

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

(\$ in thousands)

	December		Δ	%
	Unaudited 2017	Audited 2016		
<b>Operating Revenues</b>				
Container Terminals	\$ 20,762	\$ 18,628	\$ 2,134	11
Turning Basin Terminals	4,478	4,244	234	6
Bulk	392	452	(60)	(13)
Leases	561	658	(97)	(15)
Other	1,452	1,083	369	34
Total Operating Revenues	<u>27,645</u>	<u>25,065</u>	<u>2,580</u>	<u>10</u>
<b>Operating Expenses</b>				
Container Terminals	12,239	17,245	(5,006)	(29)
Turning Basin Terminals	1,951	2,613	(662)	(25)
Bulk	19	49	(30)	(61)
Leases	(35)	737	(772)	(100)
Other	1,857	1,523	334	22
Pension and Other Retirement Benefits	556	1,007	(451)	(45)
Depreciation and Amortization	4,223	20,679	(16,456)	(80)
Total Operating Expenses	<u>20,810</u>	<u>43,853</u>	<u>(23,043)</u>	<u>(53)</u>
<b>Operating Income</b>	6,835	(18,788)	25,623	100
<b>General &amp; Administrative Expenses</b>				
G&A Expenses	3,900	4,897	(997)	(20)
Pension and Other Retirement Benefits	336	807	(471)	(58)
Depreciation	216	293	(77)	(26)
Total G&A Expenses	<u>4,452</u>	<u>5,997</u>	<u>(1,545)</u>	<u>(26)</u>
<b>Net Operating Income</b>	2,383	(24,785)	27,168	100
<b>Nonoperating Revenues (Expenses)</b>	(92)	(57)	35	61
<b>Income before Contributions</b>	<u>2,291</u>	<u>(24,842)</u>	<u>27,133</u>	<u>100</u>
<b>Contributions (to)/from Federal/State Agencies</b>	399	1,232	(833)	(68)
<b>Net Income</b>	<u>\$ 2,690</u>	<u>\$ (23,610)</u>	<u>\$ 26,300</u>	<u>100</u>
<b>Pro forma Cash Flow</b>				
Net Income	\$ 2,690	\$ (23,610)	\$ 26,300	100
Add Depreciation and Amortization	4,439	20,972	(16,533)	(79)
Adjust for non cash items	447	518	(71)	(14)
Pro forma Cash Flow	<u>\$ 7,576</u>	<u>\$ (2,120)</u>	<u>\$ 9,696</u>	<u>100</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)

	December						December			
	Unaudited	Audited	Δ	%			2015	2015		%
	2017	2016								
<b>Operating Revenues</b>										
Container Terminals	\$ 253,478	\$ 213,397	\$ 40,081	19	\$ 201,759	\$ 51,719	26			
Turning Basin Terminals	55,504	50,093	5,411	11	62,995	(7,491)	(12)			
Bulk	4,906	5,140	(234)	(5)	5,586	(680)	(12)			
Leases	7,137	7,362	(225)	(3)	6,952	185	3			
Other	11,437	13,797	(2,360)	(17)	15,472	(4,035)	(26)			
Total Operating Revenues	<u>332,462</u>	<u>289,789</u>	<u>42,673</u>	15	<u>292,764</u>	<u>39,698</u>	14			
<b>Operating Expenses</b>										
Container Terminals	113,341	99,193	14,148	14	84,591	28,750	34			
Turning Basin Terminals	18,705	20,439	(1,734)	(8)	18,754	(49)	-			
Bulk	299	338	(39)	(12)	303	-	-			
Leases	520	950	(430)	(45)	304	216	100			
Other	13,288	14,977	(1,689)	(11)	16,767	(3,479)	(21)			
Pension and Other Retirement Benefits	8,958	6,053	2,905	48	3,920	5,038	100			
Depreciation and Amortization	60,859	76,092	(15,233)	(20)	56,958	3,901	7			
Total Operating Expenses	<u>215,970</u>	<u>218,042</u>	<u>(2,072)</u>	(1)	<u>181,598</u>	<u>34,376</u>	19			
<b>Operating Income</b>	116,492	71,747	44,745	62	111,166	5,326	5			
<b>General &amp; Administrative Expenses</b>										
G&A Expenses	38,287	39,210	(923)	(2)	38,926	(639)	(2)			
Pension and Other Retirement Benefits	5,991	4,711	1,280	27	3,035	2,956	97			
Depreciation	3,007	3,350	(343)	(10)	2,967	40	1			
Total G&A Expenses	<u>47,285</u>	<u>47,271</u>	<u>14</u>	-	<u>44,928</u>	<u>2,357</u>	5			
<b>Net Operating Income</b>	69,207	24,476	44,731	100	66,238	2,969	4			
<b>Nonoperating Revenues (Expenses)</b>	4,509	9,109	(4,600)	(50)	2,010	2,499	100			
<b>Income before Contributions</b>	<u>73,716</u>	<u>33,585</u>	<u>40,131</u>	100	<u>68,248</u>	<u>5,468</u>	8			
<b>Contributions (to)/from Federal/State Agencies</b>	2,956	327	2,629	100	(2,031)	4,987	100			
<b>Net Income</b>	<u>\$ 76,672</u>	<u>\$ 33,912</u>	<u>\$ 42,760</u>	100	<u>\$ 66,217</u>	<u>\$ 10,455</u>	16			
<b>Pro forma Cash Flow</b>										
Net Income	\$ 76,672	\$ 33,912	\$ 42,760	126	\$ 66,217	\$ 10,455	16			
Add Depreciation and Amortization	63,866	79,442	(15,576)	(20)	59,925	3,941	7			
Adjust for non cash items	4,376	(3,612)	7,988	100	1,855	2,521	100			
Pro forma Cash Flow	<u>\$ 144,914</u>	<u>\$ 109,742</u>	<u>\$ 35,172</u>	32	<u>\$ 127,997</u>	<u>\$ 16,917</u>	13			

