



Statements of Net Position

February 29, 2024 & June 30, 2023

Transmittal 2

	<u>February 2024</u>	<u>June 2023</u>	
<u>Assets & Deferred Outflows of Resources</u>			
Current Assets:			
Restricted Cash & Cash Equivalents, & Investments	\$ 52,469,668	\$ 107,715,005	
Receivables	8,992,718	17,496,962	
Prepaid Expenses	531,429	2,294,731	
Total Current Assets	61,993,815	127,506,698	
Prepaid Bond Insurance Premiums, net	30,072,955	18,539,640	
Restricted Investments *	124,627,013	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	1,020,323,162	1,034,397,519	
Total Assets	1,678,553,923	1,694,431,229	
Deferred Outflows of Resources:			
Loss on Refunding	(4,171,083)	45,012,155	
Pension and OPEB Related Items	1,611,550	1,611,550	
Total Assets & Deferred Outflows of Resources	\$ 1,675,994,390	\$ 1,741,054,934	
<u>Liabilities, Deferred Inflows of Resources, & Net Position</u>			
Current Liabilities:			
Accounts Payable	\$ 3,434,185	\$ 6,784,529	
Unearned Revenue	3,927,865	4,425,838	
Accrued Interest Payable, Current Portion	20,650,564	12,550,134	
Revenue Bonds Payable, Current Portion	16,255,000	15,495,000	
Other Liabilities	559,290	628,447	
Total Current Liabilities	44,826,904	39,883,948	
Noncurrent Liabilities:			
Shortfall Advances Payable to Ports	13,599,974	13,115,138	
Net Pension Liability	2,304,499	2,304,499	
Accrued Interest Payable, Net of Current Portion	465,619,564	621,655,133	
Revenue Bonds Payable, Net of Current Portion & Unamortized Discount	1,781,400,257	1,649,289,843	
Total Noncurrent Liabilities	2,262,924,294	2,286,364,613	
Total Liabilities	\$ 2,307,751,198	\$ 2,326,248,561	
Deferred Inflows of Resources			
	346,107	346,107	
<u>Net Position</u>			
Net Investment in Capital Assets	-	-	
Restricted for Debt Service	124,923,871	119,498,555	
Restricted for Capital Projects	-	-	
Restricted by Master Trust Agreement	73,659,358	79,612,842	
Unrestricted	(830,686,144)	(784,651,131)	
Total Net Position	(632,102,915)	(585,539,734)	
Total Liabilities, Deferred Inflows of Resources, & Net Position	\$ 1,675,994,390	\$ 1,741,054,934	
<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>			
	February 2024	June 2023	FY2024 Decrease
Current	\$ 52,469,668	\$ 107,715,005	
Noncurrent	124,627,013	72,450,394	
	\$ 177,096,681	\$ 180,165,399	\$ (3,068,718)



Statement of Revenues, Expenses, & Changes in Net Position

For eight months ended February 29, 2024 & February 28, 2023

	<u>February 2024</u>	<u>February 2023</u>
Operating Revenues:		
Use Fees & Container Charges	\$ 73,195,763	\$ 66,677,160
Maintenance-of-Way Charges	5,738,873	5,075,324
Total Operating Revenues	<u>78,934,636</u>	<u>71,752,484</u>
Operating Expenses:		
Salaries & Benefits	1,774,508	1,499,577
Administrative Expenses	1,155,788	1,060,243
Professional Services	589,000	526,853
Maintenance-of-Way	9,515,030	8,600,660
Depreciation	14,074,357	14,074,357
Total Operating Expenses	<u>27,108,683</u>	<u>25,761,690</u>
Operating Income (Loss)	51,825,953	45,990,794
Nonoperating Revenues:		
Interest & Investment Revenue, Net	5,488,573	1,396,698
Public Benefit Income	301,660	77,415
Miscellaneous Revenue	773,012	440,792
Total Nonoperating Revenues	<u>6,563,245</u>	<u>1,914,905</u>
Nonoperating Expenses:		
Interest Expense	100,053,204	73,631,875
Expenses for Public Benefit & Pass Thru Expenses	1,334,546	357,897
Costs of Issuance	3,564,629	29,593,940
Gain/Loss Sale or Transfer of Capital Assets	-	-
Total Nonoperating Expenses, Net	<u>104,952,379</u>	<u>103,583,712</u>
Changes in Net Position	(46,563,181)	(55,678,014)
Net Position:		
Net Position, Beginning of Year	(585,539,734)	(524,018,290)
Net Position - End of Year	<u>\$ (632,102,915)</u>	<u>\$ (579,696,304)</u>



