

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 7-8, 2004

Reference No.: 5.1d
Information Item

From: ROBERT L. GARCIA
Chief Financial Officer

Prepared by: Maura F. Twomey
Chief, External Audits
Audits and Investigations

Ref: **EXECUTIVE SUMMARY – AUDITOR’S REPORT ON NCRA DISALLOWED COSTS**

SUMMARY:

The Department of Transportation’s (Department’s) Audits and Investigations (A&I) issued a report dated November 22, 2000, as a follow-up to the findings reported by the North Coast Railroad Authority’s (NCRA’s) Independent Auditor for the year ended 1996. A&I found that NCRA had not complied with federal regulations and had misused \$1,312,766 in federal Q-Funds. A recommendation was made by A&I that NCRA reimburse the Department for the misused funds and the Department, in turn, reimburse the Federal Highway Administration (FHWA) for the unallowable costs. Subsequent to issuance of the November 22, 2000 report, FHWA issued a Federal Ineligibility Notice (FIN) and the Department paid FHWA \$1,312,766 for the unallowable costs. The Department submitted an invoice to the NCRA to reimburse the State Highway Account (SHA) for repayment of the disallowed costs. Subsequent to issuance of this invoice, upon the California Transportation Commission’s (Commission) approval, an agreement was reached between NCRA and the Department to withdraw \$1,312,766 from the Q-Fund Trust Account to reimburse the SHA for repayment of the disallowed costs. (See attached Resolution G-03-04 dated January 23, 2003 and Resolution G-00-27 dated September 28, 2000 .)

BACKGROUND:

On May 24, 1995, the Golden Gate Bridge, Highway and Transportation District (Bridge District), the County of Marin, and NCRA entered into a joint powers agreement to jointly provide for the acquisition, maintenance, management, and operation of a rail line for future public transportation and freight use.

Under the terms of the agreement, all right of way acquisition costs were to be funded by state and federal monies, including an anticipated loan under the Highway Planning and Construction Revolving Fund Loan Program from the FHWA commonly referred to as the “Q-Fund” loan. The agreement further specified that NCRA would serve as exclusive guarantor for the

repayment of the Q-Fund loan to the FHWA and that if NCRA were approved as the guarantor by FHWA, NCRA would be a recipient of a portion of the County of Marin and the Bridge District eligibility for ISTEA Demonstration Funds in the amount of \$8.6 million.

On April 22, 1996, the FHWA authorized a \$12 million Q-Fund loan for the purpose of the right of way purchase in a federal aid project agreement between the Department and FHWA. The corresponding federal aid program supplement between the Department and NCRA authorized the Department to issue the Q-Funds warrant as payment for the purchase of Northwestern Pacific Railroad (NWPR) corridor right of way from the Southern Pacific Transportation Company (SP) in the name of Placer Title Company, escrow number 19050254. The program supplement also designated NCRA as guarantor of the Q-Fund loan due in 2013. The Department and NCRA executed an agreement that stipulated, in part, that NCRA establish a trust fund and make incremental payments to ensure repayment of the Q-Fund loan.

On April 30, 1996, the Placer Title Company Escrow Statement documents that the Q-Funds were transferred with other funding and used to purchase the NWPR right of way.

The purchase price of \$26,950,000 was determined by the Department's Right of Way Specialists to fall within the upper limit of the range of a fair and reasonable valuation.

NCRA's Single Audit Report for the year ended June 30, 1996, (which was finalized June 30, 2000) reported items of material noncompliance related to the Q-Fund. According to the Single Audit Report, the proceeds of the Q-Fund loan were used to acquire railroad right of way from the SP. The NCRA was indebted to the SP prior to the acquisition in the amount of \$777,962. Subsequent to the acquisition of the railroad right of way, this indebtedness was forgiven and SP paid cash in the amount of \$368,538 to NCRA. No written agreement could be found to support this forgiveness/payment. The Independent Auditor determined that \$1,146,500 "represents a reduction in the amount paid by NCRA for the right of way. As such, it should have been a credit to the eligible costs of the program." This finding was reported to the NCRA Board of Directors and to the Department. In addition, the Single Audit Report stated that pre-acquisition costs incurred by NCRA totaling \$166,266 were ineligible for Q-Fund use since the costs were incurred prior to the Federal authorization date.

