



FINANCIAL REVIEW

YEAR TO DATE JUNE 30, 2021

Kent A. Britton | Chief Financial Officer



PORT CORPUS CHRISTI®

August 9, 2021 Audit Committee

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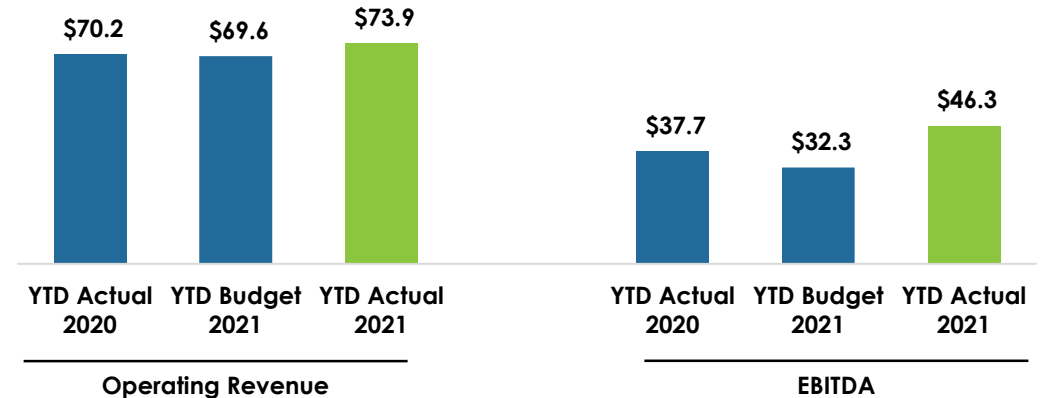
EXECUTIVE SUMMARY

Key Year to Date Highlights

- YTD Tonnage up 5% from the prior year, and ahead of budget.
- YTD EBITDA exceeds Budget (up 43%) and ahead same period Prior Year (up 23%).
 - Revenue 6% ahead of Budget, and 5% of 2020.
 - Operating Expenses, excluding depreciation lower than budget (26%) and 15% lower than prior year due to lower maintenance, professional services and employee costs.
- 2021 Inbound rail car movements are significantly ahead of 2020, while outbounds are below 2020 – overall increase.
- 2021 Capital Spending in the first half above budget and prior year due to Land Acquisition.

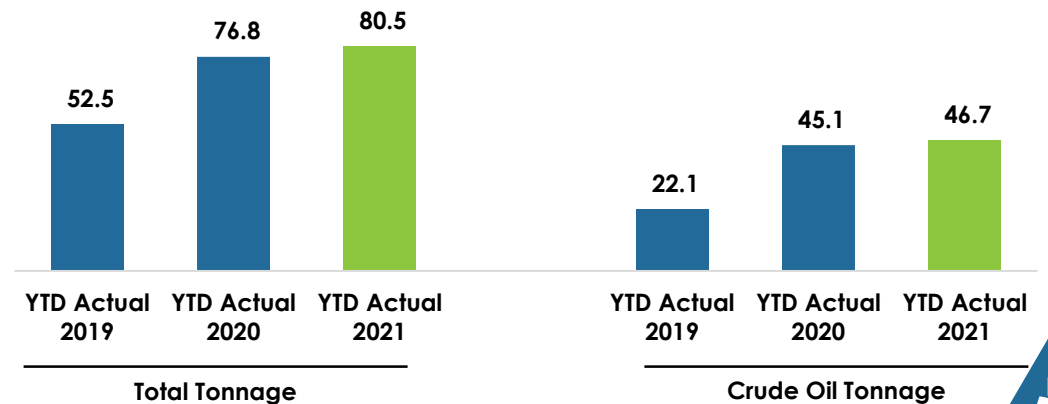
Year-to-Date Operating Revenue and EBITDA*

\$ in millions



Year-to-Date Tonnage

Millions of tons



* EBITDA equals operating revenues less operating expenses (excluding depreciation)

