



City of Colorado Springs Investment Performance Review Quarter Ending September 30, 2014

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Summary

- While the U.S. economy continued its recovery during the quarter, global unrest and uncertainty about future central bank policy—including actions of the Federal Reserve (Fed)—resulted in volatility in the bond and equity markets.
- Ten-year Treasury bond yields were little changed compared to the end of the previous quarter, although yields experienced larger movements throughout the quarter. On the other hand, shorter-term rates generally rose while longer-term rates fell modestly.
- Geopolitical uncertainty continued to move the markets. Military conflicts in Ukraine and the Middle East, as well as weaker economic data in the euro zone and various emerging markets such as China and Brazil, factored significantly in investor sentiment.

Economic Snapshot

- Second-quarter gross domestic product (GDP) rose at a revised annual rate of 4.6%, driven by increased consumption, inventories, exports, residential and nonresidential investment, and local government spending.
- The U.S. unemployment rate fell from 6.1% in June to 5.9% in September. While job growth has been impressive, wage growth has been weak and other measures such as the labor force participation rate and the number of part-time workers for economic reasons indicate lingering levels of underutilization.
- Housing market data was also a “glass half empty, glass half full” scenario, as housing-related indicators experienced a series of ups and downs throughout the quarter. Most recently, new-home sales reached the highest level since 2008, while existing-home sales had a small, unexpected decline.

Interest Rates

- The Federal Open Market Committee (FOMC) reaffirmed that its quantitative easing bond purchase program will end in October. At the same time, the FOMC released updated assessments of where individual participants judged the appropriate level for the federal funds rate at the end of the next few calendar years. Those assessments showed a surprisingly fast upward trajectory for short-term rates that are inconsistent with both Fed Chair Janet Yellen’s public comments and persistently low current market rates.
- Inflation (as measured by the Consumer Price Index) unexpectedly decreased month over month in August. This marked the first decline in almost a year and a half. Inflation continues to run below the Fed’s 2% target rate.
- Yields on intermediate-maturity (two- to five-year) Treasuries ended the quarter higher. Surprisingly, this was not the case for longer maturities (10-30 years); instead, rates continued to fall modestly, causing a flattening of the Treasury yield curve.

Sector Performance

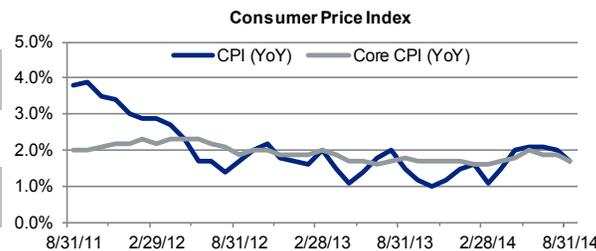
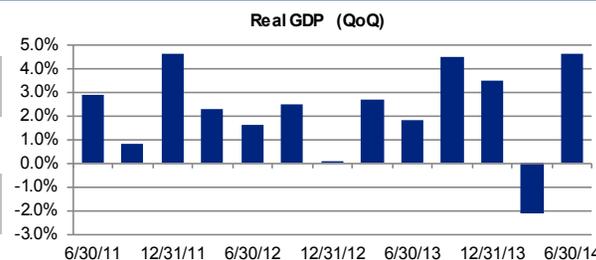
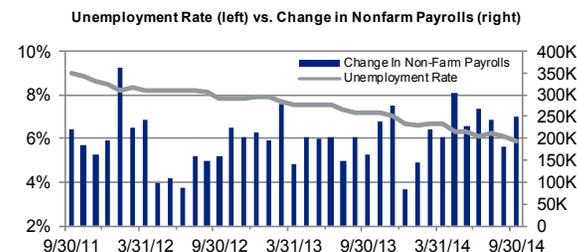
- Fixed-income performance was very modest for the quarter—or in some cases modestly negative—as income was offset by interest rate increases for short- and intermediate-term maturities across most sectors. The exceptions were longer-maturity Treasury, Agency, and municipal bonds, where yields actually fell modestly.
- Spreads generally widened in the quarter. While the impact was modest for the Agency sector, spread widening in corporates negatively affected performance in the sector. Still, corporates have been one of the best-performing sectors over the past one-, three-, and five-year periods.
- Short-term markets continued to be driven by the Fed as well as new regulations affecting banks and money market funds.

Economic Snapshot

Labor Market	Latest	Jun 2014	Sep 2013	
Unemployment Rate	Sep'14	5.9%	6.1%	7.2%
Change In Non-Farm Payrolls	Sep'14	248,000	267,000	164,000
Average Hourly Earnings (YoY)	Sep'14	2.0%	1.9%	2.0%
Personal Income (YoY)	Aug'14	4.3%	4.1%	2.8%
Initial Jobless Claims (week)	Sep 26	287,000	316,000	318,000

Growth	Latest	Jun 2014	Sep 2013	
Real GDP (QoQ SAAR)	2014Q2	4.6%	-2.1% ¹	4.5% ²
GDP Personal Consumption (QoQ SAAR)	2014Q2	2.5%	1.2% ¹	2.0% ²
Retail Sales (YoY)	Aug'14	5.0%	4.4%	3.2%
ISM Manufacturing Survey (month)	Sep'14	56.6	55.3	56.0
Existing Home Sales SAAR (month)	Aug'14	5.05 mil.	5.03 mil.	5.26 mil.

