



Georgia Ports Authority
(a Component Unit of the State of Georgia)
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2021 and 2020

Prepared by:
GPA Finance Department



GEORGIA PORTS AUTHORITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal	i – v
Organizational Chart.....	vi
Directory of Officials.....	vii
Certificate of Achievement for Excellence in Financial Reporting.....	viii

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT	1 – 3
------------------------------------	-------

MANAGEMENT'S DISCUSSION AND ANALYSIS.....	4 – 12
---	--------

FINANCIAL STATEMENTS

Statements of Net Position	13 and 14
Statements of Revenues, Expenses and Changes in Net Position	15
Statements of Cash Flows.....	16 and 17
Statements of Fiduciary Net Position.....	18
Statements of Changes in Fiduciary Net Position	19
Notes to Financial Statements	20 – 52

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the Authority's Net Pension Liability (Asset) and Related Ratios – Retirement Plan for the Employees of Georgia Ports Authority	53 and 54
Schedule of Authority Contributions – Retirement Plan for the Employees of Georgia Ports Authority.....	55 and 56
Schedule of Pension Investment Returns – Retirement Plan for the Employees of Georgia Ports Authority.....	57
Schedule of Changes in the Authority's Total Pension Liability and Related Ratios – Supplemental Retirement Plans	58
Schedule of Authority Contributions – Supplemental Retirement Plans	59
Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios – Retiree Medical And Dental Plan (OPEB).....	60
Schedule of Authority Contributions – Retiree Medical and Dental Plan (OPEB)	61
Schedule of OPEB Investment Returns – Retiree Medical and Dental Plan (OPEB).....	62

GEORGIA PORTS AUTHORITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

TABLE OF CONTENTS (CONTINUED)

Page

SUPPLEMENTARY INFORMATION

Combining Statements of Fiduciary Net Position.....	63 and 64
Combining Statements of Changes in Fiduciary Net Position	65 and 66

STATISTICAL SECTION

FINANCIAL TRENDS INFORMATION

Net Position by Component – Last Ten Fiscal Years.....	67 and 68
Change in Net Position – Last Ten Fiscal Years	69 and 70

REVENUE CAPACITY INFORMATION

Operating Revenues and Revenue Tonnage by Type – Last Ten Fiscal Years	71 and 72
Revenue Tonnage Report – Last Ten Fiscal Years	73 and 74
Top Ten Vessel and Cargo Customers – Current Year and Nine Years Ago	75

DEBT CAPACITY INFORMATION

General Bonded Debt by Type – Last Ten Fiscal Years	76
Net Revenue Available for Debt Service – Last Ten Fiscal Years.....	77 and 78

OPERATING INFORMATION

State of Georgia Population/Demographics – Last Ten Calendar Years	79
State of Georgia Principal Private Sector Employers – Current Year and Nine Years Ago	80
Port of Savannah and Brunswick Seaborne Trade by Region – Current Year and Nine Years Ago	81
Vessel Arrivals by Terminal – Last Ten Fiscal Years	82 and 83
Cargo Statistics – Last Ten Fiscal Years	84 and 85
Freight Traffic Statistics – Last Ten Fiscal Years.....	86 – 88
Physical Characteristics of the Port Facilities of the Authority	89
Number of Authority Employees by Type – Last Ten Fiscal Years	90 and 91

INTRODUCTORY SECTION



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August 30, 2021

To Chairman Wooten, Distinguished Members of the Georgia Ports Authority Board and the Readers of this Report:

Ladies and Gentlemen:

Enclosed please find the Georgia Ports Authority (Authority) Annual Comprehensive Financial Report (ACFR) for the years ended June 30, 2021 and 2020. This report, which includes descriptions of the Authority's operations and facilities and various statistics, provides the reader with the Authority's financial condition and activities that demonstrate solid growth over the last decade. The management of the Authority is responsible for the accuracy and completeness of the information presented in this report.

The Authority's management is responsible for the establishment and maintenance of internal accounting controls which are designed to provide reasonable, but not absolute, assurance that assets are safeguarded, and financial transactions are properly recorded and adequately documented, and to ensure the reliability of financial records for preparing the Authority's financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from such control and that the evaluation of costs and benefits requires estimates and judgments by the Authority's management.

Mauldin and Jenkins LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Authority's financial statements for the years ended June 30, 2021 and 2020. The independent auditor's report is located at the front of the financial section of this report.

The Authority's management follows a comprehensive set of financial policies. The Authority has a policy that requires Board approval of annual operating and capital budgets. The Authority's management prepares the operating budget using responsible assumptions and projections to help ensure the Authority generates operating income. The Authority's management incorporates its strategic plans in preparing the capital budget to help ensure that long-range organization goals are achieved.

The Authority's *Management's Discussion and Analysis* (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Since 1945, Georgia's ports have served as magnets for international trade and investment, enriching the state's economy to benefit all Georgians. The Georgia Ports Authority is dedicated to providing customers with the most efficient, productive port facilities in the nation and to creating jobs and business opportunities to benefit more than 10.7 million Georgians. The Authority is committed to maintaining its competitive edge through development of leading-edge technology, marketing, and operations to move cargo more efficiently. The Authority is working hard to identify what must be done today to sustain growth, performance, and security for tomorrow.

Georgia's deep-water ports in Savannah and Brunswick, together with inland operations in Bainbridge and Chatsworth, are Georgia's gateways to the world. These ports are critical conduits through which raw materials and finished products flow to and from destinations around the globe.

As an Authority of the State, a thirteen-member Board governs the activities of the Authority. Members are appointed by the Governor, from the state at large, to serve four-year, staggered terms. The Executive Director reports to the Authority and is responsible for directing all phases of port operations, policies and management controls.

The Authority directly employs over 1,475 trained logistics professionals. The Authority, however, is responsible for generating far more employment throughout the state. In a study performed by The Selig Center for Economic Growth, Terry College of Business, Authority operations, together with the private sector port-related operations, directly and indirectly impact more than 496,000 jobs statewide, \$122 billion of dollars in Georgia's total sales, and \$29 billion in income annually.

For additional information, please see the *Demographic and Economic Information* in the Statistical Section of this ACFR.

Business of the Authority

The Port of Savannah is comprised of two modern, deep-water terminals: Garden City Terminal and Ocean Terminal. Together, these facilities exemplify the Authority's exacting standards of efficiency and productivity. Garden City Terminal is the largest single container-handling facility in North America, encompassing approximately 1,350 acres and currently moves over 36 million tons of containerized cargo annually. For the first time in its history, the Port of Savannah moved 5.3 million twenty-foot equivalent container units, growing cargo volumes by 20 percent in FY2021, or nearly 900,000 additional TEUs compared to FY2020.

Ocean Terminal is Savannah's multi-faceted terminal that supports container, breakbulk and roll-on / roll-off operations. The terminal covers 208 acres and provides customers with more than 1.3 million square feet of covered, versatile storage.

The Port of Brunswick is comprised of three Authority-owned deep-water terminals, two of which are operated by the Authority. The port's well-earned reputation for productivity and efficiency is heightened by its position as one of the fastest growing auto and heavy machinery ports in North America. During FY2021, over twenty-six auto manufacturers, supported by four auto processors, and over eighteen machinery manufacturers utilized the Colonel's Island Terminal.

Brunswick's Mayor's Point Terminal facilitates the import and export of valuable forest products, while Marine Port Terminals, operated by Logistec U.S.A., specialize in the handling of bulk and breakbulk commodities at the Lanier Docks and East River Terminals.

Georgia's inland terminal operation, the Appalachian Regional Port near Chatsworth, Georgia, provides an efficient and cost-effective connection for cargo moving by rail to and from North Georgia, Alabama, Tennessee, Kentucky and the Port of Savannah. In addition, Port Bainbridge provides a strategic advantage for bulk commodities moving to and from the Southeastern United States.

For additional information, please see the *Table of Physical Characteristics of the Port Facilities of the Authority* in the Statistical Section of this ACFR.

LONG-TERM FINANCIAL PLANNING

Over the last fifteen years the Authority's container volume has grown at a faster rate than any other major port in the country. At the Garden City Terminal, the number of twenty-foot equivalent units (TEUs) has grown from 2.04 million in FY2006 to 5.33 million in FY2021, an increase of over 161%. The Authority's long-term growth forecast projects container volume to increase over 106% from FY2021 to FY2030.

To prepare for this growth, the Authority has developed strategic plans to build out Savannah's annual operating capacity to 11.0 million TEUs through improvements at Garden City Terminal and the completion of several phases of the new Savannah Container Terminal. These improvements will allow the Authority to continue to be the southeast United States' gateway container terminal and serve the largest container vessels calling on the east coast.

In 2008, the Authority entered into an "Intergovernmental Agreement for Development of an Ocean Terminal on the Savannah River within the State of South Carolina" with the Georgia Department of Transportation and the South Carolina Ports Authority (SCPA). Under the Agreement, the Authority purchased approximately 1,500 acres of land for the planned Jasper Ocean Terminal (JOT) jointly with the SCPA. In 2015, the Authority and the SCPA determined that going forward the development of JOT should be pursued as a joint venture between the Authority and the SCPA. The JOT will provide capacity to meet the region's long-term forecasted demand.

MAJOR INITIATIVES

COVID-19 Pandemic Impact and Response

The outbreak in late 2019 of a novel strain of coronavirus, referred to as COVID-19, has spread throughout the world, including the U.S. and the State. COVID-19 was declared to be a pandemic (the “COVID-19 Pandemic”) by the World Health Organization, as well as a U.S. national emergency, and a statewide emergency in the State. The responses of governments, businesses, and individuals, which are intended to slow and limit the spread of the coronavirus, have resulted in widespread and significant adverse impacts upon economic activity. Reductions in business revenues and sales, while costs related to cleaning and disinfecting measures, as well as healthcare expenses for infected persons, have been significant. The COVID-19 Pandemic is a continuing and dynamic situation, and predictions as to when it will be contained and effectively eliminated are not possible at this time. As a result, the Authority continues to analyze and address the ongoing impact of the COVID 19 Pandemic.

Prior to the onset of the COVID-19 Pandemic, and the government and public responses to it, the Authority was on a record-setting pace for FY 2020. The Authority’s container volumes were expected to increase at least 3.5% over FY2019 and revenues by 6.5%. The Authority’s operating income and cash flows from operations growth were expected to nearly mirror the increase in revenues. Post-COVID-19, the Authority’s container volumes were down just over 1.0% year-over-year, while revenues were up just over 1.7%. Those revenues represented an annual record level of revenues generated at that time but have since been superseded by FY2021’s reported revenues. The Authority’s operating income and cash flows from operations, adjusted for changes in current liabilities, were both down 6.5%.

During FY2020, the Authority continued steady operations with normal, 24-hour vessel and terminal services. As the Authority is considered “essential” logistical infrastructure, its operations were exempted from many government actions that would have prevented employees from reporting to work (e.g., “shelter-in-place” orders). The Authority suspended most hiring of new employees but did continue to hire skilled people in critical operations roles that have a long training lead-time (e.g., ship-to-shore crane operators). To keep cargo moving smoothly at its facilities, the Authority implemented an “Isolate and Operate” strategy by spreading out workers, practicing social distancing, and disinfecting and deep-cleaning equipment, thereby attempting to minimize impact from the pandemic. Using the “Isolate and Operate” strategy, The Authority has worked day and night to protect the Authority’s employees, our partners in the ILA and all the truckers, contractors, vendors, and others who work on our terminals daily.

Despite the challenges of the COVID-19 Pandemic, the Authority had a record-setting year in FY2021. TEU container volumes were up 20.1%, at 5.331M TEUs, and revenues of \$615.4M were an increase of 27.8% year-over year and a new annual record. The Authority’s cash flows from operations, at \$317.4M, were up \$136.8M, or 75.7%.

As the country’s third busiest port complex, the Authority clearly understands the importance of keeping our ports operational through this crisis to support the needs of our customers and the nation.

Savannah Harbor Expansion Project

The completion of the Savannah Harbor Expansion Project (SHEP) is the number one strategic priority for the Georgia Ports Authority and its valued customers and is critically important to economic growth in Georgia and the southeastern United States. This project will deepen the river from its current 42-foot depth to 47 feet at mean low water. The federal navigation channel in Savannah is utilized by more than 20 private businesses and associated terminals in addition to the Georgia Ports Authority terminals.

The Port of Savannah ranks as the third largest container gateway in the nation, with approximately 45% of the United States population living within the Authority's service region. As the largest container port in the Southeast, the Port of Savannah is responsible for moving nearly 10.0% of the U.S. overseas containerized cargo. The volume to be handled by the Authority is projected to increase by more than 106% from FY2021 to FY2030.

While cargo has grown, so has the size of the ships. The Authority proposed in 1996 to deepen the Savannah River to handle these larger container vessels more efficiently. With the completion of the Panama Canal improvements in 2016, now even larger container vessels are calling the U.S. East Coast with increased efficiencies and reduced costs for the American consumer. In May 2021, the CMA CGM vessel Marco Polo called on the Port of Savannah. At a capacity of over 16,000 twenty-foot equivalent container units, the Marco Polo is the largest ship ever to call on the U.S. East Coast. Currently, approximately 80% of the containerized cargo vessels that call on the Port of Savannah are unable to load to their maximum design draft and call at any tide.

SHEP received the last of all required federal and state regulatory approvals in 2013. On June 10, 2014, the Water Resources Reform and Development Act of 2014 was signed into law, thereby allowing the U.S. Army Corps of Engineers to proceed to construction on the project. Today, dredging on the entrance channel is complete along with several other components of the project including acquisition of property for wetlands mitigation, payment for a striped bass stocking program, the removal of the CSS Georgia from the channel and the initial dike-raising for the project. Contracts for other project features have been awarded. Among the features under construction are the oxygen injection systems and a freshwater diversion structure. The final dredging contract was awarded in November 2019 with completion scheduled in early 2022.

While the authorized cost of the SHEP was estimated at \$706 million in 2014, a mandated update resulted in an increased cost due to the awards of several contracts at higher than estimated amounts and increased expenses and price levels effected by the length of time for the project. The new cost of \$1.019 billion was authorized by Congress as part of America's Water Infrastructure Act of 2018. The economics analysis was also updated resulting in an increased benefit-to-cost ratio of 7.3 to 1, one of the highest of any deep draft navigation project for the Corps of Engineers across the nation.

Mason Mega Rail

In addition to SHEP, the Georgia Ports Authority's expansion plans include the development of significant rail infrastructure known as the Mason Mega Rail that plans to increase rail capacity from 500,000 to over 1 million rail lifts. Since March of 2018 the project has experienced significant progress including the completion of multiple bridge structures, civil infrastructure development and the commissioning of five (5) of the ten (10) rail mounted gantry cranes that will operate in the yard. While Norfolk Southern and CSX have occupied the west rail bundle of nine (9) working tracks, the second set of nine (9) working tracks that make up the east bundle experienced significant progress with expected completion in November 2021. At that time, both railroads will be able to operate in the complete eighteen (18) track facility along with six (6) of the ten (10) rail mounted gantry cranes in operation. All ten (10) rail mounted cranes are expected to be in operation in the summer of 2022. When fully completed in 2022, the facility will be the largest on-port rail terminal in North America and provide a new supply chain option directly to America's Midwest.

The Mason Mega Rail, specifically designed to efficiently handle 10,000-foot unit trains by both major rail carriers, will have 18 working tracks, a lift capacity of over 1 million containers per year and nearly 180,000 feet of track.

Shippers in major markets from Memphis to St. Louis and Chicago to Cincinnati will experience greater efficiencies and reduced transit times to and from Savannah's growing intermodal hub. In many instances, cargo will avoid rail hub layovers, pick up a full day, and in turn open new markets and opportunities for shippers.

Environmental Affairs

As an instrumentality of the State, the Authority's mission states that the organization will develop, maintain and operate ocean and inland river ports within Georgia; foster international trade and new industry for state and local communities; promote Georgia's agricultural, industrial and natural resources; and maintain the natural quality of the environment. To that end the Authority is committed to conducting port operations in an environmentally sensitive and responsible manner to the extent feasible, practicable and consistent with the Authority's overall mission and goals.

The Authority will strive to:

- Meet or exceed all applicable federal, state, and local regulations and other commitments.
- Define and establish environmental objectives, targets and best management practices and monitor performance.
- Minimize pollution from port operations.
- Continually improve the port's performance.
- Ensure that the environmental management policy is available to staff, tenants, customers and the general public.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Georgia Ports Authority Members and the Audit, Budget and Finance Committee for their unfailing support for maintaining the highest standards of professionalism in the management of the Georgia Ports Authority's finances.

