

# MEETING OF THE STATE BOARD OF ADMINISTRATION

GOVERNOR DESANTIS AS CHAIR  
CHIEF FINANCIAL OFFICER PATRONIS  
ATTORNEY GENERAL MOODY

August 23, 2022

To View Agenda Items, Click on the Following Link:

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ITEM 1. RESOLUTION – ESG

(See Attachment 1)

ITEM 2. APPROVAL OF THE FEBRUARY 2, 2021, MEETING MINUTES

(See Attachment 2)

ACTION REQUIRED

ITEM 3. APPROVAL OF THE MARCH 9, 2021, MEETING MINUTES

(See Attachment 3)

ACTION REQUIRED

ITEM 4. APPROVAL OF THE MAY 4, 2021, MEETING MINUTES

(See Attachment 4)

ACTION REQUIRED

ITEM 5. APPROVAL OF THE SEPTEMBER 21, 2021, MEETING MINUTES

(See Attachment 5)

ACTION REQUIRED

ITEM 6. A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$29,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)

(See Attachment 6)

ACTION REQUIRED

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- ITEM 7.            A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$205,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, SERIES (TO BE DETERMINED)**

**(See Attachment 7)**

**ACTION REQUIRED**

- ITEM 8.            A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$113,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION SEAPORT INVESTMENT PROGRAM REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

**(See Attachment 8)**

**ACTION REQUIRED**

- ITEM 9.            A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$444,100,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED)**

**(See Attachment 9)**

**ACTION REQUIRED**

- ITEM 10.           A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$214,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

**(See Attachment 10)**

**ACTION REQUIRED**

- ITEM 11.           REQUEST APPROVAL OF, AND AUTHORITY TO FILE, A NOTICE OF PROPOSED RULE FOR FLORIDA HURRICANE CATASTROPHE FUND RULE 19-8.010, F.A.C., REIMBURSEMENT CONTRACT, AND TO FILE THIS RULE, ALONG WITH THE INCORPORATED FORMS, FOR ADOPTION IF NO MEMBER OF THE PUBLIC TIMELY REQUESTS A RULE HEARING OR IF A HEARING IS REQUESTED AND NO NOTICE OF CHANGE IS NEEDED.**

**(See Attachment 11)**

**ACTION REQUIRED**

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**ITEM 12. REQUEST ANNUAL APPROVAL OF THE CHARTER OF THE AUDIT COMMITTEE OF THE STATE BOARD OF ADMINISTRATION OF FLORIDA (CHARTER).**

Pursuant to Sections 215.44, F.S., the Audit Committee was created to assist the Board in fulfilling its oversight responsibilities. The Charter was last approved in August 2020. There are no changes to the Charter approved by the Audit Committee on August 15, 2022

**(See Attachment 12)**

**ACTION REQUIRED**

**ITEM 13. REQUEST APPROVAL OF CHANGES TO THE INVESTMENT POLICY STATEMENT FOR THE FLORIDA RETIREMENT SYSTEM PENSION PLAN (i.e., FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT (DB) PLAN), AS REQUIRED UNDER s. 215.475(2), F.S.**

The Investment Policy Statement, required pursuant to s. 215.475, F.S., is the principal vehicle through which the Trustees establish investment objective(s), risk tolerance, asset allocation and address associated policy issues for the Florida Retirement System DB Plan.

Prior to any changes to the Investment Policy Statement being presented to the Trustees, the Executive Director of the Board must present such changes to the Investment Advisory Council for review. Results of the council's review must be presented to the Trustees before final approval of change to the Investment Policy Statement. At the June 28, 2022 Investment Advisory Council (IAC) meeting, the Interim Executive Director & CIO recommended increasing the policy limit for Private Equity from 10% to 12%. The IAC has reviewed and approved the change.

**(See Attachment 13 DRAFT versions of the FRS DB Plan Investment Policy Statement that were reviewed by the Investment Advisory Council on June 28, 2022.)**

**ACTION REQUIRED**

**ITEM 14. REQUEST APPROVAL OF FLORIDA PRIME PROPOSED INVESTMENT POLICY STATEMENT**

**(See Attachment 14)**

**ACTION REQUIRED**

**ITEM 15. REQUEST APPROVAL OF FLORIDA PRIME 2022 BEST PRACTICES REVIEW**

**(See Attachment 15)**

**ACTION REQUIRED**

**ITEM 16. REQUEST APPROVAL OF 2022 LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND STATUTORY COMPLIANCE REVIEW**

**(See Attachment 16)**

**ACTION REQUIRED**

- ITEM 17. REQUEST APPROVAL OF DRAFT LETTERS TO THE JOINT LEGISLATIVE AUDITING COMMITTEE AFFIRMING “THE SBA TRUSTEES HAVE REVIEWED AND APPROVED THE MONTHLY [FLORIDA PRIME] SUMMARY REPORTS AND ACTIONS TAKEN, IF ANY, TO ADDRESS ANY IMPACTS” FOR THE SECOND QUARTER OF 2022, (SECTION 218.409(6)(a)1, F.S.**

**(See Attachment 17)**

**ACTION REQUIRED**

- ITEM 18. REQUEST APPROVAL OF SBA QUARTERLY REPORT REQUIRED BY THE PROTECTING FLORIDA’S INVESTMENTS ACT (PFIA).**

Pursuant to sections 215.442, 215.473, 215.4725, 215.4702, and 215.471 Florida Statutes, the SBA is required to submit a quarterly report that includes lists of “continued examination” and “scrutinized companies” with activities in Sudan and Iran, Anti-BDS, Northern Ireland, Cuba and Syria, and Venezuela.

**(See Attachment 18)**

**ACTION REQUIRED**

- ITEM 19. QUARTERLY REPORTS PURSUANT TO SECTION 215.44 (2)(e), FLORIDA STATUTES**

- **Interim Executive Director & CIO Introductory Remarks and Standing Reports**
- **Major Mandates Investment Performance Reports**
  - Florida Retirement System Pension Plan (DB)
  - Florida Retirement System Investment Plan (DC)
  - Florida PRIME (Local Government Surplus Funds Trust Fund)
  - Florida Hurricane Catastrophe Fund (FHCF)

**(See Attachment 19)**

**INFORMATION/DISCUSSION ITEMS**



**THE STATE BOARD OF ADMINISTRATION OF  
FLORIDA**

**A RESOLUTION DIRECTING AN UPDATE TO THE  
INVESTMENT POLICY STATEMENT AND PROXY  
VOTING POLICIES FOR THE FLORIDA RETIREMENT  
SYSTEM DEFINED BENEFIT PENSION PLAN, AND  
DIRECTING THE ORGANIZATION AND EXECUTION OF  
AN INTERNAL REVIEW**

**August 23, 2022**

**A RESOLUTION DIRECTING AN UPDATE TO THE INVESTMENT POLICY STATEMENT AND PROXY VOTING POLICIES FOR THE FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN, AND DIRECTING THE ORGANIZATION AND EXECUTION OF AN INTERNAL REVIEW**

**WHEREAS**, it is the duty of the State Board of Administration to responsibly and prudently invest monies of the Florida Retirement System; and

**WHEREAS**, in investing these monies the State Board of Administration, the asset managers, the investment advisors, and all other fiduciaries must comply with the highest standard of loyalty and integrity to the fund and its beneficiaries; and

**WHEREAS**, the United States Department of Labor (DOL) has been asked to opine on the prudence of considering environmental, social, and governance (ESG) principles of funds when evaluating the fund for investment potential; and

**WHEREAS**, the definition of ESG has changed through the years and DOL's approach to ESG investing practices has differed; and

**WHEREAS**, the DOL made clear in recent years that fiduciaries responsible for investing retirement money should only consider financial factors in evaluating funds for investment potential; and

**WHEREAS**, the Biden Administration has made clear its intention to encourage investment using ESG factors; and

**WHEREAS**, the State of Florida takes its fiduciary responsibilities seriously when investing state trust fund monies, particularly retirement fund money for our law enforcement, teachers, and public servants; and

**WHEREAS**, it is the commitment of the State of Florida to only invest in funds in a manner that prioritizes the highest return on investment for beneficiaries, without consideration for nonpecuniary beliefs or political factors.

**NOW, THEREFORE, BE IT RESOLVED BY THE TRUSTEES OF THE STATE BOARD OF ADMINISTRATION DO HEREBY SET FORTH THE FOLLOWING POLICY LANGUAGE TO BE INCLUDED IN THE STATE BOARD OF ADMINISTRATION'S INVESTMENT POLICY STATEMENT FOR THE FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PLAN UPON REVIEW OF THE INVESTMENT ADVISORY COUNSEL IN ACCORDANCE WITH SECTION 215.475(2), FLORIDA STATUTES:**

1. **STANDARD OF CARE AND EVALUATION OF INVESTMENTS.** The State Board of Administration will initiate the process of updating the Board's Investment Policy Statement to reflect the following changes:

- (a) The evaluation by the Board of an investment decision must be based only on pecuniary factors. As used in this section, “pecuniary factor” means a factor that the board prudently determines is expected to have a material effect on the risk and return of an investment based on appropriate investment horizons consistent with the fund’s investment objectives and funding policy. Pecuniary factors do not include the consideration of the furtherance of social, political, or ideological interests.
  - (b) The board may not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote any non-pecuniary factors. The weight given to any pecuniary factor by the board should appropriately reflect a prudent assessment of its impact on risk and returns.
  - (c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.
2. **PROXY VOTING.** When deciding whether to exercise shareholder rights and when exercising such rights, including the voting of proxies, the board:
- (a) Must act prudently and solely in the interests of participants and beneficiaries and for the exclusive purpose of providing benefits to participants and beneficiaries and defraying the reasonable expenses of the Florida Retirement System Defined Benefit Pension Plan.
  - (b) May not subordinate the interests of the participants and beneficiaries to other objectives and may not sacrifice investment return or take on additional investment risk to promote non-pecuniary factors.
  - (c) In the case of a conflict with this section and any other provision of Florida law, Florida law shall prevail.
3. **INTERNAL REVIEW.** The State Board of Administration will organize and conduct a comprehensive review and prepare a report of the governance policies over the voting practices of the Florida Retirement System Defined Benefit Pension Plan, to include an operational review of decision-making in vote decisions and adherence to the fiduciary standards of the Fund. The State Board of Administration will ensure compliance with the updated Investment Policy Statement and adherence to the proxy voting requirements through the review process of this resolution. The State Board of Administration will submit its report to the Trustees no later than December 15, 2023.

**IN TESTIMONY WHEREOF**, the Trustees of the State Board of Administration have hereunto subscribed their names and caused the Official Seal of the State of Florida to be hereunto affixed in the City of Tallahassee on this 23rd day of August, 2022.

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STATE OF FLORIDA  
OFFICE OF THE GOVERNOR AND CABINET

IN RE: CABINET MEETING

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CABINET: GOVERNOR RON DeSANTIS  
ATTORNEY GENERAL ASHLEY MOODY  
COMMISSIONER NIKKI FRIED  
CFO JIMMY PATRONIS

DATE: FEBRUARY 2, 2021

TIME: 9:00 a.m. - 9:53 a.m.

LOCATION: CABINET MEETING ROOM  
LOWER LEVEL, THE CAPITOL  
TALLAHASSEE, FLORIDA

REPORTED BY: YVONNE LAFLAMME, FPR  
COURT REPORTER and  
NOTARY PUBLIC

**\*\*FINAL DRAFT\*\***

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7 no problem with what they did.  
8 CFO PATRONIS: Second.  
9 COMMISSIONER FRIED: And I would agree and  
10 second, Governor.  
11 MR. PRATT: And lastly, I would like to ask  
12 the Commission to motion draft and circulate a  
13 final order consistent with your vote.  
14 GOVERNOR DESANTIS: Sure.  
15 MR. PRATT: Thank you.  
16 GOVERNOR DESANTIS: Okay.

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1 STATE BOARD OF ADMINISTRATION  
2 GOVERNOR DESANTIS: All right. I think we  
3 have SBA. I think Ash is here.  
4 MR. WILLIAMS: Good morning, Governor and  
5 Trustees. Apologies for being late, but I want to

6 congratulate all of us on having excellent security  
7 in this building. I found out the hard way this  
8 morning that my building pass had expired, and FDLE  
9 is very thorough. Even if you say you're Executive  
10 Director on your way to a Cabinet meeting, they  
11 don't just listen to you; they do a full  
12 background, just so you know.  
13 A couple of things. Let's open with  
14 performance as usual. As of last night's close,  
15 the Florida Retirement System Trust Fund fiscal  
16 year to date is up 17.69 percent; that's one basis  
17 point ahead of target.  
18 The balance stands at 184.3 billion dollars;  
19 that's a gain of \$23.6 billion; net of \$600 million  
20 a month in cash straight out in distributions for  
21 the fiscal year thus far.  
22 GOVERNOR DESANTIS: Were we short on Game Stop  
23 or long on Game Stop or neither?  
24 MR. WILLIAMS: Let me just say, without  
25 getting into details on individual positions, we're

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1 globally diversified. We're involved in  
2 alternative investments, which can include short  
3 plays. We're also involved in venture capital  
4 market making and distressed debt.  
5 The activity, the size of Game Stop, as a

6 percentage of the market is so small, as not to  
7 make much a difference. To give you an idea, our  
8 global equity portfolio is \$103 billion in size,  
9 and Game Stop is about, like, so.

10 But on the subject, that is, I think, the most  
11 fascinating thing I have seen in markets in years:  
12 This whole intersection between social media and  
13 capital markets. And the difference between normal  
14 social media and herd activity and capital market  
15 activity is that at the end of the day, someone's  
16 money is affected in capital markets. And as the  
17 CFO knows only too well, Florida is a state with  
18 more retirees than anyone in the country -- and I  
19 don't mean Florida Retirement System retirees; I  
20 mean retirees from all over the world -- whose  
21 lives depend on the safety and soundness of their  
22 savings and investment activity.

23 Literally financial markets are the hallmark  
24 of American capitalism and power leadership and  
25 free enterprise globally, and it's important we

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1 preserve that. And what's odd in my mind about  
2 this whole Game Stop thing, which has also spread  
3 into Blackberry, American Airlines, and more  
4 recently as of yesterday, silver as a commodity, so

5 who knows what's next; stick around. And I think  
6 the difference is, it's like a social thing that  
7 wants to be disruptive but it doesn't have a clear  
8 end stake that it wants to reach or a plan for how  
9 to get there; it's just disruption in and of  
10 itself.

11 And to give you an idea on Game Stop, itself,  
12 as a business, I don't want to be dismissive but  
13 it's irrelevant. Game Stop, for calendar 2020,  
14 lost a little more than \$4 a share. The value of  
15 any stock is the net present value of its current  
16 and future earnings. If you're losing \$4 a share,  
17 there's no multiple that you can put on that that  
18 creates a positive value; yet, its share price on a  
19 trailing 52-week basis varied between \$2.57 and  
20 \$483.

21 You might ask what fundamental analysis  
22 supports that move, and the answer is there is  
23 none; that's all in somebody's head who thought it  
24 was a good idea. And if you read the detail on  
25 this Reddit chat board that seems to be taking

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1 credit for being behind this and you read the  
2 nicknames or handles that these various characters,  
3 use names are profane, most of them are odd at  
4 best, and I think industry Andrew Sorken described

5 this particularly well: It's a surreal moment in  
6 financial history.

7 GOVERNOR DESANTIS: Do you think when they  
8 stopped when Robinhood stopped ability to execute  
9 buy orders for things like Game Stop, was that a  
10 clearinghouse margin requirement? Or was it  
11 because they were trying to protect hedge funds?  
12 There's been a lot of different theories. I think  
13 what they've said is that the DTCC increased the  
14 capital requirements and they just were running out  
15 of money for it.

16 But what is your read on that?

17 MR. WILLIAMS: You're correct, Governor, and  
18 it's happened twice. It happened again yesterday.  
19 And Robinhood has shown an extraordinary ability to  
20 simply say to their investor base, "We need some  
21 money. We would like to raise a billion or two  
22 dollars," and within a business day, they have a  
23 billion or two dollars in additional capital. It's  
24 not unlike -- I don't want to get into calling out  
25 individual names here, but there are other

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1 companies that have these cult-like followings.  
2 But let me explain why the margin requirement  
3 was there, because there was a lot of discussion in

4 a very negative way about Game Stop having these  
5 trading or purchases stopped on the Robinhood  
6 platform. The way stocks trade, anybody can  
7 initiate a buy or a sell order. Any one of us can  
8 pick up the phone, call a broker, go to an online  
9 service, go to an app like Robinhood or Slice or  
10 one of these things that have access to securities  
11 trading and initiate a buy or sell order.

12 But Robinhood does not in and of itself have  
13 the ability to accept a share from you, accept cash  
14 from General Moody, and award General Moody a share  
15 and give you your money. That's what a  
16 clearinghouse does and that's what the Depository  
17 Trust Corporation does, DTC, that you just referred  
18 to.

19 Now, these transactions do not happen  
20 instantaneously. It's commonly what's called a T.2  
21 settlement date, which is trade day plus two  
22 business days to actually close the transaction.  
23 The reason they're what are called margin  
24 requirements, which means somebody has got to have  
25 cash on deposit to back up their requests of DTC to

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1 initiate and close trades is the following:  
2 As the example we're talking about shows,  
3 prices can be volatile. And if a trade is put on a



4 given price and the value of that security changes  
5 dramatically, one or both of the parties of that  
6 trade may get cold feet and say, "Nevermind. I  
7 don't want to close it anymore. If I close it now,  
8 I'll lose a ton of money," and they'll start making  
9 excuses to avoid closing it.

10 Well, the DTC keeps our and having capital  
11 requirements orderly by pulling that risk and  
12 having capital requirements, so if there's ever a  
13 problem in any single stock name or security name,  
14 there's a pool of capital that everybody pays into  
15 to push in that to keep the markets orderly.  
16 That's why margin requirements exist.

17 So when a stock is being traded and its  
18 volatility goes up dramatically, the DTC correctly  
19 says the risk of somebody breaking the trade here  
20 has just gone up geometrically; we need to pick a  
21 margin requirement. It's just like a person with  
22 poor credit has to make a bigger deposit if they  
23 want to get a mortgage; same concept.

24 So yes, that has happened. And then a little  
25 color on that. The biggest, the increase and

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1 volatility in GME, which is the symbol for Game  
2 Stop, went up 60 percent as reflected by its

3 volatility in pricing. That's one of the biggest  
4 increases in, I want to say, 20 years; one of the  
5 top three or five in 20 years. This is very, very,  
6 very unusual. It's just, like a lot of the things  
7 you're seeing, it's out of the norm. Sorry to give  
8 you a catalogue on that.

9 Any other questions or decision on that  
10 subject?

11 CFO PATRONIS: One question. When we spoke  
12 earlier this week, you talked about was it -- I  
13 thought we talked about where you were pointing out  
14 that companies were seeking huge amounts of capital  
15 here lately and you're questioning the companies'  
16 fundamentals to be able to justify to be able to  
17 get that type of access to capital. Does that  
18 bring you any concerns?

19 Sorry. I know there's concerns. Walk me  
20 through what could be the end result. What type of  
21 affect could we have because of these companies  
22 that have shaky financials, but they're getting  
23 access to this type of capital?

24 MR. WILLIAMS: Let's generalize the concept of  
25 borrowing and excess borrowing and suitability for

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1 borrowing and the implications for credit  
2 worthiness and orderliness of markets.

3       We all know we're in a zero interest place  
4       market, which means for everybody; whether it's a  
5       homeowner wanting to refinance and take cash out of  
6       their house and go buy whatever with it or whether  
7       it's a company borrowing money for future use, or  
8       whether it's a sovereign issue -- a state, a  
9       county, a city a country -- borrowing money because  
10      it's cheap and doing things over a long period of  
11      time, taking advantage of the low interest rate  
12      environment in the view of at some point in our  
13      lifetimes, we're going to have policy greys again  
14      and we might even see something called inflation  
15      that the younger people in the room don't know  
16      anything about. I can remember when the prime rate  
17      was 20 percent. And so you have sort of a moral  
18      hazard in the form of low rates.

19      You've also got a situation where, because of  
20      the low rates, qualifications for borrowing money  
21      are probably a bit lower than they've been,  
22      particularly in the capital market side. I think  
23      in housing and personal credit is a little tighter  
24      because of bad experiences of the great financial  
25      crisis caused a lot of lenders to tighten their

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1      underwriting standards. So you can't get a

2      mortgage today with no documentation. The no  
3      documentation loan that was known in the financial  
4      markets back in the pre-financial crisis days is a  
5      liar loan, because you could literally borrow money  
6      by lying about your income and your assets and  
7      value and everything else. Those don't exist  
8      anymore.

9      On the corporate side, sometimes you see  
10     companies -- and a great example is Hertz Rental  
11     Car. Hertz went bankrupt in 2020. And while they  
12     were in bankruptcy, they came to market with a  
13     multi-million dollar bond issue.

14     And you might say to yourself, the whole  
15     concept of a bond is I'm going to buy the bond.  
16     They're commonly denominator at an interest of a  
17     thousand dollars per security, and for some period  
18     of time -- 10 years, 15 years, 30 or whatever it  
19     may be; bonds are issued up to a hundred years  
20     these days, a hundred years. Think had about  
21     that -- you're going to give me my principal back  
22     at the end of the hundred years, and in the  
23     interim, you're going to pay me interest.

24     So if you have a company that's in bankruptcy,  
25     their earnings are negative, their balance sheet is

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1      devastated, and they are literally shedding claims

2 from creditors. Who in their right mind wants to  
3 buy that bond? Yet, in this environment, Hertz  
4 went to the public markets and sold a massive  
5 amount of debt. And you have to look at that and  
6 say, these are some strange times we're in. The  
7 normal rules don't seem to apply. And it's  
8 definitely a "buyer beware" market.

9 And will there be opportunities when all of  
10 this stuff blows up and falls apart? Sure, there  
11 will. Will we take advantage of them? Yes. Will  
12 we make some money cleaning that mess up? Yes.  
13 That's how capital markets work. So again, apology  
14 for such a long answer. Trying to be thorough.

15 GOVERNOR DESANTIS: All right. Are we ready  
16 to do Item 1?

17 MR. WILLIAMS: Yes. Item 1, the resolution of  
18 the state board administration, making fiscal  
19 determination in connection with the issuance of  
20 amount not exceeding \$27,250,000 Florida Finance  
21 Corporation multi-family mortgage bonds. This is  
22 for the acquisition and construction of a 230-unit  
23 affordable housing community in Hillsborough County.

24 Request approval.

25 GOVERNOR DESANTIS: I move to approve.

1 Is there a second?

2 ATTORNEY GENERAL MOODY: Second.

3 GOVERNOR DESANTIS: No objections. The motion  
4 carries.

5 Item 2.

6 MR. WILLIAMS: Thank you. Item 2 requests  
7 approval for draft letters for the joint  
8 legislative warranting committee affirming that the  
9 SBA trustees have reviewed and approved monthly  
10 Florida prime summary reports and actions taken, if  
11 any, to address the impacts for the fourth quarter  
12 of 2020. There were no material impacts or  
13 associated actions or escalations. Request  
14 approval.

15 GOVERNOR DESANTIS: I move for approval.

16 Is there a second?

17 CFO PATRONIS: Second.

18 GOVERNOR DESANTIS: All right. There's no  
19 objections. The motion carries.

20 Thank you, Ash. We appreciate it.

21 And I think that's all of the official  
22 business. But before we conclude, I would like to  
23 recognize the CFO.

24 CFO PATRONIS: Thank you, Governor.

25 So I want to take a moment to recognize Robert

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**STATE OF FLORIDA**

IN RE: MEETING OF THE GOVERNOR  
AND CABINET

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CABINET MEMBERS: GOVERNOR RON DESANTIS  
ATTORNEY GENERAL ASHLEY MOODY  
CHIEF FINANCIAL OFFICER JIMMY PATRONIS  
COMMISSIONER OF AGRICULTURE NIKKI FRIED

DATE: March 9th, 2021

TIME: Commenced at 9:00 a.m. EST  
Concluded at 10:05 a.m. EST

LOCATION: CABINET MEETING ROOM  
LOWER LEVEL, THE CAPITOL  
TALLAHASSEE, FL

STENOGRAPHICALLY Tracy Finan, RPR, FPR  
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**STATE BOARD OF ADMINISTRATION****Executive Director Ash Williams**

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GOVERNOR RON DESANTIS: And now we'll have  
Ash. You ready?

EXECUTIVE DIRECTOR WILLIAMS: I am, in fact.

Good morning, Governor, Trustees.

GOVERNOR DESANTIS: Good morning.

EXECUTIVE DIRECTOR WILLIAMS: Good to be with  
you on time today.

CFO PATRONIS: You were late last week; that's  
right. I forgot about that.

EXECUTIVE DIRECTOR WILLIAMS: And I had to  
bring it up, didn't I? Thank you for that  
observation. Very, very helpful in framing this  
morning's discussion.

Let's open with performance, as usual.  
Going through last night's close, March 8th, 2021,  
fiscal year to date, the Florida Retirement System  
Trust Fund is up 18.23 percent estimated gross.  
That's dead on target.

The fund stands at \$184.6 billion.  
That's up \$23.9 billion from the onset of the  
fiscal year, net of distributions of \$600 million a  
month in cash.

I would to give you a historical  
data point as well. Shortly after I got back in  
the fourth quarter of 2008, back to Florida from  
the private sector in New York, the pension fund  
bottomed at a balance of \$83 billion and change.

So we have more than doubled the size of  
the fund with negative net cash flows out of  
600 million a month over that period of time. So  
that's where we are today, and things are  
proceeding well.

GOVERNOR DESANTIS: But how would you --  
because I know there's a move in the legislature to  
look at changes to the pension system. So how do  
you evaluate those and can you offer us any  
insight?

EXECUTIVE DIRECTOR WILLIAMS: I will.  
Thank you, Governor.

First of all, by way of background, let  
me say that my initial learning on the Florida  
Retirement System came in the mid and late '70's  
when I was on the staff of the Florida House of  
Representatives.

And one of the first jobs I did was to  
work on the investment authority of the state  
board, which in those days was not allowed to own

1 any stocks. The only legal investments were  
2 government bonds, corporate investment-grade bonds,  
3 period.

4 This was a time of 17 percent inflation,  
5 so that mix wasn't going to work. And then  
6 House Speaker Hyatt Brown asked me, as a member of  
7 his staff, to figure that out and come up with some  
8 ideas. So we thought, well, let's introduce some  
9 equities into the mix. So that's -- I just say  
10 that to say how far back I go with this.

11 So the assertion, the motivation -- first  
12 of all, I have a lot of respect for the legislative  
13 process, and they're well-intended folks doing a  
14 good job. And Florida's legislature over many,  
15 many years has been fiscally prudent, tuned to the  
16 needs of private enterprise, the capitalist system,  
17 and done a lot of good things. That's why Florida  
18 is a leading state for livability, affordability,  
19 and encouraging free enterprise.

20 So what are the motivations for the  
21 reform? Well, there's several. The first is  
22 there's a concern that we have an unfunded  
23 actuarial liability now, which is substantial, and  
24 it's expensive.

25 We make an actuarial contribution to that

1 every year that's calibrated every year, so that if  
2 you made that contribution, the entire unfunded  
3 actuarial liability will be paid off in 30 years'  
4 time.

5 The assertion is made that because of  
6 that UAL, as it's called, we are diverting money  
7 from other legitimate public priorities, and we  
8 therefore need to change the structure of the  
9 pension system to eliminate that UAL.

10 On that point, the UAL cannot be changed.  
11 We can change the pension structure every two hours  
12 for the next five years, and that UAL stands and it  
13 must be paid. It's an obligation of the State of  
14 Florida. So we're not going to solve that problem.

15 The other issue that's raised is the  
16 structure of the retirement system is  
17 unsustainable, and that's why we have an unfunded  
18 actuarial liability.

19 Well, that statement overlooks the  
20 reality of history, which is when the Florida  
21 Retirement System was created in the early '70's,  
22 it had a funding ratio in the low 40s -- the low  
23 40s. That's awful. That's terrible by any  
24 measure.

25 But through reasonable benefits,

1 responsible funding, and prudent investing, that  
2 funded ratio over the years, with the support of  
3 the legislature and the good work of the trustees  
4 and staff of the Florida State Board and the good  
5 work of the Division of Retirement, that funded  
6 ratio climbed and climbed and climbed to  
7 118 percent in the late '90s, heavily over-funded.

8 Well, gee, that suggests to me the  
9 structure's fine. Maybe it's how we use it. So  
10 what happened from there? How did we get to having  
11 an unfunded liability?

12 Well, a couple of things happened on the  
13 way to the forum as the saying goes. First, the  
14 legislature took the conclusion that we didn't need  
15 to be funded that well back in the late '90s,  
16 early 2000 period. And for a period of 10 years,  
17 they deliberately held back employer contributions  
18 to a degree to the pension fund and dropped that  
19 funding ratio from 118 percent to around  
20 108 percent in 2007.

21 And the view was that's sufficient.  
22 We'll level it off there, stay slightly  
23 over-funded, and we'll keep funding it properly at  
24 that level. That's not a crazy decision. That's  
25 reasonable.

1 But what happened next? The Great  
2 Financial Crisis. Well, nobody had seen anything  
3 like that since the Great Depression, and asset  
4 values dropped all at once like a rock. On a  
5 mark-to-market basis, the funding level of the  
6 pension fund dropped into the high 80s.

7 In the ensuing period since the bottom in  
8 March of 2008, several things have happened. First  
9 of all, we had three consecutive years where, for  
10 legitimate reasons of financial duress, the  
11 legislature partially underfunded the pension fund.

12 What they did was still heroic and good.  
13 I'm not knocking their performance. They funded  
14 the full normal cost, but they did not fund the  
15 full actuarial contribution to the UAL.

16 As a consequence, it got worse. You had  
17 a slight extension of longevity, meaning our  
18 beneficiaries lived longer, which means you had to  
19 pay them benefits longer, which increases your net  
20 liabilities. As I've said before, I'm afraid  
21 there's not a legal solution to that problem.

22 What else happened? In 2011, benefit  
23 reform was done. And that was very important.  
24 Several things were done that significantly  
25 increased the -- decreased the long-term cost of



1 the Florida Retirement System Pension Plan.

2 First, the plan was made contributory.  
3 All employees from the time of that -- those 2011  
4 reforms being implemented through the present day  
5 and then on a forward basis pay 3 percent of their  
6 gross pay into the Florida Retirement System  
7 offsetting costs.

8 Secondly, the vesting period was  
9 increased from six years to eight years, making it  
10 harder to qualify for a pension benefit. And if  
11 one works seven and a half years, not eight, you  
12 don't qualify for any benefit at all, but those  
13 contributions remain in the fund offsetting the  
14 costs of providing benefits for those who do  
15 qualify.

16 The third major change was to eliminate  
17 the cost-of-living adjustment for retiree benefits  
18 after people retired. There used to be an  
19 indexation to allow for cost-of-living increases  
20 very much like there is with social security. That  
21 was eliminated for benefits accrued after the 2011  
22 reforms went into place.

23 So one might think, well, gee, we lowered  
24 the cost of the system, and we got back to fully  
25 funding the actuarially-indicated contributions, so

1 the funding ratio should have come up, right?

2 Well, no, because there's a little more  
3 in the detail on this that matters. One of the  
4 other things that's important is that we, at the  
5 State Board with the support of the Trustees,  
6 rebalanced aggressively into the equities market in  
7 late '08, early 2009, meaning we caught the full  
8 benefit of the unbelievable bull market that ensued  
9 in the time period since The Great Financial  
10 Crisis.

11 So the investment portfolio delivered,  
12 beneficiary liabilities were managed through  
13 reforms, yet we didn't see the improvement in the  
14 funding ratio. Why?

15 Here are several answers: There were  
16 several actuarial treatments used that were fairly  
17 aggressive, meaning that they maximized the benefit  
18 of the reforms in the way the actuarial  
19 calculations were done in ways that held down the  
20 current contributions.

21 There was also an issue that this group  
22 is very familiar with, and it's been very helpful  
23 and shown leadership on, which is the actuarial  
24 investment return assumption. We have said for a  
25 number of years that that assumption is overly high

1 and expectational, and it should be brought down.

2 This board of trustees has shown very  
3 strong leadership on that, and in both of the past  
4 two years, has lowered that return assumption by  
5 20 basis points.

6 Now, why is that important? In public  
7 pension actuarial accounting, the investment return  
8 assumption is used for two things: It's the number  
9 used to compound assets going forward. It's also  
10 the number used to discount liabilities back to net  
11 present value.

12 So the more aggressive the investment  
13 return assumption is, it paints a picture that  
14 says: Based on this assumption, looking ahead  
15 15 to 30 years, my assets are going to be worth  
16 more, and the current value of my liabilities is  
17 less, which means I have to put in less cash today.

18 So that's what's been going on over an  
19 extended period of time. The good news is we're  
20 headed in the right direction.

21 The legislature has changed what is being  
22 done with these actuarial treatments. They have  
23 been made much more prudent and conservative in  
24 recent years. And with your leadership, we've also  
25 continued to chop away at the investment return

1 assumption. I would argue it's still 40 or  
2 50 basis points higher than it should be, but it's  
3 definitely headed in the right direction.

4 You might ask the question also, if we  
5 have a problem of a structure in the pension system  
6 that's completely unsustainable, if not risky to  
7 the state's balance sheet, well, wouldn't the  
8 rating agencies be concerned about that?

9 Florida is a AAA credit. That's very  
10 unusual among states. And the fact is the rating  
11 agencies are keenly aware of what is going on with  
12 the Florida Retirement System and the pension plan  
13 element of it specifically.

14 They're very, very aware of these  
15 positive changes in actuarial assumptions and the  
16 investment return assumption, and they understand  
17 how the funding has worked, and they understand the  
18 goodness of the job the Florida Legislature has  
19 done over many years in funding this plan.

20 So in the view of the rating agencies,  
21 we're a AAA credit net of this pension plan, and  
22 we're not on credit watch, and none of them are  
23 raising issues about it.

24 In fact, one of the main three agencies,  
25 Moody's Financial Services, normalizes all the

1 pension data for all of the state pension plans in  
2 the United States. And they then boil those down  
3 into what's called "net pension liability," which  
4 looks at the sum of the present value of any  
5 unfunded liability and any normal liability.

6 And then they compare that to the GDP of  
7 a state, the debt of a state, and the GDP per  
8 capita of that state and the household wealth of  
9 that state.

10 So you can look at the net pension  
11 liability and ask the question: How big of a drag  
12 is this on this state's economy? And the answer,  
13 using those metrics for Florida, is our net pension  
14 liability is among the lowest two or three states  
15 in the country consistently.

16 Now, one other detail. I opened with the  
17 idea that Florida is an extraordinarily livable and  
18 welcoming state. We're friendly to business. We  
19 have a great climate. We have a low -- a very  
20 favorable tax environment. We have a pro-business  
21 environment. It's a great place to raise a family.  
22 That's why 800 people a day plus are coming here.

23 Which means what? Government is not  
24 hiring people left and right. The State of Florida  
25 is not growing like Topsy. So what does this mean?

1 It means the private sector is growing  
2 faster than the public sector, which means, by  
3 definition, in my mind, connecting these dots, that  
4 the size of the public workforce relative to the  
5 private workforce is going down, which means over  
6 time with that continued private sector robust  
7 growth in Florida and the profitability of  
8 businesses coming here, including a lot of folks  
9 I know on Wall Street who are now coming to  
10 Florida, the liability to our economy as a portion  
11 of aggregate economic activity in Florida, the  
12 liability represented by the Florida Retirement  
13 System pension fund should be going down.

14 So I would say overall that we're in a  
15 reasonably good place, and we're headed in the  
16 right direction. I 100 percent respect the policy  
17 prerogatives of the Florida Legislature, and I'm  
18 happy to be a resource and provide information.

19 But, you know, if you have a car, and  
20 it's not running right, and you realize you're  
21 putting kerosene in it and not gasoline in it, it  
22 doesn't mean that the car is the wrong car; it just  
23 means you may not be using the right fuel.

24 GOVERNOR DESANTIS: So how would you --  
25 I mean, because we know, like Illinois, some of

1 these states, their pensions are a disaster.  
2 Obviously, there's some states that have done  
3 really well.

4 I mean, is Florida, you know, towards the  
5 bottom or closer to the top in terms of, just with  
6 our pension, how it runs and the liability across  
7 all 50 states?

8 EXECUTIVE DIRECTOR WILLIAMS: It's quite good.  
9 The liability is very manageable relative to the  
10 size of our economy, as I just said.

11 If you look at our funded ratio, we're  
12 probably in the top quartile of all states and have  
13 been and we have been better. As I said, we were  
14 over-funded substantially, but that was allowed to  
15 come down a bit.

16 And I think the other key thing you can  
17 look at is, well, what is our cost relative to  
18 other states? What's the cost for the Florida  
19 Retirement System pension plan for employers and  
20 for employees? Both of them make contributions.  
21 How do they stack up?

22 Here's the answer: If you look at  
23 Florida's contributions for employers, they're 30  
24 percent below the national average. If you look at  
25 them for employees, they're 50 percent below the

1 national average.

2 Of great interest to me is this chart,  
3 which I know is too small for you to see, but this  
4 is from a letter that I sent the then speaker and  
5 president on August 26th of 2020. We're required  
6 by Florida law to review the actuarial evaluation,  
7 the FRS, every year. And we do that by letter to  
8 the speaker and president with copies to the three  
9 trustees.

10 And in this letter, we provide a chart  
11 that shows the historical changes in the Florida  
12 employer composite contribution rate, the Florida  
13 employee rate, U.S. public pension average for  
14 employers and employees as well.

15 And what's interesting is when I look at  
16 the shape of the line for Florida employer  
17 contributions, it comes up, goes level, and then  
18 drops down. And the contribution today -- well, at  
19 the time this letter was written was 9.64 percent.  
20 That was the same level of contribution to the  
21 pension fund that we had in Florida in 2006.

22 If you went back to 2011, that  
23 contribution rate was 11.85 percent. Very  
24 substantially higher. So the actual cost to the  
25 state by our own history is at levels that it was

1 at more than a decade ago.

2 There aren't a lot of things in Florida's  
3 budget, if you look at the cost of building a  
4 highway or the cost of environmental, you know,  
5 water treatments or electricity generation, or  
6 Heaven forbid, Medicaid or prison maintenance or  
7 law enforcement broadly, these are all public  
8 services we need, most of whom are getting more  
9 expensive.

10 And part of the other benefit we have  
11 here is that when we talk about the cost of the  
12 pension system, two-thirds of every dollar that's  
13 paid out for benefits isn't paid by taxpayers or  
14 employees.

15 Well, where is it coming from? It's  
16 coming from that golden goose known as investment  
17 returns. That's where two-thirds of every pension  
18 dollar paid comes from.

19 And the parts of our portfolio that earn  
20 the most money are either volatile or a liquid or  
21 both. Stocks are volatile compared to U.S.  
22 government bonds. Real estate is a liquid.  
23 Private equity's a liquid. Venture capital is a  
24 liquid and volatile, but that's where the returns  
25 are.

1 So if you went back to where this fund  
2 was from an investment standpoint when I was first  
3 starting with it in the '70's, and all you could  
4 have because of your liabilities being short-term  
5 in nature because you cut off new people coming  
6 into the fund and you have a fixed population  
7 that's aging, pretty soon you can't tolerate  
8 illiquidity and volatility.

9 Why? Because just like in a personal  
10 401K, if you're a year out from retirement and you  
11 have another great financial crisis, your savings  
12 are wiped out, and you don't have time to recover.  
13 You have no retirement.

14 So if you reduce that inflow of new  
15 employees and our ability to tolerate that  
16 illiquidity and volatility, the risk is that our  
17 returns can't possibly be what they are today and  
18 what they have been for the simple reason that  
19 interest rates on bonds are very low.

20 Now they're beginning to tip up, but  
21 they're still at, you know, 150-year lows. You  
22 simply can't -- you can't get this thing off the  
23 ground with bond returns, and that money's got to  
24 come from somewhere, so where is it? If you take  
25 out the investment returns, who pays the

1 difference? It's some combination of employers and  
2 employees. So that's where we are.

3 GOVERNOR DESANTIS: Before you go into the  
4 minutes, just generally speaking, what's your read  
5 in terms of the concerns about inflation and the  
6 economy?

7 I mean, obviously, we've heard this for  
8 many, many years: "Oh, we may have inflation." We  
9 just never really have had it. I mean, you  
10 mentioned the '70's where it was the last really  
11 significant spike in inflation and interest rates.

12 I'm just looking -- I mean, they're just  
13 writing hot checks. I mean, we've done trillions  
14 and trillions of dollars in the last year, and  
15 I mean, it would be great to say you can just keep  
16 doing that and literally there will be no effects  
17 from it, but I have a hard time thinking that's the  
18 case.

19 Now, I don't know -- I mean, I think that  
20 some have said there's some increase in prices in  
21 some sectors of the economy for business people  
22 I've talked to. But what's the sense of that in  
23 terms of inflation or interest rates starting to go  
24 back up given all the amount of money that's been  
25 poured into the economy on borrowing?

1 EXECUTIVE DIRECTOR WILLIAMS: That's the  
2 \$64,000 question, Governor.

3 There's an old saying in classical  
4 economics: "There's no such thing as a free  
5 lunch," and that may be where we are.

6 Now, I distinctly remember in The Great  
7 Financial Crisis the same discussion was had. We  
8 had quantitative easing. We had all kinds of  
9 federal assistance. And the view was there could  
10 be hyperinflation within two years.

11 In fact, none of that has happened.  
12 We've been in a disinflationary environment.  
13 I kind of think we're probably at the end of that  
14 road now, and you're starting to see indicators of  
15 inflation in the pipeline.

16 What are those indicators? First of all,  
17 you may remember in March of 2020, petroleum prices  
18 actually went to a price of negative \$40 a barrel.  
19 They're now at 65. That's a hundred dollars a  
20 barrel move in energy price.

21 And that's before airlines are flying at  
22 full capacity, before cruise ships are flying,  
23 before freight's moving back and forth freely at  
24 the rates it used to across the Pacific and the  
25 Atlantic and the other seas of our planet. And

1 it's before people are getting in their cars to  
2 take family vacations, et cetera, et cetera.

3 So look at a few other indicators:

4 Copper, a good indicator of industrial consumption;  
5 dramatically up. Lumber futures; more than double  
6 where they were a year ago and persistently high.  
7 Shortages in appliances, furniture, gypsum board,  
8 all the inputs to construction and development.  
9 All of that signals tightening in supply.

10 Here's one that hasn't come yet: Labor.  
11 It's coming. We have an unemployment rate in  
12 Florida that's well below the national average.  
13 The national average, I think, is 6.46 percent  
14 right now.

15 I talked to a friend the other day who's  
16 chairman of a major hotel firm, one of the two  
17 largest in the world, and he said we are seeing  
18 increases in bookings now that are very dramatic.

19 Think about the past year. People got  
20 married and never had a reception. People had  
21 children graduate from college. They never had a  
22 party. People lost loved ones --

23 GOVERNOR DESANTIS: Not in Florida because  
24 I've had people in other states write me letters  
25 thanking them to be able to conduct a wedding.

1 It means a lot to them, so we were happy to oblige.

2 EXECUTIVE DIRECTOR WILLIAMS: You're exactly  
3 right.

4 So let's expand -- well, I was trying to  
5 make this a national story, Governor --

6 GOVERNOR DESANTIS: No, your point's  
7 well-taken.

8 EXECUTIVE DIRECTOR WILLIAMS: -- asterisk noted  
9 for Florida.

10 So at any rate, all of that's starting to  
11 happen, and you're seeing it in bookings for  
12 air travel, for hotels, et cetera.

13 So the punch line for why I brought that  
14 up is this gentleman said to me, we will be hiring  
15 tens of thousands of -- tens of thousands, not  
16 thousands, tens of thousands of people to reopen  
17 hotels. Hotels are very, very labor intensive, and  
18 we've got a lot of huge ones in Florida.

19 And when that reopening happens, he  
20 thinks -- he thought there was a reasonable  
21 argument that within a year or two, you will see a  
22 labor shortage, in which case wages are going to  
23 climb and in which case you have more cost  
24 pressures.

25 And as restaurants go to full service,

1 they're very, very labor intensive as well. And  
2 you're going to see a lot of people coming back  
3 into the workforce that weren't there before.

4 I can tell you myself in the construction  
5 and development business, from my own experience,  
6 things are tight right now, and if you want to get  
7 anything done, you better be willing to wait a good  
8 long time to get a builder on a job or get  
9 engineering done or anything like that. The  
10 pipeline is stuffed.

11 So I think there will be some inflation;  
12 the question is when. But here's the  
13 countervailing force: We're looking at this  
14 through the prism of short-term stimuli. We're  
15 talking about Central Bank ease, Central Bank rate  
16 suppression. Those will end.

17 Both the current and prior chair of the  
18 Fed have said -- and the Treasury have said that  
19 they're very willing to tolerate inflation of  
20 2 percent or maybe a little "hot" is the phrase,  
21 meaning a little more than 2 percent for a period  
22 of time to ensure it's sustained before they will  
23 start hiking rates.

24 Well, let's play this through. You have  
25 all this short-term stimulus, including the double

1 handful of pixie dust that Congress is about to  
2 throw on the fire, powdered magnesium, so to speak,  
3 that will make a big flare short-term.

4 But that's going to end. It will go  
5 away. That lump will go through the snake over  
6 time. People will get their stimulus checks.  
7 They'll go out and spend it.

8 That's the other thing. There's a big  
9 difference between a stimulus package and  
10 quantitative easing. When the Federal Reserve buys  
11 a long-term bond from an institution, the  
12 institution takes that capital and reinvests it  
13 somewhere else. It stays invested. It doesn't get  
14 consumed.

15 If you send an individual a check for  
16 \$1,400 or \$1,200 or whatever it may be, they go out  
17 and buy things with it. They pay their rent with  
18 it. It gets spent. It's into the economy and it's  
19 gone. It's not going to come back.

20 GOVERNOR DESANTIS: I get a stimulus check --  
21 they sent me a stimulus check. Yeah. It's just  
22 we're a family of five with, you know, me as the  
23 income, and so it has been reinvested into a lot of  
24 diapers around our house.

25 EXECUTIVE DIRECTOR WILLIAMS: On behalf of



1 Proctor & Gamble in which we own stock, thank you.  
2 And may I say, we'd like to pamper you as a  
3 customer.

4 GOVERNOR DESANTIS: There we go.

5 EXECUTIVE DIRECTOR WILLIAMS: So at any rate,  
6 that's all going to come through the system and  
7 then where are we?

8 Well, we're right back where we were  
9 before all of this, which is we have an aging  
10 population globally. We have very weak  
11 demographics. We have less than replacement rate  
12 organic birth rates in most developed countries.

13 The only place with birth rates greater  
14 than replacement rates are Sub-Saharan Africa and  
15 the Middle East. Those are some of the most  
16 unstable parts of the world with the least  
17 effective economies. Now, hopefully, they can  
18 improve, but for the U.S., Western Europe, and the  
19 developed world, it's not a great picture.

20 So there are deflationary pressures out  
21 there as well, but will we see some short-term  
22 inflation at some point? Yeah, I think we will.

23 GOVERNOR DESANTIS: Yep.

24 CFO PATRONIS: This is -- I always enjoy  
25 hearing Ash's commentary. Thank you for being

1 here.

2 A couple of things. And I may -- I'm  
3 going to pop this on Ben when he comes up, too, but  
4 as the federal government's printing money and  
5 shipping it out to the states and part of that  
6 \$360 billion is coming out -- I mean, I guess --  
7 I can't imagine what, you know, Moody's and  
8 everybody are going to try to do in credit rating  
9 the states as you're going to start dumping all  
10 this cash on them when -- I mean, is it -- how do  
11 you get a true understanding of a state's ability  
12 to pay their bills? I mean, it's going to be a  
13 real mess to unsort and unpack.

14 EXECUTIVE DIRECTOR WILLIAMS: Well --

15 CFO PATRONIS: And then the other I was  
16 looking at as we've seen different -- I still  
17 believe people spend money even during -- they're  
18 going to buy jewelry on birthdays or at  
19 Valentine's.

20 A buddy of mine's in the jewelry business  
21 in Bay County, and he also has jewelry stores  
22 internationally. And he said what happened is  
23 spikes in his U.S. based stores took place because  
24 nobody was traveling, so they weren't splurging on  
25 themselves when they were traveling.

1           So I'm just kind of curious, we'll start  
2       to see some unpacking of nontraditional spending:  
3       Historic all-time boat sales, historic all-time RV  
4       sales, car sales, because of what, you know, spiked  
5       in third quarter.

6           So, I mean, how do we unpack this  
7       financially for the credit ratings of the state  
8       when the federal government's dumping money and  
9       then you have all these other expenditures that,  
10      I guess, haven't really been tracked yet?

11       EXECUTIVE DIRECTOR WILLIAMS: May I, Governor?

12       GOVERNOR DESANTIS: Yes.

13       EXECUTIVE DIRECTOR WILLIAMS: That's the  
14      business the rating agencies are in. I'll defer to  
15      Mr. Watkins on that. He's far more knowledgeable  
16      on their practice than I. But they -- they watch  
17      spending patterns. They understand responsibility  
18      and prudence versus imprudence.

19           And the states that have horrible credit  
20      ratings, notably Illinois, they're the exact  
21      opposite of the way we do things, and that's going  
22      to continue to be the case, I believe. They  
23      understand these things, and they'll look through  
24      it.

25       CFO PATRONIS: Well, and one last thing.

1       We're pushing some vendor transparency legislation  
2      this session, and I think just more information is  
3      better than less information. I think it's  
4      important that the taxpayers of the State of  
5      Florida know where their dollars are being spent  
6      and where our vendors that we're doing business  
7      with in the State of Florida, where we're -- it  
8      doesn't prohibit us from doing business with any of  
9      these vendors, but I think we're -- you know,  
10     Senator Wright and Representative Plakon are  
11     pushing legislation to create more information.

12           I think it's just healthy that we're  
13      putting, you know, a better understanding on where  
14      the dollars are being spent on behalf of the  
15      taxpayers of the State of Florida, and at the same  
16      time, you know, help us protect U.S. jobs too.

17           I hate to point fingers, but I just -- it  
18      was obvious supply chain challenges that COVID  
19      brought to us brought me more sensitive -- more  
20      sensitive to where we get our goods from now more  
21      than ever before and how beholding we are to,  
22      you know, outside foreign nations that, you know,  
23      are supplying us what we need.

24           So, I mean, there's definitely a light  
25      that's been brought on China that I always knew was

1 a concern. I never not -- I never understood the  
2 type of impact we had if something happened  
3 globally, how much it would affect our ability to  
4 recover.

5 EXECUTIVE DIRECTOR WILLIAMS: Fair points.

6 GOVERNOR DESANTIS: Okay. So you want to go  
7 to Item 1, the approval of the minutes?

8 EXECUTIVE DIRECTOR WILLIAMS: Yes, sir.

9 Item 1 is the December 15, 2020, meeting  
10 minutes. Request approval.

11 GOVERNOR DESANTIS: I move to approve. Is  
12 there a second?

13 CFO PATRONIS: Second.

14 ATTORNEY GENERAL MOODY: Second.

15 GOVERNOR DESANTIS: Okay. The motion carries.

16 Item 2?

17 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

18 Items 2, 3, and 4 -- well, 2, 3, 4 and 5  
19 are all fiscal determinations.

20 The first of these is a fiscal  
21 determination relating to the issuance of an amount  
22 not exceeding \$39 million, Florida Housing Finance  
23 Corporation Multifamily Mortgage Revenue Bonds.

24 This is the Madison Point project in  
25 Miami-Dade County, new construction financing for

1 263 units of affordable housing. Request approval.

2 GOVERNOR DESANTIS: I move to approve. Is  
3 there a second?

4 CFO PATRONIS: Second.

5 ATTORNEY GENERAL MOODY: Second.

6 GOVERNOR DESANTIS: No objections. The motion  
7 carries. Item 3.

8 EXECUTIVE DIRECTOR WILLIAMS: I apologize,  
9 Governor, that was Item 3.

10 GOVERNOR DESANTIS: Oh, I'm sorry.

11 EXECUTIVE DIRECTOR WILLIAMS: May I -- my bad.  
12 May I go back and do Item 2?

13 GOVERNOR DESANTIS: Yes.

14 EXECUTIVE DIRECTOR WILLIAMS: Item 2:  
15 Resolution to the State Board of Administration,  
16 fiscal determination in connection with amount not  
17 exceeding \$32 million, Florida Housing Finance  
18 Corporation Multifamily Mortgage Revenue Bonds.

19 This is the Ambar Trail project,  
20 acquisition and construction of 210 units of  
21 affordable housing, Miami-Dade.

22 GOVERNOR DESANTIS: I move to approve. Is  
23 there a second?

24 CFO PATRONIS: Second.

25 GOVERNOR DESANTIS: Okay. The motion carries.

1 Item 4.

2 EXECUTIVE DIRECTOR WILLIAMS: Okay.

3 Thank you.

4 Item 4, resolution of the State Board of  
5 Administration making a fiscal determination in  
6 connection with the issuance of an amount not  
7 exceeding 12 and a half million dollars,  
8 Florida Housing Finance Corporation Mortgage  
9 Revenue Notes.

10 This is the Magnolia Oaks project, new  
11 construction, 110 units, affordable housing  
12 Leon County, Florida.

13 GOVERNOR DESANTIS: Move to approve. Is there  
14 a second?

15 ATTORNEY GENERAL MOODY: Second.

16 CFO PATRONIS: Second.

17 GOVERNOR DESANTIS: No objection. The motion  
18 carries.

19 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

20 Item 5: Resolution of the State Board making  
21 fiscal determination in connection with issuance  
22 not exceeding \$6 million, Florida Housing Finance  
23 Corporation Multifamily Mortgage Revenue Bonds.

24 This is the Parrish Oaks II project, new  
25 construction of 48 units of affordable housing,

1 Manatee County. Request approval.

2 GOVERNOR DESANTIS: Move to approve. Is there  
3 a second?

4 CFO PATRONIS: Second.

5 GOVERNOR DESANTIS: Any objections? Hearing  
6 none, the motion carries.

7 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

8 Item 6 is a fiscal sufficiency in an  
9 amount not exceeding \$65 million, State of Florida,  
10 State Board of Education, Lottery Revenue Refunding  
11 Bonds. Request approval.

12 GOVERNOR DESANTIS: Move to approve. Is there  
13 a second?

14 CFO PATRONIS: Second.

15 ATTORNEY GENERAL MOODY: Second.

16 GOVERNOR DESANTIS: Hearing no objection, the  
17 motion carries.

18 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

19 Item 7, a resolution of the State Board  
20 of Administration approving fiscal sufficiency of  
21 an amount not exceeding \$5.6 million, State of  
22 Florida, Board of Governors, Florida State  
23 University Parking Facility Revenue Refunding  
24 Bonds. Request approval.

25 GOVERNOR DESANTIS: Move to approve. Is there

1 a second?

2 ATTORNEY GENERAL MOODY: Second.

3 GOVERNOR DESANTIS: No objection. The motion  
4 carries.

5 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

6 Item 8, request approval of the  
7 SBA quarterly report required by the Protecting  
8 Florida's Investments Act. There are no material  
9 changes in this quarter's report. Request  
10 approval.

11 GOVERNOR DESANTIS: All right. I move to  
12 approve. Is there a second?

13 CFO PATRONIS: Second.

14 GOVERNOR DESANTIS: Okay. No objection. The  
15 motion carries. Thank you.

16 EXECUTIVE DIRECTOR WILLIAMS: Thank you.

17 \*\*\*\*\*  
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24  
25

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STATE OF FLORIDA

IN RE: MEETING OF THE GOVERNOR AND  
CABINET

\*\* FINAL DRAFT \*\*

CABINET MEMBERS: GOVERNOR RON DESANTIS  
ATTORNEY GENERAL ASHLEY MOODY  
CHIEF FINANCIAL OFFICER JIMMY PATRONIS  
COMMISSIONER OF AGRICULTURE  
NIKKI FRIED

DATE: MAY 4, 2021

LOCATION: CABINET MEETING ROOM  
LOWER LEVEL, THE CAPITOL  
TALLAHASSEE, FLORIDA

TRANSCRIBED BY: YVONNE LAFLAMME, FPR  
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1                   **STATE BOARD OF ADMINISTRATION**

2  
3                   GOVERNOR DESANTIS: And now we get to go on to  
4 the State Board of Administration.

5                   MR. WILLIAMS: Good morning, Governor.

6                   GOVERNOR DESANTIS: Good morning.

7                   MR. WILLIAMS: Trustees, Cabinet Members.

8                   Let's open a little performance update as we  
9 usually do. As of last night's close, the Florida  
10 Retirement System Trust Fund is up an estimated  
11 24.8 percent fiscal year to date. That's 11 basis  
12 points behind target, and as always qualified,  
13 that's because private market assets aren't market  
14 to market. And when we have a rapidly rising  
15 market, they looked like they lag. Don't worry  
16 about it. They're not.

17                  That is a gain of 32.8 billion dollars in the  
18 Fund over the fiscal year and currently stands at a  
19 record level of 193.5 billion. Again, a little  
20 perspective on that, when I got back Q4 of '08, the  
21 market bottomed in March of '09. The Fund was, I  
22 think, 83.4 billion. We have negative cash flow of  
23 600 million a month, and we've built it by over a  
24 hundred billion out of that flow, so all good.

25                  Item one, resolution of the State Board of

1                   Administration approving the fiscal sufficiency of  
2 an amount not exceeding 24 million dollars, State  
3 of Florida, Department of Education, Florida  
4 College System Capital Improvement Revenue  
5 Refunding Bonds.

6                   Request approval.

7                   GOVERNOR DESANTIS: All right. I move to  
8 approve.

9                   Is there a second?

10                  ATTORNEY GENERAL MOODY: Second.

11                  GOVERNOR DESANTIS: Any objections?

12                  (NO RESPONSE).

13                  GOVERNOR DESANTIS: Hearing none, the motion  
14 carries.

15                  Item two.

16                  MR. WILLIAMS: Thank you. Item two, a  
17 resolution of the State Board of Administration  
18 approving the fiscal sufficiency of an amount not  
19 exceeding 52 million, State of Florida, Board of  
20 Governors, University of Central Florida Dormitory  
21 Revenue Refunding Bonds.

22                  Request approval.

23                  GOVERNOR DESANTIS: I move to approve.

24                  Is there a second?

25                  ATTORNEY GENERAL MOODY: Second.



GOVERNOR DESANTIS: Hearing no objections, the motion carries.

Item three.

MR. WILLIAMS: Thank you. Item three, a resolution of the State Board of Administration approving the fiscal sufficiency of an amount not exceeding 250 million dollars, State of Florida, Board of Governors, University of Florida Dormitory Revenue Bonds, Series 2021A.

Request approval.

GOVERNOR DESANTIS: Move to approve the item.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Any objections?

(NO RESPONSE).

GOVERNOR DESANTIS: Hearing none, the motion carries.

Item four.

MR. WILLIAMS: Thank you. Item four, resolution of the State Board of Administration approving the fiscal sufficiency of an amount not exceeding 22 million dollars, State of Florida, Board of Governors, University of Florida Dormitory Revenue Refunding Bonds.

Request approval.

GOVERNOR DESANTIS: Move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: No objections. The motion carries.

Item five.

MR. WILLIAMS: Thank you. Item five is a fiscal determination of resolution, the State Board of Administration making the fiscal determination in connection with the issuance of an amount not exceeding 17 million dollars, Florida Housing Finance Corporation Multi-Family Mortgage Revenue Bonds. This is for new construction of 138 units of affordable housing in Bay County, Florida.

GOVERNOR DESANTIS: Move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Hearing no objection, the motion carries.

MR. WILLIAMS: Thank you.

Item six is also a fiscal determination of resolution of the SBA making that determination in connection with issuance of not -- an amount not to exceed 13 million dollars, Florida Housing Finance Corporation Multi-Family Mortgage Bonds. This is

1 also new construction of 102 units of affordable  
2 housing and also in Bay County, Florida.

3 GOVERNOR DESANTIS: Move to approve.

4 Is there a second?

5 ATTORNEY GENERAL MOODY: Second.

6 GOVERNOR DESANTIS: Hearing no objections, the  
7 motion carries.

8 MR. WILLIAMS: Thank you.

9 Item seven, request approval of the 2021 to  
10 2022 Florida Hurricane Catastrophe Fund  
11 reimbursement premium formula.

12 Little background on this. The statutes  
13 require that the formula be actuarially indicated,  
14 which it is. They require that we use a  
15 third-party outside expert to assist us with that,  
16 which we do. We use Paragon Strategic Solutions.  
17 They have an extensive and extinguished history  
18 with the CAT Fund.

19 The formula indicates an average state-wide  
20 decrease of four-and-a-half percent. A couple of  
21 interesting numbers and sort of cross currents  
22 under that. We saw the average coverage selection  
23 of insurance companies go up very slightly, and  
24 it's not at a state-wide level of 86.16 percent.  
25 Companies have the ability to choose their coverage

1 level, 45 percent, 75 percent, or 90 percent, and  
2 they can choose to meet their needs through private  
3 commercial reinsurance and with the increasing cost  
4 of commercial reinsurance, we're see more people  
5 come to the CAT fund. So the stabilization  
6 function of the CAT fund is being fulfilled, I  
7 think that's evidence of that.

8 We also saw that the model event cost is down  
9 a little bit. And the reason for that is we have  
10 new and better construction codes in force and the  
11 structures are more resistant to the fury of  
12 hurricane storms.

13 The last factor is that the exposure went up a  
14 bit. That's a good thing because it means Florida  
15 economy -- Florida's economy is strong, we have new  
16 development, new properties being built, and  
17 Florida has a lot of vacant land. We have two  
18 things going on: We have vacant land being  
19 developed; that creates new exposure for the CAT  
20 Fund. Then you have older properties in some cases  
21 being replaced by new properties, which commonly  
22 costs more money and, therefore, it's more  
23 exposure. But on the whole, it's a decrease.

24 And I should also say that this has been taken  
25 up in public meeting on March 16th by the Florida

1 Hurricane Catastrophe Fund Advisory Council and  
2 they recommended approval, as do I.

3 Request approval.

4 GOVERNOR DESANTIS: Move to approve.

5 Is there a second?

6 CFO PATRONIS: Second.

7 GOVERNOR DESANTIS: No objection. The motion  
8 carries.

9 MR. WILLIAMS: Thank you.

10 Item eight, request authority to file a notice  
11 of proposed rule for the Florida Hurricane  
12 Catastrophe Fund to -- we always adopt the  
13 reimbursement formula. Its rule just provides more  
14 transparency, more opportunity for public input.  
15 And to file this rule along with the incorporated  
16 form for adoption if no member of the public timely  
17 requests a rule hearing or if a hearing is  
18 requested but no notice of change is needed.

19 Request approval.

20 GOVERNOR DESANTIS: Move to approve.

21 Is there a second?

22 CFO PATRONIS: Second.

23 ATTORNEY GENERAL MOODY: Second.

24 GOVERNOR DESANTIS: No objection. The motion  
25 carries.

1 MR. WILLIAMS: Thank you.

2 Item nine, request approval of changes to the  
3 investment policy statement for the FRS to define  
4 contribution plan. What this change is is that we  
5 have one sleeve of options. Most people would go  
6 into the investment plan, go into what are called  
7 "target date funds," where we simply ask the person  
8 how old are you, how many years are you gonna work,  
9 and then we plug them into a fund that's designed  
10 to balance the appropriate risk of return for their  
11 age and years of anticipated work. And they don't  
12 have to worry about selected investments. Works  
13 quite well.

14 Some people, however, like the option of  
15 selecting their own investments and we have what's  
16 called a set of "active core options" for that  
17 purpose. And we had a money management fund in  
18 that active core. We're replacing that money  
19 management fund with a -- money market fund, I  
20 mean, with a stable value fund. The reason for  
21 that is that interest rates are so low we think  
22 it's better to put people in a stable value  
23 product, which gives a little more yield and also  
24 keeps their capital safe.

25 Request approval.

GOVERNOR DESANTIS: Move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Hearing no objections, the motion carries.

MR. WILLIAMS: Thank you.

Item nine, request approval for the -- wait a minute.

ATTORNEY GENERAL MOODY: We're on ten.

GOVERNOR DESANTIS: Ten.

MR. WILLIAMS: I just did that. Yeah, right. Sorry.

Item ten, request approval for the Florida Prime proposed investment policy statement. We're simply conforming to updated SCC regs.

Request approval.

GOVERNOR DESANTIS: Great. Move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

CFO PATRONIS: Second.

GOVERNOR DESANTIS: Hearing no objections, the motion carries.

MR. WILLIAMS: Thank you.

Item 11, request approval of draft letters to the Joint Legislative Auditing Committee affirming

the SBA Trustees have reviewed and approved the monthly Florida Prime summary reports and actions taken, if any, to address any impacts for the first quarter of 2021. There were no material impacts.

Request approval.

GOVERNOR DESANTIS: I move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Hearing no objections, the motion carries.

MR. WILLIAMS: Thank you.

Item 12 is the quarterly reports pursuant to Chapter 215.44 for the SBA. These cover a range of reports from our outside advisory bodies and our audit committee, et cetera. And I will give you the high-level summary that all controls are intact. There are no control issues. Performance is good relative to benchmark, and on an absolute basis, the organization is sound and in good shape.

Request approval.

GOVERNOR DESANTIS: Move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Hearing no objection, the motion carries.

MR. WILLIAMS: Thank you.

Item 13, request approval of the State Board of Administration's proposed budgets for fiscal year '21 and '22. These include the State Board of Administration, the FRS Investment Plan, the Hurricane Catastrophe Fund, Division of Bond Finance, and Florida Prepaid College Board.

Bond Finance and Prepaid, of course, have their own boards distinct from the SBA and have covered their background materials with your offices independent.

And by way of general summary, there are modest increases in these budgets. The SBA's is 5.6 percent; the Investment Plan, 2.0; CAT Fund, one percent; Bond Finance, 6.2 percent; Prepaid, 3.75 percent.

A little more color on the SBA's budget. Our aggregate budget is 57.6 million dollars. That's 43-and-a-half basis points on assets under management, which, as you know, number one, have increased dramatically, and, number two, we're managing a greater proportion of those assets internally. Now close to half of all our assets we manage ourselves, which is a whole lot cheaper than outside management fees.

Second thing is: If we look at where we are relative to our peers in the United States, which is other large organizations pension organizations, both corporate and public, we continue to be one of the very lowest cost operations in an aggregate-cost context. The difference between our cost level and that of the average of our peer group is six-and-a-half basis points of assets under management. Given our size, that difference of six-and-a-half basis points is a difference of 105 million dollars a year in overhead, which is more than twice our entire budget, so on that basis, I think that's a pretty good value equation.

And I would request approval.

GOVERNOR DESANTIS: All right. I move to approve.

Is there a second?

ATTORNEY GENERAL MOODY: Second.

GOVERNOR DESANTIS: Hearing no objection, the motion carries.

Thank you.

MR. WILLIAMS: Thank you.

\* \* \* \*

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In Re: Cabinet Meetings

Governor and Cabinet meeting

September 21, 2021

**PHIPPS REPORTING**

*Raising the Bar!*

Governor and Cabinet meeting  
September 21, 2021

MEETING OF THE GOVERNOR AND CABINET

PROCEEDINGS

DATE: Tuesday, September 21, 2021

TIME: Commenced at 9:03 a.m.  
Concluded at 11:53 a.m.

LOCATION: The Florida Capital  
Cabinet Meeting Room  
Lower Level  
400 S. Monroe Street  
Tallahassee, FL 32399

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1 MEMBERS:  
2 Ron DeSantis - Governor  
3 Ashley Moody - Attorney General  
4 Jimmy Patronis - Chief Financial Officer  
5 Nikki Fried - Commissioner of Agriculture  
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1	The following proceedings began at 9:03 a.m.:	
2	GOVERNOR DESANTIS: The floor is yours, if	
3	you have any comments.	
4	MR. WILLIAMS: Okay. We're up.	
5	Well, that was a surprise.	
6	Thank you.	
7	A couple of things. First of all, we're	
8	going to -- I know we're pressed for time today.	
9	So, the good news is we've got a number of items	
10	to defer.	
11	Before we get to those, we had an	
12	Investment Advisory Council meeting yesterday.	
13	It was very productive, as they always are. We	
14	spent a good four hours in a public meeting	
15	delving into the details of our portfolio and	
16	performance and current Environmental Rent.	
17	And we have numbers as of fiscal year end,	
18	June 30, 2021, which are of interest. So, let	
19	me first very quickly hit the calendar year to	
20	date numbers through last night, and then come	
21	back to where we are in the fiscal year.	
22	And given that we saw yesterday the first	
23	nature downdraft in global financial markets in	
24	some time, there's reason to believe that there	
25	could be more to come given some of the	

1 uncertainty or leverage in -- in China, and  
2 problems around nature data or short base  
3 therapists, in my judgment probably going to  
4 fall. It's a good time to pay attention to be  
5 diversified.

6 So, through last night's close, the Florida  
7 Retirement System Trust Fund calendar year to  
8 date 2021 is up 12.7 percent. That's 347 -- 46  
9 basic points ahead of target. Fund balance  
10 stands at \$201.2 billion, that's 18.2 billion  
11 ahead of where we started the calendar year.  
12 Net of roughly five billion in benefit payments.  
13 So, the calendar year has gone well.

14 The fiscal year went a whole lot better.

15 If we look at the fiscal year ending 30,  
16 June, we started the funds -- started the fiscal  
17 year July 1 of '20 with a balance of \$160.7  
18 billion. We wrapped the year with a balance of  
19 \$199.6 billion. So -- and we also paid out net  
20 -- had net negative cash flows of seven and a  
21 half billion. So, the net investment earnings  
22 or the gross investment earnings are  
23 46,422,000,000 and change, for a net change in  
24 the funds, net of distributions of 38.9 billion.

25 That is interesting for a couple of

1 reasons.

2 First of all, the year's performance for a  
3 single year was 29 and a half percent. That's  
4 the highest performance on record in the history  
5 of the SBA.

6 It also happens to be the highest amount of  
7 value add relative to the benchmark in the  
8 history of the SBA, and it's also number one of  
9 the top ten funds of the country for the  
10 one-year period.

11 Now, we all know one year is not a story  
12 made in this business. This is a long-term  
13 gain.

14 So, one might reasonably ask, well, that's  
15 fine, they've been good lately. Tell me what  
16 you've done longer term.

17 And if you look at what our returns are for  
18 three years, 12.8 percent. Five years, 12.4  
19 percent. Ten years, 9.7 percent. 20 years, 7.4  
20 percent. These are all net analyzed numbers.  
21 25 years, 8.2. And 30 years, nine percent even.

22 Now, every one of those numbers for every  
23 one of those periods also beats our absolute  
24 nominal return target, which is the actuarial  
25 target we need to beat long term to be healthy.

1 And it also beats our actual performance  
2 benchmarks, what we're going to do relative to  
3 the market in any given year is constrained  
4 because we don't take unlimited risks obviously.  
5 We're at half market no matter what. And if  
6 markets are down or flat, as they have been for  
7 periods of time since I've -- I've been at the  
8 board, then our numbers aren't going to look  
9 great on -- on an absolute basis. But they can  
10 still be very good on a relative basis, and they  
11 are. So, I would just share those numbers with  
12 you.

13 I think it's important to note as well that  
14 one doesn't drive this car by themselves. This  
15 is more like a -- I know we have some Navy  
16 experience onboard. This is more like a large  
17 ship, where it takes a fair number of people on  
18 different decks doing different things, doing  
19 them properly, doing them timely, doing them  
20 with integrity, and doing them consistently.  
21 And the secret sauce that we have is on several  
22 levels.

23 First, and I'm not puffing the smoke up  
24 your kilt. It's the Governor is at the top.  
25 We're the envy of many of our peers in terms of

1 our ability to maintain a professional fiduciary  
2 -- fiduciary organization that operates as an  
3 investment bureaucracy, and doesn't hang on  
4 itself in the daily politics of government.  
5 That is a massive distinguishing factor over  
6 time, and it allows us to have a culture, the  
7 values, the team, the stability of management  
8 thinking, of philosophy, of integrity that keeps  
9 us on our game, and serving the role that we so  
10 importantly fulfill for a million people given  
11 our lives of public service in Florida.

12 So, that's all good. And I want to make  
13 very clear that there are a whole lot of people  
14 at the board who make this happen. This isn't  
15 just me.

16 And like all good executives, I fully  
17 believe and agree that the best way you advance  
18 your own job as a -- as an executive, and best  
19 execute your own responsibilities is surround  
20 yourself with people who are smarter than you  
21 are, and I endeavor to do that all of my life.  
22 And you saw, I started at a fairway level, and  
23 it's not that hard.

24 All right. So, unless there's questions,  
25 let's roll on the agenda.

1 GOVERNOR DESANTIS: Okay. Onward.  
2 MR. WILLIAMS: Okay. Items 1 through 3 are  
3 minutes. So, I would like to withdraw all three  
4 of those, the minutes are not ready.  
5 GOVERNOR DESANTIS: Okay.  
6 MR. WILLIAMS: Thank you.  
7 Item 4 is approval of the June 15 minutes.  
8 Respect -- request approval.  
9 GOVERNOR DESANTIS: All right. Move to  
10 approve.  
11 MS. MOODY: Second.  
12 MR. PATRONIS: Second.  
13 GOVERNOR DESANTIS: Okay. Approved.  
14 MR. WILLIAMS: Thank you.  
15 Let's see. Items 5, 6, and 7 are all  
16 fiscal sufficiencies for different days, issues  
17 of the state.  
18 The first one is Item 5. It relates to a  
19 bond issue not exceeding \$258.2 million, Florida  
20 DOT Turnpike Revenue Bonds.  
21 Request approval.  
22 GOVERNOR DESANTIS: I move to approve.  
23 MS. MOODY: Second.  
24 GOVERNOR DESANTIS: Okay. Approved.  
25 MR. WILLIAMS: Thank you.

1 Item 6. A resolution of the SBA approving  
2 fiscal sufficiency not to exceed \$275 million,  
3 Florida Department of Transportation Turnpike  
4 Revenue Refunding Bond.  
5 Request approval.  
6 GOVERNOR DESANTIS: Move to approve.  
7 MS. MOODY: Second.  
8 MR. PATRONIS: Second.  
9 GOVERNOR DESANTIS: Okay. Motion carries.  
10 MR. WILLIAMS: Thank you.  
11 Item 7, it's a resolution of the State  
12 Board approving fiscal sufficiency not to exceed  
13 \$170 million, state of Florida full faith and  
14 credit, DOT Right-of-Way Acquisition and Bridge  
15 Construction Refunding Bonds.  
16 Request approval.  
17 GOVERNOR DESANTIS: Move to approve.  
18 MS. MOODY: Second.  
19 MR. PATRONIS: Second.  
20 GOVERNOR DESANTIS: Okay. Approved.  
21 MR. WILLIAMS: Thank you.  
22 Item 8. Let's see. Yes. Items 8, 9, and  
23 10 are all -- wait a minute.  
24 GOVERNOR DESANTIS: I have eight as a  
25 fiscal --

1 MR. WILLIAMS: Yeah. You're right. You're  
2 right. I have ten and eleven. Sorry.

3 We had a lot of last minute changes on this  
4 again.

5 Item 8 is another fiscal sufficiency,  
6 amount not exceeding \$550 million, full faith  
7 and credit, state board of education, FICO  
8 Capital Outlay Refunding Bonds.

9 Request approval.

10 GOVERNOR DESANTIS: All right. Move to  
11 approve.

12 MS. MOODY: Second.

13 GOVERNOR DESANTIS: Okay. Motion carries.

14 MR. WILLIAMS: Thank you.

15 Now, let's group Items 9 and 10 together.  
16 Those are fiscal determinations for the Florida  
17 Housing Finance Agency.

18 Request approval of Items 9 and 10.

19 GOVERNOR DESANTIS: All right. I move to  
20 approve.

21 MS. MOODY: Second.

22 MR. PATRONIS: Second.

23 GOVERNOR DESANTIS: Okay. Motion carries.

24 MR. WILLIAMS: Thank you.

25 Item 11 we would like to defer. That's

1 another fiscal determination.

2 GOVERNOR DESANTIS: Yep.

3 MR. WILLIAMS: Thank you.

4 Items 12, 13, and -- well, Items 12,  
5 through 16 are also fiscal determinations or  
6 Housing Finance.

7 And I think we can move those approved, if  
8 you would like to.

9 GOVERNOR DESANTIS: Yep. Okay. All of them  
10 together, I move to approve.

11 MS. MOODY: Second.

12 GOVERNOR DESANTIS: Okay. Approved.

13 MR. WILLIAMS: Thank you.

14 And Items 17 and 18 we would like to defer.  
15 Those are also fiscal sufficiencies or fiscal  
16 determinations relating to Housing Finance.

17 We'd ask to defer -- request deferring of  
18 Items 17 and 18.

19 GOVERNOR DESANTIS: Yes.

20 MS. MOODY: Yes.

21 MR. PATRONIS: Second.

22 GOVERNOR DESANTIS: Yep.

23 MR. WILLIAMS: Good. Thank you.

24 Item 19. Request changes to the  
25 Comprehensive Investment Plans for Florida

1     Prepaid College Board.

2             Now, this is a revisitation of their  
3     Investment Policy Statement. It's an  
4     appropriately bedded health meeting of the  
5     College Prepaid Board. It has also been closely  
6     reviewed and coordinated with their third-party  
7     contractual fiduciary consultant Aon, which is  
8     the same firm we use. And also we looked at  
9     these plans, and are comfortable with them.

10            Request approval.

11            GOVERNOR DESANTIS: All right. I move to  
12     approve.

13            MR. PATRONIS: Second.

14            MS. MOODY: Second.

15            GOVERNOR DESANTIS: Okay. Any objections?

16            Hearing none, motion carries.

17            MR. WILLIAMS: Thank you.

18            Item 20. Request approval to the  
19     Investment Policy Statement for the Florida  
20     Retirement System Pension Plan. This is a  
21     slight increase of one percent in our cap on  
22     public -- private -- private equity investment  
23     exposure. We have the high class problem there,  
24     private equity portfolio is appreciated at a  
25     stratospheric rate over the past couple of

1     years, largely because of venture capital  
2     investments we made six, seven, eight years ago  
3     that have now come in with velocity. And rather  
4     than become for sellers, we would like to give  
5     ourselves a little head room, and then give  
6     ourselves a little bit more head room because  
7     we're working on a private market sale of some  
8     of our private equity partnerships that are  
9     older, that will reduce our exposure by another  
10    percent and a half or so, and also bring us the  
11    better part of two billion dollars in new  
12    investment capital that we will be extracting  
13    out on our investments.

14            Request approval.

15            GOVERNOR DESANTIS: All right. I move to  
16     approve.

17            MS. MOODY: Second.

18            GOVERNOR DESANTIS: Any objections?

19            Hearing none, the motion carries.

20            MR. WILLIAMS: Thank you.

21            Item 21. Request approval of the annual  
22     charter of the Audit Committee of the SBA.

23            GOVERNOR DESANTIS: All right. I move to  
24     approve.

25            MS. MOODY: Second.

1 MR. PATRONIS: Second.

2 GOVERNOR DESANTIS: Hearing no objections,  
3 the motion carries.

4 MR. WILLIAMS: Thank you.

5 Item 22. Request approval of an authority  
6 to file a notice of proposed rules for the  
7 Florida Hurricane Catastrophe Fund. This is the  
8 reimbursement contract for calendar -- for  
9 hurricane year '22, '23.

10 GOVERNOR DESANTIS: All right. Move to  
11 approve.

12 MR. PATRONIS: Second.

13 MS. MOODY: Second.

14 GOVERNOR DESANTIS: All right. No  
15 objections, the motion carries.

16 MR. WILLIAMS: Thank you.

17 Item 23. Request approval of an authority  
18 to file notice of proposed order for the  
19 Hurricane Tax Refund. This is for revenue bond  
20 issues pursuant to Section 215.

21 Request approval.

22 GOVERNOR DESANTIS: I move to approve.

23 MR. PATRONIS: Second.

24 GOVERNOR DESANTIS: No objections, the  
25 motion carries.

1 MR. WILLIAMS: Thank you.

2 Items 24 and 25 both relate to Florida  
3 Prime. The former government Surplus Funds  
4 Trust Fund, the law passed in 2008. And Prime  
5 had its problems. Required two annual external  
6 reviews. One is a review for compliance with  
7 the best practices, and the other is a review  
8 for compliance with state, federal, and any  
9 other applicable regulations. Both of those  
10 were conducted. They've been presented in  
11 public to the IIC, and both cases were fully in  
12 compliance with the best practices, and also all  
13 relevant laws and regulations.

14 Request approvals of Items 24 and 25.

15 GOVERNOR DESANTIS: Okay. Move to approve.

16 MR. PATRONIS: Second.

17 GOVERNOR DESANTIS: All right. No  
18 objection, the motion carries.

19 MR. WILLIAMS: Thank you.

20 Item 26. Request approval of draft letters  
21 to the Joint Legislative Auditing Committee  
22 affirming that the trustees have reviewed and  
23 approved the monthly Florida Prime Summary  
24 Reports, and taken on actions to address any  
25 impacts. There were no impacts.

1 Request approval.

2 GOVERNOR DESANTIS: All right. I move to  
3 approve.

4 MR. PATRONIS: Second.

5 MS. MOODY: Second.

6 GOVERNOR DESANTIS: No objection, the motion  
7 carries.

8 MR. WILLIAMS: Thank you.

9 Item 27. Request approval of the SBA  
10 quarterly report required by the Protecting  
11 Florida's Investments Act. The report speaks  
12 for itself.

13 One item of -- of interest to the trustees  
14 I know is the current status of the matter  
15 involving inlay of Ben and Jerry's. The clock  
16 is tolling on that. They have been given notice  
17 that they're in violation of Florida's BAS law.  
18 And October 26th is the date in which that  
19 tolls.

20 Yesterday in the Investment Advisory  
21 Council they went ahead and adopted a proposed  
22 revision for our Investment Policy Statement  
23 that would broaden that statement to accommodate  
24 adjusting our customary benchmark to cut out any  
25 security that was triggered by this provision,

1 because I do see that coming, and we have not  
2 been -- have not seen any immediate response  
3 from that period.

4 So, request approval.

5 GOVERNOR DESANTIS: Okay. I move to  
6 approve.

7 MR. PATRONIS: Second.

8 MS. MOODY: Second.

9 GOVERNOR DESANTIS: All right. No  
10 objection, the motion carries.

11 MR. WILLIAMS: Thank you.

12 Item 28 is the quarterly reports relating  
13 to the SBA. These are actually for the first  
14 quarter of this year. And basically show  
15 performance is intact, controls are intact, no  
16 issues to bring to your attention.

17 Request approval.

18 GOVERNOR DESANTIS: All right. Move to  
19 approve.

20 MR. PATRONIS: Second.

21 MS. MOODY: Second.

22 GOVERNOR DESANTIS: All right. No  
23 objection, the motion carries.

24 MR. WILLIAMS: Thank you.

25 Item 29 is sort of a technical issue, and



1 that's requesting an appointment of Mr. Gary  
2 Went, the Investment Advisory Council. Mr. Went  
3 has served on council with distinction for a  
4 number of years for no particular reason other  
5 than technical processes. He was not confirmed  
6 by the senate last year, meaning we need to  
7 reappoint him, and resubmit it.

8 Request approval.

9 GOVERNOR DESANTIS: All right. Move to  
10 approve.

11 MS. MOODY: Second.

12 MR. PATRONIS: Second.

13 GOVERNOR DESANTIS: No objection, the motion  
14 carries.

15 MR. WILLIAMS: Thank you.

16 Item 30 goes back to what we were  
17 discussing about culture and performance at the  
18 SBA earlier. As you know, the 30th of September  
19 is my last day in this -- this real nice role.  
20 And with bitter sweet view I -- I leave it. But  
21 obviously I'm very, very interested in our  
22 standards of performance being upheld for the  
23 benefit of our beneficiaries and for your  
24 benefit as well. After all, you're the ones  
25 ultimately responsible for what happens at the

1 SBA.

2 And I think it's critically important that  
3 our culture and team be preserved, and for that  
4 reason I'll respectfully submit that we fill my  
5 role with an internal promotion to ensure that  
6 the management team stays intact, the values and  
7 culture that we have are there as well. We have  
8 an attachment in the dec with a position  
9 description in it, that if you would like a  
10 recommendation for an individual, I'm happy to  
11 provide it.

12 GOVERNOR DESANTIS: Does anyone have any  
13 comments?

14 Yeah. I -- I think you're right. And, so,  
15 I -- I move to approve the appointment.

16 MS. MOODY: I'll second.

17 MR. PATRONIS: Second.

18 GOVERNOR DESANTIS: Okay.

19 MR. WILLIAMS: And just to be clear, this  
20 would be the appointment of Mr. Lamar Taylor,  
21 who is the sitting Chief --

22 GOVERNOR DESANTIS: Right.

23 MR. WILLIAMS: -- Financial Officer, and  
24 Chief Operating Officer of the State Board. I  
25 didn't want to --

1 MS. MOODY: And not that we don't trust  
2 your recommendation, but we personally met with  
3 him, and we're okay with that.

4 MR. WILLIAMS: I think -- and I believe  
5 technically that's an interim appointment.

6 GOVERNOR DESANTIS: It's an interim  
7 appointment.

8 But hearing no objections, that motion does  
9 carry. So, he is approved as the Interim  
10 Executive Director and Chief Investment Officer.

11 So, I want to thank you, Ash, again for all  
12 of your great work, and --

13 MR. WILLIAMS: Thank you.

14 GOVERNOR DESANTIS: -- you know, you've  
15 worked hard, and -- and you put a lot into it,  
16 which is obviously important. But the results  
17 speak for themselves. And at the end of the day  
18 we're very fortunate to have you and your team.  
19 And you made the state stronger. So, thanks for  
20 your service.


21 MR. WILLIAMS: Thank you.

22 And very much appreciated. Appreciate it.

23 GOVERNOR DESANTIS: Okay. What we're going  
24 to have to do now is I'm going to go and -- I  
25 know some of the other Cabinet members are going

**STATE BOARD OF ADMINISTRATION  
1801 HERMITAGE BOULEVARD  
TALLAHASSEE, FLORIDA 32308**

---

**TO:** Lamar Taylor  
**FROM:** Ben Alonzo   
**SUBJECT:** Fiscal Sufficiency  
**DATE:** July 28, 2022

---

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$29,000,000  
STATE OF FLORIDA, BOARD OF GOVERNORS, FLORIDA STATE UNIVERSITY  
DORMITORY REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration (the "Division") has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$29,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds.

The Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as amended on October 28, 2003, and September 20, 2011, and the Nineteenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on August 23, 2022 (collectively, the "Resolution"). The principal of and interest due on the Bonds shall be secured by revenues of the housing system after deducting operating expenses (the "Pledged Revenues"), as described in the Resolution.

The Division has heretofore issued Florida State University Dormitory Revenue and Revenue Refunding Bonds, Series 2013A through 2021A (the "Outstanding Bonds"). The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds.

The Division has additionally requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for the Florida State University Dormitory Revenue and Revenue Refunding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION  
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT  
EXCEEDING \$29,000,000 STATE OF FLORIDA, BOARD OF GOVERNORS,  
FLORIDA STATE UNIVERSITY DORMITORY  
REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

**WHEREAS**, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$29,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds; and,

**WHEREAS**, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed issue as required by Section 215.73, Florida Statutes; and,

**WHEREAS**, the Bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and restated on July 25, 2000, as amended on October 28, 2003, and September 20, 2011, and the Nineteenth Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on August 23, 2022 (collectively, the "Resolution"); and,

**WHEREAS**, the principal of and interest due on the Bonds shall be secured by revenues of the housing system after deducting operating expenses (the "Pledged Revenues"), as described in the Resolution; and,

**WHEREAS**, the Division has heretofore issued Florida State University Dormitory Revenue and Revenue Refunding Bonds, Series 2013A through 2021A (the "Outstanding Bonds"); and,

**WHEREAS**, the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Pledged Revenues with the Outstanding Bonds; and,

**WHEREAS**, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bonds; and

**WHEREAS**, the Bonds do not constitute an obligation, either general or special, of the State of Florida or any of its units of local government and shall not be a debt of the State or of any unit of local government, and neither the State nor any unit of local government shall be liable thereon; and,

**WHEREAS**, the Florida State University shall not have the power to pledge the credit, the revenues, or the taxing power of the State or of any unit of local government, and neither the credit, the revenues, nor the taxing power of the State or of any unit of local government shall be deemed to be pledged to the payment of the Bonds; and,

**WHEREAS**, the proceeds of the Bonds shall be and constitute trust funds and shall be used and applied solely in the manner and for the purposes provided in the Resolution; and,

**WHEREAS**, the estimate of funds pledged to the issue indicates that in no State fiscal year will the debt service requirements of the Bonds exceed the Pledged Revenues available for payment of such debt service requirements and that in no State fiscal year will the moneys pledged for the debt service requirements be less than the required coverage amount; and,

**WHEREAS**, the Division, has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

**WHEREAS**, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

**BE IT RESOLVED**, by the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$29,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bond, is hereby rescinded.

**ADOPTED** August 23, 2022

STATE OF FLORIDA )  
:  
COUNTY OF LEON )

**I, Lamar Taylor**, Interim Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held August 23, 2022, approving the fiscal sufficiency of an amount not exceeding \$29,000,000 State of Florida, Board of Governors, Florida State University Dormitory Revenue Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue and Revenue Refunding Bonds.

**IN WITNESS WHEREOF**, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 23<sup>rd</sup> day of August 2022.

---

**Lamar Taylor**, Interim Executive Director & CIO

(SEAL)



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DeSANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

July 26, 2022

Mr. Lamar Taylor  
Interim Executive Director  
State Board of Administration  
Post Office Box 13300  
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$29,000,000 State of Florida, Board of Governors, Florida State University  
Dormitory Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bond issue. We request such approval at your board meeting of August 23, 2022.

The bonds will be secured by the revenues of the housing system after deducting operating expenses. Housing system revenues are primarily derived from student rental income. The bonds will be on a parity with the outstanding Series 2013A through 2021A Bonds. The remaining balance, if any, of prior fiscal sufficiency approvals for Florida State University Dormitory Revenue or Revenue Refunding Bonds should be rescinded.

The proposed bonds will be issued for the purpose of refunding all or a portion of the outstanding Series 2013A Bonds and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is a debt service savings.

The bonds will be issued pursuant to the Original Resolution adopted by the Governor and Cabinet on November 17, 1992, as amended and as restated on July 25, 2000, as amended on October 28, 2003 and September 20, 2011, and the Nineteenth Supplemental Resolution anticipated to be adopted on August 23, 2022. The Original Resolution and the amending resolutions have been previously provided with prior fiscal sufficiency requests.

The following documents are enclosed for your consideration:

- Enclosure 1: an estimated coverage table for the program based on existing debt service and without consideration of the potential savings from the proposed refunding bonds;
- Enclosure 2: an estimated savings schedule from a recent sizing of the proposed refunding bonds; and

July 26, 2022  
Page Two

Enclosure 3: a draft copy of the Nineteenth Supplemental Resolution, which is anticipated to be adopted by the Governor and Cabinet on August 23, 2022.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and Charlie Yadon of this office for review. Should you have any questions, please contact either myself or Charlie Yadon at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

A handwritten signature in blue ink that reads "Kimbrey J. Nichols for". The signature is written in a cursive, flowing style.

J. Ben Watkins III  
Director

JBW:cy

Enclosures

cc: Ben Alonzo  
Janie Knight  
Sharon Vice  
Alex Nottingham



**STATE OF FLORIDA, BOARD OF GOVERNORS  
FLORIDA STATE UNIVERSITY  
DORMITORY REVENUE BONDS**

**ESTIMATED DEBT SERVICE COVERAGE**

<u>Fiscal Year</u>	<u>Gross Revenues<sup>1</sup></u>	<u>Current Expenses<sup>2</sup></u>	<u>Pledged Revenues</u>	<u>Outstanding Debt Service<sup>3</sup></u>	<u>Debt Service Coverage<sup>4</sup></u>
<i>Historical</i>					
2017	\$ 43,690,132	\$ 22,735,543	\$ 20,954,589	\$ 13,968,675	1.50x
2018	49,797,591	24,694,726	25,102,865	15,296,475	1.64x
2019	49,179,320	23,237,465	25,941,855	15,285,425	1.70x
2020	45,690,922	22,824,450	22,866,472	15,299,906	1.49x
2021	34,597,996	20,247,359	14,350,637	15,294,831	0.94x
<i>Projected<sup>5</sup></i>					
2022	\$ 49,727,893	\$ 20,426,439	\$ 29,301,454	\$ 14,641,865	2.00x
2023	52,298,794	24,739,107	27,559,687	14,649,106	1.88x
2024	53,345,963	25,344,559	28,001,404	14,205,356	1.97x
2025	54,414,112	25,598,199	28,815,913	14,196,106	2.03x
2026	55,502,394	25,854,181	29,648,213	14,204,606	2.09x
2027	55,502,394	25,854,181	29,648,213	13,448,856	2.20x
2028	55,502,394	25,854,181	29,648,213	13,447,056	2.20x
2029	55,502,394	25,854,181	29,648,213	13,448,856	2.20x
2030	55,502,394	25,854,181	29,648,213	13,448,831	2.20x
2031	55,502,394	25,854,181	29,648,213	12,978,588	2.28x
2032	55,502,394	25,854,181	29,648,213	11,624,125	2.55x
2033	55,502,394	25,854,181	29,648,213	11,612,475	2.55x
2034	55,502,394	25,854,181	29,648,213	8,101,975	3.66x
2035	55,502,394	25,854,181	29,648,213	7,204,075	4.12x
2036	55,502,394	25,854,181	29,648,213	811,500	36.54x
2037	55,502,394	25,854,181	29,648,213	811,800	36.52x
2038	55,502,394	25,854,181	29,648,213	811,800	36.52x
2039	55,502,394	25,854,181	29,648,213	811,500	36.54x
2040	55,502,394	25,854,181	29,648,213	810,900	36.56x

Source: Historical and projected revenues and expenses provided by Florida State University. Debt service calculations provided by the Division of Bond Finance.

