

2005	2006	2007	2008	2009	2010
3.90%	5.18%	9.84%	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%	1.38%	2.82%
1.75%	4.56%	6.98%	6.81%	1.04%	2.35%
1.67%	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%	(0.87%)	0.36%
0.88%	3.55%	4.99%	2.08%	(1.41%)	0.13%



# City of Colorado Springs

## Review of Investment Performance Quarter Ended March 31, 2015



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

PFM Asset Management LLC  
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Denver, CO 80202  
303-467-1114

### PORTFOLIO RECAP

- The portfolios comply with the Colorado Revised Statutes and the City's investment policy. The portfolios are well diversified among U.S. Treasury and Federal Agency securities, high-quality corporate instruments, and municipal obligations.
- Rates trended lower during the first quarter because of lackluster economic data in the U.S., economic uncertainty in the European Union exacerbated by Greece's unsettled political situation, and the Federal Open Market Committee's (FOMC) indication that it is in no hurry to raise the Fed Funds rate. There was a greater decline in the yields of securities with longer maturities than of those with shorter maturities; this has been attributed to expectations of continued low inflation.
- At the beginning of the quarter, PFMAM continued keeping the duration of the portfolio somewhat shorter than the duration of the benchmark, seeking to mitigate the potential price depreciation of the portfolio if the Fed raised rates mid-year. As new economic data was released and FOMC statements suggested that the Fed would likely not raise the Fed Funds rate in June, we gradually extended portfolio durations to closer to the duration of the benchmark. In doing so, we paid careful attention to the selection of maturities along the yield curve, buying those securities which captured the higher yields offered by longer-term investments and maximized the benefit of "roll-down."
- The difference in yields between U.S. Treasury and Federal agency securities fluctuated throughout the quarter because the yields of Federal agencies typically do not respond as quickly as Treasuries to economic data. The spreads generally widened when Treasury yields fell and narrowed when Treasury yields rose. We were able to capitalize on the changes in these yield differences by adding Federal agency notes when spreads were at attractive levels.
- We continued to find value in the corporate sector because of higher yields, supported by strong corporate balance sheets and an earnings season that largely met investor expectations. With the robust level of new corporate issuance during the quarter, we were able to find a number of attractively priced obligations that met PFMAM's credit standards. In certain instances, we were able to sell corporate securities at very narrow credit spreads and replace the holdings with obligations that offered wider and more valuable yield spreads, and were issued by the same company or by issuers of similarly high quality.



# Colorado Springs Operating Reserve Portfolio Performance

- The City’s Operating Reserve portfolio returned performance in line with, but slightly below, the benchmark for the first quarter.
- Historically, the portfolio continues to generate solid performance in excess of the index.

## Total Return Performance<sup>1,2,3,4</sup>

	Duration	Portfolio Yield at Cost	Quarter Ending 3/31/15	Past 12 Months	Past 3 Years	Past 5 Years	Since Inception
<b>Colorado Springs Operating Reserve</b>	<b>2.59</b>	<b>1.09%</b>	<b>0.86%</b>	<b>1.75%</b>	<b>1.10%</b>	<b>1.67%</b>	<b>3.07%</b>
<i>Portfolio Return Net of Fees</i>	-	-	<i>0.78%</i>	<i>1.67%</i>	<i>1.02%</i>	<i>1.59%</i>	<i>2.99%</i>
<b>Merrill Lynch 1-5 Year U.S. Gov’t Index</b>	<b>2.58</b>	<b>-</b>	<b>0.91%</b>	<b>1.90%</b>	<b>1.03%</b>	<b>1.74%</b>	<b>2.87%</b>

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 \$76 million.