To follow-up on the findings reported in the Single Audit Report for the year ended June 30, 1996, A&I reviewed the work papers of NCRA's Independent Auditor. The work papers identified a document titled "HRO Draft" dated April 17, 1996. This document listed NCRA's debt to SP, the amount necessary to reduce the debt to \$0.00, and the \$368,538 to be paid by SP to NCRA 10 days after the close of escrow on the NWPR purchase. The amounts reflected in this document are reported in the Single Audit Report. The work papers documented that the Independent Auditor confirmed the reduction in liabilities and receipt of cash in NCRA's accounting records subsequent to this transaction. In addition, the Independent Auditor was provided a schedule from NCRA that identified that \$166,266 in Q-Funds was used to pay for pre-acquisition expenses.

Based on a review of the Independent Auditor's work papers and inquiries of the Independent Auditor, NCRA and the Bridge District, A&I concluded that the findings related to the Q-Fund were supported and that \$1,312,766 (\$1,146,500 debt forgiveness and \$166,266 pre-acquisition) was ineligible for Federal reimbursement under the Q-Fund Program guidelines. Policies of the Q-Fund Program require all receipts or reductions of expenditures that offset or reduce expense items allowable under the Federal award must be credited to the award as a cost reduction or cash refund. A&I provided NCRA an opportunity to respond and provide documentation that the unallowable amounts totaling \$1,312,766 were properly credited to the award. NCRA could not provide documentation to support that the Q-Fund award was credited for these transactions.

A Federal Ineligibility Notice (FIN) was subsequently issued by FHWA to the Department for the ineligible Q-Fund transactions. The Department reimbursed FHWA and submitted an invoice to NCRA for repayment of the ineligible amount of \$1,312,766. Upon receipt of this invoice, NCRA requested authority and received approval from the Commission to withdraw \$1,312,766 from the Q-Fund Trust Account to reimburse the Department. In the event NCRA finds the documentation that shows the \$1,312,766 should properly be credited to the award, it must now resolve the issue with FHWA not the Department. Further, NCRA must identify the amount needed in interest and/or other funding to fulfill its remaining obligation to retire the Q-Fund Loan. If the interest is insufficient to meet the remaining obligation, NCRA must make quarterly deposits to ensure that the \$12,000,000 less the \$1,321,766 is met by September 30, 2013.

Attachments

CALIFORNIA TRANSPORTATION COMMISSION
Traffic Congestion Relief Program
NCRA Withdrawal of \$1,312,766 from Q-Fund for Debt Repayment

RESOLUTION G-03-04, Amending Resolution G-00-27

- 1.1 WHEREAS the Traffic Congestion Relief Act of 2000 (herein after referred to as "statute"), which was established by Chapters 91 (AB 2928) and 656 (SB 1662) of the Statutes of 2000, establishes the Traffic Congestion Relief Program, providing \$5.39 billion for projects throughout the State of California to reduce traffic congestion, provide for safe and efficient movement of goods, and provide system connectivity; and
- 1.2 WHEREAS in accordance with Government Code Section 14556.11 the California Transportation Commission (Commission) has adopted guidelines, in consultation with the Department of Transportation (Department) and regional agencies, to implement the Traffic Congestion Relief Program (TCRP); and
- 1.3 WHEREAS the statute and guidelines require applicants to specify full and complete project applications, including scope, cost and schedule, financial plans and funding sources; and
- 1.4 WHEREAS in 1996, the North Coast Railroad Authority (NCRA) obligated \$12 million from the Federal Highway Administration (FHWA) under the Highway Planning and Construction Revolving Fund Loan Program (Q-fund) to acquire portions of the Northwestern Pacific Railroad right of way and station sites; and
- 1.5 WHEREAS on September 28, 2000, the Commission passed Resolution TA-00-01 approving TCRP Sub-project #32.8 - North Coast Railroad; Sub-paragraph (h) fund repayment of federal loan obligations, for \$5,500,000 to the North Coast Railroad Authority (NCRA); and
- 1.6 WHEREAS the Executive Directors of the NCRA and the Commission, on behalf of their respective agencies, signed a Memorandum of Understanding (MOU), under Resolution G-00-27, whereby the NCRA would establish the Q-Fund Trust Account in the Local Agency Investment Fund to retire NCRA's Federal Q-fund loan; and
- 1.7 WHEREAS the \$5,500,000 in TCRP funds were deposited in an interest bearing account, along with \$810,550 in Transit Capital Improvement Program funds and \$90,000 in NCRA property revenue funds, to generate funds to retire the Q-fund loan obligation; and
- 1.8 WHEREAS the MOU established under Resolution G-00-27 stipulates that funds withdrawn from the Q-fund account may only be used by NCRA as directed by the Commission; and
- 1.9 WHEREAS in the NCRA single year audit report for 1996, the independent auditor determined the NCRA received \$1,312,766 for costs that were ineligible for the reimbursement under Federal program guidelines; and

