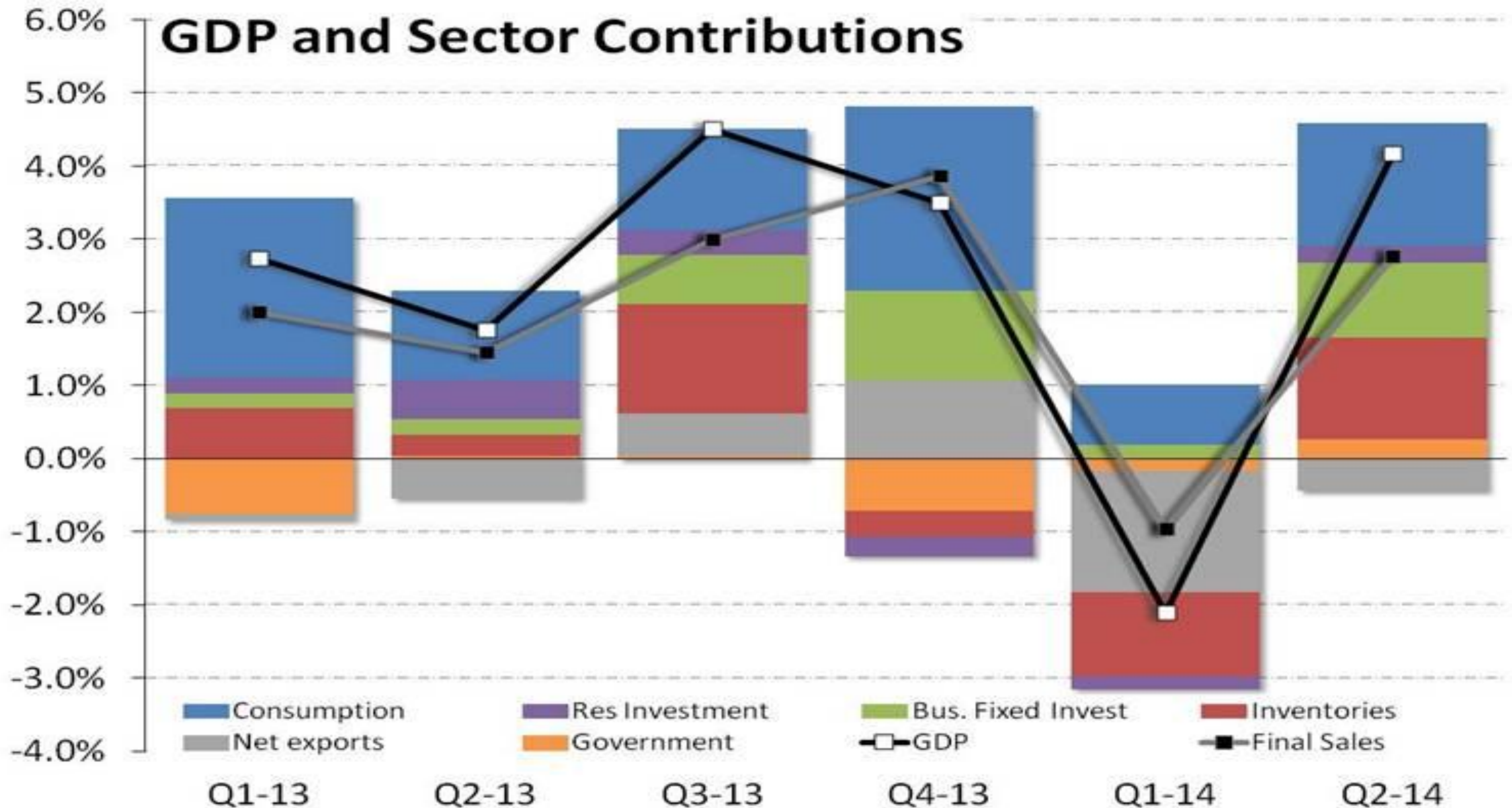


2Q14 Investment Results for the Management Committee

09-10-14