<sup>1</sup> Gross revenues include operating revenues of the Housing System and interest earned on the Housing System operating account.

<sup>2</sup> Current Expenses are net of depreciation and administrative overhead paid to the University.

<sup>3</sup> Does not include the effects of the proposed refunding bonds. The proposed refunding bonds will only be issued if there is a debt service savings.

<sup>4</sup> Coverage ratios for Fiscal Years 2020 and 2021 were impacted by COVID-19. In Fiscal Year 2020, the decrease in debt service coverage is primarily attributable to \$6.9 million in refunds of spring 2020 semester housing fees issued to students. The Housing System received a one-time transfer of \$3 million from the University from funds received under the CARES Act to reimburse the Housing System for refunds, but the transferred funds are not Pledged Revenues and are not reflected in the table above. Fiscal Year 2021 debt service coverage was below 1.0x as a result of the closure of residence halls during the summer 2020 semester and less density in on-campus student housing during the fall 2020 and spring 2021 semesters. The Housing System used approximately \$944,000 of unrestricted cash and investments to offset expenses in Fiscal Year 2021 and had \$72.8 million in remaining unrestricted cash and investments as of June 30, 2021. All debt service payments in Fiscal Year 2021 were made by their respective due dates.

<sup>5</sup> Projected Operating Revenues, Current Expenses, and Pledged Revenues for Fiscal Years 2022 through 2026 have been provided by the University, with projections for Fiscal Year 2026 held constant thereafter. Fiscal Year 2022 projections are based on interim statements through June 2022. **No representation is made that the amounts shown in any fiscal year will be collected.**

## SAVINGS

State of Florida, Board of Governors  
Florida State University  
Dormitory Revenue Refunding Bonds, Series 2023A

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## Preliminary Calculations

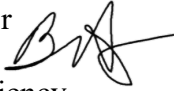
Date	Prior Debt Service	Est. Escrow Earnings @0.50%	Sinking Fund Accrual	Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 02/01/2023 @ 2.6186124%
05/01/2023	629,346.88	34,785.27	314,688.20	349,443.95	311,312.50	38,131.45	35,844.14
05/01/2024	3,518,693.76	-	-	3,518,693.76	3,225,250.00	293,443.76	284,139.60
05/01/2025	3,520,693.76	-	-	3,520,693.76	3,226,250.00	294,443.76	277,699.40
05/01/2026	3,521,943.76	-	-	3,521,943.76	3,227,250.00	294,693.76	270,708.90
05/01/2027	3,522,193.76	-	-	3,522,193.76	3,228,000.00	294,193.76	263,218.40
05/01/2028	3,517,393.76	-	-	3,517,393.76	3,223,250.00	294,143.76	256,471.98
05/01/2029	3,518,593.76	-	-	3,518,593.76	3,223,000.00	295,593.76	251,181.71
05/01/2030	3,521,856.26	-	-	3,521,856.26	3,226,750.00	295,106.26	244,379.07
05/01/2031	3,521,481.26	-	-	3,521,481.26	3,224,000.00	297,481.26	240,058.44
05/01/2032	3,521,950.00	-	-	3,521,950.00	3,224,750.00	297,200.00	233,696.76
05/01/2033	3,517,500.00	-	-	3,517,500.00	3,223,500.00	294,000.00	225,253.32
	<b>35,831,646.96</b>	<b>34,785.27</b>	<b>314,688.20</b>	<b>35,551,744.03</b>	<b>32,563,312.50</b>	<b>2,988,431.53</b>	<b>2,582,651.71</b>

Savings Summary

PV of savings from cash flow	2,582,651.71
Plus: Refunding funds on hand	1,600.92
Net PV Savings	<u>2,584,252.63</u>

**STATE BOARD OF ADMINISTRATION  
1801 HERMITAGE BOULEVARD  
TALLAHASSEE, FLORIDA 32308**

---

**TO:** Lamar Taylor  
**FROM:** Ben Alonzo   
**SUBJECT:** Fiscal Sufficiency  
**DATE:** July 28, 2022

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**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$205,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State Board of Education, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$205,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds 2013 Series C, and to pay certain costs of issuance; provided, however, that none of the said Bonds shall be issued in excess of the amount which can be issued in full compliance with the State Bond Act and other applicable provisions of law, and pursuant to Section 9(a)(2), Article XII of the Constitution of Florida, as amended. The Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the State Board of Education on July 21, 1992, and the Seventy-first Supplemental Authorizing Resolution and the sale resolution adopted by the State Board of Education on August 17, 2022.

The State Board of Education has heretofore issued State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, 1999 Series D through 2022 Series C ("the "Outstanding Bonds"). The Division has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds. The proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Gross Receipts Taxes with the Outstanding Bonds.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION  
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING  
\$205,000,000 STATE OF FLORIDA, FULL FAITH AND CREDIT, STATE BOARD OF  
EDUCATION PUBLIC EDUCATION CAPITAL OUTLAY REFUNDING BONDS,  
SERIES (TO BE DETERMINED)**

**WHEREAS**, the State Board of Education of Florida proposes to issue an amount not exceeding \$205,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds 2013 Series C, and to pay certain costs of issuance; provided, however, that none of said Bonds shall be issued in excess of the amount which can be issued in full compliance with the State Bond Act and other applicable provisions of law, and pursuant to Section 9(a)(2), Article XII of the Constitution of Florida, as amended; and,

**WHEREAS**, the Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the State Board of Education on July 21, 1992, and the Seventy-first Supplemental Authorizing Resolution and the sale resolution adopted by the State Board of Education on August 17, 2022; and,

**WHEREAS**, the proposed Bonds shall be secured by a lien upon the Gross Receipts Taxes which are required to be deposited in the Public Education Capital Outlay and Debt Service Trust Fund administered by the State Board of Education of Florida (the "Gross Receipts Taxes"), and the Bonds are additionally secured by a pledge of the full faith and credit of the State of Florida; and,

**WHEREAS**, the State Board of Education has heretofore issued State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds, 1999 Series D through 2022 Series C (the "Outstanding Bonds"); and,

**WHEREAS**, the proposed Bonds shall be issued on a parity as to lien on and source and security for payment from the Gross Receipts Taxes with the Outstanding Bonds; and,

**WHEREAS**, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds; and

**WHEREAS**, the Division of Bond Finance has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

**WHEREAS**, the State Board of Administration does not approve or disapprove the Bonds as an

investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

**BE IT RESOLVED**, by the State Board of Administration of Florida, a constitutional body as described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, that the proposal of the State Board of Education of Florida to issue an amount not exceeding \$205,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, Series (to be determined), is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds is hereby rescinded.

**ADOPTED** August 23, 2022

STATE OF FLORIDA )

:

COUNTY OF LEON )

**I, Lamar Taylor**, Interim Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held August 23, 2022, approving the fiscal sufficiency of an amount not exceeding \$205,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay and Public Education Capital Outlay Refunding Bonds.

**IN WITNESS WHEREOF**, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 23<sup>rd</sup> day of August 2022.

---

**Lamar Taylor**, Interim Executive Director & CIO

(SEAL)



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DESANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

July 21, 2022

Mr. Lamar Taylor  
Interim Executive Director  
State Board of Administration  
Post Office Box 13300  
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$205,000,000 State of Florida, Full Faith and Credit, State Board of Education Public Education Capital Outlay Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bonds. We request such approval at your board meeting of August 23, 2022.

The bonds will be payable from gross receipts taxes and are additionally secured by the full faith and credit of the State of Florida. The proposed bonds will be payable on a parity with the previously issued 1999 Series D through 2022 Series C Bonds. The remaining balance, if any, of prior fiscal sufficiency approvals of Public Education Capital Outlay Bonds or Refunding Bonds should be rescinded.

The bonds will be issued to refund all or a portion of the outstanding Public Education Capital Outlay Refunding Bonds 2013 Series C and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is debt service savings.

The bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the State Board of Education on July 21, 1992, and the Seventy-first Supplemental Authorizing Resolution and the sale resolution anticipated to be adopted by the State Board of Education on August 17, 2022. A copy of the authorizing resolution has previously been provided to you.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program based on outstanding debt service without consideration of the potential savings from the proposed refunding bonds and using the projected gross receipts tax revenues from the January 5, 2022, Revenue Estimating Conference;

Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds;


Mr. Taylor  
July 21, 2022  
Page Two

Enclosure 3: the gross receipts tax estimates from the January 5, 2022, Revenue Estimating Conference; and

Enclosure 4: draft copies of the Seventy-first Supplemental Authorizing Resolution and the Sale Resolution anticipated to be adopted by the State Board of Education on August 17, 2022.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and William Reynolds of this office for review. Should you have any questions, please contact either myself or William Reynolds at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,

A handwritten signature in blue ink that reads "Kimberly J. Nichols for".

J. Ben Watkins III  
Director

JBW:wr

Enclosures

cc: Ben Alonzo  
Janie Knight  
Sharon Vice  
Alex Nottingham



**State of Florida, Full Faith and Credit  
State Board of Education Public Education Capital Outlay Bonds**

**Estimated Coverage Table**

<b>Fiscal Year</b>	<b>Gross Receipts Taxes<sup>1</sup></b>	<b>Debt Service on Outstanding PECO Bonds<sup>2</sup></b>	<b>Subsidy<sup>3</sup></b>	<b>Net Debt Service</b>	<b>Debt Service Coverage<sup>4</sup></b>
<i>Historical</i>					
2017 <sup>5</sup>	\$ 1,111,599,286	\$ 866,531,343	\$ (11,708,982)	\$ 854,822,361	1.30x
2018	1,153,724,902	841,741,455	(11,690,472)	830,050,983	1.39x
2019	1,148,877,072	854,215,781	(11,605,600)	842,610,181	1.36x
2020	1,115,140,780	825,468,386	(2,428,552)	823,039,834	1.35x
2021	1,109,420,048	830,117,478	-	830,117,478	1.34x
<i>Projected</i>					
2022	\$ 1,145,000,000	\$ 827,210,000	\$	827,210,000	1.38x
2023	1,152,920,000	791,560,876		791,560,876	1.46x
2024	1,164,980,000	695,153,587		695,153,587	1.68x
2025	1,175,830,000	640,627,108		640,627,108	1.84x
2026	1,191,360,000	512,282,118		512,282,118	2.33x
2027	1,207,580,000	485,147,718		485,147,718	2.49x
2028	1,224,220,000	460,920,208		460,920,208	2.66x
2029	1,239,960,000	435,931,813		435,931,813	2.84x
2030	1,254,640,000	413,065,650		413,065,650	3.04x
2031	1,269,890,000	393,627,275		393,627,275	3.23x
2032	1,269,890,000	377,298,100		377,298,100	3.37x
2033	1,269,890,000	343,990,000		343,990,000	3.69x
2034	1,269,890,000	309,949,375		309,949,375	4.10x
2035	1,269,890,000	287,310,125		287,310,125	4.42x
2036	1,269,890,000	253,114,450		253,114,450	5.02x
2037	1,269,890,000	211,873,538		211,873,538	5.99x
2038	1,269,890,000	138,132,000		138,132,000	9.19x
2039	1,269,890,000	84,882,250		84,882,250	14.96x
2040	1,269,890,000	45,500,863		45,500,863	27.91x
2041	1,269,890,000	18,052,613		18,052,613	70.34x
2042	1,269,890,000	14,607,050		14,607,050	86.94x
2043	1,269,890,000	14,612,750		14,612,750	86.90x
2044	1,269,890,000	14,611,300		14,611,300	86.91x
2045	1,269,890,000	14,607,300		14,607,300	86.94x
2046	1,269,890,000	14,610,200		14,610,200	86.92x
2047	1,269,890,000	12,139,000		12,139,000	104.61x
2048	1,269,890,000	6,817,200		6,817,200	186.28x

<sup>1</sup> Estimates of gross receipts tax collections for Fiscal Years 2022 through 2031 as adopted by the Florida Revenue Estimating Conference held on January 5, 2022. The projections for Fiscal Year 2031 have been held constant for future years. No representation is made that the amounts shown will be collected.

<sup>2</sup> Includes debt service through 2022 Series C Refunding Bonds. Includes accrued debt service on previously refunded bonds, which were deposited into various escrow accounts.

<sup>3</sup> Fiscal Years 2017 through 2020 include federal subsidy payments for Build America Bonds 2006 Series G, 2007 Series G, 2008 Series D and 2009 Series F. All Build America Bonds have been refunded and no future subsidy payments are expected.

<sup>4</sup> Coverage is based on Net Debt Service.

<sup>5</sup> Gross receipt tax collections in 2017 are incorrectly reported by EDR as \$1,111.61 million. The correct collections are reflected in this table.

**SAVINGS**

**State of Florida**  
**Full Faith and Credit**  
**State Board of Education**  
**Public Education Capital Outlay Refunding Bonds, Series 2023A**

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**Preliminary Calculations as of July 6, 2022**

<i>Date</i>	<i>Prior Debt Service</i>	<i>Est. Escrow Earnings @0.50%</i>	<i>Sinking Fund Accrual</i>	<i>Prior Net Cash Flow</i>	<i>Refunding Debt Service</i>	<i>Savings</i>	<i>Present Value to 03/01/2023 @ 2.4127121%</i>
06/01/2023	4,162,775.00	253,691.83	2,081,387.50	2,335,079.33	2,161,187.50	173,891.83	160,410.33
06/01/2024	22,540,550.00			22,540,550.00	20,779,750.00	1,760,800.00	1,706,928.86
06/01/2025	22,539,800.00			22,539,800.00	20,783,000.00	1,756,800.00	1,662,094.77
06/01/2026	22,543,550.00			22,543,550.00	20,785,750.00	1,757,800.00	1,623,024.21
06/01/2027	22,539,800.00			22,539,800.00	20,781,500.00	1,758,300.00	1,584,390.51
06/01/2028	22,541,600.00			22,541,600.00	20,784,000.00	1,757,600.00	1,546,462.90
06/01/2029	22,577,000.00			22,577,000.00	20,816,250.00	1,760,750.00	1,512,803.16
06/01/2030	22,623,600.00			22,623,600.00	20,860,000.00	1,763,600.00	1,479,667.32
06/01/2031	22,619,800.00			22,619,800.00	20,852,750.00	1,767,050.00	1,447,797.16
06/01/2032	22,621,400.00			22,621,400.00	20,855,000.00	1,766,400.00	1,413,374.93
06/01/2033	22,627,000.00			22,627,000.00	20,859,250.00	1,767,750.00	1,381,391.84
06/01/2034	22,625,200.00			22,625,200.00	20,858,250.00	1,766,950.00	1,348,548.46
	252,562,075.00	253,691.83	2,081,387.50	250,734,379.33	231,176,687.50	19,557,691.83	16,866,894.45

**Savings Summary**

PV of savings from cash flow	16,866,894.45
Plus: Refunding funds on hand	986.15
<b>Net PV Savings</b>	<b>16,867,880.60</b>

# Enclosure 3


## Gross Receipts Tax Forecast Comparison Jan 5, 2022

YEAR	Old Forecast			Legislative Forecast			Total Collections			DOR Forecast			New Forecast		
	\$ Millions	% Change	Difference	\$ Millions	% Change	Difference	\$ Millions	% Change	Difference	\$ Millions	% Change	Difference	\$ Millions	% Change	Difference
FY 96-97	572.11			1136.47	2.44%	0.80	1148.39	3.51%	12.71	1144.20	3.14%	8.59	1145.00	3.21%	9.33
FY 97-98	593.39	3.72%		1148.14	1.03%	-0.13	1159.83	1.00%	11.57	1146.64	0.21%	-1.63	1152.92	0.69%	4.66
FY 98-99	639.27	7.73%		1155.78	0.67%	-1.22	1172.85	1.12%	15.86	1152.42	0.50%	-4.57	1164.98	1.05%	7.98
FY 99-00	669.18	4.68%		1166.40	0.92%	-1.49	1186.24	1.14%	19.35	1160.93	0.74%	-6.95	1175.83	0.93%	7.94
FY 00-01	722.91	8.03%		1179.68	1.14%	-1.42	1202.77	1.39%	21.67	1175.22	1.23%	-5.88	1191.36	1.32%	10.26
FY 01-02	779.49	7.83%		1194.40	1.25%	-0.28	1217.72	1.24%	23.05	1190.99	1.34%	-3.69	1207.58	1.36%	12.90
FY 02-03	786.03	0.84%		1209.86	1.29%	1.47	1232.79	1.24%	24.41	1207.06	1.35%	-1.32	1224.32	1.38%	15.84
FY 03-04	826.59	5.16%		1224.78	1.23%	2.44	1248.18	1.25%	25.84	1223.84	1.39%	1.50	1239.96	1.29%	17.62
FY 04-05	882.15	6.72%		1238.78	1.14%	2.37	1263.49	1.23%	27.07	1240.92	1.40%	4.50	1254.64	1.18%	18.23
FY 05-06	975.79	10.61%		1253.20	1.16%	2.75	1278.89	1.23%	28.44	1258.28	1.40%	7.83	1269.89	1.21%	19.43
FY 06-07	1067.60	9.41%													
FY 07-08	1125.97	5.47%													
FY 08-09	1126.22	0.02%													
FY 09-10	1097.66	-2.54%													
FY 10-11	1071.45	-2.39%													
FY 11-12	1033.88	-3.51%													
FY 12-13	1003.04	-2.98%													
FY 13-14	1005.36	0.23%													
FY 14-15	1152.38	14.62%													
FY 15-16	1157.73	0.46%													
FY 16-17	1111.61	-3.98%													
FY 17-18	1153.72	3.79%													
FY 18-19	1148.88	-0.42%													
FY 19-20	1115.14	-2.94%													
FY 20-21	1109.42	-0.51%													
FY 21-22	1135.67	2.37%		1136.47	2.44%	0.80	1148.39	3.51%	12.71	1144.20	3.14%	8.59	1145.00	3.21%	9.33
FY 22-23	1148.27	1.11%		1148.14	1.03%	-0.13	1159.83	1.00%	11.57	1146.64	0.21%	-1.63	1152.92	0.69%	4.66
FY 23-24	1157.00	0.76%		1155.78	0.67%	-1.22	1172.85	1.12%	15.86	1152.42	0.50%	-4.57	1164.98	1.05%	7.98
FY 24-25	1167.89	0.94%		1166.40	0.92%	-1.49	1186.24	1.14%	19.35	1160.93	0.74%	-6.95	1175.83	0.93%	7.94
FY 25-26	1181.10	1.13%		1179.68	1.14%	-1.42	1202.77	1.39%	21.67	1175.22	1.23%	-5.88	1191.36	1.32%	10.26
FY 26-27	1194.68	1.15%		1194.40	1.25%	-0.28	1217.72	1.24%	23.05	1190.99	1.34%	-3.69	1207.58	1.36%	12.90
FY 27-28	1208.38	1.15%		1209.86	1.29%	1.47	1232.79	1.24%	24.41	1207.06	1.35%	-1.32	1224.32	1.38%	15.84
FY 28-29	1222.34	1.16%		1224.78	1.23%	2.44	1248.18	1.25%	25.84	1223.84	1.39%	1.50	1239.96	1.29%	17.62
FY 29-30	1236.42	1.15%		1238.78	1.14%	2.37	1263.49	1.23%	27.07	1240.92	1.40%	4.50	1254.64	1.18%	18.23
FY 30-31	1250.46	1.14%		1253.20	1.16%	2.75	1278.89	1.23%	28.44	1258.28	1.40%	7.83	1269.89	1.21%	19.43

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**STATE BOARD OF ADMINISTRATION  
1801 HERMITAGE BOULEVARD  
TALLAHASSEE, FLORIDA 32308**

---

**TO:** Lamar Taylor  
**FROM:** Ben Alonzo   
**SUBJECT:** Fiscal Sufficiency  
**DATE:** July 28, 2022

---

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$113,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION SEAPORT INVESTMENT PROGRAM REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$113,000,000 State of Florida, Department of Transportation Seaport Investment Program Revenue Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding State of Florida, Department of Transportation Seaport Investment Program Revenue Bonds, Series 2013, and to pay certain costs of issuance. The Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the Governor and Cabinet on September 24, 2013, and the First Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on August 23, 2022.

The Department of Transportation has heretofore issued State of Florida, Department of Transportation Seaport Investment Program Revenue Bonds, Series 2013 ("the "Outstanding Bonds"). The Division has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Seaport Investment Program Revenue Bonds. The proposed Bonds shall be issued on a parity with the remaining Series 2013 Bonds, if any.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION  
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING  
\$113,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION  
SEAPORT INVESTMENT PROGRAM REVENUE REFUNDING BONDS,  
SERIES (TO BE DETERMINED)**

**WHEREAS**, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$113,000,000 State of Florida, Department of Transportation Seaport Investment Program Revenue Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding State of Florida, Department of Transportation Seaport Investment Program Revenue Bonds, Series 2013, and to pay certain costs of issuance; and,

**WHEREAS**, the Bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the Governor and Cabinet on September 24, 2013, and the First Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on August 23, 2022; and,

**WHEREAS**, the proposed Bonds shall be secured by and payable from the first \$10 million of the motor vehicle title fees transferred annually to the State Transportation Trust Fund (STTF) pursuant to Section 319.32, Florida Statutes, (the "Pledged Revenues") as described in the Resolution; and,

**WHEREAS**, the Department of Transportation has heretofore issued State of Florida, Department of Transportation Seaport Investment Program Revenue Bonds, Series 2013 (the "Outstanding Bonds"); and,

**WHEREAS**, the proposed Bonds shall be issued on a parity with the remaining Series 2013 Bonds, if any; and,

**WHEREAS**, the Division of Bond Finance of the State Board of Administration has requested the State Board of Administration to rescind its approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Seaport Investment Program Revenue Bonds; and

**WHEREAS**, the Division of Bond Finance has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

**WHEREAS**, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

**BE IT RESOLVED**, by the State Board of Administration of Florida, a constitutional body as described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, that the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$113,000,000 State of Florida, Department of Transportation Seaport Investment Program Revenue Refunding Bonds, Series (to be determined), is hereby approved as to fiscal sufficiency. In addition, the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for Seaport Investment Program Revenue Bonds is hereby rescinded.

**ADOPTED** August 23, 2022

STATE OF FLORIDA )

:

COUNTY OF LEON )

**I, Lamar Taylor**, Interim Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held August 23, 2022, approving the fiscal sufficiency of an amount not exceeding \$113,000,000 State of Florida, Department of Transportation Seaport Investment Program Revenue Refunding Bonds, Series (to be determined), and rescinding the approval of fiscal sufficiency with respect to the remaining balance, if any, of prior fiscal sufficiency approvals for State of Florida, Department of Transportation Seaport Investment Program Revenue Bonds.

**IN WITNESS WHEREOF**, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida this 23<sup>rd</sup> day of August 2022.

---

**Lamar Taylor**, Interim Executive Director & CIO

(SEAL)





**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DESANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

July 21, 2022

Mr. Lamar Taylor  
Interim Executive Director  
State Board of Administration  
Post Office Box 13300  
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$113,000,000 State of Florida, Department of Transportation Seaport Investment Program Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bonds. We request such approval at your board meeting of August 23, 2022.

The bonds will be payable from the first \$10 million of the motor vehicle title fees transferred annually to the State Transportation Trust Fund ("STTF") pursuant to Section 319.32(5)(a), Florida Statutes on a parity with the remaining Series 2013 Bonds, if any. The transfer to the STTF is from \$47 of each vehicle title fee charged, excluding for hire vehicles, and is limited to \$200 million annually. The remaining balance of the prior fiscal sufficiency approval of Seaport Investment Program Revenue Bonds should be rescinded.

The bonds will be issued to refund all or a portion of the outstanding Seaport Investment Program Revenue Bonds, Series 2013 and to pay costs associated with the issuance and sale of the bonds. The bonds will only be issued if there is debt service savings.

The bonds will be issued in one or more series pursuant to an authorizing resolution adopted by the Governor and Cabinet on September 24, 2013, and the First Supplemental Resolution anticipated to be adopted by the Governor and Cabinet on August 23, 2022, which will authorize the issuance and sale of the proposed refunding bonds.

The following documents are enclosed for your consideration:

- Enclosure 1: an estimated coverage table for the program based on outstanding debt service without consideration of the potential savings from the proposed refunding bonds and using the projected motor vehicle title fee revenues from the January 4, 2022, Highway Safety Revenue Estimating Conference as provided by the Department of Transportation;
- Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds;

Enclosure 3: the forecasts of motor vehicle title fees and transfers to the STTF pursuant to Section 319.32(5)(a), Florida Statutes, as provided by the Department of Transportation; and

Enclosure 4: a draft copy of the First Supplemental Resolution which is anticipated to be adopted by the Governor and Cabinet on August 23, 2022.

A draft of the fiscal sufficiency resolution should be sent to Donna Biggins and William Reynolds of this office for review. Should you have any questions, please contact either myself or William Reynolds at 488-4782. Your consideration in this matter is appreciated.

Very truly yours,

  
J. Ben Watkins III  
Director

JBW:wr

Enclosures

cc: Ben Alonzo  
Janie Knight  
Sharon Vice  
Alex Nottingham

**NOT EXCEEDING \$113,000,000**  
**STATE OF FLORIDA**  
**DEPARTMENT OF TRANSPORTATION**  
**SEAPORT INVESTMENT PROGRAM REVENUE REFUNDING BONDS**  
**SERIES [to be determined]**

**ESTIMATED DEBT SERVICE AND COVERAGE TABLE**

<b>Fiscal Year</b>	<b>Portion of Motor</b>	<b>Motor Vehicle</b>	<b>Outstanding</b>	<b>Estimated</b>
<b>Ending</b>	<b>Vehicle Title Fee</b>	<b>Title Fees</b>	<b>Seaport Debt</b>	<b>Debt Service</b>
<b><u>June 30</u></b>	<b><u>Collections (1)</u></b>	<b><u>Transferred to STTF (2)</u></b>	<b><u>Service (3)</u></b>	<b><u>Coverage</u></b>
<u>Historical</u>				
2017	\$242,674,616	\$200,000,000	\$8,581,550	23.31x
2018	244,921,492	200,000,000	8,583,300	23.30x
2019	245,507,313	200,000,000	8,579,050	23.31x
2020	231,652,314	200,000,000	8,583,800	23.30x
2021	266,700,450	200,000,000	8,581,800	23.31x
<u>Projected</u>				
2022	\$255,580,274	\$200,000,000	\$8,583,050	23.30x
2023	258,458,783	200,000,000	8,582,050	23.30x
2024	260,824,918	200,000,000	8,583,550	23.30x
2025	261,424,815	200,000,000	8,582,050	23.30x
2026	262,026,092	200,000,000	8,582,300	23.30x
2027	262,628,752	200,000,000	8,583,800	23.30x
2028	262,628,752	200,000,000	8,581,050	23.31x
2029	262,628,752	200,000,000	8,578,800	23.31x
2030	262,628,752	200,000,000	8,581,550	23.31x
2031	262,628,752	200,000,000	8,583,550	23.30x
2032	262,628,752	200,000,000	8,579,300	23.31x
2033	262,628,752	200,000,000	8,583,550	23.30x
2034	262,628,752	200,000,000	8,581,950	23.30x
2035	262,628,752	200,000,000	8,582,150	23.30x
2036	262,628,752	200,000,000	8,583,750	23.30x
2037	262,628,752	200,000,000	8,583,250	23.30x
2038	262,628,752	200,000,000	8,583,250	23.30x
2039	262,628,752	200,000,000	8,583,000	23.30x
2040	262,628,752	200,000,000	8,581,750	23.31x
2041	262,628,752	200,000,000	8,583,750	23.30x
2042	262,628,752	200,000,000	8,583,000	23.30x
2043	262,628,752	200,000,000	8,583,750	23.30x

(1) This amount represents \$47 of each vehicle title fee charged, excluding for hire vehicles and has been provided by the Department of Highway Safety and Motor Vehicles and the Department of Transportation. Projections for 2022 through 2027 are based on estimated number of transactions from the January 4, 2022 Highway Safety Revenue Estimating Conference. Projections for 2027 have been held constant thereafter. No assurance can be given that material differences between such projections and actual results will not occur.

(2) The bonds are secured and payable from the first \$10 million of the motor vehicle title fees transferred to the STTF pursuant to Section 319.32(5)(a), Florida Statutes. The annual transfers to the STTF began in 2013 and are from the \$47 portion of the motor vehicle title fees and are limited to \$200 million annually.

(3) Includes debt service for the Seaport Investment Program Revenue Bonds, Series 2013.

## SAVINGS

### State of Florida Department of Transportation Seaport Investment Program Revenue Refunding Bonds, Series 2023A

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Preliminary Calculations 7/6/2022

Date	Prior Debt Service	Escrow Earnings Est. @ 0.50% Sinking Fund Accrual		Prior Net Cash Flow	Refunding Debt Service	Savings	Present Value to 04/01/2023 @ 2.9198769%
07/01/2023	2,626,775.00	138,393.00	1,313,387.50	1,451,780.50	1,202,937.50	248,843.00	237,562.56
07/01/2024	8,583,550.00			8,583,550.00	7,721,750.00	861,800.00	834,242.24
07/01/2025	8,582,050.00			8,582,050.00	7,721,250.00	860,800.00	809,326.16
07/01/2026	8,582,300.00			8,582,300.00	7,723,500.00	858,800.00	784,236.10
07/01/2027	8,583,800.00			8,583,800.00	7,723,000.00	860,800.00	763,448.99
07/01/2028	8,581,050.00			8,581,050.00	7,719,500.00	861,550.00	742,128.15
07/01/2029	8,578,800.00			8,578,800.00	7,717,750.00	861,050.00	720,351.95
07/01/2030	8,581,550.00			8,581,550.00	7,722,250.00	859,300.00	698,193.81
07/01/2031	8,583,550.00			8,583,550.00	7,722,250.00	861,300.00	679,659.00
07/01/2032	8,579,300.00			8,579,300.00	7,717,500.00	861,800.00	660,457.79
07/01/2033	8,583,550.00			8,583,550.00	7,722,750.00	860,800.00	640,676.40
07/01/2034	8,581,950.00			8,581,950.00	7,722,000.00	859,950.00	621,858.69
07/01/2035	8,582,150.00			8,582,150.00	7,725,000.00	857,150.00	602,241.74
07/01/2036	8,583,750.00			8,583,750.00	7,726,000.00	857,750.00	585,570.67
07/01/2037	8,583,250.00			8,583,250.00	7,724,500.00	858,750.00	569,361.55
07/01/2038	8,583,250.00			8,583,250.00	7,725,000.00	858,250.00	552,629.55
07/01/2039	8,583,000.00			8,583,000.00	7,721,750.00	861,250.00	538,567.26
07/01/2040	8,581,750.00			8,581,750.00	7,724,250.00	857,500.00	520,755.72
07/01/2041	8,583,750.00			8,583,750.00	7,721,500.00	862,250.00	508,523.91
07/01/2042	8,583,000.00			8,583,000.00	7,723,000.00	860,000.00	492,551.18
07/01/2043	8,583,750.00			8,583,750.00	7,722,750.00	861,000.00	478,875.93
	174,275,875.00	138,393.00	1,313,387.50	173,100,880.50	155,650,187.50	17,450,693.00	13,041,219.34

### Savings Summary

PV of savings from cash flow	13,041,219.34
Plus: Refunding funds on hand	4,536.75
Net PV Savings	13,045,756.09

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
BT1 - BASE TITLE \$3.00	478,309	542,493	616,641	604,275	539,084	572,370	548,505	554,682	559,760	561,048	562,338	563,631
BT2 - BASE TITLE	39,303,667	36,487,211	38,309,568	39,146,308	35,666,764	35,170,463	33,704,017	34,083,614	34,395,642	34,474,752	34,554,044	34,633,518
BT3 - BASE TITLE FEE \$1.00	153,912	176,994	199,440	201,931	195,024	224,036	214,695	217,113	219,100	219,604	220,109	220,616
BT5 - BASE TITLE (NOT FOR HIRE) \$47	239,568,321	242,674,616	244,921,492	245,507,313	231,652,314	266,700,450	255,580,274	258,458,783	260,824,918	261,424,815	262,026,092	262,628,752
BT6 - BASE TITLE (NOT FOR HIRE) \$1	5,045,835	5,111,903	5,161,010	5,176,209	4,889,444	5,632,894	5,398,028	5,458,824	5,508,798	5,521,469	5,534,168	5,546,897
Total Title2A	284,550,043	284,993,217	289,208,151	290,636,036	272,942,630	308,300,212	295,445,519	298,773,016	301,508,218	302,201,687	302,896,751	303,593,414


	STTF	GR	Total
FY 2020-21	200,000,000	66,700,450	266,700,450
FY 2021-22	200,000,000	55,580,274	255,580,274
FY 2022-23	200,000,000	58,458,783	258,458,783
FY 2023-24	200,000,000	60,824,918	260,824,918
FY 2024-25	200,000,000	61,424,815	261,424,815
FY 2025-26	200,000,000	62,026,092	262,026,092
FY 2026-27	200,000,000	62,628,752	262,628,752

Updated for the Jan 2022 HSMV REC  
The projections are only for the \$47 Title Fee (BT5)

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**STATE BOARD OF ADMINISTRATION  
1801 HERMITAGE BOULEVARD  
TALLAHASSEE, FLORIDA 32308**

---

**TO:** Lamar Taylor  
**FROM:** Ben Alonzo   
**SUBJECT:** Fiscal Sufficiency  
**DATE:** July 28, 2022

---

**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING \$444,100,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration (the “Division”), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$444,100,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) (the “Bonds”) for the purpose of financing the construction or acquisition of capital improvements to the Turnpike System, and to pay certain costs of issuance. The Bonds will be issued pursuant to the Original Authorizing Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and as supplemented by the Fifty-ninth Supplemental Resolution expected to be adopted by the Governor and Cabinet on August 23, 2022.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2012A through 2022B (collectively, the “Outstanding Bonds”). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$275,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the “Previously Approved Bonds”) at its September 21, 2021, meeting, of which \$96,705,000 remains unissued. Additionally, the Division is concurrently requesting approval for the fiscal sufficiency of an amount not exceeding \$214,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the “Requested Refunding Bonds”) at the August 23, 2022, meeting. The proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds, the Previously Approved Bonds, and the Requested Refunding Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION  
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING  
\$444,100,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION  
TURNPIKE REVENUE BONDS, SERIES (TO BE DETERMINED)**

**WHEREAS**, the Division of Bond Finance of the State Board of Administration (the “Division”) proposes to issue an amount not exceeding \$444,100,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) (the “Bonds”), on behalf of the State of Florida Department of Transportation (the “Department”), for the purpose financing the construction or acquisition of capital improvements to the Turnpike System, and to pay costs associated with the issuance of the proposed bonds; and,

**WHEREAS**, the Bonds will be issued pursuant to the Original Authorizing Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, and as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and as supplemented by the Fifty-ninth Supplemental Resolution expected to be adopted by the Governor and Cabinet on August 23, 2022, (together, the “Resolution”); and,

**WHEREAS**, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

**WHEREAS**, the Division, on behalf of the Department has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2012A through 2022B (collectively, the “Outstanding Bonds”); and,

**WHEREAS**, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$275,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the “Previously Approved Bonds”) at its September 21, 2021, meeting, of which \$96,705,000 remains unissued; and,

**WHEREAS**, the Division is concurrently requesting approval for fiscal sufficiency of an amount not exceeding \$214,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the “Requested Refunding Bonds”) at the August 23, 2022, meeting; and,

**WHEREAS**, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds; when and if issued, the unissued portion of the Previously Approved Bonds; and the Requested Refunding Bonds and,

**WHEREAS**, the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Turnpike System, less any necessary contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,

**WHEREAS**, the Department has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,



**WHEREAS**, tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and;

**WHEREAS**, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

**WHEREAS**, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

**WHEREAS**, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

**WHEREAS**, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

**BE IT RESOLVED**, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$444,100,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

**ADOPTED** August 23, 2022

STATE OF FLORIDA )  
:  
COUNTY OF LEON )

**I, Lamar Taylor**, Interim Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held August 23, 2022, approving the fiscal sufficiency of an amount not exceeding \$444,100,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined).

**IN WITNESS WHEREOF**, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 23<sup>rd</sup> day of August 2022.

---

**Lamar Taylor**, Interim Executive Director & CIO

(SEAL)



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DeSANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

July 22, 2022

Mr. Lamar Taylor  
Interim Executive Director  
State Board of Administration  
Post Office Box 13300  
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$444,100,000 State of Florida, Department of Transportation Turnpike Revenue Bonds, Series (to be determined)

Dear Mr. Taylor:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bonds. We request such approval at your board meeting of August 23, 2022.

The bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2012A through 2022B Bonds; the remaining \$96,705,000 of the Turnpike Revenue Refunding Bonds Series (to be determined) for which fiscal sufficiency was approved on September 21, 2021, when and if issued; and the not exceeding \$214,000,000 Turnpike Revenue Refunding Bonds Series (to be determined) also requested for fiscal sufficiency approval on August 23, 2022, when and if issued.

The proposed bonds will be issued to finance a portion of the costs of acquisition of the turnpike projects and to pay costs associated with the issuance and sale of the proposed bonds.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-ninth Supplemental Resolution expected to be adopted by the Governor and Cabinet on August 23, 2022. Copies of the Original Resolution and the Forty-eighth Supplemental Resolution have previously been provided to you.

The following documents are enclosed for your consideration:

Enclosure 1: an estimated coverage table for the program, including the issuance of the proposed bonds;

July 22, 2022

Page Two

Enclosure 2: an estimated debt service schedule for the proposed bonds; and

Enclosure 3: a draft copy of the Fifty-ninth Supplemental Resolution, which is expected to be adopted on August 23, 2022.

A draft of the fiscal sufficiency resolution should be sent to Whitney Fason and Kristy Mock of this office for review. Should you have any questions, please contact either myself or Kristy Mock at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,

A handwritten signature in blue ink that reads "Kimbley J. Nichols for". The signature is written in a cursive, flowing style.

J. Ben Watkins III  
Director

JBW:km

Enclosures

cc: Ben Alonzo  
Janie Knight  
Sharon Vice  
Alex Nottingham

**NOT EXCEEDING \$444,100,000**  
**STATE OF FLORIDA**  
**DEPARTMENT OF TRANSPORTATION**  
**TURNPIKE REVENUE BONDS SERIES (TO BE DETERMINED)**  
**ESTIMATED COVERAGE TABLE**

FISCAL YEAR ENDING JUNE 30	HISTORICAL/PROJECTED PLEDGED REVENUES <sup>1</sup>				Estimated New Money Debt Service			TOTAL DEBT SERVICE	LESS FEDERAL SUBSIDY <sup>4</sup>	NET DEBT SERVICE	NET DEBT SERVICE COVERAGE
	TURNPIKE SYSTEM REVENUES	OPERATIONS & MAINTENANCE EXPENSES <sup>2</sup>	NET REVENUE	OUTSTANDING DEBT SERVICE	Principal	Interest <sup>3</sup>	Total				
Historical											
2017	\$1,044,530,000	\$208,198,000	\$836,332,000	\$262,926,889				\$262,926,889	(\$5,532,934)	\$257,393,955	3.25 x
2018	1,063,729,000	233,020,000	830,709,000	262,065,250				262,065,250	(5,550,763)	256,514,487	3.24 x
2019	1,078,094,000	238,344,000	839,750,000	262,541,720				262,541,720	(3,561,256)	258,980,464	3.24 x
2020	995,849,000	242,882,000	752,967,000	251,894,668				251,894,668	-	251,894,668	2.99 x
2021	1,012,690,000	252,491,000	760,199,000	257,794,504				257,794,504		257,794,504	2.95 x
Projected											
2022	\$1,054,772,000	\$249,772,000	\$805,000,000	\$262,947,627				\$262,947,627		\$262,947,627	3.06 x
2023	1,113,159,000	260,142,000	853,017,000	266,967,028	\$2,325,000	\$7,401,667	\$9,726,667	276,693,694		276,693,694	3.08 x
2024	1,158,623,000	266,139,000	892,484,000	265,910,778	7,090,000	22,088,750	29,178,750	295,089,528		295,089,528	3.15 x
2025	1,198,261,000	271,097,000	927,164,000	265,412,028	7,445,000	21,734,250	29,179,250	294,591,278		294,591,278	3.15 x
2026	1,237,502,000	277,875,000	959,627,000	244,672,778	7,815,000	21,362,000	29,177,000	273,849,778		273,849,778	3.50 x
2027	1,275,569,000	284,821,000	990,748,000	243,784,878	8,205,000	20,971,250	29,176,250	272,961,128		272,961,128	3.63 x
2028	1,309,037,000	291,943,000	1,017,094,000	217,701,169	8,615,000	20,561,000	29,176,000	246,877,169		246,877,169	4.12 x
2029	1,342,453,000	299,241,000	1,043,212,000	212,283,469	9,045,000	20,130,250	29,175,250	241,458,719		241,458,719	4.32 x
2030	1,376,471,000	306,722,000	1,069,749,000	207,857,263	9,500,000	19,678,000	29,178,000	237,035,263		237,035,263	4.51 x
2031	1,406,387,000	314,391,000	1,091,996,000	205,376,213	9,975,000	19,203,000	29,178,000	234,554,213		234,554,213	4.66 x
2032	1,432,707,000	322,251,000	1,110,456,000	205,357,550	10,475,000	18,704,250	29,179,250	234,536,800		234,536,800	4.73 x
2033	1,432,707,000	322,251,000	1,110,456,000	205,372,150	10,995,000	18,180,500	29,175,500	234,547,650		234,547,650	4.73 x
2034	1,432,707,000	322,251,000	1,110,456,000	196,006,894	11,545,000	17,630,750	29,175,750	225,182,644		225,182,644	4.93 x
2035	1,432,707,000	322,251,000	1,110,456,000	180,482,544	12,125,000	17,053,500	29,178,500	209,661,044		209,661,044	5.30 x
2036	1,432,707,000	322,251,000	1,110,456,000	180,487,344	12,730,000	16,447,250	29,177,250	209,664,594		209,664,594	5.30 x
2037	1,432,707,000	322,251,000	1,110,456,000	150,773,006	13,365,000	15,810,750	29,175,750	179,948,756		179,948,756	6.17 x
2038	1,432,707,000	322,251,000	1,110,456,000	139,811,438	14,035,000	15,142,500	29,177,500	168,988,938		168,988,938	6.57 x
2039	1,432,707,000	322,251,000	1,110,456,000	139,743,763	14,735,000	14,440,750	29,175,750	168,919,513		168,919,513	6.57 x
2040	1,432,707,000	322,251,000	1,110,456,000	122,596,431	15,475,000	13,704,000	29,179,000	151,775,431		151,775,431	7.32 x
2041	1,432,707,000	322,251,000	1,110,456,000	110,174,256	16,245,000	12,930,250	29,175,250	139,349,506		139,349,506	7.97 x
2042	1,432,707,000	322,251,000	1,110,456,000	104,992,100	17,060,000	12,118,000	29,178,000	134,170,100		134,170,100	8.28 x
2043	1,432,707,000	322,251,000	1,110,456,000	98,685,638	17,910,000	11,265,000	29,175,000	127,860,638		127,860,638	8.68 x
2044	1,432,707,000	322,251,000	1,110,456,000	88,265,613	18,810,000	10,369,500	29,179,500	117,445,113		117,445,113	9.46 x
2045	1,432,707,000	322,251,000	1,110,456,000	81,491,888	19,750,000	9,429,000	29,179,000	110,670,888		110,670,888	10.03 x
2046	1,432,707,000	322,251,000	1,110,456,000	71,450,500	20,735,000	8,441,500	29,176,500	100,627,000		100,627,000	11.04 x
2047	1,432,707,000	322,251,000	1,110,456,000	71,449,900	21,770,000	7,404,750	29,174,750	100,624,650		100,624,650	11.04 x
2048	1,432,707,000	322,251,000	1,110,456,000	71,455,700	22,860,000	6,316,250	29,176,250	100,631,950		100,631,950	11.03 x
2049	1,432,707,000	322,251,000	1,110,456,000	53,347,525	24,005,000	5,173,250	29,178,250	82,525,775		82,525,775	13.46 x
2050	1,432,707,000	322,251,000	1,110,456,000	43,801,188	25,205,000	3,973,000	29,178,000	72,979,188		72,979,188	15.22 x
2051	1,432,707,000	322,251,000	1,110,456,000	34,550,388	26,465,000	2,712,750	29,177,750	63,728,138		63,728,138	17.42 x
2052	1,432,707,000	322,251,000	1,110,456,000	8,476,000	27,790,000	1,389,500	29,179,500	37,655,500		37,655,500	29.49 x
					\$ 444,100,000	\$ 411,767,167	\$ 855,867,167				

<sup>1</sup> Numbers are rounded to nearest thousand dollars. Fiscal Years 2017 through 2021 represent audited financial results. Projected revenues and expenses for fiscal year 2022 through fiscal year 2032 have been provided by the Turnpike's traffic and revenue consultant as of September 30, 2021. For fiscal years 2032 and thereafter, revenue and expense projections have been held constant. **No representation is made that the amounts shown in any projected fiscal year will be collected.**

<sup>2</sup> The operations and maintenance expenses are paid by the Department of Transportation under an operations agreement and then reimbursed by the Turnpike after debt service. The operations agreement is enforceable by bondholders.

<sup>3</sup> Estimated interest calculated at 5.0%.

<sup>4</sup> Federal subsidy payments on Build America Bonds Series 2009B, adjusted for actual impact for Sequestration through 2019. The Build America Bonds Series 2009B were called and redeemed on July 1, 2019.


## BOND DEBT SERVICE

### State of Florida Department of Transportation Turnpike Revenue Bonds, Series (to be determined) Fiscal Sufficiency

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>
07/01/2023	2,325,000	5.000%	7,401,666.65	9,726,666.65	9,726,666.65
01/01/2024	-	-	11,044,375.00	11,044,375.00	-
07/01/2024	7,090,000	5.000%	11,044,375.00	18,134,375.00	29,178,750.00
01/01/2025	-	-	10,867,125.00	10,867,125.00	-
07/01/2025	7,445,000	5.000%	10,867,125.00	18,312,125.00	29,179,250.00
01/01/2026	-	-	10,681,000.00	10,681,000.00	-
07/01/2026	7,815,000	5.000%	10,681,000.00	18,496,000.00	29,177,000.00
01/01/2027	-	-	10,485,625.00	10,485,625.00	-
07/01/2027	8,205,000	5.000%	10,485,625.00	18,690,625.00	29,176,250.00
01/01/2028	-	-	10,280,500.00	10,280,500.00	-
07/01/2028	8,615,000	5.000%	10,280,500.00	18,895,500.00	29,176,000.00
01/01/2029	-	-	10,065,125.00	10,065,125.00	-
07/01/2029	9,045,000	5.000%	10,065,125.00	19,110,125.00	29,175,250.00
01/01/2030	-	-	9,839,000.00	9,839,000.00	-
07/01/2030	9,500,000	5.000%	9,839,000.00	19,339,000.00	29,178,000.00
01/01/2031	-	-	9,601,500.00	9,601,500.00	-
07/01/2031	9,975,000	5.000%	9,601,500.00	19,576,500.00	29,178,000.00
01/01/2032	-	-	9,352,125.00	9,352,125.00	-
07/01/2032	10,475,000	5.000%	9,352,125.00	19,827,125.00	29,179,250.00
01/01/2033	-	-	9,090,250.00	9,090,250.00	-
07/01/2033	10,995,000	5.000%	9,090,250.00	20,085,250.00	29,175,500.00
01/01/2034	-	-	8,815,375.00	8,815,375.00	-
07/01/2034	11,545,000	5.000%	8,815,375.00	20,360,375.00	29,175,750.00
01/01/2035	-	-	8,526,750.00	8,526,750.00	-
07/01/2035	12,125,000	5.000%	8,526,750.00	20,651,750.00	29,178,500.00
01/01/2036	-	-	8,223,625.00	8,223,625.00	-
07/01/2036	12,730,000	5.000%	8,223,625.00	20,953,625.00	29,177,250.00
01/01/2037	-	-	7,905,375.00	7,905,375.00	-
07/01/2037	13,365,000	5.000%	7,905,375.00	21,270,375.00	29,175,750.00
01/01/2038	-	-	7,571,250.00	7,571,250.00	-
07/01/2038	14,035,000	5.000%	7,571,250.00	21,606,250.00	29,177,500.00
01/01/2039	-	-	7,220,375.00	7,220,375.00	-
07/01/2039	14,735,000	5.000%	7,220,375.00	21,955,375.00	29,175,750.00
01/01/2040	-	-	6,852,000.00	6,852,000.00	-
07/01/2040	15,475,000	5.000%	6,852,000.00	22,327,000.00	29,179,000.00
01/01/2041	-	-	6,465,125.00	6,465,125.00	-
07/01/2041	16,245,000	5.000%	6,465,125.00	22,710,125.00	29,175,250.00
01/01/2042	-	-	6,059,000.00	6,059,000.00	-
07/01/2042	17,060,000	5.000%	6,059,000.00	23,119,000.00	29,178,000.00
01/01/2043	-	-	5,632,500.00	5,632,500.00	-
07/01/2043	17,910,000	5.000%	5,632,500.00	23,542,500.00	29,175,000.00
01/01/2044	-	-	5,184,750.00	5,184,750.00	-
07/01/2044	18,810,000	5.000%	5,184,750.00	23,994,750.00	29,179,500.00
01/01/2045	-	-	4,714,500.00	4,714,500.00	-
07/01/2045	19,750,000	5.000%	4,714,500.00	24,464,500.00	29,179,000.00
01/01/2046	-	-	4,220,750.00	4,220,750.00	-
07/01/2046	20,735,000	5.000%	4,220,750.00	24,955,750.00	29,176,500.00
01/01/2047	-	-	3,702,375.00	3,702,375.00	-
07/01/2047	21,770,000	5.000%	3,702,375.00	25,472,375.00	29,174,750.00
01/01/2048	-	-	3,158,125.00	3,158,125.00	-
07/01/2048	22,860,000	5.000%	3,158,125.00	26,018,125.00	29,176,250.00
01/01/2049	-	-	2,586,625.00	2,586,625.00	-
07/01/2049	24,005,000	5.000%	2,586,625.00	26,591,625.00	29,178,250.00
01/01/2050	-	-	1,986,500.00	1,986,500.00	-
07/01/2050	25,205,000	5.000%	1,986,500.00	27,191,500.00	29,178,000.00
01/01/2051	-	-	1,356,375.00	1,356,375.00	-
07/01/2051	26,465,000	5.000%	1,356,375.00	27,821,375.00	29,177,750.00
01/01/2052	-	-	694,750.00	694,750.00	-
07/01/2052	27,790,000	5.000%	694,750.00	28,484,750.00	29,179,500.00
	444,100,000		411,767,166.65	855,867,166.65	855,867,166.65

**STATE BOARD OF ADMINISTRATION  
1801 HERMITAGE BOULEVARD  
TALLAHASSEE, FLORIDA 32308**

---

**TO:** Lamar Taylor  
**FROM:** Ben Alonzo   
**SUBJECT:** Fiscal Sufficiency  
**DATE:** July 28, 2022

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**APPROVAL OF FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING  
\$214,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION  
TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED):**

The Division of Bond Finance of the State Board of Administration (the "Division"), on behalf of the State of Florida Department of Transportation, has submitted for approval as to fiscal sufficiency a proposal to issue an amount not exceeding \$214,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Bonds") for the purpose of refunding all or a portion of the outstanding Series 2013A and 2013C Bonds. The Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-eighth Supplemental Resolution expected to be adopted by the Governor and Cabinet on August 23, 2022.

The Division, on behalf of the Department of Transportation, has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2012A through 2022B (the "Outstanding Bonds"). The State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$275,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Previously Approved Bonds") at its September 21, 2021, meeting, of which \$96,705,000 remains unissued. Additionally, the Division is concurrently requesting approval for the fiscal sufficiency of an amount not exceeding \$444,100,000 Turnpike Revenue Bonds, Series (to be determined) (the "Requested New Money Bonds") at the August 23, 2022, meeting. The proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds, the Previously Approved Bonds, and the Requested New Money Bonds. The Bonds shall not be secured by a pledge of the full faith and credit or the taxing power of the State of Florida or any political subdivision thereof.

A study of this proposal and the estimates of revenue expected to accrue indicate that the proposed Bonds are fiscally sufficient and that the proposal will be executed pursuant to the applicable provisions of law.

**RECOMMENDATION:** It is recommended that the Board approve the proposal outlined above.

cc: Janie Knight

**A RESOLUTION OF THE STATE BOARD OF ADMINISTRATION  
APPROVING THE FISCAL SUFFICIENCY OF AN AMOUNT NOT EXCEEDING  
\$214,000,000 STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION  
TURNPIKE REVENUE REFUNDING BONDS, SERIES (TO BE DETERMINED)**

**WHEREAS**, the Division of Bond Finance of the State Board of Administration (the "Division") proposes to issue an amount not exceeding \$214,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Bonds"), on behalf of the State of Florida Department of Transportation, for the purpose of refunding all or a portion of the outstanding Series 2013A and 2013C Bonds and to pay costs associated with the issuance and sale of the proposed Bonds; and,

**WHEREAS**, the Bonds will be issued pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-eighth Supplemental Resolution expected to be adopted by the Governor and Cabinet on August 23, 2022, (together, the "Resolution"); and,

**WHEREAS**, the Division has requested the State Board of Administration to approve the fiscal sufficiency of the proposed bond issue as required by Section 215.73, Florida Statutes; and,

**WHEREAS**, the Division, on behalf of the Department of Transportation has heretofore issued Turnpike Revenue and Revenue Refunding Bonds, Series 2012A through 2022B (the "Outstanding Bonds"); and,

**WHEREAS**, the State Board of Administration has approved the fiscal sufficiency of an amount not exceeding \$275,000,000 Turnpike Revenue Refunding Bonds, Series (to be determined) (the "Previously Approved Bonds") at its September 21, 2021, meeting, of which \$96,705,000 remains unissued; and,

**WHEREAS**, the Division is concurrently requesting approval for fiscal sufficiency of an amount not exceeding \$444,100,000 Turnpike Revenue Bonds, Series (to be determined) (the "Requested New Money Bonds") at the August 23, 2022, meeting; and,

**WHEREAS**, the proposed Bonds shall be issued on a parity as to source and security for payment with the Outstanding Bonds; when and if issued, the unissued portion of the Previously Approved Bonds; and the Requested New Money Bonds and,

**WHEREAS**, the proposed Bonds shall be secured by a first lien upon Net Revenues of the Turnpike System, which consists of all tolls, revenues, rates, fees, charges, receipts, rents or other income derived from, or in connection with, the operation of the Florida Turnpike, less any necessary contribution to fund the Cost of Maintenance and Cost of Operation after taking into account other sources of funds available to fund the Cost of Maintenance and Cost of Operation; and,



**WHEREAS**, the Florida Department of Transportation has covenanted to pay the Cost of Maintenance and Cost of Operation of the Turnpike System from moneys in the State Transportation Trust Fund; and,

**WHEREAS**, tolls are required to be fixed, and adjusted if necessary, so that gross revenues shall be sufficient to pay at least (i) 100% of Operation and Maintenance costs; (ii) 120% of the Annual Debt Service Requirement; and (iii) 100% of all other payments required by the Resolution; and;

**WHEREAS**, an examination of this plan of financing indicated that the same will be executed pursuant to the applicable provisions of law, and that the revenue to be used in servicing and liquidating the indebtedness to be created thereby may be reasonably expected to accrue in amounts sufficient to accomplish this purpose; and,

**WHEREAS**, the estimate of toll revenues available indicates that sufficient moneys can be pledged to exceed the debt service requirements of the proposed issue and that in no State fiscal year will the moneys pledged for the debt service requirement of the proposed issue be less than the required coverage amount; and,

**WHEREAS**, the Division has furnished sufficient information to enable the State Board of Administration to fulfill its duties pursuant to Section 215.73, Florida Statutes; and,

**WHEREAS**, the State Board of Administration has relied upon information from others but has not independently verified the accuracy or completeness of such information; and,

**WHEREAS**, the State Board of Administration does not approve or disapprove the Bonds as an investment and has not passed upon the accuracy or adequacy of the Official Statement; **Now, Therefore,**

**BE IT RESOLVED**, by the State Board of Administration of Florida, a constitutional body created by Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, that pursuant to the requirements of Section 215.73, Florida Statutes, the proposal of the Division of Bond Finance of the State Board of Administration to issue an amount not exceeding \$214,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined) for the uses and purposes hereinabove set forth, is hereby approved as to fiscal sufficiency.

**ADOPTED** August 23, 2022

STATE OF FLORIDA )  
:  
COUNTY OF LEON )

**I, Lamar Taylor**, Interim Executive Director & CIO of the State Board of Administration of Florida, a constitutional body described in Section 4 of Article IV of the Constitution of the State of Florida, as revised in 1968 and subsequently amended, **DO HEREBY CERTIFY** that the above and foregoing is a true and correct copy of a resolution adopted by said Board at a meeting held August 23, 2022, approving the fiscal sufficiency of an amount not exceeding \$214,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined).

**IN WITNESS WHEREOF**, I have hereunto set my hand and the seal of said Board at Tallahassee, Leon County, Florida, this 23<sup>rd</sup> day of August 2022.

---

**Lamar Taylor**, Interim Executive Director & CIO

(SEAL)



**J. BEN WATKINS III**  
DIRECTOR

## STATE OF FLORIDA DIVISION OF BOND FINANCE

**RON DeSANTIS**  
GOVERNOR

**ASHLEY MOODY**  
ATTORNEY GENERAL

**JIMMY PATRONIS**  
CHIEF FINANCIAL OFFICER

**NIKKI FRIED**  
COMMISSIONER OF AGRICULTURE

July 22, 2022

Mr. Lamar Taylor  
Interim Executive Director  
State Board of Administration  
Post Office Box 13300  
Tallahassee, Florida 32317-3300

RE: Not Exceeding \$214,000,000 State of Florida, Department of Transportation Turnpike Revenue Refunding Bonds, Series (to be determined)

Dear Mr. Taylor:

In compliance with Section 215.73, Florida Statutes, the Division of Bond Finance requests State Board of Administration approval as to fiscal sufficiency for the above referenced bonds. We request such approval at your board meeting of August 23, 2022.

The bonds will be payable from the net revenues of the turnpike system on a parity with the outstanding Series 2012A through 2022B Bonds; the remaining \$96,705,000 of the Turnpike Revenue Refunding Bonds Series (to be determined) for which fiscal sufficiency was approved on September 21, 2021, when and if issued; and the not exceeding \$444,100,00 Turnpike Revenue Bonds Series (to be determined) also requested for fiscal sufficiency approval on August 23, 2022, when and if issued.

The proposed bonds will be issued to refund all or a portion of the outstanding callable Turnpike Revenue Bonds, Series 2013A and 2013C and to pay costs associated with the issuance and sale of the proposed bonds. The bonds will only be issued if there is debt service savings.

The bonds will be issued in one or more series pursuant to the Original Resolution adopted on October 25, 1988, as amended and restated on May 17, 2005, as amended by the Forty-eighth Supplemental Resolution adopted on December 4, 2018, and the Fifty-eighth Supplemental Resolution expected to be adopted by the Governor and Cabinet on August 23, 2022. Copies of the Original Resolution and the Forty-eighth Supplemental Resolution have previously been provided to you.

July 22, 2022

Page Two

The following documents are enclosed for your consideration:

- Enclosure 1: an estimated coverage table for the program based on outstanding debt service, and the proposed \$444,100,000 Turnpike Revenue Bonds Series (to be determined) also requested for fiscal sufficiency approval on August 23, 2022, without consideration of the potential savings from the proposed refunding bonds;
- Enclosure 2: an estimated debt service and savings schedule from a recent sizing of the proposed refunding bonds; and
- Enclosure 3: a draft copy of the Fifty-eighth Supplemental Resolution, which is expected to be adopted on August 23, 2022.

A draft of the fiscal sufficiency resolution should be sent to Whitney Fason and Kristy Mock of this office for review. Should you have any questions, please contact either myself or Kristy Mock at 488-4782. Your consideration of this matter is appreciated.

Very truly yours,



J. Ben Watkins III  
Director

JBW:km

Enclosures

cc: Ben Alonzo  
Janie Knight  
Sharon Vice  
Alex Nottingham

**NOT EXCEEDING \$214,000,000**  
**STATE OF FLORIDA**  
**DEPARTMENT OF TRANSPORTATION**  
**TURNPIKE REVENUE REFUNDING BONDS SERIES (TO BE DETERMINED)**  
**ESTIMATED COVERAGE TABLE**

FISCAL YEAR ENDING JUNE 30	HISTORICAL/PROJECTED PLEDGED REVENUES <sup>1</sup>			OUTSTANDING DEBT SERVICE	Estimated \$444,100,000 New Money Debt Service Requested for Approval on August 23, 2022			TOTAL DEBT SERVICE	LESS FEDERAL SUBSIDY <sup>4</sup>	NET DEBT SERVICE	NET DEBT SERVICE COVERAGE
	TURNPIKE SYSTEM REVENUES	OPERATIONS & MAINTENANCE EXPENSES <sup>2</sup>	NET REVENUE		Principal	Interest <sup>3</sup>	Total				
Historical											
2017	\$1,044,530,000	\$208,198,000	\$836,332,000	\$262,926,889				\$262,926,889	(\$5,532,934)	\$257,393,955	3.25 x
2018	1,063,729,000	233,020,000	830,709,000	262,065,250				262,065,250	(3,550,763)	256,514,487	3.24 x
2019	1,078,094,000	238,344,000	839,750,000	262,541,720				262,541,720	(3,561,256)	258,980,464	3.24 x
2020	995,849,000	242,882,000	752,967,000	251,894,668				251,894,668	-	251,894,668	2.99 x
2021	1,012,690,000	252,491,000	760,199,000	257,794,504				257,794,504		257,794,504	2.95 x
Projected											
2022	\$1,054,772,000	\$249,772,000	\$805,000,000	\$262,947,627				\$262,947,627		\$262,947,627	3.06 x
2023	1,113,159,000	260,142,000	853,017,000	266,967,028	\$2,325,000	\$7,401,667	\$9,726,667	276,693,694		276,693,694	3.08 x
2024	1,158,623,000	266,139,000	892,484,000	265,910,778	7,090,000	22,088,750	29,178,750	295,089,528		295,089,528	3.02 x
2025	1,198,261,000	271,097,000	927,164,000	265,412,028	7,445,000	21,734,250	29,179,250	294,591,278		294,591,278	3.15 x
2026	1,237,502,000	277,875,000	959,627,000	244,672,778	7,815,000	21,362,000	29,177,000	273,849,778		273,849,778	3.50 x
2027	1,275,569,000	284,821,000	990,748,000	243,784,878	8,205,000	20,971,250	29,176,250	272,961,128		272,961,128	3.63 x
2028	1,309,037,000	291,943,000	1,017,094,000	217,701,169	8,615,000	20,561,000	29,176,000	246,877,169		246,877,169	4.12 x
2029	1,342,453,000	299,241,000	1,043,212,000	212,283,469	9,045,000	20,130,250	29,175,250	241,458,719		241,458,719	4.32 x
2030	1,376,471,000	306,722,000	1,069,749,000	207,857,263	9,500,000	19,678,000	29,178,000	237,035,263		237,035,263	4.51 x
2031	1,406,387,000	314,391,000	1,091,996,000	205,376,213	9,975,000	19,203,000	29,178,000	234,554,213		234,554,213	4.66 x
2032	1,432,707,000	322,251,000	1,110,456,000	205,357,550	10,475,000	18,704,250	29,179,250	234,536,800		234,536,800	4.73 x
2033	1,432,707,000	322,251,000	1,110,456,000	205,372,150	10,995,000	18,180,500	29,175,500	234,547,650		234,547,650	4.73 x
2034	1,432,707,000	322,251,000	1,110,456,000	196,006,894	11,545,000	17,630,750	29,175,750	225,182,644		225,182,644	4.93 x
2035	1,432,707,000	322,251,000	1,110,456,000	180,482,544	12,125,000	17,053,500	29,178,500	209,661,044		209,661,044	5.30 x
2036	1,432,707,000	322,251,000	1,110,456,000	180,487,344	12,730,000	16,447,250	29,177,250	209,664,594		209,664,594	5.30 x
2037	1,432,707,000	322,251,000	1,110,456,000	150,773,006	13,365,000	15,810,750	29,175,750	179,948,756		179,948,756	6.17 x
2038	1,432,707,000	322,251,000	1,110,456,000	139,811,438	14,035,000	15,142,500	29,177,500	168,988,938		168,988,938	6.57 x
2039	1,432,707,000	322,251,000	1,110,456,000	139,743,763	14,735,000	14,440,750	29,175,750	168,919,513		168,919,513	6.57 x
2040	1,432,707,000	322,251,000	1,110,456,000	122,596,431	15,475,000	13,704,000	29,179,000	151,775,431		151,775,431	7.32 x
2041	1,432,707,000	322,251,000	1,110,456,000	110,174,256	16,245,000	12,930,250	29,175,250	139,349,506		139,349,506	7.97 x
2042	1,432,707,000	322,251,000	1,110,456,000	104,992,100	17,060,000	12,118,000	29,178,000	134,170,100		134,170,100	8.28 x
2043	1,432,707,000	322,251,000	1,110,456,000	98,685,638	17,910,000	11,265,000	29,175,000	127,860,638		127,860,638	8.68 x
2044	1,432,707,000	322,251,000	1,110,456,000	88,265,613	18,810,000	10,369,500	29,179,500	117,445,113		117,445,113	9.46 x
2045	1,432,707,000	322,251,000	1,110,456,000	81,491,888	19,750,000	9,429,000	29,179,000	110,670,888		110,670,888	10.03 x
2046	1,432,707,000	322,251,000	1,110,456,000	71,450,500	20,735,000	8,441,500	29,176,500	100,627,000		100,627,000	11.04 x
2047	1,432,707,000	322,251,000	1,110,456,000	71,449,900	21,770,000	7,404,750	29,174,750	100,624,650		100,624,650	11.04 x
2048	1,432,707,000	322,251,000	1,110,456,000	71,455,700	22,860,000	6,316,250	29,176,250	100,631,950		100,631,950	11.03 x
2049	1,432,707,000	322,251,000	1,110,456,000	53,347,525	24,005,000	5,173,250	29,178,250	82,525,775		82,525,775	13.46 x
2050	1,432,707,000	322,251,000	1,110,456,000	43,801,188	25,205,000	3,973,000	29,178,000	72,979,188		72,979,188	15.22 x
2051	1,432,707,000	322,251,000	1,110,456,000	34,550,388	26,465,000	2,712,750	29,177,750	63,728,138		63,728,138	17.42 x
2052	1,432,707,000	322,251,000	1,110,456,000	8,476,000	27,790,000	1,389,500	29,179,500	37,655,500		37,655,500	29.49 x
					\$ 444,100,000	\$ 411,767,167	\$ 855,867,167				

<sup>1</sup> Numbers are rounded to nearest thousand dollars. Fiscal Years 2017 through 2021 represent audited financial results. Projected revenues and expenses for fiscal year 2022 through fiscal year 2032 have been provided by the Turnpike's traffic and revenue consultant as of September 30, 2021. For fiscal years 2032 and thereafter, revenue and expense projections have been held constant. **No representation is made that the amounts shown in any projected fiscal year will be collected.**

<sup>2</sup> The operations and maintenance expenses are paid by the Department of Transportation under an operations agreement and then reimbursed by the Turnpike after debt service. The operations agreement is enforceable by bondholders.

<sup>3</sup> Estimated interest calculated at 5.0%.

<sup>4</sup> Federal subsidy payments on Build America Bonds Series 2009B, adjusted for actual impact for Sequestration through 2019. The Build America Bonds Series 2009B were called and redeemed on July 1, 2019.

## SAVINGS

**State of Florida  
Department of Transportation  
Turnpike Revenue Refunding Bonds, Series (to be determined)  
Fiscal Sufficiency**

<i>Date</i>	<i>Prior Debt Service</i>	<i>SPIA Earnings 0.5%</i>	<i>Sinking Fund Accrual</i>	<i>Prior Net Cash Flow</i>	<i>Refunding Debt Service</i>	<i>Savings</i>
07/01/2023	4,742,215.64	262,523.55	2,371,107.82	2,633,631.37	2,327,812.50	305,818.87
07/01/2024	42,139,431.28	-	-	42,139,431.28	39,921,250.00	2,218,181.28
07/01/2025	42,221,681.28	-	-	42,221,681.28	40,000,750.00	2,220,931.28
07/01/2026	21,498,181.28	-	-	21,498,181.28	20,039,750.00	1,458,431.28
07/01/2027	10,424,931.28	-	-	10,424,931.28	9,716,250.00	708,681.28
07/01/2028	10,421,931.28	-	-	10,421,931.28	9,714,250.00	707,681.28
07/01/2029	10,421,431.28	-	-	10,421,431.28	9,711,750.00	709,681.28
07/01/2030	10,423,431.28	-	-	10,423,431.28	9,718,250.00	705,181.28
07/01/2031	10,421,431.28	-	-	10,421,431.28	9,712,750.00	708,681.28
07/01/2032	10,420,231.28	-	-	10,420,231.28	9,715,250.00	704,981.28
07/01/2033	10,424,431.28	-	-	10,424,431.28	9,714,750.00	709,681.28
07/01/2034	10,420,275.02	-	-	10,420,275.02	9,710,750.00	709,525.02
07/01/2035	10,420,187.52	-	-	10,420,187.52	9,712,750.00	707,437.52
07/01/2036	10,424,712.52	-	-	10,424,712.52	9,714,750.00	709,962.52
07/01/2037	10,421,275.02	-	-	10,421,275.02	9,716,000.00	705,275.02
07/01/2038	10,420,056.26	-	-	10,420,056.26	9,710,750.00	709,306.26
07/01/2039	10,424,181.26	-	-	10,424,181.26	9,718,500.00	705,681.26
07/01/2040	10,422,775.00	-	-	10,422,775.00	9,717,750.00	705,025.00
07/01/2041	10,424,475.00	-	-	10,424,475.00	9,718,000.00	706,475.00
07/01/2042	10,423,400.00	-	-	10,423,400.00	9,713,250.00	710,150.00
07/01/2043	10,423,875.00	-	-	10,423,875.00	9,717,750.00	706,125.00
	287,784,541.04	262,523.55	2,371,107.82	285,675,956.77	267,443,062.50	18,232,894.27

### Savings Summary

PV of savings from cash flow	13,889,270.95
Plus: Refunding funds on hand	3,662.28
Net PV Savings	13,892,933.23

# Memo

**TO:** Lamar Taylor, Interim Executive Director & CIO

**THRU:** Gina Wilson, Chief Operating Officer, FHCF

**FROM:** Mary Linzee Branham, Director of Legal and Risk Operations, FHCF

**DATE:** August 2, 2022

**SUBJECT:** Trustees Meeting, August 23, 2022

Request approval of, and authority to file, a Notice of Proposed Rule for Rule 19-8.010, F.A.C., Reimbursement Contract, and to file the Rule along with the incorporated forms for adoption if no member of the public timely requests a rule hearing or if a hearing is requested and no Notice of Change is needed.

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## **FHCF AGENDA ITEM A. RULE 19-8.010, F.A.C., REIMBURSEMENT CONTRACT**

### **BACKGROUND AND SUMMARY OF RULE AND INCORPORATED FORM CHANGES:**

The Florida Hurricane Catastrophe Fund (FHCF) provides reimbursement to insurers writing residential property insurance in Florida for a portion of their hurricane losses. All admitted insurers covering residential property in Florida must obtain coverage from the FHCF, which is provided through the Reimbursement Contract.

The SBA has a statutory deadline of February 1 for adoption of the Reimbursement Contract for the contract year that begins on June 1 and runs through the following May 31.

The proposed rule adopts the Reimbursement Contract for the 2023-2024 contract year.

In addition to updating the dates to reflect the 2023-2024 contract year, the proposed rule makes the following substantive changes to the Reimbursement Contract:

- Article V. Subsection (12): The definition of “Covered Policy” is amended to reflect changes in Senate Bill 1058 addressing the treatment of collateral protection insurance coverage amount. Such changes take effect June 1, 2023. The definition removes previous language concerning collateral protection policies that is now obsolete.

- Article X. Subsection (3)(b)2.c. through e: The language concerning Proof of Loss Reports is amended to simplify the reporting process and requires companies to submit updated Proof of Loss Reports for each Covered Event quarterly until the Commutation process is complete. The revisions also require a Detailed Claims Listing, along with the Proof of Loss requesting reimbursements, if requested by the SBA.
- Article XI: Article XI is added to specifically address the Commutation process and clarify the governing timeframes and requirements. The language from Article X(3)(d) was deleted and moved to Article XI and broken down into subsections for clarity.
- Article XXII: Article XXII is added and incorporates the language into the FHCF Reimbursement Contract from the previously adopted Addendum No. 1, since the assumption and assignment rights created by Senate Bill 1058 apply to all participating FHCF insurers and not just Citizens Property Insurance Corporation. As such, there is no longer a need for a separate Addendum for just Citizens.

A complete copy of the Summary of Changes is attached.

**EXTERNAL INTEREST:** The Notice of Rule Development was published in the *Florida Administrative Register* on July 8, 2022, Vol. 48, No. 132. The Rule Development Workshop was held on July 26, 2022. Representatives of the FHCF and Paragon attended and presented the rule and incorporated forms. The rule and forms were presented, discussed, and favorably recommended by the FHCF Advisory Council at a public meeting on July 26, 2022.

**ACTION REQUESTED:** It is requested that the proposed amendments to this rule, along with the incorporated forms, be presented to the Cabinet Aides on August 17, 2022, and to the State Board of Administration Trustees on August 23, 2022, with a request to approve the filing of this rule for Notice of Proposed Rule and to approve filing for adoption with the Department of State if no member of the public timely requests a rule hearing or if a rule hearing is requested but no Notice of Change is necessary.

#### **ATTACHMENTS TO BE INCLUDED WITH AGENDA ITEM A:**

- Summary of Changes, Rule 19-8.010, F.A.C.
- Notice of Proposed Rule, Rule 19-8.010, F.A.C.
- **Rule 19-8.010, F.A.C., Reimbursement Contract**
- 2023 Incorporated Forms: **FHCF-2023K**, Reimbursement Contract; **FHCF-2023K-1**, Appendix A

The rule and all forms show the proposed amendments with new language underscored and deleted language ~~stricken through~~.



**Rule 19-8.010, F.A.C., and Incorporated Forms, 2023-2024  
Contract Year  
Summary of Changes  
(as of July 13, 2022)**

**Rule**

**19-8.010, Reimbursement Contract**

New: Subsection (1)(a) is added to incorporate the Reimbursement Contract, including Amendments and Addenda, for the 2023-2024 Contract Year.

New: Subsection (1)(b) is added to incorporate Appendix A for the 2023-2024 Contract Year.

Renumbered: Former subsection (1) is renumbered as subsection (2).

Deleted: Subsection (2), relating to the Reimbursement Contract for the 2021-2022 Contract Year, is deleted as obsolete.

**Incorporated Forms**

***Rule 19-8.010, F.A.C., Incorporated Forms***

**FHCF-2023K, Reimbursement Contract**

Throughout: Technical changes to update references to the 2023-2024 Contract Year dates and nonsubstantive editorial or grammatical changes are made throughout the Contract.

**ARTICLE V – DEFINITIONS**

Subsection (4): The definition of “Administrator” is amended to delete the Administrator’s address and phone number as superfluous language.

Subsection (9): The definition of “Commutation” is added to define the term for the process in Article XI used to finalize and release the obligations of the SBA per Covered Event or by the Contract Year.

Subsection (12): The definition of “Covered Policy” is amended to reflect changes in Senate Bill 1058 addressing the treatment of collateral protection insurance coverage amount. Such changes take effect June 1, 2023. The definition removes previous language concerning collateral protection policies that is now obsolete.

Subsection (20): The definition of “New Participant” is revised to add Unsound Insurer since Senate Bill 1058 allows for authorized insurers, not just Citizens Property Insurance Corporation, to remove policies from an Unsound Insurer pursuant to an assumption agreement.

Subsection (29): The definition of “Unsound Insurer” is added to define the term used in Senate Bill 1058, giving rights to authorized insurers to assume a company’s policies or take an assignment of a company’s FHCF Reimbursement Contract that fall within this definition.

#### **ARTICLE VIII – REIMBURSEMENT ADJUSTMENTS**

The language that addresses applicable interest rates has been amended to clarify when interest will be charged.

#### **ARTICLE IX – REIMBURSEMENT PREMIUM**

Subsection (3): The language that addresses applicable interest rates has been amended to clarify when interest will be charged.

#### **ARTICLE X – REPORTS AND REMITTANCES**

Subsections (3)(b)2.c. through e.: The language concerning Proof of Loss Reports is amended to simplify the reporting process and requires companies to submit updated Proof of Loss Reports for each Covered Event quarterly until the Commutation process is completed. The revisions also allow the SBA to request a Detailed Claims Listing, along with a Proof of Loss requesting reimbursements, if requested.

Subsections (3)(b)3. through 4.: The language providing guidelines to a company concerning when to file a Proof of Loss Report is deleted since Proof of Loss Reports are now required to be filed quarterly as reflected in the previous change.

Subsection (3)(d): The language regarding Commutation is deleted in this subsection and moved to a new Article created specifically for the Commutation process.

Subsection (4)(b): The language removing an additional five percent interest charge has been deleted as obsolete.

Subsection (6): The language concerning trade secrets is not a substantive change but rather edited for clarity.

#### **ARTICLE XI – COMMUTATION**

Article XI is added to specifically address the Commutation process and clarify the governing timeframes and requirements. The language from Article X(3)(d) was deleted and moved to Article XI and broken down into subsections for clarity.

#### **ARTICLE XIV – INSPECTION OF RECORDS**

The language outlining the requirements for records retention regarding exposure reports and claims reports is amended to reflect the new definition of “Covered Policy” under Senate Bill 1058 as it relates to the collateral protection insurance coverage amount.

#### **ARTICLE XVI – INSOLVENCY OF THE COMPANY**

The language requiring the SBA to hold back 25 percent of the requested reimbursements from an insolvent insurer until the exposure and claims examinations are complete was deleted to allow the SBA greater flexibility to work with the Florida Insurance Guaranty Association when a participating insurer becomes insolvent.

The language regarding immediate notification by the insolvent insurer is deleted as obsolete and the definition of insolvency for purposes of the FHCF Reimbursement Contract is an editorial change and nonsubstantive in nature.

## **ARTICLE XXII – COMPANY COVERAGE OF UNSOUND INSURERS**

Article XXII is new and incorporates the language into the FHCF Reimbursement Contract from the previously adopted Addendum No. 1, since the assumption and assignment rights created by Senate Bill 1058 apply to all participating FHCF insurers and not just Citizens Property Insurance Corporation. As such, there is no longer a need for a separate Addendum for just Citizens.

## **APPENDIX A**

Technical changes to update references to the 2023-2024 Contract Year dates and nonsubstantive editorial changes were made to Appendix A.

## Notice of Proposed Rule

### STATE BOARD OF ADMINISTRATION

RULE NO.: RULE TITLE:

19-8.010: Reimbursement Contract

PURPOSE AND EFFECT: The State Board of Administration of Florida, Florida Hurricane Catastrophe Fund, seeks to amend the rule listed above to implement Section 215.555, F.S.

SUMMARY: Rule 19-8.010, F.A.C., is being amended to adopt the 2023-2024 Reimbursement Contract, including Addenda.

#### SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the Agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Upon review of the proposed changes to this rule and the incorporated forms, the State Board of Administration of Florida has determined that the rule does not meet the requirements for ratification by the legislature. The changes to the rule do not have an adverse impact on small business and do not directly or indirectly increase regulatory costs in excess of \$200,000 in the aggregate within 1 year of implementation. The changes to the rule also do not directly or indirectly have an adverse impact on economic growth, private sector job creation or employment, or private sector investment, business competitiveness or innovation or increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 215.555(3), F.S.

LAW IMPLEMENTED: 215.555(2), (3), (4), (5), (6), (7), (10), (16), F.S.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: October 26, 2022, 10:00 a.m. (ET) to 11:00 a.m. (ET).

PLACE: Conference Call in Number: 1(888) 585-9008, Participant Code 973-664-296.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 7 days before the workshop/meeting by contacting: Mary Linzee Branham, Florida Hurricane Catastrophe Fund, 1801 Hermitage Blvd., Tallahassee, FL 32308, (850) 413-1335, marylinzee.branham@sbafla.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Mary Linzee Branham at the number or email listed above.

THE FULL TEXT OF THE PROPOSED RULE IS:

**19-8.010 Reimbursement Contract.**

(1)(a) The reimbursement contract for the 2023-2024 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-XXXXX>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2023K-“Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC #( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. XX/22 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2023 through May 31, 2024.

(b) Appendix A, for the 2023-2024 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-XXXXX>, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2023K-1 “Appendix A to Reimbursement Contract” between (name of insurer) (the “Company”)/NAIC #( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. XX/22 is hereby adopted and incorporated by reference into this rule. This appendix is effective from June 1, 2023 through May 31, 2024.

~~(2)(1)(a)~~ The reimbursement contract for the 2022-2023 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-13637>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2022K-“Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC #( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 11/21 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2022 through May 31, 2023.

(b) Addendum No. 1, which includes Appendix A, for the 2022-2023 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-14590>, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2022K-1 “Addendum No. 1 to Reimbursement Contract” between (name of insurer) (the “Company”)/NAIC #( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 08/22 is hereby adopted and incorporated by reference into this rule. This addendum is effective from June 1, 2022 through May 31, 2023.

~~(2) The reimbursement contract for the 2021-2022 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-12378>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF 2021K “Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC #( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 10/20 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2021 through May 31, 2022.~~

(3) The reimbursement contract form may be obtained by accessing the FHCF website at [www.sbafla.com/fhcf](http://www.sbafla.com/fhcf); by submitting a written request to the State Board of Administration at P. O. Box 13300, Tallahassee, Florida 32317-3300; or by calling (850) 413-1335.

(4)(a) Subparagraph 215.555(2), Florida Statutes, specifies definitions to be used in Section 215.555, Florida Statutes. SB 1058 as enacted during the 2022 Regular Session of the Florida Legislature added subparagraph 215.555(2)(p) to define the term “unsound insurer” as “...an insurer determined by the Office of Insurance Regulation to be in unsound condition as defined in Section 624.80(2) or an insurer placed in receivership under chapter 631.” In addition, SB 1058 as enacted amends Section 215.555(5)(e), Florida Statutes, revising requirements for coverage under the Florida Hurricane Catastrophe Fund of certain policies assumed by an authorized insurer or Citizens Property Insurance Corporation.

(b) The purpose of the subsection of this rule is to implement the revisions to subparagraphs Section 215.555(2)(p) and (5)(e) only for the 2022-2023 Reimbursement Contract, including Addendum 1, and without consideration of the dates on which the Reimbursement Contract was executed or took effect.

*Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History—New 5-31-94, Amended 8-29-95, 5-19-96, 6-19-97, 5-28-98, 5-17-99, 9-13-99, 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 11-13-05, 5-10-06, 9-5-06, 5-8-07, 8-13-07, 6-8-08, 9-2-08, 3-30-09, 8-23-09, 3-29-10, 8-8-10, 12-12-10, 9-11-11, 12-19-11, 11-18-12, 12-2-13, 11-12-14, 6-2-15, 1-3-16, 11-9-16, 12-6-17, 1-29-19, 9-17-19, 11-12-19, 11-17-20, 11-10-21, X-XX-22, X-XX-22.*

NAME OF PERSON ORIGINATING PROPOSED RULE: Gina Wilson, FHCF Chief Operating Officer, State Board of Administration of Florida.

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: The Trustees of the State Board of Administration of Florida.

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: August 23, 2022

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAR: July 8, 2022

**19-8.010 Reimbursement Contract.**

(1)(a) The reimbursement contract for the 2023-2024 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-XXXXXX>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2023K-“Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC # ( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. XX/22 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2023 through May 31, 2024.

(b) Appendix A, for the 2023-2024 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-XXXXXX>, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2023K-1 “Appendix A to Reimbursement Contract” between (name of insurer) (the “Company”)/NAIC # ( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. XX/22 is hereby adopted and incorporated by reference into this rule. This appendix is effective from June 1, 2023 through May 31, 2024.

(2)(a) The reimbursement contract for the 2022-2023 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-13637>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2022K-“Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC # ( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 11/21 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2022 through May 31, 2023.

(b) Addendum No. 1, which includes Appendix A, for the 2022-2023 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-14590>, required by Section 215.555(5)(e), F.S., which is called Form FHCF-2022K-1 “Addendum No. 1 to Reimbursement Contract” between (name of insurer) (the “Company”)/NAIC # ( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 08/22 is hereby adopted and incorporated by reference into this rule. This addendum is effective from June 1, 2022 through May 31, 2023.

~~(2) The reimbursement contract for the 2021-2022 contract year, <http://www.flrules.org/Gateway/reference.asp?No=ref-12378>, including all Amendments and Addenda, required by Section 215.555(4), F.S., which is called Form FHCF-2021K-“Reimbursement Contract” or “Contract” between (name of insurer) (the “Company”)/NAIC # ( ) and The State Board of Administration of the State of Florida (“SBA”) which administers the Florida Hurricane Catastrophe Fund (“FHCF”), rev. 10/20 is hereby adopted and incorporated by reference into this rule. This contract is effective from June 1, 2021 through May 31, 2022.~~

(3) The reimbursement contract form may be obtained by accessing the FHCF website at [www.sbafla.com/fhcf](http://www.sbafla.com/fhcf); by submitting a written request to the State Board of Administration at P. O. Box 13300, Tallahassee, Florida 32317-3300; or by calling (850) 413-1335.

(4)(a) Subparagraph 215.555(2), Florida Statutes, specifies definitions to be used in Section 215.555, Florida Statutes. SB 1058 as enacted during the 2022 Regular Session of the Florida Legislature added subparagraph 215.555(2)(p) to define the term “unsound insurer” as “...an insurer determined by the Office of Insurance Regulation to be in unsound condition as defined in Section 624.80(2) or an insurer placed in receivership under chapter 631.” In addition, SB 1058 as enacted amends Section 215.555(5)(e), Florida Statutes, revising requirements for coverage under the Florida Hurricane Catastrophe Fund of certain policies assumed by an authorized insurer or Citizens Property Insurance Corporation.

(b) The purpose of the subsection of this rule is to implement the revisions to subparagraphs Section 215.555(2)(p) and (5)(e) only for the 2022-2023 Reimbursement Contract, including Addendum 1, and without consideration of the dates on which the Reimbursement Contract was executed or took effect.

*Rulemaking Authority 215.555(3) FS. Law Implemented 215.555 FS. History—New 5-31-94, Amended 8-29-95, 5-19-96, 6-19-97, 5-28-98, 5-17-99, 9-13-99, 6-19-00, 6-3-01, 6-2-02, 11-12-02, 5-13-03, 5-19-04, 8-29-04, 5-29-05, 11-13-05, 5-10-06, 9-5-06, 5-8-07, 8-13-07, 6-8-08, 9-2-08, 3-30-09, 8-23-09, 3-29-10, 8-8-10, 12-12-10, 9-11-11, 12-19-11, 11-18-12, 12-2-13, 11-12-14, 6-2-15, 1-3-16, 11-9-16, 12-6-17, 1-29-19, 9-17-19, 11-12-19, 11-17-20, 11-10-21, X-XX-22, X-XX-22.*

## REIMBURSEMENT CONTRACT

Coverage Effective: June 1, ~~2022~~2023  
("Contract")

This Contract is between:

«Legal\_Name»  
("Company")

NAIC # «NAIC\_»

and

**THE STATE BOARD OF ADMINISTRATION OF THE STATE OF FLORIDA ("SBA")  
WHICH ADMINISTERS THE FLORIDA HURRICANE CATASTROPHE FUND ("FHCF")**

### PREAMBLE

Section 215.555, Florida Statutes creates the FHCF and directs the SBA to administer the FHCF. This Contract, consisting of the principal document entitled Reimbursement Contract, addressing the mandatory FHCF coverage, and ~~Addenda Appendix A~~, is subject to Section 215.555, Florida Statutes, and to any administrative rule adopted pursuant thereto, and is not intended to be in conflict therewith. ~~All provisions in the principal document are equally applicable to each Addendum unless superseded by one of the Addenda.~~

In consideration of the promises set forth in this Contract, the parties agree as follows:

### ARTICLE I - SCOPE OF AGREEMENT

As a condition precedent to the SBA's obligations under this Contract, the Company shall report to the SBA in a specified format the business it writes which is described in this Contract as Covered Policies. The terms of this Contract shall determine the rights and obligations of the parties. This Contract provides reimbursement to the Company under certain circumstances, as described herein, and does not provide or extend insurance or reinsurance coverage to any person, firm, corporation or other entity. The SBA shall reimburse the Company for its Ultimate Net Loss on Covered Policies, which were in force and in effect at the time of the Covered Event causing the Loss, in excess of the Company's Retention as a result of each



Covered Event commencing during the Contract Year, to the extent funds are available, all as hereinafter defined.

## **ARTICLE II - PARTIES TO THE CONTRACT**

This Contract is solely between the Company, an Authorized Insurer or any entity writing Covered Policies under Section 627.351, Florida Statutes, in the State of Florida, and the SBA. In no instance shall any insured of the Company, any claimant against an insured of the Company, or any other third party have any rights under this Contract, except as provided in Article XVI. The SBA will disburse funds only to the Company, except as provided for in Article XVI. The Company shall not, without the prior approval of the Florida Office of Insurance Regulation, sell, assign, or transfer to any third party, in return for a fee or other consideration any sums the FHCF pays under this Contract or the right to receive such sums.

## **ARTICLE III – TERM; EXECUTION**

### **(1) Term**

This Contract applies to Losses from Covered Events which commence during the period from 12:00:01 a.m., Eastern Time, June 1, ~~2022~~2023, to 12:00 midnight, Eastern Time, May 31, ~~2023~~2024 (the “Contract Year”). The SBA shall not be liable for Losses from Covered Events which commence after the effective time and date of expiration or termination. Should this Contract expire or terminate while a Covered Event is in progress, the SBA shall be responsible for such Covered Event in progress in the same manner and to the same extent it would have been responsible had the Contract expired the day following the conclusion of the Covered Event in progress.

### **(2) Mandatory Nature of this Contract**

#### **(a) Statutory Requirement**

This Contract has been adopted as part of Rule 19-8.010, Florida Administrative Code (F.A.C.), in fulfillment of the statutory requirement that the SBA enter into a Contract with each Company writing Covered Policies in Florida. Under Section 215.555(4)(a), Florida Statutes, the SBA must enter into such a Contract with each such Company, and each such Company must enter into the Contract as a condition of doing business in Florida. Under Section 215.555(16)(c), Florida Statutes, Companies writing Covered Policies must execute the Contract by March 1 of the immediately preceding Contract Year.

#### **(b) Duty to Provide a Fully and Timely Executed Copy of this Contract to the FHCF Administrator**

The Company must provide a fully executed copy of this Contract in electronic form to the Administrator no later than the March 1 statutory deadline for execution, or, in the case of a New Participant, no later than 30 days after the New Participant began writing Covered Policies.

**(3) Contract Deemed Executed Notwithstanding Execution Errors**

Except with respect to New Participants, this Contract is deemed to have been executed by the Company as of the March 1 statutory deadline, notwithstanding the fact that the Coverage Level election in Article XXI(1)(b) may be invalid, and notwithstanding the fact that the person purporting to execute the Contract on the part of the Company may have lacked the requisite authority. With respect to New Participants, this Contract is deemed to have been executed by the New Participant as of the date on which the New Participant began writing Covered Policies; coverage shall be determined as provided in paragraphs (c) and (d). Execution of this Contract by or on behalf of an entity that does not write Covered Policies is void. If the Company failed to timely submit an executed copy of this Contract, or if the executed Contract includes an invalid Coverage Level election under Article XXI, the Company's Coverage Level shall be deemed as follows:

- (a) For a Company that is a member of a National Association of Insurance Commissioners (NAIC) group, the same Coverage Level selected by the other Companies of the same NAIC group shall be deemed. If executed Contracts for none of the members of an NAIC group have been received by the FHCF Administrator, the Coverage Level from the prior Contract Year shall be deemed.
- (b) For a Company that is not a member of an NAIC group under which other Companies are active participants in the FHCF, the Coverage Level from the prior Contract Year shall be deemed.
- (c) For a New Participant that is a member of an NAIC group, the same Coverage Level selected by the other Companies of the same NAIC group shall be deemed.
- (d) For a New Participant that is not a member of an NAIC group under which other Companies are active participants in the FHCF, the 45 percent%, 75 percent%, or 90 percent% Coverage Levels may be selected if the FHCF Administrator receives executed Contracts within 30 calendar days after the effective date of the first Covered Policy, otherwise, the 45 percent% Coverage Level shall be deemed to have been selected.

**ARTICLE IV - LIABILITY OF THE FHCF**

- (1) The SBA shall reimburse the Company with respect to each Covered Event commencing during the Contract Year in the amount of Ultimate Net Loss paid by the Company in excess of the Company's Retention, as adjusted pursuant to the definition of Retention in Article V, multiplied by the applicable Coverage Level, plus 10 percent% of the reimbursed Losses as a Loss Adjustment Expense Allowance, the total of which shall not exceed the Company's Limit.

