

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

	<b>February</b>		Δ	%
	<b>Unaudited</b>	<b>Unaudited</b>		
	<b>2017</b>	<b>2016</b>		
<b>Operating Revenues</b>				
Container Terminals	\$ 20,129	\$ 16,937	\$ 3,192	19
Turning Basin Terminals	4,399	4,296	103	2
Bulk	398	475	(77)	(16)
Leases	595	592	3	1
Other	955	1,747	(792)	(45)
Total Operating Revenues	<u>26,476</u>	<u>24,047</u>	<u>2,429</u>	<u>10</u>
<b>Operating Expenses</b>				
Container Terminals	7,452	6,794	658	10
Turning Basin Terminals	1,223	1,959	(736)	(38)
Bulk	24	28	(4)	(14)
Leases	5	5	-	-
Other	946	1,430	(484)	(34)
Pension and Other Retirement Benefits	526	436	90	21
Depreciation and Amortization	5,027	5,027	-	-
Total Operating Expenses	<u>15,203</u>	<u>15,679</u>	<u>(476)</u>	<u>(3)</u>
<b>Operating Income</b>	11,273	8,368	2,905	35
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	2,993	3,127	(134)	(4)
Pension and Other Retirement Benefits	385	371	14	4
Depreciation	370	260	110	42
Total G&A Expenses	<u>3,748</u>	<u>3,758</u>	<u>(10)</u>	<u>-</u>
<b>Net Operating Income</b>	7,525	4,610	2,915	63
<b>Nonoperating Revenues (Expenses)</b>	338	2,202	(1,864)	(85)
<b>Income before Contributions</b>	7,863	6,812	1,051	15
<b>Contributions (to)/from Federal/State Agencies</b>	(122)	-	(122)	100
<b>Net Income</b>	<u>\$ 7,741</u>	<u>\$ 6,812</u>	<u>\$ 929</u>	<u>14</u>
<b>Pro forma Cash Flow</b>				
Net Income	\$ 7,741	\$ 6,812	\$ 929	14
Add Depreciation and Amortization	5,397	5,287	110	2
Pro forma Cash Flow	<u>\$ 13,138</u>	<u>\$ 12,099</u>	<u>\$ 1,039</u>	<u>9</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)

	February				February		
	Unaudited		Δ	%	2015	2017 vs	%
	2017	2016			2015		
<b>Operating Revenues</b>							
Container Terminals	\$ 40,845	\$ 33,179	\$ 7,666	23	\$ 30,289	\$ 10,556	35
Turning Basin Terminals	8,636	8,403	233	3	12,678	(4,042)	(32)
Bulk	785	863	(78)	(9)	831	(46)	(6)
Leases	1,190	1,033	157	15	1,103	87	8
Other	1,798	2,743	(945)	(34)	2,671	(873)	(33)
Total Operating Revenues	<u>53,254</u>	<u>46,221</u>	<u>7,033</u>	15	<u>47,572</u>	<u>5,682</u>	12
<b>Operating Expenses</b>							
Container Terminals	16,212	13,292	2,920	22	11,548	4,664	40
Turning Basin Terminals	2,348	3,225	(877)	(27)	2,358	(10)	-
Bulk	42	59	(17)	(29)	53	(11)	(21)
Leases	44	6	38	100	28	16	57
Other	1,927	2,794	(867)	(31)	3,194	(1,267)	(40)
Pension and Other Retirement Benefits	3,332	869	2,463	283	872	2,460	100
Depreciation and Amortization	10,069	10,057	12	-	9,316	753	8
Total Operating Expenses	<u>33,974</u>	<u>30,302</u>	<u>3,672</u>	12	<u>27,369</u>	<u>6,605</u>	24
<b>Operating Income</b>	19,280	15,919	3,361	21	20,203	(923)	(5)
<b>General &amp; Administrative Expenses</b>							
G&A Expenses	5,953	5,595	358	6	5,449	504	9
Pension and Other Retirement Benefits	2,494	742	1,752	100	687	1,807	100
Depreciation	652	520	132	25	456	196	43
Total G&A Expenses	<u>9,099</u>	<u>6,857</u>	<u>2,242</u>	33	<u>6,592</u>	<u>2,507</u>	38
<b>Net Operating Income</b>	10,181	9,062	1,119	12	13,611	(3,430)	(25)
<b>Nonoperating Revenues (Expenses)</b>	691	2,446	(1,755)	(72)	686	5	1
<b>Income before Contributions</b>	10,872	11,508	(636)	(6)	14,297	(3,425)	(24)
<b>Contributions (to)/from Federal/State Agencies</b>	(109)	-	(109)	(100)	-	(109)	(100)
<b>Net Income</b>	<u>\$ 10,763</u>	<u>\$ 11,508</u>	<u>\$ (745)</u>	(6)	<u>\$ 14,297</u>	<u>\$ (3,534)</u>	(25)
<b>Pro forma Cash Flow</b>							
Net Income	\$ 10,763	\$ 11,508	\$ (745)	(6)	\$ 14,297	\$ (3,534)	(25)
Add Depreciation and Amortization	10,721	10,577	144	1	9,772	949	10
Adjust for non cash items	4,000	-	4,000	100	-	4,000	100
Pro forma Cash Flow	<u>\$ 25,484</u>	<u>\$ 22,085</u>	<u>\$ 3,399</u>	15	<u>\$ 24,069</u>	<u>\$ 1,415</u>	6

