



City of Colorado Springs Investment Performance Review Quarter Ending March 31, 2014

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Summary

- Many economists attribute the relative weakness of economic data released during the first quarter to severe winter weather during the period. As temperatures warm, growth is expected to reaccelerate.
- First-quarter economic data was not weak enough to deter the Federal Reserve (Fed) from a third round of tapering asset purchases. At its meeting on March 19, the Fed reduced its monthly purchases of Treasuries and agency mortgage-backed securities by another \$10 billion to a revised total of \$55 billion per month.
- Geopolitical uncertainty caused by Russia's annexation of the Crimean peninsula jeopardized growth in Europe and sparked a brief rally in U.S. Treasuries, which temporarily pushed yields lower. The markets quickly refocused on forward growth prospects and Fed action.

Economic Snapshot

- Fourth-quarter U.S. gross domestic product (GDP) expanded at a 2.6% annual pace, as consumer spending reached its highest level in three years. Slower-than-expected economic growth was attributed in part to the large amounts of ice and snow that blanketed the country for much of the winter. This was an improvement from the previous year, when GDP expanded by 2.0%.
- The U.S. employment situation continued to improve, as the economy created a monthly average of 182,000 new jobs in the first quarter, only slightly behind the 2013 average of 197,000. The unemployment rate has averaged 6.7% for the quarter.
- According to CoreLogic, prices for existing homes rose 12.2% year over year in February due to tighter supply. Although the housing market is still moving forward, sales and construction were slowed down by the winter weather.

Interest Rates

- During a press conference after the March 18-19 meeting of the Federal Open Market Committee (FOMC), Fed Chair Janet Yellen commented that the federal funds target rate could rise as soon as six months after the Fed completed its bond-buying program. However, Ms. Yellen softened her message at the end of the quarter, stating that the Fed would remain accommodative for "some time" to help those who are currently unemployed.
- The majority of FOMC participants indicated that 2015 is the appropriate time to begin increasing the federal funds target rate.
- Interest rates continued to normalize from record lows. The Treasury yield curve became more humped, as intermediate-term maturity yields rose, while short-term rates remained low and longer-maturity yields fell modestly.

Sector Performance

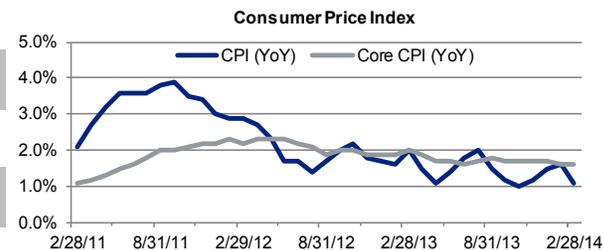
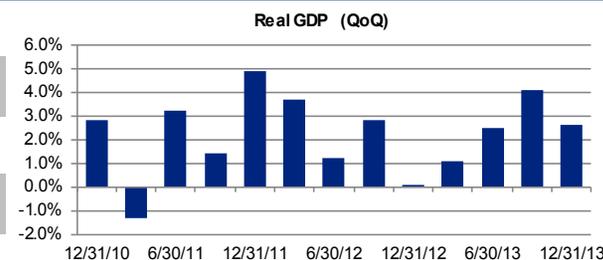
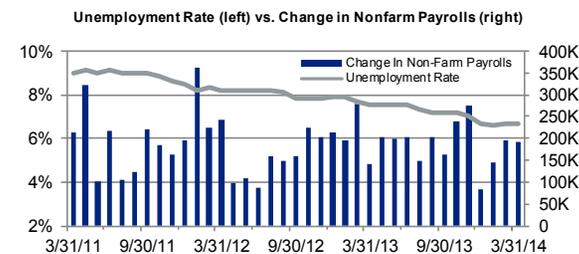
- Portfolios benefited from conservative duration management, as intermediate-term yields surged after the March Fed meeting.
- Portfolios also benefited from the extra yield provided by holdings of corporate bonds, especially in the financial sector.
- Strong demand outpaced supply and continued to narrow yield spreads on corporate and municipal debt, which somewhat reduced their future attractiveness.

Economic Snapshot

Labor Market	Latest	Dec 2013	Mar 2013	
Unemployment Rate	Mar'14	6.7%	6.7%	7.5%
Change In Non-Farm Payrolls	Mar'14	192,000	84,000	141,000
Average Hourly Earnings (YoY)	Mar'14	2.1%	1.9%	1.9%
Personal Income (YoY)	Feb'14	3.1%	-0.8%	3.0%
Initial Jobless Claims (week)	Mar 28	326,000	344,000	375,000

Growth	Latest	Dec 2013	Mar 2013	
Real GDP (QoQ SAAR)	2013Q4	2.6%	4.1% ¹	1.1% ²
GDP Personal Consumption (QoQ SAAR)	2013Q4	3.3%	2.0% ¹	2.3% ²
Retail Sales (YoY)	Feb'14	1.5%	3.4%	3.2%
ISM Manufacturing Survey (month)	Mar'14	53.7	56.5	51.5
Existing Home Sales SAAR (month)	Feb'14	4.60 mil.	4.87 mil.	4.96 mil.

Inflation / Prices	Latest	Dec 2013	Mar 2013	
Personal Consumption Expenditures (YoY)	Feb'14	0.9%	1.2%	1.2%
Consumer Price Index (YoY)	Feb'14	1.1%	1.5%	1.5%
Consumer Price Index Core (YoY)	Feb'14	1.6%	1.7%	1.9%
Crude Oil Futures (WTI, per barrel)	Mar 31	\$101.58	\$98.42	\$97.23
Gold Futures (oz.)	Mar 31	\$1,283	\$1,202	\$1,595



