

2005	2006	2007	2008	2009	2010
3.90%	5.18%	9.84%	12.15%	3.18%	5.70%
3.62%	5.07%	8.88%	11.33%	2.76%	5.22%
3.07%	4.65%	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%	6.61%	1.04%	2.35%
1.67%	4.22%	6.74%	5.17%	0.79%	2.32%
1.58%	3.96%	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%	2.06%	(1.41%)	0.13%



The PFM Group

Public Financial Management, Inc.
PFM Asset Management LLC
PFM Advisors



City of Colorado Springs Review of Investment Performance Quarter Ended December 31, 2013

February 18, 2014

Bob Cheddar, Managing Director ♦ Chris Blackwood, Director
Ben Mendenhall, Senior Analyst ♦ Allison Kaune, Senior Analyst

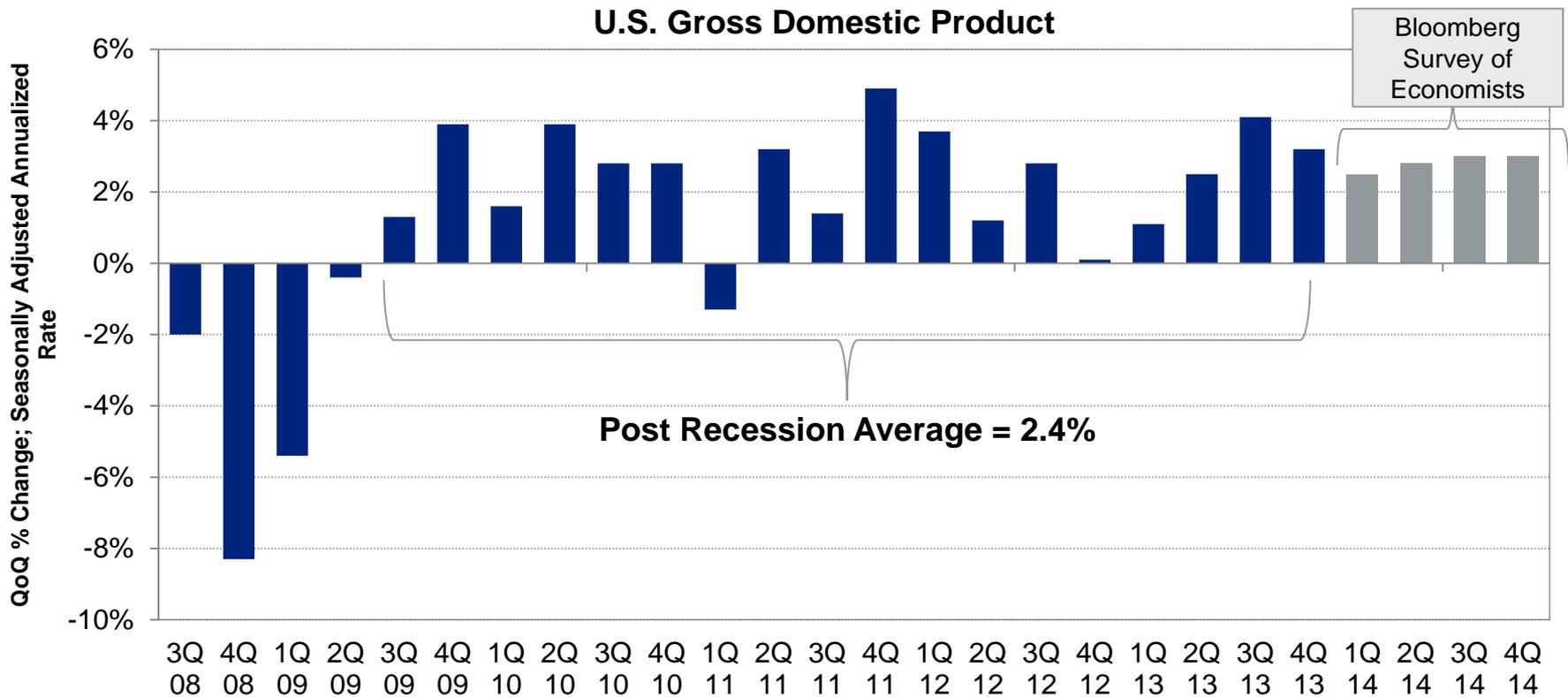
1400 16th Street, Suite 400
Denver, CO 80202
303-467-1114



Economic Update

Economic Growth Picks Up

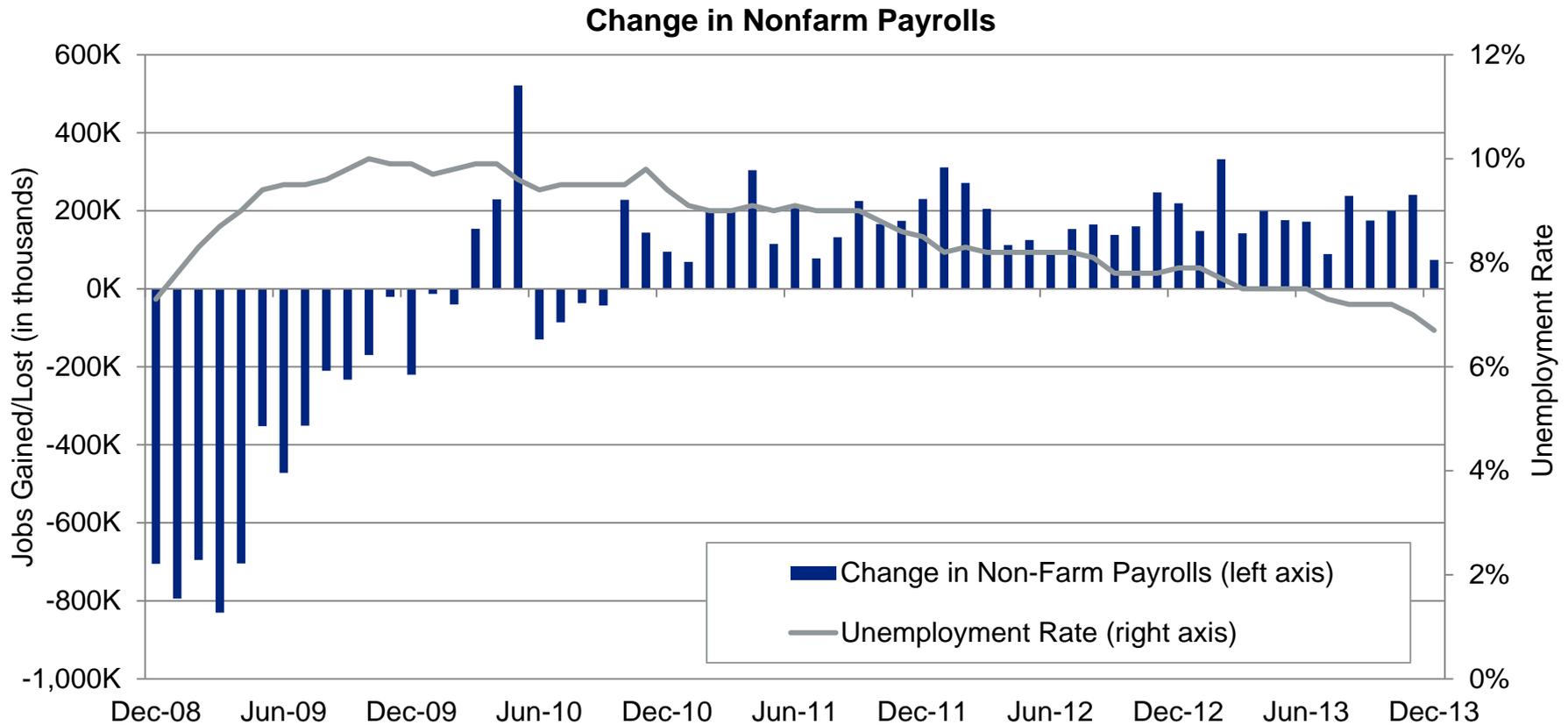
- The last two quarters of GDP have shown relatively strong growth. Third quarter's annualized pace of 4.1% was driven by an increase in consumer spending.
- Estimates for 2014 are relatively robust, at around 3%.



Source: Bureau Of Economic Analysis

Labor Market Strengthening

- While December's job report showed a mere 74,000 jobs were added, the pace of job growth remains encouraging. The U.S. averaged 182,000 jobs per month in 2013.
- The Unemployment Rate fell to 6.7% on a combination of people leaving the work force and new jobs being created.

