

Monthly Financial Update

Oral Report

Finance, Budget and Audit Committee

July 2011



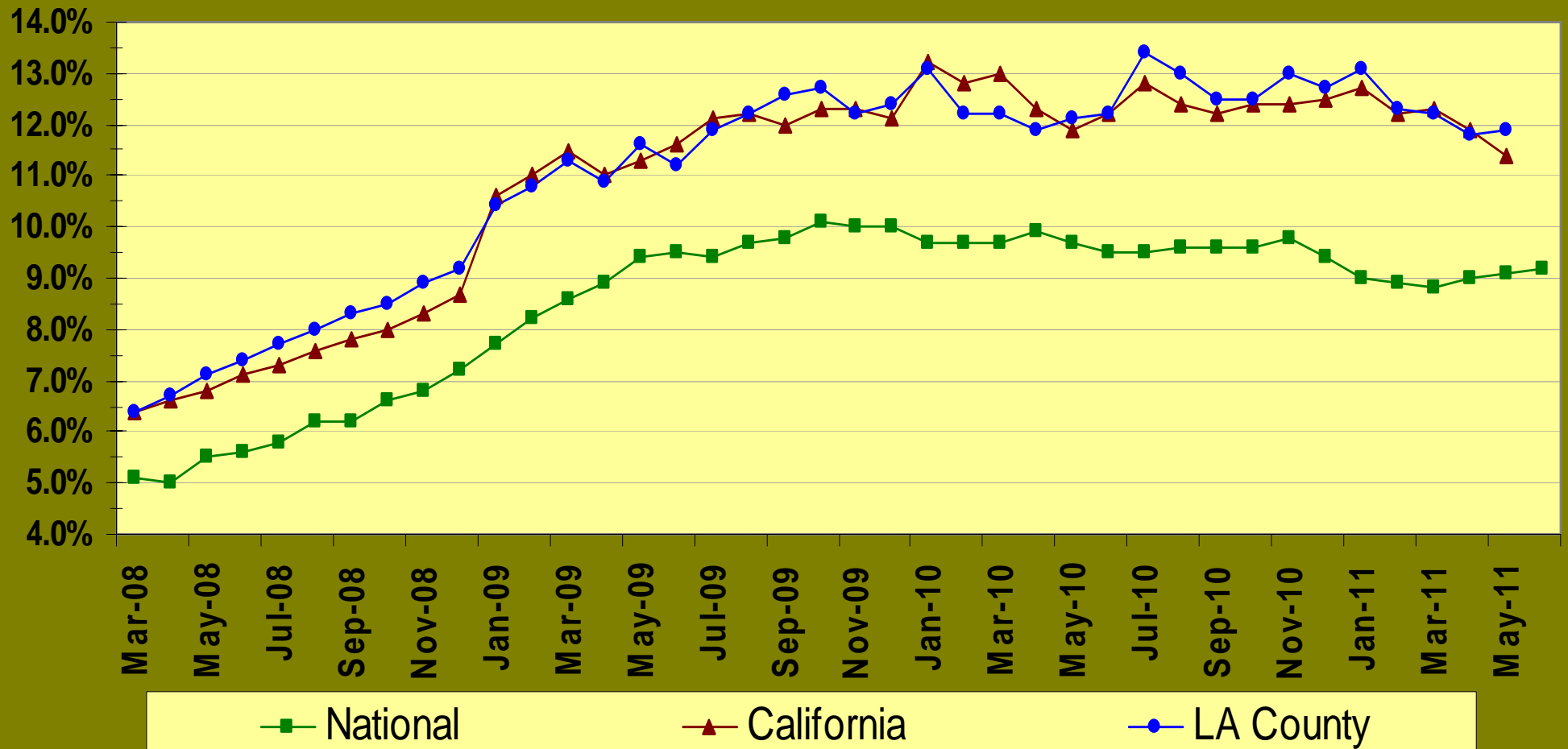
Metro

Headlines

- Domestic economy remains anemic
- Pace of job growth positive but unimpressive
- European sovereign debt concerns temper expectations for global growth

