

## Internal Memorandum

Date: November 07, 2013

To: Management Committee Meeting (11/13/13)

From: Mercy Ndungu (651-602-1436)  
Principal Financial Analyst

Subj: 3<sup>rd</sup> Quarter Report on Investments (3Q2013)

Location: 390 N Robert Street, St. Paul, Fourth Floor, Rm. 4A at 12:30p.m.

The following items are attached for your review

1. Agenda
2. Minutes from Past Meeting
3. 3Q13 Report on Investments

If you have any questions, please call me at 651-602-1436 or Allen Hoppe at 651-602-1629.



Thank you.

## Investment Review Committee

IRC Administrative Coordinator: Mercy Ndungu (651)-602-1436

### Agenda

1. Minutes from Past Meeting — August 12, 2013 (2Q13)
2. Status update on Wells Fargo Banking Implementation
3. Action Item: “Affirmation of Financial Contracts”
4. Action Item: “List of Authorized Financial Institutions (Official Depositories)”
5. Discuss Upcoming General Obligation Bond Sales and PFA loan Issuance
6. Managing Liquidity in the Face of High Headline Risk
7. Presentation of 3Q13 Quarterly Report

#### **Committee members:**

Jon Commers, *Committee Chair & Council member*  
Sandy Rummel, *Committee Vice Chair & Council member*  
Jeannette Parr, *CFA, Appointee*  
John Schweers, *Appointee*  
Mary Bogie, *CFO & Treasurer*

#### **Reference staff:** *(not members of the IRC)*

Allen Hoppe, *CFA, Senior Manager, Treasury*  
Mercy Ndungu, *Principal Analyst*



## Investment Review Committee

### *Minutes*

August 12, 2013, 1:33 p.m. Conference Room LLB

#### **Present**

*Committee members:* Jon Commers, Chair; Sandy Rummel, Vice Chair; John Schweers, Appointee; Mary Bogie, Chief Financial Officer.

#### **Absent**

*Committee member:* Jeannette Parr, Appointee

*Reference staff:* Allen Hoppe, Sr. Manager, Treasury; Mercy Ndungu, Principal Financial Analyst; Jenny Munger, Recording Secretary.

#### **Topics Discussed**

- Mercy Ndungu presented the 2Q13 Investment Review up to the OPEB slide. Allen finished the presentation. Council member Sandy Rummel asked for more explanation on the Total Return Chart found on page "D". Allen Hoppe explained total return in detail. Sandy asked "what does unrealized gain & realized gain mean"? Mary Bogie answered this question.
- John Schweers asked the question "what kind of funds does Metropolitan Council buy"? Allen Hoppe answered and Mary Bogie explained in depth.
- Sandy said that the Fed will eventually take its foot off the pedal and is wondering when they will back off the stimulus. Allen Hoppe answered this question.
- Council member Jon Commers asked the question about credit quality in regards to stability for other cities." Does Detroit bring any uncertainty on credit quality for us"? Allen Hoppe answered this question in detail.
- John Schweers asked "what projects are we working on"? Mercy Ndungu answered that Treasury is working on the Wells Fargo Bank implementation project. Allen Hoppe added that the Scope of the Custody and Securities lending RFP will come out before the next meeting.
- John Schweers asked that we discuss the OPEB portfolio at some point in the near future. He would like an update on the asset allocation process.

Business completed, the meeting adjourned at 2:28p.m.

Respectfully submitted,

Jenny Munger

# Report on Investments

Third Quarter, 2013

## Economic Review

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**Past.** During the third quarter, the US economic environment was one of growth, albeit at a slower pace. The third estimate of second quarter gross domestic product (GDP) came in at 2.5% versus 1.2% in the first quarter. Growth was driven by increases in consumption, which added 124 basis points to GDP growth; fixed investments added 96 basis points while private inventories added 41 basis points. The largest drag on growth came from net exports and government spending, each knocked off 7 basis points respectively from GDP growth. Year to date, the economy grew at a 1.6% pace, which is below the historic average of about 3.4%. The employment situation, one of Fed's key indicators for current economic conditions was anemic during the quarter. The average number of jobs added for the three months ended September was only 143,000, the lowest so far this year (vs. 182,000 during the second quarter). The unemployment rate declined to 7.2% in September from 7.6% in June. This decrease was largely due to a drop in the labor participation rate. Inflation, another key Fed indicator remained benign and well within the Fed's target range of 1.7% to 2.0%. Headline CPI gained 0.2% in Sept (vs. 0.1% in August), lowering the year-over-year headline pace to 1.2% (vs. 1.5% in August). Excluding food and energy, year-over-year core inflation fell slightly to 1.7% in September (vs. 1.8% in August). Housing continued to be a bright spot for the economy. Existing home sales (85% of housing activity), new home sales and building permits have all rebounded to pre-recession levels. Home prices continued to show year-over-year gains. The S&P/Case-Schiller index of property prices in 20 cities climbed 12.8% in August on a year-over year basis (vs. 12.5% in July), the biggest 12-month gain since February 2006. The price increase was attributed to stronger demand for housing.

The slow but steady gains the economy made were enough to buoy the stock market, but likely only because of the Fed's aggressive monetary policy. The S&P 500 Index returned 5.24% and is up 19.34% year to date.

**Present.** At the beginning of the fourth quarter, monetary policy was upstaged by fiscal policy as congress clashed over the budget and debt ceiling. The disagreement ended with a government shutdown for a period of 16 days. Standard & Poor's, a rating agency, estimates that the shutdown will shave at least 0.6% or \$24 billion off the US GDP growth in the fourth quarter.

Incoming economic data for the month of September appears to be mixed, while data for October will mostly likely show the economic damage caused by the shutdown. On the manufacturing front, the ISM manufacturing index rose to 56.4 in October (vs. 56.2 in September). This was the highest reading since April 2011. A number above 50 indicates growth. Headline durable goods orders rose 3.2% in September (vs. 0.1% in August). The increase was driven by a higher level of transportation orders. Excluding transportation, good orders were down 0.1% (vs. -0.1 in August). This is the third consecutive monthly decline. Retail sales, which gauge consumer spending fell 0.1% in September (vs. 0.2% in August).

Excluding autos, gas and building supplies, sales rose 0.5% in September (vs. 0.1% in August). This indicates that consumer spending was at a decent pace before the government shut down. The Conference Board's measure of consumer sentiment declined to 71.2 in October (vs. 80.2 in September), the largest drop since August 2011 after the debt limit fight. Clearly, consumer optimism in the economic recovery was hit significantly by the uncertainty from the budget impasse and debt ceiling negotiations in Washington. This may have constrained consumer spending in the first half of October.

**Future.** At their latest FOMC meeting, Fed members decided to continue with their asset purchase program at a pace of \$85 billion per month. They mentioned that they will "await more evidence that progress will be sustained" before tapering quantitative easing (QE). Overall, there were no changes to the policy. While monetary policy has played a key role in driving markets, recent months have seen investors paying close attention to signals coming from the central bank. As the Fed gets closer to winding down its asset purchases, fundamental factors such as corporate earnings and cash flows will once again become important driving factors for markets.

Going forward, we see the debate over the debt ceiling as more critical to economic growth. In our view, fiscal policy uncertainty and indirect effects from fiscal tightening will have a more lingering influence on capital markets.

**Council Impact.** About 45% of the long term portfolio is invested in municipal bonds. The municipal bond market experienced a sell off for most of the third quarter as credit concerns regarding the safety of municipal bonds resurfaced. In mid-July, concerns about the credit quality of municipalities started to build up when the City of Detroit filed for bankruptcy and Puerto Rico's deteriorating fiscal condition dominated headlines during the summer. Yields on longer term municipal debt moved higher than Treasury yields. Our long term portfolio experienced significant price depreciation, which led to underperformance relative to the Merrill Lynch Agency Index (- 90 basis points). Despite the volatility and headline noise, we believe the fundamentals underlying the municipal market remain strong. A few indicators that support our view include; (1) data from Rockefeller Institute shows states have notched 13 consecutive quarters of rising tax collections, (2) Moody's recently revised its outlook on US States to "stable" after five years at "negative", (3) According to the National Conference of State Legislatures, between 2009 and 2011, 43 states enacted some form of pension reform. That said, we believe municipal credits are in good shape.

A low yield environment is viewed as an opportunity for the Council to refund debt and issue new money bonds to fund various capital improvements. Early next year, the Council will be selling five tax exempt general obligation (G.O) bond issues; \$101 million Grant Anticipation Notes for Central Corridor Light Rail project, \$60 million for Environmental Services, \$25 million for Metro Transit, \$8 million for parks and \$9.1 million in refunding certificates of participation (COP) to refund the series 2004G certificates for participation that were issued to finance the acquisition of the Robert Street building. The refunding is done to generate overall debt service interest savings. Simultaneous, the Council will be working on a \$60 million Wastewater loan from the Minnesota Public Facility Authority (PFA).

## **Investment Results & Strategy**

### **MCOA—Short-Term**

**3Q13 Results:** Total return of 0.06% for this portfolio was above the index by 5 basis points. This portfolio has averaged 30 bps per year more than its benchmark over the past 14.75 years. For the quarter, 20% of our cash was invested in a government money market fund yielding 0.01%, about 71% was invested in top tier commercial paper yielding 0.25%, and 9% was invested in short term taxable municipal bonds yielding 0.85%. Overall, the positive performance was attributed to the commercial paper and short municipal holdings. Back in June, due to market uncertainty related to SEC's money market fund reform proposal, we temporarily moved cash from a prime money fund (yielding 0.05%) to a government money market fund (yielding 0.01%).

**4Q13 Strategy:** Currently, about 46% of the portfolio is invested in institutional Government Prime money market funds (MMF). In August, the Securities and Exchange Commission (SEC) released a set of proposed regulations that were meant to stabilize money market funds and make them less susceptible to large redemptions. If the proposed changes are enacted, money market funds could see further declines in yields.

We will invest in high quality commercial paper, prime and government money market funds or an interest bearing bank account.

**Longer Strategy (12-months):** We continue to maintain a conservative strategy that places greater emphasis on liquidity and safety. We will continue to invest in separately owned high quality commercial paper and short maturing high quality municipal bonds.

### **MCOA—Long-Term**

**3Q13 Results:** During the third quarter, long term muni yields rose slightly while short term yields remained anchored at low levels consistent with Fed's accommodate monetary policy. Generally, there is an inverse relationship between interest rates and bond prices. Long bonds with maturities ranging from 15 to 30 years experienced price depreciation. The portfolio generated negative returns for the 3 months and 12 months ended September 30. Total return of -0.55% was below the Index return of 0.35% by 90 basis points. The portfolio's long relative duration (4.84 vs. the benchmark at 3.93) detracted from performance.

Currently, 17% of the market value of the portfolio is made up of cash and cash equivalents. We will maintain this conservative position in order to take advantage of opportunities should interest rate rise and to balance our overall duration.

**4Q13 Strategy:** Maintain duration within the 2 - 6 range. We will maintain our diligence from a credit perspective and

look for taxable municipal issues in a very cautious and selective manner. Some shorter maturity municipal bonds (1-3 years) may be added to keep our duration from going much higher. We are in no rush to add significant duration except for tactical purposes i.e. trading the long Treasury bond which often results in supplemental total return.

**Longer Strategy (12-months):** We continue to structure the long term portfolio defensively with regard to duration and credit, so that we are able to take advantage of better opportunities as they present themselves.

### **EFPMs – Hedging Accounts**

The energy forward pricing mechanisms (EFPMs) program continues to provide a high degree of budget certainty for very volatile commodity prices. On average, we are 89% hedged for fiscal year 2014. According to Minnesota State Statutes, the Council is not allowed to hedge more than 100% of projected consumption. Due to unplanned reductions in actual consumption relative to amounts budgeted, the Council has set a hedge ceiling of 90% of projected diesel fuel consumption.

During the third quarter, diesel futures contracts generated \$0.5 million in net realized gains which were offset by a comparable rise in the price of fuel purchased. Coincidentally, but not directly related, about \$0.5 million in net unrealized gains occurred.

### **Low Activity Portfolios**

The HUD portfolio received limited activity. The HUD account is kept liquid for operating purposes.

### **OPEB**

**3Q13 Results:** Stocks enjoyed strong gains during the third quarter supported by continued monetary stimulus and a rebound in the global economy. Investors continued to bid up stocks despite the slowing profit growth. This bodes well for our OPEB portfolio, which closely tracks the performance of the S&P 500 Index. The S&P 500 index and our OPEB portfolio posted returns of 5.24% and 5.21%, respectively. For the quarter, the OPEB portfolio incurred \$7.2 million of unrealized gains. It is important to note that the market value of the portfolio has doubled since year 2010. The gains are attributed to monthly contributions and the strong equity market performance.

**4Q13 Strategy:** Continue allocating to equities with minor adjustments when markets become historically expensive.

**Longer Strategy (12-months):** In the 1-2 years before the start of portfolio liquidation, we'll likely cease transfers to PERA and hold the money in the Council cash pool which typically earns more than the PERA/SBI cash pool.

**METROPOLITAN COUNCIL--Report on Investments**  
**Quantitative Policy Results for the Quarter Ending:**

September 30, 2013

	Operating Account (MCOA)			Diesel Hedging Account	HUD	OPEB
	Short-Term	Futures Margin	Long-Term			
Compliance	OK	OK	OK	OK	OK	OK
Safety (Defaults)	None	None	None	None	None	None
<b>Liquidity (Effective Duration Years)</b>						
Target Duration Range:	0-1	0-6	2-6	n.a.	0-1	0-1
Result	0.01	0.40	4.84	n.a.	0.01	n.a.
Less: Index	0.12	0.40	3.93	n.a.	0.01	n.a.
Longer <Shorter> Index	-0.11	0.00	0.91	n.a.	0.00	n.a.
Note: Index Source:	Crane Data (Prime Inst. MF Index)	n.a.	ML Agy. Master	n.a.	n.a.	n.a.
<b>Diversification</b>						
Sectors	See Charts	n.a.	See Charts	n.a.	U.S. Bank/Wells Fargo Acct.	Mixed
Effective Duration	See Charts	n.a.	See Charts	n.a.		n.a.