## Port of Houston Authority

### Balance Sheet

(\$ in thousands)

	<b>Unaudited December 31, 2017</b>	<b>Audited December 31, 2016</b>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 75,492	\$ 39,356
Short-Term Investments	228,527	290,711
Trade Accounts & Other Receivables	30,783	31,930
Other	1,960	2,418
<b>Total Current Assets</b>	<u>336,762</u>	<u>364,415</u>
<b>Restricted Assets</b>	<u>60,709</u>	<u>63,365</u>
<b>Property</b>		
Land, Facilities & Equipment	2,276,392	2,229,531
CIP	335,074	224,137
Accumulated Depreciation	(905,148)	(842,173)
<b>Property, Net</b>	<u>1,706,318</u>	<u>1,611,495</u>
<b>Long-Term Investments</b>	<u>37,850</u>	<u>60,724</u>
<b>Other Assets</b>		
Industrial Agreements	1,744	2,093
Other	5,021	4,096
<b>Total Other Assets</b>	<u>6,765</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	5,097	5,402
<b>Total Deferred Outflows of Resources</b>	<u>21,597</u>	<u>21,902</u>
<b>Total Assets and deferred outflows of resources</b>	<u>\$ 2,170,001</u>	<u>\$ 2,128,090</u>

**Port of Houston Authority  
Balance Sheet**

(\$ in thousands)

	<b>Unaudited December 31, 2017</b>	<b>Audited December 31, 2016</b>
<b>Current Liabilities</b>		
Accounts Payable	\$ 32,913	\$ 38,594
Other Current Liabilities	21,941	26,882
<b>Total Current Liabilities</b>	54,854	65,476
<b>Current Liabilities (Restricted Assets)</b>		
Current Maturities of Long-Term Debt	19,945	19,165
Accrued Interest Payable	8,262	8,494
<b>Total Restricted Current Liabilities</b>	28,207	27,659
<b>Long-Term Debt, net of Current Maturities</b>	653,953	677,958
<b>Other Noncurrent Liabilities</b>		
Accrued Vacation and Sick Leave	6,335	6,242
OPEB Obligation	17,869	18,669
Net Pension Liability	13,472	13,472
Other	15,480	37,950
<b>Total Other Noncurrent Liabilities</b>	53,156	76,333
<b>TOTAL LIABILITIES</b>	790,170	847,426
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources related to pensions	3,210	3,210
Deferred gain on bond refunding	160	209
<b>Total Deferred Inflows of Resources</b>	3,370	3,419
<b>Commitments and Contingencies</b>	-	-
<b>Net position</b>		
Invested in Capital Assets, net of debt	1,037,357	919,177
Restricted for Debt Service	46,461	45,705
Unrestricted Net Assets	292,643	312,363
<b>Total Net Position</b>	1,376,461	1,277,245
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	\$ 2,170,001	\$ 2,128,090