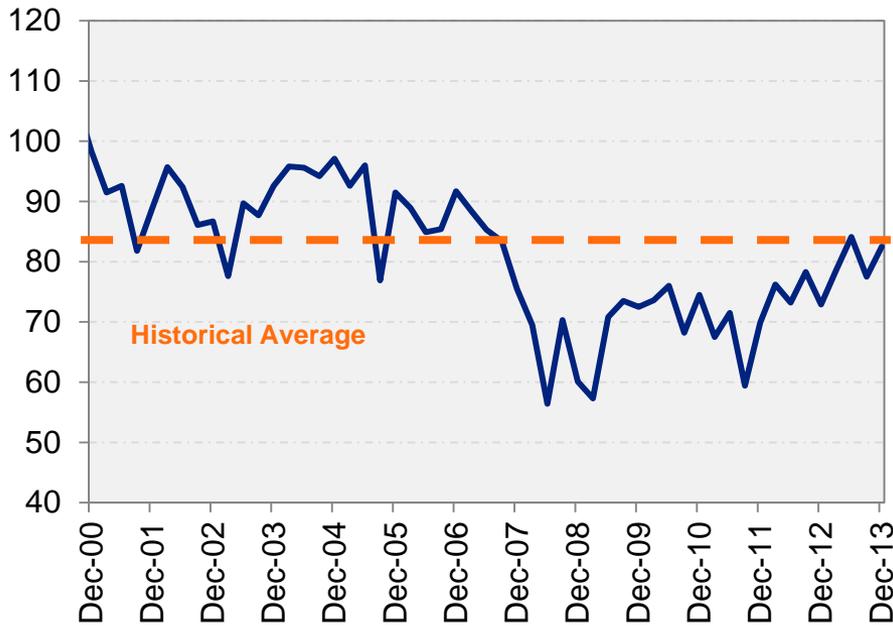


Source: Bureau of Labor Statistics

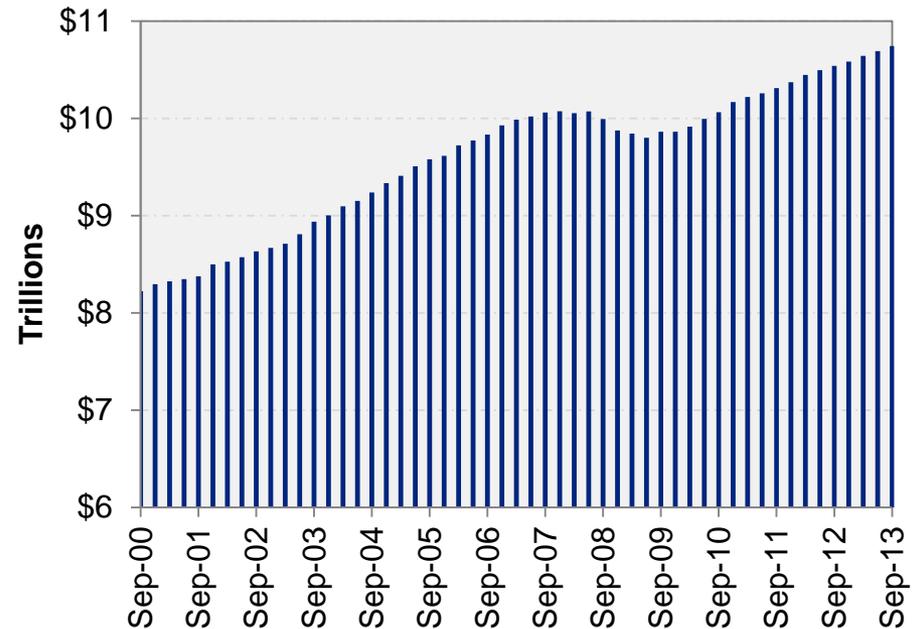
Consumers Continue to Support Growth

- The Third Quarter GDP reading portrayed a significant contribution from the consumer sector. As Consumer Confidence has rebounded from its depths during the height of the recession, so has spending.
- Consumer behavior offers a vital indication on the general direction of economic growth as Consumer Spending accounts for approximately 70% of overall GDP growth.

University of Michigan Consumer Confidence



Consumer Spending: Contribution to GDP



Source: Bureau of Economic Analysis, Bloomberg.



Market Update



New Budget Deal Reached

- **Bipartisan Budget Act of 2013:**

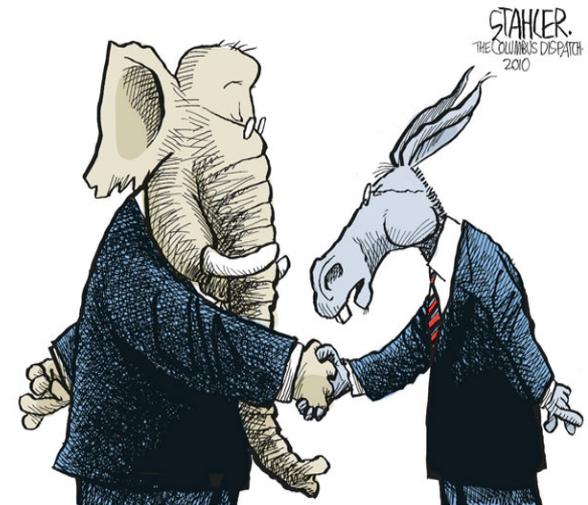
- Funds the federal government through 2015 and avoids another government shutdown in that period.
- Eliminates approximately \$63 billion of planned sequestration cuts in 2014 and 2015 in discretionary spending areas (split equally between military and non-military).
- Includes \$20 to \$23 billion of further deficit reduction spread over the next 10 years.

- **Budget deal does not address:**

- Entitlement programs
- Corporate tax breaks
- Federal debt ceiling, which will be reached on February 7, 2014 unless otherwise acted upon.

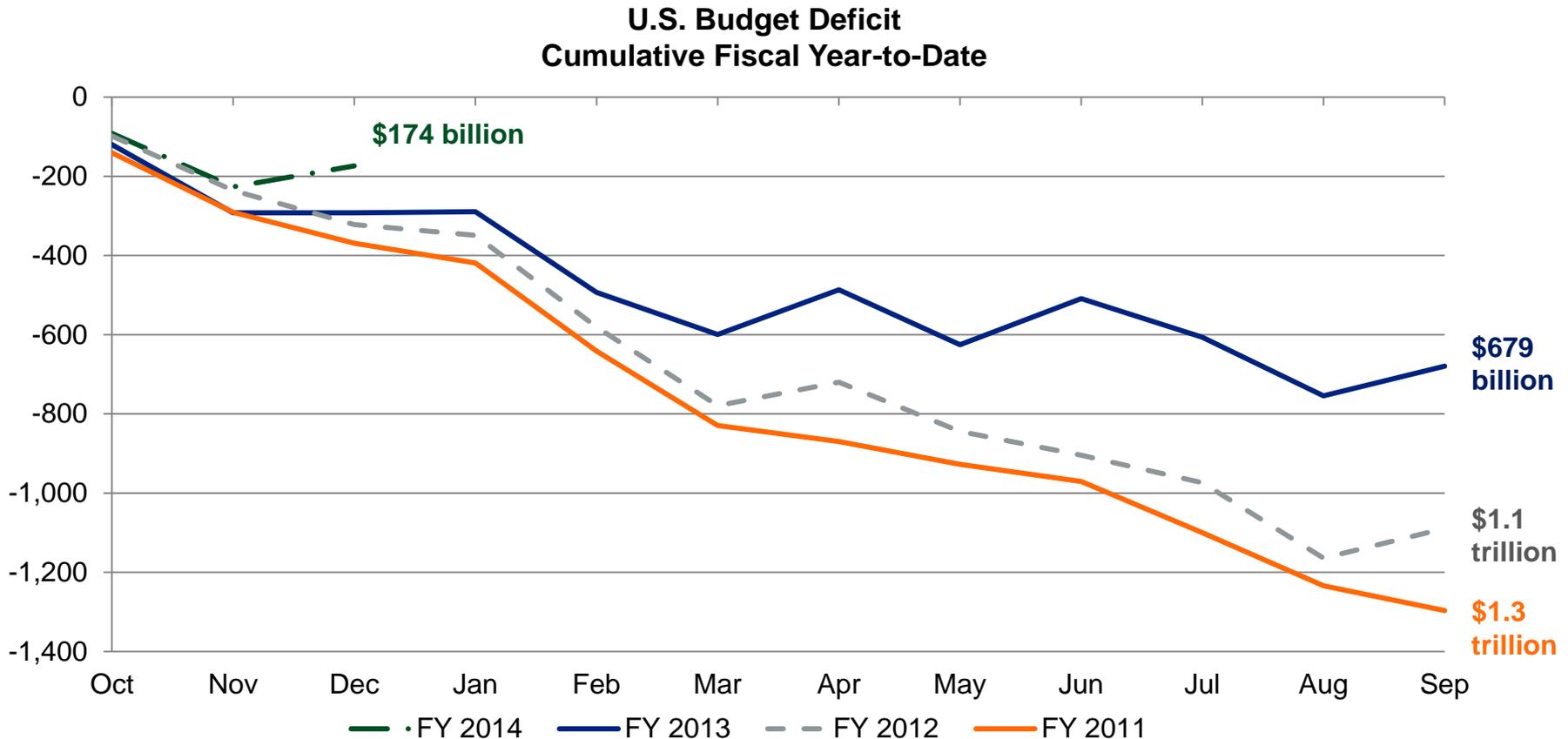
- **February 11, 2014: House passes bill to suspended debt ceiling until March 2014**

- Awaiting Senate approval
- Will allow reopening of the SLGS window
- Removes budgetary uncertainty



A Word About the Budget Deficit

- The steadily improving economy, combined with a Sequester related decrease in government spending has resulted in an improving budget situation. The Federal Government's budget deficit has fallen by nearly half over the past two years.



