



# Statements of Net Position

## December 31, 2023 & June 30, 2023

Transmittal 2

	<u>December 2023</u>	<u>June 2023</u>
<b><u>Assets &amp; Deferred Outflows of Resources</u></b>		
<b>Current Assets:</b>		
Restricted Cash & Cash Equivalents, & Investments	\$ 76,948,371	\$ 107,715,005
Receivables	10,672,190	17,496,962
Prepaid Expenses	935,375	2,294,731
<b>Total Current Assets</b>	<b>88,555,936</b>	<b>127,506,698</b>
Prepaid Bond Insurance Premiums, net	18,195,206	18,539,640
Restricted Investments *	121,542,061	72,450,394
Assets Held for Transfer	3,116,329	3,116,329
Net OPEB Asset	271,917	271,917
Capital Assets Not Being Depreciated	438,148,732	438,148,732
Capital Assets, Net	1,023,841,751	1,034,397,519
<b>Total Assets</b>	<b>1,693,671,932</b>	<b>1,694,431,229</b>
<b>Deferred Outflows of Resources:</b>		
Loss on Refunding	41,903,768	45,012,155
Pension and OPEB Related Items	1,611,550	1,611,550
<b>Total Assets &amp; Deferred Outflows of Resources</b>	<b>\$ 1,737,187,251</b>	<b>\$ 1,741,054,934</b>
<b><u>Liabilities, Deferred Inflows of Resources, &amp; Net Position</u></b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 5,724,633	\$ 6,784,529
Unearned Revenue	5,628,819	4,425,838
Accrued Interest Payable, Current Portion	12,434,391	12,550,134
Revenue Bonds Payable, Current Portion	16,255,000	15,495,000
Other Liabilities	559,836	628,447
<b>Total Current Liabilities</b>	<b>40,602,679</b>	<b>39,883,948</b>
<b>Noncurrent Liabilities:</b>		
Shortfall Advances Payable to Ports	13,481,974	13,115,138
Net Pension Liability	2,304,499	2,304,499
Accrued Interest Payable, Net of Current Portion	657,886,024	621,655,133
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,631,453,854	1,649,289,843
<b>Total Noncurrent Liabilities</b>	<b>2,305,126,351</b>	<b>2,286,364,613</b>
<b>Total Liabilities</b>	<b>\$ 2,345,729,030</b>	<b>\$ 2,326,248,561</b>
<b>Deferred Inflows of Resources</b>	<b>346,107</b>	<b>346,107</b>
<b><u>Net Position</u></b>		
Net Investment in Capital Assets	-	-
Restricted for Debt Service	146,427,406	119,498,555
Restricted for Capital Projects	-	-
Restricted by Master Trust Agreement	63,258,968	79,612,842
Unrestricted	(818,574,260)	(784,651,131)
<b>Total Net Position</b>	<b>(608,887,886)</b>	<b>(585,539,734)</b>
<b>Total Liabilities, Deferred Inflows of Resources, &amp; Net Position</b>	<b>\$ 1,737,187,251</b>	<b>\$ 1,741,054,934</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>December 2023</u>	<u>June 2023</u>	<u>FY2024 Increase</u>
<b>Current</b>	\$ 76,948,371	\$ 107,715,005	
<b>Noncurrent</b>	121,542,061	72,450,394	
	\$ 198,490,432	\$ 180,165,399	\$ 18,325,033



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

For six months ended December 31, 2023 & December 31, 2022

	<u>December 2023</u>	<u>December 2022</u>
<b>Operating Revenues:</b>		
Use Fees & Container Charges	\$ 53,399,223	\$ 52,216,924
Maintenance-of-Way Charges	5,195,846	4,619,136
<b>Total Operating Revenues</b>	<u>58,595,069</u>	<u>56,836,060</u>
<b>Operating Expenses:</b>		
Salaries & Benefits	1,128,673	1,124,886
Administrative Expenses	967,449	956,497
Professional Services	475,015	425,056
Maintenance-of-Way	8,934,581	8,215,693
Depreciation	10,555,768	10,555,768
<b>Total Operating Expenses</b>	<u>22,061,486</u>	<u>21,277,900</u>
<b>Operating Income (Loss)</b>	36,533,583	35,558,160
<b>Nonoperating Revenues:</b>		
Interest & Investment Revenue, Net	4,417,770	755,008
Public Benefit Income	54,185	77,415
Miscellaneous Revenue	389,769	344,223
<b>Total Nonoperating Revenues</b>	<u>4,861,724</u>	<u>1,176,646</u>
<b>Nonoperating Expenses:</b>		
Interest Expense	63,454,082	49,089,949
Expenses for Public Benefit & Pass Thru Expenses	1,289,342	290,891
Costs of Issuance	35	29,598,476
Gain/Loss Sale or Transfer of Capital Assets	-	-
<b>Total Nonoperating Expenses, Net</b>	<u>64,743,459</u>	<u>78,979,316</u>
<b>Changes in Net Position</b>	(23,348,152)	(42,244,510)
<b>Net Position:</b>		
Net Position, Beginning of Year	<u>(585,539,734)</u>	<u>(524,018,290)</u>
<b>Net Position - End of Year</b>	<u>\$ (608,887,886)</u>	<u>\$ (566,262,800)</u>



