



**Fourth Quarter Report 2013  
For the period ended December 31, 2013**

**BOARD OF TRUSTEES**

Gerry Schulte, Chairman  
Alan Krcmarik, Vice-Chairman  
Wesley LaVanchy, Treasurer  
Tim Kauffman, Secretary  
Jeff Hansen, Director  
Diane Holbert, Director  
Brenden Morgan, Director  
Scott Myers, Director  
Maria Ostrom, Director  
George Turtle, Director  
Jay Valentine, Director

Evergreen Metro District  
City of Loveland  
Town of Firestone  
Jefferson County  
City of Golden  
Douglas County  
Regional Transportation District  
Littleton Public Schools  
City of Thornton  
Special District Management Services  
City of Grand Junction

**Investment Advisor and Administrator**

Davidson Fixed Income Management, Inc.

Trisha Mingo  
Glenn Scott  
Bob Krug  
Linda Olson  
Scott Prickett

Fund Administrator  
Portfolio Manager  
Client Services Manager  
Asst. Fund Administrator  
DFIM Managing Director

**Custodian**

U.S. Bank NA

**Auditor**

BKD LLP

**Credit Rating**



1600 Broadway, Suite 1100 Denver, CO 80202  
303-296-6340 800-541-2953.  
[www.csafe.org](http://www.csafe.org)

## 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.



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Gerry Schulte, Evergreen Metropolitan District  
Chairman of the Board of Trustees, CSAFE



For the period ended December 31, 2013

**STATEMENT OF OPERATIONS**

	For the Period Ending				Year-to-Date
	3/31/2013	6/30/2013	9/30/2013	12/31/2013	
<b>Gross Investment Income</b>	\$914,665	\$1,141,945	\$1,190,758	\$1,078,288	\$4,325,656
<b>Expenses</b> (blue text indicates accrued expense)					
Audit Fees	24,250	7,500	-	-	31,750
Activity & Transaction Fees	8,165	8,907	8,643	9,663	35,378
Admin/Advisory Fees	359,437	462,006	518,390	489,606	1,829,438
Association Dues	370	150	-	1,250	1,770
Board Expenses	7,109	11,067	(98)	1,891	19,969
Custodial Fees	35,965	44,646	44,814	46,000	171,424
Insurance	1,128	-	-	15,200	16,328
Internet/Web Page	2,700	2,850	2,675	1,275	9,500
Legal Fees	-	1,619	-	-	1,619
Miscellaneous Credits	-	-	-	(5,688)	(5,688)
Miscellaneous Expenses & Fees	-	-	5,688	125	5,813
State Annual Fee	-	2,000	-	-	2,000
Excess Accrued Expenses	(2,847)	27,646	40,245	(16,514)	48,529
Rating Agency Fee	2,853	-	-	30,000	32,853
<b>Total</b>	<b>439,129</b>	<b>568,391</b>	<b>620,356</b>	<b>572,808</b>	<b>2,200,684</b>
<b>Net Investment Income</b>	<b>\$475,536</b>	<b>\$573,554</b>	<b>\$570,402</b>	<b>\$505,479</b>	<b>\$2,124,971</b>

**STATEMENT OF CHANGES IN NET ASSETS**

Shares Purchased	1,046,475,441	1,349,776,594	686,226,037	597,113,988	3,679,592,059
Shares Redeemed	(773,633,330)	(1,006,187,870)	(746,918,194)	(977,867,112)	(3,504,606,506)
<b>Net Change in Share Transactions</b>	<b>\$272,842,111</b>	<b>\$343,588,724</b>	<b>(\$60,692,157)</b>	<b>(\$380,753,124)</b>	<b>\$174,985,554</b>
Investment activities:					
Net Investment Income	475,536	573,554	570,402	505,479	2,124,971
Income Adjustment	0	0	0	0	0
<b>Net Change in Assets</b>	<b>\$273,317,646</b>	<b>\$344,162,278</b>	<b>(\$60,121,754)</b>	<b>(\$380,247,645)</b>	<b>\$177,110,525</b>
<b>Net Assets at Beginning of Period</b>	<b>\$1,274,233,370</b>	<b>\$1,547,551,017</b>	<b>\$1,891,713,295</b>	<b>\$1,831,591,540</b>	<b>\$1,274,233,370</b>
<b>Net Assets at End of Period</b>	<b>\$1,547,551,017</b>	<b>\$1,891,713,295</b>	<b>\$1,831,591,540</b>	<b>\$1,451,343,895</b>	<b>\$1,451,343,895</b>