Source: Bloomberg, US Office of Budget and Management

Meet Janet Yellen: Your New FOMC Chair



Source: Federal Reserve

Education

- Brown University: B.A. in Economics
- Yale University: Ph.D. in Economics

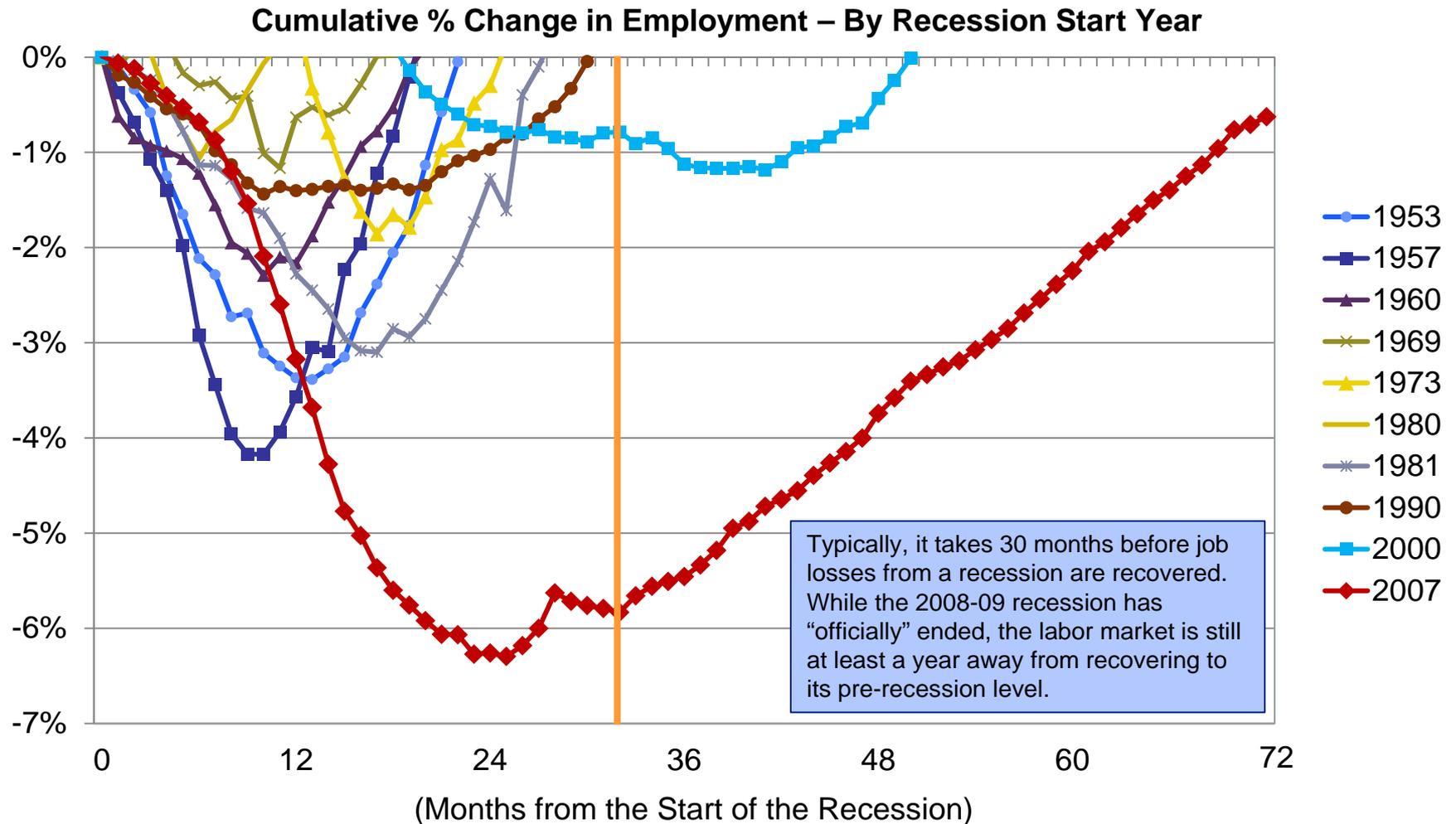
Career

- Professor at University of California, Berkeley since 1980
- Served on the Federal Reserves Board of Governors from 1994-1997
- Chair of the President's Council of Economic Advisers from 1997-1999 (Clinton Administration)
- President of the Federal Reserve Bank of San Francisco from 2004-2010
- Nominated in 2010 as Vice-Chair of the Federal Reserve System (Obama Administration)

Views

- Generally considered a “dove” and Federal Reserve insider that is likely to continue the monetary policy path of the current Fed.

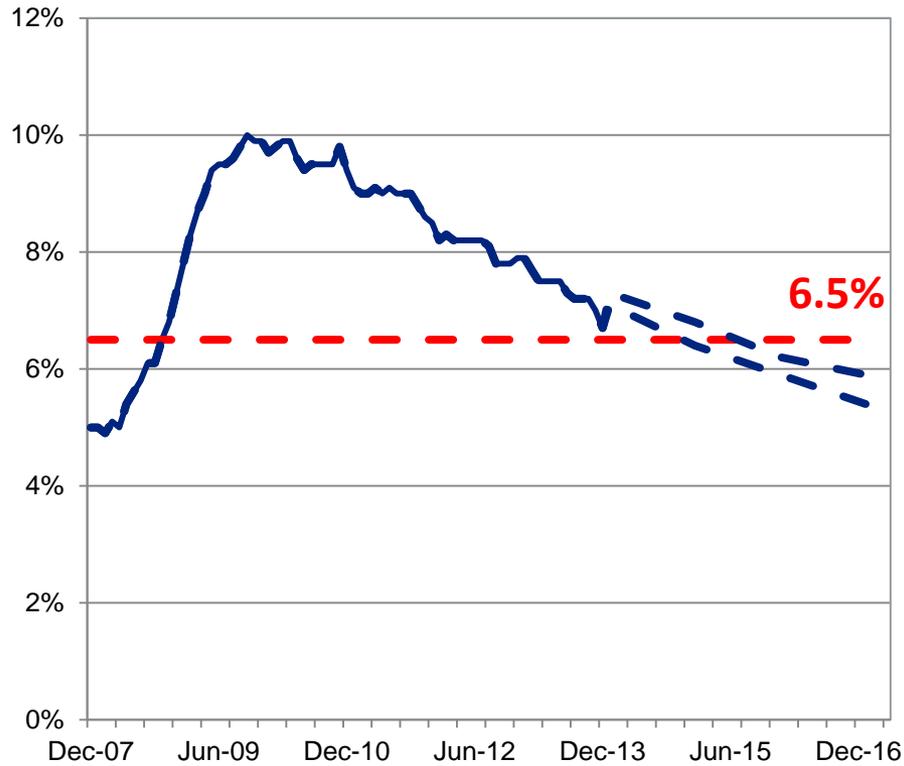
The Worst Recession for Labor Markets in 50 Years



Source: Bureau of Labor Statistics

Fed's Employment and Inflation Thresholds

Unemployment Rate



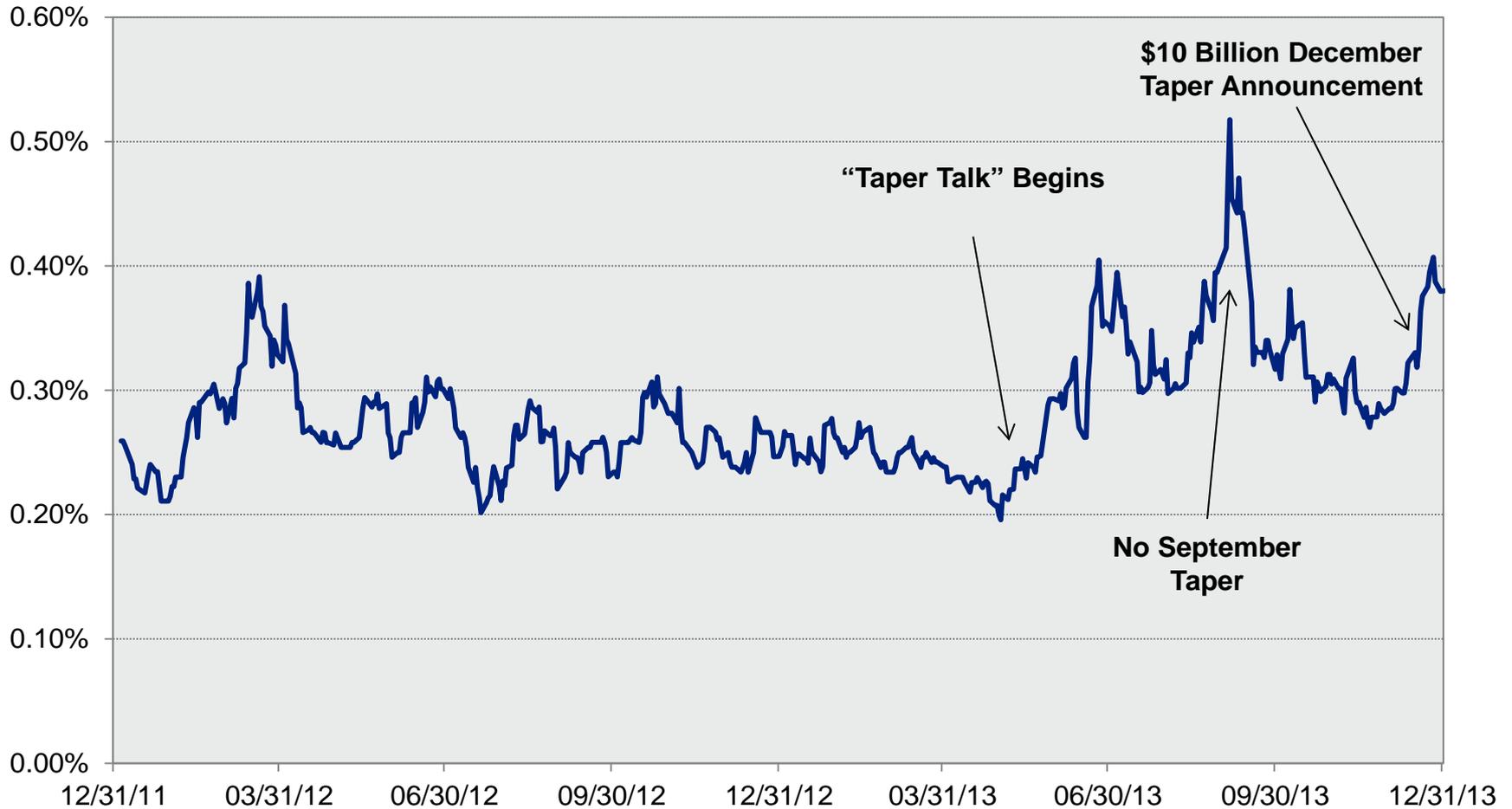
Core Inflation (PCE Price Index)