1. Data as of Third Quarter 2013

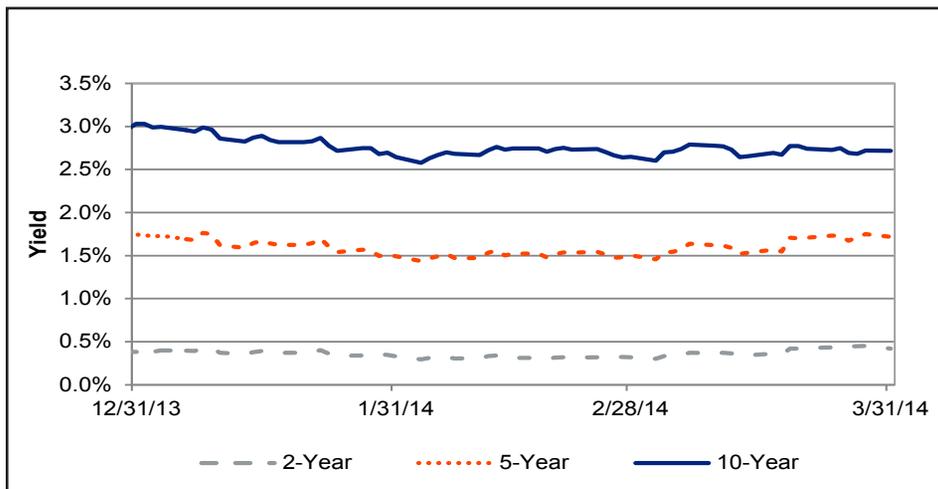
2. Data as of First Quarter 2013

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

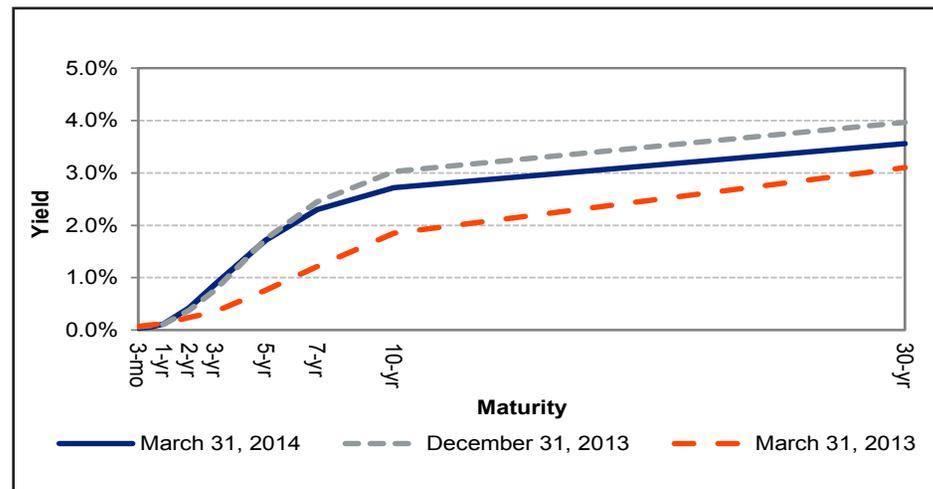
Source: Bloomberg

Interest Rate Overview

U.S. Treasury Note Yields



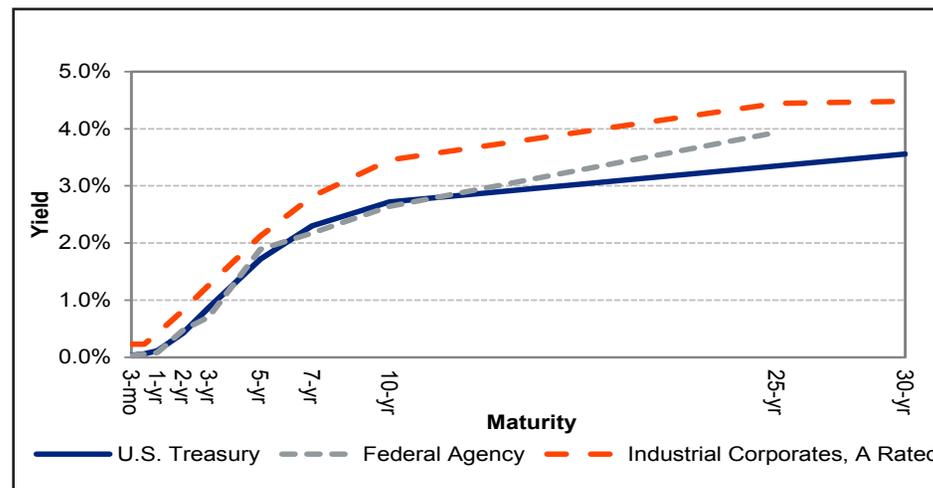
U.S. Treasury Yield Curve



U.S. Treasury Yields

Maturity	3/31/14	12/31/13	Change over Quarter	3/31/13	Change over Year
3-month	0.03%	0.07%	(0.04%)	0.07%	(0.04%)
1-year	0.11%	0.11%	0.00%	0.12%	(0.01%)
2-year	0.42%	0.38%	0.04%	0.24%	0.18%
5-year	1.72%	1.74%	(0.02%)	0.77%	0.95%
10-year	2.72%	3.03%	(0.31%)	1.85%	0.87%
30-year	3.56%	3.97%	(0.41%)	3.10%	0.46%

Yield Curves as of 3/31/14



Source: Bloomberg

BofA Merrill Lynch Index Returns

	As of 3/31/2014		Returns for Periods ended 3/31/2014		
	Duration	Yield	3 Month	1 Year	3 Years
1-3 Year Indices					
U.S. Treasury	1.92	0.44%	0.14%	0.38%	0.81%
Federal Agency	1.84	0.52%	0.17%	0.49%	0.94%
U.S. Corporates, A-AAA rated	1.96	0.94%	0.42%	1.38%	2.28%
Agency MBS (0 to 3 years)	1.70	1.02%	0.25%	1.09%	1.75%
Municipals	1.75	0.52%	0.25%	0.87%	1.35%
1-5 Year Indices					
U.S. Treasury	2.72	0.82%	0.26%	(0.09%)	1.43%
Federal Agency	2.50	0.86%	0.34%	0.22%	1.35%
U.S. Corporates, A-AAA rated	2.88	1.47%	0.76%	1.33%	3.12%
Agency MBS (0 to 5 years)	3.35	2.43%	0.94%	0.96%	2.58%
Municipals	2.48	0.85%	0.41%	0.99%	2.05%
Master Indices (Maturities 1 Year or Greater)					
U.S. Treasury	5.78	1.60%	1.63%	(1.53%)	3.33%
Federal Agency	4.04	1.45%	1.24%	(0.62%)	2.24%
U.S. Corporates, A-AAA rated	6.66	2.75%	2.58%	0.84%	5.35%
Agency MBS (0 to 30 years)	5.26	3.01%	1.58%	0.23%	2.75%
Municipals	7.59	3.10%	3.80%	0.28%	6.22%

Returns for periods greater than one year are annualized.

