



**Quarterly Operations Manager Report
For the period ending September 30, 2016**

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Credit Rating

Standard & Poors -- AAAm

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SUMMARY

- ◆ Florida Surplus Asset Fund Trust ("FL SAFE") is a local government investment pool that serves the cash management needs of governments in Florida. FL SAFE seeks to provide competitive yields consistent with the preservation of capital and daily liquidity. FL SAFE is organized pursuant to Florida Statutes 163.01, is an authorized investment under 218.415 and invests according to the provisions of its Permitted Investments as listed in the Indenture of Trust.
- ◆ FL SAFE is authorized to invest in approved financial institutions and securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, and highly rated commercial paper. Asset allocation will be in full conformance with S&P guidelines.
- ◆ FL SAFE's investments conform to the Permitted Investments as listed in its Indenture of Trust. FL SAFE meets Standard & Poor's investment guidelines to achieve a AAAm rating, the highest attainable for a local government investment pool.
- ◆ FL SAFE is rated AAAm by the Standard & Poor's Corporation.
- ◆ With the exception of certain floating rate securities, all securities purchased shall not exceed a maturity greater than 397 days.
- ◆ The weighted maturity of the portfolio shall not exceed 60 days; the weighted average life shall not exceed 120 days.
- ◆ FL SAFE seeks, but does not guarantee, to maintain a constant net asset value at \$1.00 per share. Please see the Indenture of Trust for more information on the investment objective of FL SAFE.
- ◆ The Investment Advisor is Prudent Man Advisors, Inc.
- ◆ The Administrator is Florida Management and Administrative Services, LLC.

SUMMARY

FL SAFE	\$170,876,074
FIIP	<u>\$153,957,870</u>
Total Assets	\$324,833,944

FL SAFE	
30 Day Yield	0.45%
7 Day Yield	0.46%
Expense Ratio *	0.23%
Weighted Average Maturity (days)	41
Weighted Average Life (days)	73
Net Asset Value Per Share	\$1.00

Note: The information contained herein is unaudited. Audited financial statements will be completed annually.

* Net expense ratio after waivers.



STATEMENT OF NET ASSETS

	For the Period Ending				Year-to-Date
	03/31/16	06/30/16	09/30/16	12/31/16	
Assets					
Investments in securities					
U.S. Government Agencies	\$6,626,076	\$4,985,296	\$3,500,000	\$0	
Bank Notes	3,301,847	5,049,657	4,297,223		
Certificates of Deposits	17,510,266	23,569,762	37,333,987		
Commercial Paper	12,479,257	11,964,714	18,962,248		
Corporate Notes	31,079,117	38,904,033	30,026,841		
Municipal Bonds	3,252,727	1,500,000	1,000,000		
Total investment in securities	\$74,249,290	\$85,973,462	\$95,120,299	\$0	
Cash and cash equivalents	78,233,816	58,504,000	74,632,742		
Other assets					
Accrued interest	174,952	234,599	213,374		
Total Assets	<u>\$152,658,058</u>	<u>\$144,712,061</u>	<u>\$169,966,415</u>	<u>\$0</u>	
Liabilities					
Accrued expenses	1,059,329	36,409	1,096,077		
Net assets applicable to shares outstanding	<u>\$151,598,729</u>	<u>\$144,675,652</u>	<u>\$168,870,338</u>	<u>\$0</u>	

