



Statements of Net Position

June 30, 2020 & June 30, 2019

	<u>June 2020</u>	<u>June 2019</u>	
<u>Assets & Deferred Outflows of Resources</u>			
Current Assets:			
Restricted Cash & Cash Equivalents, & Investments	\$ 133,027,892	\$ 142,095,378	
Receivables	9,907,904	11,992,009	
Prepaid Expenses	1,225,268	1,186,647	
Total Current Assets	144,161,064	155,274,034	
Restricted Investments *	63,123,538	55,798,756	
Assets Held for Transfer	13,347,625	13,347,625	
Net OPEB Asset	490,343	228,832	
Capital Assets Not Being Depreciated	438,148,732	438,148,732	
Capital Assets, Net	1,097,331,202	1,118,194,533	
Total Assets	1,756,602,504	1,780,992,512	
Deferred Outflows of Resources:			
Charges on Refunding	15,333,065	16,831,570	
Pension Contributions & Differences in Experience	707,933	708,037	
Total Assets & Deferred Outflows of Resources	\$ 1,772,643,502	\$ 1,798,532,119	
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>			
Current Liabilities:			
Accounts Payable	\$ 5,312,610	\$ 2,219,703	
Unearned Revenue	889,742	935,014	
Accrued Interest Payable, Current Portion	15,980,319	18,082,865	
Revenue Bonds Payable, Current Portion	25,767,886	42,611,850	
Other Liabilities	642,724	610,119	
Total Current Liabilities	48,593,281	64,459,551	
Noncurrent Liabilities:			
Collateral Deposit	-	-	
Shortfall Advances Payable to Ports	12,612,996	12,383,832	
Net Pension Liability	2,116,034	2,001,963	
Accrued Interest Payable, Net of Current Portion	602,528,224	550,267,549	
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,559,462,077	1,594,397,514	
Total Noncurrent Liabilities	2,176,719,331	2,159,050,858	
Total Liabilities	\$ 2,225,312,612	\$ 2,223,510,409	
Deferred Inflows of Resources	343,370	88,124	
<u>Net Position</u>			
Net Investment in Capital Assets	52,475,405	32,319,507	
Restricted for Debt Service	107,375,351	101,329,902	
Restricted for Capital Projects	-	-	
Restricted by Master Trust Agreement	66,271,689	81,829,720	
Unrestricted	(679,134,925)	(640,545,543)	
Total Net Position	(453,012,480)	(425,066,414)	
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,772,643,502	\$ 1,798,532,119	
<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>			
	June 2020	June 2019	FY2020 Decrease
Current	\$ 133,027,892	\$ 142,095,378	
Noncurrent	63,123,538	55,798,756	
	\$ 196,151,431	\$ 197,894,134	\$ (1,742,703)



Statement of Revenues, Expenses, & Changes in Net Position

For twelve months ended June 30, 2020 & June 30, 2019

	<u>June 2020</u>	<u>June 2019</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 102,115,182	\$ 112,550,438
Maintenance-of-Way Charges	6,552,615	5,509,784
Total Operating Revenues	<u>108,667,797</u>	<u>118,060,222</u>
Operating Expenses:		
Salaries & Benefits	2,491,825	2,282,399
Administrative Expenses	2,251,536	2,172,258
Professional Services	1,131,504	899,499
Maintenance-of-Way	10,317,020	8,414,068
Depreciation	21,016,917	21,024,851
Total Operating Expenses	<u>37,208,802</u>	<u>34,793,075</u>
Operating Income (Loss)	71,458,995	83,267,147
Nonoperating Revenues:		
Interest & Investment Revenue, Net	7,572,659	6,670,741
Public Benefit Income	896,530	885,189
Miscellaneous Revenue	242,335	248,728
Total Nonoperating Revenues	<u>8,711,524</u>	<u>7,804,658</u>
Nonoperating Expenses:		
Interest Expense	107,137,899	106,352,164
Expenses for Public Benefit & Pass Thru Expenses	978,686	938,464
Total Nonoperating Expenses, Net	<u>108,116,585</u>	<u>107,290,628</u>
Changes in Net Position	(27,946,066)	(16,218,823)
Net Position:		
Net Position, Beginning of Year	(425,066,414)	(408,847,591)
Net Position - End of Year	<u>\$ (453,012,480)</u>	<u>\$ (425,066,414)</u>



