

AGENDA

Virginia Port Authority (VPA) Board of Commissioners Special Budget Meeting – Session - 432

Thursday, June 4, 2026 – 2:00 p.m. – 4:00 p.m.

Meeting Location:

Virginia Economic Development Partnership (VEDP) Office, 901 E. Cary Street, Suite 700, Richmond, VA 23219
Katherine Johnson Conference Room

Budget Meeting Attendees

John W. Kirk	Board Chair
James C. Burnett	Board Vice Chair
Shaza Andersen	Board Commissioner
John C. Asbury	Board Commissioner
George H. Brown	Board Commissioner
Michael W. Coleman	Board Commissioner
Jason El Koubi	Board Commissioner
Eva Teig Hardy	Board Commissioner
Maurice A. Jones	Board Commissioner
Aubrey L. Layne	Board Commissioner
Faith B. Power	Board Commissioner
David L. Richardson	Board Commissioner
Ellen Smith Gajda	Board Commissioner

Presenters:

Rodney Oliver	Chief Financial Officer
Kenon Thomas	VP, Finance Planning & Analytics
Nina Malone	Principal Economist

- 1. Call to Order**
- 2. Safety Briefing** – Jason El Koubi, Board Commissioner
- 3. Closed Session**

Motion to convene a closed meeting in accordance with The Virginia Freedom of Information Act, pursuant to the requirements of §2.2-3711(A)(37), and the provisions of §62.1-132.4, to discuss proprietary financial data and information relating to tonnages and cargoes furnished to the VPA in confidence by Virginia International Terminals, LLC (“VIT”) and the HRCP II, LLC (“HRCP II”); and pursuant to §2.2-3711(A)(6) to discuss the consideration of investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.

- 4. Open Session** – Certification of closed session
- 5. Recognition Commending Services of VPA Board Commissioners** – Board Chair Kirk

6. **Presentation of the Fiscal Year 2027 Consolidated Budget** – Rodney Oliver, Chief Financial Officer
7. **Consideration of Resolution 26-03 – Authorizing the Funding of the Revenue Stabilization Fund Established Under Resolution 25-08** – Rodney Oliver, Chief Financial Officer
8. **Consideration of Resolution 26-04 – VPA Fiscal Year 2027 Consolidated Budget** – Rodney Oliver, Chief Financial Officer
9. **Opportunity for public comment**
10. **Adjourn**

CLOSED SESSION LANGUAGE
VPA Board Special Budget Session
Closed Meeting – June 4, 2026

TO CONVENE CLOSED MEETING:

“I move that the VPA Board convene a closed meeting in accordance with The Virginia Freedom of Information Act, pursuant to the requirements of §2.2-3711(A)(37), and the provisions of §62.1-132.4, to discuss proprietary financial data and information relating to tonnages and cargoes furnished to the VPA in confidence by Virginia International Terminals, LLC (“VIT”) and the HRCP II, LLC (“HRCP II”); and pursuant to §2.2-3711(A)(6) to discuss the consideration of investment of public funds where competition or bargaining is involved, where, if made public initially, the financial interest of the governmental unit would be adversely affected.”

[Motion] [Second needed] [Voice Vote]

CERTIFICATION AFTER CLOSED MEETING:

“I move the following resolution,

Whereas, the VPA Board has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

Whereas, §2.2-3712 of the Code of Virginia requires a certification that such closed meeting was conducted in conformity with Virginia law;

Now, therefore, be it resolved, that the board member certifies that, to the best of each member’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Committee.”

[Motion] [Second needed] [Roll Call Vote]

Board Members:

- ___ Chair Kirk
- ___ Vice Chair Burnett
- ___ Commissioner Andersen
- ___ Commissioner Asbury
- ___ Commissioner Brown
- ___ Commissioner Coleman

- ___ Commissioner El Koubi
- ___ Commissioner Hardy
- ___ Commissioner Jones
- ___ Commissioner Layne

___ Commissioner Power
___ Commissioner Richardson
___ Commissioner Smith Gajda



THE PORT OF
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AMERICA'S MOST MODERN GATEWAY

FY2027 Consolidated Budget

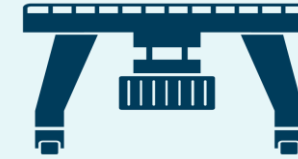
Agenda

- Key Assumptions and Economic Conditions
- Executive Summary
- Capital Budget
- Debt Service Coverage
- Risks and Considerations

Major Assumptions



- **CPI:**
 - *VIG Lease (May)* = 4.2%
 - *Other (July)* = 3.8%
- **Labor Rate** = 6.0%
- **SOR Increase** = 4.9%
- **G&A discretionary** = 0%
 - *Flat with FY26 budget excl. specific items*
- **Headcount & Personnel:**
 - *Headcount* = 509
 - *Merit (3.0%) + Promotion (1.5%)* = 4.5%
 - *Vacancy* = 6.0%
 - Incentive compensation (all colleagues) budgeted at 100% achievement

