

**METRO**

**INVESTMENT REPORT**

**ALL FUNDS**

**SEPTEMBER 2013**

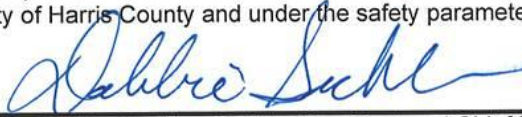
**Metropolitan Transit Authority of Harris County  
Investment Report  
For the Month Ended September 30, 2013  
Portfolio Summary Management Report**

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	243,747,915	52,102,064	59,546,242
Current Month End Book Value	254,285,281	56,793,685	62,395,857
Change	10,537,367	4,691,621	2,849,615
Prior Month End Market Value*	243,738,641	52,102,064	59,546,242
Current Month End Market Value*	254,304,860	56,793,685	62,395,857
Change	10,566,220	4,691,621	2,849,615
Interest Receivable	131,859	0	0
Weighted Average Days Outstanding	73	1	1
Weighted Average Years Outstanding	0.20	0.00	0.00
Yield	0.351%	0.039%	0.039%
Benchmark Yield	0.025%	0.029%	0.006%
Yield Over / <Under> Benchmark	0.326%	0.010%	0.033%
LGIP Wtd Avg. Days Outstanding (1)	52	52	52

\* 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.



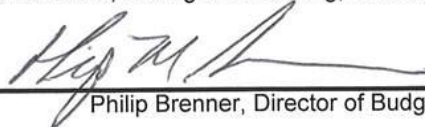
Debbie Sechler, Sr. Vice President and Chief Financial Officer



Phil Nguyen, Directory of Treasury Services



Lisa W. Oliver, Manager of Banking, Investment 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, 2013**

