



Statements of Net Position

September 30, 2020 & June 30, 2020

	<u>September 2020</u>	<u>June 2020</u>
<u>Assets & Deferred Outflows of Resources</u>		
Current Assets:		
Restricted Cash & Cash Equivalents, & Investments	\$ 52,401,117	\$ 133,027,892
Receivables	11,446,588	9,907,904
Prepaid Expenses	1,073,537	1,225,268
Total Current Assets	64,921,242	144,161,064
Restricted Investments *	168,462,455	63,123,538
Assets Held for Transfer	13,347,625	13,347,625
Net OPEB Asset	490,343	490,343
Capital Assets Not Being Depreciated	438,148,732	438,148,732
Capital Assets, Net	1,092,076,334	1,097,331,202
Total Assets	1,777,446,731	1,756,602,504
Deferred Outflows of Resources:		
Charges on Refunding	14,959,358	15,333,065
Pension Contributions & Differences in Experience	708,037	707,933
Total Assets & Deferred Outflows of Resources	\$ 1,793,114,126	\$ 1,772,643,502
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>		
Current Liabilities:		
Accounts Payable	\$ 2,647,843	\$ 5,312,610
Unearned Revenue	1,609,814	889,742
Accrued Interest Payable, Current Portion	31,206,280	15,980,319
Revenue Bonds Payable, Current Portion	25,767,886	25,767,886
Other Liabilities	527,876	642,724
Total Current Liabilities	61,759,699	48,593,281
Noncurrent Liabilities:		
Collateral Deposit	-	-
Shortfall Advances Payable to Ports	12,618,358	12,612,996
Net Pension Liability	2,116,034	2,116,034
Accrued Interest Payable, Net of Current Portion	609,851,158	602,528,224
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,557,293,775	1,559,462,077
Total Noncurrent Liabilities	2,181,879,325	2,176,719,331
Total Liabilities	\$ 2,243,639,024	\$ 2,225,312,612
Deferred Inflows of Resources	343,370	343,370
<u>Net Position</u>		
Net Investment in Capital Assets	46,671,449	52,475,405
Restricted for Debt Service	132,238,909	107,375,351
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	61,877,492	66,271,689
Unrestricted	(691,656,119)	(679,134,925)
Total Net Position	(450,868,268)	(453,012,480)
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,793,114,126	\$ 1,772,643,502

* 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.

	<u>September 2020</u>	<u>June 2020</u>	<u>FY2021 Increase</u>
Current	\$ 52,401,117	\$ 133,027,892	
Noncurrent	168,462,455	63,123,538	
	\$ 220,863,572	\$ 196,151,430	\$ 24,712,142



Statement of Revenues, Expenses, & Changes in Net Position

For three months ended September 30, 2020 & September 30, 2019

	<u>September 2020</u>	<u>September 2019</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 28,347,130	\$ 28,027,154
Maintenance-of-Way Charges	829,781	819,546
Total Operating Revenues	<u>29,176,911</u>	<u>28,846,700</u>
Operating Expenses:		
Salaries & Benefits	617,430	510,027
Administrative Expenses	224,873	225,031
Professional Services	224,254	111,124
Maintenance-of-Way	1,159,147	1,094,172
Depreciation	5,254,869	5,254,229
Total Operating Expenses	<u>7,480,573</u>	<u>7,194,583</u>
Operating Income (Loss)	21,696,338	21,652,117
Nonoperating Revenues:		
Interest & Investment Revenue, Net	1,289,414	1,788,221
Public Benefit Income	-	7,573
Miscellaneous Revenue	452	48,718
Total Nonoperating Revenues	<u>1,289,866</u>	<u>1,844,512</u>
Nonoperating Expenses:		
Interest Expense	20,759,558	27,249,376
Expenses for Public Benefit & Pass Thru Expenses	82,434	418,478
Total Nonoperating Expenses, Net	<u>20,841,992</u>	<u>27,667,854</u>
Changes in Net Position	2,144,212	(4,171,225)
Net Position:		
Net Position, Beginning of Year	(453,012,480)	(425,066,414)
Net Position - End of Year	<u>\$ (450,868,268)</u>	<u>\$ (429,237,639)</u>