Respectfully submitted,



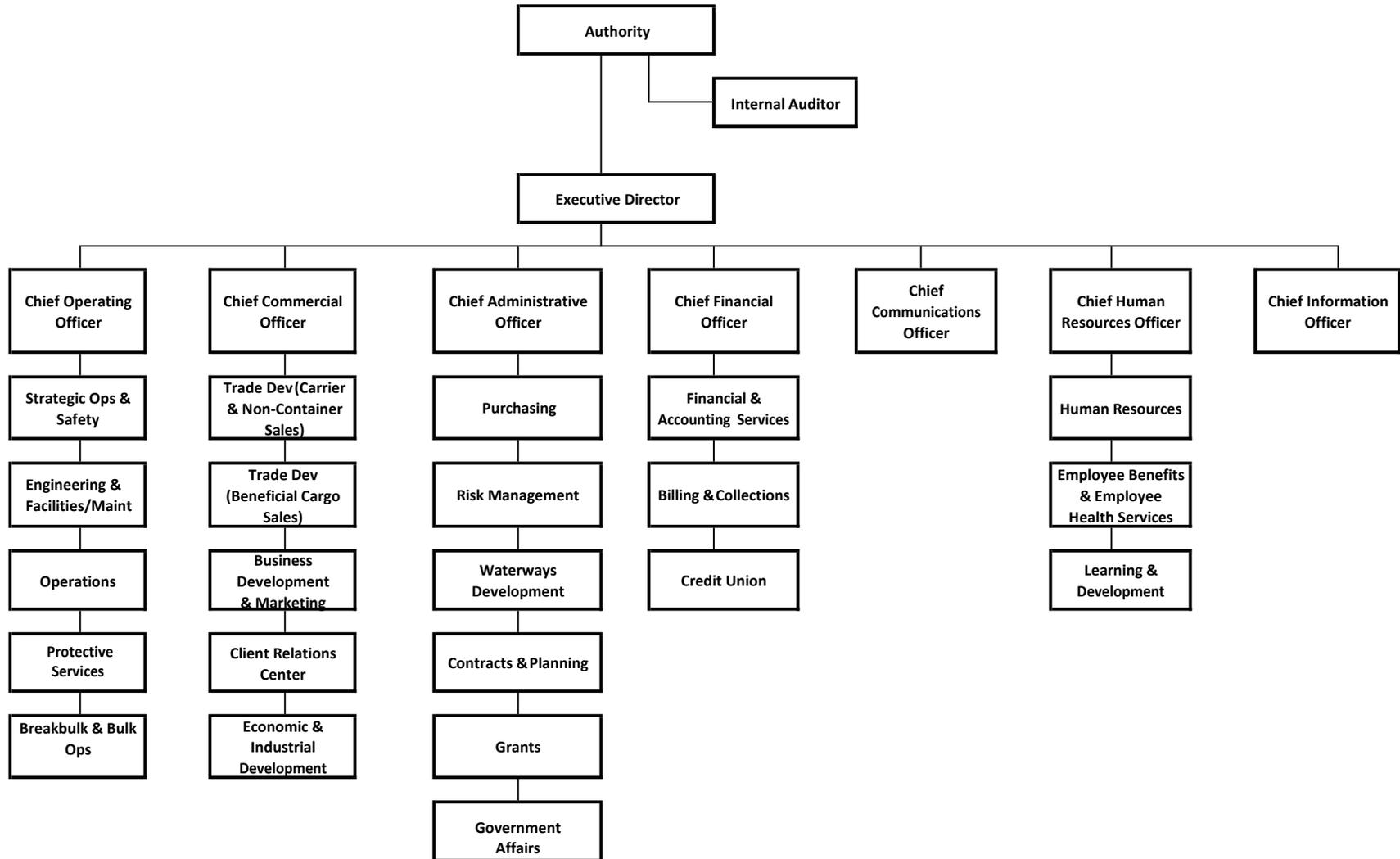
Griffith V. Lynch
Executive Director



J. Russell Mincey
Chief Financial Officer

GEORGIA PORTS AUTHORITY

ORGANIZATIONAL CHART JUNE 30, 2021



GEORGIA PORTS AUTHORITY

DIRECTORY OF OFFICIALS JUNE 30, 2021

Authority

William D. McKnight, Chairman
Joel O. Wooten, Jr., Vice Chairman
Kent Fountain, Secretary and Treasurer
Patrick Kelly Farr, Jr., Member
James L. Allgood, Jr., Member
Christopher C. Womack, Member
Ben H. Hall, Jr., Member
Douglas J. Hertz, Member
David J. Cyr, Member
Julie E. Hunt, Member
Alec L. Poitevint, II, Member
Don A. Grantham, Sr., Member
Philip Wilheit, Jr., Member

Executive Staff

Griffith V. Lynch, Executive Director
Edward McCarthy, Chief Operating Officer
Clifford R. Pyron, Chief Commercial Officer
J. Russell Mincey, Chief Financial Officer
James C. McCurry, Chief Administrative Officer
Lise Altman, Chief Human Resources Officer
Robert C. Morris, Chief Communications Officer
Bill Sutton, Chief Information Officer
M. Christopher Logan, Senior Director of Trade Development, Beneficial Cargo Owner Sales
Bruce A. Kuzma, Senior Director of Trade Development, Open Carrier & Non-Container Sales
Wes Lanier, Senior Director of Strategic Operations & Safety
Christopher B. Novack, Senior Director of Engineering & Facilities Maintenance
Kevin R. Doyle, Senior Director of Protective Services
Daniel E. Rohde, Senior Director of Operations
Susan E. Gardner, Senior Director of Operations and Projects



Government Finance Officers Association

Certificate of
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Presented to

Georgia Ports Authority

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Georgia Ports Authority
Savannah, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and aggregate remaining fund information of the **Georgia Ports Authority** (the "Authority"), a component unit of the State of Georgia, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining fund information of the Georgia Ports Authority, a component unit of the State of Georgia, as of June 30, 2021 and 2020, and the changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 12), the Schedule of Changes in the Authority's Net Pension Liability (Asset) and Related Ratios – Retirement Plan for the Employees of the Georgia Ports Authority (on pages 53 and 54), the Schedule of Authority Contributions – Retirement Plan for the Employees of the Georgia Ports Authority (on pages 55 and 56), the Schedule of Pension Investment Returns – Retirement Plan for the Employees of the Georgia Ports Authority (on page 57), the Schedule of Changes in the Authority's Total Pension Liability and Related Ratios – Supplemental Retirement Plans (on page 58), the Schedule of Authority Contributions – Supplemental Retirement Plans (on page 59), the Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios – Retiree Medical and Dental Plan (OPEB) (on page 60), the Schedule of Authority Contributions – Retiree Medical and Dental Plan (OPEB) (on page 61), and the Schedule of OPEB Investment Returns – Retiree Medical and Dental Plan (OPEB) (on page 62) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Georgia Ports Authority's basic financial statements. The introductory section, combining statement of fiduciary net position, combining statement of changes in fiduciary net position and the statistical section, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statement of fiduciary net position and combining statement of changes in fiduciary net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statement of fiduciary net position and combining statement of changes in fiduciary net position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 30, 2021, on our consideration of the Georgia Ports Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Georgia Ports Authority's internal control over financial reporting and compliance.



Savannah, Georgia
August 30, 2021

GEORGIA PORTS AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

On behalf of Management at the Georgia Ports Authority (Authority), we respectfully offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal years ended June 30, 2021 and 2020, with selected comparative information for the year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with the financial statements and footnotes. All dollar amounts, unless otherwise indicated, are expressed in thousands.

Operating Highlights

The Authority operates deep-water port terminals in Savannah and Brunswick, an inland river terminal in Bainbridge and an inland rail terminal in Chatsworth. The Authority handles three basic types of international and domestic cargos:

- containerized cargo (various products that can be placed inside an intermodal container)
- non-containerized general cargo and rolling stock (products such as steel beams, various products in rolls and bales, autos, tractors, and other heavy equipment)
- bulk cargo (products such as agri-commodities and various liquid commodities)

The Authority enjoyed its best performances ever in fiscal year 2021 posting significant gains in several important cargo categories and increasing overall tonnage by 8.9% to a record as measured against fiscal year 2020 results.

During fiscal year 2021, the Authority had a record year by handling 5.33 million twenty-foot equivalent units (TEUs) of containerized cargo representing a 20.1% increase from fiscal year 2020. During fiscal year 2021 containerized cargo benefited from inventory replenishment due to COVID-19 recovery and increased e-commerce. As COVID-19 disrupted world trade, United States containerized cargo primarily increased due to trade with China / Asia.

Total non-containerized general cargo increased by 6.8% in fiscal year 2021 versus fiscal year 2020 to 2.62 million tons. Ocean Terminal non-containerized general cargo decreased by 1.2% and Mayor's Point Terminal decreased by 59.3% in fiscal year 2021 compared to fiscal year 2020. For fiscal year 2020, total non-containerized general cargo decreased by 12.8% from fiscal year 2019, with a decrease of 24.2% at Ocean Terminal and an increase of 59.9% at Mayor's Point Terminal.

At the Colonel's Island Terminal in Brunswick, auto and machinery business increased 21.2% to 685,460 units in fiscal year 2021 versus fiscal year 2020. Fiscal year 2020 auto and machinery results decreased 7.9% to 565,418 units as compared to fiscal year 2019.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Highlights

- The Authority's net position (the amount assets and deferred outflows of resources, exceeded liabilities and deferred inflows of resources) was \$2,045,495 at the close of fiscal year 2021; \$1,832,785 at the close of fiscal year 2020; and \$1,696,166 at the close of fiscal year 2019.
- The Authority's total net position increased \$212,710 and \$136,619 during fiscal years 2021 and 2020, respectively. These net changes are further reflected in the Authority's Statements of Revenues, Expenses and Changes in Net Position.
- The Authority generated record annual operating revenues of \$615,429 for fiscal year 2021, representing an increase of approximately 27.8% compared to fiscal year 2020, resulting from US economic growth in fiscal year 2021 and increased cargo growth with Asia. Operating revenues during fiscal year 2020 were \$481,728, representing an increase of 1.7% over fiscal year 2019.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction of Georgia Ports Authority's basic financial statements. The *Statements of Net Position* present information on all the Authority's assets, deferred outflows, liabilities and deferred inflows, with the *net position* reported as assets plus deferred outflows less liabilities and deferred inflows. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *Statements of Revenues, Expenses and Changes in Net Position* present information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported on an accrual basis.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statements

Net Position: The following table reflects the overall financial condition of the Authority as of the last three fiscal years ended June 30, 2021, 2020 and 2019, respectively.

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current assets	\$ 567,227	\$ 434,837	\$ 490,727
Capital assets	1,589,653	1,460,779	1,310,360
Other long-term assets	24,988	23,032	31,244
Total Assets	<u>2,181,868</u>	<u>1,918,648</u>	<u>1,832,331</u>
Deferred Outflows of Resources	37,449	53,264	29,728
Current liabilities	89,048	41,579	71,619
Other noncurrent liabilities	82,067	94,943	89,652
Total Liabilities	<u>171,115</u>	<u>136,522</u>	<u>161,271</u>
Deferred Inflows of Resources	2,707	2,605	4,622
Net investment in capital assets	1,589,653	1,460,779	1,310,360
Unrestricted	455,842	372,006	385,806
Total Net Position	<u>\$ 2,045,495</u>	<u>\$ 1,832,785</u>	<u>\$ 1,696,166</u>

The Authority's total current assets increased by \$132,390 and decreased by \$55,890 during fiscal years 2021 and 2020, respectively. Elements to consider related to these changes include:

- Cash and cash equivalents increased from \$371,498 to \$469,359 in fiscal year 2021 and decreased from \$400,706 to \$371,498 in fiscal year 2020, thus resulting in a total increase of \$68,653 over the two years.
- Accounts receivable – trade increased by \$28,262 in fiscal year 2021 and decreased by \$8,986 in fiscal year 2020. The increase in fiscal year 2021 was due to a rebound in economic activity from the COVID-19 low in fiscal year 2020.
- Accounts receivable – non-trade increased by \$7,477 in fiscal years 2021 and decreased by \$6,759 in fiscal year 2020. The net increase from fiscal year 2019 was due to federal grants activity.
- Inventories decreased by \$329 in fiscal year 2021 and increased by \$406 in fiscal year 2020, resulting in a \$77 increase from fiscal year 2019 due to rubber tire gantry crane spare parts.
- Prepaid expenses decreased by \$881 and by \$11,343 in fiscal years 2021 and 2020 respectively. These changes resulted in a total decrease of \$12,224 due to a construction project deposit with the Georgia Department of Transportation.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statements (Continued)

Cash and cash equivalents as presented on the statements of net position increased by \$97,861 during the year ended June 30, 2021 and decreased by \$29,208 during the year ended June 30, 2020.

Long-term assets include certain investments (insurance contracts), pension assets, and capital assets. The Authority's capital and other long-term assets increased by \$130,830 and \$142,207 in fiscal years 2021 and 2020, respectively. Elements to consider related to these changes include:

- Long-term investments increased by \$1,910 and \$1,442 in fiscal years 2021 and 2020, respectively. The \$3,352 increase over the two fiscal years is due to increased insurance contracts.
- Pension assets decreased by \$0 and by \$9,420 in fiscal year 2021 and 2020, respectively. The fiscal year 2019 balance of \$9,420 resulted from the fiduciary net position exceeding the liability of the pension at the measurement date of June 30, 2018. The measurement dates for June 30, 2020 and June 30, 2019, both resulted in a pension liability.
- Other noncurrent assets increased by \$46 in fiscal year 2021 and decreased by \$234 in fiscal year 2020. These results produced a decrease of \$188 over the two-year period.
- Capital assets increased by \$128,874 and by \$150,419 in fiscal year 2021 and 2020, respectively. Included in the increase for both years was the purchase of capital assets in the amount of \$422,579 net of disposals. Depreciation expense of \$143,286 was incurred during these two years, which offset the overall increase in capital assets.

Deferred outflows of resources included contributions made to the pension and Other Post-employment Benefits (OPEB) trusts after the measurement date, differences between the expected and actual economic and demographic experience, the net difference between projected and actual earnings of the pension trust, and assumption changes.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statements (Continued)

- Contributions made after the measurement date were \$18,572 in fiscal year 2021 and \$22,178 in fiscal year 2020. Combined contributions to the pension and OPEB trusts were \$40,750 over the two-year period.
- Net difference between projected and actual earnings of the pension and OPEB trusts decreased by \$2,179 over fiscal years 2021 and 2020 due to greater-than-expected actual earnings.
- Assumption changes to the pension and OPEB plans increased the deferred outflow of resources by \$4,521 over fiscal years 2021 and 2020.
- Differences between the expected and actual economic and demographic experience decreased by \$2,424 in fiscal year 2021 and increased \$3,249 in fiscal year 2020.

The Authority's total current liabilities increased by \$47,469 in fiscal year 2021 and decreased by \$30,040 in fiscal year 2020. Elements to consider related to these changes include:

- Accounts and contracts payable increased by \$44,741 in fiscal year 2021 and decreased by \$25,661 in fiscal year 2020. The overall increases were due primarily to the payment for capital equipment acquisitions.
- Accrued liabilities increased by \$2,728 in fiscal year 2021 and decreased by \$2,379 in fiscal year 2020.
- The current portion of accrued conservation commitments decreased by \$0 and by \$2,000 in fiscal years 2021 and 2020, respectively. The net decrease for fiscal years 2021 and 2020 was for conservation commitments related to the Savannah Harbor Deepening project.

The Authority's long-term liabilities decreased by \$12,876 in fiscal year 2021 and increased by \$5,291 in fiscal year 2020. The \$7,585 decrease over the two-fiscal years is due to conservation commitments related to the Savannah Harbor Deepening project.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statements (Continued)

- The long-term accrued conservation commitments decreased by \$4,042 and by \$4,041 in fiscal years 2021 and 2020, respectively. The net decrease for fiscal years 2021 and 2020 was for conservation commitments related to the Savannah Harbor Deepening project.
- The pension and OPEB liability decreased by \$7,976 in fiscal year 2021 and increased by \$18,823 fiscal year 2020. The net increase in the pension and OPEB liability was related to the actuarial determined liability for the pension plans.
- The other non-current liabilities and unearned rentals decreased by \$858 and by \$9,491 in fiscal years 2021 and 2020, respectively. The net decrease was primarily due to the unearned grant revenue.

The deferred inflows of resources related to the pensions and OPEB includes differences between the expected and actual economic and demographic experience, the net difference between projected and actual earnings and assumption changes.

- The differences between the expected and actual economic and demographic experience increased by \$842 in fiscal year 2021 and decreased by \$1,035 fiscal year 2020.
- Changes in assumption for the pensions and OPEB decreased by \$740 and \$982 in fiscal years 2021 and 2020, respectively.

The Authority's net position increased \$349,329 over the last two fiscal years with balances of \$2,045,495 in fiscal year 2021, \$1,832,785 in fiscal year 2020, and \$1,696,166 in fiscal year 2019. The increase was attributable to the operating performance of the Authority.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statements (Continued)

Revenues, Expenses and Changes in Net Position: The following table illustrates the history of revenues, expenses and changes in net position for the past three years ending June 30, 2021, 2020, and 2019, respectively.

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating revenues:			
Container cargo	\$ 551,507	\$ 415,726	\$ 410,006
General cargo	58,517	61,014	58,752
Liquid and dry bulk	5,405	4,988	4,861
Operating revenues	<u>615,429</u>	<u>481,728</u>	<u>473,619</u>
Operating expenses:			
Operation and maintenance of facilities	231,332	200,532	195,891
General administration	89,654	75,786	68,509
Depreciation	76,281	67,005	61,148
Operating expenses	<u>397,267</u>	<u>343,323</u>	<u>325,548</u>
Operating income	<u>218,162</u>	<u>138,405</u>	<u>148,071</u>
Non-operating income (expense)			
Investment income	286	4,706	7,224
Noncapital contributions	14,028	27,767	274
Noncapital port development expense	(11,461)	(26,011)	(380)
Capital contributions repaid to the State	-	(5,472)	(7,198)
Gain (loss) on sale/impairment of capital assets	(7,889)	422	38,583
Other	(8,889)	(8,972)	(10,395)
Non-operating (expense) income, net	<u>(13,925)</u>	<u>(7,560)</u>	<u>28,108</u>
Capital contributions	<u>8,473</u>	<u>5,774</u>	<u>21,151</u>
Change in net position	212,710	136,619	197,330
Total net position, beginning of year	<u>1,832,785</u>	<u>1,696,166</u>	<u>1,498,836</u>
Total net position, end of year	<u>\$ 2,045,495</u>	<u>\$ 1,832,785</u>	<u>\$ 1,696,166</u>

Total fiscal year 2021 operating revenues of the Authority were a record \$615,429 or 27.8% greater than the fiscal year 2020 revenue of \$481,728. Fiscal year 2020 operating revenues were 1.7% greater than fiscal year 2019 revenue of \$473,619. The revenue increases over fiscal year 2019 were primarily attributable to increases in container volumes over the two fiscal years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Statements (Continued)

Total fiscal year 2021 operating expenses of the Authority were \$397,267 or 15.7% greater than fiscal year 2020 expenses of \$343,323. Fiscal year 2020 expenses were 5.5% greater than fiscal year 2019 expenses of \$325,548. The net expense increase during the past two years was primarily attributable to operating activities from increased cargo volumes.

Operating incomes of \$218,162 and \$138,405 for fiscal years 2021 and 2020, respectively, were the result of the different growth rates in revenues and expenses.

Non-operating income / (expense) for fiscal years 2021 and 2020 includes investment income, gain/(loss) on sale / impairment of capital assets, and expense for harbor deepening costs, as well as repayments of capital contributions to the State of Georgia. During fiscal year 2021, loss on disposal of capital assets was \$7,889 resulting from the disposal of six Ship-to-Shore Cranes and the demolition of Container Berth 1, which compared to the fiscal year 2020, gain on disposal of capital assets of \$422, and fiscal year 2019, when Georgia Ports Authority sold 5 parcels within the Savannah River International Trade Park resulting in a gain of \$39,245. In fiscal years 2021, 2020 and 2019 respectively, \$10,871, \$25,000 and \$0 were received from the State of Georgia for G.O. Bond non-capital contributions.

Capital contributions during fiscal years 2021 and 2020 included capital contributions from the Federal government, which were \$21,047 and \$5,753.

Capital Asset and Debt Administration

Capital Assets: The Authority's investment in capital assets was \$1,589,653 as of June 30, 2021 representing an 8.8% increase for the year, and \$1,460,779 as of June 30, 2020 representing a 11.5% increase over the prior year. These investments in capital assets include land, buildings, improvements, and machinery.

Major capital investments during the past two fiscal years included the following:

- Purchase and upgrade Ship-to-Shore Container Cranes
- Purchase and upgrade Rubber-Tired-Gantry Cranes
- Properties acquisitions
- Dock and Berth upgrades at Ocean Terminal
- Rail additions at Garden City Terminal
- Purchase Rail Mounted Gantry Cranes
- Dock and Berth upgrades at Garden City Terminal
- Colonel's Island paving and berth improvements

Additional information on the Authority's capital assets can be found in Note 3 to the financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset and Debt Administration (Continued)

Debt Administration: As a component unit of the State of Georgia, long-term funding is provided to the Authority through general obligation bonds issued by the State of Georgia. The Authority had no revenue bonds outstanding for fiscal years 2021 and 2020, respectively. Additional information on the Authority's long-term liabilities can be found in Note 5 to the financial statements.

