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Memorandum

TO: BATA Oversight Committee
 FR: Executive Director
 RE: 2013 Financing Plan Update

DATE: September 5, 2012
 W. I. 1254

On April 25, 2012, the Authority approved Resolution No. 103 authorizing the 2013 Financing Plan. The Resolution is valid to December 2013 and authorized the issuance of up to \$1.2 billion in new project financing, as well as providing on-going authorization to refund existing debt as long as the present value savings are at least 3%.

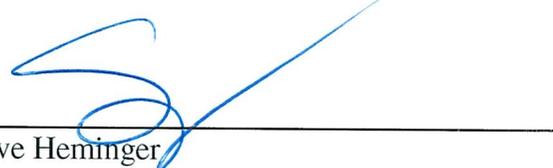
There are three basic components of the 2013 plan:

Credit Support – This component responds to changes in BATA ratings as well as anticipates future regulatory changes that could affect BATA’s \$1.5 billion Variable Rate Demand Obligation (VRDO) portfolio. On August 23, 2012 BATA successfully completed a “mode” conversion from 1- week to 5-year term bonds. The term bonds were sold at a 1.45% rate, roughly equivalent to the credit support, remarketing fees and VRDO rate combined.

Refunding Opportunities – BATA has an estimated \$2 billion in fixed-rate bonds that may be refunding candidates given the continuation of historically low interest rates in the current market.

New Project Bonds – With over \$2 billion in unfunded project needs and continuing low interest rates, BATA expects to be in the market soon for some or all of the remaining project needs.

Staff will make a brief presentation to update you on current activities, potential savings as well as future opportunities.



 Steve Heminger

SH:bm