



FLORIDA SURPLUS ASSET FUND TRUST
10151 University Blvd., #227, Orlando, Florida 32817

LOCATION: Akerman , CNL Center II Building,
420 South Orange Avenue, Suite 1200, Orlando, FL
32801

DATE: October 29, 2015

TIME: 9:00 a.m.

MEMBERS IN ATTENDANCE:

BOARD OF TRUSTEES: Mark Mason, CPA, Chairman
Linda Senne, CPA, Vice Chairman
Jerry Boop, CPA, Secretary (By Phone)
Bill Kleinsorge, CPA, Treasurer
Elaine Edmonds, CPA, (By Phone)

OTHER ATTENDEES: Fenil Patel, SVP, PMA
John Hubert, CIO, PMA
Renee O'Day, VP, PMA
Paula Cooper, VP Operations, PMA (By Phone)
Brian Hextell, Portfolio Manager, PMA (By Phone)
Larry Aubrecht, SVP, FMAS
Jeff Larson, President, FMAS, FL SAFE Administrator
Jesy Acosta, Associate, FMAS
Hank Gay, VP, BMO Harris Bank
Mike Williams Esq., Akerman LLP, FLSAFE Counsel
Michelle Alexander, Clifton Larsen Allen (By Phone)

A. BUSINESS ITEMS

1. Call to Order/ Roll Call

Mark calls to order the meeting of board of directors for the Florida Surplus Asset Fund Trust for October 29th. Jesy calls roll. All the board members are present, with a physical quorum.

2. Public Comments

Mark asks if there are any public comments. No public comments made.

3. Results from Board Seat Elections

Jeff Larson, FMAS Administrator, asks Linda Senne, Vice Chair, to give a report. Linda Senne states that FL SAFE ballots were sent out for the seat beginning January 1, 2016, on September 18, 2015 to all the participants of FL SAFE. There are 41 participants, total ballots received back were 32 ballots, or 78% of the participants voted (1 vote per participant), and 100% of those voted yes for Jerry Boop. There was an opportunity to include other nominations, but no other nominations were either made by participants or received by FMAS. So 78% of the participants voted, and they represented 92% of the FL SAFE fund as of September 13, 2015. So 100% of the ballots went to Jerry, with a majority needed, and he can resume his seat. Mark Mason congratulates Jerry. Mr. Boop mentions that he looks forward to serving everyone again.

4. Approval Prior Board Meeting Minutes – August 6, 2015

Mark asks for the approval of prior FL SAFE Board Meeting Minutes circulated by FMAS. Jerry makes a motion to approve the minutes from the Board Meeting, Linda seconds. All those in favor, say I, motion carries 5-0.

5. Participant and Guest Introductions

Mark allows the participant and guest introductions.

B. OTHER ITEMS

1. Approval of the 2016 FL SAFE Budget – FMAS & PMA

Larry Aubrecht, FMAS, asks if everyone has a handout of the proposed 2016 budget and thanks Paula for all her help on it. Larry went over a comparison of last year's budget to the proposed 2016 budget to make it easier for everyone to see the annual changes. Larry asked if there were any other comments or questions, none received. Mark asks if there is a motion to approve the 2016 FL SAFE budget. Linda makes a motion to approve the 2016 budget, and giving FMAS the authority to make minor changes as long as we do not exceed that item in the total budget. Jerry seconds the motion. All those in favor say I. Motion passes 5-0.

2. Auditor Engagement with Clifton Larson Allen for 2016

Larry states that Jeff spoke with Michelle Alexander of Clifton Larson Allen and as requested, they came back with a reduced fee proposal of \$22,500, less than budgeted in 2015 of \$25,500. Jeff thanks Paula Cooper and her team at PMA for being so efficient. That allows CLA to also be efficient with what they do and save expenses for FL SAFE. Mark asks for a motion to approve the Auditor Agreement for 2016, Bill makes the motion, Linda seconds the motion. All in favor, say I. Motion passes 5-0.

3. Investment Advisor/Operations Manager Update - PMA

(a) Economic, Market Update and LGIP Report

John Hubert, CIO, reviews the Economic, Market Update and LGIP update in the handout presentation. He gave a shortened presentation and update, as the Board had just heard PMS's update in the prior day's October 28th Investment Seminar. John goes over the FL SAFE LGIP portfolio, gross and net yield page, and notes that the market still puts us in a fee waiver environment. Mark asked if there were any comments or questions, and there were none.

