

**Florida College System Council of Presidents
Agenda Item Request Form**

1. Agenda Item Name:

FCSRMC Report

2. Date of COP Meeting for Agenda Item Consideration:

February 20, 2020

3. Presenter:

Dr. John Holdnak & John Grosskopf to be listed as presenters:

- Chauncey Fagler, FCSRMC, Executive Director/Chief Risk Officer will be introduced by Dr. Holdnak

4. Description of Agenda Item:

Approval of the:

- 2020-2021 Property/Casualty and Administration Budget
- 2018 Property/Casualty Audit

Review of the FCSRMC Financials, Miscellaneous Items and FCSRMC Operations Committee Membership.

5. Action Requested:

- COP Approval X
- Information Only X
- Discussion Item

6. List Background Information Provided:

FCSRMC will forward an electronic booklet to Sharlee Whiddon, AFC as soon as it is ready the week of COPs. Printed copies will be handed out at the meeting.

Disposition of Item:



Risk Management Council Meeting

Friday, February 20, 2020

*FCSRMC Mission Statement:
FCSRMC delivers comprehensive and innovative enterprise-wide risk
management services and solutions to support the educational
mission of the Florida College System.*



RISK MANAGEMENT COUNCIL MEETING

February 20, 2020 (Thursday)

AGENDA

Action Items:

1. Property/Casualty Program:
 - a. 2020-2021 Property/Casualty and Admin Budget pg 01
 - b. Property/Casualty Program 2018 Audit:
 1. James Moore 2018 Audit pg 07
 2. Management Letter..... pg 32
 3. Actuary Letter..... pg 36

Information Items:

2. Property/Casualty Program:
 - a. Hurricane Irma Update pg 39
 - b. Hurricane Michael Update pg 41
 - c. Risk Management Premium Credit pg 43
3. Employee Benefits Plan:
 - a. 2020-2022 Strategic Plans..... pg 45
4. Financials:
 - a. Property/Casualty Financial Highlights..... pg 62
 - b. Employee Benefit Plans Financial Highlights..... pg 66
 - c. Investment Program pg 70
5. Miscellaneous:
 - a. Three Year Performance Results:
 1. Property/Casualty Program..... pg 103
 2. Employee Benefit Plans..... pg 108
 - b. Operations Committee Members as of January 24, 2020..... pg 111

Action Item 1.a.
Property/Casualty Program

2020-2021 Property/Casualty
and Administration Budget

ACTION

**Council of Presidents - Risk Management Council
February 20, 2020**

Action Item: 1.a.

Property/Casualty Program:

Presentation of the 2020-2021 Property/Casualty and Administration Budget

1.a.

Motion to accept the 2020-2021 Property/Casualty and Administration Budget, as presented by
Chauncey Fagler.

Discussion:

Sharlee Whiddon, AFC to provide voting results.

**Florida College System Risk Management Consortium
Property/Casualty Programs
2020-2021 Calculation of Institution Assessments**

	<u>2019-20</u>	<u>2020-21</u>	
Funds Needed for Property/Casualty Programs			
Property Insurance	\$12,465,696	\$15,670,355	
Boiler & Machinery	\$190,067	\$197,641	
Workers' Compensation	\$301,702	\$309,251	
School Leaders Errors & Omissions	\$1,058,424	\$1,108,825	
\$5M Full XS Casualty xs \$200K	\$376,852	\$398,970	
Fiduciary Liability	\$59,886	\$63,877	
Crime	\$61,706	\$61,706	
Cyber	\$389,730	\$499,500	
International Travel	\$75,383	\$75,747	
Master Builders Risk (deposit of \$151,776 \$50M Limit)	\$0	\$0	
Site Pollution including Tanks	\$133,962	\$140,660	
State Taxes and Assessments	\$50	\$78,604	
Disaster Management Insurance	\$0	\$0	
Total Insurance Costs	\$15,113,458	\$18,605,136	
Other Program Costs			
Workers' Compensation Audit Assessment	\$25,000	\$25,000	
Fund Balance Recovery	\$0	\$0	
Administrative Services (+Legal, Claims, Audit, etc.)	\$1,479,863	\$1,371,809	
Consortium Office Budget	\$816,375	\$851,491	
Total Other Program Costs	\$2,321,238	\$2,248,300	
	\$17,434,696	\$20,853,436	
Loss Fund	\$11,500,000	\$11,500,000	
Total Funds Needed for Property/Casualty Programs	\$28,934,696	\$32,353,436	
WC Collateral Held by Insurer	\$3,559,757	\$3,058,784	
75% Confidence Level Funding	\$4,858,432	\$3,537,411	
Total Funds Assessed at 75% Confidence Level	\$ 33,793,128	\$ 35,890,847	6.21%
Rate Per FTE	2019-2020 \$95.42	2020-2021 \$106.64	% Change 12%

FCSRMC Calculation of Property/Casualty Assessment

2020-21 Fiscal Year

College	20-21 Other Cost Per Member	20-21 Property Cost Per Member	20-21 WC Cost Per Member	Est WC Self-Insurance Assessment	20-21 75% Confidence Level All Other Losses	20-21 75% Confidence Level CAT Funding	Due 3/1	Due 7/1	20-21 Total Assessment	19-20 Total Assessment	% Difference	COP Approved LBR Funding 25%
BROC	\$ 747,899	\$ 932,601	\$ 782,144	\$ 8,465	\$ 134,755	\$ 123,101	\$ 906,833	\$ 1,813,666	\$ 2,720,499	\$ 2,724,126	0%	\$ 278,875
CC	\$ 38,932	\$ 213,695	\$ 59,922	\$ 673	\$ 7,015	\$ 28,207	\$ 115,924	\$ 231,847	\$ 347,771	\$ 332,926	4%	\$ 63,696
CCF	\$ 135,802	\$ 414,019	\$ 139,892	\$ 1,555	\$ 24,468	\$ 54,650	\$ 256,277	\$ 512,554	\$ 768,831	\$ 769,188	0%	\$ 127,058
DSC	\$ 293,458	\$ 742,009	\$ 415,084	\$ 4,512	\$ 52,875	\$ 97,944	\$ 533,790	\$ 1,067,579	\$ 1,601,369	\$ 1,467,501	9%	\$ 208,440
EFSC	\$ 284,959	\$ 760,123	\$ 366,406	\$ 3,986	\$ 51,343	\$ 100,335	\$ 521,056	\$ 1,042,111	\$ 1,563,167	\$ 1,401,059	12%	\$ 219,112
FGC	\$ 63,744	\$ 171,985	\$ 64,681	\$ 728	\$ 11,485	\$ 22,702	\$ 111,532	\$ 223,064	\$ 334,597	\$ 340,321	-2%	\$ 54,698
FKCC	\$ 18,688	\$ 129,673	\$ 27,905	\$ 323	\$ 3,367	\$ 17,117	\$ 65,583	\$ 131,166	\$ 196,749	\$ 199,905	-2%	\$ 38,075
FSWSC	\$ 293,379	\$ 615,872	\$ 347,596	\$ 3,786	\$ 52,860	\$ 81,294	\$ 463,667	\$ 927,334	\$ 1,391,001	\$ 1,246,595	12%	\$ 185,305
GSCC	\$ 86,681	\$ 339,594	\$ 114,345	\$ 1,276	\$ 15,618	\$ 44,826	\$ 200,354	\$ 400,709	\$ 601,063	\$ 559,870	7%	\$ 89,204
HCC	\$ 540,197	\$ 712,652	\$ 421,481	\$ 4,603	\$ 97,332	\$ 94,068	\$ 621,910	\$ 1,243,820	\$ 1,865,730	\$ 1,649,659	13%	\$ 202,740
IRSC	\$ 337,485	\$ 789,075	\$ 341,671	\$ 3,753	\$ 60,807	\$ 104,156	\$ 544,398	\$ 1,088,796	\$ 1,633,194	\$ 1,633,200	0%	\$ 237,030
LSSC	\$ 85,783	\$ 259,262	\$ 72,649	\$ 817	\$ 15,456	\$ 34,222	\$ 155,791	\$ 311,582	\$ 467,372	\$ 446,981	5%	\$ 77,964
MDC	\$ 1,253,387	\$ 2,635,742	\$ 1,453,933	\$ 15,692	\$ 225,832	\$ 347,912	\$ 1,972,269	\$ 3,944,537	\$ 5,916,806	\$ 5,556,315	6%	\$ 747,421
NFCC	\$ 22,330	\$ 87,286	\$ 27,764	\$ 320	\$ 4,023	\$ 11,522	\$ 50,975	\$ 101,950	\$ 152,925	\$ 159,145	-4%	\$ 26,235
NWFSC	\$ 101,013	\$ 400,960	\$ 74,820	\$ 819	\$ 18,200	\$ 52,926	\$ 215,973	\$ 431,947	\$ 647,920	\$ 645,118	0%	\$ 122,697
PBSC	\$ 557,750	\$ 732,108	\$ 568,308	\$ 6,176	\$ 100,494	\$ 96,637	\$ 685,099	\$ 1,370,198	\$ 2,055,297	\$ 1,763,393	17%	\$ 220,211
PHSC	\$ 200,073	\$ 474,559	\$ 166,429	\$ 1,844	\$ 36,049	\$ 62,641	\$ 313,250	\$ 626,500	\$ 939,750	\$ 910,346	3%	\$ 142,245
PeSC	\$ 191,574	\$ 484,373	\$ 154,848	\$ 1,725	\$ 34,517	\$ 63,936	\$ 309,749	\$ 619,499	\$ 929,248	\$ 987,967	-6%	\$ 152,743
POSC	\$ 174,365	\$ 378,282	\$ 153,399	\$ 1,715	\$ 31,417	\$ 49,932	\$ 262,465	\$ 524,930	\$ 787,395	\$ 707,736	11%	\$ 111,210
SJRSC	\$ 121,126	\$ 258,767	\$ 85,972	\$ 967	\$ 21,824	\$ 34,157	\$ 173,949	\$ 347,898	\$ 521,847	\$ 501,332	4%	\$ 75,923
SPC	\$ 490,971	\$ 967,268	\$ 631,443	\$ 6,826	\$ 88,462	\$ 127,677	\$ 768,607	\$ 1,537,214	\$ 2,305,822	\$ 2,076,149	11%	\$ 285,961
SF	\$ 292,561	\$ 476,669	\$ 241,666	\$ 2,680	\$ 52,713	\$ 62,919	\$ 375,509	\$ 751,019	\$ 1,126,528	\$ 1,126,773	0%	\$ 142,905
SSC	\$ 339,385	\$ 608,702	\$ 412,266	\$ 4,486	\$ 61,150	\$ 80,347	\$ 500,617	\$ 1,001,233	\$ 1,501,850	\$ 1,430,227	5%	\$ 181,608
SFSC	\$ 62,582	\$ 256,567	\$ 88,706	\$ 989	\$ 11,276	\$ 33,866	\$ 150,999	\$ 301,999	\$ 452,998	\$ 461,518	-2%	\$ 77,957
SCFMS	\$ 176,397	\$ 370,681	\$ 135,851	\$ 1,521	\$ 31,783	\$ 48,929	\$ 254,547	\$ 509,094	\$ 763,641	\$ 770,518	-1%	\$ 111,790
TCC	\$ 239,639	\$ 615,983	\$ 320,696	\$ 3,494	\$ 43,178	\$ 81,308	\$ 433,601	\$ 867,203	\$ 1,300,804	\$ 1,197,600	9%	\$ 182,668
VC	\$ 857,886	\$ 1,039,488	\$ 807,518	\$ 8,768	\$ 154,572	\$ 137,210	\$ 998,891	\$ 1,997,782	\$ 2,996,674	\$ 2,727,660	10%	\$ 303,436
Total	\$ 8,008,045	\$ 15,867,996	\$ 8,477,394	\$ 92,499	\$ 1,442,871	\$ 2,094,540	\$ 11,963,616	\$ 23,927,231	\$ 35,890,847	\$ 33,793,128	6%	\$ 4,667,206

Allocations are rounded to the dollar

Florida College System Risk Management Consortium
Property/Casualty Programs
Balance Sheet and Funding for 2020-21

	Discounted at the Following Confidence Levels						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Expected Undiscounted	Expected Discounted	70%	75%	80%	85%	90%
(A) Assets as of 10/31/2019	63,324,484	63,324,484	63,324,484	63,324,484	63,324,484	63,324,484	63,324,484
(B) Loss & LAE Reserves as of 10/31/2019	36,210,419	34,617,157	37,871,049	39,273,248	40,893,636	42,900,578	45,544,324
(C) <u>Other liabilities as of 10/31/2019</u>	<u>4,612,212</u>	<u>4,612,212</u>	<u>4,612,212</u>	<u>4,612,212</u>	<u>4,612,212</u>	<u>4,612,212</u>	<u>4,612,212</u>
(D) Surplus at 10/31/2019	22,501,852	24,095,114	20,841,223	19,439,023	17,818,636	15,811,694	13,167,947
(E) 2020-21 Funding Estimate for non-Cat Losses	11,280,000	10,859,280	12,288,665	12,942,871	13,713,174	14,674,966	15,952,169
(F) <u>2020-21 Funding Estimate for Cat Losses</u>	-	-	1,063,112	2,094,540	4,595,008	5,728,070	6,940,077
(G) 2020-21 Funding Estimate for All Losses	11,280,000	10,859,280	13,351,777	15,037,411	18,308,182	20,403,036	22,892,246
(H) 2020-21 Third Party Insurance Premium	18,744,058	18,744,058	18,744,058	18,744,058	18,744,058	18,744,058	18,744,058
(I) <u>Total Other Program Costs 2020-21</u>	<u>2,259,357</u>	<u>2,259,357</u>	<u>2,259,357</u>	<u>2,259,357</u>	<u>2,259,357</u>	<u>2,259,357</u>	<u>2,259,357</u>
(J) Total funds needed for 2020-21	32,283,415	31,862,695	34,355,193	36,040,827	39,311,597	41,406,451	43,895,662

Notes:

Adopted Surplus Policy Recommends Striving to Fund Between 75% and 85% Confidence Level

- (A) FCSRMC balance sheet at 10/31/2019 including collateral held by insurer
- (B) Expected undiscounted from FCSRMC balance sheet at 10/31/2019 (based on Cornerstone Actuarial Solutions). Net of Reinsurance
- (C) FCSRMC balance sheet at 10/31/2019
- (D) = (A) - (B) - (C) Excludes the 2020-21 Funding Estimate for All Losses
- (E) Cornerstone Actuarial Solution's funding analysis at 10/31/19 for 2020-21
- (F) Analysis provided by Gallagher November 2019
- (G) = (E) + (F)
- (H) & (I) FCSRMC's calculation of institutional assessments.
- (J) = (G) + (H) + (I)

	Discount Factor		
	<u>Reserves</u>	<u>Funding</u>	
Non Cat	95.6%	96.3%	Assumes annual discount rate of 1%
Cat	N/A	98.5%	Assumes annual discount rate of 1%

Confidence level factors from Bickmore Actuarial

Florida College System Risk Management Consortium
Property/Casualty Programs
Surplus Adequacy Tests in Recommended Funding Approach

Ratio	Goal	Actual		Minimum Surplus to Hit Goal	
Net Contributions / Surplus	Less than 2	1.43	OK	16,141,708	
Liabilities / Surplus	Less than 3	1.81	OK	13,607,544	
Surplus / SIR	Greater than 3	n/a			
Operating Ratio	Less than 1	0.73	OK		
Reserve Development / Surplus	1-year	Less than 20%	-68%	OK	-
	2-year	Less than 20%	5%	OK	2,134,102
Change in Surplus	Greater than -10%	145%	OK	8,268,914	
Actual Surplus				22,501,852	

Action Item 1.b.1.
Property/Casualty Program

James Moore 2018 Audit

ACTION

**Council of Presidents - Risk Management Council
February 20, 2020**

Action Item: 1.b.(1.-3.)

Property/Casualty Program:

FCSRMC Annual Audit – Property/Casualty Program

1.b.(1.-3.)

Motion to ratify the Property/Casualty Program Audit as submitted:

1. James Moore 2018 Audit
2. Management Letter
3. Actuary Letter

Discussion:

Sharlee Whiddon, AFC to provide voting results.

INDEPENDENT AUDITORS' REPORT

To the Risk Management Council and Operations Committee,
Florida College System Risk Management Consortium:

Report on the Financial Statements

We have audited the accompanying financial statements of the Florida College System Risk Management Consortium Property and Casualty Plan, which comprise the statement of net position as of February 28, 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Florida College System Risk Management Consortium Property and Casualty Plan as of February 28, 2019, and the changes in its net position and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The financial statements of the Florida College System Risk Management Consortium Property and Casualty Plan for the year ended February 28, 2018, were audited by another auditor who expressed an unmodified opinion on those statements on August 6, 2018.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5 and schedule of supplemental revenues, expenses and claim development information on page 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2019 on our consideration of Florida College System Risk Management Consortium Property and Casualty Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Florida College System Risk Management Consortium Property and Casualty Plan's internal control over financial reporting and compliance.



Gainesville, Florida
October 22, 2019

**FLORIDA COLLEGE SYSTEM RISK
MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN**

FINANCIAL STATEMENTS

FEBRUARY 28, 2019 AND 2018

**FLORIDA COLLEGE SYSTEMS OF RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
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FEBRUARY 28, 2019 AND 2018**

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**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FEBRUARY 28, 2019**

This discussion provides an assessment by management of the current financial position and results of operations for the Florida College System Risk Management Consortium (P & C Plan) (the "Consortium") Property and Casualty Plan ("PC"). Management encourages readers to consider the information presented here in conjunction with additional information included in the accompanying financial statements and notes to the financial statements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Consortium's basic financial statements, which consists of the statements of net position, statements of revenues, expenses, and changes in net position, and the statements of cash flows. This report also contains other supplementary information in addition to the basic financial statements.

The *statements of net position* presents information reflecting the Consortium's assets and liabilities, with the difference between the two reported as the total net position. Increases or decreases in the reported net position may serve as a useful indicator of the Consortium's financial position. The statement of net position does not distinguish between current and noncurrent assets and liabilities.

The *statements of revenues, expenses and changes in net position* present information showing how the Consortium's revenues and expenses affected the total net position during the current year. All revenue is recorded when earned and expenses are recorded as soon as they have been incurred. The major source of revenue is member funding assessments to cover insurance premiums and the major source of expenses are the incurred claims in excess of insurance coverage.

The *statements of cash flows* present information regarding the cash receipts and payments that occurred throughout the year. The statements show the cash effects of operating and investing transactions during a given period.

Financial Highlights

The management of the Consortium offers readers of its PC's financial statements this narrative overview and analysis of the financial activities of the entity for the years ended February 2019, 2018, and 2017:

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2019 vs. 2018 Change</u>
Assets				
Cash and cash equivalents	\$ 46,466,011	\$ 45,745,850	\$ 39,953,084	\$ 720,161
Investments	6,667,158	6,478,450	6,472,493	188,708
Other assets	9,966,797	10,431,070	12,230,905	(464,273)
Capital assets - net	27,178	37,459	13,714	(10,281)
Total assets	<u>63,127,144</u>	<u>62,692,829</u>	<u>58,670,196</u>	<u>(434,315)</u>
Liabilities				
Loss and loss adjustment expense reserves, net	37,816,254	37,830,644	27,613,393	(14,390)
Other liabilities	11,786,766	10,702,989	9,120,235	1,083,777
Accounts Payable	295,345	220,684	156,342	74,661
Total liabilities	<u>49,898,365</u>	<u>48,754,317</u>	<u>36,889,970</u>	<u>1,144,048</u>
Net Position				
Unrestricted	13,228,779	13,938,512	20,780,226	(709,733)
Designated for Cyber Liability	-	-	1,000,000	-
Total Liabilities and Net Position	<u>\$ 63,127,144</u>	<u>\$ 62,692,829</u>	<u>\$ 58,670,196</u>	<u>\$ 434,315</u>

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FEBRUARY 28, 2019
(Continued)**

Assets

Cash and cash equivalents increased by approximately \$720 thousand or 1.6% during 2019. The increase is primarily the result of funds received in advance of claim expenses; likewise, 2018 showed an approximate increase of \$5.8 million or 14.5% due to the increase in member assessments.

Investments increased approximately \$189 thousand or 2.9% during 2019. The increase is primarily the result of increased interest earnings and unrealized gains on investments. The returns on investments for the year are reinvested by long-term portfolio managers. For the year ended February 28, 2019, other assets decreased from the prior year by approximately \$464 thousand or 4.5% primarily due to decreases in assessments receivable. Likewise, in the prior year, other assets decreased by approximately \$1.8 million or 14.7% due to decreases in assessments receivable.

Liabilities

Total liabilities as of February 28, 2019 increased approximately \$1.1 million from February 28, 2018 primarily due to funds received from carriers for hurricane claims in advance of paid expenses; likewise, total liabilities as of February 28, 2018 increased approximately \$11.8 million from February 28, 2017 primarily due to incurred losses associated with property damage from hurricanes.

Net Position

The PC plan experienced a decrease in total net position of approximately \$710 thousand for the year ended February 28, 2019, due to incurred losses and loss adjustments exceeding assessment and investment income. For 2018, total net position decreased approximately \$7.8 million due to greater than expected incurred claims and an increase in reserve for losses.

	2019	2018	2017	2019 vs. 2018 Change
Assessments earned, net	\$ 13,470,614	\$ 12,089,885	\$ 7,729,121	\$ 1,380,729
Investment income	1,040,110	714,076	659,576	326,034
Total operating revenues	<u>14,510,724</u>	<u>12,803,961</u>	<u>8,388,697</u>	<u>1,706,763</u>
Incurred loss and allocated loss adjustment expenses, net	13,289,339	18,630,178	10,846,252	(5,340,839)
Unallocated loss adjustment expenses	863,790	894,353	799,572	(30,563)
Administrative expenses	1,067,328	1,121,144	1,044,509	(53,816)
Total operating expenses	<u>15,220,457</u>	<u>20,645,675</u>	<u>12,690,333</u>	<u>(5,425,218)</u>
Change in net position	<u>(709,733)</u>	<u>(7,841,714)</u>	<u>(4,301,636)</u>	<u>7,131,981</u>
Net position, beginning of year	13,938,512	21,780,226	26,081,862	(7,841,714)
Net position, end of year	<u><u>\$ 13,228,779</u></u>	<u><u>\$ 13,938,512</u></u>	<u><u>\$ 21,780,226</u></u>	<u><u>\$ (709,733)</u></u>

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
MANAGEMENT'S DISCUSSION AND ANALYSIS
FEBRUARY 28, 2019
(Continued)**

Operating Revenues

The PC saw and overall increase in net assessment revenue for 2019 of \$1.4 million due primarily to a reduction in assessment premiums. In 2018, the PC saw and overall increase in net assessment revenue of \$4.4 million primarily due to a 19% or greater increase in member assessments.

In 2019, the PC earned approximately \$995 thousand in interest income, experienced \$39 thousand in realized losses, and \$84 thousand in unrealized gains for a net investment gain of \$1.0 million. In 2018, the PC earned approximately \$835 thousand in interest income, experienced \$31 thousand in realized losses, and \$90 thousand in unrealized losses for a net investment gain of \$714 thousand.

Operating Expenses

Actual and estimated incurred losses, net of recoveries, comprise of approximately 87.3% of the PC's total expenses in 2019 and 90.2% in 2018. For the years ended February 28, 2019 and 2018 total actual and estimated incurred claims, net of recoveries, decreased by approximately \$5.3 million and increased \$7.8 million, or 28.7% and 71.8% over the prior year.

Unallocated loss adjustment expenses have remained stable year over year. This is due to a multiyear claim adjustment and service fee agreements that holds rates consistent.

Administrative expenses decreased by approximately \$54 thousand and increased by \$77 thousand in 2019 and 2018, respectively, primarily due to increased travel and conference costs and fluctuating personnel expenses with position turnover.

Economic Factors That Will Affect the Future

The Consortium Board sets member assessments for the PC with the goal of member stability year over year, while simultaneously protecting the financial position to assure coverage and future stability. The PC operates in an environment dependent on various external markets including investments, reinsurance, commercial insurance and international financing networks that enable high limit coverage. Some external influences will continue to impact the PC:

- The severity of geographical exposure throughout Florida to catastrophic losses, which can be caused by hurricanes, tornadoes, and other windstorms, hail, wildfires and floods are inherently unpredictable.
- Coverage and rates for reinsurance remain stable for liability and workers' compensation.
- Cyber liability continues to emerge as a growing risk along with the expansion of technology itself. The Consortium continues to modify and enhance coverage to protect members from data security issues and other liabilities derived from cyber activity.
- Replacement cost values and increases to property values.

Request for Information

Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Vice President for Administrative Affairs/CFO, Santa Fe College, 3000 Northwest 83rd Street, Gainesville, Florida 32606

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
STATEMENTS OF NET POSITION
FEBRUARY 28, 2019 AND 2018**

	2019	2018
<u>ASSETS</u>		
Cash and cash equivalents	\$ 46,466,011	\$ 45,745,850
Investments	6,667,158	6,478,450
Accrued interest receivable	34,726	25,075
Assessments receivable	3,655,118	5,689,907
Recoverables from excess carriers on paid losses	1,477,832	19,922
Prepaid insurance	1,228,339	1,176,106
Restricted deposit	3,570,782	3,520,060
Capital assets, net	27,178	37,459
Total assets	\$ 63,127,144	\$ 62,692,829
<u>LIABILITIES</u>		
Loss and loss adjustment expense reserves, net	\$ 37,816,254	\$ 37,830,644
Unearned assessments	1,157,230	1,121,843
Advanced assessments	9,644,896	9,581,146
Funds held under excess carrier treaties	984,640	-
Accounts payable and accrued liabilities	295,345	220,684
Total liabilities	\$ 49,898,365	\$ 48,754,317
<u>NET POSITION</u>		
Net Position		
Net position - unrestricted	\$ 13,228,779	\$ 13,938,512

The accompanying notes to financial statements
are an integral part of these statements.

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEARS ENDED FEBRUARY 28, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
Operating revenues		
Assessments earned, net	\$ 13,470,614	\$ 12,089,885
Investment income	1,040,110	714,076
Total operating revenues	<u>14,510,724</u>	<u>12,803,961</u>
Operating expenses		
Incurred loss and allocated loss adjustment expenses, net	13,289,339	18,630,178
Unallocated loss adjustment expenses	863,790	894,353
Total incurred losses	<u>14,153,129</u>	<u>19,524,531</u>
Administrative expenses	1,067,328	1,121,144
Total operating expenses	<u>15,220,457</u>	<u>20,645,675</u>
Change in net position	(709,733)	(7,841,714)
Net position, beginning of year	13,938,512	21,780,226
Net position, end of year	<u>\$ 13,228,779</u>	<u>\$ 13,938,512</u>

The accompanying notes to financial statements
are an integral part of these statements.

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED FEBRUARY 28, 2019 AND 2018**

	2019	2018
Cash flows from operating activities		
Revenue collected:		
Earned assessments	\$ 14,047,493	\$ 9,241,644
Payment for expenses:		
Claims and claims adjustment expenses	(13,083,742)	(3,240,525)
General and administrative expenses	(1,085,341)	(882,342)
Net cash provided by (used in) operating activities	(121,590)	5,118,777
Cash flows from investing activities		
Purchases of investments	(3,952,996)	(4,927,805)
Investment redeemed	3,809,290	4,800,689
Investment income	985,457	830,271
Purchase of property and equipment	-	(29,165)
Net cash provided by investing activities	841,751	673,990
Change in cash and cash equivalents	720,161	5,792,767
Cash and cash equivalents, beginning of year	45,745,850	39,953,083
Cash and cash equivalents, end of year	\$ 46,466,011	\$ 45,745,850
Reconciliation of change in net position to net cash provided by operating activities:		
Change in net position	\$ (709,733)	\$ (7,841,714)
Adjustments to reconcile change in net position to net cash provided by operating activities:		
Depreciation	10,281	5,420
Investment income	(985,457)	(830,271)
Net realized losses on sales of investments	39,029	31,099
Net decrease (increase) in unrealized losses of investments	(84,031)	90,061
Changes in assets and liabilities:		
Accrued interest receivable	(9,651)	(4,965)
Assessments receivable	2,034,789	1,655,681
Recoverables from excess carriers on paid losses	(1,457,910)	(4,503,922)
Prepaid insurance	(52,233)	32,567
Restricted deposit	(50,722)	136,474
Loss and loss adjustment expense reserves	(14,390)	14,701,251
Unearned assessments	35,387	1,582,755
Advanced assessments	63,750	-
Funds held under excess carrier treaties	984,640	-
Accounts payable and accrued liabilities	74,661	64,341
Total adjustments	588,143	12,960,491
Net cash provided by (used in) operating activities	\$ (121,590)	\$ 5,118,777

The accompanying notes to financial statements
are an integral part of these statements.

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies of Florida College System Risk Management Consortium (the “Consortium”), which affects significant elements of the accompanying financial statements:

(a) **Reporting entity**—The Consortium was created by mutual agreement of 27 Florida College System Boards of Trustees for the purpose of joining in cooperative effort to develop, implement and participate in a coordinated statewide college system risk management program. The Consortium is not a legal entity and the colleges are ultimately responsible for all insurance risks not transferred through excess of loss insurance contracts. The Consortium manages self-insurance, specific insurance and excess insurance for participating colleges in the Property and Casualty Programs, Employee Benefit Programs and Optional Programs, which includes workers’ compensation, crime, cyber, environmental breakdown, fiduciary liability, international travel, terrorism, property, allied health, athletics and student accident. The Consortium administers the programs under two separate plans: the Employee Benefits Plan and the Property and Casualty Plan (“PC”). The information contained in these financial statements relates to the PC.

The colleges also retain all rights granted by Florida law, including that of sovereign immunity which limits lawsuits for damages against them to \$200,000 per person and \$300,000 per occurrence. The Florida College System Risk Management Council, comprised of representatives of member colleges, is charged with the overall responsibility for the administration of the risk management program which includes the establishment and approval of policies, guidelines and procedures for administering the self-insured and fully-insured programs. The Risk Management Operations Committee consists of nine voting members and three non-voting members consisting of a representative from the Division of Florida Colleges, a representative of the Fiscal Agent, and the Executive Director of the Consortium. The Committee provides overall supervision of the risk management program and associated activities. The Fiscal Agent, one of the member colleges (see Note 8), has the responsibility for receiving, disbursing, and administering all the monies due to or payable for the risk management consortium program in accordance with the policies and procedures adopted by the Risk Management Council consistent with Florida Statutes. The PC had 27 member colleges in 2019 and 2018.

(b) **Basis of accounting, measurement focus, and financial statement presentation**—The Consortium presents its financial statements on the basis of accounting principles generally accepted in the United States of America (“GAAP”) and governmental accounting standards. The Consortium follows GASB Statement No. 34, *Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments*, which establishes financial reporting standards for state and local governments, including states, cities, towns, villages, and special-purpose governments such as school districts and public utilities and GASB Statement No. 35, *Basic Financial Statements - and Management’s Discussion and Analysis - for Public Colleges and Universities*, an amendment of GASB Statement No. 34 for public colleges and universities to allow the use of the guidance for special-purpose governments engaged only in business-type activities, engaged only in government activities, or engaged in both governmental and business-type activities in their separately issued reports.

The financial statements of the Consortium have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under these methods, revenues are recorded when earned and expenses are recognized when they are incurred.

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018

(1) **Summary of Significant Accounting Policies:** (Continued)

The Consortium distinguishes operating revenues and expenses from non-operating items. Operating revenues are those revenues that are generated from the primary operations of the Consortium, including investment income. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the Company. All other expenses are reported as non-operating expenses. For the years ended February 28, 2019 and 2018, all revenues and expenses of the Consortium were considered to be operating revenues and operating expenses.

