



Statements of Net Position

January 31, 2020 & June 30, 2019

	January 2020	June 2019
<u>Assets & Deferred Outflows of Resources</u>		
Current Assets:		
Restricted Cash & Cash Equivalents, & Investments	\$ 22,653,492	\$ 142,095,378
Receivables	10,038,850	11,992,009
Prepaid Expenses	532,746	1,186,647
Total Current Assets	33,225,088	155,274,034
Restricted Investments *	163,271,909	55,798,756
Assets Held for Transfer	13,347,625	13,347,625
Net OPEB Asset	228,832	228,832
Capital Assets Not Being Depreciated	438,148,732	438,148,732
Capital Assets, Net	1,106,069,587	1,118,194,533
Total Assets	1,754,291,773	1,780,992,512
Deferred Outflows of Resources:		
Charges on Refunding	15,957,442	16,831,570
Pension Contributions & Differences in Experience	708,037	708,037
Total Assets & Deferred Outflows of Resources	\$ 1,770,957,252	\$ 1,798,532,119
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>		
Current Liabilities:		
Accounts Payable	\$ 487,670	\$ 2,219,703
Unearned Revenue	2,465,577	935,014
Accrued Interest Payable, Current Portion	20,301,282	18,082,865
Revenue Bonds Payable, Current Portion	42,611,850	42,611,850
Other Liabilities	456,760	610,119
Total Current Liabilities	66,323,139	64,459,551
Noncurrent Liabilities:		
Collateral Deposit	-	-
Shortfall Advances Payable to Ports	12,530,809	12,383,832
Net Pension Liability	2,001,963	2,001,963
Accrued Interest Payable, Net of Current Portion	582,124,465	550,267,549
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,546,437,924	1,594,397,514
Total Noncurrent Liabilities	2,143,095,161	2,159,050,858
Total Liabilities	\$ 2,209,418,300	\$ 2,223,510,409
Deferred Inflows of Resources	88,124	88,124
<u>Net Position</u>		
Net Investment in Capital Assets	61,662,785	32,319,507
Restricted for Debt Service	85,630,997	101,329,902
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	82,690,433	81,829,720
Unrestricted	(668,533,387)	(640,545,543)
Total Net Position	(438,549,172)	(425,066,414)
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,770,957,252	\$ 1,798,532,119

	<u>January 2020</u>	<u>June 2019</u>	<u>FY2020 Decrease</u>
Current	\$ 22,653,492	\$ 142,095,378	
Noncurrent	163,271,909	55,798,756	
	\$ 185,925,401	\$ 197,894,134	\$ (11,968,733)

* All investments with a maturity within three months are considered cash for the year-end financial statements. Monthly, unaudited financial statements, carry all investments, regardless of maturity date(s), as Restricted Investments. Fully detailed classifications are only done at year-end in accordance with GASB 41, therefore classification differences exist.



Statement of Revenues, Expenses, & Changes in Net Position

For seven months ended January 31, 2020 & January 31, 2019

	<u>January 2020</u>	<u>January 2019</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 62,736,890	\$ 66,582,551
Maintenance-of-Way Charges	1,754,913	2,825,312
Total Operating Revenues	<u>64,491,803</u>	<u>69,407,863</u>
Operating Expenses:		
Salaries & Benefits	1,212,955	1,194,622
Administrative Expenses	1,249,900	1,012,704
Professional Services	497,878	482,437
Maintenance-of-Way	2,269,424	3,912,564
Depreciation	12,259,869	12,264,497
Total Operating Expenses	<u>17,490,026</u>	<u>18,866,824</u>
Operating Income (Loss)	47,001,777	50,541,039
Nonoperating Revenues:		
Interest & Investment Revenue, Net	3,281,967	3,352,883
Public Benefit Income	451,707	243,337
Miscellaneous Revenue	112,075	80,316
Total Nonoperating Revenues	<u>3,845,749</u>	<u>3,676,536</u>
Nonoperating Expenses:		
Interest Expense	63,716,429	62,257,339
Expenses for Public Benefit & Pass Thru Expenses	613,855	454,838
Total Nonoperating Expenses, Net	<u>64,330,284</u>	<u>62,712,177</u>
Changes in Net Position	(13,482,758)	(8,494,602)
Net Position:		
Net Positon, Beginning of Year	(425,066,414)	(408,847,591)
Net Position - End of Year	<u>\$ (438,549,172)</u>	<u>\$ (417,342,193)</u>