No.	Description	Coupon	Rating	Maturity	Purchase	Par	Cost	Price	YTM	Type	Book Value		Market Value		
											8/31/2013	9/30/2013	8/31/2013	9/30/2013	
<b>General Fund</b>															
	JPMorgan Chase Master			1-Oct-13	30-Sep-13	2,590,232	2,590,232	100.00	n/a	DDA	2,890,142	2,590,232	2,890,142	2,590,232	
	JPMorgan Chase HOT Lanes			1-Oct-13	30-Sep-13	453,444	453,444	100.00	n/a	DDA	390,761	453,444	390,761	453,444	
	TexStar Investment Pool	0.037%	AAAm	1-Oct-13	30-Sep-13	125,478,657	125,478,657	100.00	0.037%	LGIP	113,175,222	125,478,657	113,175,222	125,478,657	
4507	North Texas Tollway Authority	2.441%	SP-1+/F1+	1-Sep-13	08-Feb-13	760,000	769,462	101.25	0.230%	MB	760,000	Matured/Called	760,000	Matured/Called	
EWBCD7	East West Bank Certificate	0.350%	Coll = Aaa	5-Sep-13	07-Jun-13	10,000,000	10,000,000	100.00	0.350%	CD	10,000,000	Matured/Called	10,000,000	Matured/Called	
4527	South Carolina Public Services	0.140%	A-1+/P-1/F1+	5-Sep-13	16-Jul-13	8,400,000	8,400,000	100.00	0.140%	MCP	8,400,000	Matured/Called	8,400,000	Matured/Called	
4490	FHLB 0.125 09/25/13	0.125%	Aaa	25-Sep-13	25-Sep-12	16,000,000	15,986,102	99.91	0.212%	A	15,999,086	Matured/Called	16,000,320	Matured/Called	
4530	San Antonio Water System	0.110%	A-1+/P-1/F1+	16-Oct-13	07-Aug-13	10,000,000	10,000,000	100.00	0.110%	MCP	10,000,000	10,000,000	10,000,000	10,000,000	
4529	City of Houston GO - Series G	0.110%	A-1+/F-1	16-Oct-13	07-Aug-13	5,000,000	5,000,000	100.00	0.110%	MCP	5,000,000	5,000,000	5,000,000	5,000,000	
4531	Dallas Area Rapid Transit	0.120%	A-1+/P-1/F1+	24-Oct-13	15-Aug-13	5,000,000	5,000,000	100.00	0.120%	MCP	5,000,000	5,000,000	5,000,000	5,000,000	
4533	Tx Agriculture Finance Authority	0.140%	A-1+/P-1	20-Nov-13	21-Aug-13	9,000,000	8,996,815	99.96	0.140%	MCP	8,997,200	8,998,250	8,996,815	8,996,815	
4521	FHLB 0.375 11/27/13	0.375%	Aaa	27-Nov-13	29-May-13	5,100,000	5,106,615	100.13	0.113%	A	5,103,161	5,102,072	5,103,621	5,102,652	
EWBCD8	East West Bank Certificate	0.350%	Coll = Aaa	4-Dec-13	05-Sep-13	10,000,000	10,000,000	100.00	0.350%	CD	Did Not Own	10,000,000	Did Not Own	10,000,000	
4535	South Carolina Public Services	0.130%	A-1+/P-1/F1+	4-Dec-13	05-Sep-13	8,400,000	8,400,000	100.00	0.130%	MCP	Did Not Own	8,400,000	Did Not Own	8,400,000	
4524	FHLB 3.125 12/13/13	3.125%	Aaa	13-Dec-13	07-Jun-13	7,000,000	7,108,920	101.56	0.112%	A	7,059,359	7,042,070	7,059,220	7,043,260	
4466	FFCB 0.35 1/23/14	0.350%	Aaa	23-Jan-14	23-Jan-12	15,000,000	15,000,000	100.00	0.350%	A	15,000,000	15,000,000	15,013,200	15,012,150	
4505	FAMCA 0.19 2/14/14	0.190%	GSE NR	14-Feb-14	30-Jan-13	10,000,000	10,000,000	100.00	0.190%	A	10,000,000	10,000,000	9,999,980	10,002,100	
4533	State of Connecticut	0.281%	Aa3/AA	15-Aug-14	29-Aug-13	5,000,000	5,000,000	100.00	0.281%	MB	5,000,000	5,000,000	4,998,050	4,996,800	
4534	Texas Tax Revenue Anticipation	2.000%	MIG1/SP1+/F1+	28-Aug-14	03-Sep-13	15,000,000	15,266,400	101.78	0.190%	MB	Did Not Own	15,245,622	Did Not Own	15,243,600	
4526	Harris County General Oblig.	0.000%	Aaa / AAA	1-Oct-14	12-Jul-13	6,000,000	5,978,100	99.64	0.300%	MB	5,980,604	5,982,077	5,966,760	5,973,900	
4501	FFCB 0.25 12/24/14	0.250%	Aaa	24-Dec-14	28-Dec-12	15,000,000	14,988,450	99.92	0.289%	A	14,992,380	14,992,857	14,984,550	15,011,250	
<b>Total General Fund</b>											<b>243,747,915</b>	<b>254,285,281</b>	<b>243,738,641</b>	<b>254,304,860</b>	
<b>Construction Fund</b>															
	Interest & Sinking Fund 2008B (Wells Fargo)			1-Oct-13	30-Sep-13	12,492	12,492	100.00	n/a	DDA	12,341	12,492	12,341	12,492	
	Series 2008B DSR (TexStar)	0.038%	AAAm	1-Oct-13	30-Sep-13	4,706,095	4,706,095	100.00	0.038%	LGIP	4,706,095	4,706,095	4,706,095	4,706,095	
	Sales & Use Tax Bonds DSR (TexStar)	0.038%	AAAm	1-Oct-13	30-Sep-13	15,806,059	15,806,059	100.00	0.038%	LGIP	15,380,313	15,806,059	15,380,313	15,806,059	
	Contractual Obligations DSR (TexStar)	0.038%	AAAm	1-Oct-13	30-Sep-13	7,339,000	7,339,000	100.00	0.038%	LGIP	7,265,494	7,339,000	7,265,494	7,339,000	
	Interest & Sinking Fund (2009 & 2010) (TexStar)	0.037%	AAAm	1-Oct-13	30-Sep-13	15,402,390	15,402,390	100.00	0.037%	LGIP	13,285,460	15,402,390	13,285,460	15,402,390	
	Interest & Sinking Fund 2011A (TexStar)	0.037%	AAAm	1-Oct-13	30-Sep-13	9,604,979	9,604,979	100.00	0.037%	LGIP	7,974,794	9,604,979	7,974,794	9,604,979	
	Interest & Sinking Fund 2011B (TexStar)	0.037%	AAAm	1-Oct-13	30-Sep-13	3,922,671	3,922,671	100.00	0.037%	LGIP	3,477,568	3,922,671	3,477,568	3,922,671	
<b>Total Construction Fund</b>											<b>52,102,064</b>	<b>56,793,685</b>	<b>52,102,064</b>	<b>56,793,685</b>	
<b>General Mobility Fund</b>															
	TexStar Investment Pool GMP	0.038%	AAAm	1-Oct-13	30-Sep-13	62,395,085	62,395,085	100.00	0.038%	LGIP	59,545,470	62,395,085	59,545,470	62,395,085	
	Williams Capital Govt. Fund GMP	0.000%	AAAm	1-Oct-13	30-Sep-13	772	772	100.00	0.000%	MMA	772	772	772	772	
<b>Total General Mobility Fund</b>											<b>59,546,242</b>	<b>62,395,857</b>	<b>59,546,242</b>	<b>62,395,857</b>	
<b>Grand Total All Funds</b>											<b>355,396,221</b>	<b>373,474,823</b>	<b>355,386,947</b>	<b>373,494,403</b>	