- 1.10 WHEREAS the Department Audits staff concurred with the findings of the independent auditor and initiated an accounts receivable in May 2001, and
 - 1.11 WHEREAS the Department has responsibility for ensuring repayment of ineligible costs to the FHWA as soon as the discrepancies are confirmed and has since repaid the FHWA through a reduction in Federal recoveries, bringing the Q-fund obligation down to \$10,687,234 due to the FHWA by September 30, 2013; and
 - 1.12 WHEREAS the reduced Federal recoveries has resulted in a lower State Highway Account (SHA) balance; and
 - 1.13 WHEREAS in January 2002, the Department submitted an invoice to the NCRA for reimbursement to the SHA of \$1,312,766 in disallowable costs; and
 - 1.14 WHEREAS the NCRA is requesting to withdraw \$1,312,766 from the Q-fund Trust Account to reimburse the SHA for repayment to the FHWA for NCRA costs that were ineligible for reimbursement under Federal program guidelines; and
 - 1.15 WHEREAS the NCRA acknowledges that the Q-fund Trust Account may run short of monies needed to repay the Q-fund loan in 2013; and
 - 1.16 WHEREAS the NCRA will formally address the status of the projected Q-fund balance through 2013 on an annual basis through NCRA's single year audit process.
- 2.1 NOW THEREFORE BE IT RESOLVED the Commission does hereby approve the withdrawal of \$1,312,766 from the Q-fund Trust Account in the Local Agency Investment Fund to repay the Department for its repayment to the FHWA for NCRA costs that were ineligible for reimbursement under Federal program guidelines; and
 - 2.2 BE IT FURTHER RESOLVED that if the Department is required to make any additional early partial or total repayments to the FHWA due to provisions for use of the Federal Right-of-Way Revolving Funds (Q-Fund Loan), NCRA agrees to reimburse the Department that same amount; and
 - 2.3 BE IT FURTHER RESOLVED as stipulated in Resolution G-00-27, the Commission expects NCRA to work with local and regional agencies, such as the Sonoma Marin Area Rail Transit Commission (now referred to as the Sonoma Marin Area Rail Transit District per Assembly Bill 2224 (Nation), Statutes of 2002), to ensure that the Q-fund loan is retired should subsequent activity by the local and regional agencies and/or NCRA triggers a request by the federal government for a partial or total repayment of the loan before September 30, 2013; and
 - 2.4 BE IT FURTHER RESOLVED as stipulated in Resolution G-00-27, the Department must have authorization from the Commission and authorization from the NCRA before disbursing funds from the Q-fund Trust Account. Signatories on the disbursement check shall be the Commission's Executive Director and the NCRA's Executive Director; and
 - 2.5 BE IT FURTHER RESOLVED as stipulated in Resolution G-00-27, the NCRA shall provide a quarterly report to the Department regarding deposits to, withdrawals from, balances of, and performance (rate of return) of the Q-fund Trust Account, as well as actions taken by NCRA to adhere to a payment schedule; and
 - 2.6 BE IT FURTHER RESOLVED as stipulated in Resolution G-00-27, the Department shall provide a quarterly report to the Commission regarding deposits to, withdrawals from, balances of, and performance (rate of return) of the Q-fund Trust Account, as well as actions taken by NCRA to adhere to a payment schedule.

