



**Second Quarter Report 2013
For the period ended June 30, 2013**

BOARD OF TRUSTEES

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City of Loveland
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Regional Transportation District
Littleton Public Schools
City of Thornton
Special District Management Services
City of Grand Junction

Investment Advisor and Administrator

Davidson Fixed Income Management, Inc.

Trisha Mingo
Glenn Scott
Bob Krug
Linda Olson
Scott Prickett

Fund Administrator
Portfolio Manager
Client Services Manager
Asst. Fund Administrator
DFIM Managing Director

Custodian

U.S. Bank NA

Auditor

BKD LLP

Credit Rating



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.



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



For the period ended June 30, 2013

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2013	6/30/2013	9/30/2013	12/31/2013	
Gross Investment Income	\$918,426	\$1,138,183			\$2,056,610
Expenses (blue text indicates accrued expense)					
Audit Fees	24,250	12,000			36,250
Activity & Transaction Fees	8,165	8,941			17,106
Admin/Advisory Fees	359,437	462,006			821,442
Association Dues	370	150			520
Board Expenses	8,023	10,920			18,943
Custodial Fees	35,965	37,500			73,465
Insurance	1,128	8,400			9,528
Internet/Web Page	2,700	2,850			5,550
Legal Fees	-	1,205			1,205
Miscellaneous Credits	-	-			-
Miscellaneous Expenses & Fees	-	2,657			2,657
State Annual Fee	-	2,000			2,000
Rating Agency Fee	2,853	16,000			18,853
Total	442,890	564,629			1,007,520
Net Investment Income	\$475,536	\$573,554			\$1,049,090

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	1,046,475,441	1,349,776,594	2,396,252,035
Shares Redeemed	(773,633,330)	(1,006,187,870)	(1,779,821,200)
Net Change in Share Transactions	\$272,842,111	\$343,588,724	\$616,430,835
Investment activities:			
Net Investment Income	475,536	573,554	1,049,090
Income Adjustment	0	0	0
Net Change in Assets	\$273,317,647	\$344,162,278	\$617,479,925
Net Assets at Beginning of Period	\$1,274,233,370	\$1,547,551,017	\$1,274,233,370
Net Assets at End of Period	\$1,547,551,017	\$1,891,713,295	\$1,891,713,295

STATEMENT OF NET ASSETS

Assets			
Investments in securities			
Corporate fixed note	-	-	
Repurchase agreements	120,001,625	194,054,093	
Banker's Acceptances	10,393,580	3,994,392	
U.S. government agencies	249,020,068	234,019,145	
Commercial paper	727,429,509	1,003,866,909	
Total investment in securities	1,106,844,782	1,435,934,539	
Cash and cash equivalents	438,657,673	453,757,635	
Other assets			
Contribution Receivable	1,800,000	1,800,000	
Accrued Interest	175,160	216,499	
Primary Fund Receivable	212,727	212,727	
Receivable - Other	24,066	24,444	
Total Assets	1,547,714,407	1,891,945,843	
Liabilities			
Accrued expenses	163,391	232,548	
Net assets applicable to shares outstanding	1,547,551,017	1,891,713,295	-