Source: Bloomberg, Federal Reserve as of December 2013

FOMC Impact on the Bond Market

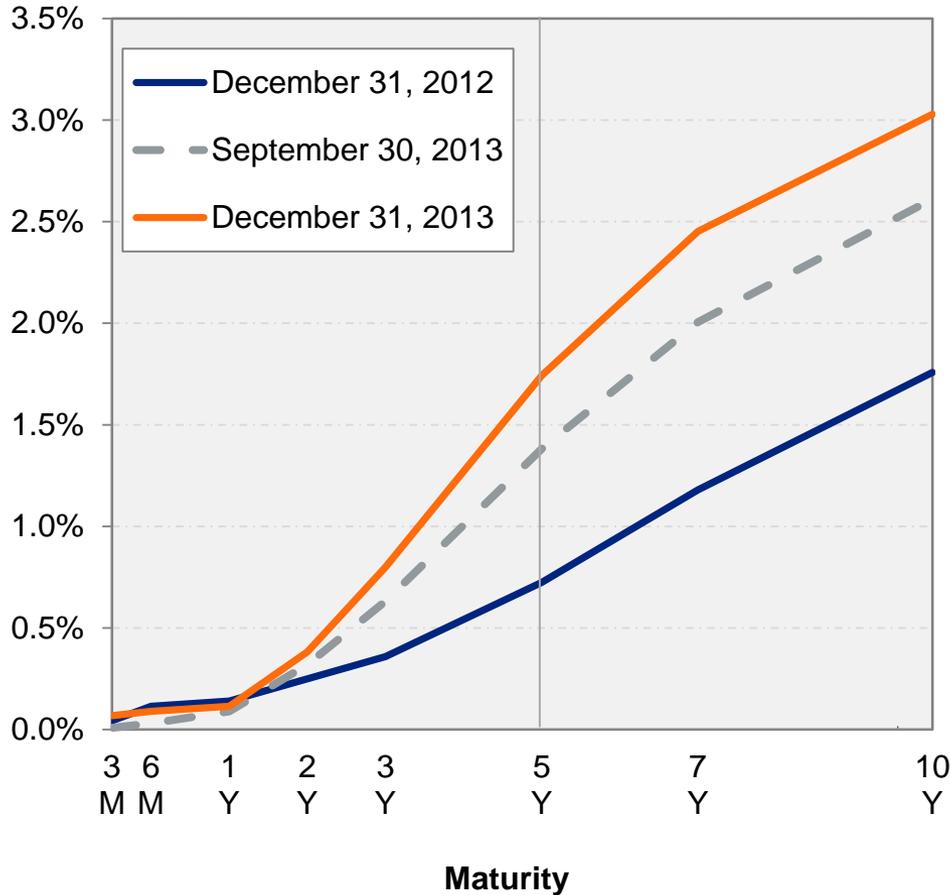
2- Year U.S. Treasury Yield
December 31, 2011 – December 31, 2013



Source: Bloomberg

Long-Term Rates Rose and the Yield Curve Steepened

U.S. Treasury Yield Curve



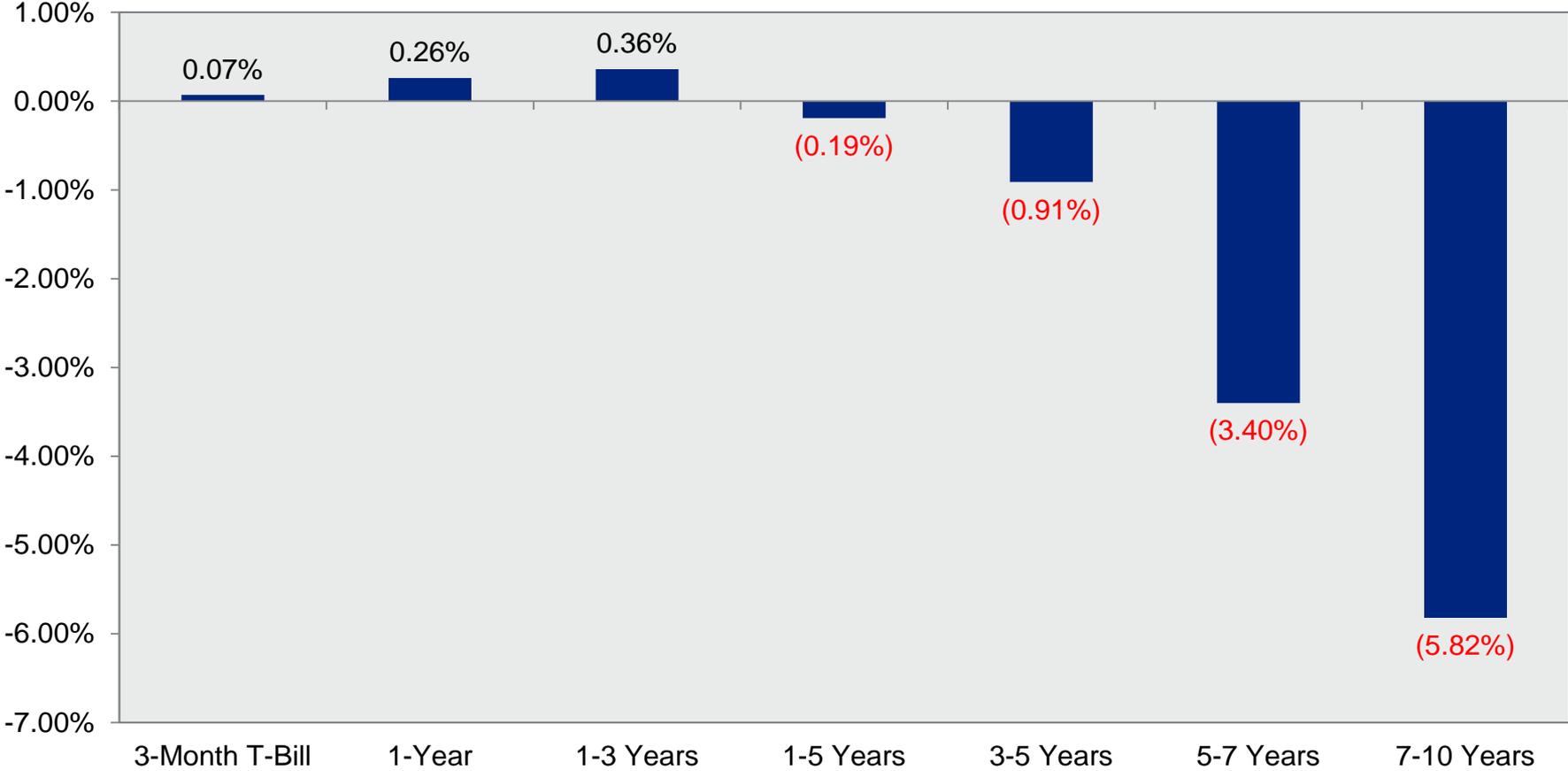
	12/31/12	9/30/13	12/31/13	YoY change
3-Mo.	0.04%	0.01%	0.07%	0.03%
6-Mo.	0.11%	0.03%	0.09%	-0.02%
1-Yr.	0.14%	0.09%	0.11%	-0.03%
2-Yr.	0.25%	0.32%	0.38%	+0.13%
3-Yr.	0.36%	0.63%	0.80%	+0.44%
5-Yr.	0.72%	1.38%	1.74%	+1.02%
10-Yr.	1.76%	2.61%	3.03%	+1.27%

Source: Bloomberg

Note: Colorado Springs Investment Policy allows a maximum maturity of 5 years for treasuries and agencies

Market Value Declines Negatively Impacted Returns

U.S. Treasury Index Annual Returns
December 31, 2013



Sources: Bloomberg; BofA Merrill Lynch Indices

Colorado Springs Portfolio Performance



Colorado Springs Portfolio Performance

- The portfolios' performance was dampened by the rise in yields; however, the portfolio returned a positive performance ahead of the benchmark as a result of:
 - Conservative duration position
 - Strategic sector selection
 - Active management trades
- Historically, the portfolios continue to generate solid performances in excess of the index.

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

	Duration	Portfolio Yield at Cost	Quarter Ending 12/31/13	Past 12 Months	Past 5 Years	Since Inception
Colorado Springs Reserve	2.38	0.78%	0.09%	0.08%	1.97%	3.23%
<i>Portfolio Return Net of Fees</i>	-	-	0.01%	0.00%	1.89%	3.15%
Merrill Lynch 1-5 Year U.S. Gov't Index	2.61	-	(0.09%)	(0.16%)	1.67%	3.01%

	Duration	Portfolio Yield at Cost	Quarter Ending 12/31/13	Past 12 Months	Since Inception
Colorado Springs Airport Reserve	2.37	0.98%	0.10%	0.15%	0.82%
<i>Portfolio Return Net of Fees</i>	-	-	0.02%	0.07%	0.74%
Merrill Lynch 1-5 Year U.S. Gov't Index	2.61	-	(0.09%)	(0.16%)	0.41%

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

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

3. Merrill Lynch Indices provided by Bloomberg Financial Markets.

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

Portfolio Complies with the City's Investment Policy

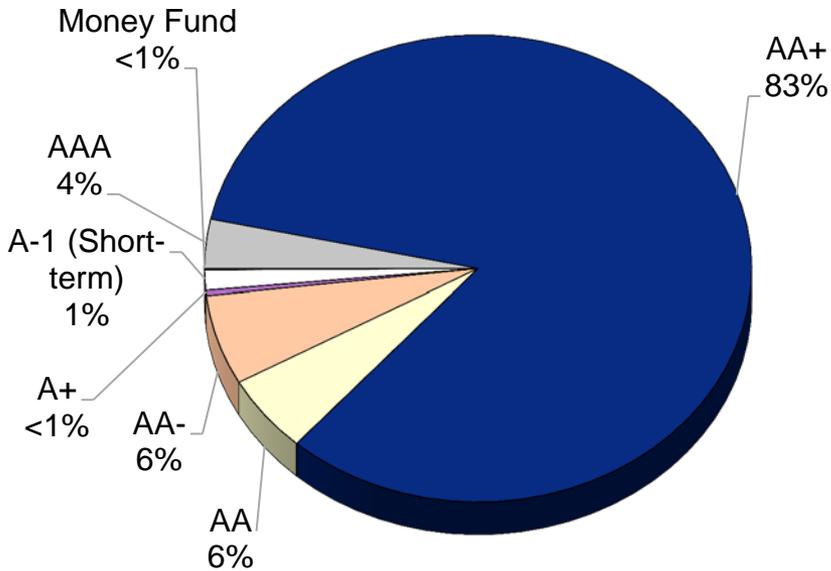
Security Type	Reserve			Airport Reserve			In Compliance
	December 31, 2013 Market Values	12/31/13 % of Portfolio	6/30/13 % of Portfolio	December 31, 2013 Market Values	12/31/13 % of Portfolio	6/30/13 % of Portfolio	
U.S. Treasuries	\$19,871,713	28%	29%	\$1,393,185	27%	29%	√
Federal Agencies	\$35,273,184	49%	51%	\$2,809,582	54%	55%	√
Municipal Obligations	\$5,698,812	8%	6%	\$378,812	7%	5%	√
Commercial Paper	\$999,259	1%	0%	\$0	0%	0%	√
Corporate Notes	\$10,285,694	14%	14%	\$655,758	12%	11%	√
Money Market Fund	\$65,535	<1%	<1%	\$0	0%	0%	√
Totals	\$72,194,197	100%	100%	\$5,237,337	100%	100%	

