

Fixed Income Investment Oversight Group Meeting – Florida PRIME
Meeting Minutes
January 28, 2025 2:00 p.m.
Emerald Coast Conference Room/Virtual via Teams

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

Other Attendees: Jennifer Barrett – *Manager of Investment Compliance*; Lisa Collins – *Manager, Public Market Compliance*; Hannah Day – *Sr. Investment Compliance Analyst*; Paul Groom – *Deputy Executive Director*; Cherie Jeffries – *Director, Fixed Income Trading*; Mykel Kenton – *Director, Investment Compliance*; Joel Meyer – *Manager, Financial Operations (FHCF)*; Richard Smith – *Senior Portfolio Manager, Short Term*; Lamar Taylor – *Chief Investment Officer*; 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 12/31/2024.

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*.

2. No follow-up items.
3. Compliance recap for the quarter ended 12/31/2024:

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

Date of Stress Tests:	31-Oct	27-Nov	31-Dec
Shadow NAV at Time of Tests:	1.00033	1.00008	1.00011

STRESS TESTING RESULTS DURING THE PERIOD

Pct of Shares Redeemed	Redemptions Only					
	Stress NAV			Weekly Liquidity		
	Oct	Nov	Dec	Oct	Nov	Dec
0%	1.00033	1.00008	1.00011	39.30%	41.31%	45.07%
10%	1.00037	1.00009	1.00012	32.61%	34.79%	38.97%
20%	1.00041	1.00010	1.00014	30.00%	30.00%	31.34%
30%	1.00047	1.00012	1.00016	30.00%	30.00%	30.00%
40%	1.00055	1.00014	1.00018	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%	0.99965	0.99944	0.99947	39.30%	41.31%	45.07%	0.99968	0.99950	0.99960	39.30%	41.31%	45.07%	0.99996	0.99980	0.99999	39.30%	41.31%	45.07%
10%	0.99961	0.99938	0.99941	32.61%	34.79%	38.97%	0.99965	0.99945	0.99956	32.61%	34.79%	38.97%	0.99996	0.99978	0.99999	32.61%	34.79%	38.97%
20%	0.99957	0.99930	0.99934	30.00%	30.00%	31.34%	0.99961	0.99938	0.99950	30.00%	30.00%	31.34%	0.99995	0.99976	0.99999	30.00%	30.00%	31.34%
30%	0.99951	0.99920	0.99924	30.00%	30.00%	30.00%	0.99955	0.99929	0.99943	30.00%	30.00%	30.00%	0.99995	0.99972	0.99999	30.00%	30.00%	30.00%
40%	0.99942	0.99907	0.99911	30.00%	30.00%	30.00%	0.99948	0.99917	0.99933	30.00%	30.00%	30.00%	0.99994	0.99967	0.99999	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%	0.99864	0.99859	0.99884	39.30%	41.31%	45.07%
Change in Int. Rates	91.5%	91.1%	92.3%	10%	0.99849	0.99843	0.99871	32.61%	34.79%	38.97%
Credit Event	62.4%	64.5%	64.0%	20%	0.99830	0.99823	0.99855	30.00%	30.00%	31.34%
Floater Spread Widening	23.0%	19.9%	11.4%	30%	0.99806	0.99798	0.99834	30.00%	30.00%	30.00%
Combination	91.4%	91.1%	92.3%	40%	0.99774	0.99764	0.99807	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 failing to maintain sufficient liquidity 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 10 percent then Weekly Liquidity down to 30 percent(Current, Target Liquidity Level) then based on Final Maturity Date