Further Information

This financial overview is designed to provide readers with a general overview of the Authority's finances and to show accountability. If you have questions or would like further information about this financial report, you may contact Georgia Ports Authority, Attn: Finance Dept. at P.O. Box 2406, Savannah, Georgia, 31402. The Authority's street address is 2 North Main Street, Garden City, Georgia 31408.

GEORGIA PORTS AUTHORITY

STATEMENTS OF NET POSITION

JUNE 30, 2021 AND 2020
(In Thousands)

ASSETS	<u>2021</u>	<u>2020</u>
Current assets:		
Cash and cash equivalents	\$ 469,359	\$ 371,498
Accounts receivable – trade (less allowance for doubtful accounts of \$6,174 and \$6,008 for 2021 and 2020, respectively)	78,029	49,767
Accounts receivable – non-trade	12,598	5,121
Inventories of materials and supplies	5,648	5,977
Prepaid expenses	<u>1,593</u>	<u>2,474</u>
Total current assets	<u>567,227</u>	<u>434,837</u>
Non-current assets:		
Long-term investments	20,595	18,685
Other non-current assets	4,393	4,347
Capital assets:		
Non-depreciable	551,035	433,034
Depreciable, net of accumulated depreciation	<u>1,038,618</u>	<u>1,027,745</u>
Total non-current assets	<u>1,614,641</u>	<u>1,483,811</u>
Total assets	<u>\$ 2,181,868</u>	<u>\$ 1,918,648</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources:		
Pension and other post-employment benefit plans	<u>\$ 37,449</u>	<u>\$ 53,264</u>
Total deferred outflows of resources	<u>\$ 37,449</u>	<u>\$ 53,264</u>

	<u>2021</u>	<u>2020</u>
LIABILITIES		
Current liabilities:		
Accounts and contracts payable	\$ 72,001	\$ 27,260
Accrued conservation commitments	4,062	4,062
Accrued liabilities	<u>12,985</u>	<u>10,257</u>
Total current liabilities	<u>89,048</u>	<u>41,579</u>
Non-current liabilities:		
Unearned revenue	940	1,883
Long-term accrued conservation commitments	15,375	19,417
Pension plan	1,321	15,842
Other post-employment benefit plan	9,518	11,297
Supplemental employee retirement plans	54,148	45,824
Other non-current liabilities	<u>765</u>	<u>680</u>
Total non-current liabilities	<u>82,067</u>	<u>94,943</u>
Total liabilities	<u>\$ 171,115</u>	<u>\$ 136,522</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources:		
Pension and other post-employment benefit plans	<u>\$ 2,707</u>	<u>\$ 2,605</u>
Total deferred inflows of resources	<u>\$ 2,707</u>	<u>\$ 2,605</u>
Net position:		
Investment in capital assets	\$ 1,589,653	\$ 1,460,779
Unrestricted	<u>455,842</u>	<u>372,006</u>
Total net position	<u>\$ 2,045,495</u>	<u>\$ 1,832,785</u>

See Notes to Financial Statements.

GEORGIA PORTS AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020 (In Thousands)

	2021	2020
Operating revenues:		
Container cargo	\$ 551,507	\$ 415,726
General cargo	58,517	61,014
Liquid and dry bulk	5,405	4,988
Operating revenues	615,429	481,728
Operating expenses:		
Operation and maintenance of facilities	231,332	200,532
General and administrative	89,654	75,786
Depreciation	76,281	67,005
Operating expenses	397,267	343,323
Operating income	218,162	138,405
Non-operating income (expense):		
Investment income	286	4,706
Non-capital contributions	14,028	27,767
Non-capital port development expense	(11,461)	(26,011)
Capital contributions repaid to the State of Georgia	-	(5,472)
Gain (loss) on disposal of capital assets	(7,889)	422
Other	(8,889)	(8,972)
Non-operating expense, net	(13,925)	(7,560)
Capital contributions	8,473	5,774
Change in net position	212,710	136,619
Total net position, beginning of year	1,832,785	1,696,166
Total net position, end of year	\$ 2,045,495	\$ 1,832,785

See Notes to Financial Statements.

GEORGIA PORTS AUTHORITY

STATEMENTS OF CASH FLOWS

FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

(In Thousands)

	2021	2020
Cash Flows From Operating Activities:		
Receipts from customers and users	\$ 585,767	\$ 477,231
Payments to suppliers	(56,818)	(104,164)
Payments to employees	(211,551)	(192,427)
Net cash provided by operating activities	<u>317,398</u>	<u>180,640</u>
Cash Flows From Investing Activities:		
Purchases of investments	(1,910)	(1,442)
Interest received	286	4,706
Net cash provided by (used in) investing activities	<u>(1,624)</u>	<u>3,264</u>
Cash Flows From Non-Capital Financing Activities:		
Harbor deepening construction	(11,461)	(26,011)
EPA truck engine replacement project	(1,343)	(950)
Jasper port project office	(224)	(422)
Roadway design	(853)	(603)
Effingham County IDA - Blanford siding extension project	(3,557)	(1,681)
Talmadge bridge air draft monitoring project	(2,459)	(518)
City of Savannah water main project	(377)	(1,680)
GDOT highway 25 bridge project	(1,798)	(11,030)
Other receipts for non-capital projects	302	166
Federal grant reimbursement	1,229	9,746
Non-capital contributions	12,088	27,767
Net cash used in non-capital financing activities	<u>(8,453)</u>	<u>(5,216)</u>
Cash Flows From Capital and Related Financing Activities:		
Purchases of capital assets	(210,922)	(217,601)
Proceeds from the sale of capital assets	570	599
Crane demolition	(2,691)	-
Capital contributions received	3,583	14,578
Capital contributions repaid to the State of Georgia	-	(5,472)
Net cash used in capital and related financing activities	<u>(209,460)</u>	<u>(207,896)</u>
Net increase (decrease) in cash and cash equivalents	<u>97,861</u>	<u>(29,208)</u>
Cash and cash equivalents:		
Beginning	<u>371,498</u>	<u>400,706</u>
Ending	<u>\$ 469,359</u>	<u>\$ 371,498</u>

GEORGIA PORTS AUTHORITY

STATEMENTS OF CASH FLOWS

FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

(In Thousands)

	2021	2020
Cash Flows From Operating Activities:		
Operating income	\$ 218,162	\$ 138,405
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	76,281	67,005
Provision for doubtful accounts receivable	166	2,000
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable - trade	(28,594)	4,986
Increase in accounts receivable - non-trade	(291)	(2,045)
(Increase) decrease in inventories	329	(406)
Decrease in prepaid expenses	881	11,343
(Increase) decrease in other noncurrent assets	(46)	234
Decrease in net pension asset	-	9,420
(Increase) decrease in deferred outflows of resources	15,815	(23,536)
Increase (decrease) in accounts payable and accrued liabilities	47,469	(28,040)
Decrease in unearned revenue	(943)	(9,438)
Decrease in OPEB liability	(1,779)	(283)
Increase (decrease) in net pension liability	(14,521)	15,842
Increase in SERP liability	8,324	3,264
Decrease in accrued conservation commitments	(4,042)	(6,041)
Increase (decrease) in other noncurrent liabilities	85	(53)
Increase (decrease) in deferred inflows of resources	102	(2,017)
	\$ 317,398	\$ 180,640
Net cash provided by operating activities	\$ 317,398	\$ 180,640

See Notes to Financial Statements.

GEORGIA PORTS AUTHORITY

STATEMENTS OF FIDUCIARY NET POSITION FIDUCIARY FUNDS PENSION AND OPEB TRUST FUNDS JUNE 30, 2021 AND 2020 (In Thousands)

	2021	2020
ASSETS		
Cash and short-term investments	\$ 4,827	\$ 3,345
Receivables:		
Interest and dividends receivable	464	25
Prepaid expenses	3	3
Investments, at fair value:		
Immediate Participation Guarantee (IPG) Contracts	10,494	10,049
Equity securities:		
Exchange traded funds	289,037	222,892
Fixed income	105,542	95,210
Mutual funds	10,932	8,883
Alternative funds	2,185	2,184
Total Assets	423,484	342,591
LIABILITIES		
Accounts payable	106	71
Accrued claims payable	93	61
Total Liabilities	199	132
NET POSITION		
Restricted for pension benefits	404,840	327,874
Restricted for OPEB benefits	18,445	14,585
Total Net Position	\$ 423,285	\$ 342,459

See Notes to Financial Statements.

GEORGIA PORTS AUTHORITY

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS PENSION AND OPEB TRUST FUNDS FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020 (In Thousands)

	2021	2020
Additions:		
Contributions:		
Employer	\$ 16,245	\$ 19,935
Employees	1,030	1,033
Total contributions	17,275	20,968
Investment income:		
Net change in the fair value of investments	73,880	22,054
Dividends and interest	6,211	6,178
Net investment income	80,091	28,232
Total additions	97,366	49,200
Deductions:		
Benefits	15,531	13,206
Administrative expenses	1,009	924
Total deductions	16,540	14,130
Net Increase	80,826	35,070
Net Position Restricted for Pension and OPEB Benefits:		
Beginning	342,459	307,389
Ending	\$ 423,285	\$ 342,459

See Notes to Financial Statements.

GEORGIA PORTS AUTHORITY

NOTES TO FINANCIAL STATEMENTS FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Georgia Ports Authority (the Authority) is an instrumentality of the State of Georgia and a public corporation created in 1945 by an Act of the General Assembly of Georgia for the general purpose of developing, promoting, constructing, maintaining and operating harbors, seaports and riverports within the state. The Authority owns and is responsible for the operations of terminals in Bainbridge, Brunswick, Garden City, Chatsworth, Savannah and Colonel's Island. These facilities handle import and export containerized, bulk and general cargos. The Authority is considered a component unit of the State of Georgia for financial reporting purposes as defined in Government Accounting Standards Board (GASB) Statement 14, *The Financial Reporting Entity* as amended by GASB Statement 39, *Determining Whether Certain Organizations Are Component Units* and GASB Statement 61, *The Financial Reporting Entity: Omnibus*.

The Authority operates primarily as a self-supporting governmental enterprise and uses the accrual basis of accounting applicable to governmental enterprise and fiduciary funds. The Authority has no stockholders or equity holders and is directed by a 13-member governing board (the Georgia Ports Authority Board of Directors), whose members are appointed by the Governor of Georgia for original terms not exceeding four years; members may be re-appointed for successive terms.

Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting, under which revenues are recognized when earned and measurable and expenses are recognized when they are incurred, if measurable. In accounting and reporting for its operations, the Authority applies all Governmental Accounting Standards Board (GASB) pronouncements. The Authority's financial statements include provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*; Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. The financial statements include a *Management Discussion and Analysis* (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect the reported amounts of certain assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgets and Budgetary Accounting

The Authority adopts an annual budget for its operations. The budget is formally reviewed and approved by the Authority. The Executive Director has the responsibility for administering these programs in accordance with the policies and the annual budget as adopted by the Authority. Budgets are prepared on the accrual basis. The Authority's statute does not require the Authority to report budgetary information in its financial statements.

Revenue Recognition

The Authority recognizes revenue when earned and measurable. The Authority has sole jurisdiction to set rates for the services rendered to customers. These rates are not currently subject to regulation by any Federal, State of Georgia or similar agency. Reserves for doubtful accounts, allowances and rebates are maintained based on historical results adjusted to reflect current conditions.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first.

Concentrations of Credit Risk

The Authority provides services and facilities usage for companies located throughout the world. Substantially all of the Authority's accounts receivable are from shipping lines, exporters and importers. The Authority performs ongoing credit evaluations of its customers and generally operates under international laws, which may provide for a maritime lien on vessels in the event of default on credit terms. The Authority maintains reserves for potential credit losses.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For the purposes of the *Statements of Cash Flows*, the Authority considers all demand deposits and short-term investments (including funds held by the State Treasurer in the Georgia Fund 1 and restricted funds) purchased with an initial maturity of three months or less to be cash equivalents. The Retirement Plan for Employees of the Georgia Ports Authority considers all liquid money market investments to be cash equivalents.

Investments

The policy of the Authority requires all funds which are idle for any period of time to be invested. The Authority has implemented GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. As a governmental proprietary entity other than an external investment pool, and in accordance with GASB Statement No. 31, the Authority's investments are stated at fair value. In applying GASB Statement No. 31, the Authority utilized the following methods and assumptions as of June 30, 2021 and 2020:

- Fair value is based on quoted market prices as of the valuation date;
- The portfolio did not hold investments in the following:
 - Items required to be reported at amortized cost,
 - Items in external investment pools that are not SEC-registered,
 - Items subject to involuntary participation in an external pool,
 - Items associated with a fund other than the fund to which the income is assigned;
- The gain or loss resulting from valuation will be reported in the Authority's *Statement of Revenues, Expenses and Changes in Net Position*.

The Authority's policy is to hold investments until maturity or until fair values equal or exceed amortized cost.

Retirement Plan for Employees of the Georgia Ports Authority. Investments are reported at fair value as discussed in Note 2, except for alternative investments and immediate participation guarantee contracts (IPG) for which fair market value is not readily determinable. The estimated fair value of the Plan's investments in alternative investments is based on each funds' net asset value (NAV) as reported by the fund. Management believes the carrying amount of these financial instruments is a reasonable estimate of fair value. Because alternative investments are not readily marketable, their estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Investments (Continued)

Immediate participation guarantee contracts consist of both an annuity allocation amount (a minimum balance required by contract to provide for annuity benefits guaranteed by the insurance company) and an unallocated amount (the amount in excess of the annuity allocation). Because the annuity allocation amount can never be withdrawn by the Plan, and upon discontinuance of the contract, the book value of the annuity allocation is used to purchase annuities to provide benefits for retirees, the annuity allocation is reported at book value. The unallocated amount is valued at fair value, as discussed further in Note 2, by the insurance company by discounting the related cash flows based on current yields of similar instruments with comparable durations.

The net appreciation (depreciation) in the fair value of investments held by the Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the statement of net position date. Investment income is recognized on the accrual basis as earned by the Plan.

Retiree Medical and Dental Plan (OPEB Plan). Investments are recorded at fair value. The net appreciation (depreciation) in the fair value of investments held by the OPEB Plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the statement of net position date. Investment income is recognized on the accrual basis as earned by the OPEB Plan.

Accounts Receivable

Trade accounts receivable include billed but uncollected amounts and unbilled receivables based upon subsequent monthly billings. Allowances for doubtful accounts are maintained based on historical results adjusted to reflect current conditions.

Inventories

Inventories consist principally of maintenance parts and supplies valued at weighted average cost.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Capital Assets

Capital assets constructed or purchased are stated at cost. Donated assets are reported at their acquisition value on the date of donation. Capital assets are defined by the Authority as assets with an initial, individual cost of \$10 or more and an estimated useful life in excess of one year. Expenses for maintenance, repairs and minor renewals and betterments are expensed as incurred. Major renewals and betterments are treated as property additions. Maintenance and repairs of capital assets are charged to operations and major improvements are capitalized. Upon retirement, sale or other disposition of capital assets, the cost and accumulated depreciation is eliminated from the accounts and gain or loss is recognized.

Depreciation is computed using the straight-line method over the following estimated useful lives of assets:

Land improvements	20 to 40 years
Railroad tracks and crossings	30 to 40 years
Furniture and fixtures	3 to 10 years
Machinery and equipment	3 to 25 years
Buildings and structures	5 to 40 years
Wharves, piers and containerized yard	20 to 50 years

Compensated Absences

The Authority has accrued a liability for future annual leave, having determined that payment of such compensation is probable and having developed a reasonable estimate based upon current salary costs with no benefits. The cost of vacation paid during the current year is charged to the liability account. No liability is incurred or recorded for non-vesting accumulating rights to receive sick pay benefits.

Deferred Outflows/Inflows of Resources

In addition to assets, the *Statements of Net Position* will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, "deferred outflows of resources", represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The Authority reported items related to their pension, other post-employment benefit plan, and supplemental retirement plan as deferred outflows of resources during the years ended June 30, 2021 and 2020. These items are consumptions of net position in future periods, resulting in recognition as deferred outflows of resources and are further discussed in Notes 6 and 7.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the *Statements of Net Position* will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, "deferred inflows of resources", represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reported items related to their pension, other post-employment benefit plan, and supplemental retirement plan as deferred inflows of resources during the year ended June 30, 2021 and 2020. These items are acquisitions of net position which apply to future periods, resulting in recognition as deferred inflows of resources and are further discussed in Notes 6 and 7.

NOTE 2. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2021 and 2020, are summarized as follows:

	2021	2020
As reported in the <i>Statements of Net Position</i> :		
Cash and cash equivalents	\$ 469,359	\$ 371,498
Long-term investments	20,595	18,685
	\$ 489,954	\$ 390,183
Cash deposited with financial institutions	\$ 66,771	\$ 49,168
Cash deposited with Georgia Fund 1	386,830	306,574
Cash deposited in an irrevocable Rabbi Trust	513	-
Cash deposited in a revocable Rabbi Trust	15,758	15,756
Investments in insurance contracts	20,082	18,685
	\$ 489,954	\$ 390,183

Credit risk. State statutes authorize the Authority to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of June 30, 2021 and 2020, the Authority's investment in the Rabbi trust was rated AAAM by Standard & Poor's. As of June 30, 2021 and 2020, the Authority's investment in Georgia Fund 1 was rated AAAf/S1+ by Standard & Poor's.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2021, the Authority had the following investments:

Investment	Maturities	
<i>Investments valued at fair value:</i>		
Georgia Fund 1	36 day weighted average	\$ 386,830
Rabbi Trust	40 day weighted average	
	or less	15,758
Total investments valued at fair value		402,588
<i>Investments valued at cash value</i>		
Insurance contracts		20,082
Total		\$ 422,670

At June 30, 2020, the Authority had the following investments:

Investment	Maturities	
<i>Investments valued at fair value:</i>		
Georgia Fund 1	38 day weighted average	\$ 306,574
Rabbi Trust	39 day weighted average	
	or less	15,756
Total investments valued at fair value		322,330
<i>Investments valued at cash value</i>		
Insurance contracts		18,685
Total		\$ 341,015

Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard & Poor's criteria for AAAf rated money market funds. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1.00 per share. The pool also adjusts the value of its investments to fair value as of year-end and the Authority's investment in Georgia Fund 1 is reported at fair value. The pool is regulated by the Georgia Office of State Treasurer.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

During the year ended June 30, 2014, the Authority established a revocable Rabbi trust with a financial institution. The funds invested in the revocable Rabbi trust are invested in the Federated U.S. Treasury Cash Reserves, a money market mutual fund. The fund invests in a portfolio of short-term U.S. Treasuries. The fund complies with Rule 2a-7 under the Investment Company Act of 1940. The fund uses amortized cost and seeks to maintain a stable net asset value of \$1.00 per share.