CSIP **\$5,701,511**

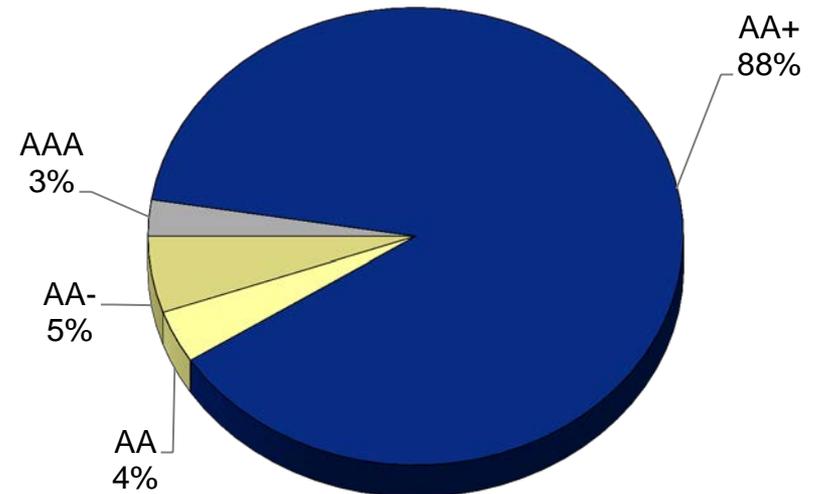
Market Value including accrued interest

Portfolios Are of High Credit Quality

Reserve Portfolio Credit Quality Distribution

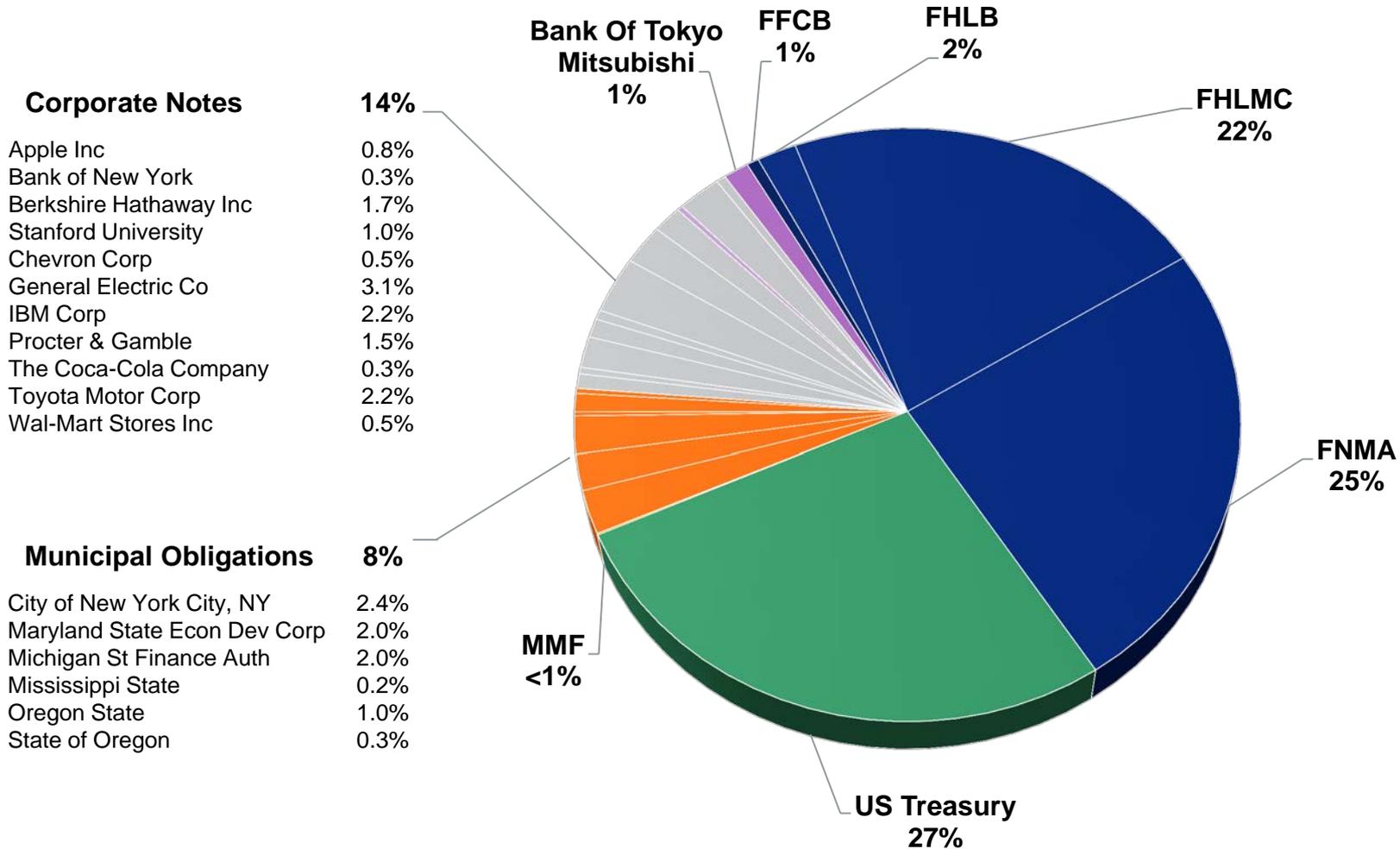


Airport Reserve Portfolio Credit Quality Distribution



As of 12/31/13
Ratings by Standard & Poor's

Aggregate Portfolio Issuer Distribution

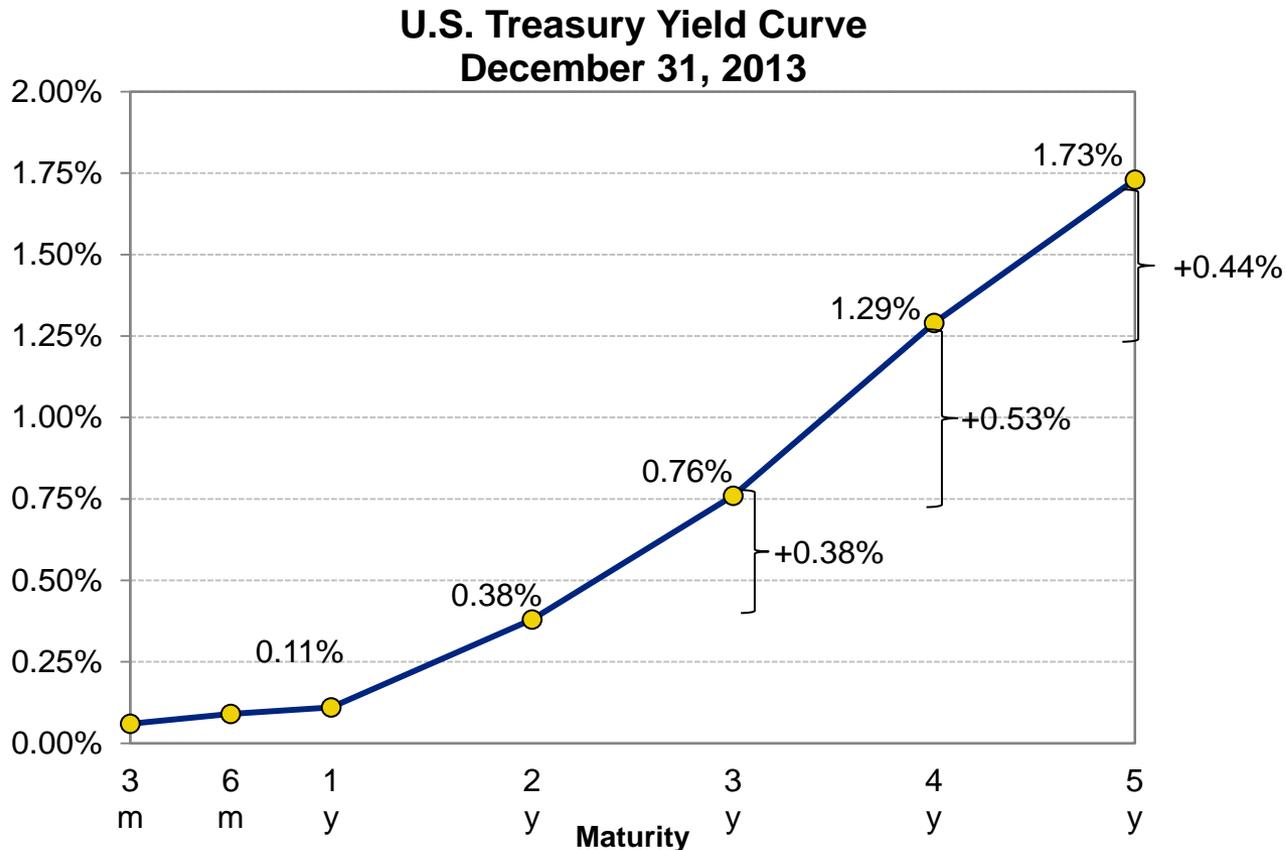


Fourth Quarter 2013 Strategies

- Over the past quarter, we executed the following strategies for the City's portfolios:
 - Capitalized on the steep yield curve
 - Purchased shorter-term securities to maintain conservative duration position
 - Took advantage of the corporate sector
 - Utilized a callable Agency investment

Capitalizing on the Steep Yield Curve

- Because of the steep yield curve, we have continued to look for and purchase intermediate-term investments.
- Over half of investments purchased during the fourth quarter have ranged in maturity from 3 to 4 years, where the yield curve has been the steep.



Source: Bloomberg

Risk to Upside Potential of Higher Rates

- Rising rates mean increased earnings on new investments.
- However, the impact of rising rates on current holdings over a short investment horizon can be detrimental to returns.
 - Over the next quarter, even a small rise in interest rates can result in negative returns for longer-duration portfolios.

