

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

	November		Δ	%
	Unaudited 2018	Audited 2017		
Operating Revenues				
Container Terminals	\$ 23,854	\$ 21,796	\$ 2,058	9
Turning Basin Terminals	4,117	4,596	(479)	(10)
Bulk	441	400	41	10
Leases	690	533	157	29
Other	749	907	(158)	(17)
Total Operating Revenues	29,851	28,232	1,619	6
Operating Expenses				
Container Terminals	9,936	8,161	1,775	22
Turning Basin Terminals	1,537	1,669	(132)	(8)
Bulk	9	31	(22)	(71)
Leases	58	63	(5)	(8)
Other	1,014	1,105	(91)	(8)
Pension and Other Retirement Benefits	654	558	96	17
Depreciation and Amortization	5,441	5,033	408	8
Total Operating Expenses	18,649	16,620	2,029	12
Gross Margin	11,202	11,612	(410)	(4)
General & Administrative Expenses				
G&A Expenses	3,917	3,205	712	22
Pension and Other Retirement Benefits	378	338	40	12
Depreciation	439	216	223	100
Total G&A Expenses	4,734	3,759	975	26
Net Operating Income	6,468	7,853	(1,385)	(18)
Nonoperating Revenues (Expenses)	741	1,400	(659)	(47)
Income before Contributions	7,209	9,253	(2,044)	(22)
Contributions (to)/from Federal/State Agencies	(595)	(393)	(202)	51
Net Income	\$ 6,614	\$ 8,860	\$ (2,246)	(25)
Pro forma Cash Flow				
Net Income	\$ 6,614	\$ 8,860	\$ (2,246)	(25)
Add Depreciation and Amortization	5,880	5,249	631	12
Pro forma Cash Flow	\$ 12,494	\$ 14,109	\$ (1,615)	(11)

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)

	November		Δ	%	November 2016	2018 vs 2016	%
	Unaudited 2018	Audited 2017					
Operating Revenues							
Container Terminals	\$ 259,614	\$ 232,716	\$ 26,898	12	\$ 194,769	\$ 64,845	33
Turning Basin Terminals	53,411	51,025	2,386	5	45,849	7,562	16
Bulk	4,818	4,515	303	7	4,688	130	3
Leases	7,746	6,576	1,170	18	6,705	1,041	16
Other	10,114	9,985	129	1	12,714	(2,600)	(20)
Total Operating Revenues	335,703	304,817	30,886	10	264,725	70,978	27
Operating Expenses							
Container Terminals	107,562	101,102	6,460	6	81,948	25,614	31
Turning Basin Terminals	16,419	16,753	(334)	(2)	17,829	(1,410)	(8)
Bulk	453	280	173	62	289	164	57
Leases	395	555	(160)	(29)	213	182	85
Other	12,645	11,432	1,213	11	13,451	(806)	(6)
Pension and Other Retirement Benefits	6,689	8,402	(1,713)	(20)	5,045	1,644	33
Depreciation and Amortization	60,232	56,636	3,596	6	55,413	4,819	9
Total Operating Expenses	204,395	195,160	9,235	5	174,188	30,207	17
Gross Margin	131,308	109,657	21,651	20	90,537	40,771	45
General & Administrative Expenses							
G&A Expenses	41,554	34,387	7,167	21	34,313	7,241	21
Pension and Other Retirement Benefits	3,886	5,655	(1,769)	(31)	3,904	(18)	-
Depreciation	2,682	2,791	(109)	(4)	3,057	(375)	(12)
Total G&A Expenses	48,122	42,833	5,289	12	41,274	6,848	17
Net Operating Income	83,186	66,824	16,362	24	49,263	33,923	69
Nonoperating Revenues (Expenses)	5,917	4,601	1,316	29	9,166	(3,249)	(35)
Income before Contributions	89,103	71,425	17,678	25	58,429	30,674	52
Contributions (to)/from Federal/State Agencies	(71)	2,557	(2,628)	(103)	(906)	835	(100)
Net Income	\$ 89,032	\$ 73,982	\$ 15,050	20	\$ 57,523	\$ 31,509	55
Pro forma Cash Flow							
Net Income	\$ 89,032	\$ 73,982	\$ 15,050	20	\$ 57,523	\$ 31,509	55
Add Depreciation and Amortization	62,914	59,427	3,487	6	58,470	4,444	8
Adjust for non cash items	142	3,928	(3,786)	(96)	(4,109)	4,251	(100)
Pro forma Cash Flow	\$ 152,088	\$ 137,337	\$ 14,751	11	\$ 111,884	\$ 40,204	36

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited November 30, 2018	Audited December 31, 2017
Current Assets		
Cash & Cash Equivalents	\$ 66,452	\$ 75,522
Short-Term Investments	273,902	228,527
Trade Accounts & Other Receivables	33,589	31,029
Other	4,009	3,539
Total Current Assets	<u>377,952</u>	<u>338,617</u>
Restricted Assets	<u>57,999</u>	<u>59,871</u>
Property		
Land, Facilities & Equipment	2,404,148	2,388,561
CIP	239,401	211,517
Accumulated Depreciation	(966,787)	(907,035)
Property, Net	<u>1,676,762</u>	<u>1,693,043</u>
Long-Term Investments	<u>79,058</u>	<u>37,850</u>
Other Assets		
Industrial Agreements	1,424	1,744
Other	10,311	8,694
Total Other Assets	<u>11,735</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	4,817	5,097
Total Deferred Outflows of Resources	<u>17,158</u>	<u>17,438</u>
Total Assets and deferred outflows of resources	<u>\$ 2,220,664</u>	<u>\$ 2,157,257</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited November 30, 2018	Audited December 31, 2017
Current Liabilities		
Accounts Payable	\$ 3,092	\$ 21,944
Other Current Liabilities	18,368	25,729
Total Current Liabilities	21,460	47,673
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	21,185	19,945
Accrued Interest Payable	5,272	8,262
Total Restricted Current Liabilities	26,457	28,207
Long-Term Debt, net of Current Maturities	629,668	653,953
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,329	6,461
OPEB Obligation	15,369	14,502
Net Pension Liability	10,277	10,277
Other	18,503	14,854
Total Other Noncurrent Liabilities	51,478	46,094
TOTAL LIABILITIES	729,063	775,927
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	843	843
Deferred gain on bond refunding	700	160
Total Deferred Inflows of Resources	1,543	1,003
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,030,027	1,023,578
Restricted for Debt Service	45,664	45,622
Unrestricted Net Assets	414,367	311,127
Total Net Position	1,490,058	1,380,327
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,220,664	\$ 2,157,257