



FLORIDA SURPLUS ASSET FUND TRUST
3452 LAKE LYNDA DRIVE, SUITE 365, ORLANDO, FLORIDA 32817

FLORIDA SURPLUS ASSET FUND TRUST
MINUTES OF
JOINT MEETING OF THE BOARD OF PARTICIPANTS AND THE BOARD OF TRUSTEES

LOCATION: Fishkind & Associates
12051 Corporate Blvd., Orlando, FL 32817

DATE: April 30, 2008

TIME: 12:40 p.m.

MEMBERS IN ATTENDANCE:

BOARD OF PARTICIPANTS: Traditions Community Development District No. 1
Traditions Community Development District No. 2
Traditions Community Development District No. 3
Villages at Gulfstream Park CDD

BOARD OF TRUSTEES: Henry Fishkind, Chairman
Joseph MacLaren, Treasurer and Secretary
James Anderson, Vice Chairman
Mark Mason, Treasurer Trustee

OTHER ATTENDEES: William Spivey, Vice President - FLSAFE
Chris Blackwood, Managing Director - FLSAFE
Jeff Larson, S.V.P. - D.A. Davidson & Co.

1. **CALL TO ORDER/ROLL CALL**

The Chairman, Henry Fishkind, called the meeting to order at 12:40 p.m.

2. **BUSINESS ADMINISTRATION**

Reviewed and approved the February 29, 2008 meeting minutes. Hank Fishkind asked to move to approve the minutes of February 29th, Joe MacLaren motioned to approve and Jim Anderson 2nd.

3. **BUSINESS ITEMS**

Chris Blackwood discussed two Amendments to the Indenture of Trust:

- a. Amendment to Indenture of Trust: Board of Participants discussed and reviewed Amendment to Trust Indenture with respect to the Sovereign Immunity rights of any participant joining FLSAFE. Mark Mason motioned to approve and Joe MacLaren seconded. The vote was unanimously in favor.
- b. Amendment to Indenture of Trust: Board of Participants discussed and reviewed Amendment to Trust Indenture with respect to Permitted Investments. Jim Anderson motioned to approve and Mark Mason seconded. The vote was unanimously in favor.

- c. Board Insurance: Board of Trustees to consider offers for Director's Liability Insurance. Chris had received quotes from three firms and two are pending. The lowest quote was from Excel Insurance with an annual premium of \$25,500. Because of the high cost, and upon discussing the issue with the FLSAFE insurance agent, Chris recommended a delay in signing an insurance policy for approximately 2 weeks until he received the quotes from the final two firms. Hank Fishkind suggested that the board delegate this process to Chris Blackwood. Mark Mason motioned to approve and Joe McLaren seconded. The vote was unanimously in favor.
- d. Auditor: Board of Trustees selected Clifton Gunderson as the auditor for FLSAFE. Mark Mason motioned to approve and Joe MacLaren seconded. The vote was unanimously in favor.
- e. Financial Statement: Board to approve quarterly financial report/checking account. Mark Mason suggested that the financial statement show a balance sheet with assets and liabilities. Hank Fishkind suggested the board approve the quarterly report pending the receipt of the asset/liability statement. Mark Mason motioned to approve and Hank Fishkind seconded. The vote was unanimously in favor.
- f. Legal Counsel: Board to consider retaining Akerman Senterfitt as legal counsel to FLSAFE. Mark Mason motioned to approve and Joe MacLaren seconded. The vote was unanimously in favor.

4. STAFF REPORTS

- a. Portfolio Structure: Chris Blackwood presented a summary overview of the current state of the economy. GDP growth moved toward recession levels in the fourth quarter. GDP was up 0.6% in the 4th quarter, down from 4.9% in the 3rd quarter. The labor markets reflected an impending recession in the first quarter of 2008. Jobs were lost each month January through March 2008. Consumer spending is showing the effects of the weak economy. In March 2008, retail sales rose an anemic 2.0% (year over year). The housing market is in dismal shape, with record foreclosures throughout the country, particularly in California, Florida, Nevada and Arizona leading the way. Annualized housing starts totaled 947,000 in March, the lowest levels since 1990. The Fed continued to cut rates during the first quarter, reducing the Fed Funds rate to 2.25%. As a result of the sub-prime problem and a weakening economy, we expect the Fed to cut rates 1-2 more times this year.

The portfolio is structured to maintain a high degree of liquidity to comply with the mandates of S&P. Thus, the portfolio managers are utilizing a number of AAA rated money market funds. The portfolio will slowly incorporate securities throughout the year as FLSAFE gains more participants and assets grow.

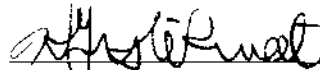
- b. Marketing Plans: Bill Spivey spoke and discussed marketing items. A number of conferences are scheduled during the spring and FLSAFE intends to be a sponsor at each event. We have conferences coming up and Bill states he plans on seeing all 67 countries by November. Hank Fishkind suggested that Bill Spivey draft a letter to assist in marketing FLSAFE.
- c. Website: Chris stated the website is operating efficiently and there have not been any real problems.

5. NEXT MEETING DATE/ADJOURNMENT

The next Board Meeting is scheduled to meet on Wednesday, July 23, 2008 at noon at Fishkind & Associates Office in Orlando. James Anderson moved to adjourn the meeting. Joseph MacLaren seconded the motion. The motion passed unanimously.

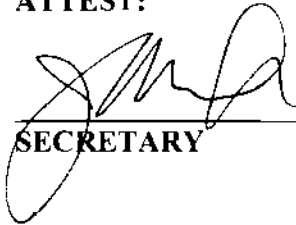
APPROVED THIS 27th DAY OF August, 2008.

FLORIDA SURPLUS ASSET FUND TRUST



CHAIRMAN/VICE CHAIRMAN

ATTEST:



SECRETARY