

CITY OF POMPANO BEACH - CORE PORTFOLIO

APRIL 1, 2013 - JUNE 30, 2013

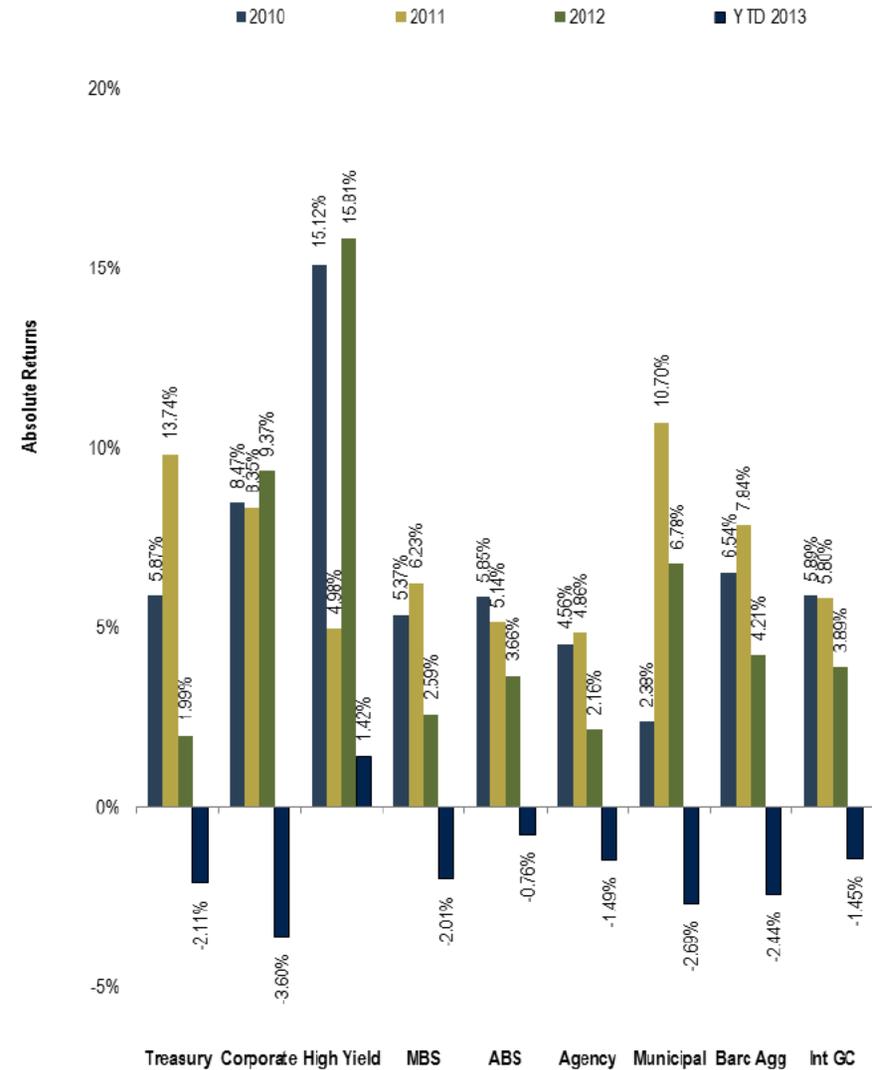


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> US Economic Data¹

	06/30/13	03/31/13	12/31/12	9/30/12
Fed Funds Rate	0% - 0.25%	0% - 0.25%	0% - 0.25%	0% - 0.25%
Consumer Price Index (yoy)	1.40%*	1.50%	1.70%	2.00%
Crude Oil	96.56	97.57	93.76	93.91
USD/EUR	1.3010	1.2819	1.3193	1.2860
US GDP (qoq)	1.70%*	1.80%	0.40%	3.10%
Unemployment Rate	7.60%	7.60%	7.80%	7.80%
2 Year Treasury Yield	0.36%	0.24%	0.25%	0.23%
10 Year Treasury Yield	2.49%	1.85%	1.76%	1.63%
30 Year Treasury Yield	3.50%	3.10%	2.95%	2.82%

> Sector Performance²



* Estimates, Bloomberg

1 Source: Bloomberg Finance LP, 6/30/13

2 Source: Barclays, 6/30/13

➤ Second Quarter 2013 Review and Outlook

In our first quarter commentary we marveled at the risk-taking in financial markets and pondered whether the market's apparent indifference to risk was the result of central bank liquidity or if inflated prices were due to investor fatigue. Now we have our answer: central bank liquidity has been the primary influence behind financial asset returns. This influence is so significant, in fact, that the mere suggestion that Federal Reserve asset purchases, known as quantitative easing, might slow has resulted in the worst total quarterly return for the Barclays Aggregate index ("the Agg") in the past nine years. Worse, this widely followed benchmark index's negative 2.32 percent second quarter return followed a 0.12 percent loss in the first quarter. The Agg closed the quarter yielding 2.35 percent with 5.49 years duration exposure, implying a high probability that 2013 will be the Agg's first calendar year of negative return since 1999.

The downward trend in total return began on May 3 with the release of the April employment report. The report showed that new jobs created in April exceeded expectations and included a significant upward revision to previously weak March data. Ten-year Treasury yields promptly climbed over 10 basis points to 1.74 percent and then continued upwards, reaching 1.94 percent by May 21. Investment-grade credit spreads and non-government assets performed well during this brief period, compared against a gradual rise in Treasury yields. In line with our expectations, credit outperformed Treasury securities by 31 basis points, and the S&P 500 set a new all-time high of 1669. The significance of May 21 is that it was just one day prior to the Joint Economic Committee testimony at

which Fed Chairman Bernanke first hinted that the prospect of tapering bond purchases could begin as early as late 2013.

Subsequent to Mr. Bernanke's remarks, credit spreads and Treasury yields spiked higher in a disorderly leap. The prospect of the Fed slowing its bond purchases in response to a strengthening U.S. economy should come as no surprise to market participants, but the market response seems to have revealed an underlying and widespread perception that a June announcement of tapering is too early. Rate sensitive sectors such as mortgage pass-through securities, high yield bonds, preferred share classes, and dividend paying stocks fared miserably, as evidenced by massive mutual fund outflows. Anecdotally, the same investment grade corporate bonds were being shown to the market for bids as ETF's met redemption requests. By early June, corporate bond spreads had given back all year-to-date gains, the Federal Reserve said nothing, and market liquidity deteriorated. The stage was set for a meaningful June 19 Federal Reserve meeting and press conference.

Cutwater's thesis has been and remains that the rise in Treasury yields will, over time, remain gradual and orderly. Our expectation is that Fed members will continue to use verbal risk management techniques in their attempt to engineer the desired soft landing. Given that the market reaction to Mr. Bernanke's prior testimony was so sudden and disorderly, we had expected that the June 19 Fed meeting would produce a soothing acknowledgement by the Fed that the pace of recent yield increases was unjustified. An equally effective alternative would have been a reiteration of the Fed's desire to guard against deflation, since price measures had

recently softened. Such remarks would have given bond investors reason to hope that tapering would not begin as soon as many fear. We found neither of these two potentially ameliorative bits of messaging in the FOMC’s official statement and, in our opinion, heard worse during the ensuing press conference.

Separately from the official statement, Chairman Bernanke introduced the possibility of slowing bond purchases as soon as late 2013 and potentially ceasing them entirely in 2014, given the current pace of economic growth and improvements in the labor market. When asked about stress recently observed in securitized mortgage prices, he expressed his view that markets are functioning normally. There was no acknowledgement of the sharp increase in Treasury yields. Slowing inflationary pressures he deemed to be “transitory” and expected a return to the 2.0 percent to 2.5 percent target range of inflation once exogenous factors like sequestration subside. It is noteworthy that St. Louis Fed President James Bullard publically opposed the Fed’s statement and actually favored more quantitative easing, given his concerns on deflation. In sum, the official rhetoric was decidedly more hawkish than Cutwater or, apparently, the markets expected. Table 1 below shows the market impact of Fed messaging.

Table 1. Milestone Dates and Performance¹

	Positive Payroll		JEC Testimony	FOMC Release	
	12/31/2012	5/2/2013	5/21/2013	6/18/2013	6/28/2013
10 Yr Treasury Yield	1.78	1.63	1.94	2.18	2.48
IG Credit OAS	131	126	122	136	144
Aggregate Total Return	-	1.04%	0.07%	-1.12%	-2.44%

Figure 1. Direction of Yields and Spreads are Related²

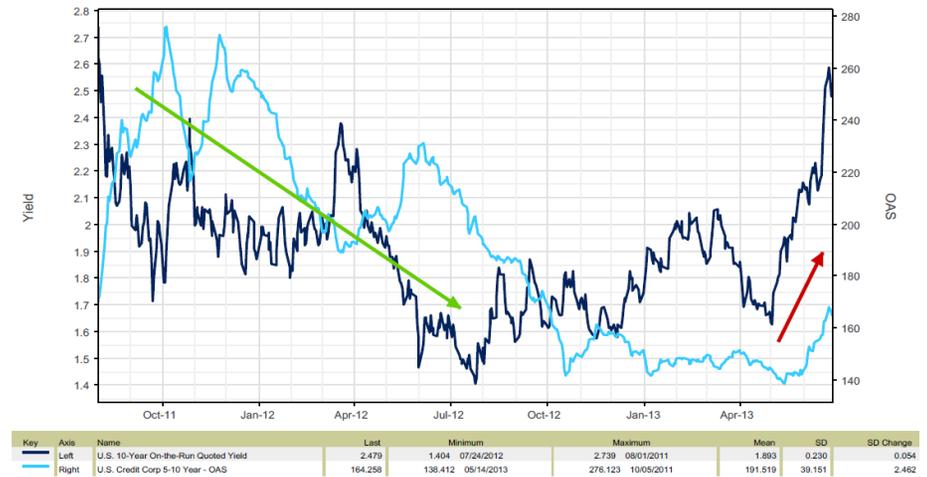


Figure 2. Removal of QE Measures Imply Higher Treasury Yields³



Cutwater maintains its outlook for 2013 and 2014 which sees the U.S. economy poised for self-sustaining economic growth with opportunity to surprise to the upside. We expect that credit spreads and non-government financial assets should, therefore, perform better than Treasury securities during this timeframe. As a result of the abruptness of Federal Reserve communication, recent performance of non-government sectors, however, has been correlated with Treasury yields. Figure 1 and Figure 2 above depict these recent and long-term correlations to Federal Reserve policy, offering at least one guidepost for a return to “normal” rates. The 10-year Treasury yield averaged nearly 3.3 percent during the first two iterations of quantitative easing. At least part of the bond market’s recent negative reaction to Fed messaging might be attributed to investors anticipating that higher yield environment and deducing that once “normal” yields return, credit spreads will tighten.

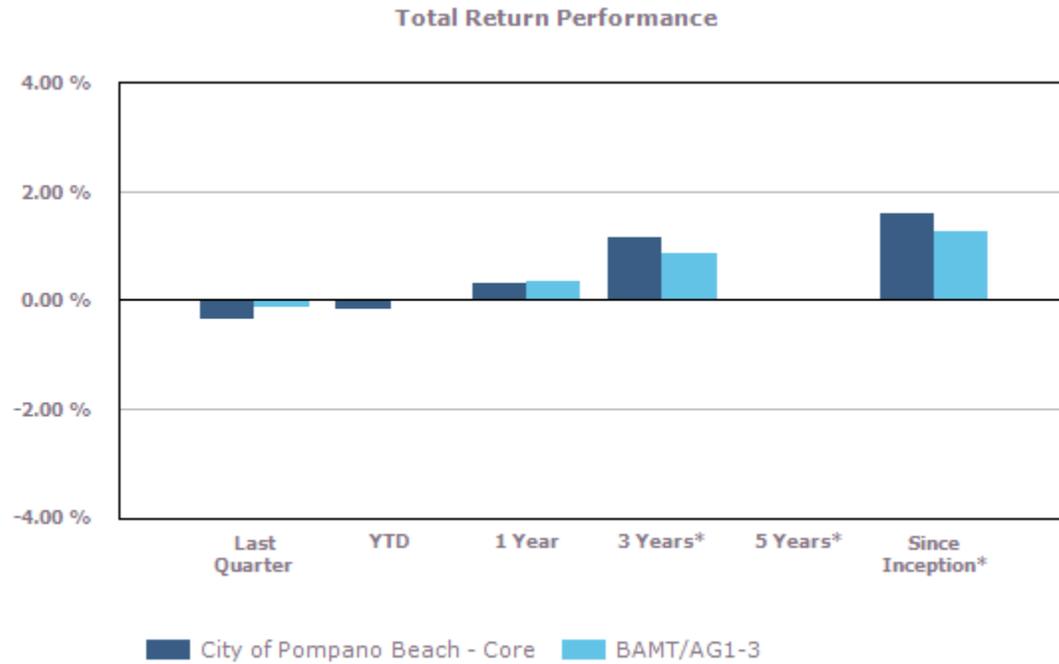
¹ Source: Barclays.

² Source: Barclays.

² Source: Gerring Wealth Management, StockCharts.com.

Total Return Performance

	Last Quarter	YTD	1 Year	3 Years*	5 Years*	Since Inception*
City of Pompano Beach - Core	-0.35 %	-0.17 %	0.30 %	1.14 %	-	1.60 %
BOA ML US Treas/Agy 1-3 Yrs	-0.12 %	0.00 %	0.33 %	0.85 %	-	1.25 %



*Returns for periods greater than one year are annualized
Returns are gross of fees
Portfolio inception is 12/31/2008

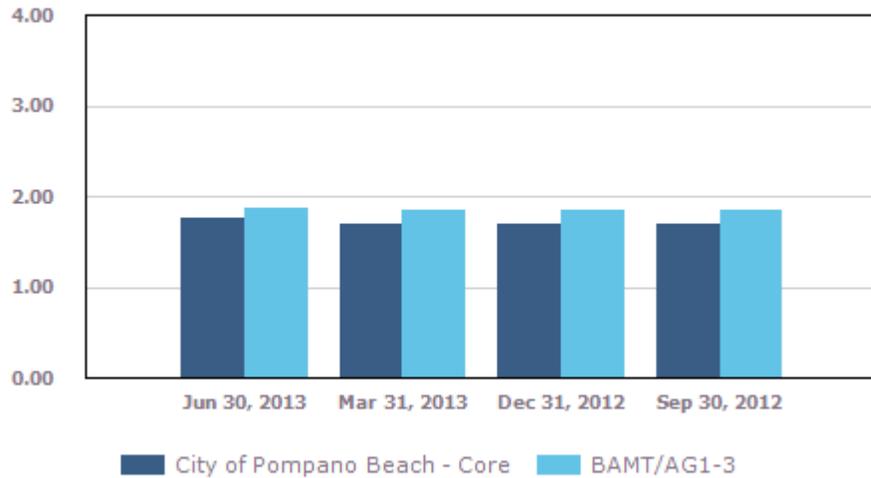
Effective Duration

	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012
City of Pompano Beach - Core	1.76	1.70	1.69	1.70
BOA ML US Treas/Agy 1-3 Yrs	1.88	1.85	1.85	1.85

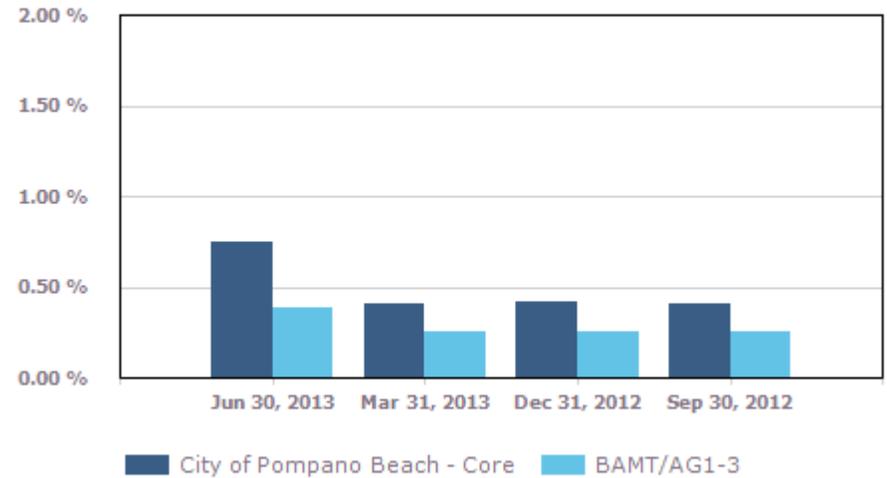
Market Yield

	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012
City of Pompano Beach - Core	0.75%	0.41%	0.42%	0.41%
BOA ML US Treas/Agy 1-3 Yrs	0.39%	0.26%	0.26%	0.26%