(c) **Cash and cash equivalents**—Cash and cash equivalents consist of cash maintained in the Fiscal Agent’s demand account, funds invested with the State Board of Administration (“SBA”) Florida PRIME investment pool, and the State Treasury Special Purpose Investment Account (“SPIA”). For purposes of reporting cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less when purchased. Under this definition, the Consortium considers amounts invested in SPIA and SBA Florida PRIME investment pool to be cash equivalents. Cash deposits are held in banks qualified as public depositories under Florida law.

All such deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida’s multiple financial institution collateral pool required by Chapter 280, Florida Statutes.

(d) **Investments**—Investments are stated at fair value pursuant to GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended by GASB Statement No. 72, *Fair Value Measurement and Application*, and GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The Fiscal Agent’s Board of Trustees has adopted a written investment policy providing that surplus funds of the Consortium shall be invested in those institutions and instruments permitted under the provisions of Florida Statutes. Pursuant to Section 218.415(16), Florida Statutes, the Consortium is authorized to invest in the Florida PRIME investment pool administered by the SBA; interest-bearing time deposits and savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; direct obligations of the United States Treasury; obligations of Federal agencies and instrumentalities; securities of, or interests in, certain open-end or closed-end management type investment companies; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and other investments approved by the Consortium’s Board of Trustees, as authorized by law.

For purposes of cash flows, the funds held in the managed investment accounts, including money market funds which are available on demand, are not considered to be cash equivalents due to management's intent that such funds be held for long-term investment.

(e) **Assessments and assessments receivable**—Assessments written to member colleges, net of insurance premiums ceded pursuant to insurance agreements, are earned ratably over the terms of the underlying policies. All renewal policies are written for a one-year term and expire on March 1 of each year with the exception of policies for Allied Health, Athletics, Student Accident, and other special coverages, which expire during the month of August. Assessments written relating to the unexpired portion of policies in-force at the balance sheet date are recorded as unearned assessments.

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018

(1) **Summary of Significant Accounting Policies:** (Continued)

If anticipated losses, loss adjustment expenses (“LAE”), commissions and other acquisition costs exceed the Consortium’s recorded unearned assessment reserve, an assessment deficiency reserve is recognized. The Consortium anticipates investment income as a factor in the assessment deficiency calculation. At February 28, 2019 and 2018, management determined that no assessment deficiency reserve was required.

(f) **Restricted deposits**—Deposits are the collateral payments held for workers’ compensation insurance claims. Such amounts are expected to be applied against future qualified workers’ compensation insurance claims. Any amounts remaining thereafter will be refunded to the Consortium.

(g) **Excess of loss insurance**—Amounts recoverable on unpaid losses and LAE from excess carriers pursuant to the insurance agreements have been estimated using actuarial assumptions consistent with those used in establishing the liability for losses and LAE, as described below. Such amounts are recorded as an offset against unpaid losses and LAE.

Management believes the recoverables from excess of loss carriers on unpaid losses and LAE, as recorded, represents its best estimate of such amount; however, as changes in the estimated ultimate liability for losses and LAE are determined, the estimated ultimate amount recoverable from excess carriers may also change. Accordingly, the ultimate recoverable could be significantly in excess of or less than the amount indicated in the financial statements. As adjustments to these estimates become necessary, such adjustments are reflected in current operations.

Management evaluates the financial condition of its excess of loss carriers and monitors concentrations of credit risk to minimize its exposure to significant losses from excess of loss carrier insolvencies. Excess of loss contracts do not relieve the Consortium from its obligations to member colleges. The Consortium remains obligated for amounts ceded in the event that the excess of loss carriers do not meet their obligations.

(h) **Capital assets**—Property and equipment is stated at cost less accumulated depreciation. The Consortium has a capitalization threshold of \$5,000 for tangible personal property and \$25,000 for leasehold improvements. Expenditures for repairs and maintenance are charged to expense as they are incurred. Depreciation is computed on the straight-line basis over the following estimated useful lives:

- Leasehold Improvements - 10 years or the associated lease period if shorter
- Property and Equipment - 3 to 5 years

Depreciation expense was \$10,281 in 2019 and \$5,420 in 2018.

(i) **Loss and loss adjustment expense reserves**—The reserves for unpaid loss and LAE include case basis estimates of reported losses, plus supplemental amounts for incurred but not reported losses ("IBNR") calculated based upon loss projections utilizing certain actuarial assumptions and studies of the Consortium's historical loss experience and industry statistics. Management believes that its aggregate liability for unpaid losses and LAE at year-end represents its best estimate of the amount necessary to cover the ultimate cost of claims based upon an actuarial analysis prepared by a

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018

(1) **Summary of Significant Accounting Policies:** (Continued)

consulting actuary. Considerable uncertainty and variability are inherent in such estimates, and accordingly, the subsequent development of these reserves may not conform to the assumptions inherent in the determination. In addition, certain long-tail lines of insurance are subject to considerable loss variability attributable to social, economic and legal considerations that are not directly quantifiable. Accordingly, the ultimate liability could be significantly in excess of or less than the amount indicated in the financial statements. As adjustments to these estimates become necessary, such adjustments are reflected in current operations.

(j) **Compensated absences**—All employees are employed by the Fiscal Agent. Employee leave and attendance policies include provisions for granting specified numbers of sick and vacation leave days with pay each year. Such leave not taken may become payable upon termination of employment. The liability for leave not taken, included in accounts payable and accrued liabilities on the accompanying statements of net position, amounted to \$89,955 and \$95,944 at February 28, 2019 and 2018, respectively.

(k) **Recognition of assessment revenues**—Assessment revenues are recognized as revenue on a pro rata basis over the policy term. The portion of assessments that will be earned in the future are deferred and reported as unearned assessments.

(l) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(m) **Reclassification**—Certain amounts in the 2018 financial statements have been reclassified between expense, revenue, asset and liability categories. The reclassifications had no effect on 2018 net position or change in net position for the Consortium.

(n) **Income taxes**—Federal and state statutes exempt state supported colleges and universities from income tax liability. Since the Florida College System Risk Management Consortium consists solely of state supported colleges, it is exempt from any income tax liability.

(o) **Recent accounting pronouncements**—The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for fiscal years subsequent to February 28, 2019, that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the Consortium’s financial statements.

(p) GASB issued Statement No. 87, *Leases*, in June 2017. GASB 87 increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after December 15, 2019.

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(2) **Cash and Cash Equivalents:**

The Consortium reported as cash equivalents \$36,560,096 and \$42,373,756 at February 28, 2019 and 2018, respectively, of monies held in the State Treasury SPIA investment pool representing ownership of a share of the pool. The SPIA carried a credit rating of AA-f by Standard and Poor's. The Consortium relies on policies developed by the State Treasury for managing interest rate risk or credit risk for this investment pool. Disclosures for the State Treasury SPIA investment pool are included in the notes to the financial statements of the State's Comprehensive Annual Financial Report.

At February 28, 2019 and 2018, the Consortium reported as cash equivalents \$1,103,780 and \$315, respectively, of monies held in the Florida PRIME investment pool administered by the SBA pursuant to Section 218.405, Florida Statutes. The Consortium's investments in the Florida PRIME investment pool, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than underlying investments. At February 28, 2019 the Florida PRIME investment pool carried a credit rating of AAAM by Standard and Poor's and had a weighted average maturity (WAM) of 33 days. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the Florida PRIME investment pool to interest rate changes. The investments in Florida PRIME investment pool are reported at amortized cost.

(3) **Investments:**

Investments of the Consortium at February 28, 2019 and 2018, are reported at fair value with changes in fair value reported as a component of investment income.

The Consortium categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Consortium has the following recurring fair value measurements as of February 28, 2019 and 2018:

February 28, 2019	Total	Level 1	Level 2	Level 3
Investments				
US Treasury Notes	\$ 1,523,754	\$ 1,523,754	\$ -	\$ -
US Guaranteed Obligations and Government Sponsored Agencies	477,251	-	477,251	-
Corporate Notes	3,282,566	-	3,282,566	-
Federal Agency Collateralized Mortgage Obligations	147,764	-	147,764	-
Foreign Notes	39,839	-	39,839	-
Asset-Backed Securities	812,863	-	812,863	-
Mortgage-Backed Securities	335,170	-	335,170	-
Money Market Funds	47,951	-	47,951	-
Total investments at fair value	\$ 6,667,158	\$ 1,523,754	\$ 5,143,404	\$ -

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(3) **Investments:** (Continued)

February 28, 2018	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments				
US Treasury Notes	\$ 1,475,386	\$ 1,475,386	\$ -	\$ -
US Guaranteed Obligations and Government Sponsored Agencies	219,428	-	219,428	-
Commercial Paper	381,844	-	381,844	-
Corporate Notes	2,515,052	-	2,515,052	-
Federal Agency Collateralized Mortgage Obligations	125,751	-	125,751	-
Foreign Notes	704,296	-	704,296	-
Asset-Backed Securities	751,493	-	751,493	-
Mortgage-Backed Securities	268,140	-	268,140	-
Money Market Funds	37,060	-	37,060	-
Total investments at fair value	<u>\$ 6,478,450</u>	<u>\$ 1,475,386</u>	<u>\$ 5,003,064</u>	<u>\$ -</u>

GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, requires the disclosure of certain investments that exceed five percent of total investments. The Consortium has an investment in a governmental agency, Federal Home Loan Mortgage, with a fair value of \$440,551 or 6.6% of total investments.

The following risks apply to investments:

Interest Rate Risk: Interest rate risk is the risk that changing interest rates will adversely affect the fair value of an investment. The investment policy of the Consortium limits the maximum effective duration of the aggregate portfolio to three years. The performance benchmark for the Consortium is the Merrill Lynch 1 - 5 Year U.S. Treasury Index.

The Merrill Lynch 1-5 Year U.S. Treasury Index effective duration was 2.56 at February 28, 2019 and 2.59 at February 28, 2018. The effective duration of the Consortium's portfolio at February 28, 2019 and 2018, respectively, was 2.39 and 2.47 years. Recognizing that market volatility is a function of duration, the investment policy of the Consortium also states that the portfolio is to be maintained as short- to intermediary-term duration portfolio. The maximum duration of floating rate and individual securities is limited to five and a half years from the date of purchase. At February 28, 2019, the Consortium's longest individual security effective duration was 4.66 years.

The scheduled maturities of securities at fair value are as follows:

	<u>2019</u>	<u>2018</u>
Due in one year or less	\$ 260,372	\$ 458,558
Due in 1 – 5 years	5,949,755	5,626,001
Due in more than 5 years	457,031	393,891
Total	<u>\$ 6,667,158</u>	<u>\$ 6,478,450</u>

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(3) **Investments:** (Continued)

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The investment policy of the Consortium provides for the following regarding credit risk:

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement ¹	Maximum Maturity
U.S. Treasury	100%	100%	N/A	5.50 Years (5.50 Years avg. life ⁴)
GNMA		40%		
Other U.S. Government Guaranteed (e.g. AID, GTC)		10%		for GNMA)
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB*	75%	40% ³	N/A	5.50 Years
Federal Agency/GSE other than those above		10%		
Supranationals where U.S. is a shareholder and voting member	25%	10%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, AA-/Aa3, or equivalent)	5.50 Years
Supranationals other than those above		5%		5.50 Years
Foreign Sovereign Governments (OECD countries only) and Canadian Provinces	10%	5%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, AA-/Aa3, or equivalent)	5.50 Years
Foreign Sovereign Agencies (OECD countries only)	10%	5%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, AA-/Aa3, or equivalent)	5.50 Years
Corporates	50% ²	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1, BBB/Baa or equivalent)	5.50 Years
Municipals	25%	5%	Highest ST or Three Highest LT Rating Categories (SP-1/MIG 1, A-/A3, or equivalent)	5.50 Years
Agency Mortgage-Backed Securities (MBS)	25%	40% ³	N/A	5.50 Years Avg. Life ⁴
Asset-Backed Securities (ABS)	25%	5%	Highest ST or LT Rating (A-1+/P-1, AAA/Aaa, or equivalent)	5.50 Years Avg. Life ⁴
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	50%	None, if fully collateralized	None, if fully collateralized.	2 Years
Commercial Paper (CP)	50% ²	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	270 Days
Bankers' Acceptances (BAs)	10% ²	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	180 Days
Repurchase Agreements (Repo or RP)	40%	20%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent) If the counterparty is a Federal Reserve Bank, no rating is required	1 Year
Money Market Funds (MMFs)	50%	25%	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A
Fixed-Income Mutual Funds & ETFs	20%	10%	N/A	N/A
Intergovernmental Pools (LGIPs)	50%	25%	Highest Fund Quality and Volatility Rating Categories by all NRSROs who rate the fund (AAAm/AAAf, S1, or equivalent)	N/A

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(3) **Investments:** (Continued)

Notes: (1) Rating by at least one SEC-registered NRSRO, unless otherwise noted. ST=Short-term; LT=Long-term.

- (2) Maximum allocation to all corporate and bank credit instruments is 50% combined.
- (3) Maximum exposure to any one Federal Agency, including the combined holdings of Agency debt and Agency MBS is 40%.
- (4) The maturity limit for MBS and ABS is based on the expected average life at the time of purchase, measured using Bloomberg or other industry standard methods.

At February 28, 2019, the investments of the Consortium in obligations of the United States Government and Government-sponsored enterprises, Federal agency collateralized mortgage obligations, corporate notes, mortgage-backed pass-throughs, commercial paper, foreign notes, asset-backed securities, and money market funds were rated by Standard & Poor's as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Average Credit Quality Rating</u>
United States Treasury Notes	\$ 1,523,754	N/A
Obligations of United States Government and Government Sponsored Enterprises	477,251	AA+
Corporate Notes	3,282,566	BBB to AA-
Federal Agency Collateralized Mortgage Obligations	147,764	AA+
Foreign Notes	39,839	AAA
Asset Backed Securities	812,863	AAA
Mortgage-Backed Pass-Throughs	335,170	AA+
Money Market Mutual Funds	47,951	AAAm

Custodial Credit Risk: Custodial Credit Risk is the risk that, in the event of failure of the counterparty to a transaction, the Consortium will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The investment policy of the Consortium requires that all securities purchased be properly designated as an asset of the Consortium and held in safekeeping by a third party custodial bank or other third party custodial institution. The Consortium's investments are held by a safekeeping agent in the name of the Consortium.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the Consortium's investment in a single issuer. The investment policy of the Consortium provides that a maximum of five percent of the portfolios individual corporate exposure may be invested in securities of a single issuer, excluding U.S. Government, government agencies, government-sponsored enterprise securities, and money market funds.

(4) **Insurance Activity:**

The Consortium establishes an annual "loss fund" which is an amount estimated to be necessary to cover claims expected to be incurred in the coming year. To determine the annual assessments to members, the loss fund is increased by the estimated costs of insurance and administrative expenses of the Consortium and reduced by anticipated investment income. The annual assessments is billed in two parts, one being

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(4) **Insurance Activity:** (Continued)

due March 1st and the other due July 1st each year. Periodically, the loss funds for prior plan years are compared to the actual experience for those years, and estimated refunds or surcharges for those years are determined. Such refunds or surcharges are made through adjustments to the current year's annual assessments previously determined.

Assessment activity for the years ended February 28, 2019 and 2018 is summarized as follows:

	<u>Direct</u>	<u>Ceded</u>	<u>Net</u>
February 28, 2019			
Assessments earned	\$ 28,837,481	\$ 15,366,867	\$ 13,470,614
February 28, 2018			
Assessments earned	\$ 28,956,235	\$ 16,866,350	\$ 12,089,885

The following table provides a reconciliation of the beginning and ending reserve balances for losses and LAE:

	<u>2019</u>	<u>2018</u>
Gross balances at March 1	\$ 52,202,644	\$ 37,501,393
Less: Recoverables from excess carriers on unpaid losses	14,372,000	9,888,000
Net balances at March 1	37,830,644	27,613,393
Incurred related to:		
Current year	17,391,370	18,919,000
Prior years	(4,102,031)	(288,822)
Total incurred losses and LAE	13,289,339	18,630,178
Paid related to:		
Current year	3,660,013	1,803,000
Prior years	9,643,716	6,609,927
Total paid losses and LAE	13,303,729	8,412,927
Net balances at February 28	37,816,254	37,830,644
Plus: Recoverables from excess carriers on unpaid losses	40,474,831	14,372,000
Gross balances at February 28	<u>\$ 78,291,085</u>	<u>\$ 52,202,644</u>

The estimate of the liability for losses and loss adjustment expenses by loss year is subject to change until all claims for each loss year are closed. As a result of changes in estimates and insured events in prior years, the net loss and loss adjustment expenses incurred decreased due to refinements in prior years' ultimate loss projections.

The components of the liability for net losses and LAE are as follows:

	<u>2019</u>	<u>2018</u>
Case-basis reserves	\$ 18,842,254	\$ 17,855,644
Supplemental reserves	18,974,000	19,975,000
Total	<u>\$ 37,816,254</u>	<u>\$ 37,830,644</u>

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018

(5) **Excess of Loss Insurance:**

The Consortium's members are exposed to various risks of loss related torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. They retain the risk for insuring losses up to a specific limit ("attachment point") for each type of insurance it offers and purchases insurance to cover losses above that point.

As of March 1, 2018, the attachment points per insured event are for property damage the greater of \$2.5 million or 3% of the values of damaged buildings and/or contents if caused by a named windstorm and \$2.5 million for other flood occurrence; \$750,000 for workers' compensation; \$200,000 for excess liability; \$50,000 for errors & omissions; \$50,000 for employee fidelity; \$50,000 for fiscal agent fidelity; and \$50,000 for lightning damage due to equipment breakdown.

Prior to March 1, 2018, the attachment points per insured event are for property damage the greater of \$2.5 million or 3% of the values of damaged buildings and/or contents if caused by a named windstorm and \$2.5 million for other flood occurrence; \$500,000 for workers' compensation; \$200,000 for excess liability; \$50,000 for errors & omissions; \$50,000 for employee fidelity; \$50,000 for fiscal agent fidelity; and \$50,000 for lightning damage due to equipment breakdown.

The costs for such insurance were \$15,366,867 and \$16,866,350 as of February 28, 2019 and 2018, respectively, and are netted against assessments earned on the statement of revenues, expenses and changes in net position. Recoveries from the Consortium's insurance policies for amounts in excess of the attachment points reduce losses.

Amounts recoverable from excess of loss carriers on unpaid losses and LAE are estimated based on current estimates for subject losses. Actual amounts recoverable will depend on the ultimate settlement of losses and LAE.

The Consortium is required to participate in certain workers' compensation insurance arrangements with the State of Florida.

(6) **Retirement Benefits:**

The Consortium's employees are employed by the Fiscal Agent. The Consortium does not administer a separate retirement plan for its employees; however, pursuant to law, all salaried employees are members of retirement plans of the State of Florida. The retirement plans accounting and funding policies, actuarial present value of accumulated plan benefits, net assets available for benefits and other related matters are the responsibility of the Florida State Department of Administration, Division of Retirement. Other post-employment benefits (OPEB), primarily subsidized premiums for health insurance, are provided by the Fiscal Agent. The complete disclosures for the retirement plan and OPEB are in the Notes to Financial Statements for the Fiscal Agent (see Note 8).

**FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 28, 2019 AND 2018**

(7) Rentals Under Operating Leases:

The Consortium rented office space for \$7,132 monthly through September 30, 2018. Effective October 1, 2018, the new term of the lease was extended to run through September 30, 2025. In each new term year beginning on October 1st, monthly rent will be increased by the lesser of 3% or the CPI growth as measured by the United State Bureau of Labor Statistics CPI-U (All Urban Consumers). The PC is responsible for 50% of the lease obligation. The following is a schedule by year of future minimum rental payments required under the operating lease agreements:

<u>Year Ending February 28,</u>	<u>Amount</u>
2020	\$ 89,254
2021	91,932
2022	94,690
2023	97,531
2024	100,457
Thereafter	164,871
	<u>\$ 638,735</u>

(8) Related Party Transactions:

The Consortium provides property and casualty insurance coverage to 27 member colleges, which are considered related parties. Total assessment revenues with respect to this coverage for the years ended February 28, 2019 and 2018, were \$28,837,481 and \$28,956,235, respectively.

Santa Fe College, the Fiscal Agent, serves as the pay agent for staff who are paid from the Consortium. On a regular basis the Consortium transfers monies to Santa Fe College to cover staff salaries, benefits, and other administrative costs. Payments to Santa Fe College for fiscal services provided, which are included in administrative costs on the statement of revenues, expenses and changes in net position, totaled \$88,476 and \$87,616 for the years ended February 28, 2019 and 2018, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM
PROPERTY AND CASUALTY PLAN
SUPPLEMENTAL REVENUES, EXPENSES AND CLAIM DEVELOPMENT INFORMATION
FOR THE LAST TEN FISCAL YEARS
(In 1,000s)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
1 Gross Assessments	\$ 28,837	\$ 28,956	\$ 24,875	\$ 26,746	\$ 28,352	\$ 26,415	\$ 25,536	\$ 25,536	\$ 28,662	\$ 28,423
Less: Reinsurance premiums	(15,366)	(16,866)	(17,145)	(18,637)	(18,572)	(19,417)	(18,514)	(16,454)	(18,112)	(18,083)
Add: Investment income	1,040	714	660	654	638	458	1,066	1,314	1,439	1,339
Net earned premiums and investment income	14,511	12,804	8,390	8,763	10,418	7,456	7,914	10,396	11,989	11,679
2 Unallocated loss adjustment expenses	1,008	1,032	930	965	944	966	946	914	587	496
Other unallocated expenses	923	983	914	879	875	654	628	649	505	450
Total unallocated expenses	1,931	2,015	1,844	1,844	1,819	1,620	1,574	1,563	1,092	946
3 Estimated losses and allocated expenses incurred, end of year:										
Gross	66,857	22,878	11,546	8,183	13,599	11,769	10,910	9,427	9,271	7,133
Ceded	(53,568)	(4,248)	(1,081)	(355)	(1,579)	(1,050)	(675)	(801)	(1,358)	(1,481)
Net	13,289	18,630	10,465	7,828	12,020	10,719	10,235	8,626	7,913	5,652
4 Net paid (cumulative) as of:										
End of policy year	3,660	1,803	2,402	1,876	3,280	2,761	2,864	1,894	1,905	1,281
One year later		5,990	6,265	4,244	5,716	4,925	4,610	3,957	4,796	2,983
Two years later			7,704	4,820	6,306	5,782	5,772	4,672	5,793	4,043
Three years later				5,875	6,567	6,246	6,280	5,172	6,398	4,646
Four years later					6,873	6,821	6,428	5,316	6,686	5,281
Five years later						7,080	6,622	5,389	6,839	5,979
Six years later							6,759	5,395	6,894	6,045
Seven years later								5,395	6,910	6,103
Eight years later									6,933	6,216
Nine years later										6,291
5 Re-estimated ceded losses and allocated expenses	(53,568)	(9,499)	(1,017)	(325)	(5,848)	(559)	(212)	(202)	(196)	(1,020)
6 Re-estimated net incurred losses and allocated expenses										
End of policy year	17,391	18,919	10,465	7,828	12,020	10,719	10,235	8,626	7,913	5,652
One year later		17,564	11,326	7,592	9,368	8,905	8,689	7,832	9,148	5,889
Two years later			11,372	7,610	8,737	8,709	8,197	7,109	8,314	6,184
Three years later				7,575	8,369	8,631	8,193	6,773	8,079	6,264
Four years later					8,253	8,642	7,979	6,532	7,951	6,690
Five years later						8,541	7,688	6,392	7,858	6,908
Six years later							7,785	6,167	7,927	6,976
Seven years later								6,023	7,675	7,236
Eight years later									7,658	7,069
Nine years later										7,021
7 Increase (decrease) in estimated net incurred losses and allocated expenses from end of policy year	\$ -	\$ (1,355)	\$ 907	\$ (233)	\$ (3,767)	\$ (2,178)	\$ (2,450)	\$ (2,603)	\$ (255)	\$ 1,369

Action Item 1.b.2.
Property/Casualty Program
2018 Audit Management Letter

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Consortium Board,
Florida College System Risk Management Consortium (P & C Plan)
Property and Casualty Plans:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Florida College System Risk Management Consortium Property and Casualty Plans, which comprise the statement of net position as of February 28, 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated October 22, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Florida College System Risk Management Consortium's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida College System Risk Management Consortium's internal control. Accordingly, we do not express an opinion on the effectiveness of Florida College System Risk Management Consortium's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

- 21 -

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described below, that we consider to be a material weakness.

2019-01: Claims Activity and Recording

Organizations that accept risk through the pooling of risks operate differently than most companies in that the ultimate cost of providing risk management coverage can vary significantly from the assessments collected. Uncertainties related to the ultimate costs of claims leads to use of significant estimates in their financial statements, including provisions for unpaid claims, claims incurred but not reported and recoverables from excess carriers on paid and unpaid claims. The quality of these estimates is based upon the accuracy and reliability of the underlying claims data.

During our audit testing, we noted the following observations that relate to the compilation of several estimates included within the Consortium's financial statements:

- Assessment and loss data are not tracked by line of business within the general ledger;
- Paid claims data provided to the actuary did not reconcile to loss data;
- There was no process in place for reconciling paid and outstanding loss data from the claims system to either the trial balance or actuary's report;
- Self-insured deductibles and recoverables from excess carriers on paid losses were comingled and difficult to separate into their respective balances by debtor;
- For non-hurricane losses, the related recoverables from excess carriers on unpaid claims was not separately tracked but recorded net within outstanding losses;
- There was no process in place to ensure all ceded paid losses were being collected on a timely basis;
- The general ledger chart of accounts has not been set up to be conducive to reporting risk management specific activities. For example, in addition to that noted above, nearly all public entity risk pools use "change-in" accounts to offset every premium and reserve journal entry.

While the accounting processes currently used produced financials that were reasonable, improvements to the chart of accounts and accounting process for assessments, claims, recoverables and funds held from excess carriers would greatly improve the quality of financial reporting data prepared by management. These improvements would strengthen internal controls and allow more meaningful analysis of the Consortium's financial position and results of operations. Further, we recommend that the Consortium Board consider enhancing the risk management qualifications of its accounting function through expanding the scope of work performed by its third party claims administrator (currently Gallagher Basset) to include a review of the Consortium's internally prepared financial statements and reconciliations to underlying data, and implementing additional financial monitoring procedures (i.e., reporting analytics).

Management Response to finding 2019-01

We agree improvements are needed to claim activity data, reporting and recording. We are in the process of working with the current third-party claims administrator to facilitate additional claim data reports. Management is also in the process of soliciting services for a third-party claims administrator and will work with experts to assure the service provider selected has the reporting and recording functions necessary for accurate and reliable claims data. We will also review recommended improvements to the chart of accounts and recording of financial data.

Compliance and Other Matters

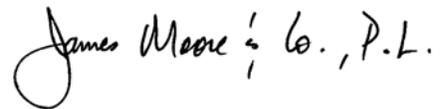
As part of obtaining reasonable assurance about whether Florida College System Risk Management Consortium Plans' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Florida College System Risk Management Consortium's Response to Findings

Florida College System Risk Management Consortium's response to the findings identified in our audit are described in a preceding paragraph of this report. Florida College System Risk Management Consortium's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J" and a stylized "C" for "Co."

Gainesville, Florida
October 22, 2019

Action Item 1.b.3.
Property/Casualty Program
2018 Audit Actuary Letter



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STATEMENT OF ACTUARIAL OPINION

March 11, 2019

I, George T. Dunlap IV, am an Actuarial Consultant with Cornerstone Actuarial Solutions, LLC (CORNERSTONE). I am a member of the American Academy of Actuaries and meet its qualification standards. I am also an Associate of the Casualty Actuarial Society and meet its qualification standards. I have been retained by the Florida College System Risk Management Consortium (FCSRMC) with regard to loss and allocated loss adjustment expense (ALAE) reserves.

I have relied upon representations, underlying records, and unaudited summaries prepared by the responsible individual of the FCSRMC. The individual who provided such summaries was Marsha Hackathorn, Enterprise Risk Manager of the FCSRMC. Specifically, I assumed the quality of the basic contracts or the collectibles.

Primarily, my work revolved around the net and gross reserve needs for the Workers Compensation, General Liability, Automobile Liability, Errors & Omissions, and Property coverages. Net reserves for this opinion mean net of specific excess and aggregate reinsurance, and all reserves (net, gross and ceded) are net of estimated subrogation & salvage recoverables and recoverables from the Second Disability Trust Fund (S.D.T.F.) which are reflected implicitly (the data provided was net of subrogation & salvage and S.D.T.F. received). The loss and ALAE reserves were derived by accepted and recognized actuarial methods.

In my opinion, the amounts set forth in this opinion on account of the items identified above:

- 1) Are computed in accordance with accepted loss reserving standards and are fairly stated in accordance with sound loss reserving principles;
- 2) Are based on factors relevant to the provisions of the FCSRMC;
- 3) Should make a good and sufficient provision for all net unpaid loss and loss expense obligations for the FCSRMC under the terms of its policies and agreements;

Due to the requirement of G.A.S.B. 30, I provide reserves on a net, gross and ceded basis with respect to reinsurance. My point estimates are as follows:

Loss + ALAE Reserves as of February 28, 2019
 (000's)

	<u>Net</u>	<u>Gross</u>	<u>Ceded</u>
Total Undiscounted	\$37,817	\$85,705	\$47,888
Ceded = Gross – Net			

The IBNR estimates make no provision for the extraordinary future emergence of either new classes of losses, post-contractual expansions of policy coverage, nor for any extraordinary development of reserves that may have been established specifically for these events. Also, the IBNR estimates make no provision for changes in claim settlement, evaluation, reporting, and booking or variations in loss development other than that contained in the supporting work papers.

I did not review any of the FCSRMC's assets and I did not form any opinion as to their validity or value. The following opinion rests on the assumption that the FCSRMC's February 28, 2019 reserves identified herein are funded by valid assets, which have scheduled maturities and/or adequate liquidity to meet cash flow requirements.

My review related only to those reserves identified herein and I do not express an opinion on the FCSRMC's financial statement taken as a whole.

This opinion, actuarial report, and supporting work papers were prepared solely for the purpose of fulfilling regulatory requirements and for the outside auditor and is not intended for any other purpose. I expect the outside auditor for the FCSRMC to so notify me should any material problems appear during their review.

Sincerely,

A handwritten signature in black ink, appearing to read "G. T. Dunlap IV". The signature is fluid and cursive, with the first name "George" being more legible than the last name "Dunlap IV".

George T. Dunlap IV, A.C.A.S., M.A.A.A.

Information Item 2.a.
Property/Casualty Program

Hurricane Irma Update

Hurricane Irma, D/A 9/10/2017**Financials:** Estimated Total Damage as of 1/15/2020

Broward College	\$	706,265
College of Central Florida	\$	115,669
Daytona State College	\$	642,673
Eastern Florida State College	\$	928,551
Florida Gateway College	\$	109,368
Florida Keys Community College	\$	11,134,871
Florida Southwestern State College	\$	947,887
Hillsborough Community College	\$	74,294
Indian River State College	\$	207,332
Lake-Sumter State College	\$	528,246
Miami Dade College	\$	3,635,637
Palm Beach State College	\$	179,542
Pasco-Hernando State College	\$	16,892
Polk State College	\$	751,017
Seminole State College of Florida	\$	618,429
South Florida State College	\$	338,705
St Johns River State College	\$	231,638
St. Petersburg State College	\$	216,403
State College Of FL Manatee-Sarasota	\$	200,755
Valencia College	\$	354,732
Grand Total	\$	21,938,905

Financials: Payments as of 1/15/2020

Broward College	\$	588,657
College of Central Florida	\$	29,541
Daytona State College	\$	296,669
Eastern Florida State College	\$	659,028
Florida Gateway College	\$	109,368
Florida Keys Community College	\$	10,636,745
Florida Southwestern State College	\$	539,006
Hillsborough Community College	\$	64,294
Indian River State College	\$	170,693
Lake-Sumter State College	\$	54,506
Miami Dade College	\$	778,670
Palm Beach State College	\$	32,942
Polk State College	\$	202,510
Seminole State College of Florida	\$	368,904
South Florida State College	\$	255,937
St Johns River State College	\$	35,081
St. Petersburg State College	\$	176,098
State College Of FL Manatee-Sarasota	\$	101,167
Valencia College	\$	176,209
TOTAL	\$	14,894,549

FCSRMC Estimated Retained Loss \$ **6,668,537**
Status: Open

**Information Item 2.b.
Property/Casualty Program**

Hurricane Michael Update

Information Item 2.c.
Property/Casualty Program

Risk Management Premium Credit



Risk Management Premium Credit

FCSRMC can earn a 6 percent discount on their renewal premium through the United Educators RMPC. The program involves two phases and specific milestones for implementation, designed to help the member sustain risk management activities throughout the entire 2020-2021 policy period.