- (2) Section 215.555(4)(c)1., Florida Statutes, provides that the obligation of the FHCF with respect to all Contracts covering a particular Contract Year shall not exceed the Actual Claims-Paying Capacity of the FHCF up to a specified dollar limit.
- (3) In order to assure that reimbursements do not exceed the statutory limit on the obligation of the FHCF provided in Section 215.555(4)(c)1., Florida Statutes, the SBA shall, upon the occurrence of a Covered Event, evaluate the potential Losses to the FHCF and the FHCF's capacity at the time of the event. The initial Projected Payout Multiple used to reimburse the Company for its Losses shall not exceed the Projected Payout Multiple as calculated based on the capacity needed to provide the FHCF's coverage. If it appears that the Estimated Claims-Paying Capacity may be exceeded, the SBA shall reduce the projected payout factors or multiples for determining each participating insurer's projected payout uniformly among all insurers to reflect the Estimated Claims-Paying Capacity.
- (4) Reimbursement amounts shall not be reduced by reinsurance paid or payable to the Company from other sources. Once the Company's Limit has been exhausted, the Company will not be entitled to further reimbursements.

#### **ARTICLE V - DEFINITIONS**

As used in this Contract, the following words and phrases are defined to mean:

- (1) **Actual Claims-Paying Capacity of the FHCF**  
This term means the sum of the Balance of the Fund as of December 31 of a Contract Year, plus any reinsurance purchased by the FHCF, plus the amount the SBA is able to raise through the issuance of revenue bonds under Section 215.555(6), Florida Statutes.
- (2) **Actuarially Indicated**  
This term means an amount determined according to principles of actuarial science to be adequate, but not excessive, in the aggregate, to pay current and future obligations and expenses of the fund, including additional amounts if needed to pay debt service on revenue bonds and to provide required debt service coverage in excess of the amounts required to pay actual debt service on revenue bonds, and determined according to principles of actuarial science to reflect each insurer's relative exposure to hurricane losses.
- (3) **Additional Living Expense (ALE)**  
ALE Losses covered by the FHCF are not to exceed 40 percent of the insured value of a Residential Structure or its contents based on how the coverage is provided in the policy. Fair rental value, loss of rents, or business interruption losses are not covered by the FHCF.
- (4) **Administrator**  
This term means the entity with which the SBA contracts to perform administrative tasks associated with the operations of the FHCF. The current Administrator is Paragon Strategic Solutions Inc., ~~8200~~

~~Tower, 5600 West 83<sup>rd</sup> Street, Suite 1100, Minneapolis, Minnesota 55437. The telephone number is (800) 689-3863.~~

(5) **Authorized Insurer**

This term is defined in Section 624.09(1), Florida Statutes.

(6) **Balance of the Fund as of December 31 or Fund Balance**

This term means the amount of assets available to pay claims resulting from Covered Events which occurred during the Contract Year, not including any pre-event or post-event bonds, reinsurance, or proceeds from other financing mechanisms.

(7) **Borrowing Capacity**

This term means the amount of funds which are able to be raised by the issuance of revenue bonds or through other financing mechanisms, less bond issuance expenses and reserves.

(8) **Citizens Property Insurance Corporation (Citizens)**

This term means Citizens Property Insurance Corporation as created under Section 627.351(6), Florida Statutes. For the purposes of the FHCF, Citizens ~~Property Insurance Corporation~~ incorporates two accounts, (a) the coastal account and (b) the personal lines and commercial lines accounts. Each account is treated by the FHCF as if it were a separate participating insurer with its own reportable exposures, Reimbursement Premium, Retention, and Ultimate Net Loss.

(9) **Commutation**

This term means the estimation, payment, and complete discharge of all future obligations for Losses, regardless of future loss development. The final Commutation shall constitute a complete and final release of all obligations of the SBA with respect to Losses. Commutation may be per Covered Event or by Contract Year as determined by the FHCF.

~~(9)~~(10) **Covered Event**

This term means any one storm declared to be a hurricane by the National Hurricane Center which causes insured losses in Florida. A Covered Event begins when a hurricane causes damage in Florida while it is a hurricane and continues throughout any subsequent downgrades in storm status by the National Hurricane Center regardless of whether the hurricane makes landfall. Any storm, including a tropical storm, which does not become a hurricane is not a Covered Event.

~~(+0)~~(11) **Coverage Level**

This term means the level of reimbursement (90 percent%, 75 percent%, or 45 percent%), as elected by the Company under Article XXI or deemed under Article III(3), which is used in determining reimbursement under Article IV.

~~(+1)~~(12) **Covered Policy**

(a) Covered Policy, as defined in Section 215.555(2)(c), Florida Statutes, is further clarified to mean only that portion of a binder, policy or contract of insurance that insures real or personal property

located in the State of Florida to the extent such policy insures a Residential Structure or the contents of a Residential Structure, located in the State of Florida.

- (b) ~~1.~~ Covered Policy also includes any collateral protection insurance policy covering personal residences which protects both the borrower's and the lender's financial interest, in an amount at least equal to

1. the coverage for the dwelling in place under the lapsed homeowner's policy,  
2. the coverage amount that the homeowner has been notified of by the collateral protection insurer, or

3. the coverage amount that the homeowner requests from the collateral protection insurer,

if such collateral protection insurance policy can be accurately reported as required in Section 215.555(5), Florida Statutes. A Company will be deemed to be able to accurately report data if the company submits the required data as specified in the Data Call adopted under Rule 19-8.029, F.A.C.

~~2. The SBA finds that the replacement cost value of a dwelling is the functional equivalent of the dwelling coverage amount under the lapsed homeowner's policy and that coverage in the amount of the replacement cost value fulfills the legislative intent that collateral protection policies are to be covered by the FHCF only when they protect the borrower's interest in the dwelling to the same extent as a traditional residential policy. Therefore, for purposes of this definition of Covered Policy, a collateral protection policy is deemed to be written in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy if the dwelling coverage amount is either:~~

~~a. Equal to or greater than the amount of dwelling coverage in place under the "lapsed homeowner's policy," i.e., the last residential policy placed by the borrower; or~~

~~b. Equal to or greater than 100% of the replacement cost value of the dwelling, as determined under a methodology approved in advance as required by the Data Call. For the purpose of this determination, "replacement cost value" means the cost to replace the dwelling on the same premises, without deduction for depreciation, with material of like kind and quality and for like use.~~

- (c) Covered Policy does not include any policy or exposure excluded under Article VI.

~~(12)~~(13) **Deductible Buy-Back Policy**

This term means a specific policy that provides coverage to a policyholder for some portion of the policyholder's deductible under a policy issued by another insurer.

~~(13)~~(14) **Estimated Claims-Paying Capacity of the FHCF**

This term means the sum of the projected Balance of the Fund as of December 31 of a Contract Year, plus any reinsurance purchased by the FHCF, plus the most recent estimate of the Borrowing Capacity of the FHCF, determined pursuant to Section 215.555(4)(c), Florida Statutes.

~~(14)~~(15) **Excess Policy**

This term means, for the purposes of this Contract, a policy that provides insurance protection for large commercial property risks and that provides a layer of coverage above a primary layer (which is insured by a different insurer) that acts much the same as a very large deductible.

~~(15)~~(16) **Insurer Group**

For purposes of the Coverage Level election in Section 215.555(4)(b), Florida Statutes, Insurer Group means the group designation assigned by the NAIC for regulatory purposes. A Company is a member of a group as designated by the NAIC until such Company is assigned another group designation or is no longer a member of a group.

~~(16)~~(17) **Limit**

This term means the maximum amount that a Company may recover under this Contract, calculated by multiplying the Company's Reimbursement Premium by the Payout Multiple.

~~(17)~~(18) **Loss**

This term means an incurred loss under a Covered Policy from a Covered Event, including Additional Living Expenses not to exceed 40 percent of the insured value of a Residential Structure or its contents and amounts paid as fees on behalf of or inuring to the benefit of a policyholder. The term Loss does not include allocated or unallocated loss adjustment expenses or any item for which this Contract does not provide reimbursement pursuant to the exclusions in Article VI.

~~(18)~~(19) **Loss Adjustment Expense Allowance**

- (a) The Loss Adjustment Expense Allowance is equal to 10 ~~percent~~% of the reimbursed Losses under this Contract as provided in Article IV, pursuant to Section 215.555(4)(b)1., Florida Statutes.
- (b) The Loss Adjustment Expense Allowance is included in, and not in addition to, the Limit applicable to a Company.

~~(19)~~(20) **New Participant**

This term means a Company that begins writing Covered Policies on or after the beginning of the Contract Year. A Company that removes Covered Policies from Citizens or an Unsound Insurer pursuant to an assumption agreement effective on or after June 1 and had written no other Covered Policies before June 1 is also considered a New Participant.

~~(20)~~(21) **Payout Multiple**

This term means the multiple as calculated in accordance with Section 215.555(4)(c), Florida Statutes, which is derived by dividing the actual single season Claims-Paying Capacity of the FHCF by the total aggregate industry Reimbursement Premium for the FHCF for the Contract Year billed as of

December 31 of the Contract Year. The final Payout Multiple is determined once Reimbursement Premiums have been billed as of December 31 and the amount of bond proceeds has been determined.

~~(21)~~(22) **Premium Formula**

This term means the Formula developed pursuant to Section 215.555(5)(b), Florida Statutes, and approved by the SBA Trustees for the purpose of determining the Actuarially Indicated Reimbursement Premium to be paid to the FHCF.

~~(22)~~(23) **Projected Payout Multiple**

The Projected Payout Multiple is used to calculate a Company's projected payout pursuant to Section 215.555(4)(d)2., Florida Statutes. The Projected Payout Multiple is derived by dividing the estimated single season Claims-Paying Capacity of the FHCF by the estimated total aggregate industry Reimbursement Premium for the FHCF for the Contract Year. The Company's Reimbursement Premium as paid to the SBA for the Contract Year is multiplied by the Projected Payout Multiple to estimate the Company's coverage from the FHCF for the Contract Year.

~~(23)~~(24) **Reimbursement Premium or Premium**

These terms mean the amount to be paid by the Company, as determined by multiplying each \$1,000 of insured value reported by the Company in accordance with Section 215.555(5)(b), Florida Statutes, by the rate as derived from the Premium Formula, as described in Rule 19-8.028, F.A.C.

~~(24)~~(25) **Residential Structure**

In general, this term means a unit or building used exclusively or predominantly for dwelling or habitational occupancies, including the primary structure and appurtenant structures insured under the same Covered Policy and any other structures covered under endorsements associated with the Covered Policy covering the Residential Structure.

- (a) With respect to a unit or home insured under a personal lines residential policy form, such unit or home is deemed to have a habitational occupancy and to be a Residential Structure regardless of the term of its occupancy.
- (b) With respect to a condominium structure or complex insured under a commercial lines policy, such structure is deemed to have a habitational occupancy and to be a Residential Structure, regardless of the term of occupancy of individual units.
- (c) A single structure which includes a mix of commercial habitational and commercial non-habitational occupancies, and is insured under a commercial lines policy, is considered a Residential Structure if 50 ~~percent~~% or more of the total insured value of the structure is used for habitational occupancies.
- (d) Residential Structures do not include any structures excluded under Article VI.

~~(25)~~(26) **Retention**

This term means the amount of Losses from a Covered Event which must be incurred by the Company before it is eligible for reimbursement from the FHCF.

- (a) When the Company incurs Losses from one or two Covered Events during the Contract Year, the Company's full Retention shall be applied to each of the Covered Events.
- (b) When the Company incurs Losses from more than two Covered Events during the Contract Year, the Company's full Retention shall be applied to each of the two Covered Events causing the largest Losses for the Company. For each other Covered Event resulting in Losses, the Company's Retention shall be reduced to one-third of its full Retention.
  - 1. All reimbursement of Losses for each Covered Event shall be based on the Company's full Retention until December 31 of the Contract Year. Adjustments to reflect a reduction to one-third of the full Retention shall be made on or after January 1 of the Contract Year provided the Company reports its Losses as specified in this Contract.
  - 2. Adjustments to the Company's Retention shall be based upon its paid and outstanding Losses as reported on the Company's Proof of Loss Reports, but shall not include incurred but not reported Losses. The Company's Proof of Loss Reports shall be used to determine which Covered Events constitute the Company's two largest Covered Events. After this initial determination, any subsequent adjustments shall be made quarterly by the SBA only if the Proof of Loss Reports reveal that loss development patterns have resulted in a change in the order of Covered Events entitled to the reduction to one-third of the full Retention.
- (c) The Company's full Retention is established in accordance with the provisions of Section 215.555(2)(e), Florida Statutes, and shall be determined by multiplying the Retention Multiple by the Company's Reimbursement Premium for the Contract Year.

~~(26)~~(27) **Retention Multiple**

- (a) The Retention Multiple is applied to the Company's Reimbursement Premium to determine the Company's Retention. The Retention Multiple for the ~~2022/2023/2024~~ Contract Year shall be equal to \$4.5 billion, adjusted based upon the reported exposure for the ~~2020/2021/2022~~ Contract Year to reflect the percentage growth in exposure to the FHCF since 2004, divided by the estimated total industry Reimbursement Premium at the 90 ~~percent~~% Coverage Level for the Contract Year as determined by the SBA.
- (b) The Retention Multiple shall be adjusted to reflect the Coverage Level elected by the Company under this Contract as follows:
  - 1. If the Company elects the 90 ~~percent~~% Coverage Level, the adjusted Retention Multiple is 100 ~~percent~~% of the amount determined under paragraph (a);



2. If the Company elects the 75 percent% Coverage Level, the adjusted Retention Multiple is 120 percent % of the amount determined under paragraph (a); or
3. If the Company elects the 45 percent% Coverage Level, the adjusted Retention Multiple is 200 percent% of the amount determined under paragraph (a).

**(27)(28) Ultimate Net Loss**

- (a) This term means all Losses under Covered Policies in force at the time of a Covered Event prior to the application of the Company's Retention and Coverage Level, and excluding loss adjustment expense and any exclusions under Article VI.
- (b) In calculating the Company's Ultimate Net Loss, the amounts described in paragraph (a) shall be reduced by the deductibles applicable under the policy to the hurricane loss, without recognition of any credit earned or reduction to the deductible under the policy applied by the Company. The deductibles must first be applied to the portion of the Loss covered by the FHCF.
- (c) Salvages and all other recoveries, excluding reinsurance recoveries, shall be first deducted from such Loss to arrive at the amount of liability attaching hereunder.
- (d) All salvages, recoveries or payments recovered or received subsequent to a Loss settlement under this Contract shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.
- (e) The SBA shall be subrogated to the rights of the Company to the extent of its reimbursement of the Company. The Company agrees to assist and cooperate with the SBA in all respects as regards such subrogation. The Company further agrees to undertake such actions as may be necessary to enforce its rights of salvage and subrogation, and its rights, if any, against other insurers as respects any claim, loss, or payment arising out of a Covered Event.

**(29) Unsound Insurer**

This term means an insurer determined by the Office of Insurance Regulation to be in unsound condition as defined in Section 624.80(2), Florida Statutes, or an insurer placed in receivership under Chapter 631, Florida Statutes.

**ARTICLE VI – EXCLUSIONS**

This Contract does not provide reimbursement for:

- (1) Any losses not defined as being within the scope of a Covered Policy, including any loss other than a loss under the first-party property section of a policy pertaining strictly to the structure, its contents, appurtenant structures, or ALE coverage.
- (2) Any policy which excludes wind or hurricane coverage.

- (3) Any Excess Policy or Deductible Buy-Back Policy that requires individual ratemaking, as determined by the FHCF.
- (4) (a) Any policy for Residential Structures that provides a layer of coverage underneath an Excess Policy issued by a different insurer;
  - (b) Any policy providing a layer of windstorm or hurricane coverage for a structure(s) above or below a layer of windstorm or hurricane coverage under a separate policy issued by a different insurer, or any other circumstance in which two or more insurers provide primary windstorm or hurricane coverage for a structure(s) using separate policy forms;
  - (c) Any other policy providing a layer of windstorm or hurricane coverage for a structure(s) below a layer of self-insured windstorm or hurricane coverage for the same structure(s); or
  - (d) The exclusions in this subsection do not apply to primary quota share policies written by Citizens Property Insurance Corporation under Section 627.351(6)(c)2., Florida Statutes.
- (5) Any liability of the Company attributable to losses for fair rental value, loss of rent or rental income, or business interruption.
- (6) Any collateral protection policy that does not meet the definition of Covered Policy as defined in Article V(~~41~~12)(b).
- (7) Any reinsurance assumed by the Company.
- (8) Hotels, motels, timeshares, shelters, camps, retreats, or other similar structures. This exclusion does not apply to any policy identified as covering a residential condominium association or to any policy on which the insured is a residential condominium association, unless it is classified and rated as a hotel, motel, timeshare, shelter, camp, retreat or other similar structure.
- (9) Retail, office, mercantile, or manufacturing facilities, or other similar structures.
- (10) Any exposure for condominium or homeowner associations if no Residential Structures are insured under the policy.
- (11) Commercial healthcare facilities and nursing homes; however, a nursing home which is an integral part of a retirement community consisting primarily of habitational structures that are not nursing homes will not be subject to this exclusion.
- (12) Any exposure under commercial policies covering only appurtenant structures or structures that do not function as a habitational structure (e.g., a policy covering only the pool of an apartment complex).
- (13) Policies covering only Additional Living Expense.
- (14) Any exposure for barns or barns with apartments or living quarters.

- (15) Any exposure for builders risk coverage or new Residential Structures under construction.
- (16) Any exposure for vehicles, recreational vehicles, golf carts, or boats (including boat related equipment) requiring licensing.
- (17) Any liability of the Company for extra contractual obligations or liabilities in excess of original policy limits. This exclusion includes, but is not limited to, amounts paid as bad faith awards, punitive damages awards, or other court-imposed fines, sanctions, or penalties; or other amounts in excess of the coverage limits under the Covered Policy.
- (18) Any losses paid in excess of a policy's hurricane limit in force at the time of the Covered Event, including individual coverage limits (i.e., building, appurtenant structures, contents, and additional living expense), or other amounts paid as the result of a voluntary expansion of coverage by the insurer, including, but not limited to, a discount on or waiver of an applicable deductible. This exclusion includes overpayments of a specific individual coverage limit even if total payments under the policy are within the aggregate policy limit.
- (19) Any losses paid under a policy for Additional Living Expense, written as a time element coverage, in excess of the Additional Living Expense exposure reported for that policy under the Data Call ~~for the applicable Contract Year~~ (unless policy limits have changed effective after June 30 of the Contract Year).
- (20) Any losses which the Company's claims files do not adequately support. Claim file support shall be deemed adequate if in compliance with the Records Retention Requirements outlined on the Form FHCF-L1B (Proof of Loss Report) applicable to the Contract Year.
- (21) Any exposure for, or amounts paid to reimburse a policyholder for, condominium association loss assessments or under similar coverages for contractual liabilities.
- (22) Losses in excess of the aggregate limits of liability specified in Article IV and in Section 215.555(4)(c), Florida Statutes.
- (23) Any liability assumed by the Company from Pools, Associations, and Syndicates. Exception: Covered Policies assumed from Citizens under the terms and conditions of an executed assumption agreement between the Company and Citizens are covered by this Contract.
- (24) All liability of the Company arising by contract, operation of law, or otherwise, from its participation or membership, whether voluntary or involuntary, in any insolvency fund. "Insolvency fund" includes any guaranty fund, insolvency fund, plan, pool, association, fund or other arrangement, howsoever denominated, established or governed, which provides for any assessment of or payment or assumption by the Company of part or all of any claim, debt, charge, fee, or other obligation of an

insurer, or its successors or assigns, which has been declared by any competent authority to be insolvent, or which is otherwise deemed unable to meet any claim, debt, charge, fee or other obligation in whole or in part.

- (25) Property losses that are proximately caused by any peril other than a Covered Event, including, but not limited to, fire, theft, flood or rising water, or windstorm that does not constitute a Covered Event, or any liability of the Company for loss or damage caused by or resulting from nuclear reaction, nuclear radiation, or radioactive contamination from any cause, whether direct or indirect, proximate or remote, and regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- (26) Losses from water damage including flood, surface water, waves, tidal water, overflow of a body of water, storm surge, or spray from any of these, whether or not driven by wind.
- (27) A policy providing personal property coverage separate from coverage of personal property included in a homeowner's, mobile home-owner's, condominium unit owner's, or tenant's policy or other policy covering a Residential Structure, or in an endorsement to such a policy. Also excluded is a personal property endorsement to a policy that excludes windstorm or hurricane coverage or to any other type of policy that does not meet the definition of covered policy.
- (28) Endorsements predominantly covering Specialized Fine Arts Risks or collectible types of property meeting the following requirements:
  - (a) An endorsement predominantly covering Specialized Fine Arts Risks and not covering any Residential Structure if it meets the description in subparagraph 1 and if the conditions in subparagraph 2 are met.
    - 1. For purposes of this exemption, a Specialized Fine Arts Risk endorsement is an endorsement that:
      - a. Insures works of art, of rarity, or of historic value, such as paintings, works on paper, etchings, art glass windows, pictures, statuary, sculptures, tapestries, antique furniture, antique silver, antique rugs, rare books or manuscripts, jewelry, or other similar items;
      - b. Charges a minimum premium of \$500; and
      - c. Insures scheduled items valued, in the aggregate, at no less than \$100,000.
    - 2. The insurer offers specialized loss prevention services or other collector services designed to prevent or minimize loss, or to value or inventory the Specialized Fine Arts for insurance purposes, such as:
      - a. Collection risk assessments;

- b. Fire and security loss prevention;
  - c. Warehouse inspections to protect items stored off-site;
  - d. Assistance with collection inventory management; or
  - e. Collection valuation reviews.
- (b) An endorsement generally used by the Company to cover personal property which could include property of a collectible nature, including fine arts, as further described in this paragraph, either on a scheduled basis or written under a blanket limit, and not covering anything other than personal property. All such endorsements are subject to the exclusion provided in this paragraph when the endorsement limit equals or exceeds \$500,000. Generally, such collectible property has unusually high values due to its investible, artistic, or unique intrinsic nature. The class of property covered under such an endorsement represents an unusually high exposure value and such endorsement is intended to provide coverage for a class or classes of property that is not typical for the contents coverage under residential property insurance policies. In many cases property may be located at various locations either in or outside the state of Florida or the location of the property may change from time to time. The investment nature of such property distinguishes this type of exposure from the typical contents associated with a Covered Policy.

(29) Any losses under liability coverages.

## **ARTICLE VII - MANAGEMENT OF CLAIMS AND LOSSES**

The Company shall investigate and settle or defend all claims and Losses. All payments of claims or Losses by the Company within the terms and limits of the appropriate coverage parts of Covered Policies shall be binding on the SBA, subject to the terms of this Contract, including the provisions in Article ~~XXXXIV~~ relating to inspection of records and examinations.

## **ARTICLE VIII – REIMBURSEMENT ADJUSTMENTS**

Section 215.555(4)(d) and (e), Florida Statutes, provides the SBA with the right to seek the return of excess reimbursements which have been paid to the Company along with interest thereon. Excess reimbursements are those payments made to the Company by the SBA that are in excess of the Company's coverage under the Contract Year. Excess reimbursements may result from adjustments to the Projected Payout Multiple or the Payout Multiple, incorrect exposure (Data Call) submissions or resubmissions, incorrect calculation of Reimbursement Premium or Retention, incorrect Proof of Loss Reports, incorrect calculation of reinsurance recoveries, or subsequent readjustment of policyholder claims, including subrogation and salvage, or any combination of the foregoing. The Company will be sent an invoice showing the due date for adjustments along with the interest due thereon through the due date. The applicable interest rate for

~~interest credits, and for interest charges for adjustments beyond the Company's control,~~ will be the average rate earned by the SBA for the FHCF for the first four months of the Contract Year. For balances paid after the invoice due date, interest ~~The applicable interest rate for interest charges on excess reimbursements due to adjustments resulting from incorrect exposure submissions or Proof of Loss Reports~~ will accrue at this rate plus 5 percent%. ~~All interest will continue to accrue if not paid by the due date.~~

#### **ARTICLE IX - REIMBURSEMENT PREMIUM**

- (1) The Company shall, in a timely manner, pay the SBA its Reimbursement Premium for the Contract Year. The Reimbursement Premium for the Contract Year shall be calculated in accordance with Section 215.555, Florida Statutes, with any rules promulgated thereunder, and with Article X(2).
- (2) The Company's Reimbursement Premium is based on its June 30 exposure in accordance with Article X, except as provided for New Participants under Article X, and is not adjusted to reflect an increase or decrease in exposure for Covered Policies effective after June 30 nor is the Reimbursement Premium adjusted when the Company cancels policies or is liquidated or otherwise changes its business status (merger, acquisition, or termination) or stops writing new business (continues in business with its policies in a runoff mode). Similarly, new business written after June 30 will not increase or decrease the Company's FHCF Reimbursement Premium or impact its FHCF coverage. FHCF Reimbursement Premiums are required of all Companies based on their writing Covered Policies in Florida as of June 30, and each Company's FHCF coverage as based on the definition in Section 215.555(2)(m), Florida Statutes, shall exist for the entirety of the Contract Year regardless of exposure changes, except as provided for New Participants under Article X.
- (3) Since the calculation of the Actuarially Indicated Premium assumes that the Companies will pay their Reimbursement Premiums timely, interest charges will accrue under the following circumstances. A Company may choose to estimate its own Reimbursement Premium installments. However, if the Company's estimation is less than the provisional Reimbursement Premium billed, an interest charge will accrue on the difference between the estimated Reimbursement Premium and the final Reimbursement Premium. If a Company estimates its first installment, the Administrator shall bill that estimated Reimbursement Premium as the second installment as well, which will be considered as an estimate by the Company. No interest will accrue regarding any provisional Reimbursement Premium if paid as billed by the FHCF's Administrator, except in the case of an estimated second installment as set forth in this Article. Also, if a Company makes an estimation that is higher than the provisional Reimbursement Premium billed but is less than the final Reimbursement Premium, interest will not accrue. If the Reimbursement Premium payment is not received from a Company when it is due, an interest charge will accrue on a daily basis until the payment is received. Interest will also accrue on

Reimbursement Premiums resulting from submissions or resubmissions finalized after December 1 of the Contract Year. An interest credit will be applied for any Reimbursement Premium which is overpaid as either an estimate or as a provisional Reimbursement Premium. Interest shall not be credited past December 1 of the Contract Year. The applicable interest rate for interest credits and charges will be the average rate earned by the SBA for the FHCF for the first four months of the Contract Year. ~~The applicable interest rate for interest charges will accrue at this rate plus 5%. For~~ balances paid after the invoice due date, interest will accrue at this rate plus 5 percent.

## **ARTICLE X - REPORTS AND REMITTANCES**

### **(1) Exposures**

- (a) If the Company writes Covered Policies before June 1 of the Contract Year, the Company shall report to the SBA, unless otherwise provided in Rule 19-8.029, F.A.C., no later than the statutorily required date of September 1 of the Contract Year, by ZIP Code or other limited geographical area as specified by the SBA, its insured values under Covered Policies as of June 30 of the Contract Year as outlined in the annual reporting of insured values form, FHCF-D1A (Data Call) adopted for the Contract Year under Rule 19-8.029, F.A.C., and other data or information in the format specified by the SBA.
- (b) If the Company first begins writing Covered Policies on or after June 1 but prior to December 1 of the Contract Year, the Company shall report to the SBA, no later than February 1 of the Contract Year, by ZIP Code or other limited geographical area as specified by the SBA, its insured values under Covered Policies as of November 30 of the Contract Year as outlined in the Supplemental Instructions for New Participants section of the Data Call adopted for the Contract Year under Rule 19-8.029, F.A.C., and other data or information in the format specified by the SBA.
- (c) If the Company first begins writing Covered Policies on December 1 through and including May 31 of the Contract Year, the Company shall not report its exposure data for the Contract Year to the SBA.
- (d) The requirement that a report is due on a certain date means that the report shall be received by the SBA no later than 4 p.m. Eastern Time on the due date. Reports sent to the FHCF Administrator ~~in Minneapolis, Minnesota,~~ will be returned to the sender. Reports not in the physical possession of the SBA by 4 p.m., Eastern Time, on the applicable due date are late.

### **(2) Reimbursement Premium**

- (a) If the Company writes Covered Policies before June 1 of the Contract Year, the Company shall pay the FHCF its Reimbursement Premium in installments due on or before August 1, October 1, and December 1 of the Contract Year in amounts to be determined by the FHCF. However, if the Company's Reimbursement Premium for the prior Contract Year was less than \$5,000, the

Company's full provisional Reimbursement Premium, in an amount equal to the Reimbursement Premium paid in the prior year, shall be due in full on or before August 1 of the Contract Year. The Company will be invoiced for amounts due, if any, beyond the provisional Reimbursement Premium payment, on or before December 1 of the Contract Year.

- (b) If the Company is under administrative supervision, or if any control or oversight of the Company has been transferred through any legal or regulatory action to a state regulator or court appointed receiver or rehabilitator (referred to in the aggregate as "state action"):
1. The full annual provisional Reimbursement Premium as billed and any outstanding balances will be due and payable on August 1, or the date that such State action occurs after August 1 of the Contract Year.
  2. Failure by such Company to pay the full annual provisional Reimbursement Premium as specified in subparagraph 1. by the applicable due date shall result in the 45 percent% Coverage Level being deemed for the complete Contract Year regardless of the level selected for the Company through the execution of this Contract and regardless of whether a Covered Event occurred or triggered coverage. As such, the annual provisional Reimbursement Premium owed by the Company will be adjusted to reflect the 45 percent% Coverage Level for the Contract Year.
  3. Subparagraphs 1. and 2. do not apply if the state regulator, receiver, or rehabilitator provides a letter of assurance to the FHCF stating that the Company will have the resources and will pay the full Reimbursement Premium for the Coverage Level selected through the execution of this Contract.
  4. When control or oversight has been transferred, in whole or in part, through a legal or regulatory action, the controlling management of the Company shall specify by August 1 or as soon thereafter as possible (but not to exceed two weeks after any regulatory or legal action) in a letter to the FHCF as to the Company's intentions to either pay the full FHCF Reimbursement Premium as specified in subparagraph 1., to default to the 45 percent% Coverage Level being deemed as specified in subparagraph 2., or to provide the assurances as specified in subparagraph 3.
- (c) A New Participant that first begins writing Covered Policies on or after June 1 but prior to December 1 of the Contract Year shall pay the FHCF a provisional Reimbursement Premium of \$1,000 no later than 30 days from the date the New Participant began writing Covered Policies. The Administrator shall calculate the Company's actual Reimbursement Premium for the period based on its actual exposure as of November 30 of the Contract Year, as reported on or before



February 1 of the Contract Year. To recognize that New Participants have limited exposure during this period, the actual Reimbursement Premium as determined by processing the Company's exposure data shall then be divided in half, the provisional Reimbursement Premium shall be credited, and the resulting amount shall be the total Reimbursement Premium due for the Company for the remainder of the Contract Year. However, if that amount is less than \$1,000, then the Company shall pay \$1,000. The Reimbursement Premium payment is due no later than April 1 of the Contract Year. The Company's Retention and coverage will be determined based on the total Reimbursement Premium due as calculated above.

- (d) A New Participant that first begins writing Covered Policies on or after December 1 through and including May 31 of the Contract Year shall pay the FHCF a Reimbursement Premium of \$1,000 no later than 30 days from the date the New Participant began writing Covered Policies.
- (e) The requirement that the Reimbursement Premium is due on a certain date means that the Reimbursement Premium shall be remitted by wire transfer or ACH and shall have been credited to the FHCF's account, as set out on the invoice sent to the Company, on the due date applicable to the particular installment.
- (f) Except as required by Section 215.555(7)(c), Florida Statutes, or as described in the following sentence, Reimbursement Premiums, together with earnings thereon, received in a given Contract Year will be used only to pay for Losses attributable to Covered Events occurring in that Contract Year or for Losses attributable to Covered Events in subsequent Contract Years and will not be used to pay for past Losses or for debt service on post-event revenue bonds issued pursuant to Section 215.555(6)(a)1., Florida Statutes. Reimbursement Premiums and earnings thereon may be used for payments relating to such revenue bonds in the event emergency assessments are insufficient. If Reimbursement Premiums or earnings thereon are used for debt service on post-event revenue bonds, then the amount of the Reimbursement Premiums or earnings thereon so used shall be returned, without interest, to the Fund when emergency assessments or other legally available funds remain available after making payment relating to the post-event revenue bonds and any other purposes for which emergency assessments were levied.

**(3) Losses**

**(a) In General**

Losses resulting from a Covered Event commencing during the Contract Year shall be reported by the Company and reimbursed by the FHCF as provided herein and in accordance with the Statute, this Contract, and any rules adopted pursuant to the Statute. For a Company participating in a quota share primary insurance agreement(s) with Citizens Property Insurance Corporation Coastal Account, Citizens and the Company shall report only their respective portion of Losses under the

quota share primary insurance agreement(s). Pursuant to Section 215.555(4)(c), Florida Statutes, the SBA is obligated to pay for Losses not to exceed the Actual Claims-Paying Capacity of the FHCF, up to the limit in accordance with Section 215.555(4)(c)1., Florida Statutes, for any one Contract Year.

**(b) Loss Reports**

1. At the direction of the SBA, the Company shall report its projected Ultimate Net Loss from each Covered Event to provide information to the SBA in determining any potential liability for possible reimbursable Losses under the Contract on the Interim Loss Report, Form FHCF-L1A, adopted for the Contract Year under Rule 19-8.029, F.A.C. Interim Loss Reports (including subsequent Interim Loss Reports if required by the SBA) will be due in no less than fourteen days from the date of the notice from the SBA that such a report is required.
2. FHCF reimbursements will be issued based on Ultimate Net Loss information reported by the Company on the Proof of Loss Report, Form FHCF-L1B, adopted for the Contract Year under Rule 19-8.029, F.A.C.
  - a. To qualify for reimbursement, the Proof of Loss Report must have the electronic signatures of two executive officers authorized by the Company to sign or submit the report.
  - b. The Company must also submit a Detailed Claims Listing, Form FHCF-DCL, adopted for the Contract Year under Rule 19-8.029, F.A.C., at the same time it submits its first Proof of Loss Report for a specific Covered Event that qualifies the Company for reimbursement under that Covered Event, and must be prepared to supply a Detailed Claims Listing for any subsequent Proof of Loss Report upon request.
  - c. While the Company may submit a Proof of Loss Report requesting reimbursement at any time following a Covered Event, the Company shall submit a mandatory Proof of Loss Report for each Covered Event no later than December 31 of the Contract Year during which the Covered Event occurs using the most current data available, regardless of the amount of Ultimate Net Loss or the amount of reimbursements or advances already received, and shall include a Detailed Claims Listing if requested by the SBA.
  - ~~d. The Company shall submit its Proof of Loss Reports by each quarter end or year end using the most current data available, but with an "as of" date not more than sixty days prior to the applicable quarter end or year end date.~~
  - ~~e. For the Proof of Loss Reports due by December 31 of the Contract Year and the required subsequent annual reports required under subparagraph 4., the Company shall include a Detailed Claims Listing if requested by the SBA.~~

e.d. Updated Proof of Loss Reports for each Covered Event are due quarterly thereafter until the Commutation process described in Article XI is completed. The Company shall submit its quarterly Proof of Loss Reports with an “as of” date not more than sixty days prior to the applicable quarter-end date, and shall include a Detailed Claims Listing if requested by the SBA.

~~Updated Proof of Loss Reports for each Covered Event are due quarterly thereafter until all Losses resulting from a Covered Event are fully discharged including any adjustments to such Losses due to salvage or other recoveries, or the Company has received its full coverage under the Contract Year in which the Covered Event occurred. Guidelines follow:~~

- ~~a. Quarterly Proof of Loss Reports are due by March 31 from a Company whose Losses exceed, or are expected to exceed, 50% of its Retention for a specific Covered Event.~~
- ~~b. Quarterly Proof of Loss Reports are due by June 30 from all Companies regardless of the amount of Ultimate Net Loss or the amount of reimbursements or advances already received.~~
- ~~c. Quarterly Proof of Loss Reports are due by September 30 and quarterly thereafter from a Company whose Losses exceed, or are expected to exceed, its Retention for a specific Covered Event, except as required under subparagraph 4.~~

~~If the Company’s Retention must be recalculated as the result of an exposure resubmission, and if the recalculated Retention changes the FHCF’s reimbursement obligations, then the Company shall submit additional Proof of Loss Reports for recalculation of the FHCF’s obligations.~~

- ~~4. The Company shall submit a mandatory Proof of Loss Report for each Covered Event by June 30 and December 31 of each calendar year following the end of the Contract Year, regardless of whether the Company’s Losses exceed, or are expected to exceed, its FHCF Retention for a specific Covered Event. This Proof of Loss Report filing requirement shall continue until the earlier of the commutation process described in paragraph (3)(d) or until all Losses resulting from the Covered Event are fully discharged including any adjustments to such Losses due to salvage or other recoveries.~~

- ~~5.3.~~ The SBA, except as noted below, will determine and pay, within 30 days or as soon as practicable after receiving Proof of Loss Reports, the reimbursement amount due based on Losses paid by the Company to date and adjustments to this amount based on subsequent quarterly information. The adjustments to reimbursement amounts shall require the SBA to pay, or the Company to return, amounts reflecting the most recent determination of Losses.

- a. The SBA shall have the right to consult with all relevant regulatory agencies to seek all relevant information, and shall consider any other factors deemed relevant, prior to the issuance of reimbursements.
- b. The SBA shall require commercial self-insurance funds established under Section 624.462, Florida Statutes, to submit contractor receipts to support paid Losses reported on a Proof of Loss Report, and the SBA may hire an independent consultant to confirm Losses, prior to the issuance of reimbursements.
- c. The SBA shall have the right to conduct a claims examination prior to the issuance of any advances or reimbursements requested by Companies that have been placed under regulatory supervision by a State or where control has been transferred through any legal or regulatory proceeding to a state regulator or court appointed receiver or rehabilitator.

**6.4.** All Proof of Loss Reports ~~received~~ qualifying for reimbursement will be compared with the FHCF's exposure data to establish the facial reasonableness of the reports. The SBA may also review the results of current and prior Contract Year exposure and claims examinations to determine the reasonableness of the reported Losses. Except as noted in subparagraph 5., Companies meeting these tests for reasonableness will be scheduled for reimbursement. Companies not meeting these tests for reasonableness will be handled on a case-by-case basis and will be contacted to provide specific information regarding their individual book of business. The discovery of errors in a Company's reported exposure under the Data Call may require a resubmission of the current Contract Year Data Call which, as the Data Call impacts the Company's Reimbursement Premium, Retention, and coverage for the Contract Year, will be required before the Company's request for reimbursement or an advance will be fully processed by the Administrator.

**(c) Loss Reimbursement Calculations**

1. In general, the Company's paid Ultimate Net Losses must exceed its full Retention for a specific Covered Event before any reimbursement is payable from the FHCF for that Covered Event. As described in Article V(~~2526~~)(b), Retention adjustments will be made on or after January 1 of the Contract Year. No interest is payable on additional payments to the Company due to this type of Retention adjustment. Each Company, including entities created pursuant to Section 627.351(6), Florida Statutes, incurring reimbursable Losses will receive the amount of reimbursement due under the individual Company's Contract up to the amount of the Company's payout. If more than one Covered Event occurs in any one Contract Year, any reimbursements due from the FHCF shall take into account the Company's Retention for each

Covered Event. However, the Company's reimbursements from the FHCF for all Covered Events occurring during the Contract Year shall not exceed, in aggregate, the Projected Payout Multiple or Payout Multiple, as applicable, times the individual Company's Reimbursement Premium for the Contract Year.

2. Reserve established. ~~When a Covered Event occurs in a subsequent Contract Year when reimbursable Losses are still being paid for a Covered Event in a previous Contract Year, the~~ SBA will establish a reserve for the outstanding reimbursable Losses for the previous Contract Year, based on the length of time the Losses have been outstanding, the amount of Losses already paid, the percentage of incurred Losses still unpaid, and any other factors specific to the loss development of the Covered Events involved.

~~(d) Commutation~~

- ~~1. Except as provided in subparagraph 3., not less than 36 months or more than 60 months after the end of the Contract Year, the Company shall file a final Proof of Loss Report(s), with the exception of Companies having no reportable Losses as described in subparagraph a. Otherwise, the final Proof of Loss Report(s) is required as specified in subparagraph b. The Company and SBA may mutually agree to initiate commutation after 36 months and prior to 60 months after the end of the Contract Year. The commutation negotiations shall begin upon the later to occur of the following: 60 months after the end of the Contract Year or upon completion of the FHCF claims examination for the Company and the resolution of all outstanding examination issues.~~

- ~~a. If the Company's most recently submitted Proof of Loss Report(s) indicates that it has no Losses resulting from Covered Events during the Contract Year, the SBA shall after 36 months request that the Company execute a final commutation agreement. The final commutation agreement shall constitute a complete and final release of all obligations of the SBA with respect to Losses. If the Company chooses not to execute a final commutation agreement, the SBA shall be released from all obligations 60 months following the end of the Contract Year if no Proof of Loss Report indicating reimbursable Losses had been filed and the commutation shall be deemed concluded. However, during this time, if the Company determines that it does have Losses to report for FHCF reimbursement, the Company must submit an updated Proof of Loss Report prior to the end of 60 months after the Contract Year and the Company shall be required to follow the commutation provisions and time frames otherwise specified in this section.~~

~~b. If the Company has submitted a Proof of Loss Report indicating that it does have Losses resulting from a Covered Event during the Contract Year, the SBA may require the Company to submit within 30 days an updated, current Proof of Loss Report for each Covered Event during the Contract Year. The Proof of Loss Report must include all paid Losses as well as all outstanding Losses and incurred but not reported Losses, which are not finally settled and which may be reimbursable Losses under this Contract, and must be accompanied by supporting documentation (at a minimum an adjuster's summary report or equivalent details) and a copy of a written opinion on the present value of the outstanding Losses and incurred but not reported Losses by the Company's certifying actuary. Failure of the Company to provide an updated current Proof of Loss Report, supporting documentation, and an opinion by the date requested by the SBA may result in referral to the Florida Office of Insurance Regulation for a violation of the Contract. Increases in reported paid, outstanding, or incurred but not reported Losses on original or corrected Proof of Loss Report filings received later than 60 months after the end of the Contract Year shall not be eligible for reimbursement or commutation.~~

~~2. Determining the present value of outstanding Losses.~~

~~a. If the Company exceeds or expects to exceed its Retention, the Company and the SBA or their respective representatives shall attempt, by mutual agreement, to agree upon the present value of all outstanding Losses, both reported and incurred but not reported, resulting from Covered Events during the Contract Year. The Loss valuation process under this subparagraph may begin only after all other issues arising under this Contract have been resolved, and shall be suspended pending resolution of any such issues that arise during the Loss valuation process. Payment by the SBA of its portion of any amount or amounts so mutually agreed and certified by the Company's certifying actuary shall constitute a complete and final release of the SBA in respect of all Losses, both reported and unreported, under this Contract.~~

~~b. If agreement on present value cannot be reached within 90 days of the FHCF's receipt of the final Proof of Loss Report and supporting documentation or completion of the claims examination, the Company and the SBA may mutually appoint an actuary, adjuster, or appraiser to investigate and determine such Losses. If both parties then agree, the SBA shall pay its portion of the amount so determined to be the present value of such Losses.~~

- ~~e. If the parties fail to agree on the valuation of any Losses, then any difference in valuation of the Loss shall be settled by a panel of three actuaries, as provided in this subparagraph. Either the SBA or the Company may initiate the process under this subparagraph by providing written notice to the other party stating that the parties are at an impasse with respect to valuation of Losses and specifying the dollar amounts in dispute.~~
- ~~i. One actuary shall be chosen by each party, and the third actuary shall be chosen by those two actuaries. If either party does not appoint an actuary within 30 days after the initiation of the process, the other party may appoint two actuaries. If the two actuaries fail to agree on the selection of an independent third actuary within 30 days of their appointment, each of them shall name two, of whom the other shall decline one and the decision shall be made by drawing lots.~~
- ~~ii. All of the actuaries shall be regularly engaged in the valuation of property claims and losses and shall be members of the Casualty Actuarial Society and of the American Academy of Actuaries.~~
- ~~iii. None of the actuaries shall be under the control of either party to this Contract.~~
- ~~iv. Each party shall submit a written statement of its case to the panel of actuaries and the opposing party no later than 30 days after the appointment of the third actuary. Within 15 days after receiving the other party's submission, a party may submit its written response to the panel of actuaries and the other party. After the appointment of the third actuary, a party may not communicate with the panel or any member of the panel except in writing simultaneously furnished to all members of the panel and the opposing party. Any member of the panel may present questions to be answered by both parties, which shall be answered in writing and simultaneously furnished to the members of the panel and the opposing party or, at the discretion of the panel, may be provided in a meeting or teleconference attended by both parties and all members of the panel.~~
- ~~v. The written decision of a majority of the panel as to the disagreement over the valuation of losses identified in the written notice of impasse, when filed with the parties hereto, shall be final and binding on both parties.~~
- ~~d. The reasonable and customary expense of the actuaries and of the commutation (as a result of sub-subparagraphs 2.b. and c.) shall be equally divided between the two parties.~~

~~Said commutation shall take place in Tallahassee, Florida, unless some other place is mutually agreed upon by the Company and the SBA.~~

~~3. The Company and SBA may mutually agree to initiate and complete a commutation for zero dollars without being subject to the 36-month waiting period provided in subparagraph (d)1. Such early commutation, once completed, eliminates the mandatory Proof of Loss Report requirements required under subparagraphs (b)3. and 4. for all reporting periods subsequent to the completion of the commutation.~~

~~4. Upon full execution of the commutation agreement and the issuance of the final reimbursement payment, if any, each party, on behalf of its predecessors, successors, assigns, and its past, present and future officers, directors, shareholders, employees, agents, receivers, trustees, attorneys and its legal representatives, unconditionally and completely releases and forever discharges the other party, its predecessors, successors, assigns, and its past, present and future officers, directors, shareholders, employees, agents, receivers, trustees, attorneys, and its legal representatives from any and all past, present, and future rights, liabilities, and obligations including, but not limited to, payments, claims, debts, demands, causes of action, costs, disbursements, fees, attorneys' fees, expenses, damages, injuries, or losses of every kind, whether known or unknown, reported or unreported, or fixed or contingent, relating to or arising out of this Reimbursement Contract.~~

**(4) Advances**

- (a) The SBA may make advances for loss reimbursements as defined herein, at market interest rates, to the Company in accordance with Section 215.555(4)(e), Florida Statutes. An advance is an early reimbursement which allows the Company to continue to pay claims in a timely manner. Advances will be made based on the Company's paid and reported outstanding Losses for Covered Policies (excluding all incurred but not reported Losses) as reported on a Proof of Loss Report, and shall include a Loss Adjustment Expense Allowance as calculated by the FHCF. In order to be eligible for an advance, the Company must submit its exposure data for the Contract Year as required under subsection (1) of this Article. Except as noted below, advances, if approved, will be made as soon as practicable after the SBA receives a written request, signed by two officers of the Company, for an advance of a specific amount and any other information required for the specific type of advance under paragraphs (c) and (d). All reimbursements due to the Company shall be offset against any amount of outstanding advances plus the interest due thereon.
- (b) For advances or excess advances, which are advances that are in excess of the amount to which



the Company is entitled, the market interest rate shall be the prime rate as published in the Wall Street Journal on the first business day of the Contract Year. This rate will be adjusted annually on the first business day of each subsequent Contract Year, regardless of whether the Company executes subsequent Contracts. ~~In addition to the prime rate, an additional 5% interest charge will apply on excess advances.~~ All interest charged will commence on the date the SBA issues a disbursement for an advance and will cease on the date upon which the FHCF has received the Company's Proof of Loss Report for the Covered Event for which the Company qualifies for reimbursement. If such reimbursement is less than the amount of outstanding advances issued to the Company, interest will continue to accrue on the outstanding balance of the advances until subsequent Proof of Loss Reports qualify the Company for reimbursement under any Covered Event equal to or exceeding the amount of any outstanding advances. Interest shall be billed on a periodic basis. If it is determined that the Company received funds in excess of those to which it was entitled, the interest as to those sums will not cease on the date of the receipt of the Proof of Loss Report but will continue until the Company reimburses the FHCF for the overpayment.

- (c) If the Company has an outstanding advance balance as of December 31 of this or any other Contract Year, the Company is required to have an actuary certify outstanding and incurred but not reported Losses as reported on the applicable December Proof of Loss Report.
- (d) The specific type of advances enumerated in Section 215.555, Florida Statutes, follow.
  - 1. Advances to Companies to prevent insolvency, as defined under Article XVI.
    - a. Section 215.555(4)(e)1., Florida Statutes, provides that the SBA shall advance to the Company amounts necessary to maintain the solvency of the Company, up to 50 percent of the SBA's estimate of the reimbursement due to the Company.
    - b. In addition to the requirements outlined in subparagraph (4)(a), the requirements for an advance to a Company to prevent insolvency are that the Company demonstrates it is likely to qualify for reimbursement and that the immediate receipt of moneys from the SBA is likely to prevent the Company from becoming insolvent, and the Company provides the following information:
      - i. Current assets;
      - ii. Current liabilities other than liabilities due to the Covered Event;
      - iii. Current surplus as to policyholders;
      - iv. Estimate of other expected liabilities not due to the Covered Event; and

- v. Amount of reinsurance available to pay claims for the Covered Event under other reinsurance treaties.
  - c. The SBA's final decision regarding an application for an advance to prevent insolvency shall be based on whether or not, considering the totality of the circumstances, including the SBA's obligations to provide reimbursement for all Covered Events occurring during the Contract Year, granting an advance is essential to allowing the entity to continue to pay additional claims for a Covered Event in a timely manner.
- 2. Advances to entities created pursuant to Section 627.351(6), Florida Statutes.
  - a. Section 215.555(4)(e)2., Florida Statutes, provides that the SBA may advance to an entity created pursuant to Section 627.351(6), Florida Statutes, up to 90 ~~percent~~% of the lesser of the SBA's estimate of the reimbursement due or the entity's share of the actual aggregate Reimbursement Premium for that Contract Year, multiplied by the current available liquid assets of the FHCF.
  - b. In addition to the requirements outlined in paragraph (4)(a), the requirements for an advance to entities created pursuant to Section 627.351(6), Florida Statutes, are that the entity must demonstrate to the SBA that the advance is essential to allow the entity to pay claims for a Covered Event.
- 3. Advances to limited apportionment companies.

Section 215.555(4)(e)3., Florida Statutes, provides that the SBA may advance the amount of estimated reimbursement payable to limited apportionment companies.
- (e) In determining whether or not to grant an advance and the amount of an advance, the SBA:
  - 1. Shall determine whether its assets available for the payment of obligations are sufficient and sufficiently liquid to fulfill its obligations to other Companies prior to granting an advance;
  - 2. Shall review and consider all the information submitted by such Companies;
  - 3. Shall review such Companies' compliance with all requirements of Section 215.555, Florida Statutes;
  - 4. Shall consult with all relevant regulatory agencies to seek all relevant information;
  - 5. Shall review the damage caused by the Covered Event and when that Covered Event occurred;
  - 6. Shall consider whether the Company has substantially exhausted amounts previously advanced;

7. Shall consider any other factors deemed relevant; and
  8. Shall require commercial self-insurance funds established under section 624.462, Florida Statutes, to submit a copy of written estimates of expenses in support of the amount of advance requested.
- (f) Any amount advanced by the SBA shall be used by the Company only to pay claims of its policyholders for the Covered Event which has precipitated the immediate need to continue to pay additional claims as they become due.

**(5) Inadequate Data Submissions**

If exposure data or other information required to be reported by the Company under the terms of this Contract are not received by the FHCF in the format specified by the FHCF or is inadequate to the extent that the FHCF requires resubmission of data, the Company will be required to pay the FHCF a resubmission fee of \$1,000 for resubmissions that are not a result of an examination by the SBA. If a resubmission is necessary as a result of an examination report issued by the SBA, the first resubmission fee will be \$2,000. If the Company's examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be \$2,000. A resubmission of exposure data may delay the processing of the Company's request for reimbursement or an advance.

**(6) Confidential Information/Trade Secret Information**

Pursuant to the provisions of Section 215.557, Florida Statutes, the reports of insured values under Covered Policies by ZIP Code submitted to the SBA pursuant to Section 215.555, Florida Statutes, are confidential and exempt from the provisions of Section 119.07(1), Florida Statutes, and Section 24(a), Art. I of the State Constitution. If the Company submits other information ~~submitted by the Company~~ to the FHCF intending to seek ~~could reasonably be ruled a~~ "trade secret protection," as defined in Section 812.081, Florida Statutes, such information must be clearly marked "Trade Secret Information." and comply with all provisions of Florida law to protect such disclosure.

**ARTICLE XI – COMMUTATION**

**(1) Timeframe for Commutation Process**

- (a) The Company and SBA may mutually agree to initiate and complete a Commutation agreement for zero dollars at any time. Such zero-dollar Commutation, once completed, eliminates the mandatory FHCF Proof of Loss reporting requirements for the applicable Covered Event(s) for all reporting periods after the completion of the Commutation.
- (b) The Company and SBA may mutually agree to initiate the Commutation process after 36 months and prior to 60 months after the end of the Contract Year subject to the provisions in this Article.

(c) Provided the Company and SBA do not mutually initiate the Commutation process in subparagraph (a) or (b), the Commutation process will begin upon the later to occur: 60 months after the end of the Contract Year or upon completion of the FHCF claims examination for the Company and the resolution of all outstanding examination issues.

**(2) Final FHCF Proof of Loss Report(s)**

(a) No less than 36 months or more than 60 months after the end of the Contract Year, the Company shall file a final Proof of Loss Report for each Covered Event during the Contract Year, except for a Company that has entered into a Commutation agreement as described in sub-subparagraph (1)(a).

(b) The final Proof of Loss Report must include the following supporting documentation:

1. All paid Losses, outstanding Losses, and incurred but not reported Losses, which are not finally settled and which may be reimbursable Losses under this Contract.
2. Requested supporting documentation (at a minimum, an adjuster's summary report or equivalent details) and a copy of a written opinion on the present value of the outstanding Losses and incurred but not reported Losses by the Company's certifying actuary.

(c) Increases in reported paid, outstanding, or incurred but not reported Losses on original or corrected Proof of Loss Report filings received later than 60 months after the end of the Contract Year shall not be eligible for reimbursement or Commutation.

**(3) The Loss Valuation Process**

Subject to the timeframes outlined in sub-paragraph (1), if the Company has submitted a Proof of Loss Report indicating that it exceeds or expects to exceed its Retention, the Company and the SBA, or their respective representatives, shall attempt to agree upon the present value of all outstanding Losses, both reported and incurred but not reported, resulting from Covered Events during the Contract Year.

(a) The Loss valuation process may only begin after all other issues arising under this Contract have been resolved, including completion of the claims examination, and shall be suspended pending resolution of any such issues that arise during the Loss valuation process.

(b) Payment by the SBA of its portion of any amount or amounts so mutually agreed and certified by the Company's certifying actuary shall constitute a complete and final release of the SBA in respect of all Losses, both reported and unreported, under this Contract.

(c) If agreement on present value cannot be reached within 90 days of the FHCF's receipt of the final Proof of Loss Report, including supporting documentation in sub-subparagraph (2)(b), or completion of the claims examination, whichever is later, the Company and the SBA may mutually

appoint an actuary, adjuster, or appraiser to investigate and determine such Losses. If both parties then agree, the SBA shall pay its portion of the amount so determined to be the present value of such Losses.

(d) If the parties fail to agree on the valuation of any Losses, any difference in valuation of the Loss shall be settled by a panel of three actuaries, as provided in this subparagraph. Either the SBA or the Company may initiate the process under this subparagraph by providing written notice to the other party stating that the parties are at an impasse with respect to valuation of Losses and specifying the dollar amounts in dispute.

1. One actuary shall be chosen by each party, and the third actuary shall be chosen by those two actuaries. If either party does not appoint an actuary within 30 days after the initiation of the process, the other party may appoint two actuaries. If the two actuaries fail to agree on the selection of an independent third actuary within 30 days of their appointment, each of them shall name two, of whom the other shall decline one and the decision shall be made by drawing lots.

2. All of the actuaries shall be regularly engaged in the valuation of property claims and losses and shall be members of the Casualty Actuarial Society and of the American Academy of Actuaries.

3. None of the actuaries shall be under the control of either party to this Contract.

4. Each party shall submit a written statement related to its valuation of Losses to the panel of actuaries and the opposing party no later than 30 days after the appointment of the third actuary. Within 15 days after receiving the other party's submission, a party may submit its written response to the panel of actuaries and the other party. After the appointment of the third actuary, a party may not communicate with the panel or any member of the panel except in writing simultaneously furnished to all members of the panel and the opposing party. Any member of the panel may present questions to be answered by both parties, which shall be answered in writing and simultaneously furnished to the members of the panel and the opposing party or, at the discretion of the panel, may be provided in a meeting or teleconference attended by both parties and all members of the panel.

5. The written decision of a majority of the panel as to the disagreement over the valuation of Losses identified in the written notice of impasse, when filed with the parties hereto, shall be final and binding on both parties.

(e) The reasonable and customary expense of the actuaries and of the Commutation (as a result of subparagraph (3)(c) and subparagraph (d)) shall be equally divided between the two parties. Said

Commutation shall take place in Tallahassee, Florida, unless some other place is mutually agreed upon by the Company and the SBA.

(f) Upon full execution of the Commutation agreement and the issuance of the final reimbursement payment, if any, each party, on behalf of its predecessors, successors, assigns, and its past, present and future officers, directors, shareholders, employees, agents, receivers, trustees, attorneys and its legal representatives, unconditionally and completely releases and forever discharges the other party, its predecessors, successors, assigns, and its past, present and future officers, directors, shareholders, employees, agents, receivers, trustees, attorneys, and its legal representatives from any and all past, present, and future rights, liabilities, and obligations including, but not limited to, payments, claims, debts, demands, causes of action, costs, disbursements, fees, attorneys' fees, expenses, damages, injuries, or losses of every kind, whether known or unknown, reported or unreported, or fixed or contingent, relating to or arising out of this Contract.

#### **ARTICLE XII - TAXES**

In consideration of the terms under which this Contract is issued, the Company agrees to make no deduction in respect of the Reimbursement Premium herein when making premium tax returns to the appropriate authorities. Should any taxes be levied on the Company in respect of the Reimbursement Premium herein, the Company agrees to make no claim upon the SBA for reimbursement in respect of such taxes.

#### **ARTICLE XIII - ERRORS AND OMISSIONS**

Any inadvertent delay, omission, or error on the part of the SBA shall not be held to relieve the Company from any liability which would attach to it hereunder if such delay, omission, or error had not been made.

#### **ARTICLE ~~XIII~~XIV - INSPECTION OF RECORDS**

The Company shall allow the SBA to inspect, examine, and verify, at reasonable times, all records of the Company relating to the Covered Policies under this Contract, including Company files concerning claims, Losses, or legal proceedings regarding subrogation or claims recoveries which involve this Contract, including premium, loss records and reports involving exposure data or Losses under Covered Policies. This right by the SBA to inspect, examine, and verify shall survive the completion and closure of an exposure examination or claims examination file and the termination of the Contract. The Company shall have no right to re-open an exposure or claims examination once closed and the findings have been accepted by the Company; any re-opening shall be at the sole discretion of the SBA. If the State Board of Administration Finance Corporation has issued revenue bonds and relied upon the exposure and Loss data submitted and certified by the Company as accurate to determine the amount of bonding needed, the SBA may choose not to require, or accept, a resubmission if the resubmission will result in additional

reimbursements to the Company. The SBA may require any discovered errors, inadvertent omissions, and typographical errors associated with the data reporting of insured values, discovered prior to the closing of the file and acceptance of the examination findings by the Company, to be corrected to reflect the proper values. The Company shall retain its records in accordance with the requirements for records retention regarding exposure reports and claims reports outlined herein, and in any administrative rules adopted pursuant to Section 215.555, Florida Statutes. Companies writing covered collateral protection policies, as defined in definition (11)(b) of Article V, must be able to provide documentation that the policy covers personal residences, protects both the borrower's and lender's interest, and that the coverage is in an amount at least equal to the coverage for the dwelling in place under the lapsed homeowner's policy, the coverage amount that the homeowner has been notified of by the collateral protection insurer, or the coverage amount that the homeowner requests from the collateral protection insurer at least equal to the replacement cost value of the dwelling, as provided in Article V(11)(b).

**(1) Purpose of FHCF Examination**

The purpose of the examinations conducted by the SBA is to evaluate the accuracy of the FHCF exposure or Loss data reported by the Company. However, due to the limited nature of the examination, it cannot be relied upon as an assurance that a Company's data is reported accurately or in its entirety. The Company should not rely on the FHCF to identify every type of reporting error in its data. In addition, the reporting requirements are subject to change each Contract Year so it is the Company's responsibility to be familiar with the applicable Contract Year requirements and to incorporate any changes into its data for that Contract Year. It is also the Company's responsibility to ensure that its data is reported accurately and to comply with Florida Statutes and any applicable rules when reporting exposure data. The examination report is not intended to provide a legal determination of the Company's compliance.

**(2) Examination Requirements for Exposure Verification**

The Company shall retain complete and accurate records, in policy level detail, of all exposure data submitted to the SBA in any Contract Year until the SBA has completed its examination of the Company's exposure submissions. The Company shall also retain complete and accurate records of any completed exposure examination for any Contract Year in which the Company incurred Losses until the completion of the claims examination and eCommutation for that Contract Year. The records to be retained are outlined in the Data Call adopted for the Contract Year under Rule 19-8.029, F.A.C. A complete list of records to be retained for the exposure examination is set forth in Form FHCF-EAP1, adopted for the Contract Year under Rule 19-8.029, F.A.C.

**(3) Examination Requirements for Loss Reports**

The Company shall retain complete and accurate records of all reported Losses and/or advances submitted to the SBA until the SBA has completed its examination of the Company's reimbursable Losses and ~~e~~Commutation for the Contract Year (if applicable) has been concluded. The records to be retained are set forth as part of the Proof of Loss Report, Form FHCF-L1B and Form FHCF-LAP1, both adopted for the Contract Year under Rule 19-8.029, F.A.C.

**(4) Examination Procedures**

- (a) The FHCF will send an examination notice letter to the Company providing the commencement date of the examination, the site of the examination, any accommodation requirements of the examiner, and the reports and data which must be assembled by the Company and forwarded to the FHCF. The Company shall be prepared to choose one location in which to be examined, unless otherwise specified by the SBA.
- (b) The reports and data are required to be forwarded to the FHCF as set forth in an examination notice letter. The information is then forwarded to the examiner. If the FHCF receives accurate and complete records as requested, the examiner will contact the Company to inform the Company as to what policies or other documentation will be required once the ~~examiner is on site~~ examination begins. Any records not required to be provided to the examiner in advance shall be made available at the time the ~~examiner arrives on site~~ examination begins. Any records to support reported exposure or Losses which are provided after the ~~examiner has left the work site~~ examination has been completed will, at the SBA's discretion, result in an additional examination of exposure and/or Loss records or an extension or expansion of the examination ~~already in progress~~. All costs associated with such additional examination or with the extension or expansion of the original examination shall be borne by the Company.
- (c) At the conclusion of the examiner's work and the management review of the examiner's report, findings, recommendations, and work papers, the FHCF will forward an examination report to the Company.
- (d) Within 30 days from the date of the letter accompanying the examination report, the Company must provide a written response to the FHCF. The response must indicate whether the Company agrees with the findings and recommendations of the examination report. If the Company disagrees with any examination findings or recommendations, the reason for the disagreement must be outlined in the response and the Company must provide supporting information to support its objection. An extension of 30 days may be granted if the Company can show that the need for additional time is due to circumstances beyond the reasonable control of the Company. No response is required if the examination report does not include any findings or recommendations.



- (e) If the Company accepts the examination findings and recommendations, and there is no recommendation for additional information, the examination report will be finalized and the exam file closed.
- (f) If the Company disputes the examiner's findings, the areas in dispute will be resolved by a meeting or a conference call between the Company and FHCF management.
- (g) 1. If the recommendation of the examiner is to resubmit the Company's exposure data for the Contract Year in question, then the FHCF will send the Company a letter outlining the process for resubmission and including a deadline to resubmit. Once the resubmission is received, the FHCF's Administrator calculates a revised Reimbursement Premium for the Contract Year which has been examined. The SBA shall then review the resubmission with respect to the examiner's findings, and accept the resubmission or contact the Company with any questions regarding the resubmission. Once the SBA has accepted the resubmission as a sufficient response to the examiner's findings, the exam is closed.  
  
2. If the recommendation of the examiner is to give the Company the option to either resubmit the exposure data or to pay the estimated Reimbursement Premium difference, then the FHCF will send the Company a letter outlining the process for resubmission or for paying the estimated Reimbursement Premium difference and including a deadline for the resubmission or the payment to be received by the FHCF's Administrator. If the Company chooses to resubmit, the same procedures outlined in Article ~~XXIX~~XIV(4) apply.
- (h) If the recommendation of the examiner is to update the Company's Proof of Loss Report(s) for the Contract Year under review, the FHCF will send the Company a letter outlining the process for submitting the Proof of Loss Report(s) and including a deadline to file. Once the Proof of Loss Report(s) is received by the FHCF's Administrator, the FHCF's Administrator will calculate a revised reimbursement. The SBA shall then review the submitted Proof of Loss Report(s) with respect to the examiner's findings, and accept the Proof of Loss Report(s) as filed or contact the Company with any questions. Once the SBA has accepted the corrected Proof of Loss Report(s) as a sufficient response to the examiner's findings, the exam is closed.
- (i) The examiner's list of errors is made available in the examination report sent to the Company. Given that the examination was based on a sample of the Company's policies or claims rather than the whole universe of the Company's Covered Policies or reported claims, the error list is not intended to provide a complete list of errors but is intended to indicate what information needs to be reviewed and corrected throughout the Company's book of Covered Policy business or claims information to ensure more complete and accurate reporting to the FHCF.

(5) **Costs of the Examinations**

The costs of the examinations shall be borne by the SBA. ~~However, in order to remove any incentive for a Company to delay preparations for an examination, t~~The SBA shall be reimbursed by the Company for any reasonable and customary additional examination expenses incurred ~~in addition to the usual and customary costs, which additional expenses were incurred as a result of the Company's failure, despite proper notice, to be prepared for the examination or~~ as a result of a Company's failure to provide requested information. All requested information must be complete and accurate.

**ARTICLE XIV – OFFSETS**

The SBA reserves the right to offset amounts payable to the SBA from the Company, including amounts payable under the Reimbursement Contract for any Contract Year and also including the Company's full Reimbursement Premium for the current Contract Year (regardless of installment due dates), against any (1) Reimbursement Premium refunds under any Contract Year, (2) reimbursement or advance amounts, or (3) amounts agreed to in a ~~e~~Commutation agreement, which are due and payable to the Company from the SBA as a result of the liability of the SBA.

**ARTICLE XVI - INSOLVENCY OF THE COMPANY**

~~Company shall notify the FHCF immediately upon becoming insolvent. For the purpose of this Contract, a Company is insolvent when an order of liquidation with a finding of insolvency has been entered by a court of competent jurisdiction. Except as otherwise provided below, n~~No reimbursements will be made until the FHCF has completed and closed its examination of the insolvent Company's Losses, unless an agreement is entered into by the court appointed receiver specifying that all data and computer systems required for FHCF exposure and claims examinations will be maintained until completion of the Company's exposure and claims examinations. ~~Except as otherwise provided below, in order to account for potential erroneous reporting, the SBA shall hold back 25% of requested reimbursements until the exposure and claims examinations for the Company are completed.~~ Only those Losses supported by the examination will be reimbursed. Pursuant to Section 215.555(4)(g), Florida Statutes, the FHCF is required to pay ~~the "net amount of all~~ reimbursement moneys" due an insolvent insurer to the Florida Insurance Guaranty Association (FIGA) for the benefit of Florida policyholders. ~~For the purpose of this Contract, a Company is insolvent when an order of liquidation with a finding of insolvency has been entered by a court of competent jurisdiction.~~ In light of the need for an immediate infusion of funds to enable policyholders of insolvent companies to be paid for their claims, the SBA may enter into agreements with FIGA allowing exposure and claims examinations to take place immediately without the usual notice and response time limitations and allowing the FHCF to make reimbursements (net of any amounts payable to the SBA from the Company or FIGA) to FIGA before the examinations are completed. Such agreements must ensure the

availability of the necessary records and adequate security must be provided so that if the FHCF determines that it overpaid FIGA on behalf of the Company, that the funds will be repaid to the FHCF by FIGA within a reasonable time.

#### **ARTICLE XVII - TERMINATION**

The FHCF and the obligations of both parties under this Contract can be terminated only as may be provided by law or applicable rules.

#### **ARTICLE XVIII – VIOLATIONS**

##### **(1) Statutory Provisions**

- (a) Section 215.555(10), Florida Statutes, provides that any violation of Section 215.555, Florida Statutes, or of rules adopted under that section, constitutes a violation of the Florida Insurance Code. This Contract has been adopted as part of Rule 19-8.010, Florida Administrative Code, under the authority of that section of Florida Statutes.
- (b) Section 215.555(11), Florida Statutes, authorizes the SBA to take any action necessary to enforce the rules and the provisions and requirements of this Contract, required by and adopted pursuant to Section 215.555, Florida Statutes.

##### **(2) Noncompliance**

- (a) As used in this Article, the term “noncompliance” means the failure of the Company to meet any applicable requirement of Section 215.555, Florida Statutes, or of any rule adopted under the authority of that section of Florida Statutes, including, but not limited to, any failure to meet a deadline for an FHCF payment, Data Call submissions or resubmissions, Loss reporting or ~~e~~Commutation documentation, or a deadline related to SBA examination requirements. The Company remains in a state of noncompliance as long as the Company fails to meet the applicable requirement(s).
- (b) If the Company is in a state of noncompliance, the SBA reserves the right to withhold any payments or advances due to the Company until the SBA determines that the Company is no longer in a state of noncompliance.

#### **ARTICLE ~~XVIII~~XIX - APPLICABLE LAW**

This Contract shall be governed by and construed according to the laws of the State of Florida in respect of any matter relating to or arising out of this Contract.

#### **ARTICLE XIX – DUE DATES**

If any due date provided in this Contract is a Saturday, Sunday or a legal State of Florida or federal holiday, then the actual due date will be the day immediately following the applicable due date which is not a Saturday, Sunday or a legal State of Florida or federal holiday.

**ARTICLE XXI – REIMBURSEMENT CONTRACT ELECTIONS**

**(1) Coverage Level**

For purposes of determining reimbursement (if any) due the Company under this Contract and in accordance with the Statute, the Company has the option to elect a 45 percent% or 75 percent% or 90 percent% Coverage Level under this Contract. If the Company is a member of an NAIC group, all members must elect the same Coverage Level, and the individual executing this Contract on behalf of the Company, by placing his or her initials in the box under (a) below, affirms that the Company has elected the same Coverage Level as all members of its NAIC group. If the Company is an entity created pursuant to Section 627.351, Florida Statutes, the Company must elect the 90 percent% Coverage Level. The Company shall not be permitted to change its Coverage Level after the March 1 statutory deadline for execution of the Contract. The Company shall be permitted to change its Coverage Level upon timely execution of the Contract for the next Contract Year, but may not reduce its Coverage Level if revenue bonds issued under Section 215.555(6), Florida Statutes, are outstanding.

The Coverage Level elected by the Company for the prior Contract Year effective June 1, 2021-2022 was as follows: «Legal\_Name» - «2021-2022\_Coverage\_Option»

(a) **NAIC Group Affirmation:** Indicate if the Company is part of an NAIC Group (enter Yes or No):

(b) **Coverage Level Election:** The Company hereby elects the following Coverage Level for the Contract Year from 12:00:01 a.m., Eastern Time, June 1, 2022-2023, to 12:00 a.m., Eastern Time, May 31, 2023-2024, (the individual executing this Contract on behalf of the Company shall place his or her initials in the box to the left of the percentage elected for the Company):

45% OR

75% OR

90%

**(2) Additional Living Expense (ALE) Written as Time Element Coverage**

If your Company writes Covered Policies that provide ALE coverage on a time element basis (i.e., coverage is based on a specific period of time as opposed to a stated dollar limit), you must initial the ‘Yes – Time Element ALE’ box below. If your Company does not write time element ALE coverage, initial ‘No – Time Element ALE’ box below.

<div style="border: 1px solid black; width: 120px; height: 35px; margin: 0 auto;"></div> <p><b>Yes – Time Element ALE</b></p>	<b>OR</b>	<div style="border: 1px solid black; width: 120px; height: 35px; margin: 0 auto;"></div> <p><b>No – Time Element ALE</b></p>
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**ARTICLE XXII – COMPANY COVERAGE OF UNSOUND INSURERS**

If a Company seeks to provide coverage for Covered Policies of an Unsound Insurer, pursuant to Section 215.555(5)(e), Florida Statutes, the Company may, subject to the provisions mutually agreed to below, obtain coverage for such policies under its Reimbursement Contract with the FHCF or accept an assignment of the Unsound Insurer's Reimbursement Contract with the FHCF. Prior to the date the Company takes a transfer of policies from an Unsound Insurer, the Company shall select one of the options below using Appendix A and submit to the SBA as instructed.

**(1) Providing Coverage for an Unsound Insurer's Policies Under Company's FHCF Reimbursement Contract**

- (a) If a Covered Event has occurred prior to the transfer of policies from an Unsound Insurer to the Company, the Company must accept an assignment of the Unsound Insurer's FHCF Reimbursement Contract and cannot cover such policies under the Company's Reimbursement Contract through an assumption of the Unsound Insurer's Covered Policies. Only in those situations where a Covered Event has not occurred shall the Company be able to obtain coverage under its own FHCF Reimbursement Contract for those policies assumed from an Unsound Insurer.
- (b) Responsibilities relating to the assumption of an Unsound Insurer's Covered Policies by the Company:
1. The Company shall accurately report the exposure and loss data related to Covered Policies assumed from the Unsound Insurer.
    - a. For an assumption of an Unsound Insurer's Covered Policies that occurs on or before June 30, 2023, the Company shall report the exposure in effect for such policies as of June 30, 2023. This includes assumed policies renewed with the Company on or before June 30, 2023. As outlined in the Data Call, all such policies must be combined with the Company's Covered policies written as its direct business and reported as a single submission due September 1, 2023.
    - b. For an assumption of Covered Policies from an Unsound Insurer to the Company that occurs after June 30, 2023, and before December 1, 2023, the Company shall report exposure in effect for such policies as of June 30, 2023, and the SBA shall treat all such

- policies as if they were in effect as of June 30, 2023 for the Company. The Company shall report assumed Covered Policies based on their status at June 30, 2023, in a single Data Call file combined with the Company's Covered Policies written as its direct business based on the requirements outlined in the Data Call. The combined Data Call file is due on September 1, 2023, or a maximum 60 days from the date of the assumption, whichever is later. If the Company's Data Call file has been previously submitted to the SBA, the Company will be required to resubmit its initial Data Call.
- c. If the Company is unable to submit the combined Data Call file by September 1, 2023, the Company must initially submit its Data Call file with all of its direct written Covered Policies that were in effect as of June 30, 2023 (prior to the assumption of additional Covered Policies from an Unsound Insurer) by September 1, 2023. The Company will then need to resubmit the combined Data Call file no later than 60 days from the date of the assumption.
- d. If a policy assumed by the Company from the Unsound Insurer is not reported in the Company's Data Call file, Losses under that policy may not be included in Losses reported to the SBA unless the Company is able to resubmit the Data Call file to include such omitted policies.
- e. For an assumption of an Unsound Insurer's Covered Policies on or after December 1, 2023, through and including May 31 of the Contract Year, the Company is not required to report its assumed policies to the SBA until the subsequent Contract Year based on the status of the policy at June 30 of that subsequent Contract Year.
- f. Except as noted above, for purposes of reporting Losses to the SBA, the Company shall report all Losses including those associated with Covered Policies assumed from the Unsound Insurer on Forms FHCF-L1A and FHCF-L1B as required under the Contract.
2. The FHCF Reimbursement Premium for all Covered Policies assumed from the Unsound Insurer by the Company shall be due on December 1, 2023, or within 15 days of being invoiced by the SBA, whichever is later. The total Reimbursement Premium resulting from the reporting of exposure on the Company's Covered Policies and the Reimbursement Premium associated with Covered Policies assumed by the Company from the Unsound Insurer shall be combined to determine the Company's retention and its share of the FHCF's capacity.
3. An administrative fee of \$1,000 shall apply to each resubmission of exposure data for resubmissions that are not a result of an examination by the SBA. If a resubmission is necessary as a result of an examination report issued by the SBA, the first resubmission fee will be \$2,000.

- If the first examination-required resubmission is inadequate and the SBA requires an additional resubmission(s), the resubmission fee for each subsequent resubmission shall be \$2,000. Resubmission fees shall be invoiced along with the Reimbursement Premium billing discussed in (b) above.
4. The Company shall ensure that the books and records related to the Covered Policies assumed from the Unsound Insurer are preserved and accessible to the SBA for its exposure and claims examinations. The Company shall retain data related to the FHCF examinations as required in Forms FHCF-D1A, FHCF-DCL, FHCF-EAP1, and FHCF-LAP1 for the exposure assumed from the Unsound Insurer.
  5. The Company is required to provide the SBA with a complete listing of all assumed policies, including Covered Policies and other policies not covered by the FHCF. As outlined in the Data Call, the listing must include each policy number and the policy's effective and expiration dates. In addition to the policy listing, the Company must provide an agreement between the Company and the Unsound Insurer that supports the number of policies assumed.

**(2) Acceptance of an Assignment of an Unsound Insurer's FHCF Reimbursement Contract**

(a) Responsibilities relating to assigned Reimbursement Contracts:

1. The Company, pursuant to Section 215.555(5)(e), Florida Statutes, has the rights and duties of the Unsound Insurer for such transferred Covered Policies.
2. The Company is responsible for the Reimbursement Premiums due under the assigned Reimbursement Contract. Should any Reimbursement Premium be owed at the time paid Losses for Covered Policies under the assigned Reimbursement Contract exceed the Retention under the assigned Reimbursement Contract, all Reimbursement Premiums (as well as any applicable fees and interest) shall be offset before the issuance of any reimbursement payment.
3. The Company has the responsibility to report all exposure and Loss information for Covered Policies under the assigned Reimbursement Contract separately for each assigned Reimbursement Contract pursuant to the reporting requirements specified in the Reimbursement Contract. If the Unsound Insurer has already submitted the required Data Call, the Company has the responsibility of filing any resubmissions as necessary.
4. The Company has the responsibility to ensure that the books and records related to the assigned Reimbursement Contract are preserved and accessible to the SBA for its exposure and claims examinations. The Company has the responsibility to retain data related to FHCF examinations as required in FHCF-D1A, FHCF-DCL, FHCF-EAP1, and FHCF-LAP1 for each assigned Reimbursement Contract.

(b) The Company will not be reimbursed by the SBA for any Losses occurring prior to the date it first provides coverage for such transferred policies. Reimbursements for those Losses shall be made to the Unsound Insurer, the court-appointed receiver, or the applicable guaranty association, as provided by statute.

**ARTICLE XXIII – SIGNATURES**

**Approved by:**

Paragon Strategic Solutions Inc., on Behalf of the State Board of Administration of the State of Florida  
and as Administrator of the Florida Hurricane Catastrophe Fund.

By: \_\_\_\_\_ Date \_\_\_\_\_

**Authority to sign on behalf of the Company:**

The person signing this Contract on behalf of the Company hereby represents that he or she is an officer of the Company, acting within his or her authority to enter into this Contract on behalf of the Company, with the requisite authority to bind the Company and make the representations on behalf of the Company as set forth in this Contract.

«Legal\_Name»

\_\_\_\_\_  
Printed Name and Title

By: \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_



**APPENDIX A-~~TO ADDENDUM NO. 1~~**  
**to**  
**REIMBURSEMENT CONTRACT**

**(Contract)**

between

**<< Legal Name>>**  
("Company")

**NAIC #**

and

**THE STATE BOARD OF ADMINISTRATION OF THE STATE OF FLORIDA (SBA)**  
**WHICH ADMINISTERS THE FLORIDA HURRICANE CATASTROPHE FUND (FHCF)**

Pursuant to Section 215.555(5)(e), Florida Statutes

With reference to

\_\_\_\_\_  
Name of Unsound Insurer ("Unsound Insurer")

We, the undersigned, being officers of the Company, acting within our authority, hereby make the following election with reference to the Unsound Insurer named above:

(Check appropriate box and provide date of transfer below):

☐

Company elects to obtain FHCF coverage for the Unsound Insurer's Covered Policies by including such Covered Policies under Company's ~~2022-2023~~ FHCF Reimbursement Contract.

Date policies assumed by Company: \_\_\_\_\_

☐

Company elects to obtain FHCF coverage for the Unsound Insurer's Covered Policies by accepting an assignment of the Unsound Insurer's ~~2022-2023~~ FHCF Reimbursement Contract.

Date Reimbursement Contract assigned to Company: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Typed Name: \_\_\_\_\_

Typed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**RETURN COMPLETED FORM TO:**

Paragon Strategic Solutions Inc.  
8200 Tower, 5600 West 83<sup>rd</sup> Street, Suite 1100  
Minneapolis, MN 55437



**STATE BOARD OF ADMINISTRATION  
OF FLORIDA**

1801 HERMITAGE BOULEVARD  
TALLAHASSEE, FLORIDA 32308  
(850) 488-4406

POST OFFICE BOX 13300  
TALLAHASSEE, FLORIDA  
32317-3300

RON DESANTIS  
GOVERNOR  
CHAIR  
JIMMY PATRONIS  
CHIEF FINANCIAL OFFICER

ASHLEY MOODY  
ATTORNEY GENERAL

LAMAR TAYLOR  
INTERIM EXECUTIVE DIRECTOR & CIO

**CHARTER OF THE AUDIT COMMITTEE  
OF THE  
STATE BOARD OF ADMINISTRATION OF FLORIDA**

**A. PURPOSE:**

Acting pursuant to Section 215.44(2)(c), Florida Statutes, the Board of Trustees ("Board") of the State Board of Administration (SBA) has established an Audit Committee (the "Committee") whose purpose is to assist the board in fulfilling its oversight responsibilities. The Committee shall serve as an independent and objective party to monitor processes for financial reporting, internal controls and risk assessment, audit processes, and compliance with laws, rules, and regulations.

**B. AUTHORITY:**

The Committee's authority comes from Section 215.44(2)(c), Florida Statutes and from the Board. The Committee has the authority to direct the Board's independent external auditors, the SBA's Chief Audit Executive ("CAE") or the SBA's Office of Internal Audit ("OIA") staff to conduct an audit, review, and/or a special investigation into any matters within the scope of the Committee's responsibility.

**C. MEMBERSHIP:**

The Committee shall consist of three (3) members appointed by the Board. Members shall be appointed for four (4) year terms. After the expiration of their four year term, the member must request a reappointment letter from the Board. Members will be permitted to serve while the Board considers the reappointment request, and the term of any affirmative reappointment will be deemed to have commenced upon the expiration of the term of a previous appointment. As Board members change, they will be given the opportunity to reappoint the current member or appoint another member.

Any vacancy shall be filled for the remainder of the unexpired term. Per statute, the persons appointed must have relevant knowledge and expertise as determined by the Board.

The Committee will annually elect its chair and vice chair from its membership by majority vote of the members. A member may not be elected to consecutive terms as chair or vice chair.

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Approved by the Audit Committee on  
Approved by the Trustees on

Each Committee member will be independent and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee and will be required to complete an annual independence statement.

#### **D. MEMBERSHIP QUALIFICATIONS:**

The Committee members are appointed by the Board pursuant to Section 215.44(2)(c), Florida Statutes. At the time of his or her appointment, each member shall be independent and financially literate according to the following standards:

1. Each member must meet the independence requirements of the United States Securities and Exchange Commission (SEC) with respect to the activities and funds of the State Board of Administration.
2. Each member must be able to read and understand fundamental financial statements, including balance sheet, income statement and statement of cash flows and have working familiarity with financial practices applicable to fiduciary trust, banking, brokerage, asset management or other similar financial services operations.

The Board shall consider the following guidelines when appointing members to ensure the Committee, as an entity, has the collective knowledge, skills, and abilities necessary to accomplish its statutory mission. Members must possess one or more of the following attributes:

1. Financial expertise as defined in the “audit committee financial expert” corporate governance rules and regulations of the SEC.
2. Investment literacy consistent with a current working knowledge of investment products commonly used by institutional investors.
3. Knowledge and experience in the practice of internal and/or external auditing, including familiarity with current auditing standards.
4. Knowledge and experience in the practice of risk management, including the performance of periodic risk assessments.

The Board shall endeavor to ensure at least one member is deemed to meet the requirements of an “audit committee financial expert” as defined by the corporate governance rules and regulations of the SEC, to the extent practical. The Board shall also endeavor to ensure at least one member is deemed to have investment literacy consistent with a current working knowledge of investment products commonly used by institutional investors.

New members will receive formal orientation training on the purpose and mandate of the Committee and on the SBA’s objectives.

Members will conduct themselves in accordance with the SBA Code of Ethics as is required of all SBA management and staff.

#### **E. MEETINGS AND COMMUNICATIONS:**

The Committee shall meet four (4) times annually, or more frequently as deemed necessary by the Committee. All Committee members are expected to attend each meeting in person or via teleconference or video conference. The Committee may not conduct any meeting with fewer than two (2) members present, and approval and/or action on any item by two (2) or more members of the Committee shall constitute approval and/or action on any item by the Committee. The Committee may ask members of the SBA management or others to attend meetings and provide pertinent information as necessary. The CAE, in conjunction with the Committee chair and the Executive Director & CIO, will ensure that meeting agendas and appropriate briefing materials are prepared and provided in advance to the Committee and SBA management. Minutes of all Committee meetings will be prepared and approved.

The Committee is subject to Florida's Government in the Sunshine Law (Sunshine Law) as set forth in Chapter 286, Florida Statutes. The Sunshine Law extends to all discussions and deliberations as well as any formal action taken by the Committee. The law is applicable to any gathering, whether formal or casual, of two or more members of the Committee to discuss some matter on which foreseeable action will be taken. Reasonable public notice must be given for all such gatherings. In the event any meeting or portion thereof would reveal information that specifically is made exempt under the Sunshine Law, the Committee either may hold a separate closed meeting to discuss the exempted information or the Committee can close the portion of the publicly noticed meeting in which the exempted information is discussed but will notify the public of such closed meeting in a manner advised by the SBA's General Counsel (or his or her designee). The Committee will make an audio or other recording in the manner advised by the SBA's General Counsel (or his or her designee) of all or any portion of a meeting that is closed because of such exemption.

#### **F. REPORTING RESPONSIBILITIES:**

The Committee shall report periodically, but no less than quarterly, to the Board and the Executive Director & CIO of the SBA regarding the Committee activities, issues, and recommendations.

#### **G. DUTIES AND RESPONSIBILITIES:**

The primary duties and responsibilities of the Committee are to:

##### **1. Financial Reporting**

- Review the annual financial statements of all Trust Funds required to be audited and any certification, report, opinion, or review rendered by internal or external auditors.
- Inquire as to the external auditors' independent qualitative judgments about the appropriateness, not just the acceptability, of the accounting principles and clarity of financial disclosures practices used or proposed to be adopted by SBA.
- Inquire as to the external auditors' views about whether management's choices of accounting principles are conservative, moderate or aggressive from the perspective of

income, asset and liability recognition, and whether those principles are common practices or a minority practice.

- Review, in consultation with the external auditors and the CAE, the integrity of SBA's financial reporting processes.

## **2. Internal Controls and Risk Assessment**

- Review OIA, Enterprise Risk Management (ERM) or external evaluation of the effectiveness of the SBA's process for assessing significant risks or exposures and the steps management has taken to monitor and control such risks, including internal controls.
- Review significant findings and recommendations of the auditors (internal and external) with management's responses, including the timetable for implementation of recommendations to correct weaknesses in the internal controls.
- Review with the independent auditors, CAE and financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls of the SBA and review any significant recommendations for the improvement of such internal control procedures or particular areas where more effective controls or procedures are desirable.

## **3. Compliance**

- Review OIA or external provider's evaluation of the effectiveness of the system for ensuring compliance with laws, rules, regulations, policies, and procedures and the results of management's investigation and follow-up of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies.
- Review information from management, legal counsel, and the Chief Risk & Compliance Officer (CRCO) regarding compliance matters.
- Review reports on compliance activities from the CRCO.
- Review the results of the externally commissioned governance, risk and compliance review as it pertains to compliance activities.

## **4. Enterprise Risk Management**

- Review the SBA's risk profile.
- Review quarterly reports on enterprise risk management activities from the CRCO.

- Review significant risk exposures and control issues, including fraud risks, governance issues, and other matters as needed.
- Review and provide advice on the risk management processes established and maintained by management and the procedures in place to ensure that they are operating as intended.
- Review the results of the externally commissioned governance, risk and compliance review as it pertains to enterprise risk management activities,.

## **5. Internal Audit**

- Review and approve annually, in consultation with the Executive Director & CIO and the CAE, the OIA Charter, annual audit plan, budget, staffing, and organizational structure of the internal audit department. Confirm and assure the independence and objectivity of the OIA.
- Receive internal audit reports and a progress report on the approved annual audit plan on a periodic basis.
- Assist the Board in decisions regarding the appointment and removal of the CAE.
- Review periodic internal and no less frequently than every five years self-assessment with independent external validation of quality assurance reviews required by the Standards.
- Inquire of the CAE whether any internal audit engagements or non-audit engagements have been completed but not reported to the Committee; if so, inquire whether any matters of significance arose from such work.
- Obtain reasonable assurance that management has acted on the results and recommendations of internal and external audit engagements, the Committee will regularly review reports on the progress of implementing approved management action plans and audit recommendations resulting from completed audit engagements.

## **6. External Audit**

- Search, select, and engage external audit firms by approving:
  - Scope of work for competitive solicitations
  - Selection process
  - External audit firms selected by the evaluation team chaired by the CAE or the CAE's designee)

- Meet, as needed, with the representatives of the Auditor General and other external auditors regarding the proposed scope and approach of their external auditing functions and subsequently the results of their audit of the SBA.
- Meet, as needed, with representatives of Office of Program Policy Analysis and Government Accountability (OPPAGA) regarding its review of the performance of the SBA.
- Review with management the results of all audits, including any difficulties encountered by the auditors or disputes with management during the course of their audit. External auditors will be consulted, as needed.

## **7. Other Responsibilities**

- Review and assess the adequacy of the Committee Charter no less than annually, and request Board approval for the proposed changes.
- Challenge internal and external auditors to ensure that the SBA has appropriate antifraud programs and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected.
- Commission an SBA governance, risk management and compliance (GRC) program evaluation and performance improvement analysis (including the adequacy of the combined assurance being provided and assessment of the internal audit function and their utilization of external auditors/consultants as needed) to be performed by an external provider no less frequently than every five years and incorporating input from SBA management.
  - The independent assessor should interview at least one Committee member.
- Directing the CAE to conduct investigations into any matters within its scope of responsibility and obtaining advice and assistance from outside legal, accounting, or other advisers, as necessary, to perform its duties and responsibilities.

While the Committee has the responsibilities and the authority as set forth in Section 215.44(2)(c), Florida Statutes, and this Charter, it is not the responsibility of the Committee to plan or conduct individual audits, reviews and/or investigations, to attest to the SBA's financial information or condition, to resolve disagreements, or to assume responsibility for compliance with laws, rules, regulations, policies, procedures, the Employee Handbook, or the Code of Ethics.



## **FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PLAN INVESTMENT POLICY STATEMENT**

### **I. DEFINITIONS**

**Absolute Real Target Rate of Return** - The total rate of return by which the FRS Portfolio must grow, in excess of inflation as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), in order to achieve the long-run investment objective.

**Asset Class** - An asset class is an aggregation of one or more portfolios with the same principal asset type.<sup>1</sup> For example, all of the portfolios whose principal asset type was stocks would be aggregated together as the Global Equity asset class. As such, it would contain primarily—but not exclusively—the principal asset type.

**Asset Type** - An asset type is a category of investment instrument such as common stock or bond.

**Portfolio** - A portfolio is the basic organization unit of the FRS Fund. Funds are managed within portfolios. A portfolio will typically contain one principal asset type (common stocks, for example), but may contain other asset types as well. The discretion for this mix of asset types is set out in guidelines for each portfolio.

### **II. OVERVIEW OF THE FRS AND SBA**

The State Board of Administration (Board) provides investment management of assets contributed and held on behalf of the Florida Retirement System (FRS). The investment of retirement assets is one aspect of the activity involved in the overall administration of the Florida Retirement System. The Division of Retirement (DOR), the administrative agency for the FRS, provides full accounting and administration of benefits and contributions, commissions actuarial studies, and proposes rules and regulations for the administration of the FRS. The State Legislature has the responsibility of setting contribution and benefit levels, and providing the statutory guidance for the administration of the FRS.

### **III. THE BOARD**

The State Board of Administration has the authority and responsibility for the investment of FRS assets. The Board consists of the Governor, as Chairman, the Chief Financial Officer, and the Attorney General. The Board has statutory responsibility for the investment of FRS assets, subject to limitations on investments as outlined in Section 215.47, Florida Statutes.

The Board shall discharge its fiduciary duties in accordance with the Florida statutory fiduciary standards of care as contained in Sections 215.44(2)(a) and 215.47(10), Florida Statutes.

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<sup>1</sup> The Strategic Investments asset class is an exception, purposefully established to contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

The Board delegates to the Executive Director the administrative and investment authority, within the statutory limitations and rules, to manage the investment of FRS assets. An Investment Advisory Council (IAC) is appointed by the Board. The IAC meets quarterly, and is charged with the review and study of general portfolio objectives, policies and strategies, including a review of investment performance.

The mission of the State Board of Administration is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary and professional standards.

#### **IV. THE EXECUTIVE DIRECTOR**

The Executive Director is charged with the responsibility for managing and directing administrative, personnel, budgeting, and investment functions, including the strategic and tactical allocation of investment assets.