Source: BofA Merrill Lynch Indices

Disclosures

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PFM Asset Management LLC

Investment Report

First Quarter 2014

Fixed Income
Management

Portfolio Summary

Total Portfolio Value

Market Value

Amortized Cost

Reserve Portfolio Summary

March 31, 2014 December 31, 2013

\$72,413,883.78 \$72,194,196.57

\$72,480,732.10 \$72,286,728.39

Airport Reserve Portfolio Summary

March 31, 2014 December 31, 2013

\$2,444,109.05 \$5,237,336.84

\$2,432,850.69 \$5,228,420.12

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.
- Although harsh weather tempered growth in the first quarter, the resilience and duration of the expansion in the U.S. supported PFMAM's macro-level view that economic growth would continue.
- With the Federal Reserve curtailing its large scale asset purchase program and contemplating the timing of the first actual increase in short-term rates, it appeared that the bond market might be headed for higher rates. But, brewing concerns of a meltdown in emerging markets, fears of a slowdown in China, and geopolitical risks ignited by Russia's incursion into Crimea pushed longer-term rates lower in January and February.
- Our duration strategy is informed by our macro-economic view, as well as recent trading ranges and market momentum. For most of the first quarter, our strategy was to maintain a duration somewhat shorter and defensive to mitigate the impact of potentially higher rates. Where we made selective purchases during the quarter, PFMAM looked to add value through careful timing of those purchases, rather than simply matching benchmark duration extensions each month. In particular, we modestly extended the duration of the Reserve Portfolio in late March, capitalizing on the significant spike in rates following the March 19 FOMC meeting.
- Agency yield spreads fell to near record lows, generally favoring U.S. Treasuries for many shorter maturities. Investment opportunities in the agency sector have become very issue specific. Our active management strategy may result in selling an agency bond to buy a similar maturity Treasury because the agency has a zero or negative yield spread, while in a nearby maturity it may involve just the opposite, selling a Treasury to buy an agency at an attractive yield pick-up.
- Corporate bond allocations largely continued to enhance portfolio returns during the quarter due to their higher yield and narrowing yield spreads. Corporate issuance, while strong during the quarter, was met with even stronger demand, which pushed yield spreads tighter by quarter end.
- Municipal issuance slowed sharply during the quarter, driving yield spreads tighter. Yield ratios for tax-exempt municipal securities relative to U.S. Treasuries fell to unattractive investment levels, triggering some opportunistic sales, which reduced municipal allocations in the portfolios.
- Activity in the Airport Reserve Portfolio included selling securities to meet the new reserve requirement that changed after the City completed a refunding/defeasance in January.
- The portfolios performed well for the quarter, and outperformed the benchmark. Historically, the portfolios continue to earn a return in excess of the benchmark.

PORTFOLIO STRATEGY

- The past 5 years may not be a good roadmap for the next 5 years:
 - Economic conditions are expected to improve.
 - Extraordinarily easy Fed policy is winding down.
 - Yields are expected to rise; 3-7 year range may be most exposed.
 - The yield curve is steep and inviting, but potentially higher rates warrant caution with regard to duration.
 - Expect continued volatility around Fed policy announcements and any global disruptions or surprises.
- Since PFMAM's longer-term view is that interest rates will move higher as market conditions normalize, our strategic plan is to maintain a conservative duration bias. However, we may find occasional market opportunities when the steepness of the yield curve offers sufficient value and roll-down potential to target a slightly longer duration.
- Agency yield spreads are narrow, generally limiting opportunities:
 - Shorter agencies are near record tight spread levels and offer little value.
 - Longer agencies offer small incremental yield and modest value.
 - Agency performance has become highly idiosyncratic, requiring careful issue-by-issue analysis.
 - Market volatility has created occasional opportunities in callable agencies, although we have generally avoided large allocations to the sector.
- Corporate sector still offers the best relative value:
 - Corporate yield spreads have narrowed to near pre-credit crisis levels, reducing current value.
 - Some issues have narrowed sharply since purchase and may opportunistically be sold.
 - Corporate bond spreads have historically been stable in periods of rising rates.
 - The extra yield on corporates provides favorable income return and partial cushion from the impact of rising rates.
 - We continue to prefer banks and financials, including both corporate notes and negotiable certificates of deposit (CDs).
- In short-term markets:
 - Commercial paper issued by financial institutions provides a significant yield advantage over government and agency debt.
 - Supply of commercial paper and other money market sectors has trended lower as companies move away from dependency on short-term funding.
 - Floating-rate securities offer an option to capture spread without duration risk.
- Through diligent monitoring of market conditions, we strive to optimize the relative balance between income return and price volatility.

