

# Monthly Financial Update

Oral Report  
Finance & Budget Committee  
October 2009

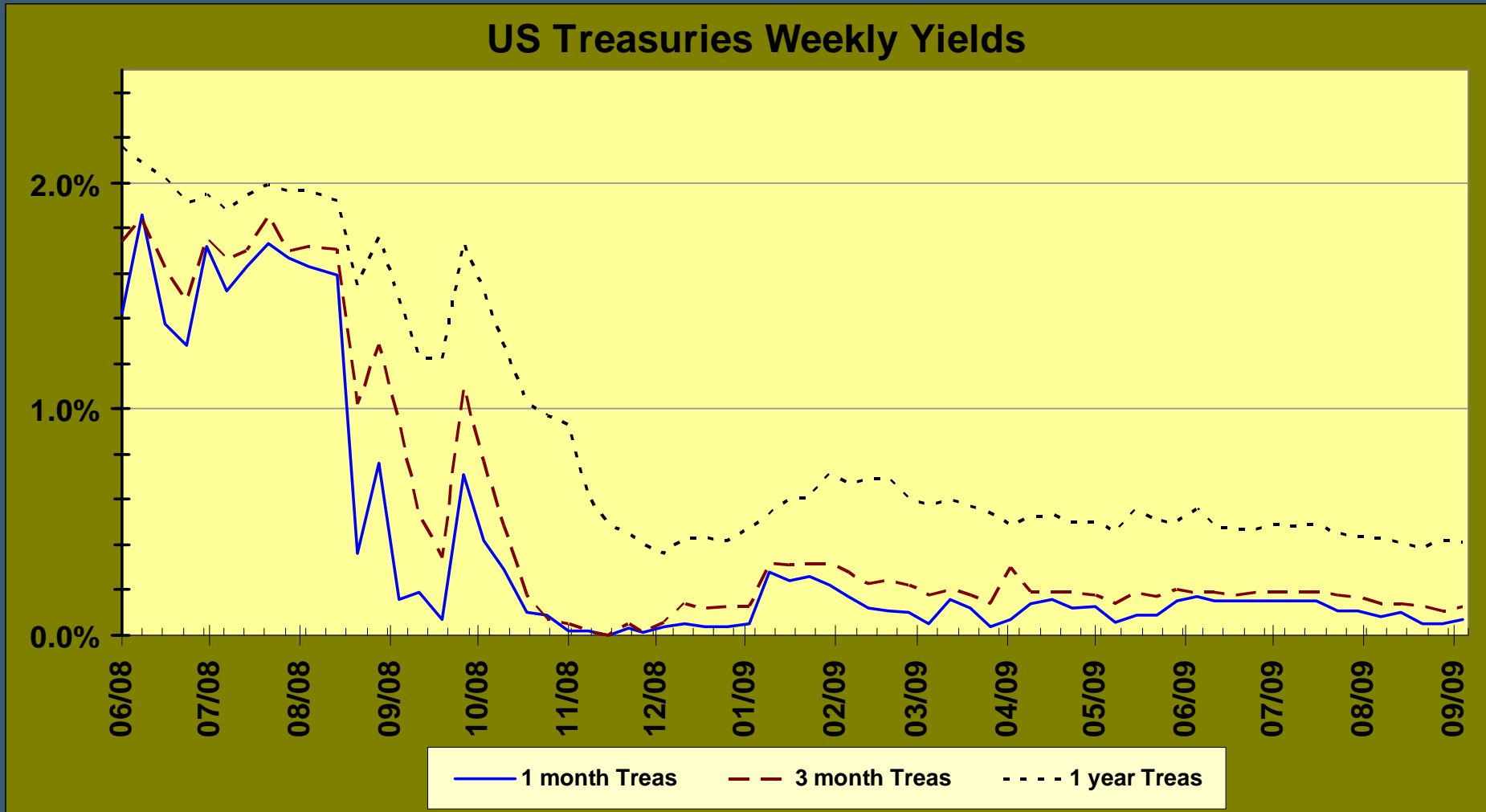


**Metro**

# Headlines

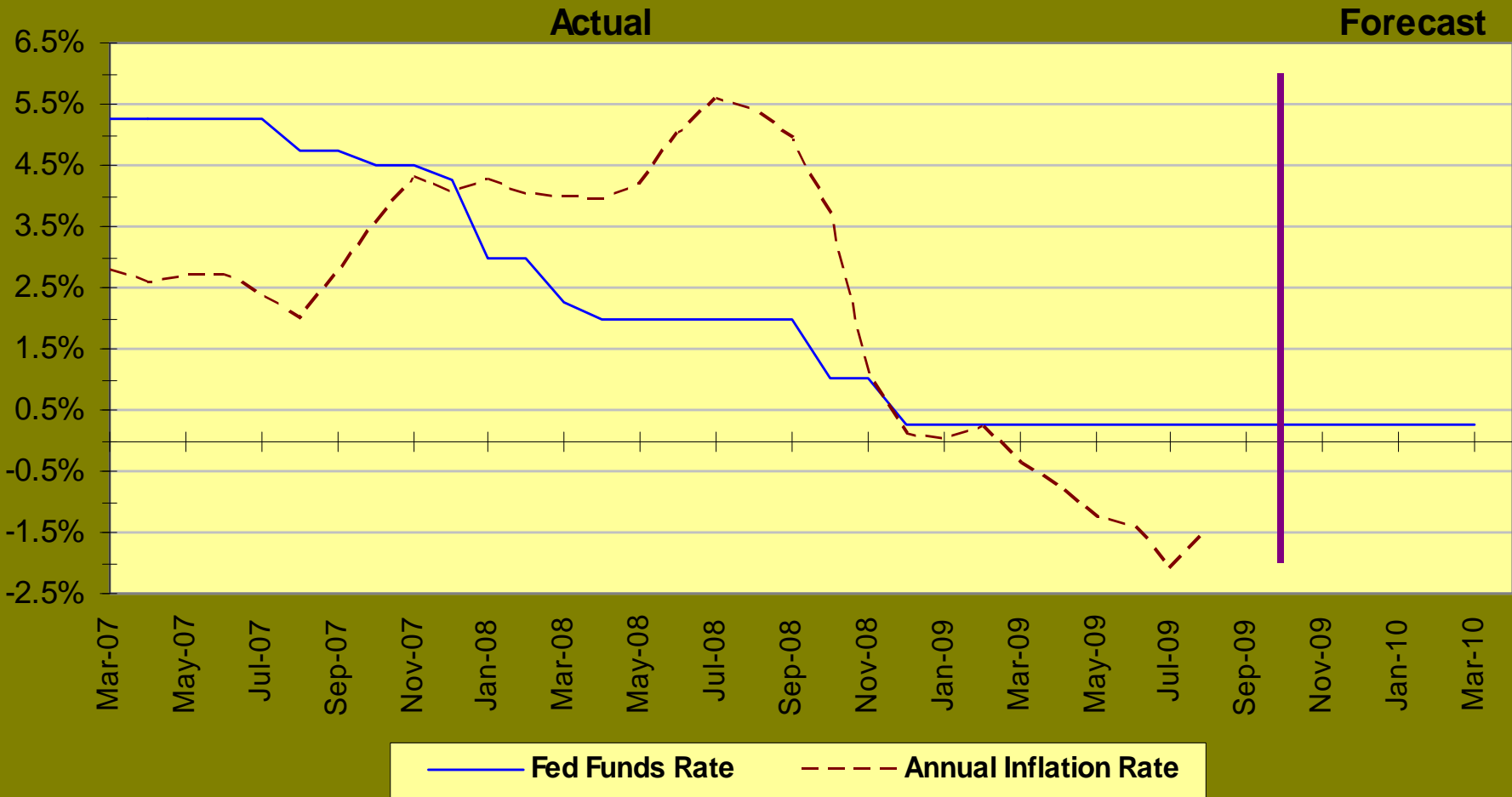
- Fed Chairman Bernanke declares “recession very likely over”
- Fed Funds Rate target unchanged
- Unemployment rate moves higher
- Fed support for mortgage lending extended to March 2010
- Near record excess of production capacity

