



Fourth Quarter Report 2015
For the period ended December 31, 2015

BOARD OF TRUSTEES

Alan Krcmarik, Chairman
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City of Loveland
Douglas County
Regional Transportation District
Jefferson County
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Town of Firestone
City of Federal Heights
Arapahoe County
Special District Management Services
City of Grand Junction

Investment Advisor and Administrator

Davidson Fixed Income Management, Inc.

Trisha Mingo
Glenn Scott
Bob Krug
Nik Yip
Becka Most
Lori Lampe

Fund Administrator
Portfolio Manager
Client Services Manager
Trader/Asst. Portfolio Manager
Institutional Sales Associate
Administrative Assistant

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 December 31, 2015

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2015	6/30/2015	9/30/2015	12/31/2015	
Gross Investment Income	\$900,196	\$1,135,588	\$1,484,967	\$1,609,992	\$5,130,742
Expenses (blue text indicates accrued expense)					
Audit Fees	22,500	-	20,000	-	42,500
Activity & Transaction Fees	8,818	9,786	10,047	19,648	48,300
Admin/Advisory Fees	317,111	372,761	439,285	407,366	1,536,522
Association Dues	1,549	165	500	750	2,964
Board Expenses	6,817	4,658	1,039	1,971	14,485
Custodial Fees	39,887	38,480	37,881	38,207	154,455
Insurance	-	-	2,651	12,887	15,538
Internet/Web Page	1,744	1,525	1,250	2,350	6,869
Legal Fees	3,037	1,275	-	8,265	12,577
Miscellaneous Credits	(241)	(2,996)	(10)	(1,382)	(4,628)
Miscellaneous Expenses & Fees	840	687	43	6	1,577
State Annual Fee	-	-	-	2,000	2,000
Excess Accrued Expenses	20,200	20,200	20,200	(40,951)	19,648
Rating Agency Fee	-	-	-	40,000	40,000
Total	422,263	446,541	532,886	491,116	1,892,807
Net Investment Income	\$477,932	\$689,046	\$952,081	\$1,118,875	\$3,237,935

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	1,118,470,667	1,673,323,664	1,104,322,461	893,790,551	4,789,907,343
Shares Redeemed	(960,338,444)	(1,163,492,714)	(1,232,415,326)	(1,420,871,488)	(4,777,117,972)
Net Change in Share Transactions	\$158,132,223	\$509,830,950	(\$128,092,865)	(\$527,080,937)	\$12,789,371
Investment activities:					
Net Investment Income	477,932	689,046	952,081	1,118,875	3,237,935
Net Change in Assets	\$158,610,155	\$510,519,996	(\$127,140,784)	(\$525,962,061)	\$16,027,306
Net Assets at Beginning of Period	\$1,455,276,169	\$1,613,886,324	\$2,124,406,321	\$1,997,265,536	\$1,455,276,169
Net Assets at End of Period	\$1,613,886,324	\$2,124,406,321	\$1,997,265,536	\$1,471,303,475	\$1,471,303,475

STATEMENT OF NET ASSETS

Assets

Investments in securities					
U.S. treasuries	-	-	-	-	-
Corporate floating note				52,006,528	
Corporate fixed note				11,605,084	
Banker's Acceptances	4,992,333	13,964,484	8,977,904	8,988,713	
U.S. government agencies	25,000,000	-	-	39,997,886	
Commercial paper	692,936,905	1,142,361,050	989,403,472	543,685,255	
Variable Rate Commercial paper	250,000,000	344,004,064	444,004,064	292,004,064	
Total investment in securities	972,929,238	1,500,329,598	1,442,385,440	948,287,530	
Bank CD	-	-	-	-	
Cash and cash equivalents	640,961,188	624,236,056	555,218,836	523,063,710	
Other assets					
Accrued Interest	134,892	151,784	153,538	290,330	
Total Assets	1,614,025,318	2,124,717,438	1,997,757,814	1,471,641,570	

Liabilities

Participant Distribution Payable	12,868	29,734	42,332	21,749	
Accrued expenses	126,125	281,383	449,946	316,346	
Total Liabilities	138,993	311,117	492,278	338,095	
Net assets applicable to shares outstanding	1,613,886,325	2,124,406,321	1,997,265,536	1,471,303,475	