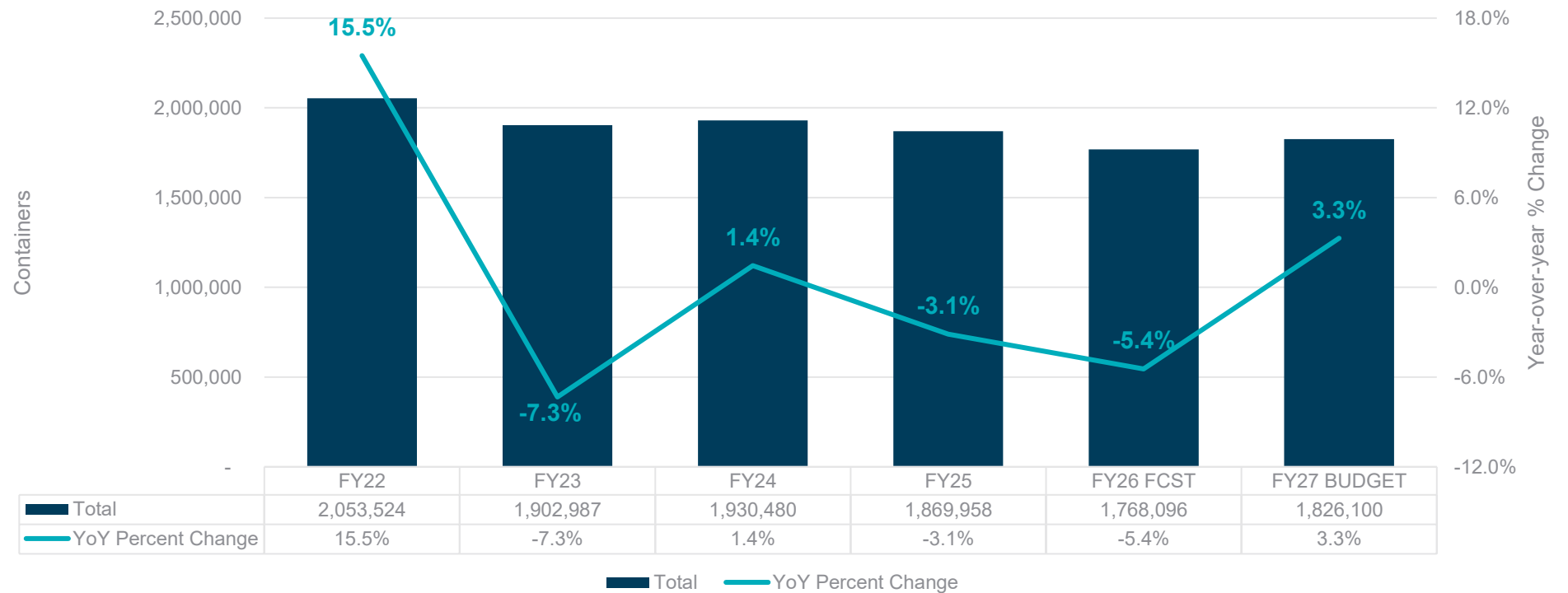


- **Volume** = 3.3% increase from 3/31 forecast
- VIT stevedoring market share remains static
- LCS revenues based on adjusted FY26 runrate
- OSW and HII components based on latest delivery schedules
- HRCP chassis fleet size of 16,550 at 60% utilization

FY 2027 VOLUME FORECAST

FY 2019 - FY 2027 CAGR: 1.3%

Port of Virginia Container Volumes
 Forecast begins April 2026



Executive Summary

	FY26 Forecast	FY27 Budget	Favorable (Unfavorable) \$	Favorable (Unfavorable) %
NNIT Volume	-	19,182	19,182	100.0%
SNIT Volume	749,307	851,110	101,803	13.6%
VIG Volume	1,018,788	955,808	(62,980)	-6.2%
Total Volume	1,768,095	1,826,100	58,005	3.3%
VIT Stevedore Lifts	1,172,655	1,375,225	202,570	17.3%
Terminal operating revenues	\$ 853,233	\$ 882,339	\$ 29,106	3.4%
Other revenues	21,322	22,965	1,643	7.7%
Operating revenues - Grants	846	1,299	453	53.5%
Total operating revenues	\$ 875,401	\$ 906,603	\$ 31,202	3.6%
Terminal Operations	371,304	403,305	(32,001)	-8.6%
Terminal Maintenance	176,139	192,716	(16,577)	-9.4%
General and Administrative	59,257	63,855	(4,598)	-7.8%
Facility Rental	(47)	1,987	(2,034)	4327.7%
Depreciation and Amortization	219,237	252,625	(33,388)	-15.2%
Total operating expenses	\$ 825,890	\$ 914,488	\$ (88,598)	-10.7%
Operating income (loss)	\$ 49,511	\$ (7,885)	\$ (57,396)	-115.9%
EBITDA	\$ 268,748	\$ 244,740	\$ (24,008)	-8.9%
EBITDA Margin	30.7%	27.0%		-3.7%

