

**METRO**

**INVESTMENT REPORT**

**ALL FUNDS**

**MARCH 2012**

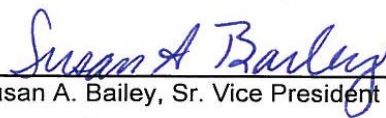
**Metropolitan Transit Authority of Harris County  
Investment Report  
For the Month Ended March 31, 2012  
Portfolio Summary Management Report**

The following is a summary of METRO's Investment Portfolios:

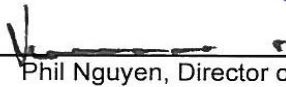
| <b>Fund:</b>                       | <b>General</b> | <b>Construction</b> | <b>General Mobility</b> |
|------------------------------------|----------------|---------------------|-------------------------|
| Prior Month End Book Value         | 260,387,001    | 314,443,689         | 30,156,288              |
| Current Month End Book Value       | 233,562,411    | 297,621,790         | 40,145,958              |
| Change                             | (26,824,590)   | (16,821,899)        | 9,989,670               |
| Prior Month End Market Value*      | 260,809,138    | 314,443,689         | 30,156,288              |
| Current Month End Market Value*    | 233,982,112    | 297,621,790         | 40,145,958              |
| Change                             | (26,827,026)   | (16,821,899)        | 9,989,670               |
| Interest Receivable                | 190,553        | 7,068               | 0                       |
| Weighted Average Days Outstanding  | 174            | 5                   | 1                       |
| Weighted Average Years Outstanding | 0.48           | 0.01                | 0.00                    |
| Yield                              | 0.314%         | 0.121%              | 0.083%                  |
| Benchmark Yield                    | 0.126%         | 0.064%              | 0.036%                  |
| Yield Over / <Under> Benchmark     | 0.188%         | 0.057%              | 0.047%                  |
| LGIP Wtd Avg. Days Outstanding (1) | 48             | 48                  | 48                      |

\* 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.

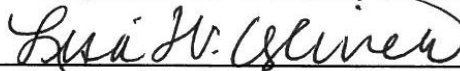
All Funds are managed in full compliance with the Public Funds Investment Act, the Investment Policy and Strategy of the Metropolitan Transit Authority of Harris County and under the safety parameters set by the Board of Directors.



Susan A. Bailey, Sr. Vice President and Chief Financial Officer



Phil Nguyen, Director of Treasury Services



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



Philip Brenner, Director of Budget Services

(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 Changes in Position**  
**For the Month Ended March 31, 2012**

