

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

	May			
	Unaudited	Audited	Δ	%
	2017	2016		
Operating Revenues				
Container Terminals	\$ 20,945	\$ 16,636	\$ 4,309	26
Turning Basin Terminals	5,061	4,244	817	19
Bulk	407	424	(17)	(4)
Leases	570	579	(9)	(2)
Other	903	986	(83)	(8)
Total Operating Revenues	27,886	22,869	5,017	22
Operating Expenses				
Container Terminals	8,740	7,241	1,499	21
Turning Basin Terminals	2,390	1,298	1,092	84
Bulk	24	20	4	20
Leases	(56)	58	(114)	(100)
Other	866	1,150	(284)	(25)
Pension and Other Retirement Benefits	537	442	95	21
Depreciation and Amortization	4,971	5,005	(34)	(1)
Total Operating Expenses	17,472	15,214	2,258	15
Operating Income	10,414	7,655	2,759	36
General & Administrative Expenses				
G&A Expenses	3,296	3,326	(30)	(1)
Pension and Other Retirement Benefits	383	369	14	4
Depreciation	247	173	74	43
Total G&A Expenses	3,926	3,868	58	1
Net Operating Income	6,488	3,787	2,701	71
Nonoperating Revenues (Expenses)	276	244	32	13
Income before Contributions	6,764	4,031	2,733	68
Contributions (to)/from Federal/State Agencies	-	(207)	207	100
Net Income	\$ 6,764	\$ 3,824	\$ 2,940	77
Pro forma Cash Flow				
Net Income	\$ 6,764	\$ 3,824	\$ 2,940	77
Add Depreciation and Amortization	5,218	5,178	40	1
Adjust for non cash items	26	-	26	100
Pro forma Cash Flow	\$ 12,008	\$ 9,002	\$ 3,006	33

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)

	May		Δ	%		May		%
	Unaudited 2017	Audited 2016				2015	2017 vs 2015	
Operating Revenues								
Container Terminals	\$ 103,149	\$ 85,897	\$ 17,252	20	\$	\$ 86,711	\$ 16,438	19
Turning Basin Terminals	22,658	21,732	926	4		31,696	(9,038)	(29)
Bulk	1,974	2,267	(293)	(13)		2,225	(251)	(11)
Leases	3,010	2,944	66	2		2,832	178	6
Other	4,572	6,408	(1,836)	(29)		7,182	(2,610)	(36)
Total Operating Revenues	135,363	119,248	16,115	14		130,646	4,717	4
Operating Expenses								
Container Terminals	42,206	35,614	6,592	19		32,235	9,971	31
Turning Basin Terminals	7,282	7,309	(27)	-		7,308	(26)	-
Bulk	125	128	(3)	(2)		133	(8)	(6)
Leases	311	79	232	100		147	164	100
Other	5,101	7,145	(2,044)	(29)		7,417	(2,316)	(31)
Pension and Other Retirement Benefits	5,058	2,204	2,854	100		2,200	2,858	100
Depreciation and Amortization	25,109	25,105	4	-		23,314	1,795	8
Total Operating Expenses	85,192	77,584	7,608	10		72,754	12,438	17
Operating Income	50,171	41,664	8,507	20		57,892	(7,721)	(13)
General & Administrative Expenses								
G&A Expenses	15,784	15,163	621	4		15,047	737	5
Pension and Other Retirement Benefits	3,519	1,838	1,681	91		1,707	1,812	106
Depreciation	1,394	1,404	(10)	(1)		1,160	234	20
Total G&A Expenses	20,697	18,405	2,292	12		17,914	2,783	16
Net Operating Income	29,474	23,259	6,215	27		39,978	(10,504)	(26)
Nonoperating Revenues (Expenses)	1,790	8,737	(6,947)	(80)		2,879	(1,089)	(38)
Income before Contributions	31,264	31,996	(732)	(2)		42,857	(11,593)	(27)
Contributions (to)/from Federal/State Agencies	3,015	(645)	3,660	100		11	3,004	100
Net Income	\$ 34,279	\$ 31,351	\$ 2,928	9		\$ 42,868	\$ (8,589)	(20)
Pro forma Cash Flow								
Net Income	\$ 34,279	\$ 31,351	\$ 2,928	9	\$	42,868	(8,589)	(20)
Add Depreciation and Amortization	26,503	26,509	(6)	-		24,474	2,029	8
Adjust for non cash items	3,854	(5,733)	9,587	167		(1,108)	4,962	100
Pro forma Cash Flow	\$ 64,636	\$ 52,127	\$ 12,509	24		\$ 66,234	\$ (1,598)	(2)

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited May 31, 2017	Audited December 31, 2016
Current Assets		
Cash & Cash Equivalents	\$ 105,710	\$ 39,356
Short-Term Investments	243,935	290,711
Trade Accounts & Other Receivables	30,624	31,930
Other	3,709	2,418
Total Current Assets	<u>383,978</u>	<u>364,415</u>
Restricted Assets	<u>64,845</u>	<u>63,365</u>
Property		
Land, Facilities & Equipment	2,232,306	2,229,531
CIP	276,113	224,137
Accumulated Depreciation	(868,351)	(842,173)
Property, Net	<u>1,640,068</u>	<u>1,611,495</u>
Long-Term Investments	<u>25,194</u>	<u>60,724</u>
Other Assets		
Industrial Agreements	1,948	2,093
Other	4,386	4,096
Total Other Assets	<u>6,334</u>	<u>6,189</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	16,500	16,500
Deferred loss on bond refunding	4,970	5,402
Total Deferred Outflows of Resources	<u>21,470</u>	<u>21,902</u>
Total Assets and deferred outflows of resources	<u>\$ 2,141,889</u>	<u>\$ 2,128,090</u>

**Port of Houston Authority
Balance Sheet**

(\$ in thousands)

	Unaudited May 31, 2017	Audited December 31, 2016
Current Liabilities		
Accounts Payable	\$ 12,440	\$ 38,594
Other Current Liabilities	25,472	26,882
Total Current Liabilities	37,912	65,476
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,165	19,165
Accrued Interest Payable	5,663	8,494
Total Restricted Current Liabilities	24,828	27,659
Long-Term Debt, net of Current Maturities	676,224	677,958
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,153	6,242
OPEB Obligation	19,302	18,669
Net Pension Liability	13,472	13,472
Other	37,022	37,950
Total Other Noncurrent Liabilities	76,949	76,333
TOTAL LIABILITIES	815,913	847,426
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	187	209
Total Deferred Inflows of Resources	3,397	3,419
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	949,462	919,177
Restricted for Debt Service	54,004	45,705
Unrestricted Net Assets	319,113	312,363
Total Net Position	1,322,579	1,277,245
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,141,889	\$ 2,128,090