


2015 2nd Quarter Reforecast

Port of Houston Authority
August 1, 2015

Foreword

- In November 2014, a proposed operating budget and capital plan was developed to guide staff in the operation and management of Port Authority facilities and activities for Fiscal Year 2015. It was presented to the Port Commission for consideration at a budget workshop open to the public.
 - The Port Commission approved the 2015 Operating Budget and Capital Plan at an open meeting on November 20, 2014.
 - This latest 2015 Budget Reforecast was prepared by staff as of June 2015, and was provided to the Port Commission.
 - Note that the operating budget does not include tax revenues. Property tax receipts are maintained in a separate account and used exclusively for principal and interest debt service payments due on the Port Authority's outstanding general obligation *ad valorem* tax bonds.
 - While the capital plan may be approved as to maximum annual amount of capital expenditures, individual operating and capital projects exceeding \$50,000 will continue to be presented separately to the Port Commission for approval in accordance with statutory requirements.
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2015 2nd Quarter Reforecast Revenue (000's)

	<u>2014 Budget</u>	<u>2014 Audited</u>	<u>2015 Budget</u>	<u>2015 Actual Jun YTD</u>	<u>2015 Reforecast</u>
Container Terminals	\$165,957	\$170,740	\$174,452	\$102,588	\$197,569 13.3%
Turning Basin Terminals	56,557	65,049	57,638	35,901	62,821 9.0%
Lease Revenues	11,143	15,625	15,826	7,915	16,322 3.1%
Harbor Fees	6,255	6,334	6,880	3,321	6,761 (1.7%)
Channel Development	6,888	1,926	5,178	1,674	3,052 (41.1%)
Other Revenues	2,321	2,365	3,601	2,199	3,599 (0.0%)
Total Operating Revenues	\$249,121	\$262,039	\$263,575	\$153,598	\$290,124 10.1%
Non-Operating (Federal Grants, Insurance, Interest Income)	6,804	7,468	3,475	2,344	4,894 40.8%
Total Revenue	\$255,925	\$269,507	\$267,050	\$155,942	\$295,018 10.5%

2015 2nd Quarter Reforecast Revenue (000's)

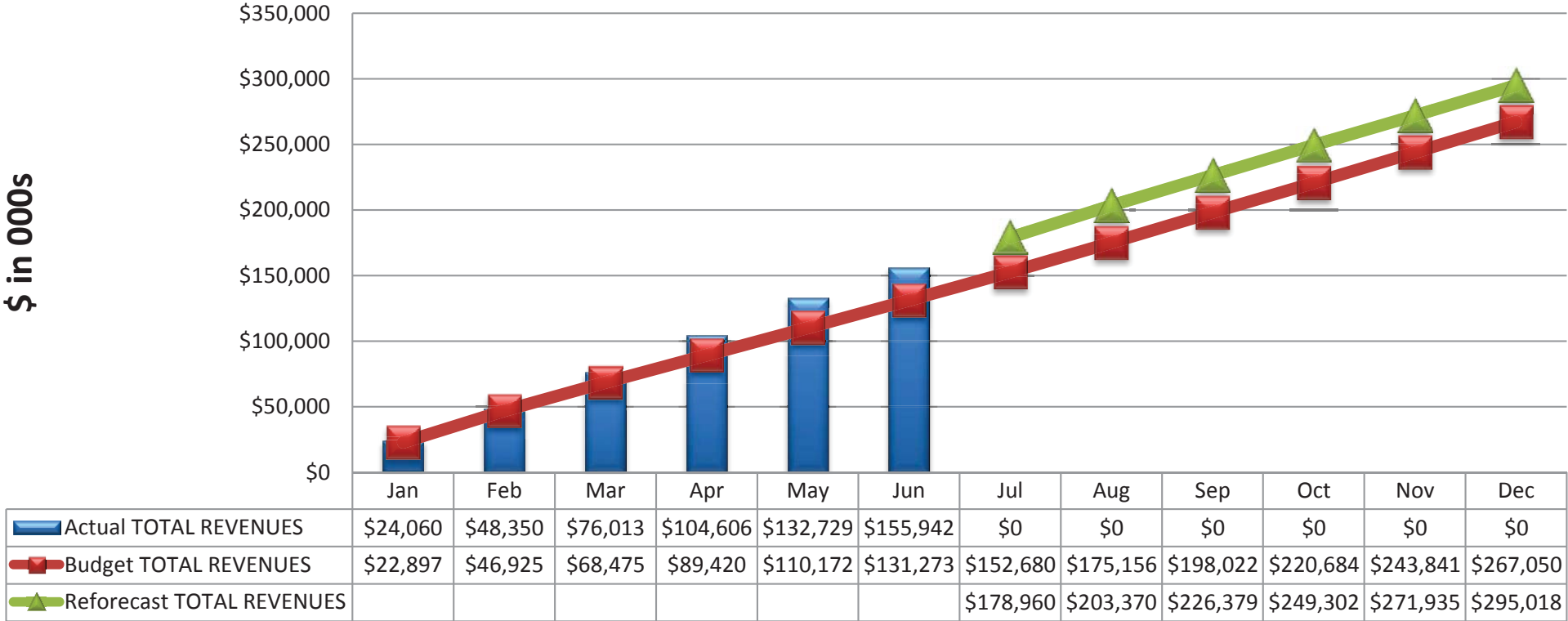
2015 Budget		\$267,050
	Container Terminals	
	Rent/Lease	(4,964)
	Wharfage - Loaded Containers	9,200
	Full Container Receipt/Delivery	7,843
	Storage	5,086
	Wharf Crane Rental	3,423
	Other Container Terminal Revenues	2,529
		23,117
	Turning Basin Terminals	
	Wharfage-Import	2,806
	Rent/Lease	1,159
	Dockage	789
	Other Turning Basin Terminals Revenue	429
		5,183
	Lease Revenues	
	Usage Fees	(661)
	Rent/Lease	1,193
	Other Lease Revenues	(36)
		496
	Harbor Fees	
	Harbor & Barge Fees	(156)
	Other Harbor Fees	37
		(119)
	Channel Development	
	DMA Fees	(2,252)
	Other Channel Development Revenue	126
		(2,126)
	Other Revenue	
	Parking Lot Income	(1,961)
	Passenger Terminal Charge	1,732
	Other Revenue	228
		(1)

