



Statements of Net Position

April 30, 2018 & June 30, 2017

	April 2018	June 2017
Assets & Deferred Outflows of Resources		
Current Assets:		
Restricted Cash & Cash Equivalents, & Investments	\$ 26,156,751	\$ 112,986,027
Receivables	11,142,201	11,370,587
Prepaid Expenses	1,379,741	1,127,821
Total Current Assets	38,678,693	125,484,435
Restricted Investments *	146,696,685	77,919,769
Assets Held for Transfer	13,347,625	13,347,625
Net OPEB Asset	379,895	379,895
Capital Assets, Net	1,580,858,051	1,598,384,791
Total Assets	1,779,960,949	1,815,516,515
Deferred Outflows of Resources:		
Charges on Refunding	18,575,050	19,820,392
Pension Contributions & Differences in Experience	644,604	644,604
Total Assets & Deferred Outflows of Resources	\$ 1,799,180,603	\$ 1,835,981,511
Liabilities, Deferred Inflows of Resources, & Net Position		
Current Liabilities:		
Accounts Payable	\$ 2,907,327	\$ 2,631,015
Unearned Revenue	2,136,158	1,329,353
Accrued Interest Payable, Current Portion	5,430,387	20,685,602
Revenue Bonds Payable, Current Portion	32,995,584	29,444,651
Other Liabilities	500,316	528,538
Total Current Liabilities	43,969,772	54,619,159
Noncurrent Liabilities:		
Collateral Deposit	-	8,136,078
Shortfall Advances Payable to Ports	12,067,101	11,934,966
Net Pension Liability	1,842,521	1,842,521
Accrued Interest Payable, Net of Current Portion	500,434,431	460,752,146
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,647,981,787	1,688,811,395
Total Noncurrent Liabilities	2,162,325,840	2,171,477,106
Total Liabilities	\$ 2,206,295,612	\$ 2,226,096,265
Deferred Inflows of Resources	108,478	108,478
Net Position		
Net Investment in Capital Assets	25,488,074	14,815,507
Restricted for Debt Service	98,286,802	98,757,783
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	64,379,479	66,146,811
Unrestricted	(595,377,842)	(569,943,333)
Total Net Position	(407,223,487)	(390,223,232)
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,799,180,603	\$ 1,835,981,511

* 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.

	April 2018	June 2017	FY2018 Decrease
Current	\$ 26,156,751	\$ 112,986,027	
Noncurrent	146,696,685	77,919,769	
	\$ 172,853,436	\$ 190,905,796	\$ (18,052,360)



Statement of Revenues, Expenses, & Changes in Net Position

For ten months ended April 30, 2018 & April 30, 2017

	<u>April 2018</u>	<u>April 2017</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 92,938,112	\$ 84,368,415
Maintenance-of-Way Charges	3,409,673	3,818,831
Total Operating Revenues	<u>96,347,785</u>	<u>88,187,246</u>
Operating Expenses:		
Salaries & Benefits	1,696,248	1,582,989
Administrative Expenses	1,680,048	1,633,256
Professional Services	827,486	1,132,962
Maintenance-of-Way	4,787,050	5,493,677
Depreciation	17,526,740	17,514,098
Total Operating Expenses	<u>26,517,572</u>	<u>27,356,982</u>
Operating Income (Loss)	69,830,213	60,830,264
Nonoperating Revenues:		
Interest & Investment Revenue, Net	1,331,290	1,247,942
Public Benefit Income	680,947	604,038
Miscellaneous Revenue	257,141	354,405
Total Nonoperating Revenues	<u>2,269,378</u>	<u>2,206,385</u>
Nonoperating Expenses:		
Interest Expense	87,933,055	87,207,179
Expenses for Public Benefit & Pass Thru Expenses	1,166,791	1,087,672
Total Nonoperating Expenses, Net	<u>89,099,846</u>	<u>88,294,851</u>
Changes in Net Position	(17,000,255)	(25,258,202)
Net Position:		
Net Position, Beginning of Year	(390,223,232)	(361,712,419)
Net Position - End of Year	<u>\$ (407,223,487)</u>	<u>\$ (386,970,621)</u>



