

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended December 31, 2020

City of Savannah, Georgia



SAVANNAH
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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF SAVANNAH, GEORGIA
YEAR ENDED DECEMBER 31, 2020**



**PREPARED BY:
FINANCE DEPARTMENT**



**CITY OF SAVANNAH, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2020**

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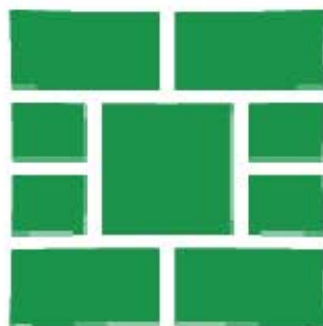
INTRODUCTORY SECTION

LETTER OF TRANSMITTAL

PRINCIPAL OFFICIALS

ORGANIZATION CHART

CERTIFICATE OF ACHIEVEMENT





Office of the City Manager
P.O. Box 1027
Savannah, Georgia 31402
(912) 651-6415 Fax (912) 238-0872

May 12, 2021

Honorable Mayor and Aldermen
City of Savannah
Savannah, Georgia

Dear Mayor and Council Members:

In accordance with state statutes and local charter provisions, we hereby submit the Comprehensive Annual Financial Report of the City of Savannah for the year ended December 31, 2020. Management assumes full responsibility for the completeness and reliability of the information contained in the report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Mauldin and Jenkins LLC, has issued an unmodified (“clean”) opinion on the City of Savannah’s financial statements for the year ended December 31, 2020. The Independent Auditors’ Report is located at the front of the financial section of this report. In addition to the audit of the financial records, the City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards, findings and recommendations and auditors’ reports on the internal control and compliance with applicable laws and regulations, and a schedule of findings and questioned costs is presented in a separate report which can be obtained from the City’s Finance Department.

Generally Accepted Accounting Principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the Independent Auditors’ Report.

Profile of the Government

Savannah is Georgia’s oldest city. From its founding as a British colony in 1733, under the leadership of General James Edward Oglethorpe, the City has maintained its Town Plan within its core area and today remains an internationally-recognized urban model because of its distinctive grid pattern and open spaces. Its founding 20 miles from the mouth of the Savannah River has evolved into its status as a modern-day freight hub that supports its shipping industry, crossroads of two interstate highways and rail network. The City encompasses about 108 square miles. The City totals 144,457

(Census' America Community Survey estimate 2019) in population as the county seat of Chatham County, which has a population of 289,430 (Census' America Community Survey estimate 2019).

The City government provides a full range of municipal services: police and fire; municipal court; sanitation and landfill; water and sewer utility; stormwater; development services; neighborhood, recreational and cultural services; golf course; planning and zoning; code compliance; construction and maintenance of highways, streets and infrastructure; and civic center. State law empowers the City of Savannah to levy a property tax on real and personal property as well as receive a portion of sales tax revenue for operating and capital purposes. These are the two main funding sources.

Since 1954, the City of Savannah has operated under a council-manager form of government as authorized by Charter. This organizational plan authorizes legislative responsibility for municipal government to the City Council but delegates executive and administrative authority to the City Manager. The Charter empowers the Council, which consists of the Mayor and eight Aldermen, to levy taxes, enact ordinances and adopt the annual budget and service plan as well as to perform other legislation duties, including approving agreements, major purchases and land use changes. Six Council members are elected by district and two are elected at-large, the same as the Mayor. All serve concurrent four-year terms. The Charter recognizes the Mayor as the official head of the City and the presiding officer during Council meetings. The Charter empowers the City Manager, whom the Council appoints, to serve as the Chief Executive Officer, to manage the organization day-to-day and remain responsible to the Council for the proper and efficient administration of the City government. The City Manager leads an Executive Leadership Team of five Offices and the Chief Financial Officer, Human Resources Director and OMB Director, to provide administrative leadership to some 30 departments.

The financial reporting entity of the City includes all the funds of the City as well as all of its component units. Component units are legally separate entities for which the City is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and are included as part of the City. Accordingly, Resource Recovery Development Authority (RRDA) is reported as an enterprise fund of the primary government.

Each December, the Council adopts the budget for the upcoming year by ordinance. The annual budget serves as the foundation for the City's financial planning and control and service plan. The budget is prepared by fund, function, and department and is closely monitored throughout the year. Additionally, expenditures, revenues and performance data are monitored in order to ensure the successful implementation of the City's service plan. As conditions change or circumstances are altered, the budget process allows for amendments.

Local Economy

The City of Savannah and surrounding areas enjoy a diversified local economic base. This economic base includes (i) major manufacturers of jet aircraft, paper products and chemicals, (ii) two large military installations, (iii) three acute care hospitals and 18 nursing care facilities, (iv) 18 institutions of higher learning, and (v) the nation's fourth largest urban landmark historic district. Unemployment within the region has been relatively low when compared to the national and state levels. For December 2020, unemployment in the Savannah metropolitan area was 6.0% compared to 6.7% nationally and 5.6% for the State of Georgia as a whole.

Overall, six industry groups account for approximately three-quarters of the jobs in the Savannah area: educational and health services (14.4%), state and local government (11.6%), leisure and hospitality (14.7%), retail trade (12.2%), professional and business services (10.7%), and manufacturing (10.4%). The federal government is also a significant economic presence thanks to Fort Stewart, located in nearby Liberty County, and Hunter Army Airfield, which together provide employment to over 20,000 officers and enlisted military and 4,100 civilian personnel and have an annual financial

impact of about \$4.9 billion. Ft. Stewart is the largest military installation east of the Mississippi River and accounts for nearly three-fourths of the military employment in the area.

Savannah continues to be a destination of choice among travelers and has received many accolades from travel industry publications. Savannah was ranked #1 on the *Thrillist*, May 2019 list of the Best Cities for Creative Professionals Right Now. In addition, Savannah was ranked #1 on the *Goop*, January 2019 list of Top Travel Destinations in the U.S. Savannah's landmark historic district continues to be the number one tourist destination in Georgia with an estimated 14.1 million visitors annually. The annual St. Patrick's Day Parade and Festival ranks as the second largest celebration of St. Patrick's Day in America.

Another major component of the local economy is logistics and transportation, which is led by the Georgia Ports Authority (GPA). The GPA operates the Port of Savannah, and for 2020 had another record-breaking year and became the country's busiest port for container exports. During FY 2020, the GPA moved 4.44 million TEUs (20-foot equivalent container) and 37.77 million tons. The additional 223,000 handled in 2020 represent 0.6% growth when compared to the 2019 results and set an all-time high. The GPA continues to expand its facilities and make them more efficient as it looks to the future of the shipping industry. One of these projects will improve the docks upriver at its container port by allowing larger ships to more easily dock. The estimated \$173 million project will realign Berth 1 and is aimed at optimizing the productivity of Savannah's waterfront infrastructure. The GPA also continues to expand its rail facilities at the Mason Mega Rail Terminal. Currently at 75 percent completion, the first nine tracks at the railyard are now operational and the second set of nine is slated for completion during 2021. When completed, the 85-acre rail terminal will add 97,000 feet of new rail track.

Long-term Financial Planning

The City of Savannah was selected to participate in a federal government initiative called "Strong Cities, Strong Communities" to gain access to experts, technical advice and information to help the City develop a long-term, sustainable funding plan. As part of this effort, the City worked throughout 2019 with the National Resource Network (NRN) and key community partners to evaluate Savannah's unique capacities and constraints while charting a financial path forward. This plan was finalized during 2020 and can be used by the City as a long-term financial planning resource.

As of December 31, 2020, unassigned fund balance in the general fund (21.2% of total general fund expenditures and transfers out) compares favorably to the policy guidelines set by the City for budgetary and planning purposes (i.e., between 15% and 20% of total general fund expenditures and transfers out). No draw on general fund reserves is planned in the 2021 budget and current expenditures and transfers out are balanced with current revenues and transfers in. In addition to the unassigned fund balance in the general fund, the City also maintains a sales tax stabilization reserve. These reserves are funded from higher than anticipated local option sales tax revenues and are used to fund unbudgeted sales tax revenue deficits. As of the end of 2020, the sales tax stabilization reserves totaled \$5,501,000. No draw on the sales tax stabilization reserves was necessary in 2020 or planned in the 2021 budget.

The adopted 2021 budget conservatively assumed 2.6% growth in property tax revenues and tentatively set a 2021 property tax millage rate of 12.739, which was the same rate for 2020. The 2021 budget also includes a 100% freeport exemption on qualified personal property taxes within the City. This freeport exemption provides tax relief for manufacturers and should make the City more attractive for new manufacturing investment. This exemption saves taxpayers approximately \$2.4 million each year.

In addition to the annual operating budget, the City prepares a five-year capital plan that is updated on an annual basis. The most recent plan update for years 2021 through 2025 identifies projects and funding that total \$311.7 million and includes major categories of water and sewer, public buildings, parks and recreation, community development, drainage, streets and traffic improvements. The general fund is projected to contribute \$6.57 million or

2.1% of the funding for the five-year plan. The water and sewer Fund accounts for \$94.1 million or 30.2% of the funding for the five-year plan. A majority (50.2%) of the planned funding comes from SPLOST 7 proceeds and totals \$156.5 million. This six-year special purpose local option sales tax was approved on a county-wide basis and collections started in late 2020. Year one of the five-year plan, which was adopted by the mayor and council in December 2020, totals \$101.8 million in project funding. Construction of the City's new civic center arena and development of the surrounding canal district will continue. This signature project is currently budgeted at \$165.0 million for the arena itself with many other large-scale road and drainage projects envisioned for the future. Once completed, this new facility will replace the City's existing arena and will better meet the requirements of touring shows and attract more shows with a larger variety of entertainment genres.

Major Initiatives

The City continues to support new development and has seen a wave of new investment in the downtown area. In order to support this new development, the City has commenced several projects aimed at improving the infrastructure in the downtown area. A downtown streetscape master plan will launch major streetscape improvements from Liberty Street north to the Savannah River with priority being given to the corridors of Broughton Street, River Street and Bay Street. Construction on Broughton Street began in 2020 and will continue throughout 2021.

Downtown parking continues to be a major initiative of the City. To help ease parking congestion in the downtown area, the City has contracted to build two new parking garages on opposite ends of River Street. Both garages are currently under construction and, when completed, will provide approximately 1,200 parking spaces to support several new hotel developments in the area that are also currently under construction.

Development of the City's new civic center area and adjacent public improvements will occur over the next several years. Construction of the new arena began in earnest in 2019 and is expected to be completed in 2022. This new 9,000 seat arena will replace the City's existing arena and will better meet the requirements of touring shows and attract more shows with a larger variety of entertainment genres. It is also anticipated that the new arena will encourage capital investment, increase the tax base, improve job opportunities and increase tourism within the City. The arena is just one part of the overall concept for the proposed Canal District. In addition to the new arena, the district is envisioned as an extension of the City's downtown entertainment district that will include shopping, dining, hotels, walking trails, and outdoor recreational fields.

Reducing crime and the perception of crime play an important role to overall citizen satisfaction. As such, the City has focused many of its resources in the area of public safety, primarily police protection and fire protection. While continuing to focus on community policing, the Savannah Police Department has deployed technology enhancements, new equipment and additional officer training to enhance crime prevention and case solving strategies to better protect the public.

Reducing the amount of poverty and homelessness within Savannah has been identified as a priority in the coming years. While some strides have been made in reducing these problems, 30,000 persons in Savannah, including almost 10,000 children live in poverty today. Several neighborhoods and census tracts have experienced these issues for many generations. Poverty reduction will focus on ending generational poverty through skills training, wealth building and improving access to healthy foods. Affordable housing initiatives completed in Savannah have had a significant, positive impacts in the areas of Savannah Gardens, Fellwood Homes, Hitch Village, Cuyler Brownsville and Benjamin Van Clark. The City continues to leverage its funds and its influence to make housing more available and more affordable to those experiencing housing insecurity.

Other Information

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended December 31, 2019. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA for consideration.

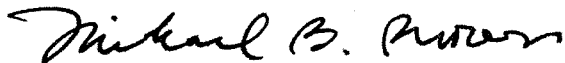
In addition, the City also received the GFOA's Distinguished Budget Presentation Award for the 2020 Service Program and Budget document. To qualify for the Distinguished Budget Presentation Award, the City's budget document must be proficient in several categories including policy documentation, financial planning, and organization.

Acknowledgments

The preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the entire staff of the Financial Services Department, the Office of Organizational Performance and Accountability, and the Office of Management and Budget, as well as the independent auditors. We express appreciation to all staff members who contributed to its preparation.

In summary, the financial condition of the City entity is favorable. Our diversity of revenue sources, resistance to recessionary downturns, growing economic base, and professional conservative financial management with a strong propensity for planning, provide a firm foundation for maintaining our strong financial footing into the future.

Respectfully submitted,



Michael B. Brown
City Manager



David F. Maxwell, CPA
Chief Financial Officer

**CITY OF SAVANNAH, GEORGIA
PRINCIPAL OFFICIALS
2020**

ELECTED OFFICIALS

MAYOR

Van R. Johnson, II

ALDERMEN

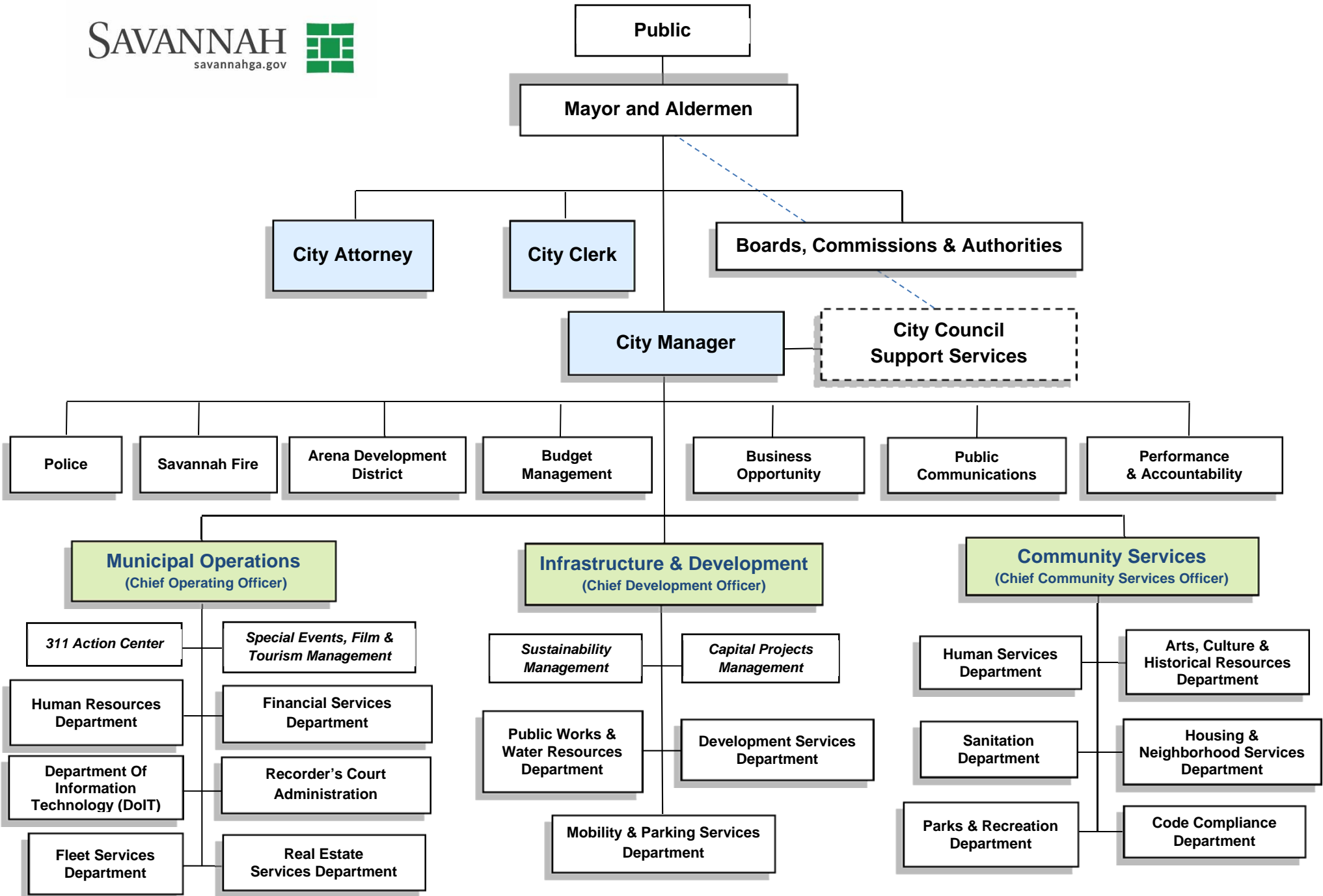
Kesha Gibson-Carter
Bernetta B. Lanier
Linda Wilder-Bryan
Dr. Estella Edwards Shabazz

Alicia Miller-Blakely
Detric Leggett
Nick Palumbo
Kurtis Purtee

OTHER OFFICIALS

Michael B. Brown City Manager
Bret Bell..... Chief Operating Officer
David F. Maxwell, CPA Chief Financial Officer
Melissa Carter Chief Budget Officer

CITY OF SAVANNAH ORGANIZATIONAL STRUCTURE





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Savannah
Georgia**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
BASIC FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS
REQUIRED SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Members of the City Council
City of Savannah, Georgia
Savannah, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Savannah, Georgia, (the "City"), as of and for the year ended December 31, 2020 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2020, and the respective changes in financial position, and, where applicable cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis ("MD&A") on pages 3 through 13 and the budgetary schedules for the general fund and community development fund, pension schedules for the employees retirement plan, cost sharing pension plans, plans with special funding situations and plans without special funding situations, and OPEB schedules for the City's Other Post-Employment Benefit Plan on pages 91 through 105 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, schedules of hotel/motel tax and revenues and expenditures/expenses – rental motor vehicle tax, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City. The accompanying schedules of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund statements and schedules, schedules of hotel/motel tax and revenues and expenditures/expenses – rental motor vehicle tax, and the schedules of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund statements and schedules, schedules of hotel/motel tax and revenues and expenditures/expenses – rental motor vehicle tax, and the schedules of expenditures of special purpose local option sales tax proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2021 on our consideration of the City'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 City'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 City's internal control over financial reporting and compliance.

Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) section offers readers of the City of Savannah's financial statements a narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2020. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages i - v of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of 2020 by \$1,583,674,013 (net position). Of this amount, \$220,127,789 is unrestricted net position.
- The deferred outflows of resources totaled \$20,743,459 at the close of 2020. Of this amount, \$16,753,417 was related to pensions and \$3,698,870 was related to post employment benefits other than pension (OPEB). Deferred inflows of resources totaled \$57,982,301 at the close of 2020 compared to \$21,562,775 at the close of 2019.
- The government's total net position increased by \$66,874,213 during 2020. Approximately 60.3% of this increase is attributable to governmental activities operating and capital grants/contributions. The remaining 39.7% is attributable to business-type activities, primarily the water and sewer utility.
- As of the close of 2020, the City's governmental funds reported combined ending fund balances of \$324,567,495, a decrease of \$449,075 for the year ended December 31, 2020. The decrease is mostly attributable to the expenditure of capital improvement funds within the City's various SPLOST funds and within the capital improvement fund.
- The unassigned fund balance for the general fund at the end of 2020 was \$42,975,684 or 21.2% of total general fund expenditures and transfers-out for that year. For the year ended December 31, 2020, the total fund balance in the general fund increased \$917,568.
- The City's total long-term liabilities experienced a net decrease of \$46,407,316 during the 2020 fiscal year. Of this amount, \$39,173,954 was recognized as a decrease in the governmental activities and \$7,233,362 was recognized as a decrease in the business-type activities. Changes in long term liability amounts resulted from a decrease in the City's net pension liability within both the governmental and business type activities. The overall net pension liability decreased by \$39,254,427 during 2020 compared to 2019. Of this total amount, a decrease of \$30,625,101 was recognized in the governmental activities and a decrease of \$8,629,326 was recognized in the business type activities. Also in 2020, the business-type activities recognized new long-term liabilities resulting from the issuance of the Downtown Savannah Authority, Series 2020 bond. The proceeds of this bond issue will be used to finance the construction and equipping of a structured parking garage (\$8,605,000) adjacent to the new civic center arena located in the City's canal district.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The "government-wide financial statements" are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The “statement of net position” presents information on all of the City’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The “statement of activities” presents information showing how the government’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include governance and strategic services, municipal operations, infrastructure and development, police, recorders court, fire, parks and recreation, tourism enhancement, community services, grant program and administration and community development. The business-type activities of the City include the water and sewer utility, sanitation (i.e. solid waste collection and disposal), resource recovery, parking services, civic center, and golf course.

The Resource Recovery Development Authority for the City of Savannah, although legally separate, functions for all practical purposes as a component of the City, and therefore has been included as an integral part of the primary government. See the Notes to the Financial Statements Note 1 - Summary of Significant Accounting Policies (A) Reporting Entity for a discussion of other entities which are not considered part of the primary government.