**STATEMENT OF NET ASSETS**

<b>Assets</b>					
Investments in securities					
Corporate fixed note	-	-	-	-	-
Repurchase agreements	120,001,625	194,054,093	119,072,341	0	
Banker's Acceptances	10,393,580	3,994,392	1,997,375	1,999,440	
U.S. government agencies	249,020,068	234,019,145	134,013,260	134,006,416	
Commercial paper	727,429,509	1,003,866,909	1,151,711,212	671,631,203	
Total investment in securities	1,106,844,782	1,435,934,539	1,406,794,188	807,637,059	
Cash and cash equivalents	438,657,673	453,757,635	422,873,102	642,684,026	
Other assets					
Contribution Receivable	1,800,000	1,800,000	1,800,000	900,000	
Accrued Interest	175,160	216,499	168,990	153,893	
Primary Fund Receivable	212,727	212,727	212,727	212,727	
Receivable - Other	24,066	24,444	23,127	0	
Total Assets	1,547,714,407	1,891,945,843	1,831,872,134	1,451,587,705	
<b>Liabilities</b>					
Accrued expenses	163,391	232,548	280,594	243,810	
Net assets applicable to shares outstanding	1,547,551,017	1,891,713,295	1,831,591,541	1,451,343,895	

**PORTFOLIO ASSETS**

Security Description	S&P Credit Rating			Maturity	Cost	Book Value	Market Value <sup>(1)</sup>	% of Assets
	Short-Term	Long-Term	Yield					
<b>U.S. Agencies</b>								
FFCB FRN	A-1+/P-1	AAA/Aaa	0.226%	3/24/2014	29,026,622.00	29,005,526.59	29,004,640.00	2.00%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.220%	8/1/2014	20,000,000.00	20,000,000.00	20,018,800.00	1.38%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.186%	9/19/2014	25,002,032.50	25,000,932.31	25,003,750.00	1.72%
FFCB FRN	A-1+/P-1	AA+/Aaa	0.211%	4/1/2015	25,000,000.00	25,000,000.00	25,007,750.00	1.72%
FHLB FRN	A-1+/P-1	AA+/Aaa	0.190%	3/6/2014	4,999,550.00	4,999,953.17	5,001,400.00	0.34%
FHLB FRN	A-1+/P-1	AA+/Aaa	0.200%	1/2/2014	<u>30,002,517.25</u>	<u>30,000,004.15</u>	<u>30,000,000.00</u>	<u>2.07%</u>
<b>Total</b>					<u>134,030,721.75</u>	<u>134,006,416.22</u>	<u>134,036,340.00</u>	<u>9.23%</u>
<b>Repurchase Agreement</b>								
JP Morgan -Repo O/N Sweep	A-1/P-1	AA-/A1	0.145%	10/1/2013	<u>49,090,546.82</u>	<u>49,090,546.82</u>	<u>49,090,546.82</u>	<u>3.38%</u>
<b>Total</b>					<u>49,090,546.82</u>	<u>49,090,546.82</u>	<u>49,090,546.82</u>	<u>3.38%</u>
<b>Commercial Paper <sup>(4)</sup></b>								
Australia & New Zealand Banking Group	A-1+/P-1	n/a	0.321%	10/9/2014	39,872,355.56	39,900,088.89	39,897,200.00	2.75%
Caisse Cent Desjardins	A-1/P-1	n/a	0.255%	2/18/2014	29,961,537.50	29,989,800.00	29,993,100.00	2.07%
DNB BANK ASA	A-1/P-1	n/a	0.346%	8/25/2014	34,878,579.17	34,920,841.67	34,924,750.00	2.41%
DNB BANK ASA	A-1/P-1	n/a	0.351%	8/26/2014	14,948,375.00	14,965,437.50	14,967,600.00	1.03%
DNB BANK ASA	A-1/P-1	n/a	0.331%	9/10/2014	19,934,366.67	19,953,800.00	19,954,000.00	1.37%
FCAR A-1+	A-1+/P-1	n/a	0.200%	4/1/2014	24,983,333.33	24,987,500.00	24,988,250.00	1.72%
Mizuho Funding LLC	A-1/P-1	n/a	0.255%	3/21/2014	24,973,614.58	24,986,010.41	24,989,750.00	1.72%
National Australia Funding DE	A-1+/P-1	n/a	0.255%	2/18/2014	29,942,625.00	29,989,800.00	29,993,100.00	2.07%
Prudential PLC	A-1/P-1	n/a	0.361%	6/26/2014	9,972,700.00	9,982,400.00	9,986,900.00	0.69%
Prudential PLC	A-1/P-1	n/a	0.431%	9/25/2014	9,957,000.00	9,968,108.33	9,975,600.00	0.69%
Salvation Army	A-1+/P-1	n/a	0.240%	1/21/2014	9,998,666.67	9,998,666.67	9,999,200.00	0.69%
Standard Charter	A-1+/P-1	n/a	0.301%	8/12/2014	24,943,750.00	24,953,541.67	24,949,250.00	1.72%
Standard Charter	A-1+/P-1	n/a	0.321%	11/13/2014	16,945,902.22	16,952,248.89	16,950,870.00	1.17%
