

**METRO**

**INVESTMENT REPORT  
(CONSTRUCTION FUND)**

**OCTOBER 2010**

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

**Portfolio Statistics**

	<u>Current Month</u>	<u>Fiscal YTD</u>
Average Funds Invested	81,773,893	81,773,893
Interest Income	13,620	13,620
Market Returns	0.196%	0.196%
Realized Returns (Annualized)	0.196%	0.196%
Benchmark Returns	0.145%	0.145%
Returns Over / <Under> Benchmark	0.051%	0.051%
Weighted Avg. Days Outstanding	1	1
LGIP Wtd Avg. Days Outstanding (1)	52	52

**Change in Market Value**

	<u>Market Value</u>
Market Value As of September 30, 2010	93,381,871
Interest Received	13,624
Contributions to Debt Service Reserves and Sinking Fund	1,158,531
Receipt of BABs Subsidy from IRS	993,240
Payments to Facility Providers	(11,361,536)
Payments to Bus Manufacturers	(1,571,330)
Debt Service Payments from I&S Fund	(13,807,393)
Market Value As of October 31, 2010	<u>68,807,008</u>
Change In Market Value	(24,574,863)

**Distribution of Assets**

	<u>Maturity Value (Par)</u>	<u>% of Total</u>
Cash	25,515	0.04%
Money Market Funds	2,352,529	3.42%
Investment Pools	66,428,964	96.54%
<b>Total of All Funds</b>	<u>68,807,008</u>	100.00%

**Monthly Change in Cash**

	<u>Book Value</u>
<b>Inflows:</b>	
Interest Received	13,624
Deposits to Debt Service Reserves and Interest and Sinking Fund	2,151,771
Total Inflows	<u>2,165,396</u>

**Distribution of Funds:**

Commercial Paper Proceeds	2,713
COPS Series 2008A Proceeds	60
COPS Series 2008B Proceeds	12
COPS Series 2008B Interest & Sinking	22,531
COPS Series 2008B Debt Service Reserve	4,706,495
Sales & Use Tax Series 2009A Proceeds	939
Sales & Use Tax Series 2009B Proceeds	950,280
Sales & Use Tax Series 2009C Proceeds	35,570,868
Sales & Use Tax Series 2009D Proceeds	1,163
Sales & Use Tax Series 2010A Proceeds	23,168,153
Sales & Use Tax Series 2009 A&C Debt Service Reserve	2,634,315
Sales & Use Tax Series 2009 B&D Debt Service Reserve	1,473,906
Sales & Use Tax Series 2009 AB&C & 2010A I&S Fund	275,573
<b>Total Construction Funds</b>	<u>68,807,008</u>

**Outflows:**

Payment to HRT	11,058,351
Payment to Parsons Transportation	152,534
Payment to Houston O&M	150,651
Payment to Daimler Buses NA	1,571,330
Debt Service Paid from I&S Fund	13,807,393
Total Outflows	<u>26,740,259</u>
Net Cash In <Out>	(24,574,863)

(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.

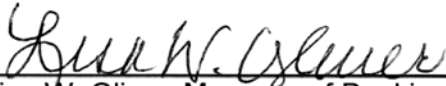
**Metropolitan Transit Authority of Harris County  
 Monthly Investment Report for Construction Funds  
 As of October 31, 2010  
 Portfolio Summary Management Report**

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

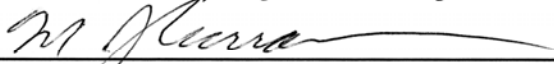
Book Value As of September 30, 2010	93,381,871
Book Value As of October 31, 2010	68,807,008
Change in Book Value	(24,574,863)
Market Value As of September 30, 2010	93,381,871
Market Value As of October 31, 2010	68,807,008
Change In Market Value *	(24,574,863)
Interest Receivable As of October 31, 2010	103
Weighted Average Days Outstanding	1.00
Weighted Average Years Outstanding	0.00
Realized Returns for the Current Month	0.20%
Avg. Return for Treasury Notes Maturing December 30, 2010	0.15%

\* 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.