Yield Curve Horizon Returns

Interest Rate Shock	-10	No Change	+20	+50	+100
3-Month Time Horizon					
1yr UST	0.14	0.06	-0.09	-0.31	-0.69
3yr UST	0.79	0.52	-0.03	-0.86	-2.23
5yr UST	1.32	0.86	-0.07	-1.47	-3.79
1-Year Time Horizon					
1yr UST	0.16	0.16	0.16	0.16	0.16
3yr UST	1.79	1.59	1.19	0.59	-0.42
5yr UST	3.74	3.34	2.54	1.34	-0.66

Source: Bloomberg, Bloomberg Survey of Economists

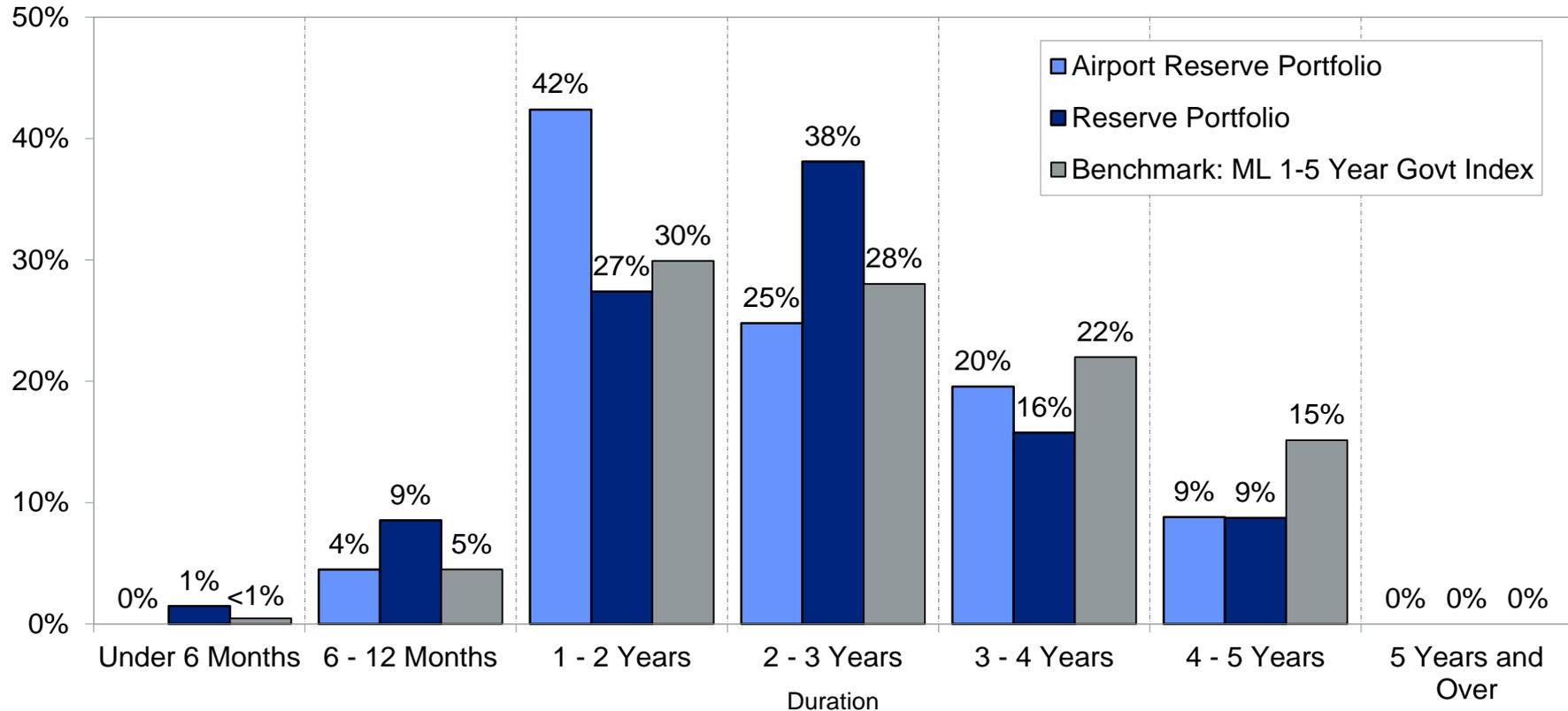
U.S. Treasury Yield Forecasts



Prudent Management of Duration Risk

- To manage duration risk we have strategically utilized shorter duration investments and have underweighted the 4-5 year bucket.

Duration Distribution
December 31, 2013



Source of index data: Bloomberg, Merrill Lynch

Utilization of Shorter-Duration Investments

- Utilizing non-government shorter-duration instruments, including commercial paper and municipal obligations:
 - helps to manage the portfolio's duration
 - benefits the portfolio with attractive yields
- In the fourth quarter, we purchased the following investments with maturities under 2 years for the Reserve Portfolio:

Trade Date	Issuer	S&P Rating	Maturity Date	Duration (years)	Par	Yield	Yield Over Treasury
10/31/2013	Bank of Tokyo Mits UFJ Commercial Paper	A-1	5/1/2014	0.50	1,000,000	0.25%	+0.15%
11/13/2013	Mississippi State	AA	12/1/2015	1.97	160,000	0.56%	+0.23%

Utilizing Callable Agency Investments

- Although we have been avoiding callable securities, we did purchase a callable agency when our analysis indicated the additional yield compensated for the call risk under expected market conditions.

	Trade Type	Trade Date	Issuer	Maturity Date	Par Value	Realized Gain/Loss	Yield (At Market)	Call Structure
Reserve	Sell	12/23/13	FHLB Bonds	9/22/14	500,000	\$2,994	0.18%	-
	Sell	12/23/13	FHLMC Notes	11/25/14	125,000	\$350	0.19%	-
	Sell	12/23/13	U.S. Treasury Notes	11/30/14	750,000	\$1,768	0.17%	-
	Buy	12/12/13	FHLB (Callable)	12/30/15	1,450,000	-	0.39%	On 9/30/14
Airport	Sell	12/23/13	FHLMC Notes	12/29/14	100,000	\$433	0.20%	-
	Buy	12/12/13	FHLB (Callable)	12/30/15	100,000	-	0.39%	On 9/30/14

Non-Callable vs. Callable Yield

Maturity Date	FHLB Bullet Yield	FHLB Callable Yield
Sept 2014	0.14%	0.41%*
Dec 2015	0.33%	0.39%

*Yield to call.

Source: Bloomberg

First Quarter 2014 Strategy

- We remain cautious while managing the portfolios' durations. To reduce the negative impact of a rise in interest rates, we will continue to manage the portfolios' durations somewhat short of the benchmark duration.
- In order to maintain a conservative duration position while adding to the return potential of the portfolios, we will continue to:
 - Look to purchase intermediate-term investments that are well positioned on the yield curve to benefit from roll down.
 - Purchase shorter-term commercial paper.
- We will monitor the spread relationships between Agencies and Treasuries, as well as those between corporate notes, municipal bonds and Treasuries.
 - We continue to find value in credit instruments such as corporate notes.
 - While federal agency spreads have tightened to near zero in shorter maturities, they may still provide value in select maturities.
- We will adjust our views on value in the new year as spread relationships change over time.

Portfolio Holdings



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 12/31/2009 2.625% 12/31/2014	912828ME7	1,500,000.00	AA+	Aaa	11/30/11	11/30/11	1,600,664.06	0.43	108.77	1,532,695.67	1,536,445.31
US TREASURY NOTES DTD 03/01/2010 2.375% 02/28/2015	912828MR8	65,000.00	AA+	Aaa	02/28/12	02/29/12	68,750.20	0.44	524.53	66,456.03	66,627.54
US TREASURY NOTES DTD 03/01/2010 2.375% 02/28/2015	912828MR8	440,000.00	AA+	Aaa	02/28/12	02/29/12	465,454.69	0.43	3,550.69	449,882.46	451,017.16
US TREASURY NOTES DTD 03/01/2010 2.375% 02/28/2015	912828MR8	700,000.00	AA+	Aaa	03/07/12	03/07/12	740,277.34	0.43	5,648.83	715,736.18	717,527.30
US TREASURY NOTES DTD 03/01/2010 2.375% 02/28/2015	912828MR8	725,000.00	AA+	Aaa	03/27/12	03/29/12	764,110.35	0.51	5,850.57	740,602.28	743,153.28
US TREASURY NOTES DTD 08/02/2010 1.750% 07/31/2015	912828NP1	1,415,000.00	AA+	Aaa	08/01/13	08/02/13	1,454,686.33	0.34	10,362.57	1,446,488.77	1,447,997.80
US TREASURY NOTES DTD 08/31/2010 1.250% 08/31/2015	912828NV8	3,100,000.00	AA+	Aaa	06/25/13	06/25/13	3,151,949.22	0.48	13,166.44	3,139,575.56	3,149,283.80
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	642.27	298,440.46	304,968.60
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	3,639.50	1,702,601.24	1,728,155.40
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	22.01	388,145.43	387,890.63
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	3,044.43	493,848.10	496,063.82
US TREASURY NOTES DTD 08/31/2011 1.000% 08/31/2016	912828RF9	2,825,000.00	AA+	Aaa	08/29/13	08/30/13	2,840,449.22	0.82	9,598.76	2,838,705.06	2,851,484.38
US TREASURY NOTES DTD 01/03/2012 0.875% 12/31/2016	912828RX0	675,000.00	AA+	Aaa	01/23/12	01/26/12	673,787.11	0.91	16.32	674,256.43	676,476.90
US TREASURY NOTES DTD 01/31/2012 0.875% 01/31/2017	912828SC5	1,300,000.00	AA+	Aaa	02/22/12	02/27/12	1,299,746.09	0.88	4,760.19	1,299,840.88	1,301,219.40