Comparison of Budget By Expense Type as of September 30, 2020

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 22,993,017	\$ 28,347,130	\$ 5,354,113
Maintenance-of-Way Charges	2,010,603	829,781	(1,180,822)
Total Operating Revenues	<u>25,003,620</u>	<u>29,176,911</u>	<u>4,173,291</u>
Other Revenues			
Projects			
Pier Pass	15,000	15,000	-
EPA Order	33,307	(36,330)	(69,637)
Subtotal Projects	<u>48,307</u>	<u>(21,330)</u>	<u>(69,637)</u>
Miscellaneous			
Public Benefit Income	1,277,465	-	(1,277,465)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	28,024	21,782	(6,242)
Investment Income	481,698	1,289,414	807,716
Subtotal Miscellaneous	<u>1,787,187</u>	<u>1,311,196</u>	<u>(475,991)</u>
Subtotal Other Revenues	<u>1,835,494</u>	<u>1,289,866</u>	<u>(545,628)</u>
Total Sources of Funds	<u>26,839,114</u>	<u>30,466,777</u>	<u>3,627,663</u>
Expenses			
Salaries	416,359	412,113	(4,246)
Benefits	253,730	205,317	(48,413)
Office Expenses	117,607	102,313	(15,294)
Other Management Expenses	18,574	3,192	(15,382)
Information Technologies	190,788	94,028	(96,760)
Bank & Investment	40,375	28,280	(12,095)
ACET Administrative & Capital Support	344,243	(2,940)	(347,183)
Audit	55,870	21,235	(34,635)
Legal	220,000	180,156	(39,844)
Governmental Affairs	19,669	6,556	(13,113)
Other Professional Services	87,597	16,307	(71,290)
Pass Thru Expenses & EPA Order	33,307	15,507	(17,800)
Expenses for Public Benefit	1,277,465	66,927	(1,210,538)
Total Administrative Expenses	<u>3,075,584</u>	<u>1,148,991</u>	<u>(1,926,593)</u>
Maintenance-of-Way Expenses-Rail - Contractors	1,335,916	294,661	(1,041,255)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	674,687	535,120	(139,567)
Maintenance-of-Way Expenses-Nonrail - Contractors	432,359	97,324	(335,035)
Maintenance-of-Way Expenses-Nonrail - Capital	1,546,070	230,270	(1,315,800)
Maintenance-of-Way Expenses-Nonrail - Other	42,003	22	(41,981)
Maintenance-of-Way Expenses - ACTA	23,610	1,750	(21,860)
Total Maintenance-of-Way Expenses	<u>4,054,645</u>	<u>1,159,147</u>	<u>(2,895,498)</u>
Subtotal Administrative and M&O Expenses	<u>7,130,229</u>	<u>2,308,138</u>	<u>(4,822,091)</u>
Financing Expenses			
Debt Service - Interest	15,379,244	13,436,623	(1,942,621)
Debt Service - Accrued CAB Interest	9,197,685	7,322,935	(1,874,750)
Subtotal Financing Expenses	<u>24,576,929</u>	<u>20,759,558</u>	<u>(3,817,371)</u>
Depreciation & Amortization Expenses			
Depreciation	5,245,541	5,254,869	9,328
Subtotal Depreciation & Amortization Expenses	<u>5,245,541</u>	<u>5,254,869</u>	<u>9,328</u>
Total Operating Expenses	<u>36,952,699</u>	<u>28,322,565</u>	<u>(8,630,134)</u>
Income (Loss)	<u>\$ (10,113,585)</u>	<u>\$ 2,144,212</u>	<u>\$ 12,257,797</u>

