

VIRGINIA PORT AUTHORITY & VIRGINIA INTERNATIONAL TERMINALS, LLC
COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Budgeted and Forecasted Year Ending June 30, 2021 and Budgeted Year Ending June 30, 2022

	FY21 Budget	FY21 Forecast (as of March 2021)	FY22 Budget (pre-GASB 87)	FY22 Budget	FY21 Forecast to FY22 Budget	
Total Container Volume	1,568,872	1,704,713	1,736,799	1,736,799	32,086	1.9%
Operating Revenues:						
Terminal operating revenues	\$ 520,001,747	\$ 571,357,700	\$ 586,533,546	\$ 586,533,546	\$ 15,175,846	2.7%
Other revenues	11,718,327	12,336,270	13,093,117	13,042,629	706,359	5.7%
Operating revenues - Grants	9,436,505	6,907,339	1,469,453	1,469,453	(5,437,886)	-78.7%
Total operating revenues	\$ 541,156,579	\$ 590,601,309	\$ 601,096,116	\$ 601,045,628	\$ 10,444,319	1.8%
Operating Expenses:						
Terminal operations	\$ 220,704,819	\$ 222,293,716	\$ 238,754,803	\$ 225,675,429	\$ 3,381,713	1.5%
Terminal maintenance	110,610,799	105,712,798	106,789,958	106,147,262	434,464	0.4%
General and administrative	64,902,057	61,200,307	59,784,049	58,673,143	(2,527,164)	-4.1%
Facility rental	350,486	325,985	1,667,020	554,866	228,881	70.2%
Depreciation and Amortization	116,811,013	118,667,174	122,485,170	175,434,700	56,767,526	47.8%
Total operating expenses	\$ 513,379,174	\$ 508,199,980	\$ 529,481,000	\$ 566,485,400	\$ 58,285,420	11.5%
Operating income (loss)	\$ 27,777,405	\$ 82,401,329	\$ 71,615,116	\$ 34,560,228	\$ (47,841,101)	-58.1%
EBITDA	\$ 144,588,418	\$ 201,068,503	\$ 194,100,286	\$ 209,994,928	\$ 8,926,425	4.4%
EBITDA Margin	26.7%	34.0%	32.3%	34.9%		
Non-operating Revenues (Expenses):						
Interest income	\$ 3,256,813	\$ 1,441,680	\$ 3,820,424	\$ 5,289,740	\$ 3,848,060	266.9%
Interest expense	(127,312,378)	(124,408,574)	(128,037,347)	(155,741,334)	(31,332,760)	25.2%
Bond issue costs	(100,000)	(493,776)	-	-	493,776	-100.0%
Revenues from federal government	22,293,030	14,449,192	21,828,410	21,828,410	7,379,218	51.1%
Revenues/expenses (primary government)	7,405,190	3,558,377	17,363,084	17,363,084	13,804,707	387.9%
Other income (expense)	(3,597,712)	(3,629,994)	(3,353,829)	(3,353,829)	276,165	-7.6%
Gain/(loss) on disposals	-	99,641	-	-	(99,641)	-100.0%
Income (loss) before capital contributions and transfers	\$ (98,055,057)	\$ (108,983,454)	\$ (88,379,258)	\$ (114,613,929)	\$ (5,630,475)	5.2%
Capital Contributions and Transfers:						
Commonwealth Port Fund allocation	\$ 43,141,017	\$ 43,756,009	\$ 45,000,000	\$ 45,000,000	\$ 1,243,991	2.8%
Payments to federal government - channel dredging	(67,860,500)	(62,252,502)	(46,900,000)	(46,900,000)	15,352,502	-24.7%
Proceeds (to) from primary government	87,833,831	80,148,035	45,700,000	45,700,000	(34,448,035)	-43.0%
Increase (Decrease) in Net Position*	\$ (7,163,304)	\$ 35,069,417	\$ 27,035,858	\$ (36,253,701)	\$ (71,323,118)	-203.4%

*Does not include the one-time cumulative effect of adoption of GASB 87 – Leases that would be recorded to Net Position at July 1, 2021. The cumulative effect is approximately \$85 million, subject to the CPI-U published for June 2021 and other applicable lease activity that may occur between now and July 1, 2021.

