

**VIRGINIA PORT AUTHORITY & VIRGINIA INTERNATIONAL TERMINALS, LLC**  
**COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

**Actual vs Budget and Prior Year**

*For the Month Ended July 31, 2018*

|   | Actual         | Budget         | Prior Year     | Favorable<br>(Unfavorable)<br>Variance |
|---|----------------|----------------|----------------|--|
|   |                |                |                | Actual/Budget                          |
| <b>Operating Revenues:</b>                                  |                |                |                |  |
| Terminal operating revenues                                 | \$ 45,121,263  | \$ 44,899,355  | \$ 40,561,173  | \$ 221,908                             |
| Other revenues  | 991,851        | 917,566        | 925,608        | 74,285                                 |
| Operating revenues - Grants                                 | 81,637         | 374,583        | 75,354         | (292,946)                              |
|   |                |                |                |  |
| Total operating revenues                                    | 46,194,751     | 46,191,504     | 41,562,135     | 3,247                                  |
| <b>Operating Expenses:</b>                                  |                |                |                |  |
| Terminal operations   | 20,709,076     | 21,352,717     | 17,435,873     | 643,642                                |
| Terminal maintenance  | 9,242,044      | 9,559,186      | 7,574,796      | 317,142                                |
| General and administrative                                  | 4,934,398      | 5,205,870      | 4,456,939      | 271,473                                |
| Facility rental   | 118,305        | 82,011         | 30,706         | (36,294)                               |
| Depreciation and Amortization                               | 6,925,129      | 7,230,029      | 7,242,098      | 304,900                                |
|   |                |                |                |  |
| Total operating expenses                                    | 41,928,952     | 43,429,813     | 36,740,412     | 1,500,861                              |
| Operating income (loss)                                     | 4,265,799      | 2,761,691      | 4,821,723      | 1,504,108                              |
| <b>Non-operating revenues (expenses)</b>                    |                |                |                |  |
| Interest income   | 181,830        | 147,088        | 85,732         | 34,742                                 |
| Interest expense  | (10,407,929)   | (10,424,069)   | (10,393,134)   | 16,140                                 |
| Bond issue costs  | (188,977)      | (12,500)       | -              | (176,477)                              |
| Revenues/(expenses)   | (41,247)       | 1,662,579      | (173,170)      | (1,703,826)                            |
| Other revenues from component unit                          | -              | -              | -              | -                                      |
| Revenue/expenses (state agencies)                           | -              | -              | -              | -                                      |
| Revenues from federal government                            | (2,171)        | 98,555         | -              | (100,726)                              |
| Revenues/expenses (primary government)                      | 1,000,000      | -              | 1,000,000      | 1,000,000                              |
| Other income (expense)                                      | -              | -              | -              | -                                      |
| Gain/(loss) on disposals                                    | -              | -              | -              | -                                      |
|   | (9,458,494)    | (8,528,347)    | (9,480,572)    | (930,147)                              |
| Income (loss) before capital<br>contributions and transfers | (5,192,695)    | (5,766,655)    | (4,658,849)    | 573,961                                |
| <b>Capital contributions and transfers</b>                  |                |                |                |  |
| Commonwealth Port Fund allocation                           | 1,968,811      | 3,574,312      | 1,790,461      | (1,605,501)                            |
| Operating transfers to Authority                            | -              | -              | -              | -                                      |
| Proceeds to federal government - channel dredging           | 101,554        | -              | (38,812)       | 101,554                                |
| Capital contributions (to) from component unit              | -              | -              | -              | -                                      |
| Capital contributions (to) from other state agencies        | -              | -              | -              | -                                      |
| Proceeds (to) from other state agencies                     | -              | -              | -              | -                                      |
| Proceeds (to) from primary government                       | -              | 8,781,177      | -              | (8,781,177)                            |
|   |                |                |                |  |
| <b>Increase (decrease) in Net Position</b>                  | (3,122,330)    | 6,588,834      | (2,907,200)    | (9,711,164)                            |
| <b>Net Position - Beginning of Month</b>                    | 643,023,546    | 643,023,546    | 623,918,686    | -                                      |
| <b>Net Position - End of Month</b>                          | \$ 639,901,216 | \$ 649,612,380 | \$ 621,011,486 | \$ (9,711,164)                         |