Phase I – Within four months of renewal date

- Complete Risk Survey
- Update Contact Forms
- Participate in RM Connect call

Phase II – Within 10 months of renewal date

- Complete Best Practices Checkup and identify follow-up actions to reduce risk
- Participate in RM follow-up call to evaluate results
- Decide on a risk implementation plan with United Educators
- Provide proof that plan was implemented

Participation in the Risk Management Premium Credit saves FCSRMC 6% of the total United Educators renewal premium.

21 colleges participated in our TITLE IX Conference, which counted towards our RMPC credit in 2020–2021. The credit resulted in a \$101,319 premium reduction with United Educators.

**Information Item 3.a.
Employee Benefits Plan**

2020-2022 Strategic Plans



FCSRMC

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM

EMPLOYEE BENEFITS STRATEGIC PLANS

2020-2022

GOAL & KEY OBJECTIVES

- Effectively utilize the collective purchasing power of the participating colleges in evaluating and securing marketplace products and services that represent the highest value and most competitive pricing.
- Key OBJECTIVES
 - Conduct a market/network evaluation to estimate the financial impact of changing medical vendors
 - Conduct a market review for VISION Products
 - Conduct a review of the Pharmacy programs to determine how pricing and design compare to benchmarks
 - Analyze and market the Stop Loss Coverage to ensure appropriate level of risk and leverage pricing if possible
 - Conduct a full benchmark of current plan designs

MERCER ENGAGEMENT

- FCSRMC engaged Mercer in an on-going consulting arrangement as of 9/1/2019.
- First priorities for Mercer included the following:
 - Conduct a market/network evaluation to estimate the financial impact of changing medical vendors
 - Conduct a review of the Pharmacy programs to determine how pricing and design compare to benchmarks
 - Analyze and market the Stop Loss Coverage to ensure appropriate level of risk and leverage pricing if possible
 - Conduct a full benchmark of current plan designs

MEDICAL MARKET/NETWORK EVALUATION (NETPIC)

- Mercer conducted a network evaluation for Florida College System Risk Management Consortium (“FCSRMC”) using their proprietary tool that estimates the financial impact of changing medical vendors.
 - This analysis focuses on the medical carrier network discounts, which typically account for between 60-75% of the overall plan spend.
 - Estimated FCSRMC Spend based on Mercer’s Projection of 2020 Plan Expenses
 - 64% Medical Claims (directly impacted by the carrier’s network discounts)
 - 27% Pharmacy Claims
 - 8% Stop Loss, Admin & other fees
 - By ensuring FCSRMC is partnered with the carrier able to provide the deepest discounts, the financial savings far exceed any possible savings from negotiating the carriers fixed fees

PHARMACY BENCHMARKING AND REVIEW

- Florida College System Risk Management Consortium (“FCSRMC”) engaged Mercer Health & Benefits LLC (“Mercer”) to assist in its Pharmacy Benefit Management (“PBM”) market check with Blue Cross Blue Shield Florida (“BCBSFL”) for the one-year period January 1, 2020 through December 31, 2020.
- To assess the competitiveness of BCBSFL’s proposed 2020 pricing terms, Mercer performed a financial benchmarking using its proprietary financial analysis tool. This assessment included actual proposals for 2020 pricing terms from the top medical and pharmacy carriers for:
 - Premier employers with comparable covered employee lives;
 - Commercial pricing arrangements;
 - Integrated retail/mail/specialty drug programs;
 - Retail pass-through pricing structures;
 - Broad and Narrow retail networks including all major retail pharmacy chains; and
 - Mail order penetration similar to FCSRMC.
- The benchmark comparisons revealed that BCBSFL’s escalators in the current contract for 2020 pricing components for FCSRMC indicated that although some of the current contract terms are reasonably competitive, there were areas for improvement compared to self-funded clients of similar size and plan design, as noted in the “Target Renewal Terms” columns on the page that follows.

PHARMACY BENCHMARKING AND REVIEW

- The financial exhibit below outlines BCBSFL Current 2020 Contract Terms (“Experience Data”) compared to the “Target Terms”, which are shown in a range of low to high benchmarks as well as the potential savings through Mercer’s Pharmacy Collectives.

	BCBSFL Experience Data	Target Terms		Mercer Collectives with Open Formularies			
		Low Benchmarks	High Benchmarks	NCP Traditional (Caremark)	PBMC Traditional (ES)	OptumRx Pass Through	OptumRx - Traditional
1/1/2020 - 12/31/2020							
Retail Network	\$20,842,000	\$20,627,000	\$20,554,000	\$20,800,000	\$20,902,000	\$20,520,000	\$20,375,000
Retail 90 Network	\$8,255,000	\$8,628,000	\$8,564,000	\$9,032,000	\$9,105,000	\$8,787,000	\$8,682,000
Mail Order	\$1,489,000	\$1,382,000	\$1,367,000	\$1,342,000	\$1,355,000	\$1,347,000	\$1,347,000
Specialty Pharmacy	\$4,735,000	\$4,876,000	\$4,864,000	\$4,805,000	\$4,834,000	\$4,845,000	\$4,754,000
Misc. Claims (compounds, paper claims, etc).	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000	\$146,000
Total Gross Rx Claim Cost	\$35,467,000	\$35,659,000	\$35,495,000	\$36,125,000	\$36,342,000	\$35,645,000	\$35,304,000
PBM Base Administrative Fees	\$0	\$209,000	\$203,000	\$1,000	\$20,000	\$262,000	\$11,000
Program Management Fees	\$0	\$0	\$0	\$103,000	\$103,000	\$103,000	\$103,000
Collective Implementation Fee (year-1 only)	\$0	\$0	\$0	\$20,000	\$20,000	\$20,000	\$20,000
Rebates	(\$3,903,000)	(\$5,632,000)	(\$6,488,000)	(\$6,244,000)	(\$6,958,000)	(\$5,352,000)	(\$5,352,000)
PROJECTED PROGRAM COST	\$31,564,000	\$30,236,000	\$29,210,000	\$30,005,000	\$29,527,000	\$30,678,000	\$30,086,000
Cost/(Savings) from Current							
Dollar	N/A	(\$1,328,000)	(\$2,354,000)	(\$1,559,000)	(\$2,037,000)	(\$886,000)	(\$1,478,000)
Percent	N/A	-4.2%	-7.5%	-4.9%	-6.5%	-2.8%	-4.7%

- Based on the financial opportunities available in the market, Mercer recommends engaging in negotiations with BCBSFL, as well as seeing quotes from Mercer’s Collectives for the 1/1/2021 plan year.

STOP LOSS REVIEW AND MARKETING

- Although FCSRMC had received a flat Stop Loss renewal from Florida Blue (HMLife) for the 2020 plan year, Mercer recommended marketing the coverage due to the history of premium to claims reimbursements over the last 3+ years.

	SPECIFIC DEDUCTIBLE	PREMIUMS PAID	CLAIM REIMBURSEMENTS	LOSS RATIO	NET AMOUNT PAID OVER REIMBURSEMENTS
1/1/2016-12/31/2016	\$375,000	\$4,744,423	\$913,603	19%	\$3,830,820
1/1/2017-12/31/2017	\$400,000	\$4,383,645	\$1,107,401	25%	\$3,276,244
1/1/2018-12/31/2018	\$400,000	\$4,346,594	\$1,580,963	36%	\$2,765,631
Total 2016 - 2018		\$13,474,662	\$3,601,967	27%	\$9,872,695
Current Policy Period YTD	\$400,000	\$3,533,818	\$1,329,520	38%	\$2,204,299
Total 2016 - Current YTD		\$17,008,480	\$4,931,487	29%	\$12,076,993

- When seeking Stop Loss quotes Mercer also requested deductible levels that were more in line with typical risk levels for a population of this size.
- Mercer was able to obtain competing market quotes and ultimately leveraged those with Florida Blue (HMLife) resulting in a final renewal of 9.3% below current for a total of \$1,700,000 in negotiated savings.

MEDICAL PLAN OFFERINGS AND PLAN DESIGN REVIEW

- **Number of Plans**
 - Currently 9 total plan designs offered (self-insured) with as many as 7 plans at one school
 - Market Data indicates 3-5 plan being offered is most common
- **Type of Plans**
 - Currently offering PPO, HMO and HDHP/HSA plan designs, which is in line with Market, but not all schools offering choice. Some are offering only HMOs, or only PPOs, etc.
 - ~27% of total population enrolled in HMO
 - ~69% of total population enrolled in PPO
 - <5% of total population enrolled in HDHP/HSA

MEDICAL PLAN OFFERINGS AND PLAN DESIGN REVIEW

- **Value of Plans**
 - Current Actuarial Value* (AV) of plans too close in value
 - 5 PPOs plans ranging from 80.7 to 88.3
 - 3 HMOs plans ranging from 86.6 to 90.2
 - 1 HDHP w/HSA contribution at 84.8
 - All plans being offered are Gold or Platinum in value
 - Platinum Plans – 90%+ value
 - Gold Plans – 80% - 89.9% value
 - Silver Plans – 70% - 79.9% value
 - Bronze Plans – 60% - 69.9% value
 - Best Practices would indicate there should be a larger spread between plan values and designs offered by any one school, to insure true “choice” in coverage/value
 - Actuarial Value is the percentage of total average costs for covered benefits that the plan will cover, with the remaining portion being covered by the member through copays, deductible, coinsurance, etc. A higher Actuarial Value indicates a “richer” benefit or a higher overall plan value to the member.

MEDICAL PLAN OFFERINGS AND PLAN DESIGN REVIEW

- **Recommendation**
 - Mercer has provided two scenarios for consideration
 - Three Plan Offering – High (HMO), Med (PPO), and Low (HDHP) plans
 - Five Plan Offering – 2 High, 2 Medium, 1 Low plan
 - By standardizing and maintaining 3 or 5 plan designs at most, and beginning to increase the spread between the plan values over time, FCSRMC can offer true choice to its members while being able to capitalize on potential savings and administrative efficiencies not available due to the current complexities.
 - See sample 3 and 5 plan offerings on the following pages. FCSRMC current plan designs and enrollment are included in the Appendix for reference.

SAMPLE 3 PLAN OFFERING HIGH(HMO), MED(PPO), AND LOW(HDHP) PLANS

PLAN NAME PLAN DESIGN	High HMO 1 (very similar to current Plan 55)		Mid PPO 1 (very similar to current plan 3769)		HDHP with HSA (lower value than current HDHP)	
	IN NETWORK	OUT OF NETWORK	IN NETWORK	OUT OF NETWORK	IN NETWORK	OUT OF NETWORK
Deductible	\$0 / \$0 / \$0	N/A	\$600 / \$1,800 / \$1,800	\$600 / \$1,800 / \$1,800 (COON Applies to INN)	\$1,800 / \$3,900 / \$3,900 (True Family)	\$3,600 / \$7,800 / \$7,800
Out of Pocket Max (incl. deductible)	\$5,000 / \$10,000 / \$10,000	N/A	\$6,000 / \$12,000 / \$12,000	\$6,000 / \$12,000 / \$12,000	\$4,500 / \$9,000 / \$9,000 (True Family)	\$9,000 / \$18,000 / \$18,000
Coinsurance	0%	N/A	20%	40%	20%	40%
Account Funding	N/A	N/A	N/A	N/A	HSA: \$500 / \$1,000 / \$1,500	
Office Visits						
Preventive	Free	Not Covered	Free	Ded & coin.	Free	Ded & coin.
Primary Care	\$25		\$30	Ded & coin.	Ded & coin.	Ded & coin.
Specialist	\$40		\$50	Ded & coin.	Ded & coin.	Ded & coin.
Hospital Facility						
Inpatient	\$1,250	Not Covered	\$1,250	Ded & coin.	Ded & coin.	Ded & coin.
Outpatient	\$250		\$250	Ded & coin.	Ded & coin.	Ded & coin.
Hospital Physician						
Inpatient	Free	Not Covered	Ded & coin.	Ded & coin.	Ded & coin.	Ded & coin.
Outpatient	Free		Ded & coin.	Ded & coin.	Ded & coin.	Ded & coin.
Emergency						
Emergency Room	\$150	Not Covered	\$150, 20%	\$150, 20%	Ded & coin.	Ded & 20%
Mental Health/Substance Abuse						
Inpatient	Free	Not Covered	Free	40%	Ded & coin.	Ded & coin.
Outpatient	Free		Free	40%	Ded & coin.	Ded & coin.
Other Services						
	Free	Not Covered	Ded & coin.	Ded & coin.	Ded & coin.	Ded & coin.
Prescription Drugs						
	Retail	Mail Order	Retail	Mail Order	Retail	Mail Order
Generic	\$15	\$30	\$15	\$30	Ded & coin.	Ded & coin.
Formulary	\$45	\$90	\$45	\$90	Ded & coin.	Ded & coin.
Non-Formulary	\$65	\$130	\$65	\$130	Ded & coin.	Ded & coin.
Preventive	-	-	-	-	-	-
Specialty	\$250	\$250	\$250	\$250	Ded & coin.	Ded & coin.
Actuarial Value With Account Funding*	89%		86%		80%*	

SAMPLE 5 PLAN OFFERING 2 HIGH(HMO), 2 MED(PPO), AND 1 LOW(HDHP) PLANS

PLAN NAME	High HMO 1 (very similar to current Plan 55)	High HMO 2 (very similar to current Plan 58)	Mid PPO 1 (very similar to current plan 3769)	Mid PPO 2	HDHP with HSA (lower value than current HDHP)	
PLAN DESIGN	IN NETWORK	OUT OF NETWORK	IN NETWORK	OUT OF NETWORK	IN NETWORK	OUT OF NETWORK
Deductible	\$0 / \$0 / \$0	N/A	\$600 / \$1,800 / \$1,800	\$800 / \$2,400 / \$2,400	\$1,800 / \$3,900 / \$3,900	\$3,600 / \$7,800 / \$7,800
Out of Pocket Max (incl. deductible)	\$5,000 / \$10,000 / \$10,000	N/A	\$6,000 / \$12,000 / \$12,000	\$8,000 / \$16,000 / \$16,000	\$4,500 / \$9,000 / \$9,000	\$9,000 / \$18,000 / \$18,000
Coinsurance	0%	N/A	20%	20%	20%	40%
Account Funding	N/A	N/A	N/A	N/A	HSA: \$500 / \$1,000 / \$1,500	
Office Visits	Free	Not Covered	Free	Free	Free	Ded & coin.
Preventive	\$25	Not Covered	\$30	\$40	Ded & coin.	Ded & coin.
Primary Care	\$40	Not Covered	\$50	\$60	Ded & coin.	Ded & coin.
Specialist						
Hospital Facility						
Inpatient	\$1,250	Not Covered	\$1,250	\$1,250	Ded & coin.	Ded & coin.
Outpatient	\$250	Not Covered	\$250	\$250	Ded & coin.	Ded & coin.
Hospital Physician						
Inpatient	Free	Not Covered	Ded & coin.	Ded & coin.	Ded & coin.	Ded & coin.
Outpatient	Free	Not Covered	Ded & coin.	Ded & coin.	Ded & coin.	Ded & coin.
Emergency						
Emergency Room	\$150	Not Covered	\$150, 20%	\$250, 20%	Ded & coin.	Ded & 20%
Mental Health/Substance Abuse						
Inpatient	Free	Not Covered	40%	40%	Ded & coin.	Ded & coin.
Outpatient	Free	Not Covered	40%	40%	Ded & coin.	Ded & coin.
Other Services	Free	Not Covered	Ded & coin.	Ded & coin.	Ded & coin.	Ded & coin.
Prescription Drugs						
Generic	Retail \$15	Mail Order \$30	Retail \$15	Mail Order \$30	Retail Ded & coin.	Mail Order Ded & coin.
Formulary	\$45	\$90	\$45	\$90	Ded & coin.	Ded & coin.
Non-Formulary	\$65	\$130	\$65	\$130	Ded & coin.	Ded & coin.
Preventive	-	-	-	-	-	-
Specialty	\$250	\$250	\$250	\$250	Ded & coin.	Ded & coin.
Est. Actuarial Value With Account Funding*	89%		87%		86%	
			84%		80%*	

APPENDIX

CURRENT PLAN DESIGNS AND ENROLLMENT

CURRENT FCSRMC PLAN DESIGNS

129 Enrolled

1,541 Enrolled

1,209 Enrolled

PLAN OPTION NAME	Current / Proposed		Current / Proposed		Current / Proposed	
	In Network	Out of Network	In Network	Out of Network	In Network	Out of Network
PLAN DESIGN						
Deductible	\$0 / \$0 / \$0	N/A	\$0 / \$0 / \$0	N/A	\$0 / \$0 / \$0	N/A
Out of Pocket Max (incl. deductible)	\$5,000 / \$10,000 / \$10,000	N/A	\$5,000 / \$10,000 / \$10,000	N/A	\$6,000 / \$12,000 / \$12,000	N/A
Coinsurance	0%	N/A	0%	N/A	20%	N/A
Account Funding						
Office Visits	Free	Not Covered	Free	Not Covered	Free	Not Covered
Preventive	\$30 copay	Not Covered	\$25 copay	Not Covered	\$30 copay	Not Covered
Primary Care	\$50 copay	Not Covered	\$40 copay	Not Covered	\$50 copay	Not Covered
Specialist	\$1,250 copay	Not Covered	\$750 copay	Not Covered	\$1,500 copay	Not Covered
Hospital Facility	\$200 copay	Not Covered	\$200 copay	Not Covered	\$500 copay	Not Covered
Inpatient	Free	Not Covered	Free	Not Covered	Free	Not Covered
Hospital Physician	Free	Not Covered	Free	Not Covered	Free	Not Covered
Inpatient	Free	Not Covered	Free	Not Covered	Free	Not Covered
Outpatient	\$100 copay	Not Covered	\$50 copay	Not Covered	CoIn.	Not Covered
Emergency	Free	Not Covered	Free	Not Covered	Free	Not Covered
Emergency Room	Free	Not Covered	Free	Not Covered	Free	Not Covered
Mental Health	Free	Not Covered	Free	Not Covered	Free	Not Covered
Inpatient	Free	Not Covered	Free	Not Covered	Free	Not Covered
Outpatient	Free	Not Covered	Free	Not Covered	Free	Not Covered
Substance Abuse	Free	Not Covered	Free	Not Covered	Free	Not Covered
Inpatient	Free	Not Covered	Free	Not Covered	Free	Not Covered
Outpatient	Free	Not Covered	Free	Not Covered	CoIn.	Not Covered
Other Services						
Prescription Drugs						
Generic	\$15 copay	\$30 copay	\$15 copay	\$30 copay	\$15 copay	\$30 copay
Formulary	\$60 copay	\$120 copay	\$45 copay	\$90 copay	\$45 copay	\$90 copay
Non-Formulary	\$100 copay	\$200 copay	\$65 copay	\$130 copay	\$65 copay	\$130 copay
Preventive	\$250 copay	\$250 copay	\$250 copay	\$250 copay	\$250 copay	\$250 copay
Specialty	-	-	-	-	-	-
Actuarial Value	89.1%	N/A	90.2%	N/A	86.6%	N/A
With Account Funding						

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

CURRENT FCSRMC PLAN DESIGNS

331 Enrolled

3,573 Enrolled

3,374 Enrolled

PLAN OPTION	Current / Proposed	
	3559 - PPO	3766 - PPO
PLAN DESIGN	In Network	Out of Network
Deductible	\$600 / \$1,800 / \$1,800	\$600 / \$1,800 / \$1,800 (OON Applies to INN)
Out of Pocket Max (incl. deductible)	\$6,000 / \$12,000 / \$12,000	\$6,000 / \$12,000 / \$12,000
Coinsurance	20%	30%
Account Funding	N/A	N/A
Office Visits		
Preventive	Free	Coin.
Primary Care	\$30 copay	Ded. & coin.
Specialist	\$50 copay	Ded. & coin.
Hospital Facility		
Inpatient	\$750 copay	\$2,500 copay
Outpatient	\$150 copay	Ded. & coin.
Hospital Physician		
Inpatient	Ded. & coin.	20% coin. after ded.
Outpatient	Ded. & coin.	20% coin. after ded.
Emergency		
Emergency Room	\$100 copay, coin.	\$100 copay, 20% coin.
Mental Health		
Inpatient	Free	\$2,500 copay
Outpatient	Free	Coin.
Substance Abuse		
Inpatient	Free	\$2,500 copay
Outpatient	Free	Coin.
Other Services		
Prescription Drugs	Ded. & coin.	Ded. & coin.
	Retail	Mail Order
Generic	\$15 copay	\$30 copay
Formulary	\$60 copay	\$120 copay
Non-Formulary	\$100 copay	\$200 copay
Preventive	-	-
Specialty	\$250 copay	\$250 copay
Actuarial Value With Account Funding	87.0%	88.3%
	N/A	N/A

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

CURRENT FCSRMC PLAN DESIGNS

20 Enrolled

493 Enrolled

72 Enrolled

PLAN OPTION NAME	Current / Proposed	
	In Network	Out of Network
PLAN DESIGN	5190/5191 - HSA	
Deductible	\$1,500 / \$3,000 / \$3,000 (True Family)	\$3,000 / \$6,000 / \$6,000
Out of Pocket Max (incl. deductible)	\$4,500 / \$9,000 / \$9,000 (True Family)	\$9,000 / \$18,000 / \$18,000
Coinsurance	20%	40%
Account Funding	HSA: \$500 / \$1,000 / \$1,500	
Office Visits	Free	Coin.
Preventive	Ded. & coin.	Ded. & coin.
Primary Care	Ded. & coin.	Ded. & coin.
Specialist	Ded. & coin.	Ded. & coin.
Hospital Facility	Ded. & coin.	Ded., \$500 copay, coin.
Inpatient	Ded. & coin.	Ded. & coin.
Outpatient	Ded. & coin.	Ded. & coin.
Hospital Physician	Ded. & coin.	20% coin. after ded.
Inpatient	Ded. & coin.	20% coin. after ded.
Outpatient	Ded. & coin.	20% coin. after ded.
Emergency	Ded. & coin.	20% coin. after ded.
Emergency Room	Ded. & coin.	20% coin. after ded.
Mental Health	Free	Coin.
Inpatient	Free	Coin.
Outpatient	Free	Coin.
Substance Abuse	Free	Coin.
Inpatient	Free	Coin.
Outpatient	Free	Coin.
Other Services	Ded. & coin.	Ded. & coin.
Prescription Drugs		
Generic	Free	Coin.
Formulary	Free	Coin.
Non-Formulary	Free	Coin.
Preventive	Free	Coin.
Specialty	Ded. & coin.	Ded. & coin.
Actuarial Value		
With Account Funding	80.7%	83.2%
	N/A	N/A

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

AV(s) show n cannot be used to determine ACA minimum value compliance (see caveats page for details).

Information Item 4.a.
Financials

Property/Casualty Financial Highlights

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM

PROPERTY AND CASUALTY PLAN

REVENUES AND EXPENDITURES BUDGET REPORT

As of October 31, 2019

REVENUES	TOTAL ACTUAL, 8 MONTHS, 2019-2020				TOTAL ESTIMATED 2019-2020		
	CURRENT BUDGET	REALIZED	UNREALIZED	% UNREALIZED	PROJECTED THRU 02/28/20	% CURRENT BUDGET	
46610 Annual Assessment	28,934,696.00	19,289,796.68	9,644,899.32	33.33%	28,934,695.00	100.00%	
46612 Allied Health	311,041.00	187,360.07	123,680.93	39.76%	279,151.00	89.75%	
46613 Boiler & Machine	-	-	-	-	-	-	
46614 Inter-Collegiate	2,234,459.00	1,358,611.81	875,847.19	39.20%	2,041,580.00	91.37%	
46615 Facilities Use	-	-	-	-	-	-	
46616 Other SP Assessment	187,308.00	171,630.96	15,677.04	8.37%	171,631.00	91.63%	
46617 Master Builder's Risk	-	78,604.00	(78,604.00)	-	78,604.00	-	
46618 Educ/Tng Student	357,634.00	200,519.16	157,114.84	43.93%	289,636.00	80.99%	
46619 WC SIR Assessment	93,021.00	79,954.86	13,066.14	14.05%	105,000.00	112.88%	
46635 Other Operations Committee Assessment	-	4,858,430.00	(4,858,430.00)	-	4,858,430.00	-	
Members Assessments	32,118,159.00	26,224,907.54	5,893,251.46	18.35%	36,758,727.00	114.45%	
46624 Recoveries	261,202.00	33,747.86	227,454.14	87.08%	50,621.00	19.38%	
46625 Recoveries-Excess	936,610.00	156,872.38	779,737.62	83.25%	388,556.00	41.49%	
Recoveries	1,197,812.00	190,620.24	1,007,191.76	84.09%	439,177.00	36.66%	
46627 Reimb Ded FEMA/State	-	97,432.12	(97,432.12)	-	97,432.12	-	
Reimbursements (FEMA/State)	-	97,432.12	(97,432.12)	-	97,432.12	-	
48130 Int on Invest-Long Term	100,000.00	120,941.33	(20,941.33)	-20.94%	181,000.00	181.00%	
48140 Bank Int Earned - ACE/Chubb	50,000.00	38,093.02	11,906.98	23.81%	57,000.00	114.00%	
48150 Int on Invest-SBA	50,000.00	8,729.70	41,270.30	82.54%	13,095.00	26.19%	
48170 Int on Invest-SPIA	300,000.00	892,582.74	(592,582.74)	-197.53%	1,338,000.00	446.00%	
48200 Realized (Gain)/Loss	-	1,677.40	(1,677.40)	-	1,600.00	-	
48210 Unrealized (Gain)/Loss	-	160,635.08	(160,635.08)	-	160,635.00	-	
63850 Investment Costs (Reporting Fees)	(55,000.00)	(36,840.00)	(18,160.00)	33.02%	(55,260.00)	100.47%	
Interest and Investment Income, Net	445,000.00	1,185,819.27	(740,819.27)	-166.48%	1,696,070.00	381.14%	
TOTAL REVENUES	\$ 33,760,971.00	\$ 27,698,779.17	\$ 6,062,191.83	17.96%	\$ 38,991,406.12	115.49%	
EXPENDITURES	CURRENT BUDGET	EXPENDED	ENC'D	UNENC'D	% UNENC'D	PROJECTED THRU 02/28/20	% CURRENT BUDGET
63790 Annual Ins Premium	18,016,592.00	11,812,404.62	-	6,204,187.38	34.44%	17,709,190.76	98.29%
63820 WC-Carrier Audit	25,000.00	(129.00)	-	25,129.00	100.52%	10,400.00	41.60%
63830 Special Assessment	187,308.00	168,068.72	-	19,239.28	10.27%	171,631.00	91.63%
63831 Master Builder's Risk Assessment	-	78,604.00	-	(78,604.00)	-	78,604.00	-
63835 Claims/Loss Svc Fees	927,213.00	615,712.00	307,854.00	3,647.00	0.39%	923,568.00	99.61%
63860 CLMS SV-Rep Fee	-	-	-	-	-	-	-
63870 CLMS SV-Prior Year	-	-	-	-	-	-	-
63880 Incurred Claims (Clms Pd+IBNR Change)	11,500,000.00	5,477,573.25	-	6,022,426.75	52.37%	8,900,000.00	77.39%
63881 Paid Claims Hurricane IRMA	1,000,000.00	376,683.00	-	623,317.00	62.33%	376,683.00	37.67%
46633 Recoveries - Hurricane IRMA	(1,000,000.00)	(401,725.00)	-	(598,275.00)	59.83%	(401,725.00)	40.17%
63883 Claims Paid-Excess Carrier	4,000,000.00	-	-	4,000,000.00	100.00%	-	0.00%
46634 Recoveries - Hurricane MICHAEL	(3,000,000.00)	(273,172.00)	-	(2,726,828.00)	90.89%	(273,172.00)	9.11%
63884 Paid Claims Hurricane MICHAEL	3,000,000.00	(222,890.00)	-	3,222,890.00	107.43%	(222,890.00)	-7.43%
63882 Claims Boiler & Machinery	150,000.00	40,000.00	-	110,000.00	73.33%	40,000.00	26.67%
63885 Facilities Use Deductible	-	-	-	-	-	-	-
63886 Claims Paid-Crime	25,000.00	-	-	25,000.00	100.00%	-	0.00%
63887 Cyber Risk Claims	332,222.00	50,008.25	-	282,213.75	84.95%	50,008.25	15.05%
46626 Recoveries Cyber	-	(20,022.00)	-	20,022.00	-	(40,022.00)	-
63889 WC SIR Expense	93,021.00	79,954.86	-	13,066.14	14.05%	105,000.00	112.88%
63890 Catastrophic Claims Fees	250,000.00	-	-	250,000.00	100.00%	-	0.00%
63891 Other Operations Committee Projects	75,000.00	-	-	75,000.00	100.00%	-	0.00%
Premiums & Claims Expenses	35,581,356.00	17,781,070.70	307,854.00	17,492,431.30	49.16%	27,427,276.01	77.08%
50110 Salary P/C	548,467.00	309,155.15	-	239,311.85	43.63%	475,000.00	86.61%
59300 Compensated Absence Expense	-	-	-	-	-	-	-
60110 Admin Cost P/C	315,512.00	167,867.52	-	147,644.48	46.80%	252,000.00	79.87%
62001 Printing Services	17,500.00	-	-	17,500.00	100.00%	-	0.00%
62504 Service Contracts/Agreements	-	-	-	-	-	-	-
63895 Conf/Training/Seminars	35,000.00	8,096.20	-	26,903.80	76.87%	13,000.00	37.14%
64501 SREF Inspection	132,050.00	73,850.00	46,200.00	12,000.00	9.09%	132,500.00	100.34%
64505 Advertising Requ	-	-	-	-	-	-	-
64613 WD-Uniforms/Shoes	-	-	-	-	-	-	-
64502 Institutional Memberships	-	-	-	-	-	-	-
65001 Consulting Services	130,000.00	12,825.00	27,806.25	89,368.75	68.75%	40,631.00	31.25%
65003 Legal Fees	-	-	-	-	-	-	-
65004 Auditing Fees	50,000.00	46,500.00	3,500.00	-	0.00%	65,000.00	130.00%
65007 Other Professional Fees (Actuary)	54,800.00	14,600.00	5,400.00	34,800.00	63.50%	20,000.00	36.50%
65008 Accreditation Fees	-	-	-	-	-	-	-
65702 Software Administrative (RMIS)	83,300.00	-	-	83,300.00	100.00%	-	0.00%
66503 Food and Food Products	-	-	-	-	-	-	-
66504 Materials & Supplies	50,000.00	10,800.00	1,200.00	38,000.00	-	12,000.00	-
67001 Subscriptions	-	-	-	-	-	-	-
70110 Capital Cost P/C	6,750.00	941.02	-	5,808.98	86.06%	5,000.00	74.07%
70500 Minor Equipment Non-Inventoried	-	-	-	-	-	-	-
70606 Technology Equipment Inventoried	-	-	-	-	-	-	-
Administrative Expenses	1,423,379.00	644,634.89	84,106.25	694,637.86	48.80%	1,015,131.00	71.32%
TOTAL EXPENDITURES	\$ 37,004,735.00	\$ 18,425,705.59	\$ 391,960.25	\$ 18,187,069.16	49.15%	\$ 28,442,407.01	76.86%
INCREASE (DECREASE) IN FUND BALANCE	\$ (3,243,764.00)	\$ 9,273,073.58				\$ 10,548,999.11	

