



**Third Quarter Report 2014
For the period ended September 30, 2014**

BOARD OF TRUSTEES

Alan Krcmarik, Chairman	City of Loveland
Diane Holbert, Vice-Chair	Douglas County
Brenden Morgan, Treasurer	Regional Transportation District
Tim Kauffman, Secretary	Jefferson County
Jeff Hansen, Director	City of Golden
Wesley LaVanchy, Director	Town of Firestone
Scott Myers, Director	City of Federal Heights
Maria Ostrom, Director	City of Thornton
George Turtle, Director	Special District Management Services
Jay Valentine, Director	City of Grand Junction

Investment Advisor and Administrator

Davidson Fixed Income Management, Inc.

Trisha Mingo	Fund Administrator
Glenn Scott	Portfolio Manager
Bob Krug	Client Services Manager
Justin Wood	Portfolio Manager
Nik Yip	Trader/Asst. Portfolio Manager
Steve Graves	Operations Associate

Custodian

U.S. Bank NA

Auditor

BKD LLP

Credit Rating

AAAM

CSAFE SUMMARY

- ◆ Colorado Surplus Asst Fund Trust ("CSAFE") is a local government investment pool trust fund organized under C.R.S. §24-75-701, et seq., registered as such with the Colorado Securities Commissioner pursuant to the Local Government Investment Pool Trust Fund Administration and Enforcement Act, C.R.S. §11-51-901, et seq. As such a trust, CSAFE pools and invests the funds of Colorado local government participants within the investment policies and limitations set forth in CSAFE's Indenture of Trust and C.R.S. §24-75-601, et seq. Participants include municipalities, counties, school districts and special districts.
- ◆ CSAFE invests primarily in United States Treasuries, United States Agencies, Primary Dealer Repurchase Agreements (collateralized at 102%), highly rated commercial paper (with short term ratings of A-1 or better), AAAM rated money market funds, highly rated corporate bonds and Colorado Depositories (with short term ratings of A-1 or better) in which the deposits are collateralized at 102% of market value under the provisions of the Public Depository Protection Act.
- ◆ CSAFE 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.
- ◆ CSAFE seeks to maintain, but does not guarantee, a constant net asset value at \$1.00 per share.
- ◆ The Investment Advisor and Administrator is Davidson Fixed Income Management, Inc.

DISCLOSURE STATEMENT

As Chairman of the CSAFE Board of Trustees, I hereby attest that CSAFE is in compliance with the provisions of Part 7, Article 75 Title 24, C.R.S., and all other applicable laws and regulations. Additionally, I attest that the Commissioner and the Board of Trustees consent to the disclosure of such information by Securities Commissioner as provided for in Section §11-51-908, C.R.S.



Alan Krmarik, City of Loveland
Chairman of the Board of Trustees, CSAFE



For the period ended September 30, 2014

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2014	6/30/2014	9/30/2014	12/31/2014	
Gross Investment Income	\$859,915	\$963,139	\$1,053,297		\$2,876,351
Expenses (blue text indicates accrued expense)					
Audit Fees	32,225	15,000			47,225
Activity & Transaction Fees	8,535	10,601	9,658		28,794
Admin/Advisory Fees	418,681	391,962	411,980		1,222,623
Association Dues	400	375	500		1,275
Board Expenses	5,876	7,907	16,581		30,364
Custodial Fees	17,230	37,566	45,257		100,053
Insurance	4,200	4,200	4,200		12,600
Internet/Web Page	1,958	1,450	1,950		5,358
Legal Fees	1,250	1,250	1,250		3,750
Miscellaneous Credits	(350)	-			(350)
Miscellaneous Expenses & Fees	15	-	172		187
State Annual Fee	-	-	2,000		2,000
Excess Accrued Expenses	355	7,015	13,250		20,619
Rating Agency Fee	-	-			-
Total	<u>490,375</u>	<u>477,325</u>	<u>506,798</u>		<u>1,474,498</u>
Net Investment Income	<u>\$369,540</u>	<u>\$485,813</u>	<u>\$546,499</u>		<u>\$1,401,852</u>
	\$490,375.00	\$477,325.00	\$506,797.99		

