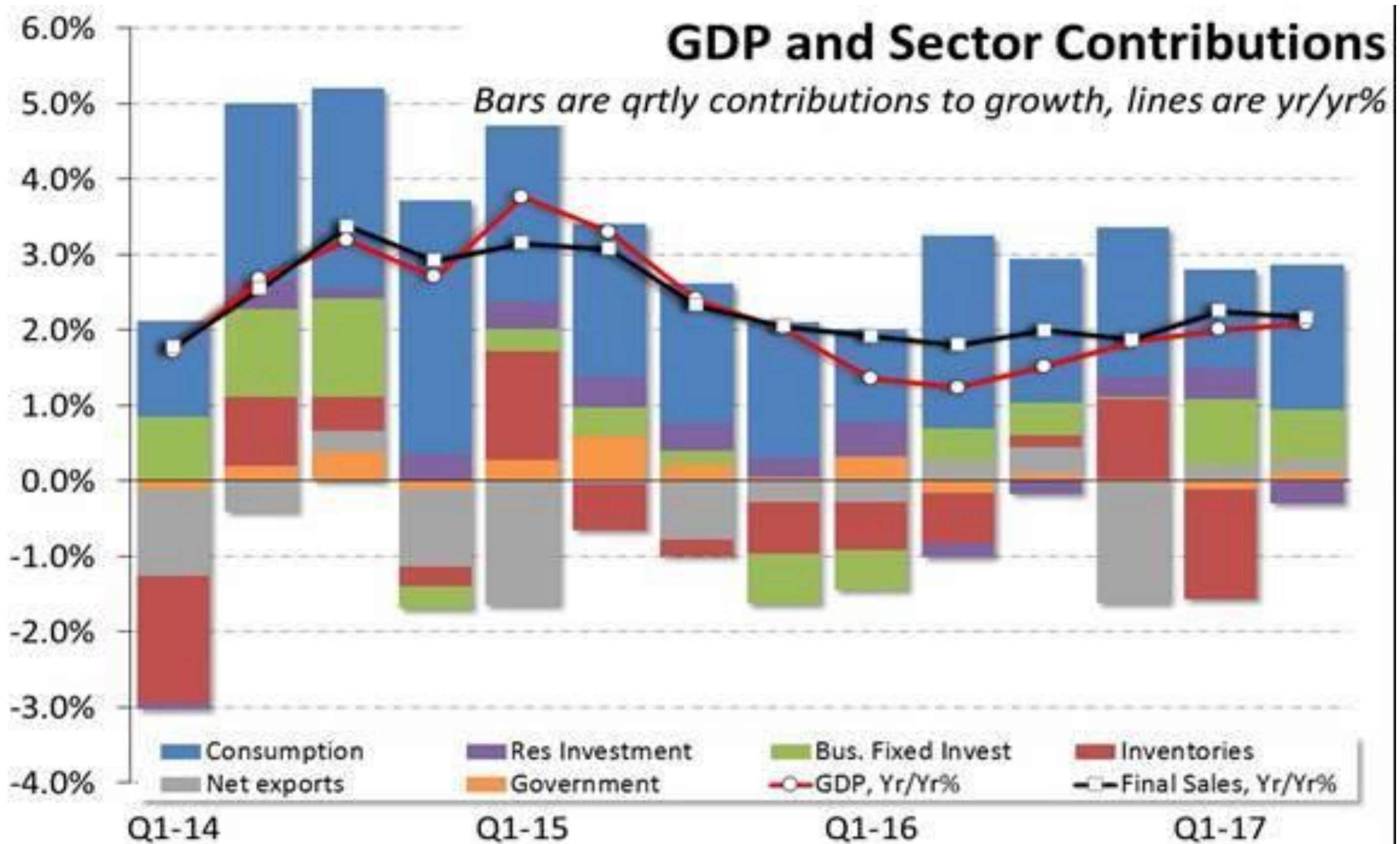


2Q17 Investment Results for the Management Committee

9-13-17

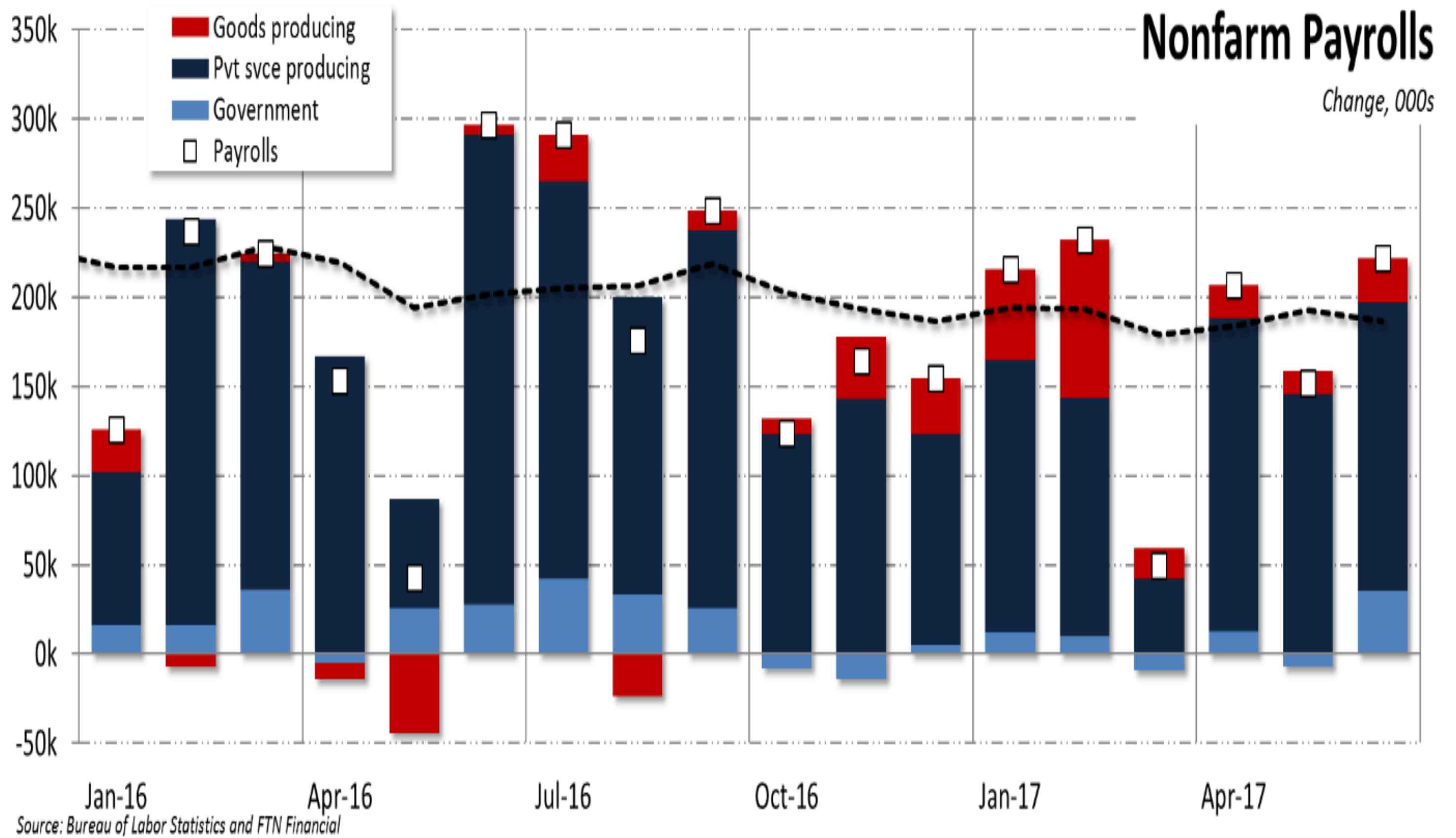
Economic Review: Real GDP



