

Florida Municipal Investment Trust 0–2 Year High Quality Bond Fund

Full Rating Report



Pool Features

Inception Date	4/1/09
Pool Type	Bond Fund
Investment Advisor	Atlanta Capital Management Company, LLC
Custodian	Wells Fargo Bank, N.A.
Investor Composition	100% Voluntary Pool Participants
Administrator	Florida League of Cities
Assets	\$189,000,000

Key Rating Drivers

High Credit Quality Portfolio: The Florida Municipal Investment Trust (FMIvT) 0–2 Year High Quality Bond Fund is currently invested in 100% ‘AAA’ rated securities consisting of U.S. Treasury and government agency securities and the senior-most tranches of asset-backed and mortgage-backed securities.

Low Sensitivity to Market Risk: While the portfolio is actively managed to meet a specified risk benchmark, its market risk is mitigated by the low-duration, high credit quality and liquid nature of the investments.

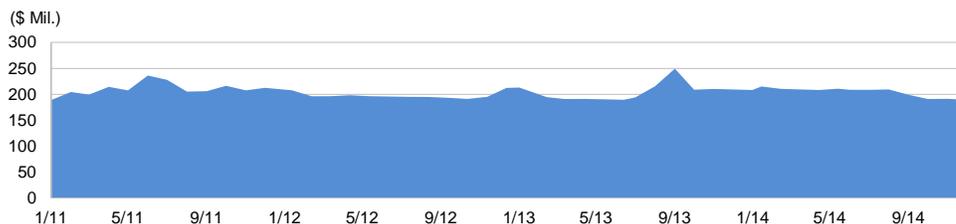
Strong Performance: Atlanta Capital Management’s (ACM) strong track record is illustrated by outperformance of the fund’s benchmark, the Bank of America (BoFA) Merrill Lynch (ML) One-Year Treasury Note Index, for the past three years.

Stable Investor Base: The fund is part of the broader FMIvT, an interlocal governmental entity that provides local governments in Florida with a diversified investment portfolio for pooled surplus capital. Membership is limited to agencies in or political subdivisions of the state of Florida. The fund is managed for the benefit of the Florida League of Cities, Inc.’s members.

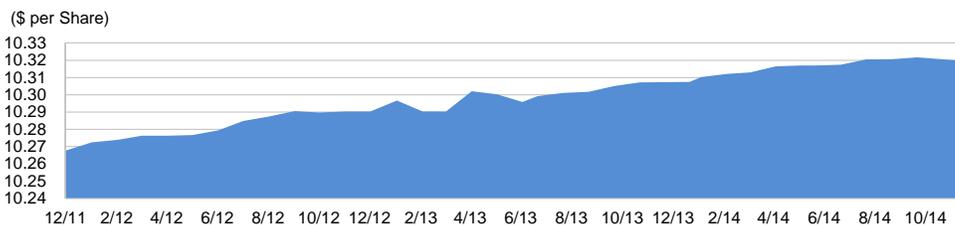
Appropriate Portfolio Management and Oversight: Portfolio oversight and operational controls are consistent with the ‘AAA/V1’ ratings. ACM has been an investment advisor to the Florida League of Cities, the administrator of the fund, since 1985, evidencing an extensive management track record.

Operational Framework: ACM uses both widely accepted industry systems and proprietary systems for portfolio management and administration. Operations provide decision-making tools for risk analysis and investment-allocation tools.

Assets Under Management



Historical Changes in Net Asset Value



Analysts

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Rating Rationale

The FMIvT 0–2 Year High Quality Bond Fund is rated 'AAA/V1' by Fitch Ratings, reflecting the high credit quality of portfolio assets and the low sensitivity to market risk. The fund is managed for the benefit of the Florida League of Cities' members and is operated to offer investors a high-quality, low-duration investment option.

The 'AAA' fund credit quality rating indicates the lowest vulnerability to losses as a result of asset defaults and is based on the actual and prospective average credit quality of the fund's investment portfolio. As such, the fund is expected to maintain a weighted average (WA) portfolio rating of 'AAA', taking into account certain adjustments for the reduced credit risk of short-term securities.

The 'V1' fund volatility rating reflects the sensitivity of the fund's net asset value (NAV) to changes in broad market risk factors including spreads, interest rates and certain other parameters. 'V1' fund volatility ratings reflect low sensitivity to market risk.

On a relative basis, total returns are expected to exhibit relative stability, performing consistently across a broad range of interest rate scenarios while offering low risk exposure to interest rates, credit spreads and other risk factors. As reflected by the volatility rating assigned to the fund, the longer maturity of invested assets relative to potential investor redemption activity may adversely affect the fund's NAV during periods of heightened stress.

While money market reform (Rule 2a-7) as adopted by the Securities Exchange Commission (SEC) on July 23, 2014 has created uncertainty for LGIPs and their investors, the FMIvT 0–2 Year High Quality Bond Fund is not managed to provide a stable NAV, making the impact of these changes nominal. Fitch's evaluation of the FMIvT 0–2 Year High Quality Bond Fund also considers the management and operational capabilities of ACM and the legal and regulatory framework under which the fund operates.

As of Dec. 31, 2014, the fund had approximately \$189 million in assets under management. As of the same date, the fund's NAV was \$10.31 per share. As of Dec. 31, the gross one-year return for the fund was 0.35%, as reported by Asset Consulting Group (ACG). The pool is measured against the BofA ML One-Year Treasury Note Index, which had a return of 0.18% for that same period. The net of fee return, as reported by ACG, was 0.12. Portfolio valuation reports are submitted to Fitch on a monthly basis.

Organizational Overview

Florida Municipal Investment Trust

The FMIvT 0–2 Year High Quality Bond Fund, which commenced operations on April 1, 2009, is part of the broader FMIvT, established on April 28, 1993 as an interlocal governmental entity to provide local governments in Florida with an investment vehicle to pool surplus capital and invest such funds into a diversified investment portfolio. Membership in the trust is limited to agencies in or political subdivisions of the state of Florida, which include, but are not limited to, the state, its agencies, counties, municipalities, special districts, school districts and other governmental entities.

The FMIvT consists of 11 funds of different investment disciplines totaling \$1.68 billion in assets. Six of the funds are fixed-income portfolios of varying maturity horizons. The other five funds are equity portfolios. The fund's net investment income is reinvested into the fund. Net income consists of interest income earned, changes in the market value of the investments and

Florida Municipal Investment Trust consists of 11 funds of different investment disciplines totaling \$1.68 billion in assets as of Dec. 31, 2014.

Related Research

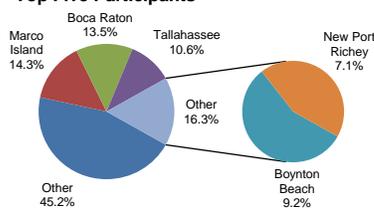
[Global Bond Fund Rating Criteria \(December 2014\)](#)

any other investment income earned less a proportionate share of expenses incurred or accrued.

The Florida League of Cities serves as administrator to the four fixed-income funds rated by Fitch, which are, in addition to the fund discussed in this report, the FMIvT 1–3 Year High Quality Bond Fund (AAA/V2), the FMIvT Intermediate High Quality Bond Fund (AAA/V3) and the FMIvT Broad Market High Quality Bond Fund (AA/V4).

FMIvT is governed by a board of trustees composed of no less than five members and no more than seven. The board consists of the president or the president’s appointee, the second VP of the Florida League of Cities and two members of the FMIvT. Three additional representatives may be elected by the board. In addition, an investment advisory committee composed of eight finance directors from across the state assists the administrator with developing and maintaining the investment guidelines and policies of the funds.

Top Five Participants



Note: Numbers may not add to 100% due to rounding.

Florida League of Cities

Florida League of Cities, the administrator of the fund, is a nonprofit organization established in 1922 to serve the interests of Florida cities. Headquartered in Tallahassee, FL, the Florida League of Cities has grown to include nearly all of Florida’s 411 municipalities as members.

Portfolio assets are held on behalf of the trust by the fund’s custodian, Wells Fargo Bank, N.A. The fund is subject to oversight, and an annual audit is performed by the investment advisory committee, the findings of which are publicly available on the Florida League of Cities’ website.

Atlanta Capital Management

Founded in 1969, ACM has been an investment advisor to the Florida League of Cities since 1985. ACM is a registered investment advisor that employs 47 individuals, including an investment staff of 13 equity professionals and three fixed-income professionals responsible for evaluating individual securities and constructing portfolios. ACM formally meets with the Florida League of Cities at least eight times a year. ACM is a majority-owned subsidiary of Eaton Vance Acquisitions, a wholly owned subsidiary of Eaton Vance Corp. As of Dec. 31, 2014, ACM managed approximately \$16.7 billion.

The fund is managed by James A. Womack, W. Bradford Buie and Kyle Johns.

James A. Womack, CFA joined ACM in 1994, is a managing director of fixed income and principal of ACM. His primary responsibilities include fixed-income portfolio management, research and trading.

W. Bradford Buie, CFA has primary responsibility in fixed-income portfolio management, research and trading. The executive, who joined ACM in 2009, is a VP and principal of ACM.

Kyle W. Johns, CFA joined ACM in 2007 and is VP and principal of the firm. His primary responsibilities include fixed-income portfolio management, research and trading.

Portfolio Investment Practices

The fund’s investment objective is to provide an investment option for those Florida League of Cities’ members that have excess moneys and money market instruments. The fund invests in a high-quality investment portfolio authorized by the fund’s board of trustees.

The fund is authorized to invest a maximum of 30% of the portfolio in repurchase agreements, provided counterparties of such repurchase agreements are rated at least ‘A/F1’ or the equivalent by Fitch. In addition, the fund only accepts collateral consisting of U.S. government

Atlanta Capital Management has \$16.7 billion in AUM and has been advising the pools since 1985. The company is majority owned by Eaton Vance Corp.

The fund invests 67% in U.S. agencies, with the balance in high-quality ABS securities.

securities overcollateralized by 102%. As of Dec. 31, 2014, the fund held no investments in repurchase agreements, nor does it plan to invest in repurchase agreements in the near future.