Economic Review: Real GDP

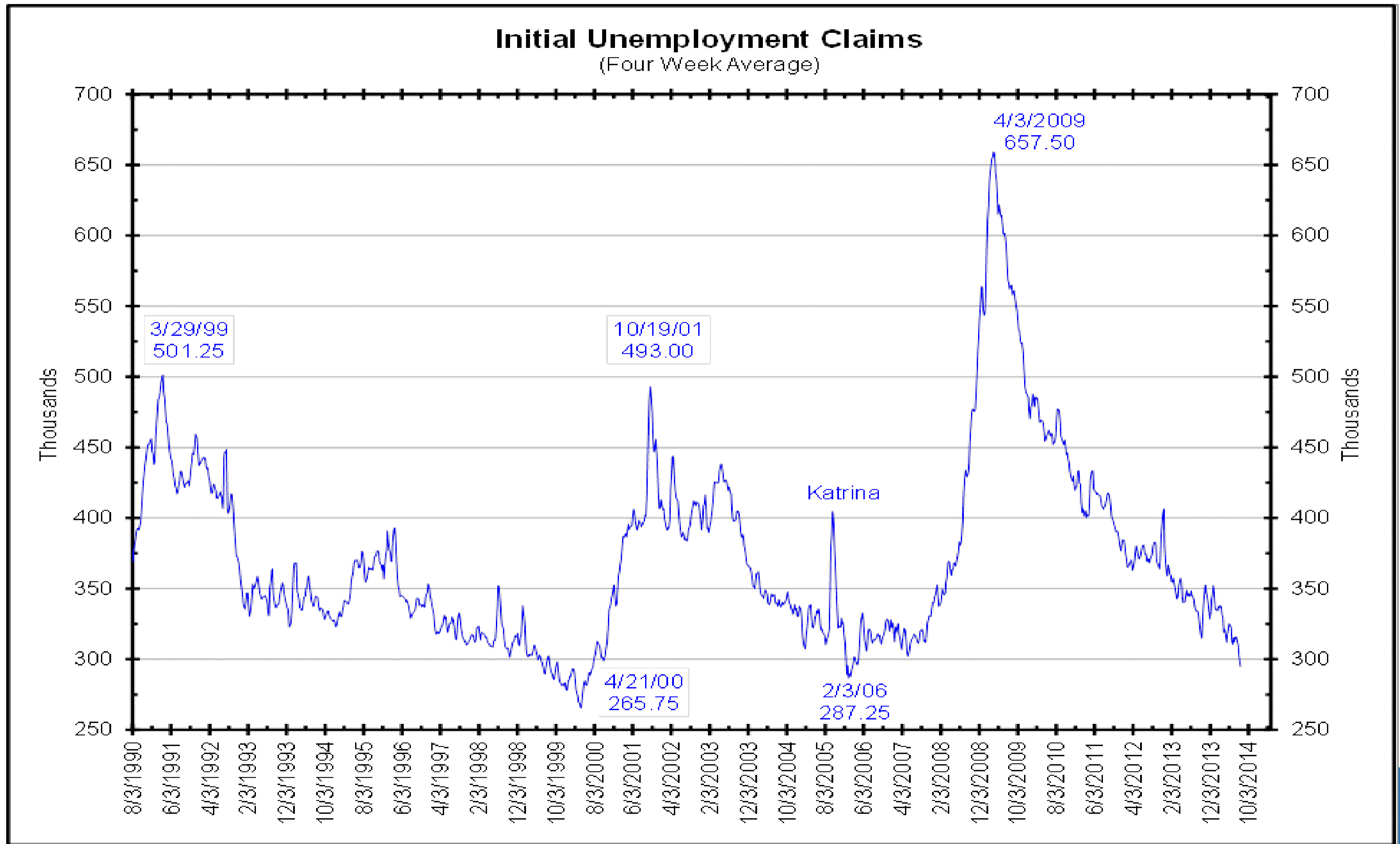
3Q13, 4.5%; 4Q13, 3.5%; 1Q14, -2.1%; 2Q14, 4.2%;



