



**Third Quarter Report 2016
For the period ended September 30, 2016**

Board of Trustees

Alan Krcmarik, Chairman	City of Loveland
Diane Holbert, Vice-Chairman	Douglas County
Brenden Morgan, Treasurer	Regional Transportation District
Tim Kauffman, Secretary	Jefferson County
Jeff Hansen, Director	City of Golden
Wesley LaVanchy, Director	Town of Firestone
George Turtle, Director	Special District Management Services
Jay Valentine, Director	City of Grand Junction
Sus Sandstrom, Director	Arapahoe County

Investment Advisor

Morgan Stanley Smith Barney, LLC

Deidre Cortney	Angie Leach Pizzichini
Bob Krug	Glenn Scott
Trisha Mingo	Nik Yip

Administrator

LT Trust

Shannon Langford	Kathi Smith
Mary Plemel	Kim Lakota
Kristen Mungovan	

Custodian

U.S. Bank N.A.

Auditor

BKD LLP

Credit Rating

STANDARD & POOR'S
AAAm

303-296-6340 ♦ 800-541-2953
www.csafe.org

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.



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



For the period ended September 30, 2016

STATEMENT OF OPERATIONS

	For the Period Ending				Year-to-Date
	3/31/2016	6/30/2016	9/30/2016	12/31/2016	
Gross Investment Income	\$2,072,598	\$3,440,981	\$4,118,927	\$0	\$9,632,507
Expenses (blue text indicates accrued expense)					
Audit Fees	23,000	7,500	-	-	30,500
Activity & Transaction Fees	10,731	17,110	11,640	-	39,481
Admin/Advisory Fees	233,906	427,279	565,175	-	1,226,360
Association Dues	305	-	-	-	305
Board Expenses	1,705	10,461	9,415	-	21,582
Custodial Fees	36,052	34,331	41,243	-	111,627
Insurance	-	-	2,745	-	2,745
Internet/Web Page	1,350	1,350	450	-	3,150
Legal Fees	11,341	7,226	14,010	-	32,577
Miscellaneous Credits	-	-	(210)	-	(210)
Miscellaneous Expenses & Fees	1,007	66	52	-	1,125
State Annual Fee	-	-	2,000	-	2,000
Excess Accrued Expenses	17,611	29,778	-	-	47,388
Rating Agency Fee	-	-	-	-	-
Total	337,008	535,101	646,521	-	1,518,630
Net Investment Income	\$1,735,590	\$2,905,880	\$3,472,407	\$0	\$8,113,877

STATEMENT OF CHANGES IN NET ASSETS

Shares Purchased	1,443,516,160	2,352,265,920	841,791,174	-	4,637,573,254
Shares Redeemed	(1,143,817,891)	(1,669,921,320)	(974,472,129)	-	(3,788,211,340)
Net Change in Share Transactions	\$299,698,269	\$682,344,600	(\$132,680,955)	\$0	\$849,361,915
Investment activities:					
Net Investment Income	1,735,590	2,905,880	3,472,407	-	8,113,877
Net Change in Assets	\$301,433,859	\$685,250,480	(\$129,208,548)	\$0	\$857,475,791
Net Assets at Beginning of Period	\$1,471,303,475	\$1,772,737,334	\$2,457,987,815	-	\$1,471,303,475
Net Assets at End of Period	\$1,772,737,334	\$2,457,987,815	\$2,328,779,266	-	\$2,328,779,266

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	30,012,327	-	-
Banker's Acceptances	4,989,363	4,998,179	-	-	-
U.S. government agencies	39,998,513	90,000,847	161,800,857	-	-
Commercial paper	700,839,574	1,127,995,975	1,285,322,868	-	-
Variable Rate Commercial paper	322,000,869	352,002,667	312,001,128	-	-
Total investment in securities	1,161,571,254	1,628,529,624	1,789,137,179	-	-
Cash and cash equivalents	611,249,822	829,088,437	540,034,011	-	-
Accrued Interest	508,109	819,293	508,560	-	-
Total Assets	1,773,329,186	2,458,437,354	2,329,679,750	-	-

