



# Statements of Net Position

## September 30, 2020 & June 30, 2020

	<u>September 2020</u>	<u>June 2020</u>
<b><u>Assets &amp; Deferred Outflows of Resources</u></b>		
<b>Current Assets:</b>		
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
<b>Total Current Assets</b>	<b>64,921,242</b>	<b>144,161,064</b>
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
<b>Total Assets</b>	<b>1,777,446,731</b>	<b>1,756,602,504</b>
<b>Deferred Outflows of Resources:</b>		
Charges on Refunding	14,959,358	15,333,065
Pension Contributions & Differences in Experience	708,037	707,933
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>\$ 1,793,114,126</b>	<b>\$ 1,772,643,502</b>
<b><u>Liabilities, Deferred Inflows of Resources, &amp; Net Position</u></b>		
<b>Current Liabilities:</b>		
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
<b>Total Current Liabilities</b>	<b>61,759,699</b>	<b>48,593,281</b>
<b>Noncurrent Liabilities:</b>		
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
<b>Total Noncurrent Liabilities</b>	<b>2,181,879,325</b>	<b>2,176,719,331</b>
<b>Total Liabilities</b>	<b>\$ 2,243,639,024</b>	<b>\$ 2,225,312,612</b>
<b>Deferred Inflows of Resources</b>	<b>343,370</b>	<b>343,370</b>
<b><u>Net Position</u></b>		
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)
<b>Total Net Position</b>	<b>(450,868,268)</b>	<b>(453,012,480)</b>
<b>Total Liabilities, Deferred Inflows of Resources, &amp; Net Position</b>	<b>\$ 1,793,114,126</b>	<b>\$ 1,772,643,502</b>

\* 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>
<b>Current</b>	\$ 52,401,117	\$ 133,027,892	
<b>Noncurrent</b>	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>
<b>Operating Revenues:</b>		
Use Fees & Container Charges	\$ 28,347,130	\$ 28,027,154
Maintenance-of-Way Charges	829,781	819,546
<b>Total Operating Revenues</b>	<u>29,176,911</u>	<u>28,846,700</u>
<b>Operating Expenses:</b>		
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
<b>Total Operating Expenses</b>	<u>7,480,573</u>	<u>7,194,583</u>
<b>Operating Income (Loss)</b>	21,696,338	21,652,117
<b>Nonoperating Revenues:</b>		
Interest & Investment Revenue, Net	1,289,414	1,788,221
Public Benefit Income	-	7,573
Miscellaneous Revenue	452	48,718
<b>Total Nonoperating Revenues</b>	<u>1,289,866</u>	<u>1,844,512</u>
<b>Nonoperating Expenses:</b>		
Interest Expense	20,759,558	27,249,376
Expenses for Public Benefit & Pass Thru Expenses	82,434	418,478
<b>Total Nonoperating Expenses, Net</b>	<u>20,841,992</u>	<u>27,667,854</u>
<b>Changes in Net Position</b>	2,144,212	(4,171,225)
<b>Net Position:</b>		
Net Position, Beginning of Year	(453,012,480)	(425,066,414)
<b>Net Position - End of Year</b>	<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
<b>Revenues</b>			
<b>Operating Revenues</b>			
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)
<b>Total Operating Revenues</b>	<b>25,003,620</b>	<b>29,176,911</b>	<b>4,173,291</b>
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	15,000	15,000	-
EPA Order & Pass Thru Income	33,307	(36,330)	(69,637)
<b>Subtotal Projects</b>	<b>48,307</b>	<b>(21,330)</b>	<b>(69,637)</b>
<b>Miscellaneous</b>			
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
<b>Subtotal Miscellaneous</b>	<b>1,787,187</b>	<b>1,311,196</b>	<b>(475,991)</b>
<b>Subtotal Other Revenues</b>	<b>1,835,494</b>	<b>1,289,866</b>	<b>(545,628)</b>
<b>Total Sources of Funds</b>	<b>26,839,114</b>	<b>30,466,777</b>	<b>3,627,663</b>
<b>Expenses</b>			
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)
<b>Total Administrative Expenses</b>	<b>3,075,584</b>	<b>1,148,991</b>	<b>(1,926,593)</b>
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)
<b>Total Maintenance-of-Way Expenses</b>	<b>4,054,645</b>	<b>1,159,147</b>	<b>(2,895,498)</b>
<b>Subtotal Administrative and M&amp;O Expenses</b>	<b>7,130,229</b>	<b>2,308,138</b>	<b>(4,822,091)</b>
<b>Financing Expenses</b>			
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)
<b>Subtotal Financing Expenses</b>	<b>24,576,929</b>	<b>20,759,558</b>	<b>(3,817,371)</b>
<b>Depreciation &amp; Amortization Expenses</b>			
Depreciation	5,245,541	5,254,869	9,328
<b>Subtotal Depreciation &amp; Amortization Expenses</b>	<b>5,245,541</b>	<b>5,254,869</b>	<b>9,328</b>
<b>Total Operating Expenses</b>	<b>36,952,699</b>	<b>28,322,565</b>	<b>(8,630,134)</b>
<b>Income (Loss)</b>	<b>\$ (10,113,585)</b>	<b>\$ 2,144,212</b>	<b>\$ 12,257,797</b>