Comparison of Budget By Expense Type as of February 29, 2024

(\$ in thousands)	<u>Fiscal Year-to-Date</u>		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 58,111,918	\$ 73,195,763	\$ 15,083,845
Maintenance-of-Way Charges	9,773,771	5,738,873	(4,034,898)
Total Operating Revenues	<u>67,885,689</u>	<u>78,934,636</u>	<u>11,048,947</u>
Other Revenues			
Projects			
Pier Pass	40,000	40,000	-
EPA Order & Pass Thru Income	779,890	-	(779,890)
Subtotal Projects	<u>819,890</u>	<u>40,000</u>	<u>(779,890)</u>
Miscellaneous			
Public Benefit Income	1,995,233	301,660	(1,693,573)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	44,061	733,012	688,951
Investment Income	1,006,678	5,488,573	4,481,895
Subtotal Miscellaneous	<u>3,045,972</u>	<u>6,523,245</u>	<u>3,477,273</u>
Subtotal Other Revenues	<u>3,865,862</u>	<u>6,563,245</u>	<u>2,697,383</u>
Total Sources of Funds	<u>71,751,551</u>	<u>85,497,881</u>	<u>13,746,330</u>
Expenses			
Salaries	1,511,339 **	1,234,606	(276,733)
Benefits	693,839	539,902	(153,937)
Office Expenses	336,822	340,232	3,410
Other Management Expenses	69,267	14,571	(54,696)
Information Technologies	122,333	73,699	(48,634)
Bank & Investment	116,667	102,538	(14,129)
ACET Administrative & Capital Support	1,030,629	624,748	(405,881)
Audit	137,419	126,987	(10,432)
Legal	453,333	237,854	(215,479)
Governmental Affairs	56,667	59,821	3,154
Other Professional Services	1,281,081	164,338	(1,116,743)
Pass Thru Expenses & EPA Order	779,890	272,551	(507,339)
Expenses for Public Benefit	1,995,233	1,061,995	(933,238)
Total Administrative Expenses	<u>8,584,519</u>	<u>4,853,842</u>	<u>(3,730,677)</u>
Maintenance-of-Way Expenses-Rail - Contractors	7,696,454	3,171,711	(4,524,743)
Maintenance-of-Way Expenses-Rail - Capital	-	-	-
Maintenance-of-Way Expenses-Rail - Other	2,077,317	2,567,162	489,845
Maintenance-of-Way Expenses-Nonrail - Contractors	959,491	656,360	(303,131)
Maintenance-of-Way Expenses-Nonrail - Capital	4,141,027	2,823,583	(1,317,444)
Maintenance-of-Way Expenses-Nonrail - Other	176,551	198,235	21,684
Maintenance-of-Way Expenses - ACTA	127,266	97,979	(29,287)
Total Maintenance-of-Way Expenses	<u>15,178,106</u>	<u>9,515,030</u>	<u>(5,663,076)</u>
Subtotal Administrative and M&O Expenses	<u>23,762,625</u>	<u>14,368,872</u>	<u>(9,393,753)</u>
Financing Expenses			
Debt & Port Advance Interest/Bonds Premium Discount	35,407,613	36,231,602	823,989
Debt Service - Accrued CAB Interest	48,307,931	63,821,602	15,513,671
Subtotal Financing Expenses	<u>83,715,544</u>	<u>100,053,204</u>	<u>16,337,660</u>
Depreciation & Amortization Expenses			
Depreciation	13,990,109	14,074,357	84,248
Cost of Issuance	-	3,564,629	3,564,629
Subtotal Depreciation & Amortization Expenses	<u>13,990,109</u>	<u>17,638,986</u>	<u>3,648,877</u>
Total Operating Expenses	<u>121,468,278</u>	<u>132,061,062</u>	<u>10,592,784</u>
Income (Loss)	<u>\$ (49,716,727)</u>	<u>\$ (46,563,181)</u>	<u>\$ 3,153,546</u>

