



FY2015
ANNUAL
REPORT



GARDEN CITY
NORTH AMERICA'S
SINGLE **TERMINAL**
LARGEST **CONTAINER FACILITY**



FY2015

THE BIG PICTURE

Georgia's ports form a nexus linking interstates, railroads, distribution centers, and the most shipping services in the U.S. Southeast.

"Georgia is blessed with the busiest ports in the region – vital links to global trade that help to lure investment," said Gov. Nathan Deal. "In FY2015 alone, businesses announced more than half a billion dollars in new supply chain infrastructure and thousands of new jobs."

Ports must now handle cargo influxes from super Post-Panamax vessels carrying containers for multiple shipping lines. Anticipating trends is how the GPA has stayed ahead of demand, handling 17 percent container volume growth with no congestion.

"Our deepwater terminals are vital to Georgia's long-term economic viability, a responsibility requiring GPA to remain on the cutting edge of port services," said Executive Director Curtis Foltz.

Keeping the GPA at the forefront of logistics, the Savannah Harbor Expansion Project will deepen the inner harbor to 47 feet and the outer harbor to 49 feet at mean low water.

"Getting our harbor deepening under way was a momentous step," said Board Chairman James Walters. "With megaships already calling via the Suez Canal, and the expanded Panama Canal to open in 2016, Savannah is poised for continued growth."



THE GEORGIA PORTS
AUTHORITY'S SUPERIOR
LOCATION AND CONNECTIVITY
HELP SAVANNAH AND
BRUNSWICK PORT
CUSTOMERS CUT COSTS
AND SHAVE TRANSIT TIME.



GEORGIA PORTS AUTHORITY

WITH A COMPOUND ANNUAL

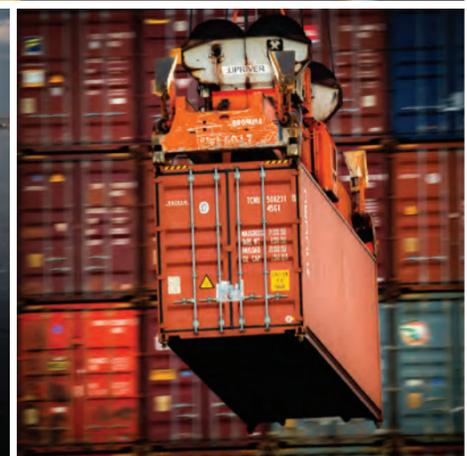
GROWTH-RATE OF
9.4%
SINCE 2000

SAVANNAH IS THE
**FASTEST GROWING
PORT IN THE NATION**

GEORGIA PORTS AUTHORITY

HAS HANDLED
MORE THAN
17%

**CONTAINER
VOLUME GROWTH
WITH NO CONGESTION**



SAVANNAH HARBOR EXPANSION PROJECT



DATELINE... SEPTEMBER 10, 2015...

**GREAT LAKES DREDGE & DOCK VESSEL *THE ALASKA* BEGINS
WORK ON DEEPENING THE OUTER HARBOR TO 49 FEET.**



SAVANNAH HARBOR EXPANSION PROJECT

Fiscal Year 2015 marked the beginning of construction on the Savannah deepening project.

The U.S. Army Corps of Engineers has issued a \$134.5 million contract to dredge the 18.5-mile outer harbor to 49 feet at low tide. A later contract will deepen the inner harbor to 47 feet.

For the Georgia Ports Authority and our state, the Savannah Harbor Expansion Project means protecting existing jobs and preparing for tomorrow.

Improving our harbor will better accommodate the megaships that are the standard in transportation today.

These Super Post-Panamax vessels are more efficient to operate, offering cost savings to

shipping lines, American retailers, and to U.S. manufacturers marketing goods overseas.

Because cost-conscious shipping lines go where port services are most efficient, the Savannah Harbor Expansion Project will keep them calling on Savannah.

That's vital for the 369,000 Georgia jobs currently supported by port operations, and for expanding GPA's potential to support future economic development.

As market forces play out, such as the population growth in the U.S. Southeast, and the opening of the Panama Canal, a deepened harbor will help the Port of Savannah to keep up with growing demand and maintain its position as the Southeast's dominant gateway to global trade.

FAR RIGHT

The Zim Tianjin, the largest vessel to ever call on the Port of Savannah, passes historic River Street on its way to the Garden City Terminal. The 10,000-TEU vessel, stood on end, would be nearly as tall as the Empire State Building.