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 02/29/2012 0.875% 02/28/2017	912828SJ0	500,000.00	AA+	Aaa	03/13/12	03/15/12	498,457.03	0.94	1,486.53	499,008.82	499,960.94
US TREASURY NOTES DTD 07/31/2012 0.500% 07/31/2017	912828TG5	875,000.00	AA+	Aaa	08/14/12	08/15/12	864,916.99	0.74	1,830.84	867,681.81	856,611.00
US TREASURY NOTES DTD 10/01/2012 0.625% 09/30/2017	912828TS9	755,000.00	AA+	Aaa	10/26/12	10/31/12	750,487.70	0.75	1,205.61	751,547.88	739,310.35
US TREASURY NOTES DTD 10/31/2012 0.750% 10/31/2017	912828TW0	1,000,000.00	AA+	Aaa	11/01/12	11/05/12	1,000,585.94	0.74	1,284.53	1,000,451.95	981,875.00
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	963.40	892,832.59	867,937.50
Security Type Sub-Total		19,635,000.00					19,964,506.84	0.69	67,706.79	19,798,797.60	19,804,006.11
Municipal Bond / Note											
NYC, NY TXBL GO BONDS DTD 10/13/2011 1.200% 10/01/2014	64966JOU3	700,000.00	AA	Aa2	03/22/12	03/23/12	706,972.00	0.80	2,100.00	702,087.27	703,059.00
MI ST FIN AUTH UNEMPLOY T/E REV BONDS DTD 06/27/2012 5.000% 01/01/2015	59447PMY4	1,350,000.00	AAA	Aaa	06/13/12	06/27/12	1,494,949.50	0.68	33,750.00	1,408,019.14	1,413,922.50
MD ST ECON DEV CORP TXBL REV BONDS DTD 10/31/2012 0.750% 06/01/2015	57420PGF7	1,400,000.00	AA+	Aa1	10/17/12	10/31/12	1,400,700.00	0.73	875.00	1,400,384.31	1,394,904.00
OR ST TXBL GO BONDS DTD 02/13/2013 0.497% 08/01/2015	68608USL1	775,000.00	AA+	Aa1	01/17/13	02/13/13	775,000.00	0.50	1,604.90	775,000.00	775,294.50
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	248.89	164,385.99	163,910.40
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	410.55	210,000.00	207,692.10
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	4,080.00	1,000,000.00	996,960.00



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Security Type Sub-Total		5,595,000.00					5,752,184.70	0.75	43,069.34	5,659,876.71	5,655,742.50
Federal Agency Bond / Note											
FREDDIE MAC GLOBAL NOTES DTD 10/06/2011 0.750% 11/25/2014	3137EACY3	1,310,000.00	AA+	Aaa	05/31/12	06/01/12	1,317,977.90	0.50	982.50	1,312,902.57	1,316,925.97
FREDDIE MAC (CALLABLE) GLOBAL NOTES DTD 04/29/2013 0.320% 04/29/2015	3134G42V9	1,400,000.00	AA+	Aaa	04/29/13	04/30/13	1,400,000.00	0.32	771.56	1,400,000.00	1,400,151.20
FANNIE MAE GLOBAL NOTES DTD 11/16/2012 0.375% 12/21/2015	3135G0SB0	1,550,000.00	AA+	Aaa	11/14/12	11/16/12	1,546,388.50	0.45	161.46	1,547,694.19	1,547,628.50
FHLB (CALLABLE) GLOBAL NOTES DTD 12/30/2013 0.375% 12/30/2015	3130A0GK0	1,450,000.00	AA+	Aaa	12/12/13	12/30/13	1,449,565.00	0.39	15.10	1,449,565.61	1,447,571.25
FNMA GLOBAL BENCHMARK NOTES DTD 02/16/2006 5.000% 03/15/2016	31359MH89	1,750,000.00	AA+	Aaa	01/04/12	01/06/12	2,033,815.00	1.04	25,763.89	1,900,861.43	1,923,369.00
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	4,423.61	3,477,051.06	3,496,237.50
FREDDIE MAC GLOBAL NOTES DTD 03/07/2013 0.500% 05/13/2016	3137EADO9	1,915,000.00	AA+	Aaa	03/06/13	03/07/13	1,914,885.10	0.50	1,276.67	1,914,913.37	1,912,682.85
FHLMC NOTES DTD 04/08/2011 2.500% 05/27/2016	3137EACT4	1,250,000.00	AA+	Aaa	01/04/12	01/06/12	1,325,312.50	1.09	2,951.39	1,291,698.59	1,308,241.25
FNMA NOTES DTD 06/15/2006 5.375% 07/15/2016	31359MS61	3,050,000.00	AA+	Aaa	07/17/13	07/18/13	3,475,048.00	0.66	75,593.40	3,411,251.06	3,413,175.70
FREDDIE MAC GLOBAL NOTES DTD 07/08/2011 2.000% 08/25/2016	3137EACW7	1,250,000.00	AA+	Aaa	12/08/11	12/09/11	1,298,987.50	1.14	8,750.00	1,277,880.60	1,292,640.00
FHLMC NOTES DTD 08/16/2013 0.875% 10/14/2016	3137EADS5	2,000,000.00	AA+	Aaa	10/01/13	10/03/13	2,006,080.00	0.77	3,743.06	2,005,593.98	2,006,918.00
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	2,855.03	1,632,128.50	1,652,267.50
FREDDIE MAC GLOBAL NOTES DTD 05/14/2012 1.000% 06/29/2017	3137EADH9	1,850,000.00	AA+	Aaa	10/31/13	11/01/13	1,852,590.00	0.96	102.78	1,852,478.67	1,838,903.70



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	1,300,000.00	AA+	Aaa	07/30/12	07/31/12	1,308,697.00	0.86	5,525.00	1,306,266.53	1,291,789.20
FANNIE MAE GLOBAL NOTES DTD 07/20/2012 0.875% 08/28/2017	3135G0MZ3	1,575,000.00	AA+	Aaa	09/06/12	09/10/12	1,578,906.00	0.82	4,708.59	1,577,892.98	1,555,035.30
FREDDIE MAC GLOBAL NOTES DTD 08/10/2012 1.000% 09/29/2017	3137EADL0	600,000.00	AA+	Aaa	10/04/12	10/05/12	606,402.00	0.78	1,533.33	604,833.41	592,972.20
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	2,725.26	1,712,062.78	1,695,657.75
FREDDIE MAC GLOBAL NOTES DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	2,850,000.00	AA+	Aaa	03/26/13	03/27/13	2,842,476.00	0.93	7,896.88	2,843,614.66	2,768,455.80
FANNIE MAE GLOBAL NOTES DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	1,000,000.00	AA+	Aaa	05/24/13	05/31/13	984,850.00	1.19	972.22	986,582.83	967,312.00
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	1,701.39	1,736,958.41	1,692,796.00
Security Type Sub-Total		34,700,000.00					35,497,911.75	0.82	152,453.12	35,242,231.23	35,120,730.67
Corporate Note											
PROCTER & GAMBLE CO CORP NOTES DTD 08/15/2011 0.700% 08/15/2014	742718DU0	400,000.00	AA-	Aa3	08/10/11	08/15/11	398,356.00	0.84	1,057.78	399,655.73	401,024.80
PROCTER & GAMBLE CO CORP NOTES DTD 08/15/2011 0.700% 08/15/2014	742718DU0	750,000.00	AA-	Aa3	05/21/12	05/24/12	750,982.50	0.64	1,983.33	750,276.39	751,921.50
GENERAL ELEC CAP CORP GLOBAL NOTES DTD 01/09/2012 2.150% 01/09/2015	36962G5M2	1,000,000.00	AA+	A1	01/04/12	01/09/12	998,960.00	2.19	10,272.22	999,638.03	1,018,315.00
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	1,179.00	269,905.82	272,073.87
GENERAL ELECTRIC CO NOTES DTD 10/09/2012 0.850% 10/09/2015	369604BE2	500,000.00	AA+	Aa3	10/02/12	10/09/12	501,390.00	0.76	968.06	500,824.83	502,335.00



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CITY OF COLORADO SPRINGS

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GENERAL ELECTRIC CO NOTES DTD 10/09/2012 0.850% 10/09/2015	369604BE2	600,000.00	AA+	Aa3	10/01/12	10/09/12	599,838.00	0.86	1,161.67	599,903.81	602,802.00
TOYOTA MOTOR CREDIT CORP DTD 01/11/2011 2.800% 01/11/2016	89233P4R4	1,500,000.00	AA-	Aa3	03/05/13	03/08/13	1,586,244.00	0.75	19,833.33	1,561,734.71	1,567,519.50
BERKSHIRE HATHAWAY FIN CORP NOTE DTD 02/11/2013 0.800% 02/11/2016	084670BG2	400,000.00	AA	Aa2	01/29/13	02/11/13	399,964.00	0.80	1,244.44	399,974.58	400,295.60
WAL-MART STORES INC GLOBAL NOTES DTD 04/11/2013 0.600% 04/11/2016	931142DE0	375,000.00	AA	Aa2	04/04/13	04/11/13	374,733.75	0.62	500.00	374,797.41	374,455.13
STANFORD UNIVERSITY NOTES DTD 04/29/2009 4.250% 05/01/2016	854403AB8	725,000.00	AAA	Aaa	06/13/13	06/18/13	796,042.75	0.79	5,135.42	782,890.59	785,479.50
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	416.88	574,187.28	570,825.50
IBM CORP GLOBAL NOTES (EX-CALLABLE) DTD 05/07/2013 0.450% 05/06/2016	459200HL8	1,550,000.00	AA-	Aa3	05/02/13	05/07/13	1,545,629.00	0.55	1,065.63	1,546,571.07	1,536,921.10
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	69.14	400,000.00	400,949.60
BERKSHIRE HATHAWAY FIN GLOBAL NOTES DTD 08/15/2013 0.950% 08/15/2016	084664BX8	835,000.00	AA	Aa2	08/06/13	08/15/13	834,557.45	0.97	2,996.72	834,612.51	838,787.56
COCA-COLA CO/THE GLOBAL NOTES DTD 11/01/2013 0.750% 11/01/2016	191216BD1	215,000.00	AA-	Aa3	10/29/13	11/01/13	214,752.75	0.79	268.75	214,766.35	213,835.56
Security Type Sub-Total		10,095,000.00					10,245,163.75	0.89	48,152.37	10,209,739.11	10,237,541.22
Commercial Paper											
BANK OF TOKYO MITSUBISHI COMM PAPER -- 0.000% 05/01/2014	06538CE15	1,000,000.00	A-1	P-1	10/31/13	11/01/13	998,743.06	0.25	0.00	999,166.67	999,259.00
Security Type Sub-Total		1,000,000.00					998,743.06	0.25	0.00	999,166.67	999,259.00
Managed Account Sub-Total		71,025,000.00					72,458,510.10	0.78	311,381.62	71,909,811.32	71,817,279.50