# Comparison of Budget By Expense Type as of December 31, 2023

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
<b>Revenues</b>			
<b>Operating Revenues</b>			
Use Fees & Container Charges	\$ 43,583,939	\$ 53,399,223	\$ 9,815,284
Maintenance-of-Way Charges	7,330,328	5,195,846	(2,134,482)
<b>Total Operating Revenues</b>	<u>50,914,267</u>	<u>58,595,069</u>	<u>7,680,802</u>
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	30,000	30,000	-
EPA Order & Pass Thru Income	584,918	-	(584,918)
<b>Subtotal Projects</b>	<u>614,918</u>	<u>30,000</u>	<u>(584,918)</u>
<b>Miscellaneous</b>			
Public Benefit Income	1,496,425	54,185	(1,442,240)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	33,046	359,769	326,723
Investment Income	755,009	4,417,770	3,662,761
<b>Subtotal Miscellaneous</b>	<u>2,284,480</u>	<u>4,831,724</u>	<u>2,547,244</u>
<b>Subtotal Other Revenues</b>	<u>2,899,398</u>	<u>4,861,724</u>	<u>1,962,326</u>
<b>Total Sources of Funds</b>	<u>53,813,665</u>	<u>63,456,793</u>	<u>9,643,128</u>
<b>Expenses</b>			
Salaries	1,121,605	855,073	(266,532)
Benefits	520,380	273,600	(246,780)
Office Expenses	252,617	262,238	9,621
Other Management Expenses	51,950	11,016	(40,934)
Information Technologies	91,750	67,452	(24,298)
Bank & Investment	87,500	77,346	(10,154)
ACET Administrative & Capital Support	772,972	549,397	(223,575)
Audit	103,064	126,987	23,923
Legal	340,000	155,748	(184,252)
Governmental Affairs	42,500	45,404	2,904
Other Professional Services	960,811	146,876	(813,935)
Pass Thru Expenses & EPA Order	584,918	242,203	(342,715)
Expenses for Public Benefit	1,496,425	1,047,139	(449,286)
<b>Total Administrative Expenses</b>	<u>6,426,492</u>	<u>3,860,479</u>	<u>(2,566,013)</u>
Maintenance-of-Way Expenses-Rail - Contractors	5,772,341	3,188,760	(2,583,581)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	1,557,988	2,007,086	449,098
Maintenance-of-Way Expenses-Nonrail - Contractors	719,618	661,463	(58,155)
Maintenance-of-Way Expenses-Nonrail - Capital	3,105,770	2,804,014	(301,756)
Maintenance-of-Way Expenses-Nonrail - Other	132,414	175,279	42,865
Maintenance-of-Way Expenses - ACTA	95,450	97,979	2,529
<b>Total Maintenance-of-Way Expenses</b>	<u>11,383,581</u>	<u>8,934,581</u>	<u>(2,449,000)</u>
<b>Subtotal Administrative and M&amp;O Expenses</b>	<u>17,810,073</u>	<u>12,795,060</u>	<u>(5,015,013)</u>
<b>Financing Expenses</b>			
Debt Service - Interest	24,983,114	27,223,191	2,240,077
Debt Service - Accrued CAB Interest	37,803,544	36,230,891	(1,572,653)
<b>Subtotal Financing Expenses</b>	<u>62,786,658</u>	<u>63,454,082</u>	<u>667,424</u>
<b>Depreciation &amp; Amortization Expenses</b>			
Depreciation	10,492,582	10,555,768	63,186
Cost of Issuance	-	35	35
<b>Subtotal Depreciation &amp; Amortization Expenses</b>	<u>10,492,582</u>	<u>10,555,803</u>	<u>63,221</u>
<b>Total Operating Expenses</b>	<u>91,089,313</u>	<u>86,804,945</u>	<u>(4,284,369)</u>
<b>Income (Loss)</b>	<u>\$ (37,275,648)</u>	<u>\$ (23,348,152)</u>	<u>\$ 13,927,496</u>

