

# **Colorado Surplus Asset Fund Trust (CSAFE)**

Independent Auditor's Report and Financial Statements

December 31, 2018 and 2017

**Colorado Surplus Asset Fund Trust (CSAFE)**  
December 31, 2018 and 2017

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## Independent Auditor's Report

Board of Trustees  
Colorado Surplus Asset Fund Trust  
Denver, Colorado

We have audited the accompanying financial statements of Colorado Surplus Asset Fund Trust (CSAFE), as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise CSAFE's basic financial statement as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CSAFE as of December 31, 2018 and 2017, and the respective changes in its financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise CSAFE's basic financial statements. The accompanying supplementary information and the listing of CSAFE's Board of Trustees, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 2018 and 2017 information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 and 2017 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. We have also previously audited in accordance with auditing standards generally accepted in the United States of America CSAFE's basic financial statements as of and for the years ended December 31, 2014, 2015 and 2016, which are not presented with the accompanying financial statements. In our reports dated March 24, 2015, March 24, 2016 and March 17, 2017, we expressed an unmodified opinion on the respective basic financial statements. In our opinion, the 2014, 2015 and 2016 information is fairly stated in all material respects in relation the basic financial statements as of and for the years ended December 31, 2014, 2015 and 2016, as a whole.

The listing of CSAFE's Board of Trustees has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**BKD, LLP**

Denver, Colorado  
March 29, 2019

# **Colorado Surplus Asset Fund Trust (CSAFE)**

## **Management's Discussion and Analysis**

### **(Unaudited)**

#### **December 31, 2018 and 2017**

Colorado Surplus Asset Fund Trust (CSAFE) is a local government investment pool trust 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 its 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.* The CSAFE trust operates two funds: CSAFE Cash (the original fund formerly just known as 'CSAFE'); and Colorado Core, a new fund established during 2018.

CSAFE is overseen by a seven-member Board of Trustees predominately comprised of Colorado local government officials. All of the assets entrusted to CSAFE are held by its Custodian, U.S. Bank. BKD, LLP serves as the independent auditor to CSAFE. Morgan Stanley Smith Barney, LLC, an investment advisor registered with the U.S. Securities and Exchange Commission, serves as CSAFE's investment advisor, and LT Trust Company serves as the fund administrator. The CSAFE Board of Trustees contracted during 2018 with Elevate Business Solutions, LLC for consulting services of general administration, marketing and distribution functions.

CSAFE operates to provide daily liquidity for Colorado government entities. CSAFE participants include school districts, counties, municipalities, and special districts, among others. The CSAFE Cash fund is rated AAAM by the Standard & Poor's Corporation (S&P). S&P has strict requirements that further govern the composition of investments, the average maturity of the investments and the types of investments. CSAFE Cash reports to S&P on a weekly basis and is subject to an annual rating review. The Colorado Core fund is rated AAAf/S1 by Fitch Ratings. Fitch reviews the overall credit risk as well as the shadow NAV sensitivity to changes in interest rates, credit spreads and other market risk factors. Colorado Core fund reports are sent to Fitch monthly.

The CSAFE Cash fund adheres to the maturity, liquidity and eligibility guidelines set by Governmental Accounting Standards Board Statement No. 79, *Certain External Investment Pools and Pool Participants* (GASB 79). GASB 79 establishes criteria for an external investment pool to qualify for making the election to measure and report all of its investments at amortized cost. The Colorado Core fund adheres to GASB Statement No. 72 *Fair Value Measurements and Application* (GASB 72).

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to CSAFE's basic financial statements. The financial statements presented within this Annual Report have been prepared in conformity with the reporting framework prescribed by GASB for local government investment pools.

In accordance with Governmental Accounting Standards Board (GASB) Statements, including GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, CSAFE presents a statement of fiduciary net position and a statement of changes in fiduciary net position prepared on the economic resources measurement focus and the accrual basis of accounting. All applicable GASB pronouncements are applied in these financial statements.

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Management's Discussion and Analysis**  
**(Unaudited)**  
**December 31, 2018 and 2017**

The statement of fiduciary net position presents information on all of CSAFE's assets and liabilities, with the difference between the two reported as net position applicable to shares outstanding.

The statement of changes in fiduciary net position presents information showing how CSAFE's net position changed during the fiscal years presented. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The notes to the financial statements are required to be presented in accordance with accounting principles generally accepted in the United States of America and provide information about CSAFE's significant accounting policies used in the preparation of its basic financial statements as well as other explanatory information about amounts included in the basic financial statements. The notes also include information specific to each fund operated by CSAFE. The notes to the financial statements should be read in connection with the basic financial statements.

***Financial Highlights***

- CSAFE's net position totaled \$2.79 billion as of December 31, 2018, an increase of 43.2% from the prior year. \$559 million of the increase is attributed to the addition of Colorado Core in 2018.
- As of December 31, 2018 composition of investments of the CSAFE portfolio remained weighted toward commercial paper with a smaller attribution to U.S. government agency securities at less than one percent and corporate bonds at 2.7%. Commercial paper comprised 83.2% (including fixed and variable rate commercial paper and A-1 collateralized bank sweep accounts) and cash equivalents were 13.7%. Just over 4.2% of the portfolios was held in collateralized bank deposits, and 9.2% in AAAM money market funds. As of December 31, 2017, approximately 6.4% of CSAFE's cash and cash equivalents and investments were invested in U.S. government agency securities (fixed and floating rate notes), 81.0% in commercial paper (including fixed and variable rate commercial paper and A-1 collateralized bank sweep accounts), 4.1% in collateralized bank deposits, and 8.5% in AAAM money market funds.
- Net investment earnings increased by \$28.0 million during 2018 for a total of \$56.0 million; compared to \$28.0 million in 2017. The increase in investment income from 2018 over 2017 was primarily the result of higher rates of return and the addition of Colorado Core.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Management's Discussion and Analysis

(Unaudited)

December 31, 2018 and 2017

### CSAFE Asset Summary

CSAFE reported an overall increase in net position in 2018, an overall decrease in net position in 2017 and an increase in 2016. Year-end net position increased from \$1.95 billion in 2017, to \$2.79 billion in 2018. CSAFE invests primarily in U.S. government agency securities, highly rated commercial paper, highly rated corporate bonds, collateralized bank deposits, and AAAM rated money market funds.

Through prudent management and following the AAAM rating guidelines of Standard & Poor's Corporation, the CSAFE Cash fund maintained a per share value of \$1.00 per share in 2016, 2017 and 2018. Through prudent management and following the AAAf/S1 rating guidelines of Fitch Ratings, the Colorado Core fund maintained a per share value of \$2.00 per share in 2018.

Shown below is a three-year summary of the net position of CSAFE as of December 31, 2018, 2017 and 2016:

**Table 1: Condensed Statements of Position (in Millions)**

	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Assets</b>			
Investments held at amortized cost			
U.S. government agency securities	\$ 10.1	\$ 125.0	\$ 131.8
Commercial paper	1,921.2	1,580.4	1,236.4
Corporate bonds	-	-	30.0
Investments held at fair value			
Commercial paper	401.9	-	-
Corporate bonds	76.1	-	-
Total investments	2,409.3	1,705.4	1,398.2
Cash and cash equivalents	382.1	245.3	589.6
Other assets	2.9	0.7	0.4
Total assets	2,794.3	1,951.4	1,988.2
<b>Liabilities</b>			
Accrued expenses and other payables	0.3	0.3	0.3
Total liabilities	0.3	0.3	0.3
Net position applicable to shares outstanding	\$ 2,794.0	\$ 1,951.1	\$ 1,987.9

# Colorado Surplus Asset Fund Trust (CSAFE)

## Management's Discussion and Analysis

(Unaudited)

December 31, 2018 and 2017

### CSAFE Changes in Net Position Summary

The changes in CSAFE's net position are the result of increases in net investment income and purchases and redemptions of shares by participants.