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.250%	7/1/2014	34,955,763.89	34,956,006.95	34,952,750.00	2.41%
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.250%	2/26/2014	19,974,444.44	19,992,222.22	19,994,600.00	1.38%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.755%	1/13/2014	10,374,672.95	10,447,387.53	10,449,477.53	0.72%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.755%	2/3/2014	4,965,416.67	4,996,562.50	4,999,200.00	0.34%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.806%	3/17/2014	19,839,111.11	19,966,666.67	19,992,200.00	1.38%
Suncorp Metway Ltd.	A-1/P-1	n/a	0.565%	7/10/2014	34,808,602.85	34,892,333.37	34,945,050.00	2.40%
Toronto Dominion Holdings USA	A-1+/P-1	n/a	0.321%	3/28/2014	21,947,395.56	21,983,182.22	21,990,100.00	1.51%
Union Bank NA	A-1/P-1	n/a	0.270%	6/2/2014	44,926,200.00	44,948,700.00	44,949,150.00	3.10%
Union Bank NA	A-1/P-1	n/a	0.270%	6/9/2014	<u>14,976,037.50</u>	<u>14,982,112.50</u>	<u>14,982,300.00</u>	<u>1.03%</u>
<b>Total</b>					<u>498,080,450.67</u>	<u>498,713,417.99</u>	<u>498,824,397.53</u>	<u>34.36%</u>
<b>Bank Commercial Paper <sup>(4)</sup></b>								
US Bank NA CP O/N Sweep	A-1/P-1	n/a	0.200%	10/1/2013	<u>72,918,030.23</u>	<u>72,918,030.23</u>	<u>72,918,030.23</u>	<u>5.02%</u>
<b>Total</b>					<u>72,918,030.23</u>	<u>72,918,030.23</u>	<u>72,918,030.23</u>	<u>5.02%</u>
<b>Other Commercial Paper <sup>(4)</sup></b>								
Commonwealth Bank of Australia	A-1+/P-1	n/a		6/6/2014	40,000,000.00	40,000,000.00	40,000,000.00	2.76%
Westpac Banking Corp	A-1+/P-1	n/a		6/20/2014	30,000,000.00	30,000,000.00	30,000,000.00	2.07%
Westpac Banking Corp	A-1+/P-1	n/a		9/24/2014	<u>30,000,000.00</u>	<u>30,000,000.00</u>	<u>30,000,000.00</u>	<u>2.07%</u>
<b>Total</b>					<u>100,000,000.00</u>	<u>100,000,000.00</u>	<u>100,000,000.00</u>	<u>6.89%</u>
<b>Total Commercial Paper</b>					<u>670,998,480.90</u>	<u>671,631,448.22</u>	<u>671,742,427.76</u>	<u>46.27%</u>
<b>Bankers Acceptances <sup>(4)</sup></b>								
U.S. Bank NA Bankers Acceptance	A-1+/P-1	n/a		2/28/2014	<u>1,998,138.89</u>	<u>1,999,194.44</u>	<u>1,999,440.00</u>	<u>0.14%</u>
<b>Total</b>					<u>1,998,138.89</u>	<u>1,999,194.44</u>	<u>1,999,440.00</u>	<u>0.14%</u>
<b>Collateralized Bank Deposits <sup>(2)</sup></b>								
Bank of the West Money Market Savings	A-1/P-1	AA/A1	0.290%	1/1/2014	229,147,707.91	229,147,707.91	229,147,707.91	15.79%
Great Western Bank Money Market Savings	N/R	N/R	0.400%	1/1/2014	3,660,074.04	3,660,074.04	3,660,074.04	0.25%
JP Morgan - Money Market Savings	A-1/P-1	AA-/A1	0.115%	1/1/2014	55,915,869.46	55,915,869.46	55,915,869.46	3.85%
JP Morgan - Stable Balance Account	A-1/P-1	AA-/A1	0.195%	1/1/2014	160,616,205.99	160,616,205.99	160,616,205.99	11.06%
US Bank - Checking	A-1/P-1	A/Aa3	0.020%	1/1/2014	71,197.72	71,197.72	71,197.72	0.00%
US Bank - DDA	A-1/P-1	A/Aa3	0.020%	1/1/2014	-	-	-	0.00%
Wells Fargo High Yield Savings	A-1/P-1	AA-/A1	0.020%	1/1/2014	<u>9,816.14</u>	<u>9,816.14</u>	<u>9,816.14</u>	<u>0.00%</u>
<b>Total</b>					<u>449,420,871.26</u>	<u>449,420,871.26</u>	<u>449,420,871.26</u>	<u>30.96%</u>
<b>Money Market Funds <sup>(4)</sup></b>								
BlackRock Cash Funds Prime 1197	AAAm/Aaa	n/a	0.110%	1/1/2014	144,172,608.09	144,172,608.09	144,172,608.09	9.93%
AIM Premier US Government	AAAm/Aaa	n/a	0.020%	1/1/2014	<u>900,330.66</u>	<u>900,330.66</u>	<u>900,330.66</u>	<u>0.06%</u>