2015 2nd Quarter Reforecast Revenue (cont.) (000's)

Non-Operating			
Income from Federal Funds	(230)		
Interest Income-Income-Delinquent A/R	479		
Refund of Expenses	457		
Interest Income-Securities Current Fund	394		
Sale of Assets-Gain or Loss	115		
Other Non Operating Revenues	203	1,418	
			27,968
2015 Reforecast			\$295,018

2015 2nd Quarter Reforecast Revenue (000's)

PHA Total Revenues



2015 2nd Quarter Reforecast Total Expense (000's)

	2014 Budget	2014 Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast
Salaries	\$60,318	\$60,365	\$63,825	\$33,518	\$67,167 5.2%
Benefits	20,245	\$21,739	\$23,006	\$13,049	23,958 4.1%
Retirement Benefits	16,079	\$10,471	\$12,400	\$5,787	11,646 (6.1%)
Depreciation & Amortization	59,045	\$56,918	\$60,884	\$29,386	61,949 1.7%
Terminal & Asset Maintenance	21,398	\$17,519	\$19,859	\$6,161	16,062 (19.1%)
Fees & Services	12,539	\$12,655	\$13,614	\$6,561	14,191 4.2%
Insurance	4,804	\$4,396	\$4,823	\$2,322	4,733 (1.9%)
Utilities	4,226	\$4,111	\$4,367	\$2,316	4,864 11.4%
Fuel	3,420	\$3,455	\$4,020	\$1,317	2,752 (31.5%)
Consulting Fees	3,257	\$2,607	\$4,142	\$1,692	4,141 (0.0%)
Discretionary Expenses	14,059	\$27,685	\$15,243	\$7,352	17,655 15.8%
Allocations	(1,265)	(\$558)	(\$920)	(\$226)	(503) (45.3%)
Total Expenses Operations and G&A	\$218,125	\$221,363	\$225,263	\$109,235	\$228,615 1.5%
Non-Operating Expenses	1,330	19	4,650	(892)	2,531 (45.6%)
Net Expense	\$219,455	\$221,382	\$229,913	\$108,343	\$231,146 0.5%

2015 2nd Quarter Reforecast Total Expense (000's)

2015 Budget

\$229,913

Salaries & Benefits

ILA Labor Due to Increased Volume	4,387	
Decrease in Retirement Benefits	(754)	
All Other Salaries & Benefits	(93)	3,540

Depreciation & Amortization

Increase in Depreciation	1,838	
Increase in Amortization (Includes Amortization of Long Term Agreements)	(773)	1,065

Terminal & Asset Maintenance

Wharf Maintenance-Contractor	(1,451)	
Demo-Contractor	(1,273)	
Road Maintenance-Contractor	(521)	
Machinery & Equipment Maintenance-Contractors	(432)	
All Other Terminal & Asset Maintenance	(120)	(3,797)

Fees & Services

Fees & Services	936	
Legal Fees	(347)	
All Other Fees & Services	(13)	576

Discretionary Expenses

Engineering Design and Analysis Services	2,031	
Bayport User Fees	406	
Operations of Facilities-Contractors	434	
Equipment Purchases Expensed	(458)	
All Other Discretionary Expenses	(1)	2,412

2015 2nd Quarter Reforecast Total Expense (cont.) (000's)

Non-Operating

Contributions to State or Local Agencies

(2,326)

All Other Non-Operating

207

(2,119)

All Other Expenses

All Other

(444)

(444)

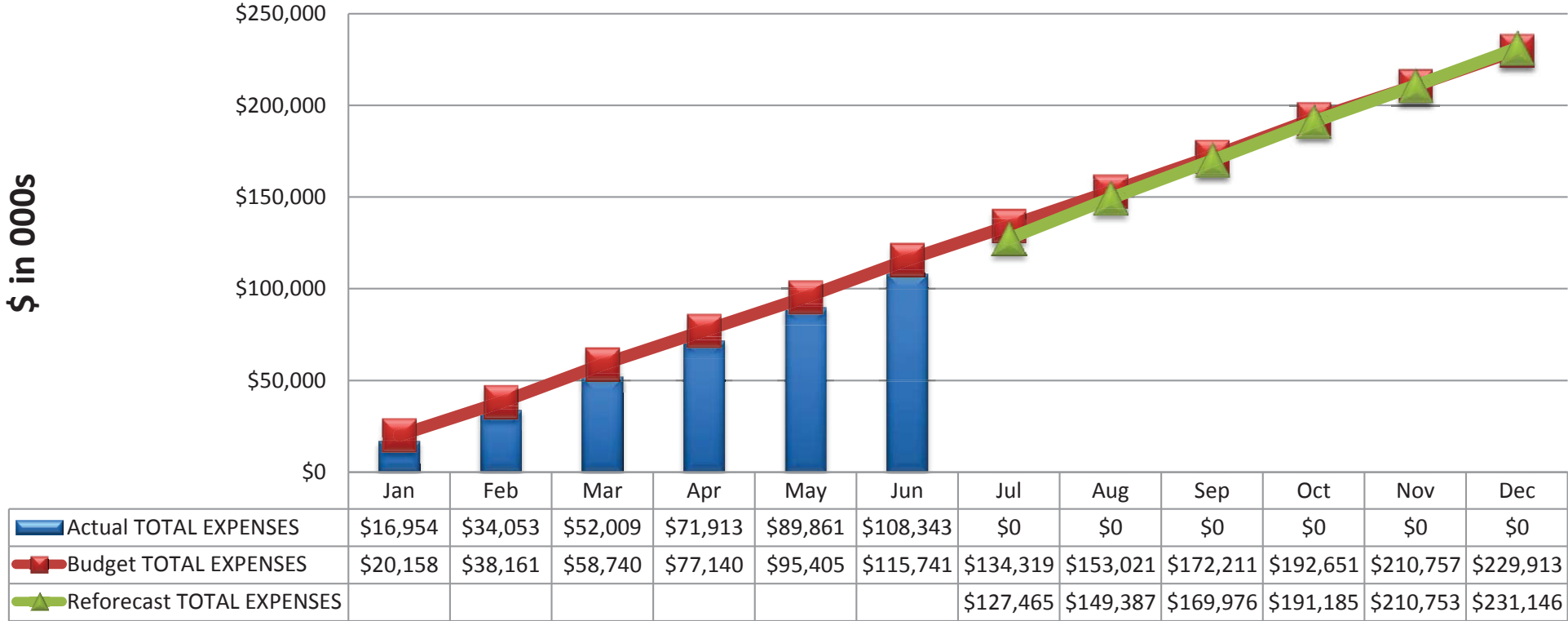
1,233

2015 Reforecast

\$231,146

2015 2nd Quarter Reforecast Total Expense (000's)

