



Statements of Net Position

June 30, 2021 & June 30, 2020

Transmittal 2

	<u>June 2021</u>	<u>June 2020</u>
<u>Assets & Deferred Outflows of Resources</u>		
Current Assets:		
Restricted Cash & Cash Equivalents, & Investments	\$ 126,944,554	\$ 133,027,892
Receivables	13,431,637	9,907,904
Prepaid Expenses	1,330,225	1,225,268
Total Current Assets	141,706,416	144,161,064
Restricted Investments *	66,621,819	63,123,538
Assets Held for Transfer	13,347,625	13,347,625
Net OPEB Asset	513,433	490,343
Capital Assets Not Being Depreciated	438,148,732	438,148,732
Capital Assets, Net	1,076,631,228	1,097,331,202
Total Assets	1,736,969,253	1,756,602,504
Deferred Outflows of Resources:		
Charges on Refunding	13,838,654	15,333,065
Pension Contributions & Differences in Experience	680,183	707,933
Total Assets & Deferred Outflows of Resources	\$ 1,751,488,090	\$ 1,772,643,502
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>		
Current Liabilities:		
Accounts Payable	\$ 8,256,193	\$ 5,312,610
Unearned Revenue	1,054,949	889,742
Accrued Interest Payable, Current Portion	39,993,990	15,980,319
Revenue Bonds Payable, Current Portion	31,745,591	25,767,886
Other Liabilities	459,803	642,724
Total Current Liabilities	81,510,526	48,593,281
Noncurrent Liabilities:		
Collateral Deposit	-	-
Shortfall Advances Payable to Ports	12,629,403	12,612,996
Net Pension Liability	2,202,035	2,116,034
Accrued Interest Payable, Net of Current Portion	607,589,077	602,528,224
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,519,043,277	1,559,462,077
Total Noncurrent Liabilities	2,141,463,792	2,176,719,331
Total Liabilities	\$ 2,222,974,318	\$ 2,225,312,612
Deferred Inflows of Resources	265,630	343,370
<u>Net Position</u>		
Net Investment in Capital Assets	56,048,908	52,475,405
Restricted for Debt Service	107,302,635	107,375,351
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	66,576,480	66,271,689
Unrestricted	(701,679,881)	(679,134,925)
Total Net Position	(471,751,858)	(453,012,480)
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,751,488,090	\$ 1,772,643,502

* 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>June 2021</u>	<u>June 2020</u>	<u>FY2021 Decrease</u>
Current	\$ 126,944,554	\$ 133,027,892	
Noncurrent	66,621,819	63,123,538	
	\$ 193,566,373	\$ 196,151,430	\$ (2,585,057)

Statement of Revenues, Expenses, & Changes in Net Position

For twelve months ended June 30, 2021 & June 30, 2020

	<u>June 2021</u>	<u>June 2020</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 118,874,257	\$ 102,115,182
Maintenance-of-Way Charges	<u>\$ 7,925,261</u>	<u>6,552,615</u>
Total Operating Revenues	<u>126,799,518</u>	<u>108,667,797</u>
Operating Expenses:		
Salaries & Benefits	2,408,569	2,491,825
Administrative Expenses	2,001,240	2,251,536
Professional Services	1,082,360	1,131,504
Maintenance-of-Way	14,050,241	10,317,020
Depreciation	<u>21,019,477</u>	<u>21,016,917</u>
Total Operating Expenses	<u>40,561,887</u>	<u>37,208,802</u>
Operating Income (Loss)	86,237,631	71,458,995
Nonoperating Revenues:		
Interest & Investment Revenue, Net	2,388,596	7,572,659
Public Benefit Income	577,595	896,530
Miscellaneous Revenue	<u>320,028</u>	<u>242,335</u>
Total Nonoperating Revenues	<u>3,286,219</u>	<u>8,711,524</u>
Nonoperating Expenses:		
Interest Expense	107,533,022	107,137,899
Expenses for Public Benefit & Pass Thru Expenses	<u>730,206</u>	<u>978,686</u>
Total Nonoperating Expenses, Net	<u>108,263,228</u>	<u>108,116,585</u>
Changes in Net Position	(18,739,378)	(27,946,066)
Net Position:		
Net Positon, Beginning of Year	<u>(453,012,480)</u>	<u>(425,066,414)</u>
Net Position - End of Year	<u>\$ (471,751,858)</u>	<u>\$ (453,012,480)</u>



