



**Second Quarter Report 2018
For the period ended June 30, 2018**

Board of Trustees

Alan Krcmarik, Chairman	City of Loveland
Brenden Morgan, Treasurer	Regional Transportation District
Tim Kauffman, Secretary	Jefferson County
Jeff Hansen, Trustee	City of Golden
Sue Sandstrom, Trustee	Arapahoe County
Aneta Rettig, Trustee	Denver Water
Jay Valentine, Trustee	City of Grand Junction
Molly Kostelecky, Trustee	Metro Wastewater Reclamation District

Investment Advisor

Morgan Stanley Smith Barney, LLC

Bob Krug	Angie Leach Pizzichini
Trisha Mingo	Glenn Scott
	Nik Yip

Administrator

LT Trust

Shannon Langford	Kathi Smith
Sara Martin	Kim Lakota
Mary Plemel	

Custodian

U.S. Bank N.A.

Auditor

BKD, LLP

Credit Rating

STANDARD & POOR'S
AAAm

303-296-6340 ♦ 800-541-2953

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.
- ◆ CSAFE adopted GASB 79 in 2016
- ◆ 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 of the portfolio shall not exceed 120 days.
- ◆ CSAFE seeks to maintain, but does not guarantee, a constant net asset value at \$1.00 per share.
- ◆ The Investment Advisor is Morgan Stanley Smith Barney, LLC.
- ◆ The Administrator is LT Trust

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

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2018	6/30/2018	9/30/2018	12/31/2018	
Gross Investment Income	\$8,716,575	\$11,998,976			\$20,715,551
Expenses (blue text indicates accrued expense)					
Audit Fees	\$14,000	\$13,346			\$27,346
Activity & Transaction Fees	\$14,829	\$13,873			\$28,702
Admin Fees	\$129,751	\$145,565			\$275,316
Advisory Fees	\$663,548	\$742,784			\$1,406,332
Association Dues	\$300	\$250			\$550
Board Expenses	\$752	\$1,840			\$2,592
Custodial Fees	\$42,286	\$38,410			\$80,696
Insurance	\$0	\$0			\$0
Internet/Web Page	\$12,675	\$2,356			\$15,031
Legal Fees	\$4,454	\$6,305			\$10,759
Marketing	\$8,670	\$8,205			\$16,875
Miscellaneous Credits	\$0	\$0			\$0
Miscellaneous Expenses & Fees	\$962	\$258			\$1,220
State Annual Fee	\$0	\$2,000			\$2,000
Excess Accrued Expenses	\$0	\$0			\$0
Rating Agency Fee	\$46,221	\$0			\$46,221
Fund Fee Waiver	-\$78,204	-\$116,452			-\$194,656
MS Fee Waiver	-\$155,701	-\$174,678			-\$330,379
Undistributed Fund Expense	\$62,452	\$146,062			\$208,514
Total	<u>\$766,994</u>	<u>\$830,124</u>			<u>\$1,597,118</u>
Net Investment Income	<u>\$7,949,581</u>	<u>\$11,168,852</u>			<u>\$19,118,433</u>

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	1,872,657,801	2,025,462,223	3,898,120,024
Shares Redeemed	(1,709,818,177)	(1,628,947,428)	(3,338,765,605)
Net Change in Share Transactions	162,839,624	396,514,795	559,354,419
Investment Activities:			
Net Investment Income	\$7,949,581	\$11,168,852	\$19,118,433
Net Change in Assets	\$170,789,205	\$407,683,647	\$578,472,852
Net Assets at Beginning of Period	<u>\$1,951,194,956</u>	<u>\$2,121,984,161</u>	<u>\$2,121,984,161</u>
Net Assets at End of Period	<u>\$2,121,984,161</u>	<u>\$2,529,667,808</u>	<u>\$2,529,667,808</u>