Effective Duration

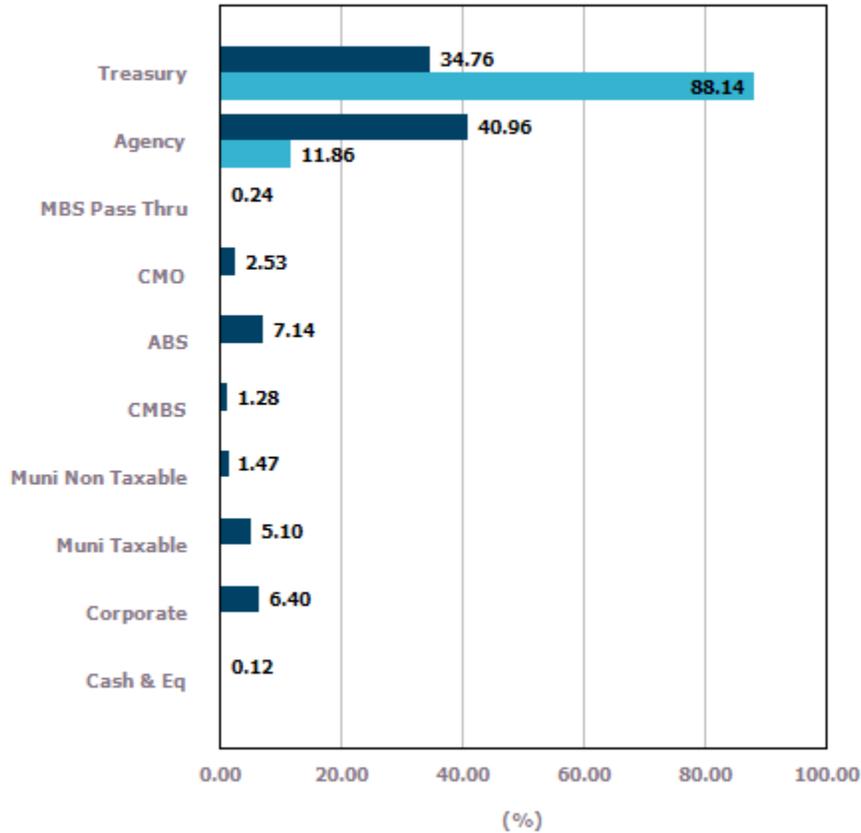


Market Yield



Asset Allocation By Sector

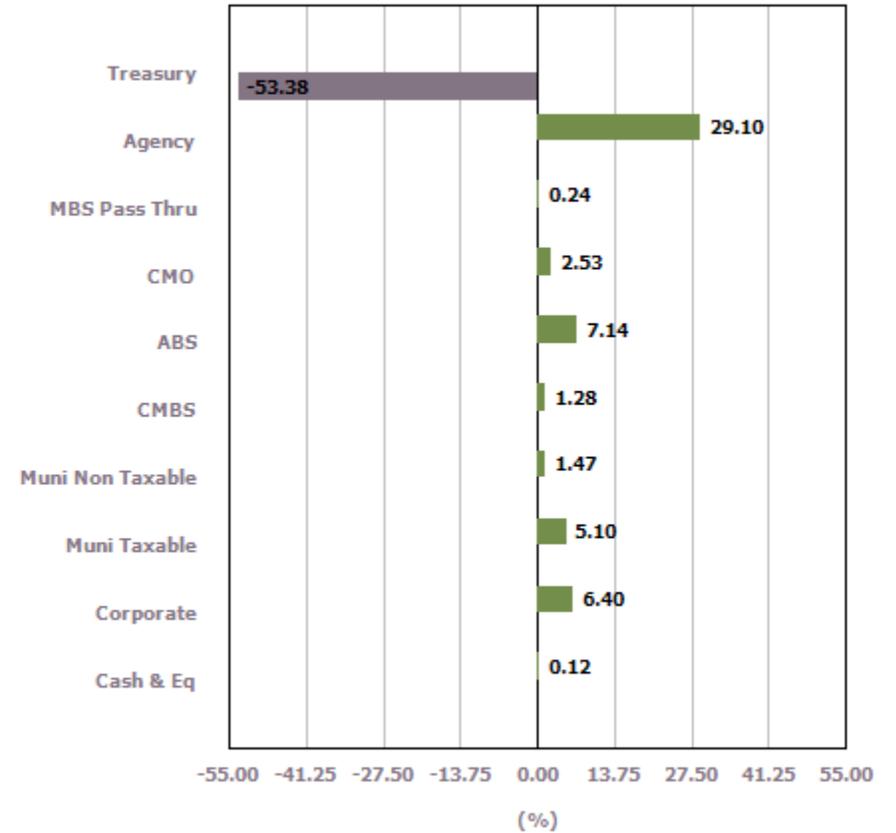
City of Pompano Beach - Core vs BAMT/AG1-3



City of Pompano Beach - Core BAMT/AG1-3

Over/Under Comparison of Asset Allocation

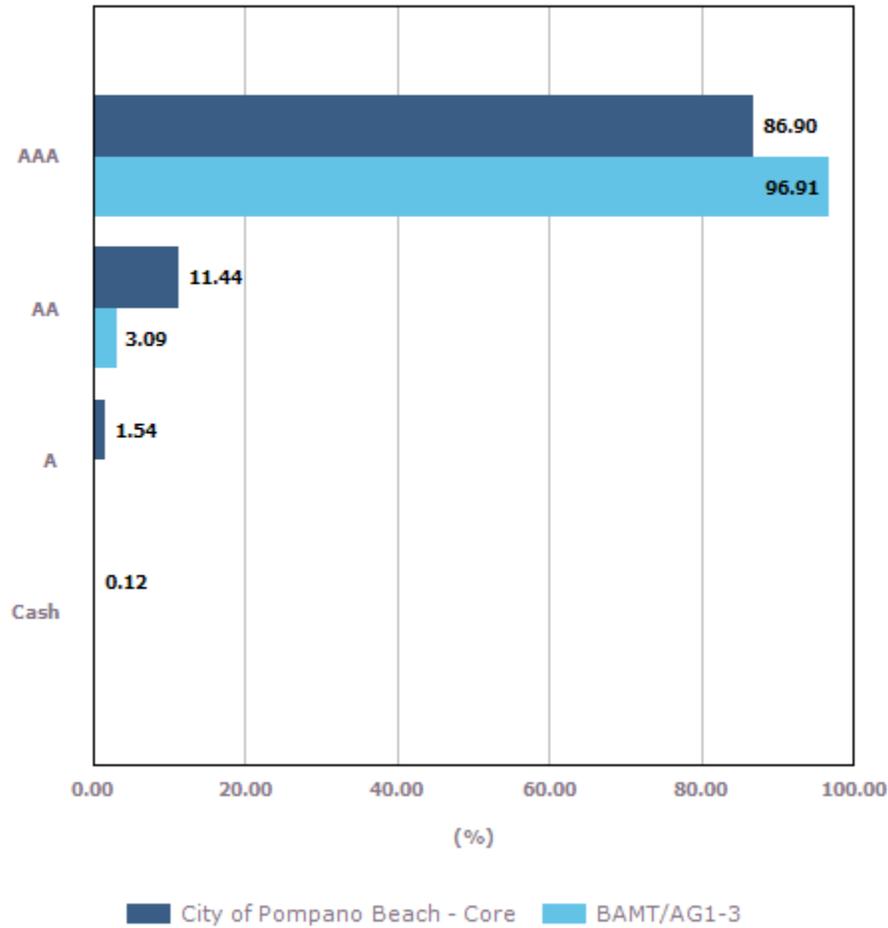
City of Pompano Beach - Core vs BAMT/AG1-3



Over Under

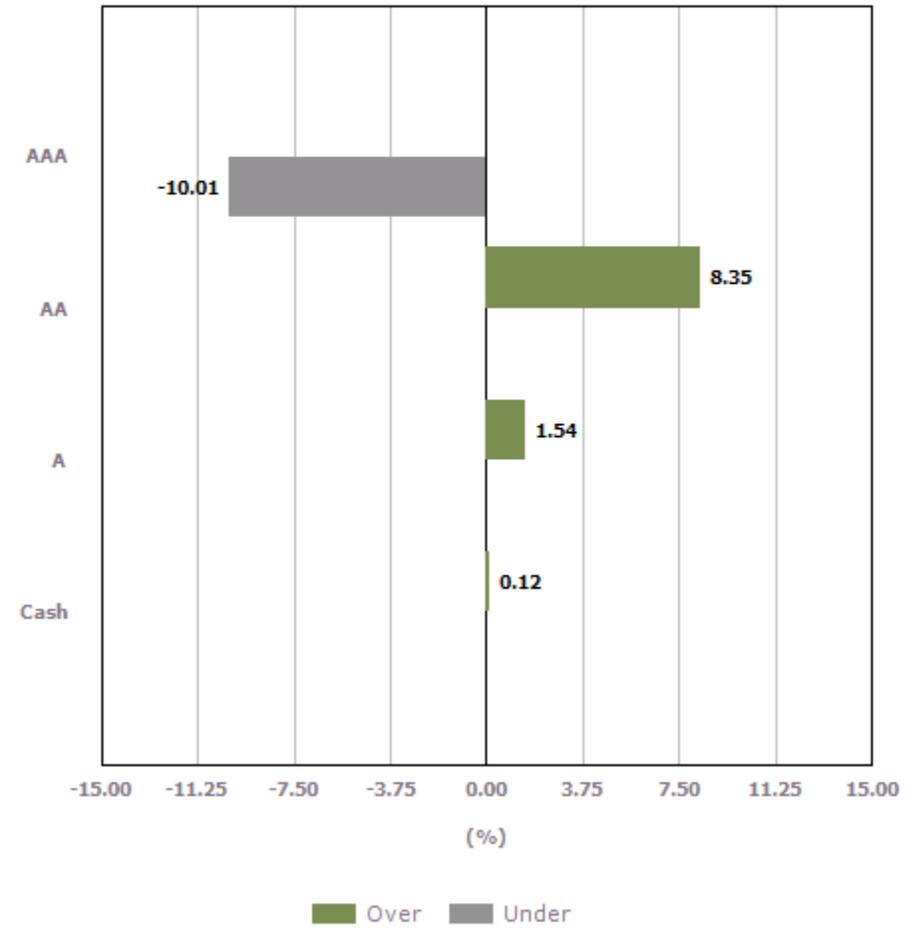
Credit Quality Allocation

City of Pompano Beach - Core vs BMT/AG1-3

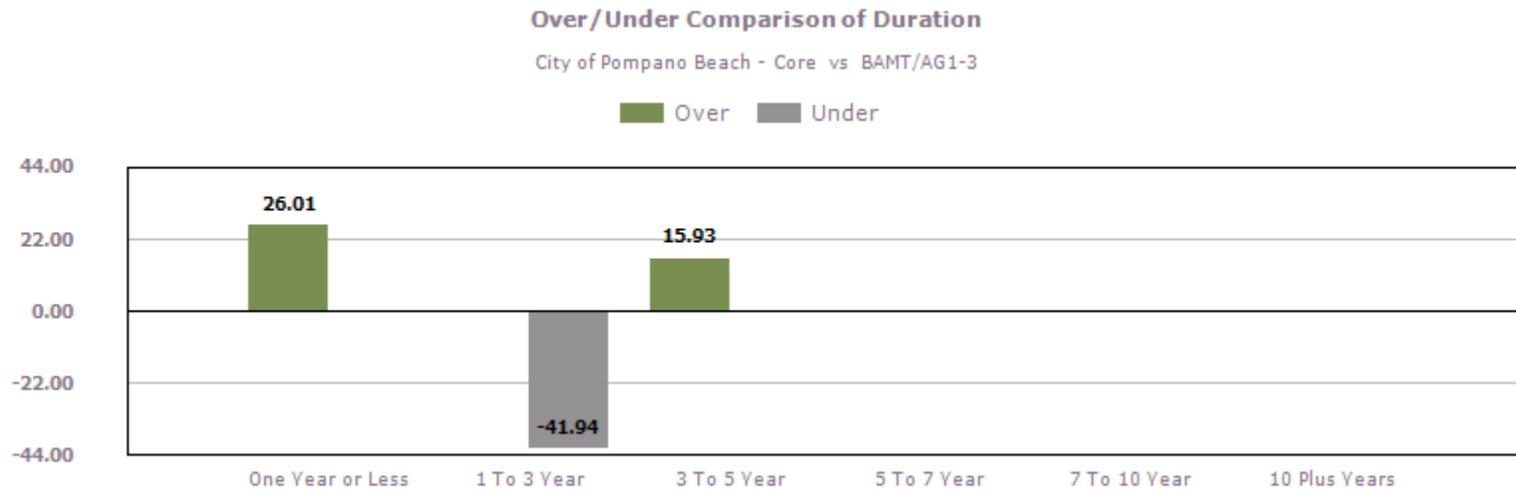
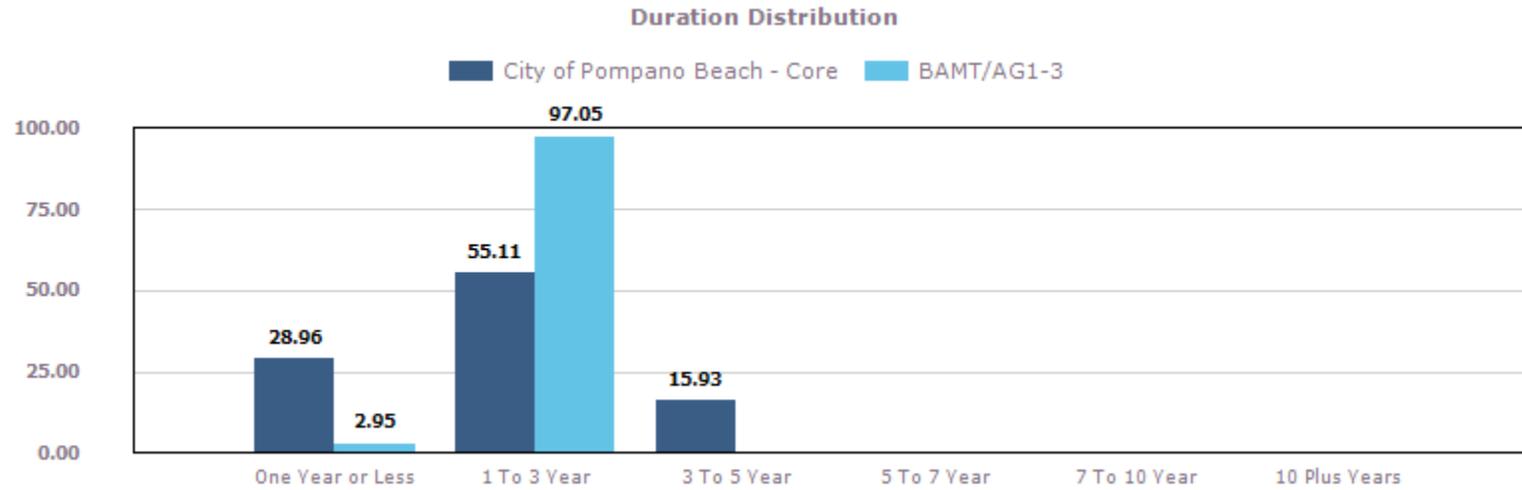


Over/Under Comparison of Credit Quality

City of Pompano Beach - Core vs BMT/AG1-3



*As of June 30 2012, the methodology used for US Treasury and US Agency ratings reflects the methodology used within the respective benchmark.



Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Cash & Cash Equivalents									
	Bank Cash			144,606.34 144,606.34	144,606.34 144,606.34	0.00	0.000 0.000		0.10 %
	Unsettled Activity			26,206.26 26,206.26	26,206.26 26,206.26	0.00	0.000 0.000		0.02 %
Total Cash & Cash Equivalents				170,812.60 170,812.60	170,812.60 170,812.60	0.00	0.000 0.000		0.12 %

ABS

02005MAE2	Ally Auto Receivables Trust ALLYA 2010-3 A4	1.550% 0.493%	8/17/2015	1,367,000.00 1,385,165.04	1,373,747.06 1,373,825.43	941.71	0.463 0.466	Aaa AAA	0.98 %
02006EAB5	Ally Auto Receivables Trust ALLYA 2012-4 A2	0.480% 0.587%	5/15/2015	975,089.03 975,037.16	975,072.06 974,674.62	208.02	0.397 0.399	Aaa AAA	0.70 %
12619SAD8	CNH Equipment Trust CNH 2010-C A4	1.750% 0.678%	5/16/2016	625,000.00 630,078.13	630,030.01 631,130.63	486.11	0.827 0.835	Aaa AAA	0.45 %
31679DAB2	Fifth Third Auto Trust FITAT 2013-A A2	0.450% 0.595%	1/15/2016	915,000.00 914,931.19	914,946.59 913,850.76	183.00	0.871 0.875	Aaa AAA	0.65 %
34528QAU8	Ford Credit Floorplan Mstr Trs FORDF 2010-5 A1	1.500% 0.439%	9/15/2015	1,370,000.00 1,375,940.24	1,372,951.50 1,373,026.33	913.33	0.208 0.208	Aaa AAA	0.98 %
34529GAG0	Ford Credit Auto Owner Trust FORDO 2009-D A4	2.980% 0.072%	8/15/2014	213,804.48 218,773.76	214,207.83 214,246.63	283.17	0.071 0.071	Aaa AAA	0.15 %
34529PAD7	Ford Credit Auto Owner Trust FORDO 2011-A A4	1.650% 0.591%	5/15/2016	1,200,000.00 1,209,421.88	1,209,294.50 1,210,286.40	880.00	0.804 0.812	Aaa AAA	0.86 %
43814AAC7	Honda Auto Rec Owner Trust HAROT 2011-2 A3	0.940% 0.574%	3/18/2015	407,592.81 409,121.28	408,248.76 408,207.05	138.36	0.410 0.412	Aaa AAA	0.29 %
44614AAB9	Huntington Auto Trust HUNT 2012-1 A2	0.540% 0.482%	11/17/2014	381,456.84 381,417.63	381,452.14 381,484.69	91.55	0.125 0.125	Aaa AAA	0.27 %
44890LAB0	Hyundai Auto Receivables Trust HART 201-3B A2	0.530% 0.531%	3/15/2016	1,480,000.00 1,479,993.19	1,479,993.24 1,479,992.60	87.16	1.091 1.098	Aaa AAA	1.06 %
89236RAB5	Toyota Auto Rec Owner Trust TAOT 2013-A A2	0.370% 0.534%	9/15/2015	1,040,000.00 1,039,981.38	1,039,985.01 1,038,493.04	171.02	0.887 0.888	Aaa AAA	0.74 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
ABS									
Total ABS		0.531%		9,974,943.16 10,019,860.88	9,999,928.70 9,999,218.18	4,383.43	0.637 0.640		7.13 %
Agency									
31331KB58	Federal Farm Credit Banks FFCB 0 09/29/14	0.225% 0.338%	9/29/2014	720,000.00 720,000.00	720,000.00 720,711.36	9.01	0.078 1.247	Aaa AA+	0.51 %
31331KHV5	Federal Farm Credit Banks FFCB 0 04/20/16	0.262% 0.781%	4/20/2016	2,070,000.00 2,069,424.00	2,069,677.80 2,073,233.34	165.46	0.054 2.806	Aaa AA+	1.48 %
31331KLY4	Federal Farm Credit Banks FFCB 0 5/25/16	0.283% 0.791%	5/25/2016	625,000.00 625,949.38	625,734.73 625,396.88	181.63	0.150 2.900	Aaa AA+	0.45 %
31331KW22	Federal Farm Credit Banks FFCB 0 1/21/16	0.287% 1.004%	11/21/2016	1,360,000.00 1,362,692.80	1,362,564.94 1,363,291.20	108.27	0.056 3.392	Aaa AA+	0.97 %
313371PC4	Federal Home Loan Banks FHLB 0 7/8 12/12/14	0.875% 0.294%	12/12/2014	975,000.00 975,737.10	975,321.00 983,188.05	450.26	1.441 1.450	Aaa AA+	0.70 %
313376T88	Federal Home Loan Banks FHLB 0 01/17/17	0.188% 0.876%	1/17/2017	795,000.00 795,000.00	795,000.00 797,058.26	310.71	0.044 3.544	Aaa AA+	0.57 %
3133782N0	Federal Home Loan Banks FHLB .875 03/10/17	0.875% 1.141%	3/10/2017	1,460,000.00 1,452,933.60	1,454,472.80 1,445,976.70	3,938.96	3.613 3.694	Aaa AA+	1.03 %
3133834R9	Federal Home Loan Bank FHLB .375 06/24/16	0.375% 0.766%	6/24/2016	1,430,000.00 1,427,468.90	1,427,582.52 1,413,524.97	104.27	2.958 2.983	Aaa AA+	1.01 %
3133EA6G8	Federal Farm Credit Banks FFCB 0 10/26/15	0.245% 0.612%	10/26/2015	1,285,000.00 1,286,498.31	1,286,367.90 1,286,500.88	43.79	0.071 2.322	Aaa AA+	0.92 %
3133EAE20	Federal Farm Credit Banks FFCB 0 08/01/17	0.274% 1.280%	8/1/2017	1,600,000.00 1,600,000.00	1,600,000.00 1,597,502.40	743.12	0.080 4.086	Aaa AA+	1.14 %
3133EAR34	Federal Farm Credit Banks FFCB 0 04/06/15	0.223% 0.421%	4/6/2015	1,440,000.00 1,439,625.60	1,439,743.85 1,441,360.80	223.28	0.017 1.767	Aaa AA+	1.03 %
3133EATH1	Federal Farm Credit Banks FFCB 0 06/13/17	0.242% 1.222%	6/13/2017	2,175,000.00 2,173,869.00	2,174,105.29 2,170,036.65	263.45	0.197 3.953	Aaa AA+	1.55 %
3133EAVE5	Federal Farm Credit Banks FFCB 0 06/22/15	0.213% 0.510%	6/22/2015	1,400,000.00 1,399,580.00	1,399,723.08 1,400,887.60	74.55	0.060 1.978	Aaa AA+	1.00 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Agency									
3133EZA9	Federal Farm Credit Banks FFCB 0 07/20/15	0.222% 0.531%	7/20/2015	1,400,000.00 1,400,980.00	1,400,883.46 1,401,129.80	94.80	0.056 2.056	Aaa AA+	1.00 %
3133ECM35	Federal Farm Credit Banks FFCB 0 04/18/16	0.212% 0.778%	4/18/2016	830,000.00 829,755.27	829,770.32 830,136.12	63.69	0.046 2.800	Aaa AA+	0.59 %
3133XLDG5	Federal Home Loan Banks FHLB 5 3/8 06/13/14	5.375% 0.259%	6/13/2014	1,190,000.00 1,346,670.64	1,228,426.64 1,247,889.93	3,553.47	0.939 0.953	Aaa AA+	0.89 %
3134G3ZN3	Federal Home Loan Mortgage Cor FHLMC 2.0 07/17/17	2.000% 1.979%	7/17/2017	735,000.00 741,387.15	735,570.92 735,598.29	6,696.67	0.023 0.047	Aaa AA+	0.53 %
3135G0CM3	Federal National Mortgage Assc FNMA 1 1/4 09/28/16	1.250% 0.902%	9/28/2016	2,150,000.00 2,146,087.00	2,147,482.85 2,173,888.65	6,942.71	3.166 3.244	Aaa AA+	1.55 %
3135G0VA8	Federal National Mortgage Assc FNMA .5 03/30/16	0.500% 0.711%	3/30/2016	2,425,000.00 2,422,235.50	2,422,566.05 2,411,078.08	3,064.93	2.722 2.750	Aaa AA+	1.72 %
3136FTEK1	Federal National Mortgage Assc FNMA 1.50 10/28/16	1.500% 1.397%	10/28/2016	1,415,000.00 1,430,211.25	1,420,413.49 1,419,731.76	3,714.38	0.750 0.328	Aaa AA+	1.01 %
3136FTK57	Federal National Mortgage Assc FNMA 7/8 02/13/17	0.875% 1.470%	2/13/2017	2,155,000.00 2,162,862.95	2,160,037.78 2,161,462.86	7,228.23	1.340 0.619	Aaa AA+	1.54 %
3136G03W9	Federal National Mortgage Assc FNMA 0 11/17/17	0.600% 1.360%	11/14/2017	1,400,000.00 1,400,000.00	1,400,000.00 1,383,149.60	1,096.67	3.409 4.372	Aaa AA+	0.99 %
3136G04Q1	Federal National Mortgage Assc FNMA 1.50 11/20/17	1.500% 1.493%	11/20/2017	1,290,000.00 1,315,593.60	1,307,788.20 1,290,366.36	2,203.75	3.283 4.389	Aaa AA+	0.92 %
3136G06V8	Federal National Mortgage Assc FNMA 0 11/27/17	0.625% 1.509%	11/27/2017	1,480,000.00 1,480,000.00	1,480,000.00 1,451,619.52	873.61	3.725 4.408	Aaa AA+	1.04 %
3136G0B59	Federal National Mortgage Assc FNMA 0 09/20/17	0.700% 1.456%	9/20/2017	2,000,000.00 2,000,045.50	2,000,012.56 1,976,476.00	3,927.78	3.132 4.222	Aaa AA+	1.41 %
3136G0CC3	Federal National Mortgage Assc FNMA 0.85 04/18/17	0.850% 1.656%	4/18/2017	2,045,000.00 2,049,606.25	2,046,843.69 2,052,163.64	3,524.79	1.419 0.800	Aaa AA+	1.47 %
3136G0D57	Federal National Mortgage Assc FNMA 0 09/27/17	0.500% 1.575%	9/27/2017	1,300,000.00 1,299,350.00	1,306,101.56 1,289,307.50	1,697.22	2.784 4.242	Aaa AA+	0.92 %
3136G0GW5	Federal National Mortgage Assc FNMA 0 05/23/17	0.850% 1.634%	5/23/2017	1,335,000.00 1,342,342.50	1,338,522.80 1,335,934.50	1,197.79	2.075 0.897	Aaa AA+	0.95 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Agency									
3136G0H46	Federal National Mortgage Assc FNMA 0 09/26/17	0.600% 1.441%	9/26/2017	2,115,000.00 2,114,471.25	2,121,996.64 2,089,260.45	3,348.75	3.264 4.239	Aaa AA+	1.49 %
3136G0MD0	Federal National Mortgage Assc FNMA 0 06/13/17	0.875% 1.433%	6/13/2017	1,400,000.00 1,407,280.00	1,403,652.39 1,395,354.80	612.50	2.742 3.953	Aaa AA+	1.00 %
3136G0Q79	Federal National Mortgage Assc FNMA 0 10/25/17	0.600% 1.471%	10/25/2017	1,120,000.00 1,119,216.00	1,122,724.15 1,103,297.44	1,232.00	3.331 4.319	Aaa AA+	0.79 %
3136G0SN2	Federal National Mortgage Assc FNMA .50 07/25/17	0.500% 1.841%	7/25/2017	1,375,000.00 1,374,518.75	1,385,608.08 1,364,680.63	2,979.17	2.802 4.069	Aaa AA+	0.97 %
3136G0ZW4	Federal National Mortgage Assc FNMA 0 09/20/17	0.750% 1.794%	9/20/2017	890,000.00 891,237.10	890,438.67 874,535.36	1,872.71	3.470 4.222	Aaa AA+	0.62 %
3136G1B57	Federal National Mortgage Assc FNMA 0 01/30/18	0.750% 1.463%	1/30/2018	2,105,000.00 2,104,473.75	2,107,124.10 2,068,554.03	6,621.98	3.721 4.583	Aaa AA+	1.48 %
3136G1K99	Federal National Mortgage Assc FNMA 0 04/30/18	0.750% 1.695%	4/30/2018	655,000.00 654,672.50	655,093.65 637,907.78	832.40	4.100 4.833	Aaa AA+	0.46 %
3137EAAM1	Federal Home Loan Mortgage Cor FHLMC 5 02/16/17	5.000% 1.103%	2/16/2017	1,140,000.00 1,361,486.04	1,300,907.92 1,297,540.02	21,375.00	3.309 3.628	Aaa AA+	0.93 %
3137EADQ9	Federal Home Loan Mortgage Cor FHLMC .5 05/13/16	0.500% 0.730%	5/13/2016	735,000.00 734,955.90	734,959.78 730,213.68	490.00	2.840 2.869	Aaa AA+	0.52 %
62889KAB7	NCUA Guaranteed Notes NCUAGT 1.4 06/12/15	1.400% 0.565%	6/12/2015	855,000.00 853,811.55	854,411.19 868,825.35	631.75	1.924 1.950	Aaa AA+	0.62 %
742651CY6	Private Export Funding Corp PEFCO 4.974 08/15/13	4.974% 0.245%	8/15/2013	525,000.00 576,330.75	527,472.68 528,099.60	9,865.10	0.125 0.125	Aaa AA+	0.38 %
742651DH2	Private Export Funding Corp PEFCO 3.05 10/15/14	3.050% 0.363%	10/15/2014	915,000.00 960,091.20	929,020.12 946,648.02	5,891.58	1.267 1.292	Aaa AA+	0.68 %
76116EFH8	Resolution Funding Corp RFCS 0 01/15/14	0.000% 0.325%	1/15/2014	1,380,000.00 1,324,303.20	1,369,212.92 1,377,573.96	0.00	0.541 0.542	Aaa AA+	0.98 %
911759JQ2	US Depart of Hsing & Urban Dev HUD 4.33 08/01/15	4.330% 0.497%	8/1/2015	505,000.00 563,696.15	530,776.69 545,119.73	9,111.04	1.983 2.086	Aaa AA+	0.39 %
911759KG2	US Depart of Hsing & Urban Dev HUD 1.34 08/01/13	1.340% 0.179%	8/1/2013	540,000.00 540,000.00	540,000.00 540,539.46	3,015.00	0.086 0.086	Aaa AA+	0.39 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Agency									
911759LE6	US Depart of Hsing & Urban Dev HUD 1.22 08/01/16	1.220% 0.869%	8/1/2016	475,000.00 475,000.00	475,000.00 480,063.98	2,414.58	3.010 3.086	Aaa AA+	0.34 %
Total Agency		1.077%		57,215,000.00 57,751,450.44	57,503,113.21 57,326,815.99	122,790.81	1.825 2.812		40.93 %
CMBS									
3137B03W2	FHLMC Multifamily Stru PT FHMS K502 A2	1.426% 1.337%	8/25/2017	1,790,000.00 1,824,051.95	1,823,205.86 1,796,026.93	2,127.12	3.600 3.721	Aaa AA+	1.28 %
Total CMBS		1.337%		1,790,000.00 1,824,051.95	1,823,205.86 1,796,026.93	2,127.12	3.600 3.721		1.28 %
CMO									
3137A8Q68	Freddie Mac Remics FHR 3849 CA	2.000% 0.951%	3/15/2018	524,846.20 529,684.63	527,880.49 531,339.60	874.74	1.160 1.263	Aaa AA+	0.38 %
31393CC50	Fannie Mae Remics FNCI 2003-57 HC	4.500% 0.799%	6/25/2018	516,133.08 548,875.27	544,342.51 544,745.43	1,935.50	1.441 1.594	Aaa AA+	0.39 %
31393U4B6	Fannie Mae Remics FNR 2004-2 QL	4.000% 0.516%	2/25/2019	1,353,954.19 1,460,366.53	1,426,745.29 1,436,105.36	4,513.18	1.666 1.831	Aaa AA+	1.03 %
31394HP47	Freddie Mac Remics FHR 2663 ME	5.000% 0.925%	8/15/2018	890,021.81 948,429.49	947,550.47 946,215.12	3,708.42	1.458 1.615	Aaa AA+	0.68 %
31398JNB5	Freddie Mac Remics FHR 3574 AC	1.850% 0.190%	8/15/2014	80,995.93 81,263.21	80,963.46 81,057.16	124.87	0.051 0.089	Aaa AA+	0.06 %
Total CMO		0.727%		3,365,951.21 3,568,619.13	3,527,482.22 3,539,462.67	11,156.71	1.463 1.612		2.54 %
Corporate									
037833AF7	Apple Inc AAPL 0 05/03/16	0.323% 0.859%	5/3/2016	1,140,000.00 1,140,000.00	1,140,000.00 1,139,032.14	603.66	0.086 2.839	Aa1 AA+	0.81 %
06406HBK4	Bank of New York Mellon Corp BK 5 1/8 08/27/13	5.125% 0.622%	8/27/2013	815,000.00 895,947.50	819,730.10 820,790.58	14,387.02	0.158 0.158	Aa3 A+	0.59 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Corporate									
19416QDT4	Colgate-Palmolive Co CL 1 1/4 05/01/14	1.250% 0.446%	5/1/2014	550,000.00 549,197.00	549,773.24 553,683.90	1,145.83	0.831 0.836	Aa3 AA-	0.40 %
369604BE2	General Electric Co GE .85 10/09/15	0.850% 0.898%	10/9/2015	230,000.00 229,937.90	229,952.82 229,750.68	445.31	2.244 2.275	Aa3 AA+	0.16 %
36962G4C5	General Electric Capital Corp GE 5.9 05/13/14	5.900% 0.458%	5/13/2014	1,270,000.00 1,388,643.40	1,310,730.36 1,329,899.55	9,990.67	0.854 0.869	A1 AA+	0.95 %
36962G6M1	General Electric Capital Corp GE 1.0 12/11/15	1.000% 1.068%	12/11/2015	1,090,000.00 1,088,910.00	1,089,108.49 1,088,211.31	605.56	2.410 2.447	Aa3 AA+	0.78 %
57629WAX8	MassMutual Global Funding II MASSMU 0 12/06/13	0.434% 0.252%	12/6/2013	700,000.00 686,056.00	698,223.84 700,583.80	210.95	0.184 0.433	Aa2 AA+	0.50 %
57629WBL3	MassMutual Global Funding II MASSMU 0 09/27/13	0.776% -0.236%	9/27/2013	720,000.00 720,000.00	720,000.00 720,900.00	62.09	0.242 0.242	Aa2 AA+	0.52 %
59157BAF9	MetLife Inst Funding II MET 0 04/04/14	1.182% 0.392%	4/4/2014	1,500,000.00 1,502,970.00	1,501,084.51 1,509,376.50	4,334.37	0.011 0.758	Aa3 AA-	1.08 %
931142CW1	Wal-Mart Stores Inc WMT 0 3/4 10/25/13	0.750% 0.466%	10/25/2013	865,000.00 862,033.05	864,683.43 865,781.96	1,189.38	0.319 0.319	Aa2 AA	0.62 %
Total Corporate		0.526%		8,880,000.00 9,063,694.85	8,923,286.79 8,958,010.42	32,974.84	0.620 1.124		6.41 %
MBS Pass Through									
31283KSN9	Freddie Mac Gold Pool FGCI G11425	4.500% 0.299%	8/1/2013	512.75 529.49	512.73 512.75	1.92	0.022 0.042	Aaa AA+	0.00 %
3128H7G71	Freddie Mac Gold Pool FGCI E99222	4.000% 2.743%	9/1/2013	1,386.98 1,399.12	1,385.85 1,386.98	4.62	0.073 0.123	Aaa AA+	0.00 %
31371K2S9	Fannie Mae Pool FNCI 254685	5.000% 0.694%	4/1/2018	317,942.35 341,986.72	337,274.63 339,342.64	1,324.76	1.491 1.655	Aaa AA+	0.24 %
Total MBS Pass Through		0.702%		319,842.08 343,915.33	339,173.21 341,242.37	1,331.30	1.483 1.646		0.24 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
<u>Muni - Non Taxable</u>									
235219AH5	City of Dallas TX General Obligation	5.000% 1.486%	2/15/2018	1,260,000.00 1,504,251.00	1,491,470.09 1,457,190.00	23,800.00	4.122 4.633	Aa1 AA+	1.04 %
882721QE6	State of Texas General Obligation	5.000% 0.363%	10/1/2013	600,000.00 658,914.00	606,916.77 607,020.00	7,500.00	0.252 0.255	Aaa AA+	0.43 %
Total Muni - Non Taxable		1.156%		1,860,000.00 2,163,165.00	2,098,386.86 2,064,210.00	31,300.00	2.984 3.346		1.47 %
<u>Muni - Taxable</u>									
20772JBT8	State of Connecticut General Obligation	1.430% 0.549%	5/15/2014	1,050,000.00 1,050,000.00	1,050,000.00 1,058,064.00	1,918.58	0.869 0.874	Aa3 AA	0.76 %
602245YN6	Cnty of Milwaukee WI General Obligation	1.068% 1.793%	12/1/2017	800,000.00 800,000.00	800,000.00 775,464.00	712.00	4.284 4.425	Aa2 AA	0.55 %
64966GTT9	City of New York NY General Obligation	5.000% 0.595%	10/1/2013	890,000.00 953,038.70	898,854.76 899,879.00	11,125.00	0.252 0.255	Aa2 AA	0.64 %
64966JDX1	City of New York NY General Obligation	2.070% 0.531%	8/1/2014	1,870,000.00 1,867,999.10	1,869,324.57 1,901,116.80	16,128.75	1.068 1.088	Aa2 AA	1.36 %
649791ED8	State of New York General Obligation	1.600% 0.289%	9/1/2014	1,170,000.00 1,159,984.80	1,166,462.05 1,187,889.30	6,240.00	1.156 1.173	Aa2 AA	0.85 %
880541QL4	State of Tennessee General Obligation	1.675% 0.962%	8/1/2016	485,000.00 485,000.00	485,000.00 495,490.55	3,384.90	2.987 3.090	Aaa AA+	0.35 %
93974CX47	State of Washington General Obligation	0.650% 0.780%	8/1/2015	825,000.00 825,000.00	825,000.00 822,789.00	2,234.38	2.062 2.088	Aa1 AA+	0.59 %
Total Muni - Taxable		0.697%		7,090,000.00 7,141,022.60	7,094,641.38 7,140,692.65	41,743.61	1.547 1.582		5.10 %
<u>Treasury</u>									
912828FQ8	United States Treasury T 4.875 08/15/16	4.875% 0.733%	8/15/2016	1,220,000.00 1,391,800.78	1,386,989.91 1,375,930.64	22,344.20	2.894 3.127	Aaa AA+	0.98 %
912828LS7	United States Treasury T 2 3/8 10/31/14	2.375% 0.236%	10/31/2014	495,000.00 519,937.50	508,481.00 509,096.12	1,991.50	1.315 1.334	Aaa AA+	0.36 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Treasury									
912828NL0	United States Treasury T 1 7/8 06/30/15	1.875% 0.372%	6/30/2015	2,655,000.00 2,764,257.23	2,713,754.14 2,734,442.91	135.27	1.969 2.000	Aaa AA+	1.95 %
912828NP1	United States Treasury T 1 3/4 07/31/15	1.750% 0.395%	7/31/2015	7,015,000.00 7,304,916.80	7,212,992.33 7,212,296.88	51,207.56	2.039 2.086	Aaa AA+	5.15 %
912828PE4	United States Treasury T 1 1/4 10/31/15	1.250% 0.465%	10/31/2015	2,695,000.00 2,767,258.40	2,735,701.33 2,744,057.09	5,675.61	2.298 2.334	Aaa AA+	1.96 %
912828PS3	United States Treasury T 2 01/31/16	2.000% 0.538%	1/31/2016	5,585,000.00 5,908,855.08	5,795,156.81 5,794,437.50	46,593.10	2.507 2.586	Aaa AA+	4.14 %
912828QX1	United States Treasury T 1 1/2 07/31/16	1.500% 0.728%	7/31/2016	1,570,000.00 1,615,076.17	1,598,282.97 1,606,920.12	9,823.34	2.998 3.086	Aaa AA+	1.15 %
912828RV4	United States Treasury T 0 1/4 12/15/14	0.250% 0.239%	12/15/2014	4,175,000.00 4,159,343.75	4,167,205.62 4,175,651.30	456.28	1.455 1.459	Aaa AA+	2.98 %
912828RZ5	United States Treasury T 0 1/4 01/15/15	0.250% 0.268%	1/15/2015	3,765,000.00 3,756,191.99	3,760,031.63 3,763,972.16	4,342.23	1.536 1.541	Aaa AA+	2.69 %
912828SK7	United States Treasury T 0 3/8 03/15/15	0.375% 0.313%	3/15/2015	3,205,000.00 3,186,051.76	3,194,169.95 3,208,381.28	3,527.25	1.701 1.709	Aaa AA+	2.29 %
912828TK6	United States Treasury T .25 08/15/15	0.250% 0.424%	8/15/2015	5,125,000.00 5,108,515.62	5,113,010.93 5,106,181.00	4,813.53	2.116 2.127	Aaa AA+	3.65 %
912828TT7	United States Treasury T .25 10/15/15	0.250% 0.456%	10/15/2015	2,705,000.00 2,694,644.92	2,694,865.42 2,692,318.96	1,422.71	2.281 2.292	Aaa AA+	1.92 %
912828UD0	United States Treasury T .125 12/31/14	0.125% 0.253%	12/31/2014	2,105,000.00 2,099,573.05	2,100,934.73 2,100,971.03	7.15	1.497 1.500	Aaa AA+	1.50 %
912828UP3	United States Treasury T .25 02/28/15	0.250% 0.302%	2/28/2015	2,805,000.00 2,805,328.71	2,805,284.90 2,802,590.51	2,343.85	1.662 1.668	Aaa AA+	2.00 %
912828VC1	United States Treasury T .25 05/15/16	0.250% 0.629%	5/15/2016	2,840,000.00 2,828,018.75	2,828,463.09 2,809,381.96	906.79	2.857 2.875	Aaa AA+	2.01 %
Total Treasury				47,960,000.00 48,909,770.51	48,615,324.76 48,636,629.46	155,590.37	2.066 2.100		34.73 %
Grand Total				138,626,549.05	140,095,355.59	403,398.19	1.760		100.00 %
Weighted averages are based on market value				0.746%	140,956,363.29	139,973,121.27	2.222		

