



Virginia Port Authority Board of Commissioners, Session 367, July 28, 2015

May 2015 Financial Update

Rodney Oliver
Chief Financial Officer



Stewards of Tomorrow



Virginia Port Authority/Virginia International Terminals, LLC
CONSOLIDATED INCOME STATEMENT FOR THE MONTH ENDED
May 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>
Operating Revenues	\$ 45,006,012	\$ 37,060,238	\$ 7,945,774	21.4%

- Actual container volume was 133,411 vs. 116,867 budgeted, 14.2% ahead of budget
- Operating Revenue was 21.4% over budget, primarily due to the increased volume

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Operating Expenses:				
Terminal operations	18,129,301	16,267,793	(1,861,508)	-11.4%
Terminal maintenance	8,876,227	6,920,652	(1,955,575)	-28.3%
General and administrative	4,683,774	4,324,670	(359,104)	-8.3%
Facility Rental	4,942,691	4,665,783	(276,908)	-5.9%
Depreciation and amortization	3,894,390	4,280,874	386,484	9.0%
Total operating expenses	40,526,383	36,459,771	(4,066,612)	-11.2%

- Terminal operations expense was \$1.9 million (11.4%) over budget primarily due to volume
- Terminal maintenance expense was \$2.0 million (28.3%) over budget primarily due to volume and the costs to repair aging equipment
- Overall, operating expenses were \$4.1 million (11.2%) over budget for the month

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Total operating expenses	40,526,383	36,459,771	(4,066,612)	-11.2%
Operating income (loss)	4,479,629	600,466	3,879,163	646.0%

- Operating income of \$4.5 million for the month of March was \$3.9 million more than budgeted

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Operating income (loss)	4,479,629	600,466	3,879,163	646.0%
Non-operating revenues (expenses)	(1,292,313)	(1,640,478)	348,165	21.2%
Capital contributions and transfers	3,435,525	3,778,919	(343,394)	-9.1%

- Non-operating revenues (expenses) were \$348.2 thousand over budget , primarily due to debt issuance costs to accomplish the debt refunding
- Capital Contributions and transfers were \$343.4 thousand under budget

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Capital contributions and transfers	3,435,525	3,778,919	(343,394)	-9.1%
Increase (decrease) in Net Position	\$ 6,622,841	\$ 2,738,907	\$ 3,883,934	141.8%

- Increase in Net Position was \$6.6 million, \$3.9 million (141.8%) over Budget

Virginia Port Authority/Virginia International Terminals, LLC
CONSOLIDATED INCOME STATEMENT FOR THE ELEVEN MONTHS ENDED
May 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>
Operating Revenues	\$ 421,463,585	\$ 395,859,161	\$ 25,604,424	6.5%

- Operating Revenue was \$25.6 million (6.5%) ahead of budget primarily due to the 8.9% increase in volume fiscal year-to-date

Virginia Port Authority/Virginia International Terminals, LLC
CONSOLIDATED INCOME STATEMENT FOR THE ELEVEN MONTHS ENDED
May 31, 2015

	Actual	Budget	\$ Variance	% Variance
Operating Revenues	\$ 421,463,585	\$ 395,859,161	\$ 25,604,424	6.5%
Operating Expenses:				
Terminal operations	180,201,270	174,382,299	(5,818,970)	-3.3%
Terminal maintenance	85,676,288	76,232,042	(9,444,246)	-12.4%
General and administrative	46,216,482	48,016,584	1,800,102	3.7%
Facility Rental	52,038,984	50,703,466	(1,335,518)	-2.6%
Depreciation and amortization	42,801,384	45,817,716	3,016,332	6.6%
Total operating expenses	406,934,408	395,152,107	(11,782,301)	-3.0%

- Terminal operating expenses were \$5.8 million (3.3%) over budget primarily due to the increase in container volume, but controlled by efficiencies
- Terminal maintenance expense was \$9.4 million over budget primarily due to the increased volume, increased utilities costs, costs to repair aging equipment, and weather related costs
- We continue to take a conservative approach with general and administrative expenses
- Total Operating expense was \$11.8 million (3.0%) over budget

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Total operating expenses	406,934,408	395,152,107	(11,782,301)	-3.0%
Operating income (loss)	14,529,177	707,054	13,822,123	1954.9%

- Higher than budgeted revenue combined with operating expenses in line with budget resulted in an operating income of \$14.5 million, \$13.8 million ahead of budget for the first eleven months of the fiscal year.

Virginia Port Authority/Virginia International Terminals, LLC
CONSOLIDATED INCOME STATEMENT FOR THE ELEVEN MONTHS ENDED
May 31, 2015

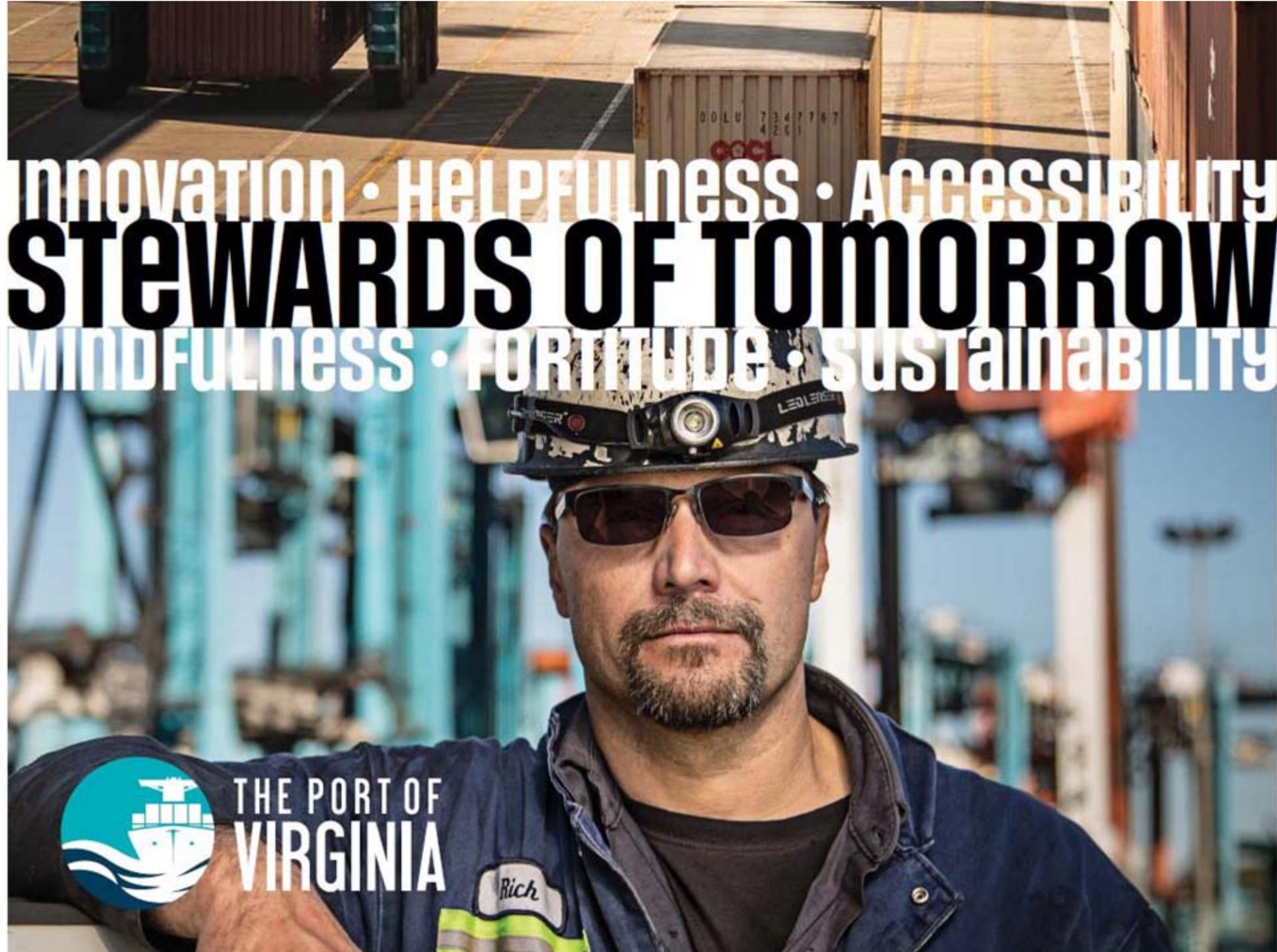
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Total operating expenses	406,934,408	395,152,107	(11,782,301)	-3.0%
Operating income (loss)	14,529,177	707,054	13,822,123	1954.9%
Non-operating revenues (expenses)	(17,438,465)	(17,097,793)	(340,672)	-2.0%
Capital contributions and transfers	34,628,049	34,686,563	(58,514)	-0.2%

- Non-operating expense were \$340.7 thousand (2.0%) over budget
- Capital contributions and transfers were \$58.5 thousand (0.2%) under budget

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Capital contributions and transfers	34,628,049	34,686,563	(58,514)	-0.2%
Increase (decrease) in Net Position	\$ 31,718,761	\$ 18,295,823	\$ 13,422,937	73.4%

- The overall results show an increase in Net Position of \$31.7 million through the first eleven months of the fiscal year, \$13.4 million ahead of Budget.