STATEMENT OF NET ASSETS

Assets

Investments in securities		
U.S. Agency Floating Rate	\$85,129,108	\$85,121,696
Commercial paper	\$787,196,118	\$708,337,626
Bank Commercial Paper	\$48,063,846	\$81,340,877
Asset Backed Fixed Commercial Paper	\$329,601,101	\$577,184,211
Asset Backed Floating Commercial Paper	\$338,000,000	\$323,000,000
Municipal Commercial Paper	-	-
Interest Bearing Commercial Paper	\$390,000,000	\$573,505,231
Total investment in securities	\$1,977,990,173	\$2,348,489,641
Cash and cash equivalents	\$143,091,231	\$179,261,898
Other assets		
Accrued Interest	\$1,050,630	\$2,063,644
Receivable - Other	\$64,639	\$107,960
Total Assets	<u>\$2,122,196,673</u>	<u>\$2,529,923,143</u>

Liabilities

Participant Distribution Payable	-\$7,732	-\$113,967
Accrued expenses	\$220,245	\$369,303
Total Liabilities	<u>\$212,513</u>	<u>\$255,336</u>
Net assets applicable to shares outstanding	<u>\$2,121,984,160</u>	<u>\$2,529,667,808</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 Floating Rate								
FED FARM CREDIT BANK	A-1+	AA+	2.250	1/22/2019	10,132,691.54	10,121,696.37	10,122,077.45	0.40%
FED HOME LOAN BANK	A-1+	AA+	1.957	11/9/2018	25,000,000.00	25,000,000.00	24,997,275.00	0.99%
FED HOME LOAN BANK	A-1+	AA+	1.946	7/10/2018	50,000,000.00	50,000,000.00	49,999,750.00	1.98%
Total					85,132,691.54	85,121,696.37	85,119,102.45	3.37%
Commercial Paper ⁽³⁾								
CDP FINANCIAL	A-1+	AAA	2.326	7/19/2018	24,852,472.22	24,971,750.00	24,972,925.00	0.99%
CDP FINANCIAL	A-1+	AAA	2.049	8/13/2018	49,494,444.44	49,880,555.55	49,872,800.00	1.97%
CDP FINANCIAL	A-1+	AAA	2.508	10/19/2018	19,755,311.11	19,852,111.11	19,856,580.00	0.79%
CREDIT SUISSE NY	A-1	A	2.061	9/5/2018	27,671,700.00	27,896,820.00	27,886,600.00	1.10%
DEXIA CREDIT LOCAL	A-1+	AA	2.008	8/14/2018	24,755,000.00	24,940,111.11	24,935,050.00	0.99%
DEXIA CREDIT LOCAL	A-1+	AA	2.481	11/7/2018	24,695,888.89	24,786,791.67	24,787,300.00	0.98%
DZ BANK AG NY	A-1+	AA-	3.835	7/2/2018	49,992,125.00	49,997,375.00	49,992,100.00	1.98%
DZ BANK AG NY	A-1+	AA-	2.312	7/26/2018	24,860,000.00	24,961,111.11	24,962,925.00	0.99%
EXPORT DEVELOPMENTCA	A-1+	AAA	2.087	7/6/2018	24,810,166.67	24,992,916.67	24,990,725.00	0.99%
INTERCONTINENTAL EXC	A-1	A	2.999	7/5/2018	85,069,401.20	85,083,372.11	85,087,532.66	3.37%
NORDEA BANK AB	A-1+	AA-	1.947	7/23/2018	24,761,875.00	24,970,895.83	24,967,550.00	0.99%
NORDEA BANK AB	A-1+	AA-	1.948	7/24/2018	24,761,875.00	24,969,572.92	24,966,175.00	0.99%
ONTARIO TEACHER FIN	A-1+	NR	1.837	7/13/2018	20,539,387.50	20,737,550.00	20,734,043.25	0.82%
ONTARIO TEACHER FIN	A-1+	NR	1.981	8/24/2018	30,702,016.88	30,959,928.75	30,947,690.25	1.22%
SUMITOMO MITSUI TRST	A-1	A	2.393	7/24/2018	24,855,000.00	24,962,944.44	24,965,400.00	0.99%
SUMITOMO MITSUI TRST	A-1	A	2.342	8/8/2018	24,855,611.11	24,940,361.11	24,943,250.00	0.99%
SUMITOMO MITSUI TRST	A-1	A	2.491	9/12/2018	24,856,250.00	24,883,402.78	24,885,425.00	0.98%
SUMITOMO MITSUI TRST	A-1	A	4.652	9/27/2018	24,857,500.00	24,860,666.67	24,856,875.00	0.98%