Trade Date Settled Date	Security ID/ Cusip	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Yield	Broker
4/9/2013 4/11/2013	3133EA6G8	Federal Farm Credit Banks FFCB 0 10/26/15	0.000%	10/26/2015	100.117	1,285,000.00 (1,286,643.49)	0.209%	J.P. Morgan Chase & Co
4/9/2013 4/10/2013	3133EAZA9	Federal Farm Credit Banks FFCB 0 07/20/15	0.000%	7/20/2015	100.070	1,400,000.00 (1,401,170.45)	0.203%	Wachovia-Wells Fargo Sec
4/9/2013 4/30/2013	3136G1K99	Federal National Mortgage Assc FNMA 0 04/30/18	0.000%	4/30/2018	99.950	655,000.00 (654,672.50)	1.130%	Morgan Stanley & Co. Inc.
4/9/2013 4/17/2013	89236RAB5	Toyota Auto Rec Owner Trust TAOT 2013-A A2	0.370%	9/15/2015	99.998	1,040,000.00 (1,039,981.38)	0.372%	Banc of America Securities LLC
4/11/2013 4/16/2013	34528QAU8	Ford Credit Floorplan Mstr Trs FORDF 2010-5 A1	1.500%	9/15/2015	100.434	1,370,000.00 (1,375,997.32)	0.452%	Credit Agricole Securities
4/24/2013 4/25/2013	3133ECM35	Federal Farm Credit Banks FFCB 0 04/18/16	0.000%	4/18/2016	99.971	830,000.00 (829,790.81)	0.230%	BNP Paribas/NY
4/24/2013 4/25/2013	3136FTK57	Federal National Mortgage Assc FNMA 7/8 02/13/17	0.000%	2/13/2017	100.499	645,000.00 (649,347.30)	0.250%	Pierpont Securities
4/29/2013 4/30/2013	31331KW22	Federal Farm Credit Banks FFCB 0 1/21/16	0.000%	11/21/2016	100.198	1,360,000.00 (1,362,792.83)	0.239%	Goldman Sachs
4/30/2013 5/3/2013	037833AF7	Apple Inc AAPL 0 05/03/16	0.000%	5/3/2016	100.000	1,140,000.00 (1,140,000.00)	0.323%	Goldman Sachs
5/9/2013 5/10/2013	3133834R9	Federal Home Loan Bank FHLB .375 06/24/16	0.375%	6/24/2016	99.823	1,430,000.00 (1,427,468.90)	0.432%	Barclays Capital
5/16/2013 5/17/2013	3136FTK57	Federal National Mortgage Assc FNMA 7/8 02/13/17	0.000%	2/13/2017	100.410	465,000.00 (467,968.90)	0.319%	Pierpont Securities
5/17/2013 5/21/2013	912828VC1	United States Treasury T .25 05/15/16	0.250%	5/15/2016	99.578	2,840,000.00 (2,828,134.51)	0.392%	Goldman Sachs
5/21/2013 5/29/2013	912828FQ8	United States Treasury T 4.875 08/15/16	4.875%	8/15/2016	114.082	1,220,000.00 (1,408,723.22)	0.458%	Salomon SmBarney (Citigroup)
5/22/2013 5/28/2013	3137B03W2	FHLMC Multifamily Stru PT FHMS K502 A2	1.426%	8/25/2017	101.902	1,790,000.00 (1,825,966.36)	0.894%	KGS-Alpha Capital Mkts
5/24/2013 5/30/2013	31394HP47	Freddie Mac Remics FHR 2663 ME	5.000%	8/15/2018	106.563	928,882.25 (993,581.48)	0.865%	Robert W Baird
6/10/2013 6/13/2013	912828TT7	United States Treasury T .25 10/15/15	0.250%	10/15/2015	99.617	2,705,000.00 (2,695,735.05)	0.415%	Deutsche Bank
6/19/2013 6/27/2013	44890LAB0	Hyundai Auto Receivables Trust HART 201-3B A2	0.530%	3/15/2016	100.000	1,480,000.00 (1,479,993.19)	0.531%	Credit Suisse First Boston LLC

Trade Date Settled Date	Security ID/ Cusip	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Yield	Broker
6/24/2013 6/27/2013	34529PAD7	Ford Credit Auto Owner Trust FORDO 2011-A A4	1.650%	5/15/2016	100.785	1,200,000.00 (1,210,081.88)	0.690%	Deutsche Bank
6/26/2013 6/28/2013	12619SAD8	CNH Equipment Trust CNH 2010-C A4	1.750%	5/16/2016	100.813	625,000.00 (630,473.10)	0.821%	Credit Agricole Securities
Grand Total						24,408,882.25 (24,708,522.67)		

