



Statements of Net Position

December 31, 2019 & June 30, 2019

	<u>December 2019</u>	<u>June 2019</u>
<u>Assets & Deferred Outflows of Resources</u>		
Current Assets:		
Restricted Cash & Cash Equivalents, & Investments	\$ 176,735,705	\$ 142,095,378
Receivables	9,487,624	11,992,009
Prepaid Expenses	665,494	1,186,647
Total Current Assets	186,888,823	155,274,034
Restricted Investments *	530	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	1,107,820,990	1,118,194,533
Total Assets	1,746,435,532	1,780,992,512
Deferred Outflows of Resources:		
Charges on Refunding	16,082,318	16,831,570
Pension Contributions & Differences in Experience	708,037	708,037
Total Assets & Deferred Outflows of Resources	\$ 1,763,225,887	\$ 1,798,532,119
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>		
Current Liabilities:		
Accounts Payable	\$ 389,689	\$ 2,219,703
Unearned Revenue	2,233,625	935,014
Accrued Interest Payable, Current Portion	15,225,962	18,082,865
Revenue Bonds Payable, Current Portion	42,611,850	42,611,850
Other Liabilities	456,184	610,119
Total Current Liabilities	60,917,310	64,459,551
Noncurrent Liabilities:		
Collateral Deposit	-	-
Shortfall Advances Payable to Ports	12,514,281	12,383,832
Net Pension Liability	2,001,963	2,001,963
Accrued Interest Payable, Net of Current Portion	577,892,852	550,267,549
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,547,201,887	1,594,397,514
Total Noncurrent Liabilities	2,139,610,983	2,159,050,858
Total Liabilities	\$ 2,200,528,293	\$ 2,223,510,409
Deferred Inflows of Resources	88,124	88,124
<u>Net Position</u>		
Net Investment in Capital Assets	63,539,070	32,319,507
Restricted for Debt Service	81,460,578	101,329,902
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	80,377,554	81,829,720
Unrestricted	(662,767,732)	(640,545,543)
Total Net Position	(437,390,530)	(425,066,414)
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,763,225,887	\$ 1,798,532,119

* 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>December 2019</u>	<u>June 2019</u>	<u>FY2020 Decrease</u>
Current	\$ 176,735,705	\$ 142,095,378	
Noncurrent	530	55,798,756	
	\$ 176,736,235	\$ 197,894,134	\$ (21,157,899)



Statement of Revenues, Expenses, & Changes in Net Position

For six months ended December 31, 2019 & December 31, 2018

	<u>December 2019</u>	<u>December 2018</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 53,479,232	\$ 56,488,532
Maintenance-of-Way Charges	1,572,484	2,590,312
Total Operating Revenues	<u>55,051,716</u>	<u>59,078,844</u>
Operating Expenses:		
Salaries & Benefits	1,068,335	1,003,148
Administrative Expenses	952,068	936,904
Professional Services	443,003	456,517
Maintenance-of-Way	2,059,888	3,521,440
Depreciation	10,508,459	10,512,426
Total Operating Expenses	<u>15,031,753</u>	<u>16,430,435</u>
Operating Income (Loss)	40,019,963	42,648,409
Nonoperating Revenues:		
Interest & Investment Revenue, Net	2,704,690	2,810,755
Public Benefit Income	451,707	242,175
Miscellaneous Revenue	95,501	64,981
Total Nonoperating Revenues	<u>3,251,898</u>	<u>3,117,911</u>
Nonoperating Expenses:		
Interest Expense	55,032,056	53,439,099
Expenses for Public Benefit & Pass Thru Expenses	563,921	423,890
Total Nonoperating Expenses, Net	<u>55,595,977</u>	<u>53,862,989</u>
Changes in Net Position	(12,324,116)	(8,096,669)
Net Position:		
Net Position, Beginning of Year	(425,066,414)	(408,847,591)
Net Position - End of Year	<u>\$ (437,390,530)</u>	<u>\$ (416,944,260)</u>



