

2005	2006	2007	2008	2009	2010
3.90%	5.18%	8.84%	12.15%	3.16%	5.70%
3.62%	5.07%	8.86%	11.33%	2.76%	5.22%
3.07%	4.85%	8.24%	9.01%	2.17%	4.87%
1.77%	4.56%	7.32%	7.05%	1.36%	2.82%
1.75%	4.56%	8.98%	6.61%	1.04%	2.35%
1.87%	4.22%	6.74%	5.17%	0.79%	2.32%
1.58%	3.98%	5.14%	4.33%	0.21%	0.77%
1.14%	3.57%	5.00%	2.79%	(0.67%)	0.36%
0.88%	3.55%	4.99%	2.08%	(1.41%)	0.13%



City of Colorado Springs Review of Investment Performance Quarter Ended June 30, 2014

August 19, 2014

Bob Cheddar, Managing Director ♦ Chris Blackwood, Director
Emily Ferguson, Senior Analyst ♦ Allison Kaune, Senior Analyst

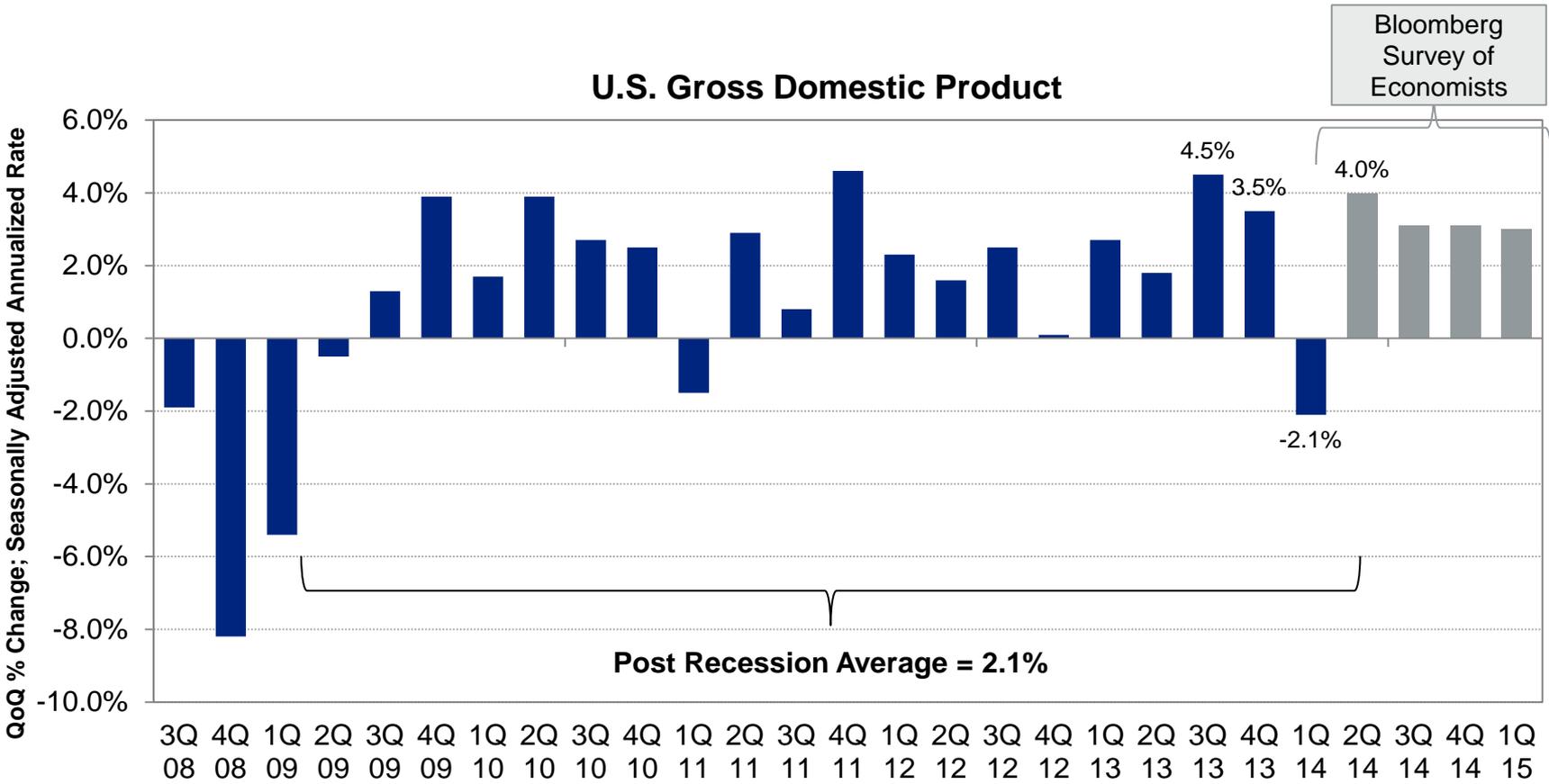
1400 16th Street, Suite 400
Denver, CO 80202
303-467-1114



Economic Update

Economic Growth Slows in First Quarter

- U.S. GDP contracted 2.1% in the first quarter, on a combination of reduced business inventories and adverse weather conditions.
- The general market sentiment is that the first quarter retraction was a sign a temporary weakness, and that demand will rebound strongly in the second quarter.



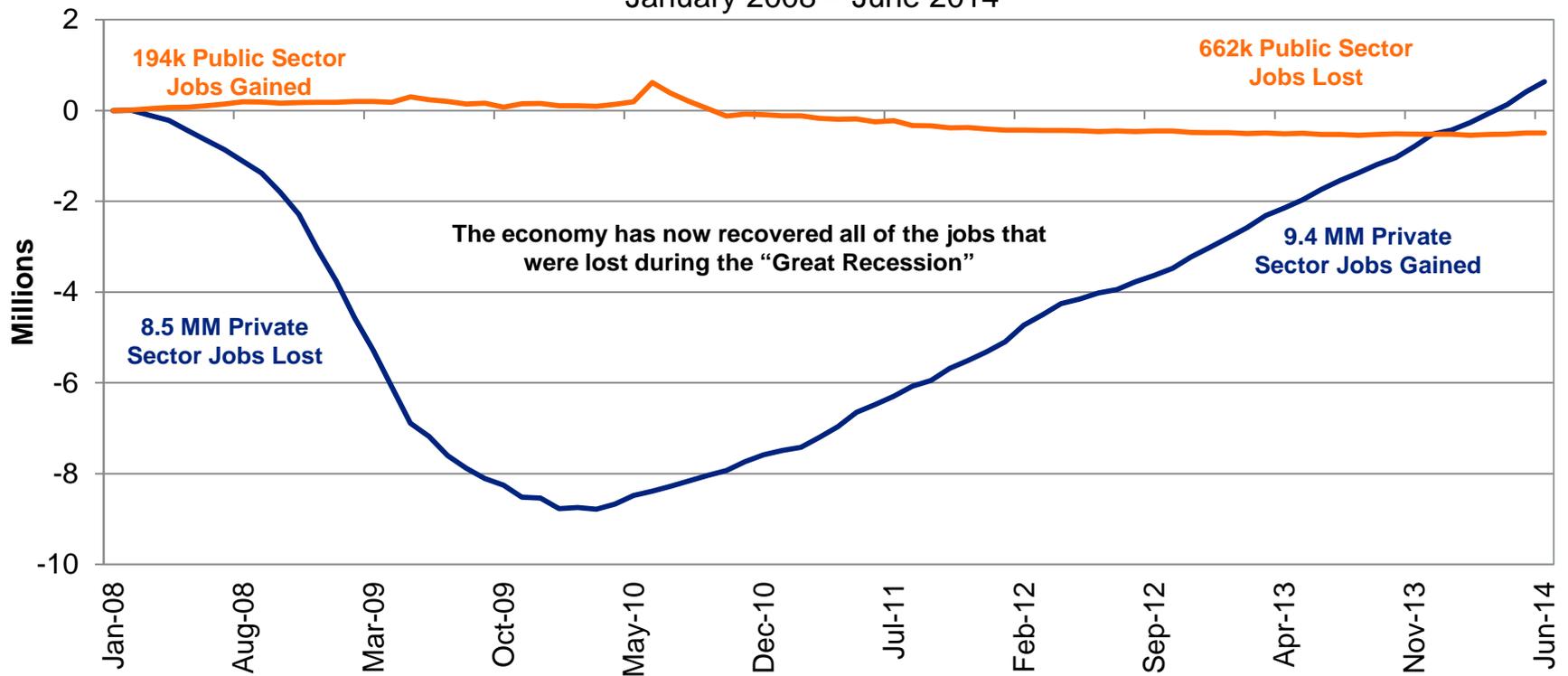
Source: Bureau Of Economic Analysis

Net New Payroll: Public vs. Private Sector

- U.S. job creation has continued to show signs of strength as the economy added an average of 207,000 jobs a month over the past year.
- The Unemployment Rate is at a post recession low of 6.1%.