SALES AND MATURITIES

EXHIBIT B, RFP H-53-13

City of Pompano Beach - Core Portfolio
April 1, 2013 - June 30, 2013

Trade Date Settled Date	Security ID/Cusip Transaction Type	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Mkt Yield Book Yield	Broker
4/5/2013 4/8/2013	912828RF9 Sale	United States Treasury T 1 08/31/16	1.000%	8/31/2016	102.059	1,375,000.00 1,404,762.86	0.389% 0.503%	HSBC Securities Inc.
4/10/2013 4/11/2013	912828SW1 Sale	United States Treasury T 1/4 05/31/14	0.250%	5/31/2014	100.082	500,000.00 500,863.46	0.178% 0.295%	Wachovia-Wells Fargo Sec
4/15/2013 4/15/2013	76116EBY5 Maturity	Resolution Funding Corp RFCS 0 04/15/13	0.000%	4/15/2013	100.000	795,000.00 795,000.00	0.881%	
4/15/2013 4/15/2013	98385XAC0 Maturity	XTO Energy Inc XOM 6 1/4 04/15/13	6.250%	4/15/2013	100.000	750,000.00 750,000.00	0.795%	
4/17/2013 4/17/2013	3136G0CN9 Call	Federal National Mortgage Assc FNMA 0.6 04/17/17	0.000%	4/17/2017	100.000	815,000.00 815,000.00	2.000% 2.000%	
4/24/2013 4/25/2013	912828SW1 Sale	United States Treasury T 1/4 05/31/14	0.250%	5/31/2014	100.109	1,540,000.00 1,543,228.61	0.150% 0.295%	Wachovia-Wells Fargo Sec
4/29/2013 4/30/2013	912828TU4 Sale	United States Treasury T .25 10/31/14	0.250%	10/31/2014	100.113	1,100,000.00 1,101,246.09	0.174% 0.252%	Wachovia-Wells Fargo Sec
5/1/2013 5/3/2013	64952WAX1 Sale	New York Life Global Funding NYL 1.85 12/13/13	1.850%	12/13/2013	100.944	1,365,000.00 1,387,706.02	0.302% 1.363%	Jefferies & Co (JPM-BS)
5/9/2013 5/10/2013	912828TU4 Sale	United States Treasury T .25 10/31/14	0.250%	10/31/2014	100.094	1,200,000.00 1,201,206.52	0.186% 0.252%	Greenwich Capital-RBS
5/15/2013 5/15/2013	690355AH5 Redemption	Overseas Private Invest Corp OPIC 4.05 11/15/14	4.050%	11/15/2014	100.000	19,215.00 19,215.00	4.050% 2.918%	
5/15/2013 5/15/2013	690355AH5 Call	Overseas Private Invest Corp OPIC 4.05 11/15/14	4.050%	11/15/2014	103.423	57,645.00 59,617.96	0.610% 2.918%	
5/17/2013 5/20/2013	912828TU4 Sale	United States Treasury T .25 10/31/14	0.250%	10/31/2014	100.094	2,815,000.00 2,818,021.53	0.185% 0.254%	HSBC Securities Inc.
5/24/2013 5/28/2013	912828TU4 Sale	United States Treasury T .25 10/31/14	0.250%	10/31/2014	100.094	1,685,000.00 1,686,900.21	0.184% 0.256%	BNP Paribas/NY
5/29/2013 5/29/2013	3136G0HY0 Call	Federal National Mortgage Assc FNMA 0 05/29/15	0.000%	5/29/2015	100.000	1,750,000.00 1,750,000.00	1.000% 1.000%	
5/30/2013 5/30/2013	3136G0HQ7 Call	Federal National Mortgage Assc FNMA 6 05/30/17	0.000%	5/30/2017	100.000	675,000.00 675,000.00	1.500% 1.320%	
6/10/2013 6/13/2013	31331J6A6 Sale	Federal Farm Credit Banks FFCB 1.3 12/23/13	1.300%	12/23/2013	100.619	1,540,000.00 1,558,986.49	0.126% 1.204%	Salomon SmBarney (Citigroup)
6/10/2013 6/11/2013	3133XSP93 Sale	Federal Home Loan Banks FHLB 3 1/8 12/13/13	3.125%	12/13/2013	101.514	1,355,000.00 1,396,451.33	0.128% 1.214%	Salomon SmBarney (Citigroup)
6/26/2013 6/27/2013	912828LS7 Sale	United States Treasury T 2 3/8 10/31/14	2.375%	10/31/2014	102.848	2,100,000.00 2,167,661.51	1.108% 1.642%	Barclays Capital

SALES AND MATURITIES

EXHIBIT B, RFP H-53-13

City of Pompano Beach - Core Portfolio
April 1, 2013 - June 30, 2013

Trade Date Settled Date	Security ID/Cusip Transaction Type	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Mkt Yield Book Yield	Broker
Grand Total						21,436,860.00	21,630,867.59	

The opinions expressed in the Economic Overview are those of Cutwater Asset Management and are subject to change without notice. All statistics represent month-end figures unless otherwise noted.

A current version of the investment adviser brochure for Cutwater Investor Services Corp., in the form of the Firm's ADV Part 2A, is available for your review. Please contact our Client Service Desk at 1-800-395-5505 or mail your request to:

Cutwater Investor Services Corp.
Attention: Client Services
113 King Street
Armonk, NY 10504

A copy of the brochure will be sent to you either by mail or electronically at your option.

In addition, a copy of the most recent version of the Firm's complete Form ADV can be downloaded from the SEC website at www.adviserinfo.sec.gov/.

CITY OF POMPANO BEACH - CASH

APRIL 1, 2013 - JUNE 30, 2013



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> US Economic Data¹

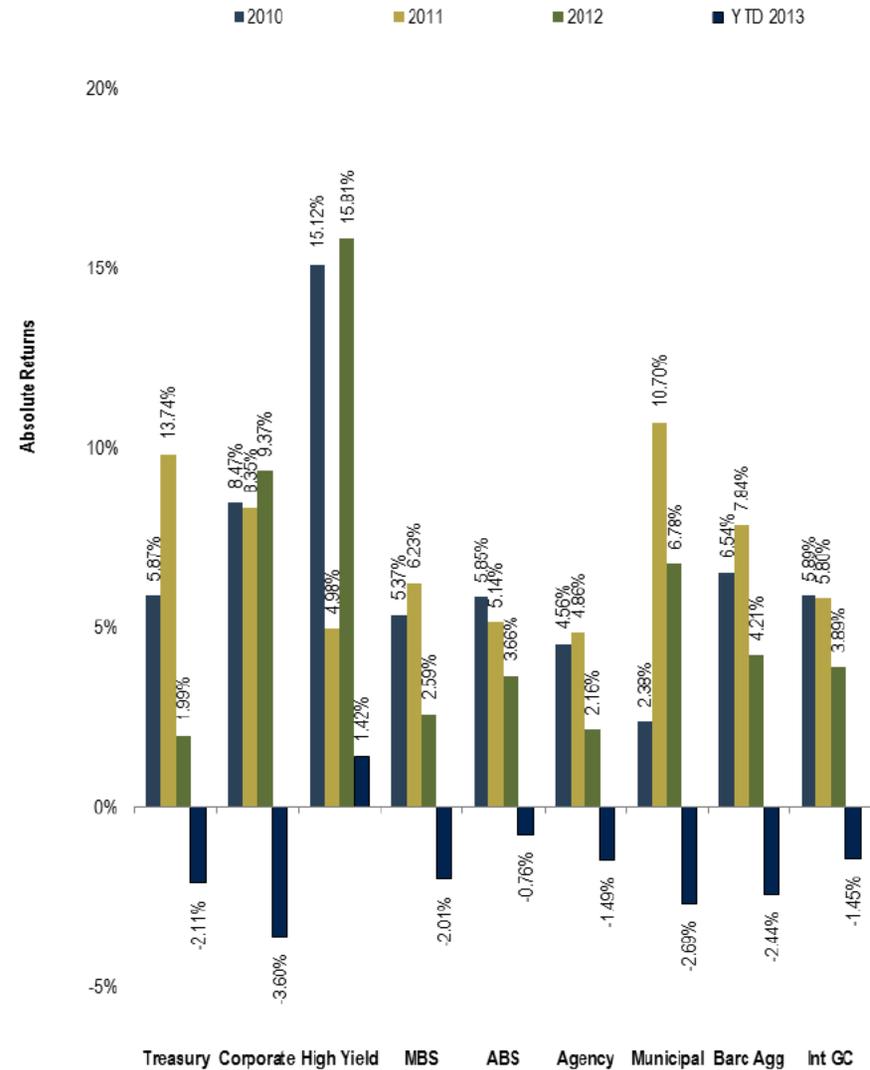
	06/30/13	03/31/13	12/31/12	9/30/12
Fed Funds Rate	0% - 0.25%	0% - 0.25%	0% - 0.25%	0% - 0.25%
Consumer Price Index (yoy)	1.40%*	1.50%	1.70%	2.00%
Crude Oil	96.56	97.57	93.76	93.91
USD/EUR	1.3010	1.2819	1.3193	1.2860
US GDP (qoq)	1.70%*	1.80%	0.40%	3.10%
Unemployment Rate	7.60%	7.60%	7.80%	7.80%
2 Year Treasury Yield	0.36%	0.24%	0.25%	0.23%
10 Year Treasury Yield	2.49%	1.85%	1.76%	1.63%
30 Year Treasury Yield	3.50%	3.10%	2.95%	2.82%

* Estimates, Bloomberg

1 Source: Bloomberg Finance LP, 6/30/13

2 Source: Barclays, 6/30/13

> Sector Performance²



➤ Second Quarter 2013 Review and Outlook

In our first quarter commentary we marveled at the risk-taking in financial markets and pondered whether the market's apparent indifference to risk was the result of central bank liquidity or if inflated prices were due to investor fatigue. Now we have our answer: central bank liquidity has been the primary influence behind financial asset returns. This influence is so significant, in fact, that the mere suggestion that Federal Reserve asset purchases, known as quantitative easing, might slow has resulted in the worst total quarterly return for the Barclays Aggregate index ("the Agg") in the past nine years. Worse, this widely followed benchmark index's negative 2.32 percent second quarter return followed a 0.12 percent loss in the first quarter. The Agg closed the quarter yielding 2.35 percent with 5.49 years duration exposure, implying a high probability that 2013 will be the Agg's first calendar year of negative return since 1999.

The downward trend in total return began on May 3 with the release of the April employment report. The report showed that new jobs created in April exceeded expectations and included a significant upward revision to previously weak March data. Ten-year Treasury yields promptly climbed over 10 basis points to 1.74 percent and then continued upwards, reaching 1.94 percent by May 21. Investment-grade credit spreads and non-government assets performed well during this brief period, compared against a gradual rise in Treasury yields. In line with our expectations, credit outperformed Treasury securities by 31 basis points, and the S&P 500 set a new all-time high of 1669. The significance of May 21 is that it was just one day prior to the Joint Economic Committee testimony at

which Fed Chairman Bernanke first hinted that the prospect of tapering bond purchases could begin as early as late 2013.

Subsequent to Mr. Bernanke's remarks, credit spreads and Treasury yields spiked higher in a disorderly leap. The prospect of the Fed slowing its bond purchases in response to a strengthening U.S. economy should come as no surprise to market participants, but the market response seems to have revealed an underlying and widespread perception that a June announcement of tapering is too early. Rate sensitive sectors such as mortgage pass-through securities, high yield bonds, preferred share classes, and dividend paying stocks fared miserably, as evidenced by massive mutual fund outflows. Anecdotally, the same investment grade corporate bonds were being shown to the market for bids as ETF's met redemption requests. By early June, corporate bond spreads had given back all year-to-date gains, the Federal Reserve said nothing, and market liquidity deteriorated. The stage was set for a meaningful June 19 Federal Reserve meeting and press conference.

Cutwater's thesis has been and remains that the rise in Treasury yields will, over time, remain gradual and orderly. Our expectation is that Fed members will continue to use verbal risk management techniques in their attempt to engineer the desired soft landing. Given that the market reaction to Mr. Bernanke's prior testimony was so sudden and disorderly, we had expected that the June 19 Fed meeting would produce a soothing acknowledgement by the Fed that the pace of recent yield increases was unjustified. An equally effective alternative would have been a reiteration of the Fed's desire to guard against deflation, since price measures had

recently softened. Such remarks would have given bond investors reason to hope that tapering would not begin as soon as many fear. We found neither of these two potentially ameliorative bits of messaging in the FOMC’s official statement and, in our opinion, heard worse during the ensuing press conference.

Separately from the official statement, Chairman Bernanke introduced the possibility of slowing bond purchases as soon as late 2013 and potentially ceasing them entirely in 2014, given the current pace of economic growth and improvements in the labor market. When asked about stress recently observed in securitized mortgage prices, he expressed his view that markets are functioning normally. There was no acknowledgement of the sharp increase in Treasury yields. Slowing inflationary pressures he deemed to be “transitory” and expected a return to the 2.0 percent to 2.5 percent target range of inflation once exogenous factors like sequestration subside. It is noteworthy that St. Louis Fed President James Bullard publically opposed the Fed’s statement and actually favored more quantitative easing, given his concerns on deflation. In sum, the official rhetoric was decidedly more hawkish than Cutwater or, apparently, the markets expected. Table 1 below shows the market impact of Fed messaging.

Table 1. Milestone Dates and Performance¹

	Positive Payroll		JEC Testimony		FOMC Release	
	12/31/2012	5/2/2013	5/21/2013	6/18/2013	6/28/2013	
10 Yr Treasury Yield	1.78	1.63	1.94	2.18	2.48	
IG Credit OAS	131	126	122	136	144	
Aggregate Total Return	-	1.04%	0.07%	-1.12%	-2.44%	

Figure 1. Direction of Yields and Spreads are Related²

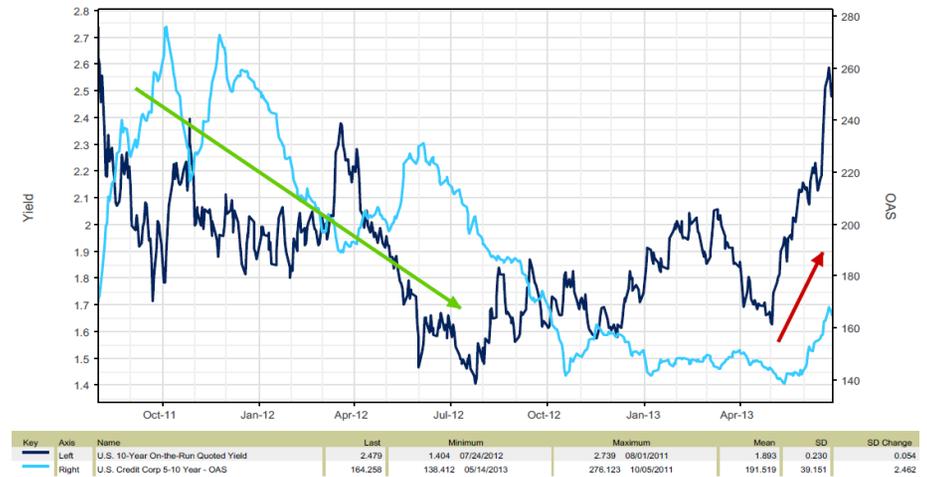


Figure 2. Removal of QE Measures Imply Higher Treasury Yields³



Cutwater maintains its outlook for 2013 and 2014 which sees the U.S. economy poised for self-sustaining economic growth with opportunity to surprise to the upside. We expect that credit spreads and non-government financial assets should, therefore, perform better than Treasury securities during this timeframe. As a result of the abruptness of Federal Reserve communication, recent performance of non-government sectors, however, has been correlated with Treasury yields. Figure 1 and Figure 2 above depict these recent and long-term correlations to Federal Reserve policy, offering at least one guidepost for a return to “normal” rates. The 10-year Treasury yield averaged nearly 3.3 percent during the first two iterations of quantitative easing. At least part of the bond market’s recent negative reaction to Fed messaging might be attributed to investors anticipating that higher yield environment and deducing that once “normal” yields return, credit spreads will tighten.

¹ Source: Barclays.