The Executive Director is charged with developing specific individual investment portfolio objectives and policy guidelines, and providing the Board with monthly and quarterly reports of investment activities.

The Executive Director has investment responsibility for maintaining diversified portfolios, and maximizing returns with respect to the broad diversified market standards of individual asset classes, consistent with appropriate risk constraints. The Executive Director will develop policies and procedures to:

- Identify, monitor and control/mitigate key investment and operational risks.
- Maintain an appropriate and effective risk management and compliance program that identifies, evaluates and manages risks within business units and at the enterprise level.
- Maintain an appropriate and effective control environment for SBA investment and operational responsibilities.
- Approve risk allocations and limits, including total fund and asset class risk budgets.

The Executive Director will appoint a Chief Risk and Compliance Officer, whose selection, compensation and termination will be affirmed by the Board, to assist in the execution of the responsibilities enumerated in the preceding list. For day-to-day executive and administrative purposes, the Chief Risk and Compliance Officer will proactively work with the Executive Director and designees to ensure that issues are promptly and thoroughly addressed by management. On at least a quarterly basis, the Chief Risk and Compliance Officer will provide reports to the Investment Advisory Council, Audit Committee and Board and is authorized to directly access these bodies at

any time as appropriate to ensure the integrity and effectiveness of risk management and compliance functions.

Pursuant to written SBA policy, the Executive Director will organize an Investment Oversight Group(s) to regularly review, document and formally escalate guideline compliance exceptions and events that may have a material impact on the Trust Fund. The Executive Director is delegated the authority and responsibility to prudently address any such compliance exceptions, with input from the Investment Advisory Council and Audit Committee as necessary and appropriate, unless otherwise required in this Investment Policy Statement.

The Executive Director is responsible for evaluating the appropriateness of the goals and objectives in this Plan in light of actuarial studies and recommending changes to the Board when appropriate.

## **V. INVESTMENT OBJECTIVES**

The investment objective of the Board is to provide investment returns sufficient for the plan to be maintained in a manner that ensures the timely payment of promised benefits to current and future participants and keeps the plan cost at a reasonable level. To achieve this, a long-term real return approximating 4.0% per annum (compounded and net of investment expenses) should be attained. As additional considerations, the Board seeks to avoid excessive risk in long-term cost trends. To manage these risks, the volatility of annual returns should be reasonably controlled.

The Board's principal means for achieving this goal is through investment directives to the Executive Director. The main object of these investment directives is the asset class. The Board directs the Executive Director to manage the asset classes in ways that, in the Board's opinion, will maximize the likelihood of achieving the Board's investment objective within an appropriate risk management framework. The Board establishes asset classes, sets target allocations and reasonable ranges around them for each and establishes performance benchmarks for them. In addition, it establishes a performance benchmark for the total portfolio.

## VI. TARGET PORTFOLIO AND ASSET ALLOCATION RANGES

The Board's investment objective is an absolute one: achieve a specific rate of return, the absolute real target rate of return. In order to achieve it, the Board sets a relative objective for the Executive Director: achieve or exceed the return on a performance benchmark known as the Target Portfolio over time. The Target Portfolio is a portfolio composed of a specific mix of the authorized asset classes. The return on this portfolio is a weighted-average of the returns to passive benchmarks for each of the asset classes. The expectation is that this return will equal or exceed the absolute real target rate of return long-term and will thus assure achievement of the Board's investment objective.

This relative return objective is developed in a risk management framework. Risk from the perspective of the Board is any shortfall of actual investment returns relative to the absolute real target rate of return over long periods of time, and the asset mix is developed to manage this risk. In selecting the Target Portfolio, the Board considers information from actuarial valuation reviews and asset/liability studies of the FRS, as well as asset class risk and return characteristics. In addition, the timing of cash demands on the portfolio to honor benefit payments and other liabilities are an important consideration. Potential asset mixes are thus evaluated with respect to their expected return, volatility, liquidity, and other risk and return measures as appropriate.

The Target Portfolio defined in Table 2 has a long-term expected compound annual real return that approximates the absolute real target rate of return. To achieve the absolute real target rate of return or actuarial return, material market risk must be borne (i.e., year to year volatility of returns). For example, in 2008 the Trust Fund's net managed real return was -26.81% compared to gains of 17.56% in 2009 and 21.48% in 2003. While downside risk is considerably greater over shorter horizons, the natural investment horizon for the Trust Fund is the long-term. Table 1 illustrates a modeled estimate of the Target Portfolio's potential range of real returns that could result over longer-term investment horizons. Over a 15-year investment horizon there is an 80 percent probability that the Target Portfolio will experience a compound annual real return between 0.47% and 8.73% and a 90 percent probability that the Target Portfolio will experience a compound annual real return between -0.65% and 9.96%.

**Table 1: Expected Risk in Target Portfolio's Real Returns**

Time Horizon	5 <sup>th</sup> Percentile Real Return	10 <sup>th</sup> Percentile Real Return	90 <sup>th</sup> Percentile Real Return	95 <sup>th</sup> Percentile Real Return
10 Years	-1.78%	-0.42%	9.71%	11.22%
15 Years	-0.65%	0.47%	8.73%	9.96%
20 Years	0.03%	1.00%	8.16%	9.22%
25 Years	0.49%	1.37%	7.77%	8.71%
30 Years	0.84%	1.64%	7.48%	8.34%

Although the Target Portfolio has an expected return and risk associated with it, it is important to note that this expected return is neither an explicit nor an implicit goal for the managers of the Florida Retirement System Trust Fund (FRSTF). These figures are used solely in developing directives for fund management that will raise the probability of success in achieving the absolute real target rate of return. The Executive Director is held responsible not for specifically achieving the absolute real target rate of return in each period, but rather for doing at least as well as the market using the Target Portfolio's mix of assets.

In pursuit of incremental investment returns, the Executive Director may vary the asset mix from the target allocation based on market conditions and the investment environment for the individual asset classes. The Executive Director shall adopt an asset allocation policy guideline which specifies the process for making these tactical decisions. The guideline shall concentrate on the analysis of economic conditions, the absolute values of asset class investments and the relative values between asset classes. The Board establishes ranges for tactical allocations, as shown in Table 2.

**Table 2: Authorized Asset Classes, Target Allocations and Policy Ranges**

Asset Class	Target Allocation	Policy Range	
		Policy Range Low	High
Global Equity	53%	45%	70%
Fixed Income	18%	10%	26%
Real Estate	10%	4%	16%
Private Equity	6%	2%	<del>12</del> 20%
Strategic Investments	12%	0%	16%
Cash Equivalents	1%	0.25%	5%
Total Fund	100%	--	--

For purposes of determining compliance with these policy ranges, an asset class is considered to be an aggregation of one or more portfolios with substantially the same principal asset type.<sup>2</sup> An asset type is a category of investment instrument such as common stock or bond. For example, all of the portfolios whose principal asset type is bonds would be aggregated together as the Fixed Income asset class. As such, it would contain primarily—but not exclusively—the principal asset type. As a standard management practice, portfolio managers are expected to meet their goals for all assets allocated to their portfolio.

<sup>2</sup> The Strategic Investments asset class is an exception, purposefully established to potentially contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

It is expected that the FRS Portfolio will be managed in such a way that the actual allocation mix will remain within these ranges. Investment strategies or market conditions which result in an allocation position for any asset class outside of the enumerated ranges for a period exceeding thirty (30) consecutive business days shall be reported to the Board, together with a review of conditions causing the persistent deviation and a recommendation for subsequent investment action.

The asset allocation is established in concert with the investment objective, capital market expectations, projected actuarial liabilities, and resulting cash flows. Table 3 indicates estimated net cash flows (benefit payments less employer and employee contributions) and associated probabilities that are implicit in this policy statement, assuming the Legislature adheres to system funding provisions in current law. Additionally, the annualized income yield of the fund is projected to approximate 2% to 3%.

**Table 3: Estimated Net Cash Outflow (\$ millions/ % Fund)**

In 5 Years			In 10 Years	
10 <sup>th</sup> Percentile	\$ 4,851	3.67%	\$ 3,497	3.14%
25 <sup>th</sup> Percentile	\$ 6,776	4.15%	\$ 6,329	4.03%
Median	\$ 7,466	4.54%	\$ 8,523	4.60%
75 <sup>th</sup> Percentile	\$ 8,079	5.04%	\$ 11,561	5.22%
90 <sup>th</sup> Percentile	\$ 10,690	5.96%	\$ 12,895	6.27%

## VII. PERFORMANCE MEASUREMENT

Asset class performance is measured in accordance with a broad market index appropriate to the asset class. The indices identified in Table 4 are used as the primary benchmarks for the authorized asset classes.

**Table 4: Authorized Target Indices**

Asset Class	Index
Global Equity	A custom version of the MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect securities and other investments prohibited by Florida law or that would be prohibited by Florida law if acquired as of the date of the measurement of such Index notwithstanding that the securities or investments were actually acquired before such date
Fixed Income	The Barclays Capital U.S. Intermediate Aggregate Index
Real Estate	The core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index – Open-ended Diversified Core Equity, NET of fees, weighted at 76.5%, and the non-core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index – Open-ended Diversified Core Equity, NET of fees, weighted at 13.5%, plus a fixed return premium of 150 basis points per annum, and the FTSE EPRA/NAREIT Developed Index, in dollar terms, net of withholding taxes on non-resident institutional investors, weighted at 10% <sup>3</sup>

$$\begin{array}{c}
 \text{3} \quad \text{Core RE} \quad \quad \quad \text{Non-Core RE} \quad \quad \quad \text{Public RE} \\
 \underbrace{\hspace{1.5cm}} \quad \underbrace{\hspace{2.5cm}} \quad \underbrace{\hspace{2.5cm}} \\
 (76.5\% * \text{NFI-ODCE}) + [13.5\% * (\text{NFI-ODCE} + 150 \text{ bps})] + (10\% * \text{REIT Index})
 \end{array}$$

Private Equity	The MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum
Strategic Investments	A weighted-average of individual portfolio level benchmark returns
Cash Equivalents	Bloomberg Barclays U.S. Treasury Bill: 1-3 Months Index

The return on the Target Portfolio shall be calculated as an average of the returns to the target indices indicated in Table 4 weighted by the target allocations indicated by Table 2, but adjusted for floating allocations. The policy allocations for the private market asset classes would all “float” against the public market asset classes (i.e., limited short-term liquidity available for rebalancing and benefit payments means that their policy allocations would equal their actual allocations) as identified in Table 5.

**Table 5: Allocations of Private Market (Real Estate, Private Equity and Strategic Investments) Under and Overweights to Public Market (Global Equity, Fixed Income and Cash) Table 2 Target Allocations**

Public Market Asset Classes	Float Allocation Limit	Private Market Asset Classes		
		Real Estate	Private Equity	Strategic Investments
Global Equity	N/A	50%	100%	75%
Fixed Income	N/A	50%	0%	25%

Measurement of asset allocation performance shall be made by comparing the actual asset allocation times the return for the appropriate indices to the target allocation times the index returns. For asset classes with floating allocations the basis of tactical measurement shall be the asset class's actual share.

Performance measurement of the effectiveness of the implementation of the Private Equity asset class shall be based on an internal rate of return (IRR) methodology, applied over significant periods of time. Performance measurement of the effectiveness of the implementation of the Private Equity, Strategic Investments, and Cash Equivalents asset classes shall be assessed relative to both the applicable index in Table 4 and:

- For Private Equity, the joint Cambridge Associates Global Private Equity and Venture Capital Index pooled return at peer group weights.
- For Strategic Investments, the CPI, as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), plus 4.0%.



- For Cash Equivalents, the iMoneyNet First Tier Institutional Money Market Funds Net Index

## **VIII. ASSET CLASS PORTFOLIO MANAGEMENT**

### **General Asset Class and Portfolio Guidelines**

The Executive Director is responsible for developing asset class and individual portfolio policies and guidelines which reflect the goals and objectives of this Investment Policy Statement. In doing so, he is authorized to use all investment authority spelled out in Section 215.47, Florida Statutes, except as limited by this Plan or SBA Rules. The Executive Director shall develop guidelines for the selection and retention of portfolios, and shall manage all external contractual relationships in accordance with the fiduciary responsibilities of the Board.

All asset classes shall be invested to achieve or exceed the return on their respective benchmarks over a long period of time. To obtain appropriate compensation for associated performance risks:

- Public market asset classes shall be well diversified with respect to their benchmarks and have a reliance on low cost passive strategies scaled according to the degree of efficiency in underlying securities markets, capacity in effective active strategies, and ongoing total fund liquidity requirements.
- Private Equity, Real Estate and Strategic Investments asset classes shall utilize a prudent process to maximize long-term access to attractive risk-adjusted investment opportunities through use of business partners with appropriate:
  - Financial, operational and investment expertise and resources;
  - Alignment of interests;
  - Transparency and repeatability of investment process; and
  - Controls on leverage.

### **Strategic Investments Guidelines**

The objective of the asset class is to proactively identify and utilize non-traditional and multi-asset class investments, on an opportunistic and strategic basis, in order to accomplish one or more of the following:

- Generate long-term incremental returns in excess of a 4.0% annualized real rate of return, commensurate with risk.
- Reduce the volatility of FRS Pension Plan assets and improve the FRS Pension Plan's risk-adjusted return over multiple market cycles.

- Outperform the FRS Pension Plan during periods of significant market declines.
- Increase investment flexibility across market environments in order to access evolving or opportunistic investments outside of traditional asset classes and effective risk-adjusted portfolio management strategies.

Strategic Investments may include, but not be limited to, direct investments authorized by s. 215.47, Florida Statutes or investments in capital commitment partnerships, hedge funds or other vehicles that make or involve non-traditional, opportunistic and/or long or short investments in marketable and nonmarketable debt, equity, and/or real assets (e.g., real estate, infrastructure, or commodities). Leverage may be utilized subject to appropriate controls.

### **Other Guidelines**

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2007-88, Laws of Florida, the “Protecting Florida’s Investments Act.” Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.473(6), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2016-36, Laws of Florida, an act relating to companies that boycott Israel. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.4725(5), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2018-125, Laws of Florida, an act relating to state investments in or with the government of Venezuela. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.475(3)(a), Florida Statutes.

Subsection 215.475(3)(a) Florida Statutes is consistent with the Resolution adopted by the Trustees of the Board on August 16, 2017. At that meeting, the Board also included in the Resolution the specific direction that the SBA include in this Investment Policy Statement upon review of the IAC in accordance with Section 215.475(2) Florida Statutes, the following: “The SBA will not vote in favor of any proxy resolution advocating the support of the Maduro Regime in Venezuela.”

## **IX. REPORTING**

The Board directs the Executive Director to coordinate the preparation of quarterly reports of the investment performance of the FRS by the Board's independent performance evaluation consultant.

The following formal periodic reports to the Board shall be the responsibility of the Executive Director:

- An annual report on the SBA and its investment portfolios, including that of the FRS.
- A monthly report on performance and investment actions taken.
- Special investment reports pursuant to Section 215.44-215.53, Florida Statutes.

## **X. IMPLEMENTATION SCHEDULE**

This policy statement shall be effective September ~~December~~ 1, 2022~~1~~.

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## **FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PLAN INVESTMENT POLICY STATEMENT**

### **I. DEFINITIONS**

**Absolute Real Target Rate of Return** - The total rate of return by which the FRS Portfolio must grow, in excess of inflation as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), in order to achieve the long-run investment objective.

**Asset Class** - An asset class is an aggregation of one or more portfolios with the same principal asset type.<sup>1</sup> For example, all of the portfolios whose principal asset type was stocks would be aggregated together as the Global Equity asset class. As such, it would contain primarily—but not exclusively—the principal asset type.

**Asset Type** - An asset type is a category of investment instrument such as common stock or bond.

**Portfolio** - A portfolio is the basic organization unit of the FRS Fund. Funds are managed within portfolios. A portfolio will typically contain one principal asset type (common stocks, for example), but may contain other asset types as well. The discretion for this mix of asset types is set out in guidelines for each portfolio.

### **II. OVERVIEW OF THE FRS AND SBA**

The State Board of Administration (Board) provides investment management of assets contributed and held on behalf of the Florida Retirement System (FRS). The investment of retirement assets is one aspect of the activity involved in the overall administration of the Florida Retirement System. The Division of Retirement (DOR), the administrative agency for the FRS, provides full accounting and administration of benefits and contributions, commissions actuarial studies, and proposes rules and regulations for the administration of the FRS. The State Legislature has the responsibility of setting contribution and benefit levels, and providing the statutory guidance for the administration of the FRS.

### **III. THE BOARD**

The State Board of Administration has the authority and responsibility for the investment of FRS assets. The Board consists of the Governor, as Chairman, the Chief Financial Officer, and the Attorney General. The Board has statutory responsibility for the investment of FRS assets, subject to limitations on investments as outlined in Section 215.47, Florida Statutes.

The Board shall discharge its fiduciary duties in accordance with the Florida statutory fiduciary standards of care as contained in Sections 215.44(2)(a) and 215.47(10), Florida Statutes.

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<sup>1</sup> The Strategic Investments asset class is an exception, purposefully established to contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

The Board delegates to the Executive Director the administrative and investment authority, within the statutory limitations and rules, to manage the investment of FRS assets. An Investment Advisory Council (IAC) is appointed by the Board. The IAC meets quarterly, and is charged with the review and study of general portfolio objectives, policies and strategies, including a review of investment performance.

The mission of the State Board of Administration is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary and professional standards.

#### **IV. THE EXECUTIVE DIRECTOR**

The Executive Director is charged with the responsibility for managing and directing administrative, personnel, budgeting, and investment functions, including the strategic and tactical allocation of investment assets.

The Executive Director is charged with developing specific individual investment portfolio objectives and policy guidelines, and providing the Board with monthly and quarterly reports of investment activities.

The Executive Director has investment responsibility for maintaining diversified portfolios, and maximizing returns with respect to the broad diversified market standards of individual asset classes, consistent with appropriate risk constraints. The Executive Director will develop policies and procedures to:

- Identify, monitor and control/mitigate key investment and operational risks.
- Maintain an appropriate and effective risk management and compliance program that identifies, evaluates and manages risks within business units and at the enterprise level.
- Maintain an appropriate and effective control environment for SBA investment and operational responsibilities.
- Approve risk allocations and limits, including total fund and asset class risk budgets.

The Executive Director will appoint a Chief Risk and Compliance Officer, whose selection, compensation and termination will be affirmed by the Board, to assist in the execution of the responsibilities enumerated in the preceding list. For day-to-day executive and administrative purposes, the Chief Risk and Compliance Officer will proactively work with the Executive Director and designees to ensure that issues are promptly and thoroughly addressed by management. On at least a quarterly basis, the Chief Risk and Compliance Officer will provide reports to the Investment Advisory Council, Audit Committee and Board and is authorized to directly access these bodies at

any time as appropriate to ensure the integrity and effectiveness of risk management and compliance functions.

Pursuant to written SBA policy, the Executive Director will organize an Investment Oversight Group(s) to regularly review, document and formally escalate guideline compliance exceptions and events that may have a material impact on the Trust Fund. The Executive Director is delegated the authority and responsibility to prudently address any such compliance exceptions, with input from the Investment Advisory Council and Audit Committee as necessary and appropriate, unless otherwise required in this Investment Policy Statement.

The Executive Director is responsible for evaluating the appropriateness of the goals and objectives in this Plan in light of actuarial studies and recommending changes to the Board when appropriate.

## **V. INVESTMENT OBJECTIVES**

The investment objective of the Board is to provide investment returns sufficient for the plan to be maintained in a manner that ensures the timely payment of promised benefits to current and future participants and keeps the plan cost at a reasonable level. To achieve this, a long-term real return approximating 4.0% per annum (compounded and net of investment expenses) should be attained. As additional considerations, the Board seeks to avoid excessive risk in long-term cost trends. To manage these risks, the volatility of annual returns should be reasonably controlled.

The Board's principal means for achieving this goal is through investment directives to the Executive Director. The main object of these investment directives is the asset class. The Board directs the Executive Director to manage the asset classes in ways that, in the Board's opinion, will maximize the likelihood of achieving the Board's investment objective within an appropriate risk management framework. The Board establishes asset classes, sets target allocations and reasonable ranges around them for each and establishes performance benchmarks for them. In addition, it establishes a performance benchmark for the total portfolio.

## VI. TARGET PORTFOLIO AND ASSET ALLOCATION RANGES

The Board's investment objective is an absolute one: achieve a specific rate of return, the absolute real target rate of return. In order to achieve it, the Board sets a relative objective for the Executive Director: achieve or exceed the return on a performance benchmark known as the Target Portfolio over time. The Target Portfolio is a portfolio composed of a specific mix of the authorized asset classes. The return on this portfolio is a weighted-average of the returns to passive benchmarks for each of the asset classes. The expectation is that this return will equal or exceed the absolute real target rate of return long-term and will thus assure achievement of the Board's investment objective.

This relative return objective is developed in a risk management framework. Risk from the perspective of the Board is any shortfall of actual investment returns relative to the absolute real target rate of return over long periods of time, and the asset mix is developed to manage this risk. In selecting the Target Portfolio, the Board considers information from actuarial valuation reviews and asset/liability studies of the FRS, as well as asset class risk and return characteristics. In addition, the timing of cash demands on the portfolio to honor benefit payments and other liabilities are an important consideration. Potential asset mixes are thus evaluated with respect to their expected return, volatility, liquidity, and other risk and return measures as appropriate.

The Target Portfolio defined in Table 2 has a long-term expected compound annual real return that approximates the absolute real target rate of return. To achieve the absolute real target rate of return or actuarial return, material market risk must be borne (i.e., year to year volatility of returns). For example, in 2008 the Trust Fund's net managed real return was -26.81% compared to gains of 17.56% in 2009 and 21.48% in 2003. While downside risk is considerably greater over shorter horizons, the natural investment horizon for the Trust Fund is the long-term. Table 1 illustrates a modeled estimate of the Target Portfolio's potential range of real returns that could result over longer-term investment horizons. Over a 15-year investment horizon there is an 80 percent probability that the Target Portfolio will experience a compound annual real return between 0.47% and 8.73% and a 90 percent probability that the Target Portfolio will experience a compound annual real return between -0.65% and 9.96%.

**Table 1: Expected Risk in Target Portfolio's Real Returns**

Time Horizon	5 <sup>th</sup> Percentile Real Return	10 <sup>th</sup> Percentile Real Return	90 <sup>th</sup> Percentile Real Return	95 <sup>th</sup> Percentile Real Return
10 Years	-1.78%	-0.42%	9.71%	11.22%
15 Years	-0.65%	0.47%	8.73%	9.96%
20 Years	0.03%	1.00%	8.16%	9.22%
25 Years	0.49%	1.37%	7.77%	8.71%
30 Years	0.84%	1.64%	7.48%	8.34%

Although the Target Portfolio has an expected return and risk associated with it, it is important to note that this expected return is neither an explicit nor an implicit goal for the managers of the Florida Retirement System Trust Fund (FRSTF). These figures are used solely in developing directives for



fund management that will raise the probability of success in achieving the absolute real target rate of return. The Executive Director is held responsible not for specifically achieving the absolute real target rate of return in each period, but rather for doing at least as well as the market using the Target Portfolio's mix of assets.

In pursuit of incremental investment returns, the Executive Director may vary the asset mix from the target allocation based on market conditions and the investment environment for the individual asset classes. The Executive Director shall adopt an asset allocation policy guideline which specifies the process for making these tactical decisions. The guideline shall concentrate on the analysis of economic conditions, the absolute values of asset class investments and the relative values between asset classes. The Board establishes ranges for tactical allocations, as shown in Table 2.

**Table 2: Authorized Asset Classes, Target Allocations and Policy Ranges**

Asset Class	Target Allocation	Policy Range	
		Policy Range Low	High
Global Equity	53%	45%	70%
Fixed Income	18%	10%	26%
Real Estate	10%	4%	16%
Private Equity	6%	2%	12%
Strategic Investments	12%	0%	16%
Cash Equivalents	1%	0.25%	5%
Total Fund	100%	--	--

For purposes of determining compliance with these policy ranges, an asset class is considered to be an aggregation of one or more portfolios with substantially the same principal asset type.<sup>2</sup> An asset type is a category of investment instrument such as common stock or bond. For example, all of the portfolios whose principal asset type is bonds would be aggregated together as the Fixed Income asset class. As such, it would contain primarily—but not exclusively—the principal asset type. As a standard management practice, portfolio managers are expected to meet their goals for all assets allocated to their portfolio.

It is expected that the FRS Portfolio will be managed in such a way that the actual allocation mix will remain within these ranges. Investment strategies or market conditions which result in an allocation position for any asset class outside of the enumerated ranges for a period exceeding thirty

<sup>2</sup> The Strategic Investments asset class is an exception, purposefully established to potentially contain a variety of portfolios which may represent asset types and strategies not suitable for inclusion in other asset classes.

(30) consecutive business days shall be reported to the Board, together with a review of conditions causing the persistent deviation and a recommendation for subsequent investment action.

The asset allocation is established in concert with the investment objective, capital market expectations, projected actuarial liabilities, and resulting cash flows. Table 3 indicates estimated net cash flows (benefit payments less employer and employee contributions) and associated probabilities that are implicit in this policy statement, assuming the Legislature adheres to system funding provisions in current law. Additionally, the annualized income yield of the fund is projected to approximate 2% to 3%.

**Table 3: Estimated Net Cash Outflow (\$ millions/ % Fund)**

	In 5 Years			In 10 Years		
10 <sup>th</sup> Percentile	\$	4,851	3.67%	\$	3,497	3.14%
25 <sup>th</sup> Percentile	\$	6,776	4.15%	\$	6,329	4.03%
Median	\$	7,466	4.54%	\$	8,523	4.60%
75 <sup>th</sup> Percentile	\$	8,079	5.04%	\$	11,561	5.22%
90 <sup>th</sup> Percentile	\$	10,690	5.96%	\$	12,895	6.27%

## VII. PERFORMANCE MEASUREMENT

Asset class performance is measured in accordance with a broad market index appropriate to the asset class. The indices identified in Table 4 are used as the primary benchmarks for the authorized asset classes.

**Table 4: Authorized Target Indices**

Asset Class	Index
Global Equity	A custom version of the MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect securities and other investments prohibited by Florida law or that would be prohibited by Florida law if acquired as of the date of the measurement of such Index notwithstanding that the securities or investments were actually acquired before such date
Fixed Income	The Barclays Capital U.S. Intermediate Aggregate Index
Real Estate	The core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index – Open-ended Diversified Core Equity, NET of fees, weighted at 76.5%, and the non-core portion of the asset class is benchmarked to an average of the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index – Open-ended Diversified Core Equity, NET of fees, weighted at 13.5%, plus a fixed return premium of 150 basis points per annum, and the FTSE EPRA/NAREIT Developed Index, in dollar terms, net of withholding taxes on non-resident institutional investors, weighted at 10% <sup>3</sup>
Private Equity	The MSCI All Country World Investable Market Index (ACWI IMI), in dollar terms, net of withholding taxes on non-resident institutional investors, adjusted to reflect the provisions of the Protecting Florida's Investments Act, plus a fixed premium return of 300 basis points per annum
Strategic Investments	A weighted-average of individual portfolio level benchmark returns
Cash Equivalents	Bloomberg Barclays U.S. Treasury Bill: 1-3 Months Index

$$\begin{array}{c}
 \text{3} \quad \text{Core RE} \qquad \qquad \text{Non-Core RE} \qquad \qquad \text{Public RE} \\
 \underbrace{\hspace{1.5cm}} \quad \underbrace{\hspace{2.5cm}} \quad \underbrace{\hspace{2.5cm}} \\
 (76.5\% * \text{NFI-ODCE}) + [13.5\% * (\text{NFI-ODCE} + 150 \text{ bps})] + (10\% * \text{REIT Index})
 \end{array}$$

The return on the Target Portfolio shall be calculated as an average of the returns to the target indices indicated in Table 4 weighted by the target allocations indicated by Table 2, but adjusted for floating allocations. The policy allocations for the private market asset classes would all “float” against the public market asset classes (i.e., limited short-term liquidity available for rebalancing and benefit payments means that their policy allocations would equal their actual allocations) as identified in Table 5.

**Table 5: Allocations of Private Market (Real Estate, Private Equity and Strategic Investments) Under and Overweights to Public Market (Global Equity, Fixed Income and Cash) Table 2 Target Allocations**

Public Market Asset Classes	Float Allocation Limit	Private Market Asset Classes		
		Real Estate	Private Equity	Strategic Investments
Global Equity	N/A	50%	100%	75%
Fixed Income	N/A	50%	0%	25%

Measurement of asset allocation performance shall be made by comparing the actual asset allocation times the return for the appropriate indices to the target allocation times the index returns. For asset classes with floating allocations the basis of tactical measurement shall be the asset class’s actual share.

Performance measurement of the effectiveness of the implementation of the Private Equity asset class shall be based on an internal rate of return (IRR) methodology, applied over significant periods of time. Performance measurement of the effectiveness of the implementation of the Private Equity, Strategic Investments, and Cash Equivalents asset classes shall be assessed relative to both the applicable index in Table 4 and:

- For Private Equity, the joint Cambridge Associates Global Private Equity and Venture Capital Index pooled return at peer group weights.
- For Strategic Investments, the CPI, as reported by the U.S. Department of Labor, Bureau of Labor Statistics (Consumer Price Index – All Urban Consumers), plus 4.0%.
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## **VIII. ASSET CLASS PORTFOLIO MANAGEMENT**

### **General Asset Class and Portfolio Guidelines**

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- Public market asset classes shall be well diversified with respect to their benchmarks and have a reliance on low cost passive strategies scaled according to the degree of efficiency in underlying securities markets, capacity in effective active strategies, and ongoing total fund liquidity requirements.
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  - Financial, operational and investment expertise and resources;
  - Alignment of interests;
  - Transparency and repeatability of investment process; and
  - Controls on leverage.

### **Strategic Investments Guidelines**

The objective of the asset class is to proactively identify and utilize non-traditional and multi-asset class investments, on an opportunistic and strategic basis, in order to accomplish one or more of the following:

- Generate long-term incremental returns in excess of a 4.0% annualized real rate of return, commensurate with risk.
- Reduce the volatility of FRS Pension Plan assets and improve the FRS Pension Plan's risk-adjusted return over multiple market cycles.
- Outperform the FRS Pension Plan during periods of significant market declines.
- Increase investment flexibility across market environments in order to access evolving or opportunistic investments outside of traditional asset classes and effective risk-adjusted portfolio management strategies.

Strategic Investments may include, but not be limited to, direct investments authorized by s. 215.47, Florida Statutes or investments in capital commitment partnerships, hedge funds or other vehicles that make or involve non-traditional, opportunistic and/or long or short investments in marketable and nonmarketable debt, equity, and/or real assets (e.g., real estate, infrastructure, or commodities). Leverage may be utilized subject to appropriate controls.

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The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2007-88, Laws of Florida, the “Protecting Florida’s Investments Act.” Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.473(6), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2016-36, Laws of Florida, an act relating to companies that boycott Israel. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.4725(5), Florida Statutes.

The Executive Director shall develop and implement policies as appropriate for the orderly and effective implementation of the provisions of Chapter 2018-125, Laws of Florida, an act relating to state investments in or with the government of Venezuela. Actions taken and determinations made pursuant to said policies are hereby incorporated by reference into this Investment Policy Statement, as required by subsection 215.475(3)(a), Florida Statutes.

Subsection 215.475(3)(a) Florida Statutes is consistent with the Resolution adopted by the Trustees of the Board on August 16, 2017. At that meeting, the Board also included in the Resolution the specific direction that the SBA include in this Investment Policy Statement upon review of the IAC in accordance with Section 215.475(2) Florida Statutes, the following: “The SBA will not vote in favor of any proxy resolution advocating the support of the Maduro Regime in Venezuela.”

## **IX. REPORTING**

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- An annual report on the SBA and its investment portfolios, including that of the FRS.
- A monthly report on performance and investment actions taken.
- Special investment reports pursuant to Section 215.44-215.53, Florida Statutes.

## **X. IMPLEMENTATION SCHEDULE**

This policy statement shall be effective September 1, 2022.

**Investment Policy Statement  
Local Government Surplus Funds Trust Fund (Non-Qualified)**

***I. Purpose and Scope***

The purpose of this Investment Policy Statement (“Policy”) is to set forth the investment objective, investment strategies, and authorized portfolio securities for the Local Government Surplus Funds Trust Fund (“Florida PRIME”). The Policy also describes the risks associated with an investment in Florida PRIME.

***II. Overview of Florida PRIME***

The Local Government Surplus Funds Trust Fund was created by an Act of the Florida Legislature effective October 1, 1977 (Chapter 218, Part IV, Florida Statutes). The State Board of Administration (“SBA”) is charged with the powers and duties to administer and invest Florida PRIME, in accordance with the statutory fiduciary standards of care as contained in Section 215.47(10), Florida Statutes. The SBA has contracted with Federated Investment Counseling (the “Investment Manager”) to provide investment advisory services for Florida PRIME.

Florida PRIME is governed by Chapters 215 and 218, Florida Statutes, and Chapter 19-7 of the Florida Administrative Code (collectively, “Applicable Florida Law”).

***III. Roles and Responsibilities***

The Board of Trustees of the SBA (“Trustees”) consists of the Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary. The Trustees will annually certify that Florida PRIME is in compliance with the requirements of Chapter 218, Florida Statutes, and that the management of Florida PRIME is in accord with best investment practices.

The Trustees delegate the administrative and investment authority to manage Florida PRIME to the Executive Director of the SBA, subject to Applicable Florida Law. The Trustees appoint an Investment Advisory Council. The Council will, at least annually, review this Policy and any proposed changes prior to its presentation to the Trustees and will undertake other duties set forth in Applicable Florida Law.

***IV. Amortized Cost Accounting***

In March 1997, the Governmental Accounting Standards Board (“GASB”) issued Statement 31, titled “Accounting and Financial Reporting for Certain Investments and for External Investment Pools.” GASB 31 applies to Florida PRIME.

GASB 31 outlines the two options for accounting and reporting for money market investment pools as either “2a-7 like” or fluctuating net asset value (“NAV”). GASB 31 describes a “2a-7 like” pool as an “external investment pool that is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with Rule 2a-7 under the Investment Company Act of 1940 (the “1940 Act”).” Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant NAV of \$1.00 per share, provided that such funds meet certain conditions.

In December 2015, GASB issued Statement 79, “Certain External Investment Pools and Pool Participants,” which delinks the accounting treatment of external investment pools from Rule 2a-7, and establishes criteria for the use of amortized cost to value portfolio assets of an external pool. GASB 79

also made clear that rounding unit value up or down to the nearest penny to maintain a stable NAV of \$1.00 per share for issuances and redemptions of units is an operational decision for an external investment pool, rather than an accounting matter. GASB 79 also specifies, however, that seeking to maintain a stable price of \$1.00 per share is one of the criteria that an external investment pool must meet as a condition to valuing all portfolio assets at amortized cost for financial reporting purposes.

Florida PRIME will seek to operate in a manner consistent with the criteria and requirements in GASB 79, including diversification, credit quality and maturity conditions. Accordingly, it is thereby permitted to value portfolio assets at amortized cost method.

#### ***V. Investment Objective***

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poor's U.S. AAA & AA Rated GIP All 30 Day Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in this Policy.

#### ***VI. Investment Strategies & Specific Limitations***

The Investment Manager will invest Florida PRIME's assets in short-term, high-quality fixed income securities. All Florida PRIME assets (100 percent) will be U.S. dollar-denominated. To be considered high-quality, a security must be rated in the highest short-term rating category by one or more nationally recognized statistical rating organizations ("NRSROs"), or be deemed to be of comparable quality thereto by the Investment Manager, subject to Section 215.47(1)(j), Florida Statutes. The Investment Manager also may enter into special transactions for Florida PRIME, like repurchase agreements. Each repurchase agreement counterparty must have an explicit issuer or counterparty credit rating in the highest short-term rating category from Standard & Poor's. Certain of the fixed income securities in which Florida PRIME invests pay interest at a rate that is periodically adjusted ("Adjustable Rate Securities").

The Investment Manager will manage credit risk by purchasing only high quality securities. The Investment Manager will perform a credit analysis to develop a database of issuers and securities that meet the Investment Manager's standard for minimal credit risk. The Investment Manager monitors the credit risks of all Florida PRIME's portfolio securities on an ongoing basis by reviewing periodic financial data, issuer news and developments, and ratings of certain NRSROs. The Investment Manager will utilize a "new products" or similar committee to review and approve new security structures prior to an investment of Florida PRIME's assets in such securities. The Investment Manager will periodically consider and follow best practices in connection with minimal credit risk determinations (e.g., such as those described in Appendix I of the Investment Company Institute's 2009, *Report of the Money Market Working Group*).

The Investment Manager will manage interest rate risk by purchasing only short-term fixed income securities. The Investment Manager will target a dollar-weighted average maturity range for Florida PRIME based on its interest rate outlook. The Investment Manager will formulate its interest rate outlook by analyzing a variety of factors, such as current and expected U.S. economic growth; current and expected interest rates and inflation; and the Federal Reserve Board's monetary policy. The Investment Manager will generally shorten Florida PRIME's dollar-weighted average maturity when it expects interest rates to rise and extend Florida PRIME's dollar-weighted average maturity when it expects interest rates to fall. In order to meet the investment grade ratings criteria of Standard & Poor's for a pool, the remaining maturity of securities purchased by the Investment Manager shall not exceed 762 days for government floating rate notes/variable rate notes and will not exceed 397 days for all other securities; provided, however, that if not required by the ratings criteria of the applicable NRSRO that is providing an investment grade rating to the pool and to the extent consistent with the portfolio criteria of GASB 79,



longer term floating rate/variable rate notes that are U.S. government securities may be owned by Florida PRIME.

The Investment Manager will exercise reasonable care to maintain (i) a dollar weighted average maturity (“DWAM”) of 60 days or less; and (ii) a maximum weighted average life (WAL) within the range of 90-120 days, depending on the levels of exposure and ratings of certain Adjustable Rate Securities. The maximum WAL will depend upon the percentage exposures to government and non-government Adjustable Rate Securities, with sovereign (government) Adjustable Rate Securities rated AA- and higher allowed a 120-day limit, and non-sovereign (corporate) Adjustable Rate Securities (and sovereign Adjustable Rate Securities rated below AA-) restricted to a 90-day limit. The portfolio’s maximum WAL will be based on a weighted average of the percentage exposures to each type of floating-rate instrument.

For purposes of calculating DWAM, the maturity of an Adjustable Rate Security generally will be the period remaining until its next interest rate adjustment. For purposes of calculating WAL, the maturity of an Adjustable Rate Security will be its stated final maturity, without regard to interest rate adjustments; accordingly, the WAL limitation could serve to restrict Florida PRIME’s ability to invest in Adjustable Rate Securities.

The Investment Manager will exercise reasonable care to limit exposure to not more than 25% of Florida PRIME’s assets in a single industry sector, with the exception that the Investment Manager may invest more than 25% in the financial services industry sector, which includes banks, broker-dealers, and finance companies. This higher limit is in recognition of the large outstanding value of money fund instruments issued by financial services firms. Government securities are not considered to be an industry.

The Investment Manager will exercise reasonable care to not acquire a security, other than (i) a Daily Liquid Asset, if immediately after the acquisition Florida PRIME would have invested less than 10% of its total assets in Daily Liquid Assets; (ii) a Weekly Liquid Asset, if immediately after the acquisition Florida PRIME would have invested less than 30% of its total assets in Weekly Liquid Assets. Daily Liquid Assets include cash, direct obligations of the U.S. government and securities that convert to cash in one business day. Weekly Liquid Assets include cash, direct obligations of the U.S. government, certain government securities with remaining maturities of 60 business days or less and securities that convert to cash in five business days.

Florida PRIME shall seek to hold liquid assets sufficient to meet reasonably foreseeable redemptions, based upon knowledge of the expected cash needs of participants.

The Investment Manager will exercise reasonable care to not acquire securities that cannot be sold or disposed of in the ordinary course of business within five business days at approximately the value ascribed to them by Florida PRIME if, immediately after the acquisition, Florida PRIME would have invested more than 5% of its total assets in such securities.

In buying and selling portfolio securities for Florida PRIME, the Investment Manager will comply with (i) the diversification, maturity and credit quality criteria in GASB 79, (ii) the requirements imposed by any NRSRO that rates Florida PRIME to ensure that it maintains a AAAM rating (or the equivalent) and (iii) the investment limitations imposed by Section 215.47, Florida Statutes except to the extent, as permitted by Section 215.44(3), the trust instrument of Florida PRIME and this investment policy statement specifically authorize investments in addition to those authorized by Section 215.47.

The Investment Manager generally will comply with the following diversification limitations that are additional to those set forth in GASB 79. First, at least 50% of Florida PRIME assets will be invested in securities rated “A-1+” or those deemed to be of comparable credit quality thereto by the Investment Manager (i.e., so long as such deeming is consistent with the requirements of the NRSRO’s AAAM (or equivalent) rating criteria), subject to Section 215.47(1)(j), Florida Statutes. The Investment Manager will

document each instance in which a security is deemed to be of comparable credit quality and its basis for such a determination. Second, exposure to any single non-governmental issuer (other than a money market mutual fund) will not exceed 5% and exposure to any single money market mutual fund will not exceed 10% of Florida PRIME assets.

### ***VII. Portfolio Securities and Special Transactions***

The Investment Manager will purchase only fixed income securities for Florida PRIME, and may engage in special transactions, for any purpose that is consistent with Florida PRIME's investment objective.

Fixed income securities are securities that pay interest, dividends or distributions at a specified rate. The rate may be a fixed percentage of the principal or adjusted periodically. In addition, the issuer of a short-term fixed income security must repay the principal amount of the security, normally within a specified time. The fixed income securities in which Florida PRIME may invest include corporate debt securities, bank instruments, asset backed securities, U.S. Treasury securities, U.S. government agency securities, insurance contracts, municipal securities, foreign securities, mortgage backed securities, and shares of money market mutual funds. Florida PRIME is also permitted to buy such fixed income securities that require Florida PRIME to be a qualified institutional buyer as long as the securities held by Florida PRIME are in excess of \$100,000,000.

Special transactions are transactions into which Florida PRIME may enter, including, but not limited to, repurchase agreements and delayed delivery transactions.

For a more detailed description of Florida PRIME's portfolio securities and special transactions, please see "Additional Information Regarding Florida PRIME's Principal Securities" at Appendix A.

### ***VIII. Risks Associated with Florida PRIME***

An investment in Florida PRIME is subject to certain risks. Any investor in Florida PRIME should specifically consider, among other things, the following principal risks before making a decision to purchase shares of Florida PRIME.

#### ***Risk that Florida PRIME will not Maintain a Stable Net Asset Value***

Although the Investment Manager attempts to manage Florida PRIME such that it maintains a stable NAV of \$1.00 per share, there is no guarantee that it will be able to do so. Florida PRIME is not registered under the 1940 Act or regulated by the SEC.

#### ***Interest Rate Risks***

The prices of the fixed income securities in which Florida PRIME will invest rise and fall in response to changes in the interest rates paid by similar securities. Generally, when interest rates rise, prices of fixed income securities fall. However, market factors, such as demand for particular fixed income securities, may cause the price of certain fixed income securities to fall while the price of other securities rise or remain unchanged. Interest rate changes have a greater effect on the price of fixed income securities with longer maturities.

#### ***Credit Risks***

Credit risk is the possibility that an issuer of a fixed income security held by Florida PRIME will default on the security by failing to pay interest or principal when due. If an issuer defaults, Florida PRIME will lose money.

### *Liquidity Risks*

Trading opportunities are more limited for fixed income securities that are not widely held. These features make it more difficult to sell or buy securities at a favorable price or time. Consequently, Florida PRIME may have to accept a lower price to sell a security, sell other securities to raise cash or give up an investment opportunity, any of which could have a negative effect on Florida PRIME's performance.

### *Concentration Risks*

A substantial part of Florida PRIME may be comprised of securities issued by companies in the financial services industry, companies with similar characteristics, or securities credit enhanced by banks or companies with similar characteristics. As a result, Florida PRIME may be more susceptible to any economic, business, or political risks or other developments that generally affect finance companies. Developments affecting companies in the financial services industry or companies with similar characteristics might include changes in interest rates, changes in the economic cycle affecting credit losses and regulatory changes.

### *Risks of Foreign Investing*

Foreign securities pose additional risks because foreign economic or political conditions may be less favorable than those of the United States. Securities in foreign markets also may be subject to taxation policies that reduce returns for U.S. investors.

### *Call Risks*

If a fixed income security is called, Florida PRIME may have to reinvest the proceeds in other fixed income securities with lower interest rates, higher credit risks or other less favorable characteristics.

### *Prepayment Risks*

Unlike traditional fixed income securities, which pay a fixed rate of interest until maturity (when the entire principal amount is due), payments on asset-backed securities include both interest and a partial payment of principal. Partial payment of principal may be comprised of scheduled principal payments as well as unscheduled payments from voluntary prepayment, refinancing, or foreclosure of the underlying loans. If Florida PRIME receives unscheduled prepayments, it may have to reinvest the proceeds in other fixed income securities with lower interest rates, higher credit risks or other less favorable characteristics.

### *Risks Associated with Amortized Cost Method of Valuation*

Florida PRIME will use the amortized cost method to determine the value of its portfolio securities. Under this method, portfolio securities are valued at the acquisition cost as adjusted for amortization of premium or accumulation of discount rather than at current market value. Accordingly, neither the amount of daily income nor the NAV is affected by any unrealized appreciation or depreciation of the portfolio. In periods of declining interest rates, the indicated daily yield on shares computed by dividing the annualized daily income on Florida PRIME's portfolio by the NAV, as computed above, may tend to be higher than a similar computation made by using a method of valuation based on market prices and estimates. In periods of rising interest rates, the opposite may be true.

### *Changing Distribution Level Risk*

There is no guarantee that Florida PRIME will provide a certain level of income or that any such income will exceed the rate of inflation. Further, Florida PRIME's yield will vary. A low interest rate environment may prevent Florida PRIME from providing a positive yield or paying expenses out of current income.

Throughout this section, it shall be understood that actions described as being taken by Florida PRIME refer to actions taken by the Investment Manager on behalf of Florida PRIME.

For additional information regarding Florida PRIME's principal securities and associated risks, please see Appendix A.

### ***IX. Controls and Escalation Procedures***

Section 218.409(2), Florida Statutes requires this Policy to document a system of internal controls designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the board or a professional money management firm. The controls include formal escalation reporting guidelines for all employees to address material impacts on Florida PRIME that require reporting and action.

The SBA has engaged BNY Mellon ("Custodian") to provide asset safekeeping, custody, fund accounting and performance measurement services to Florida PRIME. The Custodian will mark to market the portfolio holdings of Florida PRIME on a daily basis and will daily communicate both amortized cost price and mark to market price, so that the SBA and the Investment Manager can monitor the deviations between the amortized cost price and market price. By contractual agreement, the Investment Manager will reconcile accounting and performance measurement reports with the Custodian on at least a monthly basis, under the supervision of the SBA.

The NRSRO that rates Florida PRIME will perform regular independent surveillance of Florida PRIME. The SBA and an independent investment consultant will regularly monitor the Investment Manager with respect to performance and organizational factors according to SBA manager monitoring policies.

The SBA and third parties used to materially implement Florida PRIME will maintain internal control, fraud and ethics policies and procedures designed to prevent the loss of public funds.

The Executive Director will develop policies and procedures to:

- Identify, monitor and control/mitigate key investment and operational risks.
- Maintain an appropriate and effective risk management and compliance program that identifies, evaluates and manages risks within business units and at the enterprise level.
- Maintain an appropriate and effective control environment for SBA investment and operational responsibilities.
- Approve risk allocations and limits, including total fund and asset class risk budgets.

The Executive Director will appoint a Chief Risk and Compliance Officer, whose selection, compensation and termination will be affirmed by the Board, to assist in the execution of the responsibilities enumerated in the preceding list. For day-to-day executive and administrative purposes, the Chief Risk and Compliance Officer will proactively work with the Executive Director and designees to ensure that issues are promptly and thoroughly addressed by management. On at least a quarterly basis, the Chief Risk and Compliance Officer will provide reports to the Investment Advisory Council, Audit Committee and Board, and is authorized to directly access these bodies at any time as appropriate to ensure the integrity and effectiveness of risk management and compliance functions.

Pursuant to written SBA policy, the Executive Director will organize an Investment Oversight Group to regularly review, document and formally escalate compliance exceptions and events that may have a material impact on Florida PRIME. The Investment Oversight Group will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes of any meeting held by the Investment Oversight Group and a listing of meeting participants shall be timely posted on the Florida PRIME website.

The SBA and the Investment Manager have an affirmative duty to immediately disclose any material impact on Florida PRIME to the participants, including, but not limited to:

1. When the deviation between the market value and amortized cost of Florida PRIME exceeds 0.25%, according to pricing information provided by the Custodian, the Investment Manager will establish a formal action plan. The Investment Oversight Group will review the formal action plan and prepare a recommendation for the Executive Director's consideration.
2. When the deviation between the market value and amortized cost of Florida PRIME exceeds 0.50%, according to pricing information provided by the Custodian, the Executive Director will promptly consider what action, if any, will be initiated. Where the Executive Director believes the extent of any deviation from Florida PRIME's amortized cost price per share may result in material dilution or other unfair results to investors or existing shareholders, he will cause Florida PRIME to take such action as he deems appropriate to eliminate or reduce to the extent reasonably practicable such dilution or unfair results.
3. The Investment Manager will perform daily compliance monitoring to ensure that investment practices comply with the requirements of this Policy, according to documented compliance procedures. The Investment Manager will provide regular compliance reports and will communicate compliance exceptions within 24 hours of identification to the Investment Oversight Group. Additionally, the Investment Oversight Group will periodically conduct independent compliance reviews.
4. In the event that a security receives a credit rating downgrade and ceases to be in the highest rating category, or the Investment Manager determines that the security is no longer of comparable quality to the highest short-term rating category (in either case, a "Downgrade"), the Investment Manager will reassess whether the security continues to present minimal credit risk and will cause Florida PRIME to take any actions determined by the Investment Manager to be in the best interest of Florida PRIME; provided however, that the Investment Manager will not be required to make such reassessments if Florida PRIME disposes of the security (or the security matures) within five business days of the Downgrade.
5. In the event that a security no longer meets the criteria for purchase due to default, event of insolvency, a determination that the security no longer presents minimal credit risks, or other material event ("Affected Security"), the Investment Manager must dispose of the security as soon as practical, consistent with achieving an orderly disposition of the security, by sale, exercise of a demand feature or otherwise, and the requirements of GASB 79. An Affected Security may be held only if the Executive Director has determined, based upon a recommendation from the Investment Manager and the Investment Oversight Group, that it would not be in the best interest of Florida PRIME to dispose of the security taking into account market conditions that may affect an orderly disposition.
6. The Investment Manager will monthly stress test Florida PRIME and at least quarterly report the results of the stress tests to the Investment Oversight Group. Stress tests must be conducted for at least the following events, or combinations of events (i) a change in short-term interest rates; (ii) an increase in net shareholder redemptions; (iii) downgrades or defaults; and (iv)

changes between a benchmark overnight interest rate and the interest rates on securities held by Florida PRIME.

The Investment Manager will at least annually provide the Investment Oversight Group with: (i) their documented compliance procedures; (ii) an assessment of Florida PRIME's ability to withstand events reasonably likely to occur in the coming year and (iii) their list of NRSROs utilized as a component of the credit risk monitoring process.

The Executive Director's delegated authority as described in this section is intended to provide him with sufficient authority and operating flexibility to make professional investment decisions in response to changing market and economic conditions. Nonetheless, the Trustees will at least monthly review and approve management summaries of material impacts on Florida PRIME, any actions or escalations taken thereon, and carry out such duties and make such determinations as are otherwise necessary under applicable law, regulation or rule.

Pursuant to Florida law, the Auditor General will conduct an annual financial audit of Florida PRIME, which will include testing for compliance with this Policy.

#### ***X. Deposits and Withdrawals***

Investors should refer to the separate Florida PRIME Operating Procedures for detailed descriptions regarding how to make deposits in and withdrawals from Florida PRIME, including (1) any fees and limitations that may be imposed with respect thereto; and (2) reports provided to participants.

#### ***XI. Management Reporting***

The Executive Director will be responsible for providing the formal periodic reports to the Trustees, legislative committees and other entities:

1. An annual report on the SBA and its investment portfolios, including that of Florida PRIME.
2. A monthly report on performance and investment actions taken.
3. Special reports pursuant to Chapter 218, Florida Statutes.

**Appendix A**  
**Additional Information Regarding Florida PRIME's Principal Securities**

Throughout this appendix it shall be understood that actions described as being taken by Florida PRIME refer to actions taken by the Investment Manager on behalf of Florida PRIME.

**FIXED INCOME SECURITIES**

**Corporate Debt Securities**

Corporate debt securities are fixed income securities issued by businesses. Notes, bonds, debentures and commercial paper are the most prevalent types of corporate debt securities. Florida PRIME also may purchase interests in bank loans to companies.

**COMMERCIAL PAPER**

Commercial paper is an issuer's obligation with a maturity of generally less than 270 days. Companies typically issue commercial paper to pay for current expenditures. Most issuers constantly reissue their commercial paper and use the proceeds (or bank loans) to repay maturing paper. If the issuer cannot continue to obtain liquidity in this fashion, its commercial paper may default.

**DEMAND INSTRUMENTS**

Demand instruments are corporate debt securities that the issuer must repay upon demand. Other demand instruments require a third party, such as a dealer or bank, to repurchase the security for its face value upon demand. Florida PRIME treats demand instruments as short-term securities, even though their stated maturity may extend beyond one year.

**Bank Instruments**

Bank instruments are unsecured interest bearing deposits with banks. Bank instruments include, but are not limited to, bank accounts, time deposits, certificates of deposit and banker's acceptances. Yankee instruments are denominated in U.S. dollars and issued by U.S. branches of foreign banks. Eurodollar instruments are denominated in U.S. dollars and issued by non-U.S. branches of U.S. or foreign banks.

Florida PRIME will not invest in instruments of domestic and foreign banks and savings and loans unless they have capital, surplus, and undivided profits of over \$100,000,000, or if the principal amount of the instrument is insured by the Bank Insurance Fund or the Savings Association Insurance Fund which are administered by the Federal Deposit Insurance Corporation. These instruments may include Eurodollar Certificates of Deposit, Yankee Certificates of Deposit, and Euro-dollar Time Deposits.

Florida PRIME shall further limit its investments in bank instruments consistent with the requirements of GASB 79.

**Asset Backed Securities**

Asset backed securities are payable from pools of obligations, most of which involve consumer or commercial debts. However, almost any type of fixed income assets (including other fixed income securities) may be used to create an asset backed security. Asset backed securities may take the form of commercial paper, notes or pass-through certificates.



## **Government Securities**

Government security means any security issued or guaranteed as to principal or interest by the United States, or by a person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States; or any certificate of deposit for any of the foregoing.

### **U.S. Treasury Securities**

U.S. Treasury securities are direct obligations of the federal government of the United States. U.S. Treasury securities are generally regarded as having the lowest credit risks.

### **Agency Securities**

Agency securities are issued or guaranteed by a federal agency or other government sponsored entity (GSE) acting under federal authority. Some GSE securities are supported by the full faith and credit of the United States. These include securities issued by the Government National Mortgage Association, Small Business Administration, Farm Credit System Financial Assistance Corporation, Farmer's Home Administration, Federal Financing Bank, General Services Administration, Department of Housing and Urban Development, Export-Import Bank, Overseas Private Investment Corporation, and Washington Metropolitan Area Transit Authority.

Other GSE securities receive support through federal subsidies, loans or other benefits. For example, the U.S. Treasury is authorized to purchase specified amounts of securities issued by (or otherwise make funds available to) the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Student Loan Marketing Association, and Tennessee Valley Authority in support of such obligations.

A few GSE securities have no explicit financial support, but are regarded as having implied support because the federal government sponsors their activities. These include securities issued by the Farm Credit System, Financing Corporation, and Resolution Funding Corporation.

Investors regard agency securities as having low credit risks, but not as low as Treasury securities. Florida PRIME treats mortgage-backed securities guaranteed by a GSE as if issued or guaranteed by a federal agency. Although such a guarantee protects against credit risks, it does not reduce market risks.

## **Insurance Contracts**

Insurance contracts include guaranteed investment contracts, funding agreements and annuities. Florida PRIME treats these contracts as fixed income securities.

## **Municipal Securities**

Municipal securities are issued by states, counties, cities and other political subdivisions and authorities.

## **Foreign Securities**

Foreign securities are U.S. dollar-denominated securities of issuers based outside the United States. Florida PRIME considers an issuer to be based outside the United States if:

- it is organized under the laws of, or has a principal office located in, another country;
- the principal trading market for its securities is in another country; or



- it (or its subsidiaries) derived in its most current fiscal year at least 50% of its total assets, capitalization, gross revenue or profit from goods produced, services performed or sales made in another country.

### **Mortgage Backed Securities**

Mortgage backed securities represent interests in pools of mortgages. The mortgages that comprise a pool normally have similar interest rates, maturities and other terms. Mortgages may have fixed or adjustable interest rates. Interests in pools of adjustable rate mortgages are known as ARMs.

### **Zero Coupon Securities**

Certain of the fixed income securities in which Florida PRIME invests are zero coupon securities. Zero coupon securities do not pay interest or principal until final maturity, unlike debt securities that provide periodic payments of interest (referred to as a "coupon payment"). Investors buy zero coupon securities at a price below the amount payable at maturity. The difference between the purchase price and the amount paid at maturity represents interest on the zero coupon security. Investors must wait until maturity to receive interest and principal, which increases the interest rate and credit risks of a zero coupon security.

### **Callable Securities**

Certain of the fixed income securities in which Florida PRIME invests are callable at the option of the issuer. Callable securities are subject to reinvestment risks.

### **144A Securities**

The SBA has determined that Florida PRIME constitutes (i) an "accredited investor" as defined in Rule 501(a)(7) promulgated under the Securities Act of 1933, as amended (the "Securities Act"), as long as Florida PRIME has total assets in excess of \$5,000,000, (ii) a "qualified purchaser" as defined in Section 2(a)(51)(A)(iv) of the 1940 Act, as long as Florida PRIME in the aggregate owns and invests on a discretionary basis not less than \$25,000,000 in investments, and (iii) a "qualified institutional buyer" as defined in Rule 144(a)(1) promulgated under the Securities Act, as long as Florida PRIME in the aggregate owns and invests on a discretionary basis at least \$100,000,000 in securities.

### **Money Market Mutual Funds**

Florida PRIME may invest in shares of registered investment companies that are money market mutual funds, including those that are affiliated with the Investment Manager, as an efficient means of implementing its investment strategies and/or managing its uninvested cash. These other money market mutual funds are managed independently of Florida PRIME and incur additional fees and/or expenses that would, therefore, be borne indirectly by Florida PRIME in connection with such investment. However, the Investment Manager believes that the benefits and efficiencies of this approach should outweigh the potential additional fees and/or expenses. The Investment Manager must obtain prior written consent of the SBA to invest Florida PRIME in money market mutual funds that are "affiliated persons" of the Investment Manager.

### **SPECIAL TRANSACTIONS**

The Investment Manager on behalf of Florida PRIME may engage in the following special transactions.

### **Repurchase Agreements**

A repurchase agreement is a transaction in which Florida PRIME buys a security from a dealer or bank and agrees to sell the security back at a mutually agreed-upon time and price. The repurchase price exceeds the sale price, reflecting Florida PRIME's return on the transaction. This return is unrelated to the interest rate on the underlying security. Florida PRIME will enter into repurchase agreements only with banks and other recognized financial institutions, such as securities dealers, deemed creditworthy by the Investment Manager. The securities that are subject to the repurchase transactions are limited to securities in which Florida PRIME would be permitted to invest, except that such securities may have a maturity longer than would otherwise be permitted for Florida PRIME to own.

Florida PRIME's custodian or subcustodian will take possession of the securities subject to repurchase agreements. The Investment Manager or subcustodian will monitor the value of the underlying security each day to ensure that the value of the security always equals or exceeds the repurchase price.

Repurchase agreements are subject to credit risks.

### **Delayed Delivery Transactions**

Delayed delivery transactions, including when-issued transactions, are arrangements in which Florida PRIME buys securities for a set price, with payment and delivery of the securities scheduled for a future time. During the period between purchase and settlement, no payment is made by Florida PRIME to the issuer and no interest accrues to Florida PRIME. Florida PRIME records the transaction when it agrees to buy the securities and reflects their value in determining the price of its units. Settlement dates may not be more than seven business days after entering into these transactions; nonetheless, the market values of the securities bought may vary from the purchase prices. Therefore, delayed delivery transactions create interest rate risks for Florida PRIME. Delayed delivery transactions also involve credit risks in the event of a counterparty default.

### **Asset Coverage**

In order to secure its obligations in connection with special transactions, Florida PRIME will either own the underlying assets, enter into an offsetting transaction or set aside readily marketable securities with a value that equals or exceeds Florida PRIME's obligations. Unless Florida PRIME has other readily marketable assets to set aside, it cannot trade assets used to secure such obligations without terminating a special transaction. This may cause Florida PRIME to miss favorable trading opportunities or to realize losses on special transactions.



# ***Florida PRIME™ Best Practices Review***

Florida State Board of Administration (SBA)

*June 2022*

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## Executive Summary

Aon Investments (Aon) conducts a Best Practices Review of Florida PRIME on an annual basis. In this report, we review the 2022 Participant Survey responses, provide an update on the Business Case Review, highlight proposed money market reforms and recap the annual Investment Policy Statement Review.

Based on our review, we continue to believe that Florida PRIME is being managed in a manner consistent with best practices and in consideration of participants' best interests. We do not have any recommendations at this time.

## 2022 Participant Survey Highlights

On a regular basis, the SBA conducts a survey of Florida PRIME participants to gain a better understanding of the participant base, current usage of available services, and overall satisfaction. The survey also seeks to gauge interest in various enhancements and to ensure awareness of participant needs and preferences.

During the release of the 2022 survey, the building the SBA resides in went through a server migration which disabled the automatic listserv that automatically sent reminder emails to participants to take the survey. As a result of the reminder emails not being sent, the 2022 survey received only 11 responses which is significantly lower than the typical response rate (for reference, 70 participants responded to the 2021 survey).

Aon reviewed the 11 responses from the 2022 survey and while they are generally in line with historical responses, we do not feel it is appropriate to summarize the responses from the low sample size as representative responses of the broader FL PRIME participant group. The SBA plans to re-launch the survey in the Fall of 2022 to seek a greater response rate.

The FL PRIME survey results have historically been positive from both operational and service-related perspectives. Generally, the past surveys have indicated a strong level of satisfaction with the management of the Florida PRIME portfolio with the majority of respondents over time having indicated that they are very or extremely likely to recommend Florida PRIME to a colleague or other governmental investor. We continue to believe the survey is a great mechanism to obtain feedback from Florida PRIME participants, as well as to express the SBA's awareness and receptiveness to the participant's needs and wants. An update to the survey responses will be provided in the next annual review.



# Florida PRIME Business Case Review Update

The SBA initiated a business case review of FL PRIME as described in the Florida PRIME Strategic Plan in 2019. The business case review is intended to evaluate the case for insourcing and/or outsourcing all or a portion of the pool's administration, management and investment services. The ultimate goal of the Business Case Review is to ensure that the FL PRIME program is being administered in the most efficient way possible while providing the greatest security and value to current and potential participants.

## ***Business Case Review Status Update***

As a reminder, the pandemic that hit in 2020 put the FL PRIME Business Case Review on pause for a period of time as the SBA prioritized other critical functions and needs. The FL SBA re-engaged with the Review in the Fall of 2021. During the October 2021 meeting, it was identified that the commercial banking relationship that the SBA has with Bank of America, which provides banking and custody services for FL PRIME, among other asset pools, needed to be re-bid. Given that the banking relationship is central to the FL PRIME operations, it was determined that the intent to negotiate (ITN) for these services should be prioritized in fiscal year 2022, and before additional servicing reviews are evaluated. Following completion of the commercial banking selection, the SBA plans to re-visit potential outsourcing opportunities as part of the Business Case Review.

## ***Intent to Negotiate (ITN) for Treasury/Banking Services and/or Custody/Safekeeping Update***

The ITN was drafted and issued in mid-March 2022. The SBA's timeline indicated finalists would be selected before the end of April. At the time of this report, the SBA had plans to meet with respondents during the second week of June with plans for the Evaluation Team to announce their recommendation as a result of the ITN later in the week.

## ***Background***

Florida PRIME currently outsources the investment management to Federated Investment Counseling ("Federated") to manage the pool's assets in accordance with the Investment Policy Statement. Federated also conducts investment related risk management procedures and reporting to ensure compliance and the safety of pool assets.

The Florida SBA handles all other services in house for administering the FL PRIME program. These responsibilities and services are broadly defined below:

- *Administration*: recordkeeping, trade execution, position monitoring and reporting
- *Client Service*: call center, website/user interface, participant communication and experience
- *Risk Management and Compliance*: policies and guidelines, monitoring, reporting, escalation procedures, participant communication, business continuity

## ***Business Case Review Progress***

The SBA began the Business Case Review (the Review) in the fall of 2019. The initial work was largely an information gathering exercise. The SBA gained insight into full service outsourcing models, connecting with various providers to better understand the mechanics and the pros/cons of that path, as

well as identify potential challenges and areas of concern for the SBA. The group also connected with peer local government investment pools to gain an understanding of what models have worked and what aspects have proven more challenging. This information allowed the SBA to identify areas that needed additional research and vetting.

The SBA also initiated an internal risk assessment with the objective of clearly understanding and defining the risks that the FL PRIME program presents to the SBA. The risk assessment evaluates the administration, client service and risk management functional areas on whether the risk of outsourcing is neutral, lower or higher than the current state.

Through the information gathering phase, the SBA identified some challenges that outsourcing certain functions could present. Therefore, the SBA is also investigating potential approaches to improve existing internal operations. The next phase of the business case review, should the SBA determine to outsource one or more functions, is drafting and sending either a Request for Information (RFI), an Invitation to Negotiate (ITN) or a similar competitive solicitation document. It was during these discussions that the SBA identified the need to re-bid the existing commercial banking relationship prior to drafting potential solicitation documents for additional outsourcing services.

# Money Market Reforms

## ***Background***

As a result of the global financial crisis and the run on money market funds in 2008, there have since been two significant and much-debated reforms to the Securities and Exchange Commission's (SEC) Rule 2a-7, which is the principal rule covering registered U.S. money market funds. The two rounds of reforms were approved by the SEC in 2010 and 2014. The goal of the reforms was to provide additional protection and transparency to industry participants and ultimately avoid another 2008 event. In December 2021, the SEC announced a third round of proposed amendments to Rule 2a-7 in light of market events in March of 2020 due to the onset of the COVID-19 pandemic.

The SBA manages the Florida PRIME portfolio in accordance with guidelines set forth by the Governmental Accounting Standards Board (GASB), which is the source of generally accepted accounting principles used by state and local governments. The money market reforms are relevant to the Florida PRIME portfolio as the pool has historically been managed as a "2a-7 like" pool, defined by GASB as an external pool that satisfies the requirements of SEC Rule 2a-7, without actually being registered with the SEC. The most recent guidance from GASB was in December 2015, when it released guidance (GASB 79) for local government investment pools related to the 2014 reforms. Most notably the guidance removed the direct reference to "2a-7-like" pools in an effort to recognize differences between LGIPs and money market funds and the appropriateness of certain reforms on these investment pools.

## ***2021-2022 Proposed Money Market Reforms<sup>1</sup>***

In December 2021, the SEC released additional 2a-7 proposed reforms with the goal of further improving the resilience and transparency of money market funds in light of market behavior following the events in March of 2020 due to the onset of the COVID-19 pandemic.

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<sup>1</sup> [SEC.gov | SEC Proposes Amendments to Money Market Fund Rules](https://www.sec.gov/SEC/SEC-Proposes-Amendments-to-Money-Market-Fund-Rules)

The table below provides a high-level summary of the proposed reforms.

Summary of Proposed Reforms <sup>2</sup>	Details
Increase Liquidity Requirements	<ul style="list-style-type: none"> <li>• Increase daily liquid assets from 10% to 25% of total assets</li> <li>• Increase weekly liquid assets from 30% to 50% of total assets</li> </ul>
Remove Liquidity Fee and Redemption Gate Provisions	<ul style="list-style-type: none"> <li>• Proposed amendment would remove the fee and gate provisions from rule 2a-7</li> <li>• Current rules allow MMFs to impose a liquidity fee of up to 2% or temporarily suspend redemptions (i.e., impose a “gate”), if the fund’s weekly liquid assets fall below 30% of its total assets and the board of directors determines it is in the fund’s best interests.</li> <li>• Current rule also includes a default liquidity fee if a non-government fund’s weekly liquid assets fall below 10%, unless the board determines that is not in the best interests of the fund</li> </ul>
Adopt Swing Pricing Requirements	<ul style="list-style-type: none"> <li>• Swing pricing would adjust a MMF’s current NAV such that the transaction price effectively passes on costs stemming from shareholder redemptions to redeeming shareholders.</li> <li>• Proposal would require institutional prime and institutional tax-exempt MMFs to adopt swing pricing policies and procedures to adjust a fund’s current NAV per share by a swing factor when the fund has net redemptions.</li> <li>• Currently, redemption and trading costs are borne by the remaining investors in the MMF</li> </ul>
Other Proposals	<ul style="list-style-type: none"> <li>• Stable NAV funds must convert to a floating share price if future market conditions result in negative fund yields</li> <li>• Require amendments to certain reporting requirements on Forms N-MFP, N-CR and Form N-1A to improve the availability of information about MMFs</li> </ul>

The proposed rules were released on the SEC website in December 2021 and officially posted on the Federal Register in early February of 2022. Following publication by the Federal Register was a 60-day comment period that closed on April 11, 2022. Several industry participants have submitted comment letters, including Federated Hermes, the investment manager for the FL PRIME portfolio. We expect the

<sup>2</sup> [ic-34441-fact-sheet.pdf \(sec.gov\)](#)

SEC to take time to digest the market reactions before issuing further guidance or decisions. Further, we expect once the final rules are released that GASB will offer guidance on applicability to LGIPs. We also note that Fitch Ratings, one of the big three credit agencies in the U.S., issued an article indicating their opinion that LGIPs are unlikely to be impacted by these 2021-2022 proposed reforms<sup>3</sup>. The basis for their opinion centers on LGIP's having differing cash flow and liquidity characteristics than most prime institutional money market funds. Specifically, the article calls out that LGIPs generally have more stable cash flows and had adequate liquidity during the 2020 market turmoil, compared to some prime MMFs' which had notable outflows and liquidity concerns during this period.

Importantly, the SBA, Federated and Aon have monitored and updated Florida PRIME's investment policies and procedures to maintain compliance with the GASB guidance and best practices for external government investment pools over the course of the past 10+ years and through multiple periods of MMF reforms. Given the pool's practice of staying up to date with best practices, we are confident any additional reforms impacting the FL PRIME will be incorporated seamlessly. Aon, the SBA and Federated continue to stay apprised of the 2021-2022 proposed rules and will update the IAC and FL PRIME participants as needed.

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<sup>3</sup> [U.S. LGIPs Unlikely to be Affected by Money Market Fund Reform \(fitchratings.com\)](https://www.fitchratings.com/web-content/press-releases/2021/06/2021-06-23-us-lgips-unlikely-to-be-affected-by-money-market-fund-reform)

# Investment Policy Review

As part of Aon's Best Practices review of Florida PRIME we conduct a review of the Florida PRIME Investment Policy Statement (IPS). The objective of the IPS is to set forth the objectives, strategy, guidelines, and overall responsibilities for the oversight and prudent investment of Florida PRIME assets. The purpose of the periodic review is to ensure the document reflects the evolving investment portfolio, current legal and regulatory developments, and best practices. A well-written and unambiguous document is critical to the success of any investment program.

The SBA has been diligent with staying current with overall best practices in managing the Florida PRIME assets and has consistently ensured the IPS is up-to-date with the current regulatory, legal, and investment environments. Modest changes have been made over time, the most notable ones being after money market reforms are passed and GASB has offered guidance for LGIPs. As noted in the previous section, Aon, the SBA and Federated continue to monitor the progress of the recently proposed 2a-7 rule reforms and will provide an update on any potential implications on the investment policy statement of the FL PRIME as necessary.

Following the 2022 review, Aon continues to find the IPS to be comprehensive and appropriate for the management and oversight of Florida PRIME. The topics covered continue to be relevant and critical to the success of the management of Florida PRIME assets. The investment objective of the pool and the roles and responsibilities are clearly defined. The IPS provides the necessary specifics and supplemental guidelines for a clear understanding of the investment strategy, making direct and clear reference to the appropriate GASB guidelines for appropriate fiduciaries to follow and understand. We believe the IPS thoroughly defines the risks that are associated with investing in Florida PRIME and find the detailed control procedures provide the comfort of prudent safe-keeping and oversight of assets.

Overall, we continue to believe the Florida PRIME IPS is robust and in line with the goals and objectives of the investment pool and continue to find the Policy to be an effective guiding document for the management of Florida PRIME.

Reply to: Tallahassee

June 24, 2022

**LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND  
2022 STATUTORY COMPLIANCE REVIEW**

The Local Government Surplus Funds Trust Fund (Trust Fund or Fund) administered by the State Board of Administration (Board) was created in 1977, is governed by Part IV of Chapter 218, Florida Statutes, titled Investment of Local Government Surplus Funds, and is now known as Florida PRIME™.

**THE STATUTE**

Section 218.405(3), Florida Statutes requires the Trustees of the State Board of Administration, constituted per section 215.44(1) ("Trustees"), to make a two-part annual certification, as follows:

**The trustees shall annually certify to the Joint Legislative Auditing Committee that the trust fund is in compliance with the requirements of this part and that the trustees have conducted a review of the trust fund and determined that the management of the trust fund is in accord with best investment practices.**  
(Emphasis added.)

This is the fourteenth annual statutory review of the Fund under section 218.405(3). There were no substantive amendments to Part IV, Chapter 218, Florida Statutes, during the 2022 Legislative session.

**SCOPE OF REVIEW**

This review addresses the first part of the annual certification and examines whether the Trust Fund, defined at section 218.403(9) as "the pooled investment fund created by Section 218.405 and known as the Local Government Surplus Funds Trust Fund," is "in compliance with the requirements of this part." "This part" refers to Part IV of Chapter 218, Florida Statutes, which includes sections 218.40 – 218.415, Florida Statutes.

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The scope of this review is compliance with sections 218.40 – 218.412, Florida Statutes, during the time period May 17, 2021, through May 16, 2022. The remainder of Part IV, Chapter 218 – section 218.415 - covers local government investment policies, which are not within the scope of this review.

The second part of the certification required by section 218.405(3) – the determination that the Fund is in accord with best investment practices – is being performed separately by Aon Hewitt Investment Consulting, Inc.

## **PURPOSE**

As set out at section 218.401, Florida Statutes, the intent of Part IV of Chapter 218 is:

**[T]o promote, through state assistance, the maximization of net interest earnings on invested surplus funds of local units of government, based on the principles of investor protection, mandated transparency, and proper governance, with the goal of reducing the need for imposing additional taxes.**

The definition of surplus funds, found at section 218.403(8), includes:

**[A]ny funds in any general or special account or fund of a unit of local government, or funds held by an independent trustee on behalf of a unit of local government, which in reasonable contemplation will not be immediately needed for the purposes intended.**

By its terms, participation in the Fund is limited to units of local government, defined at section 218.403(11) as:

**... any governmental entity within the state not part of state government and shall include, but not be limited to, the following and the officers thereof: any county, municipality, school district, special district, clerk of the circuit court, sheriff, property appraiser, tax collector, supervisor of elections, authority, board, public corporations, or any other political subdivision of the state.**

This broad definition covers not just “any governmental entity...not a part of state government,” but also includes authorities, boards and public corporations, and is specifically not limited to the enumerated bodies.

Fund participants are charged by statute with determining whether it is in their interest to participate in the Fund. F.S. § 218.407(2). The Florida PRIME enrollment materials require each



participant to certify that it is authorized to invest in the Fund. The enrollment materials advise participants that the SBA is not responsible for independently verifying whether any participant is so authorized.

## **CREATION, OBJECTIVES**

The Trust Fund is created at section 218.405, Florida Statutes,

**(1) There is hereby created a Local Government Surplus Funds Trust Fund to be administered by the board and to be composed of local government surplus funds deposited therein by units of local government under the procedures established in this part. The board may contract with a professional money management firm to manage the trust fund.**

The Board has contracted with a professional money management firm, Federated Investment Counseling, Inc. (Federated), to manage the Trust Fund.

**(2) The primary objectives, in priority order, of investment activities shall be safety, liquidity, and competitive returns with minimization of risks.**

**(3) (Certification requirement, cited above)**

**(4) The board may adopt rules to administer the provisions of this section.**

## **RULES**

Both sections 218.405(4) and 218.412 make rulemaking to administer the Trust Fund permissive rather than mandatory. The Board has adopted rules for the Fund at Chapter 19-7, Florida Administrative Code. The majority of these rules were enacted in 1982, with substantial revisions in 2002 and 2010. The Investment Policy Statement (IPS) is also incorporated into SBA Rules. Though not yet incorporated into Chapter 19-7, an amended Investment Policy Statement for the Fund was approved by the SBA Trustees on May 4, 2021. No other changes were made to Chapter 19-7

## **INTERACTION WITH LOCAL GOVERNMENT AUTHORITIES**

Section 218.407 sets out the requirements that must be met before a unit of local government may deposit surplus funds in the Trust Fund:

**(1) Prior to any determination by the governing body that it is in the interest of the unit of local government to deposit surplus funds in the trust fund, the board or a professional money management firm must provide to the**

**governing body enrollment materials, including a trust fund profile containing impartial educational information describing the administration and investment policy of the trust fund, including, but not limited to:**

- (a) All rights and conditions of participation, including potential restrictions on withdrawals.**
- (b) The historical performance, investment holdings, credit quality, and average maturity of the trust fund investments.**
- (c) The applicable administrative rules.**
- (d) The rate determination processes for any deposit or withdrawal.**
- (e) Any fees, charges, penalties, and deductions that apply to the account.**
- (f) The most recently published financial statements or independent audits, if available, prepared under generally accepted accounting principles.**
- (g) A disclosure statement for signature by the appropriate local government official.**

The Board, with Federated, has created enrollment materials which include a Trust Fund profile and education information which appear to be impartial and to accurately describe the administration and investment policies of the Trust Fund and which meet the specific requirements of the above section.

All materials are provided to participants and potential participants at the Board's web site: [www.sbafla.com](http://www.sbafla.com) at the Florida PRIME link, or directly at [www.sbafla.com/prime](http://www.sbafla.com/prime). The New Participant Enrollment Guide, the current Investment Policy Statement, the Earnings Allocation description and the applicable rules are included under the "Enrollment Materials" tab, as are two form documents that must be executed by a new participant: the Disclosure Statement and the Authorizing Resolution. These materials track the statutory information required by section 218.407(1) cited above, and were last updated on April 7, 2018, to reflect the most recent statutory changes.

- (2) Upon review of the enrollment materials and upon determination by the governing body that it is in the interest of the unit of local government to deposit surplus funds in the trust fund, a resolution by the governing body and the signed acceptance of the disclosure statement by the local government official, who may be the chief financial or administrative officer of the local government, shall be filed with the board and, if appropriate, a copy shall be provided to a professional money management firm authorizing investment of**

**its surplus funds in the trust fund established by this part. The resolution shall name:**

- (a) The local government official, who may be the chief financial or administrative officer of the local government, or**
- (b) An independent trustee holding funds on behalf of the unit of local government, responsible for deposit and withdrawal of such funds.**

Section 218.407 was substantially amended in 2008 to include the safeguards set forth in paragraphs (1) and (2) above. Most of these requirements are intended to assure that the participant is fully informed about the nature, purpose, stability and processes of the Fund. Signed disclosure statements are on file for all participants in the Fund who have enrolled since the 2008 amendment; and all Fund participants have putative and actual knowledge of the information included in the disclosure statement, through the Monthly Summary Reports and materials posted to the website.

- (3) The board or a professional money management firm shall, upon the filing of the resolution, invest the moneys in the trust fund in the same manner and subject to the same restrictions as are set forth in s.215.47. All units of local government that qualify to be participants in the trust fund shall have surplus funds deposited into a pooled investment account**

Section 215.47, Florida Statutes details the types of investments permitted for all Board funds, including Florida PRIME. Pursuant to section 218.409(2)(a), the Fund also must be invested in accordance with the current written investment policy, which must be updated annually. Part two of the certification required by section 218.405(3), being conducted by Aon Hewitt Investment Consulting, Inc., determines whether the Fund's management is in accord with best investment practices and whether the specific holdings of the Fund are in accord with all statutory requirements including section 215.47 (cross-referenced in 218.405(3)) as implemented in the current PRIME Investment Policy Statement.

## **ADMINISTRATION OF THE TRUST FUND**

### **218.409 Administration of the trust fund.—**

- (1) Upon receipt of the items specified in s. 218.407 from the local governing body, the board or a professional money management firm shall accept all wire transfers of funds into the trust fund. The board or a professional money management firm shall also wire-transfer invested local government funds to the local government upon request of the local government official named in the resolution.**

A clearing account maintained by Bank of America, which is a qualified public depository, accepts money transmitted to the Board and transfers to BNY Mellon, as the custodian. On April 12, 2022, SBA issued an Invitation to Negotiate for Treasury/Banking and/or Custody Services. The evaluation of responses to the ITN is ongoing and will be completed outside the review period of this report.

**(2)(a) The trustees shall ensure that the board or a professional money management firm administers the trust fund on behalf of the participants. The board or a professional money management firm shall have the power to invest such funds in accordance with a written investment policy. The investment policy shall be updated annually to conform to best investment practices. The standard of prudence to be used by investment officials shall be the fiduciary standards as set forth in s. 215.47(10), which shall be applied in the context of managing an overall portfolio. Portfolio managers acting in accordance with written procedures and an investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this part.**

The Board administers the Trust Fund on behalf of the participants and handles accounting, statements, monthly reporting and compiling and maintaining enrollment materials, and has contracted with professional money management firm Federated to act as the Investment Manager and to invest the Trust Fund funds in accordance with the Investment Policy Statement. Federated also interacts with participants to answer inquiries and facilitates Standard and Poor's ratings. BNY Mellon acts as custodian of all assets of the Fund, processes all trades made by Federated, and does valuation and pricing for the Fund. The Investment Policy Statement has been updated and approved by the Trustees effective May 4, 2021. It is posted at the Fund website tab "Risk Management and Oversight," and at the "Enrollment Materials" tab as a separate item and as part of the New Participant Enrollment Guide.

**(2)(b) Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business on behalf of the trust fund. They shall further disclose any personal financial or investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from**

**undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the board.**

All Board employees are required to complete training to ensure that Board officers and employees involved in the investment process are able to recognize and avoid personal business activity that could conflict with the Trust Fund program or impair their ability to make impartial decisions. Human Relations notifies the Inspector General of any training non-compliance, and the Inspector General ensures that all required employee training for the cycle is completed.

A course cycle, which was updated in 2021 for cybercrime awareness and for the implementation of new technology (discussed below), sets out when mandatory employee training courses must be completed. Cybercrime and Cybersecurity Awareness, Ethics, Harassment Prevention, Incident Management Framework, Insider Trading, and Personal Investment Activity training are required every year; Public Records and Sunshine Law training are required every two years; and Fiduciary Duties training is required every four years. New SBA employees are required to take all mandatory courses at the time they start working for the SBA. All required courses for the fiscal year rotation were completed for the review period, notwithstanding any changes in regular operations attributable to COVID-19.

SBA\_Employees and investment officials are required to disclose material interests in financial institutions with which they also conduct Trust Fund business, and any personal financial or investment positions that could be related to performance of the Trust Fund portfolio. The Inspector General assures that any trading or investment activity by individual employees complies with applicable policies.

Policy 10-041 establishes a set of internal controls governing personal investment activity, and applies to all SBA employees, including OPS employees and interns. Policy 10-041 was substantially updated effective December 1, 2021, in conjunction with SBA's recent implementation of the StarCompliance Personal Investment Compliance (PIC) system. The PIC system provides automated pre-clearance of personal trades and a standardized method to report and certify Covered Accounts and holdings, including private investments. SBA employees are now required to submit pre-clearance requests in the PIC system, and receive approval prior to trading in any securities, as defined by Section 2(a)1 of the Securities Act of 1933, except certain exempt securities or assets (e.g., FDIC money markets, municipal bonds, insurance products, etc.). (See SBA Policy 10-041, *Definitions*, p. 4-6.) Risk Management & Compliance offered two agency-wide training sessions prior to the implementation of the StarCompliance system. A recording of the training was also made available on SBA's "WorkSmart Portal" for employees who could not attend either of the training sessions in person.

Additional substantive revisions to Policy 10-041 took effect December 1, 2021, including a change to the threshold for disclosing material ownership interests in financial institutions or investment organizations with which they conduct business on behalf of the SBA. Prior to the December 2021 revisions, employees were required to disclose a material ownership interest valued at \$20,000 or greater. Effective December 1, 2021, the ownership interest amount was changed to 5% or greater and must be reported within 15 calendar days of acquisition.

Policy 10-044 addresses insider trading. The policy was revised in December 2021 to include a policy on material nonpublic information. "Material" information, as it relates to securities transactions, is defined generally as information for which there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions, or information that is reasonably certain to have a significant effect on the price of a company's securities. Information is "nonpublic" until it has been effectively communicated to the marketplace and it can be demonstrated that the information is generally public.

Effective December 1, 2021, Policy 10-044 requires SBA employees to report material nonpublic information through the StarCompliance system. The information is then sent immediately to the Chief Risk & Compliance Officer for review. This information is used to maintain a "Restricted List" of securities, which are ineligible for trading by SBA employees on behalf of SBA funds or personal accounts, without prior written approval from the Chief Risk & Compliance Officer.

The Board has developed a process and document to be used by professional money manager Federated to certify that it operates in compliance with applicable ethics requirements. Federated Hermes Inc. Chief Compliance Officer, Stephen Van Meter and Chief Investment Officer for Federated Investment Counseling, Global Liquidity Markets, Deborah A. Cunningham, executed certifications of Compliance with Ethics Principles on January 11, 2022 and January 5, 2022, respectively.

**(2)(c) The board or a professional money management firm and all employees have an affirmative duty to immediately disclose any material impact to the trust fund to the participants. To ensure such disclosure, a system of internal controls shall be established by the board, which shall be documented in writing as part of the investment policy. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the board or a professional money management firm. The controls shall also include formal escalation reporting guidelines for all employees. The guidelines shall establish procedures to address material impacts on the trust fund that require reporting and action.**

Policy 10-040 (Ethics) provides comprehensive ethical requirements for all employees of the SBA, including PRIME, which are more stringent than the statutory requirements under Chapter 112, Part III, Florida Statutes. SBA management and staff have an affirmative duty to immediately escalate and report directly to the Executive Director & CIO, the Inspector General, or the General Counsel any “employee or contractual party fraud or misconduct (whether actual or suspected), employee or contractual party material error that adversely affects SBA or client assets or interests, misrepresentation or omission of material information in internal and external reporting and client communications, and violations of laws, rules or SBA policies.” The Inspector General then is required to investigate.

Policy 10-040 was revised effective December 1, 2021. In order to remain consistent with Policy 10-041, the ownership threshold for a material interest in financial institutions and investment organizations was changed from \$20,000 to 5%. The definition of Primary Staff under Policy 10-040 was also revised. The policy requires Primary SBA Staff involved in the selection or disposition of an investment manager/investment fund or the direct acquisition or disposition of a private market real estate investment to execute the appropriate Conflict of Interest Certification. Effective December 1, 2021, Primary SBA Staff includes all of the following: individuals participating in the search and making the final evaluation and recommendation of the investment partner or manager, their supervisor, if applicable, the related Senior Investment Officer, the Deputy Chief Investment Officer, and the Executive Director & CIO.

The SBA internet and intranet home pages include an employee toll-free fraud hotline number which allows employees to anonymously report any concerns with regard to any aspect of SBA functions, including the Trust Fund. This number is also included in all contracts with external service providers, in order to report any potential problems in these relationships. The hotline is operated by an independent company and is available 24 hours a day, 7 days a week. The Inspector General receives any reports from the hotline and copies these to the Chief Risk and Compliance Officer. There were no fraud reports to the hotline number during the review period.

The Investment Policy Statement at Section IX, Controls and Escalation Procedures, imposes extensive reporting, monitoring and escalation requirements on the executive director, all employees, the Fund custodian, the Investment Manager, an independent investment consultant and any third party used to materially implement the Fund. The IPS requires the Executive Director to develop policies and procedures to maintain an appropriate and effective risk management and compliance program, which identifies, evaluates and manages risks within business units and at the enterprise level. The Executive Director is required to appoint a Chief Risk and Compliance Officer, whose selection, compensation, and termination are to be affirmed by the Board. This position assists the Executive Director in fulfilling the Controls and Escalation Procedures, and has been staffed in accordance with SBA policy.

Also in accordance with the IPS, the Executive Director has organized an Investment Oversight Group (IOG) to regularly review, document and formally escalate compliance exceptions and events that might have a material impact on the Trust Fund. The minutes of its meetings, with a list of participants, are posted to the Fund website. The IOG meets and reports monthly to the Executive Director.

As discussed below, the Auditor General conducts an annual Financial Audit of PRIME, and the IPS requires the audit to include testing for compliance with the IPS, pursuant to Florida law. The most recent Financial Audit (Report No. 2022-082, January 2022) is available on the Florida PRIME website under the tab, "Audits."

The IPS also requires the Trustees to review and approve management summaries of material impacts on the Fund and any actions or escalations, along with any required actions thereon. The Monthly Summary Reports, which are provided on the website, constitute these management summaries. (See further discussion on the contents of this Report under section 218.409(6).) As reflected in the quarterly reports to the Joint Legislative Auditing Committee, the Trustees have reviewed and approved the monthly summary reports.

The safeguards summarized above indicate stringent standards of education, review and disclosure designed to prevent the loss of funds from fraud, error, misrepresentation, market changes or imprudent actions by the Board or a money manager, and have ensured the Trust Fund is administered in accordance with what is required by statute.

**(2)(d) The investment policy shall be reviewed and approved annually by the trustees or when market changes dictate, and in each event the investment policy shall be reviewed by the Investment Advisory Council.**

Amendments to the Investment Policy Statement were adopted and endorsed by the Investment Advisory Council and approved by the Trustees, effective May 4, 2021. Some substantive changes to the IPS were included in the amendment, which were included in the 2021-22 legal review period. The IPS is currently under review and no changes have been made since the 2021 PRIME legal review.

**(3) The board or a professional money management firm may purchase such surety or other bonds as may be necessary for its officials in order to protect the trust fund. A reserve fund may be established to fulfill this purpose. However, any reserve must be a portion of the management fee and must be fully disclosed, including its purpose, in the enrollment materials at the time a unit of local government considers participation. Further, any change in the**



**amount to be charged for a reserve must have a reasonable notice period to allow any participant to withdraw from the trust fund prior to the new reserve charge being imposed.**

No surety or other bonds have been purchased to protect the Trust Fund, and there is no reserve fund.

**(4) The board or a professional money management firm shall purchase investments for a pooled investment account in which all participants share pro rata in the capital gain, income, or losses, subject to any penalties for early withdrawal. Any provisions for penalties, including their purpose, must be disclosed in the enrollment materials. Any change in the amount to be charged for a penalty must have a reasonable notice period to allow any participant to withdraw from the trust fund prior to the new penalty charge being imposed. A system shall be developed by the board, and disclosed in the enrollment materials, subject to annual approval by the trustees, to keep account balances current and to apportion pooled investment earnings to individual accounts.**

All participants in the Trust Fund share pro rata in all capital gains, income or losses, as set out in the Description of Investment Pool Earnings Allocation, posted to the website. This system is designed to keep account balances current and to apportion pooled investment earnings to individual accounts.

**(5) The board shall keep a separate account, designated by name and number of each participating local government. A maximum number of accounts allowed for each participant may be established by the board. Individual transactions and totals of all investments, or the share belonging to each participant, shall be recorded in the accounts.**

Separate accounts are kept for each participant. The Board has not established a limit on the number of accounts a participant may have.

**(6)(a)The board or a professional money management firm shall provide a report, at a minimum monthly or upon the occurrence of a material event, to every participant having a beneficial interest in the trust fund, the board's executive director, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The report shall include:**

**1. Reports of any material impacts on the trust fund and any actions or escalations taken by staff to address such impacts. The trustees shall provide quarterly a report to the Joint Legislative Auditing Committee that the trustees**

**have reviewed and approved the monthly reports and actions taken, if any, to address any impacts.**

**2. A management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month. This management summary shall be prepared in a manner that will allow anyone to ascertain whether investment activities during the reporting period have conformed to investment policies. Such reporting shall be in conformance with best market practices. The board or a professional money management firm shall furnish upon request the details of an investment transaction to any participant, the trustees, and the Investment Advisory Council.**

A document titled "Monthly Summary Report" is produced monthly and made available at the Florida PRIME website to address the above requirements. The most recent Monthly Summary Report was posted for April 30, 2022.

The quarterly reports of the Trustees to the Joint Legislative Auditing Committee showing that the Trustees have reviewed and approved the monthly reports and taken responsive action, per the above, are memorialized in the agendas of the meetings of the Trustees of the State Board of Administration, posted to the SBA website.

