



# Statements of Net Position

## October 31, 2021 & June 30, 2021

Transmittal 2

	<u>October 2021</u>	<u>June 2021</u>
<b><u>Assets &amp; Deferred Outflows of Resources</u></b>		
<b>Current Assets:</b>		
Restricted Cash & Cash Equivalents, & Investments	\$ 19,111,568	\$ 126,944,554
Receivables	9,182,219	13,431,637
Prepaid Expenses	866,573	1,330,225
<b>Total Current Assets</b>	<u>29,160,360</u>	<u>141,706,416</u>
Restricted Investments *	119,850,039	66,621,819
Assets Held for Transfer	13,347,625	13,347,625
Net OPEB Asset	513,433	513,433
Capital Assets Not Being Depreciated	438,148,732	438,148,732
Capital Assets, Net	1,069,622,960	1,076,631,228
<b>Total Assets</b>	<u>1,670,643,149</u>	<u>1,736,969,253</u>
<b>Deferred Outflows of Resources:</b>		
Charges on Refunding	13,340,517	13,838,654
Pension Contributions & Differences in Experience	680,183	680,183
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<u>\$ 1,684,663,849</u>	<u>\$ 1,751,488,090</u>
<b><u>Liabilities, Deferred Inflows of Resources, &amp; Net Position</u></b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 2,085,155	\$ 8,256,193
Unearned Revenue	2,850,002	1,054,949
Accrued Interest Payable, Current Portion	4,905,067	39,993,990
Revenue Bonds Payable, Current Portion	37,813,264	31,745,591
Other Liabilities	418,110	459,803
<b>Total Current Liabilities</b>	<u>48,071,598</u>	<u>81,510,526</u>
<b>Noncurrent Liabilities:</b>		
Collateral Deposit	-	-
Shortfall Advances Payable to Ports	12,631,508	12,629,403
Net Pension Liability	2,202,035	2,202,035
Accrued Interest Payable, Net of Current Portion	625,771,083	607,589,077
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,478,541,371	1,519,043,277
<b>Total Noncurrent Liabilities</b>	<u>2,119,145,996</u>	<u>2,141,463,792</u>
<b>Total Liabilities</b>	<u>\$ 2,167,217,594</u>	<u>\$ 2,222,974,318</u>
<b>Deferred Inflows of Resources</b>	<u>265,630</u>	<u>265,630</u>
<b><u>Net Position</u></b>		
Net Investment in Capital Assets	80,288,093	56,048,908
Restricted for Debt Service	73,055,477	107,302,635
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	55,396,233	66,576,480
Unrestricted	(691,559,178)	(701,679,881)
<b>Total Net Position</b>	<u>(482,819,375)</u>	<u>(471,751,858)</u>
<b>Total Liabilities, Deferred Inflows of Resources, &amp; Net Position</b>	<u>\$ 1,684,663,849</u>	<u>\$ 1,751,488,090</u>

\* 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>October 2021</u>	<u>June 2021</u>	<u>FY2022 Decrease</u>
<b>Current</b>	\$ 19,111,568	\$ 126,944,554	
<b>Noncurrent</b>	119,850,039	66,621,819	
	\$ 138,961,607	\$ 193,566,373	\$ (54,604,766)