Shown below is a three-year summary of changes in net position of CSAFE for the years ended December 31, 2018, 2017 and 2016:

	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Additions to Net Position Attributed to</b>			
Net proceeds from sales of shares	\$ 6,378.0	\$ 5,157.4	\$ 5,646.4
Total investment earnings	56.0	28.0	13.8
Total additions to net position	6,434.0	5,185.4	5,660.2
<b>Deductions to Net Position Attributed to</b>			
Total deductions to net position	5,591.1	5,222.2	5,143.6
Net increase (decrease) in pool net position	842.9	(36.8)	516.6
Net position restricted for pool participants at beginning of year	1,951.1	1,987.9	1,471.3
Net position restricted for pool participants at end of year	\$ 2,794.0	\$ 1,951.1	\$ 1,987.9

### Currently Known Facts, Decisions or Conditions

Because CSAFE operates in a fiduciary capacity on behalf of various Colorado government entities, changes in interest rates, changes in the number of participating governments and investment decisions of those Colorado government entities are the primary drivers of CSAFE's net position and changes in net position.

### Requests for Information

This financial report is designed to provide a general overview of CSAFE's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to [csafe@csafe.org](mailto:csafe@csafe.org) or LT Trust Company, Fund Administrator, 1675 Broadway Suite 500, Denver, Colorado 80202.



**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Statements of Fiduciary Net Position**  
**December 31, 2018 and 2017**

**Assets**

	<u>2018</u>	<u>2017</u>
Investments held at amortized cost		
U.S. government agency securities	\$ 10,106,710	\$ 125,000,000
Commercial paper	1,921,216,838	1,580,443,163
Investments held at fair market value		
Commercial paper	401,866,349	-
Corporate bonds	<u>76,086,705</u>	<u>-</u>
Total investments	2,409,276,602	1,705,443,163
Cash and cash equivalents	382,140,629	245,339,068
Other assets	<u>2,875,858</u>	<u>658,133</u>
Total assets	<u>2,794,293,089</u>	<u>1,951,440,364</u>

**Liabilities**

Accrued expenses	329,190	355,362
Participant distributions payable	<u>-</u>	<u>5,406</u>
Total liabilities	<u>329,190</u>	<u>360,768</u>
Net position restricted for pool participants	<u>\$ 2,793,963,899</u>	<u>\$ 1,951,079,596</u>

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Statements of Changes in Fiduciary Net Position**  
**Years Ended December 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
<b>Additions</b>		
Net proceeds from sales of shares	\$ 6,378,009,533	\$ 5,157,436,418
Investment earnings		
Net appreciation in fair value	3,362,640	-
Interest, dividends and other	<u>52,672,241</u>	<u>28,010,584</u>
Total investment earnings	<u>56,034,881</u>	<u>28,010,584</u>
Total additions	<u>6,434,044,414</u>	<u>5,185,447,002</u>
<b>Deductions</b>		
Cost of shares redeemed	5,587,315,123	5,218,988,230
Administrative expenses		
Advisory and administrative fees	3,055,539	2,767,007
Custodian fees	199,993	171,995
Consulting fees	196,224	0
Insurance	14,341	15,213
Activity and transaction fees	58,272	32,781
Legal fees	48,175	53,265
Rating agency fee	65,000	45,000
Accounting and auditing	52,463	49,475
Trustee board meeting expenses	20,640	27,093
Marketing	44,802	62,635
Internet/web page	62,606	9,500
Miscellaneous	<u>26,933</u>	<u>16,592</u>
Total deductions	<u>5,591,160,111</u>	<u>5,222,238,786</u>
Net increase (decrease) in fiduciary net position	<u>842,884,303</u>	<u>(36,791,784)</u>
Net position restricted for pool participants, beginning of year	<u>1,951,079,596</u>	<u>1,987,871,380</u>
Net position restricted for pool participants, end of year	<u>\$ 2,793,963,899</u>	<u>\$ 1,951,079,596</u>

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### Note 1: Nature of Operations and Summary of Significant Accounting Policies

Colorado Surplus Asset Fund Trust (CSAFE or the Trust) was established under authority of, and in conformity with, Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes. The Trust was formed by and for Colorado local governmental entities as a means of investing funds to help Colorado governments meet daily cash management needs. CSAFE is comprised of two investment trust funds: CSAFE Cash and Colorado Core. The State of Colorado provides regulatory oversight over CSAFE, and CSAFE is not registered with the U.S. Securities and Exchange Commission.

**CSAFE Cash:** Established in 1988, CSAFE Cash is intended for the short-term investment of operational surplus funds of Colorado local governmental entities. In addition to providing Colorado local governmental entities with a competitive yield on surplus cash, CSAFE Cash provides participants with cash management features including late day cutoff times, lockbox, check writing and automated disbursements by Fed Wire or ACH.

The CSAFE Cash fund is a highly liquid fund operating similar to a money market like-fund. CSAFE Cash is intended for investment of participants' operational and short-term surplus monies (cash) with an emphasis placed on liquidity and a stable \$1.00 transactional share price. This fund complies with the National Association of State Treasurer's "Voluntary Guidelines for the Operation of Stable Value Local Government Investment Pools". CSAFE Cash seeks to meet or exceed the minimum liquidity limits of these guidelines as well as those found in GASB Statement 79. CSAFE publishes its fair market valuation daily and its holdings monthly. This fund is rated AAAM by Standard & Poor's.

**Colorado Core:** Established in March 2018, Colorado Core is designed for the investment of short to intermediate term cash flows that are expected to occur across an entity's forthcoming budgetary cycles. The Colorado Core fund seeks to maintain a constant Net Asset Value (NAV) but with slightly longer weighted average maturity (WAM) of its portfolio when compared to CSAFE cash.

The Colorado Core fund is an ultra-short duration, enhanced cash fund intended for short to intermediate term surplus monies of its participants, with an emphasis placed on limiting the risk of negative fair market valuations away from \$2.00 while maintaining high credit quality and adequate liquidity. This fund publishes its fair market valuation daily and its holdings monthly. This fund is rated AAAsf/S1 by Fitch. The S1 is the highest Fund Market Risk Sensitivity Rating. The AAAsf rating is the highest fund credit rating from Fitch.

Following is a summary of significant accounting policies consistently applied by CSAFE in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP).

#### **Measurement Focus**

The accompanying financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Earnings on investments are recognized as revenue in the period in which they are earned and administrative costs are recognized as expense when incurred, regardless of the timing of related cash flows.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

CSAFE prepares its financial statements as a special-purpose government in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB).

### **Custodian**

U.S. Bank Trust Department serves as custodian for CSAFE pursuant to a custody agreement. The custodian is responsible for the safekeeping of all securities and trust accounting. All securities owned by CSAFE are held by the Federal Reserve Bank in the account maintained for the U.S. Bank Trust Department.

### **Cash and Cash Equivalents**

CSAFE considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2018 and 2017, cash equivalents consisted of money market funds for CSAFE Cash. Additionally, Colorado Core held CSAFE Cash fund shares as part of its portfolio. See the Related Parties disclosure for additional information.

### **Security Valuation – CSAFE Cash**

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, CSAFE Cash meets the criteria to be considered a qualifying external investment pool that elects to measure for financial reporting purposes all of their investments at amortized cost.

### **Security Valuation – Colorado Core**

Investments are reported at fair value in accordance with GASB Statement 72, *Fair Value Measurement and Application*. Therefore, its investments are carried at fair value, rather than amortized cost.

### **Net Asset Valuation – CSAFE Cash**

For the purpose of calculating CSAFE Cash's net asset value per share, the securities held by CSAFE Cash are valued daily as follows: securities for which market quotations are readily available are valued at the most recent bid price or yield equivalent as obtained from one or more market makers for such securities, except that any such securities maturing within 60 days of the valuation date may be valued at cost, plus or minus any amortized discount or premium.