Source: Bureau of Economic Analysis and FTN Financial

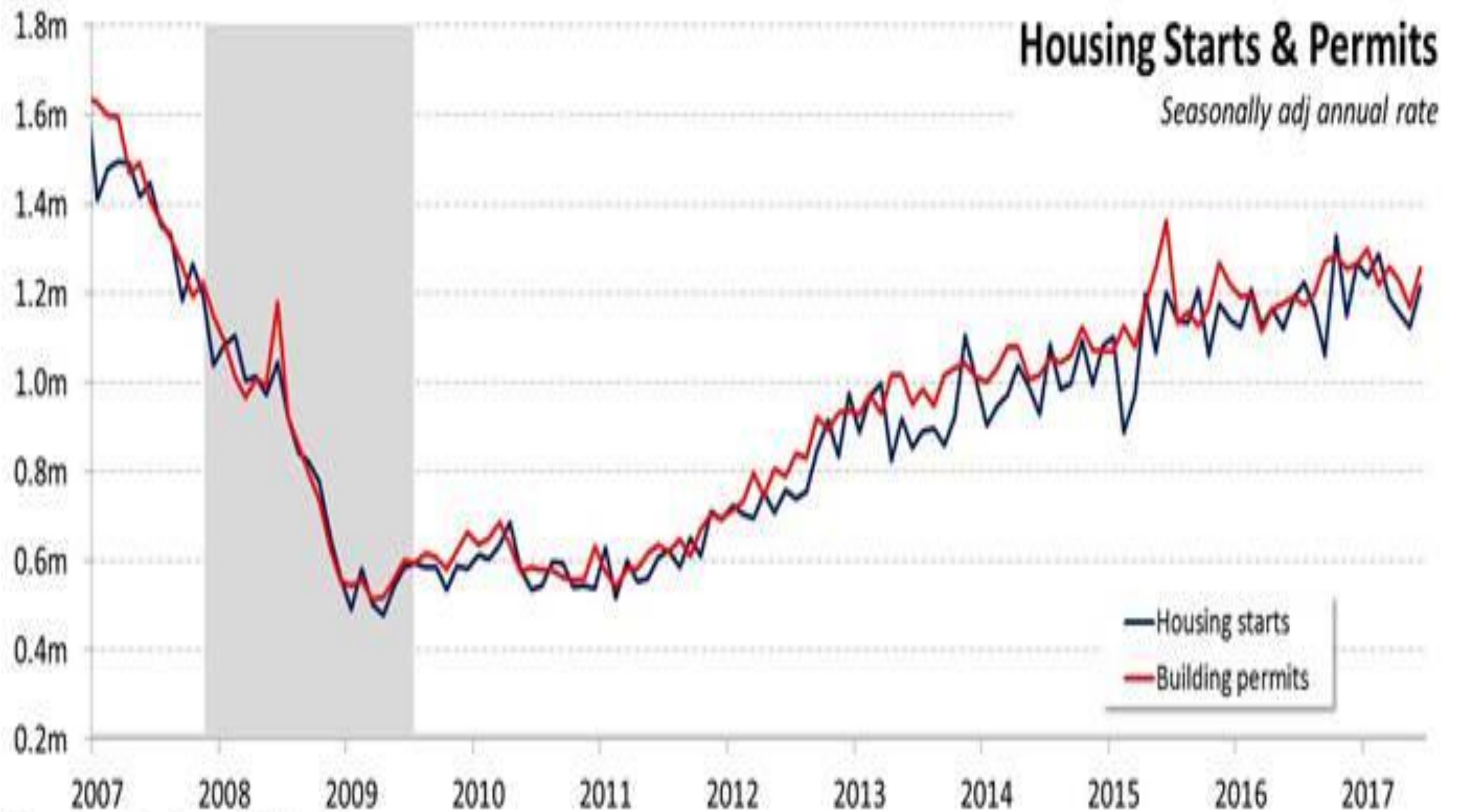
Source: Bureau of Economic Analysis and FTN Financial