Inflation / Prices	Latest	Jun 2014	Sep 2013	
Personal Consumption Expenditures (YoY)	Aug'14	1.5%	1.6%	1.0%
Consumer Price Index (YoY)	Aug'14	1.7%	2.1%	1.2%
Consumer Price Index Core (YoY)	Aug'14	1.7%	1.9%	1.7%
Crude Oil Futures (WTI, per barrel)	Sep 30	\$91.16	\$105.37	\$102.33
Gold Futures (oz.)	Sep 30	\$1,211	\$1,322	\$1,327



1. Data as of First Quarter 2014

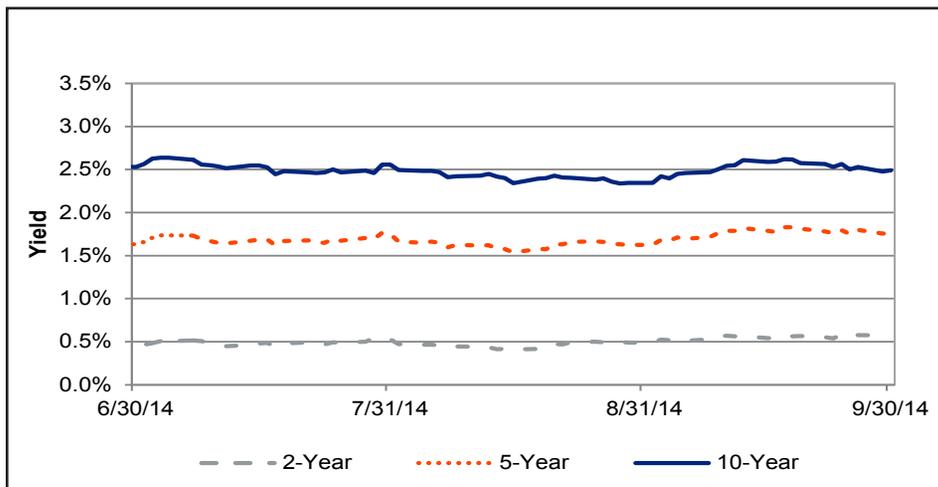
2. Data as of Third Quarter 2013

Note: YoY = year over year, QoQ = quarter over quarter, SAAR = seasonally adjusted annual rate, WTI = West Texas Intermediate crude oil

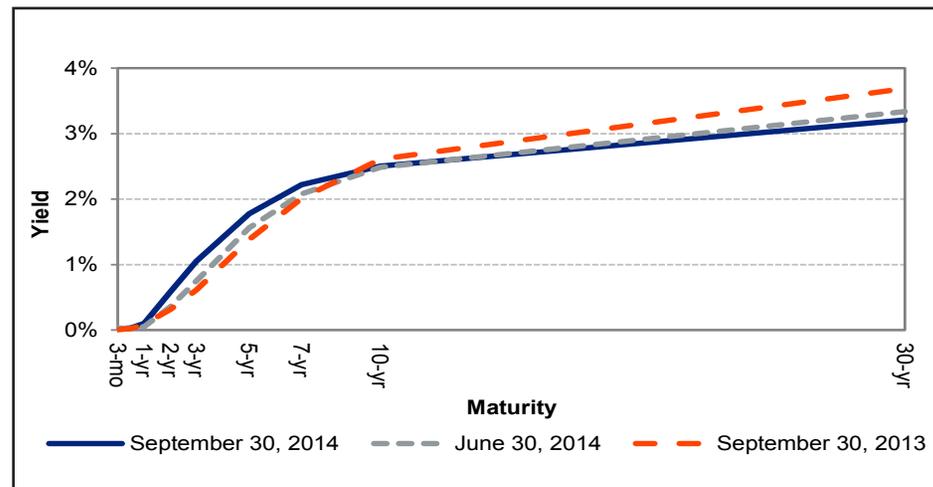
Source: Bloomberg

Interest Rate Overview

U.S. Treasury Note Yields



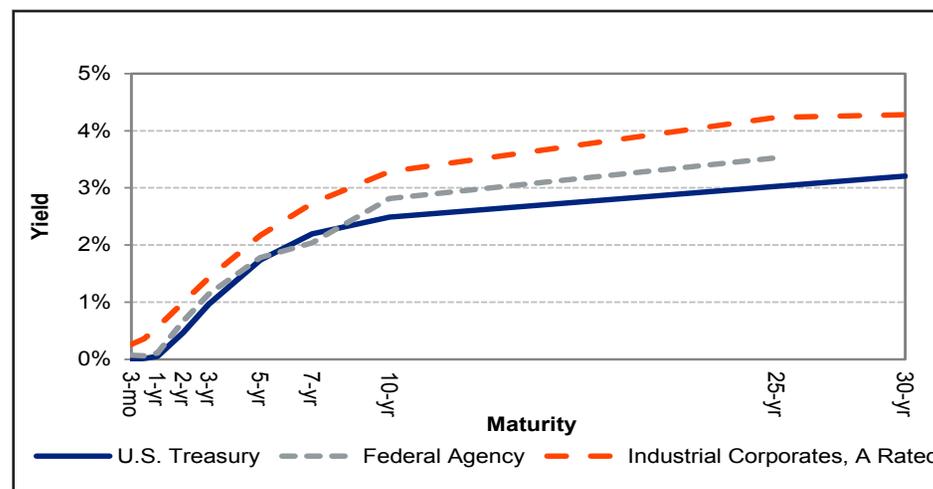
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	9/30/14	6/30/14	Change over Quarter	9/30/13	Change over Year
3-month	0.02%	0.02%	0.00%	0.01%	0.01%
1-year	0.10%	0.10%	0.00%	0.09%	0.01%
2-year	0.57%	0.46%	0.11%	0.32%	0.25%
5-year	1.76%	1.63%	0.13%	1.38%	0.38%
10-year	2.49%	2.53%	(0.04%)	2.61%	(0.12%)
30-year	3.20%	3.36%	(0.16%)	3.69%	(0.49%)