| No.                                | Description                                     | Coupon | Rating      | Maturity  | Purchase  | Par         | Cost        | Price  | Type | Book Value         |                    | Market Value       |                    |
|------------------------------------|---|--------|-------------|-----------|-----------|-------------|-------------|--------|------|--------------------|--------------------|--------------------|--------------------|
|                                    |   |        |             |           |           |             |             |        |      | 2/29/2012          | 3/31/2012          | 2/29/2012          | 3/31/2012          |
| <b>General Fund</b>                |   |        |             |           |           |             |             |        |      |                    |                    |                    |                    |
|                                    | JPMorgan Chase Master                           |        |             | 01-Apr-12 | 31-Mar-12 | 1,209,396   | 1,209,396   | 100.00 | DDA  | 1,109,889          | 1,209,396          | 1,109,889          | 1,209,396          |
|                                    | JPMorgan Chase HOT Lanes                        |        |             | 01-Apr-12 | 31-Mar-12 | 2,385       | 2,385       | 100.00 | DDA  | 765                | 2,385              | 765                | 2,385              |
|                                    | SEI Government Fund                             | 0.02%  | AAAm        | 01-Apr-12 | 31-Mar-12 | 4,151       | 4,151       | 100.00 | MMA  | 47,703,662         | 4,151              | 47,703,662         | 4,151              |
|                                    | TexStar Investment Pool                         | 0.12%  | AAAm        | 01-Apr-12 | 31-Mar-12 | 110,054,620 | 110,054,620 | 100.00 | LGIP | 122,542,156        | 110,054,620        | 122,542,156        | 110,054,620        |
| 4462                               | City of Milwaukee GO                            | 0.15%  | A-1+/F1+    | 14-Mar-12 | 15-Dec-11 | 10,000,000  | 10,000,000  | 100.00 | MCP  | 10,000,000         | Matured            | 10,000,000         | Matured            |
| EWBCD1                             | East West Bank Certificate                      | 0.40%  | Coll = Aaa  | 14-Mar-12 | 15-Dec-11 | 5,000,000   | 5,000,000   | 100.00 | CD   | 5,000,000          | Matured            | 5,000,000          | Matured            |
| 4465                               | Tx Agriculture Finance Authority                | 0.15%  | A-1+/P-1    | 22-Mar-12 | 12-Jan-12 | 9,000,000   | 8,997,375   | 99.97  | MCP  | 8,999,213          | Matured            | 8,997,375          | Matured            |
| 4472                               | City of Milwaukee GO Series T4                  | 0.15%  | A-1+/F1+    | 15-May-12 | 14-Mar-12 | 3,270,000   | 3,270,000   | 100.00 | MCP  | Did Not Own        | 3,270,000          | Did Not Own        | 3,270,000          |
| 4468                               | City of Houston GO - Series H                   | 0.16%  | A-1+/P-1    | 24-May-12 | 23-Feb-12 | 5,000,000   | 5,000,000   | 100.00 | MCP  | 5,000,000          | 5,000,000          | 5,000,000          | 5,000,000          |
| 4474                               | Tx Agriculture Finance Authority                | 0.15%  | A-1+/P-1    | 24-May-12 | 22-Mar-12 | 9,000,000   | 8,997,638   | 99.97  | MCP  | Did Not Own        | 8,998,013          | Did Not Own        | 8,997,638          |
| 4469                               | City of Houston GO - Series G                   | 0.16%  | A-1+/F-1    | 05-Jun-12 | 07-Mar-12 | 10,000,000  | 10,000,000  | 100.00 | MCP  | Did Not Own        | 10,000,000         | Did Not Own        | 10,000,000         |
| 4471                               | City of Milwaukee GO                            | 0.15%  | A-1+/F1+    | 06-Jun-12 | 14-Mar-12 | 10,000,000  | 10,000,000  | 100.00 | MCP  | Did Not Own        | 10,000,000         | Did Not Own        | 10,000,000         |
| EWBCD2                             | East West Bank Certificate                      | 0.40%  | Coll = Aaa  | 12-Jun-12 | 14-Mar-12 | 5,000,000   | 5,000,000   | 100.00 | CD   | Did Not Own        | 5,000,000          | Did Not Own        | 5,000,000          |
| 4473                               | San Antonio Water System                        | 0.15%  | A-1+/P1/F1+ | 14-Jun-12 | 21-Mar-12 | 10,000,000  | 10,000,000  | 100.00 | MCP  | Did Not Own        | 10,000,000         | Did Not Own        | 10,000,000         |
| 4470                               | FHLB 0.16 3/12/12                               | 0.16%  | Aaa         | 08-Feb-13 | 12-Mar-12 | 10,000,000  | 9,994,570   | 99.95  | A    | Did Not Own        | 9,994,896          | Did Not Own        | 9,991,910          |
| 3566                               | T 3.625 05/15/13                                | 3.63%  | Aaa         | 15-May-13 | 12-Jun-03 | 10,000,000  | 10,364,063  | 103.64 | T    | 10,044,190         | 10,041,076         | 10,409,375         | 10,376,563         |
| 4467                               | FFCB .22 7/26/13                                | 0.22%  | Aaa         | 26-Jul-13 | 30-Jan-12 | 15,000,000  | 14,988,750  | 99.93  | A    | 14,989,392         | 14,990,035         | 14,997,765         | 15,001,950         |
