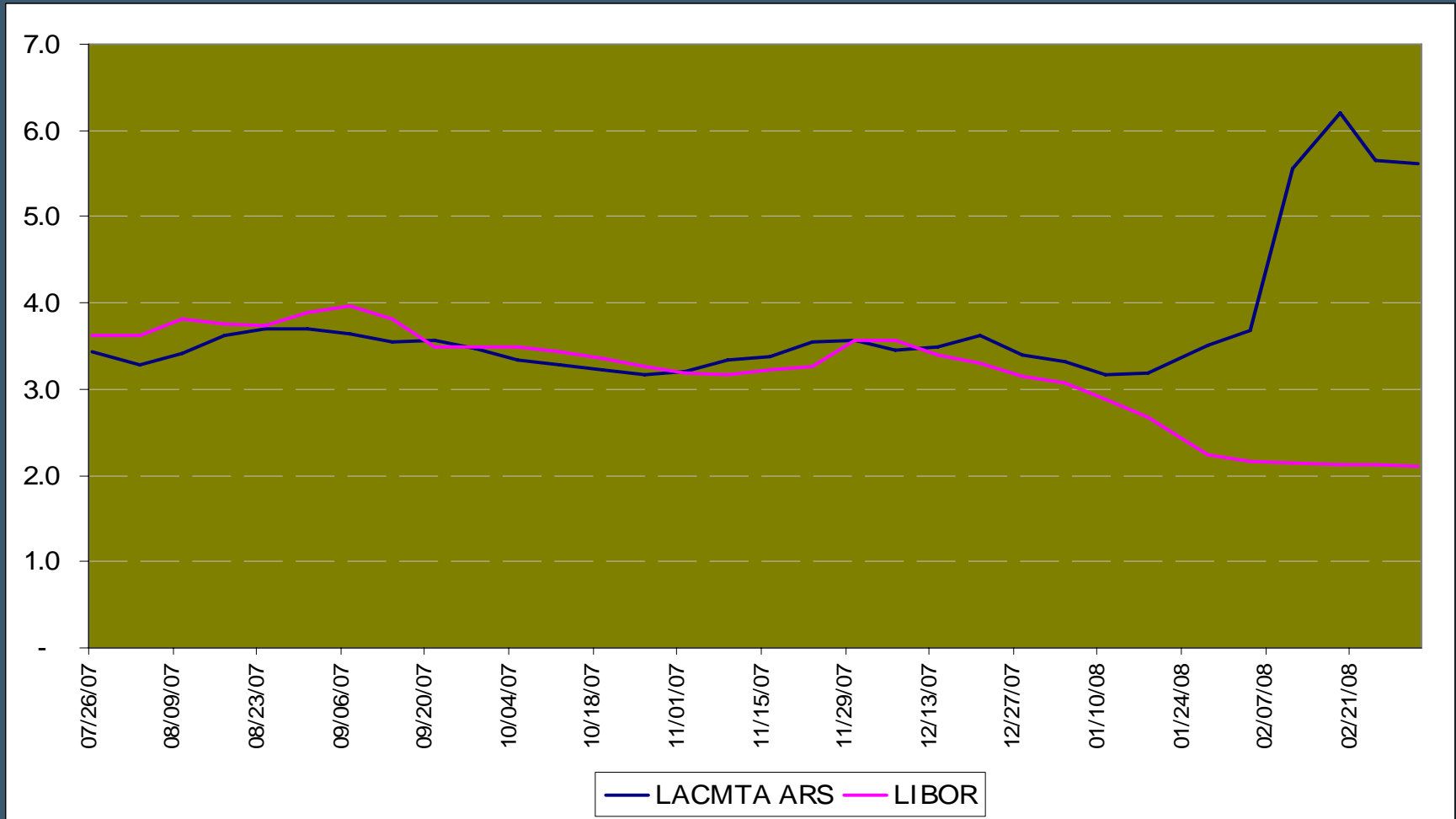


Prop A & C Bonds, Investment Authority

Finance & Budget Committee Meeting
April 16, 2008

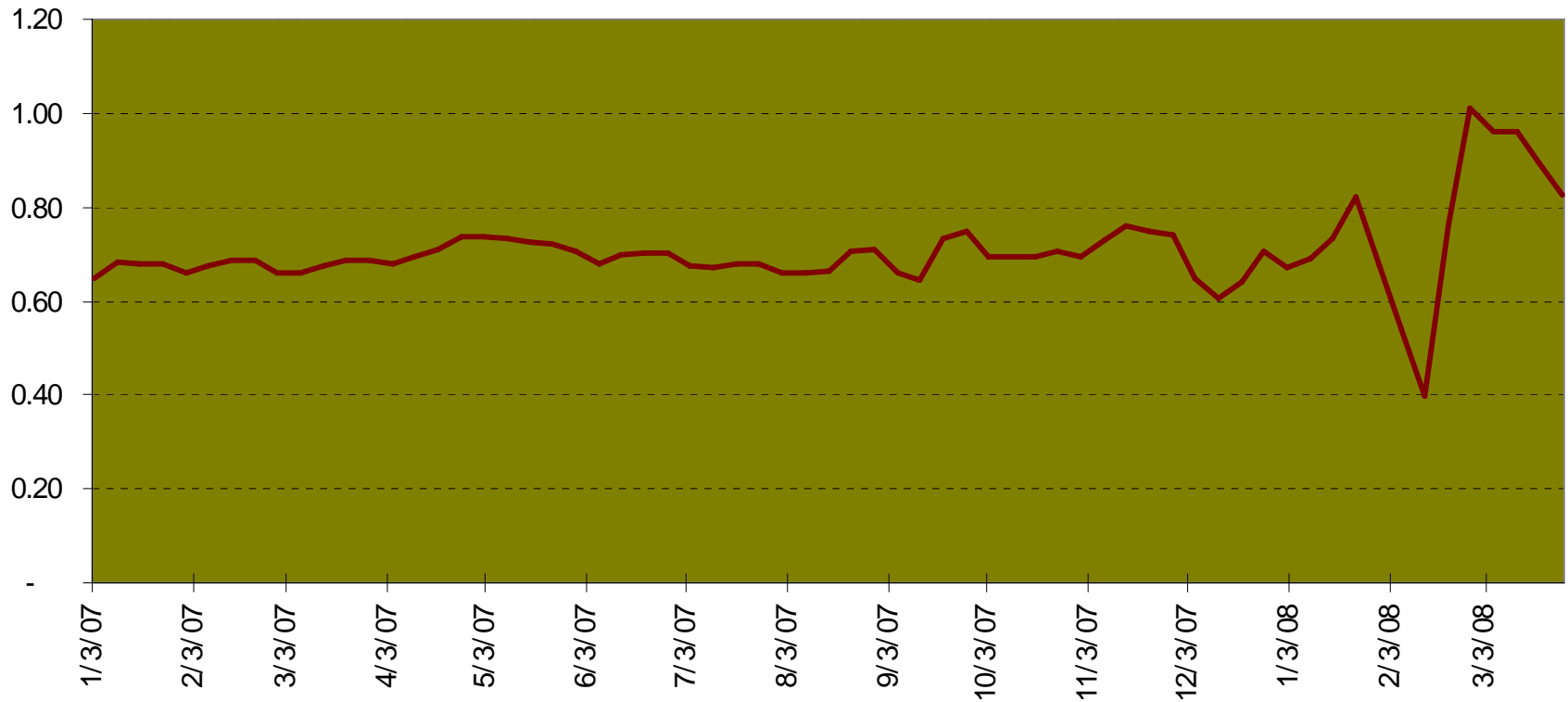
Financial Markets

LACMTA Variable Rate vs LIBOR

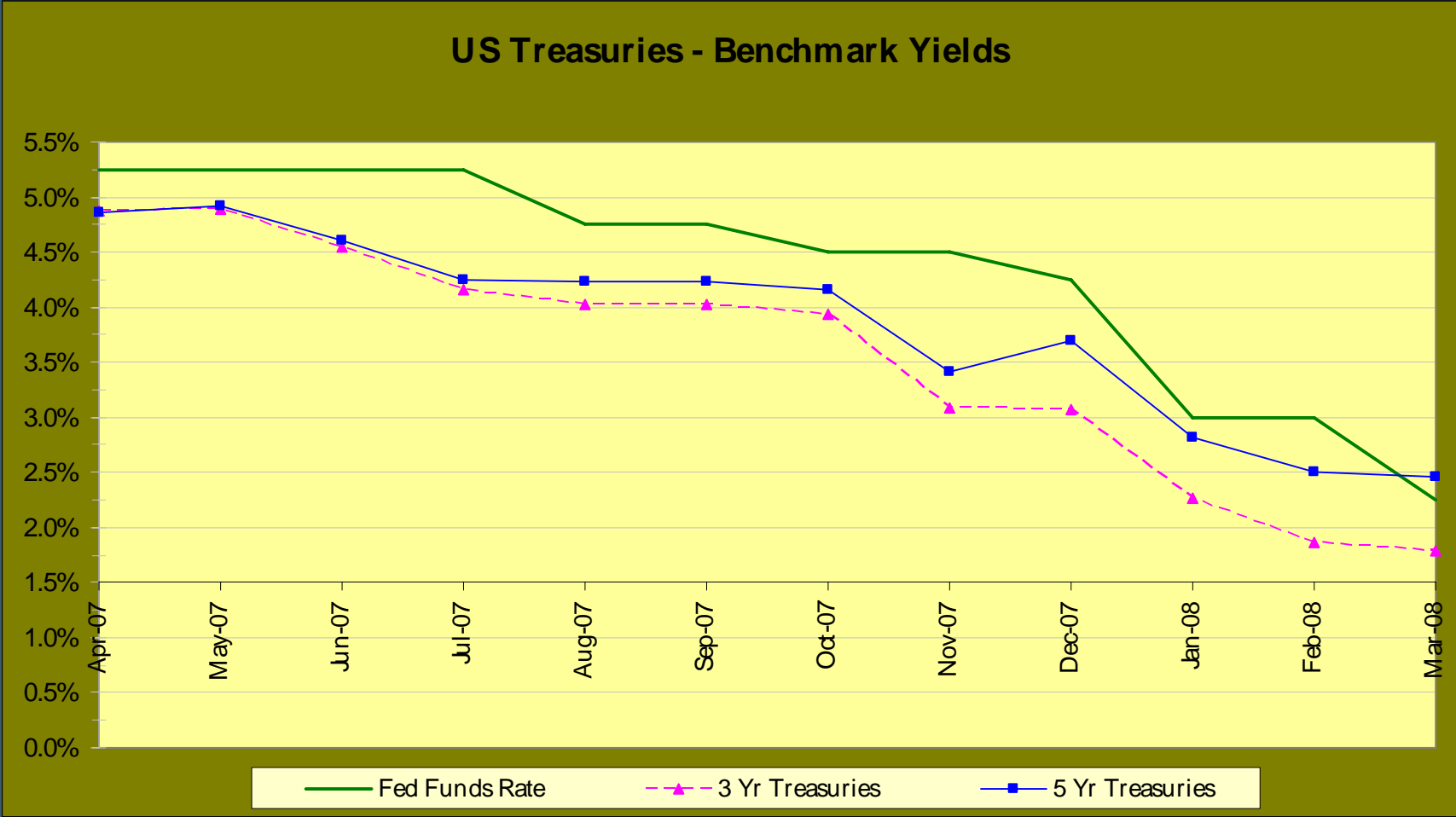


