



Statements of Net Position

December 31, 2020 & June 30, 2020

| | <u>December 2020</u> | <u>June 2020</u> | |
|---|-----------------------------|-------------------------|-------------------------------|
| <u>Assets & Deferred Outflows of Resources</u> | | | |
| Current Assets: | | | |
| Restricted Cash & Cash Equivalents, & Investments | \$ 19,519,083 | \$ 133,027,892 | |
| Receivables | 10,478,748 | 9,907,904 | |
| Prepaid Expenses | 621,638 | 1,225,268 | |
| Total Current Assets | 30,619,469 | 144,161,064 | |
| Restricted Investments * | 148,019,722 | 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 | 1,086,821,462 | 1,097,331,202 | |
| Total Assets | 1,717,447,353 | 1,756,602,504 | |
| Deferred Outflows of Resources: | | | |
| Charges on Refunding | 14,585,860 | 15,333,065 | |
| Pension Contributions & Differences in Experience | 707,933 | 707,933 | |
| Total Assets & Deferred Outflows of Resources | \$ 1,732,741,146 | \$ 1,772,643,502 | |
| <u>Liabilities, Deferred Inflows of Resources, & Net Position</u> | | | |
| Current Liabilities: | | | |
| Accounts Payable | \$ 5,056,269 | \$ 5,312,610 | |
| Unearned Revenue | 801,302 | 889,742 | |
| Accrued Interest Payable, Current Portion | 15,005,926 | 15,980,319 | |
| Revenue Bonds Payable, Current Portion | 25,767,886 | 25,767,886 | |
| Other Liabilities | 528,899 | 642,724 | |
| Total Current Liabilities | 47,160,282 | 48,593,281 | |
| Noncurrent Liabilities: | | | |
| Collateral Deposit | - | - | |
| Shortfall Advances Payable to Ports | 12,623,721 | 12,612,996 | |
| Net Pension Liability | 2,116,034 | 2,116,034 | |
| Accrued Interest Payable, Net of Current Portion | 605,349,894 | 602,528,224 | |
| Revenue Bonds Payable, Net of Current Portion & Unamortized Discount | 1,529,357,586 | 1,559,462,077 | |
| Total Noncurrent Liabilities | 2,149,447,235 | 2,176,719,331 | |
| Total Liabilities | \$ 2,196,607,516 | \$ 2,225,312,612 | |
| Deferred Inflows of Resources | 343,370 | 343,370 | |
| <u>Net Position</u> | | | |
| Net Investment in Capital Assets | 66,986,347 | 52,475,405 | |
| Restricted for Debt Service | 80,658,307 | 107,375,351 | |
| Restricted for Capital Projects | - | - | |
| Restricted by Master Trust Agreement | 67,535,132 | 66,271,689 | |
| Unrestricted | (679,389,527) | (679,134,925) | |
| Total Net Position | (464,209,741) | (453,012,480) | |
| Total Liabilities, Deferred Inflows of Resources, & Net Position | \$ 1,732,741,146 | \$ 1,772,643,502 | |
| <p>* 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.</p> | | | |
| | <u>December 2020</u> | <u>June 2020</u> | <u>FY2021 Decrease</u> |
| Current | \$ 19,519,083 | \$ 133,027,892 | |
| Noncurrent | 148,019,722 | 63,123,538 | |
| | \$ 167,538,805 | \$ 196,151,430 | \$ (28,612,625) |