Comparison of Budget By Expense Type as of June 30, 2021

(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 91,972,066	\$ 118,874,257	\$ 26,902,191
Maintenance-of-Way Charges	8,042,411	7,925,261	(117,150)
Total Operating Revenues	<u>100,014,477</u>	<u>126,799,518</u>	<u>26,785,041</u>
Other Revenues			
Projects			
Pier Pass	60,000	60,000	-
EPA Order & Pass Thru Income	133,227	-	(133,227)
Subtotal Projects	<u>193,227</u>	<u>60,000</u>	<u>(133,227)</u>
Miscellaneous			
Public Benefit Income	5,109,861	577,595	(4,532,266)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	112,095	260,028	147,933
Investment Income	1,926,793	2,388,596	461,803
Subtotal Miscellaneous	<u>7,148,749</u>	<u>3,226,219</u>	<u>(3,922,530)</u>
Subtotal Other Revenues	<u>7,341,976</u>	<u>3,286,219</u>	<u>(4,055,757)</u>
Total Sources of Funds	<u>107,356,453</u>	<u>130,085,737</u>	<u>22,729,284</u>
Expenses			
Salaries	1,665,436	1,608,237	(57,199)
Benefits	1,014,921	800,333	(214,588)
Office Expenses	470,433	399,136	(71,297)
Other Management Expenses	74,295	18,409	(55,886)
Information Technologies	763,152	251,572	(511,580)
Bank & Investment	161,500	140,538	(20,962)
ACET Administrative & Capital Support	1,376,970	1,191,584	(185,386)
Audit	223,480	133,490	(89,990)
Legal	880,000	643,073	(236,927)
Governmental Affairs	78,676	78,676	0
Other Professional Services	350,388	227,121	(123,267)
Pass Thru Expenses & EPA Order	133,227	168,948	35,721
Expenses for Public Benefit	5,109,861	561,258	(4,548,603)
Total Administrative Expenses	<u>12,302,339</u>	<u>6,222,375</u>	<u>(6,079,964)</u>
Maintenance-of-Way Expenses-Rail - Contractors	5,343,664	5,205,190	(138,474)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	2,698,747	2,732,839	34,092
Maintenance-of-Way Expenses-Nonrail - Contractors	1,729,435	1,462,098	(267,337)
Maintenance-of-Way Expenses-Nonrail - Capital	6,184,281	4,315,479	(1,868,802)
Maintenance-of-Way Expenses-Nonrail - Other	168,013	200,818	32,805
Maintenance-of-Way Expenses - ACTA	94,439	133,817	39,378
Total Maintenance-of-Way Expenses	<u>16,218,579</u>	<u>14,050,241</u>	<u>(2,168,338)</u>
Subtotal Administrative and M&O Expenses	<u>28,520,918</u>	<u>20,272,616</u>	<u>(8,248,302)</u>
Financing Expenses			
Debt Service - Interest	61,516,977	53,084,169	(8,432,808)
Debt Service - Accrued CAB Interest	36,790,741	54,448,853	17,658,112
Subtotal Financing Expenses	<u>98,307,718</u>	<u>107,533,022</u>	<u>9,225,304</u>
Depreciation & Amortization Expenses			
Depreciation	20,982,164	21,019,477	37,313
Subtotal Depreciation & Amortization Expenses	<u>20,982,164</u>	<u>21,019,477</u>	<u>37,313</u>
Total Operating Expenses	<u>147,810,800</u>	<u>148,825,115</u>	<u>1,014,315</u>
Income (Loss)	<u>\$ (40,454,347)</u>	<u>\$ (18,739,378)</u>	<u>\$ 21,714,969</u>