Q-Fund Principal and Interest -- Projected Revenues by September 30, 2013

DATE	BEGIN BALANCE	CONTRIBUTIONS	INTEREST	END BALANCE	% RATE	NOTES
4/1/2001		0	0	0		
7/1/2001		0	0	0		
8/1/2001		0	0	0		
10/1/2001	6,401,000	0	46,084	6,447,084	4.47	* Initial Deposit of \$6,401,000
1/1/2002	6,447,084	0	57,142	6,504,226	3.52	*
4/1/2002	6,504,226	0	47,362	6,551,588	2.96	*
7/1/2002	6,551,588	0	44,819	6,596,407	2.75	*
10/1/2002	6,596,407	0	43,647	6,640,054	2.63	*
1/1/2003	6,640,054	-1,312,766	86,605	5,413,893	5.22	** Withdraw \$1,312,766 to repay SHA
4/1/2003	5,413,893	0	70,612	5,484,505	5.22	**
7/1/2003	5,484,505	0	71,533	5,556,038	5.22	**
10/1/2003	5,556,038	0	72,466	5,628,504	5.22	**
1/1/2004	5,628,504	0	73,411	5,701,915	5.22	**
4/1/2004	5,701,915	0	74,369	5,776,283	5.22	**
7/1/2004	5,776,283	0	75,339	5,851,622	5.22	**
10/1/2004	5,851,622	0	76,321	5,927,943	5.22	**
1/1/2005	5,927,943	0	77,317	6,005,260	5.22	**
4/1/2005	6,005,260	0	78,325	6,083,585	5.22	**
7/1/2005	6,083,585	0	79,347	6,162,932	5.22	**
10/1/2005	6,162,932	0	80,382	6,243,313	5.22	**
1/1/2006	6,243,313	0	81,430	6,324,743	5.22	**
4/1/2006	6,324,743	0	82,492	6,407,235	5.22	**
7/1/2006	6,407,235	0	83,568	6,490,803	5.22	**
10/1/2006	6,490,803	0	84,658	6,575,461	5.22	**
1/1/2007	6,575,461	0	85,762	6,661,223	5.22	**
4/1/2007	6,661,223	0	86,881	6,748,104	5.22	**
7/1/2007	6,748,104	0	88,014	6,836,118	5.22	**
10/1/2007	6,836,118	0	89,162	6,925,280	5.22	**
1/1/2008	6,925,280	0	90,325	7,015,604	5.22	**
4/1/2008	7,015,604	0	91,503	7,107,107	5.22	**
7/1/2008	7,107,107	0	92,696	7,199,803	5.22	**
10/1/2008	7,199,803	0	93,905	7,293,709	5.22	**
1/1/2009	7,293,709	0	95,130	7,388,839	5.22	**
4/1/2009	7,388,839	0	96,371	7,485,209	5.22	**
7/1/2009	7,485,209	0	97,628	7,582,837	5.22	**
10/1/2009	7,582,837	0	98,901	7,681,738	5.22	**
1/1/2010	7,681,738	0	100,191	7,781,929	5.22	**
4/1/2010	7,781,929	0	101,498	7,883,427	5.22	**
7/1/2010	7,883,427	0	102,822	7,986,248	5.22	**
10/1/2010	7,986,248	0	104,163	8,090,411	5.22	**
1/1/2011	8,090,411	0	105,521	8,195,932	5.22	**
4/1/2011	8,195,932	0	106,897	8,302,830	5.22	**
7/1/2011	8,302,830	0	108,292	8,411,122	5.22	**
10/1/2011	8,411,122	0	109,704	8,520,826	5.22	**
1/1/2012	8,520,826	0	111,135	8,631,961	5.22	**
4/1/2012	8,631,961	0	112,585	8,744,545	5.22	**
7/1/2012	8,744,545	0	114,053	8,858,598	5.22	**
10/1/2012	8,858,598	0	115,540	8,974,139	5.22	**
1/1/2013	8,974,139	0	117,047	9,091,186	5.22	**
4/1/2013	9,091,186	0	118,574	9,209,760	5.22	**
7/1/2013	9,209,760	0	120,121	9,329,881	5.22	**
9/30/2013	9,329,881					

\$	12,000,000	Original loan amount	* Actual quarterly yield
\$	(1,312,766)	Early repayment	** Rate based on average actual rates for last 10 years (1991-2001)
\$	10,687,234	Amount due in 2013	
\$	9,329,881	2013 Q-Fund Trust Account balance	
\$	1,357,353	Additional payment due	