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



# Comparison of Budget By Funds as of December 31, 2023

(\$ 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	\$ 43,583,939	\$ 53,399,223	\$ 9,815,284
Maintenance-of-Way Charges	7,330,328	5,195,846	(2,134,482)
<b>Total Operating Revenues</b>	50,914,267	58,595,069	7,680,802
<b>Other Revenues</b>			
<b>Projects</b>			
Pier Pass	30,000	30,000	-
EPA Order & Pass Thru Income	584,918	-	(584,918)
<b>Subtotal Projects</b>	614,918	30,000	(584,918)
<b>Miscellaneous</b>			
Public Benefit Income	1,496,425	54,185	(1,442,240)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	33,046	359,769	326,723
Investment Income	755,009	4,417,770	3,662,761
<b>Subtotal Miscellaneous</b>	2,284,480	4,831,724	2,547,243
<b>Subtotal Other Revenues</b>	2,899,398	4,861,724	1,962,326
<b>Total Sources of Funds</b>	53,813,665	63,456,793	9,643,128
<b>Expenses</b>			
Financing Fees	589,647	234,241	(355,406)
Administrative Costs	3,755,502	2,336,896	(1,418,606)
Capital	-	-	-
Railroads-M&O	7,330,329	5,195,846	(2,134,482)
Reserve-M&O	3,957,802	3,640,756	(317,046)
Financing Fees-M&O	95,450	97,979	2,529
Revenue Fund-Interest & COI	24,983,114	27,223,191	2,240,077
Expenses for Public Benefit	1,496,425	1,047,139	(449,286)
LAIF General Fund-Pass Thru & EPA	584,918	242,203	(342,715)
<b>Total Expenses</b>	42,793,187	40,018,251	(2,774,935)
<b>Non Cash Expenses</b>			
Accrued CAB Debt Service Interest	37,803,544	36,230,891	(1,572,653)
Depreciation	10,492,582	10,555,768	63,186
Cost of Issuance	-	35	35
<b>Subtotal Interest, Depreciation, &amp; Amortization Expenses</b>	48,296,126	46,786,694	(1,509,432)
<b>Total Operating Expenses</b>	91,089,313	86,804,945	(4,284,368)
<b>Income (Loss)</b>	\$ (37,275,648)	\$ (23,348,152)	\$ 13,927,496

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



# Cash & Investment Summary as of December 31, 2023

<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	565	565
<b>Pre 1999 Bond Sale Accounts-Union Bank</b>					
	5080	512	SR-47	4,528	4,806
Grant Reimbursement Received this Month \$13,395					
Grant Reimbursement Received FY to Date \$2,060,005					
<b>Local Agency Investment Fund (LAIF)</b>					
	40-19-006	570	General Fund	9,889	9,889
<b>1999, 2004 and 2016 Bond Funds - US Bank-Trustee</b>					
<b>Revenue Funds</b>					
	1170	507	Revenue Fund	22,501	22,529
	1171	508	M & O Fund	6,813	6,833
	1172	509	Reserve Account	13,257	13,370
	1189	518	Administrative Costs	11,029	11,155
<b>Subtotal Revenue Funds</b>				53,600	53,887
<b>Debt Service Funds</b>					
	61180	-	99A Interest	1	1
	61181	-	99A Principal	-	-
	61183	-	99A Redemption	-	-
	61192	-	99A Senior Lien	377	377
	61193	-	99A 17th Level	21,479	21,479
	61186	-	99A Construction	1	1
	61200	-	99C Interest Account	3,361	3,361
	61201	-	99C Principal Account	25,490	25,634
	38003	-	04B Debt Service Reserve	25,276	24,503
	39004	-	04A Debt Service Reserve	34,454	33,217
	38000	516	04B Debt Service	-	-
	39006	-	04A Financing fee	2,351	2,362
	39002	515	04A Debt Service Principal Account	-	-
	59001	-	12 Debt Service Interest Account	475	475
	59002	-	12 Debt Service Principal Account	2,745	2,745
	59004	516	12 Debt Service Reserve Account	7,814	7,501
	67001	-	13A Debt Service Interest Account	-	-
	67002	-	13A Debt Service Principal Account	-	-
	27000	-	16A Debt Service	14	14
	27004	-	16A Debt Service Reserve	3,698	3,567
	108006	-	16B- Financing fee	783	787
	108000	-	16B- Financing fee	26	26
	98000	-	2022 A - DS Fund	32	32
	98001	-	2022 A - DS Reserve Fund	-	-
	98002	-	2022 A - Interest Account	-	-
	98003	-	2022 A - Principal Account	-	-
	98004	-	2022 A - Redemption Account	-	-
	98005	-	2022 A - Cost of Issuance Fund	-	-
	98006	-	2022 A - Bond Proceeds Account	-	-
	53000	-	2022 B - DS Fund	64	64
	53001	-	2022 B - DS Reserve Fund	-	-
	53002	-	2022 B - Interest Account	3,360	3,360
	53003	-	2022 B - Principal Account	-	-
	53004	-	2022 B - Redemption Account	-	-
	53005	-	2022 B - Cost of Issuance Fund	-	-
	53006	-	2022 B - Bond Proceeds Account	-	-
	86000	-	2022 C - DS Fund	39	39
	86001	-	2022 C - DS Reserve Fund	-	-
	86002	-	2022 C - Interest Account	-	-
	86003	-	2022 C - Principal Account	-	-
	86004	-	2022 C - Redemption Account	-	-
	86005	-	2022 C - Cost of Issuance Fund	-	-
	86006	-	2022 C - Bond Proceeds Account	-	-
<b>Subtotal Debt Service Funds</b>				131,841	129,545
<b>Total 1999, 2004, 2012, 2016, 2022 Bond Funds- U.S. Bank</b>				185,440	183,432
<b>Total Cash &amp; Investment Balances</b>				<b>\$ 200,422</b>	<b>198,492</b>