The result of this calculation will be a per-share value, which is rounded to the nearest penny. Accordingly, the price at which portfolio shares are sold and redeemed will not reflect net realized or unrealized gains or losses on portfolio securities, which amounts to less than \$0.005 per share. CSAFE will endeavor to minimize the amount of such gains or losses. However, if net realized or unrealized gains or losses should exceed \$0.005 per share, a portfolio's net asset value per share may change from \$1.00 or be maintained at \$1.00 per share by reducing on a pro-rata basis each participant's shares in the event of losses, or by a distribution of additional shares in the event of gains.

There has been no involuntary participation (required by legal provisions) in the pool.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### ***Net Asset Valuation – Colorado Core***

For the purpose of calculating Colorado Core's net asset value per share, the securities held by Colorado Core are valued daily as follows; securities for which market quotations are readily available are valued at that day's bid price using nationally recognized, third-party pricing services. This pricing is conducted by the Fund Administrator and the order of priority for pricing is IDC, followed by US Bank.

The result of the calculation will be a per share value, which is rounded up to the penny. Accordingly, the price at which the portfolio shares are sold and redeemed will not reflect net realized or unrealized gains or losses in portfolio securities, which amount to less than \$0.00999 per share. CORE will endeavor to reduce the amount of such gains and losses. However, if net realized or unrealized gains or losses should exceed \$0.00999 per share, the portfolio's net asset value may change from \$2.00 or be maintained at \$2.00 per share by reducing on a pro-rata basis each participant's shares in the event of losses, or by a distribution of additional shares in the event of gains.

There has been no involuntary participation (required by legal provisions) in the pool.

### ***Investment Income***

Investment income is recognized on an accrual basis. Distributions from net investment income are declared and payable on a daily basis. It is currently the policy of CSAFE not to invest in securities to realize capital gains.

### ***Income Taxes***

CSAFE was organized to provide pooling of public funds for local governmental entities in Colorado, which are exempt from federal and state income taxation. Accordingly, no provision for income or other taxes is required in the accompanying financial statements.

### ***Use of Estimates***

In preparing financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### ***Risk Management***

CSAFE is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have been no significant decreases in insurance coverage. CSAFE requires vendors to carry errors and omissions, employee injuries and illnesses, natural disasters, and employee health and accident benefits.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### **Expense Allocation**

In accordance with CSAFE board policy, expenses will be recorded as follows:

- All expenses that are directly attributable to a specific fund shall be allocated entirely to that fund.
- Expenses billed to CSAFE where the vendor estimates an amount or percentage attributable to a specific fund shall be allocated based on the estimates identified per the invoice or other appropriate correspondence from the vendor.
- All general expenses and any other charges or invoices lacking sufficient documentation to allocate shall be allocated proportionately amongst all active funds based on the beginning balance in each fund as of the first day of the month of the date of service.

### **Related Parties**

All trustees of CSAFE are officers of participating governments.

During the year, Colorado Core invested within the CSAFE Cash fund, and as such those amounts must be eliminated from the statement of fiduciary net position and statement of changes in fiduciary net position.

### **Statement of Fiduciary Net Position**

Total assets reported by CSAFE Cash Fund (Note 5)	\$ 2,307,756,224
Total assets reported by Colorado Core Fund (Note 6)	558,774,789
Less Colorado Core investment in CSAFE Cash Fund (reported as cash and cash equivalents)	(72,067,959)
Less accrued interest from CSAFE Cash Fund owed to Colorado Core (reported as other assets)	<u>(169,965)</u>
Total assets reported on statements of fiduciary net position	<u><u>\$ 2,794,293,089</u></u>

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### *Statement of Changes in Fiduciary Net Position*

Net position restricted for pool participants CSAFE Cash Fund (Note 5)	\$ 2,307,489,941
Net position restricted for pool participants Colorado Core Fund (Note 6)	558,711,882
Less net proceeds from sales of shares related to Colorado Core investment in CSAFE Cash	(619,530,509)
Less net investment income related to Colorado Core investment in CSAFE Cash	(1,837,933)
Plus cost of shares redeemed related to Colorado Core investment in CSAFE Cash	<u>549,130,518</u>
Total net position restricted for pool participants at end of year per statement of changes in fiduciary net position	<u><u>\$ 2,793,963,899</u></u>

### **Note 2: Cash Deposits and Investments**

Cash and cash equivalents and investments for CSAFE Cash at December 31, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Deposits	\$ 111,150,643	\$ 80,428,215
Money market funds	263,042,410	164,910,853
U.S. government agency securities	10,106,710	125,000,000
Commercial paper	<u>1,921,216,838</u>	<u>1,580,443,163</u>
Total	<u><u>\$ 2,305,516,601</u></u>	<u><u>\$ 1,950,782,231</u></u>

Cash and cash equivalents and investments for Colorado Core at December 31, 2018 and 2017 consisted of the following:

	<u>2018</u>	<u>2017</u>
Deposits	\$ 7,947,576	\$ -
Local government investment pool	72,067,959	-
Commercial paper	401,866,349	-
Corporate bonds	<u>76,086,705</u>	-
Total	<u><u>\$ 557,968,589</u></u>	<u><u>\$ -</u></u>

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### ***Deposits***

Colorado statutes require that local governments use eligible public depositories as defined by the Public Deposit Protection Act (PDPA or the Act) of 1989. Under the Act, the depository is required to pledge eligible collateral having a market value at all times equal to at least 102% of the aggregate public deposits held by the depository not insured by the Federal Deposit Insurance Corporation. Eligible collateral as defined by the Act primarily includes obligations of, or guarantees by, the U.S. government, the State of Colorado or any political subdivision thereof and obligations evidenced by notes secured by first lien mortgages or deeds of trust on real property.

CSAFE Cash's deposits of cash held in PDPA eligible public depositories at December 31, 2018 and 2017 had a bank value of \$113,157,927 and \$80,376,227, respectively, and a carrying value of \$111,150,643 and \$80,428,215, respectively. The differences between the bank value and carrying value are due to outstanding reconciling items at year-end.

Colorado Core's deposits of cash held in PDPA eligible public depositories at December 31, 2018 and 2017 had a bank value of \$7,947,878 and \$0, respectively, and a carrying value of \$7,947,576 and \$0, respectively. The differences between the bank value and carrying value are due to outstanding reconciling items at year-end.

CSAFE Cash maintains a controlled disbursement account for the use of its participants. Participants can use the account as a demand deposit account and may make withdrawals in amounts up to their share account total.

### ***Custodial Credit Risk***

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The FDIC's insurance limit is \$250,000. CSAFE Cash and Colorado Core deposits are either covered by depository insurance or are collateralized under the Colorado Public Deposit Protection Act and are therefore not deemed to be exposed to custodial credit risk.

### ***Investments***

Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields. As discussed in Note 1, CSAFE's investments in securities are held by the Federal Reserve Bank in the account maintained for the custodian. The custodian's internal records identify the specific investments owned by CSAFE.

Pursuant to the Indenture of Trust, the Trust may not borrow money or incur indebtedness with the intent to purchase investments, except as a temporary measure to facilitate withdrawal requests that would otherwise require selling investments before their maturity.



# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

Pursuant to the Trust's investment policy, the funds are allowed to invest in the following:

CSAFE Cash	Colorado Core
U.S. Treasury and Agency	U.S. Treasury and Agency
U.S. Government Instrumentalities	U.S. Government Instrumentalities
Municipal Securities	Municipal Securities
Repurchase and Reverse Repurchase Agreements	Repurchase and Reverse Repurchase Agreements
Securities Lending Agreements	Securities Lending Agreements
Money Market Funds Seeking Stable Share Price	Money Market Funds Seeking Stable Share Price
Corporate or Bank Securities	Shares in other Colorado Local Government Investment Pool Funds
Derivative Structures, as allowed by statute	Derivative Structures, as allowed by statute
Public Deposit Protection Act eligible bank deposits	Public Deposit Protection Act eligible bank deposits
Reciprocal FDIC Stacking Deposits	Reciprocal FDIC Stacking Deposits
	U.S. dollar denominated, senior debt instruments issued by corporations
	Guaranteed investment and other annuity like contracts (GIC)

**CSAFE Cash:** The investment portfolio will be structured in such manner as to provide sufficient liquidity to pay expected redemptions.