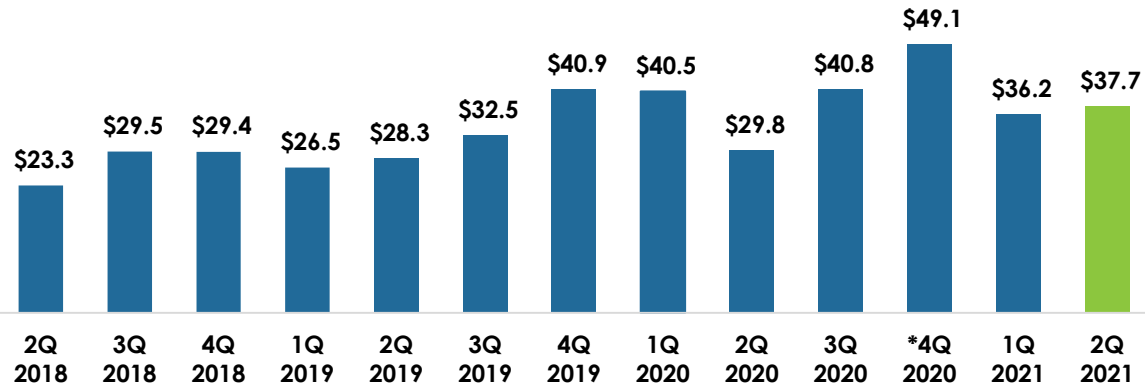


KEY HISTORICAL TRENDS

Operating Revenue

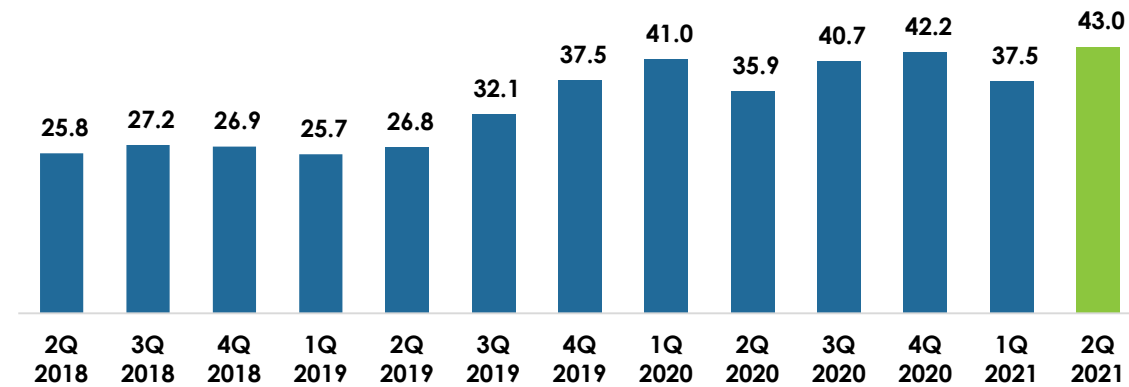
\$ in millions

*Q4 2020 Op Rev includes a one-time benefit of \$13.8M for cost sharing on dredging GCGV