Yield Curves as of 9/30/14



Source: Bloomberg

BofA Merrill Lynch Index Returns

	As of 9/30/2014		Returns for Periods ended 9/30/2014		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.91	0.59%	0.03%	0.50%	0.48%
Federal Agency	1.86	0.71%	0.07%	0.63%	0.65%
U.S. Corporates, A-AAA rated	1.96	1.14%	0.02%	1.39%	2.28%
Agency MBS (0 to 3 years)	1.56	1.21%	(0.14%)	1.49%	1.16%
Municipals	1.81	0.54%	0.12%	1.05%	1.04%
1-5 Year Indices					
U.S. Treasury	2.71	0.97%	(0.06%)	0.64%	0.63%
Federal Agency	2.36	0.97%	0.00%	0.99%	0.86%
U.S. Corporates, A-AAA rated	2.85	1.65%	(0.10%)	2.16%	3.06%
Agency MBS (0 to 5 years)	3.16	2.20%	0.05%	3.21%	2.01%
Municipals	2.58	0.83%	0.31%	1.88%	1.56%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	5.93	1.63%	0.43%	2.70%	1.08%
Federal Agency	3.95	1.48%	0.25%	2.55%	1.31%
U.S. Corporates, A-AAA rated	6.71	2.76%	0.17%	5.85%	4.58%
Agency MBS (0 to 30 years)	4.68	2.75%	0.15%	3.72%	2.06%
Municipals	6.99	2.65%	1.64%	8.73%	4.83%

Returns for periods greater than one year are annualized

Source: BofA Merrill Lynch Indices

Disclosures

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Investment Report

Third Quarter 2014

Fixed Income
Management

Portfolio Summary

<u>Total Portfolio Value</u>	<u>September 30, 2014</u>	<u>June 30, 2014</u>	<u>September 30, 2014</u>	<u>June 30, 2014</u>
Market Value	\$72,738,916.25	\$72,736,513.07	\$2,433,971.61	\$2,441,447.78
Amortized Cost	\$72,887,965.63	\$72,681,980.01	\$2,425,576.58	\$2,425,015.01

PORTFOLIO RECAP

- The portfolios comply with the Colorado Revised Statutes and the City's investment policy. The portfolios are diversified among U.S. Treasury, Federal Agency, high-quality corporate securities, and municipal securities.
- U.S. Treasury yields continued to experience periods of volatility throughout the quarter, particularly around key economic data releases, Federal Reserve meetings, and in response to swings in global equity markets.
- Yields for intermediate maturities (2-5 years) ended the quarter 11-17 basis points (0.11%-0.17%) higher. Surprisingly, this was not the case for longer maturities (10-30 years), where rates continued to fall modestly, causing a flattening of the Treasury yield curve.
- Our duration strategy remained defensive throughout the quarter, driven largely by our positive assessment of U.S. economic conditions and the expected market reaction to an eventual change in Federal Reserve monetary policy. We sought, and capitalized on, opportunities to modestly extend the portfolio's duration when rates moved toward the higher end of recent trading ranges.
- Our sector preferences continued to favor credit-related instruments, including corporate notes and negotiable bank CDs. While market demand for corporate notes remains very strong, we had success in garnering good allocations on new issues, and using reverse inquiries (where PFMAM specifies the desired structure and maturity) to selected issuers to implement specific product strategies in the bank and corporate credit sectors.
- Yield spreads between U.S. Agencies and similar maturity U.S. Treasuries temporarily deviated from their recent tightening trend, presenting a brief yet attractive opportunity to add Agency exposure.
- The yield curve remains steep by historical standards, which means longer maturities continue to benefit from the favorable impact of "roll-down."
- Performance on the Reserve Portfolio, and all fixed-income portfolios, was dampened this quarter as income was offset by interest rate increases for short- and intermediate-term maturities across most sectors.
- Note: Because the Airport Reserve Portfolio must meet certain requirements set by bond documents, the portfolio is not managed to a benchmark and performance is not calculated. The Portfolio's objective is to maximize return within the constraints of the bond documents and while maintaining safety of principal.

PORTFOLIO STRATEGY

- We continue to navigate the market environment with a keen focus on relative value sector analysis, prudent duration management, and efficient yield curve placement. While producing strong investment returns remains a priority, it is secondary to maintaining safety and liquidity, particularly in the current environment where we expect yields to trend higher.
- As economic data continues to signal a prospering U.S. economy, we believe the Federal Reserve will reduce the significant monetary support that has driven capital markets for the past six years. The Fed will conclude its large-scale asset purchase program in October, after which all eyes will turn to the FOMC's main policy tool—the Fed Funds Rate—and the potential timing and magnitude of expected rate hikes in 2015.
- The Federal Reserve recently updated its “policy normalization principles and plans” which explains the methods it will use to raise short-term interest rates and to reduce the Fed's securities holdings. While this provided valuable insights into how the Fed will act, there remains significant uncertainty regarding the timing and pace of those actions; market expectations currently range between the spring and summer of 2015 for a first rate hike. As was experienced in previous periods of monetary policy adjustment, we believe the market will push rates higher before any formal FOMC announcement. In such a period of policy transition and higher risk, we will continue to favor a defensive duration position for the portfolios.
- Various factors could produce increased volatility, and downward rate pressure, at least temporarily, in coming quarters. These factors include developing geopolitical uncertainties, a stock market correction, weaker global economic growth, and easier central bank policies in Europe and elsewhere.
- We expect credit conditions to remain favorable and yield spreads to remain narrow; however, the portfolios are positioned with the flexibility to capitalize on any temporary market dislocations or specific opportunities. We will continue to evaluate the broadest range of permitted investments as we seek to capture favorable investment opportunities and optimize sector allocations.
- The SEC's recently finalized rules for money market funds have not yet impacted the shortest maturity securities. These new rules, along with a multitude of new bank standards for capital and liquidity, are likely to influence the supply and structure of money market securities in the next year or two. We will continue to closely monitor developments in this space and their potential impact on the portfolios strategies.