Contributions and redemptions can be made on the 15th and last business day of each month at the then-current NAV. As administrator, the Florida League of Cities must have written notification of redemptions five business days prior to the valuation of the portfolio.

Asset Credit Quality

Pursuant to its investment guidelines, the fund is permitted to invest in securities rated at least 'AAA' by Fitch or the equivalent. To accomplish this objective, the fund's board of trustees has authorized ACM, the fund's investment advisor, to invest only in:

- U.S. Treasury securities.
- Other obligations that, by their terms, are backed by the full faith and credit of the U.S. government.
- Securities issued by U.S. agencies and government-sponsored enterprises.
- Senior tranches of asset-backed securities (ABS) and mortgage-backed securities (MBS).
- Money market obligations, including CP, bankers' acceptances, repurchase agreements, reverse repurchase agreements, time deposits and money market accounts.
- Commingled investment funds.

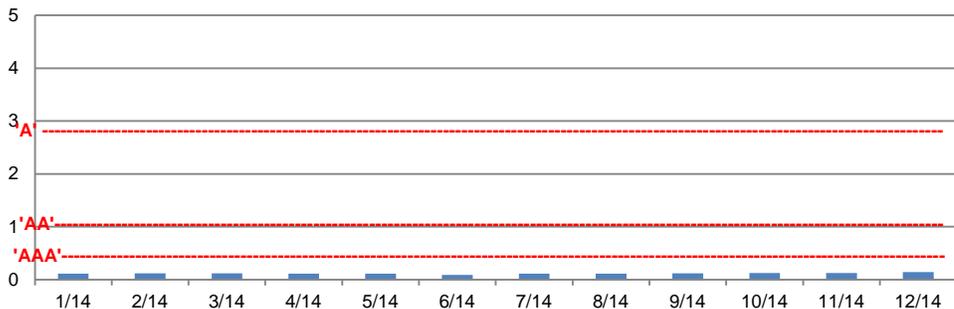
The fund must invest at least 30% of its assets in U.S. government securities. The portfolio may hold up to 5% in an individual trust of non-agency ABS/MBS.

As of Dec. 31, 2014, the fund was invested entirely in 'AAA' rated securities or securities backed by the full faith and credit of the U.S. government, with approximately 67% in U.S. Treasury and government agency securities. The remainder of the portfolio was composed of senior tranches of ABS backed by automobile loans/leases (25%), ABS backed by credit card receivables (2%), investments in other money market funds (2%) and ABS backed by equipment receivables (4%).

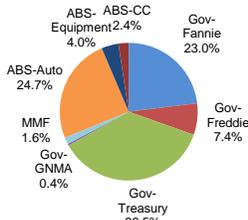
Weighted Average Rating Factor

Based on the portfolio credit quality and maturity profile as of Dec. 31, 2014, the fund's credit factors for securities in the portfolio maturing within 13 months were reduced in recognition of the lower default probability of such securities relative to longer-dated securities. As of Dec. 31, 2014, securities maturing in 13 months or less of their stated maturities represented approximately 330% of the portfolio.

Weighted Average Rating Factor



Portfolio Composition
(As of Dec. 31, 2014)



Note: Numbers may not add up to 100% due to rounding.

High credit quality; the portfolio is invested entirely in 'AAA' rated securities, and 33% of the portfolio matures in 13 months or less.

Top 10 Holdings

(As of Dec. 31, 2014)

Security	%	Security	%
U.S. Treasury	8.61	Treasury	3.97
U.S. Treasury	8.46	FNMA	2.49
U.S. Treasury	8.29	FNMA	2.40
U.S. Treasury	7.12	ABS-Auto	2.38
FNMA	5.29	ABS-Auto	2.28

FNMA – Fannie Mae.

Rating Distribution and Minimum Ratings

In evaluating the fund, Fitch also considered the fund's minimum asset ratings and the extent to which the fund may undertake a barbelled investment strategy. As of Dec. 31, 2014, the fund consisted entirely of long-term assets rated 'AAA' and short-term assets rated at least 'F1' or equivalent. The minimum ratings and absence of a barbelled investment strategy are viewed as consistent with the 'AAA' fund credit quality rating assigned to the fund.

Diversification

The fund invests a substantial part of its portfolio in U.S. government and agency securities. Fitch believes that concentration risk of such securities is limited given their high credit quality and liquidity. The fund's largest aggregated exposure to a nongovernment entity accounted for 2.4% of total assets as of Dec. 31, 2014.

Duration Management

The fund typically invests in securities with an average maturity of approximately one year. All securities, except for those described below, will have a final maturity of five and one-half years or less. However, investments in 'AAA' rated private label ABS, MBS or any other securities that do not have fixed maturity dates or fixed paydown schedules must meet the following additional maturity or price volatility restrictions, per the fund's investment policy:

- For securities with no fixed maturity date, the final maturity must be seven years or less, based on a reasonably expected payment rate.
- A security's price volatility, given the then-prevailing prepayment assumptions, as determined above, cannot exceed the price volatility of two and one-half years.

The fund's board of trustees has specified that the fund's modified duration is to be greater than 0.50 years but less than 1.25 years. The fund's duration is consistent with the applicable benchmark set by the investment policy, the BofA ML One-Year Treasury Note Index. Historically, the BofA ML One-Year Treasury Note Index modified duration has been approximately 1.0 year.

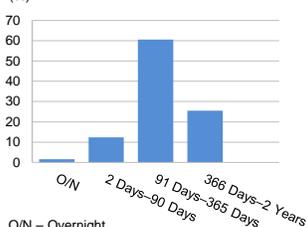
The modified duration of a security or portfolio is the ratio of the price change to the interest rate change. The higher the modified duration of a security or portfolio, the greater its price volatility in percentage terms for a given change in interest rates. As of Dec. 31, 2014, the duration of the fund was 0.72 years.

As of Dec. 31, 2014, the WA final maturity (WAMf) of all portfolio securities was 938 days, or 2.61 years. The WAMf reflects the asset WA number of the days to the final maturity of all portfolio assets and measures potential exposure to changes in credit spreads.

Short duration; the fund's modified duration is to be greater than 0.50 years but less than 1.25 years. The fund's duration is benchmarked against the Bank of America Merrill Lynch One-Year Treasury Note Index.

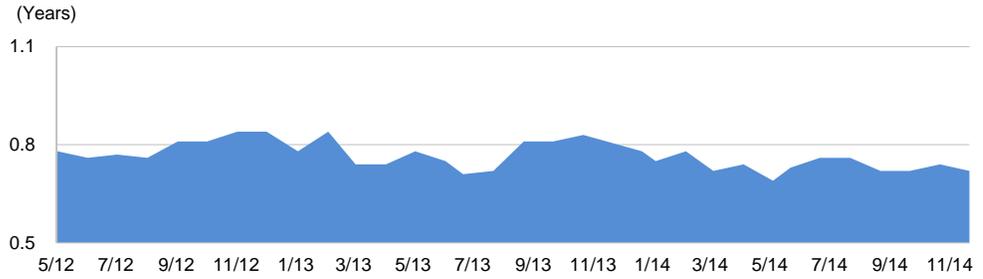
Current Portfolio Duration

(As of Dec. 31, 2014)
(%)



O/N – Overnight.

Historical Portfolio Duration



The fund holds a limited number of floating-rate securities, causing its WAMf to be roughly equal to the fund's WA maturity to reset date (WAMr). The WAMr is calculated as the WA number of the days to the interest rate resets of the floating-rate securities and reflects the fund's sensitivity to changes in short-term interest rates.

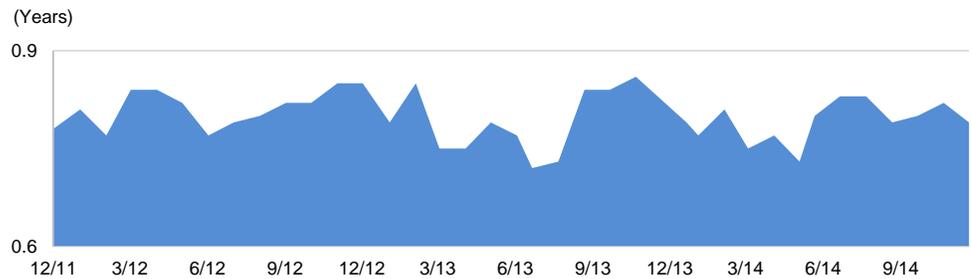
Limited liquidity risk; the fund does not offer daily liquidity and is not managed to provide stable NAV.

Liquidity Management

The fund's liquidity risk is mitigated by the historically liquid nature of investments in U.S. government securities and money market funds. As noted, this rating on the fund may be sensitive to any negative rating actions with respect to the U.S. government.

The fund does not offer daily liquidity, thereby substantially limiting liquidity risk. Redemptions are honored on the 15th and the last business day of each month, with written notification of redemptions five business days prior to the valuation of the portfolio. Liquidity, if needed, is provided at the marked-to-market NAV. The fund is not managed to provide a stable NAV.

Portfolio Weighted Average Life



Fund contributions and withdrawals for 2014 represented a net outflow of \$16.2 million.

Operational Assessment

✓ Pass

● Attention required

x Fail

Service Providers

Custodian ✓ Wells Fargo Bank, N.A.

Investment Advisor ✓ Atlanta Capital Management, Co.

Administrator ✓ Florida League of Cities, Inc.

Auditors ✓ Shorstein & Shorstein CPA.

Stability in Service Providers ✓ Unchanged since inception of the fund.

Regulation and Governance

Governance ✓ The board is composed of no less than five members and no more than seven and consists of the president or president's appointee and the second VP of the Florida League of Cities, plus two members of the Florida Municipal Insurance Trust. Three additional representatives may be elected by the board of trustees. In addition, an investment advisory committee consisting of eight finance directors from across the state assists the administrator with developing and maintaining the investment guidelines and policies of the fund. ACM meets with the League of Cities a minimum of four times a year, although it typically meets nine times a year.

Control Framework ✓ Compliance controls are in place to ensure adherence with investment guidelines.