Comparison of Budget By Expense Type as of April 30, 2018

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 88,055,454	\$ 92,938,112	\$ 4,882,658
Maintenance-of-Way Charges	4,444,647	3,409,673	(1,034,974)
Total Operating Revenues	92,500,101	96,347,785	3,847,684
Other Revenues			
Projects			
Pier Pass	50,000	50,000	-
EPA Order	189,331	108,309	(81,022)
Subtotal Projects	239,331	158,309	(81,022)
Miscellaneous			
Public Benefit Income	5,093,016	680,947	(4,412,069)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	96,518	98,832	2,314
Investment Income	1,374,551	1,331,290	(43,261)
Subtotal Miscellaneous	6,564,085	2,111,069	(4,453,016)
Subtotal Other Revenues	6,803,416	2,269,378	(4,534,038)
Total Sources of Funds	99,303,517	98,617,163	(686,354)
Expenses			
Salaries	1,261,914	1,141,404	(120,510)
Benefits	583,062	554,844	(28,218)
Office Expenses	346,699	303,442	(43,257)
Other Management Expenses	59,125	41,760	(17,365)
Information Technologies	255,188	247,330	(7,858)
Bank & Investment	125,000	113,161	(11,839)
ACET Administrative & Capital Support	1,143,932	974,355	(169,577)
Audit	139,133	141,688	2,555
Legal	783,333	444,911	(338,422)
Governmental Affairs	110,000	100,000	(10,000)
Other Professional Services	427,944	140,887	(287,057)
Pass Thru Expenses & EPA Order	189,331	232,995	43,664
Expenses for Public Benefit	5,093,016	933,796	(4,159,220)
Total Administrative Expenses	10,517,677	5,370,573	(5,147,104)
Maintenance-of-Way Expenses-Rail - Contractors	2,669,494	1,849,491	(820,003)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	1,775,153	1,560,182	(214,971)
Maintenance-of-Way Expenses-Nonrail - Contractors	755,794	285,218	(470,576)
Maintenance-of-Way Expenses-Nonrail - Capital	1,688,253	488,967	(1,199,286)
Maintenance-of-Way Expenses-Nonrail - Other	100,767	454,772	354,005
Maintenance-of-Way Expenses - ACTA	149,235	148,420	(815)
Total Maintenance-of-Way Expenses	7,138,696	4,787,050	(2,351,646)
Subtotal Administrative and M&O Expenses	17,656,373	10,157,623	(7,498,750)
Financing Expenses			
Debt Service - Interest	58,302,111	48,250,770	(10,051,341)
Debt Service - Accrued CAB Interest	30,472,010	39,682,285	9,210,275
Subtotal Financing Expenses	88,774,121	87,933,055	(841,066)
Depreciation & Amortization Expenses			
Depreciation	17,483,470	17,526,740	43,270
Subtotal Depreciation & Amortization Expenses	17,483,470	17,526,740	43,270
Total Operating Expenses	123,913,964	115,617,418	(8,296,546)
Income (Loss)	\$ (24,610,447)	\$ (17,000,255)	\$ 7,610,192