PHA Total Expenses



2015 2nd Quarter Reforecast Operations Expense (000's)

	<u>2014 Budget</u>	<u>2014 Audited</u>	<u>2015 Budget</u>	<u>2015 Actual Jun YTD</u>	<u>2015 Reforecast</u>
Salaries	\$44,596	\$45,275	\$47,401	\$25,939	\$51,379 8.4%
Benefits	15,061	16,441	17,306	9,900	18,417 6.4%
Retirement Benefits	7,437	4,554	5,215	2,623	5,334 2.3%
Depreciation & Amortization	55,960	54,232	57,363	27,974	58,514 2.0%
Terminal & Asset Maintenance	20,292	16,810	18,863	5,804	15,105 (19.9%)
Utilities & Fuel	7,301	7,279	8,053	3,499	7,315 (9.2%)
Insurance	4,282	3,843	4,245	2,024	4,146 (2.3%)
Allocation to Others	678	414	1,142	351	907 (20.7%)
Fees & Services	7,424	8,965	8,432	4,515	9,213 9.3%
Discretionary Expenses	5,188	21,417	7,518	4,835	10,969 45.9%
Total Operating Expenses	\$168,219	\$179,230	\$175,538	\$87,464	\$181,299 3.3%

2015 2nd Quarter Reforecast Operations Expense (000's)

2015 Budget**\$175,538****Salaries**

ILA Labor Expenses	4,387	
PHA Salary Expenses	698	
Other Salaries & Benefits	4	5,089

Retirement Benefits

Increase in Pension Contribution	67	
Increase in Other Post Employment Benefits	43	
Other Retirement Benefits	9	119

Depreciation & Amortization

Increase in Depreciation	1,925	
Decrease in Amortization (Includes Amortization of Long Term Agreements)	(773)	1,152

Terminal & Asset Maintenance

Decrease in Wharf Maintenance-Contractors	(1,451)	
Decrease in Machinery and Equipment Maintenance-Contractor	(432)	
Decrease in Road Maintenance-Contractor	(415)	
Other Maintenance Items	(187)	(2,485)

Utilities & Fuel

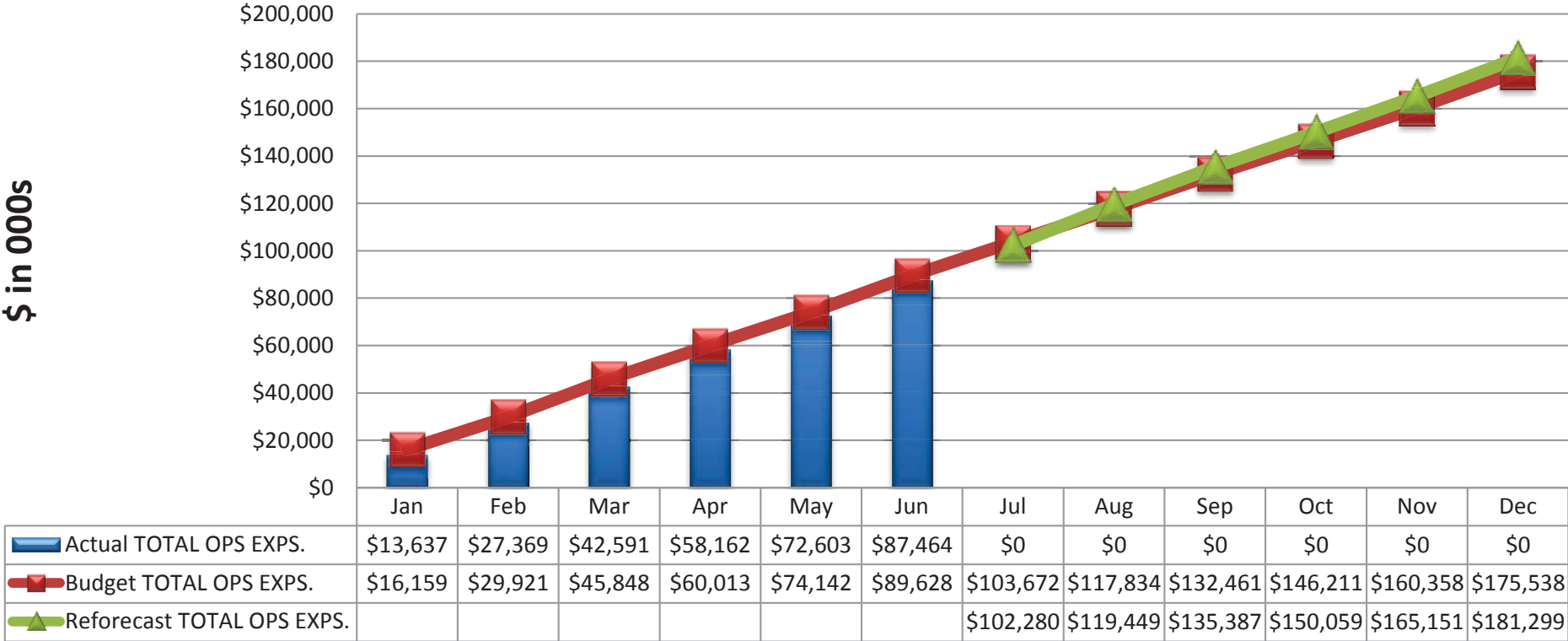
Decrease in Fuel Expenses	(1,257)	
Increase Utilities - Electricity	368	
Other Utilities & Fuel	151	(738)

2015 2nd Quarter Reforecast Operations Expense (000's)

