THE PORT OF VIRGINIA

Building A Brighter, Cleaner, Greener Future.

October 2013 Financial Report

Board of Commissioners

November 19, 2013

THE PORT OF VIRGINIA

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 30,687,140	$ 29,562,255	$ 1,124,885	3.8%

- ***Actual container volume was 117,704 vs. 107,543 budget, a 9.4% increase***
- ***Accordingly, operating revenue was 3.8% above budget***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 30,687,140	$ 29,562,255	$ 1,124,885	3.8%
Operating Expenses:				
Terminal operations	15,194,124	13,278,362	(1,915,762)	-14.4%
Terminal maintenance	5,095,405	4,998,164	(97,241)	-1.9%
General and administrative	3,795,574	3,747,201	(48,373)	-1.3%
Facility Rental	4,406,314	4,178,072	(228,242)	-5.5%
Depreciation and amortization	3,636,550	3,947,782	311,232	7.9%
Total operating expenses	32,127,967	30,149,581	(1,978,386)	-6.6%

- ***Terminal operations expense was $1.9 million over budget***
- ***Approximately $1.3 million of this was due to volume increase with the remainder due to rail mix and higher than budgeted premium pay***
- ***Remaining operating expenses were relatively flat in total***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 30,687,140	$ 29,562,255	$ 1,124,885	3.8%
Operating Expenses:				
Terminal operations	15,194,124	13,278,362	(1,915,762)	-14.4%
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Facility Rental	4,406,314	4,178,072	(228,242)	-5.5%
Depreciation and amortization	3,636,550	3,947,782	311,232	7.9%
Total operating expenses	32,127,967	30,149,581	(1,978,386)	-6.6%
Operating income (loss)	(1,440,827)	(587,327)	(853,500)	145.3%

- ***The higher than budgeted revenue was offset by higher than budgeted operating expenses resulting in an operating loss of $854 thousand below budget for the month of October***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 30,687,140	$ 29,562,255	$ 1,124,885	3.8%
Operating Expenses:				
Terminal operations	15,194,124	13,278,362	(1,915,762)	-14.4%
Terminal maintenance	5,095,405	4,998,164	(97,241)	-1.9%
General and administrative	3,795,574	3,747,201	(48,373)	-1.3%
Facility Rental	4,406,314	4,178,072	(228,242)	-5.5%
Depreciation and amortization	3,636,550	3,947,782	311,232	7.9%
Total operating expenses	32,127,967	30,149,581	(1,978,386)	-6.6%
Operating income (loss)	(1,440,827)	(587,327)	(853,500)	145.3%
Non-operating revenues (expenses)	(1,395,171)	(1,412,643)	17,472	1.2%
Capital contributions and transfers	3,182,008	3,244,518	(62,510)	-1.9%

- ***Non-operating expenses consist primarily of interest expense which is lower than budget due to bond refundings and the negotiation of lower interest rates on MELPs***
- ***Capital contributions consist primarily of Commonwealth Port Fund Revenue and was slightly lower than budget***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 30,687,140	$ 29,562,255	$ 1,124,885	3.8%
Operating Expenses:				
Terminal operations	15,194,124	13,278,362	(1,915,762)	-14.4%
Terminal maintenance	5,095,405	4,998,164	(97,241)	-1.9%
General and administrative	3,795,574	3,747,201	(48,373)	-1.3%
Facility Rental	4,406,314	4,178,072	(228,242)	-5.5%
Depreciation and amortization	3,636,550	3,947,782	311,232	7.9%
Total operating expenses	32,127,967	30,149,581	(1,978,386)	-6.6%
Operating income (loss)	(1,440,827)	(587,327)	(853,500)	145.3%
Non-operating revenues (expenses)	(1,395,171)	(1,412,643)	17,472	1.2%
Capital contributions and transfers	3,182,008	3,244,518	(62,510)	-1.9%
Increase (decrease) in Net Assets	$ 346,010	$ 1,244,549	$ (898,539)	-72.2%

- ***The overall results show an increase in Net Assets of $346 thousand which is $900 thousand below budget***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE FOURS MONTHS ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 120,115,766	$ 122,809,565	$ (2,693,799)	-2.2%