During the year ended June 30, 2021, the Authority established an irrevocable Rabbi trust with a registered investment advisor. The funds in the irrevocable Rabbi trust are invested in the Vanguard LifeStrategy Conservative Growth Fund (VSCGX). The VSCGX is reported at fair value based on its quoted price in active markets for identical assets. The fund seeks to provide current income and low to moderate capital appreciation. The fund holds 60% of its assets in bonds, a portion of which is allocated to international bonds, and 40% in stocks, a portion of which is allocated to international stocks.

Fair Value Measurements. The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Georgia Fund 1 is an investment pool, which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. The investments in insurance contracts are valued at cash value in accordance with GASB Statement No. 72. As a result, the Authority does not disclose investment in Georgia Fund 1 or the insurance contracts within the fair value hierarchy.

Interest rate risk. The Authority does not have a formal investment policy limiting investment maturities as part of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of June 30, 2021 and 2020, all of the Authority's bank balances were covered by either federal deposit insurance or by collateral held by the Authority's agent in the Authority's name.

Retirement Plan for Employees of Georgia Ports Authority

At June 30, 2021 and 2020, the fair value of the Retirement Plan for Employees of Georgia Ports Authority's (Plan) cash and investments was \$404,439 and \$327,874, respectively, of which \$4,451 and \$2,704, respectively, are classified as cash equivalents due to the short-term nature of the investments.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Retirement Plan for Employees of Georgia Ports Authority (Continued)

The Plan is subject to asset class restrictions and allocation maximums as defined under Georgia Code Section 47-20-83. The Plan may invest directly in U.S. government bonds, Treasury Inflation-Protected Securities (TIPS), U.S. investment grade broad bonds, U.S. investment grade corporate bonds, U.S. investment grade convertible bonds, global investment grade bonds, emerging market investment grade bonds, U.S. equities, international equities, emerging market equities, and real estate investment trust securities (REITS).

The Plan may invest indirectly, either through a mutual fund, structured note, or exchange traded fund, in high yield bonds, bank loans, long/short equities, long/short futures, commodities, hedge funds, convertible arbitrage, fixed income arbitrage, distressed securities, merger arbitrage, and global macro funds.

The Plan may also invest up to 5% of plan assets in "Alternatives" such as private placements or limited partnerships, as provided under Georgia Code Section 47-20-87. The 5% is to include committed capital that has not yet been invested.

Fair Value Measurements: As of June 30, 2021, the Plan reported exchange traded funds and fixed income funds in the amounts of \$281,767 and \$105,542, respectively, as level 1 investments in the fair value hierarchy. Additionally, the global opportunities hedge fund investments of \$2,185 were measured and reported at their net asset value (NAV). This hedge fund investment had no unfunded commitments and the redemption frequency was closed as of June 30, 2021.

As of June 30, 2020, the Plan reported exchange traded funds and fixed income funds in the amounts of \$217,727 and \$95,210, respectively, as level 1 investments in the fair value hierarchy. Additionally, the global opportunities hedge fund investments of \$2,184 were measured and reported at their net asset value (NAV). This hedge fund investment had no unfunded commitments and the redemption frequency was closed as of June 30, 2020.

Debt, equity and mutual fund securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Plan has no investments classified in Level 3.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Retirement Plan for Employees of Georgia Ports Authority (Continued)

Fair Value Measurements (Continued): *Global opportunities hedge funds.* This type includes one investment in a limited partnership that hold a majority of the funds' investments in non-U.S. sovereign, quasi-sovereign and corporate debt located within emerging market countries, including distressed, high yield and defaulted debt, while hedging against global market and credit risks with derivative instruments including futures, foreign currency contracts and credit default swaps. The fair values of the investments in this type have been determined using the NAV (or its equivalent) per share of the investments. This investment has a seven-year term from the initial close on June 1, 2012, with one one-year extension. Capital will begin returning to investors at the end of the investment period, five years from the initial close.

The Plan also holds investments in immediate participation guarantee (IPG) contracts in the amount of \$10,494 and \$10,049 as of June 30, 2021 and 2020, respectively, consisting of both an annuity allocation amount (a minimum balance required by contract to provide for annuity benefits guaranteed by the insurance company) and an unallocated amount (the amount in excess of the annuity allocation). The Plan's investment in IPG contracts is valued as described in Note 1 in accordance with GASB Statement No. 31, and is excluding from reporting in the fair value hierarchy.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2021 and 2020, the Plan was not exposed to custodial credit risk with respect to its investments.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Plan may not be able to recover its deposits. At June 30, 2021 and 2020, the Plan was not exposed to custodial credit risk with respect to its deposits.

Rate of Return: For the years ended June 30, 2021 and 2020, the annual money-weighted rate of return on pension plan investments, net of pension investment expense, was 21.70% and 9.10%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. At June 30, 2021 and 2020, the Plan had \$399,988 and \$325,170, respectively, invested in the following types of investments as categorized by credit risk and interest rate risk: Equities - \$281,767 and \$217,727, Fixed Income - \$105,542 and \$95,210, Alternative Funds - \$2,185 and \$2,184, and Immediate Participation (IPG) Contracts - \$10,494 and \$10,049. Each investment category does not have a credit quality rating or a weighted average maturity.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Retirement Plan for Employees of Georgia Ports Authority (Continued)

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Plan. The Plan is subject to asset class restrictions and allocation maximums as defined under Georgia Code Section 47-20-80, et seq. As an eligible large retirement system, the Plan may invest up to 5% of Plan assets in “Alternatives” such as private placements or limited partnerships.

It is the Plan’s investment policy that fixed income securities be limited to: (a) those rated as investment grade by a nationally recognized rating agency; (b) a maximum of 5% for a single security issue and a maximum of 15% for a single industry group; and (c) obligations of corporations that have a market capitalization of at least \$100 million, or the remaining outstanding principal value of the issue must be at least \$100 million.

Equity securities are limited to: (a) a maximum of 6%, at cost, for a single security issue, and a maximum sector concentration of greater than two times the benchmark, or 10%; (b) market capitalization of at least \$100 million; and (c) the investment manager votes proxies on every issue that is expected to have a significant impact on the value of the investment.

The Plan investment policy adopts the following asset mix to achieve the lowest level of risk for the Plan: Fixed Income Securities between 20% and 60%, Equity Securities between 40% and 75%, and Alternative Strategies between 0% and 30%. At June 30, 2021 and 2020, the Plan’s asset mix was as follows:

	<u>2021</u>	<u>2020</u>
Cash, short-term investments, and accrued interest and dividends	1%	1%
Equities	69%	66%
Fixed income	26%	29%
IPG contracts	3%	3%
Alternative funds	1%	1%

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Retirement Plan for Employees of Georgia Ports Authority (Continued)

Concentration of Credit Risk: Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government's investment in a single issue. At June 30, 2021 and 2020, the Plan holds more than 5% of its investments in the following mutual funds and exchange traded funds:

Investment	2021	2020
Exchange traded funds		
Ishares Core S&P 500 ETF	\$ 57,510	\$ 40,498
Ishares Russell 1000 Growth ETF	-	114,258
Ishares Core S&P U.S. Value ETF	-	34,241
Ishares Core MSCI EAFE ETF	27,456	20,964
Invesco S&P 500 Pure Value ETF	33,962	-
Ishares Core MSCI Emerging Markets ETF	58,543	-
Vanguard Russell 1000 Value ETF	104,296	-
	\$ 281,767	\$ 209,961
Mutual funds		
Ishares Core I.S. Aggregate Bond ETF	\$ 105,542	\$ 95,210

Foreign Currency Risk: At June 30, 2021 and 2020, the Plan assets had no exposure to foreign currency risk.

Retiree Medical and Dental Plan

Deposits and investments for the retiree medical and dental plan (OPEB Plan) are summarized as follows:

	2021	2020
Demand deposits	\$ 376	\$ 641
Mutual funds	10,932	8,883
Exchange traded funds	7,270	5,165
	\$ 18,578	\$ 14,689

At June 30, 2021 and 2020, the fair value of the OPEB Plan's cash and investments was \$18,578 and \$14,689, respectively, of which \$376 and \$641, respectively, is classified as cash equivalents due to the short-term nature of the investments. As of June 30, 2021 and 2020, \$18,202 and \$14,048, respectively, is classified as assets measured at fair value (mutual funds and exchange traded funds).

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Retiree Medical and Dental Plan (Continued)

Investment Policy – It is the policy of the OPEB Plan that the assets be invested in accordance with Georgia law and the terms of the OPEB Plan. As of June 30, 2021 and 2020, the assets of the OPEB Plan were invested in mutual funds and exchange traded funds. The following represents the overall asset allocation parameters according to the investment policy:

<u>Asset class</u>	<u>Neutral</u>	<u>Allowable</u>
Equity	50%	35 - 55%
Fixed income	40%	25 - 55%
Cash equivalents	5%	0 - 40%
Real estate	5%	0 - 10%

Fair Value Measurements - The OPEB Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. At June 30, 2021 and 2020, the OPEB Plan's investment mix consisted of mutual funds and exchange traded funds. Mutual funds and exchange traded funds are valued using quoted market prices and are thus classified in Level 1 of the fair value hierarchy.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, the OPEB Plan may not be able to recover deposits held at the financial institution. As of June 30, 2021 and 2020, the OPEB Plan was not exposed to custodial credit risk with respect to its investments.

As of June 30, 2021 and 2020, the OPEB plan held \$10,932 and \$8,883, respectively, in mutual funds and \$7,270 and \$5,165, respectively, in exchange traded funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

Retiree Medical and Dental Plan (Continued)

Concentration of Credit Risk – Concentration of credit risk is the risk of loss that may be attributed to the magnitude of a government’s investment in a single issue. At June 30, 2021 and 2020, the OPEB Plan holds more than 5% of its investments in the following funds:

Investment	2021	2020
Mutual funds		
Cohen & Steers Real Estate Securities Fund, Inc.	\$ 1,480	\$ 1,074
Dodge & Cox Income Fund	1,263	1,222
Federated Institutional High Yield Bond Fund	-	707
PIMCO Short-term Fund Institutional Class	1,426	1,161
Vanguard Short-term Investment Grade Fund	1,422	1,343
Total mutual funds	<u>\$ 5,591</u>	<u>\$ 5,507</u>
Exchange traded funds		
Vanguard 500 Index Fund	\$ 6,301	\$ 4,538
Vanguard Small-Cap Fund	969	627
Total exchange traded funds	<u>\$ 7,270</u>	<u>\$ 5,165</u>

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the OPEB Plan. The OPEB Plan’s investment policy limits eligible investments to a variety of clearly delineated investment funds to permit the OPEB Plan to diversify in order to maximize the potential investment returns and minimize the risk of any one fund.

Interest Rate Risk for Investments – The OPEB Plan does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Foreign Currency Risk: At June 30, 2021 and 2020, the OPEB Plan assets had no exposure to foreign currency risk.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 279,935	\$ 29,890	\$ -	\$ 73	\$ 309,898
Construction in progress	<u>153,099</u>	<u>159,041</u>	<u>-</u>	<u>(71,003)</u>	<u>241,137</u>
Total	<u>433,034</u>	<u>188,931</u>	<u>-</u>	<u>(70,930)</u>	<u>551,035</u>
Capital assets, being depreciated:					
Land improvements	613,935	3,264	(880)	1,015	617,334
Wharves, piers, and containerized yard	258,283	-	(3,108)	-	255,175
Railroad tracks and crossings	39,899	-	-	-	39,899
Building and structures	174,537	55	(1,634)	124	173,082
Machinery and equipment	737,402	18,567	(49,364)	69,791	776,396
Furniture and fixtures	<u>8,178</u>	<u>105</u>	<u>-</u>	<u>-</u>	<u>8,283</u>
Total	<u>1,832,234</u>	<u>21,991</u>	<u>(54,986)</u>	<u>70,930</u>	<u>1,870,169</u>
Less accumulated depreciation for:					
Land improvements	(245,168)	(24,588)	548	-	(269,208)
Wharves, piers, and containerized yard	(120,265)	(7,088)	1,226	-	(126,127)
Railroad tracks and crossings	(11,456)	(1,711)	-	-	(13,167)
Building and structures	(92,264)	(4,684)	993	-	(95,955)
Machinery and equipment	(328,206)	(37,929)	46,452	-	(319,683)
Furniture and fixtures	<u>(7,130)</u>	<u>(281)</u>	<u>-</u>	<u>-</u>	<u>(7,411)</u>
Total	<u>(804,489)</u>	<u>(76,281)</u>	<u>49,219</u>	<u>-</u>	<u>(831,551)</u>
Total capital assets, being depreciated, net	<u>1,027,745</u>	<u>(54,290)</u>	<u>(5,767)</u>	<u>70,930</u>	<u>1,038,618</u>
Total capital assets, net	<u>\$ 1,460,779</u>	<u>\$ 134,641</u>	<u>\$ (5,767)</u>	<u>\$ -</u>	<u>\$ 1,589,653</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the year ended June 30, 2020, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 264,941	\$ 19,723	\$ (9)	\$ (4,720)	\$ 279,935
Construction in progress	<u>223,081</u>	<u>93,221</u>	<u>-</u>	<u>(163,203)</u>	<u>153,099</u>
Total	<u>488,022</u>	<u>112,944</u>	<u>(9)</u>	<u>(167,923)</u>	<u>433,034</u>
Capital assets, being depreciated:					
Land improvements	482,060	64,799	(100)	67,176	613,935
Wharves, piers, and containerized yard	225,601	12,695	-	19,987	258,283
Railroad tracks and crossings	24,571	7,559	-	7,769	39,899
Building and structures	157,433	1,408	(750)	16,446	174,537
Machinery and equipment	665,344	17,987	(2,225)	56,296	737,402
Furniture and fixtures	<u>7,730</u>	<u>209</u>	<u>(10)</u>	<u>249</u>	<u>8,178</u>
Total	<u>1,562,739</u>	<u>104,657</u>	<u>(3,085)</u>	<u>167,923</u>	<u>1,832,234</u>
Less accumulated depreciation for:					
Land improvements	(224,926)	(20,269)	27	-	(245,168)
Wharves, piers, and containerized yard	(113,467)	(6,798)	-	-	(120,265)
Railroad tracks and crossings	(10,385)	(1,071)	-	-	(11,456)
Building and structures	(88,373)	(4,552)	661	-	(92,264)
Machinery and equipment	(296,559)	(33,869)	2,222	-	(328,206)
Furniture and fixtures	<u>(6,691)</u>	<u>(446)</u>	<u>7</u>	<u>-</u>	<u>(7,130)</u>
Total	<u>(740,401)</u>	<u>(67,005)</u>	<u>2,917</u>	<u>-</u>	<u>(804,489)</u>
Total capital assets, being depreciated, net	<u>822,338</u>	<u>37,652</u>	<u>(168)</u>	<u>167,923</u>	<u>1,027,745</u>
Total capital assets, net	<u>\$ 1,310,360</u>	<u>\$ 150,596</u>	<u>\$ (177)</u>	<u>\$ -</u>	<u>\$ 1,460,779</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 4. LEASES

Operating Leases, as Lessor

The Authority, as lessor, leases certain of its facilities to tenants for terms generally varying from one to 50 years under leases accounted for as operating leases. Revenues are recorded when earned and, where appropriate, depreciation is provided. Capital assets, including facilities leased to others, are summarized as follows at June 30, 2021 and 2020:

	2021	2020
Land and buildings	\$ 132,019	\$ 139,395
Accumulated depreciation	<u>(73,679)</u>	<u>(75,896)</u>
	<u>\$ 58,340</u>	<u>\$ 63,499</u>

Minimum future rentals to be received under operating leases are as follows:

Year ending June 30:		
2022	\$	12,263
2023		9,285
2024		8,544
2025		8,596
2026		8,524
2027 – 2031		42,861
2032 – 2036		43,000
2037 – 2041		26,796
2042 – 2046		15,469
2047 – 2051		5,607
	<u>\$</u>	<u>180,945</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. COMPENSATED ABSENCES

The Authority's compensated absence activity for the year ended June 30, 2021 and 2020, are as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 4,567	\$ 2,782	\$ (2,710)	\$ 4,639	\$ 3,934
Total long-term liabilities	<u>\$ 4,567</u>	<u>\$ 2,782</u>	<u>\$ (2,710)</u>	<u>\$ 4,639</u>	<u>\$ 3,934</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated absences	\$ 3,952	\$ 3,324	\$ (2,709)	\$ 4,567	\$ 3,942
Total long-term liabilities	<u>\$ 3,952</u>	<u>\$ 3,324</u>	<u>\$ (2,709)</u>	<u>\$ 4,567</u>	<u>\$ 3,942</u>

The Authority reports the current portion of compensated absences within accrued liabilities and the non-current portion within other non-current liabilities on the statement of net position.

NOTE 6. PENSION BENEFIT PLANS

The **Retirement Plan for Employees of Georgia Ports Authority** (Plan) is a single-employer contributory group annuity defined benefit pension plan.

The Plan eligibility was frozen effective July 1, 2011, and has been replaced by a defined contribution retirement plan. The defined benefit pension plan is administered by the Aetna Life Insurance Company. Truist Bank is the custodian for the Plan. The Plan provides pension benefits to plan members and beneficiaries. The relevant information about the Plan is provided below. The financial statements of the Plan are audited each year. The report may be obtained by writing to the Georgia Ports Authority Finance Department, P.O. Box 2406, Savannah, Georgia 31402.

The contribution requirements of plan members and the Authority are established by the Authority's Board and may be amended at any time. Plan members are required to contribute 1% of the first \$9 earned and 1.5% of any wages in excess of \$9. The Authority is required to contribute at an actuarially determined rate; the current rate is 34.2% of covered payroll. These contributions are determined under the entry age normal and the market valuation method for developing the actuarial value of assets. The unfunded actuarial accrued liability is being amortized using the level dollar method on a closed basis. The remaining amortization period at July 1, 2020, was seven years.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

The following schedule reflects membership for the Plan as of June 30, 2020 and June 30, 2019.