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Rich



Virginia Port Authority Board of Commissioners, Session 367, July 28, 2015
Growth and Operations Committee

Shawn Tibbetts
Chief Operations Officer

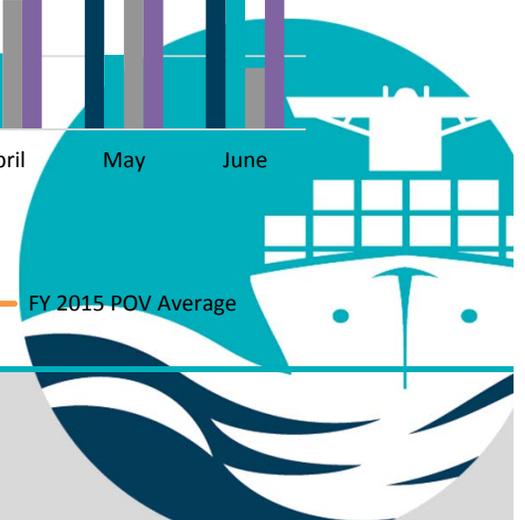
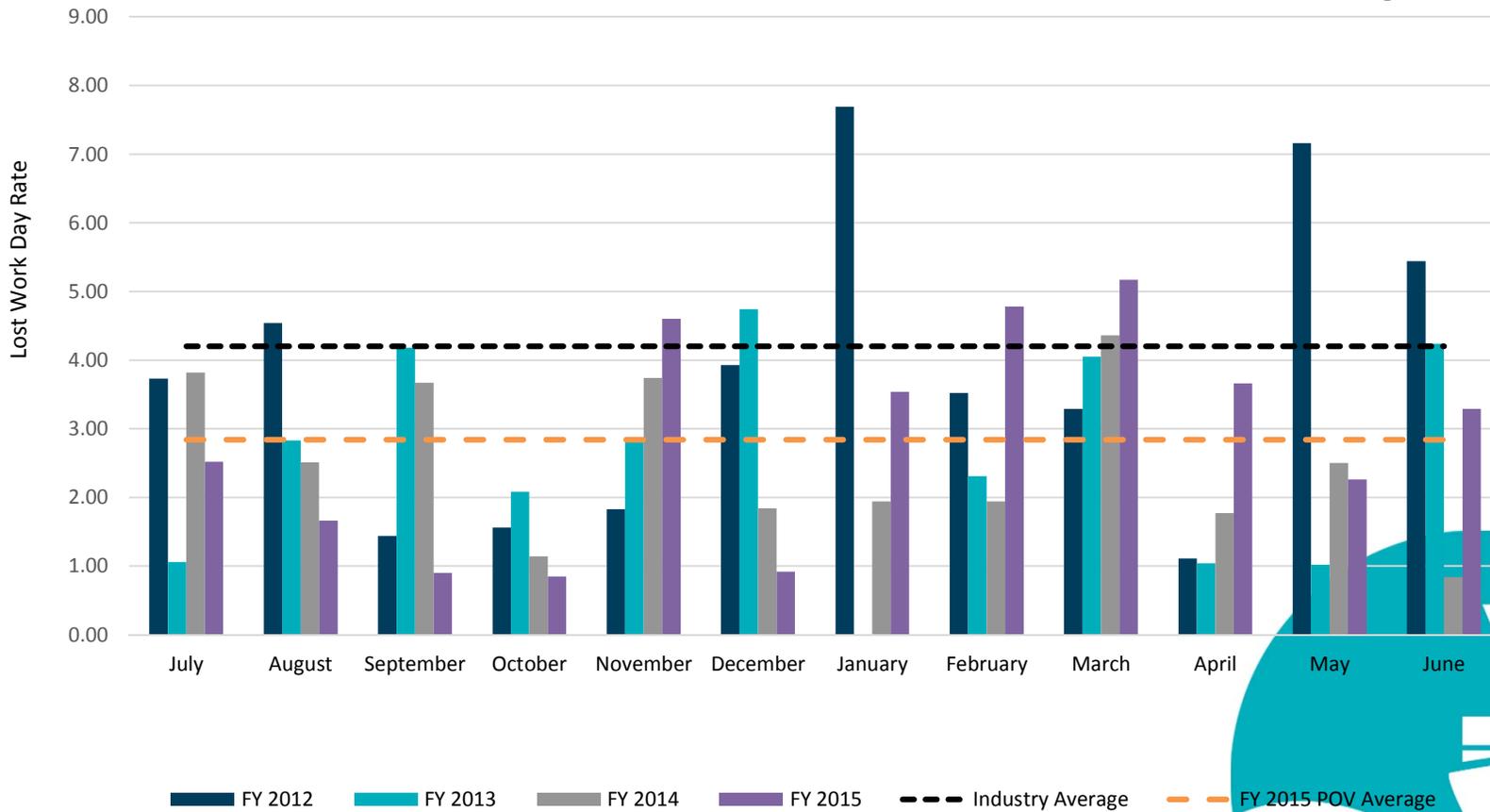


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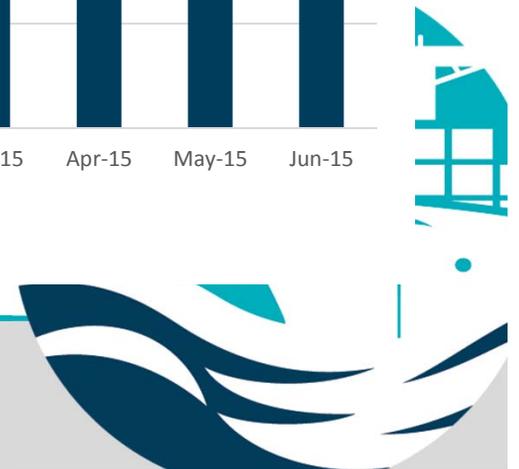
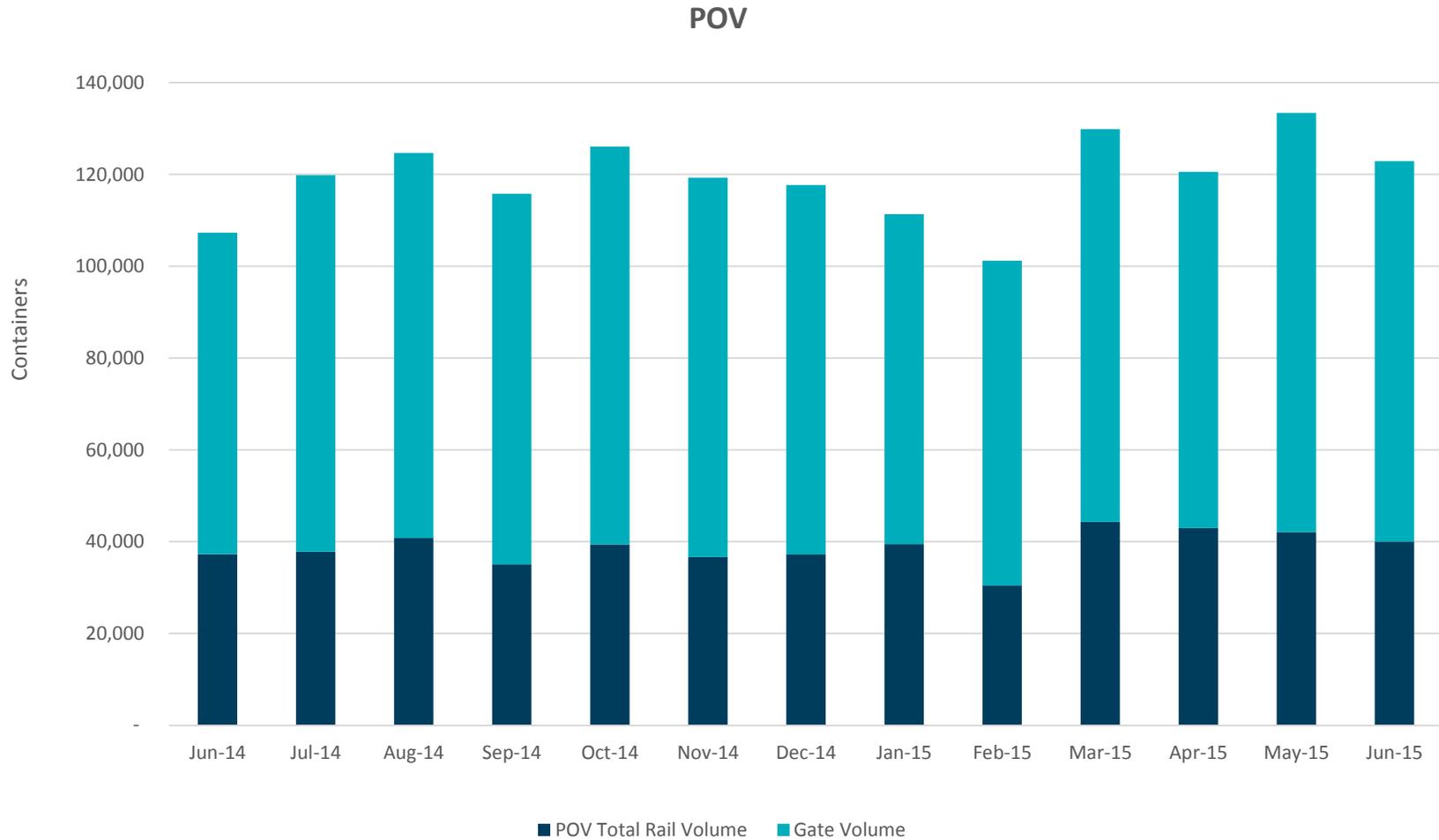
Safety Report