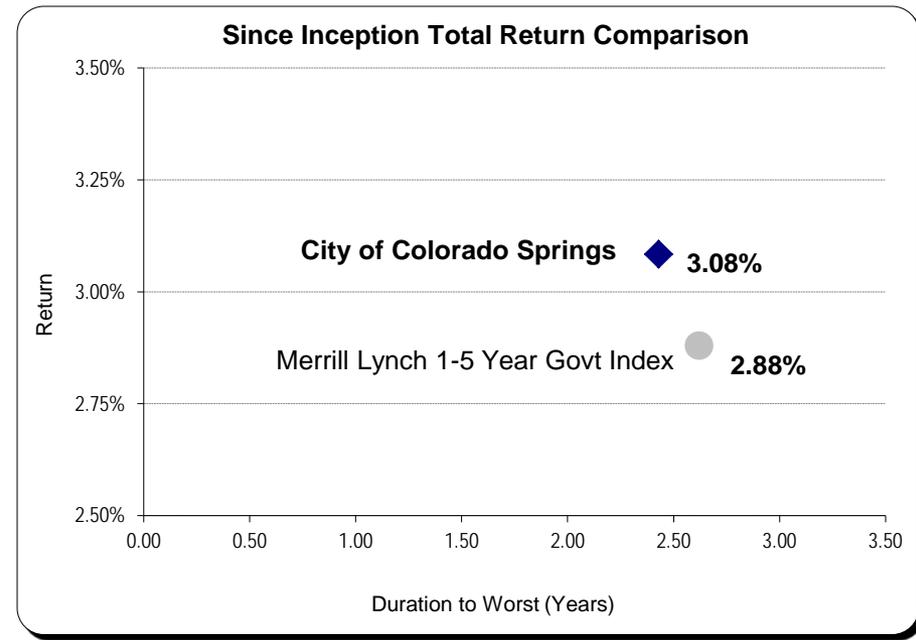
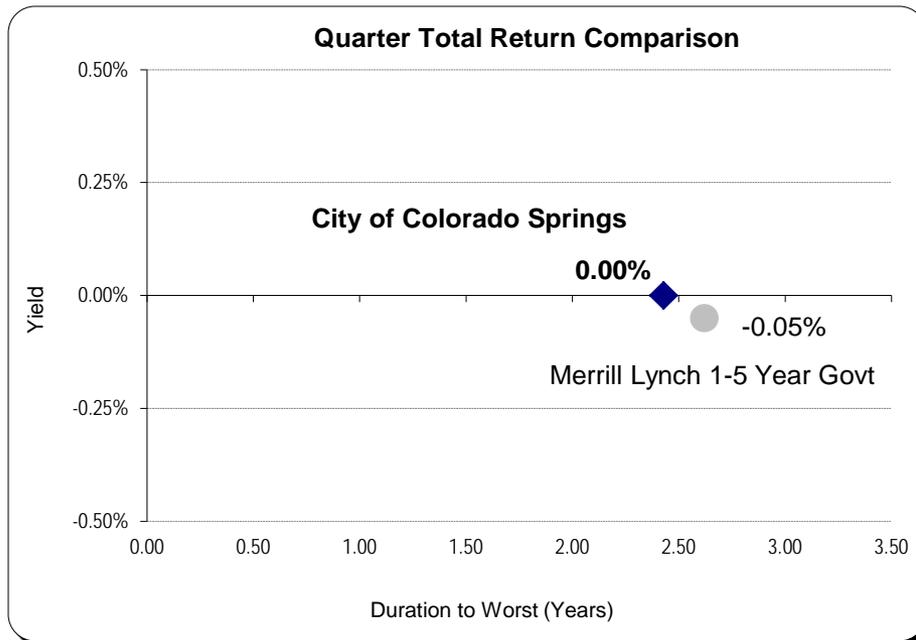
Investment Report

Fixed Income
Management

Reserve Portfolio Performance

Total Return ^{1,2,3,4,5}	Quarter Ended September 30, 2014	Annualized Quarter	Past 1 Year	Past 3 Years	Past 5 Years	Since Inception
City of Colorado Springs	0.00%	0.00%	0.85%	0.85%	1.63%	3.08%
Merrill Lynch 1-5 Year Govt Index	-0.05%	-0.20%	0.67%	0.66%	1.63%	2.88%

Effective Duration ⁵	September 30, 2014	June 30, 2014	Yields	September 30, 2014	June 30, 2014
City of Colorado Springs	2.43	2.33	Yield at Market	0.97%	0.73%
Merrill Lynch 1-5 Year Govt Index	2.62	2.63	Yield at Cost	0.93%	0.81%



Notes:

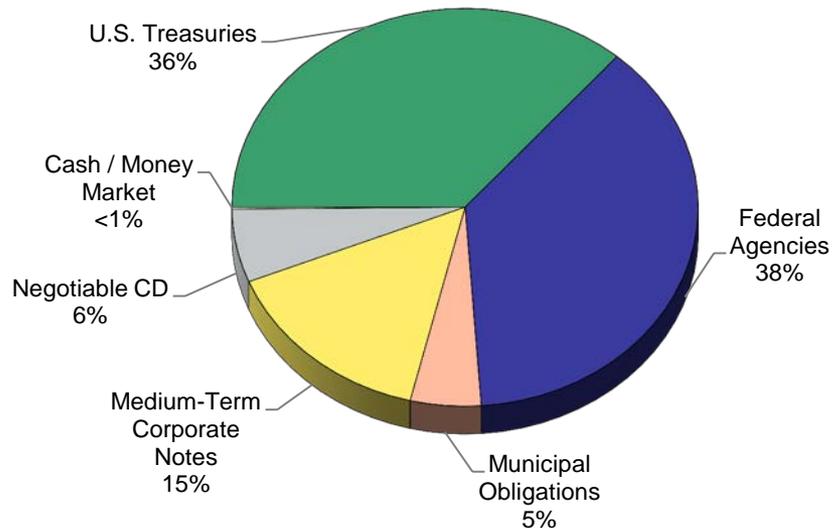
1. Performance on trade-date basis, gross (i.e., before fees) in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
2. Merrill Lynch Indices provided by Bloomberg Financial Markets.
3. Quarterly returns are presented on both an unannualized and annualized basis. The annualized return assumes the quarterly return is compounded at the same rate for four quarters and is presented for reference only. The actual annual return will be the result of chaining the most recent four quarterly returns.
4. Inception date is 3/31/2003.
5. Excludes CSIP in the performance, yield and duration calculations.

