

Fixed Income Investment Oversight Group Meeting – Florida PRIME
Meeting Minutes
January 31, 2022 2:00 p.m.
Virtual via Teams

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

Other Attendees: Jennifer Barrett – *Senior Compliance Analyst*; John Benton – *Senior Investment Policy Officer*; Lisa Collins – *Manager, Public Market Compliance*; Cherie Jeffries – *Director, FI Trading*; Melissa Macilveen – *Senior Financial Analyst (FHCF)*; Richard Smith – *Senior Portfolio Manager, Short Term*

Minutes: Lisa Collins – *Manager, Public Market Compliance*

Agenda Topics

1. The Federated Portfolio Manager, Paige Wilhelm, reviewed the stress test results for the quarter ended 12/31/2021.

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 *Stress Testing Board Summary Report for Florida Local Government Investment Pool A - 4Q2021*.

2. No follow-up items.
3. Compliance Review of December 2021 Data:

Conclusions:

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

EXHIBIT A

Stress Testing Board Summary Report for Florida Local Government Investment Pool A - 4Q2021

Date of Stress Tests:	29-Oct	30-Nov	31-Dec
Shadow NAV at Time of Tests:	1.00003	0.99997	0.99996

STRESS TESTING RESULTS DURING THE PERIOD

Pct of Shares Redeemed	Redemptions Only					
	Stress NAV			Weekly Liquidity		
	Oct	Nov	Dec	Oct	Nov	Dec
0%	1.00003	0.99997	0.99996	41.02%	45.63%	40.24%
10%	1.00003	0.99997	0.99996	34.50%	39.65%	33.60%
20%	1.00003	0.99997	0.99995	30.00%	32.18%	30.00%
30%	1.00004	0.99996	0.99995	30.00%	30.00%	30.00%
40%	1.00005	0.99996	0.99994	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		
	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec	Oct	Nov	Dec
0%	0.99868	0.99865	0.99862	41.02%	45.63%	40.24%	0.99939	0.99929	0.99928	41.02%	45.63%	40.24%	0.99974	0.99971	0.99969	41.02%	45.63%	40.24%
10%	0.99853	0.99850	0.99847	34.50%	39.65%	33.60%	0.99932	0.99921	0.99920	34.50%	39.65%	33.60%	0.99972	0.99968	0.99966	34.50%	39.65%	33.60%
20%	0.99835	0.99832	0.99828	30.00%	32.18%	30.00%	0.99923	0.99912	0.99910	30.00%	32.18%	30.00%	0.99968	0.99964	0.99961	30.00%	32.18%	30.00%
30%	0.99812	0.99808	0.99803	30.00%	30.00%	30.00%	0.99912	0.99899	0.99897	30.00%	30.00%	30.00%	0.99964	0.99959	0.99956	30.00%	30.00%	30.00%
40%	0.99780	0.99776	0.99770	30.00%	30.00%	30.00%	0.99898	0.99883	0.99880	30.00%	30.00%	30.00%	0.99957	0.99952	0.99949	30.00%	30.00%	30.00%

Test	% of Orig. Portfolio Stressed			Pct of Shares Redeemed	Combination					
	Oct	Nov	Dec		Stress NAV			Weekly Liquidity		
	Oct	Nov	Dec		Oct	Nov	Dec	Oct	Nov	Dec
Redemptions Only	0.0%	0.0%	0.0%	0%	0.99776	0.99771	0.99767	41.02%	45.63%	40.24%
Change in Int. Rates	93.7%	86.8%	89.2%	10%	0.99751	0.99745	0.99741	34.50%	39.65%	33.60%
Credit Event	61.8%	58.4%	60.9%	20%	0.99720	0.99714	0.99709	30.00%	32.18%	30.00%
Floater Spread Widening	11.5%	10.7%	10.4%	30%	0.99680	0.99674	0.99667	30.00%	30.00%	30.00%
Combination	93.7%	86.8%	89.2%	40%	0.99627	0.99620	0.99612	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 30%.

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 1.00%.

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 then based on Final Maturity Date