Lost Work Day Rate

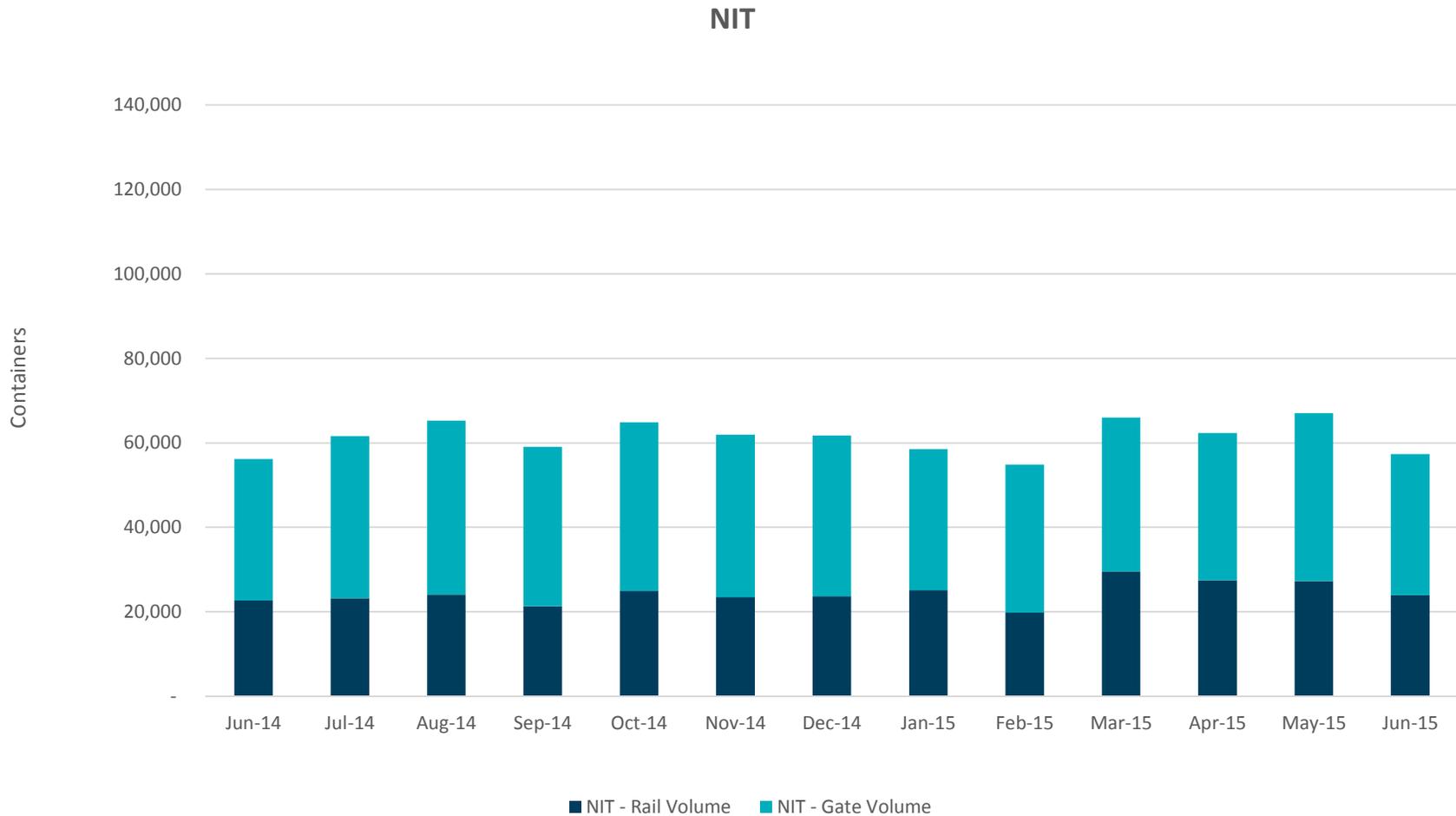
FY2012 Average: 3.77
 FY2013 Average: 2.54
 FY2014 Average: 2.51
 FY2015 Average: 2.84



