

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

(\$ in thousands)

	August			
	Unaudited	Audited	Δ	%
	2017	2016		
Operating Revenues				
Container Terminals	\$ 17,544	\$ 18,148	\$ (604)	(3)
Turning Basin Terminals	4,466	3,948	518	13
Bulk	539	401	138	34
Leases	464	565	(101)	(18)
Other	820	935	(115)	(12)
Total Operating Revenues	<u>23,833</u>	<u>23,997</u>	<u>(164)</u>	<u>(1)</u>
Operating Expenses				
Container Terminals	8,631	8,003	628	8
Turning Basin Terminals	1,601	2,295	(694)	(30)
Bulk	24	31	(7)	(23)
Leases	15	135	(120)	(89)
Other	1,171	1,109	62	6
Pension and Other Retirement Benefits	573	476	97	20
Depreciation and Amortization	5,170	5,007	163	3
Total Operating Expenses	<u>17,185</u>	<u>17,056</u>	<u>129</u>	<u>1</u>
Operating Income	6,648	6,941	(293)	(4)
General & Administrative Expenses				
G&A Expenses	3,384	3,080	304	10
Pension and Other Retirement Benefits	347	338	9	3
Depreciation	239	284	(45)	(16)
Total G&A Expenses	<u>3,970</u>	<u>3,702</u>	<u>268</u>	<u>7</u>
Net Operating Income	2,678	3,239	(561)	(17)
Nonoperating Revenues (Expenses)	179	416	(237)	(57)
Income before Contributions	<u>2,857</u>	<u>3,655</u>	<u>(798)</u>	<u>(22)</u>
Contributions (to)/from Federal/State Agencies	(172)	(207)	35	17
Net Income	<u>\$ 2,685</u>	<u>\$ 3,448</u>	<u>\$ (763)</u>	<u>(22)</u>
Pro forma Cash Flow				
Net Income	\$ 2,685	\$ 3,448	\$ (763)	(22)
Add Depreciation and Amortization	5,409	5,291	118	2
Pro forma Cash Flow	<u>\$ 8,094</u>	<u>\$ 8,739</u>	<u>\$ (645)</u>	<u>(7)</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)

	August						August					
	Unaudited		Audited				Δ	%		2015	2017 vs 2015	%
	2017	2016	2017	2016								
Operating Revenues												
Container Terminals	\$ 163,444	\$ 139,922	\$ 23,522	17		\$ 136,150	\$ 27,294	20				
Turning Basin Terminals	37,270	34,098	3,172	9		45,627	(8,357)	(18)				
Bulk	3,307	3,496	(189)	(5)		3,630	(323)	(9)				
Leases	4,506	4,646	(140)	(3)		4,619	(113)	(2)				
Other	7,311	9,394	(2,083)	(22)		9,908	(2,597)	(26)				
Total Operating Revenues	215,838	191,556	24,282	13		199,934	15,904	8				
Operating Expenses												
Container Terminals	67,792	59,243	8,549	14		53,632	14,160	26				
Turning Basin Terminals	11,901	12,642	(741)	(6)		12,440	(539)	(4)				
Bulk	206	215	(9)	(4)		205	1	-				
Leases	361	177	184	100		261	100	38				
Other	8,553	10,429	(1,876)	(18)		10,855	(2,302)	(21)				
Pension and Other Retirement Benefits	6,702	3,598	3,104	86		3,532	3,170	90				
Depreciation and Amortization	41,250	40,108	1,142	3		37,321	3,929	11				
Total Operating Expenses	136,765	126,412	10,353	8		118,246	18,519	16				
Operating Income	79,073	65,144	13,929	21		81,688	(2,615)	(3)				
General & Administrative Expenses												
G&A Expenses	25,546	24,845	701	3		24,910	636	3				
Pension and Other Retirement Benefits	4,628	2,880	1,748	61		2,736	1,892	69				
Depreciation	2,127	2,240	(113)	(5)		1,887	240	13				
Total G&A Expenses	32,301	29,965	2,336	8		29,533	2,768	9				
Net Operating Income	46,772	35,179	11,593	33		52,155	(5,383)	(10)				
Nonoperating Revenues (Expenses)	2,379	9,885	(7,506)	(76)		3,851	(1,472)	(38)				
Income before Contributions	49,151	45,064	4,087	9		56,006	(6,855)	(12)				
Contributions (to)/from Federal/State Agencies	3,392	(1,332)	4,724	(100)		11	3,381	100				
Net Income	\$ 52,543	\$ 43,732	\$ 8,811	20		\$ 56,017	\$ (3,474)	(6)				
Pro forma Cash Flow												
Net Income	\$ 52,543	\$ 43,732	\$ 8,811	20		\$ 56,017	\$ (3,474)	(6)				
Add Depreciation and Amortization	43,377	42,348	1,029	2		39,208	4,169	11				
Adjust for non cash items	4,056	(5,745)	9,801	100		(1,124)	5,180	100				
Pro forma Cash Flow	\$ 99,976	\$ 80,335	\$ 19,641	24		\$ 94,101	\$ 5,875	6				

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited August 31, 2017	Audited December 31, 2016
Current Assets		
Cash & Cash Equivalents	\$ 62,143	\$ 39,356
Short-Term Investments	302,953	290,711
Trade Accounts & Other Receivables	24,558	31,930
Other	2,839	2,418
Total Current Assets	<u>392,493</u>	<u>364,415</u>
Restricted Assets	<u>78,813</u>	<u>63,365</u>
Property		
Land, Facilities & Equipment	2,232,548	2,229,531
CIP	296,840	224,137
Accumulated Depreciation	(884,947)	(842,173)
Property, Net	<u>1,644,441</u>	<u>1,611,495</u>
Long-Term Investments	<u>24,166</u>	<u>60,724</u>
Other Assets		
Industrial Agreements	1,861	2,093
Other	5,132	4,096
Total Other Assets	<u>6,993</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	5,198	5,402
Total Deferred Outflows of Resources	<u>21,698</u>	<u>21,902</u>
Total Assets and deferred outflows of resources	<u>\$ 2,168,604</u>	<u>\$ 2,128,090</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited August 31, 2017	Audited December 31, 2016
Current Liabilities		
Accounts Payable	\$ 3,374	\$ 38,594
Other Current Liabilities	29,137	26,882
Total Current Liabilities	32,511	65,476
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,165	19,165
Accrued Interest Payable	14,157	8,494
Total Restricted Current Liabilities	33,322	27,659
Long-Term Debt, net of Current Maturities	675,184	677,958
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,737	6,242
OPEB Obligation	19,102	18,669
Net Pension Liability	13,472	13,472
Other	38,934	37,950
Total Other Noncurrent Liabilities	79,245	76,333
TOTAL LIABILITIES	820,262	847,426
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	174	209
Total Deferred Inflows of Resources	3,384	3,419
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	955,117	919,177
Restricted for Debt Service	58,912	45,705
Unrestricted Net Assets	330,929	312,363
Total Net Position	1,344,958	1,277,245
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,168,604	\$ 2,128,090