The government-wide financial statements can be found on pages 14 - 15 of this report.

Fund financial statements. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, community development fund, capital improvement fund and SPLOST 2014-2020 fund, which are considered to be major funds. Data from the other eighteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the general fund and the community development fund. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found on pages 16 -19 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility, sanitation activities, resource recovery, parking services, civic center, and golf course. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for a revolving fund (which includes vehicle maintenance and information services) and a risk management fund. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utility, sanitation operation, parking services operation and the civic center operation, each of which are considered to be major funds of the City. Data from the other two enterprise funds (which are non-major funds) is combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

The two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 20 - 22 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 23 - 24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 90 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees, progress in funding its obligation to provide post employment benefits to its retirees, and budgetary comparisons for the general fund and the community development fund. Required supplementary information can be found on pages 91 - 105 of this report.

The "combining statements" referred to earlier in connection with non-major governmental and enterprise funds, and internal service funds are presented immediately following the required supplementary information in the Supplemental Section. Combining and individual fund statements and schedules can be found on pages 106 - 134 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$1,583,674,013 at the close of the most recent fiscal year.

The following table provides a comparative summary of the City's net position for 2020 and 2019:

City of Savannah -- Net Position (\$000)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$453,397	\$440,817	\$250,487	\$302,520	\$703,884	\$743,337
Capital assets	719,719	685,608	644,587	551,437	1,364,306	1,237,045
Total assets	<u>1,173,116</u>	<u>1,126,425</u>	<u>895,074</u>	<u>853,957</u>	<u>2,068,190</u>	<u>1,980,382</u>
Deferred outflows of resources	16,068	33,591	4,676	9,853	20,744	43,444
Total assets and deferred outflows of resources	<u>\$1,189,184</u>	<u>\$1,160,016</u>	<u>\$899,750</u>	<u>\$863,810</u>	<u>\$2,088,934</u>	<u>\$2,023,826</u>
Other liabilities	\$23,951	\$23,830	\$27,571	\$19,470	\$51,522	\$43,300
Long-term liabilities outstanding	158,057	197,231	237,698	244,932	395,755	442,163
Total liabilities	<u>182,008</u>	<u>221,061</u>	<u>265,269</u>	<u>264,402</u>	<u>447,277</u>	<u>485,463</u>
Deferred inflows of resources	45,114	17,213	12,868	4,350	57,982	21,563
Net position:						
Net investment in capital assets	674,725	646,366	440,312	414,570	1,115,037	1,060,936
Restricted	245,165	239,491	3,345	3,345	248,510	242,836
Unrestricted	42,172	35,885	177,956	177,143	220,128	213,028
Total net position	<u>962,062</u>	<u>921,742</u>	<u>621,613</u>	<u>595,058</u>	<u>1,583,675</u>	<u>1,516,800</u>
Total liabilities, deferred inflows of resources and net position	<u>\$1,189,184</u>	<u>\$1,160,016</u>	<u>\$899,750</u>	<u>\$863,810</u>	<u>\$2,088,934</u>	<u>\$2,023,826</u>

The largest portion of the City's net position (70.4% or \$1,115,036,145) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (15.7% or \$248,510,079) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (13.9% or \$220,127,789) may be used to meet the government's ongoing obligations to citizens and creditors. However, much of this unrestricted balance is earmarked for future capital projects. As of the end of the 2020 fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

During the current fiscal year, the government's net position increased by \$66,874,213. About 60.3% of this increase is attributable to governmental activities mainly due to capital grants/contributions received in 2020. The remaining increase (39.7%) is attributable to business-type activities, primarily the water and sewer utility. This increase is earmarked for funding capital projects in future years for the City's business-type activities.

The following table summarizes changes in net position for the years ended December 31, 2020 and 2019:

City of Savannah - Changes in Net Position (\$000)						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 21,034	\$ 23,260	\$ 126,906	\$ 133,527	\$ 147,940	\$ 156,787
Operating grants and contributions	14,269	14,802	72	64	14,341	14,866
Capital grants and contributions	46,643	52,453	6,602	4,755	53,245	57,208
General revenues:						
Property taxes	79,722	78,918			79,722	78,918
General sales taxes	45,435	46,835			45,435	46,835
Other taxes	52,663	63,661			52,663	63,661
Grants and contributions not restricted as to use	2,367	1,815			2,367	1,815
Other	3,181	11,206	1,673	5,199	4,854	16,405
Total revenues	<u>265,314</u>	<u>292,950</u>	<u>135,253</u>	<u>143,545</u>	<u>400,567</u>	<u>436,495</u>
Expenses (net of indirect costs):						
Governance, strategic services and operations	22,540	19,419			22,540	19,419
Infrastructure and development	52,948	53,306			52,948	53,306
Public safety	101,258	98,395			101,258	98,395
Parks and recreation, tourism	19,777	26,423			19,777	26,423
Community services	13,232	16,499			13,232	16,499
Community development and workforce training	11,193	22,483			11,193	22,483
Interest on long-term debt and capital leases	1,765	1,679			1,765	1,679
Water and sewer			64,537	65,638	64,537	65,638
Sanitation and solid waste disposal			25,822	26,032	25,822	26,032
Parking facilities			14,977	16,583	14,977	16,583
Civic center and golf course			5,643	5,287	5,643	5,287
Total expenses	<u>222,713</u>	<u>238,204</u>	<u>110,979</u>	<u>113,540</u>	<u>333,692</u>	<u>351,744</u>
Increase in net position before contributions and transfers	42,601	54,746	24,274	30,005	66,875	84,751
Transfers	(2,281)	(7,316)	2,281	7,316		
Change in net position	40,320	47,430	26,555	37,321	66,875	84,751
Net position - January 1	921,742	874,312	595,058	557,737	1,516,800	1,432,049
Net position - December 31	<u>\$ 962,062</u>	<u>\$ 921,742</u>	<u>\$ 621,613</u>	<u>\$ 595,058</u>	<u>\$ 1,583,675</u>	<u>\$ 1,516,800</u>

Governmental activities. Governmental activities increased the City's net position by \$40,319,581. Key elements of this increase are as follows:

- Capital grants and contributions were recognized in 2020 in the amount of \$46,642,936. Most of this revenue, \$39,515,661, was special purpose local option sales taxes received from Chatham County. An additional amount totaling \$4,231,928 was the value of infrastructure assets such as roads and bridges constructed by other governments and private developers, which were conveyed to the City during the year.
- Property taxes increased by \$803,816 (1.0%) during the year as compared to 2019. This small increase was mainly due to the City adopting the 2020 rollback millage rate. The rollback millage rate is the millage rate that produces the same amount of tax revenue after property reassessments have occurred. Growth in the taxable digest occurred at a rate of 2.9% in 2020 compared to 2019 and has averaged 3.8% annual growth over the past 5 years. This new growth can be attributed to real estate development within the City, which increased by \$364,267,059 (7.3%) in taxable value. Personal property values decreased in 2020 by a total taxable value of \$197,715,602 (24.4%) compared to 2019. Specific declines were experienced in vehicle title fees collected in 2020, which were 14.7% lower than 2019, with total collections of \$3,884,841 in 2020 compared to 2019 collections of \$4,553,973.
- General sales tax revenue collections totaled \$45,434,873 in 2020, a decrease of 3.0% compared to 2019. This decrease is reflective of decreased taxable sales within the county. The City's percentage share of county-wide general sales tax revenues remained unchanged in 2020 with the City receiving 57.0% of sales tax collected within the county.
- Selective sales tax revenues decreased in 2020 by \$10,720,506 (34.9%) compared to 2019. This decrease is mostly attributable to decreased tourist traffic for the City in 2020 compared to 2019, which decreased hotel/motel revenues by \$9,321,429 (41.2%). A year over year decrease was also seen in excise taxes collected on liquor sold by the drink. The 2020 revenues from this source decreased to \$1,512,953 down \$460,521 from 2019, which was a 23.3% decrease.
- Gain on sale of capital assets decreased by \$4,576,795 in 2020 compared to 2019 when the City sold several downtown properties and reported a gain of \$5,986,296.

For 2020, overall governmental activity expenses decreased by \$15,489,922 (6.5%) as compared to 2019. In 2020, the public safety activity, which includes police, recorders court and fire protection, experienced a net increase in expenses of \$2,863,484 (2.9%). Within the public safety activity, expenses for police increased by \$1,518,845 (2.5%), recorders court increased by \$79,100 (3.2%) and fire increased by \$1,265,539 (3.6%) for 2020 as compared to 2019. Within the police activity, specific expense increases occurred in patrol (\$1,641,129) and criminal investigations (\$2,145,114). Within the fire activity, expenses increased by \$2,172,663 for operations salaries and wages, by \$278,720 for operations group medical expense and \$327,187 for hazard pay.

The infrastructure and development activity, which includes the City's public works and building inspection functions, decreased expenses by \$359,215 (0.7%) in 2020 compared to the previous year. Within the infrastructure and development activity, expenses decreased for signals and streetlights by \$78,127, street maintenance by \$276,733 and development services by \$134,719. 2020 expense increases were experienced in stormwater management in the amount of \$371,484, planning and urban design in the amount of \$164,343 and greenscapes in the amount of \$102,337.

The parks and recreation activity expenses were lower in 2020 by \$2,061,337 (14.8%) compared to the previous year. Within the parks and recreation activity, expenses decreased for cultural resources by \$196,695 and recreation services by \$706,291. 2020 expense increases were experienced in parks and recreation administration in the amount of \$138,789 and senior services in the amount of \$83,246.

Expenses related to grant program and administration decreased in 2020 by \$5,915,669 (71.5%) compared to 2019. During 2020, the City relinquished its responsibilities in serving as the fiscal agent for federal workforce investment act funds accounting for most of the decrease. 2020 youth development grant expenses were lower by \$269,841 in 2020 than in 2019. Grant expenditures related to federal public safety grants in 2020 were lower by \$849,163 compared to 2019.

Business-type activities. Business-type activities increased the City's net position by \$26,554,632. Key elements of this increase are as follows:

- Charges for services for business-type activities overall decreased by \$6,621,041 or 5.0%. The water and sewer activity decreased charges for services by \$1,863,015 or 2.3% in 2020 as compared to 2019. This decrease is attributable to lower revenues charged to delinquent accounts for late payment fees and account activation fees. These fees were waived by the City for most of 2020 in response to the economic downturn resulting from the COVID19 pandemic. The sanitation activity increased charges for services by \$546,584 or 1.8%. This increase resulted from increased interfund services to the city's general fund for street sweeping and litter control and increased hosting fees received from private landfills within the city limits. Parking facility charges for services decreased in 2020 by the amount of \$4,826,365 or 24.3% compared to 2019. This decrease resulted from reduced revenues related to the on street metered spaces and the curtailment of revenues associated with the city's parking garages. These reductions in parking facility charges resulted from COVID19 impacts reducing economic activity in the downtown area.
- Capital grants and contributions, associated with the water and sewer activity, in the amount of \$6,601,747 were recognized in 2020. Within the water and sewer activity, this amount represents the value of infrastructure contributed by developers and other governmental entities to the city during the year.

Overall, expenses for business-type activities decreased in 2020 by \$2,560,509, or 2.3%. The water and sewer activity decreased expenses by \$1,100,940 (1.7%) in 2020, compared to 2019. The sanitation activity decreased expenses by \$210,670 (0.8%) in 2020, compared to 2019. The parking activity decreased expenses by \$1,605,671 (9.7%) in 2020, compared to 2019. Within the water and sewer activity for 2020, expense decreases were related to personal services in the amount of \$269,596 (1.4%) and contractual services of \$1,839,565 (10.3%). Expense increases were related to depreciation in the amount of \$500,197 (3.0%) and internal services of \$630,702 (12.4%). Within the sanitation activity for 2020, expense increases were related to internal services in the amount of \$458,438 (14.4%). Expense decreases were related to commodities in the amount of \$208,066 (14.6%) and depreciation in the amount of \$201,612 (15.6%). In addition, the 2020 landfill closure and post closure care cost was \$100,283 lower than the expense reported in 2019. Within the parking facilities activity for 2020, expense increases were related to internal services in the amount of \$322,520 (17.8%) and depreciation in the amount of \$159,342 (6.9%). Expenses in the parking facilities activity were lower in 2020 for personal services by \$443,543 (12.0%) and for contractual services by \$1,487,200 (30.2). Overall expenses in the civic center activity were lower in 2020 compared to 2019 by \$246,388 (5.8%) due to decreases in personal services (\$395,969 or 30.1%) and commodities (\$184,339 or 43.4%). The civic center activity incurred expense increases in contractual services of \$74,888 (5.2%) and internal services of \$185,624 (46.6%).

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Government funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the 2020 fiscal year, the City's governmental funds reported combined ending fund balances of \$324,567,495, a decrease of \$449,075 for the year ended December 31, 2020. Approximately 12.8% of the fund balance (\$41,493,042) is classified as unassigned. These funds are available for spending in future years without restrictions. The largest portion of fund balance, \$215,836,573 or 66.5% is classified as restricted. These balances are available for spending in future years but are restricted for specific purposes. Of the restricted amount reported at year end, \$197,746,511 is for SPLOST projects, \$2,815,823 is for tax allocation district projects, \$13,227,415 is for other capital projects, \$313,604 is for public safety purposes, \$983,070 is for debt service and \$750,150 is for

economic development purposes. The City's committed fund balance at year end was \$59,707,496. Committed fund balances represent amounts that have been constrained by the mayor and council for specific purposes. As of December 31, 2020, committed fund balance consisted of \$56,271,873 for other capital projects, \$2,035,661 for property redevelopment and \$1,399,962 in open purchase orders. The final category of fund balance shown is nonspendable and consists of assets set aside for perpetual care of the City's cemeteries. Nonspendable fund balance at year end was \$7,530,384.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$42,975,684. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 21.2% of total general fund expenditures plus transfers-out.

The fund balance of the City's general fund increased in 2020 by \$917,568. Key factors in this increase are as follows:

- Total general fund revenues decreased by \$8,494,766 in 2020 compared to 2019 as the local economy was negatively impacted by the COVID19 pandemic.
- Property tax revenues decreased by \$1,007,550 (1.3%) compared to the prior year.
- Revenues from general sales taxes decreased by \$1,400,502 (3.0%) compared to the prior year.
- Investment income decreased by \$1,292,791 (71.8%) compared to the prior year. This reduction is reflective of lower yields on invested funds.
- Transfers in were higher by \$4,688,641 in 2020 compared to 2019. This increase is mainly attributable to transfers in from the grant fund associated with federal CARES Act reimbursements for eligible expenditures totaling \$7,562,356.

Overall total expenditures (and transfers out) of the general fund were \$202,657,220 in 2020, which is a decrease of \$390,778 (0.2%) compared to 2019. Increases in expenditures for 2020 were experienced in governance and strategic services (\$1,436,777 or 23.1%), municipal operations (\$2,510,517 or 13.9%), infrastructure and development (\$1,001,865 or 2.6%) and public safety (\$7,309,839 or 8.0%). Decreases in expenditures for 2020 were experienced in parks and recreation (\$761,279 or 7.4%) and community services (\$4,344,338 or 25.1%).

The community development fund is used by the City to account for the receipt and expenditure of federal grant program funds such as community development block grant funds, HOME program funds and several revolving loan programs. In 2020, this fund expended \$7,303,709 on the City's community development program and its administration. Of this total, in 2020 the community development fund expended \$102,450 for debt service payments related to Section 108 loans owed by the City.

The City maintains the capital improvement fund, which is used to account for revenues and expenditures related to major construction projects that benefit the governmental functions of the City. In 2020, the capital improvement fund received revenues which included \$375,905 from intergovernmental sources, investment income of \$110,019 and revenue from miscellaneous sources in the amount of \$3,211,230. During 2020, the capital improvement fund received transfers in from the general fund totaling \$2,211,552. The capital improvement fund expended \$20,996,982 for the construction of capital projects costs during 2020. As of the end of 2020, the capital improvement fund had a fund balance of \$69,499,288, all of which is required for approved capital projects.

The City also maintains the SPLOST 2014-2020 fund, which is used to account for revenues and expenditures related to the special purpose local option sales tax referendum passed by local voters in 2013. The City began receiving tax revenues associated with this tax in 2014. In 2020, the SPLOST 2014-2020 fund received \$34,346,293 in special purpose local option sales taxes and expended \$10,711,234 for the construction of capital projects. As of the end of 2020, the SPLOST 2014-2020 fund had a fund balance of \$170,375,835, all of which is required for projects specified within the authorizing referendum.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the water and sewer fund at the end of the year amounted to \$148,278,767, which is a decrease from the prior year of \$3,036,296.

Though not restricted as such, this balance is earmarked for capital improvements needed for the water and sewer system in future years. Unrestricted sanitation fund net position at year end was \$6,768,815, a decrease of \$1,261,773 compared to 2019. Unrestricted parking services net position increased by \$6,442,938 for 2020 and ended the year with a balance of \$23,802,171. Unrestricted net position for the civic center fund ended 2020 at a deficit balance of \$1,165,653, which was a decrease of \$1,291,727 from 2019. Unrestricted net position for the non-major enterprise funds at the end of 2020 was \$271,454 which is \$40,307 lower than the prior year end.

General Fund Budgetary Highlights

The difference between the 2020 original budget appropriations, including transfers out, and the 2020 final amended budget appropriation for expenditures and transfers out reflects a decrease of \$6,773,347 which is 3.2%. In general, across the board budget reductions to expenditures were implemented by City management to offset reductions in revenues due to the negative economic impacts caused by the COVID19 pandemic. Final budgeted revenues were \$9,367,892 (4.8%) lower than the adopted budget for 2020. Significant amendments to budgeted revenues include a reduction of \$4,555,400 to property taxes and a reduction of \$2,477,640 to general sales tax. Significant budget amendments reflect decreases in appropriations for infrastructure and development in the amount of \$2,582,878 and the parks and recreation department in the amount of \$2,256,401. Significant budget amendments reflect an increase in appropriations for community services of \$2,589,119 and governance and strategic services of \$1,543,198.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of December 31, 2020, amounted to \$1,364,305,519 (net of accumulated depreciation). The investment in capital assets includes land; plants and buildings; improvements other than buildings; machinery, equipment and fixtures; streets and drainage; and construction in progress. The total net increase in the value of the City's investment in capital assets for the current fiscal year was \$127,260,374 (a \$34,110,631 net increase for governmental activities and a \$93,149,743 net increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- Various governmental capital asset projects, including land purchases, with a total value of \$60,113,639 were completed or acquired during the year. The total value of governmental capital assets of all types still under construction at year end was \$197,323,177. A variety of street and drainage construction projects with a total value of \$13,397,347 were completed or acquired during the year. Machinery and other rolling stock valued at \$10,434,621 was placed into service during the year. Buildings and other improvements valued at \$33,990,067 were completed during the year.
- Various business-type plant capital asset projects, including land purchases, with a total value of \$24,788,317 were completed or acquired during the year. The total value of business-type capital assets of all types still under construction at year end was \$250,125,904. Machinery and other rolling stock valued at \$3,259,105 was placed into service during the year. Buildings and other improvements valued at \$21,529,212 were completed during the year.

The following table summarizes the City's governmental activity and business-type activity capital assets by major category as of the end of 2020 and 2019:

City of Savannah - Capital Assets (\$000)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 78,885	\$ 80,918	\$ 8,017	\$ 8,017	\$ 86,902	\$ 88,935
Plants and Buildings	97,841	70,024	757,495	736,938	855,336	806,962
Improvements other than buildings	103,968	99,667	40,716	39,797	144,684	139,464
Machinery, equipment and fixtures	140,694	134,909	43,683	40,702	184,377	175,611
Streets and drainage	546,782	533,384			546,782	533,384
Construction in progress	197,323	188,416	250,126	159,777	447,449	348,193
Less accumulated depreciation	(445,774)	(421,710)	(455,450)	(433,794)	(901,224)	(855,504)
Total	<u>\$719,719</u>	<u>\$685,608</u>	<u>\$644,587</u>	<u>\$551,437</u>	<u>\$1,364,306</u>	<u>\$1,237,045</u>

Additional information on the City's capital assets can be found in Notes to the Financial Statements Note 5 - Capital Assets on pages 58 - 61 of this report.

Long-term debt. At the end of year 2020, the City had total bonded debt (excluding special assessment debt) outstanding of \$37,690,524 (net of unamortized premiums and discounts). In addition to bonded debt, the City also had outstanding notes of \$19,350,610, and contractual obligations that secured bonds issued by certain public authorities (which are not part of the City entity) totaling \$207,040,259. All three types of debt obligations totaled \$264,081,393. Of this amount, \$62,596,013 comprises debt backed by the full faith and credit of the City and \$201,485,380 represents debt secured by specified revenue sources.