STATEMENT OF OPERATIONS

Gross Investment Income	\$175,266	\$248,563	\$302,502	\$0	\$726,331
Expenses					
Administration Fees	22,500	22,500	22,500		67,500
Waiver -- Administration Fees	(3,296)	(3,839)	(3,989)		(11,124)
Audit Fees	5,555	7,280	7,226		20,061
Board of Trustees Expense	-	-	-		-
Cash Management Fees	1,499	1,821	1,820		5,140
Custody Fees	1,820	2,030	2,590		6,440
Investment Advisory Fees	23,070	26,794	28,502		78,366
Waiver -- Investment Advisory Fees	(8,109)	(10,747)	(11,432)		(30,288)
Legal Fees	-	2,442	752		3,194
Liability Insurance Expense	4,550	4,550	4,700		13,800
Operations Manager Fees	42,843	49,762	53,426		146,031
Waiver -- Operations Manager Fees	(15,059)	(19,960)	(21,325)		(56,344)
Ratings Expense	1,911	1,911	2,076		5,898
Miscellaneous Expenses	-	526	-		526
Miscellaneous Credits	-	-	-		-
Total Expenses	<u>\$77,284</u>	<u>\$85,070</u>	<u>\$86,846</u>	<u>\$0</u>	<u>\$249,200</u>
Net Investment Income	<u>\$97,982</u>	<u>\$163,493</u>	<u>\$215,656</u>	<u>\$0</u>	<u>\$477,131</u>

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	\$99,744,016	\$62,887,758	\$137,581,502	\$0	\$300,213,276
Shares Redeemed	(73,624,927)	(69,978,169)	(111,600,870)		(255,203,966)
Net Change in Share Transactions	26,119,089	(7,090,411)	25,980,632		45,009,310
Investment activities:					
Net Investment Income	97,982	163,493	215,656		477,131
Net increase in net assets from share operations	97,982	163,493	215,656		477,131
Distributions to participants from net investment income	(97,982)	(163,493)	(215,656)		(477,131)
Revenue Recognition / FIIP Royalty	14,769	3,841	4,134		22,744
Net Change in Assets	26,231,840	(6,923,077)	26,200,422		45,509,185
Net Assets at Beginning of Period	\$125,366,889	\$151,598,729	\$144,675,652	\$0	\$125,366,889
Net Assets at End of Period	<u>\$151,598,729</u>	<u>\$144,675,652</u>	<u>\$170,876,074</u>	<u>\$0</u>	<u>\$170,876,074</u>