Fees & Services			
Increase in Consulting Fees	884		
Other Fees & Services	2	886	
Consulting Fees			
Increase in Consulting Fees	(105)	(105)	
Discretionary Expenses			
Decrease in Demo-Contractor	(1,273)		
Bayport User Fees	406		
Operations of Facilities-Contractors	434		
Market Development Funding	692		
Engineering Design and Analysis Services	2,031		
Other Discretionary Expenses	(112)	2,178	
Allocations			
Environmental Allocation	(236)	(236)	
Other Expenses			
Other	(99)	(99)	
			<u>5,761</u>
2015 Reforecast			\$181,299

2015 2nd Quarter Reforecast Operations Expense (000's)

PHA Operating Expenses



2015 2nd Quarter Reforecast G&A Expense (000's)

	2014 Budget	2014 Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast
Salaries	\$15,722	15,091	16,424	7,579	\$15,788 (3.9%)
Benefits	5,184	5,298	5,700	3,150	5,540 (2.8%)
Retirement Benefits	8,642	5,917	7,185	3,164	6,312 (12.2%)
Fees & Services	8,372	6,297	9,324	3,738	9,119 (2.2%)
Depreciation & Amortization	3,085	2,686	3,521	1,412	3,434 (2.5%)
Terminal & Asset Maintenance	1,106	709	996	356	957 (3.9%)
Utilities & Fuel	344	286	335	135	302 (10.1%)
Insurance	522	553	577	298	587 1.7%
Discretionary Expenses	8,870	6,268	7,725	2,516	6,686 (13.5%)
Gross G&A Expenses	\$51,847	\$43,105	\$51,787	\$22,348	\$48,725 (5.9%)
Allocations	(1,941)	(971)	(2,062)	(576)	(1,408) (31.7%)
Net G&A Expenses	\$49,906	\$42,134	\$49,725	\$21,772	\$47,317 (4.8%)

2015 2nd Quarter Reforecast G&A Expense (000's)

2015 Budget

\$49,725

Salaries & Benefits

Decrease in Salaries	(636)	
Decrease in Medical Insurance	(94)	
Other Salaries & Benefits	(65)	(795)

Retirement Benefits

Decrease Retiree Benefits	(802)	
Other Retirement Benefits	(71)	(873)

Depreciation & Amortization

Decrease in Depreciation	(87)	(87)
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Fees & Services

Decrease in Legal Fees	(347)	
Other Fees & Services	37	(310)

Consulting Fees

Increase in Consulting Fees	105	105
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Discretionary Expenses

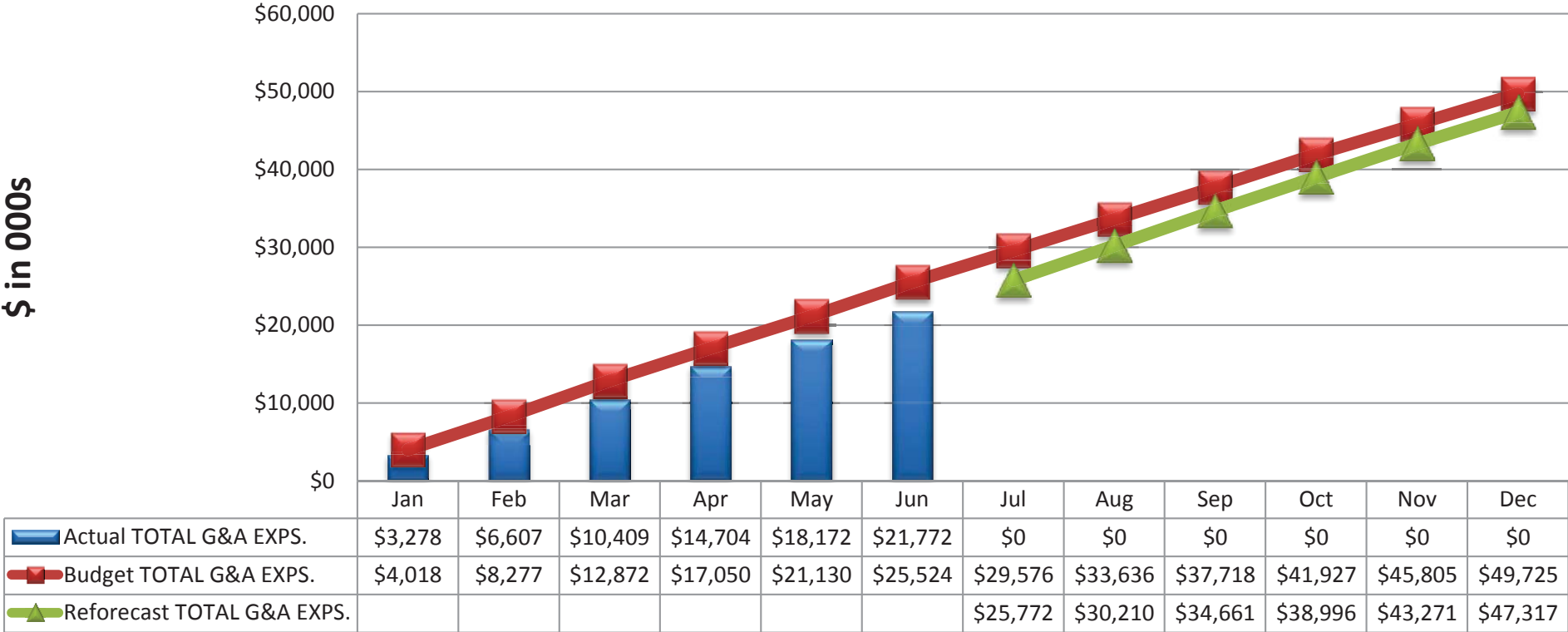
Increase in Equipment Purchases Expensed	(356)	
Decrease in PHA Receptions Special Events	(265)	
Decrease in Economic Development Support	(261)	
Decrease in Advertising Media	(187)	
All Other Discretionary Expenses	30	(1,039)

2015 2nd Quarter Reforecast G&A Expense (000's)

Allocations			
Salary & Benefits Allocated to CIP Projects	417		
Environmental Allocation	236	653	
Other Expenses			
Other	(62)	(62)	
			(2,408)
 2015 Reforecast			 \$47,317

2015 2nd Quarter Reforecast G&A Expense (000's)

PHA G&A Expenses



2015 2nd Quarter Reforecast Income Statement (000's)