Liabilities

Participant Distribution Payable	(5,764)	12,247	81,496	-	-
Accrued expenses	597,615	437,292	818,988	-	-
Total Liabilities	591,852	449,540	900,484	-	-
Net assets applicable to shares outstanding	1,772,737,334	2,457,987,815	2,328,779,266	-	-

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								
FCFB	A-1+	AA+	0.41	11/3/2016	39,997,480.00	39,999,786.56	40,004,800.00	1.72%
Total					39,997,480.00	39,999,786.56	40,004,800.00	1.72%
U.S. Agencies Floating Rate								
FHLB FRN	A-1+	AA+	0.53	3/10/2017	50,001,850.00	50,001,070.70	50,030,850.00	2.15%
FHLB FRN	A-1+	AA+	0.58	7/5/2017	50,000,000.00	50,000,000.00	50,045,450.00	2.15%
FHLB FRN	A-1+	AA+	0.56	8/4/2017	21,800,000.00	21,800,000.00	21,814,845.80	0.94%
Total					121,801,850.00	121,801,070.70	121,891,145.80	5.24%
Commercial Paper ⁽³⁾								
ANZ BANKING GROUP	A-1+	AA-	0.84	11/3/2016	49,791,583.33	49,964,694.44	49,969,850.00	2.15%
ANZ BANKING GROUP	A-1+	AA-	0.85	12/9/2016	16,930,233.89	16,973,739.72	16,974,143.00	0.73%
ANZ BANKING GROUP	A-1+	AA-	0.95	1/19/2017	24,882,444.44	24,931,000.00	24,927,075.00	1.07%
BAYLOR UNIVERSITY	A-1+	N/R	0.64	11/17/2016	14,983,750.00	14,988,750.00	14,989,050.00	0.64%
CDP FINANCIAL	A-1+	AAA	0.91	11/28/2016	20,939,426.67	20,971,253.33	20,982,234.00	0.90%
CDP FINANCIAL	A-1+	AAA	1.23	2/16/2017	24,851,680.56	24,888,555.56	24,926,550.00	1.07%
CDP FINANCIAL	A-1+	AAA	1.27	3/1/2017	44,726,237.50	44,774,637.50	44,848,755.00	1.92%
CHEVRON CORP	A-1+	AA	0.79	11/22/2016	59,769,000.00	59,935,833.33	59,958,420.00	2.57%
CHEVRON CORP	A-1+	AA	1.01	3/3/2017	29,779,500.00	29,876,683.33	29,923,500.00	1.28%
COCA-COLA COMPANY	A-1+	AA	0.86	2/13/2017	19,638,478.33	19,688,709.16	19,696,062.75	0.85%
COCA-COLA COMPANY	A-1+	AA	0.99	3/1/2017	19,807,616.67	19,919,705.56	19,935,320.00	0.86%
DEXIA CREDIT LOCAL	A-1+	N/R	0.88	10/5/2016	24,892,500.00	24,998,805.56	24,998,775.00	1.07%
DEXIA CREDIT LOCAL	A-1+	N/R	0.91	11/9/2016	24,870,208.25	24,977,131.93	24,987,425.00	1.07%
DEXIA CREDIT LOCAL	A-1+	N/R	0.94	11/18/2016	24,865,833.25	24,970,611.09	24,983,800.00	1.07%
DEXIA CREDIT LOCAL	A-1+	N/R	0.89	12/19/2016	24,886,416.75	24,953,479.20	24,966,275.00	1.07%
EXPORT DEVELOPMENT CA	A-1+	AAA	0.66	11/9/2016	34,904,800.00	34,976,977.78	34,983,550.00	1.50%
KAISER FOUNDATION HO	A-1+	N/R	0.82	10/25/2016	54,558,997.78	54,745,222.58	54,753,925.24	2.35%
KAISER FOUNDATION HO	A-1+	N/R	0.88	11/21/2016	29,871,000.00	29,964,883.33	29,970,300.00	1.29%
MACQUARIE BANK LTD	A-1	A2	1.02	10/17/2016	9,935,000.00	9,996,111.11	9,997,320.00	0.43%
MACQUARIE BANK LTD	A-1	A2	0.91	11/21/2016	64,860,195.83	64,923,029.16	64,941,110.00	2.79%
MICROSOFT CORP	A-1+	AAA	0.79	3/30/2017	74,701,000.00	74,710,750.00	74,666,625.00	3.21%