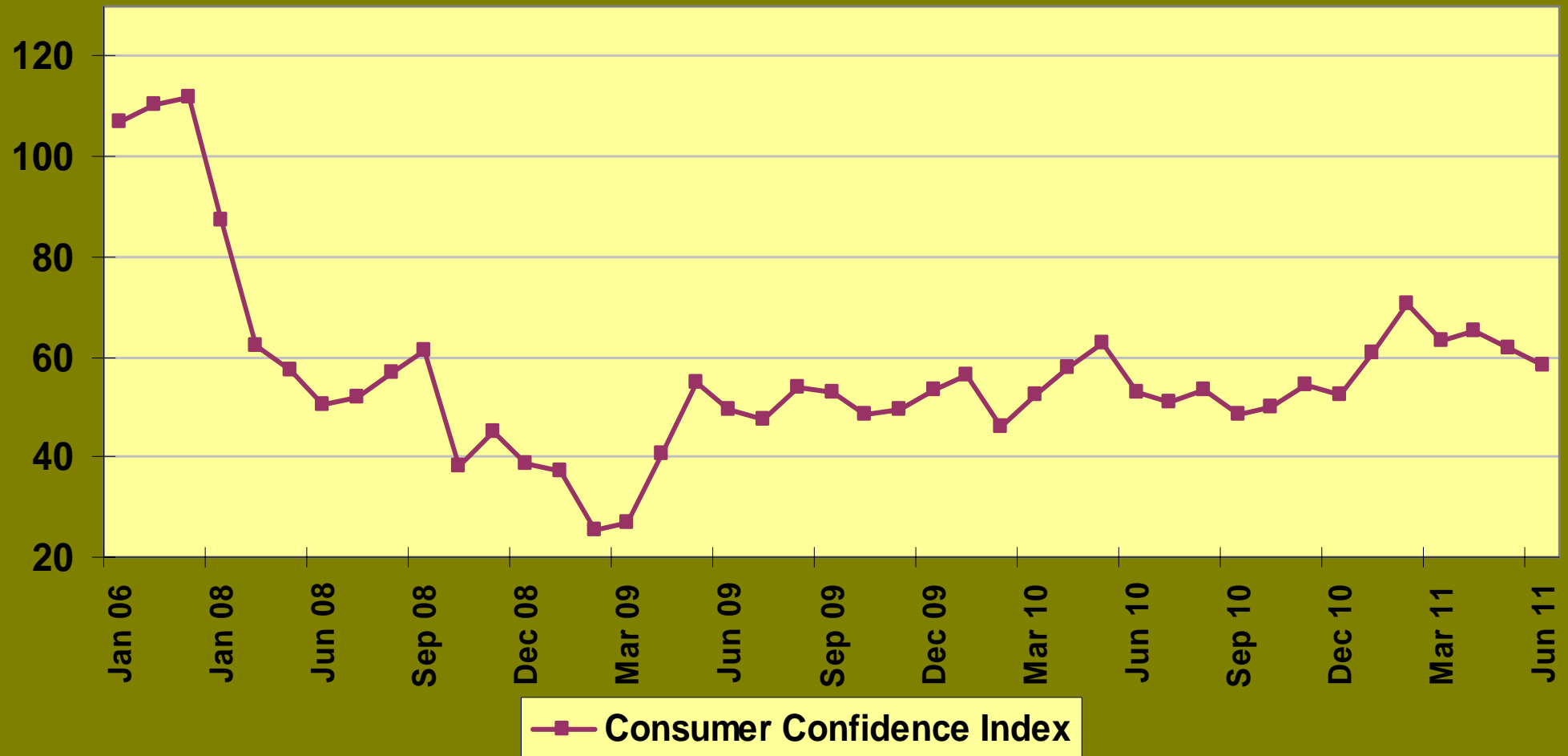
Financial Markets

Unemployment Rate Comparisons



Financial Markets

Selected Consumer Confidence Index Points



