

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

	October		Δ	%
	Unaudited 2017	Audited 2016		
<b>Operating Revenues</b>				
Container Terminals	\$ 24,019	\$ 18,226	\$ 5,793	32
Turning Basin Terminals	4,739	3,960	779	20
Bulk	413	396	17	4
Leases	1,034	612	422	69
Other	885	905	(20)	(2)
Total Operating Revenues	31,090	24,099	6,991	29
<b>Operating Expenses</b>				
Container Terminals	8,213	7,443	770	10
Turning Basin Terminals	1,686	1,684	2	-
Bulk	20	18	2	11
Leases	71	2	69	100
Other	940	873	67	8
Pension and Other Retirement Benefits	571	485	86	18
Depreciation and Amortization	5,175	5,285	(110)	(2)
Total Operating Expenses	16,676	15,790	886	6
<b>Operating Income</b>	14,414	8,309	6,105	73
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	2,909	3,245	(336)	(10)
Pension and Other Retirement Benefits	344	343	1	-
Depreciation	224	270	(46)	(17)
Total G&A Expenses	3,477	3,858	(381)	(10)
<b>Net Operating Income</b>	10,937	4,451	6,486	146
<b>Nonoperating Revenues (Expenses)</b>	498	163	335	206
<b>Income before Contributions</b>	11,435	4,614	6,821	148
<b>Contributions (to)/from Federal/State Agencies</b>	1,359	121	1,238	100
<b>Net Income</b>	\$ 12,794	\$ 4,735	\$ 8,059	170
<b>Pro forma Cash Flow</b>				
Net Income	\$ 12,794	\$ 4,735	\$ 8,059	170
Add Depreciation and Amortization	5,399	5,555	(156)	(3)
Pro forma Cash Flow	\$ 18,193	\$ 10,290	\$ 7,903	77

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)

	October					October		
	Unaudited	Audited	Δ	%		2015	2017 vs	%
	2017	2016				2015	2015	
<b>Operating Revenues</b>								
Container Terminals	\$ 210,920	\$ 176,585	\$ 34,335	19	\$ 169,524	\$ 41,396	24	
Turning Basin Terminals	46,430	41,973	4,457	11	53,920	(7,490)	(14)	
Bulk	4,115	4,309	(194)	(5)	4,673	(558)	(12)	
Leases	6,042	5,833	209	4	5,834	208	4	
Other	9,078	11,175	(2,097)	(19)	11,881	(2,803)	(24)	
Total Operating Revenues	<u>276,585</u>	<u>239,875</u>	<u>36,710</u>	15	<u>245,832</u>	<u>30,753</u>	13	
<b>Operating Expenses</b>								
Container Terminals	92,941	74,048	18,893	26	67,211	25,730	38	
Turning Basin Terminals	15,085	15,885	(800)	(5)	15,681	(596)	(4)	
Bulk	249	262	(13)	(5)	249	-	-	
Leases	492	207	285	138	287	205	71	
Other	10,326	12,434	(2,108)	(17)	12,922	(2,596)	(20)	
Pension and Other Retirement Benefits	7,844	4,559	3,285	72	4,414	3,430	78	
Depreciation and Amortization	51,603	50,385	1,218	2	47,114	4,489	10	
Total Operating Expenses	<u>178,540</u>	<u>157,780</u>	<u>20,760</u>	13	<u>147,878</u>	<u>30,662</u>	21	
<b>Operating Income</b>	98,045	82,095	15,950	19	97,954	91	-	
<b>General &amp; Administrative Expenses</b>								
G&A Expenses	31,182	30,998	184	1	31,186	(4)	-	
Pension and Other Retirement Benefits	5,316	3,559	1,757	49	3,415	1,901	56	
Depreciation	2,575	2,788	(213)	(8)	2,379	196	8	
Total G&A Expenses	<u>39,073</u>	<u>37,345</u>	<u>1,728</u>	5	<u>36,980</u>	<u>2,093</u>	6	
<b>Net Operating Income</b>	58,972	44,750	14,222	32	60,974	(2,002)	(3)	
<b>Nonoperating Revenues (Expenses)</b>	3,201	10,301	(7,100)	(69)	4,431	(1,230)	(28)	
<b>Income before Contributions</b>	62,173	55,051	7,122	13	65,405	(3,232)	(5)	
<b>Contributions (to)/from Federal/State Agencies</b>	2,949	(886)	3,835	(100)	(1,883)	4,832	100	
<b>Net Income</b>	<u>\$ 65,122</u>	<u>\$ 54,165</u>	<u>\$ 10,957</u>	20	<u>\$ 63,522</u>	<u>\$ 1,600</u>	3	
<b>Pro forma Cash Flow</b>								
Net Income	\$ 65,122	\$ 54,165	\$ 10,957	20	\$ 63,522	\$ 1,600	3	
Add Depreciation and Amortization	54,178	53,173	1,005	2	49,493	4,685	9	
Adjust for non cash items	3,928	(5,645)	9,573	100	(1,454)	5,382	100	
Pro forma Cash Flow	<u>\$ 123,228</u>	<u>\$ 101,693</u>	<u>\$ 21,535</u>	21	<u>\$ 111,561</u>	<u>\$ 11,667</u>	10	