Operations

Pricing Responsibility ✓ Marked to market on a daily basis, IDC, Portia, BondEdge and QED.

Technology ✓ Charles River CRD and Bloomberg.

Back-Office Reconciliations ✓ Holdings and cash are reconciled daily between the manager and administrator.

Investments

Investment Objective ✓ To provide an alternative for those members of the Florida League of Cities (local government) who have excess moneys and investment horizons greater than those offered by money market instruments.

Composition ✓ Minimum 30% of fund's assets must be invested in U.S. Treasury and government agency securities; Maximum of 50% may be invested in mortgage securities including CMOs. Maximum of 40% may be invested in ABS, maximum of 30% in reverse repos and/or other forms of leverage prohibited from having corporate exposure. Maximum of 5% in individual trusts of ABS and non-agency CMOs.

Liquidity Management ✓ Daily subscription and redemptions by 4pm.

Withdrawal Requirements ✓ Contributions and redemptions are only accepted on the 15th and last day of each month at then-current NAV, for which the Florida League of Cities must have advance written notification of five business days prior to the valuation of the portfolio.

Disclosure and Transparency

Clear Strategy Representation ✓ The fund has a broad mandate, but investment policy is posted on website.

Level of Disclosure ✓ Good level of transparency: website (www.floridaleagueofcities.com) contains monthly factsheets, monthly manager commentary, top holdings and various performance metrics.

CMO – Collateralized mortgage obligation. NAV – Net asset value. ACM – Atlanta Capital Management. IDC – Interactive Data Corp.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

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Florida Municipal Investment Trust 1–3 Year High Quality Bond Fund

Full Rating Report



Key Rating Drivers

High Credit Quality Portfolio: Florida Municipal Investment Trust (FMIvT) 1–3 Year High Quality Bond Fund invests primarily in U.S. Treasury and government agency securities and the senior most tranches of asset-backed securities (ABS) and mortgage-backed securities (MBS).

Low Sensitivity to Market Risk: While the portfolio is actively managed to meet a specified risk benchmark, market risk is mitigated by low duration, as well as the high credit quality and liquid nature of the majority of the investments.

Strong Performance: Atlanta Capital Management Company, LLC’s (ACM) strong track record is illustrated by outperformance of the fund’s benchmark, the Bank of America (BoFA) Merrill Lynch (ML) 1–3 Year Government Index, for the past three years.

Stable Investor Base: The fund is part of the broader FMIvT, an interlocal governmental entity that provides local governments in Florida with a diversified investment portfolio for pooled surplus capital. Membership is limited to agencies in or political subdivisions of the state of Florida. The fund is managed for the benefit of Florida League of Cities, Inc.’s members.

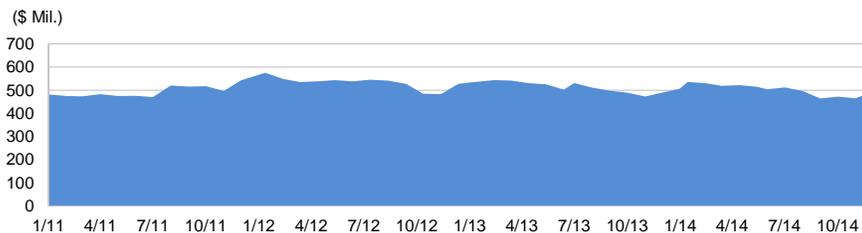
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Operational Framework: ACM uses both widely accepted industry systems and proprietary systems for portfolio management and administration. Operations provide decision-making tools for risk analysis and investment-allocation tools.

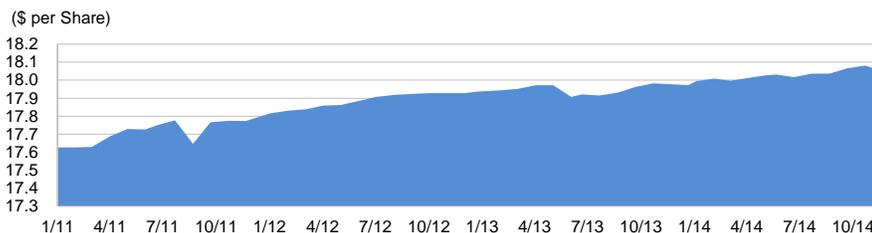
Pool Features

Inception Date	10/1/95
Pool Type	Bond Fund
Investment Advisor	Atlanta Capital Management Company, LLC
Custodian	Wells Fargo Bank, N.A.
Investor Composition	100% Voluntary Pool Participants
Administrator	Florida League of Cities
Assets	\$491,600,000

Asset under Management



Net Asset Value



Analysts

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Rating Rationale

FMIvT 1–3 Year High Quality Bond Fund is rated 'AAA/V2' by Fitch Ratings, reflecting the high credit quality of portfolio assets and the low sensitivity to market risk. The fund is managed for the benefit of the Florida League of Cities, Inc.'s members and is operated to offer investors a high quality, low duration investment option.

The 'AAA' fund credit quality rating indicates the lowest vulnerability to losses as a result of defaults in a bond fund portfolio and is based on the actual and prospective average credit quality of the fund's investment portfolio. As such, the fund is expected to maintain a weighted-average portfolio rating of 'AAA', taking into account certain adjustments for the reduced credit risk of short-term securities.

The 'V2' fund volatility rating reflects the sensitivity of the fund's net asset value (NAV) to changes in broad market risk factors, including spreads, interest rates and certain other parameters. 'V2' fund volatility ratings are considered to have low sensitivity to market risk.

On a relative basis, total returns are expected to exhibit relative stability, performing consistently across a broad range of interest rate scenarios while offering low risk exposure to interest rates, credit spreads and other risk factors. As reflected by the volatility rating assigned to the fund, the longer maturity of invested assets relative to potential investor redemption activity may adversely affect the fund's NAV during periods of heightened stress.

While money market reform (Rule 2a-7) as adopted by the Securities Exchange Commission (SEC) on July 23, 2014 has created uncertainty for LGIPs and their investors, the FMIvT 1–3 Year High-Quality Bond Fund is not managed to provide a stable NAV, making the impact of these changes nominal. Fitch's evaluation of FMIvT 1–3 Year High Quality Bond Fund also considers the management and operational capabilities of ACM and the legal and regulatory framework under which the fund operates.

As of Dec. 31, 2014, the fund had approximately \$491.6 million in assets under management. As of the same date, the fund's NAV was \$18.05 per share. As of Dec. 31, 2014, the gross one-year return for the fund was 0.65%, as reported by Asset Consulting Group (ACG). The pool is measured against the BofA ML 1–3 Year Government Index, which had a return of 0.63% for that same period. The net of fee return, as reported by ACG, was 0.44%. Portfolio valuation reports are submitted to Fitch on a monthly basis.

Organizational Overview

Florida Municipal Investment Trust

FMIvT 1–3 Year High Quality Bond Fund commenced its operations on July 1, 1996 and is part of the broader FMIvT, which was established on April 28, 1993 as an interlocal governmental entity to provide local governments in Florida with an investment vehicle to pool surplus capital and to invest such funds into a diversified investment portfolio.

Membership in the trust is limited to agencies in or political subdivisions of the state of Florida, which include, but are not limited to, the state, its agencies, counties, municipalities, special districts, school districts and other governmental entities. The fund's net investment income is reinvested into the fund. Net income consists of interest income earned, changes in the market value of the investments and any other investment income earned less a proportionate share of expenses incurred or accrued.

Florida Municipal Investment Trust consists of 10 funds of different investment disciplines totaling \$1.68 billion in assets.

Related Research

[Global Bond Fund Rating Criteria \(December 2014\)](#)

FMLvT consists of 11 funds of different investment disciplines totaling \$1.68 billion in assets. Six of the funds are fixed-income portfolios of varying maturity horizons. The other five funds are equity portfolios.

The Florida League of Cities serves as administrator to the four fixed-income funds rated by Fitch, which are, in addition to the fund discussed in this report, the FMLvT 0–2 Year High Quality Bond Fund (AAA/V1), the FMLvT Intermediate High Quality Bond Fund (AAA/V3), and the FMLvT Broad Market High Quality Bond Fund (AA/V4).

FMLvT is governed by a board of trustees composed of no less than five members and no more than seven. The board of trustees consists of the president or the president’s appointee and the second vice president of Florida League of Cities, plus two members of FMLvT. Three additional representatives may be elected by the board of trustees. In addition, an investment advisory committee composed of eight finance directors from across the state assists the administrator with developing and maintaining the investment guidelines and policies of the funds.

Florida League of Cities

Florida League of Cities, the administrator of the fund, is a nonprofit organization established in 1922 to serve the interests of Florida cities. Headquartered in Tallahassee, FL, the Florida League of Cities has grown to include nearly all of Florida’s 411 municipalities as members.

Portfolio assets are held on behalf of the trust by the fund’s custodian, Wells Fargo Bank, N.A. The fund is subject to oversight by the investment advisory committee. The findings of an annual audit performed by the committee are publicly available and can be found on the Florida League of Cities website.

Atlanta Capital Management

Founded in 1969, ACM has been an investment advisor to the Florida League of Cities since 1985. ACM is a registered investment advisor that employs 47 individuals, including an investment staff of 13 equity professionals and three fixed-income professionals responsible for evaluating individual securities and constructing portfolios. ACM formally meets with the Florida League of Cities at least eight times a year. ACM is a majority-owned subsidiary of Eaton Vance Acquisitions, a wholly owned subsidiary of Eaton Vance Corp. As of Dec. 31, 2014, ACM managed approximately \$16.7 billion.

The fund is managed by W. Bradford Buie, James A. Womack and Kyle Johns.

W. Bradford Buie’s primary responsibilities include fixed-income-related portfolio management, research and trading. He is a VP and principal of the firm and joined ACM in 2009.

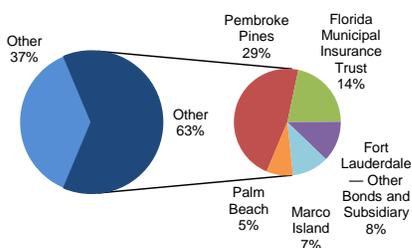
James A. Womack is a managing director of fixed income and principal of the firm. His primary responsibilities include fixed-income portfolio management, research and trading. He joined ACM in 1994.

