

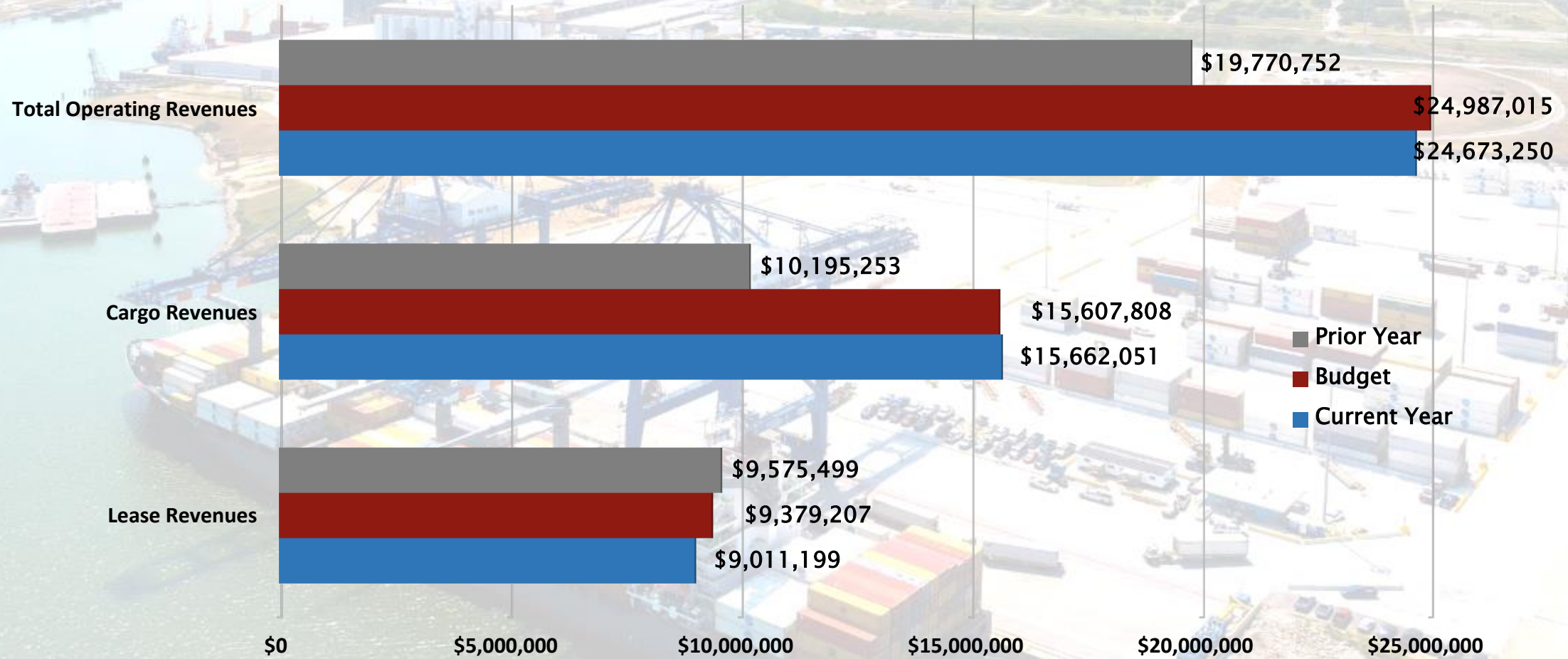


Financial Report for May 2020

June 25, 2020

Rob Lowe | Chief Financial Officer

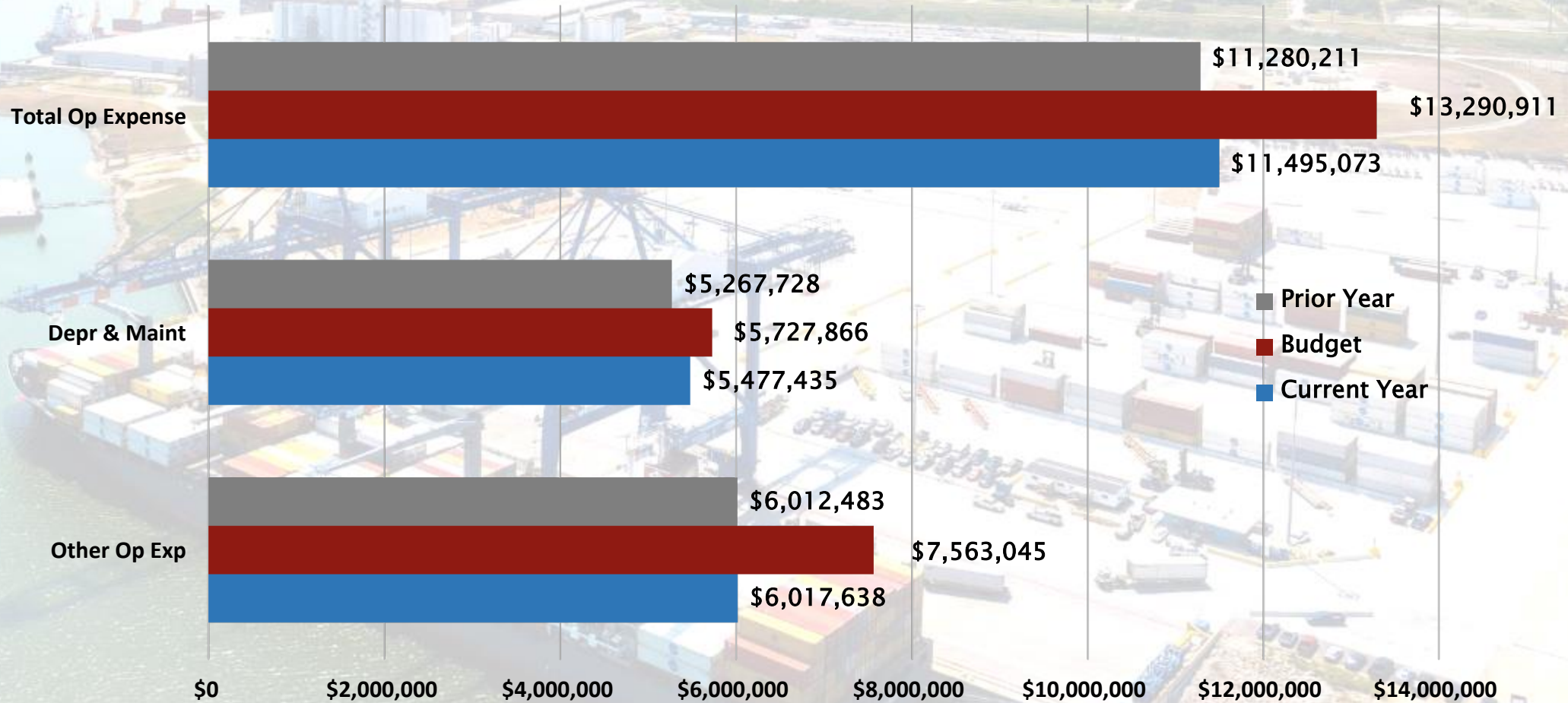
FY 2020 YTD OPERATING REVENUES



COMPARISON:

- Operating revenues are up over PY 25%, below budget by 1%
- Cargo revenues exceed PY by 54%; slightly above budget
- As compared to budget, cargo volumes are down with the exception of ro-ro and project cargo
- Lease revenues are slightly below PY by 6% and budget 4%