# Statement of Revenues, Expenses, & Changes in Net Position

For four months ended October 31, 2021 & October 31, 2020

	<u>October 2021</u>	<u>October 2020</u>
<b>Operating Revenues:</b>		
Use Fees & Container Charges	\$ 34,027,615	\$ 38,370,191
Maintenance-of-Way Charges	522,055	1,142,086
<b>Total Operating Revenues</b>	<u>34,549,670</u>	<u>39,512,277</u>
<b>Operating Expenses:</b>		
Salaries & Benefits	652,620	810,939
Administrative Expenses	241,069	387,269
Professional Services	192,484	320,494
Maintenance-of-Way	600,896	1,255,255
Depreciation	7,008,267	7,006,492
<b>Total Operating Expenses</b>	<u>8,695,337</u>	<u>9,780,449</u>
<b>Operating Income (Loss)</b>	25,854,333	29,731,828
<b>Nonoperating Revenues:</b>		
Interest & Investment Revenue, Net	(629,977)	528,270
Public Benefit Income	20,075	14,786
Miscellaneous Revenue	(53,981)	15,848
<b>Total Nonoperating Revenues</b>	<u>(663,882)</u>	<u>558,904</u>
<b>Nonoperating Expenses:</b>		
Interest Expense	36,191,583	31,799,260
Expenses for Public Benefit & Pass Thru Expenses	66,385	132,489
<b>Total Nonoperating Expenses, Net</b>	<u>36,257,968</u>	<u>31,931,749</u>
<b>Changes in Net Position</b>	(11,067,517)	(1,641,017)
<b>Net Position:</b>		
Net Position, Beginning of Year	(471,751,858)	(453,012,480)
<b>Net Position - End of Year</b>	<u>\$ (482,819,375)</u>	<u>\$ (454,653,497)</u>



# Comparison of Budget By Expense Type as of October 31, 2021

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
<b>Revenues</b>			
<b>Operating Revenues</b>			
Use Fees & Container Charges	\$ 35,704,741	\$ 34,027,615	\$ (1,677,126)
Maintenance-of-Way Charges	2,887,148	522,055	(2,365,093)
<b>Total Operating Revenues</b>	<u>38,591,889</u>	<u>34,549,670</u>	<u>(4,042,219)</u>
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	20,000	20,000	-
EPA Order & Pass Thru Income	52,068	-	(52,068)
<b>Subtotal Projects</b>	<u>72,068</u>	<u>20,000</u>	<u>(52,068)</u>
<b>Miscellaneous</b>			
Public Benefit Income	1,618,187	20,075	(1,598,112)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	41,947	(73,981)	(115,928)
Investment Income	749,298	(629,977)	(1,379,275)
<b>Subtotal Miscellaneous</b>	<u>2,409,432</u>	<u>(683,882)</u>	<u>(3,093,314)</u>
<b>Subtotal Other Revenues</b>	<u>2,481,500</u>	<u>(663,882)</u>	<u>(3,145,382)</u>
<b>Total Sources of Funds</b>	<u>41,073,389</u>	<u>33,885,788</u>	<u>(7,187,601)</u>
<b>Expenses</b>			
Salaries	589,616	457,629	(131,987)
Benefits	353,506	194,991	(158,515)
Office Expenses	162,789	156,735	(6,054)
Other Management Expenses	30,400	4,202	(26,198)
Information Technologies	88,772	23,381	(65,391)
Bank & Investment	54,667	40,532	(14,135)
ACET Administrative & Capital Support	480,013	16,219	(463,794)
Audit	69,158	54,096	(15,062)
Legal	293,333	84,855	(208,478)
Governmental Affairs	26,225	20,259	(5,966)
Other Professional Services	147,692	33,274	(114,418)
Pass Thru Expenses & EPA Order	52,068	7,719	(44,349)
Expenses for Public Benefit	1,618,187	58,666	(1,559,521)
<b>Total Administrative Expenses</b>	<u>3,966,426</u>	<u>1,152,558</u>	<u>(2,813,868)</u>
Maintenance-of-Way Expenses-Rail - Contractors	2,024,060	(77,969)	(2,102,029)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	863,088	600,024	(263,064)
Maintenance-of-Way Expenses-Nonrail - Contractors	599,540	(13,525)	(613,065)
Maintenance-of-Way Expenses-Nonrail - Capital	1,962,925	89,563	(1,873,362)
Maintenance-of-Way Expenses-Nonrail - Other	59,848	(954)	(60,802)
Maintenance-of-Way Expenses - ACTA	46,481	3,757	(42,724)
<b>Total Maintenance-of-Way Expenses</b>	<u>5,555,942</u>	<u>600,896</u>	<u>(4,955,045)</u>
<b>Subtotal Administrative and M&amp;O Expenses</b>	<u>9,522,368</u>	<u>1,753,454</u>	<u>(7,768,914)</u>
<b>Financing Expenses</b>			
Debt Service - Interest	19,906,684	17,725,411	(2,181,273)
Debt Service - Accrued CAB Interest	15,777,529	18,466,172	2,688,643
<b>Subtotal Financing Expenses</b>	<u>35,684,213</u>	<u>36,191,583</u>	<u>507,370</u>
<b>Depreciation &amp; Amortization Expenses</b>			
Depreciation	6,994,721	7,008,267	13,546
<b>Subtotal Depreciation &amp; Amortization Expenses</b>	<u>6,994,721</u>	<u>7,008,267</u>	<u>13,546</u>
<b>Total Operating Expenses</b>	<u>52,201,302</u>	<u>44,953,304</u>	<u>(7,247,998)</u>
<b>Income (Loss)</b>	<u>\$ (11,127,913)</u>	<u>\$ (11,067,517)</u>	<u>\$ 60,396</u>