3. Merrill Lynch Indices provided by Bloomberg Financial Markets.

4. Inception date of Operating Reserve portfolio is January 2003.

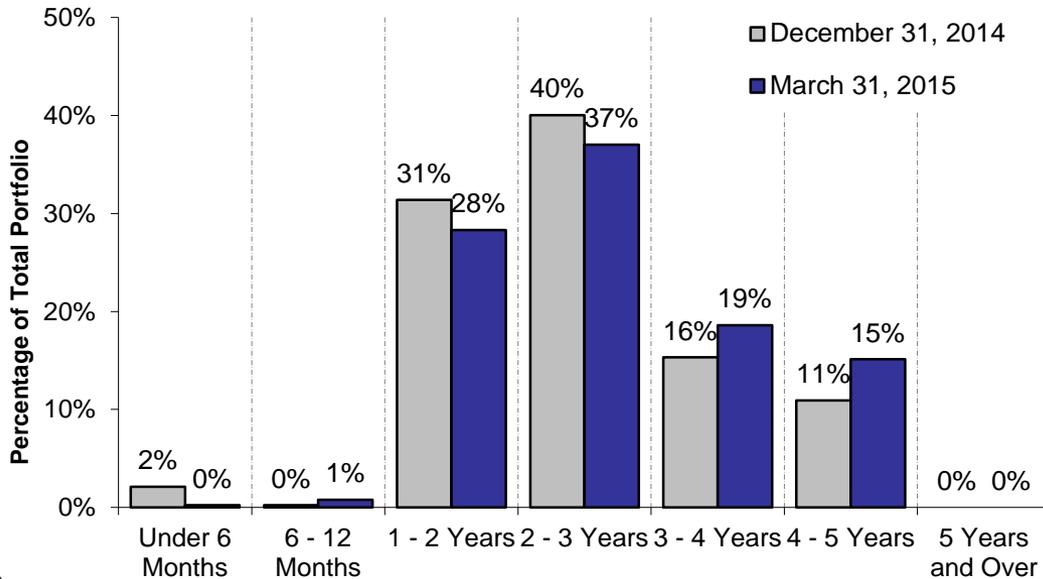


# Colorado Springs Operating Reserve Portfolio

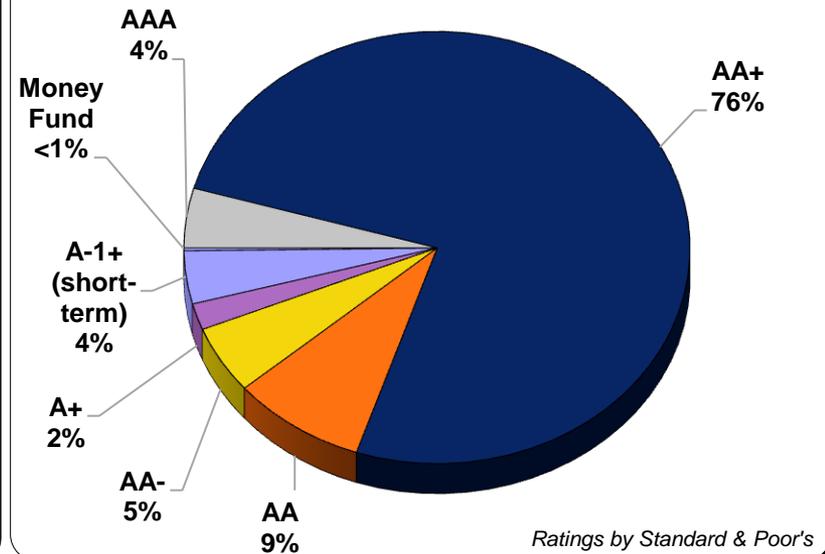
- The Operating Reserve Portfolio is managed according to a duration target, the Bank of America Merrill Lynch 1-5 Year Treasury Benchmark.
- Operating Reserve Portfolio Yield and Duration summary:

	March 31, 2015	December 31, 2014
Yield at Market	<b>1.09%</b>	1.01%
Yield at Cost	<b>0.90%</b>	1.01%
Effective Duration	<b>2.59</b>	2.41
Market Value	<b>\$73,678,917</b>	\$73,048,045

