Quarterly Financial Update

Finance, Budget & Audit Committee
January 14, 2015
Unemployment Rates
US / CA / LA County

Percent


US  California  LA County
Consumer Price Index
Los Angeles County

Percent Change; Year over Year

CPI-LAC
Selected Interest Rates
2 / 10 / 20 Year US Treasury Yields
Asset Allocation
Combined Investment Portfolio

WAL – Portfolio’s Weighted Average Life (in days)

<table>
<thead>
<tr>
<th></th>
<th>Mar-13</th>
<th>Jun-13</th>
<th>Sep-13</th>
<th>Dec-13</th>
<th>Mar-14</th>
<th>Jun-14</th>
<th>Sep-14</th>
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</thead>
<tbody>
<tr>
<td>Internal Manager</td>
<td>19</td>
<td>32</td>
<td>21</td>
<td>14</td>
<td>12</td>
<td>21</td>
<td>16</td>
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<tr>
<td>External Manager</td>
<td>512</td>
<td>516</td>
<td>500</td>
<td>468</td>
<td>529</td>
<td>473</td>
<td>507</td>
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Proposition A Sales Tax Revenue
Actual Quarterly Cash Receipts
Transit Fare Revenues

FY15-Q2 vs FY14-Q2: +7.7%
**Recent Activities and Accomplishments:**

Completed the FY 14 External Financial (CAFR), Props A, C and Measure R, STA and TDA audits on time with zero findings.

Refunded $135.7 million in Prop A bonds at an overall interest rate of 2.91%. Savings are estimated to equal $25.9 million in net present value savings over the life of the bonds.

For the period June – December 2014, economic refundings of Prop C and Prop A bonds yielded $39.3 million of net present value savings over the life of the bonds.

Successfully transitioned the TAP Back Office functions back to Metro including clearing and settlement, refund/adjustment processing, ITAP account management, and special programs support.
Upcoming Activities and Next Steps:

APTA Peer Review on Fares

• Board requested an APTA peer review prior to considering Phase II and III of the proposed fare increase

• Scope of Review
  – Provide guidance on fare restructuring strategies
  – Recommend alternative revenue generation strategies
  – Identify opportunities to expand ridership

• Review scheduled for January 26-30, 2015

Panelists
  – Mike Connelly, Vice President of Planning, Chicago Transit Authority
  – Victor Obeso, Manager of Planning, King County Metro
  – Carol Smith, Director of Research and Analysis, Metropolitan Atlanta Rapid Transit Authority
  – Joel Volinski, Director, National Center for Transit Research, USF
  – Brian Taylor, Professor of Urban Planning/ Director Ralph & Goldy Lewis Center for Regional Policy Studies/ and Director, Institute of Transportation Studies, UCLA
  – Greg Hull, APTA Staff
  – Rich Weaver, APTA Staff
Upcoming Activities and Next Steps:

• Revision to the regional transfer policy in cooperation with our municipal transit partners to provide for TAP inter-agency transfers

• Completion of the FTA required single audit.

• Distribution of 1099’s to vendors and contractors

• Released an RFP for a Mobile Phone Application Pilot (RFP) for our TAP program to create a virtual TAP card

• 4 TVMs with new screens planned for launch in late Jan.
  – TVM at each entrance of Union Station Red Line (2 total)
  – 1 TVM in East Portal Union Station
  – 1 TVM at Gold Line Union Station

• Preparation of the FY16 Budget proposal
Questions