OHIO HIGHER EDUCATION	A-1+	N/R	0.78	11/17/2016	32,592,862.50	32,619,390.63	32,618,003.00	1.40%
ONTARIO TEACHER FIN	A-1+	N/R	0.88	10/31/2016	9,957,000.00	9,993,311.11	9,994,220.00	0.43%
ONTARIO TEACHER FIN	A-1+	N/R	0.90	11/28/2016	24,874,111.11	24,965,777.78	24,969,425.00	1.07%
ONTARIO TEACHER FIN	A-1+	N/R	1.02	12/15/2016	49,641,666.67	49,898,611.11	49,913,550.00	2.14%
PFIZER	A-1+	AA	0.88	2/13/2017	49,785,138.89	49,842,986.11	49,863,450.00	2.14%
PSP CAPITAL INC	A-1+	N/R	0.70	11/1/2016	49,909,333.33	49,972,611.11	49,980,300.00	2.15%
PSP CAPITAL INC	A-1+	N/R	0.72	11/2/2016	24,956,736.11	24,985,416.67	24,989,825.00	1.07%
SALVATION ARMY	A-1+	N/R	0.67	10/20/2017	10,383,851.11	10,396,807.78	10,396,672.00	0.45%
SALVATION ARMY	A-1+	N/R	0.70	10/27/2016	6,279,782.24	6,287,148.53	6,287,043.70	0.27%
SALVATION ARMY	A-1+	N/R	0.72	11/9/2016	14,973,750.00	14,989,208.33	14,989,050.00	0.64%
SALVATION ARMY	A-1+	N/R	0.73	11/22/2016	23,957,533.33	23,976,666.66	23,976,720.00	1.03%
SALVATION ARMY	A-1+	N/R	0.76	12/7/2016	19,964,000.00	19,974,000.00	19,973,800.00	0.86%
SWEDISH EXPORT CREDIT	A-1+	AA+	0.75	10/24/2016	34,907,736.11	34,985,095.83	34,990,025.00	1.50%
TORONTO DOMINION HDG	A-1+	N/R	0.88	11/18/2016	29,846,633.33	29,967,033.33	29,977,470.00	1.29%
TORONTO DOMINION HDG	A-1+	N/R	1.00	3/27/2017	69,486,977.78	69,669,930.56	69,590,570.00	2.99%
VF CORPORATION	A-1	A	0.68	10/12/2016	19,993,666.67	19,997,000.00	19,995,560.00	0.86%
Total					1,165,956,682.43	1,168,631,559.21	1,168,885,748.69	50.18%
Bank Commercial Paper ⁽³⁾								
US Bank NA CP O/N Sweep	A-1+	N/A	0.35	10/1/2016	116,725,977.14	116,725,977.14	116,725,977.14	5.00%
Total					116,725,977.14	116,725,977.14	116,725,977.14	5.00%
Variable Rate Commercial Paper ⁽³⁾								
COMMONWEALTH BANK AU	A-1+	AA-	0.97	2/13/2017	35,000,000.00	35,000,000.00	35,002,415.00	1.29%
COMMONWEALTH BANK AU	A-1+	AA-	1.06	6/5/2017	30,000,000.00	30,000,000.00	29,970,960.00	1.50%
NATL AUSTRALIA BANK	A-1+	AA-	1.04	3/31/2017	40,000,000.00	40,000,000.00	39,979,440.00	1.29%
NATL AUSTRALIA BANK	A-1+	AA-	1.04	6/15/2017	30,000,000.00	30,000,000.00	29,963,430.00	2.15%
NATL BK OF CANADA	A-1	A	0.87	11/17/2016	50,000,000.00	50,000,000.00	50,019,150.00	1.72%
TOYOTA MOTOR CRT COR	A-1+	AA-	0.94	11/22/2016	15,000,000.00	15,000,000.00	15,007,365.00	1.07%
TOYOTA MOTOR CRT COR	A-1+	AA-	0.96	1/27/2017	20,000,000.00	20,000,000.00	20,004,040.00	0.64%
TOYOTA MOTOR CRT COR	A-1+	AA-	0.98	2/17/2017	25,000,000.00	25,000,000.00	25,000,375.00	0.86%
TOYOTA MOTOR CRT COR	A-1+	AA-	0.96	3/3/2017	7,000,000.00	7,000,000.00	6,997,914.00	0.30%
TOYOTA MOTOR CRT COR	A-1+	AA-	0.95	6/6/2017	35,000,000.00	35,000,000.00	34,960,905.00	1.50%

