# Georgia Ports Authority

**(a Component Unit of the State of Georgia)**
**Annual Comprehensive Financial Report**
**For the Fiscal Years Ended June 30, 2022 and 2021**

**Prepared by:**
**GPA Finance Department**

GEORGIA PORTS

# GEORGIA PORTS AUTHORITY

## ANNUAL COMPREHENSIVE FINANCIAL REPORT
## FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

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September 7, 2022

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, 2022 and 2021. 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, 2022 and 2021. 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 1,600 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 560,000 jobs statewide, $140 billion of dollars in Georgia's total sales, and $33 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 5.7 million twenty-foot equivalent container units (TEUs), growing cargo volumes by 8 percent in FY2022, or 432,000 additional TEUs compared to FY2021.

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 FY2022, over twenty-five 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 Port of Savannah, the number of TEUs has grown from 2.34 million in FY2007 to 5.76 million in FY2022, an increase of over 146%. The Authority's long-term growth forecast projects container volume to increase over 35% from FY2022 to FY2031.

To prepare for this growth, the Authority has developed strategic plans to build out Savannah's annual operating capacity to 9.5 million TEUs through improvements at Garden City Terminal and the expansion of Ocean 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

Throughout the pandemic, 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). 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 has had record-setting revenue years in FY2020, FY2021, and FY2022 of $476.9M, $610.6M, and $833.4M, respectively. TEU container volumes were 4.44M for FY2020, down less than 1.0% over FY2019, 5.33M for FY2021 up 20.1%, and 5.76M for FY2022 up 8.1%.

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.

Developments relating to COVID-19 continue to occur. The duration and severity of COVID-19, and its ongoing impact on the U.S., the State, the Authority, and the Port Facilities, cannot be predicted and will continue to evolve.

### Savannah Harbor Expansion Project

The completion of the Savannah Harbor Expansion Project (SHEP) is strategically important to the Georgia Ports Authority and its valued customers, and critically important to economic growth in Georgia and the southeastern United States.

Governor Brian Kemp, the U.S. Army Corps of Engineers, the Georgia Ports Authority, the Georgia Department of Transportation, and other dignitaries joined March 25, 2022, to mark completion of the dredging portion of the project, which has deepened the river from its previous 42-foot depth to 47 feet at mean low water. The federal navigation channel in Savannah is used 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 busiest 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 11.4% of U.S. containerized exports. The volume to be handled by the Authority is projected to increase by more than 35% from FY2022 to FY2031.

While cargo volume 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. Because of the completion of the Panama Canal expansion in 2016, even larger container vessels are now 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 TEUs, the Marco Polo is the largest ship ever to call on the U.S. East Coast. Prior to the deepening, approximately 80% of the container ships that call on the Port of Savannah were 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 the channel is complete, along with 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, the initial dike-raising for the project, oxygen injection systems and a freshwater diversion structure.

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 affected 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 projects for the Corps of Engineers across the nation.

**Revenue Bonds 2021**

During FY2022, the Authority issued $500 million in revenue bonds to help finance the following four projects:

**Realignment of Berth 1 at Garden City Terminal** – Berth 1 will be reconstructed and straightened to expand Garden City Terminal's capacity and allow the Authority to dock four 16,000 TEU container ships and three additional vessels simultaneously. This project will add approximately 1 million in TEU berth capacity on an annualized basis. This project is currently expected to be completed by December 31, 2023. This project is expected to cost approximately $137.7 million, of which approximately $111.6 million is expected to be paid from proceeds of the 2021 Bonds, with the remainder to be paid from Authority funds.

**Purchase of Eight New Ship-to-Shore Cranes** – As part of the ongoing expansion of the Port of Savannah, two additional ship-to-shore cranes of 152 feet of lift height (and 90 feet of crane gauge), which will allow for vessel operations of ships up to 15,000 TEUs, will be acquired and installed. Additionally, six ship-to-shore cranes of 164 feet of lift height (and 130 feet of crane gauge), which will allow for vessel operations of up to 18,000 TEUs, will be acquired and installed and, at completion, will be the largest cranes at the Port of Savannah. This project is expected to be completed by July 1, 2024. This project is expected to cost approximately $121.5 million, all of which is expected to be paid from proceeds of the 2021 Bonds.

**Expansion of Garden City Terminal Container Storage** – Additional properties and facilities will be acquired, developed, and/or improved to support and expand container operations adjacent to the Mason Mega Rail Terminal (described below), including the acquisition and implementation of container handling equipment at the Port of Savannah. This project will encompass approximately 90 acres, is expected to add approximately 750,000 TEUs of annual capacity and currently is expected to be completed by July 1, 2024. This project is expected to cost approximately $200.4 million, all of which is expected to be paid from proceeds of the 2021 Bonds.

**Modification of Garden City Terminal Container Storage at Berths 7, 8 and 9** – Modifications of properties and facilities will be undertaken behind Berths 7, 8, and 9 to provide additional container storage capacity and equipment for the Port of Savannah. This project will encompass approximately 75 acres, is expected to add approximately 800,000 TEUs of annual capacity and currently is expected to be completed by April 1, 2023. This project is expected to cost approximately $66.5 million, all of which is expected to be paid from proceeds of the 2021 Bonds.

**Revenue Bonds 2022**

During FY2023, the Authority will issue $850 million in revenue bonds to help finance the following three projects:

**Reconfiguration of Berth 12 and 13** – Berth 12 and Berth 13 at Ocean Terminal will be reconfigured into one large vessel container berth. This reconfiguration encompasses approximately 2,000 linear feet and will create one consolidated berth with the ability to serve vessels up to 18,000 TEUs. During the reconfiguration of Berth 12 and 13, Berth 18 at Ocean Terminal will remain operational, utilizing the existing mobile harbor cranes to provide the capability to work smaller vessels. The reconfiguration of Berth 12 and 13 currently is expected to be completed by March 2026. As of June 2022, the project design is approximately 60% complete and all permits are expected by October 2022. The budget for this project is expected to be approximately $278.8 million, all of which is expected to be paid from the proceeds of the 2022 Bonds.

**Purchase and Delivery of Seven New Ship-to-Shore Cranes** – Following the reconfiguration of Berth 12 and Berth 13 (as described above), the newly expanded berth will be fitted with seven ship-to-shore cranes of 165 feet of lift height and 130 feet of crane gauge. The contract for the purchase of the seven cranes was executed in March 2022. The cranes are being constructed in China and are expected to be delivered fully constructed in two separate shipments, with one shipment currently expected in December 2025 and a second shipment currently expected in June 2026. The cranes are expected to be installed at Ocean Terminal upon delivery. This project is expected to cost approximately $144 million, all of which is expected to be paid from the proceeds of the 2022 Bonds.

**Redevelopment of Portion of Ocean Terminal Container Yard** – Approximately 150 of the 200 existing acres of the Ocean Terminal facility will be re-developed to better support container operations. This project will include demolishing existing warehouses, constructing additional container storage space, raising the elevation of the property, infilling of a boat slip, and installing approximately 68 electric Rubber-Tired-Gantry Cranes. This project currently is expected to be completed by July 2025. As of June 2022, the project design is approximately 20% complete. Based on engineering design completed to date, the budget for this project is expected to be approximately $427.2 million, all of which is expected to be paid from the proceeds of the 2022 Bonds.

Any unused contingency for the 2022 projects may be used to support improvements to the Port Facilities. The second phase of the expansion and redevelopment of Ocean Terminal will consist of the re-development of the remaining 50 acres of the Ocean Terminal facility (expanding by approximately 500 additional linear feet of berth capacity and 700,000 additional TEUs of berth capacity). The second phase currently is expected to be paid for using internally generated Authority funds and completed by the end of 2032, although any proceeds of the 2022 Bonds not required to fund the 2022 projects may be applied to the second phase.

**Mason Mega Rail**

In addition to SHEP and the 2021-2022 Revenue-Bond projects, 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 all ten (10) rail mounted gantry cranes that will operate in the yard. Norfolk Southern and CSX currently occupy both the east and west bundles that consist of eighteen (18) working tracks. When fully completed at the end of 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 customers and encourage further economic development for the state of Georgia. The first of two development phases was completed in the summer of 2022 and provides approximately 25 acres of storage area for GPA Operations.

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.

**Georgia Steamship Property Redevelopment**

The property known as the Georgia Steamship Terminal consists of approximately eighty-one (81) acres located one mile up-river from Garden City Terminal. The property has primarily been leased to multiple tenants since the early 2000s performing miscellaneous trans-shipment operations. Combined with the recently acquired former Plant Kraft property from Georgia Power, the GPA can redevelop approximately 123 acres of property for trans-shipment and warehouse operations to support the growing Garden City Terminal.

It is proposed to redevelop the site into a state-of-the-art trans-shipment facility that consists of a 300,000 square foot warehouse facility, a container stack with nine (9) electric rubber tire gantry cranes that operate three container stacks and approximately 90 acres of paved area for truck staging and storage. An access road connecting Garden City Terminal to this property along with a separate Gate 9 is also proposed as part of the complete delivery of the project. This roadway and new gate will provide unimpeded access and minimum traffic impacts to the surrounding Port Wentworth areas and additional warehouse space as the facility grows with Garden City Terminal. Completion of the project is expected in the summer of 2023 with a budget of $126.3 million.

**Garden City Terminal West, Phase 1 and 2**

At the end of 2019, the Georgia Ports Authority acquired 145 acres of property west of the Mason Megarail and east of State Road 21 from PCS Nitrogen, Inc. to allow the GPA to expand its Garden City Terminal to better serve port customers and encourage further economic development for the state of Georgia. The first of two development phases was completed in the summer of 2022 and provides approximately 25 acres of storage area for GPA Operations.

Garden City Terminal West, Phase 2 will provide approximately 90 acres of full container yard capability that is directly connected to Garden City Terminal. The facility will consist of a multi-lane gate operation with direct access from SR 307; fifteen (15) electric rubber tire gantry cranes (RTG); container storage to provide approximately 1 million TEUs of capacity at full build out; and support infrastructure to allow for both import and export containers through the facility.

Upon completion, the yard will operate with a combination of fifteen (15) electric rubber tire gantry cranes on one-half of the yard while the other half will be a flexible area that can be used with top pick container handlers for import/export loads or provide area for container support operations. However, the entire yard will be constructed with subsurface conduit installed that would allow for conversion of the entire yard to electric RTG in the future. Completion of this major expansion is expected in 2023-2024 timeframe with a budget of $204 million.

**Port of Brunswick Improvements**

Staff from the GPA and Wallenius Wilhelmsen Solutions (WWS) have been in discussions regarding the relocation of the WWS operations from Ocean Terminal to the Port of Brunswick. These discussions have resulted in the creation of a modern and consolidated hub for WWS Ro-Ro operations at Colonel's Island and Mayor's Point Terminals. Recognizing this opportunity to grow their business with this relocation, WWS has requested the development of multiple projects on the northside and southside of Colonel's Island and fender improvements at Mayor's Point Terminal.

Projects at Colonel's Island include five separate buildings totaling almost 600,000 square feet; over thirty (30) acres of asphalt paved property for heavy truck operations; thirty-five acres (35) acres of concrete paved property for high and heavy tracked vehicles; support infrastructure that includes roadway improvements, truck queuing areas, rail loading pads, and utility systems to service the buildings and their operations. In addition, WWS is reviewing an option for approximately 45 additional acres of asphalt paving for vehicular storage.

Completion of these improvements is expected to be completed in mid-2023 and allow WWS to relocate their operations from Ocean Terminal. These improvements would be part of a long-term lease agreement between the GPA and WWS and has a budget of $186.8 million.

**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.

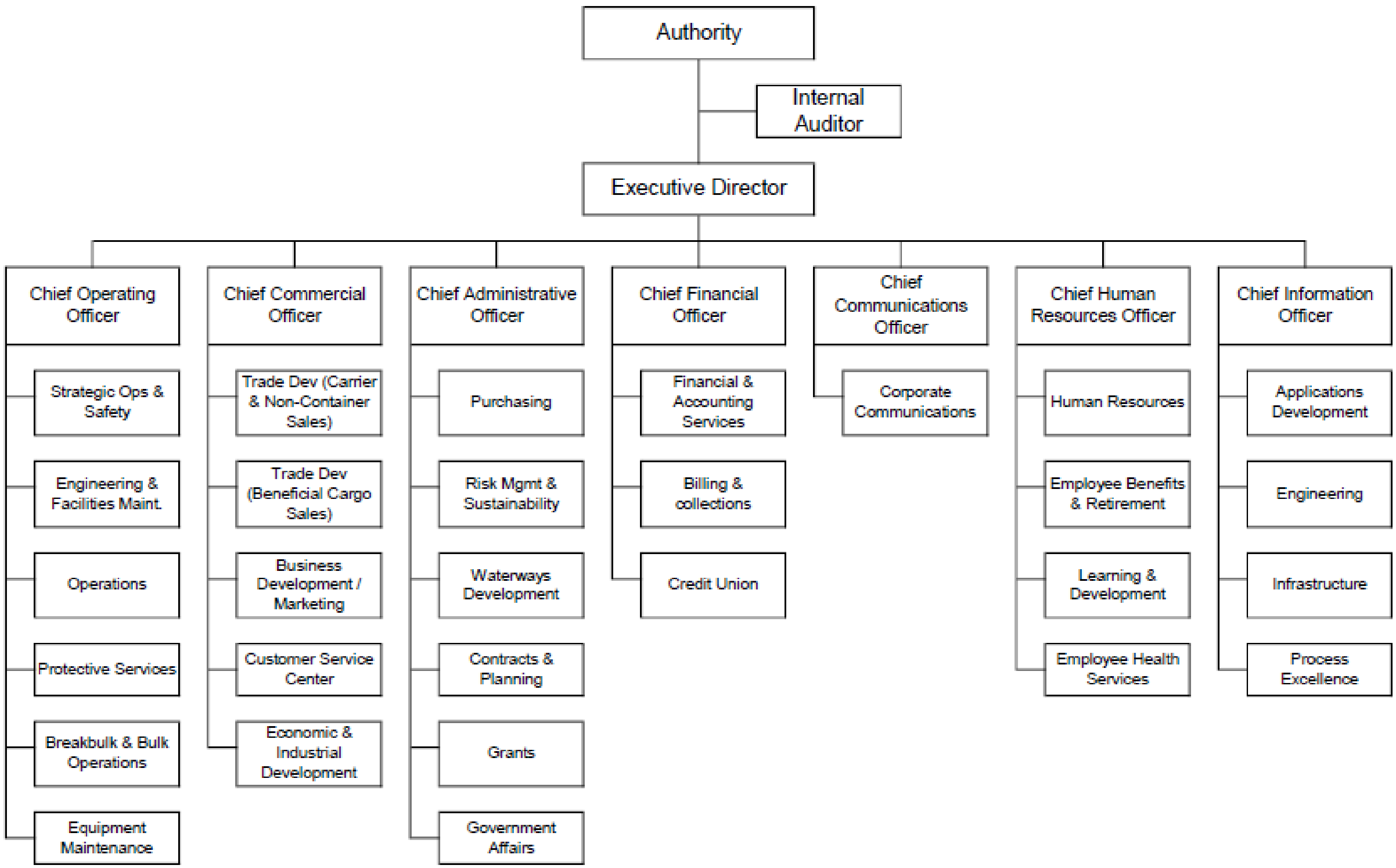
Respectfully submitted,

Griffith V. Lynch
Executive Director

Michaela I. Thompson
Chief Financial Officer

# GEORGIA PORTS AUTHORITY

## ORGANIZATIONAL CHART
## JUNE 30, 2022



# GEORGIA PORTS AUTHORITY

## DIRECTORY OF OFFICIALS
## JUNE 30, 2022

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**Authority**

Joel O. Wooten, Jr., Chairman
Kent Fountain, Vice Chairman
Alec L. Poitevint, II, Secretary and Treasurer
James L. Allgood, Jr., Member
Leda Chong, Member
David J. Cyr, Member
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Christopher C. Womack, Member

**Executive Staff**

Griffith V. Lynch, Executive Director
Edward McCarthy, Chief Operating Officer
Clifford R. Pyron, Chief Commercial Officer
Michaela I. Thompson, Chief Financial Officer
James C. McCurry, Chief Administrative Officer
Lise Altman, Chief Human Resources Officer
Loretta Lepore, Chief Communications Officer
Bill Sutton, Chief Information Officer
Bruce A. Kuzma, Senior Director of Trade Development, Ocean Carrier & Non-Container Sales
Wes Lanier, Senior Director of Strategic Operations & Safety
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Government Finance Officers Association

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**Georgia Ports Authority**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

# FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

# INDEPENDENT AUDITOR'S REPORT

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

**Report on the Financial Statements**

***Opinions***

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, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position 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 June 30, 2022 and 2021, and the respective changes in financial position, and, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Emphasis of Matter***

As described in Note 10, the Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, as of July 1, 2020. This standard significantly changed the accounting for the Authority's leases and the related disclosures. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 5 through 13), the Schedule of Changes in the Authority's Net Pension Liability (Asset) and Related Ratios – Retirement Plan for the Employees of Georgia Ports Authority (on pages 56 and 57), the Schedule of Authority Contributions – Retirement Plan for the Employees of Georgia Ports Authority (on pages 58 and 59), the Schedule of Pension Investment Returns – Retirement Plan for the Employees of Georgia Ports Authority (on page 60), the Schedule of Changes in the Authority's Total Pension Liability and Related Ratios – Supplemental Retirement Plans (on pages 61 and 62), the Schedule of Authority Contributions – Supplemental Retirement Plans (on pages 63 and 64), the Schedule of Changes in the Authority's Net OPEB Liability and Related Ratios – Retiree Medical and Dental Plan (OPEB) (on pages 65 and 66), the Schedule of Authority Contributions – Retiree Medical and Dental Plan (OPEB) (on page 67 and 68), and the Schedule of OPEB Investment Returns – Retiree Medical and Dental Plan (OPEB) (on page 69) be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

***Supplementary 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 combining statement of fiduciary net position and combining statement of changes in fiduciary net position are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 7, 2022, 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.

