

**METRO**

**INVESTMENT REPORT**

**ALL FUNDS**

**SEPTEMBER 2012**

**Metropolitan Transit Authority of Harris County  
Investment Report  
For the Month Ended September 30, 2012  
Portfolio Summary Management Report**

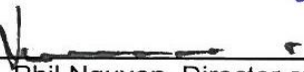
The following is a summary of METRO's Investment Portfolios:

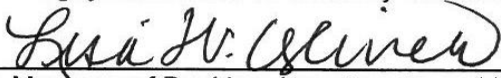
<u>Fund:</u>	<u>General</u>	<u>Construction</u>	<u>General Mobility</u>
Prior Month End Book Value	261,254,624	163,731,630	31,687,849
Current Month End Book Value	323,881,133	166,573,966	36,322,526
Change	62,626,509	2,842,335	4,634,677
Prior Month End Market Value*	261,548,815	163,731,630	31,687,849
Current Month End Market Value*	324,155,736	166,573,966	36,322,526
Change	62,606,922	2,842,335	4,634,677
Interest Receivable	321,465	0	0
Weighted Average Days Outstanding	125	1	1
Weighted Average Years Outstanding	0.34	0.00	0.00
Yield	0.467%	0.158%	0.118%
Benchmark Yield	0.088%	0.076%	0.054%
Yield Over / <Under> Benchmark	0.379%	0.082%	0.064%
LGIP Wtd Avg. Days Outstanding (1)	46	46	46

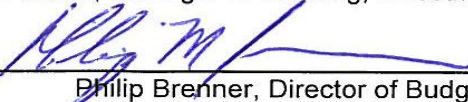
\* Change in Market Value is presented in accordance with the Public Funds Investment Act and primarily reflects receipts, expenditures, securities purchases and maturities and changes in the marketability of securities held at the end of the period.

