

# Florida Cooperative Liquid Assets Securities System

## Principal Stability Fund Ratings Definitions

**AAAm** A fund rated 'AAAm' demonstrates extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. 'AAAm' is the highest principal stability fund rating assigned by S&P Global Ratings

**AAM** A fund rated 'AAM' demonstrates very strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. It differs from the highest-rated funds only to a small degree.

**Am** A fund rated 'Am' demonstrates strong capacity to maintain principal stability and to limit exposure to principal losses due to credit risk, but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than funds in higher-rated categories

**BBBm** A fund rated 'BBBm' demonstrates adequate capacity to maintain principal stability and to limit exposure to principal losses due to credit risk. However, adverse economic conditions or changing circumstances are more likely to lead to a reduced capacity to maintain principal stability.

**BBm** A fund rated 'BBm' demonstrates speculative characteristics and uncertain capacity to maintain principal stability. It is vulnerable to principal losses due to credit risk. While such funds will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

**Dm** A fund rated 'Dm' has failed to maintain principal stability resulting in a realized or unrealized loss of principal.

**Plus (+) or Minus (-)**  
The ratings may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

## About the Pool

Pool Rating

**AAAm**

Pool Type

Stable NAV Government Investment Pool

Investment Adviser

Public Trust Advisors, LLC

Portfolio Manager

Randy Palomba, CFA & Neil Waud, CFA

Pool Rated Since

April 2015

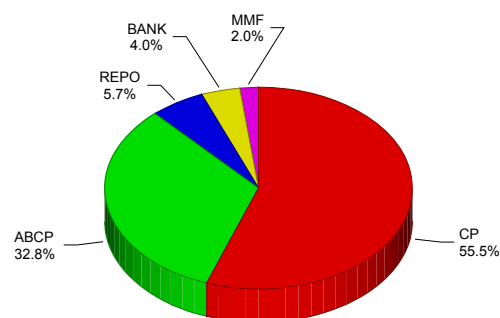
Custodian

Wells Fargo Bank, N.A.

Distributor

Public Trust Advisors LLC (Public Trust)

Portfolio Composition as of October 17, 2017



CP - Commercial Paper; ABCP - Asset-backed commercial paper; REPO - Repurchase Agreement; BANK - Bank Deposits; MMF - Money Market Fund

## Rationale

Florida Cooperative Liquid Assets Securities System (FLCLASS) is rated 'AAAm' by S&P Global Ratings. The rating signifies our forward-looking opinion about a fixed-income fund's ability to maintain principal value (i.e., stable net asset value, or 'NAV'). This is accomplished through conservative investment practices and strict internal controls. S&P Global monitors the portfolio on a weekly basis.

## Overview

Florida Cooperative Liquid Assets Securities System is an independent local government investment pool designed to meet the cash management and short-term needs of Florida governmental entities. FLCLASS is a full-service cash management and investment program which seeks to generate additional investment income for the Participants while maintaining safety and liquidity. The primary investment objectives of FLCLASS are to provide safety, liquidity, transparency, and competitive rates of return. The program is designed to meet the needs of governmental entities within the State of Florida, including any State agency, county, municipality, school district, special district, clerk of the circuit court, sheriff, property appraiser, tax collector, supervisor of elections, authority, board, public corporations, quasi-public authorities or any other political subdivision of the State. The pool purchases securities that are legally permissible under state statutes and are available for investment by participating entities. FLCLASS has been in operation since June 1, 2015.

## Management

Public Trust Advisors, LLC serves as the pool's administrator and investment adviser. The marketing and operation functions of the portfolio are also performed by Public Trust Advisors, LLC. The pool is subject to the general supervision of the Board of Trustees which is duly elected by the FLCLASS Participants. Wells Fargo Bank, N.A. serves as custodian for the pool.

## Portfolio Assets

The pool invests in securities issued or guaranteed by the U.S. government, its agencies, or instrumentalities; high-grade commercial paper (rated 'A-1' or better), certificates of deposit, asset backed commercial paper, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The credit quality of the pool is excellent, with greater than 50% of the portfolio invested in securities rated 'A-1+' and the remainder in 'A-1' rated securities. The portfolio's weighted average maturity to reset (WAM(R)) is kept under 60 days, which further helps to enhance liquidity and limits market price exposure. Portfolio securities are priced to market on a weekly basis.

S&P Global Ratings Analyst: Peter Rizzo - (1) 212-438-5059

www.spratings.com

*Participants should consider the investment objectives, risks and charges and expenses of the pool before investing. The investment guidelines which can be obtained from your broker-dealer, contain this and other information about the pool and should be read carefully before investing.*

## Principal Stability Rating Approach and Criteria

A S&P Global Ratings principal stability fund rating, also known as a "money market fund rating", is a forward-looking opinion about a fixed income fund's capacity to maintain stable principal (net asset value). When assigning a principal stability rating to a fund, S&P Global Ratings analysis focuses primarily on the creditworthiness of the fund's investments and counterparties, and also its investments' maturity structure and management's ability and policies to maintain the fund's stable net asset value. Principal stability fund ratings are assigned to funds that seek to maintain a stable or an accumulating net asset value.