Operating Reserve Portfolio Maturity Distribution



Operating Reserve Credit Quality Distribution



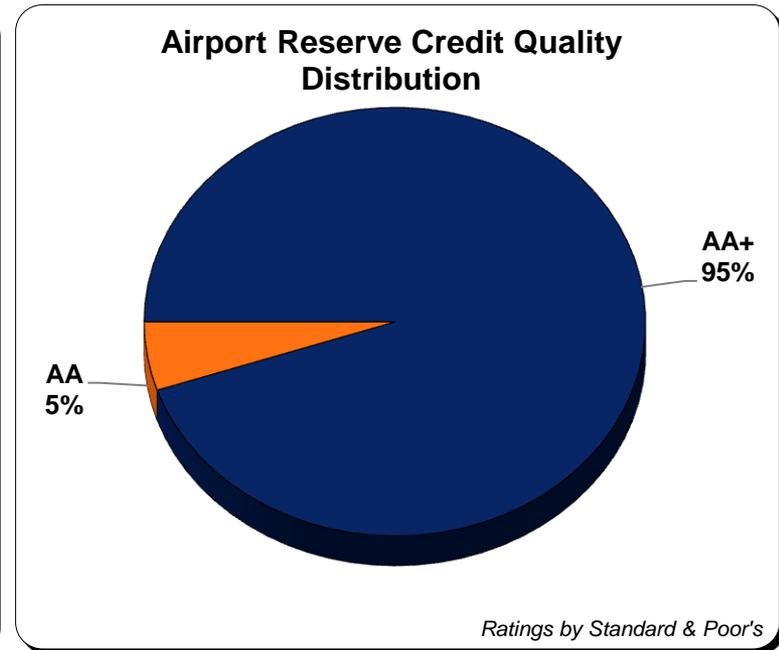
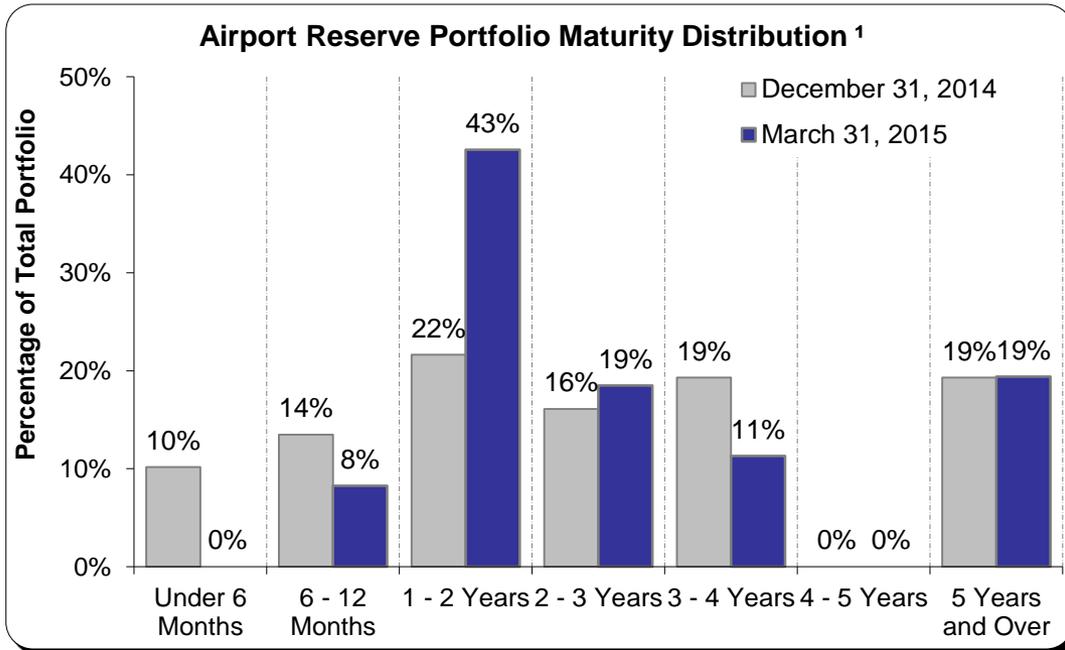
Source of index data: Bloomberg, Merrill Lynch



# Colorado Springs Airport Reserve Portfolio

- The Airport Reserve Portfolio is managed according to a duration target and according to the requirements of the bond documents.
- Airport Reserve Portfolio Yield and Duration summary:

	March 31, 2015	December 31, 2014
Yield at Market	1.30%	1.49%
Yield at Cost	1.35%	1.40%
Effective Duration	1.90	1.88
Market Value	\$2,462,589	\$2,435,560



Source of index data: Bloomberg, Merrill Lynch



# Portfolios Comply with City's Investment Policy

	Operating Reserve				Airport Reserve			
Security Type	03/31/15 Market Values*	03/31/15 % of Portfolio	12/31/14 % of Portfolio	In Compliance	03/31/15 Market Values*	03/31/15 % of Portfolio	12/31/14 % of Portfolio	In Compliance
<b>U.S. Treasuries</b>	\$28,844,619	39%	36%	√	\$1,019,385	42%	12%	√
<b>Federal Agencies</b>	\$23,498,635	32%	37%	√	\$1,290,491	53%	53%	√
<b>Municipal Obligations</b>	\$3,266,757	4%	4%	√	\$125,684	5%	10%	√
<b>Agency Mortgage-Backed Security</b>	\$394,010	<1%	0%	√	\$0	0%	0%	√
<b>Corporate Notes</b>	\$11,702,543	16%	17%	√	\$0	0%	25%	√
<b>Negotiable CDs</b>	\$5,818,481	8%	6%	√	\$0	0%	0%	√
<b>Totals</b>	<b>\$73,525,045</b>	<b>100%</b>	<b>100%</b>		<b>\$2,435,560</b>	<b>100%</b>	<b>100%</b>	
<b>CSIP</b>	<b>\$13,705,469</b>							

