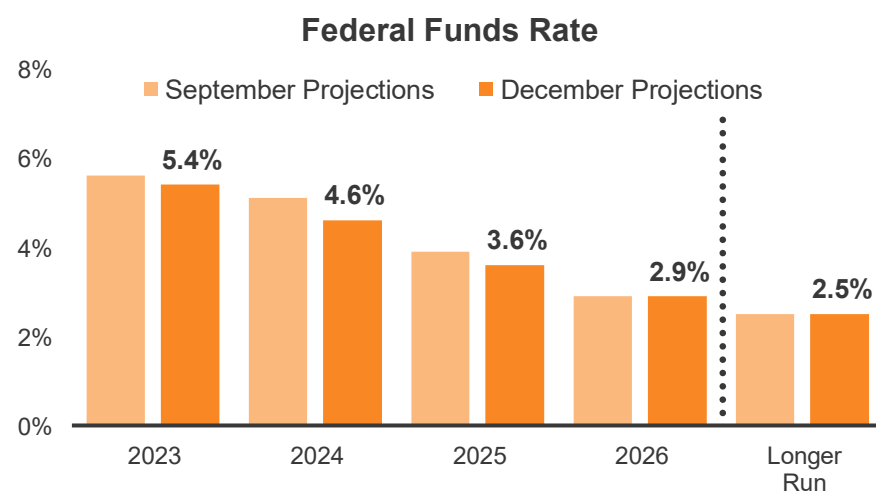
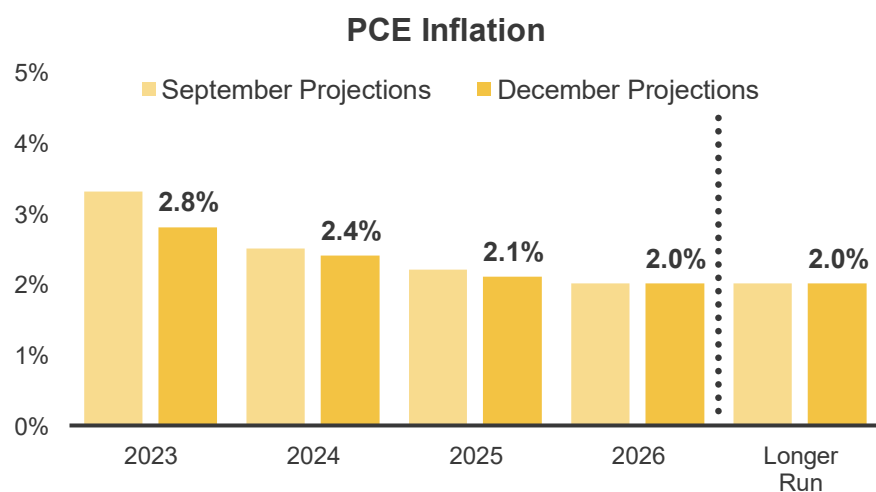
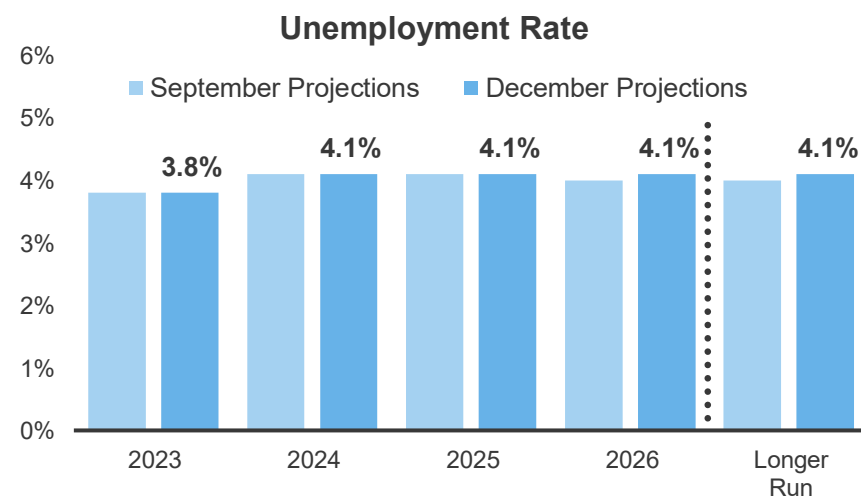
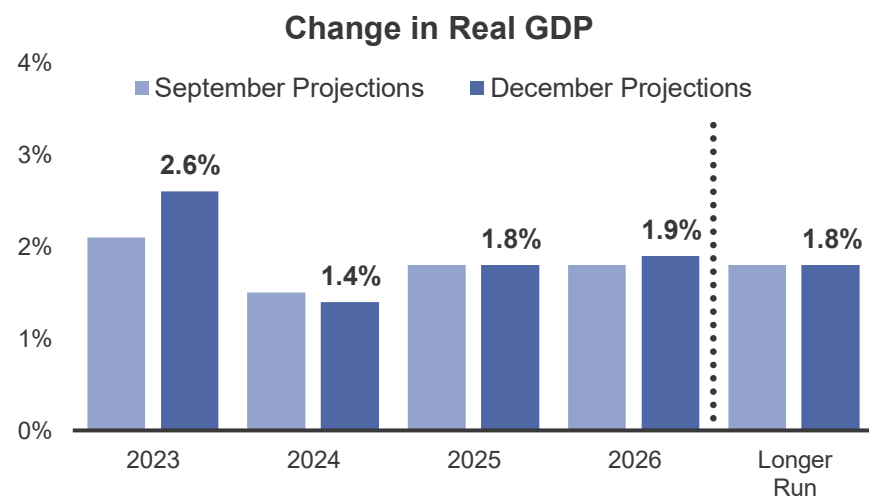
Fed's Updated "Dot Plot" Also Shows Lower Rate Trajectory

Fed Participants' Assessments of 'Appropriate' Monetary Policy



Source: Federal Reserve. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end.

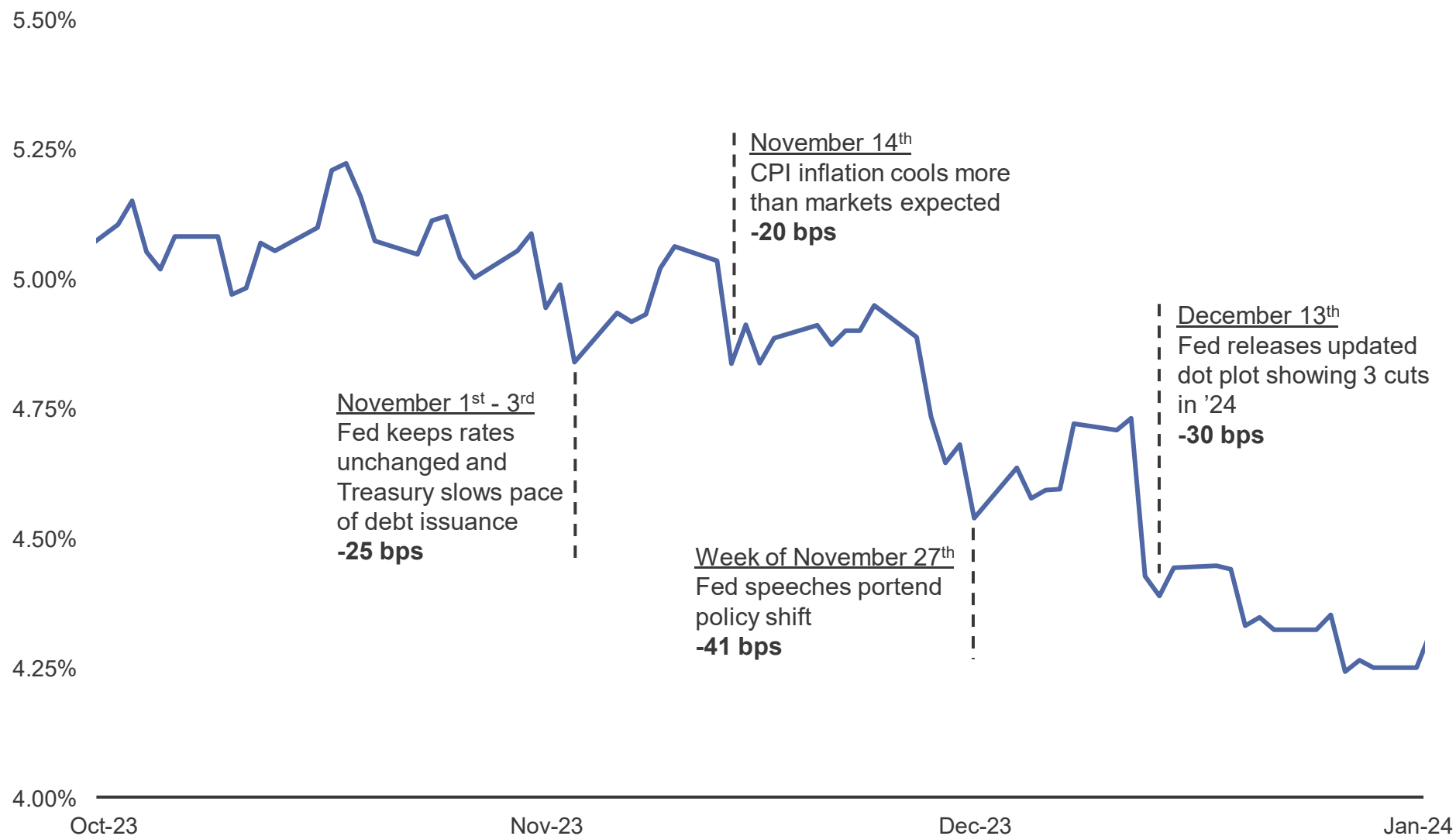
Federal Reserve Projects a Soft Landing



Source: Federal Reserve, latest economic projections as of December 2023.

Rates Fall on Softer Inflation and Fed Pivot

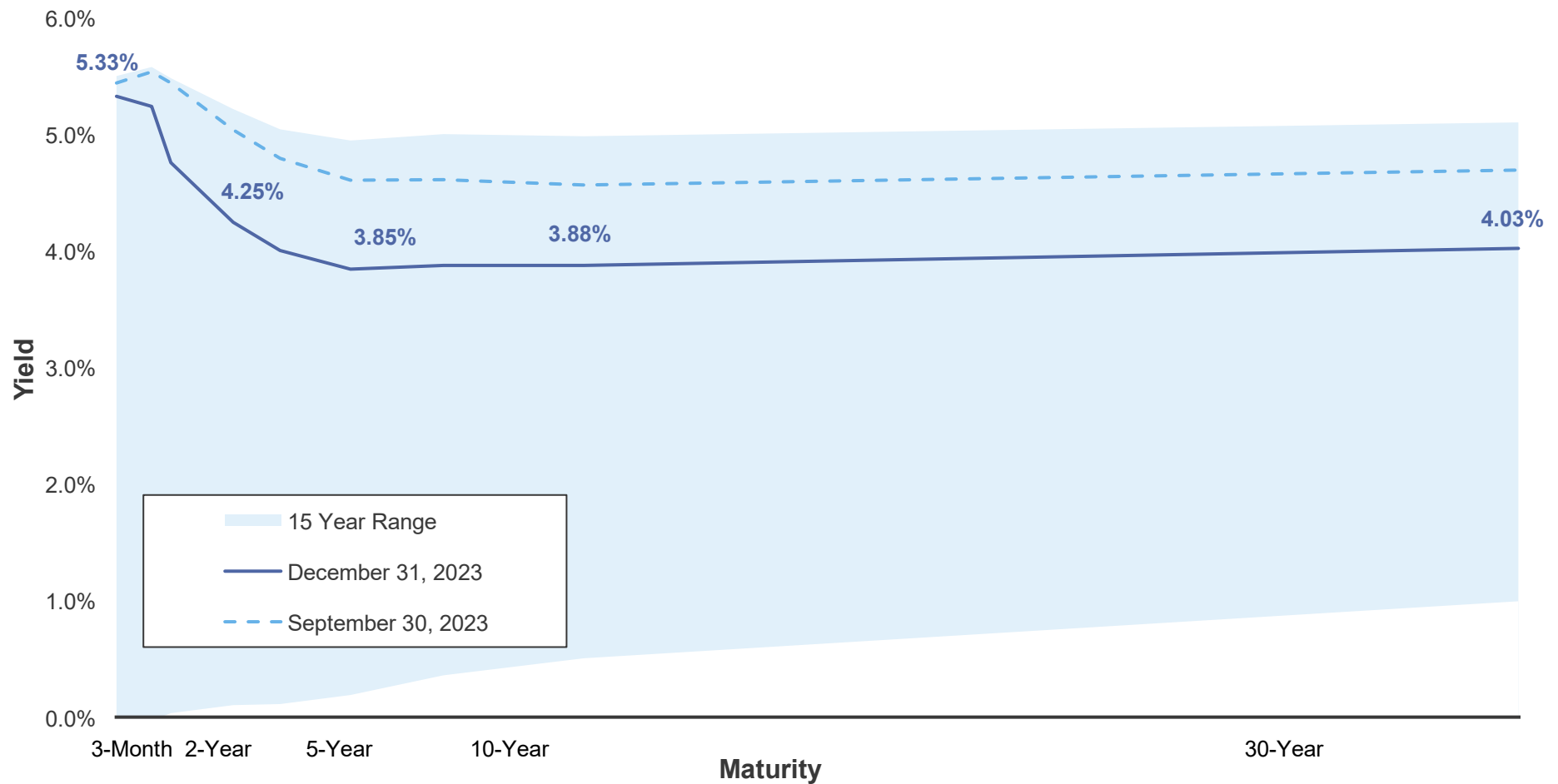
2-Year US Treasury Yield



Source: Bloomberg, as of 12/31/2023.

Interest Rates Moderate but Remain High

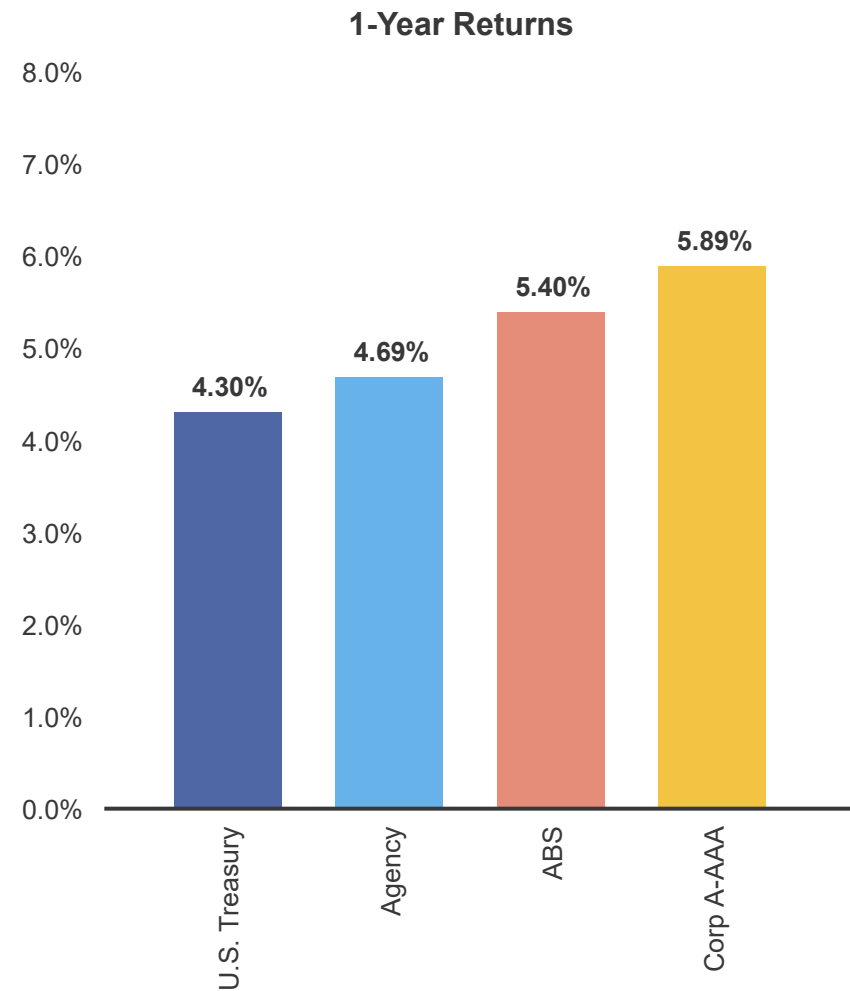
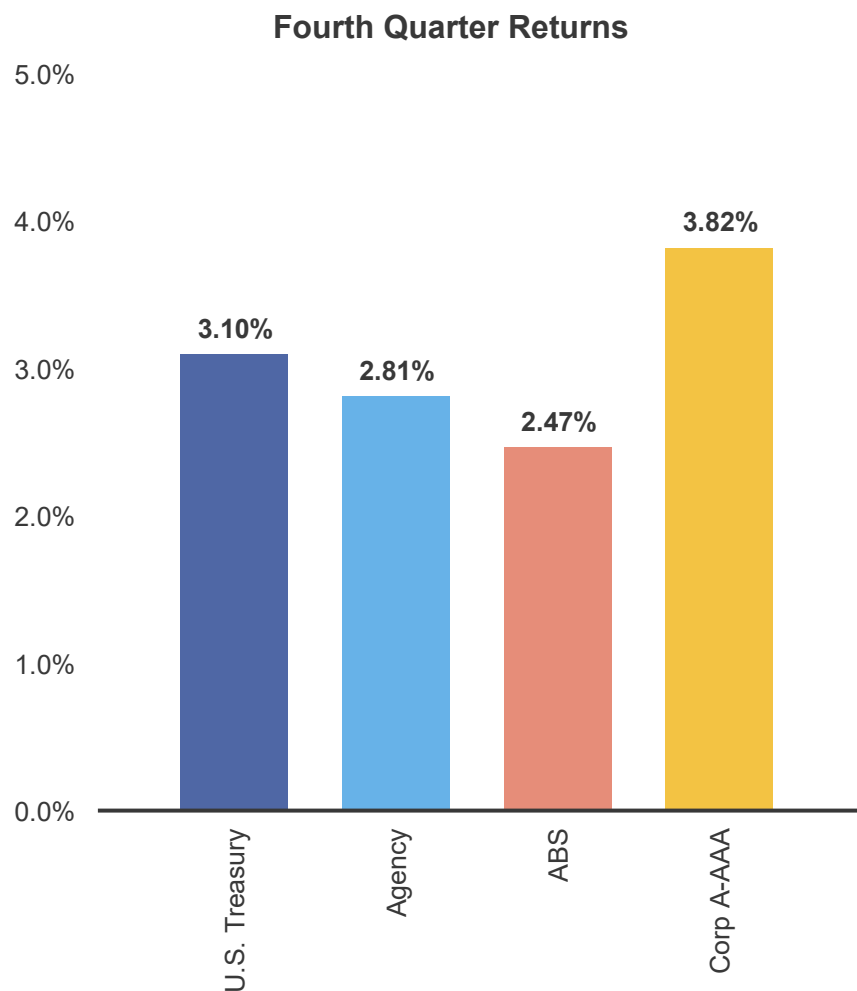
U.S. Treasury Yield Curve



Source: Bloomberg, as of December 31, 2023.

Fixed-Income Markets in 4Q 2023

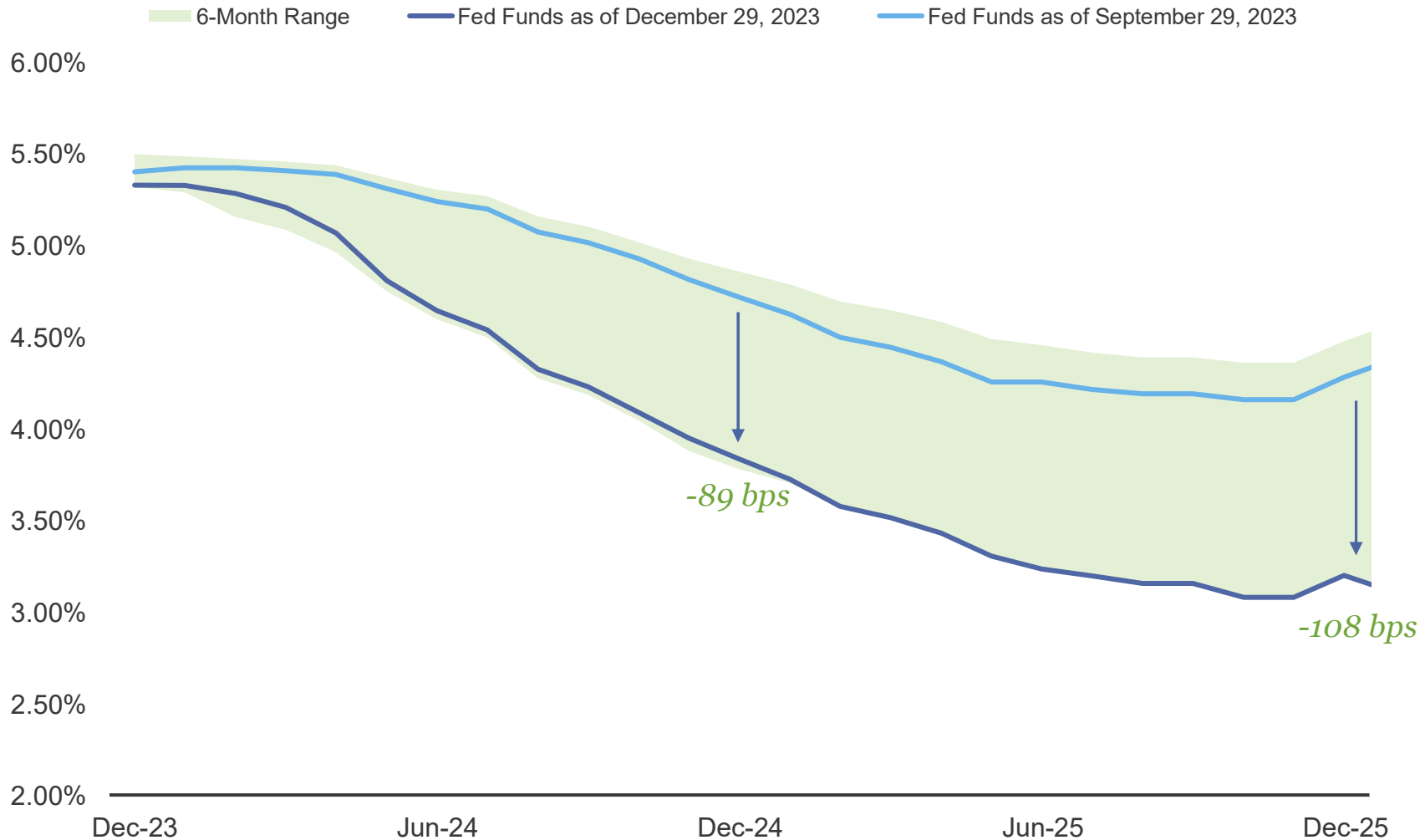
1-5 Year Indices



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of December 31, 2023.