Total Tonnage

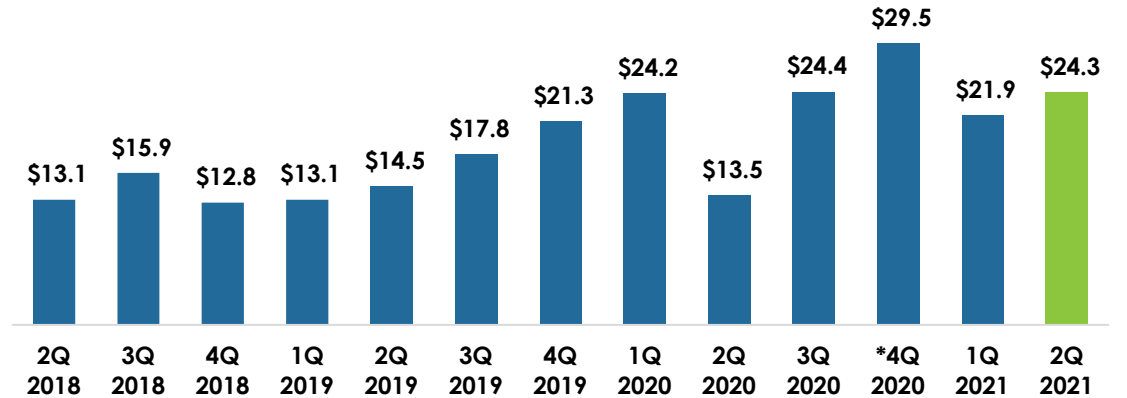
Millions of tons



EBITDA*

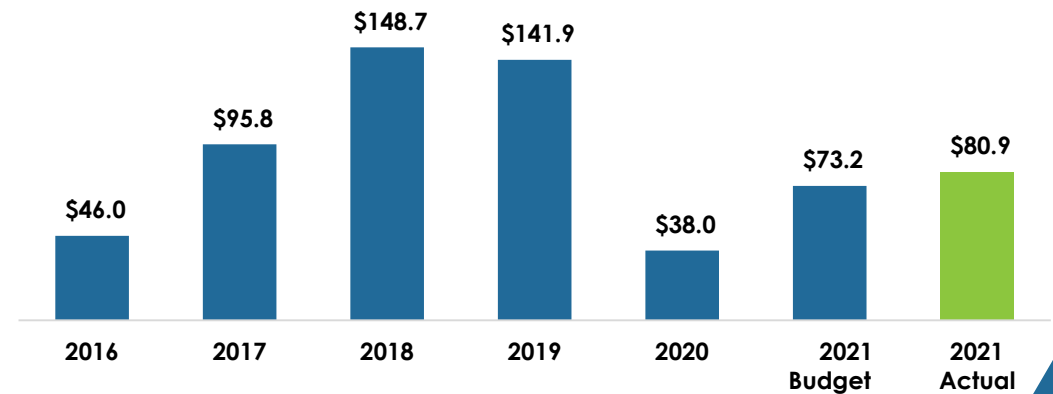
\$ in millions

*Q4 2020 EBITDA includes a one-time benefit of \$13.8M for cost sharing on GCGV



Capital Expenditures

\$ in millions



* EBITDA equals operating revenues less operating expenses (excluding depreciation)