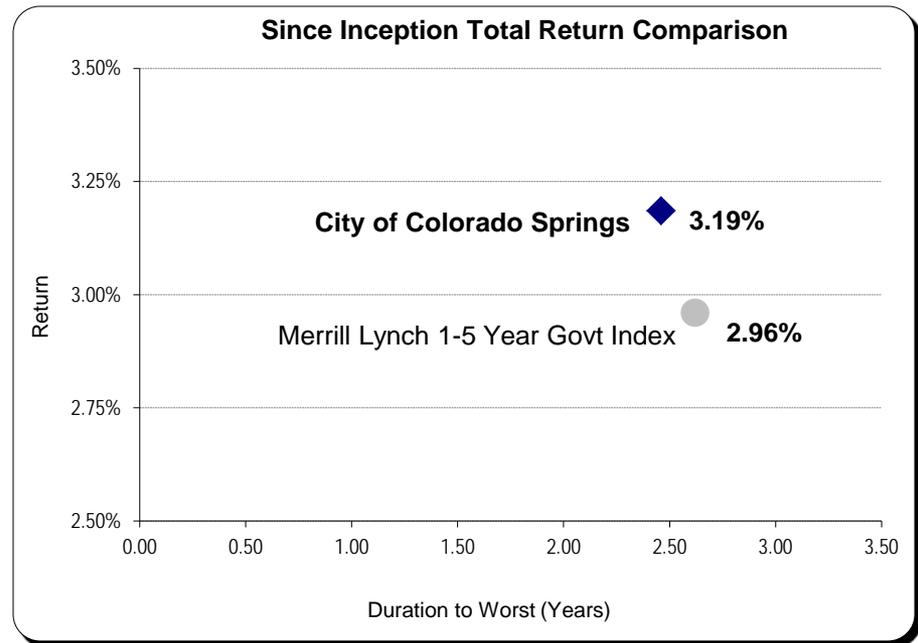
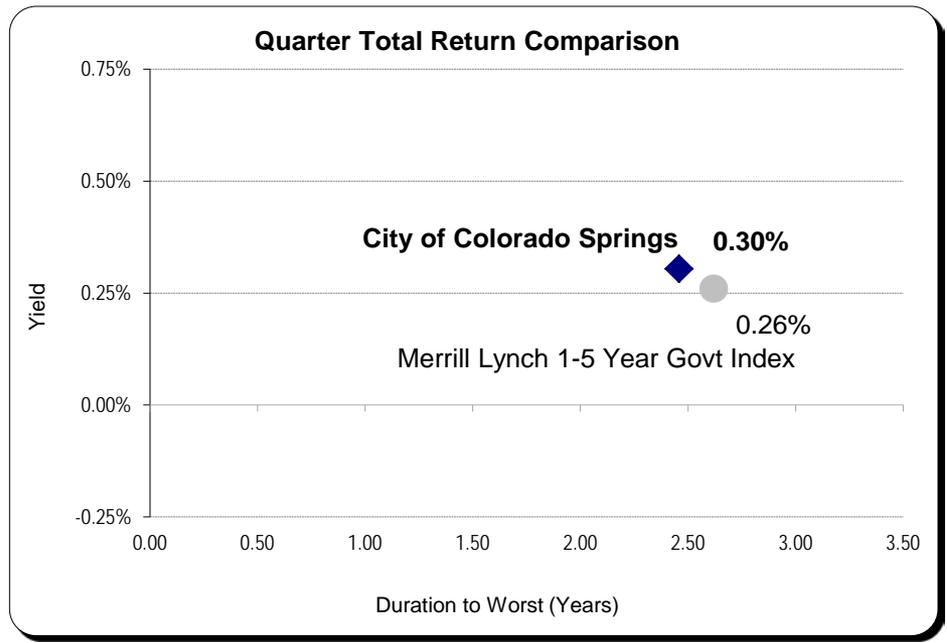
Investment Report

First Quarter 2014

Fixed Income Management

Reserve Portfolio Performance

Total Return ^{1,2,3,4,5}	Quarter Ended March 31, 2014	Annualized Quarter	Past 1 Year	Past 2 Years	Past 5 Years	Since Inception
City of Colorado Springs	0.30%	1.22%	0.20%	0.77%	1.97%	3.19%
Merrill Lynch 1-5 Year Govt Index	0.26%	1.04%	-0.06%	0.59%	1.69%	2.96%
Effective Duration⁵	March 31, 2014	December 31, 2013	Yields	March 31, 2014	December 31, 2013	
City of Colorado Springs	2.46	2.38	Yield at Market	0.75%	0.72%	
Merrill Lynch 1-5 Year Govt Index	2.62	2.61	Yield at Cost	0.79%	0.78%	



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

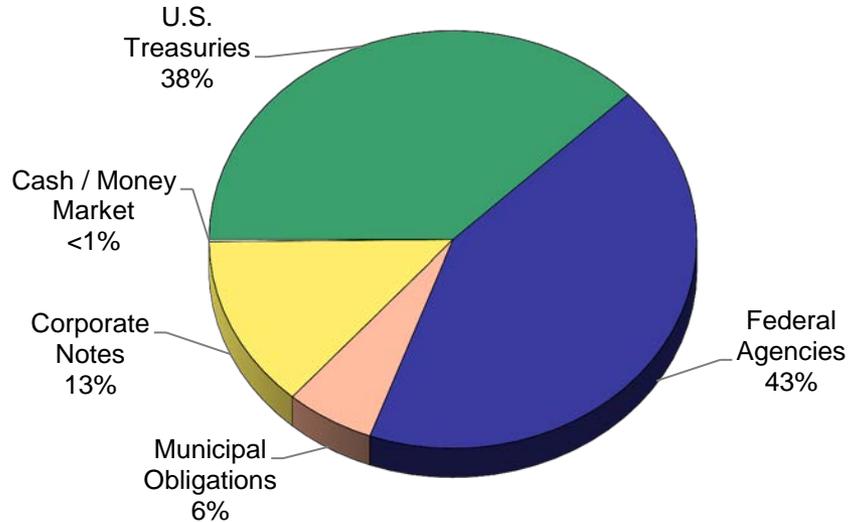
First Quarter 2014

Fixed Income
Management

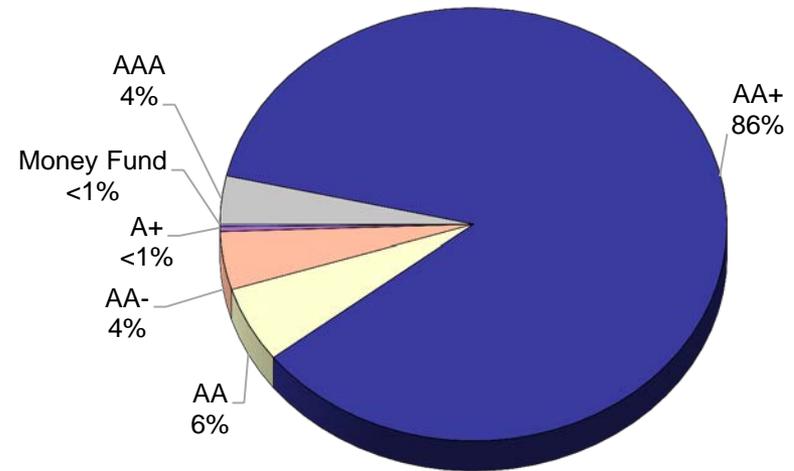
Reserve Portfolio Composition and Credit Quality Characteristics

