



**First Quarter Operations Manager Report 2012
For the period ending March 31, 2012**

Board of Trustees

Mark Mason, CPA
Linda Senne, CPA
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Vice Chairman
Secretary / Treasurer
Board Member

Investment Advisor

Prudent Man Advisors, Inc.

Operations Manager

PMA Financial Network, Inc.

Administrator

Florida Management and Administrative Services, LLC

Distributor

PMA Securities, Inc.

Custodian

US Bank N.A.

FL SAFE Legal Counsel

Akerman Senterfitt

Credit Rating

Standard & Poors -- AAAm

855-202-9650 Toll Free / 630-718-8701 Fax
www.flSAFE.org



For the period ending March 31, 2012

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

Total Assets	\$138,116,567
30 Day Yield	0.10%
7 Day Yield	0.10%
Expense Ratio *	0.19%
Weighted Average Maturity (days)	18
Weighted Average Life (days)	44
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.



For the period ending March 31, 2012

STATEMENT OF NET ASSETS

	For the Period Ending				Year-to-Date
	03/31/12	06/30/12	09/30/12	12/31/12	
Assets					
Investments in securities					
U.S. treasuries	\$0				
U.S. government agencies	\$35,014,294				
Commercial paper	\$18,483,277				
Total investment in securities	\$53,497,571	\$0	\$0	\$0	
Cash and cash equivalents	\$84,601,148				
Other assets					
Accrued interest	\$48,481				
Total Assets	\$138,147,200	\$0	\$0	\$0	
Liabilities					
Accrued expenses	\$30,633				
Net assets applicable to shares outstanding	\$138,116,567	\$0	\$0	\$0	

STATEMENT OF OPERATIONS

Gross Investment Income	\$101,723				\$101,723
Expenses					
Administration Fees	\$22,500				\$22,500
Audit Fees	\$14,713				\$14,713
Board of Trustees Expense	\$910				\$910
Cash Management Fees	\$1,819				\$1,819
Custody Fees	\$5,496				\$5,496
Investment Advisory Fees	\$24,305				\$24,305
Waiver -- Investment Advisory Fees	(\$7,776)				(\$7,776)
Legal Fees	\$4,466				\$4,466
Operations Manager Fees	\$45,137				\$45,137
Waiver -- Operations Manager Fees	(\$45,137)				(\$45,137)
Ratings Expense	\$2,275				\$2,275
Miscellaneous Expenses	\$868				\$868
Miscellaneous Credits	-				-
Total Expenses	\$69,576	\$0	\$0	\$0	\$69,576
Net Investment Income	\$32,147	\$0	\$0	\$0	\$32,147

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	\$18,400,000				\$18,400,000
Shares Redeemed	(\$21,777,124)				(\$21,777,124)
Net Change in Share Transactions	(\$3,377,124)	\$0	\$0	\$0	(\$3,377,124)
Investment activities:					
Net Investment Income	\$32,147				\$32,147
Net increase in net assets from share operations	\$32,147	\$0	\$0	\$0	\$32,147
Distributions to participants from net investment income	(\$32,147)	\$0	\$0	\$0	(\$32,147)
Revenue Recognition / FIIP Royalty	\$12,355				\$12,355
Net Change in Assets	(\$3,332,623)	\$0	\$0	\$0	(\$3,332,623)
Net Assets at Beginning of Period	\$141,449,190	\$0	\$0	\$0	\$141,449,190
Net Assets at End of Period	\$138,116,567	\$0	\$0	\$0	\$138,116,567



PORTFOLIO ASSETS
As of March 31, 2012

Security Description	CUSIP/Symbol	Credit Rating		Yield	Maturity Date	Cost	Book Value	Market Value (1)
		Short Term S&P/Moody's	Long Term S&P/Moody's					
U.S. Agencies								
FHLMC FRN	3134G1QD9	A-1+ / P-1	AA+ / Aaa	0.213%	04/03/12	15,000,000.00	14,999,975.10	15,000,000.00
FNMA	31398AP71	A-1+ / P-1	AA+ / Aaa	0.245%	06/22/12	5,000,000.00	5,011,254.43	5,012,210.00
FNMA FRN	31398A6V9	A-1+ / P-1	AA+ / Aaa	0.340%	12/03/12	<u>15,000,000.00</u>	<u>15,003,064.65</u>	<u>15,014,205.00</u>
Total						35,000,000.00	35,014,294.18	35,026,415.00
Commercial Paper								
Bank of Nova Scotia NY	06416JEA7	A-1+ / P-1	(2)	0.427%	05/10/12	6,000,000.00	5,997,270.00	5,999,245.80
General Electric Capital Corp	36959HHT7	A-1+ / P-1	(2)	0.420%	08/27/12	6,500,000.00	6,490,914.48	6,491,603.95
Toronto Dominion Holding USA	89116EG56	A-1+ / P-1	(2)	0.315%	07/05/12	<u>6,000,000.00</u>	<u>5,995,091.96</u>	<u>5,997,655.80</u>
Total						18,500,000.00	18,483,276.44	18,488,505.55
Uncollateralized Bank Deposits								
Bank of America		A-1 / P-1	A+ / Aa3	0.080%	04/02/12	998,521.26	998,521.26	998,521.26
BMO Harris Bank NA		A-1	A+ / A1	0.400%	04/02/12	11,003,024.62	11,003,024.62	11,003,024.62
Branch Banking & Trust		A-1 / P-1	AA / Aa2	0.250%	04/02/12	12,516,002.63	12,516,002.63	12,516,002.63
Citibank NA		A-1	A / A1	0.250%	04/02/12	10,000,000.00	10,000,000.00	10,000,000.00
TD Bank NA		A-1+ / P-1	AA- / Aa2	0.000%	04/02/12	50,003.14	50,003.14	50,003.14
TD Bank NA		A-1+ / P-1	AA- / Aa2	0.300%	04/02/12	6,964,531.26	6,964,531.26	6,964,531.26
US Bank - Capital Support - Previous Advisor		A-1 / P-1	A+ / Aa2	0.050%	04/02/12	200,130.46	200,130.46	200,130.46
US Bank - Capital Support - PMA		A-1 / P-1	A+ / Aa2	0.000%	04/02/12	<u>200,000.00</u>	<u>200,000.00</u>	<u>200,000.00</u>
Total						41,932,213.37	41,932,213.37	41,932,213.37
Collateralized Bank Deposits								
Citibank NA		A-1		0.250%	04/02/12	19,642,920.59	19,642,920.59	19,642,920.59
BMO Harris Bank NA		A-1		0.400%	04/02/12	<u>23,026,013.75</u>	<u>23,026,013.75</u>	<u>23,026,013.75</u>
Total						42,668,934.34	42,668,934.34	42,668,934.34
TOTAL INVESTMENTS (3)						138,101,147.71	138,098,718.33	138,116,068.26

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 bank deposits are valued at cost.

2) Commercial paper and money market funds are not assigned a long-term credit rating.

3) The information contained in the statement is unaudited. Audited financial statements will be completed annually.