Investment Report

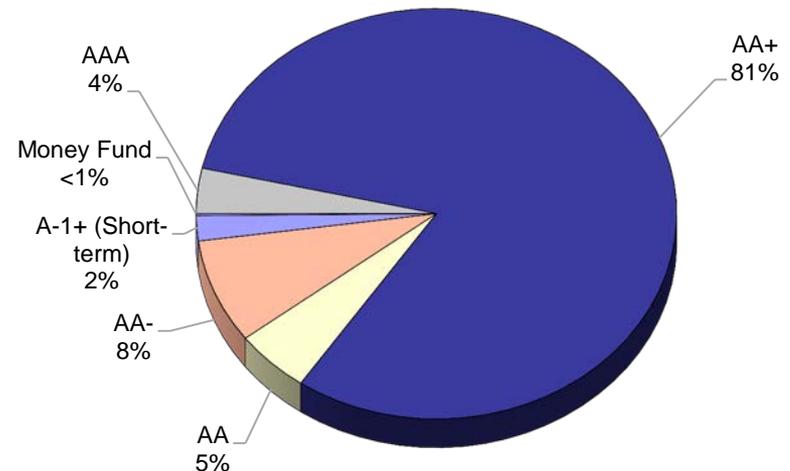
Reserve Portfolio Composition and Credit Quality Characteristics

<u>Security Type</u> ^{1,2}	<u>September 30, 2014</u>	<u>% of Portfolio</u>	<u>June 30, 2014</u>	<u>% of Portfolio</u>	<u>Purchase Restrictions</u>
U.S. Treasuries	\$26,407,598.68	36.3%	\$25,807,285.17	35.5%	100%
Federal Agencies	\$27,341,232.00	37.6%	\$30,789,744.91	42.3%	85%
Municipal Obligations	\$3,562,895.28	4.9%	\$3,564,465.92	4.9%	20%
Medium-Term Corporate Notes	\$10,980,410.10	15.1%	\$11,013,151.46	15.1%	35%
Negotiable CD	\$4,336,656.40	6.0%	\$1,445,461.50	2.0%	30%
Cash / Money Market	\$110,123.79	0.1%	\$116,404.11	0.2%	100%
Totals	\$72,738,916.25	99.9%	\$72,736,513.07	100.0%	

Portfolio Composition



Portfolio Credit Quality Distribution



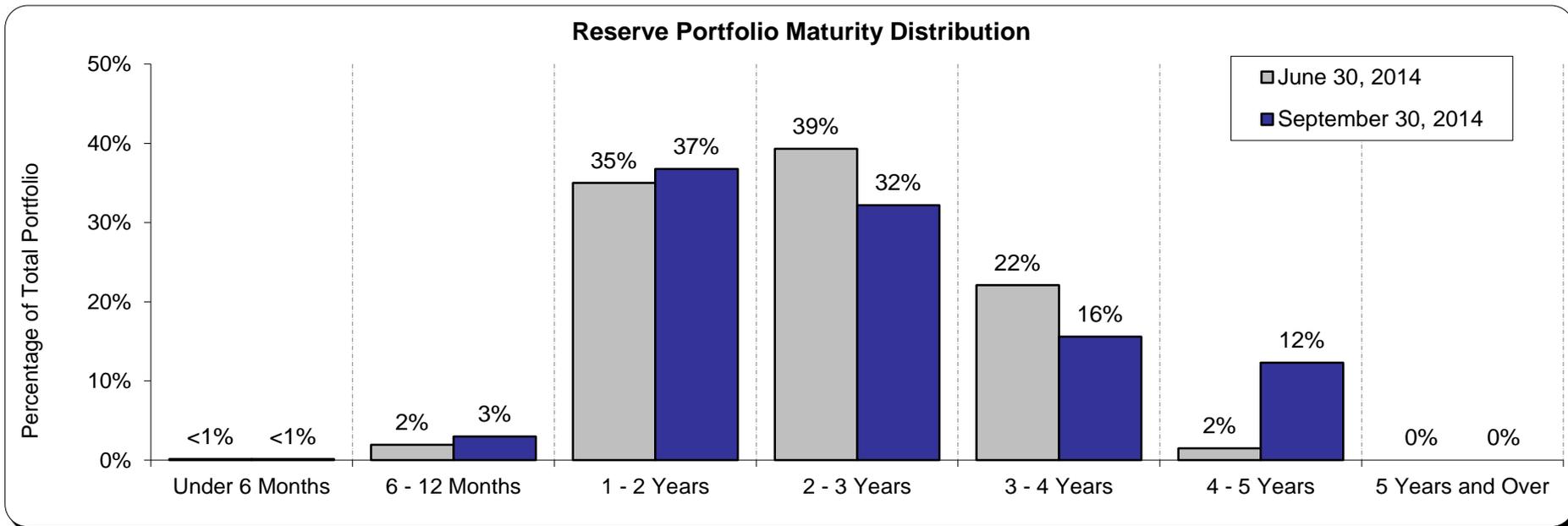
Ratings by Standard & Poor's

Notes:
 1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
 2. Excludes funds invested in CSIP.

Investment Report

Reserve Portfolio Maturity Distribution

<u>Maturity Distribution</u> ^{1,2}	<u>September 30, 2014</u>	<u>June 30, 2014</u>
Under 6 Months	\$110,123.79	\$116,404.11
6 - 12 Months	\$2,183,007.71	\$1,404,683.00
1 - 2 Years	\$26,732,186.03	\$25,464,704.08
2 - 3 Years	\$23,412,519.51	\$28,587,940.11
3 - 4 Years	\$11,353,170.85	\$16,071,585.35
4 - 5 Years	\$8,947,908.36	\$1,091,196.42
5 Years and Over	\$0.00	\$0.00
Totals	\$72,738,916.25	\$72,736,513.07



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their legally stated final maturity date.

