



Statements of Net Position

February 29, 2020 & June 30, 2019

	February 2020	June 2019	
Assets & Deferred Outflows of Resources			
Current Assets:			
Restricted Cash & Cash Equivalents, & Investments	\$ 22,435,760	\$ 142,095,378	
Receivables	9,560,740	11,992,009	
Prepaid Expenses	376,199	1,186,647	
Total Current Assets	32,372,699	155,274,034	
Restricted Investments *	173,563,159	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	1,104,318,173	1,118,194,533	
Total Assets	1,761,979,220	1,780,992,512	
Deferred Outflows of Resources:			
Charges on Refunding	15,832,567	16,831,570	
Pension Contributions & Differences in Experience	708,037	708,037	
Total Assets & Deferred Outflows of Resources	\$ 1,778,519,824	\$ 1,798,532,119	
Liabilities, Deferred Inflows of Resources, & Net Position			
Current Liabilities:			
Accounts Payable	\$ 996,677	\$ 2,219,703	
Unearned Revenue	2,503,172	935,014	
Accrued Interest Payable, Current Portion	25,376,603	18,082,865	
Revenue Bonds Payable, Current Portion	42,611,850	42,611,850	
Other Liabilities	457,337	610,119	
Total Current Liabilities	71,945,639	64,459,551	
Noncurrent Liabilities:			
Collateral Deposit	-	-	
Shortfall Advances Payable to Ports	12,547,204	12,383,832	
Net Pension Liability	2,001,963	2,001,963	
Accrued Interest Payable, Net of Current Portion	586,356,077	550,267,549	
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,545,673,961	1,594,397,514	
Total Noncurrent Liabilities	2,146,579,205	2,159,050,858	
Total Liabilities	\$ 2,218,524,844	\$ 2,223,510,409	
Deferred Inflows of Resources	88,124	88,124	
Net Position			
Net Investment in Capital Assets	59,786,499	32,319,507	
Restricted for Debt Service	89,886,498	101,329,902	
Restricted for Capital Projects	-	-	
Restricted by Master Trust Agreement	83,885,027	81,829,720	
Unrestricted	(673,651,168)	(640,545,543)	
Total Net Position	(440,093,144)	(425,066,414)	
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,778,519,824	\$ 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.			
	February 2020	June 2019	FY2020 Decrease
Current	\$ 22,435,760	\$ 142,095,378	
Noncurrent	173,563,159	55,798,756	
	\$ 195,998,919	\$ 197,894,134	\$ (1,895,215)



Statement of Revenues, Expenses, & Changes in Net Position

For eight months ended February 29, 2020 & February 28, 2019

	<u>February 2020</u>	<u>February 2019</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 71,331,347	\$ 75,352,418
Maintenance-of-Way Charges	2,131,698	3,061,819
Total Operating Revenues	<u>73,463,045</u>	<u>78,414,237</u>
Operating Expenses:		
Salaries & Benefits	1,377,752	1,353,685
Administrative Expenses	1,395,247	1,187,055
Professional Services	551,028	557,903
Maintenance-of-Way	3,101,768	4,453,292
Depreciation	14,011,278	14,016,568
Total Operating Expenses	<u>20,437,073</u>	<u>21,568,503</u>
Operating Income (Loss)	53,025,972	56,845,734
Nonoperating Revenues:		
Interest & Investment Revenue, Net	4,226,307	3,658,127
Public Benefit Income	678,428	337,465
Miscellaneous Revenue	123,948	95,622
Total Nonoperating Revenues	<u>5,028,683</u>	<u>4,091,214</u>
Nonoperating Expenses:		
Interest Expense	72,400,670	71,075,632
Expenses for Public Benefit & Pass Thru Expenses	680,715	515,772
Total Nonoperating Expenses, Net	<u>73,081,385</u>	<u>71,591,404</u>
Changes in Net Position	(15,026,730)	(10,654,456)
Net Position:		
Net Position, Beginning of Year	(425,066,414)	(408,847,591)
Net Position - End of Year	<u>\$ (440,093,144)</u>	<u>\$ (419,502,047)</u>



