

# Monthly Financial Update

CFSO Oral Report  
Finance, Budget and Audit Committee  
May 2012



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# Headlines & Economic Overview

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- US economic data continues to indicate growing economy
- Eurozone concerns and China slowdown temper investor enthusiasm
- Additional quantitative easing by Federal Reserve considered unlikely



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# Economic Dashboard

	<b>Current Trend</b>	
GDP Growth Forecast	2.0%-2.5%	Below Normal – Steady
LA County Unemployment	12.1%	High – Improving
Inflation - March	2.7%	Normal – Steady
Consumer Confidence	69.2	Slight decline - Below Normal



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# Economic Dashboard

	<b>Current Trend</b>	
Fed Funds Rate	0.25%	Low – Steady
US Treasury 10 year	1.95%	Low – Steady



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# Impacts

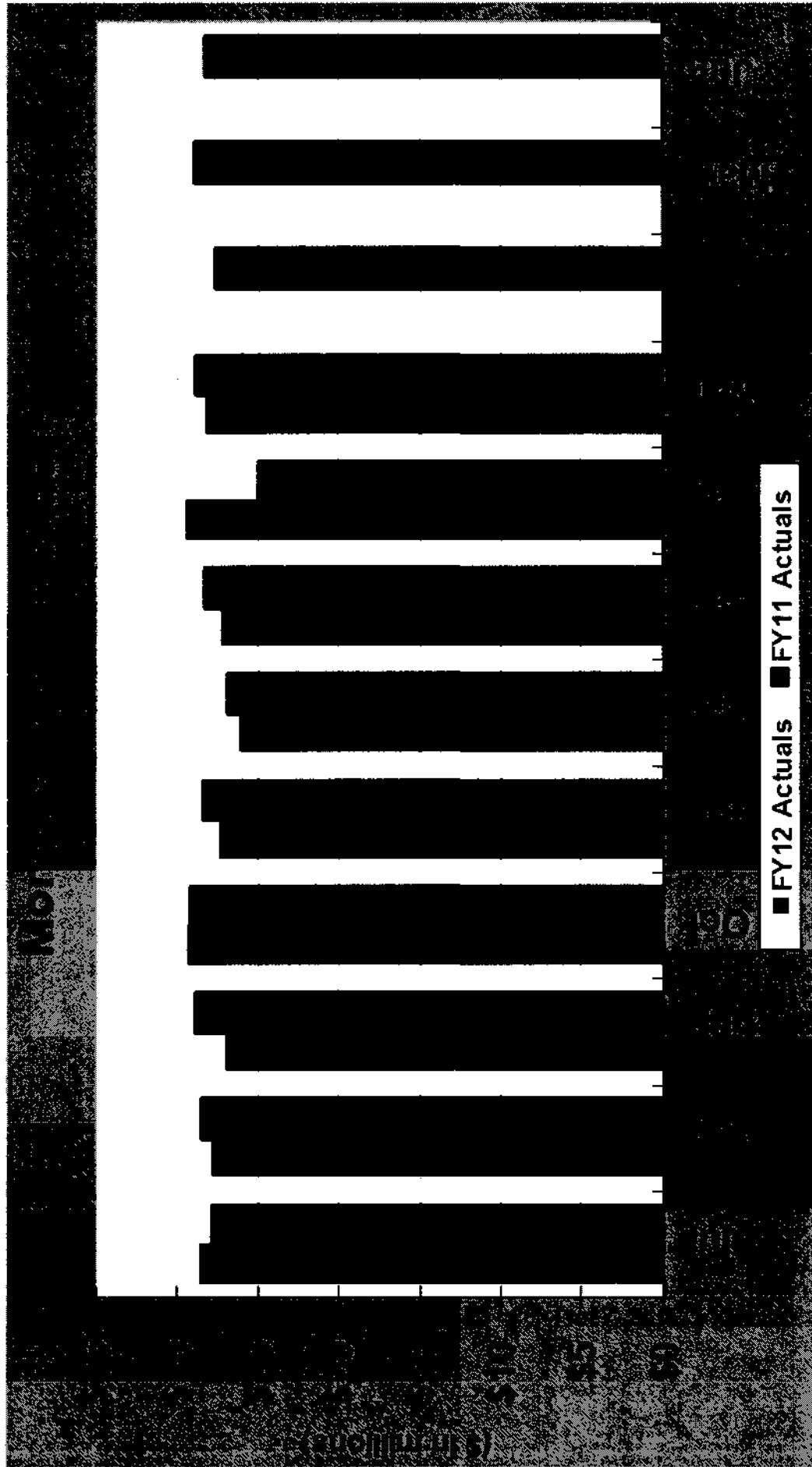
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- Sales tax receipts continue gradual improvement
- Low interest rates provide on-going refunding opportunities