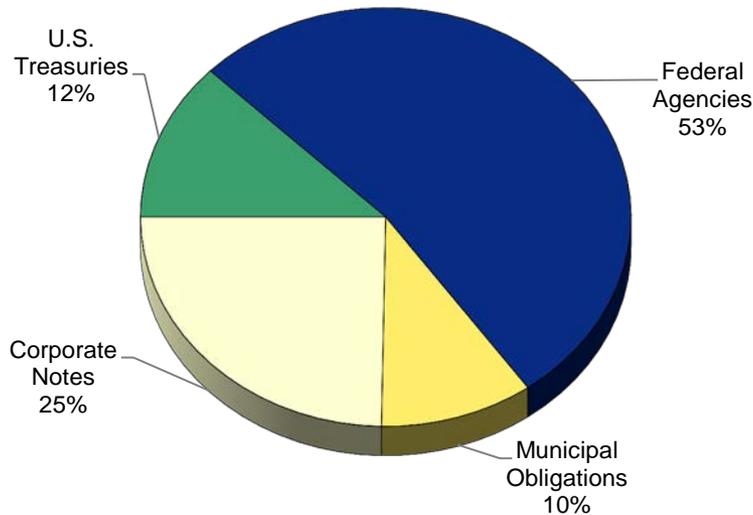
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Investment Report

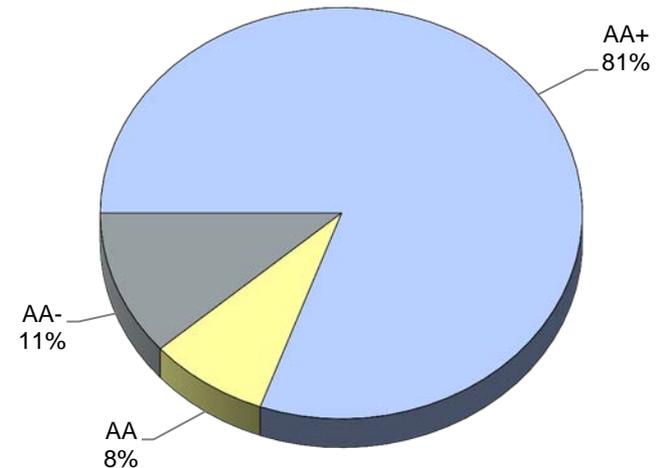
Airport Reserve Portfolio Composition and Credit Quality Characteristics

<u>Security Type¹</u>	<u>September 30, 2014</u>	<u>% of Portfolio</u>	<u>June 30, 2014</u>	<u>% of Portfolio</u>	<u>Purchase Restrictions</u>
U.S. Treasuries	\$299,660.83	12.3%	\$300,022.61	12.3%	100%
Federal Agencies	\$1,286,281.72	52.9%	\$1,290,152.64	52.8%	85%
Municipal Obligations	\$246,192.85	10.1%	\$246,387.65	10.1%	20%
Medium-Term Corporate Notes	\$601,836.21	24.7%	\$604,884.88	24.8%	35%
Cash / Money Market	\$0.00	0.0%	\$0.00	0.0%	100%
Totals	\$2,433,971.61	100.0%	\$2,441,447.78	100.0%	

Portfolio Composition



Portfolio Credit Quality Distribution



Ratings by Standard & Poor's

Notes:
 1. End of quarter trade-date market values of portfolio holdings, including accrued interest.
 2. Excludes funds invested in CSIP.

Investment Report

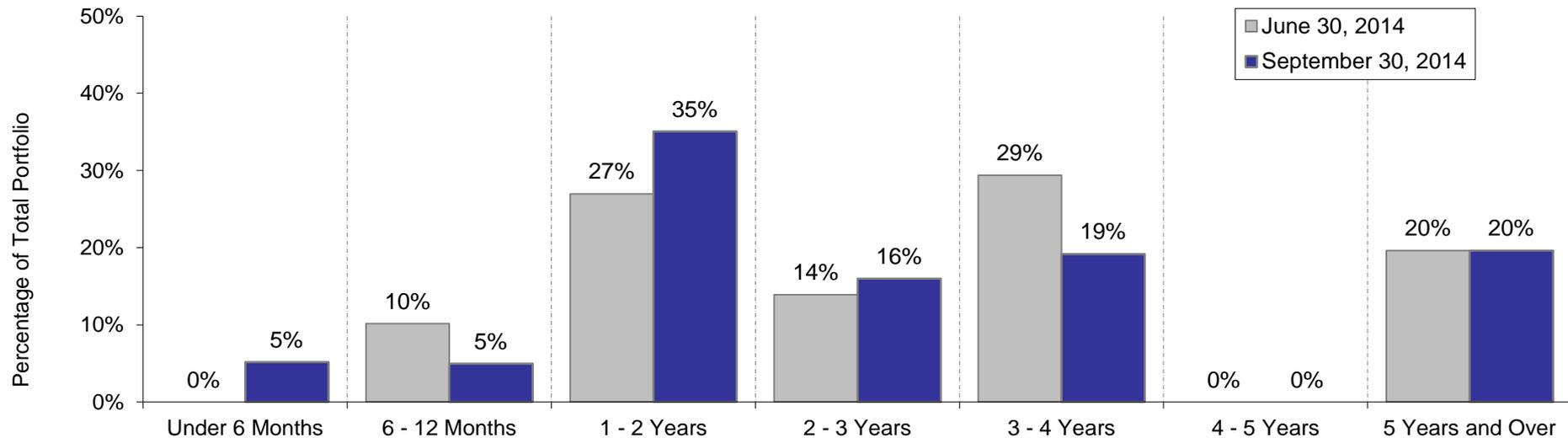
Airport Reserve Portfolio Maturity Distribution

Maturity Distribution ^{1,2}	September 30, 2014	June 30, 2014
Under 6 Months	\$126,242.53	\$0.00
6 - 12 Months	\$120,561.60	\$247,916.68
1 - 2 Years	\$853,218.79	\$658,446.56
2 - 3 Years	\$389,207.97	\$339,098.45
3 - 4 Years	\$466,904.34	\$717,169.31
4 - 5 Years	\$0.00	\$0.00
5 Years and Over	\$477,836.38	\$478,816.78
Totals	\$2,433,971.61	\$2,441,447.78

Airport Reserve Portfolio Yield Summary

Yields	September 30, 2014	June 30, 2014
Yield at Market	1.44%	1.36%
Yield at Cost	1.40%	1.41%

Reserve Portfolio Maturity Distribution ¹



Notes:

1. Callable securities in portfolio are included in the maturity distribution analysis to their legally stated final maturity date.