PORTFOLIO ASSETS
As of September 30, 2016

Security Description	CUSIP/Symbol	Credit Rating		Yield	Maturity Date	Par	Book Value	Market Value (1)
		Short Term S&P/Moody's	Long Term S&P/Moody's					
U.S. Agencies								
FHLB - Federal Home Loan Bank	3130A6R74	A-1+ / P-1	AA+ / Aaa	0.550%	11/25/16	1,500,000.00	1,500,000.00	1,500,370.50
FHLB - Federal Home Loan Bank	3130A9CB5	A-1+ / P-1	AA+ / Aaa	0.568%	03/01/18	2,000,000.00	2,000,000.00	2,000,658.00
Total						3,500,000.00	3,500,000.00	3,501,028.50
Bank Notes								
Bank of America NA	06050TLR1	A-1 / P-1	A / A1	0.760%	11/14/16	1,250,000.00	1,250,495.62	1,250,007.50
MUFG Union Bank NA	90520EAE1	A-1 / P-1	A+ / Aa2	1.080%	06/16/17	2,000,000.00	2,014,617.70	2,014,280.00
PNC Bank, N.A.	69349LAC2	A-1 / P-1	A / Aa2	1.520%	09/21/17	1,000,000.00	1,032,110.00	1,031,571.00
Total						4,250,000.00	4,297,223.32	4,295,858.50
Certificates of Deposit								
Westpac Banking Corp NY	96121TE95	A-1+ / P-1	AA- / Aa2	0.947%	10/21/16	2,000,000.00	2,000,114.40	2,000,566.00
Westpac Banking Corp NY	96121TQ84	A-1+ / P-1	AA- / Aa2	0.920%	10/24/16	1,000,000.00	1,000,004.94	1,000,310.30
Canadian Imperial Bank of Commerce	13606ANR5	A-1 / P-1	A+ / Aa3	0.850%	10/31/16	2,000,000.00	2,000,121.85	2,000,887.20
Credit Suisse New York	22549VU84	A-1 / P-1	A / A1	0.930%	11/01/16	2,000,000.00	2,000,112.86	2,000,886.40
Nordea Bank Finland NY	65558LEG3	A-1+ / P-1	AA- / Aa3	0.816%	11/14/16	1,331,000.00	1,331,027.99	1,331,729.39
Canadian Imperial Bank of Commerce	13606AYL6	A-1 / P-1	A+ / Aa3	0.950%	11/28/16	1,000,000.00	1,000,000.00	1,000,803.20
Svenska Handelsbank NY	86958JAK5	A-1+ / P-1	AA- / Aa2	0.870%	12/01/16	2,000,000.00	2,000,016.15	2,000,884.60
HSBC Bank USA	40428A2F3	A-1 / P-1	A+ / Aa2	0.750%	12/02/16	2,000,000.00	2,000,545.96	2,000,954.80
State Street Bank & Trust	8574P1KF2	A-1+ / P-1	AA- / Aa1	0.981%	01/17/17	3,000,000.00	3,000,000.00	3,001,149.00
Bank of America NA	06050FBN1	A-1 / P-1	A / A1	0.923%	01/19/17	1,500,000.00	1,500,000.00	1,500,360.00
Rabobank Nederland NV NY	21684BL85	A-1 / P-1	A+ / Aa2	1.106%	02/03/17	4,000,000.00	4,000,000.00	4,002,588.00
Wells Fargo Bank NA	94988EQA9	A-1+ / P-1	AA- / Aa1	1.119%	02/03/17	1,000,000.00	1,000,489.31	1,000,931.00
Nordea Bank Finland NY	65558LAQ5	A-1+ / P-1	AA- / Aa3	1.097%	02/13/17	1,500,000.00	1,500,189.10	1,500,888.00
Nordea Bank Finland NY	65558LAQ5	A-1+ / P-1	AA- / Aa3	1.097%	02/13/17	2,000,000.00	2,000,493.35	2,001,184.00
Wells Fargo Bank NA	94988ERM2	A-1+ / P-1	AA- / Aa1	1.032%	02/24/17	2,000,000.00	1,999,928.60	2,000,336.00
US Bank NA	90333VSL5	A-1+ / P-1	AA- / Aa1	0.870%	03/15/17	3,000,000.00	3,000,000.00	2,997,792.00
State Street Bank & Trust	8574P1JW7	A-1+ / P-1	AA- / Aa1	0.965%	04/11/17	1,500,000.00	1,500,861.74	1,499,857.50
Wells Fargo Bank NA	94988ETX6	A-1+ / P-1	AA- / Aa1	1.080%	04/13/17	2,000,000.00	2,000,000.00	1,999,462.00
Toronto Dominion Bank NY	89113WEC6	A-1+ / P-1	AA- / Aa1	1.123%	07/12/17	2,500,000.00	2,500,080.25	2,500,875.00
Total						37,331,000.00	37,333,986.50	37,342,444.39
Commercial Paper								
ING (US) Funding LLC	4497W0KE7	A-1 / P-1	(2)	0.880%	10/14/16	2,500,000.00	2,499,327.58	2,499,512.75
Abbey Natl Treasury Serv	00280NKM1	A-1 / P-1	(2)	0.930%	10/21/16	1,500,000.00	1,499,309.29	1,499,613.15
Credit Agricole NY	22533TL79	A-1 / P-1	(2)	0.910%	11/07/16	2,000,000.00	1,998,231.22	1,998,967.60
