

Monthly Financial Update

Oral Report
Finance & Budget Committee
September 2009

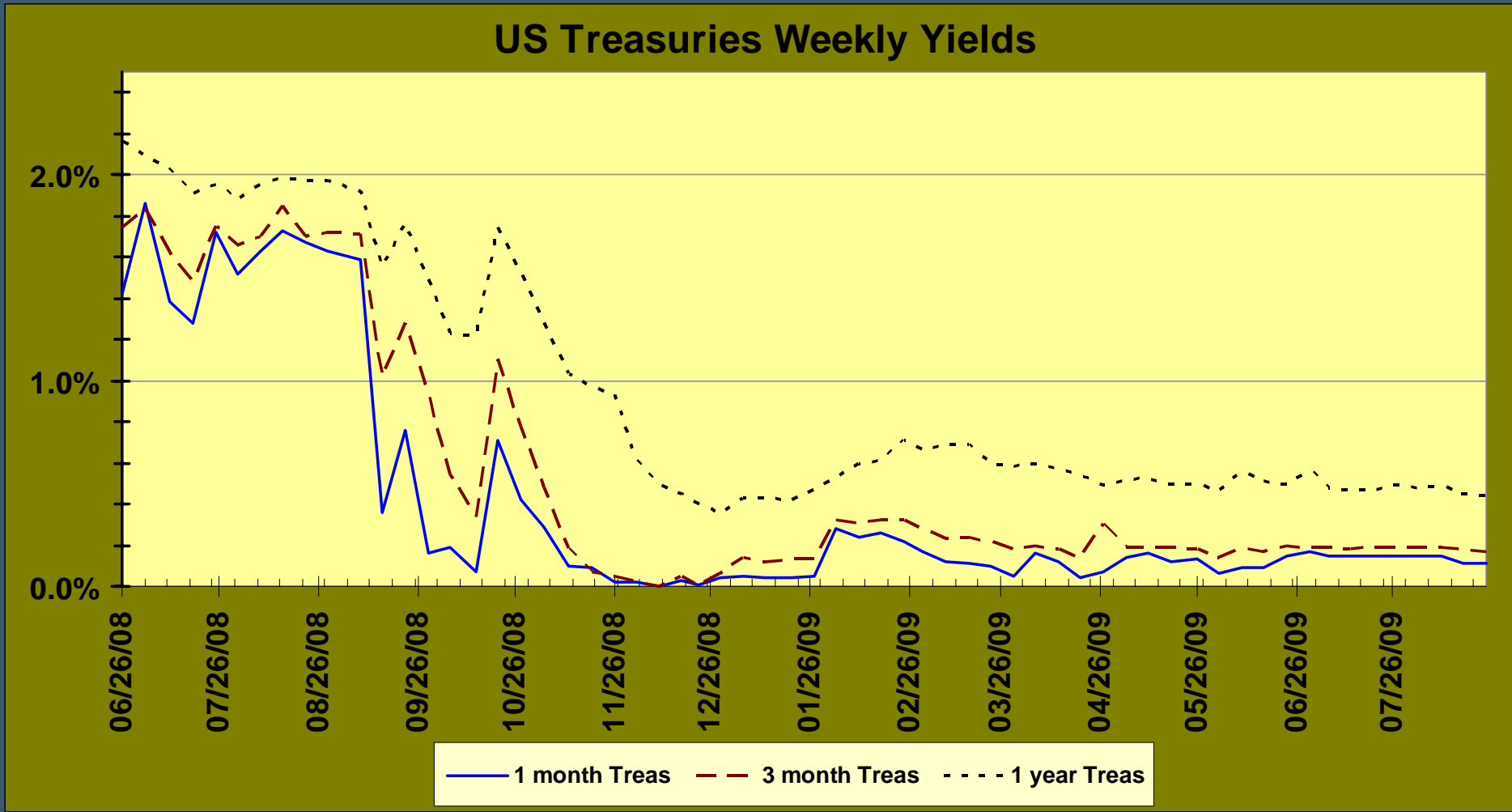


Metro

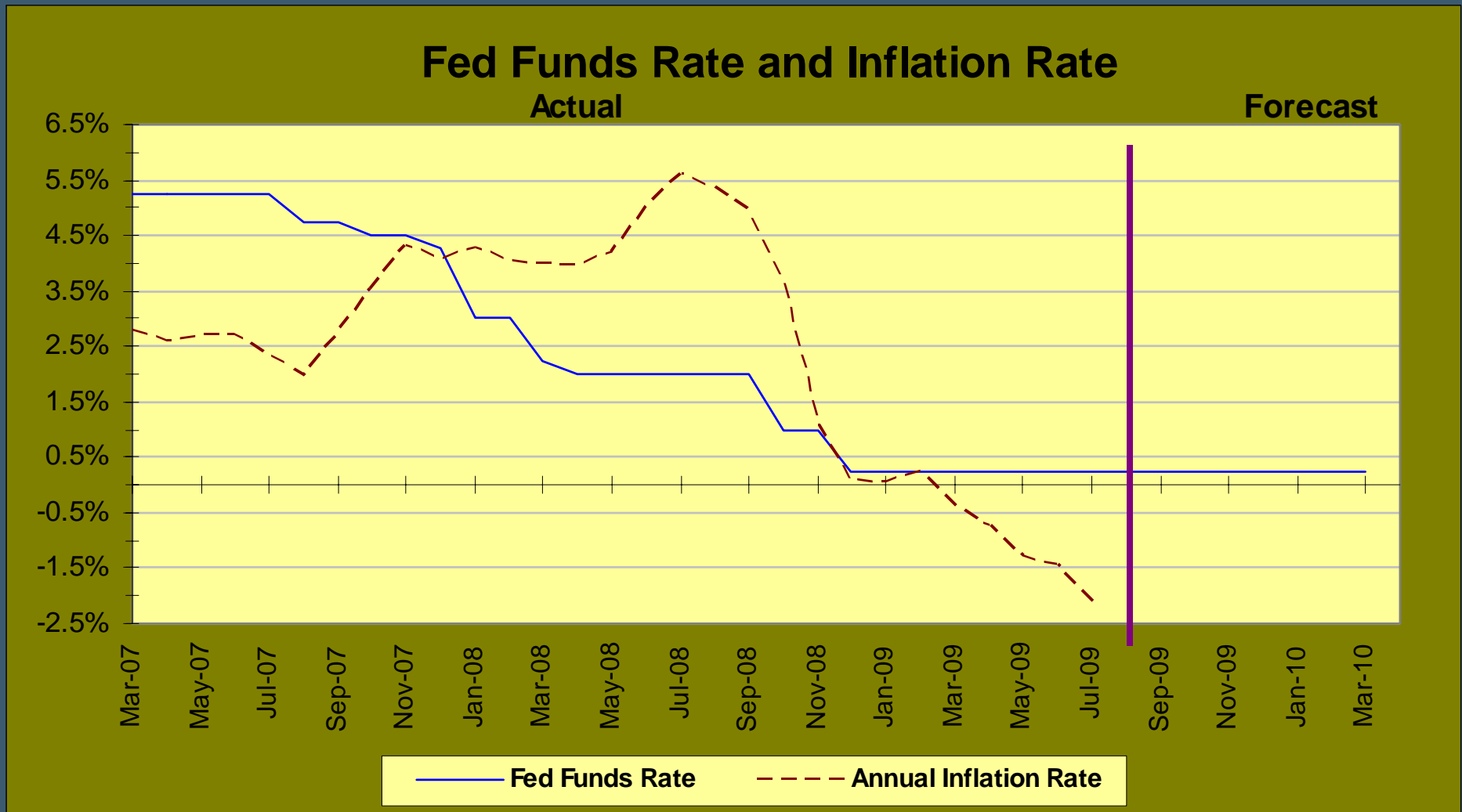
Headlines

- Stimulus programs provide floor
- Federal Reserve keeps Fed Funds target rate low at 0% - 0.25%
- Unemployment continues to climb
- California economy expected to lag national trends