The following table summarizes outstanding debt of the City as of the end of 2020 and 2019:

City of Savannah - Outstanding Debt (\$000)* (General obligation bonds, notes, revenue bonds and contractual obligations)						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 5,685	\$ 6,000	\$ -	\$ -	\$ 5,685	\$ 6,000
Revenue bonds			21,891	24,634	21,891	24,634
Contractual obligations	56,911	60,062	160,243	154,851	217,154	214,913
Notes		100	19,351	18,749	19,351	18,849
Total	<u>\$ 62,596</u>	<u>\$ 66,162</u>	<u>\$ 201,485</u>	<u>\$ 198,234</u>	<u>\$ 264,081</u>	<u>\$ 264,396</u>

* Excluding special assessment debt.

As of the end of 2020, the City's total debt had decreased by \$314,254 when compared to the amount outstanding at the end of 2019. During 2020, the City issued \$8,605,000 in new debt through the Downtown Savannah Authority. Proceeds of the issue were used for public capital improvements in the

construction and equipping of a new civic center arena parking facility located at Stiles Avenue and Gwinnett Avenue. In addition, the City utilized a low interest loan from the Georgia Environmental Finance Authority to construct improvements to the City's main wastewater reclamation plant. As of the end of 2020, the City had drawn \$19,350,610 against the total loan commitment of \$28,470,000. In addition, certain debt amounts outstanding were reduced by the City meeting regularly scheduled debt service payments during 2020. The City's general obligation credit rating is "AA+" by Standard & Poor's, and "Aa1" by Moody's. The credit rating assigned to water and sewer revenue debt of the City is "AA+" by Standard & Poor's, and "Aa1" by Moody's.

State statutes limit the amount of general obligation bonded debt a governmental entity may issue up to 10% of its total assessed valuation. The current debt limitation for the City is \$614,281,505. As of December 31, 2020, the City had outstanding general obligation bonded debt totaling \$5,685,000.

Additional information on the City's long-term debt can be found in the Notes to the Financial Statements Note 6 - Long-Term Liabilities on pages 62 - 73 of this report.

Economic Factors and Next Year's Budgets and Rates

As was the case in 2020, the worldwide COVID19 pandemic is anticipated to have negative impacts on certain City revenues over the next few years. Revenues such as sales tax and hotel/motel tax, which are driven by consumer spending, are being budgeted very conservatively for 2021.

- The unemployment rate for the Savannah as of the end of 2020 was 6.0% compared to 2.7% as of the end of 2019. The unemployment rate for Savannah as of December 2020 was higher than that of the State of Georgia as a whole (5.6%). The national average as of December 2020 was 6.7%.
- The City's property tax digest value increased by 2.9% in 2020 compared to a 5.8% increase in 2019.
- Hotel motel tax collections decreased 41.2% in 2020 compared to 2019. This was the lowest revenue recorded since 2012.

All of these factors were considered in preparing the City of Savannah's budget for the 2021 fiscal year. The 2021 adopted budget is balanced and includes a tentative property tax millage rate of 12.739 mills, which is unchanged from the final millage for 2020. In addition, no draw on the City's general fund reserves was necessary in order to balance the 2021 adopted budget.

2021 rates for city utilities are unchanged from 2020.

Requests for Information

This financial report is designed to provide a general overview of the City of Savannah's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, City of Savannah, Post Office Box 1027, Savannah, Georgia 31402.

CITY OF SAVANNAH, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and investments	\$ 161,267,309	\$ 181,919,478	\$ 343,186,787
Receivables (net)	36,652,698	34,350,169	71,002,867
Internal balances	(151,123)	151,123	
Inventories	1,544,701	4,583	1,549,284
Restricted assets:			
Cash and investments	219,854,953	30,843,164	250,698,117
Accounts receivable	398,216	223,659	621,875
Notes receivable, due within one year	2,658,569		2,658,569
Notes receivable, long term	21,878,536		21,878,536
Property held for resale	747,210		747,210
Net OPEB asset	8,546,248	2,994,964	11,541,212
Capital assets:			
Land and construction in progress	276,207,775	258,142,691	534,350,466
Other capital assets, net of depreciation	443,511,229	386,443,824	829,955,053
Total assets	1,173,116,321	895,073,655	2,068,189,976
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred amounts from refunding of debt		291,172	291,172
Pension related deferred outflows	13,247,803	3,505,614	16,753,417
OPEB related deferred outflows	2,819,782	879,088	3,698,870
Total deferred outflows of resources	16,067,585	4,675,874	20,743,459
Total assets and deferred outflows of resources	\$ 1,189,183,906	\$ 899,749,529	\$ 2,088,933,435
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	\$ 15,220,840	\$ 21,210,708	\$ 36,431,548
Interest payable	785,187	2,145,059	2,930,246
Payable from restricted assets:			
Deposits	4,592,652	3,828,922	8,421,574
Interest payable		61,322	61,322
Unexpended grant proceeds	3,352,392		3,352,392
Current portion of debt payable		324,167	324,167
Long-term liabilities:			
Due within one year	17,656,396	7,474,116	25,130,512
Due in more than one year	76,402,145	212,191,312	288,593,457
Net pension liability due in more than one year	63,998,775	18,033,126	82,031,901
Total liabilities	182,008,387	265,268,732	447,277,119
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred revenue from program income	2,787,340		2,787,340
Deferred amounts from refunding of debt	46,670		46,670
Pension related deferred inflows	20,752,698	5,847,552	26,600,250
OPEB related deferred inflows	21,527,187	7,020,856	28,548,043
Total deferred inflows of resources	45,113,895	12,868,408	57,982,303
<u>NET POSITION</u>			
Net investment in capital assets	674,724,572	440,311,573	1,115,036,145
Restricted for:			
Sales tax capital projects	197,746,511		197,746,511
Other capital projects	16,040,238		16,040,238
Community development projects	21,834,139		21,834,139
HUD section 108 projects	406,219		406,219
Nonexpendable perpetual care	7,711,538		7,711,538
Debt service	197,883	3,345,262	3,543,145
Convention and tourism	343,931		343,931
Court technology fee	147,907		147,907
Other grants	736,451		736,451
Unrestricted	42,172,235	177,955,554	220,127,789
Total net position	962,061,624	621,612,389	1,583,674,013
Total liabilities, deferred inflows of resources and net position	\$ 1,189,183,906	\$ 899,749,529	\$ 2,088,933,435

The notes to the financial statements are an integral part of this statement.

**CITY OF SAVANNAH, GEORGIA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

FUNCTIONS/PROGRAMS	EXPENSES	INDIRECT COSTS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:								
Governance and strategic services	\$ 7,803,095	\$ -	\$ -	\$ -	\$ -	\$ (7,803,095)		\$ (7,803,095)
Municipal operations	21,067,761	(6,329,977)	3,813,788			(10,923,996)		(10,923,996)
Infrastructure and development	52,947,998		4,025,498	7,565,107	46,567,621	5,210,228		5,210,228
Police	62,492,928		2,462,417	1,213,008		(58,817,503)		(58,817,503)
Recorder's court	2,567,110		2,728,259			161,149		161,149
Fire	36,178,389	19,570	518,829	854,982		(34,824,148)		(34,824,148)
Parks and recreation	11,913,771		640,899	436,681		(10,836,191)		(10,836,191)
Tourism enhancement	7,863,190		1,166,321			(6,696,869)		(6,696,869)
Community services	13,232,518		3,730,393			(9,502,125)		(9,502,125)
Grant program and administration	2,363,603			1,155,542	75,315	(1,132,746)		(1,132,746)
Community development program and administration	8,433,654	395,502	1,947,999	3,043,953		(3,837,204)		(3,837,204)
Interest on long-term debt	1,764,964					(1,764,964)		(1,764,964)
Total governmental activities	228,628,981	(5,914,905)	21,034,403	14,269,273	46,642,936	(140,767,464)		(140,767,464)
Business-type activities:								
Water and sewer	61,527,895	3,010,377	80,130,925	72,047	6,601,747		\$ 22,266,447	22,266,447
Sanitation	25,021,205	800,579	30,715,345				4,893,561	4,893,561
Parking facilities	13,253,807	1,723,423	14,999,334				22,104	22,104
Civic center	5,013,632	380,526	1,060,756				(4,333,402)	(4,333,402)
Golf course	249,325						(249,325)	(249,325)
Total business-type activities	105,065,864	5,914,905	126,906,360	72,047	6,601,747		22,599,385	22,599,385
Total	\$ 333,694,845	\$ -	\$ 147,940,763	\$ 14,341,320	\$ 53,244,683	(140,767,464)	22,599,385	(118,168,079)
General Revenues:								
Taxes:								
Property taxes						79,722,161		79,722,161
Intangible, transfer and franchise taxes						21,535,821		21,535,821
General sales taxes						45,434,873		45,434,873
Selective sales taxes						20,018,050		20,018,050
Business taxes						11,109,644		11,109,644
Penalties and interest on delinquent taxes						655,420		655,420
Grants and contributions not restricted to specific programs						2,366,649		2,366,649
Investment earnings, unrestricted						936,622	1,135,652	2,072,274
Gain on sale of capital assets						1,409,501		1,409,501
Miscellaneous revenue						179,321	538,578	717,899
Transfers						(2,281,017)	2,281,017	
Total general revenues and transfers						181,087,045	3,955,247	185,042,292
Change in net position						40,319,581	26,554,632	66,874,213
Net position, beginning						921,742,043	595,057,757	1,516,799,800
Net position, ending						\$ 962,061,624	\$ 621,612,389	\$ 1,583,674,013

**CITY OF SAVANNAH, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	GENERAL	COMMUNITY DEVELOPMENT	CAPITAL IMPROVEMENT	SPLOST 2014-2020	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>						
Cash and investments	\$ 79,642,026	\$ 961,928	\$ 17,537,188	\$ -	\$ 2,038,121	\$ 100,179,263
Receivables, net	16,560,584	9,853			1,419,853	17,990,290
Due from other funds	2,563,668		42,940,938			45,504,606
Due from other governments	7,320,630	1,800,539			8,689,362	17,810,531
Restricted assets:						
Cash and investments		4,682	13,227,415	172,103,446	34,519,410	219,854,953
Receivables, net					276,537	276,537
Special assessment receivable, net					121,679	121,679
Notes receivable, long-term		24,537,105				24,537,105
Property held for resale	747,210					747,210
Total assets	<u>\$ 106,834,118</u>	<u>\$ 27,314,107</u>	<u>\$ 73,705,541</u>	<u>\$ 172,103,446</u>	<u>\$ 47,064,962</u>	<u>\$ 427,022,174</u>
<u>LIABILITIES</u>						
Accounts payable	\$ 4,539,225	\$ 304	\$ 4,206,253	\$ 1,727,611	\$ 2,173,682	\$ 12,647,075
Accrued liabilities	1,264,740					1,264,740
Due to other funds	42,940,938				2,714,791	45,655,729
Payable from restricted assets:						
Unexpended grant proceeds		2,771,090			581,302	3,352,392
Escrow deposits	4,587,970	4,682				4,592,652
Total liabilities	<u>53,332,873</u>	<u>2,776,076</u>	<u>4,206,253</u>	<u>1,727,611</u>	<u>5,469,775</u>	<u>67,512,588</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable property taxes	6,755,006					6,755,006
Unavailable program income	334,932	24,538,031			302,833	25,175,796
Unavailable grant proceeds					3,011,289	3,011,289
Total deferred inflows of resources	<u>7,089,938</u>	<u>24,538,031</u>			<u>3,314,122</u>	<u>34,942,091</u>
<u>FUND BALANCES</u>						
Nonspendable					7,530,384	7,530,384
Restricted			13,227,415	170,375,835	32,233,323	215,836,573
Committed	3,435,623		56,271,873			59,707,496
Unassigned	42,975,684				(1,482,642)	41,493,042
Total fund balance	<u>46,411,307</u>		<u>69,499,288</u>	<u>170,375,835</u>	<u>38,281,065</u>	<u>324,567,495</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 106,834,118</u>	<u>\$ 27,314,107</u>	<u>\$ 73,705,541</u>	<u>\$ 172,103,446</u>	<u>\$ 47,064,962</u>	<u>\$ 427,022,174</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF SAVANNAH, GEORGIA
RECONCILIATION OF THE BALANCE SHEET FOR GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020**

Amounts reported for governmental activities on the Statement of Net Position (page 14) differs from the amount reported on the Balance Sheet for Governmental Funds because:

Total fund balances for Governmental Funds (page 16)	\$ 324,567,495
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	685,780,185
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the governmental fund financial statements.	(26,212,300)
Unavailable revenues are not available to pay for current-period expenditures and are not recognized as revenues at the fund level	32,154,751
Internal service funds are used by management to charge costs of fleet management, information services and risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	84,761,288
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	(138,989,795)
Net position of governmental activities (page 14)	<u>\$ 962,061,624</u>

CITY OF SAVANNAH, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	GENERAL	COMMUNITY DEVELOPMENT	CAPITAL IMPROVEMENT	SPLOST 2014-2020	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:						
Property taxes	\$ 78,132,360	\$ -	\$ -	\$ -	\$ 480,263	\$ 78,612,623
Intangible, transfer and franchise taxes	21,535,821					21,535,821
General sales tax	45,434,873					45,434,873
Selective sales taxes	5,451,179				14,566,871	20,018,050
Business taxes	11,109,644					11,109,644
Penalties and interest on delinquent taxes	655,420					655,420
Licenses and permits	2,595,501					2,595,501
Inspection fees	3,239,755					3,239,755
Intergovernmental revenue	2,803,330	3,043,953	375,905	34,346,293	20,154,373	60,723,854
Charges for services	3,895,429	1,278,079			1,655,481	6,828,989
Indirect cost allocations	6,967,893					6,967,893
Fines and forfeitures	3,094,013					3,094,013
Investment income	506,606	242,375	110,019	879,149	260,238	1,998,387
Miscellaneous revenue	896,352	504,372	3,211,230		146,308	4,758,262
Total revenues	186,318,176	5,068,779	3,697,154	35,225,442	37,263,534	267,573,085
EXPENDITURES:						
Current:						
Governance and strategic services	7,666,002					7,666,002
Municipal operations	20,584,681		1,050			20,585,731
Infrastructure and development	39,986,450					39,986,450
Police	62,157,198				8,420	62,165,618
Recorder's court	2,437,046				343,890	2,780,936
Fire	34,478,534				661,234	35,139,768
Parks and recreation	9,523,984					9,523,984
Tourism enhancement	547,243				7,323,416	7,870,659
Community services	12,967,463					12,967,463
Grant program and administration					2,527,038	2,527,038
Community development program and administration	354,021	7,201,259				7,555,280
Debt Service:						
Principal		100,000			3,300,000	3,400,000
Interest and fiscal charges		2,450			1,971,817	1,974,267
Capital outlay			20,996,982		1,215,691	22,212,673
Capital outlay - SPLOST funded				10,711,234	19,642,171	30,353,405
Total expenditures	190,702,622	7,303,709	20,998,032	10,711,234	36,993,677	266,709,274
Excess (deficiency) of revenues over (under) expenditures	(4,384,446)	(2,234,930)	(17,300,878)	24,514,208	269,857	863,811
OTHER FINANCING SOURCES (USES):						
Transfers in	16,625,201	2,234,930	2,211,552		6,343,342	27,415,025
Transfers out	(11,954,598)		(1,731,164)		(15,843,310)	(29,529,072)
Sale of capital assets	631,411		169,750			801,161
Total other financing sources (uses)	5,302,014	2,234,930	650,138		(9,499,968)	(1,312,886)
Net change in fund balances	917,568		(16,650,740)	24,514,208	(9,230,111)	(449,075)
Fund balances, beginning of year	45,493,739		86,150,028	145,861,627	47,511,176	325,016,570
Fund balances, end of year	\$ 46,411,307	\$ -	\$ 69,499,288	\$ 170,375,835	\$ 38,281,065	\$ 324,567,495

The notes to the financial statements are an integral part of this statement.

**CITY OF SAVANNAH, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

Amounts reported for governmental activities in the Statement of Activities (page 15) are different because:

Net change in fund balances - total governmental funds (page 18)	\$ (449,075)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	31,186,738
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.	1,764,731
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(3,840,323)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	3,572,906
Some revenues/expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	10,608
Internal service funds are used by management to charge costs of fleet management, information services, and risk management to individual funds.	5,791,068
The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>2,282,928</u>
Change in net position of governmental activities (page 15)	<u><u>\$ 40,319,581</u></u>

CITY OF SAVANNAH, GEORGIA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020

		ENTERPRISE FUNDS					INTERNAL SERVICE FUNDS
		WATER AND SEWER	SANITATION	PARKING SERVICES	CIVIC CENTER	NONMAJOR ENTERPRISE FUNDS	
<u>ASSETS</u>						TOTALS	
ASSETS							
Current assets:							
Cash and investments		\$ 139,950,381	\$ 20,852,875	\$ 20,170,034	\$ 674,734	\$ 271,454	\$ 181,919,478
Receivables, net		23,791,723	10,556,608	1,838			34,350,169
Due from other funds					151,123		151,123
Inventories					4,583		4,583
Total current assets		163,742,104	31,409,483	20,171,872	830,440	271,454	216,425,353
Noncurrent assets:							
Restricted assets:							
Cash and investments		6,432,497		16,400,898	8,009,769		30,843,164
Accounts receivable					223,659		223,659
Net OPEB asset		1,561,012	984,709	329,445	119,798		2,994,964
Capital assets:							
Land		3,089,210	1,910,772	817,709	606,537	1,592,559	8,016,787
Plant, buildings, stations, reservoirs, etc		650,112,294	1,455,453	84,051,527	20,388,267	1,487,785	757,495,326
Improvements, other than buildings			30,234,195	1,114,449	2,084,288	7,283,507	40,716,439
Machinery and equipment		9,915,999	22,336,636	7,653,315	2,295,396	54,443	42,255,789
Other capital assets					1,422,048	4,692	1,426,740
Less accumulated depreciation		(343,244,837)	(47,627,212)	(39,010,157)	(20,830,553)	(4,737,711)	(455,450,470)
Construction in progress		99,786,580	24,876,348	72,881,685	52,581,291		250,125,904
Total noncurrent assets		427,652,755	34,170,901	144,238,871	66,900,500	5,685,275	678,648,302
Total assets		591,394,859	65,580,384	164,410,743	67,730,940	5,956,729	895,073,655
<u>DEFERRED OUTFLOWS OF RESOURCES</u>							
Deferred amounts from refunding of debt		157,810		133,362			291,172
Pension related deferred outflows		1,948,884	1,074,198	334,625	147,907		3,505,614
OPEB related deferred outflows		476,740	276,071	96,238	30,039		879,088
Total deferred outflows of resources		2,583,434	1,350,269	564,225	177,946		4,675,874
Total assets and deferred outflows of resources		\$ 593,978,293	\$ 66,930,653	\$ 164,974,968	\$ 67,908,886	\$ 5,956,729	\$ 899,749,529
<u>LIABILITIES</u>							
Current liabilities:							
Accounts payable		\$ 8,637,433	\$ 3,279,476	\$ 633,765	\$ 8,660,034	\$ -	\$ 21,210,708
Interest payable			124,752	1,450,293	570,014		2,145,059
Current portion of contractual obligations				1,465,000	570,000		2,035,000
Current portion of notes and bonds payable		3,155,068	995,000				4,150,068
Current portion of compensated absences		718,459	374,446	140,037	56,106		1,289,048
Current portion of claims and judgments payable							237,823
Total current liabilities		12,510,960	4,773,674	3,689,095	9,856,154		30,829,883
Noncurrent liabilities:							
Payable from restricted assets:							
Customer deposits		2,718,629			1,110,293		3,828,922
Interest payable		61,322					61,322
Current portion of revenue bonds payable		324,167					324,167
Contractual obligations				103,659,030	44,435,216		148,094,246
Notes payable		18,621,375					18,621,375
Revenue bonds payable, net of discount		19,140,524	9,120,000				28,260,524
Compensated absences		888,628	723,105	78,326	50,846		1,740,905
Accrued landfill closure costs			15,474,262				15,474,262
Claims and judgments							5,780,297
Net pension liability due in more than one year		9,413,436	5,736,884	1,948,039	934,767		18,033,126
Total noncurrent liabilities		51,168,081	31,054,251	105,685,395	46,531,122		234,438,849
Total liabilities		63,679,041	35,827,925	109,374,490	56,387,276		265,268,732
<u>DEFERRED INFLOWS OF RESOURCES</u>							
Pension related deferred inflows		3,011,629	1,912,382	675,261	248,280		5,847,552
OPEB related deferred inflows		3,748,931	2,218,798	772,294	280,833		7,020,856
Total deferred inflows of resources		6,760,560	4,131,180	1,447,555	529,113		12,868,408
<u>NET POSITION</u>							
Net investment in capital assets		371,914,663	20,202,733	30,350,752	12,158,150	5,685,275	440,311,573
Restricted for:							
Debt service		3,345,262					3,345,262
Unrestricted		148,278,767	6,768,815	23,802,171	(1,165,653)	271,454	177,955,554
Total net position		523,538,692	26,971,548	54,152,923	10,992,497	5,956,729	621,612,389
Total liabilities, deferred inflows of resources and net position		\$ 593,978,293	\$ 66,930,653	\$ 164,974,968	\$ 67,908,886	\$ 5,956,729	\$ 899,749,529

The notes to the financial statements are an integral part of this statement.