**(6)(b) The market value of the portfolio shall be calculated daily. Withdrawals from the trust fund shall be based on a process that is transparent to participants and will ensure that advantages or disadvantages do not occur to parties making deposits or withdrawals on any particular day. A statement of the market value and amortized cost of the portfolio shall be issued to participants in conjunction with any deposits or withdrawals. In addition, this information shall be reported monthly with the items in paragraph (a) to participants, the trustees, and the Investment Advisory Council...**

The market value of the Fund portfolio is calculated daily by BNY Mellon and posted on the website the next day. The Information Statement and Operating Procedures, posted to the website as part of the New Participant Enrollment Guide, sets out the operating procedures for the Fund, including hours of operation, holidays and timing of transactions. These procedures are transparent and appear to ensure, to the extent possible, that disadvantages do not occur to parties making deposits or withdrawals on particular days, as each participant has equal access to the transaction system. A statement of the market value and amortized cost of the portfolio is available at all times to participants on the website, and participants receive monthly individual account statements.

**...The review of the investment portfolio, in terms of value and price volatility, shall be performed with practices consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools."**

Compliance with the above part of section 218.409(6)(b) will be determined in part two of the annual certification, conducted by Aon Hewitt Investment Consulting, Inc.

**...Additional reporting may be made to pool participants through regular and frequent ongoing multimedia educational materials and communications, including, but not limited to, historical performance, investment holdings, amortized cost and market value of the trust fund, credit quality, and average maturity of the trust fund investment.**

Additional materials are available on the Trust Fund website and are provided through the monthly reports. Board staff are available for direct communication with participants for any questions regarding their accounts.

**(7) Costs incurred in carrying out the provisions of this part shall be deducted from the interest earnings accruing to the trust fund. Such deductions shall be prorated among the participant local governments in the percentage that each participant's deposits bear to the total trust fund. The remaining interest earned shall be distributed monthly to participants according to the amount invested. Except for costs, the board or a professional money management firm may not transfer the interest or use the interest for any other purpose, including, but not limited to, making up investment losses.**

The above statutory requirement was present in the law before the 2008 revisions and has been discussed in previous reviews because it is theoretically problematic: If fund investment values were to decline sufficiently in a given month, there would be no interest from which to pay costs, and the literal requirements of this provision could not be met within a given month. Staff has reviewed this issue and updated last year's analysis in the following statement:

The Florida PRIME total expense ratio is approximately 3.16 basis points (or 0.0316%), with the SBA's portion of the total fees equal to 1.0 basis point (or 0.01%). Historical asset levels with an average annual balance of \$15.1 billion over the last 5 years have been more than sufficient to generate adequate fees to cover all administrative, operational, compliance and investment management charges. All pool charges have continued to be reported within the Monthly Summary Report, including the actual monthly line-item fees.

**(8)(a) The principal, and any part thereof, of each and every account constituting the trust fund shall be subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action shall be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures prior to the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days.**

In the time period covered by this review, the principal of all accounts in the Trust Fund has been paid at any time requested by a participant and there have been no events causing the Executive Director to limit contributions or withdrawals.

**(8)(b) An order to withdraw funds may not be issued upon any account for a larger amount than the share of the particular account to which it applies; and if such order is issued, the responsible official shall be personally liable under his or her bond for the entire overdraft resulting from the payment if made.**

In the time period covered by this review, there have been no orders to withdraw funds for a larger amount than the share of a particular account.

**(9) The Auditor General shall conduct an annual financial audit of the trust fund, which shall include testing for compliance with the investment policy. The completed audit shall be provided to the participants, the board, the trustees, the Investment Advisory Council, and the Joint Legislative Auditing Committee. As soon as practicable, but no later than 30 days after completion of the audit, the trustees shall report to the Joint Legislative Auditing Committee that the trustees have reviewed the audit of the trust fund and shall certify that any necessary items are being addressed by a corrective action plan that includes target completion dates.**

The Auditor General annual financial audit of the Trust Fund, Report No. 2022-082, for the fiscal years ended June 30, 2021 and June 30, 2020 was completed in January 2022. The audit did not

disclose any deficiencies in internal control over Florida PRIME's financial reporting that were considered to be material weaknesses. The report noted no instances of noncompliance or other matters required to be reported under Government Auditing Standards, and included as audit objectives determining if the SBA had complied with various provisions of laws, rules, contracts, the IPS, and other guidelines that are material to the financial statements.

#### **AUTHORIZATION TO PROVIDE ASSISTANCE**

##### **218.411 Authorization for state technical and advisory assistance.**

**(1) The board is authorized, upon request, to assist local governments in investing funds that are temporarily in excess of operating needs by:**

**(a) Explaining investment opportunities to such local governments through publication and other appropriate means.**

**(b) Acquainting such local governments with the state's practice and experience in investing short-term funds.**

**(c) Providing, in cooperation with the Department of Economic Opportunity, technical assistance to local governments in investment of surplus funds.**

**(2) The board may establish fees to cover the cost of such services, which shall be paid by the unit of local government requesting such service. Such fees shall be deposited to the credit of the appropriation or appropriations from which the costs of providing the services have been paid or are to be charged.**

The education offerings of the Fund have been discontinued, and there have been no instances of the SBA providing technical assistance to a fund participant in this review period.

##### **218.412 Rulemaking authority.—**

**The board may adopt rules as it deems necessary to carry out the provisions of this part for the administration of the trust fund.**

As noted above, the Board has adopted rules for the administration of the Fund at Chapter 19-7, Florida Administrative Code.

#### **OTHER SECTIONS OF PART IV, CHAPTER 218**

Part IV of Chapter 218, Florida Statutes covers other facets of investment of local government funds, such as local government investment policies (Section 218.415.) Because this review, as mandated by Section 218.405, is of the pooled investment fund created by 218.405 only, these sections are not a part of this review.

## **CONCLUSION**

Based on the foregoing, this review finds that the Local Government Surplus Funds Trust Fund, Florida PRIME is in compliance with the requirements of Sections 218.40 – 218.412, Florida Statutes.



**STATE BOARD OF ADMINISTRATION  
OF FLORIDA**

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**RON DESANTIS  
GOVERNOR  
CHAIR**

**JIMMY PATRONIS  
CHIEF FINANCIAL OFFICER**

**ASHLEY MOODY  
ATTORNEY GENERAL**

**LAMAR TAYLOR  
INTERIM EXECUTIVE DIRECTOR &  
CHIEF INVESTMENT OFFICER**

August 23, 2022

Senator Dennis Baxley  
Alternating Chair  
Joint Legislative Auditing Committee  
317 House Office Building  
402 South Monroe Street  
Tallahassee, Florida 32399

Representative Ardian Zika  
Alternating Chair  
Joint Legislative Auditing Committee  
416 Senate Office Building  
404 South Monroe Street  
Tallahassee, Florida 32399

Dear Representative Zika and Senator Baxley:

Pursuant to section 218.409(6)(a)1, Florida Statutes, the trustees of the State Board of Administration shall "provide quarterly a report to the Joint Legislative Auditing Committee that the trustees have reviewed and approved the monthly reports [Florida PRIME Management Summary] and actions taken, if any, to address any impacts."

Please be advised that the Trustees have reviewed the attached reports and authorized me to convey their action to you. During the period April 1, 2022, through June 30, 2022, there were no material impacts on the trust fund in question and, therefore, no associated actions or escalations.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lamar Taylor".

Lamar Taylor  
Interim Executive Director & Chief Investment Officer

Attachments

cc: Representative Webster Barnaby  
Senator Jim Boyd  
Senator Jennifer Bradley  
Senator Janet Cruz  
Representative Tracie Davis  
Representative Anna V. Eskamani  
Representative Jenna Persons-Mulicka  
Senator Victor M. Torres, Jr.  
Representative Keith L. Truenow  
Kathy Dubose, Coordinator

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## **MONTHLY SUMMARY REPORT**

**State Board of Administration of Florida**

**April 2022**

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## **Past performance is no guarantee of future results.**

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

## INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from April 1, 2022, through April 30, 2022, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

## DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

### PRIME™ STATISTICS

(As of April 30, 2022)

Total Participants  
**742**

Florida PRIME™  
Total Participant Balance  
**\$19,490,123,171**

Total Number of Accounts  
**1,380**

**FACTS-AT-A-GLANCE** PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

## PORTFOLIO MANAGER COMMENTARY

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For the second time in a row, Federal Reserve Chair Jerome Powell has telegraphed rate action in the run-up to a Federal Open Market Committee meeting. While his declaration that 50 basis points was “on the table for the May meeting” certainly was quieter than St. Louis Fed President James Bullard’s clamoring for aggressive moves, it removes one variable. That allows the markets to concentrate on the path of hikes and details of balance-sheet reduction. Once again, Powell’s press conference holds more intrigue than the shift in interest rates.

The potential terminal rate will be crucial to deciphering how worried the Fed is about its ability to subdue inflation. But don’t get caught up in the exact number. It’s not just that it’s probabilistic and fluctuates, but that policymakers think in terms of ranges, not points. It’s been some time since they targeted a specific figure for the fed funds rate. We anticipate a terminal plateau, not a peak. In order to make the hoped-for soft landing, the Fed needs a longer airstrip.

We fully expect overnight rates to move in lockstep with the jump of the fed funds target range, placing the Reverse Repo Facility and Interest on Excess Reserves at 80 and 90 basis points, respectively.

Unfortunately, the magnitude of the expected increase negatively impacted the responsiveness

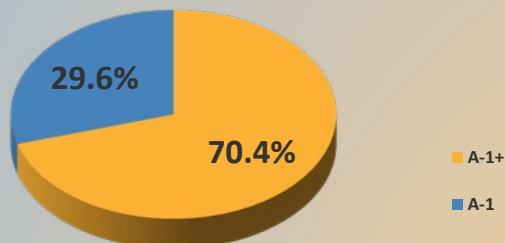
of money market products in April, a trend that might continue as they are slower to match the rising yields of Treasury and agency securities in the direct market. However, yields on money market funds and collective investment pools probably will follow historical trends and rise faster than deposit products (which individual banks set). The big picture is that we are thrilled cash alternatives are offering the value they have for decades and expect inflows as the normalization process becomes more steady.

The Pool’s total assets were \$19.5 billion at the end of April. The portfolio’s weighted average maturity (WAM) shortened to 20 days from 26, and its weighted average life (WAL) shortened to 69 days from 72. The composition of the portfolio remained dominated by bank and commercial paper. Trades were focused in the 1-3 month part of the curve when rates properly reflected Fed rate expectations.

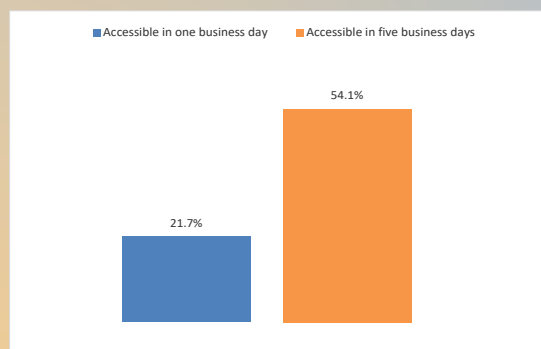
At the end of April, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 0.26%, 0.82%, 1.38% and 2.07%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 0.68%, 1.18%, 1.76% and 2.44%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 0.80%, 1.33%, 1.91% and 2.63%, respectively.

## PORTFOLIO COMPOSITION FOR APRIL 2022

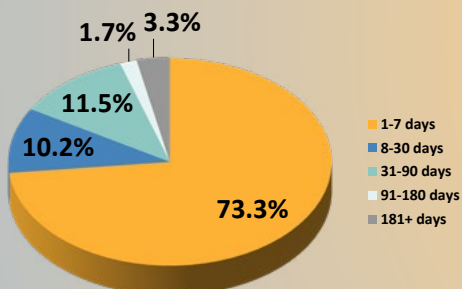
### CREDIT QUALITY COMPOSITION



### HIGHLY LIQUID HOLDINGS



### EFFECTIVE MATURITY SCHEDULE



### TOP HOLDINGS & AVG. MATURITY

1. Australia & New Zealand Banking Group, Melbourne	5.1%
2. ABN Amro Bank NV	5.1%
3. Societe Generale, Paris	5.0%
4. Mitsubishi UFJ Financial Group, Inc.	4.9%
5. Bank of Montreal	4.9%
6. Bank of Nova Scotia, Toronto	4.8%
7. Canadian Imperial Bank of Commerce	4.8%
8. Mizuho Financial Group, Inc.	4.7%
9. Cooperatieve Rabobank UA	4.5%
10. Credit Agricole Group	4.3%

#### Average Effective Maturity (WAM)

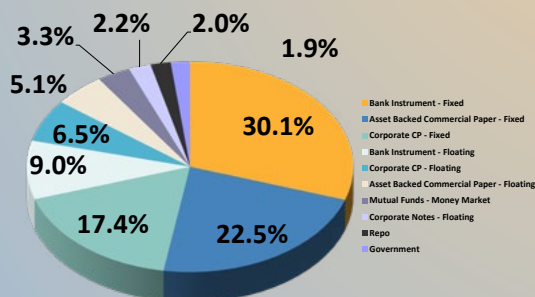
20 Days

#### Weighted Average Life (Spread WAL)

69 Days

Percentages based on total value of investments

### PORTFOLIO COMPOSITION



## FUND PERFORMANCE THROUGH APRIL 2022

Florida PRIME Performance Data			
	Annualized Net Participant Yield <sup>1</sup>	Net-of-Fee Benchmark <sup>2</sup>	Above (Below) Benchmark
One Month	0.45%	0.29%	0.16%
Three Months	0.30%	0.15%	0.15%
One Year	0.16%	0.06%	0.10%
Three Years	0.83%	0.69%	0.14%
Five Years	1.29%	1.08%	0.21%
Ten Years	0.82%	0.63%	0.20%
Since 1/96	2.38%	2.17%	0.21%

**Note:** Net asset value at month end: \$19,481.2 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.,

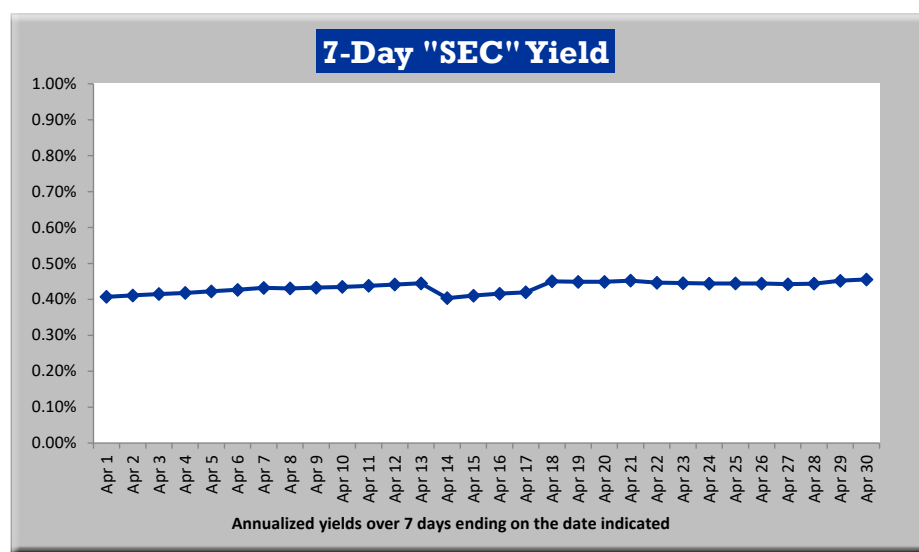
<sup>1</sup>Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

<sup>2</sup>The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

### ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds. The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365. Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

## PRIME ACCOUNT SUMMARY FOR APRIL 2022

Summary of Cash Flows		
Opening Balance (04/01/22)	\$	20,212,390,210
Participant Deposits		1,549,616,742
Gross Earnings		7,860,186
Participant Withdrawals		(2,279,223,431)
Fees		(520,536)
Closing Balance (04/30/22)	\$	19,490,123,171
<b>Net Change over Month</b>	<b>\$</b>	<b>(722,267,039)</b>

Detailed Fee Disclosure		
April	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 162,081.08	0.98
Federated Investment Management Fee	324,146.01	1.96
BNY Mellon Custodial Fee**	20,599.65	0.12
Bank of America Transfer Agent Fee	5,179.42	0.03
S&P Rating Maintenance Fee	3,945.21	0.02
Audit/External Review Fees	4,584.42	0.03
<b>Total Fees</b>	<b>\$ 520,535.79</b>	<b>3.15</b>

\*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$19,851,256,690.

\*\*All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

The data included in this report is unaudited.

## INVENTORY OF HOLDINGS FOR APRIL 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
2016 David S. Pearl, II Irrevocable Life Insurance Trust, Nov 01, 2036	VARIABLE RATE DEMAND NOTE	0.75	11/1/2036	5/5/2022	2,670,000	0.75	\$2,670,000	\$2,670,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	0.33	5/3/2022		675,000,000	0.33	\$675,000,000	\$675,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	0.33	5/5/2022		310,000,000	0.33	\$310,000,000	\$310,000,000	\$0
AJC Capital, LLC, Jan 01, 2042	VARIABLE RATE DEMAND NOTE	0.66	1/1/2042	5/5/2022	5,530,000	0.66	\$5,530,000	\$5,530,000	\$0
Alaska State Housing Finance Corp., (Series 2009B), 12/01/2040	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.46	12/1/2040	5/5/2022	50,065,000	0.46	\$50,065,000	\$50,065,000	\$0
Alaska State Housing Finance Corp., Home Mortgage Revenue Bonds (Series 2007D), 12/01/2041	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.46	12/1/2041	5/5/2022	25,000,000	0.46	\$25,000,000	\$25,000,000	\$0
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/12/2022		61,384,000	0.65	\$61,369,813	\$61,370,811	\$998
Alpine Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/20/2022		100,000,000	0.84	\$99,951,583	\$99,961,033	\$9,450
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/3/2022		180,000,000	0.56	\$179,989,000	\$179,992,541	\$3,541
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/4/2022		100,000,000	0.41	\$99,994,444	\$99,994,597	\$153
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/5/2022		150,000,000	0.55	\$149,986,500	\$149,989,901	\$3,401
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		100,000,000	0.52	\$99,990,083	\$99,991,833	\$1,750
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/9/2022		50,000,000	0.52	\$49,992,917	\$49,993,222	\$305
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/10/2022		125,000,000	0.53	\$124,980,139	\$124,980,521	\$382
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		110,000,000	0.41	\$109,918,111	\$109,782,994	-\$135,117
Anglesea Funding LLC, Aug 05, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.50	8/5/2022	5/2/2022	5,000,000	0.51	\$5,000,000	\$4,998,958	-\$1,042
Anglesea Funding LLC, Aug 10, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.46	8/10/2022	5/2/2022	60,000,000	0.28	\$60,000,000	\$59,994,803	-\$5,197
Anglesea Funding LLC, Oct 07, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.66	10/7/2022	5/2/2022	50,000,000	0.67	\$50,000,000	\$50,000,000	\$0
Anglesea Funding LLC, Sep 28, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.73	9/28/2022	5/2/2022	14,000,000	0.74	\$14,000,000	\$14,006,432	\$6,432
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/12/2022		30,000,000	0.61	\$29,993,500	\$29,993,825	\$325
Archer I LLC, Jun 01, 2060	VARIABLE RATE DEMAND NOTE	0.66	6/1/2060	5/5/2022	12,000,000	0.67	\$12,000,000	\$12,000,000	\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/4/2022		50,000,000	0.46	\$49,996,875	\$49,997,299	\$424
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/17/2022		50,000,000	1.14	\$49,923,778	\$49,939,499	\$15,721
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	0.33	5/3/2022		985,000,000	0.33	\$985,000,000	\$985,000,000	\$0
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		5/3/2022		20,000,000	0.32	\$19,999,289	\$19,999,191	-\$98
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		50,000,000	0.32	\$49,997,333	\$49,996,659	-\$675
BWF Forge TL Properties Owner LLC, May 01, 2059	VARIABLE RATE DEMAND NOTE	0.66	5/1/2059	5/5/2022	15,000,000	0.66	\$15,000,000	\$15,000,000	\$0
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.30	5/2/2022		148,000,000	0.30	\$148,000,000	\$148,000,000	\$0
Bank of America N.A., May 02, 2022	VARIABLE RATE BANK NOTE	0.43	5/2/2022	5/2/2022	50,000,000	0.44	\$50,000,000	\$50,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.21	7/26/2022		100,000,000	0.21	\$100,000,000	\$99,785,518	-\$214,482
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.34	11/2/2022		100,000,000	0.34	\$100,000,000	\$99,177,036	-\$822,964
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	6/21/2022		75,000,000	0.35	\$75,000,000	\$74,942,204	-\$57,796
Bank of Montreal, Jan 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.58	1/13/2023	5/2/2022	125,000,000	0.59	\$125,000,000	\$124,912,193	-\$87,808
Bank of Montreal, Jun 10, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.48	6/10/2022	5/2/2022	100,000,000	0.49	\$100,000,000	\$99,999,754	-\$246
Bank of Montreal, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.53	3/1/2023	5/2/2022	100,000,000	0.54	\$100,000,000	\$99,839,040	-\$160,960
Bank of Montreal, Mar 22, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.98	3/22/2023	5/2/2022	100,000,000	0.99	\$100,000,000	\$100,234,179	\$234,179
Bank of Montreal, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.58	3/24/2023	5/2/2022	100,000,000	0.59	\$100,000,000	\$99,872,510	-\$127,490

See notes at end of table.



# INVENTORY OF HOLDINGS FOR APRIL 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Bank of Montreal, Nov 30, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.53	11/30/2022	5/2/2022	100,000,000	0.54	\$100,000,000	\$99,914,794	-\$85,206
Bank of Montreal, Oct 06, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.43	10/6/2022	5/2/2022	50,000,000	0.44	\$50,000,000	\$49,954,963	-\$45,038
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		32,500,000	0.23	\$32,498,754	\$32,497,801	-\$953
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		7/20/2022		48,750,000	0.20	\$48,727,792	\$48,622,413	-\$105,379
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		9/1/2022		50,000,000	0.20	\$49,965,278	\$49,762,500	-\$202,778
Bank of Nova Scotia, Toronto, Dec 22, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.86	12/22/2022	5/2/2022	150,000,000	0.87	\$150,000,000	\$150,161,307	\$161,307
Bank of Nova Scotia, Toronto, Feb 21, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.53	2/21/2023	5/2/2022	160,000,000	0.54	\$159,999,997	\$159,736,096	-\$263,901
Bank of Nova Scotia, Toronto, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.78	5/8/2023	5/2/2022	99,000,000	0.79	\$99,000,000	\$99,041,905	\$41,905
Bank of Nova Scotia, Toronto, Oct 13, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.43	10/13/2022	5/2/2022	75,000,000	0.44	\$75,000,000	\$74,928,122	-\$71,878
Bank of Nova Scotia, Toronto, Oct 20, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.43	10/20/2022	5/2/2022	10,000,000	0.44	\$10,000,000	\$9,989,679	-\$10,321
Bank of Nova Scotia, Toronto, Sep 14, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.45	9/14/2022	5/2/2022	57,000,000	0.94	\$56,896,105	\$56,962,911	\$66,805
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/2/2022		50,000,000	0.61	\$49,997,500	\$49,998,513	\$1,013
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/13/2022		25,000,000	0.62	\$24,994,069	\$24,994,381	\$311
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/25/2022		25,000,000	0.81	\$24,985,556	\$24,986,910	\$1,354
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/5/2022		100,000,000	0.51	\$99,991,667	\$99,993,433	\$1,766
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		10,000,000	0.24	\$9,999,533	\$9,999,203	-\$331
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		75,000,000	0.38	\$74,948,354	\$74,854,136	-\$94,219
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/5/2022		90,000,000	0.52	\$89,992,350	\$89,993,790	\$1,440
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		50,000,000	0.51	\$49,995,139	\$49,995,820	\$681
BofA Securities, Inc. CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		25,000,000	1.07	\$24,908,125	\$24,870,588	-\$37,538
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	0.66	10/1/2042	5/5/2022	5,185,000	0.66	\$5,185,000	\$5,185,000	\$0
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		75,000,000	0.46	\$74,961,563	\$74,927,311	-\$34,252
Caisse d'Amortissement de la Dette Sociale (CADES) CP	COMMERCIAL PAPER		6/28/2022		100,000,000	1.04	\$99,830,000	\$99,843,333	\$13,333
Calhoun, TX Port Authority, (Formosa Plastic Corp.), (Series 2012), 04/01/2042	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.22	4/1/2042	5/5/2022	50,000,000	0.22	\$50,000,000	\$50,000,000	\$0
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.24	5/4/2022		85,000,000	0.24	\$85,000,000	\$84,997,579	-\$2,421
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	11/2/2022		50,000,000	0.35	\$50,000,000	\$49,586,978	-\$413,023
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		12/1/2022		100,000,000	0.51	\$99,700,000	\$98,753,200	-\$946,800
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		3/20/2023		40,000,000	2.09	\$39,267,667	\$39,089,639	-\$178,028
Canadian Imperial Bank of Commerce, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.49	12/1/2022	5/2/2022	61,500,000	0.50	\$61,500,000	\$61,432,260	-\$67,740
Canadian Imperial Bank of Commerce, Feb 14, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.53	2/14/2023	5/2/2022	150,000,000	0.54	\$150,000,000	\$149,770,430	-\$229,571
Canadian Imperial Bank of Commerce, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.78	5/8/2023	5/2/2022	200,000,000	0.79	\$200,000,000	\$199,987,572	-\$12,428
Canadian Imperial Bank of Commerce, Sep 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.92	9/9/2022	5/2/2022	150,000,000	0.93	\$150,000,000	\$150,199,791	\$199,791
Canadian Imperial Holdings, Inc. CP4-2	COMMERCIAL PAPER - 4-2		11/8/2022		102,900,000	0.36	\$102,706,920	\$101,812,681	-\$894,238
Cancara Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/4/2022		50,000,000	0.65	\$49,995,556	\$49,997,202	\$1,646
Chad J. Himmel Irrevocable Trust No. 1, Jul 01, 2048	VARIABLE RATE DEMAND NOTE	0.66	7/1/2048	5/5/2022	5,290,000	0.66	\$5,290,000	\$5,290,000	\$0
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/2/2022		445,000,000	0.32	\$444,988,133	\$444,986,761	-\$1,372

See notes at end of table.

## INVENTORY OF HOLDINGS FOR APRIL 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/2/2022		50,000,000	0.50	\$49,997,958	\$49,998,513	\$554
City Furniture, Inc., Aug 01, 2044	VARIABLE RATE DEMAND NOTE	0.78	8/1/2044	5/5/2022	65,500,000	0.78	\$65,500,000	\$65,500,000	\$0
Collateralized Commercial Paper FLEX Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/12/2022		25,000,000	0.17	\$24,998,465	\$24,994,990	-\$3,476
Collateralized Commercial Paper FLEX Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/2/2022		50,000,000	0.32	\$49,984,889	\$49,962,270	-\$22,619
Collateralized Commercial Paper FLEX Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/6/2022		65,000,000	0.71	\$64,951,972	\$64,943,121	-\$8,851
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		5/18/2022		39,000,000	0.32	\$38,993,413	\$38,986,724	-\$6,690
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		6/22/2022		50,000,000	0.38	\$49,972,250	\$49,929,050	-\$43,200
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/7/2022		50,000,000	0.37	\$49,965,500	\$49,895,638	-\$69,863
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/8/2022		25,000,000	0.37	\$24,982,500	\$24,946,528	-\$35,972
Collateralized Commercial Paper V Co. LLC, Aug 16, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	0.46	8/16/2022	5/2/2022	55,000,000	0.47	\$55,000,000	\$54,972,719	-\$27,281
Collateralized Commercial Paper V Co. LLC, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	0.83	9/8/2022	5/2/2022	100,000,000	0.84	\$100,000,000	\$100,064,431	\$64,431
Collateralized Commercial Paper V Co. LLC, Sep 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	0.78	9/22/2022	5/2/2022	30,000,000	0.79	\$30,000,000	\$30,014,668	\$14,668
Commonwealth Bank of Australia, Feb 27, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.78	2/27/2023	5/2/2022	210,000,000	0.79	\$210,000,000	\$210,121,951	\$121,951
Commonwealth Bank of Australia, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.82	3/20/2023	5/2/2022	21,000,000	0.83	\$21,000,000	\$21,019,268	\$19,268
Cooperative Rabobank UA TD	TIME DEPOSIT	0.33	5/2/2022		485,000,000	0.33	\$485,000,000	\$485,000,000	\$0
Cooperative Rabobank UA TD	TIME DEPOSIT	0.33	5/3/2022		400,000,000	0.33	\$400,000,000	\$400,000,000	\$0
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.33	5/3/2022		500,000,000	0.33	\$500,000,000	\$499,997,390	-\$2,610
DNB Nor Bank ASA CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.10	9/6/2022		100,000,000	1.12	\$100,000,000	\$99,886,662	-\$113,338
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		5/2/2022		800,000,000	0.30	\$799,980,000	\$799,975,600	-\$4,400
Dreyfus Government Cash Management Fund	OVERNIGHT MUTUAL FUND	0.24	5/2/2022		3,832,603	0.24	\$3,832,603	\$3,832,603	\$0
FMS Wertmanagement AoR CP4-2	COMMERCIAL PAPER - 4-2		5/10/2022		100,000,000	0.46	\$99,986,250	\$99,982,233	-\$4,017
FMS Wertmanagement AoR CP4-2	COMMERCIAL PAPER - 4-2		5/11/2022		130,000,000	0.46	\$129,980,500	\$129,979,087	-\$1,413
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		75,000,000	0.36	\$74,949,688	\$74,844,175	-\$105,513
Federated Hermes Institutional Prime Value Obligations Fund - Class IS	MUTUAL FUND MONEY MARKET	0.42	5/2/2022	5/2/2022	630,872,087	0.42	\$631,124,436	\$630,682,826	-\$441,610
Fiore Capital LLC, Series 2005-A, Aug 01, 2045	VARIABLE RATE DEMAND NOTE	0.50	8/1/2045	5/5/2022	9,995,000	0.50	\$9,995,000	\$9,995,000	\$0
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	0.98	9/1/2035	5/5/2022	4,005,000	0.99	\$4,005,000	\$4,005,000	\$0
GTA Funding LLC, Jun 09, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE		6/9/2022		60,000,000	0.41	\$59,972,667	\$59,941,849	-\$30,818
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/9/2022		80,000,000	0.43	\$79,990,667	\$79,989,155	-\$1,511
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/24/2022		50,000,000	0.56	\$49,980,903	\$49,975,243	-\$5,660
Great Bear Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/9/2022		47,000,000	0.50	\$46,993,603	\$46,993,629	\$26
Great Bear Funding LLC, Oct 14, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.66	10/14/2022	5/2/2022	40,000,000	0.67	\$40,000,000	\$40,000,000	\$0
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.31	5/2/2022		100,000,000	0.31	\$100,000,000	\$100,000,000	\$0
HW Hellman Building, L.P., Mar 01, 2062	VARIABLE RATE DEMAND NOTE	0.66	3/1/2062	5/5/2022	50,000,000	0.66	\$50,000,000	\$50,000,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR APRIL 2022

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Henry Andrew Brown, III 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	0.66	10/1/2042	5/5/2022	4,260,000	0.66	\$4,260,000	\$4,260,000	\$0
Herman & Kittle Capital, LLC, Feb 01, 2037	VARIABLE RATE DEMAND NOTE	0.66	2/1/2037	5/5/2022	3,405,000	0.66	\$3,405,000	\$3,405,000	\$0
Jupiter Securitization Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/4/2022		87,000,000	0.43	\$86,994,925	\$86,995,299	\$374
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/2/2022		50,500,000	0.41	\$50,498,317	\$50,498,523	\$206
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		50,000,000	0.51	\$49,995,139	\$49,995,917	\$778
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/10/2022		14,000,000	0.61	\$13,997,433	\$13,997,733	\$300
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/16/2022		50,000,000	0.58	\$49,986,542	\$49,984,346	-\$2,196
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/17/2022		13,600,000	0.56	\$13,596,260	\$13,595,417	-\$843
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/18/2022		50,000,000	0.58	\$49,984,958	\$49,981,924	-\$3,035
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/25/2022		65,000,000	0.58	\$64,973,242	\$64,965,167	-\$8,075
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		50,200,000	1.22	\$50,084,540	\$50,099,261	\$14,721
Lamar Avenue Trust, Dec 01, 2037	VARIABLE RATE DEMAND NOTE	0.66	12/1/2037	5/5/2022	4,445,000	0.66	\$4,445,000	\$4,445,000	\$0
Lloyds Bank plc, London CP	COMMERCIAL PAPER		5/10/2022		50,000,000	0.49	\$49,992,667	\$49,992,132	-\$535
Lloyds Bank plc, London CP	COMMERCIAL PAPER		5/10/2022		51,000,000	0.50	\$50,992,364	\$50,991,975	-\$390
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		100,000,000	0.41	\$99,992,222	\$99,990,667	-\$1,555
Longship Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		70,000,000	0.41	\$69,994,556	\$69,993,467	-\$1,089
Los Angeles, CA Community Redevelopment Agency, (DWFV Hollywood & Vine, LP), Mizuho 3a-7 (Series 2022-MIZ9089), 10/15/2037	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.64	10/15/2037	5/5/2022	19,000,000	0.64	\$19,000,000	\$19,000,000	\$0
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.49	5/5/2022		200,000,000	0.50	\$200,000,000	\$200,001,428	\$1,428
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.49	5/9/2022		155,000,000	0.50	\$155,000,000	\$154,999,389	-\$611
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.49	5/10/2022		140,000,000	0.50	\$140,000,000	\$139,998,922	-\$1,078
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.51	5/11/2022		250,000,000	0.52	\$250,000,000	\$249,998,655	-\$1,345
Matchpoint Finance PLC, Jun 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.92	6/22/2022	5/2/2022	25,000,000	0.93	\$25,000,000	\$25,012,815	\$12,815
Michigan State Housing Development Authority, (Series C), 04/01/2040	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.20	4/1/2040	5/4/2022	13,900,000	0.20	\$13,900,000	\$13,900,000	\$0
Mississippi Business Finance Corp., Kohler Project, Jun 01, 2022	VARIABLE RATE DEMAND NOTE	0.69	6/1/2022	5/5/2022	10,000,000	0.69	\$10,000,000	\$10,000,000	\$0
Mizuho Bank Ltd. TD	TIME DEPOSIT	0.32	5/2/2022		900,000,000	0.32	\$900,000,000	\$900,000,000	\$0
Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	0.31	5/2/2022		150,000,000	0.31	\$150,000,000	\$150,000,000	\$0
Morofsky Legacy Irrevocable Trust, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	0.70	9/1/2041	5/5/2022	6,260,000	0.70	\$6,260,000	\$6,260,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		40,000,000	1.02	\$39,860,000	\$39,797,280	-\$62,720
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		5/4/2022		45,128,000	0.41	\$45,125,493	\$45,125,411	-\$81
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		75,000,000	0.41	\$74,995,000	\$74,994,613	-\$387
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		130,000,000	0.41	\$129,991,333	\$129,990,662	-\$671
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		5/6/2022		275,000,000	0.40	\$274,978,878	\$274,975,938	-\$2,941
New York City, NY, (Fiscal 2012 Series A-4), 08/01/2038	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.42	8/1/2038	5/5/2022	15,400,000	0.42	\$15,400,000	\$15,400,000	\$0
Nordea Bank Abp, Sep 19, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.83	9/19/2022	5/2/2022	30,000,000	0.84	\$30,000,000	\$30,025,786	\$25,786
Nordea Bank Abp, Sep 21, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.82	9/21/2022	5/2/2022	60,000,000	0.83	\$60,000,000	\$60,049,399	\$49,399
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		70,000,000	0.36	\$69,972,097	\$69,932,157	-\$39,941
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2022		75,000,000	0.36	\$74,960,625	\$74,893,575	-\$67,050

See notes at end of table.

## INVENTORY OF HOLDINGS FOR APRIL 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/28/2022		70,000,000	1.12	\$69,871,667	\$69,781,833	-\$89,834
Old Line Funding, LLC, Aug 02, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.45	8/2/2022	5/2/2022	90,000,000	0.46	\$90,000,000	\$89,969,604	-\$30,396
Old Line Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.71	1/19/2023	5/2/2022	10,000,000	0.72	\$10,000,000	\$10,000,000	\$0
Old Line Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.71	1/23/2023	5/2/2022	100,000,000	0.72	\$100,000,000	\$100,000,000	\$0
Old Line Funding, LLC, Jun 27, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.52	6/27/2022	5/2/2022	30,000,000	0.53	\$30,000,000	\$29,997,789	-\$2,211
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.48	9/26/2022	5/2/2022	90,000,000	0.49	\$90,000,000	\$90,000,000	\$0
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.78	9/26/2022	5/2/2022	50,000,000	0.79	\$50,000,000	\$50,000,000	\$0
Overbaugh Family (2016) Survivorship Trust, Apr 01, 2042	VARIABLE RATE DEMAND NOTE	0.66	4/1/2042	5/5/2022	7,015,000	0.66	\$7,015,000	\$7,015,000	\$0
Regatta Funding Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/24/2022		25,000,000	1.07	\$24,959,167	\$24,961,461	\$2,294
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/2/2022		100,000,000	0.71	\$99,933,889	\$99,924,539	-\$9,350
Ridgefield Funding Company, LLC Series A, Jun 24, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	0.90	6/24/2022	5/2/2022	75,000,000	0.91	\$75,000,000	\$75,036,254	\$36,254
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		7/12/2022		50,000,000	0.21	\$49,978,417	\$49,877,284	-\$101,133
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		3/29/2023		25,000,000	2.25	\$24,494,361	\$24,401,815	-\$92,546
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		10/14/2022		50,000,000	0.25	\$49,941,667	\$49,552,467	-\$389,200
Royal Bank of Canada, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.53	12/1/2022	5/2/2022	100,000,000	0.54	\$100,000,000	\$99,906,617	-\$93,383
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		6/21/2022		83,500,000	0.21	\$83,474,185	\$83,380,142	-\$94,042
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		50,000,000	0.22	\$49,950,806	\$49,574,021	-\$376,785
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		11/15/2022		50,000,000	0.41	\$49,888,889	\$49,434,722	-\$454,167
Royal Bank of Canada, New York Branch, Mar 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.71	3/1/2023	5/2/2022	100,000,000	0.72	\$100,000,000	\$99,991,589	-\$8,411
Royal Bank of Canada, New York Branch, Oct 06, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.43	10/6/2022	5/2/2022	50,000,000	0.44	\$50,000,000	\$49,962,283	-\$37,718
Royal Bank of Canada, New York Branch, Oct 07, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.43	10/7/2022	5/2/2022	75,000,000	0.44	\$75,000,000	\$74,943,071	-\$56,929
Scheel Investments, LLC, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	0.66	9/1/2041	5/5/2022	6,720,000	0.66	\$6,720,000	\$6,720,000	\$0
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/6/2022		150,000,000	0.41	\$149,988,333	\$149,987,750	-\$584
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/11/2022		100,000,000	0.51	\$99,983,333	\$99,982,233	-\$1,100
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		5/24/2022		33,090,000	0.56	\$33,077,361	\$33,073,616	-\$3,746
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/6/2022		40,000,000	0.97	\$39,959,889	\$39,964,998	\$5,109
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		200,000,000	0.97	\$199,783,611	\$199,806,162	\$22,551
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		150,000,000	1.02	\$149,712,500	\$149,691,225	-\$21,275
Societe Generale, Paris CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		150,000,000	0.60	\$149,985,250	\$149,990,351	\$5,101
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.66	5/9/2022		100,000,000	0.67	\$100,000,000	\$100,005,656	\$5,656
Svenska Handelsbanken, Stockholm CP4-2	COMMERCIAL PAPER - 4-2		5/3/2022		77,220,000	0.21	\$77,218,241	\$77,216,765	-\$1,476
Svenska Handelsbanken, Stockholm, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.78	9/8/2022	5/2/2022	50,000,000	0.79	\$50,000,000	\$50,030,022	\$30,022
The Debra B. Kennedy Irrevocable Trust, May 01, 2048	VARIABLE RATE DEMAND NOTE	0.66	5/1/2048	5/5/2022	4,420,000	0.66	\$4,420,000	\$4,420,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR APRIL 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
The Greathouse 2021 Children's Trust, Dec 01, 2046	VARIABLE RATE DEMAND NOTE	0.66	12/1/2046	5/5/2022	13,625,000	0.66	\$13,625,000	\$13,625,000	\$0
The Linda E. Krejsek Life Insurance Trust, Sep 01, 2037	VARIABLE RATE DEMAND NOTE	0.66	9/1/2037	5/5/2022	5,490,000	0.66	\$5,490,000	\$5,490,000	\$0
The Mark E. Potteiger Irrevocable Life Insurance Trust, Jun 01, 2048	VARIABLE RATE DEMAND NOTE	0.66	6/1/2048	5/5/2022	4,025,000	0.66	\$4,025,000	\$4,025,000	\$0
The Tammi R. Sitz Irrevocable Life Insurance Trust, Nov 01, 2046	VARIABLE RATE DEMAND NOTE	0.66	11/1/2046	5/5/2022	5,950,000	0.66	\$5,950,000	\$5,950,000	\$0
Thunder Bay Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.71	1/19/2023	5/2/2022	75,000,000	0.72	\$75,000,000	\$75,000,000	\$0
Thunder Bay Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.71	1/23/2023	5/2/2022	15,000,000	0.72	\$15,000,000	\$15,000,000	\$0
Thunder Bay Funding, LLC, Jul 29, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.45	7/29/2022	5/2/2022	50,000,000	0.46	\$50,000,000	\$50,000,000	\$0
Thunder Bay Funding, LLC, Oct 20, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.88	10/20/2022	5/2/2022	25,000,000	0.89	\$25,000,000	\$25,020,996	\$20,996
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.22	10/14/2022		10,000,000	0.22	\$10,000,000	\$9,922,271	-\$77,729
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		72,500,000	0.32	\$72,500,000	\$71,768,832	-\$731,168
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		70,000,000	0.32	\$70,000,000	\$69,294,068	-\$705,933
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.50	6/9/2022		100,000,000	0.51	\$100,000,000	\$99,962,804	-\$37,196
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/3/2022		200,000,000	0.24	\$199,994,667	\$199,992,022	-\$2,645
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/4/2022		7,500,000	0.24	\$7,499,750	\$7,499,608	-\$142
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		3/17/2023		35,000,000	2.07	\$34,370,758	\$34,203,274	-\$167,485
Toronto Dominion Bank, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.52	2/13/2023	5/2/2022	100,000,000	0.53	\$100,000,000	\$99,845,090	-\$154,910
Toronto Dominion Bank, Jun 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.47	6/9/2022	5/2/2022	50,000,000	0.48	\$50,000,000	\$50,000,051	\$51
Toronto Dominion Bank, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.67	3/1/2023	5/2/2022	100,000,000	0.68	\$100,000,000	\$99,955,907	-\$44,093
TotalEnergies Capital Canada Ltd. CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		62,000,000	0.41	\$61,995,867	\$61,995,547	-\$320
TotalEnergies Capital S.A. CP4-2	COMMERCIAL PAPER - 4-2		5/4/2022		50,000,000	0.41	\$49,997,222	\$49,996,896	-\$326
Toyota Credit De Puerto Rico Corp. CP	COMMERCIAL PAPER		5/9/2022		20,000,000	0.49	\$19,997,333	\$19,997,011	-\$322
Toyota Finance Australia Ltd. CP	COMMERCIAL PAPER		7/13/2022		25,000,000	1.17	\$24,940,104	\$24,941,927	\$1,823
U.S. Treasury Bill, 06/14/2022	US TREASURY BILL	0.00	6/14/2022		200,000,000	0.44	\$199,890,111	\$199,889,812	-\$299
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	0.93	4/30/2023	5/3/2022	100,000,000	0.93	\$100,008,129	\$100,121,388	\$113,259
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	0.93	4/30/2023	5/3/2022	75,000,000	0.93	\$75,005,335	\$75,091,041	\$85,706
UnitedHealth Group, Inc. CP4-2	COMMERCIAL PAPER - 4-2		5/5/2022		200,000,000	0.51	\$199,983,333	\$199,984,334	\$1,001
Westpac Banking Corp. Ltd., Sydney, Dec 23, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.78	12/23/2022	5/2/2022	57,500,000	0.79	\$57,500,000	\$57,534,501	\$34,501
Westpac Banking Corp. Ltd., Sydney, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.78	3/20/2023	5/2/2022	109,000,000	0.79	\$109,000,000	\$109,060,786	\$60,786
Westpac Banking Corp. Ltd., Sydney, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.78	3/21/2023	5/2/2022	75,000,000	0.79	\$75,000,000	\$75,041,277	\$41,277
Wylie Bice Life Insurance Trust, Aug 01, 2046	VARIABLE RATE DEMAND NOTE	0.66	8/1/2046	5/5/2022	7,625,000	0.66	\$7,625,000	\$7,625,000	\$0
<b>Total Value of Assets</b>					<b>19,497,256,690</b>		<b>\$19,492,202,453</b>	<b>\$19,483,542,432</b>	<b>-\$8,660,021</b>

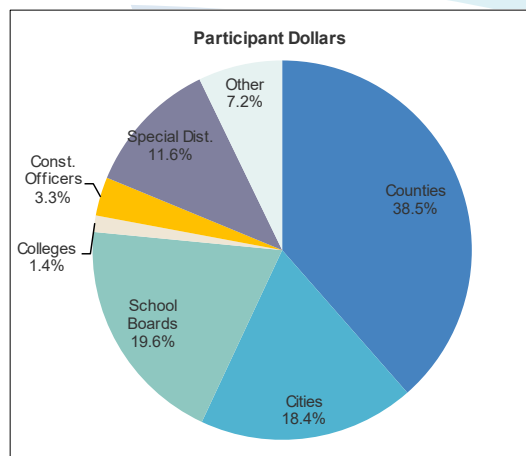
**Notes:** The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

<sup>1</sup> Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

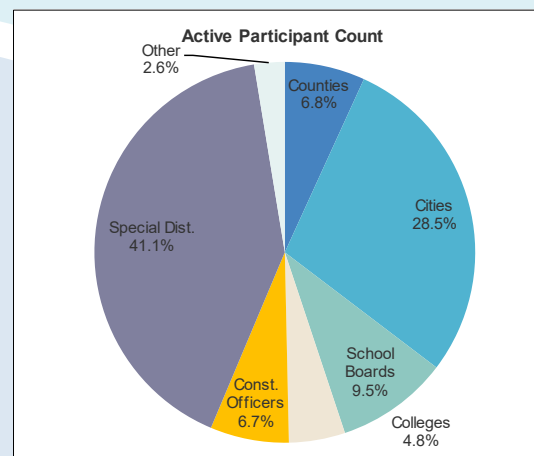
<sup>2</sup> Amortized cost is calculated using a straight line method.

## PARTICIPANT CONCENTRATION DATA - AS OF APRIL 2022

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
<b>All Participants</b>	<b>100.0%</b>	<b>100.0%</b>	<b>Colleges &amp; Universities</b>	<b>1.4%</b>	<b>4.8%</b>
Top 10	33.3%	1.4%	Top 10	1.3%	1.4%
\$100 million or more	71.1%	7.5%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	25.0%	17.3%	\$10 million up to \$100 million	1.2%	1.0%
\$1 million up to \$10 million	3.4%	22.0%	\$1 million up to \$10 million	0.2%	1.4%
Under \$1 million	0.4%	53.2%	Under \$1 million	0.01%	2.5%
<b>Counties</b>	<b>38.5%</b>	<b>6.8%</b>	<b>Constitutional Officers</b>	<b>3.3%</b>	<b>6.7%</b>
Top 10	29.8%	1.4%	Top 10	2.1%	1.4%
\$100 million or more	36.3%	2.5%	\$100 million or more	1.7%	0.3%
\$10 million up to \$100 million	2.0%	1.2%	\$10 million up to \$100 million	1.2%	1.0%
\$1 million up to \$10 million	0.2%	1.2%	\$1 million up to \$10 million	0.3%	2.0%
Under \$1 million	0.0%	1.9%	Under \$1 million	0.0%	3.4%
<b>Municipalities</b>	<b>18.4%</b>	<b>28.5%</b>	<b>Special Districts</b>	<b>11.6%</b>	<b>41.1%</b>
Top 10	7.1%	1.4%	Top 10	7.1%	1.4%
\$100 million or more	6.6%	1.2%	\$100 million or more	6.2%	1.1%
\$10 million up to \$100 million	10.5%	7.2%	\$10 million up to \$100 million	4.1%	3.3%
\$1 million up to \$10 million	1.3%	7.2%	\$1 million up to \$10 million	1.0%	7.6%
Under \$1 million	0.1%	12.8%	Under \$1 million	0.3%	29.1%
<b>School Boards</b>	<b>19.6%</b>	<b>9.5%</b>	<b>Other</b>	<b>7.2%</b>	<b>2.6%</b>
Top 10	11.8%	1.4%	Top 10	7.1%	1.4%
\$100 million or more	14.5%	2.0%	\$100 million or more	5.8%	0.4%
\$10 million up to \$100 million	4.7%	3.1%	\$10 million up to \$100 million	1.3%	0.5%
\$1 million up to \$10 million	0.3%	1.8%	\$1 million up to \$10 million	0.1%	0.7%
Under \$1 million	0.0%	2.6%	Under \$1 million	0.0%	1.0%



Total Fund Value: \$19,490,123,171



Total Active Participant Count: 733

Note: Active accounts include only those participant accounts valued above zero.

## COMPLIANCE WITH INVESTMENT POLICY FOR APRIL 2022

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, SBA Risk Management and Compliance conducts daily independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. Negative test results are subject to independent verification and review for possible escalation. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
Securities must be USD denominated	Pass
Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.	Pass
<u>Ratings requirements</u>	
First Tier Securities	Pass
Long-term securities must have long-term ratings in the three highest categories	Pass
Commercial Paper must have short-term ratings from at least one NRSRO	Pass
Securities in Highest Rating Category (A-1+ or equivalent)	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life	Pass
<u>Maturity</u>	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
<u>Issuer Diversification</u>	
First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First Tier securities issued by or subject to demand features and guarantees of a non-controlled person	Pass
First Tier securities issued by or subject to demand features and guarantees of a controlled person	Pass

Test by Source	Pass/Fail
<u>Money Market Mutual Funds</u>	
Invested in any one Money Market Mutual Fund	Pass
<u>Repurchase Agreements</u>	
Repurchase Agreement Counterparty Rating	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (More than 5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (More than 5 business days)	Pass
Repurchase Agreements with any single dealer - Counterparty Rating A-1	Pass
<u>Concentration Tests</u>	
Industry Concentration, excluding financial services industry	Pass
Any Single Government Agency	Pass
Illiquid Securities	Pass
Assets invested in securities accessible within 1 business day	Pass
Assets invested in securities accessible within 5 business days	Pass



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## TRADING ACTIVITY FOR APRIL 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
LONGSHIP FUNDING LLC/PAB54	05/06/22	04/06/22	04/06/22	50,000,000	49,983,333	0	49,983,333	0
MUFG BANK LTD, CDYACDYAN	05/10/22	04/01/22	04/01/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	05/10/22	04/01/22	04/01/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	05/10/22	04/01/22	04/01/22	40,000,000	40,000,000	0	40,000,000	0
MUFG BANK LTD, CDYACDYAN	05/11/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	05/11/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	05/11/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	05/11/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	05/11/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
NATIONWIDE BUILDINGCP4-2	04/12/22	04/05/22	04/05/22	50,000,000	49,996,792	0	49,996,792	0
NATIONWIDE BUILDINGCP4-2	04/12/22	04/05/22	04/05/22	50,000,000	49,996,792	0	49,996,792	0
NATIONWIDE BUILDINGCP4-2	04/12/22	04/05/22	04/05/22	15,000,000	14,999,038	0	14,999,038	0
NATIONWIDE BUILDING SOCIETY	05/04/22	04/08/22	04/08/22	45,128,000	45,114,963	0	45,114,963	0
NATIONWIDE BUILDINGCP4-2	05/05/22	04/08/22	04/08/22	50,000,000	49,985,000	0	49,985,000	0
NATIONWIDE BUILDINGCP4-2	05/05/22	04/08/22	04/08/22	50,000,000	49,985,000	0	49,985,000	0
NATIONWIDE BUILDINGCP4-2	05/05/22	04/08/22	04/08/22	30,000,000	29,991,000	0	29,991,000	0
NATIONWIDE BUILDINGCP4-2	05/05/22	04/08/22	04/11/22	50,000,000	49,986,667	0	49,986,667	0
NATIONWIDE BUILDINGCP4-2	05/05/22	04/08/22	04/11/22	25,000,000	24,993,333	0	24,993,333	0
NATIONWIDE BUILDINGCP4-2	05/06/22	04/12/22	04/12/22	50,000,000	49,986,833	0	49,986,833	0
NATIONWIDE BUILDINGCP4-2	05/06/22	04/12/22	04/12/22	50,000,000	49,986,833	0	49,986,833	0
NATIONWIDE BUILDINGCP4-2	05/06/22	04/12/22	04/13/22	50,000,000	49,987,382	0	49,987,382	0
NATIONWIDE BUILDINGCP4-2	05/06/22	04/12/22	04/13/22	50,000,000	49,987,382	0	49,987,382	0
NATIONWIDE BUILDINGCP4-2	05/06/22	04/12/22	04/13/22	25,000,000	24,993,691	0	24,993,691	0
NATIONWIDE BUILDINGCP4-2	05/06/22	04/12/22	04/13/22	50,000,000	49,987,382	0	49,987,382	0
OLD LINE FUNDING LLC	01/19/23	04/21/22	04/21/22	10,000,000	10,000,000	0	10,000,000	0
OLD LINE FUNDING LLC	01/23/23	04/27/22	04/28/22	50,000,000	50,000,000	0	50,000,000	0
OLD LINE FUNDING LLC	01/23/23	04/27/22	04/28/22	50,000,000	50,000,000	0	50,000,000	0
OVERBAUGH FAMILY 2016 SURVIVORSHIP TRUST	04/01/42	04/26/22	04/26/22	7,015,000	7,015,000	0	7,015,000	0
REGATTA FUNDING CO,CPAB54	06/24/22	04/26/22	04/27/22	25,000,000	24,957,708	0	24,957,708	0
SHEFFIELD RECEIVABLECPAB54	04/26/22	04/25/22	04/25/22	50,000,000	49,999,542	0	49,999,542	0
SHEFFIELD RECEIVABLECPAB54	04/26/22	04/25/22	04/25/22	50,000,000	49,999,542	0	49,999,542	0
SHEFFIELD RECEIVABLECPAB54	05/06/22	04/05/22	04/05/22	50,000,000	49,982,778	0	49,982,778	0
SHEFFIELD RECEIVABLECPAB54	05/06/22	04/05/22	04/05/22	50,000,000	49,982,778	0	49,982,778	0
SHEFFIELD RECEIVABLECPAB54	05/06/22	04/05/22	04/05/22	50,000,000	49,982,778	0	49,982,778	0
SHEFFIELD RECEIVABLECPAB54	05/11/22	04/20/22	04/20/22	50,000,000	49,985,417	0	49,985,417	0
SHEFFIELD RECEIVABLECPAB54	05/11/22	04/20/22	04/20/22	50,000,000	49,985,417	0	49,985,417	0
SHEFFIELD RECEIVABLECPAB54	07/07/22	04/01/22	04/01/22	50,000,000	49,865,278	0	49,865,278	0
SHEFFIELD RECEIVABLECPAB54	07/07/22	04/01/22	04/01/22	50,000,000	49,865,278	0	49,865,278	0
SHEFFIELD RECEIVABLECPAB54	07/07/22	04/01/22	04/01/22	50,000,000	49,865,278	0	49,865,278	0
SUMITOMO MITSUI TRUCDYAN	04/12/22	04/05/22	04/05/22	40,000,000	40,000,000	0	40,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/19/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/19/22	04/11/22	04/11/22	50,000,000	50,000,000	0	50,000,000	0
THUNDER BAY FUNDING LLC	01/19/23	04/21/22	04/21/22	50,000,000	50,000,000	0	50,000,000	0
THUNDER BAY FUNDING LLC	01/19/23	04/21/22	04/21/22	25,000,000	25,000,000	0	25,000,000	0
THUNDER BAY FUNDING LLC	01/23/23	04/27/22	04/28/22	15,000,000	15,000,000	0	15,000,000	0
TOTALENERGIES CAPITCP4-2	05/04/22	04/27/22	04/27/22	50,000,000	49,996,111	0	49,996,111	0
TOTALENERGIES CAP CANADA	04/14/22	04/07/22	04/07/22	50,000,000	49,996,111	0	49,996,111	0
TOTALENERGIES CAP CANADA	04/14/22	04/07/22	04/07/22	33,000,000	32,997,433	0	32,997,433	0
TOTALENERGIES CAPITCP4-2	04/21/22	04/13/22	04/14/22	50,000,000	49,996,111	0	49,996,111	0
TOTALENERGIES CAPITCP4-2	04/21/22	04/13/22	04/14/22	50,000,000	49,996,111	0	49,996,111	0
TOTALENERGIES CAPITCP4-2	04/28/22	04/21/22	04/21/22	50,000,000	49,996,111	0	49,996,111	0
TOTALENERGIES CAPITCP4-2	04/28/22	04/21/22	04/21/22	50,000,000	49,996,111	0	49,996,111	0
TOTALENERGIES CAPITCP4-2	04/28/22	04/21/22	04/21/22	5,000,000	4,999,611	0	4,999,611	0
TOTALENERGIES CAPITCP4-2	05/05/22	04/25/22	04/25/22	50,000,000	49,994,444	0	49,994,444	0
TOTALENERGIES CAPITCP4-2	05/05/22	04/25/22	04/25/22	12,000,000	11,998,667	0	11,998,667	0
TOYOTA CREDIT AUSTCP	07/13/22	04/12/22	04/14/22	25,000,000	24,928,125	0	24,928,125	0
TOYOTA CREDIT DE PUPC	05/09/22	04/22/22	04/22/22	20,000,000	19,995,467	0	19,995,467	0
UNITEDHEALTH GROURCP4-2	04/27/22	04/04/22	04/04/22	50,000,000	49,984,028	0	49,984,028	0
UNITEDHEALTH GROURCP4-2	04/27/22	04/04/22	04/04/22	30,000,000	29,990,417	0	29,990,417	0
UNITEDHEALTH GROURCP4-2	04/27/22	04/07/22	04/07/22	30,000,000	29,993,333	0	29,993,333	0
UNITEDHEALTH GROURCP4-2	04/27/22	04/07/22	04/07/22	50,000,000	49,988,889	0	49,988,889	0
UNITEDHEALTH GROURCP4-2	04/27/22	04/07/22	04/07/22	50,000,000	49,988,889	0	49,988,889	0
UNITEDHEALTH GROURCP4-2	05/05/22	04/11/22	04/11/22	50,000,000	49,983,333	0	49,983,333	0
UNITEDHEALTH GROURCP4-2	05/05/22	04/11/22	04/11/22	50,000,000	49,983,333	0	49,983,333	0
UNITEDHEALTH GROURCP4-2	05/05/22	04/11/22	04/11/22	50,000,000	49,983,333	0	49,983,333	0
UNITEDHEALTH GROURCP4-2	05/05/22	04/11/22	04/11/22	50,000,000	49,983,333	0	49,983,333	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/04/22	04/04/22	562,169	562,169	0	562,169	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/06/22	04/06/22	221,802	221,802	0	221,802	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/07/22	04/07/22	404,443	404,443	0	404,443	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/08/22	04/08/22	18,236	18,236	0	18,236	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/11/22	04/11/22	89,916,588	89,916,588	0	89,916,588	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/13/22	04/13/22	312,152	312,152	0	312,152	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/19/22	04/19/22	383,990	383,990	0	383,990	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/21/22	04/21/22	78,025	78,025	0	78,025	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/22/22	04/22/22	364,330	364,330	0	364,330	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/28/22	04/28/22	64,634	64,634	0	64,634	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/29/22	04/29/22	646,861	646,861	0	646,861	0
MIZUHO TRIPARTY	04/04/22	04/01/22	04/01/22	90,000,000	90,000,000	0	90,000,000	0
MIZUHO TRIPARTY	04/05/22	04/04/22	04/04/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/05/22	04/04/22	04/04/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/05/22	04/04/22	04/04/22	37,000,000	37,000,000	0	37,000,000	0
MIZUHO TRIPARTY	04/06/22	04/05/22	04/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/06/22	04/05/22	04/05/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/06/22	04/05/22	04/05/22	75,000,000	75,000,000	0	75,000,000	0
MIZUHO TRIPARTY	04/07/22	04/06/22	04/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/07/22	04/06/22	04/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/07/22	04/06/22	04/06/22	148,000,000	148,000,000	0	148,000,000	0
MIZUHO TRIPARTY	04/08/22	04/07/22	04/07/22	150,000,000	150,000,000	0	150,000,000	0



# TRADING ACTIVITY FOR APRIL 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
HSBC TRIPARTY	04/08/22	04/07/22	04/07/22	88,000,000	88,000,000	0	88,000,000	0
MIZUHO TRIPARTY	04/11/22	04/08/22	04/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/11/22	04/08/22	04/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/11/22	04/08/22	04/08/22	308,000,000	308,000,000	0	308,000,000	0
MIZUHO TRIPARTY	04/12/22	04/11/22	04/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/12/22	04/11/22	04/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/12/22	04/11/22	04/11/22	120,000,000	120,000,000	0	120,000,000	0
MIZUHO TRIPARTY	04/13/22	04/12/22	04/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/13/22	04/12/22	04/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/13/22	04/12/22	04/12/22	17,000,000	17,000,000	0	17,000,000	0
MIZUHO TRIPARTY	04/14/22	04/13/22	04/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/14/22	04/13/22	04/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/14/22	04/13/22	04/13/22	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY	04/18/22	04/14/22	04/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/18/22	04/14/22	04/14/22	77,000,000	77,000,000	0	77,000,000	0
MIZUHO TRIPARTY	04/19/22	04/18/22	04/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/19/22	04/18/22	04/18/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/19/22	04/18/22	04/18/22	289,000,000	289,000,000	0	289,000,000	0
MIZUHO TRIPARTY	04/20/22	04/19/22	04/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/20/22	04/19/22	04/19/22	63,000,000	63,000,000	0	63,000,000	0
MIZUHO TRIPARTY	04/21/22	04/20/22	04/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/21/22	04/20/22	04/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/21/22	04/20/22	04/20/22	55,000,000	55,000,000	0	55,000,000	0
MIZUHO TRIPARTY	04/22/22	04/21/22	04/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/22/22	04/21/22	04/21/22	34,000,000	34,000,000	0	34,000,000	0
MIZUHO TRIPARTY	04/25/22	04/22/22	04/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/25/22	04/22/22	04/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/25/22	04/22/22	04/22/22	80,000,000	80,000,000	0	80,000,000	0
MIZUHO TRIPARTY	04/26/22	04/25/22	04/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/26/22	04/25/22	04/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/26/22	04/25/22	04/25/22	2,000,000	2,000,000	0	2,000,000	0
MIZUHO TRIPARTY	04/27/22	04/26/22	04/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/27/22	04/26/22	04/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/27/22	04/26/22	04/26/22	90,000,000	90,000,000	0	90,000,000	0
MIZUHO TRIPARTY	04/28/22	04/27/22	04/27/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/28/22	04/27/22	04/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/28/22	04/27/22	04/27/22	35,000,000	35,000,000	0	35,000,000	0
MIZUHO TRIPARTY	04/29/22	04/28/22	04/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/29/22	04/28/22	04/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/29/22	04/28/22	04/28/22	55,000,000	55,000,000	0	55,000,000	0
MIZUHO TRIPARTY	05/02/22	04/29/22	04/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/02/22	04/29/22	04/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/02/22	04/29/22	04/29/22	148,000,000	148,000,000	0	148,000,000	0
MIZUHO BANK LTD TD 0.32 20220404	04/04/22	04/01/22	04/01/22	500,000,000	500,000,000	0	500,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220411	04/11/22	04/04/22	04/04/22	485,000,000	485,000,000	0	485,000,000	0
MIZUHO BANK LTD TD 0.32 20220405	04/05/22	04/04/22	04/04/22	350,000,000	350,000,000	0	350,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220412	04/12/22	04/05/22	04/05/22	500,000,000	500,000,000	0	500,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.33 20220412	04/12/22	04/05/22	04/05/22	985,000,000	985,000,000	0	985,000,000	0
ABN AMRO TD 0.33 20220412	04/12/22	04/05/22	04/05/22	985,000,000	985,000,000	0	985,000,000	0
MIZUHO BANK LTD TD 0.32 20220406	04/06/22	04/05/22	04/05/22	450,000,000	450,000,000	0	450,000,000	0
CREDIT AGRICOLE TD 0.32 20220407	04/07/22	04/06/22	04/06/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.32 20220408	04/08/22	04/07/22	04/07/22	250,000,000	250,000,000	0	250,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220418	04/18/22	04/11/22	04/11/22	485,000,000	485,000,000	0	485,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.33 20220419	04/19/22	04/12/22	04/12/22	990,000,000	990,000,000	0	990,000,000	0
ABN AMRO BANK TD 0.33 20220419	04/19/22	04/12/22	04/12/22	610,000,000	610,000,000	0	610,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220419	04/19/22	04/12/22	04/12/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.32 20220413	04/13/22	04/12/22	04/12/22	250,000,000	250,000,000	0	250,000,000	0
CREDIT AGRICOLE TD 0.32 20220413	04/13/22	04/12/22	04/12/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO TD 0.33 20220420	04/20/22	04/13/22	04/13/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220414	04/14/22	04/13/22	04/13/22	200,000,000	200,000,000	0	200,000,000	0
MIZUHO BANK LTD TD 0.32 20220418	04/18/22	04/14/22	04/14/22	150,000,000	150,000,000	0	150,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220425	04/25/22	04/18/22	04/18/22	480,000,000	480,000,000	0	480,000,000	0
MIZUHO BANK LTD TD 0.32 20220419	04/19/22	04/18/22	04/18/22	450,000,000	450,000,000	0	450,000,000	0
AUSTRALIA & NEW ZEALAND TD 0.33 20220426	04/26/22	04/19/22	04/19/22	985,000,000	985,000,000	0	985,000,000	0
ABN AMRO TD 0.33 20220426	04/26/22	04/19/22	04/19/22	680,000,000	680,000,000	0	680,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220426	04/26/22	04/19/22	04/19/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.32 20220420	04/20/22	04/19/22	04/19/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK TD 0.33 20220421	04/21/22	04/20/22	04/20/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220421	04/21/22	04/20/22	04/20/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK LTD TD 0.32 20220422	04/22/22	04/21/22	04/21/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK TD 0.33 20220428	04/28/22	04/21/22	04/21/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220425	04/25/22	04/22/22	04/22/22	900,000,000	900,000,000	0	900,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220502	05/02/22	04/25/22	04/25/22	485,000,000	485,000,000	0	485,000,000	0
SVENSKA HANDELSBANKEN TD 0.31 20220426	04/26/22	04/25/22	04/25/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK LTD TD 0.32 20220426	04/26/22	04/25/22	04/25/22	250,000,000	250,000,000	0	250,000,000	0
CREDIT AGRICOLE CORP TD 0.32 20220426	04/26/22	04/25/22	04/25/22	250,000,000	250,000,000	0	250,000,000	0
AUSTRALIA & NEW ZEALAND TD 0.33 20220503	05/03/22	04/26/22	04/26/22	985,000,000	985,000,000	0	985,000,000	0
MIZUHO BANK LTD TD 0.32 20220427	04/27/22	04/26/22	04/26/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK TD 0.33 20220503	05/03/22	04/26/22	04/26/22	675,000,000	675,000,000	0	675,000,000	0
COOPERATIEVE RABOBANK TD 0.33 20220503	05/03/22	04/26/22	04/26/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK LTD TD 0.32 20220428	04/28/22	04/27/22	04/27/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK LTD TD 0.32 20220429	04/29/22	04/28/22	04/28/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO TD 0.33 20220505	05/05/22	04/28/22	04/28/22	310,000,000	310,000,000	0	310,000,000	0
MIZUHO BANK LTD TD 0.32 20220502	05/02/22	04/29/22	04/29/22	900,000,000	900,000,000	0	900,000,000	0
Total Buys				73,425,700,230	73,423,495,232	0	73,423,495,232	0

## TRADING ACTIVITY FOR APRIL 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
Cash Closes								
ANGLESEA FUNDING LLC	07/13/22	04/11/22	04/11/22	50,000,000	50,000,000	15,417	50,015,417	0
GREAT BEAR FUNDING LLC	07/15/22	04/11/22	04/11/22	40,000,000	40,000,000	12,233	40,012,233	0
OLD LINE FUNDING, LLC, MA	05/31/22	04/21/22	04/21/22	100,000,000	99,935,556	0	99,935,556	(0)
OLD LINE FUNDING LLC	06/10/22	04/28/22	04/28/22	60,000,000	60,000,000	14,550	60,014,550	0
THUNDER BAY FUNDING, LLC	05/31/22	04/21/22	04/21/22	75,000,000	74,951,667	0	74,951,667	(0)
THUNDER BAY FUNDING LLC	06/10/22	04/28/22	04/28/22	50,000,000	50,000,000	12,125	50,012,125	0
Total Cash Closes				375,000,000	374,887,222	54,325	374,941,547	(0)
Maturities								
ANGLESEA FUNDING LLCPCBS4	04/04/22	04/04/22	04/04/22	90,000,000	90,000,000	0	90,000,000	0
ANGLESEA FUNDING LLCPCBS4	04/14/22	04/14/22	04/14/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLCPCBS4	04/19/22	04/19/22	04/19/22	125,000,000	125,000,000	0	125,000,000	0
ANTALIS S.A, CPABS4PCBS4	04/14/22	04/14/22	04/14/22	38,830,000	38,830,000	0	38,830,000	0
ATLANTIC ASSET SECUCPBS4	04/27/22	04/27/22	04/27/22	55,000,000	55,000,000	0	55,000,000	0
BARTON CAPITAL S.A, CPABS4	04/11/22	04/11/22	04/11/22	30,000,000	30,000,000	0	30,000,000	0
BARTON CAPITAL S.A, CPABS4	04/19/22	04/19/22	04/19/22	75,000,000	75,000,000	0	75,000,000	0
BARTON CAPITAL S.A, CPABS4	04/28/22	04/28/22	04/28/22	50,000,000	50,000,000	0	50,000,000	0
BEDFORD ROW FUNDINGCPABS4	04/11/22	04/11/22	04/11/22	100,000,000	100,000,000	0	100,000,000	0
BEDFORD ROW FUNDINGCPABS4	04/18/22	04/18/22	04/18/22	50,000,000	50,000,000	0	50,000,000	0
BENNINGTON STARK CACPCBS4	04/05/22	04/05/22	04/05/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V, CP4-2CP4-2	04/28/22	04/28/22	04/28/22	50,000,000	50,000,000	0	50,000,000	0
BNP PARIBAS SA	04/28/22	04/28/22	04/28/22	15,000,000	15,000,000	0	15,000,000	0
CANADIAN IMPERIAL BCDYAN	04/06/22	04/06/22	04/06/22	25,000,000	25,000,000	0	25,000,000	0
CHESHAM FINANCE LLCPCBS4	04/01/22	04/01/22	04/01/22	470,000,000	470,000,000	0	470,000,000	0
CHESHAM FINANCE LLCPCBS4	04/04/22	04/04/22	04/04/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLCPCBS4	04/05/22	04/05/22	04/05/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLCPCBS4	04/06/22	04/06/22	04/06/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLCPCBS4	04/07/22	04/07/22	04/07/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLCPCBS4	04/08/22	04/08/22	04/08/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLCPCBS4	04/11/22	04/11/22	04/11/22	400,000,000	400,000,000	0	400,000,000	0
CHESHAM FINANCE LLCPCBS4	04/12/22	04/12/22	04/12/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/13/22	04/13/22	04/13/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/14/22	04/14/22	04/14/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/18/22	04/18/22	04/18/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/19/22	04/19/22	04/19/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/20/22	04/20/22	04/20/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/21/22	04/21/22	04/21/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/22/22	04/22/22	04/22/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/25/22	04/25/22	04/25/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/26/22	04/26/22	04/26/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/27/22	04/27/22	04/27/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/28/22	04/28/22	04/28/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/29/22	04/29/22	04/29/22	450,000,000	450,000,000	0	450,000,000	0
CHESHAM FINANCE LLCPCBS4	04/07/22	04/07/22	04/07/22	52,500,000	52,500,000	0	52,500,000	0
CHESHAM FINANCE LLCPCBS4	04/13/22	04/13/22	04/13/22	63,500,000	63,500,000	0	63,500,000	0
COLLATERALIZED COMMCPCBS3	04/01/22	04/01/22	04/01/22	50,000,000	50,000,000	0	50,000,000	0
CREDIT AGRICOLE CORCDYAN	04/13/22	04/13/22	04/13/22	50,000,000	50,000,000	0	50,000,000	0
CREDIT AGRICOLE CORCDYAN	04/26/22	04/26/22	04/26/22	436,000,000	436,000,000	0	436,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/04/22	04/04/22	04/04/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/05/22	04/05/22	04/05/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/06/22	04/06/22	04/06/22	830,000,000	830,000,000	0	830,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/07/22	04/07/22	04/07/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/08/22	04/08/22	04/08/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/11/22	04/11/22	04/11/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/12/22	04/12/22	04/12/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/13/22	04/13/22	04/13/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/14/22	04/14/22	04/14/22	665,000,000	665,000,000	0	665,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/18/22	04/18/22	04/18/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/19/22	04/19/22	04/19/22	800,000,000	800,000,000	0	800,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/20/22	04/20/22	04/20/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/21/22	04/21/22	04/21/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/22/22	04/22/22	04/22/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/25/22	04/25/22	04/25/22	300,000,000	300,000,000	0	300,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/26/22	04/26/22	04/26/22	273,000,000	273,000,000	0	273,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/27/22	04/27/22	04/27/22	422,000,000	422,000,000	0	422,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/28/22	04/28/22	04/28/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	04/29/22	04/29/22	04/29/22	300,000,000	300,000,000	0	300,000,000	0
CROWN POINT CAPITAL CO LLC	04/06/22	04/06/22	04/06/22	50,000,000	50,000,000	0	50,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/01/22	04/01/22	04/01/22	1,000,000,000	1,000,000,000	0	1,000,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/04/22	04/04/22	04/04/22	1,000,000,000	1,000,000,000	0	1,000,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/05/22	04/05/22	04/05/22	980,000,000	980,000,000	0	980,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/06/22	04/06/22	04/06/22	980,000,000	980,000,000	0	980,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/07/22	04/07/22	04/07/22	985,000,000	985,000,000	0	985,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/08/22	04/08/22	04/08/22	985,000,000	985,000,000	0	985,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/11/22	04/11/22	04/11/22	980,000,000	980,000,000	0	980,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/12/22	04/12/22	04/12/22	985,000,000	985,000,000	0	985,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/13/22	04/13/22	04/13/22	990,000,000	990,000,000	0	990,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/14/22	04/14/22	04/14/22	985,000,000	985,000,000	0	985,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/18/22	04/18/22	04/18/22	785,000,000	785,000,000	0	785,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/19/22	04/19/22	04/19/22	775,000,000	775,000,000	0	775,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/20/22	04/20/22	04/20/22	860,000,000	860,000,000	0	860,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/21/22	04/21/22	04/21/22	725,000,000	725,000,000	0	725,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/22/22	04/22/22	04/22/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/25/22	04/25/22	04/25/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/26/22	04/26/22	04/26/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/27/22	04/27/22	04/27/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/28/22	04/28/22	04/28/22	750,000,000	750,000,000	0	750,000,000	0
DZ BANK AG DEUTSCHECP4-2	04/29/22	04/29/22	04/29/22	800,000,000	800,000,000	0	800,000,000	0



## TRADING ACTIVITY FOR APRIL 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
GLENCOVE FUNDING LLC PAB54	04/08/22	04/08/22	04/08/22	50,000,000	50,000,000	0	50,000,000	0
GREAT BEAR FUNDING CPAB54	04/01/22	04/01/22	04/01/22	40,000,000	40,000,000	0	40,000,000	0
GREAT BEAR FUNDING CPAB54	04/08/22	04/08/22	04/08/22	100,000,000	100,000,000	0	100,000,000	0
GREAT BEAR FUNDING CPAB54	04/14/22	04/14/22	04/14/22	37,000,000	37,000,000	0	37,000,000	0
GREAT BEAR FUNDING CPAB54	04/21/22	04/21/22	04/21/22	37,000,000	37,000,000	0	37,000,000	0
GREAT BEAR FUNDING CPAB54	04/28/22	04/28/22	04/28/22	35,000,000	35,000,000	0	35,000,000	0
JUPITER SECURITIZATCPAB54	04/29/22	04/29/22	04/29/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPAB54	04/07/22	04/07/22	04/07/22	48,000,000	48,000,000	0	48,000,000	0
MUFG BANK LTD, CDYACDYAN	04/11/22	04/11/22	04/11/22	150,000,000	150,000,000	0	150,000,000	0
MUFG BANK LTD, CDYACDYAN	04/11/22	04/11/22	04/11/22	200,000,000	200,000,000	0	200,000,000	0
MIZUHO BANK LTD, CDCDYAN	04/22/22	04/22/22	04/22/22	150,000,000	150,000,000	0	150,000,000	0
MIZUHO BANK LTD, CDCDYAN	04/18/22	04/18/22	04/18/22	250,000,000	250,000,000	0	250,000,000	0
NATIONAL AUSTRALIA CP4-2	04/01/22	04/01/22	04/01/22	350,000,000	350,000,000	0	350,000,000	0
NATIONWIDE BUILDINGCP4-2	04/12/22	04/12/22	04/12/22	115,000,000	115,000,000	0	115,000,000	0
OLD LINE FUNDING, LCPAB54	04/07/22	04/07/22	04/07/22	85,000,000	85,000,000	0	85,000,000	0
SHEFFIELD RECEIVABLECPAB54	04/19/22	04/19/22	04/19/22	50,000,000	50,000,000	0	50,000,000	0
SHEFFIELD RECEIVABLECPAB54	04/21/22	04/21/22	04/21/22	15,000,000	15,000,000	0	15,000,000	0
SHEFFIELD RECEIVABLECPAB54	04/26/22	04/26/22	04/26/22	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI BANC DYAN	04/05/22	04/05/22	04/05/22	200,000,000	200,000,000	0	200,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/06/22	04/06/22	04/06/22	200,000,000	200,000,000	0	200,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/06/22	04/06/22	04/06/22	150,000,000	150,000,000	0	150,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/22/22	04/22/22	04/22/22	56,000,000	56,000,000	0	56,000,000	0
SUMITOMO MITSUI BANC DYAN	04/04/22	04/04/22	04/04/22	75,000,000	75,000,000	0	75,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/05/22	04/05/22	04/05/22	40,000,000	40,000,000	0	40,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/12/22	04/12/22	04/12/22	40,000,000	40,000,000	0	40,000,000	0
SUMITOMO MITSUI TRUCDYAN	04/19/22	04/19/22	04/19/22	100,000,000	100,000,000	0	100,000,000	0
TORONTO DOMINION BACDYAN	04/01/22	04/01/22	04/01/22	100,000,000	100,000,000	0	100,000,000	0
TORONTO DOMINION BACP4-2	04/20/22	04/20/22	04/20/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACP4-2	04/29/22	04/29/22	04/29/22	50,000,000	50,000,000	0	50,000,000	0
TOTALENERGIES CAPITCP4-2	04/04/22	04/04/22	04/04/22	55,000,000	55,000,000	0	55,000,000	0
TOTALENERGIES CAP CANADA	04/14/22	04/14/22	04/14/22	83,000,000	83,000,000	0	83,000,000	0
TOTALENERGIES CAPITCP4-2	04/21/22	04/21/22	04/21/22	100,000,000	100,000,000	0	100,000,000	0
TOTALENERGIES CAPITCP4-2	04/28/22	04/28/22	04/28/22	105,000,000	105,000,000	0	105,000,000	0
TOYOTA CREDIT CANADCP	04/25/22	04/25/22	04/25/22	47,000,000	47,000,000	0	47,000,000	0
UNITEDHEALTH GROUPCP4-2	04/05/22	04/05/22	04/05/22	200,000,000	200,000,000	0	200,000,000	0
UNITEDHEALTH GROUPCP4-2	04/27/22	04/27/22	04/27/22	210,000,000	210,000,000	0	210,000,000	0
MIZUHO TRIPARTY	04/01/22	04/01/22	04/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/01/22	04/01/22	04/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/01/22	04/01/22	04/01/22	908,000,000	908,000,000	0	908,000,000	0
MIZUHO TRIPARTY	04/04/22	04/04/22	04/04/22	90,000,000	90,000,000	0	90,000,000	0
MIZUHO TRIPARTY	04/05/22	04/05/22	04/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/05/22	04/05/22	04/05/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/05/22	04/05/22	04/05/22	37,000,000	37,000,000	0	37,000,000	0
MIZUHO TRIPARTY	04/06/22	04/06/22	04/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/06/22	04/06/22	04/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/06/22	04/06/22	04/06/22	75,000,000	75,000,000	0	75,000,000	0
MIZUHO TRIPARTY	04/07/22	04/07/22	04/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/07/22	04/07/22	04/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/07/22	04/07/22	04/07/22	148,000,000	148,000,000	0	148,000,000	0
MIZUHO TRIPARTY	04/08/22	04/08/22	04/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/08/22	04/08/22	04/08/22	88,000,000	88,000,000	0	88,000,000	0
MIZUHO TRIPARTY	04/11/22	04/11/22	04/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/11/22	04/11/22	04/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/11/22	04/11/22	04/11/22	308,000,000	308,000,000	0	308,000,000	0
MIZUHO TRIPARTY	04/12/22	04/12/22	04/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/12/22	04/12/22	04/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/12/22	04/12/22	04/12/22	120,000,000	120,000,000	0	120,000,000	0
MIZUHO TRIPARTY	04/13/22	04/13/22	04/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/13/22	04/13/22	04/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/13/22	04/13/22	04/13/22	17,000,000	17,000,000	0	17,000,000	0
MIZUHO TRIPARTY	04/14/22	04/14/22	04/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/14/22	04/14/22	04/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/14/22	04/14/22	04/14/22	100,000,000	100,000,000	0	100,000,000	0
MIZUHO TRIPARTY	04/18/22	04/18/22	04/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/18/22	04/18/22	04/18/22	77,000,000	77,000,000	0	77,000,000	0
MIZUHO TRIPARTY	04/19/22	04/19/22	04/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/19/22	04/19/22	04/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/19/22	04/19/22	04/19/22	289,000,000	289,000,000	0	289,000,000	0
MIZUHO TRIPARTY	04/20/22	04/20/22	04/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/20/22	04/20/22	04/20/22	63,000,000	63,000,000	0	63,000,000	0
MIZUHO TRIPARTY	04/21/22	04/21/22	04/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/21/22	04/21/22	04/21/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/21/22	04/21/22	04/21/22	55,000,000	55,000,000	0	55,000,000	0
MIZUHO TRIPARTY	04/22/22	04/22/22	04/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/22/22	04/22/22	04/22/22	34,000,000	34,000,000	0	34,000,000	0
MIZUHO TRIPARTY	04/25/22	04/25/22	04/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/25/22	04/25/22	04/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/25/22	04/25/22	04/25/22	80,000,000	80,000,000	0	80,000,000	0
MIZUHO TRIPARTY	04/26/22	04/26/22	04/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/26/22	04/26/22	04/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/26/22	04/26/22	04/26/22	2,000,000	2,000,000	0	2,000,000	0
MIZUHO TRIPARTY	04/27/22	04/27/22	04/27/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/27/22	04/27/22	04/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/27/22	04/27/22	04/27/22	90,000,000	90,000,000	0	90,000,000	0
MIZUHO TRIPARTY	04/28/22	04/28/22	04/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	04/28/22	04/28/22	04/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/28/22	04/28/22	04/28/22	35,000,000	35,000,000	0	35,000,000	0
MIZUHO TRIPARTY	04/29/22	04/29/22	04/29/22	150,000,000	150,000,000	0	150,000,000	0

## TRADING ACTIVITY FOR APRIL 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
HSBC TRIPARTY	04/29/22	04/29/22	04/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	04/29/22	04/29/22	04/29/22	55,000,000	55,000,000	0	55,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220404	04/04/22	04/04/22	04/04/22	500,000,000	500,000,000	0	500,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220405	04/05/22	04/05/22	04/05/22	500,000,000	500,000,000	0	500,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.33 20220405	04/05/22	04/05/22	04/05/22	1,000,000,000	1,000,000,000	0	1,000,000,000	0
ABN AMRO TD 0.33 20220405	04/05/22	04/05/22	04/05/22	1,000,000,000	1,000,000,000	0	1,000,000,000	0
CREDIT AGRICOLE TD 0.31 20220401 1	04/01/22	04/01/22	04/01/22	100,000,000	100,000,000	0	100,000,000	0
MIZUHO BANK LTD TD 0.32 20220401	04/01/22	04/01/22	04/01/22	500,000,000	500,000,000	0	500,000,000	0
CREDIT AGRICOLE TD 0.31 20220401 2	04/01/22	04/01/22	04/01/22	100,000,000	100,000,000	0	100,000,000	0
MIZUHO BANK LTD TD 0.32 20220404	04/04/22	04/04/22	04/04/22	500,000,000	500,000,000	0	500,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220411	04/11/22	04/11/22	04/11/22	485,000,000	485,000,000	0	485,000,000	0
MIZUHO BANK LTD TD 0.32 20220405	04/05/22	04/05/22	04/05/22	350,000,000	350,000,000	0	350,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220412	04/12/22	04/12/22	04/12/22	500,000,000	500,000,000	0	500,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.33 20220412	04/12/22	04/12/22	04/12/22	985,000,000	985,000,000	0	985,000,000	0
ABN AMRO TD 0.33 20220412	04/12/22	04/12/22	04/12/22	985,000,000	985,000,000	0	985,000,000	0
MIZUHO BANK LTD TD 0.32 20220406	04/06/22	04/06/22	04/06/22	450,000,000	450,000,000	0	450,000,000	0
CREDIT AGRICOLE TD 0.32 20220407	04/07/22	04/07/22	04/07/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.32 20220408	04/08/22	04/08/22	04/08/22	250,000,000	250,000,000	0	250,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220418	04/18/22	04/18/22	04/18/22	485,000,000	485,000,000	0	485,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.33 20220419	04/19/22	04/19/22	04/19/22	990,000,000	990,000,000	0	990,000,000	0
ABN AMRO BANK TD 0.33 20220419	04/19/22	04/19/22	04/19/22	610,000,000	610,000,000	0	610,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220419	04/19/22	04/19/22	04/19/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.32 20220413	04/13/22	04/13/22	04/13/22	250,000,000	250,000,000	0	250,000,000	0
CREDIT AGRICOLE TD 0.32 20220413	04/13/22	04/13/22	04/13/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO TD 0.33 20220420	04/20/22	04/20/22	04/20/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220414	04/14/22	04/14/22	04/14/22	200,000,000	200,000,000	0	200,000,000	0
MIZUHO BANK LTD TD 0.32 20220418	04/18/22	04/18/22	04/18/22	150,000,000	150,000,000	0	150,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220425	04/25/22	04/25/22	04/25/22	480,000,000	480,000,000	0	480,000,000	0
MIZUHO BANK LTD TD 0.32 20220419	04/19/22	04/19/22	04/19/22	450,000,000	450,000,000	0	450,000,000	0
AUSTRALIA & NEW ZEALAND TD 0.33 20220426	04/26/22	04/26/22	04/26/22	985,000,000	985,000,000	0	985,000,000	0
ABN AMRO TD 0.33 20220426	04/26/22	04/26/22	04/26/22	680,000,000	680,000,000	0	680,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220426	04/26/22	04/26/22	04/26/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.32 20220420	04/20/22	04/20/22	04/20/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK TD 0.33 20220421	04/21/22	04/21/22	04/21/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD 0.32 20220421	04/21/22	04/21/22	04/21/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK LTD TD 0.32 20220422	04/22/22	04/22/22	04/22/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK TD 0.33 20220428	04/28/22	04/28/22	04/28/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220425	04/25/22	04/25/22	04/25/22	900,000,000	900,000,000	0	900,000,000	0
SVENSKA HANDELSBANKEN TD 0.31 20220426	04/26/22	04/26/22	04/26/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK LTD TD 0.32 20220426	04/26/22	04/26/22	04/26/22	250,000,000	250,000,000	0	250,000,000	0
CREDIT AGRICOLE CORP TD 0.32 20220426	04/26/22	04/26/22	04/26/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK LTD TD 0.32 20220427	04/27/22	04/27/22	04/27/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK LTD TD 0.32 20220428	04/28/22	04/28/22	04/28/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK LTD TD 0.32 20220429	04/29/22	04/29/22	04/29/22	700,000,000	700,000,000	0	700,000,000	0
Total Maturities				73,434,830,000	73,434,830,000	0	73,434,830,000	0
Sells								
BANK OF NOVA SCOTIA/HOUSTON	06/13/22	04/06/22	04/07/22	50,000,000	50,000,000	14,903	50,014,903	0
BANK OF NOVA SCOTIA/HOUSTON	06/13/22	04/06/22	04/07/22	50,000,000	50,000,000	14,903	50,014,903	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	06/17/22	04/07/22	04/07/22	50,000,000	50,000,000	13,861	50,013,861	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	06/17/22	04/07/22	04/07/22	50,000,000	50,000,000	13,861	50,013,861	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	06/16/22	04/07/22	04/07/22	50,000,000	50,000,000	14,208	50,014,208	0
CANADIAN IMPERIAL BANK OF COMMERCE/NEW YORK NY	06/16/22	04/07/22	04/07/22	50,000,000	50,000,000	14,208	50,014,208	0
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	04/01/40	04/01/22	04/01/22	200,000	200,000	0	200,000	0
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	04/01/40	04/01/22	04/01/22	100,000	100,000	0	100,000	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/01/22	04/01/22	1,065,646	1,065,646	0	1,065,646	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/05/22	04/05/22	495,747	495,747	0	495,747	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/12/22	04/12/22	90,102,112	90,102,112	0	90,102,112	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/14/22	04/14/22	50,818	50,818	0	50,818	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/18/22	04/18/22	337,635	337,635	0	337,635	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/20/22	04/20/22	431,252	431,252	0	431,252	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/25/22	04/25/22	236,869	236,869	0	236,869	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/26/22	04/26/22	27,420	27,420	0	27,420	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	04/27/22	04/27/22	646,508	646,508	0	646,508	0
Total Sells				393,694,006	393,694,006	85,944	393,779,951	0



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## **Our Mission**

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

# **Federated®**

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## **MONTHLY SUMMARY REPORT**

**State Board of Administration of Florida**

**May 2022**

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## **Past performance is no guarantee of future results.**

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

## INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from May 1, 2022, through May 31, 2022, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

## DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

### PRIME™ STATISTICS

(As of May 31, 2022)

Total Participants  
**745**

Florida PRIME™  
Total Participant Balance  
**\$18,853,925,751**

Total Number of Accounts  
**1,385**

**FACTS-AT-A-GLANCE** PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

## PORTFOLIO MANAGER COMMENTARY

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The cautious and shrewd way Federal Reserve policymakers communicate can put diplomats to shame. But the success of their decisions in the coming months will depend upon how well they listen.

Managing monetary policy in the midst of a global pandemic has been, and remains extraordinarily difficult. No one can deny that. But the Fed's response to mounting inflation in the last several quarters showed it wanted to stick to its new paradigm in the face of facts. If you recall, in August of 2020, it recast its policy framework to allow inflation to exceed 2% as long as the labor market is strong. Officials not only viewed rising prices in 2021 as "transient," but also a positive after years of undershooting 2%.

While telegraphing 50 basis-point hikes in the next two FOMC meetings, minutes from the last meeting and recent official speeches suggest the committee might pause to assess their impact. In other words, they will—and should—return to making decisions based on data in the fight against inflation without inducing a recession. Policymakers have to listen to what the economy is telling them on a scale much smaller and a timeframe much shorter than they prefer. This is no time for long-view academic studies.

Reports already indicate that this economy might be more responsive to shifts in monetary policy than traditionally expected. The housing market, consumer outlook and industrial production are cooling off. It is not unreasonable to think that supply-chain bottlenecks and energy prices exacerbated by China's shutdown and the war in Ukraine could improve by the fall. Data dependency is a cliché that completely applies here.

What of investors? The bond market seems to be declaring victory over inflation and the stock market is betting on the worst-case scenario. Investors

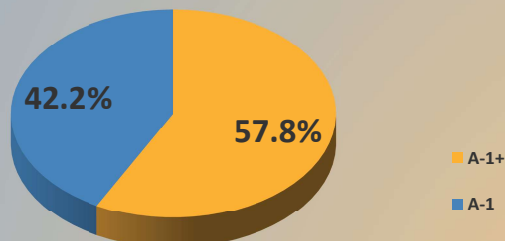
in the short end of the Treasury yield curve are acting more rationally, although the supply/demand imbalance, especially in the front end, has caused it to trade much lower in yield. In addition to the supply/demand imbalance, the flight-to-safety trade has depressed Treasury yields further. You have to go to the 6-month section of the curve to find yields above the Fed's Reverse Repo Facility. But administered rates on bank deposits have not budged much because banks still are flush with cash and don't want deposits—especially now that the cost of lending is increasing. We think the money market securities in which government pools can invest are in a good place and are a good place for investment.

Despite the concerns in May about market disruptions based on cryptocurrency pricing challenges and sales of collateral, the types of high-quality securities permitted to serve as direct investment as well as collateral in the high-quality short-term markets were unaffected

The Pool's total assets decreased by \$600 million due to typical seasonal outflows, ending the month of May at \$18.8 billion. The yield of the portfolio rose 49 basis points to 99 basis points, reflecting the 50 basis-point move by the Fed on May 4. The portfolio's weighted average maturity (WAM) lengthened to 26 days from 20, and its weighted average life (WAL) lengthened to 73 days from 69. Trades were made primarily for 1-3 month paper and securities in anticipation of the likely upcoming Fed rate hikes. The composition of the portfolio was largely unchanged. Bank and commercial paper continued to compose the largest percentage of holdings. At the end of May, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 0.71%, 1.05%, 1.54% and 2%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 0.96%, 1.54%, 2.04% and 2.68%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 1.12%, 1.63%, 2.11% and 2.78%, respectively.