Financial Markets

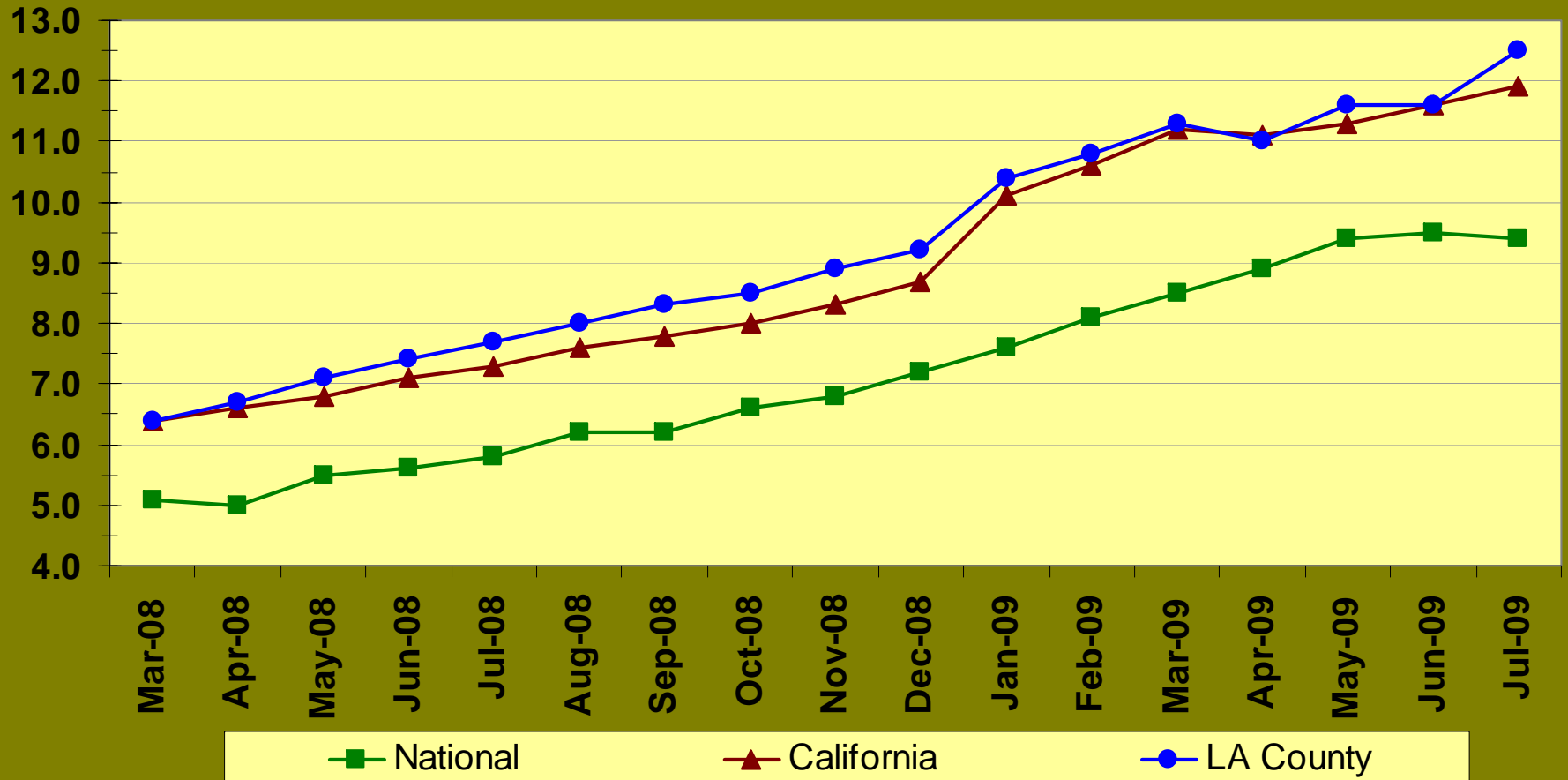


Financial Markets (cont'd)



