

Fixed Income Investment Oversight Group Meeting – Florida PRIME
Meeting Minutes
October 31, 2024 3:00 p.m.
Emerald Coast Conference Room/Virtual via Teams

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

Other Attendees: Jennifer Barrett – *Senior Compliance Analyst*; Lisa Collins – *Manager, Public Market Compliance*; Paul Groom – *Deputy Executive Director*; Cherie Jeffries – *Director, Fixed Income Trading*; Mykel Kenton – *Director, Investment Compliance*; Melissa Macilveen – *Manager, Administrative Programs (FHCF)*; 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

Agenda Topics

1. Paige Wilhelm reviewed the stress test results for the quarter ended 09/30/2024.

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 – Q3 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 09/30/2024:

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 Q3 2024

Date of Stress Tests:	31-Jul	30-Aug	30-Sep
Shadow NAV at Time of Tests:	1.00020	1.00041	1.00070

STRESS TESTING RESULTS DURING THE PERIOD

Pct of Shares Redeemed	Redemptions Only					
	Stress NAV			Weekly Liquidity		
	Jul	Aug	Sep	Jul	Aug	Sep
0%	1.00020	1.00041	1.00070	39.72%	40.17%	40.64%
10%	1.00022	1.00045	1.00078	33.02%	33.53%	34.06%
20%	1.00025	1.00051	1.00087	30.00%	30.00%	30.00%
30%	1.00028	1.00058	1.00100	30.00%	30.00%	30.00%
40%	1.00033	1.00068	1.00116	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		
	Jul	Aug	Sep	Jul	Aug	Sep	Jul	Aug	Sep	Jul	Aug	Sep	Jul	Aug	Sep	Jul	Aug	Sep
0%	0.99958	0.99985	1.00017	39.72%	40.17%	40.64%	0.99936	0.99968	1.00008	39.72%	40.17%	40.64%	0.99967	0.99991	1.00021	39.72%	40.17%	40.64%
10%	0.99954	0.99983	1.00019	33.02%	33.53%	34.06%	0.99929	0.99965	1.00009	33.02%	33.53%	34.06%	0.99963	0.99990	1.00024	33.02%	33.53%	34.06%
20%	0.99948	0.99981	1.00021	30.00%	30.00%	30.00%	0.99920	0.99961	1.00010	30.00%	30.00%	30.00%	0.99958	0.99989	1.00027	30.00%	30.00%	30.00%
30%	0.99941	0.99978	1.00024	30.00%	30.00%	30.00%	0.99909	0.99955	1.00011	30.00%	30.00%	30.00%	0.99952	0.99988	1.00030	30.00%	30.00%	30.00%
40%	0.99931	0.99974	1.00028	30.00%	30.00%	30.00%	0.99893	0.99947	1.00013	30.00%	30.00%	30.00%	0.99945	0.99986	1.00035	30.00%	30.00%	30.00%

Test	% of Orig. Portfolio Stressed			Pct of Shares Redeemed	Combination					
	Jul	Aug	Sep		Stress NAV			Weekly Liquidity		
	Jul	Aug	Sep		Jul	Aug	Sep	Jul	Aug	Sep
Redemptions Only	0.0%	0.0%	0.0%	0%	0.99822	0.99863	0.99906	39.72%	40.17%	40.64%
Change in Int. Rates	93.4%	90.5%	83.8%	10%	0.99803	0.99848	0.99896	33.02%	33.53%	34.06%
Credit Event	64.6%	63.4%	55.6%	20%	0.99778	0.99829	0.99883	30.00%	30.00%	30.00%
Floater Spread Widening	25.9%	26.3%	26.5%	30%	0.99746	0.99804	0.99866	30.00%	30.00%	30.00%
Combination	93.4%	90.5%	83.8%	40%	0.99703	0.99772	0.99844	30.00%	30.00%	30.00%

B. Escalation Procedures:

Based on Federated Hermes' procedures, as of 06/30/2024, 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, or if the Daily or Weekly Liquid Assets fall below 12.5% or 25%, respectively, and (3) the Adviser, as specified in the board approved procedures, 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