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

** Amended budget



Comparison of Budget By Funds as of February 29, 2024

(\$ in thousands)	Fiscal Year-to-Date		
	Budget*	Actuals	Variance
Revenues			
Operating Revenues			
Use Fees & Container Charges	\$ 58,111,918	\$ 73,195,763	\$ 15,083,845
Maintenance-of-Way Charges	9,773,771	5,738,873	(4,034,898)
Total Operating Revenues	67,885,689	78,934,636	11,048,947
Other Revenues			
Projects			
Pier Pass	40,000	40,000	-
EPA Order & Pass Thru Income	779,890	-	(779,890)
Subtotal Projects	819,890	40,000	(779,890)
Miscellaneous			
Public Benefit Income	1,995,233	301,660	(1,693,573)
Gain/Loss from Sale of Fixed Assets	-	-	-
Ports-Shortfall Advances	-	-	-
Office Rental & Other Income	44,061	733,012	688,951
Investment Income	1,006,678	5,488,573	4,481,895
Subtotal Miscellaneous	3,045,972	6,523,245	3,477,274
Subtotal Other Revenues	3,865,862	6,563,245	2,697,384
Total Sources of Funds	71,751,551	85,497,881	13,746,331
Expenses			
Financing Fees	913,461 **	339,584	(573,877)
Administrative Costs	4,895,935 **	3,179,712	(1,716,223)
Capital	-	-	-
Railroads-M&O	9,773,771	5,738,873	(4,034,898)
Reserve-M&O	5,277,069	3,678,178	(1,598,891)
Financing Fees-M&O	127,266	97,979	(29,287)
Revenue Fund-Interest & Bonds Premium/Discount	35,407,613	36,231,602	823,989
Expenses for Public Benefit	1,995,233	1,061,995	(933,238)
LAIF General Fund-Pass Thru & EPA	779,890	272,551	(507,339)
Total Expenses	59,170,238	50,600,474	(8,569,764)
Non Cash Expenses			
Accrued CAB Debt Service Interest	48,307,931	63,821,602	15,513,671
Depreciation	13,990,109	14,074,357	84,248
Cost of Issuance	-	3,564,629	3,564,629
Subtotal Interest, Depreciation, & Amortization Expenses	62,298,040	81,460,588	19,162,548
Total Operating Expenses	121,468,278	132,061,062	10,592,784
Income (Loss)	\$ (49,716,727)	\$ (46,563,181)	\$ 3,153,546