<u>Security Type</u> ^{1,2}	<u>March 31, 2014</u>	<u>% of Portfolio</u>	<u>December 31, 2013</u>	<u>% of Portfolio</u>	<u>Purchase Restrictions</u>
U.S. Treasuries	\$27,355,240.70	37.8%	\$19,871,712.90	27.5%	100%
Federal Agencies	\$30,962,311.29	42.7%	\$35,273,183.79	48.9%	85%
Commercial Paper	\$0.00	0.0%	\$999,259.00	1.4%	30%
Municipal Obligations	\$4,274,650.95	5.9%	\$5,698,811.84	7.9%	20%
Medium-Term Corporate Notes	\$9,700,037.35	13.4%	\$10,285,693.59	14.2%	35%
Cash / Money Market	\$121,643.49	0.2%	\$65,535.45	0.1%	100%
Totals	\$72,413,883.78	99.9%	\$72,194,196.57	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.

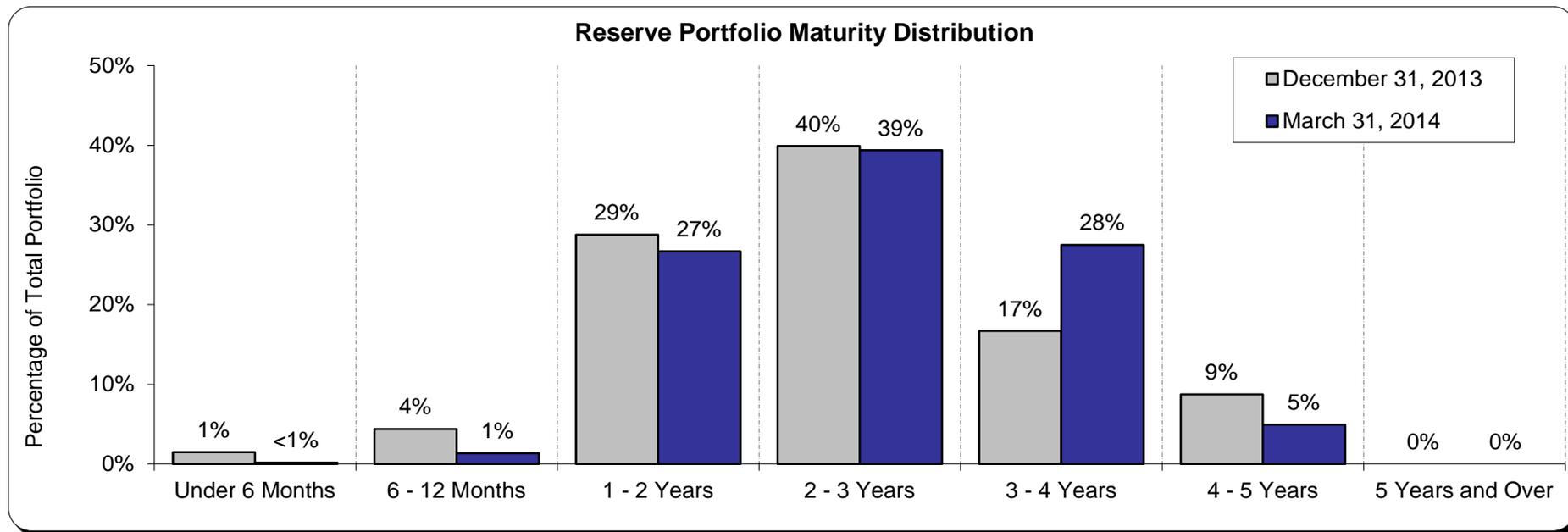
Investment Report

First Quarter 2014

Fixed Income
Management

Reserve Portfolio Maturity Distribution

<u>Maturity Distribution</u> ^{1,2}	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Under 6 Months	\$121,643.49	\$1,064,794.45
6 - 12 Months	\$979,585.09	\$3,179,054.88
1 - 2 Years	\$19,331,994.73	\$20,778,586.44
2 - 3 Years	\$28,517,504.93	\$28,808,734.89
3 - 4 Years	\$19,904,703.74	\$12,054,990.72
4 - 5 Years	\$3,558,451.80	\$6,308,035.19
5 Years and Over	\$0.00	\$0.00
Totals	\$72,413,883.78	\$72,194,196.57



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.