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

Comparison of Budget By Funds as of June 30, 2021



(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 91,972,066	\$ 118,874,257	\$ 26,902,191
Maintenance-of-Way Charges	8,042,411	7,925,261	(117,150)
Total Operating Revenues	<u>100,014,477</u>	<u>126,799,518</u>	<u>26,785,041</u>
Other Revenues			
Projects			
Pier Pass	60,000	60,000	-
EPA Order & Pass Thru Income	133,227	-	(133,227)
Subtotal Projects	<u>193,227</u>	<u>60,000</u>	<u>(133,227)</u>
Miscellaneous			
Public Benefit Income	5,109,861	577,595	(4,532,266)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	112,095	260,028	147,933
Investment Income	1,926,793	2,388,596	461,803
Subtotal Miscellaneous	<u>7,148,749</u>	<u>3,226,219</u>	<u>(3,922,530)</u>
Subtotal Other Revenues	7,341,976	3,286,219	(4,055,757)
Total Sources of Funds	<u>107,356,453</u>	<u>130,085,737</u>	<u>22,729,284</u>
Expenses			
Administrative Costs	7,059,251	5,492,169	(1,567,082)
Railroads-M&O	8,042,411	7,938,029	(104,382)
Reserve-M&O	8,081,729	5,978,395	(2,103,334)
Financing Fees-M&O	94,439	133,817	39,378
Revenue Fund-Interest & COI	61,516,977	53,084,169	(8,432,808)
Expenses for Public Benefit	5,109,861	577,596	(4,532,265)
LAIF General Fund-Pass Thru & EPA	133,227	152,610	19,383
Total Expenses	<u>90,037,895</u>	<u>73,356,785</u>	<u>(16,681,109)</u>
Non Cash Expenses			
Accrued CAB Debt Service Interest	36,790,741	54,448,853	17,658,112
Depreciation	20,982,164	21,019,477	37,313
Subtotal Interest, Depreciation, & Amortization Expenses	<u>57,772,905</u>	<u>75,468,330</u>	<u>17,695,425</u>
Total Operating Expenses	147,810,800	148,825,115	1,014,315
Income (Loss)	<u>\$ (40,454,347)</u>	<u>\$ (18,739,378)</u>	<u>\$ 21,714,969</u>

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



Cash & Investment Summary as of June 30, 2021

<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	598	598
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	4,087	4,064
Grant Reimbursement Received this Month \$ 0.00					
Grant Reimbursement Received FY to Date \$496,998					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	9,865	9,865
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	39,866	39,866
	1171	508	M & O Fund	3,654	3,654
	1172	509	Reserve Account	11,880	11,916
	1189	518	Administrative Costs	7,086	7,032
			Subtotal Revenue Funds	62,486	62,467
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	5,105	5,143
	1201	-	99C Principal Account	24,707	24,769
	9004	515	04A Debt Service Reserve	33,128	33,430
	9001	-	04A Debt Service Interest Account	-	-
	9002	-	04A Debt Service Principal Account	-	-
	8003	516	04B Debt Service Reserve	24,233	24,595
	59001	-	12 Debt Service Interest Account	516	516
	59004	-	12 Debt Service Reserve Account	7,561	7,655
	7001	-	13A Debt Service Interest Account	2,665	2,665
	7002	-	13A Debt Service Principal Account	14,172	14,248
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,502	3,551
	80006	-	16B- Financing Fee	-	-
	108001	-	16B Interest Account	-	-
			Subtotal Debt Service Funds	115,589	116,572
			Total U.S. Bank	178,075	179,039
Total Cash & Investment Balances				\$ 192,625	193,566



Cash & Investment Summary (cont'd)

as of June 30, 2021

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	\$ 30,673	\$ 30,673	15.85%	20.00%
U.S. Government & Agency Obligations	65,279	66,322	34.27%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	73,382	73,316	37.88%	100.00%
Corporate Bonds	12,828	12,792	6.61%	30.00%
Bank of America	598	598	0.31%	20.00%
Local Agency Investment Fund	9,865	9,865	5.10%	\$40 Million
Total	<u>\$ 192,625</u>	<u>\$ 193,566</u>	<u>100.00%</u>	