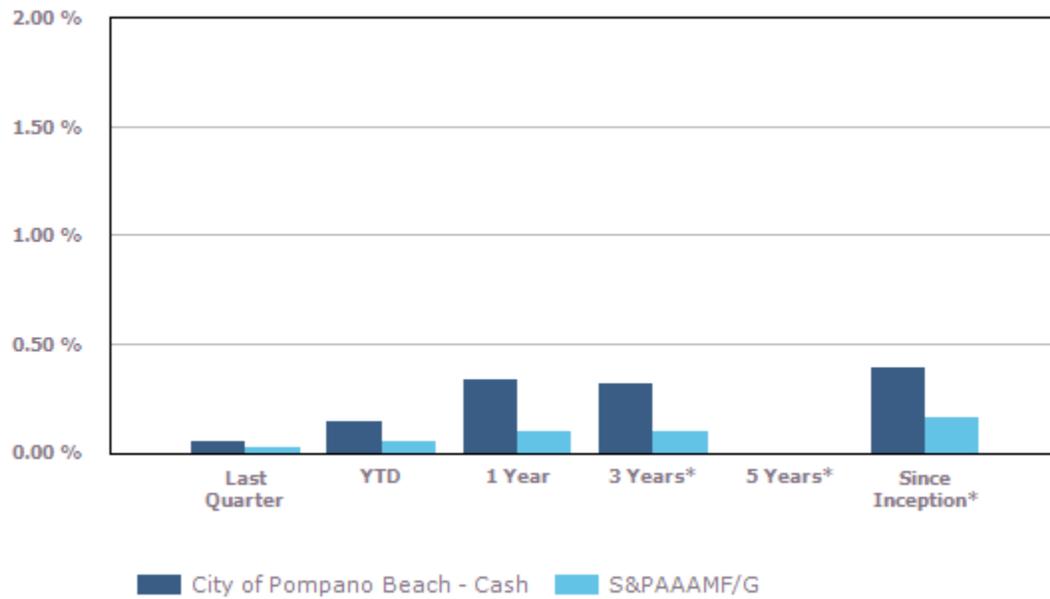
² Source: Barclays.

² Source: Gerring Wealth Management, StockCharts.com.

Total Return Performance

	Last Quarter	YTD	1 Year	3 Years*	5 Years*	Since Inception*
City of Pompano Beach - Cash	0.05 %	0.14 %	0.34 %	0.32 %	-	0.39 %
S&P AAA Money Funds Gov.	0.02 %	0.05 %	0.10 %	0.10 %	-	0.16 %

Total Return Performance



*Returns for periods greater than one year are annualized
Returns are gross of fees
Portfolio inception is 1/31/2009

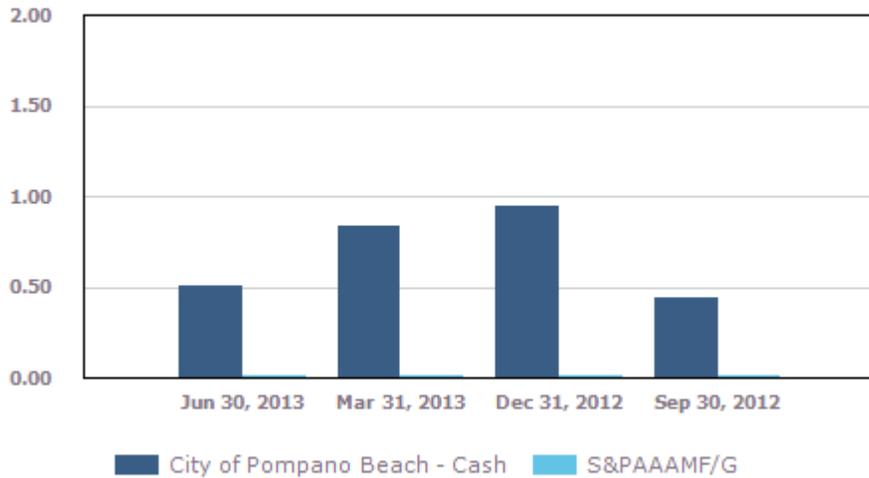
Effective Duration

	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012
City of Pompano Beach - Cash	0.510	0.840	0.950	0.440
S&P AAA Money Funds Gov.	0.003	0.003	0.003	0.003

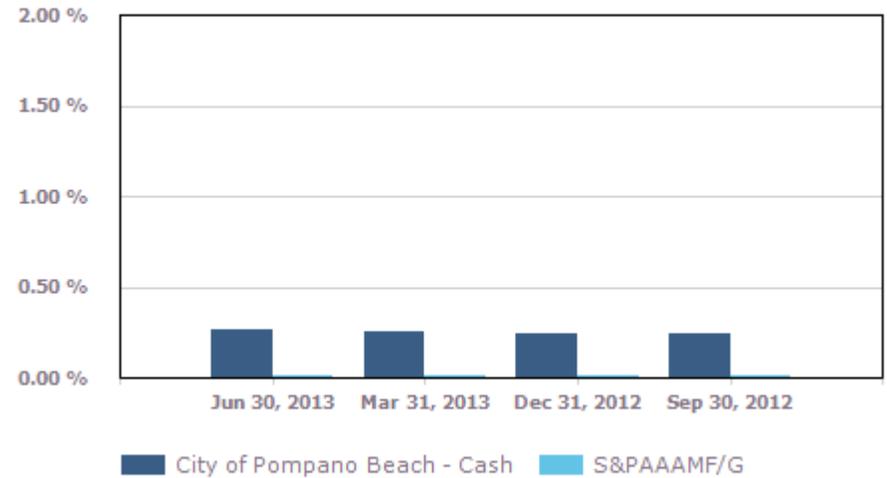
Market Yield

	Jun 30, 2013	Mar 31, 2013	Dec 31, 2012	Sep 30, 2012
City of Pompano Beach - Cash	0.27%	0.26%	0.24%	0.24%
S&P AAA Money Funds Gov.	0.01%	0.01%	0.01%	0.01%

Effective Duration



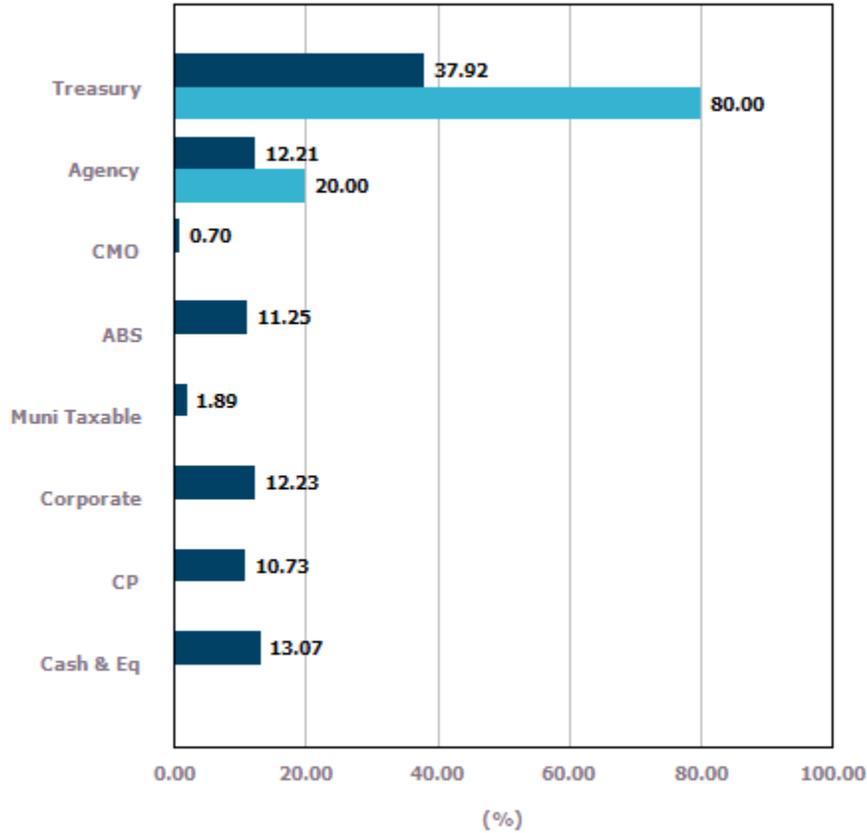
Market Yield



*The S&P AAA Money Fund Govt Index is based on net yield and the Pompano Beach – Cash portfolio is based on gross yield.

Asset Allocation By Sector

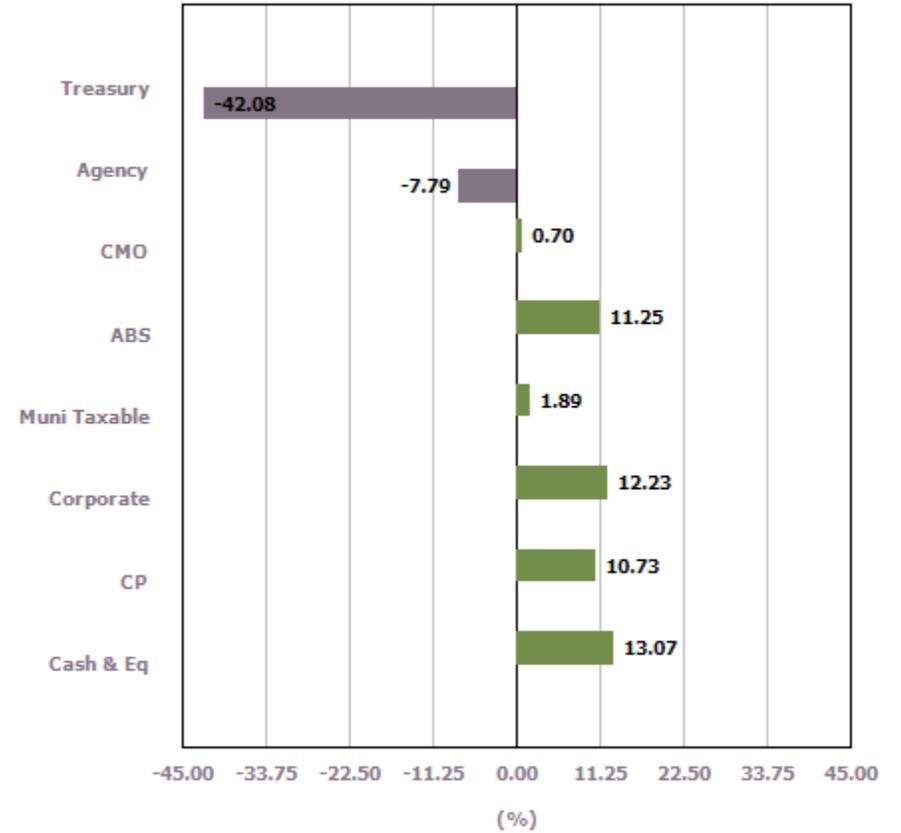
City of Pompano Beach - Cash vs S&PAAAAMF/G



City of Pompano Beach - Cash S&PAAAAMF/G

Over/Under Comparison of Asset Allocation

City of Pompano Beach - Cash vs S&PAAAAMF/G

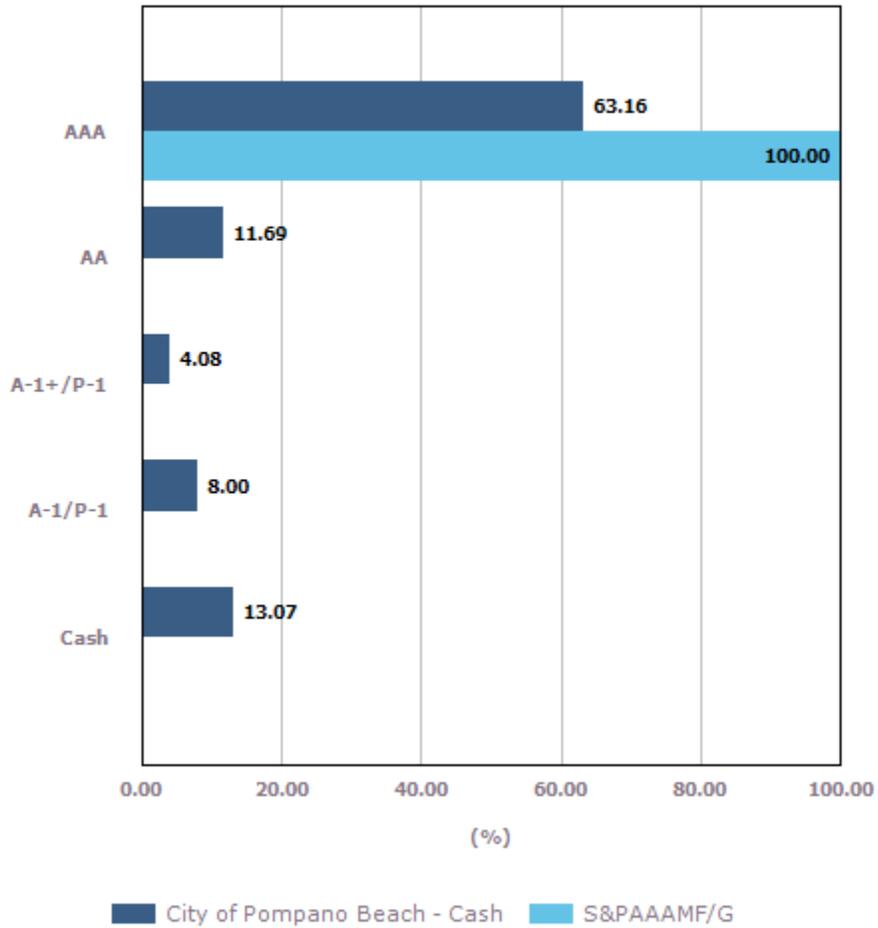


Over Under

*The sector breakout for the S&P AAA Money Fund Govt Index is based on a proxy since this data is not published.