- ***Actual container volume was 455,167 vs. 444,402 budget, a 2.4% increase***
- ***Continued shift in volume mix towards rail and additional incentives contributed to lower than budgeted revenue***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE FOURS MONTHS ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 120,115,766	$ 122,809,565	$ (2,693,799)	-2.2%
Operating Expenses:				
Terminal operations	57,516,522	54,117,373	(3,399,149)	-6.3%
Terminal maintenance	18,805,802	19,668,297	862,495	4.4%
General and administrative	15,229,969	14,813,379	(416,590)	-2.8%
Facility Rental	17,625,257	16,712,288	(912,969)	-5.5%
Depreciation and amortization	15,780,720	15,762,987	(17,733)	-0.1%
Total operating expenses	124,958,270	121,074,324	(3,883,946)	-3.2%

- ***Terminal operations expense was $3.4 million over budget***
- ***Approximately $1.3 million of this was due to volume increase with the remainder due to rail mix and higher than budget premium pay***
- ***General and administrative expense was higher than budget due primarily to a one time unbudgeted expense***
- ***Facility rental expense was higher than budget due to a change in estimate***
- ***Lower than budgeted terminal maintenance expense partially offset the above increases in expenses***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE FOURS MONTHS ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 120,115,766	$ 122,809,565	$ (2,693,799)	-2.2%
Operating Expenses:				
Terminal operations	57,516,522	54,117,373	(3,399,149)	-6.3%
Terminal maintenance	18,805,802	19,668,297	862,495	4.4%
General and administrative	15,229,969	14,813,379	(416,590)	-2.8%
Facility Rental	17,625,257	16,712,288	(912,969)	-5.5%
Depreciation and amortization	15,780,720	15,762,987	(17,733)	-0.1%
Total operating expenses	124,958,270	121,074,324	(3,883,946)	-3.2%
Operating income (loss)	(4,842,504)	1,735,241	(6,577,745)	-379.1%

- ***The combination of lower than budgeted revenue and higher than budgeted expenses have resulted in an operating loss of $6.6 million below budget***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE FOURS MONTHS ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 120,115,766	$ 122,809,565	$ (2,693,799)	-2.2%
Operating Expenses:				
Terminal operations	57,516,522	54,117,373	(3,399,149)	-6.3%
Terminal maintenance	18,805,802	19,668,297	862,495	4.4%
General and administrative	15,229,969	14,813,379	(416,590)	-2.8%
Facility Rental	17,625,257	16,712,288	(912,969)	-5.5%
Depreciation and amortization	15,780,720	15,762,987	(17,733)	-0.1%
Total operating expenses	124,958,270	121,074,324	(3,883,946)	-3.2%
Operating income (loss)	(4,842,504)	1,735,241	(6,577,745)	-379.1%
Non-operating revenues (expenses)	(4,539,706)	(4,748,155)	208,449	4.4%
Capital contributions and transfers	12,204,876	12,978,072	(773,196)	-6.0%

- ***Non-operating expenses consist primarily of interest expense which is lower than budget due to bond refundings and negotiation of lower interest rates on MELPs***
- ***Capital contributions consist primarily of Commonwealth Port Fund Revenue which is currently approximately $773 thousand below budget***

PORT OF VIRGINIA
CONSOLIDATED INCOME STATEMENT FOR THE FOURS MONTHS ENDED OCTOBER 31, 2013

	Actual	Budget	$ Variance	% Variance
Operating Revenues	$ 120,115,766	$ 122,809,565	$ (2,693,799)	-2.2%
Operating Expenses:				
Terminal operations	57,516,522	54,117,373	(3,399,149)	-6.3%
Terminal maintenance	18,805,802	19,668,297	862,495	4.4%
General and administrative	15,229,969	14,813,379	(416,590)	-2.8%
Facility Rental	17,625,257	16,712,288	(912,969)	-5.5%
Depreciation and amortization	15,780,720	15,762,987	(17,733)	-0.1%
Total operating expenses	124,958,270	121,074,324	(3,883,946)	-3.2%
Operating income (loss)	(4,842,504)	1,735,241	(6,577,745)	-379.1%
Non-operating revenues (expenses)	(4,539,706)	(4,748,155)	208,449	4.4%
Capital contributions and transfers	12,204,876	12,978,072	(773,196)	-6.0%
Increase (decrease) in Net Assets	$ 2,822,666	$ 9,965,158	$ (7,142,492)	-71.7%

- ***The overall result is an increase in Net Assets of $2.8 million which is $7.1 million below budget***

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