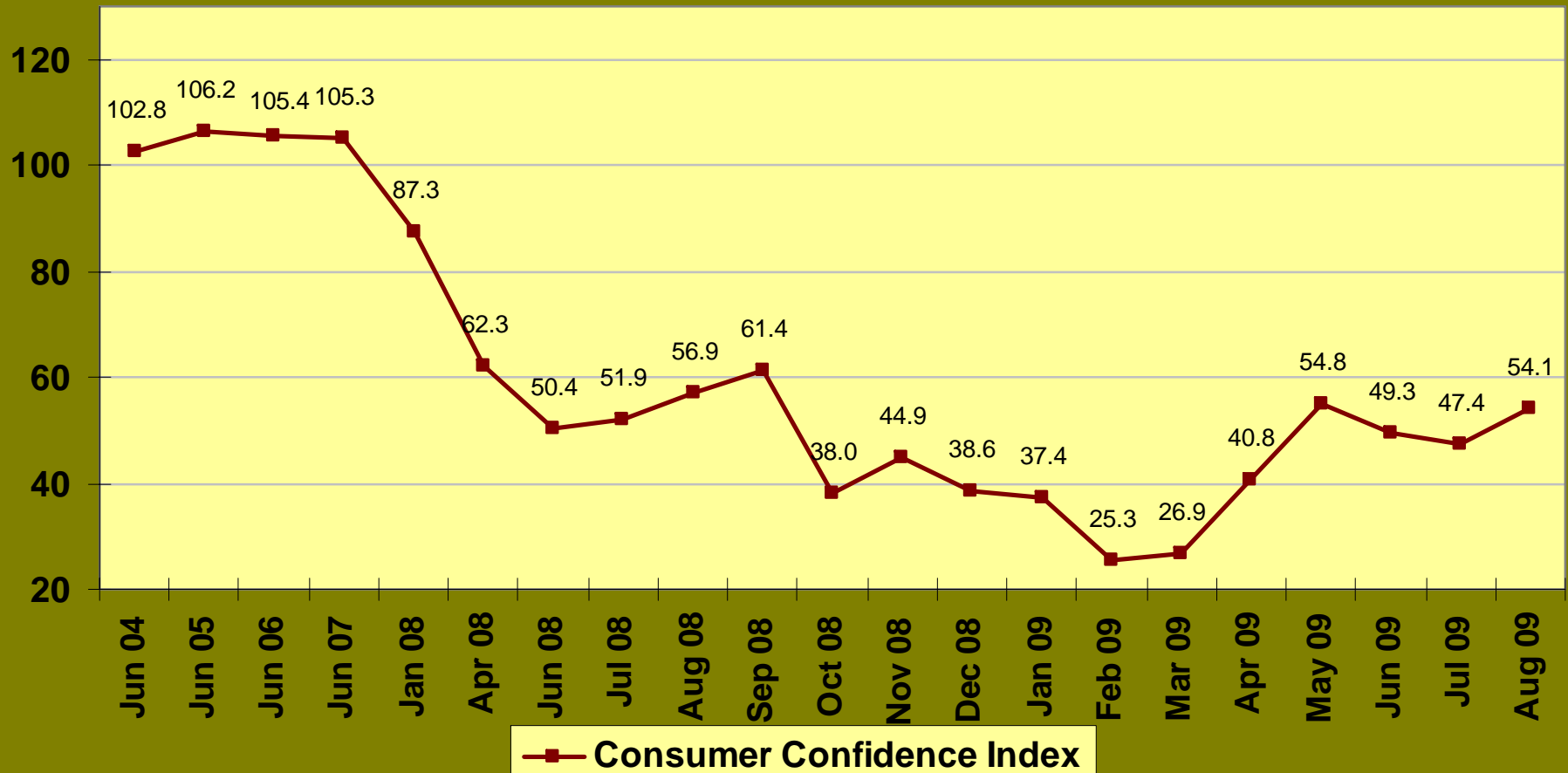
Financial Markets (cont'd)

