

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

	September		Δ	%
	Unaudited 2019	Audited 2018		
Operating Revenues				
Container Terminals	\$ 25,797	\$ 24,445	\$ 1,352	6
Turning Basin Terminals	3,722	4,386	(664)	(15)
Bulk	503	455	48	11
Leases	680	895	(215)	(24)
Other	1,046	912	134	15
Total Operating Revenues	31,748	31,093	655	2
Operating Expenses				
Container Terminals	9,661	9,493	168	2
Turning Basin Terminals	1,937	2,248	(311)	(14)
Bulk	27	18	9	50
Leases	2	3	(1)	(33)
Other	1,715	1,156	559	48
Pension and Other Retirement Benefits	563	659	(96)	(15)
Depreciation and Amortization	5,647	5,399	248	5
Total Operating Expenses	19,552	18,976	576	3
Gross Margin	12,196	12,117	79	1
General & Administrative Expenses				
G&A Expenses	3,559	2,924	635	22
Pension and Other Retirement Benefits	316	367	(51)	(14)
Depreciation	207	305	(98)	(32)
Total G&A Expenses	4,082	3,596	486	14
Net Operating Income	8,114	8,521	(407)	(5)
Nonoperating Revenues (Expenses)	1,284	578	706	100
Income before Contributions	9,398	9,099	299	3
Contributions (to)/from Federal/State Agencies	(114)	5	(119)	(100)
Net Income	\$ 9,284	\$ 9,104	\$ 180	2
Pro forma Cash Flow (GAAP)				
Net Income	\$ 9,284	\$ 9,104	\$ 180	2
Add Depreciation and Amortization	5,854	5,704	150	3
Adjust for non cash items	252	155	97	63
Pro forma Cash Flow (GAAP)	\$ 15,390	\$ 14,963	\$ 427	3

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
(amounts in thousands)

	September				September		
	Unaudited 2019	Audited 2018	Δ	%	2017	2019 vs 2017	%
Operating Revenues							
Container Terminals	\$ 230,430	\$ 210,193	\$ 20,237	10	\$ 186,901	\$ 43,529	23
Turning Basin Terminals	42,528	44,497	(1,969)	(4)	41,691	837	2
Bulk	4,205	3,937	268	7	3,702	503	14
Leases	5,762	6,320	(558)	(9)	5,008	754	15
Other	8,951	8,387	564	7	8,193	758	9
Total Operating Revenues	<u>291,876</u>	<u>273,334</u>	<u>18,542</u>	<u>7</u>	<u>245,495</u>	<u>46,381</u>	<u>19</u>
Operating Expenses							
Container Terminals	93,153	86,150	7,003	8	84,729	8,424	10
Turning Basin Terminals	16,956	13,185	3,771	29	13,399	3,557	27
Bulk	579	407	172	42	230	349	100
Leases	58	333	(275)	(83)	421	(363)	(86)
Other	12,077	11,861	216	2	9,879	2,198	22
Pension and Other Retirement Benefits	4,856	5,452	(596)	(11)	7,363	(2,507)	(34)
Depreciation and Amortization	51,310	48,924	2,386	5	46,428	4,882	11
Total Operating Expenses	<u>178,989</u>	<u>166,312</u>	<u>12,677</u>	<u>8</u>	<u>162,449</u>	<u>16,540</u>	<u>10</u>
Gross Margin	112,887	107,022	5,865	5	83,046	29,841	36
General & Administrative Expenses							
G&A Expenses	32,083	31,716	367	1	27,780	4,303	15
Pension and Other Retirement Benefits	2,714	3,056	(342)	(11)	4,881	(2,167)	(44)
Depreciation	1,891	2,029	(138)	(7)	2,351	(460)	(20)
Total G&A Expenses	<u>36,688</u>	<u>36,801</u>	<u>(113)</u>	<u>-</u>	<u>35,012</u>	<u>1,676</u>	<u>5</u>
Net Operating Income	76,199	70,221	5,978	9	48,034	28,165	59
Nonoperating Revenues (Expenses)	10,890	4,482	6,408	100	2,703	8,187	100
Income before Contributions	87,089	74,703	12,386	17	50,737	36,352	72
Contributions (to)/from Federal/State Agencies	(2,229)	652	(2,881)	(100)	1,591	(3,820)	(100)
Net Income	<u>\$ 84,860</u>	<u>\$ 75,355</u>	<u>\$ 9,505</u>	<u>13</u>	<u>\$ 52,328</u>	<u>\$ 32,532</u>	<u>62</u>
Pro forma Cash Flow (GAAP)							
Net Income	\$ 84,860	\$ 75,355	\$ 9,505	13	\$ 52,328	\$ 32,532	62
Add Depreciation and Amortization	53,201	50,953	2,248	4	48,779	4,422	9
Adjust for non cash items	(4,831)	142	(4,973)	(100)	3,928	(8,759)	(100)
Pro forma Cash Flow (GAAP)	<u>\$ 133,230</u>	<u>\$ 126,450</u>	<u>\$ 6,780</u>	<u>5</u>	<u>\$ 105,035</u>	<u>\$ 28,195</u>	<u>27</u>

Port of Houston Authority

Balance Sheet

(amounts in thousands)

	Unaudited September 30, 2019	Audited December 31, 2018
Current Assets		
Cash & Cash Equivalents	\$ 140,130	\$ 74,597
Short-Term Investments	147,035	230,837
Trade Accounts & Other Receivables	41,704	43,925
Other	4,236	3,788
Total Current Assets	<u>333,105</u>	<u>353,147</u>
Restricted Assets	<u>86,033</u>	<u>59,103</u>
Property		
Land, Facilities & Equipment	2,621,919	2,610,388
CIP	91,573	60,050
Accumulated Depreciation	(1,025,114)	(972,822)
Property, Net	<u>1,688,378</u>	<u>1,697,616</u>
Long-Term Investments	<u>197,893</u>	<u>102,558</u>
Other Assets		
Industrial Agreements	3,975	4,200
Other	11,459	10,191
Total Other Assets	<u>15,434</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	4,562	4,791
Total Deferred Outflows of Resources	<u>18,811</u>	<u>19,040</u>
Total Assets and deferred outflows of resources	<u>\$ 2,339,654</u>	<u>\$ 2,245,855</u>

Port of Houston Authority
Balance Sheet

(amounts in thousands)

	Unaudited September 30, 2019	Audited December 31, 2018
Current Liabilities		
Accounts Payable	\$ 3,547	\$ 16,317
Other Current Liabilities	16,609	20,330
Total Current Liabilities	20,156	36,647
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,185	21,185
Accrued Interest Payable	14,549	7,274
Total Restricted Current Liabilities	35,734	28,459
Long-Term Debt, net of Current Maturities	624,197	629,278
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	8,110	6,723
Net Pension Liability	5,343	5,343
Net OPEB Liability	8,884	8,884
Other	17,020	15,847
Total Other Noncurrent Liabilities	39,357	36,797
TOTAL LIABILITIES	719,444	731,181
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	2,621	2,621
Deferred gain on bond refunding	2,162	695
Total Deferred Inflows of Resources	4,783	3,316
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,045,396	1,050,604
Restricted for Debt Service	61,684	44,646
Unrestricted Net Assets	508,347	416,108
Total Net Position	1,615,427	1,511,358
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,339,654	\$ 2,245,855