- At least 90 percent of the fund's portfolio shall be highly liquid investments and deposits. Liquid investments include investments that can be redeemed or sold within five business days.
- The fund shall maintain 10% overnight and 30% five business day liquidity as defined by GASB Statement 79.
- Exposure to any single corporate, supranational or municipal issuer shall be limited to 5% of the total fund portfolio. This limit shall be inclusive of rollups in exposure contained in asset backed securities.
- Limit on Maximum Maturity – the fund will only acquire a security or other investment if the investment has a remaining maturity of 13 months or less or 2 years or less in the case of U.S. government floating rate securities.
- The portfolio shall maintain a weighted average maturity (WAM) of 60 days or less and maintain a weighted average life (WAL) of 120 days or less.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

**Colorado Core:** The investment portfolio will be structured in such manner as to provide sufficient liquidity to pay expected redemptions.

- At least 90 percent of the fund's portfolio shall be highly liquid investments and deposits. Liquid investments are investments that can be redeemed or sold within five business days.
- Exposure to any single corporate, supranational or municipal issuer shall be limited to 5% of the total fund portfolio. This limit shall be inclusive of rollups in exposure contained in asset backed securities.
- The fund shall maintain overnight and five business day liquidity at 5% and 10% respectively.
- Limit on Maximum Maturity – the fund will only acquire a security or other investment if the investment has a remaining maturity of 3 years or less.
- The portfolio shall maintain a weighted average maturity (WAM) of 180 days or less and maintain a weighted average life (WAL) of 365 days or less.

### *Custodial Credit Risk*

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

None of CSAFE's investments are deemed to be exposed to custodial credit risk as they are either considered open-ended money market mutual funds (*i.e.* a fund that does not have restrictions on the number of shares it can issue) or are insured and held in CSAFE's name by the Trust.

### *Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Concentration risk as defined by the Governmental Accounting Standards Board is any investment that represents 5% or more of the total investments to any one issuer. The Trust's investment policy requires diversification of investment, including deposits adequate to reduce portfolio risks from an over concentration in any specific maturity, issuer, counterparty, depository, security, or class of securities. Investments issued or explicitly guaranteed by the U.S. government are excluded from this disclosure requirement.

**CSAFE Cash:** As of December 31, 2018 and 2017, CSAFE Cash had no investments exceeding the 5% limit. Commercial paper of \$1,921,216,838 and U.S. government agency securities implicitly guaranteed by the federal government of \$10,106,710 represent 87.0% and 0.5%, respectively, of CSAFE's total investments (including cash equivalents) as of December 31, 2018. Commercial paper of \$1,580,443,163 and U.S. government agency securities implicitly guaranteed by the federal government of \$125,000,000 represent 85.4% and 6.7%, respectively, of CSAFE's total investments (including cash equivalents) as of December 31, 2017. Commercial paper includes fixed and variable rate commercial paper, banker's acceptances, and A-1 collateralized bank sweep accounts.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

**Colorado Core:** As of December 31, 2018, Colorado Core had one investment in a local government investment pool (CSAFE Cash) which exceeded 5%. Commercial paper of \$401,866,349 and Corporate bonds of \$76,086,705 represent 73.1% and 13.8%, respectively, of CSAFE's total investments (including cash equivalents) as of December 31, 2018. Commercial paper includes fixed and variable rate commercial paper and A-1 collateralized bank sweep accounts.

### *Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

**CSAFE Cash:** In accordance with the investment policy, CSAFE Cash's investments as of December 31, 2018, all mature within 1 year of that date, with the exception of floating rate note securities which, according to GASB Statement No. 79 guidelines, have a maturity equal to the shorter of the period remaining until the next readjustment of the interest rate or the maturity of the investment. Reset periods may not exceed 397 days.

**Colorado Core:** In accordance with the investment policy, Colorado Core's investments as of December 31, 2018, the trust will only acquire an investment with a remaining maturity of 3 years or less.

### *Credit Risk*

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Trust's policy to limit its investments to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs), except for money market funds with assets of more than one billion have to have the highest current credit rating from one or more NRSRO.

As of December 31, 2018, the Trust was comprised of investments which were, in aggregate, rated by S&P as follows:

<u>S&amp;P Rating</u>	<u>Colorado Core</u>	<u>CSAFE Cash</u>
A-1	49%	44%
A-1+	51%	55%
AA+	0%	1%

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

**December 31, 2018 and 2017**

As of December 31, 2018, the Trust had the following investments and maturities:

Fund Investment Type	Investment Maturities (in Years)				
	Value	Less than 1 Year	1 to 5	6 to 10	Greater than 10
CSAFE Cash					
Commercial paper	\$ 1,921,216,838	\$ 1,921,216,838	\$ -	\$ -	\$ -
U.S. government agency securities	10,106,710	10,106,710	-	-	-
Colorado Core					
Commercial paper	401,866,349	401,866,349	-	-	-
Corporate bonds	76,086,705	-	76,086,705	-	-
	<u>\$ 2,409,276,602</u>	<u>\$ 2,333,189,897</u>	<u>\$ 76,086,705</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2017, the Trust was comprised of investments which were, in aggregate, rated by S&P as follows:

S&P Rating	Colorado Core	CSAFE Cash
A-1	0%	32%
A-1+	0%	61%
AA+	0%	7%

As of December 31, 2017, the Trust had the following investments and maturities:

Fund Investment Type	Investment Maturities (in Years)				
	Value	Less than 1 Year	1 to 5	6 to 10	Greater than 10
CSAFE Cash					
Commercial paper	\$ 1,580,443,163	\$ 1,580,443,163	\$ -	\$ -	\$ -
U.S. government agency securities	125,000,000	125,000,000	-	-	-
Colorado Core					
Commercial paper	-	-	-	-	-
Corporate bonds	-	-	-	-	-
	<u>\$ 1,705,443,163</u>	<u>\$ 1,705,443,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CSAFE's investments in money market funds at December 31, 2018 and 2017 are rated AAAM by Standard & Poor's. Money market management fees for the years ended December 31, 2018 and 2017 ranged from 0.14% to 0.23%. These fees are in addition to the fees paid by CSAFE participants to its advisors.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques should maximize the use of relevant observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date
- Level 2** Observable inputs other than Level 1 quoted prices, such as quoted prices for similar assets or liabilities in active markets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

**CSAFE Cash:** In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, CSAFE Cash, a qualifying external investment pool, is required to disclose additional information relating to fair value measurements.

