



**Second Quarter Report 2011
For the period ending June 30, 2011**

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US Bank N.A.

Credit Rating



866-999-1215 ♦ 866-999-1214 fax
www.flsafe.org



For the period ending June 30, 2011

SUMMARY

- ◆ Florida Surplus Asset Fund Trust ("FLSAFE") is a local government investment pool that serves the cash management needs of governments in Florida. FLSAFE seeks to provide competitive yields consistent with the preservation of capital and daily liquidity. FLSAFE 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.
- ◆ FLSAFE is authorized to invest in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated Commercial Paper, AAAM rated Money Market funds, highly rated corporate bonds and Florida Depositories in which the deposits are collateralized under Florida Statutes 280.
- ◆ FLSAFE's investments conform to the Permitted Investments as listed in its Indenture of Trust. FLSAFE meets Standard & Poor's investment guidelines to achieve a AAAM rating, the highest attainable for a local government investment pool.
- ◆ FLSAFE 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 average maturity of the portfolio shall not exceed 60 days; the weighted average life shall not exceed 120 days.
- ◆ FLSAFE 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 objectives of FLSAFE.
- ◆ The Investment Advisor and Administrator is Davidson Fixed Income Management, Inc.

QUARTERLY SUMMARY

Total Assets	\$179,166,290
30 Day Yield	0.11%
7 Day Yield	0.09%
Expense Ratio	0.190%
Weighted Average Maturity (days)	38
Weighted Average Life (days)	63
Net Asset Value Per Share	\$1.00

Note: The information contained herein is unaudited. Audited financial statements will be released within 90 days of the end of the calendar year.



For the period ending June 30, 2011

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	
Gross Investment Income	\$171,219	\$202,632			\$373,851
Expenses					
Activity & Transaction	2,034	2,578			\$4,612
Admin/Advisory	67,757	69,750			\$137,508
Association Dues	-	-			\$0
Audit	1,000	2,000			\$3,000
Board Expenses	1,014	-			\$1,014
Client Recording Fees	-	-			\$0
Custodian	5,928	6,094			\$12,023
Insurance	-	2,189			\$2,189
Internet/website	1,685	2,077			\$3,762
Interest	(1)	(1)			(\$2)
Legal fees	-	1,502			\$1,502
Rating Agency	8,500	-			\$8,500
Tax Filing	-	-			\$0
Miscellaneous Expenses	-	162			\$162
Miscellaneous Credits	-	-			\$0
Total	\$87,918	\$86,351			\$174,269
Net Investment Income	\$83,301	\$116,281			\$199,582

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	\$18,290,000	\$28,443,595	\$46,733,595
Shares Redeemed	(\$9,071,985)	(\$42,048,123)	(\$51,120,108)
Net Change in Share Transactions	\$9,218,015	(\$13,604,528)	(\$4,386,513)
Investment activities:			
Net Investment Income	\$83,301	\$116,281	\$199,582
Net increase in net assets from share operations	\$83,301	\$116,281	
Distributions to participants from net investment income	(\$83,301)	(\$116,281)	(\$199,582)
Net Change in Assets	\$9,301,316	(\$13,488,247)	(\$4,186,931)
Net Assets at Beginning of Period	\$183,353,221	\$192,654,537	
Net Assets at End of Period	\$192,654,537	\$179,166,290	

STATEMENT OF NET ASSETS

Assets			
Investments in securities			
U.S. treasuries	\$0	\$0	
U.S. government agencies	\$29,994,591	\$20,045,391	
Commercial paper	\$74,733,142	\$48,833,548	
Total investment in securities	\$104,727,733	\$68,878,939	
Corporate Floating Rate Note	\$7,018,509	\$7,018,509	
Cash and cash equivalents	\$80,909,948	\$103,292,276	
Other assets			
Accrued interest	\$159,431	85,958	
Total Assets	\$192,815,621	\$179,275,683	
Liabilities			
Accrued expenses	\$29,810	\$32,626	
Deposit by Investment Advisor	\$131,275	\$80,034	
Net assets applicable to shares outstanding	\$192,654,536	\$179,163,023	
Total Liabilities	\$192,815,621	\$179,275,683	