Comparison of Budget By Expense Type as of June 30, 2020

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 115,288,104	\$ 102,115,182	\$ (13,172,922)
Maintenance-of-Way Charges	6,379,672	6,552,615	172,943
Total Operating Revenues	<u>121,667,776</u>	<u>108,667,797</u>	<u>(12,999,979)</u>
Other Revenues			
Projects			
Pier Pass	60,000	60,000	-
EPA Order & Pass Thru Income	118,766	94,941	(23,825)
Subtotal Projects	<u>178,766</u>	<u>154,941</u>	<u>(23,825)</u>
Miscellaneous			
Public Benefit Income	5,286,526	896,530	(4,389,996)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	124,008	87,394	(36,614)
Investment Income	2,426,793	7,572,659	5,145,866
Subtotal Miscellaneous	<u>7,837,327</u>	<u>8,556,583</u>	<u>719,256</u>
Subtotal Other Revenues	<u>8,016,093</u>	<u>8,711,524</u>	<u>695,431</u>
Total Sources of Funds	<u>129,683,869</u>	<u>117,379,321</u>	<u>(12,304,548)</u>
Expenses			
Salaries	1,716,201	1,608,785	(107,416)
Benefits	899,111	883,040	(16,071)
Office Expenses	450,476	342,980	(107,496)
Other Management Expenses	80,995	27,941	(53,054)
Information Technologies	311,794	302,243	(9,551)
Bank & Investment	172,500	150,923	(21,577)
ACET Administrative & Capital Support	1,430,288	1,427,449	(2,839)
Audit	179,872	185,110	5,238
Legal	900,000	500,200	(399,800)
Governmental Affairs	76,385	76,385	-
Other Professional Services	584,253	369,809	(214,444)
Pass Thru Expenses & EPA Order	118,766	89,999	(28,767)
Expenses for Public Benefit	5,286,526	888,687	(4,397,839)
Total Administrative Expenses	<u>12,207,167</u>	<u>6,853,551</u>	<u>(5,353,616)</u>
Maintenance-of-Way Expenses-Rail - Contractors	3,946,591	4,373,081	426,490
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	2,433,081	2,179,532	(253,549)
Maintenance-of-Way Expenses-Nonrail - Contractors	1,288,283	991,813	(296,470)
Maintenance-of-Way Expenses-Nonrail - Capital	3,259,900	2,455,406	(804,494)
Maintenance-of-Way Expenses-Nonrail - Other	166,500	176,594	10,094
Maintenance-of-Way Expenses - ACTA	211,028	140,594	(70,434)
Total Maintenance-of-Way Expenses	<u>11,305,383</u>	<u>10,317,020</u>	<u>(988,363)</u>
Subtotal Administrative and M&O Expenses	<u>23,512,550</u>	<u>17,170,571</u>	<u>(6,341,979)</u>
Financing Expenses			
Debt Service - Interest	64,419,655	54,085,291	(10,334,364)
Debt Service - Accrued CAB Interest	41,613,060	53,052,608	11,439,548
Subtotal Financing Expenses	<u>106,032,715</u>	<u>107,137,899</u>	<u>1,105,184</u>
Depreciation & Amortization Expenses			
Depreciation	20,981,664	21,016,917	35,253
Subtotal Depreciation & Amortization Expenses	<u>20,981,664</u>	<u>21,016,917</u>	<u>35,253</u>
Total Operating Expenses	<u>150,526,929</u>	<u>145,325,387</u>	<u>(5,201,542)</u>
Income (Loss)	<u>\$ (20,843,060)</u>	<u>\$ (27,946,066)</u>	<u>\$ (7,103,006)</u>