Mauldin & Jenkins, LLC

Savannah, Georgia
September 7, 2022

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, 2022 and 2021, with selected comparative information for the year ended June 30, 2020. 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 2022 posting significant gains in several important cargo categories and increasing overall tonnage by 0.3% to a record as measured against fiscal year 2021 results.

During fiscal year 2022, the Authority had a record year by handling 5.76 million twenty-foot equivalent units (TEUs) of containerized cargo representing an 8.1% increase from fiscal year 2021. Cargo demand in fiscal year 2022 outpaced port capacities resulting in containerized cargo diversions from the west coast to the east and gulf coast ports. Fiscal year 2021 containerized cargo, the second busiest year on record, 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 15.7% in fiscal year 2022 versus fiscal year 2021 to 3.03 million tons. Ocean Terminal non-containerized general cargo increased by 27.8% and Mayor's Point Terminal increased by 382.3% in fiscal year 2022 compared to fiscal year 2021. For fiscal year 2021, total non-containerized general cargo increased by 6.8% from fiscal year 2020, with a decrease of 1.2% at Ocean Terminal and a decrease of 59.3% at Mayor's Point Terminal.

At the Colonel's Island Terminal in Brunswick, auto and machinery business decreased 13.0% to 596,887 units in fiscal year 2022 versus fiscal year 2021. Fiscal year 2021 auto and machinery results increased 21.4% to 686,308 units as compared to fiscal year 2020.

## Financial Highlights

- The Authority's net position (the amount assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources) was $2,423,604 at the close of fiscal year 2022; $2,044,627 at the close of fiscal year 2021; and $1,832,313 at the close of fiscal year 2020.

- The Authority's total net position increased $378,977 and $212,314 during fiscal years 2022 and 2021, 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 $833,406 for fiscal year 2022, representing an increase of approximately 36.5% compared to fiscal year 2021, resulting from increased container storage revenue in fiscal year 2022 and increased cargo growth with Asia. Operating revenues during fiscal year 2021 were $610,586 representing an increase of 28.0% over fiscal year 2020 due to economic growth from the COVID-19 recovery.

## 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 S*tatements 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 Authority's financial statements as of June 30, 2022, June 30, 2021 and June 30, 2020 reflect the adoption of GASB 87.

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.

## 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, 2022, 2021 and 2020, respectively.

| | **2022** | 2021 | 2020 |
|---|---|---|---|
| Current assets | **$ 1,232,567** | $ 577,226 | $ 445,013 |
| Capital assets | **1,825,138** | 1,589,653 | 1,460,779 |
| Other long-term assets | **235,183** | 194,866 | 201,950 |
| Total Assets | **3,292,888** | 2,361,745 | 2,107,742 |
| Deferred Outflows of Resources | **26,942** | 37,449 | 53,264 |
| Current liabilities | **117,646** | 92,668 | 44,312 |
| Other noncurrent liabilities | **580,673** | 93,095 | 105,503 |
| Total Liabilities | **698,319** | 185,763 | 149,815 |
| Deferred Inflows of Resources | **197,907** | 168,804 | 178,878 |
| Net investment in capital assets | **1,630,402** | 1,588,785 | 1,460,307 |
| Restricted | **16,295** | - | - |
| Unrestricted | **776,907** | 455,842 | 372,006 |
| Total Net Position | **$ 2,423,604** | $ 2,044,627 | $ 1,832,313 |

The Authority's total current assets increased by $655,341 and increased by $132,213 during fiscal years 2022 and 2021, respectively. Elements to consider related to these changes include:

- Cash and cash equivalents increased from $469,359 to $769,391 in fiscal year 2022 and increased from $371,498 to $469,359 in fiscal year 2021, thus resulting in a total increase of $397,893 over the two years.

- Restricted Cash increased from $0 to $321,271 in fiscal year 2022 and had a $0 balance in fiscal year 2021. The increase in fiscal year 2022 was due to sale of revenue bonds.

- Accounts receivable – trade increased by $35,927 in fiscal year 2022 and increased by $28,262 in fiscal year 2021. The increase in fiscal year 2022 was due to increased container storage and volume revenue from fiscal year 2021.

- Accounts receivable – non-trade decreased by $2,961 in fiscal year 2022 and increased by $7,477 in fiscal year 2021. The net increase from fiscal year 2020 was due to federal grants activity.

- Lease receivable decreased by $814 and $177 in fiscal years 2022 and 2021, respectively, due to several lease terminations.

## Financial Statements (Continued)

- Inventories increased by $1,890 in fiscal year 2022 and decreased by $329 in fiscal year 2021, resulting in a $1,561 increase from fiscal year 2020 due to wire rope and rubber tires.

- Prepaid expenses decreased by $4 and by $881 in fiscal years 2022 and 2021, respectively. These changes resulted in a total decrease of $885 from fiscal year 2020.

Long-term assets include certain investments (insurance contracts), lease receivable, pension assets, and capital assets. The Authority's capital and other long-term assets increased by $275,802 and $121,790 in fiscal years 2022 and 2021, respectively. Elements to consider related to these changes include:

- Long-term investments increased by $1,345 and $1,910 in fiscal years 2022 and 2021, respectively. The $3,255 increase over the two fiscal years is due to increased insurance contracts.

- Pension assets increased by $48,810 and by $0 in fiscal years 2022 and 2021, respectively. The fiscal year 2022 balance of $48,810 resulted from the fiduciary net position exceeding the liability of the pension at the measurement date of June 30, 2022. The measurement dates for June 30, 2021 and June 30, 2020, both resulted in a pension liability.

- Other noncurrent assets increased by $110 in fiscal year 2022 and increased by $46 in fiscal year 2021. These results produced an increase of $156 over the two-year period.

- Long-term Lease Receivable decreased by $9,185 in fiscal year 2022 and decreased by $9,999 in fiscal year 2021. The $19,184 decrease was due to decreased duration of lease term.

- Lease Assets decreased by $763 in fiscal year 2022 and increased by $959 in fiscal year 2021. The $196 increase over the two fiscal years was due to increased leased equipment.

- Capital assets increased by $235,485 and by $128,875 in fiscal years 2022 and 2021, respectively. Included in the increase for both years was the purchase of capital assets in the amount of $524,041 net of disposals. Depreciation expense of $159,682 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.

- Contributions made after the measurement date were $9,366 in fiscal year 2022 and $18,572 in fiscal year 2021. Combined contributions to the pension and OPEB trusts were $27,938 over the two-year period.

## Financial Statements (Continued)

- Net difference between projected and actual earnings of the pension and OPEB trusts decreased by $14,929 over fiscal years 2022 and 2021 due to greater-than-expected actual earnings.

- Assumption changes to the pension and OPEB plans increased the deferred outflow of resources by $4,809 over fiscal years 2022 and 2021.

- Differences between the expected and actual economic and demographic experience decreased by $966 in fiscal year 2022 and decreased $2,424 in fiscal year 2021.

The Authority's total current liabilities increased by $24,978 in fiscal year 2022 and increased by $48,357 in fiscal year 2021. Elements to consider related to these changes include:

- Accounts and contracts payable increased by $3,465 in fiscal year 2022 and increased by $44,741 in fiscal year 2021. The overall increases were due primarily to the payment for capital equipment acquisitions.

- Accrued liabilities increased by $16,365 in fiscal year 2022 and increased by $2,728 in fiscal year 2021. The $19,093 increase over the two fiscal years was due to increased interest payable and payroll liabilities.

- The current portion of accrued conservation commitments remained at $4,062 in fiscal years 2022 and 2021. The conservation commitments are related to the Savannah Harbor Deepening project.

- Lease Liability - current portion increased by $558 and $887 in fiscal years 2022 and 2021, respectively. The $1,445 increase over the two fiscal years is due to increased leased equipment.

- Bonds payable – current portion increased by $4,590 in fiscal year 2022 and increased by $0 in fiscal year 2021. The $4,590 increase in fiscal year 2022 was from principal payments due in fiscal year 2023.

The Authority's long-term liabilities increased by $487,578 in fiscal year 2022 and decreased by $12,408 in fiscal year 2021. The $475,170 increase over the two fiscal years is due to the issuance of revenue bonds in fiscal year 2022.

- The long-term accrued conservation commitments decreased by $4,042 and by $4,042 in fiscal years 2022 and 2021, respectively. The net decrease for fiscal years 2022 and 2021 was for conservation commitments related to the Savannah Harbor Deepening project.

## Financial Statements (Continued)

- The pension and OPEB liability decreased by $4,933 in fiscal year 2022 and decreased by $16,300 in fiscal year 2021. The net decrease 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 increased by $3,098 in fiscal year 2022 and decreased by $858 in fiscal year 2021. The net increase was primarily due to the unearned rental revenue.

- Long-term lease liability is decreased by $1,060 in fiscal year 2022 and increased by $468 in fiscal year 2021. The net decrease for fiscal years 2022 and 2021 was due to decreased duration of lease term.

- Bonds payable long-term is increased by $493,993 and $0 in fiscal years 2022 and 2021, respectively. The $493,993 increase over the two fiscal years is due to the issuance of revenue bonds.

The deferred inflows of resources related to the leases, 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 lease deferred inflow decreased by $9,999 and $10,176 in fiscal years 2022 and 2021, respectively. The $20,175 decrease was due to decreased duration of lease term.

- The differences between the expected and actual economic and demographic experience decreased by $471 in fiscal year 2022 and increased by $842 in fiscal year 2021.

- Changes in assumption for the pensions and OPEB decreased by $705 and $740 in fiscal years 2022 and 2021, respectively.

The Authority’s net position increased $591,291 over the last two fiscal years with balances of $2,423,604 in fiscal year 2022, $2,044,627 in fiscal year 2021, and $1,832,313 in fiscal year 2020. The increase was attributable to the operating performance of the Authority.

## 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 ended June 30, 2022, 2021, and 2020, respectively.

| | 2022 | 2021 | 2020 |
|---|---|---|---|
| Operating revenues: | | | |
| Container cargo | **$ 762,268** | $ 551,385 | $ 415,582 |
| General cargo | **66,680** | 54,505 | 57,086 |
| Liquid and dry bulk | **4,458** | 4,696 | 4,299 |
| Operating revenues | **833,406** | 610,586 | 476,967 |
| Operating expenses: | | | |
| Operation and maintenance of facilities | **285,728** | 227,477 | 198,280 |
| General administration | **88,604** | 89,654 | 73,949 |
| Depreciation | **87,282** | 79,410 | 70,281 |
| Operating expenses | **461,614** | 396,541 | 342,510 |
| Operating income | **371,792** | 214,045 | 134,457 |
| Non-operating income (expense) | | | |
| Investment income | **6,806** | 5,129 | 9,468 |
| Interest expense | **(8,905)** | (1,122) | (933) |
| Noncapital contributions | **1,494** | 14,028 | 27,767 |
| Noncapital port development expense | **(1,494)** | (11,461) | (26,011) |
| Capital contributions repaid to the State | **-** | - | (5,472) |
| Gain (loss) on sale/impairment of capital assets | **(245)** | (7,889) | 422 |
| Other | **(5,310)** | (8,889) | (8,972) |
| Non-operating (expense) income, net | **(7,654)** | (10,204) | (3,731) |
| Capital contributions | **14,839** | 8,473 | 5,774 |
| Change in net position | **378,977** | 212,314 | 136,500 |
| Total net position, beginning of year, | **2,044,627** | 1,832,313 | 1,695,813 |
| Total net position, end of year | **$ 2,423,604** | $ 2,044,627 | $ 1,832,313 |

Total fiscal year 2022 operating revenues of the Authority were a record $833,406, or 36.5% greater than the fiscal year 2021 revenue of $610,586. Fiscal year 2021 operating revenues were 28.0% greater than fiscal year 2020 revenue of $476,967. The revenue increases over fiscal year 2020 were primarily attributable to increases in container volumes and storage over the two fiscal years.

Total fiscal year 2022 operating expenses of the Authority were $461,614, or 16.4% greater than fiscal year 2021 expenses of $396,541. Fiscal year 2021 expenses were 15.8% greater than fiscal year 2020 expenses of $342,510. The net expense increase during the past two years was primarily attributable to operating activities from increased cargo volumes.

## Financial Statements (Continued)

Operating incomes of $371,792 and $214,045 for fiscal years 2022 and 2021, respectively, were the result of the different growth rates in revenues and expenses. Non-operating income/(expense) for fiscal years 2022 and 2021 includes investment income, interest expense, gain/(loss) on sale/impairment of capital assets, and expense for harbor deepening costs. Investment income increased by $1,677 in fiscal year 2022 and decreased by $4,339 in fiscal year 2021. Interest income changes were due to interest rate fluctuations. Interest expense increased by $7,783 in fiscal year 2022 due to increased debt and decreased by $189 in fiscal year 2021. 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 2022, loss on disposal of capital assets of $245, and fiscal year 2020 gain on disposal of capital assets of $422. In fiscal years 2022, 2021 and 2020, respectively, $1,075, $10,871 and $25,000, were received from the State of Georgia for General Obligation ("GO"). Bond non-capital contributions.

Capital contributions during fiscal years 2022 and 2021 included capital contributions from the Federal government, which were $14,311 and $5,327.