SRECNP check

13,228,778.61 Beginning FB

23,777,777.72 Projected Ending FB at 02/28/2020

Florida College System Risk Management Consortium
Property and Casualty Plan
Statement of Net Position
October 31, 2019 and 2018

	<u>FY</u> <u>2019-20</u>	<u>FY</u> <u>2018-19</u>
ASSETS		
CASH IN BANKS	\$ 66,904.35	\$ 1,565,684.03
INVESTMENT STATE BOARD OF ADMINISTRATION	2,509.44	319.87
INVESTMENT SPECIAL PURPOSE INVESTMENT ACCT.	43,143,155.25	41,485,864.13
CASH EQUIVALENTS - STATE INVESTMENT POOLS	43,145,664.69	41,486,184.00
INVESTMENT SECURITIES - Managed Account	6,828,585.12	6,667,526.46
UNREALIZED HOLDING GAIN OR (LOSS) ON SECURITIES	119,397.83	(133,236.45)
INVESTMENTS, NET	6,947,982.95	6,534,290.01
ACCRUED INTEREST RECEIVABLE	159,837.95	27,943.84
A/R OTHER	2,791,252.00	-
A/R ALLIED HEALTH	-	-
A/R ANNUAL ASSESSMENT	-	-
A/R MASTER BUILDER RISK	1,300.00	-
A/R CYBER RISK	30,494.55	99,890.31
A/R FACILITIES USE	-	-
A/R INTERCOLLEGIATE ATHLETIC ASSESSMENT	-	-
A/R EDUCATION / TRAINING	-	360.00
A/R SELF INSURER ASSESSMENT	25,681.02	-
A/R OTHER SPECIAL ASSESSMENT	10,080.00	30,713.00
PREPAID EXPENSES	-	-
ASSESSMENTS RECEIVABLE & PREPAID CLAIMS	2,858,807.57	130,963.31
PREPAID INSURANCE	7,020,481.07	6,258,586.71
RECOVERABLES FROM EXCESS CARRIERS ON PAID LOSSES	45,468.93	1,589,612.70
RESTRICTED DEPOSIT ⁽¹⁾	3,052,158.02	3,549,710.85
PROPERTY AND EQUIPMENT - NET DEPRECIATION	27,178.00	37,459.53
TOTAL ASSETS	<u>63,324,483.53</u>	<u>61,180,434.98</u>
LIABILITIES		
CLAIMS INCURRED BUT NOT REPORTED OR PAID	36,166,010.64	40,852,000.00
ACCOUNTS PAYABLE - CLAIMS	44,408.56	321,959.10
CLAIM LIABILITIES AND INCURRED LOSSES	36,210,419.20	41,173,959.10
REINSURANCE RECOVERABLES ON UNPAID LOSSES	(7,230,885.19)	-
LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES, NET	28,979,534.01	41,173,959.10
UNEARNED ASSESSMENTS	11,643,323.11	10,659,894.47
ADVANCED ASSESSMENTS	-	-
FUNDS HELD UNDER EXCESS CARRIER TREATIES	-	-
ACCOUNTS PAYABLE - OPERATIONS	109,819.43	62,954.77
ACCRUED LIABILITY - COMPENSATED ABSENCES	89,954.79	95,943.91
TOTAL LIABILITIES	<u>40,822,631.34</u>	<u>51,992,752.25</u>
NET POSITION		
UNDESIGNATED	22,501,852.19	9,187,682.73
DESIGNATED FOR LOSS CONTINGENCY	-	-
TOTAL NET POSITION	<u>\$ 22,501,852.19</u>	<u>\$ 9,187,682.73</u>

(1) Restricted Deposit consists of collateral held by ACE/Chubb for workers compensation

Florida College System Risk Management Consortium
Property and Casualty Plan
Statement of Revenues, Expenses and Changes in Net Position
For the Months Ending October 31, 2019 and 2018

	FY 2019-20	FY 2018-19
REVENUES		
ALLIED HEALTH ASSESSMENT	\$ 187,360.07	\$ 184,360.25
ANNUAL ASSESSMENT	19,289,796.68	17,240,068.00
BOILER & MACHINERY ASSESSMENT	-	
INTERCOLLEGIATE ASSESSMENT	1,358,611.81	1,354,217.32
EDUCATION / TRAINING	200,519.16	192,439.00
WC SIR ASSESSMENT	79,954.86	76,236.36
MASTER BUILDER'S RISK ASSESSMENT	78,604.00	17,665.00
OTHER SPECIAL ASSESSMENT	171,630.96	158,519.64
OTHER OPERATIONS COMMITTEE SPECIAL ASSESSMENT	4,858,430.00	
ASSESSMENTS EARNED	26,224,907.54	19,223,505.57
ANNUAL ASSESSMENTS	(11,812,404.62)	(9,979,584.56)
WC - CARRIER AUDIT (PRIOR YEAR)	129.00	(2,713.00)
WC SIR EXPENSE	(79,954.86)	(76,236.36)
MASTER BUILDER'S RISK ASSESSMENT	(78,604.00)	(17,665.00)
SPECIAL ASSESSMENTS	(168,068.72)	(106,261.19)
OTHER OPERATIONS COMMITTEE SPECIAL PREMIUM	-	-
PREMIUMS CEDED TO REINSURERS	(12,138,903.20)	(10,182,460.11)
ASSESSMENTS EARNED, NET OF PREMIUMS	14,086,004.34	9,041,045.46
INSURANCE DEDUCTIBLE RECOVERED FROM FEMA / STATE	97,432.12	-
INTEREST EARNED FROM BANK	38,093.02	29,651.33
INTEREST EARNED ON INVESTMENT - SBA	8,729.70	4.68
INTEREST EARNED ON INVESTMENT - SPIA	892,582.74	493,139.39
INTEREST EARNED ON INVESTMENTS - Managed Account	120,941.33	101,806.15
INTEREST INCOME	1,060,346.79	624,601.55
REALIZED GAIN OR (LOSS) ON SALE OF SECURITIES	1,677.40	(31,503.08)
UNREALIZED GAIN OR (LOSS) ON SALE OF SECURITIES	160,635.08	(7,968.53)
NET GAINS (LOSSES) ON INVESTMENTS	162,312.48	(39,471.61)
INVESTMENT INCOME, NET	1,222,659.27	585,129.94
TOTAL REVENUES	15,406,095.73	9,626,175.40
EXPENSES		
INCURRED CLAIMS	5,477,573.25	11,128,128.66
INCURRED CLAIMS - Hurricane	153,793.00	10,611,209.61
INCURRED CLAIMS - Excess Carrier	-	-
INCURRED CLAIMS - Boiler & Machinery	40,000.00	2,304.53
INCURRED CLAIMS - Cyber Risk	50,008.25	243,749.83
RECOVERIES	(190,620.24)	(844,293.35)
RECOVERIES - Cyber Risk	(20,022.00)	(133,872.11)
RECOVERIES - Hurricane	(674,897.00)	(7,889,786.03)
INCURRED LOSS AND ALLOCATED LOSS ADJUSTMENT EXPENSES, NET	4,835,835.26	13,117,441.14
CLAIM SERVICING - FEES	615,712.00	610,513.86
CLAIM SERVICING - ADJUSTMENTS	-	-
CLAIM ADJUSTMENTS & SERVICING FEES	615,712.00	610,513.86
ADMINISTRATIVE COSTS	644,634.89	649,049.36
INVESTMENT COSTS	36,840.00	-
SUBSCRIPTIONS	-	-
ADMINISTRATIVE EXPENSES	681,474.89	649,049.36
TOTAL EXPENSES	6,133,022.15	14,377,004.36
INCREASE (DECREASE) IN NET POSITION	9,273,073.58	(4,750,828.96)
NET POSITION, BEGINNING	13,228,778.61	13,938,511.69
NET POSITION, ENDING	\$ 22,501,852.19	\$ 9,187,682.73

Information Item 4.b.
Financials

Employee Benefit Plans Financial Highlights

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM

EMPLOYEE BENEFIT PLANS
REVENUES AND EXPENDITURES BUDGET REPORT
As of November 30, 2019

REVENUES	TOTAL ACTUAL, 11 MONTHS				TOTAL ESTIMATED 2019	
	CURRENT BUDGET	REALIZED	UNREALIZED	% UNREALIZED	PROJECTED THRU 12/31/19	% CURRENT BUDGET
46620 Life Assess EBP	3,015,499.00	2,775,388.68	240,110.32	7.96%	3,029,766.00	100.47%
46621 Health Assess EBP	121,682,337.00	106,299,055.17	15,383,281.83	12.64%	115,959,000.00	95.30%
Members Assessments	124,697,836.00	109,074,443.85	15,623,392.15	12.53%	118,988,766.00	95.42%
46624 Recoveries- Pharmacy Rebates/ERRP	4,214,760.00	5,620,791.99	(1,406,031.99)	-33.36%	5,621,000.00	133.36%
46625 Recoveries- Other	-	1,683.80	(1,683.80)	0.00%	1,684.00	0.00%
Recoveries	4,214,760.00	5,622,475.79	(1,406,031.99)	-33.36%	5,622,684.00	133.40%
48130 Int on Invest-Long Term	190,000.00	246,509.44	(56,509.44)	-29.74%	269,000.00	141.58%
48150 Int on Invest-SBA	5,000.00	74,596.47	(69,596.47)	-1391.93%	74,610.00	1492.20%
48170 Int on Invest-SPIA	400,983.00	712,569.59	(311,586.59)	-77.71%	777,888.00	194.00%
48200 Gain-Loss on Investments	-	(3,283.36)	3,283.36	100.00%	(4,000.00)	0.00%
48210 Unreal (Gain)/Loss	-	274,278.65	(274,278.65)	100.00%	300,000.00	0.00%
63850 Investment Costs	-	(36,178.69)	36,178.69	100.00%	(39,097.00)	0.00%
Interest & Investment Income, Net	595,983.00	1,268,492.10	(708,687.79)	-118.91%	1,378,401.00	231.28%
TOTAL REVENUES	\$ 129,508,579.00	\$ 115,965,411.74	\$ 13,508,672.37	10.43%	\$125,989,851.00	97.28%
EXPENDITURES	EXPENDED	ENC'D	UNENC'D	% UNENC'D		
63700 Life & AD/D Premium	3,015,499.00	2,775,402.23	240,096.77	7.96%	3,029,766.00	100.47%
63751 Blue Options Svc Fee	4,734,201.00	4,427,204.53	306,996.47	6.48%	4,830,000.00	102.02%
63752 Blue MediCare PPO	1,355,835.00	1,130,145.50	225,689.50	16.65%	1,235,145.00	91.10%
63756 Blue Options S/L	4,292,789.00	3,881,359.01	411,429.99	9.58%	4,233,400.00	98.62%
63763 New Directions (EAP Services)	94,488.00	107,202.98	(12,714.98)	-13.46%	114,000.00	120.65%
63764 Florida Health Care Plan	3,596,000.00	3,063,458.77	532,541.23	14.81%	3,346,000.00	93.05%
63770 FBMC Benefits Administration	817,200.00	801,944.39	48,055.61	(32,800.00)	875,700.00	107.16%
63771 Plan C (Hospital, Dental, Vision)	3,197,080.00	2,772,583.40	424,496.60	13.28%	3,026,000.00	94.65%
63776 Wellness Initiative Refund	100,000.00	119,933.35	(19,933.35)	-19.93%	121,500.00	121.50%
63507 PCORI Fee	-	37,318.45	(37,318.45)	0.00%	37,318.00	0.00%
63880 46623 Incurred Claims includes Stop Loss	109,339,236.00	92,872,610.38	16,466,625.62	15.06%	101,372,610.00	92.71%
63888 I.B.N.R Liability Changes	(2,019,947.00)	-	(2,019,947.00)	0.00%	-	0.00%
Premiums, Claims & Fees	128,522,381.00	111,989,162.99	48,055.61	16,485,162.40	122,221,439.00	95.10%
50120 Admin Cost EBP-Payroll	505,679.00	428,006.70	77,672.30	15.36%	467,454.00	92.44%
60120 Admin Cost EBP-Current Expenses	322,408.00	221,957.67	100,450.33	31.16%	233,727.00	72.49%
62504 Service Contracts/Agreements	-	115,000.00	(115,000.00)	0.00%	116,050.00	0.00%
64501 Other Services	-	8,700.00	(8,700.00)	0.00%	8,700.00	0.00%
65001 Consultant Fees	100,000.00	-	100,000.00	100.00%	-	0.00%
65004 Auditing Fees	50,000.00	35,000.00	15,000.00	30.00%	35,000.00	70.00%
70120 Admin Cost EBP-Capital	8,111.00	7,463.65	647.35	7.98%	9,163.00	112.97%
Administrative Expenses	986,198.00	816,128.02	-	\$ 170,069.98	870,094.00	88.23%
TOTAL EXPENDITURES	\$ 129,508,579.00	\$ 112,805,291.01	48,055.61	\$ 16,655,232.38	\$ 123,091,533.00	95.05%
INCREASE (DECREASE) IN FUND BALANCE	\$ -	\$ 3,160,120.73			\$ 2,898,318.00	

Florida College System Risk Management Consortium
Employee Benefit Plans
Balance Sheet
November 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
Cash in Banks	\$ 969,487.15	\$ 543,766.09
Investment State Board of Admin.	8,689.46	2,088.45
Investment Special Purpose Investment Acct.	23,858,922.22	24,802,695.86
Cash and Cash Equivalents	<u>24,837,098.83</u>	<u>25,348,550.40</u>
Investment Securites-Managed Account	10,253,442.66	10,005,328.53
Unrealized Holding Gain/(Loss) on Investments	161,374.05	(181,911.34)
Investments Available for Sale	<u>10,414,816.71</u>	<u>9,823,417.19</u>
Accrued Interest Receivable	135,820.79	54,448.71
Recoveries, Rebates and Other Receivables	8,105,496.96	4,946,403.96
Prepaid Expenses	-	-
Deposits ⁽¹⁾	5.81	104,873.45
Property and Equipment - Net of Depreciation	<u>5,559.77</u>	<u>10,007.77</u>
TOTAL ASSETS	<u><u>43,498,798.87</u></u>	<u><u>40,287,701.48</u></u>
LIABILITIES		
Accounts Payable-Claims	7,963,817.38	8,235,857.02
Accounts Payable-Claim Service Fees	400,305.78	407,444.85
Claims Incurred but not Reported	6,454,744.00	7,279,749.00
Claim Liabilities and Incurred Losses	<u>14,818,867.16</u>	<u>15,923,050.87</u>
Deferred Revenue	1,013,289.44	-
Accounts Payable-Operations	1,335,865.96	1,358,682.25
Accrued Liability-Compensated Absences	<u>98,200.53</u>	<u>94,775.70</u>
TOTAL LIABILITIES	<u><u>17,266,223.09</u></u>	<u><u>17,376,508.82</u></u>
TOTAL NET POSITION	<u><u>\$ 26,232,575.78</u></u>	<u><u>\$ 22,911,192.66</u></u>

(1) Deposits receivable consists of funds held by Health Equity for prefunding of plans.

Florida College System Risk Management Consortium
Employee Benefit Plans
Statement of Revenues, Expenses and Changes in Net Position
For the Months Ending November 30, 2019 and 2018

REVENUES	<u>2019</u>	<u>2018</u>
Premiums Earned - Member Assessments	\$ 109,074,443.85	\$ 112,811,715.79
Premiums Ceded to Reinsurers		
Life and AD/D Premium	(2,775,402.23)	(2,977,962.84)
Plan Blue Choice/Options/HMO/HRA S/L Premium	(3,881,359.01)	(3,954,861.26)
Fully Insured Premium (CHP, CHIP, Medicare, EAP, FHCP)	<u>(7,073,390.65)</u>	<u>(12,557,376.60)</u>
Net Premiums Earned	<u>95,344,291.96</u>	<u>93,321,515.09</u>
Interest Earned on Investment-SBA	74,596.47	40.38
Interest Earned on Investment-SPIA	712,569.59	459,594.31
Interest Earned on Investment-Managed Account	246,509.44	213,125.37
Investment Costs	<u>(36,178.69)</u>	<u>(36,918.50)</u>
Investment Income	997,496.81	635,841.56
Realized Gain or (Loss) on Sale of Securities	(3,283.36)	(70,478.63)
Unrealized Gain or (Loss) on Investments	274,278.65	(91,097.15)
Net Gain or (Loss) on Investments	<u>270,995.29</u>	<u>(161,575.78)</u>
Total Revenue	<u>96,612,784.06</u>	<u>93,795,780.87</u>
EXPENSES		
Incurred Claims	94,515,410.94	92,765,217.13
IBNR Liability Change	-	-
Recoveries-Stop Loss Adjustments	(1,642,800.56)	(1,082,133.88)
Recoveries-Pharmacy Rebates/ERRP	<u>(5,620,791.99)</u>	<u>(5,034,663.16)</u>
Incurred Claims Net of Recoveries	87,250,134.59	86,648,420.09
Dental and Vision Service Fee	-	-
Claim Adjustments/Servicing Fees	<u>5,386,400.72</u>	<u>5,303,890.97</u>
Claims Servicing Fees	5,386,400.72	5,303,890.97
Administrative Costs	<u>816,128.02</u>	<u>847,261.02</u>
Total Expenses	<u>93,452,663.33</u>	<u>92,799,572.08</u>
INCREASE (DECREASE) IN NET POSITION	3,160,120.73	996,208.79
NET POSITION, BEGINNING	<u>23,072,455.05</u>	<u>21,914,983.87</u>
NET POSITION, ENDING	<u><u>\$ 26,232,575.78</u></u>	<u><u>\$ 22,911,192.66</u></u>

Information Item 4.c.
Financials

Investment Program



FCSRMC

FLORIDA COLLEGE SYSTEM RISK MANAGEMENT CONSORTIUM

Investment Performance Review For the Quarter Ended December 31, 2019

Investment Advisors

Steven Alexander, CTP, CGFO, CPPT, Managing Director
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Tab I

- ◆ Market Update

Tab II

- ◆ Executive Summary
- ◆ 1-5 Year Investment Portfolio

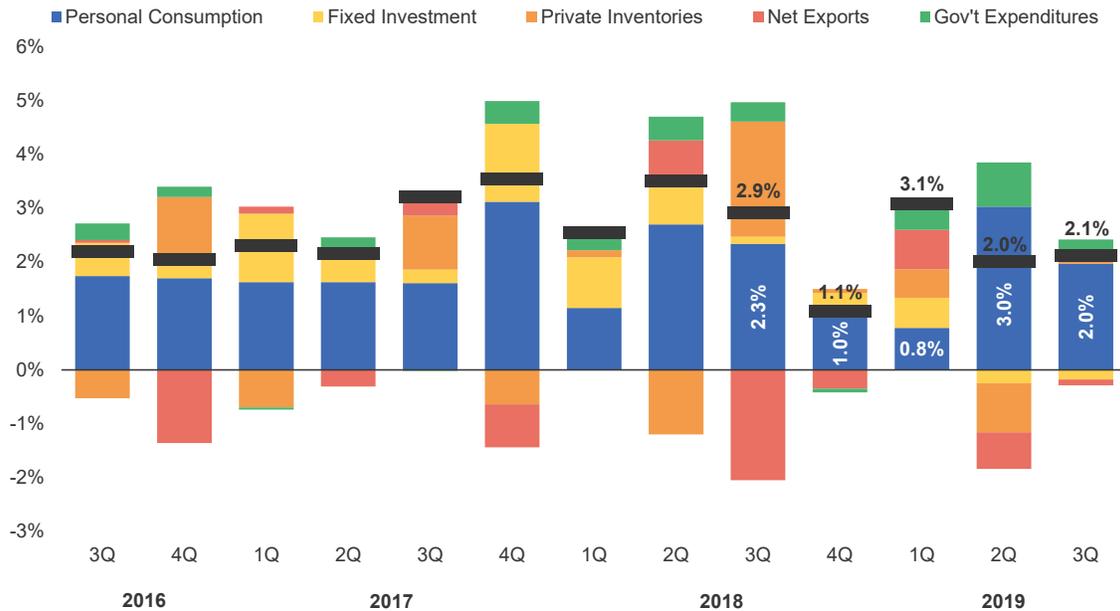
Tab III

- ◆ Asset Allocation Chart
- ◆ Quarterly Account Summary
- ◆ Compliance Report
- ◆ Important Disclosures

Tab I

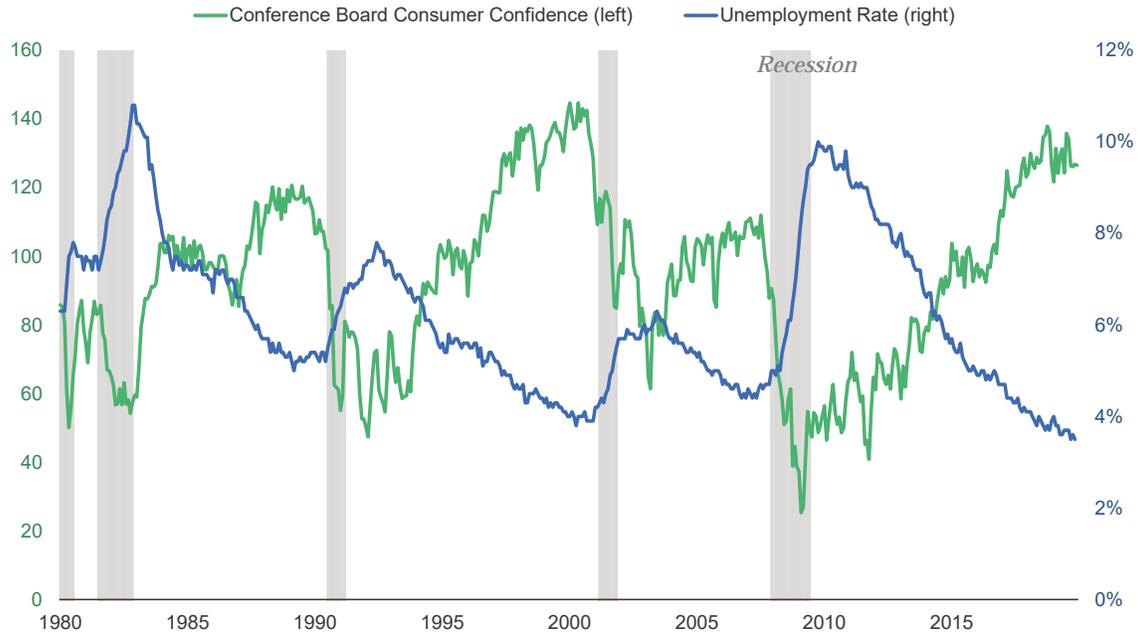
The Consumer Remains the Main Driver of Economic Growth

Components of U.S. GDP



Source: Bureau of Economic Analysis.

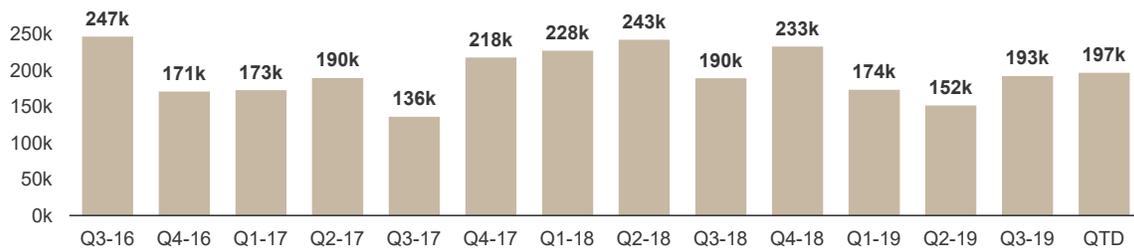
Falling Unemployment Supports Improved Consumer Confidence



Source: Bloomberg, as of 12/31/2019.

Improving Economic Data Supports the Fed's Hold

Average Monthly Job Growth



New Home Sales (000s, annual pace)



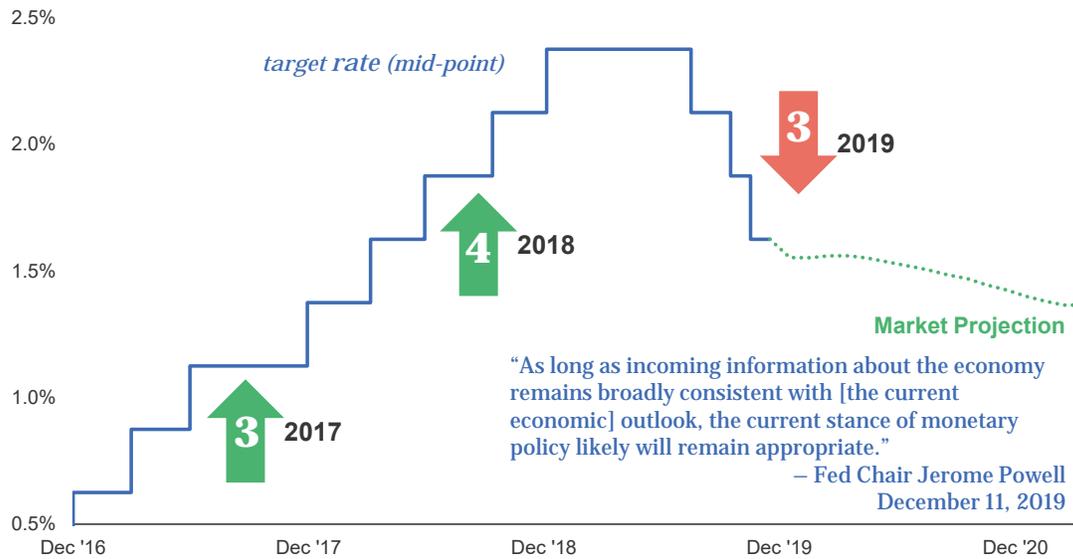
Markit Manufacturing Activity Index



Source: Bloomberg, as of 12/31/19. QTD includes data for October and November.

The Fed Signals It Is Likely on Hold for an Extended Period of Time

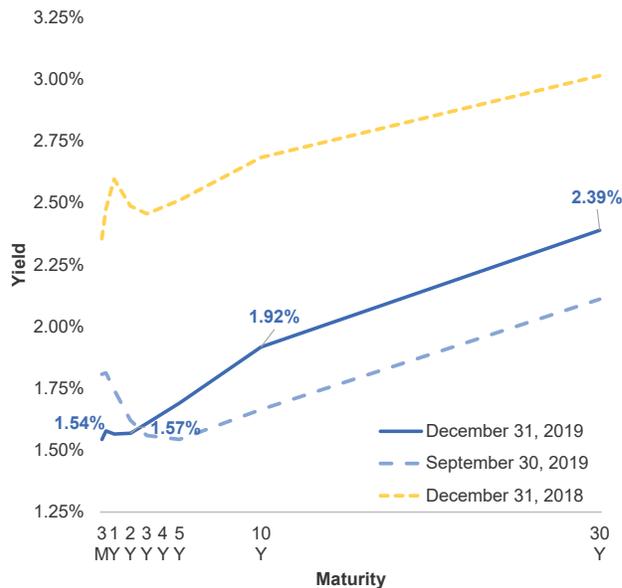
Federal Reserve Target Overnight Rate



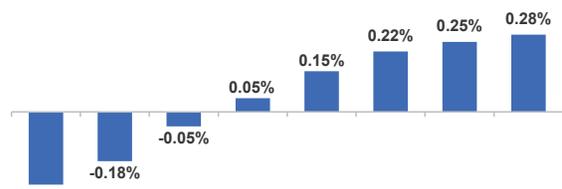
Source: Bloomberg. Market Projection as of 12/31/2019.

Yields Fell in 2019 and the Curve Steepened in the Fourth Quarter

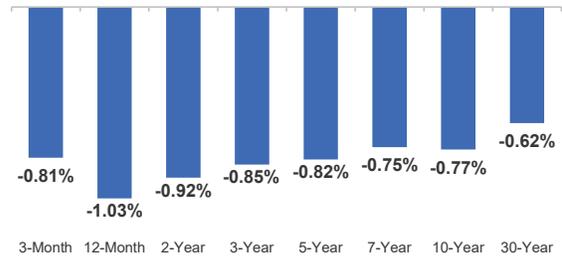
U.S. Treasury Yield Curve



Q4 Change in Yield

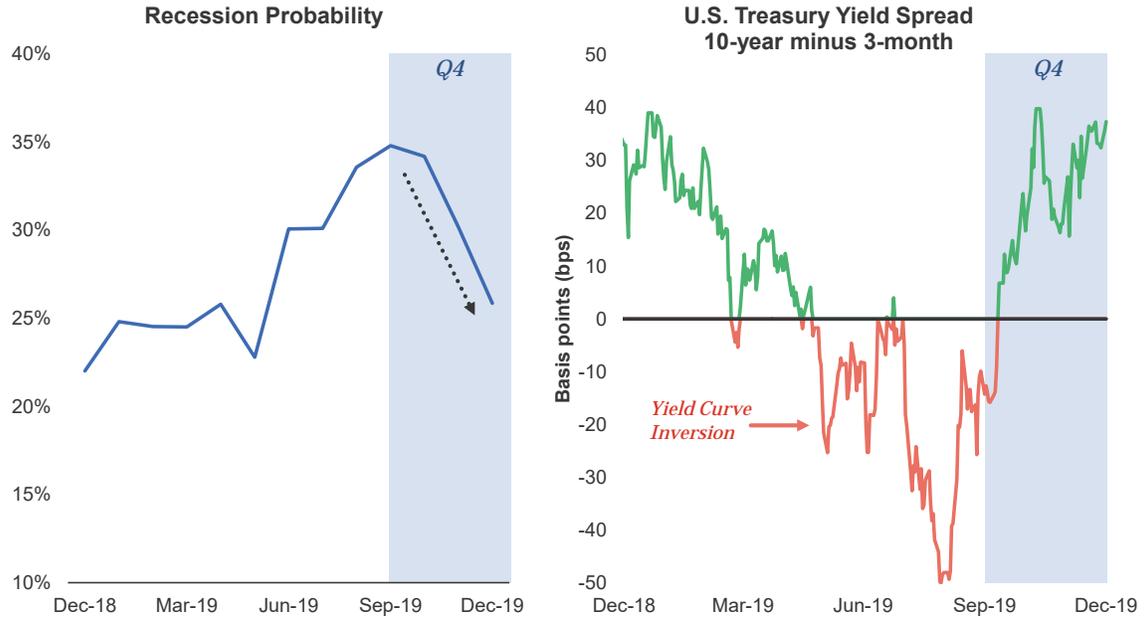


YTD Change in Yield



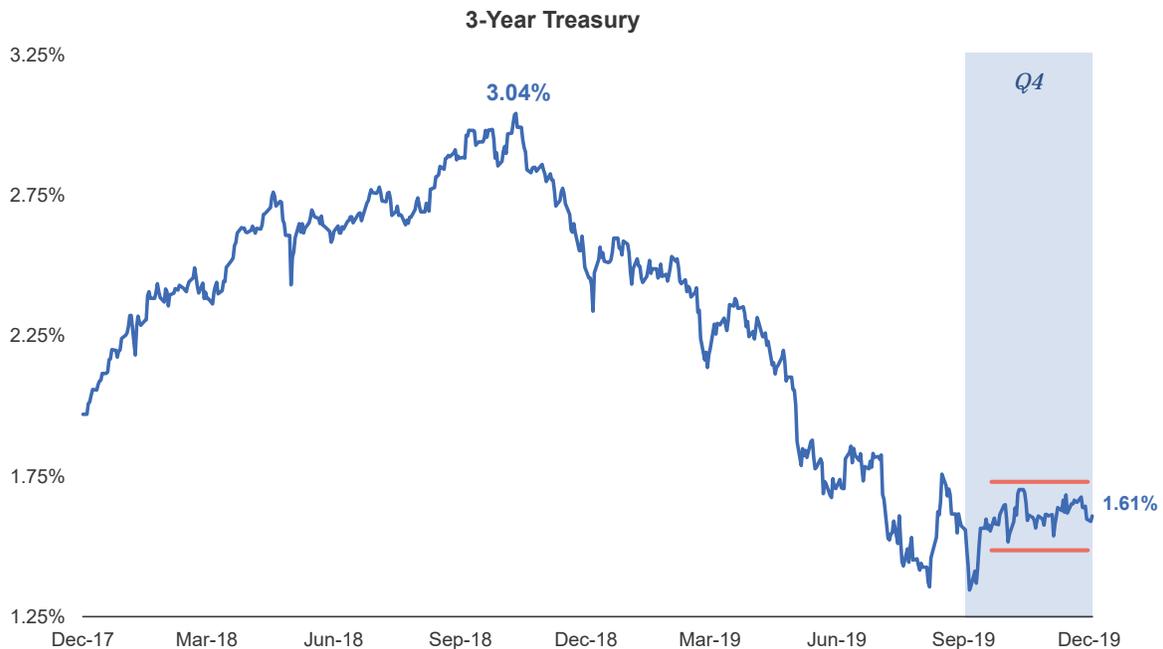
Source: Bloomberg, as of December 31, 2019.

