



**Third Quarter Report 2011
For the period ended September 30, 2011**

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Glenn Scott	Portfolio Manager
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Custodian
U.S. Bank N.A.

Auditor
BKD LLP

Credit Rating



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CSAFE SUMMARY

- ◆ Colorado Surplus Asst Fund Trust (“CSAFE”) is a local government investment pool trust fund organized under C.R.S. §24-75-701, et seq., registered as such with the Colorado Securities Commissioner pursuant to the Local Government Investment Pool Trust Fund Administration and Enforcement Act, C.R.S. §11-51-901, et seq. As such a trust, CSAFE pools and invests the funds of Colorado local government participants within the investment policies and limitations set forth in CSAFE’s Indenture of Trust and C.R.S. §24-75-601, et seq. Participants include municipalities, counties, school districts and special districts.
- ◆ CSAFE invests primarily in United States Treasuries, United States Agencies, Primary Dealer Repurchase Agreements (collateralized at 102%), highly rated commercial paper (with short term ratings of A-1 or better), AAAm rated money market funds, highly rated corporate bonds and Colorado Depositories (with short term ratings of A-1 or better) in which the deposits are collateralized at 102% of market value under the provisions of the Public Depository Protection Act.
- ◆ CSAFE is rated AAAm by the Standard & Poor’s Corporation.
- ◆ With the exception of certain floating rate securities, all securities purchased shall not exceed a maturity greater than 397 days.
- ◆ The weighted average maturity of the portfolio shall not exceed 60 days.
- ◆ CSAFE seeks to maintain, but does not guarantee, a constant net asset value at \$1.00 per share.
- ◆ The Investment Advisor and Administrator is Davidson Fixed Income Management, Inc.

QUARTERLY SUMMARY

Net Assets	\$894,945,822
30 Day Yield	0.06%
7 Day Yield	0.06%
Expense Ratio	0.1655%
Weighted Avg Maturity (days)	48
Weighted Avg Life (days)	104
Net Asset Value Per Share	\$1.00

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.



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



For the period ended September 30, 2011

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	
Gross Investment Income	\$576,211	\$659,402	\$508,093		\$1,743,705
Contribution Revenue					
Expenses					
Audit Fees	25,300	8,600	-		33,900
Activity & Transaction Fees	7,539	8,452	9,990		25,981
Admin/Advisory Fees	282,879	343,712	316,497		943,088
Association Dues	375	-	-		375
Board Expenses	6,586	6,055	13,058		25,698
Client Statements	-	-	-		0
Custodial Fees	20,512	22,910	26,623		70,046
Insurance	(14)	-	-		(14)
Interest	(13)	(6)	(5)		(24)
Internet/Web Page	2,005	3,012	3,067		8,085
Legal Fees	2,326	-	-		2,326
Miscellaneous Credits	(30)	(60)	-		(90)
Miscellaneous Expenses	-	-	3,203		3,203
Miscellaneous Fees	580	1,000	2,555		4,135
Rating Agency Fee	28,200	-	-		28,200
Total	376,245	393,676	374,988		1,144,908
Net Investment Income	\$199,966	\$265,727	\$133,105		\$598,797

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	547,035,478	700,393,597	272,798,268		1,520,227,343
Shares Redeemed	(428,415,057)	(562,773,206)	(342,345,144)		(1,333,533,408)
Net Change in Share Transactions	\$118,620,421	\$137,620,391	(\$69,546,876)		\$186,693,936
Investment activities:					
Net Investment Income	199,966	265,727	133,105		598,797
Net increase in net assets from share operations	\$199,966	265,727	133,105		\$598,797
Distributions to Participants From Net Investment Income	(199,966)	(265,727)	(133,105)		(598,797)
Net Change in Assets	\$118,820,387	\$137,886,118	(\$69,413,771)		\$187,292,733
Net Assets at Beginning of Period	\$707,656,823	\$826,477,210	\$964,363,327		\$2,498,497,360
Net Assets at End of Period	\$826,477,210	\$964,363,327	\$894,949,556		\$2,685,790,093