The following tables present what the fair value measurements of assets held by CSAFE Cash would be if they were recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018 and 2017:

Investments by Fair Value Level as of	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>CSAFE Cash - December 31, 2018</b>				
Money market funds	\$ 263,042,410	\$ 263,042,410	\$ -	\$ -
U.S. government agency securities	10,107,031	-	10,107,031	-
Commercial paper	1,921,036,135	-	1,921,036,135	-
Total investments by fair value level	<u>\$ 2,194,185,576</u>	<u>\$ 263,042,410</u>	<u>\$ 1,931,143,166</u>	<u>\$ -</u>
<b>CSAFE Cash - December 31, 2017</b>				
Money market funds	\$ 164,910,853	\$ 164,910,853	\$ -	\$ -
U.S. government agency securities	124,989,500	-	124,989,500	-
Commercial paper	1,579,699,279	-	1,579,699,279	-
Total investments by fair value level	<u>\$ 1,869,599,632</u>	<u>\$ 164,910,853</u>	<u>\$ 1,704,688,779</u>	<u>\$ -</u>

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

**Colorado Core:** The following tables present what the fair value measurements of assets held by Colorado Core recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018 and 2017:

Investments by Fair Value Level as of	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Colorado Core - December 31, 2018</b>				
Corporate bonds	\$ 76,086,705	\$ 3,016,761	\$ 73,069,944	\$ -
Commercial paper	<u>401,866,349</u>	<u>-</u>	<u>401,866,349</u>	<u>-</u>
Total investments by fair value level	477,953,054	<u>\$ 3,016,761</u>	<u>\$ 474,936,293</u>	<u>\$ -</u>
Investment measured at NAV	<u>72,067,959</u>			
Total investments by fair value	<u>\$ 550,021,013</u>			
<b>Colorado Core - December 31, 2017</b>				
Corporate bonds	-	-	-	-
Commercial paper	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments by fair value level	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. CSAFE does not hold any Level 3 securities.

### Note 3: Investment Advisory, Administrative and Consulting Fees

Beginning September 28, 2016, LT Trust Company provides administrative advisory services and Morgan Stanley Smith Barney, LLC (Morgan Stanley) provides investment advisory services. Fees for administrative advisory services are calculated daily and paid monthly, at a rate equal to 0.0025% on assets under management, with a minimum quarterly fee of \$95,000. Through October 1, 2018, fees for investment advisory services are calculated daily and paid monthly based on total CSAFE trust assets, at a rate equal to 0.155% of the average daily net assets up to \$200 million, and 0.125% of the average daily net assets in excess of \$200 million, less fees voluntarily waived by Morgan Stanley. Beginning October 2, 2018, fees for investment advisory services are calculated daily and paid monthly based on total CSAFE trust assets, at a rate equal to 0.125% of the average daily net assets up to \$200 million, and 0.095% of the average daily net assets in excess of \$200 million, less fees voluntarily waived by Morgan Stanley. Beginning December 7,

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

2018, Elevate Business Solutions, LLC provided consulting services with fees calculated daily and paid monthly, at a rate equal to 0.0025% on assets under management

**CSAFE Cash:** Actual fees paid by CSAFE Cash in 2018 and 2017 totaled \$2,802,117 and \$2,767,007, respectively, representing 0.122% and 0.118% of average daily net assets, respectively. Total fees voluntarily waived by Morgan Stanley in 2018 and 2017 were \$688,694 and \$819,556, respectively.

During the year, the administrator accrues an estimate of average daily net assets of CSAFE Cash to meet administrative and custodial expenses. The actual administrative and custodial expenses incurred in 2018 and 2017 totaled \$512,101 and \$483,549, respectively, representing 0.022% and 0.021% of average daily net assets, respectively.

**Colorado Core:** Actual fees paid by Colorado Core in 2018 and 2017 totaled \$449,646 and \$0, respectively, representing 0.114% and 0.000% of average daily net assets, respectively. Total fees voluntarily waived by Morgan Stanley in 2018 and 2017 were \$111,979 and \$0, respectively.

During the year, the administrator accrues an estimate of average daily net assets of Colorado Core to meet administrative and custodial expenses. The actual administrative and custodial expenses incurred in 2018 and 2017 totaled \$81,124 and \$0, respectively, representing 0.020% and 0.000% of average daily net assets, respectively.

### Note 4: Share Transactions

**CSAFE Cash:** CSAFE Cash has a minimum initial balance requirement to open an account of \$1 and the minimum transactional amount is \$1. The fund transacts in fractional shares above \$1.00 out to \$0.01. There are no limits on the number of transactions per month and funds received by stated cutoff times are credited same day. There are no limitations or restrictions on participant withdrawals.

At December 31, 2018 and 2017, two and three participants, respectively, held more than a 5% participation interest in CSAFE Cash. The holdings of these participants are approximately 39.32% and 31.72%, respectively, of the portfolio at December 31, 2018 and 2017. Investment activities of these participants could have a material impact on CSAFE Cash. In addition, the holdings of Colorado Core in CSAFE Cash is 3.13% of the portfolio at December 31, 2018.

**Colorado Core:** Colorado Core fund settles trade date plus one business day. Total redemptions in any one account in Colorado Core are limited to three (3) per month. Initial investment into the Colorado Core fund requires a minimum of \$100,000. No minimum balance is required after the initial investment has been made.

At December 31, 2018, five participants, held more than a 5% participation interest in Colorado Core. The holdings of these participants is approximately 56.11%, of the portfolio at December 31, 2018. Investment activities of these participants could have a material impact on Colorado Core.

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### Note 5: CSAFE Cash Financial Information

At December 31, 2018 and 2017, CSAFE Cash reported the following:

#### Statements of Fiduciary Net Position December 31, 2018 and 2017

#### Assets

	<u>2018</u>	<u>2017</u>
Investments held at amortized cost		
U.S. government agency securities	\$ 10,106,710	\$ 125,000,000
Commercial paper	<u>1,921,216,838</u>	<u>1,580,443,163</u>
Total investments	1,931,323,548	1,705,443,163
Cash and cash equivalents	374,193,053	245,339,068
Other assets	<u>2,239,623</u>	<u>658,133</u>
Total assets	<u>2,307,756,224</u>	<u>1,951,440,364</u>

#### Liabilities

Accrued expenses	266,283	355,362
Participant distributions payable	<u>-</u>	<u>5,406</u>
Total liabilities	<u>266,283</u>	<u>360,768</u>
Net position restricted for pool participants	<u>\$ 2,307,489,941</u>	<u>\$ 1,951,079,596</u>
Net asset value per share	<u>\$ 1.00</u>	<u>\$ 1.00</u>



# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### Statements of Changes in Fiduciary Net Position Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Additions</b>		
Net proceeds from sales of shares	\$ 6,339,502,308	\$ 5,157,436,418
Investment earnings	48,809,937	28,010,584
Total additions	<u>6,388,312,245</u>	<u>5,185,447,002</u>
<b>Deductions</b>		
Cost of shares redeemed	6,028,587,682	5,218,988,230
Administrative expenses		
Advisory and administrative fees	2,644,242	2,767,007
Custodian fees	171,089	171,995
Consulting fees	157,875	-
Insurance	12,107	15,213
Activity and transaction fees	51,487	32,781
Legal fees	41,975	53,265
Rating agency fee	45,000	45,000
Accounting and auditing	37,624	49,475
Trustee board meeting expenses	20,640	27,093
Marketing	44,802	62,635
Internet/web page	62,606	9,500
Miscellaneous	24,771	16,592
Total deductions	<u>6,031,901,900</u>	<u>5,222,238,786</u>
Net increase (decrease) in fiduciary net position	<u>356,410,345</u>	<u>(36,791,784)</u>
Net position restricted for pool participants, beginning of year	<u>1,951,079,596</u>	<u>1,987,871,380</u>
Net position restricted for pool participants, end of year	<u>\$ 2,307,489,941</u>	<u>\$ 1,951,079,596</u>

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### Note 6: Colorado Core Financial Information

At December 31, 2018 and 2017, Colorado Core reported the following:

#### Statements of Fiduciary Net Position December 31, 2018 and 2017

#### Assets

	<u>2018</u>	<u>2017</u>
Investments held at fair market value		
Commercial paper	\$ 401,866,349	\$ -
Corporate bonds	<u>76,086,705</u>	<u>-</u>
Total investments	477,953,054	-
Cash and cash equivalents	80,015,535	-
Other assets	<u>806,200</u>	<u>-</u>
Total assets	<u>558,774,789</u>	<u>-</u>

