

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

	February		Δ	%
	Unaudited 2018	Unaudited 2017		
Operating Revenues				
Container Terminals	\$ 21,734	\$ 20,129	\$ 1,605	8
Turning Basin Terminals	4,376	4,399	(23)	(1)
Bulk	413	398	15	4
Leases	598	595	3	1
Other	731	955	(224)	(23)
Total Operating Revenues	27,852	26,476	1,376	5
Operating Expenses				
Container Terminals	8,361	7,452	909	12
Turning Basin Terminals	1,453	1,223	230	19
Bulk	28	24	4	17
Leases	2	5	(3)	(60)
Other	1,037	974	63	6
Pension and Other Retirement Benefits	566	532	34	6
Depreciation and Amortization	5,180	5,027	153	3
Total Operating Expenses	16,627	15,237	1,390	9
Operating Income	11,225	11,239	(14)	-
General & Administrative Expenses				
G&A Expenses	3,759	2,965	794	27
Pension and Other Retirement Benefits	335	379	(44)	(12)
Depreciation	216	370	(154)	(42)
Total G&A Expenses	4,310	3,714	596	16
Net Operating Income	6,915	7,525	(610)	(8)
Nonoperating Revenues (Expenses)	443	338	105	31
Income before Contributions	7,358	7,863	(505)	(6)
Contributions (to)/from Federal/State Agencies	7	(122)	129	100
Net Income	\$ 7,365	\$ 7,741	\$ (376)	(5)
Pro forma Cash Flow				
Net Income	\$ 7,365	\$ 7,741	\$ (376)	(5)
Add Depreciation and Amortization	5,396	5,397	(1)	-
Pro forma Cash Flow	\$ 12,761	\$ 13,138	\$ (377)	(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
(\$ in thousands)

	February				February		
	Unaudited 2018	Unaudited 2017	Δ	%	2016	2018 vs 2016	%
Operating Revenues							
Container Terminals	\$ 42,855	\$ 40,845	\$ 2,010	5	\$ 33,179	\$ 9,676	29
Turning Basin Terminals	8,729	8,636	93	1	8,403	326	4
Bulk	809	785	24	3	863	(54)	(6)
Leases	1,151	1,190	(39)	(3)	1,033	118	11
Other	1,529	1,798	(269)	(15)	2,743	(1,214)	(44)
Total Operating Revenues	<u>55,073</u>	<u>53,254</u>	<u>1,819</u>	<u>3</u>	<u>46,221</u>	<u>8,852</u>	<u>19</u>
Operating Expenses							
Container Terminals	18,097	16,212	1,885	12	13,292	4,805	36
Turning Basin Terminals	2,845	2,348	497	21	3,225	(380)	(12)
Bulk	49	42	7	17	59	(10)	(17)
Leases	(13)	44	(57)	(100)	6	(19)	(100)
Other	2,110	1,988	122	6	2,850	(740)	(26)
Pension and Other Retirement Benefits	1,132	3,367	(2,235)	(66)	879	253	29
Depreciation and Amortization	10,371	10,069	302	3	10,057	314	3
Total Operating Expenses	<u>34,591</u>	<u>34,070</u>	<u>521</u>	<u>2</u>	<u>30,368</u>	<u>4,223</u>	<u>14</u>
Gross Margin	20,482	19,184	1,298	7	15,853	4,629	29
General & Administrative Expenses							
G&A Expenses	7,075	5,892	1,183	20	5,539	1,536	28
Pension and Other Retirement Benefits	668	2,459	(1,791)	(73)	732	(64)	(9)
Depreciation	437	652	(215)	(33)	520	(83)	(16)
Total G&A Expenses	<u>8,180</u>	<u>9,003</u>	<u>(823)</u>	<u>(9)</u>	<u>6,791</u>	<u>1,389</u>	<u>20</u>
Net Operating Income	12,302	10,181	2,121	21	9,062	3,240	36
Nonoperating Revenues (Expenses)	781	691	90	13	2,446	(1,665)	(68)
Income before Contributions	<u>13,083</u>	<u>10,872</u>	<u>2,211</u>	<u>20</u>	<u>11,508</u>	<u>1,575</u>	<u>14</u>
Contributions (to)/from Federal/State Agencies	(99)	(109)	10	(9)	-	(99)	(100)
Net Income	<u>\$ 12,984</u>	<u>\$ 10,763</u>	<u>\$ 2,221</u>	<u>21</u>	<u>\$ 11,508</u>	<u>\$ 1,476</u>	<u>13</u>
Pro forma Cash Flow							
Net Income	\$ 12,984	\$ 10,763	\$ 2,221	21	\$ 11,508	\$ 1,476	13
Add Depreciation and Amortization	10,808	10,721	87	1	10,577	231	2
Pro forma Cash Flow	<u>\$ 23,792</u>	<u>\$ 21,484</u>	<u>\$ 2,308</u>	<u>11</u>	<u>\$ 22,085</u>	<u>\$ 1,707</u>	<u>8</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited February 28, 2018	Unaudited December 31, 2017
Current Assets		
Cash & Cash Equivalents	\$ 42,998	\$ 75,492
Short-Term Investments	262,237	228,527
Trade Accounts & Other Receivables	30,051	30,783
Other	<u>2,718</u>	<u>1,960</u>
Total Current Assets	<u>338,004</u>	<u>336,762</u>
Restricted Assets	<u>78,023</u>	<u>60,709</u>
Property		
Land, Facilities & Equipment	2,340,602	2,276,392
CIP	257,828	335,074
Accumulated Depreciation	<u>(916,643)</u>	<u>(905,148)</u>
Property, Net	<u>1,681,787</u>	<u>1,706,318</u>
Long-Term Investments	<u>45,198</u>	<u>37,850</u>
Other Assets		
Industrial Agreements	1,686	1,744
Other	<u>8,444</u>	<u>5,021</u>
Total Other Assets	<u>10,130</u>	<u>6,765</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	15,583	16,500
Deferred loss on bond refunding	<u>4,995</u>	<u>5,097</u>
Total Deferred Outflows of Resources	<u>20,578</u>	<u>21,597</u>
Total Assets and deferred outflows of resources	<u><u>\$ 2,173,720</u></u>	<u><u>\$ 2,170,001</u></u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited February 28, 2018	Unaudited December 31, 2017
Current Liabilities		
Accounts Payable	\$ 8,240	\$ 32,913
Other Current Liabilities	20,048	21,941
Total Current Liabilities	28,288	54,854
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,945	19,945
Accrued Interest Payable	19,277	8,262
Total Restricted Current Liabilities	39,222	28,207
Long-Term Debt, net of Current Maturities	652,701	653,953
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	6,438	6,335
OPEB Obligation	15,335	17,869
Net Pension Liability	10,277	13,472
Other	15,153	15,480
Total Other Noncurrent Liabilities	47,203	53,156
TOTAL LIABILITIES	767,414	790,170
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	4,084	3,210
Deferred gain on bond refunding	150	160
Total Deferred Inflows of Resources	4,234	3,370
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,013,987	1,037,357
Restricted for Debt Service	52,565	46,461
Unrestricted Net Assets	335,520	292,643
Total Net Position	1,402,072	1,376,461
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,173,720	\$ 2,170,001