**VIRGINIA PORT AUTHORITY & VIRGINIA INTERNATIONAL TERMINALS, LLC**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

*For the Month Ended July 31, 2018*

|   | <b>Virginia</b>  |   |                     |                |
|---|------------------|---|---------------------|----------------|
|   | <b>Authority</b> | <b>International<br/>Terminals, LLC</b> | <b>Eliminations</b> | <b>Total</b>   |
| <b>Operating Revenues:</b>                                  |                  |   |                     |                |
| Terminal operating revenues                                 | \$ -             | \$ 45,121,263                           | \$ -                | \$ 45,121,263  |
| Other revenues  | 991,851          | -                                       | -                   | 991,851        |
| Operating Revenues -Grants                                  | 81,637           | -                                       | -                   | 81,637         |
| Operating revenues from component unit                      | 14,179,576       | -                                       | (14,179,576)        | -              |
| Total operating revenues                                    | 15,253,064       | 45,121,263                              | (14,179,576)        | 46,194,751     |
| <b>Operating Expenses:</b>                                  |                  |   |                     |                |
| Terminal operations   | 118,732          | 20,590,344                              | -                   | 20,709,076     |
| Terminal maintenance  | 307,098          | 8,934,946                               | -                   | 9,242,044      |
| General and administrative                                  | 1,292,027        | 3,642,371                               | -                   | 4,934,398      |
| Facility rental   | 118,305          | -                                       | -                   | 118,305        |
| Depreciation and Amortization                               | 6,385,873        | 539,256                                 | -                   | 6,925,129      |
| Payments due to Authority                                   | -                | 14,179,576                              | (14,179,576)        | -              |
| Total operating expenses                                    | 8,222,035        | 47,886,493                              | (14,179,576)        | 41,928,952     |
| Operating income (loss)                                     | 7,031,029        | (2,765,230)                             | -                   | 4,265,799      |
| <b>Non-operating revenues (expenses)</b>                    |                  |   |                     |                |
| Interest income   | 181,830          | -                                       | -                   | 181,830        |
| Interest expense  | (10,407,929)     | -                                       | -                   | (10,407,929)   |
| Bond issue costs  | (188,977)        | -                                       | -                   | (188,977)      |
| Revenues/(expenses) (VEDP)                                  | (41,247)         | -                                       | -                   | (41,247)       |
| Other revenues from component unit                          | -                | -                                       | -                   | -              |
| Revenue/expenses (state agencies)                           | -                | -                                       | -                   | -              |
| Revenues from federal government                            | (2,171)          | -                                       | -                   | (2,171)        |
| Revenues/expenses (primary government)                      | 1,000,000        | -                                       | -                   | 1,000,000      |
| Other income (expense)                                      | -                | -                                       | -                   | -              |
| Gain/(loss) on disposals                                    | -                | -                                       | -                   | -              |
|   | (9,458,494)      | -                                       | -                   | (9,458,494)    |
| Income (loss) before capital<br>contributions and transfers | (2,427,465)      | (2,765,230)                             | -                   | (5,192,695)    |
| <b>Capital contributions</b>                                |                  |   |                     |                |
| Commonwealth Port Fund allocation                           | 1,968,811        | -                                       | -                   | 1,968,811      |
| Operating transfers to Authority                            | -                | -                                       | -                   | -              |
| Proceeds to federal government - channel dredging           | 101,554          | -                                       | -                   | 101,554        |
| Capital contributions (to) from component unit              | -                | -                                       | -                   | -              |
| Capital contributions (to) from other state agencies        | -                | -                                       | -                   | -              |
| Proceeds (to) from other state agencies                     | -                | -                                       | -                   | -              |
| Proceeds (to) from primary government                       | -                | -                                       | -                   | -              |
| <b>Increase (decrease) in Net Position</b>                  | (357,100)        | (2,765,230)                             | -                   | (3,122,330)    |
| <b>Net Position - Beginning of Month</b>                    | 510,382,055      | 132,641,491                             | -                   | 643,023,546    |
| <b>Net Position - End of Month</b>                          | \$ 510,024,955   | \$ 129,876,261                          | \$ -                | \$ 639,901,216 |