	2020	2019
Retired participants and beneficiaries	469	441
Terminated vested participants	74	74
Active participants	642	686
Total	1,185	1,201

Net Pension Liability. The Authority's net pension liability for the years ended June 30, 2021 and 2020, are as follows:

	2021	2020
Total pension liability	\$ 329,196	\$ 309,577
Plan net position	327,875	293,735
Net pension liability	\$ 1,321	\$ 15,842
Plan net position as a percentage of the total pension liability	99.6%	94.9%

The Authority's changes in the net pension liability by source for the fiscal year ended June 30, 2021, is reflected below:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Beginning Balance	\$ 309,577	\$ 293,735	\$ 15,842
Changes for the year:			
Service cost	4,385	-	4,385
Interest	22,821	-	22,821
Experience changes	(471)	-	(471)
Assumption changes	4,583	-	4,583
Contributions – employer	-	17,935	(17,935)
Contributions – employee	-	760	(760)
Net investment income (loss)	-	27,886	(27,886)
Benefit payments, including refunds of employee contributions	(11,699)	(11,699)	-
Administrative expense	-	(742)	742
Net changes	19,619	34,140	(14,521)
Ending Balance	\$ 329,196	\$ 327,875	\$ 1,321

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

The Authority's changes in the net pension liability (asset) by source for the fiscal year ended June 30, 2020, is reflected below:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Beginning Balance	\$ 279,603	\$ 289,023	\$ (9,420)
Changes for the year:			
Service cost	4,152	-	4,152
Interest	21,739	-	21,739
Experience changes	6,375	-	6,375
Assumption changes	8,408	-	8,408
Contributions – employer	-	10,172	(10,172)
Contributions – employee	-	784	(784)
Net investment income	-	5,308	(5,308)
Benefit payments, including refunds of employee contributions	(10,700)	(10,700)	-
Administrative expense	-	(852)	852
Net changes	29,974	4,712	25,262
Ending Balance	\$ 309,577	\$ 293,735	\$ 15,842

The required schedule of changes in the Authority's net pension liability (asset) and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Deferred outflows and inflows of resources. During the years ended June 30, 2021 and 2020, the Authority recognized pension expense of \$14,164 and \$17,490. The Authority reported deferred outflows and inflows of resources related to pensions from the following sources as of June 30, 2021:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension assumption changes	\$ 8,297	\$ 535
Pension experience differences	4,187	536
Pension investment return	4,011	-
Pension contribution subsequent to measurement date	14,164	-
Total	\$ 30,659	\$ 1,071

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

Authority contributions subsequent to the measurement date of \$14,164 are reported as a deferred outflow of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. The remaining deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2022	\$	4,689
2023		6,952
2024		4,799
2025		(1,016)
Total	<u>\$</u>	<u>15,424</u>

The Authority reported deferred outflows of resources related to pensions from the following sources as of June 30, 2020:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension assumption changes	\$ 7,905	\$ 1,288
Pension experience differences	6,388	901
Pension investment return	14,069	-
Pension contribution subsequent to measurement date	17,935	-
Total	<u>\$ 46,297</u>	<u>\$ 2,189</u>

Authority contributions subsequent to the measurement date of \$17,935 are reported as a deferred outflow of resources and were recognized as a reduction of the net pension liability in the year ended June 30, 2021. The remaining deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2021	\$	9,138
2022		4,888
2023		7,150
2024		4,997
Total	<u>\$</u>	<u>26,173</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of July 1, 2019 and 2018, with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2020 and 2019. The following actuarial assumptions apply to the respective periods included in the measurement:

	<u>2020</u>	<u>2019</u>
Post-retirement benefit increase rate	3.00%	3.00%
Salary increases	3.00%	3.00%
Investment return	7.30%	7.40%

Mortality rates were based on the RP-2000 Healthy Mortality projected 10 years after valuation date of Scale AA, separate tables for annuitants and non-annuitants. No specific experience study has been performed on which to base the actuarial assumptions.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2021 and 2020: Equity Securities – 4.6% and 5.5%, respectively, and Fixed Income Securities – 1.2% and 2.3%, respectively.

Discount rate. The discount rate used to measure the total pension liability was 7.30% and 7.40% as of June 30, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions and also on considering the Plan's net position as of June 30, 2021 and 2020, the Plan's net position was projected to be available to make projected future benefit payments of current plan members for all future Plan years. Therefore, the long-term expected rate of return on pension plan investments (7.30%) becomes the discount rate and thus was applied to all projected future benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following presents the net pension liability (asset) of the Authority, calculated using the discount rate, as well as what the Authority's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

The following table represents the sensitivity analysis discussed above as of June 30, 2021:

	1% Decrease (6.30%)	Current Discount Rate (7.30%)	1% Increase (8.30%)
Authority's net pension liability (asset) \$	44,954	\$ 1,321	\$ (35,038)

The following table represents the sensitivity analysis discussed above as of June 30, 2020:

	1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
Authority's net pension liability (asset) \$	57,252	\$ 15,842	\$ (18,632)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plans in effect as of June 30, 2021 and 2020, and the current sharing pattern of costs between employer and employee.

The Georgia Ports Authority has two Supplemental Retirement Plans which are both single-employer defined benefit pension plans providing supplemental benefits to plan members and beneficiaries. The relevant information about the retirement plans is provided below. No other financial reports are issued by these sole employer plans.

There are no contribution requirements of the plan members or the Authority. The Authority contributes on a pay-as-you-go method. Contributions are determined under the entry age normal actuarial cost method.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

The following schedule reflects membership for the Plan as of June 30, 2020 and June 30, 2019.

	2021	2020
Active participants	2	2
Former employees receiving benefits	14	13
Total	16	15

Total Pension Liability: The Authority's changes in the total pension liability by source and the derivation of the Authority's pension expense for the fiscal year ended June 30, 2021 and 2020, are reflected below:

	Total Pension Liability 2021	Total Pension Liability 2020
Beginning Balance	\$ 45,824	\$ 42,560
Changes for the year:		
Service cost	609	311
Interest	1,585	1,668
Economic/demographic gains or losses	202	428
Assumption changes	8,171	2,972
Benefit payments	(2,243)	(2,115)
Net changes	8,324	3,264
Ending Balance	\$ 54,148	\$ 45,824

The required schedule of changes in the Authority's total pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of the total pension liability is increasing or decreasing over time relative to the covered payroll of the plan.

Deferred outflows and inflows of resources. During the years ended June 30, 2021 and 2020, the Authority recognized pension expense of \$10,486 and \$5,379. The Authority reported deferred outflows of resources as of June 30, 2021 for pension contributions subsequent to the measurement date in the amount of \$2,328. This will be recognized as a reduction of the total pension liability in the year ending June 30, 2022. The Authority reported deferred outflows of resources as of June 30, 2021 for plan assumption changes in the amount of \$81. This will be recognized as a reduction of the total pension liability annually in the amount of \$13 through fiscal year 2027. The Authority reported deferred outflows of resources as of June 30, 2020 for pension contributions subsequent to the measurement date in the amount of \$2,244. This was recognized as a reduction of the total pension liability in the year ended June 30, 2021.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of July 1, 2019 and 2018 and January 1, 2020, with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2020 and 2019. The following actuarial assumptions apply to the respective periods included in the measurement:

COLA rate	2.50% and 0.00%
Salary increases including inflation	3.00%
Retirement age	60
Actuarial cost method	Entry Age Normal

Mortality rates were based on the Sex Distinct RP – 2000 healthy mortality projected 10 years after valuation date at Scale AA, separate tables for annuitants and non-annuitants. The assumption for spouse age differences for one of the actively employed participants is that the participant is assumed to be three years older than the spouse, and for the other actively employed participant, the spouse is assumed to be 19 months older than the participant.

Discount rate. The discount rate used to measure the total pension liability was 2.21% and 3.50% as of June 30, 2021 and 2020, respectively. This rate is the municipal bond rate and was determined using the 20-Bond GO Bond Buyer Index on the closest published date to the applicable measurement date.

The above actuarial calculations are based on the substantive plan in effect as of July 1, 2020. The Authority has made substantial efforts to provide added assurance that pension liabilities will be paid from available assets and the Authority has earmarked certain assets to fund the unfunded accrued liability of the supplemental retirement plans. Accounting rules and actuarial practices do not allow these assets to be considered as funding of the pension and, as such, are not a direct offset to the pension liability. However, as of June 30, 2021, the Authority maintains certain earmarked assets, namely life insurance products with a net face value of \$33,937, a revocable Rabbi trust of \$15,758, and an irrevocable Rabbi Trust of \$513 with a combined value of \$50,208 to offset the \$54,148 unfunded accrued liability. The current cash surrender value of those life insurance products combined with the revocable and irrevocable Rabbi trusts equates to currently available assets of \$36,353.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLAN

Plan Description

The Georgia Ports Authority Retiree Medical and Dental Plan (OPEB Plan) is a single employer defined benefit post-retirement health care plan or other post-employment benefit (OPEB). The Georgia Ports Authority Retiree Medical and Dental Trust (Trust) is a trust established pursuant to Section 115 of the Internal Revenue Code of 1986 for the purpose of pre-funding other post-employment benefits provided under its benefit plans in accordance with GASB Statement 74 and GASB Statement 75. The Trust was established, effective July 1, 2007, by the Authority to pre-fund medical and dental benefits for current employees and retirees (and their eligible dependents) who are eligible for such benefits under existing Authority policy and meets the definition of a trust as outlined in paragraph four of GASB Statement No. 75. Plan benefit provisions and contribution requirements are established and may be amended by the Authority. The financial statements of the Georgia Ports Authority Retiree Medical and Dental Trust are audited each year. The report may be obtained by writing to the Georgia Ports Authority Finance Department, P.O. Box 2406, Savannah, Georgia 31402.

General

The following brief description of the OPEB Plan terms is provided for general information purposes only. Participants should refer to the plan agreement for more complete information.

Retirement Options/Benefit Provisions

Retirees and their spouses and dependents are eligible for benefits under the Plan if the employee retires early from age 55 up to age 65 with at least 15 years of service, and was covered under the medical plan as an active member immediately prior to retirement. Plan benefits will terminate when a plan member reaches age 65, is employed by another company, or is covered under the spouse's plan. Coverage under the Plan includes medical, dental and prescription drug benefits.

Eligibility

Employees and their dependents are eligible for the OPEB Plan if the employee retires early from age 55 up to age 65 with at least 15 years of service. This coverage will terminate when the employee reaches age 65, is employed by another company, or is covered under the spouse's group plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Fund Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of June 30, 2020 and 2019.

	2021	2020
Active employees	1,376	1,192
Retirees and surviving spouses with medical coverage	103	88
Total	1,479	1,280

Contributions

The Authority contributed an actuarially determined amount to the OPEB Plan's Trust for the years ended June 30, 2021 and 2020, which amounted to \$2,000 and \$1,738, respectively.

Net OPEB Liability. The Authority's changes in the net OPEB liability by source for the fiscal year ended June 30, 2021, is reflected below:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Beginning Balance	\$ 24,951	\$ 13,654	\$ 11,297
Changes for the year:			
Service cost	605	-	605
Interest	1,497	-	1,497
Effect of economic/demographic gains or losses	(1,432)	-	(1,432)
Effect of assumption changes	(283)	-	(283)
Benefit payments	(1,235)	(1,235)	-
Employer contributions	-	2,000	(2,000)
Net investment income	-	348	(348)
Administrative expense	-	(182)	182
Net changes	(848)	931	(1,779)
Ending Balance	\$ 24,103	\$ 14,585	\$ 9,518

NOTES TO FINANCIAL STATEMENTS

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

The Authority's changes in the net OPEB liability by source for the fiscal year ended June 30, 2020 is reflected below:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Beginning Balance	\$ 24,421	\$ 12,841	\$ 11,580
Changes for the year:			
Service cost	571	-	571
Interest	1,455	-	1,455
Benefit payments	(1,496)	(1,496)	-
Employer contributions	-	1,738	(1,738)
Net investment income	-	713	(713)
Administrative expense	-	(142)	142
Net changes	530	813	(283)
Ending Balance	\$ 24,951	\$ 13,654	\$ 11,297

The required schedule of changes in the Authority's net OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets are increasing or decreasing over time relative to the total OPEB liability.

Deferred outflows and inflows of resources. During the years ended June 30, 2021 and 2020, the Authority recognized OPEB expense of \$1,863 and \$2,000, respectively. The Authority reported deferred outflows and inflows of resources related to OPEB from the following sources as of June 30, 2021:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience differences	\$ 650	\$ 1,253
Assumption changes	814	383
Difference between expected and actual earnings	836	-
OPEB contribution subsequent to measurement date	2,081	-
Total	\$ 4,381	\$ 1,636

NOTES TO FINANCIAL STATEMENTS

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Authority contributions subsequent to the measurement date of \$2,081 are reported as a deferred outflow of resources and will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. The remaining deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:		
2022	\$	399
2023		329
2024		200
2025		188
2026		(23)
Thereafter		(428)
Total	<u>\$</u>	<u>665</u>

The Authority reported deferred outflows of resources related to OPEB from the following sources as of June 30, 2020:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience differences	\$ 873	\$ 46
Pension assumption changes	990	370
Difference between expected and actual earnings	860	-
OPEB contribution subsequent to measurement date	2,000	-
Total	<u>\$ 4,723</u>	<u>\$ 416</u>

Authority contributions subsequent to the measurement date of \$2,000 were reported as a deferred outflow of resources and were recognized as a reduction of the net OPEB liability in the year ended June 30, 2021. The remaining deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:		
2021	\$	532
2022		516
2023		445
2024		317
2025		305
Thereafter		192
Total	<u>\$</u>	<u>2,307</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, with update procedures performed by the actuary to roll forward the total OPEB liability to the measurement date of June 30, 2021. The following actuarial assumptions apply to all periods included in the measurement:

Discount rate	6.00%
Salary increases	3.00%
Inflation rate	2.20%
Actuarial cost method	Entry Age Normal
Initial healthcare cost rate	5.00%
Ultimate healthcare cost rate	3.70%

Mortality rates were based on the PUB-2010 Mortality Table projected with Improvement Scale MP2020 for both participants and annuitants. No specific experience study has been performed on which to base the actuarial assumptions.

The long-term expected rate of return of the Plan's adopted investment policy was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Plan's target asset allocation as of June 30, 2021 and 2020: Equity Securities – 6.8% and 3.2%, respectively, and Fixed Income Securities – 2.1% and 1.3%), respectively.

Discount rate. The discount rate used to measure the total OPEB liability was 6.00% as of June 30, 2021 and 2020. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions and also on considering the Plan's net position as of June 30, 2021 and 2020, the Plan's net position was projected to be available to make projected future benefit payments of current plan members for all future Plan years. Therefore, the long-term expected rate of return on OPEB plan investments (6.00%) becomes the discount rate and thus was applied to all projected future benefit payments to determine the total OPEB liability.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost rate trend. The following presents the net OPEB liability of the Authority, calculated using the discount rate, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate or healthcare cost rate that is one percentage point lower or one percentage point higher than the current rate.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. OTHER POST-EMPLOYMENT BENEFIT PLAN (CONTINUED)

The following table represents the sensitivity analysis discussed above as of June 30, 2021:

	<u>1% Decrease (5.00%)</u>	<u>Current Discount Rate (6.00%)</u>	<u>1% Increase (7.00%)</u>
1% Decrease - Healthcare cost rate trend		\$ 7,686	
Authority's net OPEB liability	\$ 11,271	9,518	\$ 7,924
1% Increase - Healthcare cost rate trend		11,587	

The following table represents the sensitivity analysis discussed above as of June 30, 2020:

	<u>1% Decrease (5.00%)</u>	<u>Current Discount Rate (6.00%)</u>	<u>1% Increase (7.00%)</u>
1% Decrease - Healthcare cost rate trend		\$ 9,149	
Authority's net OPEB liability	\$ 13,184	11,297	\$ 9,592
1% Increase - Healthcare cost rate trend		13,743	

Schedule of Deferred Outflows of Resources, Deferred Inflows of Resources and Pension/OPEB expense – All Plans: The total deferred outflows of resources, deferred inflows of resources and pension/OPEB expense for the fiscal year ended June 30, 2021 are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension/OPEB Expense</u>
Retirement Plan	\$ 30,659	\$ 1,071	\$ 14,164
Supplemental Retirement Plans	2,409	-	10,486
OPEB Plan	4,381	1,636	1,863
Total	<u>\$ 37,449</u>	<u>\$ 2,707</u>	<u>\$ 26,513</u>

The total deferred outflows of resources, deferred inflows of resources and pension/OPEB expense for the fiscal year ended June 30, 2020 are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension/OPEB Expense</u>
Retirement Plan	\$ 46,297	\$ 2,189	\$ 17,490
Supplemental Retirement Plan	2,244	-	5,379
OPEB Plan	4,723	416	2,000
Total	<u>\$ 53,264</u>	<u>\$ 2,605</u>	<u>\$ 24,869</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. RISK MANAGEMENT

The Authority is self-insured for its major medical employee health benefit claims up to a calendar year aggregate basis per individual of \$225 (less an aggregate specific deductible of \$150). Excess major medical insurance coverage is provided through a private insurance policy for the amounts in excess of \$200 and through aggregate stop loss coverage. Dental coverage is provided up to \$2.5 per covered member per year.

The basis for estimating the liabilities for unpaid claims includes an incurred, but not reported, calculation. The Authority has provided for amounts, which are considered to be outstanding and unpaid as of June 30, 2021 and 2020, and such amounts are included in the financial statements for the years ended June 30, 2021 and 2020. Changes in the balances of medical claims liabilities during the years ended June 30, 2021 and 2020, are as follows:

	<u>2021</u>	<u>2020</u>
Unpaid claims, beginning of fiscal year	\$ 650	\$ 660
Claims paid	(10,469)	(10,456)
Incurred claims	10,444	10,446
Unpaid claims, end of fiscal year	<u>\$ 625</u>	<u>\$ 650</u>

The Authority is exposed to various risks of loss, including, but not limited to: torts; theft of assets; damage to and destruction of assets; errors and omissions; and natural disasters. These exposures are addressed through an insurance program including a mix of policies procured from the State of Georgia and insurance companies found in traditional commercial markets. Limits of coverage for liability exposures include an underlying limit of \$1,000 with an excess bumbershoot policy providing up to \$150,000 in protection except where liability is limited by the Georgia Tort Claims Act. Coverage for Georgia Ports Authority property and equipment is scheduled on a replacement cost basis.

There have been no significant reductions of insurance coverage, and settlement amounts have not exceeded insurance coverage for the current or the three prior years.

NOTE 9. COMMITMENTS AND CONTINGENCIES

At June 30, 2021 and 2020, the Authority had commitments for construction projects of approximately \$309,029 and \$118,403, respectively.

The Authority is a defendant in various lawsuits incidental to its business. Management believes that any liability that may result from such lawsuits will not have a material adverse effect on its operations or financial position.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. COMMITMENTS AND CONTINGENCIES (CONTINUED)

In August 2015, the Authority formally entered into an agreement with the Georgia Department of Public Safety to fund the increase in law enforcement of commercial traffic within the highway interstate corridors that serve the Authority's facilities. The agreement ended in fiscal year 2020. The Authority paid \$5,472 to the Georgia Department of Public Safety during the year ended June 30, 2020.

During fiscal year ended June 30, 2013, the Authority entered into a compromise and settlement agreement with the U.S. Army Corps of Engineers, the State of South Carolina and several non-governmental environmental organizations relative to the project by the U.S. Army Corps of Engineers to deepen the Savannah River federal navigation channel. This project is commonly referred to as the Savannah Harbor Expansion Project (SHEP).