**Rate of Return**

Revenue by Component:

Accrued Interest	\$ 13,941	\$ 2,742	\$ 2,399,045	\$ -	\$ 371	\$ 800,971
Realized Gains/Losses	\$ -	\$ -	\$ (20,882)	\$ 506,717	\$ -	\$ -
Unrealized Gains/Losses	\$ 6,524	\$ (221)	\$ (9,460,766)	\$ 457,855	\$ -	\$ 7,165,164
Total Int. Rev.	\$ 20,464	\$ 2,520	\$ (7,082,603)	\$ 964,572	\$ 371	\$ 7,966,135

Total Investment Revenue, All Portfolios, Current Quarter

\$ 1,871,583

<u>Book Yield:</u>	0.04%	0.55%	2.50%	n.a.	0.02%	2.37%
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Total Return:

<u>Current Quarter, Council</u>	0.06%	n.a.	-0.55%	n.a.	0.01%	5.21%
*Index	0.01%	n.a.	0.35%	n.a.	0.01%	5.24%
Difference	0.05%	n.a.	-0.90%	n.a.	0.00%	-0.03%
<u>Last 12 Months, Council</u>	0.26%	n.a.	-2.41%	n.a.	0.05%	19.22%
*Index	0.05%	n.a.	-1.38%	n.a.	0.05%	19.34%
Difference	0.21%	n.a.	-1.04%	n.a.	0.00%	-0.12%
Start Date:	12-31-99	05-01-04	12-31-99	05-01-04	03-31-01	07-03-06
<u>Ave. Annual Rtn., Council</u>	2.61%	n.a.	4.93%	n.a.	1.72%	6.62%
*Index	2.31%	n.a.	4.82%	n.a.	1.72%	6.21%
Difference	0.31%	n.a.	0.11%	n.a.	0.00%	0.41%



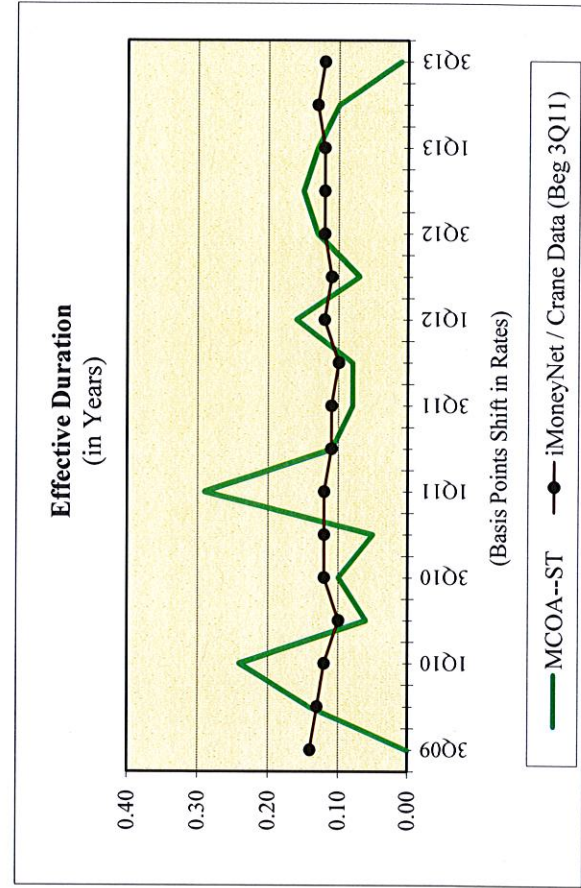
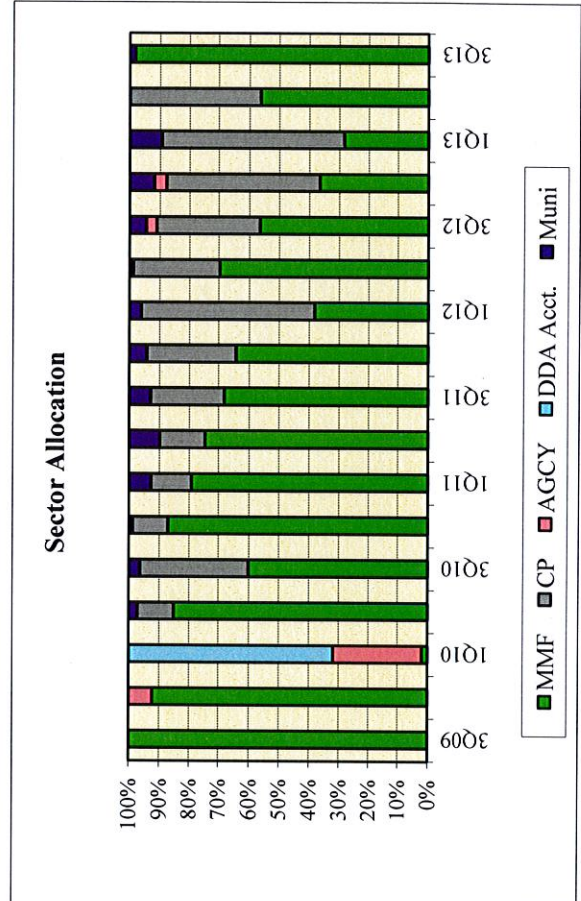
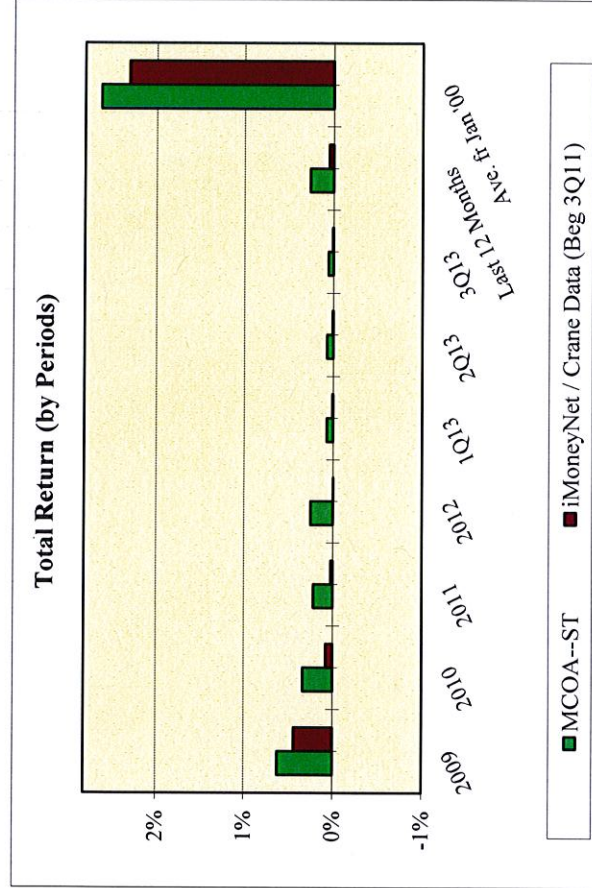
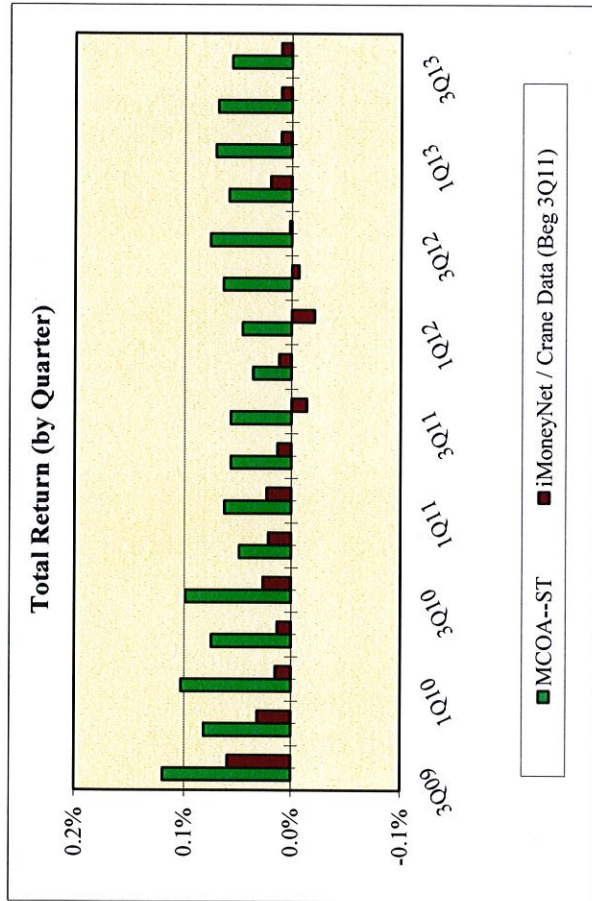
**METROPOLITAN COUNCIL--Investment Review Committee**  
**Historic Statistics--All Portfolios**  
 September 30, 2013

<b>Account Group</b>	<b>3Q10</b>	<b>4Q10</b>	<b>1Q11</b>	<b>2Q11</b>	<b>3Q11</b>	<b>4Q11</b>	<b>1Q12</b>	<b>2Q12</b>	<b>3Q12</b>	<b>4Q12</b>	<b>1Q13</b>	<b>2Q13</b>	<b>3Q13</b>
<b>Total Return(%):</b>													
MCOA-Taxable, ST	0.10%	0.05%	0.06%	0.06%	0.06%	0.04%	0.05%	0.06%	0.08%	0.06%	0.07%	0.07%	0.06%
MCOA-Taxable, Margin, w/Cash	0.54%	0.22%	0.21%	0.58%	0.02%	0.02%	-0.08%	0.26%	0.25%	0.06%	-0.02%	0.02%	0.05%
MCOA-Taxable, LT	1.62%	-1.89%	0.30%	1.71%	2.88%	0.48%	0.48%	1.38%	0.84%	0.51%	0.30%	-2.67%	-0.55%
<b>MCOA-Taxable Combined</b>	<b>1.22%</b>	<b>-0.88%</b>	<b>0.18%</b>	<b>1.04%</b>	<b>1.59%</b>	<b>0.29%</b>	<b>0.29%</b>	<b>0.68%</b>	<b>0.48%</b>	<b>0.34%</b>	<b>0.23%</b>	<b>-2.36%</b>	<b>-0.41%</b>
HUD-Savings Acct.	0.05%	0.05%	0.02%	0.05%	0.05%	0.05%	0.05%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%
OPEB @ MN SBI	11.42%	10.63%	-10.45%	0.11%	-13.76%	11.66%	12.97%	-2.74%	6.37%	-0.38%	10.55%	2.89%	5.21%
<b>Effective Duration (Yrs):</b>													
MCOA-Taxable, ST	0.10	0.05	0.29	0.11	0.08	0.08	0.16	0.07	0.13	0.15	0.13	0.09	0.01
MCOA-Taxable, Margin, w/Cash	0.04	0.04	0.24	0.18	0.76	0.02	0.74	1.63	1.39	1.14	0.89	0.64	0.40
MCOA-Taxable, LT	3.51	4.15	4.26	3.31	2.31	2.48	3.69	3.35	3.39	3.85	3.66	4.85	4.84
<b>MCOA-Taxable Combined</b>	<b>2.61</b>	<b>2.01</b>	<b>2.30</b>	<b>2.00</b>	<b>1.31</b>	<b>1.46</b>	<b>2.16</b>	<b>1.63</b>	<b>1.86</b>	<b>2.45</b>	<b>2.88</b>	<b>4.31</b>	<b>3.72</b>
HUD-Savings Acct.	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
OPEB @ MN SBI	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Ave. Maturity (Yrs):</b>													
MCOA-Taxable, ST	0.10	0.05	0.08	0.11	0.08	0.07	0.15	0.07	0.16	0.19	0.13	0.01	0.01
MCOA-Taxable, Margin, w/Cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MCOA-Taxable, LT	3.75	4.59	4.71	3.34	2.42	7.05	8.72	6.93	7.79	8.92	7.99	7.10	7.34
<b>MCOA-Taxable Combined</b>	<b>2.79</b>	<b>2.22</b>	<b>2.43</b>	<b>2.01</b>	<b>1.35</b>	<b>4.07</b>	<b>4.99</b>	<b>3.30</b>	<b>4.18</b>	<b>5.59</b>	<b>6.23</b>	<b>7.11</b>	<b>5.63</b>
HUD-Savings Acct.	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
OPEB @ MN SBI	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Otrly Earnings (\$millions):</b>													
MCOA-Taxable, ST	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.0
MCOA-Taxable, Margin, w/Cash	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.01	0.00	0.00	0.00	0.00
MCOA-Taxable, LT*	4.3	(4.6)	1.8	4.4	8.4	1.5	1.5	3.8	2.8	1.8	1.3	(11.0)	(7.1)
<b>MCOA-Taxable Combined</b>	<b>\$ 4.4</b>	<b>\$ (4.5)</b>	<b>\$ 2.0</b>	<b>\$ 4.5</b>	<b>\$ 8.5</b>	<b>\$ 1.6</b>	<b>\$ 1.6</b>	<b>\$ 3.9</b>	<b>\$ 2.9</b>	<b>\$ 1.9</b>	<b>\$ 1.3</b>	<b>\$ (11.0)</b>	<b>\$ (7.1)</b>
MT Futures Contracts, Realized	(0.4)	0.0	1.3	1.7	1.2	0.8	1.1	1.1	0.8	(0.0)	0.1	0.2	0.5
MT Futures Contracts, Unrealized	1.6	2.5	5.8	(3.8)	1.0	1.7	1.6	(4.0)	2.2	(0.4)	0.5	(1.8)	0.5
HUD-Savings Acct.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OPEB @ MN SBI	10.2	16.8	7.7	3.1	(12.0)	1.0	14.8	(0.3)	10.0	2.6	13.9	4.2	7.2
Aggregate (Less Combined)	\$ 15.8	\$ 14.8	\$ 16.7	\$ 5.5	\$ (1.3)	\$ 5.0	\$ 19.1	\$ 0.7	\$ 15.9	\$ 4.1	\$ 15.7	\$ (8.4)	\$ 1.1
<b>Investment Balances (MV, \$millions):</b>													
MCOA-Taxable, ST	\$ 82.9	\$ 256.8	\$ 220.0	\$ 194.0	\$ 240.0	\$ 232.0	\$ 206.8	\$ 308.7	\$ 292.6	\$ 249.4	\$ 114.6	\$ 45.9	\$ 114.0
MCOA-Taxable, Margin, w/Cash	2.1	3.1	10.0	9.6	9.0	9.0	5.1	4.2	5.0	5.0	5.0	5.2	5.8
MCOA-Taxable, LT	239.7	237.0	236.6	292.0	297.6	324.0	275.2	279.0	331.6	412.7	414.4	395.6	394.0
<b>MCOA-Taxable Combined</b>	<b>324.7</b>	<b>496.9</b>	<b>466.6</b>	<b>495.6</b>	<b>546.6</b>	<b>565.0</b>	<b>487.1</b>	<b>591.9</b>	<b>629.2</b>	<b>667.1</b>	<b>534.0</b>	<b>446.7</b>	<b>513.8</b>
HUD-Savings Acct.	0.0	0.0	0.0	-	-	-	-	-	-	-	0.0	-	-
OPEB @ MN SBI	79.0	95.4	102.6	105.4	92.7	106.3	120.5	119.6	129.0	130.7	145.8	151.5	160.7
Aggregate (Less Combined)	\$ 403.7	\$ 592.3	\$ 569.2	\$ 601.0	\$ 639.3	\$ 671.3	\$ 607.6	\$ 711.5	\$ 758.2	\$ 797.8	\$ 679.8	\$ 598.2	\$ 674.5
<b>Market Yield (%):</b>													
MCOA-Taxable, ST	0.54%	0.20%	0.29%	0.52%	0.16%	0.23%	0.60%	0.26%	0.22%	0.62%	0.30%	0.49%	0.03%
MCOA-Taxable, Margin, w/Cash	2.66%	2.10%	0.43%	0.45%	0.48%	0.48%	0.22%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%
MCOA-Taxable, LT	2.39%	3.03%	3.08%	2.28%	1.62%	1.72%	2.19%	1.88%	1.72%	1.76%	1.83%	2.38%	2.40%
<b>MCOA-Taxable Combined</b>	<b>1.92%</b>	<b>1.56%</b>	<b>1.71%</b>	<b>1.56%</b>	<b>0.96%</b>	<b>1.07%</b>	<b>1.49%</b>	<b>1.03%</b>	<b>1.01%</b>	<b>1.32%</b>	<b>1.49%</b>	<b>2.16%</b>	<b>1.86%</b>
HUD-Savings Acct.	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	2.00%
OPEB @ MN SBI	1.57%	1.76%	1.68%	1.87%	1.58%	1.81%	1.77%	1.79%	1.89%	2.92%	1.87%	2.49%	2.37%
<b>Book Yield (%):</b>													
MCOA-Taxable, ST	0.35%	0.20%	0.27%	0.24%	0.16%	0.15%	0.60%	0.24%	0.24%	0.27%	0.30%	0.16%	0.03%
MCOA-Taxable, Margin, w/Cash	2.66%	2.10%	0.43%	0.45%	0.45%	0.48%	0.22%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%
MCOA-Taxable, LT	2.97%	3.28%	3.31%	2.61%	2.19%	2.56%	2.19%	2.75%	2.81%	2.80%	2.59%	2.63%	2.50%
<b>MCOA-Taxable Combined</b>	<b>2.30%</b>	<b>1.68%</b>	<b>1.81%</b>	<b>1.64%</b>	<b>1.27%</b>	<b>1.54%</b>	<b>1.94%</b>	<b>1.43%</b>	<b>1.60%</b>	<b>1.84%</b>	<b>2.08%</b>	<b>2.35%</b>	<b>1.93%</b>
HUD-Savings Acct.	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.02%
OPEB @ MN SBI	1.57%	1.76%	1.68%	1.87%	1.58%	1.81%	1.77%	1.78%	1.89%	2.92%	1.87%	2.49%	2.37%

