

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

	November		Δ	%
	Unaudited 2016	Audited 2015		
Operating Revenues				
Container Terminals	\$ 18,184	\$ 14,651	\$ 3,533	24
Turning Basin Terminals	3,876	4,495	(619)	(14)
Bulk	379	430	(51)	(12)
Leases	872	583	289	50
Other	1,539	2,276	(737)	(32)
Total Operating Revenues	<u>24,850</u>	<u>22,435</u>	<u>2,415</u>	<u>11</u>
Operating Expenses				
Container Terminals	7,900	6,699	1,201	18
Turning Basin Terminals	1,941	1,437	504	35
Bulk	28	23	5	22
Leases	6	(18)	24	(100)
Other	997	1,560	(563)	(36)
Pension and Other Retirement Benefits	481	530	(49)	(9)
Depreciation and Amortization	5,029	4,869	160	3
Total Operating Expenses	<u>16,382</u>	<u>15,100</u>	<u>1,282</u>	<u>8</u>
Operating Income	8,468	7,335	1,133	15
General & Administrative Expenses				
G&A Expenses	3,337	3,178	159	5
Pension and Other Retirement Benefits	350	415	(65)	(16)
Depreciation	269	249	20	8
Total G&A Expenses	<u>3,956</u>	<u>3,842</u>	<u>114</u>	<u>3</u>
Net Operating Income	4,512	3,493	1,019	29
Nonoperating Revenues (Expenses)	(1,135)	265	(1,400)	(100)
Income before Contributions	<u>3,377</u>	<u>3,758</u>	<u>(381)</u>	<u>(10)</u>
Contributions (to)/from Federal/State Agencies	(19)	(71)	52	(73)
Net Income	<u>\$ 3,358</u>	<u>\$ 3,687</u>	<u>\$ (329)</u>	<u>(9)</u>
Pro forma Cash Flow				
Net Income	\$ 3,358	\$ 3,687	\$ (329)	(9)
Add Depreciation and Amortization	5,298	5,118	180	4
Adjust for non cash items	1,536	-	-	100
Pro forma Cash Flow	<u>\$ 10,192</u>	<u>\$ 8,805</u>	<u>\$ 1,387</u>	<u>16</u>

