

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

	June			
	Unaudited	Audited	Δ	%
	2019	2018		
Operating Revenues				
Container Terminals	\$ 25,019	\$ 23,031	\$ 1,988	9
Turning Basin Terminals	4,772	4,517	255	6
Bulk	382	433	(51)	(12)
Leases	551	688	(137)	(20)
Other	990	940	50	5
Total Operating Revenues	31,714	29,609	2,105	7
Operating Expenses				
Container Terminals	10,521	9,555	966	10
Turning Basin Terminals	2,017	1,356	661	49
Bulk	82	89	(7)	(8)
Leases	12	13	(1)	(8)
Other	1,051	1,124	(73)	(6)
Pension and Other Retirement Benefits	559	577	(18)	(3)
Depreciation and Amortization	5,684	5,276	408	8
Total Operating Expenses	19,926	17,990	1,936	11
Gross Margin	11,788	11,619	169	1
General & Administrative Expenses				
G&A Expenses	3,403	3,636	(233)	(6)
Pension and Other Retirement Benefits	314	326	(12)	(4)
Depreciation	206	216	(10)	(5)
Total G&A Expenses	3,923	4,178	(255)	(6)
Net Operating Income	7,865	7,441	424	6
Nonoperating Revenues (Expenses)	1,966	637	1,329	100
Income before Contributions	9,831	8,078	1,753	22
Contributions (to)/from Federal/State Agencies	(179)	88	(267)	(100)
Net Income	\$ 9,652	\$ 8,166	\$ 1,486	18
Pro forma Cash Flow (GAAP)				
Net Income	\$ 9,652	\$ 8,166	\$ 1,486	18
Add Depreciation and Amortization	5,890	5,492	398	7
Adjust for non cash items	(707)	(260)	(447)	100
Pro forma Cash Flow (GAAP)	\$ 14,835	\$ 13,398	\$ 1,437	11

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)

	June				June		
	Unaudited	Audited	Δ	%	2017	2019 vs 2017	%
	2019	2018			2019	2019 vs 2017	
Operating Revenues							
Container Terminals	\$ 150,622	\$ 136,720	\$ 13,902	10	\$ 124,717	\$ 25,905	21
Turning Basin Terminals	28,563	29,780	(1,217)	(4)	27,453	1,110	4
Bulk	2,710	2,476	234	9	2,369	341	14
Leases	3,488	4,060	(572)	(14)	3,587	(99)	(3)
Other	5,900	5,582	318	6	5,488	412	8
Total Operating Revenues	<u>191,283</u>	<u>178,618</u>	<u>12,665</u>	<u>7</u>	<u>163,614</u>	<u>27,669</u>	<u>17</u>
Operating Expenses							
Container Terminals	62,485	57,217	5,268	9	50,672	11,813	23
Turning Basin Terminals	11,439	7,511	3,928	52	8,780	2,659	30
Bulk	488	288	200	69	153	335	100
Leases	37	241	(204)	(85)	333	(296)	(89)
Other	6,687	7,346	(659)	(9)	6,541	146	2
Pension and Other Retirement Benefits	3,175	3,469	(294)	(8)	5,662	(2,487)	(44)
Depreciation and Amortization	34,083	31,598	2,485	8	30,315	3,768	12
Total Operating Expenses	<u>118,394</u>	<u>107,670</u>	<u>10,724</u>	<u>10</u>	<u>102,456</u>	<u>15,938</u>	<u>16</u>
Gross Margin	72,889	70,948	1,941	3	61,158	11,731	19
General & Administrative Expenses							
G&A Expenses	20,808	21,607	(799)	(4)	18,548	2,260	12
Pension and Other Retirement Benefits	1,771	1,951	(180)	(9)	3,833	(2,062)	(54)
Depreciation	1,270	1,301	(31)	(2)	1,641	(371)	(23)
Total G&A Expenses	<u>23,849</u>	<u>24,859</u>	<u>(1,010)</u>	<u>(4)</u>	<u>24,022</u>	<u>(173)</u>	<u>(1)</u>
Net Operating Income	49,040	46,089	2,951	6	37,136	11,904	32
Nonoperating Revenues (Expenses)	7,611	2,453	5,158	100	1,885	5,726	100
Income before Contributions	56,651	48,542	8,109	17	39,021	17,630	45
Contributions (to)/from Federal/State Agencies	(1,221)	842	(2,063)	(100)	1,943	(3,164)	(100)
Net Income	<u>\$ 55,430</u>	<u>\$ 49,384</u>	<u>\$ 6,046</u>	<u>12</u>	<u>\$ 40,964</u>	<u>\$ 14,466</u>	<u>35</u>
Pro forma Cash Flow (GAAP)							
Net Income	\$ 55,430	\$ 49,384	\$ 6,046	12	\$ 40,964	\$ 14,466	35
Add Depreciation and Amortization	35,353	32,899	2,454	7	31,956	3,397	11
Adjust for non cash items	(1,450)	(14)	(1,436)	(100)	4,056	(5,506)	(100)
Pro forma Cash Flow (GAAP)	<u>\$ 89,333</u>	<u>\$ 82,269</u>	<u>\$ 7,064</u>	<u>9</u>	<u>\$ 76,976</u>	<u>\$ 12,357</u>	<u>16</u>