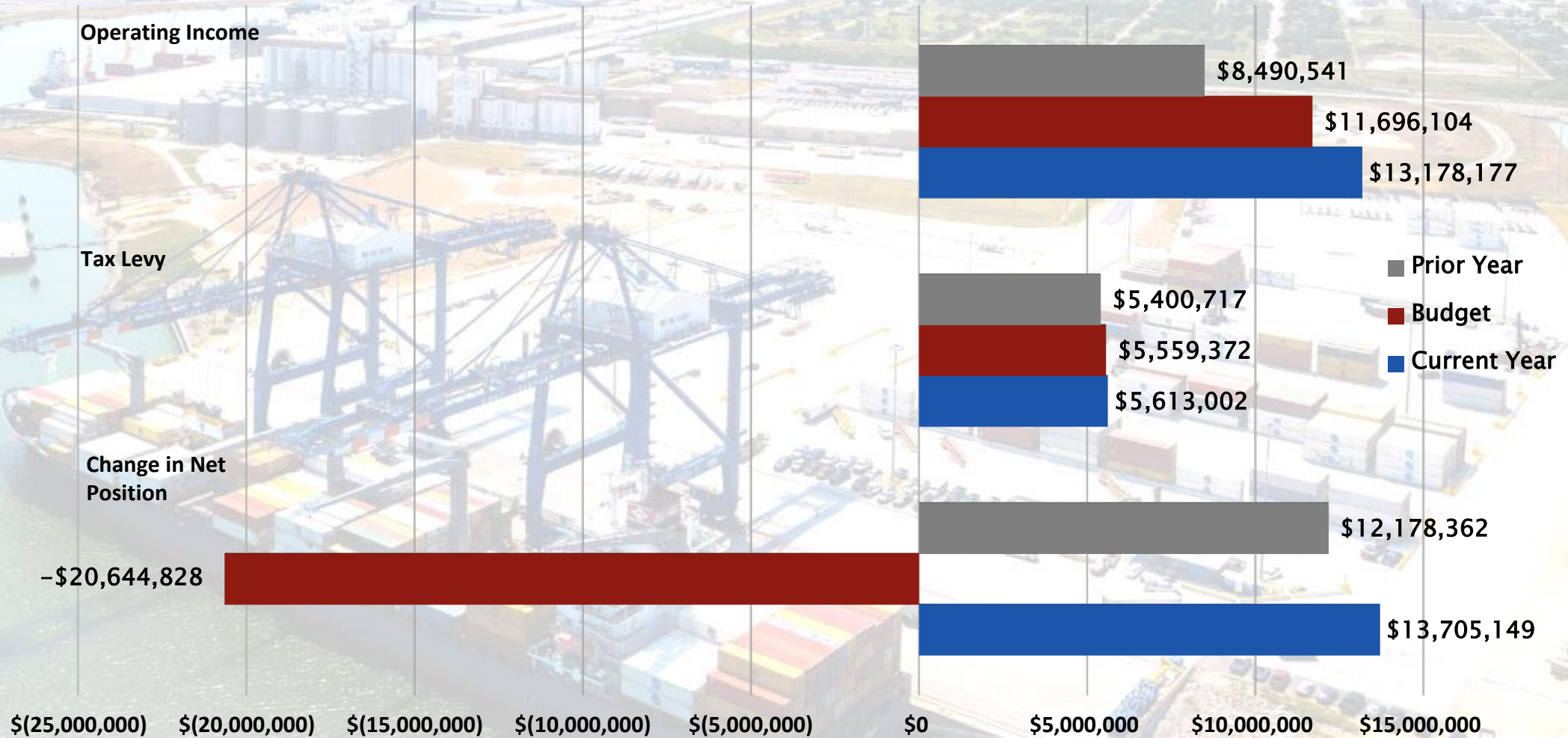
FY 2020 YTD OPERATING EXPENSE



COMPARISON:

- Total operating expenses are 2% above the PY and less than budget by 14%
- Depr & maint are up over the PY by 4%, below budget 4%
- Other expenses are slightly above PY and below budget by 20%

FY 2020 YTD OPERATING INCOME



COMPARISON:

- Operating income is 55% above PY and above budget by 13%
- Change in Net Position-see next slide for further explanation

FY 2020 YTD CHANGE IN NET POSITION

Change in Net Position

- Non Operating Revenue (Expense) includes Ad Valorum Taxes, Investment Income, Debt Service and Gain (Loss) on Sale of Assets
- Drivers for comparison to budget are primarily timing of capital contribution projects.

| | Year To Date | YTD Budget | Total 2020 Budget |
|--|----------------|-----------------|-------------------|
| Operating Income | \$ 13,178,177 | \$ 11,696,104 | \$ 15,926,700 |
| Non-Operating Revenue (Expenses) | \$ 2,417,305 | \$ 1,810,970 | \$ (298,900) |
| Capital Contributed (To) From Others | | | |
| Freeport Harbor Channel Improvement Project | \$ (1,648,715) | \$ (12,000,000) | \$ (18,845,800) |
| Berth 2 Floodwall Modifications | \$ (56,402) | \$ (500,000) | \$ (500,000) |
| Brazoria-Fort Bend Rail District | \$ - | \$ (75,000) | \$ (75,000) |
| Levee Stabilization - Reach 2 | \$ (185,676) | \$ (21,950,000) | \$ (29,500,000) |
| Berth 8 Dredging | \$ - | \$ - | \$ (8,000,000) |
| Grants | \$ 460 | \$ 373,100 | \$ 373,100 |
| | | | |
| Change In Net Position | \$ 13,705,149 | \$ (20,644,826) | \$ (40,919,900) |

FY 2020 YTD CASH FLOWS