Investment Report

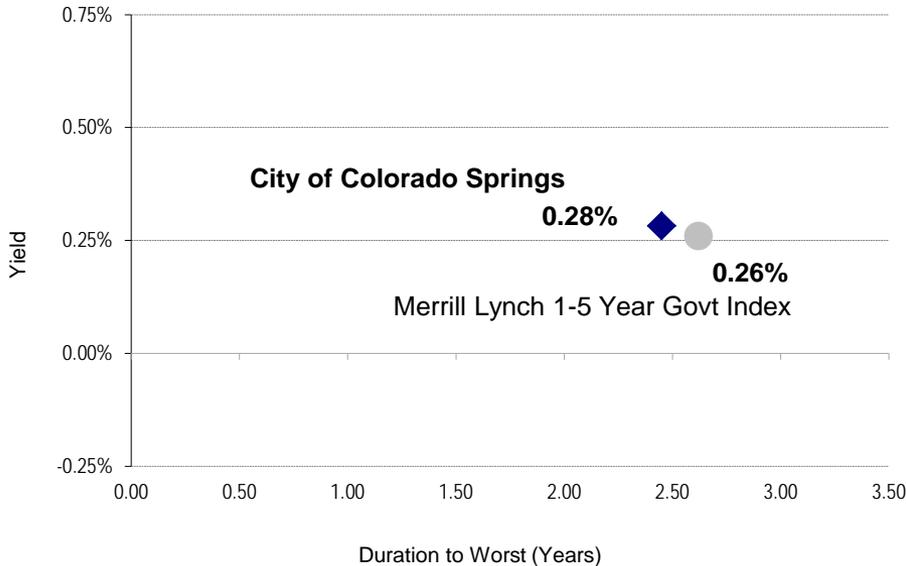
First Quarter 2014

Fixed Income
Management

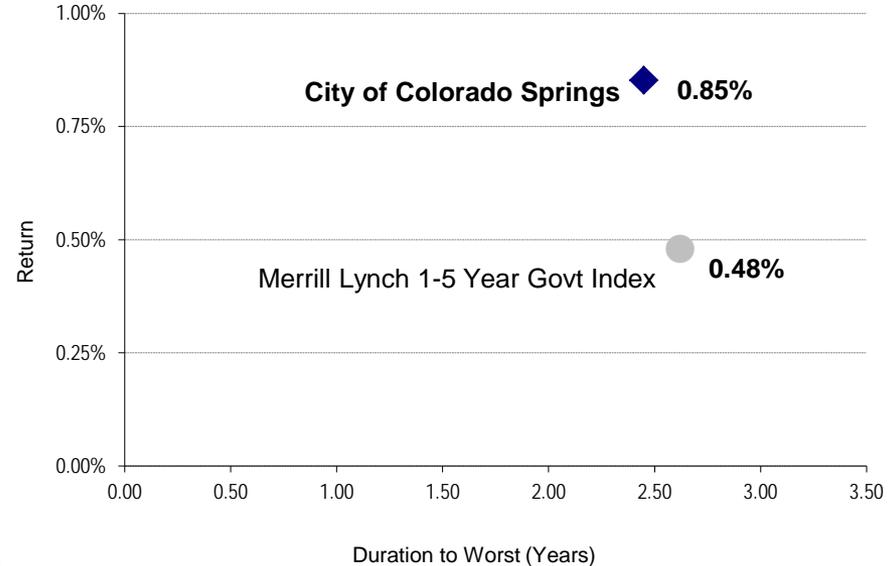
Airport Reserve Portfolio Performance

Total Return ^{1,2,3,4,5}	Quarter Ended March 31, 2014	Annualized Quarter	Past 1 Year	Past 2 Years	Since Inception
City of Colorado Springs	0.28%	1.13%	0.25%	0.89%	0.85%
Merrill Lynch 1-5 Year Govt Index	0.26%	1.04%	-0.06%	0.59%	0.48%
Effective Duration⁵	March 31, 2014	December 31, 2013	Yields	March 31, 2014	December 31, 2013
City of Colorado Springs	2.45	2.37	Yield at Market	1.43%	0.95%
Merrill Lynch 1-5 Year Govt Index	2.62	2.61	Yield at Cost	1.41%	0.98%

Quarter Total Return Comparison



Since Inception Total Return Comparison



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 12/31/2011.
5. Excludes CSIP in the performance, yield and duration calculations.

Investment Report

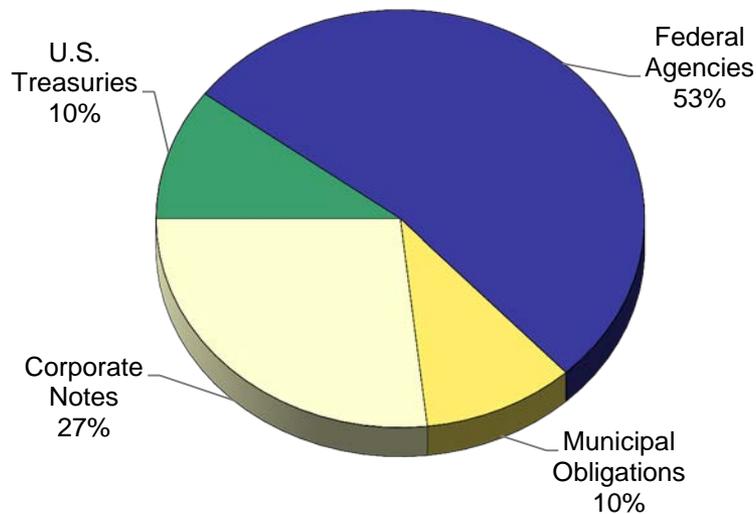
First Quarter 2014

Fixed Income
Management

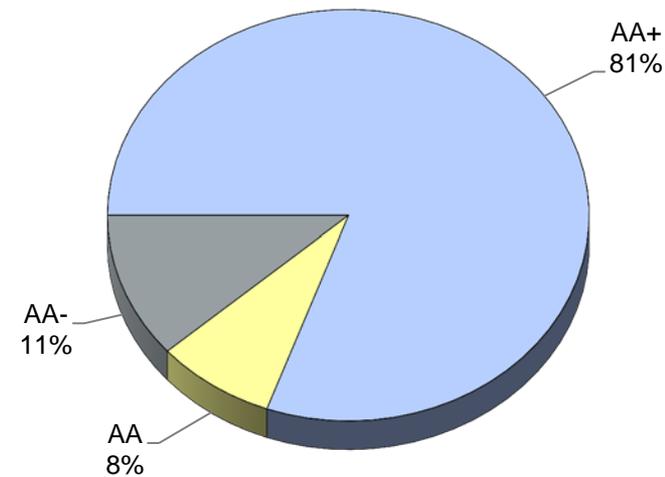
Airport Reserve Portfolio Composition and Credit Quality Characteristics

<u>Security Type</u> ^{1,2}	<u>March 31, 2014</u>	<u>% of Portfolio</u>	<u>December 31, 2013</u>	<u>% of Portfolio</u>	<u>Purchase Restrictions</u>
U.S. Treasuries	\$249,324.92	10.2%	\$1,393,185.07	26.6%	100%
Federal Agencies	\$1,294,153.00	52.9%	\$2,809,581.82	53.7%	85%
Municipal Obligations	\$246,443.30	10.1%	\$378,811.95	7.2%	20%
Medium-Term Corporate Notes	\$654,187.83	26.8%	\$655,758.00	12.5%	35%
Cash / Money Market	\$0.00	0.0%	\$0.00	0.0%	100%
Totals	\$2,444,109.05	100.0%	\$5,237,336.84	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.