\*Market Values include accrued interest



# Extended Duration in Response to a Dovish Fed

- Fed statements and economic data throughout the first quarter suggested that interest rates will remain low for a longer period than most market participants expected
- Accordingly, we shifted the portfolio duration from a moderately defensive strategy to a range closer to the benchmark
- We focused duration-extending purchases in the 2-4 year range to capture the steepest portion of the yield curve

Settle Date	Issuer	Maturity Date	Par Value	Yield to Maturity (At Market)	S&P Rating
02/04/2015	U.S. Treasury Notes	07/31/2018	\$2,200,000	0.92%	AA+
02/27/2015	U.S. Treasury Notes	09/30/2019	\$3,000,000	1.42%	AA+
03/27/2015	U.S. Treasury Notes	09/30/2019	\$3,000,000	1.39%	AA+



# Municipal Bond Purchases

- We were able to capitalize on market volatility and purchase several attractive high-quality municipal securities
- The taxable municipal securities we added to the portfolio this quarter increase diversification of portfolio's sectors and issuers

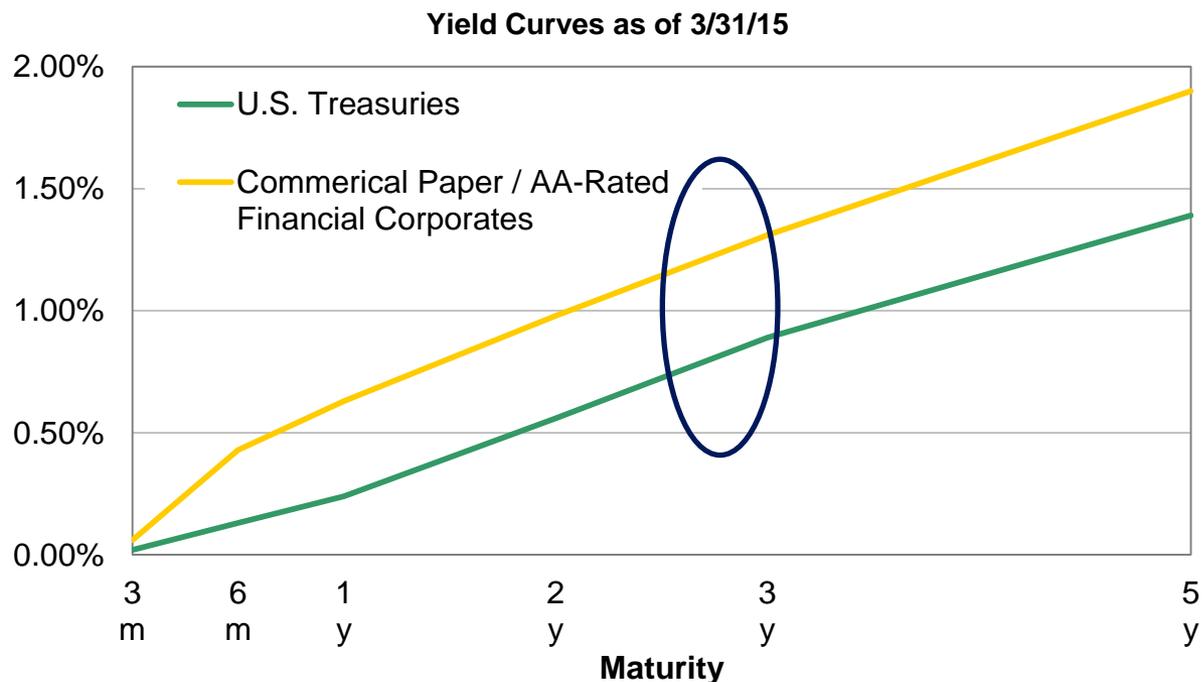
Trade Date	Trade Type	Security	Maturity	Par Value	Yield to Maturity (At Market)	S&P Rating
02/04/15	Buy	Mississippi State Taxable GO Bond	10/01/18	\$285,000	1.47%	AA
02/04/15	Buy	Mississippi State Taxable GO Bond	10/01/19	\$600,000	1.68%	AA
03/13/15	Buy	Connecticut State Taxable GO Bond	03/15/19	\$585,000	1.97%	AA
03/06/15	Buy	New York City, NY Taxable GO Bond	10/01/18	\$415,000	1.65%	AA