## Capital Asset and Debt Administration

**Capital Assets:** The Authority's investment in capital assets was $1,825,138 as of June 30, 2022 representing a 14.8% increase for the year, and $1,589,653 as of June 30, 2021 representing an 8.8% 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
- Garden City Terminal paving for container storage

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

**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 $498,583 and $0 revenue bonds outstanding for fiscal years 2022 and 2021, 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, 2022 AND 2021
## (In Thousands)

| | 2022 | 2021 |
|---|---|---|
| **ASSETS** | | |
| **Current assets:** | | |
| Cash and cash equivalents | **$ 769,391** | $ 469,359 |
| Restricted cash and cash equivalents | **321,271** | - |
| Accounts receivable – trade (less allowance for doubtful accounts of $6,174 and $6,174 for 2022 and 2021, respectively) | **113,956** | 78,029 |
| Accounts receivable – non-trade | **9,637** | 12,598 |
| Lease receivable | **9,185** | 9,999 |
| Inventories of materials and supplies | **7,538** | 5,648 |
| Prepaid expenses | **1,589** | 1,593 |
| Total current assets | **1,232,567** | 577,226 |
| **Non-current assets:** | | |
| Long-term investments | **21,940** | 20,595 |
| Long-term lease receivable | **146,913** | 156,098 |
| Other non-current assets | **4,503** | 4,393 |
| Pension plan | **48,810** | - |
| Lease assets | **13,017** | 13,780 |
| Capital assets: | | |
| Non-depreciable | **758,560** | 551,035 |
| Depreciable, net of accumulated depreciation | **1,066,578** | 1,038,618 |
| Total non-current assets | **2,060,321** | 1,784,519 |
| Total assets | **$ 3,292,888** | $ 2,361,745 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | |
| **Deferred outflows of resources:** | | |
| Pension and other post-employment benefit plans | **$ 26,942** | $ 37,449 |
| Total deferred outflows of resources | **$ 26,942** | $ 37,449 |

| | 2022 | 2021 |
|---|---|---|
| **LIABILITIES** | | |
| **Current liabilities:** | | |
| Accounts and contracts payable | **$ 75,466** | $ 72,001 |
| Accrued conservation commitments | **4,062** | 4,062 |
| Accrued liabilities | **29,350** | 12,985 |
| Lease liabilities, current portion | **4,178** | 3,620 |
| Bonds payable, current portion, payable from restricted assets | **4,590** | - |
| Total current liabilities | **117,646** | 92,668 |
| **Non-current liabilities:** | | |
| Unearned revenue | **3,902** | 940 |
| Long-term accrued conservation commitments | **11,333** | 15,375 |
| Pension plan | **-** | 1,321 |
| Other post-employment benefit plan | **5,906** | 9,518 |
| Supplemental employee retirement plans | **54,670** | 54,148 |
| Lease liabilities, due in more than one year | **9,968** | 11,028 |
| Bonds payable, due in more than one year | **493,993** | - |
| Other non-current liabilities | **901** | 765 |
| Total non-current liabilities | **580,673** | 93,095 |
| Total liabilities | **$ 698,319** | $ 185,763 |
| **DEFERRED INFLOWS OF RESOURCES** | | |
| **Deferred inflows of resources:** | | |
| Leases | **$ 156,098** | $ 166,097 |
| Pension and other post-employment benefit plans | **41,809** | 2,707 |
| Total deferred inflows of resources | **$ 197,907** | $ 168,804 |
| **Net position:** | | |
| Net investment in capital assets | **$ 1,630,402** | $ 1,588,785 |
| Restricted for debt service | **16,295** | - |
| Unrestricted | **776,907** | 455,842 |
| Total net position | **$ 2,423,604** | $ 2,044,627 |

**See Notes to Financial Statements.**

# GEORGIA PORTS AUTHORITY

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021 (In Thousands)

| | 2022 | 2021 |
|---|---|---|
| **Operating revenues:** | | |
| Container cargo | $ 762,268 | $ 551,385 |
| General cargo | 66,680 | 54,505 |
| Liquid and dry bulk | 4,458 | 4,696 |
| Operating revenues | 833,406 | 610,586 |
| **Operating expenses:** | | |
| Operation and maintenance of facilities | 285,728 | 227,477 |
| General and administrative | 88,604 | 89,654 |
| Depreciation and amortization | 87,282 | 79,410 |
| Operating expenses | 461,614 | 396,541 |
| Operating income | 371,792 | 214,045 |
| **Non-operating income (expense):** | | |
| Investment income | 6,806 | 5,129 |
| Non-capital contributions | 1,494 | 14,028 |
| Non-capital port development expense | (1,494) | (11,461) |
| Loss on sale/impairment of capital assets | (245) | (7,889) |
| Interest expense | (8,905) | (1,122) |
| Other | (5,310) | (8,889) |
| Non-operating expense, net | (7,654) | (10,204) |
| **Capital contributions** | 14,839 | 8,473 |
| **Change in net position** | 378,977 | 212,314 |
| **Total net position, beginning of year, as restated** | 2,044,627 | 1,832,313 |
| **Total net position, end of year** | $ 2,423,604 | $ 2,044,627 |

**See Notes to Financial Statements.**

# GEORGIA PORTS AUTHORITY

## STATEMENTS OF CASH FLOWS
## FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
## (In Thousands)

| | 2022 | 2021 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Receipts from customers and users | $ 814,520 | $ 591,101 |
| Payments to suppliers | (140,970) | (56,819) |
| Payments to employees | (244,749) | (217,871) |
| Net cash provided by operating activities | 428,801 | 316,411 |
| **Cash Flows From Investing Activities:** | | |
| Purchases of investments | (1,345) | (1,910) |
| Interest received | 6,806 | 5,129 |
| Net cash provided by investing activities | 5,461 | 3,219 |
| **Cash Flows From Non-Capital Financing Activities:** | | |
| Harbor deepening construction | (1,494) | (11,461) |
| Payments for non-capital projects | (4,179) | (10,611) |
| Receipts from non-capital projects | 1,335 | 301 |
| Federal grant reimbursement | - | 1,229 |
| Non-capital contributions | 1,494 | 12,088 |
| Net cash used in non-capital financing activities | (2,844) | (8,454) |
| **Cash Flows From Capital and Related Financing Activities:** | | |
| Purchases of capital assets | (319,673) | (210,922) |
| Sale of capital assets | 571 | 570 |
| Crane demolition | - | (2,691) |
| Lease payments | (3,619) | (2,733) |
| Bond proceeds | 427,040 | - |
| Bond premium | 75,466 | - |
| Bond issuance costs | (2,496) | - |
| Interest paid | (1,124) | (1,122) |
| Capital contributions received | 13,720 | 3,583 |
| Net cash provided by (used in) capital and related financing activities | 189,885 | (213,315) |
| Net increase in cash and cash equivalents | 621,303 | 97,861 |
| Cash and cash equivalents: | | |
| Beginning | 469,359 | 371,498 |
| Ending | $ 1,090,662 | $ 469,359 |
| As reported in the Statement of Net Position: | | |
| Cash and cash equivalents | $ 769,391 | $ 469,359 |
| Restricted cash and cash equivalents | 321,271 | - |
| Total | $ 1,090,662 | $ 469,359 |

# GEORGIA PORTS AUTHORITY

## STATEMENTS OF CASH FLOWS
## FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
## (In Thousands)

| | 2022 | 2021 |
|---|---|---|
| **Cash Flows From Operating Activities:** | | |
| Operating income | $ 371,792 | $ 214,045 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | |
| Depreciation | 87,282 | 79,410 |
| Provision for doubtful accounts receivable | - | 166 |
| Changes in assets and liabilities: | | |
| Increase in accounts receivable - trade | (35,927) | (28,594) |
| (Increase) decrease in accounts receivable - non-trade | 4,080 | (291) |
| (Increase) decrease in inventories | (1,890) | 329 |
| Decrease in lease receivables | 9,999 | 10,177 |
| Decrease in prepaid expenses | 4 | 881 |
| Increase in other non-current assets | (110) | (46) |
| Increase in net pension asset | (48,810) | - |
| Decrease in deferred outflows of resources | 10,507 | 15,815 |
| Increase in accounts payable and accrued liabilities | 8,126 | 47,469 |
| Increase (decrease) in unearned revenue | 2,962 | (943) |
| Decrease in OPEB liability | (3,612) | (1,779) |
| Decrease in net pension liability | (1,321) | (14,521) |
| Increase in SERP liability | 522 | 8,324 |
| Decrease in accrued conservation commitments | (4,042) | (4,042) |
| Increase in other non-current liabilities | 136 | 85 |
| Increase (decrease) in deferred inflows of resources | 29,103 | (10,074) |
| Net cash provided by operating activities | $ 428,801 | $ 316,411 |

**See Notes to Financial Statements.**

# GEORGIA PORTS AUTHORITY

## STATEMENTS OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
## PENSION AND OPEB TRUST FUNDS
## JUNE 30, 2022 AND 2021
## (In Thousands)

| | 2022 | 2021 |
|---|---|---|
| **ASSETS** | | |
| Cash and short-term investments | **$ 1,571** | $ 4,827 |
| Receivables: | | |
| Interest and dividends receivable | **289** | 464 |
| Prepaid expenses | **5** | 3 |
| Investments, at fair value: | | |
| Immediate Participation Guarantee (IPG) Contracts | **9,865** | 10,494 |
| Equity securities: | | |
| Exchange traded funds | **255,495** | 289,037 |
| Fixed income | **101,531** | 105,542 |
| Mutual funds | **9,362** | 10,932 |
| Alternative funds | **2,126** | 2,185 |
| Total Assets | **380,244** | 423,484 |
| **LIABILITIES** | | |
| Accounts payable | **164** | 106 |
| Accrued claims payable | **157** | 93 |
| Total Liabilities | **321** | 199 |
| **NET POSITION** | | |
| Restricted for pension benefits | **364,873** | 404,840 |
| Restricted for OPEB benefits | **15,050** | 18,445 |
| Total Net Position | **$ 379,923** | $ 423,285 |

**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, 2022 AND 2021
## (In Thousands)

| | 2022 | 2021 |
|---|---|---|
| **Additions:** | | |
| Contributions: | | |
| Employer | **$ 7,075** | $ 16,245 |
| Employees | **989** | 1,030 |
| Total contributions | **8,064** | 17,275 |
| Investment income (loss): | | |
| Net change in the fair value of investments | **(41,255)** | 73,880 |
| Dividends and interest | **8,921** | 6,211 |
| Net investment income | **(32,334)** | 80,091 |
| Total additions | **(24,270)** | 97,366 |
| **Deductions:** | | |
| Benefits | **17,949** | 15,531 |
| Administrative expenses | **1,143** | 1,009 |
| Total deductions | **19,092** | 16,540 |
| **Net increase (decrease)** | **(43,362)** | 80,826 |
| Net Position Restricted for Pension and OPEB Benefits: | | |
| Beginning | **423,285** | 342,459 |
| Ending | **$ 379,923** | $ 423,285 |

**See Notes to Financial Statements.**

## 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 Governmental 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 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.

## 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.

## 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, 2022 and 2021:

- 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.

## NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Significant Accounting Policies (Continued)

#### Investments (Continued)

**Retirement Plan for Employees of the Georgia Ports Authority (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.

## 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 of capital assets and right to use leased assets 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 |
| Right to use leased equipment and trucks | 1 to 5 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 assets 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, 2022 and 2021. 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.

## 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 assets 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 leases, pension, other post-employment benefit plan, and supplemental retirement plan as deferred inflows of resources during the year ended June 30, 2022 and 2021. 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 5, 6, and 7.

#### Leases

***Lessee***. The Authority is a lessee for noncancellable leases of equipment and trucks. The Authority recognizes a lease liability and an intangible right-to-use lease asset in its financial statements. The Authority recognizes lease liabilities with an initial, individual value of $10,000 or more.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Authority determines: 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments:

- The Authority uses the implicit interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided or can be imputed, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the Authority is reasonably certain to exercise.

## NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Significant Accounting Policies (Continued)

#### Leases (Continued)

***Lessee (Continued)***. The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with current and non-current liabilities on the statement of net position.

***Lessor.*** The Authority is a lessor for noncancellable leases of office space, warehouses and land. The Authority recognizes a lease receivable and an intangible right-to-use lease asset in its financial statements. The Authority recognizes lease receivables for leases with a term greater than 12 months.

At the commencement of a lease, the Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the Authority determines: 1) the discount rate it uses to discount the expected lease receivable to present value, 2) lease term, and 3) lease revenue:

- The Authority uses the 10-year treasury rate at the lease inception date as the discount rate.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments expected to be received during the lease period.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable.

## NOTE 2. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2022 and 2021, are summarized as follows:

| | 2022 | 2021 |
|---|---|---|
| As reported in the *Statements of Net Position*: | | |
| Cash and cash equivalents | **$ 1,090,662** | $ 469,359 |
| Long-term investments | **21,940** | 20,595 |
| | **$ 1,112,602** | $ 489,954 |
| Cash deposited with financial institutions | **$ 81,957** | $ 66,771 |
| Cash deposited with Georgia Fund 1 | **992,927** | 386,830 |
| Cash deposited in an irrevocable Rabbi Trust | **921** | 513 |
| Cash deposited in a revocable Rabbi Trust | **15,778** | 15,758 |
| Investments in insurance contracts | **21,019** | 20,082 |
| | **$ 1,112,602** | $ 489,954 |

**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, 2022 and 2021, the Authority's investment in the Rabbi trust was rated AAAm by Standard & Poor's. As of June 30, 2022 and 2021, the Authority's investment in Georgia Fund 1 was rated AAAf/S1+ by Standard & Poor's.

At June 30, 2022, the Authority had the following investments:

| Investment | Maturities | |
|---|---|---|
| *Investments valued at fair value:* | | |
| Georgia Fund 1 | 43-day weighted average | $ 992,927 |
| Rabbi Trust | 46-day weighted average or less | 15,778 |
| Total investments valued at fair value | | 1,008,705 |
| *Investments valued at cash value:* | | |
| Insurance contracts | | 21,019 |
| Total | | $ 1,029,724 |

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

**Credit risk (Continued).** At June 30, 2021, the Authority had the following investments:

| Investment | Maturities | | |
|---|---|---|---|
| *Investments valued at fair value:* | | | |
| 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 |
| *Investments valued at cash value:* | | | |
| Insurance contracts | | | 20,082 |
| Total | | $ | 422,670 |

Georgia Fund 1, created by the Official Code of Georgia Annotated (O.C.G.A.) §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 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 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.

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 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.

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

**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, 2022 and 2021, 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, 2022 and 2021, the fair value of the Retirement Plan for Employees of Georgia Ports Authority's (Plan) cash and investments was $364,873 and $404,439, respectively, of which $1,416 and $4,451, respectively, are classified as cash equivalents due to the short-term nature of the investments.

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.

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

### Retirement Plan for Employees of Georgia Ports Authority (Continued)

**Fair Value Measurements.** As of June 30, 2022, the Plan reported exchange traded funds and fixed income funds in the amounts of $249,710 and $101,531, respectively, as level 1 investments in the fair value hierarchy. Additionally, the global opportunities hedge fund investments of $2,126 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, 2022.

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.

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.

*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 $9,865 and $10,494 as of June 30, 2022 and 2021, 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 excluded from reporting in the fair value hierarchy.

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

### Retirement Plan for Employees of Georgia Ports Authority (Continued)

**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, 2022 and 2021, 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, 2022 and 2021, the Plan was not exposed to custodial credit risk with respect to its deposits.

**Rate of Return.** For the years ended June 30, 2022 and 2021, 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, 2022 and 2021, the Plan had $363,516 and $399,988, respectively, invested in the following types of investments as categorized by credit risk and interest rate risk: Equities - $249,710 and $281,767, Fixed Income - $101,531 and $105,542, Alternative Funds - $2,126 and $2,185, and Immediate Participation (IPG) Contracts - $9,865 and $10,494. Each investment category does not have a credit quality rating or a weighted average maturity.

