

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

	June			
	Unaudited	Audited	Δ	%
	2016	2015		
Operating Revenues				
Container Terminals	\$ 18,323	\$ 15,877	\$ 2,446	15
Turning Basin Terminals	4,149	4,979	(830)	(17)
Bulk	436	539	(103)	(19)
Leases	564	587	(23)	(4)
Other	1,085	850	235	28
Total Operating Revenues	24,557	22,832	1,725	8
Operating Expenses				
Container Terminals	8,518	6,503	2,015	31
Turning Basin Terminals	1,642	2,111	(469)	(22)
Bulk	32	26	6	23
Leases	19	71	(52)	(73)
Other	1,157	1,052	105	10
Pension and Other Retirement Benefits	437	439	(2)	-
Depreciation and Amortization	5,011	4,660	351	8
Total Operating Expenses	16,816	14,862	1,954	13
Operating Income	7,741	7,970	(229)	3
General & Administrative Expenses				
G&A Expenses	3,221	2,989	232	8
Pension and Other Retirement Benefits	373	346	27	8
Depreciation	276	252	24	10
Total G&A Expenses	3,870	3,587	283	8
Net Operating Income	3,871	4,383	(512)	12
Nonoperating Revenues (Expenses)	306	346	(40)	(12)
Income before Contributions	4,177	4,729	(552)	(12)
Contributions (to)/from Federal/State Agencies	(241)	-	(241)	(100)
Net Income	\$ 3,936	\$ 4,729	\$ (793)	(17)
Pro forma Cash Flow				
Net Income	\$ 3,936	\$ 4,729	\$ (793)	(17)
Add Depreciation and Amortization	5,287	4,912	375	8
Adjust for non cash items	(101)	(17)	(84)	100
Pro forma Cash Flow	\$ 9,122	\$ 9,624	\$ (502)	(5)

These unaudited financial statements are prepared by the Port of Houston Authority ("Authority") and made available on its website (www.portofhouston.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)

	June						June		
	Unaudited 2016	Audited 2015	Δ	%			2014	2016 vs 2014	%
Operating Revenues									
Container Terminals	\$ 104,219	\$ 102,588	\$ 1,631	2		\$ 81,117	\$ 23,102	28	
Turning Basin Terminals	25,881	36,675	(10,794)	(29)		31,153	(5,272)	(17)	
Bulk	2,704	2,764	(60)	(2)		2,778	(74)	(3)	
Leases	3,508	3,419	89	3		3,486	22	1	
Other	7,493	8,033	(540)	(7)		5,731	1,762	31	
Total Operating Revenues	<u>143,805</u>	<u>153,479</u>	<u>(9,674)</u>	<u>(6)</u>		<u>124,265</u>	<u>19,540</u>	<u>16</u>	
Operating Expenses									
Container Terminals	44,131	38,738	5,393	14		34,967	9,164	26	
Turning Basin Terminals	8,951	9,441	(490)	(5)		7,799	1,152	15	
Bulk	160	159	1	-		132	28	21	
Leases	98	218	(120)	(55)		74	24	32	
Other	8,160	8,312	(152)	(2)		6,844	1,316	19	
Pension and Other Retirement Benefits	2,617	2,623	(6)	-		3,269	(652)	(20)	
Depreciation and Amortization	30,116	27,974	2,142	8		26,591	3,525	13	
Total Operating Expenses	<u>94,233</u>	<u>87,465</u>	<u>6,768</u>	<u>8</u>		<u>79,676</u>	<u>14,557</u>	<u>18</u>	
Operating Income	49,572	66,014	(16,442)	(25)		44,589	4,983	11	
General & Administrative Expenses									
G&A Expenses	18,526	18,172	354	2		17,394	1,132	7	
Pension and Other Retirement Benefits	2,235	2,068	167	8		2,543	(308)	(12)	
Depreciation	1,680	1,412	268	19		1,351	329	24	
Total G&A Expenses	<u>22,441</u>	<u>21,652</u>	<u>789</u>	<u>4</u>		<u>21,288</u>	<u>1,153</u>	<u>5</u>	
Net Operating Income	27,131	44,362	(17,231)	(39)		23,301	3,830	16	
Nonoperating Revenues (Expenses)	9,042	3,225	5,817	180		4,877	4,165	85	
Income before Contributions	<u>36,173</u>	<u>47,587</u>	<u>(11,414)</u>	<u>(24)</u>		<u>28,178</u>	<u>7,995</u>	<u>28</u>	
Contributions (to)/from Federal/State Agencies	(886)	11	(897)	(8,155)		(212)	(674)	318	
Net Income	<u>\$ 35,287</u>	<u>\$ 47,598</u>	<u>\$ (12,311)</u>	<u>(26)</u>		<u>\$ 27,966</u>	<u>\$ 7,321</u>	<u>26</u>	
Pro forma Cash Flow									
Net Income	\$ 35,287	\$ 47,598	(12,311)	(26)		\$ 27,966	\$ 7,321	26	
Add Depreciation and Amortization	31,796	29,386	2,410	8		27,941	3,855	14	
Adjust for non cash items	(5,834)	(1,124)	(4,710)	419		(2,078)	(3,756)	181	
Pro forma Cash Flow	<u>\$ 61,249</u>	<u>\$ 75,860</u>	<u>\$ (14,611)</u>	<u>(19)</u>		<u>\$ 53,829</u>	<u>\$ 7,420</u>	<u>14</u>	

