

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

	July		Δ	%
	Unaudited 2018	Audited 2017		
Operating Revenues				
Container Terminals	\$ 24,471	\$ 21,183	\$ 3,288	16
Turning Basin Terminals	5,187	5,351	(164)	(3)
Bulk	566	400	166	42
Leases	614	455	159	35
Other	926	1,002	(76)	(8)
Total Operating Revenues	31,764	28,391	3,373	12
Operating Expenses				
Container Terminals	9,065	8,488	577	7
Turning Basin Terminals	1,898	1,519	379	25
Bulk	72	28	44	100
Leases	35	13	22	100
Other	1,231	1,133	98	9
Pension and Other Retirement Benefits	653	535	118	22
Depreciation and Amortization	5,893	5,765	128	2
Total Operating Expenses	18,847	17,481	1,366	8
Gross Margin	12,917	10,910	2,007	18
General & Administrative Expenses				
G&A Expenses	3,983	3,323	660	20
Pension and Other Retirement Benefits	377	381	(4)	(1)
Depreciation	211	247	(36)	(15)
Total G&A Expenses	4,571	3,951	620	16
Net Operating Income	8,346	6,959	1,387	20
Nonoperating Revenues (Expenses)	763	315	448	100
Income before Contributions	9,109	7,274	1,835	25
Contributions (to)/from Federal/State Agencies	39	1,621	(1,582)	(98)
Net Income	\$ 9,148	\$ 8,895	\$ 253	3
Pro forma Cash Flow				
Net Income	\$ 9,148	\$ 8,895	\$ 253	3
Add Depreciation and Amortization	6,104	6,012	92	2
Pro forma Cash Flow	\$ 15,252	\$ 14,907	\$ 345	2

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)

	July						July			
	Unaudited	Audited	Δ	%			2016	2018 vs		%
	2018	2017					2016	2016		
Operating Revenues										
Container Terminals	\$ 161,191	\$ 145,900	\$ 15,291	10	\$ 121,774	\$ 39,417	32			
Turning Basin Terminals	34,966	32,804	2,162	7	30,150	4,816	16			
Bulk	3,042	2,768	274	10	3,095	(53)	(2)			
Leases	4,674	4,042	632	16	4,081	593	15			
Other	6,509	6,490	19	-	8,459	(1,950)	(23)			
Total Operating Revenues	210,382	192,004	18,378	10	167,559	42,823	26			
Operating Expenses										
Container Terminals	66,281	59,160	7,121	12	51,240	15,041	29			
Turning Basin Terminals	9,409	10,300	(891)	(9)	10,346	(937)	(9)			
Bulk	360	181	179	99	184	176	96			
Leases	277	347	(70)	(20)	43	234	100			
Other	8,027	7,382	645	9	9,321	(1,294)	(14)			
Pension and Other Retirement Benefits	4,074	6,129	(2,055)	(34)	3,121	953	31			
Depreciation and Amortization	37,491	36,080	1,411	4	35,101	2,390	7			
Total Operating Expenses	125,919	119,579	6,340	5	109,356	16,563	15			
Gross Margin	84,463	72,425	12,038	17	58,203	26,260	45			
General & Administrative Expenses										
G&A Expenses	26,140	22,163	3,977	18	21,764	4,376	20			
Pension and Other Retirement Benefits	2,375	4,281	(1,906)	(45)	2,542	(167)	(7)			
Depreciation	1,513	1,888	(375)	(20)	1,955	(442)	(23)			
Total G&A Expenses	30,028	28,332	1,696	6	26,261	3,767	14			
Net Operating Income	54,435	44,093	10,342	23	31,942	22,493	70			
Nonoperating Revenues (Expenses)	3,216	2,200	1,016	46	9,468	(6,252)	(66)			
Income before Contributions	57,651	46,293	11,358	25	41,410	16,241	39			
Contributions (to)/from Federal/State Agencies	881	3,565	(2,684)	(75)	(1,125)	2,006	(100)			
Net Income	\$ 58,532	\$ 49,858	\$ 8,674	17	\$ 40,285	\$ 18,247	45			
Pro forma Cash Flow										
Net Income	\$ 58,532	\$ 49,858	\$ 8,674	17	\$ 40,285	\$ 18,247	45			
Add Depreciation and Amortization	39,004	37,968	1,036	3	37,056	1,948	5			
Adjust for non cash items	(14)	4,056	(4,070)	(100)	(5,834)	5,820	(100)			
Pro forma Cash Flow	\$ 97,522	\$ 91,882	\$ 5,640	6	\$ 71,507	\$ 26,015	36			

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited July 31, 2018	Audited December 31, 2017
Current Assets		
Cash & Cash Equivalents	\$ 49,459	\$ 75,522
Short-Term Investments	308,652	228,527
Trade Accounts & Other Receivables	32,835	31,029
Other	4,612	3,539
Total Current Assets	395,558	338,617
Restricted Assets	72,147	59,871
Property		
Land, Facilities & Equipment	2,391,233	2,388,561
CIP	228,873	211,517
Accumulated Depreciation	(944,708)	(907,035)
Property, Net	1,675,398	1,693,043
Long-Term Investments	35,414	37,850
Other Assets		
Industrial Agreements	1,541	1,744
Other	9,146	8,694
Total Other Assets	10,687	10,438
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	12,341	12,341
Deferred loss on bond refunding	4,918	5,097
Total Deferred Outflows of Resources	17,259	17,438
Total Assets and deferred outflows of resources	\$ 2,206,463	\$ 2,157,257

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited July 31, 2018	Audited December 31, 2017
Current Liabilities		
Accounts Payable	\$ 2,885	\$ 21,944
Other Current Liabilities	22,030	25,729
Total Current Liabilities	24,915	47,673
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,945	19,945
Accrued Interest Payable	7,537	8,262
Total Restricted Current Liabilities	27,482	28,207
Long-Term Debt, net of Current Maturities	652,573	653,953
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	8,082	6,461
OPEB Obligation	14,785	14,502
Net Pension Liability	10,277	10,277
Other	15,954	14,854
Total Other Noncurrent Liabilities	49,098	46,094
TOTAL LIABILITIES	754,068	775,927
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	843	843
Deferred gain on bond refunding	720	160
Total Deferred Inflows of Resources	1,563	1,003
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,007,079	1,023,578
Restricted for Debt Service	57,961	45,622
Unrestricted Net Assets	385,792	311,127
Total Net Position	1,450,832	1,380,327
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,206,463	\$ 2,157,257