Market Expects Lower Rates

Implied Fed Funds Rate

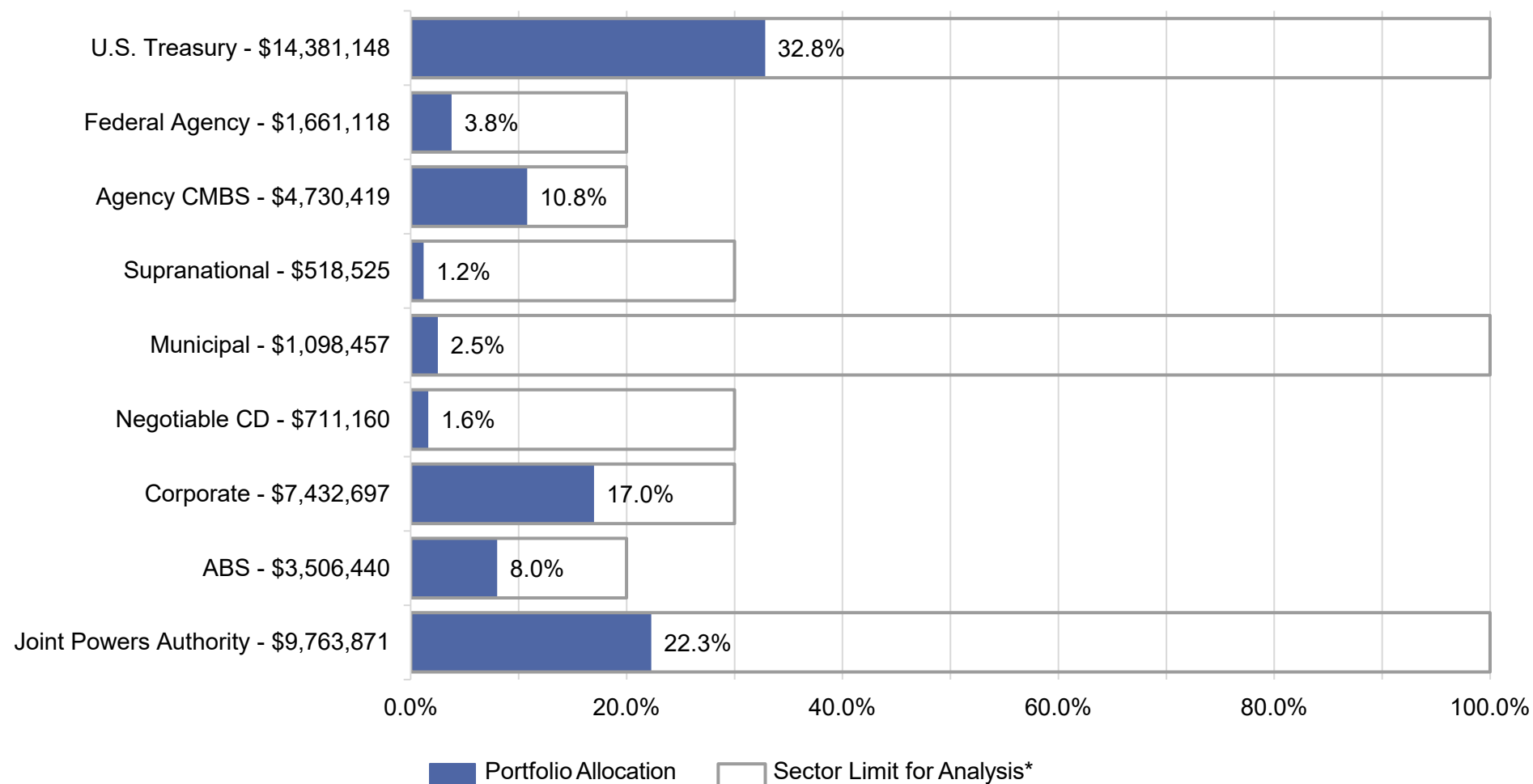


Expectations for Fed Funds have reached their most dovish levels in 6 months in response to falling inflation, Fed pivot, and moderating labor market

Source: Bloomberg, as of December 2023.

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 December 31, 2023, 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").

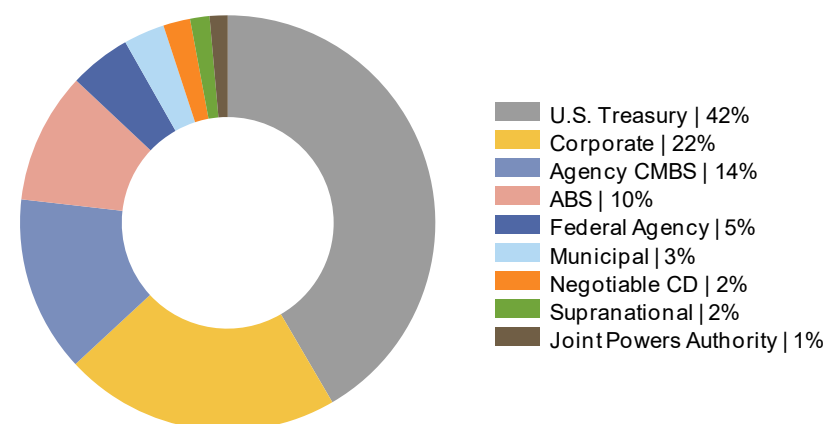
Portfolio Review

Portfolio Snapshot - CAMP-EMPLOYMENT RISK MGMT AUTHORITY¹

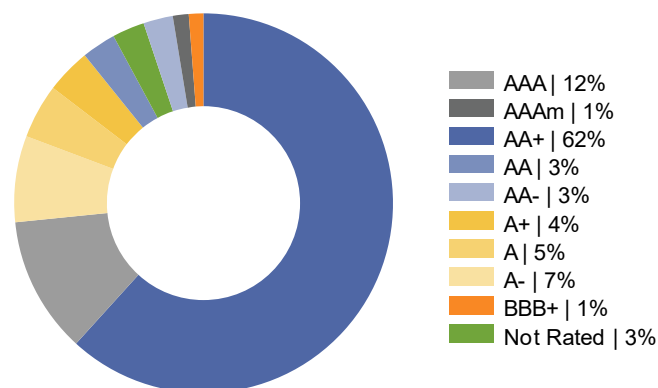
Portfolio Statistics

| | |
|-------------------------------------|-----------------|
| Total Market Value | \$34,502,787.25 |
| Managed Account Sub-Total | \$33,877,893.76 |
| Accrued Interest | \$162,070.15 |
| Pool | \$462,823.34 |
| Portfolio Effective Duration | 2.07 years |
| Benchmark Effective Duration | 2.02 years |
| Yield At Cost | 3.16% |
| Yield At Market | 4.42% |
| Portfolio Credit Quality | AA |

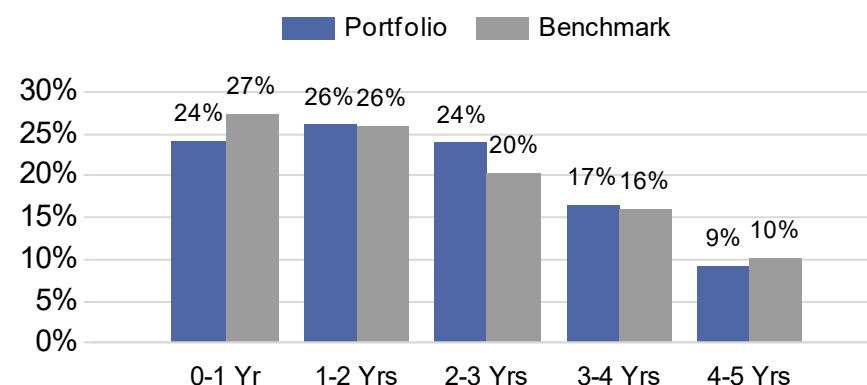
Sector Allocation



Credit Quality - S&P



Duration Distribution



1. Total market value includes accrued interest and balances invested in CAMP, as of December 31, 2023.

Yield and duration calculations exclude balances invested in CAMP.

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

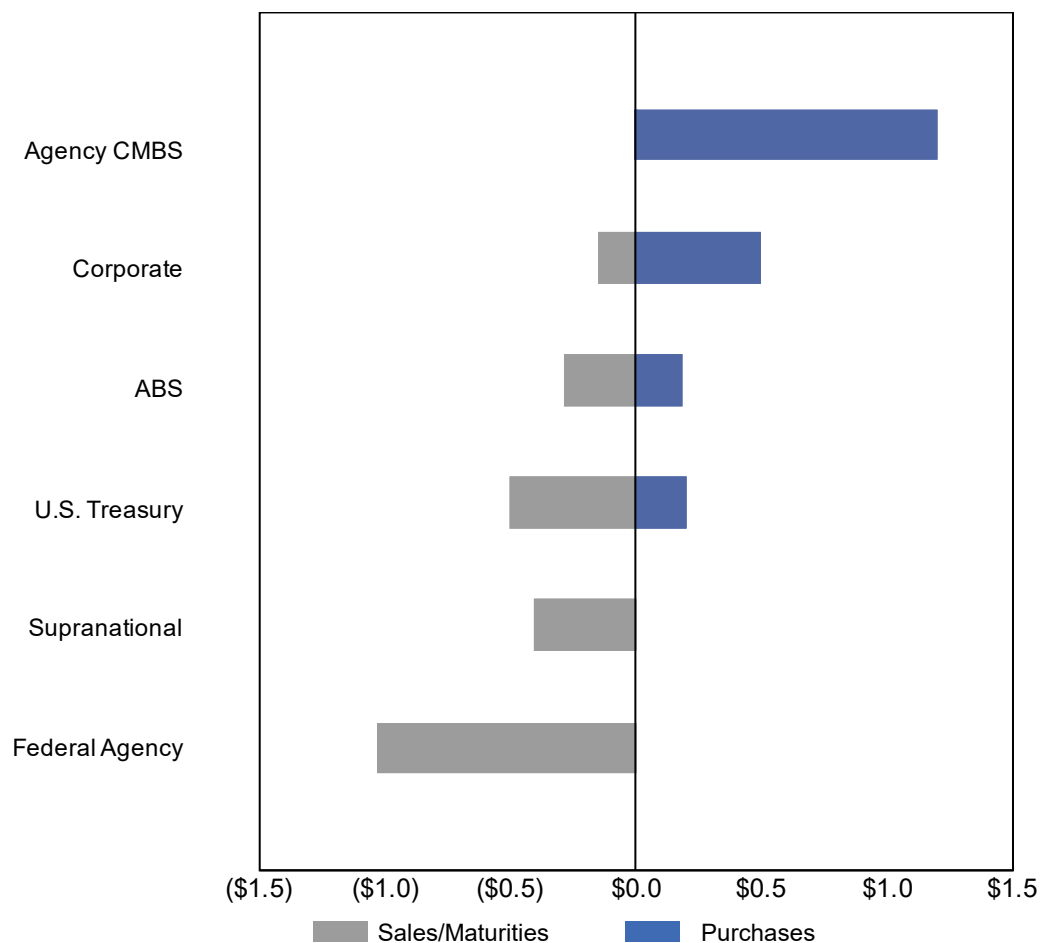
| EMPLOYMENT RISK MANAGEMENT AUTHORITY - ERMA - 596-00 | | | |
|--|-------------------|------------------------------------|-------------------|
| Portfolio Values | December 31, 2023 | Analytics ¹ | December 31, 2023 |
| CAMP Managed Account | \$33,877,894 | Yield at Market | 4.42% |
| CAMP Pool | \$462,823 | Yield on Cost | 3.16% |
| Amortized Cost | \$34,373,939 | Portfolio Duration | 2.07 |
| Market Value | \$33,877,894 | CAMP Pool 7-Day Yield ² | 5.56% |
| Accrued Interest | \$162,070 | | |
| Cash | \$0 | | |

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)

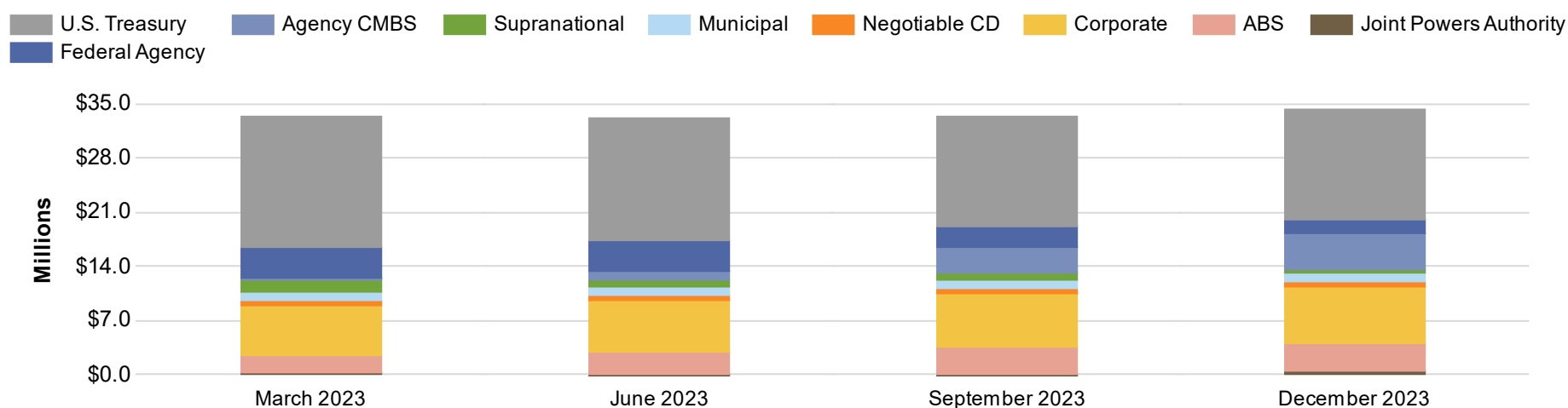


| Sector | Net Activity |
|---------------------------|--------------------|
| Agency CMBS | \$1,197,491 |
| Corporate | \$348,557 |
| ABS | (\$95,794) |
| U.S. Treasury | (\$298,582) |
| Supranational | (\$400,500) |
| Federal Agency | (\$1,026,125) |
| Total Net Activity | (\$274,952) |

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

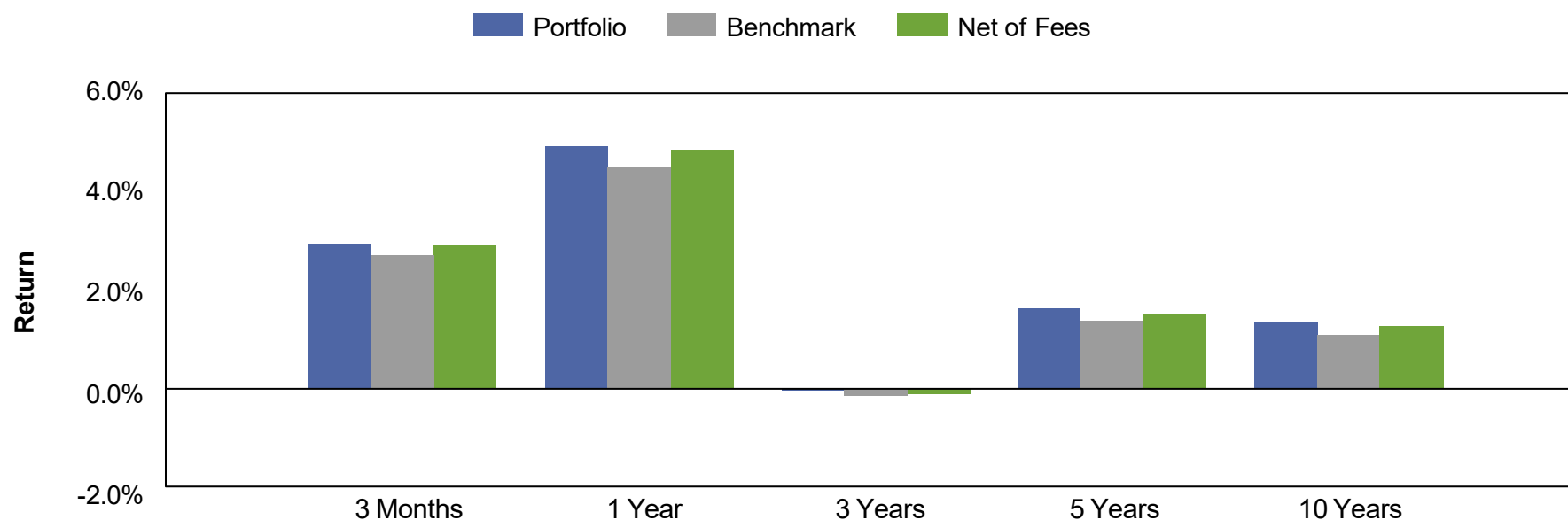
Sector Allocation Review - CAMP-EMPLOYMENT RISK MGMT AUTHORITY

| Security Type | Mar-23 | % of Total | Jun-23 | % of Total | Sep-23 | % of Total | Dec-23 | % of Total |
|------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| U.S. Treasury | \$16.8 | 50.3% | \$15.9 | 47.8% | \$14.3 | 42.7% | \$14.3 | 41.6% |
| Federal Agency | \$4.1 | 12.4% | \$3.9 | 11.7% | \$2.6 | 7.9% | \$1.7 | 4.8% |
| Agency CMBS | \$0.2 | 0.5% | \$1.2 | 3.7% | \$3.4 | 10.1% | \$4.7 | 13.7% |
| Supranational | \$1.7 | 5.0% | \$0.9 | 2.7% | \$0.9 | 2.7% | \$0.5 | 1.5% |
| Municipal | \$1.1 | 3.2% | \$1.1 | 3.2% | \$1.1 | 3.2% | \$1.1 | 3.2% |
| Negotiable CD | \$0.7 | 2.1% | \$0.7 | 2.1% | \$0.7 | 2.1% | \$0.7 | 2.1% |
| Corporate | \$6.3 | 18.9% | \$6.8 | 20.3% | \$6.8 | 20.5% | \$7.4 | 21.5% |
| ABS | \$2.3 | 6.8% | \$2.8 | 8.3% | \$3.5 | 10.6% | \$3.5 | 10.2% |
| Joint Powers Authority | \$0.3 | 0.8% | \$0.1 | 0.2% | \$0.1 | 0.2% | \$0.5 | 1.4% |
| Total | \$33.4 | 100.0% | \$33.3 | 100.0% | \$33.4 | 100.0% | \$34.3 | 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 ¹ |
|---------------------------------|------------------|--------------------|------------------|--------------------|-----------------------|
| Interest Earned ² | \$209,885 | \$639,431 | \$1,319,193 | \$2,334,888 | \$4,128,560 |
| Change in Market Value | \$771,084 | \$941,258 | (\$977,617) | \$29,185 | (\$396,861) |
| Total Dollar Return | \$980,969 | \$1,580,689 | \$341,576 | \$2,364,073 | \$3,731,699 |
| Total Return³ | | | | | |
| Portfolio | 2.92% | 4.92% | -0.01% | 1.60% | 1.35% |
| Benchmark ⁴ | 2.72% | 4.49% | -0.15% | 1.38% | 1.09% |
| Basis Point Fee | 0.02% | 0.10% | 0.10% | 0.10% | 0.10% |
| Net of Fee Return | 2.90% | 4.83% | -0.11% | 1.51% | 1.25% |

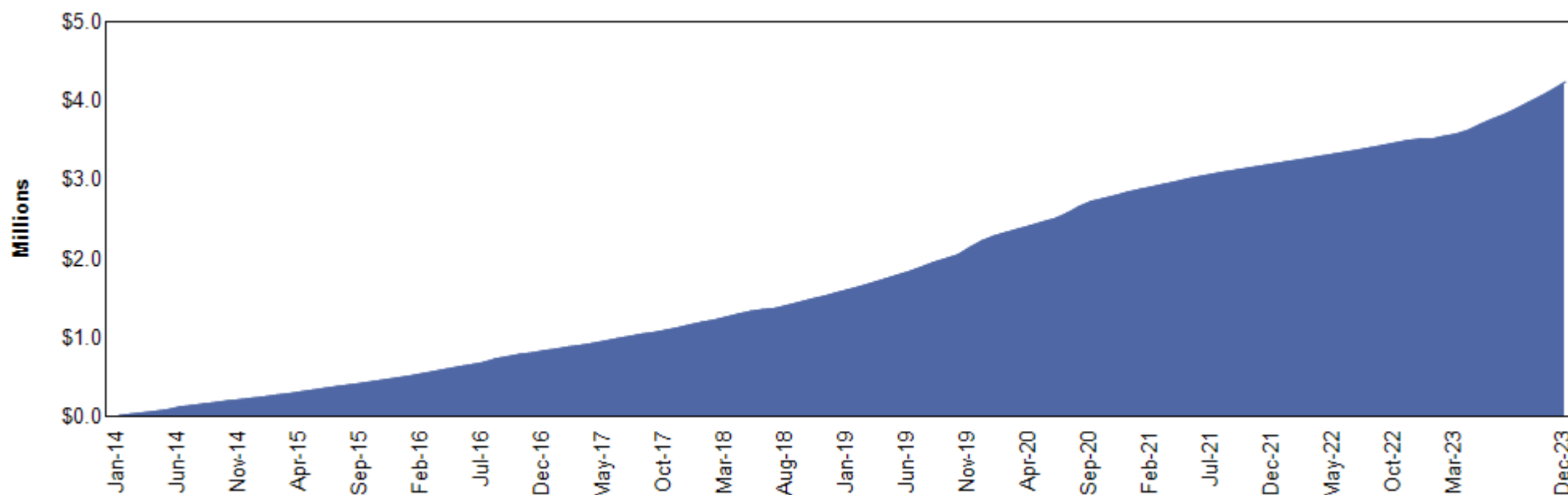
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is September 30, 2008.