# Corporate Sector Offers Value

- We purchased several high quality corporate securities in both the new issue and secondary markets targeting securities with approximately 3-year maturities

Trade Date	Security	Maturity	Par Value	Yield to Maturity (At Market)	S&P Rating
01/07/15	Toyota Motor Credit Corp Note	01/12/18	\$ 480,000	1.50%	AA-
02/03/15	IBM Corp Notes	02/06/18	\$1,825,000	1.23%	AA-
02/24/15	Chevron Corp Notes	03/02/18	\$ 625,000	1.37%	AA
03/04/15	Exxon Mobil Corp Note	03/06/18	\$1,450,000	1.31%	AAA



Source: Bloomberg

### PORTFOLIO STRATEGY

- We expect U.S. economic conditions to gradually advance in the second quarter, including improvements in GDP, employment, retail sales and consumer sentiment.
- The FOMC changed the language in its March statement, replacing the notion that it “can be patient” in its plans to raise rates with a statement that it needs to be “reasonably confident that inflation will move back to its two percent objective” before taking any action on rates. This stronger emphasis on inflation, combined with the FOMC’s more conservative projections for the future trajectory of the federal funds rate, informs our market view that rates will remain within their current range in the coming months. With this expectation, we will likely invest in securities further out the yield curve because we want to take advantage of the additional investment income on securities with longer maturities.
- Because FOMC policy continues to evolve, we expect volatility to continue throughout the quarter. This will be particularly true around the announcement of key economic releases as market participants digest the impact of the timing of an initial FOMC rate hike and the pace of subsequent hikes. In a potentially turbulent market environment, we will carefully manage the durations of portfolios to keep them within narrow target ranges. We will make selective longer-term investments when rates are on the higher side of their recent trading ranges, and remain patient when rates are closer to the lower end of the range. Additionally, we will focus on asset allocation, finding value in the non-governmental sectors, individual security selection, and yield curve placement, as we believe these factors will be the primary drivers of good performance.
- Federal agency securities with maturities under three years remain expensive relative to alternatives. We will continue to actively manage government sector allocations between Treasuries and Federal agencies as their yield relationships change. We also plan to continue to look for new issue securities with favorable yields.
- We anticipate that high-quality corporate securities will continue to be a key component of our strategy as the sector remains supported by strong economic and credit market fundamentals. We believe that the yields on corporate obligations offer more value than comparable maturity government securities. In an environment where rates are generally expected to remain stable, or trend higher only gradually, the corporate sector remains the preferred choice to capture incremental income.
- In the money market area, market expectations about coming FOMC rate hikes have pushed up yields on securities maturing in six to twelve months. While supply/demand dynamics have started to hinder availability, longer maturity commercial paper and CDs still offer incremental yield advantages. We will continue to look for opportunities to maximize the earnings potential of portfolios by combining short duration credit securities with longer maturity investments to achieve our duration targets.



# Operating Reserve Portfolio Holdings

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**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2015**