Financial Markets

Regular Gas Price History

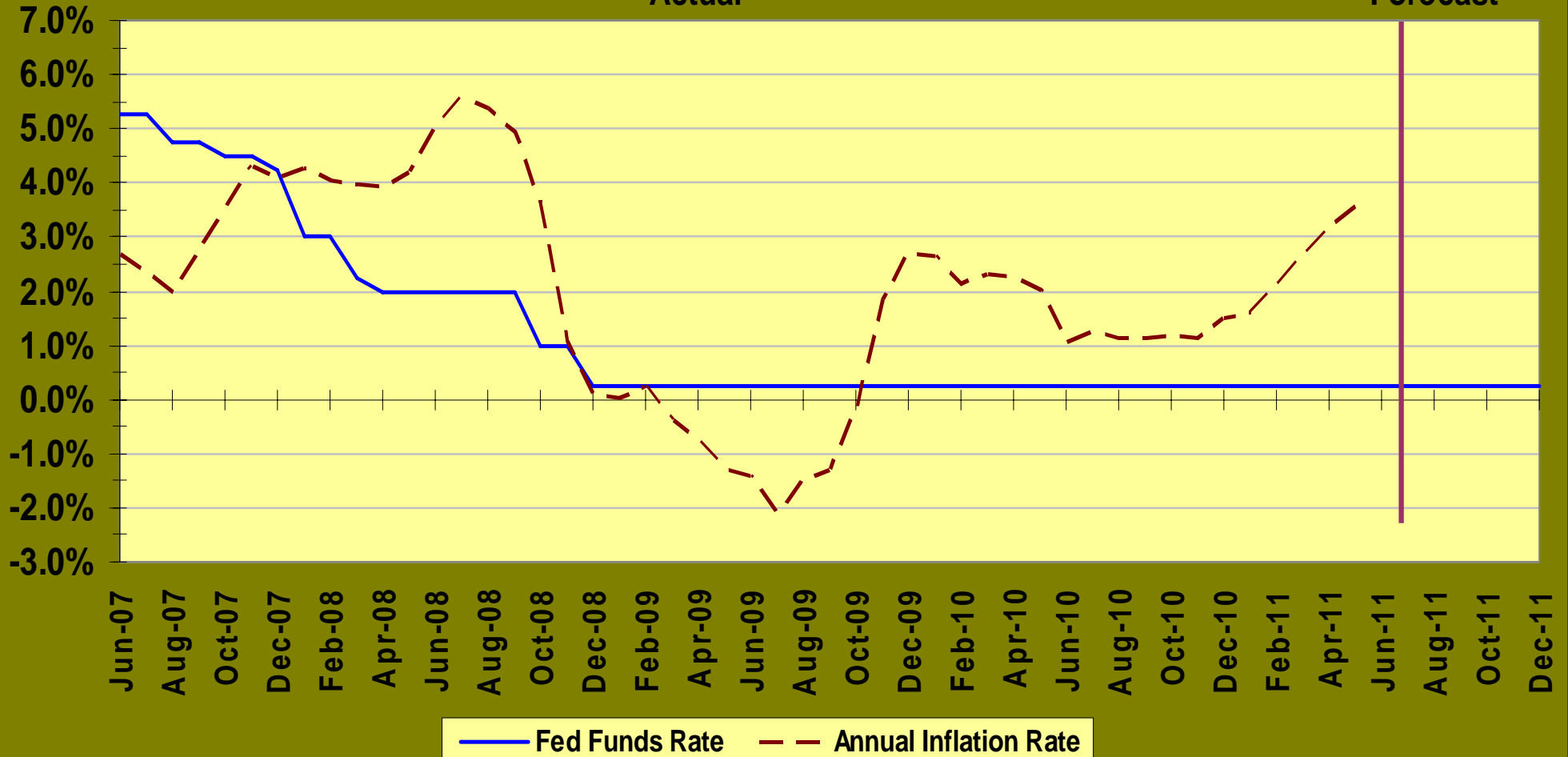


Financial Markets

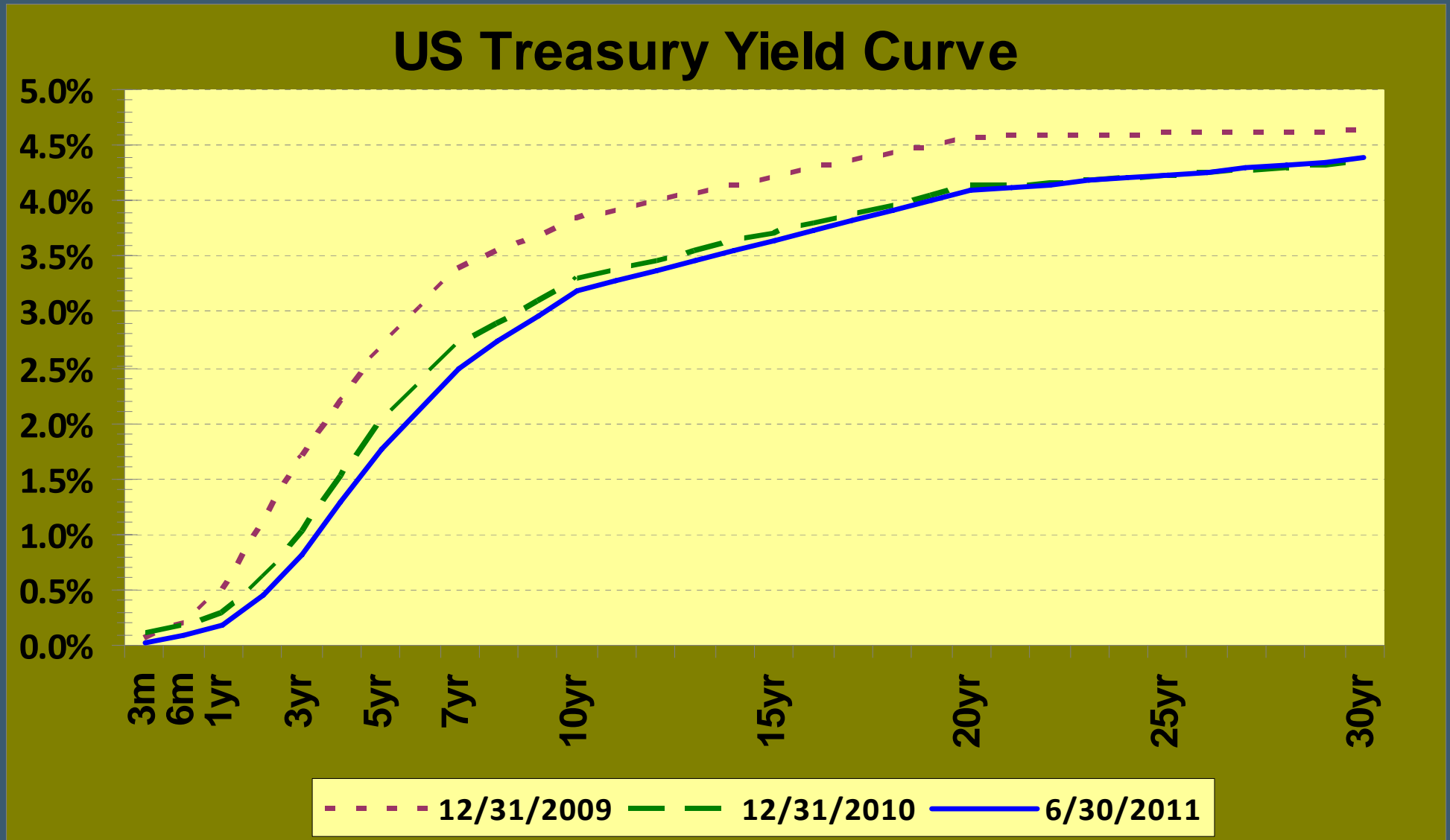