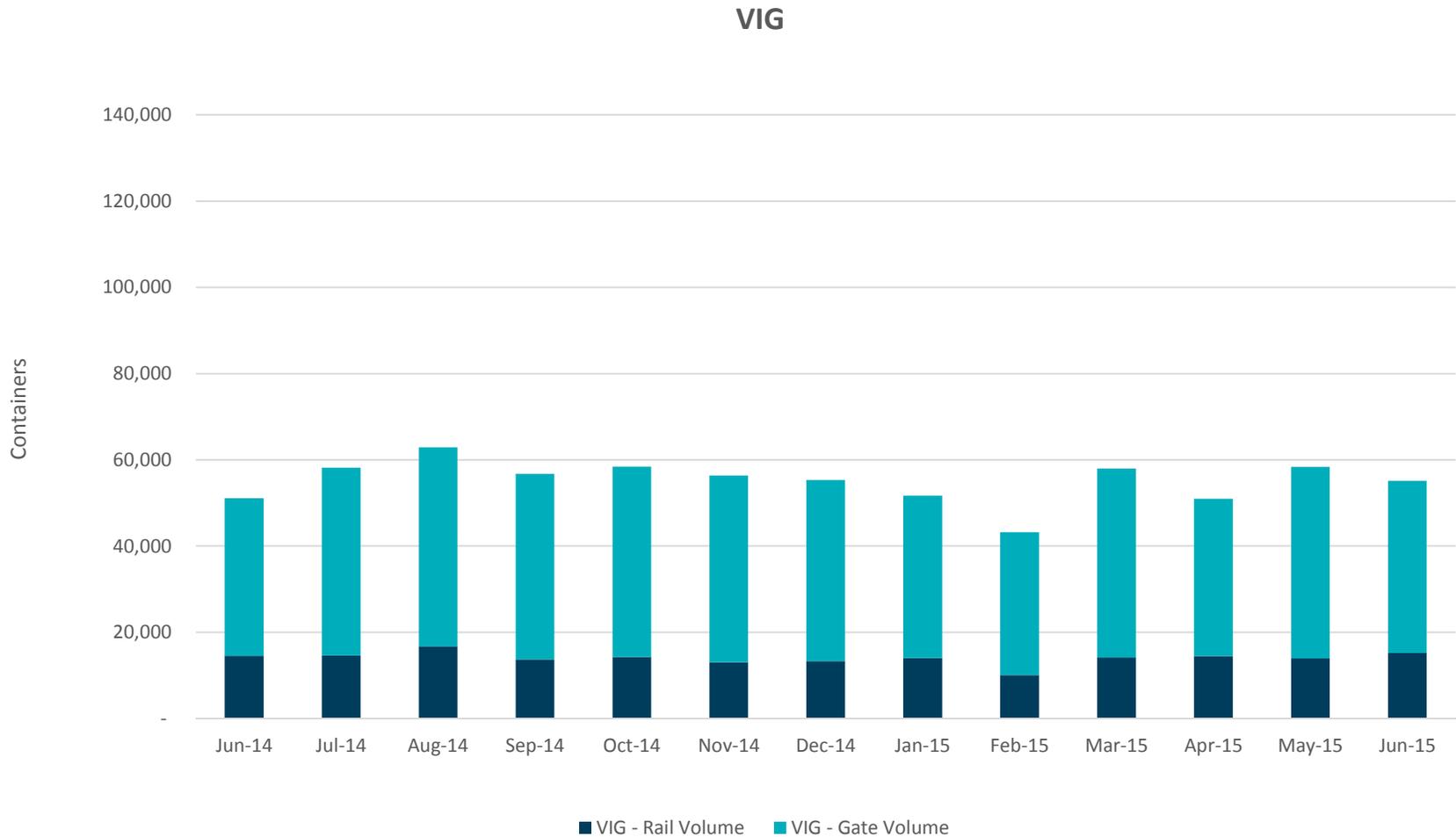
POV Rail vs. Gate/Barge Volume



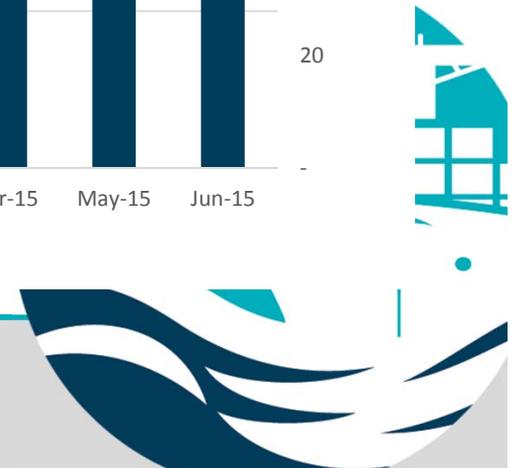
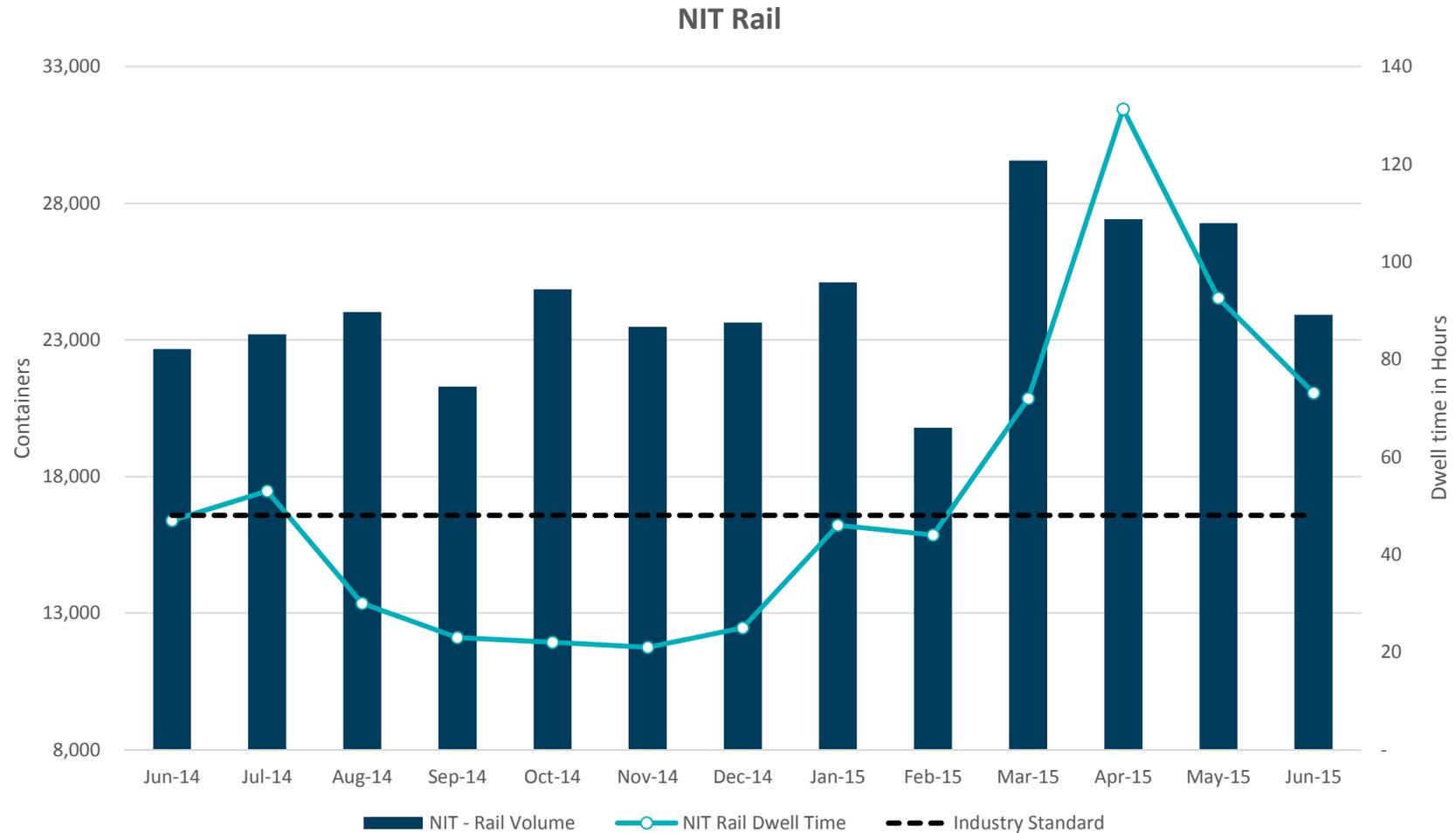
NIT Rail vs. Gate/Barge Volume