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



Comparison of Budget By Funds as of June 30, 2020

(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 115,288,104	\$ 102,115,182	\$ (13,172,922)
Maintenance-of-Way Charges	6,379,672	6,552,615	172,943
Total Operating Revenues	<u>121,667,776</u>	<u>108,667,797</u>	<u>(12,999,979)</u>
Other Revenues			
Projects			
Pier Pass	60,000	60,000	-
EPA Order & Pass Thru Income	118,766	94,941	(23,825)
Subtotal Projects	<u>178,766</u>	<u>154,941</u>	<u>(23,825)</u>
Miscellaneous			
Public Benefit Income	5,286,526	896,530	(4,389,996)
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	124,008	87,394	(36,614)
Investment Income	2,426,793	7,572,659	5,145,866
Subtotal Miscellaneous	<u>7,837,327</u>	<u>8,556,583</u>	<u>719,256</u>
Subtotal Other Revenues	<u>8,016,093</u>	<u>8,711,524</u>	<u>695,431</u>
Total Sources of Funds	<u>129,683,869</u>	<u>117,379,321</u>	<u>(12,304,548)</u>
Expenses			
Administrative Costs	6,801,874	5,874,865	(927,009)
Railroads-M&O	6,379,672	6,552,613	172,941
Reserve-M&O	4,714,683	3,623,813	(1,090,870)
Financing Fees-M&O	211,028	140,594	(70,434)
Revenue Fund-Interest & COI	64,419,655	54,085,291	(10,334,364)
Expenses for Public Benefit	5,286,526	888,687	(4,397,839)
LAIIF General Fund-Pass Thru & EPA	118,766	89,999	(28,767)
Total Expenses	<u>87,932,205</u>	<u>71,255,862</u>	<u>(16,676,343)</u>
Non Cash Expenses			
Accrued CAB Debt Service Interest	41,613,060	53,052,608	11,439,548
Depreciation	20,981,664	21,016,917	35,253
Subtotal Interest, Depreciation, & Amortization Expenses	<u>62,594,724</u>	<u>74,069,525</u>	<u>11,474,801</u>
Total Operating Expenses	<u>150,526,929</u>	<u>145,325,387</u>	<u>(5,201,542)</u>
Income (Loss)	<u>\$ (20,843,060)</u>	<u>\$ (27,946,066)</u>	<u>\$ (7,103,006)</u>

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



Cash & Investment Summary

as of June 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>
Bank of America					
	0457 & 0796	-	Concentration & Disbursement	1,305	1,305
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	3,600	3,605
Grant Reimbursement Received this Month \$ -0-					
Grant Reimbursement Received FY to Date \$1,026,858					
US Bank					
	35000	-	Bank of America Collateral	-	-
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	9,830	9,830
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	40,926	40,926
	1171	508	M & O Fund	2,200	2,200
	1172	509	Reserve Account	14,134	14,307
	1189	518	Administrative Costs	5,874	5,884
			Subtotal Revenue Funds	63,134	63,317
Debt Service Funds					
	1180	-	99A Interest Account	-	-
	1181	-	99A Principal Account	-	-
	1183	-	99A Redemption Account	-	-
	1200	-	99C Interest Account	5,259	5,259
	1201	-	99C Principal Account	25,117	25,117
	9004	515	04A Debt Service Reserve	33,923	34,683
	9001	-	04A Debt Service Interest Account	-	-
	9002	-	04A Debt Service Principal Account	-	-
	8003	516	04B Debt Service Reserve	23,711	24,521
	59001	-	12 Debt Service Interest Account	533	533
	59004	-	12 Debt Service Reserve Account	7,380	7,635
	7001	-	13A Debt Service Interest Account	2,983	2,983
	7002	-	13A Debt Service Principal Account	13,604	13,604
	27001	-	16A Interest Account	-	-
	27004	-	16A Debt Service Reserve	3,641	3,760
	80006	-	16B- Financing Fee	-	-
	108001	-	16B Interest Account	-	-
			Subtotal Debt Service Funds	116,151	118,095
			Total U.S. Bank	179,285	181,412
Total Cash & Investment Balances				\$ 194,020	196,152



Cash & Investment Summary (cont'd)

as of June 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	\$ 12,052	\$ 12,052	6.14%	20.00%
U.S. Government & Agency Obligations	104,600	106,326	54.21%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	52,264	52,466	26.75%	100.00%
Corporate Bonds	13,969	14,174	7.23%	30.00%
Bank of America	1,304	1,304	0.66%	20.00%
Local Agency Investment Fund	9,830	9,830	5.01%	\$40 Million
Total	<u>\$ 194,020</u>	<u>\$ 196,152</u>	<u>100.00%</u>	