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



Comparison of Budget By Funds as of April 30, 2018

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 88,055,454	\$ 92,938,112	\$ 4,882,658
Maintenance-of-Way Charges	4,444,647	3,409,673	(1,034,974)
Total Operating Revenues	<u>92,500,101</u>	<u>96,347,785</u>	<u>3,847,684</u>
Other Revenues			
Projects			
Pier Pass	50,000	50,000	-
EPA Order	189,331	108,309	(81,022)
Subtotal Projects	<u>239,331</u>	<u>158,309</u>	<u>(81,022)</u>
Miscellaneous			
Public Benefit Income	5,093,016	680,947	(4,412,069)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	96,518	98,832	2,314
Investment Income	1,374,551	1,331,290	(43,261)
Subtotal Miscellaneous	<u>6,564,085</u>	<u>2,111,069</u>	<u>(4,453,016)</u>
Subtotal Other Revenues	<u>6,803,416</u>	<u>2,269,378</u>	<u>(4,534,038)</u>
Total Sources of Funds	<u>99,303,517</u>	<u>98,617,163</u>	<u>(686,354)</u>
Expenses			
Financing Fees	-	-	-
Administrative Costs	5,235,330	4,203,781	(1,031,549)
Capital	-	-	-
Railroads-M&O	4,444,647	3,409,673	(1,034,974)
Reserve-M&O	2,544,814	1,228,958	(1,315,856)
Financing Fees-M&O	149,235	148,420	(815)
Revenue Fund-Interest & COI	58,302,111	48,250,770	(10,051,341)
Expenses for Public Benefit	5,093,016	933,796	(4,159,220)
LAIF General Fund-Pass Thru & EPA	189,331	232,995	43,664
Total Expenses	<u>75,958,484</u>	<u>58,408,393</u>	<u>(17,550,091)</u>
Non Cash Expenses			
Accrued CAB Debt Service Interest	30,472,010	39,682,285	9,210,275
Depreciation	17,483,470	17,526,740	43,270
Subtotal Interest, Depreciation, & Amortization Expenses	<u>47,955,480</u>	<u>57,209,025</u>	<u>9,253,545</u>
Total Operating Expenses	<u>123,913,964</u>	<u>115,617,418</u>	<u>(8,296,546)</u>
Income (Loss)	<u>\$ (24,610,447)</u>	<u>\$ (17,000,255)</u>	<u>\$ 7,610,192</u>

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



Cash & Investment Summary as of April 30, 2018

<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	471	471
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	4,373	4,372
Grant Reimbursement Received this Month \$0 Grant Reimbursement Received FY to Date \$882,144					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	8,472	8,472
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	34,322	34,348
	1171	508	M & O Fund	2,988	2,988
	1172	509	Reserve Account	14,309	14,175
	1189	518	Administrative Costs	4,986	4,981
			Subtotal Revenue Funds	56,605	56,492
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	4,240	4,280
	1201	-	99C Principal Account	18,430	18,794
	9004	515	04A Debt Service Reserve	48,393	47,259
	9001	-	04A Debt Service Interest Account	-	-
	8003	516	04B Debt Service Reserve	22,699	22,191
	59001	-	12 Debt Service Interest Account	352	356
	59004	-	12 Debt Service Reserve Account	5,255	5,126
	7001	-	13A Debt Service Interest Account	1,621	1,641
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,509	3,399
	108001	-	16B Interest Account	-	-
			Subtotal Debt Service Funds	104,499	103,046
			Total U.S. Bank	161,104	159,538
Total Cash & Investment Balances				\$ 174,420	172,853



Cash & Investment Summary (cont'd)

as of April 30, 2018

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	\$ 17,214	\$ 17,214	9.96%	20.00%
U.S. Government & Agency Obligations	64,319	64,092	37.08%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	60,739	59,799	34.60%	100.00%
Corporate Bonds	23,205	22,805	13.19%	30.00%
Bank of America	471	471	0.27%	20.00%
Local Agency Investment Fund	8,472	8,472	4.90%	\$40 Million
Total	\$ 174,420	\$ 172,853	100.00%	

Monthly Cash Flow

April 2018

Total Beginning Cash \$ 65,253,825

Receipts

Use Fees & Container Charges	\$ 9,116,229
M&O, Grants, & Miscellaneous Revenue	1,929,679
Total Receipts	11,045,908

Disbursements

Debt Service - Transfer to Accounts	19,282,450
M&O, Administrative, & Financing Expenses	411,873
Total Disbursements	19,694,323

Cash Flow for Month \$ (8,648,415)