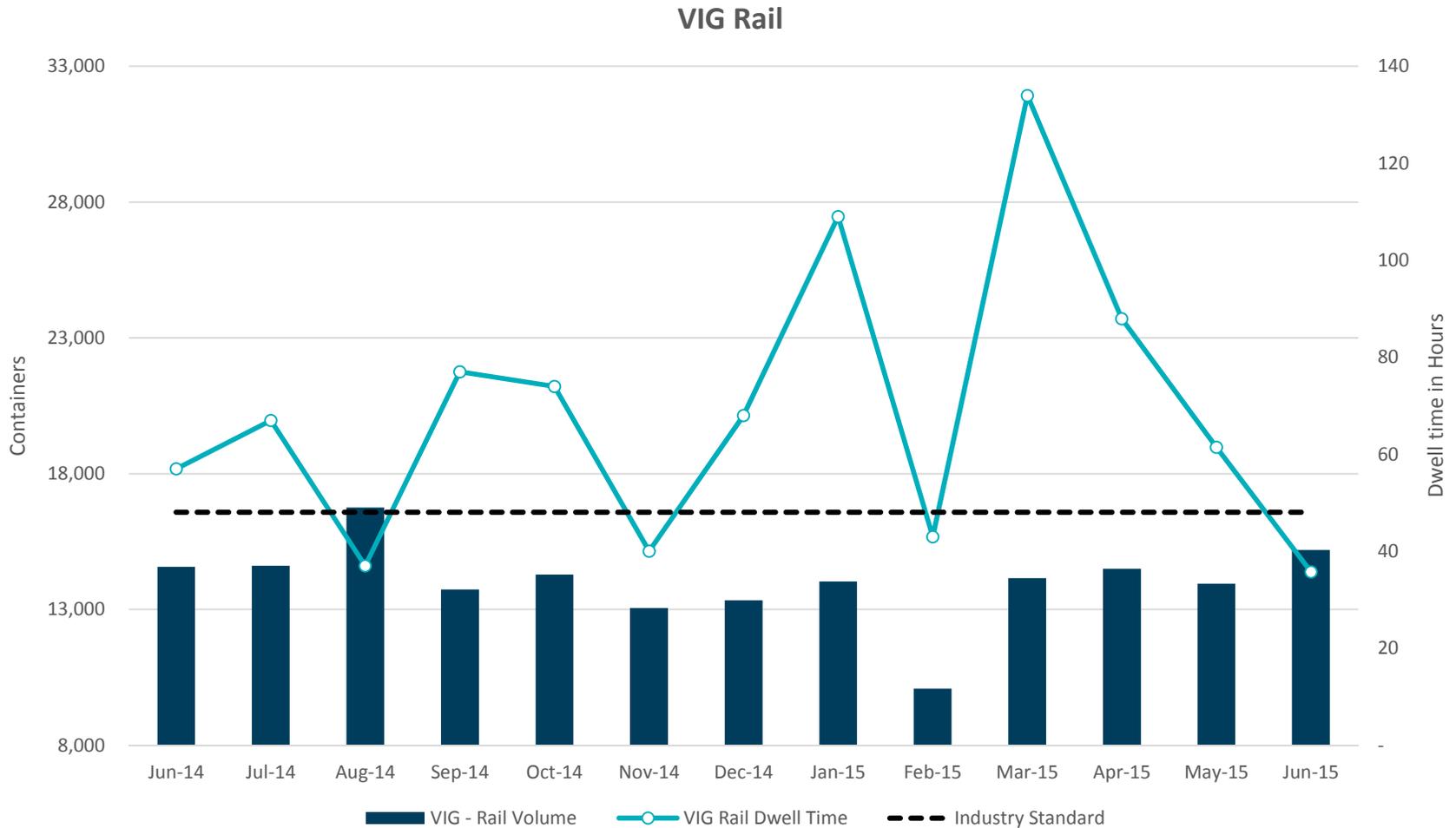
VIG Rail vs. Gate/Barge Volume



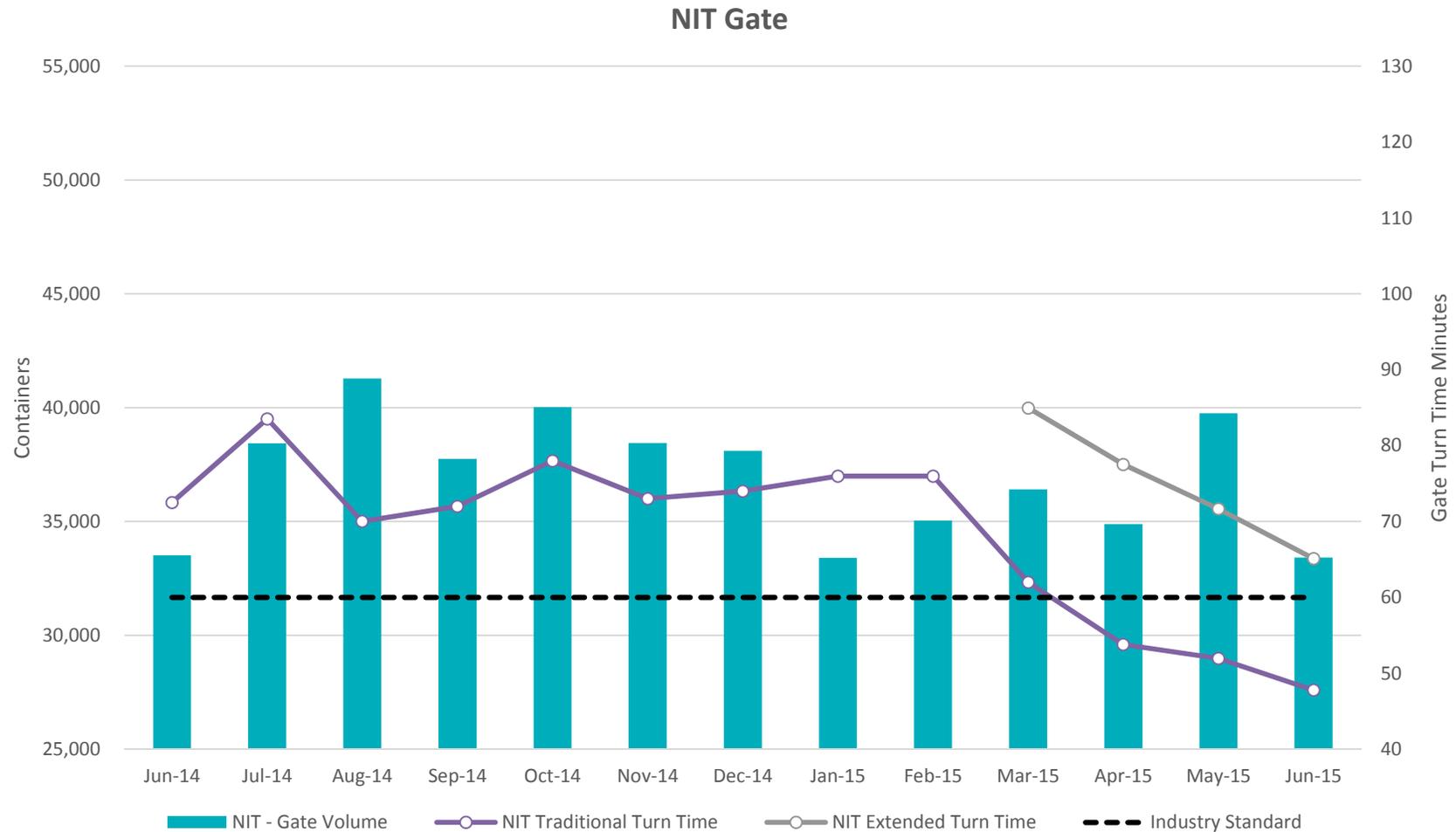
NIT Rail Volume



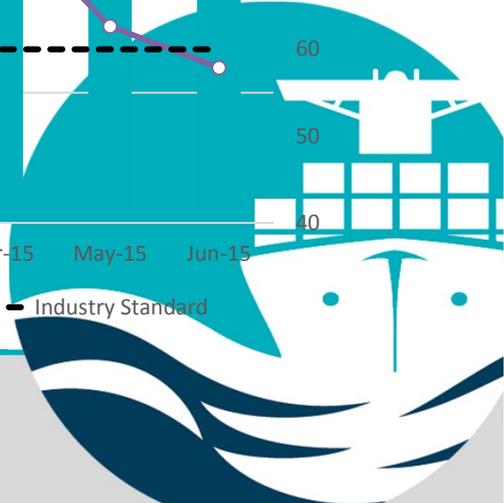
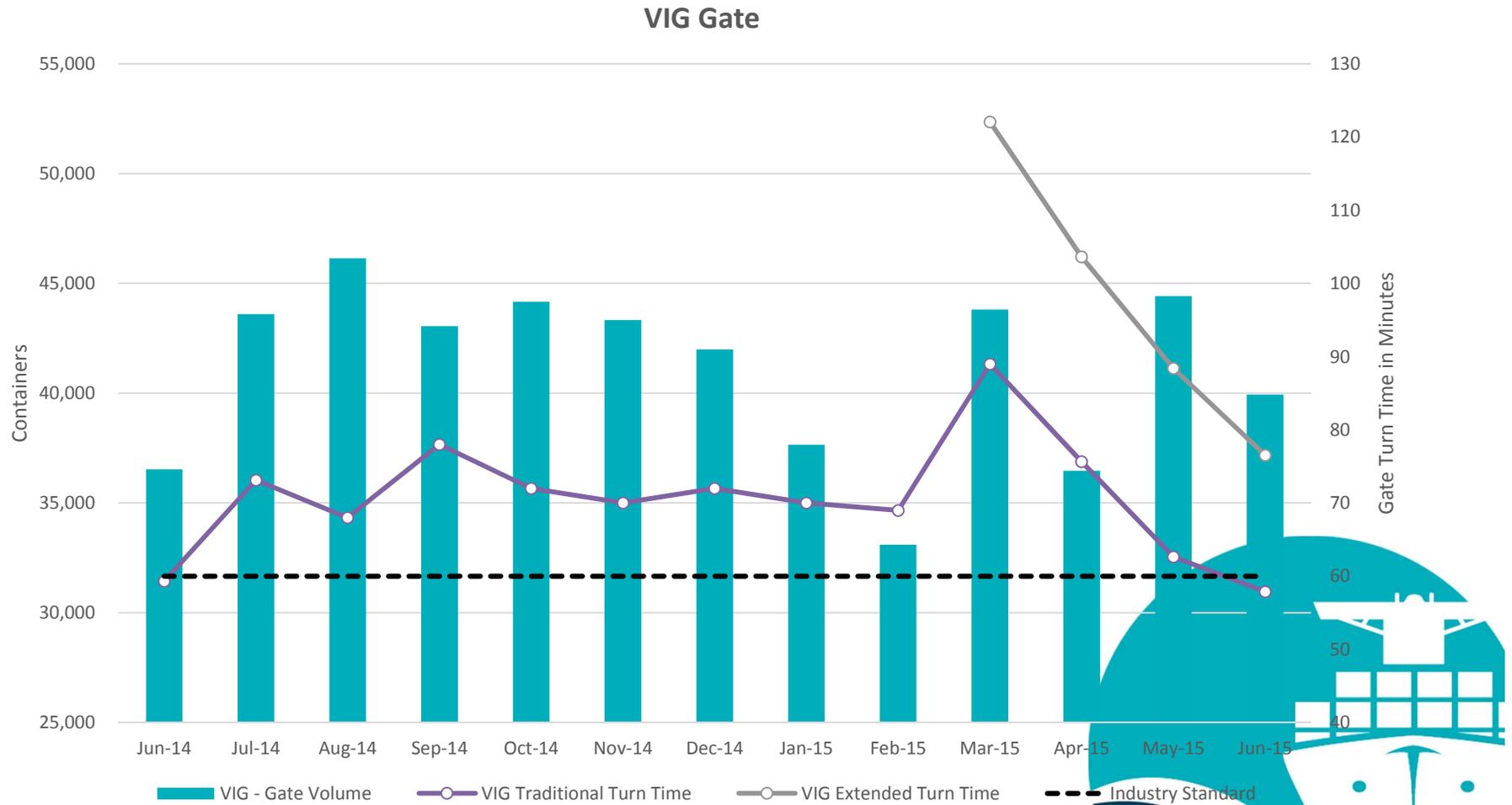
VIG Rail Volume



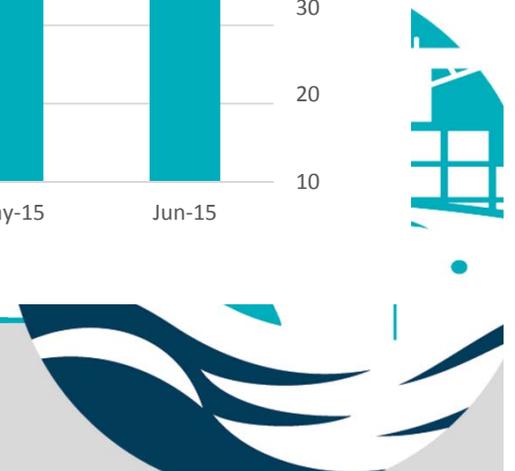
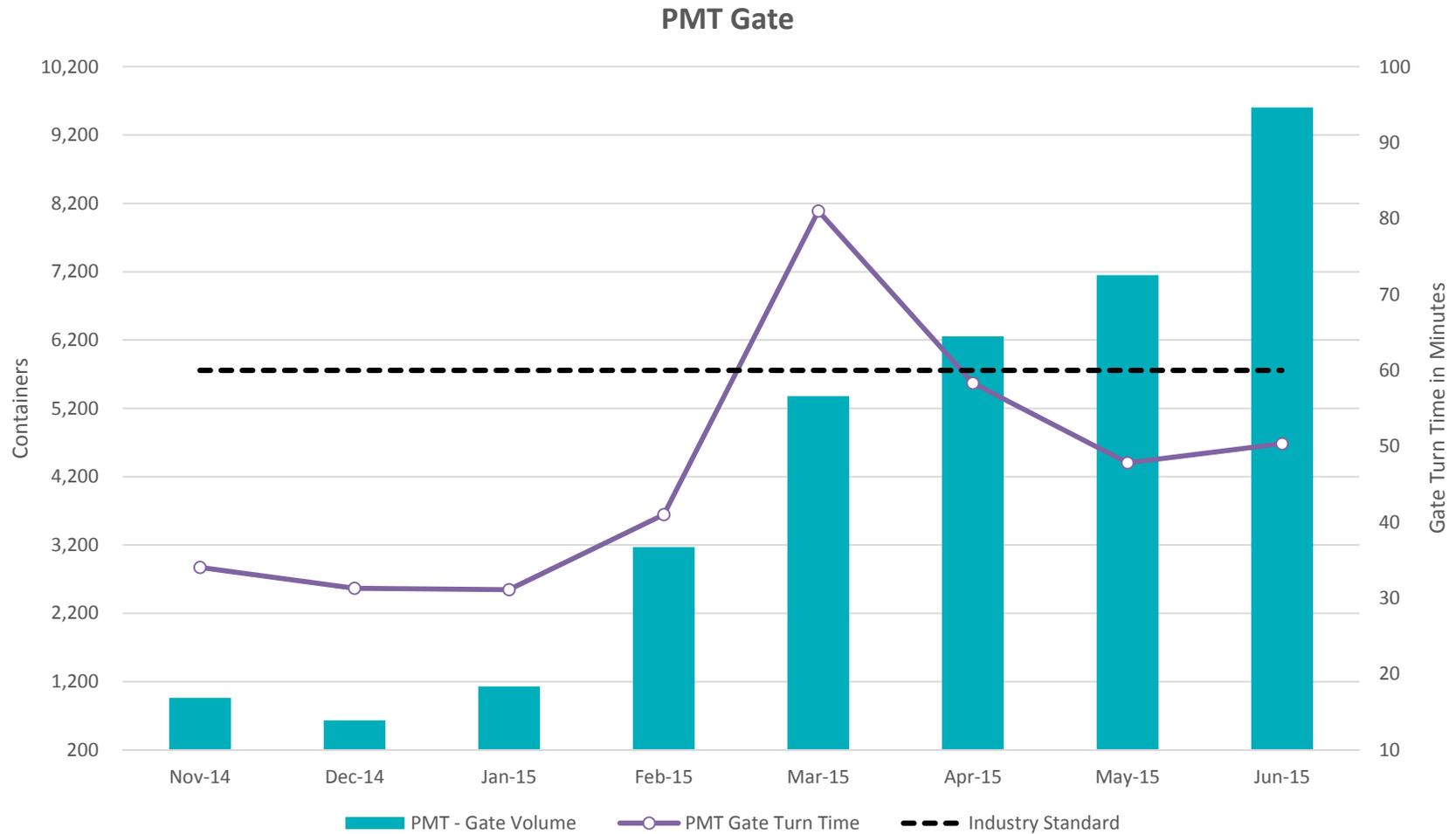
NIT Gate Turn Times