# METROPOLITAN COUNCIL--Investments

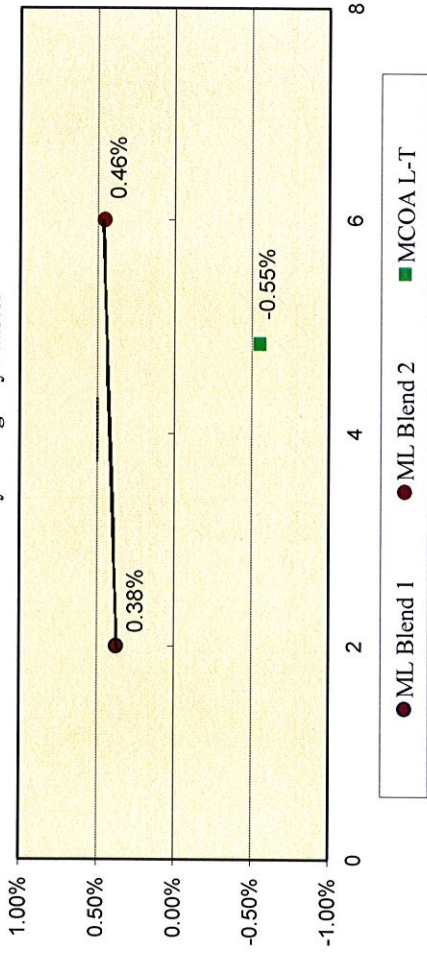
Operating Account--Short-Term Investments, (Analysis of Returns and Diversification)

September 30, 2013

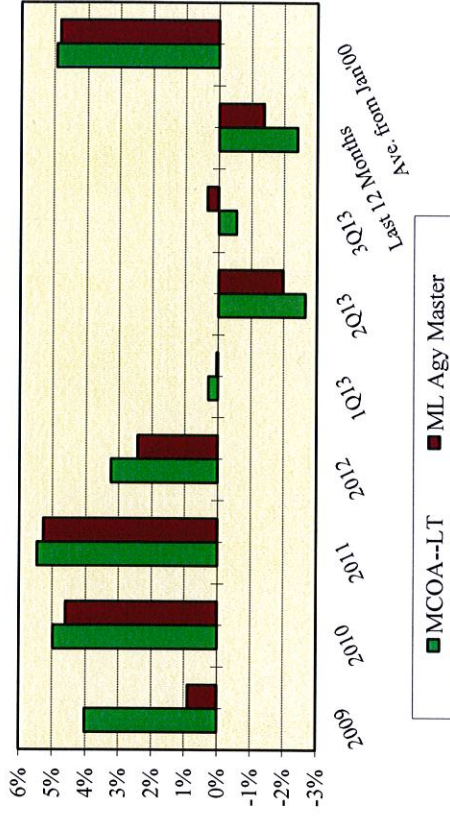


**METROPOLITAN COUNCIL--Investments**  
 Operating Account--Long Term Investments, (Analysis of Returns)  
 September 30, 2013

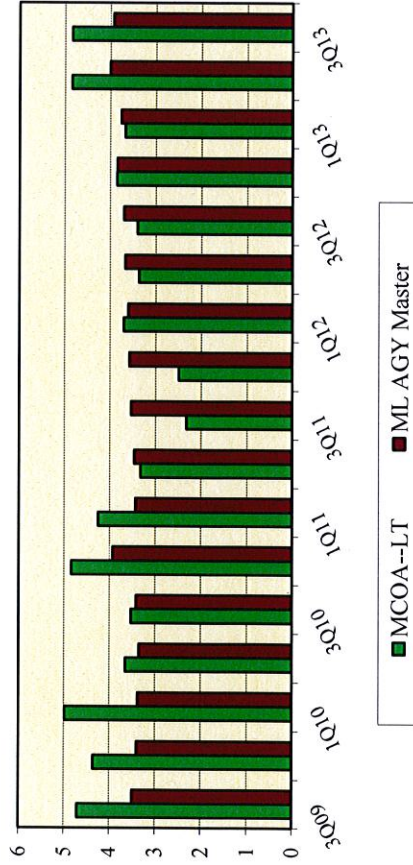
**Total Return: Met Council vs. Merrill Lynch Agency Master**



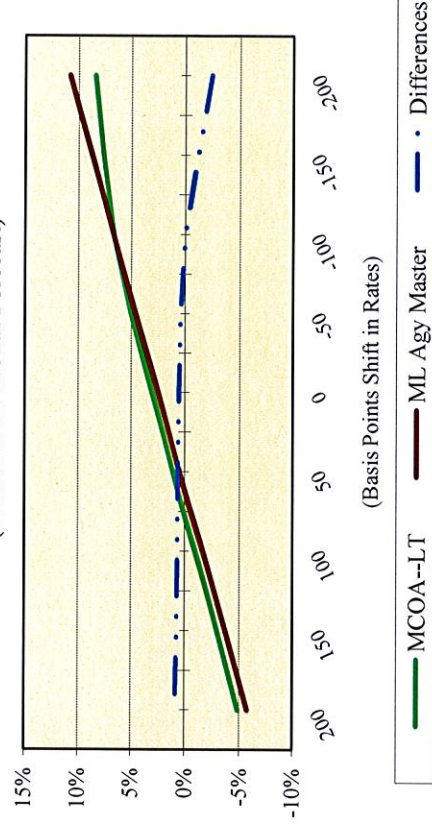
**Total Return (by Periods)**



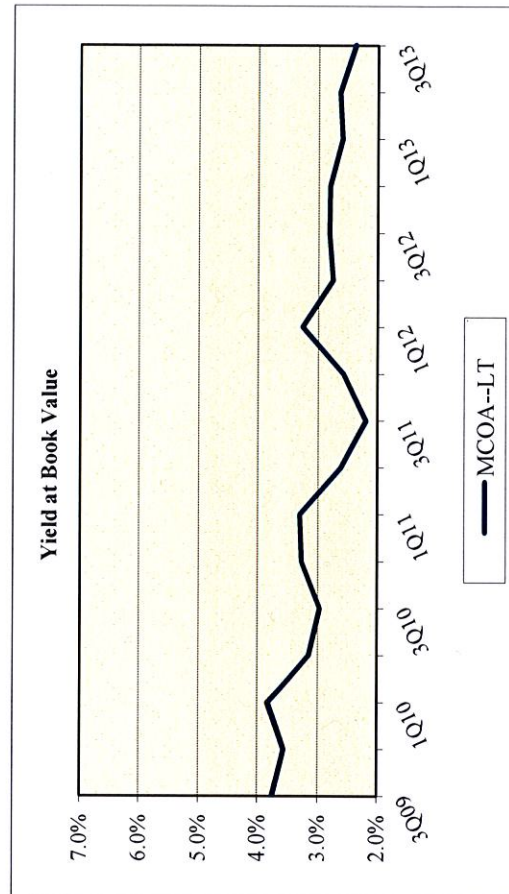
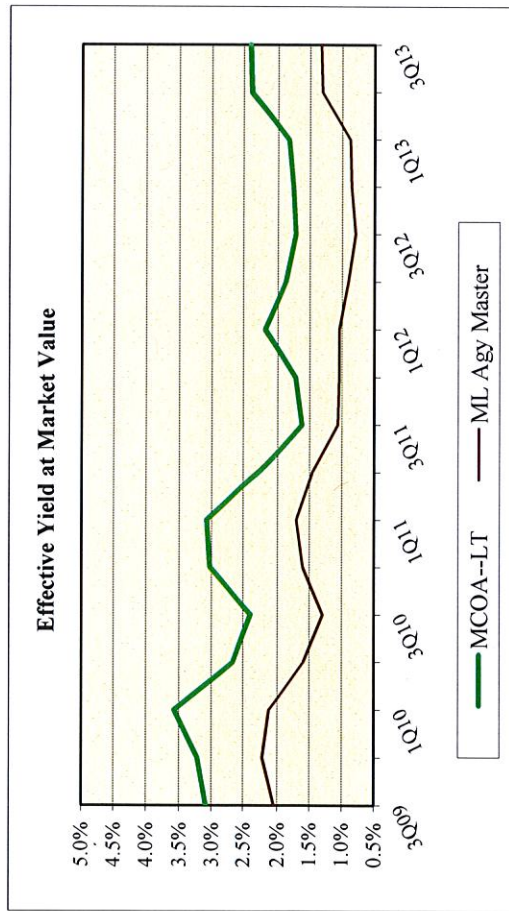
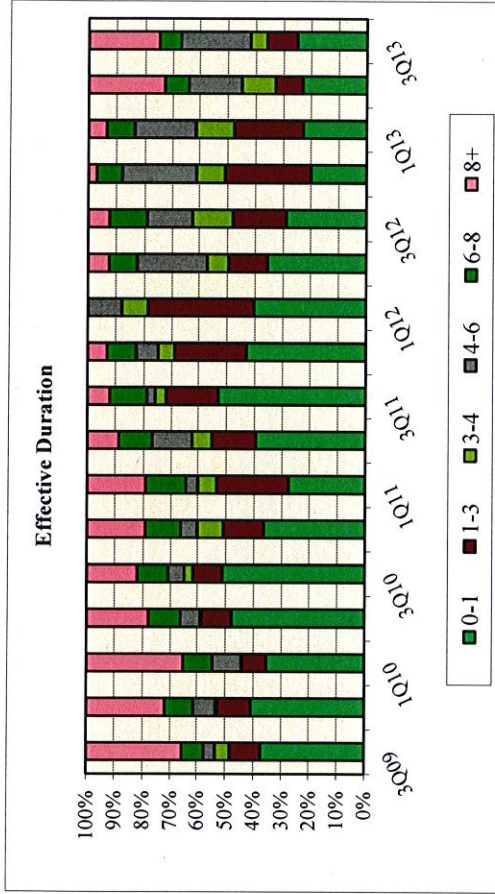
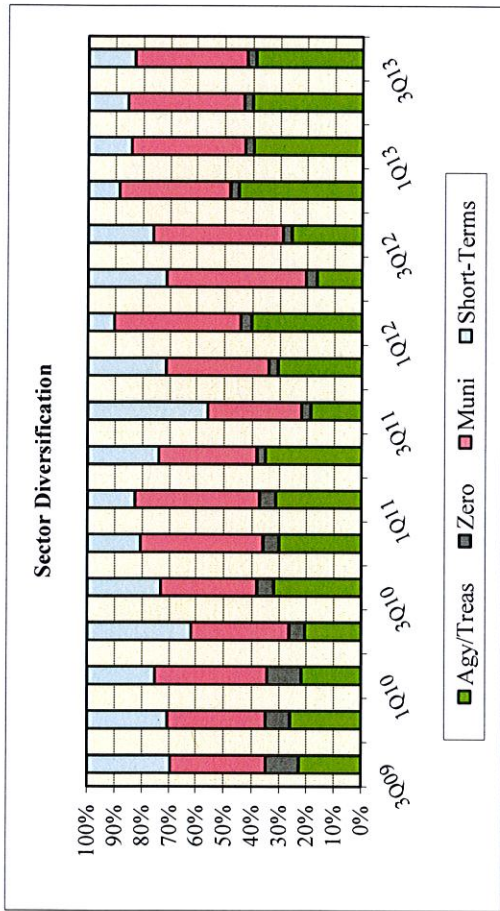
**Effective Duration**