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



Comparison of Budget By Funds as of September 30, 2020

(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 22,993,017	\$ 28,347,130	\$ 5,354,113
Maintenance-of-Way Charges	2,010,603	829,781	(1,180,822)
Total Operating Revenues	<u>25,003,620</u>	<u>29,176,911</u>	<u>4,173,291</u>
Other Revenues			
Projects			
Pier Pass	15,000	15,000	-
EPA Order	33,307	(36,330)	(69,637)
Subtotal Projects	<u>48,307</u>	<u>(21,330)</u>	<u>(69,637)</u>
Miscellaneous			
Public Benefit Income	1,277,465	-	(1,277,465)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	28,024	21,782	(6,242)
Investment Income	481,698	1,289,414	807,716
Subtotal Miscellaneous	<u>1,787,187</u>	<u>1,311,196</u>	<u>(475,991)</u>
Subtotal Other Revenues	<u>1,835,494</u>	<u>1,289,866</u>	<u>(545,628)</u>
Total Sources of Funds	<u>26,839,114</u>	<u>30,466,777</u>	<u>3,627,663</u>
Expenses			
Administrative Costs	1,764,812	1,066,556	(698,256)
Railroads-M&O	2,010,603	829,781	(1,180,822)
Reserve-M&O	2,020,432	327,617	(1,692,815)
Financing Fees-M&O	23,610	1,750	(21,860)
Revenue Fund-Interest & COI	15,379,244	13,436,623	(1,942,621)
Expenses for Public Benefit	1,277,465	66,927	(1,210,538)
LAIF General Fund-Pass Thru & EPA	33,307	15,507	(17,800)
Total Expenses	<u>22,509,473</u>	<u>15,744,761</u>	<u>(6,764,712)</u>
Non Cash Expenses			
Accrued CAB Debt Service Interest	9,197,685	7,322,935	(1,874,750)
Depreciation	5,245,541	5,254,869	9,328
Subtotal Interest, Depreciation, & Amortization Expenses	<u>14,443,226</u>	<u>12,577,804</u>	<u>(1,865,422)</u>
Total Operating Expenses	<u>36,952,699</u>	<u>28,322,565</u>	<u>(8,630,134)</u>
Income (Loss)	<u>\$ (10,113,585)</u>	<u>\$ 2,144,212</u>	<u>\$ 12,257,797</u>

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



Cash & Investment Summary as of September 30, 2020

<u>Cash and Investment Balances (\$ in thousands)</u>					
<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	612	612
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	4,126	4,125
Grant Reimbursement Received this Month \$73,717 Grant Reimbursement Received FY to Date \$122,175					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	9,926	9,926
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	25,976	25,979
	1171	508	M & O Fund	1,536	1,536
	1172	509	Reserve Account	15,232	15,367
	1189	518	Administrative Costs	11,324	11,323
Subtotal Revenue Funds				54,068	54,205
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	9,913	10,064
	1201	-	99C Principal Account	32,094	32,876
	9004	515	04A Debt Service Reserve	32,744	33,424
	9001	-	04A Debt Service Interest Account	-	-
	9002	-	04A Debt Service Principal Account	1,335	1,335
	8003	516	04B Debt Service Reserve	23,825	24,565
	59001	-	12 Debt Service Interest Account	1,030	1,030
	59004	-	12 Debt Service Reserve Account	7,422	7,651
	7001	-	13A Debt Service Interest Account	5,613	5,699
	7002	-	13A Debt Service Principal Account	17,486	17,913
	27001	-	16A Interest Account	804	804
	27004	-	16A Debt Service Reserve	3,441	3,548
	80006	-	16B- Financing Fee	-	-
	108001	-	16B Interest Account	13,087	13,087
Subtotal Debt Service Funds				148,794	151,996
Total U.S. Bank				202,862	206,201
Total Cash & Investment Balances				\$ 217,526	220,864



Cash & Investment Summary (cont'd)

as of September 30, 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	\$ 41,863	\$ 41,863	18.95%	20.00%
U.S. Government & Agency Obligations	107,389	120,405	54.52%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	43,942	34,126	15.45%	100.00%
Corporate Bonds	13,794	13,932	6.31%	30.00%
Bank of America	612	612	0.28%	20.00%
Local Agency Investment Fund	9,926	9,926	4.49%	\$40 Million
Total	\$ 217,526	\$ 220,864	100.00%	

Monthly Cash Flow

September 2020

Total Beginning Cash	\$ 63,567,896
Receipts	
Use Fees & Container Charges	\$ 10,017,557
M&O, Grants, & Miscellaneous Revenue	9,654,225
Total Receipts	<u>19,671,782</u>
Disbursements	
Debt Service - Transfer to Accounts	27,631,127
M&O, Administrative, & Financing Expenses	1,540,778
Total Disbursements	<u>29,171,905</u>
Cash Flow for Month	<u>\$ (9,500,123)</u>
Total Ending Cash	<u>\$ 54,067,773</u>