For the period ending June 30, 2011

PORTFOLIO ASSETS

Security Description	S&P Credit Rating		CUSIP	Yield	Maturity Date	Cost	Book Value	Market Value (1)
	Short-Term	Long-Term						
US Agencies								
FHLMC FRN	A-1+	AAA	3134G1QD9	0.261%	04/03/12	14,994,190.50	14,998,230.78	15,004,661.98
FNMA	A-1+	AAA	31398AP71	0.244%	06/22/12	<u>5,051,200.00</u>	<u>5,050,569.89</u>	<u>5,128,531.97</u>
Total						<u>20,045,390.50</u>	<u>20,048,800.67</u>	<u>20,133,193.95</u>
Commercial Paper								
FCAR A-1+	A-1+/P-1	(4)	3024A1U84	0.613%	07/08/11	1,771,886.66	1,779,788.87	1,780,000.00
FCAR A-1+	A-1+/P-1	(4)	3024A1V18	0.450%	08/01/11	2,763,732.88	2,768,926.63	2,769,446.00
FCAR A-1+	A-1+/P-1	(4)	3024A1V18	0.451%	08/01/11	2,993,250.00	2,998,837.50	2,999,400.00
General Electric Capital Corp	A-1+/P-1	(4)	36959JUF8	0.400%	07/15/11	6,979,000.00	6,998,911.11	6,999,300.00
FCAR A-1+	A-1+/P-1	(4)	3024A1V18	0.603%	08/01/11	1,394,026.67	1,399,276.67	1,399,720.00
Natl Australia Fdg DE	A-1+/P-1	(4)	63253KU13	0.326%	07/01/11	6,988,940.98	7,000,000.00	7,000,000.00
Credit Agricole North America	A-1/P-1	(4)	22532CYP3	0.658%	11/23/11	1,492,685.83	1,496,042.71	1,497,750.00
WestPac Banking Corp	A-1+/P-1	(4)	9612C1XH5	0.331%	10/17/11	8,982,427.50	8,991,090.00	8,991,000.00
Toronto Dominion Holdings USA	A-1+/P-1	(4)	89116FZK9	0.311%	12/19/11	8,979,075.00	8,986,747.50	8,981,100.00
Natl Australia Fdg DE	A-1+/P-1	(4)	63253JA91	0.245%	01/09/12	1,747,510.87	1,747,713.34	1,745,450.00
National Bank of Canada NY	A-1/P-1	(4)	63306TC94	0.301%	03/09/12	2,743,835.42	2,744,225.00	2,739,550.00
General Electric Capital Corp	A-1+/P-1	(4)	36959HBT3	0.210%	02/27/12	<u>1,997,176.67</u>	<u>1,997,188.34</u>	<u>1,992,800.00</u>
Total						<u>48,833,548.48</u>	<u>48,908,747.67</u>	<u>48,895,516.00</u>
Total Investments in Securities						68,878,938.98	68,957,548.34	69,028,709.95
Corporate Bond								
Australia New Zealand Bank FRN	A-1+/Aa1	n/a	05252AAJ0	0.603%	10/21/11	5,011,905.00	5,010,352.75	5,004,500.00
Australia New Zealand Bank FRN	A-1+/Aa1	n/a	05252AAG6	0.603%	08/04/11	<u>2,006,604.00</u>	<u>2,002,949.03</u>	<u>2,001,400.00</u>
						7,018,509.00	7,013,301.78	7,005,900.00
Collateralized Bank Deposits (QPD) (2)								
Bank of America	A-1/P-1	A+/Aa3		0.350%		33,278,267.07	33,277,331.17	33,277,331.17
Wachovia Checking - GAIC	A-1+/P-1	AA/Aa2		0.200%		34,482,046.56	34,485,393.94	34,485,393.94
Regions Bank - Escrow Account (3)	B/NP	BB+/Ba3		0.000%		200,194.91	200,194.91	200,194.91
Regions Bank - Checking Account	B/NP	BB+/Ba3		0.000%		3,277.30	3,277.30	3,277.30
Branch Banking & Trust	A-1/P-1	AA/Aa2		0.350%		<u>35,328,490.58</u>	<u>35,338,635.20</u>	<u>35,338,635.20</u>
Total						103,292,276.42	103,304,832.52	103,304,832.52
Accrued Amount						(31,690.98)	(31,690.98)	(31,690.98)
Daily Expense						<u>(934.74)</u>	<u>(934.74)</u>	<u>(934.74)</u>
Total						(32,625.72)	(32,625.72)	(32,625.72)
TOTAL ASSETS (5)						179,157,098.68	179,243,056.92	179,306,816.75
						NET ASSET VALUE		\$1.00

1) All of the securities held in the portfolio are valued each week using a third party pricing service (U.S. Bank N.A and/or Bloomberg). Other assets in the portfolio such as repurchase agreements, money market funds and bank deposits are valued at cost.

2) All bank deposits in amounts greater than \$250,000 are collateralized according Chapter 280 Florida Statutes.

3) On December 11, 2008, FLSAFE entered into a Standby Capital Agreement with Davidson Fixed Income Management, Inc. (DFIM) under which DFIM agreed to contribute an amount necessary to bring the FLSAFE NAV to \$0.9975 per share, subject to a maximum of \$200,000. DFIM established an escrow account at Regions Bank for the benefit of FLSAFE.

4) Commercial paper and money market funds are not assigned long-term credit ratings.

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