

**Port of Houston Authority**  
**Income Statement**  
**Current Month Actual vs. Prior Year**

(\$ in thousands)

	December		Δ	%
	Unaudited	Audited		
	2016	2015		
<b>Operating Revenues</b>				
Container Terminals	\$ 18,551	\$ 17,584	\$ 967	5
Turning Basin Terminals	3,841	4,579	(738)	(16)
Bulk	452	484	(32)	(7)
Leases	658	535	123	23
Other	1,083	1,314	(231)	(18)
Total Operating Revenues	24,585	24,496	89	-
<b>Operating Expenses</b>				
Container Terminals	7,945	10,680	(2,735)	(26)
Turning Basin Terminals	2,444	1,635	809	49
Bulk	49	32	17	53
Leases	43	36	7	19
Other	1,344	2,233	(889)	(40)
Pension and Other Retirement Benefits	482	(1,017)	1,499	(100)
Depreciation and Amortization	5,729	4,975	754	15
Total Operating Expenses	18,036	18,574	(538)	(3)
<b>Operating Income</b>	6,549	5,922	627	11
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	4,595	4,614	(19)	-
Pension and Other Retirement Benefits	350	(801)	1,151	(100)
Depreciation	353	339	14	4
Total G&A Expenses	5,298	4,152	1,146	28
<b>Net Operating Income</b>	1,251	1,770	(519)	(29)
<b>Nonoperating Revenues (Expenses)</b>	(67)	(2,686)	2,619	98
<b>Income before Contributions</b>	1,184	(916)	2,100	100
<b>Contributions (to)/from Federal/State Agencies</b>	318	(76)	394	(100)
<b>Net Income</b>	\$ 1,502	\$ (992)	\$ 2,494	100
<b>Pro forma Cash Flow</b>				
Net Income	\$ 1,502	\$ (992)	\$ 2,494	100
Add Depreciation and Amortization	6,082	5,314	768	14
Adjust for non cash items	495	3,515	(3,020)	(86)
Pro forma Cash Flow	\$ 8,079	\$ 7,837	\$ 242	3

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)

	December				December		
	Unaudited	Audited	Δ	%	2014	2014	%
	2016	2015			2014	2014	
<b>Operating Revenues</b>							
Container Terminals	\$ 213,320	\$ 201,759	\$ 11,561	6	\$ 170,740	\$ 42,580	25
Turning Basin Terminals	49,690	62,995	(13,305)	(21)	66,116	(16,426)	(25)
Bulk	5,140	5,586	(446)	(8)	6,090	(950)	(16)
Leases	7,363	6,952	411	6	6,585	778	12
Other	13,797	15,472	(1,675)	(11)	12,211	1,586	13
Total Operating Revenues	<u>289,310</u>	<u>292,764</u>	<u>(3,454)</u>	<u>(1)</u>	<u>261,742</u>	<u>27,568</u>	<u>11</u>
<b>Operating Expenses</b>							
Container Terminals	89,892	84,591	5,301	6	85,907	3,985	5
Turning Basin Terminals	20,273	18,754	1,519	8	17,825	2,448	14
Bulk	338	303	35	12	269	69	26
Leases	256	304	(48)	(16)	190	66	35
Other	14,503	16,456	(1,953)	(12)	16,253	(1,750)	(11)
Pension and Other Retirement Benefits	5,470	3,896	1,574	40	4,554	916	20
Depreciation and Amortization	61,143	56,959	4,184	7	54,232	6,911	13
Total Operating Expenses	<u>191,875</u>	<u>181,263</u>	<u>10,612</u>	<u>6</u>	<u>179,230</u>	<u>12,645</u>	<u>7</u>
<b>Operating Income</b>	97,435	111,501	(14,066)	(13)	82,512	14,923	18
<b>General &amp; Administrative Expenses</b>							
G&A Expenses	39,199	39,237	(38)	-	35,567	3,632	10
Pension and Other Retirement Benefits	4,311	3,059	1,252	41	3,584	727	20
Depreciation	3,410	2,967	443	15	2,686	724	27
Total G&A Expenses	<u>46,920</u>	<u>45,263</u>	<u>1,657</u>	<u>4</u>	<u>41,837</u>	<u>5,083</u>	<u>12</u>
<b>Net Operating Income</b>	50,515	66,238	(15,723)	(24)	40,675	9,840	24
<b>Nonoperating Revenues (Expenses)</b>	9,098	2,010	7,088	353	6,543	2,555	39
<b>Income before Contributions</b>	59,613	68,248	(8,635)	(13)	47,218	12,395	26
<b>Contributions (to)/from Federal/State Agencies</b>	(588)	(2,031)	1,443	71	906	(1,494)	(100)
<b>Net Income</b>	<u>\$ 59,025</u>	<u>\$ 66,217</u>	<u>\$ (7,192)</u>	<u>(11)</u>	<u>\$ 48,124</u>	<u>\$ 10,901</u>	<u>23</u>
<b>Pro forma Cash Flow</b>							
Net Income	\$ 59,025	\$ 66,217	\$ (7,192)	(11)	\$ 48,124	\$ 10,901	23
Add Depreciation and Amortization	64,553	59,926	4,627	8	56,918	7,635	13
Adjust for non cash items	(3,612)	1,855	(5,467)	(100)	12,917	(16,529)	100
Pro forma Cash Flow	<u>\$ 119,966</u>	<u>\$ 127,998</u>	<u>\$ (8,032)</u>	<u>(6)</u>	<u>\$ 117,959</u>	<u>\$ 2,007</u>	<u>2</u>