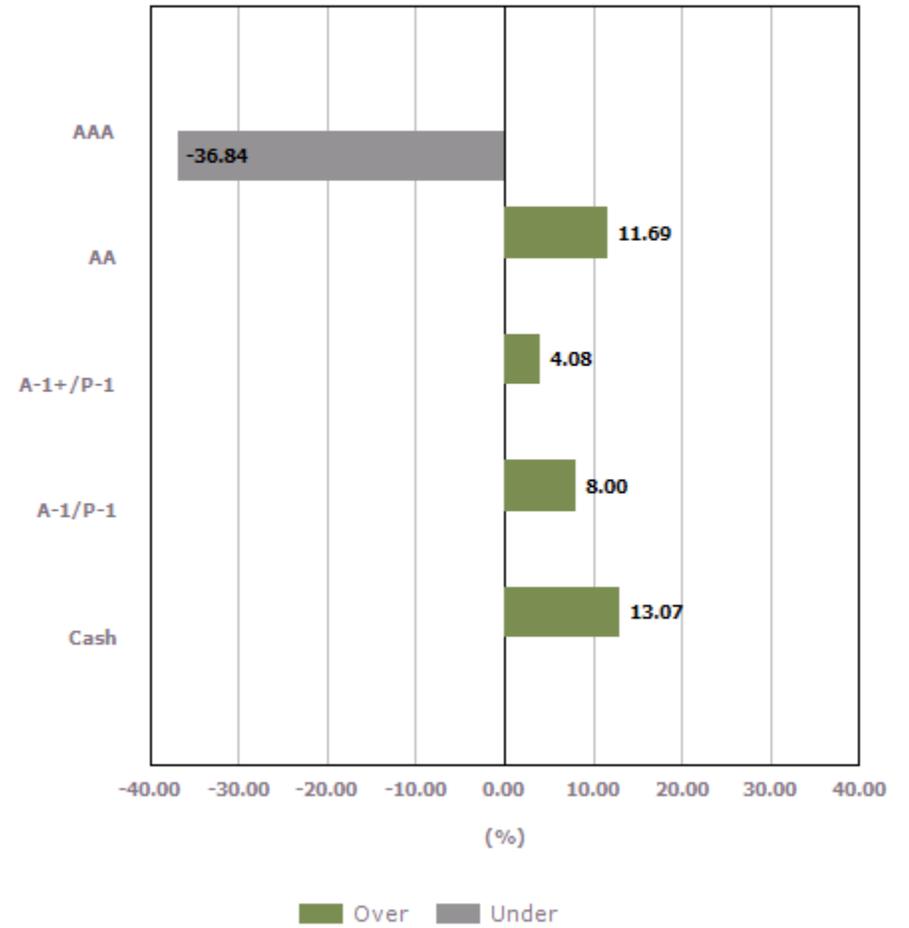
Credit Quality Allocation

City of Pompano Beach - Cash vs S&PAAAMF/G

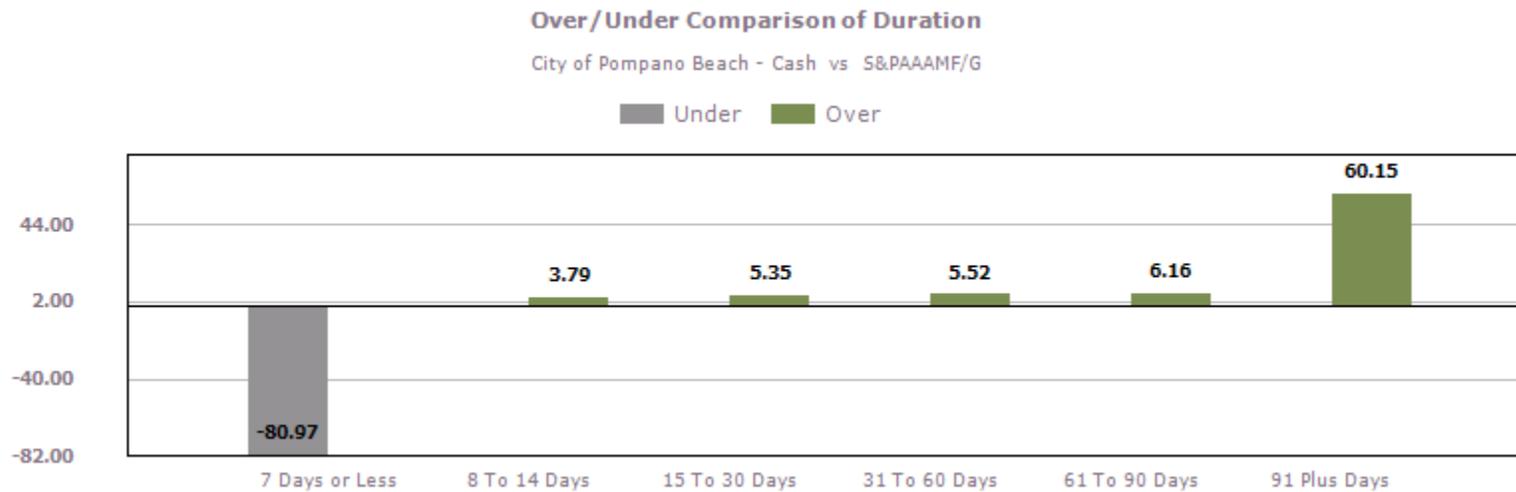
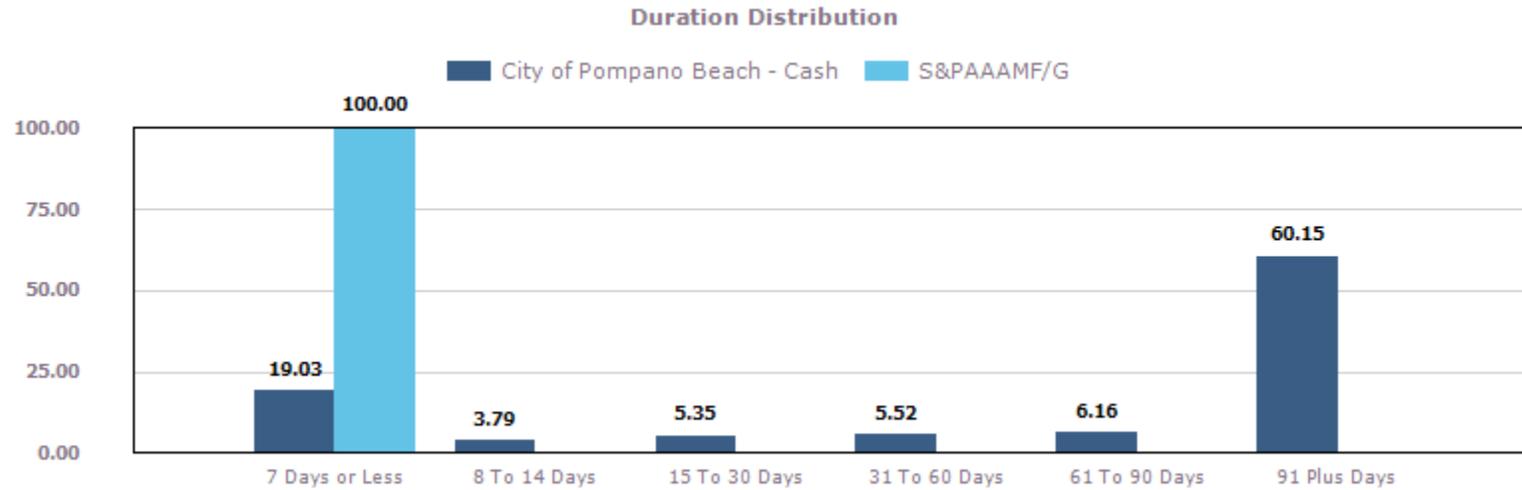


Over/Under Comparison of Credit Quality

City of Pompano Beach - Cash vs S&PAAAMF/G



*As of June 30 2012, the methodology used for US Treasury and US Agency ratings reflects the methodology used within the respective benchmark.



Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Cash & Cash Equivalents									
	Bank Cash			3,085,840.07 3,085,840.07	3,085,840.07 3,085,840.07	0.00	0.000 0.000		12.99 %
	Unsettled Activity			19,031.25 19,031.25	19,031.25 19,031.25	0.00	0.000 0.000		0.08 %
Total Cash & Cash Equivalents				3,104,871.32 3,104,871.32	3,104,871.32 3,104,871.32	0.00	0.000 0.000		13.07 %

ABS

02005ABB3	Ally Master Owner Trust AMOT 2011-1 A1	1.063% 0.880%	1/15/2016	300,000.00 301,593.75	301,056.01 300,451.20	123.96	0.037 0.539	Aaa AAA	1.26 %
02005ABC1	Ally Master Owner Trust AMOT 2011-1 A2	2.150% 1.092%	1/15/2016	265,000.00 268,850.78	267,300.84 266,517.13	253.22	0.536 0.542	Aaa AAA	1.12 %
02005EAB6	Ally Auto Receivables Trust ALLYA 2012-3 A2	0.700% 0.479%	1/15/2015	106,609.03 106,775.61	106,703.15 106,669.05	33.17	0.253 0.254	Aaa AAA	0.45 %
14313KAB4	Carmax Auto Owner Trust CARMX 2012-3 A2	0.430% 0.654%	9/15/2015	240,677.56 240,752.78	240,714.44 240,455.90	46.00	0.411 0.413	Aaa AAA	1.01 %
31679DAB2	Fifth Third Auto Trust FITAT 2013-A A2	0.450% 0.595%	1/15/2016	195,000.00 194,985.34	194,988.62 194,755.08	39.00	0.871 0.875	Aaa AAA	0.82 %
34528QAZ7	Ford Credit Floorplan Mstr Trs FORDF 2011-1 A1	2.120% 0.498%	2/15/2016	325,000.00 329,164.06	328,121.39 328,289.00	306.22	0.619 0.625	Aaa AAA	1.38 %
34529YAA4	Ford Credit Auto Owner Trust FORDO 2012-C A2	0.470% 0.472%	4/15/2015	120,441.86 120,433.63	120,439.42 120,441.38	25.16	0.282 0.283	Aaa AAA	0.51 %
43813UAB6	Honda Auto Rec Owner Trust HAROT 2012-1 A2	0.570% 0.567%	8/15/2014	125,177.92 125,166.52	125,176.46 125,178.55	31.71	0.145 0.146	Aaa AAA	0.53 %
44614AAB9	Huntington Auto Trust HUNT 2012-1 A2	0.540% 0.482%	11/17/2014	69,979.49 69,972.30	69,978.63 69,984.60	16.80	0.125 0.125	Aaa AAA	0.29 %
44890HAB9	Hyundai Auto Receivables Trust HART 2012B A2	0.540% 0.408%	1/15/2015	267,485.51 267,476.04	267,482.96 267,571.11	64.20	0.242 0.243	Aaa AAA	1.13 %
89236PAB9	Toyota Auto Rec Owner Trust TAOT 2012-A A2	0.570% 0.395%	10/15/2014	97,286.52 97,377.72	97,331.85 97,317.17	24.65	0.179 0.180	Aaa AAA	0.41 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
ABS									
89236RAB5	Toyota Auto Rec Owner Trust TAOT 2013-A A2	0.370% 0.534%	9/15/2015	220,000.00 219,996.06	219,996.83 219,681.22	36.18	0.887 0.888	Aaa AAA	0.92 %
98153YAD6	World Omni Auto Receivables Tr WOART 2010-A A4	2.210% 1.147%	5/15/2015	139,477.68 140,736.25	140,179.73 140,145.64	137.00	0.289 0.291	Aaa AAA	0.59 %
98157HAA5	World Omni Auto Receivables Tr WOART 2012-A A2	0.520% 0.510%	6/15/2015	194,298.39 194,293.46	194,296.77 194,305.00	44.90	0.324 0.325	Aaa AAA	0.82 %
Total ABS		0.647%		2,666,433.96 2,677,574.30	2,673,767.10 2,671,762.03	1,182.17	0.409 0.468		11.24 %
Agency									
31331K2Y5	Federal Farm Credit Banks FFCB 0 12/15/14	0.212% 0.376%	12/15/2014	250,000.00 250,128.25	250,074.59 250,228.50	23.61	0.040 1.458	Aaa AA+	1.05 %
31331KHC7	Federal Farm Credit Banks FFCB 0 07/29/13	0.145% 0.084%	7/29/2013	225,000.00 224,886.06	224,991.23 225,011.03	1.81	0.081 0.081	Aaa AA+	0.95 %
313379TL3	Federal Home Loan Bank FHLB .375 06/12/14	0.375% 0.225%	6/12/2014	200,000.00 200,402.60	200,383.49 200,284.40	39.58	0.948 0.950	Aaa AA+	0.84 %
313382M42	Federal Home Loan Bank FHLB .125 03/27/14	0.125% 0.210%	3/27/2014	320,000.00 319,817.00	319,864.38 319,799.36	104.44	0.741 0.742	P-1 A-1+	1.35 %
3133EA6G8	Federal Farm Credit Banks FFCB 0 10/26/15	0.245% 0.612%	10/26/2015	270,000.00 270,314.82	270,287.30 270,315.36	9.20	0.071 2.322	Aaa AA+	1.14 %
3133EAVE5	Federal Farm Credit Banks FFCB 0 06/22/15	0.213% 0.510%	6/22/2015	225,000.00 224,932.50	224,955.55 225,142.65	11.98	0.060 1.978	Aaa AA+	0.95 %
3133EAZA9	Federal Farm Credit Banks FFCB 0 07/20/15	0.222% 0.531%	7/20/2015	300,000.00 300,210.00	300,189.37 300,242.10	20.31	0.056 2.056	Aaa AA+	1.26 %
3133X7FK5	Federal Home Loan Bank FHLB 5.25 06/18/14	5.250% 0.201%	6/18/2014	265,000.00 278,139.85	277,880.15 277,915.57	502.40	0.953 0.967	Aaa AA+	1.17 %
3135G0BJ1	Federal National Mortgage Assc FNMA 1 1/8 06/27/14	1.125% 0.212%	6/27/2014	350,000.00 354,224.50	353,128.00 353,163.30	43.75	0.988 0.992	Aaa AA+	1.49 %
31398A3R1	Federal National Mortgage Assc FNMA 1.35 03/21/14	1.350% 0.214%	3/21/2014	250,000.00 252,267.50	252,151.70 252,055.50	937.50	0.626 0.725	Aaa AA+	1.06 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Agency									
742651DH2	Private Export Funding Corp PEFCO 3.05 10/15/14	3.050% 0.363%	10/15/2014	220,000.00 232,936.00	227,562.80 227,609.36	1,416.56	1.267 1.292	Aaa AA+	0.96 %
Total Agency		0.321%		2,875,000.00 2,908,259.08	2,901,468.56 2,901,767.13	3,111.14	0.539 1.240		12.22 %
CMO									
31393A3M7	Fannie Mae Remics FNR 2003-43 EX	4.500% -0.245%	10/25/2017	162,710.47 165,354.51	165,018.55 165,444.66	610.16	0.327 0.417	Aaa AA+	0.70 %
Total CMO		-0.245%		162,710.47 165,354.51	165,018.55 165,444.66	610.16	0.327 0.417		0.70 %
Corporate									
037833AF7	Apple Inc AAPL 0 05/03/16	0.323% 0.859%	5/3/2016	270,000.00 270,000.00	270,000.00 269,770.77	142.97	0.086 2.839	Aa1 AA+	1.14 %
191216AN0	Coca-Cola Co KO 3/4 11/15/13	0.750% 0.504%	11/15/2013	250,000.00 251,022.50	250,414.25 250,229.75	239.58	0.374 0.375	Aa3 AA-	1.05 %
459200GW5	IBM Corporation IBM 1.25 05/12/14	1.250% 0.466%	5/12/2014	300,000.00 303,395.95	302,501.09 302,031.90	510.41	0.862 0.867	Aa3 AA-	1.27 %
59157BAF9	MetLife Inst Funding II MET 0 04/04/14	1.182% 0.392%	4/4/2014	335,000.00 335,663.30	335,242.21 337,094.09	968.01	0.011 0.758	Aa3 AA-	1.42 %
59217EBW3	Metropolitan Life Gbl Fnding I MET 5.125 06/10/14	5.125% 0.545%	6/10/2014	165,000.00 177,551.55	171,640.76 172,108.04	493.28	0.930 0.944	Aa3 AA-	0.72 %
594918AB0	Microsoft Corp MSFT 2.95 06/01/14	2.950% 0.322%	6/1/2014	340,000.00 349,278.60	348,482.29 348,196.72	835.83	0.911 0.919	Aaa AAA	1.47 %
742718DX4	Procter & Gamble Co PG 0 02/06/14	0.193% 0.450%	2/6/2014	300,000.00 299,946.00	299,959.90 299,857.80	88.50	0.093 0.597	Aa3 AA-	1.26 %
742718DZ9	Procter & Gamble Co PG 0 02/14/14	0.175% 0.240%	2/14/2014	145,000.00 145,000.00	145,000.00 144,963.46	33.85	0.115 0.619	Aa3 AA-	0.61 %
88579EAE5	3M Company MMM 4.375 08/15/13	4.375% 0.600%	8/15/2013	400,000.00 410,032.00	401,936.86 401,881.20	6,611.11	0.125 0.125	Aa2 AA-	1.69 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Corporate									
931142CQ4	Wal-Mart Stores Inc WMT 3.2 05/15/14	3.200% 0.464%	5/15/2014	370,000.00 383,730.70	379,357.96 378,828.20	1,512.89	0.865 0.875	Aa2 AA	1.59 %
Total Corporate		0.490%		2,875,000.00 2,925,620.60	2,904,535.32 2,904,961.93	11,436.43	0.441 0.864		12.22 %
CP									
06737HW47	Barclays US Funding LLC CP 09/04/13	0.370% 0.228%	9/4/2013	400,000.00 399,272.33	399,732.47 399,833.04	0.00	0.178 0.178	P-1 A-1	1.68 %
2254EAWG4	Credit Suisse New York CP 09/16/13	0.400% 0.205%	9/16/2013	400,000.00 398,804.44	399,657.27 399,821.92	0.00	0.211 0.211	P-1 A-1	1.68 %
30601YLV3	Fairway Finance LLC CP 07/05/2013	0.224% 0.195%	7/5/2013	450,000.00 450,000.00	450,000.00 450,001.80	72.79	0.014 0.014	P-1 A-1	1.89 %
4497W0U30	ING US Funding LLC CP 07/03/13	0.445% 0.168%	7/3/2013	400,000.00 399,110.00	399,990.09 399,994.44	0.00	0.008 0.008	P-1 A-1	1.68 %
74977KUA5	Rabobank USA Fin Corp CP 07/10/13	0.270% 0.130%	7/10/2013	350,000.00 349,527.50	349,976.34 349,987.54	0.00	0.028 0.028	P-1 A-1+	1.47 %
76582JU85	Ridgefield Funding Co LLC CP 07/08/13	0.230% 0.176%	7/8/2013	250,000.00 249,969.65	249,988.82 249,990.28	0.00	0.022 0.022	P-1 A-1	1.05 %
86958FWR4	Svenska Handelsbank Inc CP 09/25/13	0.225% 0.204%	9/25/2013	300,000.00 299,715.00	299,838.68 299,852.40	0.00	0.236 0.236	P-1 A-1+	1.26 %
Total CP		0.188%		2,550,000.00 2,546,398.92	2,549,183.67 2,549,481.42	72.79	0.098 0.098		10.71 %
Muni - Taxable									
373384YY6	State of Georgia General Obligation	0.350% 0.349%	7/1/2013	230,000.00 230,218.50	230,000.00 230,000.00	402.50	0.003 0.003	Aaa AAA	0.97 %
602245YK2	Cnty of Milwaukee WI General Obligation	0.493% 0.649%	12/1/2014	220,000.00 220,000.00	220,000.00 219,516.00	90.38	1.411 1.422	Aa2 AA	0.92 %
Total Muni - Taxable		0.496%		450,000.00 450,218.50	450,000.00 449,516.00	492.88	0.691 0.696		1.89 %