Monthly Cash Flow

		<u>June 2021</u>
Total Beginning Cash		\$ 53,449,366
Receipts		
Use Fees & Container Charges	\$ 15,804,792	
M&O, Grants, & Miscellaneous Revenue	2,347,831	
Total Receipts	<u>18,152,623</u>	
Disbursements		
Debt Service - Transfer to Accounts	6,965,253	
M&O, Administrative, & Financing Expenses	2,150,033	
Total Disbursements	<u>9,115,286</u>	
Cash Flow for Month		<u>\$ 9,037,337</u>
Total Ending Cash		<u>\$ 62,486,703</u>



Cash Flow as of June 30, 2021

		<u>June 2021</u>
Beginning Cash		
Master Indenture Revenue Fund 1170		31,025,096
Master Indenture M&O Fund 1171		4,392,145
Master Indenture Reserve Fund 1172		10,397,907
1999A Admin Fund 1189		7,634,218
2004A Financing Fund 39006		-
	Total Beginning Cash	<u>53,449,366</u>
Receipts		
Use Fee & Container Charges		15,804,792
M&O		842,069
Funds Transferred from BOA to Admin Fund		-
Funds Transferred from BOA to Reserve Fund		1,484,894
Semi-Annual Accounting - Transfer from Revenue Fund		-
Interest Income / Loss		20,868
	Total Receipts	<u>18,152,623</u>
	Total Cash	<u>\$ 71,601,989</u>
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		172,076
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		1,580,214
M&O - Reserve expense payments		20,228
Administrative expense payments		549,591
Financing expense payments		-
	Total Disbursements	<u>9,115,286</u>
	Net Ending Cash	<u>\$ 62,486,703</u>
Ending Cash		
Master Indenture Revenue Fund 1170		39,865,512
Master Indenture M&O Fund 1171		3,654,077
Master Indenture Reserve Fund 1172		11,879,710
1999A Admin Fund 1189		7,087,403
2004A Financing Fund 39006		-
	Total Ending Cash	<u>\$ 62,486,703</u>



Cash Flow – YTD as of June 30, 2021

Cash Flow - Fiscal Year-to-Date

June 2021

Total Beginning Cash as of 7/1/20		\$ 63,133,920
Receipts		
Use Fees & Container Charges	\$ 115,413,243	
M&O, Grants, & Miscellaneous Revenue	19,249,362	
	<u>134,662,605</u>	
Total Receipts	134,662,605	
Disbursements		
Debt Service - Transfer to Accounts	116,549,189	
M&O, Administrative, & Financing Expenses	18,760,633	
	<u>135,309,822</u>	
Total Disbursements	135,309,822	
Cash Flow for Fiscal Year		<u>\$ (647,217)</u>
Total Ending Cash		<u>\$ 62,486,703</u>



Cash Flow – YTD as of June 30, 2021

<u>June 2021</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	115,413,243
M&O	8,158,634
Funds Transferred from BOA to Admin Fund	176,840
Funds Transferred from BOA to Reserve Fund	1,484,894
Semi-Annual Accounting - Transfer from Revenue Fund	9,105,000
Interest Income / Loss	323,994
Total Receipts	134,662,605
Total Cash	\$ 197,796,525
Disbursements	
Debt Service - transfer to 1999C Principal	30,664,182
Debt Service - transfer to 1999C Interest	19,008,364
Debt Service - transfer to 2012 Interest	2,039,667
Debt Service - transfer to 2013A Interest	10,311,492
Debt Service- transfer to 2013A Principal	17,858,534
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	803,850
Debt service payment - 2016B Interest	26,174,250
Debt service payment - 2004	-
M&O - Railroads expense payments	6,705,131
M&O - Reserve expense payments	5,927,651
Administrative expense payments	6,127,851
Financing expense payments	-
Total Disbursements	135,309,822
Net Ending Cash	\$ 62,486,703
Ending Cash	
Master Indenture Revenue Fund 1170	39,865,512
Master Indenture M&O Fund 1171	3,654,077
Master Indenture Reserve Fund 1172	11,879,710
1999A Admin Fund 1189	7,087,404
2004A Financing Fund 39006	-
Total Ending Cash	\$ 62,486,703