Comparison of Budget By Expense Type as of February 29, 2020

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 76,858,736	\$ 71,331,347	\$ (5,527,389)
Maintenance-of-Way Charges	4,253,115	2,131,698	(2,121,417)
Total Operating Revenues	<u>81,111,851</u>	<u>73,463,045</u>	<u>(7,648,806)</u>
Other Revenues			
Projects			
Pier Pass	40,000	40,000	-
EPA Order	79,177	124	(79,053)
Subtotal Projects	<u>119,177</u>	<u>40,124</u>	<u>(79,053)</u>
Miscellaneous			
Public Benefit Income	3,524,351	678,428	(2,845,923)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	82,672	83,824	1,152
Investment Income	1,617,862	4,226,307	2,608,445
Subtotal Miscellaneous	<u>5,224,885</u>	<u>4,988,559</u>	<u>(236,326)</u>
Subtotal Other Revenues	<u>5,344,062</u>	<u>5,028,683</u>	<u>(315,379)</u>
Total Sources of Funds	<u>86,455,913</u>	<u>78,491,728</u>	<u>(7,964,185)</u>
Expenses			
Salaries	1,144,134	940,637	(203,497)
Benefits	599,407	437,115	(162,292)
Office Expenses	300,315	281,176	(19,139)
Other Management Expenses	53,997	19,183	(34,814)
Information Technologies	207,863	199,374	(8,489)
Bank & Investment	115,000	92,310	(22,690)
ACET Administrative & Capital Support	953,525	803,204	(150,321)
Audit	119,915	113,637	(6,278)
Legal	600,000	220,507	(379,493)
Governmental Affairs	50,923	31,827	(19,096)
Other Professional Services	389,502	185,057	(204,445)
Pass Thru Expenses & EPA Order	79,177	13,441	(65,736)
Expenses for Public Benefit	3,524,351	667,274	(2,857,077)
Total Administrative Expenses	<u>8,138,109</u>	<u>4,004,742</u>	<u>(4,133,367)</u>
Maintenance-of-Way Expenses-Rail - Contractors	2,631,061	859,957	(1,771,104)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	1,622,054	1,271,741	(350,313)
Maintenance-of-Way Expenses-Nonrail - Contractors	858,855	179,183	(679,672)
Maintenance-of-Way Expenses-Nonrail - Capital	2,173,267	634,891	(1,538,376)
Maintenance-of-Way Expenses-Nonrail - Other	111,000	106,083	(4,917)
Maintenance-of-Way Expenses - ACTA	140,685	49,913	(90,772)
Total Maintenance-of-Way Expenses	<u>7,536,922</u>	<u>3,101,768</u>	<u>(4,435,154)</u>
Subtotal Administrative and M&O Expenses	<u>15,675,031</u>	<u>7,106,510</u>	<u>(8,568,521)</u>
Financing Expenses			
Debt Service - Interest	42,946,437	36,274,566	(6,671,871)
Debt Service - Accrued CAB Interest	27,742,040	36,126,104	8,384,064
Subtotal Financing Expenses	<u>70,688,477</u>	<u>72,400,670</u>	<u>1,712,193</u>
Depreciation & Amortization Expenses			
Depreciation	13,987,776	14,011,278	23,502
Subtotal Depreciation & Amortization Expenses	<u>13,987,776</u>	<u>14,011,278</u>	<u>23,502</u>
Total Operating Expenses	<u>100,351,284</u>	<u>93,518,458</u>	<u>(6,832,826)</u>
Income (Loss)	<u>\$ (13,895,371)</u>	<u>\$ (15,026,730)</u>	<u>\$ (1,131,359)</u>
* Y-T-D Budget calculated on a straight line basis.			



Comparison of Budget By Funds as of February 29, 2020

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 76,858,736	\$ 71,331,347	\$ (5,527,389)
Maintenance-of-Way Charges	4,253,115	2,131,698	(2,121,417)
Total Operating Revenues	81,111,851	73,463,045	(7,648,806)
Other Revenues			
Projects			
Pier Pass	40,000	40,000	-
EPA Order	79,177	124	(79,053)
Subtotal Projects	119,177	40,124	(79,053)
Miscellaneous			
Public Benefit Income	3,524,351	678,428	(2,845,923)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	82,672	83,824	1,152
Investment Income	1,617,862	4,226,307	2,608,445
Subtotal Miscellaneous	5,224,885	4,988,559	(236,326)
Subtotal Other Revenues	5,344,062	5,028,683	(315,379)
Total Sources of Funds	86,455,913	78,491,728	(7,964,185)
Expenses			
Administrative Costs	4,534,582	3,324,027	(1,210,555)
Railroads-M&O	4,253,114	2,131,698	(2,121,416)
Reserve-M&O	3,143,122	920,157	(2,222,965)
Financing Fees-M&O	140,685	49,913	(90,772)
Revenue Fund-Interest & COI	42,946,437	36,274,566	(6,671,871)
Expenses for Public Benefit	3,524,351	667,274	(2,857,077)
LAIF General Fund-Pass Thru & EPA	79,177	13,441	(65,736)
Total Expenses	58,621,468	43,381,076	(15,240,392)
Non Cash Expenses			
Accrued CAB Debt Service Interest	27,742,040	36,126,104	8,384,064
Depreciation	13,987,776	14,011,278	23,502
Subtotal Interest, Depreciation, & Amortization Expenses	41,729,816	50,137,382	8,407,566
Total Operating Expenses	100,351,284	93,518,458	(6,832,826)
Income (Loss)	\$ (13,895,371)	\$ (15,026,730)	\$ (1,131,359)

