

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

(\$ in thousands)

	November		Δ	%
	Unaudited 2017	Audited 2016		
Operating Revenues				
Container Terminals	\$ 21,796	\$ 18,184	\$ 3,612	20
Turning Basin Terminals	4,596	3,876	720	19
Bulk	400	379	21	6
Leases	533	872	(339)	(39)
Other	907	1,539	(632)	(41)
Total Operating Revenues	<u>28,232</u>	<u>24,850</u>	<u>3,382</u>	<u>14</u>
Operating Expenses				
Container Terminals	8,161	7,900	261	3
Turning Basin Terminals	1,669	1,941	(272)	(14)
Bulk	31	28	3	11
Leases	63	6	57	100
Other	1,105	1,019	86	8
Pension and Other Retirement Benefits	558	487	71	15
Depreciation and Amortization	5,033	5,029	4	-
Total Operating Expenses	<u>16,620</u>	<u>16,410</u>	<u>210</u>	<u>1</u>
Operating Income	11,612	8,440	3,172	38
General & Administrative Expenses				
G&A Expenses	3,205	3,315	(110)	(3)
Pension and Other Retirement Benefits	338	344	(6)	(2)
Depreciation	216	269	(53)	(20)
Total G&A Expenses	<u>3,759</u>	<u>3,928</u>	<u>(169)</u>	<u>(4)</u>
Net Operating Income	7,853	4,512	3,341	74
Nonoperating Revenues (Expenses)	1,400	(1,135)	2,535	(100)
Income before Contributions	9,253	3,377	5,876	174
Contributions (to)/from Federal/State Agencies	(393)	(19)	(374)	100
Net Income	<u>\$ 8,860</u>	<u>\$ 3,358</u>	<u>\$ 5,502</u>	<u>164</u>
Pro forma Cash Flow				
Net Income	\$ 8,860	\$ 3,358	\$ 5,502	164
Add Depreciation and Amortization	5,249	5,298	(49)	(1)
Adjust for non cash items	-	1,536	(1,536)	(100)
Pro forma Cash Flow	<u>\$ 14,109</u>	<u>\$ 10,192</u>	<u>\$ 3,917</u>	<u>38</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)

	November						
	Unaudited 2017	Audited 2016	Δ	%	November 2015	2017 vs 2015	%
Operating Revenues							
Container Terminals	\$ 232,716	\$ 194,769	\$ 37,947	19	\$ 184,175	\$ 48,541	26
Turning Basin Terminals	51,025	45,849	5,176	11	58,416	(7,391)	(13)
Bulk	4,515	4,688	(173)	(4)	5,102	(587)	(12)
Leases	6,576	6,705	(129)	(2)	6,417	159	2
Other	9,985	12,714	(2,729)	(21)	14,158	(4,173)	(29)
Total Operating Revenues	<u>304,817</u>	<u>264,725</u>	<u>40,092</u>	15	<u>268,268</u>	<u>36,549</u>	14
Operating Expenses							
Container Terminals	101,102	81,948	19,154	23	73,911	27,191	37
Turning Basin Terminals	16,753	17,829	(1,076)	(6)	17,118	(365)	(2)
Bulk	280	289	(9)	(3)	272	-	-
Leases	555	213	342	100	268	287	100
Other	11,432	13,451	(2,019)	(15)	14,505	(3,073)	(21)
Pension and Other Retirement Benefits	8,402	5,045	3,357	67	4,948	3,454	70
Depreciation and Amortization	56,636	55,413	1,223	2	51,983	4,653	9
Total Operating Expenses	<u>195,160</u>	<u>174,188</u>	<u>20,972</u>	12	<u>163,005</u>	<u>32,147</u>	20
Operating Income	109,657	90,537	19,120	21	105,263	4,394	4
General & Administrative Expenses							
G&A Expenses	34,387	34,313	74	-	34,341	46	-
Pension and Other Retirement Benefits	5,655	3,904	1,751	45	3,826	1,829	48
Depreciation	2,791	3,057	(266)	(9)	2,628	163	6
Total G&A Expenses	<u>42,833</u>	<u>41,274</u>	<u>1,559</u>	4	<u>40,795</u>	<u>2,038</u>	5
Net Operating Income	66,824	49,263	17,561	36	64,468	2,356	4
Nonoperating Revenues (Expenses)	4,601	9,166	(4,565)	(50)	4,696	(95)	(2)
Income before Contributions	<u>71,425</u>	<u>58,429</u>	<u>12,996</u>	22	<u>69,164</u>	<u>2,261</u>	3
Contributions (to)/from Federal/State Agencies	2,557	(906)	3,463	(100)	(1,955)	4,512	100
Net Income	<u>\$ 73,982</u>	<u>\$ 57,523</u>	<u>\$ 16,459</u>	29	<u>\$ 67,209</u>	<u>\$ 6,773</u>	10
Pro forma Cash Flow							
Net Income	\$ 73,982	\$ 57,523	\$ 16,459	29	\$ 67,209	\$ 6,773	10
Add Depreciation and Amortization	59,427	58,470	957	2	54,611	4,816	9
Adjust for non cash items	3,928	(4,109)	8,037	100	(1,454)	5,382	100
Pro forma Cash Flow	<u>\$ 137,337</u>	<u>\$ 111,884</u>	<u>\$ 25,453</u>	23	<u>\$ 120,366</u>	<u>\$ 16,971</u>	14