Statement of Revenues, Expenses, & Changes in Net Position

For six months ended December 31, 2020 & December 31, 2019

| | <u>December 2020</u> | <u>December 2019</u> |
|--|-------------------------|-------------------------|
| Operating Revenues: | | |
| Use Fees & Container Charges | \$ 58,290,542 | \$ 53,479,232 |
| Maintenance-of-Way Charges | 3,188,147 | 1,572,484 |
| Total Operating Revenues | <u>61,478,689</u> | <u>55,051,716</u> |
| Operating Expenses: | | |
| Salaries & Benefits | 1,207,564 | 1,068,335 |
| Administrative Expenses | 900,407 | 952,068 |
| Professional Services | 509,308 | 443,003 |
| Maintenance-of-Way | 6,539,499 | 2,059,888 |
| Depreciation | 10,509,738 | 10,508,459 |
| Total Operating Expenses | <u>19,666,516</u> | <u>15,031,753</u> |
| Operating Income (Loss) | 41,812,172 | 40,019,963 |
| Nonoperating Revenues: | | |
| Interest & Investment Revenue, Net | 977,158 | 2,704,690 |
| Public Benefit Income | 68,286 | 451,707 |
| Miscellaneous Revenue | 46,354 | 95,501 |
| Total Nonoperating Revenues | <u>1,091,798</u> | <u>3,251,898</u> |
| Nonoperating Expenses: | | |
| Interest Expense | 53,877,640 | 55,032,056 |
| Expenses for Public Benefit & Pass Thru Expenses | 223,591 | 563,921 |
| Total Nonoperating Expenses, Net | <u>54,101,231</u> | <u>55,595,977</u> |
| Changes in Net Position | (11,197,261) | (12,324,116) |
| Net Position: | | |
| Net Position, Beginning of Year | <u>(453,012,480)</u> | <u>(425,066,414)</u> |
| Net Position - End of Year | <u>\$ (464,209,741)</u> | <u>\$ (437,390,530)</u> |



Comparison of Budget By Expense Type as of December 31, 2020

| (\$ in thousands) | Fiscal Year-to-Date | | |
|--|----------------------------|------------------------|---------------------|
| | Budget* | Actuals | Variance |
| Revenues | | | |
| Operating Revenues | | | |
| Use Fees & Container Charges | \$ 45,986,033 | \$ 58,290,542 | \$ 12,304,509 |
| Maintenance-of-Way Charges | 4,021,206 | 3,188,147 | (833,059) |
| Total Operating Revenues | <u>50,007,239</u> | <u>61,478,689</u> | <u>11,471,450</u> |
| Other Revenues | | | |
| Projects | | | |
| Pier Pass | 30,000 | 30,000 | - |
| EPA Order & Pass Thru Income | 66,614 | - | (66,614) |
| Subtotal Projects | <u>96,614</u> | <u>30,000</u> | <u>(66,614)</u> |
| Miscellaneous | | | |
| Public Benefit Income | 2,554,931 | 68,286 | (2,486,645) |
| Ports-Shortfall Advances | - | - | - |
| Office Rental & Other Income | 56,048 | 16,354 | (39,694) |
| Investment Income | 963,397 | 977,158 | 13,761 |
| Subtotal Miscellaneous | <u>3,574,376</u> | <u>1,061,798</u> | <u>(2,512,578)</u> |
| Subtotal Other Revenues | <u>3,670,990</u> | <u>1,091,798</u> | <u>(2,579,192)</u> |
| Total Sources of Funds | <u>53,678,229</u> | <u>62,570,487</u> | <u>8,892,258</u> |
| Expenses | | | |
| Salaries | 832,718 | 775,669 | (57,049) |
| Benefits | 507,461 | 431,895 | (75,566) |
| Office Expenses | 235,216 | 203,318 | (31,898) |
| Other Management Expenses | 37,148 | 9,020 | (28,128) |
| Information Technologies | 381,576 | 201,041 | (180,535) |
| Bank & Investment | 80,750 | 63,971 | (16,779) |
| ACET Administrative & Capital Support | 688,485 | 423,058 | (265,427) |
| Audit | 111,740 | 132,298 | 20,558 |
| Legal | 440,000 | 299,565 | (140,435) |
| Governmental Affairs | 39,338 | 19,669 | (19,669) |
| Other Professional Services | 175,194 | 57,776 | (117,418) |
| Pass Thru Expenses & EPA Order | 66,614 | 20,723 | (45,891) |
| Expenses for Public Benefit | 2,554,931 | 202,868 | (2,352,063) |
| Total Administrative Expenses | <u>6,151,171</u> | <u>2,840,871</u> | <u>(3,310,300)</u> |
| Maintenance-of-Way Expenses-Rail - Contractors | 2,671,832 | 1,982,987 | (688,845) |
| Maintenance-of-Way Expenses-Rail - Capital | - | - | - |
| Maintenance-of-Way Expenses-Rail - Other | 1,349,374 | 1,205,160 | (144,214) |
| Maintenance-of-Way Expenses-Nonrail - Contractors | 864,718 | 917,225 | 52,507 |
| Maintenance-of-Way Expenses-Nonrail - Capital | 3,092,141 | 2,332,238 | (759,903) |
| Maintenance-of-Way Expenses-Nonrail - Other | 84,007 | 66,879 | (17,128) |
| Maintenance-of-Way Expenses - ACTA | 47,220 | 35,009 | (12,211) |
| Total Maintenance-of-Way Expenses | <u>8,109,292</u> | <u>6,539,498</u> | <u>(1,569,794)</u> |
| Subtotal Administrative and M&O Expenses | <u>14,260,463</u> | <u>9,380,369</u> | <u>(4,880,094)</u> |
| Financing Expenses | | | |
| Debt Service - Interest | 30,758,489 | 26,653,213 | (4,105,276) |
| Debt Service - Accrued CAB Interest | 18,395,371 | 27,224,427 | 8,829,056 |
| Subtotal Financing Expenses | <u>49,153,860</u> | <u>53,877,640</u> | <u>4,723,780</u> |
| Depreciation & Amortization Expenses | | | |
| Depreciation | 10,491,082 | 10,509,739 | 18,657 |
| Subtotal Depreciation & Amortization Expenses | <u>10,491,082</u> | <u>10,509,739</u> | <u>18,657</u> |
| Total Operating Expenses | <u>73,905,405</u> | <u>73,767,748</u> | <u>(137,657)</u> |
| Income (Loss) | <u>\$ (20,227,176)</u> | <u>\$ (11,197,261)</u> | <u>\$ 9,029,915</u> |