CITY OF SAVANNAH, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	ENTERPRISE FUNDS						INTERNAL SERVICE FUNDS
	WATER AND SEWER	SANITATION	PARKING SERVICES	CIVIC CENTER	NONMAJOR ENTERPRISE FUNDS	TOTALS	
OPERATING REVENUES:							
Metered sales	\$ 64,271,106	\$ -	\$ -	\$ -	\$ -	\$ 64,271,106	\$ -
Charges for services	15,585,763	30,715,345				46,301,108	26,041,448
Rental fees	346,103		14,999,334	708,885		16,054,322	
Recreation fees				351,871		351,871	
Risk management fees							36,368,094
Miscellaneous	164,476	220,831	153,271			538,578	
Total operating revenues	80,367,448	30,936,176	15,152,605	1,060,756		127,516,985	62,409,542
OPERATING EXPENSES:							
Personal services	19,058,732	10,846,411	3,249,564	921,208		34,075,915	
Contractual services	16,082,718	8,041,134	3,436,846	1,524,077		29,084,775	
Commodities	5,605,183	1,221,504	176,940	240,171		7,243,798	
Internal service	5,726,146	3,646,589	2,131,243	584,072		12,088,050	
Landfill closure and post closure care		659,688				659,688	
Depreciation	17,380,200	1,090,305	2,481,653	761,420	249,325	21,962,903	7,850,912
Central garage							6,026,249
Information services							9,033,075
Risk management							33,708,238
Total operating expenses	63,852,979	25,505,631	11,476,246	4,030,948	249,325	105,115,129	56,618,474
Operating Income (Loss)	16,514,469	5,430,545	3,676,359	(2,970,192)	(249,325)	22,401,856	5,791,068
NONOPERATING REVENUES (EXPENSES):							
Interest earned	878,805	141,900	112,505	573	1,869	1,135,652	320,792
Interest expense	(685,822)	(316,153)	(3,481,487)	(1,356,329)		(5,839,791)	
Gain (loss) on disposal of assets			(325,000)			(325,000)	608,340
Debt issuance costs			(99,538)	(6,881)		(106,419)	
Amortization	529		80,041			80,570	
Total nonoperating revenues (expenses)	193,512	(174,253)	(3,713,479)	(1,362,637)	1,869	(5,054,988)	929,132
Income (loss) before contributions and transfers	16,707,981	5,256,292	(37,120)	(4,332,829)	(247,456)	17,346,868	6,720,200
CAPITAL CONTRIBUTIONS	6,994,124		9,890			7,004,014	1,443,499
TRANSFERS IN	428,434	5,477		3,154,284		3,588,195	
TRANSFERS OUT	(20,988)	(1,311,785)	(4,505)	(4,991)	(42,176)	(1,384,445)	(89,703)
Change in net position	24,109,551	3,949,984	(31,735)	(1,183,536)	(289,632)	26,554,632	8,073,996
Total net position - beginning	499,429,141	23,021,564	54,184,658	12,176,033	6,246,361	595,057,757	76,687,292
Total net position - ending	\$ 523,538,692	\$ 26,971,548	\$ 54,152,923	\$ 10,992,497	\$ 5,956,729	\$ 621,612,389	\$ 84,761,288

CITY OF SAVANNAH, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	ENTERPRISE FUNDS						INTERNAL SERVICE FUNDS
	WATER AND SEWER	SANITATION	PARKING SERVICES	CIVIC CENTER	NONMAJOR ENTERPRISE FUNDS	TOTALS	
CASH FLOWS FROM OPERATING ACTIVITIES:							
Cash received from customers	\$ 80,346,204	\$ 30,936,176	\$ 15,152,605	\$ 5,752,640	\$ -	\$ 132,187,625	\$ -
Cash received from other funds for services							26,041,448
Cash received for services and fees							36,368,094
Cash paid to suppliers	(27,261,341)	(12,101,720)	(6,432,044)	(2,545,534)		(48,340,639)	(14,945,859)
Cash paid to employees	(19,326,471)	(11,033,412)	(3,307,491)	(905,255)		(34,572,629)	
Cash paid for supplies and insurance							(32,430,288)
Net cash provided by operating activities	33,758,392	7,801,044	5,413,070	2,301,851		49,274,357	15,033,395
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:							
Transfers in	428,434	5,477		3,154,284		3,588,195	
Transfers out	(20,988)	(1,311,785)	(4,505)	(4,991)	(42,176)	(1,384,445)	(89,703)
Net cash provided (used) by non capital financing activities	407,446	(1,306,308)	(4,505)	3,149,293	(42,176)	2,203,750	(89,703)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:							
Bond and Note proceeds	601,275		8,605,000			9,206,275	
Issuance costs, premiums and discounts on issuance of bonds			(99,538)	(863,721)		(963,259)	
Principal paid on long-term debt	(2,705,000)	(970,000)	(1,405,000)	(715,000)		(5,795,000)	
Interest paid	(673,632)	(328,116)	(3,442,488)			(4,444,236)	
Proceeds from sale of equipment	23,544	1,091				24,635	674,649
Acquisition and construction of capital assets	(37,106,782)	(10,314,859)	(17,300,333)	(43,736,349)		(108,458,323)	(7,632,877)
Net cash used by capital and related financing activities	(39,860,595)	(11,611,884)	(13,642,359)	(45,315,070)		(110,429,908)	(6,958,228)
CASH FLOWS FROM INVESTING ACTIVITIES:							
Investment income	878,805	141,900	112,505	573	1,869	1,135,652	320,792
Net cash provided by investing activities	878,805	141,900	112,505	573	1,869	1,135,652	320,792
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,815,952)	(4,975,248)	(8,121,289)	(39,863,353)	(40,307)	(57,816,149)	8,306,256
CASH AND CASH EQUIVALENTS, JANUARY 1 (INCLUDING RESTRICTED ACCOUNTS OF \$79,661,470 IN 2019)	151,198,830	25,828,123	44,692,221	48,547,856	311,761	270,578,791	52,781,790
CASH AND CASH EQUIVALENTS, DECEMBER 31 (INCLUDING RESTRICTED ACCOUNTS OF \$30,843,164 IN 2020)	<u>\$ 146,382,878</u>	<u>\$ 20,852,875</u>	<u>\$ 36,570,932</u>	<u>\$ 8,684,503</u>	<u>\$ 271,454</u>	<u>\$ 212,762,642</u>	<u>\$ 61,088,046</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:							
Operating income (loss)	\$ 16,514,469	\$ 5,430,545	\$ 3,676,359	\$ (2,970,192)	\$ (249,325)	\$ 22,401,856	\$ 5,791,068
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation	17,380,200	1,090,305	2,481,653	761,420	249,325	21,962,903	7,850,912
Change in assets and liabilities:							
(Increase) decrease in receivables	(1,701,167)	(888,267)	(1,370)	(198,635)		(2,789,439)	2,395
(Increase) decrease in prepaid items and inventories				1,421		1,421	(496,035)
Increase (decrease) in accounts and other payables	1,919,250	2,370,152	(678,643)	4,706,144		8,316,903	656,187
Increase (decrease) in net pension liability and OPEB obligation	(354,360)	(201,691)	(64,929)	1,693		(619,287)	
Increase in claims and judgments payable							1,228,868
Net cash provided by operating activities	<u>\$ 33,758,392</u>	<u>\$ 7,801,044</u>	<u>\$ 5,413,070</u>	<u>\$ 2,301,851</u>	<u>\$ -</u>	<u>\$ 49,274,357</u>	<u>\$ 15,033,395</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:							
Contributions of capital assets from developers/other entities	\$ 6,994,124	\$ -	\$ 9,890	\$ -	\$ -	\$ 7,004,014	\$ 1,443,499

The notes to the financial statements are an integral part of this statement.

CITY OF SAVANNAH, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020

	PENSION (AND OTHER EMPLOYEE BENEFITS) TRUST FUNDS	CUSTODIAL FUNDS
<u>ASSETS</u>		
Cash and cash equivalents	\$ 6,616,588	\$ 370,350
Accrued income	352,542	
Accounts receivable:		
From employer	14,900	
From participants	67,183	
Investments, at fair value:		
U.S. government obligations	95,990,914	
Foreign corporate bonds	2,386,995	
Domestic corporate bonds	56,076,093	
Domestic equities	276,784,504	
International equities	87,390,633	
Real estate fund	50,409,783	
Total investments	<u>569,038,922</u>	
Total assets	<u>576,090,135</u>	<u>370,350</u>
<u>LIABILITIES AND NET POSITION</u>		
Liabilities:		
Accounts payable	<u>556,733</u>	<u>118,693</u>
Total liabilities	<u>556,733</u>	<u>118,693</u>
Net position:		
Restricted for:		
Pensions	468,742,352	
Post employment benefits other than pensions	106,791,050	
Individuals		251,657
Total net position	<u>\$ 575,533,402</u>	<u>\$ 251,657</u>

The notes to the financial statements are an integral part of this statement.

CITY OF SAVANNAH, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	PENSION (AND OTHER EMPLOYEE BENEFITS) TRUST FUNDS	CUSTODIAL FUNDS
ADDITIONS		
Contributions		
Employer	\$ 13,276,326	\$ -
Plan members	10,592,869	609,205
Fines and forfeitures collected for other governments		5,320,300
Total contributions	<u>23,869,195</u>	<u>5,929,505</u>
Investment income		
Interest	2,333,449	
Dividends	635,616	
Real estate net income	(634,132)	
Net appreciation (depreciation) in fair value of investments	<u>76,524,396</u>	
Total investment income	78,859,329	
Less investment expense	<u>1,698,113</u>	
Net investment income (loss)	<u>77,161,216</u>	
Total additions	<u>101,030,411</u>	<u>5,929,505</u>
DEDUCTIONS		
Benefits	37,284,469	550,018
Refunds of contributions	2,061,307	
Payments of fines and forfeitures to other governments		5,453,598
Administrative expense	<u>548,639</u>	<u>17,013</u>
Total deductions	<u>39,894,415</u>	<u>6,020,629</u>
Change in net position	61,135,996	(91,124)
Net position:		
Beginning of year - January 1	<u>514,397,406</u>	<u>342,781</u>
End of year - December 31	<u><u>\$ 575,533,402</u></u>	<u><u>\$ 251,657</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Savannah, incorporated in 1789, operates under a Council-Manager form of government. The City's major functions include police protection, fire protection, sanitation services, economic development programs, recreation programs, water and sewer services, and street, traffic and drainage maintenance.

The accompanying financial statements report on the financial activity for the City of Savannah, Georgia for the year ended December 31, 2020. They include all the activities controlled by the Mayor and Aldermen of Savannah, Georgia. The financial statements have been prepared in conformance with generally accepted accounting principles (GAAP) as applied to government units. This summary of the City of Savannah's more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented herein, should be viewed as an integral part of the accompanying financial statements.

(A) Reporting Entity

In June 1992, the Governmental Accounting Standards Board issued Statement No. 14: *The Financial Reporting Entity*, as amended by statements No. 39, 61 and 80. In accordance with this Statement, the City herein presents those entities that comprise the primary government along with its component units, entities for which the City is considered to be financially accountable. The City's reporting entity consists of the City of Savannah and the Resource Recovery Development Authority.

Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with the data of the City of Savannah. The Resource Recovery Development Authority ("Authority") is a blended component unit of the City of Savannah as it provides services entirely to the City of Savannah. The Authority is controlled and managed by a board of five members appointed by the Mayor and Aldermen of the City. Under the Resource Recovery Development Authorities Law, Chapter 63 of Title 36 of the Official Code of Georgia Annotated, the Authority is empowered to issue revenue bonds. The revenue bonds are secured by a waste disposal contract between the City and the Authority. This contract constitutes a legal obligation of the City. The Authority has a December 31 year-end and is presented as a blended component unit classified as an enterprise fund. A separate financial report has not been issued for the Authority.

Discretely presented component units, on the other hand, are separate legal entities that meet the component unit criteria but do not meet the criteria for blending. They are reported in a separate column in the basic financial statements to emphasize that they are legally separate. The City has no discretely presented component units.

Under Georgia law, the City, in conjunction with other cities and counties in the coastal Georgia area, is a member of the Coastal Regional Commission (CRC), and is required to pay annual dues thereto. Membership in a CRC is required by the Official Code of Georgia Annotated

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(OCGA) Section 50-8-34, which provides for the organizational structure of the CRC in Georgia. The CRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the RDC. Separate financial statements may be obtained from:

Coastal Regional Commission of Georgia
1181 Coastal Drive
Darien, GA 31305

The Downtown Savannah Authority (DSA) is composed of a board of five members selected by the City Council, and one non-voting member selected by the City's delegation in the Georgia General Assembly. The City's accountability for the DSA does not extend beyond making the appointments, and, accordingly, the DSA is not considered a part of the City entity for financial reporting purposes. The City has contractual obligations with the DSA relating to various bond issues which funded capital projects of the City. Under the contracts, the City is obligated to make payments sufficient to pay principal and interest on the bonds when due. These contractual obligations are described in Note 6 - Long-Term Liabilities.

Two other local development authorities, the Development Authority for the City of Savannah and the Downtown Development Authority for the City of Savannah, currently exist; however, these authorities are not active.

The Housing Authority of Savannah, created by an act of the Georgia legislature, is not a part of the City's reporting entity. While the Mayor of Savannah appoints a voting majority of commissioners for the Housing Authority of Savannah, the commissioners cannot be city or county employees or officers. Thus, the City cannot impose its will on the Housing Authority, nor does the City provide financial support to the Housing Authority as the Authority derives its revenues from federal funds and resident rents.

The Savannah Airport Commission was established to administer the improvement, maintenance and operation of the Savannah Airport and to provide services to airlines and airline-related businesses in the area. The commission is a municipal corporation created under the Savannah City Code and governed by five members who are appointed by the Mayor and Aldermen of the City of Savannah. The City has no other participation in the operation of the Commission. Accordingly, the commission has not been included in the reporting entity.

(B) Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus. However, in the fund financial statements, the measurement focus differs by fund types:

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present sources/increases (i.e., revenues and other financing sources) and uses/decreases (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- All proprietary funds utilize a flow of economic resources measurement focus. All assets and liabilities associated with the operation of these funds are included on the balance sheet using this measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flow. Proprietary fund equity is classified as net position. Proprietary Fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total position.
- All fiduciary funds utilize the flow of economic resources measurement focus.

In the government-wide Statement of Net Position, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized as soon as they are earned, and expenses are recognized when the liability is incurred or the economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange occurs.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period when they become "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 30 days after year end and available to pay obligations of the current period. Franchise fees are considered available if collectible within 90 days after year end. Revenues considered susceptible to accrual are franchise taxes, sales taxes, property taxes, charges for services, grants, and investment income. In applying the "susceptible to accrual" concept to intergovernmental revenues, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as deferred outflows of resources by the provider and a liability by the recipient. Expenditures, including capital outlay, are recognized in the accounting period in which the related fund liability is incurred, except for unmatured interest on long-term debt and certain similar accrued obligations, which are recognized when due.

All proprietary and fiduciary funds are accounted for on the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when incurred or the economic asset used.

Differences exist between the governmental activities columns reported in the government-wide statements and the corresponding total columns reported in the fund financial statements. The differences are the result of the use of the two different measurement focuses between these statements.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As stated above, the government-wide statements present governmental activities on the economic resources measurement focus while the fund financial statements present governmental funds on the current financial resources measurement focus. Additional detailed information about the reconciling items can be found in Note 2 – Reconciliation of Government-wide and Fund Financial Statements.

(C) Basis of Presentation

Government-wide Financial Statements – The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The Statement of Activities shows an allocation of indirect expenses to different functions of the City. These expenses are allocated based upon different allocation criteria within the function such as square footage, number of FTEs, etc. and strive to approximate the value of indirect services being provided to the functions.

Fund Financial Statements – Fund financial statements reflect the activities of the City's individual funds. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City (General fund) or meets the following criteria:

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City exclusively follows the standards set forth by the GASB and has implemented accounting standards applicable to the period covered by these statements.

As a general rule, the effects of internal activity have been eliminated from the government-wide statements. Amounts charged through the City's indirect cost allocation plan are broken out in a separate column on the Statement of Activities. Where internal activity is representative of an interfund service provided and used, no elimination has been made. Internal activities have not been eliminated from the fund financial statements.

Program revenues are derived directly from a particular program or from parties outside the City's taxpayers or citizenry. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. All taxes are included in general revenues.

In proprietary funds, operating revenues and expenses result from the provision of goods and/or services as well as the production and delivery of goods and/or services. Nonoperating revenues and expenses would include all revenues and expenses related to capital and related financing and contributions, noncapital financing, taxes, or investment activities.

(D) Columnar Headings and Description of Funds

The City uses funds to report financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Funds shown in the basic financial statements are described below:

(1) Major Governmental Funds

The City's major governmental funds are the General Fund, the Community Development Fund, Capital Improvement Fund and the SPLOST 2014-2020 Fund.

(a) General Fund

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all financial resources not accounted for in other funds.

(b) Community Development Fund - The Community Development Fund accounts for revenues received from the Department of Housing and Urban Development under the Community Development Block Grant Program. All revenues received by this fund are used in implementing the Community Development program.

(c) Capital Improvement Fund – The Capital Improvement Fund accounts for financial resources to be used for construction or acquisition of major capital projects. Projects accounted for in this fund are typically funded with local resources and bond proceeds.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (d) SPLOST 2014 – 2020 Fund – This fund accounts for special purpose local option sales tax resources provided to the City by Chatham County in accordance with a 2013 Special Purpose Local Option Sales Tax referendum, which was passed on a county-wide basis. The current SPLOST commenced on October 1, 2014 and expires on September 30, 2020. These funds are used by the City to design and construct major capital improvements that will benefit the entire county. Projects include streets, drainage improvements, public buildings and other community development.

(2) Major Proprietary Funds

The major Proprietary funds of the City are the Water and Sewer Fund, the Sanitation Fund, Parking Services Fund and the Civic Center Fund.

- (a) Water and Sewer Fund - The Water and Sewer Fund accounts for the operations of the water and sewer systems of the City and includes the operations of the Industrial and Domestic Water Supply Fund. The system supplies water and sewer service to area residents and to industrial and commercial users along the Savannah River.
- (b) Sanitation Fund - The Sanitation Fund accounts for the operation of the sanitation bureau of the City. The bureau supplies refuse pick-up service to commercial and residential customers in the area.
- (c) Parking Services Fund – The Parking Services Fund accounts for the operation of the Parking Services Department of the City. The Department supplies public parking facilities such as garages and on street parking meter enforcement.
- (d) Civic Center Fund – The Civic Center Fund accounts for the operations of the Savannah Civic Center and the new arena under construction at Stiles Avenue and Gwinnett Avenue on the west side of downtown Savannah.

(3) Other Reported Fund Types

- (a) Internal Service Funds – The Internal Service Funds account for goods and services, provided by one department to other departments on a cost-reimbursement basis. In addition, certain services are supplied to outside agencies for a fee; however, City departments are the predominant customers. The City accounts for its data processing, vehicle maintenance, and risk management functions in internal service funds.
- (b) Fiduciary Funds – The Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for others. The pension trust funds account for the assets and liabilities of the City of Savannah Employees' Retirement Plan and the City's Old Pension Trust Fund. The OPEB Trust Fund accounts for the assets and liabilities of the City of Savannah Employees' Post-Employment Benefits Plan. The custodial funds report: 1) the Recorder's Court Fund, used to account for bail bonds posted in Recorder's Court as well as various fines and forfeitures of other governmental agencies and, 2) the Flexible Benefits Plan Fund, which accounts for the Section 125 Flexible Benefits Plan administered by the City for its employees.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City has other funds that are not considered major. They are described in the supplementary information.

(E) Cash and Cash Equivalents

Cash, except for that which must remain segregated due to bond restrictions or federal regulations, is pooled and invested. Interest earned by the pooled cash is allocated to each of the funds based on each fund's average equity balance during the month. Funds that incur a negative balance in the pooled cash during the month are charged for interest. Investments are stated at fair value based on quoted market prices.

The City considers currency-on-hand, demand deposits with banks, amounts included in pooled cash and investment accounts to be cash and cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, they mature in three months or less.

For the purpose of the proprietary fund Statement of Cash Flows, all short-term investments that are highly liquid are considered to be cash equivalents.

(F) Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are shown net of related allowance accounts. Allowances for uncollectible accounts are based upon an aging of the receivable balance. Major receivable balances for the governmental activities include property taxes, sales taxes, franchise fees and grants. Within business-type activities, the largest portion of the receivables results from water and sewer billing activity.

(G) Interfund Receivables and Payables

During the course of operations, transactions may occur between individual funds that result in amounts owed between funds. Activity that is representative of lending/borrowing arrangements outstanding at the end of the fiscal period is referred to as either "due to/from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (non-current portion) are reported as "advances to/from other funds." Interfund receivables and payables between the same fund type, i.e. within governmental activities or within business-type activities, are eliminated on the Statement of Net Position. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide statements as "internal balances."