Fed Funds Rate and Inflation Rate

Actual

Forecast



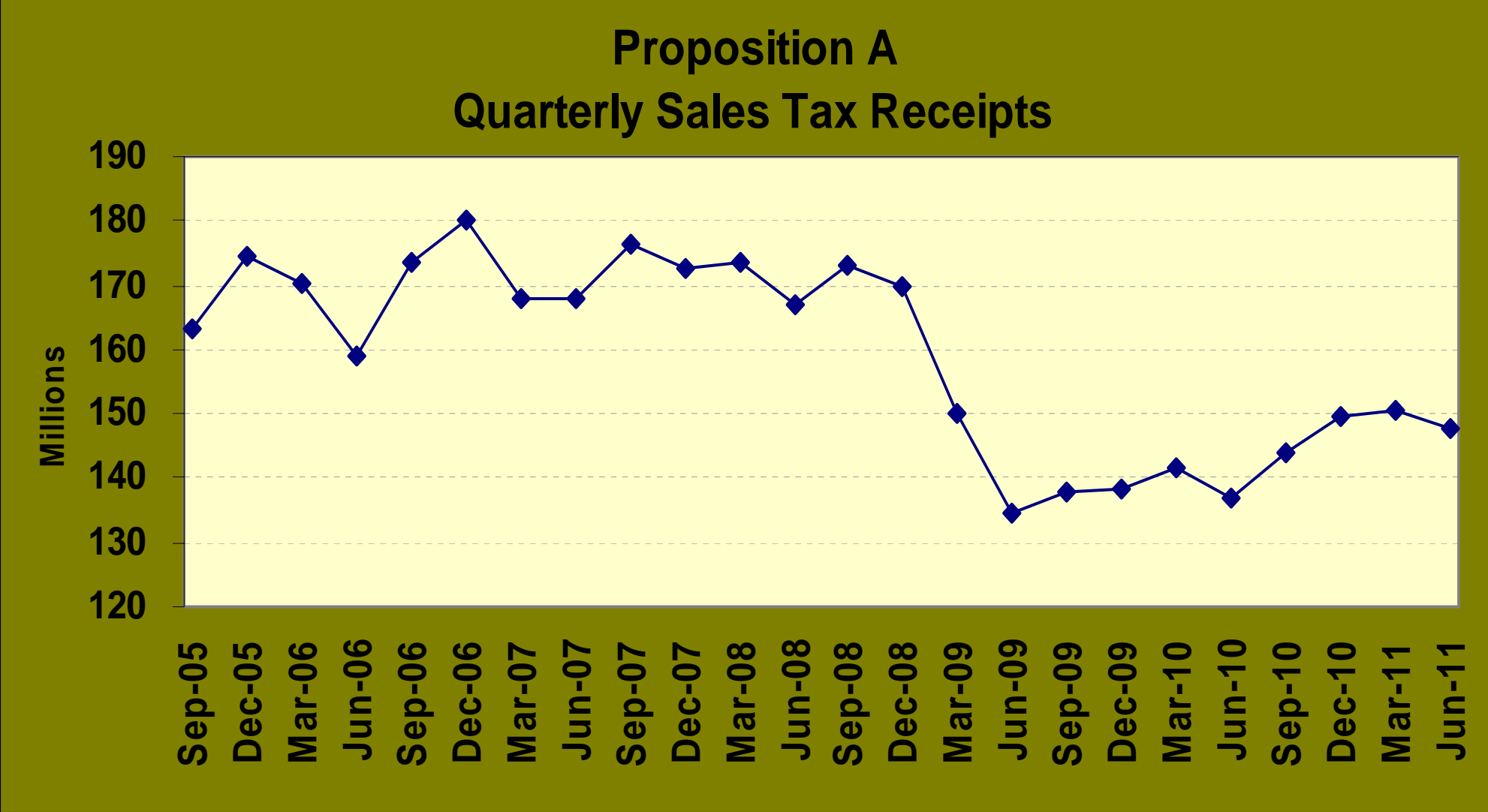
Financial Markets



Impacts

- Anemic recovery is slowing revenue growth at federal, state and local levels
- Short-term rates are near all-time lows as investors seek safe haven