(b) Operations Managers Report

Paula starts with the report and reviews the summary of where the Fund stood, the AAA rating and maturities. She reviewed the FIIP/Term Series balances and the total assets, with a total of approximately \$239 million. Also reviews the condensed financial statements of the fund, along with showing net assets of the fund listing all the total investment categories.

Paula reviews the Operations Manager's report handout, which provides a bar chart of the historical assets since July 2011. She also reviews the budget analysis and the payments that were made for the third quarter for 2015. She asked if any questions and there were none.

(c) Term Series Update

Fenil states that we've had a successful September Term Series, so we're going to ask the Board to ratify the \$38 million September 2015 Term Series. Mark asks for a motion to ratify the September Term Series, Linda makes a motion, Bill seconds, all in favor, say I. Motion passes 5-0.

4. PMA – Other Comments

(a) Marketing Update

Jeff asks Renee to give an update on the October 28th Investment Seminar. Renee shares that there were a lot of larger prospects and participants in attendance at Dubsdread, Orlando. The speakers and presentations were on key, and the flow of the setup and the structuring of the presentation went really well. It spoke to the importance of cash flow and brought FL SAFE into perspective and all the services that it offers. Renee thanked the cosponsors, BMO Harris, DAC, Clifton Larson Allen, LCS, PMA, Akerman, and our speakers.

Renee discussed the calling schedule over the past year. Jeff's been hitting it pretty hard, and I've been learning a lot. So we've had quite a few really good calls that are still being followed up with, going through the investment policies and getting them to the point of becoming a FL SAFE participant.

Jeff echoed Renee's comments and states that our yield is half of our competition, so people have to see the value and that takes time and multiple visits, follow up discussions. With Renee, we have a lot of expertise to add that is not in our brochures in terms of banking relationships, banking services, and how to look at maximizing these relationships. It's a big learning curve for a lot of smaller and medium governments that may have all of their money in one place.

Mark asks if there are any additional comments from PMA, or questions from the Board. No comments were made.

5. Administrator Update – FMAS

(a) Marketing Update

Jeff shares details of upcoming presentations and conferences. Jeff continues to serve on the program committee for the Annual FGFOA Conference and Pre-Conferences. We have speaking slots reserved again for 2016, probably 3-4 preconference spots for the 8 hours June 11th Investments Pre-Conference at Orlando World Marriott in Orlando, and he has been asked to speak again at the Annual Conference June 12th- 15th. The FCCMA conference is the week before, also in Orlando. Renee mentioned the School Officers' conference Nov 10-12 2015, with booth duty, and she and Jeff attending. PMA does so much with schools in other states, and has such expertise with schools.

Jeff is teaching a class and talking about the SEC/MSRB updates and new Municipal Advisor rules at the FGFOA School of Governmental Finance, Palm Beach Gardens. There are applications also on investments, in particular the investment of bank or bond proceeds. This should open up more opportunities for FL SAFE in this area, and Jeff has been discussing this with PMA for some time now. We've been asked again to participate in the Gulf Coast FGFOA chapter February 19, 2016 when they have an all day investment seminar, and an Investment Seminar for the Tampa/Hillsborough FGFOA Chapter. It is important to stay involved in these arrangements, participate on the various committees, and continue to support the local chapters.

6. FL SAFE Counsel Comments

Mark asks Mike Williams if there are any comments. No comments are made.

7. Participant Comments

Mark asks if there are any participant comments. No comments are made.

8. Board Comments

Mark asks if there are any Board Member comments. Bill states he thought the all day Investment Seminar at Dubsdread was excellent. Linda states that the sessions went really well, thank you all for participating and for the hard work.

C. SET NEXT MEETING DATE/ ADJOURNMENT

Setting the future date for the next FL SAFE Board Meeting to Thursday, January 28th, 2016 at noon, with Jeff to research the location and get back to the Board.

Mark states meeting adjourned at 9:44 a.m..

Signature Page

APPROVED THIS 28 DAY OF January, 2016.

FLORIDA SURPLUS ASSET FUND TRUST



**Mark C. Mason, CPA
FL SAFE Chairman**

ATTEST:



**Jeffrey T. Larson
FL SAFE Administrator**