Generally, when faced with an unanticipated level of redemption requests during periods of high market stress, the manager of any fund may suspend redemptions for up to five business days or meet redemption requests with payments in-kind in lieu of cash. A temporary suspension of redemptions or meeting redemption requests with distributions in-kind does not constitute a failure to maintain stable net asset values. However, higher rated funds are expected to have stronger capacities to pay investor redemptions in cash during times of high market stress because they generally comprise shorter maturity and higher quality investments.

Principal stability fund ratings, or money market fund ratings, are identified by the 'm' suffix (e.g., 'AAAm') to distinguish the principal stability rating from a S&P Global Ratings traditional issue or issuer credit rating. A traditional issue or issuer credit rating reflects S&P Global Ratings view of a borrower's ability to meet its financial obligations. Principal stability fund ratings are not commentaries on yield levels.

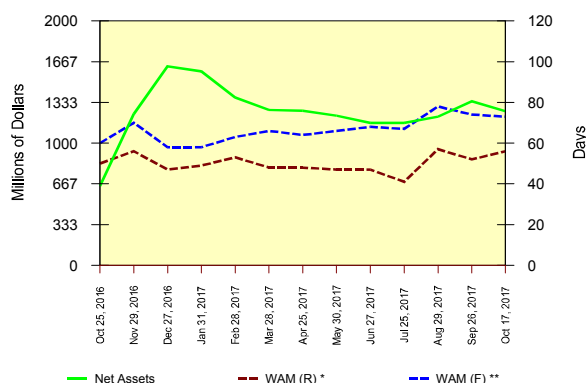
## Florida Cooperative Liquid Assets Securities System

AAAm

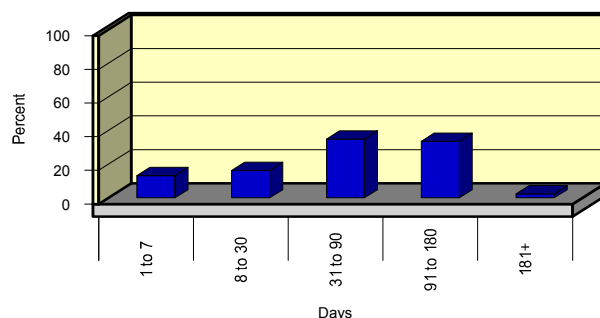
### Data Bank as of October 17, 2017

Net Asset Value per Share.....	\$1.00007	Net Assets (millions).....	\$1,261.66	Inception Date.....	June 2015
WAM (R) * .....	56 days	WAM (F) ** .....	73 days	7 Day Yield.....	1.28%
* Weighted Average Maturity (Reset)		** Weighted Average Maturity (Final)			

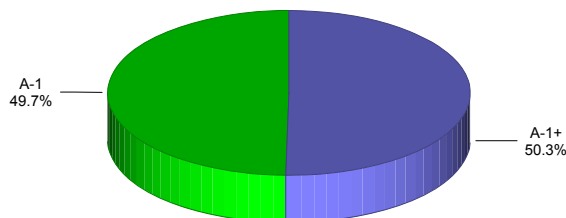
### Net Assets, WAM (R) and WAM (F)



### Portfolio Maturity Distribution as of October 17, 2017

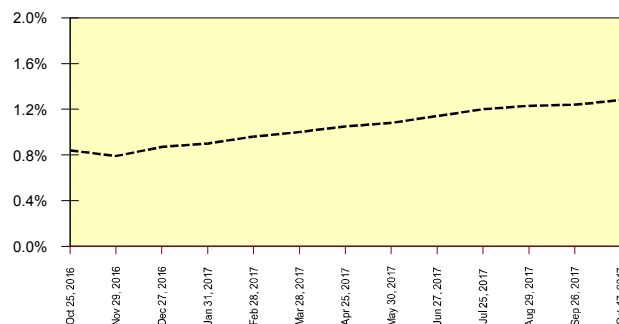


### Portfolio Credit Quality as of October 17, 2017 \*



\*As assessed by S&P Global Ratings

### Portfolio 7 Day Net-Yield



The yield quoted represents past performance. Past performance does not guarantee future results. Current yield may be lower or higher than the yield quoted.

Pool portfolios are monitored weekly for developments that could cause changes in the ratings. Rating decisions are based on periodic meetings with senior pool executives and public information.

S&P Global Ratings is neither associated nor affiliated with the fund.

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