Kyle. W. Johns, CFA joined ACM in 2007 and is VP and principal of the firm. His primary responsibilities include fixed-income portfolio management, research, and trading.

Portfolio Investment Practices

The fund’s investment objective is to provide an investment option for those Florida League of Cities’ members that have excess moneys and investment horizons greater than those offered by money market instruments. The fund invests in a high quality investment portfolio authorized by the funds’ board of trustees. Contributions and redemptions can be made on the 15th and last business day of

Top Five Participants
(%)



ACM has \$16.7 billion in AUM and has been advising the pools since 1985. The company is majority owned by Eaton Vance Corp.

The fund invests 68.6% in U.S. agencies, with the balance in high quality ABS securities.

each month at the then-current NAV. As administrator, the Florida League of Cities must have written notification of redemptions five business days prior to the valuation of the portfolio.

The fund is authorized to invest in repurchase agreements, provided counterparties of such repurchase agreements are rated at least 'A/F1' by Fitch or an equivalent ratings agency. In addition, the fund only accepts collateral consisting of U.S. government securities overcollateralized by 102%. As of Dec. 31, 2014, the fund held no investments in repurchase agreements, nor does it plan to invest in repurchase agreements in the near future.

Asset Credit Quality

Pursuant to its investment guidelines, the fund is permitted to invest in securities that are rated at least 'AAA' by Fitch or an equivalent. To accomplish this objective, the fund's board of trustees has authorized ACM, the fund's investment advisor, to invest only in:

- U.S. Treasury securities.
- Other obligations that, by their terms, are backed by the full faith and credit of the U.S. government.
- Securities issued by U.S. agencies and government-sponsored enterprises.
- Senior tranches of ABS and MBS.
- Money market obligations, including commercial paper, bankers' acceptances, repurchase agreements, reverse repurchase agreements, time deposits and money market accounts.
- Taxable municipal debt obligations and guaranteed investment contracts issued by insurance companies.

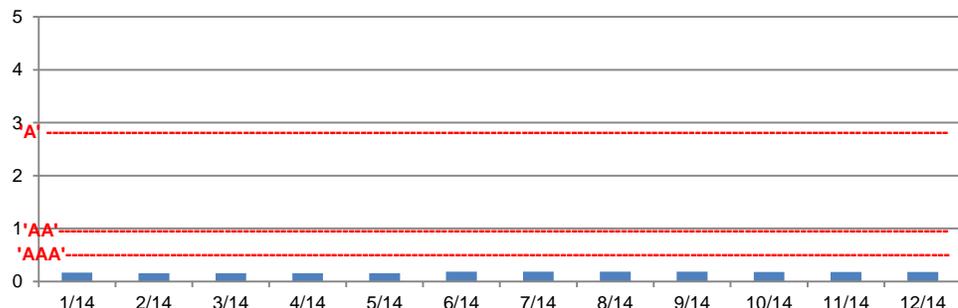
The fund must invest at least 30% of its assets in U.S. government securities. The portfolio may hold up to 5% in an individual trust of non-agency ABS/MBS.

As of Dec. 31, 2014, the fund was invested entirely in 'AAA' rated securities or securities backed by the full faith and credit of the U.S. government, with approximately 67% in U.S. Treasury and government agency securities. The remainder of the portfolio was composed of senior tranches of ABS backed by automobile loans/leases (21%), ABS backed by credit card receivables (6%), ABS backed by equipment receivables (45%), and cash (2%).

Weighted Average Rating Factor

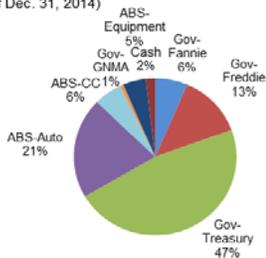
Based on the portfolio credit quality and maturity profile as of Dec. 31, 2014, the fund's weighted average (WA) rating factor was consistent with an 'AAA' fund credit quality rating. The credit factors for securities maturing within 13 months were reduced, in recognition of the lower default probability of such securities relative to longer-dated securities. As of Dec. 31, 2014, securities maturing in 13 months or less of their stated final maturities represented approximately 6.8% of the portfolio.

Weighted-Average Rating Factor



Portfolio Composition

(As of Dec. 31, 2014)



Note: Numbers may not add to 100% due to rounding.

High credit quality; the portfolio is invested entirely in 'AAA' rated securities, and 6.8% of the portfolio matures in 13 months or less.

Rating Distribution and Minimum Ratings

In evaluating the fund, Fitch also considered the fund's minimum asset ratings, as well as the extent to which the fund may undertake a barbelled investment strategy. As of Dec. 31, 2014, the fund consisted entirely of long-term assets rated 'AAA' and short-term assets rated at least 'F1' or equivalent. The minimum ratings and absence of a credit barbelled investment strategy are viewed as consistent with the 'AAA' fund credit quality rating assigned to the fund.

Diversification

The fund invests a substantial part of its portfolio in U.S. government and agency securities. Fitch believes that concentration risk of such investments is limited given their high credit quality and liquidity. The fund's largest aggregated exposure to a nongovernment entity accounted for 2.5% of total assets as of Dec. 31, 2014.

Duration Management

The fund typically invests in securities with an average maturity of approximately two years. However, investments in 'AAA' rated private label ABS, MBS or any other securities that do not have fixed maturity dates or fixed paydown schedules must meet the following additional maturity or price volatility restrictions per their investment policy:

- For securities with no fixed maturity date, the final maturity must be seven years or less, based on a reasonably expected payment rate or the price volatility cannot be greater than two times that of the BofA Merrill Lynch 1–3 Year Government Index.

The fund's board of trustees has specified that the fund's modified duration is to be greater than one year, but less than 130% of the duration of the BofA Merrill Lynch 1–3 Year Government Index.

Historically, the benchmark index's modified duration has been approximately 1.67 years. The fund is expected to maintain a modified duration in the range of 1.00 years–2.25 years.

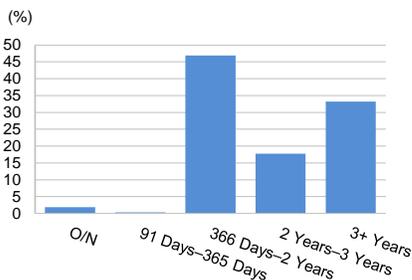
The modified duration of a security or portfolio is the ratio of the price change to the interest rate change. The higher the modified duration of a security or portfolio, the greater its price volatility in percentage terms for a given change in interest rates. As of Dec. 31, 2014, the duration of the fund was 1.41 years.

As of Dec. 31, 2014, the weighted-average final maturity (WAMf) of all portfolio securities was 1,100 days, or 3.06 years. WAMf reflects the asset WA number of days to the final maturity of all portfolio assets and measures potential exposure to changes in credit spreads. The WA life of the portfolio as of that same date is approximately 1.4 years, or 522 days.

Short duration; the fund's modified duration is to be greater than 1.00 year but less than 2.25 years. The fund's duration is benchmarked against the Bank of America Merrill Lynch 1–3 Year Government Index.

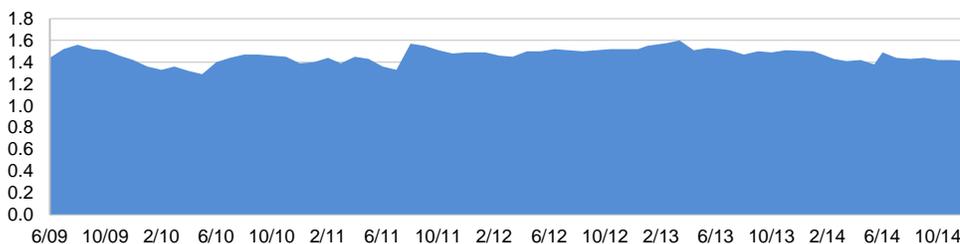
Current Portfolio Maturity

(As of Dec. 31, 2014)



Historical Portfolio Duration

(Years)



The fund holds no floating-rate securities, causing its WAMf to be equal to the fund's WA maturity to reset date (WAMr). WAMr is calculated as the asset WA number of the days to the interest rate resets of the floating-rate securities and reflects the fund's sensitivity to changes in short-term interest rates.

Liquidity Management

Limited liquidity risk; the fund does not offer daily liquidity, and is not managed to provide stable NAV.

The fund's liquidity risk is mitigated by the historically liquid nature of investments in U.S. government securities and money market funds. As previously noted, this rating on the fund may be sensitive to any negative rating actions with respect to the U.S. government.

The fund does not offer daily liquidity, thereby substantially limiting liquidity risk. Redemptions are honored on the 15th and the last business day of each month with written notification of redemptions five business days prior to the valuation of the portfolio. Liquidity, if needed, is provided at the marked-to-market NAV. The fund is not managed to provide a stable NAV.

Fund contributions and withdrawals for 2014 represented a net outflow of approximately \$15 million.

Portfolio Weighted Average Life



Operational Assessment

✓ Pass

● Attention required

x Fail

Service Providers

Custodian	✓ Wells Fargo Bank, N.A.
Investment Advisor	✓ Atlanta Capital Management, Co.
Administrator	✓ Florida League of Cities, Inc.
Auditors	✓ Shorstein & Shorstein CPA.
Stability in Service Providers	✓ Unchanged since inception of the fund.

Regulation and Governance

Governance	✓ The board is composed of no less than five members and no more than seven and consists of the president or president's appointee and the second VP of the Florida League of Cities plus two members of the Florida Municipal Insurance Trust. Three additional representatives may be elected by the board of trustees. In addition, an investment advisory committee composed of eight finance directors from across the state assists the administrator with developing and maintaining the investment guidelines and policies of the fund. ACM meets with the League of Cities a minimum of four times a year, although it typically meets nine times a year.
Control Framework	✓ Compliance controls are in place to ensure adherence with investment guidelines.