VIRGINIA PORT AUTHORITY & VIRGINIA INTERNATIONAL TERMINALS, LLC
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Budgeted Year Ending June 30, 2022

	Primary Government		Component Unit		Total
	Virginia Port Authority	Virginia International Terminals, LLC	Eliminations		
Operating Revenues:					
Terminal operating revenues	\$ -	\$ 586,533,546	\$ -	\$ -	\$ 586,533,546
Other revenues	13,376,989	(334,360)	-	-	13,042,629
Other Revenues - Grants	1,469,453	-	-	-	1,469,453
Operating revenues from component unit	204,461,033	-	(204,461,033)	-	-
Total operating revenues	\$ 219,307,475	\$ 586,199,186	\$ (204,461,033)	\$ -	\$ 601,045,628
Operating Expenses:					
Terminal operations	\$ 5,947,645	\$ 219,727,784	\$ -	\$ -	\$ 225,675,429
Terminal maintenance	4,698,058	101,449,204	-	-	106,147,262
General and administrative	20,021,563	38,651,580	-	-	58,673,143
Facility rental	554,866	-	-	-	554,866
Depreciation and Amortization	154,174,592	21,260,108	-	-	175,434,700
Payments due to Authority	-	204,461,033	(204,461,033)	-	-
Total operating expenses	\$ 185,396,724	\$ 585,549,709	\$ (204,461,033)	\$ -	\$ 566,485,400
Operating income (loss)	\$ 33,910,751	\$ 649,477	\$ -	\$ -	\$ 34,560,228
Non-operating Revenues (Expenses):					
Interest income	\$ 4,454,726	\$ 835,014	\$ -	\$ -	\$ 5,289,740
Interest expense	(154,033,763)	(1,707,571)	-	-	(155,741,334)
Revenues from federal government	21,828,410	-	-	-	21,828,410
Revenues/expenses (primary government)	17,363,084	-	-	-	17,363,084
Other income (expense)	(3,353,829)	-	-	-	(3,353,829)
Income (loss) before capital contributions and transfers	\$ (79,830,621)	\$ (223,080)	\$ -	\$ -	\$ (80,053,701)
Capital Contributions and Transfers:					
Commonwealth Port Fund allocation	\$ 45,000,000	\$ -	\$ -	\$ -	\$ 45,000,000
Payments to federal government - channel dredging	(46,900,000)	-	-	-	(46,900,000)
Proceeds (to) from primary government	45,700,000	-	-	-	45,700,000
Increase (Decrease) in Net Position*	\$ (36,030,621)	\$ (223,080)	\$ -	\$ -	\$ (36,253,701)

*Does not include the one-time cumulative effect of adoption of GASB 87 – Leases that would be recorded to Net Position at July 1, 2021. The cumulative effect is approximately \$85 million, subject to the CPI-U published for June 2021 and other applicable lease activity that may occur between now and July 1, 2021.

VIRGINIA PORT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Budgeted and Forecasted Year Ending June 30, 2021 and Budgeted Year Ending June 30, 2022