Recession Fears Subsided and Yield Curve Un-Inverted in Q4



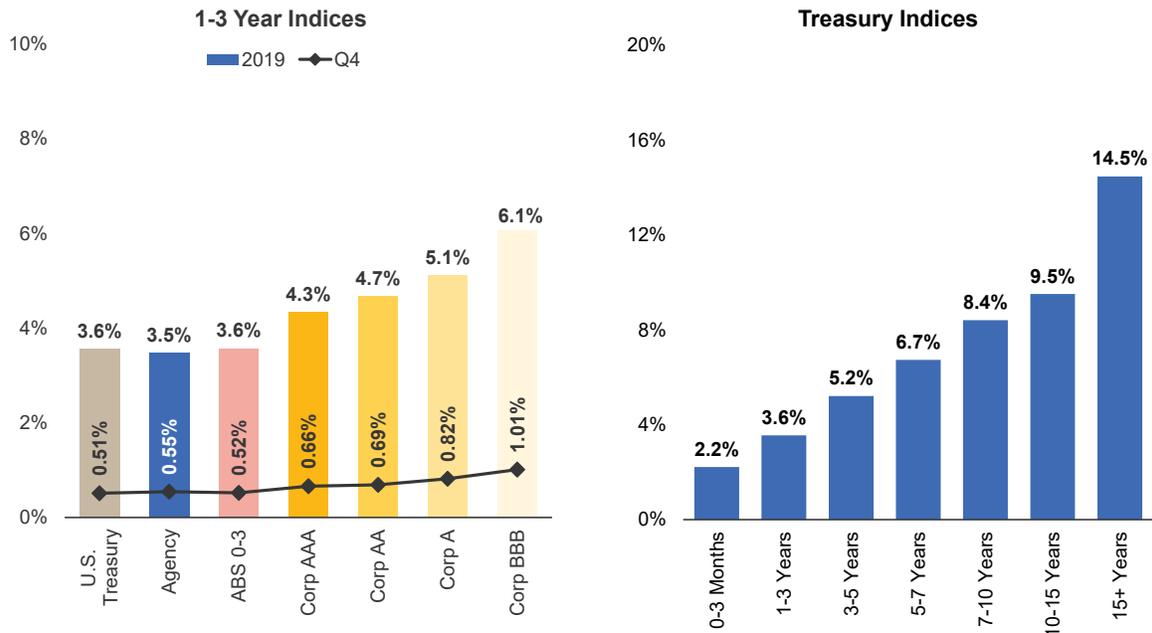
Source: Data as of 12/31/2019. Wall Street Journal Economic Forecasting Survey (left); Bloomberg (right).

Treasury Yields Have Settled into a New, Lower Range



Source: Bloomberg, as of 12/31/2019.

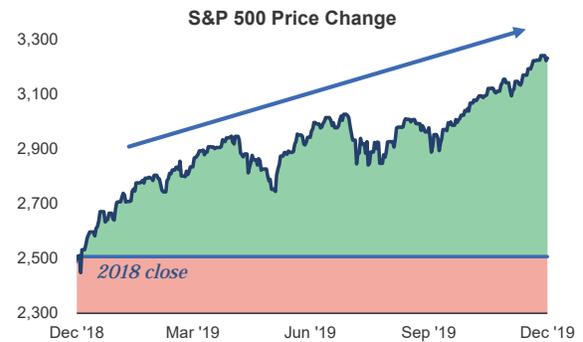
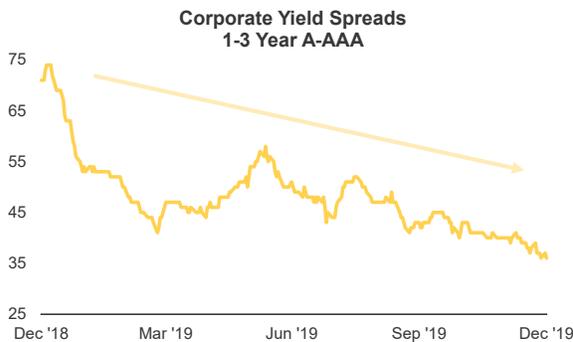
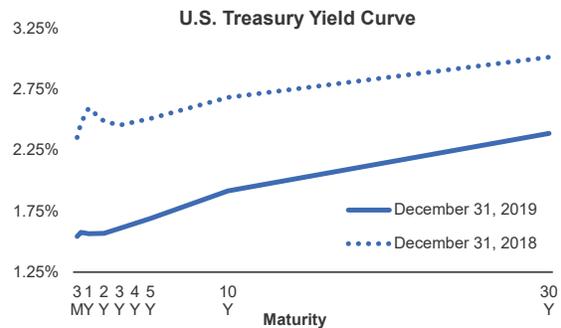
Fixed Income Performance Strong for the Year



Source: Bloomberg, as of 12/31/2019.

Major Moves in 2019

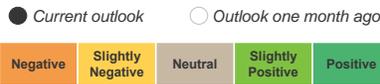
Federal Funds Target Range			
Year	Starting Range	Ending Range	# of Hikes/Cuts
2015	0.00%-0.25%	0.25%-0.50%	1 hike
2016	0.25%-0.50%	0.50%-0.75%	1 hike
2017	0.50%-0.75%	1.25%-1.50%	3 hikes
2018	1.25%-1.50%	2.25%-2.50%	4 hikes
2019	2.25%-2.50%	1.50%-1.75%	3 cuts



Source: Bloomberg, as of 12/31/2019.

Fixed-Income Sector Outlook – January 2020

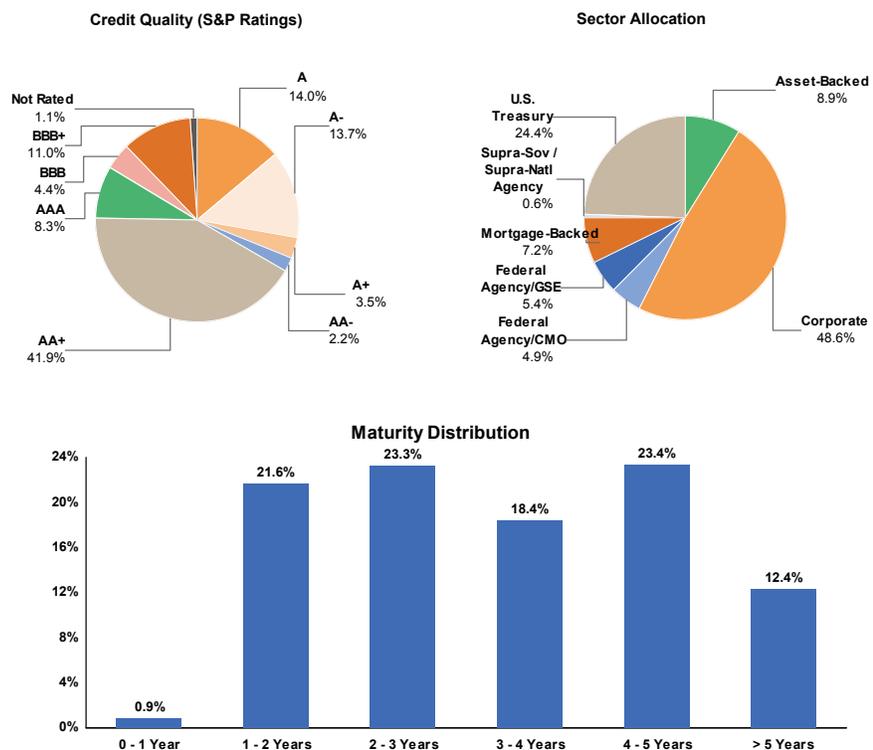
Sector	Our Investment Preferences	Comments
COMMERCIAL PAPER / CD		• Money market credit spreads remain attractive. New issue supply may increase in the new year.
TREASURIES		
T-Bill		• T-Bills have rallied further on Fed purchases and low repo rates. Other short-term instruments remain relatively more attractive.
T-Note		• T-Notes offer attractive yield pickup vs. T-Bills in certain maturities.
FEDERAL AGENCIES		
Bullets		• Bullet valuations remain near historical tightness across the curve and continue to trade in a relatively narrow range. New issues should be evaluated for opportunities to add relative value; otherwise, Treasuries should be preferred.
Callables		• Redemptions remained elevated during Q4 but have started to slow as rates have begun to stabilize. As a result, new issue supply has slowed as well. Spread pickup vs. bullets remains well below YTD averages, with little chance for outperformance. Accounts should favor bulleted structures vs. callable.
SUPRANATIONALS		• Spreads remain anchored across the curve. Expect modestly wider spreads in Q1 on account of higher issuer funding targets and favorable USD basis. New issues should be evaluated for opportunities to add relative value.
CORPORATES		
Financials		• Solid economic data, an accommodative Fed, and positive technicals continue to support the corporate sector. Tight valuations limit the potential for outperformance in 2020. A growing list of uncertainties and pending supply could result in wider spreads and better buying opportunities.
Industrials		
SECURITIZED		
Asset-Backed		• AAA-rated ABS yield spreads widened during December and are currently near their 3 year historic average. Broad measures of auto ABS spreads are comparable to spreads on high quality corporate securities.
Agency Mortgage-Backed		• Q4 saw strong excess returns from MBS as spreads narrowed significantly. Buyers were enticed by higher spreads, lower volatility and the expectation that the Fed is on hold.
Agency CMBS		• Agency CMBS spreads widened in December. The sector has good relative value compared to less structured MBS and other government sectors.
MUNICIPALS		• Value remains in new issue taxable deals which continue to be driven by the surge in taxable issuance, an alternative to tax-exempt advance refundings.



Tab II

- The Consortium's Investment Portfolio is of high credit quality and invested in U.S. Treasury, corporate note, Federal Agency/GSE, Federal Agency/CMO, mortgage-backed, asset-backed, and supranational securities.
- The Investment Portfolio's quarterly total return performance of 0.66% outperformed the benchmark's performance of 0.35% by 0.31%. Over the past year, the Portfolio earned 5.46%, versus 4.20% for the benchmark.
- Following three consecutive Fed rate cuts, we continued to maintain portfolio durations in line with benchmarks for the quarter as market expectations called for stable rates well into 2020.
- Maintained broad diversification across all permitted fixed income sectors. Although most sector spread levels were on the tighter end of their recent trading history, the incremental income was generally additive to performance in a range-bound interest rate environment in Q4.
- We expect the Fed to remain on hold for an extended period and rates to remain mostly range-bound in the near-term. As a result, we plan to continue a duration-neutral strategy relative to benchmarks.
- We continued to de-emphasize agencies and supranationals, generally reducing allocations in favor of other sectors. Value in federal agency and supranational issuers remained extremely limited, largely on scarce supply. Spreads remained near historically tight levels, capping both sectors' excess returns in Q4. In some instances, agencies were trading at yields less than similar maturity Treasuries. We also largely avoided callable agencies during the quarter as early redemption risk remained elevated.
- Short-term investors found opportunities from wider spreads on money market credit investments (commercial paper). Increased allocations to the sector at attractive levels helped cushion the impact of the Fed's lower overnight target rate.

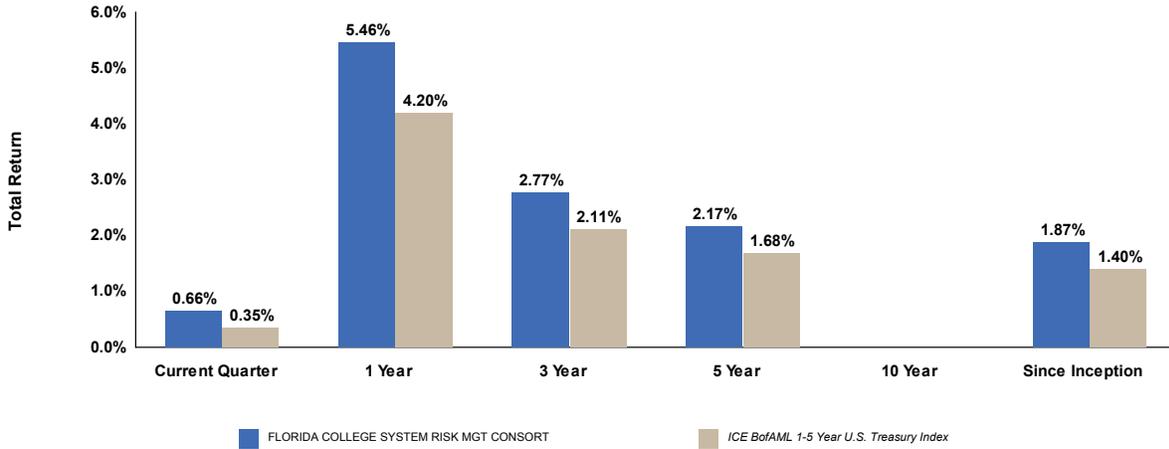
Portfolio Statistics	
As of December 31, 2019	
Par Value:	\$16,903,271
Total Market Value:	\$17,496,553
Security Market Value:	\$17,255,610
Accrued Interest:	\$99,100
Cash:	\$141,843
Amortized Cost:	\$16,980,797
Yield at Market:	1.99%
Yield at Cost:	2.58%
Effective Duration:	2.58 Years
Duration to Worst:	2.81 Years
Average Maturity:	4.18 Years
Average Credit: *	A



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Performance (Total Return)

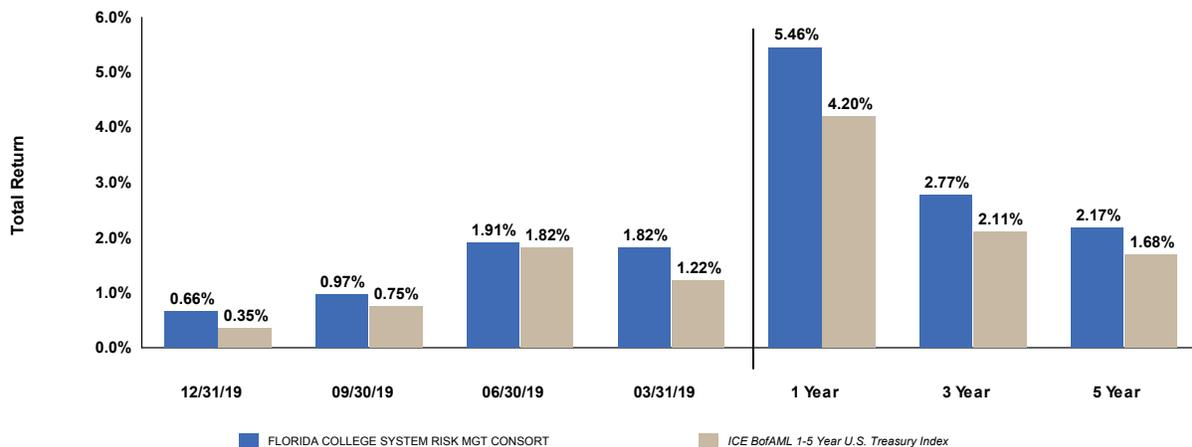
Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (09/30/10) **
				3 Year	5 Year	10 Year	
FLORIDA COLLEGE SYSTEM RISK MGT CONSORT	2.58	0.66%	5.46%	2.77%	2.17%	-	1.87%
ICE BofAML 1-5 Year U.S. Treasury Index	2.55	0.35%	4.20%	2.11%	1.68%	-	1.40%
Difference		0.31%	1.26%	0.66%	0.49%	-	0.47%



Portfolio performance is gross of fees unless otherwise indicated. **Since Inception performance is not shown for periods less than one year.

Portfolio Performance (Total Return)

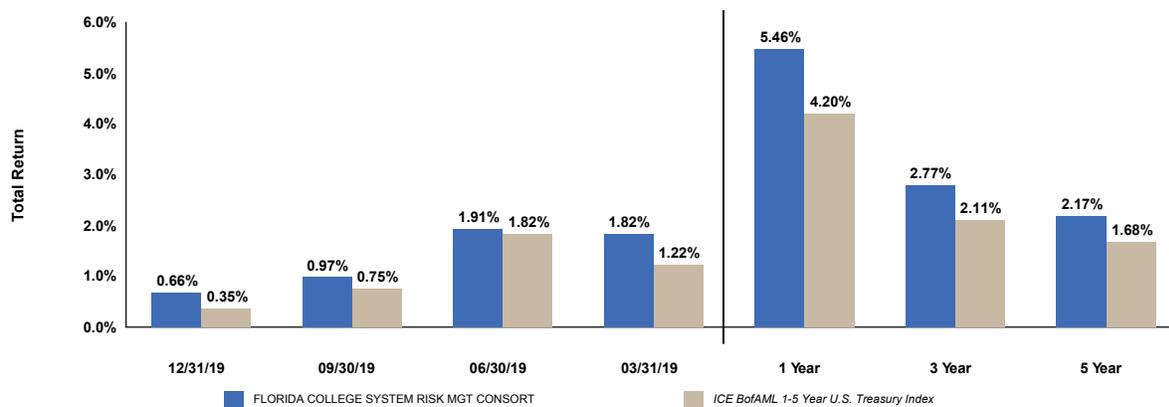
Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		12/31/19	09/30/19	06/30/19	03/31/19		3 Year	5 Year
FLORIDA COLLEGE SYSTEM RISK MGT CONSORT	2.58	0.66%	0.97%	1.91%	1.82%	5.46%	2.77%	2.17%
ICE BofAML 1-5 Year U.S. Treasury Index	2.55	0.35%	0.75%	1.82%	1.22%	4.20%	2.11%	1.68%
Difference		0.31%	0.22%	0.09%	0.60%	1.26%	0.66%	0.49%



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				Annualized Return		
		12/31/19	09/30/19	06/30/19	03/31/19	1 Year	3 Year	5 Year
FLORIDA COLLEGE SYSTEM RISK MGT CONSORT	2.58	0.66%	0.97%	1.91%	1.82%	5.46%	2.77%	2.17%
Net of Fees **	-	0.64%	0.95%	1.89%	1.80%	5.39%	2.70%	2.10%
ICE BofAML 1-5 Year U.S. Treasury Index	2.55	0.35%	0.75%	1.82%	1.22%	4.20%	2.11%	1.68%
Difference (Gross)		0.31%	0.22%	0.09%	0.60%	1.26%	0.66%	0.49%
Difference (Net)		0.29%	0.20%	0.07%	0.58%	1.19%	0.59%	0.42%



Portfolio performance is gross of fees unless otherwise indicated. ** Fees were calculated based on average assets during the period at the contractual rate.

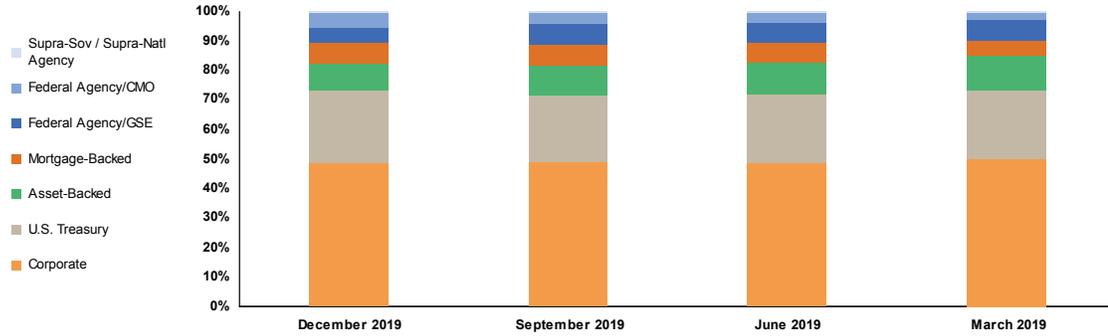
Portfolio Earnings

Quarter-Ended December 31, 2019

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (09/30/2019)	\$17,037,231.49	\$16,752,180.90
Net Purchases/Sales	\$218,402.73	\$218,402.73
Change in Value	(\$24.63)	\$10,213.16
Ending Value (12/31/2019)	\$17,255,609.59	\$16,980,796.79
Interest Earned	\$114,121.10	\$114,121.10
Portfolio Earnings	\$114,096.47	\$124,334.26

Sector Allocation

Sector	December 31, 2019		September 30, 2019		June 30, 2019		March 31, 2019	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Corporate	8.4	48.6%	8.4	49.1%	8.3	48.7%	8.3	50.0%
U.S. Treasury	4.2	24.4%	3.8	22.4%	3.9	23.0%	3.8	23.1%
Asset-Backed	1.5	8.9%	1.8	10.3%	1.8	10.7%	2.0	11.9%
Mortgage-Backed	1.2	7.2%	1.2	6.8%	1.1	6.7%	0.8	5.0%
Federal Agency/GSE	0.9	5.4%	1.2	7.2%	1.2	7.2%	1.2	7.2%
Federal Agency/CMO	0.8	4.9%	0.6	3.6%	0.5	3.1%	0.4	2.2%
Supra-Sov / Supra-Natl Agency	0.1	0.6%	0.1	0.6%	0.1	0.6%	0.1	0.6%
Total	\$17.3	100.0%	\$17.0	100.0%	\$17.0	100.0%	\$16.6	100.0%

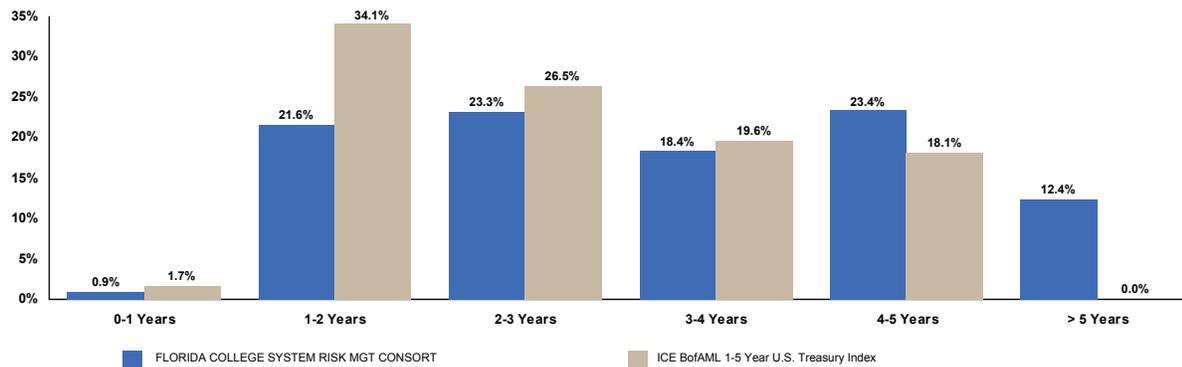


Detail may not add to total due to rounding.

Maturity Distribution

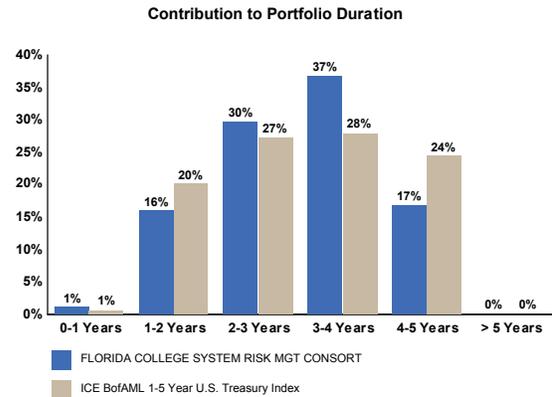
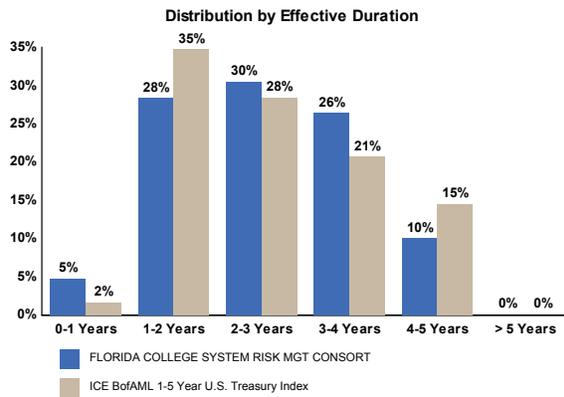
As of December 31, 2019

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
FLORIDA COLLEGE SYSTEM RISK MGT CONSORT	1.99%	4.18 yrs	0.9%	21.6%	23.3%	18.4%	23.4%	12.4%
ICE BofAML 1-5 Year U.S. Treasury Index	1.62%	2.72 yrs	1.7%	34.1%	26.5%	19.6%	18.1%	0.0%



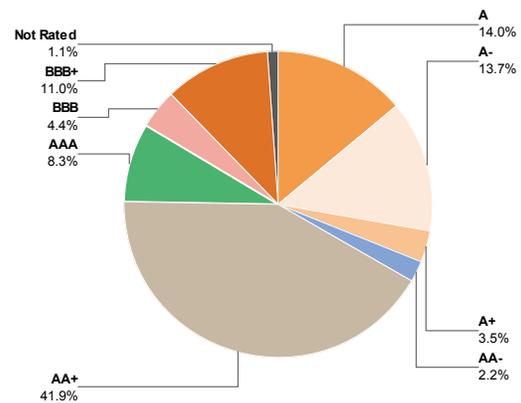
Duration Distribution
As of December 31, 2019

Portfolio / Benchmark	Effective Duration	0-1 YEARS	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
FLORIDA COLLEGE SYSTEM RISK MGT CONSORT	2.58	4.9%	28.3%	30.4%	26.4%	10.0%	0.0%
ICE BofAML 1-5 Year U.S. Treasury Index	2.55	1.7%	34.7%	28.4%	20.7%	14.5%	0.0%



Credit Quality
As of December 31, 2019

S&P Rating	Market Value (\$)	% of Portfolio
AA+	\$7,222,845	41.9%
A	\$2,413,759	14.0%
A-	\$2,356,617	13.7%
BBB+	\$1,892,786	11.0%
AAA	\$1,436,421	8.3%
BBB	\$760,814	4.4%
A+	\$605,060	3.5%
AA-	\$372,008	2.2%
Not Rated	\$195,300	1.1%
Totals	\$17,255,610	100.0%



Detail may not add to total due to rounding.