THE SAVANNAH HARBOR'S DEEPER WATER WILL ENABLE MEGASHIPS TO TRANSIT THE SAVANNAH RIVER MORE HEAVILY LOADED, WITH GREATER SCHEDULING FLEXIBILITY.

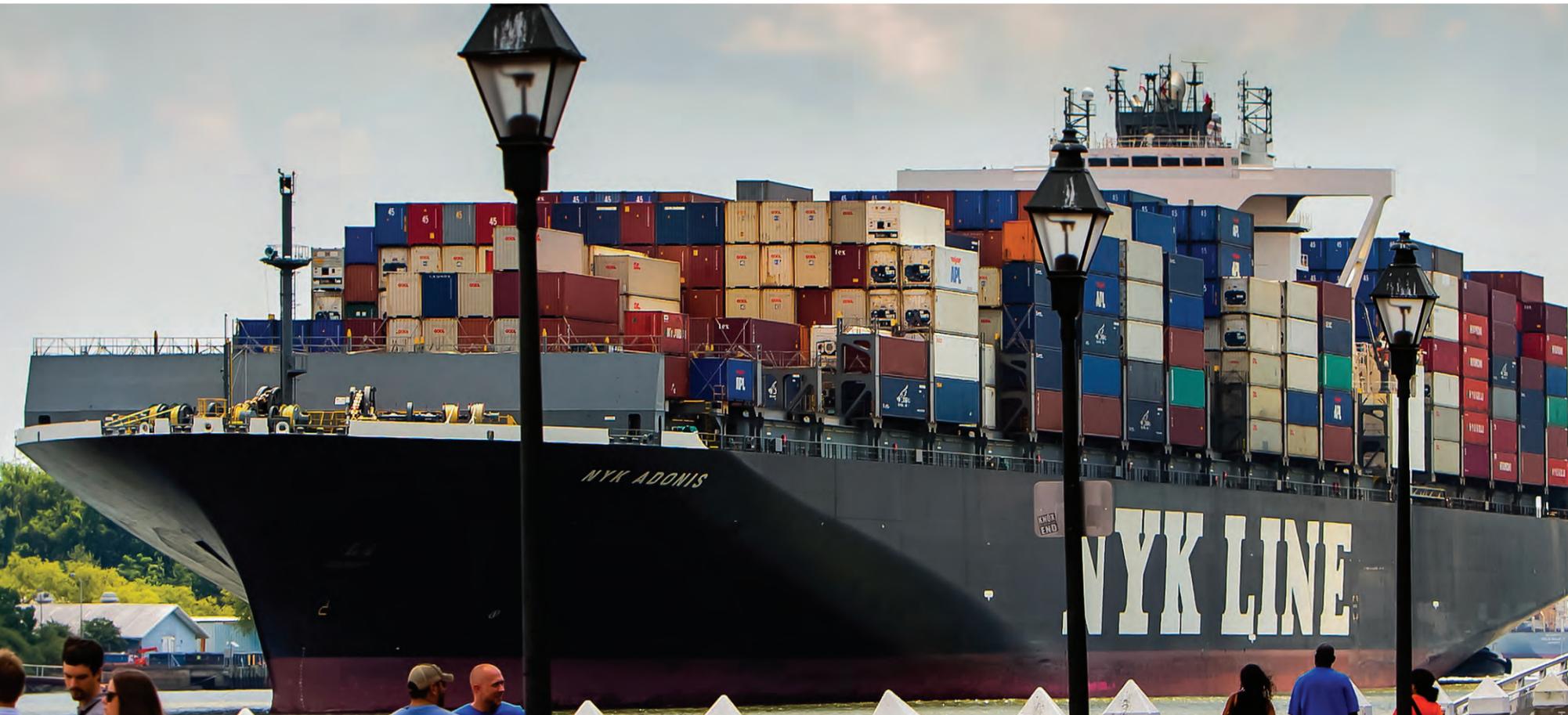


THE BIG PICTURE

GEORGIA PORTS AUTHORITY

POST PANAMAX VESSELS SAVE 20-40% ON TRANSPORTATION

\$134.5 MILLION CONTRACT AWARDED TO DREDGE THE OUTER HARBOR TO 49 FT



**MOVED
3.66
MILLION**

TWENTY-FOOT EQUIVALENT
**CONTAINER UNITS
IN 2015**

THE PORT OF SAVANNAH



PORT OF SAVANNAH

In Fiscal Year 2015, the Port of Savannah handled unprecedented cargo volumes without congestion, at a time when labor availability and U.S. capacity issues resulted in transit delays on both coasts.