The respective SHEP agreement, approved by the U.S. Federal District Court for the District of South Carolina, resulted in a commitment by the Authority in the amount of \$35,530, of which the Authority had paid \$16,093 through the year ended June 30, 2021, which includes the following provisions to be funded by the Authority subject to satisfaction of certain conditions based on all known and expected factors; and therefore, considered to be "probable" as defined by respective and authoritative financial reporting standards:

- GPA will establish a letter of credit or escrow account within six months of the commencement of inner harbor dredging in the amount of \$2,000 to serve as a contingency fund should the operation of the dissolved oxygen (DO) injection systems not receive funding by the federal government. This letter of credit or escrow account will be maintained at a minimum of \$2,000 for 50 years after completion of the SHEP.
- GPA will contribute \$3,000 for water quality monitoring in the Lower Savannah River Basin; \$3,000 for monitoring and research of Shortnose and Atlantic Sturgeon; \$15,000 for conservation, wetlands preservation, acquisitions of easements and/or upland buffers, and creation, restoration or enhancement of wetlands to benefit the Lower Savannah River watershed.
- GPA will contribute \$12,500 for environmental and conservation projects in the Savannah River Basin to the Savannah River Restoration Board whose membership is prescribed in the agreement.

REQUIRED SUPPLEMENTARY INFORMATION

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN FOR THE EMPLOYEES OF GEORGIA PORTS AUTHORITY SCHEDULE OF CHANGES IN THE AUTHORITY'S NET PENSION LIABILITY (ASSET) AND RELATED RATIOS FOR THE FISCAL YEARS ENDED JUNE 30, (In Thousands)

	2021	2020	2019	2018	2017
Total pension liability					
Service cost	\$ 4,385	\$ 4,152	\$ 4,110	\$ 4,497	\$ 4,226
Interest on total pension liability	22,821	21,739	21,039	19,958	18,563
Differences between expected and actual experience	(471)	6,375	2,048	(1,020)	-
Changes in assumptions and/or cost method	4,583	8,408	383	(3,549)	1,120
Benefit payments, including refunds of employee contributions	(11,699)	(10,700)	(9,442)	(8,658)	(7,840)
Net change in total pension liability	19,619	29,974	18,138	11,228	16,069
Total pension liability beginning	309,577	279,603	261,465	250,237	234,168
Total pension liability - ending (a)	329,196	309,577	279,603	261,465	250,237
Plan fiduciary net position					
Contributions - employer	17,935	10,172	10,819	12,824	18,631
Contributions - employee	760	784	795	798	814
Net investment income	27,886	5,308	19,787	28,503	(47)
Benefit payments, including refunds of employee contributions	(11,699)	(10,700)	(9,442)	(8,658)	(7,840)
Administrative expenses	(742)	(852)	(880)	(706)	(509)
Net change in plan fiduciary net position	34,140	4,712	21,079	32,761	11,049
Plan fiduciary net position - beginning	293,735	289,023	267,944	235,183	224,134
Plan fiduciary net position - ending (b)	327,875	293,735	289,023	267,944	235,183
Authority's net pension liability (asset) ending (a) - (b)	\$ 1,321	\$ 15,842	\$ (9,420)	\$ (6,479)	\$ 15,054
Plan fiduciary net position as a percentage of the total pension liability	99.6%	94.9%	103.4%	102.5%	94.0%
Covered payroll	\$ 52,406	\$ 54,143	\$ 54,426	\$ 55,385	\$ 55,363
Net pension liability (asset) as a percentage of covered payroll	2.5%	29.3%	(17.3%)	(11.7%)	27.2%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

	2016	2015	2014
\$	4,175	\$ 4,210	\$ 4,226
	17,601	16,086	15,161
	-	-	-
	12,441	(1,449)	-
	(7,491)	(7,113)	(6,305)
	26,726	11,734	13,082
	207,442	195,708	182,626
	234,168	207,442	195,708
	22,106	30,282	29,862
	825	813	831
	311	20,916	8,721
	(7,491)	(7,113)	(6,305)
	(249)	(183)	(109)
	15,502	44,715	33,000
	208,632	163,917	130,917
	224,134	208,632	163,917
\$	10,034	\$ (1,190)	\$ 31,791
	95.7%	100.6%	83.8%
\$	55,480	\$ 56,223	\$ 56,249
	18.1%	(2.1%)	56.5%

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN FOR THE EMPLOYEES OF GEORGIA PORTS AUTHORITY SCHEDULE OF AUTHORITY CONTRIBUTIONS

**FOR THE FISCAL YEARS ENDED JUNE 30,
(In Thousands)**

	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ 4,412	\$ 6,656	\$ 3,673	\$ 3,637	\$ 5,918
Contributions in relation to the actuarially determined contribution	14,164	17,935	10,625	10,819	12,824
Contribution deficiency (excess)	\$ (9,752)	\$ (11,279)	\$ (6,952)	\$ (7,182)	\$ (6,906)
Covered payroll	\$ 50,214	\$ 52,406	\$ 54,143	\$ 54,426	\$ 55,385
Contributions as a percentage of covered payroll	28.2%	34.2%	19.6%	19.9%	23.2%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	July 1, 2019
Cost Method	Entry Age Normal
Assumed Rate of Return on Investments	7.30%
Projected Salary Increases	3.00%
Post-retirement benefit increase rate	3.00%
Amortization Method	Level dollar
Remaining Amortization Period	7 years (closed)

(2) Actuarial Asset Valuation Method

Smoothing period	0 years; market value is recognized
Recognition method	N/A
Corridor	N/A

(3) The schedule will present 10 years of information once it is accumulated.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 5,263	\$ 10,559	\$ 10,312	\$ 9,789
<u>18,631</u>	<u>22,106</u>	<u>30,282</u>	<u>29,862</u>
<u>\$ (13,368)</u>	<u>\$ (11,547)</u>	<u>\$ (19,970)</u>	<u>\$ (20,073)</u>
\$ 55,363	\$ 55,480	\$ 56,223	\$ 56,249
33.7%	39.8%	53.9%	53.1%

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RETIREMENT PLAN FOR THE EMPLOYEES OF GEORGIA PORTS AUTHORITY SCHEDULE OF PENSION INVESTMENT RETURNS

FOR THE FISCAL YEARS ENDED JUNE 30,
(In Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses for the Authority's Pension Plan	21.70%	9.10%	1.20%	7.40%	11.70%	(0.40%)	(0.10%)	12.00%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION SUPPLEMENTAL RETIREMENT PLANS SCHEDULE OF CHANGES IN THE AUTHORITY'S TOTAL PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEARS ENDED JUNE 30, (In Thousands)

	2021	2020	2019	2018	2017	2016
Total pension liability						
Service cost	\$ 609	\$ 311	\$ 285	\$ 192	\$ 644	\$ 504
Interest on total pension liability	1,585	1,668	1,561	1,296	1,266	1,324
Economic/demographic gains or losses	202	428	1,711	8,210	(194)	-
Changes in assumptions and/or cost method	8,171	2,972	(519)	(4,195)	4,661	1,802
Benefit payments	(2,243)	(2,115)	(2,066)	(2,003)	(1,451)	(1,510)
Net change in total pension liability	8,324	3,264	972	3,500	4,926	2,120
Total pension liability - beginning	45,824	42,560	41,588	38,088	33,162	31,042
Total pension liability - ending	\$ 54,148	\$ 45,824	\$ 42,560	\$ 41,588	\$ 38,088	\$ 33,162
Covered payroll	\$ 1,495	\$ 537	\$ 629	\$ 607	\$ 1,128	\$ 1,027
Total pension liability as a percentage of covered payroll	3621.9%	8533.3%	6766.3%	6851.4%	3376.6%	3229.0%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION SUPPLEMENTAL RETIREMENT PLANS SCHEDULE OF AUTHORITY CONTRIBUTIONS

**FOR THE FISCAL YEARS ENDED JUNE 30,
(In Thousands)**

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 2,844	\$ 2,243	\$ 2,115	\$ 2,066	\$ 2,003	\$ 1,451	\$ 1,510
Contributions in relation to the actuarially determined contribution	2,328	2,243	2,115	2,066	2,003	1,451	1,510
Contribution deficiency (excess)	\$ 516	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 1,371	\$ 727	\$ 537	\$ 629	\$ 607	\$ 1,128	\$ 1,027
Contributions as a percentage of covered payroll	169.8%	308.5%	393.9%	328.5%	330.0%	128.6%	147.0%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	July 1, 2019 and January 1, 2020
Actuarial Cost Method	Entry Age Normal
Discount rate	2.21%
Projected Salary Increases	3.00%
COLA rate	2.50% and 0.00%

(2) The schedule will present 10 years of information once it is accumulated.

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RETIREE MEDICAL AND DENTAL PLAN (OPEB) SCHEDULE OF CHANGES IN THE AUTHORITY'S NET OPEB LIABILITY AND RELATED RATIOS FOR THE FISCAL YEARS ENDED JUNE 30, (In Thousands)

	2021	2020	2019	2018	2017	2016
Total OPEB liability						
Service cost	\$ 606	\$ 571	\$ 508	\$ 471	\$ 639	\$ 603
Interest on total OPEB liability	1,496	1,455	1,288	1,251	1,393	1,353
Plan changes	-	-	-	-	(2,423)	-
Economic/demographic gains or losses	(1,432)	-	983	-	525	(456)
Changes in assumptions	(283)	-	1,343	-	(1,311)	-
Benefit payments	(1,235)	(1,496)	(1,292)	(1,018)	(1,011)	(741)
Net change in total OPEB liability	(848)	530	2,830	704	(2,188)	759
Total OPEB liability - beginning	24,951	24,421	21,591	20,887	23,075	22,316
Total OPEB liability - ending (a)	24,103	24,951	24,421	21,591	20,887	23,075
Plan fiduciary net position						
Contributions - employer	2,000	1,738	1,217	1,890	2,450	2,250
Net investment income	348	713	125	(7)	68	59
Benefit payments	(1,235)	(1,496)	(1,292)	(1,018)	(1,011)	(741)
Administrative expenses	(182)	(142)	(118)	(85)	(76)	(76)
Net change in plan fiduciary net position	931	813	(68)	780	1,431	1,492
Plan fiduciary net position - beginning	13,654	12,841	12,909	12,129	10,698	9,206
Plan fiduciary net position - ending (b)	14,585	13,654	12,841	12,909	12,129	10,698
Authority's net OPEB liability - ending (a) - (b)	\$ 9,518	\$ 11,297	\$ 11,580	\$ 8,682	\$ 8,758	\$ 12,377
Plan fiduciary net position as a percentage of the total OPEB liability	60.5%	54.7%	52.6%	59.8%	58.1%	46.4%
Covered-employee payroll	\$ 100,978	\$ 97,692	\$ 88,510	\$ 70,793	\$ 70,793	\$ 66,803
Net OPEB liability as a percentage of covered-employee payroll	9.4%	11.6%	13.1%	12.3%	12.4%	18.5%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RETIREE MEDICAL AND DENTAL PLAN (OPEB) SCHEDULE OF AUTHORITY CONTRIBUTIONS

**FOR THE FISCAL YEARS ENDED JUNE 30,
(In Thousands)**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 2,165	\$ 2,451	\$ 2,267	\$ 1,803	\$ 1,600	\$ 2,406	\$ 2,242
Contributions in relation to the actuarially determined contribution	<u>2,081</u>	<u>2,000</u>	<u>1,738</u>	<u>1,217</u>	<u>1,890</u>	<u>2,450</u>	<u>2,250</u>
Contribution deficiency (excess)	<u>\$ 84</u>	<u>\$ 451</u>	<u>\$ 529</u>	<u>\$ 586</u>	<u>\$ (290)</u>	<u>\$ (44)</u>	<u>\$ (8)</u>
Covered employee payroll	\$ 112,263	\$ 100,978	\$ 97,692	\$ 88,510	\$ 70,793	\$ 66,803	\$ 66,803
Contributions as a percentage of covered-employee payroll	1.9%	2.0%	1.8%	1.4%	2.7%	3.7%	3.4%

Notes to the Schedule:

(1) Actuarial Assumptions

Valuation Date	July 1, 2020
Actuarial Cost Method	Entry Age Normal
Discount rate	6.00%
Assumed Rate of Return on Investments	6.00%
Inflation rate	2.20%
Healthcare cost rate trend, initial	5.60%
Healthcare cost rate trend, ultimate	3.70%

(2) The schedule will present 10 years of information once it is accumulated.

GEORGIA PORTS AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION RETIREE MEDICAL AND DENTAL PLAN (OPEB) SCHEDULE OF OPEB INVESTMENT RETURNS

FOR THE FISCAL YEARS ENDED JUNE 30,
(In Thousands)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expenses for the Authority's OPEB Plan	24.26%	2.40%	5.53%	0.10%	0.57%	0.27%	0.16%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

SUPPLEMENTARY INFORMATION

GEORGIA PORTS AUTHORITY

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION AND OPEB TRUST FUNDS JUNE 30, 2021 (In Thousands)

	<u>Retirement Plan For Employees of the GPA</u>	<u>Retiree Medical and Dental Plan</u>	<u>Total</u>
ASSETS			
Cash and short-term investments	\$ 4,451	\$ 376	\$ 4,827
Receivables:			
Interest and dividends receivable	401	63	464
Prepaid expenses	-	3	3
Investments, at fair value:			
Immediate Participation Guarantee (IPG) Contracts	10,494	-	10,494
Equity securities:			
Exchange traded funds	281,767	7,270	289,037
Fixed income	105,542	-	105,542
Mutual funds	-	10,932	10,932
Alternative funds	2,185	-	2,185
Total Assets	404,840	18,644	423,484
LIABILITIES			
Accounts payable	-	106	106
Accrued claims payable	-	93	93
Total Liabilities	-	199	199
NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS	\$ 404,840	\$ 18,445	\$ 423,285

(Continued)

GEORGIA PORTS AUTHORITY

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION AND OPEB TRUST FUNDS

JUNE 30, 2020

(In Thousands)

	Retirement Plan For Employees of the GPA	Retiree Medical and Dental Plan	Total
ASSETS			
Cash and short-term investments	\$ 2,704	\$ 641	\$ 3,345
Receivables:			
Interest and dividends receivable	-	25	25
Prepaid expenses	-	3	3
Investments, at fair value:			
Immediate Participation Guarantee (IPG) Contracts	10,049	-	10,049
Equity securities:			
Exchange traded funds	217,727	5,165	222,892
Fixed income	95,210	-	95,210
Mutual funds	-	8,883	8,883
Alternative funds	2,184	-	2,184
Total Assets	327,874	14,717	342,591
LIABILITIES			
Accounts payable	-	71	71
Accrued claims payable	-	61	61
Total Liabilities	-	132	132
NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS	\$ 327,874	\$ 14,585	\$ 342,459

GEORGIA PORTS AUTHORITY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION AND OPEB TRUST FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021 (In Thousands)

	Retirement Plan For Employees of the GPA	Retiree Medical and Dental Plan	Total
Additions:			
Contributions:			
Employer	\$ 14,164	\$ 2,081	\$ 16,245
Employees	733	297	1,030
Total contributions	14,897	2,378	17,275
Investment income:			
Net change in the fair value of investments	70,388	3,492	73,880
Dividends and interest	5,947	264	6,211
Net investment income	76,335	3,756	80,091
Total additions	91,232	6,134	97,366
Deductions:			
Benefits	13,450	2,081	15,531
Administrative expenses	816	193	1,009
Total deductions	14,266	2,274	16,540
Net Increase	76,966	3,860	80,826
Net Position Restricted for Pension and OPEB Benefits:			
Beginning	327,874	14,585	342,459
Ending	\$ 404,840	\$ 18,445	\$ 423,285

GEORGIA PORTS AUTHORITY

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION AND OPEB TRUST FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2020 (In Thousands)

	Retirement Plan For Employees of the GPA	Retiree Medical and Dental Plan	Total
Additions:			
Contributions:			
Employer	\$ 17,935	\$ 2,000	\$ 19,935
Employees	760	273	1,033
Total contributions	18,695	2,273	20,968
Investment income:			
Net change in the fair value of investments	21,981	73	22,054
Dividends and interest	5,904	274	6,178
Net investment income	27,885	347	28,232
Total additions	46,580	2,620	49,200
Deductions:			
Benefits	11,698	1,508	13,206
Administrative expenses	743	181	924
Total deductions	12,441	1,689	14,130
Net Increase	34,139	931	35,070
Net Position Restricted for Pension and OPEB Benefits:			
Beginning	293,735	13,654	307,389
Ending	\$ 327,874	\$ 14,585	\$ 342,459

STATISTICAL SECTION

This part of the Authority's *Annual Comprehensive Financial Report* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the Authority's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	67 – 70
<i>These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.</i>	
Revenue Capacity	71 – 75
<i>These schedules contain information to help the reader assess the Authority's most significant revenue sources.</i>	
Debt Capacity	76 – 78
<i>These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.</i>	
Operating Information	79 – 91
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.</i>	

Statistical schedules differ from financial statements because they usually cover multiple fiscal years, and may present non-accounting data. These schedules reflect social and economic data and financial trends of the Authority taken directly from its records unless otherwise indicated.

Sources: Unless otherwise noted, the information in these schedules is derived from the Authority's financial reports for the relevant year.

GEORGIA PORTS AUTHORITY

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (In Thousands)

	Fiscal Year			
	2021	2020	2019	2018
Net investment in capital assets	\$ 1,589,653	\$ 1,460,779	\$ 1,310,360	\$ 1,141,563
Unrestricted	455,842	372,006	385,806	357,273
Total net position ^(a)	\$ 2,045,495	\$ 1,832,785	\$ 1,696,166	\$ 1,498,836

^(a) Net position has gradually increased due to general growth of the Authority with a majority of the growth being invested in capital assets.

2017	2016	2015	2014	2013	2012
\$ 1,068,045	\$ 1,018,917	\$ 940,378	\$ 871,809	\$ 872,152	\$ 831,229
299,854	234,651	209,462	188,731	107,224	156,720
<u>\$ 1,367,899</u>	<u>\$ 1,253,568</u>	<u>\$ 1,149,840</u>	<u>\$ 1,060,540</u>	<u>\$ 979,376</u>	<u>\$ 987,949</u>

GEORGIA PORTS AUTHORITY

CHANGE IN NET POSITION LAST TEN FISCAL YEARS (In Thousands)

	Fiscal Year			
	2021	2020	2019	2018
Operating revenues:				
Container cargo	\$ 551,507	\$ 415,726	\$ 410,006	\$ 364,504
General cargo	58,517	61,014	58,752	54,410
Liquid and dry bulk	5,405	4,988	4,861	7,468
	615,429	481,728	473,619	426,382
Non-operating revenues:				
Investment income (loss)	286	4,706	7,224	3,864
Gain (loss) on sale/impairment of capital assets	(7,889)	422	38,583	(5,585)
Non-capital contributions	14,028	27,767	274	710
	6,425	32,895	46,081	(1,011)
Total revenues ^(a)	621,854	514,623	519,700	425,371
Operating expenses:				
Operation and maintenance of facilities	231,332	200,532	195,891	168,008
General and administrative	89,654	75,786	68,509	65,171
Depreciation	76,281	67,005	61,148	58,784
	397,267	343,323	325,548	291,963
Non-operating expenses:				
Interest expense	-	-	-	30
Non-capital port development expense	11,461	26,011	380	60
Capital contributions repaid to the State of Georgia ^(b)	-	5,472	7,198	4,735
Conservation commitments expense	-	-	-	-
Other	8,889	8,972	10,395	2,567
	20,350	40,455	17,973	7,392
Total expenses ^(a)	417,617	383,778	343,521	299,355
Income before contributions and extraordinary items	204,237	130,845	176,179	126,016
Total contributions from federal and state agencies	8,473	5,774	21,151	4,921
Extraordinary items:				
Loss due to Hurricane Matthew	-	-	-	-
Gain on recovery from warehouse fire	-	-	-	-
Change in net position	212,710	136,619	197,330	130,937
Net position, beginning of year ^{(c)(d)}	1,832,785	1,696,166	1,498,836	1,367,899
Net position, end of year	\$ 2,045,495	\$ 1,832,785	\$ 1,696,166	\$ 1,498,836

^(a) Revenues and expenses have gradually increased due to the general growth of container volume.

