

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

	September		Δ	%
	Unaudited 2016	Audited 2015		
<b>Operating Revenues</b>				
Container Terminals	\$ 18,437	\$ 16,938	\$ 1,499	9
Turning Basin Terminals	3,915	4,355	(440)	(10)
Bulk	417	430	(13)	(3)
Leases	575	598	(23)	(4)
Other	875	951	(76)	(8)
Total Operating Revenues	<u>24,219</u>	<u>23,272</u>	<u>947</u>	<u>4</u>
<b>Operating Expenses</b>				
Container Terminals	7,361	6,967	394	6
Turning Basin Terminals	1,563	1,474	89	6
Bulk	29	23	6	26
Leases	28	9	19	100
Other	1,107	1,023	84	8
Pension and Other Retirement Benefits	471	445	26	6
Depreciation and Amortization	4,991	5,015	(24)	-
Total Operating Expenses	<u>15,550</u>	<u>14,956</u>	<u>594</u>	<u>4</u>
<b>Operating Income</b>	8,669	8,316	353	4
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	2,930	3,172	(242)	(8)
Pension and Other Retirement Benefits	342	347	(5)	(1)
Depreciation	279	251	28	11
Total G&A Expenses	<u>3,551</u>	<u>3,770</u>	<u>(219)</u>	<u>(6)</u>
<b>Net Operating Income</b>	5,118	4,546	572	13
<b>Nonoperating Revenues (Expenses)</b>	253	375	(122)	(33)
<b>Income before Contributions</b>	5,371	4,921	450	9
<b>Contributions (to)/from Federal/State Agencies</b>	325	(212)	537	100
<b>Net Income</b>	<u>\$ 5,696</u>	<u>\$ 4,709</u>	<u>\$ 987</u>	<u>21</u>
<b>Pro forma Cash Flow</b>				
Net Income	\$ 5,696	\$ 4,709	\$ 987	21
Add Depreciation and Amortization	5,270	5,266	4	-
Adjust for non cash items	(101)	(330)	229	(69)
Pro forma Cash Flow	<u>\$ 10,865</u>	<u>\$ 9,645</u>	<u>\$ 1,220</u>	<u>13</u>

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

	September				September		
	Unaudited 2016	Audited 2015	Δ	%	2014	2016 vs 2014	%
<b>Operating Revenues</b>							
Container Terminals	\$ 158,359	\$ 153,088	\$ 5,271	3	\$ 127,828	\$ 30,531	24
Turning Basin Terminals	38,013	49,982	(11,969)	(24)	49,137	(11,124)	(23)
Bulk	3,912	4,059	(147)	(4)	4,715	(803)	(17)
Leases	5,222	5,217	5	-	4,837	385	8
Other	10,270	10,860	(590)	(5)	9,043	1,227	14
Total Operating Revenues	<u>215,776</u>	<u>223,206</u>	<u>(7,430)</u>	<u>(3)</u>	<u>195,560</u>	<u>20,216</u>	<u>10</u>
<b>Operating Expenses</b>							
Container Terminals	66,605	60,599	6,006	10	53,143	13,462	25
Turning Basin Terminals	14,204	13,914	290	2	12,792	1,412	11
Bulk	244	228	16	7	205	39	19
Leases	205	269	(64)	(24)	123	82	67
Other	11,313	11,666	(353)	(3)	10,708	605	6
Pension and Other Retirement Benefits	4,028	3,952	76	2	4,887	(859)	(18)
Depreciation and Amortization	45,099	42,336	2,763	7	40,244	4,855	12
Total Operating Expenses	<u>141,698</u>	<u>132,964</u>	<u>8,734</u>	<u>7</u>	<u>122,102</u>	<u>19,596</u>	<u>16</u>
<b>Operating Income</b>	74,078	90,242	(16,164)	(18)	73,458	620	1
<b>General &amp; Administrative Expenses</b>							
G&A Expenses	27,998	28,294	(296)	(1)	26,702	1,296	5
Pension and Other Retirement Benefits	3,262	3,109	153	5	3,845	(583)	(15)
Depreciation	2,519	2,137	382	18	2,011	508	25
Total G&A Expenses	<u>33,779</u>	<u>33,540</u>	<u>239</u>	<u>1</u>	<u>32,558</u>	<u>1,221</u>	<u>4</u>
<b>Net Operating Income</b>	40,299	56,702	(16,403)	(29)	40,900	(601)	(1)
<b>Nonoperating Revenues (Expenses)</b>	10,137	4,226	5,911	100	6,398	3,739	58
<b>Income before Contributions</b>	50,436	60,928	(10,492)	(17)	47,298	3,138	7
<b>Contributions (to)/from Federal/State Agencies</b>	(1,007)	(202)	(805)	(100)	1,590	(2,597)	(100)
<b>Net Income</b>	<u>\$ 49,429</u>	<u>\$ 60,726</u>	<u>\$ (11,297)</u>	<u>(19)</u>	<u>\$ 48,888</u>	<u>\$ 541</u>	<u>1</u>
<b>Pro forma Cash Flow</b>							
Net Income	\$ 49,429	\$ 60,726	\$ (11,297)	(19)	\$ 48,888	\$ 541	1
Add Depreciation and Amortization	47,618	44,473	3,145	7	42,255	5,363	13
Adjust for non cash items	(5,645)	(1,454)	(4,191)	(100)	(2,067)	(3,578)	100
Pro forma Cash Flow	<u>\$ 91,402</u>	<u>\$ 103,745</u>	<u>\$ (12,343)</u>	<u>(12)</u>	<u>\$ 89,076</u>	<u>\$ 2,326</u>	<u>3</u>