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



# Comparison of Budget By Funds as of October 31, 2021

(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
<b>Revenues</b>			
<b>Operating Revenues</b>			
Use Fees & Container Charges	\$ 35,704,741	\$ 34,027,615	\$ (1,677,126)
Maintenance-of-Way Charges	2,887,148	522,055	(2,365,093)
<b>Total Operating Revenues</b>	<u>38,591,889</u>	<u>34,549,670</u>	<u>(4,042,219)</u>
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	20,000	20,000	-
EPA Order & Pass Thru Income	52,068	-	(52,068)
<b>Subtotal Projects</b>	<u>72,068</u>	<u>20,000</u>	<u>(52,068)</u>
<b>Miscellaneous</b>			
Public Benefit Income	1,618,187	20,075	(1,598,112)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	41,947	(73,981)	(115,928)
Investment Income	749,298	(629,977)	(1,379,275)
<b>Subtotal Miscellaneous</b>	<u>2,409,432</u>	<u>(683,882)</u>	<u>(3,093,314)</u>
<b>Subtotal Other Revenues</b>	2,481,500	(663,882)	(3,145,382)
<b>Total Sources of Funds</b>	<u>41,073,389</u>	<u>33,885,788</u>	<u>(7,187,601)</u>
<b>Expenses</b>			
Administrative Costs	2,296,171	1,086,173	(1,209,998)
Railroads-M&O	2,887,148	522,055	(2,365,093)
Reserve-M&O	2,622,313	75,084	(2,547,229)
Financing Fees-M&O	46,481	3,757	(42,724)
Revenue Fund-Interest & COI	19,906,684	17,725,411	(2,181,273)
Expenses for Public Benefit	1,618,187	58,666	(1,559,521)
LAIF General Fund-Pass Thru & EPA	52,068	7,719	(44,349)
<b>Total Expenses</b>	<u>29,429,052</u>	<u>19,478,865</u>	<u>(9,950,187)</u>
<b>Non Cash Expenses</b>			
Accrued CAB Debt Service Interest	15,777,529	18,466,172	2,688,643
Depreciation	6,994,721	7,008,267	13,546
<b>Subtotal Interest, Depreciation, &amp; Amortization Expenses</b>	<u>22,772,250</u>	<u>25,474,439</u>	<u>2,702,189</u>
<b>Total Operating Expenses</b>	52,201,302	44,953,304	(7,247,998)
<b>Income (Loss)</b>	<u>\$ (11,127,913)</u>	<u>\$ (11,067,517)</u>	<u>\$ 60,396</u>

