

# Monthly Financial Update

CFSO Oral Report  
Finance, Budget and Audit Committee  
February 2012



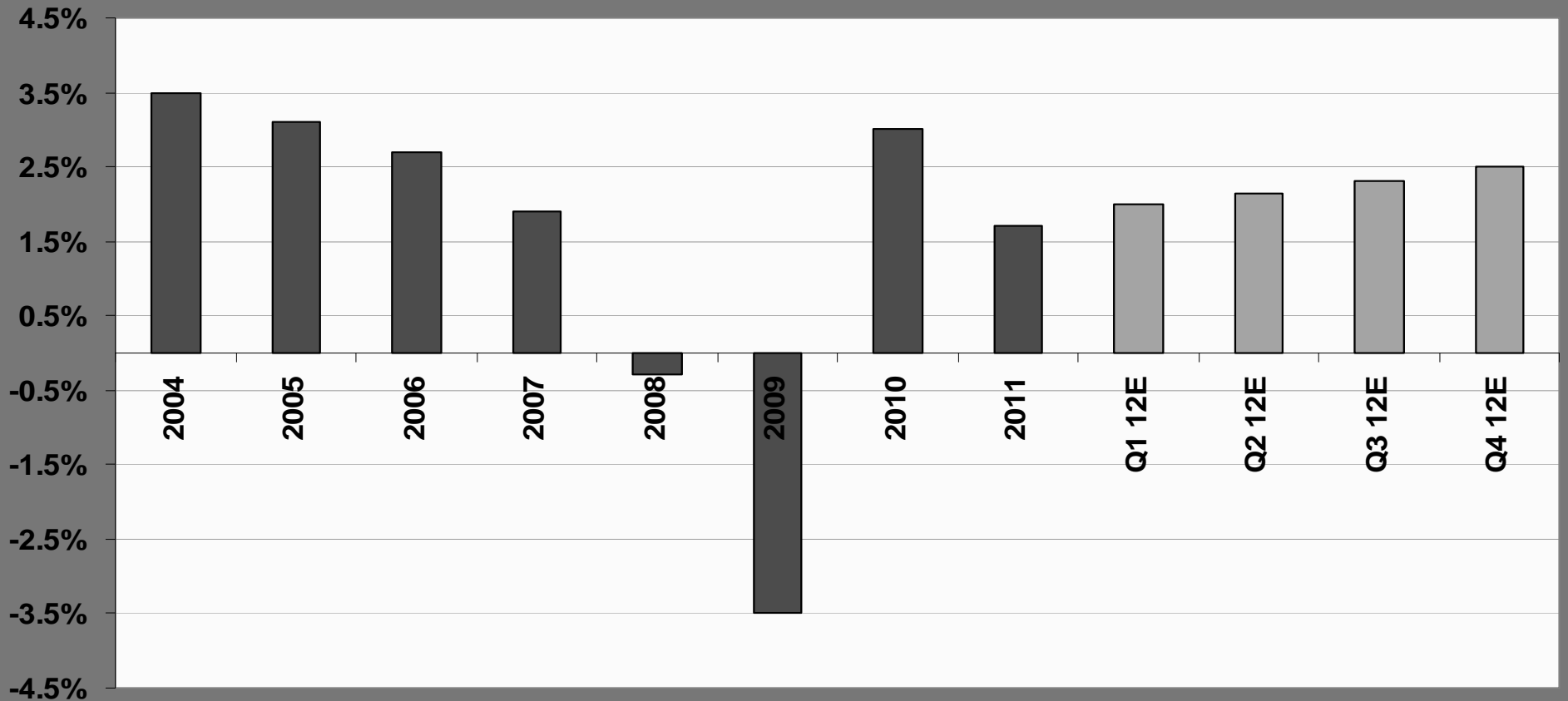