| 4463                               | FFCB 0.47 12/19/13                              | 0.47%  | Aaa         | 19-Dec-13 | 19-Dec-11 | 10,000,000  | 9,999,000   | 99.99  | A    | 9,999,100          | 9,999,142          | 10,025,900         | 10,028,900         |
| 4464                               | FHLMC 0.50 12/27/13                             | 0.50%  | Aaa         | 27-Dec-13 | 27-Dec-11 | 10,000,000  | 9,998,500   | 99.99  | A    | 9,998,633          | 9,998,697          | 10,021,500         | 10,017,900         |
| 4466                               | FFCB 0.35 1/23/14                               | 0.35%  | Aaa         | 23-Jan-14 | 23-Jan-12 | 15,000,000  | 15,000,000  | 100.00 | A    | 15,000,000         | 15,000,000         | 15,000,750         | 15,026,700         |
| <b>Total General Fund</b>          |   |        |             |           |           |             |             |        |      | <b>260,387,001</b> | <b>233,562,411</b> | <b>260,809,138</b> | <b>233,982,112</b> |
| <b>Construction Fund</b>           |   |        |             |           |           |             |             |        |      |                    |                    |                    |                    |
|                                    | Series 2008B I&S (Wells Fargo)                  |        |             | 1-Apr-12  | 31-Mar-12 | 4,609       | 4,609       | 100.00 | DDA  | 4,150              | 4,609              | 4,150              | 4,609              |
|                                    | Series 2008B DSR (TexStar)                      | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 4,706,095   | 4,706,095   | 100.00 | LGIP | 4,706,095          | 4,706,095          | 4,706,095          | 4,706,095          |
|                                    | Series 2011A Proceeds (TexStar)                 | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 195,311,954 | 195,311,954 | 100.00 | LGIP | 216,989,710        | 195,311,954        | 216,989,710        | 195,311,954        |
|                                    | Series 2011A Proceeds (COH Series G)            | 0.16%  | A-1+/F1+    | 8-Mar-12  | 05-Dec-11 | 8,000,000   | 8,000,000   | 100.00 | MCP  | 8,000,000          | Matured            | 8,000,000          | Matured            |
|                                    | Series 2011A Proceeds (COH Series G2)           | 0.15%  | A-1+/F1+    | 9-May-12  | 08-Mar-12 | 10,000,000  | 10,000,000  | 100.00 | MCP  | Did Not Own        | 10,000,000         | Did Not Own        | 10,000,000         |
|                                    | Series 2011A Proceeds (DARTII)                  | 0.19%  | A-1+/P1/F1+ | 10-May-12 | 02-Feb-12 | 20,000,000  | 20,000,000  | 100.00 | MCP  | 20,000,000         | 20,000,000         | 20,000,000         | 20,000,000         |
|                                    | Sales & Use Tax Bonds DSR (TexStar)             | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 7,823,080   | 7,823,080   | 100.00 | LGIP | 7,242,352          | 7,823,080          | 7,242,352          | 7,823,080          |
|                                    | Contractual Obligations DSR (TexStar)           | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 4,542,864   | 4,542,864   | 100.00 | LGIP | 4,315,039          | 4,542,864          | 4,315,039          | 4,542,864          |
|                                    | Interest & Sinking Fund (2009 & 2010) (TexStar) | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 10,161,191  | 10,161,191  | 100.00 | LGIP | 8,118,738          | 10,161,191         | 8,118,738          | 10,161,191         |
|                                    | Interest & Sinking Fund 2011A (TexStar)         | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 42,510,338  | 42,510,338  | 100.00 | LGIP | 42,506,195         | 42,510,338         | 42,506,195         | 42,510,338         |
|                                    | Interest & Sinking Fund 2011B (TexStar)         | 0.12%  | AAAm        | 1-Apr-12  | 31-Mar-12 | 2,561,660   | 2,561,660   | 100.00 | LGIP | 2,561,411          | 2,561,660          | 2,561,411          | 2,561,660          |
| <b>Total Construction Fund</b>     |   |        |             |           |           |             |             |        |      | <b>314,443,689</b> | <b>297,621,790</b> | <b>314,443,689</b> | <b>297,621,790</b> |
| <b>General Mobility Fund</b>       |   |        |             |           |           |             |             |        |      |                    |                    |                    |                    |
|                                    | TexStar Investment Pool GMP                     | 0.12%  | AAAm        | 01-Apr-12 | 31-Mar-12 | 28,104,588  | 28,104,588  | 100.00 | LGIP | 21,114,967         | 28,104,588         | 21,114,967         | 28,104,588         |
|                                    | Williams Capital Govt. Fund GMP                 | 0.01%  | AAAm        | 01-Apr-12 | 31-Mar-12 | 12,041,370  | 12,041,370  | 100.00 | MMA  | 9,041,320          | 12,041,370         | 9,041,320          | 12,041,370         |
| <b>Total General Mobility Fund</b> |   |        |             |           |           |             |             |        |      | <b>30,156,288</b>  | <b>40,145,958</b>  | <b>30,156,288</b>  | <b>40,145,958</b>  |
| <b>Grand Total All Funds</b>       |   |        |             |           |           |             |             |        |      | <b>604,986,977</b> | <b>571,330,159</b> | <b>605,409,115</b> | <b>571,749,860</b> |