CALIFORNIA TRANSPORTATION COMMISSION

Memorandum Of Understanding
Between The
California Transportation Commission
And The
North Coast Railroad Authority (NCRA)
Establishing A Trust Account
To Retire NCRA's Federal Q-Fund Loan
By September 30, 2013



Resolution G-00-27

- 1.1 WHEREAS, this Memorandum of Understanding (MOU) is entered into between the California Transportation Commission (Commission) and the North Coast Railroad Authority (NCRA) to ensure that the NCRA retires a \$12 million federal loan made to the NCRA, which in conjunction with other funds was used to acquire approximately 140 miles of rail right-of-way between Willits—Healdsburg—Novato—Lombard; and
- 1.2 WHEREAS, the Intermodal Surface Transportation Efficiency Act of 1991, as amended, contains provisions establishing a revolving account for acquisition of rights-of-way for highway and rail transit purposes; and
- 1.3 WHEREAS, \$12,000,000 is available as a zero-interest loan from the Federal Highway Administration (FHWA) Right-of-Way Revolving Fund; and
- 1.4 WHEREAS, the Commission approved at its February 7, 1996 meeting NCRA's plan for repayment in full of the Q-Fund Loan by September 30, 2013.
- 1.5 WHEREAS, on April 22, 1996, the California Department of Transportation (Caltrans) entered into a Federal-Aid Project agreement with FHWA, allowing the NCRA to receive \$12,000,000 in federal aid from the FHWA Right-of-way Revolving Fund, hereafter referred to as the Q-Fund Loan; and
- 1.6 WHEREAS, Caltrans and NCRA signed and executed on April 24, 1996 an Agreement (Program Supplement No. M001) which stipulated, in part, the following:
 - The \$12,000,000 from the Q-fund shall be used by NCRA and the Northwestern Pacific Railroad Authority to purchase sections of the Northwestern Pacific Railroad corridor right-of-way beginning at Willits, south to Ignacio, and inland to Lombard.
 - The Q-Fund Loan shall be repaid in its entirety in a single lump sum to the State no later than September 30, 2013.
 - The NCRA shall establish a trust fund and make incremental payments to ensure repayment of the Q-Fund Loan.

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- 1.7 WHEREAS, NCRA was unable to establish and maintain its repayment plan; and
- 1.8 WHEREAS, AB 2928 (Torlakson, 2000) provides \$60,000,000 to NCRA for specified purposes, including \$5,500,000 to fund, in part, repayment of NCRA's federal loan obligations; and
- 1.9 WHEREAS, NCRA desires to establish a Trust Account with the State to rectify NCRA's previous inability to establish on its own a trust account or deposit funds in accordance with their own Resolution 96-4; and
- 1.10 WHEREAS, the Commission recognizes, based on current interest rates, that the initial principal of \$6,400,550, to be placed into the state-managed trust account, is projected to generate more than the needed \$12,000,000 by September 30, 2013; and
- 1.11 WHEREAS, the Commission also recognizes that the Pooled Money Investment Account (PMIA) interest rates may change over the next 12 years and is taking a prudent conservative course of action to ensure in the early years that sufficient funds are available to achieve the \$12,000,000 goal by September 30, 2013; and
- 1.12 WHEREAS, the NCRA Board of Directors acted at its August 2000 meeting to approve submittal of an application for \$5,500,000 in Traffic Congestion Relief Act funds to be used for meeting NCRA's federal loan obligations.
- 1.13 WHEREAS, the Commission acted on September 30, 2000 to approve NCRA's application for \$5,500,000 in Traffic Congestion Relief Act funds to be used for meeting NCRA's federal loan obligations.
- 2.1 NOW, THEREFORE, BE IT RESOLVED, that this MOU between the Commission and NCRA establishes a State-managed trust account and that the \$12,000,000 resulting from the principal and interest in this trust account be used by NCRA to repay its federal loan obligations via the State of California (Caltrans); and
- 2.2 BE IT FURTHER RESOLVED, that NCRA shall:
 - establish a Q-Fund Trust Account, hereafter referred to as the TRUST ACCOUNT, with the State Treasurer's Office. Said TRUST ACCOUNT shall earn interest at the Pooled Money Investment Account (PMIA) Rate. The TRUST ACCOUNT shall be established within 90 days after this Agreement is executed and remain in effect until September 30, 2013 or until the Q-Fund Loan is repaid, whichever occurs first.
 - provide reports quarterly to Caltrans regarding deposits to, withdrawals from, balances of, and performance (rate of return) of the TRUST ACCOUNT, as well as actions taken by NCRA to adhere to a payment schedule, should one be established.
- 2.3 BE IT FURTHER RESOLVED, that the Commission directs Caltrans:
 - As the Commission's grants administrator to assist NCRA in establishing a Q-Fund Trust Account.
 - To place in the TRUST ACCOUNT \$5,500,000 allocated to NCRA from a Commission-approved application for AB 2928 Traffic Congestion Relief Funds, as well as \$810,550 in previously allocated Transit Capital Improvement Funds in the amounts of \$376,930 for Fiscal Year (FY) 1995/96, \$86,620 for FY 1996/97 and \$347,000 for FY 1998/99.