	<u>2014 Budget</u>	<u>2014 Audited</u>	<u>2015 Budget</u>	<u>2015 Actual Jun YTD</u>	<u>2015 Reforecast</u>	<u>2015 Budget vs 2015 Reforecast</u>	<u>%</u>
Operating Revenue*	\$249,121	\$262,039	\$263,575	\$153,598	\$290,124	\$26,549	10.1%
Less: Operating Expense	168,219	179,230	175,538	87,464	181,299	5,761	3.3%
Operating Income	\$80,902	\$82,809	\$88,037	\$66,134	\$108,825	\$20,788	23.6%
Less: General & Administrative Expenses	49,906	42,134	49,725	21,772	47,317	(2,408)	(4.8%)
Net Operating Income	\$30,996	\$40,675	\$38,312	\$44,362	\$61,508	\$23,196	60.5%
Non-Operating Revenue (Expense)	(671)	6,543	1,390	3,225	2,832	1,442	103.7%
Income before Contributions & Transfers	\$30,325	\$47,218	\$39,702	\$47,587	\$64,340	\$24,638	62.1%
Contributions (to)/from Federal/State Agencies	6,145	906	(2,565)	11	(469)	2,096	(81.7%)
Net Income	<u>\$36,470</u>	<u>\$48,124</u>	<u>\$37,137</u>	<u>\$47,598</u>	<u>\$63,871</u>	<u>\$26,734</u>	<u>72.0%</u>
Cash Flow	<u>\$94,515</u>	<u>\$103,188</u>	<u>\$97,021</u>	<u>\$75,860</u>	<u>\$124,605</u>	<u>\$27,584</u>	<u>28.4%</u>

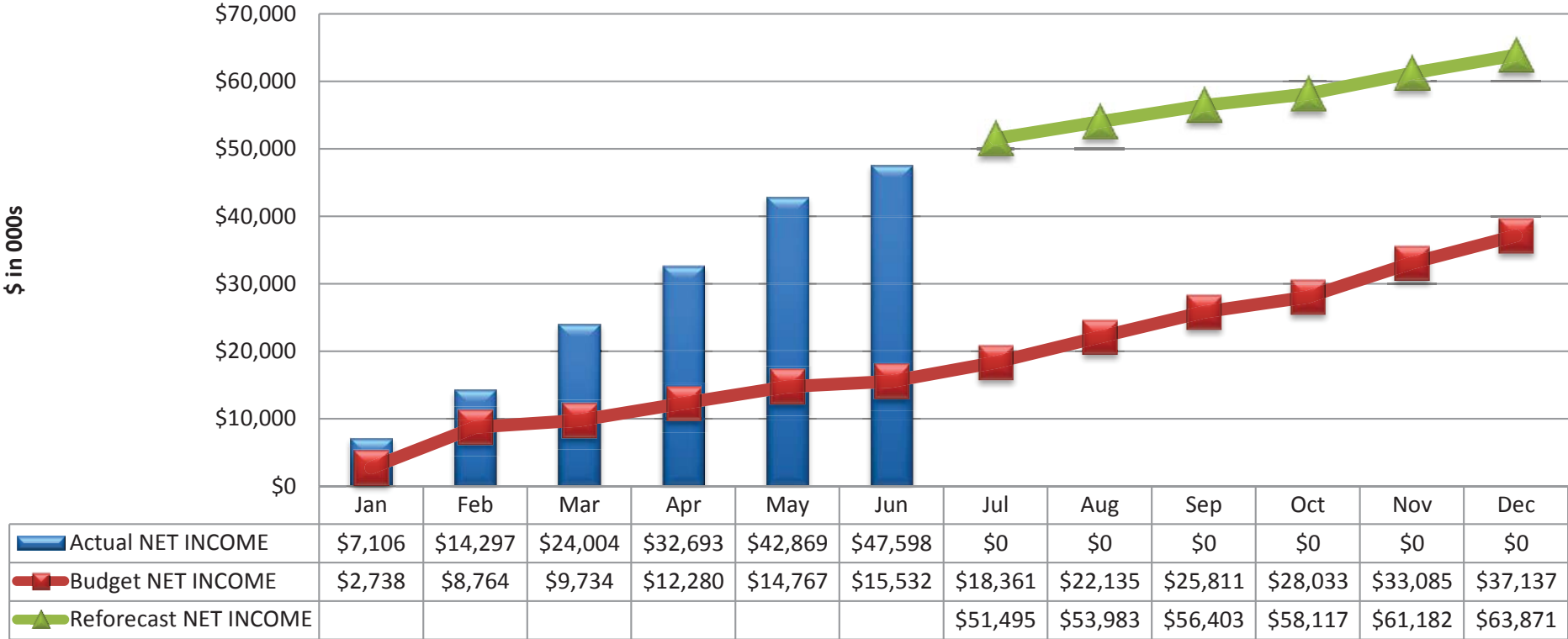
*Includes G&A Revenues

2015 2nd Quarter Reforecast Income Statement (000's)