Financial Markets

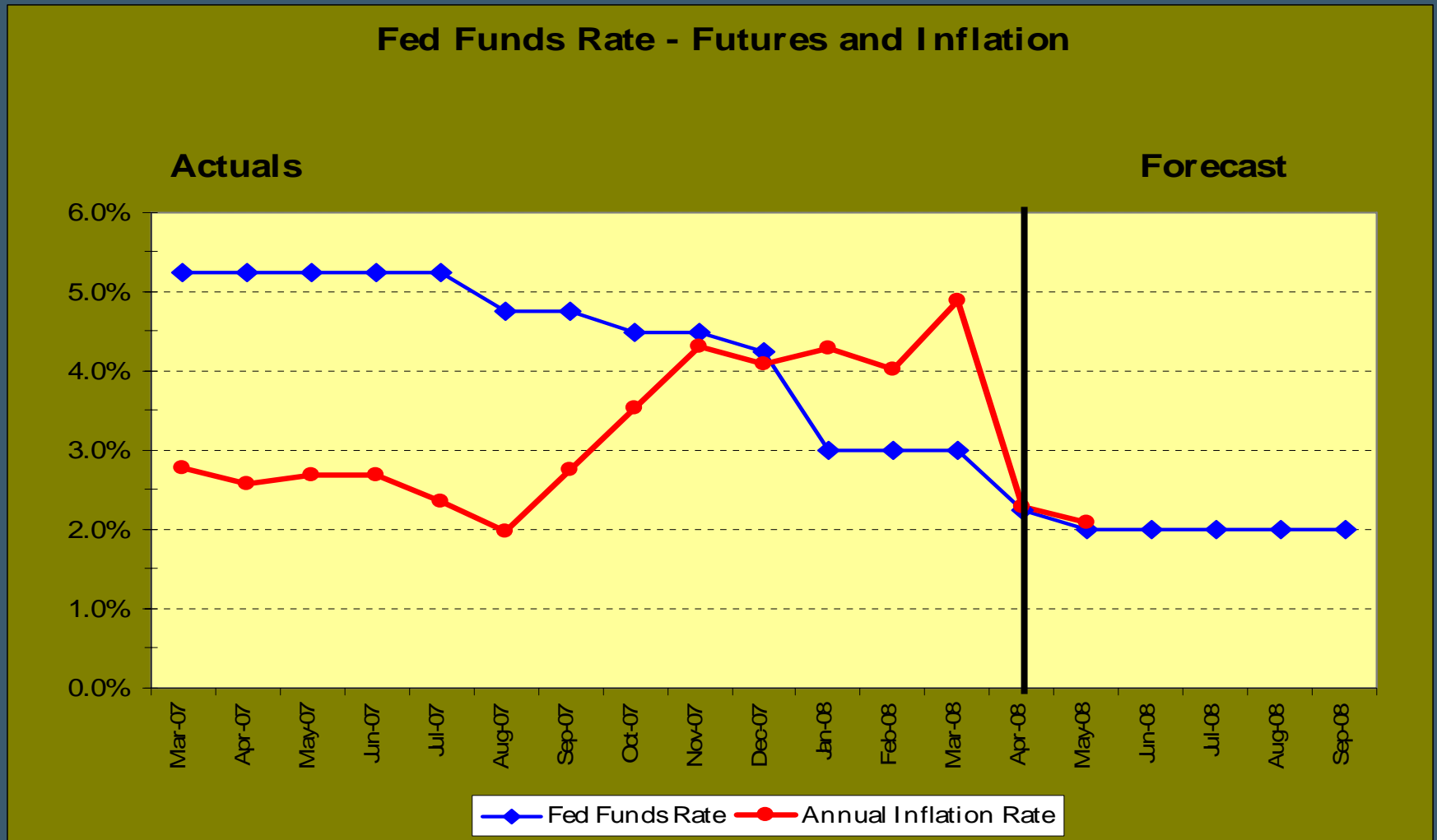
RATIO OF SIFMA TO 1 MONTH LIBOR



Financial Markets – Short Term Rates



Financial Markets – Short Term Reality and Outlook



Impacts

- Variable rate interest cost - \$1.8 million/month unfavorable
- Interest income - \$2.0 mil less in 4Q08

Status/Next Steps

- Request broad authority to restructure and renegotiate Prop A & C bonds and related swaps – April
- Request authority to invest in our own variable rate bonds – April
- Request broad authority to restructure and renegotiate General Revenue bonds and related swaps – May/June
- Request broad authority to restructure and renegotiate Full Funding Grant Agreement bonds – May/June

End Presentation

Questions/discussion