US Nonfarm Payrolls



Source: Bureau of Labor Statistics and FTN Financial

Housing Starts & Permits



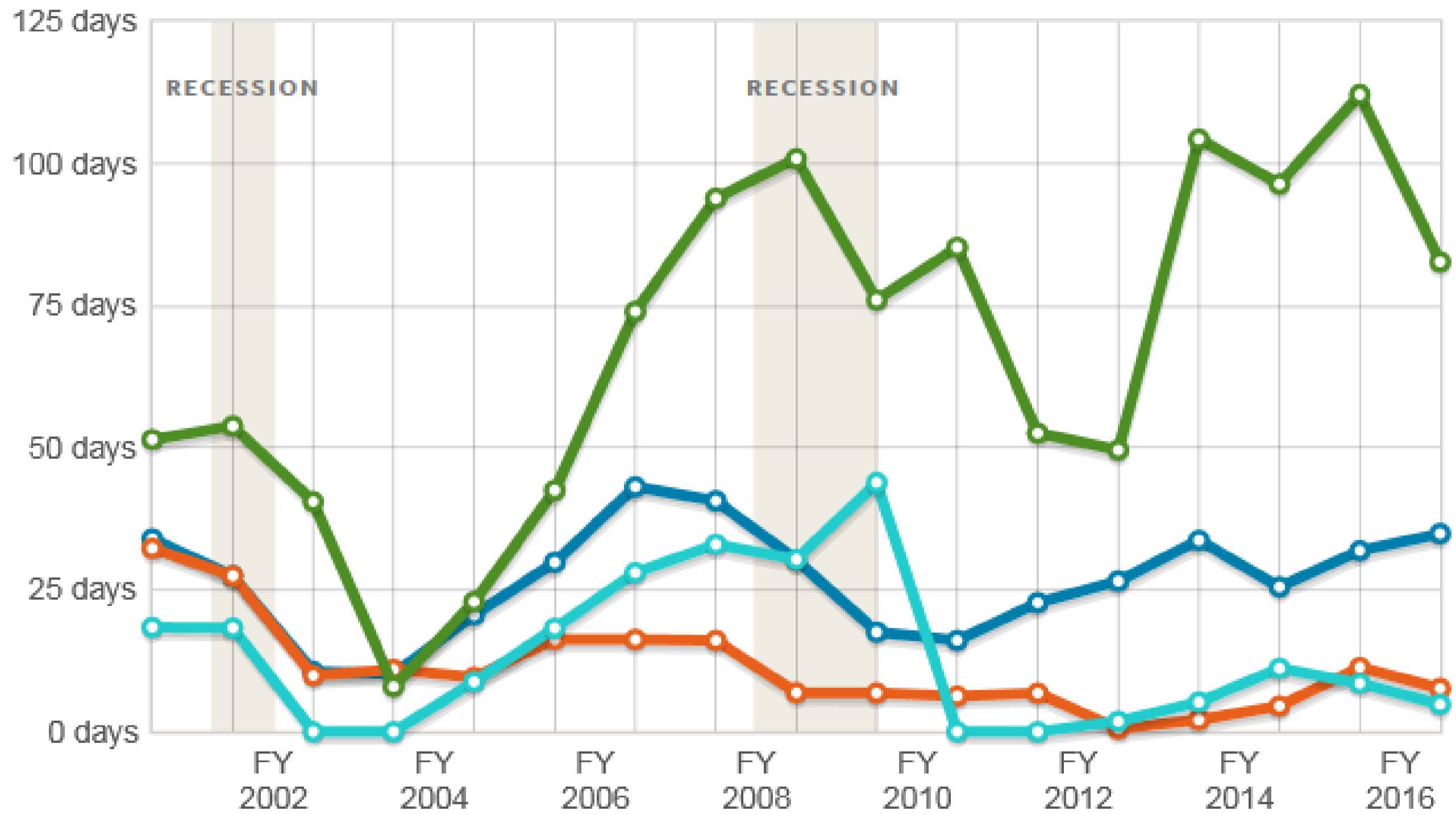
Source: Bureau of the Census and FTN Financial