## PORTFOLIO COMPOSITION FOR MAY 2022

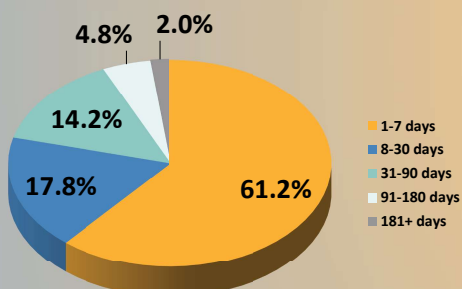
### CREDIT QUALITY COMPOSITION



### HIGHLY LIQUID HOLDINGS



### EFFECTIVE MATURITY SCHEDULE



### TOP HOLDINGS & AVG. MATURITY

1. Bank of Montreal	5.1%
2. ABN Amro Bank NV	5.0%
3. Australia & New Zealand Banking Group, Melbourne	5.0%
4. DZ Bank AG Deutsche Zentral-Genossenschaftsbank	5.0%
5. Cooperatieve Rabobank UA	5.0%
6. Royal Bank of Canada	4.9%
7. Nationwide Building Society	4.7%
8. Canadian Imperial Bank of Commerce	4.5%
9. Credit Agricole Group	4.4%
10. Societe Generale, Paris	4.3%

#### Average Effective Maturity (WAM)

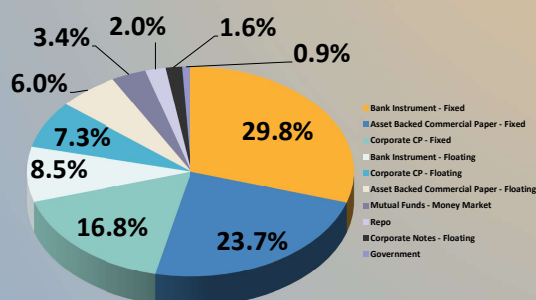
26 Days

#### Weighted Average Life (Spread WAL)

73 Days

Percentages based on total value of investments

### PORTFOLIO COMPOSITION



## FUND PERFORMANCE THROUGH MAY 2022

Florida PRIME Performance Data			
	Annualized Net Participant Yield <sup>1</sup>	Net-of-Fee Benchmark <sup>2</sup>	Above (Below) Benchmark
One Month	0.85%	0.55%	0.30%
Three Months	0.53%	0.31%	0.22%
One Year	0.22%	0.11%	0.12%
Three Years	0.78%	0.64%	0.14%
Five Years	1.28%	1.07%	0.21%
Ten Years	0.83%	0.63%	0.20%
Since 1/96	2.38%	2.17%	0.21%

Note: Net asset value at month end: \$18,846.7 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

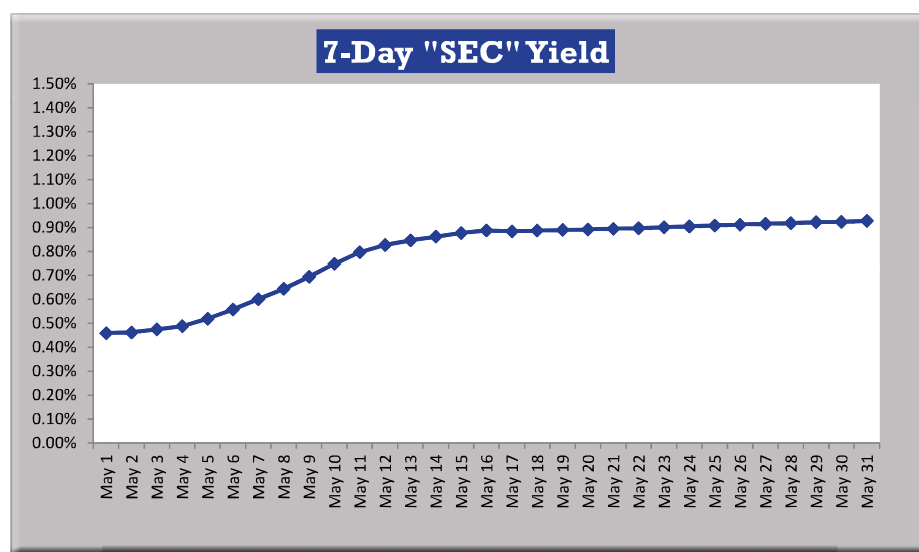
<sup>1</sup>Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

<sup>2</sup>The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

### ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds. The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365. Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

## PRIME ACCOUNT SUMMARY FOR MAY 2022

Summary of Cash Flows		
Opening Balance (05/01/22)	\$	19,490,123,171
Participant Deposits		1,388,981,236
Gross Earnings		14,286,483
Participant Withdrawals		(2,038,942,597)
Fees		(522,542)
Closing Balance (05/31/22)	\$	18,853,925,751
<b>Net Change over Month</b>	<b>\$</b>	<b>(636,197,420)</b>

Detailed Fee Disclosure		
May	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 162,482.17	1.02
Federated Investment Management Fee	326,176.91	2.04
BNY Mellon Custodial Fee**	19,939.03	0.12
Bank of America Transfer Agent Fee	5,130.18	0.03
S&P Rating Maintenance Fee	4,076.71	0.03
Audit/External Review Fees	4,737.22	0.03
<b>Total Fees</b>	<b>\$ 522,542.22</b>	<b>3.27</b>

\*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$19,172,024,462.

\*\*All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

The data included in this report is unaudited.

## INVENTORY OF HOLDINGS FOR MAY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
2016 David S. Pearl, II Irrevocable Life Insurance Trust, Nov 01, 2036	VARIABLE RATE DEMAND NOTE	1.04	11/1/2036	6/2/2022	2,670,000	1.04	\$2,670,000	\$2,670,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	0.83	6/1/2022		650,000,000	0.84	\$650,000,000	\$650,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	0.83	6/3/2022		295,000,000	0.84	\$295,000,000	\$295,000,000	\$0
AJC Capital, LLC, Jan 01, 2042	VARIABLE RATE DEMAND NOTE	0.95	1/1/2042	6/2/2022	5,530,000	0.95	\$5,530,000	\$5,530,000	\$0
Alaska State Housing Finance Corp., (Series 2009B), 12/01/2040	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.79	12/1/2040	6/2/2022	725,000	0.79	\$725,000	\$725,000	\$0
Alaska State Housing Finance Corp., Home Mortgage Revenue Bonds (Series 2007D), 12/01/2041	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.79	12/1/2041	6/2/2022	400,000	0.79	\$400,000	\$400,000	\$0
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/7/2022		55,197,000	0.91	\$55,187,341	\$55,187,877	\$537
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/7/2022		100,000,000	0.86	\$99,983,472	\$99,983,667	\$195
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2022		70,000,000	0.96	\$69,959,361	\$69,961,072	\$1,711
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/24/2022		50,000,000	1.00	\$49,967,000	\$49,969,000	\$2,000
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		110,000,000	0.41	\$109,957,222	\$109,889,526	-\$67,696
Anglesea Funding LLC, Aug 05, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.00	8/5/2022	6/1/2022	5,000,000	1.01	\$5,000,000	\$4,999,382	-\$618
Anglesea Funding LLC, Aug 10, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.96	8/10/2022	6/1/2022	60,000,000	0.79	\$60,000,000	\$59,994,868	-\$5,132
Anglesea Funding LLC, Nov 18, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.22	11/18/2022	6/1/2022	14,000,000	1.24	\$14,000,000	\$13,999,468	-\$532
Anglesea Funding LLC, Oct 07, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.16	10/7/2022	6/1/2022	50,000,000	1.18	\$50,000,000	\$50,000,000	\$0
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		25,200,000	0.96	\$25,194,015	\$25,194,632	\$617
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/13/2022		30,000,000	0.96	\$29,989,708	\$29,990,488	\$780
Archer I LLC, Jun 01, 2060	VARIABLE RATE DEMAND NOTE	0.95	6/1/2060	6/2/2022	12,000,000	0.96	\$12,000,000	\$12,000,000	\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/8/2022		30,000,000	0.90	\$29,994,067	\$29,994,373	\$307
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/17/2022		50,000,000	1.14	\$49,973,556	\$49,979,222	\$5,666
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/21/2022		100,000,000	0.94	\$99,945,750	\$99,947,500	\$1,750
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/23/2022		30,000,000	0.93	\$29,982,367	\$29,982,367	-\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		99,400,000	1.42	\$99,129,411	\$99,142,941	\$13,530
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	0.83	6/7/2022		945,000,000	0.84	\$945,000,000	\$945,000,000	\$0
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		6/1/2022		100,000,000	0.83	\$99,997,722	\$99,997,775	\$53
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		6/7/2022		5,000,000	0.83	\$4,999,203	\$4,999,213	\$10
BWF Forge TL Properties Owner LLC, May 01, 2059	VARIABLE RATE DEMAND NOTE	0.95	5/1/2059	6/2/2022	20,000,000	0.95	\$20,000,000	\$20,000,000	\$0
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.80	6/1/2022		133,000,000	0.81	\$133,000,000	\$133,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.21	7/26/2022		100,000,000	0.21	\$100,000,000	\$99,854,494	-\$145,506
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.34	11/2/2022		100,000,000	0.34	\$100,000,000	\$99,341,526	-\$658,474
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	6/21/2022		75,000,000	0.35	\$75,000,000	\$74,975,276	-\$24,725
Bank of Montreal, Jan 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.08	1/13/2023	6/1/2022	125,000,000	1.10	\$125,000,000	\$124,884,059	-\$115,941
Bank of Montreal, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.03	3/1/2023	6/1/2022	100,000,000	1.04	\$100,000,000	\$99,823,601	-\$176,399
Bank of Montreal, Mar 22, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.48	3/22/2023	6/1/2022	100,000,000	1.50	\$100,000,000	\$100,165,053	\$165,053
Bank of Montreal, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.08	3/24/2023	6/1/2022	100,000,000	1.10	\$100,000,000	\$99,837,576	-\$162,424

See notes at end of table.



## INVENTORY OF HOLDINGS FOR MAY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Bank of Montreal, May 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.30	5/15/2023	6/1/2022	100,000,000	1.32	\$100,000,000	\$99,989,240	-\$10,760
Bank of Montreal, Nov 30, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.03	11/30/2022	6/1/2022	100,000,000	1.04	\$100,000,000	\$99,927,102	-\$72,898
Bank of Montreal, Oct 06, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.93	10/6/2022	6/1/2022	50,000,000	0.94	\$50,000,000	\$49,963,994	-\$36,006
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		7/20/2022		48,750,000	0.20	\$48,736,458	\$48,677,755	-\$58,703
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		9/1/2022		50,000,000	0.20	\$49,974,167	\$49,805,346	-\$168,821
Bank of Nova Scotia, Toronto, Dec 22, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.36	12/22/2022	6/1/2022	150,000,000	1.38	\$150,000,000	\$150,121,326	\$121,326
Bank of Nova Scotia, Toronto, Feb 21, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.03	2/21/2023	6/1/2022	160,000,000	1.04	\$159,999,998	\$159,722,402	-\$277,596
Bank of Nova Scotia, Toronto, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.28	5/8/2023	6/1/2022	99,000,000	1.30	\$99,000,000	\$98,981,131	-\$18,869
Bank of Nova Scotia, Toronto, Oct 13, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.93	10/13/2022	6/1/2022	75,000,000	0.94	\$75,000,000	\$74,942,441	-\$57,559
Bank of Nova Scotia, Toronto, Oct 20, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.93	10/20/2022	6/1/2022	10,000,000	0.94	\$10,000,000	\$9,991,850	-\$8,150
Bank of Nova Scotia, Toronto, Sep 14, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.95	9/14/2022	6/1/2022	57,000,000	1.45	\$56,920,197	\$56,972,989	\$52,793
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/3/2022		50,000,000	0.96	\$49,996,042	\$49,984,418	-\$11,624
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/13/2022		65,000,000	0.96	\$64,977,701	\$64,991,825	\$14,124
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2022		25,000,000	0.94	\$24,985,792	\$24,986,097	\$306
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/8/2022		100,000,000	0.91	\$99,980,000	\$99,981,467	\$1,467
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/21/2022		110,000,000	0.96	\$109,939,042	\$109,942,891	\$3,850
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		75,000,000	0.38	\$74,973,021	\$74,916,656	-\$56,365
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/6/2022		75,000,000	0.91	\$74,988,750	\$74,989,375	\$625
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/15/2022		50,000,000	0.91	\$49,981,250	\$49,981,042	-\$209
BofA Securities, Inc. CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		25,000,000	1.07	\$24,931,458	\$24,902,018	-\$29,440
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	0.95	10/1/2042	6/2/2022	5,185,000	0.95	\$5,185,000	\$5,185,000	\$0
CHARTA, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		75,000,000	0.46	\$74,991,563	\$74,984,119	-\$7,444
Caisse d'Amortissement de la Dette Sociale (CADES) CP	COMMERCIAL PAPER		6/28/2022		100,000,000	1.04	\$99,920,667	\$99,923,778	\$3,111
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.35	11/2/2022		50,000,000	0.35	\$50,000,000	\$49,667,561	-\$332,439
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		12/1/2022		100,000,000	0.51	\$99,744,444	\$98,937,911	-\$806,533
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		3/20/2023		40,000,000	2.09	\$39,339,773	\$39,172,112	-\$167,661
Canadian Imperial Bank of Commerce, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.99	12/1/2022	6/1/2022	61,500,000	1.00	\$61,500,000	\$61,460,837	-\$39,163
Canadian Imperial Bank of Commerce, Feb 14, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.03	2/14/2023	6/1/2022	150,000,000	1.04	\$150,000,000	\$149,757,290	-\$242,711
Canadian Imperial Bank of Commerce, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.28	5/8/2023	6/1/2022	200,000,000	1.30	\$200,000,000	\$199,954,662	-\$45,338
Canadian Imperial Bank of Commerce, Sep 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.42	9/9/2022	6/1/2022	150,000,000	1.44	\$150,000,000	\$150,153,699	\$153,699
Canadian Imperial Holdings, Inc. CP4-2	COMMERCIAL PAPER - 4-2		11/8/2022		102,900,000	0.36	\$102,738,933	\$102,010,449	-\$728,484
Chad J. Himmel Irrevocable Trust No. 1, Jul 01, 2048	VARIABLE RATE DEMAND NOTE	0.95	7/1/2048	6/2/2022	5,290,000	0.95	\$5,290,000	\$5,290,000	\$0
Chariot Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/16/2022		80,000,000	0.89	\$79,968,711	\$79,968,889	\$178
Chariot Funding LLC, Nov 01, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.18	11/1/2022	6/1/2022	100,000,000	1.20	\$100,000,000	\$100,006,821	\$6,821
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/1/2022		550,000,000	0.83	\$549,987,472	\$549,987,169	-\$304
City Furniture, Inc., Aug 01, 2044	VARIABLE RATE DEMAND NOTE	1.04	8/1/2044	6/2/2022	68,000,000	1.04	\$68,000,000	\$68,000,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR MAY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Collateralized Commercial Paper FLEX Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/2/2022		50,000,000	0.32	\$49,999,111	\$49,997,667	-\$1,445
Collateralized Commercial Paper FLEX Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/6/2022		65,000,000	0.71	\$64,992,417	\$64,990,900	-\$1,517
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		6/22/2022		50,000,000	0.38	\$49,988,694	\$49,972,195	-\$16,500
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/7/2022		50,000,000	0.37	\$49,981,500	\$49,942,907	-\$38,593
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/8/2022		25,000,000	0.37	\$24,990,500	\$24,970,207	-\$20,293
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		9/27/2022		100,000,000	1.83	\$99,408,306	\$99,410,289	\$1,983
Collateralized Commercial Paper V Co. LLC, Aug 16, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	0.96	8/16/2022	6/1/2022	55,000,000	0.97	\$55,000,000	\$54,985,190	-\$14,810
Collateralized Commercial Paper V Co. LLC, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	1.33	9/8/2022	6/1/2022	100,000,000	1.35	\$100,000,000	\$100,060,137	\$60,137
Collateralized Commercial Paper V Co. LLC, Sep 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	1.28	9/22/2022	6/1/2022	30,000,000	1.30	\$30,000,000	\$30,012,652	\$12,652
Commonwealth Bank of Australia, Feb 27, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.28	2/27/2023	6/1/2022	210,000,000	1.30	\$210,000,000	\$210,031,538	\$31,538
Commonwealth Bank of Australia, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.32	3/20/2023	6/1/2022	21,000,000	1.34	\$21,000,000	\$21,010,191	\$10,191
Cooperative Rabobank UA TD	TIME DEPOSIT	0.83	6/3/2022		245,000,000	0.84	\$245,000,000	\$245,000,000	\$0
Cooperative Rabobank UA TD	TIME DEPOSIT	0.83	6/7/2022		700,000,000	0.84	\$700,000,000	\$700,000,000	\$0
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.50	8/15/2022		75,000,000	1.52	\$75,000,000	\$75,012,814	\$12,814
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.38	8/1/2022		100,000,000	1.40	\$100,000,000	\$100,024,658	\$24,658
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.82	6/7/2022		450,000,000	0.83	\$450,000,000	\$450,000,000	\$0
Crown Point Capital Co., LLC, 1.36%, Jul 22, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.36	7/22/2022		50,000,000	1.38	\$50,000,000	\$50,010,005	\$10,005
DNB Nor Bank ASA CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.10	9/6/2022		100,000,000	1.12	\$100,000,000	\$99,890,448	-\$109,552
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		6/1/2022		945,000,000	0.82	\$944,978,869	\$944,978,445	-\$424
Dreyfus Government Cash Management Fund	OVERNIGHT MUTUAL FUND	0.69	6/1/2022		3,939,026	0.70	\$3,939,026	\$3,939,026	\$0
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		75,000,000	0.36	\$74,973,021	\$74,917,444	-\$55,577
Federated Hermes Institutional Prime Value Obligations Fund - Class IS	MUTUAL FUND MONEY MARKET	0.92	6/1/2022	6/1/2022	630,872,087	0.92	\$631,124,436	\$630,682,826	-\$441,610
Fiore Capital LLC, Series 2005-A, Aug 01, 2045	VARIABLE RATE DEMAND NOTE	0.95	8/1/2045	6/2/2022	9,995,000	0.95	\$9,995,000	\$9,995,000	\$0
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	1.21	9/1/2035	6/2/2022	4,005,000	1.23	\$4,005,000	\$4,005,000	\$0
GTA Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/8/2022		79,423,000	1.20	\$79,324,074	\$79,334,219	\$10,144
GTA Funding LLC, Jun 09, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE		6/9/2022		60,000,000	0.41	\$59,994,000	\$59,987,295	-\$6,705
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		20,000,000	1.42	\$19,951,778	\$19,954,499	\$2,721
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2022		40,000,000	1.42	\$39,898,889	\$39,902,356	\$3,467
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		47,000,000	1.42	\$46,879,367	\$46,882,641	\$3,274
Great Bear Funding LLC, Oct 14, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.16	10/14/2022	6/1/2022	40,000,000	1.18	\$40,000,000	\$40,000,000	\$0
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	0.81	6/1/2022		100,000,000	0.82	\$100,000,000	\$100,000,000	\$0
HW Hellman Building, L.P., Mar 01, 2062	VARIABLE RATE DEMAND NOTE	0.95	3/1/2062	6/2/2022	50,000,000	0.95	\$50,000,000	\$50,000,000	\$0
Henry Andrew Brown, III 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	0.95	10/1/2042	6/2/2022	4,260,000	0.95	\$4,260,000	\$4,260,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR MAY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Herman & Kittle Capital, LLC, Feb 01, 2037	VARIABLE RATE DEMAND NOTE	0.95	2/1/2037	6/2/2022	3,405,000	0.95	\$3,405,000	\$3,405,000	\$0
J.P. Morgan Securities LLC CP	COMMERCIAL PAPER		8/9/2022		90,000,000	1.42	\$89,755,000	\$89,768,475	\$13,475
J.P. Morgan Securities LLC CP4-2	COMMERCIAL PAPER - 4-2		6/6/2022		50,000,000	0.88	\$49,992,750	\$49,992,925	\$175
Jupiter Securitization Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/8/2022		115,000,000	0.91	\$114,977,000	\$114,978,431	\$1,431
Jupiter Securitization Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		100,000,000	0.89	\$99,978,000	\$99,978,825	\$825
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/13/2022		49,100,000	0.93	\$49,083,688	\$49,084,167	\$479
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		50,200,000	1.22	\$50,138,087	\$50,145,774	\$7,688
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		100,000,000	1.50	\$99,714,167	\$99,743,333	\$29,166
Lamar Avenue Trust, Dec 01, 2037	VARIABLE RATE DEMAND NOTE	0.95	12/1/2037	6/2/2022	4,445,000	0.95	\$4,445,000	\$4,445,000	\$0
Los Angeles, CA Community Redevelopment Agency, (DWFV Hollywood & Vine, LP), Mizuho 3a-7 (Series 2022-MIZ9089), 10/15/2037	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.99	10/15/2037	6/2/2022	19,000,000	0.99	\$19,000,000	\$19,000,000	\$0
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/19/2022		100,000,000	1.47	\$100,000,000	\$99,987,093	-\$12,907
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.42	8/18/2022		140,000,000	1.44	\$140,000,000	\$139,977,592	-\$22,408
MUFG Bank Ltd. CP	COMMERCIAL PAPER		6/16/2022		120,000,000	0.90	\$119,952,533	\$119,949,334	-\$3,200
Matchpoint Finance PLC, Jun 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.42	6/22/2022	6/1/2022	25,000,000	1.44	\$25,000,000	\$25,006,682	\$6,682
Michigan State Housing Development Authority, (Series C), 04/01/2040	MUNICIPAL VARIABLE RATE DEMAND NOTE	0.85	4/1/2040	6/1/2022	13,900,000	0.85	\$13,900,000	\$13,900,000	\$0
Mississippi Business Finance Corp., Kohler Project, Jun 01, 2022	VARIABLE RATE DEMAND NOTE	0.90	6/1/2022	6/1/2022	10,000,000	0.90	\$10,000,000	\$10,000,000	\$0
Mizuho Bank Ltd. TD	TIME DEPOSIT	0.82	6/1/2022		300,000,000	0.83	\$300,000,000	\$300,000,000	\$0
Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	0.81	6/1/2022		150,000,000	0.82	\$150,000,000	\$150,000,000	\$0
Morofsky Legacy Irrevocable Trust, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	0.99	9/1/2041	6/2/2022	6,260,000	0.99	\$6,260,000	\$6,260,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		40,000,000	1.02	\$39,895,556	\$39,842,602	-\$52,953
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		6/10/2022		350,000,000	0.87	\$349,916,389	\$349,916,487	\$98
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		6/13/2022		250,000,000	0.87	\$249,922,361	\$249,920,645	-\$1,716
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		6/13/2022		60,000,000	0.88	\$59,981,150	\$59,980,955	-\$195
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		6/21/2022		115,000,000	0.95	\$114,936,942	\$114,937,546	\$604
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		6/28/2022		100,000,000	1.09	\$99,916,778	\$99,923,389	\$6,611
Nordea Bank Abp, Sep 19, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.33	9/19/2022	6/1/2022	30,000,000	1.35	\$30,000,000	\$30,024,133	\$24,133
Nordea Bank Abp, Sep 21, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.32	9/21/2022	6/1/2022	60,000,000	1.34	\$60,000,000	\$60,046,688	\$46,688
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		70,000,000	0.36	\$69,993,875	\$69,985,178	-\$8,698
Old Line Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/22/2022		75,000,000	0.36	\$74,983,958	\$74,958,292	-\$25,667
Old Line Funding, LLC, Aug 02, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.95	8/2/2022	6/1/2022	90,000,000	0.96	\$90,000,000	\$89,979,398	-\$20,602
Old Line Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.21	1/19/2023	6/1/2022	10,000,000	1.23	\$10,000,000	\$10,000,000	\$0
Old Line Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.21	1/23/2023	6/1/2022	100,000,000	1.23	\$100,000,000	\$100,000,000	\$0
Old Line Funding, LLC, Nov 21, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.21	11/21/2022	6/1/2022	70,000,000	1.23	\$70,000,000	\$70,000,000	\$0
Old Line Funding, LLC, Sep 19, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE		9/19/2022		30,000,000	1.68	\$29,847,375	\$29,847,745	\$370
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.98	9/26/2022	6/1/2022	90,000,000	0.99	\$90,000,000	\$90,000,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR MAY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.28	9/26/2022	6/1/2022	50,000,000	1.30	\$50,000,000	\$50,000,000	\$0
Overbaugh Family (2016) Survivorship Trust, Apr 01, 2042	VARIABLE RATE DEMAND NOTE	0.95	4/1/2042	6/2/2022	7,015,000	0.95	\$7,015,000	\$7,015,000	\$0
Regatta Funding Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/24/2022		25,000,000	1.07	\$24,982,500	\$24,984,000	\$1,500
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/2/2022		100,000,000	0.71	\$99,996,111	\$99,995,317	-\$794
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/6/2022		21,000,000	0.95	\$20,996,710	\$20,997,029	\$319
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2022		25,000,000	1.42	\$24,936,806	\$24,941,184	\$4,378
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		355,000,000	1.42	\$354,088,833	\$354,144,805	\$55,972
Ridgefield Funding Company, LLC Series A, Jun 24, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	1.40	6/24/2022	6/1/2022	75,000,000	1.42	\$75,000,000	\$75,021,123	\$21,123
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		7/12/2022		50,000,000	0.21	\$49,987,750	\$49,938,867	-\$48,884
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		3/29/2023		25,000,000	2.25	\$24,542,806	\$24,463,740	-\$79,065
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		10/14/2022		50,000,000	0.25	\$49,952,778	\$49,639,978	-\$312,800
Royal Bank of Canada, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.03	12/1/2022	6/1/2022	100,000,000	1.04	\$100,000,000	\$99,926,724	-\$73,276
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		6/21/2022		83,500,000	0.21	\$83,489,771	\$83,456,114	-\$33,657
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		50,000,000	0.22	\$49,960,583	\$49,669,259	-\$291,325
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		11/15/2022		50,000,000	0.41	\$49,906,667	\$49,514,200	-\$392,467
Royal Bank of Canada, New York Branch, Mar 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.21	3/1/2023	6/1/2022	100,000,000	1.23	\$100,000,000	\$99,992,436	-\$7,564
Royal Bank of Canada, New York Branch, Oct 06, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.93	10/6/2022	6/1/2022	50,000,000	0.94	\$50,000,000	\$49,963,970	-\$36,031
Royal Bank of Canada, New York Branch, Oct 07, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	0.93	10/7/2022	6/1/2022	75,000,000	0.94	\$75,000,000	\$74,945,532	-\$54,468
Scheel Investments, LLC, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	0.95	9/1/2041	6/2/2022	6,720,000	0.95	\$6,720,000	\$6,720,000	\$0
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/6/2022		40,000,000	0.97	\$39,993,667	\$39,994,400	\$733
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/9/2022		200,000,000	0.97	\$199,952,500	\$199,957,650	\$5,150
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		6/17/2022		150,000,000	0.89	\$149,937,667	\$149,937,666	-\$1
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		150,000,000	1.02	\$149,845,833	\$149,837,972	-\$7,862
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		36,895,000	1.42	\$36,794,564	\$36,798,653	\$4,089
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/4/2022		200,000,000	1.47	\$200,000,000	\$200,103,310	\$103,310
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/17/2022		100,000,000	1.47	\$100,000,000	\$100,001,572	\$1,572
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.94	6/16/2022		200,000,000	0.95	\$200,000,000	\$200,008,163	\$8,163
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1.45	8/22/2022		200,000,000	1.47	\$200,000,000	\$199,992,510	-\$7,490
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.81	6/2/2022		50,000,000	0.82	\$50,000,000	\$50,000,003	\$3
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.81	6/7/2022		70,000,000	0.82	\$70,000,000	\$70,000,000	\$0
Svenska Handelsbanken, Stockholm, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.28	9/8/2022	6/1/2022	50,000,000	1.30	\$50,000,000	\$50,025,357	\$25,357
The Debra B. Kennedy Irrevocable Trust, May 01, 2048	VARIABLE RATE DEMAND NOTE	0.95	5/1/2048	6/2/2022	4,420,000	0.95	\$4,420,000	\$4,420,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR MAY 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
The Greathouse 2021 Children's Trust, Dec 01, 2046	VARIABLE RATE DEMAND NOTE	0.95	12/1/2046	6/2/2022	13,625,000	0.95	\$13,625,000	\$13,625,000	\$0
The Linda E. Krejsek Life Insurance Trust, Sep 01, 2037	VARIABLE RATE DEMAND NOTE	0.95	9/1/2037	6/2/2022	5,490,000	0.95	\$5,490,000	\$5,490,000	\$0
The Mark E. Potteiger Irrevocable Life Insurance Trust, Jun 01, 2048	VARIABLE RATE DEMAND NOTE	0.95	6/1/2048	6/2/2022	4,025,000	0.95	\$4,025,000	\$4,025,000	\$0
The Tammi R. Sitz Irrevocable Life Insurance Trust, Nov 01, 2046	VARIABLE RATE DEMAND NOTE	0.95	11/1/2046	6/2/2022	5,950,000	0.95	\$5,950,000	\$5,950,000	\$0
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/3/2022		50,000,000	1.37	\$49,880,000	\$49,887,378	\$7,378
Thunder Bay Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.21	1/19/2023	6/1/2022	75,000,000	1.23	\$75,000,000	\$75,000,000	\$0
Thunder Bay Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.21	1/23/2023	6/1/2022	15,000,000	1.23	\$15,000,000	\$15,000,000	\$0
Thunder Bay Funding, LLC, Jul 29, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	0.95	7/29/2022	6/1/2022	50,000,000	0.96	\$50,000,000	\$50,000,000	\$0
Thunder Bay Funding, LLC, Oct 20, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1.38	10/20/2022	6/1/2022	25,000,000	1.40	\$25,000,000	\$25,016,013	\$16,013
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.22	10/14/2022		10,000,000	0.22	\$10,000,000	\$9,944,877	-\$55,123
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		72,500,000	0.32	\$72,500,000	\$71,925,669	-\$574,331
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.32	11/23/2022		70,000,000	0.32	\$70,000,000	\$69,445,491	-\$554,509
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0.50	6/9/2022		100,000,000	0.51	\$100,000,000	\$99,991,319	-\$8,681
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2.80	5/5/2023		100,000,000	2.82	\$100,000,000	\$99,998,482	-\$1,518
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		3/17/2023		35,000,000	2.07	\$34,433,292	\$34,253,693	-\$179,599
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/31/2023		100,000,000	2.92	\$97,140,833	\$97,140,833	-\$0
Toronto Dominion Bank, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.03	2/13/2023	6/1/2022	100,000,000	1.04	\$100,000,000	\$99,826,060	-\$173,940
Toronto Dominion Bank, Jun 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	0.98	6/9/2022	6/1/2022	50,000,000	0.99	\$50,000,000	\$50,002,057	\$2,057
Toronto Dominion Bank, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	1.18	3/1/2023	6/1/2022	100,000,000	1.20	\$100,000,000	\$99,916,059	-\$83,941
Toyota Finance Australia Ltd. CP	COMMERCIAL PAPER		7/13/2022		25,000,000	1.17	\$24,965,660	\$24,967,959	\$2,299
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	1.10	4/30/2023	6/1/2022	100,000,000	1.10	\$100,007,418	\$100,128,500	\$121,082
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	1.10	4/30/2023	6/1/2022	75,000,000	1.10	\$75,004,868	\$75,096,375	\$91,507
Westpac Banking Corp. Ltd., Sydney, Dec 23, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.28	12/23/2022	6/1/2022	57,500,000	1.30	\$57,500,000	\$57,520,634	\$20,634
Westpac Banking Corp. Ltd., Sydney, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.28	3/20/2023	6/1/2022	109,000,000	1.30	\$109,000,000	\$109,013,202	\$13,202
Westpac Banking Corp. Ltd., Sydney, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	1.28	3/21/2023	6/1/2022	75,000,000	1.30	\$75,000,000	\$75,008,507	\$8,507
Wylie Bice Life Insurance Trust, Aug 01, 2046	VARIABLE RATE DEMAND NOTE	0.95	8/1/2046	6/2/2022	7,625,000	0.95	\$7,625,000	\$7,625,000	\$0
<b>Total Value of Assets</b>					<b>18,812,816,114</b>		<b>\$18,802,982,844</b>	<b>\$18,796,002,486</b>	<b>-\$6,980,358</b>

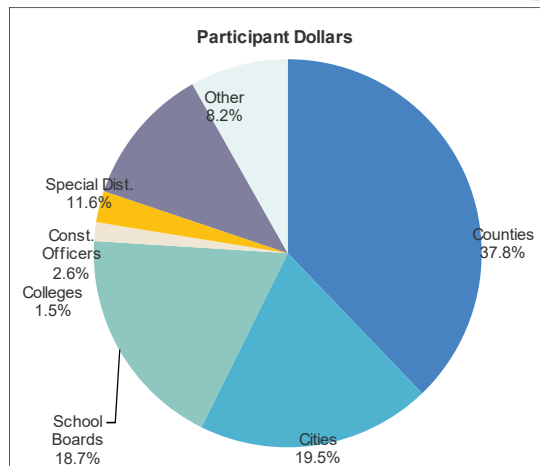
**Notes:** The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

<sup>1</sup> Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

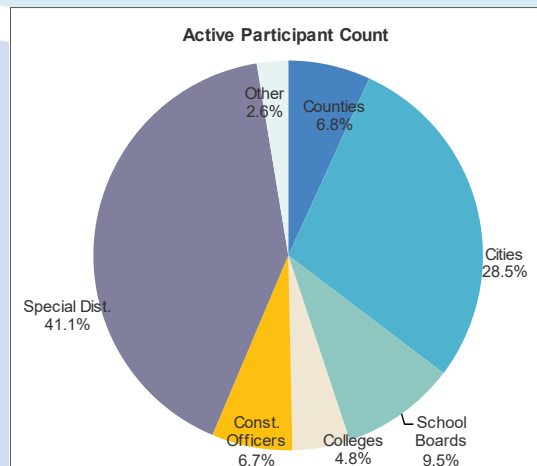
<sup>2</sup> Amortized cost is calculated using a straight line method.

## PARTICIPANT CONCENTRATION DATA - AS OF MAY 2022

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
<b>All Participants</b>	<b>100.0%</b>	<b>100.0%</b>	<b>Colleges &amp; Universities</b>	<b>1.5%</b>	<b>4.8%</b>
Top 10	33.9%	1.4%	Top 10	1.4%	1.4%
\$100 million or more	69.3%	7.0%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	26.7%	17.6%	\$10 million up to \$100 million	1.3%	1.0%
\$1 million up to \$10 million	3.6%	22.5%	\$1 million up to \$10 million	0.2%	1.4%
Under \$1 million	0.4%	52.9%	Under \$1 million	0.01%	2.5%
<b>Counties</b>	<b>37.8%</b>	<b>6.8%</b>	<b>Constitutional Officers</b>	<b>2.6%</b>	<b>6.7%</b>
Top 10	29.4%	1.4%	Top 10	1.5%	1.4%
\$100 million or more	35.6%	2.5%	\$100 million or more	0.6%	0.1%
\$10 million up to \$100 million	2.0%	1.2%	\$10 million up to \$100 million	1.7%	1.1%
\$1 million up to \$10 million	0.2%	1.2%	\$1 million up to \$10 million	0.4%	2.0%
Under \$1 million	0.0%	1.9%	Under \$1 million	0.0%	3.4%
<b>Municipalities</b>	<b>19.5%</b>	<b>28.5%</b>	<b>Special Districts</b>	<b>11.6%</b>	<b>41.1%</b>
Top 10	7.6%	1.4%	Top 10	7.3%	1.4%
\$100 million or more	7.6%	1.4%	\$100 million or more	5.9%	1.0%
\$10 million up to \$100 million	10.5%	7.1%	\$10 million up to \$100 million	4.5%	3.1%
\$1 million up to \$10 million	1.3%	7.2%	\$1 million up to \$10 million	1.0%	8.0%
Under \$1 million	0.1%	12.8%	Under \$1 million	0.3%	28.9%
<b>School Boards</b>	<b>18.7%</b>	<b>9.5%</b>	<b>Other</b>	<b>8.2%</b>	<b>2.6%</b>
Top 10	11.7%	1.4%	Top 10	8.1%	1.4%
\$100 million or more	12.9%	1.6%	\$100 million or more	6.8%	0.4%
\$10 million up to \$100 million	5.5%	3.5%	\$10 million up to \$100 million	1.3%	0.5%
\$1 million up to \$10 million	0.3%	1.9%	\$1 million up to \$10 million	0.1%	0.7%
Under \$1 million	0.0%	2.5%	Under \$1 million	0.0%	1.0%



Total Fund Value: \$18,853,925,751



Total Active Participant Count: 733

Note: Active accounts include only those participant accounts valued above zero.

## COMPLIANCE WITH INVESTMENT POLICY FOR MAY 2022

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, SBA Risk Management and Compliance conducts daily independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as "High" or "Low" with respect to the level of risk associated with a potential guideline breach. Negative test results are subject to independent verification and review for possible escalation. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in "Fail" status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
Securities must be USD denominated	Pass
Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.	Pass
<u>Ratings requirements</u>	
First Tier Securities	Pass
Long-term securities must have long-term ratings in the three highest categories	Pass
Commercial Paper must have short-term ratings from at least one NRSRO	Pass
Securities in Highest Rating Category (A-1+ or equivalent)	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life	Pass
<u>Maturity</u>	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
<u>Issuer Diversification</u>	
First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First Tier securities issued by or subject to demand features and guarantees of a non-controlled person	Pass
First Tier securities issued by or subject to demand features and guarantees of a controlled person	Pass

Test by Source	Pass/Fail
<u>Money Market Mutual Funds</u>	
Invested in any one Money Market Mutual Fund	Pass
<u>Repurchase Agreements</u>	
Repurchase Agreement Counterparty Rating	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (More than 5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (More than 5 business days)	Pass
Repurchase Agreements with any single dealer - Counterparty Rating A-1	Pass
<u>Concentration Tests</u>	
Industry Concentration, excluding financial services industry	Pass
Any Single Government Agency	Pass
Illiquid Securities	Pass
Assets invested in securities accessible within 1 business day	Pass
Assets invested in securities accessible within 5 business days	Pass



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## TRADING ACTIVITY FOR MAY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
MUFG BANK LTD, CDYACDYAN	08/19/22	05/06/22	05/10/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	08/19/22	05/06/22	05/10/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	08/18/22	05/11/22	05/11/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	08/18/22	05/11/22	05/11/22	50,000,000	50,000,000	0	50,000,000	0
MUFG BANK LTD, CDYACDYAN	08/18/22	05/11/22	05/11/22	40,000,000	40,000,000	0	40,000,000	0
MUFG BANK LTD, CPCP	06/16/22	05/16/22	05/16/22	50,000,000	49,961,681	0	49,961,681	0
MUFG BANK LTD, CPCP	06/16/22	05/16/22	05/16/22	50,000,000	49,961,681	0	49,961,681	0
MUFG BANK LTD, CPCP	06/16/22	05/16/22	05/16/22	20,000,000	19,984,672	0	19,984,672	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/10/22	05/06/22	05/06/22	50,000,000	49,958,194	0	49,958,194	0
NATIONWIDE BUILDINGCP4-2	06/13/22	05/12/22	05/12/22	50,000,000	49,961,778	0	49,961,778	0
NATIONWIDE BUILDINGCP4-2	06/13/22	05/12/22	05/12/22	50,000,000	49,961,778	0	49,961,778	0
NATIONWIDE BUILDINGCP4-2	06/13/22	05/12/22	05/12/22	50,000,000	49,961,778	0	49,961,778	0
NATIONWIDE BUILDINGCP4-2	06/13/22	05/12/22	05/12/22	50,000,000	49,961,778	0	49,961,778	0
NATIONWIDE BUILDINGCP4-2	06/13/22	05/16/22	05/16/22	50,000,000	49,966,167	0	49,966,167	0
NATIONWIDE BUILDINGCP4-2	06/13/22	05/16/22	05/16/22	10,000,000	9,993,233	0	9,993,233	0
NATIONWIDE BUILDINGCP4-2	06/21/22	05/23/22	05/23/22	50,000,000	49,962,139	0	49,962,139	0
NATIONWIDE BUILDINGCP4-2	06/21/22	05/23/22	05/23/22	50,000,000	49,962,139	0	49,962,139	0
NATIONWIDE BUILDINGCP4-2	06/21/22	05/23/22	05/23/22	15,000,000	14,988,642	0	14,988,642	0
NATIONWIDE BUILDINGCP4-2	06/28/22	05/27/22	05/27/22	50,000,000	49,952,444	0	49,952,444	0
NATIONWIDE BUILDINGCP4-2	06/28/22	05/27/22	05/27/22	50,000,000	49,952,444	0	49,952,444	0
OLD LINE FUNDING, LLC	09/19/22	05/17/22	05/17/22	30,000,000	29,828,125	0	29,828,125	0
OLD LINE FUNDING, LLC	11/21/22	05/19/22	05/19/22	50,000,000	50,000,000	0	50,000,000	0
OLD LINE FUNDING, LLC	11/21/22	05/19/22	05/19/22	20,000,000	20,000,000	0	20,000,000	0
RIDGEFIELD FUNDING CPAB54	06/06/22	05/04/22	05/04/22	21,000,000	20,981,905	0	20,981,905	0
RIDGEFIELD FUNDING CPAB54	08/04/22	05/05/22	05/05/22	25,000,000	24,911,528	0	24,911,528	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	50,000,000	49,821,111	0	49,821,111	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	50,000,000	49,821,111	0	49,821,111	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	50,000,000	49,821,111	0	49,821,111	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	50,000,000	49,821,111	0	49,821,111	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	50,000,000	49,821,111	0	49,821,111	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	50,000,000	49,821,111	0	49,821,111	0
RIDGEFIELD FUNDING CPAB54	08/05/22	05/05/22	05/05/22	5,000,000	4,982,111	0	4,982,111	0
SHEFFIELD RECEIVABLECPAB54	06/17/22	05/11/22	05/11/22	50,000,000	49,954,778	0	49,954,778	0
SHEFFIELD RECEIVABLECPAB54	06/17/22	05/11/22	05/11/22	50,000,000	49,954,778	0	49,954,778	0
SHEFFIELD RECEIVABLECPAB54	06/17/22	05/11/22	05/11/22	50,000,000	49,954,778	0	49,954,778	0
STARBUCK FUNDING COCPAB54	08/09/22	05/10/22	05/10/22	36,895,000	36,764,433	0	36,764,433	0
SUMITOMO MITSUI TRUCDYAN	08/17/22	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/17/22	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/16/22	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/16/22	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/16/22	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/22/22	05/09/22	05/09/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/22/22	05/09/22	05/09/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/22/22	05/09/22	05/09/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	05/25/22	05/18/22	05/18/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/02/22	05/25/22	05/25/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/07/22	05/31/22	05/31/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/07/22	05/31/22	05/31/22	20,000,000	20,000,000	0	20,000,000	0
SUMITOMO MITSUI BANCDYAN	08/04/22	05/03/22	05/03/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	08/04/22	05/03/22	05/03/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	08/04/22	05/03/22	05/03/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI BANCDYAN	08/04/22	05/03/22	05/03/22	50,000,000	50,000,000	0	50,000,000	0
THUNDER BAY FUNDINGCPAB54	08/03/22	05/05/22	05/06/22	50,000,000	49,833,125	0	49,833,125	0
TORONTO DOMINION BACDYAN	05/05/23	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	05/05/23	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACP4-2	05/31/23	05/31/22	05/31/22	50,000,000	48,570,417	0	48,570,417	0
TORONTO DOMINION BACP4-2	05/31/23	05/31/22	05/31/22	50,000,000	48,570,417	0	48,570,417	0
TOTALENERGIES CAPITAL CANADA LTD	05/26/22	05/19/22	05/19/22	10,000,000	9,998,269	0	9,998,269	0
UNITEDHEALTH GROUPCP4-2	05/20/22	05/06/22	05/06/22	50,000,000	49,982,500	0	49,982,500	0
UNITEDHEALTH GROUPCP4-2	05/20/22	05/06/22	05/06/22	50,000,000	49,982,500	0	49,982,500	0
UNITEDHEALTH GROUPCP4-2	05/20/22	05/06/22	05/06/22	50,000,000	49,982,500	0	49,982,500	0
UNITEDHEALTH GROUPCP4-2	05/20/22	05/06/22	05/06/22	9,000,000	8,996,850	0	8,996,850	0
UNITEDHEALTH GROUPCP4-2	05/20/22	05/06/22	05/06/22	50,000,000	49,982,500	0	49,982,500	0
UNITEDHEALTH GROUPCP4-2	05/31/22	05/18/22	05/18/22	50,000,000	49,983,389	0	49,983,389	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/02/22	05/02/22	610,135	610,135	0	610,135	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/05/22	05/05/22	320,643	320,643	0	320,643	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/06/22	05/06/22	98,917,646	98,917,646	0	98,917,646	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/11/22	05/11/22	171,409	171,409	0	171,409	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/16/22	05/16/22	1,205,604	1,205,604	0	1,205,604	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/19/22	05/19/22	538,396	538,396	0	538,396	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/23/22	05/23/22	1,550,448	1,550,448	0	1,550,448	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/24/22	05/24/22	192,248	192,248	0	192,248	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/25/22	05/25/22	6,914	6,914	0	6,914	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/31/22	05/31/22	829,112	829,112	0	829,112	0
MIZUHO TRIPARTY	05/03/22	05/02/22	05/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/03/22	05/02/22	05/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/03/22	05/02/22	05/02/22	36,000,000	36,000,000	0	36,000,000	0
MIZUHO TRIPARTY	05/04/22	05/03/22	05/03/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/04/22	05/03/22	05/03/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/04/22	05/03/22	05/03/22	51,000,000	51,000,000	0	51,000,000	0
MIZUHO TRIPARTY	05/05/22	05/04/22	05/04/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/05/22	05/04/22	05/04/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/05/22	05/04/22	05/04/22	40,000,000	40,000,000	0	40,000,000	0
MIZUHO TRIPARTY	05/06/22	05/05/22	05/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/06/22	05/05/22	05/05/22	73,000,000	73,000,000	0	73,000,000	0
MIZUHO TRIPARTY	05/09/22	05/06/22	05/06/22	150,000,000	150,000,000	0	150,000,000	0

# TRADING ACTIVITY FOR MAY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain/Loss
HSBC TRIPARTY	05/09/22	05/06/22	05/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/09/22	05/06/22	05/06/22	39,000,000	39,000,000	0	39,000,000	0
MIZUHO TRIPARTY	05/10/22	05/09/22	05/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/10/22	05/09/22	05/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/10/22	05/09/22	05/09/22	90,000,000	90,000,000	0	90,000,000	0
MIZUHO TRIPARTY	05/11/22	05/10/22	05/10/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/11/22	05/10/22	05/10/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/11/22	05/10/22	05/10/22	76,000,000	76,000,000	0	76,000,000	0
MIZUHO TRIPARTY	05/12/22	05/11/22	05/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/12/22	05/11/22	05/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/12/22	05/11/22	05/11/22	6,000,000	6,000,000	0	6,000,000	0
MIZUHO TRIPARTY	05/13/22	05/12/22	05/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/13/22	05/12/22	05/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/13/22	05/12/22	05/12/22	54,000,000	54,000,000	0	54,000,000	0
MIZUHO TRIPARTY	05/16/22	05/13/22	05/13/22	50,000,000	50,000,000	0	50,000,000	0
HSBC TRIPARTY	05/16/22	05/13/22	05/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/16/22	05/13/22	05/13/22	145,000,000	145,000,000	0	145,000,000	0
MIZUHO TRIPARTY	05/17/22	05/16/22	05/16/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/17/22	05/16/22	05/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/17/22	05/16/22	05/16/22	50,000,000	50,000,000	0	50,000,000	0
MIZUHO TRIPARTY	05/18/22	05/17/22	05/17/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/18/22	05/17/22	05/17/22	98,000,000	98,000,000	0	98,000,000	0
MIZUHO TRIPARTY	05/19/22	05/18/22	05/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/19/22	05/18/22	05/18/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/19/22	05/18/22	05/18/22	49,000,000	49,000,000	0	49,000,000	0
MIZUHO TRIPARTY	05/20/22	05/19/22	05/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/20/22	05/19/22	05/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/20/22	05/19/22	05/19/22	308,000,000	308,000,000	0	308,000,000	0
MIZUHO TRIPARTY	05/23/22	05/20/22	05/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/23/22	05/20/22	05/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/23/22	05/20/22	05/20/22	113,000,000	113,000,000	0	113,000,000	0
MIZUHO TRIPARTY	05/24/22	05/23/22	05/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/24/22	05/23/22	05/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/24/22	05/23/22	05/23/22	37,000,000	37,000,000	0	37,000,000	0
MIZUHO TRIPARTY	05/25/22	05/24/22	05/24/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/25/22	05/24/22	05/24/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/25/22	05/24/22	05/24/22	41,000,000	41,000,000	0	41,000,000	0
MIZUHO TRIPARTY	05/26/22	05/25/22	05/25/22	56,000,000	56,000,000	0	56,000,000	0
HSBC TRIPARTY	05/26/22	05/25/22	05/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/26/22	05/25/22	05/25/22	200,000,000	200,000,000	0	200,000,000	0
MIZUHO TRIPARTY	05/27/22	05/26/22	05/26/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/27/22	05/26/22	05/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/27/22	05/26/22	05/26/22	159,000,000	159,000,000	0	159,000,000	0
MIZUHO TRIPARTY	05/31/22	05/27/22	05/27/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/31/22	05/27/22	05/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/31/22	05/27/22	05/27/22	5,000,000	5,000,000	0	5,000,000	0
MIZUHO TRIPARTY	06/01/22	05/31/22	05/31/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/01/22	05/31/22	05/31/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/01/22	05/31/22	05/31/22	133,000,000	133,000,000	0	133,000,000	0
COOPERATIVE RABOBANK TD 0.63 20220509	05/09/22	05/02/22	05/02/22	570,000,000	570,000,000	0	570,000,000	0
MIZUHO BANK LTD TD 0.32 20220503	05/03/22	05/02/22	05/02/22	230,000,000	230,000,000	0	230,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.69 20220510	05/10/22	05/03/22	05/03/22	965,000,000	965,000,000	0	965,000,000	0
ABN AMRO BANK TD 0.69 20220510	05/10/22	05/03/22	05/03/22	655,000,000	655,000,000	0	655,000,000	0
COOPERATIVE RABOBANK TD 0.68 20220510	05/10/22	05/03/22	05/03/22	395,000,000	395,000,000	0	395,000,000	0
MIZUHO BANK LTD TD 0.32 20220504	05/04/22	05/03/22	05/03/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220505	05/05/22	05/04/22	05/04/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.82 20220506	05/06/22	05/05/22	05/05/22	550,000,000	550,000,000	0	550,000,000	0
ABN AMRO BANK TD 0.83 20220512	05/12/22	05/05/22	05/05/22	310,000,000	310,000,000	0	310,000,000	0
MIZUHO BANK LTD TD 0.82 20220509	05/09/22	05/06/22	05/06/22	375,000,000	375,000,000	0	375,000,000	0
MIZUHO BANK LTD TD 0.82 20220527	05/27/22	05/26/22	05/26/22	175,000,000	175,000,000	0	175,000,000	0
ABN AMRO BANK TD 0.83 20220517	05/17/22	05/10/22	05/10/22	650,000,000	650,000,000	0	650,000,000	0
ABN AMRO BANK TD 0.83 20220513	05/13/22	05/12/22	05/12/22	310,000,000	310,000,000	0	310,000,000	0
ABN AMRO BANK TD 0.83 20220520	05/20/22	05/13/22	05/13/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO TD 0.83 20220524	05/24/22	05/17/22	05/17/22	650,000,000	650,000,000	0	650,000,000	0
MIZUHO BANK LTD TD 0.82 20220531	05/31/22	05/27/22	05/27/22	200,000,000	200,000,000	0	200,000,000	0
Total Buys				65,223,543,555	65,263,027,549	0	65,213,027,549	0
Cash Closes								
ANGLESEA FUNDING LLC	09/28/22	05/24/22	05/24/22	14,000,000	14,000,000	9,543	14,009,543	0
OLD LINE FUNDING, LLC, JU	06/27/22	05/17/22	05/17/22	30,000,000	30,000,000	12,083	30,012,083	0
OLD LINE FUNDING, LCPAB54	06/28/22	05/19/22	05/19/22	70,000,000	69,914,445	0	69,914,445	0
Total Cash Closes				114,000,000	113,914,445	21,627	113,936,071	0
Deposits								
RABOBANK NEWYORK	05/16/22	05/09/22	05/09/22	560,000,000	560,000,000	0	560,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/10/22	05/09/22	05/09/22	500,000,000	500,000,000	0	500,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	05/17/22	05/10/22	05/10/22	960,000,000	960,000,000	0	960,000,000	0
RABOBANK NEWYORK	05/17/22	05/10/22	05/10/22	400,000,000	400,000,000	0	400,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/11/22	05/10/22	05/10/22	560,000,000	560,000,000	0	560,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/12/22	05/11/22	05/11/22	350,000,000	350,000,000	0	350,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/16/22	05/13/22	05/13/22	225,000,000	225,000,000	0	225,000,000	0
RABOBANK NEWYORK	05/23/22	05/16/22	05/16/22	550,000,000	550,000,000	0	550,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/17/22	05/16/22	05/16/22	225,000,000	225,000,000	0	225,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	05/24/22	05/17/22	05/17/22	950,000,000	950,000,000	0	950,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/18/22	05/17/22	05/17/22	375,000,000	375,000,000	0	375,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/19/22	05/18/22	05/18/22	125,000,000	125,000,000	0	125,000,000	0
RABOBANK NEWYORK	05/27/22	05/20/22	05/20/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	05/27/22	05/20/22	05/20/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/23/22	05/20/22	05/20/22	150,000,000	150,000,000	0	150,000,000	0
RABOBANK NEWYORK	05/31/22	05/23/22	05/23/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/24/22	05/23/22	05/23/22	150,000,000	150,000,000	0	150,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	05/31/22	05/24/22	05/24/22	900,000,000	900,000,000	0	900,000,000	0
ABN AMRO BANK N.V.	06/01/22	05/24/22	05/24/22	650,000,000	650,000,000	0	650,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/25/22	05/24/22	05/24/22	185,000,000	185,000,000	0	185,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/26/22	05/25/22	05/25/22	170,000,000	170,000,000	0	170,000,000	0
RABOBANK NEWYORK	06/03/22	05/27/22	05/27/22	245,000,000	245,000,000	0	245,000,000	0
ABN AMRO BANK N.V.	06/03/22	05/27/22	05/27/22	295,000,000	295,000,000	0	295,000,000	0
RABOBANK NEWYORK	06/07/22	05/31/22	05/31/22	700,000,000	700,000,000	0	700,000,000	0



## TRADING ACTIVITY FOR MAY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/07/22	05/31/22	05/31/22	945,000,000	945,000,000	0	945,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/01/22	05/31/22	05/31/22	300,000,000	300,000,000	0	300,000,000	0
Total Deposits				11,670,000,000	11,670,000,000	0	11,670,000,000	0
Maturities								
ALBION CAPITAL LLC CPAB54	05/12/22	05/12/22	05/12/22	61,384,000	61,384,000	0	61,384,000	0
ALBION CAPITAL LLC CPAB54	05/27/22	05/27/22	05/27/22	52,986,000	52,986,000	0	52,986,000	0
ALPINE SECURITIZATPCAB54	05/20/22	05/20/22	05/20/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/03/22	05/03/22	05/03/22	180,000,000	180,000,000	0	180,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/04/22	05/04/22	05/04/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/05/22	05/05/22	05/05/22	150,000,000	150,000,000	0	150,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/06/22	05/06/22	05/06/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/09/22	05/09/22	05/09/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/10/22	05/10/22	05/10/22	125,000,000	125,000,000	0	125,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/12/22	05/12/22	05/12/22	150,000,000	150,000,000	0	150,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/13/22	05/13/22	05/13/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/19/22	05/19/22	05/19/22	150,000,000	150,000,000	0	150,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/20/22	05/20/22	05/20/22	75,000,000	75,000,000	0	75,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/24/22	05/24/22	05/24/22	125,000,000	125,000,000	0	125,000,000	0
ANGLESEA FUNDING LLCPCAB54	05/26/22	05/26/22	05/26/22	50,000,000	50,000,000	0	50,000,000	0
ANTALIS S.A. CPAB54CPAB54	05/12/22	05/12/22	05/12/22	30,000,000	30,000,000	0	30,000,000	0
ATLANTIC ASSET SECUCPAB54	05/04/22	05/04/22	05/04/22	50,000,000	50,000,000	0	50,000,000	0
BANK OF AMERICA MAY 2 2022	05/02/22	05/02/22	05/02/22	50,000,000	50,000,000	0	50,000,000	0
BANK OF NOVA SCOTIACP4-2	05/05/22	05/05/22	05/05/22	32,500,000	32,500,000	0	32,500,000	0
BARTON CAPITAL S.A. CPAB54	05/02/22	05/02/22	05/02/22	50,000,000	50,000,000	0	50,000,000	0
BARTON CAPITAL S.A. CPAB54	05/13/22	05/13/22	05/13/22	25,000,000	25,000,000	0	25,000,000	0
BARTON CAPITAL S.A. CPAB54	05/25/22	05/25/22	05/25/22	25,000,000	25,000,000	0	25,000,000	0
BARTON CAPITAL S.A. CPAB54	05/26/22	05/26/22	05/26/22	30,000,000	30,000,000	0	30,000,000	0
BEDFORD ROW FUNDINGCPAB54	05/05/22	05/05/22	05/05/22	100,000,000	100,000,000	0	100,000,000	0
BEDFORD ROW FUNDINGCPAB54	05/06/22	05/06/22	05/06/22	10,000,000	10,000,000	0	10,000,000	0
BENNINGTON STARK CACPAB54	05/05/22	05/05/22	05/05/22	90,000,000	90,000,000	0	90,000,000	0
BENNINGTON STARK CACPAB54	05/06/22	05/06/22	05/06/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	05/03/22	05/03/22	05/03/22	20,000,000	20,000,000	0	20,000,000	0
BNG BANK N.V. CP4-2CP4-2	05/05/22	05/05/22	05/05/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	05/10/22	05/10/22	05/10/22	20,000,000	20,000,000	0	20,000,000	0
BNG BANK N.V. CP4-2CP4-2	05/12/22	05/12/22	05/12/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	05/17/22	05/17/22	05/17/22	20,000,000	20,000,000	0	20,000,000	0
BNG BANK N.V. CP4-2CP4-2	05/26/22	05/26/22	05/26/22	23,500,000	23,500,000	0	23,500,000	0
CANADIAN IMPERIAL BCDYAN	05/04/22	05/04/22	05/04/22	85,000,000	85,000,000	0	85,000,000	0
CANCARA ASSET SECURCPAB54	05/04/22	05/04/22	05/04/22	50,000,000	50,000,000	0	50,000,000	0
CHESHAM FINANCE LLCPCAB54	05/02/22	05/02/22	05/02/22	495,000,000	495,000,000	0	495,000,000	0
CHESHAM FINANCE LLCPCAB54	05/03/22	05/03/22	05/03/22	490,000,000	490,000,000	0	490,000,000	0
CHESHAM FINANCE LLCPCAB54	05/04/22	05/04/22	05/04/22	515,000,000	515,000,000	0	515,000,000	0
CHESHAM FINANCE LLCPCAB54	05/05/22	05/05/22	05/05/22	535,000,000	535,000,000	0	535,000,000	0
CHESHAM FINANCE LLCPCAB54	05/06/22	05/06/22	05/06/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/09/22	05/09/22	05/09/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/10/22	05/10/22	05/10/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/11/22	05/11/22	05/11/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/12/22	05/12/22	05/12/22	500,000,000	500,000,000	0	500,000,000	0
CHESHAM FINANCE LLCPCAB54	05/13/22	05/13/22	05/13/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/16/22	05/16/22	05/16/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/17/22	05/17/22	05/17/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/18/22	05/18/22	05/18/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/19/22	05/19/22	05/19/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/20/22	05/20/22	05/20/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/23/22	05/23/22	05/23/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/24/22	05/24/22	05/24/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/25/22	05/25/22	05/25/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/26/22	05/26/22	05/26/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/27/22	05/27/22	05/27/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCAB54	05/31/22	05/31/22	05/31/22	550,000,000	550,000,000	0	550,000,000	0
COLLATERALIZED COMPCAB54	05/12/22	05/12/22	05/12/22	25,000,000	25,000,000	0	25,000,000	0
COLLATERALIZED COMPCAB53	05/18/22	05/18/22	05/18/22	39,000,000	39,000,000	0	39,000,000	0
CREDIT AGRICOLE CORCDYAN	05/03/22	05/03/22	05/03/22	500,000,000	500,000,000	0	500,000,000	0
CREDIT AGRICOLE CORCDYAN	05/10/22	05/10/22	05/10/22	500,000,000	500,000,000	0	500,000,000	0
CREDIT AGRICOLE CORCDYAN	05/17/22	05/17/22	05/17/22	500,000,000	500,000,000	0	500,000,000	0
CREDIT AGRICOLE CORCDYAN	05/24/22	05/24/22	05/24/22	400,000,000	400,000,000	0	400,000,000	0
CREDIT AGRICOLE CORCDYAN	05/31/22	05/31/22	05/31/22	400,000,000	400,000,000	0	400,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/03/22	05/03/22	05/03/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/04/22	05/04/22	05/04/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/05/22	05/05/22	05/05/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/06/22	05/06/22	05/06/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/09/22	05/09/22	05/09/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/10/22	05/10/22	05/10/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/11/22	05/11/22	05/11/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/12/22	05/12/22	05/12/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/13/22	05/13/22	05/13/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/16/22	05/16/22	05/16/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/17/22	05/17/22	05/17/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/18/22	05/18/22	05/18/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/19/22	05/19/22	05/19/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/20/22	05/20/22	05/20/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/23/22	05/23/22	05/23/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/24/22	05/24/22	05/24/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/25/22	05/25/22	05/25/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/26/22	05/26/22	05/26/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/27/22	05/27/22	05/27/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	05/31/22	05/31/22	05/31/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/02/22	05/02/22	05/02/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/03/22	05/03/22	05/03/22	500,000,000	500,000,000	0	500,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/04/22	05/04/22	05/04/22	745,000,000	745,000,000	0	745,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/05/22	05/05/22	05/05/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/06/22	05/06/22	05/06/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/09/22	05/09/22	05/09/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/10/22	05/10/22	05/10/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/11/22	05/11/22	05/11/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/12/22	05/12/22	05/12/22	700,000,000	700,000,000	0	700,000,000	0

## TRADING ACTIVITY FOR MAY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain/Loss
DZ BANK AG DEUTSCHECP4-2	05/13/22	05/13/22	05/13/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/16/22	05/16/22	05/16/22	300,000,000	300,000,000	0	300,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/17/22	05/17/22	05/17/22	300,000,000	300,000,000	0	300,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/18/22	05/18/22	05/18/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/19/22	05/19/22	05/19/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/20/22	05/20/22	05/20/22	500,000,000	500,000,000	0	500,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/23/22	05/23/22	05/23/22	500,000,000	500,000,000	0	500,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/24/22	05/24/22	05/24/22	250,000,000	250,000,000	0	250,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/25/22	05/25/22	05/25/22	400,000,000	400,000,000	0	400,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/26/22	05/26/22	05/26/22	700,000,000	700,000,000	0	700,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/27/22	05/27/22	05/27/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	05/31/22	05/31/22	05/31/22	700,000,000	700,000,000	0	700,000,000	0
FMS WERTMANAGEMENT CP4-2	05/10/22	05/10/22	05/10/22	100,000,000	100,000,000	0	100,000,000	0
FMS WERTMANAGEMENT CP4-2	05/11/22	05/11/22	05/11/22	130,000,000	130,000,000	0	130,000,000	0
GOTHAM FUNDING CORPCPAB54	05/09/22	05/09/22	05/09/22	80,000,000	80,000,000	0	80,000,000	0
GOTHAM FUNDING CORPCPAB54	05/24/22	05/24/22	05/24/22	50,000,000	50,000,000	0	50,000,000	0
GREAT BEAR FUNDING CPAB54	05/09/22	05/09/22	05/09/22	47,000,000	47,000,000	0	47,000,000	0
J.R MORGAN SECURITCP4-2	05/25/22	05/25/22	05/25/22	350,000,000	350,000,000	0	350,000,000	0
JUPITER SECURITIZATCPAB54	05/04/22	05/04/22	05/04/22	87,000,000	87,000,000	0	87,000,000	0
LLOYD'S BANK PLC, LOCP	05/10/22	05/10/22	05/10/22	101,000,000	101,000,000	0	101,000,000	0
LMA-AMERICAS LLCPCPAB54-2	05/02/22	05/02/22	05/02/22	50,500,000	50,500,000	0	50,500,000	0
LMA-AMERICAS LLC CPCPAB54	05/06/22	05/06/22	05/06/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPAB54	05/10/22	05/10/22	05/10/22	14,000,000	14,000,000	0	14,000,000	0
LMA-AMERICAS LLC CPCPAB54	05/16/22	05/16/22	05/16/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPAB54	05/17/22	05/17/22	05/17/22	13,600,000	13,600,000	0	13,600,000	0
LMA-AMERICAS LLC CPCPAB54	05/18/22	05/18/22	05/18/22	50,000,000	50,000,000	0	50,000,000	0
LMA-AMERICAS LLC CPCPAB54	05/25/22	05/25/22	05/25/22	65,000,000	65,000,000	0	65,000,000	0
LONGSHIP FUNDING LLCPCPAB54	05/06/22	05/06/22	05/06/22	170,000,000	170,000,000	0	170,000,000	0
MUFG BANK LTD, CDYACDYAN	05/05/22	05/05/22	05/05/22	200,000,000	200,000,000	0	200,000,000	0
MUFG BANK LTD, CDYACDYAN	05/09/22	05/09/22	05/09/22	155,000,000	155,000,000	0	155,000,000	0
MUFG BANK LTD, CDYACDYAN	05/10/22	05/10/22	05/10/22	140,000,000	140,000,000	0	140,000,000	0
MUFG BANK LTD, CDYACDYAN	05/11/22	05/11/22	05/11/22	250,000,000	250,000,000	0	250,000,000	0
NATIONWIDE BUILDINGCP4-2	05/04/22	05/04/22	05/04/22	45,128,000	45,128,000	0	45,128,000	0
NATIONWIDE BUILDINGCP4-2	05/05/22	05/05/22	05/05/22	205,000,000	205,000,000	0	205,000,000	0
NATIONWIDE BUILDINGCP4-2	05/06/22	05/06/22	05/06/22	275,000,000	275,000,000	0	275,000,000	0
SHEFFIELD RECEIVABLECPAB54	05/06/22	05/06/22	05/06/22	150,000,000	150,000,000	0	150,000,000	0
SHEFFIELD RECEIVABLECPAB54	05/11/22	05/11/22	05/11/22	100,000,000	100,000,000	0	100,000,000	0
SHEFFIELD RECEIVABLECPAB54	05/24/22	05/24/22	05/24/22	33,090,000	33,090,000	0	33,090,000	0
SOCIETE GENERALE, PCP4-2	05/05/22	05/05/22	05/05/22	150,000,000	150,000,000	0	150,000,000	0
SUMITOMO MITSUI TRUCDYAN	05/09/22	05/09/22	05/09/22	100,000,000	100,000,000	0	100,000,000	0
SUMITOMO MITSUI TRUCDYAN	05/25/22	05/25/22	05/25/22	50,000,000	50,000,000	0	50,000,000	0
SVENSKA HANDELSBANKCP4-2	05/03/22	05/03/22	05/03/22	77,220,000	77,220,000	0	77,220,000	0
TORONTO DOMINION BACP4-2	05/03/22	05/03/22	05/03/22	200,000,000	200,000,000	0	200,000,000	0
TORONTO DOMINION BACP4-2	05/04/22	05/04/22	05/04/22	7,500,000	7,500,000	0	7,500,000	0
TOTALENERGIES CAPITCP4-2	05/04/22	05/04/22	05/04/22	50,000,000	50,000,000	0	50,000,000	0
TOTALENERGIES CAPITCP4-2	05/05/22	05/05/22	05/05/22	62,000,000	62,000,000	0	62,000,000	0
TOTALENERGIES CAPITAL CANADA LTD	05/26/22	05/26/22	05/26/22	10,000,000	10,000,000	0	10,000,000	0
TOYOTA CREDIT DE PUCP	05/09/22	05/09/22	05/09/22	20,000,000	20,000,000	0	20,000,000	0
UNITEDHEALTH GROUPCP4-2	05/05/22	05/05/22	05/05/22	200,000,000	200,000,000	0	200,000,000	0
UNITEDHEALTH GROUPCP4-2	05/20/22	05/20/22	05/20/22	209,000,000	209,000,000	0	209,000,000	0
UNITEDHEALTH GROUPCP4-2	05/31/22	05/31/22	05/31/22	50,000,000	50,000,000	0	50,000,000	0
MIZUHO TRIPARTY	05/02/22	05/02/22	05/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/02/22	05/02/22	05/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/02/22	05/02/22	05/02/22	148,000,000	148,000,000	0	148,000,000	0
MIZUHO TRIPARTY	05/03/22	05/03/22	05/03/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/03/22	05/03/22	05/03/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/03/22	05/03/22	05/03/22	36,000,000	36,000,000	0	36,000,000	0
MIZUHO TRIPARTY	05/04/22	05/04/22	05/04/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/04/22	05/04/22	05/04/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/04/22	05/04/22	05/04/22	51,000,000	51,000,000	0	51,000,000	0
MIZUHO TRIPARTY	05/05/22	05/05/22	05/05/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/05/22	05/05/22	05/05/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/05/22	05/05/22	05/05/22	40,000,000	40,000,000	0	40,000,000	0
MIZUHO TRIPARTY	05/06/22	05/06/22	05/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/06/22	05/06/22	05/06/22	73,000,000	73,000,000	0	73,000,000	0
MIZUHO TRIPARTY	05/09/22	05/09/22	05/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/09/22	05/09/22	05/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/09/22	05/09/22	05/09/22	39,000,000	39,000,000	0	39,000,000	0
MIZUHO TRIPARTY	05/10/22	05/10/22	05/10/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/10/22	05/10/22	05/10/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/10/22	05/10/22	05/10/22	90,000,000	90,000,000	0	90,000,000	0
MIZUHO TRIPARTY	05/11/22	05/11/22	05/11/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/11/22	05/11/22	05/11/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/11/22	05/11/22	05/11/22	76,000,000	76,000,000	0	76,000,000	0
MIZUHO TRIPARTY	05/12/22	05/12/22	05/12/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/12/22	05/12/22	05/12/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/12/22	05/12/22	05/12/22	6,000,000	6,000,000	0	6,000,000	0
MIZUHO TRIPARTY	05/13/22	05/13/22	05/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/13/22	05/13/22	05/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/13/22	05/13/22	05/13/22	54,000,000	54,000,000	0	54,000,000	0
MIZUHO TRIPARTY	05/16/22	05/16/22	05/16/22	50,000,000	50,000,000	0	50,000,000	0
HSBC TRIPARTY	05/16/22	05/16/22	05/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/16/22	05/16/22	05/16/22	145,000,000	145,000,000	0	145,000,000	0
MIZUHO TRIPARTY	05/17/22	05/17/22	05/17/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/17/22	05/17/22	05/17/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/17/22	05/17/22	05/17/22	50,000,000	50,000,000	0	50,000,000	0
MIZUHO TRIPARTY	05/18/22	05/18/22	05/18/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/18/22	05/18/22	05/18/22	98,000,000	98,000,000	0	98,000,000	0
MIZUHO TRIPARTY	05/19/22	05/19/22	05/19/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/19/22	05/19/22	05/19/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/19/22	05/19/22	05/19/22	49,000,000	49,000,000	0	49,000,000	0
MIZUHO TRIPARTY	05/20/22	05/20/22	05/20/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/20/22	05/20/22	05/20/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/20/22	05/20/22	05/20/22	308,000,000	308,000,000	0	308,000,000	0
MIZUHO TRIPARTY	05/23/22	05/23/22	05/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/23/22	05/23/22	05/23/22	100,000,000	100,000,000	0	100,000,000	0

## TRADING ACTIVITY FOR MAY 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
BANK OF AMERICA TRIPARTY	05/23/22	05/23/22	05/23/22	113,000,000	113,000,000	0	113,000,000	0
MIZUHO TRIPARTY	05/24/22	05/24/22	05/24/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/24/22	05/24/22	05/24/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/24/22	05/24/22	05/24/22	37,000,000	37,000,000	0	37,000,000	0
MIZUHO TRIPARTY	05/25/22	05/25/22	05/25/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/25/22	05/25/22	05/25/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/25/22	05/25/22	05/25/22	41,000,000	41,000,000	0	41,000,000	0
MIZUHO TRIPARTY	05/26/22	05/26/22	05/26/22	56,000,000	56,000,000	0	56,000,000	0
HSBC TRIPARTY	05/26/22	05/26/22	05/26/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/26/22	05/26/22	05/26/22	200,000,000	200,000,000	0	200,000,000	0
MIZUHO TRIPARTY	05/27/22	05/27/22	05/27/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/27/22	05/27/22	05/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/27/22	05/27/22	05/27/22	159,000,000	159,000,000	0	159,000,000	0
MIZUHO TRIPARTY	05/31/22	05/31/22	05/31/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	05/31/22	05/31/22	05/31/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	05/31/22	05/31/22	05/31/22	5,000,000	5,000,000	0	5,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220502	05/02/22	05/02/22	05/02/22	485,000,000	485,000,000	0	485,000,000	0
AUSTRALIA & NEW ZEALAND TD 0.33 20220503	05/03/22	05/03/22	05/03/22	985,000,000	985,000,000	0	985,000,000	0
ABN AMRO BANK TD 0.33 20220503	05/03/22	05/03/22	05/03/22	675,000,000	675,000,000	0	675,000,000	0
COOPERATIVE RABOBANK TD 0.33 20220503	05/03/22	05/03/22	05/03/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO TD 0.33 20220505	05/05/22	05/05/22	05/05/22	310,000,000	310,000,000	0	310,000,000	0
MIZUHO BANK LTD TD 0.32 20220502	05/02/22	05/02/22	05/02/22	900,000,000	900,000,000	0	900,000,000	0
COOPERATIVE RABOBANK TD 0.63 20220509	05/09/22	05/09/22	05/09/22	570,000,000	570,000,000	0	570,000,000	0
MIZUHO BANK LTD TD 0.32 20220503	05/03/22	05/03/22	05/03/22	230,000,000	230,000,000	0	230,000,000	0
AUSTRALIA AND NEW ZEALAND TD 0.69 20220510	05/10/22	05/10/22	05/10/22	965,000,000	965,000,000	0	965,000,000	0
ABN AMRO BANK TD 0.69 20220510	05/10/22	05/10/22	05/10/22	655,000,000	655,000,000	0	655,000,000	0
COOPERATIVE RABOBANK TD 0.68 20220510	05/10/22	05/10/22	05/10/22	395,000,000	395,000,000	0	395,000,000	0
MIZUHO BANK LTD TD 0.32 20220504	05/04/22	05/04/22	05/04/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK LTD TD 0.32 20220505	05/05/22	05/05/22	05/05/22	500,000,000	500,000,000	0	500,000,000	0
MIZUHO BANK LTD TD 0.82 20220506	05/06/22	05/06/22	05/06/22	550,000,000	550,000,000	0	550,000,000	0
ABN AMRO BANK TD 0.83 20220512	05/12/22	05/12/22	05/12/22	310,000,000	310,000,000	0	310,000,000	0
MIZUHO BANK LTD TD 0.82 20220509	05/09/22	05/09/22	05/09/22	375,000,000	375,000,000	0	375,000,000	0
MIZUHO BANK LTD TD 0.82 20220527	05/27/22	05/27/22	05/27/22	175,000,000	175,000,000	0	175,000,000	0
RABOBANK NEW YORK	05/16/22	05/16/22	05/16/22	560,000,000	560,000,000	0	560,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/10/22	05/10/22	05/10/22	500,000,000	500,000,000	0	500,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	05/17/22	05/17/22	05/17/22	960,000,000	960,000,000	0	960,000,000	0
RABOBANK NEW YORK	05/17/22	05/17/22	05/17/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK TD 0.83 20220517	05/17/22	05/17/22	05/17/22	650,000,000	650,000,000	0	650,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/11/22	05/11/22	05/11/22	560,000,000	560,000,000	0	560,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/12/22	05/12/22	05/12/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK TD 0.83 20220513	05/13/22	05/13/22	05/13/22	310,000,000	310,000,000	0	310,000,000	0
ABN AMRO BANK TD 0.83 20220520	05/20/22	05/20/22	05/20/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/16/22	05/16/22	05/16/22	225,000,000	225,000,000	0	225,000,000	0
RABOBANK NEW YORK	05/23/22	05/23/22	05/23/22	550,000,000	550,000,000	0	550,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/17/22	05/17/22	05/17/22	225,000,000	225,000,000	0	225,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	05/24/22	05/24/22	05/24/22	950,000,000	950,000,000	0	950,000,000	0
ABN AMRO TD 0.83 20220524	05/24/22	05/24/22	05/24/22	650,000,000	650,000,000	0	650,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/18/22	05/18/22	05/18/22	375,000,000	375,000,000	0	375,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/19/22	05/19/22	05/19/22	125,000,000	125,000,000	0	125,000,000	0
RABOBANK NEW YORK	05/27/22	05/27/22	05/27/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	05/27/22	05/27/22	05/27/22	300,000,000	300,000,000	0	300,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/23/22	05/23/22	05/23/22	150,000,000	150,000,000	0	150,000,000	0
RABOBANK NEW YORK	05/31/22	05/31/22	05/31/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/24/22	05/24/22	05/24/22	150,000,000	150,000,000	0	150,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	05/31/22	05/31/22	05/31/22	900,000,000	900,000,000	0	900,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/25/22	05/25/22	05/25/22	185,000,000	185,000,000	0	185,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	05/26/22	05/26/22	05/26/22	170,000,000	170,000,000	0	170,000,000	0
MIZUHO BANK LTD TD 0.82 20220531	05/31/22	05/31/22	05/31/22	200,000,000	200,000,000	0	200,000,000	0
Total Maturities				76,920,408,000	76,920,408,000	0	76,920,408,000	0
Sells								
ALASKA HOUSING FINANCE CORP	12/01/41	05/12/22	05/19/22	24,600,000	24,600,000	30,086	24,630,086	0
ALASKA HOUSING FINANCE CORP	12/01/40	05/12/22	05/16/22	49,340,000	49,340,000	57,302	49,397,302	0
BANK OF MONTREAL/CHICAGO IL	06/10/22	05/12/22	05/13/22	50,000,000	50,003,855	45,403	50,049,258	3,855
BANK OF MONTREAL/CHICAGO IL	06/10/22	05/12/22	05/13/22	50,000,000	50,003,855	45,403	50,049,258	3,855
CALHOUN PORT AUTHORITY	04/01/42	05/26/22	06/02/22	50,000,000	50,000,000	1,055	50,001,055	0
CITY OF NEW YORK NY	08/01/38	05/12/22	05/19/22	15,400,000	15,400,000	4,962	15,404,962	0
UNITED STATES TREASURY BILL	06/14/22	05/24/22	05/25/22	50,000,000	49,988,867	0	49,988,867	811
UNITED STATES TREASURY BILL	06/14/22	05/24/22	05/25/22	50,000,000	49,988,333	0	49,988,333	278
UNITED STATES TREASURY BILL	06/14/22	05/24/22	05/25/22	50,000,000	49,988,867	0	49,988,867	811
UNITED STATES TREASURY BILL	06/14/22	05/24/22	05/25/22	50,000,000	49,988,333	0	49,988,333	278
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/03/22	05/03/22	950,600	950,600	0	950,600	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/04/22	05/04/22	315,708	315,708	0	315,708	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/09/22	05/09/22	98,065,608	98,065,608	0	98,065,608	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/10/22	05/10/22	671,055	671,055	0	671,055	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/12/22	05/12/22	35,870	35,870	0	35,870	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/13/22	05/13/22	825,882	825,882	0	825,882	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/17/22	05/17/22	93,030	93,030	0	93,030	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/18/22	05/18/22	718,809	718,809	0	718,809	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/20/22	05/20/22	1,573,479	1,573,479	0	1,573,479	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/26/22	05/26/22	457,483	457,483	0	457,483	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/27/22	05/27/22	528,608	528,608	0	528,608	0
Total Sells				543,576,132	543,538,242	184,210	543,722,452	9,888





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## **Our Mission**

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

# **Federated®**

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## **MONTHLY SUMMARY REPORT**

**State Board of Administration of Florida**

**June 2022**

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## **Past performance is no guarantee of future results.**

Views are as of the issue date and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security.

An investment in Florida PRIME is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in this fund.

## INTRODUCTION

This report is prepared for stakeholders in Florida PRIME in accordance with Section 218.409(6)(a), Florida Statutes. The statute requires:

- (1) Reporting of any material impacts on the funds and any actions or escalations taken by staff to address such impacts;
- (2) Presentation of a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last month; and
- (3) Preparation of the management summary “in a manner that will allow anyone to ascertain whether the investment activities during the reporting period have conformed to investment policies.”

This report, which covers the period from June 1, 2022, through June 30, 2022, has been prepared by the SBA with input from Federated Investment Counseling (“Federated”), investment advisor for Florida PRIME in a format intended to comply with the statute.

## DISCLOSURE OF MATERIAL IMPACTS

During the reporting period, Florida PRIME was in material compliance with investment policy. There were no developments that had a material impact on the liquidity or operation of Florida PRIME. Details are available in the PRIME policy compliance table. This report also includes details on market conditions; fees; fund holdings, transactions and performance; and client composition.

### PRIME™ STATISTICS

(As of June 30, 2022)

Total Participants  
**745**

Florida PRIME™  
Total Participant Balance  
**\$18,690,168,082**

Total Number of Accounts  
**1,378**

**FACTS-AT-A-GLANCE** PRIME is an exclusive service for Florida governmental organizations, providing a cost-effective investment vehicle for their surplus funds. Florida PRIME, the Local Government Surplus Funds Trust Fund, is utilized by hundreds of governmental investors including state agencies, state universities and colleges, counties, cities, special districts, school boards, and other direct support organizations of the State of Florida.

Florida PRIME is a government investment pool that offers management by an industry leader in professional money management, conservative investment policies, an extensive governance framework, a Standard & Poor’s “AAAm” rating, full transparency, and best-in-class financial reporting.

## PORTFOLIO MANAGER COMMENTARY

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The Federal Reserve is taking the punch bowl away so quickly that rate expectations are sloshing around. They even spilled over following its extraordinary leak to the press during the customary quiet period ahead of its June Federal Open Market Committee (FOMC) meeting. The hint that a 0.75% hike was likely to follow put the fed funds futures market in a tizzy.

Communicating through the media is one of the most effective tools in the Fed's toolbox, but doing so anonymously and so close to the start of a FOMC meeting is new. We will all have to be more cautious now about guidance. But it shows just how data dependent this Fed has become. Policymakers knew the Consumer Price Index for May would be high, but they didn't like the jump in inflation expectations indicated by the University of Michigan consumer sentiment report.

While the aggressive rate move increased the probability of a recession, let's not discount the possibility of a less-onerous pullback. "We're not trying to provoke—and don't think that we will need to provoke—a recession," Chair Jerome Powell said in his semiannual testimony to Congress midmonth. It still is possible the Fed can tame inflation without overly damaging the economy.

This is borne out in expectations of how the tightening cycle might progress. The Fed just released the dates of next year's FOMC meetings, allowing the first futures trading. The market is pricing in a peak at around 3.5% in 2023, with no action in the third quarter and a rate cut in the fourth of that year. You read that right. The Fed's own projections are similar. Its median "dot" hits 3.8% before slipping to 3.4% in early 2024. We think the robust labor market,

as well as strong state and local government balance sheets, means the economy is resilient enough that we might see a quarter of negative growth followed by one of positive growth in the second half of next year—not a full-blown recession. But things are dynamic and volatile.

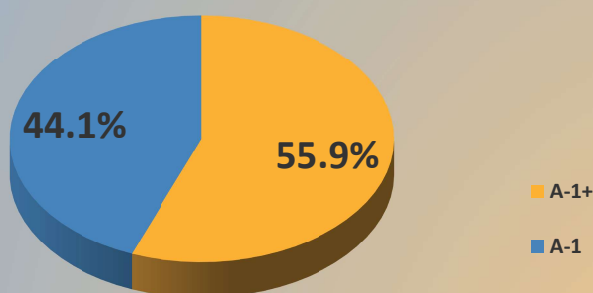
As the Fed's quantitative tightening just began in June, the impact is negligible. We are disappointed that Treasury bills are not part of the strategy. They are being allowed to roll off the balance sheet only if the release of notes, bonds and MBS doesn't hit the target of \$47.5 billion exactly. That's unfortunate not just for investors but in general.

The Pool's total assets decreased by \$100 million due to typical seasonal outflows, ending June at \$18.7 billion. The yield of the portfolio rose 64 basis points to 1.63%, reflecting the 75 basis-point move by the Fed in the month. The portfolio's weighted average maturity (WAM) lengthened to 28 days from 26, and its weighted average life (WAL) shortened to 71 days from 73. Most trades were in the short end of the market, primarily for 1-3 month paper and securities, to take advantage of the Fed hike. The composition of the portfolio was largely unchanged. Bank and commercial paper continued to compose the largest percentage of holdings.

At the end of June, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 1.03%, 1.67%, 2.49% and 2.80%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 1.62%, 2.24%, 2.87% and 3.54%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 1.80%, 2.29%, 2.90% and 3.56%, respectively.

## PORTFOLIO COMPOSITION FOR JUNE 2022

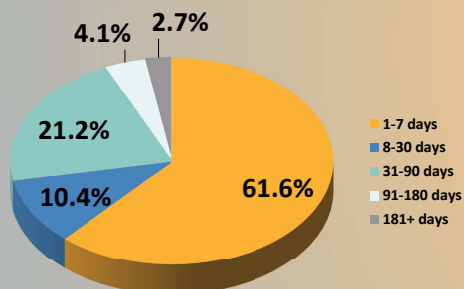
### CREDIT QUALITY COMPOSITION



### HIGHLY LIQUID HOLDINGS



### EFFECTIVE MATURITY SCHEDULE



### TOP HOLDINGS & AVG. MATURITY

1. Cooperatieve Rabobank UA	5.0%
2. Mitsubishi UFJ Financial Group, Inc.	5.0%
3. Sumitomo Mitsui Trust Holdings, Inc.	5.0%
4. ABN Amro Bank NV	5.0%
5. Australia & New Zealand Banking Group, Melbourne	4.8%
6. DZ Bank AG Deutsche Zentral-Genossenschaftsbank	4.8%
7. Mizuho Financial Group, Inc.	4.8%
8. Societe Generale, Paris	4.7%
9. Bank of Montreal	4.7%
10. Canadian Imperial Bank of Commerce	4.6%

#### Average Effective Maturity (WAM)

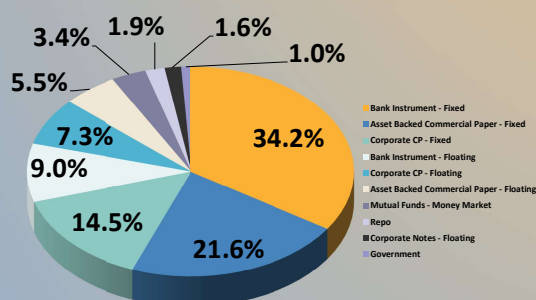
28 Days

#### Weighted Average Life (Spread WAL)

71 Days

Percentages based on total value of investments

### PORTFOLIO COMPOSITION



## FUND PERFORMANCE THROUGH JUNE 2022

Florida PRIME Performance Data			
	Annualized Net Participant Yield <sup>1</sup>	Net-of-Fee Benchmark <sup>2</sup>	Above (Below) Benchmark
One Month	1.26%	0.86%	0.39%
Three Months	0.85%	0.57%	0.29%
One Year	0.32%	0.17%	0.15%
Three Years	0.74%	0.60%	0.14%
Five Years	1.28%	1.07%	0.21%
Ten Years	0.83%	0.64%	0.20%
Since 1/96	2.37%	2.16%	0.21%

Note: Net asset value at month end: \$18,688.1 million, which includes investments at market value, plus all cash, accrued interest receivable and payables.

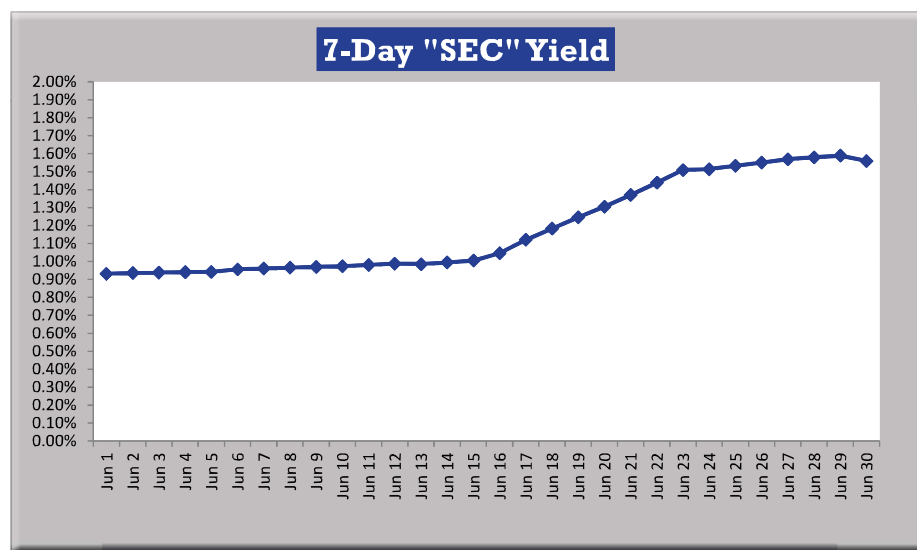
<sup>1</sup>Net of fees. Participant yield is calculated on a 365-day basis and includes adjustments for expenses and other accounting items to reflect realized earnings by participants.

<sup>2</sup>The net-of-fee benchmark is the S&P AAA/AA Rated GIP All 30-Day Net Index for all time periods.

### ABOUT ANNUALIZED YIELDS:

Performance data in the table and chart is annualized, meaning that the amounts are based on yields for the periods indicated, converted to their equivalent if obtained for a 12-month period.

For example, ignoring the effects of compounding, an investment that earns 0.10% over a 1-month period yields 1.20% on an annualized basis. Likewise, an investment that earns a total of 3.60% over three years yields 1.20% on an annualized basis, ignoring compounding.



The 7-Day "SEC" Yield in the chart is calculated in accordance with the yield methodology set forth by SEC Rule 2a-7 for money market funds. The 7-day yield = net income earned over a 7-day period / average units outstanding over the period / 7 times 365. Note that unlike other performance measures, the SEC yield does not include realized gains and losses from sales of securities.

## PRIME ACCOUNT SUMMARY FOR JUNE 2022

Summary of Cash Flows		
Opening Balance (06/01/22)	\$	18,853,925,751
Participant Deposits		2,370,379,038
Gross Earnings		19,854,663
Participant Withdrawals		(2,553,493,678)
Fees		(497,692)
Closing Balance (06/30/22)	\$	18,690,168,082
<b>Net Change over Month</b>	<b>\$</b>	<b>(163,757,669)</b>

Detailed Fee Disclosure		
June	Amount	Basis Point Equivalent*
SBA Client Service, Account Mgt. & Fiduciary Oversight Fee	\$ 154,931.65	0.99
Federated Investment Management Fee	309,391.97	1.98
BNY Mellon Custodial Fee**	19,771.22	0.13
Bank of America Transfer Agent Fee	5,067.40	0.03
S&P Rating Maintenance Fee	3,945.21	0.03
Audit/External Review Fees	4,584.41	0.03
<b>Total Fees</b>	<b>\$ 497,691.86</b>	<b>3.18</b>

\*The basis point equivalent is an annualized rate based on the dollar amount of fees charged for the month times 12, divided by an average of the fund's beginning and ending total value (amortized cost) for the month which was \$18,772,046,917.

\*\*All custodian banking fees are allocated based on both market value (size) and level of service accurately passing through all charges to pool participants. Charges may fluctuate month-to-month.

The data included in this report is unaudited.