Monthly Cash Flow

		<u>June 2020</u>
Total Beginning Cash		\$ 62,692,587
Receipts		
Use Fees & Container Charges	\$ 8,385,066	
M&O, Grants, & Miscellaneous Revenue	404,631	
Total Receipts	<u>8,789,697</u>	
Disbursements		
Debt Service - Transfer to Accounts	6,892,659	
M&O, Administrative, & Financing Expenses	1,455,706	
Total Disbursements	<u>8,348,365</u>	
Cash Flow for Month		<u>\$ 441,332</u>
Total Ending Cash		<u><u>\$ 63,133,919</u></u>



Cash Flow as of June 30, 2020

<u>June 2020</u>	
Beginning Cash	
Master Indenture Revenue Fund 1170	39,380,347
Master Indenture M&O Fund 1171	2,349,203
Master Indenture Reserve Fund 1172	14,614,822
1999A Admin Fund 1189	6,348,215
2004A Financing Fund 39006	-
Total Beginning Cash	62,692,587
Receipts	
Use Fee & Container Charges	8,385,066
M&O	296,506
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Semi-Annual Accounting - Transfer from Revenue Fund	-
Interest Income / Loss	108,125
Total Receipts	8,789,697
Total Cash	\$ 71,482,284
Disbursements	
Debt Service - transfer to 1999C Principal	2,675,000
Debt Service - transfer to 1999C Interest	1,652,640
Debt Service - transfer to 2012 Interest	171,606
Debt Service - transfer to 2013A Interest	935,913
Debt Service- transfer to 2013A Principal	1,457,500
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	445,658
M&O - Reserve expense payments	515,063
Administrative expense payments	494,985
Financing expense payments	-
Total Disbursements	8,348,365
Net Ending Cash	\$ 63,133,919
Ending Cash	
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	5,874,172
2004A Financing Fund 39006	-
Total Ending Cash	\$ 63,133,919



Cash Flow – YTD as of June 30, 2020

<u>Cash Flow - Fiscal Year-to-Date</u>		
		<u>June 2020</u>
Total Beginning Cash as of 7/1/19		\$ 73,173,116
Receipts		
Use Fees & Container Charges	\$ 104,377,150	
M&O, Grants, & Miscellaneous Revenue	18,546,088	
	Total Receipts	<u>122,923,238</u>
Disbursements		
Debt Service - Transfer to Accounts	119,695,396	
M&O, Administrative, & Financing Expenses	13,267,039	
	Total Disbursements	<u>132,962,435</u>
Cash Flow for Fiscal Year		<u>\$ (10,039,197)</u>
	Total Ending Cash	<u><u>\$ 63,133,919</u></u>



Cash Flow – YTD as of June 30, 2020

<u>June 2020</u>	
Beginning Cash as of 7/1/19	
Master Indenture Revenue Fund 1170	55,139,842
Master Indenture M&O Fund 1171	548,450
Master Indenture Reserve Fund 1172	12,980,405
1999A Admin Fund 1189	4,504,419
2004A Financing Fund 39006	-
Total Beginning Cash	73,173,116
Receipts	
Use Fee & Container Charges	104,377,150
M&O	6,780,440
Funds Transferred from BOA to Admin Fund	7,132,531
Funds Transferred from BOA to Reserve Fund	3,000,000
Semi-Annual Accounting - Transfer from Revenue Fund	-
Interest Income / Loss	1,633,117
Total Receipts	122,923,238
Total Cash	\$ 196,096,354
Disbursements	
Debt Service - transfer to 1999C Principal	29,513,839
Debt Service - transfer to 1999C Interest	22,272,510
Debt Service - transfer to 2012 Interest	4,324,450
Debt Service - transfer to 2013A Interest	11,369,954
Debt Service- transfer to 2013A Principal	13,633,727
Semi-Annual Accounting - Transfers & Debt Service	-
Transfer to 2012 Reserve	3,000,000
Transfer to 2004A Financing Fee	-
Transfer to Admin Fund	7,000,000
Transfer to Master Reserve	-
Transfer to 2016A Reserve	-
Transfer to 2016B Financing Fee	-
Debt service payment - 2016A Interest	1,607,640
Debt service payment - 2016B Interest	13,087,125
Debt service payment - 2004	13,886,151
M&O - Railroads expense payments	5,142,454
M&O - Reserve expense payments	2,198,544
Administrative expense payments	5,926,041
Financing expense payments	-
Total Disbursements	132,962,435
Net Ending Cash	\$ 63,133,919
Ending Cash	
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	5,874,172
2004A Financing Fund 39006	-
Total Ending Cash	\$ 63,133,919