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CITY OF COLORADO SPRINGS

September 2017

➤ A BNY MELLON COMPANYSM



ACTIVITY AND PERFORMANCE SUMMARY

For the period July 1, 2017 - September 30, 2017

| <u>Amortized Cost Basis Activity Summary</u> | |
|--|----------------|
| Opening balance | 111,824,720.44 |
| Income received | 332,783.34 |
| Total receipts | 332,783.34 |
| Total disbursements | 0.00 |
| Interportfolio transfers | 4,689,917.76 |
| Total Interportfolio transfers | 4,689,917.76 |
| Realized gain (loss) | 0.00 |
| Total amortization expense | (57,353.96) |
| Total OID/MKT accretion income | 17,016.39 |
| Return of capital | 0.00 |
| Closing balance | 116,807,083.97 |
| Ending fair value | 116,299,122.09 |
| Unrealized gain (loss) | (507,961.88) |

| <u>Detail of Amortized Cost Basis Return</u> | | | | |
|--|-------------------|--------------------------|----------------------|-------------------|
| | Interest earned | Accretion (amortization) | Realized gain (loss) | Total income |
| Commercial Paper | 0.00 | 9,190.83 | 0.00 | 9,190.83 |
| Corporate Bonds | 147,642.37 | (10,740.88) | 0.00 | 136,901.49 |
| Government Agencies | 163,680.83 | (25,553.07) | 0.00 | 138,127.76 |
| Government Bonds | 98,932.72 | (13,234.45) | 0.00 | 85,698.27 |
| Total | 410,255.92 | (40,337.57) | 0.00 | 369,918.35 |

| <u>Comparative Rates of Return (%)</u> | | | |
|--|-------------------------|----------------------|------------------------|
| | * Twelve month trailing | * Six month trailing | * Three month trailing |
| Fed Funds | 0.81 | 0.53 | 0.29 |
| Overnight Repo | 0.76 | 0.51 | 0.28 |
| Merrill Lynch 3m US Treas Bill | 0.71 | 0.47 | 0.25 |
| Merrill Lynch 6m US Treas Bill | 0.82 | 0.51 | 0.27 |
| ML 1 Year US Treasury Note | 1.00 | 0.59 | 0.31 |
| ML 2 Year US Treasury Note | 1.23 | 0.66 | 0.34 |
| ML 5 Year US Treasury Note | 1.79 | 0.91 | 0.45 |

* rates reflected are cumulative

| <u>Summary of Amortized Cost Basis Return for the Period</u> | |
|--|-----------------|
| | Total portfolio |
| Interest earned | 410,255.92 |
| Accretion (amortization) | (40,337.57) |
| Realized gain (loss) on sales | 0.00 |
| Total income on portfolio | 369,918.35 |
| Average daily amortized cost | 114,134,752.61 |
| Period return (%) | 0.32 |
| YTD return (%) | 0.94 |
| Weighted average final maturity in days | 546 |

ACTIVITY AND PERFORMANCE SUMMARY

For the period July 1, 2017 - September 30, 2017

| <u>Fair Value Basis Activity Summary</u> | | |
|--|--------------|----------------|
| Opening balance | | 111,280,038.19 |
| Income received | 332,783.34 | |
| Total receipts | | 332,783.34 |
| Total disbursements | | 0.00 |
| Interportfolio transfers | 4,689,917.76 | |
| Total Interportfolio transfers | | 4,689,917.76 |
| Unrealized gain (loss) on security movements | | 0.00 |
| Return of capital | | 0.00 |
| Change in fair value for the period | | (3,617.20) |
| Ending fair value | | 116,299,122.09 |

| <u>Detail of Fair Value Basis Return</u> | | | |
|--|-------------------|----------------------|-------------------|
| | Interest earned | Change in fair value | Total income |
| Commercial Paper | 0.00 | 8,617.01 | 8,617.01 |
| Corporate Bonds | 147,642.37 | (2,752.06) | 144,890.31 |
| Government Agencies | 163,680.83 | 6,655.65 | 170,336.48 |
| Government Bonds | 98,932.72 | (16,137.80) | 82,794.92 |
| Total | 410,255.92 | (3,617.20) | 406,638.72 |

| <u>Comparative Rates of Return (%)</u> | | | |
|--|-------------------------|----------------------|------------------------|
| | * Twelve month trailing | * Six month trailing | * Three month trailing |
| Fed Funds | 0.81 | 0.53 | 0.29 |
| Overnight Repo | 0.76 | 0.51 | 0.28 |
| Merrill Lynch 3m US Treas Bill | 0.66 | 0.47 | 0.26 |
| Merrill Lynch 6m US Treas Bill | 0.81 | 0.55 | 0.32 |
| ML 1 Year US Treasury Note | 0.59 | 0.38 | 0.24 |
| ML US Treasury 1-3 | 0.23 | 0.41 | 0.23 |
| ML US Treasury 1-5 | (0.07) | 0.66 | 0.28 |

* rates reflected are cumulative

| <u>Summary of Fair Value Basis Return for the Period</u> | |
|--|-----------------|
| | Total portfolio |
| Interest earned | 410,255.92 |
| Change in fair value | (3,617.20) |
| Total income on portfolio | 406,638.72 |
| Average daily total value * | 114,108,075.48 |
| Period return (%) | 0.36 |
| YTD return (%) | 1.04 |
| Weighted average final maturity in days | 546 |

* Total value equals market value and accrued interest

ADDITIONAL INFORMATION

As of September 30, 2017

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

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Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategys holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

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ADDITIONAL INFORMATION

As of September 30, 2017

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