Operations

Pricing Responsibility	✓ Marked to market on a daily basis, IDC.
Technology	✓ Charles River CRD, Bloomberg, Portia, BondEdge and QED.
Back-Office Reconciliations	✓ Holdings and cash are reconciled daily between the manager and administrator.

Investments

Investment Objective	✓ To provide an alternative for those members of the Florida League of Cities (local government) who have excess moneys and investment horizons greater than those offered by money market instruments.
Composition	✓ Minimum 30% of the fund's assets must be invested in U.S. Treasury and government agency securities; up to 75% of its assets in U.S. Treasury and government agency securities; maximum of 50% invested in mortgage securities including CMOs. Maximum of 30% in ABS; max of 30% in reverse repos and/or other forms of leverage. Prohibited from having corporate exposure.
Liquidity Management	✓ subscription and redemptions by 4pm.
Withdrawal Requirements	✓ Contributions and redemptions are only accepted on the 15th and last day of each month at current NAV, for which the Florida League of Cities must have advance written notification of five business days prior to the valuation of the portfolio.

Disclosure and Transparency

Clear Strategy Representation	✓ The fund has a broad mandate, but investment policy is posted on website.
Level of Disclosure	✓ Good level of transparency: website (www.floridaleagueofcities.com) contains monthly factsheets, monthly manager commentary, top holdings and various performance metrics.

CMO – Collateralized mortgage obligation. NAV – Net asset value. ACM – Atlanta Capital Management. IDC – Interactive Data Corp.

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Florida Municipal Investment Intermediate High Quality Bond Fund

Full Rating Report



Pool Features

Inception Date	10/1/95
Pool Type	Bond Fund
Investment Advisor	Atlanta Capital Management Company, LLC
Custodian	Wells Fargo Bank, N.A.
Investor Composition	100% Voluntary Pool Participants
Administrator	Florida League of Cities
Assets	\$281,750,000

Key Rating Drivers

High Credit Quality Portfolio: The Florida Municipal Investment Trust (FMIvT) Intermediate High Quality Bond Fund invests primarily in U.S. Treasury and government agency securities, the senior most tranches of asset-backed securities (ABS) and mortgage-backed securities (MBS) and highly rated corporate debt.

Moderate Market Risk: While the portfolio is actively managed to meet a specified index, market risk is mitigated by the high credit quality and liquid nature of the majority of the investments.

Strong Performance: Atlanta Capital Management Company, LLC's (ACM) strong track record is illustrated by the management of the fund in line with the Barclays Capital Intermediate Government/Credit (ex-Baa) + ABS + MBS Index.

Stable Investor Base: The fund is a part of the broader FMIvT, an interlocal governmental entity that provides local governments in Florida with a diversified investment portfolio for pooled surplus capital. Membership is limited to agencies in or political subdivisions of the state of Florida. The fund is managed for the benefit of Florida League of Cities, Inc.'s members.

Appropriate Portfolio Management/Oversight: Portfolio oversight and operational controls are consistent with the 'AAA/V3' ratings. ACM has been an investment advisor to Florida League of Cities, the administrator of the fund, since 1985, evidencing an extended management track record.

Operational Framework: ACM uses both widely accepted industry systems and proprietary systems for portfolio management and administration. Operations provide decision-making tools for risk analysis and investment-allocation tools.

Assets Under Management



Historical Net Asset Value



Analysts

Gwen Fink-Stone, JD
 +1 212 908-9128
gwen.fink-stone@fitchratings.com

Ian Rasmussen
 +1 212 908-9132
ian.rasmussen@fitchratings.com

Rating Rationale

FMLvT Intermediate High Quality Bond Fund is rated 'AAA/V3' by Fitch Ratings, reflecting the credit quality of portfolio assets and the moderate sensitivity to market risk. The fund is managed for the benefit of Florida League of Cities' members and offers its members an alternative of a high quality investment with slightly longer duration.

The 'AAA' fund credit rating indicates the lowest vulnerability to losses as a result of defaults in a bond fund portfolio and is based on the actual and prospective average credit quality of the fund's investment portfolio. As such, the fund is expected to maintain a weighted average (WA) portfolio rating of 'AAA', taking into account certain adjustments for the reduced credit risk of short-term securities.

The 'V3' fund volatility rating reflects the sensitivity of the fund's net asset value (NAV) to changes in broad market risk factors, including spreads, interest rates and certain other parameters. 'V3' fund volatility ratings are considered to have moderate sensitivity to market risk.

On a relative basis, total returns are expected to exhibit relative stability, performing consistently over medium- to long-term holding periods, but exhibit some variability over shorter periods due to greater exposure to interest rates, credit spreads and other risk factors. As reflected by the volatility rating assigned to the fund, the longer maturity of invested assets relative to potential investor redemption activity may adversely affect the fund's NAV during periods of heightened stress.

While money market reform (Rule 2a-7) as adopted by the Securities Exchange Commission on July 23, 2014 has created uncertainty for LGIPs and their investors, the FMLvT Intermediate High Quality Bond Fund has not managed to provide a stable NAV, making the impact of these changes nominal. Fitch's evaluation of the FMLvT Intermediate High Quality Bond Fund also considers the management and operational capabilities of ACM and the legal and regulatory framework under which the fund operates.

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As of Dec. 31, 2014, the fund had approximately \$281 million in assets under management. As of the same date, the fund's NAV was \$22.51 per share. As of Dec. 31, 2014, the gross one-year return for the fund was 3.8%, as reported by Asset Consulting Group (ACG). The pool is measured against the Barclays Capital High Quality Intermediate Aggregate Index, which had a return of 4.04% for that same period. The net of fee return, as reported by ACG, was 3.54%. Portfolio valuation reports are submitted to Fitch on a monthly basis.

Organizational Overview

Florida Municipal Investment Trust

FMLvT Intermediate High Quality Bond Fund, which commenced operations on July 1, 1996, is a part of the broader FMLvT, established on April 28, 1993 as an interlocal governmental entity to provide local governments in Florida with an investment vehicle to pool surplus capital and invest such funds into a diversified investment portfolio. Membership in the trust is limited to agencies in or political subdivisions of the state of Florida, which include, but are not limited to, the state, its agencies, cities, counties, school districts and special districts.

FMLvT is composed of 11 funds of different investment disciplines totaling \$1.68 billion in assets. Six of the funds are fixed-income portfolios of varying maturity horizons. The other five

Florida Municipal Investment Trust is composed of 11 funds of different investment disciplines totaling \$1.68 billion in assets as of Dec. 31, 2014.

Related Research

[Global Bond Fund Rating Criteria \(December 2014\)](#)

funds are equity portfolios. The fund's net investment income is reinvested into the fund. Net income consists of interest income earned, changes in the market value of the investments and any other investment income earned less a proportionate share of expenses incurred or accrued.

Florida League of Cities serves as administrator to the four fixed-income funds rated by Fitch, which are, in addition to the fund discussed in this report, the FMIvT 0–2 Year High Quality Bond Fund (AAA/V1), FMIvT 1–3 Year High Quality Bond Fund (AAA/V2) and the FMIvT Broad Market High Quality Bond Fund (AA/V4).

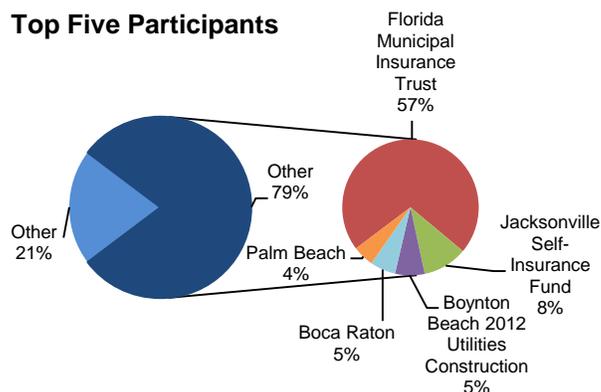
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Florida League of Cities, the administrator of the fund, is a nonprofit organization established in 1922 to serve the interests of Florida cities. Headquartered in Tallahassee, Florida League of Cities has grown to include nearly all of Florida's 411 municipalities as members.

Portfolio assets are held on behalf of the trust by the fund's custodian, Wells Fargo Bank, N.A. The fund is subject to oversight by the investment advisory committee. The findings of an annual audit performed by the committee are publicly available and can be found on the Florida League of Cities' website.

Top Five Participants



Note: Numbers may not add to 100% due to rounding.

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Founded in 1969, ACM has been an investment advisor to the Florida League of Cities since 1985. ACM is a registered investment advisor that employs 47 individuals, including an investment staff of 13 equity professionals and three fixed-income professionals responsible for evaluating individual securities and constructing portfolios. ACM formally meets with the Florida League of Cities at least eight times a year. ACM is a majority-owned subsidiary of Eaton Vance Acquisitions, a wholly owned subsidiary of Eaton Vance Corp. As of Dec. 31, 2014, ACM managed approximately \$16.7 billion.

The fund is managed by James A. Womack, W. Bradford Buie and Kyle Johns.

James A. Womack, CFA joined ACM in 1994, is a managing director of fixed income and principal of ACM. His primary responsibilities include fixed-income portfolio management, research and trading.

W. Bradford Buie, CFA has primary responsibility in fixed-income portfolio management, research and trading. The executive, who joined ACM in 2009, is a VP and principal of ACM.

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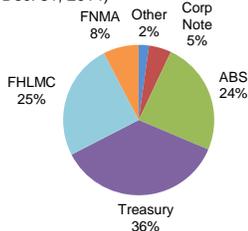
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The fund is authorized to invest in repurchase agreements, provided counterparties of such repurchase agreements are rated at least 'A/F1' by Fitch or equivalent. In addition, the fund only accepts collateral consisting of U.S. government securities overcollateralized by 102%. As of Dec. 31, 2014, the fund held no investments in repurchase agreements, nor does it plan to invest in repurchase agreements in the near future.

The fund invests 69% in U.S. Treasury and agencies, with the balance in high quality asset-backed and corporate securities.

Portfolio Composition (As of Dec. 31, 2014)



Note: Numbers may not add up to 100% due to rounding.