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



# Cash & Investment Summary as of October 31, 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>
<b>Bank of America</b>					
	0457 & 0796	-	Concentration & Disbursement	865	865
<b>Pre 1999 Bond Sale Accounts-Union Bank</b>					
	5080	512	SR-47	3,938	3,911
Grant Reimbursement Received this Month \$ 0.00					
Grant Reimbursement Received FY to Date \$136,102					
<b>US Bank</b>					
	35000	-	Bank of America Collateral	-	-
<b>Local Agency Investment Fund (LAIF)</b>					
	40-19-006	570	General Fund	9,793	9,793
<b>1999, 2004 and 2016 Bond Funds - US Bank-Trustee</b>					
<b>Revenue Funds</b>					
	1170	507	Revenue Fund	22,969	22,969
	1171	508	M & O Fund	2,553	2,553
	1172	509	Reserve Account	15,583	15,567
	1189	518	Administrative Costs	6,320	6,286
			<b>Subtotal Revenue Funds</b>	47,425	47,375
<b>Debt Service Funds</b>					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	1,653	1,700
	1201	-	99C Principal Account	2,762	2,852
	9004	515	04A Debt Service Reserve	33,304	33,265
	9006	-	04A Financing fee	769	769
	9002	-	04A Debt Service Principal Account	-	-
	8003	516	04B Debt Service Reserve	24,361	24,450
	59001	-	12 Debt Service Interest Account	171	171
	59004	-	12 Debt Service Reserve Account	7,440	7,431
	7001	-	13A Debt Service Interest Account	785	808
	7002	-	13A Debt Service Principal Account	1,666	1,720
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,522	3,527
	108006	-	16B- Financing Fee	326	326
	108001	-	16B Interest Account	-	-
			<b>Subtotal Debt Service Funds</b>	76,759	77,018
			<b>Total U.S. Bank</b>	124,184	124,393
<b>Total Cash &amp; Investment Balances</b>				<b>\$ 138,780</b>	<b>138,962</b>



# Cash & Investment Summary (cont'd)

## as of October 31, 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	\$ 8,454	\$ 8,454	6.08%	20.00%
U.S. Government & Agency Obligations	42,606	43,237		100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	65,341	65,028	46.80%	100.00%
Corporate Bonds	11,721	11,585	8.34%	30.00%
Bank of America	865	865	0.62%	20.00%
Local Agency Investment Fund	9,793	9,793	7.05%	\$40 Million
<b>Total</b>	<b>\$ 138,780</b>	<b>\$ 138,962</b>	<b>68.88%</b>	

### Monthly Cash Flow

	<u>October 2021</u>
<b>Total Beginning Cash</b>	\$ 49,063,088
<b>Receipts</b>	
Use Fees & Container Charges	\$ 7,995,709
M&O, Grants, & Miscellaneous Revenue	580,832
<b>Total Receipts</b>	<u>8,576,541</u>
<b>Disbursements</b>	
Debt Service - Transfer to Accounts	6,803,070
M&O, Administrative, & Financing Expenses	3,412,712
<b>Total Disbursements</b>	<u>10,215,782</u>
<b>Cash Flow for Month</b>	<u>\$ (1,639,241)</u>
<b>Total Ending Cash</b>	<u>\$ 47,423,847</u>