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



Comparison of Budget By Funds as of December 31, 2020

| (\$ in thousands) | Fiscal Year-to-Date | | |
|---|----------------------------|-----------------|---------------|
| | Budget* | Actuals | Variance |
| Revenues | | | |
| Operating Revenues | | | |
| Use Fees & Container Charges | \$ 45,986,033 | \$ 58,290,542 | \$ 12,304,509 |
| Maintenance-of-Way Charges | 4,021,206 | 3,188,147 | (833,059) |
| Total Operating Revenues | 50,007,239 | 61,478,689 | 11,471,450 |
| Other Revenues | | | |
| Projects | | | |
| Pier Pass | 30,000 | 30,000 | - |
| EPA Order & Pass Thru Income | 66,614 | - | (66,614) |
| Subtotal Projects | 96,614 | 30,000 | (66,614) |
| Miscellaneous | | | |
| Public Benefit Income | 2,554,931 | 68,286 | (2,486,645) |
| Ports-Shortfall Advances | - | - | - |
| Office Rental & Other Income | 56,048 | 16,354 | (39,694) |
| Investment Income | 963,397 | 977,158 | 13,761 |
| Subtotal Miscellaneous | 3,574,376 | 1,061,798 | (2,512,578) |
| Subtotal Other Revenues | 3,670,990 | 1,091,798 | (2,579,192) |
| Total Sources of Funds | 53,678,229 | 62,570,487 | 8,892,258 |
| Expenses | | | |
| Administrative Costs | 3,529,628 | 2,617,281 | (912,347) |
| Railroads-M&O | 4,021,206 | 3,188,147 | (833,059) |
| Reserve-M&O | 4,040,864 | 3,316,341 | (724,523) |
| Financing Fees-M&O | 47,220 | 35,009 | (12,211) |
| Revenue Fund-Interest & COI | 30,758,489 | 26,653,213 | (4,105,276) |
| Expenses for Public Benefit | 2,554,931 | 202,868 | (2,352,063) |
| LAIF General Fund-Pass Thru & EPA | 66,614 | 20,723 | (45,891) |
| Total Expenses | 45,018,952 | 36,033,582 | (8,985,370) |
| Non Cash Expenses | | | |
| Accrued CAB Debt Service Interest | 18,395,371 | 27,224,427 | 8,829,056 |
| Depreciation | 10,491,082 | 10,509,739 | 18,657 |
| Subtotal Interest, Depreciation, & Amortization Expenses | 28,886,453 | 37,734,166 | 8,847,713 |
| Total Operating Expenses | 73,905,405 | 73,767,748 | (137,657) |
| Income (Loss) | \$ (20,227,176) | \$ (11,197,261) | \$ 9,029,915 |