	FY21 Budget	FY21 Forecast (as of March 2021)	FY22 Budget (pre-GASB 87)	FY22 Budget	FY21 Forecast to FY22 Budget
Operating Revenues:					
Other revenues	\$ 11,718,327	\$ 12,336,270	\$ 13,093,117	\$ 13,376,989	\$ 1,040,719
Operating revenues - Grants	9,436,505	6,907,339	1,469,453	1,469,453	(5,437,886)
Operating revenues from component unit	132,362,819	268,927,196	204,461,033	204,461,033	(64,466,163)
Total operating revenues	\$ 153,517,651	\$ 288,170,805	\$ 219,023,603	\$ 219,307,475	\$ (68,863,330)
Operating Expenses:					
Terminal operations	\$ 5,016,427	\$ 5,114,309	\$ 5,957,645	\$ 5,947,645	\$ 833,336
Terminal maintenance	5,314,853	5,128,329	4,698,058	4,698,058	(430,271)
General and administrative	27,766,809	21,358,821	21,132,469	20,021,563	(1,337,258)
Facility rental	350,486	325,985	1,667,020	554,866	228,881
Depreciation and Amortization	107,992,762	110,852,373	113,972,474	154,174,592	43,322,219
Total operating expenses	\$ 146,441,337	\$ 142,779,817	\$ 147,427,666	\$ 185,396,724	\$ 42,616,907
Operating income (loss)	\$ 7,076,314	\$ 145,390,988	\$ 71,595,937	\$ 33,910,751	\$ (111,480,237)
Non-operating Revenues (Expenses):					
Interest income	\$ 3,125,857	\$ 1,367,074	\$ 3,791,221	\$ 4,454,726	\$ 3,087,652
Interest expense	(127,312,378)	(124,408,574)	(128,037,347)	(154,033,763)	(29,625,189)
Bond issue costs	(100,000)	(493,776)	-	-	493,776
Revenues from federal government	22,293,030	14,449,192	21,828,410	21,828,410	7,379,218
Revenues/expenses (primary government)	7,405,190	3,558,377	17,363,084	17,363,084	13,804,707
Other income (expense)	(3,597,712)	(3,629,994)	(3,353,829)	(3,353,829)	276,165
Gain/(loss) on disposals	-	57,343	-	-	(57,343)
Income (loss) before capital contributions and transfers	\$ (98,186,013)	\$ (109,100,358)	\$ (88,408,461)	\$ (113,741,372)	\$ (4,641,014)
contributions and transfers	\$ (91,109,699)	\$ 36,290,630	\$ (16,812,524)	\$ (79,830,621)	\$ (116,121,251)
Capital Contributions and Transfers:					
Commonwealth Port Fund allocation	\$ 43,141,017	\$ 43,756,009	\$ 45,000,000	\$ 45,000,000	\$ 1,243,991
Payments to federal government - channel dredging	(67,860,500)	(62,252,502)	(46,900,000)	(46,900,000)	15,352,502
Proceeds (to) from primary government	87,833,831	80,148,035	45,700,000	45,700,000	(34,448,035)
Increase (Decrease) in Net Position*	\$ (27,995,351)	\$ 97,942,172	\$ 26,987,476	\$ (36,030,621)	\$ (133,972,793)

*Does not include the one-time cumulative effect of adoption of GASB 87 – Leases that would be recorded to Net Position at July 1, 2021. The cumulative effect is approximately \$85 million, subject to the CPI-U published for June 2021 and other applicable lease activity that may occur between now and July 1, 2021.

**VIRGINIA PORT AUTHORITY
BUDGET SUMMARY - CASH BASIS**

For the Budgeted and Forecasted Year Ending June 30, 2021 and Budgeted Year Ending June 30, 2022

