

**METRO**

**INVESTMENT REPORT**

**(GENERAL FUND)**

**AUGUST 2010**

**Metropolitan Transit Authority of Harris County**  
**Monthly Investment Report - Board Summary for General Funds**  
**For the Month Ended August 31, 2010**

<u>Portfolio Statistics</u>	<u>Current Month</u>	<u>Fiscal YTD</u>	<u>Change in Market Value</u>	<u>Market Value</u>
Average Funds Invested	78,546,262	108,788,081	Market Value As of July 31 2010	76,338,454
Interest Income	40,840	455,124	Change in Value of Securities Held	14,063
Market Returns	0.826%	0.727%	Increase in Sales Tax Received over Prior Month	9,818,478
Realized Returns (Annualized)	0.614%	0.481%	FTA Reimbursements Received (N & SE "Old" Grants)	14,024,960
Benchmark Returns	0.208%	0.124%	Decrease in Payments to Fuel Supplier	451,832
Returns Over / <Under> Benchmark	0.406%	0.357%	Increase in Payroll Taxes Deposited *	(596,182)
Portfolio Wtd Avg. Days Outstanding	152	121	Increase in Debt Service Reserve Contributions	(478,625)
LGIP Wtd Avg. Days Outstanding (1)	49	49	Payments to Facility Providers for East End	(3,865,864)
			City of Houston General Mobility Payments	(17,114,182)
			Increase in Vendor Payments- Motorola Radios	(9,618,930)
			Net Change in Other Items Under \$20K	51,573
			Market Value As of August 31, 2010	<u>69,025,576</u>
			Change In Market Value	(7,312,878)
			* 5 Mondays in August vs. 4 Mondays in July	
<u>Distribution of Assets</u>	<u>Maturity</u>	<u>Value (Par)</u>	<u>% of Total</u>	
Cash		1,053,179	1.54%	
Money Market Funds		13,780,133	20.20%	
Investment Pools		33,370,389	48.93%	
Municipal Commercial Paper		10,000,000	14.66%	
U.S. Treasury Notes		10,000,000	14.66%	
U.S. Agency Bonds		-	0.00%	
Certificate of Deposit		-	0.00%	
<b>Total of All Funds</b>		<u>68,203,701</u>	<u>100.00%</u>	
	<u>Maturity</u>	<u>Value (Par)</u>	<u>% Over /</u>	
			<u>&lt;Under&gt;</u>	
<u>Cash Flow Targets</u>		68,203,701		
Total Working Capital		49,500,000	37.8%	
Minimum 15%				
<u>Minority Owned Business Participation</u>	<u>Broker</u>	<u>Par Value</u>	<u>% of Total</u>	
		<u>Portfolio</u>		
City of Houston CUS	Ramirez & Co.	10,000,000	14.66%	

<u>Monthly Change in Cash</u>	<u>Book Value</u>
<u>Inflows:</u>	
Sales Tax	48,179,210
FTA Grants	14,024,960
Operations	<u>7,374,213</u>
Total Inflows	69,578,384
<u>Outflows:</u>	
Contractors and Vendors	54,826,186
Payroll and Payroll Taxes	14,346,010
Employee Benefits	5,447,187
Debt Service / Credit Facility Fees	1,975,112
Risk Management Claims	<u>313,941</u>
Total Outflows	76,908,437

Note: GMP carryover was \$90.4 million as of August 31, 2010. Net Cash In <Out> (7,330,053)

(1) This weighted average maturity calculation for TexStar uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

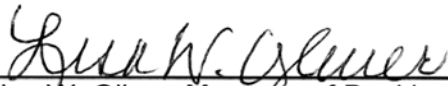
**Metropolitan Transit Authority of Harris County  
 Monthly Investment Report for General Funds  
 As of August 31, 2010  
 Portfolio Summary Management Report**

The following is a monthly summary of METRO's Investment Portfolio:

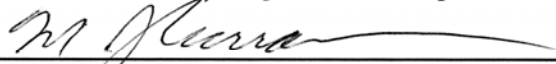
Book Value As of July 31 2010	\$ 75,632,880
Book Value As of August 31, 2010	\$ 68,302,827
Change in Book Value	(7,330,053)
Market Value As of July 31 2010	\$ 76,338,454
Market Value As of August 31, 2010	\$ 69,025,576
Change In Market Value *	(7,312,878)
Interest Receivable As of August 31, 2010	118,268
Weighted Average Days Outstanding	151.94
Weighted Average Years Outstanding	0.42
Realized Returns for the Current Month	0.61%
Avg. Return for Treasury Notes Maturing December 30, 2010	0.21%

\* Change in market Value is presented in accordance with the Public Funds Investment Act and primarily reflects receipts, expenditures, securities purchases and maturities and changes in the marketability of securities held at the end of the period.

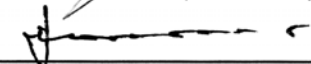
The Working Capital Portfolio is managed in full compliance with the Public Funds Investment Act, the Investment Policy and Strategy of the Metropolitan Transit Authority of Harris County and under the safety parameters set by the Board of Directors.



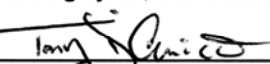
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 Lisa W. Oliver, Manager of Banking, Investments and Debt Services



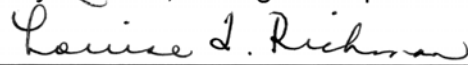
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 Michael Curran, Pension, Trust and Tax Revenue Administrator



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 Phil Nguyen, Director of Treasury Services



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 Tony D'Amico, Manager of Operations Management Analysis



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 Louise T. Richman, Vice President and Chief Financial Officer

**Metropolitan Transit Authority of Harris County  
Monthly Changes in Position for General Funds  
As of August 31, 2010**

No.	Description	Coupon	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value	
									7/31/2010	8/31/2010	7/31/2010	8/31/2010
	Chase Bank of Texas - DDA		1-Sep-10	31-Aug-10	1,053,179	1,053,179	100.00	MMA	1,002,837	1,053,179	1,002,837	1,053,179
	Aim Treasury Fund	0.04%	1-Sep-10	31-Aug-10	13,535,910	13,535,910	100.00	MMA	20,435,299	13,535,910	20,435,299	13,535,910
	SEI Government Fund	0.00%	1-Sep-10	31-Aug-10	813	813	100.00	MMA	813	813	813	813
	TexStar Investment Pool	0.22%	1-Sep-10	31-Aug-10	14,204,006	14,204,006	100.00	LGIP	14,800,521	14,204,006	14,800,521	14,204,006
	TexStar Investment Pool Stimulus	0.22%	1-Sep-10	31-Aug-10	19,166,384	19,166,384	100.00	LGIP	19,162,879	19,166,384	19,162,879	19,166,384
	JPMorgan Government Fund	0.02%	1-Sep-10	31-Aug-10	243,410	243,410	100.00	MMA	128,291	243,410	128,291	243,410
4434	City of Houston CUS	0.24%	13-Sep-10	06-Jul-10	10,000,000	10,000,000	100.00	MCP	10,000,000	10,000,000	10,000,000	10,000,000
3566	T 3.625 05/15/13	3.63%	15-May-13	12-Jun-03	10,000,000	10,364,063	103.64	T	10,102,238	10,099,125	10,807,813	10,821,875
<b>Total General and Operating Funds</b>									<b>75,632,880</b>	<b>68,302,827</b>	<b>76,338,454</b>	<b>69,025,576</b>