Comparison of Budget By Expense Type as of December 31, 2019

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 57,644,052	\$ 53,479,232	\$ (4,164,820)
Maintenance-of-Way Charges	3,189,836	1,572,484	(1,617,352)
Total Operating Revenues	<u>60,833,888</u>	<u>55,051,716</u>	<u>(5,782,172)</u>
Other Revenues			
Projects			
Pier Pass	30,000	30,000	-
EPA Order	59,383	2,772	(56,611)
Subtotal Projects	<u>89,383</u>	<u>32,772</u>	<u>(56,611)</u>
Miscellaneous			
Public Benefit Income	2,643,263	451,707	(2,191,556)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	62,004	62,729	725
Investment Income	1,213,397	2,704,690	1,491,293
Subtotal Miscellaneous	<u>3,918,664</u>	<u>3,219,126</u>	<u>(699,538)</u>
Subtotal Other Revenues	<u>4,008,047</u>	<u>3,251,898</u>	<u>(756,149)</u>
Total Sources of Funds	<u>64,841,935</u>	<u>58,303,614</u>	<u>(6,538,321)</u>
Expenses			
Salaries	858,101	747,623	(110,478)
Benefits	449,556	320,712	(128,844)
Office Expenses	225,236	229,597	4,361
Other Management Expenses	40,498	9,723	(30,775)
Information Technologies	155,897	146,471	(9,426)
Bank & Investment	86,250	75,319	(10,931)
ACET Administrative & Capital Support	715,144	490,958	(224,186)
Audit	89,936	113,637	23,701
Legal	450,000	167,149	(282,851)
Governmental Affairs	38,193	31,827	(6,366)
Other Professional Services	292,127	130,390	(161,737)
Pass Thru Expenses & EPA Order	59,383	7,929	(51,454)
Expenses for Public Benefit	2,643,263	555,992	(2,087,271)
Total Administrative Expenses	<u>6,103,584</u>	<u>3,027,327</u>	<u>(3,076,257)</u>
Maintenance-of-Way Expenses-Rail - Contractors	1,973,296	653,063	(1,320,233)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	1,216,541	919,421	(297,120)
Maintenance-of-Way Expenses-Nonrail - Contractors	644,142	124,787	(519,355)
Maintenance-of-Way Expenses-Nonrail - Capital	1,629,950	265,359	(1,364,591)
Maintenance-of-Way Expenses-Nonrail - Other	83,250	63,078	(20,172)
Maintenance-of-Way Expenses - ACTA	105,514	34,180	(71,334)
Total Maintenance-of-Way Expenses	<u>5,652,693</u>	<u>2,059,888</u>	<u>(3,592,805)</u>
Subtotal Administrative and M&O Expenses	<u>11,756,277</u>	<u>5,087,215</u>	<u>(6,669,062)</u>
Financing Expenses			
Debt Service - Interest	32,209,828	27,369,177	(4,840,651)
Debt Service - Accrued CAB Interest	20,806,530	27,662,879	6,856,349
Subtotal Financing Expenses	<u>53,016,358</u>	<u>55,032,056</u>	<u>2,015,698</u>
Depreciation & Amortization Expenses			
Depreciation	10,490,832	10,508,459	17,627
Subtotal Depreciation & Amortization Expenses	<u>10,490,832</u>	<u>10,508,459</u>	<u>17,627</u>
Total Operating Expenses	<u>75,263,467</u>	<u>70,627,730</u>	<u>(4,635,737)</u>
Income (Loss)	<u>\$ (10,421,532)</u>	<u>\$ (12,324,116)</u>	<u>\$ (1,902,584)</u>
* Y-T-D Budget calculated on a straight line basis.			



Comparison of Budget By Funds as of December 31, 2019

(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 57,644,052	\$ 53,479,232	\$ (4,164,820)
Maintenance-of-Way Charges	3,189,836	1,572,484	(1,617,352)
Total Operating Revenues	<u>60,833,888</u>	<u>55,051,716</u>	<u>(5,782,172)</u>
Other Revenues			
Projects			
Pier Pass	30,000	30,000	-
EPA Order	59,383	2,772	(56,611)
Subtotal Projects	<u>89,383</u>	<u>32,772</u>	<u>(56,611)</u>
Miscellaneous			
Public Benefit Income	2,643,263	451,707	(2,191,556)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	62,004	62,729	725
Investment Income	1,213,397	2,704,690	1,491,293
Subtotal Miscellaneous	<u>3,918,664</u>	<u>3,219,126</u>	<u>(699,538)</u>
Subtotal Other Revenues	4,008,047	3,251,898	(756,149)
Total Sources of Funds	<u>64,841,935</u>	<u>58,303,614</u>	<u>(6,538,321)</u>
Expenses			
Administrative Costs	3,400,939	2,463,406	(937,533)
Railroads-M&O	3,189,836	1,572,484	(1,617,352)
Reserve-M&O	2,357,342	453,224	(1,904,118)
Financing Fees-M&O	105,514	34,180	(71,334)
Revenue Fund-Interest & COI	32,209,828	27,369,177	(4,840,651)
Expenses for Public Benefit	2,643,263	555,992	(2,087,271)
LAI General Fund-Pass Thru & EPA	59,383	7,929	(51,454)
Total Expenses	<u>43,966,105</u>	<u>32,456,392</u>	<u>(11,509,713)</u>
Non Cash Expenses			
Accrued CAB Debt Service Interest	20,806,530	27,662,879	6,856,349
Depreciation	10,490,832	10,508,459	17,627
Subtotal Interest, Depreciation, & Amortization Expenses	<u>31,297,362</u>	<u>38,171,338</u>	<u>6,873,976</u>
Total Operating Expenses	75,263,467	70,627,730	(4,635,737)
Income (Loss)	<u>\$ (10,421,532)</u>	<u>\$ (12,324,116)</u>	<u>\$ (1,902,584)</u>

