

**METRO**

**INVESTMENT REPORT**

**(GENERAL FUND)**

**OCTOBER 2010**

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

<b>Portfolio Statistics</b>	<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Change in Market Value</b>	<b>Market Value</b>
Average Funds Invested	94,144,992	94,144,992	Market Value As of September 30, 2010	120,272,132
Interest Income	43,234	43,234	Change in Market Value of Securities Held	12,501
Market Returns	0.699%	0.699%	Increase in Sales Tax Received over Prior Month	335,876
Realized Returns (Annualized)	0.542%	0.542%	Decrease in Medical Claims Paid over Prior Month	77,791
Benchmark Returns	0.164%	0.164%	GMP Escrow Funding	(30,252,000)
Returns Over / <Under> Benchmark	0.378%	0.378%	Semi-Annual Debt Service for Series 2008 A & B	(9,555,597)
Portfolio Wtd Avg. Days Outstanding	137	137	Payments to Facility Providers for East End	(8,310,653)
LGIP Wtd Avg. Days Outstanding (1)	52	52	Increase 457 Plan Contributions over Prior Month	(254,700)
			Increase in Risk Management Claims Paid over Prior Month	(20,888)
			Net Change in Other Items Under \$20K	(6,146)
			Market Value As of October 31, 2010	<u>72,298,315</u>
			Change In Market Value	(47,973,817)
<b>Distribution of Assets</b>	<b>Maturity Value (Par)</b>	<b>% of Total</b>	<b>Monthly Change in Cash</b>	<b>Book Value</b>
Cash	1,002,760	1.40%	Inflows:	
Money Market Funds	15,224,965	21.30%	Sales Tax	37,502,457
Investment Pools	35,234,653	49.31%	FTA Grants	4,823,038
Municipal Commercial Paper	10,000,000	13.99%	Operations	<u>6,388,460</u>
U.S. Treasury Notes	10,000,000	13.99%	Total Inflows	48,713,956
U.S. Agency Bonds	-	0.00%	Outflows:	
Certificate of Deposit	-	0.00%	Contractors and Vendors	62,473,673
<b>Total General Funds</b>	<u>71,462,377</u>	100.00%	Payroll and Payroll Taxes	17,118,120
			Employee Benefits	5,137,802
			Debt Service / Credit Facility Fees	11,710,156
			Risk Management Claims	<u>263,634</u>
			Total Outflows	96,703,386
<b>Cash Flow Targets</b>	<b>Maturity Value (Par)</b>	<b>% Over / &lt;Under&gt;</b>	Net Cash In <Out>	(47,989,430)
Total Working Capital	71,462,377			
Minimum 15%	53,235,000	34.2%		
<b>General Mobility Escrow (Details Attached)</b>				

Note: GMP carryover was \$87.962 million as of October 31, 2010.

(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.

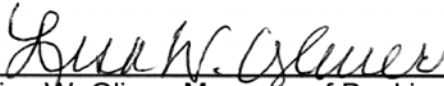
**Metropolitan Transit Authority of Harris County  
 Monthly Investment Report for General Funds  
 As of October 31, 2010  
 Portfolio Summary Management Report**

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

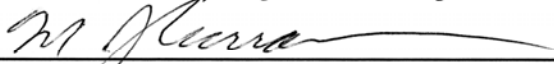
Book Value As of September 30, 2010	\$ 119,544,806
Book Value As of October 31, 2010	\$ 71,555,376
Change in Book Value	(47,989,430)
Market Value As of September 30, 2010	\$ 120,272,132
Market Value As of October 31, 2010	\$ 72,298,315
Change In Market Value *	(47,973,817)
Interest Receivable As of October 31, 2010	\$ 174,202
Weighted Average Days Outstanding	136.70
Weighted Average Years Outstanding	0.37
Realized Returns for the Current Month	0.54%
Avg. Return for Treasury Notes Maturing February 14, 2011	0.16%

\* 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.

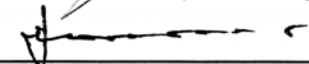
The Working Capital Portfolio is managed in full compliance with the Public Funds Investment Act, the Investment Policy and Strategy of the Metropolitan Transit Authority of Harris County and under the safety parameters set by the Board of Directors.