**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.

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

### Retirement Plan for Employees of Georgia Ports Authority (Continued)

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 65%, Equity Securities between 35% and 75%, and Alternative Strategies between 0% and 30%. At June 30, 2022 and 2021, the Plan's asset mix was as follows:

| | **2022** | 2021 |
|---|---|---|
| Cash, short-term investments, and accrued interest and dividends | **0.4%** | 1.1% |
| Equities | **68.4%** | 69.6% |
| Fixed income | **27.8%** | 26.1% |
| IPG contracts | **2.7%** | 2.6% |
| Alternative funds | **0.6%** | 0.5% |

**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, 2022 and 2021, the Plan holds more than 5% of its investments in the following mutual funds and exchange traded funds:

| **Investment** | **2022** | 2021 |
|---|---|---|
| Exchange traded funds: | | |
| Ishares Core S&P 500 ETF | **$ 50,642** | $ 57,510 |
| Ishares MSCI USA Momentum Factor ETF | **81,237** | - |
| Energy Select SPDR Sector Index Fund | **7,401** | - |
| Ishares Core MSCI EAFE ETF | **22,708** | 27,456 |
| Invesco S&P 500 Pure Value ETF | **40,841** | 33,962 |
| Ishares Core MSCI Emerging Markets ETF | **9,298** | 58,543 |
| Vanguard Russell 1000 Value ETF | **37,583** | 104,296 |
| | **$ 249,710** | $ 281,767 |
| Mutual funds | | |
| Ishares Core I.S. Aggregate Bond ETF | **$ 101,531** | $ 105,542 |

**Foreign Currency Risk.** At June 30, 2022 and 2021, the Plan assets had no exposure to foreign currency risk.

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

### Retiree Medical and Dental Plan

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

| | 2022 | 2021 |
|---|---|---|
| Demand deposits | $ 156 | $ 376 |
| Mutual funds | 9,362 | 10,932 |
| Exchange traded funds | 5,785 | 7,270 |
| | $ 15,303 | $ 18,578 |

At June 30, 2022 and 2021, the fair value of the OPEB Plan's cash and investments was $15,303 and $18,578, respectively, of which $156 and $376, respectively, is classified as cash equivalents due to the short-term nature of the investments. As of June 30, 2022 and 2021, $15,147 and $18,202, respectively, is classified as assets measured at fair value (mutual funds and exchange traded funds).

***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, 2022 and 2021, 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:

| Asset class | Neutral | Allowable |
|---|---|---|
| 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, 2022 and 2021, 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.

## NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

### Retiree Medical and Dental Plan (Continued)

***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, 2022 and 2021, the OPEB Plan was not exposed to custodial credit risk with respect to its investments.

As of June 30, 2022 and 2021, the OPEB plan held $9,362 and $10,932, respectively, in mutual funds and $5,785 and $7,270, respectively, in exchange traded funds.

***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, 2022 and 2021, the OPEB Plan holds more than 5% of its investments in the following funds:

| Investment | 2022 | 2021 |
|---|---|---|
| Mutual funds | | |
| Cohen & Steers Real Estate Securities Fund, Inc. | **$ 1,143** | $ 1,480 |
| Dodge & Cox Income Fund | **1,227** | 1,263 |
| Federated Institutional High Yield Bond Fund | **794** | - |
| PIMCO Short-term Fund Institutional Class | **1,695** | 1,426 |
| Vanguard Short-term Investment Grade Fund | **1,522** | 1,422 |
| Total mutual funds | **$ 6,381** | $ 5,591 |
| | | |
| Exchange traded funds | | |
| Vanguard 500 Index Fund | **$ 5,027** | $ 6,301 |
| Vanguard Small-Cap Fund | **758** | 969 |
| Total exchange traded funds | **$ 5,785** | $ 7,270 |

***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, 2022 and 2021, the OPEB Plan assets had no exposure to foreign currency risk.

## NOTE 3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022, is as follows:

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Capital assets, not being depreciated: | | | | | |
| Land | $ 309,898 | $ 21 | $ - | $ 1,123 | $ 311,042 |
| Construction in progress | 241,137 | 285,214 | - | (78,833) | 447,518 |
| Total | 551,035 | 285,235 | - | (77,710) | 758,560 |
| Capital assets, being depreciated: | | | | | |
| Land improvements | 617,334 | 7,904 | (266) | 11,346 | 636,318 |
| Wharves, piers, and containerized yard | 255,175 | 1,356 | (6,497) | 36,450 | 286,484 |
| Railroad tracks and crossings | 39,899 | 45 | (4,773) | 411 | 35,582 |
| Building and structures | 173,082 | 22 | (2,064) | 139 | 171,179 |
| Machinery and equipment | 776,396 | 25,111 | (2,431) | 29,364 | 828,440 |
| Furniture and fixtures | 8,283 | - | (3,778) | - | 4,505 |
| Total | 1,870,169 | 34,438 | (19,809) | 77,710 | 1,962,508 |
| Less accumulated depreciation for: | | | | | |
| Land improvements | (269,208) | (23,021) | 171 | - | (292,058) |
| Wharves, piers, and containerized yard | (126,127) | (8,646) | 6,041 | - | (128,732) |
| Railroad tracks and crossings | (13,167) | (5,028) | 4,729 | - | (13,466) |
| Building and structures | (95,955) | (4,584) | 2,064 | - | (98,475) |
| Machinery and equipment | (319,683) | (41,804) | 2,239 | - | (359,248) |
| Furniture and fixtures | (7,411) | (318) | 3,778 | - | (3,951) |
| Total | (831,551) | (83,401) | 19,022 | - | (895,930) |
| Total capital assets, being depreciated, net | 1,038,618 | (48,963) | (787) | 77,710 | 1,066,578 |
| Total capital assets, net, excluding leases | $ 1,589,653 | $ 236,272 | $ (787) | $ - | $ 1,825,138 |

## NOTE 3. CAPITAL ASSETS (CONTINUED)

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

| | Beginning Balance | Increases | Decreases | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Capital assets, not being depreciated: | | | | | |
| Land | $ 279,935 | $ 29,890 | $ - | $ 73 | $ 309,898 |
| Construction in progress | 153,099 | 159,041 | - | (71,003) | 241,137 |
| Total | 433,034 | 188,931 | - | (70,930) | 551,035 |
| 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 | 8,178 | 105 | - | - | 8,283 |
| Total | 1,832,234 | 21,991 | (54,986) | 70,930 | 1,870,169 |
| 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 | (7,130) | (281) | - | - | (7,411) |
| Total | (804,489) | (76,281) | 49,219 | - | (831,551) |
| Total capital assets, being depreciated, net | 1,027,745 | (54,290) | (5,767) | 70,930 | 1,038,618 |
| Total capital assets, net, excluding leases | $ 1,460,779 | $ 134,641 | $ (5,767) | $ - | $ 1,589,653 |

## NOTE 4. LEASES

### Lessee – Lease Assets

A summary of lease asset activity for the Authority for the year ended June 30, 2022 is as follows:

| | Beginning Balance | Increases | Decreases | Remeasure | Ending Balance |
|---|---|---|---|---|---|
| Leased equipment and trucks | $ 25,404 | $ 3,118 | $ - | $ - | $ 28,522 |
| Less accumulated amortization for leased equipment and trucks | (11,624) | (3,881) | - | - | (15,505) |
| Total leased equipment and trucks, net | $ 13,780 | $ (763) | $ - | $ - | $ 13,017 |

A summary of lease asset activity for the Authority for the year ended June 30, 2021 is as follows:

| | Beginning Balance | Increases | Decreases | Remeasure | Ending Balance |
|---|---|---|---|---|---|
| Leased equipment and trucks | $ 21,316 | $ 4,088 | $ - | $ - | $ 25,404 |
| Less accumulated amortization for leased equipment and trucks | (8,495) | (3,129) | - | - | (11,624) |
| Total leased equipment and trucks, net | $ 12,821 | $ 959 | $ - | $ - | $ 13,780 |

### Lessor – Lease Receivable

The Authority is the lessor for various property and equipment as noted in Note 1. The Authority recognized $9,999 and $10,177 as lease revenue for the years ended June 30, 2022 and 2021, respectively.

## NOTE 5. LONG-TERM LIABILITIES

The Authority's long-term liability activity for the year ended June 30, 2022 is as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| 2021 Series bonds | $ - | $ 427,040 | $ - | $ 427,040 | $ 4,590 |
| 2021 Series bond premium | - | 75,466 | (3,923) | 71,543 | - |
| Total bonds | - | 502,506 | (3,923) | 498,583 | 4,590 |
| Lease liabilities | 14,648 | 3,117 | (3,620) | 14,145 | 4,178 |
| Compensated absences | 4,639 | 4,010 | (3,506) | 5,143 | 4,307 |
| Total long-term liabilities | $ 19,287 | $ 509,633 | $ (11,049) | $ 517,871 | $ 13,075 |

The Authority's long-term liability activity for the year ended June 30, 2021 is as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Lease liabilities | $ 13,293 | $ 4,088 | $ (2,733) | $ 14,648 | $ 3,620 |
| Compensated absences | 4,567 | 2,782 | (2,710) | 4,639 | 3,934 |
| Total long-term liabilities | $ 17,860 | $ 6,870 | $ (5,443) | $ 19,287 | $ 7,554 |

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.

**Bonds Payable**. In July 2021, the Authority issued the Series 2021 revenue bonds in the amount of $427,040; proceeds of which are to be used to finance various capital improvement projects and to pay the costs of issuance of the Series 2021 bonds. The interest rate on the bonds is 4 – 5% and principal is due July 1 and interest is due January 1 and July 1 of each year.

The debt service maturity for the Series 2021 bonds are as follows:

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 4,590 | $ 11,704 | $ 16,294 |
| 2024 | 7,205 | 17,549 | 24,754 |
| 2025 | 7,565 | 17,189 | 24,754 |
| 2026 | 7,945 | 16,811 | 24,756 |
| 2027 | 8,340 | 16,414 | 24,754 |
| 2028 – 2032 | 48,385 | 75,381 | 123,766 |
| 2033 – 2037 | 61,755 | 62,013 | 123,768 |
| 2038 – 2042 | 77,260 | 46,509 | 123,769 |
| 2043 – 2047 | 92,845 | 30,923 | 123,768 |
| 2048 – 2052 | 111,150 | 12,611 | 123,761 |
| Total | $ 427,040 | $ 307,104 | $ 734,144 |

## NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

**Lease liabilities.** The Authority enters into lease agreements for periods between one and five years as lessee for the use of certain equipment and trucks. The leases have an imputed interest rate of 9 – 11%.

Principal and interest requirements to maturity for the lease liabilities as of June 30, 2022 are as follows:

| Fiscal Year | Principal | Interest | Total |
|---|---|---|---|
| 2023 | $ 4,178 | $ 866 | $ 5,044 |
| 2024 | 4,126 | 565 | 4,691 |
| 2025 | 4,053 | 283 | 4,336 |
| 2026 | 1,788 | 19 | 1,807 |
| Total | $ 14,145 | $ 1,733 | $ 15,878 |

## 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 28.2% 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, 2021, was six years.

The following schedule reflects membership for the Plan as of June 30, 2021 and June 30, 2020.

| | **2021** | 2020 |
|---|---|---|
| Retired participants and beneficiaries | **498** | 469 |
| Terminated vested participants | **75** | 74 |
| Active participants | **595** | 642 |
| Total | **1,168** | 1,185 |

## NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

*Net Pension Liability*. The Authority's net pension liability for the years ended June 30, 2022 and 2021, are as follows:

| | **2022** | 2021 |
|---|---|---|
| Total pension liability | **$ 356,029** | $ 329,196 |
| Plan net position | **404,839** | 327,875 |
| Net pension liability (asset) | **$ (48,810)** | $ 1,321 |
| Plan net position as a percentage of the total pension liability | **113.7%** | 99.6% |

The Authority's changes in the net pension liability by source for the fiscal year ended June 30, 2022, are reflected below:

| | **Total Pension Liability (a)** | **Plan Fiduciary Net Position (b)** | **Net Pension Liability (a) – (b)** |
|---|---|---|---|
| **Beginning Balance** | $ 329,196 | $ 327,875 | $ 1,321 |
| **Changes for the year:** | | | |
| Service cost | 4,316 | - | 4,316 |
| Interest | 23,973 | - | 23,973 |
| Experience changes | 1,489 | - | 1,489 |
| Assumption changes | 10,505 | - | 10,505 |
| Contributions – employer | - | 14,164 | (14,164) |
| Contributions – employee | - | 733 | (733) |
| Net investment income (loss) | - | 76,334 | (76,334) |
| Benefit payments, including refunds of employee contributions | (13,450) | (13,450) | - |
| Administrative expense | - | (817) | 817 |
| **Net changes** | 26,833 | 76,964 | (50,131) |
| **Ending Balance** | $ 356,029 | $ 404,839 | $ (48,810) |

## 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, 2021, are reflected below:

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (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 | - | 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 |

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, 2022 and 2021, the Authority recognized pension expense of $5,904 and $14,164, respectively. The Authority reported deferred outflows and inflows of resources related to pensions from the following sources as of June 30, 2022:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Pension assumption changes | $ 12,982 | $ - |
| Pension experience differences | 3,404 | 245 |
| Pension investment return | - | 38,422 |
| Pension contribution subsequent to measurement date | 5,904 | - |
| Total | $ 22,290 | $ 38,667 |

## NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

*Deferred outflows and inflows of resources (Continued)*. Authority contributions subsequent to the measurement date of $5,904 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, 2023. The remaining deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ending June 30: | | |
|---|---|---|
| 2023 | $ | (416) |
| 2024 | | (2,569) |
| 2025 | | (8,820) |
| 2026 | | (10,476) |
| Total | $ | (22,281) |

The Authority reported deferred outflows 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 |

Authority contributions subsequent to the measurement date of $14,164 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, 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 | $ | 15,424 |

## NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

*Actuarial assumptions*. The total pension liability was determined by an actuarial valuation as of July 1, 2020 and 2019, with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2021 and 2020. The following actuarial assumptions apply to the respective periods included in the measurement:

| | **2021** | 2020 |
|---|---|---|
| Post-retirement benefit increase rate | **3.00%** | 3.00% |
| Salary increases | **3.00%** | 3.00% |
| Investment return | **7.20%** | 7.30% |

For the year ended June 30, 2022, mortality rates were based on the PUB-2010 General Retiree Amount Weighted Mortality projected with scale MP2020. For the year ended June 30, 2021, 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 nonannuitants. 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, 2022 and 2021: Equity Securities – 5.2% and 4.6%, respectively, and Fixed Income Securities – 3.3% and 1.2%, respectively.

*Discount rate*. The discount rate used to measure the total pension liability was 7.20% and 7.30% as of June 30, 2022 and 2021, 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, 2022 and 2021, 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 (7.20%) becomes the discount rate and thus was applied to all projected future benefit payments to determine the total pension liability.

## 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, 2022:

| | 1% Decrease (6.20%) | Current Discount Rate (7.20%) | 1% Increase (8.20%) |
|---|---|---|---|
| Authority's net pension liability (asset) | $ (307) | $ (48,810) | $ (88,946) |

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) |

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, 2022 and 2021, 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.

## NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

*Sensitivity of the net pension liability (asset) to changes in the discount rate (Continued).* The following schedule reflects membership for the Plan as of June 30, 2021 and June 30, 2020.

| | **2022** | 2021 |
|---|---|---|
| Active participants | **2** | 2 |
| Former employees receiving benefits | **14** | 14 |
| Total | **16** | 16 |

*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, 2022 and 2021, are reflected below:

| | **Total Pension Liability 2022** | Total Pension Liability 2021 |
|---|---|---|
| **Beginning Balance** | **$ 54,148** | $ 45,824 |
| **Changes for the year:** | | |
| Service cost | **1,342** | 609 |
| Interest | **1,197** | 1,585 |
| Economic/demographic gains or losses | **(184)** | 202 |
| Assumption changes | **495** | 8,171 |
| Benefit payments | **(2,328)** | (2,243) |
| **Net changes** | **522** | 8,324 |
| **Ending Balance** | **$ 54,670** | $ 54,148 |

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, 2022 and 2021, the Authority recognized pension expense of $2,846 and $10,486, respectively. The Authority reported deferred outflows of resources as of June 30, 2022 for pension contributions subsequent to the measurement date in the amount of $2,291. This will be recognized as a reduction of the total pension liability in the year ending June 30, 2023. The Authority reported deferred outflows of resources as of June 30, 2022 for plan assumption changes in the amount of $85. This will be recognized as a reduction of the total pension liability annually in the amount of $14 through fiscal year 2028. 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 was recognized as a reduction of the total pension liability in the year ended June 30, 2022. The Authority reported deferred outflows of resources as of June 30, 2022 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.