Unemployment Rate Comparisons

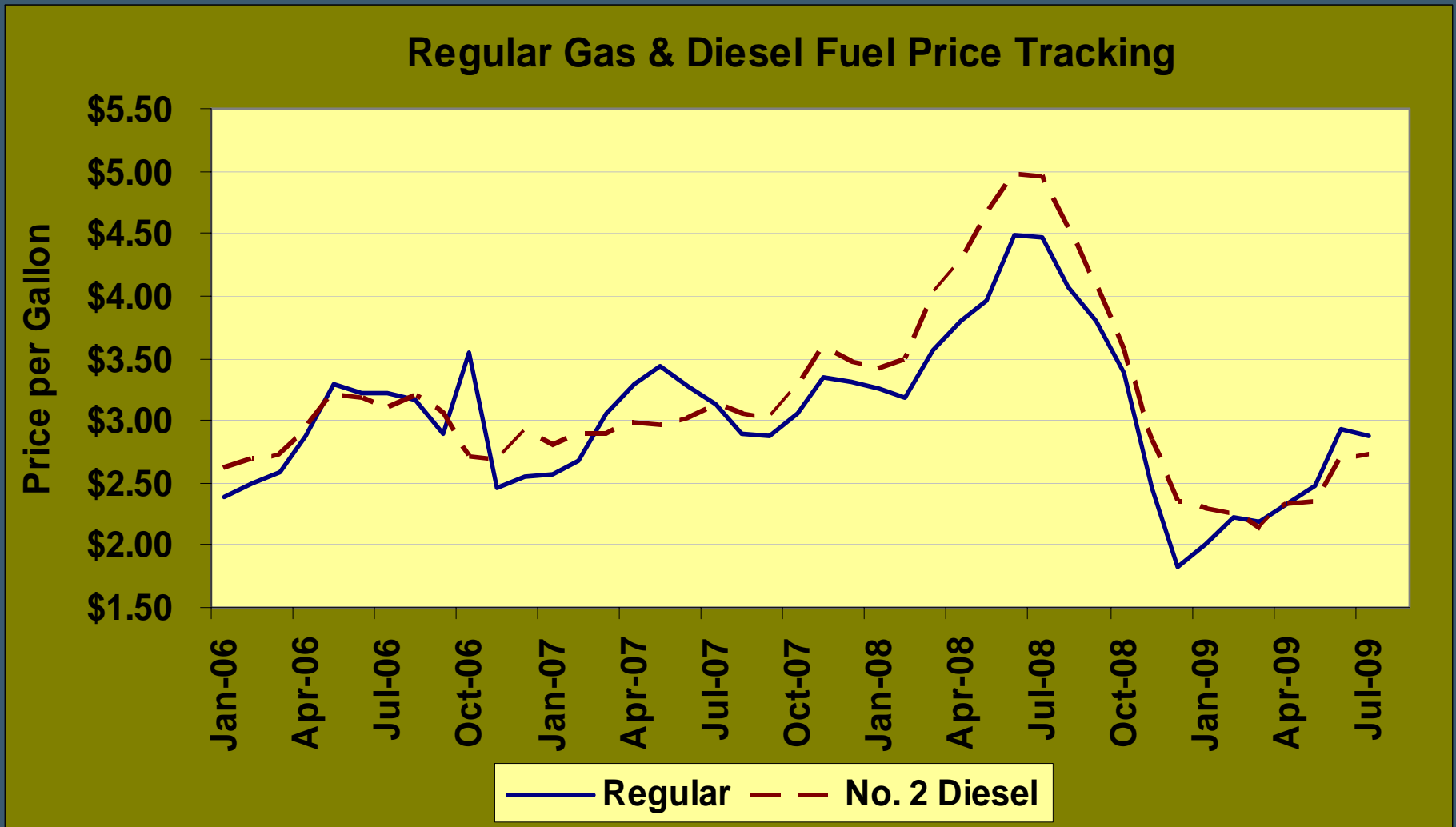


Financial Markets (cont'd)