Cumulative Change in Nonfarm Payrolls

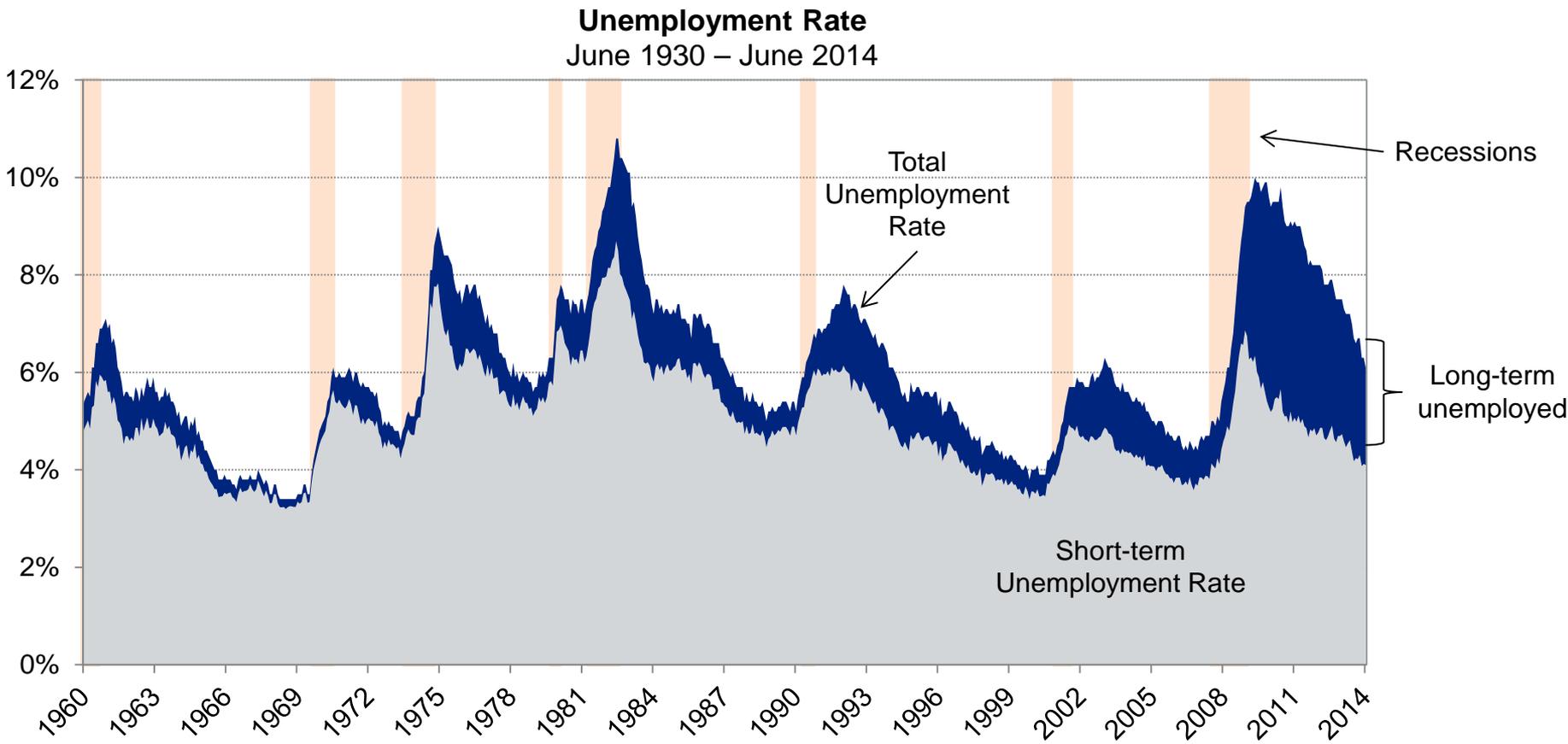
January 2008 – June 2014



Source: Bureau of Labor Statistics, Bloomberg. Gain/Loss figures calculated before/after April 2010.

Long-Term Unemployment Problem

- While unemployment has fallen significantly over the past year, the proportion of long-term unemployed workers remains unusually high by historic standards.



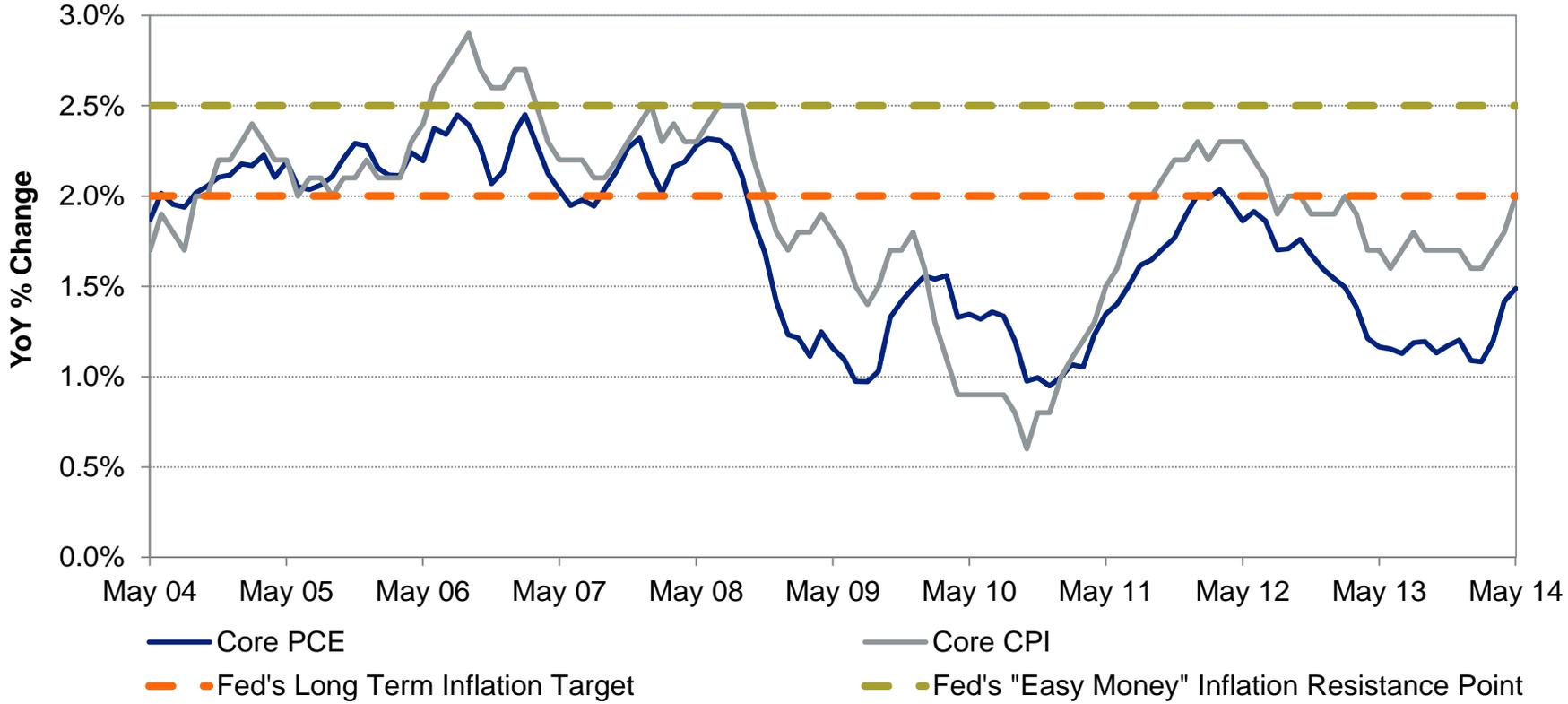
Long-term unemployed – Unemployed for more than 27 weeks

Source: U.S. Department of Labor, Bloomberg.

Higher Inflation Could Weigh on Fed Policy

- The Personal Consumption Expenditures index, the Fed's preferred gauge of core inflation, advanced 1.5% in May, achieving the highest level in a year and a half.
- Consumer Price Index, a more commonly utilized measure, reached 2.0% in May.

Inflation Measures: Consumer Price Index vs Personal Consumption Expenditures
May 2004 – May 2014

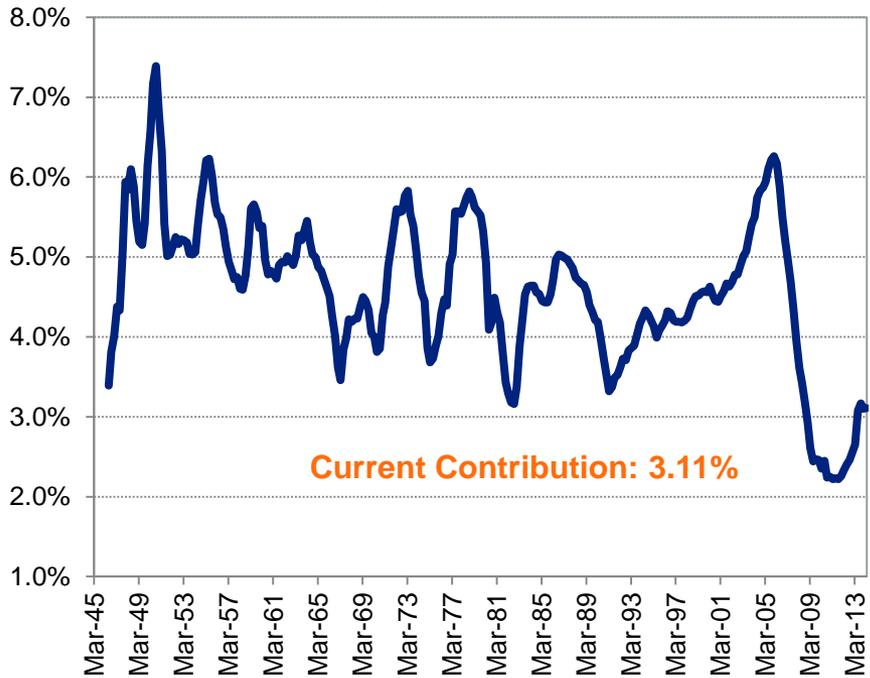


Source: Bloomberg

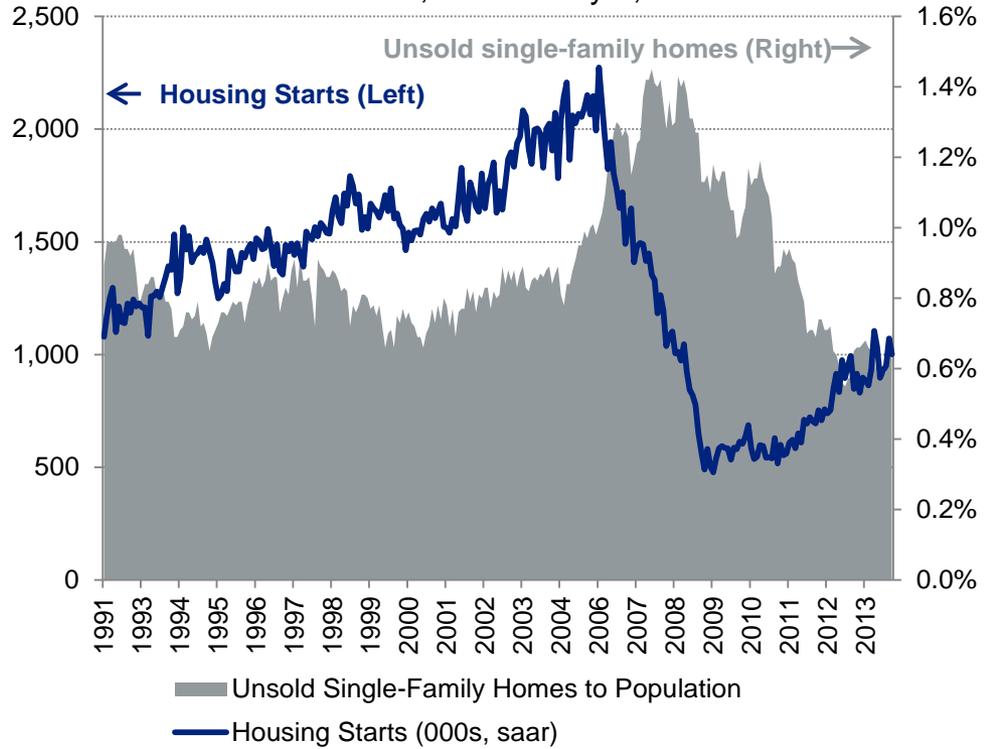
Housing Contributes Less to the Economy

- While improving, the U.S. housing market is holding back the economic recovery, with residential investment's contribution to economic growth near its lowest level since WWII.
- An encouraging sign of the mending housing market's prospects is the increase in new housing starts as the inventory of unsold homes continues to decline.