# Cash & Investment Summary (cont'd)

## as of December 31, 2023

### 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	\$ 53,575	\$ 53,575	26.99%	20.00%
U.S. Government & Agency Obligations	58,555	58,066	29.25%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	64,878	63,395	31.94%	100.00%
Corporate Bonds	12,960	13,002	6.55%	30.00%
Bank of America	565	565	0.28%	20.00%
Local Agency Investment Fund	9,889	9,889	4.98%	\$40 Million
<b>Total</b>	<b><u>\$ 200,422</u></b>	<b><u>\$ 198,492</u></b>	<b><u>100.00%</u></b>	

### Monthly Cash Flow

December 2023

<b>Total Beginning Cash</b>	\$ 49,878,821
<b>Receipts</b>	
Use Fees & Container Charges	\$ 8,241,626
M&O & Misc. Revenues, & Funds Transfers	2,405,613
<b>Total Receipts</b>	<u>10,647,239</u>
<b>Disbursements</b>	
Debt Service - Transfer to Accounts	3,078,075
M&O, Administrative, & Financing Expenses	336,421
<b>Total Disbursements</b>	<u>3,414,496</u>
<b>Cash Flow for Month</b>	<u>\$ 7,232,743</u>
<b>Total Ending Cash</b>	<u><u>\$ 57,111,564</u></u>



# Cash Flow as of December 31, 2023

<u>December 2023</u>	
<b>Beginning Cash</b>	
Master Indenture Revenue Fund 1170	17,276,904
Master Indenture M&O Fund 1171	4,595,424
Master Indenture Reserve Fund 1172	13,212,570
Admin Fund 1189	11,237,793
Financing Fee-Senior	379,211
Financing Fee-1st Sub	2,394,744
Financing Fee-2nd Sub	782,175
<b>Total Beginning Cash</b>	<b>49,878,821</b>
<b>Receipts</b>	
Use Fee & Container Charges	8,241,626
M&O	2,241,220
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Interest Income / Loss	164,393
<b>Total Receipts</b>	<b>10,647,239</b>
<b>Total Cash</b>	<b>\$ 60,526,060</b>
<b>Disbursements</b>	
Debt Service - transfer to 1999C Principal	-
Debt Service - transfer to 1999C Interest	1,050,830
Debt Service - transfer to 2012 Interest	149,978
Debt Service- transfer to 2012 Principal	832,917
Debt Service- transfer to 2022B Interest	1,044,351
Debt Service - transfer to 2013A Principal	-
Semi-Annual Accounting - Transfers & Debt Service	-
Transfer to 2012 Reserve	-
Transfer to 2004A Financing Fee	-
Transfer to 2016B Financing fee	-
Transfer to 1999A Financing fee	-
Transfer to Admin Fund	-
Transfer to Master Reserve	-
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Transfer to 2022C Reserve Fund	-
Transfer to 17th level	-
Debt service payment - 2016A Interest	-
Debt service payment - 2016B Interest	-
Debt service payment - 2004	-
M&O - Railroads expense payments	41,162
M&O - Reserve expense payments	-
Administrative expense payments	236,578
Financing expense payments	58,680
<b>Total Disbursements</b>	<b>3,414,496</b>
<b>Net Ending Cash</b>	<b>\$ 57,111,564</b>
<b>Ending Cash</b>	
Master Indenture Revenue Fund 1170	22,501,068
Master Indenture M&O Fund 1171	6,812,820
Master Indenture Reserve Fund 1172	13,257,146
Admin Fund 1189	11,028,728
Financing Fee-Senior	377,333
Financing Fee-1st Sub	2,351,187
Financing Fee-2nd Sub	783,282
<b>Total Ending Cash</b>	<b>\$ 57,111,564</b>