When cargo was diverted to the East Coast, Savannah scaled up quickly – demonstrating to the international community that Georgia’s ports are prepared, dependable, effective and efficient.

Renewed strength in the retail economy and in manufacturers’ orders of raw goods also fueled Savannah’s growth. In FY2015, the port marked a 17 percent increase in twenty-foot equivalent container units.

Garden City Terminal’s single-terminal design means truck drivers enjoy fast turn-times through one simple check-in process, even when moving containers for multiple shipping lines.

Served on-terminal by two Class I railroads, Savannah has the fastest westward transit in the South Atlantic– including overnight service to Atlanta, Charlotte, Jacksonville and Birmingham.

The most westerly of the East Coast ports, Savannah is closest to Atlanta by 100 miles and only six miles from Interstate 95. As cargo demands parallel the population growth of the U.S. Southeast, efficient access to trade via Georgia’s ports will become even more vital.

→ AMERICAN BUSINESSES HAVE CHOSEN THE PORT OF SAVANNAH AS A CRITICAL GATEWAY IN THEIR GLOBAL SUPPLY CHAINS.



THE BIG PICTURE

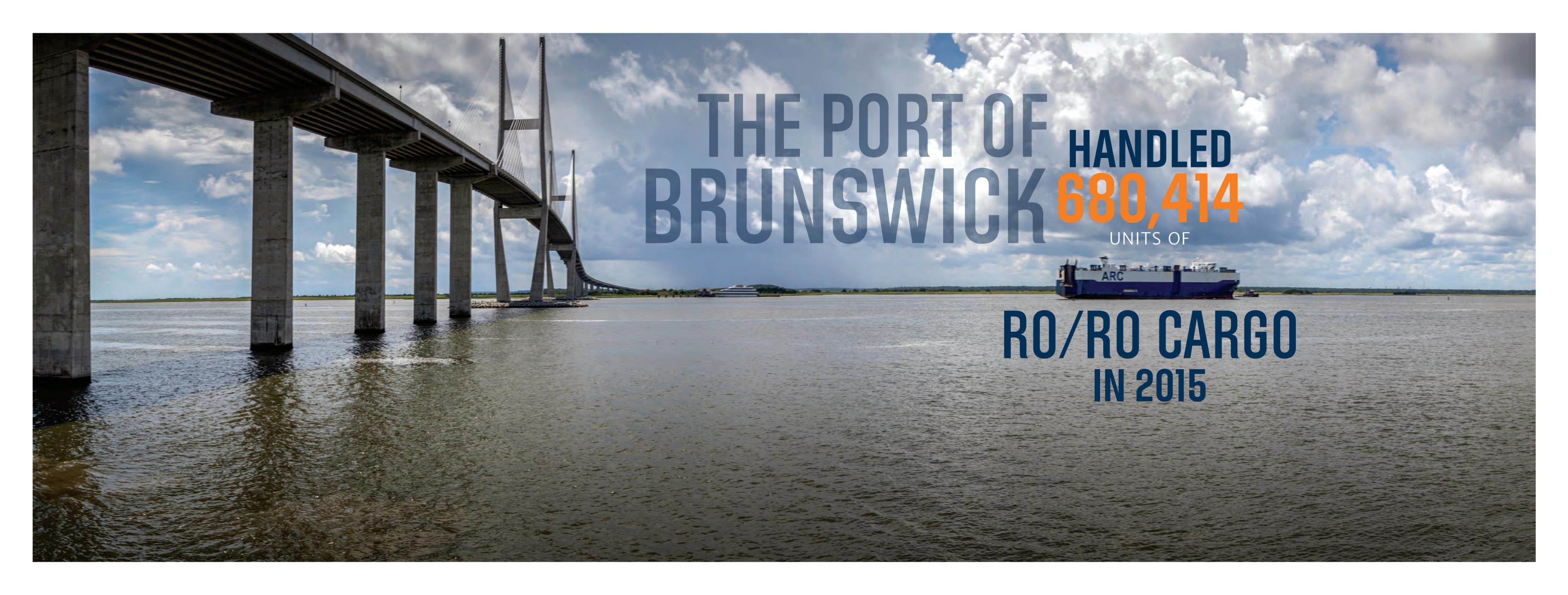
GEORGIA PORTS AUTHORITY

→ LARGEST SINGLE CONTAINER TERMINAL IN AMERICA

2 CLASS I RAILROADS

IMMEDIATE ACCESS TO I-95 & I-16

OVERNIGHT SERVICE TO FIVE-STATE REGION ←



THE PORT OF BRUNSWICK

HANDLED
680,414
UNITS OF

**RO/RO CARGO
IN 2015**



PORT OF BRUNSWICK

Brunswick is the East Coast port of choice for roll-on/roll-off and agri-products. Immediate access to I-95 means key cities and manufacturing points stretching from Dallas to Chicago may be reached within a one-to-two-day drive. The Port of Brunswick provides Class 1 rail service to major population centers in the U.S. Southeast, Gulf and Midwest.