<u>Security Description</u>	<u>S&P Credit Rating</u>		<u>Yield</u>	<u>Maturity</u>	<u>Cost</u>	<u>Book Value</u>	<u>Market Value ⁽¹⁾</u>	<u>% of Assets</u>
	<u>Short-Term</u>	<u>Long-Term</u>						
WESTPAC BANKING CORP	A-1+	AA-	0.90	7/18/2016	25,003,649.50	25,001,419.99	25,009,525.00	1.07%
Total					312,003,649.50	312,001,419.99	311,915,519.00	13.39%
Corporate Notes								
ROYAL BANK OF CANADA	A-1+	AA-	1.07	1/23/2017	30,035,250.00	30,012,327.00	29,997,690.00	1.29%
Total					30,035,250.00	30,012,327.00	29,997,690.00	1.29%
Collateralized Bank Deposits ⁽²⁾								
BANK OF THE WEST MM	A-1	AA	0.13	10/1/2016	4,846,307.00	4,846,307.00	4,846,307.00	0.21%
GWB-PROMONTORY II	N/R	N/R	0.65	10/1/2016	58,758,821.80	58,758,821.80	58,758,821.80	2.52%
GWB-PROMONTORY	N/R	N/R	0.42	10/1/2016	20,065,094.74	20,065,094.74	20,065,094.74	0.86%
US BANK CHECKING				10/1/2016	696,959.75	696,959.75	696,959.75	0.03%
Total					84,367,183.29	84,367,183.29	84,367,183.29	3.62%
Money Market Funds ⁽³⁾								
BLACKROCK LIQ FED FD	AAAm	N/A	0.36	10/1/2016	167,021,779.36	167,021,779.36	167,021,779.36	7.17%
FIDELITY GOVT CLASS	AAAm	N/A	0.26	10/1/2016	128,695,611.77	128,695,611.77	128,695,611.77	5.53%
GOLDMAN SACHS FIN SQ	AAAm	N/A	0.30	10/1/2016	159,949,520.53	159,949,520.53	159,949,520.53	6.87%
Total					455,666,911.66	455,666,911.66	455,666,911.66	19.57%
Total Assets ⁽⁴⁾					2,326,554,984.02	2,329,226,235.55	2,329,454,975.58	100%
Net Asset Value Per Share							\$1.00000000	

Notes:

1) All of the securities held in the portfolio are valued daily using a third party pricing service (IDC). 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) Commercial paper and money market funds are not assigned long-term credit ratings.

4) The information contained in this statement is unaudited. Audited financial statements are completed annually and are available at www.csafe.org.