# Financial Markets



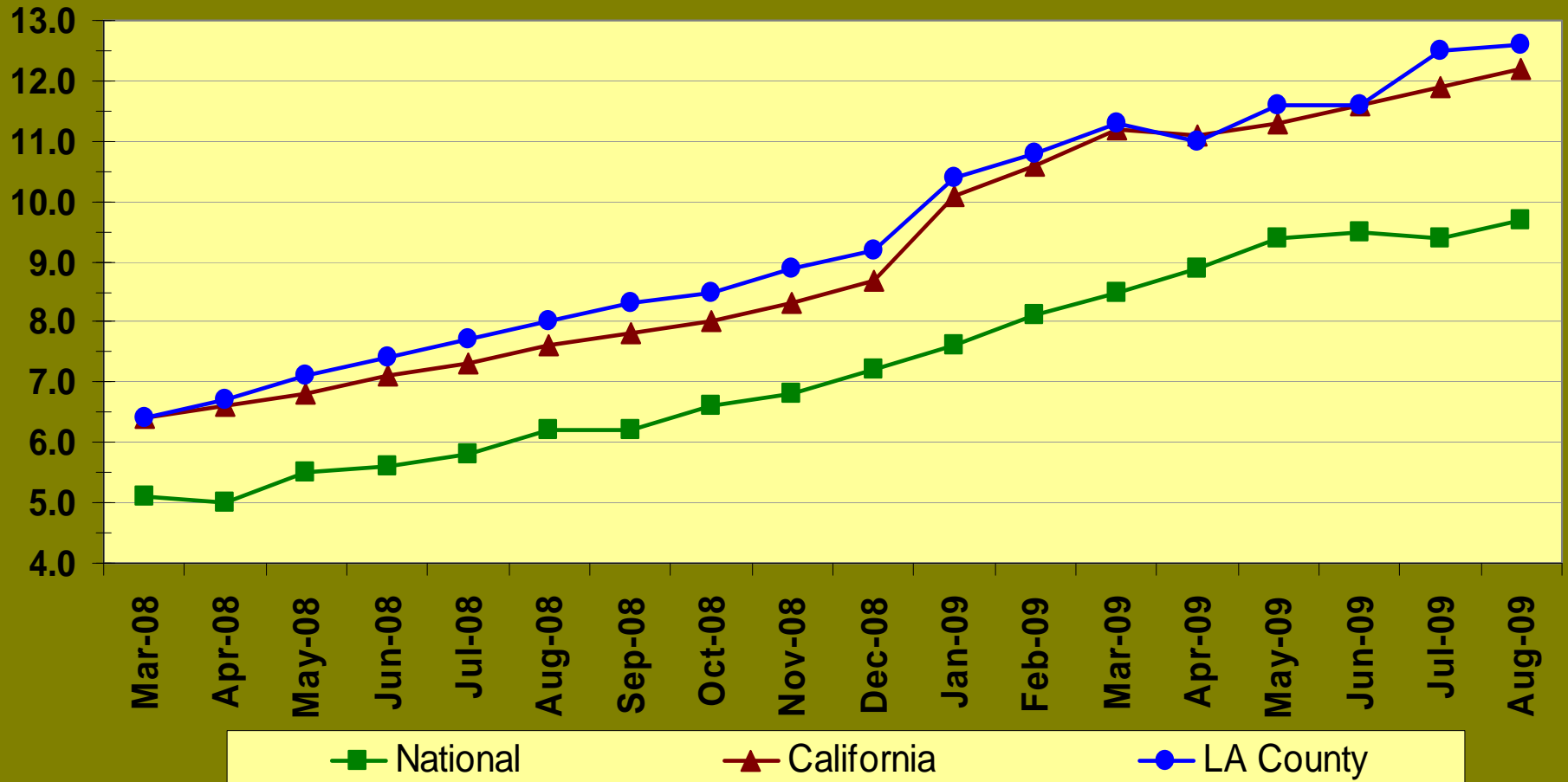
# Financial Markets (cont'd)