- To place in the TRUST ACCOUNT \$90,000 from NCRA, which NCRA had received as a property settlement from Caltrans as part of the Cloverdale Bypass project; and

2.4 BE IT FURTHER RESOLVED, that the Commission shall review periodically with NCRA the amount of funding needed to achieve the \$12,000,000 goal:

- Should projections indicate that more funding is required, the Commission shall establish a payment schedule for NCRA to keep or bring the TRUST ACCOUNT up to the level necessary to meet the \$12,000,000 goal by September 30, 2013.
- Should projections indicate that the TRUST ACCOUNT is sufficiently funded to achieve the \$12,000,000 goal by 2013 and that surplus revenue may be generated, NCRA may request by resolution that funds not needed to generate the projected \$12,000,000 by 2013 be withdrawn and used for purposes determined by the Commission. The Commission will consider NCRA's request and determine how much of the funds, if any, may prudently be withdrawn.
- Should funds be withdrawn from the TRUST ACCOUNT, the following priority will be used: 1) principal from the Cloverdale Bypass property settlement funds, and 2) principal from the Transit Capital Improvement Program funds. (The \$5,500,000 in Traffic Congestion Relief funds is designated in AB 2928 to repay NCRA's federal loan obligations. Legislative action would be needed to change the use of these funds before the Commission could consider re-directing them.)
- Funds withdrawn from the TRUST ACCOUNT may only be used by NCRA as directed by the Commission.

2.5 BE IT FURTHER RESOLVED, that NCRA agrees to:

- Deposit of \$6,400,550 to the TRUST ACCOUNT after the execution of this MOU and within 30 days after the establishment of the TRUST ACCOUNT:
 - \$5,500,000 in Traffic Congestion Relief Funds as allocated by the Commission to NCRA.
 - \$810,550 in Transit Capital Improvement Program Funds as previously allocated by the Commission (\$376,930 for Fiscal Year (FY) 1995/96, \$86,620 for FY 1996/97 and \$347,000 for FY 1998/99).
 - \$90,000 from the Cloverdale Bypass property settlement with Caltrans.
- Make quarterly deposits, should they be required of NCRA by the Commission under Provision 2.4, to ensure that the \$12,000,000 goal is achieved by September 30, 2013. The quarterly deposits shall be due on the last calendar day in January, April, July and October. NCRA shall be considered to be in default if it is 6 months past due with a scheduled payment. NCRA's default will result in the suspension of further state or federal funding until such time NCRA makes deposits to bring the account current.

2.6 BE IT FURTHER RESOLVED, that Caltrans provide reports quarterly to the Commission regarding deposits to, withdrawals from, balances of, and performance (rate of return) of the TRUST ACCOUNT, as well as actions taken by NCRA to adhere to a payment schedule, should one be established.

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- 2.7 BE IT FURTHER RESOLVED, that Caltrans must have authorization from the Commission and authorization, by resolution, from the NCRA before disbursing funds from the TRUST ACCOUNT. Signatories on the disbursement check shall be the Commission's Executive Director and the NCRA's Executive Director.
- 2.8 BE IT FURTHER RESOLVED, that the Commission expects NCRA to work with local and regional agencies, such as SMART (Sonoma Marin Area Rail Transit Commission), to ensure that the Q fund loan is retired should subsequent activity by the local and regional agencies and/or NCRA triggers a request by the federal government for a partial or total repayment of the loan before September 30, 2013.

