

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

	December		Δ	%
	Unaudited 2018	Audited 2017		
<b>Operating Revenues</b>				
Container Terminals	\$ 24,129	\$ 19,688	\$ 4,441	23
Turning Basin Terminals	4,304	5,213	(909)	(17)
Bulk	452	391	61	16
Leases	644	519	125	24
Other	864	2,246	(1,382)	(62)
Total Operating Revenues	30,393	28,057	2,336	8
<b>Operating Expenses</b>				
Container Terminals	9,708	11,812	(2,104)	(18)
Turning Basin Terminals	2,639	1,974	665	34
Bulk	31	21	10	48
Leases	22	100	(78)	(78)
Other	1,764	2,001	(237)	(12)
Pension and Other Retirement Benefits	550	(2,266)	2,816	(100)
Depreciation and Amortization	7,614	6,554	1,060	16
Total Operating Expenses	22,328	20,196	2,132	11
<b>Gross Margin</b>	8,065	7,861	204	3
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	4,567	3,995	572	14
Pension and Other Retirement Benefits	309	(1,613)	1,922	(100)
Depreciation	311	233	78	33
Total G&A Expenses	5,187	2,615	2,572	98
<b>Net Operating Income</b>	2,878	5,246	(2,368)	(45)
<b>Nonoperating Revenues (Expenses)</b>	2,061	(6)	2,067	(100)
<b>Income before Contributions</b>	4,939	5,240	(301)	(6)
<b>Contributions (to)/from Federal/State Agencies</b>	(357)	937	(1,294)	(100)
<b>Net Income</b>	\$ 4,582	\$ 6,177	\$ (1,595)	(26)
<b>Pro forma Cash Flow</b>				
Net Income	\$ 4,582	\$ 6,177	\$ (1,595)	(26)
Add Depreciation and Amortization	7,925	6,787	1,138	17
Adjust for non cash items	(2,529)	447	(2,976)	(100)
Pro forma Cash Flow	\$ 9,978	\$ 13,411	\$ (3,433)	(26)

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)

	December				December		
	Unaudited	Audited	Δ	%	2016	2016	%
	2018	2017			2016	2016	
<b>Operating Revenues</b>							
Container Terminals	\$ 283,743	\$ 252,405	\$ 31,338	12	\$ 213,397	\$ 70,346	33
Turning Basin Terminals	57,715	56,238	1,477	3	50,093	7,622	15
Bulk	5,271	4,906	365	7	5,140	131	3
Leases	8,390	7,094	1,296	18	7,362	1,028	14
Other	10,978	12,231	(1,253)	(10)	13,797	(2,819)	(20)
Total Operating Revenues	<u>366,097</u>	<u>332,874</u>	<u>33,223</u>	10	<u>289,789</u>	<u>76,308</u>	26
<b>Operating Expenses</b>							
Container Terminals	117,270	112,914	4,356	4	99,193	18,077	18
Turning Basin Terminals	19,058	18,727	331	2	20,439	(1,381)	(7)
Bulk	484	301	183	61	338	146	43
Leases	417	655	(238)	(36)	950	(533)	(56)
Other	14,409	13,433	976	7	14,977	(568)	(4)
Pension and Other Retirement Benefits	7,239	6,136	1,103	18	6,053	1,186	20
Depreciation and Amortization	67,847	63,190	4,657	7	76,092	(8,245)	(11)
Total Operating Expenses	<u>226,724</u>	<u>215,356</u>	<u>11,368</u>	5	<u>218,042</u>	<u>8,682</u>	4
<b>Gross Margin</b>	139,373	117,518	21,855	19	71,747	67,626	94
<b>General &amp; Administrative Expenses</b>							
G&A Expenses	46,121	38,382	7,739	20	39,210	6,911	18
Pension and Other Retirement Benefits	4,196	4,042	154	4	4,711	(515)	-
Depreciation	2,993	3,024	(31)	(1)	3,350	(357)	(11)
Total G&A Expenses	<u>53,310</u>	<u>45,448</u>	<u>7,862</u>	17	<u>47,271</u>	<u>6,039</u>	13
<b>Net Operating Income</b>	86,063	72,070	13,993	19	24,476	61,587	100
<b>Nonoperating Revenues (Expenses)</b>	7,978	4,595	3,383	74	9,109	(1,131)	(12)
<b>Income before Contributions</b>	94,041	76,665	17,376	23	33,585	60,456	180
<b>Contributions (to)/from Federal/State Agencies</b>	(427)	3,494	(3,921)	(112)	327	(754)	(100)
<b>Net Income</b>	<u>\$ 93,614</u>	<u>\$ 80,159</u>	<u>\$ 13,455</u>	17	<u>\$ 33,912</u>	<u>\$ 59,702</u>	176
<b>Pro forma Cash Flow</b>							
Net Income	\$ 93,614	\$ 80,159	\$ 13,455	17	\$ 33,912	\$ 59,702	176
Add Depreciation and Amortization	70,840	66,214	4,626	7	79,442	(8,602)	(11)
Adjust for non cash items	(2,387)	4,376	(6,763)	(100)	(3,591)	1,204	(100)
Pro forma Cash Flow	<u>\$ 162,067</u>	<u>\$ 150,749</u>	<u>\$ 11,318</u>	8	<u>\$ 109,763</u>	<u>\$ 52,304</u>	48

