



**Second Quarter Report 2016  
For the period ended June 30, 2016**

**BOARD OF TRUSTEES**

Alan Krcmarik, Chairman  
Diane Holbert, Vice-Chair  
Brenden Morgan, Treasurer  
Tim Kauffman, Secretary  
Jeff Hansen, Trustee  
Wesley LaVanchy, Trustee  
Sue Sandstrom, Trustee  
George Turtle, Trustee  
Jay Valentine, Trustee

City of Loveland  
Douglas County  
Regional Transportation District  
Jefferson County  
City of Golden  
Formerly with the Town of Firestone  
Arapahoe County  
Special District Management Services  
City of Grand Junction

**Investment Advisor and Administrator**

Davidson Fixed Income Management, Inc.

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

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

**Custodian**

U.S. Bank NA

**Auditor**

BKD LLP

**Credit Rating**

AAAM

## CSAFE SUMMARY

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

## DISCLOSURE STATEMENT

As Chairman of the CSAFE Board of Trustees, I hereby attest that CSAFE is in compliance with the provisions of Part 7, Article 75 Title 24, C.R.S., and all other applicable laws and regulations. Additionally, I attest that the Commissioner and the Board of Trustees consent to the disclosure of such information by Securities Commissioner as provided for in Section §11-51-908, C.R.S.



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Alan Krmarik, City of Loveland  
Chairman of the Board of Trustees, CSAFE



For the period ended June 30, 2016

**STATEMENT OF OPERATIONS**

	For the Period Ending				Year-to-Date
	3/31/2016	6/30/2016	9/30/2016	12/31/2016	
<b>Gross Investment Income</b>	\$2,072,598	\$3,440,981	\$0	\$0	\$5,513,579
<b>Expenses</b> (blue text indicates accrued expense)					
Audit Fees	23,000	7,500			30,500
Activity & Transaction Fees	10,731	17,110			27,841
Admin/Advisory Fees	233,906	427,279			661,185
Association Dues	305	-			305
Board Expenses	1,705	10,461			12,167
Custodial Fees	36,052	34,331			70,384
Insurance	-	-			-
Internet/Web Page	1,350	1,350			2,700
Legal Fees	11,341	7,226			18,567
Miscellaneous Credits	-	-			-
Miscellaneous Expenses & Fees	1,007	66			1,073
State Annual Fee	-	-			-
Excess Accrued Expenses	17,611	29,778			47,388
Rating Agency Fee	-	-			-
<b>Total</b>	<b>337,008</b>	<b>535,101</b>	<b>-</b>	<b>-</b>	<b>872,109</b>
<b>Net Investment Income</b>	<b>\$1,735,590</b>	<b>\$2,905,880</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,641,470</b>

**STATEMENT OF CHANGES IN NET ASSETS**

Shares Purchased	1,443,516,160	2,352,265,920			3,795,782,080
Shares Redeemed	(1,143,817,891)	(1,669,921,320)			(2,813,739,211)
<b>Net Change in Share Transactions</b>	<b>\$299,698,269</b>	<b>\$682,344,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$982,042,870</b>
Investment activities:					
Net Investment Income	1,735,590	2,905,880			4,641,470
<b>Net Change in Assets</b>	<b>\$301,433,859</b>	<b>\$685,250,480</b>	<b>\$0</b>	<b>\$0</b>	<b>\$986,684,340</b>
<b>Net Assets at Beginning of Period</b>	<b>\$1,471,303,475</b>	<b>\$1,772,737,334</b>			<b>\$1,471,303,475</b>
<b>Net Assets at End of Period</b>	<b>\$1,772,737,334</b>	<b>\$2,457,987,815</b>			<b>\$2,457,987,815</b>

**STATEMENT OF NET ASSETS**

**Assets**

Investments in securities					
U.S. treasuries	-	-	-	-	-
Corporate floating note	52,037,005	11,999,747			
Corporate fixes note	41,705,930	41,532,208			
Banker's Acceptances	4,989,363	4,998,179			
U.S. government agencies	39,998,513	90,000,847			
Commercial paper	700,839,574	1,127,995,975			
Variable Rate Commercial paper	322,000,869	352,002,667			
Total investment in securities	1,161,571,254	1,628,529,624	-	-	
Cash and cash equivalents	611,249,822	829,088,437			-
Accrued Interest	508,109	819,293			
<b>Total Assets</b>	<b>1,773,329,186</b>	<b>2,458,437,354</b>	<b>-</b>	<b>-</b>	