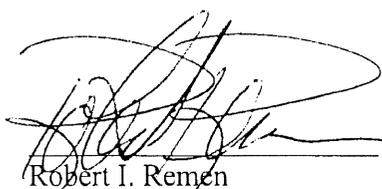
Executed for NCRA:

Executed for COMMISSION:



Max Bridges
Executive Director
North Coast Railroad Authority

5-16-01
Date



Robert I. Remen
Executive Director
California Transportation Commission

5-23-01
Date

Q-Fund Principal and Interest -- Projected Revenues by September 30, 2013

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DATE	AMOUNT	CONTRIBUTIONS	INTEREST	REVENUES	INTEREST RATE
10/01/2000	6,400,550	0	95,784	6,496,334	5.986
01/01/2001	6,496,334	0	97,218	6,593,552	
04/01/2001	6,593,552	0	98,673	6,692,224	
07/01/2001	6,692,224	0	100,149	6,792,374	
10/01/2001	6,792,374	0	101,648	6,894,021	
01/01/2002	6,894,021	0	103,169	6,997,190	
04/01/2002	6,997,190	0	104,713	7,101,903	
07/01/2002	7,101,903	0	106,280	7,208,183	
10/01/2002	7,208,183	0	107,870	7,316,054	
01/01/2003	7,316,054	0	109,485	7,425,539	
04/01/2003	7,425,539	0	111,123	7,536,662	
07/01/2003	7,536,662	0	112,786	7,649,448	
10/01/2003	7,649,448	0	114,474	7,763,922	
01/01/2004	7,763,922	0	116,187	7,880,109	
04/01/2004	7,880,109	0	117,926	7,998,035	
07/01/2004	7,998,035	0	119,691	8,117,725	
10/01/2004	8,117,725	0	121,482	8,239,207	
01/01/2005	8,239,207	0	123,300	8,362,507	
04/01/2005	8,362,507	0	125,145	8,487,652	
07/01/2005	8,487,652	0	127,018	8,614,670	
10/01/2005	8,614,670	0	128,919	8,743,588	
01/01/2006	8,743,588	0	130,848	8,874,436	
04/01/2006	8,874,436	0	132,806	9,007,242	
07/01/2006	9,007,242	0	134,793	9,142,035	
10/01/2006	9,142,035	0	136,811	9,278,846	
01/01/2007	9,278,846	0	138,858	9,417,704	
04/01/2007	9,417,704	0	140,936	9,558,640	
07/01/2007	9,558,640	0	143,045	9,701,685	
10/01/2007	9,701,685	0	145,186	9,846,870	
01/01/2008	9,846,870	0	147,358	9,994,229	
04/01/2008	9,994,229	0	149,564	10,143,792	
07/01/2008	10,143,792	0	151,802	10,295,594	
10/01/2008	10,295,594	0	154,074	10,449,668	
01/01/2009	10,449,668	0	156,379	10,606,047	
04/01/2009	10,606,047	0	158,719	10,764,767	
07/01/2009	10,764,767	0	161,095	10,925,861	
10/01/2009	10,925,861	0	163,506	11,089,367	
01/01/2010	11,089,367	0	165,952	11,255,319	
04/01/2010	11,255,319	0	168,436	11,423,755	
07/01/2010	11,423,755	0	170,956	11,594,712	
10/01/2010	11,594,712	0	173,515	11,768,226	
01/01/2011	11,768,226	0	176,112	11,944,338	
04/01/2011	11,944,338	0	178,747	12,123,085	
07/01/2011	12,123,085	0	181,422	12,304,507	
10/01/2011	12,304,507	0	184,137	12,488,644	
01/01/2012	12,488,644	0	186,893	12,675,536	
04/01/2012	12,675,536	0	189,689	12,865,226	
07/01/2012	12,865,226	0	192,528	13,057,754	
10/01/2012	13,057,754	0	195,409	13,253,163	
01/01/2013	13,253,163	0	198,334	13,451,497	