Source: Bureau of Economic Analysis and FTN Financial

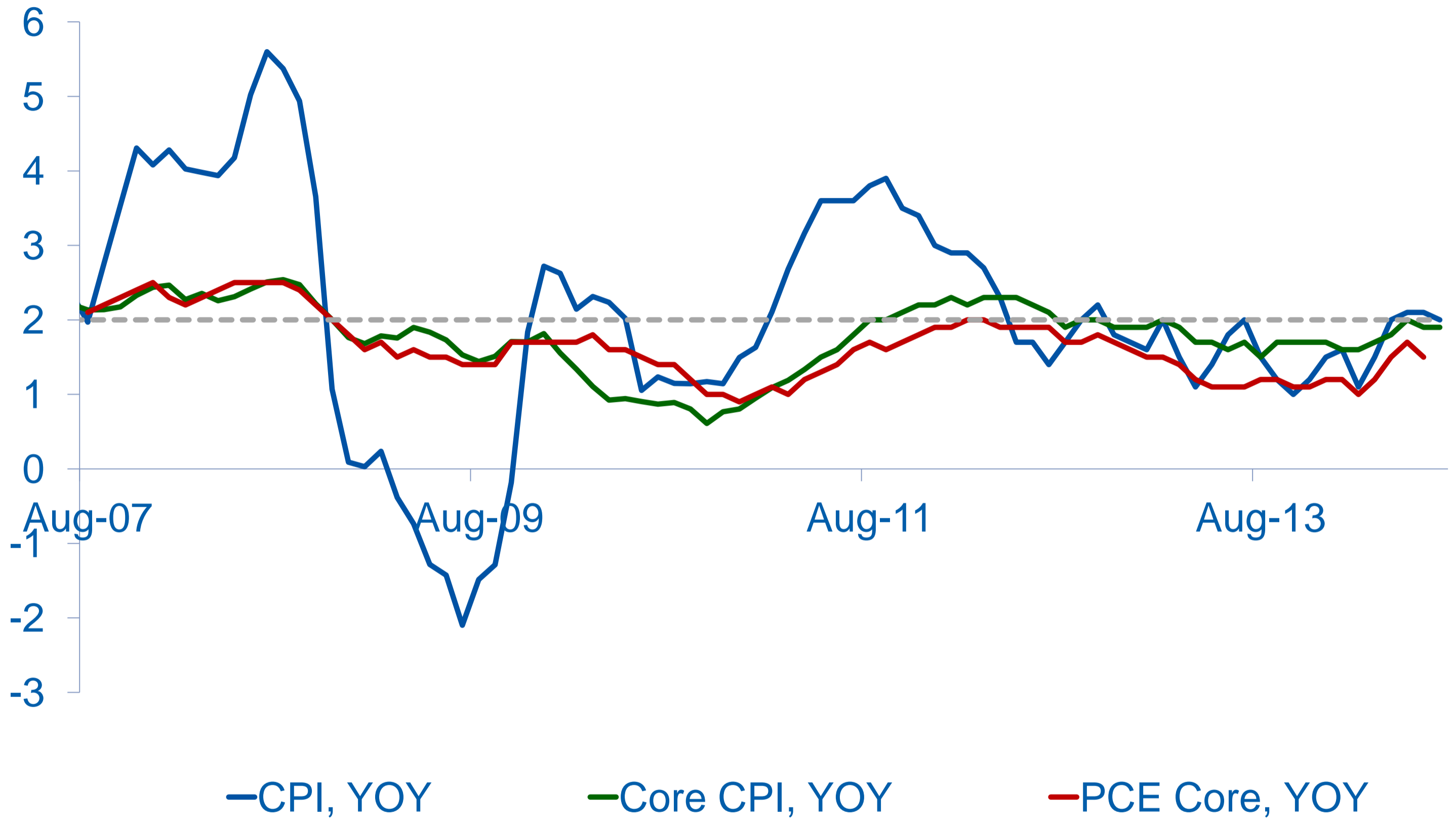
Source: FTN Financial

Initial Jobless Claims



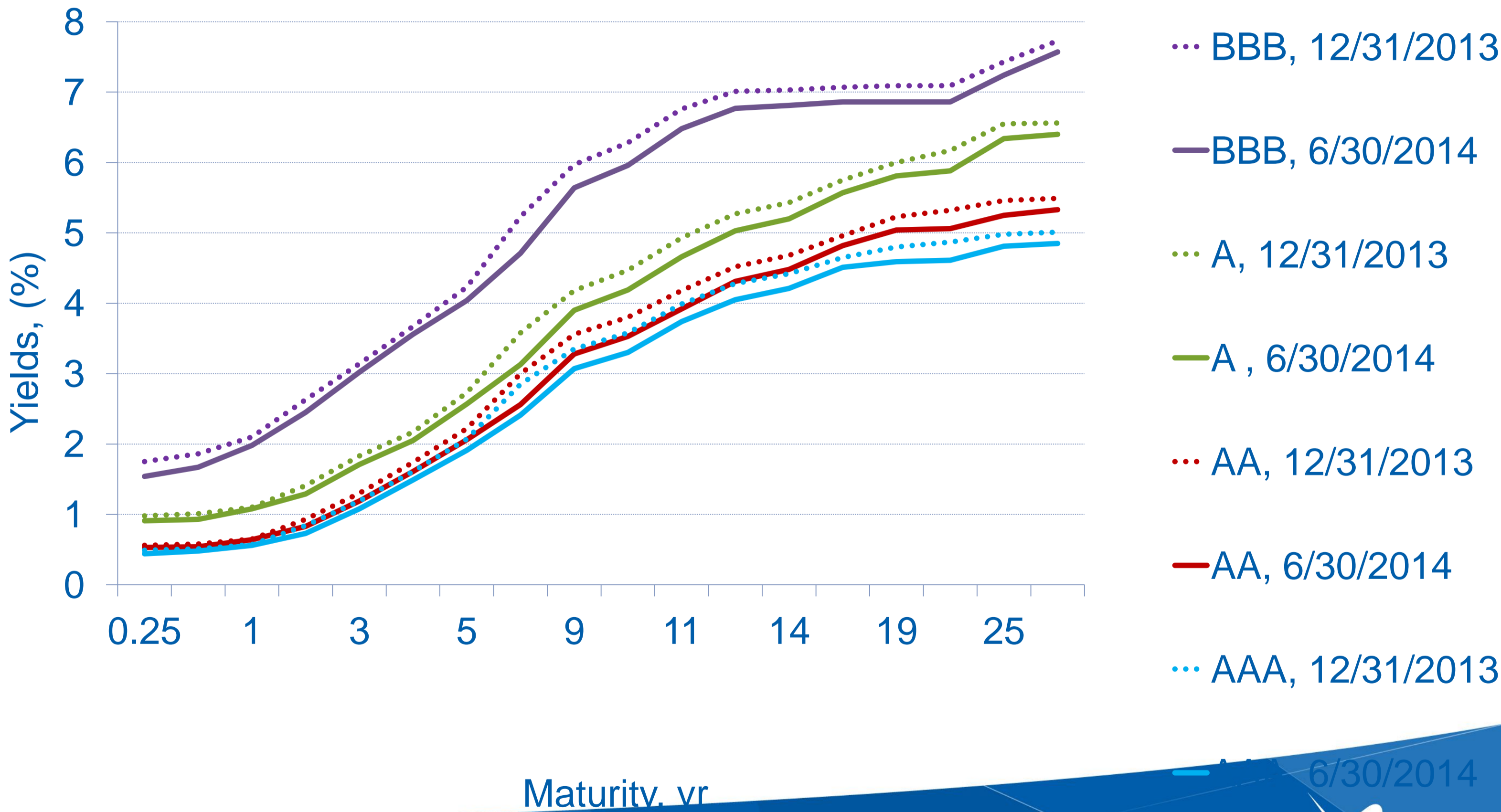