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 BofA 0-5 Year U.S Treasury Index. Prior to 3/31/16 it was the ICE BofA 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 | \$209,885 | \$639,431 | \$1,319,193 | \$2,334,888 | \$4,128,560 |
| Realized Gains / (Losses) ³ | (\$8,208) | (\$121,888) | (\$130,746) | \$85,176 | \$72,969 |
| Change in Amortized Cost | \$55,354 | \$207,348 | \$205,932 | \$249,037 | \$39,367 |
| Total Earnings | \$257,031 | \$724,890 | \$1,394,379 | \$2,669,100 | \$4,240,896 |

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.

Portfolio Holdings and Transactions

Issuer Diversification

| Security Type / Issuer | Market Value (%) | S&P / Moody's / Fitch |
|--|------------------|-----------------------|
| U.S. Treasury | 42.2% | |
| UNITED STATES TREASURY | 42.2% | AA / Aaa / AA |
| Federal Agency | 4.9% | |
| FANNIE MAE | 2.2% | AA / Aaa / AA |
| FEDERAL HOME LOAN BANKS | 1.0% | AA / Aaa / NR |
| FREDDIE MAC | 1.7% | AA / Aaa / AA |
| Agency CMBS | 13.9% | |
| FANNIE MAE | 1.0% | AA / Aaa / AA |
| FREDDIE MAC | 12.9% | AA / Aaa / AA |
| Supranational | 1.5% | |
| INTER-AMERICAN DEVELOPMENT BANK | 1.5% | AAA / Aaa / AAA |
| Municipal | 3.2% | |
| 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 | 0.7% | AA / Aa / AA |
| LOS ANGELES COMMUNITY COLLEGE DISTRICT | 0.3% | AA / Aaa / NR |
| NEW YORK ST URBAN DEVELOPMENT CORP | 0.7% | NR / NR / AA |
| SAN JUAN UNIFIED SCHOOL DISTRICT | 0.4% | NR / Aa / NR |
| STATE OF CALIFORNIA | 0.3% | AA / Aa / AA |
| STATE OF CONNECTICUT | 0.1% | AA / Aa / AA |
| STATE OF MINNESOTA | 0.2% | AAA / Aaa / AAA |
| UNIVERSITY OF CALIFORNIA | 0.2% | AA / Aa / AA |
| Negotiable CD | 2.1% | |
| NORDEA BANK ABP | 1.0% | AA / Aa / AA |
| TORONTO-DOMINION BANK | 1.1% | A / A / NR |

| Security Type / Issuer | Market Value (%) | S&P / Moody's / Fitch |
|--|------------------|-----------------------|
| Corporate | 21.8% | |
| AMAZON.COM INC | 1.0% | AA / A / AA |
| AMERICAN EXPRESS CO | 0.5% | BBB / A / A |
| AMERICAN HONDA FINANCE | 0.7% | A / A / A |
| APPLE INC | 1.3% | AA / Aaa / NR |
| BANK OF AMERICA CO | 1.1% | A / A / AA |
| BERKSHIRE HATHAWAY INC | 1.0% | AA / Aa / A |
| CATERPILLAR INC | 0.5% | A / A / A |
| CHARLES SCHWAB | 0.2% | A / A / A |
| CINTAS CORPORATION NO. 2 | 0.2% | A / A / NR |
| CITIGROUP INC | 1.6% | A / Aa / A |
| DEERE & COMPANY | 0.8% | A / A / A |
| GOLDMAN SACHS GROUP INC | 0.7% | BBB / A / A |
| HERSHEY COMPANY | 0.7% | A / A / NR |
| HOME DEPOT INC | 0.1% | A / A / A |
| IBM CORP | 0.6% | A / A / A |
| JP MORGAN CHASE & CO | 1.4% | A / A / AA |
| LOCKHEED MARTIN CORP | 0.1% | A / A / A |
| MASTERCARD INC | 0.8% | A / Aa / NR |
| MICROSOFT CORP | 1.5% | AAA / Aaa / NR |
| MORGAN STANLEY | 0.7% | A / A / A |
| NATIONAL AUSTRALIA BANK LTD | 0.7% | AA / Aa / NR |
| NATIONAL RURAL UTILITIES CO FINANCE CORP | 0.1% | A / A / A |
| PACCAR FINANCIAL CORP | 0.3% | A / A / NR |
| PNC FINANCIAL SERVICES GROUP | 0.7% | A / A / A |
| TARGET CORP | 0.1% | A / A / A |
| TEXAS INSTRUMENTS INC | 0.2% | A / Aa / NR |

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 | 21.8% | |
| THE BANK OF NEW YORK MELLON CORPORATION | 1.5% | A / A / AA |
| THE WALT DISNEY CORPORATION | 0.7% | A / A / A |
| TOYOTA MOTOR CORP | 0.6% | A / A / A |
| TRUIST FIN CORP | 0.7% | A / A / A |
| UNITEDHEALTH GROUP INC | 0.5% | A / A / A |
| ABS | 10.3% | |
| AMERICAN EXPRESS CO | 1.3% | AAA / NR / AAA |
| BANK OF AMERICA CO | 0.7% | AAA / Aaa / AAA |
| BMW FINANCIAL SERVICES NA LLC | 0.5% | NR / Aaa / AAA |
| CAPITAL ONE FINANCIAL CORP | 0.9% | AAA / Aaa / AAA |
| CARMAX AUTO OWNER TRUST | 0.9% | AAA / Aaa / AAA |
| CHASE ISSURANCE | 0.8% | AAA / NR / AAA |
| DISCOVER FINANCIAL SERVICES | 1.8% | AAA / Aaa / AAA |
| FIFTH THIRD AUTO TRUST | 0.7% | AAA / Aaa / NR |
| FORD CREDIT AUTO OWNER TRUST | 0.3% | AAA / NR / AAA |
| GM FINANCIAL CONSUMER AUTOMOBILE TRUST | 0.3% | AAA / Aaa / AAA |
| GM FINANCIAL LEASINGTRUST | 0.2% | AAA / NR / AAA |
| HONDA AUTO RECEIVABLES | 1.0% | AAA / Aaa / AAA |
| HYUNDAI AUTO RECEIVABLES | 0.3% | AAA / NR / AAA |
| MERCEDES-BENZ AUTO RECEIVABLES | 0.2% | AAA / Aaa / NR |
| TOYOTA MOTOR CORP | 0.3% | 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.

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 04/30/2022 2.500% 04/30/2024 | 91282CEK3 | 1,450,000.00 | AA+ | Aaa | 3/14/2023 | 3/15/2023 | 1,413,070.31 | 4.85 | 6,174.45 | 1,439,243.78 | 1,436,406.25 |
| 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 | 16.48 | 300,918.48 | 295,265.64 |
| 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 | 35.72 | 651,059.03 | 639,742.22 |
| US TREASURY NOTES DTD 06/30/2017 2.000% 06/30/2024 | 912828XX3 | 400,000.00 | AA+ | Aaa | 12/2/2019 | 12/5/2019 | 406,000.00 | 1.66 | 21.98 | 400,650.69 | 393,687.52 |
| 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 | 19.23 | 351,956.78 | 344,476.58 |
| US TREASURY NOTES DTD 12/31/2019 1.750% 12/31/2024 | 912828YY0 | 275,000.00 | AA+ | Aaa | 7/1/2020 | 7/6/2020 | 292,960.94 | 0.28 | 13.22 | 278,999.84 | 266,878.92 |
| 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 | 8.41 | 177,735.78 | 169,832.04 |
| US TREASURY NOTES DTD 02/15/2022 1.500% 02/15/2025 | 91282CDZ1 | 1,900,000.00 | AA+ | Aaa | 3/14/2023 | 3/15/2023 | 1,797,726.56 | 4.45 | 10,764.95 | 1,840,207.14 | 1,833,500.00 |
| 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 | 2.23 | 322,777.58 | 305,195.31 |
| 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 | 2.92 | 422,927.63 | 399,101.57 |
| 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 | 2.83 | 273,002.65 | 254,890.63 |
| 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 | 1.03 | 98,686.93 | 92,687.50 |
| 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 | 1.29 | 124,196.50 | 115,859.38 |
| 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 | 1.80 | 173,467.59 | 162,203.12 |
| US TREASURY 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 | 479.06 | 370,066.97 | 346,933.58 |

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 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 | 89.42 | 68,170.59 | 64,760.93 |
| US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 550,000.00 | AA+ | Aaa | 8/8/2022 | 8/15/2022 | 500,843.75 | 3.04 | 1,438.52 | 517,977.05 | 503,765.62 |
| US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 325,000.00 | AA+ | Aaa | 8/1/2022 | 8/4/2022 | 299,203.13 | 2.74 | 850.03 | 308,321.45 | 297,679.69 |
| US TREASURY 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 | 784.65 | 282,656.98 | 274,781.25 |
| US TREASURY NOTES DTD 07/31/2021 0.625% 07/31/2026 | 91282CCP4 | 425,000.00 | AA+ | Aaa | 7/5/2022 | 7/8/2022 | 389,057.62 | 2.84 | 1,111.58 | 402,184.82 | 389,273.44 |
| US TREASURY 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 | 915.42 | 330,435.28 | 320,578.13 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 625,000.00 | AA+ | Aaa | 1/4/2023 | 1/6/2023 | 581,469.73 | 3.96 | 1,614.01 | 592,591.73 | 591,015.62 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 425,000.00 | AA+ | Aaa | 10/5/2022 | 10/11/2022 | 391,697.27 | 4.10 | 1,097.53 | 401,648.02 | 401,890.63 |
| US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026 | 912828U24 | 725,000.00 | AA+ | Aaa | 12/5/2022 | 12/7/2022 | 674,618.16 | 3.92 | 1,872.25 | 688,272.72 | 685,578.13 |
| US TREASURY NOTES DTD 04/30/2022 2.750% 04/30/2027 | 91282CEN7 | 700,000.00 | AA+ | Aaa | 1/31/2023 | 2/3/2023 | 673,996.09 | 3.70 | 3,278.85 | 679,576.76 | 673,531.25 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 1,050,000.00 | AA+ | Aaa | 3/14/2023 | 3/15/2023 | 998,320.31 | 3.98 | 12,083.56 | 1,007,757.75 | 1,008,164.01 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 675,000.00 | AA+ | Aaa | 5/1/2023 | 5/5/2023 | 652,192.38 | 3.62 | 7,768.00 | 655,743.18 | 648,105.44 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 275,000.00 | AA+ | Aaa | 6/2/2023 | 6/6/2023 | 262,259.77 | 3.97 | 3,164.74 | 264,016.17 | 264,042.95 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 100,000.00 | AA+ | Aaa | 7/3/2023 | 7/7/2023 | 94,273.44 | 4.30 | 1,150.82 | 94,959.86 | 96,015.62 |
| US TREASURY NOTES DTD 07/31/2022 2.750% 07/31/2027 | 91282CFB2 | 875,000.00 | AA+ | Aaa | 3/2/2023 | 3/6/2023 | 816,518.55 | 4.44 | 10,069.63 | 827,465.64 | 840,136.68 |
| US TREASURY NOTES DTD 11/30/2022 3.875% 11/30/2027 | 91282CFZ9 | 200,000.00 | AA+ | Aaa | 12/1/2023 | 12/5/2023 | 197,351.56 | 4.24 | 677.60 | 197,400.67 | 199,656.24 |
| Security Type Sub-Total | | 14,970,000.00 | | | | | 14,385,991.02 | 3.21 | 65,512.21 | 14,545,076.04 | 14,315,635.89 |

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 |
|--|-----------|-------------------|---------------|-------------------|---------------|----------------|-------------------|----------------|---------------------|-------------------|-------------------|
| Supranational | | | | | | | | | | | |
| 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 | 534,903.91 | 517,797.08 |
| Security Type Sub-Total | | 535,000.00 | | | | | 534,604.10 | 0.52 | 728.19 | 534,903.91 | 517,797.08 |
| Negotiable CD | | | | | | | | | | | |
| TORONTO DOMINION BANK NY CERT DEPOS DTD 10/31/2022 5.600% 10/27/2025 | 89115B6K1 | 350,000.00 | A | A1 | 10/27/2022 | 10/31/2022 | 350,000.00 | 5.58 | 3,702.22 | 350,000.00 | 356,714.79 |
| NORDEA BANK ABP NEW YORK CERT DEPOS DTD 11/03/2022 5.530% 11/03/2025 | 65558UYF3 | 350,000.00 | AA- | Aa3 | 11/2/2022 | 11/3/2022 | 350,000.00 | 5.53 | 3,118.31 | 350,000.00 | 347,624.55 |
| Security Type Sub-Total | | 700,000.00 | | | | | 700,000.00 | 5.56 | 6,820.53 | 700,000.00 | 704,339.34 |
| Municipal | | | | | | | | | | | |
| CT ST TXBL GO BONDS DTD 06/11/2020 1.998% 07/01/2024 | 20772KJW0 | 50,000.00 | AA- | Aa3 | 5/29/2020 | 6/11/2020 | 50,000.00 | 2.00 | 499.50 | 50,000.00 | 49,165.50 |
| 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 | 58,945.20 |
| SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024 | 798306WN2 | 125,000.00 | NR | Aa2 | 10/16/2020 | 10/29/2020 | 125,000.00 | 0.70 | 365.63 | 125,000.00 | 121,767.50 |
| NY ST URBAN DEV CORP TXBL REV BONDS DTD 12/23/2020 0.870% 03/15/2025 | 650036DT0 | 250,000.00 | NR | NR | 12/16/2020 | 12/23/2020 | 250,000.00 | 0.87 | 640.42 | 250,000.00 | 237,212.50 |
| 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 | 66,441.90 |
| 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 | 65,134.78 | 61,727.25 |
| 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 | 118,706.25 |

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 |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Municipal | | | | | | | | | | | |
| 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 | 50,110.56 | 47,482.50 |
| LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025 | 54438CYK2 | 100,000.00 | AA+ | Aaa | 10/30/2020 | 11/10/2020 | 100,000.00 | 0.77 | 322.08 | 100,000.00 | 93,989.00 |
| MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025 | 60412AVJ9 | 80,000.00 | AAA | Aaa | 8/11/2020 | 8/25/2020 | 80,000.00 | 0.63 | 210.00 | 80,000.00 | 75,204.00 |
| 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 | 60,681.40 |
| CA ST MUNICIPAL BONDS DTD 03/15/2023 4.846% 03/01/2027 | 13063D3N6 | 100,000.00 | AA- | Aa2 | 3/9/2023 | 3/15/2023 | 100,000.00 | 4.85 | 1,615.33 | 100,000.00 | 101,274.00 |
| Security Type Sub-Total | | 1,140,000.00 | | | | | 1,140,784.45 | 1.38 | 5,860.17 | 1,140,245.34 | 1,092,597.00 |
| Joint Powers Authority | | | | | | | | | | | |
| CAMP Pool | | 462,823.34 | AAAm | NR | | | 462,823.34 | | 0.00 | 462,823.34 | 462,823.34 |
| Security Type Sub-Total | | 462,823.34 | | | | | 462,823.34 | | 0.00 | 462,823.34 | 462,823.34 |
| 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 | 249,681.16 | 237,514.50 |
| 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 | 249,865.32 | 237,665.75 |
| FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025 | 3137EAEU9 | 325,000.00 | AA+ | Aaa | 7/21/2020 | 7/23/2020 | 323,381.50 | 0.48 | 541.67 | 324,496.88 | 305,386.58 |
| 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 | 274,575.23 | 257,512.75 |
| 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 | 114,883.93 | 107,650.47 |
| 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 | 274,713.65 | 256,890.70 |

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 |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Federal Agency | | | | | | | | | | | |
| 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 | 274,634.53 | 256,400.38 |
| Security Type Sub-Total | | 1,765,000.00 | | | | | 1,758,182.25 | 0.53 | 2,096.59 | 1,762,850.70 | 1,659,021.13 |
| 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 | 250,000.00 | 249,734.25 |
| 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 | 84,997.01 | 84,096.03 |
| 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 | 250,978.40 | 248,482.50 |
| 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 | 229,959.56 | 225,938.66 |
| 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 | 249,877.99 | 246,269.25 |
| 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 | 250,658.52 | 247,549.75 |
| 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 | 250,042.15 | 245,808.00 |
| 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 | 104,988.57 | 101,924.24 |
| WALT DISNEY COMPANY/THE (CALLABLE) DTD 09/06/2019 1.750% 08/30/2024 | 254687FK7 | 250,000.00 | A- | A2 | 9/3/2019 | 9/6/2019 | 248,980.00 | 1.84 | 1,470.49 | 249,864.37 | 244,045.00 |
| 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 | 125,289.73 | 120,795.63 |

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 |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate | | | | | | | | | | | |
| 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 | 25,082.56 | 24,159.12 |
| 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 | 50,115.89 | 48,318.25 |
| 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 | 124,915.13 | 122,302.63 |
| 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 | 114.00 | 19,985.23 | 19,505.30 |
| BANK OF AMERICA CORP NOTES (CALLABLE) DTD 04/22/2021 0.976% 04/22/2025 | 06051GJR1 | 200,000.00 | A- | A1 | 4/16/2021 | 4/22/2021 | 200,000.00 | 0.98 | 374.13 | 200,000.00 | 196,883.00 |
| 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 | 345.00 | 59,994.14 | 58,920.36 |
| 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 | 450,234.95 | 429,125.85 |
| JPMORGAN CHASE & CO (CALLABLE) CORP NOTE DTD 06/01/2021 0.824% 06/01/2025 | 46647PCH7 | 250,000.00 | A- | A1 | 5/24/2021 | 6/1/2021 | 250,000.00 | 0.82 | 171.67 | 250,000.00 | 245,669.50 |
| 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 | 245,772.50 |
| 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 | 69.00 | 44,994.33 | 44,071.25 |
| IBM CORP CORPORATE NOTES DTD 07/27/2022 4.000% 07/27/2025 | 459200KS9 | 200,000.00 | A- | A3 | 7/20/2022 | 7/27/2022 | 200,000.00 | 4.00 | 3,422.22 | 200,000.00 | 197,771.80 |
| JPMORGAN CHASE & CO CORP NOTES (CALLABLE DTD 08/10/2021 0.768% 08/09/2025 | 46647PCM6 | 95,000.00 | A- | A1 | 8/3/2021 | 8/10/2021 | 95,000.00 | 0.77 | 287.79 | 95,000.00 | 91,934.26 |

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 |
|---|-----------|------------|---------------|-------------------|---------------|----------------|------------------|----------------|---------------------|-------------------|-----------------|
| Corporate | | | | | | | | | | | |
| UNITEDHEALTH GROUP INC (CALLABLE) CORPOR DTD 05/19/2021 1.150% 05/15/2026 | 91324PEC2 | 200,000.00 | A+ | A2 | 5/17/2021 | 5/19/2021 | 199,652.00 | 1.19 | 293.89 | 199,834.79 | 185,155.20 |
| BANK OF AMERICA CORP NOTES (CALLABLE) DTD 06/16/2020 1.319% 06/19/2026 | 06051GJD2 | 200,000.00 | A- | A1 | 7/23/2021 | 7/27/2021 | 200,918.00 | 1.22 | 87.93 | 200,345.14 | 188,295.00 |
| 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 | 199,825.37 | 184,533.80 |
| JPMORGAN CHASE & CO NOTES (CALLABLE) DTD 11/19/2020 1.045% 11/19/2026 | 46647PBT2 | 150,000.00 | A- | A1 | 11/24/2021 | 11/29/2021 | 145,593.00 | 1.66 | 182.88 | 147,444.62 | 138,855.15 |
| 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 | 1,633.89 | 199,388.23 | 184,883.40 |
| TARGET CORP CORP NOTES (CALLABLE) 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 | 314.71 | 34,963.65 | 32,661.37 |
| 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 | 374,488.36 | 348,804.38 |
| MICROSOFT CORP CORP NOTES (CALLABLE) DTD 02/06/2017 3.300% 02/06/2027 | 594918BY9 | 500,000.00 | AAA | Aaa | 3/14/2023 | 3/17/2023 | 481,295.00 | 4.36 | 6,645.83 | 485,109.66 | 487,054.50 |
| 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 | 370,491.27 | 353,637.75 |
| BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 04/26/2023 4.947% 04/26/2027 | 06406RBQ9 | 150,000.00 | A | A1 | 4/19/2023 | 4/26/2023 | 150,000.00 | 4.95 | 1,339.81 | 150,000.00 | 149,972.55 |
| TEXAS INSTRUMENTS INC CORP NOTE (CALLABL DTD 11/18/2022 4.600% 02/15/2028 | 882508BV5 | 55,000.00 | A+ | Aa3 | 5/11/2023 | 5/18/2023 | 56,322.20 | 4.04 | 955.78 | 56,145.18 | 55,885.56 |
| MASTERCARD INC CORP NOTES (CALLABLE) DTD 03/09/2023 4.875% 03/09/2028 | 57636QAW4 | 250,000.00 | A+ | Aa3 | 3/14/2023 | 3/16/2023 | 251,270.00 | 4.76 | 3,791.67 | 251,063.65 | 257,423.25 |