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									
FFCB FRN	A-1+/P-1	AAA/Aaa	0.220%	7/10/2013	49,968,100.00	49,999,441.57	50,001,500.00	2.64%	
FFCB FRN	A-1+/P-1	AA+/Aaa	0.200%	8/28/2013	24,996,227.50	24,999,599.11	25,005,750.00	1.32%	
FFCB FRN	A-1+/P-1	AA+/Aaa	0.221%	3/24/2014	29,026,622.00	29,017,927.73	29,013,920.00	1.53%	
FFCB FRN	A-1+/P-1	AA+/Aaa	0.140%	8/6/2013	25,000,000.00	25,000,000.00	25,002,000.00	1.32%	
FFCB FRN	A-1+/P-1	AA+/Aaa	0.230%	8/1/2014	20,000,000.00	20,000,000.00	20,029,800.00	1.06%	
FFCB FRN	A-1+/P-1	AA+/Aaa	0.181%	9/19/2014	25,002,032.50	25,001,589.57	24,999,000.00	1.32%	
FFCB FRN	A-1+/P-1	AA+/Aaa	0.201%	4/1/2015	25,000,000.00	25,000,000.00	24,993,250.00	1.32%	
FHLB FRN	A-1+/P-1	AA+/Aaa	0.210%	3/6/2014	4,999,550.00	4,999,818.54	5,004,650.00	0.26%	
FHLB FRN	A-1+/P-1	AA+/Aaa	0.210%	1/2/2014	<u>30,002,517.25</u>	<u>30,000,768.22</u>	<u>30,020,100.00</u>	<u>1.59%</u>	
Total					<u>233,995,049.25</u>	<u>234,019,144.74</u>	<u>234,069,970.00</u>	<u>12.37%</u>	
Repurchase Agreement									
South Street Securities	A-1+/P-1	AA+/Aa2	0.350%	7/1/2013	145,000,000.00	145,000,000.00	145,000,000.00	7.67%	
JP Morgan -Repo O/N Sweep	A-1/P-1	AA-/A1	0.145%	7/1/2013	<u>49,054,093.20</u>	<u>49,054,093.20</u>	<u>49,054,093.20</u>	<u>2.59%</u>	
Total					<u>194,054,093.20</u>	<u>194,054,093.20</u>	<u>194,054,093.20</u>	<u>10.26%</u>	
Commercial Paper ⁽⁴⁾									
Australia & New Zealand Banking Group	A-1+/P-1	n/a	0.301%	10/10/2013	24,943,125.00	24,943,125.00	24,982,500.00	1.32%	
Bank of Tokyo Mitsubishi UFJ NY	A-1/P-1	n/a	0.130%	7/1/2013	39,998,988.89	39,998,988.89	40,000,000.00	2.11%	
Bank of Tokyo Mitsubishi UFJ NY	A-1/P-1	n/a	0.260%	11/29/2013	14,979,958.33	14,979,958.33	14,979,900.00	0.79%	
Bank of Tokyo Mitsubishi UFJ NY	A-1/P-1	n/a	0.260%	12/16/2013	28,961,252.78	28,961,252.78	28,956,790.00	1.53%	
Bank of Tokyo Mitsubishi UFJ NY	A-1/P-1	n/a	0.240%	12/26/2013	6,991,553.33	6,991,553.33	6,988,940.00	0.37%	
FCAR A-1+	A-1+/P-1	n/a	0.502%	8/16/2013	10,361,144.44	10,361,144.44	10,397,296.00	0.55%	
FCAR A-1+	A-1+/P-1	n/a	0.331%	12/2/2013	24,944,083.33	24,944,083.33	24,965,750.00	1.32%	
JP Morgan Chase & Co.	A-1/P-1	n/a	0.306%	12/2/2013	59,891,455.56	59,891,455.56	59,917,800.00	3.17%	
Mizuho Funding LLC	A-1/P-1	n/a	0.275%	9/13/2013	19,972,805.56	19,972,805.56	19,991,000.00	1.06%	
Mizuho Funding LLC	A-1/P-1	n/a	0.275%	10/28/2013	59,915,208.33	59,915,208.33	59,950,200.00	3.17%	
National Australia Funding DE	A-1+/P-1	n/a	0.427%	8/27/2013	19,913,819.44	19,913,819.44	19,993,600.00	1.05%	
National Australia Funding DE	A-1+/P-1	n/a	0.296%	10/1/2013	24,944,277.78	24,944,277.78	24,984,000.00	1.32%	
National Australia Funding DE	A-1+/P-1	n/a	0.326%	10/9/2013	14,950,572.92	14,950,572.92	14,989,650.00	0.79%	
National Australia Funding DE	A-1+/P-1	n/a	0.255%	2/18/2014	29,942,625.00	29,942,625.00	29,918,700.00	1.58%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.290%	8/26/2013	13,979,474.44	13,979,474.44	13,995,660.00	0.74%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.280%	10/8/2013	6,490,950.56	6,490,950.56	6,495,515.00	0.34%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.280%	10/15/2013	16,476,130.00	16,476,130.00	16,487,790.00	0.87%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.280%	10/25/2013	24,964,416.67	24,964,416.67	24,979,750.00	1.32%	