Residential Investment as a Share of the Economy
March 31, 1945 – March 1, 2014



Residential Investment as a Share of the Economy
December 1, 1999 – May 1, 2014



Source: Bloomberg



Market Update



Current Macro Investment Strategy Themes

Growth Shows Signs of Acceleration

- Rates continue to have an upward bias
- Intermediate maturities affected most, while long rates are contained
- Yield curve remains steeply sloped

Inflation Remains Benign

- Wage rate growth is stagnant
- Modest global demand causes prices of headline commodities to rise
- Inflation remains below trend, but rising towards Federal Reserve targets

Fed Policies in Transition

- Bond purchases phased out in October 2014
- Fed Funds could rise modestly in mid-2015
- New Fed tools (IOER, direct repo) yet to be fully exercised

Modest Global Economic Outlook

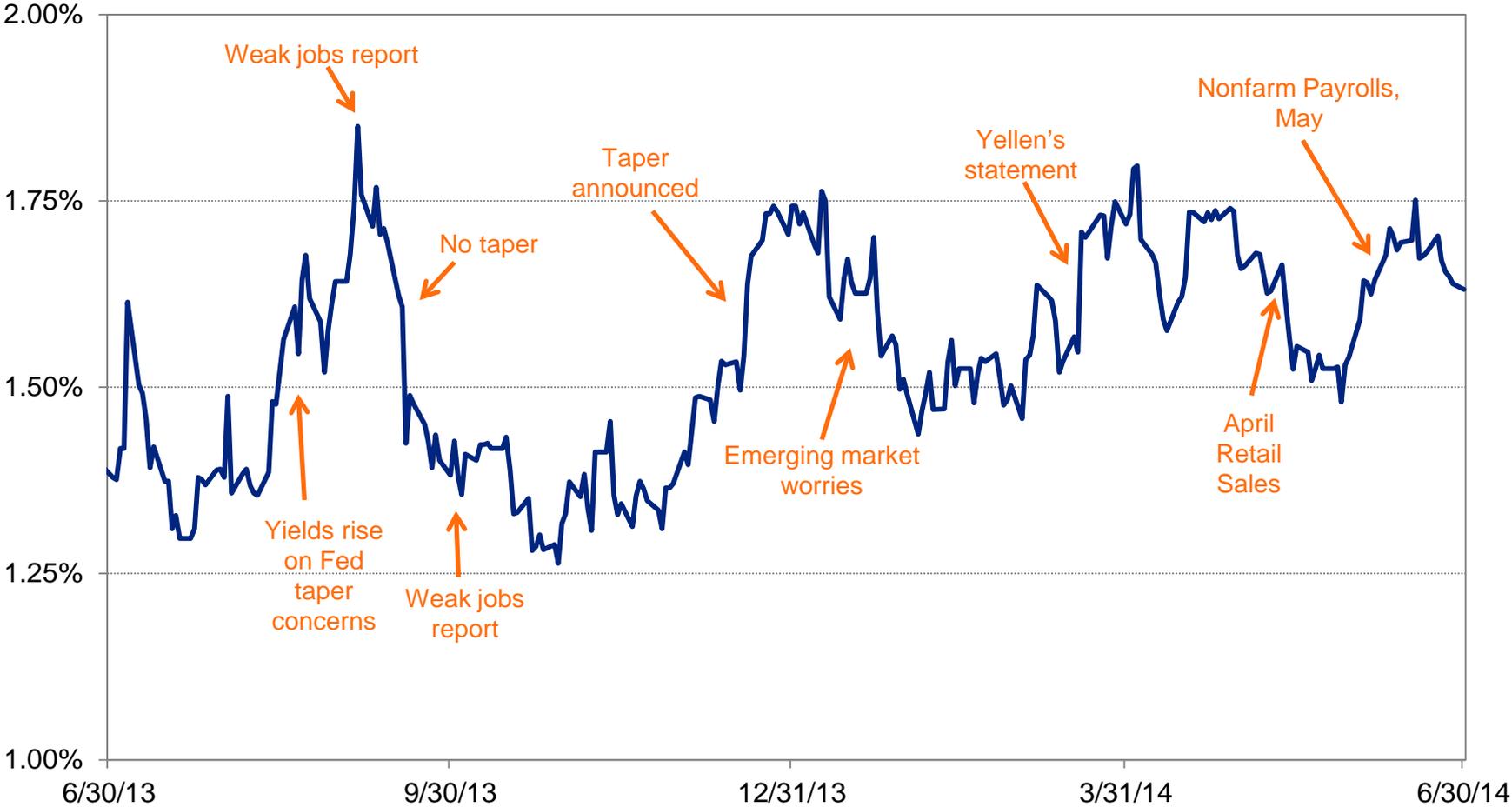
- Europe out of recession, but growth will likely be moderate
- Emerging markets will be a moderate drag
- China's growth will moderate

Dislocations Continue in Money Market Space

- Money market reform increased demand for short maturities
- Basel III and new liquidity requirements are pushing issuance longer-term
- Further reform of money market funds and repo market may cause disruptions

Recent Market Movers

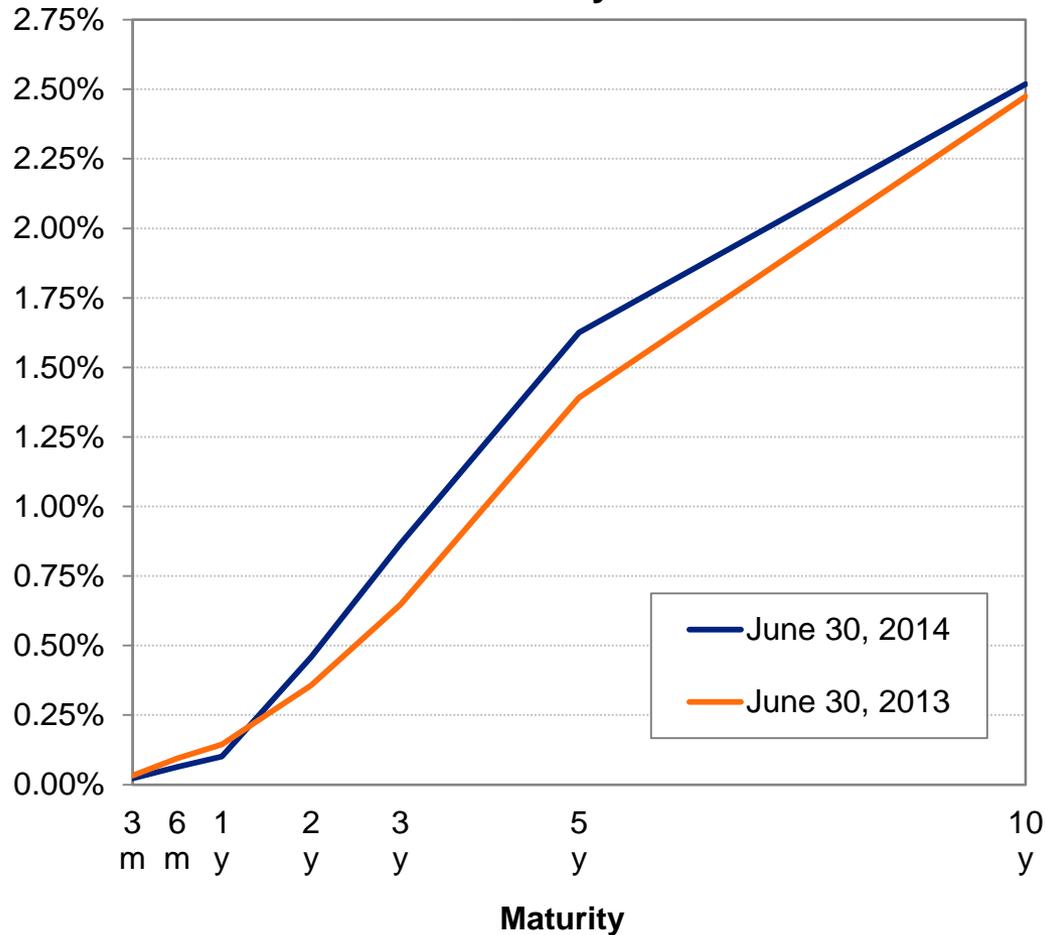
5 - Year U.S. Treasury Yield June 30, 2013 – June 30, 2014



Source: Bloomberg

Yield Curve Remained Steep

U.S. Treasury Curves



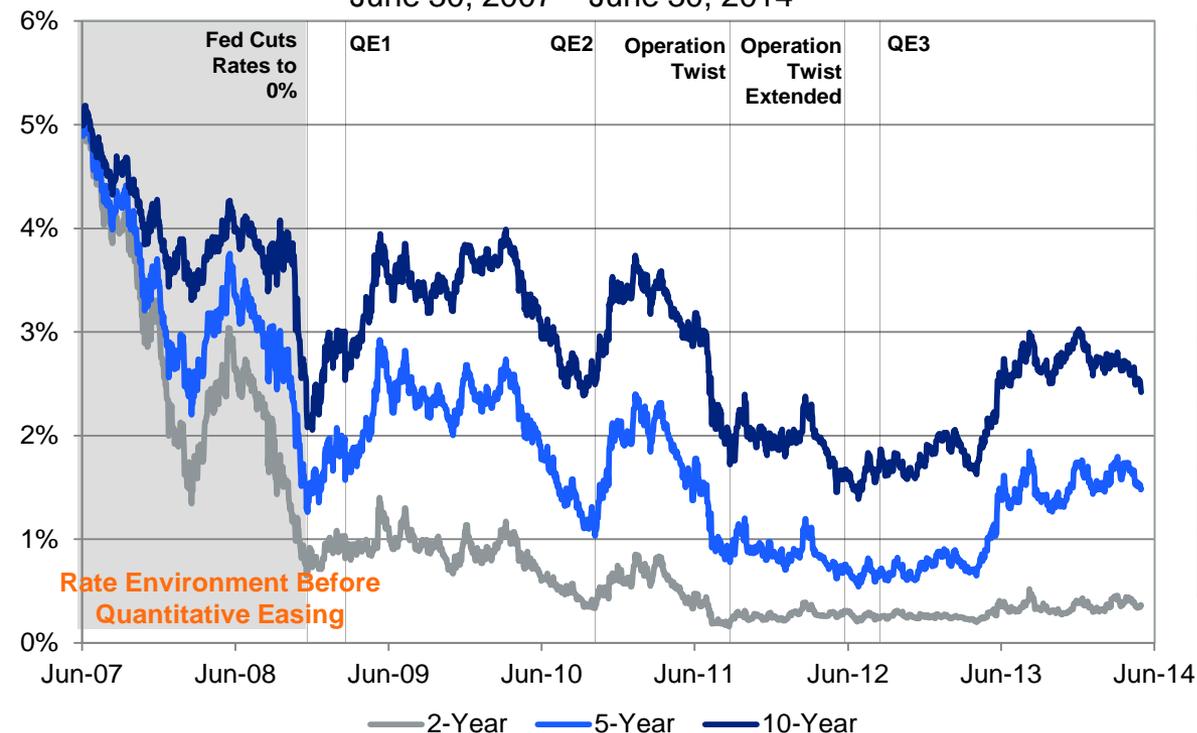
	6/30/13	6/30/14	YoY change
3-Mo.	0.03%	0.02%	-0.01%
6-Mo.	0.09%	0.06%	-0.03%
1-Yr.	0.14%	0.10%	-0.04%
2-Yr.	0.36%	0.46%	+0.10%
3-Yr.	0.65%	0.87%	+0.22%
5-Yr.	1.39%	1.63%	+0.23%
10-Yr.	2.47%	2.52%	+0.04%

Source: Bloomberg

A Longer View of Treasury Yields

- While rates continue to rise from their mid-2013 lows, it is important to view current rates in a longer context.
- The multiple versions of Quantitative Easing were geared towards creating a low rate environment, and current yields are still well below their levels prior to FOMC intervention.