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 |
|--|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Corporate | | | | | | | | | | | |
| HERSHEY COMPANY CORP NOTES CALLABLE DTD 05/04/2023 4.250% 05/04/2028 | 427866BH0 | 250,000.00 | A | A1 | 5/16/2023 | 5/18/2023 | 251,920.00 | 4.08 | 1,682.29 | 251,674.48 | 249,673.75 |
| LOCKHEED MARTIN CORP NOTES (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028 | 539830BZ1 | 40,000.00 | A- | A2 | 5/23/2023 | 5/25/2023 | 39,928.00 | 4.49 | 227.44 | 39,936.76 | 40,187.84 |
| JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 07/14/2023 4.950% 07/14/2028 | 24422EXB0 | 250,000.00 | A | A2 | 7/21/2023 | 7/25/2023 | 251,910.00 | 4.78 | 5,740.63 | 251,741.72 | 256,344.00 |
| CITIBANK NA CORP NOTES (CALLABLE) DTD 09/29/2023 5.803% 09/29/2028 | 17325FBB3 | 500,000.00 | A+ | Aa3 | 10/2/2023 | 10/4/2023 | 497,520.00 | 5.92 | 7,414.94 | 497,625.53 | 520,548.50 |
| Security Type Sub-Total | | 7,545,000.00 | | | | | 7,545,257.85 | 2.80 | 59,703.55 | 7,527,056.94 | 7,372,993.13 |
| Agency CMBS | | | | | | | | | | | |
| FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024 | 3137BGK24 | 172,482.27 | AA+ | Aaa | 3/19/2020 | 3/25/2020 | 181,025.53 | 1.95 | 440.12 | 174,153.99 | 169,029.50 |
| FHMS K054 A2 DTD 04/20/2016 2.745% 01/01/2026 | 3137BNGT5 | 175,000.00 | AA+ | Aaa | 4/11/2023 | 4/14/2023 | 167,753.91 | 4.37 | 400.31 | 169,665.77 | 168,738.05 |
| FHMS K058 A2 DTD 11/09/2016 2.653% 08/01/2026 | 3137BSP72 | 350,000.00 | AA+ | Aaa | 4/6/2023 | 4/12/2023 | 335,261.72 | 4.02 | 773.79 | 338,485.34 | 334,155.48 |
| FHMS K061 A2 DTD 01/30/2017 3.347% 11/01/2026 | 3137BTUM1 | 239,641.28 | AA+ | Aaa | 5/19/2023 | 5/24/2023 | 232,264.82 | 4.31 | 668.40 | 233,567.58 | 232,656.90 |
| FHMS K064 A2 DTD 05/15/2017 3.224% 03/01/2027 | 3137BXQY1 | 350,000.00 | AA+ | Aaa | 8/16/2023 | 8/18/2023 | 330,148.44 | 4.98 | 940.33 | 332,239.70 | 338,122.95 |
| FHLMC MULTIFAMILY STRUCTURED P DTD 07/01/2017 3.243% 04/01/2027 | 3137F1G44 | 350,000.00 | AA+ | Aaa | 6/8/2023 | 6/13/2023 | 335,384.77 | 4.44 | 945.88 | 337,511.77 | 337,815.23 |
| FHMS KJ48 A1 DTD 12/01/2023 4.858% 05/01/2028 | 3137HBC69 | 280,000.00 | AA+ | Aaa | 12/6/2023 | 12/14/2023 | 279,997.76 | 4.86 | 1,133.53 | 279,997.78 | 283,746.53 |
| FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028 | 3137HACX2 | 350,000.00 | AA+ | Aaa | 7/13/2023 | 7/20/2023 | 353,495.80 | 4.59 | 1,405.54 | 353,171.39 | 355,739.64 |
| FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028 | 3137HAD45 | 279,245.89 | AA+ | Aaa | 7/19/2023 | 7/27/2023 | 279,238.89 | 4.78 | 1,111.63 | 279,239.51 | 280,466.15 |

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 |
|---|-----------|---------------------|---------------|-------------------|---------------|----------------|---------------------|----------------|---------------------|---------------------|---------------------|
| Agency CMBS | | | | | | | | | | | |
| FNA 2023-M6 A2 DTD 07/01/2023 4.190% 07/01/2028 | 3136BQDE6 | 350,000.00 | AA+ | Aaa | 7/18/2023 | 7/31/2023 | 344,066.41 | 4.58 | 1,222.08 | 344,574.91 | 347,538.64 |
| FHMS K506 A2 DTD 09/01/2023 4.650% 08/01/2028 | 3137HAMH6 | 550,000.00 | AA+ | Aaa | 9/7/2023 | 9/14/2023 | 541,863.85 | 4.99 | 2,131.25 | 542,304.80 | 556,358.30 |
| FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028 | 3137HAQ74 | 350,000.00 | AA+ | Aaa | 10/11/2023 | 10/19/2023 | 342,322.40 | 5.26 | 1,382.50 | 342,608.49 | 355,287.71 |
| FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028 | 3137HAST4 | 265,000.00 | AA+ | Aaa | 10/25/2023 | 10/31/2023 | 256,551.01 | 5.60 | 1,071.04 | 256,809.91 | 270,318.49 |
| FHMS K507 A2 DTD 09/01/2023 4.800% 09/01/2028 | 3137HAMS2 | 350,000.00 | AA+ | Aaa | 9/20/2023 | 9/28/2023 | 345,816.45 | 5.07 | 1,400.00 | 346,010.93 | 356,430.18 |
| FHMS K511 A2 DTD 12/01/2023 4.860% 10/01/2028 | 3137HB3G7 | 195,000.00 | AA+ | Aaa | 11/28/2023 | 12/7/2023 | 194,439.77 | 4.93 | 789.75 | 194,446.71 | 199,131.38 |
| FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028 | 3137HB3D4 | 125,000.00 | AA+ | Aaa | 11/14/2023 | 11/21/2023 | 124,638.63 | 5.14 | 528.02 | 124,645.92 | 128,539.73 |
| Security Type Sub-Total | | 4,731,369.44 | | | | | 4,644,270.16 | 4.70 | 16,344.17 | 4,649,434.50 | 4,714,074.86 |
| ABS | | | | | | | | | | | |
| HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024 | 43813KAC6 | 2,327.15 | AAA | NR | 9/22/2020 | 9/29/2020 | 2,326.81 | 0.37 | 0.31 | 2,327.08 | 2,322.52 |
| BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025 | 09690AAD5 | 171,133.16 | NR | Aaa | 9/8/2021 | 9/15/2021 | 171,126.69 | 0.43 | 12.26 | 171,131.10 | 170,515.95 |
| GMCAR 2020-3 A3 DTD 08/19/2020 0.450% 04/16/2025 | 362590AC5 | 6,587.98 | NR | Aaa | 8/11/2020 | 8/19/2020 | 6,586.47 | 0.46 | 1.24 | 6,587.56 | 6,567.29 |
| GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025 | 36262XAD6 | 59,801.07 | AAA | NR | 8/10/2021 | 8/18/2021 | 59,798.91 | 0.50 | 9.14 | 59,800.22 | 59,550.81 |
| CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025 | 14316HAC6 | 14,628.52 | AAA | NR | 10/14/2020 | 10/21/2020 | 14,625.30 | 0.50 | 3.25 | 14,627.44 | 14,475.29 |
| HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025 | 44933LAC7 | 17,352.14 | AAA | NR | 4/20/2021 | 4/28/2021 | 17,350.31 | 0.38 | 2.93 | 17,351.43 | 17,115.26 |
| TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025 | 89190GAC1 | 112,010.34 | AAA | NR | 6/8/2021 | 6/14/2021 | 111,998.27 | 0.26 | 12.94 | 112,005.22 | 109,474.03 |
| HAROT 2021-3 A3 DTD 08/25/2021 0.410% 11/18/2025 | 43815EAC8 | 61,828.49 | AAA | NR | 8/17/2021 | 8/25/2021 | 61,827.59 | 0.41 | 9.15 | 61,828.09 | 60,159.61 |

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 | | | | | | | | | | | |
| HART 2021-B A3 DTD 07/28/2021 0.380% 01/15/2026 | 44934KAC8 | 78,587.34 | AAA | NR | 7/20/2021 | 7/28/2021 | 78,570.00 | 0.39 | 13.27 | 78,579.42 | 76,916.21 |
| CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026 | 14314QAC8 | 36,022.42 | AAA | NR | 4/13/2021 | 4/21/2021 | 36,014.66 | 0.52 | 8.33 | 36,019.00 | 35,223.73 |
| MBART 2021-1 A3 DTD 09/22/2021 0.460% 06/15/2026 | 58772WAC7 | 72,677.57 | AAA | Aaa | 9/15/2021 | 9/22/2021 | 72,668.06 | 0.46 | 14.86 | 72,672.64 | 70,541.93 |
| CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026 | 14317DAC4 | 98,973.88 | AAA | Aaa | 7/21/2021 | 7/28/2021 | 98,957.60 | 0.55 | 24.19 | 98,965.70 | 95,814.55 |
| GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026 | 380140AC7 | 57,711.16 | AAA | NR | 7/13/2021 | 7/21/2021 | 57,707.60 | 0.48 | 11.54 | 57,709.38 | 56,089.14 |
| 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 | 254,994.74 | 248,529.48 |
| 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 | 154,981.92 | 149,867.87 |
| COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026 | 14044CAC6 | 58,219.49 | AAA | Aaa | 10/19/2021 | 10/27/2021 | 58,218.39 | 0.77 | 19.92 | 58,218.88 | 56,337.21 |
| GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026 | 362554AC1 | 46,828.27 | AAA | Aaa | 10/13/2021 | 10/21/2021 | 46,827.08 | 0.68 | 13.27 | 46,827.61 | 45,283.45 |
| CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027 | 14318MAD1 | 175,000.00 | AAA | NR | 7/12/2022 | 7/20/2022 | 174,995.87 | 3.97 | 308.78 | 174,997.14 | 172,615.89 |
| FORDO 2023-A A3 DTD 03/31/2023 4.650% 02/15/2028 | 344928AD8 | 90,000.00 | AAA | NR | 3/28/2023 | 3/31/2023 | 89,990.61 | 4.65 | 186.00 | 89,992.06 | 89,586.88 |
| HAROT 2023-3 A3 DTD 08/22/2023 5.410% 02/18/2028 | 43815QAC1 | 225,000.00 | AAA | NR | 8/15/2023 | 8/22/2023 | 224,953.61 | 5.42 | 439.56 | 224,957.34 | 228,127.12 |
| DCENT 2023-A1 A DTD 04/11/2023 4.310% 03/15/2028 | 254683CY9 | 225,000.00 | NR | Aaa | 4/4/2023 | 4/11/2023 | 224,986.95 | 4.31 | 431.00 | 224,988.87 | 223,425.70 |
| BACCT 2023-A1 A1 DTD 06/16/2023 4.790% 05/15/2028 | 05522RDG0 | 120,000.00 | AAA | NR | 6/8/2023 | 6/16/2023 | 119,972.83 | 4.79 | 255.47 | 119,975.84 | 120,392.71 |
| AMXCA 2023-1 A DTD 06/14/2023 4.870% 05/15/2028 | 02582JJZ4 | 130,000.00 | AAA | NR | 6/7/2023 | 6/14/2023 | 129,988.47 | 4.87 | 281.38 | 129,989.76 | 131,001.92 |
| DCENT 2023-A2 A DTD 06/28/2023 4.930% 06/15/2028 | 254683CZ6 | 245,000.00 | AAA | Aaa | 6/21/2023 | 6/28/2023 | 244,966.90 | 4.93 | 536.82 | 244,970.31 | 246,960.27 |
| HAROT 2023-4 A3 DTD 11/08/2023 5.670% 06/21/2028 | 438123AC5 | 60,000.00 | NR | Aaa | 11/1/2023 | 11/8/2023 | 59,989.43 | 5.67 | 94.50 | 59,989.73 | 61,266.49 |