## Fed Funds Rate and Inflation Rate



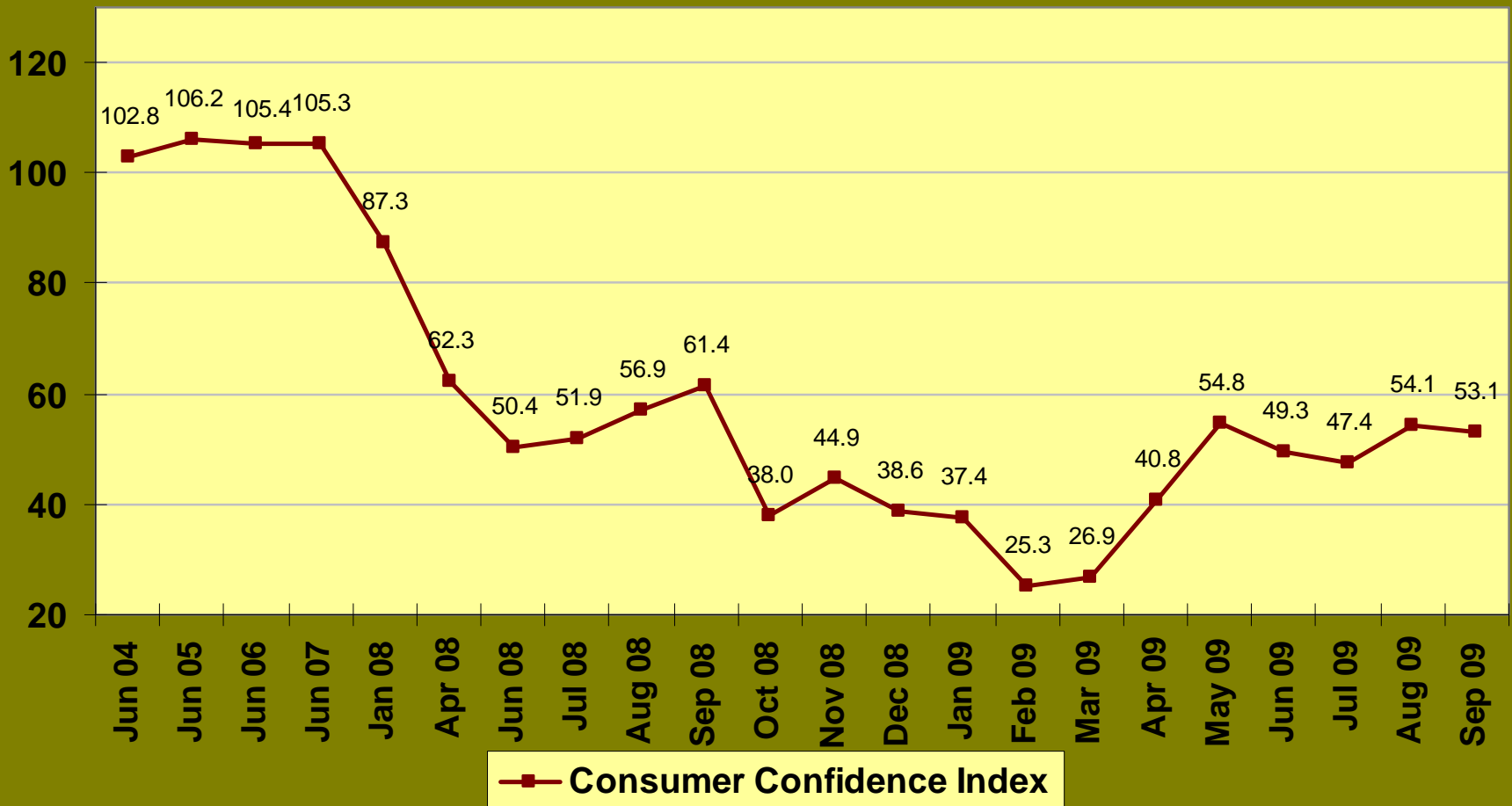
# Financial Markets (cont'd)

## Unemployment Rate Comparisons



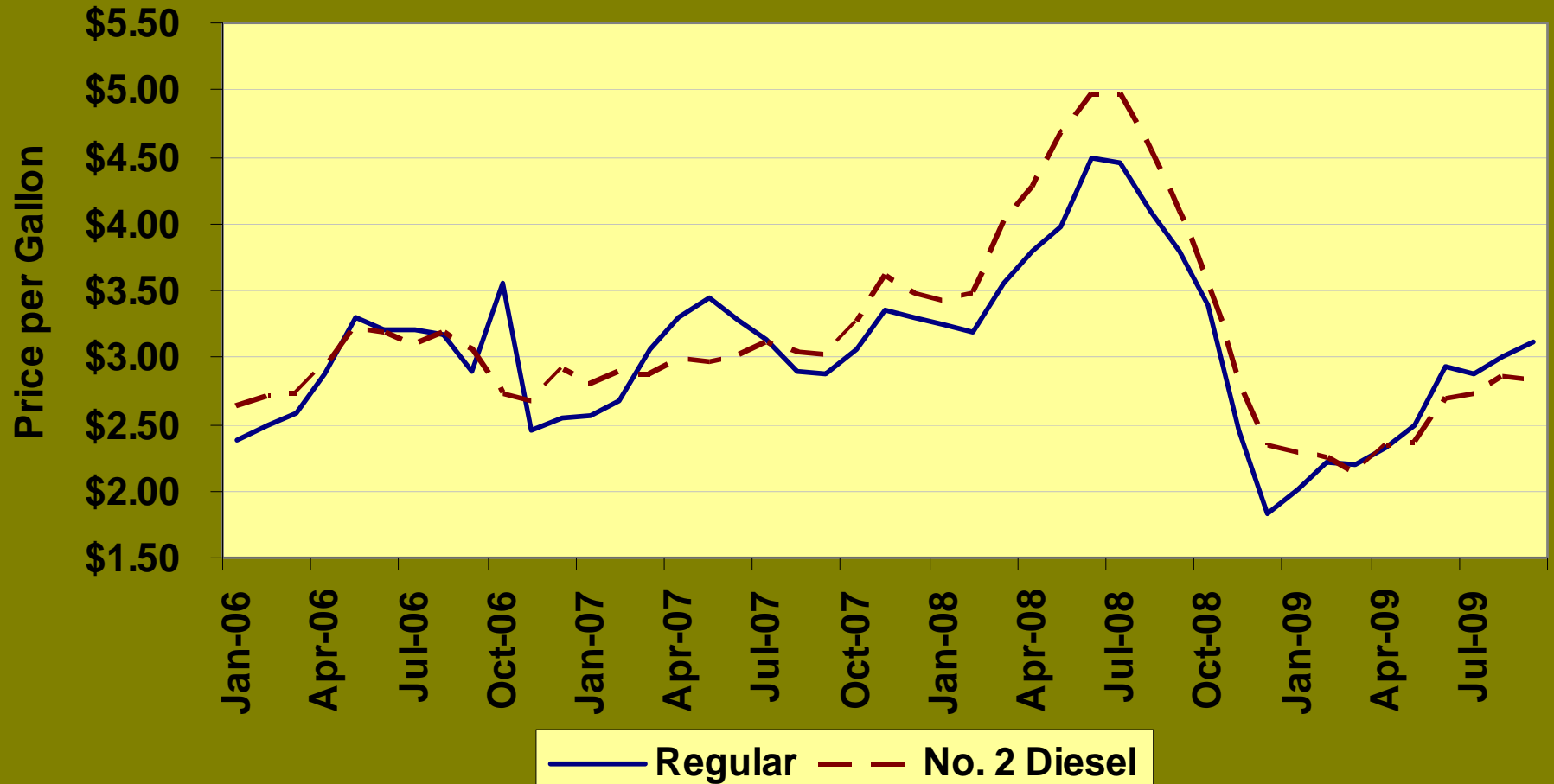
# Financial Markets (cont'd)