**Liabilities**

Participant Distribution Payable	(5,764)	12,247			
Accrued expenses	597,615	437,292			
<b>Total Liabilities</b>	<b>591,852</b>	<b>449,540</b>	<b>-</b>	<b>-</b>	
<b>Net assets applicable to shares outstanding</b>	<b>1,772,737,334</b>	<b>2,457,987,815</b>	<b>-</b>	<b>-</b>	

**PORTFOLIO ASSETS**

Security Description	S&P Credit Rating				Cost	Book Value	Market Value <sup>(1)</sup>	% of Assets
	Short-Term	Long-Term	Yield	Maturity				
<b>U.S. Agencies</b>								
FHLB FRN	A1+	AA+		7/10/2016	50,001,850.00	50,001,707.69	49,989,750.00	2.03%
FFCB	A1+	AA+	0.41	11/3/2016	39,997,480.00	39,999,139.34	39,991,000.00	1.63%
<b>Total</b>					<b>89,999,330.00</b>	<b>90,000,847.03</b>	<b>89,980,750.00</b>	<b>3.66%</b>
<b>Commercial Paper <sup>(4)</sup></b>								
ANZ BANKING GROUP	A1+	AA-	0.83	11/3/2016	49,791,583.33	49,857,638.89	49,875,600.00	2.03%
ANZ BANKING GROUP	A1+	AA-	0.85	12/9/2016	16,930,233.89	16,936,896.95	16,939,497.00	0.69%
BRITISH COLUMBIA	A1+	AAA	0.60	7/11/2016	59,872,166.40	59,990,166.65	59,994,120.00	2.44%
CDP FINANCIAL	A1+	AAA	0.84	9/1/2016	56,758,193.33	56,918,521.67	56,956,224.00	2.32%
CHEVRON CORP	A1+	AA	0.78	11/22/2016	59,769,000.00	59,815,200.00	59,841,240.00	2.43%
CHEVRON CORP	A1+	AA	1.00	3/3/2017	29,779,500.00	29,799,916.67	29,821,050.00	1.21%
COCA-COLA COMPANY	A1+	AA	0.67	7/11/2016	39,784,400.00	39,992,666.67	39,995,720.00	1.63%
COCA-COLA COMPANY	A1+	AA	0.69	8/22/2016	16,900,134.52	16,983,302.23	16,987,556.00	0.69%
COCA-COLA COMPANY	A1+	AA	0.86	2/13/2017	19,638,478.33	19,645,390.83	19,647,181.50	0.80%
COCA-COLA COMPANY	A1+	AA	0.99	3/1/2017	19,807,616.67	19,869,050.00	19,883,160.00	0.81%
DEXIA CREDIT LOCAL	A1+	BBB	0.88	10/5/2016	24,892,500.00	24,942,666.67	24,963,700.00	1.01%
DEXIA CREDIT LOCAL	A1+	BBB	0.91	11/9/2016	24,870,208.25	24,919,034.67	24,942,425.00	1.01%
DEXIA CREDIT LOCAL	A1+	BBB	0.94	11/18/2016	24,865,833.25	24,910,555.50	24,936,450.00	1.01%
DEXIA CREDIT LOCAL	A1+	BBB	0.89	12/19/2016	24,886,416.75	24,896,687.58	24,910,300.00	1.01%
EXPORT DEVELOPMENTCA	A1+	AAA	0.65	11/9/2016	34,904,800.00	34,918,488.89	34,918,135.00	1.42%
KAISER FOUNDATION HO	A-1	NR	0.81	10/25/2016	54,558,997.78	54,630,809.96	54,554,500.39	2.22%
KAISER FOUNDATION HO	A1+	NR	0.88	11/21/2016	29,871,000.00	29,897,516.67	29,845,680.00	1.22%
MACQUARIE BANK LTD	A-1	A2	0.82	8/24/2016	29,878,500.00	29,963,550.00	29,974,710.00	1.22%
MACQUARIE BANK LTD	A-1	A2	1.02	10/17/2016	9,935,000.00	9,970,000.00	9,978,110.00	0.41%
NAT AUSTRALIA FD	A1+	AA-	0.76	8/23/2016	29,887,500.00	29,966,875.00	29,979,930.00	1.22%
ONTARIO TEACHER FIN	A1+	NR	0.88	10/31/2016	9,957,000.00	9,970,855.56	9,971,400.00	0.41%
ONTARIO TEACHER FIN	A1+	NR	0.90	11/28/2016	24,874,111.11	24,908,333.33	24,905,200.00	1.01%
ONTARIO TEACHER FIN	A1+	NR	1.02	12/15/2016	49,641,666.67	49,768,055.56	49,774,600.00	2.02%
QUEBEC PROVIDENCE	A1+	A+	0.62	8/17/2016	59,822,083.33	59,952,216.67	59,967,540.00	2.44%