**Total Return Sensitivity (Based on 12-Month Forecast)**



**METROPOLITAN COUNCIL--Investments**  
 Operating Account--Long Term Investments, (Selected Data)  
 September 30, 2013

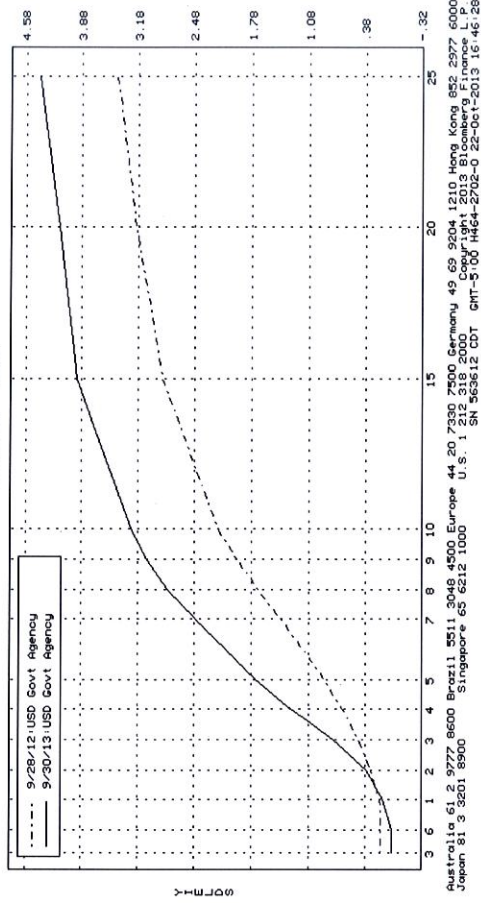


# METROPOLITAN COUNCIL—Investment Review Committee

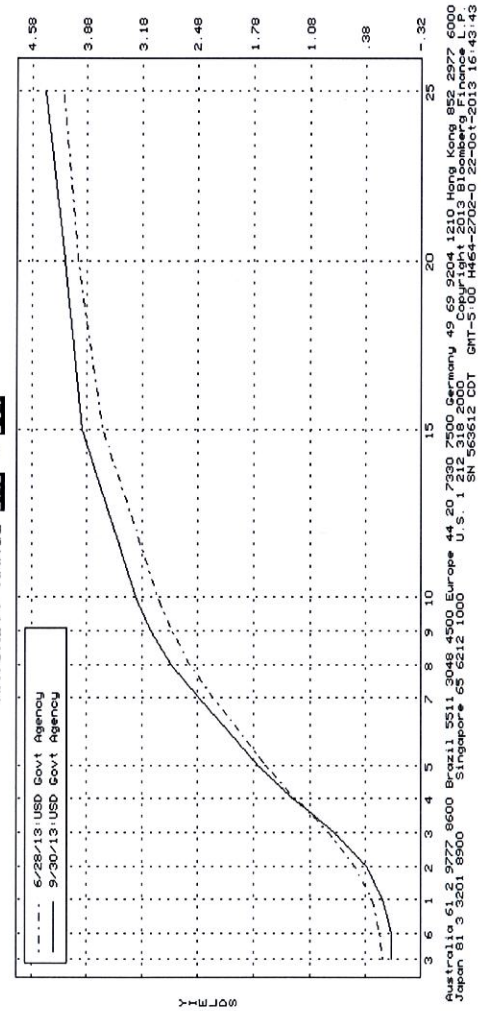
U.S. Agency & Treasury Charts

September 30, 2013

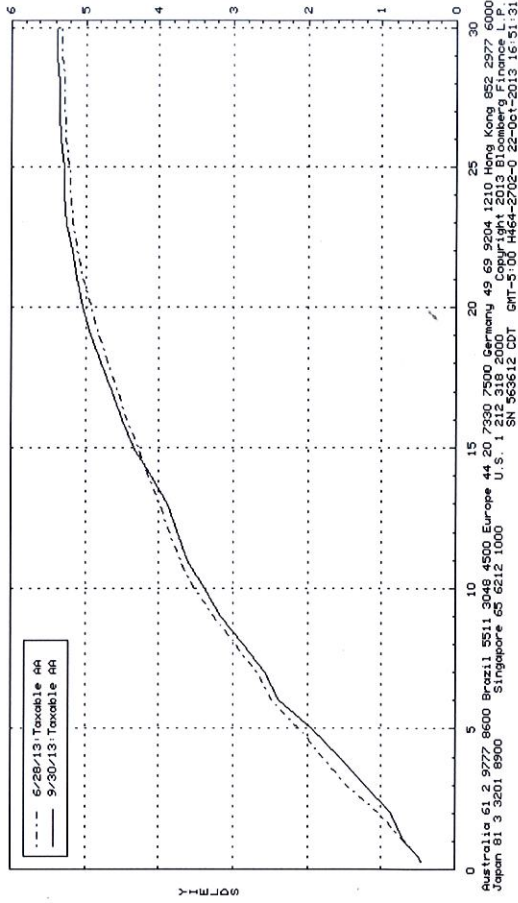
Backpage  
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**FAIR MARKET YIELD CURVES - HISTORY**  
MATURITY RANGE 3MO - 30Y



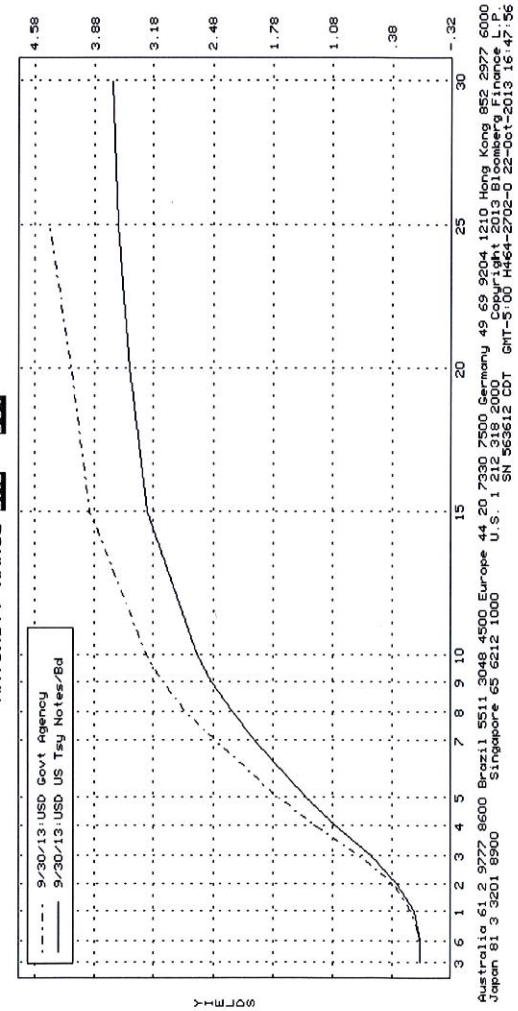
1  
Hit <PAGE> for more info or <Menu> for list of curves.  
**FAIR MARKET YIELD CURVES - HISTORY**  
MATURITY RANGE 3MO - 30Y



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**FAIR MARKET YIELD CURVES - HIST**



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Hit <PAGE> for more info or <Menu> for list of curves.  
**FAIR MARKET YIELD CURVES - HISTORY**  
MATURITY RANGE 3MO - 30Y