## Selected Consumer Confidence Index Points



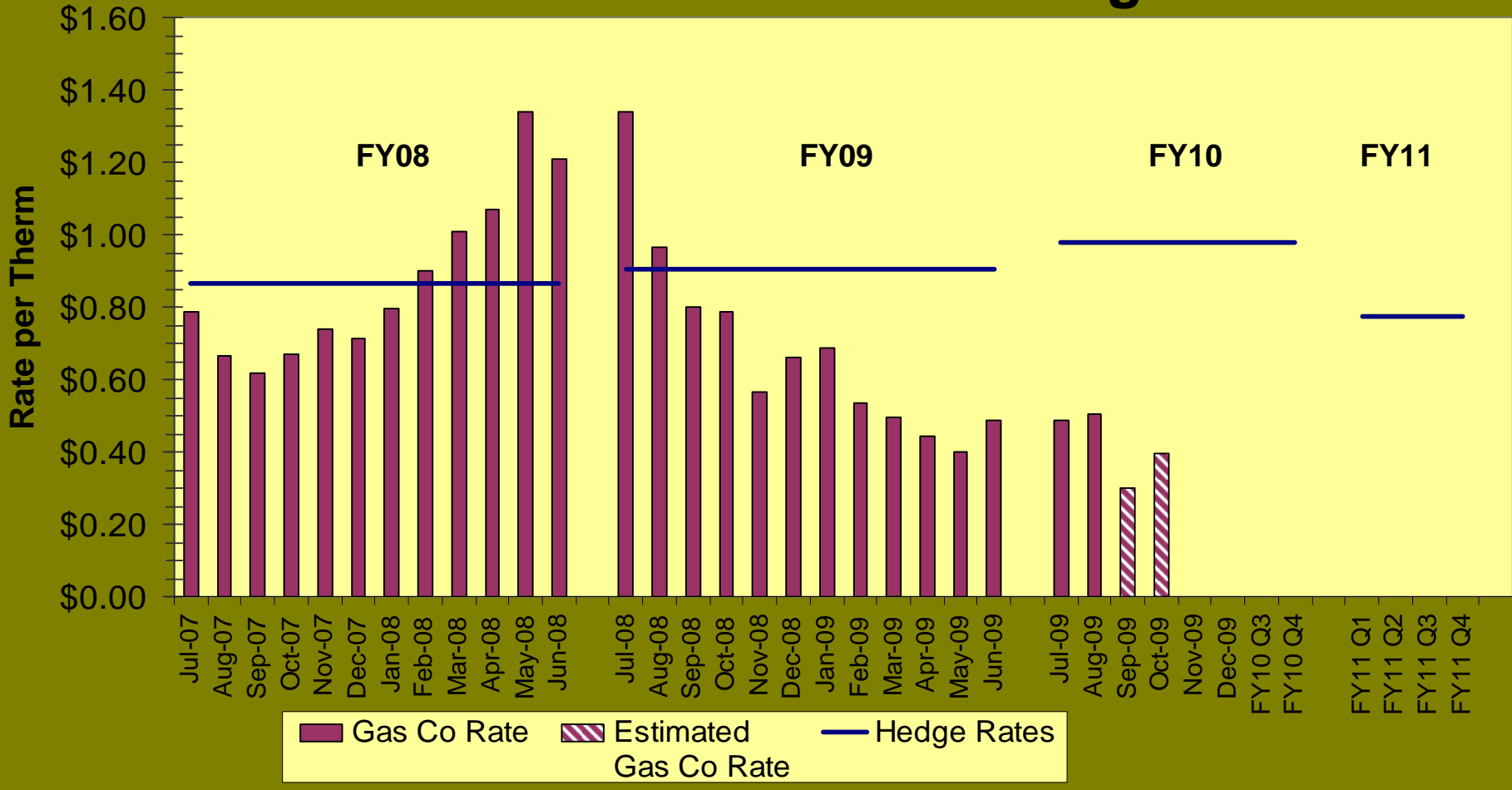
# Financial Markets (cont'd)