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 | | | | | | | | | | | |
| FITAT 2023-1 A3 DTD 08/23/2023 5.530% 08/15/2028 | 31680EAD3 | 245,000.00 | AAA | Aaa | 8/15/2023 | 8/23/2023 | 244,984.81 | 5.53 | 602.16 | 244,985.90 | 247,682.43 |
| AMXCA 2023-3 A DTD 09/19/2023 5.230% 09/15/2028 | 02582JKD1 | 290,000.00 | AAA | NR | 9/12/2023 | 9/19/2023 | 289,987.04 | 5.23 | 674.09 | 289,987.69 | 294,983.74 |
| CHAIT 2023-A1 A DTD 09/15/2023 5.160% 09/15/2028 | 161571HT4 | 280,000.00 | AAA | NR | 9/7/2023 | 9/15/2023 | 279,922.38 | 5.17 | 642.13 | 279,926.44 | 284,314.80 |
| BACCT 2023-A2 A2 DTD 12/14/2023 4.980% 11/15/2028 | 05522RDH8 | 125,000.00 | NR | Aaa | 12/7/2023 | 12/14/2023 | 124,983.21 | 4.98 | 293.96 | 124,983.36 | 126,293.05 |
| Security Type Sub-Total | | 3,514,688.98 | | | | | 3,514,282.33 | 3.35 | 5,004.74 | 3,514,371.87 | 3,501,435.33 |
| Managed Account Sub Total | | 34,901,058.42 | | | | | 34,223,372.16 | 3.16 | 162,070.15 | 34,373,939.30 | 33,877,893.76 |
| Securities Sub Total | | \$35,363,881.76 | | | | | \$34,686,195.50 | 3.16% | \$162,070.15 | \$34,836,762.64 | \$34,340,717.10 |
| Accrued Interest | | | | | | | | | | | \$162,070.15 |
| Total Investments | | | | | | | | | | | \$34,502,787.25 |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|------------------|-------------|---------------------|-----------|-----------------------------------|--------|---------------|----------------------|-----------------|-------------------|
| BUY | | | | | | | | | |
| 10/2/2023 | 10/4/2023 | 500,000.00 | 17325FBB3 | CITIBANK NA CORP NOTES (CALLABLE) | 5.80% | 9/29/2028 | 497,922.99 | 5.92% | |
| 10/11/2023 | 10/19/2023 | 350,000.00 | 3137HAQ74 | FHMS K508 A2 | 4.74% | 8/1/2028 | 343,151.90 | 5.26% | |
| 10/25/2023 | 10/31/2023 | 265,000.00 | 3137HAST4 | FHMS K509 A2 | 4.85% | 9/1/2028 | 257,622.05 | 5.60% | |
| 11/1/2023 | 11/8/2023 | 60,000.00 | 438123AC5 | HAROT 2023-4 A3 | 5.67% | 6/21/2028 | 59,989.43 | 5.67% | |
| 11/14/2023 | 11/21/2023 | 125,000.00 | 3137HB3D4 | FHMS K510 A2 | 5.06% | 10/1/2028 | 124,990.64 | 5.14% | |
| 11/28/2023 | 12/7/2023 | 195,000.00 | 3137HB3G7 | FHMS K511 A2 | 4.86% | 10/1/2028 | 194,597.72 | 4.93% | |
| 12/1/2023 | 12/5/2023 | 200,000.00 | 91282CFZ9 | US TREASURY NOTES | 3.87% | 11/30/2027 | 197,457.43 | 4.24% | |
| 12/6/2023 | 12/14/2023 | 280,000.00 | 3137HBC69 | FHMS KJ48 A1 | 4.85% | 5/1/2028 | 280,488.96 | 4.86% | |
| 12/7/2023 | 12/14/2023 | 125,000.00 | 05522RDH8 | BACCT 2023-A2 A2 | 4.98% | 11/15/2028 | 124,983.21 | 4.98% | |
| Total BUY | | 2,100,000.00 | | | | | 2,081,204.33 | | 0.00 |
| INTEREST | | | | | | | | | |
| 10/1/2023 | 10/25/2023 | 350,000.00 | 3137BXQY1 | FHMS K064 A2 | 3.22% | 3/1/2027 | 940.33 | | |
| 10/1/2023 | 10/25/2023 | 175,000.00 | 3137BNGT5 | FHMS K054 A2 | 2.74% | 1/1/2026 | 400.31 | | |
| 10/1/2023 | 10/25/2023 | 550,000.00 | 3137HAMH6 | FHMS K506 A2 | 4.65% | 8/1/2028 | 2,131.25 | | |
| 10/1/2023 | 10/25/2023 | 350,000.00 | 3137BSP72 | FHMS K058 A2 | 2.65% | 8/1/2026 | 773.79 | | |
| 10/1/2023 | 10/25/2023 | 279,729.28 | 3137HAD45 | FHMS KJ46 A1 | 4.77% | 6/1/2028 | 1,113.56 | | |
| 10/1/2023 | 10/25/2023 | 350,000.00 | 3137F1G44 | FHLMC MULTIFAMILY STRUCTURED P | 3.24% | 4/1/2027 | 945.88 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 10/1/2023 | 10/25/2023 | 350,000.00 | 3137HAMS2 | FHMS K507 A2 | 4.80% | 9/1/2028 | 1,400.00 | | |
| 10/1/2023 | 10/25/2023 | 175,000.00 | 3137BGK24 | FHMS K043 A2 | 3.06% | 12/1/2024 | 446.54 | | |
| 10/1/2023 | 10/25/2023 | 350,000.00 | 3136BQDE6 | FNA 2023-M6 A2 | 4.19% | 7/1/2028 | 1,222.08 | | |
| 10/1/2023 | 10/25/2023 | 240,000.00 | 3137BTUM1 | FHMS K061 A2 | 3.34% | 11/1/2026 | 669.40 | | |
| 10/1/2023 | 10/25/2023 | 350,000.00 | 3137HACX2 | FHMS K505 A2 | 4.81% | 6/1/2028 | 1,405.54 | | |
| 10/13/2023 | 10/13/2023 | 125,000.00 | 023135CE4 | AMAZON.COM INC CORPORATE NOTES | 3.00% | 4/13/2025 | 1,875.00 | | |
| 10/14/2023 | 10/14/2023 | 250,000.00 | 3130AJHU6 | FEDERAL HOME LOAN BANK NOTES | 0.50% | 4/14/2025 | 625.00 | | |
| 10/15/2023 | 10/15/2023 | 130,000.00 | 02582JJZ4 | AMXCA 2023-1 A | 4.87% | 5/15/2028 | 527.58 | | |
| 10/15/2023 | 10/15/2023 | 148,974.76 | 89190GAC1 | TAOT 2021-B A3 | 0.26% | 11/17/2025 | 32.28 | | |
| 10/15/2023 | 10/15/2023 | 225,000.00 | 254683CY9 | DCENT 2023-A1 A | 4.31% | 3/15/2028 | 808.13 | | |
| 10/15/2023 | 10/15/2023 | 255,000.00 | 14041NFW6 | COMET 2021-A1 A1 | 0.55% | 7/15/2026 | 116.87 | | |
| 10/15/2023 | 10/15/2023 | 120,000.00 | 05522RDG0 | BACCT 2023-A1 A1 | 4.79% | 5/15/2028 | 479.00 | | |
| 10/15/2023 | 10/15/2023 | 20,000.00 | 437076CM2 | HOME DEPOT INC (CALLABLE) CORPORATE NOTE | 2.70% | 4/15/2025 | 270.00 | | |
| 10/15/2023 | 10/15/2023 | 280,000.00 | 161571HT4 | CHAIT 2023-A1 A | 5.16% | 9/15/2028 | 1,204.00 | | |
| 10/15/2023 | 10/15/2023 | 104,775.42 | 44934KAC8 | HART 2021-B A3 | 0.38% | 1/15/2026 | 33.18 | | |
| 10/15/2023 | 10/15/2023 | 90,398.26 | 58772WAC7 | MBART 2021-1 A3 | 0.46% | 6/15/2026 | 34.65 | | |
| 10/15/2023 | 10/15/2023 | 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 | | | | | | | | | |
| 10/15/2023 | 10/15/2023 | 23,964.19 | 14316HAC6 | CARMX 2020-4 A3 | 0.50% | 8/15/2025 | 9.99 | | |
| 10/15/2023 | 10/15/2023 | 290,000.00 | 02582JKD1 | AMXCA 2023-3 A | 5.23% | 9/15/2028 | 1,095.39 | | |
| 10/15/2023 | 10/15/2023 | 119,628.53 | 14317DAC4 | CARMX 2021-3 A3 | 0.55% | 6/15/2026 | 54.83 | | |
| 10/15/2023 | 10/15/2023 | 175,000.00 | 14318MAD1 | CARMX 2022-3 A3 | 3.97% | 4/15/2027 | 578.96 | | |
| 10/15/2023 | 10/15/2023 | 47,155.39 | 14314QAC8 | CARMX 2021-2 A3 | 0.52% | 2/17/2026 | 20.43 | | |
| 10/15/2023 | 10/15/2023 | 5,721.86 | 14315FAD9 | CARMX 2020-3 A3 | 0.62% | 3/17/2025 | 2.96 | | |
| 10/15/2023 | 10/15/2023 | 70,227.51 | 14044CAC6 | COPAR 2021-1 A3 | 0.77% | 9/15/2026 | 45.06 | | |
| 10/15/2023 | 10/15/2023 | 26,066.76 | 44933LAC7 | HART 2021-A A3 | 0.38% | 9/15/2025 | 8.25 | | |
| 10/15/2023 | 10/15/2023 | 90,000.00 | 344928AD8 | FORDO 2023-A A3 | 4.65% | 2/15/2028 | 348.75 | | |
| 10/15/2023 | 10/15/2023 | 245,000.00 | 254683CZ6 | DCENT 2023-A2 A | 4.93% | 6/15/2028 | 1,006.54 | | |
| 10/15/2023 | 10/15/2023 | 245,000.00 | 31680EAD3 | FITAT 2023-1 A3 | 5.53% | 8/15/2028 | 1,129.04 | | |
| 10/16/2023 | 10/16/2023 | 56,046.56 | 362554AC1 | GMCAR 2021-4 A3 | 0.68% | 9/16/2026 | 31.76 | | |
| 10/16/2023 | 10/16/2023 | 20,236.97 | 362590AC5 | GMCAR 2020-3 A3 | 0.45% | 4/16/2025 | 7.59 | | |
| 10/16/2023 | 10/16/2023 | 71,883.39 | 380140AC7 | GMCAR 2021-3 A3 | 0.48% | 6/16/2026 | 28.75 | | |
| 10/18/2023 | 10/18/2023 | 225,000.00 | 43815QAC1 | HAROT 2023-3 A3 | 5.41% | 2/18/2028 | 1,014.37 | | |
| 10/18/2023 | 10/18/2023 | 13,665.81 | 43813KAC6 | HAROT 2020-3 A3 | 0.37% | 10/18/2024 | 4.21 | | |
| 10/18/2023 | 10/18/2023 | 79,933.69 | 43815EAC8 | HAROT 2021-3 A3 | 0.41% | 11/18/2025 | 27.31 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|--------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 10/20/2023 | 10/20/2023 | 60,000.00 | 36262XAD6 | GMALT 2021-3 A4 | 0.50% | 7/21/2025 | 25.00 | | |
| 10/20/2023 | 10/20/2023 | 6,776.28 | 380144AD7 | GMALT 2021-2 A4 | 0.41% | 5/20/2025 | 2.32 | | |
| 10/22/2023 | 10/22/2023 | 250,000.00 | 3135G03U5 | FANNIE MAE NOTES | 0.62% | 4/22/2025 | 781.25 | | |
| 10/22/2023 | 10/22/2023 | 200,000.00 | 06051GJR1 | BANK OF AMERICA CORP NOTES (CALLABLE) | 0.97% | 4/22/2025 | 976.00 | | |
| 10/25/2023 | 10/25/2023 | 230,000.00 | 09690AAD5 | BMWLT 2021-2 A4 | 0.43% | 1/27/2025 | 82.42 | | |
| 10/25/2023 | 10/25/2023 | 350,000.00 | 89115B6K1 | TORONTO DOMINION BANK NY CERT DEPOS | 5.60% | 10/27/2025 | 19,545.56 | | |
| 10/26/2023 | 10/26/2023 | 150,000.00 | 06406RBQ9 | BANK OF NY MELLON CORP NOTES (CALLABLE) | 4.94% | 4/26/2027 | 3,710.25 | | |
| 10/29/2023 | 10/29/2023 | 250,000.00 | 61746BDQ6 | MORGAN STANLEY CORP NOTES | 3.87% | 4/29/2024 | 4,843.75 | | |
| 10/31/2023 | 10/31/2023 | 1,575,000.00 | 91282CEK3 | US TREASURY NOTES | 2.50% | 4/30/2024 | 19,687.50 | | |
| 10/31/2023 | 10/31/2023 | 700,000.00 | 91282CEN7 | US TREASURY NOTES | 2.75% | 4/30/2027 | 9,625.00 | | |
| 10/31/2023 | 10/31/2023 | 445,000.00 | 91282CBW0 | US TREASURY NOTES | 0.75% | 4/30/2026 | 1,668.75 | | |
| 11/1/2023 | 11/1/2023 | 65,000.00 | 13077DQD7 | CA ST UNIV TXBL REV BONDS | 0.86% | 11/1/2025 | 280.15 | | |
| 11/1/2023 | 11/1/2023 | 60,000.00 | 17252MAP5 | CINTAS CORPORATION NO. 2 CORP NOTE (CALL | 3.45% | 5/1/2025 | 1,035.00 | | |
| 11/1/2023 | 11/25/2023 | 550,000.00 | 3137HAMH6 | FHMS K506 A2 | 4.65% | 8/1/2028 | 2,131.25 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3137HACX2 | FHMS K505 A2 | 4.81% | 6/1/2028 | 1,405.54 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3136BQDE6 | FNA 2023-M6 A2 | 4.19% | 7/1/2028 | 1,222.08 | | |
| 11/1/2023 | 11/25/2023 | 265,000.00 | 3137HAST4 | FHMS K509 A2 | 4.85% | 9/1/2028 | 1,071.04 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 11/1/2023 | 11/25/2023 | 279,562.42 | 3137HAD45 | FHMS KJ46 A1 | 4.77% | 6/1/2028 | 1,112.89 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3137BXQY1 | FHMS K064 A2 | 3.22% | 3/1/2027 | 940.33 | | |
| 11/1/2023 | 11/25/2023 | 175,000.00 | 3137BNGT5 | FHMS K054 A2 | 2.74% | 1/1/2026 | 400.31 | | |
| 11/1/2023 | 11/25/2023 | 173,065.57 | 3137BGK24 | FHMS K043 A2 | 3.06% | 12/1/2024 | 441.61 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3137HAQ74 | FHMS K508 A2 | 4.74% | 8/1/2028 | 1,382.50 | | |
| 11/1/2023 | 11/25/2023 | 240,000.00 | 3137BTUM1 | FHMS K061 A2 | 3.34% | 11/1/2026 | 669.40 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3137HAMS2 | FHMS K507 A2 | 4.80% | 9/1/2028 | 1,400.00 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3137F1G44 | FHLMC MULTIFAMILY STRUCTURED P | 3.24% | 4/1/2027 | 945.88 | | |
| 11/1/2023 | 11/25/2023 | 350,000.00 | 3137BSP72 | FHMS K058 A2 | 2.65% | 8/1/2026 | 773.79 | | |
| 11/3/2023 | 11/3/2023 | 350,000.00 | 65558UYF3 | NORDEA BANK ABP NEW YORK CERT DEPOS | 5.53% | 11/3/2025 | 9,677.50 | | |
| 11/4/2023 | 11/4/2023 | 250,000.00 | 427866BH0 | HERSHEY COMPANY CORP NOTES CALLABLE | 4.25% | 5/4/2028 | 5,312.50 | | |
| 11/4/2023 | 11/4/2023 | 200,000.00 | 025816CM9 | AMERICAN EXPRESS CO (CALLABLE) CORPORATE | 1.65% | 11/4/2026 | 1,650.00 | | |
| 11/7/2023 | 11/7/2023 | 275,000.00 | 3135G06G3 | FANNIE MAE NOTES | 0.50% | 11/7/2025 | 687.50 | | |
| 11/11/2023 | 11/11/2023 | 450,000.00 | 037833DT4 | APPLE INC (CALLABLE) CORP NOTES | 1.12% | 5/11/2025 | 2,531.25 | | |
| 11/12/2023 | 11/12/2023 | 230,000.00 | 023135BW5 | AMAZON.COM INC CORPORATE NOTES | 0.45% | 5/12/2024 | 517.50 | | |
| 11/15/2023 | 11/15/2023 | 90,000.00 | 344928AD8 | FORDO 2023-A A3 | 4.65% | 2/15/2028 | 348.75 | | |
| 11/15/2023 | 11/15/2023 | 23,017.57 | 44933LAC7 | HART 2021-A A3 | 0.38% | 9/15/2025 | 7.29 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|--------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 11/15/2023 | 11/15/2023 | 155,000.00 | 254683CP8 | DCENT 2021-A1 A1 | 0.58% | 9/15/2026 | 74.92 | | |
| 11/15/2023 | 11/15/2023 | 255,000.00 | 14041NFW6 | COMET 2021-A1 A1 | 0.55% | 7/15/2026 | 116.87 | | |
| 11/15/2023 | 11/15/2023 | 1,775,000.00 | 912828U24 | US TREASURY NOTES | 2.00% | 11/15/2026 | 17,750.00 | | |
| 11/15/2023 | 11/15/2023 | 120,000.00 | 05522RDG0 | BACCT 2023-A1 A1 | 4.79% | 5/15/2028 | 479.00 | | |
| 11/15/2023 | 11/15/2023 | 43,319.95 | 14314QAC8 | CARMX 2021-2 A3 | 0.52% | 2/17/2026 | 18.77 | | |
| 11/15/2023 | 11/15/2023 | 70,000.00 | 91412HGE7 | UNIV OF CAL TXBL REV BONDS | 0.88% | 5/15/2025 | 309.05 | | |
| 11/15/2023 | 11/15/2023 | 95,657.92 | 44934KAC8 | HART 2021-B A3 | 0.38% | 1/15/2026 | 30.29 | | |
| 11/15/2023 | 11/15/2023 | 40,000.00 | 539830BZ1 | LOCKHEED MARTIN CORP NOTES (CALLABLE) | 4.45% | 5/15/2028 | 840.56 | | |
| 11/15/2023 | 11/15/2023 | 84,567.13 | 58772WAC7 | MBART 2021-1 A3 | 0.46% | 6/15/2026 | 32.42 | | |
| 11/15/2023 | 11/15/2023 | 245,000.00 | 254683CZ6 | DCENT 2023-A2 A | 4.93% | 6/15/2028 | 1,006.54 | | |
| 11/15/2023 | 11/15/2023 | 245,000.00 | 31680EAD3 | FITAT 2023-1 A3 | 5.53% | 8/15/2028 | 1,129.04 | | |
| 11/15/2023 | 11/15/2023 | 130,000.00 | 02582JJZ4 | AMXCA 2023-1 A | 4.87% | 5/15/2028 | 527.58 | | |
| 11/15/2023 | 11/15/2023 | 66,107.36 | 14044CAC6 | COPAR 2021-1 A3 | 0.77% | 9/15/2026 | 42.42 | | |
| 11/15/2023 | 11/15/2023 | 290,000.00 | 02582JKD1 | AMXCA 2023-3 A | 5.23% | 9/15/2028 | 1,263.92 | | |
| 11/15/2023 | 11/15/2023 | 200,000.00 | 91324PEC2 | UNITEDHEALTH GROUP INC (CALLABLE) CORPOR | 1.15% | 5/15/2026 | 1,150.00 | | |
| 11/15/2023 | 11/15/2023 | 225,000.00 | 254683CY9 | DCENT 2023-A1 A | 4.31% | 3/15/2028 | 808.13 | | |
| 11/15/2023 | 11/15/2023 | 1,490.96 | 14315FAD9 | CARMX 2020-3 A3 | 0.62% | 3/17/2025 | 0.77 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 11/15/2023 | 11/15/2023 | 136,404.13 | 89190GAC1 | TAOT 2021-B A3 | 0.26% | 11/17/2025 | 29.55 | | |
| 11/15/2023 | 11/15/2023 | 280,000.00 | 161571HT4 | CHAIT 2023-A1 A | 5.16% | 9/15/2028 | 1,204.00 | | |
| 11/15/2023 | 11/15/2023 | 112,560.43 | 14317DAC4 | CARMX 2021-3 A3 | 0.55% | 6/15/2026 | 51.59 | | |
| 11/15/2023 | 11/15/2023 | 175,000.00 | 14318MAD1 | CARMX 2022-3 A3 | 3.97% | 4/15/2027 | 578.96 | | |
| 11/15/2023 | 11/15/2023 | 20,778.44 | 14316HAC6 | CARMX 2020-4 A3 | 0.50% | 8/15/2025 | 8.66 | | |
| 11/16/2023 | 11/16/2023 | 15,532.97 | 362590AC5 | GMCAR 2020-3 A3 | 0.45% | 4/16/2025 | 5.82 | | |
| 11/16/2023 | 11/16/2023 | 66,874.97 | 380140AC7 | GMCAR 2021-3 A3 | 0.48% | 6/16/2026 | 26.75 | | |
| 11/16/2023 | 11/16/2023 | 52,831.66 | 362554AC1 | GMCAR 2021-4 A3 | 0.68% | 9/16/2026 | 29.94 | | |
| 11/18/2023 | 11/18/2023 | 225,000.00 | 43815QAC1 | HAROT 2023-3 A3 | 5.41% | 2/18/2028 | 1,014.37 | | |
| 11/18/2023 | 11/18/2023 | 73,647.19 | 43815EAC8 | HAROT 2021-3 A3 | 0.41% | 11/18/2025 | 25.16 | | |
| 11/18/2023 | 11/18/2023 | 9,733.16 | 43813KAC6 | HAROT 2020-3 A3 | 0.37% | 10/18/2024 | 3.00 | | |
| 11/19/2023 | 11/19/2023 | 150,000.00 | 46647PBT2 | JPMORGAN CHASE & CO NOTES (CALLABLE) | 1.04% | 11/19/2026 | 783.75 | | |
| 11/20/2023 | 11/20/2023 | 60,000.00 | 36262XAD6 | GMALT 2021-3 A4 | 0.50% | 7/21/2025 | 25.00 | | |
| 11/25/2023 | 11/25/2023 | 230,000.00 | 09690AAD5 | BMWLT 2021-2 A4 | 0.43% | 1/27/2025 | 82.42 | | |
| 12/1/2023 | 12/1/2023 | 250,000.00 | 46647PCH7 | JPMORGAN CHASE & CO (CALLABLE) CORP NOTE | 0.82% | 6/1/2025 | 1,030.00 | | |
| 12/1/2023 | 12/25/2023 | 175,000.00 | 3137BNGT5 | FHMS K054 A2 | 2.74% | 1/1/2026 | 400.31 | | |
| 12/1/2023 | 12/25/2023 | 240,000.00 | 3137BTUM1 | FHMS K061 A2 | 3.34% | 11/1/2026 | 669.40 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3137HAQ74 | FHMS K508 A2 | 4.74% | 8/1/2028 | 1,382.50 | | |
| 12/1/2023 | 12/25/2023 | 125,000.00 | 3137HB3D4 | FHMS K510 A2 | 5.06% | 10/1/2028 | 528.02 | | |
| 12/1/2023 | 12/25/2023 | 279,420.35 | 3137HAD45 | FHMS KJ46 A1 | 4.77% | 6/1/2028 | 1,112.33 | | |
| 12/1/2023 | 12/25/2023 | 172,782.81 | 3137BGK24 | FHMS K043 A2 | 3.06% | 12/1/2024 | 440.88 | | |
| 12/1/2023 | 12/25/2023 | 550,000.00 | 3137HAMH6 | FHMS K506 A2 | 4.65% | 8/1/2028 | 2,131.25 | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3137BSP72 | FHMS K058 A2 | 2.65% | 8/1/2026 | 773.79 | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3137HAMS2 | FHMS K507 A2 | 4.80% | 9/1/2028 | 1,400.00 | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3136BQDE6 | FNA 2023-M6 A2 | 4.19% | 7/1/2028 | 1,222.08 | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3137HACX2 | FHMS K505 A2 | 4.81% | 6/1/2028 | 1,405.54 | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3137BXQY1 | FHMS K064 A2 | 3.22% | 3/1/2027 | 940.33 | | |
| 12/1/2023 | 12/25/2023 | 265,000.00 | 3137HAST4 | FHMS K509 A2 | 4.85% | 9/1/2028 | 1,071.04 | | |
| 12/1/2023 | 12/25/2023 | 350,000.00 | 3137F1G44 | FHLMC MULTIFAMILY STRUCTURED P | 3.24% | 4/1/2027 | 945.88 | | |
| 12/9/2023 | 12/9/2023 | 250,000.00 | 63254ABD9 | NATIONAL AUSTRALIA BK/NY CORPORATE NOTES | 3.50% | 6/9/2025 | 4,375.00 | | |
| 12/15/2023 | 12/15/2023 | 45,000.00 | 63743HFE7 | NATIONAL RURAL UTIL COOP CORPORATE NOTES | 3.45% | 6/15/2025 | 776.25 | | |
| 12/15/2023 | 12/15/2023 | 90,000.00 | 344928AD8 | FORDO 2023-A A3 | 4.65% | 2/15/2028 | 348.75 | | |
| 12/15/2023 | 12/15/2023 | 105,603.38 | 14317DAC4 | CARMX 2021-3 A3 | 0.55% | 6/15/2026 | 48.40 | | |
| 12/15/2023 | 12/15/2023 | 86,903.79 | 44934KAC8 | HART 2021-B A3 | 0.38% | 1/15/2026 | 27.52 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|------------|-----------|----------------------|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 12/15/2023 | 12/15/2023 | 155,000.00 | 254683CP8 | DCENT 2021-A1 A1 | 0.58% | 9/15/2026 | 74.92 | | |
| 12/15/2023 | 12/15/2023 | 245,000.00 | 254683CZ6 | DCENT 2023-A2 A | 4.93% | 6/15/2028 | 1,006.54 | | |
| 12/15/2023 | 12/15/2023 | 225,000.00 | 254683CY9 | DCENT 2023-A1 A | 4.31% | 3/15/2028 | 808.13 | | |
| 12/15/2023 | 12/15/2023 | 39,583.81 | 14314QAC8 | CARMX 2021-2 A3 | 0.52% | 2/17/2026 | 17.15 | | |
| 12/15/2023 | 12/15/2023 | 280,000.00 | 161571HT4 | CHAIT 2023-A1 A | 5.16% | 9/15/2028 | 1,204.00 | | |
| 12/15/2023 | 12/15/2023 | 175,000.00 | 14318MAD1 | CARMX 2022-3 A3 | 3.97% | 4/15/2027 | 578.96 | | |
| 12/15/2023 | 12/15/2023 | 62,102.99 | 14044CAC6 | COPAR 2021-1 A3 | 0.77% | 9/15/2026 | 39.85 | | |
| 12/15/2023 | 12/15/2023 | 120,000.00 | 05522RDG0 | BACCT 2023-A1 A1 | 4.79% | 5/15/2028 | 479.00 | | |
| 12/15/2023 | 12/15/2023 | 245,000.00 | 31680EAD3 | FITAT 2023-1 A3 | 5.53% | 8/15/2028 | 1,129.04 | | |
| 12/15/2023 | 12/15/2023 | 78,413.08 | 58772WAC7 | MBART 2021-1 A3 | 0.46% | 6/15/2026 | 30.06 | | |
| 12/15/2023 | 12/15/2023 | 290,000.00 | 02582JKD1 | AMXCA 2023-3 A | 5.23% | 9/15/2028 | 1,263.92 | | |
| 12/15/2023 | 12/15/2023 | 20,118.81 | 44933LAC7 | HART 2021-A A3 | 0.38% | 9/15/2025 | 6.37 | | |
| 12/15/2023 | 12/15/2023 | 17,640.28 | 14316HAC6 | CARMX 2020-4 A3 | 0.50% | 8/15/2025 | 7.35 | | |
| 12/15/2023 | 12/15/2023 | 130,000.00 | 02582JJZ4 | AMXCA 2023-1 A | 4.87% | 5/15/2028 | 527.58 | | |
| 12/15/2023 | 12/15/2023 | 123,902.26 | 89190GAC1 | TAOT 2021-B A3 | 0.26% | 11/17/2025 | 26.85 | | |
| 12/15/2023 | 12/15/2023 | 255,000.00 | 14041NFW6 | COMET 2021-A1 A1 | 0.55% | 7/15/2026 | 116.87 | | |
| 12/16/2023 | 12/16/2023 | 49,769.54 | 362554AC1 | GMCAR 2021-4 A3 | 0.68% | 9/16/2026 | 28.20 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|----------------------|-----------|---------------------------------------|--------|---------------|----------------------|-----------------|-------------------|
| INTEREST | | | | | | | | | |
| 12/16/2023 | 12/16/2023 | 10,965.76 | 362590AC5 | GMCAR 2020-3 A3 | 0.45% | 4/16/2025 | 4.11 | | |
| 12/16/2023 | 12/16/2023 | 62,198.42 | 380140AC7 | GMCAR 2021-3 A3 | 0.48% | 6/16/2026 | 24.88 | | |
| 12/18/2023 | 12/18/2023 | 225,000.00 | 43815QAC1 | HAROT 2023-3 A3 | 5.41% | 2/18/2028 | 1,014.37 | | |
| 12/18/2023 | 12/18/2023 | 5,948.21 | 43813KAC6 | HAROT 2020-3 A3 | 0.37% | 10/18/2024 | 1.83 | | |
| 12/18/2023 | 12/18/2023 | 67,595.11 | 43815EAC8 | HAROT 2021-3 A3 | 0.41% | 11/18/2025 | 23.09 | | |
| 12/19/2023 | 12/19/2023 | 200,000.00 | 06051GJD2 | BANK OF AMERICA CORP NOTES (CALLABLE) | 1.31% | 6/19/2026 | 1,319.00 | | |
| 12/20/2023 | 12/20/2023 | 60,000.00 | 36262XAD6 | GMALT 2021-3 A4 | 0.50% | 7/21/2025 | 25.00 | | |
| 12/21/2023 | 12/21/2023 | 60,000.00 | 438123AC5 | HAROT 2023-4 A3 | 5.67% | 6/21/2028 | 406.35 | | |
| 12/25/2023 | 12/25/2023 | 230,000.00 | 09690AAD5 | BMWLT 2021-2 A4 | 0.43% | 1/27/2025 | 82.42 | | |
| 12/27/2023 | 12/27/2023 | 250,000.00 | 02665WCZ2 | AMERICAN HONDA FINANCE CORP NOTE | 2.40% | 6/27/2024 | 3,000.00 | | |
| 12/31/2023 | 12/31/2023 | 675,000.00 | 91282CBC4 | US TREASURY NOTES | 0.37% | 12/31/2025 | 1,265.63 | | |
| 12/31/2023 | 12/31/2023 | 1,700,000.00 | 912828XX3 | US TREASURY NOTES | 2.00% | 6/30/2024 | 17,000.00 | | |
| 12/31/2023 | 12/31/2023 | 450,000.00 | 912828YY0 | US TREASURY NOTES | 1.75% | 12/31/2024 | 3,937.50 | | |
| 12/31/2023 | 12/31/2023 | 750,000.00 | 912828ZW3 | US TREASURY NOTES | 0.25% | 6/30/2025 | 937.50 | | |
| Total INTEREST | | 35,563,285.09 | | | | | 206,700.33 | | 0.00 |
| MATURITY | | | | | | | | | |
| 10/16/2023 | 10/16/2023 | 250,000.00 | 3137EAEY1 | FREDDIE MAC NOTES | 0.12% | 10/16/2023 | 250,156.25 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|---------------------|-----------|-------------------------------|--------|---------------|----------------------|-----------------|-------------------|
| MATURITY | | | | | | | | | |
| 11/6/2023 | 11/6/2023 | 275,000.00 | 3137EAEZ8 | FREDDIE MAC NOTES | 0.25% | 11/6/2023 | 275,343.75 | | |
| 11/24/2023 | 11/24/2023 | 400,000.00 | 459058JM6 | INTL BK RECON & DEVELOP NOTES | 0.25% | 11/24/2023 | 400,500.00 | | |
| 11/27/2023 | 11/27/2023 | 250,000.00 | 3135G06H1 | FANNIE MAE NOTES | 0.25% | 11/27/2023 | 250,312.50 | | |
| 12/4/2023 | 12/4/2023 | 250,000.00 | 3137EAFA2 | FREDDIE MAC NOTES | 0.25% | 12/4/2023 | 250,312.50 | | |
| Total MATURITY | | 1,425,000.00 | | | | | 1,426,625.00 | | 0.00 |
| PAYDOWNS | | | | | | | | | |
| 10/1/2023 | 10/25/2023 | 166.86 | 3137HAD45 | FHMS KJ46 A1 | 4.77% | 6/1/2028 | 166.86 | | |
| 10/1/2023 | 10/25/2023 | 1,934.43 | 3137BGK24 | FHMS K043 A2 | 3.06% | 12/1/2024 | 1,934.43 | | |
| 10/15/2023 | 10/15/2023 | 3,835.44 | 14314QAC8 | CARMX 2021-2 A3 | 0.52% | 2/17/2026 | 3,835.44 | | |
| 10/15/2023 | 10/15/2023 | 4,230.90 | 14315FAD9 | CARMX 2020-3 A3 | 0.62% | 3/17/2025 | 4,230.90 | | |
| 10/15/2023 | 10/15/2023 | 3,185.75 | 14316HAC6 | CARMX 2020-4 A3 | 0.50% | 8/15/2025 | 3,185.75 | | |
| 10/15/2023 | 10/15/2023 | 5,831.13 | 58772WAC7 | MBART 2021-1 A3 | 0.46% | 6/15/2026 | 5,831.13 | | |
| 10/15/2023 | 10/15/2023 | 12,570.63 | 89190GAC1 | TAOT 2021-B A3 | 0.26% | 11/17/2025 | 12,570.63 | | |
| 10/15/2023 | 10/15/2023 | 4,120.15 | 14044CAC6 | COPAR 2021-1 A3 | 0.77% | 9/15/2026 | 4,120.15 | | |
| 10/15/2023 | 10/15/2023 | 9,117.50 | 44934KAC8 | HART 2021-B A3 | 0.38% | 1/15/2026 | 9,117.50 | | |
| 10/15/2023 | 10/15/2023 | 7,068.10 | 14317DAC4 | CARMX 2021-3 A3 | 0.55% | 6/15/2026 | 7,068.10 | | |
| 10/15/2023 | 10/15/2023 | 3,049.19 | 44933LAC7 | HART 2021-A A3 | 0.38% | 9/15/2025 | 3,049.19 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|-----------|-----------|----------------------|--------|---------------|----------------------|-----------------|-------------------|
| PAYDOWNS | | | | | | | | | |
| 10/16/2023 | 10/16/2023 | 5,008.42 | 380140AC7 | GMCAR 2021-3 A3 | 0.48% | 6/16/2026 | 5,008.42 | | |
| 10/16/2023 | 10/16/2023 | 4,704.00 | 362590AC5 | GMCAR 2020-3 A3 | 0.45% | 4/16/2025 | 4,704.00 | | |
| 10/16/2023 | 10/16/2023 | 3,214.90 | 362554AC1 | GMCAR 2021-4 A3 | 0.68% | 9/16/2026 | 3,214.90 | | |
| 10/18/2023 | 10/18/2023 | 6,286.50 | 43815EAC8 | HAROT 2021-3 A3 | 0.41% | 11/18/2025 | 6,286.50 | | |
| 10/18/2023 | 10/18/2023 | 3,932.65 | 43813KAC6 | HAROT 2020-3 A3 | 0.37% | 10/18/2024 | 3,932.65 | | |
| 10/20/2023 | 10/20/2023 | 6,776.28 | 380144AD7 | GMALT 2021-2 A4 | 0.41% | 5/20/2025 | 6,776.28 | | |
| 11/1/2023 | 11/25/2023 | 142.07 | 3137HAD45 | FHMS KJ46 A1 | 4.77% | 6/1/2028 | 142.07 | | |
| 11/1/2023 | 11/25/2023 | 282.76 | 3137BGK24 | FHMS K043 A2 | 3.06% | 12/1/2024 | 282.76 | | |
| 11/15/2023 | 11/15/2023 | 12,501.87 | 89190GAC1 | TAOT 2021-B A3 | 0.26% | 11/17/2025 | 12,501.87 | | |
| 11/15/2023 | 11/15/2023 | 4,004.37 | 14044CAC6 | COPAR 2021-1 A3 | 0.77% | 9/15/2026 | 4,004.37 | | |
| 11/15/2023 | 11/15/2023 | 2,898.76 | 44933LAC7 | HART 2021-A A3 | 0.38% | 9/15/2025 | 2,898.76 | | |
| 11/15/2023 | 11/15/2023 | 6,154.05 | 58772WAC7 | MBART 2021-1 A3 | 0.46% | 6/15/2026 | 6,154.05 | | |
| 11/15/2023 | 11/15/2023 | 3,736.14 | 14314QAC8 | CARMX 2021-2 A3 | 0.52% | 2/17/2026 | 3,736.14 | | |
| 11/15/2023 | 11/15/2023 | 6,957.05 | 14317DAC4 | CARMX 2021-3 A3 | 0.55% | 6/15/2026 | 6,957.05 | | |
| 11/15/2023 | 11/15/2023 | 3,138.16 | 14316HAC6 | CARMX 2020-4 A3 | 0.50% | 8/15/2025 | 3,138.16 | | |
| 11/15/2023 | 11/15/2023 | 1,490.96 | 14315FAD9 | CARMX 2020-3 A3 | 0.62% | 3/17/2025 | 1,490.96 | | |
| 11/15/2023 | 11/15/2023 | 8,754.13 | 44934KAC8 | HART 2021-B A3 | 0.38% | 1/15/2026 | 8,754.13 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------|-------------|-----------|-----------|----------------------|--------|---------------|----------------------|-----------------|-------------------|
| PAYDOWNS | | | | | | | | | |
| 11/16/2023 | 11/16/2023 | 4,567.21 | 362590AC5 | GMCAR 2020-3 A3 | 0.45% | 4/16/2025 | 4,567.21 | | |
| 11/16/2023 | 11/16/2023 | 3,062.12 | 362554AC1 | GMCAR 2021-4 A3 | 0.68% | 9/16/2026 | 3,062.12 | | |
| 11/16/2023 | 11/16/2023 | 4,676.55 | 380140AC7 | GMCAR 2021-3 A3 | 0.48% | 6/16/2026 | 4,676.55 | | |
| 11/18/2023 | 11/18/2023 | 6,052.08 | 43815EAC8 | HAROT 2021-3 A3 | 0.41% | 11/18/2025 | 6,052.08 | | |
| 11/18/2023 | 11/18/2023 | 3,784.95 | 43813KAC6 | HAROT 2020-3 A3 | 0.37% | 10/18/2024 | 3,784.95 | | |
| 12/1/2023 | 12/25/2023 | 174.46 | 3137HAD45 | FHMS KJ46 A1 | 4.77% | 6/1/2028 | 174.46 | | |
| 12/1/2023 | 12/25/2023 | 358.72 | 3137BTUM1 | FHMS K061 A2 | 3.34% | 11/1/2026 | 358.72 | | |
| 12/1/2023 | 12/25/2023 | 300.54 | 3137BGK24 | FHMS K043 A2 | 3.06% | 12/1/2024 | 300.54 | | |
| 12/15/2023 | 12/15/2023 | 5,735.51 | 58772WAC7 | MBART 2021-1 A3 | 0.46% | 6/15/2026 | 5,735.51 | | |
| 12/15/2023 | 12/15/2023 | 6,629.50 | 14317DAC4 | CARMX 2021-3 A3 | 0.55% | 6/15/2026 | 6,629.50 | | |
| 12/15/2023 | 12/15/2023 | 8,316.45 | 44934KAC8 | HART 2021-B A3 | 0.38% | 1/15/2026 | 8,316.45 | | |
| 12/15/2023 | 12/15/2023 | 3,011.76 | 14316HAC6 | CARMX 2020-4 A3 | 0.50% | 8/15/2025 | 3,011.76 | | |
| 12/15/2023 | 12/15/2023 | 2,766.67 | 44933LAC7 | HART 2021-A A3 | 0.38% | 9/15/2025 | 2,766.67 | | |
| 12/15/2023 | 12/15/2023 | 11,891.92 | 89190GAC1 | TAOT 2021-B A3 | 0.26% | 11/17/2025 | 11,891.92 | | |
| 12/15/2023 | 12/15/2023 | 3,883.50 | 14044CAC6 | COPAR 2021-1 A3 | 0.77% | 9/15/2026 | 3,883.50 | | |
| 12/15/2023 | 12/15/2023 | 3,561.39 | 14314QAC8 | CARMX 2021-2 A3 | 0.52% | 2/17/2026 | 3,561.39 | | |
| 12/16/2023 | 12/16/2023 | 4,487.26 | 380140AC7 | GMCAR 2021-3 A3 | 0.48% | 6/16/2026 | 4,487.26 | | |

