

Item 6

FY21 Budget



Budget Assumptions

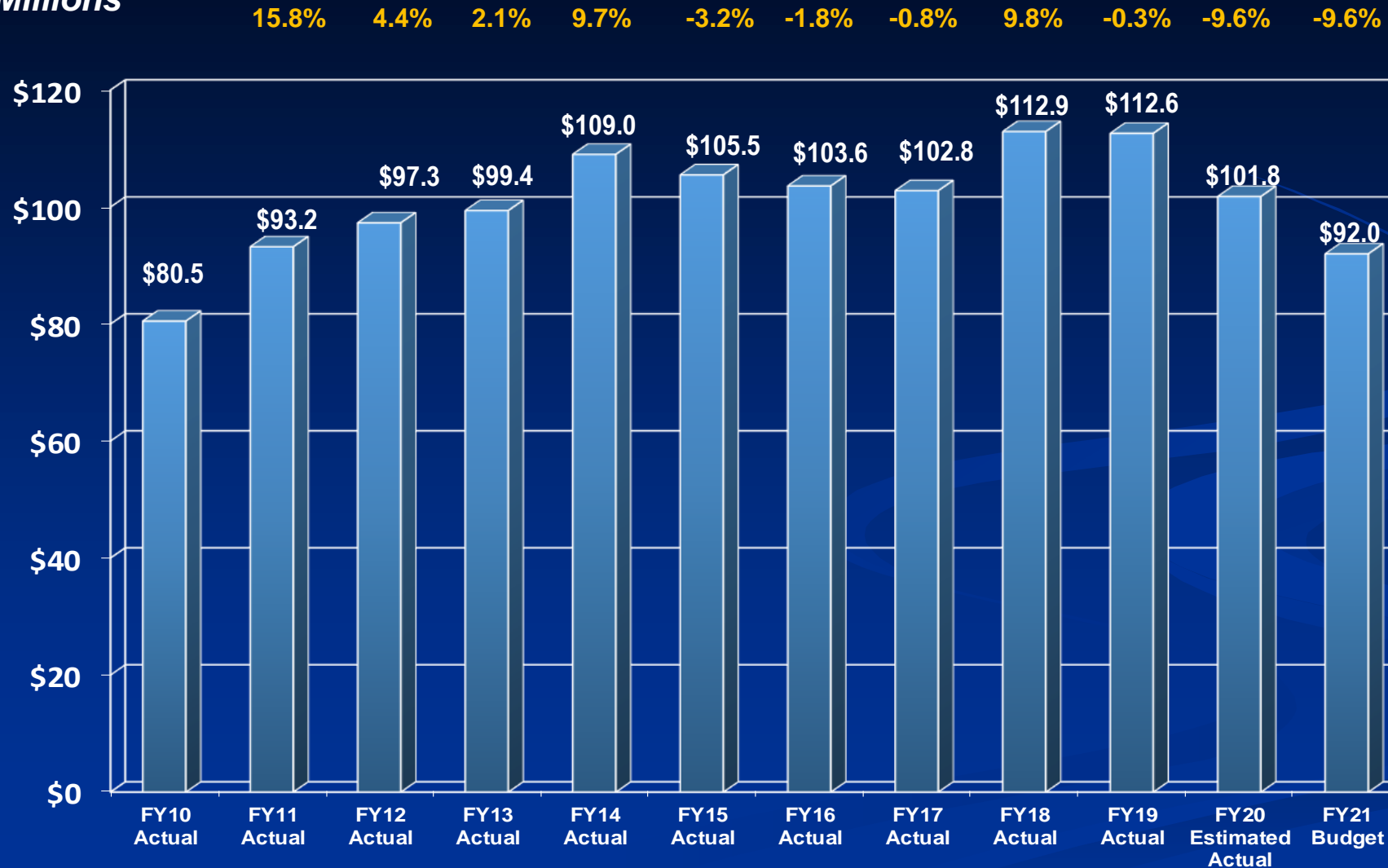
- Projected revenues based on:
 - 1.5% CPI fee increase
 - ACTA participation rate has been adjusted upward by 2% reflecting the 2019 actual trend
 - FY21 Revenue conservatively based on monthly year-over-prior-year San Pedro Bay Ports TEU decline of 15%
- No staff compensation adjustment
- No ACTA staffing additions – present staff of 10 full-time (1 vacancy) and 1 part-time ACTA staff
- ACET and affiliated staffing provided to meet needs of operations and field support– 6 full-time, 2 part-time; plus miscellaneous specialty support as needed

Budget Assumptions

- Core ACTA functions include corridor maintenance, revenue collection, payment of obligations, and servicing of debt.
- New RailWorks M&O service contract results in improved but more costly M&O activity.
- Most M&O expenses are paid by UP and BNSF.
- The scope of professional service contracts has not changed or grown.
- M&O budget figures based upon 2020 calendar year budget approved through the Notice of Mutual Agreement process in March 2020.