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited November 30, 2017	Audited December 31, 2016
Current Assets		
Cash & Cash Equivalents	\$ 42,502	\$ 39,356
Short-Term Investments	271,927	290,711
Trade Accounts & Other Receivables	28,471	31,930
Other	2,170	2,418
Total Current Assets	<u>345,070</u>	<u>364,415</u>
Restricted Assets	<u>56,152</u>	<u>63,365</u>
Property		
Land, Facilities & Equipment	2,239,648	2,229,531
CIP	337,902	224,137
Accumulated Depreciation	(900,784)	(842,173)
Property, Net	<u>1,676,766</u>	<u>1,611,495</u>
Long-Term Investments	<u>26,481</u>	<u>60,724</u>
Other Assets		
Industrial Agreements	1,774	2,093
Other	4,992	4,096
Total Other Assets	<u>6,766</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	5,122	5,402
Total Deferred Outflows of Resources	<u>21,622</u>	<u>21,902</u>
Total Assets and deferred outflows of resources	<u>\$ 2,132,857</u>	<u>\$ 2,128,090</u>

**Port of Houston Authority
Balance Sheet**

(\$ in thousands)

	Unaudited November 30, 2017	Audited December 31, 2016
Current Liabilities		
Accounts Payable	\$ 2,564	\$ 38,594
Other Current Liabilities	21,221	26,882
Total Current Liabilities	<u>23,785</u>	<u>65,476</u>
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	19,945	19,165
Accrued Interest Payable	5,508	8,494
Total Restricted Current Liabilities	<u>25,453</u>	<u>27,659</u>
Long-Term Debt, net of Current Maturities	<u>654,266</u>	<u>677,958</u>
Other Noncurrent Liabilities		
Accrued Vacation and Sick Leave	6,895	6,242
OPEB Obligation	18,902	18,669
Net Pension Liability	13,472	13,472
Other	14,684	37,950
Total Other Noncurrent Liabilities	<u>53,953</u>	<u>76,333</u>
TOTAL LIABILITIES	<u>757,457</u>	<u>847,426</u>
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	162	209
Total Deferred Inflows of Resources	<u>3,372</u>	<u>3,419</u>
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	1,007,515	919,177
Restricted for Debt Service	44,753	45,705
Unrestricted Net Assets	319,760	312,363
Total Net Position	<u>1,372,028</u>	<u>1,277,245</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,132,857</u>	<u>\$ 2,128,090</u>