

**Florida PRIME
Fixed Income Investment Oversight Group Meeting**

Minutes

October 28, 2013

11:00 a.m. - 12:00 p.m.

Attendees

Kevin Ceurvorst – Senior Portfolio Manager-Investment Grade Credit
Lisa Collins – Manager of Public Market Compliance
Bridget Dervish – Senior Risk & Control Analyst III
Belinda Dixon – Director of External Investment Manager Oversight
Tom Fernald – Senior Portfolio Manager-External Management
Mykel Kenton – Manager of Public Market Compliance
Michael McCauley – Senior Officer-Investment Programs & Governance
Eric Nelson – Chief Risk & Compliance Officer
Sheilah Smith – Director of Public Market Compliance
Katy Wojciechowski – Senior Investment Officer-Fixed Income

Agenda Topics

1. Follow-up items:

None.

2. Reviewed August 2013 monthly compliance, transaction, and holdings reports.

Conclusions:

- A. No compliance violations were reported on the Federated checklist. However, a revised checklist was issued increasing the percentage exposure to A-1+ rated entities from 60.13% to 62.94%.
- B. In the verification of high risk parameters, one discrepancy was identified. The variance between the Weighted Average Life (WAL) calculation generated by the internal Eagle system and that reported by Federated exceeded the tolerance limit of 12 days by 73 days. The discrepancy was due to incorrect maturity dates in the Eagle system for the Mullenix and St. Andrew demand notes; for the municipals California Statewide Communities Development Authority, Gibson County Indiana, Illinois Finance Authority, Long Island Power Authority, Putnam County West Virginia County Commission, and Saratoga County Industrial Development Agency; and for extendibles issued by Australia New Zealand Banking Group, Canadian Imperial Bank of Commerce, J.P. Morgan Chase Bank N.A., Royal Bank of Canada, and Wells Fargo Bank N.A. After correcting the maturity dates for these securities and recalculating in Excel, WAL was within tolerance at 76 days versus the Federated result of 80 days.
- C. No extraordinary transactions or holdings were identified.
- D. No QIB restrictions were identified on Bloomberg for 144A securities purchased in August 2013.

Action Items

None.