## NOTE 6. PENSION BENEFIT PLANS (CONTINUED)

*Actuarial assumptions*. The total pension liability was determined by an actuarial valuation as of July 1, 2020 and 2019 and January 1, 2020, with update procedures performed by the actuary to roll forward to the total pension liability measured as of June 30, 2021 and 2020. 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 2.14% and 2.21% as of June 30, 2022 and 2021, 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, 2021. 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, 2022, the Authority maintains certain earmarked assets, namely life insurance products with a net face value of $34,750, a revocable Rabbi trust of $15,778, and an irrevocable Rabbi trust of $921 with a combined value of $51,449 to offset the $54,670 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 $37,718.

## 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.

## 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, 2022 and 2021.

| | **2022** | 2021 |
|---|---|---|
| Active employees | **1,376** | 1,376 |
| Retirees and surviving spouses with medical coverage | **103** | 103 |
| Total | **1,479** | 1,479 |

### Contributions

The Authority contributed an actuarially determined amount to the OPEB Plan's Trust for the years ended June 30, 2022 and 2021, which amounted to $2,081 and $2,000, respectively.

*Net OPEB Liability.* The Authority's changes in the net OPEB liability by source for the fiscal year ended June 30, 2022, are reflected below:

| | **Total OPEB Liability (a)** | **Plan Fiduciary Net Position (b)** | **Net OPEB Liability (a) – (b)** |
|---|---|---|---|
| **Beginning Balance** | $ 24,103 | $ 14,585 | $ 9,518 |
| **Changes for the year:** | | | |
| Service cost | 602 | - | 602 |
| Interest | 1,430 | - | 1,430 |
| Benefit payments | (1,783) | (1,783) | - |
| Employer contributions | - | 2,081 | (2,081) |
| Net investment income | - | 3,756 | (3,756) |
| Administrative expense | - | (193) | 193 |
| **Net changes** | 249 | 3,861 | (3,612) |
| **Ending Balance** | $ 24,352 | $ 18,446 | $ 5,906 |

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

*Net OPEB Liability (Continued).* The Authority's changes in the net OPEB liability by source for the fiscal year ended June 30, 2021 are 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 |

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, 2022 and 2021, the Authority recognized OPEB expense of $1,171 and $1,863, respectively. The Authority reported deferred outflows and inflows of resources related to OPEB from the following sources as of June 30, 2022:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Experience differences | $ 467 | $ 1,074 |
| Assumption changes | 638 | 212 |
| Difference between expected and actual earnings | - | 1,856 |
| OPEB contribution subsequent to measurement date | 1,171 | - |
| Total | $ 2,276 | $ 3,142 |

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

*Deferred outflows and inflows of resources (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: | | |
|---|---|---|
| 2023 | $ | (247) |
| 2024 | | (376) |
| 2025 | | (388) |
| 2026 | | (598) |
| 2027 | | (214) |
| Thereafter | | (214) |
| Total | $ | (2,037) |

The Authority reported deferred outflows 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 |
| Pension assumption changes | | 814 | | 383 |
| Difference between expected and actual earnings | | 836 | | - |
| OPEB contribution subsequent to measurement date | | 2,081 | | - |
| Total | $ | 4,381 | $ | 1,636 |

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, 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 | | (429) |
| Total | $ | 664 |

## 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, 2022 and 2021: Equity Securities – 4.2% and 6.8%, respectively, and Fixed Income Securities – 2.8% and 2.1%, respectively.

*Discount rate*. The discount rate used to measure the total OPEB liability was 6.00% as of June 30, 2022 and 2021. 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, 2022 and 2021, 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.

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

*Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost rate trend (Continued).* The following table represents the sensitivity analysis discussed above as of June 30, 2022:

| | 1% Decrease (5.00%) | Current Discount Rate (6.00%) | 1% Increase (7.00%) |
|---|---|---|---|
| 1% Decrease - Healthcare cost rate trend | | $ 3,890 | |
| Authority's net OPEB liability | $ 7,627 | 5,906 | $ 4,337 |
| 1% Increase - Healthcare cost rate trend | | 8,188 | |

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

| | 1% Decrease (5.00%) | Current Discount Rate (6.00%) | 1% Increase (7.00%) |
|---|---|---|---|
| 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 | |

*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, 2022 are as follows:

| | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension/OPEB Expense |
|---|---|---|---|
| Retirement Plan | $ 22,290 | $ 38,667 | $ 14,164 |
| Supplemental Retirement Plans | 2,376 | - | 2,846 |
| OPEB Plan | 2,276 | 3,142 | 1,171 |
| Total | $ 26,942 | $ 41,809 | $ 18,181 |

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:

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

## 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, 2022 and 2021, and such amounts are included in the financial statements for the years ended June 30, 2022 and 2021. Changes in the balances of medical claims liabilities during the years ended June 30, 2022 and 2021, are as follows:

| | **2022** | 2021 |
|---|---|---|
| Unpaid claims, beginning of fiscal year | **$ 625** | $ 650 |
| Claims paid | **(11,505)** | (10,469) |
| Incurred claims | **10,061** | 10,444 |
| Unpaid claims, end of fiscal year | **$ (819)** | $ 625 |

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, 2022 and 2021, the Authority had commitments for construction projects of approximately $680,332 and $309,029, 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.

## NOTE 9. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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 $20,135 through the year ended June 30, 2022, 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.

## NOTE 10. CHANGE IN ACCOUNTING PRINCIPLE

The Authority implemented Governmental Accounting Standards Board Statement No. 87, *Leases*, as of July 1, 2020. The implementation required beginning net position as previously reported of $1,832,785 to be restated by $(472), resulting in restated net position as of July 1, 2020 in the amount of $1,832,313.

## NOTE 11. SUBSEQUENT EVENT

In August 2022, the Authority issued $755,615 in Series 2022 revenue bonds, the proceeds of which are to be used to finance various capital improvement projects and to pay costs of issuance. The interest rate on the bonds is 4 – 5.25% with principal due on July 1 and interest due on January 1 and July 1 of each year.

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# 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)

| | **2022** | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| **Total pension liability** | | | | |
| Service cost | **$ 4,316** | $ 4,385 | $ 4,152 | $ 4,110 |
| Interest on total pension liability | **23,973** | 22,821 | 21,739 | 21,039 |
| Differences between expected and actual experience | **1,489** | (471) | 6,375 | 2,048 |
| Changes in assumptions and/or cost method | **10,505** | 4,583 | 8,408 | 383 |
| Benefit payments, including refunds of employee contributions | **(13,450)** | (11,699) | (10,700) | (9,442) |
| **Net change in total pension liability** | **26,833** | 19,619 | 29,974 | 18,138 |
| **Total pension liability - beginning** | **329,196** | 309,577 | 279,603 | 261,465 |
| **Total pension liability - ending (a)** | **356,029** | 329,196 | 309,577 | 279,603 |
| **Plan fiduciary net position** | | | | |
| Contributions - employer | **14,164** | 17,935 | 10,172 | 10,819 |
| Contributions - employee | **733** | 760 | 784 | 795 |
| Net investment income | **76,334** | 27,886 | 5,308 | 19,787 |
| Benefit payments, including refunds of employee contributions | **(13,450)** | (11,699) | (10,700) | (9,442) |
| Administrative expenses | **(817)** | (742) | (852) | (880) |
| **Net change in plan fiduciary net position** | **76,964** | 34,140 | 4,712 | 21,079 |
| **Plan fiduciary net position - beginning** | **327,875** | 293,735 | 289,023 | 267,944 |
| **Plan fiduciary net position - ending (b)** | **404,839** | 327,875 | 293,735 | 289,023 |
| **Authority's net pension liability (asset) ending (a) - (b)** | **$ (48,810)** | $ 1,321 | $ 15,842 | $ (9,420) |
| **Plan fiduciary net position as a percentage of the total pension liability** | **113.7%** | 99.6% | 94.9% | 103.4% |
| **Covered payroll** | **$ 50,214** | $ 52,406 | $ 54,143 | $ 54,426 |
| **Net pension liability (asset) as a percentage of covered payroll** | **(97.2%)** | 2.5% | 29.3% | (17.3%) |

**Notes to the Schedule:**

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

| | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|
| | $ 4,497 | $ 4,226 | $ 4,175 | $ 4,210 | $ 4,226 |
| | 19,958 | 18,563 | 17,601 | 16,086 | 15,161 |
| | (1,020) | - | - | - | - |
| | (3,549) | 1,120 | 12,441 | (1,449) | - |
| | (8,658) | (7,840) | (7,491) | (7,113) | (6,305) |
| | 11,228 | 16,069 | 26,726 | 11,734 | 13,082 |
| | 250,237 | 234,168 | 207,442 | 195,708 | 182,626 |
| | 261,465 | 250,237 | 234,168 | 207,442 | 195,708 |
| | 12,824 | 18,631 | 22,106 | 30,282 | 29,862 |
| | 798 | 814 | 825 | 813 | 831 |
| | 28,503 | (47) | 311 | 20,916 | 8,721 |
| | (8,658) | (7,840) | (7,491) | (7,113) | (6,305) |
| | (706) | (509) | (249) | (183) | (109) |
| | 32,761 | 11,049 | 15,502 | 44,715 | 33,000 |
| | 235,183 | 224,134 | 208,632 | 163,917 | 130,917 |
| | 267,944 | 235,183 | 224,134 | 208,632 | 163,917 |
| | $ (6,479) | $ 15,054 | $ 10,034 | $ (1,190) | $ 31,791 |
| | 102.5% | 94.0% | 95.7% | 100.6% | 83.8% |
| | $ 55,385 | $ 55,363 | $ 55,480 | $ 56,223 | $ 56,249 |
| | (11.7%) | 27.2% | 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)

| | **2022** | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| Actuarially determined contribution | **$ 3,866** | $ 4,412 | $ 6,656 | $ 3,673 |
| Contributions in relation to the actuarially determined contribution | **5,904** | 14,164 | 17,935 | 10,625 |
| Contribution deficiency (excess) | **$ (2,038)** | $ (9,752) | $ (11,279) | $ (6,952) |
| Covered payroll | **$ 44,309** | $ 50,214 | $ 52,406 | $ 54,143 |
| Contributions as a percentage of covered payroll | **13.3%** | 28.2% | 34.2% | 19.6% |

**Notes to the Schedule:**

(1) Actuarial Assumptions

| | |
|---|---|
| Valuation Date | July 1, 2021 |
| Cost Method | Entry Age Normal |
| Assumed Rate of Return on Investments | 7.20% |
| Projected Salary Increases | 3.00% |
| Post-retirement benefit increase rate | 3.00% |
| Amortization Method | Level dollar |
| Remaining Amortization Period | 6 years (closed) |

(2) Actuarial Asset Valuation Method

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

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| $ 3,637 | $ 5,918 | $ 5,263 | $ 10,559 | $ 10,312 | $ 9,789 |
| 10,819 | 12,824 | 18,631 | 22,106 | 30,282 | 29,862 |
| $ (7,182) | $ (6,906) | $ (13,368) | $ (11,547) | $ (19,970) | $ (20,073) |
| $ 54,426 | $ 55,385 | $ 55,363 | $ 55,480 | $ 56,223 | $ 56,249 |
| 19.9% | 23.2% | 33.7% | 39.8% | 53.9% | 53.1% |

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# 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,

| | **2022** | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|
| Annual money-weighted rate of return, net of investment expenses for the Authority's Pension Plan | **(7.70%)** | 21.70% | 9.10% | 1.20% | 7.40% |

| | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|
| Annual money-weighted rate of return, net of investment expenses for the Authority's Pension Plan | 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)

| | **2022** | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| **Total pension liability** | | | | |
| Service cost | **$ 1,342** | $ 609 | $ 311 | $ 285 |
| Interest on total pension liability | **1,197** | 1,585 | 1,668 | 1,561 |
| Economic/demographic gains or losses | **(184)** | 202 | 428 | 1,711 |
| Changes in assumptions and/or cost method | **495** | 8,171 | 2,972 | (519) |
| Benefit payments | **(2,328)** | (2,243) | (2,115) | (2,066) |
| **Net change in total pension liability** | **522** | 8,324 | 3,264 | 972 |
| **Total pension liability - beginning** | **54,148** | 45,824 | 42,560 | 41,588 |
| **Total pension liability - ending** | **$ 54,670** | $ 54,148 | $ 45,824 | $ 42,560 |
| **Covered payroll** | **$ 1,371** | $ 1,495 | $ 537 | $ 629 |
| **Total pension liability as a percentage of covered payroll** | **3987.6%** | 3621.9% | 8533.3% | 6766.3% |

**Notes to the Schedule:**

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

| 2018 | 2017 | 2016 |
|---|---|---|
| $ 192 | $ 644 | $ 504 |
| 1,296 | 1,266 | 1,324 |
| 8,210 | (194) | - |
| (4,195) | 4,661 | 1,802 |
| (2,003) | (1,451) | (1,510) |
| 3,500 | 4,926 | 2,120 |
| 38,088 | 33,162 | 31,042 |
| $ 41,588 | $ 38,088 | $ 33,162 |
| $ 607 | $ 1,128 | $ 1,027 |
| 6851.4% | 3376.6% | 3229.0% |

# GEORGIA PORTS AUTHORITY

## REQUIRED SUPPLEMENTARY INFORMATION
## SUPPLEMENTAL RETIREMENT PLANS
## SCHEDULE OF AUTHORITY CONTRIBUTIONS
## FOR THE FISCAL YEARS ENDED JUNE 30,
## (In Thousands)

| | **2022** | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| Actuarially determined contribution | **$ 2,291** | $ 2,328 | $ 2,243 | $ 2,115 |
| Contributions in relation to the actuarially determined contribution | **2,291** | 2,328 | 2,243 | 2,115 |
| Contribution deficiency (excess) | **$ -** | $ - | $ - | $ - |
| Covered payroll | **$ 1,175** | $ 1,371 | $ 727 | $ 537 |
| Contributions as a percentage of covered payroll | **195.0%** | 169.8% | 308.5% | 393.9% |

**Notes to the Schedule:**

(1) Actuarial Assumptions

| | |
|---|---|
| Valuation Date | July 1, 2020 and January 1, 2020 |
| Actuarial Cost Method | Entry Age Normal |
| Discount rate | 2.14% |
| 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.

| 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|
| $ 2,066 | $ 2,003 | $ 1,451 | $ 1,510 |
| 2,066 | 2,003 | 1,451 | 1,510 |
| $ - | $ - | $ - | $ - |
| $ 629 | $ 607 | $ 1,128 | $ 1,027 |
| 328.5% | 330.0% | 128.6% | 147.0% |

# 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)

| | **2022** | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| **Total OPEB liability** | | | | |
| Service cost | **$ 602** | $ 606 | $ 571 | $ 508 |
| Interest on total OPEB liability | **1,430** | 1,496 | 1,455 | 1,288 |
| Plan changes | **-** | - | - | - |
| Economic/demographic gains or losses | **-** | (1,432) | - | 983 |
| Changes in assumptions | **-** | (283) | - | 1,343 |
| Benefit payments | **(1,783)** | (1,235) | (1,496) | (1,292) |
| **Net change in total OPEB liability** | **249** | (848) | 530 | 2,830 |
| **Total OPEB liability - beginning** | **24,103** | 24,951 | 24,421 | 21,591 |
| **Total OPEB liability - ending (a)** | **24,352** | 24,103 | 24,951 | 24,421 |
| **Plan fiduciary net position** | | | | |
| Contributions - employer | **2,081** | 2,000 | 1,738 | 1,217 |
| Net investment income | **3,756** | 348 | 713 | 125 |
| Benefit payments | **(1,783)** | (1,235) | (1,496) | (1,292) |
| Administrative expenses | **(193)** | (182) | (142) | (118) |
| **Net change in plan fiduciary net position** | **3,861** | 931 | 813 | (68) |
| **Plan fiduciary net position - beginning** | **14,585** | 13,654 | 12,841 | 12,909 |
| **Plan fiduciary net position - ending (b)** | **18,446** | 14,585 | 13,654 | 12,841 |
| **Authority's net OPEB liability - ending (a) - (b)** | **$ 5,906** | $ 9,518 | $ 11,297 | $ 11,580 |
| **Plan fiduciary net position as a percentage of the total OPEB liability** | **75.7%** | 60.5% | 54.7% | 52.6% |
| **Covered payroll** | **$ 112,263** | $ 100,978 | $ 97,692 | $ 88,510 |
| **Net OPEB liability as a percentage of covered payroll** | **5.3%** | 9.4% | 11.6% | 13.1% |