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



Cash & Investment Summary as of December 31, 2019

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	932	932
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	3,418	3,426
Grant Reimbursement Received this Month \$152,317 Grant Reimbursement Received FY to Date \$396,776					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	9,743	9,743
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	46,382	46,395
	1171	508	M & O Fund	1,590	1,590
	1172	509	Reserve Account	15,271	15,340
	1189	518	Administrative Costs	8,546	8,552
			Subtotal Revenue Funds	71,789	71,877
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	5,109	5,205
	1201	-	99C Principal Account	8,821	8,977
	9004	515	04A Debt Service Reserve	33,613	33,666
	9001	-	04A Debt Service Interest Account	-	-
	9002	-	04A Debt Service Principal Account	-	-
	8003	516	04B Debt Service Reserve	23,422	23,632
	59001	-	12 Debt Service Interest Account	531	531
	59004	-	12 Debt Service Reserve Account	7,273	7,357
	7001	-	13A Debt Service Interest Account	2,897	2,952
	7002	-	13A Debt Service Principal Account	4,726	4,811
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,605	3,626
	80006	-	16B- Financing Fee	-	-
	108001	-	16B Interest Account	1	1
			Subtotal Debt Service Funds	89,998	90,758
			Total U.S. Bank	161,787	162,635
Total Cash & Investment Balances				\$ 175,880	176,736



Cash & Investment Summary (cont'd)

as of December 31, 2019

<u>Investment Schedule</u> (\$ 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	\$ 5,545	\$ 5,545	3.14%	20.00%	
U.S. Government & Agency Obligations	64,046	64,973	36.77%	100.00%	
Commercial Paper	-	-	0.00%	15.00%	
U.S. Treasury Note	79,535	79,487	44.97%	100.00%	
Corporate Bonds	16,079	16,056	9.08%	30.00%	
Bank of America	932	932	0.53%	20.00%	
Local Agency Investment Fund	9,743	9,743	5.51%	\$40 Million	
Total	<u>\$ 175,880</u>	<u>\$ 176,736</u>	<u>100.00%</u>		

<u>Monthly Cash Flow</u>			<u>December 2019</u>
Total Beginning Cash			\$ 71,002,531
Receipts			
Use Fees & Container Charges	\$	8,416,799	
M&O, Grants, & Miscellaneous Revenue		<u>772,725</u>	
Total Receipts		9,189,524	
Disbursements			
Debt Service - Transfer to Accounts		6,892,659	
M&O, Administrative, & Financing Expenses		<u>1,509,297</u>	
Total Disbursements		8,401,956	
Cash Flow for Month			<u>\$ 787,568</u>
Total Ending Cash			<u><u>\$ 71,790,099</u></u>



Cash Flow as of December 31, 2019

<u>December 2019</u>	
Beginning Cash	
Master Indenture Revenue Fund 1170	44,838,273
Master Indenture M&O Fund 1171	1,294,265
Master Indenture Reserve Fund 1172	15,400,782
1999A Admin Fund 1189	9,469,211
2004A Financing Fund 39006	-
Total Beginning Cash	71,002,531
Receipts	
Use Fee & Container Charges	8,416,799
M&O	704,613
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Semi-Annual Accounting - Transfer from Revenue Fund	-
Interest Income / Loss	68,112
Total Receipts	9,189,524
Total Cash	\$ 80,192,055
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	409,356
M&O - Reserve expense payments	158,077
Administrative expense payments	941,864
Financing expense payments	-
Total Disbursements	8,401,956
Net Ending Cash	\$ 71,790,099
Ending 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 Ending Cash	\$ 71,790,099



Cash Flow – YTD as of December 31, 2019

<u>Cash Flow - Fiscal Year-to-Date</u>		<u>December 2019</u>
Total Beginning Cash as of 7/1/19		\$ 73,173,116
Receipts		
Use Fees & Container Charges	\$ 55,060,323	
M&O, Grants, & Miscellaneous Revenue	13,999,803	
	<u>69,060,126</u>	
Disbursements		
Debt Service - Transfer to Accounts	64,449,504	
M&O, Administrative, & Financing Expenses	5,993,639	
	<u>70,443,143</u>	
Cash Flow for Fiscal Year		<u>\$ (1,383,017)</u>
	Total Ending Cash	<u>\$ 71,790,099</u>



Cash Flow – YTD as of December 31, 2019

<u>December 2019</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	73,173,116
Receipts	
Use Fee & Container Charges	55,060,323
M&O	3,068,072
Funds Transferred from BOA to Admin Fund	7,046,037
Funds Transferred from BOA to Reserve Fund	3,000,000
Semi-Annual Accounting - Transfer from Revenue Fund	-
Interest Income / Loss	885,692
Total Receipts	69,060,124
Total Cash	\$ 142,233,240
Disbursements	
Debt Service - transfer to 1999C Principal	13,463,839
Debt Service - transfer to 1999C Interest	12,356,670
Debt Service - transfer to 2012 Interest	3,294,817
Debt Service - transfer to 2013A Interest	5,754,476
Debt Service- transfer to 2013A Principal	4,888,727
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	2,032,490
M&O - Reserve expense payments	874,741
Administrative expense payments	3,086,406
Financing expense payments	-
Total Disbursements	70,443,141
Net Ending Cash	\$ 71,790,099
Ending 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 Ending Cash	\$ 71,790,099