Source: Bianco Research

US Inflation



Source: Bloomberg

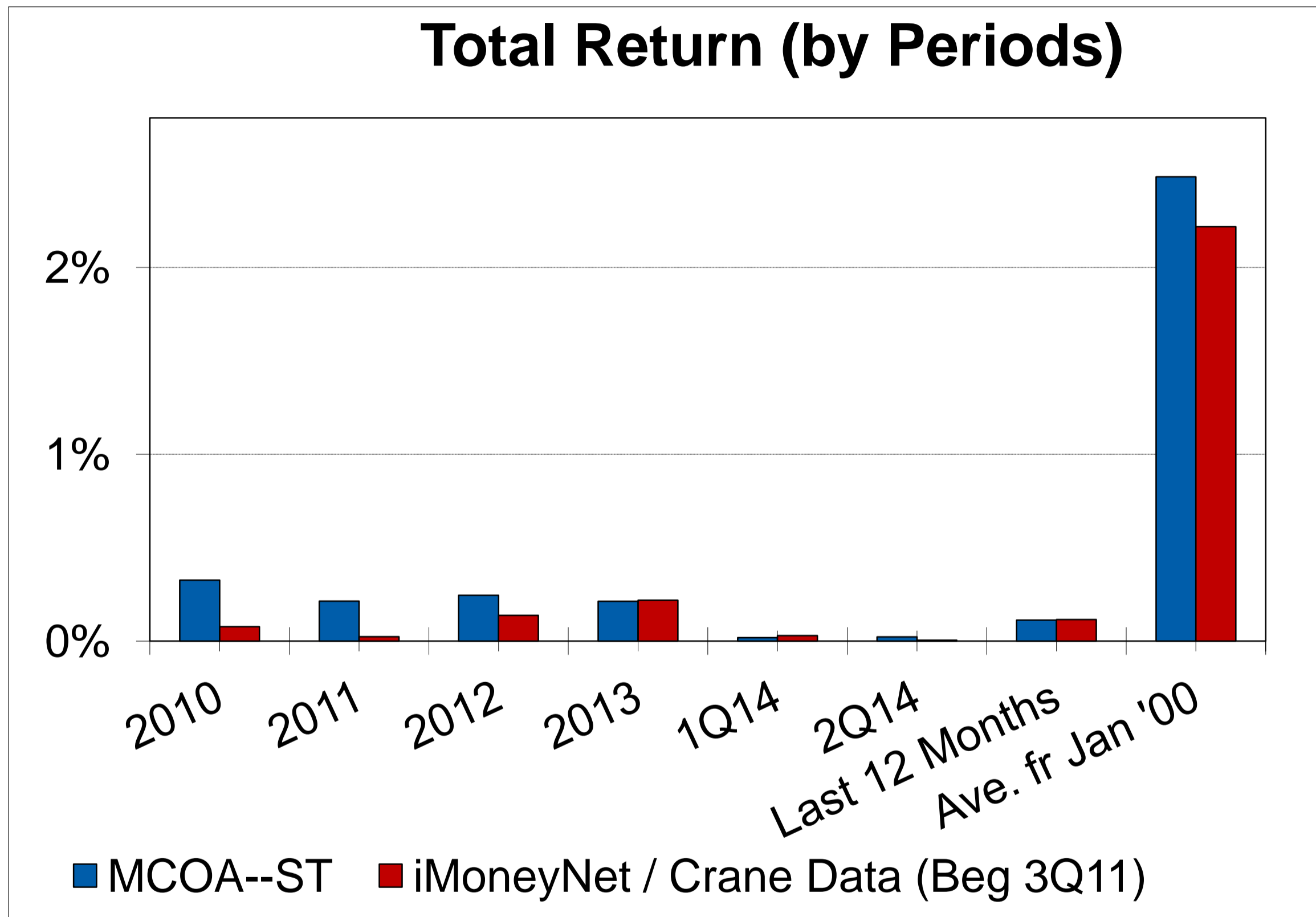
Muni Long-term Bonds Outperformed



Source: Bloomberg