PORTFOLIO ASSETS

Security Description	S&P Credit Rating				Cost	Book Value	Market Value ⁽¹⁾	% of Assets
	Short-Term	Long-Term	Yield	Maturity				
U.S. Agencies								
FFCB FRN	A-1+/P-1	AA+/Aaa	0.400%	11/3/2016	39,997,480.00	39,997,480.00	39,884,800.00	2.72%
Total					39,997,480.00	39,997,480.00	39,884,800.00	2.72%
Commercial Paper ⁽⁴⁾								
AIR LIQUIDE	A-1/P-1		NR/NR	2/11/2016	24,978,854.17	24,990,034.72	24,987,000.00	1.70%
CANADIAN NATL RAILWA	A-1/P-1		A/A2	1/22/2016	19,993,472.22	19,994,516.66	19,996,000.00	1.36%
CATHOLIC HEALTH INIT	A-1/P-1		NR/NR	1/20/2016	19,975,733.33	19,994,933.33	19,996,400.00	1.36%
CHEVRON CORP	A-1+/P-1		AA-/Aa1	2/29/2016	15,136,056.25	15,147,548.79	15,143,482.20	1.03%
CHEVRON CORP	A-1+/P-1		AA-/Aa1	3/7/2016	59,924,500.00	59,967,000.00	59,940,000.00	4.07%
COCA-COLA COMPANY	A-1+/P-1		AA/Aa3	7/11/2016	39,784,400.00	39,859,200.00	39,821,600.00	2.71%
COCA-COLA COMPANY	A-1+/P-1		AA/Aa3	8/22/2016	16,900,134.52	16,924,860.06	16,900,720.00	1.15%
HENKEL OF AMERICA	A-1/P-1		NR/NR	3/3/2016	29,956,000.00	29,979,333.33	29,976,000.00	2.04%
HENKEL OF AMERICA	A-1/P-1		NR/NR	3/9/2016	39,933,488.80	39,969,022.18	39,958,800.00	2.72%
MACQUARIE BANK LTD	A-1/P-1		A2/A	2/26/2016	24,822,006.94	24,972,388.89	24,982,000.00	1.70%
MACQUARIE BANK LTD	A-1/P-1		A2/A	3/31/2016	9,930,233.33	9,982,750.00	9,986,200.00	0.68%
MIDEA INTERNATIONAL	A-1/P-1		NR/NR	1/6/2016	14,997,187.50	14,998,437.50	14,999,700.00	1.02%
NAT AUSTRALIA BANK	A-1+/P-1		AA-/Aa2	3/16/2016	39,927,000.00	39,969,583.33	39,954,400.00	2.72%
ONTARIO TEACHERS FIN	A-1+/P-1		NR/NR	3/14/2016	24,973,958.33	24,974,652.77	24,972,250.00	1.70%
RICOH FINANCE	A-1/P-1		A/NR	1/5/2016	24,997,500.00	24,998,750.00	24,999,750.00	1.70%
SALVATION ARMY	A-1+/P-1		NR/NR	2/18/2016	37,569,972.22	37,587,466.67	37,577,064.00	2.55%
TORCHMARK CO	A-1/P-2		A/Baa1	2/25/2016	19,949,333.40	19,982,583.36	19,985,800.00	1.36%
TORONTO DOMINION HDG	A-1+/P-1		NR/NR	6/14/2016	49,775,000.00	49,862,500.00	49,824,500.00	3.39%
TOYOTA MOTOR CREDIT	A-1+/P-1		AA-/Aa3	1/29/2016	14,960,916.67	14,995,916.67	14,995,800.00	1.02%
Total					528,485,747.68	529,151,478.26	528,997,466.20	35.96%
Bank Commercial Paper ⁽⁴⁾								
US Bank NA CP O/N Sweep	A-1+/P-1	n/a	0.170%	1/1/2016	14,533,776.87	14,533,776.87	14,533,776.87	0.99%
Total					14,533,776.87	14,533,776.87	14,533,776.87	0.99%
Variable Rate Commercial Paper ⁽⁴⁾								
BANK OF NOVA SCOTIA	A-1/P-1	A+/Aa3	0.394	4/6/2016	25,000,000.00	25,000,000.00	25,000,000.00	1.70%
COMMONWEALTH BANK AU	A-1+/P-1	AA-/Aa2	0.413	4/29/2016	12,000,000.00	12,000,000.00	12,000,000.00	0.82%
COMMONWEALTH BANK AU	A-1+/P-1	AA-/Aa2	0.336	6/7/2016	40,000,000.00	40,000,000.00	40,000,000.00	2.72%
COMMONWEALTH BANK AU	A-1+/P-1	AA-/Aa2	0.553	6/16/2016	15,004,064.10	15,004,064.10	15,000,000.00	1.02%
NATL BANK OF CANADA	A-1/P-1	Aa3/A	0.700	11/17/2016	50,000,000.00	50,000,000.00	50,000,000.00	3.40%
NATNAL AUSTRALIA FDG	A-1+/P-1	AA-/Aa2	0.443	2/9/2016	25,000,000.00	25,000,000.00	25,000,000.00	1.70%
TOYOTA MOTOR CRT COR	A-1+/P-1	AA-/Aa3	0.507	5/13/2016	30,000,000.00	30,000,000.00	30,000,000.00	2.04%
TOYOTA MOTOR CRT COR	A-1+/P-1	AA-/Aa3	0.608	9/2/2016	25,000,000.00	25,000,000.00	25,000,000.00	1.70%
WESTPAC BANKING CORP	A-1+/P-1	AA-/Aa2	0.376	4/4/2016	10,000,000.00	10,000,000.00	10,000,000.00	0.68%
WESTPAC BANKING CORP	A-1+/P-1	AA-/Aa2	0.443	4/14/2016	10,000,000.00	10,000,000.00	10,000,000.00	0.68%
WESTPAC BANKING CORP	A-1+/P-1	AA-/Aa2	0.593	9/16/2016	50,000,000.00	50,000,000.00	50,000,000.00	3.40%
Total					292,004,064.10	292,004,064.10	292,000,000.00	19.84%
Bankers Acceptances ⁽⁴⁾								
US Bank NA	A-1+/P-1	n/a	0.479%	3/28/2016	8,960,751.02	8,988,712.71	8,986,965.42	0.61%
Total					8,960,751.02	8,988,712.71	8,986,965.42	0.61%
Corporate Notes								
ROYAL BANK OF CANADA	AA-/Aa3	0	0.637%	7/20/2016	11,635,930.00	11,605,084.35	11,573,945.00	0.79%
Total					11,635,930.00	11,605,084.35	11,573,945.00	0.79%
Corporate Floating Notes								
WELLS FARGO BANK NA	AA-/Aa2		0.782	8/19/2016	11,999,520.00	11,999,583.16	11,994,120.00	0.82%
WELLS FARGO BANK NA	AA-/Aa2		0.533	6/2/2016	40,010,440.00	40,006,944.87	39,968,000.00	2.72%
Total					52,009,960.00	52,006,528.03	51,962,120.00	4%
Total Commercial Paper								
Collateralized Bank Deposits ⁽²⁾								
BANK OF THE WEST MM	A-1/P-1	AA/A1	0.130%	1/1/2016	29,841,235.24	29,841,235.24	29,841,235.24	2.03%
GREAT WESTERN BANK	N/R	N/R	0.150%	1/1/2016	3,676,433.38	3,676,433.38	3,676,433.38	0.25%
GWB PROMONTORY	N/R	N/R	0.300%	1/1/2016	15,013,114.33	15,009,299.76	15,009,299.76	1.02%
US Bank - Checking	A-1/P-1	A/Aa3	0.020%	1/1/2016	525,917.95	525,917.95	525,917.95	0.04%
US Bank - DDA	A-1/P-1	A/Aa3	0.020%	1/1/2016	331,390.07	331,390.07	331,390.07	0.00%
Total					49,388,090.97	49,384,276.40	49,384,276.40	3.33%
Money Market Funds ⁽⁴⁾								
BlackRock Cash Funds Prime 1197	AAAm/Aaa	n/a	0.280%	1/1/2016	137,580,135.83	137,580,135.83	137,580,135.83	9.35%