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	994,271,820	1,424,368,760	648,714,041		3,067,354,620
Shares Redeemed	(865,795,141)	(984,945,574)	(924,969,665)		(2,775,710,380)
Net Change in Share Transactions	\$128,476,678	\$439,423,186	(\$276,255,625)		\$291,644,240
Investment activities:					
Net Investment Income	369,540	485,813	546,499		1,401,852
Net Change in Assets	\$128,846,218	\$439,908,999	(\$275,709,125)		\$293,046,092
Net Assets at Beginning of Period	<u>\$1,451,343,895</u>	<u>\$1,580,190,113</u>	<u>\$2,020,099,113</u>		<u>\$1,451,343,895</u>
Net Assets at End of Period	<u>\$1,580,190,113</u>	<u>\$2,020,099,113</u>	<u>\$1,744,389,988</u>		<u>\$1,744,389,988</u>

STATEMENT OF NET ASSETS

Assets

Investments in securities				
Corporate floating note	24,390,833	9,352,211	9,315,763	
Repurchase agreements	6,597	5,685	0	
U.S. government agencies	70,000,611	70,000,286	25,000,000	
Commercial paper	940,402,392	1,062,027,056	1,289,939,744	
Variable Rate Commercial paper	79,600,213	267,000,000		
Total investment in securities	<u>1,114,400,646</u>	<u>1,408,385,238</u>	<u>1,324,255,507</u>	
Cash and cash equivalents	464,747,966	610,777,572	418,950,747	
Other assets				
Contribution Receivable	900,000	900,000	900,000	
Accrued Interest	129,612	170,548	116,596	
Primary Fund Receivable	212,727	212,727	212,727	
Total Assets	<u>1,580,390,950</u>	<u>2,020,446,085</u>	<u>1,744,435,577</u>	

Liabilities

Participant Distribution Payable	29,723	(5,507)	(3,086)	
Accrued expenses	171,114	352,432	595,332	
Total Liabilities	<u>200,837</u>	<u>346,925</u>	<u>592,246</u>	
Net assets applicable to shares outstanding	<u>1,580,190,113</u>	<u>2,020,099,160</u>	<u>1,743,843,331</u>	