## INVENTORY OF HOLDINGS FOR JUNE 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
I320 W Jefferson LLC, Sep 01, 2060	VARIABLE RATE DEMAND NOTE	2	9/1/2060	7/6/2022	2,000,000	2	\$2,000,000	\$2,000,000	\$0
2016 David S. Pearl, II Irrevocable Life Insurance Trust, Nov 01, 2036	VARIABLE RATE DEMAND NOTE	2	11/1/2036	7/7/2022	2,670,000	2	\$2,670,000	\$2,670,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2	7/1/2022		410,000,000	2	\$410,000,000	\$410,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2	7/5/2022		305,000,000	2	\$305,000,000	\$305,000,000	\$0
ABN Amro Bank NV, Amsterdam TD	TIME DEPOSIT	2	7/7/2022		220,000,000	2	\$220,000,000	\$220,000,000	\$0
AJC Capital, LLC, Jan 01, 2042	VARIABLE RATE DEMAND NOTE	2	1/1/2042	7/7/2022	5,530,000	2	\$5,530,000	\$5,530,000	\$0
Albion Capital LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/12/2022		53,140,000	2	\$53,111,304	\$53,110,915	-\$390
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/1/2022		82,500,000	2	\$82,496,288	\$82,496,438	\$151
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		110,000,000	0	\$109,993,889	\$109,975,999	-\$17,890
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		90,000,000	2	\$89,980,250	\$89,980,363	\$113
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		50,000,000	2	\$49,988,889	\$49,989,091	\$202
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		40,000,000	2	\$39,938,489	\$39,938,204	-\$284
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		50,000,000	2	\$49,923,111	\$49,922,756	-\$356
Anglesea Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		75,000,000	2	\$74,884,667	\$74,884,133	-\$533
Anglesea Funding LLC, Aug 05, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	8/5/2022	7/1/2022	5,000,000	2	\$5,000,000	\$5,000,072	\$72
Anglesea Funding LLC, Aug 10, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	8/10/2022	7/1/2022	60,000,000	2	\$60,000,000	\$59,999,342	-\$658
Anglesea Funding LLC, Nov 18, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	11/18/2022	7/1/2022	14,000,000	2	\$14,000,000	\$13,997,972	-\$2,028
Anglesea Funding LLC, Oct 07, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	10/7/2022	7/1/2022	50,000,000	2	\$50,000,000	\$50,000,000	\$0
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		45,040,000	1	\$45,032,681	\$45,030,035	-\$2,646
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/11/2022		20,000,000	1	\$19,992,056	\$19,990,106	-\$1,949
Antalis S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/28/2022		59,580,000	2	\$59,498,905	\$59,501,037	\$2,132
Archer I LLC, Jun 01, 2060	VARIABLE RATE DEMAND NOTE	2	6/1/2060	7/7/2022	15,000,000	2	\$15,000,000	\$15,000,000	\$0
Atlantic Asset Securitization LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		99,400,000	1	\$99,245,378	\$99,201,531	-\$43,847
Australia & New Zealand Banking Group, Melbourne TD	TIME DEPOSIT	2	7/5/2022		900,000,000	2	\$900,000,000	\$900,000,000	\$0
BNG Bank N.V. CP4-2	COMMERCIAL PAPER - 4-2		7/7/2022		100,000,000	2	\$99,969,472	\$99,969,472	-\$0
BWF Forge TL Properties Owner LLC, May 01, 2059	VARIABLE RATE DEMAND NOTE	2	5/1/2059	7/7/2022	25,000,000	2	\$25,000,000	\$25,000,000	\$0
Bank of America N.A. Triparty Repo Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	2	7/1/2022		114,000,000	2	\$114,000,000	\$114,000,000	\$0
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0	7/26/2022		100,000,000	0	\$100,000,000	\$99,897,549	-\$102,451
Bank of Montreal CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0	11/2/2022		100,000,000	0	\$100,000,000	\$99,258,956	-\$741,044
Bank of Montreal, Jan 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	1/13/2023	7/1/2022	125,000,000	2	\$125,000,000	\$124,899,488	-\$100,513
Bank of Montreal, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	3/1/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,801,606	-\$198,394
Bank of Montreal, Mar 22, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	3/22/2023	7/1/2022	100,000,000	2	\$100,000,000	\$100,092,305	\$92,305
Bank of Montreal, Mar 24, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	3/24/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,797,008	-\$202,992
Bank of Montreal, May 15, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	5/15/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,926,784	-\$73,216
Bank of Montreal, Nov 30, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	11/30/2022	7/1/2022	100,000,000	2	\$100,000,000	\$99,881,389	-\$118,611
Bank of Montreal, Oct 06, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	10/6/2022	7/1/2022	50,000,000	2	\$50,000,000	\$49,971,905	-\$28,096
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		7/20/2022		48,750,000	0	\$48,744,583	\$48,705,989	-\$38,594
Bank of Nova Scotia, Toronto CP4-2	COMMERCIAL PAPER - 4-2		9/1/2022		50,000,000	0	\$49,982,500	\$49,829,375	-\$153,125

See notes at end of table.



## INVENTORY OF HOLDINGS FOR JUNE 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Bank of Nova Scotia, Toronto, Dec 22, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	12/22/2022	7/1/2022	150,000,000	2	\$150,000,000	\$150,073,524	\$73,524
Bank of Nova Scotia, Toronto, Feb 21, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	2/21/2023	7/1/2022	160,000,000	2	\$159,999,998	\$159,702,301	-\$297,697
Bank of Nova Scotia, Toronto, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	5/8/2023	7/1/2022	99,000,000	2	\$99,000,000	\$98,904,898	-\$95,102
Bank of Nova Scotia, Toronto, Oct 13, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	10/13/2022	7/1/2022	75,000,000	2	\$75,000,000	\$74,952,011	-\$47,990
Bank of Nova Scotia, Toronto, Oct 20, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	10/20/2022	7/1/2022	10,000,000	2	\$10,000,000	\$9,992,582	-\$7,418
Bank of Nova Scotia, Toronto, Sep 14, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	9/14/2022	7/1/2022	57,000,000	2	\$56,942,783	\$56,981,210	\$38,427
Barton Capital S.A. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/10/2022		100,000,000	2	\$99,776,778	\$99,792,836	\$16,058
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		75,000,000	0	\$74,996,146	\$74,983,739	-\$12,407
Bedford Row Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/21/2022		60,000,000	2	\$59,942,600	\$59,943,335	\$735
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		30,000,000	2	\$29,993,333	\$29,993,413	\$79
Bennington Stark Capital Co., LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		50,000,000	2	\$49,922,222	\$49,922,311	\$89
BofA Securities, Inc. CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		25,000,000	1	\$24,953,333	\$24,908,133	-\$45,200
Bruce T. Brown 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	2	10/1/2042	7/7/2022	5,185,000	2	\$5,185,000	\$5,185,000	\$0
Canadian Imperial Bank of Commerce CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0	11/2/2022		50,000,000	0	\$50,000,000	\$49,655,501	-\$344,499
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		12/1/2022		100,000,000	1	\$99,786,111	\$98,882,217	-\$903,894
Canadian Imperial Bank of Commerce CP4-2	COMMERCIAL PAPER - 4-2		3/20/2023		40,000,000	2	\$39,407,373	\$39,011,120	-\$396,253
Canadian Imperial Bank of Commerce, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	12/1/2022	7/1/2022	61,500,000	2	\$61,500,000	\$61,455,227	-\$44,773
Canadian Imperial Bank of Commerce, Feb 14, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	2/14/2023	7/1/2022	150,000,000	2	\$150,000,000	\$149,741,508	-\$258,492
Canadian Imperial Bank of Commerce, May 08, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	5/8/2023	7/1/2022	200,000,000	2	\$200,000,000	\$199,824,874	-\$175,126
Canadian Imperial Bank of Commerce, Sep 09, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	9/9/2022	7/1/2022	150,000,000	2	\$150,000,000	\$150,104,985	\$104,985
Canadian Imperial Holdings, Inc. CP4-2	COMMERCIAL PAPER - 4-2		11/8/2022		102,900,000	0	\$102,768,945	\$102,005,458	-\$763,487
Chad J. Himmel Irrevocable Trust No. 1, Jul 01, 2048	VARIABLE RATE DEMAND NOTE	2	7/1/2048	7/7/2022	5,290,000	2	\$5,290,000	\$5,290,000	\$0
Chariot Funding LLC, Nov 01, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2	11/1/2022	7/1/2022	100,000,000	2	\$100,000,000	\$99,992,104	-\$7,896
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/1/2022		550,000,000	2	\$549,976,014	\$549,976,257	\$243
Chesham Finance LLC Series III CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		35,000,000	2	\$34,947,257	\$34,947,259	\$2
City Furniture, Inc., Aug 01, 2044	VARIABLE RATE DEMAND NOTE	2	8/1/2044	7/7/2022	70,000,000	2	\$70,000,000	\$70,000,000	\$0
Collateralized Commercial Paper FLEX Co., LLC, Dec 06, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS-4(2)	2	12/6/2022	7/1/2022	60,000,000	2	\$60,000,000	\$59,984,162	-\$15,838
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/7/2022		50,000,000	0	\$49,996,500	\$49,984,639	-\$11,861
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/8/2022		25,000,000	0	\$24,998,000	\$24,991,200	-\$6,800
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		7/20/2022		150,000,000	2	\$149,858,333	\$149,864,583	\$6,250
Collateralized Commercial Paper V Co. LLC CPABS3A3	COMMERCIAL PAPER - ABS 3A3		9/27/2022		100,000,000	2	\$99,557,472	\$99,433,861	-\$123,611
Collateralized Commercial Paper V Co. LLC, Aug 16, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2	8/16/2022	7/1/2022	55,000,000	2	\$55,000,000	\$54,994,885	-\$5,115
Collateralized Commercial Paper V Co. LLC, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2	9/8/2022	7/1/2022	100,000,000	2	\$100,000,000	\$100,043,986	\$43,986

See notes at end of table.

## INVENTORY OF HOLDINGS FOR JUNE 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
Collateralized Commercial Paper V Co. LLC, Sep 22, 2022	VARIABLE RATE COMMERCIAL PAPER-ABS 3A3	2	9/22/2022	7/1/2022	30,000,000	2	\$30,000,000	\$30,011,933	\$11,933
Commonwealth Bank of Australia, Feb 27, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	2/27/2023	7/1/2022	210,000,000	2	\$210,000,000	\$209,964,926	-\$35,074
Commonwealth Bank of Australia, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	3/20/2023	7/1/2022	21,000,000	2	\$21,000,000	\$20,993,750	-\$6,250
Cooperatieve Rabobank UA TD	TIME DEPOSIT	2	7/5/2022		450,000,000	2	\$450,000,000	\$450,000,000	\$0
Cooperatieve Rabobank UA TD	TIME DEPOSIT	2	7/6/2022		495,000,000	2	\$495,000,000	\$495,000,000	\$0
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	8/15/2022		75,000,000	2	\$75,000,000	\$74,972,533	-\$27,467
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	8/1/2022		100,000,000	1	\$100,000,000	\$99,975,094	-\$24,906
Credit Agricole Corporate and Investment Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	8/9/2022		100,000,000	2	\$100,000,000	\$99,980,964	-\$19,036
Crown Point Capital Co., LLC, 1.36%, Jul 22, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	1	7/22/2022		50,000,000	1	\$50,000,000	\$49,989,890	-\$10,111
DNB Nor Bank ASA CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	9/6/2022		100,000,000	1	\$100,000,000	\$99,864,730	-\$135,270
DZ Bank AG Deutsche Zentral-Genossenschaftsbank CP4-2	COMMERCIAL PAPER - 4-2		7/1/2022		900,000,000	2	\$899,961,250	\$899,960,904	-\$346
Dreyfus Government Cash Management Fund	OVERNIGHT MUTUAL FUND	1	7/1/2022		3,124,303	1	\$3,124,303	\$3,124,303	\$0
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		75,000,000	0	\$74,994,896	\$74,977,104	-\$17,792
Fairway Finance Co. LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/6/2022		50,000,000	3	\$49,666,528	\$49,676,192	\$9,664
Federated Hermes Institutional Prime Value Obligations Fund - Class IS	MUTUAL FUND MONEY MARKET	2	7/1/2022	7/1/2022	630,872,087	2	\$631,124,436	\$630,493,564	-\$630,872
Fiore Capital LLC, Series 2005-A, Aug 01, 2045	VARIABLE RATE DEMAND NOTE	2	8/1/2045	7/7/2022	9,995,000	2	\$9,995,000	\$9,995,000	\$0
Foundation Properties, Inc., Sep 01, 2035	VARIABLE RATE DEMAND NOTE	2	9/1/2035	7/7/2022	4,005,000	2	\$4,005,000	\$4,005,000	\$0
GTA Funding LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/8/2022		79,423,000	1	\$79,402,174	\$79,395,043	-\$7,130
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/1/2022		20,000,000	1	\$19,975,111	\$19,969,084	-\$6,027
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2022		40,000,000	1	\$39,945,556	\$39,931,244	-\$14,311
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		47,000,000	1	\$46,934,200	\$46,916,434	-\$17,766
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/23/2022		25,000,000	2	\$24,864,236	\$24,862,879	-\$1,358
Gotham Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		20,000,000	2	\$19,883,806	\$19,882,866	-\$939
Great Bear Funding LLC, Oct 14, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	10/14/2022	7/1/2022	40,000,000	2	\$40,000,000	\$40,007,183	\$7,183
HSBC Securities (USA), Inc. Repo Tri Party Overnight Fixed	REPO TRIPARTY OVERNIGHT FIXED	2	7/1/2022		100,000,000	2	\$100,000,000	\$100,000,000	\$0
HW Hellman Building, L.P., Mar 01, 2062	VARIABLE RATE DEMAND NOTE	2	3/1/2062	7/7/2022	50,000,000	2	\$50,000,000	\$50,000,000	\$0
Henry Andrew Brown, III 2017 Irrevocable Trust, Series 2017, Oct 01, 2042	VARIABLE RATE DEMAND NOTE	2	10/1/2042	7/7/2022	4,260,000	2	\$4,260,000	\$4,260,000	\$0
Herman & Kittle Capital, LLC, Feb 01, 2037	VARIABLE RATE DEMAND NOTE	2	2/1/2037	7/7/2022	3,405,000	2	\$3,405,000	\$3,405,000	\$0
J.P. Morgan Securities LLC CP	COMMERCIAL PAPER		8/9/2022		90,000,000	1	\$89,860,000	\$89,816,000	-\$44,000
Jupiter Securitization Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/5/2022		50,000,000	1	\$49,991,667	\$49,989,091	-\$2,576
KFW CP4-2	COMMERCIAL PAPER - 4-2		7/1/2022		100,000,000	1	\$99,996,111	\$99,996,806	\$695
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		50,200,000	1	\$50,188,287	\$50,184,284	-\$4,002
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/29/2022		5,000,000	2	\$4,993,354	\$4,993,096	-\$258
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/2/2022		50,000,000	2	\$49,919,792	\$49,919,929	\$137
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		100,000,000	1	\$99,836,667	\$99,798,889	-\$37,778
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/15/2022		23,900,000	2	\$23,807,985	\$23,784,061	-\$23,924
LMA-Americas LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/28/2022		30,000,000	2	\$29,823,750	\$29,814,000	-\$9,750

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Lamar Avenue Trust, Dec 01, 2037	VARIABLE RATE DEMAND NOTE	2	12/1/2037	7/7/2022	4,445,000	2	\$4,445,000	\$4,445,000	\$0
Lloyds Bank plc, London CP	COMMERCIAL PAPER		7/29/2022		200,000,000	2	\$199,735,778	\$199,726,916	-\$8,862
Lloyds TSB Bank PLC, London CP	COMMERCIAL PAPER		8/5/2022		50,000,000	1	\$49,929,500	\$49,912,300	-\$17,200
Los Angeles, CA Community Redevelopment Agency, (DWFV Hollywood & Vine, LP), Mizuho 3a-7 (Series 2022-MIZ9089), 10/15/2037	MUNICIPAL VARIABLE RATE DEMAND NOTE	1	10/15/2037	7/7/2022	19,000,000	1	\$19,000,000	\$19,000,000	\$0
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	7/25/2022		200,000,000	2	\$200,000,000	\$199,994,514	-\$5,486
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	7/28/2022		200,000,000	2	\$200,000,000	\$199,988,624	-\$11,376
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	8/19/2022		100,000,000	1	\$100,000,000	\$99,945,032	-\$54,968
MUFG Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	8/18/2022		140,000,000	1	\$140,000,000	\$139,919,857	-\$80,143
MUFG Bank Ltd. CP	COMMERCIAL PAPER		7/29/2022		100,000,000	2	\$99,867,889	\$99,862,089	-\$5,800
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		50,000,000	2	\$49,788,889	\$49,772,528	-\$16,361
Matchpoint Finance plc CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/27/2022		50,000,000	2	\$49,709,514	\$49,716,931	\$7,417
Mizuho Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	8/8/2022		150,000,000	2	\$150,000,000	\$150,008,553	\$8,553
Mizuho Bank Ltd. TD	TIME DEPOSIT	2	7/1/2022		710,000,000	2	\$710,000,000	\$710,000,000	\$0
Mizuho Securities USA, Inc. - REPO TRIPARTY OVERNIGHT FIXED	REPO TRIPARTY OVERNIGHT FIXED	2	7/1/2022		150,000,000	2	\$150,000,000	\$150,000,000	\$0
Morofsky Legacy Irrevocable Trust, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	2	9/1/2041	7/7/2022	6,260,000	2	\$6,260,000	\$6,260,000	\$0
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		9/2/2022		40,000,000	1	\$39,928,889	\$39,860,267	-\$68,622
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		50,000,000	4	\$48,194,097	\$48,277,709	\$83,611
National Australia Bank Ltd., Melbourne CP4-2	COMMERCIAL PAPER - 4-2		6/15/2023		62,500,000	4	\$60,239,583	\$60,347,136	\$107,552
Nationwide Building Society CP4-2	COMMERCIAL PAPER - 4-2		7/21/2022		289,000,000	2	\$288,723,523	\$288,717,959	-\$5,564
Nordea Bank Abp, Sep 19, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	9/19/2022	7/1/2022	30,000,000	2	\$30,000,000	\$30,019,081	\$19,081
Nordea Bank Abp, Sep 21, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	9/21/2022	7/1/2022	60,000,000	2	\$60,000,000	\$60,037,350	\$37,350
Old Line Funding, LLC, Aug 02, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	8/2/2022	7/1/2022	90,000,000	2	\$90,000,000	\$89,998,052	-\$1,949
Old Line Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	1/19/2023	7/1/2022	10,000,000	2	\$10,000,000	\$10,000,000	\$0
Old Line Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	1/23/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,972,930	-\$27,070
Old Line Funding, LLC, Nov 21, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	11/21/2022	7/1/2022	70,000,000	2	\$70,000,000	\$70,000,000	\$0
Old Line Funding, LLC, Sep 19, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE		9/19/2022		30,000,000	2	\$29,888,625	\$29,841,713	-\$46,912
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	9/26/2022	7/1/2022	90,000,000	2	\$90,000,000	\$89,981,599	-\$18,401
Old Line Funding, LLC, Sep 26, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	9/26/2022	7/1/2022	50,000,000	2	\$50,000,000	\$50,011,122	\$11,122
Overbaugh Family (2016) Survivorship Trust, Apr 01, 2042	VARIABLE RATE DEMAND NOTE	2	4/1/2042	7/7/2022	7,015,000	2	\$7,015,000	\$7,015,000	\$0
Regatta Funding Co., LLC, 2.1%, Aug 23, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	8/23/2022		75,000,000	2	\$75,000,000	\$75,000,000	\$0
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/18/2022		25,000,000	2	\$24,979,375	\$24,979,775	\$400
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/4/2022		25,000,000	1	\$24,965,972	\$24,957,101	-\$8,871

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Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/5/2022		355,000,000	1	\$354,503,000	\$354,370,230	-\$132,770
Ridgefield Funding Company, LLC Series A CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/6/2022		55,000,000	2	\$54,821,311	\$54,783,599	-\$37,712
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		7/12/2022		50,000,000	0	\$49,996,500	\$49,973,400	-\$23,100
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		3/29/2023		25,000,000	2	\$24,588,222	\$24,383,467	-\$204,755
Royal Bank of Canada CP4-2	COMMERCIAL PAPER - 4-2		10/14/2022		50,000,000	0	\$49,963,194	\$49,632,975	-\$330,219
Royal Bank of Canada, Dec 01, 2022	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	12/1/2022	7/1/2022	100,000,000	2	\$100,000,000	\$99,920,996	-\$79,004
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		10/7/2022		50,000,000	0	\$49,969,750	\$49,666,425	-\$303,325
Royal Bank of Canada, New York Branch CP4-2	COMMERCIAL PAPER - 4-2		11/15/2022		50,000,000	0	\$49,923,333	\$49,465,825	-\$457,508
Royal Bank of Canada, New York Branch, Mar 01, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	3/1/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,949,142	-\$50,858
Royal Bank of Canada, New York Branch, Oct 06, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	10/6/2022	7/4/2022	50,000,000	2	\$50,000,000	\$49,972,741	-\$27,260
Royal Bank of Canada, New York Branch, Oct 07, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	10/7/2022	7/4/2022	75,000,000	2	\$75,000,000	\$74,958,071	-\$41,929
Scheel Investments, LLC, Sep 01, 2041	VARIABLE RATE DEMAND NOTE	2	9/1/2041	7/7/2022	6,720,000	2	\$6,720,000	\$6,720,000	\$0
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		7/7/2022		150,000,000	1	\$149,970,833	\$149,953,917	-\$16,916
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/3/2022		22,750,000	1	\$22,720,349	\$22,712,270	-\$8,079
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/8/2022		150,000,000	2	\$149,754,625	\$149,707,338	-\$47,287
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/16/2022		25,000,000	2	\$24,935,701	\$24,938,867	\$3,166
Sheffield Receivables Company LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/17/2022		125,000,000	2	\$124,671,667	\$124,686,334	\$14,667
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/9/2022		36,895,000	1	\$36,837,608	\$36,820,800	-\$16,808
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		9/14/2022		50,000,000	2	\$49,788,889	\$49,772,528	-\$16,361
Starbird Funding Corp. CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		10/3/2022		56,000,000	2	\$55,645,333	\$55,654,496	\$9,162
Sumitomo Mitsui Banking Corp. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	8/4/2022		200,000,000	1	\$200,000,000	\$199,953,228	-\$46,772
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	8/17/2022		100,000,000	1	\$100,000,000	\$99,944,378	-\$55,622
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	1	8/22/2022		200,000,000	1	\$200,000,000	\$199,858,174	-\$141,826
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	8/16/2022		200,000,000	2	\$200,000,000	\$199,926,468	-\$73,532
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	8/4/2022		240,000,000	2	\$240,000,000	\$240,012,542	\$12,542
Sumitomo Mitsui Trust Bank Ltd. CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	2	7/21/2022		200,000,000	2	\$200,000,000	\$200,005,484	\$5,484
Svenska Handelsbanken, Stockholm, Sep 08, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	9/8/2022	7/1/2022	50,000,000	2	\$50,000,000	\$50,017,145	\$17,145
Taxable Tender Option Bond Trust 2021-MIZ9064TX, (Series 2021-MIZ-9064TX), 11/01/2056	MUNICIPAL VARIABLE RATE DEMAND NOTE	2	11/1/2056	7/7/2022	6,500,000	2	\$6,500,000	\$6,500,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9084TX, (Series 2022-MIZ-9084TX), 12/15/2026	MUNICIPAL VARIABLE RATE DEMAND NOTE	2	12/15/2026	7/7/2022	5,150,000	2	\$5,150,000	\$5,150,000	\$0
Taxable Tender Option Bond Trust 2022-MIZ9094TX, (Series 2022-MIZ-9094TX), 12/01/2059	MUNICIPAL VARIABLE RATE DEMAND NOTE	2	12/1/2059	7/7/2022	3,800,000	2	\$3,800,000	\$3,800,000	\$0
The Debra B. Kennedy Irrevocable Trust, May 01, 2048	VARIABLE RATE DEMAND NOTE	2	5/1/2048	7/7/2022	4,420,000	2	\$4,420,000	\$4,420,000	\$0

See notes at end of table.

## INVENTORY OF HOLDINGS FOR JUNE 2022

Security Name	Security Classification	Cpn	Maturity	Rate Reset	Par	Current Yield	Amort Cost (2)	Mkt Value (1)	Unrealized Gain/Loss
The Greathouse 2021 Children's Trust, Dec 01, 2046	VARIABLE RATE DEMAND NOTE	2	12/1/2046	7/7/2022	13,625,000	2	\$13,625,000	\$13,625,000	\$0
The Linda E. Krejsek Life Insurance Trust, Sep 01, 2037	VARIABLE RATE DEMAND NOTE	2	9/1/2037	7/7/2022	5,490,000	2	\$5,490,000	\$5,490,000	\$0
The Mark E. Potteiger Irrevocable Life Insurance Trust, Jun 01, 2048	VARIABLE RATE DEMAND NOTE	2	6/1/2048	7/7/2022	4,025,000	2	\$4,025,000	\$4,025,000	\$0
The Tammi R. Sitz Irrevocable Life Insurance Trust, Nov 01, 2046	VARIABLE RATE DEMAND NOTE	2	11/1/2046	7/7/2022	5,950,000	2	\$5,950,000	\$5,950,000	\$0
Thunder Bay Funding, LLC CPABS4-2	COMMERCIAL PAPER - ABS- 4(2)		8/3/2022		50,000,000	1	\$49,936,250	\$49,918,022	-\$18,228
Thunder Bay Funding, LLC, Jan 19, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	1/19/2023	7/1/2022	75,000,000	2	\$75,000,000	\$75,000,000	\$0
Thunder Bay Funding, LLC, Jan 23, 2023	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	1/23/2023	7/1/2022	15,000,000	2	\$15,000,000	\$14,995,940	-\$4,061
Thunder Bay Funding, LLC, Oct 20, 2022	COMMERCIAL PAPER ASSET BACKED CALLABLE	2	10/20/2022	7/1/2022	25,000,000	2	\$25,000,000	\$25,012,923	\$12,923
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0	10/14/2022		10,000,000	0	\$10,000,000	\$9,939,960	-\$60,040
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0	11/23/2022		72,500,000	0	\$72,500,000	\$71,812,683	-\$687,317
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	0	11/23/2022		70,000,000	0	\$70,000,000	\$69,336,403	-\$663,597
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3	5/5/2023		100,000,000	3	\$100,000,000	\$99,343,291	-\$656,709
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	3	6/7/2023		50,000,000	3	\$50,000,000	\$49,698,394	-\$301,607
Toronto Dominion Bank CDYAN	CERTIFICATE OF DEPOSIT - YANKEE	4	6/15/2023		60,000,000	4	\$60,000,000	\$60,035,620	\$35,620
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		3/17/2023		35,000,000	2	\$34,491,917	\$34,137,270	-\$354,647
Toronto Dominion Bank CP4-2	COMMERCIAL PAPER - 4-2		5/31/2023		100,000,000	3	\$97,375,833	\$96,621,153	-\$754,680
Toronto Dominion Bank, Feb 13, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	2/13/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,820,052	-\$179,948
Toronto Dominion Bank, Jun 09, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	6/9/2023	7/1/2022	125,000,000	2	\$125,000,000	\$124,886,263	-\$113,738
Toronto Dominion Bank, Mar 01, 2023	VARIABLE RATE CERTIFICATE OF DEPOSIT	2	3/1/2023	7/1/2022	100,000,000	2	\$100,000,000	\$99,902,208	-\$97,792
Toyota Finance Australia Ltd. CP	COMMERCIAL PAPER		7/13/2022		25,000,000	1	\$24,989,618	\$24,985,483	-\$4,135
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	2	4/30/2023	7/6/2022	100,000,000	2	\$100,006,752	\$100,200,694	\$193,942
U.S. Treasury Floater, 04/30/2023	US TREASURY FLOATING RATE NOTE	2	4/30/2023	7/6/2022	75,000,000	2	\$75,004,431	\$75,150,521	\$146,089
Westpac Banking Corp. Ltd., Sydney, Dec 23, 2022	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	12/23/2022	7/1/2022	57,500,000	2	\$57,500,000	\$57,495,779	-\$4,221
Westpac Banking Corp. Ltd., Sydney, Mar 20, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	3/20/2023	7/1/2022	109,000,000	2	\$109,000,000	\$108,942,290	-\$57,710
Westpac Banking Corp. Ltd., Sydney, Mar 21, 2023	VARIABLE RATE COMMERCIAL PAPER - 4-2	2	3/21/2023	7/1/2022	75,000,000	2	\$75,000,000	\$74,959,599	-\$40,401
Wylie Bice Life Insurance Trust, Aug 01, 2046	VARIABLE RATE DEMAND NOTE	2	8/1/2046	7/7/2022	7,625,000	2	\$7,625,000	\$7,625,000	\$0
Total Value of Assets					18,750,839,391		\$18,735,611,520	\$18,723,790,233	-\$11,821,287

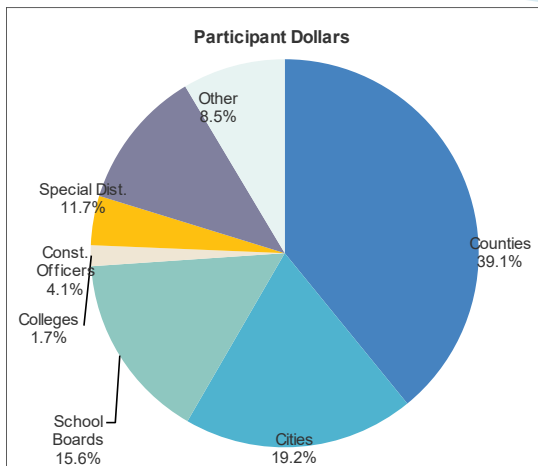
**Notes:** The data included in this report is unaudited. Amounts above are the value of investments. Income accruals, payables and uninvested cash are not included. Amortizations/accretions are reported with a one-day lag in the above valuations.

<sup>1</sup> Market values of the portfolio securities are provided by the custodian, BNY Mellon. The portfolio manager, Federated Investment Counseling, is the source for other data shown above.

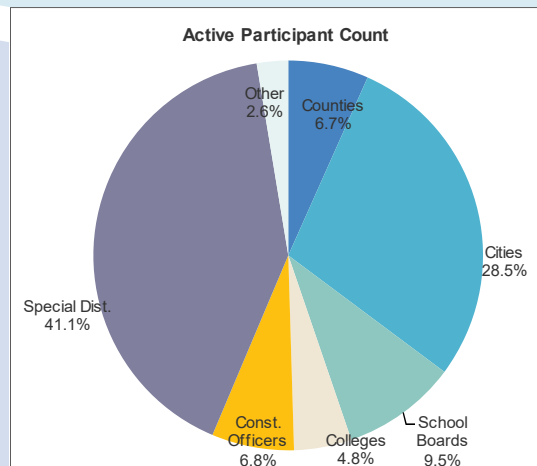
<sup>2</sup> Amortized cost is calculated using a straight line method.

## PARTICIPANT CONCENTRATION DATA - AS OF JUNE 2022

Participant Balance	Share of Total Fund	Share of Participant Count	Participant Balance	Share of Total Fund	Share of Participant Count
<b>All Participants</b>	<b>100.0%</b>	<b>100.0%</b>	<b>Colleges &amp; Universities</b>	<b>1.7%</b>	<b>4.8%</b>
Top 10	35.1%	1.4%	Top 10	1.6%	1.4%
\$100 million or more	69.3%	6.8%	\$100 million or more	0.0%	0.0%
\$10 million up to \$100 million	26.7%	17.7%	\$10 million up to \$100 million	1.5%	1.1%
\$1 million up to \$10 million	3.6%	22.6%	\$1 million up to \$10 million	0.2%	1.2%
Under \$1 million	0.4%	52.8%	Under \$1 million	0.01%	2.5%
<b>Counties</b>	<b>39.1%</b>	<b>6.7%</b>	<b>Constitutional Officers</b>	<b>4.1%</b>	<b>6.8%</b>
Top 10	30.2%	1.4%	Top 10	2.9%	1.4%
\$100 million or more	37.5%	2.6%	\$100 million or more	2.5%	0.4%
\$10 million up to \$100 million	1.4%	0.8%	\$10 million up to \$100 million	1.2%	1.0%
\$1 million up to \$10 million	0.3%	1.4%	\$1 million up to \$10 million	0.3%	1.9%
Under \$1 million	0.0%	1.9%	Under \$1 million	0.0%	3.5%
<b>Municipalities</b>	<b>19.2%</b>	<b>28.5%</b>	<b>Special Districts</b>	<b>11.7%</b>	<b>41.1%</b>
Top 10	7.4%	1.4%	Top 10	7.3%	1.4%
\$100 million or more	6.9%	1.2%	\$100 million or more	6.0%	1.0%
\$10 million up to \$100 million	10.9%	7.2%	\$10 million up to \$100 million	4.5%	3.1%
\$1 million up to \$10 million	1.4%	7.4%	\$1 million up to \$10 million	1.0%	8.2%
Under \$1 million	0.1%	12.7%	Under \$1 million	0.3%	28.8%
<b>School Boards</b>	<b>15.6%</b>	<b>9.5%</b>	<b>Other</b>	<b>8.5%</b>	<b>2.6%</b>
Top 10	9.8%	1.4%	Top 10	8.4%	1.4%
\$100 million or more	9.3%	1.2%	\$100 million or more	7.1%	0.4%
\$10 million up to \$100 million	6.0%	4.0%	\$10 million up to \$100 million	1.3%	0.5%
\$1 million up to \$10 million	0.3%	1.9%	\$1 million up to \$10 million	0.1%	0.7%
Under \$1 million	0.0%	2.5%	Under \$1 million	0.0%	1.0%



Total Fund Value: \$18,690,168,082



Total Active Participant Count: 733

Note: Active accounts include only those participant accounts valued above zero.

## COMPLIANCE WITH INVESTMENT POLICY FOR JUNE 2022

As investment manager, Federated monitors compliance daily on Florida PRIME to ensure that investment practices comply with the requirements of the Investment Policy Statement (IPS). Federated provides a monthly compliance report to the SBA and is required to notify the Investment Oversight Group (IOG) of compliance exceptions within 24 hours of identification. The IOG will meet as necessary based on the occurrence and resolution of compliance exceptions or upon the occurrence of a material event. Minutes from the IOG meetings are posted to the Florida PRIME website.

In addition to the compliance testing performed by Federated, SBA Risk Management and Compliance conducts daily independent testing on Florida PRIME using a risk-based approach. Under this approach, each IPS parameter is ranked as “High” or “Low” with respect to the level of risk associated with a potential guideline breach. Negative test results are subject to independent verification and review for possible escalation. These rankings, along with the frequency for testing, are reviewed and approved by the IOG on an annual basis or more often if market conditions dictate. Additionally, any parameter reported in “Fail” status on the Federated compliance report, regardless of risk ranking, is also independently verified and escalated accordingly. The results of independent testing are currently reported monthly to the IOG.

Test by Source	Pass/Fail
Securities must be USD denominated	Pass
Unregistered securities must be eligible for sale to Accredited Investors or Qualified Purchasers.	Pass
<u>Ratings requirements</u>	
First Tier Securities	Pass
Long-term securities must have long-term ratings in the three highest categories	Pass
Commercial Paper must have short-term ratings from at least one NRSRO	Pass
Securities in Highest Rating Category (A-1+ or equivalent)	Pass
Repurchase Agreement Counterparties must be rated by S&P	Pass
S&P Weighted Average Life	Pass
<u>Maturity</u>	
Individual Security	Pass
Government floating rate notes/variable rate notes	Pass
Dollar Weighted Average Maturity	Pass
Weighted Average Life	Pass
<u>Issuer Diversification</u>	
First tier issuer (limit does not apply to cash, cash items, U.S. Government securities and repo collateralized by these securities)	Pass
<u>Demand Feature and Guarantor Diversification</u>	
First Tier securities issued by or subject to demand features and guarantees of a non-controlled person	Pass
First Tier securities issued by or subject to demand features and guarantees of a controlled person	Pass

Test by Source	Pass/Fail
<u>Money Market Mutual Funds</u>	
Invested in any one Money Market Mutual Fund	Pass
<u>Repurchase Agreements</u>	
Repurchase Agreement Counterparty Rating	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (2-5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1+ (More than 5 business days)	Pass
Term Repurchase Agreements with any single dealer - Counterparty Rating A-1 (More than 5 business days)	Pass
Repurchase Agreements with any single dealer - Counterparty Rating A-1	Pass
<u>Concentration Tests</u>	
Industry Concentration, excluding financial services industry	Pass
Any Single Government Agency	Pass
Illiquid Securities	Pass
Assets invested in securities accessible within 1 business day	Pass
Assets invested in securities accessible within 5 business days	Pass



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18 *Florida PRIME<sup>TM</sup> Monthly Summary Report - June 2022*







**20** *Florida PRIME<sup>TM</sup> Monthly Summary Report - June 2022*



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## TRADING ACTIVITY FOR JUNE 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
RIDGEFIELD FUNDING CPABS4	06/13/22	06/10/22	06/10/22	43,351,000	43,348,002	0	43,348,002	0
RIDGEFIELD FUNDING CPABS4	06/24/22	06/23/22	06/23/22	50,000,000	49,997,806	0	49,997,806	0
RIDGEFIELD FUNDING CPABS4	06/24/22	06/23/22	06/23/22	40,206,000	40,204,235	0	40,204,235	0
RIDGEFIELD FUNDING CPABS4	07/18/22	06/17/22	06/17/22	25,000,000	24,964,479	0	24,964,479	0
RIDGEFIELD FUNDING CPABS4	09/06/22	06/06/22	06/06/22	50,000,000	49,780,222	0	49,780,222	0
RIDGEFIELD FUNDING CPABS4	09/06/22	06/06/22	06/06/22	5,000,000	4,978,022	0	4,978,022	0
SHEFFIELD RECEIVABLES CPABS4	06/14/22	06/13/22	06/13/22	50,000,000	49,998,861	0	49,998,861	0
SHEFFIELD RECEIVABLES CPABS4	06/14/22	06/13/22	06/13/22	33,652,000	33,651,233	0	33,651,233	0
SHEFFIELD RECEIVABLES CPABS4	08/03/22	06/06/22	06/06/22	22,750,000	22,699,419	0	22,699,419	0
SHEFFIELD RECEIVABLES CPABS4	08/08/22	06/09/22	06/10/22	50,000,000	49,876,264	0	49,876,264	0
SHEFFIELD RECEIVABLES CPABS4	08/08/22	06/09/22	06/10/22	50,000,000	49,876,264	0	49,876,264	0
SHEFFIELD RECEIVABLES CPABS4	08/08/22	06/09/22	06/10/22	50,000,000	49,876,264	0	49,876,264	0
SHEFFIELD RECEIVABLES CPABS4	08/16/22	06/17/22	06/17/22	25,000,000	24,917,917	0	24,917,917	0
SHEFFIELD RECEIVABLES CPABS4	08/17/22	06/17/22	06/17/22	50,000,000	49,833,097	0	49,833,097	0
SHEFFIELD RECEIVABLES CPABS4	08/17/22	06/17/22	06/17/22	50,000,000	49,833,097	0	49,833,097	0
SHEFFIELD RECEIVABLES CPABS4	08/17/22	06/17/22	06/17/22	25,000,000	24,916,549	0	24,916,549	0
STARBIRD FUNDING COCPABS4	06/22/22	06/21/22	06/21/22	25,000,000	24,998,910	0	24,998,910	0
STARBIRD FUNDING COCPABS4	09/14/22	06/13/22	06/13/22	50,000,000	49,741,667	0	49,741,667	0
STARBIRD FUNDING COCPABS4	10/03/22	06/27/22	06/27/22	50,000,000	49,673,333	0	49,673,333	0
STARBIRD FUNDING COCPABS4	10/03/22	06/27/22	06/27/22	6,000,000	5,960,800	0	5,960,800	0
SUMITOMO MITSUI TRUCDYAN	08/16/22	06/10/22	06/10/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/16/22	06/10/22	06/10/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/16/22	06/10/22	06/10/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/16/22	06/10/22	06/10/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	06/16/22	06/16/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	06/16/22	06/16/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	06/16/22	06/16/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	06/16/22	06/16/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	06/16/22	06/16/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	08/04/22	06/16/22	06/16/22	40,000,000	40,000,000	0	40,000,000	0
SUMITOMO MITSUI TRUCDYAN	07/21/22	06/17/22	06/17/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	07/21/22	06/17/22	06/17/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	07/21/22	06/17/22	06/17/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	07/21/22	06/17/22	06/17/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	07/21/22	06/17/22	06/17/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	06/07/22	06/07/22	06/07/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BANK SOFRRATE + 55BP DAILY	06/09/23	06/09/22	06/09/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BANK SOFRRATE + 55BP DAILY	06/09/23	06/09/22	06/09/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BANK SOFRRATE + 55BP DAILY	06/09/23	06/09/22	06/09/22	25,000,000	25,000,000	0	25,000,000	0
TORONTO DOMINION BACDYAN	06/15/23	06/15/22	06/15/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	06/15/23	06/15/22	06/15/22	10,000,000	10,000,000	0	10,000,000	0
TOTALENERGIES CAPITCP4-2	06/23/22	06/16/22	06/16/22	30,000,000	29,990,433	0	29,990,433	0
UNITEDHEALTH GROUPCP4-2	06/29/22	06/17/22	06/17/22	30,000,000	29,983,200	0	29,983,200	0
UNITEDHEALTH GROUPCP4-2	06/29/22	06/22/22	06/22/22	50,000,000	49,984,250	0	49,984,250	0
UNITEDHEALTH GROUPCP4-2	06/29/22	06/22/22	06/22/22	40,000,000	39,987,400	0	39,987,400	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/31/22	05/31/22	(829,112)	0	0	(829,112)	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	05/31/22	05/31/22	829,112	829,112	0	829,112	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/03/22	06/03/22	998,301	998,301	0	998,301	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/07/22	06/07/22	174,389	174,389	0	174,389	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/09/22	06/09/22	845,970	845,970	0	845,970	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/13/22	06/13/22	213,823	213,823	0	213,823	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/17/22	06/17/22	370,673	370,673	0	370,673	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/21/22	06/21/22	983,734	983,734	0	983,734	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/27/22	06/27/22	657,048	657,048	0	657,048	0
MIZUHO TRIPARTY	06/02/22	06/01/22	06/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/02/22	06/01/22	06/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/02/22	06/01/22	06/01/22	4,000,000	4,000,000	0	4,000,000	0
MIZUHO TRIPARTY	06/03/22	06/02/22	06/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/03/22	06/02/22	06/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/03/22	06/02/22	06/02/22	72,000,000	72,000,000	0	72,000,000	0
MIZUHO TRIPARTY	06/06/22	06/03/22	06/03/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/06/22	06/03/22	06/03/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/06/22	06/03/22	06/03/22	340,000,000	340,000,000	0	340,000,000	0
MIZUHO TRIPARTY	06/07/22	06/06/22	06/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/07/22	06/06/22	06/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/07/22	06/06/22	06/06/22	35,000,000	35,000,000	0	35,000,000	0
MIZUHO TRIPARTY	06/08/22	06/07/22	06/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/08/22	06/07/22	06/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/08/22	06/07/22	06/07/22	74,000,000	74,000,000	0	74,000,000	0
MIZUHO TRIPARTY	06/09/22	06/08/22	06/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/09/22	06/08/22	06/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/09/22	06/08/22	06/08/22	24,000,000	24,000,000	0	24,000,000	0
MIZUHO TRIPARTY	06/10/22	06/09/22	06/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/10/22	06/09/22	06/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/10/22	06/09/22	06/09/22	775,000,000	775,000,000	0	775,000,000	0
MIZUHO TRIPARTY	06/13/22	06/10/22	06/10/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/13/22	06/10/22	06/10/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/13/22	06/10/22	06/10/22	329,000,000	329,000,000	0	329,000,000	0
MIZUHO TRIPARTY	06/14/22	06/13/22	06/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/14/22	06/13/22	06/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/14/22	06/13/22	06/13/22	445,000,000	445,000,000	0	445,000,000	0
MIZUHO TRIPARTY	06/15/22	06/14/22	06/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/15/22	06/14/22	06/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/15/22	06/14/22	06/14/22	79,000,000	79,000,000	0	79,000,000	0
MIZUHO TRIPARTY	06/16/22	06/15/22	06/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/16/22	06/15/22	06/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/16/22	06/15/22	06/15/22	148,000,000	148,000,000	0	148,000,000	0
MIZUHO TRIPARTY	06/17/22	06/16/22	06/16/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/17/22	06/16/22	06/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/17/22	06/16/22	06/16/22	215,000,000	215,000,000	0	215,000,000	0
MIZUHO TRIPARTY	06/21/22	06/17/22	06/17/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/21/22	06/17/22	06/17/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/21/22	06/17/22	06/17/22	96,000,000	96,000,000	0	96,000,000	0
MIZUHO TRIPARTY	06/22/22	06/21/22	06/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/22/22	06/21/22	06/21/22	85,000,000	85,000,000	0	85,000,000	0

# TRADING ACTIVITY FOR JUNE 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
MIZUHO TRIPARTY	06/23/22	06/22/22	06/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/23/22	06/22/22	06/22/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/23/22	06/22/22	06/22/22	70,000,000	70,000,000	0	70,000,000	0
MIZUHO TRIPARTY	06/24/22	06/23/22	06/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/24/22	06/23/22	06/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/24/22	06/23/22	06/23/22	258,000,000	258,000,000	0	258,000,000	0
MIZUHO TRIPARTY	06/27/22	06/24/22	06/24/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/27/22	06/24/22	06/24/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/27/22	06/24/22	06/24/22	448,000,000	448,000,000	0	448,000,000	0
MIZUHO TRIPARTY	06/28/22	06/27/22	06/27/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/28/22	06/27/22	06/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/28/22	06/27/22	06/27/22	21,000,000	21,000,000	0	21,000,000	0
MIZUHO TRIPARTY	06/29/22	06/28/22	06/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/29/22	06/28/22	06/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/29/22	06/28/22	06/28/22	350,000,000	350,000,000	0	350,000,000	0
MIZUHO TRIPARTY	06/30/22	06/29/22	06/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/30/22	06/29/22	06/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/30/22	06/29/22	06/29/22	18,000,000	18,000,000	0	18,000,000	0
MIZUHO TRIPARTY	07/01/22	06/30/22	06/30/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	07/01/22	06/30/22	06/30/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	07/01/22	06/30/22	06/30/22	114,000,000	114,000,000	0	114,000,000	0
<b>Buy</b>				<b>56,785,197,937</b>	<b>56,773,596,675</b>	<b>15,818</b>	<b>56,772,783,381</b>	<b>0</b>
<b>Cash Closes</b>								
ALASKA HOUSING FINANCE CORP	12/01/41	06/01/22	06/01/22	400,000	400,000	0	400,000	0
ALASKA HOUSING FINANCE CORP	12/01/40	06/01/22	06/01/22	725,000	725,000	0	725,000	0
THUNDER BAY FUNDING LLC	07/29/22	06/23/22	06/23/22	50,000,000	50,000,000	31,500	50,031,500	0
<b>Total Cash Closes</b>				<b>51,125,000</b>	<b>51,125,000</b>	<b>31,500</b>	<b>51,156,500</b>	<b>0</b>
<b>Deposits</b>								
RABOBANK NEWYORK	07/06/22	06/29/22	06/29/22	495,000,000	495,000,000	0	495,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/30/22	06/29/22	06/29/22	315,000,000	315,000,000	0	315,000,000	0
CREDIT AGRICOLE CIB	06/30/22	06/29/22	06/29/22	250,000,000	250,000,000	0	250,000,000	0
ABN AMRO BANK N.V.	07/07/22	06/30/22	06/30/22	220,000,000	220,000,000	0	220,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	07/01/22	06/30/22	06/30/22	710,000,000	710,000,000	0	710,000,000	0
ABN AMRO BANK N.V.	06/02/22	06/01/22	06/01/22	340,000,000	340,000,000	0	340,000,000	0
ABN AMRO BANK N.V.	06/03/22	06/02/22	06/02/22	390,000,000	390,000,000	0	390,000,000	0
ABN AMRO BANK N.V.	06/09/22	06/02/22	06/02/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/03/22	06/02/22	06/02/22	275,000,000	275,000,000	0	275,000,000	0
ABN AMRO BANK N.V.	06/06/22	06/03/22	06/03/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	06/10/22	06/03/22	06/03/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	06/13/22	06/06/22	06/06/22	285,000,000	285,000,000	0	285,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/07/22	06/06/22	06/06/22	160,000,000	160,000,000	0	160,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/14/22	06/07/22	06/07/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEWYORK	06/13/22	06/07/22	06/07/22	450,000,000	450,000,000	0	450,000,000	0
RABOBANK NEWYORK	06/14/22	06/07/22	06/07/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/08/22	06/07/22	06/07/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	06/16/22	06/09/22	06/09/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/10/22	06/09/22	06/09/22	215,000,000	215,000,000	0	215,000,000	0
ABN AMRO BANK N.V.	06/17/22	06/10/22	06/10/22	420,000,000	420,000,000	0	420,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/13/22	06/10/22	06/10/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK N.V.	06/21/22	06/13/22	06/13/22	290,000,000	290,000,000	0	290,000,000	0
RABOBANK NEWYORK	06/21/22	06/13/22	06/13/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/14/22	06/13/22	06/13/22	300,000,000	300,000,000	0	300,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/21/22	06/14/22	06/14/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEWYORK	06/15/22	06/14/22	06/14/22	495,000,000	495,000,000	0	495,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/15/22	06/14/22	06/14/22	375,000,000	375,000,000	0	375,000,000	0
RABOBANK NEWYORK	06/16/22	06/15/22	06/15/22	495,000,000	495,000,000	0	495,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/16/22	06/15/22	06/15/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEWYORK	06/23/22	06/16/22	06/16/22	495,000,000	495,000,000	0	495,000,000	0
ABN AMRO BANK N.V.	06/23/22	06/16/22	06/16/22	235,000,000	235,000,000	0	235,000,000	0
ABN AMRO BANK N.V.	06/24/22	06/17/22	06/17/22	420,000,000	420,000,000	0	420,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/21/22	06/17/22	06/17/22	600,000,000	600,000,000	0	600,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/28/22	06/21/22	06/21/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEWYORK	06/28/22	06/21/22	06/21/22	450,000,000	450,000,000	0	450,000,000	0
ABN AMRO BANK N.V.	06/27/22	06/21/22	06/21/22	290,000,000	290,000,000	0	290,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/22/22	06/21/22	06/21/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/23/22	06/22/22	06/22/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEWYORK	06/29/22	06/23/22	06/23/22	495,000,000	495,000,000	0	495,000,000	0
ABN AMRO BANK N.V.	06/30/22	06/23/22	06/23/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/24/22	06/23/22	06/23/22	450,000,000	450,000,000	0	450,000,000	0
ABN AMRO BANK N.V.	07/01/22	06/24/22	06/24/22	410,000,000	410,000,000	0	410,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/27/22	06/24/22	06/24/22	700,000,000	700,000,000	0	700,000,000	0
ABN AMRO BANK N.V.	07/05/22	06/27/22	06/27/22	305,000,000	305,000,000	0	305,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/28/22	06/27/22	06/27/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEWYORK	07/05/22	06/28/22	06/28/22	450,000,000	450,000,000	0	450,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	07/05/22	06/28/22	06/28/22	900,000,000	900,000,000	0	900,000,000	0
MIZUHO BANK, LTD. NEW YORK BRANCH	06/29/22	06/28/22	06/28/22	325,000,000	325,000,000	0	325,000,000	0
<b>Total Deposits</b>				<b>20,975,000,000</b>	<b>20,975,000,000</b>	<b>0</b>	<b>20,975,000,000</b>	<b>0</b>
<b>Maturities</b>								
ALBION CAPITAL LLC CPABS4	06/07/22	06/07/22	06/07/22	55,197,000	55,197,000	0	55,197,000	0
ALBION CAPITAL LLC CPABS4	06/15/22	06/15/22	06/15/22	52,605,000	52,605,000	0	52,605,000	0
ALBION CAPITAL LLC CPABS4	06/29/22	06/29/22	06/29/22	52,989,000	52,989,000	0	52,989,000	0
ANGLESEA FUNDING LLC CPABS4	06/06/22	06/06/22	06/06/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/07/22	06/07/22	06/07/22	100,000,000	100,000,000	0	100,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/16/22	06/16/22	06/16/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/21/22	06/21/22	06/21/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/22/22	06/22/22	06/22/22	70,000,000	70,000,000	0	70,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/23/22	06/23/22	06/23/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/24/22	06/24/22	06/24/22	50,000,000	50,000,000	0	50,000,000	0
ANGLESEA FUNDING LLC CPABS4	06/27/22	06/27/22	06/27/22	80,000,000	80,000,000	0	80,000,000	0
ANTALIS S.A. CPABS4CPABS4	06/09/22	06/09/22	06/09/22	25,200,000	25,200,000	0	25,200,000	0
ANTALIS S.A. CPABS4CPABS4	06/13/22	06/13/22	06/13/22	30,000,000	30,000,000	0	30,000,000	0



## TRADING ACTIVITY FOR JUNE 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
ANTALIS S.A. CPABS4CPABS4	06/21/22	06/21/22	06/21/22	59,950,000	59,950,000	0	59,950,000	0
ATLANTIC ASSET SECUCPABS4	06/08/22	06/08/22	06/08/22	30,000,000	30,000,000	0	30,000,000	0
ATLANTIC ASSET SECUCPABS4	06/17/22	06/17/22	06/17/22	50,000,000	50,000,000	0	50,000,000	0
ATLANTIC ASSET SECUCPABS4	06/21/22	06/21/22	06/21/22	100,000,000	100,000,000	0	100,000,000	0
ATLANTIC ASSET SECUCPABS4	06/23/22	06/23/22	06/23/22	30,000,000	30,000,000	0	30,000,000	0
BANK OF MONTREAL CDCDYAN	06/21/22	06/21/22	06/21/22	75,000,000	75,000,000	0	75,000,000	0
BARTON CAPITAL S.A.CPABS4	06/03/22	06/03/22	06/03/22	50,000,000	50,000,000	0	50,000,000	0
BARTON CAPITAL S.A.CPABS4	06/13/22	06/13/22	06/13/22	65,000,000	65,000,000	0	65,000,000	0
BARTON CAPITAL S.A.CPABS4	06/15/22	06/15/22	06/15/22	25,000,000	25,000,000	0	25,000,000	0
BARTON CAPITAL S.A.CPABS4	06/22/22	06/22/22	06/22/22	25,000,000	25,000,000	0	25,000,000	0
BEDFORD ROW FUNDINGCPABS4	06/08/22	06/08/22	06/08/22	100,000,000	100,000,000	0	100,000,000	0
BEDFORD ROW FUNDINGCPABS4	06/21/22	06/21/22	06/21/22	110,000,000	110,000,000	0	110,000,000	0
BENNINGTON STARK CACPABS4	06/06/22	06/06/22	06/06/22	75,000,000	75,000,000	0	75,000,000	0
BENNINGTON STARK CACPABS4	06/13/22	06/13/22	06/13/22	40,000,000	40,000,000	0	40,000,000	0
BENNINGTON STARK CACPABS4	06/15/22	06/15/22	06/15/22	50,000,000	50,000,000	0	50,000,000	0
BENNINGTON STARK CACPABS4	06/21/22	06/21/22	06/21/22	40,000,000	40,000,000	0	40,000,000	0
BENNINGTON STARK CACPABS4	06/22/22	06/22/22	06/22/22	75,000,000	75,000,000	0	75,000,000	0
BENNINGTON STARK CACPABS4	06/28/22	06/28/22	06/28/22	40,000,000	40,000,000	0	40,000,000	0
BENNINGTON STARK CACPABS4	06/29/22	06/29/22	06/29/22	100,000,000	100,000,000	0	100,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/01/22	06/01/22	06/01/22	100,000,000	100,000,000	0	100,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/07/22	06/07/22	06/07/22	5,000,000	5,000,000	0	5,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/08/22	06/08/22	06/08/22	100,000,000	100,000,000	0	100,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/15/22	06/15/22	06/15/22	20,000,000	20,000,000	0	20,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/22/22	06/22/22	06/22/22	20,000,000	20,000,000	0	20,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/23/22	06/23/22	06/23/22	50,000,000	50,000,000	0	50,000,000	0
BNG BANK N.V. CP4-2CP4-2	06/30/22	06/30/22	06/30/22	100,000,000	100,000,000	0	100,000,000	0
CAISSE D'AMORTISSEMP	06/28/22	06/28/22	06/28/22	100,000,000	100,000,000	0	100,000,000	0
CHARIOT FUNDING LLCPCPABS4	06/16/22	06/16/22	06/16/22	80,000,000	80,000,000	0	80,000,000	0
CHARTA, LLC CPABS4-CPABS4	06/09/22	06/09/22	06/09/22	75,000,000	75,000,000	0	75,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/01/22	06/01/22	06/01/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/02/22	06/02/22	06/02/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/03/22	06/03/22	06/03/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/06/22	06/06/22	06/06/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/07/22	06/07/22	06/07/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/08/22	06/08/22	06/08/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/09/22	06/09/22	06/09/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/10/22	06/10/22	06/10/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/13/22	06/13/22	06/13/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/14/22	06/14/22	06/14/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/15/22	06/15/22	06/15/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/16/22	06/16/22	06/16/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/17/22	06/17/22	06/17/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/21/22	06/21/22	06/21/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/22/22	06/22/22	06/22/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/23/22	06/23/22	06/23/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/24/22	06/24/22	06/24/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/27/22	06/27/22	06/27/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/28/22	06/28/22	06/28/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/29/22	06/29/22	06/29/22	550,000,000	550,000,000	0	550,000,000	0
CHESHAM FINANCE LLCPCPABS4	06/30/22	06/30/22	06/30/22	550,000,000	550,000,000	0	550,000,000	0
COLLATERALIZED COMMPCPABS4	06/02/22	06/02/22	06/02/22	50,000,000	50,000,000	0	50,000,000	0
COLLATERALIZED COMMPCPABS4	06/06/22	06/06/22	06/06/22	65,000,000	65,000,000	0	65,000,000	0
COLLATERALIZED COMMPCPABS3	06/22/22	06/22/22	06/22/22	50,000,000	50,000,000	0	50,000,000	0
CREDIT AGRICOLE CORCDYAN	06/07/22	06/07/22	06/07/22	450,000,000	450,000,000	0	450,000,000	0
CREDIT AGRICOLE CORCDYAN	06/15/22	06/15/22	06/15/22	340,000,000	340,000,000	0	340,000,000	0
CREDIT AGRICOLE CORCDYAN	06/23/22	06/23/22	06/23/22	350,000,000	350,000,000	0	350,000,000	0
CREDIT AGRICOLE CORCDYAN	06/28/22	06/28/22	06/28/22	5,000,000	5,000,000	0	5,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/02/22	06/02/22	06/02/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/03/22	06/03/22	06/03/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/06/22	06/06/22	06/06/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/07/22	06/07/22	06/07/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/08/22	06/08/22	06/08/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/09/22	06/09/22	06/09/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/10/22	06/10/22	06/10/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/13/22	06/13/22	06/13/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/14/22	06/14/22	06/14/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/15/22	06/15/22	06/15/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/16/22	06/16/22	06/16/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/17/22	06/17/22	06/17/22	900,000,000	900,000,000	0	900,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/28/22	06/28/22	06/28/22	160,000,000	160,000,000	0	160,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/29/22	06/29/22	06/29/22	300,000,000	300,000,000	0	300,000,000	0
CREDIT INDUSTRIEL ECP4-2	06/30/22	06/30/22	06/30/22	300,000,000	300,000,000	0	300,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/01/22	06/01/22	06/01/22	945,000,000	945,000,000	0	945,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/02/22	06/02/22	06/02/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/03/22	06/03/22	06/03/22	200,000,000	200,000,000	0	200,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/06/22	06/06/22	06/06/22	500,000,000	500,000,000	0	500,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/07/22	06/07/22	06/07/22	600,000,000	600,000,000	0	600,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/08/22	06/08/22	06/08/22	720,000,000	720,000,000	0	720,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/09/22	06/09/22	06/09/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/10/22	06/10/22	06/10/22	800,000,000	800,000,000	0	800,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/13/22	06/13/22	06/13/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/14/22	06/14/22	06/14/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/15/22	06/15/22	06/15/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/16/22	06/16/22	06/16/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/17/22	06/17/22	06/17/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/21/22	06/21/22	06/21/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/22/22	06/22/22	06/22/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/23/22	06/23/22	06/23/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/24/22	06/24/22	06/24/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/27/22	06/27/22	06/27/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/28/22	06/28/22	06/28/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/29/22	06/29/22	06/29/22	900,000,000	900,000,000	0	900,000,000	0
DZ BANK AG DEUTSCHECP4-2	06/30/22	06/30/22	06/30/22	900,000,000	900,000,000	0	900,000,000	0

# TRADING ACTIVITY FOR JUNE 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
GOTHAM FUNDING CORPCPAB54	06/21/22	06/21/22	06/21/22	50,000,000	50,000,000	0	50,000,000	0
GOTHAM FUNDING CORPCPAB54	06/23/22	06/23/22	06/23/22	50,000,000	50,000,000	0	50,000,000	0
GTA FUNDING LLC	06/09/22	06/09/22	06/09/22	60,000,000	60,000,000	0	60,000,000	0
J.P. MORGAN SECURITCP4-2	06/06/22	06/06/22	06/06/22	50,000,000	50,000,000	0	50,000,000	0
JUPITER SECURITIZATCPAB54	06/08/22	06/08/22	06/08/22	115,000,000	115,000,000	0	115,000,000	0
JUPITER SECURITIZATCPAB54	06/09/22	06/09/22	06/09/22	100,000,000	100,000,000	0	100,000,000	0
JUPITER SECURITIZATCPAB54	06/15/22	06/15/22	06/15/22	107,730,000	107,730,000	0	107,730,000	0
JUPITER SECURITIZATCPAB54	06/27/22	06/27/22	06/27/22	56,611,000	56,611,000	0	56,611,000	0
LMA-AMERICAS LLC CPCPAB54	06/13/22	06/13/22	06/13/22	49,100,000	49,100,000	0	49,100,000	0
LMA-AMERICAS LLC CPCPAB54	06/15/22	06/15/22	06/15/22	50,000,000	50,000,000	0	50,000,000	0
MATCHPOINT FINANCE CPAB54	06/24/22	06/24/22	06/24/22	100,000,000	100,000,000	0	100,000,000	0
MATCHPOINT FINANCE PLC	06/22/22	06/22/22	06/22/22	25,000,000	25,000,000	0	25,000,000	0
MISSISSIPPI BUSINESS FINANCE CORP	06/01/22	06/01/22	06/01/22	10,000,000	10,000,000	0	10,000,000	0
MUFG BANK LTD, CPCP	06/16/22	06/16/22	06/16/22	120,000,000	120,000,000	0	120,000,000	0
NRWBANK CP4-2CP4-2	06/24/22	06/24/22	06/24/22	100,000,000	100,000,000	0	100,000,000	0
NATIONWIDE BUILDINGCP4-2	06/10/22	06/10/22	06/10/22	350,000,000	350,000,000	0	350,000,000	0
NATIONWIDE BUILDINGCP4-2	06/13/22	06/13/22	06/13/22	310,000,000	310,000,000	0	310,000,000	0
NATIONWIDE BUILDINGCP4-2	06/21/22	06/21/22	06/21/22	115,000,000	115,000,000	0	115,000,000	0
NATIONWIDE BUILDINGCP4-2	06/23/22	06/23/22	06/23/22	375,000,000	375,000,000	0	375,000,000	0
NATIONWIDE BUILDINGCP4-2	06/28/22	06/28/22	06/28/22	100,000,000	100,000,000	0	100,000,000	0
NEDERLANDSEWATERSCCP4-2	06/17/22	06/17/22	06/17/22	27,000,000	27,000,000	0	27,000,000	0
OLD LINE FUNDING, LCPAB54	06/09/22	06/09/22	06/09/22	70,000,000	70,000,000	0	70,000,000	0
OLD LINE FUNDING, LCPAB54	06/22/22	06/22/22	06/22/22	75,000,000	75,000,000	0	75,000,000	0
REGATTA FUNDING CO,CPAB54	06/24/22	06/24/22	06/24/22	25,000,000	25,000,000	0	25,000,000	0
RIDGEFIELD FUNDING CO LLC	06/24/22	06/24/22	06/24/22	75,000,000	75,000,000	0	75,000,000	0
RIDGEFIELD FUNDING CPAB54	06/02/22	06/02/22	06/02/22	100,000,000	100,000,000	0	100,000,000	0
RIDGEFIELD FUNDING CPAB54	06/06/22	06/06/22	06/06/22	21,000,000	21,000,000	0	21,000,000	0
RIDGEFIELD FUNDING CPAB54	06/13/22	06/13/22	06/13/22	193,351,000	193,351,000	0	193,351,000	0
RIDGEFIELD FUNDING CPAB54	06/24/22	06/24/22	06/24/22	90,206,000	90,206,000	0	90,206,000	0
ROYAL BANK OF CANADCP4-2	06/21/22	06/21/22	06/21/22	83,500,000	83,500,000	0	83,500,000	0
SHEFFIELD RECEIVABCPAB54	06/06/22	06/06/22	06/06/22	40,000,000	40,000,000	0	40,000,000	0
SHEFFIELD RECEIVABCPAB54	06/09/22	06/09/22	06/09/22	200,000,000	200,000,000	0	200,000,000	0
SHEFFIELD RECEIVABCPAB54	06/14/22	06/14/22	06/14/22	83,652,000	83,652,000	0	83,652,000	0
SHEFFIELD RECEIVABCPAB54	06/17/22	06/17/22	06/17/22	150,000,000	150,000,000	0	150,000,000	0
STARBIRD FUNDING COCPAB54	06/22/22	06/22/22	06/22/22	25,000,000	25,000,000	0	25,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/16/22	06/16/22	06/16/22	200,000,000	200,000,000	0	200,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/02/22	06/02/22	06/02/22	50,000,000	50,000,000	0	50,000,000	0
SUMITOMO MITSUI TRUCDYAN	06/07/22	06/07/22	06/07/22	70,000,000	70,000,000	0	70,000,000	0
TORONTO-DOMINION BANK/NY	06/09/22	06/09/22	06/09/22	50,000,000	50,000,000	0	50,000,000	0
TORONTO DOMINION BACDYAN	06/09/22	06/09/22	06/09/22	100,000,000	100,000,000	0	100,000,000	0
TOTALENERGIES CAPITCP4-2	06/23/22	06/23/22	06/23/22	30,000,000	30,000,000	0	30,000,000	0
UNITEDHEALTH GROUP,CP4-2	06/29/22	06/29/22	06/29/22	120,000,000	120,000,000	0	120,000,000	0
MIZUHO TRIPARTY	06/01/22	06/01/22	06/01/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/01/22	06/01/22	06/01/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/01/22	06/01/22	06/01/22	133,000,000	133,000,000	0	133,000,000	0
MIZUHO TRIPARTY	06/02/22	06/02/22	06/02/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/02/22	06/02/22	06/02/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/02/22	06/02/22	06/02/22	4,000,000	4,000,000	0	4,000,000	0
MIZUHO TRIPARTY	06/03/22	06/03/22	06/03/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/03/22	06/03/22	06/03/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/03/22	06/03/22	06/03/22	72,000,000	72,000,000	0	72,000,000	0
MIZUHO TRIPARTY	06/06/22	06/06/22	06/06/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/06/22	06/06/22	06/06/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/06/22	06/06/22	06/06/22	340,000,000	340,000,000	0	340,000,000	0
MIZUHO TRIPARTY	06/07/22	06/07/22	06/07/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/07/22	06/07/22	06/07/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/07/22	06/07/22	06/07/22	35,000,000	35,000,000	0	35,000,000	0
MIZUHO TRIPARTY	06/08/22	06/08/22	06/08/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/08/22	06/08/22	06/08/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/08/22	06/08/22	06/08/22	74,000,000	74,000,000	0	74,000,000	0
MIZUHO TRIPARTY	06/09/22	06/09/22	06/09/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/09/22	06/09/22	06/09/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/09/22	06/09/22	06/09/22	24,000,000	24,000,000	0	24,000,000	0
MIZUHO TRIPARTY	06/10/22	06/10/22	06/10/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/10/22	06/10/22	06/10/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/10/22	06/10/22	06/10/22	775,000,000	775,000,000	0	775,000,000	0
MIZUHO TRIPARTY	06/13/22	06/13/22	06/13/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/13/22	06/13/22	06/13/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/13/22	06/13/22	06/13/22	329,000,000	329,000,000	0	329,000,000	0
MIZUHO TRIPARTY	06/14/22	06/14/22	06/14/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/14/22	06/14/22	06/14/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/14/22	06/14/22	06/14/22	445,000,000	445,000,000	0	445,000,000	0
MIZUHO TRIPARTY	06/15/22	06/15/22	06/15/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/15/22	06/15/22	06/15/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/15/22	06/15/22	06/15/22	79,000,000	79,000,000	0	79,000,000	0
MIZUHO TRIPARTY	06/16/22	06/16/22	06/16/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/16/22	06/16/22	06/16/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/16/22	06/16/22	06/16/22	148,000,000	148,000,000	0	148,000,000	0
MIZUHO TRIPARTY	06/17/22	06/17/22	06/17/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/17/22	06/17/22	06/17/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/17/22	06/17/22	06/17/22	215,000,000	215,000,000	0	215,000,000	0
MIZUHO TRIPARTY	06/21/22	06/21/22	06/21/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/21/22	06/21/22	06/21/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/21/22	06/21/22	06/21/22	96,000,000	96,000,000	0	96,000,000	0
MIZUHO TRIPARTY	06/22/22	06/22/22	06/22/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/22/22	06/22/22	06/22/22	85,000,000	85,000,000	0	85,000,000	0
MIZUHO TRIPARTY	06/23/22	06/23/22	06/23/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/23/22	06/23/22	06/23/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/23/22	06/23/22	06/23/22	70,000,000	70,000,000	0	70,000,000	0
MIZUHO TRIPARTY	06/24/22	06/24/22	06/24/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/24/22	06/24/22	06/24/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/24/22	06/24/22	06/24/22	258,000,000	258,000,000	0	258,000,000	0
MIZUHO TRIPARTY	06/27/22	06/27/22	06/27/22	150,000,000	150,000,000	0	150,000,000	0

## TRADING ACTIVITY FOR JUNE 2022

Description	Maturity Date	Trade Date	Settle Date	Par or Shares	Principal	Traded Interest	Settlement Amount	Realized Gain(Loss)
HSBC TRIPARTY	06/27/22	06/27/22	06/27/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/27/22	06/27/22	06/27/22	448,000,000	448,000,000	0	448,000,000	0
MIZUHO TRIPARTY	06/28/22	06/28/22	06/28/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/28/22	06/28/22	06/28/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/28/22	06/28/22	06/28/22	21,000,000	21,000,000	0	21,000,000	0
MIZUHO TRIPARTY	06/29/22	06/29/22	06/29/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/29/22	06/29/22	06/29/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/29/22	06/29/22	06/29/22	350,000,000	350,000,000	0	350,000,000	0
MIZUHO TRIPARTY	06/30/22	06/30/22	06/30/22	150,000,000	150,000,000	0	150,000,000	0
HSBC TRIPARTY	06/30/22	06/30/22	06/30/22	100,000,000	100,000,000	0	100,000,000	0
BANK OF AMERICA TRIPARTY	06/30/22	06/30/22	06/30/22	18,000,000	18,000,000	0	18,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/30/22	06/30/22	06/30/22	315,000,000	315,000,000	0	315,000,000	0
CREDIT AGRICOLE CIB	06/30/22	06/30/22	06/30/22	250,000,000	250,000,000	0	250,000,000	0
ABN AMRO BANK N.V.	06/01/22	06/01/22	06/01/22	650,000,000	650,000,000	0	650,000,000	0
RABOBANK NEW YORK	06/03/22	06/03/22	06/03/22	245,000,000	245,000,000	0	245,000,000	0
ABN AMRO BANK N.V.	06/03/22	06/03/22	06/03/22	295,000,000	295,000,000	0	295,000,000	0
RABOBANK NEW YORK	06/07/22	06/07/22	06/07/22	700,000,000	700,000,000	0	700,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/07/22	06/07/22	06/07/22	945,000,000	945,000,000	0	945,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/01/22	06/01/22	06/01/22	300,000,000	300,000,000	0	300,000,000	0
ABN AMRO BANK N.V.	06/02/22	06/02/22	06/02/22	340,000,000	340,000,000	0	340,000,000	0
ABN AMRO BANK N.V.	06/03/22	06/03/22	06/03/22	390,000,000	390,000,000	0	390,000,000	0
ABN AMRO BANK N.V.	06/09/22	06/09/22	06/09/22	250,000,000	250,000,000	0	250,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/03/22	06/03/22	06/03/22	275,000,000	275,000,000	0	275,000,000	0
ABN AMRO BANK N.V.	06/06/22	06/06/22	06/06/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	06/10/22	06/10/22	06/10/22	400,000,000	400,000,000	0	400,000,000	0
ABN AMRO BANK N.V.	06/13/22	06/13/22	06/13/22	285,000,000	285,000,000	0	285,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/07/22	06/07/22	06/07/22	160,000,000	160,000,000	0	160,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/14/22	06/14/22	06/14/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	06/13/22	06/13/22	06/13/22	450,000,000	450,000,000	0	450,000,000	0
RABOBANK NEW YORK	06/14/22	06/14/22	06/14/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/08/22	06/08/22	06/08/22	200,000,000	200,000,000	0	200,000,000	0
ABN AMRO BANK N.V.	06/16/22	06/16/22	06/16/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/10/22	06/10/22	06/10/22	215,000,000	215,000,000	0	215,000,000	0
ABN AMRO BANK N.V.	06/17/22	06/17/22	06/17/22	420,000,000	420,000,000	0	420,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/13/22	06/13/22	06/13/22	350,000,000	350,000,000	0	350,000,000	0
ABN AMRO BANK N.V.	06/21/22	06/21/22	06/21/22	290,000,000	290,000,000	0	290,000,000	0
RABOBANK NEW YORK	06/21/22	06/21/22	06/21/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/14/22	06/14/22	06/14/22	300,000,000	300,000,000	0	300,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/21/22	06/21/22	06/21/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	06/15/22	06/15/22	06/15/22	495,000,000	495,000,000	0	495,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/15/22	06/15/22	06/15/22	375,000,000	375,000,000	0	375,000,000	0
RABOBANK NEW YORK	06/16/22	06/16/22	06/16/22	495,000,000	495,000,000	0	495,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/16/22	06/16/22	06/16/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	06/23/22	06/23/22	06/23/22	495,000,000	495,000,000	0	495,000,000	0
ABN AMRO BANK N.V.	06/23/22	06/23/22	06/23/22	235,000,000	235,000,000	0	235,000,000	0
ABN AMRO BANK N.V.	06/24/22	06/24/22	06/24/22	420,000,000	420,000,000	0	420,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/21/22	06/21/22	06/21/22	600,000,000	600,000,000	0	600,000,000	0
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD.	06/28/22	06/28/22	06/28/22	900,000,000	900,000,000	0	900,000,000	0
RABOBANK NEW YORK	06/28/22	06/28/22	06/28/22	450,000,000	450,000,000	0	450,000,000	0
ABN AMRO BANK N.V.	06/27/22	06/27/22	06/27/22	290,000,000	290,000,000	0	290,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/22/22	06/22/22	06/22/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/23/22	06/23/22	06/23/22	600,000,000	600,000,000	0	600,000,000	0
RABOBANK NEW YORK	06/29/22	06/29/22	06/29/22	495,000,000	495,000,000	0	495,000,000	0
ABN AMRO BANK N.V.	06/30/22	06/30/22	06/30/22	235,000,000	235,000,000	0	235,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/24/22	06/24/22	06/24/22	450,000,000	450,000,000	0	450,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/27/22	06/27/22	06/27/22	700,000,000	700,000,000	0	700,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/28/22	06/28/22	06/28/22	600,000,000	600,000,000	0	600,000,000	0
MIZUHO BANK, LTD, NEW YORK BRANCH	06/29/22	06/29/22	06/29/22	325,000,000	325,000,000	0	325,000,000	0
Total Maturities				77,752,091,000	77,752,091,000	0	77,752,091,000	0
Sells								
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	04/01/40	06/01/22	06/01/22	1,100,000	1,100,000	1,154	1,101,154	0
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY	04/01/40	06/01/22	06/02/22	12,800,000	12,800,000	13,677	12,813,677	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/01/22	06/01/22	45,055	45,055	0	45,055	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/02/22	06/02/22	882,130	882,130	0	882,130	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/06/22	06/06/22	537,715	537,715	0	537,715	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/08/22	06/08/22	286,453	286,453	0	286,453	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/10/22	06/10/22	281,000	281,000	0	281,000	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/14/22	06/14/22	148,802	148,802	0	148,802	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/15/22	06/15/22	184,468	184,468	0	184,468	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/16/22	06/16/22	547,521	547,521	0	547,521	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/22/22	06/22/22	493,195	493,195	0	493,195	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/23/22	06/23/22	258,122	258,122	0	258,122	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/24/22	06/24/22	356,660	356,660	0	356,660	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/28/22	06/28/22	446,754	446,754	0	446,754	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/29/22	06/29/22	215,241	215,241	0	215,241	0
DREYFUS GOVT CASH MGMT FUND	03/01/27	06/30/22	06/30/22	375,542	375,542	0	375,542	0
Total Sells				18,958,660	18,958,660	14,830	18,973,490	0





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## **Our Mission**

Our mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

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# Global Governance Mandates

August 23, 2022 QUARTERLY UPDATE

Protecting Florida's Investments Act (PFIA)  
Scrutinized Companies that Boycott Israel  
MacBride Principles and Northern Ireland  
Cuba/Syria Proxy Voting Safeguards  
Venezuela Prohibited Investments

## Florida Statutes



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### ***About the State Board of Administration***

The statutory mandate of the State Board of Administration (SBA) is to invest, manage and safeguard assets of the Florida Retirement System (FRS) Trust Fund and a variety of other funds for state and local governments. FRS Trustees are dedicated to ensuring that the SBA invests assets and discharges its duties in accordance with Florida law, guided by strict policies and a code of ethics to ensure integrity, prudent risk management and top-tier performance. The SBA is an investment fiduciary under law, and subject to the stringent fiduciary duties and standards of care defined by the Employee Retirement Income Security Act of 1974 (ERISA), as incorporated into Florida law. The SBA has three Trustees: the Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary.

The FRS Pension Plan provides defined pension benefits to 1.1 million beneficiaries and retirees. The strong long-term performance of the FRS Pension Plan, the fourth-largest public pension fund in the nation, reflects our commitment to responsible fiscal management.

The SBA’s mission is to provide superior investment management and trust services by proactively and comprehensively managing risk and adhering to the highest ethical, fiduciary, and professional standards.

We encourage you to review additional information about the SBA and FRS on our website at [www.sbafla.com](http://www.sbafla.com).

### ***Section 1: Protecting Florida's Investments Act (PFIA)***

#### ***Summary***

On June 8, 2007, the PFIA was signed into law. The PFIA requires the State Board of Administration ("SBA"), acting on behalf of the Florida Retirement System Trust Fund (the "FRSTF"), to assemble and publish a list of "Scrutinized Companies" that have prohibited business operations in Sudan and Iran. Once placed on the list of Scrutinized Companies, the SBA and its investment managers are prohibited from acquiring those companies' securities and are required to divest those securities if the companies do not cease the prohibited activities or take certain compensating actions. The implementation of the PFIA by the SBA will not affect any FRSTF investments in U.S. companies. The PFIA will solely affect foreign companies with certain business operations in Sudan and Iran involving the petroleum or energy sector, oil or mineral extraction, power production or military support activities. This quarterly report is developed pursuant to Section 215.473 (4), Florida Statutes. Scrutinized activity in Sudan is defined by the Statutes as occurring within the "Government of Sudan," or the Republic of the Sudan that has its capital in Khartoum, Sudan. Note, the PFIA only applies to assets governed by Chapter 121 ("Florida Retirement System Act"), and therefore does not affect any non-FRS funds managed by the SBA.

#### ***Primary Requirements of the PFIA***

The PFIA created new reporting, engagement, and investment requirements for the SBA, including:

1. Quarterly reporting to the Board of Trustees of every equity security in which the SBA has invested for the quarter, along with its industry category. This report is posted on the SBA website.
2. Quarterly presentation to the Trustees of a Scrutinized Companies list for both Sudan and Iran for their approval. Scrutinized Company lists are available on the SBA's website, along with information on the FRSTF direct and indirect holdings of Scrutinized Companies.
3. Written notice to external investment managers of all PFIA requirements. Letters request that the managers of actively managed commingled vehicles (i.e., those with FRSTF and other clients' assets) consider removing Scrutinized Companies from the product or create a similar actively managed product that excludes such companies. Similar written requests must be provided to relevant investment managers within the defined contribution plan.
4. Written notice to any company with inactive business operations in Sudan or Iran, informing the company of the PFIA and encouraging it to continue to refrain from reinitiating active business operations. Such correspondence continues semiannually.
5. Written notice to any Scrutinized Company with active business operations, informing the company of its Scrutinized Company status and that it may become subject to divestment. The written notice must inform the company of the opportunity to clarify its Sudan-related or Iran-related activities and encourage the company, within 90 days, to cease its scrutinized business operations or convert such operations to inactive status.
6. A prohibition on further investment on behalf of the FRSTF in any Scrutinized Company once the Sudan and Iran scrutinized lists have been approved by the Trustees. All publicly traded securities of Scrutinized Companies must be divested within 12 months after the company's initial (and continued) appearance on the Scrutinized Companies list. Divestment does not apply to indirect holdings in actively managed commingled investment funds—i.e., where the SBA is not the sole investor in the fund. Private equity funds are considered to be actively managed.
7. Reporting to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives of Scrutinized Company lists within 30 days of creation, and public disclosure of each list.

8. Quarterly reporting of the following to each member of the Board of Trustees, the President of the Senate, the Speaker of the House of Representatives, the United States Presidential Special Envoy to Sudan, and the United States Presidential Special Envoy to Iran. The report is made publicly available and posted to the SBA's website.
  - a. A summary of correspondence with engaged companies;
  - b. A listing of all investments sold, redeemed, divested, or withdrawn;
  - c. A listing of all prohibited investments;
  - d. A description of any progress related to external managers offering PFIA compliant funds; and
  - e. A list of all publicly traded securities held directly by the State.
9. Adoption and incorporation into the FRSTF Investment Policy Statement (IPS) of SBA actions taken in accordance with the PFIA. Changes to the IPS are reviewed by the Investment Advisory Council (IAC) and approved by the Trustees.
10. Relevant Sudan portions of the PFIA are discontinued if the United States revokes all sanctions imposed against the government of Sudan, or if the Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that:
  - a. The Darfur genocide has been halted for at least 12 months; or
  - b. The government of Sudan has honored its commitments to cease attacks on civilians, demobilize and demilitarize the Janjaweed and associated militias, grant free and unfettered access for deliveries of humanitarian assistance, and allow for the safe and voluntary return of refugees and internally displaced persons; or
  - c. Mandatory divestment of the type provided for by the PFIA interferes with the conduct of U.S. foreign policy.
11. Relevant Iran portions of the PFIA are discontinued if either of the following occurs:
  - a. The Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism; or
  - b. The United States revokes all sanctions imposed against the government of Iran.
12. Cessation of divestment and/or reinvestment into previously divested companies may occur if the value of all FRSTF assets under management decreases by 50 basis points (0.5%) or more as a result of divestment. If cessation of divestment is triggered, the SBA is required to provide a written report to each member of the Board of Trustees, the President of the Senate, and the Speaker of the House of Representatives prior to initial reinvestment. Such condition is required to be updated semiannually.
13. In 2009, the Florida Legislature approved a bill requiring the SBA to identify and offer, by March 1, 2010, at least one terror-free investment product for the FRS Investment Plan. The product must allocate its funds among securities not subject to divestiture, as provided in F.S. 215.473.
14. As of July 1, 2014, Florida Statute 624.449 requires that a domestic insurer shall provide to the Office of Insurance Regulation on an annual basis a list of investments that the insurer has in companies included on the "Scrutinized Companies with Activities in Sudan List" and the "Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List." Additionally, F.S. 215.473(3)(e)(2) now exempts Exchange Traded Funds from the provisions of the PFIA.
15. As of July 1, 2014, Florida Statutes clarify that the recently created "Government of South Sudan" means the Republic of South Sudan, which has its capital in Juba, South Sudan. Scrutinized activity refers to the

“Government of Sudan,” which means the Republic of the Sudan that has its capital in Khartoum, Sudan. Within this report, “Sudan” refers to the latter.

16. As of July 1, 2016, the requirements for the expiration of PFIA divestment protocol were amended and new quarterly reporting requirements were implemented. Florida Statutes eliminated the following criteria for discontinuing Iran portions of the PFIA: The Congress or President of the United States affirmatively and unambiguously declares, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that mandatory divestment of the type provided for in this section interferes with the conduct of United States foreign policy.

### ***Definition of a Scrutinized Company***

The following is a brief review of the criteria on which the active business operations of companies must be judged, in accordance with subsection (1)(t) of Section 215.473, F.S.

#### ***Sudan:***

1. Have a material business relationship with the government of Sudan or a government-created project involving oil related, mineral extraction, or power generation activities, or
2. Have a material business relationship involving the supply of military equipment, or
3. Impart minimal benefit to disadvantaged citizens that are typically located in the geographic periphery of Sudan, or
4. Have been complicit in the genocidal campaign in Darfur.

#### ***Iran:***

1. Have a material business relationship with the government of Iran or a government-created project involving oil related or mineral extraction activities, or
2. Have made material investments with the effect of significantly enhancing Iran’s petroleum sector.

Affiliates of companies with scrutinized business operations are also subject to the requirements of the PFIA. An affiliated company is generally defined as any other company that either directly or indirectly controls, is controlled by or is under common control with the company conducting scrutinized active business operations. Control generally means the power to exercise a controlling influence over the management or policies of a company. As well, many companies have parent-subsidary relationships whereby a parent company may own several other companies. In such cases, the SBA has included any known parent and/or subsidiaries that can be clearly linked to a company with scrutinized active business operations. The SBA has used a 50 percent ownership threshold in determining whether companies are affiliated, examining parent company-subsidary ownership on a pro rata basis.

The SBA views companies which have explicit plans and activities related to discontinuation of active business operations as meeting the PFIA definition of substantial action. For all identified companies, the SBA will request information detailing what a company has actually done, if anything, to discontinue its active business operations or if it has pursued humanitarian efforts (applicable to Sudan only).

### ***SBA Scrutinized Companies Identification Methodology***

The SBA has developed two lists (the Sudan List and the Iran List) of Scrutinized Companies with active business operations. The lists are developed by principally relying on the research and findings of our “External Research Providers.” Below is a brief description of our External Research Providers, which are maintained to provide input from multiple sources.

1. **EIRIS Conflict Risk Network (CRN).** In May 2013, the Conflict Risk Network became part of EIRIS, a global provider of environmental, social, governance, and ethical performance of companies. EIRIS provides services to more than 150 asset owners and managers globally, with a staff of over 60, based primarily in London. CRN was formerly known as the Sudan Divestment Task Force (SDTF).

2. **MSCI ESG Research (MSCI).** MSCI delivers corporate governance analysis and research to institutional investors. Through its ESG Research unit, MSCI offers screening services with specific and unique components of state law pertaining to investments in sanctioned countries, including Sudan and Iran.
3. **ISS-Ethix (formerly IW Financial or IWF).** On January 5, 2017, Institutional Shareholder Services (ISS) announced its acquisition of IW Financial. Going forward, ISS-Ethix will be the ESG arm of ISS, providing environmental and social research for responsible investing. IWF, in partnership with Conflict Securities Advisory Group (CSAG), has been a long-time provider of information on the business ties of publicly traded companies in Sudan and Iran.
4. **Sustainalytics, Inc.** Sustainalytics provides environmental, social and governance research and analysis, sustainability benchmarks, and investment services, and is the result of the merger between Jantzi Research, Inc. and Sustainalytics in 2009. Sustainalytics' company database, "Sustainalytics Global Platform," covers business operations in both Iran and Sudan.

Staff members within the Investment Programs & Governance unit, as well as other senior investment staff, review the assessments of the External Research Providers and other publicly available information. The SBA has utilized the following sources to evaluate over 400 companies and affiliates with reported links to Sudan or Iran:

Company disclosures:

- SEC filings (DEF 14A Proxy Statements, 10-K & 20-F Annual Reports, etc.)
- Investor Relations/company websites
- Industry publications and analyst research

Investment/Finance Organizations:

- Other Institutional Investors/Private Investors

U.S. Government Agencies:

- U.S. Department of State
- U.S. Treasury, Office of Foreign Asset Control (OFAC)
- U.S. Government Accountability Office (GAO)
- Dept. of Energy, Energy Information Administration (EIA)
- Congressional Research Service (CRS), Library of Congress

Other Sources:

- SBA External Investment Managers
- U.S. Federal Sanctions Laws covering State Sponsors of Terror
- Non-Governmental Organizations (NGOs)

Using the previous information sources, the SBA has developed two separate categorizations of a company's involvement in Sudan and/or Iran.

1. **"Scrutinized"** — Information provided by several External Research Providers indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473 (1)(t)1., 2., or 3, Florida Statutes [Sudan] or Section 215.473 (4)(t)1, Florida Statutes [Iran]. Upon SBA review, no other information sources clearly contradict the conclusions of the External Research Providers.
2. **"Continued Examination"** — At least one External Research Provider indicates that a company meets the classification of a Scrutinized Company as defined by the PFIA as set forth in Section 215.473, (1)(t)1., 2., or 3, Florida Statutes [Sudan] or Section 215.473, (4)(t)1, Florida Statute [Iran]. In other words, the External Research Providers do not agree on the status of a company and the SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the differences. For companies classified as "Continued Examination," the SBA will begin an engagement process to clarify each firm's current business relationships.

**SUDAN Changes since the Previous PFIA Quarterly Report**

(see the following page for IRAN changes)

Companies added to the **Sudan** Scrutinized List this quarter:

- **Perseus Mining Ltd**
  - Perseus Mining has been added due to its May 2022 acquisition of Orca Gold, a company on the Sudan Scrutinized List.

Companies removed from the **Sudan** Scrutinized List this quarter:

- None

Companies added to the **Sudan** Continued Examination List this quarter:

- None

Companies removed from the **Sudan** Continued Examination List this quarter:

- None

**Recent Developments in Sudan**

July 30, 2022 — Tribal conflicts and uncertainty surrounding military control of the government of Sudan continued to lead to instability in the region.



**IRAN Changes since the Previous PFIA Quarterly Report**

(see the previous page for SUDAN changes)

Companies added to the **Iran** Scrutinized List this quarter:

- None

Companies removed from the **Iran** Scrutinized List this quarter:

- None

Companies added to the **Iran** Continued Examination List this quarter:

- None

Companies removed from the **Iran** Continued Examination List this quarter:

- None

**Quarterly Status Update Regarding Potential IRAN Expiration**  
**Florida Statutes, 215.473 (5) EXPIRATION (b) subparagraphs 1. and 2.**

Florida Statutes require a quarterly update on events relating to the status of expiration clauses 1 and 2, which are copied below in their entirety:

***F.S. 215.473(5)(b): If either of the following occurs, the board may no longer scrutinize companies according to subparagraph (1)(v)4., may no longer assemble the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, and shall cease engagement, investment prohibitions, and divestment:***

***1. The Congress or President of the United States affirmatively and unambiguously states, by means including, but not limited to, legislation, executive order, or written certification from the President to Congress, that the government of Iran has ceased to acquire weapons of mass destruction and support international terrorism;***

Update:

No updates reported this quarter (see note on clause 2 below).

**Or**

***2. The United States revokes all sanctions imposed against the government of Iran.***

Update:

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) enacted a series of additional sanctions on individuals and companies related to Iran, with actions taken on June 16, July 6, and August 1, 2022.