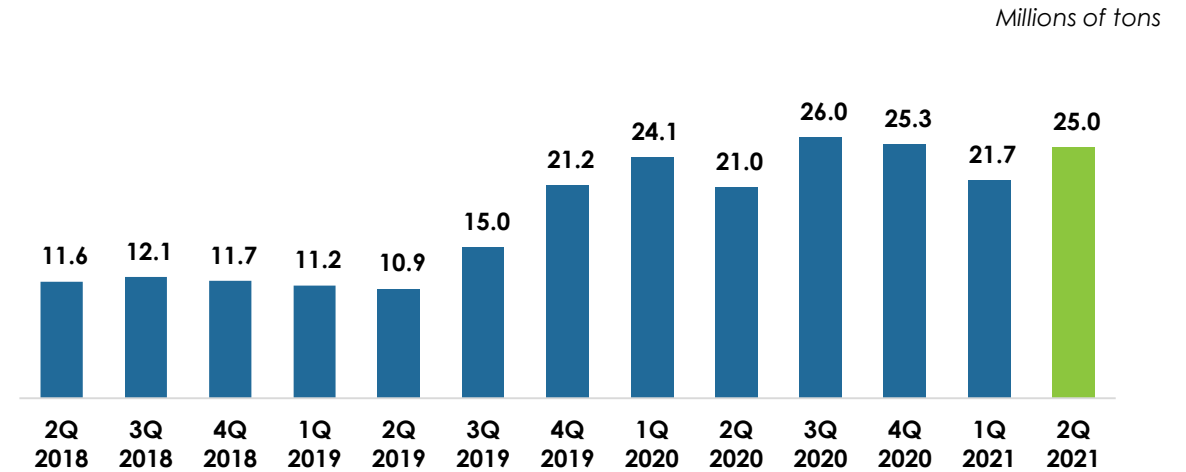


CRUDE AND REFINED PRODUCTS UPDATE

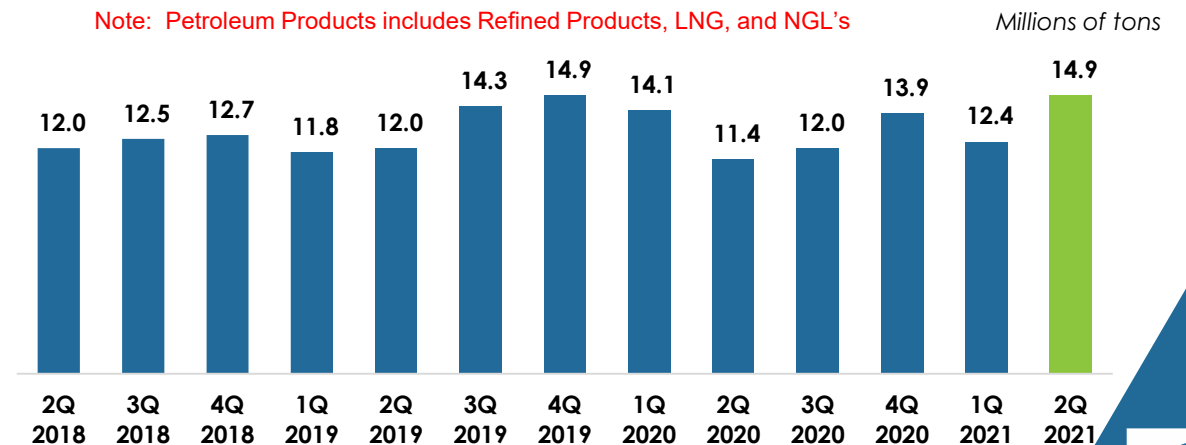
Crude / Refined Products Highlights

- Crude oil tonnage in the first half of 2021 increased from the first half of 2020, though was down versus the preceding six months (2H 2020)
 - Compared to the prior six months, total crude oil movements decreased due to the impacts of the winter storm in Q1
- Petroleum products set a record in Q2 2021 based on strong LNG exports from La Quinta, which more than offset continued depressed output from the Inner Harbor as a result of the winter freeze

Crude Oil Tonnage per Quarter



Petroleum Products Tonnage per Quarter



APPENDIX: DETAILED FINANCIAL INFORMATION



EXPANDED OPERATIONAL METRICS DETAIL

	YTD 2021 Actual	YTD 2020 Actual	% Variance vs Prior Year	YTD 2021 Budget	Variance vs Budget
Statement of Net Position Items (\$ in millions)					
Assets	\$1,149.7	\$1,109.6	3.6%		
Cash & Investments	273.2	252.8	8.1%		
Accounts Receivable	18.2	20.6	(11.6%)		
Restricted Assets	27.1	76.3	(64.5%)		
Liabilities	392.5	404.2	(2.9%)		
Net Position	\$757.7	\$709.7	6.8%		
Revenue and Expense Items (\$ in millions)					
Operating Revenues*	\$73.9	\$70.2	5.2%	\$69.6	6.1%
Operating Expenses	(27.6)	(32.5)	(15.1%)	(37.4)	(26.1%)
EBITDA	\$46.3	\$37.7	22.7%	\$32.3	43.4%
Depreciation	(9.0)	(7.4)	21.7%	(10.5)	(14.0%)
Net Operating Income (Loss)	\$37.3	\$30.3	22.9%	\$21.8	71.1%
Non-Operating Revenue/Expenses	(4.8)	(1.3)	279.4%	(4.7)	2.2%
Net Income	\$32.4	\$29.1	11.7%	\$17.1	90.1%
Capital Projects	\$80.9	\$25.2	220.8%	\$73.2	10.5%
Operational Items					
Tonnage (millions)	80.5	76.8	4.7%		
Ships	1,092	1,066	2.4%		
Barges	2,305	2,417	(4.6%)		
Barges and Ships	3,397	3,483	(2.5%)		
Railcars	30,001	21,123	42.0%		

*Q1 2020 GCGV cap recovery has been removed for presentation.



STATEMENT OF NET POSITION DETAIL

<i>\$ in millions</i>	6/30/2021	12/31/2020	\$ Change	% Variance	6/30/2020	\$ Change	Variance
Line Item	Actual	Actual	vs Prior Year	vs Prior Year	Actual	vs Year Ago	vs Year Ago
Assets							
Cash & Investments	\$273.2	\$260.2	\$13.1	5.0%	\$252.8	\$20.5	8.1%
Accounts Receivable	18.2	26.0	(7.8)	(29.9%)	20.6	(2.4)	(11.6%)
Restricted Assets	27.1	78.1	(51.0)	(65.3%)	76.3	(49.3)	(64.5%)
PP&E, net	826.3	754.4	71.9	9.5%	755.5	70.9	9.4%
Other Assets	4.9	4.0	0.9	22.5%	4.4	0.5	10.4%
Total Assets	\$1,149.7	\$1,122.6	\$27.1	2.4%	\$1,109.6	\$40.2	3.6%
Deferred Outflows - Pension	2.6	2.6	0.0	0.0%	5.3	(2.7)	(51.0%)
Total Deferred Outflows	\$2.6	\$2.6	\$0.0	0.0%	\$5.3	(\$2.7)	(51.0%)
Liabilities							
Current Liabilities	9.3	12.1	(2.8)	(23.3%)	7.4	1.8	24.8%
Unearned Income	64.0	66.7	(2.7)	(4.0%)	68.7	(4.7)	(6.8%)
Long-term Debt	313.1	313.5	(0.4)	(0.1%)	320.6	(7.5)	(2.3%)
Other Liabilities	6.1	4.6	1.5	33.3%	7.5	(1.4)	(18.8%)
Total Liabilities	\$392.5	\$396.9	(\$4.4)	(1.1%)	\$404.2	(\$11.8)	(2.9%)
Deferred Inflows - Pension	2.1	2.1	–	nm	0.9	1.2	138.7%
Total Deferred Inflows	\$2.1	\$2.1	–	–	\$0.9	\$1.2	138.7%
Investment in Net Assets	507.1	485.5	21.6	4.4%	479.2	27.9	5.8%
Restricted Net Position	27.7	27.7	0.0	0.0%	24.8	2.9	11.9%
Unrestricted Net Position	223.0	213.0	10.0	4.7%	205.8	17.2	8.4%
Total Net Position	\$757.7	\$726.2	\$31.5	4.3%	\$709.7	\$48.0	6.8%



