

Port of Houston Authority
Income Statement
Current Month Actual vs. Prior Year

(\$ in thousands)

	July			
	Unaudited	Audited	Δ	%
	2019	2018		
Operating Revenues				
Container Terminals	\$ 27,102	\$ 24,471	\$ 2,631	11
Turning Basin Terminals	5,438	5,187	251	5
Bulk	392	566	(174)	(31)
Leases	751	614	137	22
Other	1,021	926	95	10
Total Operating Revenues	34,704	31,764	2,940	9
Operating Expenses				
Container Terminals	11,054	9,065	1,989	22
Turning Basin Terminals	1,840	1,898	(58)	(3)
Bulk	38	72	(34)	(47)
Leases	6	35	(29)	(83)
Other	1,555	1,300	255	20
Pension and Other Retirement Benefits	566	662	(96)	(15)
Depreciation and Amortization	5,859	5,893	(34)	(1)
Total Operating Expenses	20,918	18,925	1,993	11
Gross Margin	13,786	12,839	947	7
General & Administrative Expenses				
G&A Expenses	3,991	3,914	77	2
Pension and Other Retirement Benefits	319	368	(49)	(13)
Depreciation	206	211	(5)	(2)
Total G&A Expenses	4,516	4,493	23	1
Net Operating Income	9,270	8,346	924	11
Nonoperating Revenues (Expenses)	1,001	763	238	31
Income before Contributions	10,271	9,109	1,162	13
Contributions (to)/from Federal/State Agencies	(347)	39	(386)	(100)
Net Income	\$ 9,924	\$ 9,148	\$ 776	8
Pro forma Cash Flow (GAAP)				
Net Income	\$ 9,924	\$ 9,148	\$ 776	8
Add Depreciation and Amortization	6,065	6,104	(39)	(1)
Pro forma Cash Flow (GAAP)	\$ 15,989	\$ 15,252	\$ 737	5

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)

	July				July		
	Unaudited	Audited	Δ	%	2017	2019 vs 2017	%
	2019	2018			2019	2019 vs 2017	
Operating Revenues							
Container Terminals	\$ 177,724	\$ 161,191	\$ 16,533	10	\$ 145,900	\$ 31,824	22
Turning Basin Terminals	34,001	34,966	(965)	(3)	32,804	1,197	4
Bulk	3,102	3,042	60	2	2,768	334	12
Leases	4,239	4,674	(435)	(9)	4,042	197	5
Other	6,921	6,509	412	6	6,490	431	7
Total Operating Revenues	<u>225,987</u>	<u>210,382</u>	<u>15,605</u>	<u>7</u>	<u>192,004</u>	<u>33,983</u>	<u>18</u>
Operating Expenses							
Container Terminals	73,539	66,281	7,258	11	59,160	14,379	24
Turning Basin Terminals	13,278	9,409	3,869	41	10,300	2,978	29
Bulk	525	360	165	46	181	344	100
Leases	43	277	(234)	(84)	347	(304)	(88)
Other	8,242	8,646	(404)	(5)	7,739	503	6
Pension and Other Retirement Benefits	3,742	4,130	(388)	(9)	6,203	(2,461)	(40)
Depreciation and Amortization	39,942	37,491	2,451	7	36,080	3,862	11
Total Operating Expenses	<u>139,311</u>	<u>126,594</u>	<u>12,717</u>	<u>10</u>	<u>120,010</u>	<u>19,301</u>	<u>16</u>
Gross Margin	86,676	83,788	2,888	3	71,994	14,682	20
General & Administrative Expenses							
G&A Expenses	24,799	25,521	(722)	(3)	21,806	2,993	14
Pension and Other Retirement Benefits	2,089	2,319	(230)	(10)	4,207	(2,118)	(50)
Depreciation	1,477	1,513	(36)	(2)	1,888	(411)	(22)
Total G&A Expenses	<u>28,365</u>	<u>29,353</u>	<u>(988)</u>	<u>(3)</u>	<u>27,901</u>	<u>464</u>	<u>2</u>
Net Operating Income	58,311	54,435	3,876	7	44,093	14,218	32
Nonoperating Revenues (Expenses)	8,612	3,216	5,396	100	2,200	6,412	100
Income before Contributions	66,923	57,651	9,272	16	46,293	20,630	45
Contributions (to)/from Federal/State Agencies	(1,569)	881	(2,450)	(100)	3,565	(5,134)	(100)
Net Income	<u>\$ 65,354</u>	<u>\$ 58,532</u>	<u>\$ 6,822</u>	<u>12</u>	<u>\$ 49,858</u>	<u>\$ 15,496</u>	<u>31</u>
Pro forma Cash Flow (GAAP)							
Net Income	\$ 65,354	\$ 58,532	\$ 6,822	12	\$ 49,858	\$ 15,496	31
Add Depreciation and Amortization	41,419	39,004	2,415	6	37,968	3,451	9
Adjust for non cash items	(1,450)	(14)	(1,436)	(100)	4,056	(5,506)	(100)
Pro forma Cash Flow (GAAP)	<u>\$ 105,323</u>	<u>\$ 97,522</u>	<u>\$ 7,801</u>	<u>8</u>	<u>\$ 91,882</u>	<u>\$ 13,441</u>	<u>15</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited July 31, 2019	Audited December 31, 2018
Current Assets		
Cash & Cash Equivalents	\$ 213,436	\$ 74,597
Short-Term Investments	160,005	230,837
Trade Accounts & Other Receivables	40,937	43,925
Other	4,750	3,788
Total Current Assets	<u>419,128</u>	<u>353,147</u>
Restricted Assets	<u>77,226</u>	<u>59,103</u>
Property		
Land, Facilities & Equipment	2,619,647	2,610,388
CIP	76,512	60,050
Accumulated Depreciation	(1,013,534)	(972,822)
Property, Net	<u>1,682,625</u>	<u>1,697,616</u>
Long-Term Investments	<u>104,721</u>	<u>102,558</u>
Other Assets		
Industrial Agreements	4,025	4,200
Other	11,703	10,191
Total Other Assets	<u>15,728</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	4,613	4,791
Total Deferred Outflows of Resources	<u>18,862</u>	<u>19,040</u>
Total Assets and deferred outflows of resources	<u>\$ 2,318,290</u>	<u>\$ 2,245,855</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited July 31, 2019	Audited December 31, 2018
Current Liabilities		
Accounts Payable	\$ 3,116	\$ 16,317
Other Current Liabilities	23,253	20,330
Total Current Liabilities	<u>26,369</u>	<u>36,647</u>
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,185	21,185
Accrued Interest Payable	9,699	7,274
Total Restricted Current Liabilities	<u>30,884</u>	<u>28,459</u>
Long-Term Debt, net of Current Maturities	<u>624,990</u>	<u>629,278</u>
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	8,157	6,723
OPEB Obligation	417	-
Net Pension Liability	5,343	5,343
Net OPEB Liability	8,884	8,884
Other	16,597	15,847
Total Other Noncurrent Liabilities	<u>39,398</u>	<u>36,797</u>
TOTAL LIABILITIES	<u>721,641</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	2,172	695
Total Deferred Inflows of Resources	<u>4,793</u>	<u>3,316</u>
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,038,892	1,050,604
Restricted for Debt Service	58,016	44,646
Unrestricted Net Assets	494,948	416,108
Total Net Position	<u>1,591,856</u>	<u>1,511,358</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,318,290</u>	<u>\$ 2,245,855</u>