(H) Inventories

Inventories are determined by actual physical count and are stated at cost determined on a first-in, first-out method. The cost of inventory items is charged to expense when used.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Prepaid Items

Prepaid items represent payments that the City has made for services in anticipation of future period expenses.

(J) Restricted Assets & Flow Assumption for Restricted Resources

Restricted asset amounts shown on the Statement of Net Position are separated from other assets because of contractual agreements, legislative provisions or bond covenants limiting their use. The restricted assets shown originate from a variety of sources including i) customer deposits, ii) escrow deposits, iii) resources set aside by legislation for SPLOST (special purpose local option sales tax) projects, public safety communication projects or court technology projects, iv) resources set aside under grant agreements, v) street paving assessments receivables, the collection of which is used to pay debt service on paving assessment bonds, and vi) resources held for perpetual care. Also, certain proceeds of enterprise fund revenue bonds as well as resources set aside for their repayment are shown as restricted.

When both restricted and unrestricted assets are available for certain uses, the City follows the policy of utilizing restricted resources prior to applying unrestricted resources.

(K) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (such as roads, bridges and sidewalks) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial cost of \$5,000 or more, and an estimated life of more than one year. Capital assets have been recorded at cost, if purchased, and if donated, at acquisition value on the date of donation. Depreciation is calculated on the straight-line basis, with one-half year's depreciation recorded in the year of acquisition and one-half year's depreciation recorded in the year of disposal. Major improvements that extend the life of an asset are capitalized. Normal maintenance and repairs are charged to expense as incurred. Interest costs are included as part of capital assets in business-type activities, but not in governmental activities.

Prior to 1975, adequate records were not maintained to properly account for capital assets. The assets were recorded at appraised values as of December 31, 1974. The appraised values were based upon market values and historical cost data when available. Assets acquired since 1975 have been recorded at cost. Infrastructure capital assets acquired by the City, such as streets and drainage, have been capitalized since 1977, additional infrastructure assets, which were acquired by the City through donations, have been capitalized in accordance with GASB 34. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Construction in progress is the total actual cost incurred to-date on uncompleted construction projects. Depreciation expense is based on the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	5 - 40
Building improvements	5 - 40
Public domain infrastructure	5 - 50
Vehicles	3 - 7
Machinery and Equipment	3 - 20

(L) Compensated Absences

City employees earn vacation leave at the rate of twelve days per year for the first five years of service, increasing to twenty-three (23) days per year after twenty-five years of service. Vacation leave may be accumulated up to four times the employees' annual rate. At termination, employees with at least six months of service receive payment for any unused vacation leave. Sick leave is earned at the rate of one day per month and may be accumulated up to two hundred sixty days. Employees are not paid for unused sick leave at termination; therefore, no sick leave liability is accrued.

Vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

(M) Long-term Obligations

In the government-wide financial statements, long-term debt and other liabilities are reported as liabilities of governmental activities or business-type activities. They are also reported as liabilities in the proprietary fund financial statements. Bond premiums and discounts are amortized over the life of the bonds using the straight line method unless it is materially different than the effective interest method, in which case, the effective interest method is used. Bond discounts and premiums are presented as adjustments to the face amount of the bonds payable. Bond issuance costs are recognized as period expenses and any loss or gain on the refunding of debt is recorded as a deferred outflow of resources and amortized.

In the governmental fund financial statements, long-term debt is not reported as a liability. Instead, the face amount of debt issued is reported as other financing sources, and payments of principal and interest are reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(N) Equity Classifications

- 1) Government-wide statements – Equity is classified as net position, and displayed in three components:
 - (a) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other debt attributable to the acquisition, construction or improvement of those assets.
 - (b) Restricted net position – Consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation.
 - (c) Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”
- 2) Fund financial statements – Governmental fund equity is classified as fund balance. Fund balance can be non-spendable, restricted, committed, assigned or unassigned. The non-spendable fund balance category includes amounts that cannot be spent because they are either: a) not in spendable form or b) legally or contractually required to be maintained intact. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. Unassigned fund balance is the residual classification for the government’s general fund and includes all spendable amounts not contained in the other classifications. Proprietary fund equity is classified the same as in the government-wide statements.

(O) Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City of Savannah Employee Benefit Plan and additions to/deductions from the Plan’s fiduciary net position have been determined based on the flow of economic resources. As such, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at cost.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(A) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between the governmental fund balances and what is shown on the government-wide statements as net position. Details of the reconciliation include the following:

- (1) The addition of capital assets, net of accumulated depreciation, to the government-wide financial statements. This reconciling item is needed since the fund financial statements under the modified accrual basis of accounting do not recognize capital assets but, instead, show expenditures for any capital item purchased. Governmental net capital assets of \$685,780,185 were added to the government-wide statements.
- (2) Deferred outflows (inflows) of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds. These are:

Related to pensions:

- Net differences between expected and actual experience	\$ 2,903,737
- Net difference between projected and actual earnings on investments	(15,927,289)
- Changes of assumptions	(1,428,015)
- Net change in proportionate share	(1,133,522)
- Contributions subsequent to the measurement date	8,080,194

Related to OPEB:

- Net differences between expected and actual experience	\$ 417,476
- Changes of assumptions	(16,161,886)
- Net difference between projected and actual earnings on investments	(4,347,334)
- Contributions subsequent to the measurement date	1,384,339
	<u>\$ (26,212,300)</u>

- (3) Certain amounts shown as deferred inflows of resources in the fund financial statements are reclassified on the entity-wide statements. Amounts shown as deferred inflows of resources on the fund financial statements included \$6,755,006 related to taxes, \$3,011,289 related to grant reimbursement receivables, \$121,679 related to special assessment receivables, \$301,923 related to cemetery receivables, and \$21,964,854 related to loan receivables that will be used in grant programs in future periods.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

(4) Governmental long term liabilities(assets) were added to governmental activities on the entity-wide statements as follows:

<u>Type of Long-term Liability</u>	<u>Amount</u>
Contractual obligations payable	\$ (56,911,013)
Deferred gain on bond refunding	(46,670)
General obligation bonds payable	(5,685,000)
Compensated absences payable	(20,109,398)
Net pension liability	(63,998,775)
Net OPEB asset	8,546,248
Accrued interest payable	(785,187)
	<u>\$(138,989,795)</u>

(B) Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between the net changes in fund balances – total governmental funds to the change in net position of governmental activities that is reported in the government-wide statement of activities. Significant items in this reconciliation include:

- (1) Items expensed in governmental funds during the year as capital outlay but shown as assets on the entity-wide statements totaled \$52,093,842.
- (2) Depreciation expense during the year recorded on the government-wide statements but not on the fund financial statements was \$20,907,104.
- (3) The net effect of various miscellaneous transactions involving capital assets during the year was \$1,764,731; this amount represents the value of assets donated to the City of \$4,231,928 netted with the book value of assets disposed of during the year of \$2,467,197.
- (4) Certain revenues recognized in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These are:

Property taxes	\$ 1,109,538
Federal grants	(4,917,202)
Other items	<u>(32,659)</u>
	<u>\$ (3,840,323)</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

- (5) Repayment of long-term debt consumes the current financial resources of governmental funds; however, this transaction has no effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The details are as follows:

Principal repayments:	
Contractual obligations	\$ 3,300,000
HUD Section 108 Note	100,000
Amortization of premiums	<u>172,906</u>
	<u>\$ 3,572,906</u>

- (6) Some revenues/expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The details of this \$10,608 are as follows:

Net OPEB expense	\$ 2,137,924
Net pension expense	(64,032)
Compensated absences	(2,099,681)
Accrued interest	<u>36,397</u>
	<u>\$ 10,608</u>

NOTE 3 - DEPOSITS AND INVESTMENTS

The City follows the practice of pooling cash and investments of all funds, except for restricted funds generally held by outside custodians for investments of the Pension Fund and the OPEB Fund. Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized as follows:

Deposits. Custodial Credit Risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. Georgia law governs collateral requirements and forms of collateral under O.C.G.A. Section 45-8-12. The City has no custodial credit risk policies requiring additional collateral. In summary, Georgia law states:

- All deposits shall be collateralized within 10 days of deposit by a surety bond, a guarantee of insurance, or collateral.
- The face value of any surety bond, guarantee of insurance or collateral shall be at least 110% of the public funds being secured, net of deposit insurance.
- If a depository elected the pooled method (O.C.G.A. Section 45-8-13.11), the aggregate market value of pledged securities may not be less than 110% of the daily pool balance.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Authorized security for deposits enumerated under law includes surety bonds, FDIC insurance, obligations of the United States or the State of Georgia, obligations of Georgia counties or municipalities, bonds of any Georgia public authority, industrial revenue bonds of any Georgia development authority, and obligations of any subsidiary corporation of the United States government fully guaranteed by the United States (such as Federal Home Loan Bank, Federal National Mortgage Association, etc). The City does not have a custodial credit risk policy that is more restrictive than state statutes. As of December 31, 2020, all the City's deposits were either covered by federal depository insurance or collateralized by pledged collateral.

Fair Value Measurement. GASB Statement No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The standard establishes a hierarchy of inputs used to measure fair value that prioritizes the inputs into three categories – Level 1, Level 2 and Level 3 inputs – considering the relative reliability of the inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted (unadjusted) prices in active markets for identical financial assets or liabilities that are accessible at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the financial asset or liability.

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The primary government invests in the Georgia Fund I. The Georgia Fund I 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. As a result, the City does not disclose its investment in the Georgia Fund I within the fair value hierarchy.

Both the City of Savannah Employees' Retirement Plan and the OPEB Trust Fund have investments held through comingled vehicles for which fair value is estimated using the NAV reported by the investment manager as a practical expedient to fair value. Such investments have not been categorized within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of fiduciary net position.

The following table presents the financial assets carried at fair value by both the Primary Government and the fiduciary funds by level within the valuation hierarchy as of December 31, 2020:

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Type of Investment	Measured at Net Asset Value	Level 1	Level 2	Level 3
<i>Pension Trust Fund:</i>				
US Government/Agency Securities	\$ -	\$ -	\$ 53,783,501	\$ -
Corporate Bonds			38,290,653	
US Government/Agency Securities Funds	32,115,357			
Domestic Stock Funds	192,921,137		29,637,351	2,434,838
International Stock Funds	77,052,960			
Real Estate Investment Trust	40,166,972			
<i>OPEB Trust Fund:</i>				
US Government/Agency Securities Funds	10,092,056			
Domestic Corporate Bond Funds	20,172,435			
Domestic Stock Funds	51,791,178			
International Stock Funds	10,337,673			
Real Estate Investment Trust	10,242,811			
Total Investments	<u>\$444,892,579</u>	<u>\$ -</u>	<u>\$ 121,711,505</u>	<u>\$ 2,434,838</u>

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City could access. Level 2 inputs are based on quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable. Level 3 inputs are valued using valuation methodologies including pricing models and discounted cash flow models. Level 3 valuations incorporate subjective judgements and consider assumptions including capitalization rates, discount rates, cash flows and other factors that are not observable in the market.

Investments. In its investment of both public funds and pension trust funds, the City follows state statutes and adopted investment policies. As of December 31, 2020, the investments of the Primary Government and the City of Savannah Employees' Retirement Plan were as follows:

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Type of Investment	Average	Credit Rating	Fair Value	Maturities in Years			
				Less than 1	1-3	4-5	Greater than 5
Primary Government:							
Georgia Fund I		AAAf	\$545,249,880	\$545,249,880	\$ -	\$ -	\$ -
Pension Trust Fund:							
US Government/Agency Securities		Aaa	53,783,501	15,091,573	30,246,263	2,533,236	5,912,429
Corporate Bonds							
Various		A	11,582,433		1,458,689	1,194,922	8,928,822
Various		Aa	2,315,392	424,046	1,305,915		585,431
Various		Aaa	4,186,466		3,437,350	749,116	
Various		Ba	651,744				651,744
Various		Baa	16,647,146	173,792	709,112	1,805,762	13,958,480
Various	Private Placement/Not Rated		2,907,472	143,166	640,866	536,668	1,586,772
US Government/Agency Securities Funds		NR	32,115,357				
Domestic Stock Funds		NR	224,993,326				
International Stock Funds		NR	77,052,960				
Real Estate Investment Trust		NR	40,166,972				
OPEB Trust Fund:							
US Government/Agency Securities Funds		NR	10,092,056				
Domestic Corporate Bond Funds		NR	20,172,435				
Domestic Stock Funds		NR	51,791,178				
International Stock Funds		NR	10,337,673				
Real Estate Investment Trust		NR	10,242,811				
Total Investments			\$1,114,288,802	\$561,082,457	\$37,798,195	\$6,819,704	\$31,623,678

Under state law, investments of the City's public funds may be placed in obligations of (or obligations guaranteed by) the U.S. government, obligations of any state or any political subdivision of any state, certificates of deposit or time deposits of financial institutions with deposits insured by FDIC, prime bankers acceptances, repurchase agreements, and investment pools operated by the Georgia State Treasurer's Office. During the year, the City invested public funds in certificates of deposits and time deposits of local banks and the Georgia Fund 1, which is managed by the State Treasurer.

State law also governs the investment of retirement funds (O.C.G.A. 47-20-84) and limits investments to maximum concentrations by investment category (at cost). The City's defined benefit plan qualifies as a "large retirement system," a designation which allows the plan additional investments in equity securities.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. 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 City considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

Deposit and investment transactions are subject to a variety of risks. The City's adopted investment policies seek to promote the safety of principal, provide adequate liquidity for operational needs, earn market rates of return on investments consistent with liquidity needs and investment quality, and conform to legal requirements.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The City's Investment Policy states that the City will create its portfolio with investments having maturity dates at or prior to the time cash is prudently projected to be required to meet disbursement needs, thereby avoiding the need to sell securities prior to their maturity. The Policy limits investment maturities to a maximum of five years from the date of purchase. As of December 31, 2020, the City had investments of \$545,249,880 in Georgia Fund 1, which reported a weighted average maturity on its entire portfolio of 54 days as of the end of the year.

Policies of the City of Savannah Employees' Retirement Plan limit its cash and short term investments to a maximum of 5.0% of the total portfolio, with a target amount of less than one percent. As of December 31, 2020, the City of Savannah Employees' Retirement Plan had less than one percent of its portfolio in cash and short-term investments.

Polices of the City's OPEB Plan limit its cash and short term investments to a maximum of 5.0% of the total portfolio, with a target amount of less than one percent. As of December 31, 2020 the City's OPEB Trust Fund had 4.13% of its portfolio in cash and short-term investments.

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The City's Investment Policy seeks to minimize credit risk through diversification of investments within the choices allowed under state statutes. The City has no stated minimum credit quality for its investment portfolio.

All of the City's investments in U.S. Treasury and Agency securities carry the explicit guarantee of the U.S. government. U.S. Agency securities underlie repurchase agreements.

Foreign currency risk is the risk that exchange rates may affect the valuation of an investment. The Pension Trust Fund had investments in international stock and foreign corporate bonds of \$77,052,960 and \$2,386,995 respectively, as of yearend. These investments are subject to foreign currency risk consisting of various currencies. Policies of the City of Savannah Employees' Retirement Plan limit investment in international equities to 25% of the market value of the fund.

The OPEB Trust Fund had investments in international stock funds of \$10,337,673 as of year end. These investments are subject to foreign currency risk consisting of various currencies. Policies of the City's OPEB limit investment in international equities to 15% of the market value of the fund.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% or more of total investments, exclusive of mutual funds, external investment pools and investments issued or guaranteed by the U.S. government. The City's investment policy restricts investments in a single issuer of more than 25% of the total investment portfolio, not including the investment pools operated by the Georgia State Treasurer's Office and obligations of the U.S. government.

In addition, the City of Savannah Employees' Retirement Plan seeks a diversified portfolio of fully negotiable, equity, fixed income, and money market securities, with target percentages for each, which are based on market values. Percentage allocations are intended to serve as long-term guidelines and, therefore, may result in a temporary imbalance in asset mix. Temporary imbalances may result from market conditions or an investment transition; however, periodic asset rebalancing is performed on a regular basis. The target percentages and allocation ranges are presented below for each asset class.

<u>Asset Class</u>	<u>Target Percentage</u>	<u>Allocation Range</u>
U.S. Equities	45%	30% to 55%
Non U.S. Equities	15%	5% to 25%
Fixed Income Debt Obligations	30%	17.5% to 42.5%
Real Estate	10%	5% to 15%

The City' OPEB Plan seeks a diversified portfolio of fully negotiable, equity, fixed income, and money market securities, with target percentages for each, which are based on market values. Percentage allocations are intended to serve as long-term guidelines and, therefore, may result in a temporary imbalance in asset mix. Temporary imbalances may result from market conditions or an investment transition; however, periodic asset rebalancing is performed on a regular basis. The target percentages and allocation ranges are presented below for each asset class.

<u>Asset Class</u>	<u>Target Percentage</u>	<u>Allocation Range</u>
U.S. Equities	50%	35% to 75%
Non U.S. Equities	10%	5% to 15%
Fixed Income Debt Obligations	30%	15% to 45%
Real Estate	10%	5% to 15%

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3 - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits and investments are reconciled between the financial statements and note disclosure as follows:

Basic financial statements:

Cash and investments	\$ 343,186,787
Restricted cash	250,698,117
Trust and custodial funds	<u>576,025,860</u>
Total	<u>\$ 1,169,910,764</u>

Notes to financial statements:

Cash on Hand	\$ 22,675
Deposits	55,599,287
Investments	<u>1,114,288,802</u>
Total	<u>\$ 1,169,910,764</u>

NOTE 4 - PENSION PLANS

The City maintains a cost-sharing multiple-employer pension plan to provide retirement benefits to employees of the City called the City of Savannah Employees' Retirement Plan (COSERP). Certain City employees also participate in the Peace Officers' Annuity and Benefit Fund of Georgia (POAB) and the Georgia Firefighters' Pension Plan (GFFP). Separate plan disclosures are provided herein for each plan. Aggregate amounts for all plans for the City's proportionate share of the net pension liability and other items are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Proportionate Share of Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
City of Savannah Employees' Retirement Plan	\$ 454,027,830	\$ 371,995,929	\$ 82,031,901	\$ 16,753,417	\$ 26,600,250	\$ 10,282,405
Peace Officers' Annuity and Benefit Fund of Georgia (POAB)						802,098
Georgia Firefighters' Pension Fund (GFFP)						1,155,175
	<u>\$ 454,027,830</u>	<u>\$ 371,995,929</u>	<u>\$ 82,031,901</u>	<u>\$ 16,753,417</u>	<u>\$ 26,600,250</u>	<u>\$ 12,239,678</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

(A) City of Savannah Employees' Retirement Plan

Summary of Significant Accounting Policies

Basis of Accounting. COSERP financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments. Investments are reported at fair value. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Plan Description and Contribution Information

Plan Administration. The City of Savannah administers a cost sharing multiple-employer defined benefit pension plan (the City of Savannah Employees' Retirement Plan) which was established by City ordinance in July 1972 to provide retirement and disability benefits for all full-time general and uniformed personnel of the City. Membership by all full-time City employees is required by ordinance. Employees of the Savannah Airport Commission and the Metropolitan Planning Commission are also eligible to participate in the Plan.

The Plan is administered by the Retirement Board. The Retirement Board is composed of eight members consisting of the following:

- The City Manager
- The Chief Financial Officer of the City of Savannah
- A Police employee selected by the police employees
- A Fire employee selected by the fire employees
- A General employee selected by the general employees
- A member of the City Council selected by the City Council
- Two citizens at large selected by the Mayor and Aldermen

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

As of December 31, 2018, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,522
Terminated employees entitled to benefits but not yet receiving them	187
Active members	<u>2,353</u>
Total	<u>4,062</u>

The Plan's audited financial statements are included in the City's comprehensive annual financial report as a pension trust fund. The Plan does not issue a stand-alone financial report.

Benefits provided. City ordinance specifies types and levels of Plan benefits as well as Plan member contribution requirements. The Plan provides normal and early retirement pension benefits, occupational disability benefits, survivor's benefits, non-occupational disability and death benefits to plan members and beneficiaries.

Under the Plan, pension benefits vest after five years of service. Normal retirement for general employees is age 57. Normal retirement for uniformed public safety employees (police officers and fire fighters) is age 55. The normal monthly benefit is calculated as follows:

Final average earnings times

- 2.1% for each year of service earned before January 1, 2000, plus 2.3% for each year of service earned after January 1, 2000 (to a maximum of 30 years of service) plus
- 1% of final average earnings times years of service in excess of 30 years to a maximum of 100%.

Final average earnings is defined as the average monthly salary for the highest sixty consecutive months during the last ten years of employment.

In 1999, the Plan added a provision for automatic post-retirement pension increases. Once a pensioner reaches the age of 65 and has received pension benefits for at least five years, an increase of 5% is automatically given to the pensioner in the month both conditions are met. Every year thereafter an automatic increase of 1% is granted to the pensioner. In March 2000, the Plan was further enhanced to allow accumulated sick leave as pensionable service for eligibility and benefit purposes.