| <i>Cash Flow Measure</i> | <i>Current Year</i> | <i>Prior Year</i> |
|--|---------------------|----------------------|
| <i>Cash Provided by Operations</i> | \$14,005,221 | \$ 10,910,967 |
| <i>Cash Provided by Non-Cap Financing</i> | 4,764,970 | 4,545,190 |
| <i>Cash Used by Cap Financing</i> | 50,670,832 | (18,228,138) |
| <i>Cash Provided by Investing Activities</i> | 1,885,162 | 1,173,068 |
| <i>Net Increase (Decrease) in Cash</i> | \$71,326,185 | \$(1,598,913) |

COMPARISON:

- Operating cash flow is positive due to increase in operating revenues
- Cash provided from non cap financing are tax levy collections
- Capital Financing is 2019 Revenue Bond proceeds less capital improvements.

FY 2020 STATISTICS

| <i>Measure</i> | <i>Current Year</i> | <i>Prior Year</i> | <i>Budget</i> |
|-------------------------------------|---------------------|-------------------|---------------|
| <i>Operating Margin</i> | 53% | 43% | 47% |
| <i>Current Ratio (unrestricted)</i> | 8.8 to 1 | 6.4 to 1 | n/a |
| <i>Debt to Net Assets Ratio</i> | 0.86 to 1 | 0.44 to 1 | n/a |

ACCOUNTS RECEIVABLE AGING

| <i>Year</i> | <i>0-30 days</i> | <i>31-60 days</i> | <i>61-90 days</i> | <i>Over 90 days</i> |
|---------------------------------|----------------------------------|--------------------------------|--------------------------------|------------------------------|
| <i>May 31, 2020 FY 2020</i> | 69% \$1,879,603 | 25% \$667,334 | 4% \$99,013 | 2% \$56,224 |
| <i>May 31, 2019 FY 2019</i> | 66% \$1,095,681 | 23% \$395,370 | 11% \$191,635 | 0% \$3,838 |
| <i>May 31, 2018 FY 2018</i> | 83% \$1,145,324 | 13% \$179,479 | 0% \$0 | 4% \$50,260 |