U.S. Treasury Yields
June 30, 2007 – June 30, 2014



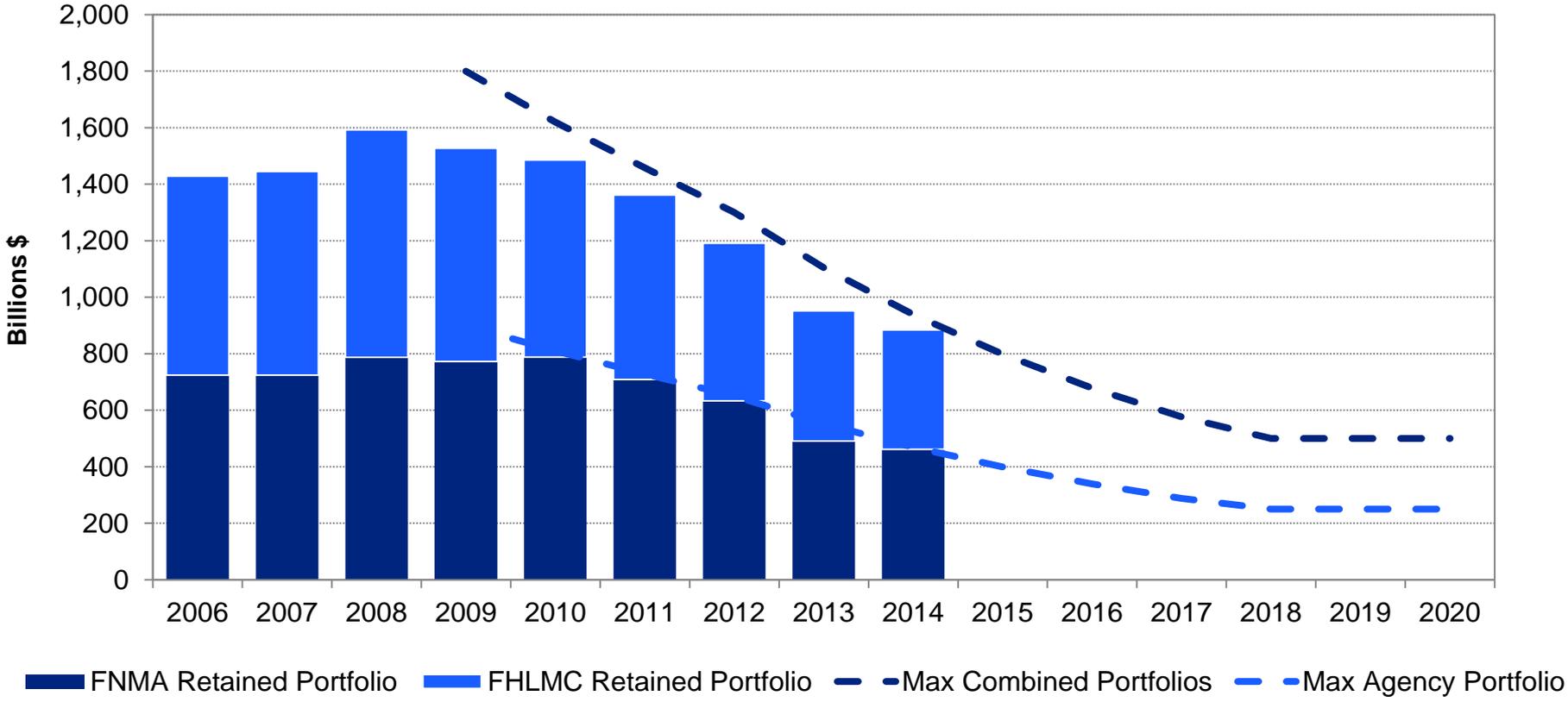
U.S. Treasury Yields

	2 Year	5 Year	10 Year
June-07	4.86%	4.92%	5.03%
June-08	2.62%	3.33%	3.97%
June-09	1.11%	2.56%	3.54%
June-10	0.61%	1.78%	2.93%
June-11	0.46%	1.76%	3.16%
June-12	0.30%	0.72%	1.65%
June-13	0.36%	1.40%	2.49%
June-14	0.46%	1.64%	2.54%

Source: Bloomberg. As of June 30, 2014

Fannie Mae and Freddie Mac Retained Portfolios

- The U.S. Treasury Department mandated that Fannie and Freddie's maximum allowable retained mortgage portfolio decline by 15% annually until their individual portfolios reach \$250 billion.



Source: Fannie Mae and Freddie Mac. Projected portfolio sizes represent legislatively mandated balance sheet maximums. Updated through 5/31/2014.

FOMC Statement Highlights

March

19

*“The Committee currently judges that there is sufficient underlying strength in the broader economy to support ongoing improvement in labor market conditions . . . decided to make a further measured reduction in the pace of its asset purchases . . . **will likely reduce the pace of asset purchases in further measured steps** . . . it likely will be appropriate to maintain the current target range for the federal funds rate for a **considerable time after the asset purchase program ends**”*

April

30

*“Information received since...March indicates that growth in economic activity has picked up recently . . . decided to make a further measured reduction in the pace of its asset purchases . . . **Beginning in May, the Committee will add to its holdings of agency mortgage-backed securities at a pace of \$20 billion per month rather than \$25 billion per month, and will add to its holdings of longer-term Treasury securities at a pace of \$25 billion per month rather than \$30 billion per month...**”*

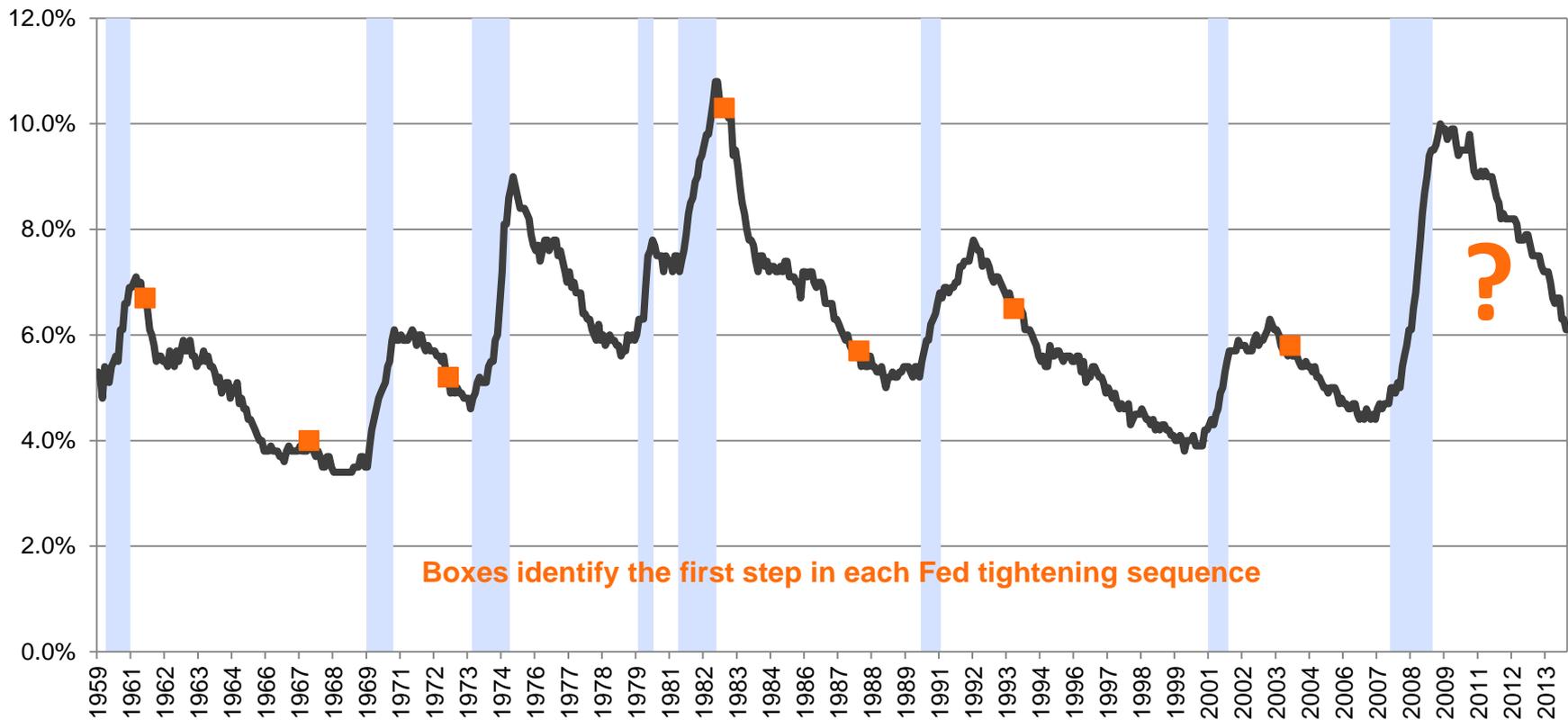
June

18

*“Information received April indicates that **growth in economic activity has rebounded in recent months**. . . The unemployment rate, **though lower**, remains elevated. Household spending appears to be rising moderately and business fixed investment resumed its advance. . . **Beginning in July, the Committee will add to its holdings of agency mortgage-backed securities at a pace of \$15 billion per month rather than \$20 billion per month, and will add to its holdings of longer-term Treasury securities at a pace of \$20 billion per month rather than \$25 billion per month...**”*

When Will Fed Respond to Falling Unemployment?

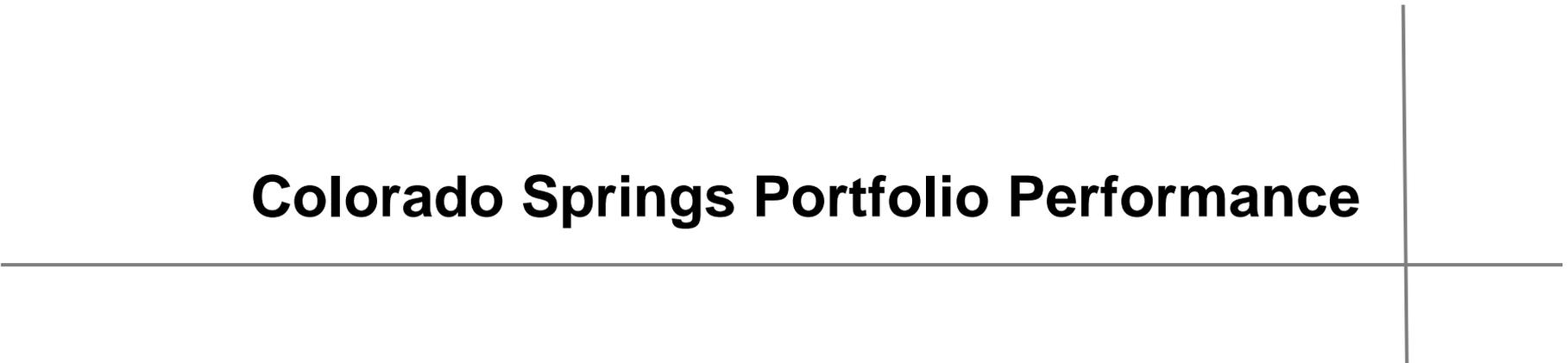
- Subsequent to prior recessions, the FOMC began tightening monetary policy as the unemployment rate showed signs of recovery. While significant strides have been made (current unemployment rate is 6.1% - down from a peak of 10.0%), the Fed Funds rate remains at a targeted range of 0-0.25%.



