

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

	August			
	Unaudited	Audited	Δ	%
	2019	2018		
Operating Revenues				
Container Terminals	\$ 26,909	\$ 24,557	\$ 2,352	10
Turning Basin Terminals	4,805	5,144	(339)	(7)
Bulk	599	440	159	36
Leases	844	751	93	12
Other	984	966	18	2
Total Operating Revenues	34,141	31,858	2,283	7
Operating Expenses				
Container Terminals	9,953	10,375	(422)	(4)
Turning Basin Terminals	1,740	1,528	212	14
Bulk	27	29	(2)	(7)
Leases	13	54	(41)	(76)
Other	2,120	2,058	62	3
Pension and Other Retirement Benefits	552	664	(112)	(17)
Depreciation and Amortization	5,722	6,034	(312)	(5)
Total Operating Expenses	20,127	20,742	(615)	(3)
Gross Margin	14,014	11,116	2,898	26
General & Administrative Expenses				
G&A Expenses	3,726	3,270	456	14
Pension and Other Retirement Benefits	309	370	(61)	(16)
Depreciation	206	212	(6)	(3)
Total G&A Expenses	4,241	3,852	389	10
Net Operating Income	9,773	7,264	2,509	35
Nonoperating Revenues (Expenses)	994	688	306	44
Income before Contributions	10,767	7,952	2,815	35
Contributions (to)/from Federal/State Agencies	(545)	(234)	(311)	100
Net Income	\$ 10,222	\$ 7,718	\$ 2,504	32
Pro forma Cash Flow (GAAP)				
Net Income	\$ 10,222	\$ 7,718	\$ 2,504	32
Add Depreciation and Amortization	5,928	6,246	(318)	(5)
Adjust for non cash items	(3,633)		(3,633)	(100)
Pro forma Cash Flow (GAAP)	\$ 12,517	\$ 13,964	\$ (1,447)	(10)

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)

	August				August		
	Unaudited	Audited	Δ	%	2017	2019 vs 2017	%
	2019	2018			2019	2019 vs 2017	
Operating Revenues							
Container Terminals	\$ 204,634	\$ 185,748	\$ 18,886	10	\$ 163,444	\$ 41,190	25
Turning Basin Terminals	38,806	40,111	(1,305)	(3)	37,270	1,536	4
Bulk	3,701	3,482	219	6	3,307	394	12
Leases	5,082	5,425	(343)	(6)	4,506	576	13
Other	7,905	7,475	430	6	7,310	595	8
Total Operating Revenues	<u>260,128</u>	<u>242,241</u>	<u>17,887</u>	<u>7</u>	<u>215,837</u>	<u>44,291</u>	<u>21</u>
Operating Expenses							
Container Terminals	83,492	76,657	6,835	9	67,791	15,701	23
Turning Basin Terminals	15,019	10,936	4,083	37	11,901	3,118	26
Bulk	552	389	163	42	205	347	169
Leases	56	331	(275)	(83)	361	(305)	(84)
Other	10,362	10,704	(342)	(3)	8,991	1,371	15
Pension and Other Retirement Benefits	4,293	4,794	(501)	(10)	6,785	(2,492)	(37)
Depreciation and Amortization	45,664	43,525	2,139	5	41,250	4,414	11
Total Operating Expenses	<u>159,438</u>	<u>147,336</u>	<u>12,102</u>	<u>8</u>	<u>137,284</u>	<u>22,154</u>	<u>16</u>
Gross Margin	100,690	94,905	5,785	6	78,553	22,137	28
General & Administrative Expenses							
G&A Expenses	28,525	28,791	(266)	(1)	25,109	3,416	14
Pension and Other Retirement Benefits	2,398	2,689	(291)	(11)	4,546	(2,148)	(47)
Depreciation	1,683	1,725	(42)	(2)	2,127	(444)	(21)
Total G&A Expenses	<u>32,606</u>	<u>33,205</u>	<u>(599)</u>	<u>(2)</u>	<u>31,782</u>	<u>824</u>	<u>3</u>
Net Operating Income	68,084	61,700	6,384	10	46,771	21,313	46
Nonoperating Revenues (Expenses)	9,606	3,904	5,702	100	2,379	7,227	100
Income before Contributions	<u>77,690</u>	<u>65,604</u>	<u>12,086</u>	<u>18</u>	<u>49,150</u>	<u>28,540</u>	<u>58</u>
Contributions (to)/from Federal/State Agencies	(2,114)	646	(2,760)	(100)	3,393	(5,507)	(100)
Net Income	<u>\$ 75,576</u>	<u>\$ 66,250</u>	<u>\$ 9,326</u>	<u>14</u>	<u>\$ 52,543</u>	<u>\$ 23,033</u>	<u>44</u>
Pro forma Cash Flow (GAAP)							
Net Income	\$ 75,576	\$ 66,250	\$ 9,326	14	\$ 52,543	\$ 23,033	44
Add Depreciation and Amortization	47,347	45,250	2,097	5	43,377	3,970	9
Adjust for non cash items	(5,083)	(14)	(5,069)	(100)	4,056	(9,139)	(100)
Pro forma Cash Flow (GAAP)	<u>\$ 117,840</u>	<u>\$ 111,486</u>	<u>\$ 6,354</u>	<u>6</u>	<u>\$ 99,976</u>	<u>\$ 17,864</u>	<u>18</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited August 31, 2019	Audited December 31, 2018
Current Assets		
Cash & Cash Equivalents	\$ 204,648	\$ 74,597
Short-Term Investments	137,975	230,837
Trade Accounts & Other Receivables	42,628	43,925
Other	4,637	3,788
Total Current Assets	<u>389,888</u>	<u>353,147</u>
Restricted Assets	<u>81,616</u>	<u>59,103</u>
Property		
Land, Facilities & Equipment	2,621,010	2,610,388
CIP	78,467	60,050
Accumulated Depreciation	(1,019,362)	(972,822)
Property, Net	<u>1,680,115</u>	<u>1,697,616</u>
Long-Term Investments	<u>141,638</u>	<u>102,558</u>
Other Assets		
Industrial Agreements	4,000	4,200
Other	11,589	10,191
Total Other Assets	<u>15,589</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	4,588	4,791
Total Deferred Outflows of Resources	<u>18,837</u>	<u>19,040</u>
Total Assets and deferred outflows of resources	<u>\$ 2,327,683</u>	<u>\$ 2,245,855</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited August 31, 2019	Audited December 31, 2018
Current Liabilities		
Accounts Payable	\$ 3,244	\$ 16,317
Other Current Liabilities	16,755	20,330
Total Current Liabilities	19,999	36,647
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,185	21,185
Accrued Interest Payable	12,124	7,274
Total Restricted Current Liabilities	33,309	28,459
Long-Term Debt, net of Current Maturities	624,594	629,278
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	8,423	6,723
OPEB Obligation	833	-
Net Pension Liability	5,343	5,343
Net OPEB Liability	8,884	8,884
Other	17,384	15,847
Total Other Noncurrent Liabilities	40,867	36,797
TOTAL LIABILITIES	718,769	731,181
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	2,621	2,621
Deferred gain on bond refunding	2,167	695
Total Deferred Inflows of Resources	4,788	3,316
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,036,757	1,050,604
Restricted for Debt Service	59,853	44,646
Unrestricted Net Assets	507,516	416,108
Total Net Position	1,604,126	1,511,358
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,327,683	\$ 2,245,855