**Metro**

# Calendar Year 2012 Outlook

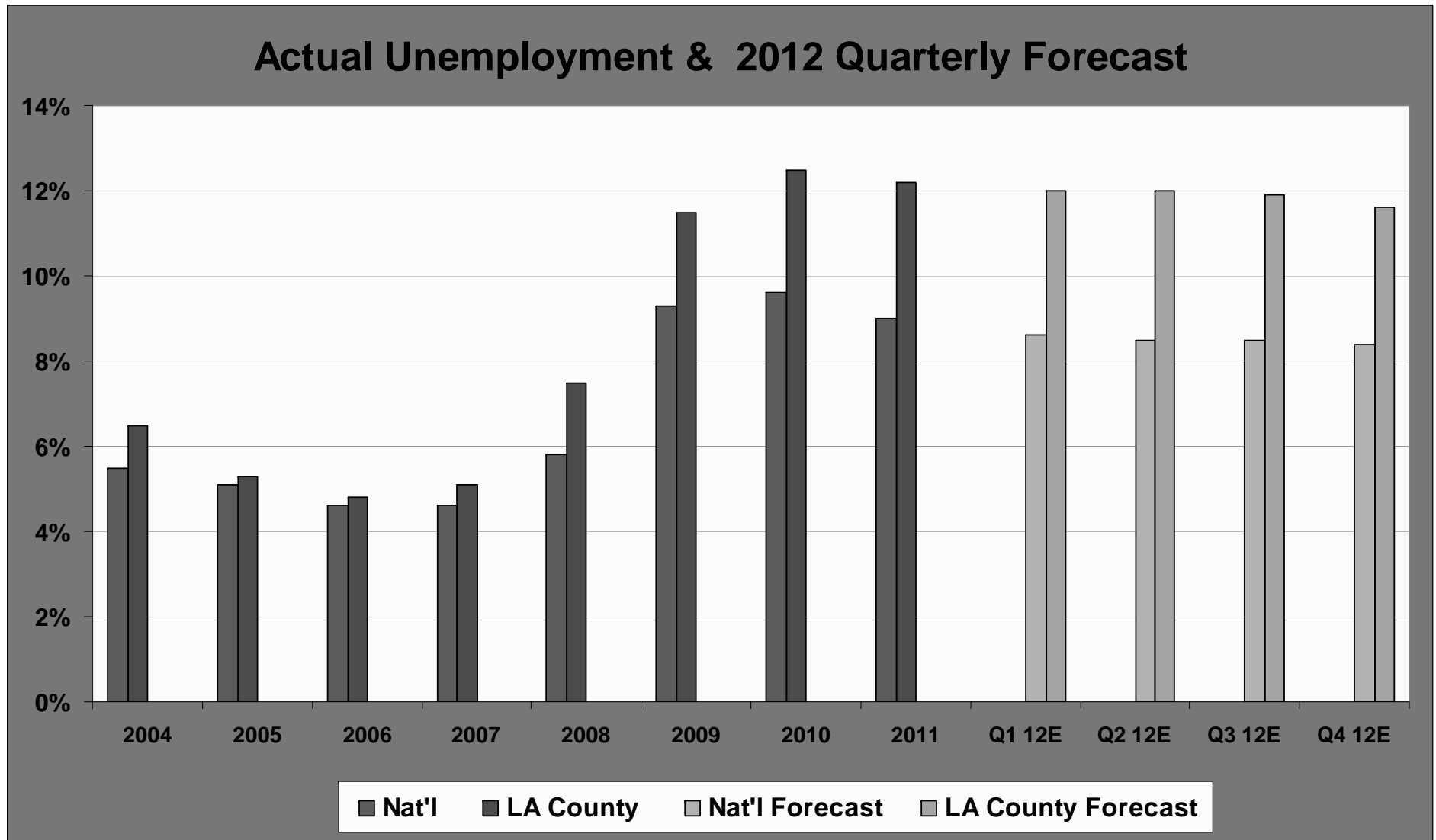
- Macroeconomic Indicators
- Risks
- Impacts on Metro