Brunswick specializes in non-containerized freight. Mayor's Point Terminal focuses on forest products, while East River Terminal handles a diverse mix of bulk commodities. Served by eight ocean carriers, Colonel's Island Terminal offers three modern Ro/Ro berths and four on-terminal auto processors, handling cargo for more than 30 auto and heavy equipment manufacturers. As the

second busiest autoport in the nation behind only Baltimore, the Port of Brunswick moved more than 680,000 units of Ro/Ro cargo in FY2015.

With 696 acres in use and 671 acres permitted for expansion on Colonel's Island, GPA can easily accommodate additional Ro/Ro business.

Since Fiscal Year 2012, the Georgia Ports Authority and its partners have invested more than \$32.5 million in Brunswick infrastructure. Projects funded in FY2015 include bulk facility improvements such as upgrades to the ship loader, bucket elevator and electric control rooms. Also, at Brunswick's Anguila rail yard, two additional storage tracks totaling 8,400 feet are being added to the switching yard, which serves both Norfolk Southern and CSX Transportation.

→ **THE PORT OF BRUNSWICK'S DIVERSE CARRIER FLEET, CONVENIENT LOCATION AND AMPLE SPACE PROVIDE AUTOMOTIVE AND AGRICULTURAL CLIENTS A VITAL LINK TO GLOBAL MARKETS.**



GEORGIA PORTS AUTHORITY

COLONEL'S ISLAND TERMINAL HANDLED

→ **680,427** UNITS OF RO/RO CARGO

3.48 MILLION TOTAL TONS

— A 12,290-TON INCREASE

EAST RIVER TERMINAL SAW A

13% INCREASE IN BULK CARGO ←



FACILITATING BUSINESS

The success of Georgia's ports translates to employment opportunities for each of Georgia's 159 counties. Port-related expansions announced during Fiscal Year 2015 will bring more than \$619 million in investment, 4.3 million square feet of development and approximately 3,000 new jobs to Georgia.

In addition to the new jobs, the ports help to sustain more than 369,000 jobs across the state, according to "The Economic Impact of Georgia's Deepwater Ports On Georgia's Economy in FY2014," a study issued in May 2015 by the University of Georgia's Terry College of Business.

Companies that ship through Georgia's ports benefit from superior road and rail infrastructure, and more global container services than any other port in the U.S. Southeast. The Port of Savannah's 38 weekly services give American

manufacturers greater scheduling flexibility and global market reach.

Additionally, the GPA's specialized operations – containerized goods at Garden City Terminal, breakbulk at Ocean Terminal, and Brunswick's three terminals specializing in breakbulk, bulk and Ro/Ro – ensure expert handling in each cargo sector.

New customers comment most on the ease of doing business with Georgia's ports.

GPA's website features informative, useful tools. Live client relations specialists answer questions by phone to keep cargo moving. Port employees collaborate with customers, economic developers, utilities and others to make projects work for business.

INDUSTRIES ARE DRAWN TO GEORGIA'S GROWING POPULATION, ECONOMIC ENERGY, AND ITS SUPERIOR CONNECTIVITY TO IMPORTANT CENTERS OF PRODUCTION AND COMMERCE.



THE BIG PICTURE

GEORGIA PORTS AUTHORITY SUPPORTS

\$84.1 BILLION
IN SALES
9.6% OF GEORGIA'S TOTAL SALES

\$33.2 BILLION
IN STATE GDP
7.2% OF GEORGIA'S TOTAL GDP

\$20.4 BILLION
IN INCOME
5.3% OF GEORGIA'S TOTAL PERSONAL INCOME

369,193
FULL & PART-TIME JOBS
8.4% OF GEORGIA'S TOTAL EMPLOYMENT



STRATEGIC INVESTMENTS

Over the past 10 years, the GPA has invested \$807 million in port infrastructure in Savannah and Brunswick. Plans call for another \$1.4 billion in port upgrades over the next decade.