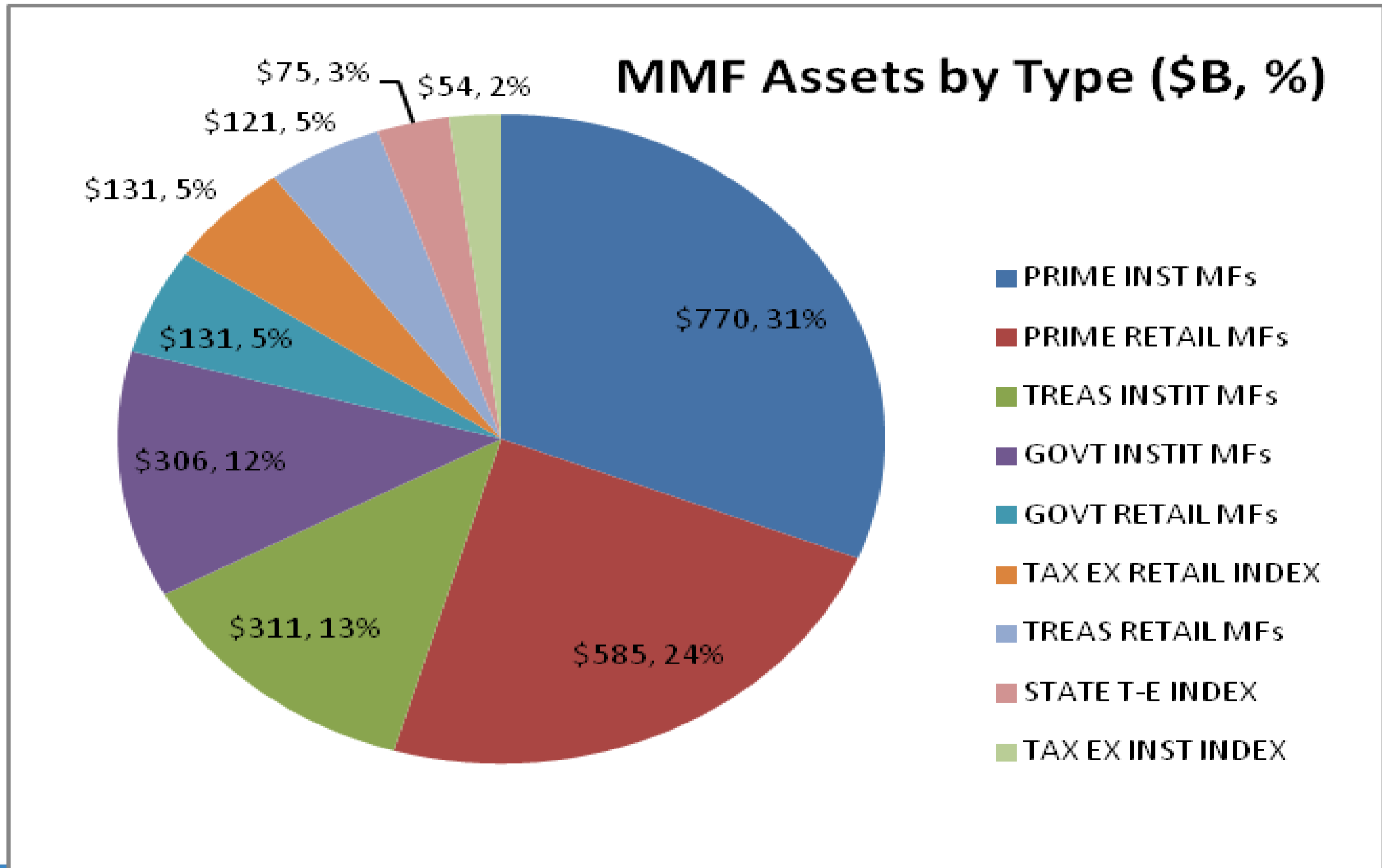
Total Return, ST Portfolio



- AUM, \$135M
- +1 bps (above) Index in 2Q
- +27 bps/year ave. over index for last 15 yrs