# Port of Houston Authority

## Balance Sheet

(\$ in thousands)

	<b>Unaudited February 28, 2017</b>	<b>Unaudited December 31, 2016</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 41,188	\$ 39,356
Short-Term Investments	284,790	290,711
Trade Accounts & Other Receivables	34,291	30,477
Other	4,691	2,171
<b>Total Current Assets</b>	<u>364,960</u>	<u>362,715</u>
<b>Restricted Assets</b>	<u>68,497</u>	<u>60,628</u>
<b>Property</b>		
Land, Facilities & Equipment	2,231,300	2,233,029
CIP	247,342	218,633
Accumulated Depreciation	(852,733)	(827,289)
<b>Property, Net</b>	<u>1,625,909</u>	<u>1,624,373</u>
<b>Long-Term Investments</b>	<u>50,959</u>	<u>60,724</u>
<b>Other Assets</b>		
Industrial Agreements	2,035	2,093
Other	3,945	4,096
<b>Total Other Assets</b>	<u>5,980</u>	<u>6,189</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	16,500	11,642
Deferred loss on bond refunding	5,046	5,198
<b>Total Deferred Outflows of Resources</b>	<u>21,546</u>	<u>16,840</u>
<b>Total Assets and deferred outflows of resources</b>	<u>\$ 2,137,851</u>	<u>\$ 2,131,469</u>

## Port of Houston Authority

### Balance Sheet

(\$ in thousands)

	<b>Unaudited February 28, 2017</b>	<b>Unaudited December 31, 2016</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 27,322	\$ 35,005
Other Current Liabilities	27,064	26,432
<b>Total Current Liabilities</b>	<b>54,386</b>	<b>61,437</b>
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	19,165	19,165
Accrued Interest Payable	14,157	8,032
<b>Total Restricted Current Liabilities</b>	<b>33,322</b>	<b>27,197</b>
<b>Long-Term Debt, net of Current Maturities</b>	<b>677,265</b>	<b>678,206</b>
<b>Other Noncurrent Liabilities</b>		
Accrued Vacation and Sick Leave	6,256	5,267
OPEB Obligation	19,502	20,476
Net Pension Liability	13,472	5,061
Other	32,109	25,216
<b>Total Other Noncurrent Liabilities</b>	<b>71,339</b>	<b>56,020</b>
<b>TOTAL LIABILITIES</b>	<b>836,312</b>	<b>822,860</b>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	3,210	3,973
Deferred gain on bond refunding	200	209
<b>Total Deferred Inflows of Resources</b>	<b>3,410</b>	<b>4,182</b>
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	934,325	931,992
Restricted for Debt Service	49,109	43,430
Unrestricted Net Assets	314,695	329,005
<b>Total Net Position</b>	<b>1,298,129</b>	<b>1,304,427</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 2,137,851</b>	<b>\$ 2,131,469</b>