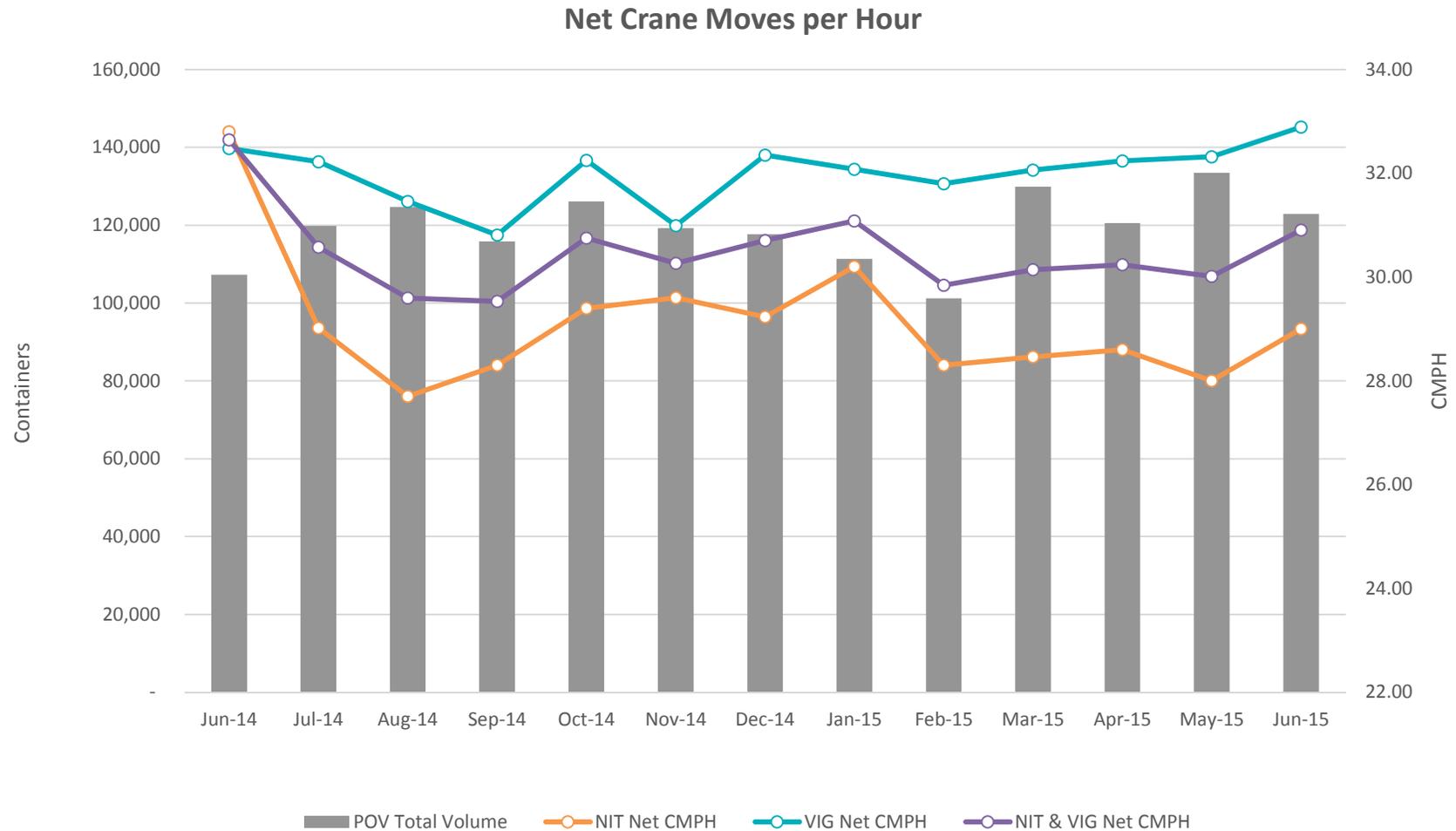
VIG Gate Turn Times



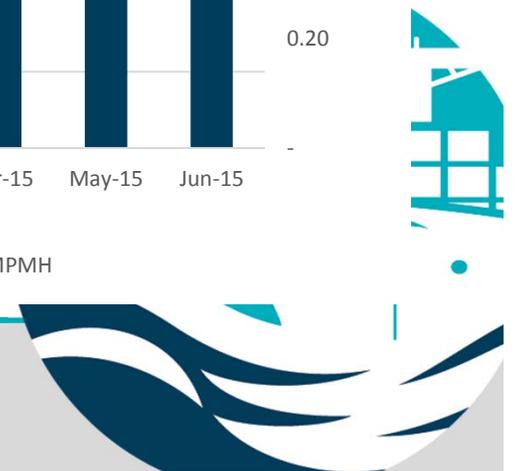
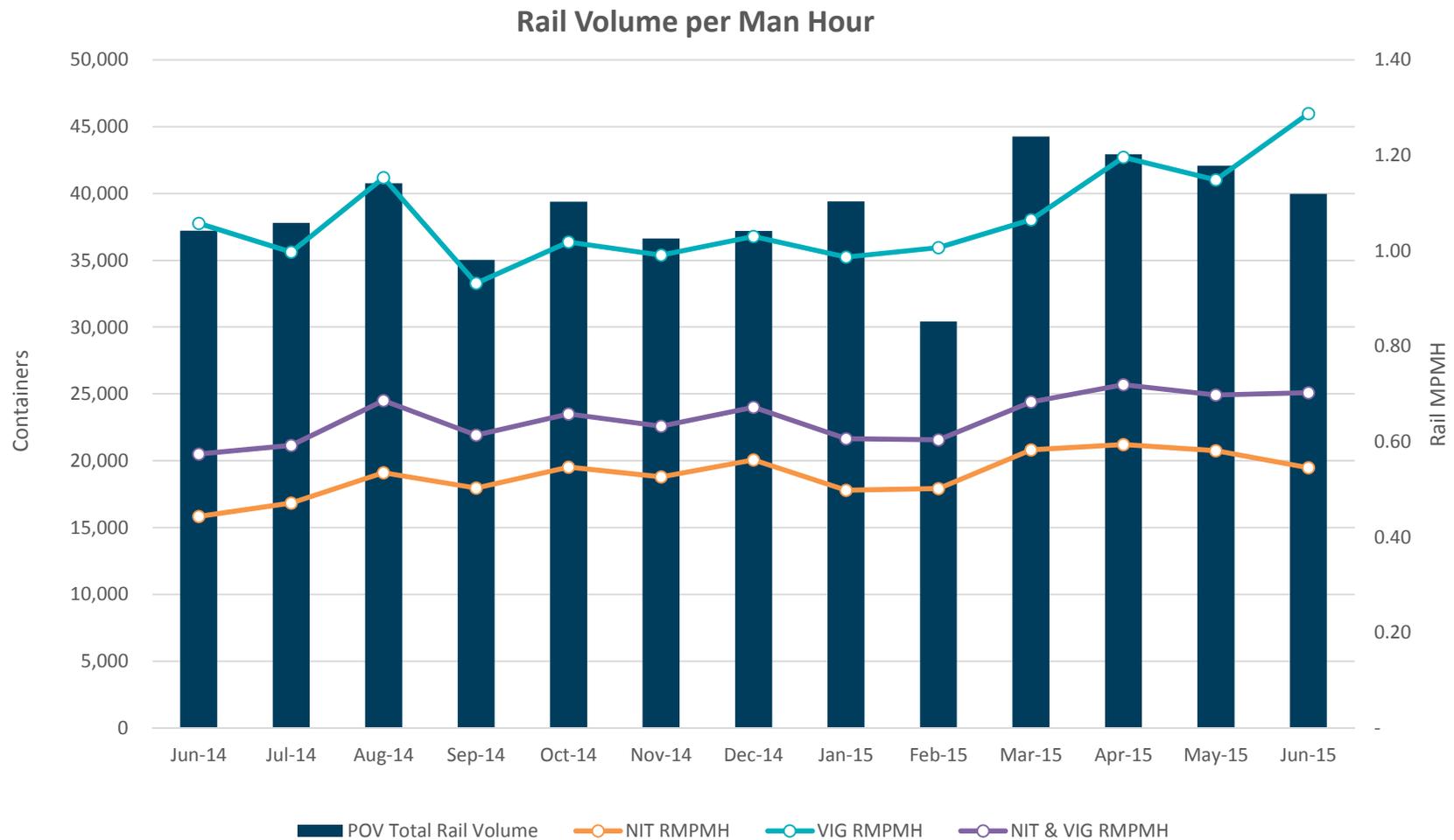
PMT Gate Turn Times



