

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

Minutes

December 20, 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
Tom Fernald – Senior Portfolio Manager-External Management
Cherie Jeffries – Director of Fixed Income Trading
Michael McCauley – Senior Officer-Investment Programs & Governance
Eric Nelson – Chief Risk & Compliance Officer
Sheilah Smith – Director of Public Market Compliance

Agenda Topics

1. Follow-up items:

None.

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

Conclusions:

- A. No compliance violations were reported on the Federated checklist. However, a revised checklist was issued correcting the *Industry Concentration, Excluding Financial Services Industry* from 0% to 1.78%.
- 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 32 days. The discrepancy was due to incorrect maturity dates in the Eagle system for the Mullenix and St. Andrew demand notes and for the municipals California Statewide Communities Development Authority, Putnam County West Virginia County Commission, and Saratoga County Industrial Development Agency. After correcting the maturity dates for these securities and recalculating in Excel, WAL matched the Federated result of 86 days.
- C. No extraordinary transactions or holdings were identified.
- D. No QIB restrictions were identified on Bloomberg for 144A securities purchased in October 2013.

Action Items

None.