

**Fixed Income Investment Oversight Group Meeting – Florida PRIME**  
**Meeting Minutes**  
**April 27, 2022 11:00 a.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*; Katy Wojciechowski – *Senior Investment Officer, Fixed Income*

**Other Attendees:** John Benton – *Senior Investment Policy Officer*; Lisa Collins – *Manager, Public Market Compliance*; Mykel Kenton – *Manager, Public Market Compliance*; Joel Meyer – *Manager of Financial Operations (FHCF)*; Richard Smith – *Senior Portfolio Manager, Short Term*

**Minutes:** Mykel Kenton – *Manager, Public Market Compliance*

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**Agenda Topics**

1. The Federated Portfolio Manager, Paige Wilhelm, reviewed the stress test results for the quarter ended 03/31/2022.

**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 - 1Q2022*.

The Senior Officer – Investment Programs & Governance asked what is the best guess for yields at the end of the year. The Federated Portfolio Manager anticipates the pool will be around 2 percent.

2. No follow-up items.
3. Compliance Review of March 2022 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 Q1-2022**

<b>Date of Stress Tests:</b>	31-Jan	28-Feb	31-Mar
<b>Shadow NAV at Time of Tests:</b>	0.99991	0.99978	0.99958

**STRESS TESTING RESULTS DURING THE PERIOD**

Pct of Shares Redeemed	Redemptions Only					
	Stress NAV			Weekly Liquidity		
	Jan	Feb	Mar	Jan	Feb	Mar
0%	0.99991	0.99978	0.99958	41.97%	43.93%	47.31%
10%	0.99990	0.99975	0.99953	35.53%	37.70%	41.46%
20%	0.99988	0.99972	0.99947	30.00%	30.00%	34.15%
30%	0.99987	0.99968	0.99940	30.00%	30.00%	30.00%
40%	0.99985	0.99963	0.99930	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%	0.99862	0.99879	0.99869	41.97%	43.93%	47.31%	0.99930	0.99921	0.99882	41.97%	43.93%	47.31%	0.99957	0.99938	0.99895	41.97%	43.93%	47.31%
10%	0.99847	0.99866	0.99855	35.53%	37.70%	41.46%	0.99922	0.99912	0.99869	35.53%	37.70%	41.46%	0.99953	0.99931	0.99883	35.53%	37.70%	41.46%
20%	0.99827	0.99849	0.99837	30.00%	30.00%	34.15%	0.99912	0.99901	0.99853	30.00%	30.00%	34.15%	0.99947	0.99923	0.99869	30.00%	30.00%	34.15%
30%	0.99803	0.99827	0.99813	30.00%	30.00%	30.00%	0.99900	0.99887	0.99832	30.00%	30.00%	30.00%	0.99939	0.99912	0.99850	30.00%	30.00%	30.00%
40%	0.99770	0.99798	0.99782	30.00%	30.00%	30.00%	0.99883	0.99868	0.99804	30.00%	30.00%	30.00%	0.99929	0.99897	0.99826	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%	0.99768	0.99783	0.99732	41.97%	43.93%	47.31%
Change in Int. Rates	95.5%	93.2%	92.2%	10%	0.99743	0.99759	0.99702	35.53%	37.70%	41.46%
Credit Event	70.1%	63.8%	65.4%	20%	0.99710	0.99729	0.99665	30.00%	30.00%	34.15%
Floater Spread Widening	12.7%	15.2%	23.3%	30%	0.99669	0.99690	0.99617	30.00%	30.00%	30.00%
Combination	95.5%	93.2%	92.2%	40%	0.99613	0.99638	0.99554	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 1.25%.

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