TORONTO DOMINION BAN	A-1+	AA-	2.340	8/29/2018	24,846,000.00	24,908,222.22	24,910,500.00	0.99%
TORONTO DOMINION BAN	A-1+	AA-	2.345	8/30/2018	24,849,111.11	24,906,666.67	24,908,850.00	0.99%
VF CORPORATION	A-1	A	2.437	7/12/2018	24,957,812.50	24,982,812.50	24,980,175.00	0.99%
VF CORPORATION	A-1	A	2.539	7/20/2018	24,954,687.50	24,970,312.50	24,967,575.00	0.99%
VF CORPORATION	A-1	A	2.820	7/26/2018	24,953,750.00	24,961,458.33	24,957,850.00	0.99%
VF CORPORATION	A-1	A	3.008	7/27/2018	24,953,750.00	24,959,916.67	24,956,200.00	0.99%
Total					705,661,136.13	708,337,625.72	708,292,096.16	28.05%
Bank Commercial Paper ⁽³⁾								
US BANK NA CP SWEEP	A-1+	AA-	1.850	8/1/2018	81,340,876.71	81,340,876.71	81,340,876.71	3.22%
Total					81,340,876.71	81,340,876.71	81,340,876.71	3.22%
Asset Backed Fixed Commercial Paper								
ALPINE SEC LLC	A-1	NR	2.394	8/7/2018	24,855,625.00	24,940,645.83	24,942,325.00	0.99%
ANGLESEA FUNDING LLC	A-1	NR	3.938	7/6/2018	24,990,569.44	24,993,263.89	24,990,875.00	0.99%
ATLANTIC ASSET SEC	A-1	NR	3.958	7/6/2018	24,990,520.83	24,993,229.16	24,990,475.00	0.99%
BENNINGTON STARK CAP	A-1	NR	2.402	7/23/2018	24,852,756.94	24,964,402.78	24,965,325.00	0.99%
CHESHAM SERIES 4	A-1+	NR	3.896	7/2/2018	24,996,000.00	24,998,666.67	24,995,950.00	0.99%
CHESHAM SERIES 6	A-1	NR	2.489	9/4/2018	24,795,000.00	24,891,666.67	24,897,400.00	0.98%
CHESHAM SERIES 6	A-1	NR	2.508	10/1/2018	4,959,011.11	4,969,588.89	4,969,605.00	0.20%
CHESHAM SERIES 6	A-1	NR	3.042	10/26/2018	24,798,361.11	24,806,625.00	24,803,475.00	0.98%
CROWN POINT CAPITAL	A-1	NR	2.491	9/12/2018	24,856,250.00	24,883,402.78	24,882,300.00	0.98%
DCAT LLC	A-1	NR	2.968	7/5/2018	24,990,520.83	24,994,583.33	24,991,650.00	0.99%
DCAT LLC	A-1	NR	3.958	7/6/2018	22,991,279.17	22,993,770.84	22,991,007.00	0.91%
DCAT LLC	A-1	NR	4.202	7/9/2018	4,497,412.50	4,497,930.00	4,497,480.00	0.18%
FAIRWAY FINANCE CORP	A-1	NR	2.342	7/5/2018	9,945,533.33	9,997,466.67	9,996,730.00	0.40%
FAIRWAY FINANCE CORP	A-1	NR	2.343	7/9/2018	10,937,300.00	10,994,426.67	10,993,928.00	0.43%
HALKIN FINANCE LLC	A-1	NR	3.978	7/6/2018	24,990,472.22	24,993,194.44	24,990,425.00	0.99%
HALKIN FINANCE LLC	A-1	NR	2.454	7/23/2018	24,849,597.25	24,963,638.90	24,965,825.00	0.99%
HALKIN FINANCE LLC	A-1	NR	2.456	7/25/2018	24,851,250.00	24,960,333.33	24,962,850.00	0.99%
KELLS FUNDING LLC	A-1+	NR	2.320	7/23/2018	24,859,375.00	24,965,625.00	24,966,050.00	0.99%
KELLS FUNDING LLC	A-1+	NR	2.326	7/18/2018	24,855,611.11	24,973,319.44	24,973,525.00	0.99%
LEXINGTON PARKER CAP	A-1	NR	2.435	7/2/2018	49,980,555.56	49,997,222.22	49,991,800.00	1.98%
LIBERTY STREET FDG	A-1	NR	2.416	9/12/2018	24,806,666.67	24,882,388.89	24,883,075.00	0.98%
LMA AMERICAS LLC	A-1	NR	2.558	9/14/2018	24,861,041.67	24,880,208.34	24,879,425.00	0.98%
RIDGEFIELD FUNDING	A-1	NR	2.471	9/10/2018	49,710,902.78	49,773,194.44	49,773,400.00	1.97%
RIDGEFIELD FUNDING	A-1	NR	2.606	9/17/2018	24,859,444.44	24,875,416.66	24,873,900.00	0.98%
Total					576,081,056.96	577,184,210.84	577,168,800.00	22.84%

