

# Colorado Surplus Asset Fund Trust Cash Fund

## Key Rating Drivers

**Portfolio:** The Colorado Surplus Asset Fund Trust Cash Fund (CSAFE Cash Fund, or “the fund”), an offering of the Colorado Surplus Asset Fund Trust (CSAFE), was established in 1988. Its objectives are to provide local government entities in Colorado with liquidity, capital preservation and a competitive yield. The fund seeks to achieve its investment objective by investing solely in permitted investments consistent with federal and Colorado state law while adhering to GASB Statement 79. See the charts below for a recent breakout of the portfolio’s asset allocation and maturity distribution.

**Maturity:** The fund seeks to limit interest rate and spread risk by maintaining a weighted average maturity and a weighted average life of less than 60 days and 120 days, respectively, consistent with Fitch Ratings' 'AAAmmf' rating criteria.

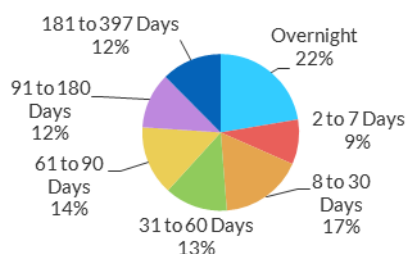
**Investor Base/Liquidity Management:** The fund’s investors are comprised of Colorado local government entities, and the fund seeks to provide same-day liquidity. The fund seeks to maintain a stable NAV while maintaining at least 10% and 30% of total assets in securities offering daily and weekly liquidity, respectively.

**Investment Advisor:** The Zephyr Group is a Morgan Stanley Smith Barney LLC (Morgan Stanley) institutional portfolio management team, specializing in fixed income management for government entities. Fundamental analysis and security selection for the fund are the responsibility of the Zephyr Group. Portfolio managers in the Zephyr Group manage accounts through Morgan Stanley’s Institutional Cash Advisory Program.

**Oversight:** A board of trustees provides oversight to the fund, including adopting the investment policy and contracting with the investment advisor. Trades are executed by the Morgan Stanley Consulting Group's Advisory Trading Desk, and investment guidelines are monitored daily by Morgan Stanley.

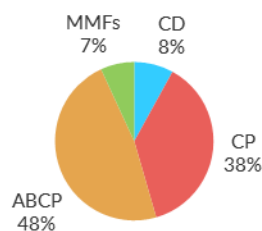
**Rating Rationale:** CSAFE Cash Fund is rated ‘AAAmmf’ by Fitch. The 'AAAmmf' rating assigned to the pool indicates an extremely strong capacity to achieve the investment objectives of preserving principal and providing liquidity through limiting credit, market and liquidity risk. Fitch’s evaluation of the portfolio also considers the management and operational capabilities of the Zephyr Group and the legal and regulatory framework under which the fund operates.

Colorado Surplus Asset Fund Trust Cash Fund – Maturity Distribution  
(As of June 30, 2022)



Source: Colorado Surplus Asset Fund Trust.

Colorado Surplus Asset Fund Trust Cash Fund – Asset Allocation  
(As of June 30, 2022)



Source: Colorado Surplus Asset Fund Trust.

## Pool Characteristics

Data as of: June 30, 2022

Fund Rating	AAAmmf
Assets (\$ Bil.)	3.3
Weighted Average Maturity (Days)	27
Weighted Average Life (Days)	71
Investment Advisor	Zephyr Group at Morgan Stanley
Objective	To provide participants a money market-like investment offering with an emphasis on safety of capital, sufficient liquidity, transparency and competitive yields.
Inception Date	1988

Source: Fitch Ratings, Colorado Surplus Asset Fund Trust.

## Applicable Criteria

Money Market Fund Rating Criteria  
(November 2021)

## Analysts

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