Net Crane Moves per Hour



Rail Volume per Man Hour

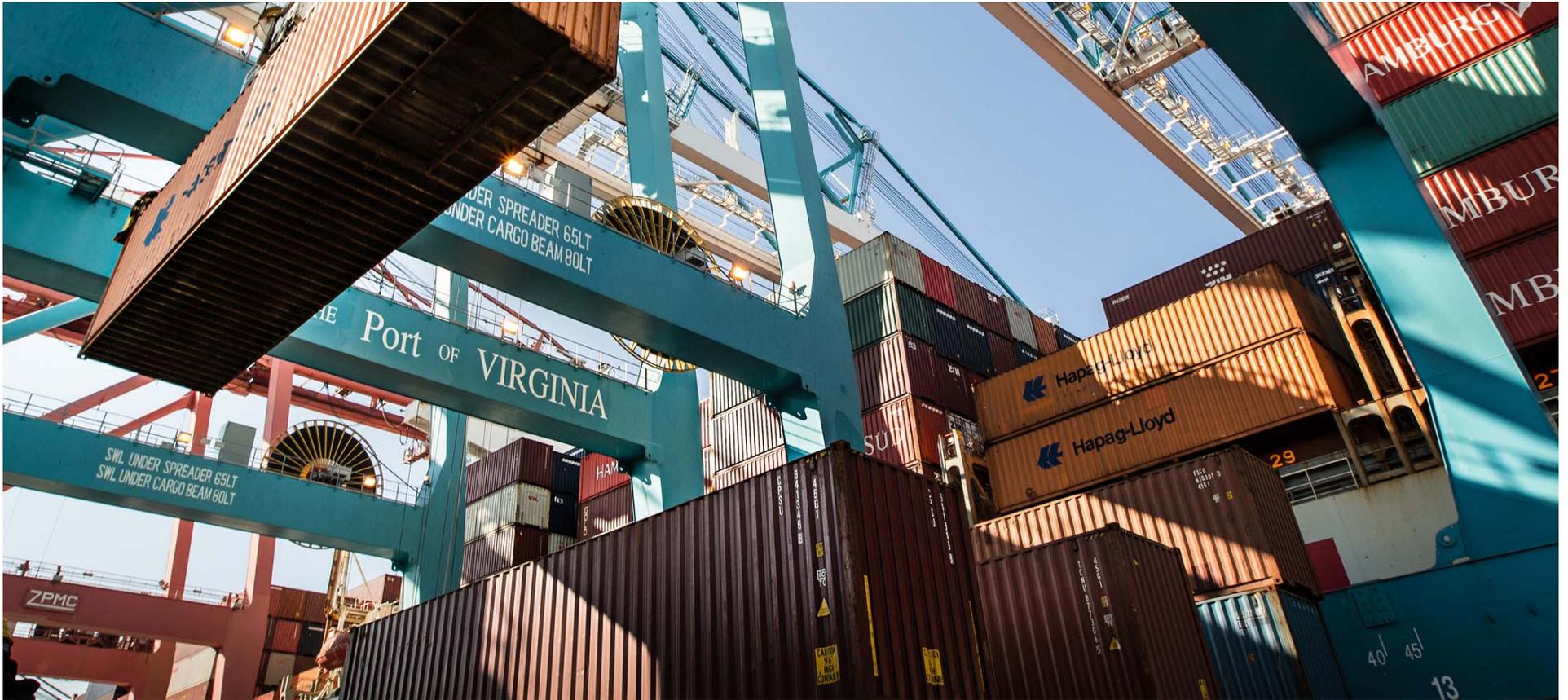




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Virginia Port Authority Board of Commissioners, Session 367, July 28, 2015
Growth and Operations Committee

Joseph P. Ruddy
Chief Innovation Officer



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Agenda

- Strategic Planning and Analytics
- Sustainability and Process Excellence
- Information Technology



Strategic Planning



Sustainability and Process Excellence



Information Technology





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Virginia Port Authority Board of Commissioners, Session 367, July 28, 2015
Growth and Operations Committee Update

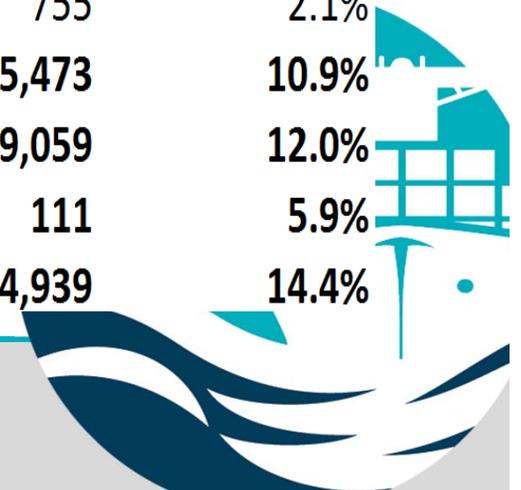
Thomas Capozzi
Chief Sales Officer



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Complete Fiscal Year

Complete Fiscal Year: July - June				
	FY14: Jul-Jun	FY15: Jul-Jun	Change	% Change
Total TEUs	2,305,911	2,510,099	204,188	8.9%
Export TEUs	1,237,636	1,356,486	118,850	9.6%
Import TEUs	1,068,275	1,153,613	85,339	8.0%
Total Containers	1,319,500	1,442,645	123,145	9.3%
General Cargo Tonnage	19,521,002	19,730,976	209,974	1.1%
Container Tonnage	19,160,499	19,433,772	273,273	1.4%
Breakbulk Tonnage	360,503	297,204	(63,299)	-17.6%
Total Rail Containers	447,285	465,898	18,613	4.2%
VIP Containers	35,305	36,060	755	2.1%
Total Barge Containers	50,033	55,506	5,473	10.9%
Total Truck Containers	822,182	921,241	99,059	12.0%
Ship Calls	1,879	1,990	111	5.9%
Vehicle Units	34,254	39,193	4,939	14.4%



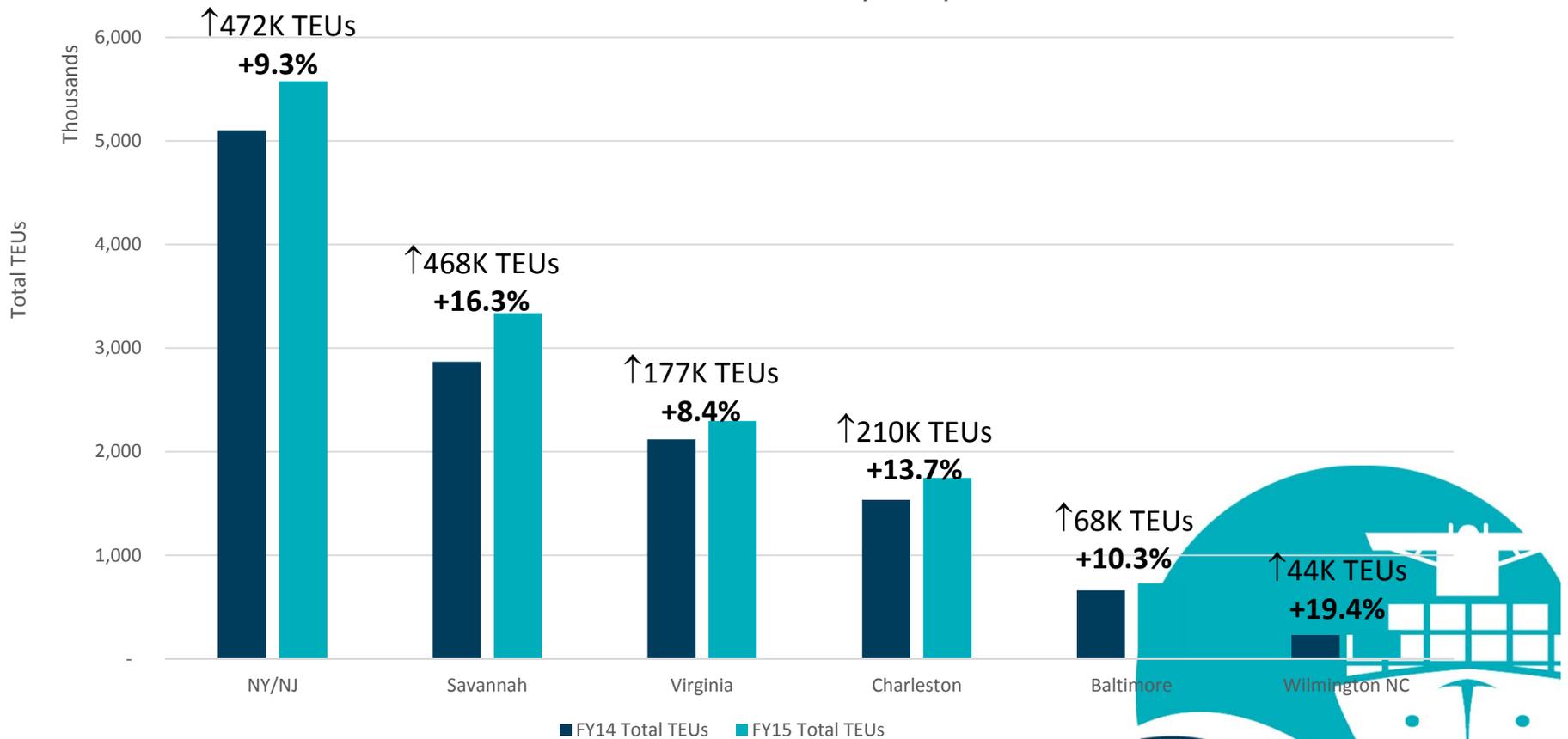
Calendar Year to Date

Calendar Year-to-Date: January - June				
	CY14: Jan-Jun	CY15: Jan-Jun	Change	% Change
Total TEUs	1,136,654	1,253,716	117,062	10.3%
Export TEUs	618,673	676,770	58,097	9.4%
Import TEUs	517,981	576,946	58,964	11.4%
Total Containers	649,754	719,261	69,507	10.7%
General Cargo Tonnage	9,619,461	10,289,035	669,574	7.0%
Container Tonnage	9,431,246	10,131,676	700,430	7.4%
Breakbulk Tonnage	188,215	157,359	(30,856)	-16.4%
Total Rail Containers	221,282	239,084	17,802	8.0%
VIP Containers	17,797	17,016	(781)	-4.4%
Total Barge Containers	25,458	24,030	(1,428)	-5.6%
Total Truck Containers	403,014	456,147	53,133	13.2%
Ship Calls	941	974	33	3.5%
Vehicle Units	19,056	30,299	11,243	59.0%