University of Minnesota	91335R7J8	A-1+ / P-1	(2)	0.660%	12/02/16	3,000,000.00	3,000,000.00	2,999,340.00
Abbey Natl Treasury Serv	00280NMF4	A-1 / P-1	(2)	0.850%	12/15/16	1,500,000.00	1,497,414.69	1,497,571.05
JP Morgan Securities LLC	46640PMM2	A-1 / P-1	(2)	0.850%	12/21/16	1,000,000.00	998,134.61	998,530.80
JP Morgan Securities LLC	46640PMN0	A-1 / P-1	(2)	0.850%	12/22/16	1,000,000.00	998,111.00	998,501.30
JP Morgan Securities LLC	46640PMW0	A-1 / P-1	(2)	0.850%	12/30/16	1,000,000.00	997,922.18	998,276.00
MUFG Union Bank NA	06538BPE7	A-1 / P-1	(2)	1.060%	02/14/17	1,000,000.00	996,092.03	996,039.50
MUFG Union Bank NA	06538BQA4	A-1 / P-1	(2)	1.040%	03/10/17	1,000,000.00	995,479.37	994,776.40
Toyota Motor Credit Corp.	89233GQW9	A-1+ / P-1	(2)	1.080%	03/20/17	2,500,000.00	2,487,516.75	2,487,863.75
Toyota Motor Credit Corp.	89233GQL3	A-1+ / P-1	(2)	1.080%	03/30/17	1,000,000.00	994,709.37	994,761.00
Total						19,000,000.00	18,962,248.09	18,963,753.30
Corporate Notes								
American Honda Finance	02665WAA9	A-1 / P-1	A+ / A1	1.157%	10/07/16	1,000,000.00	1,000,043.42	1,000,038.00
American Honda Finance	02665WAA9	A-1 / P-1	A+ / A1	1.157%	10/07/16	1,000,000.00	1,000,044.64	1,000,038.00
Procter & Gamble Co	742718EF2	A-1+ / P-1	AA- / Aa3	0.848%	11/04/16	3,200,000.00	3,200,102.40	3,200,544.00
Bank of America NA	06050TLS9	A-1 / P-1	A / A1	1.088%	11/14/16	2,000,000.00	1,999,839.15	2,001,430.00
BNP Paribas	05574LTV0	A-1 / P-1	A / A1	1.435%	12/12/16	1,500,000.00	1,501,211.10	1,501,188.00
Bank of Nova Scotia	064159DC7	A-1 / P-1	A+ / Aa3	1.213%	12/23/16	3,250,000.00	3,249,804.96	3,249,034.75
General Elec Capital Corp	36962G5N0	A-1+ / P-1	AA- / A1	0.870%	01/09/17	500,000.00	502,666.40	502,572.50
General Electric Co	36967FAB7	A-1+ / P-1	AA- / A1	0.909%	01/09/17	1,000,000.00	1,000,758.32	1,000,800.00
General Electric Co	36967FAB7	A-1+ / P-1	AA- / A1	0.909%	01/09/17	800,000.00	800,623.30	800,640.00
General Electric Co	36967FAB7	A-1+ / P-1	AA- / A1	0.909%	01/09/17	800,000.00	800,608.08	800,640.00
ANZ Banking Group	05253JAE1	A-1+ / P-1	AA- / Aa2	0.900%	01/10/17	550,000.00	550,488.82	550,226.05
ANZ Banking Group	05253JAE1	A-1+ / P-1	AA- / Aa2	0.930%	01/10/17	1,200,000.00	1,201,028.80	1,200,493.20
ANZ Banking Group	05253JAE1	A-1+ / P-1	AA- / Aa2	0.980%	01/10/17	1,500,000.00	1,501,016.79	1,500,616.50
Berkshire Hathaway Financial	084664CA7	A-1+ / P-1	AA / Aa2	0.767%	01/10/17	2,860,000.00	2,860,104.88	2,861,112.54
Royal Bank of Canada	78010UNY9	A-1+ / P-1	AA- / Aa3	0.949%	01/23/17	900,000.00	899,998.47	900,663.30
Royal Bank of Canada	78010UNX1	A-1+ / P-1	AA- / Aa3	0.840%	01/23/17	2,000,000.00	2,002,103.18	1,999,846.00
Toyota Motor Credit Corp.	89236TCC7	A-1+ / P-1	AA- / Aa3	0.816%	02/16/17	1,000,000.00	1,000,503.20	1,000,419.00
Chevron Corporation	166764AS9	A-1+ / P-1	AA- / Aa2	0.911%	02/22/17	400,000.00	399,740.00	399,884.00
Cisco Systems Inc.	17275RAK8	A-1+ / P-1	AA- / A1	0.930%	03/14/17	2,000,000.00	2,019,769.80	2,019,950.00
PACCAR Financial Corp	69371RK54	A-1 / P-1	A+ / A1	0.760%	03/15/17	500,000.00	501,856.80	501,715.50
PACCAR Financial Corp	69371RK54	A-1 / P-1	A+ / A1	0.840%	03/15/17	811,000.00	813,725.90	813,782.54
Apple Inc	037833BB5	A-1+ / P-1	AA+ / Aa1	0.790%	05/12/17	1,220,000.00	1,220,802.47	1,219,969.50