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 September 30, 2012**

No.	Description	Coupon	Rating	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value		
										8/31/2012	9/30/2012	8/31/2012	9/30/2012	
<b>General Fund</b>														
	JPMorgan Chase Master			1-Oct-12	30-Sep-12	1,439,529	1,439,529	100.00	DDA	1,383,866	1,439,529	1,383,866	1,439,529	
	JPMorgan Chase HOT Lanes			1-Oct-12	30-Sep-12	209,755	209,755	100.00	DDA	121,880	209,755	121,880	209,755	
	TexStar Investment Pool	0.15%	AAAm	1-Oct-12	30-Sep-12	145,832,291	145,832,291	100.00	LGIP	129,364,686	145,832,291	129,364,686	145,832,291	
4478	City of Houston GO - Series G	0.19%	A-1+/F-1	6-Sep-12	05-Jun-12	10,000,000	10,000,000	100.00	MCP	10,000,000	Matured/Called	10,000,000	Matured/Called	
EWBCD3	East West Bank Certificate	0.40%	Coll = Aaa	10-Sep-12	12-Jun-12	5,000,000	5,000,000	100.00	CD	5,000,000	Matured/Called	5,000,000	Matured/Called	
4484	San Antonio Water System	0.22%	A-1+/P1/F1+	12-Sep-12	07-Aug-12	10,000,000	10,000,000	100.00	MCP	10,000,000	Matured/Called	10,000,000	Matured/Called	
4485	Tx Dept of Econ Development	0.13%	A-1+/P-1	13-Sep-12	16-Aug-12	10,000,000	9,998,833	99.99	MCP	9,999,500	Matured/Called	9,998,833	Matured/Called	
4488	San Antonio Water System	0.22%	A-1+/P1/F1+	3-Oct-12	12-Sep-12	10,000,000	10,000,000	100.00	MCP	Did Not Own	10,000,000	Did Not Own	10,000,000	
4483	Tx Agriculture Finance Authority	0.15%	A-1+/P-1	11-Oct-12	02-Aug-12	9,000,000	8,997,375	100.00	MCP	8,998,500	8,999,625	8,997,375	8,997,375	
4489	Tx Dept of Econ Development	0.15%	A-1+/P-1	11-Oct-12	13-Sep-12	10,000,000	9,998,678	99.99	MCP	Did Not Own	9,999,528	Did Not Own	9,998,678	
4487	City of Houston GO - Series G	0.19%	A-1+/F-1	5-Dec-12	06-Sep-12	10,000,000	10,000,000	100.00	MCP	Did Not Own	10,000,000	Did Not Own	10,000,000	
EWBCD4	East West Bank Certificate	0.40%	Coll = Aaa	9-Dec-12	10-Sep-12	10,000,000	10,000,000	100.00	CD	Did Not Own	10,000,000	Did Not Own	10,000,000	
4492	FHLMC 0.85 12/28/12	0.16%	Aaa	28-Dec-12	27-Sep-12	15,000,000	15,026,640	100.18	A	Did Not Own	15,025,482	Did Not Own	15,024,750	
4470	FHLB 0.16 2/8/13	0.16%	Aaa	8-Feb-13	12-Mar-12	10,000,000	9,994,570	99.95	A	9,997,391	9,997,880	9,999,690	9,999,690	
4477	Houston Comm College Rev	5.25%	Aa2/AA-	15-Apr-13	30-May-12	1,000,000	1,043,400	104.34	MB	1,030,651	1,026,583	1,029,940	1,026,590	
4491	FFCB 0.85 4/15/13	0.16%	Aaa	15-Apr-13	24-Sep-12	10,000,000	10,037,742	100.38	A	Did Not Own	10,036,441	Did Not Own	10,042,300	
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	10,025,710	10,022,697	10,239,844	10,214,844	
4467	FFCB .22 7/26/13	0.22%	Aaa	26-Jul-13	30-Jan-12	15,000,000	14,988,750	99.93	A	14,993,204	14,993,826	15,000,300	15,000,300	
4486	Tx Tax Rev Anticipation Notes	2.50%	MIG1/ SP-1+/F1+	30-Aug-13	30-Aug-12	15,000,000	15,342,750	102.29	MB	15,340,872	15,312,701	15,342,750	15,313,950	
4490	FHLB 0.125 09/25/13	0.22%	Aaa	25-Sep-13	25-Sep-12	16,000,000	15,986,102	99.91	A	Did Not Own	15,986,331	Did Not Own	15,990,784	
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	9,999,352	9,999,393	10,011,300	10,008,900	
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	9,999,011	9,999,073	10,010,800	10,008,000	
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	15,047,550	15,048,000	
<b>Total General Fund</b>										<b>261,254,624</b>	<b>323,881,133</b>	<b>261,548,815</b>	<b>324,155,736</b>	
<b>Construction Fund</b>														
	Series 2008B I&S (Wells Fargo)			1-Oct-12	30-Sep-12	7,752	7,752	100.00	DDA	7,149	7,752	7,149	7,752	
	Series 2008B DSR (TexStar)	0.15%	AAAm	1-Oct-12	30-Sep-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)	0.15%	AAAm	1-Oct-12	30-Sep-12	95,238,287	95,238,287	100.00	LGIP	95,517,390	95,238,287	95,517,390	95,238,287	
	Sales & Use Tax Bonds DSR (TexStar)	0.15%	AAAm	1-Oct-12	30-Sep-12	10,690,382	10,690,382	100.00	LGIP	10,263,776	10,690,382	10,263,776	10,690,382	
	Contractual Obligations DSR (TexStar)	0.15%	AAAm	1-Oct-12	30-Sep-12	5,746,197	5,746,197	100.00	LGIP	5,559,200	5,746,197	5,559,200	5,746,197	
	Interest & Sinking Fund (2009 & 2010) (TexStar)	0.15%	AAAm	1-Oct-12	30-Sep-12	15,319,702	15,319,702	100.00	LGIP	13,259,268	15,319,702	13,259,268	15,319,702	
	Interest & Sinking Fund 2011A (TexStar)	0.15%	AAAm	1-Oct-12	30-Sep-12	31,006,866	31,006,866	100.00	LGIP	31,002,856	31,006,866	31,002,856	31,006,866	
	Interest & Sinking Fund 2011B (TexStar)	0.15%	AAAm	1-Oct-12	30-Sep-12	3,858,684	3,858,684	100.00	LGIP	3,415,897	3,858,684	3,415,897	3,858,684	
<b>Total Construction Fund</b>										<b>163,731,630</b>	<b>166,573,966</b>	<b>163,731,630</b>	<b>166,573,966</b>	
<b>General Mobility Fund</b>														
	TexStar Investment Pool GMP	0.15%	AAAm	1-Oct-12	30-Sep-12	26,045,658	26,045,658	100.00	LGIP	23,411,039	26,045,658	23,411,039	26,045,658	
	Williams Capital Govt. Fund GMP	0.01%	AAAm	1-Oct-12	30-Sep-12	10,276,868	10,276,868	100.00	MMA	8,276,810	10,276,868	8,276,810	10,276,868	
<b>Total General Mobility Fund</b>										<b>31,687,849</b>	<b>36,322,526</b>	<b>31,687,849</b>	<b>36,322,526</b>	
<b>Grand Total All Funds</b>										<b>456,674,103</b>	<b>526,777,625</b>	<b>456,968,294</b>	<b>527,052,229</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 September 30, 2012**

Description	FY2012				Escrow Balance
	Escrow Funding	Disbursements from Escrow	Interest to General Fund	Interest Earned on Escrow Funds	
Sep-12 Escrow Balance Forward	170,172,099	(160,852,894)	(19,853)	22,286	31,687,849
Sep-12 25% of Net Sales Tax Received ( \$49,406,212.86 X 25%)	12,351,553				44,039,402
Sep-12 1/12 of FY 2012 Carryover Commitment (\$39,000,000 /12)	3,250,000				47,289,402
Sep-12 METRO Managed GMP Projects Bus Shelters MAP Program GMP Support		(23,713) (1,678,118) (24,589)			45,562,981
Sep-12 FY2012 Multi-Cities Advanced Payment Reduction		(6,192,689)			39,370,292
Sep-12 Harris County See Attached		(2,251,570)			37,118,722
Sep-12 Katy and Humble * Congestion Mitigation & Traffic Management		(796,352)			36,322,371
Sep-12 Interest Earned			(3,274)	3,430	36,322,526
Sep-12 Escrow to Fiscal Year to Date	185,773,652	(171,819,925)	(23,126)	25,716	36,322,526

\* Check to City of Missouri City was outstanding as of September 30, 2012.

## General Mobility Program

Political Jurisdictions of Projects Funded in September 2012

Project	Invoiced Amount	City Council District	County Precinct	State Representative District	State Senate District	U.S. Congressional District
<b><u>Harris County Projects</u></b>						
Pre Agreement - W. LAKE HOUSTON PRKWY: FM 1960 to BELTWAY 8	\$251,570.00	N/A	TBD	TBD	TBD	TBD
12th Period - Becker Rd - U.S. 290 to Palo Dura	\$2,000,000.00	N/A	TBD	TBD	TBD	TBD
	\$2,251,570.00					