

**Fixed Income Investment Oversight Group Meeting – Florida PRIME**  
**Meeting Minutes**  
**April 24, 2024 3:00 p.m.**  
**Emerald Coast Conference Room/Virtual via Teams**

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**Attending Members:** Karen Chandler – *Director, Enterprise Risk Management*; Mike McCauley – *Senior Officer, Investment Programs & Governance*; Sooni Raymaker – *Chief Risk & Compliance Officer*

**Members not in Attendance:** Todd Ludgate – *Senior Investment Officer, Fixed Income*

**Other Attendees:** Jennifer Barrett – *Senior Compliance Analyst*; Lisa Collins – *Manager, Public Market Compliance*; Hannah Day – *Investment Compliance Analyst*; Chad Foote – *Chief Operating Financial Officer*; Paul Groom – *Deputy Executive Director*; Cherie Jeffries – *Director, Fixed Income Trading*; Mykel Kenton – *Manager, Public Market Compliance*; Richard Smith – *Senior Portfolio Manager, Short Term*; Paige Wilhelm – *Senior Vice President and Head of Investment Area/Prime Liquidity Team, Senior Portfolio Manager (Federated Hermes)*

**Minutes:** Lisa Collins

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**Agenda Topics**

1. Paige Wilhelm reviewed the stress test results for the quarter ended 03/31/2024.

**Conclusions:**

In combination with various levels of increases in shareholder redemptions, the portfolio was tested against the following hypothetical events: a) an increase in the general level of short-term interest rates, b) a credit event representing various portions of the fund's portfolio, c) the widening of spreads, in various sectors, compared to the indexes to which portfolio securities are tied, and d) a combination of a, b, and c. See attached *Exhibit A: Stress Testing Board Summary Report for Florida Local Government Investment Pool A – Q1 2024*.

There were no questions or follow-up items from attendees regarding the stress test results.

2. No follow-up items:
3. Compliance recap for the quarter ended 03/31/2024:

**Conclusions:**

- A. No new exceptions were reported.
  - B. No open/ongoing exceptions were reported.
  - C. No Affected Securities were reported.
4. No other topics.
  5. No action items.

**EXHIBIT A**

**Stress Testing Board Summary Report for Florida Local Government Investment Pool A - Q1 2024**

<b>Date of Stress Tests:</b>	31-Jan	29-Feb	28-Mar
<b>Shadow NAV at Time of Tests:</b>	1.00029	1.00018	0.99993

**STRESS TESTING RESULTS DURING THE PERIOD**

Pct of Shares Redeemed	Redemptions Only					
	Stress NAV			Weekly Liquidity		
	Jan	Feb	Mar	Jan	Feb	Mar
0%	1.00029	1.00018	0.99993	42.45%	40.23%	40.35%
10%	1.00033	1.00020	0.99992	36.05%	33.59%	33.78%
20%	1.00037	1.00023	0.99991	30.00%	30.00%	30.00%
30%	1.00042	1.00026	0.99990	30.00%	30.00%	30.00%
40%	1.00049	1.00030	0.99989	30.00%	30.00%	30.00%

Pct of Shares Redeemed	Change in Interest Rates						Credit Event						Floater Spread Widening					
	Stress NAV			Weekly Liquidity			Stress NAV			Weekly Liquidity			Stress NAV			Weekly Liquidity		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
0%	0.99984	0.99958	0.99934	42.45%	40.23%	40.35%	0.99955	0.99934	0.99906	42.45%	40.23%	40.35%	0.99973	0.99968	0.99936	42.45%	40.23%	40.35%
10%	0.99982	0.99954	0.99927	36.05%	33.59%	33.78%	0.99950	0.99926	0.99896	36.05%	33.59%	33.78%	0.99970	0.99964	0.99929	36.05%	33.59%	33.78%
20%	0.99980	0.99948	0.99918	30.00%	30.00%	30.00%	0.99944	0.99917	0.99883	30.00%	30.00%	30.00%	0.99966	0.99960	0.99920	30.00%	30.00%	30.00%
30%	0.99977	0.99941	0.99906	30.00%	30.00%	30.00%	0.99935	0.99905	0.99866	30.00%	30.00%	30.00%	0.99961	0.99954	0.99908	30.00%	30.00%	30.00%
40%	0.99974	0.99931	0.99890	30.00%	30.00%	30.00%	0.99925	0.99889	0.99844	30.00%	30.00%	30.00%	0.99955	0.99946	0.99893	30.00%	30.00%	30.00%

Test	% of Orig. Portfolio Stressed			Pct of Shares Redeemed	Combination					
	Jan	Feb	Mar		Stress NAV			Weekly Liquidity		
	Jan	Feb	Mar		Jan	Feb	Mar	Jan	Feb	Mar
Redemptions Only	0.0%	0.0%	0.0%	0%	0.99853	0.99823	0.99790	42.45%	40.23%	40.35%
Change in Int. Rates	96.1%	95.4%	95.5%	10%	0.99837	0.99804	0.99766	36.05%	33.59%	33.78%
Credit Event	65.7%	69.5%	65.5%	20%	0.99817	0.99779	0.99737	30.00%	30.00%	30.00%
Floater Spread Widening	23.2%	22.8%	25.2%	30%	0.99790	0.99748	0.99700	30.00%	30.00%	30.00%
Combination	96.1%	95.4%	95.5%	40%	0.99755	0.99706	0.99650	30.00%	30.00%	30.00%

**B. Escalation Procedures:**

Based on Federated's procedures, as of 6/30/2016, Counsel to the Independent Directors or Trustees will receive notification from the Adviser upon the occurrence of the following events in a Rule 2a-7 money market fund: (1) any deviation between the NAV and the market based NAV in excess of \$0.0040 per share or (2) Weekly Liquid assets drop below sufficient liquidity levels, as identified in the board approved procedures, and the Adviser is required to communicate a recommendation regarding a Discretionary Liquidity Fee.

**C. Assessment of Fund's Ability to Withstand Events Reasonably Likely to Occur During the Following Year:**

Unless highlighted above for further discussion, the Adviser has determined that each fund is structured in such a way that the occurrence of the events, described more fully above, which the Adviser believes are reasonably likely to occur during the next 12 months would not result in a Fund's Weekly Liquid Assets falling below 10% or a fund failing to minimize principal volatility.

**D. Test Descriptions:**

- Unusual Redemption Activity: Resulting NAV & liquidity levels following redemptions equal to 40% in 10% increments
- Change in Interest Rates: Resulting NAV & liquidity levels following a change in rates of 0.50%.
- Credit Event: : Banks widen by 0.50%, and Travel and Leisure spreads widen by 0.25%
- Floater Spread Widening: Resulting NAV & liquidity levels following a widening of floater spreads off of the applicable index of 0.50%
- Combination: Change in Interest Rates, Credit Event, and Floater Spread Widening combined.

**E. Redemption Funding Method:**

Redemptions - Sell Daily Liquidity down to 0 percent then Weekly Liquidity down to 30 percent(Current, Target Liquidity Level) then based on Final Maturity Date