^(b) The Authority makes voluntary annual payments to the State of Georgia's Treasury. These payments may be adjusted, deferred, or redirected by the state depending on the Authority's ability to pay.

^(c) Fiscal year 2013 net position differs from the fiscal year 2012 ending net position due to a restatement posted as a result of the implementation of GASB Statement No. 68.

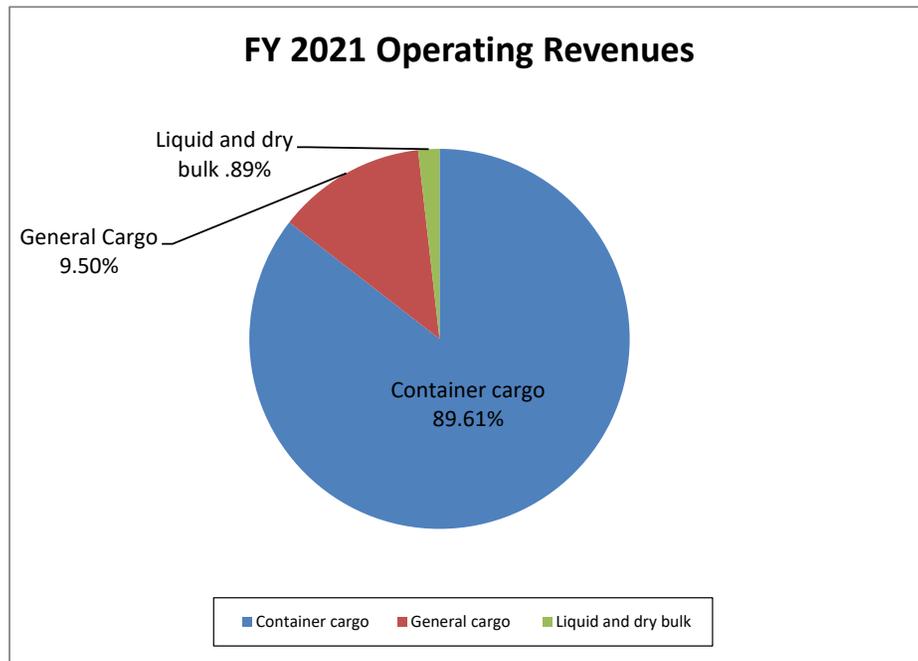
^(d) Fiscal year 2015 net position differs from the fiscal year 2014 ending net position due to a restatement posted as a result of the implementation of GASB Statements No. 73 and 75.

	2017	2016	2015	2014	2013	2012
\$	311,193	\$ 282,873	\$ 290,718	\$ 247,384	\$ 230,702	\$ 229,638
	51,708	52,337	54,438	50,900	50,162	48,911
	10,082	11,053	11,337	12,315	11,719	4,989
	<u>372,983</u>	<u>346,263</u>	<u>356,493</u>	<u>310,599</u>	<u>292,583</u>	<u>283,538</u>
	1,463	789	427	(21)	389	439
	(208)	1,338	2,284	553	1,009	112
	13,404	31,737	197,367	843	16,018	3,890
	<u>14,659</u>	<u>33,864</u>	<u>200,078</u>	<u>1,375</u>	<u>17,416</u>	<u>4,441</u>
	<u>387,642</u>	<u>380,127</u>	<u>556,571</u>	<u>311,974</u>	<u>309,999</u>	<u>287,979</u>
	149,457	140,578	143,214	129,024	119,741	118,831
	54,894	49,318	52,542	45,321	45,007	43,274
	55,336	52,190	50,953	51,463	49,537	43,280
	<u>259,687</u>	<u>242,086</u>	<u>246,709</u>	<u>225,808</u>	<u>214,285</u>	<u>205,385</u>
	280	212	190	205	268	305
	12,903	33,980	200,109	4,034	16,654	5,101
	4,508	9,656	38	11,288	20,044	7,344
	-	-	-	-	35,530	-
	4,994	2,989	1,649	328	1,447	786
	<u>22,685</u>	<u>46,837</u>	<u>201,986</u>	<u>15,855</u>	<u>73,943</u>	<u>13,536</u>
	<u>282,372</u>	<u>288,923</u>	<u>448,695</u>	<u>241,663</u>	<u>288,228</u>	<u>218,921</u>
	105,270	91,204	107,876	70,311	21,771	69,058
	9,911	5,770	3,759	7,445	11,882	9,698
	(850)	-	-	-	-	-
	-	6,754	1,086	3,408	-	-
	<u>114,331</u>	<u>103,728</u>	<u>112,721</u>	<u>81,164</u>	<u>33,653</u>	<u>78,756</u>
	<u>1,253,568</u>	<u>1,149,840</u>	<u>1,037,119</u>	<u>979,376</u>	<u>945,723</u>	<u>909,193</u>
\$	<u><u>1,367,899</u></u>	<u><u>1,253,568</u></u>	<u><u>1,149,840</u></u>	<u><u>1,060,540</u></u>	<u><u>979,376</u></u>	<u><u>987,949</u></u>

GEORGIA PORTS AUTHORITY

OPERATING REVENUES AND REVENUE TONNAGE BY TYPE LAST TEN FISCAL YEARS (In Thousands)

	Fiscal Year			
	2021	2020	2019	2018
Operating revenues:				
Container cargo	\$ 551,507	\$ 415,726	\$ 410,006	\$ 364,504
General cargo	58,517	61,014	58,752	54,410
Liquid and dry bulk	5,405	4,988	4,861	7,468
Operating revenues ^(a)	\$ 615,429	\$ 481,728	\$ 473,619	\$ 426,382
Revenue tonnage:				
Container cargo	36,527	33,472	32,911	31,317
General cargo (breakbulk)	2,625	2,476	2,836	2,774
Dry bulk	1,269	1,100	1,216	1,035
Liquid bulk	557	557	426	724
Revenue tonnage	40,978	37,605	37,389	35,850



^(a) Operating revenues have gradually increased due to the general growth of container volume.

	2017	2016	2015	2014	2013	2012
\$	311,193	\$ 282,873	\$ 290,718	\$ 247,384	\$ 230,702	\$ 229,638
	51,708	52,337	54,438	50,900	50,162	48,911
	10,082	11,053	11,337	12,315	11,719	4,989
	<u>372,983</u>	<u>346,263</u>	<u>356,493</u>	<u>310,599</u>	<u>292,583</u>	<u>283,538</u>
	28,425	25,700	25,858	23,981	22,116	22,355
	2,639	2,673	2,876	2,684	2,595	2,668
	1,264	1,375	1,973	1,965	1,757	859
	899	910	867	658	634	580
	<u>33,227</u>	<u>30,658</u>	<u>31,574</u>	<u>29,288</u>	<u>27,102</u>	<u>26,462</u>

GEORGIA PORTS AUTHORITY

REVENUE TONNAGE REPORT LAST TEN FISCAL YEARS (In Tons)

	Fiscal Year			
	2021	2020	2019	2018
Container:				
Garden City Terminal (Note 1)	36,527,074	33,472,171	32,911,468	31,316,825
Total Container	36,527,074	33,472,171	32,911,468	31,316,825
Breakbulk:				
Garden City Terminal	5,602	15,735	4,717	12,794
Ocean Terminal	1,107,861	1,138,723	1,496,699	1,370,854
Brunswick-East River & Lanier Docks	-	-	-	-
Brunswick-Mayor's Point	53,037	130,232	81,470	138,724
Brunswick-Colonels Island	1,458,223	1,190,930	1,253,051	1,251,207
Total Breakbulk	2,624,723	2,475,620	2,835,937	2,773,579
Bulk - Dry:				
Ocean Terminal	-	-	-	-
Brunswick-East River & Lanier Docks	1,269,296	1,100,178	1,215,763	1,012,993
Brunswick-Colonels Island	-	-	-	22,569
Total Dry Bulk	1,269,296	1,100,178	1,215,763	1,035,562
Bulk - Liquid:				
Garden City Terminal	556,979	557,362	426,369	724,015
Ocean Terminal	-	-	-	-
Brunswick-East River & Lanier Docks	-	-	-	-
Total Liquid Bulk	556,979	557,362	426,369	724,015
Total Tonnage	40,978,072	37,605,331	37,389,537	35,849,981

Note 1 - Garden City Terminal

Containers	2,935,463	2,464,744	2,496,386	2,318,436
TEUs	5,331,392	4,435,577	4,477,745	4,172,576

2017	2016	2015	2014	2013	2012
28,425,294	25,700,301	25,858,187	23,981,129	22,115,639	22,355,522
28,425,294	25,700,301	25,858,187	23,981,129	22,115,639	22,355,522
12,926	8,037	9,017	5,961	5,994	3,851
1,258,378	1,208,892	1,363,511	1,176,530	1,248,891	1,426,744
-	-	-	-	20	5
103,060	161,333	149,947	157,686	129,319	154,575
1,264,934	1,295,136	1,353,937	1,344,043	1,211,081	1,083,195
2,639,298	2,673,398	2,876,412	2,684,220	2,595,305	2,668,370
-	-	-	-	-	-
912,106	929,230	1,097,971	973,281	815,337	663,441
351,640	445,701	874,958	991,374	941,165	195,306
1,263,746	1,374,931	1,972,929	1,964,655	1,756,502	858,747
898,646	909,825	866,650	658,370	633,961	579,801
-	-	-	-	108	191
-	-	-	-	-	-
898,646	909,825	866,650	658,370	634,069	579,992
33,226,984	30,658,455	31,574,178	29,288,374	27,101,515	26,462,631
2,142,850	2,003,352	2,028,608	1,738,985	1,641,509	1,665,590
3,847,841	3,605,951	3,661,486	3,127,527	2,949,449	2,982,467

GEORGIA PORTS AUTHORITY

TOP TEN VESSEL AND CARGO CUSTOMERS CURRENT YEAR AND NINE YEARS AGO (In Thousands)

Customer	2021			2012		
	Revenue	Rank	Percentage of Total Revenue	Revenue	Rank	Percentage of Total Revenue
ONE	\$ 73,509	1	11.94%	\$		
Maersk, Inc.	72,422	2	11.77%	34,047	1	12.01%
CMA CGM Line	71,561	3	11.63%	20,726	2	7.31%
Mediterranean Shipping Company	66,147	4	10.75%	17,702	4	6.24%
Hapag Lloyd (America), Inc.	59,236	5	9.63%	20,402	3	7.20%
Zim American Integrated Shipping	53,959	6	8.77%	13,427	5	4.74%
COSCO Container Lines Americas	31,540	7	5.12%			
Evergreen Shipping	26,435	8	4.30%	9,575	9	3.38%
OOCL (USA), Inc.	26,180	9	4.25%			
Yang Ming Marine	17,585	10	2.86%			
Hanjin Shipping Company				12,088	7	4.26%
NYK Line (NA), Inc.				11,215	8	3.96%
Norfolk Southern Corp.				8,519	10	3.00%
APL				12,462	6	4.40%
Total	\$ 498,574		81.02%	\$ 160,163		56.49%

GEORGIA PORTS AUTHORITY

GENERAL BONDED DEBT BY TYPE LAST TEN FISCAL YEARS (In Thousands, Except Per Capita)

Outstanding Principal				
Fiscal Year	Line of Credit	Revenue Bonds	Total Outstanding Debt	Per Capita
2012	\$ 38,457	\$ 19,015	\$ 57,472	\$ 6
2013	36,457	-	36,457	4
2014	34,057	-	34,057	4
2015	31,657	-	31,657	3
2016	29,257	-	29,257	3
2017	26,857	-	26,857	3
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-

Outstanding Principal and Interest				
Fiscal Year	Line of Credit (Excluding Interest)	Revenue Bonds	Total Outstanding Debt	Per Capita
2012	\$ 38,457	\$ 19,118	\$ 57,575	\$ 6
2013	36,457	-	36,457	4
2014	34,057	-	34,057	4
2015	31,657	-	31,657	3
2016	29,257	-	29,257	3
2017	26,857	-	26,857	3
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-

GEORGIA PORTS AUTHORITY

NET REVENUE AVAILABLE FOR DEBT SERVICE LAST TEN FISCAL YEARS (In Thousands)

	Fiscal Year			
	2021	2020	2019	2018
Operating Revenues:				
Container cargo	\$ 551,507	\$ 415,726	\$ 410,006	\$ 364,504
General cargo	58,517	61,014	58,752	54,410
Liquid and dry bulk	5,405	4,988	4,861	7,468
Total operating revenues	<u>615,429</u>	<u>481,728</u>	<u>473,619</u>	<u>426,382</u>
Operating Expenses:				
Operation and maintenance of facilities	231,332	200,532	195,891	168,008
General and administrative	89,654	75,786	68,509	65,171
Total operating expenses	<u>320,986</u>	<u>276,318</u>	<u>264,400</u>	<u>233,179</u>
Net revenues available for debt service on revenue bonds	<u>\$ 294,443</u>	<u>\$ 205,410</u>	<u>\$ 209,219</u>	<u>\$ 193,203</u>
Principal payments on revenue bonds	\$ -	\$ -	\$ -	\$ -
Interest expense on revenue bonds	-	-	-	-
Annual debt service on revenue bonds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Coverage by net revenues	-	-	-	-

	2017	2016	2015	2014	2013	2012
\$	311,193	\$ 282,873	\$ 290,718	\$ 247,384	\$ 230,702	\$ 229,638
	51,708	52,337	54,438	50,900	50,162	48,911
	10,082	11,053	11,337	12,315	11,719	4,989
	<u>372,983</u>	<u>346,263</u>	<u>356,493</u>	<u>310,599</u>	<u>292,583</u>	<u>283,538</u>
	149,457	140,578	143,214	129,024	119,741	118,831
	54,894	49,318	52,542	45,321	45,007	43,274
	<u>204,351</u>	<u>189,896</u>	<u>195,756</u>	<u>174,345</u>	<u>164,748</u>	<u>162,105</u>
\$	<u>168,632</u>	<u>156,367</u>	<u>160,737</u>	<u>136,254</u>	<u>127,835</u>	<u>121,433</u>
\$	-	\$ -	\$ -	\$ -	\$ 19,015	\$ 16,560
	-	-	-	-	37	53
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,052</u>	<u>16,613</u>
	-	-	-	-	671%	731%

GEORGIA PORTS AUTHORITY

STATE OF GEORGIA POPULATION/DEMOGRAPHICS LAST TEN CALENDAR YEARS (In Thousands)

	<u>Population</u>	<u>Personal Income (In Millions)</u>	<u>Per Capita Personal Income</u>	<u>Public School Enrollment</u>	<u>Unemployment Rate</u>
2020	10,710,017	\$ 547,976	\$ 51,165	1,723,127	6.5%
2019	10,617,423	511,745	48,199	1,760,739	3.4%
2018	10,519,475	481,213	45,745	1,759,838	3.9%
2017	10,429,379	451,281	43,270	1,761,472	4.7%
2016	10,310,371	431,334	41,835	1,757,543	5.4%
2015	10,199,398	411,719	40,367	1,749,316	5.9%
2014	10,087,231	392,121	38,873	1,736,416	7.2%
2013	9,984,938	371,160	37,172	1,716,905	8.2%
2012	9,914,668	365,484	36,863	1,693,374	9.2%
2011	9,811,610	359,782	36,669	1,673,740	10.2%

Sources: Population - U.S. Department of Commerce, Bureau of the Census (midyear population estimates)
 Personal Income - U.S. Department of Commerce, Bureau of Economic Analysis
 Public School Enrollment - Georgia Department of Education (March of each school year)
 Unemployment Rate - U.S. Department of Labor (annual average)

GEORGIA PORTS AUTHORITY

STATE OF GEORGIA PRINCIPAL PRIVATE SECTOR EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

<u>2021 Employers</u>	<u>2012 Employers</u>
Amazon.Com Services, Inc.	Delta Air Lines, Inc.
Delta Air Lines, Inc.	Emory Health Care
Emory Healthcare, Inc.	Emory University
Emory University	Georgia Power Company
Fedex Ground Package System, Inc.	GMRI, Inc.
Lowe's Home Centers , Inc.	Lowe's Home Centers
McDonalds	Mohawk Carpet
Northside Hospital	Publix Super Markets, Inc.
Publix Super Markets, Inc.	Shaw Industries, Inc.
Shaw Industries Group, Inc.	Target
Target	The Home Depot
The Home Depot	The Kroger Company
The Kroger Company	United Parcel Service
United Parcel Service	Wal-Mart Stores, Inc.
Wal-Mart Stores, Inc.	Wellstar Health System
Wellstar Health System, Inc.	

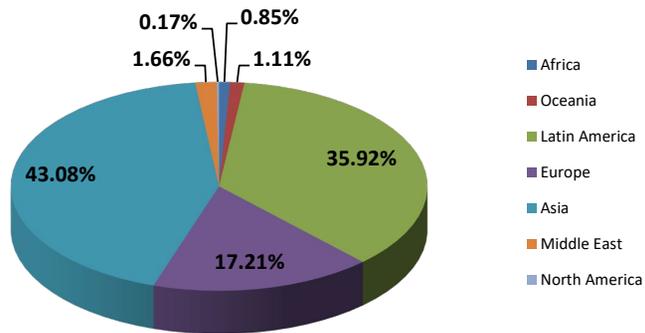
Note: To protect employer confidentiality, Georgia law prohibits the release of employee numbers by employer.