Total Ending Cash \$ 56,605,410



Cash Flow as of April 30, 2018

		<u>April 2018</u>
Beginning Cash		
Master Indenture Revenue Fund 1170		44,272,480
Master Indenture M&O Fund 1171		1,320,538
Master Indenture Reserve Fund 1172		14,319,927
1999A Admin Fund 1189		5,340,880
2004A Financing Fund 39006		-
Total Beginning Cash		<u>65,253,825</u>
Receipts		
Use Fee & Container Charges		9,116,229
M&O		1,712,762
Funds Transferred from BOA to Admin Fund		-
Funds Transferred from BOA to Reserve Fund		-
Semi-Annual Accounting - Transfer from Revenue Fund		-
Interest Income / Loss		216,917
Total Receipts		<u>11,045,908</u>
Total Cash		<u><u>\$ 76,299,733</u></u>
Disbursements		
Debt Service - transfer to 1999C Principal		2,276,250
Debt Service - transfer to 1999C Interest		1,960,903
Debt Service - transfer to 2012 Interest		172,076
Debt Service - transfer to 2013A Interest		982,246
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		803,850
Debt service payment - 2016B Interest		13,087,125
Debt service payment - 2004		-
M&O - Railroads expense payments		46,754
M&O - Reserve expense payments		7,269
Administrative expense payments		357,850
Financing expense payments		-
Total Disbursements		<u>19,694,323</u>
Net Ending Cash		<u><u>\$ 56,605,410</u></u>
Ending Cash		
Master Indenture Revenue Fund 1170		34,322,297
Master Indenture M&O Fund 1171		2,987,991
Master Indenture Reserve Fund 1172		14,308,877
1999A Admin Fund 1189		4,986,245
2004A Financing Fund 39006		-
Total Ending Cash		<u><u>\$ 56,605,410</u></u>



Cash Flow – YTD as of April 30, 2018

<u>Cash Flow - Fiscal Year-to-Date</u>		
		<u>April 2018</u>
Total Beginning Cash as of 7/1/17		\$ 58,395,496
Receipts		
Use Fees & Container Charges	\$ 91,920,853	
M&O, Grants, & Miscellaneous Revenue	<u>11,715,417</u>	
Total Receipts	103,636,270	
Disbursements		
Debt Service - Transfer to Accounts	96,848,712	
M&O, Administrative, & Financing Expenses	<u>8,577,644</u>	
Total Disbursements	105,426,356	
Cash Flow for Fiscal Year		<u>\$ (1,790,086)</u>
Total Ending Cash		<u><u>\$ 56,605,410</u></u>



Cash Flow – YTD as of April 30, 2018

		<u>April 2018</u>
Beginning Cash as of 7/1/17		
Master Indenture Revenue Fund 1170		38,849,118
Master Indenture M&O Fund 1171		858,599
Master Indenture Reserve Fund 1172		14,625,256
1999A Admin Fund 1189		4,062,523
2004A Financing Fund 39006		-
Total Beginning Cash		<u>58,395,496</u>
Receipts		
Use Fee & Container Charges		91,920,853
M&O		4,528,782
Funds Transferred from BOA to Admin Fund		118,871
Funds Transferred from BOA to Reserve Fund		-
Semi-Annual Accounting - Transfer from Revenue Fund		6,500,000
Interest Income / Loss		567,764
Total Receipts		<u>103,636,270</u>
Total Cash		<u><u>\$ 162,031,766</u></u>
Disbursements		
Debt Service - transfer to 1999C Principal		21,807,817
Debt Service - transfer to 1999C Interest		20,437,802
Debt Service - transfer to 2012 Interest		1,715,113
Debt Service - transfer to 2013A Interest		9,822,459
Semi-Annual Accounting - Transfers & Debt Service		-
Transfer to 2012 Reserve		1,028,572
Transfer to 2004A Financing Fee		-
Transfer to Admin Fund		5,500,000
Transfer to Master Reserve		1,000,000
Transfer to 2016A Reserve		-
Transfer to 2016B Financing Fee		-
Debt service payment - 2016A Interest		1,607,700
Debt service payment - 2016B Interest		26,174,249
Debt service payment - 2004		7,755,000
M&O - Railroads expense payments		2,407,387
M&O - Reserve expense payments		1,437,371
Administrative expense payments		4,732,886
Financing expense payments		-
Total Disbursements		<u>105,426,356</u>
Net Ending Cash		<u><u>\$ 56,605,410</u></u>
Ending Cash		
Master Indenture Revenue Fund 1170		34,322,297
Master Indenture M&O Fund 1171		2,987,991
Master Indenture Reserve Fund 1172		14,308,877
1999A Admin Fund 1189		4,986,245
2004A Financing Fund 39006		-
Total Ending Cash		<u><u>\$ 56,605,410</u></u>