Sumitomo Mitsubishi Trust NY	A-1/P-1	n/a	0.280%	11/12/2013	17,974,380.00	17,974,380.00	17,981,280.00	0.95%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.521%	7/24/2013	33,115,164.89	33,115,164.89	33,196,348.00	1.75%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.370%	8/6/2013	4,096,165.36	4,096,165.36	4,099,180.00	0.22%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.461%	10/29/2013	1,596,442.67	1,596,442.67	1,598,672.00	0.08%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.461%	10/30/2013	2,993,291.67	2,993,291.67	2,997,180.00	0.16%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.471%	11/13/2013	7,980,886.67	7,980,886.67	7,991,600.00	0.42%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.755%	1/13/2014	10,374,672.95	10,374,672.95	10,428,995.50	0.55%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.755%	2/3/2014	11,915,395.84	11,915,395.84	11,969,640.00	0.63%	
Suncorp Metway Ltd.	A-1/P-1	n/a	0.806%	3/17/2014	19,839,111.11	19,839,111.11	19,939,600.00	1.05%	
Toronto Dominion Holdings USA	A-1+/P-1	n/a	0.281%	3/21/2014	14,968,500.00	14,968,500.00	14,953,950.00	0.79%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.270%	8/19/2013	17,967,465.00	17,967,465.00	17,995,140.00	0.95%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.261%	11/19/2013	20,959,050.00	20,959,050.00	20,976,900.00	1.11%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.271%	11/22/2013	13,971,755.00	13,971,755.00	13,984,320.00	0.74%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.311%	12/20/2013	9,976,922.22	9,976,922.22	9,984,700.00	0.53%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.261%	3/17/2014	19,961,000.00	19,961,000.00	19,939,600.00	1.06%	
Toyota Motor Credit Corp	A-1+/P-1	n/a	0.300%	3/21/2014	5,986,500.00	5,986,500.00	5,981,580.00	0.32%	
Union Bank NA	A-1/P-1	n/a	0.281%	10/15/2013	42,918,481.11	42,918,481.11	42,968,180.00	2.27%	
Union Bank NA	A-1/P-1	n/a	0.281%	11/1/2013	6,986,443.33	6,986,443.33	6,993,280.00	0.37%	
Union Bank NA	A-1/P-1	n/a	0.281%	11/8/2013	14,971,416.67	14,971,416.67	14,984,850.00	0.79%	
Union Bank NA	A-1/P-1	n/a	0.281%	1/8/2014	19,961,888.89	19,961,888.89	19,960,800.00	1.06%	
Westpac Banking Corporation	A-1+/P-1	n/a	0.361%	12/6/2013	<u>26,904,690.00</u>	<u>26,904,690.00</u>	<u>26,962,200.00</u>	<u>1.42%</u>	
Total					<u>768,041,465.74</u>	<u>768,041,465.74</u>	<u>768,862,836.50</u>	<u>40.60%</u>	
Bank Commercial Paper ⁽⁴⁾									
JP Morgan -CP O/N Sweep	A-1/P-1	AA-/A1	0.165%	7/1/2013	32,905,215.21	32,905,215.21	32,905,215.21	1.74%	
US Bank NA CP O/N Sweep	A-1/P-1	n/a	0.200%	7/1/2013	<u>88,152,151.24</u>	<u>88,152,151.24</u>	<u>88,152,151.24</u>	<u>4.66%</u>	
Total					<u>121,057,366.45</u>	<u>121,057,366.45</u>	<u>121,057,366.45</u>	<u>6.40%</u>	
Other Commercial Paper ⁽⁴⁾									
Commonwealth Bank of Australia	A-1+/P-1	n/a	0.275%	12/2/2013	44,000,000.00	44,000,000.00	44,000,000.00	2.33%	