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



Cash & Investment Summary as of February 29, 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	937	937
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	3,746	3,757
Grant Reimbursement Received this Month \$27,338					
Grant Reimbursement Received FY to Date \$817,338					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	9,809	9,809
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	50,383	50,369
	1171	508	M & O Fund	2,170	2,170
	1172	509	Reserve Account	15,285	15,421
	1189	518	Administrative Costs	7,762	7,773
			Subtotal Revenue Funds	75,600	75,733
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	8,414	8,552
	1201	-	99C Principal Account	14,173	14,395
	9004	515	04A Debt Service Reserve	33,698	34,123
	9001	-	04A Debt Service Interest Account	-	-
	9002	-	04A Debt Service Principal Account	-	-
	8003	516	04B Debt Service Reserve	23,476	24,041
	59001	-	12 Debt Service Interest Account	875	875
	59004	-	12 Debt Service Reserve Account	7,288	7,479
	7001	-	13A Debt Service Interest Account	4,769	4,847
	7002	-	13A Debt Service Principal Account	7,641	7,763
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,609	3,687
	80006	-	16B- Financing Fee	-	-
	108001	-	16B Interest Account	1	1
			Subtotal Debt Service Funds	103,944	105,763
			Total U.S. Bank	179,544	181,496
Total Cash & Investment Balances				\$ 194,036	195,999



Cash & Investment Summary (cont'd)

as of February 29, 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	\$ 11,690	\$ 11,690	5.96%	20.00%
U.S. Government & Agency Obligations	79,363	81,177	41.43%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	77,001	77,051	39.31%	100.00%
Corporate Bonds	15,236	15,335	7.82%	30.00%
Bank of America	937	937	0.48%	20.00%
Local Agency Investment Fund	9,809	9,809	5.00%	\$40 Million
Total	\$ 194,036	\$ 195,999	100.00%	

Monthly Cash Flow

February 2020

Total Beginning Cash \$ 73,249,974

Receipts

Use Fees & Container Charges	\$ 9,257,631
M&O, Grants, & Miscellaneous Revenue	530,306
Total Receipts	9,787,937

Disbursements

Debt Service - Transfer to Accounts	6,892,659
M&O, Administrative, & Financing Expenses	545,182
Total Disbursements	7,437,841

Cash Flow for Month \$ 2,350,096

Total Ending Cash \$ 75,600,070



Cash Flow

as of February 29, 2020

		February 2020
Beginning 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 Beginning Cash		<u>73,249,974</u>
Receipts		
Use Fee & Container Charges		9,257,631
M&O		414,381
Funds Transferred from BOA to Admin Fund		-
Funds Transferred from BOA to Reserve Fund		-
Semi-Annual Accounting - Transfer from Revenue Fund		-
Interest Income / Loss		115,925
Total Receipts		<u>9,787,937</u>
Total Cash		<u><u>\$ 83,037,911</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		75,636
M&O - Reserve expense payments		27,208
Administrative expense payments		442,338
Financing expense payments		-
Total Disbursements		<u>7,437,841</u>
Net Ending Cash		<u><u>\$ 75,600,070</u></u>
Ending Cash		
Master Indenture Revenue Fund 1170		50,382,749
Master Indenture M&O Fund 1171		2,170,278
Master Indenture Reserve Fund 1172		15,284,747
1999A Admin Fund 1189		7,762,296
2004A Financing Fund 39006		-
Total Ending Cash		<u><u>\$ 75,600,070</u></u>



Cash Flow – YTD as of February 29, 2020

Cash Flow - Fiscal Year-to-Date

February 2020

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

Receipts

Use Fees & Container Charges \$ 72,742,053

M&O, Grants, & Miscellaneous Revenue 15,070,245

Total Receipts 87,812,298

Disbursements

Debt Service - Transfer to Accounts 78,234,821

M&O, Administrative, & Financing Expenses 7,150,523

Total Disbursements 85,385,344

Cash Flow for Fiscal Year \$ 2,426,954

Total Ending Cash \$ 75,600,070



Cash Flow – YTD as of February 29, 2020

		<u>February 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		72,742,053
M&O		3,865,508
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		1,072,206
Total Receipts		<u>87,812,298</u>
Total Cash		<u><u>\$ 160,985,414</u></u>
Disbursements		
Debt Service - transfer to 1999C Principal		18,813,839
Debt Service - transfer to 1999C Interest		15,661,950
Debt Service - transfer to 2012 Interest		3,638,028
Debt Service - transfer to 2013A Interest		7,626,302
Debt Service- transfer to 2013A Principal		7,803,727
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		2,254,051
M&O - Reserve expense payments		916,385
Administrative expense payments		3,980,087
Financing expense payments		-
Total Disbursements		<u>85,385,344</u>
Net Ending Cash		<u><u>\$ 75,600,070</u></u>
Ending Cash		
Master Indenture Revenue Fund 1170		50,382,749
Master Indenture M&O Fund 1171		2,170,278
Master Indenture Reserve Fund 1172		15,284,747
1999A Admin Fund 1189		7,762,296
2004A Financing Fund 39006		-
Total Ending Cash		<u><u>\$ 75,600,070</u></u>