Asset Credit Quality

Pursuant to its investment guidelines, the fund is permitted to invest in securities rated at least 'A' by Fitch or equivalent. To accomplish this objective, the fund's board of trustees has authorized ACM, the fund's investment advisor, to invest only in:

- U.S. Treasury securities.
- Other obligations that, by their terms, are backed by the full faith and credit of the U.S. Securities issued by U.S. agencies and government-sponsored enterprises.
- Senior tranches of ABS and MBS.
- Money market obligations, including commercial paper, bankers' acceptances, repurchase agreements, reverse repurchase agreements, time deposits and money market accounts.
- Corporate debt obligations.
- Taxable municipal debt obligations and guaranteed investment contracts (GICs) issued by insurance companies.

The fund must invest at least 30% of its assets in U.S. government securities. The portfolio may hold up to 5% in an individual trust of non-agency ABS/MBS. Additionally, the portfolio may hold up to 3% at the time of purchase and 5% of the portfolio value in corporate securities of an individual issuer.

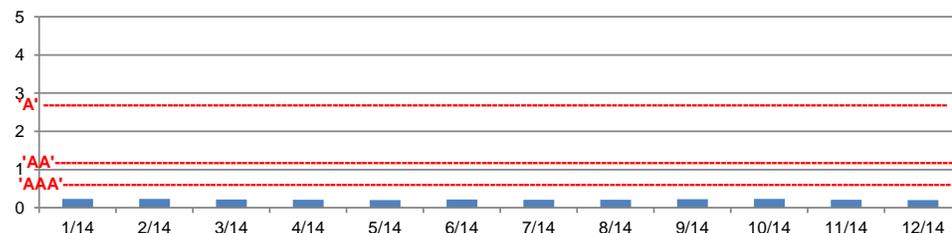
As of Dec. 31, 2014, the fund was invested largely in 'AAA' rated securities or securities backed by the full faith and credit of the U.S. government, with approximately 69.2% in U.S. Treasury and government agency securities. The remainder of the portfolio was composed of senior tranches of ABS backed by automobile loans/leases (13.5%), corporate notes (3.9%), ABS backed by equipment receivables (8.9%), ABS backed by credit card receivables (2.1%), and investments in other money market funds (2.2%).

Weighted Average Rating Factor

Based on the portfolio credit quality and maturity profile as of Dec. 31, 2014, the fund's WA rating factor was consistent with an 'AAA' fund credit rating. The credit factors for portfolio securities maturing within 13 months were reduced, in recognition of the lower default probability of such securities relative to longer dated securities. As of Dec. 31, 2014, securities maturing in 13 months or less of their stated final maturities represented approximately 9.9% of the portfolio.

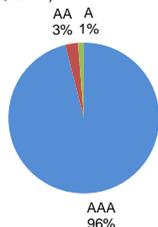
High credit quality; the portfolio is invested largely in 'AAA' rated securities, and 9.9% of the portfolio matures in 13 months or less.

Weighted Average Rating Factor



Rating Distribution

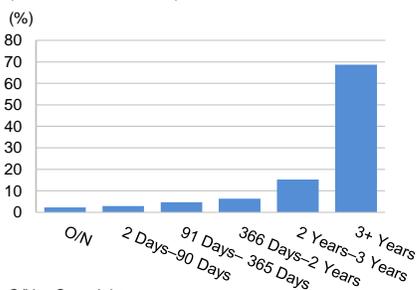
(As of Dec. 31, 2014)



Note: Numbers may not add to 100% due to rounding.

Current Portfolio Maturity

(As of Dec. 31, 2014)



O/N – Overnight.

Short duration; the fund's modified duration is to be no less than 70% of its benchmark and no greater than 4.5 years. The fund's duration is benchmarked against the Barclays Capital Intermediate Government/Credit (Ex-Baa) + ABS + MBS Index.

Rating Distribution and Minimum Ratings

In evaluating the fund, Fitch also considered the fund's minimum asset ratings, as well as the extent to which the fund may undertake a barbelled investment strategy. As of Dec. 31, 2014, the fund largely consisted of long-term assets rated a least 'A' and short-term assets rated at least 'F1' or equivalent. The minimum ratings and absence of a credit barbelled investment strategy are viewed as consistent with the 'AAA' fund credit rating assigned to the fund.

Diversification

The fund invests a substantial part of its portfolio in U.S. government and agency securities. Fitch believes that concentration risk of such investments is limited given their high credit

Top Ten Holdings

(As of Dec. 31, 2014)

Security	(%)	Security	(%)
U.S. TREASURY	5.17	FHLMC	3.31
U.S. TREASURY	4.57	FHLMC	3.08
U.S. TREASURY	4.41	U.S. TREASURY	3.02
U.S. TREASURY	3.55	FHLMC	2.90
FHLMC	3.54	U.S. TREASURY	2.84

FHLMC – Freddie Mac.

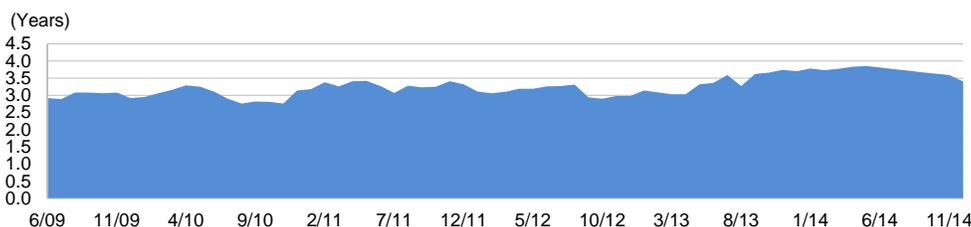
quality and liquidity. The fund's largest aggregated exposure to a nongovernment entity accounted for 2.5% of total assets as of Dec. 31, 2014.

Duration Management

The fund typically invests in securities with an average maturity of approximately five years. However, investments in 'AAA' rated private label ABS, MBS or any other securities that do not have fixed maturity dates or fixed paydown schedules that must meet the following additional maturity or price volatility restrictions, per the fund's investment policy:

- For securities with no fixed maturity date, the expected final maturity must be 11 years or less, based on a reasonably expected prepayment rate.
- For securities without fixed paydown schedules, price volatility cannot be greater than two times that of the Barclays Capital Intermediate Government/Credit (Ex-Baa) + ABS + MBS Index, based on a reasonably expected prepayment rate.

Historical Portfolio Duration



The fund’s board of trustees has specified that the fund’s modified duration will be equal to that of the Barclays Capital Intermediate Government/Credit (Ex-Baa) + ABS + MBS Index plus or minus 30% but no greater than 4.5. The fund is expected to maintain a modified duration in the range of 2.55 years–4.50 years. The modified duration of a security or portfolio is the ratio of the price change to the interest rate change. The higher the modified duration of a security or portfolio, the greater its price volatility in percentage terms for a given change in interest rates. As of Dec. 31, 2014, the duration of the fund was 3.4 years.

As of Dec. 31, 2014, the WA final maturity (WAMf) of all portfolio securities was 2,789 days, or 7.7 years. WAMf reflects the asset WA number of the days to the final maturity of all portfolio assets and measures potential exposure to changes in credit spreads.

The fund holds a limited number of floating-rate securities, causing its WAMf to be roughly equal the fund’s WA maturity to reset date (WAMr). WAMr is calculated as the asset WA number of the days to the interest rate resets of the floating-rate securities and reflects the fund’s sensitivity to changes in short-term interest rates.

Historical Portfolio Weighted Average Life



Liquidity Management

The fund’s liquidity risk is mitigated by the historically liquid nature of investments in U.S. government securities (68.6% as of Dec. 31, 2014) and money market funds (2.2% as of Dec. 31, 2014). As noted, this rating on the fund may be sensitive to any negative rating actions with respect to the U.S. government.

The fund does not offer daily liquidity, thereby substantially limiting liquidity risk. Redemptions are honored on the last business day of each month with written notification of redemptions five business days prior to the valuation of the portfolio. Liquidity, if needed, is provided at the marked to market NAV. The fund is not managed to provide a stable NAV.

Fund contributions and withdrawals for 2014 represented a net inflow of approximately \$11 million.

Limited liquidity risk; the fund does not offer daily liquidity and is managed to provide stable net asset value.

Operational Assessment

✓ Pass

● Attention required

x Fail

Service providers

Custodian	✓ Wells Fargo Bank, N.A.
Investment Advisor	✓ Atlanta Capital Management, Co.
Administrator	✓ Florida League of Cities, Inc.
Auditors	✓ Shorstein & Shorstein CPA.
Stability in Service Providers	✓ Unchanged since inception of the fund.

Regulation and Governance

Governance	✓ The board is composed of no less than five members and no more than seven and consists of the president or president's appointee and the second VP of the Florida League of Cities, plus two members of the Florida Municipal Insurance Trust. Three additional representatives may be elected by the board of trustees. In addition, an Investment Advisory Committee composed of eight finance directors from throughout the state, assists the administrator with developing and maintaining the investment guidelines and policies of the fund. ACM meets with the League of Cities a minimum of four times a year, although it is typically nine times a year.
Control Framework	✓ Compliance controls are in place to ensure adherence with investment guidelines.

Operations

Pricing Responsibility	✓ Marked to market on a daily basis, IDC.
Technology	✓ Charles River CRD, Bloomberg, Portia, BondEdge and QED.
Back-Office Reconciliations	✓ Holdings and cash are reconciled daily between the manager and administrator.

Investments

Investment Objective	✓ To provide an alternative for those members of the Florida League of Cities (local government) who have excess moneys and investment horizons greater than those offered by money market instruments.
Composition	✓ Minimum 30% of the fund's assets must be invested in U.S. Treasury and government agency securities; up to 75% of its assets in U.S. Treasury and government agency securities; maximum of 50% invested in mortgage securities including CMOs. Maximum of 30% in ABS; maximum of 30% in reverse repos and/or other forms of leverage. Prohibited from having corporate exposure.
Liquidity Management	✓ Daily subscription and redemptions by 4pm.
Withdrawal Requirements	✓ Contributions and redemptions are only accepted on the 15th and last day of each month at then-current NAV for which the Florida League of Cities must have advance written notification of five business days prior to the valuation of the portfolio.