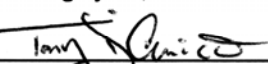
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 Lisa W. Oliver, Manager of Banking, Investments and Debt Services



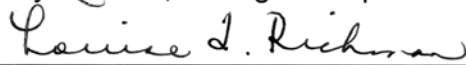
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 Michael Curran, Pension, Trust and Tax Revenue Administrator



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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 October 31, 2010**

No.	Description	Coupon	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value	
									9/30/2010	10/31/2010	9/30/2010	10/31/2010
	Chase Bank of Texas - DDA		1-Nov-10	31-Oct-10	1,002,760	1,002,760	100.00	MMA	1,062,615	1,002,760	1,062,615	1,002,760
	Aim Treasury Fund	0.02%	1-Nov-10	31-Oct-10	15,137,020	15,137,020	100.00	MMA	40,436,503	15,137,020	40,436,503	15,137,020
	SEI Government Fund	0.00%	1-Nov-10	31-Oct-10	813	813	100.00	MMA	813	813	813	813
	TexStar Investment Pool	0.20%	1-Nov-10	31-Oct-10	16,061,681	16,061,681	100.00	LGIP	38,657,272	16,061,681	38,657,272	16,061,681
	TexStar Investment Pool Stimulus	0.20%	1-Nov-10	31-Oct-10	19,172,972	19,172,972	100.00	LGIP	19,169,712	19,172,972	19,169,712	19,172,972
	JPMorgan Government Fund	0.04%	1-Nov-10	31-Oct-10	87,131	87,131	100.00	MMA	121,779	87,131	121,779	87,131
4435	City of Houston CUS	0.30%	12-Oct-10	13-Sep-10	10,000,000	10,000,000	100.00	MCP	10,000,000	Matured	10,000,000	Matured
4436	City of Houston CUS	0.27%	16-Nov-10	12-Oct-10	10,000,000	10,000,000	100.00	MCP	Did Not Own	10,000,000	Did Not Own	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	10,096,112	10,092,999	10,823,438	10,835,938
<b>Total General and Operating Funds</b>									<b>119,544,806</b>	<b>71,555,376</b>	<b>120,272,132</b>	<b>72,298,315</b>

**Metropolitan Transit Authority of Harris County Texas  
General Mobility Escrow Activity Summary  
For the Month Ended October 31, 2010**

Description	Escrow Funding	Disbursements from Escrow	Interest Earned on Escrow Funds	Escrow Balance
Oct-10 Beginning Balance				0
Oct-10 25% of Sales Tax Received 10/8/10 ( \$37,502,457.21 X 25%)	9,375,614			9,375,614
Oct-10 1/12 of FY 2011 Carryover Commitment ( \$61,539,250 /12)	5,128,271			14,503,885
Oct-10 Escrow for FY2010 Payments Due City of Houston and Harris County	15,748,115			30,252,000
Oct-10 FY2010 Payments Due City of Houston and Harris County (details attached)		(15,747,690)		14,504,310
Oct-10 12th Annual Installment - Multi-Cities Congestion Mitigation & Traffic Management Agreements		(2,872,000)		11,632,310
Oct-10 October 2010 Katy, Humble & Missouri City Agreements		(917,218)		10,715,092
Oct-10 October Interest Earned			1,282	10,716,374
Oct-10 Ending Balance	30,252,000	(19,536,908)	1,282	10,716,374

# General Mobility Program

## Political Jurisdictions of Invoiced Projects

October 2010

Project	Invoiced Amount	City Council District	County Precinct	State Representative District	State Senate District	U.S. Congressional District
<b><u>City of Houston</u></b>						
Sabo Road: Kingspoint to Fuqua	\$3,447,690	E Mike Sullivan	1 El Franco Lee	144 Ken Legler	11 Mike Jackson	22 Pete Olson
<b><u>Harris County</u></b>						
Cypresswood Drive: Cypresswood Links Trail to HCFCD K145-05-00	\$900,000	N/A	3 Steve Radack	130 Allen Fletcher	7 Dan Patrick	10 Michael McCaul
Falval Road: Ella to Spring Stuebner Road	\$1,300,000	N/A	4 Jerry Eversole	150 Debbie Riddle	7 Dan Patrick	2 Ted Poe
North Eldridge Parkway: West Little York to FM 529	\$2,100,000	N/A	3 Steve Radack	135 Gary Elkins	7 Dan Patrick	7 John Culberson
Kuykendahl Road: FM 2920 to Willow Creek	\$8,000,000	N/A	4 Jerry Eversole	150 Debbie Riddle	7 Dan Patrick	10 Michael McCaul
Total	\$15,747,690					