#### Liabilities

Accrued expenses	<u>62,907</u>	<u>-</u>
Total liabilities	<u>62,907</u>	<u>-</u>
Net position restricted for pool participants	<u>\$ 558,711,882</u>	<u>\$ -</u>
Net asset value per share	<u>\$ 2.00</u>	<u>\$ -</u>

# Colorado Surplus Asset Fund Trust (CSAFE)

## Notes to Financial Statements

December 31, 2018 and 2017

### Statements of Changes in Fiduciary Net Position

Years Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>Additions</b>		
Net proceeds from sales of shares	\$ 658,037,734	\$ -
Investment earnings		
Net appreciation in fair value	5,700,237	-
Interest, dividends and other	<u>3,362,640</u>	<u>-</u>
Total investment earnings	<u>9,062,877</u>	<u>-</u>
Total additions	<u>667,100,611</u>	<u>-</u>
<b>Deductions</b>		
Cost of shares redeemed	107,857,959	-
Administrative expenses		
Advisory and administrative fees	411,297	-
Custodian fees	28,904	-
Consulting fees	38,349	-
Insurance	2,234	-
Activity and transaction fees	6,785	-
Legal fees	6,200	-
Rating agency fee	20,000	-
Accounting and auditing	14,839	-
Miscellaneous	<u>2,162</u>	<u>-</u>
Total deductions	<u>108,388,729</u>	<u>-</u>
Net increase in fiduciary net position	<u>558,711,882</u>	<u>-</u>
Net position restricted for pool participants, beginning of year	<u>-</u>	<u>-</u>
Net position restricted for pool participants, end of year	<u>\$ 558,711,882</u>	<u>\$ -</u>

## **Supplementary Information**

# Colorado Surplus Asset Fund Trust (CSAFE)

## Supplementary Information – Investment Detail

December 31, 2018 and 2017

Investments in U.S. government agency securities implicitly guaranteed by the federal government rated AA+ by Standard and Poor's at December 31, 2018, held by CSAFE Cash were as follows:

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
\$ 10,105,000	Federal Farm Credit Bank due January 22, 2019	2.667%	<u>\$ 10,106,710</u>	<u>\$ 10,107,031</u>
			<u>\$ 10,106,710</u>	<u>\$ 10,107,031</u>

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Investments in commercial paper rated A-1 or A-1+ by Standard & Poor's at December 31, 2018, held by CSAFE Cash were as follows:

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
\$ 25,000,000	Anglesea Funding, LLC Due January 2, 2019	2.510%	\$ 24,998,292	\$ 24,990,050
25,000,000	Chesham Finance Limited/Chesham Due January 2, 2019	2.401%	24,998,368	24,989,950
25,000,000	Halkin Finance, LLC Due January 2, 2019	2.537%	24,998,264	24,989,950
25,000,000	MetLife Short Term Funding, LLC Due January 2, 2019	2.406%	24,998,361	24,990,050
77,000,000	Apple, Inc Due January 3, 2019	2.446%	76,989,691	76,962,732
21,375,000	DCAT, LLC Due January 3, 2019	2.679%	21,371,865	21,365,061
38,000,000	Walmart, Inc Due January 3, 2019	2.535%	37,994,722	37,997,340
25,000,000	Autobahn Funding Co, LLC Due January 4, 2019	2.486%	24,994,896	24,986,500
80,000,000	Mizuho Bank, Ltd. Due January 4, 2019	2.450%	79,975,572	79,994,720
10,000,000	DCAT, LLC Due January 9, 2019	2.662%	9,994,178	9,991,070
25,000,000	Canadian Imperial Bank of Commerce Due January 15, 2019	2.537%	24,975,694	24,979,675
25,000,000	Kells Funding, LLC Due January 15, 2019	2.436%	24,976,667	24,979,175
25,000,000	Dexia Credit Local Due January 16, 2019	2.453%	24,975,104	24,965,975
50,000,000	Kells Funding, LLC Due January 16, 2019	2.611%	49,946,458	49,930,000
56,000,000	Walmart, Inc Due January 16, 2019	2.508%	55,942,367	55,921,432

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
40,000,000	Fairway Finance Co, LLC Due January 17, 2019	2.645%	40,000,000	40,004,080
25,000,000	Anglesea Funding, LLC Due January 18, 2019	2.518%	24,970,722	24,974,175
15,750,000	Svenska Handelsbanken AB Due January 18, 2019	2.473%	15,732,076	15,726,422
25,000,000	Manhattan Asset Funding Company, LLC Due January 24, 2019	2.604%	25,000,000	25,000,200
35,000,000	PSP Capital Inc Due January 24, 2019	2.474%	34,945,886	34,931,715
50,000,000	Chevron Corp Due February 5, 2019	2.521%	49,879,444	49,886,450
50,000,000	National Bank of Canada Due February 7, 2019	2.523%	50,000,000	50,005,750
20,000,000	Svenska Handelsbanken AB Due February 8, 2019	2.644%	19,945,111	19,949,440
25,000,000	Anglesea Funding, LLC Due February 12, 2019	2.495%	25,000,000	25,000,000
50,000,000	Atlantic Asset Securitization, LLC Due February 21, 2019	2.649%	50,000,762	49,999,250
25,000,000	Chesham Finance Limited/Chesham Due February 25, 2019	2.680%	24,899,931	24,889,175
40,000,000	Bedford Row Funding Corp Due March 1, 2019	2.699%	40,000,000	40,017,960
21,000,000	Australia and New Zealand Banking Group Due March 7, 2019	2.634%	20,999,456	21,006,027
25,000,000	PSP Capital Inc Due March 7, 2019	2.653%	25,000,000	25,008,125
50,000,000	Ridgefield Funding Co, LLC Due March 11, 2019	2.560%	50,000,000	50,003,350
25,000,000	Atlantic Asset Securitization, LLC Due March 13, 2019	2.592%	25,000,000	25,002,250

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Face Amount	Security	Yield	Carrying Value – Amortized Cost	Fair Value
25,000,000	Anglesea Funding, LLC Due March 14, 2019	2.495%	25,000,000	25,000,000
25,000,000	Canadian Imperial Bank of Commerce Due March 14, 2019	2.850%	25,000,000	25,015,625
25,000,000	Chesham Finance Limited/Chesham Due March 19, 2019	2.615%	25,000,000	25,001,825
25,000,000	Ridgefield Funding Co, LLC Due March 19, 2019	2.615%	25,000,000	25,001,550
25,000,000	National Australia Bank Ltd. Due March 29, 2019	2.972%	25,000,000	25,019,425
19,265,574	U.S. Bank overnight commercial paper sweep Due April 4, 2019	2.350%	90,910,238	90,910,238
75,000,000	Sumitomo Mitsui Trust Bank Ltd Due April 5, 2019	2.882%	74,447,750	74,408,250
25,000,000	Dexia Credit Local Due April 8, 2019	2.650%	24,826,208	24,810,725
45,525,000	Ontario Teachers' Finance Trust Due April 8, 2019	2.645%	45,209,094	45,162,803
30,000,000	HSBC Bank PLC Due April 10, 2019	2.644%	30,000,016	30,007,350
25,000,000	Kells Funding, LLC Due April 11, 2019	2.722%	24,815,972	24,789,275
25,000,000	Bank of Nova Scotia Due April 12, 2019	2.605%	25,000,000	25,004,125
25,000,000	HSBC Bank PLC Due April 17, 2019	2.659%	25,000,000	25,005,050
25,000,000	Toronto-Dominion Bank Due April 17, 2019	2.619%	25,000,000	25,002,850
25,000,000	Toronto-Dominion Bank Due May 2, 2019	2.699%	25,000,000	24,999,000
30,000,000	Bedford Row Funding Corp Due May 9, 2019	2.707%	30,000,000	30,008,130