Issuer Distribution
As of December 31, 2019

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	4,209,801	24.4%
FREDDIE MAC	1,350,399	7.8%
FANNIE MAE	1,218,605	7.1%
CAPITAL ONE FINANCIAL CORP	461,573	2.7%
GOLDMAN SACHS GROUP INC	424,758	2.5%
JP MORGAN CHASE & CO	418,990	2.4%
TORONTO-DOMINION BANK	340,326	2.0%
FEDERAL HOME LOAN BANKS	318,273	1.8%
BANK OF NOVA SCOTIA	314,355	1.8%
TOYOTA MOTOR CORP	303,661	1.8%
MORGAN STANLEY	302,977	1.8%
US BANCORP	288,967	1.7%
CNH EQUIPMENT TRUST	285,874	1.7%
CANADIAN IMPERIAL BANK OF COMMERCE	284,468	1.7%
BANK OF MONTREAL	280,386	1.6%
BB&T CORPORATION	274,785	1.6%
CITIGROUP INC	254,109	1.5%
ROYAL BANK OF CANADA	248,770	1.4%

Top 5 = 44.5%
Top 10 = 54.3%

Issuer	Market Value (\$)	% of Portfolio
ROYAL DUTCH SHELL PLC	210,762	1.2%
BANK OF AMERICA CO	209,119	1.2%
STATE STREET CORPORATION	200,415	1.2%
AMERICAN EXPRESS CO	198,761	1.2%
CVS HEALTH CORP	182,183	1.1%
AMERICAN HONDA FINANCE	179,806	1.0%
WELLS FARGO & COMPANY	176,058	1.0%
DEERE & COMPANY	174,885	1.0%
NATIONAL RURAL UTILITIES CO FINANCE CORP	166,857	1.0%
mitsubishi UFJ FINANCIAL GROUP INC	166,856	1.0%
INTEL CORPORATION	163,968	1.0%
ABBOTT LABORATORIES	162,965	0.9%
IBM CORP	159,903	0.9%
THE WALT DISNEY CORPORATION	158,786	0.9%
UNITED PARCEL SERVICE INC	130,348	0.8%
FEDEX CORP	128,395	0.7%
FIFTH THIRD BANCORP	126,662	0.7%
UNION PACIFIC CORP	125,797	0.7%
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	125,767	0.7%
ANHEUSER-BUSCH INBEV NV	125,335	0.7%
DANAHER CORP	125,168	0.7%

Issuer	Market Value (\$)	% of Portfolio
MCDONALD'S CORPORATION	124,992	0.7%
HP ENTERPRISE CO	124,874	0.7%
SIMON PROPERTY GROUP LP	124,401	0.7%
CATERPILLAR INC	118,921	0.7%
HONDA AUTO RECEIVABLES	118,358	0.7%
ALLY AUTO RECEIVABLES TRUST	111,220	0.6%
THE BANK OF NEW YORK MELLON CORPORATION	106,597	0.6%
GENERAL MOTORS CORP	104,546	0.6%
INTER-AMERICAN DEVELOPMENT BANK	102,380	0.6%
ANTHEM INC	102,308	0.6%
PNC FINANCIAL SERVICES GROUP	100,372	0.6%
BP PLC	90,464	0.5%
AT&T	88,231	0.5%
ABBVIE INC	87,195	0.5%
NISSAN AUTO RECEIVABLES	87,010	0.5%
HYUNDAI AUTO RECEIVABLES	86,012	0.5%
PACCAR FINANCIAL CORP	86,001	0.5%
GM FINANCIAL SECURITIZED TERM	80,982	0.5%
HERSHEY COMPANY	76,270	0.4%
FORD CREDIT AUTO LEASE TRUST	70,489	0.4%
GLAXOSMITHKLINE PLC	66,124	0.4%

Issuer	Market Value (\$)	% of Portfolio
FIFTH THIRD AUTO TRUST	60,553	0.4%
GM FINANCIAL AUTO LEASING TRUST	50,247	0.3%
CAPITAL ONE PRIME AUTO REC TRUST	45,403	0.3%
JOHN DEERE OWNER TRUST	37,462	0.2%
FORD CREDIT AUTO OWNER TRUST	24,330	0.1%
Grand Total:	17,255,610	100.0%

Sector/Issuer Distribution

As of December 31, 2019

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Asset-Backed			
ALLY AUTO RECEIVABLES TRUST	111,220	7.3%	0.6%
CAPITAL ONE FINANCIAL CORP	328,987	21.5%	1.9%
CAPITAL ONE PRIME AUTO REC TRUST	45,403	3.0%	0.3%
CNH EQUIPMENT TRUST	285,874	18.7%	1.7%
FIFTH THIRD AUTO TRUST	60,553	4.0%	0.4%
FORD CREDIT AUTO LEASE TRUST	70,489	4.6%	0.4%
FORD CREDIT AUTO OWNER TRUST	24,330	1.6%	0.1%
GM FINANCIAL AUTO LEASING TRUST	50,247	3.3%	0.3%
GM FINANCIAL SECURITIZED TERM	80,982	5.3%	0.5%
HONDA AUTO RECEIVABLES	118,358	7.7%	0.7%
HYUNDAI AUTO RECEIVABLES	86,012	5.6%	0.5%
JOHN DEERE OWNER TRUST	37,462	2.4%	0.2%
NISSAN AUTO RECEIVABLES	87,010	5.7%	0.5%
TOYOTA MOTOR CORP	142,415	9.3%	0.8%
Sector Total	1,529,341	100.0%	8.9%
Corporate			
ABBOTT LABORATORIES	162,965	1.9%	0.9%
ABBVIE INC	87,195	1.0%	0.5%
AMERICAN EXPRESS CO	198,761	2.4%	1.2%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
AMERICAN HONDA FINANCE	179,806	2.1%	1.0%
ANHEUSER-BUSCH INBEV NV	125,335	1.5%	0.7%
ANTHEM INC	102,308	1.2%	0.6%
AT&T	88,231	1.1%	0.5%
BANK OF AMERICA CO	209,119	2.5%	1.2%
BANK OF MONTREAL	280,386	3.3%	1.6%
BANK OF NOVA SCOTIA	314,355	3.7%	1.8%
BB&T CORPORATION	274,785	3.3%	1.6%
BP PLC	90,464	1.1%	0.5%
CANADIAN IMPERIAL BANK OF COMMERCE	284,468	3.4%	1.6%
CAPITAL ONE FINANCIAL CORP	132,586	1.6%	0.8%
CATERPILLAR INC	118,921	1.4%	0.7%
CITIGROUP INC	254,109	3.0%	1.5%
CVS HEALTH CORP	182,183	2.2%	1.1%
DANAHER CORP	125,168	1.5%	0.7%
DEERE & COMPANY	174,885	2.1%	1.0%
FEDEX CORP	128,395	1.5%	0.7%
FIFTH THIRD BANCORP	126,662	1.5%	0.7%
GENERAL MOTORS CORP	104,546	1.2%	0.6%
GLAXOSMITHKLINE PLC	66,124	0.8%	0.4%
GOLDMAN SACHS GROUP INC	424,758	5.1%	2.5%
HERSHEY COMPANY	76,270	0.9%	0.4%
HP ENTERPRISE CO	124,874	1.5%	0.7%
IBM CORP	159,903	1.9%	0.9%
INTEL CORPORATION	163,968	2.0%	1.0%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
JP MORGAN CHASE & CO	418,990	5.0%	2.4%
MCDONALD'S CORPORATION	124,992	1.5%	0.7%
MITSUBISHI UFJ FINANCIAL GROUP INC	166,856	2.0%	1.0%
MORGAN STANLEY	302,977	3.6%	1.8%
NATIONAL RURAL UTILITIES CO FINANCE CORP	166,857	2.0%	1.0%
PACCAR FINANCIAL CORP	86,001	1.0%	0.5%
PNC FINANCIAL SERVICES GROUP	100,372	1.2%	0.6%
ROYAL BANK OF CANADA	248,770	3.0%	1.4%
ROYAL DUTCH SHELL PLC	210,762	2.5%	1.2%
SIMON PROPERTY GROUP LP	124,401	1.5%	0.7%
STATE STREET CORPORATION	200,415	2.4%	1.2%
THE BANK OF NEW YORK MELLON CORPORATION	106,597	1.3%	0.6%
THE WALT DISNEY CORPORATION	158,786	1.9%	0.9%
TORONTO-DOMINION BANK	340,326	4.1%	2.0%
TOYOTA MOTOR CORP	161,246	1.9%	0.9%
UNION PACIFIC CORP	125,797	1.5%	0.7%
UNITED PARCEL SERVICE INC	130,348	1.6%	0.8%
US BANCORP	288,967	3.4%	1.7%
WELLS FARGO & COMPANY	176,058	2.1%	1.0%
Sector Total	8,401,044	100.0%	48.7%
Federal Agency/CMO			
FANNIE MAE	244,372	29.1%	1.4%
FREDDIE MAC	469,893	55.9%	2.7%
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	125,767	15.0%	0.7%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Sector Total	840,031	100.0%	4.9%
Federal Agency/GSE			
FANNIE MAE	35,408	3.8%	0.2%
FEDERAL HOME LOAN BANKS	318,273	33.9%	1.8%
FREDDIE MAC	583,874	62.3%	3.4%
Sector Total	937,555	100.0%	5.4%
Mortgage-Backed			
FANNIE MAE	938,825	76.0%	5.4%
FREDDIE MAC	296,632	24.0%	1.7%
Sector Total	1,235,457	100.0%	7.2%
Supra-Sov / Supra-Natl Agency			
INTER-AMERICAN DEVELOPMENT BANK	102,380	100.0%	0.6%
Sector Total	102,380	100.0%	0.6%
U.S. Treasury			
UNITED STATES TREASURY	4,209,801	100.0%	24.4%
Sector Total	4,209,801	100.0%	24.4%
Portfolio Total	17,255,610	100.0%	100.0%

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
9/27/19	10/1/19	55,000	9128285L0	UNITED STATES TREASURY NOTES	2.87%	11/15/21	56,998.05	1.65%	
10/1/19	10/2/19	100,000	9128282Y5	US TREASURY NOTES	2.12%	9/30/24	102,331.92	1.64%	
10/24/19	10/28/19	120,000	316773CX6	FIFTH THIRD BANCORP NOTES	3.65%	1/25/24	127,622.30	2.30%	
10/24/19	10/28/19	275,000	9128285L0	UNITED STATES TREASURY NOTES	2.87%	11/15/21	285,677.74	1.59%	
10/25/19	10/30/19	164,848	3136ACQB0	FANNIE MAE	2.50%	3/25/33	166,982.95	2.20%	
10/29/19	11/7/19	125,000	23291KAG0	DH EUROPE FINANCE II	2.20%	11/15/24	124,940.00	2.21%	
10/29/19	10/31/19	115,000	03523TBX5	ANHEUSER-BUSCH INBEV FIN CORP NOTES	4.15%	1/23/25	126,674.48	2.31%	
11/14/19	11/18/19	100,000	693475AY1	PNC BANK NA CORP NOTES	2.20%	11/1/24	100,417.89	2.13%	
11/14/19	11/18/19	100,000	912828W55	US TREASURY N/B NOTES	1.87%	2/28/22	101,031.94	1.59%	
11/15/19	11/19/19	158,472	3140QB28	FN CA4328	3.00%	10/25/34	163,339.98	2.24%	
12/3/19	12/6/19	86,267	3136A85N6	FNR 2012-107 GA	1.50%	9/25/27	85,092.09	1.95%	
12/16/19	12/18/19	60,000	912828G38	US TREASURY NOTES	2.25%	11/15/24	61,629.42	1.71%	
Total BUY		1,459,587					1,502,738.76		

INTEREST

10/1/19	10/1/19	270,000	05531FAX1	BB&T CORP (CALLABLE) NOTES	2.75%	4/1/22	3,712.50		
10/1/19	10/1/19	250,000	46647PBB1	JPMORGAN CHASE & CO BONDS	3.20%	4/1/23	4,209.19		
10/1/19	10/1/19	0	MONEY0002	MONEY MARKET FUND			335.49		
10/1/19	10/1/19	130,000	911312BP0	UNITED PARCEL SERVICE CORPORATE BOND	2.05%	4/1/21	1,332.50		
10/1/19	10/1/19	120,000	58013MFE9	MCDONALD'S CORP	3.35%	4/1/23	2,010.00		
10/1/19	10/15/19	106,395	3128MMXQ1	FREDDIE MAC POOL	4.00%	2/15/33	354.65		
10/1/19	10/15/19	42,594	3128MJMT4	FHLMC POOL #G08369	5.00%	10/1/39	177.48		
10/1/19	10/15/19	156,690	3137FLXG4	FREDDIE MAC	3.00%	4/15/34	391.73		
10/1/19	10/15/19	38,622	312946PK6	FHLMC POOL #A97626	5.00%	3/1/41	160.92		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/1/19	10/15/19	42,441	312940Y60	FHLMC POOL #A92533	4.50%	6/1/40	159.15		
10/1/19	10/15/19	54,656	3137A24V0	FHR 3745 NP	4.00%	6/15/39	182.19		
10/1/19	10/15/19	56,910	3137A9QP4	FHLMC SERIES 3842 PH	4.00%	4/1/41	189.70		
10/1/19	10/15/19	18,075	3128M8C44	FHLMC POOL #G06091	5.50%	5/1/40	82.84		
10/1/19	10/16/19	83,955	38378K6D6	GNMA SERIES 2013-154 A	1.95%	2/1/44	136.43		
10/1/19	10/16/19	45,329	38378XEN7	GNMA SERIES 2014-111 AB	1.89%	6/1/38	71.56		
10/1/19	10/25/19	151,430	3140JAPQ5	FN BM5830	3.50%	4/25/34	441.67		
10/1/19	10/25/19	88,451	3138WDUX7	FNMA POOL #AS4197	3.50%	1/1/30	257.98		
10/1/19	10/25/19	96,312	3137FJXP9	FHLMC MULTIFAMILY STRUCTURED P	3.75%	2/25/25	300.97		
10/1/19	10/25/19	53,532	3138EJJA7	FANNIE MAE POOL	3.50%	8/25/26	156.13		
10/1/19	10/25/19	160,387	3140Q8NB7	FANNIE MAE POOL	4.00%	2/25/33	534.62		
10/1/19	10/25/19	95,000	3137FNWW6	FHMS K736 A1	1.89%	6/25/26	150.02		
10/1/19	10/25/19	56,453	3138EJH50	FNMA POOL #AL2051	3.50%	6/25/26	164.65		
10/1/19	10/25/19	62,694	3137FEU99	FHMS K730 A1	3.45%	9/25/24	180.35		
10/1/19	10/25/19	80,190	3138XBRF3	FNMA POOL #AV0485	3.50%	1/1/29	233.89		
10/1/19	10/25/19	15,831	31408C4D5	FNMA POOL #847820	5.50%	12/1/35	72.56		
10/1/19	10/25/19	38,831	31418U4W1	FNMA POOL #AD7136	5.00%	7/1/40	161.79		
10/1/19	10/25/19	84,883	3138A2VF3	FNMA POOL #AH1513	4.50%	10/1/40	318.31		
10/1/19	10/25/19	58,644	3138EQS45	FNMA POOL #AL7738	3.50%	11/1/30	171.04		
10/2/19	10/2/19	275,000	13607GAP9	CANADIAN IMP BK COMM NY CORP NOTES	3.10%	4/2/24	4,262.50		
10/12/19	10/12/19	85,000	892361FX8	TOYOTA MOTOR CREDIT CORP	2.65%	4/12/22	1,126.25		
10/13/19	10/13/19	165,000	37045XBW5	GENERAL MOTORS FINL CO CORP NOTES	3.95%	4/13/24	3,258.75		
10/13/19	10/13/19	35,000	3135GQU27	FANNIE MAE NOTES	2.50%	4/13/21	437.50		
10/15/19	10/15/19	330,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	630.67		
10/15/19	10/15/19	61,634	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/16/21	90.40		
10/15/19	10/15/19	9,274	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	13.76		
10/15/19	10/15/19	83,506	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	123.87		
10/15/19	10/15/19	60,000	89238TAE3	TAOT 2018-B A4	3.11%	11/15/23	155.50		
10/15/19	10/15/19	16,448	12635YAD5	CNH ABS 2016-C A3	1.44%	12/15/21	19.74		
10/15/19	10/15/19	45,000	14042WAC4	COPAR 2019-1 A3	2.51%	11/15/23	94.13		

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Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/15/19	10/15/19	70,000	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	186.08		
10/15/19	10/15/19	11,620	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	16.46		
10/15/19	10/15/19	8,808	65478WAD7	NISSAN ABS 2016-C A3	1.18%	1/15/21	8.66		
10/15/19	10/15/19	40,000	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	88.67		
10/15/19	10/15/19	70,901	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	103.40		
10/15/19	10/15/19	144,836	43814UAC3	HAROT 2018-1 A3	2.64%	2/15/22	318.64		
10/15/19	10/15/19	85,000	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	187.71		
10/15/19	10/15/19	60,000	31680YAD9	FIFTH THIRD AUTO TRUST	2.64%	12/15/23	132.00		
10/15/19	10/15/19	40,928	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	56.96		
10/15/19	10/15/19	80,000	89239JAD6	TAOT 2019-B A3	2.57%	8/15/23	171.33		
10/15/19	10/15/19	270,000	12652VAC1	CNH 2018-A A3	3.12%	7/15/23	702.00		
10/15/19	10/15/19	20,172	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	21.68		
10/15/19	10/15/19	46,838	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	69.09		
10/16/19	10/16/19	80,000	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	201.33		
10/20/19	10/20/19	50,000	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	132.50		
10/25/19	10/25/19	140,000	38141GVU5	GOLDMAN SACHS GRP INC CORP NT (CALLABLE)	2.62%	4/25/21	1,837.50		
10/26/19	10/26/19	185,000	38141GWC4	GOLDMAN SACHS GROUP INC (CALLABLE) NOTE	3.00%	4/26/22	2,775.00		
10/26/19	10/26/19	95,000	38141GWC4	GOLDMAN SACHS GROUP INC (CALLABLE) NOTE	3.00%	4/26/22	1,425.00		
10/29/19	10/29/19	285,000	61746BDQ6	MORGAN STANLEY CORP NOTES	3.87%	4/29/24	5,521.88		
10/31/19	10/31/19	185,000	912828X47	US TREASURY NOTES	1.87%	4/30/22	1,734.38		
10/31/19	10/31/19	160,000	9128285G1	UNITED STATES TREASURY NOTES	2.87%	10/31/20	2,300.00		
11/1/19	11/1/19	0	MONEY0002	MONEY MARKET FUND			406.47		
11/1/19	11/16/19	44,827	38378XEN7	GNMA SERIES 2014-111 AB	1.89%	6/1/38	70.76		
11/1/19	11/16/19	83,516	38378K6D6	GNMA SERIES 2013-154 A	1.95%	2/1/44	135.71		
11/1/19	11/15/19	56,033	3137A9QP4	FHLMC SERIES 3842 PH	4.00%	4/1/41	186.78		
11/1/19	11/15/19	17,795	3128M8C44	FHLMC POOL #G06091	5.50%	5/1/40	81.56		
11/1/19	11/15/19	41,691	312940Y60	FHLMC POOL #A92533	4.50%	6/1/40	156.34		
11/1/19	11/15/19	154,430	3137FLXG4	FREDDIE MAC	3.00%	4/15/34	386.08		
11/1/19	11/15/19	41,739	3128MUMT4	FHLMC POOL #G08369	5.00%	10/1/39	173.91		
11/1/19	11/15/19	38,185	312946PK6	FHLMC POOL #A97626	5.00%	3/1/41	159.10		

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Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/1/19	11/15/19	53,432	3137A24V0	FHR 3745 NP	4.00%	6/15/39	178.11		
11/1/19	11/15/19	103,564	3128MMXQ1	FREDDIE MAC POOL	4.00%	2/15/33	345.21		
11/1/19	11/25/19	95,924	3137FJXP9	FHLMC MULTIFAMILY STRUCTURED P	3.75%	2/25/25	299.76		
11/1/19	11/25/19	86,263	3138WDXU7	FNMA POOL #AS4197	3.50%	1/1/30	251.60		
11/1/19	11/25/19	38,093	31418U4W1	FNMA POOL #AD7136	5.00%	7/1/40	158.72		
11/1/19	11/25/19	55,310	3138EJH50	FNMA POOL #AL2051	3.50%	6/25/26	161.32		
11/1/19	11/25/19	148,379	3140JAPQ5	FN BM5830	3.50%	4/25/34	432.77		
11/1/19	11/25/19	79,369	3138XBRF3	FNMA POOL #AV0485	3.50%	1/1/29	231.49		
11/1/19	11/25/19	159,362	3140Q8NB7	FANNIE MAE POOL	4.00%	2/25/33	531.21		
11/1/19	11/25/19	94,972	3137FNWW6	FHMS K736 A1	1.89%	6/25/26	149.98		
11/1/19	11/25/19	52,016	3138EJJA7	FANNIE MAE POOL	3.50%	8/25/26	151.71		
11/1/19	11/25/19	164,848	3136ACQB0	FANNIE MAE	2.50%	3/25/33	343.43		
11/1/19	11/25/19	84,693	3138A2VF3	FNMA POOL #AH1513	4.50%	10/1/40	317.60		
11/1/19	11/25/19	62,553	3137FEU99	FHMS K730 A1	3.45%	9/25/24	179.94		
11/1/19	11/25/19	15,782	31408CAD5	FNMA POOL #847820	5.50%	12/1/35	72.33		
11/1/19	11/25/19	56,372	3138EQS45	FNMA POOL #AL7738	3.50%	11/1/30	164.42		
11/13/19	11/13/19	200,000	822582B24	SHELL INTERNATIONAL FIN	3.50%	11/13/23	3,500.00		
11/13/19	11/13/19	45,000	69371RN85	PACCAR FINANCIAL CORP NOTES	2.05%	11/13/20	461.25		
11/14/19	11/14/19	85,000	00287YBE8	ABBVIE INC	3.37%	11/14/21	1,434.38		
11/14/19	11/14/19	65,000	377373AE5	GLAXOSMITHKLINE CAPITAL	3.12%	5/14/21	1,015.63		
11/15/19	11/15/19	270,000	12652VAC1	CNH 2018-A A3	3.12%	7/15/23	702.00		
11/15/19	11/15/19	55,020	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/16/21	80.70		
11/15/19	11/15/19	135,618	43814UAC3	HAROT 2018-1 A3	2.64%	2/15/22	298.36		
11/15/19	11/15/19	9,811	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	13.90		
11/15/19	11/15/19	330,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	473.00		
11/15/19	11/15/19	75,000	42786BA5	HERSHEY COMPANY CORP NOTES	3.10%	5/15/21	1,162.50		
11/15/19	11/15/19	72,814	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	108.01		
11/15/19	11/15/19	40,000	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	88.67		
11/15/19	11/15/19	60,000	89238TAE3	TAOT 2018-B A4	3.11%	11/15/23	155.50		
11/15/19	11/15/19	42,958	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	63.36		

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Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/15/19	11/15/19	85,000	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	187.71		
11/15/19	11/15/19	275,000	9128285L0	UNITED STATES TREASURY NOTES	2.87%	11/15/21	3,953.13		
11/15/19	11/15/19	70,000	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	186.08		
11/15/19	11/15/19	7,349	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	10.90		
11/15/19	11/15/19	6,855	65478WAD7	NISSAN ABS 2016-C A3	1.18%	1/15/21	6.74		
11/15/19	11/15/19	80,000	89239JAD6	TAOT 2019-B A3	2.57%	8/15/23	171.33		
11/15/19	11/15/19	15,158	12635YAD5	CNH ABS 2016-C A3	1.44%	12/15/21	18.19		
11/15/19	11/15/19	55,000	9128285L0	UNITED STATES TREASURY NOTES	2.87%	11/15/21	790.63		
11/15/19	11/15/19	35,274	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	49.09		
11/15/19	11/15/19	60,000	31680YAD9	FIFTH THIRD AUTO TRUST	2.64%	12/15/23	132.00		
11/15/19	11/15/19	45,000	14042WAC4	COPAR 2019-1 A3	2.51%	11/15/23	94.13		
11/15/19	11/15/19	64,143	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	93.54		
11/15/19	11/15/19	16,346	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	17.57		
11/16/19	11/16/19	80,000	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	201.33		
11/17/19	11/17/19	205,000	06051GHH5	BANK OF AMERICA CORP NOTES	3.49%	5/17/22	3,586.48		
11/17/19	11/17/19	115,000	14913QZV0	CATERPILLAR FINL SERVICE CORP NOTES	2.85%	5/17/24	1,638.75		
11/19/19	11/19/19	200,000	857477AV5	STATE STREET CORP NOTES	1.95%	5/19/21	1,950.00		
11/20/19	11/20/19	50,000	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	132.50		
11/30/19	11/30/19	155,000	002824BE9	ABBOTT LABORATORIES CORP NOTES	3.40%	11/30/23	2,635.00		
11/30/19	11/30/19	150,000	912828R69	US TREASURY N/B NOTES	1.62%	5/31/23	1,218.75		
12/1/19	12/1/19	100,000	036752AF0	ANTHEM INC CORP NOTES	2.95%	12/1/22	1,475.00		
12/1/19	12/15/19	51,693	3137A24V0	FHR 3745 NP	4.00%	6/15/39	172.31		
12/1/19	12/15/19	97,416	3128MMXQ1	FREDDIE MAC POOL	4.00%	2/15/33	324.72		
12/1/19	12/15/19	152,144	3137FLXG4	FREDDIE MAC	3.00%	4/15/34	380.36		
12/1/19	12/15/19	36,150	312946PK6	FHLMC POOL #A97626	5.00%	3/1/41	150.63		
12/1/19	12/15/19	17,460	3128M8C44	FHLMC POOL #G06091	5.50%	5/1/40	80.02		
12/1/19	12/15/19	55,076	3137A9QP4	FHLMC SERIES 3842 PH	4.00%	4/1/41	183.59		
12/1/19	12/15/19	40,438	312940Y60	FHLMC POOL #A92533	4.50%	6/1/40	151.64		
12/1/19	12/15/19	40,807	3128JMT4	FHLMC POOL #G08369	5.00%	10/1/39	170.03		
12/1/19	12/16/19	83,076	38378K6D6	GNMA SERIES 2013-154 A	1.95%	2/1/44	135.00		

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Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/1/19	12/16/19	44,324	38378XEN7	GNMA SERIES 2014-111 AB	1.89%	6/1/38	69.97		
12/1/19	12/25/19	53,780	3138EJH50	FNMA POOL #AL2051	3.50%	6/25/26	156.86		
12/1/19	12/25/19	158,472	3140QB528	FN CA4328	3.00%	10/25/34	396.18		
12/1/19	12/25/19	144,796	3140JAPQ5	FN BM5830	3.50%	4/25/34	422.32		
12/1/19	12/25/19	37,242	31418U4W1	FNMA POOL #AD7136	5.00%	7/1/40	155.18		
12/1/19	12/25/19	95,564	3137FJXP9	FHLMC MULTIFAMILY STRUCTURED P	3.75%	2/25/25	298.64		
12/1/19	12/25/19	83,480	3138WDUX7	FNMA POOL #AS4197	3.50%	1/1/30	243.48		
12/1/19	12/25/19	15,732	31408C4D5	FNMA POOL #847820	5.50%	12/1/35	72.11		
12/1/19	12/25/19	158,088	3140Q8NB7	FANNIE MAE POOL	4.00%	2/25/33	526.96		
12/1/19	12/25/19	78,560	3138XBRF3	FNMA POOL #AV0485	3.50%	1/1/29	229.13		
12/1/19	12/25/19	94,947	3137FNWW6	FHMS K736 A1	1.89%	6/25/26	149.94		
12/1/19	12/25/19	160,194	3136ACQB0	FANNIE MAE	2.50%	3/25/33	333.74		
12/1/19	12/25/19	84,502	3138A2VF3	FNMA POOL #AH1513	4.50%	10/1/40	316.88		
12/1/19	12/25/19	55,990	3138EQS45	FNMA POOL #AL7738	3.50%	11/1/30	163.30		
12/1/19	12/25/19	50,234	3138EJJA7	FANNIE MAE POOL	3.50%	8/25/26	146.52		
12/1/19	12/25/19	62,421	3137FEU99	FHMS K730 A1	3.45%	9/25/24	179.56		
12/2/19	12/2/19	0	MONEY0002	MONEY MARKET FUND			102.05		
12/8/19	12/8/19	250,000	172967LC3	CITIGROUP INC CORP (CALLABLE) NOTE	2.90%	12/8/21	3,625.00		
12/8/19	12/8/19	120,000	907818EU8	UNION PACIFIC CORP	3.50%	6/8/23	2,100.00		
12/15/19	12/15/19	270,000	12652VAC1	CNH 2018-A A3	3.12%	7/15/23	702.00		
12/15/19	12/15/19	126,385	43814UAC3	HAROT 2018-1 A3	2.64%	2/15/22	278.05		
12/15/19	12/15/19	60,000	89238TAE3	TAOT 2018-B A4	3.11%	11/15/23	155.50		
12/15/19	12/15/19	4,894	65478WAD7	NISSAN ABS 2016-C A3	1.18%	1/15/21	4.81		
12/15/19	12/15/19	45,000	14042WAC4	COPAR 2019-1 A3	2.51%	11/15/23	94.13		
12/15/19	12/15/19	57,434	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	83.76		
12/15/19	12/15/19	5,359	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	7.95		
12/15/19	12/15/19	70,000	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	186.08		
12/15/19	12/15/19	48,299	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/16/21	70.84		
12/15/19	12/15/19	60,000	31680YAD9	FIFTH THIRD AUTO TRUST	2.64%	12/15/23	132.00		
12/15/19	12/15/19	13,967	12635YAD5	CNH ABS 2016-C A3	1.44%	12/15/21	16.76		

FLORIDA COLLEGE SYSTEM RISK MGT CONSORT

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
12/15/19	12/15/19	330,000	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	473.00		
12/15/19	12/15/19	8,130	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	11.52		
12/15/19	12/15/19	39,194	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	57.81		
12/15/19	12/15/19	35,889	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	79.55		
12/15/19	12/15/19	62,416	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	92.58		
12/15/19	12/15/19	160,000	458140AM2	INTEL CORP CORP NOTES	2.70%	12/15/22	2,160.00		
12/15/19	12/15/19	80,000	89239JAD6	TAOT 2019-B A3	2.57%	8/15/23	171.33		
12/15/19	12/15/19	12,374	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	13.30		
12/15/19	12/15/19	29,454	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	40.99		
12/15/19	12/15/19	85,000	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	187.71		
12/16/19	12/16/19	80,000	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	201.33		
12/20/19	12/20/19	50,000	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	132.50		
12/27/19	12/27/19	110,000	02665WCZ2	AMERICAN HONDA FINANCE CORP NOTE	2.40%	6/27/24	1,320.00		
12/31/19	12/31/19	190,000	912828XW5	US TREASURY NOTES	1.75%	6/30/22	1,662.50		
12/31/19	12/31/19	500,000	912828N30	US TREASURY NOTES	2.12%	12/31/22	5,312.50		
12/31/19	12/31/19	100,000	912828U81	US TREASURY NOTES	2.00%	12/31/21	1,000.00		
Total INTEREST		15,895,140					104,770.69		

PAYDOWNS

10/1/19	10/25/19	737	31418U4W1	FNMA POOL #AD7136	5.00%	7/1/40	737.43		0.00
10/1/19	10/25/19	3,052	3140JAPQ5	FN BM5830	3.50%	4/25/34	3,051.74		0.00
10/1/19	10/25/19	190	3138A2VF3	FNMA POOL #AH1513	4.50%	10/1/40	189.94		0.00
10/1/19	10/25/19	1,025	3140Q8NB7	FANNIE MAE POOL	4.00%	2/25/33	1,024.89		0.00
10/1/19	10/25/19	822	3138XBRF3	FNMA POOL #AV0485	3.50%	1/1/29	821.51		0.00
10/1/19	10/25/19	49	31408CAD5	FNMA POOL #847820	5.50%	12/1/35	49.38		0.00
10/1/19	10/25/19	388	3137FJXP9	FHLMC MULTIFAMILY STRUCTURED P	3.75%	2/25/25	387.51		0.00
10/1/19	10/25/19	2,188	3138WUDX7	FNMA POOL #AS4197	3.50%	1/1/30	2,188.05		0.00
10/1/19	10/25/19	2,271	3138EQS45	FNMA POOL #AL7738	3.50%	11/1/30	2,271.28		0.00

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FLORIDA COLLEGE SYSTEM RISK MGT CONSORT

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
10/1/19	10/25/19	1,516	3138EJJA7	FANNIE MAE POOL	3.50%	8/25/26	1,515.57		0.00
10/1/19	10/25/19	142	3137FEU99	FHMS K730 A1	3.45%	9/25/24	141.50		0.00
10/1/19	10/25/19	28	3137FNWW6	FHMS K736 A1	1.89%	6/25/26	27.77		0.00
10/1/19	10/25/19	1,143	3138EJH50	FNMA POOL #AL2051	3.50%	6/25/26	1,142.81		0.00
10/1/19	10/16/19	502	38378XEN7	GNMA SERIES 2014-111 AB	1.89%	6/1/38	501.86		0.00
10/1/19	10/16/19	439	38378K6D6	GNMA SERIES 2013-154 A	1.95%	2/1/44	438.97		0.00
10/1/19	10/15/19	750	312940Y60	FHLMC POOL #A92533	4.50%	6/1/40	750.35		0.00
10/1/19	10/15/19	2,831	3128MMXQ1	FREDDIE MAC POOL	4.00%	2/15/33	2,831.09		0.00
10/1/19	10/15/19	2,260	3137FLXG4	FREDDIE MAC	3.00%	4/15/34	2,259.97		0.00
10/1/19	10/15/19	878	3137A9QP4	FHLMC SERIES 3842 PH	4.00%	4/1/41	877.78		0.00
10/1/19	10/15/19	280	3128M8C44	FHLMC POOL #G06091	5.50%	5/1/40	279.80		0.00
10/1/19	10/15/19	856	3128MJMT4	FHLMC POOL #G08369	5.00%	10/1/39	855.59		0.00
10/1/19	10/15/19	437	312946PK6	FHLMC POOL #A97626	5.00%	3/1/41	437.06		0.00
10/1/19	10/15/19	1,224	3137A24V0	FHR 3745 NP	4.00%	6/15/39	1,224.08		0.00
10/15/19	10/15/19	10,692	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	10,691.73		0.00
10/15/19	10/15/19	1,926	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	1,925.78		0.00
10/15/19	10/15/19	5,655	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	5,654.73		0.00
10/15/19	10/15/19	1,953	65478WAD7	NISSAN ABS 2016-C A3	1.18%	1/15/21	1,953.07		0.00
10/15/19	10/15/19	6,759	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	6,758.59		0.00
10/15/19	10/15/19	3,881	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	3,880.57		0.00
10/15/19	10/15/19	6,614	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/16/21	6,614.01		0.00
10/15/19	10/15/19	1,809	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	1,809.26		0.00
10/15/19	10/15/19	3,826	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	3,825.79		0.00
10/15/19	10/15/19	9,217	43814UAC3	HAROT 2018-1 A3	2.64%	2/15/22	9,217.43		0.00
10/15/19	10/15/19	1,291	12635AD5	CNH ABS 2016-C A3	1.44%	12/15/21	1,290.61		0.00
11/1/19	11/16/19	504	38378XEN7	GNMA SERIES 2014-111 AB	1.89%	6/1/38	503.50		0.00
11/1/19	11/16/19	440	38378K6D6	GNMA SERIES 2013-154 A	1.95%	2/1/44	440.21		0.00
11/1/19	11/25/19	360	3137FJXP9	FHLMC MULTIFAMILY STRUCTURED P	3.75%	2/25/25	359.96		0.00
11/1/19	11/25/19	851	31418U4W1	FNMA POOL #AD7136	5.00%	7/1/40	850.96		0.00
11/1/19	11/25/19	4,654	3136ACQB0	FANNIE MAE	2.50%	3/25/33	4,654.37		0.00