Comparison of Budget By Expense Type as of January 31, 2020

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 67,251,394	\$ 62,736,890	\$ (4,514,504)
Maintenance-of-Way Charges	3,721,475	1,754,913	(1,966,562)
Total Operating Revenues	<u>70,972,869</u>	<u>64,491,803</u>	<u>(6,481,066)</u>
Other Revenues			
Projects			
Pier Pass	35,000	35,000	-
EPA Order	69,280	3,798	(65,482)
Subtotal Projects	<u>104,280</u>	<u>38,798</u>	<u>(65,482)</u>
Miscellaneous			
Public Benefit Income	3,083,807	451,707	(2,632,100)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	72,338	73,277	939
Investment Income	1,415,629	3,281,967	1,866,338
Subtotal Miscellaneous	<u>4,571,774</u>	<u>3,806,951</u>	<u>(764,823)</u>
Subtotal Other Revenues	<u>4,676,054</u>	<u>3,845,749</u>	<u>(830,305)</u>
Total Sources of Funds	<u>75,648,923</u>	<u>68,337,552</u>	<u>(7,311,371)</u>
Expenses			
Salaries	1,001,117	843,926	(157,191)
Benefits	524,481	369,029	(155,452)
Office Expenses	262,776	262,565	(211)
Other Management Expenses	47,247	12,333	(34,914)
Information Technologies	181,880	189,090	7,210
Bank & Investment	100,625	87,666	(12,959)
ACET Administrative & Capital Support	834,335	698,246	(136,089)
Audit	104,925	113,637	8,712
Legal	525,000	183,357	(341,643)
Governmental Affairs	44,558	31,827	(12,731)
Other Professional Services	340,814	169,057	(171,757)
Pass Thru Expenses & EPA Order	69,280	12,091	(57,189)
Expenses for Public Benefit	3,083,807	601,764	(2,482,043)
Total Administrative Expenses	<u>7,120,845</u>	<u>3,574,588</u>	<u>(3,546,257)</u>
Maintenance-of-Way Expenses-Rail - Contractors	2,302,178	653,063	(1,649,115)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	1,419,297	1,101,849	(317,448)
Maintenance-of-Way Expenses-Nonrail - Contractors	751,498	124,787	(626,711)
Maintenance-of-Way Expenses-Nonrail - Capital	1,901,608	266,252	(1,635,356)
Maintenance-of-Way Expenses-Nonrail - Other	97,125	89,293	(7,832)
Maintenance-of-Way Expenses - ACTA	123,100	34,180	(88,920)
Total Maintenance-of-Way Expenses	<u>6,594,806</u>	<u>2,269,424</u>	<u>(4,325,382)</u>
Subtotal Administrative and M&O Expenses	<u>13,715,651</u>	<u>5,844,012</u>	<u>(7,871,639)</u>
Financing Expenses			
Debt Service - Interest	37,578,132	31,821,938	(5,756,194)
Debt Service - Accrued CAB Interest	24,274,285	31,894,491	7,620,206
Subtotal Financing Expenses	<u>61,852,417</u>	<u>63,716,429</u>	<u>1,864,012</u>
Depreciation & Amortization Expenses			
Depreciation	12,239,304	12,259,869	20,565
Subtotal Depreciation & Amortization Expenses	<u>12,239,304</u>	<u>12,259,869</u>	<u>20,565</u>
Total Operating Expenses	<u>87,807,372</u>	<u>81,820,310</u>	<u>(5,987,062)</u>
Income (Loss)	<u>\$ (12,158,449)</u>	<u>\$ (13,482,758)</u>	<u>\$ (1,324,309)</u>
* Y-T-D Budget calculated on a straight line basis.			