**CITY OF COLORADO SPRINGS - 15233500**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 08/01/2011 1.500% 07/31/2016	912828QX1	450,000.00	AA+	Aaa	07/24/14	07/25/14	458,666.02	0.54	1,118.78	455,743.79	456,574.05
US TREASURY NOTES DTD 08/01/2011 1.500% 07/31/2016	912828QX1	1,550,000.00	AA+	Aaa	02/03/15	02/06/15	1,576,095.70	0.36	3,853.59	1,573,476.35	1,572,643.95
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	804.35	927,395.69	932,659.93
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	1,484.72	674,563.80	679,587.98
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	1,885.36	1,299,904.78	1,308,530.60
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	40.30	1,482,811.00	1,487,329.53
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	90.85	3,330,080.70	3,352,793.68
US TREASURY NOTES DTD 06/30/2010 2.500% 06/30/2017	912828NK2	225,000.00	AA+	Aaa	12/08/14	12/09/14	233,982.42	0.92	1,414.02	232,901.35	234,298.80
US TREASURY NOTES DTD 06/30/2010 2.500% 06/30/2017	912828NK2	510,000.00	AA+	Aaa	12/05/14	12/09/14	530,380.08	0.92	3,205.11	527,927.20	531,077.28
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	2,361.88	894,874.23	891,844.20
US TREASURY NOTES DTD 07/31/2013 1.375% 07/31/2018	912828VO0	2,200,000.00	AA+	Aaa	02/02/15	02/04/15	2,234,203.13	0.92	5,013.81	2,232,707.64	2,225,610.20
US TREASURY NOTES DTD 10/31/2013 1.250% 10/31/2018	912828WD8	525,000.00	AA+	Aaa	10/02/14	10/06/14	520,426.76	1.47	2,755.52	520,962.42	527,830.28
US TREASURY NOTES DTD 12/02/2013 1.250% 11/30/2018	912828A34	605,000.00	AA+	Aaa	07/01/14	07/07/14	598,666.41	1.50	2,534.68	599,697.15	607,883.43
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	4,608.52	1,093,689.36	1,105,242.60



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2015**

**CITY OF COLORADO SPRINGS - 15233500**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 01/31/2014 1.500% 01/31/2019	912828B33	2,325,000.00	AA+	Aaa	07/29/14	07/31/14	2,314,192.38	1.61	5,780.39	2,315,743.69	2,355,152.93
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	111.00	2,502,410.65	2,542,187.50
US TREASURY NOTES DTD 05/15/2009 3.125% 05/15/2019	912828KQ2	1,820,000.00	AA+	Aaa	10/30/14	11/03/14	1,948,964.06	1.50	21,524.52	1,937,622.03	1,957,921.42
US TREASURY NOTES DTD 10/01/2012 1.000% 09/30/2019	912828TR1	3,000,000.00	AA+	Aaa	02/26/15	02/27/15	2,944,101.56	1.42	81.97	2,945,178.84	2,959,452.00
US TREASURY NOTES DTD 09/30/2014 1.750% 09/30/2019	912828F39	3,000,000.00	AA+	Aaa	03/26/15	03/27/15	3,046,523.44	1.39	143.44	3,046,388.19	3,057,186.00
<b>Security Type Sub-Total</b>		<b>28,410,000.00</b>					<b>28,616,292.77</b>	<b>1.16</b>	<b>58,812.81</b>	<b>28,594,078.86</b>	<b>28,785,806.36</b>
<b>Municipal Bond / Note</b>											
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	161,530.61	161,625.60
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	821.10	210,000.00	210,168.00
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	1,003,670.00
MS ST TXBL GO BONDS DTD 02/18/2015 1.472% 10/01/2018	605581FY8	285,000.00	AA	Aa2	02/04/15	02/18/15	285,000.00	1.47	501.09	285,000.00	285,307.80
NYC, NY TXBL GO BONDS DTD 03/31/2015 1.650% 10/01/2018	64966LZC8	415,000.00	AA	Aa2	03/13/15	03/31/15	415,000.00	1.65	19.02	415,000.00	415,701.35
CT ST TXBL GO BONDS DTD 03/25/2015 1.974% 03/15/2019	20772JZK1	585,000.00	AA	Aa3	03/13/15	03/25/15	585,000.00	1.97	192.47	585,000.00	585,304.20
MS ST TXBL GO BONDS DTD 02/18/2015 1.679% 10/01/2019	605581FZ5	600,000.00	AA	Aa2	02/04/15	02/18/15	600,000.00	1.68	1,203.28	600,000.00	599,376.00



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2015**

### CITY OF COLORADO SPRINGS - 15233500

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
<b>Security Type Sub-Total</b>		<b>3,255,000.00</b>					<b>3,259,563.20</b>	<b>1.41</b>	<b>5,603.63</b>	<b>3,256,530.61</b>	<b>3,261,152.95</b>

#### Federal Agency Collateralized Mortgage Obligation

FNMA SERIES 2015-M1 ASQ2 DTD 01/15/2015 1.626% 02/01/2018	3136AMKW8	390,000.00	AA+	Aaa	01/15/15	01/30/15	393,897.08	1.26	528.45	393,772.74	393,481.92
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<b>Security Type Sub-Total</b>		<b>390,000.00</b>					<b>393,897.08</b>	<b>1.26</b>	<b>528.45</b>	<b>393,772.74</b>	<b>393,481.92</b>
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#### Federal Agency Bond / Note