## Regular Gas & Diesel Fuel Price Tracking



# Financial Markets (cont'd)

## CNG Rates Invoiced and Hedged



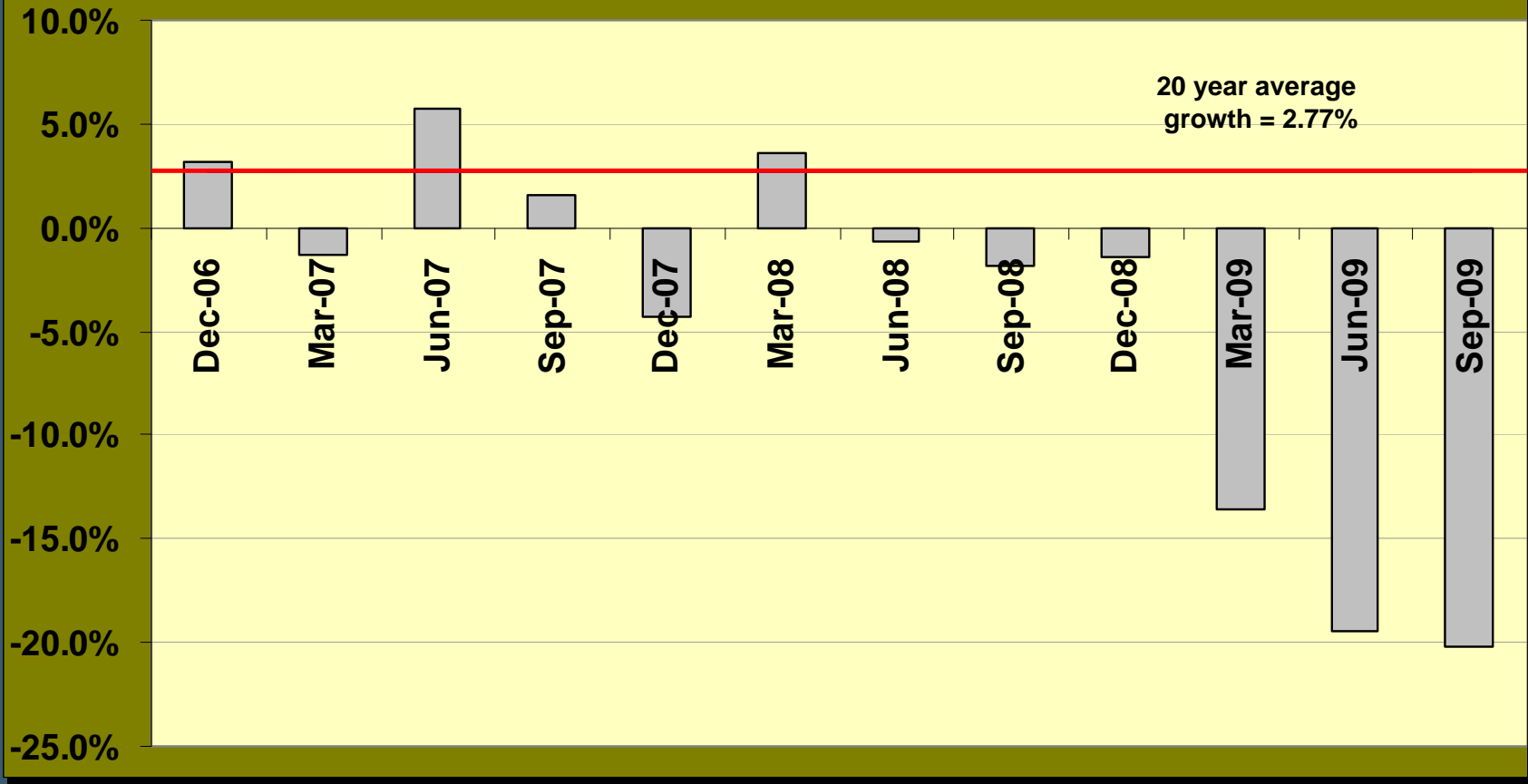


# Impacts

- Lower bond interest rates continue to make refundings advantageous