Selected Consumer Confidence Index Points

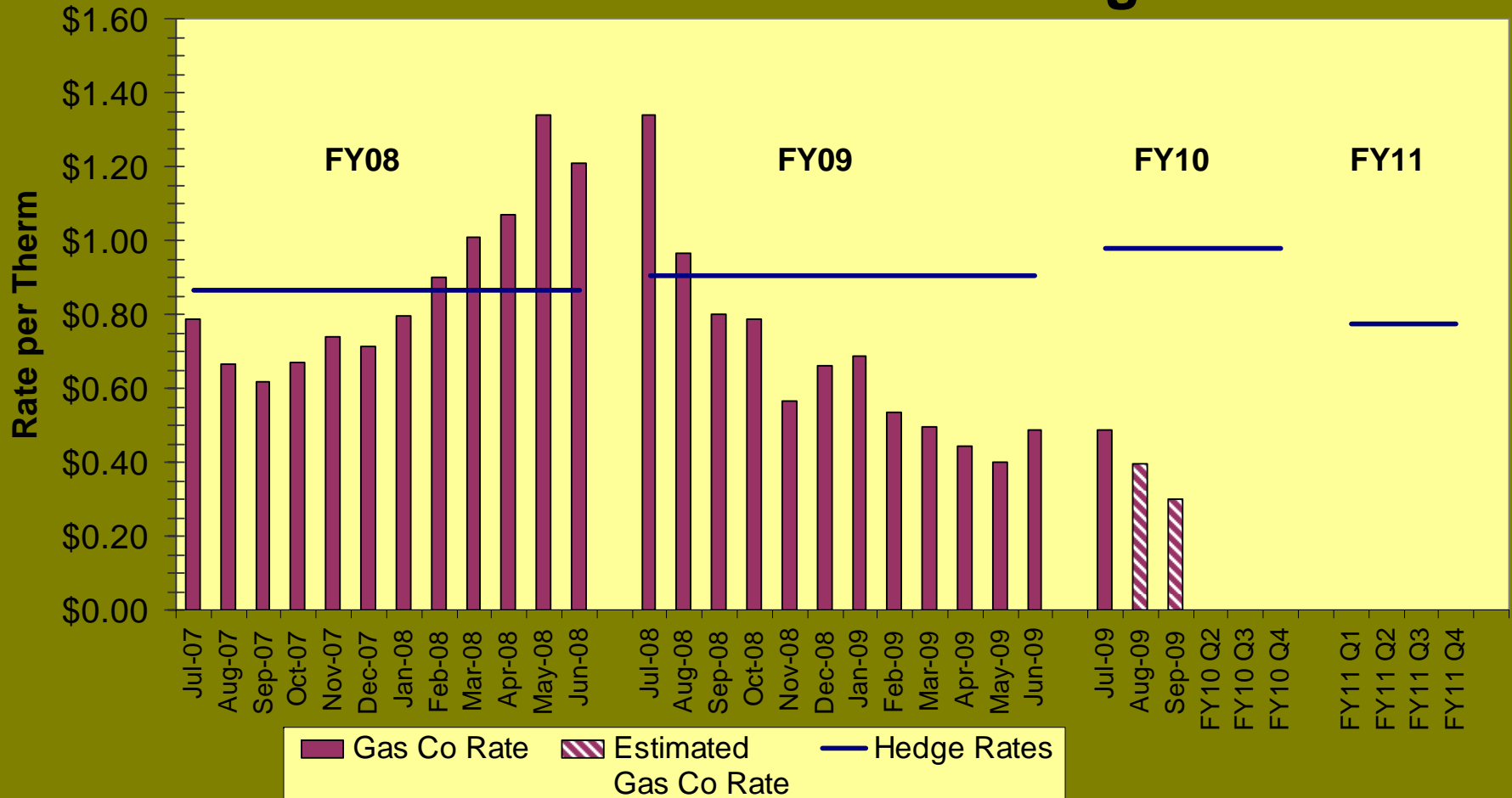


Financial Markets (cont'd)



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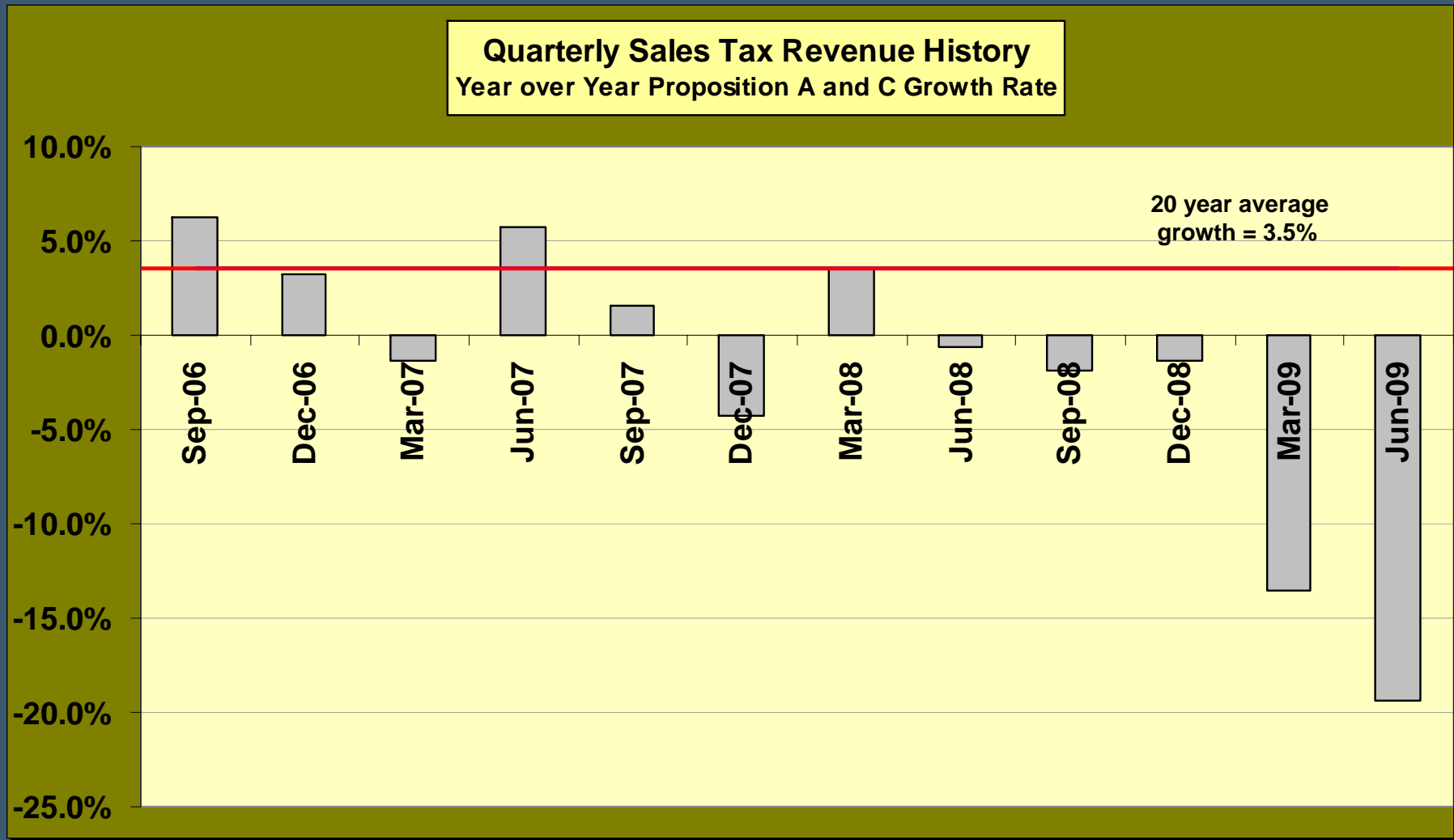
CNG Rates Invoiced and Hedged



