



Metro

Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

DECEMBER 14, 2015

TO: BOARD OF DIRECTORS

THROUGH: PHILIP A. WASHINGTON *PAW*
CHIEF EXECUTIVE OFFICER

FROM: NALINI AHUJA *Nalini Ahuja*
EXECUTIVE DIRECTOR, FINANCE AND BUDGET

SUBJECT: REFUNDING OF GENERAL REVENUE BONDS

ISSUE

At the September 16, 2015 meeting, the Board authorized the issuance of refunding bonds by negotiated sale to refund the outstanding variable rate Series 2004 General Revenue Refunding Bonds. The refunding was done to lock in a low fixed interest rate and eliminate the risk of rising short-term interest rates.

Siebert Brandford Shank & Co., L.L.C. was selected as the senior manager for this transaction. On November 10, 2015, \$64.77 million of Series 2015 fixed rate General Revenue refunding bonds were sold on a negotiated basis to refund the 2004 Bonds at a true interest cost of approximately 2.31%. In connection with the sale, Moody's Investors Service raised the rating on the General Revenue Bonds to Aa2, from A1, and Standard & Poor's assigned a rating of AA, compared to the previous rating on the General Revenue Bonds of A+.

Please call Donna Mills at (213) 922-4047 if you would like further information.

Prepared by: Donna R. Mills, Treasurer
LuAnne Edwards Schurtz, Assistant Treasurer