# Outlook - Gross Domestic Product

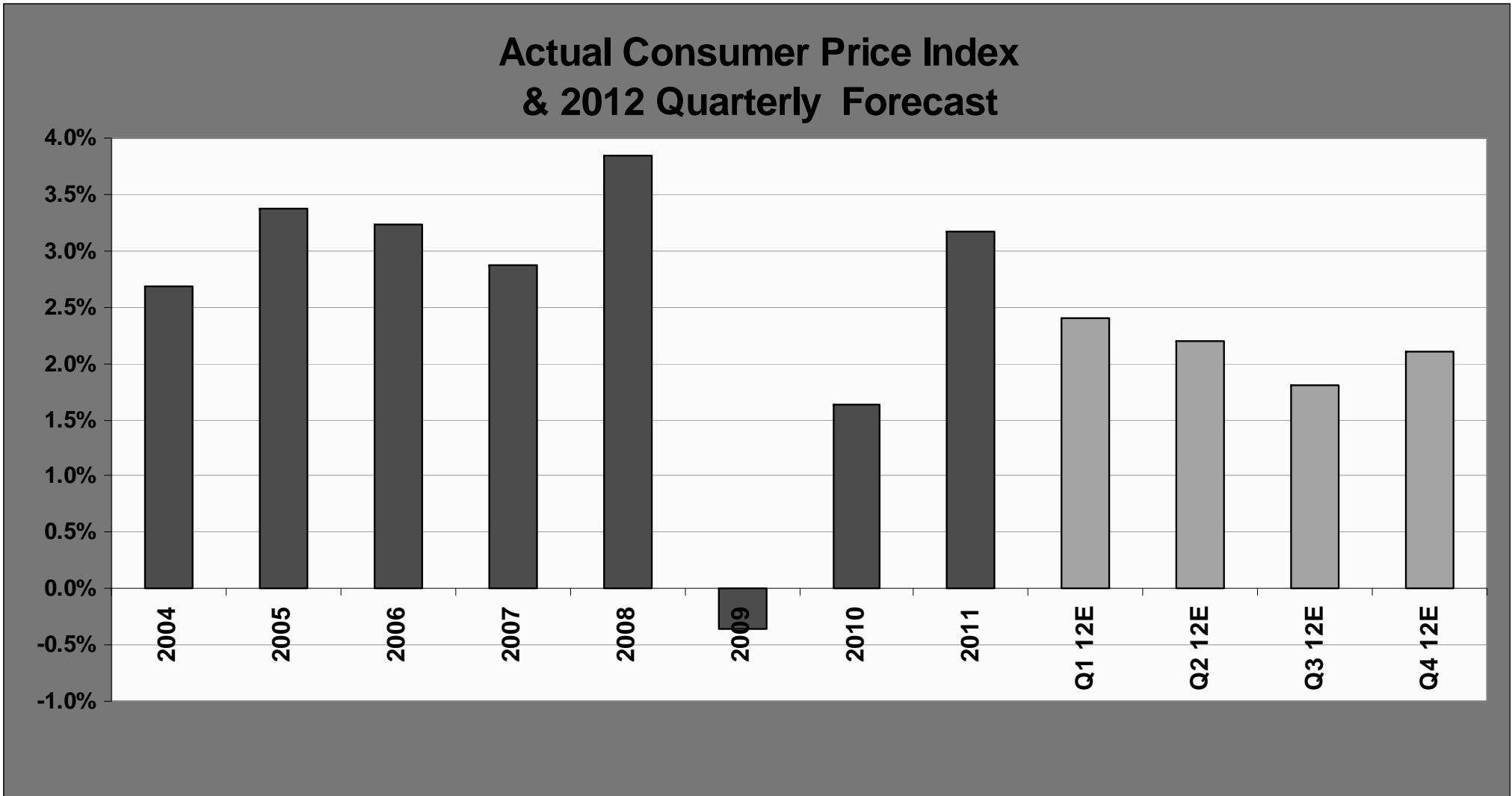
Actual GDP & 2012 Quarterly Forecast



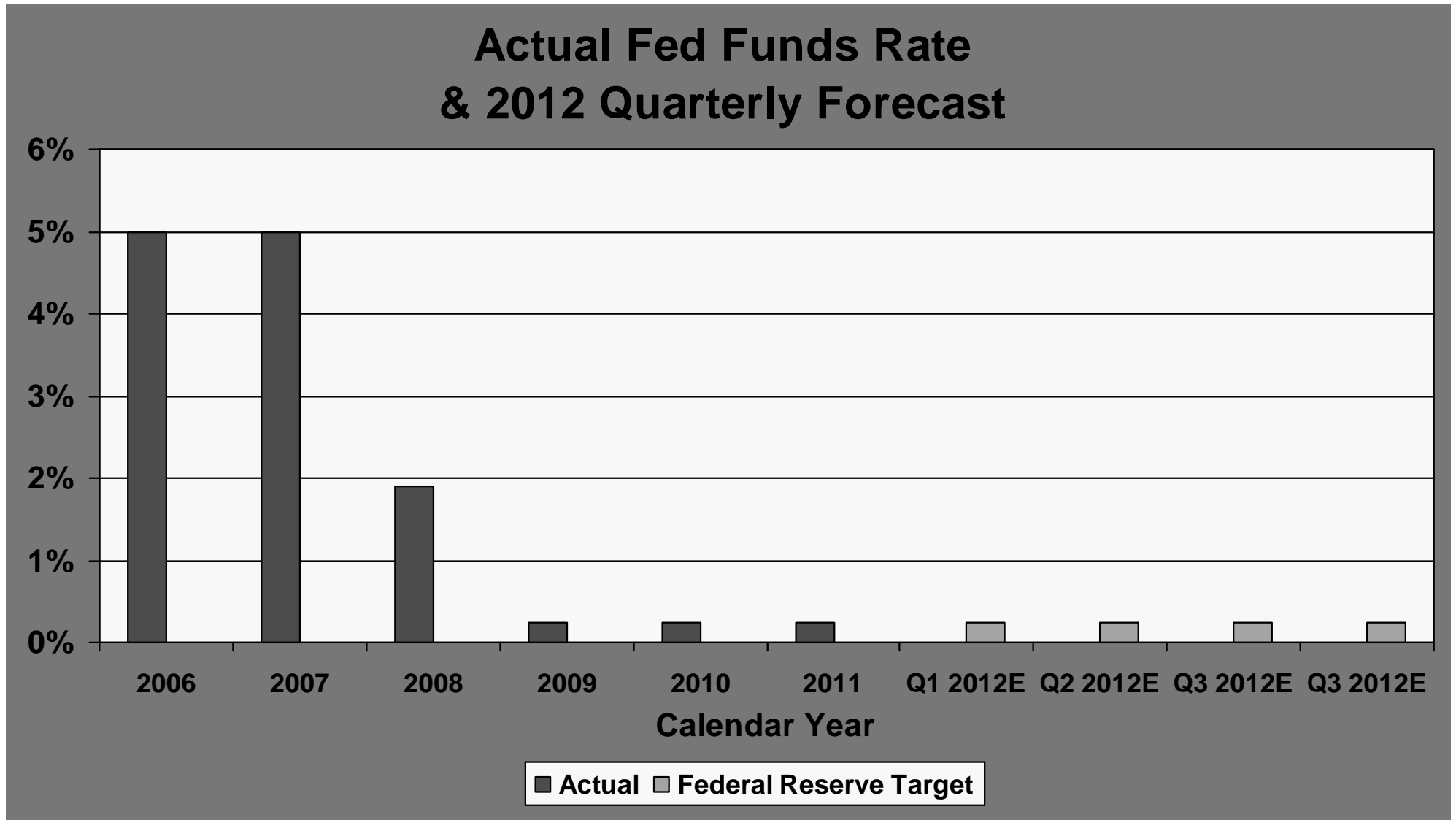
# Outlook – Unemployment



# Outlook - Inflation

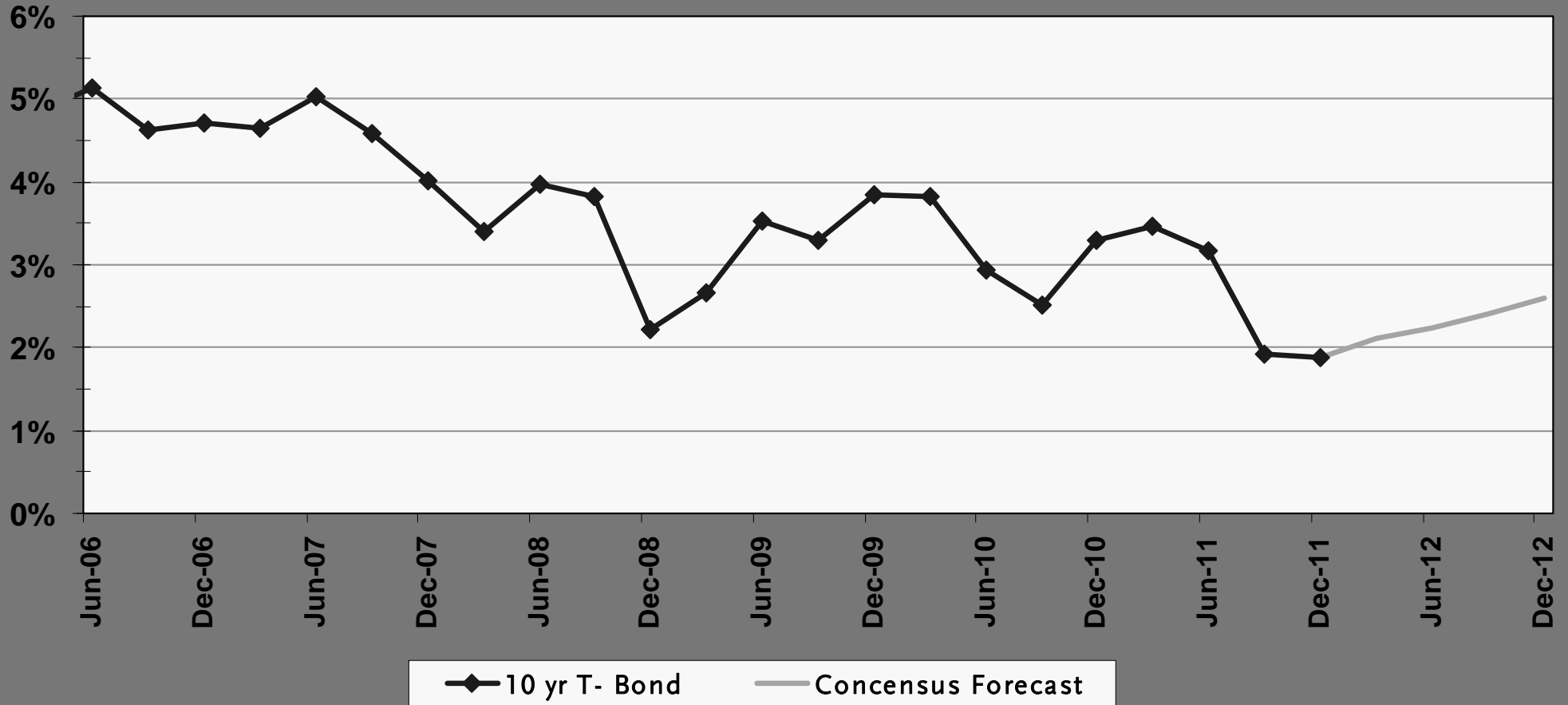


# Outlook – Short Term Rates



# Outlook – Long Term Rates

## 10 Yr Treasury Bond Yields & Forecast



# Risks

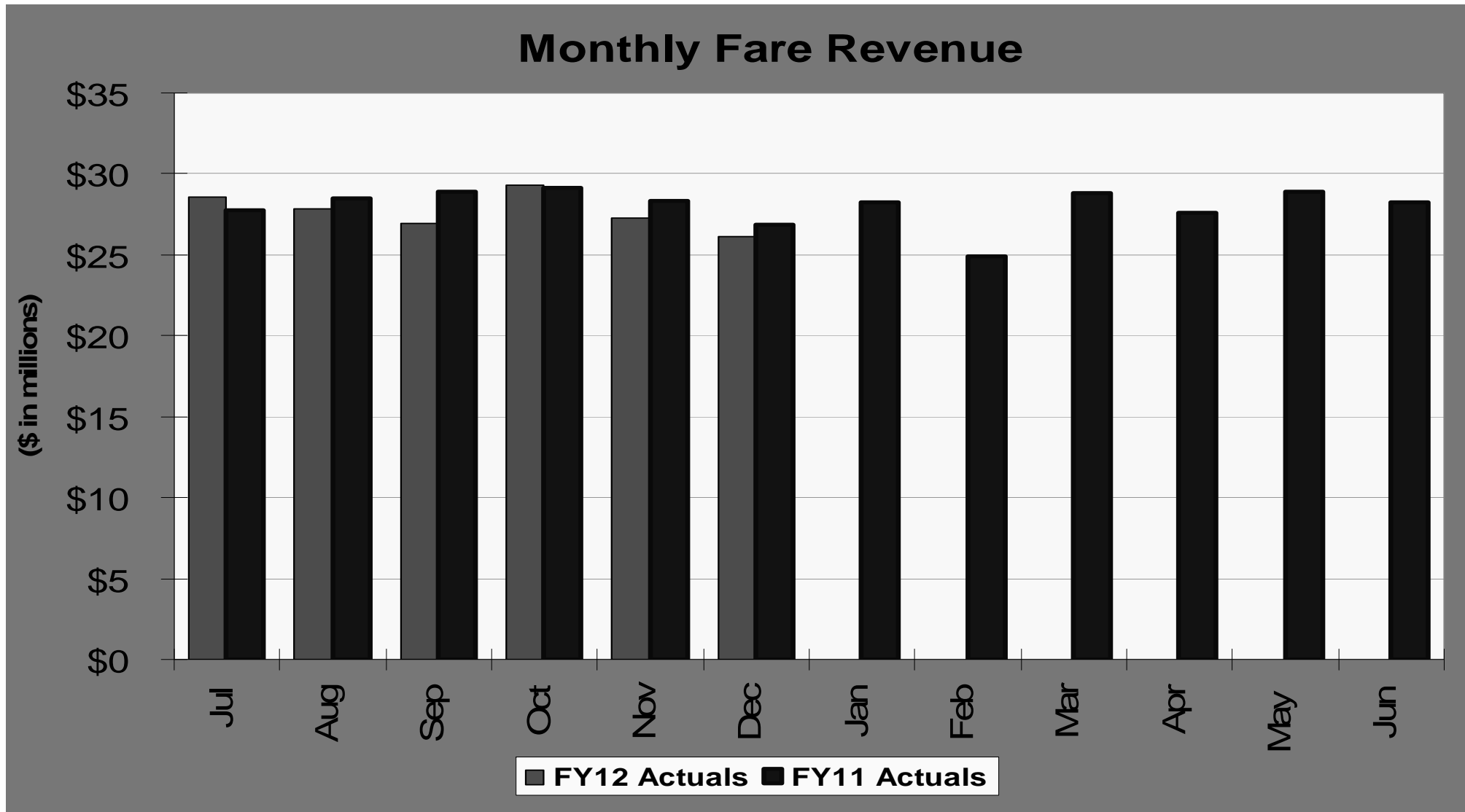
- **Prolonged resolution of Euro zone debt problems**
- **Global de-leveraging stifles spending**
- **Election year posturing**
- **Struggling housing market**
- **Pension reform**