Disclosure and Transparency

Clear Strategy Representation	✓ The fund has a broad mandate but investment policy is posted on website.
Level of Disclosure	✓ Good level of transparency: website (www.floridaleagueofcities.com) contains monthly factsheets, monthly manager commentary, top holdings and various performance metrics.

CMO – Collateralized Mortgage Obligation. NAV – Net asset value. ACM – Atlanta Capital Management. IDC – Interactive Data Corp.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

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Florida Municipal Investment Trust Broad Market High Quality Bond Fund

Full Rating Report



Pool Features

Inception Date	10/1/95
Pool Type	Bond Fund
Investment Advisor	Atlanta Capital Management Company, LLC
Custodian	Wells Fargo Bank, N.A.
Investor Composition	100% Voluntary Pool Participants
Administrator	Florida League of Cities
Assets	\$117,000,000

Key Rating Drivers

High Credit Quality Portfolio: The Florida Municipal Investment Trust (FMIVT) Broad Market High Quality Bond Fund invests primarily in U.S. Treasury and government agency securities, the senior-most tranches of asset-backed securities (ABS) and mortgage-backed securities (MBS) and highly rated corporate debt.

Moderate/High Market Risk: While the portfolio is actively managed to meet a specified benchmark, its market risk is mitigated by the credit quality and liquid nature of the majority of the investments.

Strong Performance: Atlanta Capital Management's (ACM) strong track record is illustrated by the management of the fund in line with its benchmark, the Barclays U.S. Aggregate A+ Index.

Stable Investor Base: The fund is a part of the broader FMIVT, an interlocal governmental entity that provides local governments in Florida with a diversified investment portfolio for pooled surplus capital. Membership is limited to agencies in or political subdivisions of the state of Florida. The fund is managed for the benefit of the Florida League of Cities, Inc.'s members.

Appropriate Portfolio Management/Oversight: Portfolio oversight and operational controls are consistent with the 'AA/V4' ratings. ACM has been an investment advisor to the Florida League of Cities, the administrator of the fund, since 1985, evidencing an extended management track record.

Operational Framework: ACM uses both widely accepted industry systems and proprietary systems for portfolio management and administration. Operations provide decision-making tools for risk analysis and investment-allocation tools.

Historical Assets Under Management



Changes in Net Asset Value



Analysts

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Rating Rationale

FMLvT Broad Market High Quality Bond Fund is rated 'AA/V4' by Fitch Ratings, reflecting the credit quality of portfolio assets and the moderate to high sensitivity to market risk. The fund is managed for the benefit of the Florida League of Cities' members and offers investors a high quality investment option.

The 'AA' fund credit rating indicates the low vulnerability to losses as a result of defaults in a bond fund portfolio and is based on the actual and prospective average credit quality of the fund's investment portfolio. As such, the fund is expected to maintain a weighted average (WA) portfolio rating of 'AA', taking into account certain adjustments for the reduced credit risk of short-term securities.

The 'V4' fund volatility rating reflects the sensitivity of the fund's net asset value (NAV) to changes in broad market risk factors, including spreads, interest rates and certain other parameters. 'V4' fund volatility ratings are considered to have moderate to high sensitivity to market risk. On a relative basis, total returns are expected to exhibit significant variability across a broad range of interest rate scenarios while offering significant risk exposure to interest rates, credit spreads and other risk factors. As reflected by the volatility rating assigned to the fund, the longer maturity of invested assets relative to potential investor redemption activity may adversely affect the fund's NAV during periods of heightened stress.

While money market reform (Rule 2a-7), as adopted by the Securities Exchange Commission on July 23, 2014, has created uncertainty for LGIPs and their investors, the FMLvT Broad Market High Quality Bond Fund has not managed to provide a stable NAV, making the impact of these changes nominal. Fitch's evaluation of the FMLvT Broad Market High Quality Bond Fund also considers the management and operational capabilities of ACM and the legal and regulatory framework under which the fund operates.

Fitch's evaluation of FMLvT Broad Market High Quality Bond Fund also considers the management and operational capabilities of ACM and the legal and regulatory framework under which the fund operates.

As of Dec. 31, 2014, the fund had approximately \$117 million in assets under management. As of the same date, the fund's NAV was \$22.35 per share. As of Dec. 31, 2014, the gross one-year return for the fund was (5.61%) as reported by Asset Consulting Group (ACG). The pool is measured against the Barclays Aggregate A+ Index, which had a return of 5.66% for that same period. The net fee return, as reported by ACG, was (5.26%). Portfolio valuation reports are submitted to Fitch on a monthly basis.

Organizational Overview

Florida Municipal Investment Trust

FMLvT Broad Market High Quality Bond Fund, which commenced operations on Jan.1, 1998, is a part of the broader FMLvT, established on April 28, 1993 as an interlocal governmental entity to provide local governments in Florida with an investment vehicle to pool surplus capital and invest such funds into a diversified investment portfolio. Membership in the trust is limited to agencies in or political subdivisions of the state of Florida, which include, but are not limited to, the state, its agencies, cities, counties, school districts and special districts. The fund's net investment income is reinvested into the fund. Net income consists of interest income earned, changes in the market value of the investments and any other investment income earned less a proportionate share of expenses incurred or accrued.

Florida Municipal Investment Trust was composed of 11 funds of different investment disciplines totaling \$1.68 billion in assets as of Dec. 31, 2014.

Related Research

[Global Bond Fund Rating Criteria \(December 2014\)](#)

FMIvT is composed of 11 funds of different investment disciplines totaling \$1.68 billion in assets. Six of the funds are fixed-income portfolios of varying maturity horizons. The other five funds are equity portfolios.

The Florida League of Cities serves as administrator to the four fixed-income funds rated by Fitch, which are, in addition to the fund discussed in this report, the FMIvT 0–2 Year High Quality Bond Fund (AAA/V1), FMIvT 1–3 Year High Quality Bond Fund (AAA/V2) and FMIvT Intermediate High Quality Bond Fund (AAA/V3).

FMIvT is governed by a board of trustees composed of no less than five members and no more than seven. The board consists of the president or the president’s appointee, the second VP of the Florida League of Cities and two members of FMIvT. Three additional representatives may be elected by the board. In addition, an investment advisory committee composed of eight finance directors from across the state assists the administrator with developing and maintaining the investment guidelines and policies of the funds.

Florida League of Cities

Florida League of Cities, the administrator of the fund, is a nonprofit organization established in 1922 to serve the interests of Florida cities. Headquartered in Tallahassee, FL, the Florida League of Cities has grown to include nearly all of Florida’s 411 municipalities as members.

Portfolio assets are held on behalf of the trust by the fund’s custodian, Wells Fargo Bank, N.A.

The fund is subject to oversight, and an annual audit is performed by the investment advisory committee, the findings of which are publicly available and can be found on the Florida League of Cities’ website.

Atlanta Capital Management

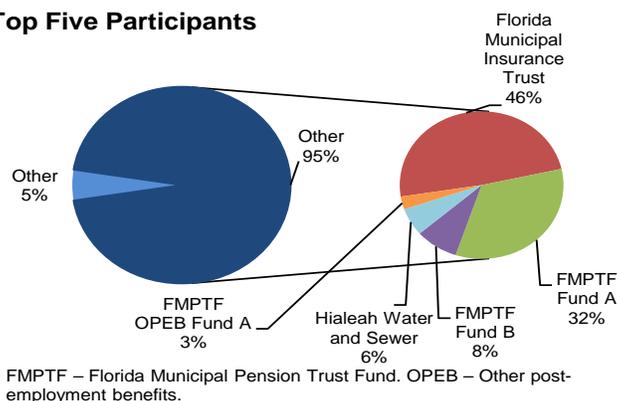
Founded in 1969, ACM has been an investment advisor to the Florida League of Cities since 1985. ACM is a registered investment advisor that employs 47 individuals, including an investment staff of 13 equity professionals and three fixed-income professionals responsible for evaluating individual securities and constructing portfolios. ACM formally meets with the Florida League of Cities at least eight times a year. ACM is a majority-owned subsidiary of Eaton Vance Acquisitions, a wholly owned subsidiary of Eaton Vance Corp. As of Dec. 31, 2014, ACM managed approximately \$16.7 billion.

The fund is managed by James A. Womack, W. Bradford Buie and Kyle Johns.

James A. Womack, CFA joined ACM in 1994, is a managing director of fixed income and principal of ACM. His primary responsibilities include fixed-income portfolio management, research and trading.

W. Bradford Buie, CFA has primary responsibility in fixed-income portfolio management, research and trading. The executive, who joined ACM in 2009, is a VP and principal of ACM.

Top Five Participants



ACM has \$16.7 billion in AUM and has been advising the pools since 1985, and is majority owned by Eaton Vance Corp.

The fund invests 50% in U.S. Treasury and agencies with the balance in high-quality asset-backed securities.

Kyle W. Johns, CFA joined ACM in 2007 and is a VP and principal of the firm. His primary responsibilities include fixed-income portfolio management, research and trading.

Portfolio Investment Practices

The fund's investment objective is to provide an investment option for those Florida League of Cities' members that have excess moneys and investment horizons greater than those offered by money market instruments. The fund invests in a high-quality investment portfolio authorized by the funds' board of trustees. Contributions and redemptions can be made on the last business day of each month at the then-current NAV. As administrator, the Florida League of Cities must have written notification of redemptions five business days prior to the valuation of the portfolio.

The fund is authorized to invest in repurchase agreements, provided counterparties of such repurchase agreements are rated at least 'A/F1' by Fitch or equivalent. In addition, the fund only accepts collateral consisting of U.S. government securities overcollateralized by 102%. As of Dec. 31, 2014, the fund held no investments in repurchase agreements, nor does it plan to invest in repurchase agreements in the near future.