**Notes to the Schedule:**

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

| 2018 | 2017 | 2016 |
| --- | --- | --- |
| $ 471 | $ 639 | $ 603 |
| 1,251 | 1,393 | 1,353 |
| - | (2,423) | - |
| - | 525 | (456) |
| - | (1,311) | - |
| (1,018) | (1,011) | (741) |
| 704 | (2,188) | 759 |
| | | |
| 20,887 | 23,075 | 22,316 |
| 21,591 | 20,887 | 23,075 |
| | | |
| 1,890 | 2,450 | 2,250 |
| (7) | 68 | 59 |
| (1,018) | (1,011) | (741) |
| (85) | (76) | (76) |
| 780 | 1,431 | 1,492 |
| | | |
| 12,129 | 10,698 | 9,206 |
| 12,909 | 12,129 | 10,698 |
| | | |
| $ 8,682 | $ 8,758 | $ 12,377 |
| | | |
| 59.8% | 58.1% | 46.4% |
| | | |
| $ 70,793 | $ 70,793 | $ 66,803 |
| | | |
| 12.3% | 12.4% | 18.5% |

# 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)

| | **2022** | 2021 | 2020 | 2019 |
|---|---|---|---|---|
| Actuarially determined contribution | **$ 1,467** | $ 2,165 | $ 2,451 | $ 2,267 |
| Contributions in relation to the actuarially determined contribution | **1,171** | 2,081 | 2,000 | 1,738 |
| Contribution deficiency (excess) | **$ 296** | $ 84 | $ 451 | $ 529 |
| Covered payroll | **$ 128,171** | $ 112,263 | $ 100,978 | $ 97,692 |
| Contributions as a percentage of covered payroll | **0.9%** | 1.9% | 2.0% | 1.8% |

**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.

| 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|
| $ 1,803 | $ 1,600 | $ 2,406 | $ 2,242 |
| 1,217 | 1,890 | 2,450 | 2,250 |
| $ 586 | $ (290) | $ (44) | $ (8) |
| $ 88,510 | $ 70,793 | $ 66,803 | $ 66,803 |
| 1.4% | 2.7% | 3.7% | 3.4% |

# 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)

| | **2022** | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|
| Annual money-weighted rate of return, net of investment expenses for the Authority's OPEB Plan | **(11.10%)** | 24.26% | 2.40% | 5.53% | 0.10% |

| | 2017 | 2016 | 2015 |
|---|---|---|---|
| Annual money-weighted rate of return, net of investment expenses for the Authority's OPEB Plan | 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, 2022
## (In Thousands)

| | Retirement Plan For Employees of the GPA | Retiree Medical and Dental Plan | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and short-term investments | $ 1,416 | $ 155 | $ 1,571 |
| Receivables: | | | |
| Interest and dividends receivable | 225 | 64 | 289 |
| Prepaid expenses | - | 5 | 5 |
| Investments, at fair value: | | | |
| Immediate Participation Guarantee (IPG) Contracts | 9,865 | - | 9,865 |
| Equity securities: | | | |
| Exchange traded funds | 249,710 | 5,785 | 255,495 |
| Fixed income | 101,531 | - | 101,531 |
| Mutual funds | - | 9,362 | 9,362 |
| Alternative funds | 2,126 | - | 2,126 |
| Total Assets | 364,873 | 15,371 | 380,244 |
| **LIABILITIES** | | | |
| Accounts payable | - | 164 | 164 |
| Accrued claims payable | - | 157 | 157 |
| Total Liabilities | - | 321 | 321 |
| **NET POSITION RESTRICTED FOR PENSION AND OPEB BENEFITS** | $ 364,873 | $ 15,050 | $ 379,923 |

**(Continued)**

# GEORGIA PORTS AUTHORITY

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

| | Retirement Plan For Employees of the GPA | Retiree Medical and Dental Plan | Total |
|---|---|---|---|
| **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 |

## GEORGIA PORTS AUTHORITY

### COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
### PENSION AND OPEB TRUST FUNDS
### FOR THE FISCAL YEAR ENDED JUNE 30, 2022
### (In Thousands)

| | Retirement Plan For Employees of the GPA | Retiree Medical and Dental Plan | Total |
|---|---|---|---|
| **Additions:** | | | |
| Contributions: | | | |
| Employer | $ 5,904 | $ 1,171 | $ 7,075 |
| Employees | 672 | 317 | 989 |
| Total contributions | 6,576 | 1,488 | 8,064 |
| Investment income (loss): | | | |
| Net change in the fair value of investments | (38,363) | (2,892) | (41,255) |
| Dividends and interest | 7,911 | 1,010 | 8,921 |
| Net investment income | (30,452) | (1,882) | (32,334) |
| Total additions | (23,876) | (394) | (24,270) |
| **Deductions:** | | | |
| Benefits | 15,146 | 2,803 | 17,949 |
| Administrative expenses | 945 | 198 | 1,143 |
| Total deductions | 16,091 | 3,001 | 19,092 |
| **Net Increase** | (39,967) | (3,395) | (43,362) |
| Net Position Restricted for Pension and OPEB Benefits: | | | |
| Beginning | 404,840 | 18,445 | 423,285 |
| Ending | $ 364,873 | $ 15,050 | $ 379,923 |

**(Continued)**

## 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 |

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# 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>**



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 | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| Net investment in capital assets | **$ 1,630,402** | $ 1,588,785 | $ 1,460,307 | $ 1,310,360 |
| Restricted | **16,295** | - | - | - |
| Unrestricted | **776,907** | 455,842 | 372,006 | 385,806 |
| **Total net position [a]** | **$ 2,423,604** | $ 2,044,627 | $ 1,832,313 | $ 1,696,166 |

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

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| $ 1,141,563 | $ 1,068,045 | $ 1,018,917 | $ 940,378 | $ 871,809 | $ 872,152 |
| - | - | - | - | - | - |
| 357,273 | 299,854 | 234,651 | 209,462 | 188,731 | 107,224 |
| $ 1,498,836 | $ 1,367,899 | $ 1,253,568 | $ 1,149,840 | $ 1,060,540 | $ 979,376 |

# GEORGIA PORTS AUTHORITY

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

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| **Operating revenues:** | | | | |
| Container cargo | **$ 762,268** | $ 551,385 | $ 415,582 | $ 410,006 |
| General cargo | **66,680** | 54,505 | 57,086 | 58,752 |
| Liquid and dry bulk | **4,458** | 4,696 | 4,299 | 4,861 |
| | **833,406** | 610,586 | 476,967 | 473,619 |
| **Non-operating revenues:** | | | | |
| Investment income (loss) | **6,806** | 5,129 | 9,468 | 7,224 |
| Gain (loss) on sale/impairment of capital assets | **(245)** | (7,889) | 422 | 38,583 |
| Non-capital contributions | **1,494** | 14,028 | 27,767 | 274 |
| | **8,055** | 11,268 | 37,657 | 46,081 |
| **Total revenues** [(a)] | **841,461** | 621,854 | 514,624 | 519,700 |
| **Operating expenses:** | | | | |
| Operation and maintenance of facilities | **285,728** | 227,477 | 198,280 | 195,891 |
| General and administrative | **88,604** | 89,654 | 73,949 | 68,509 |
| Depreciation | **87,282** | 79,410 | 70,281 | 61,148 |
| | **461,614** | 396,541 | 342,510 | 325,548 |
| **Non-operating expenses:** | | | | |
| Interest expense | **8,905** | 1,122 | 933 | - |
| Non-capital port development expense | **1,494** | 11,461 | 26,011 | 380 |
| Capital contributions repaid to the State of Georgia [(b)] | **-** | - | 5,472 | 7,198 |
| Conservation commitments expense | **-** | - | - | - |
| Other | **5,310** | 8,889 | 8,972 | 10,395 |
| | **15,709** | 21,472 | 41,388 | 17,973 |
| **Total expenses** [(a)] | **477,323** | 418,013 | 383,898 | 343,521 |
| **Income before contributions and extraordinary items** | **364,138** | 203,841 | 130,726 | 176,179 |
| **Total contributions from federal and state agencies** | **14,839** | 8,473 | 5,774 | 21,151 |
| **Extraordinary items:** | | | | |
| Loss due to Hurricane Matthew | **-** | - | - | - |
| Gain on recovery from warehouse fire | **-** | - | - | - |
| **Change in net position** | **378,977** | 212,314 | 136,500 | 197,330 |
| **Net position, beginning of year** [(c)(d)] | **2,044,627** | 1,832,313 | 1,695,813 | 1,498,836 |
| **Net position, end of year** | **$ 2,423,604** | $ 2,044,627 | $ 1,832,313 | $ 1,696,166 |

[(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 2020 net position differs from the fiscal year 2019 ending net position due to a restatement posted as a result of the implementation of GASB Statement No. 87.

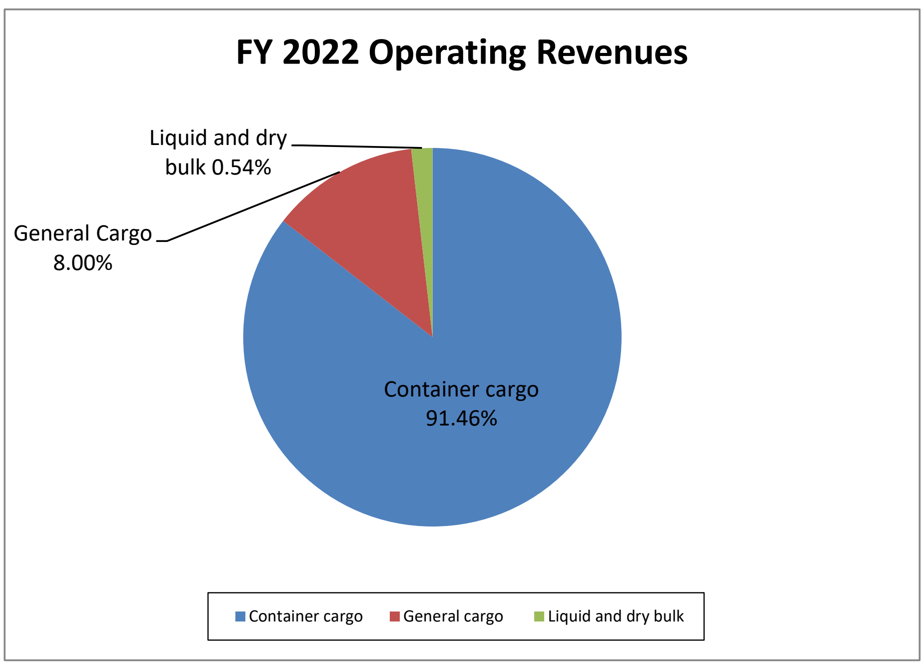
[(d)] Fiscal year 2015 net position differs from the fiscal year 2014 ending net position due to a restatement posted as a result of the implementation of GASB Statements No. 73 and 75.

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| $ 364,504 | $ 311,193 | $ 282,873 | $ 290,718 | $ 247,384 | $ 230,702 |
| 54,410 | 51,708 | 52,337 | 54,438 | 50,900 | 50,162 |
| 7,468 | 10,082 | 11,053 | 11,337 | 12,315 | 11,719 |
| 426,382 | 372,983 | 346,263 | 356,493 | 310,599 | 292,583 |
| 3,864 | 1,463 | 789 | 427 | (21) | 389 |
| (5,585) | (208) | 1,338 | 2,284 | 553 | 1,009 |
| 710 | 13,404 | 31,737 | 197,367 | 843 | 16,018 |
| (1,011) | 14,659 | 33,864 | 200,078 | 1,375 | 17,416 |
| 425,371 | 387,642 | 380,127 | 556,571 | 311,974 | 309,999 |
| 168,008 | 149,457 | 140,578 | 143,214 | 129,024 | 119,741 |
| 65,171 | 54,894 | 49,318 | 52,542 | 45,321 | 45,007 |
| 58,784 | 55,336 | 52,190 | 50,953 | 51,463 | 49,537 |
| 291,963 | 259,687 | 242,086 | 246,709 | 225,808 | 214,285 |
| 30 | 280 | 212 | 190 | 205 | 268 |
| 60 | 12,903 | 33,980 | 200,109 | 4,034 | 16,654 |
| 4,735 | 4,508 | 9,656 | 38 | 11,288 | 20,044 |
| - | - | - | - | - | 35,530 |
| 2,567 | 4,994 | 2,989 | 1,649 | 328 | 1,447 |
| 7,392 | 22,685 | 46,837 | 201,986 | 15,855 | 73,943 |
| 299,355 | 282,372 | 288,923 | 448,695 | 241,663 | 288,228 |
| 126,016 | 105,270 | 91,204 | 107,876 | 70,311 | 21,771 |
| 4,921 | 9,911 | 5,770 | 3,759 | 7,445 | 11,882 |
| - | (850) | - | - | - | - |
| - | - | 6,754 | 1,086 | 3,408 | - |
| 130,937 | 114,331 | 103,728 | 112,721 | 81,164 | 33,653 |
| 1,367,899 | 1,253,568 | 1,149,840 | 1,037,119 | 979,376 | 945,723 |
| $ 1,498,836 | $ 1,367,899 | $ 1,253,568 | $ 1,149,840 | $ 1,060,540 | $ 979,376 |

# GEORGIA PORTS AUTHORITY

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

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| **Operating revenues:** | | | | |
| Container cargo | **$ 762,268** | $ 551,385 | $ 415,582 | $ 410,006 |
| General cargo | **66,680** | 54,505 | 57,086 | 58,752 |
| Liquid and dry bulk | **4,458** | 4,696 | 4,299 | 4,861 |
| **Operating revenues** [(a)] | **$ 833,406** | $ 610,586 | $ 476,967 | $ 473,619 |
| **Revenue tonnage:** | | | | |
| Container cargo | **36,683** | 36,527 | 33,472 | 32,911 |
| General cargo (breakbulk) | **3,035** | 2,625 | 2,476 | 2,836 |
| Dry bulk | **798** | 1,269 | 1,100 | 1,216 |
| Liquid bulk | **606** | 557 | 557 | 426 |
| **Revenue tonnage** | **41,122** | 40,978 | 37,605 | 37,389 |




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

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| $ 364,504 | $ 311,193 | $ 282,873 | $ 290,718 | $ 247,384 | $ 230,702 |
| 54,410 | 51,708 | 52,337 | 54,438 | 50,900 | 50,162 |
| 7,468 | 10,082 | 11,053 | 11,337 | 12,315 | 11,719 |
| $ 426,382 | $ 372,983 | $ 346,263 | $ 356,493 | $ 310,599 | $ 292,583 |
| | | | | | |
| 31,317 | 28,425 | 25,700 | 25,858 | 23,981 | 22,116 |
| 2,774 | 2,639 | 2,673 | 2,876 | 2,684 | 2,595 |
| 1,035 | 1,264 | 1,375 | 1,973 | 1,965 | 1,757 |
| 724 | 899 | 910 | 867 | 658 | 634 |
| 35,850 | 33,227 | 30,658 | 31,574 | 29,288 | 27,102 |