Source: <https://www.state.gov/iran-sanctions/>

**Table 1: *Scrutinized Companies with Activities in SUDAN***  
*(New companies on the list are shaded and in bold.)*

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
Al-Enmaa Real Estate Co	Kuwait	June 4, 2019
Aviation Industry Corporation of China (AVIC)	China	September 24, 2019
AviChina Industry & Technology	China	June 4, 2019
AVIC Electromechanical Systems Co Ltd	China	September 24, 2019
AVIC International Finance Ltd	China	September 24, 2019
AVIC International Holdings Ltd (formerly listed as AVIC International)	China	June 4, 2019
Bank of Kunlun Co Ltd	China	March 7, 2018
Chennai Petroleum Corp Ltd	India	September 19, 2007
China Avionics Systems	China	June 4, 2019
China National Petroleum Corporation (CNPC)	China	December 11, 2012
China Petrochemical Corporation (Sinopec Group)	China	December 3, 2019
China Petroleum & Chemical Corp (CPCC) Sinopec	China	September 19, 2007
China Petroleum Engineering Corp	China	March 7, 2018
CNPC Capital Company Limited	China	June 14, 2017
CNPC General Capital Ltd	China	June 26, 2012
CNPC Global Capital Limited	China	December 15, 2020
CNPC HK Overseas Capital Ltd	China	June 16, 2011
Daqing Huake Group Co Ltd	China	March 25, 2008
Egypt Kuwait Holding Co. SAE	Kuwait	January 13, 2009
Energy House Holding Company	Kuwait	July 28, 2009
Engen Botswana	Botswana	March 24, 2015
FACC AG	Austria	June 4, 2019
Gas District Cooling (Putrajaya) Sdn Bhd	Malaysia	April 14, 2009
Harbin Electric Co. Ltd.	China	September 19, 2007
Hindustan Petroleum Corporation Ltd	India	June 13, 2018
Indian Oil Corp Ltd (IOCL)	India	September 19, 2007
Jiangxi Hongdu Aviation	China	September 19, 2007
KLCC Property Holdings Bhd	Malaysia	April 14, 2009
Kunlun Energy Company Ltd	Hong Kong	September 19, 2007
Kunlun Financial Leasing Co Ltd	China	March 7, 2018
Kuwait Finance House	Kuwait	April 14, 2009
Lanka IOC Ltd	India	September 19, 2007
Malaysia Marine & Heavy Engineering Holdings Bhd	Malaysia	March 18, 2014
Managem SA	Morocco	November 9, 2010
Mangalore Refinery & Petrochemicals Ltd	India	September 19, 2007

Scrutinized Company: Sudan	Country of Incorporation	Date of Initial Scrutinized Classification
MISC Bhd	Malaysia	September 19, 2007
Oil India Ltd	India	September 18, 2012
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014
Orca Gold Inc	Canada	December 9, 2014
<b>Perseus Mining Ltd</b>	<b>Australia</b>	<b>August 23, 2022</b>
PetroChina	China	September 19, 2007
Petroleum Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Petronas Global Sukuk	Malaysia	August 2, 2016
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd	China	September 24, 2013
Sinopec Century Bright Capital Investment Ltd	China	December 3, 2019
Sinopec Engineering Group Co Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2018 Ltd	China	December 15, 2020
Sinopec Group Overseas Development 2017 Ltd	China	September 11, 2019
Sinopec Group Overseas Development 2016 Ltd	China	August 2, 2016
Sinopec Group Overseas Development 2015 Ltd	China	December 15, 2020
Sinopec Group Overseas Development 2014 Ltd	China	March 7, 2018
Sinopec Group Overseas Development 2013 Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2012 Ltd	China	March 7, 2018
Sinopec Kantons Holdings Ltd	Bermuda	September 19, 2007
Sinopec Oilfield Equipment Corporation	China	April 14, 2009
Sinopec Oilfield Service Corp	China	March 25, 2008
Sinopec Shanghai Petrochemical	China	September 19, 2007
Societe Metallurgique D'imitier	Morocco	November 9, 2010
<b># of Sudan Scrutinized Companies</b>	<b>64</b>	

The following companies were removed from the **SUDAN Scrutinized List** during the quarter:

Removed Company	Country of Incorporation
<b>No companies removed this quarter.</b>	

**Table 2: Continued Examination Companies with Activities in SUDAN**  
*(New companies on the list are shaded and in bold.)*

<b>Continued Examination Company: Sudan</b>	<b>Country of Incorporation</b>
Bharat Heavy Electricals, Ltd	India
China Gezhouba Group Company Ltd	China
Dongfeng Motor Group Co Ltd	China
Dongan Motor (aka Harbin Dongan Auto Engine)	China
Glencore Xstrata PLC	Switzerland
Power Construction Corporation of China Ltd. (fka Sinohydro)	China
Shanghai Electric Group Co.	China
<b># of Sudan Continued Examination Companies</b>	<b>7</b>

The following companies were **removed** from the **SUDAN Continued Examination List** during the quarter:

<b>Removed Company</b>	<b>Country of Incorporation</b>
<b><i>No companies removed this quarter.</i></b>	

**Table 3: Scrutinized Companies with Activities in the IRAN Petroleum Energy Sector***New companies on the list are shaded and in bold.*

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
Bank of Kunlun Co Ltd	China	March 7, 2018
China BlueChemical Ltd.	China	March 19, 2013
China National Petroleum Corporation (CNPC)	China	December 11, 2012
China Oilfield Services Ltd.	China	June 16, 2011
China Petrochemical Corporation (Sinopec Group)	China	December 3, 2019
China Petroleum & Chemical Corp (CPCC) Sinopec	China	September 19, 2007
China Petroleum Engineering Corp	China	March 7, 2018
CNOOC Ltd.	China	June 16, 2011
CNOOC Curtis Funding No.1 Pty Ltd	Australia	October 17, 2017
CNOOC Energy Technology & Services Ltd	China	June 15, 2021
CNOOC Finance Limited	China	September 24, 2013
CNOOC Nexen Finance	Canada	October 17, 2017
CNPC Capital Company Limited	China	June 14, 2017
CNPC General Capital Ltd	China	December 6, 2016
CNPC Global Capital Limited	China	December 15, 2020
CNPC HK Overseas Capital Ltd.	China	June 16, 2011
COSL Finance (BVI) Limited	China	September 24, 2013
COSL Singapore Capital Ltd	Singapore	December 4, 2018
Engen Botswana	Botswana	March 24, 2015
Gas District Cooling (Putrajaya) Sdn Bhd	Malaysia	April 14, 2009
Gazprom	Russia	September 19, 2007
Gazprom Neft	Russia	September 16, 2008
Gazprom Promgaz	Russia	June 4, 2019
GPN Capital SA	Luxembourg	June 4, 2019
Hindustan Petroleum Corporation Ltd	India	June 13, 2018
Indian Oil Corp Ltd (IOCL)	India	September 19, 2007
KLCC Property Holdings Bhd	Malaysia	April 14, 2009
Kunlun Energy Company Ltd.	Hong Kong	September 19, 2007
Kunlun Financial Leasing Co Ltd	China	March 7, 2018
Malaysia Marine & Heavy Engineering Holdings Bhd	Malaysia	March 18, 2014
Mangalore Refinery & Petrochemicals Ltd.	India	March 19, 2013
MISC Bhd	Malaysia	September 19, 2007
Mosenergo	Russia	September 16, 2008
Oil & Natural Gas Corp (ONGC)	India	September 19, 2007
ONGC Videsh Limited (OVL)	India	March 18, 2014

Scrutinized Company: Iran	Country of Incorporation	Date of Initial Scrutinized Classification
PetroChina	China	September 19, 2007
Petroliaam Nasional (Petronas)	Malaysia	September 19, 2007
Petronas Capital Limited	Malaysia	September 19, 2007
Petronas Chemicals Bhd	Malaysia	June 16, 2011
Petronas Dagangan Bhd	Malaysia	September 19, 2007
Petronas Gas Berhad	Malaysia	September 19, 2007
Petronas Global Sukuk	Malaysia	August 2, 2016
Putrajaya Management Sdn Bhd	Malaysia	March 18, 2014
Sinopec Capital 2013 Ltd.	China	March 18, 2014
Sinopec Century Bright Capital Investment Ltd	China	December 3, 2019
Sinopec Engineering Group Co Ltd.	China	March 18, 2014
Sinopec Group Overseas Development 2018 Ltd	China	December 15, 2020
Sinopec Group Overseas Development 2017 Ltd	China	September 11, 2019
Sinopec Group Overseas Development 2016 Ltd	China	August 2, 2016
Sinopec Group Overseas Development 2015 Ltd	China	December 15, 2020
Sinopec Group Overseas Development 2014 Ltd	China	March 7, 2018
Sinopec Group Overseas Development 2013 Ltd	China	March 18, 2014
Sinopec Group Overseas Development 2012 Ltd	China	March 7, 2018
Sinopec Kantons Holdings Ltd.	Bermuda	September 19, 2007
Sinopec Oilfield Equipment Corporation	China	September 29, 2015
Sinopec Oilfield Service Corp	China	March 25, 2008
Sinopec Shanghai Petrochemical	China	September 19, 2007
Territorial Generating Company No 1	Russia	June 4, 2019
<b># of Iran Scrutinized Companies</b>	<b>58</b>	

The following companies were **removed** from the **IRAN Scrutinized List** during the quarter:

Removed Company	Country of Incorporation
<b>No companies removed this quarter.</b>	



**Table 4: Continued Examination Companies with Petroleum Energy Activities in IRAN***New companies on the list are shaded and in bold.*

<b>Continued Examination Company: Iran</b>	<b>Country of Incorporation</b>
China Nonferrous Metal Industry's Foreign Engineering and Construction	China
GS Engineering & Construction Corp.	South Korea
GS Holdings	South Korea
Petronet LNG Ltd.	India
<b># of Iran Continued Examination Companies</b>	<b>4</b>

The following companies were **removed** from the **IRAN Continued Examination List** during the quarter:

<b>Removed Company</b>	<b>Country of Incorporation</b>
<b>No companies removed this quarter.</b>	

**Table 5: Correspondence & Engagement Efforts with Scrutinized Companies**

In accordance with Section 215.473(3)(a), F.S., the SBA began to engage companies on the September 19, 2007 Scrutinized Company lists. The SBA sent letters to each Scrutinized Company that was owned and held as of September 19, 2007, per the requirements of the law.

The SBA also sent written communication to other scrutinized firms since the initial company engagement effort in September 2007. Each letter encouraged the company to cease any active business operations within 90 days or convert such operations to inactive status to avoid qualifying for divestment by the SBA. In addition, the SBA sent a second letter to scrutinized companies on January 25, 2008, again requesting companies to provide all information necessary to avoid divestment.

On September 30, 2008, the SBA sent a follow-up letter to all Scrutinized Companies. Although, these companies are no longer held by the SBA, the September 30, 2008 letter was intended to once again provide notice of the requirements of the PFIA. Since our original correspondence, several companies on the scrutinized list have replied with valuable information. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Status
ABB	Yes; January 29, 2009	Removed from Sudan Scrutinized List
Alstom	Yes; October 1, 2007 and October 25, 2011	Removed from Sudan Scrutinized and CE Lists
Bharat Heavy Electricals Limited	Yes; October 4, 2007	Moved to Sudan Continued Examination List
Bow Valley Energy	Yes; October 22, 2008	Removed from Iran Scrutinized List
Chennai Petroleum Corporation Limited	Yes; October 16, 2008	Sudan Scrutinized Classification Continues
China Petroleum & Chemical Corp (Sinopec)	No	Iran & Sudan Scrutinized Classification Continues
CNOOC Ltd	Yes; October 28, 2008	Iran Scrutinized Classification Continues
Daelim Industrial Co Ltd.	Yes, November 13, 2018	Removed from Iran Scrutinized List
Dongfeng Motor Group Co. Ltd.	No	Moved to Sudan Continued Examination List
Electricity Generating Public Co	No	Removed from Sudan Scrutinized List
ENI	Yes; February 13, 2008 and May 13, 2011	Removed from Iran Scrutinized and CE Lists
GAIL (India) Limited, aka GAIL Ltd.	Yes; October 5, 2010	Removed from Iran Scrutinized and CE Lists
Gazprom	Yes; November 1, 2007 and August 18, 2014	Iran Scrutinized Classification Continues
Gazprom Neft	Yes; August 15, 2013	Iran Scrutinized as subsidiary of Gazprom
Harbin Electric Co. (fka Harbin Power Equipment)	No	Sudan Scrutinized Classification Continues
Indian Oil Corp Ltd (IOCL)	No	Iran & Sudan Scrutinized Classification Continues
Inpex Corp.	Yes; October 15, 2007 and July 11, 2011	Removed from Iran Scrutinized List
Kencana Petroleum	Yes; October 31, 2008	Removed from Sudan Scrutinized and CE Lists
Korea Electric Power (and subsidiaries, KEPCO Plant/Korea Plant)	Yes; December 27, 2011	Removed from Sudan Scrutinized List
Kunlun Energy Company Ltd. (fka: CNPC Hong Kong Limited)	Yes; October 5, 2007 and May 24, 2008	Iran & Sudan Scrutinized Classification Continues
Lukoil OAO	Yes; October 8, 2007	Removed from Iran Scrutinized and CE Lists
Lundin Petroleum AB	Yes; October 17, 2008	Removed from Sudan Scrutinized List

Company	Company Responsive to SBA Communications	Status
Lundin International SA	No	Removed from Sudan Scrutinized List
Malaysia Marine & Heavy Engineering Holdings Bhd	Yes; November 14, 2014	Iran & Sudan Scrutinized Classification Continues
Mangalore Refinery & Petrochemicals Ltd	Yes; March 8, 2013	Iran & Sudan Scrutinized Classification Continues
MISC Bhd	Yes; August 23, 2018; Jan 10, 2019; May 16, 2022	Iran & Sudan Scrutinized Classification Continues
Norsk Hydro	Yes; November 30, 2007	Removed from Iran Scrutinized List
Oil & Natural Gas Corp (ONGC)	Yes; July 23, 2014	Iran & Sudan Scrutinized Classification Continues
OMV AG	Yes; November 6, 2007 and April 14, 2010	Removed from Iran Scrutinized and CE Lists
PetroChina	Yes; December 22, 2008	Iran & Sudan Scrutinized Classification Continues
Petroleo Brasileiro (Petrobras)	Yes; January 13, 2010	Removed from Iran Scrutinized List
Petroleum Nasional (Petronas)	Yes; July 6, 2015	Iran & Sudan Scrutinized Classification Continues
Putrajaya Management Sdn Bhd	Yes; September 5, 2014	Iran & Sudan Scrutinized Classification Continues
Ranhill Bhd	Yes; October 22, 2008	Removed from Sudan Scrutinized List
Repsol YPF	Yes; October 15, 2007; January 2013	Removed from Iran Scrutinized and CE Lists
Royal Dutch Shell PLC	Yes; October 5, 2007; January 27, 2011; April 13, 2011	Removed from Iran Scrutinized and CE Lists
Sinopec Century Bright Capital	Yes; June 4, 2020	Iran & Sudan Scrutinized Classification Continues
Sinopec Kantons Holdings Ltd.	No	Iran & Sudan Scrutinized Classification Continues
Sinopec Shanghai Petrochemical Company	No	Iran & Sudan Scrutinized Classification Continues
Snam Rete Gas	Yes; October 9, 2008	Removed from Iran Scrutinized Classification
Statoil ASA (fka: StatoilHydro)	Yes; February 4, 2008; January 24, 2011; June 16, 2011	Removed from Iran Scrutinized and CE Lists
Total Capital	Yes; January 26, 2011 and April 25, 2011	Removed from Iran Scrutinized and CE Lists
Total SA	Yes; October 12, 2007; October 29, 2010; April 25, 2011	Removed from Iran Scrutinized List
Wärtsilä Oyj	Yes; December 4, 2007	Moved to Sudan Continued Examination List

**Table 6: Correspondence & Engagement Efforts with Continued Examination Companies**

In addition to Scrutinized Companies, the SBA engaged companies on our initial September 19, 2007 Continued Examination company lists. The SBA also sent written communication to firms added to the Continued Examination list since the initial company engagement effort in September 2007. Such companies were asked to provide information to the SBA in order to assist us in determining the extent of their activities, if any, in Sudan and Iran. The SBA sent a follow-up letter to all companies on September 30, 2008. Each company's response and classification is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Continued Examination Status
Actividades de Construcción y Servicios S.A.(ACS)	No	Removed from Iran List
Aggreko PLC	Yes; January 28, 2008	Removed from Iran List
Air Liquide	Yes; November 30, 2007 January 28, 2008	Removed from Iran List
Aker Solutions ASA (fka Aker Kvaerner ASA)	No	Removed from Iran List
AREF Investment Group	No	Removed from Sudan List
Areva SA	Yes; October 27, 2008 December 29, 2009	Removed from Sudan List
Bauer Aktiengesellschaft	Yes; March 13, 2008	Removed from Sudan List
BG Group	Yes; November 23, 2007	Removed from Iran List
Bharat Electronics Limited	No	Removed from Sudan CE List
Bolloré Group	No	Removed from Sudan CE
Costain Group PLC	Yes; November 5, 2007	Removed from Iran List
Daelim Industrial Co Ltd.	Yes; November 13, 2018	Removed from Iran List
Engineers India Ltd.	Yes; October 16, 2008; September 9, 2010	Removed from Iran CE List
Essar Oil	Yes; January 9, 2009	Removed from Iran List
Finmeccanica SpA	No	Removed from Sudan List
Glencore Xstrata PLC	Yes; September 20, 2010	Sudan CE Classification Continues
GVA Consultants	Yes; September 26, 2007 September 30, 2010	Removed from Iran CE List
ICSA India Limited	No	Removed from Sudan List
INA-Industrija Nafta DD Zagreb	Yes; April 15, 2014	Removed from Iran List
Itochu Corp	Yes; May 9, 2008	Removed from Iran List
JGC Corp	Yes; October 1, 2007	Removed from Iran List
La Mancha Resources	Yes; October 21, 2008	Removed from Sudan List
Linde AG	Yes; November 14, 2007	Removed from Iran List
Liquefied Natural Gas LNG	No	Removed from Iran List
Mitsubishi Heavy Industries Ltd.	Yes; October 26, 2007	Removed from Iran List
Mitsui & Co.	Yes; October 17, 2007	Removed from Iran List
Mitsui Engineering & Shipbuilding	Yes; November 21, 2007 December 18, 2007	Removed from Iran and Sudan Lists
MMC Bhd	No	Removed from Sudan List
Nam Fatt	No	Removed from Sudan List
PT Citra Tubindo Tbk.	Yes; September 27, 2010	Removed from Iran CE List

Company	Company Responsive to SBA Communications	Continued Examination Status
PTT Public Company Limited	Yes; October 1, 2010	Removed from Sudan CE List
Saipem SpA	Yes; December 12, 2007	Removed from Iran Lists
Samsung Engineering Co. Ltd.	No	Removed from Iran CE List
Samsung Heavy Industries Co. Ltd.	No	Removed from Iran List
Sasol Ltd.	Yes; May 25, 2010 September 29, 2010	Removed from Iran CE List
Seadrill Ltd	Yes; September 20, 2010	Removed from Sudan CE List
Siam Cement Group (SCG)	Yes; September 24, 2010	Removed from Iran CE List
Schlumberger Limited NV	Yes; October 19, 2007	Removed from Iran and Sudan Lists
Siam Cement PCL	Yes; October 21, 2008	Removed from Iran CE List
Siemens AG	Yes; October 22, 2009 October 8, 2010 November 7, 2018; March 2019 June 2019; July 2019; February 2021	Added to Sudan Scrutinized List on 6/4/19. Removed from Sudan Scrutinized List on 7/12/19 and Sudan CE List on 3/9/21
SNC - Lavalin Group Inc.	Yes; September 25, 2007	Removed from Iran List
Sudan Telecommunications (Sudatel)	No	Removed from Sudan CE Classification
Technip	Yes; April 30, 2010 and November 30, 2010	Removed from Iran CE Classification
The Weir Group PLC	Yes; November 16, 2007	Removed from Iran and Sudan Lists
Total SA	Yes; October 12, 2007	Removed from Sudan CE Classification
Trevi-Finanziaria Industriale S.p.A.	Yes; September 17, 2010	Removed from Iran CE List
Weatherford International, Ltd.	No	Removed from Sudan List
Welspun Corp. Limited (fka Welspun-Gujarat Stahl Rohen Ltd.)	Yes; September 24, 2010	Removed from Iran CE List

### ***Key Dates for PFIA Activities***

**June 8, 2007** — Legislation's effective date, upon becoming a law.

**August 6, 2007** — SBA letter to state agencies requesting data on all publicly traded securities held directly by the State.

**August 20, 2007** — First of two letters to investment managers providing written notice of PFIA enactment and amendment to Schedule B of investment management contracts.

**September 19, 2007** — SBA assembles initial Scrutinized Companies lists for Sudan and Iran.

**September 20, 2007** — SBA engages companies classified as either Scrutinized or needing Continued Examination through written correspondence, subsequent conference calls and additional communication. SBA disclosed the Scrutinized Companies lists on its website, including reporting of all equities held by direct State of Florida governmental entities.

**September 21, 2007** — Second of two letters to investment managers providing Scrutinized Companies lists.

**October 16, 2007** — SBA formally submits the Scrutinized Companies lists to the Florida Legislature and the United States Special Envoy to Sudan, and continues to do so every quarter.

**November 30, 2007** — SBA sends notification via email to any owned scrutinized company that has not responded to initial written correspondence. Similar notification was sent to each company classified as needing continued examination.

**January 25, 2008** — SBA sends additional notice of divestment and request for information to all Scrutinized Companies, with emphasis to companies that have been unresponsive to the SBA's prior request for the necessary information.

**July 1, 2008** — In March 2008, the SBA developed a policy approach directing all affected managers to sell their remaining PFIA related holdings no later than July 1, 2008, approximately three months earlier than the statutory deadline of September 18, 2008.

**September 18, 2008** — Statutory deadline for the SBA to complete divestment of *initial* Scrutinized Companies (i.e., within 12 months of their initial appearance on the September 19, 2007 list), if they do not stop scrutinized active business operations.

**March 1, 2010** — Deadline for the SBA to identify and offer at least one terror-free investment product for the FRS Investment Plan (Defined Contribution).

**Quarterly Reporting** — SBA provides quarterly updates to the Scrutinized Companies lists for Sudan and Iran, including a summary of engagement activities. PFIA quarterly reports have been issued on the following dates:

September 19, 2007  
December 18, 2007  
March 25, 2008  
June 10, 2008  
September 16, 2008  
January 13, 2009  
April 14, 2009  
July 28, 2009  
October 27, 2009  
January 26, 2010  
April 27, 2010  
July 29, 2010  
November 9, 2010  
February 22, 2011  
June 16, 2011  
September 20, 2011  
December 6, 2011  
March 20, 2012  
June 26, 2012  
September 18, 2012

December 11, 2012  
March 19, 2013  
June 25, 2013  
September 24, 2013  
December 10, 2013  
March 18, 2014  
June 17, 2014  
September 23, 2014  
December 9, 2014  
March 24, 2015  
June 23, 2015  
September 29, 2015  
December 8, 2015  
March 29, 2016  
August 2, 2016  
December 6, 2016  
March 14, 2017  
June 14, 2017  
October 17, 2017  
December 13, 2017

March 7, 2018  
June 13, 2018  
September 11, 2018  
December 4, 2018  
January 29, 2019  
June 4, 2019  
July 12, 2019  
September 24, 2019  
December 3, 2019  
May 28, 2020  
September 22, 2020  
December 15, 2020  
March 9, 2021  
June 15, 2021  
September 21, 2021  
December 20, 2021  
March 29, 2022  
June 22, 2022  
August 23, 2022

### Summary of Investments Sold, Redeemed, Divested or Withdrawn

In accordance with the PFIA, the SBA must divest all holdings of any scrutinized companies within 12 months of their original appearance on the prohibited securities list. External managers are contractually responsible for administering investments in accordance with restrictions set forth by the SBA, including the prohibited securities list of the PFIA. Historical divestment transaction data is contained in prior PFIA Quarterly Reports. The table below presents the cumulative market capitalization of scrutinized companies divested by the SBA since the PFIA's inception:

Cumulative Divestment	
Royal Dutch Shell**	\$215,784,700.79
Total SA**	\$214,536,015.45
Petroleo Brasileiro SA (Petrobras) **	\$206,135,264.10
ENI**	\$141,403,034.78
CNOOC Ltd	\$131,737,735.86
Gazprom (a.k.a. OAO Gazprom)	\$71,275,453.14
Alstom**	\$65,897,698.67
Repsol YPF**	\$53,420,179.87
Statoil ASA** (fka: StatoilHydro)	\$46,792,677.58
China Petroleum and Chemical Corp (CPCC) Sinopec	\$38,455,440.48
PetroChina	\$25,723,158.75
Inpex Corp.**	\$24,835,110.63
MISC Bhd	\$16,448,397.44
Hindustan Petroleum Corporation Ltd	\$10,916,213.94
Snam Rete Gas**	\$9,596,905.78
Lukoil OAO**	\$9,487,631.46
OMV AG **	\$8,601,977.98
Shell International Finance**	\$8,599,813.40
China BlueChemical Ltd	\$7,538,215.73
Wärtsilä Oyj**	\$1,797,871.96
Daelim Industrial Co Ltd**	\$1,566,926.73
Petrofac Ltd **	\$1,496,881.43
The Weir Group PLC **	\$1,322,666.62
Petrobras International Finance**	\$1,148,750.00
Lundin Petroleum AB **	\$1,133,120.04
Oil & Natural Gas Corporation (ONGC)	\$945,363.83
Petrobras Energia (Participaciones) **	\$298,632.08
FACC AG	\$285,343.11
Dongfeng Motor Group**	\$158,623.49
Electricity Generating Public Company**	\$121,321.38
AVIC International Holdings Ltd	\$50,827.53
Gazprom Neft	\$37,892.73
** denotes companies no longer on the Prohibited Company list	<b>\$1,318,077,918.26</b>

**Table 7: List of *Prohibited Investments (Scrutinized Companies)****New companies on the list are shaded and in bold.*

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Al-Enmaa Real Estate Co	Sudan	Kuwait	June 4, 2019	Yes
Aviation Industry Corporation of China (AVIC)	Sudan	China	September 24, 2019	Yes
AviChina Industry & Technology	Sudan	China	June 4, 2019	Yes
AVIC Electromechanical Systems Co Ltd	Sudan	China	September 24, 2019	Yes
AVIC International Finance Ltd	Sudan	China	September 24, 2019	Yes
AVIC International Holdings Ltd (formerly listed as AVIC International)	Sudan	China	June 4, 2019	Yes
Bank of Kunlun Co Ltd	Sudan & Iran	China	March 7, 2018	Yes
Chennai Petroleum Corp Ltd	Sudan	India	September 19, 2007	Yes
China Avionics Systems	Sudan	China	June 4, 2019	Yes
China BlueChemical Ltd	Iran	China	March 19, 2013	Yes
China National Petroleum Corporation (CNPC)	Sudan & Iran	China	December 11, 2012	Yes
China Oilfield Services Ltd	Iran	China	June 16, 2011	Yes
China Petrochemical Corporation (Sinopec Group)	Sudan & Iran	China	December 3, 2019	Yes
China Petroleum & Chemical Corp (CPC) Sinopec	Sudan & Iran	China	September 19, 2007	Yes
China Petroleum Engineering Corp	Sudan & Iran	China	March 7, 2018	Yes
CNOOC Ltd	Iran	China	June 16, 2011	Yes
CNOOC Curtis Funding No.1 Pty Ltd	Iran	Australia	October 17, 2017	Yes
CNOOC Energy Technology & Services Ltd	Iran	China	June 15, 2021	Yes
CNOOC Finance Limited	Iran	China	September 24, 2013	Yes
CNOOC Nexen Finance	Iran	Canada	October 17, 2017	Yes
CNPC Capital Company Limited	Sudan & Iran	China	June 14, 2017	Yes
CNPC General Capital Ltd	Sudan & Iran	China	June 26, 2012	Yes
CNPC Global Capital Limited	Sudan & Iran	China	December 15, 2020	Yes
CNPC HK Overseas Capital Ltd	Sudan & Iran	China	June 16, 2011	Yes



Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
COSL Finance (BVI) Limited	Iran	China	September 24, 2013	Yes
COSL Singapore Capital Ltd	Iran	Singapore	December 4, 2018	Yes
Daqing Huake Group Co Ltd	Sudan	China	March 25, 2008	Yes
Egypt Kuwait Holding Co. SAE	Sudan	Kuwait	January 13, 2009	Yes
Energy House Holding Company	Sudan	Kuwait	July 28, 2009	Yes
Engen Botswana	Sudan & Iran	Botswana	March 24, 2015	Yes
FACC AG	Sudan	Austria	June 4, 2019	Yes
Gas District Cooling (Putrajaya) Sdn Bhd	Sudan & Iran	Malaysia	April 14, 2009	Yes
Gazprom	Iran	Russia	September 19, 2007	Yes
Gazprom Neft	Iran	Russia	September 16, 2008	Yes
Gazprom Promgaz	Iran	Russia	June 4, 2019	Yes
GPN Capital SA	Iran	Luxembourg	June 4, 2019	Yes
Harbin Electric Co. Ltd.	Sudan	China	September 19, 2007	Yes
Hindustan Petroleum Corporation Ltd	Sudan & Iran	India	June 13, 2018	Yes
Indian Oil Corp Ltd (IOCL)	Sudan & Iran	India	September 19, 2007	Yes
Jiangxi Hongdu Aviation	Sudan	China	September 19, 2007	Yes
KLCC Property Holdings Bhd	Sudan & Iran	Malaysia	April 14, 2009	Yes
Kunlun Energy Company Ltd.	Sudan & Iran	Hong Kong	September 19, 2007	Yes
Kunlun Financial Leasing Co Ltd	Sudan & Iran	China	March 7, 2018	Yes
Kuwait Finance House	Sudan	Kuwait	April 14, 2009	Yes
Lanka IOC Ltd	Sudan	India	September 19, 2007	Yes
Managem SA	Sudan	Morocco	November 9, 2010	Yes
Mangalore Refinery & Petrochemicals Ltd	Sudan & Iran	India	September 19, 2007	Yes
Malaysia Marine & Heavy Engineering Holdings Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
MISC Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Mosenergo	Iran	Russia	September 16, 2008	Yes

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Oil India Ltd	Sudan	India	September 18, 2012	Yes
Oil & Natural Gas Corp (ONGC)	Sudan & Iran	India	September 19, 2007	Yes
ONGC Videsh Limited (OVL)	Sudan & Iran	India	March 18, 2014	Yes
Orca Gold Inc.	Sudan	Canada	December 9, 2014	Yes
<b>Perseus Mining Ltd</b>	<b>Sudan</b>	<b>Australia</b>	<b>August 23, 2022</b>	<b>Prior to August 23, 2023</b>
PetroChina	Sudan & Iran	China	September 19, 2007	Yes
Petroleum Nasional (Petronas)	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Capital Limited	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Chemicals Bhd	Sudan & Iran	Malaysia	June 16, 2011	Yes
Petronas Dagangan Bhd	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Gas Berhad	Sudan & Iran	Malaysia	September 19, 2007	Yes
Petronas Global Sukuk	Sudan & Iran	Malaysia	August 2, 2016	Yes
Putrajaya Management Sdn Bhd	Sudan & Iran	Malaysia	March 18, 2014	Yes
Sinopec Capital 2013 Ltd	Sudan & Iran	China	September 24, 2013	Yes
Sinopec Century Bright Capital Investment Ltd	Sudan & Iran	China	December 3, 2019	Yes
Sinopec Engineering Group Co Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Group Overseas Development 2018 Ltd	Sudan & Iran	China	December 15, 2020	Yes
Sinopec Group Overseas Development 2017 Ltd	Sudan & Iran	China	September 11, 2019	Yes
Sinopec Group Overseas Development 2016 Ltd	Sudan & Iran	China	August 2, 2016	Yes
Sinopec Group Overseas Development 2015 Ltd	Sudan & Iran	China	December 15, 2020	Yes
Sinopec Group Overseas Development 2014 Ltd	Sudan & Iran	China	March 7, 2018	Yes
Sinopec Group Overseas Development 2013 Ltd	Sudan & Iran	China	March 18, 2014	Yes
Sinopec Group Overseas Development 2012 Ltd	Sudan & Iran	China	March 7, 2018	Yes
Sinopec Kantons Holdings Ltd	Sudan & Iran	Bermuda	September 19, 2007	Yes
Sinopec Oilfield Equipment Corporation	Sudan & Iran	China	April 14, 2009	Yes
Sinopec Oilfield Service Corp	Sudan & Iran	China	March 25, 2008	Yes

Prohibited Investments (Scrutinized Companies)	Scrutinized Country	Country of Incorporation	Initial Appearance on Scrutinized List	Full Divestment
Sinopec Shanghai Petrochemical	Sudan & Iran	China	September 19, 2007	Yes
Societe Metallurgique D'imiter	Sudan	Morocco	November 9, 2010	Yes
Territorial Generating Company No 1	Iran	Russia	June 4, 2019	Yes
<b># of Prohibited Investments</b>	<b>79</b>	-	-	

The following companies were removed from the PFIA Prohibited Investments List this quarter.

Removed Company	Country of Incorporation
No companies removed this quarter.	

***Table 8: SBA Holdings in Prohibited Investments Subject to Divestment***

As of the 6/30/2022 holdings report, there were SBA holdings in one entity on the current Prohibited Investments List, in accounts subject to the PFIA divestiture requirements. **The SBA held 705,090 shares in Perseus Mining Ltd, the newly listed company on the Prohibited Investments List. The SBA is required to divest of all shares in Perseus Mining Ltd within one year of placement on the Prohibited Investments List (i.e. prior to August 23, 2023).**

***Summary of Progress, SBA Investment Manager Engagement Efforts***

On August 20, 2007, the SBA sent letters to external investment managers notifying them of the Act and informing them of new contract language that would enforce their cooperation with the requirements of the new law.

On September 19, 2007, the SBA sent letters to all affected managers outlining the list of prohibited securities for any future purchases. The letter described the SBA's engagement process with companies on the list, which affords companies a 90-day period in which to comply with the conditions of the law or clarify their activities. The letter directed these managers to cease purchase of securities on the list and to await the direction of the SBA for any divestment necessary in the event engagement fails, with a deadline for divestment under the law of September 18, 2008.

On September 19, 2007, the SBA sent letters to actively-managed, indirectly held funds holding scrutinized securities, including managers of the defined contribution program, asking the funds to review the list of scrutinized securities and consider eliminating such holdings from the portfolio or create a similar fund, devoid of such holdings, per the requirements of the law.

Each quarter, the SBA sends written and electronic notification to all affected managers about the list of prohibited companies.

The SBA has received responses noting our concerns in writing and by phone from several of the contacted managers.

***Listing of All Publicly Traded Securities (Including Equity Investments)***

Due to the large number of individual securities and the volume of information, this list has been electronically posted to the SBA's website and is updated quarterly. A list of all publicly traded securities owned by the State of Florida can be found within the [PFIA information section](#) of the SBA's website. Please observe the electronic report's notes page for important clarifying explanations of included data.

In accordance with the PFIA, the SBA will report on the performance implications of PFIA-related divestitures and restrictions. Generally, the impact of PFIA legislation on performance is measured as the opportunity cost of not being able to hold prohibited securities, measured by comparing the monthly return of the standard foreign equity benchmark (i.e., the MSCI ACWI ex-US) to a custom foreign equity benchmark based upon PFIA divestiture requirements. The difference in returns between the standard benchmark and custom benchmark represents the opportunity cost to the SBA of not being able to invest in (or hold) prohibited companies. The percent return difference is then applied to the average monthly balance of foreign equity investments to determine a dollar impact. Monthly dollar impacts, whether positive or negative, are added together through time and then compared to the total value of the FRS Pension Plan to determine the percentage or basis point impact of PFIA legislation.

## ***Section 2: Prohibited Investments by the SBA, Companies that Boycott Israel***

### ***Section 215.4725 F.S.***

#### **Summary**

In 2016, the SBA was directed by state law to create a "scrutinized companies" list, composed of companies that participate in a boycott of Israel including actions that limit commercial relations with Israel or Israeli-controlled territories in a discriminatory manner. The SBA is prohibited from acquiring direct holdings of the companies on this list. The law requires the SBA to use best efforts in identifying companies that boycott Israel, publish the list on a quarterly basis, send written notice to the companies, engage with the SBA's external managers concerning holdings of the companies on the list, and publish a list of the SBA's directly-held securities and certain other information detailed below. Note, Section 215.4725 F.S. applies only to assets governed by Chapter 121 ("Florida Retirement System Act"), and therefore does not affect any non-FRS funds managed by the SBA.

#### **Primary Requirements of Section 215.4725 F.S.**

##### **1. Identification of companies**

As required by statute, the SBA will make best efforts to identify all scrutinized companies in which the SBA has indirect or direct holdings or possibly could have holdings in the future. The SBA reviews publicly available information, including from NGOs, non-profits, government entities and research firms. SBA staff is also frequently in contact with other institutional investors regarding anti-BDS efforts. Since the law went into effect, SBA staff has communicated with several stakeholder groups in our efforts to learn more about individual company activities and determine whether they meet the criteria of the Florida statute.

SBA contracts with external research providers to obtain information on companies that are potentially engaging in BDS activities, and SBA staff incorporates the information in making a final determination of scrutinized status based on Florida statute. External research providers sell their research to a variety of subscribers, and they do not compile their lists specific to Florida law. The SBA currently contracts with ISS-Ethix and MSCI. Companies that use ESG investment policies in a broadly-applied manner are generally not considered by SBA to be acting in a "discriminatory manner" toward Israel.

Using various information sources, the SBA has developed two separate categorizations of a company's status for consideration under this law.

**"Scrutinized"** — Information provided by an external research provider, publicly available information or information from the company itself or another reliable source indicates that a company meets the classification of a Scrutinized Company as defined by Florida law.

**"Continued Examination"** — Information suggests but does not clearly demonstrate that a company's activities are a boycott of Israel. The SBA is unable to definitively categorize the company's activities as scrutinized without further research to resolve the ambiguity. For companies classified as "Continued Examination," the SBA will begin an engagement process to clarify each firm's current business relationships.

The following definitions are provided by Florida Statutes to assist in company identification:

"Scrutinized companies" means companies that boycott Israel or engage in a boycott of Israel.

"Boycott Israel" means refusing to deal, terminating business activities, or taking other actions to limit commercial relations with Israel, or persons or entities doing business in Israel or in Israeli-controlled territories, in a discriminatory manner. A statement by a company that it is participating in a boycott of Israel, or that it has initiated a boycott in response to a request for a boycott of Israel or in compliance with, or in furtherance of, calls for a boycott of Israel, may be considered by the State Board of Administration to be

evidence that a company is participating in a boycott of Israel. The term does not include restrictive trade practices or boycotts fostered or imposed by foreign countries against Israel.

"Direct holdings" are company securities held directly by the SBA or accounts in which SBA owns all interest (such as non-commingled funds).

"Indirect holdings" are company securities that are held in collective investment with other investors, such as commingled funds and mutual funds.

## **2. Publish and reporting**

By the first meeting of the Trustees of the SBA after August 1, 2016, the SBA will publicly release the "Scrutinized Companies that Boycott Israel List" and thereafter provide quarterly updates of the list based on evolving information and events.

The SBA shall file a report with each member of the Board of Trustees of the SBA, the Speaker of the Florida House of Representatives, and the President of the Florida Senate within 30 days after the list is created and shall make the report publicly available. At each quarterly trustee meeting thereafter, the SBA shall file a publicly available report to these persons. The quarterly reports will include:

- a. A summary of correspondence with companies engaged by the SBA as required above.
- b. All prohibited investments (Scrutinized Companies list).
- c. Any progress made with respect to requests of SBA's external managers to remove scrutinized companies from indirect holdings or create similar funds devoid of such holdings.
- d. A list of all publicly held securities held directly by the SBA.

Actions taken in compliance with this section must be adopted and incorporated into the Investment Policy Statement as provided in Section 215.4725, F.S.

## **3. Engagement**

SBA is required to determine the companies on the Scrutinized Companies list in which the SBA has direct or indirect holdings. For each company newly identified after August 1, 2016, the public fund shall send a written notice informing the company of its scrutinized company status and that it may become subject to investment prohibition by the public fund. The notice must inform the company of the opportunity to clarify its activities regarding the boycott of Israel and encourage the company to cease the boycott of Israel within 90 days in order to avoid qualifying for investment prohibition.

If, within 90 days after the public fund's first engagement with a company pursuant to this paragraph, the company ceases a boycott of Israel, the company shall be removed from the Scrutinized Companies that Boycott Israel List, and the provisions of this section shall cease to apply to that company unless that company resumes a boycott of Israel.

## **4. Prohibition**

The SBA may not acquire directly held securities of companies on the Scrutinized Companies list. The SBA is not required to divest of existing holdings. Indirect holdings are exempt from the prohibition (such as commingled accounts, index funds and mutual funds). However, SBA will submit letters to the managers of such investment funds which hold companies from the Scrutinized Companies list requesting that they consider removing the companies from the fund or creating a similar fund devoid of such holdings. SBA shall replace applicable investments in the similar fund devoid of such holdings in an expedited timeframe subject to prudent investing standards if the manager complies with such a request. Exchange-traded funds are also exempted from the prohibition, without the requirement to contact the fund management. A cessation of the investment prohibition is allowed if the fund has evidence that the assets under management become

equal or less than 99.5% of the hypothetical fund value assuming no investment prohibition had occurred. This must be reported to the parties listed in “Publish and reporting” and updated semi-annually for the cessation to be authorized.

**Table 9: *Scrutinized Companies that Boycott Israel***

*New companies on the list are shaded and in bold.*

Scrutinized Company that Boycott Israel	Country of Incorporation	Date of Initial Scrutinized Classification
Betsah Invest SA	Luxembourg	August 2, 2016
Betsah SA	Luxembourg	August 2, 2016
Cactus SA	Luxembourg	August 2, 2016
Co-operative Group Limited	United Kingdom	September 26, 2017
Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd	Turkey	August 2, 2016
Unilever PLC (Ben & Jerry's parent company)	United Kingdom	July 29, 2021
Hindustan Unilever Ltd	India	July 29, 2021
PT Unilever Indonesia Tbk	Indonesia	July 29, 2021
Unilever Bangladesh Ltd	Bangladesh	July 29, 2021
Unilever Capital Corp (Unilever PLC bond issuance)	United States	July 29, 2021
Unilever Caribbean Ltd	Trinidad and Tobago	July 29, 2021
Unilever Consumer Care Ltd	Bangladesh	July 29, 2021
Unilever Côte d'Ivoire	Ivory Coast	July 29, 2021
Unilever Finance Netherlands BV (Unilever PLC bond issuance)	Netherlands	July 29, 2021
Unilever Ghana Ltd	Ghana	July 29, 2021
Unilever Nigeria Plc	Nigeria	July 29, 2021
Unilever Pakistan Foods Ltd	Pakistan	July 29, 2021
<b># of Companies that Boycott Israel</b>	<b>17</b>	

No companies were **removed** from the **Scrutinized Companies that Boycott Israel List** during the quarter.

**As noted in our September report (9/21/2021):**

**Unilever PLC** (and all tradeable subsidiaries) were added to the “Scrutinized Companies that Boycott Israel” list on July 29, 2021. Florida Statutes address the termination of business activities and limitation of commercial relations in Israeli-controlled territories that were present in recent actions by Ben & Jerry's, a wholly owned subsidiary of Unilever PLC. The company letter of July 19, 2021, announced plans to stop selling its ice cream in the West Bank and Gaza. Ben & Jerry's also plans to terminate its license, as of year-end 2022, with the Israeli partner who has manufactured and distributed Ben & Jerry's products in Israel since 1987.

**Update:** On June 29, 2022, Unilever announced it had reached a new arrangement for Ben & Jerry's products in Israel. The company sold its Ben & Jerry's business interests in Israel to Avi Zinger, the owner of American Quality Products Ltd (AQP), the current Israel-based licensee. Soon after this announcement, Ben & Jerry's sued parent company Unilever regarding the agreement. On July 14, 2022, Ben & Jerry's and Unilever announced plans to seek mediation over the disputed sale of the ice cream maker's Israeli business to a local licensee. Pending resolution of the mediation process and any related BDS activities, Unilever and affiliates remain on the Scrutinized Companies that Boycott Israel List at this time.

**Table 10: Continued Examination Companies that Boycott Israel**  
*New companies on the list are shaded and in bold. (No companies added this quarter.)*

Continued Examination Company: Israel	Country of Incorporation
<i>No companies are on the continued examination list at this time.</i>	

**Table 11: Correspondence & Engagement Efforts**

In accordance with Section 215.4725, F.S., the SBA began to engage companies on the Scrutinized Companies that Boycott Israel and Continued Examination lists. The SBA sent letters to each company per the requirements of the law. Each company's response and classification status is summarized below. Any company that responded to the SBA's written correspondence is highlighted in blue text.

Company	Company Responsive to SBA Communications	Status
Cactus SA	No	Remains on Scrutinized List
Betsah Invest SA	No	Remains on Scrutinized List
Betsah SA	No	Remains on Scrutinized List
FreedomCall Ltd	Yes, November 4, 2016	Removed from Scrutinized List
Co-operative Group Ltd	No	Remains on Scrutinized List
Cooperative Group Gomersall	No	Removed from Scrutinized List
Guloguz Dis Deposu Ticaret Ve Pazarlama Ltd	No	Remains on Scrutinized List
U2u Consult NV	Yes, December 29, 2016	Removed from Scrutinized List
Danske Bank	Yes, multiple dates	Removed from Continued Examination List
Dexia	Yes, multiple dates	Removed from Continued Examination List
Aldi	No	Removed from Continued Examination List
ASN Bank NV	No	Removed from Continued Examination List
HEMA BV	No	Removed from Continued Examination List
Karsten Farms	No	Removed from Continued Examination List
Airbnb	Yes, multiple dates	Removed from Scrutinized List
Unilever PLC	Yes, multiple dates	Remains on Scrutinized List



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### ***Section 3: Investments in Publicly Traded Companies Operating in Northern Ireland (Section 215.4702 F.S.)***

#### **Summary**

The SBA is subject to s. 215.4702, Florida Statutes (F.S.) (“MacBride Principles”), which directs the SBA to notify publicly traded companies of support for the MacBride Principles, inquire regarding the actions a company has taken in support of or furtherance of the MacBride Principles, and encourage publicly traded companies with certain business operations in Northern Ireland to adopt the MacBride Principles. In addition, the SBA will also demonstrate support for the MacBride Principles through its proxy voting authority.

#### **Requirements of the Law**

As defined by the Northern Ireland statute, “publicly traded company” is any business organization having equity securities listed on a national or an international exchange that is regulated by a national or an international regulatory authority. In addition, “operating” is defined as actively engaging in commerce geographically in Northern Ireland through the acquisition, development, maintenance, ownership, sale, possession, lease, or operation of equipment, facilities, personnel, products, services, or personal property.

#### **Publishing and Reporting**

In making the determination specified in subsection (2) of 215.4702, F.S., the SBA may, to the extent it deems appropriate, rely on available public information, including information provided by nonprofit organizations, research firms, international organizations, and government entities.

The SBA is encouraged to determine which publicly traded companies, in which the Florida Retirement System Trust Fund is invested, operate in Northern Ireland. If the SBA determines that a publicly traded company meets such criteria, it is encouraged to engage with the company and determine its support for the MacBride Principles. SBA staff annually reviews the list of companies that meet the definition of publicly traded companies operating in Northern Ireland, and periodically engages those firms.

Update: During Q4 2021, the SBA conducted an engagement with all owned firms determined to have operations in Northern Ireland. The SBA sent letters to 219 firms, encouraging support for and adoption of the MacBride Principles.

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***Section 4: Companies Operating in Cuba or Syria***  
***(Section 215.471 F.S.)***

**Summary**

The Free Cuba Act of 1993 was passed by the Florida Legislature in accordance with federal law. Chapter 215.471 of the Florida Statutes prohibits the SBA from investing in: (1)(a) any institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, doing business in or with Cuba, or with agencies or instrumentalities thereof in violation of federal law; and (1)(b) any institution or company domiciled outside of the United States if the President of the United States has applied sanctions against the foreign country in which the institution or company is domiciled. Section (2)(a) states the SBA may not be a fiduciary with respect to voting on, and may not have the right to vote in favor of, any proxy resolution advocating expanded U.S. trade with Cuba or Syria.

**Requirements of the Law**

In order to comply with this law, the U.S. State Department and/or the Treasury Department's Office of Foreign Assets Control (OFAC) are contacted periodically to confirm that no sanctions have been implemented. Since the Act's inception, sanctions have never been issued against any country. During the fiscal year ending June 30, 2021, there were no shareowner proposals related to expanding trade with Cuba or Syria.

### ***Section 5: Companies Operating in Venezuela***

During the 2018 session, the Florida Legislature passed HB 359, prohibiting certain investments related to the Venezuelan government. The bill was signed into law by Governor Rick Scott and is effective July 1, 2018.

Florida Statute, 215.471 now requires that:

The State Board of Administration shall divest any investment under s. 121.151 and ss. 215.44-215.53, and is prohibited from investment in stocks, securities, or other obligations of:

(c)1. Any institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, doing business in or with the government of Venezuela, or with any agency or instrumentality thereof, in violation of federal law. The term “government of Venezuela” means the government of Venezuela, its agencies or instrumentalities, or any company that is majority-owned or controlled by the government of Venezuela.

2. The Governor may waive the requirements of this paragraph if the existing regime in Venezuela collapses and there is a need for immediate aid to Venezuela before the convening of the Legislature or for other humanitarian reasons as determined by the Governor.

Florida Statute 215.472 addresses state agencies and requires that:

Notwithstanding any other provision of law, each state agency, as defined in s. 216.011, is prohibited from investing in: (3)(a) Any financial institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States which, directly or through the United States or foreign subsidiary, extends credit of any kind or character, advances funds in any manner, or purchases or trades any goods or services with the government of Venezuela, or any company doing business in or with the government of Venezuela, in violation of federal law. The term “government of Venezuela” means the government of Venezuela, its agencies or instrumentalities, or any company that is majority-owned or controlled by the government of Venezuela.

(b) The Governor may waive the requirements of this subsection if the existing regime in Venezuela collapses and there is a need for immediate aid to Venezuela before the convening of the Legislature or for other humanitarian reasons as determined by the Governor.

On August 16th, 2017, the Trustees of the State Board of Administration set forth a resolution condemning the oppression of the Venezuelan citizens under the current regime and set language to be included in the State Board of Administration’s Investment Policy Statement (Florida Retirement System Defined Benefit Plan) upon review of the Investment Advisory Council, and in accordance with s.215.475(2) Florida Statutes. The resolution included the following:

1. **Prohibited Investments.** Until such time as the SBA determines it is otherwise prudent to do so, the SBA is prohibited from investing in:

- (a) any financial institution or company domiciled in the United States, or foreign subsidiary of a company domiciled in the United States, which directly or through a United States or foreign subsidiary and in violation of federal law, makes any loan, extends credit of any kind or character, advances funds in any manner, or purchases or trades any goods or services in or with the government of Venezuela; and
- (b) any securities issued by the government of Venezuela or any company that is majority-owned by the government of Venezuela.

2. **Proxy Voting.** The SBA will not vote in favor of any proxy resolution advocating the support of the Maduro Regime in Venezuela.

For more information, please contact:

State Board of Administration of Florida (SBA)  
Investment Programs & Governance  
1801 Hermitage Blvd., Suite 100  
Tallahassee, FL 32308  
[www.sbafla.com](http://www.sbafla.com)

or send an email to:  
[governance@sbafla.com](mailto:governance@sbafla.com)



## Major Mandate Performance

6/30/2022		1 Mo	FYTD	3 Mo	6 Mo	1-Yr	3-Yr	5-Yr
Cat Fund	Managed Return	-0.48%	-2.40%	-0.40%	-2.10%	-2.40%	0.41%	1.23%
	+Over/-Under Benchmark	0.08%	0.06%	0.06%	0.08%	0.06%	0.01%	0.04%

6/30/2022		1 Mo	FYTD	3 Mo	6 Mo	1-Yr	3-Yr	5-Yr
Florida PRIME	Managed Return	0.08%	0.25%	0.20%	0.21%	0.25%	0.72%	1.24%
	+Over/-Under Benchmark	0.01%	0.07%	0.06%	0.05%	0.07%	0.12%	0.17%

6/30/2022		1 Mo	FYTD	3 Mo	6 Mo	1-Yr	3-Yr	5-Yr
FRS Investment Plan	Managed Return	-6.21%	-12.22%	-11.69%	-15.96%	-12.22%	4.95%	5.92%
	+Over/-Under Benchmark	-0.04%	-1.10%	-0.14%	-0.87%	-1.10%	0.06%	0.18%

6/30/2022		1 Mo	FYTD	3 Mo	6 Mo	1-Yr	3-Yr	5-Yr
FRS Pension Plan	Managed Return	-4.79%	-6.27%	-8.07%	-11.14%	-6.27%	7.74%	7.69%
	+Over/-Under Benchmark	0.58%	2.78%	1.74%	1.63%	2.78%	2.00%	1.47%

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**STATE BOARD OF ADMINISTRATION  
OF FLORIDA**

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**ASHLEY MOODY  
ATTORNEY GENERAL**

**LAMAR TAYLOR  
INTERIM EXECUTIVE DIRECTOR &  
CHIEF INVESTMENT OFFICER**

**MEMORANDUM**

**DATE:** August 1, 2022

**TO:** Lamar Taylor, Interim Executive Director & CIO

**FROM:** Sooni Raymaker, Chief Risk & Compliance Officer *SR*

**SUBJECT:** Trustee and Audit Committee Report – August 2022

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The following is a summary report of Risk Management and Compliance (RMC) activities and initiatives completed or in progress since the last dated report of May 2022 to the current period. All RMC activities, reviews, controls, and processes are continuing to operate effectively and as expected during this reporting period.

The role of the RMC unit is to assist the Executive Director & CIO in maintaining an appropriate and effective risk management and compliance program to identify, monitor and mitigate key investment and operational risks. RMC plays a critical role in developing and enhancing the enterprise-wide system of internal controls. RMC proactively works with the Executive Director & CIO and designees to ensure issues are promptly and thoroughly addressed by management.

SBA senior management has created a culture of risk management and compliance through the governance structure, allocation of budgetary resources, policies and associated training and awareness. Management is committed to ethical practices and to serving the best interests of the SBA's clients.

**Compliance Exception:**

Due to negative market conditions and lagged alternative market valuations, the 20 percent allocation limit continues to be exceeded in accordance with Section 215.47(15), Florida Statutes, which states: "With no more, in the aggregate, than 20 percent of any fund in alternative investments through participation in an alternative investment vehicle as those terms are defined in s. 215.4401(3)(a), or in securities or investments that are not publicly traded and not otherwise authorized by this section".

**Enterprise Risk Management (ERM)**

The Risk & Compliance Committee (RCC) will hold its quarterly meeting August 10, 2022, after the date of this report.

The Enterprise Risk Management Plans and associated metrics have been reviewed and updated. Business unit risk owners have reviewed the risks that have been assessed, asked if ratings are current

and identify any new risks. Some risk owners have noted additional human resource strain due to vacancies caused by retirements and the longer time it takes to fill positions with the best qualified applicants. The current strain is being adequately managed by cross functional coverage and prioritizing duties and responsibilities. It is noted that this resource strain is being widely felt in many industry sectors, as well as other pension peers and the investment management industry. As risks facing the SBA continue to evolve, ERM has subscribed to the Gartner *Risk Management Leadership Council* as a tool to ensure the SBA's ERM program is well-positioned to adapt to evolving risk, respond accordingly, and ensure best practices in risk management are consistently implemented across the SBA. This service will have the additional benefit of helping advance the ERM program's maturity level while aligning with peer best practices.

### **Trading and Investment Oversight**

The Trading and Investment Oversight Group (TOG) met on July 21, 2022. The group reviewed quarterly internal trading activity, compliance reports and trading counterparty oversight updates. The Designated Futures, Options and Swaps Exchanges/Markets List annual review has been updated as of July 1, 2022.

### **External Manager Operational Due Diligence (ODD)**

During the period, the ODD team reviewed and commented on eight consultant operational due diligence reports on investment managers as part of the investment approval process, which represents approximately \$644 million in potential investments. Thirty-one new consultant ODD reports were added to the Manager Operational Risk Oversight page for use by the asset classes since the last meeting.

The ODD team has reviewed the 2021 annual certifications submitted by external investment managers and will provide a summary of key observations and areas of note with the asset classes and the RCC. Additionally, the ODD team is in the process of requesting annual Investment Protection Principles certifications for the SBA broker dealers. The ODD team participated in three Mercer virtual onsite visits and three Hybrid Fixed Income Core Plus Manager interviews. The ODD team conducted two in-person ODD onsite visits during the period which reports will be forthcoming.

### **Public Market Compliance (PMC)**

PMC participated in the User Acceptance Testing for a version upgrade in the Charles River Development compliance system. PMC conducted scenario testing for current functionalities and rule validation. No issues were identified, and the new release was moved to the Production environment on July 17, 2022.

### **Performance Reporting & Analytics (PRA)**

The PRA team is nearing completion of a project to leverage the existing Eagle PACE (a performance management system) to build portfolio composites based on General Investment Performance Standard (GIPS) best practices. The PACE system can aggregate all composites and produce reports with performance returns in a more efficient manner. This will allow the PRA team to reduce reliance on excel spreadsheets or other business intelligence tools to reconcile the official monthly performance data and reporting, relieving the need for ongoing maintenance between the systems. PRA is also reviewing other capabilities of PACE, such as Time Weighted and Dollar Weighted return calculations as well as blended benchmark calculations.



### **Policy Activity and Regulatory Monitoring**

Since the last report, revisions were implemented to three internal policies.

On the regulatory front, in compliance with the Japanese Foreign Exchange and Foreign Trade Act, the SBA reported during the period and its semi-annual periodic report, information related to the established 1% reporting threshold for share ownership or voting rights held in listed companies conducting business in designated Japanese business sectors.

### **Personal Investment Activity (PIA)**

During the period (May 1, 2022, through July 26, 2022), there were 167 requests for pre-clearance by SBA employees, with 133 being approved, 31 being denied (due to blackout restrictions), and 3 being retracted (not traded). There was one violation which was reviewed by the CRCO, Inspector General, SOO-Human Resources, and the ED & CIO.

The first Semi-annual Certification report was sent out to all employees on July 1, 2022. This certification tasks employees with certifying transactions in the personal investment compliance system for a seven-month period from implementation on December 1, 2021 through June 30, 2022.



STATE BOARD OF ADMINISTRATION  
OF FLORIDA

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ATTORNEY GENERAL

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INTERIM EXECUTIVE DIRECTOR &  
CHIEF INVESTMENT OFFICER

Date: August 15, 2022  
To: Board of Trustees  
From: Todd Neville, Audit Committee Chair  
Subject: Quarterly Audit Committee Report

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The State Board of Administration's Audit Committee met on August 15, 2022. Please see the attached agenda for the items discussed. Also please see the attached Office of Internal Audit Quarterly Report presented to the Audit Committee at the meeting.

**STATE BOARD OF ADMINISTRATION**  
**Audit Committee Open Meeting**  
**Agenda**  
**August 15, 2022**  
**9:30 A.M. – Conclusion of Business**

1. Call to Order
2. Approve minutes of open meeting held on May 23, 2022
3. SBA Interim Executive Director & CIO status report
  - SBA Update: Investment performance, risks, opportunities and challenges
4. Presentation of ITN for the 2022 Governance, Risk and Compliance (GRC) Assessment
  - a. Approval for final selection of respondents
5. Chief Risk & Compliance Officer Quarterly Report
6. Annual Review of the Charters
  - a. Audit Committee
  - b. Office of Internal Audit
7. Office of Internal Audit Quarterly Report
8. Office of Interim Inspector General Quarterly Report
9. Other items of interest
10. Closing remarks of the Audit Committee Chair and Members
11. Adjournment



# Office of Internal Audit (OIA) Quarterly Report to the Audit Committee

August 15, 2022



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# Status of the FY 2021–22 Annual Audit Plan





# FY 2021–22 Annual Audit Plan

## Percent of the Revised Annual Audit Plan Delivered

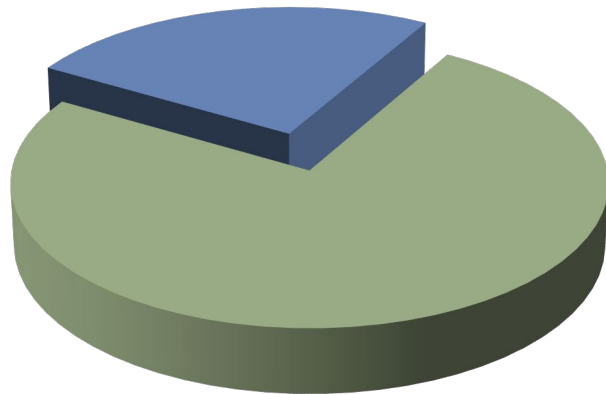


In Progress does not include the external projects listed on slide 6 for the FY22–23 AAP that have already started during this FY

# Status of the FY 2021–22 Annual Audit Plan

## Internal Audit and Advisory Engagements

■ In Progress  
25%



■ Completed  
75%

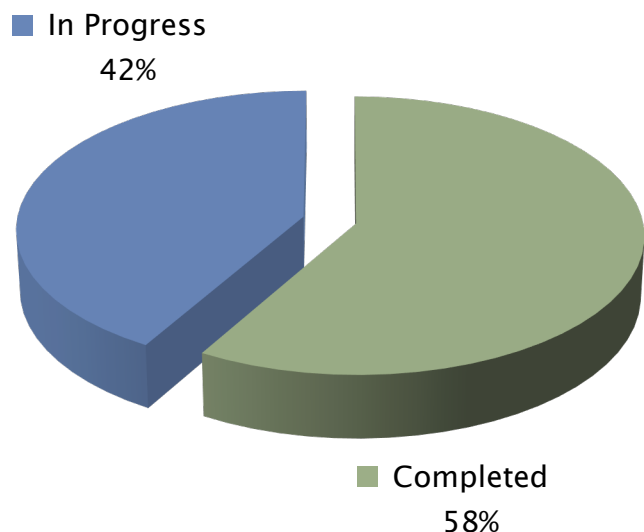
Highlighted: Completed since prior quarterly report.

<u>Projects Status</u>	<u>Type</u>	<u>Planned Timing</u>
<b>Completed</b>		
Private Equity	OIA Operational Audit	Q1
Security Configuration and Vulnerability (Carryover)	OIA Advisory	Q1
Follow-up on BDO's Low Risk Findings	OIA Operational Audit	Q2
Contract Management	Continuous Monitoring	Q2
Derivatives Collateral and Cash Management	OIA Operational Audit	Q2-Q3
Periodic Follow-up Audit	OIA Follow-up Audit	Q1-Q4
<b>In Progress</b>		
Performance Reports for Alternative Investments	OIA Operational Audit	Q2-Q3
Identity and Access Management Advisory	OIA Advisory	Q3
<b>Not Started</b>		
None		



# Status of the FY 2021–22 Annual Audit Plan

## External Engagement Oversight

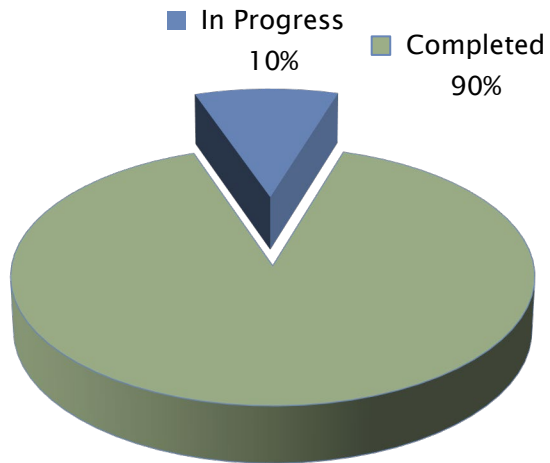


Highlighted: Completed since prior quarterly report.

<u>Project Status</u>	<u>Service Provider</u>	<u>Type</u>	<u>Planned Timing</u>
<b>Completed</b>			
Florida Retirement System (FRS) Trust Fund	Crowe	External Financial Statement Audit for FY20-21	Q1/Q2
FRS Investment Plan Trust Fund	Crowe	External Financial Statement Audit for FY20-21	Q1/Q2
Florida PRIME Financial Statement Audit	Auditor General	External Financial Statement Audit for FY20-21	Q1/Q2
Florida Hurricane Catastrophe Fund	KPMG	External Financial Statement Audit for FY20-21	Q1/Q2
AG Statewide Financial Statement Audit	Auditor General	External Financial Statement Audit for FY20-21	Q1/Q2
Network Security Assessment, outsourced	BDO	External IT Assessment	Q1/Q3
Florida Growth Fund Initiative	OPPAGA	External Review	Q1/Q2
<b>In Progress (FY 2022-23 Annual Audit Plan)</b>			
Florida Retirement System (FRS) Trust Fund	Crowe	External Financial Statement Audit for FY21-22	Q1/Q2
FRS Investment Plan Trust Fund	Crowe	External Financial Statement Audit for FY21-22	Q1/Q2
Florida PRIME Financial Statement Audit	Auditor General	External Financial Statement Audit for FY21-22	Q1/Q2
Florida Hurricane Catastrophe Fund	Crowe	External Financial Statement Audit for FY21-22	Q1/Q2
AG Statewide Financial Statement Audit	Auditor General	External Financial Statement Audit for FY21-22	Q1/Q2
<b>Not Started</b>			
None			

# Status of the FY 2021–22 Annual Audit Plan

## Special Projects, Risk Assessments, Annual Audit Plan and QAR



Highlighted: Completed since prior quarterly report.

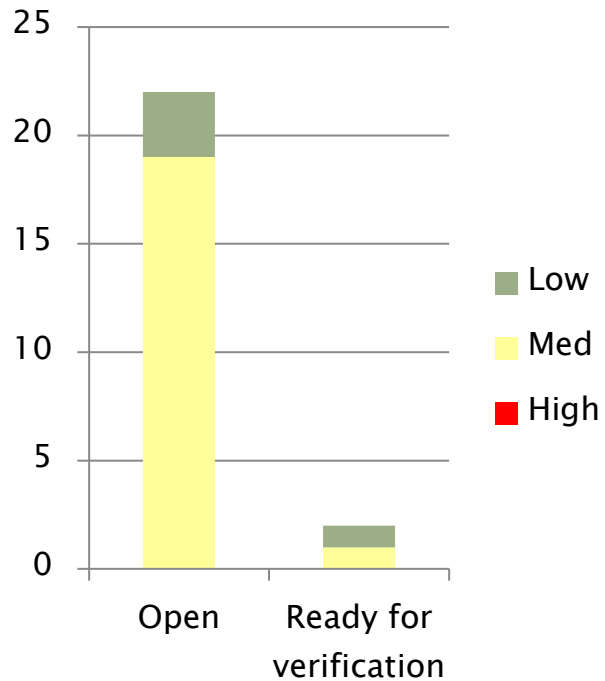
<u>Project Status</u>	<u>Type</u>	<u>Planned Timing</u>
<b>Completed</b>		
RFQ for Real Estate Pool of Auditors	Part of Evaluation Team	Q1
ITN for FHCF Financial Statement Audit	OIA Special Projects	Q2
ITN for Network Security Assessment	OIA Special Projects	Q2/Q3
Annual Risk Assessment	OIA Risk Assessment	Q4
Annual Audit Plan	OIA Risk Assessment	Q4
Implementation of Internal Audit Solution - AuditBoard	OIA Special Projects	Q2/Q3
ITN for GRC Assessment	OIA Special Projects	Q2/Q4
Complimentary User Entity Control Testing Validation	OIA Special Projects	Q1-Q4
Continuous Risk Assessment	OIA Risk Assessment	Q1-Q4
<b>In Progress</b>		
Annual Quality Assessment Review - Self-Assessment	OIA Quality Assurance	Q4
<b>Not Yet Started</b>		
None		



# Status of Management Action Plans/Recommendations



# Status of Management Action Plans–Audits



Report Title	Report Date	Risk Rating for Open Recs			Status		
		High	Med	Low	Open	Ready for verification	Verified during Qtr
AG - Operational Audit 2017	11/13/2017			1		1	
Strategic Investments Operational Audit	8/19/2019						1
Procure to Pay Operational Audit	6/30/2020		4		4		3
Real Estate Direct Owned Operational Audit	10/6/2020		1		1		
AG – ITGC and PRIME 2020	10/16/2020		2		2		
AG – ITGC and PRIME 2020 Confidential	10/16/2020		5		5		
AG – FRS Investment Plan Operational Audit 2021	2/22/21		3		3		
Business Continuity and Disaster Recovery Operational Audit	3/19/2021		3		3		
Private Equity Operational Audit 2021	9/9/2021		1	2	3		3
Derivatives Collateral and Cash Management Operational Audit	3/31/2022		1	1	1	1	
		0	20	4	22	2	
		0%	83%	17%	92%	8%	

For details, see [Appendix A](#).

Changes highlighted in yellow

Management Action Plans relate to findings from audits performed by internal *or external* auditors. The OIA monitors and performs follow-up procedures on the management action plans in accordance with the IIA Standard 2500. A1. In certain cases, follow-up procedures are performed by external auditors.



# Status of Recommendations – Advisory Projects

Report Title	Report Date	Status		
		Open	Closed per Mgmt	Total
Governance, Risk Management, and Compliance Assessment (Funston) <sup>1</sup>	1/15/2018	6		6
Network Security Assessment 2018 (BDO) <sup>2</sup>	11/15/2018	1		1
Network Security Assessment 2019 (BDO) <sup>2</sup>	11/21/2019	5	1	6
CIS CSC Framework Gap Assessment Advisory <sup>1</sup>	3/19/2020	12		12
Network Security Assessment 2020 (BDO) <sup>2</sup>	1/5/2021	12	2	14
Security Configuration and Vulnerability Management Advisory <sup>1</sup>	8/3/2021	24		24
Network Security Assessment 2021 (BDO) <sup>2</sup>	2/2/2022	19	11	30
		79	14	93

Changes highlighted in yellow

*Advisory Recommendations made by OIA or external consultants resulting from an assessment of a program or activity such as governance, risk management, compliance, ethics, disaster recovery preparedness program, etc. The OIA monitors the disposition of these recommendations in accordance with the IIA Standard 2500.C1.*

<sup>1</sup>At the advice of the Audit Committee, the OIA closes Advisory Recommendations that management represented as “complete” once the OIA has considered those in the annual risk assessment.

<sup>2</sup>Recommendations will be reviewed for remediation and closure as part of the subsequent Network Security Assessment.



# Data Analytics >>



# OIA Data Analytics Strategic Goals

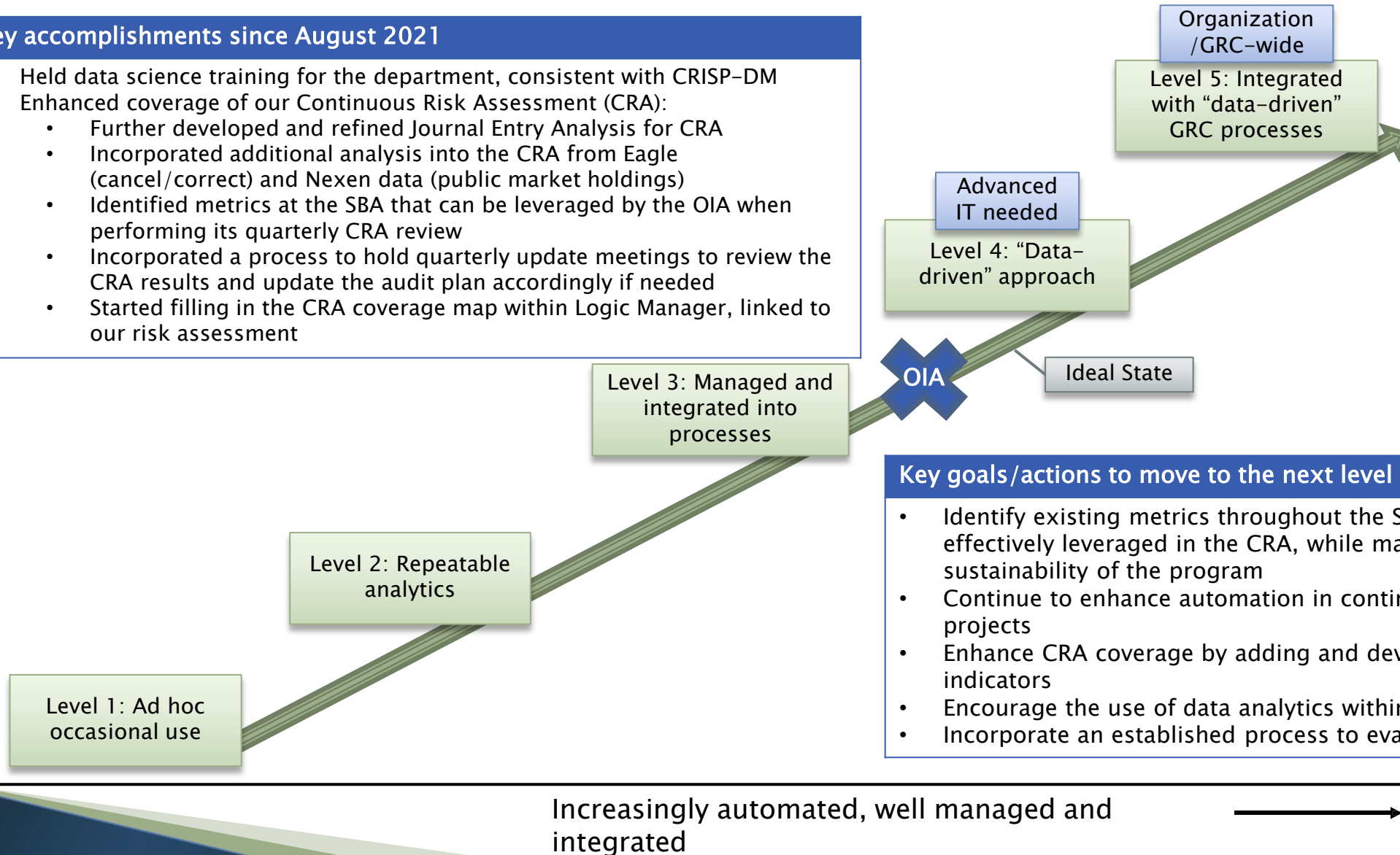
1. Risk Assessments	2. Engagement Planning and Execution	3. Continuous Monitoring or Auditing
<p>A. Use data analytics to identify high risk areas to include in OIA's annual audit plan</p> <p>B. Develop continuous monitoring of key risk indicators to determine if changes to the annual audit plan are needed (continuous risk assessment)</p>	<p>A. Utilize existing continuous analytics across the program to further support engagement planning and execution</p>	<p>A. Continue to support sustainability of continuous analytics through additional automation, live connections, and support of SBA's use of data analytics tools and data governance</p> <p>B. Continue to evaluate critical success factors for the program to improve the quality and use of OIA's continuous monitoring and data analytics.</p> <p>C. Evaluate the potential use of Robotics Process Automation for continuous audit projects.</p>

# OIA Data Analytics Maturity Model & Progress

## Key accomplishments since August 2021

- Held data science training for the department, consistent with CRISP-DM
- Enhanced coverage of our Continuous Risk Assessment (CRA):
  - Further developed and refined Journal Entry Analysis for CRA
  - Incorporated additional analysis into the CRA from Eagle (cancel/correct) and Nexen data (public market holdings)
  - Identified metrics at the SBA that can be leveraged by the OIA when performing its quarterly CRA review
  - Incorporated a process to hold quarterly update meetings to review the CRA results and update the audit plan accordingly if needed
  - Started filling in the CRA coverage map within Logic Manager, linked to our risk assessment

Increasing value to the organization







# Quality Assurance and Improvement Program (QAIP) >>



# QAIP Program

- ▶ The Standards issued by The IIA require that an internal audit department maintain a QAIP.
- ▶ The OIA's QAIP contains:
  - ▶ Internal assessments that include both ongoing monitoring and periodic assessment.

Ongoing Monitoring	Periodic Assessment
<ul style="list-style-type: none"><li>• Progress tracking of Annual Audit Plan</li><li>• Supervisory review of work papers</li><li>• Maintenance of recommendations/action plans and status</li><li>• Maintenance of OIA procedures manual</li><li>• Engagement-specific QA assessments and related verifications</li><li>• Completion of required continuing professional education</li></ul>	<ul style="list-style-type: none"><li>• Annual internal quality assurance self-assessment for years when an external assessment is not performed. The results are presented in this report.</li><li>• Annual review of OIA Charter</li></ul>

- ▶ External assessments are conducted every five years, under the direction of the Audit Committee, by a qualified, independent reviewer.
  - ▶ This Governance, Risk Management and Compliance (GRC) assessment conducted periodically includes OIA in the scope of assessment.
- ▶ Quality Initiatives are incorporated into OIA's department goals.
- ▶ The CAE updates the Audit Committee on the implementation status of the departmental goals during the quarterly meetings.



# OIA's Internal Self-Assessment with Independent Validation

- ▶ Standard 1312 requires an external assessment to be conducted at least once every five years. The OIA accomplishes this through a self-assessment with independent validation (SAIV).
- ▶ Our last SAIV was completed January 16, 2019 (over 3 years ago). However, we are completing the SAIV this year in order to better align with the GRC assessment moving forward.
- ▶ Status:
  - We have completed much of the work for the self-assessment and expect to generally conform with the *Standards* and the Code of Ethics.
  - The GRC assessment provider, pending approval from the Audit Committee, will perform the independent validation.
  - The final self-assessment report, with the independent validation, will be provided to the Audit Committee with the GRC deliverables.



# FY 2021–22 OIA Metrics >>

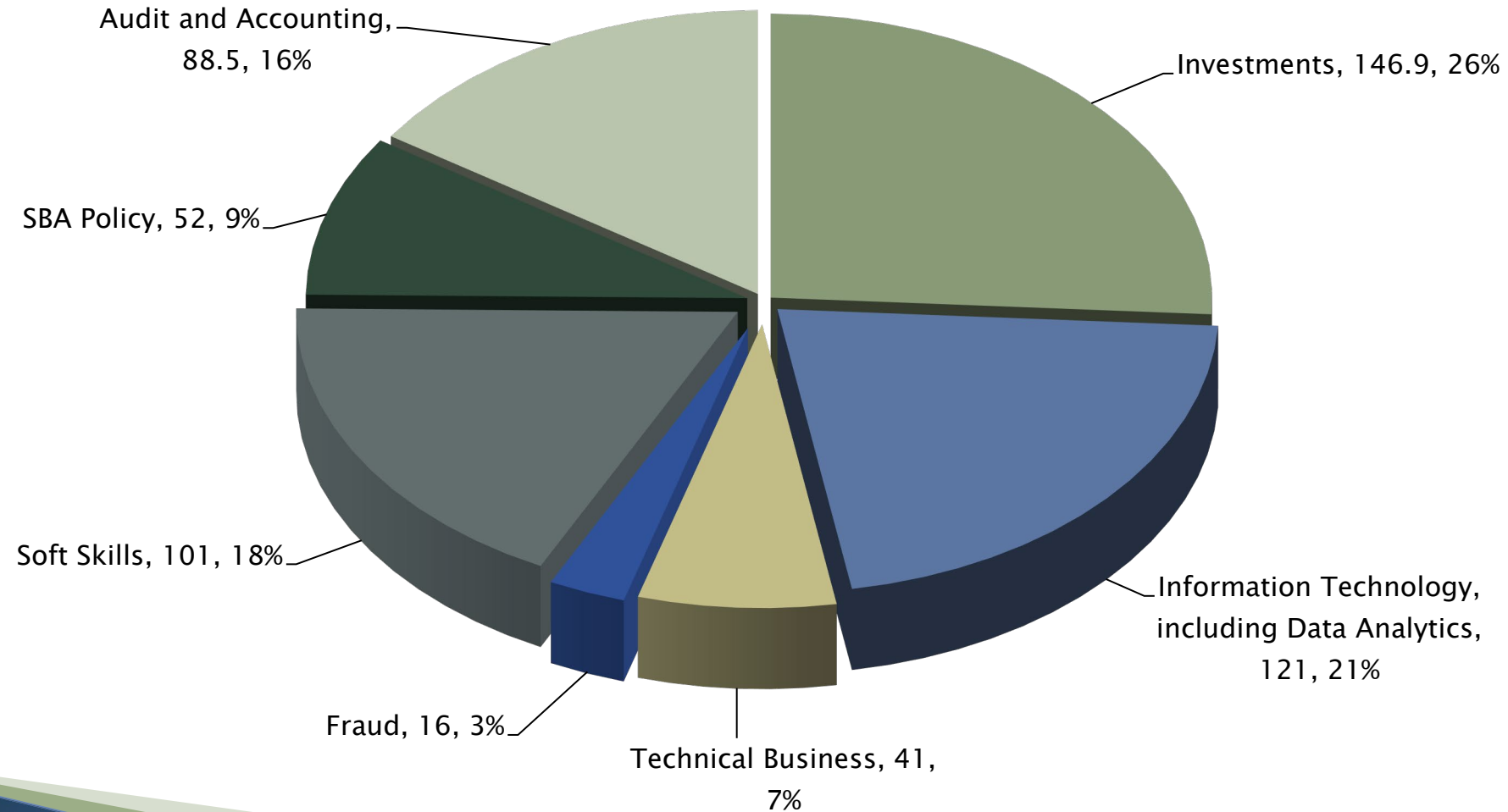
# Budget to Actual Comparison FY 2021–22

Category	Budget	Percent	Actual	Percent	Budget to Actual <b>Over</b> / Under	Explanation for any difference greater than 1%
Audit/Advisory Projects	5,360	45.64%	3,883	37.78%	7.86%	Under budget due to staff turnover and more time spent on training. Also, additional time spent on Special Projects due to the implementation of AuditBoard.
Quality Assessment Review	152	1.29%	282	2.74%	-1.44%	Senior Audit Analyst who started the QAR left the SBA and new SAA took over the review starting from the beginning
Oversight of External Auditors	391	3.33%	253	2.46%	0.87%	
Special Projects	657	5.59%	806	7.85%	-2.25%	Implementation of AuditBoard
Risk Assessment	381	3.24%	277	2.70%	0.55%	
Audit Committee	270	2.30%	174	1.69%	0.61%	
Leave and Holidays	2,355	20.05%	2,254	21.94%	1.88%	Staff turnover, so less leave taken
Continuing Education	760	6.47%	878	8.54%	-2.07%	Staff turnover, so more training needed
Administrative	1,417	12.07%	1,471	14.31%	-2.24%	More recruiting hours than expected due to staff turnover
<b>Total</b>	<b>11,743</b>	<b>100%</b>	<b>10,277</b>	<b>100%</b>	<b>100%</b>	



# Professional Staff Training FY 2021–22

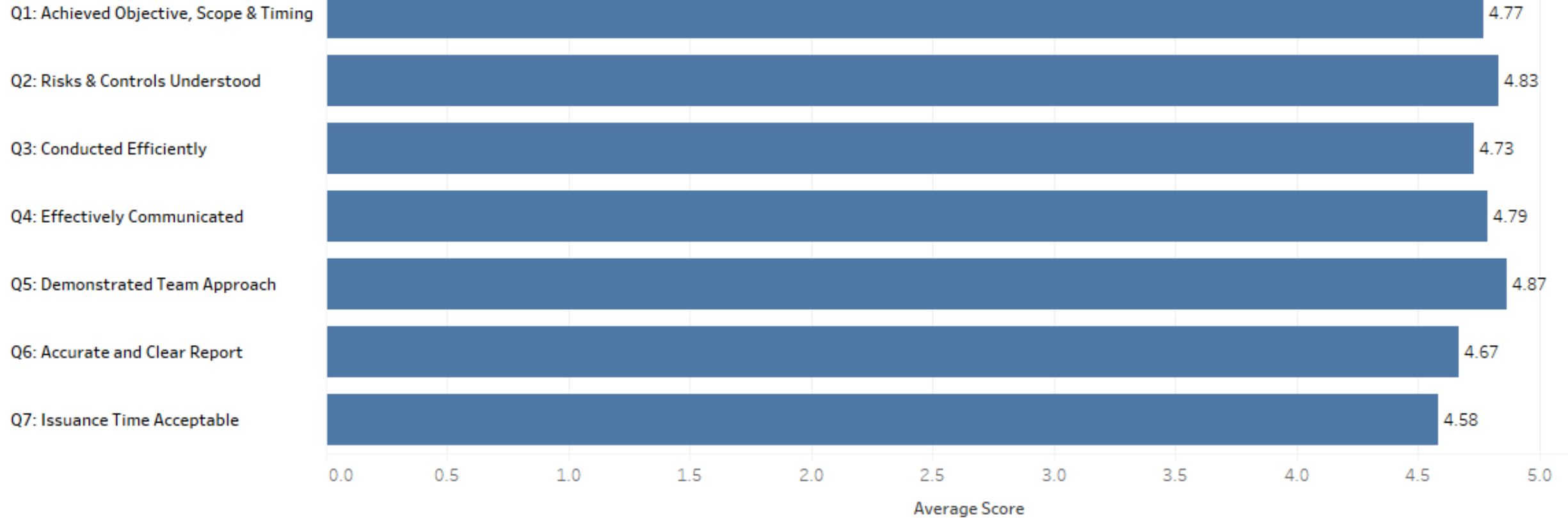
## Training Hours by Type





# 2021–22 Client Survey Results: Audit

## Questions

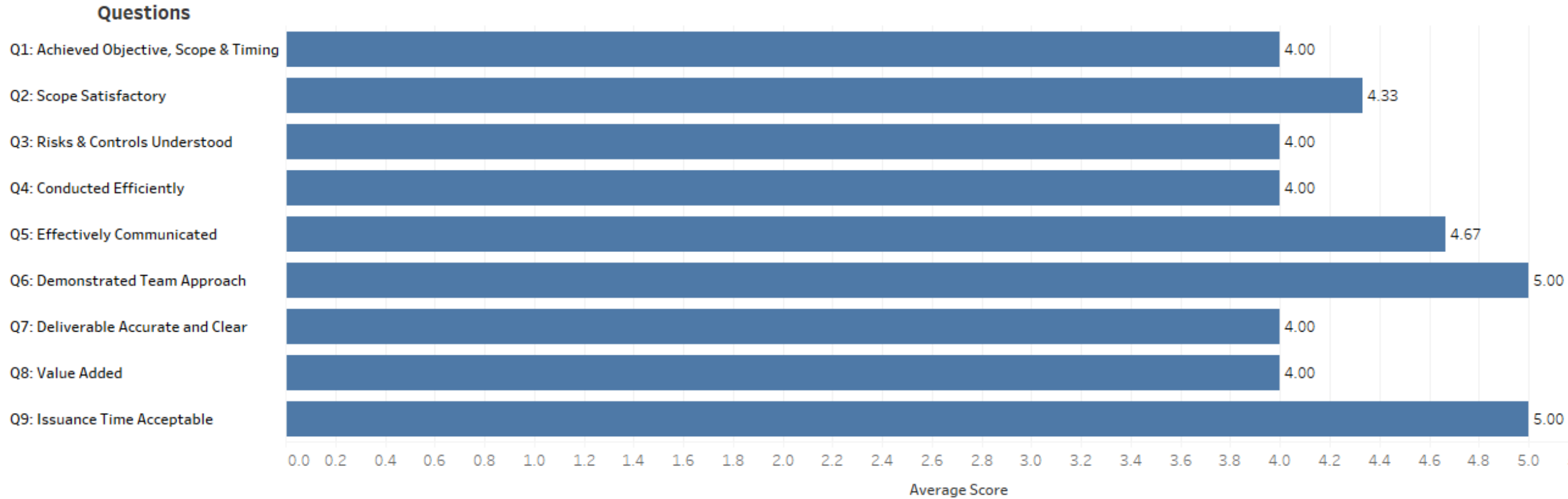


### Legend:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither Agree Nor Disagree
- 2 – Disagree
- 1 – Strongly Disagree



# 2021–22 Client Survey Results: Advisory



Legend:

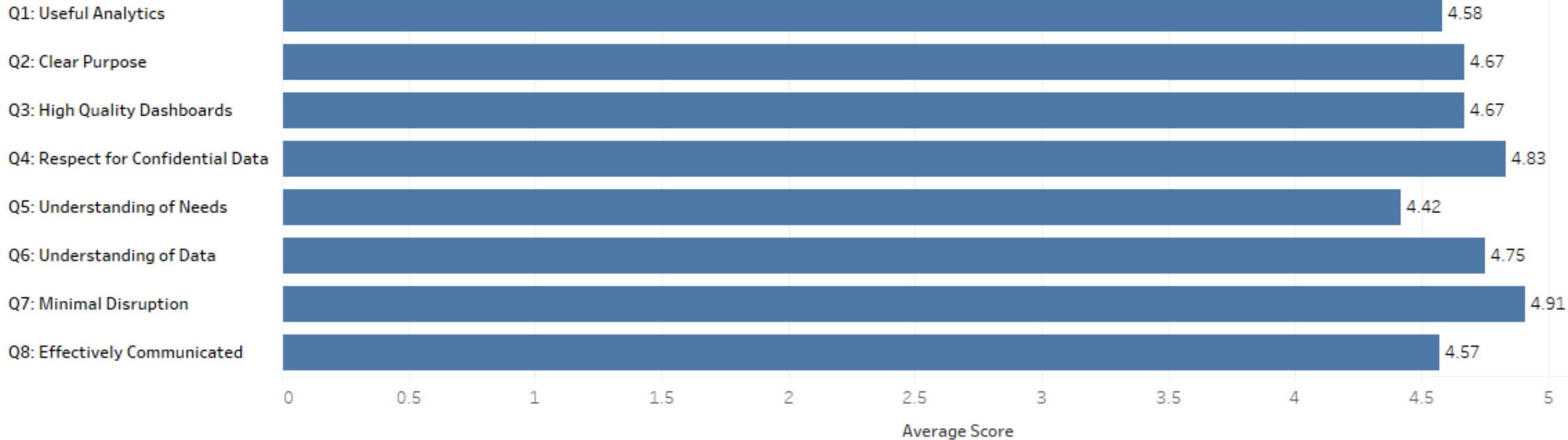
- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither Agree Nor Disagree
- 2 – Disagree
- 1 – Strongly Disagree





# 2021–22 Client Survey Results: Data Analytics

## Questions



### Legend:

- 5 – Strongly Agree
- 4 – Agree
- 3 – Neither Agree Nor Disagree
- 2 – Disagree
- 1 – Strongly Disagree

Note: Surveys for all continuous analytics are sent annually. Continuous analytics that were put into production after completion of the annual survey, if any, will be reflected in the following year survey results.



Other OIA Activities >>



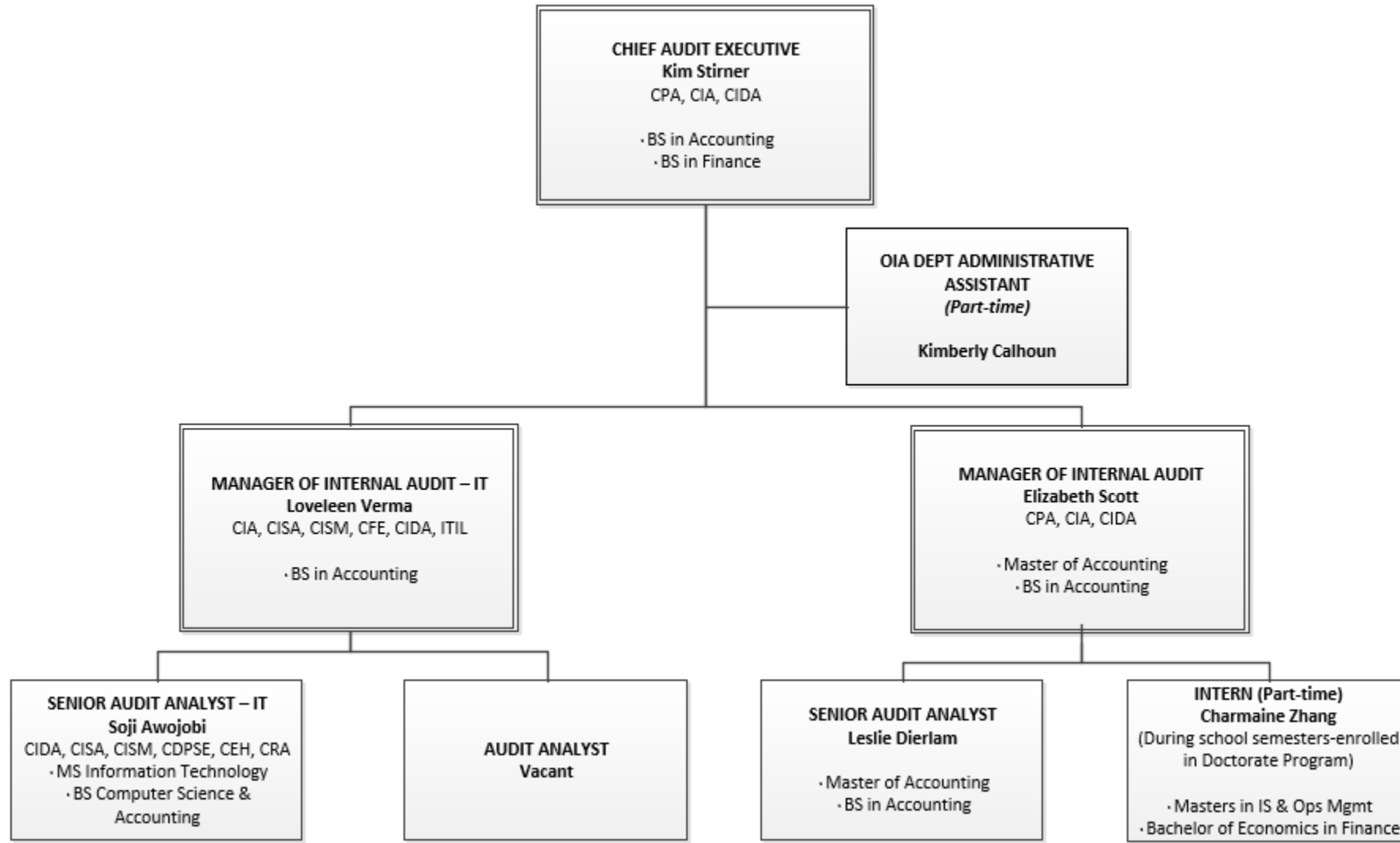
# Proposed OIA Department Goals FY 2022–23\*

\*Will be updated after the completion of the Quality Assurance Self-Assessment with Independent Validation

TOPIC	ACTIVITIES	IMPLEMENTATION EFFORTS	STATUS
INTERNAL AUDIT PROCESSES	Data Analytics: Use for continuous risk assessment (CRA), engagement planning, continuous monitoring and auditing, and evaluate the potential use of robotics process automation for audit projects.	The use of data analytics is underway for engagement planning, continuous monitoring and auditing. Also an RPA is in the queue to assist with the dashboards for continuous monitoring. The CRA development is ongoing.	In progress
	Engage consultants (co-source or outsource) to assist with high-risk areas relating to investments and IT audits.	Peraton is engaged to conduct the network security assessment which is scheduled to begin in August 2022. ITCI is engaged on a retainer basis to assist with investment-related audits throughout the fiscal year. Contracting is complete.	Complete
	Identify and discuss with management potential areas where we may add value either as advisory/consulting projects or informal initiatives.	The current annual audit plan includes IT/IS related advisory projects.	In progress
	Update the pipeline of projects on at least a quarterly basis. Consider agile focused audits and advisory projects.	Set up a tab in our Risk Channel in Teams to document and review pipeline as needed.	In progress
USE OF TECHNOLOGY	Continue to increase automation of continuous data analytics where possible and support the SBA's use of Tableau Server and data governance.	Continue to do this in conjunction with the data analytics activity mentioned above under internal audit processes.	In progress
	Begin using our new automated workpaper solution, AuditBoard for all audit projects.	Templates have been developed for audit projects. Additional templates for advisory are in progress. We are currently evaluating AuditBoard for recommendation monitoring.	In progress
PEOPLE	Develop a training plan based on knowledge gaps for each member of the OIA to close those gaps.		In progress
	Have at least one team building event during the fiscal year to enhance the team.	Team building event scheduled for August 2022.	In progress
	Fill the open Audit Analyst position.		In progress



# OIA Organizational Chart





# Other Items for Discussion

- ▶ Changes to OIA organizational chart
  - Audit Analyst vacancy – advertising for this position
  - Senior Audit Analyst-IT vacancy as of August 19<sup>th</sup>
- ▶ Audit Committee meeting dates in 2022
  - November 21, 2022
- ▶ Audit Committee meeting dates discussion for 2023
  - February 27, 2023
  - May 22, 2023
  - August 21, 2023
  - November 20, 2023

# Questions/Comments