Quarterly Portfolio Transactions

| Trade Date | Settle Date | Par (\$) | CUSIP | Security Description | Coupon | Maturity Date | Transact Amount (\$) | Yield at Market | Realized G/L (BV) |
|-----------------------|-------------|-------------------|-----------|--|--------|---------------|----------------------|-----------------|-------------------|
| PAYDOWNS | | | | | | | | | |
| 12/16/2023 | 12/16/2023 | 4,377.78 | 362590AC5 | GMCAR 2020-3 A3 | 0.45% | 4/16/2025 | 4,377.78 | | |
| 12/16/2023 | 12/16/2023 | 2,941.27 | 362554AC1 | GMCAR 2021-4 A3 | 0.68% | 9/16/2026 | 2,941.27 | | |
| 12/18/2023 | 12/18/2023 | 5,766.62 | 43815EAC8 | HAROT 2021-3 A3 | 0.41% | 11/18/2025 | 5,766.62 | | |
| 12/18/2023 | 12/18/2023 | 3,621.06 | 43813KAC6 | HAROT 2020-3 A3 | 0.37% | 10/18/2024 | 3,621.06 | | |
| 12/20/2023 | 12/20/2023 | 198.93 | 36262XAD6 | GMALT 2021-3 A4 | 0.50% | 7/21/2025 | 198.93 | | |
| 12/25/2023 | 12/25/2023 | 58,866.84 | 09690AAD5 | BMWLT 2021-2 A4 | 0.43% | 1/27/2025 | 58,866.84 | | |
| Total PAYDOWNS | | 284,126.24 | | | | | 284,126.24 | | 0.00 |
| SELL | | | | | | | | | |
| 10/2/2023 | 10/4/2023 | 300,000.00 | 91282CEK3 | US TREASURY NOTES | 2.50% | 4/30/2024 | 298,160.67 | | -1,163.11 |
| 10/2/2023 | 10/4/2023 | 60,000.00 | 172967ND9 | CITIGROUP INC CORP NOTE (CALLABLE) | 1.28% | 11/3/2025 | 57,058.39 | | -3,264.00 |
| 10/2/2023 | 10/4/2023 | 95,000.00 | 172967MX6 | CITIGROUP INC (CALLABLE) CORPORATE NOTES | 0.98% | 5/1/2025 | 92,307.63 | | -3,088.45 |
| 10/16/2023 | 10/19/2023 | 75,000.00 | 91282CEK3 | US TREASURY NOTES | 2.50% | 4/30/2024 | 74,704.49 | | -272.43 |
| 10/26/2023 | 10/31/2023 | 125,000.00 | 91282CEK3 | US TREASURY NOTES | 2.50% | 4/30/2024 | 123,173.83 | | -419.83 |
| Total SELL | | 655,000.00 | | | | | 645,405.01 | | -8,207.82 |

Important Disclosures

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- 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.

FINANCIAL MATTERS

SUBJECT: Review and Consideration of Investment Policy
Presented by Michael Kronbetter, PFM Asset Management LLC

RECOMMENDATION: *Staff recommends the Board of Directors
approve the Investment Policy as amended.*

BACKGROUND AND STATUS:

ERMA's Investment Policy is reviewed on an annual basis. The policy has been reviewed by ERMA staff and Michael Kronbetter, PFM Asset Management LLC (PFMAM). Mr. Kronbetter is recommending one change be made to the policy as detailed in his Memorandum.

ERMA's Finance Manager, Chee Xiong, and ERMA's Treasurer, Jeremy Wittie, have reviewed the proposed amended Policy and are in agreement with the suggested changes.

Mr. Kronbetter of PFMAM will review the proposed change with the Board.

REFERENCE MATERIALS ATTACHED:

- Memorandum from Michael Kronbetter regarding changes to the Investment Policy
- Proposed Amended Investment Policy with changes shown in Redline/Strikeout

Memorandum

To: Chee Xiong, Finance Manager
Employment Risk Management Authority

From: Michael Kronbetter, Relationship Manager
PFM Asset Management LLC ("PFMAM")

RE: Annual Investment Policy Review

PFM Asset Management LLC has completed its annual review of the Employment Risk Management Authority's (the "Authority") Investment Policy (the "Policy"). The Policy remains in compliance with the applicable California Government Code (Code) statutes regulating the investment of public funds.

We are, however, recommending the Authority consider incorporating a recent Code change into the Policy. Senate Bill 882, which took effect January 1, 2024, also known as the Local Government Omnibus Act of 2023, made several changes to Code, including one change to Code Section 53601(o). The bill clarified that mortgage-backed securities issued by federal agencies are exempt from the Code's requirements described in Section 53601(o) for privately issued asset- and mortgage-backed securities. The Code update codifies the common understanding of how agency mortgage-backed securities are treated under Code. Although the Code change does not change what type of securities the Authority may purchase nor how the portfolio is managed, incorporating the Code change into the Policy will better align the Policy with the current Code language.

We have attached a marked-up copy of the Investment Policy to illustrate our recommended change. Please let us know if you have any questions or if you would like to discuss further.

6.2. INVESTMENT POLICY

EMPLOYMENT RISK MANAGEMENT AUTHORITY INVESTMENT POLICY

Revised ~~February 2023~~ February 2024

SCOPE

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

OBJECTIVES

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

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

DELEGATION OF AUTHORITY

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

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

PRUDENCE

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

ETHICS AND CONFLICTS OF INTEREST

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

INTERNAL CONTROLS

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

REPORTING

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

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

DELIVERY AND SAFEKEEPING

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

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

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

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

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

ELIGIBLE SECURITIES AND CRITERIA

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

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

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

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

- United States Treasury and federal agency/government sponsored enterprise (GSE) obligations,

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

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

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

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

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

day, the value of the underlying securities must be reviewed on an on-going basis according to market conditions. Market value must be calculated each time there is a substitution of collateral.

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

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

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

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

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

Eligible commercial paper shall have a maximum maturity of 270 days or less. A maximum of 25 percent of the portfolio may be invested in this category.

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

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

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

of the portfolio may be invested in this category.

- I. **Time Certificates of Deposit.** Time Certificates of Deposit (TCDs) placed with commercial banks and savings and loans with offices in California. The amount on deposit shall not exceed the shareholder's equity in the financial institution. To be eligible for purchase, the financial institution must have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation, as provided in Government Code Section 53635.2. TCDs are required to be collateralized as specified under Government Code Section 53630 et. seq. The Treasurer, at his discretion, may waive the collateralization requirements for any portion that is covered by federal insurance. The Authority shall have a signed agreement with the depository per Government Code Section 53649. TCDs may not exceed 1 year in maturity. A maximum of 20 percent of the portfolio may be invested in this category.
- J. **State of California Local Agency Investment Fund ("LAIF").** The Authority may invest a portion of its portfolio in LAIF, subject to the statutory deposit limit imposed by LAIF. Whenever the Authority has any funds invested in LAIF, a copy of LAIF's Answer Book shall be maintained on file for due diligence. In addition, the Treasurer should review the LAIF's summary portfolio holdings on a quarterly basis.
- K. **Money Market Mutual Funds.** Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.) that invests solely in U.S. Treasuries and Federal Agency obligations and repurchase agreements relating to such obligations.

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

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

- L. **Local Government Investment Pools.** Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) through (r), inclusive, of Government Code Section 53601. For due diligence, the Treasurer shall maintain on file a copy of the pool's current Information Statement. There is no limitation as to the percentage of the portfolio that may be invested in this category.

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

N. A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond. ~~Securities eligible for investment under this subdivision shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision may not exceed 20 percent of the portfolio. For securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subdivision (A) or (B) above, the following limitations apply:~~

- ~~a) The security shall be rated in a rating category of “AA” or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less.~~
- ~~b) Purchase of securities authorized by this paragraph shall not exceed 20 percent of the portfolio.~~

PROHIBITED INVESTMENTS

Any investment in a security not specifically listed in the Eligible Securities and Criteria section above, but otherwise permitted by the Government Code, is prohibited without the prior approval of the Board.

As provided in California Government Code Section 53601.6, the Authority shall not invest any funds in inverse floaters, range notes, mortgage derived, or interest-only strips or in any security that could result in zero interest accrual if held to maturity, except that, in the event of, and for the duration of, a period of negative interest rates, the Authority may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual. Per 53601.6, these limitations shall not apply to shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) that are authorized for investment pursuant to subdivision (l) of Section 53601.

MAXIMUM MATURITIES

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

Where this Policy does not specify a maximum remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase agreement, that at the time of the investment has a term remaining to maturity in excess of five

years, unless the Board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board no less than three months prior to the investment.

PERFORMANCE STANDARDS

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

POLICY REVISION

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

Appendix A

Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

U.S. Treasuries:

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

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

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

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

FINANCIAL MATTERS

SUBJECT: Review of Target Surplus Study (Capital Adequacy Study)
Presented by Mike Harrington, Bickmore Actuarial

RECOMMENDATION: *Staff recommends the Board of Directors accept and file the Target Surplus Study.*

BACKGROUND AND STATUS:

One of ERMA's 2023/24 Goals and Objectives is to "Review of ERMA Financial Position" by engaging Bickmore Actuarial to conduct a capital adequacy study. A capital adequacy study is a targeted approach to consider appropriate net position levels (also known as surplus or equity). The results of such a study can be used to determine whether changes should be made to ERMA's Financial Stability Plan which consists of four components: Retrospective Adjustment Process, Target Confidence Level Funding, Capital Fund, and Target Net Position Benchmarking Ratios. The methods utilized in the study are described below.

Target Surplus Measures

| Method | Description |
|-----------------------------------|---|
| Surplus : Maximum SIR * | Surplus should be sufficient to cover a multiple of full limit losses. |
| Surplus : Annual Losses | Surplus should be sufficient to cover a multiple of ERMA's annual losses (e.g., 2023/24 program year ultimate loss). |
| Surplus: Outstanding Liabilities* | Given the uncertainty in the estimates of future claim liabilities, surplus should be sufficient to cover a multiple of the undiscounted claim liability recorded on ERMA's statement of net position. |
| Surplus: OS Liability at CL | How much surplus is required to be 95% confident the assets will be sufficient to cover all obligations as they come due over time. |
| Surplus : Net Contributions* | Given that contributions are based on significant estimates and present a risk of being inadequate, surplus should be sufficient to cover a multiple of gross contributions. |
| Surplus : Risk Based Capital | Risk Based Capital (RBC) is a surplus assessment methodology used by insurance regulators to evaluate the adequacy of surplus. The RBC formula takes into account various risks factors depending on the insurance company's operations. Factors include investment types, reserves, contributions, and credit (receivables). A minimum RBC level is determined and then divided into the pool's actual surplus to determine whether the target multiple has been achieved. |

* Measure can be found in the ERMA Financial Stability Plan

Target Surplus Results

The results of the various surplus measures are converted into a target surplus amount and compared to the estimated surplus at June 30, 2024, and actual surplus at June 30, 2023, as shown below.

| Method | Target | Minimum Net Position |
|---------------------------------------|--------|----------------------|
| Surplus : Max SIR * | >10.0 | \$ 10,000,000 |
| Surplus : Annual Losses | >2.00 | \$ 14,100,000 |
| Surplus: Outstanding Liabilities * | >1.00 | \$ 21,100,000 |
| Surplus: OS Liability at CL | 95% | \$ 11,700,000 |
| Surplus : Net Contributions* | >1.25 | \$ 13,100,000 |
| Surplus : RBC Requirement | >4.00 | \$ 22,200,000 |
| | | |
| Minimum | | \$ 10,000,000 |
| Maximum | | \$ 22,200,000 |
| Estimated Surplus at 6/30/2024 | | \$ 18,680,000 |
| Actual Surplus at 6/30/2023 | | \$ 16,662,592 |

Conclusions

- ERMA meets all the surplus targets except for the two targets highlighted above, the Surplus: Outstanding Liabilities and Surplus: RBC Requirement. Failing to meet these two targets is less concerning as ERMA maintains sufficient net position to cover the discounted claims liabilities at the expected, confidence level (CL) and at the 90% CL. ERMA is well funded with net position in the upper recommended range, and the net position is projected to increase as of June 30, 2024.
- Staff recommends the Surplus: Max Retention, one of the ERMA's Target Net Position Benchmarking Ratios be changed to ten times the self-insured retention from five times the self-insured retention.

REFERENCE MATERIALS ATTACHED:

- Target Surplus Study dated January 17, 2024, prepared by Bickmore Actuarial



Bickmore

Actuarial

Actuarial Review of Target Surplus

- *Target Ratio Analysis*
- *Risk Based Capital Analysis*

Presented to
**Employment Risk Management
Authority (ERMA)**

January 17, 2024 ** DRAFT **



January 17, 2024

Mr. Rob Kramer
Executive Director
Employment Risk Management Authority
1750 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833

RE: ERMA Target Surplus Analysis

Dear Mr. Kramer:

As you requested, we have completed our analysis of target surplus for the Employment Risk Management Authority's (ERMA) or "the Authority".

The scope of our study of the Authority's target surplus includes the following:

- Analysis of the Authority's actuarial reports and financial statements to determine trends in the data and financial position of the Authority.
- Determination of confidence level estimates of the Authority's outstanding liabilities.
- Calculation of various target surplus ratios including the following:
 - Reserves to Surplus
 - Annual Losses to Surplus
 - Contribution to Surplus
- Estimate capital requirements based upon a National Association of Insurance Commissioners (NAIC) Risk Based Capital (RBC) approach.
- Develop estimates of additional uses of surplus including, but not limited to:
 - Contribution Stabilization
 - Future SIR Growth
 - Catastrophe Protection
- Based upon the results of the various measures of target surplus, determine the amount of unrestricted equity available for dividend or other uses.
- Assistance in the development of a target surplus policy.

DRAFT

The report that follows outlines the background, our conclusions, methodology, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for the Authority's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to the Authority in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162, Nina Gau at (916) 244-1193 or Derek Burkhalter at (916) 244-1167 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial

DRAFT

Mike Harrington, FCAS, MAAA
President and Managing Partner

DRAFT

Nina Gau, FCAS, MAAA
Vice President and Senior Partner

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Derek Burkhalter, ACAS, MAAA
Vice President and Partner

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I. BACKGROUND

ERMA began its self-insured employment practices liability program on July 1, 1999. Its current self-insured retention is \$1,000,000, net of a baseline \$50,000 deductible from its members. Alternative member self-insured retentions include \$25,000, \$75,000, \$100,000, \$250,000 and \$500,000.