2. Excludes funds invested in CSIP.

Colorado Statewide Investment Program Summary

- CSIP invests in the Colorado Investors Class of the PFM Funds Prime Series (the "Fund"). The Fund invests in obligations of the United States Government and its agencies, high quality fixed-income securities of U.S. companies and obligations of financial institutions and is rated "AAAm" by Standard & Poor's.
- CSIP maintains a dollar-weighted average portfolio maturity of 60 days or less and is managed to maintain a constant \$1.00 price per share or net asset value (NAV).

<u>Colorado Statewide Investment Program</u>	<u>Balance</u>	<u>Monthly Distribution Yield</u>	<u>Weighted Average Maturity</u>
September 30, 2014	\$20,552,435.63	0.09%	54.7 Days
June 30, 2014	\$7,501,644.49	0.09%	47.3 Days

Disclaimers:

*This information does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security by anyone in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer is not qualified to do so, or to anyone to whom it is unlawful to make such an offer or solicitation, or to anyone in any jurisdiction outside the United States. Investors should consider the investment objectives, risks, charges and expenses before investing in any of the Fund's portfolios. This and other information about the Fund is available in the Fund's current Prospectus, which should be read carefully before investing. A copy of the Fund's Prospectus may be obtained by calling 1-800-338-3383 or is available on the Fund's website at www.pfmfunds.com. While the Fund's portfolios seek to maintain a stable net asset value of \$1.00 per share, it is possible to lose money investing in the Fund. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of the Fund are distributed by **PFM Fund Distributors, Inc.**, member Financial Industry Regulatory Authority (FINRA) (www.finra.org). PFM Fund Distributors, Inc. is a wholly owned subsidiary of PFM Asset Management LLC. Member SPIC.*



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS - XXXXX500

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 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	5,071.20	1,538,983.50	1,539,450.96
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	346.72	234,978.56	235,220.43
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	1,225.68	491,295.48	493,619.91
US TREASURY NOTES DTD 08/01/2011 1.500% 07/31/2016	912828QX1	3,255,000.00	AA+	Aaa	07/24/14	07/25/14	3,317,684.18	0.54	8,225.95	3,311,956.51	3,312,851.12
US TREASURY NOTES DTD 08/31/2011 1.000% 08/31/2016	912828RF9	925,000.00	AA+	Aaa	08/29/13	08/30/13	930,058.59	0.82	792.13	928,239.13	932,515.63
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	1,492.61	674,440.65	676,792.80
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	1,916.44	1,299,879.22	1,302,437.50
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	40.52	1,484,748.57	1,479,494.14
US TREASURY NOTES DTD 03/31/2012 1.000% 03/31/2017	912828SM3	3,325,000.00	AA+	Aaa	03/19/14	03/21/14	3,332,663.09	0.92	91.35	3,331,338.02	3,335,130.86
US TREASURY NOTES DTD 10/01/2012 0.625% 09/30/2017	912828TS9	400,000.00	AA+	Aaa	10/26/12	10/31/12	397,609.38	0.75	6.87	398,531.88	394,124.80
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	3,138.59	1,000,364.76	987,344.00
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	3,990.78	1,867,480.68	1,865,710.70
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	2,353.94	894,051.82	876,304.69
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	4,620.90	1,092,854.58	1,084,875.00



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS - XXXXX500

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 12/02/2013 1.250% 11/30/2018	912828A34	2,500,000.00	AA+	Aaa	07/01/14	07/07/14	2,473,828.13	1.50	10,502.05	2,475,189.85	2,465,625.00
US TREASURY NOTES DTD 01/31/2014 1.500% 01/31/2019	912828B33	2,900,000.00	AA+	Aaa	07/29/14	07/31/14	2,886,519.53	1.61	7,328.80	2,887,008.23	2,881,875.00
US TREASURY NOTES DTD 03/31/2014 1.625% 03/31/2019	912828C65	2,500,000.00	AA+	Aaa	09/02/14	09/04/14	2,502,734.38	1.60	111.61	2,502,701.53	2,492,970.00
Security Type Sub-Total		26,380,000.00					26,438,797.85	1.03	51,256.14	26,414,042.97	26,356,342.54
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	3,500.00	1,400,181.31	1,403,052.00
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	641.96	775,000.00	775,813.75
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	1,066.67	162,675.09	162,710.40
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	821.10	210,000.00	210,239.40
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	1,800.00	1,000,000.00	1,003,250.00
Security Type Sub-Total		3,545,000.00					3,550,263.20	0.77	7,829.73	3,547,856.40	3,555,065.55
Federal Agency Bond / Note											
FHLB (EX-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	1,374.48	1,449,728.36	1,451,322.40
FANNIE MAE GLOBAL NOTES DTD 02/15/2013 0.500% 03/30/2016	3135G0VA8	700,000.00	AA+	Aaa	06/25/13	06/25/13	694,365.00	0.80	9.72	696,932.62	700,535.50
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	3,670.42	1,914,940.71	1,916,059.00