PORTFOLIO ASSETS
As of September 30, 2016

Security Description	CUSIP/Symbol	Credit Rating		Yield	Maturity Date	Par	Book Value	Market Value (1)
		Short Term S&P/Moody's	Long Term S&P/Moody's					
Corporate Notes (Continued)								
Berkshire Hathaway Financial	084664BS9	A-1+ / P-1	AA / Aa2	0.810%	05/15/17	1,000,000.00	1,004,787.25	1,003,411.00
3M Company	88579YAE1	A-1+ / P-1	AA- / A1	0.860%	06/26/17	1,000,000.00	1,000,948.66	1,000,611.00
Total						29,991,000.00	30,026,840.88	30,025,603.38
Municipal Bonds								
Kansas City, MO	485106ML9	A-1+ / P-1	AA-	0.820%	10/01/16	1,000,000.00	1,000,000.00	1,000,000.00
Total						1,000,000.00	1,000,000.00	1,000,000.00
Letter of Credit Bank Deposits								
Pentagon Federal Credit Union		A-1+ / P-1	N/A	0.855%	10/03/16	20,179,064.94	20,179,064.94	20,179,064.94
Total						20,179,064.94	20,179,064.94	20,179,064.94
Unsecured Bank Deposits								
BMO Harris Bank NA		A-1 / P-1	A+ / Aa3	0.270%	10/03/16	35,052.58	35,052.58	35,052.58
TD Bank, New York		A-1+ / P-1	AA- / Aa1	0.000%	10/03/16	50,003.14	50,003.14	50,003.14
TD Bank, New York		A-1+ / P-1	AA- / Aa1	0.200%	10/03/16	89,524.11	89,524.11	89,524.11
BMO Harris Bank NA - Capital Support - PMA		A-1 / P-1	A+ / Aa3	0.000%	10/03/16	75,000.00	75,000.00	75,000.00
Branch Banking & Trust		A-1 / P-1	A / Aa1	0.450%	10/03/16	4,739,884.90	4,739,884.90	4,739,884.90
Total						4,989,464.73	4,989,464.73	4,989,464.73
Secured Bank Deposits								
BMO Harris Bank NA		A-1 / P-1	A+ / Aa3	0.270%	10/03/16	29,349.78	29,349.78	29,349.78
Citibank NA		A-1 / P-1	A*+ / A1	0.550%	10/03/16	13,751,972.25	13,751,972.25	13,751,972.25
Citibank NA		A-1 / P-1	A*+ / A1	0.000%	10/03/16	8,650,000.00	8,650,000.00	8,650,000.00
Bank of China	70000-ICS	A-1+ / P-1	(3)	0.754%	10/03/16	27,001,361.24	27,001,361.24	27,001,361.24
Total						49,432,683.27	49,432,683.27	49,432,683.27
TOTAL INVESTMENTS (4)						169,673,212.94	169,721,511.73	169,729,901.01

1) All of the securities held in the portfolio are valued each week using a third party pricing service. Other assets in the portfolio such as repurchase agreements, money market funds, and non-DTC bank deposit products are valued at amortized cost.

2) Certain securities are not assigned a long-term credit rating.

3) FDIC insured

4) The information contained in the statement is unaudited. Audited financial statements are completed annually.

Disclaimer



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