# U.S. Economic Forecast

Wells Fargo U.S. Economic Forecast

**WELLS FARGO**

**SECURITIES**

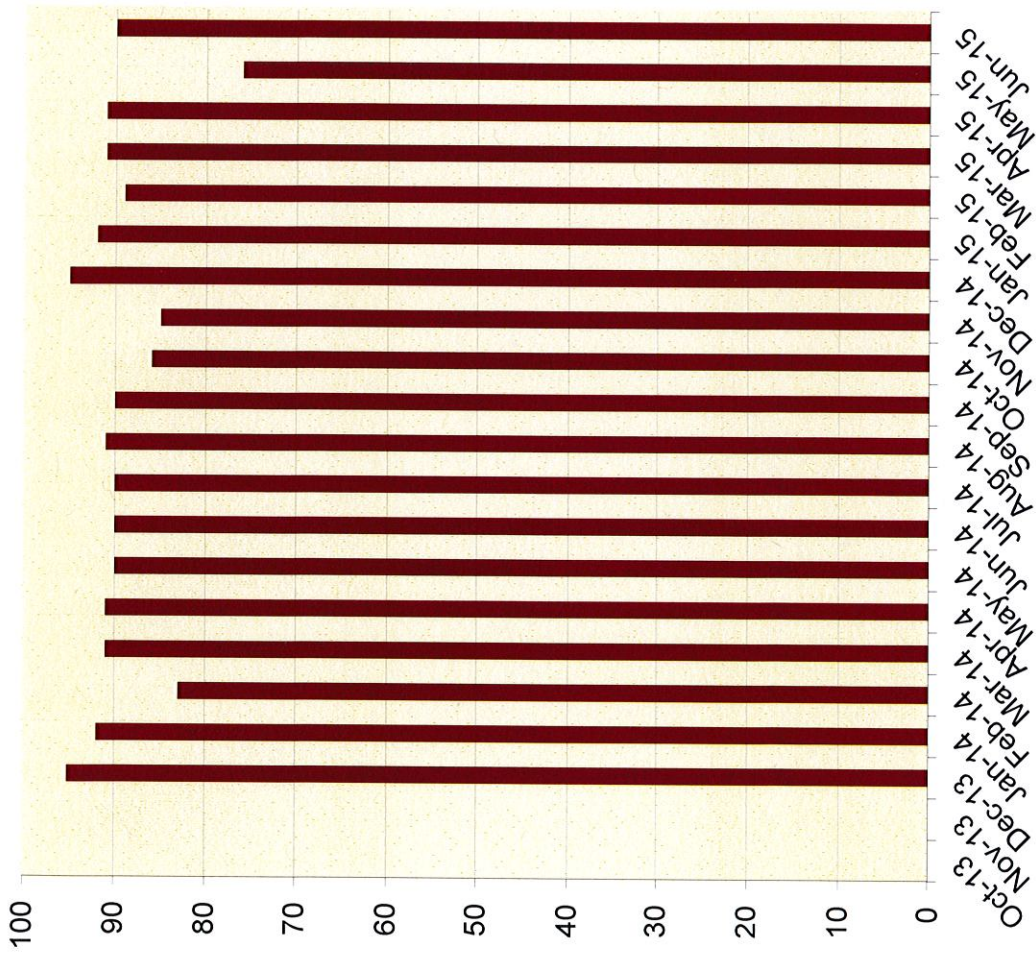
	Actual												Forecast											
	2012				2013				2014				2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Real Gross Domestic Product (a)	3.7	1.2	2.8	0.1	1.1	2.5	1.8	2.1	2.1	2.3	2.4	2.4	2.6	2.8	2.9	3.0	1.8	2.8	1.6	2.2	2.2	2.2	2.2	2.6
Personal Consumption	2.9	1.9	1.7	1.7	2.3	1.8	1.7	2.1	2.1	2.2	2.4	2.4	2.5	2.5	2.5	2.6	2.5	2.2	1.9	2.1	2.1	2.1	2.1	2.5
Business Fixed Investment	5.8	4.5	0.3	9.8	-4.6	4.7	3.8	4.7	3.8	4.6	5.4	5.6	5.8	6.0	6.1	6.3	7.6	7.3	2.5	4.5	5.7	5.7	5.7	5.7
Equipment	8.3	5.3	-3.9	8.9	1.6	3.3	2.0	3.3	4.4	4.7	5.5	5.7	5.8	6.0	6.0	6.2	12.7	7.6	2.9	4.1	4.1	4.1	4.1	4.4
Intellectual Property Products	1.3	1.8	2.8	5.7	3.8	-1.5	1.8	4.5	3.6	3.8	4.2	4.2	4.2	4.5	4.6	4.6	4.4	3.4	2.7	3.4	4.4	4.4	4.4	4.4
Structures	7.0	6.9	5.9	17.6	-25.7	17.6	11.0	8.0	3.0	5.5	7.0	7.5	7.5	8.0	8.5	9.0	7.5	12.7	1.6	7.0	7.6	7.6	7.6	7.6
Residential Construction	22.9	5.7	14.2	19.8	12.5	14.2	14.5	15.0	15.0	15.5	16.0	16.0	16.0	16.0	16.0	17.0	17.5	12.9	14.3	15.2	16.3	16.3	16.3	16.3
Government Purchases	-1.4	0.3	3.5	-6.5	-4.2	-0.4	-1.0	-1.4	-3.1	-2.3	-2.1	-2.0	-1.4	-1.0	-0.7	-0.3	-3.2	-3.2	-1.0	-2.2	-2.0	-2.0	-2.0	-1.4
Net Exports	-439.2	-435.3	-436.5	-412.1	-422.3	-424.4	-421.4	-420.1	-404.7	-397.4	-398.7	-405.7	-413.9	-420.2	-422.5	-432.8	-445.9	-430.8	-422.0	-401.6	-422.3	-422.3	-422.3	-422.3
Pct. Point Contribution to GDP	0.4	0.1	0.0	0.7	-0.3	-0.1	0.1	0.0	0.0	0.2	0.0	-0.2	-0.2	-0.2	-0.1	-0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	-0.1
Inventory Change	89.2	56.8	77.2	7.3	42.2	56.6	58.5	55.0	52.0	50.0	49.5	49.0	49.0	49.0	49.0	49.0	33.6	57.6	53.1	50.1	49.0	49.0	49.0	49.0
Pct. Point Contribution to GDP	0.4	-0.9	0.6	-2.0	0.9	0.4	0.0	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Normal GDP	5.8	3.0	4.9	1.6	2.8	3.1	3.0	3.8	3.9	4.1	4.3	4.4	4.6	4.8	5.0	5.0	3.8	4.6	3.0	3.8	3.8	3.8	3.8	4.6
Real Final Sales	3.4	2.2	2.2	2.2	2.2	2.1	1.9	2.2	2.2	2.3	2.4	2.4	2.6	2.8	3.0	3.0	2.0	2.6	1.6	2.2	2.6	2.6	2.6	2.6
Retail Sales (b)	6.6	4.9	5.1	4.7	4.0	4.7	4.5	3.9	4.0	4.5	4.9	5.4	5.4	5.2	5.0	4.9	7.5	5.3	4.3	4.7	4.7	4.7	4.7	5.1
Inflation Indicators (b)																								
PCE Deflator	2.4	1.7	1.6	1.7	1.4	1.1	1.2	1.2	1.4	1.9	1.9	2.1	2.3	2.1	2.2	2.2	2.4	1.8	1.2	1.8	1.8	1.8	1.8	2.2
Consumer Price Index	2.8	1.9	1.7	1.9	1.7	1.4	1.6	1.5	1.6	2.1	2.0	2.0	2.1	2.2	2.3	2.4	3.1	2.1	1.5	1.9	2.2	2.2	2.2	2.2
"Core" Consumer Price Index	2.2	2.3	2.0	1.9	1.9	1.7	1.7	1.7	1.7	1.8	1.9	2.1	2.1	2.1	2.1	2.2	1.7	2.1	1.8	1.9	2.1	2.1	2.1	2.1
Producer Price Index	3.4	1.1	1.6	1.7	1.5	1.6	1.3	1.2	1.5	2.5	2.1	2.3	2.4	2.4	2.6	2.7	6.0	1.9	1.4	2.1	2.5	2.5	2.5	2.5
Employment Cost Index	1.9	1.7	1.9	1.9	1.9	1.9	2.0	2.0	2.2	2.2	2.3	2.3	2.7	2.5	2.5	2.6	2.1	1.9	1.9	2.3	2.6	2.6	2.6	2.6
Real Disposable Income (a)	4.6	1.8	-0.6	9.0	-7.9	3.5	1.8	2.3	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	2.4	2.0	0.6	2.3	2.6	2.6	2.6	2.6
Nominal Personal Income (b)	4.0	3.8	3.1	5.8	3.0	3.5	3.1	3.7	3.5	3.3	3.3	3.3	3.5	3.8	4.2	4.7	6.1	4.2	2.7	3.4	4.0	4.0	4.0	4.0
Industrial Production (a)	5.4	2.9	0.3	2.5	4.1	1.1	2.3	5.2	4.2	4.3	4.4	4.5	4.8	4.9	4.9	4.9	3.4	3.6	2.5	4.0	4.7	4.7	4.7	4.7
Capacity Utilization	77.6	77.7	77.4	77.5	78.0	77.9	78.0	79.6	79.7	79.8	80.0	80.2	80.3	80.4	80.6	80.8	76.5	77.6	78.4	79.9	80.5	80.5	80.5	80.5
Corporate Profits Before Taxes (b)	12.8	6.9	6.3	2.7	2.1	4.5	6.3	5.0	4.1	5.4	6.2	5.3	5.5	5.6	6.0	6.5	9.9	7.0	4.5	5.3	5.9	5.9	5.9	5.9
Corporate Profits After Taxes	13.3	5.7	2.0	-0.7	4.5	6.4	5.6	4.4	3.5	4.8	5.4	4.5	4.9	5.0	5.4	5.9	9.7	4.7	5.2	4.6	5.3	5.3	5.3	5.3
Federal Budget Balance (c)	-457.2	-125.3	-185.0	-293.3	-307.2	90.7	-170.5	-200.0	-170.0	-170.0	-210.0	-200.0	-150.0	-120.0	-180.0	-170.0	-1296.8	-1089.2	-680.3	-750.0	-620.0	-620.0	-620.0	-620.0
Current Account Balance (d)	-120.8	-110.5	-106.7	-102.3	-104.9	-98.9	-105.0	-110.0	-100.0	-95.0	-95.0	-100.0	-105.0	-110.0	-110.0	-115.0	-457.7	-440.4	-418.8	-390.0	-440.0	-440.0	-440.0	-440.0
Trade Weighted Dollar Index (e)	72.7	74.5	72.7	73.4	76.2	77.5	75.2	75.3	76.0	76.3	76.8	77.3	77.5	77.8	78.0	78.3	70.9	73.5	76.1	76.6	77.9	77.9	77.9	77.9
Nonfarm Payroll Change (f)	262	108	152	209	207	182	143	170	170	185	190	195	195	200	200	200	175	183	176	185	199	199	199	199
Unemployment Rate	8.3	8.2	8.0	7.8	7.7	7.6	7.3	7.2	7.1	7.0	7.0	6.9	6.8	6.7	6.6	6.5	8.9	8.1	7.5	7.0	6.7	6.7	6.7	6.7
Housing Starts (g)	0.71	0.74	0.78	0.90	0.96	0.87	0.89	0.94	1.03	1.13	1.18	1.20	1.22	1.23	1.26	1.27	0.61	0.78	0.93	1.10	1.25	1.25	1.25	1.25
Light Vehicle Sales (h)	14.2	14.2	14.4	14.9	15.3	15.5	15.7	15.7	15.9	16.0	16.2	16.4	16.5	16.6	16.7	16.8	12.7	14.4	15.5	16.1	16.7	16.7	16.7	16.7
Crude Oil - Brent - Front Contract (i)	118.1	108.7	109.0	109.6	112.2	103.3	109.1	109.0	113.0	115.0	115.0	115.0	115.0	115.0	115.0	115.0	110.6	111.3	108.4	114.5	115.0	115.0	115.0	115.0
Quarter-End Interest Rates (j)																								
Federal Funds Target Rate	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
3 Month LIBOR	0.47	0.46	0.36	0.31	0.28	0.27	0.25	0.25	0.25	0.25	0.30	0.30	0.30	0.30	0.30	0.30	0.34	0.43	0.26	0.28	0.30	0.30	0.30	0.30
Prime Rate	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Conventional Mortgage Rate	3.95	3.68	3.50	3.35	3.57	4.07	4.49	4.30	4.40	4.50	4.60	4.70	4.80	4.90	5.00	5.10	4.46	3.66	4.11	4.55	4.95	4.95	4.95	4.95
3 Month Bill	0.07	0.09	0.10	0.05	0.07	0.04	0.02	0.04	0.05	0.10	0.15	0.20	0.30	0.40	0.60	0.70	0.05	0.09	0.04	0.13	0.50	0.50	0.50	0.50
2 Year Note	0.33	0.33	0.23	0.25	0.25	0.26	0.33	0.30	0.30	0.40	0.40	0.50	0.60	0.70	0.80	0.90	0.45	0.28	0.31	0.40	0.75	0.75	0.75	0.75
5 Year Note	1.04	0.72	0.62	0.72	0.77	1.41	1.39	1.30	1.40	1.60	1.70	1.80	1.90	2.00	2.10	2.20	1.52	0.76	1.22	1.63	2.05	2.05	2.05	2.05
10 Year Note	2.23	1.67	1.65	1.78	1.87	2.52	2.64	2.60	2.70	2.80	2.90	3.00	3.10	3.20	3.30	3.40	2.78	1.80	2.41	2.85	3.25	3.25	3.25	3.25
30 Year Bond	3.35	2.76	2.82	2.95	3.10	3.52	3.69	3.70	3.80	3.90	3.90	4.00	4.10	4.20	4.20	4.30	3.91	2.92	3.50	3.90	4.20	4.20	4.20	4.20

Forecast as of: November 1, 2013  
 Notes: (a) Compound Annual Growth Rate Quarter-over-Quarter  
 (b) Year-over-Year Percentage Change  
 (c) Quarterly Sum - Billions USD; Annual Data Represents Fiscal Yr.  
 (d) Quarterly Sum - Billions USD; Annual Data Represents Fiscal Yr.  
 (e) Federal Reserve Major Currency Index, 1973=100 - Quarter End  
 (f) Annual Numbers Represent Averages  
 (g) Millions of Units  
 (h) Quarterly Data - Average Monthly SAAR; Annual Data - Actual Total Vehicles Sold  
 (i) Quarterly Average of Daily Close  
 (j) Annual Numbers Represent Averages

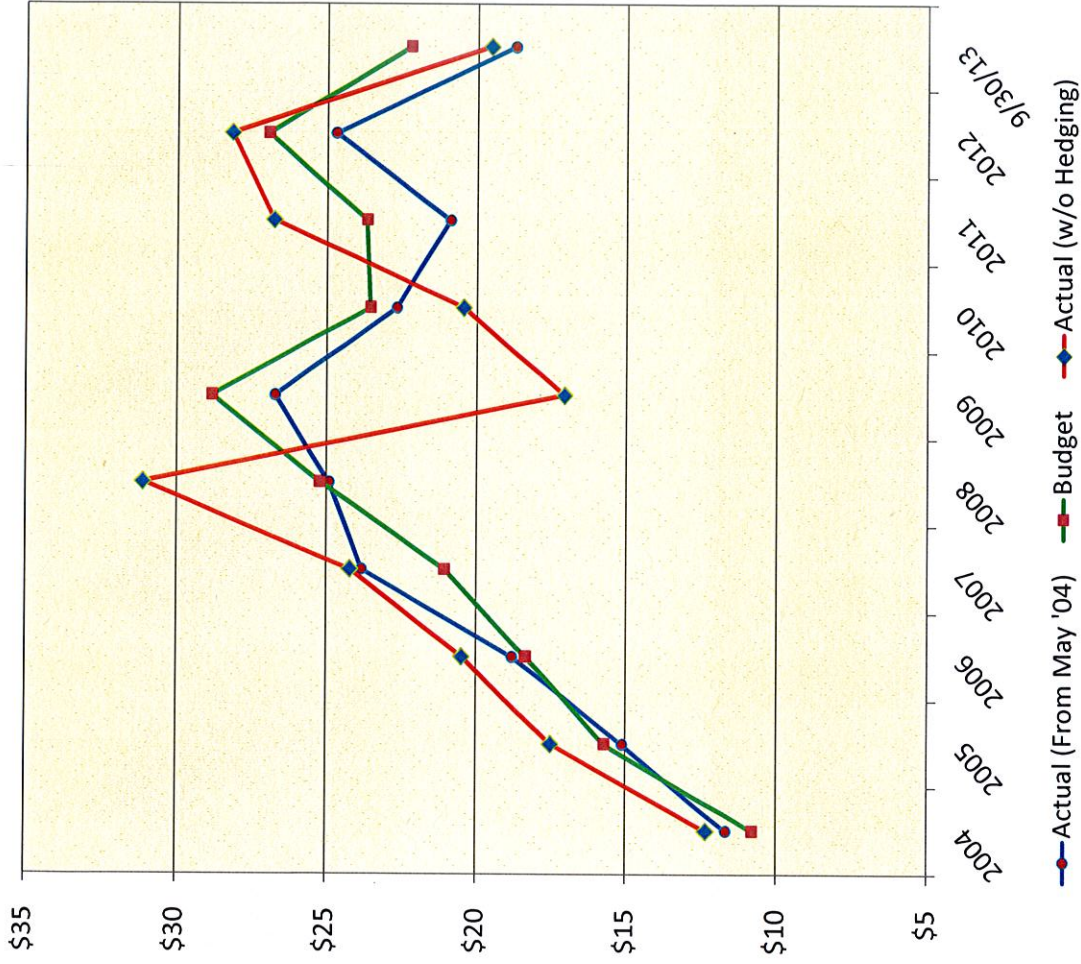


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**Metropolitan Council--Prospective Analysis**  
 Monthly Percentage Hedged Snapshot (Futures Contracts)  
 Diesel (Heating Oil)  
 September 30, 2013



**Diesel Hedging Impact on Budget, (In Millions)**  
 September 30, 2013







Metropolitan Council  
 Fiscal Services--Treasury Ops.  
 390 Robert Street North  
 St. Paul, MN 55151  
 (651)602-1629

**005B-EOM, Aggregate Portfolio**  
**Portfolio Management**  
**Portfolio Summary**  
**September 30, 2013**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM
Money Market Fund, LA1 Type	157,245,496.14	157,245,496.14	157,245,496.14	24.55	1	1	0.010
CP--Discount	20,000,000.00	19,998,600.00	19,998,221.20	3.12	153	15	0.219
U.S. Agencies--Coupon	164,615,000.00	153,465,025.50	164,569,989.25	25.69	4,009	3,601	2.594
Collateralized Mtge Oblig (CMO's)	3,076,897.69	3,116,810.93	3,120,708.28	0.49	9,580	8,932	1.747
Municipals--Coupon	157,100,000.00	161,190,259.25	159,977,913.23	24.97	3,573	2,704	3.172
Zero Coupon Bonds	14,885,000.00	12,476,708.65	12,052,719.58	1.88	2,854	1,445	5.142
Managed Pool Accounts--2	121,640,677.86	160,701,866.93	121,640,677.86	18.99	1	1	2.367
Pass Thru Securities (MBS)	1,789,402.94	1,966,858.03	1,954,922.71	0.31	5,731	5,083	2.053
<b>Investments</b>	<b>640,352,474.63</b>	<b>670,161,625.43</b>	<b>640,560,648.25</b>	<b>100.00%</b>	<b>2,045</b>	<b>1,688</b>	<b>2.029</b>