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	1,264,833.51	1,276,607.50
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	1,921,976.36	1,925,071.23
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	2,003,099.22	2,011,206.00
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	1,636,567.17	1,643,629.00
FREDDIE MAC GLOBAL NOTES DTD 01/30/2012 1.000% 03/08/2017	3137EADC0	1,605,000.00	AA+	Aaa	01/26/15	01/29/15	1,615,833.75	0.68	1,025.42	1,614,956.18	1,616,387.48
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	385,287.96	387,142.91
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	1,471,347.80	1,478,182.02
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	1,055,000.00	AA+	Aaa	07/30/12	07/31/12	1,062,057.95	0.86	1,846.25	1,058,324.92	1,062,868.19
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	1,186.72	1,576,917.86	1,576,967.18
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	638,151.85	642,417.28
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	603,235.75	601,861.80



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2015**

**CITY OF COLORADO SPRINGS - 15233500**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
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	1,716,240.59	1,727,135.55
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	2,845,496.66	2,845,420.05
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	990,333.66	997,624.00
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	1,740,612.28	1,745,842.00
FANNIE MAE GLOBAL NOTES DTD 10/01/2013 1.625% 11/27/2018	3135G0YT4	1,880,000.00	AA+	Aaa	10/22/14	10/23/14	1,897,860.00	1.39	10,522.78	1,895,999.18	1,909,856.28
<b>Security Type Sub-Total</b>		<b>23,335,000.00</b>					<b>23,397,418.09</b>	<b>0.94</b>	<b>50,416.71</b>	<b>23,363,380.95</b>	<b>23,448,218.47</b>
<b>Corporate Note</b>											
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	399,989.58	401,248.00
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	752,009.24	751,673.48
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	834,796.02	838,730.78
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	214,868.79	215,290.25
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	1,288.89	289,970.01	291,294.85
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	1,524,432.58	1,532,562.48
CHEVRON CORP NOTE DTD 11/18/2014 1.345% 11/15/2017	166764AL4	885,000.00	AA	Aa1	11/10/14	11/18/14	885,000.00	1.35	4,397.59	885,000.00	892,215.41
JOHNSON & JOHNSON CORP NOTES DTD 11/21/2014 1.125% 11/21/2017	478160BL7	835,000.00	AAA	Aaa	11/18/14	11/21/14	834,340.35	1.15	3,392.19	834,418.61	839,545.74



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2015**

CITY OF COLORADO SPRINGS - 15233500

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
<b>Corporate Note</b>											
GENERAL ELECTRIC CO NOTES DTD 12/06/2007 5.250% 12/06/2017	369604BC6	1,350,000.00	AA+	Aa3	12/01/14	12/08/14	1,504,426.50	1.34	22,640.63	1,488,508.65	1,490,243.40
TOYOTA MOTOR CREDIT CORP NOTE DTD 01/12/2015 1.450% 01/12/2018	89236TCA1	480,000.00	AA-	Aa3	01/07/15	01/12/15	479,342.40	1.50	1,527.33	479,389.61	483,072.96
IBM CORP NOTES DTD 02/06/2015 1.125% 02/06/2018	459200HZ7	1,825,000.00	AA-	Aa3	02/03/15	02/06/15	1,819,433.75	1.23	3,136.72	1,819,712.90	1,820,494.08
CHEVRON CORP NOTES DTD 03/03/2015 1.365% 03/02/2018	166764AV2	625,000.00	AA	Aa1	02/24/15	03/03/15	625,000.00	1.37	663.54	625,000.00	628,045.00
EXXON MOBIL CORP NOTES DTD 03/06/2015 1.305% 03/06/2018	30231GAL6	1,450,000.00	AAA	Aaa	03/04/15	03/06/15	1,450,000.00	1.31	1,314.06	1,450,000.00	1,458,347.65
<b>Security Type Sub-Total</b>		<b>11,440,000.00</b>					<b>11,657,008.20</b>	<b>1.18</b>	<b>59,778.89</b>	<b>11,598,095.99</b>	<b>11,642,764.08</b>
<b>Certificate of Deposit</b>											
RABOBANK NEDERLAND NV NY CD DTD 05/13/2014 0.716% 05/06/2016	21684BPV0	1,450,000.00	A+	Aa2	05/09/14	05/13/14	1,450,000.00	0.71	4,183.10	1,450,000.00	1,449,621.55
HSBC BANK USA NA CD DTD 02/13/2015 0.880% 08/15/2016	40428AC54	1,450,000.00	A-1+	P-1	02/11/15	02/13/15	1,450,000.00	0.88	1,665.89	1,450,000.00	1,456,955.65
TORONTO DOMINION BANK NY CD DTD 09/29/2014 0.900% 09/29/2016	89112UXV8	1,450,000.00	A-1+	P-1	09/25/14	09/29/14	1,450,000.00	0.90	6,670.00	1,450,000.00	1,451,058.50
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	1,448,095.76	1,447,218.90
<b>Security Type Sub-Total</b>		<b>5,800,000.00</b>					<b>5,797,665.50</b>	<b>0.98</b>	<b>13,626.63</b>	<b>5,798,095.76</b>	<b>5,804,854.60</b>
<b>Managed Account Sub-Total</b>		<b>72,630,000.00</b>					<b>73,121,844.84</b>	<b>1.09</b>	<b>188,767.12</b>	<b>73,003,954.91</b>	<b>73,336,278.38</b>
<b>Securities Sub-Total</b>		<b>\$72,630,000.00</b>					<b>\$73,121,844.84</b>	<b>1.09%</b>	<b>\$188,767.12</b>	<b>\$73,003,954.91</b>	<b>\$73,336,278.38</b>
<b>Accrued Interest</b>											<b>\$188,767.12</b>
<b>Total Investments</b>											<b>\$73,525,045.50</b>