# GEORGIA PORTS AUTHORITY

## REVENUE TONNAGE REPORT
## LAST TEN FISCAL YEARS
## (In Tons)

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| **Container:** | | | | |
| Garden City Terminal (Note 1) | **36,683,552** | 36,527,074 | 33,472,171 | 32,911,468 |
| **Total Container** | **36,683,552** | 36,527,074 | 33,472,171 | 32,911,468 |
| **Breakbulk:** | | | | |
| Garden City Terminal | **6,119** | 5,602 | 15,735 | 4,717 |
| Ocean Terminal | **1,415,995** | 1,107,861 | 1,138,723 | 1,496,699 |
| Brunswick-East River & Lanier Docks | **-** | - | - | - |
| Brunswick-Mayor's Point | **251,987** | 53,037 | 130,232 | 81,470 |
| Brunswick-Colonels Island | **1,360,733** | 1,458,223 | 1,190,930 | 1,253,051 |
| **Total Breakbulk** | **3,034,834** | 2,624,723 | 2,475,620 | 2,835,937 |
| **Bulk - Dry:** | | | | |
| Brunswick-East River & Lanier Docks | **797,958** | 1,269,296 | 1,100,178 | 1,215,763 |
| Brunswick-Colonels Island | - | - | - | - |
| **Total Dry Bulk** | **797,958** | 1,269,296 | 1,100,178 | 1,215,763 |
| **Bulk - Liquid:** | | | | |
| Garden City Terminal | **606,182** | 556,979 | 557,362 | 426,369 |
| Ocean Terminal | **-** | - | - | - |
| **Total Liquid Bulk** | **606,182** | 556,979 | 557,362 | 426,369 |
| **Total Tonnage** | **41,122,526** | 40,978,072 | 37,605,331 | 37,389,537 |

| **Note 1 - Garden City Terminal** | | | | |
|---|---|---|---|---|
| Containers | **3,182,115** | 2,935,463 | 2,464,744 | 2,496,386 |
| TEUs | **5,763,711** | 5,331,392 | 4,435,577 | 4,477,745 |

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| 31,316,825 | 28,425,294 | 25,700,301 | 25,858,187 | 23,981,129 | 22,115,639 |
| 31,316,825 | 28,425,294 | 25,700,301 | 25,858,187 | 23,981,129 | 22,115,639 |
| 12,794 | 12,926 | 8,037 | 9,017 | 5,961 | 5,994 |
| 1,370,854 | 1,258,378 | 1,208,892 | 1,363,511 | 1,176,530 | 1,248,891 |
| - | - | - | - | - | 20 |
| 138,724 | 103,060 | 161,333 | 149,947 | 157,686 | 129,319 |
| 1,251,207 | 1,264,934 | 1,295,136 | 1,353,937 | 1,344,043 | 1,211,081 |
| 2,773,579 | 2,639,298 | 2,673,398 | 2,876,412 | 2,684,220 | 2,595,305 |
| 1,012,993 | 912,106 | 929,230 | 1,097,971 | 973,281 | 815,337 |
| 22,569 | 351,640 | 445,701 | 874,958 | 991,374 | 941,165 |
| 1,035,562 | 1,263,746 | 1,374,931 | 1,972,929 | 1,964,655 | 1,756,502 |
| 724,015 | 898,646 | 909,825 | 866,650 | 658,370 | 633,961 |
| - | - | - | - | - | 108 |
| 724,015 | 898,646 | 909,825 | 866,650 | 658,370 | 634,069 |
| 35,849,981 | 33,226,984 | 30,658,455 | 31,574,178 | 29,288,374 | 27,101,515 |
| 2,318,436 | 2,142,850 | 2,003,352 | 2,028,608 | 1,738,985 | 1,641,509 |
| 4,172,576 | 3,847,841 | 3,605,951 | 3,661,486 | 3,127,527 | 2,949,449 |

# GEORGIA PORTS AUTHORITY

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

| | 2022 | | | 2013 | | |
|---|---|---|---|---|---|---|
| **Customer** | **Revenue** | **Rank** | **Percentage of Total Revenue** | Revenue | Rank | Percentage of Total Revenue |
| Mediterranean Shipping Company | **$ 100,884** | **1** | **12.11%** | $ 18,937 | 4 | 6.47% |
| CMA CGM Line | **95,278** | **2** | **11.43%** | 32,674 | 2 | 11.17% |
| Maersk, Inc. | **94,952** | **3** | **11.39%** | 33,903 | 1 | 11.59% |
| ONE | **85,815** | **4** | **10.30%** | | | |
| Hapag Lloyd (America), Inc. | **83,399** | **5** | **10.01%** | 19,875 | 3 | 6.79% |
| Zim American Integrated Shipping | **64,218** | **6** | **7.71%** | 12,034 | 7 | 4.11% |
| COSCO Container Lines Americas | **50,907** | **7** | **6.11%** | 8,967 | 9 | 3.06% |
| Evergreen Shipping | **34,468** | **8** | **4.14%** | 8,641 | 10 | 2.95% |
| OOCL (USA), Inc. | **29,521** | **9** | **3.54%** | 9,241 | 8 | 3.16% |
| Wan Hai Lines (USA), LTD. | **21,788** | **10** | **2.61%** | | | |
| Hanjin Shipping Company | | | | 13,773 | 6 | 4.71% |
| NYK Line (NA), Inc. | | | | 14,767 | 5 | 5.05% |
| **Total** | **$ 661,230** | | **79.35%** | $ 172,812 | | 59.06% |

# GEORGIA PORTS AUTHORITY

## OUTSTANDING DEBT BY TYPE
## LAST TEN FISCAL YEARS
## (In Thousands, Except Per Capita)

| | Outstanding Principal | | | | |
|---|---|---|---|---|---|
| Fiscal Year | Line of Credit | Leases | Revenue Bonds | Total Outstanding Debt | Per Capita |
| 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 | - | 14,648 | - | 14,648 | 1 |
| 2022 | - | 14,145 | 427,040 | 441,185 | 41 |

| | Outstanding Principal and Interest | | | | |
|---|---|---|---|---|---|
| Fiscal Year | Line of Credit (Excluding Interest) | Leases | Revenue Bonds | Total Outstanding Debt | Per Capita |
| 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 | - | 18,858 | - | 18,858 | 2 |
| 2022 | - | 16,381 | 734,144 | 750,525 | 69 |

# GEORGIA PORTS AUTHORITY

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

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| **Operating Revenues:** | | | | |
| Container cargo | **$ 762,268** | $ 551,385 | $ 415,582 | $ 410,006 |
| General cargo | **66,680** | 54,505 | 57,086 | 58,752 |
| Liquid and dry bulk | **4,458** | 4,696 | 4,299 | 4,861 |
| Total operating revenues | **833,406** | 610,586 | 476,967 | 473,619 |
| **Operating Expenses:** | | | | |
| Operation and maintenance of facilities | **285,728** | 227,477 | 198,280 | 195,891 |
| General and administrative | **88,604** | 89,654 | 73,949 | 68,509 |
| Total operating expenses | **374,332** | 317,131 | 272,229 | 264,400 |
| **Net revenues available for debt service on revenue bonds** | **$ 459,074** | $ 293,455 | $ 204,738 | $ 209,219 |
| **Principal payments on revenue bonds** | **$ -** | $ - | $ - | $ - |
| **Interest expense on revenue bonds** | **11,704** | - | - | - |
| **Annual debt service on revenue bonds** | **$ 11,704** | $ - | $ - | $ - |
| **Coverage by net revenues** | **3922%** | - | - | - |

| 2018 | | 2017 | | 2016 | | 2015 | | 2014 | | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| $ 364,504 | | $ 311,193 | | $ 282,873 | | $ 290,718 | | $ 247,384 | | $ 230,702 |
| 54,410 | | 51,708 | | 52,337 | | 54,438 | | 50,900 | | 50,162 |
| 7,468 | | 10,082 | | 11,053 | | 11,337 | | 12,315 | | 11,719 |
| 426,382 | | 372,983 | | 346,263 | | 356,493 | | 310,599 | | 292,583 |
| | | | | | | | | | | |
| 168,008 | | 149,457 | | 140,578 | | 143,214 | | 129,024 | | 119,741 |
| 65,171 | | 54,894 | | 49,318 | | 52,542 | | 45,321 | | 45,007 |
| 233,179 | | 204,351 | | 189,896 | | 195,756 | | 174,345 | | 164,748 |
| | | | | | | | | | | |
| $ 193,203 | | $ 168,632 | | $ 156,367 | | $ 160,737 | | $ 136,254 | | $ 127,835 |
| $ - | | $ - | | $ - | | $ - | | $ - | | $ 19,015 |
| - | | - | | - | | - | | - | | 37 |
| $ - | | $ - | | $ - | | $ - | | $ - | | $ 19,052 |
| - | | - | | - | | - | | - | | 671% |

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

| | Population | Personal Income (In Millions) | Per Capita Personal Income | Public School Enrollment | Unemployment Rate |
|---|---|---|---|---|---|
| 2021 | 10,799,566 | $ 597,100 | $ 55,289 | 1,736,159 | 3.9% |
| 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% |

**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

| **2022 Employers** | 2013 Employers |
|---|---|
| **Childrens Healthcare** | AT&T Services, Inc. |
| **Delta Air Lines, Inc.** | Delta Air Lines, Inc. |
| **Emory Healthcare, Inc.** | Emory Health Care, Inc. |
| **Emory University** | Emory University |
| **Fedex Ground Package System, Inc.** | Georgia Power Company |
| **Lowe's Home Centers, Inc.** | Home Depot USA, Inc. |
| **McDonalds** | The Kroger Company |
| **Northside Forsyth** | Lowe's Home Centers, Inc. |
| **Publix SuperMarket, Inc.** | Northside Hospital, Inc. |
| **Shaw Industries Group, Inc.** | Publix Supermarkets, Inc. |
| **Target** | Rare Hospitality International, Inc. |
| **The Home Depot** | Shaw Industries, Inc. |
| **The Kroger Company** | United Parcel Service, Inc. |
| **United Parcel Service** | Wal-Mart Associates, Inc. |
| **Walmart** | Wellstar Health System, Inc. |
| **Wellstar Health System, Inc.** | |

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

**Source:** 2022 - The Georgia Department of Labor (fourth quarter 2021)
2013 - State of Georgia's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2013

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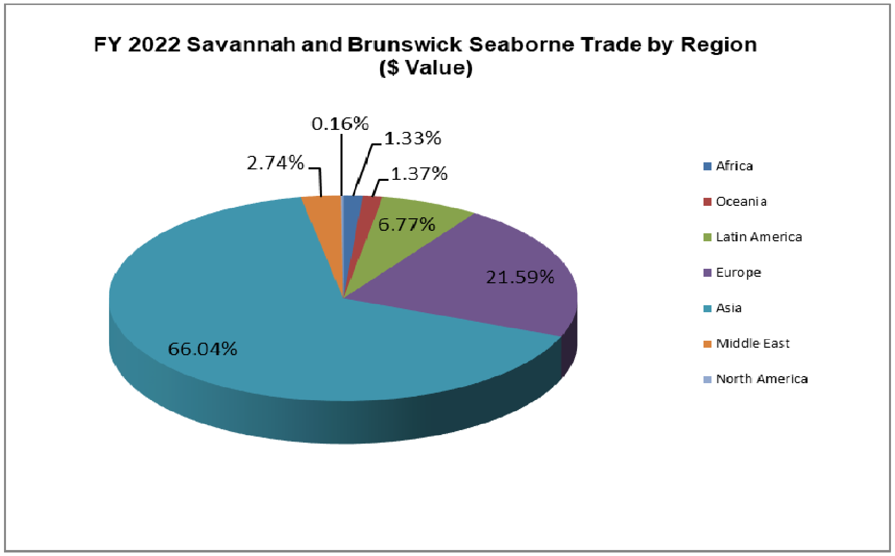
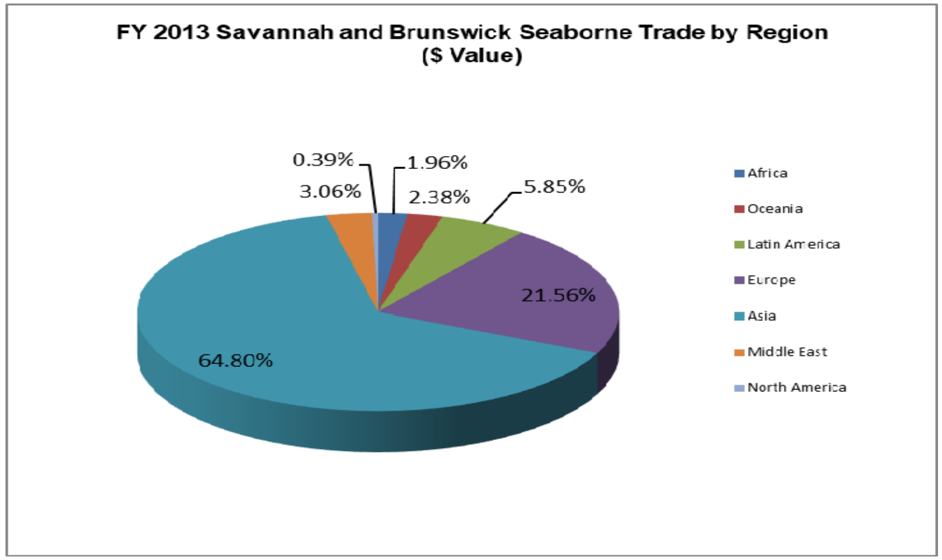
# GEORGIA PORTS AUTHORITY

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




**Trade Through the Ports of Savannah and Brunswick By Region in Fiscal Year 2022 - $(000)**

| | Imports | Exports | Total | % |
|---|---|---|---|---|
| Africa | $ 833,328 | $ 1,678,096 | $ 2,511,424 | 1.33% |
| Oceania | $ 695,844 | $ 1,878,132 | $ 2,573,976 | 1.37% |
| Latin America | $ 5,430,302 | $ 7,322,098 | $ 12,752,400 | 6.77% |
| Europe | $ 23,771,782 | $ 16,868,607 | $ 40,640,389 | 21.59% |
| Asia | $ 105,546,105 | $ 18,792,171 | $ 124,338,276 | 66.04% |
| Middle East | $ 1,167,898 | $ 3,996,684 | $ 5,164,582 | 2.74% |
| North America | $ 92,681 | $ 212,569 | $ 305,250 | 0.16% |
| Total | $ 137,537,940 | $ 50,748,357 | $ 188,286,297 | 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 2013 - $(000)**

| | Imports | Exports | Total | % |
|---|---|---|---|---|
| Africa | $ 924,088 | $ 1,865,188 | $ 2,789,276 | 1.96% |
| Oceania | $ 736,194 | $ 2,646,729 | $ 3,382,923 | 2.38% |
| Latin America | $ 3,665,527 | $ 4,656,506 | $ 8,322,033 | 5.85% |
| Europe | $ 10,073,185 | $ 20,588,746 | $ 30,661,931 | 21.56% |
| Asia | $ 35,166,071 | $ 57,009,489 | $ 92,175,560 | 64.80% |
| Middle East | $ 1,329,583 | $ 3,031,027 | $ 4,360,610 | 3.06% |
| North America | $ 533,498 | $ 19,251 | $ 552,749 | 0.39% |
| Total | $ 52,428,146 | $ 89,816,936 | $ 142,245,082 | 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 | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| Garden City Terminal | **1,224** | 1,708 | 1,829 | 1,848 |
| Ocean Terminal | **504** | 290 | 223 | 275 |
| Colonel's Island Terminal | **442** | 480 | 424 | 462 |
| East River & Lanier Docks Terminals | **71** | 78 | 73 | 76 |
| Mayor's Point Terminal | **36** | 13 | 19 | 15 |
| Barges - All Terminals | **-** | 18 | 8 | 3 |
| **Total Arrivals** | **2,277** | 2,587 | 2,576 | 2,679 |

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

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| 1,915 | 1,916 | 2,063 | 1,894 | 1,871 | 1,905 |
| 258 | 256 | 266 | 311 | 252 | 270 |
| 442 | 466 | 505 | 561 | 534 | 500 |
| 69 | 72 | 69 | 78 | 75 | 73 |
| 19 | 17 | 23 | 31 | 28 | 21 |
| 6 | 8 | 20 | 26 | 16 | 13 |
| 2,709 | 2,735 | 2,946 | 2,901 | 2,776 | 2,782 |