STATEMENT OF NET ASSETS

Assets				
Investments in securities				
Corporate floating note	22,004,121	22,004,121	25,806,607	
U.S. government agencies	109,995,503	162,958,686	222,954,622	
Commercial paper	252,269,975	183,068,186	262,225,268	
Total investment in securities	384,269,599	\$368,030,993	\$510,986,498	
Bank CD	-	-	-	
Cash and cash equivalents	437,965,996	592,202,315	379,955,657	
Other assets				
Contribution Receivable	3,600,000	3,600,000	3,600,000	
Accrued Interest	790,786	683,810	550,627	
Total Assets	\$826,626,381	\$964,517,118	\$895,092,782	
Liabilities				
Accrued expenses	149,170	153,791	143,225	
Net assets applicable to shares outstanding	\$826,477,211	\$964,363,328	\$894,949,556	
Total Liabilities	\$826,626,381	\$964,517,118	\$895,092,782	

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								
FHLB	A-1+/P-1	AAA/Aaa	0.375%	7/27/2012	40,000,000.00	40,032,916.67	40,008,916.67	4.47%
FHLMC FRN	A-1+/P-1	AAA/Aaa	0.192%	4/3/2012	41,983,733.40	41,998,590.19	42,009,206.65	4.69%
FFCB FRN	A-1+/P-1	AAA/Aaa	0.226%	12/13/2012	20,003,980.00	20,004,851.28	20,010,461.10	2.24%
FFCB FRN	A-1+/P-1	AAA/Aaa	0.500%	5/2/2012	10,029,410.00	10,029,813.68	10,022,333.34	1.12%
FFCB	A-1+/P-1	AAA/Aaa	0.250%	6/18/2012	21,781,402.86	21,798,882.43	21,791,462.70	2.44%
FNMA	A-1+/P-1	AAA/Aaa	0.244%	6/22/2012	9,092,160.00	9,097,550.89	9,095,075.29	1.02%
FHLMC FRN	A-1+/P-1	AAA/Aaa	0.060%	1/10/2013	40,068,000.00	40,081,396.67	40,110,281.92	4.48%
FHLB FRN	A-1+/P-1	AAA/Aaa	0.060%	7/19/2012	39,995,936.00	40,008,802.12	39,980,044.44	4.47%
Total					222,954,622	223,052,804	223,027,782	24.92%
Commercial Paper ⁽⁴⁾								
Credit Agricole North America	A-1/P-1	n/a	0.658%	11/23/2011	6,468,305.28	6,493,732.01	6,496,750.00	0.73%
FCAR A-1+	A-1+/P-1	n/a	0.602%	11/1/2011	7,967,333.33	7,995,866.67	7,997,600.00	0.89%
Toronto Dominion Holdings (USA)	A-1+/P-1	n/a	0.311%	12/19/2011	39,907,000.00	39,972,788.89	39,964,000.00	4.47%
General Electric Capital Corp	A-1+/P-1	n/a	0.311%	12/9/2011	14,969,000.00	14,991,087.50	14,988,000.00	1.68%
National Bank of Canada NY	A-1/P-1	n/a	0.301%	3/9/2012	23,946,200.00	23,968,000.00	23,937,600.00	2.68%
National Australia Funding DE	A-1+/P-1	n/a	0.245%	1/9/2012	16,975,819.86	16,988,430.56	16,977,900.00	1.90%
FCAR A-1+	A-1+/P-1	n/a	0.300%	12/1/2011	30,968,483.33	30,984,241.67	30,981,400.00	3.46%
Ricoh Finance Corporation	A-1/P-1	n/a	0.180%	10/14/2011	23,495,652.50	23,498,472.50	23,497,650.00	2.63%
National Australia Funding DE	A-1+/P-1	n/a	0.341%	2/1/2012	24,959,152.78	24,970,958.33	24,955,000.00	2.79%
FCAR A-1+	A-1+/P-1	n/a	0.190%	10/4/2011	4,899,327.61	4,899,922.42	4,900,000.00	0.55%
Texas Department of Economic Development	A-1+/P-1	n/a	0.200%	11/9/2011	19,993,555.56	19,995,666.67	19,992,000.00	2.23%
New York Life Capital Corporation	A-1+/P-1	n/a	0.180%	12/13/2011	39,982,200.00	39,985,400.00	39,968,000.00	4.47%
University of California	A-1+/P-1	n/a	0.170%	12/7/2011	7,693,237.99	7,693,565.07	7,689,843.20	0.86%
Total					262,225,268	262,438,132	262,345,743	29.32%
Corporate Floating Note								