The following table shows a history of ERMA's employment practices liability program.

| Coverage Period | Layer Between Retention and \$1,000,000 | Coverage Excess of \$1,000,000 |
|------------------------|---|--|
| 7/1/99-6/30/02 | Quota Share: 75% ERMA 25% Commercial Coverage | Commercial Coverage \$9,000,000 Excess of \$1,000,000 |
| 7/1/02-6/30/04 | No Quota Share: 100% ERMA | Commercial Coverage \$4,000,000 Excess of \$1,000,000 |
| 7/1/04-6/30/10 | No Quota Share: 100% ERMA | No Commercial Coverage |
| 7/1/10-6/30/18 | No Quota Share: 100% ERMA | Optional Commercial Coverage \$1,000,000 Excess of \$1,000,000 |
| 7/1/18-6/30/22 | No Quota Share: 100% ERMA | Optional Commercial Coverage \$2,000,000 Excess of \$1,000,000 |
| 7/1/22-Current | No Quota Share: 100% ERMA | Optional Commercial Coverage \$3,000,000 Excess of \$1,000,000 |

With regard to the contribution rates, ERMA offers a credit for members that participate through JPAs. The credit is equal to 0.10 times the percentage of the JPA that participates in ERMA. For example, if 50% of a JPA (as measured by payroll) participates in ERMA, then each member of that JPA would receive a 5% ERMA rate credit ($5\% = 0.10 \times 50\%$). This credit applies to the overall rate that includes loss, loss adjustment expense, safety, administration, and other costs.

II. RESULTS AND CONCLUSIONS

The key results of our target surplus analysis are shown in the table below.

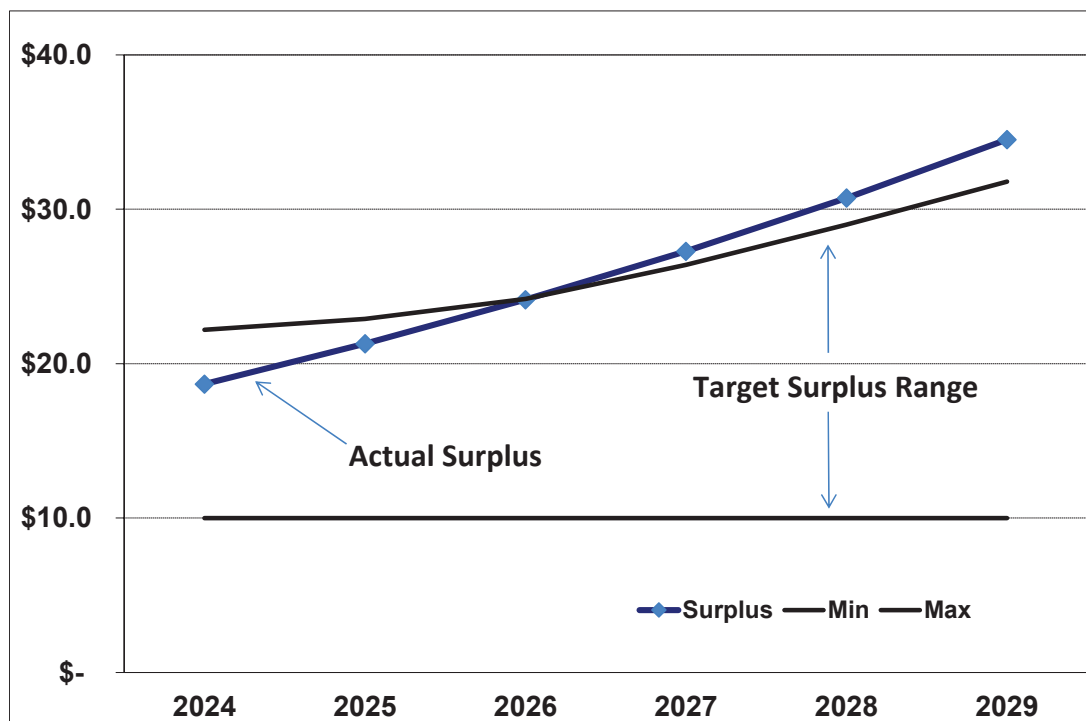
Indicated Target Surplus at June 30, 2024

| <u>Method</u> | <u>Target</u> | <u>Implied Minimum Equity</u> | <u>Projected Ratio</u> |
|-----------------------------------|---------------|---------------------------------------|----------------------------|
| Surplus : Maximum SIR | >10.00 | \$10,000,000 | 18.68 |
| Surplus : Annual Losses | >2.00 | \$14,100,000 | 2.66 |
| Surplus : Outstanding Liabilities | >1.00 | \$21,100,000 | 0.89 |
| Surplus : OS Liability at CL | 95% | \$11,700,000 | 0.58 |
| Surplus : Net Contributions | >1.25 | \$13,100,000 | 1.78 |
| Surplus : RBC Requirement | >4.00 | \$22,200,000 | 3.36 |
| Minimum | | \$10,000,000 | |
| Maximum | | \$22,200,000 | |
| Estimated Surplus | | \$18,680,000 | |

As shown, the various methodologies applied to the Authority's employment practices liability program result in a range of indicated surplus amounts at June 30, 2024, from a minimum of \$10.0 million to a maximum of \$22.2 million.

The graph below shows how the target surplus range is expected to change over time for the program.

Indicated Target Surplus through June 30, 2029



III. TARGET SURPLUS ANALYSIS DISCUSSION

A. TARGET SURPLUS IN CONCEPT

Typically, the financial strength of a pooling program is measured relative to the amount of surplus available. The more surplus, the better!

By definition, surplus is the amount of Assets in excess of Liabilities, as shown on the Balance Sheet. Other names for surplus include equity, fund balance, net assets, and net position.

The surplus protects the members against unfavorable loss experience, catastrophes, investment variability, and other shocks to the pooling program.

There are a number of methods for assessing the appropriate amount of surplus including, but not limited to, the following:

- Confidence Level Targets
- Industry Financial Ratios
- Risk-Based Capital
- Capital Modeling

The first three of these methods will be explored in more detail in subsequent sections of this report.

Given that each of these methodologies focuses on a different aspect of the pooling program, it is important to consider multiple methods when analyzing surplus adequacy. Using multiple methods allows for the development of a target surplus policy which will provide a range of reasonable surplus levels within which to operate.

This range includes a minimum surplus, a maximum surplus, and the range of acceptable surplus in between. In general, if the Pool's surplus is currently, or projected to be, below the minimum surplus level, a plan of action is created to move the surplus into the target range over a period of 1 to 3 years. If the surplus is above the maximum, then a plan of action MAY be created to reduce the surplus down to the target funding range over a period of 5 to 10 years.

The use of a target funding range, as opposed to a single target, allows for flexibility in the pooling program. If a single measure is used as the target funding, the pool is locked in to a single surplus amount. When indicated surplus is below that amount, the pool must raise rates or assess members and when it is above the amount, the pool must decrease rates or return surplus to members. The use of a range allows for the surplus to float between the minimum and maximum without mandatory action.

A key takeaway here is the idea that there is no single "correct" target surplus policy. The appropriate targets must be selected taking into account not only the inherent variability of the loss process and investment returns, but also the risk appetite of the members of the Pool.

B. CONFIDENCE LEVEL ESTIMATES

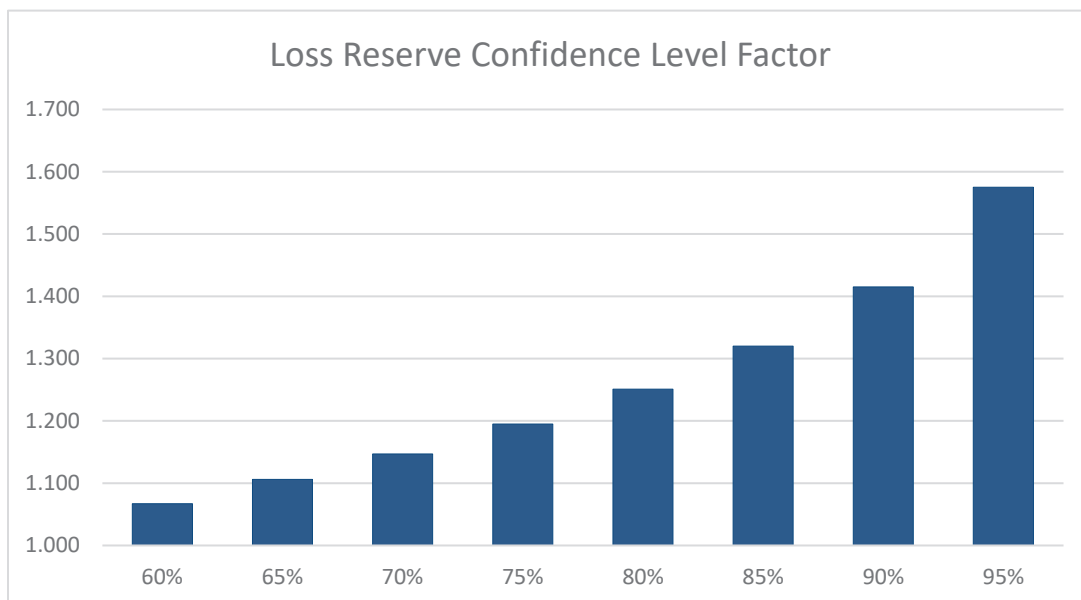
The technical concept of the confidence levels involves quite a bit of complexity in that it has its basis rigorous statistical theory. However, in principle it simply answers the question “how confident are you that the assets on the balance sheet will be sufficient to pay for claims costs as they come due?”

The majority of actuarial results are stated at the “expected” level which means that they represent the average. Actuarial results may also be stated at a confidence level well above expected which provide a safety margin for adverse development. For example, the 90% confidence level estimate of reserves will be sufficient to pay claims 90% of the time. It also means that reserves will be insufficient 10% of the time. Since the confidence level approach recognizes the risk associated with the pooling program’s largest liability – loss reserves, it is always a relevant measure to consider.

Higher confidence levels are especially important when evaluating self-insurance funds or loss sharing pools. If such a pool is funded based on expected loss estimates rather than estimates at a higher confidence level, its current-year funding would be short approximately half the time.

As a target surplus methodology, the confidence level approach is basically used to specify a confidence level above which surplus should be maintained to achieve the Authority’s goals. A good target would be to maintain surplus at the 90% confidence level, theoretically reducing the likelihood of insolvency to less than 10%.

The graphs below shows confidence level factors that would be appropriate for the Authority’s outstanding liabilities for the employment practices liability program.



As shown, a 95% confidence level target would indicate surplus equal to at least 57.5% of the expected level liabilities. So for each \$1,000,000 of loss reserves, surplus of \$575,000 would be indicated.

C. INDUSTRY FINANCIAL RATIOS

Many measures of surplus adequacy are expressed as a ratio of surplus to another quantity. The larger the ratio, the better the degree of surplus adequacy.

Some financial ratios that may be used are the following:

- Surplus : Self-Insured Retention
- Surplus : Loss Reserves
- Surplus : Annual Losses
- Surplus : Net Contribution

There are other ratios that may be applied, but these are by far the most commonly used in the pooling industry. The paragraphs which follow provide some background and specify the approach for using these ratios.

Surplus : Self-Insured Retention

The goal of surplus adequacy is very closely linked with the reality of uncertain loss experience. Conceptually this approach says that surplus must be sufficient to cover a certain multiple of full limit losses. This ratio recognizes the catastrophic uncertainty associated with large losses and how surplus may be impacted by their occurrence. This is of particular importance when there is a high probability that large losses may occur.

Surplus : Loss Reserves

Conceptually this approach says that surplus must be sufficient to cover a certain multiple of loss reserves. This ratio recognizes the uncertainty of loss reserves estimates on the balance sheet and how surplus may be impacted by future adverse loss development on historical claims. This is of particular importance when there is a large change in membership, coverage provided, or limits provided.

Surplus : Annual Losses

Conceptually this approach says that surplus must be sufficient to cover a certain multiple of the annual losses. This ratio recognizes the uncertainty of loss estimates contained within the current year contribution and how surplus may be impacted by future adverse loss development on current year claims. This is of particular importance because loss reserves are the largest liabilities on the balance sheet.

Surplus : Net Contribution

This standard is an extension of the standard based upon annual losses. Conceptually this approach says that surplus must be sufficient to cover a certain multiple of the annual contribution (excluding reinsurance costs). This ratio recognizes the uncertainty of loss estimates contained within the current year contribution, but also recognizes shortcomings of budgeting for non-loss related expenses. This is of particular importance when expenses are changing rapidly.

D. RISK-BASED CAPITAL

Risk-Based Capital (RBC) is a surplus assessment methodology created by regulators to evaluate the adequacy of capital & surplus held by regulated companies. It is widely used in the banking and insurance industries, though the formulas and its implementation vary by industry. Even within the insurance industry, the RBC formulas differ depending on the type of insurer: Life, Health, and Property/Casualty. The RBC system relevant to ERMA's operation applies to P/C insurers and is administered by the NAIC.

The NAIC RBC system has two parts. First, it contains a formula designed to calculate a minimum capital level ("Authorized Control RBC") for each insurer. The insurance company's actual capital is then divided by the minimum capital, resulting in the RBC Ratio. Second, the RBC system contains a model law that specifies actions to be taken by state insurance commissioners based on the RBC Ratio.

Minimum Risk-Based Capital

The minimum risk-based capital for each property/casualty insurer is generally calculated annually by departments of insurance based on information in the insurance company filed annual reports. The RBC calculation is based on a formula and approach established by the NAIC and adopted by individual jurisdictions. The P/C minimum risk-based capital is designed to take into account the following major risks facing insurance companies:

1. Asset Risk – Subsidiary Insurance Companies: This risk is not relevant to ERMA.
2. Asset Risk – Fixed Income: Default and interest rate risk associated with bonds, mortgage loans, and preferred stock dividends. Historical default rates associated with various classes of investment are utilized to calculate this risk.
3. Asset Risk – Equity: Risk that the fair market value of stocks and/or real estate will decrease. The historical variability of stocks and property values is utilized to calculate this risk.
4. Asset Risk – Credit: Credit risk associated with receivables and recoverables.
5. Underwriting Risk – Reserves: Risk that claims liabilities will be higher than projected. This risk is adjusted based on the type of exposure that is insured/self-insured, investment income potential, and the company's experience.
6. Underwriting Risk – Net Written Contribution: Risk that claims costs will exceed contributions collected. This risk is adjusted based on the type of exposure that is insured/self-insured, investment income potential, and the company's experience.

Based on a combination of the above risks, the RBC formula calculates the “Authorized Control Level RBC”. More details regarding this calculation are in the “Methodology” section of this report.

Action Levels

The action taken by the regulator as a result of RBC is based on the insurance company’s RBC Ratio. The following are the five possible levels of action:

1. No Action: RBC Ratio is greater than or equal to 200%.
2. Company Action: RBC Ratio is between 150% and 200%. The insurer must report a comprehensive financial plan to the regulator. The plan must identify the reasons for the company’s financial position, list proposals to rectify the financial problems, and provide projections of the future financial condition of the insurer (both with and without implementing the proposed solutions). The plan must also list and evaluate key assumptions associated with the company’s projections. If a company fails to produce a comprehensive financial plan, then the Regulatory Action Level is triggered.

An insurer can also be subject to “Company Action” if it fails the “Trend Test”. This is triggered if the RBC Ratio is between 200% and 300%, and the combined ratio is over 120%.

3. Regulatory Action Level: RBC Ratio is between 100% and 150%. The insurance company must file a financial and action plan similar to that outlined in the “Company Action” level. In addition, the regulator must perform any analyses/examinations of the insurance company’s business and operations that he deems necessary. The regulator issues corrective orders aimed at improving the insurance company’s financial condition.
4. Authorized Control Level: RBC Ratio is between 70% and 100%. In addition to the actions in “Company Action” and “Regulatory Action” levels, the regulator is automatically authorized to take control of the insurer.
5. Mandatory Control Level: Total Adjusted Capital is below 70% of Authorized Control Level RBC. The regulator must begin to take control of the insurance company.

Methodology

As discussed in the previous pages, the action taken by a regulator is based on the comparison of an insurer's Total Adjusted Capital and its Authorized Control Level RBC. For ERMA, the Total Adjusted Capital is based on the surplus shown on its 6/30/2023 financials.

We calculated ERMA's Authorized Control Level RBC based on the NAIC formula appropriate for P/C insurers. Since the exposures included in the employment practices liability program are in excess of member deductibles and limited to self-insured retention, we classified this program as primary. We feel that this best reflects ERMA's exposure. The following is the formula used to calculate the Authority's Authorized Control Level RBC:

$$ACLRBC = 0.50 \times \left(R0 + \sqrt{R1^2 + R2^2 + R3^2 + R4^2 + R5^2} \right)$$

$$\$5,563,666 = 0.50 \times \left(0 + \sqrt{510,832^2 + 0^2 + 8,633^2 + 11,115,577^2 + 20,371^2} \right)$$

R0: Asset Risk – Subsidiary Insurance Companies

R1: Asset Risk – Fixed Income

R2: Asset Risk – Equity

R3: Asset Risk – Credit

R4: Underwriting Risk – Reserves

R5: Underwriting Risk – Net Written Premium

Each of the risks R0 through R5 are based on information from ERMA's financials in accordance with the NAIC's RBC formulas.

Summarized results of RBC calculations are shown in Exhibit 3 of this report.

E. USES OF EQUITY

Over time if pooling results are favorable, surplus may grow to a level exceeding the target. Once surplus has exceeded targets, the Authority will have some options with regard to how that surplus is used.

The following list shows a few of the potential uses for excess surplus:

- Dividends returned to members
- Protection against hardening reinsurance markets
- Stabilizing member annual contributions
- Funding safety initiatives
- Preparing for catastrophic or “shock” losses

This list is by no means exhaustive, but gives some good examples of ways surplus may be used for the Pool’s benefit. The following paragraphs provide some more information on these uses.

Dividends

As pool surplus increases, one obvious use of surplus is to return it to members in the form of dividends.

Self-Insured Retention Fund

A portion of surplus may be designated for use as a self-insured retention fund to protect against hardening reinsurance markets. Because market premiums for excess insurance can vary significantly from one year to the next, the ability to retain a higher layer of losses may be desirable. Increasing the SIR will introduce more variability in the loss experience, so any increase in the SIR should be accompanied by surplus to cover that variability.

Contribution Stabilization Fund

A portion of surplus may be designated for use as a contribution stabilization fund to help stabilize member annual contributions. Keeping member contributions from fluctuating significantly from one year to the next may necessitate the use of some surplus to cover some of the increase in pool costs. To utilize such a fund, it would make sense to set a target annual rate change, and withdraw from the fund when the actuarially indicated rate change is higher than the target, and deposit into the fund when the indicated rate change is lower than the target.

Catastrophe Fund

A portion of surplus may be designated for use as a catastrophe fund to provide funding for the occurrence of catastrophic events or large losses. The random occurrence of a single extremely costly event may result in a number of claims being filed at the same time. A catastrophe fund can be used as a first line of financial protection against such events. To utilize such a fund, a target could be set (perhaps as a multiple of the per occurrence limit) and funded at that level until a catastrophe occurs, then replenished afterwards.

IV. DATA PROVIDED FOR THE ANALYSIS

We were provided with a number of data sources for use in our analysis, including the following items:

- We received annual financial statements valued as of June 30, 2014 through June 30, 2023. These statements were cross-checked with each other for consistency.
- We received Authority's Investment Statement valued as of June 30, 2023.
- We received Authority's budget for policy year 2023-24.
- We also received a loss run valued as of June 30, 2023.

Overall the data provided for the analysis appears to be reasonable for use in this analysis of target surplus.

V. ASSUMPTIONS AND LIMITATIONS

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by the Authority. While we have not independently audited or verified this information, we have reviewed it for reasonableness and internal consistency.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other risk pools.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns as contained in the Authority's most recent actuarial report are appropriate.

We have assumed that there is a continuing relationship between past and future loss costs.

- It is not possible to predict future claim costs precisely. Most of the cost of workers' compensation claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- The changes in cost levels associated with benefit increases and administrative changes typically take place over a period of several years following their enactment, and these changes are very difficult to forecast in advance.
- We have assumed that loss and loss expense costs are affected by inflation over time, both in frequency and severity.
- We have assumed that assets held for investment will generate returns over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from historical returns, depending upon the prevailing investment market conditions.

- Our estimates generally assume that all excess insurance is valid and collectible. Further, our conclusions do not include a provision for retained losses greater than the Authority's excess coverage.

VI. GLOSSARY OF ACTUARIAL TERMS

Accident Year - Year during which the accidents that generate a group of claims occurs, regardless of when the claims are reported, payments are made, or reserves are established.

Allocated Loss Adjustment Expenses (ALAE) - Expense incurred in settling claims that can be directly attributed to specific individual claims (e.g., legal fees, investigative fees, court charges, etc.)

Benefit Level Factor - Factor used to adjust historical losses to the current level of workers' compensation benefits.

Case Reserve - The amount left to be paid on a claim, as estimated by the claims administrator.

Claim Count Development Factor - A factor that is applied to the number of claims reported in a particular accident period in order to estimate the number of claims that will ultimately be reported.

Claim Frequency - Number of claims per \$1 million payroll.

Confidence Level - An estimated probability that a given level of funding will be adequate to pay actual claims costs. For example, the 85% confidence level refers to an estimate for which there is an 85% chance that the amount will be sufficient to pay loss costs.

Discount Factor - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

Expected Losses - The best estimate of the full, ultimate value of loss costs.

Incurred but not Reported (IBNR) Losses - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

Loss Development Factor - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

Loss Rate - Ultimate losses per \$100 payroll.

Non-Claims Related Expenses – Program expenses not directly associated with claims settlement and administration, such as excess insurance, safety program expenses, and general overhead. These exclude expenses associated with loss settlements (Indemnity/Medical, BI/PD), legal expenses associated with individual claims (ALAE), and claims administration (ULAE).

Outstanding Losses - Losses that have been incurred but not paid. This is the ultimate value of losses less any amount that has been paid.

Paid Losses - Losses actually paid on all reported claims.

Program Losses - Losses, including ALAE, limited to the SIR for each occurrence.

Reported Losses - The total expected value of losses as estimated by the claims administrator. This is the sum of paid losses and case reserves.

Self-Insured Retention (SIR) - The level at which an excess insurance policy is triggered to begin payments on a claim. Financially, this is similar to an insurance deductible.

Severity - Average claim cost.

Ultimate Losses - The value of claim costs at the time when all claims have been settled. This amount must be estimated until all claims are actually settled.

Unallocated Loss Adjustment Expenses (ULAE) – Claim settlement expenses that cannot be directly attributed to individual claims (e.g., claims adjusters' salaries, taxes, etc.)