# GEORGIA PORTS AUTHORITY

## CARGO STATISTICS
## LAST TEN FISCAL YEARS
## (In Tons)

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| **Container** | | | | |
| **Total Container Tonnage** | **36,683,552** | 36,527,074 | 33,472,171 | 32,911,468 |
| **Breakbulk:** | | | | |
| Autos | **1,239,603** | 1,401,591 | 1,166,522 | 1,203,454 |
| Clay | **-** | - | - | - |
| Iron & Steel | **498,377** | 347,927 | 309,807 | 463,304 |
| Liner Board | **159,211** | 68,281 | 110,175 | 118,445 |
| Lumber | **49,292** | 28,094 | 28,366 | 21,139 |
| Machinery | **662,203** | 485,379 | 471,641 | 585,427 |
| Paper Products | **-** | 156 | - | - |
| Plywood | **25,240** | - | - | - |
| Rubber | **102,785** | 82,688 | 108,752 | 121,783 |
| Wood Pulp | **286,667** | 194,847 | 211,945 | 281,551 |
| Other | **11,456** | 15,760 | 68,412 | 40,834 |
| **Total Breakbulk Tonnage** | **3,034,834** | 2,624,723 | 2,475,620 | 2,835,937 |
| **Bulk - Dry:** | | | | |
| Animal Feed | **63,077** | 47,647 | 59,704 | 60,470 |
| Barley Malt | **-** | - | - | - |
| Corn | **-** | - | - | - |
| Oats | **-** | - | - | - |
| Peanut Pellets/Hulls | **96,516** | 64,387 | 37,736 | 22,139 |
| Perlite | **165,513** | 153,158 | 133,268 | 152,581 |
| Salt | **137,280** | 112,752 | 48,944 | 40,801 |
| Sand | **-** | - | - | - |
| Soybean Meal | **11,962** | 10,411 | 9,357 | - |
| Soybeans | **-** | - | - | - |
| Wheat | **-** | - | - | - |
| Wood Pellets | **187,743** | 726,393 | 700,897 | 741,589 |
| Other | **135,867** | 154,548 | 110,272 | 198,183 |
| **Total Dry Bulk Tonnage** | **797,958** | 1,269,296 | 1,100,178 | 1,215,763 |
| **Bulk - Liquid:** | | | | |
| Anhydrous Ammonia | **-** | - | - | - |
| Asphalt | **30,648** | 26,660 | 41,351 | 16,924 |
| Biodiesel | **44,704** | 8,786 | - | - |
| Chemicals | **110,987** | 107,176 | 83,009 | 98,392 |
| Petroleum Products | **-** | - | 22,509 | - |
| Tall Oil | **35,483** | 44,769 | 30,985 | 29,648 |
| Vegetable Oil | **384,360** | 369,588 | 377,119 | 275,994 |
| Other | - | - | 2,389 | 5,311 |
| **Total Liquid Bulk Tonnage** | **606,182** | 556,979 | 557,362 | 426,269 |
| **Total Tonnage** | **41,122,526** | 40,978,072 | 37,605,331 | 37,389,437 |

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| 31,316,825 | 28,425,294 | 25,700,301 | 25,858,187 | 23,981,129 | 22,115,639 |
| | | | | | |
| 1,220,732 | 1,255,064 | 1,276,850 | 1,322,014 | 1,309,576 | 1,166,968 |
| - | - | - | - | - | 11,101 |
| 433,090 | 502,592 | 441,788 | 588,245 | 420,545 | 421,147 |
| 158,410 | 130,043 | 128,515 | 137,100 | 165,448 | 142,204 |
| 62,982 | 18,251 | 12,978 | 12,161 | 14,903 | 8,750 |
| 512,070 | 370,453 | 408,839 | 463,307 | 379,975 | 432,289 |
| - | - | - | - | - | - |
| 3,502 | - | 3,073 | 8,456 | 8,688 | 11,229 |
| 118,677 | 126,473 | 139,696 | 126,730 | 122,748 | 108,041 |
| 229,472 | 198,303 | 217,980 | 170,364 | 209,379 | 198,891 |
| 34,644 | 38,119 | 43,679 | 48,028 | 52,958 | 94,685 |
| 2,773,579 | 2,639,298 | 2,673,398 | 2,876,405 | 2,684,220 | 2,595,305 |
| | | | | | |
| 66,140 | 66,725 | 61,935 | 67,136 | 64,735 | 62,780 |
| - | - | - | - | - | - |
| - | - | - | - | - | 148,712 |
| 22,569 | 3,153 | 4,422 | - | - | - |
| - | - | 11,755 | 68,015 | 36,356 | 50,339 |
| 132,260 | 135,257 | 120,569 | 92,963 | 98,217 | 112,440 |
| 40,761 | 56,670 | 39,243 | 54,946 | 49,216 | 32,081 |
| - | - | - | - | - | - |
| - | 313,238 | 437,052 | 783,511 | 762,726 | 797,954 |
| - | 35,249 | 9,556 | 41,225 | 119,717 | - |
| - | - | - | 64,085 | 110,948 | - |
| 611,537 | 461,114 | 522,178 | 625,414 | 506,623 | 331,464 |
| 162,295 | 192,340 | 168,221 | 175,632 | 216,117 | 220,732 |
| 1,035,562 | 1,263,746 | 1,374,931 | 1,972,927 | 1,964,655 | 1,756,502 |
| | | | | | |
| - | - | - | - | - | 100 |
| 32,943 | 72,194 | 58,946 | 31,972 | 7,325 | - |
| 8,225 | 119,989 | 123,926 | 55,656 | 52,150 | 11,128 |
| 114,060 | 61,051 | 75,513 | 69,523 | 67,049 | 84,960 |
| - | 5,236 | 27,782 | 100,370 | 37,728 | 37,717 |
| 27,404 | 23,116 | 2,416 | 17,654 | - | - |
| 506,030 | 578,555 | 582,326 | 552,535 | 433,131 | 425,877 |
| 35,353 | 38,505 | 38,916 | 38,940 | 60,987 | 74,287 |
| 724,015 | 898,646 | 909,825 | 866,650 | 658,370 | 634,069 |
| 35,849,981 | 33,226,984 | 30,658,455 | 31,574,169 | 29,288,374 | 27,101,515 |

# 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 | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| Containerized | **36,837,296** | 36,377,479 | 33,620,668 | 32,756,076 |
| Non containerized | **9,261,121** | 6,933,614 | 7,495,525 | 7,149,923 |
| **Total** | **46,098,417** | 43,311,093 | 41,116,193 | 39,905,999 |
| | | | | |
| Imports | **29,595,139** | 26,811,124 | 23,742,570 | 23,105,451 |
| Exports | **16,503,277** | 16,499,968 | 17,373,623 | 16,800,548 |
| **Total** | **46,098,416** | 43,311,092 | 41,116,193 | 39,905,999 |

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

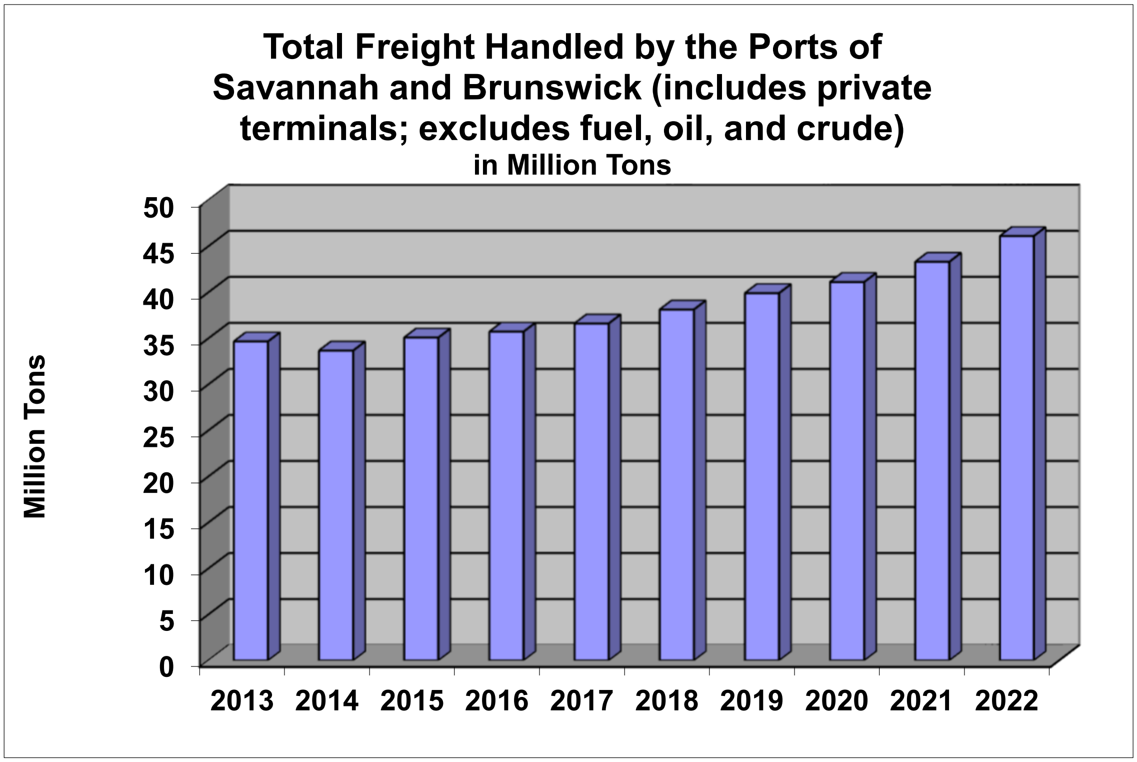
| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| Imports | **$ 137,537,940** | $ 125,045,648 | $ 111,999,765 | $ 83,994,589 |
| Exports | **50,748,357** | 48,974,961 | 60,185,157 | 36,249,976 |
| **Total** | **$ 188,286,297** | $ 174,020,609 | $ 172,184,922 | $ 120,244,565 |

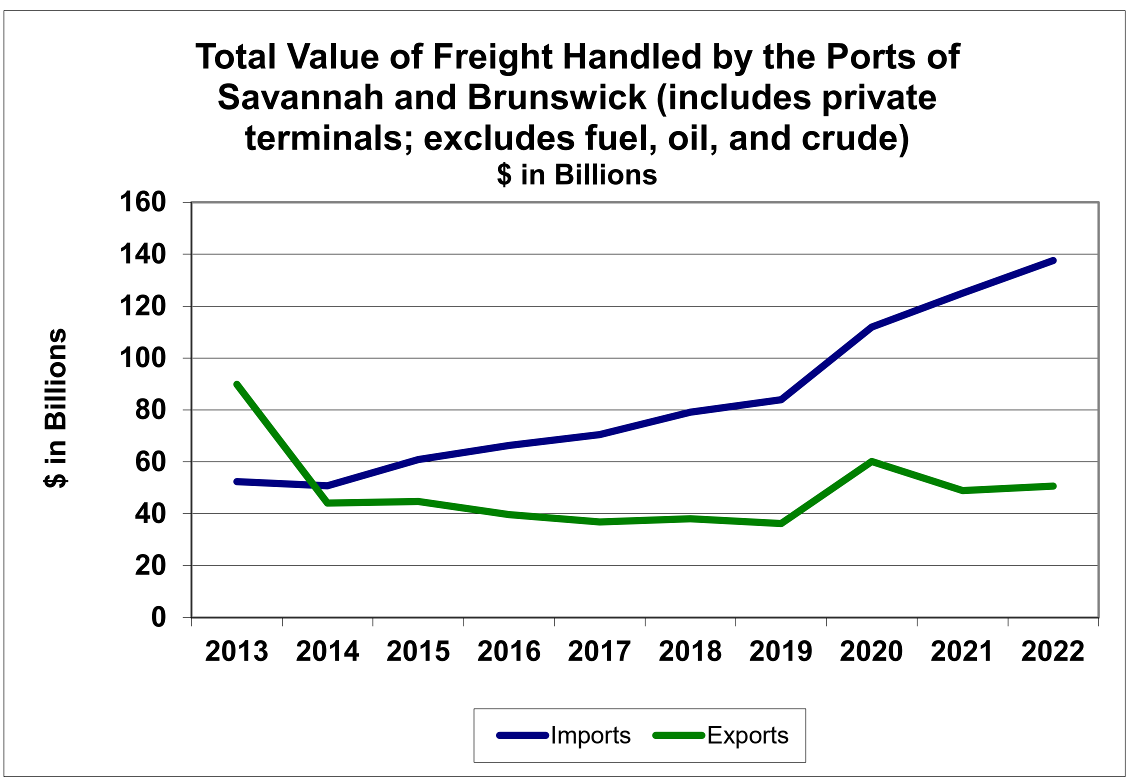
[a] Source: PIERS

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| 30,956,886 | 28,419,410 | 26,998,517 | 25,512,981 | 24,058,066 | 22,005,313 |
| 7,169,180 | 8,191,625 | 8,723,184 | 9,567,453 | 9,611,076 | 12,652,042 |
| 38,126,066 | 36,611,035 | 35,721,701 | 35,080,434 | 33,669,142 | 34,657,355 |
| | | | | | |
| 21,340,566 | 19,109,165 | 18,035,460 | 16,333,238 | 14,765,192 | 16,387,855 |
| 16,785,500 | 17,501,870 | 17,686,241 | 18,747,196 | 18,903,950 | 18,269,500 |
| 38,126,066 | 36,611,035 | 35,721,701 | 35,080,434 | 33,669,142 | 34,657,355 |

| 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| $ 79,224,160 | $ 70,503,032 | $ 66,304,314 | $ 60,913,353 | $ 50,806,009 | $ 52,428,146 |
| 37,969,513 | 36,737,040 | 39,620,965 | 44,653,230 | 44,048,596 | 89,816,936 |
| $ 117,193,673 | $ 107,240,072 | $ 105,925,279 | $ 105,566,583 | $ 94,854,605 | $ 142,245,082 |

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, 2022

| | Terminals | | | | |
|---|---|---|---|---|---|
| | Garden City | Ocean | Colonel's Island | Other | Total |
| **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):** | | | | | |
| Panamax | - | 1 | - | - | 1 |
| Super Post-Panamax | 30 | - | - | - | 30 |
| Mobile Harbor Crane | - | 2 | - | - | 2 |
| **Total** | 30 | 3 | - | - | 33 |
| **Container Crane Lift Capacity (# of Cranes):** | | | | | |
| 45 ST/40.2LT | - | 1 | - | - | 1 |
| 72 ST/65 LT | 30 | - | - | - | 30 |
| 138ST/123LT | - | 2 | - | - | 2 |
| **Total** | 30 | 3 | - | - | 33 |

# GEORGIA PORTS AUTHORITY

## NUMBER OF AUTHORITY EMPLOYEES BY TYPE
## LAST TEN FISCAL YEARS

| | Fiscal Year | | | |
|---|---|---|---|---|
| | **2022** | 2021 | 2020 | 2019 |
| Exempt Employees | **284** | 272 | 275 | 267 |
| Non-Exempt (Hourly) Employees | **1,363** | 1,206 | 1,101 | 1,085 |
| Total Employees | **1,647** | 1,478 | 1,376 | 1,352 |
| Operations Staff | **1,498** | 1,347 | 1,230 | 937 |

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

| | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|---|
| | 255 | 231 | 229 | 231 | 225 | 233 |
| | 992 | 884 | 856 | 840 | 773 | 757 |
| | 1,247 | 1,115 | 1,085 | 1,071 | 998 | 990 |
| | 860 | 747 | 723 | 703 | 634 | 629 |

Pictured Above: Port of Savannah, Garden City Terminal's Container Berth 1 Realignment Project and Savannah-River Dredge. (Georgia Ports Authority Matrice 300RTK Drone)

Pictured on Front Cover: The Mega Rail Terminal is now fully operational, with 18 working tracks and 10 Rail Mounted Gantry Cranes. The expansion increases intermodal capacity to and from the Port of Savannah from 500,000 to over 1 million rail containers. (Georgia Ports Authority Matrice 300RTK Drone)