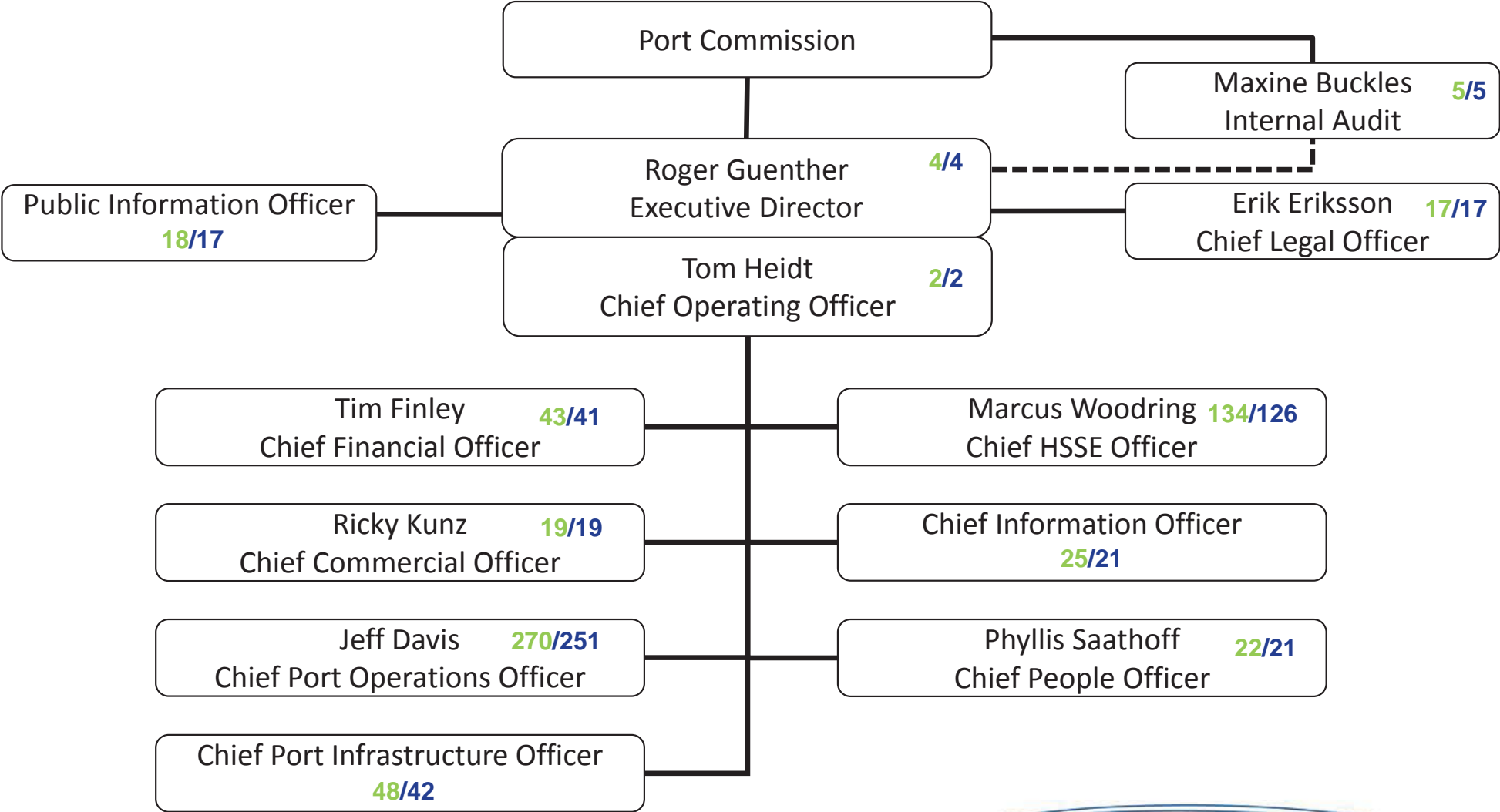
2015 Budget			\$37,137
Hourly Employee Wages	(6,059)		
Rent/Lease	(2,612)		
DMA Fees	(2,252)		
Engineering Design and Analysis Services	(2,031)		
Contributions to State or Local Agencies	2,326		
Wharfage-Import	2,827		
Wharf Crane Rental	3,423		
Storage	5,057		
Salaries	6,496		
Full Container Receipt/Delivery	7,843		
Wharfage - Loaded Containers	9,200		
Other	2,516	26,734	
			<u>26,734</u>
2015 Reforecast			\$63,871

2015 2nd Quarter Reforecast Net Income (000's)

PHA Net Income



2015 2nd Quarter Reforecast PHA Organizational Structure (000's)



2015 2nd Quarter Reforecast
PHA Organizational Structure (cont.) (000's)

Total Employment:

2015 Reforecast = 607

2015 June Actual = 566

2015 Budget = 592

2014 Budget = 569

2014 Actual = 538

2013 Budget = 586

2013 Actual = 547

2015 2nd Quarter Reforecast Capital (000's)

	<u>2015 Budget</u>	<u>2015 Reforecast</u>
Bayport Terminal	\$110,317	\$20,145
Barbours Cut	72,629	87,351
TBT	35,268	14,286
Bayport Railroad	25,893	21,645
Channel Development	17,580	2,330
HSSE	3,825	3,982
Real Estate	2,690	2,373
IT	1,400	1,415
Other	5,813	3,453
Total Capital	<u>\$275,415</u>	<u>\$156,980</u>
Grant Reimbursements	(66)	(64)
Net Capital	<u>\$275,349</u>	<u>\$156,916</u>

2015 2nd Quarter Reforecast Executive (000's)

	2014 Budget	2014 Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast	Variance	Variance %
Salaries	\$1,021	\$1,113	\$1,195	\$587	\$1,217	\$22	1.8%
Benefits	\$270	\$332	\$382	\$227	\$387	\$4	1.3%
Retirement Benefits	\$392	\$256	\$312	\$154	\$316	\$4	1.3%
Depreciation & Amortization	\$0	\$0	\$0	\$3	\$5	\$5	0.0%
Fees & Services	\$278	\$57	\$261	\$18	\$228	(\$32)	(12.6%)
Insurance	\$6	\$7	\$11	\$4	\$9	(\$1)	(18.2%)
Consulting Fees	\$100	\$93	\$300	\$289	\$480	\$180	60.0%
Discretionary Expenses	\$252	\$171	\$330	\$128	\$370	\$40	12.1%
Net Expense	\$2,319	\$2,029	\$2,791	\$1,410	\$3,012	\$222	7.9%

2015 2nd Quarter Reforecast Legal (000's)

	2014 2014 Budget	2014 Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast	Variance	Variance %
Salaries	\$1,560	\$1,533	\$1,584	\$802	\$1,613	\$30	1.8%
Benefits	\$473	\$451	\$514	\$313	\$525	\$11	2.1%
Retirement Benefits	\$631	\$383	\$419	\$214	\$421	\$2	0.5%
Depreciation & Amortization	\$47	\$0	\$110	\$0	\$94	(\$16)	(14.5%)
Terminal & Asset Maintenance	\$21	\$1	\$20	\$0	\$20	\$0	0.0%
Fees & Services	\$2,247	\$1,132	\$2,194	\$659	\$1,851	(\$343)	(15.6%)
Insurance	\$8	\$8	\$3	\$3	\$5	\$2	66.7%
Consulting Fees	\$540	\$597	\$906	\$403	\$808	(\$98)	(10.8%)
Discretionary Expenses	\$331	\$253	\$356	\$104	\$300	(\$56)	(15.7%)
Net Expense	\$5,858	\$4,358	\$6,106	\$2,498	\$5,637	(\$468)	(7.7%)