Source: Metropolitan Council, Bloomberg

Money Market Fund Update

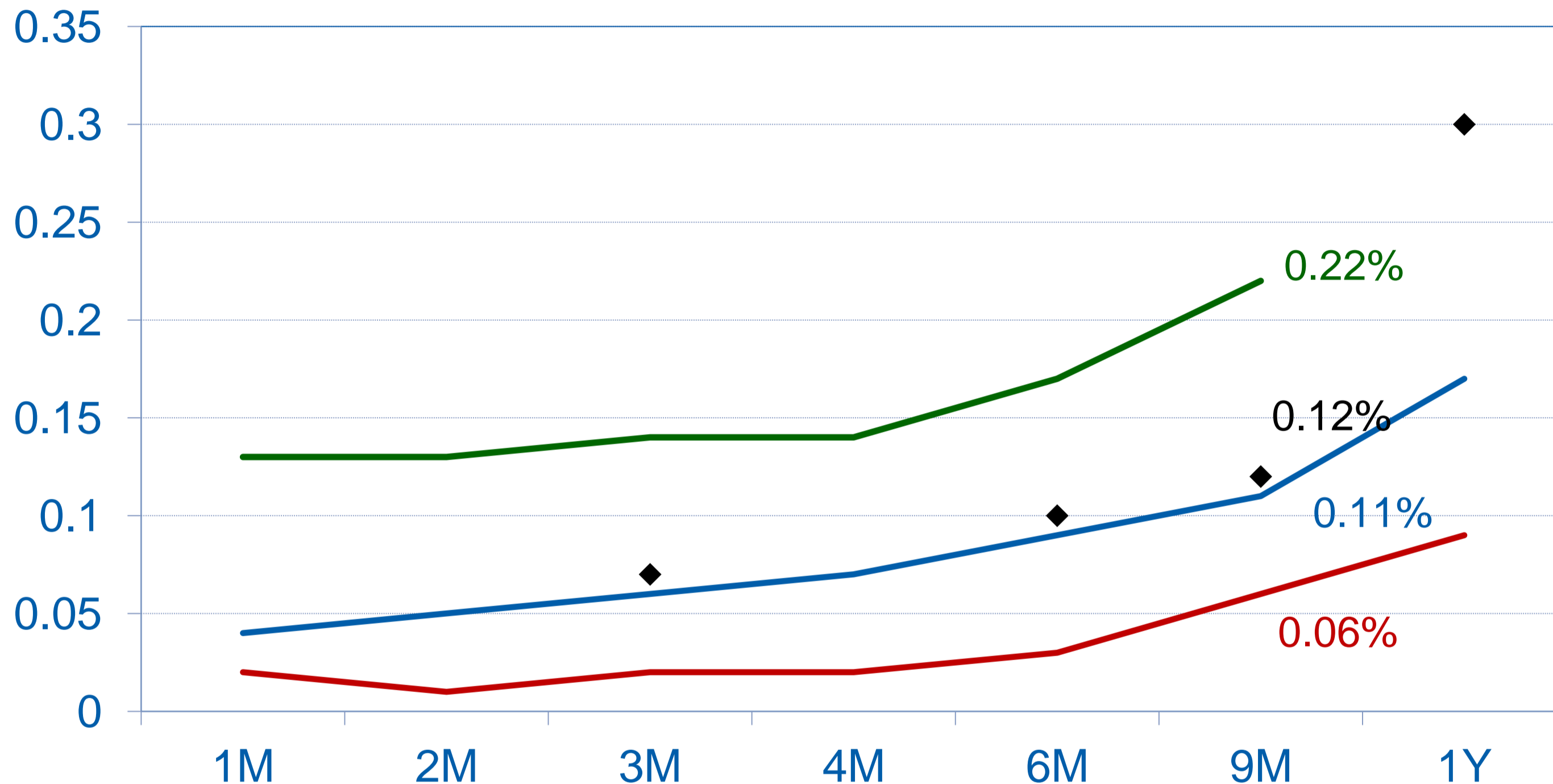


Source: Crane Data, AFP.

SEC Approves Tighter Money-Fund Rules:

- July 23rd, 2014, SEC voted to amend Rule 2a-7, which governs money market funds.
- Some of the amendments will not take effect for two years.
- Currently no immediate impact on operations of money market funds
- MC Shift into government MMF, CP's, etc.