Boxes identify the first step in each Fed tightening sequence

Source: Bloomberg. Vertical bars denote recessions and are designated by the NBER. Updated through June 2014.

Colorado Springs Portfolio Performance



Colorado Springs Portfolio Performance

- The portfolios performed well for the quarter, however underperformed the benchmark. Underperformance can be attributed to the portfolio's conservative duration position.
- Although the portfolios' shorter duration are negatively impacting the portfolios' performance versus the benchmark currently, we believe giving up some return now is the right strategy given the prospect for rising rates.
- Historically, the portfolios continue to generate solid performances in excess of the index.

Total Return Performance^{1,2,3,4}

	Duration	Portfolio Yield at Cost	Quarter Ending 6/30/14	Past 12 Months	Past 5 Years	Since Inception
Colorado Springs Reserve	2.33	0.81%	0.45%	1.35%	1.89%	3.15%
<i>Portfolio Return Net of Fees</i>	-	-	0.37%	1.27%	1.81%	3.07%
Merrill Lynch 1-5 Year U.S. Gov't Index	2.63	-	0.55%	1.19%	1.89%	2.95%

	Duration	Portfolio Yield at Cost	Quarter Ending 6/30/14	Past 12 Months	Since Inception
Colorado Springs Airport Reserve	2.22	1.41%	0.51%	1.32%	0.97%
<i>Portfolio Return Net of Fees</i>	-	-	0.43%	1.24%	0.89%
Merrill Lynch 1-5 Year U.S. Gov't Index	2.63	-	0.55%	1.19%	0.65%

1. Performance on trade date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).

2. The net return is for reference only, based on an average fee of 8.5 basis points, assuming an average portfolio of \$66 million.

3. Merrill Lynch Indices provided by Bloomberg Financial Markets.

4. Inception date of Reserve is January 2003. Inception Date of Airport Reserve is December 2011.

Portfolio Complies with the City's Investment Policy

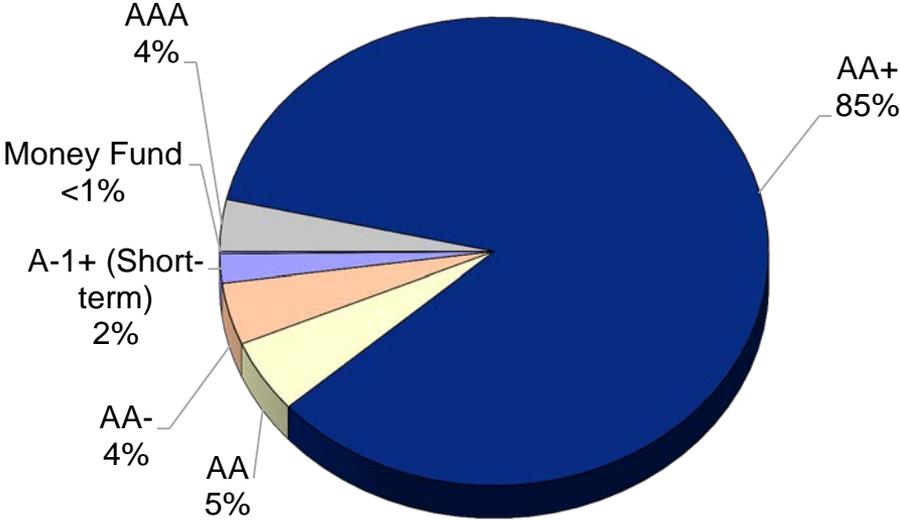
Security Type	Reserve			Airport Reserve			In Compliance
	June 30, 2014 Market Values	6/30/14 % of Portfolio	12/31/13 % of Portfolio	June 30, 2014 Market Values	6/30/14 % of Portfolio	12/31/13 % of Portfolio	
U.S. Treasuries	\$25,807,285	36%	28%	\$300,023	12%	27%	√
Federal Agencies	\$30,789,745	42%	49%	\$1,290,153	53%	54%	√
Municipal Obligations	\$3,564,466	5%	8%	\$246,388	10%	7%	√
Corporate Notes	\$11,013,151	15%	14%	\$604,885	25%	12%	√
Negotiable CDs	\$1,445,461	2%	0%	\$0	0%	0%	√
Money Market Fund	\$116,404	<1%	<1%	\$0	0%	0%	√
Totals	\$72,736,513	100%	100%	\$2,441,448	100%	100%	