Source: Bureau of the Consensus & FTN Financial

State's Cashflow

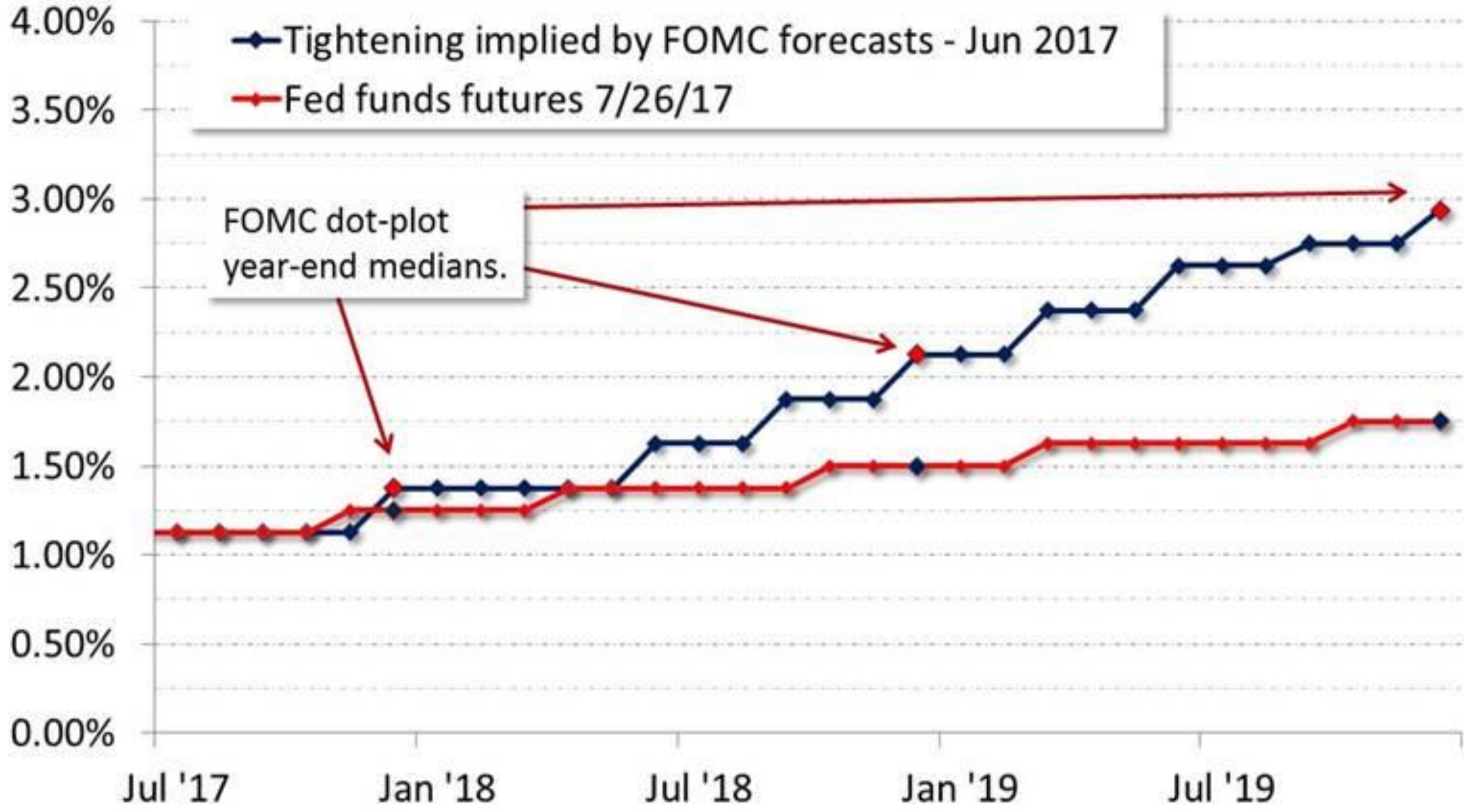
Days Each State Could Run on Total Balances, FY 2000-16