Capital Budget

Summary by Asset Type

Lifecycle Equipment	\$ 19,342
SNIT Toe Wall	12,000
Lifecycle Infrastructure	9,200
Safety	7,043
Dredge	6,000
IT	4,886
SNIT Wharf	4,000
Super PPCY	4,000
Leasehold Improvements	2,400
Craney Island EE	2,000
Other	19,530

TOTAL \$ 90,401

Summary by Funding Source

VPA - TR	\$ 34,244
VPA - CPF	19,750
Federal	23,483
VIT	12,924

TOTAL \$ 90,401

Debt Service Coverage

	2018-2020 Average	FY 2026 Budget	FY 2026 Forecast	FY 2027 Budget
Agg. Net Revenue Coverage (1.10x)	1.41	1.62	1.78	1.51
Agg. Adjusted Net Revenue Coverage (1.25x)	1.60	1.75	1.90	1.63
Net Revenue Coverage (1.00x)	1.31	1.55	1.72	1.45

Risks & Considerations

- Geopolitical risk
- Trade policy uncertainty
- Labor negotiations
- Biennium budget and legislation
- Growth in new maritime markets



VIRGINIA PORT AUTHORITY

RESOLUTION 26-04

**APPROVING VIRGINIA PORT AUTHORITY'S
CONSOLIDATED ANNUAL BUDGET FOR FISCAL YEAR
ENDING JUNE 30, 2027**

WHEREAS, the Chief Financial Officer of the Virginia Port Authority (the "Authority") has proposed the annual consolidated budget for the Authority for Fiscal Year Ending June 30, 2027 and has submitted same to the Board of Commissioners (the "Board") of the Authority; and

WHEREAS, the Chief Financial Officer has also made available to the Board such other information as the Board has reasonably requested in connection with the preparation of such annual budget.

NOW, THEREFORE, BE IT RESOLVED that, Board does hereby approve the Authority's annual consolidated budget for Fiscal Year Ending June 30, 2027; and

THEREFORE, BE IT FURTHER RESOLVED that the Authority's annual consolidated budget for Fiscal Year Ending June 30, 2027 becomes effective upon the final approval of the Commonwealth of Virginia Biennium Budget for 2026-2028.

PASSED AND ADOPTED this 4th day of June, 2026.

John W. Kirk, Chairman

Attest:

Lisa S. Nelson, Secretary

**VIRGINIA PORT AUTHORITY
RESOLUTION 26-03**

RESOLUTION AUTHORIZING THE FUNDING OF THE REVENUE STABILIZATION FUND ESTABLISHED UNDER RESOLUTION NO. 25-08.

WHEREAS, the Virginia Port Authority (the "Authority") adopted Resolution No. 25-08 ("Resolution No. 25-08"), which authorized the issuance of Port Facilities Revenue Bonds (as more particularly defined in Resolution No. 25-08, the "Bonds"); and

WHEREAS, under Section 509 of Resolution No. 25-08, the Authority established the Revenue Stabilization Fund; and

WHEREAS, the Authority intends to deposit up to \$35,000,000 into the Revenue Stabilization Fund from the money on deposit in the Residual Fund established under Resolution No. 25-08.

NOW, THEREFORE, IT IS RESOLVED by the Board of Commissioners (the "Board") of the Authority, as follows:

Section 1. Authorization of Deposit into the Revenue Stabilization Fund.

(a) The Board hereby authorizes the deposit of up to \$35,000,000 in the Revenue Stabilization Fund from the money currently on deposit in the Residual Fund.

(b) Any of the Executive Director or the Chief Financial Officer, either of whom may act, is authorized and directed to determine the actual amount deposited in the Revenue Stabilization Fund; provided that such deposit shall not exceed \$35,000,000.

Section 2. Ratification; Further Action. The actions previously taken by the officers and staff of the Authority are hereby ratified and confirmed. The officers and staff of the Authority are hereby authorized to take such actions, and deliver such additional documents, instructions and certificates, as they may in their discretion deem necessary or proper in connection with deposit authorized hereby.

Section 3. Other Definitions. All capitalized terms not otherwise defined herein shall have the meanings given to them in Resolution No. 25-08.

Section 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 4th day of June, 2026.

By: _____
Name: John W. Kirk III
Title: Chairman

Attest:

By: _____
Name: Lisa Nelson
Title: Secretary to the Board