Employment Risk Management Authority (ERMA)
Target Surplus Summary

| | | | |
|--|--------------|------|-------------------------|
| Equity at 6/30/2023 (ex Other Liab): | \$16,663,000 | | |
| Estimated Equity at 6/30/2024: | \$18,680,000 | | Flat Discount Rate |
| Required Equity at 80% Conf Level: | \$5,120,000 | | 1.50% |
| Required Equity at 85% Conf Level: | \$6,530,000 | | Expected Discount Rates |
| Required Equity at 90% Conf Level: | \$8,470,000 | 2023 | 1.50% |
| Annual Ultimate Loss 2023: | \$7,030,000 | 2024 | 1.50% |
| Maximum Retention 2023: | \$1,000,000 | 2025 | 1.50% |
| Discounted Outstanding at 6/30/2024: | \$20,420,000 | 2026 | 1.50% |
| Undiscounted Outstanding at 6/30/2024: | \$21,080,000 | 2027 | 1.50% |
| Net Contributions 2023: | \$10,490,000 | 2028 | 1.50% |
| RBC Requirement at 6/30/2024: | \$5,560,000 | | |

Number of Years Div 10

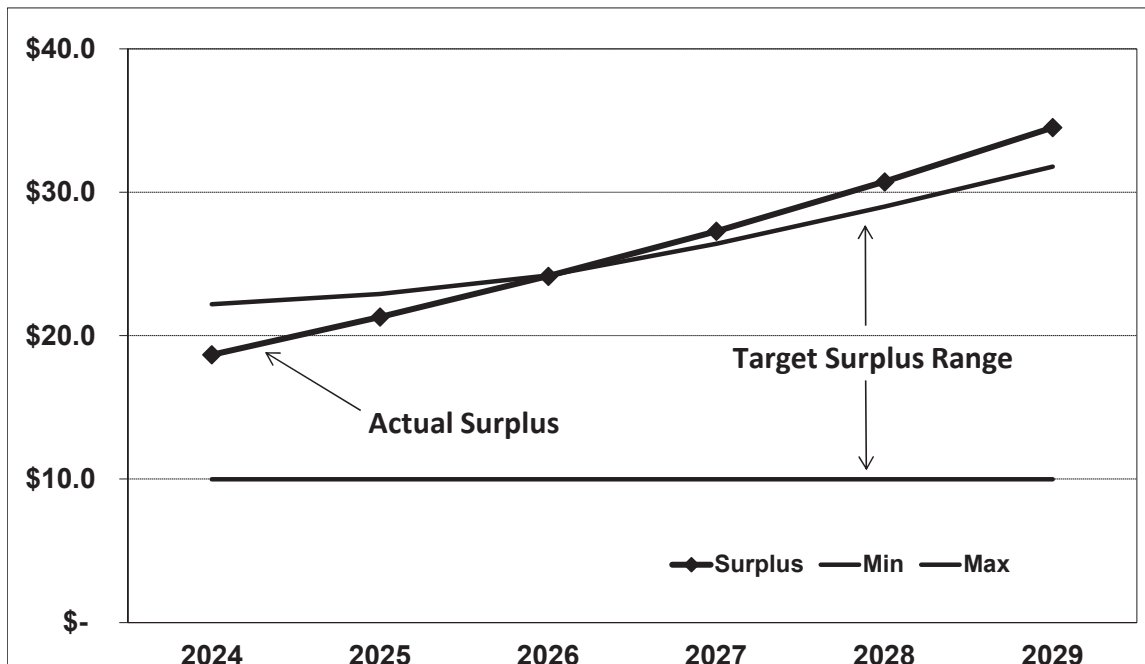
| | Target | Implied Minimum Equity | Projected Ratio |
|------------------------------|--------|------------------------|-----------------|
| Equity/Max SIR | >=10 | \$10,000,000 | 18.68 |
| Equity/Annual Losses | >=2.00 | \$14,100,000 | 2.66 |
| Equity/Undiscounted OS | >=1.00 | \$21,100,000 | 0.89 |
| Equity / O-S Liability at CL | 95% | \$11,700,000 | 0.58 |
| Equity/Net Contributions | >=1.25 | \$13,100,000 | 1.78 |
| Equity/RBC Ratio | >4.00 | \$22,200,000 | 3.36 |

2024-2025 Pool Funding Options

| Confidence levels | Factor | Pool Premium | Equity |
|-------------------|--------|--------------|-------------|
| Expected | 1.000 | \$6,733,000 | \$0 |
| 60% | 1.118 | \$7,527,000 | \$794,000 |
| 70% | 1.258 | \$8,470,000 | \$1,737,000 |
| 75% | 1.341 | \$9,029,000 | \$2,296,000 |
| 80% | 1.439 | \$9,689,000 | \$2,956,000 |
| 85% | 1.561 | \$10,510,000 | \$3,777,000 |
| 90% | 1.723 | \$11,601,000 | \$4,868,000 |

Five Year Funding Plan

| | Assessment | Amount Added To Equity | Estimated Equity Balance |
|--------------------------------------|------------|------------------------|--------------------------|
| Equity at 6/30/2023 (ex Other Liab): | | | \$16,663,000 |
| Estimated Equity at 6/30/2024: | | | \$18,680,000 |
| 2024-2025 Collection @ 80% CL | \$0 | \$2,618,000 | \$21,298,000 |
| 2025-2026 Collection @ 80% CL | \$0 | \$2,852,000 | \$24,150,000 |
| 2026-2027 Collection @ 80% CL | \$0 | \$3,132,000 | \$27,282,000 |
| 2027-2028 Collection @ 80% CL | \$0 | \$3,443,000 | \$30,725,000 |
| 2028-2029 Collection @ 80% CL | \$0 | \$3,790,000 | \$34,515,000 |



Employment Risk Management Authority (ERMA)
Surplus Forecast

| | FY 7/1/2023 to 6/30/2024 | FY 7/1/2024 to 6/30/2025 | FY 7/1/2025 to 6/30/2026 | FY 7/1/2026 to 6/30/2027 | FY 7/1/2027 to 6/30/2028 | FY 7/1/2028 to 6/30/2029 | FY 7/1/2029 to 6/30/2030 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <u>Interest assumption</u> | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% |
| <u>Assets - Beginning of Year</u> | 36,956,000 | 39,755,735 | 43,589,972 | 48,326,071 | 53,714,170 | 59,708,319 | 66,321,645 |
| <u>Total Income to Fund</u> | | 1.08 | 1.10 | 1.10 | 1.10 | 1.10 | 1.10 |
| Pool Premium: | 8,975,000 | 9,689,000 | 10,632,000 | 11,675,000 | 12,806,000 | 14,050,000 | 15,395,000 |
| Reinsurance Premium | 581,000 | 599,000 | 617,000 | 636,000 | 655,000 | 675,000 | 695,000 |
| Expenses | 1,519,000 | 1,565,000 | 1,612,000 | 1,660,000 | 1,710,000 | 1,761,000 | 1,814,000 |
| (Dividend)/Assessment: | - | - | - | - | - | - | - |
| Interest Earned: | 637,867 | 692,566 | 763,385 | 846,515 | 939,666 | 1,042,779 | 1,155,946 |
| Other: | - | - | - | - | - | - | - |
| Total Income: | 11,712,867 | 12,545,566 | 13,624,385 | 14,817,515 | 16,110,666 | 17,528,779 | 19,059,946 |
| <u>Total Expenses from Fund during year</u> | | | | | | | |
| Retained Loss and ALAE: | 6,813,131 | 6,547,329 | 6,659,286 | 7,133,417 | 7,751,517 | 8,479,453 | 9,307,161 |
| Reinsurance Premium | 581,000 | 599,000 | 617,000 | 636,000 | 655,000 | 675,000 | 695,000 |
| Expenses | 1,519,000 | 1,565,000 | 1,612,000 | 1,660,000 | 1,710,000 | 1,761,000 | 1,814,000 |
| Other | - | - | - | - | - | - | - |
| Total Expenses: | 8,913,131 | 8,711,329 | 8,888,286 | 9,429,417 | 10,116,517 | 10,915,453 | 11,816,161 |
| <u>Estimated Assets - End of Year</u> | 39,755,735 | 43,589,972 | 48,326,071 | 53,714,170 | 59,708,319 | 66,321,645 | 73,565,430 |
| Change in assets | | 3,834,237 | 4,736,099 | 5,388,099 | 5,994,149 | 6,613,326 | 7,243,785 |
| Change in Liabilities | | 1,210,000 | 1,857,000 | 2,201,000 | 2,479,000 | 2,745,000 | 2,993,000 |
| <u>Statistics</u> | | | | | | | |
| Projected Equity at End of Year: | 18,680,000 | 21,298,000 | 24,150,000 | 27,282,000 | 30,725,000 | 34,515,000 | 38,679,000 |
| Required Equity at 80% Conf Level: | 5,290,076 | 5,595,292 | 6,068,176 | 6,634,432 | 7,274,733 | 7,983,557 | 8,756,386 |
| Required Equity at 85% Conf Level: | 6,744,320 | 7,133,440 | 7,736,320 | 8,458,240 | 9,274,560 | 10,178,240 | 11,163,520 |
| Required Equity at 90% Conf Level: | 8,746,540 | 9,251,180 | 10,033,040 | 10,969,280 | 12,027,945 | 13,199,905 | 14,477,690 |
| Gross Premium: | 11,075,000 | 11,853,000 | 12,861,000 | 13,971,000 | 15,171,000 | 16,486,000 | 17,904,000 |
| Funding Confidence Level: | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Maximum Retention: | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Ultimate Losses: | 7,030,000 | 7,710,000 | 8,460,000 | 9,290,000 | 10,190,000 | 11,180,000 | 12,250,000 |
| O/S Case Reserves at End of Year: | 4,728,742 | 4,858,171 | 5,304,682 | 5,877,576 | 6,527,721 | 7,220,403 | 7,940,955 |
| O/S Ultimate Gross Reserves at End of Year (incl ULAE): | 21,076,000 | 22,292,000 | 24,176,000 | 26,432,000 | 28,983,000 | 31,807,000 | 34,886,000 |
| O/S Ultimate Discounted Res at End of Year (incl ULAE): | 20,417,000 | 21,627,000 | 23,484,000 | 25,685,000 | 28,164,000 | 30,909,000 | 33,902,000 |
| RBC Requirement | 5,560,000 | 5,730,000 | 5,900,000 | 6,080,000 | 6,260,000 | 6,450,000 | 6,640,000 |
| <u>Maximum Retention Years:</u> | | | | | | | |
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
| | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
| | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| <u>Maximum Retention Weights:</u> | | | | | | | |
| | 10% | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| | 15% | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| | 20% | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| | 25% | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| | 30% | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| <u>Target Equity</u> | | | | | | | |
| Equity/Max SIR | >10.00 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Equity/Annual Losses | >2.00 | 14,100,000 | 15,400,000 | 16,900,000 | 18,600,000 | 20,400,000 | 24,500,000 |
| Equity/Gross Reserves | >1.00 | 21,100,000 | 22,300,000 | 24,200,000 | 26,400,000 | 29,000,000 | 34,900,000 |
| Equity / O-S Liability at CL | 95% | 11,700,000 | 12,400,000 | 13,500,000 | 14,800,000 | 16,200,000 | 19,500,000 |
| Equity / Gross Contributions | >=1.25 | 13,875,000 | 14,875,000 | 16,125,000 | 17,500,000 | 19,000,000 | 22,375,000 |
| RBC Ratio | >4.00 | 22,200,000 | 22,900,000 | 23,600,000 | 24,300,000 | 25,000,000 | 26,600,000 |
| Minimum | | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Maximum | | 22,200,000 | 22,900,000 | 24,200,000 | 26,400,000 | 29,000,000 | 34,900,000 |

Employment Risk Management Authority (ERMA)
Risk Based Capital Calculation

| | Current Year |
|--|--------------|
| Total R0 - Asset Risk - Subsidiary Ins. Companies | 0 |
| Total R1 - Asset Risk - Fixed Income | 510,832 |
| Total R2 - Asset Risk - Equity | 0 |
| Total R3 - Asset Risk - Credit | 8,633 |
| Total R4 - Underwriting Risk - Reserves | 11,115,577 |
| Total R5 - Underwriting Risk - Net Written Premium | 20,371 |
| Total RBC After Covariance | 11,127,331 |
| Authorized Control Level RBC | 5,563,666 |

Scenario Adjustment of the Calculation of Total Adjusted Capital

| | |
|---|------------|
| Capital and Surplus | 37,056,852 |
| Non-Tabular Discount - Losses | 20,293,026 |
| Non-Tabular Discount - Expense | 101,234 |
| Discount on Medical Loss Reserves Reported as Tabular in Schedule P | 0 |
| Discount on Medical Expense Reserves Reported as Tabular in Schedule P | 0 |
| P&C Subs Non-Tabular Discount - Losses | 0 |
| P&C Subs Non-Tabular Discount - Expense | 0 |
| P&C Subs Discount on Med Loss Reserves Reported as Tabular in Sch P | 0 |
| P&C Subs Discount on Med Expense Reserves Reported as Tabular in Sch P | 0 |
| AVR - Life Subs | 0 |
| Dividend Liability - Life Subs | 0 |
| Total Adjusted Capital Before Capital Notes L(1)-L(2)-L(3)-L(4)-L(5)-L(6)-L(7)-L(8)-L(9)+L(10)+L(11) | 16,662,592 |
| Capital Notes | 0 |
| Total Adjusted Capital (Post-Deferred Tax) | 16,662,592 |
| RBC % | 299% |

FINANCIAL MATTERS

SUBJECT: Review of Financial Stability Plan
Presented by Chee Xiong, Finance Manager

RECOMMENDATION: *Staff recommends the Board of Directors approve the proposed revisions to the Financial Stability Plan.*

BACKGROUND AND STATUS:

The purpose of the Financial Stability Plan is to ensure the long-term financial viability and stability of the Employment Risk Management Authority (ERMA). The Plan was last revised on May 1, 2018. In reviewing the Plan, staff is recommending the following changes:

- Change the terminology from “Equity” to Net Position to match the terminology used on the financial statements as per Governmental Accounting Standards Board (GASB).
- Change one of the Target Net Position Benchmarking Ratios: Net Position to Self-Insured Retention to 10:1 from 5:1 as recommended from the prior agenda item 8.C.

The Plan is reviewed annually at the annual workshop as the Plan is used as a tool by the Board to guide them in decisions surrounding forecasting employment practices liability costs, protecting the program from adverse loss development, and reducing the possibility of assessment in future program years.

REFERENCE MATERIALS ATTACHED:

- Financial Stability Plan - Proposed Revisions as of February 2, 2024, in Redline/Strikeout

ERMA
FINANCIAL STABILITY PLAN
Approved Revision as of ~~May 1, 2018~~ February 2, 2024

I. PURPOSE

The purpose of this Financial Stability Plan is to ensure the long-term financial viability and stability of the Employment Risk Management Authority (ERMA). It is intended to be used as a tool by the Board of Directors to guide them in their funding and equitynet position decisions. The Plan is intentionally conservative to reflect the difficulty in accurately forecasting employment practices liability costs, to protect the program from adverse loss development, and to reduce the possibility of assessments in future program years. Components of this Plan include the following:

1. Retrospective Adjustment Process
To provide a formal process by which mature program years are adjusted;
2. Target Confidence Level Funding
To provide a course of action to build ~~an equitynet position~~ contingency margin;
3. Capital Fund
To provide value to the Pool by providing a benefit to the members as a whole;
4. Target EquityNet position Benchmarking Ratios
To provide an annual calculation of ratios to assist the Board in making future funding and equitynet position distribution decisions.
5. Budget Control Provision
To provide information to the Board regarding significant variances in budget to actual expense categories requiring board approval.

II. RETROSPECTIVE ADJUSTMENT PROCESS

As each program year is independent from the others, it is possible to assess each program year's deficit, or surplus, independently on an annual basis as each program year reaches a certain maturity threshold.

The Retrospective Adjustment Process was approved unanimously at ERMA's February 22, 2008, Board of Directors meeting. This process calls for the retrospective adjustment (assessment for a deficit year or dividend release for a surplus year) for each program year that is a full five years old (an "Eligible Program Year") according to the following methodology:

- Each year at its June Board of Directors' meeting, the ERMA Board would formally retrospectively adjust each eligible program year's retained earnings balance five full years after the inception of that program year and each year thereafter until the program year is closed (all claims have been settled, and no case or IBNR reserves remain).

- A deficit (in whole or part at the Board's discretion) would be assessed to increase the equitynet position in each eligible program year to at least the expected confidence level.
- Alternatively, if an eligible open program year is in a surplus position, the Board would consider issuing dividends (in whole or part at the Board's discretion) for any equitynet position amount that exceeds the 90% confidence level to allow for continuing claims development in future years.
- If a current program year not yet eligible to receive a retrospective adjustment is in a deficit position at any confidence level, the negative equitynet position at that confidence level will be subtracted from the "Total Distribution Available" at that confidence level.
- If no IBNR remains in a year in which all claims are closed, the Board would consider issuing dividends or levying an assessment to officially close out that year.

Additional considerations:

- It is possible for program years to re-open, in which case a later assessment is possible.
- In the event of an overall program surplus, an individual program year or multiple program years would not be adjusted via a dividend, unless the ERMA program as a whole remained funded at the 90% confidence level after the issuance of the dividend.
- The current year March 31 financial statements will be utilized to determine each program year's retained earnings balance, and net assessments/net dividends (due to the possibility of several program years being adjusted) will be invoiced/released on or before June 30.

III. TARGET CONFIDENCE LEVEL FUNDING

Each year an actuarial study is conducted by an accredited actuary. The study reflects a revaluation of the projected ultimate losses for the historical years and the expected losses for the upcoming year. The actuary also provides a margin for contingency which represents funding above the expected level. This margin is expressed in terms of various confidence levels. The ERMA Board of Directors does hereby establish the **70% confidence level** as the Minimum Target Confidence Level Funding (Target) for the Program.

The actuarial evaluation of the funding for historical years will be considered when setting rates for the next program year. If the funding for all historical years meets or exceeds the Target (The equitynet position of the ERMA program as a whole is at the 70% confidence level), the Board of Directors will fund the next program year at a minimum of the target level (the 70% confidence level).

IV. CAPITAL FUND

ERMA's Capital Fund was created at the inception of the program to receive 15% of member contributions over a five-year period to "provide a margin for greater confidence in the program." All monies in the original Capital Fund were fully allocated as of June 30, 2010, and provided a benefit to all program years through 2009/2010.

The Capital Fund was re-activated in June, 2015, to receive \$300,000 from a dividend release for a future benefit.

The Capital Fund exists for the benefit of the pool with the purpose of providing a value to the members as a whole. It can also be used to further goals of becoming financially self-sufficient as equitynet position increases.

The Capital Fund can collect premium from either a decrease in rates, an increase in confidence level, or a dividend release in order to retain the extra money as a reserve. Potential uses for the Capital Fund include:

- The implementation of a new program that will benefit all members,
- An offset against subsequent years' actuarial rate increases,
- Funding for excess coverage, and/or
- To provide the program with a greater contingency margin.

V. TARGET EQUITYNET POSITION BENCHMARKING RATIOS

Benchmarking is a mechanism that provides an annual calculation of target equitynet position ratios to assist the Board in making future funding and equitynet position distribution decisions. The ratios are a tool to be used in determining the overall health of the program and to provide a comparison of various benchmarks from year to year. The ERMA Board of Directors will only return "EquityNet position" to the members after evaluating and concluding the following ratios remain appropriate for the group prior to and following any potential return of "EquityNet position". The intent of the ratios is not to mandate a particular course of action should ratios fall within or without the target parameters.

EQUITYNET POSITION RATIOS

"Net Contribution" to "EquityNet position" ratio:

Target $\leq 2:1$

- Compares current equitynet position for all program years to the net contributions collected in the current year.
- This ratio is a measure of how "EquityNet position" is leveraged against possible pricing inadequacies.

- The higher the equitynet position, the lower the ratio. Hence a low ratio is desirable.

“Loss Reserves” to “EquityNet position” ratio:

Target $\leq 3:1$

- Compares current equitynet position for all program years to total claims liability.
- This ratio is a measure of how “EquityNet position” is leveraged against possible reserve inaccuracies.
- The lower the liabilities, and/or the higher the equitynet position, the lower the ratio. Hence a low ratio is desirable.

“EquityNet position” to “Self Insured Retention” ratio:

Target $\geq 5:1$ ~~10:1~~

- Compares current equitynet position for all program years to the group’s current self-insured retention.
- This ratio is a measure of the maximum amount that “EquityNet position” could decline due to a single loss.
- The higher the equitynet position, the greater number of “full hits” the group can absorb. Hence, a high ratio is desirable.

Operating ratio:

Target $\leq 100\%$

- Compares revenues to expenses during a given year.
- This ratio is a measure of the inflows versus the outflows in each program year.
- The higher the revenues, and/or the lower the expenses, the lower the ratio. Hence, an operating ratio of less than 100% is desirable.

Reserve Development:

Target $\leq 20\%$

- Compares changes in reserve liabilities from one year(s) to the next.
- This ratio is a measure of the change in aggregate ultimate losses from one valuation period to the prior valuation(s).
- The smaller the change in liability, the more stable the program. Hence, generally, both thresholds should be less than 20%.

Change in EquityNet position:

Target $\geq -10\%$

- Measures change in total equitynet position from one year to the next.
- This ratio measures if a decline in equitynet position in excess of 10% warrants action by the Board, such as an increase in annual contribution, or an assessment.

VI. Budget Control Provision

A “Report of Line Items Expected to Exceed Budgeted Amount” (Report) is included with the quarterly internal financial statements, as an addendum to the Income Statement. Each line item within each spending category - Claims Expense, Loss Prevention & Training,

and General and Administrative Expenses - is included in the Report, if it has, or it is anticipated that it will, exceed the budget by the end of the year.

If one or more of the spending categories exceeds, or is expected to exceed, the budget for that category, it will be brought to the Board for approval at its next regularly scheduled meeting. Approval by the Board of the variance in any category will be recorded in the minutes of that meeting, but will not necessitate further action.

- VII.** The Board of Directors may re-evaluate this plan from time to time and make changes to it as deemed necessary by a majority vote of Board.

CLAIMS MATTERS

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

RECOMMENDATION: *None.*

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 |
|--------------------------------|
| Yoo v. City of San Pablo (MPA) |

REFERENCE MATERIALS ATTACHED:

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