**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
50,000,000	ING US Funding, LLC Due May 17, 2019	2.655%	50,000,511	49,989,700
25,000,000	Commonwealth Bank of Australia Due May 20, 2019	2.745%	25,000,000	24,994,975
25,000,000	Toronto-Dominion Bank Due May 24, 2019	2.674%	25,000,000	24,991,400
72,500,000	Westpac Banking Corp Due May 24, 2019	2.789%	72,503,307	72,496,665
25,000,000	Australia and New Zealand Banking Group Due June 6, 2019	2.839%	24,999,855	24,998,800
25,000,000	Commonwealth Bank of Australia Due June 7, 2019	2.866%	25,000,000	24,994,500
25,000,000	Fairway Finance Co, LLC Due June 7, 2019	2.663%	25,000,000	25,000,400
50,000,000	Canadian Imperial Bank of Commerce Due June 28, 2019	2.816%	50,000,000	50,004,400
25,000,000	Commonwealth Bank of Australia Due August 12, 2019	2.611%	25,000,000	24,981,025
			<u>\$ 1,921,216,838</u>	<u>\$ 1,921,036,135</u>

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Investments in U.S. government agency securities implicitly guaranteed by the federal government rated AA+ by S&P at December 31, 2017, held by CSAFE Cash were as follows:

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
\$ 50,000,000	Federal Home Loan Bank due March 8, 2018	1.252%	\$ 50,000,000	\$ 49,998,500
50,000,000	Federal Home Loan Bank due July 10, 2018	1.292%	50,000,000	49,997,000
25,000,000	Federal Home Loan Bank due November 9, 2018	1.292%	<u>25,000,000</u>	<u>24,994,000</u>
			<u>\$ 125,000,000</u>	<u>\$ 124,989,500</u>

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Investments in commercial paper rated A-1 or A-1+ by Standard & Poor's at December 31, 2017, held by CSAFE Cash were as follows:

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
\$ 25,000,000	Chesham Finance Limited/Chesham Finance, LLC, due January 2, 2018	1.440%	\$ 24,999,014	\$ 25,000,000
50,000,000	Halkin Finance, LLC due January 2, 2018	1.440%	49,998,028	50,000,000
75,000,000	Anglesea Funding, LLC due January 3, 2018	1.470%	74,993,958	74,997,000
25,000,000	Chesham Finance Limited/Chesham Finance, LLC, due January 4, 2018	1.404%	24,997,125	24,997,750
24,000,000	Australia and New Zealand Banking Group due January 8, 2018	1.497%	23,999,990	24,000,720
16,700,000	Liberty Street Funding, LLC due January 10, 2018	1.375%	16,694,364	16,694,155
50,000,000	VF Corporation due January 11, 2018	1.736%	49,976,250	49,980,500
19,000,000	Liberty Street Funding, LLC due January 17, 2018	1.394%	18,988,431	18,987,650
25,000,000	Kells Funding LLC due January 19, 2018	1.414%	24,982,625	24,981,500
20,000,000	Australia and New Zealand Banking Group due January 22, 2018	1.635%	20,000,000	20,002,000
15,000,000	Chesham Finance Limited/Chesham Finance, LLC, due January 24, 2018	1.414%	14,986,679	14,985,600
25,000,000	British Columbia due January 26, 2018	1.342%	24,977,170	24,973,750
5,000,000	Chesham Finance Limited/Chesham Finance, LLC, due January 30, 2018	1.414%	4,994,401	4,993,900
30,000,000	LMA-Americas, LLC due February 1, 2018	1.625%	29,958,667	29,960,700
25,000,000	KFW International Finance, Inc due February 5, 2018	1.384%	24,966,945	24,916,250

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
50,000,000	CDP Financial, Inc due February 12, 2018	1.460%	49,916,583	49,642,500
50,000,000	Swedbank due February 13, 2018	1.419%	49,916,986	49,904,500
25,000,000	Coca-Cola Company due February 14, 2018	1.336%	24,959,972	24,951,000
24,510,000	Svenska Handelsbanken AB due February 16, 2018	1.399%	24,467,094	24,459,755
20,000,000	Kells Funding, LLC due February 16, 2018	1.455%	19,963,456	19,959,000
25,000,000	Coca-Cola Company due February 20, 2018	1.326%	24,954,861	24,944,250
50,000,000	Commonwealth Bank of Australia due February 22, 2018	1.935%	50,000,000	50,030,000
25,000,000	Chesham Finance Limited/Chesham Finance, LLC, due February 26, 2018	1.547%	24,940,889	24,937,250
5,500,000	CDP Financial, Inc due February 28, 2018	1.476%	5,487,151	5,485,700
9,000,000	CDP Financial, Inc due March 1, 2018	1.467%	8,978,760	8,976,240
30,000,000	Bedford Row Funding Corp due March 2, 2018	1.782%	30,000,000	30,020,100
25,000,000	Westpac Banking Corp due March 2, 2018	1.692%	25,000,000	25,012,750
14,950,000	Coca-Cola Company due March 5, 2018	1.385%	14,914,419	14,906,495
25,000,000	PSP Capital Inc due March 6, 2018	1.368%	24,940,444	24,926,000
25,000,000	Dexia Credit Local due March 7, 2018	1.378%	24,939,063	24,925,000
25,000,000	Dexia Credit Local due March 9, 2018	1.400%	24,936,257	24,922,500
25,000,000	Kells Funding, LLC due March 13, 2018	1.429%	24,930,972	24,917,750

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Face Amount	Security	Yield	Carrying Value – Amortized Cost	Fair Value
25,000,000	DZ Bank AG, New York due March 15, 2018	1.629%	24,918,889	24,915,500
25,000,000	Mizuho Bank, Ltd. due March 20, 2018	1.700%	24,909,542	24,909,750
50,000,000	Mizuho Bank, Ltd. due March 21, 2018	1.690%	49,817,861	49,817,000
25,000,000	Manhattan Asset Funding Company, LLC due March 22, 2018	1.695%	25,000,000	25,000,750
40,000,000	National Australia Bank Ltd. due March 29, 2018	1.869%	40,000,000	40,022,800
25,000,000	Credit Suisse AG, New York due April 3, 2018	1.531%	24,904,167	24,890,750
16,030,000	Ontario Teachers' Finance Trust due April 6, 2018	1.462%	15,969,509	15,957,544
40,000,000	Manhattan Asset Funding Company, LLC due April 9, 2018	1.612%	40,000,000	40,001,200
25,000,000	Toronto-Dominion Bank due April 18, 2018	1.611%	25,000,000	25,001,000
15,000,000	Dexia Credit Local due April 19, 2018	1.431%	14,937,000	14,922,900
19,000,000	CDP Financial, Inc due April 20, 2018	1.532%	18,913,708	18,901,390
25,000,000	Swedbank due April 23, 2018	1.512%	24,884,889	24,866,750
25,000,000	Manhattan Asset Funding Company, LLC due April 26, 2018	1.471%	25,000,000	24,998,750
15,000,000	Commonwealth Bank of Australia due April 27, 2018	1.742%	15,000,000	15,005,550
25,000,000	Nordea Bank AB due April 30, 2018	1.517%	24,877,281	24,858,250
30,000,000	Bedford Row Funding Corp due May 17, 2018	1.597%	30,000,000	29,994,900
50,000,000	Toronto-Dominion Bank due May 22, 2018	1.695%	50,000,000	50,005,000

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Carrying Value – Amortized Cost</b>	<b>Fair Value</b>
25,000,000	Westpac Banking Corp due May 24, 2018	1.692%	25,000,000	24,999,250
50,000,000	Canadian Imperial Bank of Commerce due June 28, 2018	1.714%	50,000,000	49,985,500
28,000,000	Bedford Row Funding Corp due July 9, 2018	1.642%	28,000,000	27,994,960
25,000,000	Commonwealth Bank of Australia due July 12, 2018	1.614%	25,000,000	25,002,250
20,750,000	Ontario Teachers' Finance Trust due July 13, 2018	1.844%	20,549,763	20,537,520
25,000,000	Westpac Banking Corp due July 18, 2018	1.651%	25,000,000	24,737,250
50,000,000	National Australia Bank Ltd. due July 30, 2018	1.719%	<u>50,000,000</u>	<u>49,980,500</u>
			<u><u>\$ 1,580,443,163</u></u>	<u><u>\$ 1,579,699,279</u></u>