Cash Flow as of September 30, 2020

<u>September 2020</u>	
Beginning Cash	
Master Indenture Revenue Fund 1170	43,573,176
Master Indenture M&O Fund 1171	1,419,431
Master Indenture Reserve Fund 1172	13,371,855
1999A Admin Fund 1189	5,203,434
2004A Financing Fund 39006	-
Total Beginning Cash	63,567,896
Receipts	
Use Fee & Container Charges	10,017,557
M&O	516,618
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Semi-Annual Accounting - Transfer from Revenue Fund	9,105,000
Interest Income / Loss	32,607
Total Receipts	19,671,782
Total Cash	\$ 83,239,678
Disbursements	
Debt Service - transfer to 1999C Principal	1,627,638
Debt Service - transfer to 1999C Interest	1,348,854
Debt Service - transfer to 2012 Interest	153,442
Debt Service - transfer to 2013A Interest	758,710
Debt Service- transfer to 2013A Principal	966,508
Semi-Annual Accounting - Transfers & Debt Service	-
Transfer to 2012 Reserve	583,850
Transfer to 2004A Financing Fee	-
Transfer to Admin Fund	7,105,000
Transfer to Master Reserve	2,000,000
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Debt service payment - 2016A Interest	-
Debt service payment - 2016B Interest	-
Debt service payment - 2004	13,087,125
M&O - Railroads expense payments	400,287
M&O - Reserve expense payments	152,930
Administrative expense payments	987,561
Financing expense payments	-
Total Disbursements	29,171,905
Net Ending Cash	\$ 54,067,773
Ending Cash	
Master Indenture Revenue Fund 1170	25,976,011
Master Indenture M&O Fund 1171	1,535,775
Master Indenture Reserve Fund 1172	15,231,542
1999A Admin Fund 1189	11,324,445
2004A Financing Fund 39006	-
Total Ending Cash	\$ 54,067,773



Cash Flow – YTD as of September 30, 2020

<u>Cash Flow - Fiscal Year-to-Date</u>		<u>September 2020</u>
Total Beginning Cash as of 7/1/20		\$ 63,133,920
Receipts		
Use Fees & Container Charges	\$ 26,408,317	
M&O, Grants, & Miscellaneous Revenue	10,763,291	
	<u>37,171,608</u>	
Total Receipts		37,171,608
Disbursements		
Debt Service - Transfer to Accounts	41,416,444	
M&O, Administrative, & Financing Expenses	4,821,311	
	<u>46,237,755</u>	
Total Disbursements		46,237,755
Cash Flow for Fiscal Year		<u>\$ (9,066,147)</u>
Total Ending Cash		<u><u>\$ 54,067,773</u></u>



Cash Flow – YTD as of September 30, 2020

		<u>September 2020</u>
Beginning Cash as of 7/1/20		
Master Indenture Revenue Fund 1170		40,925,861
Master Indenture M&O Fund 1171		2,200,069
Master Indenture Reserve Fund 1172		14,133,817
1999A Admin Fund 1189		5,874,173
2004A Financing Fund 39006		-
Total Beginning Cash		<u>63,133,920</u>
Receipts		
Use Fee & Container Charges		26,408,317
M&O		1,476,788
Funds Transferred from BOA to Admin Fund		53,736
Funds Transferred from BOA to Reserve Fund		-
Semi-Annual Accounting - Transfer from Revenue Fund		9,105,000
Interest Income / Loss		127,767
Total Receipts		<u>37,171,608</u>
Total Cash		<u>\$ 100,305,528</u>
Disbursements		
Debt Service - transfer to 1999C Principal		6,977,638
Debt Service - transfer to 1999C Interest		4,654,134
Debt Service - transfer to 2012 Interest		496,653
Debt Service - transfer to 2013A Interest		2,630,536
Debt Service- transfer to 2013A Principal		3,881,508
Semi-Annual Accounting - Transfers & Debt Service		-
Transfer to 2012 Reserve		583,850
Transfer to 2004A Financing Fee		-
Transfer to Admin Fund		7,105,000
Transfer to Master Reserve		2,000,000
Transfer to 2016A Reserve		-
Transfer to 2016B Financing Fee		-
Debt service payment - 2016A Interest		-
Debt service payment - 2016B Interest		-
Debt service payment - 2004		13,087,125
M&O - Railroads expense payments		2,141,134
M&O - Reserve expense payments		955,135
Administrative expense payments		1,725,042
Financing expense payments		-
Total Disbursements		<u>46,237,755</u>
Net Ending Cash		<u>\$ 54,067,773</u>
Ending Cash		
Master Indenture Revenue Fund 1170		25,976,011
Master Indenture M&O Fund 1171		1,535,775
Master Indenture Reserve Fund 1172		15,231,542
1999A Admin Fund 1189		11,324,445
2004A Financing Fund 39006		-
Total Ending Cash		<u>\$ 54,067,773</u>