\* Adjustment due to adding 3 financing accounts.



# Cash Flow – YTD as of December 31, 2023

<b><u>Cash Flow - Fiscal Year-to-Date</u></b>		
		<b><u>December 2023</u></b>
<b>Total Beginning Cash as of 7/1/23</b>		\$ 66,180,891
<b>Receipts</b>		
Use Fees & Container Charges	\$ 52,776,877	
M&O & Misc. Revenues, & Funds Transfers	27,100,233	
	<u>79,877,109</u>	
<b>Total Receipts</b>	<b>79,877,109</b>	
<b>Disbursements</b>		
Debt Service - Transfer to Accounts	68,005,860	
M&O, Administrative, & Financing Expenses	20,940,576	
	<u>88,946,436</u>	
<b>Total Disbursements</b>	<b>88,946,436</b>	
<b>Cash Flow for Fiscal Year</b>		<u>\$ (9,069,327)</u>
<b>Total Ending Cash</b>		<u><u>\$ 57,111,564</u></u>





# Cash Flow – YTD as of December 31, 2023

<u>December 2023</u>	
<b>Beginning Cash as of 7/1/23</b>	
Master Indenture Revenue Fund 1170	46,932,116
Master Indenture M&O Fund 1171	928,185
Master Indenture Reserve Fund 1172	11,323,311
Admin Fund 1189	6,997,279
Financing Fee-Senior	-
Financing Fee-1st Sub	-
Financing Fee-2nd Sub	-
<b>Total Beginning Cash</b>	<b>66,180,891 *</b>
<b>Receipts</b>	
Use Fee & Container Charges	52,776,877
M&O	11,089,010
Funds Transferred from BOA to Admin Fund	130,630
Funds Transferred from BOA to Reserve Fund	-
Annual Accounting - Transfer from Revenue Fund	14,324,673
Interest Income / Loss	1,555,919
<b>Total Receipts</b>	<b>79,877,109</b>
<b>Total Cash</b>	<b>\$ 146,058,000</b>
<b>Disbursements</b>	
Debt Service - transfer to 1999C Principal	11,559,130
Debt Service - transfer to 1999C Interest	4,203,320
Debt Service - transfer to 2012 Interest	966,161
Debt Service- transfer to 2012 Principal	5,136,250
Debt Service - transfer to 2022A Interest	6,266,105
Debt Service- transfer to 2013A Principal	-
Semi-Annual Accounting - Transfers & Debt Service	-
Transfer to 2012 Reserve	-
Transfer to 2004A Financing Fee	1,067,345
Transfer to 2016B Financing fee	227,635
Transfer to 1999A Financing fee	387,851
Transfer to Admin Fund	435,431
Transfer to Master Reserve	31,441
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Transfer to 2022C Reserv Fee	-
Transfer to 17th level	21,283,462
Debt service payment - 2016A Interest	5,364,400
Debt service payment - 2016B Interest	8,424,703
Debt service payment - 2004	2,652,625
M&O - Railroads expense payments	5,303,296
M&O - Reserve expense payments	7,365,720
Administrative expense payments	8,147,749
Financing expense payments	123,812
<b>Total Disbursements</b>	<b>88,946,436</b>
<b>Net Ending Cash</b>	<b>\$ 57,111,564</b>
<b>Ending Cash</b>	
Master Indenture Revenue Fund 1170	22,501,068
Master Indenture M&O Fund 1171	6,812,820
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Financing Fee-Senior	377,333
Financing Fee-1st Sub	2,351,187
Financing Fee-2nd Sub	783,282
<b>Total Ending Cash</b>	<b>\$ 57,111,564</b>
* Adjustment due to adding 3 financing accounts.	