Asset Credit Quality

Pursuant to its investment guidelines, the fund is permitted to invest in securities rated at least 'A' by Fitch or equivalent. To accomplish this objective, the fund's board of trustees has authorized ACM, the fund's investment advisor, to invest only in:

- U.S. Treasury securities.
- Other obligations that, by their terms, are backed by the full faith and credit of the U.S. government.
- Securities issued by U.S. agencies and government-sponsored enterprises.
- Senior tranches of ABS and MBS, including collateralized mortgage obligations.
- Mortgage obligations guaranteed by the U.S. government.
- Money market obligations, including commercial paper, bankers' acceptances, repurchase agreements, reverse repurchase agreements, time deposits and money market accounts.
- Corporate debt obligations.
- Taxable municipal debt obligations and guaranteed investment contracts issued by insurance companies.

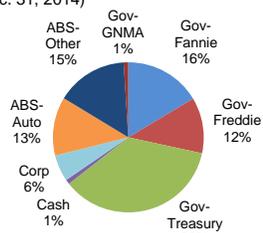
The fund must invest at least 30% but not more than 75% of its assets in U.S. government securities. The portfolio may hold up to 5% in an individual trust of non-agency ABS/MBS. Additionally, the portfolio may hold up to 3% at the time of purchase and 5% of the portfolio value in corporate securities of an individual issuer.

As of Dec. 31, 2014, the fund was 96% invested in 'AAA' rated securities or securities backed by the full faith and credit of the U.S. government, with approximately 65% in U.S. Treasury and government agency securities. The remainder of the portfolio was composed of cash (1%), senior tranches of ABS backed by automobile loans/leases (13%), corporate notes (64%) and other ABS securities (15%).

Weighted Average Rating Factor

Based on the portfolio credit quality and maturity profile as of Dec. 31, 2014, the fund's WA rating factor was consistent with a 'AA' fund credit rating. The credit factors for portfolio securities maturing within 13 months were reduced, in recognition of the lower default probability of such securities relative to longer dated securities. As of Dec. 31, 2014, securities

Portfolio Composition
(As of Dec. 31, 2014)



Note: Numbers may not add up to 100% due to rounding.

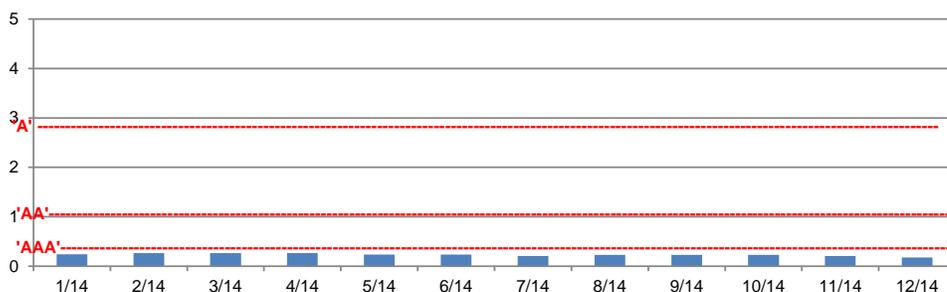
High credit quality; the portfolio is invested entirely in 'AAA' rated securities, and 33% of the portfolio matures in 13 months or less.

maturing in 13 months or less of their stated final maturities represented approximately 26% of the portfolio.

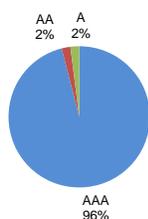
Rating Distribution and Minimum Ratings

In evaluating the fund, Fitch also considered the fund's minimum asset ratings, as well as the extent to which the fund may undertake a barbelled investment strategy. As of Dec. 31, 2014, the fund consisted entirely of long-term assets rated at least 'A' and short-term assets rated at least 'F1' or equivalent. The minimum ratings and absence of a credit barbelled investment strategy are viewed as consistent with the 'AA' fund credit rating assigned to the fund.

Weighted Average Rating Factor



Rating Distribution



Note: Numbers may not add to 100% due to rounding.

The fund invests a substantial part of its portfolio in U.S. government and agency securities. Fitch believes that concentration risk of such investments is limited given the high credit quality and liquidity. The fund's largest aggregated exposure to a nongovernment entity accounted for 2.6% of total assets as of Dec. 31, 2014.

Top 10 Holdings

(As of Dec. 31, 2014)

Security	(%)	Security	(%)
Treasury	7.9	Freddie Mac	3.37
FNMA	6.4	FNMA	3.10
Treasury	5.2	Treasury	2.91
Treasury	4.5	Treasury	2.77
Treasury	4.4	ABS – Auto	2.04

FNMA – Fannie Mae.

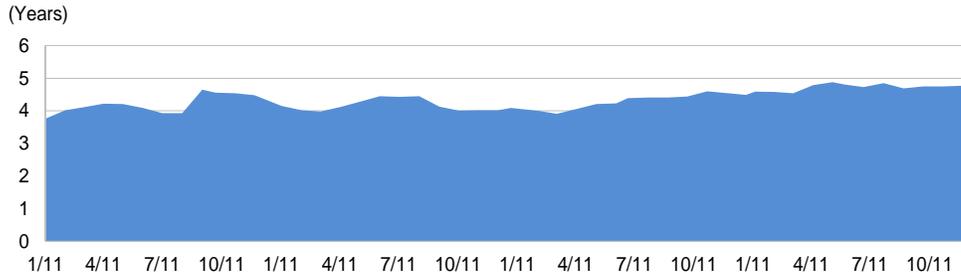
Duration Management

The fund's board of trustees has specified that the fund's modified duration will be managed to the Barclays U.S. Aggregate A+ Index plus or minus 30% but no greater than 7.00 years. Historically, the benchmark index's modified duration has been approximately 4.55 years. The fund is expected to maintain a modified duration in the range of 4.00 years–5.50 years.

The modified duration of a security or portfolio is the ratio of the price change to the interest rate change. The higher the modified duration of a security or portfolio, the greater its price volatility in percentage terms for a given change in interest rates. As of Dec. 31, 2014, the duration of the fund was 4.77 years.

Moderate duration; the fund's modified duration is to be greater than 4.00 years but less than 5.50 years. The fund's duration is benchmarked against the Barclays U.S. Aggregate A+ Index.

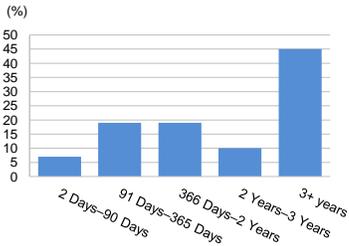
Historical Portfolio Duration



As of Dec. 31, 2014, the WA final maturity (WAMf) of all portfolio securities was 2,802 days, or 7.8 years. WAMf reflects the asset WA number of the days to the final maturity of all portfolio assets and measures potential exposure to changes in credit spreads. The fund typically invests in securities with an average maturity of approximately 8.5 years.

The fund holds a limited number of floating-rate securities, causing its WAMf to roughly equal the fund’s WA maturity to reset date (WAMr). WAMr is calculated as the asset weighted number of days to the interest rate resets of the floating-rate securities and reflects the fund’s sensitivity to changes in short-term interest rates.

Current Portfolio Maturity
(As of Dec. 31, 2014)



Limited liquidity risk; the fund does not offer daily liquidity and is managed to provide stable net asset value.

Liquidity Management

The fund’s liquidity risk is mitigated by the historically liquid nature of investments in U.S. government securities. As noted, this rating on the fund may be sensitive to any negative rating actions with respect to the U.S. government.

Historical Portfolio Weighted Average Life



The fund does not offer daily liquidity, thereby substantially limiting liquidity risk. Redemptions are honored on the last business day of each month, with written notification of redemptions five business days prior to the valuation of the portfolio. Liquidity, if needed, is provided at the marked-to-market NAV. The fund is not managed to provide a stable NAV.

Fund contributions and withdrawals for 2014 represented a net outflow of \$94 million.

Operational Assessment

✓ Pass

● Attention required

x Fail

Service providers

Custodian	✓ Wells Fargo Bank, N.A.
Investment Advisor	✓ Atlanta Capital Management, Co.
Administrator	✓ Florida League of Cities, Inc.
Auditors	✓ Shorstein & Shorstein CPA
Stability in Service Providers	✓ Unchanged since inception of the fund.

Regulation and Governance

Governance	✓ The board is composed of no less than five members and no more than seven and consists of the president or president's appointee and the second VP of the Florida League of Cities, plus two members of the Florida Municipal Insurance Trust. Three additional representatives may be elected by the board of trustees. In addition, an investment advisory committee composed of eight finance directors from across the state assists the administrator with developing and maintaining the investment guidelines and policies of the fund. ACM meets with the League of Cities a minimum of four times a year, although typically it is nine times a year.
Control Framework	✓ Compliance controls are in place to ensure adherence with investment guidelines.

Operations

Pricing Responsibility	✓ Marked to market on a daily basis, IDC.
Technology	✓ Charles River CRD, Bloomberg, Portia, BondEdge and QED.
Back-Office Reconciliations	✓ Holdings and cash are reconciled daily between the manager and administrator.

Investments

Investment Objective	✓ To provide an alternative for those members of the Florida League of Cities (local government) who have excess moneys and investment horizons greater than those offered by money market instruments.
Composition	✓ The fund must invest at least 30% but not more than 75% of its assets in U.S. government securities. The portfolio may hold up to 5% in an individual trust of non-agency ABS/MBS. Additionally, the portfolio may hold up to 3% at the time of purchase and 5% of the portfolio value in corporate securities of an individual issuer.
Liquidity Management	✓ Daily subscription and redemptions by 4 pm.
Withdrawal Requirements	✓ Contributions and redemptions are only accepted on the last business day of each month at the then-current NAV, for which the Florida League of Cities must have advance written notification of five business days prior to the valuation of the portfolio.

Disclosure and Transparency

Clear Strategy Representation	✓ The fund has a broad mandate, but the investment policy is posted on the website.
Level of Disclosure	✓ Good level of transparency: website (www.floridaleagueofcities.com) contains monthly factsheets, monthly manager commentary, top holdings and various performance metrics.

ABS – Asset-backed security. MBS – Mortgage-backed security. NAV – Net asset value. ACM – Atlanta Capital Management. IDC – Interactive Data Corp.

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