## Port of Houston Authority

### Balance Sheet

(\$ in thousands)

	<b>Unaudited September 30, 2016</b>	<b>Audited December 31, 2015</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 46,635	\$ 59,894
Short-Term Investments	278,086	225,710
Trade Accounts & Other Receivables	29,203	30,318
Other	3,243	3,262
<b>Total Current Assets</b>	<b>357,167</b>	<b>319,184</b>
<b>Restricted Assets</b>	<b>79,302</b>	<b>55,207</b>
<b>Property</b>		
Land, Facilities & Equipment	2,198,046	2,186,661
CIP	185,134	85,386
Accumulated Depreciation	(812,303)	(766,411)
<b>Property, Net</b>	<b>1,570,877</b>	<b>1,505,636</b>
<b>Long-Term Investments</b>	<b>75,996</b>	<b>136,580</b>
<b>Other Assets</b>		
Industrial Agreements	2,180	2,442
Other	4,607	4,865
<b>Total Other Assets</b>	<b>6,787</b>	<b>7,307</b>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	11,642	11,642
Deferred loss on bond refunding	5,580	6,624
<b>Total Deferred Outflows of Resources</b>	<b>17,222</b>	<b>18,266</b>
<b>Total Assets and deferred outflows of resources</b>	<b>\$ 2,107,351</b>	<b>\$ 2,042,180</b>

**Port of Houston Authority  
Balance Sheet**

(\$ in thousands)

	<b>Unaudited September 30, 2016</b>	<b>Audited December 31, 2015</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 2,904	\$ 11,633
Other Current Liabilities	25,904	23,627
<b>Total Current Liabilities</b>	<b>28,808</b>	<b>35,260</b>
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	16,275	16,275
Accrued Interest Payable	16,918	8,690
<b>Total Restricted Current Liabilities</b>	<b>33,193</b>	<b>24,965</b>
<b>Long-Term Debt, net of Current Maturities</b>	<b>698,411</b>	<b>701,357</b>
<b>Other Non-Current Liabilities</b>		
Accrued Vacation and Sick Leave	6,355	5,435
OPEB Obligation	20,876	21,776
Net Pension Liability	5,061	5,061
Other	26,285	24,742
<b>Total Other Non-Current Liabilities</b>	<b>58,577</b>	<b>57,014</b>
<b>TOTAL LIABILITIES</b>	<b>818,989</b>	<b>818,596</b>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	3,973	3,973
Deferred gain on bond refunding	222	261
<b>Total Deferred Inflows of Resources</b>	<b>4,195</b>	<b>4,234</b>
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	861,549	794,075
Restricted for Debt Service	55,354	41,853
Unrestricted Net Assets	367,264	383,422
<b>Total Net Position</b>	<b>1,284,167</b>	<b>1,219,350</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 2,107,351</b>	<b>\$ 2,042,180</b>