- Variable rate interest cost down to \$125,000 / month unfavorable from a high of \$3.5 million
- Sales tax receipts continue to decline compared to prior year

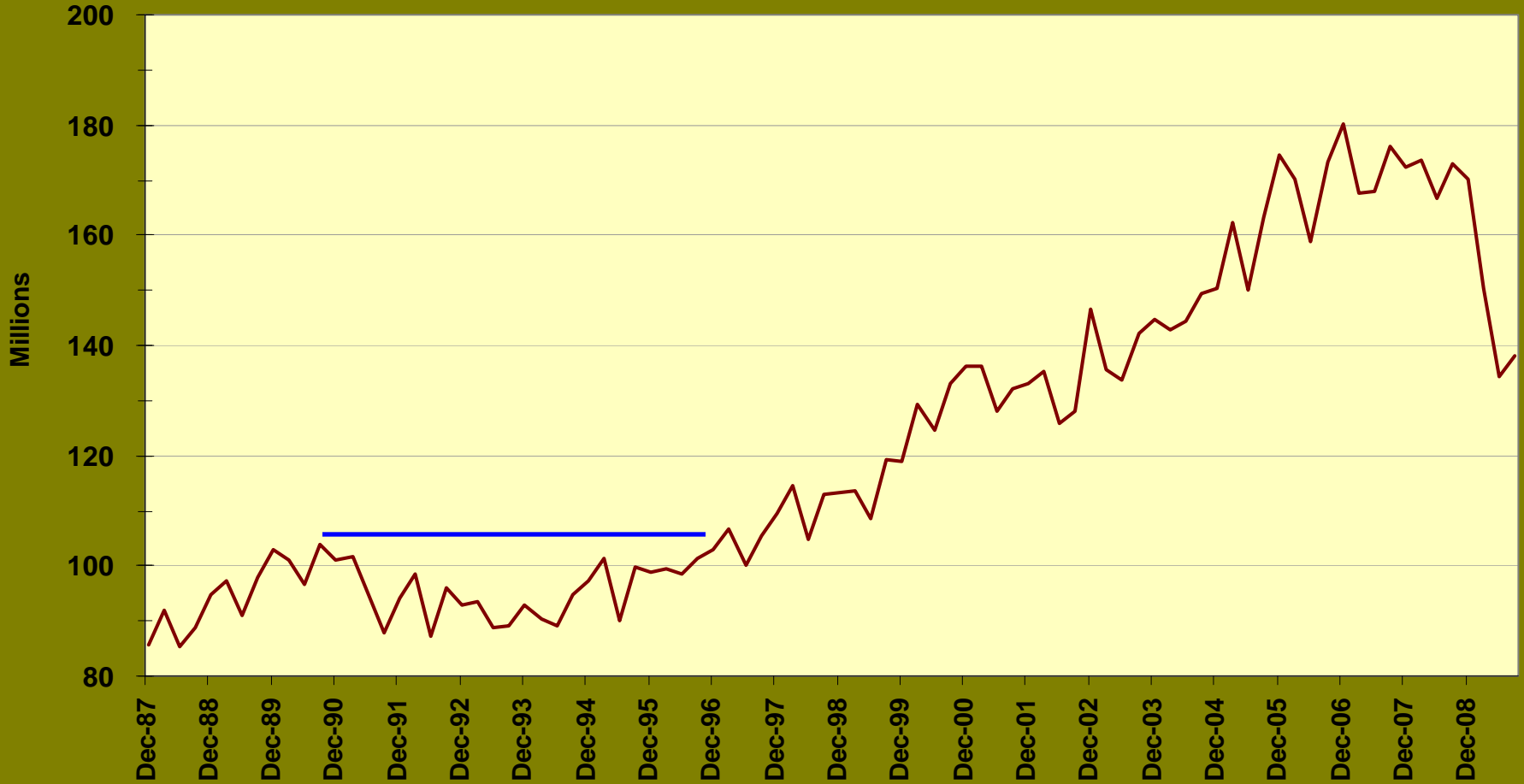
# Sales Tax Receipts

Quarterly Sales Tax Revenue History  
Year over Year Proposition A and C Growth Rate