# Port of Houston Authority

## Balance Sheet

(\$ in thousands)

	<b>Unaudited October 31, 2017</b>	<b>Audited December 31, 2016</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 23,234	\$ 39,356
Short-Term Investments	290,961	290,711
Trade Accounts & Other Receivables	30,690	31,930
Other	2,549	2,418
<b>Total Current Assets</b>	<u>347,434</u>	<u>364,415</u>
<b>Restricted Assets</b>	<u>51,634</u>	<u>63,365</u>
<b>Property</b>		
Land, Facilities & Equipment	2,237,884	2,229,531
CIP	320,183	224,137
Accumulated Depreciation	(895,606)	(842,173)
<b>Property, Net</b>	<u>1,662,461</u>	<u>1,611,495</u>
<b>Long-Term Investments</b>	<u>24,620</u>	<u>60,724</u>
<b>Other Assets</b>		
Industrial Agreements	1,802	2,093
Other	4,981	4,096
<b>Total Other Assets</b>	<u>6,783</u>	<u>6,189</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources related to pensions	16,500	16,500
Deferred loss on bond refunding	5,148	5,402
<b>Total Deferred Outflows of Resources</b>	<u>21,648</u>	<u>21,902</u>
<b>Total Assets and deferred outflows of resources</b>	<u>\$ 2,114,580</u>	<u>\$ 2,128,090</u>

**Port of Houston Authority  
Balance Sheet**

(\$ in thousands)

	<b>Unaudited October 31, 2017</b>	<b>Audited December 31, 2016</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 2,858	\$ 38,594
Other Current Liabilities	16,078	26,882
<b>Total Current Liabilities</b>	18,936	65,476
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	19,945	19,165
Accrued Interest Payable	2,754	8,494
<b>Total Restricted Current Liabilities</b>	22,699	27,659
<b>Long-Term Debt, net of Current Maturities</b>	654,579	677,958
<b>Other Noncurrent Liabilities</b>		
Accrued Vacation and Sick Leave	7,216	6,242
OPEB Obligation	18,485	18,669
Net Pension Liability	13,472	13,472
Other	14,624	37,950
<b>Total Other Noncurrent Liabilities</b>	53,797	76,333
<b>TOTAL LIABILITIES</b>	750,011	847,426
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	165	209
<b>Total Deferred Inflows of Resources</b>	3,375	3,419
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	992,919	919,177
Restricted for Debt Service	43,068	45,705
Unrestricted Net Assets	325,207	312,363
<b>Total Net Position</b>	1,361,194	1,277,245
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	\$ 2,114,580	\$ 2,128,090