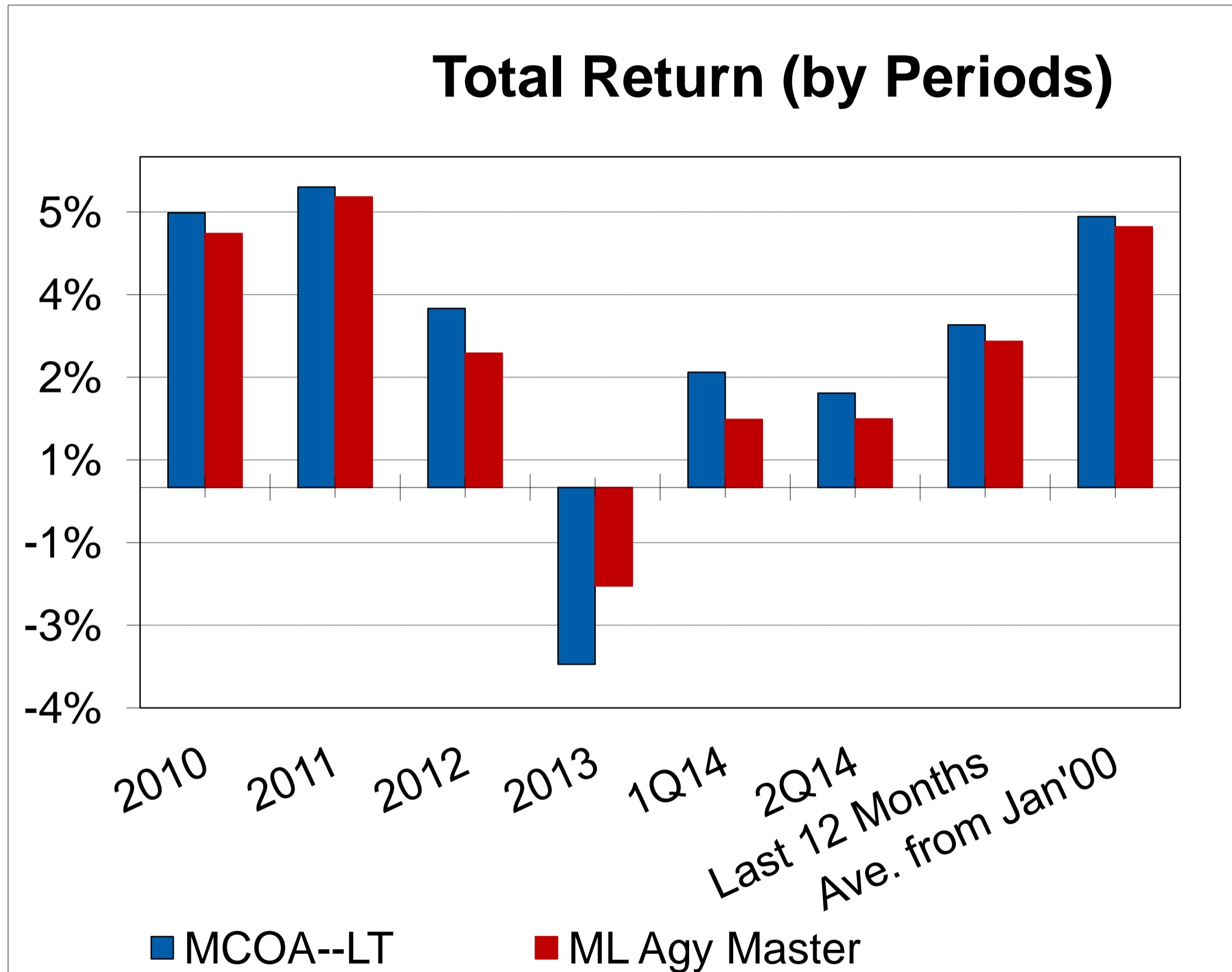
Short Term Money Market Rates, (%).



— US T-bills — US Disc notes — US Dealer CP Top Tier ◆ CDARS Program

Source: Bloomberg

Total Return, LT Portfolio



- AUM, \$459M
- +47 bps (above) Index in 2Q
- +19 bps/year ave. over index for last 15 yrs

Source: Metropolitan Council, Bloomberg

Investment Plans for Long-term Portfolio

- Use cash balances to maintain effective duration within a range of 2 - 6.
- Minimal activity in 2H14 unless some bonds are called.
- May need to transfer some cash back to short-term portfolio.