CSIP **\$7,501,644**

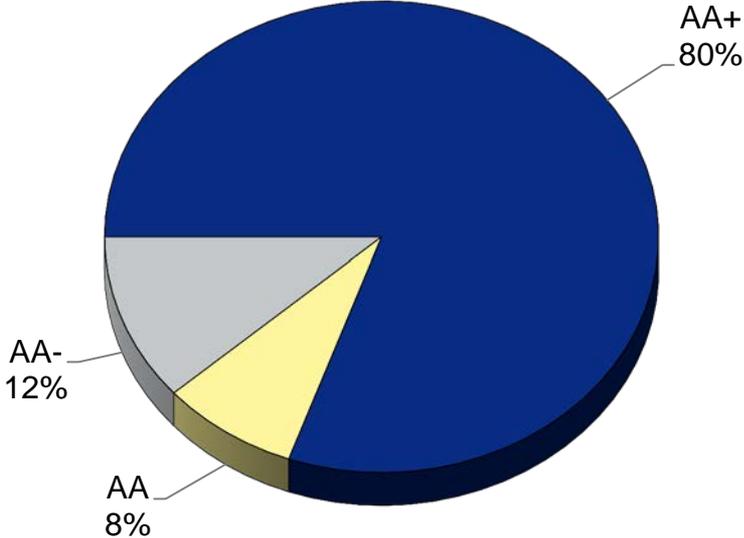
Market Value including accrued interest

Portfolios Are of High Credit Quality

Reserve Portfolio Credit Quality Distribution

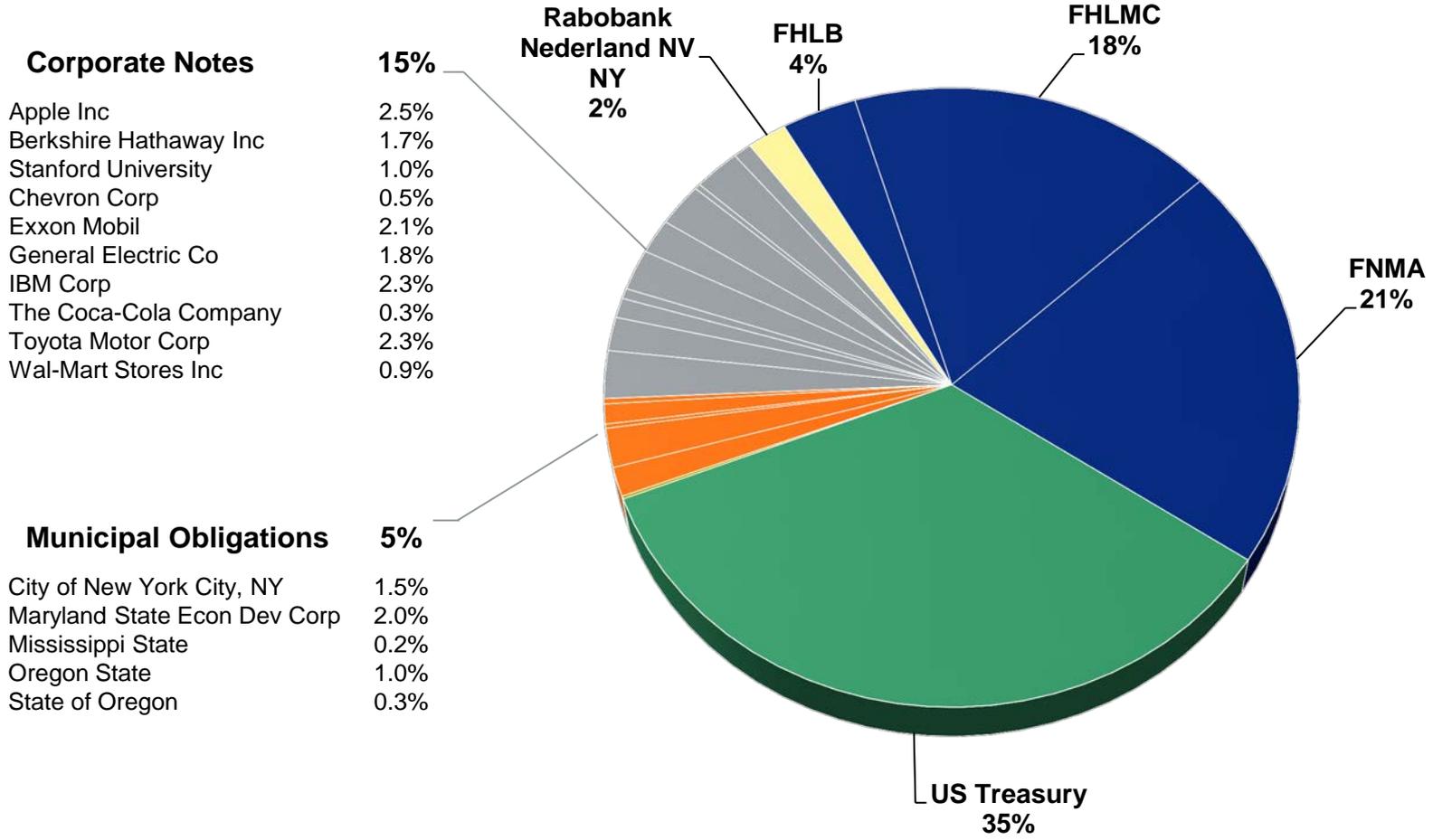


Airport Reserve Portfolio Credit Quality Distribution



As of 6/30/14
Ratings by Standard & Poor's

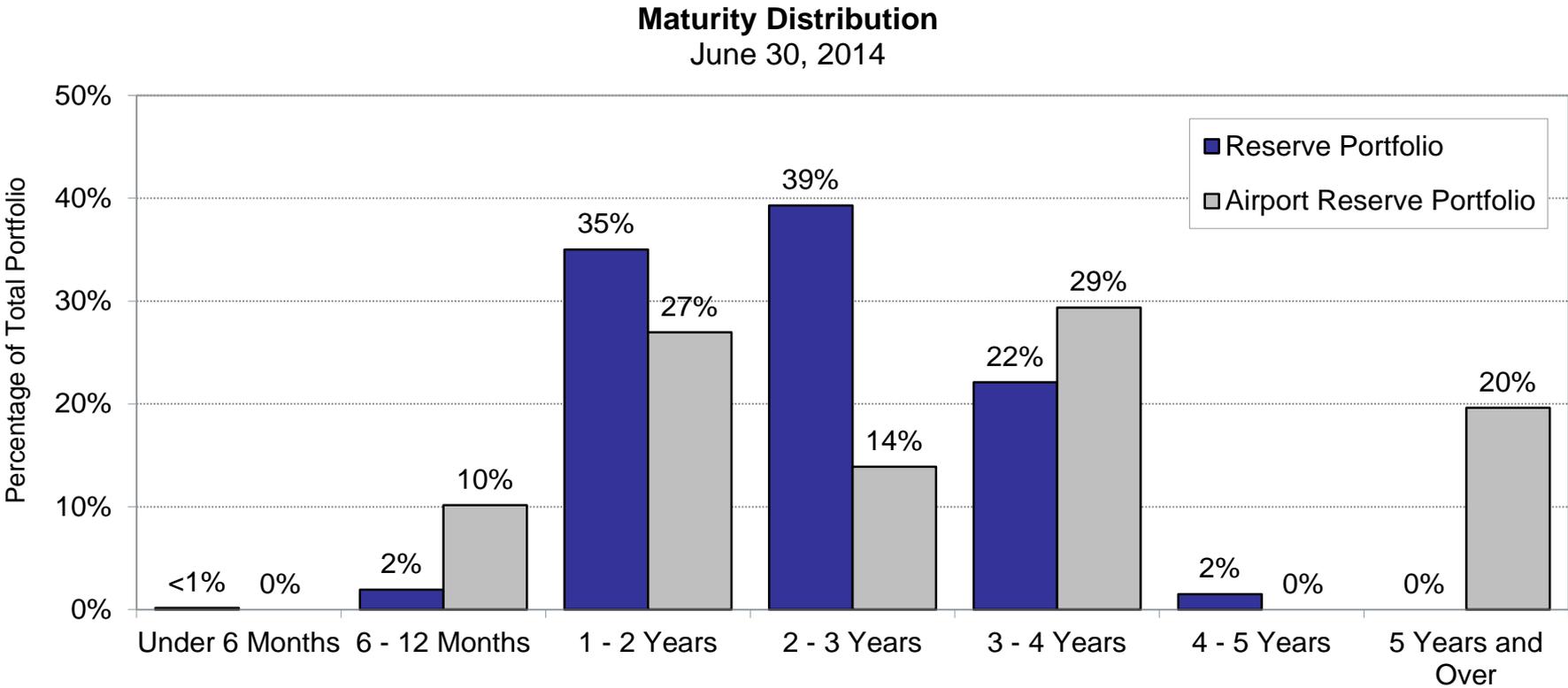
Aggregate Portfolio Issuer Distribution



As of 6/30/14

Maturity Distribution

- The portfolios' investments are well positioned to take advantage of the steep yield curve with a majority of maturities in the 2 to 4 year maturity range.



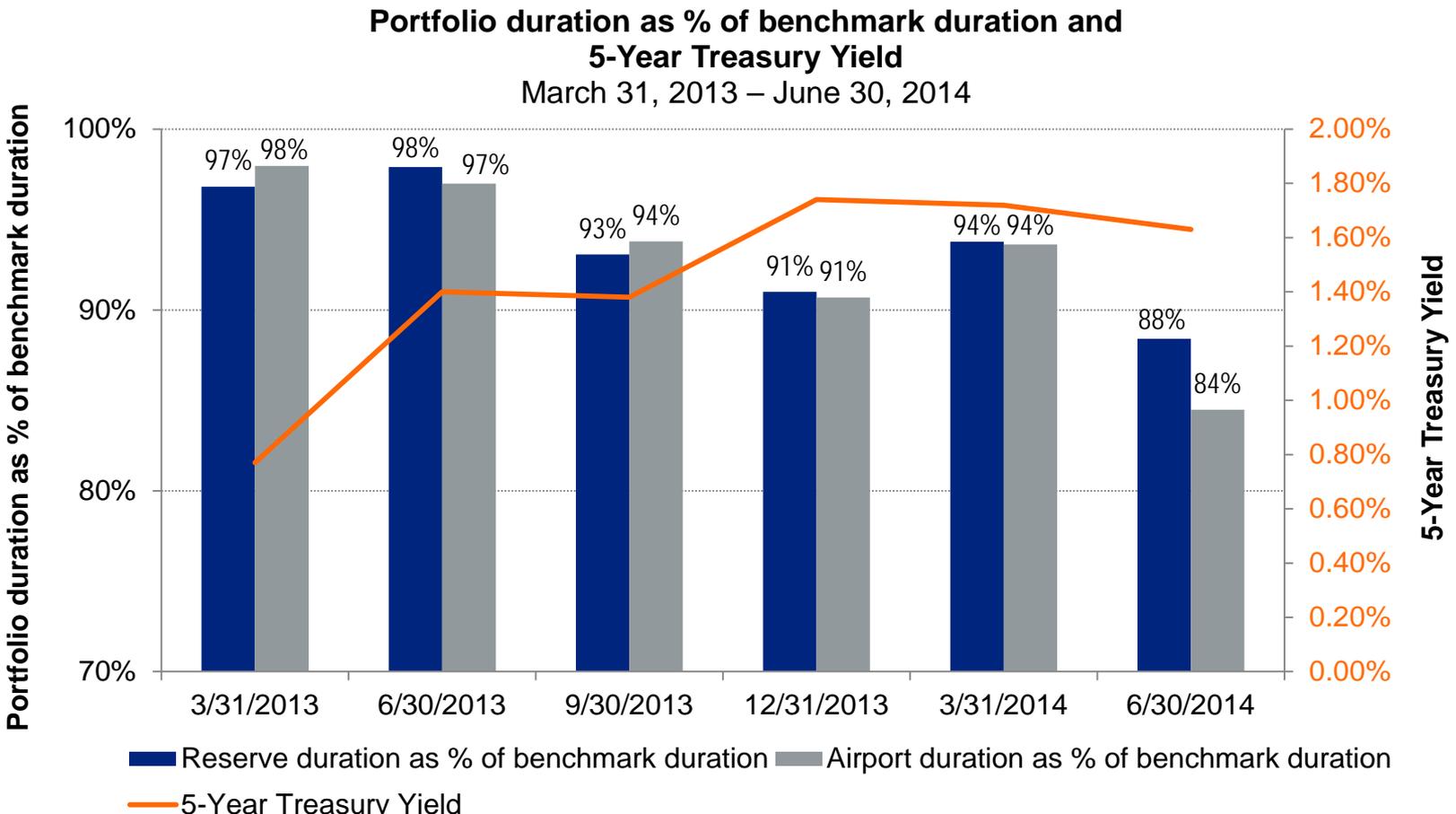
Notes:
 1. Callable securities in the portfolio are included in the maturity distribution analysis to their legally stated final maturity date
 2. Includes cash/money market. Excludes funds invested in CSIP.

Second Quarter 2014 Strategies

- Maintained durations somewhat shorter than the benchmark to mitigate the impact of potentially higher rates.
- Where we executed duration extension trades, we looked to add value when yields were at the top of their trading ranges, rather than simply matching benchmark duration extensions each month.
- The yield spread between U.S. Treasuries and Agencies of similar maturity remained at historically narrow levels. In fact, in some shorter maturities the spread was zero, or remarkably, negative. Given narrow spreads, we favored Treasuries in all but select issues and maturities.
- Our sector views continued to favor credit instruments, like corporate notes and negotiable CDs, over government securities. The corporate sector offered higher yields and benefited from strong fundamentals and robust investor demand.
- We use quantitative analysis to identify the steepest part of the curve, which benefits most from “roll-down” return, and to measure the relative risk/reward of individual bonds. For example, after generally avoiding callable agencies for quite some time, our analysis has begun to show value in certain callable structures.

Duration Management

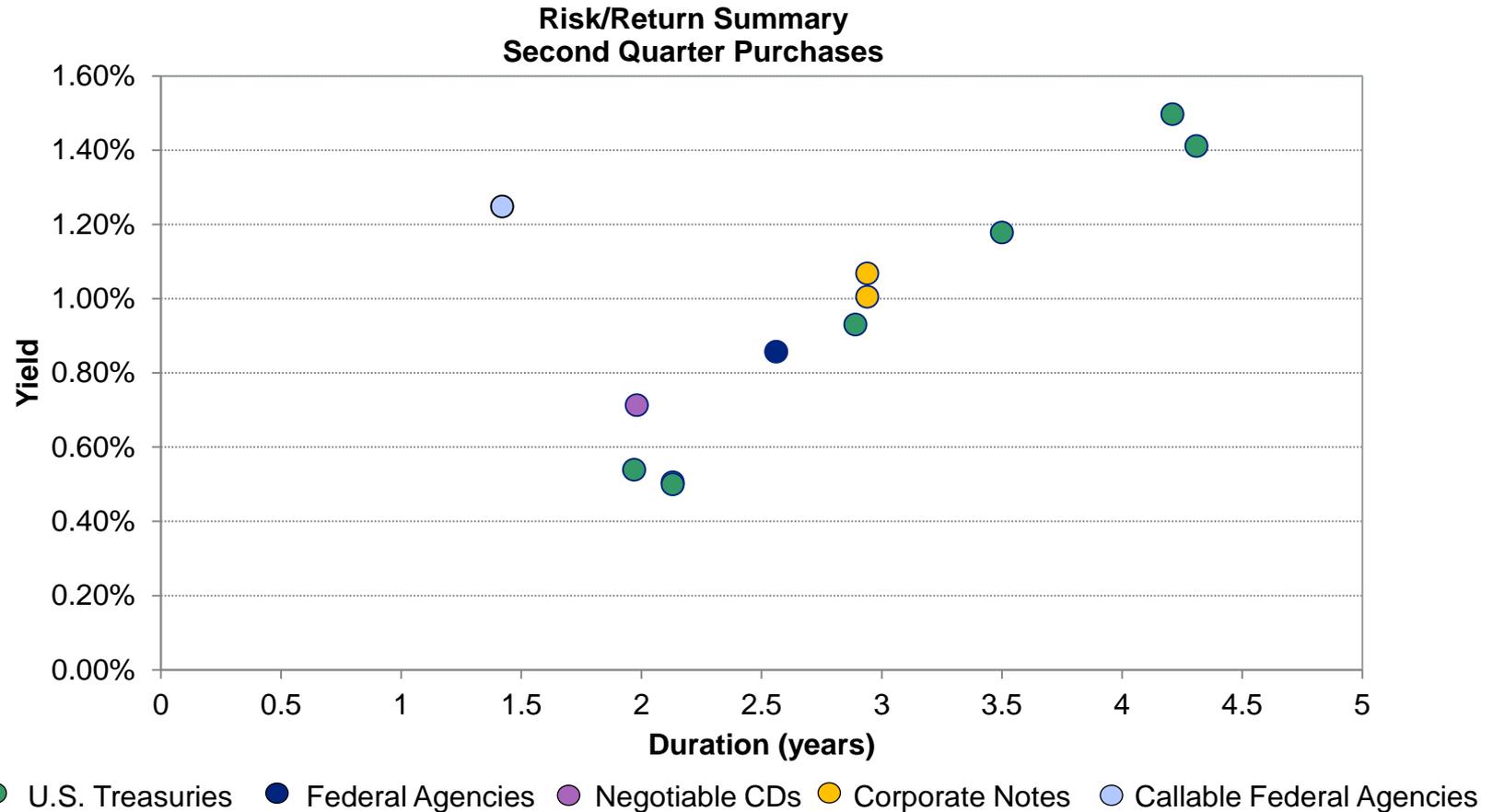
- In anticipation of rising rates, we have been tactically managing the portfolio's durations shorter than the duration of the City's benchmark. The conservative duration position mitigates the likely market value decline the portfolios may experience when rates rise.