■ 50-state median ■ Illinois ■ Texas ■ Connecticut



Source: FTN

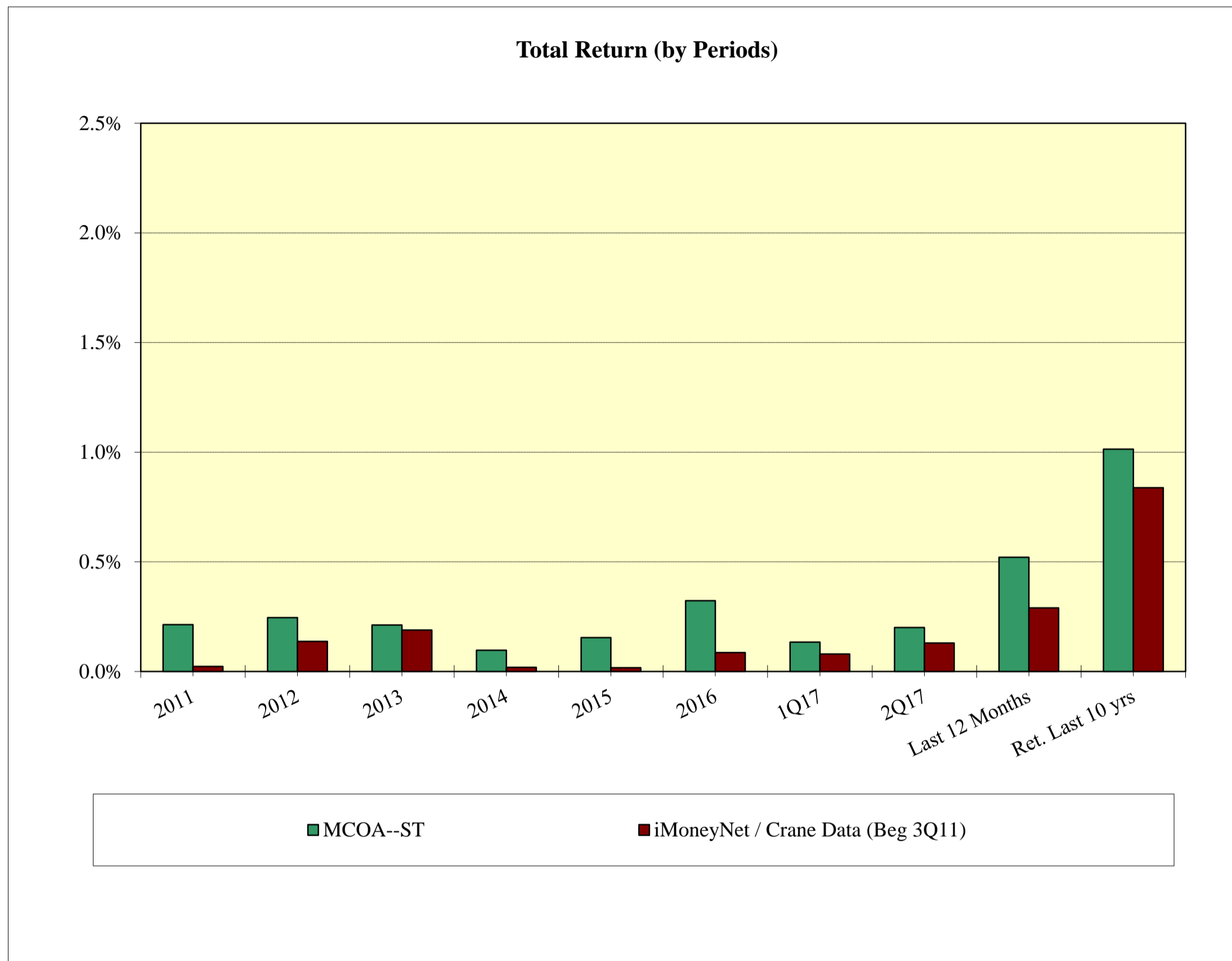
Fed Rate Hike Probability



Source: Federal Reserve, Bloomberg & FTN Financial

Source: Federal Reserve, Bloomberg & FTN Financial

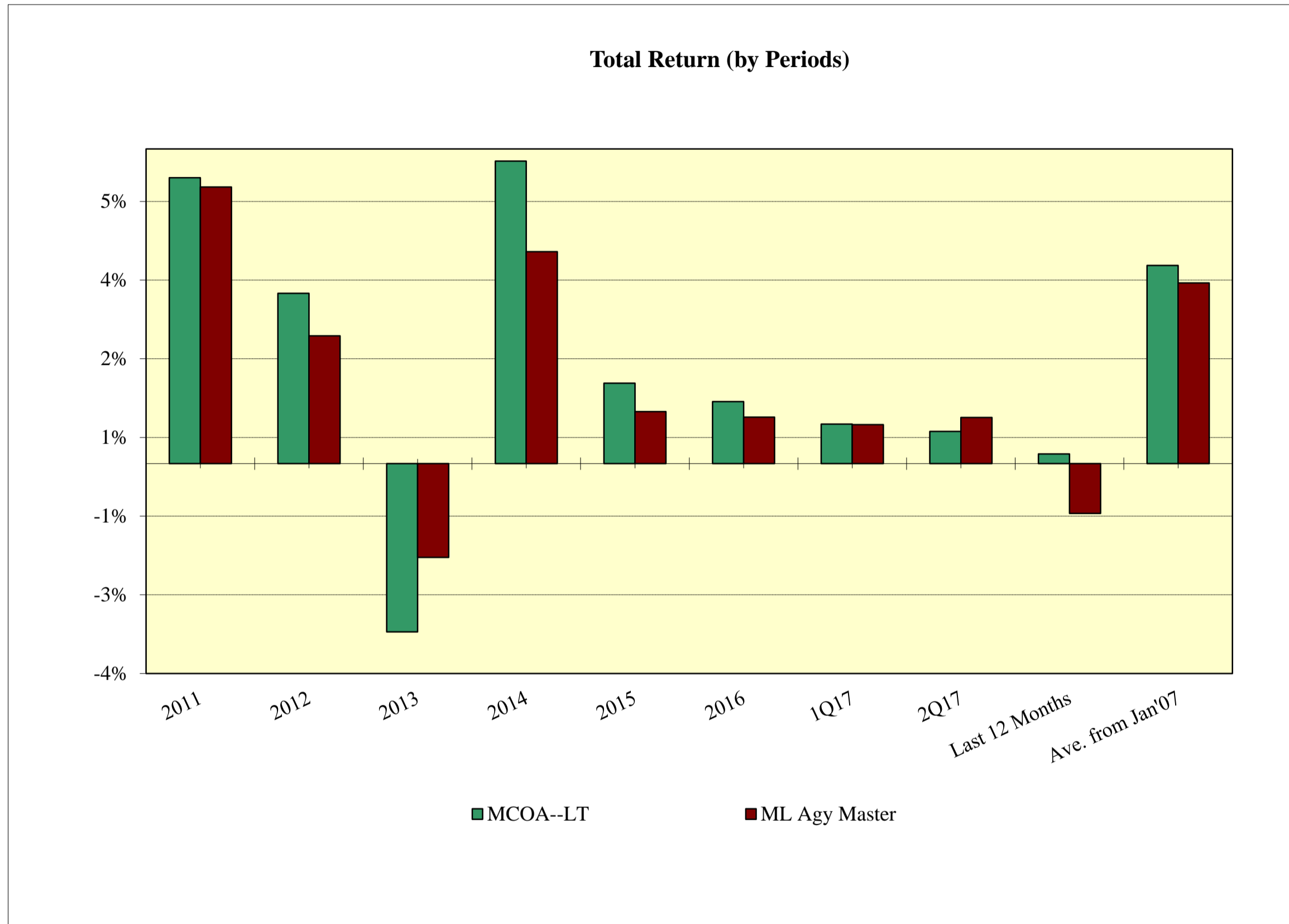
Total Return, ST Portfolio



- +7 bps (above) Index in 2Q17
- +18 bps/year ave. over the last 10 years

Source: Metropolitan Council, Bloomberg

Total Return, LT Portfolio



- 13 bps (below) Index in 2Q17
- +33 bps/year ave. over the last 10 years

Source: Metropolitan Council, Bloomberg

Investment Plans for Long-term Portfolio

- Use cash balances to maintain effective duration within a range of 2 - 6.
- Cash can be utilized to purchase high yielding securities should rates rise in the near future.
- With yields rising, expect duration to increase and experience unrealized losses.