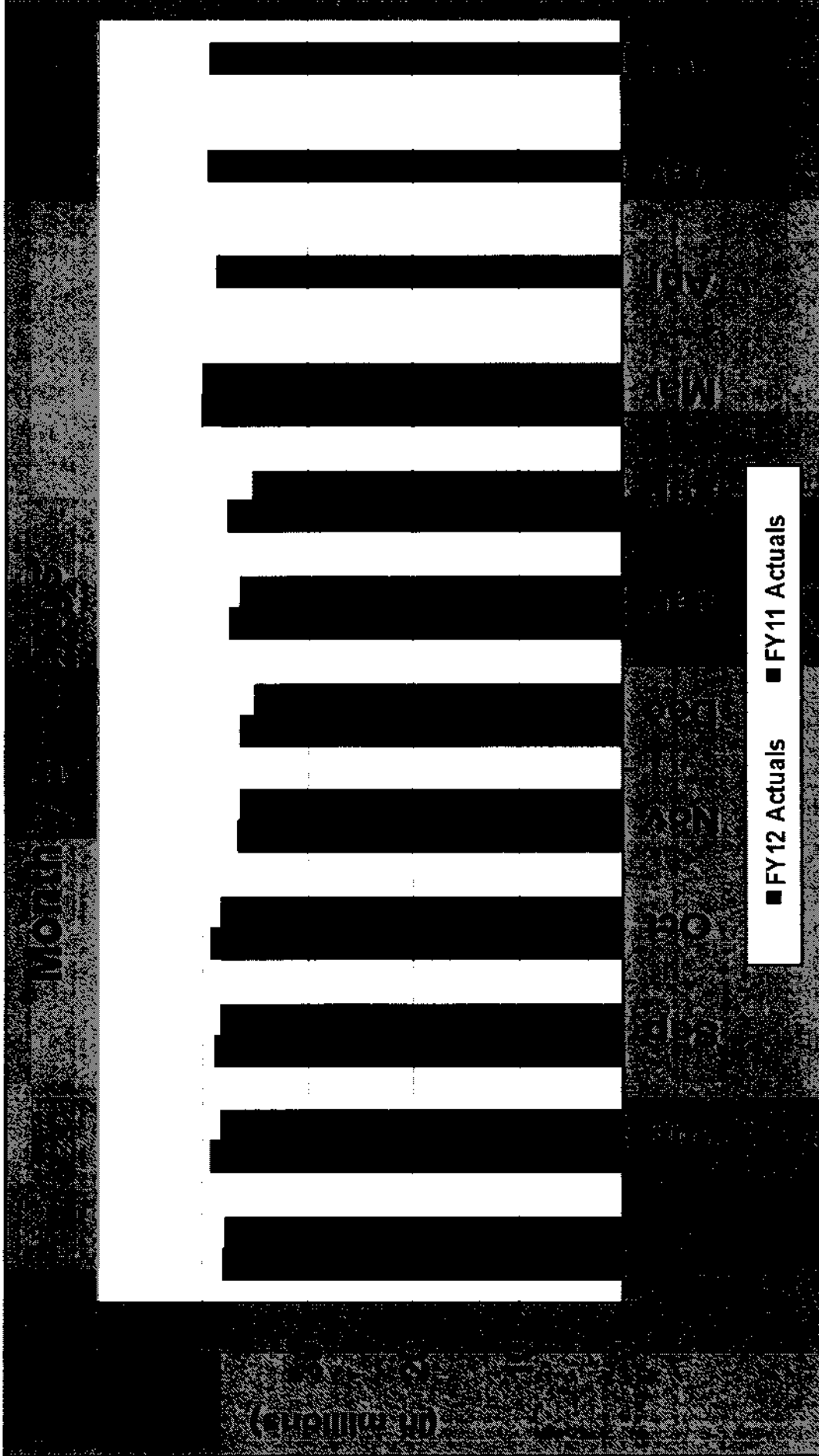
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# Fare Revenue