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				November		
	Unaudited	Audited	Δ	%	2014	2016 vs	%
	2016	2015			2014	2014	
Operating Revenues							
Container Terminals	\$ 194,769	\$ 184,175	\$ 10,594	6	\$ 155,525	\$ 39,244	25
Turning Basin Terminals	45,849	58,416	(12,567)	(22)	60,225	(14,376)	(24)
Bulk	4,688	5,102	(414)	(8)	5,609	(921)	(16)
Leases	6,705	6,417	288	4	6,049	656	11
Other	12,714	14,158	(1,444)	(10)	11,417	1,297	11
Total Operating Revenues	<u>264,725</u>	<u>268,268</u>	<u>(3,543)</u>	<u>(1)</u>	<u>238,825</u>	<u>25,900</u>	<u>11</u>
Operating Expenses							
Container Terminals	81,948	73,911	8,037	11	64,135	17,813	28
Turning Basin Terminals	17,829	17,119	710	4	15,575	2,254	14
Bulk	289	272	17	6	250	39	16
Leases	213	269	(56)	(21)	95	118	124
Other	13,159	14,223	(1,064)	(7)	14,028	(869)	(6)
Pension and Other Retirement Benefits	4,988	4,912	76	2	5,718	(730)	(13)
Depreciation and Amortization	55,413	51,983	3,430	7	49,390	6,023	12
Total Operating Expenses	<u>173,839</u>	<u>162,689</u>	<u>11,150</u>	<u>7</u>	<u>149,191</u>	<u>24,648</u>	<u>17</u>
Operating Income	90,886	105,579	(14,693)	(14)	89,634	1,252	1
General & Administrative Expenses							
G&A Expenses	34,605	34,623	(18)	-	32,518	2,087	6
Pension and Other Retirement Benefits	3,961	3,860	101	3	4,514	(553)	(12)
Depreciation	3,057	2,628	429	16	2,461	596	24
Total G&A Expenses	<u>41,623</u>	<u>41,111</u>	<u>512</u>	<u>1</u>	<u>39,493</u>	<u>2,130</u>	<u>5</u>
Net Operating Income	49,263	64,468	(15,205)	(24)	50,141	(878)	(2)
Nonoperating Revenues (Expenses)	9,166	4,696	4,470	95	6,473	2,693	42
Income before Contributions	58,429	69,164	(10,735)	(16)	56,614	1,815	3
Contributions (to)/from Federal/State Agencies	(906)	(1,955)	1,049	(54)	2,142	(3,048)	(100)
Net Income	<u>\$ 57,523</u>	<u>\$ 67,209</u>	<u>\$ (9,686)</u>	<u>(14)</u>	<u>\$ 58,756</u>	<u>\$ (1,233)</u>	<u>(2)</u>
Pro forma Cash Flow							
Net Income	\$ 57,523	\$ 67,209	\$ (9,686)	(14)	\$ 58,756	\$ (1,233)	(2)
Add Depreciation and Amortization	58,470	54,611	3,859	7	51,851	6,619	13
Adjust for non cash items	(4,109)	(1,454)	(2,655)	(100)	(2,067)	(2,042)	100
Pro forma Cash Flow	<u>\$ 111,884</u>	<u>\$ 120,366</u>	<u>\$ (8,482)</u>	<u>(7)</u>	<u>\$ 108,540</u>	<u>\$ 3,344</u>	<u>3</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited November 30, 2016	Audited December 31, 2015
Current Assets		
Cash & Cash Equivalents	\$ 43,777	\$ 59,894
Short-Term Investments	274,441	225,710
Trade Accounts & Other Receivables	27,610	30,318
Other	2,366	3,262
Total Current Assets	<u>348,194</u>	<u>319,184</u>
Restricted Assets	<u>54,263</u>	<u>55,207</u>
Property		
Land, Facilities & Equipment	2,203,360	2,186,661
CIP	209,561	85,386
Accumulated Depreciation	(821,296)	(766,411)
Property, Net	<u>1,591,625</u>	<u>1,505,636</u>
Long-Term Investments	<u>75,867</u>	<u>136,580</u>
Other Assets		
Industrial Agreements	2,122	2,442
Other	4,209	4,865
Total Other Assets	<u>6,331</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	5,326	6,624
Total Deferred Outflows of Resources	<u>16,968</u>	<u>18,266</u>
Total Assets and deferred outflows of resources	<u>\$ 2,093,248</u>	<u>\$ 2,042,180</u>

Port of Houston Authority
Balance Sheet

(\$ in thousands)

	Unaudited November 30, 2016	Audited December 31, 2015
Current Liabilities		
Accounts Payable	\$ 2,716	\$ 11,633
Other Current Liabilities	25,419	23,627
Total Current Liabilities	28,135	35,260
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,165	16,275
Accrued Interest Payable	5,201	8,690
Total Restricted Current Liabilities	24,366	24,965
Long-Term Debt, net of Current Maturities	678,553	701,357
Other Non-Current Liabilities		
Accrued Vacation and Sick Leave	5,826	5,435
OPEB Obligation	21,543	21,776
Net Pension Liability	5,061	5,061
Other	29,960	24,742
Total Other Non-Current Liabilities	62,390	57,014
TOTAL LIABILITIES	793,444	818,596
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,973	3,973
Deferred gain on bond refunding	213	261
Total Deferred Inflows of Resources	4,186	4,234
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	899,020	794,075
Restricted for Debt Service	41,988	41,853
Unrestricted Net Assets	354,610	383,422
Total Net Position	1,295,618	1,219,350
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,093,248	\$ 2,042,180