# Cash Flow as of October 31, 2021

<u>October 2021</u>	
<b>Beginning Cash</b>	
Master Indenture Revenue Fund 1170	21,774,608
Master Indenture M&O Fund 1171	3,951,488
Master Indenture Reserve Fund 1172	16,597,274
1999A Admin Fund 1189	6,739,718
2004A Financing Fund 39006	-
<b>Total Beginning Cash</b>	49,063,088
<b>Receipts</b>	
Use Fee & Container Charges	7,995,709
M&O	579,276
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Semi-Annual Accounting - Transfer from Revenue Fund	-
Interest Income / Loss	1,556
<b>Total Receipts</b>	8,576,541
<b>Total Cash</b>	\$ 57,639,629
<b>Disbursements</b>	
Debt Service - transfer to 1999C Principal	2,757,987
Debt Service - transfer to 1999C Interest	1,663,484
Debt Service - transfer to 2012 Interest	168,180
Debt Service - transfer to 2013A Interest	709,002
Debt Service- transfer to 2013A Principal	1,504,417
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	1,974,926
M&O - Reserve expense payments	1,020,874
Administrative expense payments	416,912
Financing expense payments	-
<b>Total Disbursements</b>	10,215,782
<b>Net Ending Cash</b>	\$ 47,423,847
<b>Ending Cash</b>	
Master Indenture Revenue Fund 1170	22,967,658
Master Indenture M&O Fund 1171	2,553,048
Master Indenture Reserve Fund 1172	15,583,474
1999A Admin Fund 1189	6,319,667
2004A Financing Fund 39006	-
<b>Total Ending Cash</b>	\$ 47,423,847



# Cash Flow – YTD as of October 31, 2021

<b><u>Cash Flow - Fiscal Year-to-Date</u></b>		
		<b><u>October 2021</u></b>
<b>Total Beginning Cash as of 7/1/21</b>		\$ 62,486,703
<b>Receipts</b>		
Use Fees & Container Charges	\$ 36,917,712	
M&O, Grants, & Miscellaneous Revenue	9,047,952	
	<u>45,965,664</u>	
	<b>Total Receipts</b>	45,965,664
<b>Disbursements</b>		
Debt Service - Transfer to Accounts	53,819,955	
M&O, Administrative, & Financing Expenses	7,208,565	
	<u>61,028,520</u>	
	<b>Total Disbursements</b>	61,028,520
<b>Cash Flow for Fiscal Year</b>		<u>\$ (15,062,856)</u>
	<b>Total Ending Cash</b>	<u>\$ 47,423,847</u>





# Cash Flow – YTD as of October 31, 2021

		<u>October 2021</u>
<b>Beginning Cash as of 7/1/21</b>		
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		-
<b>Total Beginning Cash</b>		<u>62,486,703</u>
<b>Receipts</b>		
Use Fee & Container Charges		36,917,712
M&O		2,317,111
Funds Transferred from BOA to Admin Fund		712,700
Funds Transferred from BOA to Reserve Fund		6,000,000
Semi-Annual Accounting - Transfer from Revenue Fund		-
Interest Income / Loss		18,141
<b>Total Receipts</b>		<u>45,965,664</u>
<b>Total Cash</b>		<u>\$ 108,452,367</u>
<b>Disbursements</b>		
Debt Service - transfer to 1999C Principal		10,332,544
Debt Service - transfer to 1999C Interest		6,194,303
Debt Service - transfer to 2012 Interest		677,431
Debt Service - transfer to 2013A Interest		3,219,600
Debt Service- transfer to 2013A Principal		6,126,002
Semi-Annual Accounting - Transfers & Debt Service		-
Transfer to 2012 Reserve		-
Transfer to 2004A Financing Fee		325,600
Transfer to Admin Fund		712,700
Transfer to Master Reserve		6,000,000
Transfer to 2016A Reserve		-
Transfer to 2016B Financing Fee		655,800
Debt service payment - 2016A Interest		6,488,850
Debt service payment - 2016B Interest		13,087,125
Debt service payment - 2004		-
M&O - Railroads expense payments		3,415,585
M&O - Reserve expense payments		2,322,349
Administrative expense payments		1,470,631
Financing expense payments		-
<b>Total Disbursements</b>		<u>61,028,520</u>
<b>Net Ending Cash</b>		<u>\$ 47,423,847</u>
<b>Ending Cash</b>		
Master Indenture Revenue Fund 1170		22,967,658
Master Indenture M&O Fund 1171		2,553,048
Master Indenture Reserve Fund 1172		15,583,474
1999A Admin Fund 1189		6,319,667
2004A Financing Fund 39006		-
<b>Total Ending Cash</b>		<u>\$ 47,423,847</u>