Cash and Accrued Interest	September 30	Month Ending	Fiscal Year To Date
Passbook/Checking (not included in yield calculations)	3,751,718.36		10,257,491.55
Accrued Interest at Purchase	0.00		646,759,092.12
Ending Accrued Interest	2,526,302.67		2.12%
Subtotal	6,278,021.03		
<b>Total Cash and Investments Value</b>	<b>644,104,192.99</b>		<b>646,838,669.28</b>

Total Earnings	September 30	Month Ending	Fiscal Year To Date
Current Year	1,002,891.06		10,257,491.55
Average Daily Balance	608,422,863.55		646,759,092.12
Effective Rate of Return	2.01%		2.12%

Treasury Department,

Reporting period 09/01/2013-09/30/2013  
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**005B-EOM, Aggregate Portfolio**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Interest Earning DDA</b>												
A=ST=DDA	2271	U.S. Bank		01/01/2013	0.00	0.00	0.00	0.250	1	1	0.250	
A=LT=DDA	2946	U.S. Bank		01/01/2013	0.00	0.00	0.00	0.250	1	1	0.250	
		<b>Subtotal and Average</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0</b>	<b>0</b>	<b>0.000</b>	
<b>Money Market Fund, LA1 Type</b>												
A=ST=BANKMMF	1386	First American MMF			778,167.85	778,167.85	778,167.85	0.010	1	1	0.010	
38141W364	2973	Goldman Sachs Prime Inst Fund			345.75	345.75	345.75	0.030	1	1	0.030	
38141W364	3277	Goldman Sachs Prime Inst Fund			0.00	0.00	0.00	0.030	1	1	0.030	
YS2522	2522	Federated			0.00	0.00	0.00	5.220	1	1	5.220	
YS2725	2725	Federated		01/01/2013	0.00	0.00	0.00	0.010	1	1	0.010	
60934N203	2949	Federated		01/01/2013	0.00	0.00	0.00	0.170	1	1	0.170	
60934N203	3229	Federated			0.00	0.00	0.00	0.050	1	1	0.050	
38141W273	3145	Goldman Sachs Government Fund		01/01/2013	23,776,746.73	23,776,746.73	23,776,746.73	0.010	1	1	0.010	
38141W273	3356	Goldman Sachs Government Fund		05/16/2013	111,034,747.33	111,034,747.33	111,034,747.33	0.010	1	1	0.010	
61747C715	3218	Morgan Stanley Prime Inst Fund			0.00	0.00	0.00	0.090	1	1	0.090	
A=104756184180	2083	U.S. Bank			0.00	0.00	0.00	0.050	1	1	0.050	
YS2384	2384	Voyageurs Tamarack Prime Inst			0.00	0.00	0.00	3.250	1	1	3.250	
A=ST=CUST=WELLS	3231	Wells Fargo--Sweep			0.00	0.00	0.00	0.010	1	1	0.010	
A=LT=CUST=WELLS	3232	Wells Fargo--Sweep			21,643,781.77	21,643,781.77	21,643,781.77	0.010	1	1	0.010	
A=4122341753	3375	Wells Fargo Bank NA		09/03/2013	11,706.71	11,706.71	11,706.71	0.020	1	1	0.020	
		<b>Subtotal and Average</b>	<b>113,346,905.94</b>		<b>157,245,496.14</b>	<b>157,245,496.14</b>	<b>157,245,496.14</b>		<b>1</b>	<b>1</b>	<b>0.010</b>	
<b>CP--Discount</b>												
4662J0XH0	3359	JP Morgan Chase & Co		06/12/2013	10,000,000.00	9,999,200.00	9,999,139.74	0.197	127	16	0.197	10/17/2013
86562KXF6	3351	Sumitomo Mitsui Banking		04/18/2013	10,000,000.00	9,999,400.00	9,999,081.46	0.240	180	14	0.240	10/15/2013
		<b>Subtotal and Average</b>	<b>27,996,204.89</b>		<b>20,000,000.00</b>	<b>19,998,600.00</b>	<b>19,998,221.20</b>		<b>153</b>	<b>15</b>	<b>0.219</b>	
<b>U.S. Agencies--Coupon</b>												
313381DB8	3319	Federal Home Loan		12/18/2012	25,000,000.00	21,917,500.00	24,988,156.43	2.980	5,467	5,180	2.984	12/07/2027
313381LR4	3321	Federal Home Loan		12/28/2012	25,000,000.00	24,041,000.00	25,000,000.00	1.000	3,652	3,375	2.970	12/28/2022
3133EAXE3	3252	Federal Farm Credit Bank		07/11/2012	10,000,000.00	9,159,700.00	9,997,718.30	2.980	5,112	4,665	2.982	07/10/2026
3133ECAY0	3320	Federal Farm Credit Bank		12/20/2012	25,000,000.00	22,979,750.00	25,000,000.00	2.180	3,652	3,367	2.180	12/20/2022
313380LE5	3276	Fed. Home Loan Bank		09/20/2012	10,000,000.00	9,761,000.00	9,983,702.31	1.250	5,478	5,102	3.709	09/20/2027
313380QM2	3282	Fed. Home Loan Bank		09/27/2012	10,000,000.00	8,948,900.00	9,990,674.07	3.000	5,478	5,109	3.008	09/27/2027
313380ND5	3283	Fed. Home Loan Bank		09/27/2012	10,000,000.00	9,256,400.00	9,991,011.11	1.500	3,652	3,283	2.606	09/27/2022
3134G3NLO	3200	Fed. Home Loan Mtge. Corp.		02/24/2012	2,000,000.00	2,001,600.00	1,998,649.35	0.500	1,096	511	0.549	02/24/2015

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**005B-EOM, Aggregate Portfolio**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>U.S. Agencies--Coupon</b>												
3136FPAH0	3004	Federal Nat'l.Mtge. Assn.		08/24/2010	5,000,000.00	5,011,300.00	5,000,000.00	1.250	1,218	84	1.250	12/24/2013
3136FT4X4	3223	Federal Nat'l.Mtge. Assn.		03/29/2012	5,000,000.00	4,403,350.00	4,995,250.69	3.000	4,565	4,014	3.010	09/27/2024
3136FT4X4	3224	Federal Nat'l.Mtge. Assn.		03/29/2012	10,000,000.00	8,806,700.00	9,991,204.98	3.000	4,565	4,014	3.010	09/27/2024
3136G0E31	3323	Federal Nat'l.Mtge. Assn.		12/19/2012	25,000,000.00	24,527,000.00	25,019,014.44	1.250	2,108	1,822	1.234	09/27/2018
19647TAA3	1682-B	U.S. GSA, COPs		04/01/2005	2,615,000.00	2,650,825.50	2,614,607.57	6.600	5,402	2,297	6.602	01/15/2020
		<b>Subtotal and Average</b>	<b>164,569,896.72</b>		<b>164,615,000.00</b>	<b>153,465,025.50</b>	<b>164,569,989.25</b>		<b>4,009</b>	<b>3,601</b>	<b>2.594</b>	
<b>Collateralized Mtge Oblig (CMO's)</b>												
3136A2GQ0	3185	Federal Nat'l Mtg Assn.		12/23/2011	706,356.31	700,020.29	710,164.01	2.000	5,451	4,803	1.746	11/25/2026
3137AGAD2	3186	Fed. Home Loan Mtge. Corp.		12/23/2011	2,370,541.38	2,416,790.64	2,410,544.27	2.500	10,797	10,149	1.748	07/15/2041
		<b>Subtotal and Average</b>	<b>3,141,789.85</b>		<b>3,076,897.69</b>	<b>3,116,810.93</b>	<b>3,120,708.28</b>		<b>9,580</b>	<b>8,932</b>	<b>1.747</b>	
<b>Municipals--Coupon</b>												
036519MD5	3183	Ansonia, CT		12/30/2011	570,000.00	578,538.60	576,713.58	2.000	1,020	379	0.851	10/15/2014
036519ME3	3184	Ansonia, CT		12/30/2011	690,000.00	718,993.80	714,677.40	3.000	1,385	744	1.201	10/15/2015
047195HL9	3358	Athens OH City Sch Dist		06/05/2013	625,000.00	620,450.00	625,000.00	0.690	909	791	0.690	12/01/2015
084154UB7	3106	Berkeley USD, Calif		05/26/2011	1,065,000.00	1,035,755.10	1,074,074.45	5.500	5,454	4,595	5.399	05/01/2026
088518CK9	2845	Bexar Cnty, TX		10/15/2008	3,420,000.00	3,791,343.60	3,469,005.67	6.360	5,417	3,605	6.136	08/15/2023
109570GG0	3347	Brillion WI Pub Sch Dist		04/04/2013	1,020,000.00	988,777.80	1,020,000.00	1.600	1,823	1,643	1.600	04/01/2018
109570GF2	3348	Brillion WI Pub Sch Dist		04/04/2013	675,000.00	660,204.00	675,000.00	1.250	1,458	1,278	1.250	04/01/2017
109570GD7	3349	Brillion WI Pub Sch Dist		04/04/2013	450,000.00	447,592.50	450,000.00	0.710	727	547	0.710	04/01/2015
114760FD8	3290	Broomfield Co Sales & Use Tax		10/25/2012	3,390,000.00	3,390,305.10	3,390,220.86	0.500	402	61	0.461	12/01/2013
150528ND5	3239	Cedar Rapids, IA		06/06/2012	2,000,000.00	1,824,820.00	1,997,422.21	4.000	7,300	6,818	4.010	06/01/2032
150528NA1	3240	Cedar Rapids, IA		06/06/2012	2,000,000.00	1,861,960.00	2,000,000.00	3.700	6,204	5,722	3.700	06/01/2029
150528MR5	3241	Cedar Rapids, IA		06/06/2012	1,000,000.00	985,440.00	1,027,539.48	2.500	2,917	2,435	2.050	06/01/2020
157447KG5	3297	Chagrin Falls OH Exempt		11/27/2012	1,000,000.00	995,080.00	1,000,000.00	0.800	1,099	791	0.800	12/01/2015
163303QJ2	3261	Chelsea, MA		07/18/2012	1,000,000.00	1,072,150.00	1,114,350.82	5.250	1,642	1,202	1.630	01/15/2017
193810DK1	3225	Coles Clark Etc Cntys IL		04/12/2012	910,000.00	979,460.30	974,922.97	4.000	1,694	1,157	1.650	12/01/2016
193810DJ4	3226	Coles Clark Etc Cntys IL		04/12/2012	3,870,000.00	4,088,461.50	4,081,786.27	4.000	1,328	791	1.400	12/01/2015
213185DU2	3159	Cook Cnty, IL		10/27/2011	3,000,000.00	3,008,160.00	3,005,698.54	2.503	750	45	0.930	11/15/2013
216147KP2	3307	Cook Cnty MN		12/13/2012	740,000.00	659,656.20	740,000.00	3.100	6,259	5,967	3.100	02/01/2030
216147KR8	3308	Cook Cnty MN		12/13/2012	965,000.00	846,835.75	965,000.00	3.200	6,989	6,697	3.200	02/01/2032
216147KS6	3309	Cook Cnty MN		12/13/2012	1,060,000.00	919,232.00	1,052,488.04	3.200	7,355	7,063	3.250	02/01/2033
216147KT4	3310	Cook Cnty MN		12/13/2012	1,095,000.00	945,510.60	1,086,993.03	3.250	7,720	7,428	3.300	02/01/2034
216147KU1	3311	Cook Cnty MN		12/13/2012	1,140,000.00	983,307.00	1,131,429.40	3.300	8,085	7,793	3.350	02/01/2035
30749LHZ2	3291	Fargo ND Public Sch Dist #1		11/01/2012	1,705,000.00	1,746,465.60	1,742,729.38	2.000	911	577	0.590	05/01/2015

