

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

	May		Δ	%
	Unaudited 2016	Audited 2015		
Operating Revenues				
Container Terminals	\$ 16,636	\$ 19,044	\$ (2,408)	(13)
Turning Basin Terminals	4,244	5,941	(1,697)	(29)
Bulk	424	462	(38)	(8)
Leases	579	595	(16)	(3)
Other	986	1,565	(579)	(37)
Total Operating Revenues	22,869	27,607	(4,738)	(17)
Operating Expenses				
Container Terminals	7,241	6,555	686	10
Turning Basin Terminals	1,298	1,877	(579)	(31)
Bulk	20	28	(8)	(29)
Leases	58	51	7	14
Other	1,125	771	354	46
Pension and Other Retirement Benefits	437	438	(1)	-
Depreciation and Amortization	5,005	4,721	284	6
Total Operating Expenses	15,184	14,441	743	5
Operating Income	7,685	13,166	(5,481)	42
General & Administrative Expenses				
G&A Expenses	3,351	2,848	503	18
Pension and Other Retirement Benefits	374	346	28	8
Depreciation	173	250	(77)	(31)
Total G&A Expenses	3,898	3,444	454	13
Net Operating Income	3,787	9,722	(5,935)	61
Nonoperating Revenues (Expenses)	244	443	(199)	(45)
Income before Contributions	4,031	10,165	(6,134)	(60)
Contributions (to)/from Federal/State Agencies	(207)	11	(218)	
Net Income	\$ 3,824	\$ 10,176	\$ (6,352)	(62)
Pro forma Cash Flow				
Net Income	\$ 3,824	\$ 10,176	\$ (6,352)	(62)
Add Depreciation and Amortization	5,178	4,971	207	4
Pro forma Cash Flow	\$ 9,002	\$ 15,147	\$ (6,145)	(41)

These unaudited financial statements are prepared by the Port of Houston Authority ("Authority") and made available on its website (www.portofhouston.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)

	May					May		
	Unaudited 2016	Audited 2015	Δ	%		2014	2016 vs 2014	%
Operating Revenues								
Container Terminals	\$ 85,897	\$ 86,711	\$ (814)	(1)	\$ 66,823	\$ 19,074	29	
Turning Basin Terminals	21,732	31,696	(9,964)	(31)	25,644	(3,912)	(15)	
Bulk	2,267	2,225	42	2	2,322	(55)	(2)	
Leases	2,944	2,832	112	4	2,961	(17)	(1)	
Other	6,408	7,182	(774)	(11)	4,954	1,454	29	
Total Operating Revenues	119,248	130,646	(11,398)	(9)	102,704	16,544	16	
Operating Expenses								
Container Terminals	35,614	32,235	3,379	10	29,015	6,599	23	
Turning Basin Terminals	7,309	7,331	(22)	-	6,245	1,064	17	
Bulk	128	133	(5)	(4)	110	18	16	
Leases	79	147	(68)	(46)	69	10	14	
Other	7,003	7,259	(256)	(4)	5,712	1,291	23	
Pension and Other Retirement Benefits	2,180	2,185	(5)	-	2,723	(543)	(20)	
Depreciation and Amortization	25,105	23,314	1,791	8	21,966	3,139	14	
Total Operating Expenses	77,418	72,604	4,814	7	65,840	11,578	18	
Operating Income	41,830	58,042	(16,212)	(28)	36,864	4,966	13	
General & Administrative Expenses								
G&A Expenses	15,305	15,182	123	1	14,145	1,160	8	
Pension and Other Retirement Benefits	1,862	1,722	140	8	2,119	(257)	(12)	
Depreciation	1,404	1,160	244	21	1,128	276	24	
Total G&A Expenses	18,571	18,064	507	3	17,392	1,179	7	
Net Operating Income	23,259	39,978	(16,719)	(42)	19,472	3,787	19	
Nonoperating Revenues (Expenses)	8,737	2,879	5,858	203	3,635	5,102	140	
Income before Contributions	31,996	42,857	(10,861)	(25)	23,107	8,889	38	
Contributions (to)/from Federal/State Agencies	(645)	11	(656)	100	(181)	(464)	256	
Net Income	\$ 31,351	\$ 42,868	\$ (11,517)	(27)	\$ 22,926	\$ 8,425	37	
Pro forma Cash Flow								
Net Income	\$ 31,351	\$ 42,868	\$ (11,517)	(27)	\$ 22,926	\$ 8,425	37	
Add Depreciation and Amortization	26,509	24,474	2,035	8	23,095	3,414	15	
Adjust for non cash items	(5,733)	(1,108)	(4,625)	417	(1,052)	(4,681)	445	
Pro forma Cash Flow	\$ 52,127	\$ 66,234	\$ (14,107)	(21)	\$ 44,969	\$ 7,158	16	

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited May 31, 2016	Audited December 31, 2015
Current Assets		
Cash & Cash Equivalents	\$ 67,692	\$ 59,894
Short-Term Investments	254,519	225,710
Trade Accounts & Other Receivables	26,733	30,318
Other	4,755	3,262
Total Current Assets	<u>353,699</u>	<u>319,184</u>
Restricted Assets	<u>61,295</u>	<u>55,207</u>
Property		
Land, Facilities & Equipment	2,193,071	2,186,661
CIP	138,509	85,386
Accumulated Depreciation	(792,313)	(766,411)
Property, Net	<u>1,539,267</u>	<u>1,505,636</u>
Long-Term Investments	<u>93,438</u>	<u>136,580</u>
Other Assets		
Industrial Agreements	2,297	2,442
Other	5,080	4,865
Total Other Assets	<u>7,377</u>	<u>7,307</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	11,642	11,642
Deferred loss on bond refunding	5,987	6,624
Total Deferred Outflows of Resources	<u>17,629</u>	<u>18,266</u>
Total Assets and deferred outflows of resources	<u>\$ 2,072,705</u>	<u>\$ 2,042,180</u>

**Port of Houston Authority
Balance Sheet**

(\$ in thousands)

	Unaudited May 31, 2016	Audited December 31, 2015
Current Liabilities		
Accounts Payable	\$ 3,088	\$ 11,633
Other Current Liabilities	24,188	23,627
Total Current Liabilities	27,276	35,260
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	16,275	16,275
Accrued Interest Payable	5,794	8,690
Total Restricted Current Liabilities	22,069	24,965
Long-Term Debt, net of Current Maturities	699,655	701,357
Other Non-Current Liabilities		
Accrued Vacation and Sick Leave	6,019	5,435
OPEB Obligation	23,443	21,776
Net Pension Liability	5,061	5,061
Other	25,958	24,742
Total Other Non-Current Liabilities	60,481	57,014
TOTAL LIABILITIES	809,481	818,596
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,974	3,973
Deferred gain on bond refunding	239	261
Total Deferred Inflows of Resources	4,213	4,234
Commitments and Contingencies		
Net position		
Invested in Capital Assets, net of debt	829,085	794,075
Restricted for Debt Service	48,810	41,853
Unrestricted Net Assets	381,116	383,422
Total Net Position	1,259,011	1,219,350
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,072,705	\$ 2,042,180