

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

	May		Δ	%
	Unaudited 2018	Audited 2017		
<b>Operating Revenues</b>				
Container Terminals	\$ 24,278	\$ 20,945	\$ 3,333	16
Turning Basin Terminals	6,305	5,061	1,244	25
Bulk	439	407	32	8
Leases	727	570	157	28
Other	974	903	71	8
Total Operating Revenues	32,723	27,886	4,837	17
<b>Operating Expenses</b>				
Container Terminals	10,160	8,740	1,420	16
Turning Basin Terminals	1,479	2,390	(911)	(38)
Bulk	98	24	74	100
Leases	85	(56)	141	(100)
Other	729	866	(137)	(16)
Pension and Other Retirement Benefits	569	537	32	6
Depreciation and Amortization	5,310	4,971	339	7
Total Operating Expenses	18,430	17,472	958	5
<b>Gross Margin</b>	14,293	10,414	3,879	37
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	3,946	3,296	650	20
Pension and Other Retirement Benefits	336	383	(47)	(12)
Depreciation	216	247	(31)	(13)
Total G&A Expenses	4,498	3,926	572	15
<b>Net Operating Income</b>	9,795	6,488	3,307	51
<b>Nonoperating Revenues (Expenses)</b>	487	276	211	76
<b>Income before Contributions</b>	10,282	6,764	3,518	52
<b>Contributions (to)/from Federal/State Agencies</b>	298	-	298	100
<b>Net Income</b>	\$ 10,580	\$ 6,764	\$ 3,816	56
<b>Pro forma Cash Flow</b>				
Net Income	\$ 10,580	\$ 6,764	\$ 3,816	56
Add Depreciation and Amortization	5,526	5,218	308	6
Adjust for non cash items	-	26	(26)	(100)
Pro forma Cash Flow	\$ 16,106	\$ 12,008	\$ 4,098	34

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)

	May					May		
	Unaudited 2018	Audited 2017	Δ	%		2016	2018 vs 2016	%
<b>Operating Revenues</b>								
Container Terminals	\$ 113,689	\$ 103,149	\$ 10,540	10	\$ 85,897	\$ 27,792	32	
Turning Basin Terminals	25,263	22,658	2,605	11	21,732	3,531	16	
Bulk	2,043	1,974	69	3	2,267	(224)	(10)	
Leases	3,373	3,010	363	12	2,944	429	15	
Other	4,642	4,572	70	2	6,408	(1,766)	(28)	
Total Operating Revenues	<u>149,010</u>	<u>135,363</u>	<u>13,647</u>	10	<u>119,248</u>	<u>29,762</u>	25	
<b>Operating Expenses</b>								
Container Terminals	47,662	42,206	5,456	13	35,614	12,048	34	
Turning Basin Terminals	6,155	7,282	(1,127)	(15)	7,309	(1,154)	(16)	
Bulk	199	125	74	59	128	71	55	
Leases	228	311	(83)	(27)	79	149	100	
Other	5,749	5,101	648	13	7,145	(1,396)	(20)	
Pension and Other Retirement Benefits	2,852	5,058	(2,206)	(44)	2,204	648	29	
Depreciation and Amortization	26,323	25,109	1,214	5	25,105	1,218	5	
Total Operating Expenses	<u>89,168</u>	<u>85,192</u>	<u>3,976</u>	5	<u>77,584</u>	<u>11,584</u>	15	
<b>Gross Margin</b>	59,842	50,171	9,671	19	41,664	18,178	44	
<b>General &amp; Administrative Expenses</b>								
G&A Expenses	18,445	15,784	2,661	17	15,163	3,282	22	
Pension and Other Retirement Benefits	1,665	3,519	(1,854)	(53)	1,838	(173)	(9)	
Depreciation	1,085	1,394	(309)	(22)	1,404	(319)	(23)	
Total G&A Expenses	<u>21,195</u>	<u>20,697</u>	<u>498</u>	2	<u>18,405</u>	<u>2,790</u>	15	
<b>Net Operating Income</b>	38,647	29,474	9,173	31	23,259	15,388	66	
<b>Nonoperating Revenues (Expenses)</b>	1,816	1,790	26	1	8,737	(6,921)	(79)	
<b>Income before Contributions</b>	<u>40,463</u>	<u>31,264</u>	<u>9,199</u>	29	<u>31,996</u>	<u>8,467</u>	26	
<b>Contributions (to)/from Federal/State Agencies</b>	754	3,015	(2,261)	(75)	(645)	1,399	(100)	
<b>Net Income</b>	<u>\$ 41,217</u>	<u>\$ 34,279</u>	<u>\$ 6,938</u>	20	<u>\$ 31,351</u>	<u>\$ 9,866</u>	31	
<b>Pro forma Cash Flow</b>								
Net Income	\$ 41,217	\$ 34,279	\$ 6,938	20	\$ 31,351	\$ 9,866	31	
Add Depreciation and Amortization	27,408	26,503	905	3	26,509	899	3	
Adjust for non cash items	246	3,854	(3,608)	(94)	(5,733)	5,979	(100)	
Pro forma Cash Flow	<u>\$ 68,871</u>	<u>\$ 64,636</u>	<u>\$ 4,235</u>	7	<u>\$ 52,127</u>	<u>\$ 16,744</u>	32	