Comparison of Budget By Funds as of January 31, 2020

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 67,251,394	\$ 62,736,890	\$ (4,514,504)
Maintenance-of-Way Charges	3,721,475	1,754,913	(1,966,562)
Total Operating Revenues	<u>70,972,869</u>	<u>64,491,803</u>	<u>(6,481,066)</u>
Other Revenues			
Projects			
Pier Pass	35,000	35,000	-
EPA Order	69,280	3,798	(65,482)
Subtotal Projects	<u>104,280</u>	<u>38,798</u>	<u>(65,482)</u>
Miscellaneous			
Public Benefit Income	3,083,807	451,707	(2,632,100)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	72,338	73,277	939
Investment Income	1,415,629	3,281,967	1,866,338
Subtotal Miscellaneous	<u>4,571,774</u>	<u>3,806,951</u>	<u>(764,823)</u>
Subtotal Other Revenues	<u>4,676,054</u>	<u>3,845,749</u>	<u>(830,305)</u>
Total Sources of Funds	<u>75,648,923</u>	<u>68,337,552</u>	<u>(7,311,371)</u>
Expenses			
Administrative Costs	3,967,758	2,960,733	(1,007,025)
Railroads-M&O	3,721,474	1,754,912	(1,966,562)
Reserve-M&O	2,750,232	480,332	(2,269,900)
Financing Fees-M&O	123,100	34,180	(88,920)
Revenue Fund-Interest & COI	37,578,132	31,821,938	(5,756,194)
Expenses for Public Benefit	3,083,807	601,764	(2,482,043)
LAIF General Fund-Pass Thru & EPA	69,280	12,091	(57,189)
Total Expenses	<u>51,293,783</u>	<u>37,665,950</u>	<u>(13,627,833)</u>
Non Cash Expenses			
Accrued CAB Debt Service Interest	24,274,285	31,894,491	7,620,206
Depreciation	12,239,304	12,259,869	20,565
Subtotal Interest, Depreciation, & Amortization Expenses	<u>36,513,589</u>	<u>44,154,360</u>	<u>7,640,771</u>
Total Operating Expenses	<u>87,807,372</u>	<u>81,820,310</u>	<u>(5,987,062)</u>
Income (Loss)	<u>\$ (12,158,449)</u>	<u>\$ (13,482,758)</u>	<u>\$ (1,324,309)</u>

* Y-T-D Budget calculated on a straight line basis.



Cash & Investment Summary as of January 31, 2020

Cash and Investment Balances (\$ in thousands)					
<u>Institution</u>	<u>Bank Reference #</u>	<u>Chandler Reference #</u>	<u>Account Description</u>	<u>Book Value</u>	<u>Market Value</u>
Bank of America					
	0457 & 0796	-	Concentration & Disbursement	883	883
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	3,786	3,794
Grant Reimbursement Received this Month \$393,364 Grant Reimbursement Received FY to Date \$790,140					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	9,814	9,814
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	47,955	47,891
	1171	508	M & O Fund	1,830	1,830
	1172	509	Reserve Account	15,275	15,363
	1189	518	Administrative Costs	8,190	8,196
			Subtotal Revenue Funds	73,250	73,280
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	6,761	6,881
	1201	-	99C Principal Account	11,497	11,691
	9004	515	04A Debt Service Reserve	33,619	33,838
	9001	-	04A Debt Service Interest Account	-	-
	9002	-	04A Debt Service Principal Account	-	-
	8003	516	04B Debt Service Reserve	23,444	23,794
	59001	-	12 Debt Service Interest Account	703	703
	59004	-	12 Debt Service Reserve Account	7,279	7,404
	7001	-	13A Debt Service Interest Account	3,833	3,901
	7002	-	13A Debt Service Principal Account	6,184	6,289
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,608	3,652
	80006	-	16B- Financing Fee	-	-
	108001	-	16B Interest Account	1	1
			Subtotal Debt Service Funds	96,929	98,154
			Total U.S. Bank	170,179	171,434
Total Cash & Investment Balances				\$ 184,662	185,926



Cash & Investment Summary (cont'd)

as of January 31, 2020

Investment Schedule (\$ in thousands)

<u>Type of Investment</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Percentage of Total</u>	<u>Investment Policy Limit</u>
Money Market Funds	\$ 11,956	\$ 11,956	6.43%	20.00%
U.S. Government & Agency Obligations	69,482	70,750	38.05%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	78,192	78,118	42.02%	100.00%
Corporate Bonds	14,335	14,404	7.75%	30.00%
Bank of America	883	883	0.47%	20.00%
Local Agency Investment Fund	9,814	9,814	5.28%	\$40 Million
Total	\$ 184,662	\$ 185,925	100.00%	

