

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

	September		Δ	%
	Unaudited	Audited		
	2017	2016		
Operating Revenues				
Container Terminals	\$ 23,457	\$ 18,437	\$ 5,020	27
Turning Basin Terminals	4,421	3,915	506	13
Bulk	395	417	(22)	(5)
Leases	502	575	(73)	(13)
Other	883	875	8	1
Total Operating Revenues	<u>29,658</u>	<u>24,219</u>	<u>5,439</u>	<u>22</u>
Operating Expenses				
Container Terminals	16,937	7,361	9,576	100
Turning Basin Terminals	1,498	1,563	(65)	(4)
Bulk	24	29	(5)	(17)
Leases	60	28	32	100
Other	834	1,129	(295)	(26)
Pension and Other Retirement Benefits	570	476	94	20
Depreciation and Amortization	5,178	4,991	187	4
Total Operating Expenses	<u>25,101</u>	<u>15,577</u>	<u>9,524</u>	<u>61</u>
Operating Income	4,557	8,642	(4,085)	(47)
General & Administrative Expenses				
G&A Expenses	2,727	2,908	(181)	(6)
Pension and Other Retirement Benefits	344	337	7	2
Depreciation	224	279	(55)	(20)
Total G&A Expenses	<u>3,295</u>	<u>3,524</u>	<u>(229)</u>	<u>(6)</u>
Net Operating Income	1,262	5,118	(3,856)	(75)
Nonoperating Revenues (Expenses)	325	253	72	28
Income before Contributions	<u>1,587</u>	<u>5,371</u>	<u>(3,784)</u>	<u>(70)</u>
Contributions (to)/from Federal/State Agencies	(1,802)	325	(2,127)	(100)
Net Income	<u>\$ (215)</u>	<u>\$ 5,696</u>	<u>\$ (5,911)</u>	<u>(104)</u>
Pro forma Cash Flow				
Net Income	\$ (215)	\$ 5,696	\$ (5,911)	(104)
Add Depreciation and Amortization	5,402	5,270	132	3
Adjust for non cash items	(127)	101	(228)	(100)
Pro forma Cash Flow	<u>\$ 5,060</u>	<u>\$ 11,067</u>	<u>\$ (6,007)</u>	<u>(54)</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)

	September		Δ	%	September		%
	Unaudited 2017	Audited 2016			2015	2015	
Operating Revenues							
Container Terminals	\$ 186,901	\$ 158,359	\$ 28,542	18	\$ 153,088	\$ 33,813	22
Turning Basin Terminals	41,691	38,012	3,679	10	49,982	(8,291)	(17)
Bulk	3,702	3,912	(210)	(5)	4,059	(357)	(9)
Leases	5,008	5,221	(213)	(4)	5,217	(209)	(4)
Other	8,193	10,270	(2,077)	(20)	10,860	(2,667)	(25)
Total Operating Revenues	245,495	215,775	29,720	14	223,206	22,289	10
Operating Expenses							
Container Terminals	84,729	66,605	18,124	27	60,599	24,130	40
Turning Basin Terminals	13,399	14,204	(805)	(6)	13,914	(515)	(4)
Bulk	230	244	(14)	(6)	228	2	1
Leases	421	206	215	105	270	151	56
Other	9,387	11,558	(2,171)	(19)	11,901	(2,514)	(21)
Pension and Other Retirement Benefits	7,272	4,074	3,198	79	3,980	3,292	83
Depreciation and Amortization	46,428	45,099	1,329	3	42,336	4,092	10
Total Operating Expenses	161,866	141,989	19,877	14	133,227	28,639	21
Operating Income	83,629	73,786	9,843	13	89,979	(6,350)	(7)
General & Administrative Expenses							
G&A Expenses	28,273	27,752	521	2	28,060	213	1
Pension and Other Retirement Benefits	4,971	3,216	1,755	55	3,080	1,891	61
Depreciation	2,351	2,519	(168)	(7)	2,137	214	10
Total G&A Expenses	35,595	33,488	2,107	6	33,277	2,318	7
Net Operating Income	48,034	40,298	7,736	19	56,702	(8,668)	(15)
Nonoperating Revenues (Expenses)	2,703	10,138	(7,435)	(73)	4,226	(1,523)	(36)
Income before Contributions	50,737	50,436	301	1	60,928	(10,191)	(17)
Contributions (to)/from Federal/State Agencies	1,591	(1,007)	2,598	(100)	(202)	1,792	100
Net Income	\$ 52,328	\$ 49,429	\$ 2,899	6	\$ 60,726	\$ (8,398)	(14)
Pro forma Cash Flow							
Net Income	\$ 52,328	\$ 49,429	\$ 2,899	6	\$ 60,726	\$ (8,398)	(14)
Add Depreciation and Amortization	48,779	47,618	1,161	2	44,473	4,306	10
Adjust for non cash items	3,928	(5,645)	9,573	100	(1,454)	5,382	100
Pro forma Cash Flow	\$ 105,035	\$ 91,402	\$ 13,633	15	\$ 103,745	\$ 1,289	1

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited September 30, 2017	Audited December 31, 2016
Current Assets		
Cash & Cash Equivalents	\$ 22,410	\$ 39,356
Short-Term Investments	292,953	290,711
Trade Accounts & Other Receivables	30,560	31,930
Other	2,639	2,418
Total Current Assets	<u>348,562</u>	<u>364,415</u>
Restricted Assets	<u>83,273</u>	<u>63,365</u>
Property		
Land, Facilities & Equipment	2,234,310	2,229,531
CIP	310,307	224,137
Accumulated Depreciation	(890,278)	(842,173)
Property, Net	<u>1,654,339</u>	<u>1,611,495</u>
Long-Term Investments	<u>24,304</u>	<u>60,724</u>
Other Assets		
Industrial Agreements	1,832	2,093
Other	5,056	4,096
Total Other Assets	<u>6,888</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	5,173	5,402
Total Deferred Outflows of Resources	<u>21,673</u>	<u>21,902</u>
Total Assets and deferred outflows of resources	<u>\$ 2,139,039</u>	<u>\$ 2,128,090</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited September 30, 2017	Audited December 31, 2016
Current Liabilities		
Accounts Payable	\$ 3,823	\$ 38,594
Other Current Liabilities	20,739	26,882
Total Current Liabilities	24,562	65,476
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,165	19,165
Accrued Interest Payable	16,988	8,494
Total Restricted Current Liabilities	36,153	27,659
Long-Term Debt, net of Current Maturities	674,837	677,958
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	7,482	6,242
OPEB Obligation	18,069	18,669
Net Pension Liability	13,472	13,472
Other	14,653	37,950
Total Other Noncurrent Liabilities	53,676	76,333
TOTAL LIABILITIES	789,228	847,426
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	169	209
Total Deferred Inflows of Resources	3,379	3,419
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	965,341	919,177
Restricted for Debt Service	60,546	45,705
Unrestricted Net Assets	320,545	312,363
Total Net Position	1,346,432	1,277,245
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,139,039	\$ 2,128,090