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS

Securities Sub-Total	\$71,025,000.00	\$72,458,510.10	0.78%	\$311,381.62	\$71,909,811.32	\$71,817,279.50
Accrued Interest						\$311,381.62
Total Investments						\$72,128,661.12



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS AIRPORT RESERVE

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 08/02/2010 1.750% 07/31/2015	912828NP1	400,000.00	AA+	Aaa	08/01/13	08/02/13	411,218.75	0.34	2,929.35	408,901.42	409,328.00
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	214.09	100,998.22	101,656.20
US TREASURY NOTES DTD 12/31/2010 2.125% 12/31/2015	912828PM6	275,000.00	AA+	Aaa	11/29/12	12/05/12	289,792.00	0.36	16.14	284,639.98	284,453.13
US TREASURY NOTES DTD 01/31/2011 2.000% 01/31/2016	912828PS3	285,000.00	AA+	Aaa	02/27/13	02/28/13	298,593.16	0.36	2,385.33	294,695.60	294,351.42
US TREASURY NOTES DTD 01/31/2012 0.875% 01/31/2017	912828SC5	150,000.00	AA+	Aaa	02/22/12	02/27/12	149,970.70	0.88	549.25	149,981.64	150,140.70
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	313.86	148,745.45	146,847.60
Security Type Sub-Total		1,360,000.00					1,400,111.71	0.47	6,408.02	1,387,962.31	1,386,777.05
Municipal Bond / Note											
MI ST FIN AUTH UNEMPLOY T/E REV BONDS DTD 06/27/2012 5.000% 01/01/2015	59447PMY4	125,000.00	AAA	Aaa	06/13/12	06/27/12	138,421.25	0.68	3,125.00	130,372.14	130,918.75
MD ST ECON DEV CORP TXBL REV BONDS DTD 10/31/2012 0.750% 06/01/2015	57420PGF7	120,000.00	AA+	Aa1	10/17/12	10/31/12	120,060.00	0.73	75.00	120,032.94	119,563.20
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	510.00	125,000.00	124,620.00
Security Type Sub-Total		370,000.00					383,481.25	0.83	3,710.00	375,405.08	375,101.95
Federal Agency Bond / Note											
FHLMC NOTES DTD 12/16/2011 0.625% 12/29/2014	3137EADA4	100,000.00	AA+	Aaa	12/29/11	12/30/11	99,964.00	0.64	3.47	99,987.98	100,431.50
FEDERAL FARM CREDIT BANK BONDS DTD 01/22/2008 3.980% 01/22/2015	31331YPE4	450,000.00	AA+	Aaa	08/03/11	08/08/11	495,355.50	1.00	7,910.25	464,057.15	467,297.10



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS AIRPORT RESERVE

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FREDDIE MAC (CALLABLE) GLOBAL NOTES DTD 04/29/2013 0.320% 04/29/2015	3134G42V9	125,000.00	AA+	Aaa	04/29/13	04/30/13	125,000.00	0.32	68.89	125,000.00	125,013.50
FANNIE MAE GLOBAL NOTES DTD 11/16/2012 0.375% 12/21/2015	3135G0S80	215,000.00	AA+	Aaa	11/14/12	11/16/12	214,499.05	0.45	22.40	214,680.16	214,671.05
FHLB (CALLABLE) GLOBAL NOTES DTD 12/30/2013 0.375% 12/30/2015	3130A0GK0	100,000.00	AA+	Aaa	12/12/13	12/30/13	99,970.00	0.39	1.04	99,970.04	99,832.50
FREDDIE MAC GLOBAL NOTES DTD 03/07/2013 0.500% 05/13/2016	3137EADQ9	230,000.00	AA+	Aaa	03/06/13	03/07/13	229,986.20	0.50	153.33	229,989.59	229,721.70
FHLMC NOTES DTD 08/16/2013 0.875% 10/14/2016	3137EADS5	375,000.00	AA+	Aaa	10/01/13	10/03/13	376,140.00	0.77	701.82	376,048.87	376,297.13
FANNIE MAE GLOBAL NOTES DTD 01/09/2012 1.250% 01/30/2017	3135G0GY3	140,000.00	AA+	Aaa	09/06/12	09/10/12	143,362.80	0.69	734.03	142,371.11	141,684.62
FREDDIE MAC GLOBAL NOTES DTD 06/25/2012 1.000% 07/28/2017	3137EADJ5	100,000.00	AA+	Aaa	07/30/12	07/31/12	100,669.00	0.86	425.00	100,482.04	99,368.40
FREDDIE MAC GLOBAL NOTES DTD 01/17/2013 0.875% 03/07/2018	3137EADP1	200,000.00	AA+	Aaa	03/26/13	03/27/13	199,472.00	0.93	554.17	199,551.91	194,277.60
FANNIE MAE GLOBAL NOTES DTD 04/15/2013 0.875% 05/21/2018	3135G0WJ8	100,000.00	AA+	Aaa	05/24/13	05/31/13	98,485.00	1.19	97.22	98,658.28	96,731.20
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	170.14	173,695.84	169,279.60
FNMA (CALLABLE) GLOBAL NOTES DTD 10/18/2006 5.450% 10/18/2021	31359MZ22	430,000.00	AA+	Aaa	07/20/10	07/21/10	493,996.90	3.81	4,752.10	460,073.19	479,382.06
Security Type Sub-Total		2,740,000.00					2,850,421.70	1.29	15,593.86	2,784,566.16	2,793,987.96
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	1,284.03	126,289.48	127,289.38



Managed Account Detail of Securities Held

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS AIRPORT RESERVE

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
GENERAL ELECTRIC CO NOTES DTD 10/09/2012 0.850% 10/09/2015	369604BE2	125,000.00	AA+	Aa3	10/02/12	10/09/12	125,347.50	0.76	242.01	125,206.21	125,583.75
TOYOTA MOTOR CREDIT CORP DTD 01/11/2011 2.800% 01/11/2016	89233P4R4	125,000.00	AA-	Aa3	03/05/13	03/08/13	132,187.00	0.75	1,652.78	130,144.56	130,626.63
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	36.25	49,929.33	49,637.00
IBM CORP GLOBAL NOTES (EX-CALLABLE) DTD 05/07/2013 0.450% 05/06/2016	459200HL8	150,000.00	AA-	Aa3	05/02/13	05/07/13	149,577.00	0.55	103.13	149,668.17	148,734.30
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	251.22	69,967.52	70,317.52
Security Type Sub-Total		645,000.00					655,531.40	0.78	3,569.42	651,205.27	652,188.58
Managed Account Sub-Total		5,115,000.00					5,289,546.06	0.98	29,281.30	5,199,138.82	5,208,055.54
Securities Sub-Total		\$5,115,000.00					\$5,289,546.06	0.98%	\$29,281.30	\$5,199,138.82	\$5,208,055.54
Accrued Interest											\$29,281.30
Total Investments											\$5,237,336.84



Managed Account Fair Market Value & Analytics

For the Month Ending **December 31, 2013**

CITY OF COLORADO SPRINGS AIRPORT RESERVE

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	Broker	Next Call Date	Market Price	Market Value	Unreal G/L On Cost	Unreal G/L Amort Cost	Effective Duration	Duration to Worst at Mkt	YTM
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 08/02/2010 1.750% 07/31/2015	912828NP1	400,000.00	RBS_SEC		102.33	409,328.00	(1,890.75)	426.58	1.56	1.56	0.27
US TREASURY NOTES DTD 11/01/2010 1.250% 10/31/2015	912828PE4	100,000.00	NEW ACCT		101.66	101,656.20	(609.42)	657.98	1.81	1.81	0.34
US TREASURY NOTES DTD 12/31/2010 2.125% 12/31/2015	912828PM6	275,000.00	BARCLAYS		103.44	284,453.13	(5,338.87)	(186.85)	1.97	1.97	0.40
US TREASURY NOTES DTD 01/31/2011 2.000% 01/31/2016	912828PS3	285,000.00	BARCLAYS		103.28	294,351.42	(4,241.74)	(344.18)	2.03	2.03	0.42
US TREASURY NOTES DTD 01/31/2012 0.875% 01/31/2017	912828SC5	150,000.00	MORGANST		100.09	150,140.70	170.00	159.06	3.03	3.03	0.84
US TREASURY NOTES DTD 07/31/2012 0.500% 07/31/2017	912828TG5	150,000.00	TD SEC U		97.90	146,847.60	(1,423.88)	(1,897.85)	3.53	3.53	1.10
Security Type Sub-Total		1,360,000.00				1,386,777.05	(13,334.66)	(1,185.26)	2.13	2.13	0.48
Municipal Bond / Note											
MI ST FIN AUTH UNEMPLOY T/E REV BONDS DTD 06/27/2012 5.000% 01/01/2015	59447PMY4	125,000.00	CITIGRP		104.74	130,918.75	(7,502.50)	546.61	0.96	0.96	0.26
MD ST ECON DEV CORP TXBL REV BONDS DTD 10/31/2012 0.750% 06/01/2015	57420PGF7	120,000.00	JPMCHASE		99.64	119,563.20	(496.80)	(469.74)	1.40	1.40	1.01
NYC, NY TXBL GO BONDS DTD 08/15/2013 1.080% 08/01/2016	64966KL68	125,000.00	JPMCHASE		99.70	124,620.00	(380.00)	(380.00)	2.53	2.53	1.20
Security Type Sub-Total		370,000.00				375,101.95	(8,379.30)	(303.13)	1.62	1.62	0.81
Federal Agency Bond / Note											
FHLMC NOTES DTD 12/16/2011 0.625% 12/29/2014	3137EADA4	100,000.00	BNP PARI		100.43	100,431.50	467.50	443.52	0.99	0.99	0.19
FEDERAL FARM CREDIT BANK BONDS DTD 01/22/2008 3.980% 01/22/2015	31331YPE4	450,000.00	NEW ACCT		103.84	467,297.10	(28,058.40)	3,239.95	1.03	1.03	0.34
FREDDIE MAC (CALLABLE) GLOBAL NOTES DTD 04/29/2013 0.320% 04/29/2015	3134G42V9	125,000.00	MORGANST	01/29/14	100.01	125,013.50	13.50	13.50	1.23	0.08	0.31

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