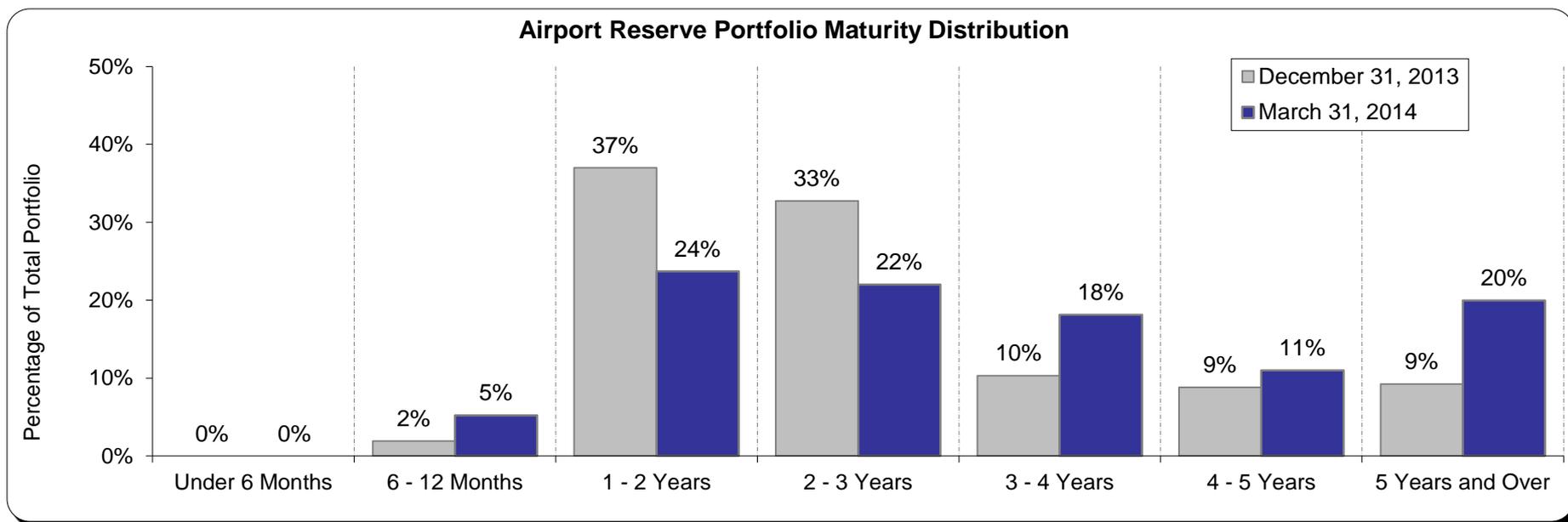
Investment Report

First Quarter 2014

Fixed Income
Management

Airport Reserve Portfolio Maturity Distribution

<u>Maturity Distribution</u> ^{1,2}	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Under 6 Months	\$0.00	\$0.00
6 - 12 Months	\$127,368.03	\$100,434.97
1 - 2 Years	\$579,429.55	\$1,937,025.49
2 - 3 Years	\$537,646.89	\$1,714,568.83
3 - 4 Years	\$442,991.53	\$540,063.46
4 - 5 Years	\$268,428.52	\$461,109.93
5 Years and Over	\$488,244.53	\$484,134.16
Totals	\$2,444,109.05	\$5,237,336.84



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.

Investment Report

First Quarter 2014

Fixed Income
Management

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</u>	<u>Weighted Average</u>
March 31, 2014	\$7,341,778.83	0.10%	52.8 Days
December 31, 2013	\$5,701,511.31	0.11%	53.2 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 **March 31, 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 11/01/2010 1.250% 10/31/2015	912828PE4	300,000.00	AA+	Aaa	11/18/10	11/23/10	295,886.72	1.54	1,574.59	298,649.83	304,640.70
US TREASURY NOTES DTD 11/01/2010 1.250% 10/31/2015	912828PE4	1,700,000.00	AA+	Aaa	11/01/10	11/03/10	1,706,972.66	1.17	8,922.65	1,702,250.95	1,726,297.30
US TREASURY NOTES DTD 12/31/2010 2.125% 12/31/2015	912828PM6	375,000.00	AA+	Aaa	11/29/12	12/05/12	395,170.90	0.36	2,003.19	386,513.51	386,660.25
US TREASURY NOTES DTD 12/31/2010 2.125% 12/31/2015	912828PM6	1,500,000.00	AA+	Aaa	01/28/14	01/29/14	1,550,625.00	0.36	8,012.78	1,546,121.58	1,546,641.00
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	4,988.95	1,551,779.84	1,549,915.22
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	3,107.73	5,005,970.05	5,001,560.00
US TREASURY NOTES DTD 08/01/2011 1.500% 07/31/2016	912828OX1	485,000.00	AA+	Aaa	01/25/12	01/27/12	500,345.70	0.78	1,205.80	493,008.00	495,268.36
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	2,456.52	2,837,444.38	2,849,939.10
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	674,317.41	676,582.20
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	1,299,853.49	1,301,625.00
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	380.43	499,085.27	500,039.00
US TREASURY NOTES DTD 03/31/2012 1.000% 03/31/2017	912828SM3	3,000,000.00	AA+	Aaa	02/27/14	03/03/14	3,024,375.00	0.73	81.97	3,023,754.30	3,007,500.00
US TREASURY NOTES DTD 03/31/2012 1.000% 03/31/2017	912828SM3	4,500,000.00	AA+	Aaa	03/19/14	03/21/14	4,510,371.09	0.92	122.95	4,510,271.70	4,511,250.00
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	725.14	868,181.06	858,251.63