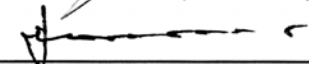
The Working Capital Portfolio is managed in full compliance with the Public Funds Investment Act, the Investment Policy and Strategy of the Metropolitan Transit Authority of Harris County and under the safety parameters set by the Board of Directors.



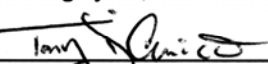
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 Lisa W. Oliver, Manager of Banking, Investments and Debt Services



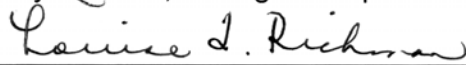
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 Michael Curran, Pension, Trust and Tax Revenue Administrator



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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 Construction Funds  
 For the Month Ended October 31, 2010**

Description	Coupon	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value	
								9/30/2010	10/31/2010	9/30/2010	10/31/2010
<b><u>METRO Construction Funds</u></b>											
Comercial Paper Proceeds		1-Nov-10	31-Oct-10	1,817	1,817	100.00	DDA	1,817	1,817	1,817	1,817
Comercial Paper Proceeds (SEI)	0.00%	1-Nov-10	31-Oct-10	29	29	100.00	MMA	29	29	29	29
Comercial Paper Proceeds(TexStar)	0.22%	1-Nov-10	31-Oct-10	867	867	100.00	LGIP	867	867	867	867
Series 2008A Proceeds (Wells Fargo)	0.00%	1-Nov-10	31-Oct-10	60	60	100.00	DDA	60	60	60	60
Series 2008B Proceeds (Wells Fargo)	0.00%	1-Nov-10	31-Oct-10	12	12	100.00	DDA	12	12	12	12
Series 2008B DSR (Wells Fargo)	0.00%	1-Nov-10	31-Oct-10	1,095	1,095	100.00	DDA	1,095	1,095	1,095	1,095
Series 2008B I&S (Wells Fargo)	0.00%	1-Nov-10	31-Oct-10	22,531	22,531	100.00	DDA	22,015	22,531	22,015	22,531
Series 2008B DSR TexStar	0.22%	1-Nov-10	31-Oct-10	2,352,900	2,352,900	100.00	LGIP	2,352,909	2,352,900	2,352,909	2,352,900
Series 2008B DSR SEI	0.06%	1-Nov-10	31-Oct-10	2,352,500	2,352,500	100.00	MMA	2,352,500	2,352,500	2,352,500	2,352,500
Series 2009A Proceeds	0.22%	1-Nov-10	31-Oct-10	939	939	100.00	LGIP	939	939	939	939
Series 2009B Proceeds	0.22%	1-Nov-10	31-Oct-10	950,280	950,280	100.00	LGIP	950,119	950,280	950,119	950,280
Series 2009C Proceeds	0.22%	1-Nov-10	31-Oct-10	35,570,868	35,570,868	100.00	LGIP	46,926,333	35,570,868	46,926,333	35,570,868
Series 2009D Proceeds	0.22%	1-Nov-10	31-Oct-10	1,163	1,163	100.00	LGIP	1,163	1,163	1,163	1,163
Series 2010A Proceeds	0.22%	1-Nov-10	31-Oct-10	23,168,153	23,168,153	100.00	LGIP	24,735,358	23,168,153	24,735,358	23,168,153
Series 2009 A&C Debt Serv Res	0.22%	1-Nov-10	31-Oct-10	2,634,315	2,634,315	100.00	LGIP	2,479,133	2,634,315	2,479,133	2,634,315
Series 2009 B Debt Serv Res	0.22%	1-Nov-10	31-Oct-10	1,473,906	1,473,906	100.00	LGIP	1,319,082	1,473,906	1,319,082	1,473,906
Series 2009 Interest & Sinking Fund	0.22%	1-Nov-10	31-Oct-10	275,573	275,573	100.00	LGIP	12,238,441	275,573	12,238,441	275,573
<b>Total Construction Funds</b>				<b>68,807,008</b>	<b>68,807,008</b>			<b>93,381,871</b>	<b>68,807,008</b>	<b>93,381,871</b>	<b>68,807,008</b>