Security ID/ Cusip	Description	Coupon YTW	Maturity Date	Par/Units Historical Cost	Book Value Market Value	Accrued	Effective Duration Average Life	Moody's S&P	% Port / Group
Treasury									
912828JZ4	United States Treasury T 1 3/4 01/31/14	1.750% 0.135%	1/31/2014	100,000.00 101,750.00	100,894.95 100,945.30	729.97	0.581 0.586	Aaa AA+	0.42 %
912828KY5	United States Treasury T 2 5/8 06/30/14	2.625% 0.207%	6/30/2014	1,450,000.00 1,502,449.22	1,484,211.28 1,485,004.45	103.43	0.993 1.000	Aaa AA+	6.25 %
912828QH6	United States Treasury T 1 1/4 02/15/14	1.250% 0.153%	2/15/2014	1,325,000.00 1,340,925.78	1,333,539.59 1,334,109.38	6,222.38	0.624 0.627	Aaa AA+	5.62 %
912828QS2	United States Treasury T 0 3/4 06/15/14	0.750% 0.199%	6/15/2014	1,600,000.00 1,612,437.50	1,607,885.01 1,608,436.80	524.59	0.956 0.959	Aaa AA+	6.77 %
912828SG6	United States Treasury T 0 1/4 02/28/14	0.250% 0.139%	2/28/2014	1,280,000.00 1,279,578.71	1,279,947.24 1,280,949.76	1,069.56	0.667 0.668	Aaa AA+	5.39 %
912828SR2	United States Treasury T 0 1/4 04/30/14	0.250% 0.175%	4/30/2014	1,600,000.00 1,600,437.50	1,600,267.10 1,601,000.00	673.91	0.833 0.834	Aaa AA+	6.74 %
912828SW1	United States Treasury T 1/4 05/31/14	0.250% 0.186%	5/31/2014	1,600,000.00 1,600,375.00	1,600,233.79 1,600,937.60	338.80	0.917 0.918	Aaa AA+	6.74 %
Total Treasury		0.178%		8,955,000.00 9,037,953.71	9,006,978.96 9,011,383.29	9,662.64	0.839 0.842		37.93 %
Grand Total				23,639,015.75	23,755,823.48	26,568.21	0.510		100.00 %
Weighted averages are based on market value		0.267%		23,816,250.94	23,759,187.78		0.656		

Trade Date Settled Date	Security ID/ Cusip	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Yield	Broker
4/2/2013 4/3/2013	3135G0LG6	Federal National Mortgage Assc FNMA .65 05/29/15	0.650%	5/29/2015	100.070	335,000.00 (335,984.53)	0.199%	RBC Dain Rauscher Inc.
4/9/2013 4/11/2013	3133EA6G8	Federal Farm Credit Banks FFCB 0 10/26/15	0.000%	10/26/2015	100.117	270,000.00 (270,345.32)	0.209%	J.P. Morgan Chase & Co
4/9/2013 4/10/2013	3133EAAZ9	Federal Farm Credit Banks FFCB 0 07/20/15	0.000%	7/20/2015	100.070	300,000.00 (300,250.81)	0.203%	Goldman Sachs
4/9/2013 4/17/2013	89236RAB5	Toyota Auto Rec Owner Trust TAOT 2013-A A2	0.370%	9/15/2015	99.998	220,000.00 (219,996.06)	0.372%	Banc of America Securities LLC
4/11/2013 4/16/2013	34528QAZ7	Ford Credit Floorplan Mstr Trs FORDF 2011-1 A1	2.120%	2/15/2016	101.281	325,000.00 (329,183.20)	0.574%	Credit Agricole Securities
4/11/2013 4/16/2013	742718DX4	Procter & Gamble Co PG 0 02/06/14	0.000%	2/6/2014	99.982	300,000.00 (300,069.91)	0.237%	Goldman Sachs
4/23/2013 4/26/2013	478160AM6	Johnson & Johnson JNJ 3.8 05/15/13	3.800%	5/15/2013	100.194	370,000.00 (377,006.11)	0.120%	Mizuho Secs USA Inc.
4/26/2013 4/26/2013	86958FWR4	Svenska Handelsbank Inc CP 09/25/13	0.225%	9/25/2013	99.905	300,000.00 (299,715.00)	0.228%	J.P. Morgan Chase & Co
4/30/2013 5/3/2013	037833AF7	Apple Inc AAPL 0 05/03/16	0.000%	5/3/2016	100.000	270,000.00 (270,000.00)	0.323%	Goldman Sachs
5/3/2013 5/8/2013	459200GW5	IBM Corporation IBM 1.25 05/12/14	1.250%	5/12/2014	101.006	110,000.00 (111,778.67)	0.253%	Barclays Capital
5/24/2013 5/30/2013	594918AB0	Microsoft Corp MSFT 2.95 06/01/14	2.950%	6/1/2014	102.729	340,000.00 (354,265.74)	0.224%	KeyBank
6/10/2013 6/13/2013	31393A3M7	Fannie Mae Remics FNR 2003-43 EX	4.500%	10/25/2017	101.625	162,710.47 (165,598.58)	0.364%	G.X. Clarke & Company
6/13/2013 6/14/2013	313379TL3	Federal Home Loan Bank FHLB .375 06/12/14	0.375%	6/12/2014	100.201	200,000.00 (200,406.77)	0.172%	First Tennessee Capital AI
6/14/2013 6/17/2013	31398A3R1	Federal National Mortgage Assc FNMA 1.35 03/21/14	1.350%	3/21/2014	100.907	250,000.00 (253,073.75)	0.157%	Credit Suisse First Boston LLC
6/18/2013 6/19/2013	76582JU85	Ridgefield Funding Co LLC CP 07/08/13	0.230%	7/8/2013	99.988	250,000.00 (249,969.65)	0.233%	Banc of America Securities LLC
6/21/2013 6/24/2013	3133X7FK5	Federal Home Loan Bank FHLB 5.25 06/18/14	5.250%	6/18/2014	104.958	265,000.00 (278,371.73)	0.200%	Greenwich Capital-RBS
Grand Total						4,267,710.47 (4,316,015.83)		

SALES AND MATURITIES

EXHIBIT B, RFP H-53-13

City of Pompano Beach - Cash
April 1, 2013 - June 30, 2013

Trade Date Settled Date	Security ID/Cusip Transaction Type	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Mkt Yield Book Yield	Broker
4/2/2013 4/3/2013	912828RW2 Sale	United States Treasury T 0 1/8 12/31/13	0.125%	12/31/2013	99.996	400,000.00 400,112.83	0.130% 0.180%	Wachovia-Wells Fargo Sec
4/4/2013 4/4/2013	76582JR48 Maturity	Ridgefield Funding Co LLC CP 04/04/13	0.280%	4/4/2013	100.000	400,000.00 400,000.00	0.284%	
4/4/2013 4/5/2013	912828MX5 Sale	United States Treasury T 1 3/4 04/15/13	1.750%	4/15/2013	100.051	125,000.00 126,097.13	-0.098% 0.167%	HSBC Securities Inc.
4/4/2013 4/4/2013	912828UD0 Sale	United States Treasury T .125 12/31/14	0.125%	12/31/2014	99.863	2,000,000.00 1,997,914.80	0.204% 0.276%	HSBC Securities Inc.
4/10/2013 4/10/2013	3135G0JZ7 Call	Federal National Mortgage Assc FNMA .75 04/10/15	0.750%	4/10/2015	100.000	340,000.00 340,000.00	0.750% 0.750%	
4/10/2013 4/11/2013	912828PL8 Sale	United States Treasury T 0 3/4 12/15/13	0.750%	12/15/2013	100.414	50,000.00 50,327.57	0.139% 0.195%	Wachovia-Wells Fargo Sec
4/11/2013 4/16/2013	912828PL8 Sale	United States Treasury T 0 3/4 12/15/13	0.750%	12/15/2013	100.410	150,000.00 150,992.29	0.133% 0.195%	Wachovia-Wells Fargo Sec
4/12/2013 4/15/2013	912828PL8 Sale	United States Treasury T 0 3/4 12/15/13	0.750%	12/15/2013	100.414	300,000.00 301,990.13	0.129% 0.195%	Greenwich Capital-RBS
4/15/2013 4/15/2013	742651DF6 Maturity	Private Export Funding Corp PEFCO 3.55 04/15/13	3.550%	4/15/2013	100.000	245,000.00 245,000.00	0.250%	
4/24/2013 4/24/2013	66989HAB4 Maturity	Novartis Capital Corp NOVNVX 1.90 04/24/13	1.900%	4/24/2013	100.000	315,000.00 315,000.00	0.253%	
4/26/2013 4/26/2013	912828PL8 Sale	United States Treasury T 0 3/4 12/15/13	0.750%	12/15/2013	100.402	300,000.00 302,022.96	0.118% 0.195%	Wachovia-Wells Fargo Sec
4/29/2013 4/29/2013	3136G0S44 Call	Federal National Mortgage Assc FNMA .25 10/29/15	0.250%	10/29/2015	100.000	340,000.00 340,000.00	0.250% 0.254%	
5/3/2013 5/3/2013	0527M0S32 Maturity	Autobahn Funding Co LLC CP 05/03/13	0.230%	5/3/2013	100.000	400,000.00 400,000.00	0.233%	
5/6/2013 5/8/2013	912828JZ4 Sale	United States Treasury T 1 3/4 01/31/14	1.750%	1/31/2014	101.199	550,000.00 559,174.77	0.111% 0.207%	Barclays Capital
5/6/2013 5/8/2013	912828PL8 Sale	United States Treasury T 0 3/4 12/15/13	0.750%	12/15/2013	100.387	500,000.00 503,417.11	0.110% 0.195%	Wachovia-Wells Fargo Sec
5/6/2013 5/8/2013	912828RW2 Sale	United States Treasury T 0 1/8 12/31/13	0.125%	12/31/2013	100.008	560,000.00 560,291.26	0.113% 0.180%	Wachovia-Wells Fargo Sec
5/10/2013 5/10/2013	6555P0SA8 Maturity	Nordea North Am CP 05/10/13	0.200%	5/10/2013	100.000	350,000.00 350,000.00	0.203%	
5/14/2013 5/15/2013	912828QH6 Sale	United States Treasury T 1 1/4 02/15/14	1.250%	2/15/2014	100.852	1,000,000.00 1,011,588.83	0.120% 0.212%	Wachovia-Wells Fargo Sec

SALES AND MATURITIES

EXHIBIT B, RFP H-53-13

City of Pompano Beach - Cash
April 1, 2013 - June 30, 2013

Trade Date Settled Date	Security ID/Cusip Transaction Type	Description	Coupon	Maturity Date	Price	Par/Units Proceeds	Mkt Yield Book Yield	Broker
5/15/2013 5/15/2013	478160AM6 Maturity	Johnson & Johnson JNJ 3.8 05/15/13	3.800%	5/15/2013	100.000	370,000.00 370,000.00	0.120%	
5/15/2013 5/15/2013	912828JZ4 Sale	United States Treasury T 1 3/4 01/31/14	1.750%	1/31/2014	101.168	500,000.00 508,353.65	0.110% 0.207%	Wachovia-Wells Fargo Sec
5/17/2013 5/17/2013	3136G0GC9 Call	Federal National Mortgage Assc FNMA 0 11/17/15	0.000%	11/17/2015	100.000	145,000.00 145,000.00	0.600% 0.600%	
5/29/2013 5/29/2013	3135G0LG6 Call	Federal National Mortgage Assc FNMA .65 05/29/15	0.650%	5/29/2015	100.000	335,000.00 335,000.00	0.650% 0.650%	
5/29/2013 5/29/2013	3136G0HY0 Call	Federal National Mortgage Assc FNMA 0 05/29/15	0.000%	5/29/2015	100.000	395,000.00 395,000.00	1.000% 1.000%	
6/11/2013 6/12/2013	912828JZ4 Sale	United States Treasury T 1 3/4 01/31/14	1.750%	1/31/2014	101.039	250,000.00 254,192.96	0.113% 0.207%	Wachovia-Wells Fargo Sec
6/12/2013 6/12/2013	62889KAA9 Maturity	NCUA Guaranteed Notes NCUAGT 0 06/12/13	0.000%	6/12/2013	100.000	750,000.00 750,000.00	0.192%	
6/14/2013 6/14/2013	912828JZ4 Sale	United States Treasury T 1 3/4 01/31/14	1.750%	1/31/2014	101.031	100,000.00 101,679.04	0.112% 0.207%	UBS Warburg LLC
6/15/2013 6/15/2013	459200AL5 Maturity	IBM Corporation IBM 7.50 06/15/13	7.500%	6/15/2013	100.000	329,000.00 329,000.00	0.265%	
6/21/2013 6/24/2013	912828QH6 Sale	United States Treasury T 1 1/4 02/15/14	1.250%	2/15/2014	100.715	200,000.00 202,320.57	0.138% 0.212%	Wachovia-Wells Fargo Sec
6/26/2013 6/26/2013	3136G0MX6 Call	Federal National Mortgage Assc FNMA .375 06/26/15	0.000%	6/26/2015	100.000	200,000.00 200,000.00	1.000% 1.124%	
6/27/2013 6/28/2013	912828KY5 Sale	United States Treasury T 2 5/8 06/30/14	2.625%	6/30/2014	102.445	1,600,000.00 1,659,892.96	0.190% 0.255%	Nomura Securities Intl Inc.
6/27/2013 6/28/2013	912828UD0 Sale	United States Treasury T .125 12/31/14	0.125%	12/31/2014	99.824	1,200,000.00 1,198,632.34	0.242% 0.276%	Barclays Capital
Grand Total						14,699,000.00 14,803,001.20		

The opinions expressed in the Economic Overview are those of Cutwater Asset Management and are subject to change without notice. All statistics represent month-end figures unless otherwise noted.

A current version of the investment adviser brochure for Cutwater Investor Services Corp., in the form of the Firm's ADV Part 2A, is available for your review. Please contact our Client Service Desk at 1-800-395-5505 or mail your request to:

Cutwater Investor Services Corp.
Attention: Client Services
113 King Street
Armonk, NY 10504

A copy of the brochure will be sent to you either by mail or electronically at your option.

In addition, a copy of the most recent version of the Firm's complete Form ADV can be downloaded from the SEC website at www.adviserinfo.sec.gov/.