# Port of Houston Authority

## Balance Sheet

(\$ in thousands)

	<b>Unaudited December 31, 2016</b>	<b>Audited December 31, 2015</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 39,356	\$ 59,894
Short-Term Investments	290,711	225,710
Trade Accounts & Other Receivables	30,477	30,318
Other	2,171	3,262
<b>Total Current Assets</b>	<u>362,715</u>	<u>319,184</u>
<b>Restricted Assets</b>	<u>60,628</u>	<u>55,207</u>
<b>Property</b>		
Land, Facilities & Equipment	2,233,029	2,186,661
CIP	218,633	85,386
Accumulated Depreciation	(827,289)	(766,411)
<b>Property, Net</b>	<u>1,624,373</u>	<u>1,505,636</u>
<b>Long-Term Investments</b>	<u>60,724</u>	<u>136,580</u>
<b>Other Assets</b>		
Industrial Agreements	2,093	2,442
Other	4,096	4,865
<b>Total Other Assets</b>	<u>6,189</u>	<u>7,307</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	11,642	11,642
Deferred loss on bond refunding	5,198	6,624
<b>Total Deferred Outflows of Resources</b>	<u>16,840</u>	<u>18,266</u>
<b>Total Assets and deferred outflows of resources</b>	<u>\$ 2,131,469</u>	<u>\$ 2,042,180</u>

# Port of Houston Authority

## Balance Sheet

(\$ in thousands)

	<b>Unaudited December 31, 2016</b>	<b>Audited December 31, 2015</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 35,005	\$ 11,633
Other Current Liabilities	26,432	23,627
<b>Total Current Liabilities</b>	<u>61,437</u>	<u>35,260</u>
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	19,165	16,275
Accrued Interest Payable	8,032	8,690
<b>Total Restricted Current Liabilities</b>	<u>27,197</u>	<u>24,965</u>
<b>Long-Term Debt, net of Current Maturities</b>	<u>678,206</u>	<u>701,357</u>
<b>Other Non-Current Liabilities</b>		
Accrued Vacation and Sick Leave	5,267	5,435
OPEB Obligation	20,476	21,776
Net Pension Liability	5,061	5,061
Other	25,216	24,742
<b>Total Other Non-Current Liabilities</b>	<u>56,020</u>	<u>57,014</u>
<b>TOTAL LIABILITIES</b>	<u>822,860</u>	<u>818,596</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	3,973	3,973
Deferred gain on bond refunding	209	261
<b>Total Deferred Inflows of Resources</b>	<u>4,182</u>	<u>4,234</u>
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	931,992	794,075
Restricted for Debt Service	43,430	41,853
Unrestricted Net Assets	329,005	383,422
<b>Total Net Position</b>	<u>1,304,427</u>	<u>1,219,350</u>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 2,131,469</u>	<u>\$ 2,042,180</u>