Source: Bloomberg

Summary of Purchases

- Purchases made throughout the past quarter were well diversified by sector and maturity.
- The relationship between risk and return is evaluated when making purchases for the City's portfolio. Because longer duration investments carry more interest rate risk, the return should be higher.



Third Quarter 2014 Strategy

- Fed is nearing the achievement of its dual mandate—full employment with price stability.
- Economic growth appears to be accelerating.
 - The unwinding of the Fed’s quantitative easing program has gone smoothly, opening the door to their next move—a Fed rate hike.
- Higher interest rates triggered by anticipated Fed action are widely expected in the future.
- The timing and pace of how interest rates rise will determine the optimal investment strategy.
 - Maintaining a defensive duration stance to help mitigate unrealized market value losses that can occur when rates rise.
 - But, the steep yield curve offers considerably higher yields for even modest maturity extension.
 - Balancing the benefit of higher yields available on longer maturities today against the negative impact of potentially rising rates in the future will be a challenging and dynamic undertaking.
- We expect yield spreads to remain narrow, favoring Treasuries over Agencies, and corporates and other credit instruments over government securities.

Portfolio Holdings



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2014**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 12/31/2010 2.125% 12/31/2015	912828PM6	875,000.00	AA+	Aaa	01/28/14	01/29/14	904,531.25	0.36	50.53	898,049.12	899,404.63
US TREASURY NOTES DTD 01/31/2011 2.000% 01/31/2016	912828PS3	1,505,000.00	AA+	Aaa	03/04/14	03/05/14	1,553,677.34	0.30	12,555.52	1,545,384.55	1,545,740.35
US TREASURY NOTES DTD 01/31/2014 0.375% 01/31/2016	912828B41	5,000,000.00	AA+	Aaa	02/04/14	02/07/14	5,006,445.31	0.31	7,821.13	5,005,154.05	5,007,225.00
US TREASURY NOTES DTD 06/17/2013 0.500% 06/15/2016	912828VG2	235,000.00	AA+	Aaa	04/08/14	04/11/14	234,972.46	0.51	51.37	234,975.41	235,293.75
US TREASURY NOTES DTD 08/01/2011 1.500% 07/31/2016	912828QX1	485,000.00	AA+	Aaa	01/25/12	01/27/12	500,345.70	0.78	3,034.60	492,152.81	495,078.79
US TREASURY NOTES DTD 08/31/2011 1.000% 08/31/2016	912828RF9	2,825,000.00	AA+	Aaa	08/29/13	08/30/13	2,840,449.22	0.82	9,442.26	2,836,179.85	2,854,131.40
US TREASURY NOTES DTD 01/03/2012 0.875% 12/31/2016	912828RX0	675,000.00	AA+	Aaa	01/23/12	01/26/12	673,787.11	0.91	16.05	674,379.06	678,532.95
US TREASURY NOTES DTD 01/31/2012 0.875% 01/31/2017	912828SC5	1,300,000.00	AA+	Aaa	02/22/12	02/27/12	1,299,746.09	0.88	4,744.82	1,299,866.33	1,305,788.90
US TREASURY NOTES DTD 02/29/2012 0.875% 02/28/2017	912828SJ0	500,000.00	AA+	Aaa	03/13/12	03/15/12	498,457.03	0.94	1,462.30	499,161.99	501,835.94
US TREASURY NOTES DTD 03/31/2012 1.000% 03/31/2017	912828SM3	1,475,000.00	AA+	Aaa	02/27/14	03/03/14	1,486,984.37	0.73	3,707.65	1,485,719.21	1,483,758.55
US TREASURY NOTES DTD 03/31/2012 1.000% 03/31/2017	912828SM3	4,275,000.00	AA+	Aaa	03/19/14	03/21/14	4,284,852.54	0.92	10,745.90	4,283,957.92	4,300,384.95
US TREASURY NOTES DTD 07/31/2012 0.500% 07/31/2017	912828TG5	875,000.00	AA+	Aaa	08/14/12	08/15/12	864,916.99	0.74	1,824.93	868,689.22	863,447.27
US TREASURY NOTES DTD 10/01/2012 0.625% 09/30/2017	912828TS9	755,000.00	AA+	Aaa	10/26/12	10/31/12	750,487.70	0.75	1,186.13	751,999.52	745,621.39
US TREASURY NOTES DTD 10/31/2012 0.750% 10/31/2017	912828TW0	1,000,000.00	AA+	Aaa	11/01/12	11/05/12	1,000,585.94	0.74	1,263.59	1,000,393.98	990,312.00



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2014**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/30/2012 0.625% 11/30/2017	912828UA6	1,900,000.00	AA+	Aaa	05/06/14	05/09/14	1,863,484.38	1.18	1,005.81	1,864,947.11	1,870,907.20
US TREASURY NOTES DTD 04/30/2013 0.625% 04/30/2018	912828UZ1	900,000.00	AA+	Aaa	05/10/13	05/15/13	891,808.59	0.81	947.69	893,643.17	878,765.40
US TREASURY NOTES DTD 12/02/2013 1.250% 11/30/2018	912828A34	1,100,000.00	AA+	Aaa	06/02/14	06/03/14	1,092,308.59	1.41	1,164.62	1,092,435.99	1,090,031.80
Security Type Sub-Total		25,680,000.00					25,747,840.61	0.73	61,024.90	25,727,089.29	25,746,260.27
Municipal Bond / Note											
MD ST ECON DEV CORP TXBL REV BONDS DTD 10/31/2012 0.750% 06/01/2015	57420PGF7	1,400,000.00	AA+	Aa1	10/17/12	10/31/12	1,400,700.00	0.73	875.00	1,400,249.12	1,403,808.00
OR ST TXBL GO BONDS DTD 02/13/2013 0.497% 08/01/2015	68608USL1	775,000.00	AA+	Aa1	01/17/13	02/13/13	775,000.00	0.50	1,604.90	775,000.00	775,806.00
MS ST TXBL GO BONDS DTD 12/03/2013 2.000% 12/01/2015	605581DO7	160,000.00	AA	Aa2	11/13/13	12/03/13	164,563.20	0.56	266.67	163,246.26	163,233.60
OR ST DEPT ADMIN LOTTERY TXBL REV BONDS DTD 04/16/2013 0.782% 04/01/2016	68607VA70	210,000.00	AAA	Aa2	04/04/13	04/16/13	210,000.00	0.78	410.55	210,000.00	210,571.20
NYC, NY TXBL GO BONDS DTD 08/15/2013 1.080% 08/01/2016	64966KL68	1,000,000.00	AA	Aa2	07/25/13	08/15/13	1,000,000.00	1.08	4,500.00	1,000,000.00	1,003,390.00
Security Type Sub-Total		3,545,000.00					3,550,263.20	0.77	7,657.12	3,548,495.38	3,556,808.80
Federal Agency Bond / Note											
FHLB (CALLABLE) GLOBAL NOTES DTD 12/30/2013 0.375% 12/30/2015	3130A0GK0	1,450,000.00	AA+	Aaa	12/12/13	12/30/13	1,449,565.00	0.39	15.10	1,449,674.04	1,450,182.70
FNMA GLOBAL BENCHMARK NOTES DTD 02/16/2006 5.000% 03/15/2016	31359MH89	1,750,000.00	AA+	Aaa	01/04/12	01/06/12	2,033,815.00	1.04	25,763.89	1,866,956.96	1,886,512.25
FANNIE MAE GLOBAL NOTES DTD 02/15/2013 0.500% 03/30/2016	3135G0VA8	2,050,000.00	AA+	Aaa	06/25/13	06/25/13	2,033,497.50	0.80	2,590.97	2,039,528.83	2,053,493.20



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2014**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC GLOBAL NOTES DTD 03/07/2013 0.500% 05/13/2016	3137EADQ9	1,915,000.00	AA+	Aaa	03/06/13	03/07/13	1,914,885.10	0.50	1,276.67	1,914,931.60	1,915,825.37
FHLMC NOTES DTD 04/08/2011 2.500% 05/27/2016	3137EACT4	1,250,000.00	AA+	Aaa	01/04/12	01/06/12	1,325,312.50	1.09	2,951.39	1,283,120.31	1,296,512.50
FNMA NOTES DTD 06/15/2006 5.375% 07/15/2016	31359MS61	3,050,000.00	AA+	Aaa	07/17/13	07/18/13	3,475,048.00	0.66	75,593.40	3,340,584.88	3,349,336.15
FREDDIE MAC GLOBAL NOTES DTD 07/08/2011 2.000% 08/25/2016	3137EACW7	1,250,000.00	AA+	Aaa	12/08/11	12/09/11	1,298,987.50	1.14	8,750.00	1,272,683.76	1,287,628.75
FHLMC NOTES DTD 08/16/2013 0.875% 10/14/2016	3137EADS5	2,000,000.00	AA+	Aaa	10/01/13	10/03/13	2,006,080.00	0.77	3,743.06	2,004,598.82	2,013,008.00
FANNIE MAE GLOBAL NOTES DTD 01/09/2012 1.250% 01/30/2017	3135G0GY3	1,625,000.00	AA+	Aaa	06/17/14	06/18/14	1,641,477.50	0.86	8,519.97	1,641,253.67	1,645,327.13
FEDERAL HOME LOAN BANKS (CALLABLE) DTD 03/27/2014 1.625% 03/27/2017	3130A1CR7	1,175,000.00	AA+	Aaa	04/02/14	04/04/14	1,187,913.25	1.25	4,985.59	1,184,734.76	1,187,318.70
FREDDIE MAC GLOBAL NOTES DTD 05/14/2012 1.000% 06/29/2017	3137EADH9	1,850,000.00	AA+	Aaa	10/31/13	11/01/13	1,852,590.00	0.96	102.78	1,852,129.09	1,854,003.40
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	1,300,000.00	AA+	Aaa	07/30/12	07/31/12	1,308,697.00	0.86	5,525.00	1,305,401.62	1,300,798.20
FANNIE MAE GLOBAL NOTES DTD 07/20/2012 0.875% 08/28/2017	3135G0MZ3	1,575,000.00	AA+	Aaa	09/06/12	09/10/12	1,578,906.00	0.82	4,632.03	1,577,504.06	1,566,260.33
FREDDIE MAC GLOBAL NOTES DTD 08/10/2012 1.000% 09/29/2017	3137EADL0	600,000.00	AA+	Aaa	10/04/12	10/05/12	606,402.00	0.78	1,533.33	604,196.09	598,762.80
FANNIE MAE GLOBAL NOTES DTD 09/24/2012 0.875% 10/26/2017	3135G0PO0	1,725,000.00	AA+	Aaa	11/27/13	12/03/13	1,711,803.75	1.08	2,725.26	1,713,729.33	1,712,341.95
FREDDIE MAC GLOBAL NOTES DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	2,850,000.00	AA+	Aaa	03/26/13	03/27/13	2,842,476.00	0.93	7,896.88	2,844,364.92	2,809,310.55
FANNIE MAE GLOBAL NOTES DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	1,000,000.00	AA+	Aaa	05/24/13	05/31/13	984,850.00	1.19	972.22	988,076.44	983,216.00