Port of Houston Authority
Balance Sheet
(\$ in thousands)

	Unaudited June 30, 2019	Audited December 31, 2018
Current Assets		
Cash & Cash Equivalents	\$ 213,053	\$ 74,597
Short-Term Investments	161,655	230,837
Trade Accounts & Other Receivables	40,623	43,925
Other	5,170	3,788
Total Current Assets	<u>420,501</u>	<u>353,147</u>
Restricted Assets	<u>72,913</u>	<u>59,103</u>
Property		
Land, Facilities & Equipment	2,612,578	2,610,388
CIP	75,557	60,050
Accumulated Depreciation	(1,007,569)	(972,822)
Property, Net	<u>1,680,566</u>	<u>1,697,616</u>
Long-Term Investments	<u>92,802</u>	<u>102,558</u>
Other Assets		
Industrial Agreements	4,050	4,200
Other	11,809	10,191
Total Other Assets	<u>15,859</u>	<u>14,391</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	7,489	7,489
Deferred outflows of resources related to OPEB	6,760	6,760
Deferred loss on bond refunding	4,638	4,791
Total Deferred Outflows of Resources	<u>18,887</u>	<u>19,040</u>
Total Assets and deferred outflows of resources	<u>\$ 2,301,528</u>	<u>\$ 2,245,855</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2019	Audited December 31, 2018
Current Liabilities		
Accounts Payable	\$ 2,884	\$ 16,317
Other Current Liabilities	21,315	20,330
Total Current Liabilities	<u>24,199</u>	<u>36,647</u>
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,185	21,185
Accrued Interest Payable	7,274	7,274
Total Restricted Current Liabilities	<u>28,459</u>	<u>28,459</u>
Long-Term Debt, net of Current Maturities	<u>625,387</u>	<u>629,278</u>
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	8,026	6,723
OPEB Obligation	-	-
Net Pension Liability	5,343	5,343
Net OPEB Liability	8,884	8,884
Other	16,575	15,847
Total Other Noncurrent Liabilities	<u>38,828</u>	<u>36,797</u>
TOTAL LIABILITIES	<u>716,873</u>	<u>731,181</u>
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	2,621	2,621
Deferred gain on bond refunding	2,177	695
Total Deferred Inflows of Resources	<u>4,798</u>	<u>3,316</u>
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,036,456	1,050,604
Restricted for Debt Service	56,176	44,646
Unrestricted Net Assets	487,225	416,108
Total Net Position	<u>1,579,857</u>	<u>1,511,358</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,301,528</u>	<u>\$ 2,245,855</u>