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

**Metropolitan Transit Authority of Harris County  
Monthly Changes in Position - Construction Funds  
For the Month Ended September 30, 2013**

No.	Description	Coupon	Rating	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value		
										8/31/2013	9/30/2013	8/31/2013	9/30/2013	
<b>The Construction Fund includes Interest and Sinking Funds, Debt Service Reserves and remaining Proceeds from Bond Issuances:</b>														
<u><b>Interest and Sinking Funds - Required by Bond Covenants, Interest and Sinking Funds represent an escrow for the next principal and interest payments</b></u>														
	Interest & Sinking Fund 2008B (Wells Fargo)			1-Oct-13	30-Sep-13	12,492	12,492	100.00	DDA	12,341	12,492	12,341	12,492	
	Interest & Sinking Fund (2009 & 2010) (TexStar)	0.04%	AAAm	1-Oct-13	30-Sep-13	15,402,390	15,402,390	100.00	LGIP	13,285,460	15,402,390	13,285,460	15,402,390	
	Interest & Sinking Fund 2011A (TexStar)	0.04%	AAAm	1-Oct-13	30-Sep-13	9,604,979	9,604,979	100.00	LGIP	7,974,794	9,604,979	7,974,794	9,604,979	
	Interest & Sinking Fund 2011B (TexStar)	0.04%	AAAm	1-Oct-13	30-Sep-13	3,922,671	3,922,671	100.00	LGIP	3,477,568	3,922,671	3,477,568	3,922,671	
										24,750,163	28,942,531	24,750,163	28,942,531	
	Net Change resulting from Debt Service payments, required Contributions and Interest Earned on Balances										4,192,368			
<u><b>Debt Service Reserves - Required by Bond Covenants, Debt Service Reserves represent 50% of the Maximum Annual Debt Service for each bond issuance</b></u>														
	Series 2008B DSR (TexStar)	0.04%	AAAm	1-Oct-13	30-Sep-13	4,706,095	4,706,095	100.00	LGIP	4,706,095	4,706,095	4,706,095	4,706,095	
	Sales & Use Tax Bonds DSR (TexStar)	0.04%	AAAm	1-Oct-13	30-Sep-13	15,806,059	14,528,595	100.00	LGIP	15,380,313	15,806,059	15,380,313	15,806,059	
	Contractual Obligations DSR (TexStar)	0.04%	AAAm	1-Oct-13	30-Sep-13	7,339,000	7,118,362	100.00	LGIP	7,265,494	7,339,000	7,265,494	7,339,000	
	<b>Subtotal Debt Service Reserves</b>									27,351,901	27,851,154	27,351,901	27,851,154	
	Net Change resulting from required Contributions and Interest Earned on Balances										499,253			
<u><b>Bond Proceeds - Remaining proceeds available from Voted Sales Tax Bond issuances for North and Southeast Corridor expansion activities</b></u>														
	Net Change resulting from payments to Contractors and Interest Earned on Balances												none	
<b>Total Construction Fund</b>										<b>52,102,064</b>	<b>56,793,685</b>	<b>52,102,064</b>	<b>56,793,685</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  
As of September 30, 2013**

Description	FY2013				Escrow Balance
	Escrow Funding	Disbursements from Escrow	Interest to General Fund	Interest Earned on Escrow Funds	
Sep-13 Escrow Balance Forward	163,363,117	(140,138,279)	23,115	38,735	59,546,242
Sep-13 25% of Net Sales Tax Received ( \$51,721,849.26 X 25%)	12,930,462				72,476,704
Sep-13 Harris County See attached for details		(324,136)			72,152,568
Sep-13 FY2013 Amortization of Pre-Payment to Multi-Cities		(6,334,253)			65,818,315
Sep-13 FY2013 METRO Managed Projects See attached for details		(3,422,112)			62,396,203
Sep-13 Interest Earned			(2,307)	1,961	62,395,857
Sep-13 Escrow - Fiscal Year to Date	176,293,579	(150,218,780)	20,808	40,696	62,395,857

Note: September payments to Katy, Humble and Missouri for Congestion Mitigation and Traffic Management were outstanding as of September 30, 2013.