Total Use & Container Charges Comparison

Millions



Operating Budget Summary

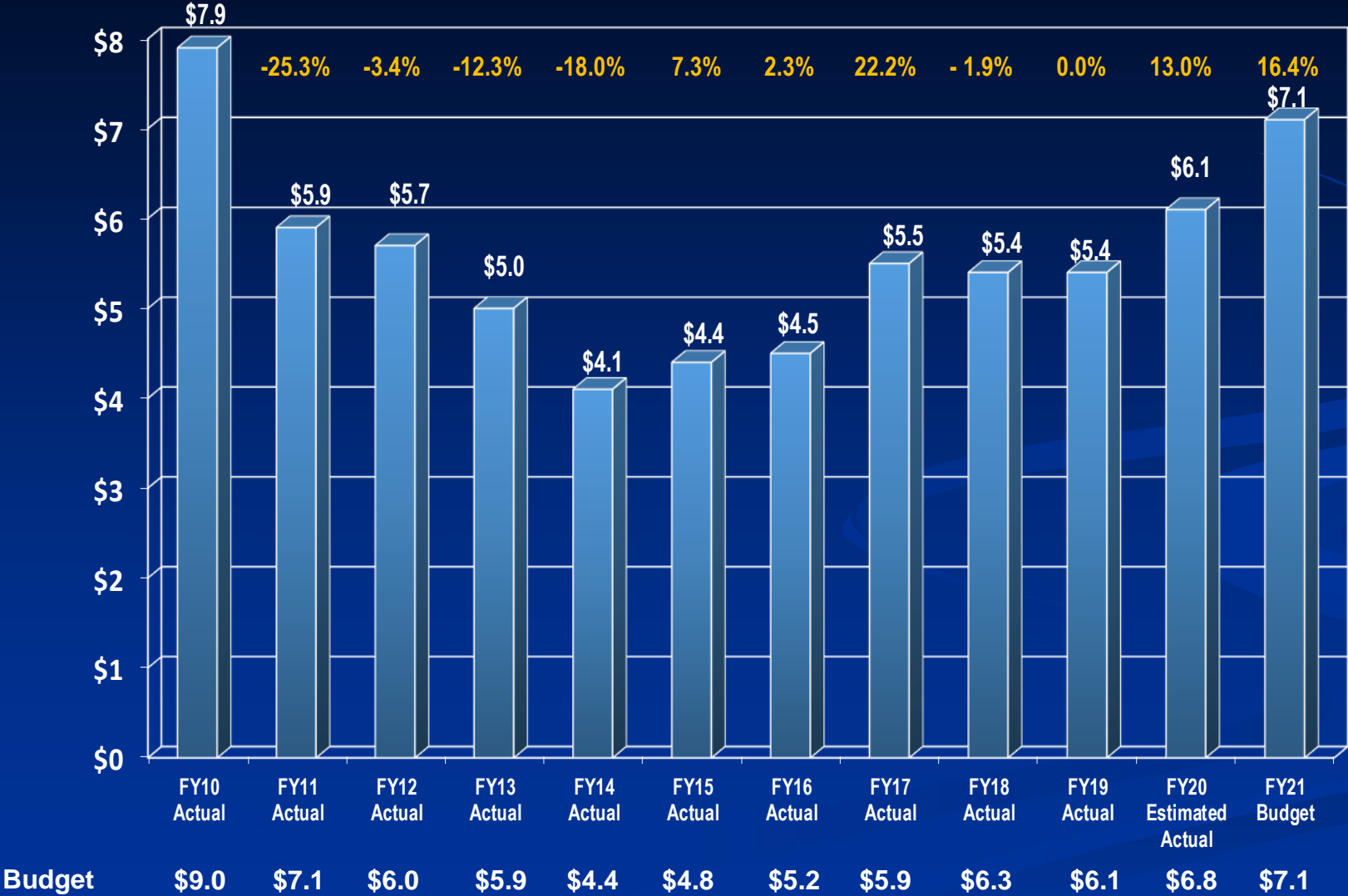
Revenue

(x1000)

	FY 2021 <i>Budget</i>	FY 2020 <i>Estimated Actual</i>	FY 2020 <i>Budget</i>
San Pedro Bay TEUs	13,476	15,854	18,084
ACTA TEUs	3,469	3,930	4,466
Operating Revenue			
Use Fees and Container Charges	\$ 91,972	\$ 101,762	\$ 115,288
Maintenance-of-Way Charges	<u>8,042</u>	<u>6,885</u>	<u>6,380</u>
Total Operating Revenue	\$ 100,014	\$ 108,647	\$ 121,668
Other Revenue	<u>7,342</u>	<u>5,172</u>	<u>8,016</u>
Total Revenue	<u>\$ 107,356</u>	<u>\$ 113,819</u>	<u>\$ 129,684</u>

Net Administrative Expense Comparison

Millions



Administrative Spending by Expense Type

	FY 2021 <i>Budget</i>	FY 2020 <i>Estimated Actual</i>	FY 2020 <i>Budget</i>
Salaries	\$ 1,665,436	\$ 1,538,133	\$ 1,716,201
Benefits	1,014,921	935,125	899,111
Office Expenses	470,435	366,435	450,476
Other Management Expenses	74,295	55,531	80,995
Information Technologies	763,152	310,585	311,794
Bank and Investment	161,500	160,285	172,500
ACET Administrative Support	1,376,970	1,426,993	1,430,288
Audit	223,480	194,807	179,872
Legal	880,000	564,327	900,000
Governmental Affairs	78,676	76,385	76,385
Professional Services	<u>350,388</u>	<u>451,061</u>	<u>584,253</u>
Total Administrative Expenses	\$ 7,059,253	\$ 6,079,667	\$ 6,801,875

Budget Recommendation

- Recommendation – Adopt FY21 Budget and Appropriate Cash Spending of \$139,909,694
- Details of Cash Spending

	FY 2021 <i>Budget</i>	FY 2020 <i>Budget</i>
Debt Service	\$ 111,388,775	\$ 107,031,504
Public Benefit Spending	5,109,861	5,286,526
Administrative Expenses	7,059,253	6,801,875
Pass Thru	133,227	118,766
Maintenance of Way Expenses	<u>16,218,578</u>	<u>11,305,383</u>
Total	\$ 139,909,694	\$ 130,544,054