General Electric Capital Corp FRN	A-1+/P-1	AA+/Aa2	0.478%	11/21/2011	6,915,770.55	6,909,073.47	6,908,126.94	0.77%
General Electric Capital Corp FRN	A-1+/P-1	AA+/Aa2	0.298%	11/21/2011	7,803,978.00	7,807,039.02	7,805,700.76	0.87%
Metlife Institute FRN	A-1+/P-1	AA-/Aa3	0.760%	3/27/2012	7,462,322.26	7,444,639.00	7,446,066.28	0.83%
Metlife Institute FRN	A-1+/P-1	AA-/Aa3	0.760%	3/27/2012	3,624,536.37	3,617,192.02	3,618,920.35	0.40%
Total					25,806,607	25,777,944	25,778,814	2.88%
Collateralized Bank Deposits ⁽²⁾								
US Bank - Money Market Savings	A-1+/P-1	AA-/Aa2	0.050%	10/1/2011	486.00	486.00	486.00	0.00%
US Bank - Checking	A-1+/P-1	AA-/Aa2	0.050%	10/1/2011	14,498.22	14,498.22	14,498.22	0.00%
JP Morgan - Money Market Savings	A-1+/P-1	AA-/Aa1	0.200%	10/1/2011	42,778,105.05	42,785,288.44	42,785,288.44	4.78%
JP Morgan -Stable Balance Account	A-1+/P-1	AA-/Aa1	0.300%	10/1/2011	112,470,964.31	112,499,613.17	112,499,613.17	12.57%
JP Morgan -CP O/N Sweep	A-1+/P-1	AA-/Aa1	0.300%	10/1/2011	40,394,841.46	40,405,148.00	40,405,148.00	4.51%
JP Morgan -Repo O/N Sweep	A-1+/P-1	AA-/Aa1	0.250%	10/1/2011	30,401,859.16	30,408,103.77	30,408,103.77	3.40%
Wells Fargo High Yield Savings	A-1+/P-1	AA/Aa3	0.020%	10/1/2011	37,673.15	37,673.30	37,673.30	0.00%
Total					226,098,427	226,150,811	226,150,811	25.27%
Money Market Funds ⁽⁴⁾								
AIM Gov't & Agency	AAA/Am/Aaa	N/A	0.020%	10/1/2011	153,857,229.74	153,860,303.90	153,860,303.90	17.19%
AIM Premier US Government	AAA/Am/Aaa	N/A	0.020%	10/1/2011	3,600,000.00	3,600,060.30	3,600,060.30	0.40%
The Primary Fund ⁽⁵⁾		N/A	0.000%	10/1/2011	-	212,726.85	212,726.85	0.02%
Total					157,457,230	157,673,091	157,673,091	17.62%
Expenses								
Accrued Amount					(139,157.43)	(139,157.43)	(139,157.43)	-0.02%
Daily Expense					(4,067.81)	(4,067.81)	(4,067.81)	0.00%
Total					(143,225)	(143,225)	(143,225)	-0.02%
Total Assets ⁽⁵⁾					\$ 894,398,930	\$ 894,949,556	\$ 894,833,016	100.00%

Net Asset Value Per Share

\$1.00

Notes:

- 1) All of the securities held in the portfolio are valued each week using a third party pricing service (U.S. Bank N.A.). Other assets in the portfolio such as repurchase agreements, money market funds and bank deposits are valued at cost.
- 2) In October 2008, the FDIC insurance limit was raised to \$250,000. All bank deposits in amounts greater than \$250,000 were collateralized according to the regulations of the Public Deposit Protection Act.
- 3) Effective November 24, 2010 Crederain Fund Services LLC became the liquidating services agent for The Reserve Primary Money Market Fund ("Reserve") and the fund changed its name to The Primary Fund. Crederian Fund Services LLC will continue the process of liquidating the portfolio of The Primary Fund. As of June 30, 2011 CSAFE had received a total of 99.04% of its principal balance outstanding in the Reserve on 9/15/08.
- 4) Commercial paper and money market funds are not assigned long-term credit ratings.
- 5) The information contained in this statement is unaudited. Audited financial statements are completed annually and are available at www.csafe.org.