STATEMENT OF REVENUE AND EXPENSE DETAIL- QTD

	Quarter-to-Date			Variance			
	2021		Budget	vs Q1 2021		vs Q2 Budget	
	Q2	Q1-21	Q2	\$ Change	% Variance	\$ Change	% Variance
Summary: Statement of Revenues & Expenses (\$ in millions)							
Wharfage	\$20.7	\$18.8	\$17.8	\$1.8	9.7%	\$2.9	16.3%
Dockage	4.9	4.4	4.4	0.5	11.4%	0.4	9.3%
Security	3.6	3.2	3.1	0.4	11.4%	0.4	14.4%
Other Shipping Services*	(0.1)	5.2	2.6	(5.3)	(101.0%)	(2.7)	(102.1%)
Dredging	2.5	–	1.5	2.5	100.0%	1.0	100.0%
Building and Land Rental	6.1	4.6	5.4	1.5	32.2%	0.7	12.9%
Total Operating Revenues	\$37.7	\$36.2	\$34.8	\$1.4	4.0%	\$2.8	8.2%
Employee Services	6.1	7.1	6.8	(1.1)	(14.7%)	(0.7)	(10.9%)
Maintenance	1.9	1.2	4.0	0.7	55.8%	(2.2)	(53.7%)
Utilities / Telephone	0.3	0.3	0.4	(0.0)	(0.9%)	(0.1)	(23.6%)
Insurance	0.7	0.6	0.1	0.1	21.4%	0.6	674.9%
Professional / Contracted Services	2.9	3.0	3.7	(0.1)	(1.9%)	(0.8)	(22.5%)
Operator / Event Expenses	0.2	0.1	0.3	0.1	75.1%	(0.1)	(36.5%)
Admin / Trade Dvlp / Other	1.3	2.1	2.8	(0.7)	(36.0%)	(1.5)	(53.3%)
Depreciation	4.5	4.5	5.2	(0.0)	(0.4%)	(0.7)	(14.2%)
Total Operating Expenses	\$17.8	\$18.8	\$23.4	(\$1.0)	(5.4%)	(\$5.5)	(23.8%)
Net Operating Income (Loss)	\$19.9	\$17.4	\$11.5	\$2.4	14.0%	\$8.4	73.2%
Interest Income	0.3	0.2	0.5	0.1	66.0%	(0.2)	(39.2%)
Other Revenue	1.3	0.1	0.0	1.2	nm	1.3	nm
Gain (Loss) on Disposals	–	–	–	–	nm	–	nm
Interest / Bond Expense	(3.2)	(3.2)	(3.2)	(0.0)	0.0%	0.0	(0.2%)
Other Expense	–	–	(0.0)	–	nm	0.0	nm
Hillcrest Revenues / (Expenses)	(0.3)	(0.0)	0.3	(0.3)	nm	(0.6)	nm
Other Revenue / (Expenses)	(\$1.9)	(\$2.9)	(\$2.4)	\$1.0	(34.2%)	\$0.4	(18.9%)
Net Income (Loss)	\$17.9	\$14.5	\$9.1	\$3.4	23.7%	\$8.8	97.1%