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

	<b>Unaudited May 31, 2018</b>	<b>Audited December 31, 2017</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 54,744	\$ 75,522
Short-Term Investments	268,535	228,527
Trade Accounts & Other Receivables	31,955	31,029
Other	5,377	3,539
<b>Total Current Assets</b>	360,611	338,617
<b>Restricted Assets</b>	66,433	59,871
<b>Property</b>		
Land, Facilities & Equipment	2,390,201	2,388,561
CIP	221,921	211,517
Accumulated Depreciation	(933,584)	(907,035)
<b>Property, Net</b>	1,678,538	1,693,043
<b>Long-Term Investments</b>	49,943	37,850
<b>Other Assets</b>		
Industrial Agreements	1,599	1,744
Other	9,263	8,694
<b>Total Other Assets</b>	10,862	10,438
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	12,341	12,341
Deferred loss on bond refunding	4,969	5,097
<b>Total Deferred Outflows of Resources</b>	17,310	17,438
<b>Total Assets and deferred outflows of resources</b>	<b>\$ 2,183,697</b>	<b>\$ 2,157,257</b>

## Port of Houston Authority

### Balance Sheet

(\$ in thousands)

	<b>Unaudited May 31, 2018</b>	<b>Audited December 31, 2017</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 2,731	\$ 21,944
Other Current Liabilities	22,245	25,729
<b>Total Current Liabilities</b>	<u>24,976</u>	<u>47,673</u>
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	19,945	19,945
Accrued Interest Payable	5,508	8,262
<b>Total Restricted Current Liabilities</b>	<u>25,453</u>	<u>28,207</u>
<b>Long-Term Debt, net of Current Maturities</b>	<u>652,388</u>	<u>653,953</u>
<b>Other Noncurrent Liabilities</b>		
Accrued Vacation and Sick Leave	7,583	6,461
OPEB Obligation	15,235	14,502
Net Pension Liability	10,277	10,277
Other	15,266	14,854
<b>Total Other Noncurrent Liabilities</b>	<u>48,361</u>	<u>46,094</u>
<b>TOTAL LIABILITIES</b>	<u>751,178</u>	<u>775,927</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	843	843
Deferred gain on bond refunding	148	160
<b>Total Deferred Inflows of Resources</b>	<u>991</u>	<u>1,003</u>
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	1,011,027	1,023,578
Restricted for Debt Service	54,446	45,622
Unrestricted Net Assets	366,055	311,127
<b>Total Net Position</b>	<u>1,431,528</u>	<u>1,380,327</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 2,183,697</u>	<u>\$ 2,157,257</u>