S&P 500 Index



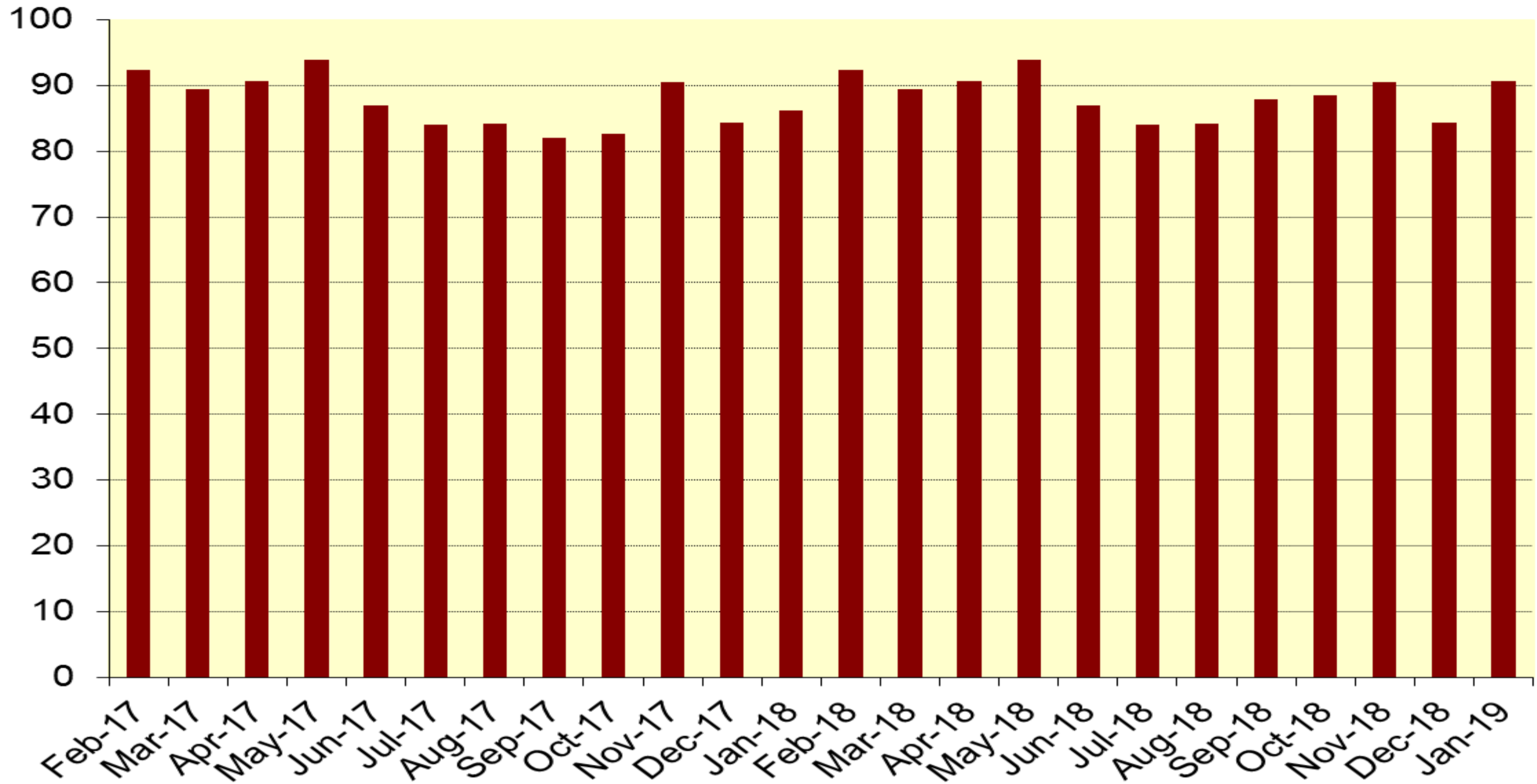
Source: Bloomberg

OPEB 2Q17 Results

- OPEB @ 2.79% ; S&P 500 Index @ 3.09%
- 2Q17 unrealized gain is \$ 6.8M

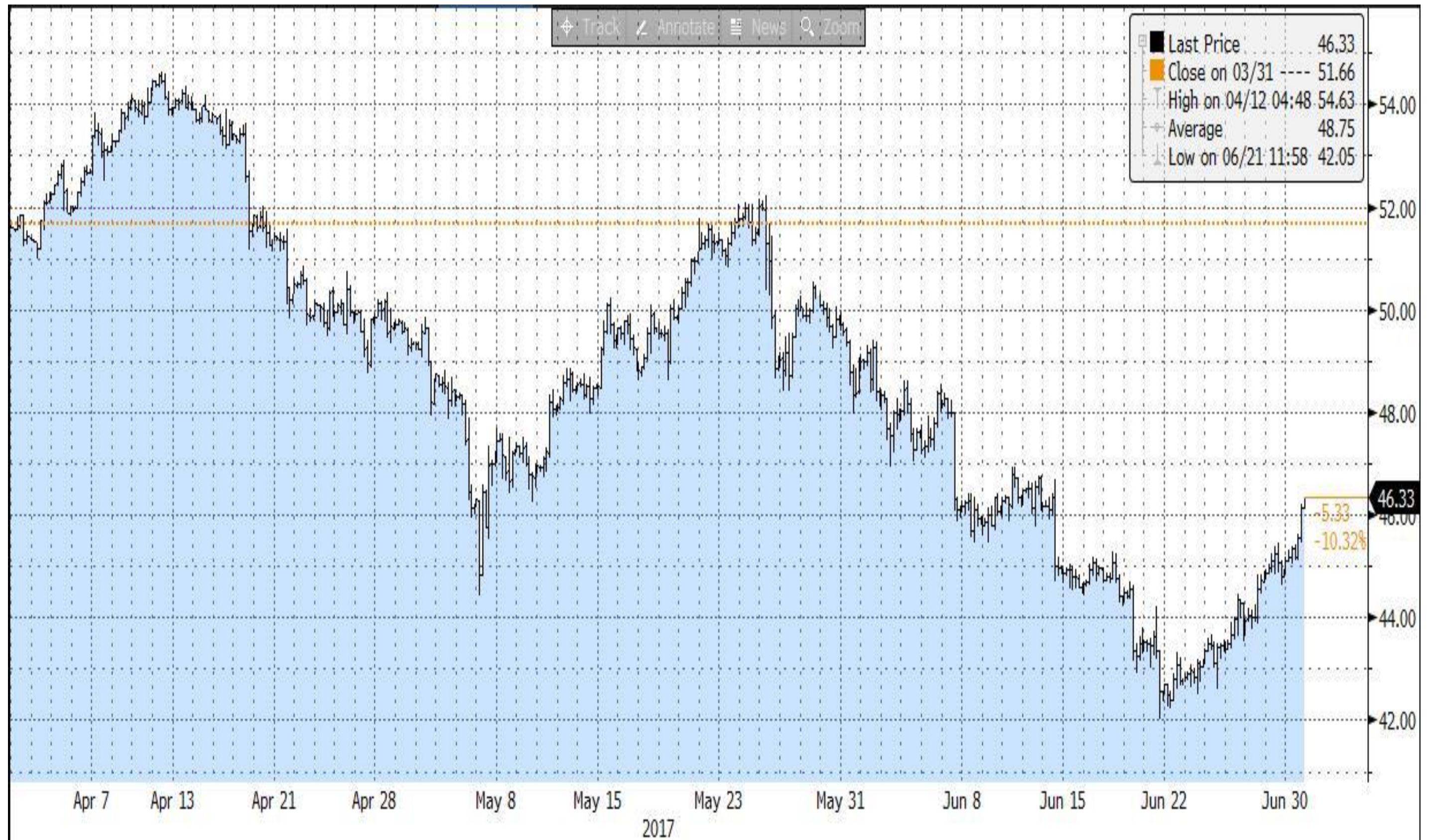
			<u>Total</u>
• Value:	09-30-16:	\$222.4 MM	
	Internal 09-30-16:	\$ 9.4 MM	\$231.8 MM
	12-31-16:	\$229.6 MM	
	Internal 12-31-16:	\$ 8.3 MM	\$237.9 MM
	03-31-17:	\$242.3 MM	
	Internal 03-31-17:	\$ 7.8 MM	\$250.1 MM
	06-30-17:	\$249.1 MM	
	Internal 06-30-17:	\$ 5.2 MM	\$254.3 MM

Diesel Hedging Program



Source: Metropolitan Council

Crude Oil: What's Happening



Source: Bloomberg

Questions