Asset Backed Floating Commercial Paper

ANGLESEA FUNDING LLC	A-1	NR	2.049	7/10/2018	25,000,000.00	25,000,000.00	25,000,000.00	0.99%
ANGLESEA FUNDING LLC	A-1	NR	2.053	9/4/2018	25,000,000.00	25,000,000.00	25,000,000.00	0.99%
ATLANTIC ASSET SEC	A-1	NR	2.338	8/21/2018	25,000,000.00	25,000,000.00	24,997,275.00	0.99%
ATLANTIC ASSET SEC	A-1	NR	2.387	9/14/2018	25,000,000.00	25,000,000.00	25,013,800.00	0.99%
BEDFORD ROW FUNDING	A-1+	NR	2.307	7/9/2018	28,000,000.00	28,000,000.00	28,002,072.00	1.11%
BEDFORD ROW FUNDING	A-1+	NR	2.442	3/1/2019	40,000,000.00	40,000,000.00	40,022,560.00	1.58%
BEDFORD ROW FUNDING	A-1+	NR	2.417	5/9/2019	30,000,000.00	30,000,000.00	29,998,650.00	1.19%
FAIRWAY FINANCE CORP	A-1	NR	2.425	9/17/2018	25,000,000.00	25,000,000.00	25,014,500.00	0.99%
LIBERTY STREET FDG	NR	NR	2.265	7/17/2018	50,000,000.00	50,000,000.00	50,006,400.00	1.98%
MANHATTAN ASSET FDG	A-1	NR	2.461	9/24/2018	25,000,000.00	25,000,000.00	25,010,675.00	0.99%
MANHATTAN ASSET FDG	A-1	NR	2.368	7/26/2018	25,000,000.00	25,000,000.00	25,002,375.00	0.99%
Total					323,000,000.00	323,000,000.00	323,068,307.00	12.79%