Continuous investments in infrastructure have increased port capacity and improved efficiency, leading to another record breaking year.

In Savannah, those improvements included purchasing four new ship-to-shore cranes. This will bring the total number of electric-powered container cranes to 26 – the most of any single terminal in the U.S.

The GPA board also approved the purchase of 30 new rubber-tired gantry cranes, bringing the fleet to 146 RTGs.

Also in FY2015, the authority started building a new truck gate which will help Garden City Terminal avoid congestion while completing 10,000 truck moves per day.

The Georgia Department of Transportation is also doing its part. Completion of the \$72.8 million Jimmy Deloach Parkway extension in 2016 will provide a direct truck route between I-95 and Savannah's Garden City Terminal.

Brunswick improvements included earthwork to prepare 50 acres on Colonel's Island at the Port of Brunswick for potential customers.

Additionally, upgrades to bulk facilities were approved in FY2015, as well as two additional storage tracks, each about 4,200 feet, at Anguilla Rail Yard in Brunswick.

GPA's most important improvement is the Savannah Harbor Expansion Project. The U.S. Army Corps of Engineers has awarded the contract to deepen the outer harbor of the river channel. A future contract will cover the inner harbor. The deepening will allow Savannah to better accommodate today's megaships.



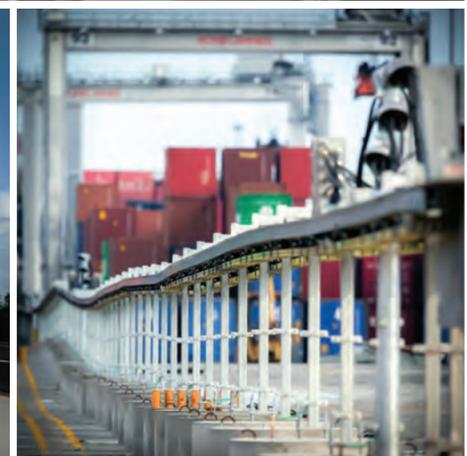
GEORGIA PORTS AUTHORITY

OCEAN TERMINAL NOW HAS
40 ACRES PAVED
FOR RO/RO CARGO

GPA BOARD APPROVED
\$2.7 MILLION TO ADD 8,400 FT
OF STORAGE TRACKS
AT ANGUILLA RAIL YARD

PORT OF SAVANNAH
ADDING 30
ELECTRIC RTGs

GA DOT COMPLETING
DIRECT ROUTE
FROM I-95 TO GARDEN CITY TERMINAL BY
2016



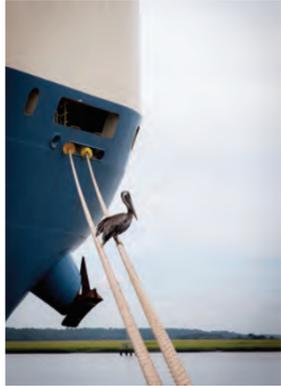
→ **THE GEORGIA PORTS AUTHORITY IS MAKING SMART INVESTMENTS TO ANTICIPATE GROWTH AND ENSURE THE FREE FLOW OF CARGO.**

A wide-angle photograph of a coastal scene. In the foreground, there is a lush green wetland with tall grasses. In the middle ground, a body of water stretches across the frame. On the left side of the water, a small white lighthouse stands on a small island. On the right side, a large blue container ship with 'CMA CGM' written on its side is sailing. The sky is overcast with grey clouds, and a few birds are visible in flight. The text 'SUSTAINABILITY' is overlaid in large, semi-transparent grey letters on the left. To its right, the text 'GEORGIA PORTS AUTHORITY' is in dark blue, 'HAS PRESERVED OR' is in white, 'CREATED' is in large orange letters, and '312 ACRES OF WETLANDS' is in dark blue.

SUSTAINABILITY

**GEORGIA PORTS
AUTHORITY**
HAS PRESERVED OR
CREATED
**312 ACRES
OF WETLANDS**





GPA TODAY: SERVICE, SUSTAINABILITY & SAFETY

In every decision, GPA balances three factors vital to a sustainable business model: service excellence, a commitment to preserving natural resources, and ensuring those who work at the ports make it home safely each day.

Tangible investments demonstrate GPA's commitment to conservation.

Upgraded cranes, lighting and other equipment reduce fuel consumption and air-polluting emissions. For instance, moving to electric rubber tired gantry cranes for container handling reduces GPA's carbon footprint by 96 percent per crane. Once all RTGs are switched to electric power, GPA will avoid the use of 2.7 million gallons of diesel each year. Savannah's electric ship-to-shore cranes capture enough energy from lowering boxes to power themselves 18 minutes of each hour.