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Investments in commercial paper and corporate bonds rated A-1 or A-1+ by Standard & Poor's at December 31, 2018, held by Colorado Core were as follows:

<b>Face Amount</b>	<b>Security</b>	<b>Yield</b>	<b>Fair Value</b>
\$ 10,000,000	Anglesea Funding, LLC due January 2, 2019	2.490%	\$ 9,998,650
15,000,000	Bennington Stark Capital Company, LLC due January 7, 2019	2.630%	14,992,620
10,000,000	National Bank of Canada due January 7, 2019	2.813%	10,000,740
15,000,000	Atlantic Asset Securitization, LLC due January 10, 2019	2.512%	14,989,620
20,000,000	Halkin Finance, LLC due January 14, 2019	2.543%	19,980,500
15,000,000	Ridgefield Funding Co, LLC due January 16, 2019	2.594%	14,983,230
15,000,000	Kells Funding, LLC due January 17, 2019	2.418%	14,982,165
15,000,000	Sumitomo Mitsui Trust Bank Ltd due January 28, 2019	2.654%	14,970,450
20,000,000	Mizuho Bank, Ltd. due February 7, 2019	2.731%	19,946,120
20,000,000	ING US Funding, LLC due February 11, 2019	2.650%	20,002,960
10,000,000	Bedford Row Funding Corp due February 25, 2019	2.856%	10,004,500
20,000,000	Macquarie Bank Ltd due February 28, 2019	2.702%	20,003,940
20,000,000	Swedish Export Credit Corp due March 5, 2019	2.901%	19,910,220
10,000,000	Westpac Banking Corp due March 8, 2019	2.787%	10,005,460
12,000,000	LMA-Americas, LLC due March 11, 2019	2.600%	11,935,128

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Face Amount	Security	Yield	Fair Value
10,000,000	Canadian Imperial Bank of Commerce due March 14, 2019	2.816%	10,000,200
10,000,000	National Australia Bank Ltd. due March 14, 2019	2.840%	10,005,640
15,000,000	Crown Point Capital Co, LLC due March 15, 2019	2.672%	14,913,300
12,500,000	Liberty Street Funding, LLC due March 15, 2019	2.888%	12,429,113
10,000,000	Sumitomo Mitsui Trust Bank Ltd due March 18, 2019	2.529%	9,943,060
15,000,000	PSP Capital Inc due March 25, 2019	2.572%	14,902,845
15,000,000	Dexia Credit Local due April 1, 2019	2.635%	14,898,720
109,079	U.S. Bank overnight commercial paper sweep due April 4, 2019	2.350%	109,079
10,000,000	HSBC Bank PLC due April 10, 2019	2.644%	10,002,390
13,000,000	Bank of Nova Scotia due April 12, 2019	2.605%	13,002,093
5,000,000	HSBC Bank PLC due April 17, 2019	2.659%	5,000,985
15,000,000	Fairway Finance Co, LLC due May 3, 2019	2.703%	14,997,750
3,000,000	Ontario Teachers' Finance Trust due May 10, 2019	2.735%	2,969,373
7,000,000	Bedford Row Funding Corp due June 10, 2019	2.855%	7,001,344
10,000,000	Canadian Imperial Bank of Commerce due June 28, 2019	2.850%	10,005,870
10,000,000	Commonwealth Bank of Australia due August 12, 2019	2.704%	9,991,560



**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Investment Detail (continued)**  
**December 31, 2018 and 2017**

Face Amount	Security	Yield	Fair Value
15,000,000	Toronto-Dominion Bank due September 12, 2019	2.604%	14,986,725
5,000,000	Bank of America NA due August 28, 2020	2.957%	4,981,980
2,000,000	Toronto-Dominion Bank due September 17, 2020	3.048%	1,993,064
2,215,000	Commonwealth Bank of Australia due September 18, 2020	3.201%	2,209,768
1,030,000	Toyota Motor Credit Corp due September 18, 2020	2.971%	1,023,697
4,215,000	New York Life Global Funding due October 1, 2020	2.912%	4,195,282
10,000,000	The Bank of New York Mellon due December 4, 2020	3.036%	9,983,200
15,000,000	JPMorgan Chase Bank due February 1, 2021	2.831%	14,892,960
15,955,000	Australia and New Zealand Banking Group due May 17, 2021	3.100%	15,912,288
14,210,000	Svenska Handelsbanken AB due May 24, 2021	3.159%	14,081,371
1,000,000	New York Life Global Funding due August 6, 2021	2.912%	998,608
5,825,000	National Australia Bank Ltd. due November 4, 2021	3.446%	5,814,486
			\$ 477,953,054

**Colorado Surplus Asset Fund Trust (CSAFE)**  
**Supplementary Information – Average Daily Net Positions**  
**Last Five Fiscal Years**

Per share data for average daily net positions for is as follows:

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>CSAFE Cash</b>					
Investment income	\$ 0.021259	\$ 0.011911	\$ 0.006707	\$ 0.002854	\$ 0.002274
Expenses	<u>0.001473</u>	<u>0.001382</u>	<u>0.001071</u>	<u>0.001053</u>	<u>0.001147</u>
Net investment income	<u>\$ 0.019786</u>	<u>\$ 0.010529</u>	<u>\$ 0.005636</u>	<u>\$ 0.001801</u>	<u>\$ 0.001127</u>
Weighted-average maturity in days	21	31	38	44	51
Number of participant shares at December 31	2,307,489,941	1,951,079,596	1,987,871,380	1,471,303,475	1,455,276,169
<b>Colorado Core</b>					
Investment income	\$ 0.022901	\$ -	\$ -	\$ -	\$ -
Expenses	<u>0.001341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net investment income	<u>\$ 0.021560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Weighted-average maturity in days	30	0	0	0	0
Number of participant shares at December 31	279,355,941	-	-	-	-

The CSAFE Cash's net average yield for 2018 and 2017 was 1.978% and 1.052%, respectively. For example, \$1,000 invested in the Trust on January 1, 2018, would have been worth \$1,019.79 at December 31, 2018 and \$1,000 invested on January 1, 2017 would have been worth \$1,010.50 at December 31, 2017. The Colorado Core's net average yield for 2018 was 2.156%. For example, \$1,000 invested in the Trust on January 1, 2018, would have been worth \$1,021.56 at December 31, 2018

For 2018 and 2017 the unamortized portion of realized losses on investments is excluded from the above calculations, because it did not impact participant valuation calculations.

# **Colorado Surplus Asset Fund Trust (CSAFE)**

**CSAFE Board of Trustees**

**(Unaudited)**

**December 31, 2018**

## ***YOUR CSAFE BOARD OF TRUSTEES***

**Alan Krcmarik, Trustee and Chairman**

City of Loveland Executive Fiscal Advisor

**Brenden Morgan, Trustee and Treasurer**

Regional Transportation District Senior Manager of Debt & Investments

**Jeff Hansen, Trustee**

City of Golden Finance Director

**Jay Valentine, Trustee**

City of Grand Junction Deputy Finance Director

**Aneta Rettig, Trustee**

Denver Water Finance Manager

**Sue Sandstrom, Trustee**

Arapahoe County Treasurer

**Molly Kostelecky, Trustee**

Metro Wastewater Reclamation District Finance and Accounting Officer

Pursuant to Article IX of CSAFE's Indenture of Trust, as amended, a majority of Trustees must be members of the Board of Participants (treasurers of the respective participants) and any non-treasurer Trustee must be appointed or elected as a non-treasurer Trustee.