Monthly Cash Flow

January 2020

Total Beginning Cash \$ 71,790,099

Receipts

Use Fees & Container Charges \$ 8,424,099

M&O, Grants, & Miscellaneous Revenue 540,138

Total Receipts 8,964,237

Disbursements

Debt Service - Transfer to Accounts 6,892,659

M&O, Administrative, & Financing Expenses 611,703

Total Disbursements 7,504,362

Cash Flow for Month \$ 1,459,875

Total Ending Cash \$ 73,249,974



Cash Flow as of January 31, 2020

		<u>January 2020</u>
Beginning Cash		
Master Indenture Revenue Fund 1170		46,381,733
Master Indenture M&O Fund 1171		1,590,971
Master Indenture Reserve Fund 1172		15,271,491
1999A Admin Fund 1189		8,545,904
2004A Financing Fund 39006		-
Total Beginning Cash		<u>71,790,099</u>
Receipts		
Use Fee & Container Charges		8,424,099
M&O		383,055
Funds Transferred from BOA to Admin Fund		86,494
Funds Transferred from BOA to Reserve Fund		-
Semi-Annual Accounting - Transfer from Revenue Fund		-
Interest Income / Loss		70,589
Total Receipts		<u>8,964,237</u>
Total Cash		<u><u>\$ 80,754,336</u></u>
Disbursements		
Debt Service - transfer to 1999C Principal		2,675,000
Debt Service - transfer to 1999C Interest		1,652,640
Debt Service - transfer to 2012 Interest		171,606
Debt Service - transfer to 2013A Interest		935,913
Debt Service- transfer to 2013A Principal		1,457,500
Semi-Annual Accounting - Transfers & Debt Service		-
Transfer to 2012 Reserve		-
Transfer to 2004A Financing Fee		-
Transfer to Admin Fund		-
Transfer to Master Reserve		-
Transfer to 2016A Reserve		-
Transfer to 2016B Financing Fee		-
Debt service payment - 2016A Interest		-
Debt service payment - 2016B Interest		-
Debt service payment - 2004		-
M&O - Railroads expense payments		145,925
M&O - Reserve expense payments		14,435
Administrative expense payments		451,343
Financing expense payments		-
Total Disbursements		<u>7,504,362</u>
Net Ending Cash		<u><u>\$ 73,249,974</u></u>
Ending Cash		
Master Indenture Revenue Fund 1170		47,955,068
Master Indenture M&O Fund 1171		1,829,663
Master Indenture Reserve Fund 1172		15,275,071
1999A Admin Fund 1189		8,190,172
2004A Financing Fund 39006		-
Total Ending Cash		<u><u>\$ 73,249,974</u></u>



Cash Flow – YTD as of January 31, 2020

Cash Flow - Fiscal Year-to-Date

January 2020

Total Beginning Cash as of 7/1/19 \$ 73,173,116

Receipts

Use Fees & Container Charges	\$ 63,484,422
M&O, Grants, & Miscellaneous Revenue	14,539,939
Total Receipts	78,024,361

Disbursements

Debt Service - Transfer to Accounts	71,342,162
M&O, Administrative, & Financing Expenses	6,605,341
Total Disbursements	77,947,503

Cash Flow for Fiscal Year \$ 76,858

Total Ending Cash \$ 73,249,974



Cash Flow – YTD as of January 31, 2020

		<u>January 2020</u>
Beginning Cash as of 7/1/19		
Master Indenture Revenue Fund 1170		55,139,842
Master Indenture M&O Fund 1171		548,450
Master Indenture Reserve Fund 1172		12,980,405
1999A Admin Fund 1189		4,504,419
2004A Financing Fund 39006		-
Total Beginning Cash		<u>73,173,116</u>
Receipts		
Use Fee & Container Charges		63,484,422
M&O		3,451,127
Funds Transferred from BOA to Admin Fund		7,132,531
Funds Transferred from BOA to Reserve Fund		3,000,000
Semi-Annual Accounting - Transfer from Revenue Fund		-
Interest Income / Loss		956,281
Total Receipts		<u>78,024,361</u>
Total Cash		<u><u>\$ 151,197,477</u></u>
Disbursements		
Debt Service - transfer to 1999C Principal		16,138,839
Debt Service - transfer to 1999C Interest		14,009,310
Debt Service - transfer to 2012 Interest		3,466,422
Debt Service - transfer to 2013A Interest		6,690,389
Debt Service- transfer to 2013A Principal		6,346,227
Semi-Annual Accounting - Transfers & Debt Service		-
Transfer to 2012 Reserve		3,000,000
Transfer to 2004A Financing Fee		-
Transfer to Admin Fund		7,000,000
Transfer to Master Reserve		-
Transfer to 2016A Reserve		-
Transfer to 2016B Financing Fee		-
Debt service payment - 2016A Interest		803,850
Debt service payment - 2016B Interest		13,087,125
Debt service payment - 2004		800,000
M&O - Railroads expense payments		2,178,415
M&O - Reserve expense payments		889,176
Administrative expense payments		3,537,750
Financing expense payments		-
Total Disbursements		<u>77,947,504</u>
Net Ending Cash		<u><u>\$ 73,249,974</u></u>
Ending Cash		
Master Indenture Revenue Fund 1170		47,955,068
Master Indenture M&O Fund 1171		1,829,663
Master Indenture Reserve Fund 1172		15,275,071
1999A Admin Fund 1189		8,190,172
2004A Financing Fund 39006		-
Total Ending Cash		<u><u>\$ 73,249,974</u></u>