<u>Security Description</u>	<u>S&amp;P Credit Rating</u>				<u>Cost</u>	<u>Book Value</u>	<u>Market Value <sup>(1)</sup></u>	<u>% of Assets</u>
	<u>Short-Term</u>	<u>Long-Term</u>	<u>Yield</u>	<u>Maturity</u>				
<b>Total</b>					145,072,938.75	145,072,938.75	145,072,938.75	9.99%
<b>Other Assets</b>								
Total accrued interest receivable						153,562.57	153,562.57	0.01%
The Primary Fund <sup>(3)</sup>					-	212,726.96	-	0.01%
<b>Total</b>					-	366,289.53	153,562.57	0.03%
<b>Total Assets <sup>(5)</sup></b>					<b>\$ 1,450,611,698</b>	<b>\$ 1,451,587,705</b>	<b>\$ 1,451,516,127</b>	<b>100%</b>
<b>Net Asset Value Per Share</b>							<b>\$1.00</b>	

**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](http://www.csafe.org).

**QUARTERLY SUMMARY**

Net Assets	\$1,451,343,895
30 Day Yield	0.12%
7 Day Yield	0.12%
Expense Ratio	0.14%
Weighted Avg Maturity (days)	51
Weighted Avg Life (days)	79
Net Asset Value Per Share	\$1.00