Impacts

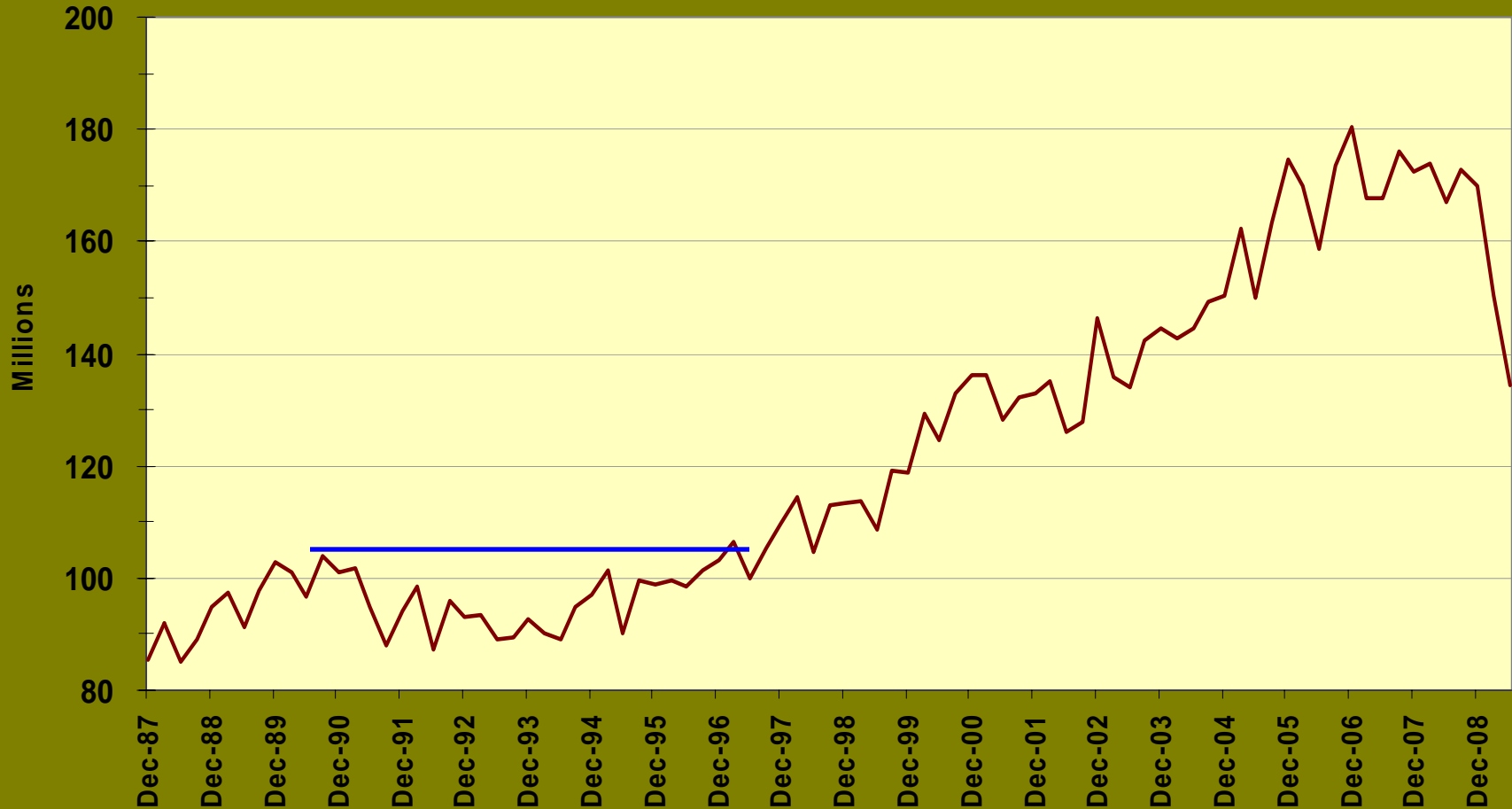
- Refundings using fixed rate bonds have become economic
- Variable rate interest cost down to \$250,000 / month unfavorable
- Sales tax receipts have declined significantly from prior year and by more than planned in the budget