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



# Comparison of Budget By Funds as of September 30, 2020

(\$ in thousands)	<b>Fiscal Year-to-Date</b>		
	<b>Budget*</b>	<b>Actuals</b>	<b>Variance</b>
<b>Revenues</b>			
<b>Operating Revenues</b>			
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)
<b>Total Operating Revenues</b>	<u>25,003,620</u>	<u>29,176,911</u>	<u>4,173,291</u>
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	15,000	15,000	-
EPA Order & Pass Thru Income	33,307	(36,330)	(69,637)
<b>Subtotal Projects</b>	<u>48,307</u>	<u>(21,330)</u>	<u>(69,637)</u>
<b>Miscellaneous</b>			
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
<b>Subtotal Miscellaneous</b>	<u>1,787,187</u>	<u>1,311,196</u>	<u>(475,991)</u>
<b>Subtotal Other Revenues</b>	1,835,494	1,289,866	(545,628)
<b>Total Sources of Funds</b>	<u>26,839,114</u>	<u>30,466,777</u>	<u>3,627,663</u>
<b>Expenses</b>			
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)
<b>Total Expenses</b>	<u>22,509,473</u>	<u>15,744,761</u>	<u>(6,764,712)</u>
<b>Non Cash Expenses</b>			
Accrued CAB Debt Service Interest	9,197,685	7,322,935	(1,874,750)
Depreciation	5,245,541	5,254,869	9,328
<b>Subtotal Interest, Depreciation, &amp; Amortization Expenses</b>	<u>14,443,226</u>	<u>12,577,804</u>	<u>(1,865,422)</u>
<b>Total Operating Expenses</b>	36,952,699	28,322,565	(8,630,134)
<b>Income (Loss)</b>	<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>
<b>Bank of America</b>					
	0457 & 0796	-	Concentration & Disbursement	612	612
<b>Pre 1999 Bond Sale Accounts-Union Bank</b>					
	5080	512	SR-47	4,126	4,125
Grant Reimbursement Received this Month \$73,717 Grant Reimbursement Received FY to Date \$122,175					
<b>US Bank</b>					
	35000	-	Bank of America Collateral	-	-
<b>Local Agency Investment Fund (LAIF)</b>					
	40-19-006	570	General Fund	9,926	9,926
<b>1999, 2004 and 2016 Bond Funds - US Bank-Trustee</b>					
<b>Revenue Funds</b>					
	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
<b>Subtotal Revenue Funds</b>				54,068	54,205
<b>Debt Service Funds</b>					
	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
<b>Subtotal Debt Service Funds</b>				148,794	151,996
<b>Total U.S. Bank</b>				202,862	206,201
<b>Total Cash &amp; Investment Balances</b>				<b>\$ 217,526</b>	<b>220,864</b>



# 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
<b>Total</b>	<b>\$ 217,526</b>	<b>\$ 220,864</b>	<b>100.00%</b>	

### Monthly Cash Flow

		<u>September 2020</u>
<b>Total Beginning Cash</b>		\$ 63,567,896
<b>Receipts</b>		
Use Fees & Container Charges	\$ 10,017,557	
M&O, Grants, & Miscellaneous Revenue	9,654,225	
<b>Total Receipts</b>	<u>19,671,782</u>	
<b>Disbursements</b>		
Debt Service - Transfer to Accounts	27,631,127	
M&O, Administrative, & Financing Expenses	1,540,778	
<b>Total Disbursements</b>	<u>29,171,905</u>	
<b>Cash Flow for Month</b>		<u>\$ (9,500,123)</u>
<b>Total Ending Cash</b>		<u>\$ 54,067,773</u>



# Cash Flow as of September 30, 2020

<u>September 2020</u>	
<b>Beginning Cash</b>	
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	-
<b>Total Beginning Cash</b>	63,567,896
<b>Receipts</b>	
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
<b>Total Receipts</b>	19,671,782
<b>Total Cash</b>	\$ 83,239,678
<b>Disbursements</b>	
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	-
<b>Total Disbursements</b>	29,171,905
<b>Net Ending Cash</b>	\$ 54,067,773
<b>Ending Cash</b>	
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	-
<b>Total Ending Cash</b>	\$ 54,067,773



# Cash Flow – YTD as of September 30, 2020

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





# Cash Flow – YTD as of September 30, 2020

		<u>September 2020</u>
<b>Beginning Cash as of 7/1/20</b>		
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		-
<b>Total Beginning Cash</b>		<u>63,133,920</u>
<b>Receipts</b>		
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
<b>Total Receipts</b>		<u>37,171,608</u>
<b>Total Cash</b>		<u>\$ 100,305,528</u>
<b>Disbursements</b>		
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		-
<b>Total Disbursements</b>		<u>46,237,755</u>
<b>Net Ending Cash</b>		<u>\$ 54,067,773</u>
<b>Ending Cash</b>		
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		-
<b>Total Ending Cash</b>		<u>\$ 54,067,773</u>