	FY21 Budget		FY21 Forecast (as of March 2021)		FY22 Budget	
Revenues (all sources)						
Terminal Revenues	\$	146,806,946	\$	281,263,466	\$	222,161,393
Shared Services		27,547,139		24,907,210		25,181,661
Commonwealth Port Fund Allocation		43,141,017		43,756,009		45,000,000
Grants		9,436,505		6,907,339		1,469,453
Total Revenue	\$	226,931,607	\$	356,834,024	\$	293,812,507
Operating Expenditures						
Commerce Advertising	\$	1,154,846	\$	726,858	\$	964,400
National & International Trade Services		6,014,996		5,229,491		6,029,801
General Management & Direction		26,133,648		24,882,570		24,235,093
Facilities Rent		89,931,795		89,931,795		94,171,042
Operations and Maintenance		19,263,356		19,050,428		15,538,840
Debt Service for Port Facilities		42,855,845		42,256,843		44,303,977
Security Services		11,105,107		9,450,728		10,051,758
Payments in Lieu of Taxes		1,297,712		1,297,712		1,303,529
Aid to Localities		2,000,000		1,684,555		2,000,000
Port Facilities Planning		383,853		137,202		412,853
Reversion to the General Fund		251,455		251,455		258,701
Total Operating Expenditures	\$	200,392,613	\$	194,899,637	\$	199,269,994
Available for Capital Outlay	\$	26,538,994	\$	161,934,387	\$	94,542,513
Capital Financing						
MELP	\$	22,760,000	\$	26,056,740	\$	4,580,026
Federal Grant funds		25,764,250		8,088,930		17,428,621
State Proceeds - NIT Optimization		19,973,331		19,973,331		-
State Proceeds - Channel Dredging		67,860,500		58,427,800		45,700,000
State Grant funds		31,568,884		796,229		13,818,710
Total Capital Financing Sources	\$	167,926,965	\$	113,343,030	\$	81,527,357
Capital Expenditures						
Maintenance Reserve	\$	2,500,000	\$	2,500,000	\$	2,000,000
NIT Optimization		19,973,331		19,973,331		-
Cargo Handling Facilities		31,643,750		23,987,710		51,953,573
Federal Grant Projects		25,764,250		21,341,422		24,586,330
State Grant Projects		31,568,884		796,229		14,283,625
State Proceeds Projects		67,860,500		58,427,800		46,900,000
MELP		22,760,000		26,056,740		9,606,468
Total Capital Expenditures	\$	202,070,715	\$	153,083,232	\$	149,329,996
Estimated Change in Fund Balance	\$	(7,604,756)	\$	122,194,185	\$	26,739,874
Staff Positions		260		260		238
VPA Liquidity Reserve Balance	\$	10,599,220	\$	10,599,220	\$	9,597,816
Revenue Stabilization Fund	\$	40,000,000	\$	40,000,000	\$	40,000,000
Aggregate Net Revenue Coverage (1.1x test)		1.40		2.25		1.91
Aggregate Adjusted Net Revenue Coverage (1.25x test)		1.58		2.43		2.09
Net Revenue Coverage (1.0x test)		1.30		2.15		1.82
Fixed Obligation Coverage (1.0x test)		1.28		2.10		1.79

VIRGINIA PORT AUTHORITY
BUDGETED CASH FLOW SUMMARY
For the Budgeted Year Ending June 30, 2022

Terminal Revenues:

Revenues	\$	222,161,393
Shared Services		25,181,661

Operating Expenditures:

Commerce Advertising	964,400	
National & International Trade Services	6,029,801	
General Management & Direction	24,235,093	
GM&D - Facilities Rent	84,171,042	
Debt Service for Port Facilities	25,959,278	
Security Services	8,898,049	
Payments in Lieu of Taxes	1,303,529	
Port Facilities Planning	412,853	
Reversion to the General Fund	172,599	
Total Operating Expenditures		152,146,644
Capital Expenditures		75,187,282
VPA liquidity reserve adjustment and RSF adjustment		1,001,404
Budgeted Net Increase In/(Use of) Cash	<u>\$</u>	<u>19,007,724</u>

Commonwealth Port Fund:

Revenues including Grant Revenue	\$	46,572,381
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Operating Expenditures:

Operational & Reserve Maintenance	15,538,840	
Security Maintenance	666,209	
Debt Service for Port Facilities	18,344,699	
Aid to Localities	2,000,000	
CPF - Facilities Rent	10,000,000	
Reversion to the General Fund	86,102	
Total Operating Expenditures		46,635,850
Capital Expenditures		3,677,425
Budgeted Net Increase In/(Use of) Cash	<u>\$</u>	<u>(3,740,894)</u>
Total All funds	<u>\$</u>	<u>15,266,829</u>

(Note: Budgeted expenditures include utilizing estimated beginning of year cash and appropriation balances.)