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Municipals--Coupon</b>												
307491JA5	3292	Fargo ND Public Sch Dist #1		11/01/2012	2,180,000.00	2,246,097.60	2,251,618.71	2.000	1,277	943	0.710	05/01/2016
311315SB2	3174	Farmington ISD #192, MN		12/27/2011	1,315,000.00	1,324,308.40	1,324,541.25	3.000	767	123	0.800	02/01/2014
355748PX6	3177	Frederick, MD		12/28/2011	2,125,000.00	2,129,590.00	2,129,207.68	2.000	704	61	0.801	12/01/2013
355748PY4	3178	Frederick, MD		12/28/2011	1,100,000.00	1,113,783.00	1,112,613.96	2.000	1,069	426	1.000	12/01/2014
355748PZ1	3179	Frederick, MD		12/28/2011	920,000.00	934,122.00	935,525.15	2.000	1,434	791	1.200	12/01/2015
392643SF0	3270	Green Bay School District, WI		07/26/2012	205,000.00	217,074.50	204,946.16	5.000	1,710	1,278	5.007	04/01/2017
392643SP8	3271	Green Bay School District, WI		07/26/2012	795,000.00	841,825.50	794,791.24	5.000	1,710	1,278	5.007	04/01/2017
4255064T6	3162	Hennepin Cnty, MN		11/15/2011	1,065,000.00	1,070,143.95	1,069,499.91	3.000	747	61	0.450	12/01/2013
461225CU6	2869	Inver Grove Heights MN ISD # 1		01/06/2009	2,175,000.00	2,270,591.25	2,174,887.66	6.700	6,600	4,871	6.700	02/01/2027
483856FE5	3051	Kane County, IL		12/29/2010	630,000.00	631,719.90	630,000.00	2.150	1,082	75	2.146	12/15/2013
483856FF2	3052	Kane County, IL		12/29/2010	645,000.00	654,804.00	645,000.00	2.600	1,447	440	2.596	12/15/2014
483856FG0	3053	Kane County, IL		12/29/2010	660,000.00	682,697.40	660,000.00	3.100	1,812	805	3.095	12/15/2015
483856FH8	3054	Kane County, IL		12/29/2010	680,000.00	705,622.40	680,000.00	3.600	2,178	1,171	3.595	12/15/2016
483856FJ4	3055	Kane County, IL		12/29/2010	705,000.00	732,184.80	705,000.00	4.000	2,543	1,536	3.994	12/15/2017
493558MP2	3344	Keystone PA Cent Sch Dist		03/27/2013	1,500,000.00	1,448,610.00	1,500,000.00	2.200	2,151	1,963	2.200	02/15/2019
493558ML1	3345	Keystone PA Cent Sch Dist		03/27/2013	2,205,000.00	2,151,815.40	2,205,000.00	1.900	1,786	1,598	1.900	02/15/2018
494791PK6	3165	King Cnty WA Public Hosp		11/29/2011	500,000.00	514,070.00	508,873.57	3.000	1,098	426	1.440	12/01/2014
494791PL4	3166	King Cnty WA Public Hosp		11/29/2011	1,015,000.00	1,082,883.20	1,062,139.64	4.000	1,463	791	1.770	12/01/2015
512462VR0	3227	Lakeville, MN ISD #194		04/10/2012	1,740,000.00	1,909,406.40	1,975,567.53	5.000	4,800	4,261	3.538	06/01/2025
514462ZY9	3279	Lancaster TX Indep Sch Dist		09/06/2012	6,075,000.00	5,650,722.00	6,075,000.00	4.000	5,456	5,066	3.991	08/15/2027
518516PF0	2623	Meridian, MS		07/24/2006	565,000.00	633,297.20	562,471.68	6.000	5,821	3,195	6.399	07/01/2022
518516PG8	2624	Meridian, MS		07/24/2006	445,000.00	488,791.60	441,505.66	6.000	6,186	3,560	6.441	07/01/2023
518516PJ2	2630	Meridian, MS		07/31/2006	790,000.00	885,495.20	776,466.36	6.000	6,910	4,291	6.549	07/01/2025
518516PH6	2631	Meridian, MS		07/31/2006	740,000.00	829,451.20	730,445.12	6.000	6,545	3,926	6.505	07/01/2024
581391FS3	3078	McKeesport, PA		02/10/2011	640,000.00	662,246.40	652,551.64	4.750	1,299	335	2.500	09/01/2014
586494FN1	3361	Menasha WI JT Sch Dist		07/01/2013	2,000,000.00	2,002,000.00	2,004,396.60	1.500	217	125	0.848	02/03/2014
603790CZ7	3312	Minneapolis Minn Spl Sch Dist		12/18/2012	1,040,000.00	1,056,546.40	1,060,661.52	2.000	775	488	0.500	02/01/2015
603790DA1	3313	Minneapolis Minn Spl Sch Dist		12/18/2012	1,960,000.00	1,999,944.80	2,021,003.30	2.000	1,140	853	0.650	02/01/2016
603790DB9	3314	Minneapolis Minn Spl Sch Dist		12/18/2012	2,000,000.00	2,027,180.00	2,075,171.95	2.000	1,506	1,219	0.850	02/01/2017
608557WU4	3207	Moline, IL		03/20/2012	655,000.00	651,738.10	655,000.00	1.750	1,687	1,127	1.750	11/01/2016
608557WV2	3208	Moline, IL		03/20/2012	815,000.00	801,332.45	815,000.00	2.150	2,052	1,492	2.150	11/01/2017
608557WM0	3209	Moline, IL		03/20/2012	790,000.00	776,483.10	790,000.00	2.400	2,417	1,857	2.400	11/01/2018
608557WX8	3210	Moline, IL		03/20/2012	990,000.00	962,616.60	990,000.00	2.700	2,782	2,222	2.700	11/01/2019
608557WY6	3211	Moline, IL		03/20/2012	760,000.00	735,345.60	760,000.00	2.950	3,148	2,588	2.950	11/01/2020
613035XA7	2858	Montgomery, ALA		12/01/2008	500,000.00	530,860.00	463,289.66	5.190	6,330	4,565	6.153	04/01/2026
613579YE5	3038	Montgomery Cnty, PA		12/29/2010	1,740,000.00	1,826,773.80	1,740,000.00	3.800	3,198	2,191	3.801	10/01/2019

Portfolio METC  
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Municipals--Coupon</b>												
613579YH8	3039	Montgomery Cnty, PA		12/29/2010	1,500,000.00	1,616,100.00	1,500,000.00	4.400	4,294	3,287	4.401	10/01/2022
649791GN4	3171	New York St		12/15/2011	1,000,000.00	1,001,770.00	1,000,610.50	1.000	731	75	0.700	12/15/2013
684515QK8	3228	Orange Cnty, FL Sales Tax Rev		04/26/2012	4,710,000.00	5,137,149.90	5,193,502.60	5.000	1,711	1,188	1.701	01/01/2017
686053GG8	2859	Orange School Bd		12/01/2008	500,000.00	521,890.00	443,426.65	4.759	7,151	5,386	6.082	06/30/2028
68825VAD3	3015	Oshkosh WI Swr Sys Rev		10/14/2010	185,000.00	185,549.45	185,000.00	1.500	1,295	212	1.500	05/01/2014
68825VAE1	3016	Oshkosh WI Swr Sys Rev		10/14/2010	195,000.00	195,965.25	195,000.00	1.850	1,660	577	1.850	05/01/2015
68825VAF8	3017	Oshkosh WI Swr Sys Rev		10/14/2010	200,000.00	202,356.00	200,000.00	2.150	2,026	943	2.150	05/01/2016
68825VAG6	3018	Oshkosh WI Swr Sys Rev		10/14/2010	205,000.00	205,608.85	205,000.00	2.550	2,391	1,308	2.550	05/01/2017
68825VAH4	3019	Oshkosh WI Swr Sys Rev		10/14/2010	210,000.00	214,095.00	211,291.88	2.950	2,756	1,673	2.800	05/01/2018
68825VAJ0	3020	Oshkosh WI Swr Sys Rev		10/14/2010	220,000.00	224,292.20	222,113.99	3.600	3,121	2,038	3.400	05/01/2019
68825VAK7	3021	Oshkosh WI Swr Sys Rev		10/14/2010	225,000.00	227,506.50	227,485.50	3.800	3,487	2,404	3.600	05/01/2020
68825VAL5	3022	Oshkosh WI Swr Sys Rev		10/14/2010	235,000.00	234,471.25	235,000.00	3.800	3,852	2,769	3.800	05/01/2021
68825VAM3	3023	Oshkosh WI Swr Sys Rev		10/14/2010	245,000.00	245,698.25	245,000.00	4.000	4,217	3,134	4.000	05/01/2022
68825VAN1	3024	Oshkosh WI Swr Sys Rev		10/14/2010	255,000.00	254,579.25	255,000.00	4.150	4,582	3,499	4.150	05/01/2023
68825VAP6	3025	Oshkosh WI Swr Sys Rev		10/14/2010	270,000.00	268,315.20	270,000.00	4.350	4,948	3,865	4.350	05/01/2024
68825VAQ4	3026	Oshkosh WI Swr Sys Rev		10/14/2010	280,000.00	279,988.80	280,000.00	4.500	5,313	4,230	4.500	05/01/2025
68825VAR2	3027	Oshkosh WI Swr Sys Rev		10/14/2010	295,000.00	294,430.65	295,000.00	4.650	5,678	4,595	4.650	05/01/2026
68825VAS0	3028	Oshkosh WI Swr Sys Rev		10/14/2010	310,000.00	309,497.80	310,000.00	4.850	6,043	4,960	4.850	05/01/2027
68825VAT8	3029	Oshkosh WI Swr Sys Rev		10/14/2010	325,000.00	324,028.25	325,000.00	4.950	6,409	5,326	4.950	05/01/2028
772346AC6	2984	Rock Is Cnty IL Met Mass Tran		06/24/2010	550,000.00	550,588.50	550,000.00	2.750	1,287	92	2.750	01/01/2014
772346AD4	2985	Rock Is Cnty IL Met Mass Tran		06/24/2010	585,000.00	567,887.15	565,000.00	3.200	1,652	457	3.200	01/01/2015
772346AE2	2986	Rock Is Cnty IL Met Mass Tran		06/24/2010	585,000.00	594,237.15	585,000.00	3.550	2,017	822	3.550	01/01/2016
772346AF9	2987	Rock Is Cnty IL Met Mass Tran		06/24/2010	605,000.00	612,895.25	605,000.00	4.000	2,383	1,188	4.000	01/01/2017
778102L76	2867	Roseville, MN ISD # 623		01/07/2009	3,540,000.00	4,180,810.80	3,540,000.00	7.250	7,330	5,602	7.247	02/01/2029
782197ES2	3332	Rusk Cnty WI		03/15/2013	155,000.00	151,591.55	155,000.00	1.800	1,812	1,612	1.799	03/01/2018
782197EV5	3333	Rusk Cnty WI		03/15/2013	165,000.00	157,226.85	165,000.00	2.550	2,908	2,708	2.548	03/01/2021
782197EW3	3334	Rusk Cnty WI		03/15/2013	170,000.00	160,629.60	170,000.00	2.700	3,273	3,073	2.698	03/01/2022
782197EY9	3335	Rusk Cnty WI		03/15/2013	180,000.00	168,233.40	180,000.00	3.150	4,004	3,804	3.148	03/01/2024
782197EZ6	3336	Rusk Cnty WI		03/15/2013	185,000.00	172,605.00	185,000.00	3.350	4,369	4,169	3.348	03/01/2025
782197FA0	3337	Rusk Cnty WI		03/15/2013	190,000.00	176,150.90	190,000.00	3.550	4,734	4,534	3.547	03/01/2026
782197FB8	3338	Rusk Cnty WI		03/15/2013	195,000.00	179,655.45	195,000.00	3.700	5,099	4,899	3.697	03/01/2027
782197FC6	3339	Rusk Cnty WI		03/15/2013	205,000.00	186,859.55	205,000.00	3.850	5,465	5,265	3.847	03/01/2028
782197FD4	3340	Rusk Cnty WI		03/15/2013	140,000.00	129,767.40	140,000.00	4.000	5,830	5,630	3.997	03/01/2029
786106GN8	2871	Sacramento Cnty, CA		12/26/2008	3,500,000.00	4,028,710.00	3,795,672.98	7.680	4,615	2,875	6.122	08/15/2021
794879DC7	2870	Salinas Schools, CA		12/26/2008	2,805,000.00	3,061,853.85	3,036,299.98	7.350	8,953	7,213	6.505	07/01/2033
794879DC7	2927	Salinas Schools, CA		05/14/2009	250,000.00	272,892.50	255,131.77	7.350	8,814	7,213	7.128	07/01/2033

**005B-EOM, Aggregate Portfolio**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Municipals--Coupon</b>												
797398EG5	2850	San Diego Pension		11/13/2008	3,000,000.00	3,414,960.00	2,975,547.51	5.728	3,197	1,414	6.000	08/15/2017
806415ZV0	3059	Schenectady Cnty, NY		12/30/2010	770,000.00	771,509.20	770,153.02	1.850	1,081	75	1.750	12/15/2013
806415ZW8	3060	Schenectady Cnty, NY		12/30/2010	790,000.00	800,467.50	793,364.22	2.200	1,446	440	2.050	12/15/2014
806415ZX6	3061	Schenectady Cnty, NY		12/30/2010	790,000.00	814,079.20	793,232.94	2.950	1,811	805	2.750	12/15/2015
806415ZY4	3062	Schenectady Cnty, NY		12/30/2010	275,000.00	287,768.25	276,599.33	3.250	2,177	1,171	3.050	12/15/2016
806415ZZ1	3063	Schenectady Cnty, NY		12/30/2010	250,000.00	262,335.00	252,266.47	3.750	2,542	1,536	3.505	12/15/2017
806415A21	3064	Schenectady Cnty, NY		12/30/2010	250,000.00	267,550.00	252,781.57	4.050	2,907	1,901	3.801	12/15/2018
806415A39	3065	Schenectady Cnty, NY		12/30/2010	250,000.00	267,812.50	253,200.33	4.450	3,272	2,266	4.201	12/15/2019
849067J79	2857	Spokane, WA		12/01/2008	2,000,000.00	2,023,100.00	1,824,646.49	5.340	6,939	5,174	6.420	12/01/2027
849765DW9	3173	Spring Lake School, MI		12/16/2011	1,130,000.00	1,161,233.20	1,156,605.35	5.000	867	212	0.910	05/01/2014
8527XCU7	2990	St Clair IL Comm College Dist		07/01/2010	1,070,000.00	1,072,097.20	1,070,340.31	2.500	1,249	61	2.810	12/01/2013
866854PB2	3330	Sun Prairie WI Area Sch Dist		03/05/2013	2,080,000.00	2,019,929.60	2,080,000.00	1.750	2,187	1,977	1.750	03/01/2019
866854NZ1	3331	Sun Prairie WI Area Sch Dist		03/05/2013	1,000,000.00	981,780.00	1,000,000.00	1.100	1,457	1,247	1.100	03/01/2017
868392XC0	3267	Superior, WI		09/05/2012	1,020,000.00	1,049,722.80	1,048,350.93	2.000	1,182	791	0.700	12/01/2015
868392XB2	3268	Superior, WI		09/05/2012	1,480,000.00	1,509,022.80	1,504,840.86	2.000	817	426	0.550	12/01/2014
868392XA4	3269	Superior, WI		09/05/2012	500,000.00	501,420.00	501,286.10	2.000	452	61	0.450	12/01/2013
930353HN0	2954	Wadsworth Sch Dist, OH		09/28/2009	2,880,000.00	3,191,760.00	3,050,251.36	7.000	10,291	8,827	6.466	12/01/2037
938701GA1	3294	Washington Cnty UT		11/08/2012	75,000.00	75,010.50	75,000.00	0.500	388	61	0.500	12/01/2013
938701GD5	3295	Washington Cnty UT		11/08/2012	760,000.00	759,521.20	760,000.00	0.900	1,484	1,157	0.900	12/01/2016
938701GE3	3296	Washington Cnty UT		11/08/2012	765,000.00	749,302.20	765,000.00	1.200	1,849	1,522	1.200	12/01/2017
943080JR3	3352	Waukesha WI		05/07/2013	4,100,000.00	4,122,755.00	4,130,509.35	2.000	420	273	0.999	07/01/2014
943080KL4	3360	Waukesha WI		06/25/2013	750,000.00	753,045.00	753,673.77	1.500	371	273	0.843	07/01/2014
954885PE7	3170	West New York, NJ		12/09/2011	755,000.00	770,077.35	768,371.01	5.120	858	196	1.939	04/15/2014
960028NG9	3272	Westerville OH City Sch Dist		08/30/2012	860,000.00	828,979.80	860,000.00	2.230	2,649	2,252	2.230	12/01/2019
960028NH7	3273	Westerville OH City Sch Dist		08/30/2012	590,000.00	568,370.60	590,000.00	2.530	3,015	2,618	2.530	12/01/2020
960028NJ3	3274	Westerville OH City Sch Dist		08/30/2012	1,425,000.00	1,355,559.75	1,425,000.00	2.790	3,380	2,983	2.790	12/01/2021
969788FQ6	2951	Williamson Cnty Schl, IL		07/30/2009	3,500,000.00	3,671,745.00	3,686,888.15	8.250	13,304	11,780	7.752	01/01/2046
970856CS7	3201	Willmar, MN G.O. Hosp.		02/28/2012	1,405,000.00	1,478,945.15	1,475,853.76	3.000	1,434	853	0.800	02/01/2016
974603QN5	2960	Winnebago Cnty, WI		11/10/2009	370,000.00	374,058.90	370,000.00	3.000	1,603	182	3.000	04/01/2014
974603QP0	2961	Winnebago Cnty, WI		11/10/2009	385,000.00	396,492.25	385,000.00	3.200	1,968	547	3.200	04/01/2015
974603QQ8	2962	Winnebago Cnty, WI		11/10/2009	395,000.00	417,368.85	395,000.00	3.700	2,334	913	3.701	04/01/2016
974603QR6	2963	Winnebago Cnty, WI		11/10/2009	405,000.00	430,575.75	405,000.00	4.000	2,699	1,278	4.001	04/01/2017
974603QS4	2964	Winnebago Cnty, WI		11/10/2009	420,000.00	447,997.20	420,000.00	4.250	3,064	1,643	4.251	04/01/2018
974603QT2	2965	Winnebago Cnty, WI		11/10/2009	435,000.00	459,164.25	435,000.00	4.450	3,429	2,008	4.451	04/01/2019
977100AC0	2844	Wisconsin Gen Rev		10/07/2008	555,000.00	643,306.05	543,359.53	5.700	6,415	4,595	5.971	05/01/2026
981306AD5	3161	Worcester, MA		11/03/2011	1,000,000.00	1,065,270.00	1,047,821.63	4.000	1,459	761	1.620	11/01/2015