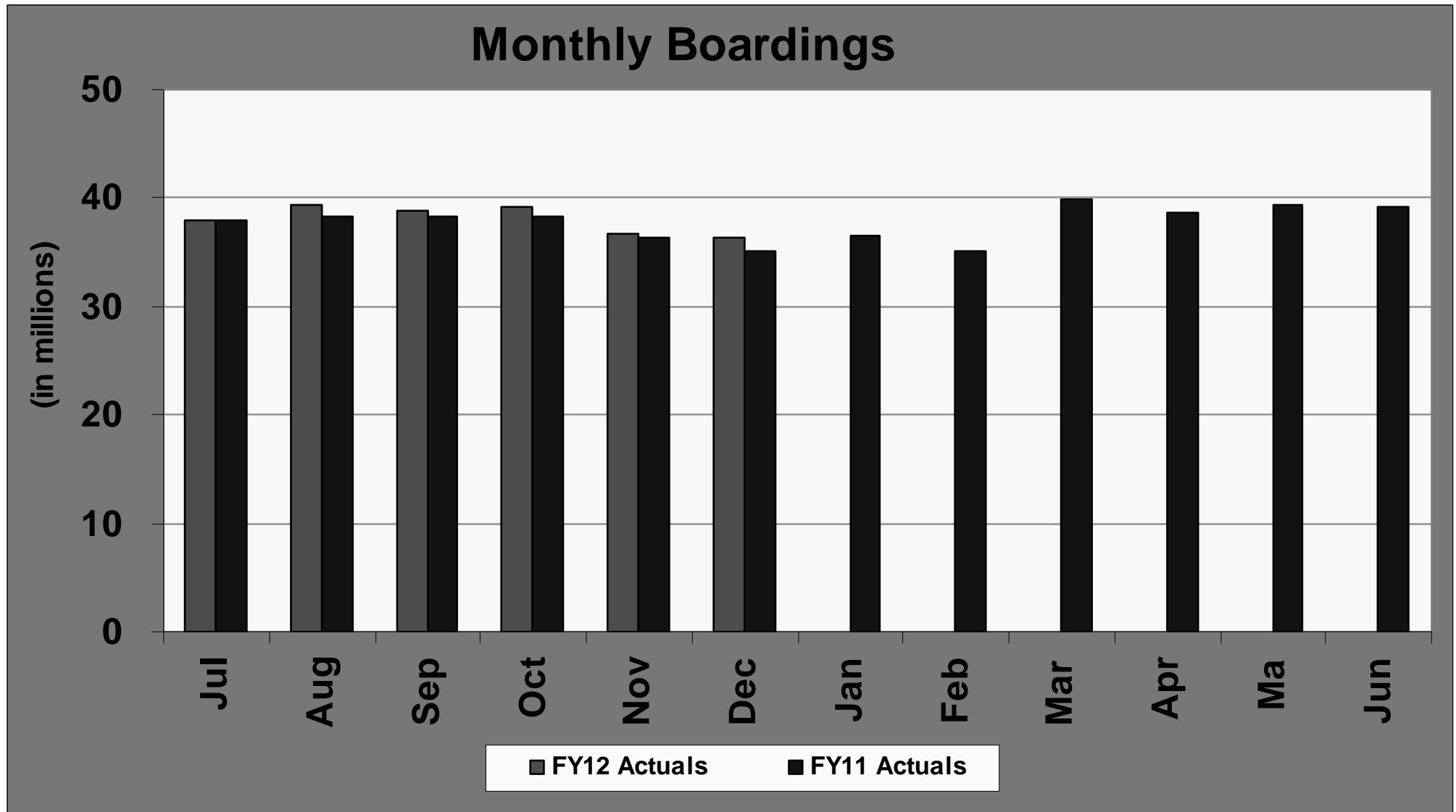
# Impacts:

- Growth in sales tax receipts may decline if consumers respond to sluggish economic growth by reducing spending
- Low interest rates continue to provide opportunities to refund bonds to reduce interest cost

# Fare Revenue

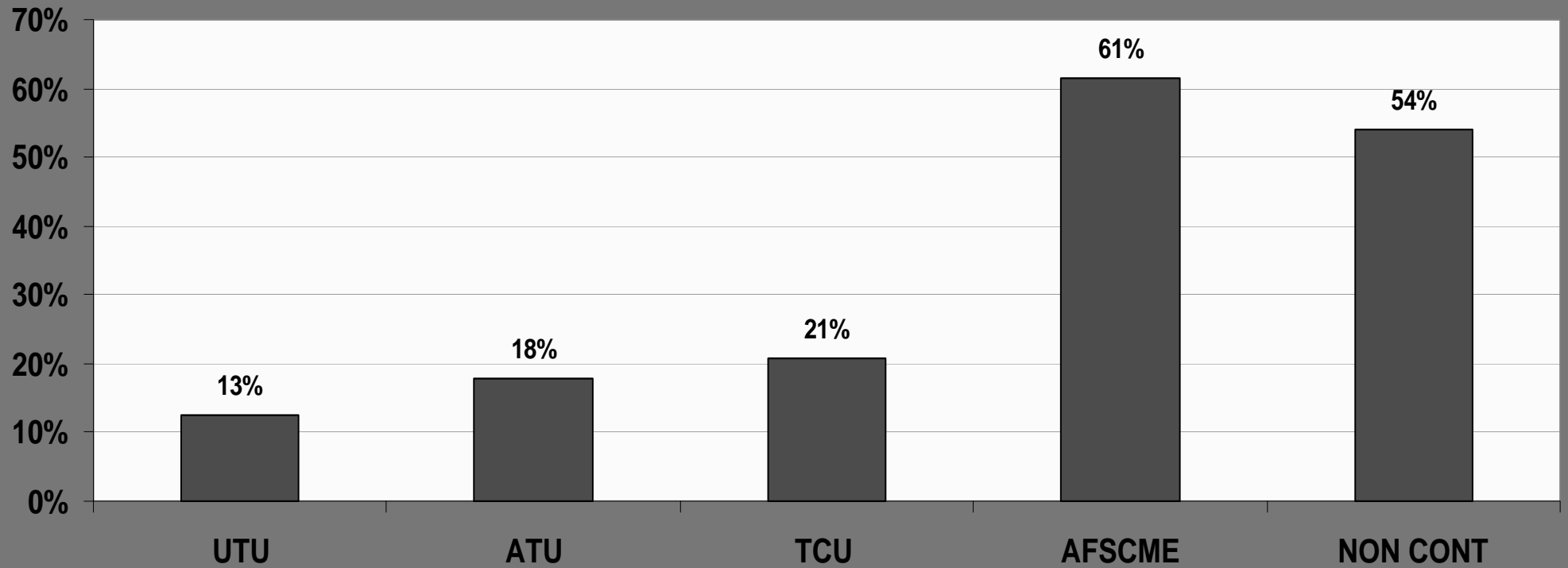


# Boardings



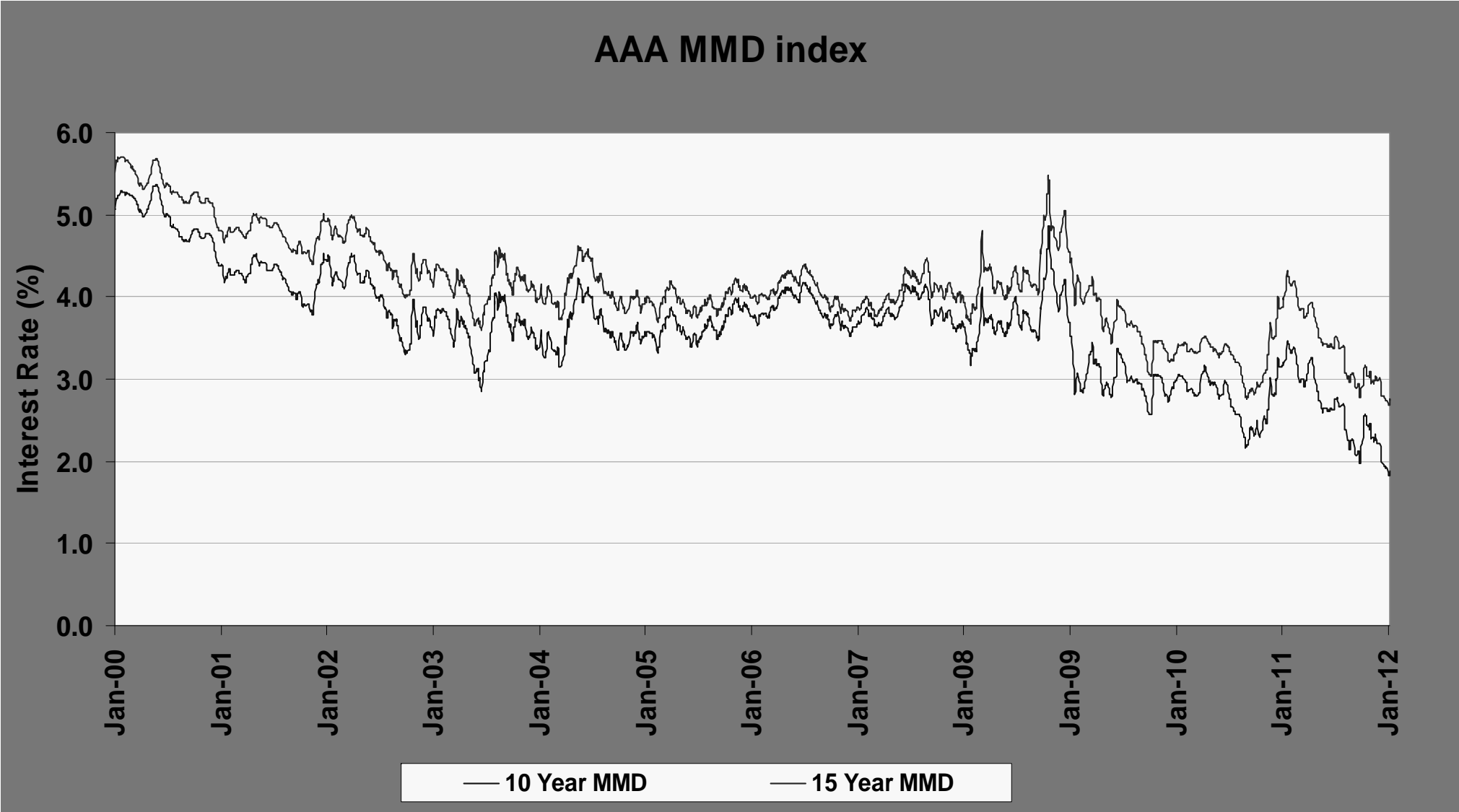
# Pension Reform / Retirement Eligibility

**% of Employees Eligible to Retire (as of 12/31/11)**



	UTU	ATU	TCU	AFSCME	NON CONT
<b>Employees Eligible to Retire</b>	<b>541</b>	<b>375</b>	<b>143</b>	<b>360</b>	<b>566</b>
<b>Total Employee Group</b>	<b>4,298</b>	<b>2,097</b>	<b>685</b>	<b>586</b>	<b>1,047</b>

# Tax Exempt Rate History



## Since Last Update:

- Completed initial evaluation of bond underwriters' refunding ideas for Prop A 2003 bonds
- Finalized terms with banks to replace the expiring \$166 million Prop C 2009 liquidity facility
- Executed two collateral agreements with Comerica Bank as defeased lease lessor
- Executed collateral agreement for Merrill Lynch to post collateral following recent downgrade
- Presentation to USDOT for Crenshaw TIFIA loan application

## Next Steps:

- Execute agreements for Prop C 2009 liquidity replacement
- Request Measure R Oversight Committee to make finding related to Crenshaw TIFIA loan
- Respond to DOT information requests for Crenshaw TIFIA loan application

# End Presentation

## Discussion