Note: AAA is the highest long-term rating A-1+ is the highest short term rating.

**Metropolitan Transit Authority of Harris County Texas  
General Mobility Escrow Activity Summary  
For the Month Ended March 31, 2012**

| Description |  | FY2012         |                           |                          |                                 | Escrow Balance |
|-------------|--|----------------|---------------------------|--------------------------|---------------------------------|----------------|
|             |  | Escrow Funding | Disbursements from Escrow | Interest to General Fund | Interest Earned on Escrow Funds |                |
| Mar-12      | Escrow Balance Forward   | 77,775,629     | (69,986,661)              | (5,028)                  | 6,137                           | 30,156,288     |
| Mar-12      | 25% of Net Sales Tax Received<br>( \$41,405,672 X 25%)                           | 10,351,418     |                           |                          |                                 | 40,507,706     |
| Mar-12      | 1/12 of FY 2012 Carryover Commitment<br>(\$39,000,000 /12)                       | 3,250,000      |                           |                          |                                 | 43,757,706     |
| Mar-12      | City of Houston<br>General Mobility Projects See Details Attached                |                | (217,018)                 |                          |                                 | 43,540,688     |
| Jan-00      | Harris County<br>General Mobility Projects See Details Attached                  |                | (2,842,928)               |                          |                                 | 40,697,760     |
| Mar-12      | March 2012 Humble & Missouri City*<br>Congestion Mitigation & Traffic Management |                | (552,568)                 |                          |                                 | 40,145,191     |
| Mar-12      | Interest Earned  |                |                           | (1,950)                  | 2,716                           | 40,145,958     |
| Mar-12      | Escrow to Fiscal Year to Date  | 91,377,047     | (73,599,176)              | (6,978)                  | 8,854                           | 40,145,958     |

\* March 2012 Payment to Katy was outstanding as of March 31, 2012

## General Mobility Program

Political Jurisdictions of Projects Funded in March 2012

| Project                                      | Invoiced<br>Amount | City<br>Council<br>District | County<br>Precinct | State<br>Representative<br>District | State<br>Senate<br>District | U.S.<br>Congressional<br>District |
|--|--------------------|-----------------------------|--------------------|-------------------------------------|-----------------------------|-----------------------------------|
| <b><u>City of Houston Projects</u></b>       |                    |                             |                    |                                     |                             |                                   |
| 13th Period: Traffic System Management / ITS | \$25,060.00        | All                         | N/A                | All                                 | All                         | All                               |
| 11th Period: Traffic System Management / ITS | \$191,958.00       | All                         | N/A                | All                                 | All                         | All                               |
|  | \$217,018.00       |                             |                    |                                     |                             |                                   |
| <b><u>Harris County Projects</u></b>         |                    |                             |                    |                                     |                             |                                   |
| 9th Period: El Lago Road Improvements        | \$2,842,928.00     | N/A                         | All                | 129                                 | 11                          | 22                                |
|  | \$2,842,928.00     |                             |                    |                                     |                             |                                   |