

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

	October		Δ	%
	Unaudited	Audited		
	2019	2018		
Operating Revenues				
Container Terminals	\$ 26,996	\$ 25,567	\$ 1,429	6
Turning Basin Terminals	4,594	4,796	(202)	(4)
Bulk	513	441	72	16
Leases	891	736	155	21
Other	1,102	979	123	13
Total Operating Revenues	34,096	32,519	1,577	5
Operating Expenses				
Container Terminals	11,417	11,476	(59)	(1)
Turning Basin Terminals	2,034	1,698	336	20
Bulk	24	38	(14)	(37)
Leases	14	3	11	100
Other	1,891	1,908	(17)	(1)
Pension and Other Retirement Benefits	3,628	664	2,964	100
Depreciation and Amortization	5,937	5,867	70	1
Total Operating Expenses	24,945	21,654	3,291	15
Gross Margin	9,151	10,865	(1,714)	(16)
General & Administrative Expenses				
G&A Expenses	4,081	3,783	298	8
Pension and Other Retirement Benefits	2,260	371	1,889	100
Depreciation	208	214	(6)	(3)
Total G&A Expenses	6,549	4,368	2,181	50
Net Operating Income	2,602	6,497	(3,895)	(60)
Nonoperating Revenues (Expenses)	930	694	236	34
Income before Contributions	3,532	7,191	(3,659)	(51)
Contributions (to)/from Federal/State Agencies	(432)	(128)	(304)	100
Net Income	\$ 3,100	\$ 7,063	\$ (3,963)	(56)
Pro forma Cash Flow (GAAP)				
Net Income	\$ 3,100	\$ 7,063	\$ (3,963)	(56)
Add Depreciation and Amortization	6,145	6,081	64	1
Adjust for non cash items	387	-	387	100
Pro forma Cash Flow (GAAP)	\$ 9,632	\$ 13,144	\$ (3,512)	(27)

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
(amounts in thousands)

	October				October		
	Unaudited	Audited	Δ	%	2017	2019 vs 2017	%
	2019	2018			2019	2019 vs 2017	
Operating Revenues							
Container Terminals	\$ 257,427	\$ 235,760	\$ 21,667	9	\$ 210,920	\$ 46,507	22
Turning Basin Terminals	47,121	49,293	(2,172)	(4)	46,430	691	1
Bulk	4,718	4,378	340	8	4,115	603	15
Leases	6,653	7,055	(402)	(6)	6,042	611	10
Other	10,053	9,366	687	7	9,078	975	11
Total Operating Revenues	<u>325,972</u>	<u>305,852</u>	<u>20,120</u>	<u>7</u>	<u>276,585</u>	<u>49,387</u>	<u>18</u>
Operating Expenses							
Container Terminals	104,570	97,626	6,944	7	92,941	11,629	13
Turning Basin Terminals	18,990	14,882	4,108	28	15,085	3,905	26
Bulk	603	444	159	36	249	354	100
Leases	72	337	(265)	(79)	492	(420)	(85)
Other	13,968	13,768	200	1	10,872	3,096	28
Pension and Other Retirement Benefits	8,485	6,117	2,368	39	7,942	543	7
Depreciation and Amortization	57,247	54,791	2,456	4	51,603	5,644	11
Total Operating Expenses	<u>203,935</u>	<u>187,965</u>	<u>15,970</u>	<u>8</u>	<u>179,184</u>	<u>24,751</u>	<u>14</u>
Gross Margin	122,037	117,887	4,150	4	97,401	24,636	25
General & Administrative Expenses							
G&A Expenses	36,164	35,499	665	2	30,636	5,528	18
Pension and Other Retirement Benefits	4,974	3,426	1,548	45	5,218	(244)	(5)
Depreciation	2,099	2,243	(144)	(6)	2,575	(476)	(18)
Total G&A Expenses	<u>43,237</u>	<u>41,168</u>	<u>2,069</u>	<u>5</u>	<u>38,429</u>	<u>4,808</u>	<u>13</u>
Net Operating Income	78,800	76,719	2,081	3	58,972	19,828	34
Nonoperating Revenues (Expenses)	11,821	5,175	6,646	100	3,201	8,620	100
Income before Contributions	90,621	81,894	8,727	11	62,173	28,448	46
Contributions (to)/from Federal/State Agencies	(2,661)	524	(3,185)	(100)	2,949	(5,610)	(100)
Net Income	<u>\$ 87,960</u>	<u>\$ 82,418</u>	<u>\$ 5,542</u>	<u>7</u>	<u>\$ 65,122</u>	<u>\$ 22,838</u>	<u>35</u>
Pro forma Cash Flow (GAAP)							
Net Income	\$ 87,960	\$ 82,418	\$ 5,542	7	\$ 65,122	\$ 22,838	35
Add Depreciation and Amortization	59,346	57,034	2,312	4	54,178	5,168	10
Adjust for non cash items	(4,444)	142	(4,586)	(100)	3,928	(8,372)	(100)
Pro forma Cash Flow (GAAP)	<u>\$ 142,862</u>	<u>\$ 139,594</u>	<u>\$ 3,268</u>	<u>2</u>	<u>\$ 123,228</u>	<u>\$ 19,634</u>	<u>16</u>

Port of Houston Authority

Balance Sheet

(amounts in thousands)

	Unaudited October 31, 2019	Audited December 31, 2018
Current Assets		
Cash & Cash Equivalents	\$ 180,773	\$ 74,597
Short-Term Investments	118,935	230,837
Trade Accounts & Other Receivables	39,810	43,925
Other	7,469	3,788
Total Current Assets	<u>346,987</u>	<u>353,147</u>
Restricted Assets	<u>54,655</u>	<u>59,103</u>
Property		
Land, Facilities & Equipment	2,624,320	2,610,388
CIP	94,726	60,050
Accumulated Depreciation	(1,030,485)	(972,822)
Property, Net	<u>1,688,561</u>	<u>1,697,616</u>
Long-Term Investments	<u>194,165</u>	<u>102,558</u>
Other Assets		
Industrial Agreements	3,950	4,200
Other	7,376	10,191
Total Other Assets	<u>11,326</u>	<u>14,391</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	7,489	7,489
Deferred outflows of resources related to OPEB	6,760	6,760
Deferred loss on bond refunding	4,537	4,791
Total Deferred Outflows of Resources	<u>18,786</u>	<u>19,040</u>
Total Assets and deferred outflows of resources	<u>\$ 2,314,480</u>	<u>\$ 2,245,855</u>

**Port of Houston Authority
Balance Sheet**

(amounts in thousands)

	Unaudited October 31, 2019	Audited December 31, 2018
Current Liabilities		
Accounts Payable	\$ 4,262	\$ 16,317
Other Current Liabilities	18,830	20,330
Total Current Liabilities	23,092	36,647
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,735	21,185
Accrued Interest Payable	2,338	7,274
Total Restricted Current Liabilities	24,073	28,459
Long-Term Debt, net of Current Maturities	602,102	629,278
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,779	6,723
OPEB Obligation	417	-
Net Pension Liability	5,343	5,343
Net OPEB Liability	8,884	8,884
Other	17,444	15,847
Total Other Noncurrent Liabilities	39,867	36,797
TOTAL LIABILITIES	689,134	731,181
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	2,621	2,621
Deferred gain on bond refunding	2,166	695
Total Deferred Inflows of Resources	4,787	3,316
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,067,095	1,050,604
Restricted for Debt Service	42,352	44,646
Unrestricted Net Assets	511,112	416,108
Total Net Position	1,620,559	1,511,358
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,314,480	\$ 2,245,855