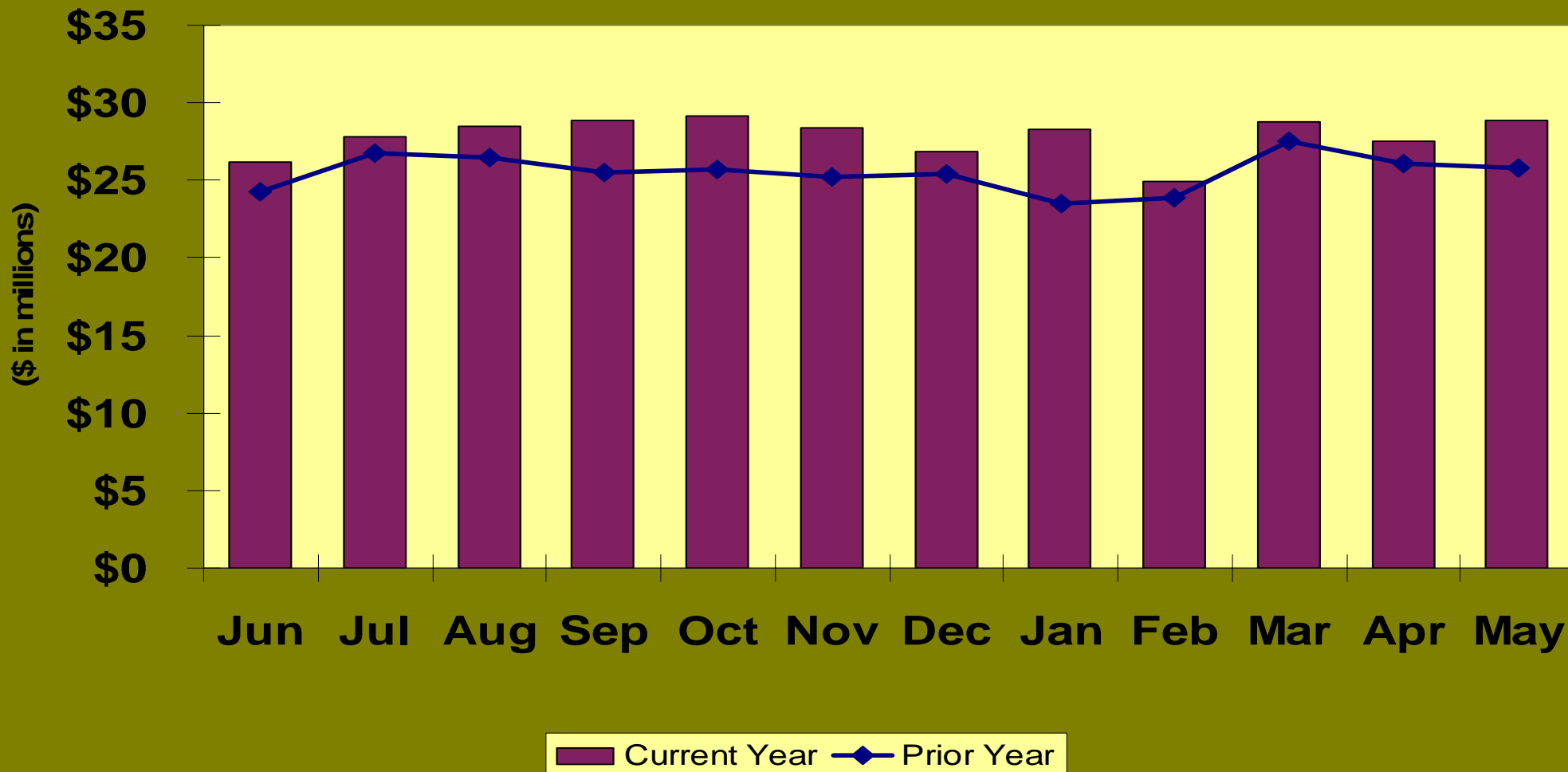
Prop A Sales Tax Receipts



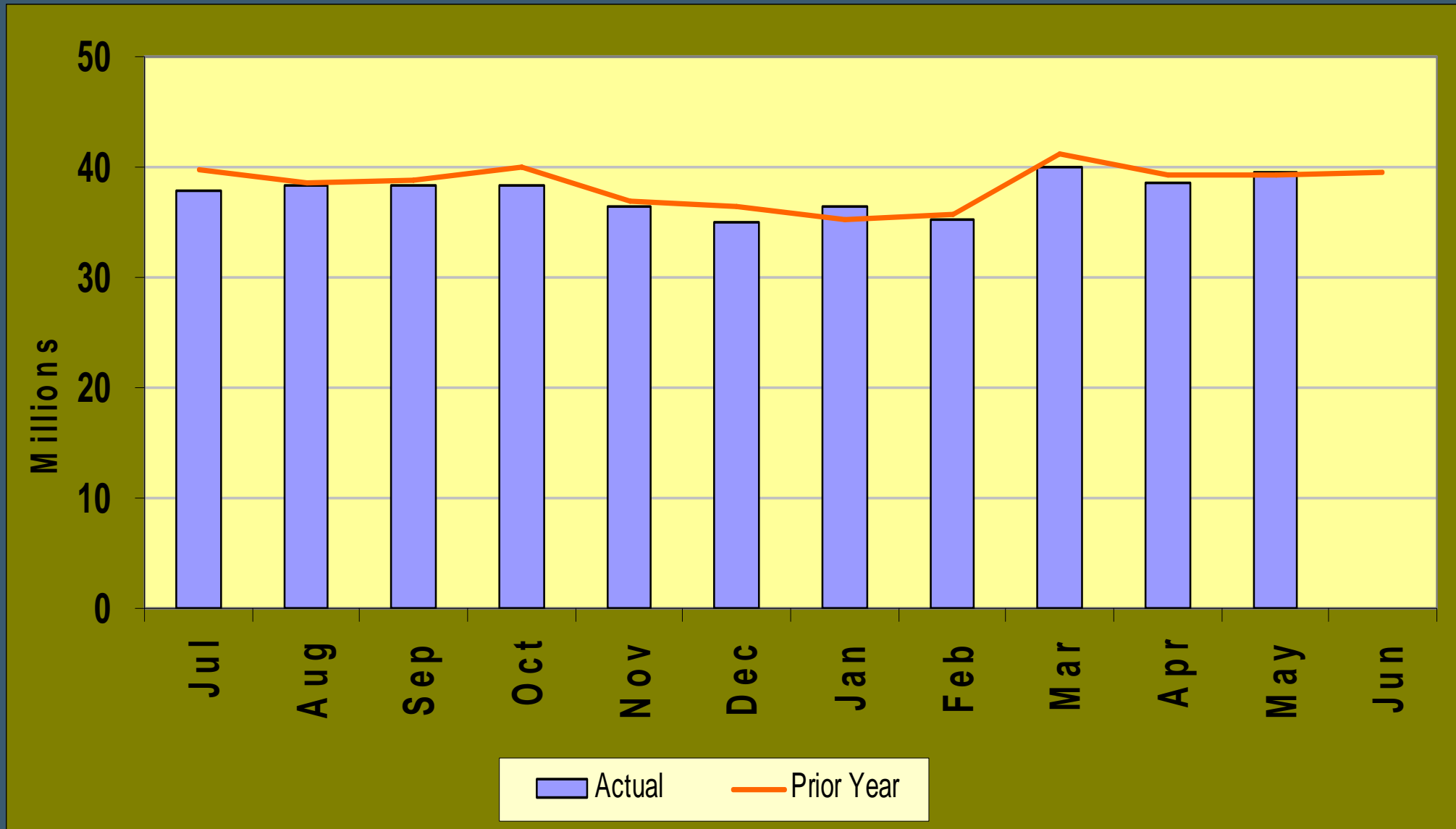
Fare Revenue

Monthly Fare Revenue

Current Year vs Prior Year (rolling 12 months)



Monthly Boardings 2011 vs. 2010



Since Last Update

- Issued RFP to select bond underwriters for negotiated bond sale to refund Prop A 2001 bonds and commercial paper
- Crenshaw TIFIA loan – requested board authorizations to form borrowing entity and to submit TIFIA loan application
- For Prop A 2008 bonds – issued 20-day tender notice to replace \$264 million of liquidity facilities in early August
- Received tax counsel's analysis on financing alternatives to reimburse Union Station acquisition costs

Next Steps

- Appoint bond underwriters in September for refunding of Prop A 2001 bonds & commercial paper
- Prop A 2008 liquidity – execute documents and implement replacement credit facilities
- Crenshaw TIFIA loan – submit loan application after environmental reports are approved by Board

End Presentation

Discussion