Contributions. The annual contribution amounts are actuarially determined. Active employees covered by the Plan are required to contribute 6.65% of their earnings on a pre-tax basis and the employers contribute such additional amounts as are necessary, based on actuarial valuations, in order to

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

provide the Plan with assets sufficient to meet future benefit payments. The employer contribution as a percentage of payroll determined by the most recent actuarial valuation is 10.02%. In 2020, contributions to the COSERP by the City of Savannah were \$10,129,714. The contributions paid by City employees totaled \$7,152,086 in 2020. The total payroll for City employees covered under the COSERP for the year ended December 31, 2020 was \$95,050,007. The projected unit credit method is used to determine contributions.

Investments

Investment Policy. The Plan's policy regarding the allocation of invested assets is established and may be amended by the Retirement Board through a vote by a majority of its members. Plan assets are managed on a total return basis with long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. The following was the Retirement Board's adopted asset allocation policy as of December 31, 2020:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	40.00%
International equity	12.50
Fixed Income	22.50
Core Real Estate	5.00
Short-term	7.50
Private Equity (including non-Core Real Estate)	10.00
Emerging Markets	2.50
Total	<u>100.00%</u>

The target allocations detailed above were established in 2019 and have not been amended since that time.

Rate of Return. For the year ended December 31, 2020, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.68 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

Net Pension Liability

Net components of the net pension liability of the COSERP at December 31, 2019, were as follows:

Total pension liability	\$ 513,454,583
Plan fiduciary net position	420,685,698
Employers' net pension liability	<u>\$ 92,768,885</u>
Plan fiduciary net position as a percentage of the Total Pension Liability	81.93%

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - beginning of year	\$ 498,653,864	\$ 362,831,209	\$ 135,822,655
Changes for the Year:			
Service cost	11,411,039		11,411,039
Interest expense	37,031,735		37,031,735
Differences between expected and actual experience	(1,025,181)		(1,025,181)
Contributions--employer		10,643,079	(10,643,079)
Contributions--employee		7,222,808	(7,222,808)
Net investment income		72,761,682	(72,761,682)
Benefits paid, including refunds of member contributions	(32,616,874)	(32,616,874)	
Plan administrative expenses		(156,206)	156,206
Net Changes	<u>14,800,719</u>	<u>57,854,489</u>	<u>(43,053,770)</u>
Balances - end of year	<u>\$ 513,454,583</u>	<u>\$ 420,685,698</u>	<u>\$ 92,768,885</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of the last actuarial experience study dated October 28, 2015. The net pension liability is based on an actuarial valuation dated January 1, 2019, upon which update procedures were used to roll forward the total pension liability to the year end of December 31, 2019. The actuarial cost method used to calculate the total pension liability was entry age.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of January 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 3.00%
- Salary increases Varies by age
- Investment rate of return 7.50%
- Cost-of-living adjustments 5.00% at participant's adjustment date, 1.00% annually thereafter

For pre-retirement members of the Plan, mortality rates were based on the RP-2014 Employee Mortality Table projected generationally using a modified version of the MP-2014 improvement scale. For healthy annuitants of the Plan, mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table set forward six years for males and three years for females projected generationally using a modified version of the MP-2014 improvement scale. For disabled annuitants, mortality rates were based on the RP-2014 Disabled Retiree Mortality Table projected generationally using a modified version of the MP-2014 improvement scale.

Long-term expected rate of return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns 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, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	6.40%
International equity	7.05%
Fixed Income	1.15%
Core Real Estate	4.50%
Short-term	0.65%
Private Equity (including non-Core Real Estate)	10.40%
Emerging Markets	9.00%
Total	5.24%

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

Discount Rate. The discount rate used to measure the total pension liability was 7.50% as of December 31, 2019. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the Plan Fiduciary Net Position (FNP) was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2019.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the COSERP as of December 31, 2019, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 155,610,915	\$ 92,768,885	\$ 40,681,141

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the City of Savannah reported a liability of \$82,031,901 for its proportionate share of the net pension liability of the COSERP. The net pension liability was measured as of December 31, 2019 and determined based on the total pension liability from the actuarial valuation as of January 1, 2019. The City's proportion of the net pension liability was based on the fiscal 2019 employer contributions into the Plan. In 2019 the City of Savannah was allocated a proportional share of 88.43% of the net pension liability compared to a share of 89.30% for 2018.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the City of Savannah's proportional share of the net pension liability of the COSERP as of December 31, 2020, calculated using the discount rate of 7.50%, as well as the proportional share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount (7.50%)	1% Increase (8.50%)
City of Savannah's proportional share of net pension liability	\$ 137,600,654	\$ 82,031,901	\$ 35,972,744

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

For the year ended December 31, 2020, the City recognized pension expense of \$10,282,405. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between employer's contributions and proportionate share of contributions	\$ 202,275	\$ 1,655,194
Net difference between projected and actual earnings on pension plan investments		20,415,169
Changes of assumptions or other inputs		1,830,391
Difference between expected and actual experience in the total pension liability	6,421,428	2,699,496
Employer contributions made subsequent to the measurement date	10,129,714	
Total	<u>\$ 16,753,417</u>	<u>\$ 26,600,250</u>

\$10,129,714 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u>	<u>Recognition of deferred outflows/(inflows)</u>
December 31, 2021	(\$6,592,724)
December 31, 2022	(5,016,524)
December 31, 2023	(632,690)
December 31, 2024	(7,420,347)
December 31, 2025 and Thereafter	(314,262)
Net balance of deferred outflows/(inflows) of resources	<u>(\$19,976,547)</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

(B) Pensions with a Special Funding Situation

The City participates in two pension plans that are considered to have a special funding situation. The two plans are the Peace Officers' Annuity and Benefit Fund of Georgia (POAB) and the Georgia Firefighters' Pension Plan (GFFP). Both of these pension plans are cost-sharing, multiple employer defined benefit plans and the employer contributions are funded by the State on behalf of the City. GASB Statement No. 68, Accounting and Financial Reporting for Pensions requires participating employers and nonemployer contributing entities to recognize their proportional share of the collective net pension liability and pension expense. Since the City does not contribute directly to the plans, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the City. The State's proportionate share of the collective net pension liability (asset) of the POAB plan totals (\$860,534) and the Georgia Firefighters' plan totals \$4,040,647. The State revenue and pension expense of the plans total \$802,098 for the POAB and \$1,155,175 for the Georgia Firefighters' plan and these amounts were recognized by the City during the period as revenues and expenditures/expenses. Detailed information about each of the plans' fiduciary net position is available in separately issued financial reports that can be obtained at www.poab.georgia.gov (POAB) and at www.gfpf.org (Georgia Firefighters Pension Plan).

Peace Officers' Annuity and Benefit Fund of Georgia (POAB): The Peace Officers' Annuity and Benefit Fund of Georgia was created in 1950 by the General Assembly of Georgia to provide retirement benefits to peace officers.

Benefits provided. POAB provides retirement as well as death benefits. Title 47 of the O.C.G.A. assigns the authority to establish and amend the provisions of the fund to the State Legislature. A member must have terminated his or her active employment as a peace officer to receive benefits. The monthly benefit is a single life annuity payable in monthly installments for the life of the member only. The monthly payment amount at June 30, 2019, was \$24.78 per month (plus 1/12 of this amount for each month of any partial year) for each full year of creditable service up to a maximum of 30 years of total service. The Board of Trustees is authorized to provide for increases effective as of January 1 and July 1 of each year up to 1.5% of the maximum monthly retirement benefit then in effect. Members may elect, as an alternate to the benefit described above, to receive a 100% joint life annuity payable during the life of the member of the member's spouse, or a contingency life annuity with a 50% monthly payment to the surviving spouse. The amount of the benefit for these options is an actuarially reduced portion of the single life annuity benefit described above.

Contributions and Vesting. A member is eligible to receive retirement benefits with 30 years of service, regardless of age. A member is also eligible to receive retirement benefits at age 55 with 10 years of service; however, members joining on or after July 1, 2010, must have 15 years of service to be eligible for benefits. A member must have terminated his or her active employment as a peace officer to receive benefits. POAB is funded by member and nonemployer contributing entity contributions. Contribution provisions are established by statute and may be amended only by the General Assembly of Georgia. Member contribution requirements are set forth in O.C.G.A. 47-17-44 and are not actuarially determined. Each member must contribute \$20 per month, to be paid no later than the tenth day of each month. Nonemployer contributions consist of court fines and forfeitures collected and remitted by the courts directly to POAB in accordance with O.C.G.A. 47-17-60. These court fines and forfeitures are considered to be made by the State of Georgia as the nonemployer contributing entity.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018.

Actuarial Assumptions. The collective total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	1.9%
Salary increases	N/A
Investment rate of return	6.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 Healthy Mortality Table with blue collar adjustment projected with Conduent modified MP-2016 projection scale. Mortality rates for disabled lived were based on the RP-2014 Disabled Retiree Mortality Table projected with the Conduent modified MP-2016 projection scale.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an experience study covering the period June 30, 2008 through June 30, 2015.

The long-term expected rate of return on pension plan investments was calculated by the Fund's investment manager as 7.27% using a Monte Carlo simulation in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of 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. The fund's administrator determined that 6.50% was a reasonable assumption for the long-term rate of return on plan assets based on the calculation of the fund's investment manager.

Discount rate. The discount rate used to determine the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumes revenues will remain level. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Georgia Firefighters' Pension Fund (GFFP): The Georgia Firefighters' Pension Fund was created in 1955 by an act of the Georgia General Assembly to provide retirement benefits for qualified firefighters. The GFFP administers a cost-sharing, multiple-employer defined benefit pension plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25*.

Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the GFFP is eligible for membership in the fund. The various fire departments located within the State of Georgia, as the employers of the members of the GFFP, do not make

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

contributions to the fund. The State of Georgia provides nonemployer contributions to the fund through the collection of insurance premiums tax. These nonemployer contributions are recognized as revenue by the fund when collected from the insurers.

Benefits provided. The GFFP provides retirement as well as disability and death benefits. Benefit provisions and vesting requirements are established by state statute and may be amended only by the General Assembly of Georgia. A member is eligible to receive retirement benefits at age 55 provided the member has 25 years of service. A member is eligible to receive a pro rata share of benefits, at the latter of age 55 or at the member's termination as a firefighter or volunteer firefighter, after at least 15 years of service (amount received to be the maximum benefit amount times a ratio of years of service to 25 years). At age 50, a member may elect to receive a percentage of benefits to which the member would have been eligible to receive at age 55. Members may not receive benefits while they are still an employee of a fire department or of the fund. Members may receive benefits and continue service as a volunteer firefighter as long as they receive no form of compensation for their volunteer department activity.

The maximum retirement benefit at June 30, 2019 is \$931 per month for the life of the member. The Board of Trustees is authorized to provide for ad-hoc cost-of-living adjustments (COLAs) effective as of January 1 and July 1 of each year up to 1.5% of the maximum retirement benefit then in effect. Members retiring after July 1, 1984 with service in excess of 25 years are entitled to an additional 1% of the maximum benefit in effect at the time of retirement for each additional full year of service. Members retiring after July 1, 2002 with service in excess of 25 years are entitled to an additional 2% of the maximum benefit in effect at the time of retirement for each additional full year of service.

Members may elect, as an alternate to the benefit described above, to receive either:

- the joint and survivor option, which is an actuarially reduced benefit payable during the joint lifetime of the member and the member's spouse, continuing after the death of the member through the lifetime of the spouse, or
- the ten years' certain and life option, which is a reduced benefit during the member's lifetime. In the event of the member's death within 10 years of retirement, the same monthly benefits continue to be paid to the member's selected beneficiary for the balance of the 10 year period.

Disability benefits are provided subject to the approval of the Board of Trustees to any firefighter or volunteer firefighter, who was an active member, and became totally and permanently disabled, applied for disability benefits, and was awarded such benefits prior to July 1, 1993.

A death benefit in the amount of \$5,000 is provided to the beneficiary of a member in the event of the death of a member of the GFFP who is in good standing and who has not commenced receiving any benefits. In the event of the death of a member of the fund who is in good standing and who has commenced receiving benefits, but who has not received total benefits in the amount of \$5,000; the designated beneficiary of such deceased member is entitled to receive the difference between \$5,000 and the amount of the benefits received by the deceased member. In the event of the death of a member with 15 years of service, prior to commencing benefits, the spouse or beneficiary of the member is entitled to the retirement benefit elected to have been received by the member in accordance with the plan's regular benefit terms.

In the event a member terminates prior to receiving retirement benefits, 95% of the member's contributions will be returned. No interest is paid upon amounts so withdrawn.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

Contributions. The GFFP is funded by member and nonemployer contributing entity (nonemployer) contributions. Contribution provisions are established by statute and may be amended only by the General Assembly of Georgia.

Member contribution requirements are set forth in O.C.G.A. 47-7-60 and are not actuarially determined. Each member must contribute \$25 per month, to be paid no later than the tenth day of each month.

Nonemployer contributions consist of insurance premiums tax collected and remitted by insurers directly to the GFFP in accordance with O.C.G.A. 47-7-61. Every fire insurance company, corporation or association doing business within the State of Georgia must pay to the executive director of the fund 1% of the gross premiums written by such insurance company, corporation, or association for fire, lightning, or extend coverage, inland marine or allied lines, or windstorm insurance policies covering property within the State of Georgia. These insurance premiums taxes are considered to be made by the State of Georgia as the nonemployer contributing entity.

Actuarial Assumptions. The total pension liability was determined based on an actuarial valuation as of June 30, 2019, using the following key actuarial assumptions:

Inflation	2.75%
Salary increases	N/A
Investment rate of return	6.0%, net of pension plan investment expense, including inflation

Mortality rates for pre-retirement were based on the RP-2000 Employee Mortality Table projected to 2025 with Projection Scale BB. Mortality rates for post-retirement and for dependent beneficiaries were based on the RP-2000 Blue Collar Mortality Table projected to 2025 with Projection Scale BB set forward 1 year for males and 4 years for females. For current disability retirees, mortality rates are based on the RP-2000 Disabled Mortality Table projected to 2025 with Projection Scale BB set forward 5 years for males and 3 years for females, however there are no longer any disability benefits included in the plan.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of the last actuarial experience study dated November 4, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate arithmetic expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These assumptions are converted into nominal assumptions by adding inflation, and then combined by weighting them by the target asset allocation percentages.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

Asset Class	Target Allocation	Long-term expected real rate of return
Investment grade corporate credit	12.00 %	3.17 %
Mortgage backed securities	12.00	1.19
Core bonds	10.50	1.74
Large cap equities	15.50	5.78
Small/mid cap equities	15.50	6.54
International unhedged equities	13.00	6.63
Emerging international equities	6.50	9.46
Private equity	5.00	10.52
Real estate (core)	5.00	4.14
Real assets (liquid)	5.00	4.66
	<u>100.00 %</u>	

Discount Rate. The discount rate used to measure the total pension liability was 6.0%. 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 nonemployer contributions will remain at the level contributed the previous fiscal year. Based on those assumptions, the fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(C) Old Pension Plan

In 1972, the Old Pension Plan was terminated and replaced by the current City of Savannah Employees' Retirement Plan. A new fund was established in 1983 to fund the benefits payable to persons who were retired and/or vested under the old plan prior to 1972. The City contributed \$1,619,320 in 1983, \$471,692 in 1984, and \$185,000 in 1985 to fund the actuarially expected future benefits beginning in July 1985. Old pension benefits until July 1985 were funded by the General Fund. As a result of these contributions, the Old Pension Fund became fully funded as of July 1985. There are no active employees covered by the Old Pension Plan, accordingly, there were no employee contributions in 2020. Benefits to be paid under the Old Pension Plan were fully funded as of December 31, 2006; therefore, no employer contributions were made to the Old Pension Plan during 2020.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

(D) Statement of Fiduciary Net Position for Individual Pension Plans

CITY OF SAVANNAH
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
DECEMBER 31, 2020

	EMPLOYEES' RETIREMENT		
	PENSION TRUST	OLD PENSION TRUST	TOTAL
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,002,860	\$ 195,653	\$ 2,198,513
Accrued income	352,542		352,542
Accounts receivable:			
From employers	14,900		14,900
From participants	67,183		67,183
Investments, at fair value:			
U.S. government obligations	85,898,858		85,898,858
Foreign corporate bonds	2,386,995		2,386,995
Domestic corporate bonds	35,903,658		35,903,658
Domestic equities	224,993,326		224,993,326
International equities	77,052,960		77,052,960
Real estate fund	40,166,972		40,166,972
Total investments	466,402,769		466,402,769
Total assets	468,840,254	195,653	469,035,907
<u>LIABILITIES</u>			
Payable from restricted assets:			
Accounts payable	293,555		293,555
Total liabilities	293,555		293,555
<u>NET POSITION</u>			
Restricted for:			
Pensions	\$ 468,546,699	\$ 195,653	\$ 468,742,352

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - PENSION PLANS (CONTINUED)

(E) Statement of Changes in Fiduciary Net Position for Individual Pension Plans

CITY OF SAVANNAH
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
YEAR ENDED DECEMBER 31, 2020

	EMPLOYEES' RETIREMENT		
	PENSION TRUST	OLD PENSION TRUST	TOTAL
<u>ADDITIONS</u>			
Contributions			
Employer	\$ 11,243,151	\$ -	\$ 11,243,151
Plan members	7,903,062		7,903,062
Total contributions	19,146,213		19,146,213
Investment income			
Interest and dividends	2,416,577	1,172	2,417,749
Real estate net income	(309,228)		(309,228)
Net appreciation (depreciation) in fair value of investments	61,334,471		61,334,471
Total investment income	63,441,820	1,172	63,442,992
Less investment expense	1,234,376		1,234,376
Net investment income (loss)	62,207,444	1,172	62,208,616
Total additions	81,353,657	1,172	81,354,829
<u>DEDUCTIONS</u>			
Benefits	31,256,803	1,495	31,258,298
Refunds of contributions	2,061,307		2,061,307
Administrative expense	174,546		174,546
Total deductions	33,492,656	1,495	33,494,151
Change in net position	47,861,001	(323)	47,860,678
Net position:			
Beginning of year - January 1	420,685,698	195,976	420,881,674
End of year - December 31	<u>\$ 468,546,699</u>	<u>\$ 195,653</u>	<u>\$ 468,742,352</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 80,918,245	\$ 2,291,604	\$ 4,325,251	\$ 78,884,598
Construction in progress	188,415,659	52,973,477	44,065,959	197,323,177
Total capital assets, not being depreciated	<u>269,333,904</u>	<u>55,265,081</u>	<u>48,391,210</u>	<u>276,207,775</u>
Capital assets, being depreciated				
Plants and buildings	70,023,657	28,250,676	433,528	97,840,805
Improvements other than buildings	99,667,032	5,739,391	1,438,071	103,968,352
Machinery, equipment and vehicles	134,908,802	10,434,621	4,648,895	140,694,528
Streets and drainage	533,384,285	13,397,347		546,781,632
Total capital assets, being depreciated	<u>837,983,776</u>	<u>57,822,035</u>	<u>6,520,494</u>	<u>889,285,317</u>
Less: Accumulated Depreciation				
Plants and buildings	28,323,658	2,643,777	135,642	30,831,793
Improvements other than buildings	37,849,676	2,875,343		40,725,019
Machinery, equipment and vehicles	94,698,552	9,383,510	4,557,593	99,524,469
Streets and drainage	260,837,421	13,855,386		274,692,807
Total accumulated depreciation	<u>421,709,307</u>	<u>28,758,016</u>	<u>4,693,235</u>	<u>445,774,088</u>
Total capital assets, being depreciated, net	<u>416,274,469</u>	<u>29,064,019</u>	<u>1,827,259</u>	<u>443,511,229</u>
Governmental activities capital assets, net	<u>\$ 685,608,373</u>	<u>\$ 84,329,100</u>	<u>\$ 50,218,469</u>	<u>\$ 719,719,004</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 8,016,787	\$ -	\$ -	\$ 8,016,787
Construction in progress	159,776,938	108,127,305	17,778,339	250,125,904
Total capital assets, not being depreciated	<u>167,793,725</u>	<u>108,127,305</u>	<u>17,778,339</u>	<u>258,142,691</u>
Capital assets, being depreciated				
Plants, buildings, stations and reservoirs	736,938,049	20,609,385	52,108	757,495,326
Improvements other than buildings	39,796,612	919,827		40,716,439
Machinery and equipment	40,702,336	3,259,105	278,912	43,682,529
Total capital assets, being depreciated	<u>817,436,997</u>	<u>24,788,317</u>	<u>331,020</u>	<u>841,894,294</u>
Less: Accumulated Depreciation				
Plants, buildings, stations and reservoirs	370,175,031	19,428,385	49,009	389,554,407
Improvements other than buildings	30,078,268	1,124,573		31,202,841
Machinery and equipment	33,540,651	1,409,945	257,374	34,693,222
Total accumulated depreciation	<u>433,793,950</u>	<u>21,962,903</u>	<u>306,383</u>	<u>455,450,470</u>
Total capital assets, being depreciated, net	<u>383,643,047</u>	<u>2,825,414</u>	<u>24,637</u>	<u>386,443,824</u>
Business-type activities capital assets, net	<u>\$ 551,436,772</u>	<u>\$ 110,952,719</u>	<u>\$ 17,802,976</u>	<u>\$ 644,586,515</u>