PORTFOLIO ASSETS										
Security Description	S&P Credit Rating				Yield	Maturity	Cost	Book Value	Market Value ⁽¹⁾	% of Assets
	Short-Term	Long-Term								
U.S. Agencies										
FFCB FRN	A-1+/P-1	AA+/Aaa	0.150%	4/1/2015		<u>25,000,000.00</u>	<u>25,000,000.00</u>	<u>25,006,250.00</u>	<u>1.43%</u>	
Total						25,000,000.00	25,000,000.00	25,006,250.00	1.43%	
Commercial Paper ⁽⁴⁾										
Australia & New Zealand Banking Group	A-1+/P-1	n/a	0.326%	10/9/2014		39,872,355.56	39,997,155.56	39,998,400.00	2.29%	
Bank of Nova Scotia	A-1+/P-1	n/a	0.241%	3/11/2015		24,971,875.00	24,974,843.75	24,968,750.00	1.43%	
Bank of Tokyo	A-1/P-1	n/a	0.182%	10/14/2014		39,993,766.67	39,997,544.45	39,997,200.00	2.29%	
Bank of Tokyo	A-1/P-1	n/a	0.245%	11/10/2014		39,950,666.80	39,989,333.36	39,991,200.00	2.29%	
Coca-Cola Company	A-1+/P-1	n/a	0.215%	2/24/2015		29,954,675.00	29,974,450.00	29,969,700.00	1.72%	
Macquarie Bank Limited	A-1/P-1	n/a	0.307%	11/24/2014		18,971,500.00	18,991,450.00	18,994,300.00	1.09%	
Macquarie Bank Limited	A-1/P-1	n/a	0.379%	2/6/2015		24,931,138.89	24,967,111.11	24,977,750.00	1.43%	
Macquarie Bank Limited	A-1/P-1	n/a	0.379%	2/20/2015		34,903,954.17	34,948,919.45	34,965,350.00	2.00%	
Macquarie Bank Limited	A-1/P-1	n/a	0.493%	6/8/2015		9,952,000.00	9,966,666.67	9,976,400.00	0.57%	
Midea International Corp	A-1/P-1	n/a	0.365%	10/1/2014		19,997,800.00	20,000,000.00	20,000,000.00	1.15%	
Midea International Corp	A-1/P-1	n/a	0.408%	10/20/2014		66,082,843.19	66,087,789.86	66,093,390.00	3.79%	
Mizuho Funding LLC	A-1/P-1	n/a	0.202%	11/12/2014		24,987,541.67	24,994,312.50	24,994,250.00	1.43%	
Mizuho Funding LLC	A-1/P-1	n/a	0.203%	11/17/2014		24,987,947.92	24,993,635.42	24,993,500.00	1.43%	
Nordea Bank	A-1+/P-1	n/a	0.217%	1/28/2015		29,969,025.00	29,979,175.00	29,977,200.00	1.72%	
Nordea Bank	A-1+/P-1	n/a	0.170%	10/27/2014		39,976,861.20	39,994,944.46	39,994,400.00	2.29%	
Nordea Bank	A-1+/P-1	n/a	0.219%	2/17/2015		19,979,000.00	19,983,783.33	19,980,600.00	1.15%	
Prudential PLC	A-1/P-1	n/a	0.178%	4/16/2015		9,970,250.00	9,983,583.33	9,983,000.00	0.57%	
Prudential PLC	A-1/P-1	n/a	0.307%	4/26/2015		24,924,583.33	24,956,458.33	24,955,000.00	1.43%	
Skandin Ens Banken AG	A-1/P-1	n/a	0.303%	3/13/2015		14,969,962.50	14,981,567.90	14,980,950.00	0.86%	
Skandin Ens Banken AG	A-1/P-1	n/a	0.302%	3/18/2015		9,979,675.00	9,987,400.00	9,986,900.00	0.57%	
Skandin Ens Banken AG	A-1/P-1	n/a	0.320%	3/19/2015		14,969,850.00	14,980,987.50	14,980,350.00	0.86%	
Standard Charter	A-1+/P-1	n/a	0.326%	11/13/2014		16,945,902.22	16,993,502.22	16,995,920.00	0.97%	
Standard Charter	A-1+/P-1	n/a	0.306%	12/4/2014		11,972,600.00	11,993,600.00	11,995,560.00	0.69%	
Standard Charter	A-1+/P-1	n/a	0.298%	1/30/2015		9,982,438.90	9,990,252.78	9,991,600.00	0.57%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.226%	11/3/2014		29,977,266.67	29,993,950.00	29,994,600.00	1.72%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.317%	3/23/2015		24,969,097.22	24,969,965.28	24,966,250.00	1.43%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.317%	12/23/2014		27,965,000.00	27,983,861.11	27,986,560.00	1.60%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.509%	