**005B-EOM, Aggregate Portfolio**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM	Maturity Date
<b>Municipals--Coupon</b>												
987830KW5	2622	Ypsilanti, MI		07/24/2006	2,000,000.00	2,101,560.00	2,014,410.45	6.150	7.221	4,595	6.051	05/01/2026
55844ARDL5	3085	Madison, WI		03/01/2011	1,050,000.00	1,050,021.00	1,050,000.00	1.000	945	0	1.500	10/01/2013
55844RFB5	3152	Madison, WI		10/19/2011	1,315,000.00	1,315,000.00	1,315,000.00	0.500	713	0	0.500	10/01/2013
55844RDH4	3284	Madison, WI		09/28/2012	4,175,000.00	4,274,072.75	4,576,316.12	3.750	2,925	2,557	2.242	10/01/2020
60415NE24	2625	Minnesota HFA		07/27/2006	2,470,000.00	2,592,660.20	2,491,112.30	6.300	6,183	3,560	6.158	07/01/2023
780753BX6	3033	Royall SCD, WI		11/03/2010	845,000.00	846,732.25	845,000.00	1.800	1,245	182	1.800	04/01/2014
981305SA4	2890	City of Worcester, MA		02/26/2009	3,355,000.00	3,606,557.90	3,380,366.47	6.250	6,883	5,205	6.159	01/01/2028
		<b>Subtotal and Average</b>	<b>160,017,425.64</b>		<b>157,100,000.00</b>	<b>161,190,259.25</b>	<b>159,977,913.23</b>		<b>3,573</b>	<b>2,704</b>	<b>3.172</b>	
<b>Zero Coupon Bonds</b>												
011112AV1	2920	Alameda Cnty, CA Pension		04/28/2009	5,000,000.00	4,902,500.00	4,665,492.48	4.978	2,043	426	6.024	12/01/2014
157447KX0	3298	Chagrin Falls OH Exempt		11/27/2012	1,475,000.00	1,302,026.75	1,322,729.04	1.953	2,195	1,887	2.120	12/01/2018
672319BA7	2837	Oakland, CA		10/02/2008	6,000,000.00	4,005,360.00	3,919,005.56	4.151	4,457	2,632	6.000	12/15/2020
489818L51	3100	Kenosha, WI		05/11/2011	2,410,000.00	2,266,821.90	2,145,492.50	3.113	2,093	1,219	3.517	02/01/2017
		<b>Subtotal and Average</b>	<b>12,028,553.49</b>		<b>14,885,000.00</b>	<b>12,476,708.65</b>	<b>12,052,719.58</b>		<b>2,854</b>	<b>1,445</b>	<b>5.142</b>	
<b>Managed Pool Accounts -2</b>												
SYS1-OPEB-RA	OPEB-1-RA	State Board of Investment			3,130,067.94	4,135,193.67	3,130,067.94	2.367	1	1	2.367	
SYS2-OPEB-ES	OPEB-2-ES	State Board of Investment			47,596,566.21	62,880,749.96	47,596,566.21	2.367	1	1	2.367	
SYS3-OPEB-MT	OPEB-3-MT	State Board of Investment			70,914,043.71	93,685,923.30	70,914,043.71	2.367	1	1	2.367	
		<b>Subtotal and Average</b>	<b>121,613,438.22</b>		<b>121,640,677.86</b>	<b>160,701,866.93</b>	<b>121,640,677.86</b>		<b>1</b>	<b>1</b>	<b>2.367</b>	
<b>Pass Thru Securities (MBS)</b>												
31371NKH7	3187	Federal Nat'l Mtge. Assn.		12/23/2011	1,789,402.94	1,966,858.03	1,954,922.71	5.500	5,731	5,083	2.053	09/01/2027
		<b>Subtotal and Average</b>	<b>2,045,916.62</b>		<b>1,789,402.94</b>	<b>1,966,858.03</b>	<b>1,954,922.71</b>		<b>5,731</b>	<b>5,083</b>	<b>2.053</b>	
		<b>Total and Average</b>	<b>608,422,863.55</b>		<b>640,352,474.63</b>	<b>670,161,625.43</b>	<b>640,560,648.25</b>		<b>2,045</b>	<b>1,688</b>	<b>2.029</b>	

**005B-EOM, Aggregate Portfolio**  
**Portfolio Management**  
**Portfolio Details - Cash**  
**September 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	Days to Maturity	YTM
<b>Non-Interest Bearing Acct.</b>											
SYS2394	2385	RBC/Dain-Hedging, Cash, Diesel			3,751,718.36	3,751,718.36	3,751,718.36		1	1	0.000
SYSBank-024	Bank-024	MT-Admin (Mears Park)		01/01/2013	0.00	0.00	0.00		1	1	0.000
MT-TVMM	Bank-0022	MT-TVMM Coin and Currency		01/01/2013	0.00	0.00	0.00		1	1	0.000
SYS2643	2643	RBC/Dain-Hedging, Cash, NGas		01/01/2013	0.00	0.00	0.00		1	1	0.000
1047-5623-0983	Bank-0020	U.S. Bank		01/01/2013	0.00	0.00	0.00		1	1	0.000
SYSBank-0021	Bank-0021	U.S. Bank		01/01/2013	0.00	0.00	0.00		1	1	0.000
1047-5623-0975	Bank-18A	U.S. Bank		01/01/2013	0.00	0.00	0.00		1	1	0.000
<b>Average Balance</b>			<b>0.00</b>						<b>1</b>	<b>1</b>	
				Accrued Interest at Purchase	0.00	0.00	0.00				
				Ending Accrued Interest	2,526,302.67	2,526,302.67	2,526,302.67				
				Subtotal	6,278,021.03	6,278,021.03	6,278,021.03				
<b>Total Cash and Investment Value</b>			<b>608,422,863.55</b>		<b>644,104,192.99</b>	<b>676,439,646.46</b>	<b>646,838,669.28</b>		<b>2,045</b>	<b>1,688</b>	<b>2.029</b>





**000A-RECON, MCOA ST-LT-EFPM**  
**Purchases Report**  
**Sorted by Port - Port**  
**July 1, 2013 - September 30, 2013**

Metropolitan Council  
 Fiscal Services—Treasury Ops.  
 390 Robert Street North  
 St. Paul, MN 551  
 (651)602-1629

CUSIP	Investment #	Port	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
<b>MCOA, Taxable, Long-Term</b>													
912810RB6	3367	MCTXLT	TRC	912810	2,000,000.00	07/08/2013	07/17 - Final Pmt.	1,720,000.00	Received	2.875	05/15/2043	3.649	0.00
912810RB6	3371	MCTXLT	TRC	912810	3,000,000.00	08/02/2013	08/02 - Final Pmt.	2,538,750.00	Received	2.875	05/15/2043	3.735	0.00
912810RB6	3372	MCTXLT	TRC	912810	3,000,000.00	08/07/2013	08/08 - Final Pmt.	2,533,593.75	Received	2.875	05/15/2043	3.746	0.00
	<b>Subtotal</b>				<b>8,000,000.00</b>			<b>6,792,343.75</b>	<b>0.00</b>				<b>0.00</b>
<b>MCOA, Taxable, Short-Term</b>													
586494FN1	3361	MCTXST	MUN	586494	2,000,000.00	07/01/2013	11/01 - Final Pmt.	2,007,640.00		1.500	02/03/2014	0.848	2,004,396.60
06538BVG5	3370	MCTXST	ACP	06538B	10,000,000.00	07/10/2013	08/16 - At Maturity	9,998,561.11		0.140	08/16/2013	0.140	0.00
83365RVE2	3369	MCTXST	ACP	SOCNAM	10,000,000.00	07/10/2013	08/14 - At Maturity	9,998,687.50		0.135	08/14/2013	0.135	0.00
	<b>Subtotal</b>				<b>22,000,000.00</b>			<b>22,004,888.61</b>	<b>0.00</b>				<b>2,004,396.60</b>
	<b>Total Purchases</b>				<b>30,000,000.00</b>			<b>28,797,232.36</b>	<b>0.00</b>				<b>2,004,396.60</b>

Received = Accrued Interest at Purchase was received by report ending date.

Data Updated: SET\_000A: 11/04/2013 15:02  
 Run Date: 11/04/2013 - 15:03

No fiscal year history available

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 Report Ver. 7.3.5



**000A-RECON, MCOA ST-LT-EFPM**  
**Sales/Call Report**  
**Sorted by Maturity Date - Port**  
**July 1, 2013 - September 30, 2013**

Metropolitan Council  
 Fiscal Services-Treasury Ops.  
 390 Robert Street North  
 St. Paul, MN 551  
 (651)602-1629

CUSIP	Investment #	Port	Issuer Sec. Type	Purchase Date	Redem. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
<b>01/15/2020</b>												
19647TAA3	1682-B	MCTXLT	GSA FAC	04/01/2005	07/15/2013 01/15/2020	80,000.00	6.600	79,987.59	80,000.00	88,935.00	168,935.00	88,947.41
					<b>Subtotal</b>	<b>80,000.00</b>		<b>79,987.59</b>	<b>80,000.00</b>	<b>88,935.00</b>	<b>168,935.00</b>	<b>88,947.41</b>
<b>07/01/2023</b>												
60415NE24	2625	MCTXLT	MN HFA MUN	07/27/2006	07/01/2013 07/01/2023	15,000.00	6.300	15,131.50	15,000.00	78,277.50	93,277.50	78,146.00
					<b>Subtotal</b>	<b>15,000.00</b>		<b>15,131.50</b>	<b>15,000.00</b>	<b>78,277.50</b>	<b>93,277.50</b>	<b>78,146.00</b>
<b>07/01/2033</b>												
794879DC7	2870	MCTXLT	794879 MUN	12/26/2008	07/01/2013 07/01/2033	5,000.00	7.350	5,417.52	5,000.00	103,267.50	108,267.50	102,849.98
					<b>Subtotal</b>	<b>5,000.00</b>		<b>5,417.52</b>	<b>5,000.00</b>	<b>103,267.50</b>	<b>108,267.50</b>	<b>102,849.98</b>
<b>12/01/2037</b>												
280455CL8	2968	MCTXLT	280455 MUN	11/12/2009	08/13/2013 12/01/2037	4,000,000.00	7.500	4,098,160.55	4,000,000.00	60,000.00	4,060,000.00	-38,160.55
					<b>Subtotal</b>	<b>4,000,000.00</b>		<b>4,098,160.55</b>	<b>4,000,000.00</b>	<b>60,000.00</b>	<b>4,060,000.00</b>	<b>-38,160.55</b>
<b>05/15/2043</b>												
912810RB6	3363	MCTXLT	912810 TRC	06/24/2013	07/03/2013 05/15/2043	2,000,000.00	2.875	1,767,379.43	1,781,250.00	7,656.25	1,788,906.25	21,526.82
912810RB6	3367	MCTXLT	912810 TRC	07/08/2013	07/17/2013 05/15/2043	2,000,000.00	2.875	1,720,231.13	1,742,500.00	9,843.75	1,752,343.75	32,112.62
912810RB6	3371	MCTXLT	912810 TRC	08/02/2013	08/02/2013 05/15/2043	3,000,000.00	2.875	2,538,750.00	2,557,031.25	18,515.63	2,575,546.88	36,796.88
912810RB6	3372	MCTXLT	912810 TRC	08/07/2013	08/08/2013 05/15/2043	3,000,000.00	2.875	2,533,636.65	2,557,031.25	19,921.88	2,576,953.13	43,316.48
					<b>Subtotal</b>	<b>10,000,000.00</b>		<b>8,559,997.21</b>	<b>8,637,812.50</b>	<b>55,937.51</b>	<b>8,693,750.01</b>	<b>133,752.80</b>
					<b>Total Sales</b>	<b>14,100,000.00</b>		<b>12,758,694.37</b>	<b>12,737,812.50</b>	<b>386,417.51</b>	<b>13,124,230.01</b>	<b>365,535.64</b>