2015 2nd Quarter Reforecast Public Information (000's)

	2014		2015 Actual		2015	Variance	Variance %
	2014 Budget	Audited	2015 Budget	Jun YTD	Reforecast		
Salaries	\$1,546	\$1,408	\$1,621	\$628	\$1,263	(\$358)	(22.1%)
Benefits	\$525	\$497	\$565	\$263	\$428	(\$136)	(24.2%)
Retirement Benefits	\$566	\$348	\$389	\$195	\$349	(\$40)	(10.3%)
Depreciation & Amortization	\$232	\$171	\$164	\$82	\$163	(\$1)	(0.6%)
Terminal & Asset Maintenance	\$250	\$86	\$224	\$0	\$207	(\$17)	(7.6%)
Fees & Services	\$66	\$64	\$127	\$25	\$77	(\$50)	(39.4%)
Insurance	\$81	\$71	\$69	\$33	\$68	(\$1)	(1.4%)
Utilities	\$19	\$16	\$20	\$7	\$17	(\$3)	(15.0%)
Fuel	\$48	\$37	\$48	\$13	\$37	(\$11)	(22.9%)
Consulting Fees	\$336	\$64	\$206	\$43	\$87	(\$119)	(57.8%)
Discretionary Expenses	\$5,060	\$2,685	\$2,511	\$762	\$1,585	(\$926)	(36.9%)
Gross Expense	\$8,729	\$5,447	\$5,944	\$2,051	\$4,281	(\$1,662)	(28.0%)
Allocations	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Net Expense	\$8,729	\$5,447	\$5,944	\$2,051	\$4,281	(\$1,662)	(28.0%)

2015 2nd Quarter Reforecast Finance (000's)

	2014		2015 Actual		2015	Variance	Variance %
	2014 Budget	Audited	2015 Budget	Jun YTD	Reforecast		
Salaries	\$2,776	\$2,614	\$2,782	\$1,363	\$2,892	\$111	4.0%
Benefits	\$952	\$900	\$952	\$578	\$1,025	\$73	7.7%
Retirement Benefits	\$979	\$614	\$741	\$369	\$758	\$17	2.3%
Depreciation & Amortization	\$58	\$57	\$0	\$0	\$0	\$0	0.0%
Terminal & Asset Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Fees & Services	\$915	\$790	\$653	\$262	\$705	\$51	8.0%
Insurance	\$15	\$16	\$19	\$6	\$16	(\$3)	(15.8%)
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Fuel	\$0	\$0	\$1	\$0	\$0	\$0	(100.0%)
Consulting Fees	\$81	\$0	\$30	\$9	\$31	\$1	3.3%
Discretionary Expenses	\$209	\$267	\$163	\$105	\$328	\$165	101.2%
Gross Expense	\$5,985	\$5,258	\$5,341	\$2,692	\$5,755	\$415	7.8%
Allocations	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Net Expense	\$5,985	\$5,258	\$5,341	\$2,692	\$5,755	\$415	7.8%

2015 2nd Quarter Reforecast People (000's)

	2014	2014	2015	2015	2015	Variance	Variance %
	2014 Budget	Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast		
Salaries	\$1,328	\$1,328	\$1,375	\$713	\$1,530	\$155	11.3%
Benefits	\$508	\$697	\$480	\$287	\$529	\$49	10.2%
Retirement Benefits	\$3,340	\$2,646	\$3,418	\$1,283	\$2,631	(\$788)	(23.0%)
Depreciation & Amortization	\$15	\$0	\$0	\$0	\$0	\$0	0.0%
Fees & Services	\$184	\$198	\$188	\$151	\$228	\$40	21.3%
Insurance	\$6	\$7	\$19	\$6	\$15	(\$4)	(21.1%)
Fuel	\$2	\$0	\$0	\$0	\$0	\$0	0.0%
Consulting Fees	\$160	\$74	\$215	\$32	\$235	\$20	9.3%
Discretionary Expenses	\$364	\$340	\$367	\$116	\$394	\$28	7.4%
Net Expense	\$5,907	\$5,290	\$6,062	\$2,588	\$5,562	(\$500)	8.2%

2015 2nd Quarter Reforecast Technology (000's)

	2014 2014 Budget	2014 Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast	Variance	Variance %
Salaries	\$1,587	\$1,503	\$1,816	\$754	\$1,629	(\$187)	(10.3%)
Benefits	\$524	\$546	\$663	\$325	\$613	(\$51)	(7.5%)
Retirement Benefits	\$566	\$361	\$430	\$212	\$408	(\$22)	(5.1%)
Depreciation & Amortization	\$1,817	\$1,774	\$2,216	\$961	\$2,302	\$87	3.9%
Terminal & Asset Maintenance	\$259	\$118	\$436	\$298	\$520	\$84	19.3%
Fees & Services	\$1,372	\$1,748	\$1,898	\$1,012	\$2,043	\$146	7.6%
Insurance	\$205	\$194	\$276	\$127	\$265	(\$11)	(4.0%)
Consulting Fees	\$0	\$42	\$45	\$143	\$228	\$183	406.7%
Discretionary Expenses	\$696	\$740	\$1,692	\$422	\$1,317	(\$375)	(22.2%)
Gross Expense	\$7,026	\$7,026	\$9,472	\$4,254	\$9,325	(\$146)	(1.6%)
Allocations	(\$685)	(\$313)	(\$548)	(\$213)	(\$471)	\$76	(14.1%)
Net Expense	\$6,341	\$6,713	\$8,924	\$4,041	\$8,854	(\$70)	(0.8%)

2015 2nd Quarter Reforecast HSSE (000's)

