



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

APRIL 23, 2018

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON
CHIEF EXECUTIVE OFFICER

FROM: NALINI AHUJA
CHIEF FINANCIAL OFFICER

SUBJECT: ISSUANCE OF PROPOSITION A AND PROPOSITION C BONDS

On April 3, 2018, we competitively sold \$54.965 million Prop C 2018-A refunding bonds to refund the outstanding Prop C 2008-B bonds for interest savings. We also sold \$13.89 million of Prop A 2018-A bonds to refund the Prop A 2008-B bonds for interest savings.

We received 11 bids for the Prop C 2018-A refunding bonds on April 3, 2018. Raymond James & Associates provided the lowest overall true interest cost of 1.713913%, 0.007526 percentage points lower than the next lowest bid submitted by Citigroup Global Markets. The Prop C 2018-A bonds refunded \$69.245 million of the Prop C 2008-A bonds, for interest savings. The final maturity of the bonds is July 1, 2022. Net present value savings over the life of the bonds is approximately \$7.144 million, or 10.317% of the refunded bonds.

The Prop A 2018-A refunding bonds also were sold on April 3, 2018. Eleven bids were received and J.P. Morgan Securities provided the lowest overall true interest cost of 2.3904%, 0.007475 percentage points lower than the next lowest bid submitted by Morgan Stanley & Co., LLC. The Prop A 2018-A bonds refunded \$18.71 million of the Prop A 2008-B bonds, for interest savings. The final maturity of the bonds is July 1, 2031. Net present value savings over the life of the bonds is approximately \$2.4 million, or 12.708% of the refunded bonds.

Please call Donna Mills, 213-922-4047, if you would like further information.

Prepared by: Donna R. Mills, Treasurer
LuAnne Edwards Schurtz, Deputy Executive Officer, Finance