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Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/1/19	11/25/19	26	3137FNWW6	FHMS K736 A1	1.89%	6/25/26	25.56		0.00
11/1/19	11/25/19	1,530	3138EJH50	FNMA POOL #AL2051	3.50%	6/25/26	1,530.35		0.00
11/1/19	11/25/19	382	3138EQS45	FNMA POOL #AL7738	3.50%	11/1/30	382.39		0.00
11/1/19	11/25/19	1,274	3140Q8NB7	FANNIE MAE POOL	4.00%	2/25/33	1,274.08		0.00
11/1/19	11/25/19	3,583	3140JAPQ5	FN BM5830	3.50%	4/25/34	3,583.18		0.00
11/1/19	11/25/19	809	3138XBRF3	FNMA POOL #AV0485	3.50%	1/1/29	809.18		0.00
11/1/19	11/25/19	191	3138A2VF3	FNMA POOL #AH1513	4.50%	10/1/40	190.74		0.00
11/1/19	11/25/19	50	31408C4D5	FNMA POOL #847820	5.50%	12/1/35	49.62		0.00
11/1/19	11/25/19	132	3137FEU99	FHMS K730 A1	3.45%	9/25/24	131.91		0.00
11/1/19	11/25/19	2,783	3138WDUX7	FNMA POOL #AS4197	3.50%	1/1/30	2,783.22		0.00
11/1/19	11/25/19	1,782	3138EJJA7	FANNIE MAE POOL	3.50%	8/25/26	1,782.47		0.00
11/1/19	11/15/19	335	3128M8C44	FHLMC POOL #G06091	5.50%	5/1/40	335.36		0.00
11/1/19	11/15/19	6,148	3128MMXQ1	FREDDIE MAC POOL	4.00%	2/15/33	6,147.69		0.00
11/1/19	11/15/19	932	3128MJMT4	FHLMC POOL #G08369	5.00%	10/1/39	931.93		0.00
11/1/19	11/15/19	2,287	3137FLXG4	FREDDIE MAC	3.00%	4/15/34	2,286.87		0.00
11/1/19	11/15/19	2,035	312946PK6	FHLMC POOL #A97626	5.00%	3/1/41	2,034.70		0.00
11/1/19	11/15/19	1,252	312940Y60	FHLMC POOL #A92533	4.50%	6/1/40	1,252.08		0.00
11/1/19	11/15/19	956	3137A9QP4	FHLMC SERIES 3842 PH	4.00%	4/1/41	956.16		0.00
11/1/19	11/15/19	1,740	3137A24V0	FHR 3745 NP	4.00%	6/15/39	1,739.52		0.00
11/15/19	11/15/19	4,111	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	4,111.27		0.00
11/15/19	11/15/19	10,398	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	10,398.07		0.00
11/15/19	11/15/19	1,681	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	1,681.06		0.00
11/15/19	11/15/19	1,960	65478WAD7	NISSAN ABS 2016-C A3	1.18%	1/15/21	1,960.38		0.00
11/15/19	11/15/19	3,764	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	3,763.63		0.00
11/15/19	11/15/19	5,820	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	5,819.91		0.00
11/15/19	11/15/19	3,972	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	3,971.89		0.00
11/15/19	11/15/19	1,191	12635YAD5	CNH ABS 2016-C A3	1.44%	12/15/21	1,191.04		0.00
11/15/19	11/15/19	1,990	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	1,989.75		0.00
11/15/19	11/15/19	6,721	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/16/21	6,720.96		0.00
11/15/19	11/15/19	9,234	43814UAC3	HAROT 2018-1 A3	2.64%	2/15/22	9,233.74		0.00

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FLORIDA COLLEGE SYSTEM RISK MGT CONSORT

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
11/15/19	11/15/19	6,709	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	6,708.84		0.00
12/1/19	12/25/19	2,441	3140JAPQ5	FN BM5830	3.50%	4/25/34	2,440.91		0.00
12/1/19	12/25/19	1,947	3140QBYP28	FN CA4328	3.00%	10/25/34	1,947.19		0.00
12/1/19	12/25/19	596	31418U4W1	FNMA POOL #AD7136	5.00%	7/1/40	596.01		0.00
12/1/19	12/25/19	221	3137FEU99	FHMS K730 A1	3.45%	9/25/24	221.05		0.00
12/1/19	12/25/19	1,625	3136ACQB0	FANNIE MAE	2.50%	3/25/33	1,624.59		0.00
12/1/19	12/25/19	1,372	3138WDUX7	FNMA POOL #AS4197	3.50%	1/1/30	1,372.04		0.00
12/1/19	12/25/19	1,677	3138EJH50	FNMA POOL #AL2051	3.50%	6/25/26	1,677.31		0.00
12/1/19	12/25/19	1,555	3138EJJA7	FANNIE MAE POOL	3.50%	8/25/26	1,554.87		0.00
12/1/19	12/25/19	2,342	3138XBRF3	FNMA POOL #AV0485	3.50%	1/1/29	2,342.28		0.00
12/1/19	12/25/19	10,202	3140Q8NB7	FANNIE MAE POOL	4.00%	2/25/33	10,202.38		0.00
12/1/19	12/25/19	1,196	31408C4D5	FNMA POOL #847820	5.50%	12/1/35	1,195.72		0.00
12/1/19	12/25/19	389	3138EQS45	FNMA POOL #AL7738	3.50%	11/1/30	389.36		0.00
12/1/19	12/25/19	390	3137FJXP9	FHLMC MULTIFAMILY STRUCTURED P	3.75%	2/25/25	390.11		0.00
12/1/19	12/25/19	28	3137FNWW6	FHMS K736 A1	1.89%	6/25/26	27.95		0.00
12/1/19	12/25/19	192	3138A2VF3	FNMA POOL #AH1513	4.50%	10/1/40	191.54		0.00
12/1/19	12/16/19	441	38378K6D6	GNMA SERIES 2013-154 A	1.95%	2/1/44	441.46		0.00
12/1/19	12/16/19	505	38378XEN7	GNMA SERIES 2014-111 AB	1.89%	6/1/38	505.15		0.00
12/1/19	12/15/19	683	3128MJMT4	FHLMC POOL #G08369	5.00%	10/1/39	683.30		0.00
12/1/19	12/15/19	792	3137A9QP4	FHLMC SERIES 3842 PH	4.00%	4/1/41	792.49		0.00
12/1/19	12/15/19	1,702	3128MMXQ1	FREDDIE MAC POOL	4.00%	2/15/33	1,701.62		0.00
12/1/19	12/15/19	1,866	312946PK6	FHLMC POOL #A97626	5.00%	3/1/41	1,866.17		0.00
12/1/19	12/15/19	2,429	3137FLXG4	FREDDIE MAC	3.00%	4/15/34	2,428.52		0.00
12/1/19	12/15/19	781	3137A24V0	FHR 3745 NP	4.00%	6/15/39	780.74		0.00
12/1/19	12/15/19	218	3128M8C44	FHLMC POOL #G06091	5.50%	5/1/40	217.65		0.00
12/1/19	12/15/19	1,342	312940Y60	FHLMC POOL #A92533	4.50%	6/1/40	1,342.33		0.00
12/15/19	12/15/19	1,251	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	1,250.64		0.00
12/15/19	12/15/19	9,161	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	9,160.52		0.00
12/15/19	12/15/19	5,108	34531EAD8	FORD ABS 2017-A A3	1.67%	6/15/21	5,107.61		0.00
12/15/19	12/15/19	1,735	65478WAD7	NISSAN ABS 2016-C A3	1.18%	1/15/21	1,734.92		0.00

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Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized GL (BV)
12/15/19	12/15/19	6,460	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/16/21	6,460.39		0.00
12/15/19	12/15/19	1,188	12635YAD5	CNH ABS 2016-C A3	1.44%	12/15/21	1,187.80		0.00
12/15/19	12/15/19	1,506	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	1,505.58		0.00
12/15/19	12/15/19	3,782	44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	4/15/21	3,782.05		0.00
12/15/19	12/15/19	3,542	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	3,542.15		0.00
12/15/19	12/15/19	8,518	43814UAC3	HAROT 2018-1 A3	2.64%	2/15/22	8,517.86		0.00
12/15/19	12/15/19	1,493	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	1,493.33		0.00
12/15/19	12/15/19	6,039	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	6,038.97		0.00
12/15/19	12/15/19	2,659	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	2,659.09		0.00
Total PAYDOWNS		259,588					259,587.70		0.00

SELL

9/27/19	10/1/19	59,000	035242AJ5	ANHEUSER-BUSCH INBEV FIN CORP NOTES	2.65%	2/1/21	59,757.36	2.01%	766.87
9/30/19	10/2/19	100,000	37045XCP9	GENERAL MOTORS FINL CO CORP NOTES	4.20%	11/6/21	104,874.33	2.63%	3,186.38
10/1/19	10/3/19	58,548	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/18/22	58,507.96	1.91%	(86.23)
10/24/19	10/28/19	110,000	3135GOU43	FANNIE MAE NOTES	2.87%	9/12/23	115,609.30	1.61%	4,184.86
10/25/19	10/30/19	160,000	313383YJ4	FEDERAL HOME LOAN BANK NOTES	3.37%	9/8/23	170,757.60	1.70%	7,719.83
10/29/19	10/31/19	160,000	20030NBD2	COMCAST CORPORATION CORP NOTES	3.12%	7/15/22	167,022.62	1.80%	1,763.77
11/6/19	11/7/19	50,000	912828T26	US TREASURY N/B	1.37%	9/30/23	49,592.86	1.63%	491.94
11/14/19	11/18/19	45,000	69371RN85	PACCAR FINANCIAL CORP NOTES	2.05%	11/13/20	45,074.46	1.91%	62.98
11/14/19	11/18/19	100,000	912828Y5	US TREASURY NOTES	2.12%	9/30/24	102,573.55	1.63%	28.50
11/14/19	11/18/19	85,000	89236TFX8	TOYOTA MOTOR CREDIT CORP	2.65%	4/12/22	86,874.25	1.82%	572.81
11/18/19	11/19/19	100,000	05565QCX4	BP CAPITAL MARKETS PLC BONDS	2.31%	2/13/20	100,677.33	2.04%	(3.44)
12/16/19	12/18/19	65,000	37045XBW5	GENERAL MOTORS FINL CO CORP NOTES	3.95%	4/13/24	68,213.73	2.90%	1,225.27
Total SELL		1,092,548					1,129,535.35		19,913.54

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
UNITED STATES TREASURY NOTES DTD 10/31/2018 2.875% 10/31/2020	9128285G1	160,000.00	AA+	Aaa	8/6/2019	8/8/2019	162,175.00	1.75	783.52	161,469.33	161,593.76
UNITED STATES TREASURY NOTES DTD 01/31/2019 2.500% 01/31/2021	9128285X4	200,000.00	AA+	Aaa	7/19/2019	7/23/2019	201,898.44	1.86	2,092.39	201,347.28	201,836.00
US TREASURY NOTES DTD 03/31/2014 2.250% 03/31/2021	912828C57	395,000.00	AA+	Aaa	7/11/2019	7/12/2019	397,345.31	1.90	2,258.30	396,699.23	398,008.72
US TREASURY NOTES DTD 08/01/2016 1.125% 07/31/2021	912828S76	370,000.00	AA+	Aaa	7/19/2019	7/23/2019	365,057.03	1.80	1,741.92	366,140.60	367,239.43
UNITED STATES TREASURY NOTES DTD 11/15/2018 2.875% 11/15/2021	9128285L0	55,000.00	AA+	Aaa	9/27/2019	10/1/2019	56,400.78	1.65	204.17	56,234.71	56,297.67
UNITED STATES TREASURY NOTES DTD 11/15/2018 2.875% 11/15/2021	9128285L0	275,000.00	AA+	Aaa	10/24/2019	10/28/2019	282,111.33	1.59	1,020.86	281,494.19	281,488.35
US TREASURY NOTES DTD 01/03/2017 2.000% 12/31/2021	912828U81	100,000.00	AA+	Aaa	6/26/2017	6/28/2017	101,214.84	1.72	5.49	100,538.46	100,800.80
US TREASURY NOTES DTD 02/02/2015 1.500% 01/31/2022	912828H86	125,000.00	AA+	Aaa	7/5/2017	7/7/2017	122,944.34	1.88	784.65	124,062.70	124,814.50
US TREASURY N/B NOTES DTD 02/28/2017 1.875% 02/28/2022	912828W55	100,000.00	AA+	Aaa	11/14/2019	11/18/2019	100,625.00	1.59	633.59	100,591.99	100,613.30
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	240,000.00	AA+	Aaa	6/26/2017	6/28/2017	241,415.63	1.75	1,143.44	240,668.28	241,528.08
US TREASURY NOTES DTD 05/01/2017 1.875% 04/30/2022	912828X47	185,000.00	AA+	Aaa	8/30/2017	8/31/2017	186,380.27	1.71	590.83	185,688.92	186,199.54
US TREASURY NOTES DTD 06/30/2017 1.750% 06/30/2022	912828XW5	190,000.00	AA+	Aaa	9/1/2017	9/5/2017	190,133.59	1.73	9.13	190,069.19	190,786.79
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	100,000.00	AA+	Aaa	11/27/2017	11/28/2017	99,148.44	2.07	784.65	99,529.79	100,707.00
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	175,000.00	AA+	Aaa	1/2/2018	1/4/2018	172,402.34	2.22	1,373.13	173,533.86	176,237.25
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	100,000.00	AA+	Aaa	2/28/2018	3/1/2018	96,867.19	2.63	784.65	98,170.42	100,707.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	55,000.00	AA+	Aaa	11/1/2017	11/3/2017	54,624.02	2.03	431.56	54,795.40	55,388.85
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	75,000.00	AA+	Aaa	12/4/2017	12/6/2017	74,118.16	2.14	588.49	74,510.78	75,530.25
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	100,000.00	AA+	Aaa	12/4/2017	12/6/2017	98,171.88	2.15	444.67	98,957.58	100,402.30
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	100,000.00	AA+	Aaa	1/2/2018	1/4/2018	97,859.38	2.23	444.67	98,758.93	100,402.30
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	120,000.00	AA+	Aaa	10/2/2017	10/3/2017	118,856.25	1.95	533.61	119,370.72	120,482.76
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	100,000.00	AA+	Aaa	6/4/2018	6/6/2018	96,007.81	2.74	444.67	97,460.90	100,402.30
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	500,000.00	AA+	Aaa	1/30/2019	1/31/2019	492,070.31	2.55	29.19	493,927.97	507,617.00
US TREASURY NOTES DTD 03/31/2016 1.500% 03/31/2023	912828Q29	100,000.00	AA+	Aaa	5/1/2018	5/2/2018	94,000.00	2.82	381.15	96,036.79	99,636.70
US TREASURY N/B NOTES DTD 05/31/2016 1.625% 05/31/2023	912828R69	150,000.00	AA+	Aaa	4/1/2019	4/5/2019	145,916.02	2.32	213.11	146,645.59	150,005.85
US TREASURY N/B DTD 09/30/2016 1.375% 09/30/2023	912828T26	50,000.00	AA+	Aaa	6/3/2019	6/5/2019	48,923.83	1.90	174.69	49,067.05	49,501.95
US TREASURY NOTES DTD 11/17/2014 2.250% 11/15/2024	912828G38	60,000.00	AA+	Aaa	12/16/2019	12/18/2019	61,507.03	1.71	174.31	61,495.27	61,572.66
Security Type Sub-Total		4,180,000.00					4,158,174.22	2.01	18,070.84	4,167,265.93	4,209,801.11
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 01/18/2018 2.500% 01/18/2023	4581X0DA3	100,000.00	AAA	Aaa	6/4/2018	6/6/2018	98,273.00	2.90	1,131.94	98,860.61	102,380.10
Security Type Sub-Total		100,000.00					98,273.00	2.90	1,131.94	98,860.61	102,380.10

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Mortgage-Backed Security											
FNMA POOL #AL2051 DTD 06/01/2012 3.500% 06/25/2026	3138EJH50	52,102.48	AA+	Aaa	4/13/2018	4/17/2018	53,046.85	2.82	151.97	52,848.23	53,984.53
FANNIE MAE POOL DTD 06/01/2012 3.500% 08/25/2026	3138EJJA7	48,679.03	AA+	Aaa	4/13/2018	4/17/2018	49,561.33	2.83	141.98	49,379.51	50,429.68
FNMA POOL #AV0485 DTD 01/01/2014 3.500% 01/01/2029	3138XBRF3	76,217.36	AA+	Aaa	2/4/2015	2/18/2015	81,076.21	2.52	222.30	79,370.92	79,245.93
FNMA POOL #AS4197 DTD 12/01/2014 3.500% 01/01/2030	3138WDUX7	82,108.13	AA+	Aaa	7/10/2015	7/16/2015	86,931.96	2.62	239.48	85,443.65	85,791.52
FNMA POOL #AL7738 DTD 11/01/2015 3.500% 11/01/2030	3138EQS45	55,600.51	AA+	Aaa	2/5/2016	2/17/2016	59,205.85	2.55	162.17	58,256.69	58,056.70
FREDDIE MAC POOL DTD 02/01/2018 4.000% 02/15/2033	3128MMXQ1	95,714.46	AA+	Aaa	6/7/2018	6/14/2018	98,600.85	3.26	319.05	98,295.26	100,153.68
FANNIE MAE POOL DTD 02/01/2018 4.000% 02/25/2033	3140Q8NB7	147,885.33	AA+	Aaa	5/20/2019	5/23/2019	153,846.97	2.73	492.95	153,581.23	154,922.32
FN BM5830 DTD 04/01/2019 3.500% 04/25/2034	3140JAPQ5	142,354.60	AA+	Aaa	6/5/2019	6/18/2019	147,692.90	2.54	415.20	147,498.18	149,061.88
FN CA4328 DTD 09/01/2019 3.000% 10/25/2034	3140QBY28	156,524.73	AA+	Aaa	11/15/2019	11/19/2019	161,098.19	2.24	391.31	161,061.97	161,207.94
FNMA POOL #847820 DTD 12/01/2005 5.500% 12/01/2035	31408C4D5	14,536.71	AA+	Aaa	12/15/2010	1/13/2011	15,449.78	4.85	66.63	15,120.75	16,017.01
FHR 3745 NP DTD 10/01/2010 4.000% 06/15/2039	3137A24V0	50,912.05	AA+	Aaa	9/12/2019	9/17/2019	52,731.76	3.08	169.71	52,704.96	52,868.18
FHLMC POOL #G08369 DTD 10/01/2009 5.000% 10/01/2039	3128MJMT4	40,123.59	AA+	Aaa	12/15/2010	1/13/2011	41,683.09	4.64	167.18	41,196.11	44,275.23
FHLMC POOL #G06091 DTD 11/01/2010 5.500% 05/01/2040	3128M8C44	17,242.05	AA+	Aaa	12/15/2010	1/13/2011	18,268.50	4.96	79.03	17,954.35	19,365.39
FHLMC POOL #A92533 DTD 06/01/2010 4.500% 06/01/2040	31294Y60	39,096.14	AA+	Aaa	12/15/2010	1/13/2011	39,609.30	4.37	146.61	39,452.69	42,481.27
FNMA POOL #AD7136 DTD 07/01/2010 5.000% 07/01/2040	31418U4W1	36,646.11	AA+	Aaa	12/15/2010	1/13/2011	38,186.41	4.61	152.69	37,717.67	40,417.35

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Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Mortgage-Backed Security											
FNMA POOL #AH1513 DTD 12/01/2010 4.500% 10/01/2040	3138A2VF3	84,310.38	AA+	Aaa	12/15/2010	1/13/2011	85,561.79	4.35	316.16	85,184.25	89,690.28
FHLMC POOL #A97626 DTD 03/01/2011 5.000% 03/01/2041	312946PK6	34,283.88	AA+	Aaa	10/16/2014	10/20/2014	38,124.74	3.99	142.85	37,367.26	37,487.88
Security Type Sub-Total		1,174,337.54					1,220,676.48	3.08	3,777.27	1,212,433.68	1,235,456.77
Federal Agency Collateralized Mortgage Obligation											
FHMS K730 A1 DTD 03/01/2018 3.452% 09/25/2024	3137FEU99	62,199.92	AA+	Aaa	2/28/2018	3/13/2018	63,442.16	2.76	178.93	63,095.88	64,043.03
FHLMC MULTIFAMILY STRUCTURED P DTD 11/01/2018 3.750% 02/25/2025	3137FJXP9	95,174.12	AA+	Aaa	11/1/2018	11/9/2018	96,552.32	3.20	297.42	96,299.22	99,582.06
FHMS K736 A1 DTD 09/01/2019 1.895% 06/25/2026	3137FNWW6	94,918.72	AA+	Aaa	9/4/2019	9/17/2019	95,393.31	1.71	149.89	95,372.77	94,160.08
FNR 2012-107 GA DTD 09/01/2012 1.500% 09/25/2027	3136A85N6	86,267.03	AA+	Aaa	12/3/2019	12/6/2019	85,074.12	1.95	107.83	85,085.09	84,623.90
FANNIE MAE DTD 02/01/2013 2.500% 03/25/2033	3136ACQB0	158,568.97	AA+	Aaa	10/25/2019	10/30/2019	160,303.32	2.20	330.35	160,280.89	159,747.64
FREDDIE MAC DTD 04/01/2019 3.000% 04/15/2034	3137FLXG4	149,714.99	AA+	Aaa	5/3/2019	5/8/2019	150,451.87	2.86	374.29	150,419.64	153,847.00
GNMA SERIES 2014-111 AB DTD 07/01/2014 1.894% 06/01/2038	38378XEN7	43,818.52	AA+	Aaa	2/12/2015	2/18/2015	43,931.48	1.82	69.25	43,907.87	43,663.94
FHLMC SERIES 3842 PH DTD 04/01/2011 4.000% 04/01/2041	3137A9QP4	54,283.99	AA+	Aaa	5/5/2015	5/8/2015	58,232.30	3.35	180.95	57,523.19	58,260.44
GNMA SERIES 2013-154 A DTD 10/01/2013 1.950% 02/01/2044	38378K6D6	82,634.74	AA+	Aaa	6/26/2015	6/30/2015	82,825.20	1.93	134.28	82,795.17	82,103.30
Security Type Sub-Total		827,581.00					836,206.08	2.44	1,823.19	834,779.72	840,031.39
Federal Agency Bond / Note											

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC NOTES DTD 02/16/2018 2.375% 02/16/2021	3137EAEL9	200,000.00	AA+	Aaa	7/30/2018	7/31/2018	197,940.00	2.80	1,781.25	199,088.38	201,714.60
FANNIE MAE NOTES DTD 04/13/2018 2.500% 04/13/2021	3135G0U27	35,000.00	AA+	Aaa	4/12/2018	4/13/2018	34,947.85	2.55	189.58	34,977.73	35,408.21
FHLMC REFERENCE NOTE DTD 08/12/2016 1.125% 08/12/2021	3137EAEC9	385,000.00	AA+	Aaa	8/11/2016	8/12/2016	383,044.20	1.23	1,672.34	384,369.13	382,159.86
FEDERAL HOME LOAN BANK NOTES DTD 08/26/2013 3.375% 09/08/2023	313383YJ4	200,000.00	AA+	Aaa	1/7/2019	1/9/2019	206,178.00	2.67	2,118.75	204,882.91	212,181.80
FEDERAL HOME LOAN BANK NOTES DTD 08/26/2013 3.375% 09/08/2023	313383YJ4	100,000.00	AA+	Aaa	12/4/2018	12/6/2018	101,739.60	2.98	1,059.38	101,348.02	106,090.90
Security Type Sub-Total		920,000.00					923,849.65	2.14	6,821.30	924,666.17	937,555.37
Corporate Note											
JOHN DEERE CAPITAL CORP NOTES DTD 01/08/2018 2.350% 01/08/2021	24422ETZ2	35,000.00	A	A2	1/3/2018	1/8/2018	34,981.80	2.37	395.26	34,993.81	35,188.93
IBM CREDIT CORP NOTE DTD 09/08/2017 1.800% 01/20/2021	44932HAB9	160,000.00	A	A2	9/5/2017	9/8/2017	159,668.80	1.86	1,288.00	159,896.33	159,902.72
PACCAR FINANCIAL CORP NOTES DTD 02/27/2018 2.800% 03/01/2021	69371RN93	85,000.00	A+	A1	2/22/2018	2/27/2018	84,958.35	2.82	793.33	84,983.88	86,001.05
CVS HEALTH CORP NOTES DTD 03/09/2018 3.350% 03/09/2021	126650DC1	80,000.00	BBB	Baa2	3/6/2018	3/9/2018	79,959.20	3.37	833.78	79,983.88	81,330.08
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	100,000.00	A	A2	4/12/2018	4/19/2018	99,577.00	3.05	853.89	99,824.98	101,125.50
NATIONAL RURAL UTIL COOP NOTE DTD 02/26/2018 2.900% 03/15/2021	63743HER9	65,000.00	A	A2	2/21/2018	2/26/2018	64,927.85	2.94	555.03	64,971.54	65,731.58
UNITED PARCEL SERVICE CORPORATE BOND DTD 11/14/2017 2.050% 04/01/2021	911312BP0	130,000.00	A	A2	11/9/2017	11/14/2017	129,794.60	2.10	666.25	129,924.10	130,348.14

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Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	140,000.00	BBB+	A3	10/27/2017	10/31/2017	140,568.40	2.50	673.75	140,212.77	141,221.92
GLAXOSMITHKLINE CAPITAL DTD 05/15/2018 3.125% 05/14/2021	377373AE5	65,000.00	A+	A2	5/10/2018	5/15/2018	64,825.15	3.22	265.19	64,920.32	66,124.05
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	75,000.00	A	A1	5/3/2018	5/10/2018	74,948.25	3.12	297.08	74,976.50	76,269.68
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	200,000.00	A	A1	5/16/2016	5/19/2016	199,896.00	1.96	455.00	199,971.29	200,414.60
ABBVIE INC DTD 09/18/2018 3.375% 11/14/2021	00287YBE8	85,000.00	A-	Baa2	9/13/2018	9/18/2018	84,853.80	3.43	374.53	84,913.40	87,194.62
CITIGROUP INC CORP (CALLABLE) NOTE DTD 12/08/2016 2.900% 12/08/2021	172967LC3	250,000.00	BBB+	A3	12/11/2016	12/8/2016	249,572.50	2.94	463.19	249,834.48	254,108.50
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	70,000.00	A	A2	3/10/2017	3/15/2017	69,691.30	2.75	901.74	69,870.76	71,173.83
FEDEX CORP CORP NOTES DTD 01/16/2019 3.400% 01/14/2022	31428XBU9	125,000.00	BBB	Baa2	1/14/2019	1/16/2019	124,855.00	3.44	1,971.53	124,901.39	128,394.63
BANK OF NY MELLON CORP (CALLABLE) NOTES DTD 02/07/2017 2.600% 02/07/2022	06406RAA5	105,000.00	A	A1	6/7/2017	6/9/2017	106,277.85	2.32	1,092.00	105,580.83	106,596.74
AT&T CORP NOTES DTD 03/17/2016 3.800% 03/15/2022	00206RDB5	85,000.00	BBB	Baa2	6/20/2017	6/23/2017	88,479.90	2.87	951.06	86,621.00	88,230.60
BANK OF MONTREAL DTD 03/26/2019 2.900% 03/26/2022	06367WJM6	275,000.00	A-	A2	3/21/2019	3/26/2019	274,301.50	2.99	2,104.51	274,480.59	280,385.60
BB&T CORP (CALLABLE) NOTES DTD 03/21/2017 2.750% 04/01/2022	05531FAX1	270,000.00	A-	A3	4/3/2017	4/6/2017	272,038.50	2.59	1,856.25	270,934.35	274,784.67
GOLDMAN SACHS GROUP INC (CALLABLE) NOTE DTD 01/26/2017 3.000% 04/26/2022	38141GWC4	95,000.00	BBB+	A3	10/2/2017	10/4/2017	96,237.85	2.69	514.58	95,472.16	96,199.85

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Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GOLDMAN SACHS GROUP INC (CALLABLE) NOTE DTD 01/26/2017 3.000% 04/26/2022	38141GWC4	185,000.00	BBB+	A3	5/8/2017	5/10/2017	186,184.00	2.86	1,002.08	185,409.34	187,336.55
BANK OF AMERICA CORP NOTES DTD 05/17/2018 3.499% 05/17/2022	06051GHH5	205,000.00	A-	A2	5/14/2018	5/17/2018	205,000.00	3.50	876.69	205,000.00	209,118.66
TOYOTA MOTOR CREDIT CORP NOTES DTD 09/08/2017 2.150% 09/08/2022	89236TEC5	160,000.00	AA-	Aa3	9/8/2017	9/12/2017	159,811.20	2.18	1,079.78	159,898.35	161,245.76
ANTHEM INC CORP NOTES DTD 11/21/2017 2.950% 12/01/2022	036752AF0	100,000.00	A	Baa2	7/26/2018	7/30/2018	97,546.00	3.57	245.83	98,351.10	102,307.50
INTEL CORP CORP NOTES DTD 12/11/2012 2.700% 12/15/2022	458140AM2	160,000.00	A+	A1	12/26/2018	12/28/2018	156,873.60	3.23	192.00	157,670.31	163,968.00
JPMORGAN CHASE & CO (CALLABLE) NOTES DTD 12/08/2016 2.972% 01/15/2023	48128BAB7	160,000.00	A-	A2	11/5/2018	11/7/2018	155,078.40	3.77	2,192.68	156,429.43	163,028.64
WELLS FARGO & COMPANY CORP NOTE DTD 02/13/2013 3.450% 02/13/2023	94974BFJ4	170,000.00	BBB+	A3	6/3/2019	6/5/2019	173,262.30	2.90	2,248.25	172,754.46	176,058.46
HP ENTERPRISE CO DTD 09/13/2019 2.250% 04/01/2023	42824CBE8	125,000.00	BBB	Baa2	9/4/2019	9/13/2019	124,973.75	2.26	843.75	124,975.98	124,874.38
MCDONALD'S CORP DTD 03/16/2018 3.350% 04/01/2023	58013MFE9	120,000.00	BBB+	Baa1	8/13/2018	8/15/2018	119,588.40	3.43	1,005.00	119,711.15	124,992.48
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	250,000.00	A-	A2	3/15/2019	3/22/2019	250,000.00	3.21	2,004.38	250,000.00	255,961.75
UNION PACIFIC CORP DTD 06/08/2018 3.500% 06/08/2023	907818EU8	120,000.00	A-	Baa1	6/5/2018	6/8/2018	119,890.80	3.52	268.33	119,925.01	125,797.08
SHELL INTERNATIONAL FIN DTD 11/13/2018 3.500% 11/13/2023	822582BZ4	200,000.00	AA-	Aa2	11/7/2018	11/13/2018	199,164.00	3.59	933.33	199,353.54	210,762.00
ABBOTT LABORATORIES CORP NOTES DTD 11/22/2016 3.400% 11/30/2023	002824BE9	155,000.00	A-	A3	6/3/2019	6/5/2019	160,166.15	2.61	453.81	159,504.23	162,964.68