Security Description	S&P Credit Rating			Maturity	Cost	Book Value	Market Value ⁽¹⁾	% of Assets
	Short-Term	Long-Term	Yield					
Commonwealth Bank of Australia	A-1+/P-1	n/a	0.282%		40,000,000.00	40,000,000.00	40,000,000.00	2.11%
Westpac Banking Corp	A-1+/P-1	n/a	0.280%		30,000,000.00	30,000,000.00	30,000,000.00	1.59%
Total					114,000,000.00	114,000,000.00	114,000,000.00	6.03%
Total Comercial Paper					1,003,098,832.19	1,003,098,832.19	1,003,920,202.95	53.03%
Bankers Acceptances ⁽⁴⁾								
U.S. Bank NA Bankers Acceptance	A-1+/P-1	n/a	0.305%	8/27/2013	1,997,016.67	1,997,016.67	1,999,360.00	0.11%
U.S. Bank NA Bankers Acceptance	A-1+/P-1	n/a	0.274%	10/23/2013	1,997,375.00	1,997,375.00	1,998,420.00	0.11%
Total					3,994,391.67	3,994,391.67	3,997,780.00	0.21%
Collateralized Bank Deposits ⁽²⁾								
Bank of the West Money Market Savings	A-1/P-1	AA/A1	0.290%	7/1/2013	228,837,380.01	228,837,380.01	228,837,380.01	12.10%
Great Western Bank Money Market Savings	N/R	N/R	0.400%	7/1/2013	4,750,964.38	4,750,964.38	4,750,964.38	0.25%
JP Morgan - Money Market Savings	A-1/P-1	AA-/A1	0.115%	7/1/2013	22,673,969.15	22,673,969.15	22,673,969.15	1.20%
JP Morgan -Stable Balance Account	A-1/P-1	AA-/A1	0.195%	7/1/2013	160,456,398.99	160,456,398.99	160,456,398.99	8.48%
US Bank - Checking	A-1/P-1	A/Aa3	0.020%	7/1/2013	46,837.08	46,837.08	46,837.08	0.00%
US Bank - DDA	A-1/P-1	A/Aa3	0.020%	7/1/2013	10,111,051.97	10,111,051.97	10,111,051.97	0.53%
Wells Fargo High Yield Savings	A-1/P-1	AA-/A1	0.020%	7/1/2013	9,815.16	9,815.16	9,815.16	0.00%
Total					426,886,416.74	426,886,416.74	426,886,416.74	22.57%
Money Market Funds ⁽⁴⁾								
BlackRock Cash Funds Prime 1197	AAAm/Aaa	n/a	0.110%	7/1/2013	26,871,218.25	26,871,218.25	26,871,218.25	1.42%
AIM Premier US Government	AAAm/Aaa	n/a	0.020%	7/1/2013	1,800,149.49	1,800,149.49	1,800,149.49	0.10%
Total					28,671,367.74	28,671,367.74	28,671,367.74	1.52%
Other Assets								
Total accrued interest receivable						776,321.74	751,878.02	0.06%
The Primary Fund ⁽³⁾					-	212,726.96	-	0.00%
Total					-	989,048.70	751,878.02	0.06%
Total Assets ⁽⁵⁾					\$ 1,890,700,150.79	\$ 1,891,713,294.98	\$ 1,892,351,708.65	100%
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.

QUARTERLY SUMMARY

Net Assets	\$1,891,713,295
30 Day Yield	0.13%
7 Day Yield	0.13%
Expense Ratio	0.1218%
Weighted Avg Maturity (days)	57
Weighted Avg Life (days)	100
Net Asset Value Per Share	\$1.00