Major US East Coast Ports Comparisons

Major US East Coast Port TEU Volumes and Growth
FYTD 2015 vs. 2014, July - May



Customer Service Focus



Carrier Highlights



FY2015 Breakbulk/Ro-Ro Highlights



Business Opportunities



Port of Richmond



- New shippers – Lumber Liquidators, RI Rubber, Honeywell, Turman Lumber, Lamtech, Midas Towers, Precept Medical, Sims Metal
- Additional shiplines offering Richmond Bill of Lading- CMA, Yang Ming, MOL, and ZIM
- New warehouse tenants for FY15 include RI Rubber, Centrotrade Rubber, Lamtech, and Midas Towers

Virginia Inland Port



Log stuffing operation

Heartland Intermodal Gateway (HIG)/Prichard Rail Ramp



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Virginia Port Authority Board of Commissioners, Session 367, July 28, 2015
Public Affairs Update

Cathie J. France
Chief Public Affairs Officer



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Federal Activities



Visit by LTG Bostick

 22 JUNE 15

DEAR CATHIE,
THANK YOU FOR SUPPORTING MY
VISIT WITH THE VIRGINIA PORT AUTHORITY.
I WAS VERY IMPRESSED WITH YOU
AND YOUR TEAM AND THE AMAZING
PROGRESS ON THE PORT! THE
AUTOMATION AND TEAMWORK AT
EVERY LEVEL WERE A JOY TO BEGAIN
ABOUT. I'M PROUD OF YOU ALL!
THANK YOU! Tom Bostick



NIT North Gate and I-564 Connector Groundbreaking Ceremony



NIT North Gate and I-564 Connector Groundbreaking Ceremony



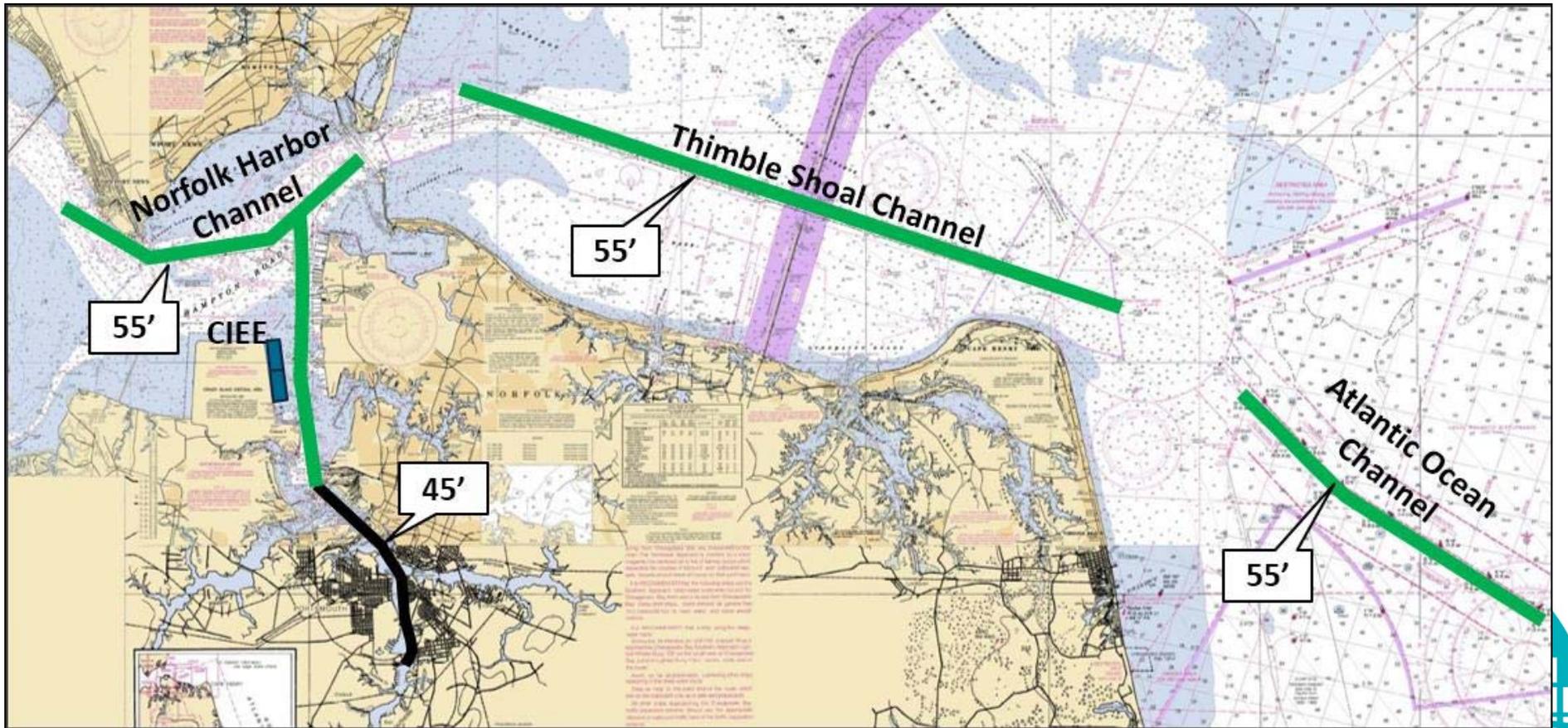
NIT North Gate and I-564 Connector Groundbreaking Ceremony



TIGER and DERA



Cost Sharing Agreement to go Deeper, Wider, Safer



Community Relations



Economic Development Announcements



Marketing and Communications

New Team Structure



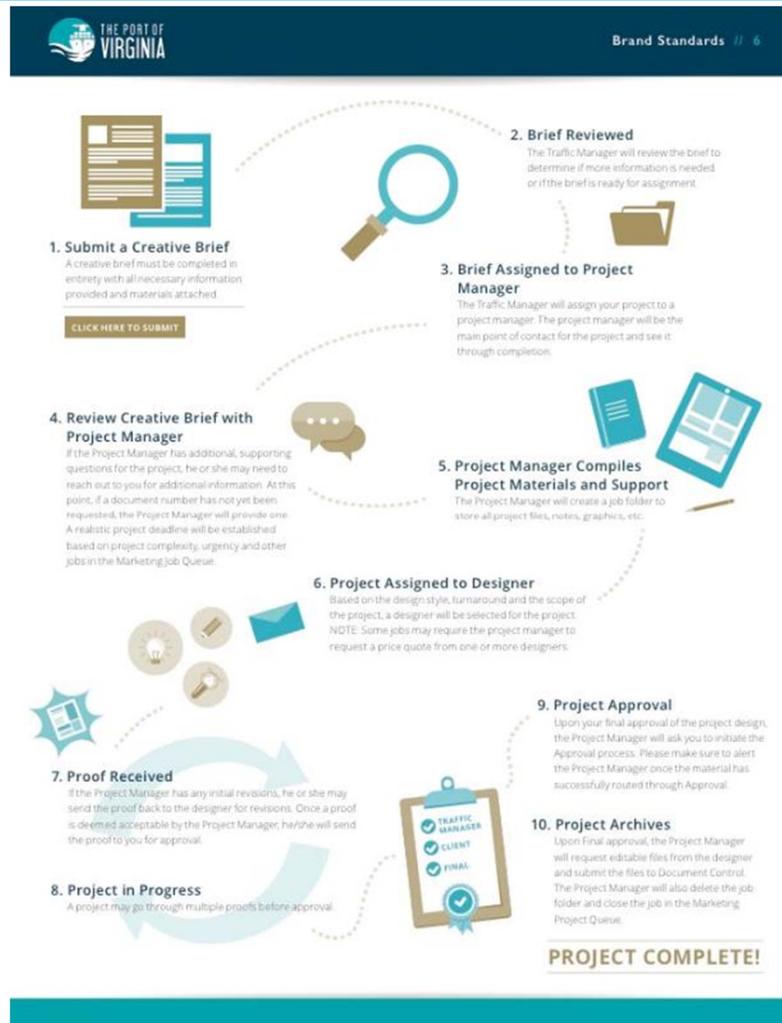
Marketing and Communications

New Tools



Marketing and Communications

New Processes



MIRT and Emergency Operations



Project Updates



- IMT Implementation
- Resiliency Planning
- Ebola State UC
- Planning for USCG prep exercise
- RAD/NUC CONOPS





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Rich