

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

	June		Δ	%
	Unaudited 2018	Audited 2017		
Operating Revenues				
Container Terminals	\$ 23,031	\$ 21,568	\$ 1,463	7
Turning Basin Terminals	4,517	4,795	(278)	(6)
Bulk	433	395	38	10
Leases	688	577	111	19
Other	940	916	24	3
Total Operating Revenues	29,609	28,251	1,358	5
Operating Expenses				
Container Terminals	9,555	8,466	1,089	13
Turning Basin Terminals	1,356	1,498	(142)	(9)
Bulk	89	28	61	100
Leases	13	22	(9)	(41)
Other	1,047	1,149	(102)	(9)
Pension and Other Retirement Benefits	569	537	32	6
Depreciation and Amortization	5,276	5,206	70	1
Total Operating Expenses	17,905	16,906	999	6
Gross Margin	11,704	11,345	359	3
General & Administrative Expenses				
G&A Expenses	3,713	3,055	658	22
Pension and Other Retirement Benefits	333	382	(49)	(13)
Depreciation	216	247	(31)	(13)
Total G&A Expenses	4,262	3,684	578	16
Net Operating Income	7,442	7,661	(219)	(3)
Nonoperating Revenues (Expenses)	637	95	542	100
Income before Contributions	8,079	7,756	323	4
Contributions (to)/from Federal/State Agencies	88	(1,071)	1,159	(100)
Net Income	\$ 8,167	\$ 6,685	\$ 1,482	22
Pro forma Cash Flow				
Net Income	\$ 8,167	\$ 6,685	\$ 1,482	22
Add Depreciation and Amortization	5,492	5,453	39	1
Adjust for non cash items	(260)	202	(462)	(100)
Pro forma Cash Flow	\$ 13,399	\$ 12,340	\$ 1,059	9

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)

	June						June			
	Unaudited	Audited	Δ	%			2016	2018 vs		%
	2018	2017					2016	2016		
Operating Revenues										
Container Terminals	\$ 136,720	\$ 124,717	\$ 12,003	10	\$ 104,219	\$ 32,501	31			
Turning Basin Terminals	29,780	27,453	2,327	8	25,881	3,899	15			
Bulk	2,476	2,369	107	5	2,704	(228)	(8)			
Leases	4,060	3,587	473	13	3,508	552	16			
Other	5,582	5,488	94	2	7,493	(1,911)	(26)			
Total Operating Revenues	178,618	163,614	15,004	9	143,805	34,813	24			
Operating Expenses										
Container Terminals	57,217	50,672	6,545	13	44,131	13,086	30			
Turning Basin Terminals	7,511	8,781	(1,270)	(14)	8,951	(1,440)	(16)			
Bulk	288	153	135	88	160	128	80			
Leases	241	333	(92)	(28)	98	143	100			
Other	6,796	6,249	547	9	8,334	(1,538)	(18)			
Pension and Other Retirement Benefits	3,421	5,594	(2,173)	(39)	2,646	775	29			
Depreciation and Amortization	31,598	30,315	1,283	4	30,116	1,482	5			
Total Operating Expenses	107,072	102,097	4,975	5	94,436	12,636	13			
Gross Margin	71,546	61,517	10,029	16	49,369	22,177	45			
General & Administrative Expenses										
G&A Expenses	22,158	18,840	3,318	18	18,351	3,807	21			
Pension and Other Retirement Benefits	1,998	3,900	(1,902)	(49)	2,206	(208)	(9)			
Depreciation	1,301	1,641	(340)	(21)	1,680	(379)	(23)			
Total G&A Expenses	25,457	24,381	1,076	4	22,237	3,220	14			
Net Operating Income	46,089	37,136	8,953	24	27,132	18,957	70			
Nonoperating Revenues (Expenses)	2,453	1,885	568	30	9,042	(6,589)	(73)			
Income before Contributions	48,542	39,021	9,521	24	36,174	12,368	34			
Contributions (to)/from Federal/State Agencies	842	1,943	(1,101)	(57)	(886)	1,728	(100)			
Net Income	\$ 49,384	\$ 40,964	\$ 8,420	21	\$ 35,288	\$ 14,096	40			
Pro forma Cash Flow										
Net Income	\$ 49,384	\$ 40,964	\$ 8,420	21	\$ 35,288	\$ 14,096	40			
Add Depreciation and Amortization	32,899	31,956	943	3	31,796	1,103	3			
Adjust for non cash items	(14)	4,056	(4,070)	(100)	(5,834)	5,820	(100)			
Pro forma Cash Flow	\$ 82,269	\$ 76,976	\$ 5,293	7	\$ 61,250	\$ 21,019	34			

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2018	Audited December 31, 2017
Current Assets		
Cash & Cash Equivalents	\$ 60,549	\$ 75,522
Short-Term Investments	264,657	228,527
Trade Accounts & Other Receivables	34,587	31,029
Other	5,093	3,539
Total Current Assets	<u>364,886</u>	<u>338,617</u>
Restricted Assets	<u>70,936</u>	<u>59,871</u>
Property		
Land, Facilities & Equipment	2,389,671	2,388,561
CIP	227,461	211,517
Accumulated Depreciation	(938,242)	(907,035)
Property, Net	<u>1,678,890</u>	<u>1,693,043</u>
Long-Term Investments	<u>52,289</u>	<u>37,850</u>
Other Assets		
Industrial Agreements	1,570	1,744
Other	9,318	8,694
Total Other Assets	<u>10,888</u>	<u>10,438</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	12,341	12,341
Deferred loss on bond refunding	4,944	5,097
Total Deferred Outflows of Resources	<u>17,285</u>	<u>17,438</u>
Total Assets and deferred outflows of resources	<u>\$ 2,195,174</u>	<u>\$ 2,157,257</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2018	Audited December 31, 2017
Current Liabilities		
Accounts Payable	\$ 2,639	\$ 21,944
Other Current Liabilities	21,602	25,729
Total Current Liabilities	24,241	47,673
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,945	19,945
Accrued Interest Payable	8,262	8,262
Total Restricted Current Liabilities	28,207	28,207
Long-Term Debt, net of Current Maturities	652,074	653,953
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,895	6,461
OPEB Obligation	14,302	14,502
Net Pension Liability	10,277	10,277
Other	15,643	14,854
Total Other Noncurrent Liabilities	48,117	46,094
TOTAL LIABILITIES	752,639	775,927
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	843	843
Deferred gain on bond refunding	145	160
Total Deferred Inflows of Resources	988	1,003
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,011,669	1,023,578
Restricted for Debt Service	56,182	45,622
Unrestricted Net Assets	373,696	311,127
Total Net Position	1,441,547	1,380,327
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,195,174	\$ 2,157,257