

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

	June		Δ	%
	Unaudited 2017	Audited 2016		
Operating Revenues				
Container Terminals	\$ 21,568	\$ 18,323	\$ 3,245	18
Turning Basin Terminals	4,795	4,149	646	16
Bulk	395	436	(41)	(9)
Leases	577	564	13	2
Other	916	1,085	(169)	(16)
Total Operating Revenues	<u>28,251</u>	<u>24,557</u>	<u>3,694</u>	<u>15</u>
Operating Expenses				
Container Terminals	8,466	8,518	(52)	(1)
Turning Basin Terminals	1,498	1,642	(144)	(9)
Bulk	28	32	(4)	(13)
Leases	22	19	3	16
Other	1,149	1,189	(40)	(3)
Pension and Other Retirement Benefits	537	442	95	21
Depreciation and Amortization	5,206	5,011	195	4
Total Operating Expenses	<u>16,906</u>	<u>16,853</u>	<u>53</u>	<u>4</u>
Operating Income	11,345	7,704	3,641	47
General & Administrative Expenses				
G&A Expenses	3,055	3,189	(134)	(4)
Pension and Other Retirement Benefits	382	368	14	4
Depreciation	247	276	(29)	(11)
Total G&A Expenses	<u>3,684</u>	<u>3,833</u>	<u>(149)</u>	<u>(4)</u>
Net Operating Income	7,661	3,871	3,790	98
Nonoperating Revenues (Expenses)	95	306	(211)	(69)
Income before Contributions	7,756	4,177	3,579	86
Contributions (to)/from Federal/State Agencies	(1,071)	(241)	(830)	(100)
Net Income	<u>\$ 6,685</u>	<u>\$ 3,936</u>	<u>\$ 2,749</u>	<u>70</u>
Pro forma Cash Flow				
Net Income	\$ 6,685	\$ 3,936	\$ 2,749	70
Add Depreciation and Amortization	5,453	5,287	166	3
Adjust for non cash items	202	(101)	303	100
Pro forma Cash Flow	<u>\$ 12,340</u>	<u>\$ 9,122</u>	<u>\$ 3,218</u>	<u>35</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)

	June						June		2017 vs	
	Unaudited	Audited	Δ	%			2015	2015	%	
	2017	2016								
Operating Revenues										
Container Terminals	\$ 124,717	\$ 104,219	\$ 20,498	20	\$ 102,588	\$ 22,129	22			
Turning Basin Terminals	27,453	25,881	1,572	6	36,675	(9,222)	(25)			
Bulk	2,369	2,704	(335)	(12)	2,764	(395)	(14)			
Leases	3,587	3,508	79	2	3,419	168	5			
Other	5,488	7,493	(2,005)	(27)	8,033	(2,545)	(32)			
Total Operating Revenues	<u>163,614</u>	<u>143,805</u>	<u>19,809</u>	<u>14</u>	<u>153,479</u>	<u>10,135</u>	<u>7</u>			
Operating Expenses										
Container Terminals	50,672	44,131	6,541	15	38,738	11,934	31			
Turning Basin Terminals	8,781	8,951	(170)	(2)	9,419	(638)	(7)			
Bulk	153	160	(7)	(4)	159	(6)	(4)			
Leases	333	98	235	100	218	115	53			
Other	6,249	8,334	(2,085)	(25)	8,498	(2,249)	(26)			
Pension and Other Retirement Benefits	5,594	2,646	2,948	100	2,642	2,952	100			
Depreciation and Amortization	30,315	30,116	199	1	27,974	2,341	8			
Total Operating Expenses	<u>102,097</u>	<u>94,436</u>	<u>7,661</u>	<u>8</u>	<u>87,648</u>	<u>14,449</u>	<u>16</u>			
Operating Income	61,517	49,369	12,148	25	65,831	(4,314)	(7)			
General & Administrative Expenses										
G&A Expenses	18,840	18,351	489	3	18,008	832	5			
Pension and Other Retirement Benefits	3,900	2,206	1,694	77	2,049	1,851	90			
Depreciation	1,641	1,680	(39)	(2)	1,412	229	16			
Total G&A Expenses	<u>24,381</u>	<u>22,237</u>	<u>2,144</u>	<u>10</u>	<u>21,469</u>	<u>2,912</u>	<u>14</u>			
Net Operating Income	37,136	27,132	10,004	37	44,362	(7,226)	(16)			
Nonoperating Revenues (Expenses)	1,885	9,042	(7,157)	(79)	3,225	(1,340)	(42)			
Income before Contributions	39,021	36,174	2,847	8	47,587	(8,566)	(18)			
Contributions (to)/from Federal/State Agencies	1,943	(886)	2,829	100	11	1,932	100			
Net Income	<u>\$ 40,964</u>	<u>\$ 35,288</u>	<u>\$ 5,676</u>	<u>16</u>	<u>\$ 47,598</u>	<u>\$ (6,634)</u>	<u>(14)</u>			
Pro forma Cash Flow										
Net Income	\$ 40,964	\$ 35,288	\$ 5,676	16	\$ 47,598	\$ (6,634)	(14)			
Add Depreciation and Amortization	31,956	31,796	160	1	29,386	2,570	9			
Adjust for non cash items	4,056	(5,834)	9,890	100	(1,124)	5,180	100			
Pro forma Cash Flow	<u>\$ 76,976</u>	<u>\$ 61,250</u>	<u>\$ 15,726</u>	<u>26</u>	<u>\$ 75,860</u>	<u>\$ 1,116</u>	<u>1</u>			

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2017	Audited December 31, 2016
Current Assets		
Cash & Cash Equivalents	\$ 86,347	\$ 39,356
Short-Term Investments	261,080	290,711
Trade Accounts & Other Receivables	30,874	31,930
Other	3,426	2,418
Total Current Assets	<u>381,727</u>	<u>364,415</u>
Restricted Assets	<u>69,462</u>	<u>63,365</u>
Property		
Land, Facilities & Equipment	2,232,516	2,229,531
CIP	281,682	224,137
Accumulated Depreciation	(873,668)	(842,173)
Property, Net	<u>1,640,530</u>	<u>1,611,495</u>
Long-Term Investments	<u>24,742</u>	<u>60,724</u>
Other Assets		
Industrial Agreements	1,919	2,093
Other	4,294	4,096
Total Other Assets	<u>6,213</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	4,944	5,402
Total Deferred Outflows of Resources	<u>21,444</u>	<u>21,902</u>
Total Assets and deferred outflows of resources	<u>\$ 2,144,118</u>	<u>\$ 2,128,090</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2017	Audited December 31, 2016
Current Liabilities		
Accounts Payable	\$ 3,309	\$ 38,594
Other Current Liabilities	26,815	26,882
Total Current Liabilities	30,124	65,476
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,165	19,165
Accrued Interest Payable	8,494	8,494
Total Restricted Current Liabilities	27,659	27,659
Long-Term Debt, net of Current Maturities	675,878	677,958
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,425	6,242
OPEB Obligation	18,269	18,669
Net Pension Liability	13,472	13,472
Other	36,944	37,950
Total Other Noncurrent Liabilities	76,110	76,333
TOTAL LIABILITIES	809,771	847,426
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	182	209
Total Deferred Inflows of Resources	3,392	3,419
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	950,249	919,177
Restricted for Debt Service	55,640	45,705
Unrestricted Net Assets	325,066	312,363
Total Net Position	1,330,955	1,277,245
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,144,118	\$ 2,128,090