S&P 500 Index

SPX ↓ 1997.92 +9.52 1987.43 / 2000.14
 At 15:31 d 0 1991.74 H 2001.95 L 1991.74 Prev 1988.40

SPX Index 95) Save As 96) Actions 97) Edit 98) Table Line Chart

10/30/2007 - 08/25/2014 Last Price Line 1) Compare Mov. Avgs No Lower Chart USD

1D 3D 1M 6M YTD 1Y 5Y Max Daily Security/Study Event



2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000

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 SN 563612 CDT GMT-5:00 H435-5701-0 25-Aug-2014 16:42:55

Source: Bloomberg



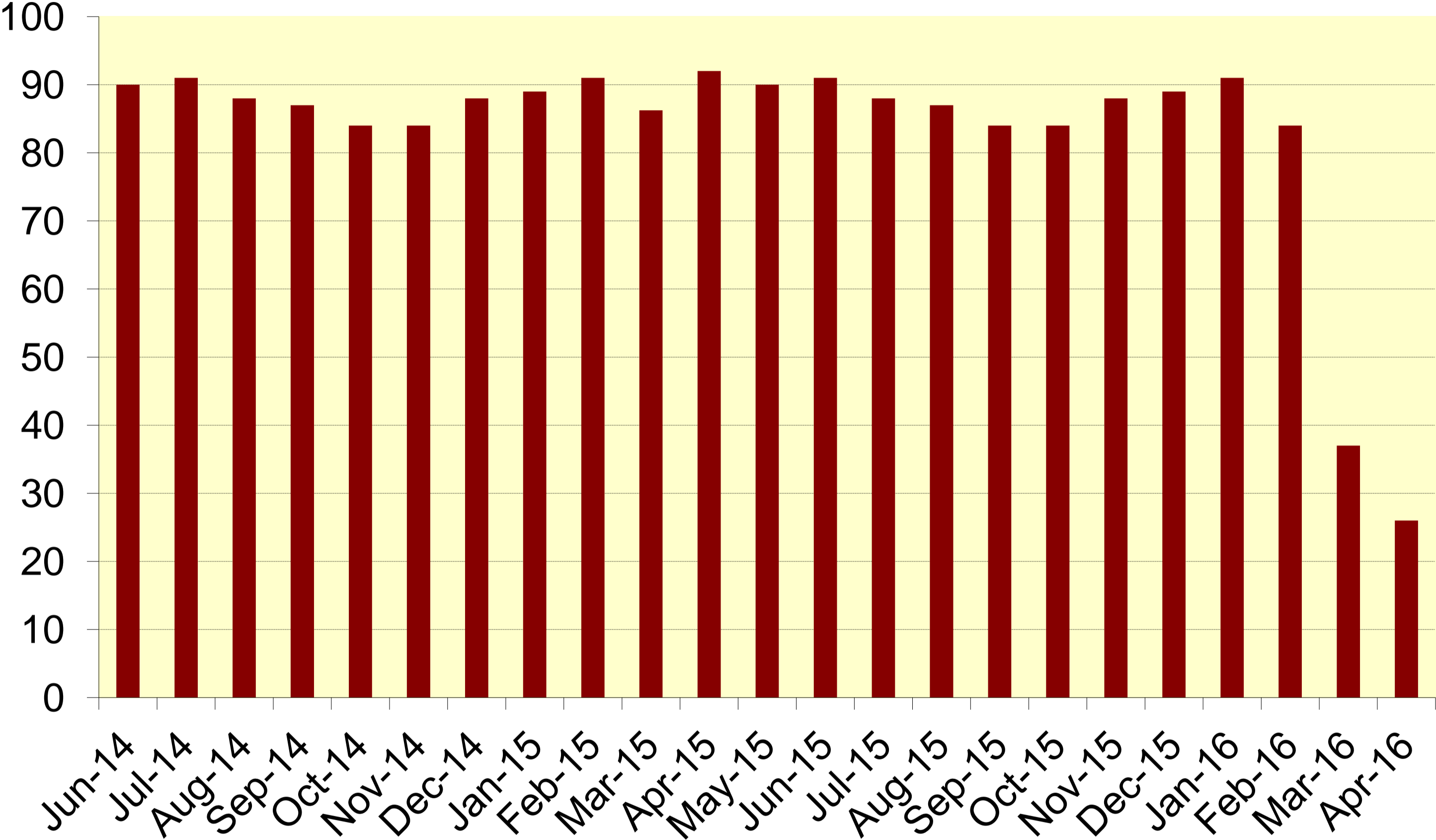
OPEB 2Q14 Port Results

- OPEB @ 5.21% ; S&P 500 Index @ 5.23%
- 2Q14 unrealized gain is \$ 8.6M
- Value: 03-31-14: \$ 175.8MM
06-30-14: \$ 186.1MM
08-29-14: \$ 198.3MM
- Allocation to equities and cash

Allocation Expectations: OPEB

- Future asset allocation strategy under review and will incorporate recent actuarial analysis.
- Equity markets will remain volatile due to market uncertainty fueled by geopolitical risks.

Diesel Hedging Program



Source: Metropolitan Council



Expectations: HO (diesel)

- In the short run, commodity markets will remain volatile -
 - Tensions in Ukraine continue to support higher prices
- Stable prices in the long term, as US production continues to be strong.
- Larger US production is helping to restrict inflation.

Questions