	2014		2015 Actual		2015	Variance	Variance %
	2014 Budget	Audited	2015 Budget	Jun YTD	Reforecast		
Salaries	\$7,262	\$7,729	\$7,974	\$4,005	\$8,155	\$181	2.3%
Benefits	\$2,693	\$2,810	\$3,123	\$1,690	\$3,052	(\$71)	(2.3%)
Retirement Benefits	\$2,509	\$1,548	\$1,771	\$890	\$1,772	\$1	0.1%
Depreciation & Amortization	\$3,625	\$3,293	\$3,548	\$1,710	\$3,380	(\$167)	(4.7%)
Terminal & Asset Maintenance	\$274	\$350	\$417	\$111	\$636	\$219	52.5%
Fees & Services	\$5,409	\$5,839	\$6,017	\$3,017	\$6,249	\$232	3.9%
Insurance	\$379	\$328	\$297	\$167	\$315	\$18	6.1%
Utilities	\$99	\$90	\$99	\$39	\$85	(\$14)	(14.1%)
Fuel	\$184	\$187	\$241	\$60	\$168	(\$73)	(30.3%)
Consulting Fees	\$115	\$66	\$168	\$0	\$133	(\$35)	(20.8%)
Discretionary Expenses	\$1,125	\$804	\$1,223	\$348	\$1,167	(\$55)	(4.6%)
Gross Expense	\$23,674	\$23,044	\$24,878	\$12,037	\$25,112	\$236	0.9%
Allocations	(\$7,723)	(\$7,532)	(\$9,495)	(\$4,563)	(\$9,394)	\$100	(1.1%)
Net Expense	\$15,951	\$15,512	\$15,383	\$7,474	\$15,718	\$336	2.2%

2015 2nd Quarter Reforecast Commercial (000's)

	2014		2015 Actual		2015	Variance	Variance %
	2014 Budget	Audited	2015 Budget	Jun YTD	Reforecast		
Salaries	\$1,396	\$1,521	\$1,534	\$805	\$1,629	\$95	6.2%
Benefits	\$457	\$463	\$536	\$330	\$572	\$36	6.7%
Retirement Benefits	\$569	\$347	\$398	\$199	\$408	\$11	2.5%
Depreciation & Amortization	\$909	\$646	\$1,001	\$354	\$844	(\$157)	(15.7%)
Terminal & Asset Maintenance	\$736	\$563	\$502	\$169	\$323	(\$179)	(35.7%)
Fees & Services	\$328	\$389	\$340	\$225	\$419	\$79	23.2%
Insurance	\$167	\$154	\$163	\$81	\$162	(\$1)	(0.6%)
Utilities	\$263	\$327	\$266	\$135	\$288	\$23	8.3%
Fuel	\$12	\$0	\$0	\$0	\$0	\$0	0.0%
Consulting Fees	\$417	\$415	\$458	\$184	\$586	\$128	27.9%
Discretionary Expenses	\$1,239	\$1,194	\$1,613	\$615	\$1,917	\$304	18.8%
Gross Expense	\$6,493	\$6,019	\$6,811	\$3,097	\$7,148	\$339	4.9%
Allocations	\$60	\$0	\$0	\$17	\$17	\$17	0.0%
Net Expense	\$6,553	\$6,019	\$6,811	\$3,114	\$7,165	\$356	5.2%

2015 2nd Quarter Reforecast Infrastructure (000's)

	2014 2014 Budget	2014 Audited	2015 Budget	2015 Actual Jun YTD	2015 Reforecast	Variance	Variance %
Salaries	\$4,103	\$3,659	\$4,154	\$1,758	\$3,695	(\$460)	(11.0%)
Benefits	\$1,378	\$1,277	\$1,477	\$747	\$1,344	(\$133)	(9.0%)
Retirement Benefits	\$1,452	\$867	\$961	\$482	\$930	(\$30)	(3.2%)
Depreciation & Amortization	\$1,191	\$760	\$807	\$371	\$752	(\$55)	(6.8%)
Terminal & Asset Maintenance	\$1,615	\$1,036	\$1,116	\$345	\$896	(\$219)	(19.7%)
Fees & Services	\$612	\$279	\$521	\$56	\$346	(\$175)	(33.6%)
Insurance	\$98	\$158	\$104	\$74	\$126	\$22	21.2%
Consulting Fees	\$1,502	\$1,104	\$1,808	\$589	\$1,548	(\$260)	(14.4%)
Discretionary Expenses	\$507	\$836	\$556	\$253	\$385	(\$170)	(30.8%)
Gross Expense	\$12,458	\$9,976	\$11,504	\$4,675	\$10,022	(\$1,480)	(12.9%)
Allocations	(\$1,291)	(\$659)	(\$1,494)	(\$364)	(\$927)	\$567	(38.0%)
Net Expense	\$11,167	\$9,317	\$10,010	\$4,311	\$9,095	(\$913)	(9.1%)

2015 2nd Quarter Reforecast Operations (000's)

	2014 2014 Budget	2014 Audited	2015 2015 Budget	2015 2015 Actual Jun YTD	2015 2015 Reforecast	Variance	Variance %
Salaries	\$37,740	\$37,958	\$39,791	\$22,105	\$43,545	\$3,755	9.4%
Benefits	\$12,466	\$13,767	\$14,315	\$8,289	\$15,484	\$1,170	8.2%
Retirement Benefits	\$5,076	\$3,101	\$3,561	\$1,790	\$3,652	\$91	2.6%
Depreciation & Amortization	\$51,151	\$50,217	\$53,038	\$25,906	\$54,407	\$1,369	2.6%
Terminal & Asset Maintenance	\$18,242	\$15,365	\$17,146	\$5,238	\$13,461	(\$3,685)	(21.5%)
Fees & Services	\$1,127	\$2,158	\$1,415	\$1,137	\$2,045	\$629	44.5%
Insurance	\$3,839	\$3,453	\$3,861	\$1,820	\$3,751	(\$110)	(2.8%)
Utilities	\$3,844	\$3,679	\$3,982	\$2,134	\$4,474	\$492	12.4%
Fuel	\$3,173	\$3,231	\$3,731	\$1,244	\$2,547	(\$1,184)	(31.7%)
Consulting Fees	\$6	\$152	\$6	\$0	\$6	\$0	0.0%
Discretionary Expenses	\$4,276	\$20,394	\$6,433	\$4,498	\$9,892	\$3,459	53.8%
Gross Expense	\$140,940	\$153,475	\$147,279	\$74,161	\$153,264	\$5,986	4.1%
Allocations	\$8,374	\$7,946	\$10,616	\$4,897	\$10,273	(\$344)	(3.2%)
Net Expense	\$149,314	\$161,421	\$157,895	\$79,058	\$163,537	\$5,642	3.6%



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