STATEMENT OF REVENUE AND EXPENSE DETAIL- YTD

	6/30 Year-to-Date			Variance			
	2021		2020	vs Budget		vs Prior Year	
	Actual	Budget	Actual	\$ Change	% Variance	\$ Change	% Variance
Summary: Statement of Revenues & Expenses (\$ in millions)							
Wharfage	\$39.5	\$35.6	\$37.7	\$4.0	11.1%	\$1.9	5.0%
Dockage	9.2	8.9	8.6	0.3	3.7%	0.6	7.6%
Security	6.7	6.2	6.4	0.5	8.5%	0.4	5.9%
Other Shipping Services*	5.1	5.2	6.0	(0.1)	(1.0%)	(0.9)	(14.7%)
Dredging	2.5	2.9	2.5	(0.4)	100.0%	0.0	100.0%
Building and Land Rental	10.8	10.9	9.1	(0.1)	(0.9%)	1.6	17.9%
Total Operating Revenues	\$73.9	\$69.6	\$70.2	\$4.3	6.1%	\$3.6	5.2%
Employee Services	13.2	14.8	13.9	(1.6)	(10.6%)	(0.7)	(4.7%)
Maintenance	3.1	8.0	4.6	(5.0)	(62.0%)	(1.5)	(33.4%)
Utilities / Telephone	0.6	0.7	0.6	(0.2)	(23.3%)	(0.1)	(11.6%)
Insurance	1.3	1.4	1.1	(0.1)	(9.4%)	0.2	21.2%
Professional / Contracted Services	5.8	7.5	7.8	(1.6)	(21.7%)	(2.0)	(25.1%)
Operator / Event Expenses	0.3	0.5	0.5	(0.3)	(50.1%)	(0.2)	(49.2%)
Admin / Trade Dvlp / Other	3.4	4.4	4.0	(1.0)	(23.0%)	(0.7)	(16.4%)
Depreciation	9.0	10.5	7.4	(1.5)	(14.0%)	1.6	21.7%
Total Operating Expenses	\$36.6	\$47.8	\$39.9	(\$11.2)	(23.5%)	(\$3.3)	(8.3%)
Net Operating Income (Loss)	\$37.3	\$21.8	\$30.3	\$15.5	71.1%	\$6.9	22.9%
Interest Income	0.5	1.0	2.4	(0.5)	(51.3%)	(1.9)	(79.9%)
Other Revenue	1.4	0.0	0.4	1.4	nm	0.9	205.9%
Gain (Loss) on Disposals	-	-	-	-	nm	-	nm
Interest / Bond Expense	(6.3)	(6.3)	(6.4)	0.0	(0.2%)	0.1	(1.7%)
Other Expense	-	(0.0)	(0.0)	0.0	nm	0.0	nm
Hillcrest Revenues / (Expenses)	(0.3)	0.6	2.3	(1.0)	(153.5%)	(2.6)	nm
Other Revenue / (Expenses)	(\$4.8)	(\$4.7)	(\$1.3)	(\$0.1)	2.2%	(\$3.5)	279.4%
Net Income (Loss)	\$32.4	\$17.1	\$29.1	\$15.4	90.1%	\$3.4	11.7%

*Q1 2020 GCGV cap recovery has been removed for presentation.



TONNAGE, SHIP & BARGE, AND RAILCAR DETAIL

Millions of Tons	2Q 2021	2Q 2020	Variance vs. Prior Quarter		YTD 2021	YTD 2020	Variance vs. Prior YTD Period	
	Actual	Actual	Tons	%	Actual	Actual	Tons	%
Tonnage								
Petroleum	14.3	11.1	3.1	28.0%	26.2	24.7	1.5	5.9%
Crude Oil	25.0	20.8	4.2	20.0%	46.7	44.8	1.9	4.2%
Dry Bulk	1.7	2.0	(0.3)	(15.0%)	3.4	4.1	(0.7)	(17.8%)
Bulk Grain	1.1	1.2	(0.1)	(7.8%)	2.6	1.7	0.8	48.7%
Chemical	0.7	0.6	0.1	22.9%	1.2	1.1	0.1	6.7%
Liquid Bulk	0.1	0.1	0.0	15.7%	0.1	0.2	(0.0)	(18.3%)
Break Bulk	0.2	0.1	0.1	124.0%	0.3	0.2	0.1	86.2%
Total Tonnage	43.0	35.9	7.1	19.9%	80.5	76.8	3.6	4.7%
Ship and Barge Movements								
Ships	570	505	65	12.9%	1,092	1,066	26	2.4%
Barges	1,139	1,127	12	1.1%	2,305	2,417	(112)	(4.6%)
Total Ships and Barges	1,709	1,632	77	4.7%	3,397	3,483	(86)	(2.5%)
Railcars								
Inbound	9,812	9,874	(62)	(0.6%)	24,322	13,613	10,709	78.7%
Outbound	3,215	2,326	889	38.2%	5,679	7,510	(1,831)	(24.4%)
Total Railcars	13,027	12,200	827	6.8%	30,001	21,123	8,878	42.0%



THANK YOU