To reduce light pollution, the 1,200-acre Garden City Terminal uses a computer-controlled lighting system and efficient fixtures that direct light downward, where it's needed. Adjusting for the season of the year, the system turns on the lights as the sun sets. The project saves 8.7 million kilowatt hours per year and cuts annual CO2 emissions by 3,569 metric tons, with a projected 10-year energy savings of \$4.9 million.

To protect the Savannah River and provide wildlife habitat, GPA created more than 14 acres of wetlands at the nation's fourth busiest container terminal. The wetlands are home to native plants, birds, fish and other wildlife.

GPA has also focused on waste reduction, such as recycling thousands of tons of construction materials, keeping it out of landfills.

The Authority's approach to sustainability extends to the health and safety of everyone working at GPA facilities, with an emphasis on mutual accountability and ownership of safety. It includes an ongoing engagement in the communities in which GPA operates, with efforts ranging from noise abatement to site visits with port users to discuss on-terminal safety.

Not only do GPA's sustainability efforts produce cleaner water and air, they also make good business sense. International shippers now factor port environmental policies and performance records into supply chain decisions. As leaders in environmental stewardship, GPA's commitment to preserving natural resources gives Georgia a competitive edge.



GEORGIA PORTS AUTHORITY

ELECTRIC RTGS
→ **REDUCE**
CARBON FOOTPRINT
96% PER CRANE

USE OF
COMPUTER-CONTROLLED
LIGHTING HAS A
PROJECTED
SAVINGS
OF \$4.9 MILLION

GPA HAS PRESERVED
OR CREATED ←
312 ACRES
OF WETLANDS

→ **OPERATING GEORGIA'S DEEPWATER PORTS SUSTAINABILITY IS AN INTEGRAL PART OF GEORGIA PORTS AUTHORITY'S MISSION.**

FINANCIALS

AS OF JUNE 30, 2015, 2014, AND 2013

CONDENSED STATEMENTS OF NET POSITION

(IN THOUSANDS)

ASSETS	FY2015	FY2014	FY2013
Current Assets	\$217,837	\$159,017	\$136,213
Capital Assets	972,035	905,866	908,609
Other Long-Term Assets	102,131	100,264	59,871
TOTAL ASSETS	\$1,292,003	\$1,165,147	\$1,104,693
DEFERRED OUTFLOW OF RESOURCES	\$22,106	\$32,087	\$29,862
LIABILITIES			
Current Liabilities	\$58,330	\$30,230	\$21,004
Long-Term Debt	31,657	34,057	36,457
Other Non-Current Liabilities	39,889	72,407	97,718
TOTAL LIABILITIES	\$129,876	\$136,694	\$155,179
DEFERRED INFLOW OF RESOURCES	\$5,645	—	—
NET POSITION			
Net Investment in Capital Assets	\$940,378	\$871,809	\$872,152
Unrestricted	238,210	188,731	107,224
TOTAL NET POSITION	\$1,178,588	\$1,060,540	\$979,376

FOR THE FISCAL YEARS ENDED JUNE 30, 2015, 2014 AND 2013

CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

(IN THOUSANDS)

	FY2015	FY2014	FY2013
Operating Revenues	\$356,493	\$310,599	\$292,583
Operating Expenses	241,382	225,808	214,285
Operating Income	115,111	84,791	78,298
Non-Operating (Expense)	(1,870)	(3,192)	(36,483)
Capital Contributions Repaid to the State of Georgia	(38)	(11,288)	(20,044)
Capital Contributions	3,759	7,445	11,882
Extraordinary Gain on Insurance Recovery	1,086	3,408	—
CHANGE IN NET POSITION	\$118,048	\$81,164	\$33,653
CONDENSED STATEMENTS OF CASH FLOWS			
Cash Flows from Operating Activities	\$171,650	\$112,444	\$105,775
Cash Flows from Investing Activities	183	(39,816)	229
Cash Flows from Non-Capital Financial Activities	(3,306)	(3,476)	(1,706)
Cash Flows from Capital and Related Financing Activities	(109,587)	(54,878)	(96,491)
Net Increase in Cash and Cash Equivalents	58,940	14,274	7,807
BALANCES – BEGINNING OF THE YEAR	103,206	88,932	81,125
BALANCES – END OF THE YEAR	\$162,146	\$103,206	\$88,932