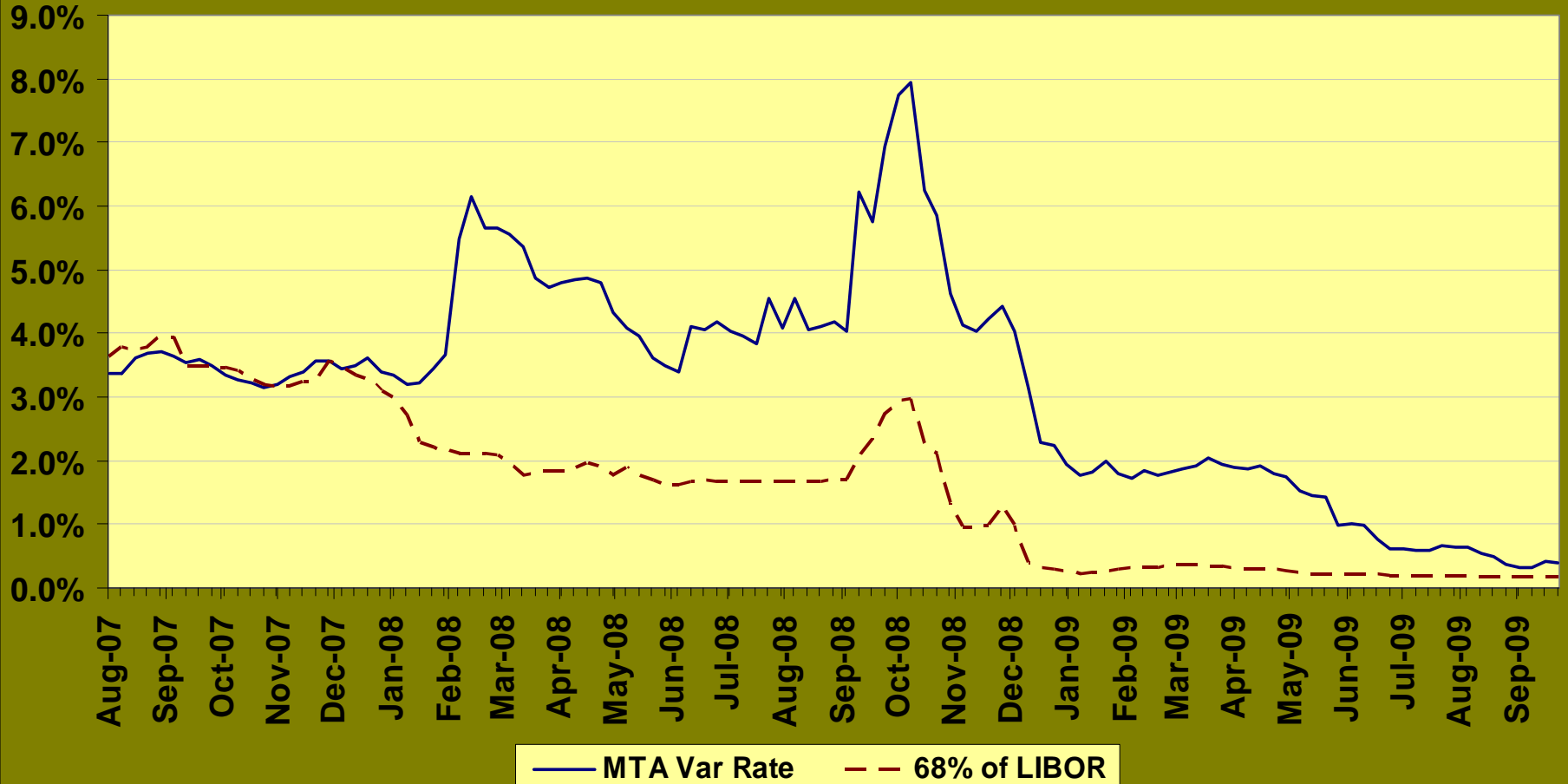
# Historical Sales Tax Revenue

## Prop A Cash Receipts by Quarter



# LACMTA's Variable Rates

## LACMTA Variable Rates vs LIBOR



# Since Last Update

- Completed refunding of Prop C 1999 fixed rate bonds totaling \$118mm
  - Refunding will result in savings to FY10 budget and \$7mm savings over life of bond
- Excise tax legislation introduced in both House and Senate, 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