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



Cash & Investment Summary as of December 31, 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> |
| Bank of America | | | | | |
| | 0457 & 0796 | - | Concentration & Disbursement | 660 | 660 |
| Pre 1999 Bond Sale Accounts-Union Bank | | | | | |
| | 5080 | 512 | SR-47 | 3,997 | 3,991 |
| Grant Reimbursement Received this Month \$ 0.00 | | | | | |
| Grant Reimbursement Received FY to Date \$139,030 | | | | | |
| US Bank | | | | | |
| | 35000 | - | Bank of America Collateral | - | - |
| Local Agency Investment Fund (LAIF) | | | | | |
| | 40-19-006 | 570 | General Fund | 9,911 | 9,911 |
| 1999, 2004 and 2016 Bond Funds - US Bank-Trustee | | | | | |
| Revenue Funds | | | | | |
| | 1170 | 507 | Revenue Fund | 36,276 | 36,276 |
| | 1171 | 508 | M & O Fund | 1,913 | 1,913 |
| | 1172 | 509 | Reserve Account | 14,293 | 14,392 |
| | 1189 | 518 | Administrative Costs | 9,763 | 9,748 |
| | | | Subtotal Revenue Funds | 62,245 | 62,329 |
| Debt Service Funds | | | | | |
| | 1180 | - | 99A Interest Account | - | - |
| | 1181 | - | 99A Principal Account | - | - |
| | 1183 | - | 99A Redemption Account | - | - |
| | 1200 | - | 99C Interest Account | 4,959 | 5,075 |
| | 1201 | - | 99C Principal Account | 8,155 | 8,345 |
| | 9004 | 515 | 04A Debt Service Reserve | 32,908 | 33,503 |
| | 9001 | - | 04A Debt Service Interest Account | - | - |
| | 9002 | - | 04A Debt Service Principal Account | - | - |
| | 8003 | 516 | 04B Debt Service Reserve | 23,985 | 24,645 |
| | 59001 | - | 12 Debt Service Interest Account | 513 | 513 |
| | 59004 | - | 12 Debt Service Reserve Account | 7,470 | 7,673 |
| | 7001 | - | 13A Debt Service Interest Account | 2,589 | 2,649 |
| | 7002 | - | 13A Debt Service Principal Account | 4,678 | 4,686 |
| | 27001 | - | 16A Interest Account | - | - |
| | 27004 | - | 16A Debt Service Reserve | 3,462 | 3,559 |
| | 80006 | - | 16B- Financing Fee | - | - |
| | 108001 | - | 16B Interest Account | - | - |
| | | | Subtotal Debt Service Funds | 88,719 | 90,648 |
| | | | Total U.S. Bank | 150,964 | 152,977 |
| Total Cash & Investment Balances | | | | \$ 165,532 | 167,539 |



Cash & Investment Summary (cont'd)

as of December 31, 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 | \$ 8,947 | \$ 8,948 | 5.34% | 20.00% |
| U.S. Government & Agency Obligations | 70,130 | 72,030 | 43.00% | 100.00% |
| Commercial Paper | - | - | 0.00% | 15.00% |
| U.S. Treasury Note | 62,475 | 62,511 | 37.31% | 100.00% |
| Corporate Bonds | 13,409 | 13,479 | 8.05% | 30.00% |
| Bank of America | 660 | 660 | 0.39% | 20.00% |
| Local Agency Investment Fund | 9,911 | 9,911 | 5.92% | \$40 Million |
| Total | <u>\$ 165,532</u> | <u>\$ 167,539</u> | <u>100.00%</u> | |

Monthly Cash Flow

| | | <u>December 2020</u> |
|---|-------------------|-----------------------------|
| Total Beginning Cash | | \$ 59,975,773 |
| Receipts | | |
| Use Fees & Container Charges | \$ 9,912,437 | |
| M&O, Grants, & Miscellaneous Revenue | 846,061 | |
| Total Receipts | <u>10,758,498</u> | |
| Disbursements | | |
| Debt Service - Transfer to Accounts | 6,964,313 | |
| M&O, Administrative, & Financing Expenses | 1,524,550 | |
| Total Disbursements | <u>8,488,863</u> | |
| Cash Flow for Month | | <u>\$ 2,269,635</u> |
| Total Ending Cash | | <u><u>\$ 62,245,408</u></u> |