Interest Bearing Commercial Paper ⁽³⁾

AUST & NZ BANKING	A-1+	AA-	2.347	3/7/2019	20,997,813.90	20,997,914.41	20,998,992.00	0.83%
AUST & NZ BANKING	A-1+	AA-	2.421	6/6/2019	24,999,662.50	24,999,662.50	25,002,200.00	0.99%
BANK OF NOVA SCOTIA	A-1	A+	2.519	4/12/2019	25,000,000.00	25,000,000.00	25,011,425.00	0.99%
CA IMPERIAL BK COMM	A-1	A+	2.402	6/28/2019	50,000,000.00	50,000,000.00	49,991,100.00	1.98%
CA IMPERIAL BK OF	A-1	A+	2.175	7/5/2018	25,000,000.00	25,000,000.00	25,000,800.00	0.99%
CA IMPERIAL BK OF	A-1	A+	2.467	3/14/2019	25,000,000.00	25,000,000.00	25,029,250.00	0.99%
COMMONWEALTH BANK AU	A-1+	AA-	2.430	5/20/2019	25,000,000.00	25,000,000.00	24,999,900.00	0.99%
COMMONWEALTH BANK AU	A-1+	AA-	2.433	6/7/2019	25,000,000.00	25,000,000.00	24,997,650.00	0.99%
COMMONWEALTH BANK AU	A-1+	AA-	2.216	7/12/2018	25,000,000.00	25,000,000.00	25,001,975.00	0.99%
HSBC BANK PLC	A-1+	AA-	2.561	4/10/2019	30,000,060.00	30,000,060.00	30,011,340.00	1.19%
HSBC BANK PLC	A-1+	AA-	2.565	4/17/2019	25,000,000.00	25,000,000.00	25,003,825.00	0.99%
NATL AUSTRALI BANK	A-1+	AA-	2.544	3/29/2019	25,000,000.00	25,000,000.00	25,037,725.00	0.99%
NAT'L AUSTRALI BANK	A-1+	AA-	2.242	7/30/2018	50,000,000.00	50,000,000.00	50,008,450.00	1.98%
ONTARIO TEACHER FIN	A-1+	NR	2.267	9/7/2018	25,000,000.00	25,000,000.00	25,005,350.00	0.99%
PSP CAPITAL INC	A-1+	NR	2.367	3/7/2019	25,000,000.00	25,000,000.00	25,004,500.00	0.99%
TORONTO DOMINION BK	A-1+	AA-	2.525	4/17/2019	25,000,000.00	25,000,000.00	25,013,575.00	0.99%
TORONTO DOMINION BK	A-1+	AA-	2.503	5/2/2019	25,000,000.00	25,000,000.00	25,006,050.00	0.99%
WESTPAC BANKING CORP	A-1+	AA-	2.245	7/18/2018	25,000,000.00	25,000,000.00	25,002,275.00	0.99%
WESTPAC BANKING CORP	A-1+	AA-	2.418	5/24/2019	72,508,117.50	72,507,594.36	72,493,330.00	2.87%
Total					573,505,653.90	573,505,231.27	573,619,712.00	22.71%

Collateralized Bank Deposits ⁽²⁾

GWB - PROMONTORY I	NR	NR	2.090	7/1/2018	20,252,021.86	20,252,021.86	20,252,021.86	0.80%
GWB - PROMONTORY II	NR	NR	2.090	7/1/2018	89,745,114.93	89,745,114.93	89,745,114.93	3.55%
US BANK CHECKING	A-1+				254,977.59	254,977.59	254,977.59	0.01%
ACCRUED INTEREST					2,063,644.02	2,063,644.02	2,063,644.02	0.08%
INTEREST RECEIVABLE					107,960.15	107,960.15	107,960.15	0.00%
Total					112,423,718.55	112,423,718.55	112,423,718.55	4.44%

Money Market Funds ⁽³⁾

BLACKROCK LIQ FED FD	AAAm	AAA	1.790	7/1/2018	3,587,538.76	3,587,538.76	3,587,538.76	0.14%
FIDELITY GOVT CLASS	AAAm	AAA	1.790	7/1/2018	447,951.70	447,951.70	447,951.70	0.02%
FIDELITY GOVT INST	AAAm	AAA	1.830	7/1/2018	61,508,593.92	61,508,593.92	61,508,593.92	2.43%
GS FIN SQ GOVT CLASS	AAAm	AAA	1.810	7/1/2018	3,465,699.42	3,465,699.42	3,465,699.42	0.14%
Total					69,009,783.80	69,009,783.80	69,009,783.80	2.73%

Total Assets ⁽⁴⁾

Total Assets ⁽⁴⁾	2,526,154,917.59	2,529,923,143.26	2,530,042,396.67	100%
------------------------------------	-------------------------	-------------------------	-------------------------	-------------

Net Asset Value Per Share**\$ 1.00000000****Notes:**

- 1) All of the securities held in the portfolio are valued daily using a third party pricing service (ICE Data Service). 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) Commercial paper and money market funds are not assigned long-term credit ratings.
- 4) 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	\$2,529,667,807.54
30 Day Yield	2.01%
7 Day Yield	2.06%
Expense Ratio	0.14
Weighted Avg Maturity (days)	26.94
Weighted Avg Life (days)	86.12
Net Asset Value Per Share	\$1.00