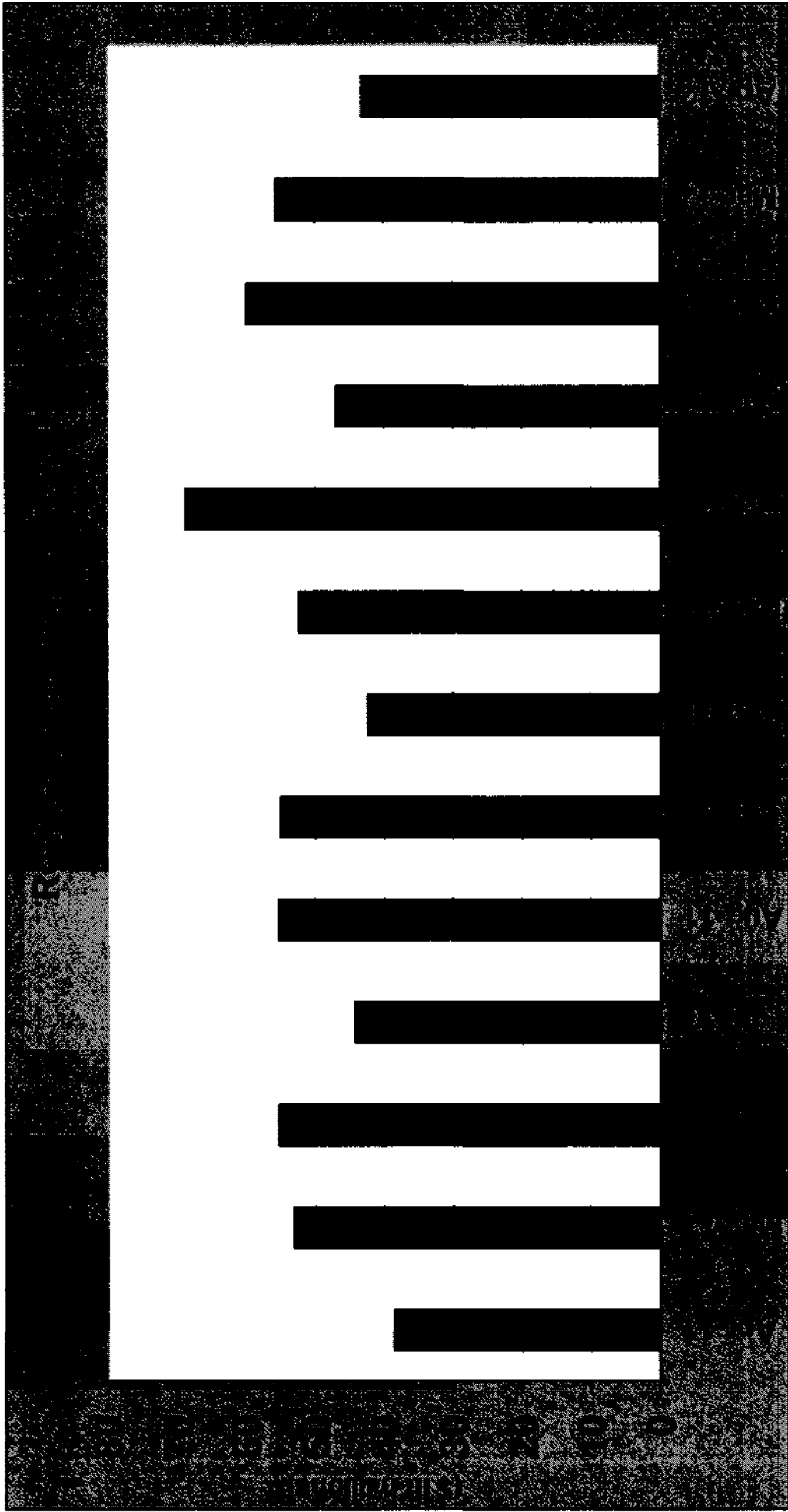
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# Boardings



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# Prop A Sales Tax Receipts



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## Since Last Update

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- Initiated refunding of Prop C 2009-C bonds, planned to supersede liquidity replacement
- Crenshaw TIFIA Loan
  - Completed first of two credit reviews by USDOT
  - Resolved USDOT concerns about security of our pledge of Measure R revenue to the loan
- Moody's may downgrade Assured Guaranty/FSA affecting several of our defeased leases



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## **Next Steps**

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- **Execute competitive bond sale to refund C2009-C bonds and generate savings**
- **Crenshaw TIFIA Loan**
  - **Hold initial board meeting of Crenshaw Project Corporation (CPC)**
  - **MTA and CPC boards authorize execution of TIFIA loan documents**
- **Westside Subway, prepare TIFIA loan application**



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# End Presentation

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# Discussion