# Airport Reserve Portfolio Holdings

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## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2015**

### CITY OF COLORADO SPRINGS AIRPORT RESERVE - 15233510

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
<b>U.S. Treasury Bond / Note</b>											
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	524.86	100,318.01	100,617.20
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	73.49	50,000.00	50,082.05
US TREASURY NOTES DTD 06/30/2014 0.500% 06/30/2016	912828WQ9	125,000.00	AA+	Aaa	01/08/15	01/09/15	125,131.84	0.43	157.11	125,111.64	125,205.13
US TREASURY NOTES DTD 02/29/2012 0.875% 02/28/2017	912828SJ0	119,000.00	AA+	Aaa	03/26/15	03/27/15	119,595.00	0.61	90.54	119,590.83	119,753.03
US TREASURY NOTES DTD 02/29/2012 0.875% 02/28/2017	912828SJ0	470,000.00	AA+	Aaa	02/18/15	02/23/15	471,523.83	0.71	357.61	471,448.09	472,974.16
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	124.31	149,178.64	149,425.80
<b>Security Type Sub-Total</b>		<b>1,014,000.00</b>					<b>1,016,787.77</b>	<b>0.66</b>	<b>1,327.92</b>	<b>1,015,647.21</b>	<b>1,018,057.37</b>
<b>Municipal Bond / Note</b>											
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	125,458.75
<b>Security Type Sub-Total</b>		<b>125,000.00</b>					<b>125,000.00</b>	<b>1.08</b>	<b>225.00</b>	<b>125,000.00</b>	<b>125,458.75</b>
<b>Federal Agency Bond / Note</b>											
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	99,988.77	100,071.70
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	141,414.97	141,604.96
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	100,315.16	100,745.80
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	199,683.98	199,678.60



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2015**

**CITY OF COLORADO SPRINGS AIRPORT RESERVE - 15233510**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Federal Agency Bond / Note</b>											
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	99,033.37	99,762.40
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	174,061.23	174,584.20
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	446,927.87	461,881.06
<b>Security Type Sub-Total</b>		<b>1,245,000.00</b>					<b>1,309,476.95</b>	<b>1.93</b>	<b>12,162.76</b>	<b>1,261,425.35</b>	<b>1,278,328.72</b>
<b>Managed Account Sub-Total</b>		<b>2,384,000.00</b>					<b>2,451,264.72</b>	<b>1.35</b>	<b>13,715.68</b>	<b>2,402,072.56</b>	<b>2,421,844.84</b>
<b>Securities Sub-Total</b>		<b>\$2,384,000.00</b>					<b>\$2,451,264.72</b>	<b>1.35%</b>	<b>\$13,715.68</b>	<b>\$2,402,072.56</b>	<b>\$2,421,844.84</b>
<b>Accrued Interest</b>											<b>\$13,715.68</b>
<b>Total Investments</b>											<b>\$2,435,560.52</b>



# Disclaimer

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