1/8/2015		10,949,277.77	10,984,875.00	10,993,070.00	0.63%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.509%	1/29/2015		5,972,401.66	5,990,100.00	5,995,380.00	0.34%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.509%	2/12/2015		5,971,833.33	5,988,833.33	5,994,420.00	0.34%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.361%	1/14/2015		29,948,666.70	29,969,375.02	29,979,900.00	1.72%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.591%	3/12/2015		16,901,400.00	16,955,630.00	16,978,580.00	0.97%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.358%	11/25/2014		4,991,201.39	4,997,326.39	4,998,450.00	0.29%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.485%	7/6/2015		14,930,479.20	14,945,558.36	14,960,550.00	0.86%	
Toronto Dominion Holdings USA	A-1+/P-1	n/a	0.256%	10/31/2014		9,981,319.44	9,997,916.67	9,998,400.00	0.57%	
Toronto Dominion Holdings USA	A-1+/P-1	n/a	0.549%	6/26/2014		39,919,000.00	39,919,600.00	39,898,800.00	2.29%	
Union Bank NA	A-1/P-1	n/a	0.248%	1/2/2015		16,972,233.33	16,989,460.00	16,989,970.00	0.97%	
Westpac Banking Corp	A-1+/P-1	n/a	0.310%	12/23/2014		<u>11,964,010.00</u>	<u>11,991,561.67</u>	<u>11,994,240.00</u>	<u>0.69%</u>	
Total						854,611,399.73	855,386,479.81	855,470,840.00	49.04%	
Bank Commercial Paper ⁽⁴⁾										
US Bank NA CP O/N Sweep	A-1/P-1	n/a	0.170%	7/1/2014		<u>82,571,041.98</u>	<u>82,571,041.98</u>	<u>82,571,041.98</u>	<u>4.73%</u>	
Total						82,571,041.98	82,571,041.98	82,571,041.98	4.73%	
Bankers Acceptances ⁽⁴⁾										
US Bank NA	A-1/P-1	n/a	0.418%	8/17/2015		<u>4,980,000.00</u>	<u>4,982,222.22</u>	<u>4,984,900.00</u>	<u>0.29%</u>	
Total						4,980,000.00	4,982,222.22	4,984,900.00	0.29%	
Corporate Notes										
CommonWealth Bank (FRN)	A-1+/P-1	AA-/Aa1	1.936%	3/16/2015		<u>9,404,900.70</u>	<u>9,315,763.47</u>	<u>9,318,172.50</u>	<u>0.53%</u>	
Total						9,404,900.70	9,315,763.47	9,318,172.50	0.53%	
Other Commercial Paper ⁽⁴⁾										
Australia & New Zealand Bank	A-1+/P-1	n/a	0.225%	2/10/2015		25,000,000.00	25,000,000.00	25,000,000.00	1.43%	
Australia & New Zealand Bank	A-1+/P-1	n/a	0.230%	5/29/2015		23,000,000.00	23,000,000.00	23,000,000.00	1.32%	
Commonwealth Bank of Australia	A-1+/P-1	n/a	0.257%	6/15/2015		40,000,000.00	40,000,000.00	40,000,000.00	2.29%	
Commonwealth Bank of Australia	A-1+/P-1	n/a	0.235%	2/13/2015		19,000,000.00	19,000,000.00	19,000,000.00	1.09%	
Commonwealth Bank of Australia	A-1+/P-1	n/a	0.234%	7/20/2015		10,000,000.00	10,000,000.00	10,000,000.00	0.57%	
DNB Bank ASA	A-1/P-1	n/a	0.257%	4/1/2015		20,000,000.00	20,000,000.00	20,000,000.00	1.15%	
National Australia Bank	A-1+/P-1	n/a	0.225%	3/11/2015		50,000,000.00	50,000,000.00	50,000,000.00	2.87%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.205%	12/5/2014		50,000,000.00	50,000,000.00	50,000,000.00	2.87%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.200%	2/6/2015		30,000,000.00	30,000,000.00	30,000,000.00	1.72%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.204%	4/17/2015		10,000,000.00	10,000,000.00	10,000,000.00	0.57%	
Westpac Banking Corp	A-1+/P-1	n/a	0.200%	7/30/2015		25,000,000.00	25,000,000.00	25,000,000.00	1.43%	