Managed Account Detail of Securities Held

For the Month Ending **March 31, 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 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	12.89	751,772.65	740,961.53
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	3,149.17	1,000,423.00	983,828.00
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	893,237.35	871,804.69
Security Type Sub-Total		27,195,000.00					27,364,108.39	0.70	42,476.72	27,342,634.37	27,312,763.98
Municipal Bond / Note											
NYC, NY TXBL GO BONDS DTD 10/13/2011 1.200% 10/01/2014	64966JQU3	700,000.00	AA	Aa2	03/22/12	03/23/12	706,972.00	0.80	4,200.00	701,393.36	703,108.00
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	1,400,316.75	1,405,026.00
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	776,100.50
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	1,048.89	163,816.39	163,830.40
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	210,674.10
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	1,003,900.00
Security Type Sub-Total		4,245,000.00					4,257,235.20	0.78	12,011.95	4,250,526.50	4,262,639.00
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	1,374.48	1,449,619.82	1,447,047.80
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	3,888.89	1,883,945.18	1,905,380.75



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For the Month Ending **March 31, 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 02/15/2013 0.500% 03/30/2016	3135G0VA8	3,500,000.00	AA+	Aaa	06/25/13	06/25/13	3,471,825.00	0.80	48.61	3,479,581.74	3,502,348.50
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	1,914,922.48	1,914,731.90
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	1,287,413.88	1,302,957.50
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	34,609.03	3,375,927.06	3,386,418.05
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	1,275,286.61	1,290,583.75
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	8,118.06	2,005,097.22	2,006,038.00
FANNIE MAE NOTES DTD 10/20/2011 1.375% 11/15/2016	3135G0ES8	1,625,000.00	AA+	Aaa	12/08/11	12/09/11	1,637,090.00	1.22	8,440.97	1,631,517.83	1,650,285.00
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	4,727.78	1,852,303.90	1,843,280.80
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	1,305,834.35	1,294,153.90
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	1,577,701.66	1,557,852.98
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	604,515.36	595,171.80
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	6,498.70	1,712,895.36	1,700,453.25
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	2,843,989.15	2,791,523.70
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	987,328.65	972,944.00



Managed Account Detail of Securities Held

For the Month Ending **March 31, 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 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	1,737,685.44	1,702,652.00
Security Type Sub-Total		30,440,000.00					31,233,545.35	0.87	98,487.61	30,925,565.69	30,863,823.68
Corporate Note											
BANK OF NEW YORK MELLON (CALLABLE) NOTES DTD 02/21/2012 1.200% 02/20/2015	06406HCC1	270,000.00	A+	A1	02/13/12	02/21/12	269,754.30	1.23	369.00	269,926.43	271,908.09
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	500,709.21	502,262.00
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	599,917.28	602,714.40
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	1,554,168.48	1,558,618.50
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	444.44	399,977.57	401,990.80
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	374,819.49	374,848.88
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	776,740.23	774,412.38
APPLE INC GLOBAL NOTES DTD 05/03/2013 0.450% 05/03/2016	037833AH3	575,000.00	AA+	Aa1	04/30/13	05/03/13	573,959.25	0.51	1,063.75	574,273.68	573,097.33
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	1,546,934.16	1,544,209.20
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	958.14	400,000.00	402,107.20
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	834,649.03	839,300.25



Managed Account Detail of Securities Held

For the Month Ending **March 31, 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											
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	214,786.75	214,452.40
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	451.67	1,605,000.00	1,604,632.46
Security Type Sub-Total		9,550,000.00					9,701,865.25	0.78	35,483.46	9,651,902.31	9,664,553.89
Managed Account Sub-Total		71,430,000.00					72,556,754.19	0.79	188,459.74	72,170,628.87	72,103,780.55
Securities Sub-Total		\$71,430,000.00					\$72,556,754.19	0.79%	\$188,459.74	\$72,170,628.87	\$72,103,780.55
Accrued Interest											\$188,459.74
Total Investments											\$72,292,240.29



Managed Account Detail of Securities Held

For the Month Ending **March 31, 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	524.86	100,863.29	101,546.90
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	124.31	148,831.04	147,128.85
Security Type Sub-Total		250,000.00					250,537.10	0.72	649.17	249,694.33	248,675.75
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	120,027.15	120,430.80
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	125,487.50
Security Type Sub-Total		245,000.00					245,060.00	0.91	525.00	245,027.15	245,918.30
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	94.79	99,973.78	99,796.40
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	142,180.49	141,553.86
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	100,448.80	99,550.30
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	199,578.19	195,896.40
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	98,732.87	97,294.40
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	173,768.54	170,265.20
FNMA (CALLABLE) GLOBAL NOTES DTD 10/18/2006 5.450% 10/18/2021	31359MZZ2	430,000.00	AA+	Aaa	07/20/10	07/21/10	493,996.90	3.81	10,610.85	457,485.51	477,633.68



Managed Account Detail of Securities Held

For the Month Ending **March 31, 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
Security Type Sub-Total		1,245,000.00					1,309,476.95	1.96	12,162.76	1,272,168.18	1,281,990.24
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	125,975.11	126,755.88
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	125,177.30	125,565.50
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	129,514.04	129,884.88
APPLE INC GLOBAL NOTES DTD 05/03/2013 0.450% 05/03/2016	037833AH3	50,000.00	AA+	Aa1	04/30/13	05/03/13	49,909.50	0.51	92.50	49,936.84	49,834.55
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	149,703.31	149,439.60
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	69,970.58	70,360.50
Security Type Sub-Total		645,000.00					655,531.40	0.78	2,346.92	650,277.18	651,840.91
Managed Account Sub-Total		2,385,000.00					2,460,605.45	1.41	15,683.85	2,417,166.84	2,428,425.20
Securities Sub-Total		\$2,385,000.00					\$2,460,605.45	1.41%	\$15,683.85	\$2,417,166.84	\$2,428,425.20
Accrued Interest											\$15,683.85
Total Investments											\$2,444,109.05

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