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2016	Audited December 31, 2015
Current Assets		
Cash & Cash Equivalents	\$ 44,320	\$ 59,894
Short-Term Investments	283,520	225,710
Trade Accounts & Other Receivables	30,210	30,318
Other	4,352	3,262
Total Current Assets	<u>362,402</u>	<u>319,184</u>
Restricted Assets	<u>65,665</u>	<u>55,207</u>
Property		
Land, Facilities & Equipment	2,193,994	2,186,661
CIP	147,328	85,386
Accumulated Depreciation	(797,480)	(766,411)
Property, Net	<u>1,543,842</u>	<u>1,505,636</u>
Long-Term Investments	<u>83,764</u>	<u>136,580</u>
Other Assets		
Industrial Agreements	2,267	2,442
Other	4,575	4,865
Total Other Assets	<u>6,842</u>	<u>7,307</u>
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	11,642	11,642
Deferred loss on bond refunding	5,962	6,624
Total Deferred Outflows of Resources	<u>17,604</u>	<u>18,266</u>
Total Assets and deferred outflows of resources	<u>\$ 2,080,119</u>	<u>\$ 2,042,180</u>

Port of Houston Authority

Balance Sheet

(\$ in thousands)

	Unaudited June 30, 2016	Audited December 31, 2015
Current Liabilities		
Accounts Payable	\$ 3,470	\$ 11,633
Other Current Liabilities	25,285	23,627
Total Current Liabilities	28,755	35,260
Current Liabilities (Restricted Assets)		
Current Maturities of Long-Term Debt	16,275	16,275
Accrued Interest Payable	8,228	8,690
Total Restricted Current Liabilities	24,503	24,965
Long-Term Debt, net of Current Maturities	699,530	701,357
Other Non-Current Liabilities		
Accrued Vacation and Sick Leave	6,257	5,435
OPEB Obligation	21,276	21,776
Net Pension Liability	5,061	5,061
Other	25,801	24,742
Total Other Non-Current Liabilities	58,395	57,014
TOTAL LIABILITIES	811,183	818,596
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	3,973	3,973
Deferred gain on bond refunding	235	261
Total Deferred Inflows of Resources	4,208	4,234
Commitments and Contingencies	-	-
Net position		
Invested in Capital Assets, net of debt	833,764	794,075
Restricted for Debt Service	50,658	41,853
Unrestricted Net Assets	380,306	383,422
Total Net Position	1,264,728	1,219,350
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 2,080,119	\$ 2,042,180