<u>Security Description</u>	<u>S&P Credit Rating</u>				<u>Cost</u>	<u>Book Value</u>	<u>Market Value ⁽¹⁾</u>	<u>% of Assets</u>
	<u>Short-Term</u>	<u>Long-Term</u>	<u>Yield</u>	<u>Maturity</u>				
Fidelity Prime 2014	AAAm/Aaa	n/a	0.290%	1/1/2016	112,045,015.54	112,045,015.54	112,045,015.54	7.61%
Federated Money Market Mngmt Fd 58	AAAm/Aaa	n/a	0.330%	1/1/2016	113,845,764.63	113,845,764.63	113,845,764.63	7.74%
Morgan Stanley Prime	AAAm/Aaa	n/a	0.350%	1/1/2016	110,208,923.03	110,208,923.03	110,208,923.03	7.49%
Total					473,679,839.03	473,679,839.03	473,679,839.03	32.19%

Other Assets

Total accrued interest receivable					290,330	290,330.00	0.02%
Total					-	290,330.00	0.02%

Total Assets ⁽⁵⁾ **\$ 1,470,695,640** **\$ 1,471,641,570** **\$ 1,471,293,519** **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	\$1,471,303,475
30 Day Yield	0.30%
7 Day Yield	0.35%
Expense Ratio	0.11%
Weighted Avg Maturity (days)	46
Weighted Avg Life (days)	83
Net Asset Value Per Share	\$1.00