SALVATION ARMY	A1+	NR	0.61	8/11/2016	19,969,000.00	19,986,333.33	19,986,200.00	0.81%
SALVATION ARMY	A1+	NR	0.65	9/8/2016	9,978,844.44	9,987,733.33	9,987,600.00	0.41%
STANLEY BLACK & DECKER	A-1	A	0.56	7/1/2016	49,991,597.22	50,000,000.00	49,999,200.00	2.03%
SWEIDSH EXPORT CREDIT	A1+	AA+	0.74	10/24/2016	34,907,736.11	34,918,381.94	34,933,570.00	1.42%
TORONTO DOMINION HDG	A1+	NR	0.88	11/18/2016	29,846,633.33	29,899,666.66	29,907,990.00	1.22%
TORONTO DOMINION HDG	A1+	NR	0.99	3/27/2017	69,486,977.78	69,492,636.11	69,485,500.00	2.83%
VF CORPORATION	A-1	A	0.71	7/11/2016	19,177,973.33	19,196,266.67	19,196,313.60	0.78%
VF CORPORATION	A-1	A	0.71	7/25/2016	23,572,466.67	23,588,986.67	23,589,285.60	0.96%
<b>Total</b>					<b>1,058,808,152.49</b>	<b>1,060,494,401.33</b>	<b>1,060,649,688.09</b>	<b>43.14%</b>
<b>Bank Commercial Paper <sup>(4)</sup></b>								
US Bank NA CP O/N Sweep	A1+	n/a	0.35	7/1/2016	67,501,573.98	67,501,573.98	67,501,573.98	2.75%
<b>Total</b>					<b>67,501,573.98</b>	<b>67,501,573.98</b>	<b>67,501,573.98</b>	<b>2.75%</b>
<b>Variable Rate Commercial Paper <sup>(4)</sup></b>								
COMMONWEALTH BANK AU	A1+	AA-	0.26	7/11/2016	30,000,000.00	30,000,000.00	29,988,870.00	1.22%
COMMONWEALTH BK	A1+	AA-	0.90	7/14/2016	35,000,000.00	35,000,000.00	34,998,005.00	1.42%
NAT'L AUSTRALI BANK	A1+	AA-	0.96	7/15/2016	30,000,000.00	30,000,000.00	29,979,720.00	1.22%
NAT'L BK OF CANADA	A1+	A	0.79	7/18/2016	50,000,000.00	50,000,000.00	50,005,750.00	2.03%
NATNAL AUSTRALIA FDG	A1+	AA-	0.97	7/29/2016	40,000,000.00	40,000,000.00	40,000,160.00	1.63%
TOYOTA MOTOR CREDIT	A1+	AA-	0.90	7/24/2016	25,000,000.00	25,000,000.00	24,997,875.00	1.02%
TOYOTA MOTOR CRT COR	A1+	AA-	0.77	7/8/2016	25,000,000.00	25,000,000.00	25,010,175.00	1.02%
TOYOTA MOTOR CRT COR	A1+	AA-	0.87	7/29/2016	15,000,000.00	15,000,000.00	15,004,935.00	0.61%
TOYOTA MOTOR CRT COR	A1+	AA-	0.89	7/6/2016	20,000,000.00	20,000,000.00	19,998,940.00	0.81%
TOYOTA MOTOR CRT COR	A1+	AA-	0.85	7/6/2016	7,000,000.00	7,000,000.00	6,997,711.00	0.28%
WESTPAC BANKING CORP	A1+	AA-	0.68	7/16/2016	50,000,000.00	50,000,000.00	50,011,750.00	2.03%
WESTPAC BANKING CORP	A1+	AA-	0.90	7/18/2016	25,003,649.50	25,002,667.45	25,002,725.00	1.02%
<b>Total</b>					<b>352,003,649.50</b>	<b>352,002,667.45</b>	<b>351,996,616.00</b>	<b>14.32%</b>
<b>Bankers Acceptances <sup>(4)</sup></b>								
US BANK BANKERS ACPT	A1+		0.70	7/20/2016	4,986,487.50	4,998,179.17	4,999,490.00	0.20%
<b>Total</b>					<b>4,986,487.50</b>	<b>4,998,179.17</b>	<b>4,999,490.00</b>	<b>0.20%</b>
<b>Corporate Notes</b>								
ROYAL BANK OF CANADA	AA-	NR	0.74	7/20/2016	11,635,930.00	11,509,933.35	11,507,130.00	0.47%
ROYAL BANK OF CANADA	AA-	NR	1.07	1/23/2017	30,035,250.00	30,022,274.54	30,046,080.00	1.22%
<b>Total</b>					<b>41,671,180.00</b>	<b>41,532,207.89</b>	<b>41,553,210.00</b>	<b>1.69%</b>