S&P Credit Rating								
Security Description	Short-Term	Long-Term	Yield	Maturity	Cost	Book Value	Market Value ⁽¹⁾	% of Assets
Westpac Banking Corp	A-1+/P-1	n/a	0.210%	9/17/2015	20,000,000.00	20,000,000.00	20,000,000.00	1.15%
Westpac Banking Corp	A-1+/P-1	n/a	0.210%	9/18/2015	25,000,000.00	25,000,000.00	25,000,000.00	1.43%
Total					347,000,000.00	347,000,000.00	347,000,000.00	19.89%
Total Commercial Paper					1,284,182,441.71	1,284,957,521.79	1,285,041,881.98	73.66%
Collateralized Bank Deposits ⁽²⁾								
Bank of the West Money Market Savings	A-1/P-1	AA/A1	0.140%	10/1/2014	229,441,119.76	229,441,119.76	229,441,119.76	13.15%
Great Western Bank Money Market Savings	N/R	N/R	0.160%	10/1/2014	3,667,703.01	3,667,703.01	3,667,703.01	0.21%
US Bank - Checking	A-1/P-1	A/Aa3	0.020%	10/1/2014	444,240.00	444,240.00	444,240.00	0.03%
US Bank - DDA	A-1/P-1	A/Aa3	0.020%	10/1/2014	-	-	-	0.00%
Total					233,553,062.77	233,553,062.77	233,553,062.77	13.39%
Money Market Funds ⁽⁴⁾								
BlackRock Cash Funds Prime 1197	AAAm/Aaa	n/a	0.758%	10/1/2014	173,699,549.56	173,699,549.56	173,699,549.56	9.96%
Fidelity Prime 2014	AAAm/Aaa	n/a	0.314%	10/1/2014	1,334,002.23	1,334,002.23	1,334,002.23	0.08%
Federated Money Market Mngmt Fd 58	AAAm/Aaa	n/a	0.661%	10/1/2014	9,675,911.22	9,675,911.22	9,675,911.22	0.55%
Goldman Sachs Prim Oblig 462	AAAm/Aaa	n/a	0.101%	10/1/2014	688,550.00	688,550.00	688,550.00	0.04%
AIM Premier US Government	AAAm/Aaa	n/a	0.010%	10/1/2014	900,000.00	900,000.00	900,000.00	0.05%
Total					186,298,013.01	186,298,013.01	186,298,013.01	10.68%
Other Assets								
Total accrued interest receivable						116,596.00	116,596.00	0.01%
The Primary Fund ⁽³⁾					-	212,726.96	-	0.01%
Total					-	329,322.96	116,596.00	0.02%
Total Assets ⁽⁵⁾					\$ 1,743,418,418	\$ 1,744,435,906	\$ 1,744,318,876	100%
Net Asset Value Per Share							\$1.00	

Notes:

- 1) All of the securities held in the portfolio are valued each week using a third party pricing service (U.S. Bank N.A.). Other assets in the portfolio such as repurchase agreements, money market funds and bank deposits are valued at cost.
- 2) In October 2008, the FDIC insurance limit was raised to \$250,000. All bank deposits in amounts greater than \$250,000 were collateralized according to the regulations of the Public Deposit Protection Act.
- 3) Effective November 24, 2010 Crederain Fund Services LLC became the liquidating services agent for The Reserve Primary Money Market Fund ("Reserve") and the fund changed its name to The Primary Fund. Crederian Fund Services LLC will continue the process of liquidating the portfolio of The Primary Fund. As of June 30, 2011 CSAFE had received a total of 99.04% of its principal balance outstanding in the Reserve on 9/15/08.
- 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 are completed annually and are available at www.csafe.org.

QUARTERLY SUMMARY

Net Assets	\$1,743,843,331
30 Day Yield	0.12%
7 Day Yield	0.12%
Expense Ratio	0.11%
Weighted Avg Maturity (days)	52
Weighted Avg Life (days)	93
Net Asset Value Per Share	\$1.00