## Port of Houston Authority

### Balance Sheet

(\$ in thousands)

	<b>Unaudited December 30, 2018</b>	<b>Audited December 31, 2017</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 74,595	\$ 75,522
Short-Term Investments	234,752	228,527
Trade Accounts & Other Receivables	37,144	31,029
Other	3,635	3,539
<b>Total Current Assets</b>	<u>350,126</u>	<u>338,617</u>
<b>Restricted Assets</b>	<u>62,556</u>	<u>59,871</u>
<b>Property</b>		
Land, Facilities & Equipment	2,610,358	2,388,561
CIP	60,023	211,517
Accumulated Depreciation	(972,822)	(907,035)
<b>Property, Net</b>	<u>1,697,559</u>	<u>1,693,043</u>
<b>Long-Term Investments</b>	<u>98,643</u>	<u>37,850</u>
<b>Other Assets</b>		
Industrial Agreements	4,200	1,744
Other	10,191	8,694
<b>Total Other Assets</b>	<u>14,391</u>	<u>10,438</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	12,341	12,341
Deferred loss on bond refunding	4,791	5,097
<b>Total Deferred Outflows of Resources</b>	<u>17,132</u>	<u>17,438</u>
<b>Total Assets and deferred outflows of resources</b>	<u>\$ 2,240,407</u>	<u>\$ 2,157,257</u>

## Port of Houston Authority

### Balance Sheet

(\$ in thousands)

	<b>Unaudited December 30, 2018</b>	<b>Audited December 31, 2017</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 16,645	\$ 21,944
Other Current Liabilities	19,303	25,729
<b>Total Current Liabilities</b>	35,948	47,673
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	21,185	19,945
Accrued Interest Payable	7,697	8,262
<b>Total Restricted Current Liabilities</b>	28,882	28,207
<b>Long-Term Debt, net of Current Maturities</b>	629,271	653,953
<b>Other Noncurrent Liabilities</b>		
Accrued Vacation and Sick Leave	6,863	6,461
OPEB Obligation	14,502	14,502
Net Pension Liability	10,277	10,277
Other	16,260	14,854
<b>Total Other Noncurrent Liabilities</b>	47,902	46,094
<b>TOTAL LIABILITIES</b>	742,003	775,927
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	843	843
Deferred gain on bond refunding	695	160
<b>Total Deferred Inflows of Resources</b>	1,538	1,003
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	1,051,199	1,023,578
Restricted for Debt Service	47,676	45,622
Unrestricted Net Assets	397,991	311,127
<b>Total Net Position</b>	1,496,866	1,380,327
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	\$ 2,240,407	\$ 2,157,257