Source: 2021 - The Georgia Department of Labor (fourth quarter 2020)
2012 - State of Georgia's Comprehensive Annual Financial Report for the Fiscal Year Ended
June 30, 2012

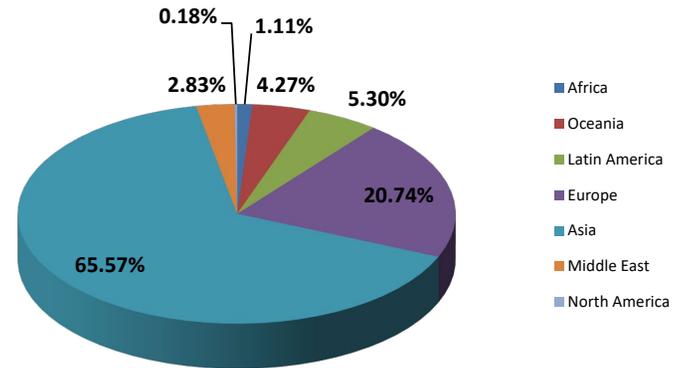
GEORGIA PORTS AUTHORITY

PORT OF SAVANNAH AND BRUNSWICK SEABORNE TRADE BY REGION CURRENT YEAR AND NINE YEARS AGO

FY 2021 Savannah and Brunswick Seaborne Trade by Region (\$ Value)



FY 2012 Savannah and Brunswick Seaborne Trade by Region (\$ Value)



**Trade Through the Ports of Savannah and Brunswick
By Region in Fiscal Year 2021 - \$(000)**

	Imports	Exports	Total		%
Africa	\$ 565,987	\$ 1,685,912	\$ 2,251,899		0.85%
Oceania	\$ 660,830	\$ 2,291,750	\$ 2,952,580		1.11%
Latin America	\$ 88,966,115	\$ 6,467,718	\$ 95,433,833		35.92%
Europe	\$ 27,269,901	\$ 18,446,995	\$ 45,716,896		17.21%
Asia	\$ 90,846,485	\$ 23,623,857	\$ 114,470,342		43.08%
Middle East	\$ 1,034,064	\$ 3,387,893	\$ 4,421,957		1.66%
North America	\$ 329,616	\$ 130,642	\$ 460,258		0.17%
Total	\$ 209,672,998	\$ 56,034,767	\$ 265,707,765		100.00%

Source: PIERS (excludes fuel, oil, and crude - includes GPA and private terminals)

**Trade Through the Ports of Savannah and Brunswick
By Region in Fiscal Year 2012 - \$(000)**

	Imports	Exports	Total		%
Africa	\$ 214,049	\$ 1,651,227	\$ 1,865,276		1.11%
Oceania	\$ 1,350,106	\$ 5,808,456	\$ 7,158,562		4.27%
Latin America	\$ 3,392,273	\$ 5,489,394	\$ 8,881,667		5.30%
Europe	\$ 14,086,163	\$ 20,696,866	\$ 34,783,029		20.74%
Asia	\$ 38,267,803	\$ 71,686,102	\$ 109,953,905		65.57%
Middle East	\$ 1,131,487	\$ 3,607,617	\$ 4,739,104		2.83%
North America	\$ 264,694	\$ 36,799	\$ 301,493		0.18%
Total	\$ 58,706,575	\$ 108,976,461	\$ 167,683,036		100.00%

Source: PIERS (excludes fuel, oil, and crude - includes GPA and private terminals)

GEORGIA PORTS AUTHORITY

VESSEL ARRIVALS BY TERMINAL LAST TEN FISCAL YEARS

	Fiscal Year			
	2021	2020	2019	2018
Garden City Terminal	1,708	1,829	1,848	1,915
Ocean Terminal	290	223	275	258
Colonel's Island Terminal	480	424	462	442
East River & Lanier Docks Terminals	78	73	76	69
Mayor's Point Terminal	13	19	15	19
Barges - All Terminals	18	8	3	6
Total Arrivals	2,587	2,576	2,679	2,709

Source: Executive Information System (EIS) Tonnage Comparison Report EISR0061.

2017	2016	2015	2014	2013	2012
1,916	2,063	1,894	1,871	1,905	2,063
256	266	311	252	270	310
466	505	561	534	500	448
72	69	78	75	73	69
17	23	31	28	21	26
8	20	26	16	13	7
<u>2,735</u>	<u>2,946</u>	<u>2,901</u>	<u>2,776</u>	<u>2,782</u>	<u>2,923</u>

GEORGIA PORTS AUTHORITY

CARGO STATISTICS LAST TEN FISCAL YEARS (In Tons)

	Fiscal Year			
	2021	2020	2019	2018
Container				
Total Container Tonnage	36,527,074	33,472,171	32,911,468	31,316,825
Breakbulk:				
Autos	1,401,591	1,166,522	1,203,454	1,220,732
Clay	-	-	-	-
Iron & Steel	347,927	309,807	463,304	433,090
Liner Board	68,281	110,175	118,445	158,410
Lumber	28,094	28,366	21,139	62,982
Machinery	485,379	471,641	585,427	512,070
Paper Products	156	-	-	-
Plywood	-	-	-	3,502
Rubber	82,688	108,752	121,783	118,677
Wood Pulp	194,847	211,945	281,551	229,472
Other	15,760	68,412	40,834	34,644
Total Breakbulk Tonnage	2,624,723	2,475,620	2,835,937	2,773,579
Bulk - Dry:				
Animal Feed	47,647	59,704	60,470	66,140
Barley Malt	-	-	-	-
Corn	-	-	-	-
Oats	-	-	-	22,569
Peanut Pellets/Hulls	64,387	37,736	22,139	-
Perlite	153,158	133,268	152,581	132,260
Salt	112,752	48,944	40,801	40,761
Sand	-	-	-	-
Soybean Meal	10,411	9,357	-	-
Soybeans	-	-	-	-
Wheat	-	-	-	-
Wood Pellets	726,393	700,897	741,589	611,537
Other	154,548	110,272	198,183	162,295
Total Dry Bulk Tonnage	1,269,296	1,100,178	1,215,763	1,035,562
Bulk - Liquid:				
Anhydrous Ammonia	-	-	-	-
Asphalt	26,660	41,351	16,924	32,943
Biodiesel	8,786	-	-	8,225
Chemicals	107,176	83,009	98,392	114,060
Petroleum Products	-	22,509	-	-
Tall Oil	44,769	30,985	29,648	27,404
Vegetable Oil	369,588	377,119	275,994	506,030
Other	-	2,389	5,311	35,353
Total Liquid Bulk Tonnage	556,979	557,362	426,269	724,015
Total Tonnage	40,978,072	37,605,331	37,389,437	35,849,981

2017	2016	2015	2014	2013	2012
28,425,294	25,700,301	25,858,187	23,981,129	22,115,639	22,355,522
1,255,064	1,276,850	1,322,014	1,309,576	1,166,968	1,047,694
-	-	-	-	11,101	17,165
502,592	441,788	588,245	420,545	421,147	477,338
130,043	128,515	137,100	165,448	142,204	131,971
18,251	12,978	12,161	14,903	8,750	4,157
370,453	408,839	463,307	379,975	432,289	535,899
-	-	-	-	-	-
-	3,073	8,456	8,688	11,229	248
126,473	139,696	126,730	122,748	108,041	109,613
198,303	217,980	170,364	209,379	198,891	212,390
38,119	43,679	48,028	52,958	94,685	131,895
2,639,298	2,673,398	2,876,405	2,684,220	2,595,305	2,668,370
66,725	61,935	67,136	64,735	62,780	65,196
-	-	-	-	-	21,122
-	-	-	-	148,712	4,246
3,153	4,422	-	-	-	-
-	11,755	68,015	36,356	50,339	53,318
135,257	120,569	92,963	98,217	112,440	123,982
56,670	39,243	54,946	49,216	32,081	46,682
-	-	-	-	-	5,606
313,238	437,052	783,511	762,726	797,954	174,252
35,249	9,556	41,225	119,717	-	-
-	-	64,085	110,948	-	-
461,114	522,178	625,414	506,623	331,464	221,592
192,340	168,221	175,632	216,117	220,732	142,751
1,263,746	1,374,931	1,972,927	1,964,655	1,756,502	858,747
-	-	-	-	100	191
72,194	58,946	31,972	7,325	-	13,988
119,989	123,926	55,656	52,150	11,128	4,964
61,051	75,513	69,523	67,049	84,960	68,964
5,236	27,782	100,370	37,728	37,717	22,105
23,116	2,416	17,654	-	-	-
578,555	582,326	552,535	433,131	425,877	373,696
38,505	38,916	38,940	60,987	74,287	95,884
898,646	909,825	866,650	658,370	634,069	579,792
33,226,984	30,658,455	31,574,169	29,288,374	27,101,515	26,462,431

GEORGIA PORTS AUTHORITY

FREIGHT TRAFFIC STATISTICS LAST TEN FISCAL YEARS

Total Freight handled by the Ports of Savannah and Brunswick ^(a)
Includes private terminals - Excludes fuel, oil, and crude
(In Tons)

	Fiscal Year			
	2021	2020	2019	2018
Containerized	36,377,479	33,620,668	32,756,076	30,956,886
Non containerized	6,933,614	7,495,525	7,149,923	7,169,180
Total	43,311,093	41,116,193	39,905,999	38,126,066
Imports	26,811,124	23,742,570	23,105,451	21,340,566
Exports	16,499,968	17,373,623	16,800,548	16,785,500
Total	43,311,092	41,116,193	39,905,999	38,126,066

Total Value of Freight handled by the Ports of Savannah and Brunswick ^(a)
Includes private terminals - Excludes fuel, oil, and crude
(In Thousands)

	Fiscal Year			
	2021	2020	2019	2018
Imports	\$ 209,672,998	\$ 111,999,765	\$ 83,994,589	\$ 79,224,160
Exports	56,034,767	60,185,157	36,249,976	37,969,513
Total	\$ 265,707,765	\$ 172,184,922	\$ 120,244,565	\$ 117,193,673

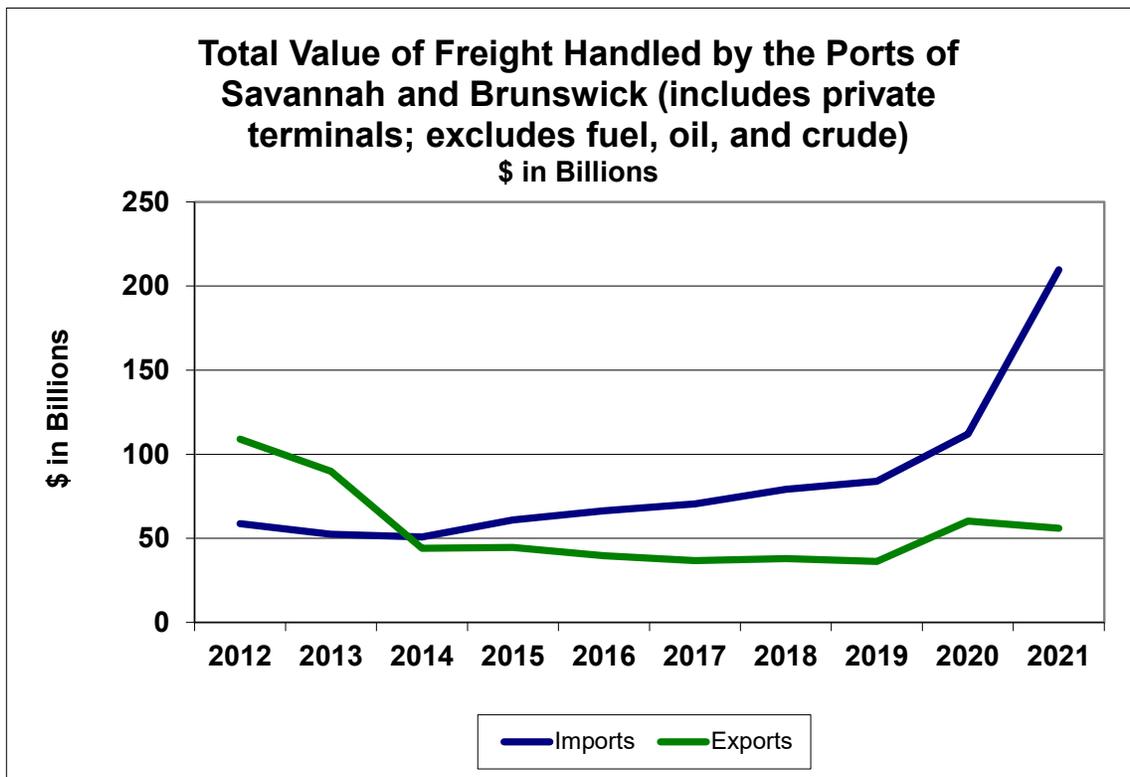
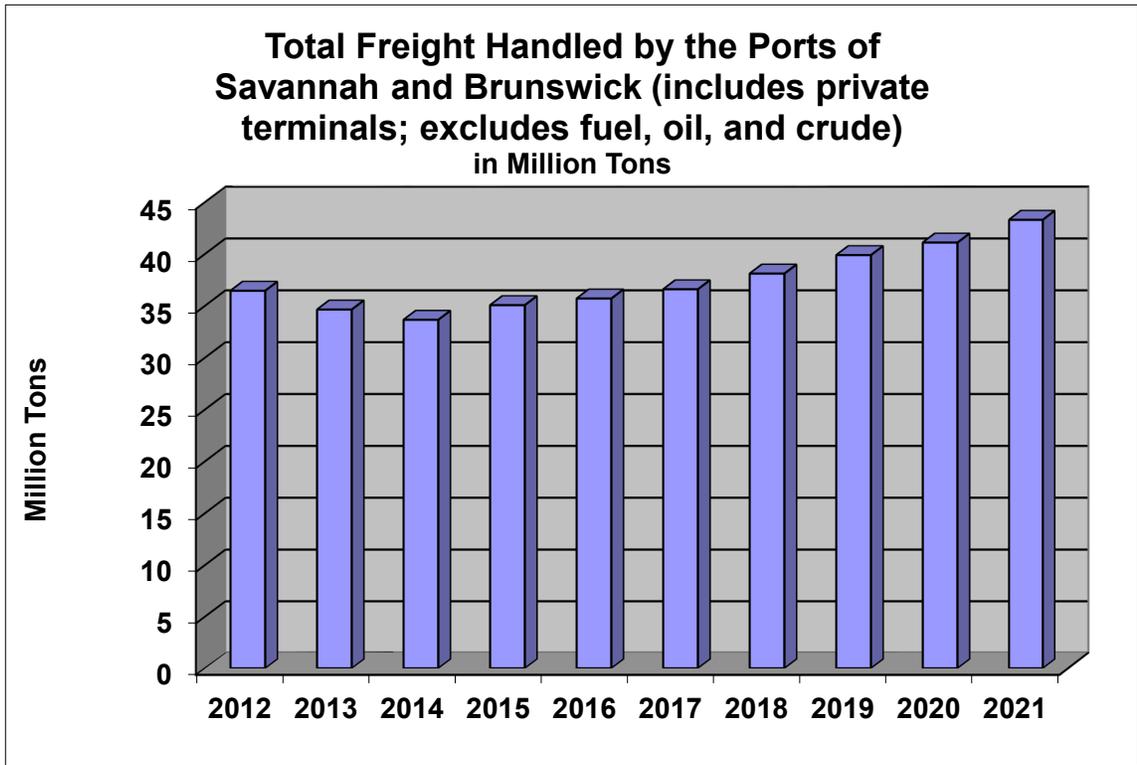
^(a) Source: PIERS

2017	2016	2015	2014	2013	2012
28,419,410	26,998,517	25,512,981	24,058,066	22,005,313	22,281,701
8,191,625	8,723,184	9,567,453	9,611,076	12,652,042	14,187,336
<u>36,611,035</u>	<u>35,721,701</u>	<u>35,080,434</u>	<u>33,669,142</u>	<u>34,657,355</u>	<u>36,469,037</u>
19,109,165	18,035,460	16,333,238	14,765,192	16,387,855	18,166,673
17,501,870	17,686,241	18,747,196	18,903,950	18,269,500	18,302,364
<u>36,611,035</u>	<u>35,721,701</u>	<u>35,080,434</u>	<u>33,669,142</u>	<u>34,657,355</u>	<u>36,469,037</u>

2017	2016	2015	2014	2013	2012
\$ 70,503,032	\$ 66,304,314	\$ 60,913,353	\$ 50,806,009	\$ 52,428,146	\$ 58,706,575
36,737,040	39,620,965	44,653,230	44,048,596	89,816,936	108,976,461
<u>\$ 107,240,072</u>	<u>\$ 105,925,279</u>	<u>\$ 105,566,583</u>	<u>\$ 94,854,605</u>	<u>\$ 142,245,082</u>	<u>\$ 167,683,036</u>

GEORGIA PORTS AUTHORITY

FREIGHT TRAFFIC STATISTICS LAST TEN FISCAL YEARS (CONTINUED)



GEORGIA PORTS AUTHORITY

PHYSICAL CHARACTERISTICS OF THE PORT FACILITIES OF THE AUTHORITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Terminals				Total
	Garden City	Ocean	Colonel's Island	Other	
Overview:					
Terminal Area (Acres)	1,350	200	1,700	195	3,445
Channel Width (Feet)	500	500	400	400	Not Applicable
Channel Project Depth (Feet at MLW)	42	42	36	36	Not Applicable
Container Berth (Linear Feet)	9,693	3,599	3,355	5,518	22,165
Cargo Handled (Type)	Containers, Liquid Bulk	Breakbulk, RoRo, Containers, Heavy-Lift, Project	Automotive, RoRo, Project	Dry Bulk, Liquid Bulk, Breakbulk	Breakbulk, RoRo, Containers, Heavy-Lift, Project, Liquid Bulk, Dry Bulk, Automotive
Container Crane Class (# of Cranes):					
Post-Panamax	-	1	-	-	1
Super Post-Panamax	30	-	-	-	30
Gantry	-	1	-	-	1
Total	<u>30</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>32</u>
Container Crane Lift Capacity (# of Cranes):					
45 ST/40.2LT	-	1	-	-	1
72 ST/65 LT	30	-	-	-	30
100ST/89.3 LT	-	1	-	-	1
Total	<u>30</u>	<u>2</u>	<u>-</u>	<u>-</u>	<u>32</u>

GEORGIA PORTS AUTHORITY

NUMBER OF AUTHORITY EMPLOYEES BY TYPE LAST TEN FISCAL YEARS

	Fiscal Year			
	2021	2020	2019	2018
Exempt Employees	272	275	267	255
Non-Exempt (Hourly) Employees	1,206	1,101	1,085	992
Total Employees	<u>1,478</u>	<u>1,376</u>	<u>1,352</u>	<u>1,247</u>
Operations Staff	<u>1,347</u>	<u>1,230</u>	<u>937</u>	<u>860</u>

Source: Georgia Ports Authority Human Resources Department - Headcount Report.

2017	2016	2015	2014	2013	2012
231	229	231	225	233	216
884	856	840	773	757	763
<u>1,115</u>	<u>1,085</u>	<u>1,071</u>	<u>998</u>	<u>990</u>	<u>979</u>
<u>747</u>	<u>723</u>	<u>703</u>	<u>634</u>	<u>629</u>	<u>622</u>



Pictured Above: The Port of Savannah served the CMA CGM Marco Polo, the largest vessel to ever call the U.S. East Coast, on Wednesday, May 26, 2021. The Port of Savannah's Garden City Terminal is perfectly suited to handling vessels in the 16,000-TEU class. (Georgia Ports Authority / Stephen Morton)

Pictured on Front Cover: Construction continues on the Mason Mega Rail project at the Garden City Terminal. When complete the new facility will double rail lift capacity at the Port of Savannah. (Georgia Ports Authority / Jeremy Polston)