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

** Amended budget



Cash & Investment Summary as of February 29, 2024

Cash and Investment Balances (\$ in thousands)					
<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	527	527
Pre 1999 Bond Sale Accounts-Union Bank					
	5080	512	SR-47	4,577	4,650
Grant Reimbursement Received this Month \$7,186 Grant Reimbursement Received FY to Date \$2,098,955					
Local Agency Investment Fund (LAIF)					
	40-19-006	570	General Fund	10,097	10,097
1999, 2004 and 2016 Bond Funds - US Bank-Trustee					
Revenue Funds					
	1170	507	Revenue Fund	35,747	35,976
	1171	508	M & O Fund	7,215	7,253
	1172	509	Reserve Account	12,273	12,393
	1189	518	Administrative Costs	10,169	10,322
			Subtotal Revenue Funds	65,404	65,944
Debt Service Funds					
	61180	-	99A Interest	1	1
	61181	-	99A Principal	-	-
	61183	-	99A Redemption	-	-
	61192	-	99A Senior Lien	331	331
	61193	-	99A 17th Level	101	101
	61186	-	99A Construction	1	1
	61200	-	99C Interest Account	5,489	5,489
	61201	-	99C Principal Account	25,492	25,572
	38003	-	04B Debt Service Reserve	25,355	24,525
	39004	-	04A Debt Service Reserve	15,061	15,061
	38000	516	04B Debt Service	-	-
	39006	-	04A Financing fee	227	2,248
	39002	515	04A Debt Service Principal Account	-	-
	59001	-	12 Debt Service Interest Account	778	778
	59002	-	12 Debt Service Principal Account	4,432	4,432
	59004	516	12 Debt Service Reserve Account	7,843	7,506
	67001	-	13A Debt Service Interest Account	-	-
	67002	-	13A Debt Service Principal Account	-	-
	27000	-	16A Debt Service	14	14
	27004	-	16A Debt Service Reserve	3,710	3,569
	108006	-	16B- Financing fee	756	763
	108000	-	16B- Financing fee	26	26
	98000	-	2022 A - DS Fund	33	33
	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	65	65
	53001	-	2022 B - DS Reserve Fund	-	-
	53002	-	2022 B - Interest Account	5,180	5,180
	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	40	40
	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	-	-
	40002	-	2024 A - Interest Account	26	26
	40005	-	2024 A - COI Account	20	20
	28005	-	2024 C - COI Account	12	12
	90005	-	2024 D - COI Account	85	85
			Subtotal Debt Service Funds	95,078	95,878
			Total 1999, 2004, 2012, 2016, 2022 Bond Funds- U.S. Bank	160,482	161,822
Total Cash & Investment Balances				\$ 175,683	177,096



Cash & Investment Summary (cont'd)

as of February 29, 2024

Investment Schedule MTI and non-MTI (\$ 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	\$ 41,846	\$ 41,846	23.63%	20.00%
U.S. Government & Agency Obligations	63,699	63,568	35.89%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	53,199	52,746	29.78%	100.00%
Corporate Bonds	8,315	8,312	4.69%	30.00%
Bank of America	527	527	0.30%	20.00%
Local Agency Investment Fund	10,097	10,097	5.70%	\$40 Million
Total	\$ 177,683	\$ 177,096	100.00%	

Investment Schedule (MTI) (\$ 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	\$ 40,674	\$ 40,674	22.97%	20.00%
U.S. Government & Agency Obligations	58,781	58,615	33.10%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	47,497	46,968	26.52%	100.00%
Corporate Bonds	8,315	8,312	4.69%	30.00%
Bank of America	-	-	0.00%	20.00%
Local Agency Investment Fund	-	-	0.00%	\$40 Million
Total	\$ 155,267	\$ 154,569	87.28%	

Investment Schedule (non-MTI) (\$ 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	\$ 1,172	\$ 1,172	0.66%	20.00%
U.S. Government & Agency Obligations	4,918	4,953	2.80%	100.00%
Commercial Paper	-	-	0.00%	15.00%
U.S. Treasury Note	5,702	5,778	3.26%	100.00%
Corporate Bonds	-	-	0.00%	30.00%
Bank of America	527	527	0.30%	20.00%
Local Agency Investment Fund	10,097	10,097	5.70%	\$40 Million
Total	\$ 22,416	\$ 22,527	12.72%	



Cash Flow as of February 29, 2024

<u>Monthly Cash Flow</u>	
	<u>February 2024</u>
Total Beginning Cash	\$ 62,387,196
Receipts	
Use Fees & Container Charges	\$ 9,759,495
M&O & Misc. Revenues, & Funds Transfers	1,164,019
Total Receipts	<u>10,923,514</u>
Disbursements	
Debt Service - Transfer to Accounts	2,947,108
M&O, Administrative, & Financing Expenses	1,647,368
Total Disbursements	<u>4,594,476</u>
Cash Flow for Month	<u>\$ 6,329,038</u>
Total Ending Cash	<u><u>\$ 68,716,234</u></u>