Cash Flow as of December 31, 2020

| | | <u>December 2020</u> |
|---|-----------------------------|----------------------|
| Beginning Cash | | |
| Master Indenture Revenue Fund 1170 | | 33,326,898 |
| Master Indenture M&O Fund 1171 | | 1,633,436 |
| Master Indenture Reserve Fund 1172 | | 14,543,440 |
| 1999A Admin Fund 1189 | | 10,471,999 |
| 2004A Financing Fund 39006 | | - |
| | Total Beginning Cash | 59,975,773 |
| Receipts | | |
| Use Fee & Container Charges | | 9,912,437 |
| M&O | | 804,169 |
| Funds Transferred from BOA to Admin Fund | | - |
| Funds Transferred from BOA to Reserve Fund | | - |
| Semi-Annual Accounting - Transfer from Revenue Fund | | - |
| Interest Income / Loss | | 41,893 |
| | Total Receipts | 10,758,498 |
| | Total Cash | \$ 70,734,271 |
| Disbursements | | |
| Debt Service - transfer to 1999C Principal | | 2,718,333 |
| Debt Service - transfer to 1999C Interest | | 1,652,640 |
| Debt Service - transfer to 2012 Interest | | 171,135 |
| Debt Service - transfer to 2013A Interest | | 863,038 |
| Debt Service- transfer to 2013A Principal | | 1,559,167 |
| 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 | | 524,591 |
| M&O - Reserve expense payments | | 277,014 |
| Administrative expense payments | | 722,946 |
| Financing expense payments | | - |
| | Total Disbursements | 8,488,864 |
| | Net Ending Cash | \$ 62,245,407 |
| Ending Cash | | |
| Master Indenture Revenue Fund 1170 | | 36,276,282 |
| Master Indenture M&O Fund 1171 | | 1,913,028 |
| Master Indenture Reserve Fund 1172 | | 14,292,979 |
| 1999A Admin Fund 1189 | | 9,763,119 |
| 2004A Financing Fund 39006 | | - |
| | Total Ending Cash | \$ 62,245,408 |



Cash Flow – YTD as of December 31, 2020

| <u>Cash Flow - Fiscal Year-to-Date</u> | | |
|---|-------------------|-----------------------------|
| | | <u>December 2020</u> |
| Total Beginning Cash as of 7/1/20 | | \$ 63,133,920 |
| Receipts | | |
| Use Fees & Container Charges | \$ 56,165,607 | |
| M&O, Grants, & Miscellaneous Revenue | 12,670,816 | |
| Total Receipts | <u>68,836,423</u> | |
| Disbursements | | |
| Debt Service - Transfer to Accounts | 60,878,786 | |
| M&O, Administrative, & Financing Expenses | 8,846,150 | |
| Total Disbursements | <u>69,724,935</u> | |
| Cash Flow for Fiscal Year | | \$ <u>(888,512)</u> |
| Total Ending Cash | | \$ <u><u>62,245,408</u></u> |



Cash Flow – YTD as of December 31, 2020

| | | <u>December 2020</u> |
|---|-----------------------------|----------------------|
| Beginning Cash as of 7/1/20 | | |
| 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 | | - |
| | Total Beginning Cash | 63,133,920 |
| Receipts | | |
| Use Fee & Container Charges | | 56,165,607 |
| M&O | | 3,314,192 |
| 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 | | 197,888 |
| | Total Receipts | 68,836,423 |
| | Total Cash | \$ 131,970,343 |
| Disbursements | | |
| Debt Service - transfer to 1999C Principal | | 14,356,713 |
| Debt Service - transfer to 1999C Interest | | 9,095,943 |
| Debt Service - transfer to 2012 Interest | | 1,010,058 |
| Debt Service - transfer to 2013A Interest | | 5,135,838 |
| Debt Service- transfer to 2013A Principal | | 8,504,257 |
| 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 | | 3,601,327 |
| M&O - Reserve expense payments | | 1,948,663 |
| Administrative expense payments | | 3,296,161 |
| Financing expense payments | | - |
| | Total Disbursements | 69,724,935 |
| | Net Ending Cash | \$ 62,245,408 |
| Ending Cash | | |
| Master Indenture Revenue Fund 1170 | | 36,276,282 |
| Master Indenture M&O Fund 1171 | | 1,913,028 |
| Master Indenture Reserve Fund 1172 | | 14,292,979 |
| 1999A Admin Fund 1189 | | 9,763,120 |
| 2004A Financing Fund 39006 | | - |
| | Total Ending Cash | \$ 62,245,408 |