As part of its flood mitigation program, the City has entered into certain grant agreements with the Georgia Emergency Management Agency to purchase flood prone properties located within the city limits. These properties, when purchased, are included in the land category of governmental capital assets at historical cost. Certain covenants restrict the use and resale of these properties once acquired by the City. The value of these properties included in the governmental capital assets as of December 31, 2020 is \$19,917,760.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 – CAPITAL ASSETS (CONTINUED)

During 2020, depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

Governance and strategic services	\$ 137,686
Municipal operations	755,202
Infrastructure and development	14,259,257
Police	821,524
Fire	907,109
Parks and recreation	3,180,485
Community services	835,485
Grant program and administration	<u>10,356</u>
Total depreciation expense – governmental activities	20,907,104
Depreciation expense on Internal Service Fund Capital Assets	<u>7,850,912</u>
Total depreciation expense allocated to governmental activities	<u>\$28,758,016</u>

Business-type activities:

Water and sewer	\$ 17,380,200
Sanitation	1,090,305
Parking facilities	2,481,653
Civic Center	761,420
Golf course	<u>249,325</u>
Total depreciation expense allocated to business-type activities	<u>\$ 21,962,903</u>

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 5 – CAPITAL ASSETS (CONTINUED)

As of December 31, 2020, the City had the following commitments with respect to unfinished capital projects:

Project by Type	Project Authorization	Expended at Year-end	Committed	Required Future Financing
Drainage	\$62,820,464	\$32,656,532	\$30,163,932	NONE
Industrial and Domestic Water Supply System	517,000	265,354	251,646	NONE
Public Buildings	342,401,458	182,509,796	159,891,662	NONE
Recreation	6,229,804	3,814,985	2,414,819	NONE
Sanitation	36,862,298	23,876,348	12,985,950	NONE
Sewerage	170,243,723	67,988,607	102,255,116	NONE
Squares	4,957,848	2,687,765	2,270,083	NONE
Street Paving	37,250,227	24,459,684	12,790,543	NONE
Traffic Engineering	81,107,816	53,071,581	28,036,235	NONE
Water	78,638,219	20,107,833	58,530,386	NONE
Other	65,598,411	36,010,596	29,587,815	NONE
Totals	<u>\$886,627,268</u>	<u>\$447,449,081</u>	<u>\$439,178,187</u>	

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES

(A) The following shows the composition of bonds, notes, and contractual obligations payable at December 31, 2020 and the annual maturities of long-term liabilities:

	Lowest/ Highest Coupon Rate	Original Issue Amount	Unmatured Bond/Interest at 12/31/20	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040
<u>GOVERNMENTAL ACTIVITIES PRINCIPAL PORTION</u>											
Contractual Obligations Related to:											
2014 Downtown Savannah Authority Bonds	2.0/4.0	\$ 9,970,000	\$ 4,500,000	\$ 835,000	\$ 865,000	\$ 895,000	\$ 935,000	\$ 970,000	\$ -	\$ -	\$ -
2015 Downtown Savannah Authority Bonds	2.0/4.0	19,950,000	15,755,000	920,000	905,000	935,000	965,000	1,000,000	5,105,000	5,925,000	
2016 Downtown Savannah Authority Bonds	2.03	8,000,000	7,270,000	745,000	760,000	775,000	790,000	805,000	3,395,000		
2017 Downtown Savannah Authority Bonds	2.39	6,585,000	6,585,000	590,000	605,000	620,000	635,000	650,000	3,485,000		
2018 Downtown Savannah Authority Bonds	3.00/5.00	14,095,000	13,365,000	510,000	535,000	560,000	590,000	620,000	3,555,000	4,170,000	2,825,000
2019 Downtown Savannah Authority Bonds	2.75	8,440,000	8,415,000	25,000	25,000	25,000	25,000	25,000	5,755,000	2,535,000	
Total Contractual Obligations		<u>67,040,000</u>	<u>55,890,000</u>	<u>3,625,000</u>	<u>3,695,000</u>	<u>3,810,000</u>	<u>3,940,000</u>	<u>4,070,000</u>	<u>21,295,000</u>	<u>12,630,000</u>	<u>2,825,000</u>
General Obligation Bonds:											
2016 General Obligation Bonds	1.97	2,000,000	1,685,000	325,000	330,000	335,000	345,000	350,000			
2017 General Obligation Bonds	1.84	2,000,000	2,000,000	385,000	395,000	400,000	405,000	415,000			
2018 General Obligation Bonds	3.28	2,000,000	2,000,000		375,000	385,000	400,000	415,000	425,000		
Total General Obligation Bonds		<u>6,000,000</u>	<u>5,685,000</u>	<u>710,000</u>	<u>1,100,000</u>	<u>1,120,000</u>	<u>1,150,000</u>	<u>1,180,000</u>	<u>425,000</u>		
Total Governmental Activities Principal Portion		<u>\$73,040,000</u>	<u>\$61,575,000</u>	<u>\$4,335,000</u>	<u>\$4,795,000</u>	<u>\$4,930,000</u>	<u>\$5,090,000</u>	<u>\$5,250,000</u>	<u>\$21,720,000</u>	<u>\$12,630,000</u>	<u>\$2,825,000</u>
<u>GOVERNMENTAL ACTIVITIES INTEREST PORTION</u>											
Contractual Obligations			\$13,599,796	\$1,748,855	\$1,641,631	\$1,513,508	\$1,381,069	\$1,243,667	\$ 4,258,121	\$ 1,627,208	\$ 185,737
General Obligation Bonds			479,216	135,595	122,108	96,039	69,451	42,083	13,940		
Notes			2,450	2,450							
Total Governmental Activities Interest Portion			<u>14,081,462</u>	<u>1,886,900</u>	<u>1,763,739</u>	<u>1,609,547</u>	<u>1,450,520</u>	<u>1,285,750</u>	<u>4,272,061</u>	<u>1,627,208</u>	<u>185,737</u>
Total Governmental Activities Debt Service Requirements			<u>\$75,656,462</u>	<u>\$6,221,900</u>	<u>\$6,558,739</u>	<u>\$6,539,547</u>	<u>\$6,540,520</u>	<u>\$6,535,750</u>	<u>\$25,992,061</u>	<u>\$14,257,208</u>	<u>\$3,010,737</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

	Lowest/ Highest Coupon Rate	Original Issue Amount	Unmatured Bond/Interest at 12/31/20	2021	2022	2023	2024	2025	2026-2030	2031-2035	2036-2040	2041-2045	2046-2050
BUSINESS-TYPE ACTIVITIES PRINCIPAL PORTION													
WATER AND SEWER SYSTEM													
2014 Water and Sewer Revenue Bonds	2.0/3.0	\$ 17,690,000	\$ 8,950,000	\$ 890,000	\$ 910,000	\$ 940,000	\$ 965,000	\$ 990,000	\$ 4,255,000	\$ -	\$ -	\$ -	\$ -
2016 Water and Sewer Revenue Bonds	2.15	21,255,000	12,750,000	1,860,000	1,320,000	1,350,000	1,380,000	1,410,000	5,430,000				
Water SRF Loans	103	19,350,610	19,350,610	729,235	883,381	892,523	901,760	911,092	4,698,856	4,947,078	5,208,411	178,274	
Total Water and Sewer Bonds and Loans		58,295,610	41,050,610	3,479,235	3,113,381	3,182,523	3,246,760	3,311,092	14,383,856	4,947,078	5,208,411	178,274	-
SANITATION													
2018 Resource Recovery Bonds	2.96	11,085,000	10,115,000	995,000	1,025,000	1,055,000	1,090,000	1,120,000	4,830,000				
Total Sanitation Bonds		11,085,000	10,115,000	995,000	1,025,000	1,055,000	1,090,000	1,120,000	4,830,000				
PARKING SERVICES													
Contractual Obligations Related to:													
2015 Downtown Savannah Authority Bonds	2.0/4.0	25,055,000	22,710,000	1,465,000	1,530,000	1,595,000	1,665,000	1,740,000	10,020,000	4,695,000			
2016 Downtown Savannah Authority Bonds	2.6/4.05	33,060,000	33,060,000		870,000	890,000	915,000	940,000	5,140,000	6,070,000	7,320,000	8,910,000	2,005,000
2018 Downtown Savannah Authority Bonds	3.6/4.00	30,205,000	30,205,000		1,190,000	1,235,000	1,285,000	1,335,000	7,520,000	9,050,000	8,590,000		
2019 Downtown Savannah Authority Bonds	2.5/4.00	9,685,000	9,685,000					260,000	1,460,000	1,700,000	1,950,000	2,255,000	2,060,000
2020 Downtown Savannah Authority Bonds	2.12	8,605,000	8,605,000			580,000	595,000	605,000	3,235,000	3,590,000			
Total Parking Services Contractual Obligations		106,610,000	104,265,000	1,465,000	3,590,000	4,300,000	4,460,000	4,880,000	27,375,000	25,105,000	17,860,000	11,165,000	4,065,000
CIVIC CENTER													
Contractual Obligations Related to:													
2019 Downtown Savannah Authority Bonds	3.0/3.2	45,120,000	44,405,000	570,000	585,000	600,000	620,000	735,000	5,545,000	7,530,000	8,730,000	10,150,000	9,340,000
Total Civic Center Contractual Obligations		45,120,000	44,405,000	570,000	585,000	600,000	620,000	735,000	5,545,000	7,530,000	8,730,000	10,150,000	9,340,000
Total Business-type Activities Principal Portion		\$ 221,110,610	\$ 199,835,610	\$ 6,509,235	\$ 8,313,381	\$ 9,137,523	\$ 9,416,760	\$ 10,046,092	\$ 52,133,856	\$ 37,582,078	\$ 31,798,411	\$ 21,493,274	\$ 13,405,000
BUSINESS-TYPE ACTIVITIES INTEREST PORTION													
Water and Sewer Bonds and Loans			\$ 4,673,472	\$ 7,115,74	\$ 650,566	\$ 585,609	\$ 518,690	\$ 450,604	\$ 1,201,498	\$ 408,017	\$ 146,684	\$ 230	\$ -
Sanitation Resource Recovery Bonds			1556,072	299,404	269,952	239,612	208,384	176,120	362,600				
Parking Services Contractual Obligations			46,205,619	3,571,511	3,607,073	3,475,654	3,326,573	3,170,796	13,285,144	8,681,358	4,807,213	2,039,427	240,870
Civic Center Contractual Obligations			24,988,605	1,368,032	1,350,933	1,333,382	1,315,383	1,296,782	6,079,967	5,103,311	3,903,911	2,478,024	758,880
Total Business-type Activities Interest Portion			77,423,768	5,950,521	5,878,524	5,634,257	5,369,030	5,094,302	20,929,209	14,192,686	8,857,808	4,517,681	999,750
Total Business-type Activities Debt Service Requirements			\$ 277,259,378	\$ 12,459,756	\$ 14,191,905	\$ 14,771,780	\$ 14,785,790	\$ 15,140,394	\$ 73,063,065	\$ 51,774,764	\$ 40,656,219	\$ 26,010,955	\$ 14,404,750

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

(B) The following are changes in the long-term liabilities for the year ended December 31, 2020:

	Balance 12/31/19	2020 Issues	2020 Retirements	Balance 12/31/20	Unamortized (Discounts)/ Premiums	Balance 12/31/20	Amounts Due Within One Year	Accrued Interest at 12/31/20
Governmental Activities:								
Contractual Obligations relating to:								
Downtown Savannah Authority Bonds 2014	\$ 5,310,000	\$ -	\$ 810,000	\$ 4,500,000	\$ 197,352	\$ 4,697,352	\$ 835,000	\$ 75,000
Downtown Savannah Authority Bonds 2015	16,690,000		935,000	15,755,000	259,991	16,014,991	920,000	224,266
Downtown Savannah Authority Bonds 2016	8,000,000		730,000	7,270,000		7,270,000	745,000	61,496
Downtown Savannah Authority Bonds 2017	6,585,000			6,585,000		6,585,000	590,000	65,576
Downtown Savannah Authority Bonds 2018	13,850,000		485,000	13,365,000	563,670	13,928,670	510,000	205,930
Downtown Savannah Authority Bonds 2019	8,440,000		25,000	8,415,000		8,415,000	25,000	96,422
Bonds and notes payable:								
General Obligation Bond 2016	2,000,000		315,000	1,685,000		1,685,000	325,000	13,831
General Obligation Bond 2017	2,000,000			2,000,000		2,000,000	385,000	15,333
General Obligation Bond 2018	2,000,000			2,000,000		2,000,000		27,333
Series 2011-A HUD Section 108 Note	100,000		100,000	-				
Total bonds and notes payable	64,975,000	-	3,400,000	61,575,000	1,021,013	62,596,013	4,335,000	785,187
Other liabilities:								
Compensated absences	18,413,404	9,751,734	7,629,107	20,536,031		20,536,031	8,175,196	
Net pension liability	94,623,876	8,162,829	38,787,930	63,998,775		63,998,775		
Claims and judgments	9,697,629	34,937,106	33,708,238	10,926,497		10,926,497	5,146,200	
Total other liabilities	122,734,909	52,851,669	80,125,275	95,461,303		95,461,303	13,321,396	
Governmental Activities long-term liabilities	\$187,709,909	\$ 52,851,669	\$ 83,525,275	\$157,036,303	\$ 1,021,013	\$158,057,316	\$ 17,656,396	\$ 785,187

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

	Balance 12/31/19	2020 Issues	2020 Retirements	Balance 12/31/20	Unamortized (Discounts)/ Premiums	Balance 12/31/20	Amounts Due Within One Year	Accrued Interest at 12/31/20
Business-type Activities:								
Bonds and notes payable:								
Water and Sewer Revenue Bonds 2014	\$ 9,825,000	\$ -	\$ 875,000	\$ 8,950,000	\$ 190,524	\$ 9,140,524	\$ 890,000	\$ 21,634
Water and Sewer Revenue Bonds 2016	14,580,000		1,830,000	12,750,000		12,750,000	1,860,000	22,805
Sewer SRF Loans	18,749,335	601,275		19,350,610		19,350,610	729,235	16,883
Resource Recovery Bonds 2018	11,085,000		970,000	10,115,000		10,115,000	995,000	124,752
Contractual obligations relating to:								
Downtown Savannah Authority Bonds 2015	24,115,000		1,405,000	22,710,000	446,161	23,156,161	1,465,000	318,028
Downtown Savannah Authority Taxable Bonds 2016	33,060,000			33,060,000	(87,882)	32,972,118		507,398
Downtown Savannah Authority Taxable Bonds 2018	30,205,000			30,205,000	330,158	30,535,158		490,096
Downtown Savannah Authority Taxable Bonds 2019	9,685,000			9,685,000	170,593	9,855,593		123,623
Downtown Savannah Authority Taxable Bonds 2019	45,120,000		715,000	44,405,000	600,216	45,005,216	570,000	570,014
Downtown Savannah Authority Taxable Bonds 2020		8,605,000		8,605,000		8,605,000		11,148
Total bonds and notes payable	196,424,335	9,206,275	5,795,000	199,835,610	1,649,770	201,485,380	6,509,235	2,206,381
Other liabilities:								
Compensated absences	2,907,380	1,352,856	1,230,283	3,029,953		3,029,953	1,289,048	
Net pension liability	26,662,452	2,300,063	10,929,389	18,033,126		18,033,126		
Closure and Postclosure Liability	14,814,574	659,688		15,474,262		15,474,262		
Total other liabilities	44,384,406	4,312,607	12,159,672	36,537,341		36,537,341	1,289,048	
Business-type Activities long-term liabilities	\$240,808,741	\$ 13,518,882	\$ 17,954,672	\$236,372,951	\$ 1,649,770	\$238,022,721	\$ 7,798,283	\$ 2,206,381

Beginning balances for governmental and business-type activities have been reduced as a result of the net OPEB liability becoming a net OPEB asset as of December 31, 2020.

Bond discounts and premiums are amortized over the term of the bonds using the straight-line method unless the result is materially different from the effective interest method, in which case the effective interest method is used. Bond discounts and premiums are presented as adjustments to the face amount of contractual obligations and bonds payable.

Liquidations of long-term liabilities other than debt have typically occurred in prior years in the following manner:

- 1) Compensated absences, Net Pension Liability and Net OPEB Liability are paid by the fund where the employee's position is budgeted. Most of the City's employees are paid from the General Fund.
- 2) Claims and judgments are paid from the Risk Management Fund, an internal service fund funded by all City departments.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

- 3) Contractual obligations relating to the Downtown Savannah Authority Bonds, Series 2016, the Downtown Savannah Authority Bonds, Series 2017, and the Downtown Savannah Authority Bonds, Series 2018 are liquidated by the General Obligation Bonds Debt Service Fund, a non-major fund. Contractual obligations relating to the Downtown Savannah Authority Bonds, Series 2014, Series 2015 and Series 2019 are liquidated by the Tax Allocation District I Fund, a non-major fund.
- 4) Section 108 Notes are liquidated by the Community Development Fund.
- 5) General obligation bonds are liquidated by the SPLOST 2020-2026 Fund, a non-major fund.

(C) Governmental Activities Bonds and Notes Payable

The unmatured principal of these liabilities is shown on the Statement of Net Position in the governmental activities column. In the fund financial statements, current debt service is reported in the debt service funds and in the Tax Allocation District I Fund, the SPLOST 2020-2026 and the Community Development Fund.

(1) General Obligation Bonds

The City is authorized to issue, under the provisions of the Constitution of the State of Georgia, general obligation bonds for street and drainage improvements without a referendum, provided that (1) the issuance of such bonds is authorized at a public meeting held for such purpose and (2) not more than 10% of the total unused bond capacity of the City, and in no event more than \$2,000,000 in the aggregate principal amount of such bonds, shall be issued in any fiscal year.

During 2016, the City issued \$2,000,000 in general obligation bonds to partially fund the design and construction of streetscape improvements to the downtown corridors and pay all issuance costs. The bonds bear interest at a fixed rate of 1.97% and mature serially beginning August 1, 2020.

During 2017, the City issued \$2,000,000 in general obligation bonds to partially fund the design and construction of streetscape improvements to the downtown corridors and pay all issuance costs. The bonds bear interest at a fixed rate of 1.84% and mature serially beginning August 1, 2021.

During 2018, the City issued \$2,000,000 in general obligation bonds to partially fund the design and construction of streetscape improvements to the downtown corridors and pay all issuance costs. The bonds bear interest at a fixed rate of 3.28% and mature serially beginning August 1, 2022.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

(2) Contractual Obligations

During 2014, the City exercised its optional redemption on certain maturities of the Authority's Series 2009B bonds totaling \$10,425,000. In order to fund the optional redemption during 2014, the City entered into a contractual obligation related to the Downtown Savannah Authority Refunding Revenue Bonds, Series 20014, tax-exempt bonds issued in the principal amount of \$9,970,000. The proceeds of the bond sale were used to currently refund certain maturities of the Downtown Savannah Authority Revenue Bonds, Series 2009B, which had a principal balance of \$10,425,000 at refunding, and to cover issuance costs. The bonds bear interest at fixed rates ranging from 2.00% to 4.00% and mature serially beginning August 1, 2014. The refunding was undertaken to reduce total future debt service payments. The reacquisition price was lower than the net carrying amount of the old debt by \$24,408. This amount is classified as a deferred inflow of resources on the statement of net position and will be amortized over the life of the new debt. The transaction also resulted in an economic gain of \$522,498 and a reduction of \$589,116 in future debt service payments.

During 2019, the City exercised its optional redemption on the remaining maturities of the Authority's Series 2009B bonds totaling \$8,270,000. In order to fund the optional redemption during 2019, the City entered into a contractual obligation related to the Downtown Savannah Authority Refunding Revenue Bonds, Series 2019, tax-exempt bonds issued in the principal amount of \$8,440,000. The proceeds of the bond sale were used to currently refund certain maturities of the Downtown Savannah Authority Revenue Bonds, Series 2009B, which had a principal balance of \$8,270,000 at refunding, and to cover issuance costs. The bonds bear interest at a fixed rate of 2.75% and mature serially beginning August 1, 2020. The refunding was undertaken to reduce total future debt service payments. The reacquisition price was lower than the net carrying amount of the old debt by \$45,836. This amount is classified as a deferred inflow of resources on the statement of net position and will be amortized over the life of the new debt. The transaction resulted in an economic gain of \$547,420 and a reduction of \$652,133 in future debt service payments.