Cash Flow as of February 29, 2024

<u>February 2024</u>	
Beginning Cash	
Master Indenture Revenue Fund 1170	28,920,873
Master Indenture M&O Fund 1171	6,710,541
Master Indenture Reserve Fund 1172	12,901,699
Admin Fund 1189	10,485,017
Financing Fee-Senior	332,950
Financing Fee-1st Sub	2,278,956
Financing Fee-2nd Sub	757,160
Total Beginning Cash	62,387,196
Receipts	
Use Fee & Container Charges	9,759,495
M&O	1,066,472
Funds Transferred from BOA to Admin Fund	-
Funds Transferred from BOA to Reserve Fund	-
Interest Income / Loss	97,547
Total Receipts	10,923,514
Total Cash	\$ 73,310,710
Disbursements	
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	887,449
Debt Service - transfer to 2024A Interest	25,934
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	586,303
M&O - Reserve expense payments	648,904
Administrative expense payments	350,887
Financing expense payments	61,274
Total Disbursements	4,594,476
Net Ending Cash	\$ 68,716,234
Ending Cash	
Master Indenture Revenue Fund 1170	35,746,663
Master Indenture M&O Fund 1171	7,214,985
Master Indenture Reserve Fund 1172	12,273,470
Admin Fund 1189	10,169,055
Financing Fee-Senior	330,272
Financing Fee-1st Sub	2,226,186
Financing Fee-2nd Sub	755,603
Total Ending Cash	\$ 68,716,234



Cash Flow – YTD as of February 29, 2024

<u>Cash Flow - Fiscal Year-to-Date</u>		
		<u>February 2024</u>
Total Beginning Cash as of 7/1/23		\$ 66,180,891
Receipts		
Use Fees & Container Charges	\$ 71,972,256	
M&O & Misc. Revenues, & Funds Transfers	29,013,365	
	<u>100,985,621</u>	
Total Receipts		100,985,621
Disbursements		
Debt Service - Transfer to Accounts	74,031,043	
M&O, Administrative, & Financing Expenses	24,419,235	
	<u>98,450,278</u>	
Total Disbursements		98,450,278
Cash Flow for Fiscal Year		<u>\$ 2,535,343</u>
Total Ending Cash		<u><u>\$ 68,716,234</u></u>



Cash Flow – YTD as of February 29, 2024

<u>February 2024</u>	
Beginning Cash as of 7/1/23	
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	-
Total Beginning Cash	66,180,891
Receipts	
Use Fee & Container Charges	71,972,256
M&O	12,712,507
Funds Transferred from BOA to Admin Fund	177,699
Funds Transferred from BOA to Reserve Fund	-
Annual Accounting - Transfer from Revenue Fund	14,324,673
Interest Income / Loss	1,798,486
Total Receipts	100,985,621
Total Cash	\$ 167,166,512
Disbursements	
Debt Service - transfer to 1999C Principal	11,559,130
Debt Service - transfer to 1999C Interest	6,304,980
Debt Service - transfer to 2012 Interest	1,266,117
Debt Service- transfer to 2012 Principal	6,802,083
Debt Service - transfer to 2022B Interest	8,197,906
Debt Service- transfer to 2024A Interest	25,934
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	6,574,565
M&O - Reserve expense payments	8,395,620
Administrative expense payments	9,116,393
Financing expense payments	332,657
Total Disbursements	98,450,278
Net Ending Cash	\$ 68,716,234
Ending Cash	
Master Indenture Revenue Fund 1170	35,746,663
Master Indenture M&O Fund 1171	7,214,985
Master Indenture Reserve Fund 1172	12,273,470
Admin Fund 1189	10,169,055
Financing Fee-Senior	330,272
Financing Fee-1st Sub	2,226,186
Financing Fee-2nd Sub	755,603
Total Ending Cash	\$ 68,716,234