**VIRGINIA PORT AUTHORITY
FUTURE CAPITAL OUTLAY PROJECTS
BUDGETED YEAR ENDING JUNE 30, 2022**

Projects	Projected Cost
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Capital Projects:

Central Rail Yard Expansion	\$	73,812,282
Container Handling Equipment		27,366,000
Improvements to Container Handling Facilities		8,564,800
IT		4,405,050
Miscellaneous other		3,195,000
SNIT Wharf Improvement		3,000,000
Maintenance Dredging		3,000,000
Vehicle Replacement		750,000
Total	\$	124,093,132

Summary by source:

Terminal Revenue Paygo	\$	75,187,282
Federal Grants		24,528,425
State Grants		20,700,000
CPF Paygo		3,677,425
Total	\$	124,093,132

VIRGINIA INTERNATIONAL TERMINALS, LLC (Consolidated)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Budgeted and Forecasted Year Ending June 30, 2021 and Budgeted Year Ending June 30, 2022

	FY21 Budget	FY21 Forecast (as of March 2021)	FY22 Budget (pre-GASB 87)	FY22 Budget	FY21 Forecast to FY22 Budget
Operating Revenues:					
Terminal operating revenues	\$ 520,001,747	\$ 571,357,700	\$ 586,533,546	\$ 586,533,546	\$ 15,175,846
Other revenues	-	-	-	(334,360)	(334,360)
Operating Revenues -Grants	-	-	-	-	-
Total operating revenues	\$ 520,001,747	\$ 571,357,700	\$ 586,533,546	\$ 586,199,186	\$ 14,841,486
Operating Expenses:					
Terminal operations	\$ 215,688,392	\$ 217,179,407	\$ 232,797,158	\$ 219,727,784	\$ 2,548,377
Terminal maintenance	105,295,946	100,584,469	102,091,900	101,449,204	864,735
General and administrative	37,135,248	39,841,486	38,651,580	38,651,580	(1,189,906)
Facility rental	-	-	-	-	-
Depreciation and amortization	8,818,251	7,814,801	8,512,696	21,260,108	13,445,307
Payments due to Authority	132,362,819	268,927,196	204,461,033	204,461,033	(64,466,163)
Total operating expenses	\$ 499,300,656	\$ 634,347,359	\$ 586,514,367	\$ 585,549,709	\$ (48,797,650)
Operating income (loss)	\$ 20,701,091	\$ (62,989,659)	\$ 19,179	\$ 649,477	\$ 63,639,136
Non-operating Revenues (Expenses):					
Interest income	\$ 130,956	\$ 74,606	\$ 29,203	\$ 835,014	\$ 760,408
Interest expense	-	-	-	(1,707,571)	(1,707,571)
Bond issue costs	-	-	-	-	-
Revenues from federal government	-	-	-	-	-
Revenues/expenses (primary government)	-	-	-	-	-
Other income (expense)	-	-	-	-	-
Gain/(loss) on disposals	-	42,298	-	-	(42,298)
Income (loss) before capital contributions and transfers	\$ 130,956	\$ 116,904	\$ 29,203	\$ (872,557)	\$ (989,461)
	\$ 20,832,047	\$ (62,872,755)	\$ 48,382	\$ (223,080)	\$ 62,649,675
Capital Contributions and Transfers:					
Commonwealth Port Fund allocation	\$ -	\$ -	\$ -	\$ -	\$ -
Payments to federal government - channel dredging	-	-	-	-	-
Proceeds (to) from primary government	-	-	-	-	-
Increase (Decrease) in Net Position*	\$ 20,832,047	\$ (62,872,755)	\$ 48,382	\$ (223,080)	\$ 62,649,675

*Does not include the one-time cumulative effect of adoption of GASB 87 – Leases that would be recorded to Net Position at July 1, 2021. The cumulative effect is approximately \$85 million, subject to the CPI-U published for June 2021 and other applicable lease activity that may occur between now and July 1, 2021.

**VIRGINIA INTERNATIONAL TERMINALS, LLC
FUTURE CAPITAL OUTLAY PROJECTS
BUDGETED YEAR ENDING JUNE 30, 2022**

Projects	Projected Cost
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Capital Projects:

Vehicle Replacement	\$ 4,310,000
IT	2,986,500
CRY Expansion	2,132,000
Miscellaneous other	600,000
Container Handling Equipment	530,000
Total	\$ 10,558,500