Managed Account Detail of Securities Held

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CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FANNIE MAE GLOBAL NOTES DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	1,750,000.00	AA+	Aaa	05/22/13	05/24/13	1,735,212.50	1.05	1,701.39	1,738,414.18	1,720,628.00
Security Type Sub-Total		30,165,000.00					30,987,518.60	0.87	159,278.93	30,621,883.36	30,630,465.98

Corporate Note											
GENERAL ELECTRIC CO NOTES DTD 10/09/2012 0.850% 10/09/2015	369604BE2	500,000.00	AA+	Aa3	10/02/12	10/09/12	501,390.00	0.76	968.06	500,593.20	502,480.00
GENERAL ELECTRIC CO NOTES DTD 10/09/2012 0.850% 10/09/2015	369604BE2	600,000.00	AA+	Aa3	10/01/12	10/09/12	599,838.00	0.86	1,161.67	599,930.81	602,976.00
TOYOTA MOTOR CREDIT CORP DTD 01/11/2011 2.800% 01/11/2016	89233P4R4	1,500,000.00	AA-	Aa3	03/05/13	03/08/13	1,586,244.00	0.75	19,833.33	1,546,599.14	1,552,942.50
BERKSHIRE HATHAWAY FIN CORP NOTE DTD 02/11/2013 0.800% 02/11/2016	084670BG2	400,000.00	AA	Aa2	01/29/13	02/11/13	399,964.00	0.80	1,244.44	399,980.56	402,212.40
WAL-MART STORES INC GLOBAL NOTES DTD 04/11/2013 0.600% 04/11/2016	931142DE0	375,000.00	AA	Aa2	04/04/13	04/11/13	374,733.75	0.62	500.00	374,841.64	375,731.63
STANFORD UNIVERSITY NOTES DTD 04/29/2009 4.250% 05/01/2016	854403AB8	725,000.00	AAA	Aaa	06/13/13	06/18/13	796,042.75	0.79	5,135.42	770,573.71	768,656.60
APPLE INC GLOBAL NOTES DTD 05/03/2013 0.450% 05/03/2016	037833AH3	340,000.00	AA+	Aa1	04/30/13	05/03/13	339,384.60	0.51	246.50	339,621.70	339,276.82
IBM CORP GLOBAL NOTES (EX-CALLABLE) DTD 05/07/2013 0.450% 05/06/2016	459200HL8	1,550,000.00	AA-	Aa3	05/02/13	05/07/13	1,545,629.00	0.55	1,065.63	1,547,297.87	1,547,033.20
CHEVRON CORP GLOBAL NOTES DTD 06/24/2013 0.889% 06/24/2016	166764AC4	400,000.00	AA	Aa1	06/17/13	06/24/13	400,000.00	0.89	69.14	400,000.00	402,550.00
BERKSHIRE HATHAWAY FIN GLOBAL NOTES DTD 08/15/2013 0.950% 08/15/2016	084664BX8	835,000.00	AA	Aa2	08/06/13	08/15/13	834,557.45	0.97	2,996.72	834,685.65	839,481.45
COCA-COLA CO/THE GLOBAL NOTES DTD 11/01/2013 0.750% 11/01/2016	191216BD1	215,000.00	AA	Aa3	10/29/13	11/01/13	214,752.75	0.79	268.75	214,807.21	214,804.35
EXXON MOBIL CORP NOTE DTD 03/20/2014 0.921% 03/15/2017	30231GAA0	1,605,000.00	AAA	Aaa	03/17/14	03/20/14	1,605,000.00	0.92	4,147.19	1,605,000.00	1,606,682.04



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CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
WAL-MART STORES INC CORP NOTES DTD 04/22/2014 1.000% 04/21/2017	931142DN0	290,000.00	AA	Aa2	04/15/14	04/22/14	289,956.50	1.01	555.83	289,959.24	290,626.69
APPLE INC CORP NOTE DTD 05/06/2014 1.050% 05/05/2017	037833AM2	1,525,000.00	AA+	Aa1	04/29/14	05/06/14	1,524,191.75	1.07	2,446.35	1,524,232.41	1,527,058.75
Security Type Sub-Total		10,860,000.00					11,011,684.55	0.82	40,639.03	10,948,123.14	10,972,512.43
Certificate of Deposit											
RABOBANK NEDERLAND NV NY CD DTD 05/13/2014 0.716% 05/06/2016	21684BPV0	1,450,000.00	A-1+	P-1	05/09/14	05/13/14	1,450,000.00	0.71	1,384.75	1,450,000.00	1,444,076.75
Security Type Sub-Total		1,450,000.00					1,450,000.00	0.71	1,384.75	1,450,000.00	1,444,076.75
Managed Account Sub-Total		71,700,000.00					72,747,306.96	0.81	269,984.73	72,295,591.17	72,350,124.23
Securities Sub-Total		\$71,700,000.00					\$72,747,306.96	0.81%	\$269,984.73	\$72,295,591.17	\$72,350,124.23
Accrued Interest											\$269,984.73
Total Investments											\$72,620,108.96



Managed Account Detail of Securities Held

For the Month Ending **June 30, 2014**

CITY OF COLORADO SPRINGS AIRPORT RESERVE

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/01/2010 1.250% 10/31/2015	912828PE4	100,000.00	AA+	Aaa	08/22/11	08/24/11	102,265.62	0.70	210.60	100,728.05	101,406.20
US TREASURY NOTES DTD 06/17/2013 0.500% 06/15/2016	912828VG2	50,000.00	AA+	Aaa	04/08/14	04/11/14	50,000.00	0.50	10.93	50,000.00	50,062.50
US TREASURY NOTES DTD 07/31/2012 0.500% 07/31/2017	912828TG5	150,000.00	AA+	Aaa	08/14/12	08/15/12	148,271.48	0.74	312.85	148,918.15	148,019.53
Security Type Sub-Total		300,000.00					300,537.10	0.68	534.38	299,646.20	299,488.23
Municipal Bond / Note											
MD ST ECON DEV CORP TXBL REV BONDS DTD 10/31/2012 0.750% 06/01/2015	57420PGF7	120,000.00	AA+	Aa1	10/17/12	10/31/12	120,060.00	0.73	75.00	120,021.35	120,326.40
NYC, NY TXBL GO BONDS DTD 08/15/2013 1.080% 08/01/2016	64966KL68	125,000.00	AA	Aa2	07/25/13	08/15/13	125,000.00	1.08	562.50	125,000.00	125,423.75
Security Type Sub-Total		245,000.00					245,060.00	0.91	637.50	245,021.35	245,750.15
Federal Agency Bond / Note											
FHLB (CALLABLE) GLOBAL NOTES DTD 12/30/2013 0.375% 12/30/2015	3130A0GK0	100,000.00	AA+	Aaa	12/12/13	12/30/13	99,970.00	0.39	1.04	99,977.52	100,012.60
FANNIE MAE GLOBAL NOTES DTD 01/09/2012 1.250% 01/30/2017	3135G0GY3	140,000.00	AA+	Aaa	09/06/12	09/10/12	143,362.80	0.69	734.03	141,989.67	141,751.26
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	100,000.00	AA+	Aaa	07/30/12	07/31/12	100,669.00	0.86	425.00	100,415.51	100,061.40
FREDDIE MAC GLOBAL NOTES DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	200,000.00	AA+	Aaa	03/26/13	03/27/13	199,472.00	0.93	554.17	199,604.56	197,144.60
FANNIE MAE GLOBAL NOTES DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	100,000.00	AA+	Aaa	05/24/13	05/31/13	98,485.00	1.19	97.22	98,807.64	98,321.60
FANNIE MAE GLOBAL NOTES DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	175,000.00	AA+	Aaa	05/22/13	05/24/13	173,521.25	1.05	170.14	173,841.42	172,062.80



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For the Month Ending **June 30, 2014**

CITY OF COLORADO SPRINGS AIRPORT RESERVE

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FNMA (CALLABLE) GLOBAL NOTES DTD 10/18/2006 5.450% 10/18/2021	31359MZ22	430,000.00	AA+	Aaa	07/20/10	07/21/10	493,996.90	3.81	4,752.10	454,868.10	474,064.68
Security Type Sub-Total		1,245,000.00					1,309,476.95	1.96	6,733.70	1,269,504.42	1,283,418.94
Corporate Note											
GENERAL ELEC CAP CORP GLOBAL NOTES DTD 01/09/2012 2.150% 01/09/2015	36962G5M2	125,000.00	AA+	A1	03/05/12	03/06/12	128,547.50	1.13	1,284.03	125,660.58	126,231.25
GENERAL ELECTRIC CO NOTES DTD 10/09/2012 0.850% 10/09/2015	369604BE2	125,000.00	AA+	Aa3	10/02/12	10/09/12	125,347.50	0.76	242.01	125,148.30	125,620.00
TOYOTA MOTOR CREDIT CORP DTD 01/11/2011 2.800% 01/11/2016	89233P4R4	125,000.00	AA-	Aa3	03/05/13	03/08/13	132,187.00	0.75	1,652.78	128,883.26	129,411.88
IBM CORP GLOBAL NOTES (EX-CALLABLE) DTD 05/07/2013 0.450% 05/06/2016	459200HL8	150,000.00	AA-	Aa3	05/02/13	05/07/13	149,577.00	0.55	103.13	149,738.50	149,712.89
BERKSHIRE HATHAWAY FIN GLOBAL NOTES DTD 08/15/2013 0.950% 08/15/2016	084664BX8	70,000.00	AA	Aa2	08/06/13	08/15/13	69,962.90	0.97	251.22	69,973.65	70,375.69
Security Type Sub-Total		595,000.00					605,621.90	0.81	3,533.17	599,404.29	601,351.71
Managed Account Sub-Total		2,385,000.00					2,460,695.95	1.41	11,438.75	2,413,576.26	2,430,009.03
Securities Sub-Total		\$2,385,000.00					\$2,460,695.95	1.41%	\$11,438.75	\$2,413,576.26	\$2,430,009.03
Accrued Interest											\$11,438.75
Total Investments											\$2,441,447.78

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