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS - XXXXX500

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											
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	10,763.89	1,278,812.23	1,291,693.75
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	2,500.00	1,270,074.96	1,283,146.25
FHLB NOTES DTD 08/07/2014 0.500% 09/28/2016	3130A2T97	1,925,000.00	AA+	Aaa	08/06/14	08/07/14	1,920,668.75	0.61	80.21	1,920,968.93	1,919,361.68
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	8,118.06	2,004,100.16	2,008,412.00
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	3,441.84	1,639,695.70	1,640,026.38
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	212.15	1,181,446.29	1,182,833.73
FREDDIE MAC GLOBAL NOTES DTD 05/14/2012 1.000% 06/29/2017	3137EADH9	385,000.00	AA+	Aaa	08/11/14	08/13/14	385,367.29	0.97	983.89	385,350.74	384,416.73
FREDDIE MAC GLOBAL NOTES DTD 05/14/2012 1.000% 06/29/2017	3137EADH9	1,470,000.00	AA+	Aaa	08/11/14	08/13/14	1,471,719.90	0.96	3,756.67	1,471,642.17	1,467,772.95
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	285,000.00	AA+	Aaa	08/12/14	08/14/14	284,964.66	1.00	498.75	284,966.27	283,828.37
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	460,000.00	AA+	Aaa	08/12/14	08/14/14	459,969.18	1.00	805.00	459,970.64	458,108.94
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	2,275.00	1,304,967.57	1,294,655.70
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	1,263.28	1,577,306.97	1,564,409.70
FNMA NOTES DTD 08/25/2014 1.000% 09/27/2017	3135G0ZL0	640,000.00	AA+	Aaa	08/21/14	08/25/14	637,715.20	1.12	71.11	637,786.71	637,303.04
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	33.33	603,876.80	597,291.60



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS - XXXXX500

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 09/24/2012 0.875% 10/26/2017	3135G0PQ0	1,725,000.00	AA+	Aaa	11/27/13	12/03/13	1,711,803.75	1.08	6,498.70	1,714,563.84	1,708,633.20
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	1,662.50	2,844,741.15	2,801,467.35
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	3,159.72	988,826.70	979,362.00
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	5,529.51	1,739,145.03	1,713,883.50
Security Type Sub-Total		27,330,000.00					27,447,338.08	0.88	56,708.23	27,369,844.55	27,284,523.77
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	2,030.56	500,477.15	502,165.00
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	2,436.67	599,944.33	602,598.00
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	9,333.33	1,539,004.50	1,543,002.00
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	444.44	399,983.56	401,430.00
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	1,062.50	374,863.79	374,842.50
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	12,838.54	764,399.09	762,928.38
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	629.00	339,672.91	339,289.40
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	2,809.38	1,547,661.96	1,545,570.10
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	958.14	400,000.00	401,686.40



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS - XXXXX500

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											
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	1,013.60	834,722.35	838,046.08
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	671.88	214,827.69	214,744.58
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	656.98	1,605,000.00	1,601,929.64
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	1,280.83	289,962.82	289,753.79
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	6,449.48	1,524,298.94	1,519,808.90
Security Type Sub-Total		10,860,000.00					11,011,684.55	0.82	42,615.33	10,934,819.09	10,937,794.77
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	3,981.16	1,450,000.00	1,443,293.75
TORONTO DOMINION BANK NY CD DTD 09/29/2014 0.900% 09/29/2016	89112UXV8	1,450,000.00	AA-	Aa1	09/25/14	09/29/14	1,450,000.00	0.90	72.50	1,450,000.00	1,450,000.00
US BANK NA CINCINNATI (CALLABLE) CD DTD 09/11/2014 1.375% 09/11/2017	90333VPF1	1,450,000.00	AA-	Aa3	09/09/14	09/11/14	1,447,665.50	1.41	1,107.64	1,447,708.10	1,438,201.35
Security Type Sub-Total		4,350,000.00					4,347,665.50	1.01	5,161.30	4,347,708.10	4,331,495.10
Managed Account Sub-Total		72,465,000.00					72,795,749.18	0.93	163,570.73	72,614,271.11	72,465,221.73
Securities Sub-Total		\$72,465,000.00					\$72,795,749.18	0.93%	\$163,570.73	\$72,614,271.11	\$72,465,221.73
Accrued Interest											\$163,570.73
Total Investments											\$72,628,792.46



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS AIRPORT RESERVE - XXXXX510

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	523.10	100,591.89	101,164.10
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	73.77	50,000.00	50,046.90
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	126.36	149,005.47	147,726.60
Security Type Sub-Total		300,000.00					300,537.10	0.68	723.23	299,597.36	298,937.60
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	300.00	120,015.54	120,261.60
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	225.00	125,000.00	125,406.25
Security Type Sub-Total		245,000.00					245,060.00	0.91	525.00	245,015.54	245,667.85
Federal Agency Bond / Note											
FHLB (EX-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	94.79	99,981.27	100,091.20
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	296.53	141,798.40	141,294.58
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	175.00	100,382.12	99,588.90
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	116.67	199,630.96	196,594.20
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	315.97	98,882.67	97,936.20
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	552.95	173,914.50	171,388.35



Managed Account Detail of Securities Held

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

CITY OF COLORADO SPRINGS AIRPORT RESERVE - XXXXX510

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	10,610.85	452,243.79	467,225.53
Security Type Sub-Total		1,245,000.00					1,309,476.95	1.95	12,162.76	1,266,833.71	1,274,118.96
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	612.15	125,344.43	125,630.38
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	507.64	125,119.29	125,541.25
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	777.78	128,250.38	128,583.50
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	271.88	149,773.74	149,571.30
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	84.97	69,976.72	70,255.36
Security Type Sub-Total		595,000.00					605,621.90	0.81	2,254.42	598,464.56	599,581.79
Managed Account Sub-Total		2,385,000.00					2,460,695.95	1.40	15,665.41	2,409,911.17	2,418,306.20
Securities Sub-Total		\$2,385,000.00					\$2,460,695.95	1.40%	\$15,665.41	\$2,409,911.17	\$2,418,306.20
Accrued Interest											\$15,665.41
Total Investments											\$2,433,971.61