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Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
JOHN DEERE CAPITAL CORP DTD 01/10/2019 3.450% 01/10/2024	24422EUR8	65,000.00	A	A2	1/4/2019	1/10/2019	64,994.15	3.45	1,065.19	64,995.29	68,521.90
AMERICAN HONDA FINANCE CORP NOTES DTD 01/15/2019 3.550% 01/12/2024	02665WCT6	65,000.00	A	A2	1/10/2019	1/15/2019	64,982.45	3.56	1,083.24	64,985.83	68,574.42
FIFTH THIRD BANCORP NOTES DTD 01/25/2019 3.650% 01/25/2024	316773CX6	120,000.00	BBB+	Baa1	10/24/2019	10/28/2019	126,490.80	2.30	1,898.00	126,218.61	126,662.16
CAPITAL ONE FINANCIAL CORP NOTE DTD 01/29/2019 3.900% 01/29/2024	14040HCA1	125,000.00	BBB	Baa1	1/24/2019	1/29/2019	124,730.00	3.95	2,058.33	124,779.83	132,585.88
BP CAPITAL MARKETS PLC CORP NOTES DTD 11/06/2018 3.790% 02/06/2024	10373QAD2	85,000.00	A-	A1	11/1/2018	11/6/2018	85,000.00	3.79	1,297.55	85,000.00	90,464.40
BANK OF NOVA SCOTIA DTD 02/11/2019 3.400% 02/11/2024	064159MK9	300,000.00	A-	A2	2/6/2019	2/11/2019	299,727.00	3.42	3,966.67	299,775.44	314,354.70
AMERICAN EXPRESS CO CORP NOTES DTD 02/22/2019 3.400% 02/22/2024	025816CC1	190,000.00	BBB+	A3	7/10/2019	7/12/2019	197,615.20	2.47	2,314.83	196,833.81	198,760.71
MINITUBI UFJ FIN GRP NOTE DTD 03/07/2019 3.407% 03/07/2024	606822BD5	160,000.00	A-	A1	2/26/2019	3/7/2019	160,000.00	3.41	1,726.21	160,000.00	166,855.52
TORONTO-DOMINION BANK DTD 03/11/2019 3.250% 03/11/2024	89114QCB2	325,000.00	A	Aa3	3/4/2019	3/11/2019	324,584.00	3.28	3,227.43	324,651.40	340,326.03
CANADIAN IMP BK COMM NY CORP NOTES DTD 04/02/2019 3.100% 04/02/2024	13607GAP9	275,000.00	BBB+	A2	4/2/2019	4/4/2019	273,526.00	3.22	2,107.57	273,745.69	284,467.98
GENERAL MOTORS FINL CO CORP NOTES DTD 04/13/2017 3.950% 04/13/2024	37045XBW5	100,000.00	BBB	Baa3	7/19/2019	7/23/2019	102,566.00	3.36	855.83	102,325.16	104,545.50
MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDQ6	285,000.00	BBB+	A3	7/19/2019	7/23/2019	301,681.05	2.56	1,901.98	300,129.77	302,977.23

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
CATERPILLAR FINL SERVICE CORP NOTES DTD 05/17/2019 2.850% 05/17/2024	14913QZV0	115,000.00	A	A3	7/10/2019	7/12/2019	117,702.50	2.33	400.58	117,438.51	118,920.81
AMERICAN HONDA FINANCE CORP NOTE DTD 06/27/2019 2.400% 06/27/2024	02665WCZ2	110,000.00	A	A2	7/12/2019	7/16/2019	109,434.60	2.51	29.33	109,487.45	111,231.12
ROYAL BANK OF CANADA DTD 07/16/2019 2.550% 07/16/2024	78013XZU5	245,000.00	A	A2	7/22/2019	7/24/2019	245,764.40	2.48	2,863.44	245,696.74	248,770.31
US BANCORP DTD 07/29/2019 2.400% 07/30/2024	91159HXX1	285,000.00	A+	A1	7/24/2019	7/29/2019	284,720.70	2.42	2,888.00	284,744.53	288,967.20
CVS HEALTH CORP DTD 08/15/2019 2.625% 08/15/2024	126650DE7	100,000.00	BBB	Baa2	8/15/2019	8/19/2019	100,023.00	2.62	991.67	100,021.30	100,853.00
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	160,000.00	A	A2	9/3/2019	9/6/2019	159,347.20	1.84	894.44	159,389.17	158,785.92
SIMON PROPERTY GROUP LP DTD 09/13/2019 2.000% 09/13/2024	828807DG9	125,000.00	A	A2	9/4/2019	9/13/2019	124,876.25	2.02	750.00	124,883.70	124,401.00
PNC BANK NA CORP NOTES DTD 11/01/2019 2.200% 11/01/2024	693475AY1	100,000.00	A-	A3	11/14/2019	11/18/2019	100,314.00	2.13	366.67	100,306.37	100,371.70
DH EUROPE FINANCE II DTD 11/07/2019 2.200% 11/15/2024	23291KAG0	125,000.00	A	Baa1	10/29/2019	11/7/2019	124,940.00	2.21	412.50	124,941.80	125,168.38
ANHEUSER-BUSCH INBEV FIN CORP NOTES DTD 01/23/2019 4.150% 01/23/2025	03523TBX5	115,000.00	A-	Baa1	10/29/2019	10/31/2019	125,375.30	2.31	2,094.60	125,038.69	125,334.94
Security Type Sub-Total		8,180,000.00					8,226,346.80	2.86	65,845.92	8,221,640.35	8,401,044.04
Asset-Backed Security											
NISSAN ABS 2016-C A3 DTD 08/10/2016 1.180% 01/15/2021	65478WAD7	3,159.20	NR	Aaa	8/2/2016	8/10/2016	3,158.90	1.18	1.66	3,159.13	3,157.35
JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	4,108.12	NR	Aaa	2/22/2017	3/2/2017	4,107.53	1.79	3.25	4,107.94	4,106.94

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	8,592.08	AAA	Aaa	9/14/2016	9/21/2016	8,590.92	1.30	4.93	8,591.75	8,586.25
FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	24,346.03	NR	Aaa	1/18/2017	1/25/2017	24,345.93	1.67	18.07	24,346.00	24,329.81
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	6,636.30	NR	Aaa	1/24/2017	1/31/2017	6,635.73	1.70	5.01	6,636.11	6,631.93
GMALT 2018-3 A3 DTD 09/26/2018 3.180% 06/20/2021	36256GAD1	50,000.00	AAA	Aaa	9/18/2018	9/26/2018	49,996.05	3.19	48.58	49,997.88	50,247.35
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	53,255.25	NR	Aaa	3/21/2017	3/29/2017	53,248.97	1.79	42.13	53,252.93	53,229.55
HYUNDAI ABS 2017-A A3 DTD 03/29/2017 1.760% 08/16/2021	44931PAD8	41,838.93	AAA	NR	3/22/2017	3/29/2017	41,835.54	1.76	32.73	41,837.68	41,809.00
CNH ABS 2016-C A3 DTD 09/21/2016 1.440% 12/15/2021	12635YAD5	12,778.93	AAA	Aaa	9/13/2016	9/21/2016	12,776.37	1.45	8.18	12,777.97	12,751.68
ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	51,394.69	AAA	NR	8/15/2017	8/23/2017	51,394.04	1.75	39.97	51,394.39	51,358.07
FORDL 2018-B A3 DTD 09/21/2018 3.190% 12/15/2021	34531LAD2	70,000.00	NR	Aaa	9/18/2018	9/21/2018	69,994.09	3.41	99.24	69,996.42	70,489.31
HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/18/2022	44932GAD7	35,651.76	AAA	Aaa	8/9/2017	8/16/2017	35,645.57	1.78	28.05	35,648.91	35,617.00
HAROT 2018-1 A3 DTD 02/28/2018 2.640% 02/15/2022	43814UAC3	117,866.65	AAA	Aaa	2/22/2018	2/28/2018	117,851.40	2.65	138.30	117,858.48	118,357.81
JDOT 2018-A A3 DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	33,229.64	NR	Aaa	2/21/2018	2/28/2018	33,227.25	2.66	39.28	33,228.32	33,354.85
NAROT 2018-A A3 DTD 02/28/2018 2.650% 05/15/2022	65478DAD9	83,494.42	AAA	Aaa	2/21/2018	2/28/2018	83,484.87	2.66	98.34	83,489.05	83,852.73
GMCAR 2018-3 A3 DTD 07/18/2018 3.020% 05/16/2023	36255JAD6	80,000.00	AAA	NR	7/11/2018	7/18/2018	79,981.34	3.03	100.67	79,986.97	80,981.61
CNH 2018-A A3 DTD 05/23/2018 3.120% 07/15/2023	12652VAC1	270,000.00	AAA	NR	5/16/2018	5/23/2018	269,942.00	3.24	374.40	269,960.15	273,121.90

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Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
TAOT 2019-B A3 DTD 05/08/2019 2.570% 08/15/2023	89239JAD6	80,000.00	AAA	Aaa	4/30/2019	5/8/2019	79,987.24	2.58	91.38	79,989.19	80,935.34
TAOT 2018-B A4 DTD 05/16/2018 3.110% 11/15/2023	89238TAE3	60,000.00	AAA	Aaa	5/9/2018	5/16/2018	59,982.89	3.12	82.93	59,987.96	61,479.90
COPAR 2019-1 A3 DTD 05/30/2019 2.510% 11/15/2023	14042WAC4	45,000.00	AAA	Aaa	5/21/2019	5/30/2019	44,990.88	2.52	50.20	44,992.09	45,402.62
FIFTH THIRD AUTO TRUST DTD 05/08/2019 2.640% 12/15/2023	31680YAD9	60,000.00	AAA	Aaa	4/30/2019	5/8/2019	59,986.81	2.72	70.40	59,988.68	60,552.71
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	330,000.00	AAA	NR	8/28/2019	9/5/2019	329,916.91	1.73	252.27	329,922.33	328,987.10
Security Type Sub-Total		1,521,352.00					1,521,081.23	2.50	1,629.97	1,521,150.33	1,529,340.81
Managed Account Sub Total		16,903,270.54					16,984,607.46	2.58	99,100.43	16,980,796.79	17,255,609.59
Securities Sub-Total		\$16,903,270.54					\$16,984,607.46	2.58%	\$99,100.43	\$16,980,796.79	\$17,255,609.59
Accrued Interest											\$99,100.43
Total Investments											\$17,354,710.02

Bolded items are forward settling trades.

PFM Asset Management LLC

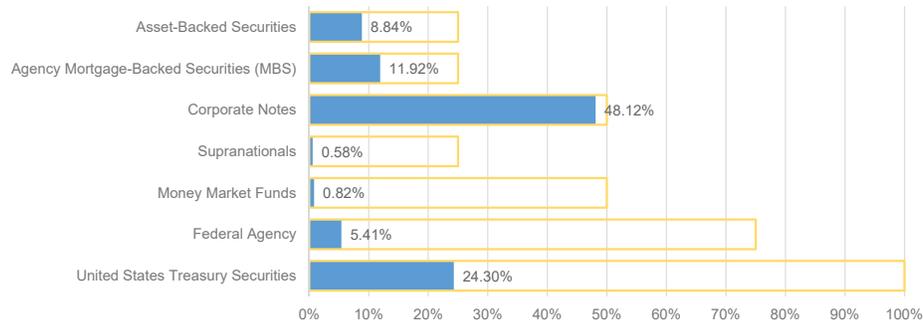
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Tab III

For the Quarter Ended December 31, 2019

FLORIDA COLLEGE SYSTEM RISK MGT CONSORT

Asset Allocation



Security Type	Amortized Cost (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
United States Treasury Securities	4,185,336.77	24.30%	100%	Yes
Federal Agency	931,487.47	5.41%	75%	Yes
Supranationals	99,992.55	0.58%	25%	Yes
Corporate Notes	8,287,486.27	48.12%	50%	Yes
Municipals	-	-	25%	Yes
Agency Mortgage-Backed Securities (MBS)	2,052,813.86	11.92%	25%	Yes
Asset-Backed Securities	1,522,780.30	8.84%	25%	Yes
Non-Negotiable Interest Bearing Time Certificates of Deposit and Savings Ac	-	-	50%	Yes
Demand Deposit Bank Account	-	-	50%	Yes
Commercial Paper	-	-	50%	Yes
Bankers' Acceptances	-	-	10%	Yes
Repurchase Agreements	-	-	40%	Yes
Fixed-Income Mutual Funds and ETFs	-	-	20%	Yes
Money Market Funds	141,842.58	0.82%	50%	Yes
Intergovernmental Pools	-	-	50%	Yes

End of month trade-date amortized cost of portfolio holdings, including accrued interest.

FLORIDA COLLEGE SYSTEM RISK MGT CONSORT

Asset Allocation

Sector	Individual Issuer Breakdown	Amortized Cost (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
ASSET-BACKED	ALLY AUTO RECEIVABLES TRUST	111,370.54	0.65%	5%	Yes
ASSET-BACKED	CAPITAL ONE MULTI-ASSET EXECUT	330,174.60	1.92%	5%	Yes
ASSET-BACKED	CAPITAL ONE PRIME AUTO REC TRUST	45,042.29	0.26%	5%	Yes
ASSET-BACKED	CNH EQUIPMENT TRUST	283,120.70	1.64%	5%	Yes
ASSET-BACKED	FIFTH THIRD AUTO TRUST	60,059.08	0.35%	5%	Yes
ASSET-BACKED	FORD CREDIT AUTO OWNER TRUST	24,364.07	0.14%	5%	Yes
ASSET-BACKED	GM FINANCIAL AUTO LEASING TRUST	50,046.46	0.29%	5%	Yes
ASSET-BACKED	GM FINANCIAL SECURITIZED TERM	80,087.64	0.47%	5%	Yes
ASSET-BACKED	HONDA AUTO RECEIVABLES OWNER T	117,996.78	0.69%	5%	Yes
ASSET-BACKED	HYUNDAI AUTO RECEIVABLES TRUST	86,144.05	0.50%	5%	Yes
ASSET-BACKED	NISSAN AUTO RECEIVABLES OWNER	83,587.39	0.49%	5%	Yes
ASSET-BACKED	TOYOTA AUTO RECEIVABLES OWNER	140,151.46	0.81%	5%	Yes
ASSET-BACKED	JOHN DEERE OWNER TRUST	37,378.79	0.22%	5%	Yes
ASSET-BACKED	FORD CREDIT AUTO LEASE TRUST	70,095.66	0.41%	5%	Yes
ASSET-BACKED	NISSAN AUTO RECEIVABLES	3,160.79	0.02%	5%	Yes
CORPORATE NOTE	AMERICAN EXPRESS CREDIT	199,148.64	1.16%	5%	Yes
CORPORATE NOTE	AMERICAN HONDA FINANCE	175,585.85	1.02%	5%	Yes
CORPORATE NOTE	BRANCH BANKING & TRUST	272,790.60	1.58%	5%	Yes
CORPORATE NOTE	CITIGROUP INC	250,297.67	1.45%	5%	Yes
CORPORATE NOTE	GOLDMAN SACHS GROUP INC	423,284.68	2.46%	5%	Yes
CORPORATE NOTE	MORGAN STANLEY	302,031.75	1.75%	5%	Yes
CORPORATE NOTE	TOYOTA MOTOR CREDIT CORP	160,978.13	0.93%	5%	Yes
CORPORATE NOTE	WELLS FARGO BANK NA	175,002.71	1.02%	5%	Yes
CORPORATE NOTE	JOHN DEERE CAPITAL CORP	172,222.05	1.00%	5%	Yes
CORPORATE NOTE	FIFTH THIRD BANK	128,116.61	0.74%	5%	Yes
CORPORATE NOTE	INTEL CORP	157,862.31	0.92%	5%	Yes
CORPORATE NOTE	IBM CORP	161,184.33	0.94%	5%	Yes
CORPORATE NOTE	JPMORGAN CHASE & CO	410,626.49	2.38%	5%	Yes
CORPORATE NOTE	PNC BANK NA	100,673.04	0.58%	5%	Yes
CORPORATE NOTE	STATE STREET CORPORATION	200,426.29	1.16%	5%	Yes
CORPORATE NOTE	US BANK NA CINCINNATI	287,632.53	1.67%	5%	Yes
CORPORATE NOTE	BANK OF AMERICA CORP	205,876.69	1.20%	5%	Yes
CORPORATE NOTE	WALT DISNEY COMPANY/THE	160,283.61	0.93%	5%	Yes
CORPORATE NOTE	PACCAR FINANCIAL CORP	85,777.21	0.50%	5%	Yes
CORPORATE NOTE	CATERPILLAR FINANCIAL SERVICES CORP	117,839.09	0.68%	5%	Yes
CORPORATE NOTE	UNITED PARCEL SERVICE	130,590.35	0.76%	5%	Yes
CORPORATE NOTE	HERSHEY COMPANY	75,273.58	0.44%	5%	Yes

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FLORIDA COLLEGE SYSTEM RISK MGT CONSORT

Asset Allocation

Sector	Individual Issuer Breakdown	Amortized Cost (Includes Interest)	Allocation Percentage	Permitted by Policy	In Compliance
CORPORATE NOTE	NATIONAL RURAL UTIL COOP	166,205.44	0.97%	5%	Yes
CORPORATE NOTE	ABBOTT LABORATORIES	159,958.04	0.93%	5%	Yes
CORPORATE NOTE	BANK OF NOVA SCOTIA HOUSTON	303,742.11	1.76%	5%	Yes
CORPORATE NOTE	BANK OF MONTREAL CHICAGO	276,585.10	1.61%	5%	Yes
CORPORATE NOTE	TORONTO DOMINION BANK	327,878.83	1.90%	5%	Yes
CORPORATE NOTE	MITSUBISHI UFJ FIN GRP	161,726.21	0.94%	5%	Yes
CORPORATE NOTE	ROYAL BANK OF CANADA NY	248,560.18	1.44%	5%	Yes
CORPORATE NOTE	AT&T INC	87,572.06	0.51%	5%	Yes
CORPORATE NOTE	ABBVIE INC	85,287.93	0.50%	5%	Yes
CORPORATE NOTE	BP CAPITAL MARKETS PLC	86,297.55	0.50%	5%	Yes
CORPORATE NOTE	BANK OF NY MELLON CORP	106,672.83	0.62%	5%	Yes
CORPORATE NOTE	CANADIAN IMP BK COMM NY	275,853.26	1.60%	5%	Yes
CORPORATE NOTE	GLAXOSMITHKLINE CAPITAL	65,185.51	0.38%	5%	Yes
CORPORATE NOTE	GENERAL MOTORS FINL CO	103,180.99	0.60%	5%	Yes
CORPORATE NOTE	HP ENTERPRISE CO	125,819.73	0.73%	5%	Yes
CORPORATE NOTE	FEDEX CORP	126,872.92	0.74%	5%	Yes
CORPORATE NOTE	MCDONALD'S CORP	120,716.15	0.70%	5%	Yes
CORPORATE NOTE	UNION PACIFIC CORP	120,193.34	0.70%	5%	Yes
CORPORATE NOTE	ANTHEM INC	98,596.93	0.57%	5%	Yes
CORPORATE NOTE	ANHEUSER-BUSCH INBEV FIN	127,133.29	0.74%	5%	Yes
CORPORATE NOTE	CVS HEALTH CORP	181,830.63	1.06%	5%	Yes
CORPORATE NOTE	DANAHER CORP	125,354.30	0.73%	5%	Yes
CORPORATE NOTE	CAPITAL ONE BANK USA NA	126,838.16	0.74%	5%	Yes
CORPORATE NOTE	SHELL INTERNATIONAL FIN	200,286.87	1.16%	5%	Yes
CORPORATE NOTE	SIMON PROPERTY GROUP LP	125,633.70	0.73%	5%	Yes
MBS / CMO	FANNIE MAE	1,174,020.05	6.82%	25%	Yes
MBS / CMO	FHLMC MULTIFAMILY STRUCTURED P	255,394.11	1.48%	25%	Yes
MBS / CMO	FREDDIE MAC	496,493.13	2.88%	25%	Yes
MBS / CMO	GINNIE MAE	126,906.57	0.74%	25%	Yes
US TSY BOND/NOTE	UNITED STATES TREASURY	4,185,336.77	24.30%	100%	Yes
SUPRANATL	INTER-AMERICAN DEVELOPMENT BANK	99,992.55	0.58%	10%	Yes
FED AGY BOND/NOTE	FANNIE MAE	35,167.31	0.20%	40%	Yes
FED AGY BOND/NOTE	FEDERAL HOME LOAN BANKS	309,409.06	1.80%	40%	Yes
FED AGY BOND/NOTE	FREDDIE MAC	586,911.10	3.41%	40%	Yes
MNY MKT/MUTUAL FND	CASH BALANCE	141,842.58	0.82%	25%	Yes

End of month trade-date amortized cost of portfolio holdings, including accrued interest.

PFM Asset Management LLC

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Quarterly Account Summary

Portfolio Balances:	September 30, 2019	October 31, 2019	November 30, 2019	December 31, 2019	Quarter End
(1) Amortized Cost of Holdings	\$16,752,180.90	\$17,105,382.75	\$16,992,345.50	\$16,980,796.79	
(2) Accrued Interest	86,903.40	83,507.03	88,901.76	99,100.43	
Amortized Cost of Securities	\$16,839,084.30	\$17,188,889.78	\$17,081,247.26	\$17,079,897.22	
(3) Reconciled Money Fund Balance	158,787.13	84,258.75	103,430.87	\$141,842.58	
Total Amortized Cost of Portfolio	\$16,997,871.43	\$17,273,148.53	\$17,184,678.13	\$17,221,739.80	
Net Change in Amortized Cost		\$275,277.10	(\$88,470.40)	\$37,061.67	\$223,868.37

Portfolio Earnings:	October 31, 2019	November 30, 2019	December 31, 2019	Quarter End
Ending Amortized Cost of Securities	\$17,188,889.78	\$17,081,247.26	\$17,079,897.22	\$17,079,897.22
(4) Plus Proceeds on Sales	511,897.48	384,792.45	68,213.73	964,903.66
(5) Plus Proceeds of Maturities	77,627.50	92,586.55	89,373.65	259,587.70
(6) Plus Coupons Received	44,853.65	32,357.42	27,559.62	104,770.69
(7) Less Cost of New Purchases	(934,229.39)	(364,789.81)	(146,721.51)	(1,445,740.71)
Less Beginning Amortized Cost of Securities	(16,839,084.30)	(17,188,889.78)	(17,081,247.26)	(16,839,084.30)
(8) Plus (Minus) Reconciling Transactions	0.00	0.00	0.00	0.00
Total Portfolio Accrual Basis Earnings	\$49,954.72	\$37,304.09	\$37,075.45	\$124,334.26

Notes:

- (1) Detail of Securities Held page Amortized Cost total. Does not include forward settling trades.
- (2) Detail of Securities Held page Accrued Interest total.
- (3) Cash/Money Report page Cash/Money Fund Balance.
- (4) Security Transactions & Interest page subtotal Sales.
- (5) Security Transactions & Interest page subtotal Maturities, Sinks, MBS Pmts., Calls
- (6) Security Transactions & Interest page subtotal Interest.
- (7) Security Transactions & Interest page subtotal Buys.
- (8) Bank Statement vs. PFM Statement Reconciled Cash+Money Fund Balance

Portfolio Characteristics			
	Since Inception Total Return	Yield to Maturity at Market	Yield to Maturity at Cost
1-5 Year Investment Portfolio	1.87%	1.99%	2.58%
ML 1 -5 Year U.S. Treasury Note Index	1.40%	1.62%	1.62%
	Effective Duration	Longest Individual Security Effective Duration	Maximum Corporate Exposure
1-5 Year Investment Portfolio	2.58 Years	4.6 Years	2.48%
ML 1 -5 Year U.S. Treasury Note Index	2.55 Years		
Investment Policy Rule	In Compliance?	Notes	
1. Investments limited to authorized fixed securities	Yes		
2. Maximum effective duration must not exceed 5.5 year	Yes		
3. Sector Allocation Limits must not be exceeded	Yes	Please see Asset Allocation Chart for specific details	
4. Individual Issuer Limits must not be exceeded	Yes	Please see Asset Allocation Chart for specific details	
5. Individual corporate exposure must not exceed 5%	Yes		
6. Portfolio duration must not exceed 3 years	Yes		
7. Performance Benchmark must be the ML 1-5 Year U.S. Treasury Index	Yes		
8. Monthly reporting of holdings and transactions	Yes		
9. Quarterly reporting of the fund's performance	Yes		
10. Maintaining an approved list of dealers	Yes		
11. Transactions executed via competitive bids	Yes		
12. Maintain custodial arrangements and agreements	Yes		
13. Maximum exposure to issuers in any non-U.S. country cannot exceed 10 percent per country.	Yes		

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

Information Item 5.a.1.
Miscellaneous

Three Year Performance Results
Property/Casualty Program



Property & Casualty Three Year Results and Forecast

2017 - 2019 PROPERTY RESULTS

1. Property values were up 7.5% from 2017-2019. The increase in values is primarily due to inflation factors.
2. From a cat modeling perspective, the 2017-2019, 250 year probable maximum loss decreased 8% and the average annual loss decreased by 18%. This is due to continued refinement and improvements made to the cat model.
3. In 2018, FCSRMC reduced the property limit purchased from \$200M to \$100M to, in part, allow for a flat year over year member allocation due to budgetary constraints of the member colleges.
4. Hurricane Michael is FCSRMC's largest property loss to date; currently estimated at \$58.5M gross and \$50.58M net.
5. Due to continued pricing pressure in 2019, FCSRMC maintained the \$100M property limit, as the price for the expiring limit increased by \$2.5M.
6. Annual in-person underwriter meetings were again conducted for the property renewal in London and Atlanta. The goals of these visits are to:
 - a. Continue significant support of FCSRMC's program domestically and internationally;
 - b. Create competition throughout the program to help secure optimal pricing; and
 - c. Create stable capacity throughout program for future renewal success.
7. Annual catastrophic planning meetings were held to review and revise catastrophic claim handling procedures. The final procedures are endorsed onto the lead property policy.
8. FCSRMC held catastrophic planning and hurricane preparedness meetings with member colleges.
9. FCSRMC worked with Siver Consulting and Department of Emergency Management to determine each member college's obtain and maintain commitment from past FEMA reimbursements.

2017 – 2019 CASUALTY RESULTS

1. Continued relationship with United Educators (UE) that began 3/1/16. FCSRMC and member college's continue to utilize UE resources and services.
2. In 2018, FCSRMC removed the policy condition in the plan document that required colleges with armed security guards to purchase a separate insurance policy in favor of the coverage provided by UE.
3. Excess Workers' Compensation payroll exposure has remained relatively flat. The self-insured retention (SIR) was raised from \$500,000 to \$750,000 on 3/1/18 for a premium savings of \$300,000.
4. In 2017, the Workers' Compensation collateral requirement, held by Chubb, was reduced by \$152,323, and in 2019, FCSRMC secured another reduction of \$556,717. As of 10/31/19 the total collateral held by Chubb is \$3,052,158.02. Another review will be requested in March 2020.
5. In 2019, FCSRMC facilitated a conference call/webinar review with AIG and each college to review individual college Cyber Summarized Assessment Reports The webinars also provided information on free and fee services available from AIG Consulting.
6. Claim reviews were held three times per year to review and strategize on various Workers' Compensation and General Liability claims.
7. FCSRMC Annual Risk Summits:
 - a. 2017 – FCSRMC and Member Colleges participated in the URMIA National Conference in Orlando.
 - b. May 2018 – Risk Summit Gainesville
 - c. June 2019 – Risk Summit Gainesville
8. Panel Counsel (Defense Attorney Panel) – Review and modify as needed with an annual review by the GBS claims adjusting team and FCSRMC staff. In 2019, UE, FCSRMC and AJG met again to further refine the defense attorney panel for the UE Educators Legal Liability coverage.
9. Since the first renewal on 3/1/17, with UE, FCSRMC has earned the UE 6% Risk Management Premium credit annually. The 2019 credit reduced casualty premium by \$90,891.
10. Advanced Title IX training and compliance for member colleges was conducted.
11. RFP for Third Party Administrative services was conducted and awarded in 2019 with contract effective 3/1/2020. The contract was awarded to Johns Eastern Company.

2020 - 2022 FORECAST

1. Property:

- a. 2017 was a record year for hurricane losses (Hurricanes Hermine, Irma and Maria) and was followed by adverse losses in 2018 – Hurricane Michael, CA wildfires, and earthquakes/tsunami. These events had an adverse impact on rate/premium in 2019 and the property marketplace is hardening. In 2020, we expect the following to continue to affect the market:
 - a. Conservative deployment of limits
 - b. Reinsurance pricing pressure
 - c. Attritional Losses (non-catastrophic loss, i.e. fire)
 - d. Loss creep on prior year losses
 - e. Undervaluation of schedules
- b. Impacts beyond 2020 are not yet known and will be determined based on losses presented to the carriers and carrier's overall operating results.
- c. Property values are up 4% over expiring.
- d. In a hardening market our goal for 2020 is to minimize the premium increase and preserve current, favorable terms and conditions.
- e. Continue annual visits to Atlanta and London to discuss renewal with underwriters and to solicit support and competition on the program.
- f. Continue annual catastrophe planning meetings.
- g. Explore parametric/cash flow products to protect fund balance.

2. Casualty:

- a. Continue to pursue further reductions in cash collateral required by former large deductible workers' compensation carrier (ACE/Chubb).
- b. Headwinds due to adverse losses by carriers that write higher education programs – concussion, sexual abuse, etc. UE is hyper focused on sexual abuse policies and procedures. Work with colleges to ensure that sexual abuse coverage continues to be offered by meeting minimum requirements of UE.
- c. Continue to leverage UE Risk Management Services and work to secure annual premium credit of 6%.
- d. Post Parkland, robust active shooter/crisis management products have been developed and FCSRMC may want to consider this type of coverage.

3. Property Data:
 - a. Continue to capture wind data on newly added buildings.
 - b. Work with colleges to document upgrades to the buildings to help to improve carrier modeling results and ultimately premiums quoted.
4. Monitor and report on emerging risks and exposures.
5. The FCSRMC ERM Risk Summit for member colleges will be held bi-annually. We will alternate years with the Valencia Legal Conference. Risk Summit will be held again in 2021.

Information Item 5.a.2.
Miscellaneous

Three Year Performance Results
Employee Benefit Plans



Employee Benefit Plans Three Year Results and Forecast

2017 - 2019 PROPERTY RESULTS

1. Renewed 22 participating colleges.
2. Health Program enrollment essentially has remained flat.
3. Managed health program overall annual pool premium rate change to 5.73% versus the marketplace average annual premium rate change of 7.27%.
4. Organized, managed and implemented individual college rate validation study to ensure outlier premiums are actuarially sound.
5. Managed health program to provide 93.6% of premiums toward paying claims while just 3% for overall administrative costs and 4% for stop loss insurance.
6. Negotiated \$2,194,229 annual savings in the health program administrator fee.
7. FCSRMC completed a pharmacy evaluation project with a successful outcome that is expected to reduce annual claim costs by over \$500,000; this work began in 2018.
8. An evaluation of the health program stop loss insurance was completed and resulted in a zero percent increase in the renewal rates and stop loss limits for 2019 & 2020.
9. Successfully secured State approval on annual health program actuarial filings, FL 112.08.
10. Paid \$1,009,457 in Health Care Reform fees on behalf of the health program participating colleges.
11. FCSRMC participated in an actuarially-credible benchmark study that included over 54 million lives. The study indicated FCSRMC health program members have a lower cost-share of medical expenses than national, regional, and industry-specific comparisons.
12. All 22 colleges, participating in FCSRMC employee benefit plans, have been successfully implemented and are operational in the FBMC automated enrollment, compliance and accounts receivable system and process.
13. Introduced a new Health Savings Account product, Telemedicine benefit, and revamped the Wellness Program features January 2018. We now have 15 colleges offering the High Deductible HSA.

14. A Private Exchange feasibility study was completed by Deloitte for FCSRMC during the period.
15. An ongoing consultant evaluation was initiated to ensure the highest value selection for current and upcoming employee benefit plan projects. We have just entered into a 3-year partnership with MERCER as a full service Health and Benefits Consultant. Effective 9/1/19.
16. A Dental Program Market Assessment was performed that resulted in an 11.9% decrease in premium cost, while also increasing the benefit level. Effective 1/1/19.
17. An Employee Assistance Program Market Assessment was performed that resulted in a change in vendor with an enhanced level of benefit and 8.6% in premium cost savings. Effective 1/1/19.
18. Performed a market evaluation for LIFE and made a carrier change to THE STANDARD. This resulted in a (30%) reduction in Basic Life. Effective 1/1/20.
19. FCSRMC engaged MERCER in an ongoing consulting arrangement as of 9/1/19.
20. Negotiated \$1.7 million in premium saving on Stop Loss effective 1/1/20.

**Information Item 5.b.
Miscellaneous**

**Operations Committee Members
as of January 24, 2020**

Florida College System Risk Management Consortium
OPERATIONS COMMITTEE MEMBERS

VOTING MEMBERS

Term Dates: Start: 06/01/18 End: 05/31/20

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 Currently serving the last year of the three-year term*

Term Dates: Start: 02/01/18 End: 01/31/21

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