

Port of Houston Authority
Income Statement
Current Month Actual vs. Prior Year
(\$ in thousands)

	October		Δ	%
	Unaudited 2018	Audited 2017		
Operating Revenues				
Container Terminals	\$ 25,567	\$ 24,019	\$ 1,548	6
Turning Basin Terminals	4,796	4,739	57	1
Bulk	441	413	28	7
Leases	736	1,034	(298)	(29)
Other	979	885	94	11
Total Operating Revenues	32,519	31,090	1,429	5
Operating Expenses				
Container Terminals	11,476	8,213	3,263	40
Turning Basin Terminals	1,698	1,686	12	1
Bulk	38	20	18	90
Leases	3	71	(68)	(96)
Other	1,306	940	366	39
Pension and Other Retirement Benefits	656	571	85	15
Depreciation and Amortization	5,867	5,175	692	13
Total Operating Expenses	21,044	16,676	4,368	26
Gross Margin	11,475	14,414	(2,939)	(20)
General & Administrative Expenses				
G&A Expenses	4,385	2,909	1,476	51
Pension and Other Retirement Benefits	379	344	35	10
Depreciation	214	224	(10)	(4)
Total G&A Expenses	4,978	3,477	1,501	43
Net Operating Income	6,497	10,937	(4,440)	(41)
Nonoperating Revenues (Expenses)	694	498	196	39
Income before Contributions	7,191	11,435	(4,244)	(37)
Contributions (to)/from Federal/State Agencies	(128)	1,359	(1,487)	(100)
Net Income	\$ 7,063	\$ 12,794	\$ (5,731)	(45)
Pro forma Cash Flow				
Net Income	\$ 7,063	\$ 12,794	\$ (5,731)	(45)
Add Depreciation and Amortization	6,081	5,399	682	13
Pro forma Cash Flow	\$ 13,144	\$ 18,193	\$ (5,049)	(28)

These unaudited financial statements are prepared by the Port of Houston Authority ("Authority") and made available on its website (porthouston.com). Please note that the balance sheet includes all outstanding tax bonds issued by the Authority as liabilities, however, the income statement does not reflect any tax revenues or debt service payments related to the Authority's tax bonds.

Port of Houston Authority
Income Statement
Year to Date Actual vs. Prior Year
(\$ in thousands)

	October					October		
	Unaudited	Audited	Δ	%		2016	2018 vs	%
	2018	2017				2016	2016	
Operating Revenues								
Container Terminals	\$ 235,760	\$ 210,920	\$ 24,840	12	\$ 176,585	\$ 59,175	34	
Turning Basin Terminals	49,293	46,430	2,863	6	41,973	7,320	17	
Bulk	4,378	4,115	263	6	4,309	69	2	
Leases	7,055	6,042	1,013	17	5,833	1,222	21	
Other	9,366	9,078	288	3	11,175	(1,809)	(16)	
Total Operating Revenues	305,852	276,585	29,267	11	239,875	65,977	28	
Operating Expenses								
Container Terminals	97,626	92,941	4,685	5	74,048	23,578	32	
Turning Basin Terminals	14,882	15,085	(203)	(1)	15,885	(1,003)	(6)	
Bulk	444	249	195	78	262	182	69	
Leases	337	492	(155)	(32)	207	130	63	
Other	11,631	10,326	1,305	13	12,434	(803)	(6)	
Pension and Other Retirement Benefits	6,035	7,844	(1,809)	(23)	4,559	1,476	32	
Depreciation and Amortization	54,791	51,603	3,188	6	50,385	4,406	9	
Total Operating Expenses	185,746	178,540	7,206	4	157,780	27,966	18	
Gross Margin	120,106	98,045	22,061	23	82,095	38,011	46	
General & Administrative Expenses								
G&A Expenses	37,636	31,182	6,454	21	30,998	6,638	21	
Pension and Other Retirement Benefits	3,508	5,316	(1,808)	(34)	3,559	(51)	(1)	
Depreciation	2,243	2,575	(332)	(13)	2,788	(545)	(20)	
Total G&A Expenses	43,387	39,073	4,314	11	37,345	6,042	16	
Net Operating Income	76,719	58,972	17,747	30	44,750	31,969	71	
Nonoperating Revenues (Expenses)	5,175	3,201	1,974	62	10,301	(5,126)	(50)	
Income before Contributions	81,894	62,173	19,721	32	55,051	26,843	49	
Contributions (to)/from Federal/State Agencies	524	2,949	(2,425)	(82)	(886)	1,410	(100)	
Net Income	\$ 82,418	\$ 65,122	\$ 17,296	27	\$ 54,165	\$ 28,253	52	
Pro forma Cash Flow								
Net Income	\$ 82,418	\$ 65,122	\$ 17,296	27	\$ 54,165	\$ 28,253	52	
Add Depreciation and Amortization	57,034	54,178	2,856	5	53,173	3,861	7	
Adjust for non cash items	142	3,928	(3,786)	(96)	(5,645)	5,787	(100)	
Pro forma Cash Flow	\$ 139,594	\$ 123,228	\$ 16,366	13	\$ 101,693	\$ 37,901	37	

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited October 31, 2018	Audited December 31, 2017
Current Assets		
Cash & Cash Equivalents	\$ 75,756	\$ 75,522
Short-Term Investments	278,902	228,527
Trade Accounts & Other Receivables	34,715	31,029
Other	4,267	3,539
Total Current Assets	<u>393,640</u>	<u>338,617</u>
Restricted Assets	<u>53,515</u>	<u>59,871</u>
Property		
Land, Facilities & Equipment	2,389,818	2,388,561
CIP	248,967	211,517
Accumulated Depreciation	(961,035)	(907,035)
Property, Net	<u>1,677,750</u>	<u>1,693,043</u>
Long-Term Investments	<u>57,500</u>	<u>37,850</u>
Other Assets		
Industrial Agreements	1,454	1,744
Other	9,045	8,694
Total Other Assets	<u>10,499</u>	<u>10,438</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	12,341	12,341
Deferred loss on bond refunding	4,842	5,097
Total Deferred Outflows of Resources	<u>17,183</u>	<u>17,438</u>
Total Assets and deferred outflows of resources	<u>\$ 2,210,087</u>	<u>\$ 2,157,257</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited October 31, 2018	Audited December 31, 2017
Current Liabilities		
Accounts Payable	\$ 3,578	\$ 21,944
Other Current Liabilities	19,420	25,729
Total Current Liabilities	22,998	47,673
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,185	19,945
Accrued Interest Payable	2,847	8,262
Total Restricted Current Liabilities	24,032	28,207
Long-Term Debt, net of Current Maturities	630,064	653,953
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,703	6,461
OPEB Obligation	14,885	14,502
Net Pension Liability	10,277	10,277
Other	17,443	14,854
Total Other Noncurrent Liabilities	50,308	46,094
TOTAL LIABILITIES	727,402	775,927
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	843	843
Deferred gain on bond refunding	704	160
Total Deferred Inflows of Resources	1,547	1,003
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,030,639	1,023,578
Restricted for Debt Service	43,661	45,622
Unrestricted Net Assets	406,838	311,127
Total Net Position	1,481,138	1,380,327
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,210,087	\$ 2,157,257