**VIRGINIA PORT AUTHORITY & VIRGINIA INTERNATIONAL TERMINALS, LLC**

**STATEMENT OF NET POSITION**

*As of July 31, 2018*

|  | Authority               | Virginia<br>International<br>Terminals, LLC | Eliminations           | Total                   |
|--|-------------------------|---|------------------------|-------------------------|
| <b>ASSETS</b>  |                         |   |                        |                         |
| Current assets:  |                         |   |                        |                         |
| Cash and cash equivalents                              | \$ 81,904,020           | \$ 28,563,617                               | \$ -                   | \$ 110,467,637          |
| Restricted assets:                                     |                         |   |                        |                         |
| Cash and cash equivalents                              | 42,694,359              | -   | -                      | 42,694,359              |
| Investments  | -                       | -   | -                      | -                       |
| Investments held by Treasurer of VA                    | -                       | -   | -                      | -                       |
| Accounts receivable, net                               | 105,765                 | 84,743,476                                  | (274,622)              | 84,574,619              |
| Due from other governments                             | 14,023,037              | 61,175                                      | -                      | 14,084,212              |
| Due from component unit                                | 18,996,283              | -   | (18,996,283)           | -                       |
| Inventories  | -                       | 24,870,159                                  | -                      | 24,870,159              |
| Assets Held for Sale                                   | -                       | -   | -                      | -                       |
| Prepaid expenses and other                             | 212,300                 | 5,959,649                                   | -                      | 6,171,949               |
| Total current assets                                   | 157,935,764             | 144,198,076                                 | (19,270,905)           | 282,862,935             |
| Noncurrent assets:                                     |                         |   |                        |                         |
| Restricted assets:                                     |                         |   |                        |                         |
| Cash and cash equivalents                              | 119,730,737             | -   | -                      | 119,730,737             |
| Investments  | -                       | -   | -                      | -                       |
| Pension plan assets                                    | -                       | -   | -                      | -                       |
| Bond issue costs, net                                  | -                       | -   | -                      | -                       |
| Other  | 433,983                 | 750,000                                     | -                      | 1,183,983               |
| Non-depreciable capital assets                         | 384,834,078             | -   | -                      | 384,834,078             |
| Depreciable/amortizable capital assets, net            | 2,638,641,489           | 39,766,298                                  | -                      | 2,678,407,787           |
| Total noncurrent assets                                | 3,143,640,287           | 40,516,298                                  | -                      | 3,184,156,585           |
| Total Assets   | 3,301,576,051           | 184,714,374                                 | (19,270,905)           | 3,467,019,521           |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                  |                         |   |                        |                         |
| Pension and Bond Refunding Costs, Net                  | 27,613,561              | 11,231,698                                  | -                      | 38,845,259              |
| <b>Total assets and deferred outflows of resources</b> | <b>\$ 3,329,189,612</b> | <b>\$ 195,946,072</b>                       | <b>\$ (19,270,905)</b> | <b>\$ 3,505,864,780</b> |

**VIRGINIA PORT AUTHORITY & VIRGINIA INTERNATIONAL TERMINALS, LLC**

**STATEMENT OF NET POSITION**

*As of July 31, 2018*

|   | <b>Authority</b> | <b>Virginia<br/>International<br/>Terminals, LLC</b> | <b>Eliminations</b> | <b>Total</b>     |
|---|------------------|--|---------------------|------------------|
| <b>LIABILITIES</b>                                  |                  |  |                     |                  |
| Current liabilities:                                |                  |  |                     |                  |
| Accounts payable and accrued expenses               | \$ 15,193,160    | \$ 28,222,205  | \$ (274,622)        | \$ 43,140,744    |
| Interest payable                                    | 1,930,702        | -  | -                   | 1,930,702        |
| Retainage payable                                   | -                | -  | -                   | -                |
| Long-term debt - current portion                    | 17,739,331       | -  | -                   | 17,739,331       |
| Compensated absences - current portion              | 842,886          | 1,337,837  | -                   | 2,180,723        |
| Payroll withholdings                                | 1,259,738        | 567,206  | -                   | 1,826,944        |
| Obligations under securities lending                | 3,771,365        | -  | -                   | 3,771,365        |
| Due to Parent Member                                | -                | 18,996,283   | (18,996,283)        | -                |
| Total current liabilities                           | 40,737,182       | 49,123,531   | (19,270,905)        | 70,589,808       |
| Noncurrent liabilities:                             |                  |  |                     |                  |
| Long-term debt                                      | 534,538,289      | -  | -                   | 534,538,289      |
| Capital lease obligations                           | 2,235,852,976    | -  | -                   | 2,235,852,976    |
| Compensated Absences                                | 11,777           | 268,857  | -                   | 280,634          |
| Workers compensation costs                          | -                | 1,776,265  | -                   | 1,776,265        |
| Accrued pension and OPEB obligations                | 6,039,312        | 10,927,087   | -                   | 16,966,399       |
| Other noncurrent liabilities                        | 51,529           | -  | -                   | 51,529           |
| Total noncurrent liabilities                        | 2,776,493,883    | 12,972,209   | -                   | 2,789,466,092    |
| Total Liabilities                                   | 2,817,231,065    | 62,095,740   | (19,270,905)        | 2,860,055,901    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                  |  |                     |                  |
| Defined Benefit Plan                                | 1,933,592        | 3,974,071  | -                   | 5,907,663        |
| Bond Premiums and Refunding Costs, Net              | -                | -  | -                   | -                |
| Total liabilities and deferred inflows of resources | 2,819,164,657    | 66,069,811   | (19,270,905)        | 2,865,963,564    |
| <b>NET POSITION</b>                                 |                  |  |                     |                  |
| Net Investment in Capital Assets                    | 273,121,342      | 39,766,298   | -                   | 312,887,640      |
| Restricted for:                                     | -                | -  | -                   | -                |
| Debt service  | 71,864,945       | -  | -                   | 71,864,945       |
| Unrestricted  | 165,038,668      | 90,109,962   | -                   | 255,148,630      |
| Total net position                                  | 510,024,955      | 129,876,261  | -                   | 639,901,216      |
|   | \$ 3,329,189,612 | \$ 195,946,072                                       | \$ (19,270,905)     | \$ 3,505,864,779 |