Security Description	S&P Credit Rating		Yield	Maturity	Cost	Book Value	Market Value <sup>(1)</sup>	% of Assets
	Short-Term	Long-Term						
<b>Corporate Floating Notes</b>								
WELLS FARGO BANK NA	A1+	NR	0.83	8/19/2016	11,999,747.37	11,999,747.37	12,005,460.00	0.49%
<b>Total</b>					11,999,747.37	11,999,747.37	12,005,460.00	0.49%
<b>Collateralized Bank Deposits <sup>(2)</sup></b>								
BANK OF THE WEST MM	A-1	AA	0.13	7/1/2016	4,843,975.85	4,843,975.85	4,843,975.85	0.20%
GWB-PROMONTORY II	N/R	N/R	0.65	7/1/2016	58,677,782.06	58,677,782.06	58,677,782.06	2.39%
GWB-PROMONTORY	N/R	N/R	0.42	7/1/2016	20,044,374.79	20,044,374.79	20,044,374.79	0.82%
US BANK - CHECKING	A-1	A	0.00	7/1/2016	575,614.76	575,614.76	575,614.76	0.02%
US BANK - DDA	A-1	A	0.00	7/1/2016	500,000.00	500,000.00	500,000.00	0.02%
<b>Total</b>					84,641,747.46	84,641,747.46	84,641,747.46	3.44%
<b>Money Market Funds <sup>(4)</sup></b>								
GOLDMAN SACHS FINANCIAL SQ PRIME OBLIG	AAA	N/A	0.36	7/1/2016	3,292,026.06	3,292,026.06	3,292,026.06	0.13%
GOLDMAN SACHS FINANCIAL SQ MM INST	AAA	N/A	0.40	7/1/2016	34,644,765.31	34,644,765.31	34,644,765.31	1.41%
BLACKROCK CASH FUNDS PRIME	AAA	N/A	0.45	7/1/2016	173,705,827.85	173,705,827.85	173,705,827.85	7.07%
FIDLEITY PRIME MONEY MARKET INST	AAA	N/A	0.45	7/1/2016	174,256,808.22	174,256,808.22	174,256,808.22	7.09%
FEDERATED INST MONEY MARKET MGMT IS	AAA	N/A	0.47	7/1/2016	166,628,146.09	166,628,146.09	166,628,146.09	6.78%
MORGAN STANLEY PRIME	AAA	N/A	0.47	7/1/2016	191,919,116.01	191,919,116.01	191,919,116.01	7.81%
<b>Total</b>					744,446,689.54	744,446,689.54	744,446,689.54	30.28%
<b>Other Assets</b>								
TOTAL ACCURED INSTEREST RECEIVABLE						819,293.00	819,293.00	0.03%
<b>Total</b>					-	819,293.00	819,293.00	0.03%
<b>Total Assets <sup>(5)</sup></b>					<b>2,456,058,557.84</b>	<b>2,458,437,354.22</b>	<b>2,458,594,518.07</b>	<b>100.00%</b>
<b>Net Asset Value Per Share</b>							<b>\$1.00</b>	

**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](http://www.csafe.org).

**QUARTERLY SUMMARY**

Net Assets	\$2,457,987,815
30 Day Yield	0.55%
7 Day Yield	0.57%
Weighted Avg Maturity (days)	56
Weighted Avg Life (days)	88
Net Asset Value Per Share	\$1.00