Sales Tax Receipts



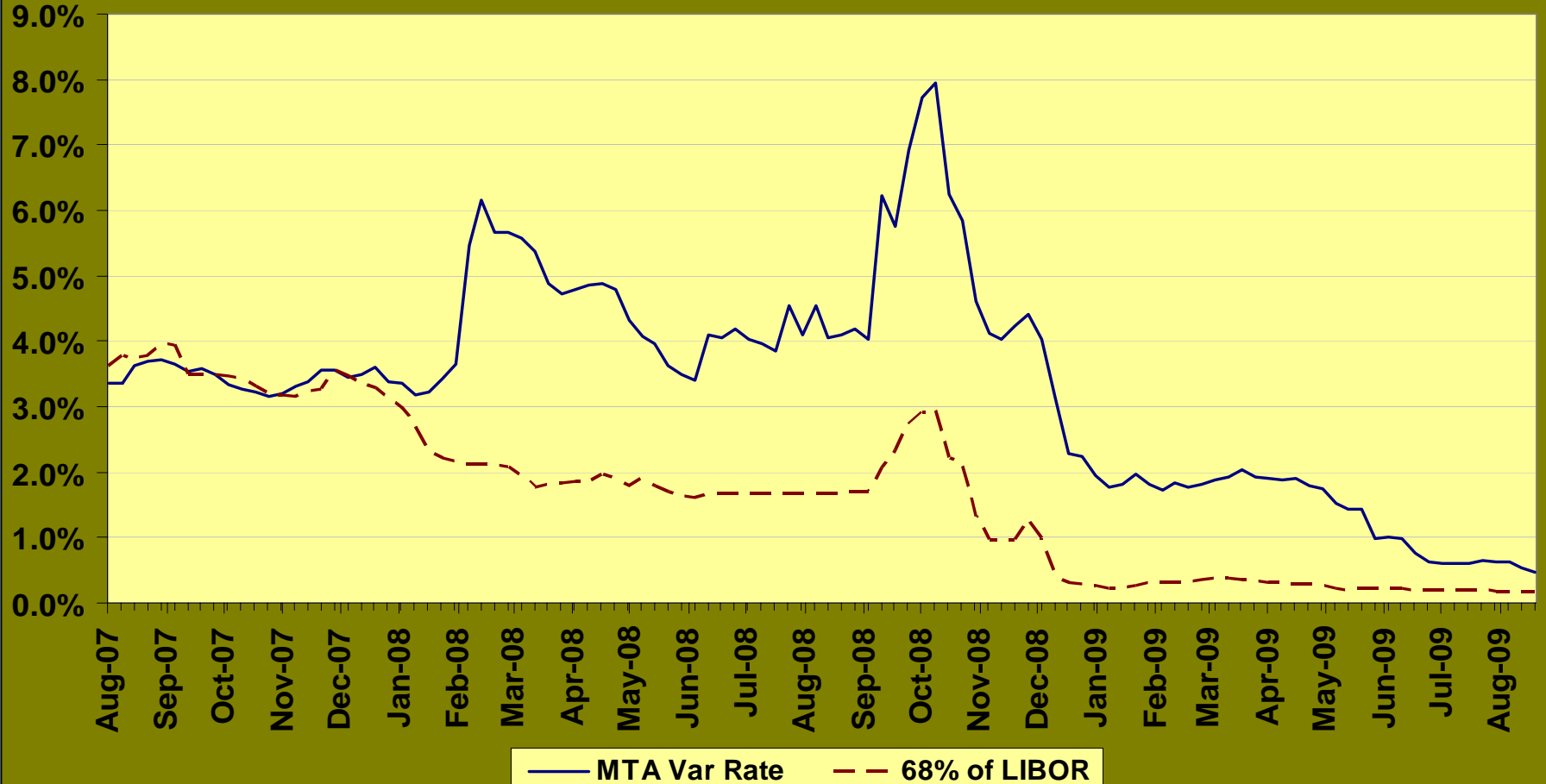
Historical Sales Tax Revenue

Prop A Cash Receipts by Quarter



LACMTA's Variable Rates

LACMTA Variable Rates vs LIBOR



Since Last Update

- Completed refunding of Prop C 2003-C variable rate bonds totaling \$210mm
 - Partial termination of \$112mm of swap with Goldman Sachs.
 - Refunding will result in savings to FY10 budget
- Excise tax legislation introduced, related to SILO transactions

Next Steps

- Complete economic refundings of fixed rate Prop A & C bonds to achieve savings
 - Reduce commercial paper balance
 - Fund replacement of FSA surety policy

End Presentation

Discussion