During 2015, the City entered into a contractual obligation related to the Downtown Savannah Authority Refunding Revenue Bonds, Series 2015, tax-exempt bonds issued in the principal amount of \$45,005,000. Of this amount, \$25,055,000 was allocated to the Parking Services Fund to currently refund the Downtown Savannah Authority Revenue Bonds, Series 2005, which had a principal balance of \$24,820,000 at refunding, and to cover issuance costs. The remaining proceeds of the bond sale, \$19,950,000, were allocated to the governmental activities and used for the purpose of acquiring, constructing and equipping improvements to the downtown area of the City and paying issuance costs related to the bonds. The bonds bear interest at fixed rates ranging from 2.00% to 4.00% and mature serially beginning August 1, 2016.

During 2016, the City entered into a contractual obligation related to the Downtown Savannah Authority Tax Exempt Revenue Bonds, Series 2016, issued in the principal amount of \$8,000,000. The proceeds of the bond sale are for the purpose of partially funding the design and construction of streetscape improvements to downtown corridors and paying issuance costs related to the bonds. The bonds bear interest at a fixed rate of 2.03% and mature serially beginning August 1, 2020.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

During 2017, the City entered into a contractual obligation related to the Downtown Savannah Authority Tax Exempt Revenue Bonds, Series 2017, issued in the principal amount of \$6,585,000. The proceeds of the bond sale are for the purpose of partially funding the design and construction of streetscape improvements to downtown corridors and paying issuance costs related to the bonds. The bonds bear interest at a fixed rate of 2.39% and mature serially beginning August 1, 2021.

During 2018, the City entered into a contractual obligation related to the Downtown Savannah Authority Tax Exempt Revenue Bonds, Series 2018, issued in the principal amount of \$14,095,000. The proceeds of the bond sale are for the purpose of funding the acquisition and construction of public infrastructure improvements in the west River Street area of downtown. The bonds bear interest at fixed rates ranging from 3.00% to 5.00% and mature serially beginning August 1, 2019.

The Authority's Series 2014, Series 2015, Series 2016, Series 2017, Series 2018 and Series 2019 bonds are not a direct debt of the City; however, under the contract between the Authority and the City, the City is obligated to exercise its power of taxation to the extent necessary to pay the amounts required under the contract. Such contractually required payments will be sufficient to pay the principal and interest on the bonds when due. Such contractually required amounts are presented on page 62.

(3) Notes

In 2011, the City issued a Section 108 Note in the principal amount of \$595,000 guaranteed by the Secretary of Housing and Urban Development, the proceeds of which were used to pay all outstanding amounts on the City's Series 2001A Section 108 Note. The refunding was undertaken to reduce total future debt service payments. The transaction resulted in an economic gain of \$157,360 and a reduction of \$167,096 in future debt service payments.

The Section 108 note is secured by the City's future CDBG obligations and is part of a total loan commitment for the Section 108 guarantee of \$3,000,000. Proceeds of the note can only be used in accordance with approved Section 108 activities as specified in the Contract for Loan Guarantee Assistance between the City and HUD. In summary, the approved activities are limited to the funding of certain business loans and costs associated with renovations to the City's Entrepreneurial Center.

The outstanding balance on the note is shown on the Statement of Net Position in the governmental activities column. Principal and interest payments on the note are paid through the Community Development Fund, a major governmental fund.

The 2011 Section 108 note bears interest at fixed rates between 1.70% and 2.92%, depending on maturity. The first maturity of the 2011 note occurs in 2012 and the final maturity is in 2020. A maturity schedule for the note is shown on page 62.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

(D) Business-type Bonds and Notes Payable

The unmatured principal of revenue bonds, notes, and contractual obligations are shown on the Statement of Net Position in the business-type activities column. In the fund financial statements, the outstanding balances are included in the respective proprietary funds and paid through these funds.

(1) Water and Sewer Revenue Bonds

During 2014, the City exercised its optional redemption on certain maturities of the Water and Sewer Improvement Revenue Bonds, 2009B bonds totaling \$13,970,000. In order to fund the optional redemption during 2014, the City issued Water and Sewer Revenue Refunding Bonds, Series 2014 in the principal amount of \$17,690,000. The proceeds of the bond sale were used to (1) refinance, at lower rates, the outstanding maturities of the Series 2003 bonds, which had a principal balance of \$3,720,000 at refunding, (2) refinance at lower rates a portion of the outstanding maturities of the Series 2009B bonds totaling \$13,970,000 and, (3) pay all costs incidental to the issuance of the Series 2014 bonds. The bonds bear interest at fixed rates ranging from 2.00% to 3.00% and mature serially beginning December 1, 2015. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$87,573. This amount is classified as a deferred outflow of resources in the Water and Sewer Fund and will be amortized over the life of the new debt. The transaction also resulted in an economic gain of \$962,419 and a reduction of \$1,117,334 in future debt service payments. A maturity schedule for the water and sewer revenue bonds is shown on page 63.

During 2016, the City issued the Water and Sewer Refunding Bond, Series 2016 in the principal amount of \$21,255,000. The proceeds of the bond sale were used by the City to (1) refund and redeem certain outstanding amounts of loans made to the City by the State of Georgia under the State Revolving Fund Program (SRF) and (2) fund all expenses incidental to the issuance of the Bond. The bond bears interest at a fixed rate of 2.15% with principal repayment beginning February 2016 and continuing monthly thereafter. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$318,092. This amount is classified as a deferred outflow of resources in the Water and Sewer Fund and will be amortized over the life of the new debt. The transaction also resulted in an economic gain of \$1,037,203 and a reduction of \$1,196,427 in future debt service payments.

The Series 2014 and Series 2016 bond resolutions require the contribution of monthly installments for future principal and interest payments, and the maintenance of a debt service reserve in a Sinking Fund. For December 31, 2020 the debt service reserve requirement is calculated as 10% of the par value of bonds outstanding, which is \$2,440,500. The debt service reserve requirement is met with cash held in the Sinking Fund. Monies in the debt service reserve can be used only to pay principal and interest on the bonds if there would otherwise be a default. The Series 2014 and Series 2016 bonds are secured solely by a first lien upon the gross revenues derived from the water and sewer system and are not secured by the general credit of the City.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

At December 31, 2020, the sinking fund requirements and actual balances were as follows:

Sinking Fund Requirements:	
Interest requirements (for June 1, 2021)	\$ 44,439
Principal requirements (for December 1, 2021)	324,167
Debt Service Reserve	<u>2,440,500</u>
Total requirements at December 31, 2020	<u>2,809,106</u>
Sinking Fund Resources:	
Cash and investments in sinking fund at December 31, 2020	<u>3,713,868</u>
Surplus	\$ <u>904,762</u>

(2) Water and Sewer Loan Agreements

Other liabilities of the Water and Sewer Fund include loan agreements the City has entered into with the State of Georgia under the State Revolving Fund Program (SRF). The SRF makes low interest loans to public sewer systems for capital improvements. The SRF program is funded by a combination of State funds and a grant to the State from the Federal Environmental Protection Agency. The following table shows details of all the SRF loans at December 31, 2020.

Year of Loan	Project Description	Total Loan Commitment	Interest Rate (%)	Amortization Period (Years)	Amount Drawn	<u>-As of December 31, 2020-</u>	
						Principal Retired	Loan Payable
2014	President Street Biosolids Handling Facility	\$ 28,470,000	1.03%	20	\$19,350,610	\$ -	\$19,350,610
		<u>\$ 28,470,000</u>			<u>\$ 19,350,610</u>	<u>\$ -</u>	<u>\$ 19,350,610</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

(3) Parking Services Contractual Obligations

As discussed previously, in 2015, the City entered into a contractual obligation related to the Downtown Savannah Authority Revenue Refunding Bonds, Series 2015 issued in the principal amount of \$45,005,000. The proceeds of the bond sale were made available to the City to (1) refund and redeem all of the Authority's Series 2005 Bonds outstanding (2) acquire, construct and equip improvements to the downtown area of the City and (3) fund all expenses incidental to the issuance of the bonds. The portion of the bond proceeds used by the City's Parking Services Fund to refund debt and pay issuance costs amounted to \$25,055,000 and has been allocated to the Parking Services Fund. The bonds bear interest at a fixed rate between 2.00% and 4.00% and mature serially beginning August 1, 2019. The refunding was undertaken to reduce total future debt service payments. The reacquisition price exceeded the net carrying amount of the old debt by \$250,394. This amount is classified as a deferred outflow of resources in the Parking Fund and will be amortized over the life of the new debt. The transaction also resulted in an economic gain of \$3,438,002 and a reduction of \$4,258,436 in future debt service payments.

In 2016, the City entered into a contractual obligation related to the Downtown Savannah Authority Taxable Revenue Bonds, Series 2016 issued in the principal amount of \$33,060,000. The proceeds of the bond sale were made available to the City in order to provide funds necessary to develop, acquire, construct, and equip underground parking facilities in the downtown area of the City and pay issuance costs related to the bonds. The bonds bear interest at fixed rates ranging from 2.60% to 4.05% and mature serially beginning August 1, 2022.

In 2018, the City entered into a contractual obligation related to the Downtown Savannah Authority Taxable Revenue Bonds, Series 2018 issued in the principal amount of \$30,205,000. The proceeds of the bond sale were made available to the City in order to provide funds necessary to develop, acquire, construct, and equip underground parking facilities in the downtown area of the City and pay issuance costs related to the bonds. The bonds bear interest at fixed rates ranging from 3.60% to 4.00% and mature serially beginning August 1, 2022.

In 2019, the City entered into a contractual obligation related to the Downtown Savannah Authority Taxable Revenue Bonds, Series 2019 issued in the principal amount of \$9,685,000. The proceeds of the bond sale were made available to the City in order to provide funds necessary to develop, acquire, construct, and equip underground parking facilities in the downtown area of the City and pay issuance costs related to the bonds. The bonds bear interest at fixed rates ranging from 2.50% to 4.00% and mature serially beginning August 1, 2025.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 6- LONG-TERM LIABILITIES (CONTINUED)

In 2020, the City entered into a contractual obligation related to the Downtown Savannah Authority Taxable Revenue Bonds, Series 2020 issued in the principal amount of \$8,605,000. The proceeds of the bond sale were made available to the City in order to provide funds necessary to develop, acquire, construct, and equip parking facilities near the new civic center arena site and pay issuance costs related to the bonds. The bonds bear interest at a fixed rate of 2.12% and mature serially beginning August 1, 2023.

(4) Civic Center Contractual Obligations

In 2019, the City entered into a contractual obligation related to the Downtown Savannah Authority Taxable Revenue Bonds, Series 2019 issued in the principal amount of \$45,120,000. The proceeds of the bond sale were made available to the City in order to provide funds necessary to develop, acquire, construct, and equip a new civic center arena and related improvements in the downtown area of the City and pay issuance costs related to the bonds. The bonds bear interest at fixed rates ranging from 3.00% to 3.20% and mature serially beginning August 1, 2020.

The Authority's Series 2013, Series 2015, Taxable Series 2016, Taxable Series 2018, and Taxable Series 2019 bonds are not a direct debt of the City; however, under the contract between the Authority and the City, the City is obligated to exercise its power of taxation to the extent necessary to pay the amounts required under the contract. Such contractually required amounts are presented on page 63.

(5) Sanitation Fund Resource Recovery Bonds

In 2018, the City entered into a contractual obligation related to the Resource Recovery Development Authority Revenue Bond, Series 2018 issued in the principal amount of \$11,085,000. The proceeds of the bond sale were made available to the City in order to provide funds necessary to develop, acquire, construct, and equip a landfill expansion at the City's Dean Forest Road facility and pay issuance costs related to the bond. The bond bears interest at a fixed rate of 2.96% and matures serially beginning August 1, 2020.

The Authority's Series 2018 bonds are not a direct debt of the City; however, under the contract between the Authority and the City, the City is obligated to exercise its power of taxation to the extent necessary to pay the amounts required under the contract. Such contractually required amounts are presented on page 63.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 7 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision is being recognized based on the estimated future closure and postclosure care costs to be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of landfill capacity utilized during the year. In 2020, the City recognized a postclosure expense of \$659,688, which is based on 88.0% usage (filled) of the landfill. It is estimated that an additional \$2,116,321 will be recognized as closure and postclosure care expenses through the date the landfill is expected to be filled to capacity. The estimated total cost of the landfill closure and postclosure care (\$17,590,583) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2020. Based on landfill capacity, the estimated remaining useful life of the landfill is approximately 4.3 years. The actual cost of closure and postclosure care may fluctuate annually due to inflation, changes in technology, or changes in environmental laws and regulations.

At December 31, 2020, the City had accrued \$15,474,262 in landfill closure and postclosure costs. This amount was determined as follows:

Estimated total cost of closure and postclosure care	\$ 17,590,583
Percent utilized at 12/31/20	<u>88.0</u>
Total postclosure and closure liability at 12/31/20	15,474,262
Less amount recognized in prior years	<u>14,814,574</u>
Current year closure/postclosure expense	\$ <u>659,688</u>

The City will fund the closure and postclosure care costs with user fees and subsidies from the General Fund. As of December 31, 2020, no amount of assets had been restricted for the payment of closure and postclosure care costs. The landfill postclosure and closure liability of \$15,474,262 is included in long-term liabilities on the Statement of Net Position.

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

(1) Plan Description

Plan Administration. The City administers an agent multiple-employer defined benefit OPEB plan (the City of Savannah Employee Benefit Plan) to provide medical and life insurance benefits to its retirees. Membership in the Plan by City retirees is voluntary. In addition to eligible City retirees, eligible retirees of the Savannah Airport Commission, Metropolitan Planning Commission and Chatham-Savannah Youth Futures Authority may also participate in the Plan. The Savannah Airport Commission and the Youth Futures Authority elected to discontinue coverage under the Plan for active employees; however, it continues to cover retirees who elected coverage previously. The Plan's trustee is designated as the City of Savannah with the City's Chief Financial Officer serving as the Trustee contact and its Assistant Chief Financial Officer as an alternate contact.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Plan membership. The Plan covers both general and uniform employees of the participating employers. As of December 31, 2018, the latest valuation date, employee membership data related to the OPEB plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,358
Active plan participants	<u>2,156</u>
Total	<u>3,514</u>

Benefits provided. The Plan provides members, upon eligible retirement, with healthcare insurance and life insurance benefits. The benefits provided are not guaranteed and are subject to change at any time. In addition, the benefit provisions are subject to annual appropriation of funds by the City's Mayor and Alderman. The Plan does not provide for automatic or ad hoc postretirement benefit increases; however, the benefit provisions provided by the Plan may be amended, established or terminated at any time by a vote of the City's Mayor and Alderman. The Plan Document specifies the types and levels of Plan benefits as well as member contribution requirements. The City of Savannah provides administration of the Plan, including setting funding policies, and reports the Plan as a fiduciary fund in its Comprehensive Annual Financial Report. The Plan does not issue a stand-alone financial report.

(2) Contributions and Reserves

City contributions. As administrator of the Plan, the Mayor and Alderman of the City of Savannah are the authority under which the obligations of the plan members and the employers to contribute to the plan are established and are amended.

The funding of the plan is derived from two sources: member contributions and employer contributions. Member contributions are set at a level sufficient to achieve 30 percent of the expected funding target for pre-Medicare retirees and 25 percent for post-Medicare retirees. Employers are required to contribute the remaining amounts needed to achieve the expected funding target. The funding target for a given year is set at a level sufficient to cover expected medical and prescription claims, insurance premiums and administration costs. Contributions to the Plan by the City of Savannah were \$1,835,204 for the year ended December 31, 2020.

(3) OPEB Plan Investments

The investment policy of the Plan is issued for the guidance of fiduciaries, including investment managers and the City, in the course of investing the Trust funds of the City and is consistent with the Prudent Investor Rule and any other applicable statute. Policy guidelines will be amended from time to time by the City both upon its own initiative and upon consideration of the advice and recommendations of the investment managers and Plan professionals, including the Plan's investment consultant. The current policy was adopted by the City in January of 2016 and has not been amended since that time. The purpose of the investment policy is to clearly articulate the City's view on the Trust's investment objectives and risk tolerance. This policy establishes a target asset allocation and benchmarks that will be used to monitor performance. The current asset allocations for the Plan are as follows:

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Asset Class	Asset Class Benchmark	Minimum Weight	Target Weight	Maximum Weight
Large Cap Equity	S&P 500 Index	30%	40%	60%
Small Cap Equity	Russell 2000 Index	5%	10%	15%
International Equity	MSCI EAFE Index (Net)	5%	10%	15%
Real Estate	MSCI U.S. REIT Index	5%	10%	15%
Inflation Protected Bonds	Barclays US Treasury US TIPs Index	0%	10%	15%
Intermediate Aggregate Bonds	Barclays US Aggregate Bond Index	15%	20%	30%
Money Market	Barclays 91-Day US T-Bill Index	0%	0%	5%
Total			100%	

The annual money-weighted rate of return on OPEB plan investments for 2020 was 16.4%. The money-weighted rate of return expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amounts actually invested.

(4) **Net OPEB Asset**

The components of the Net OPEB Asset are as follows:

Total OPEB Liability	\$84,573,979
Plan Fiduciary Net Position	93,515,732
Net OPEB Asset	(\$ 8,941,753)
Plan Fiduciary Net Position as a percentage of the Total OPEB Asset	110.57%

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Changes in the Net OPEB Asset

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Asset
	(a)	(b)	(a) - (b)
Balances - beginning of year	\$ 91,942,110	\$ 78,204,643	\$ 13,737,467
Changes for the Year:			
Service cost	3,229,606		3,229,606
Interest expense	6,448,883		6,448,883
Differences between expected and actual experience	2,425,527		2,425,527
Changes of assumptions	(15,626,260)		(15,626,260)
Contributions--employer		2,901,830	(2,901,830)
Contributions--employee		2,583,727	(2,583,727)
Net investment income		16,583,104	(16,583,104)
Benefits paid, including refunds of member contributions	(3,845,887)	(6,429,614)	2,583,727
Plan administrative expenses		(327,958)	327,958
Net Changes	(7,368,131)	15,311,089	(22,679,220)
Balances - end of year	<u>\$ 84,573,979</u>	<u>\$ 93,515,732</u>	<u>\$ (8,941,753)</u>

The Net OPEB Asset was measured as of December 31, 2019. Plan Fiduciary Net Position (plan assets) was valued as of the measurement date and the Total OPEB Liability was determined from an actuarial valuation as of December 31, 2018.

At December 31, 2020, the City reported an amount of \$11,541,212 for its proportionate share of the net OPEB asset. The City's proportionate share was 129.07 percent.

(5) Actuarial Assumptions

The total OPEB liability was rolled forward from an actuarial valuation as of December 31, 2018 that used the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Inflation	3.00%
Salary Increases	Specific rates by age, varying from 5.00% to 3.00%, including inflation
Discount Rate	7.00% for General Employees and Youth Futures. 2.74% for Savannah Airport Commission and Metropolitan Planning Commission.
Healthcare costs trend rates	
Medical	Pre-65: Initial rate is 6.00%, trending down to 4.50% over 6 years. Post-65: Initial rate is 5.25%, trending down to 4.50% over 3 years.
Prescription drug	Initial rate is 7.50%, trending down to 4.50% over 12 years
Administrative costs	3.00%
Mortality Rates	<u>Pre-Retirement</u> : RP-2014 Employee Mortality Table, projected generationally using a modified version of the MP-2014 improvement scale. <u>Healthy Annuitants</u> : RP-2014 Healthy Annuitant Mortality Table, set forward six years for males and three years for females, projected generationally using a modified version of the MP-2014 improvement scale.

Many of the demographic assumptions used in this valuation (including mortality, disability, turnover, retirement, percent married and relative ages of spouses) are the same as used in the City of Savannah Employees' Retirement Plan's Actuarial Valuation and Review as of January 1, 2018, dated July 23, 2018, completed by Segal Consulting. The remaining demographic assumptions, such as enrollment elections, were based on the experience of the OPEB Plan.

The following presents the Net OPEB liability(asset) as if it were calculated using healthcare cost trend rates that were 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates.

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Net OPEB Liability(Asset)	(\$18,144,429)	(\$8,941,753)	\$2,243,610

Sensitivity of the City's proportionate share of the net OPEB asset to changes in the healthcare cost trend rates. The following presents the City's proportionate share of the net OPEB asset, as well as what the City's proportionate share of the net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Net OPEB Asset	(\$20,433,335)	(\$11,541,212)	(\$747,190)

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

(6) Development of Discount Rate and Investment Rates of Return

The discount rate used to measure the total OPEB liability for the City of Savannah and Youth Futures was 7.00% as of December 31, 2019. The other employers do not fund, thus GASB requires the discount rate to be based on a yield or index rate for 20 year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). To comply with this requirement, the discount rate is based on an index of 20-year, tax-exempt general obligation bonds. Specifically, the chose rate is 2.74%, the Bond Buyer 20-Bond GO Index rate published closest to, but not later than, the measurement date of December 31, 2019. The projection of cash flow used to determine the discount rate assumed that the contributions would be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best estimate ranges of expected future rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These returns 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 and subtracting expected investment expenses. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	50.00%	6.40%
International equity	10.00%	7.05%
Fixed income	30.00%	1.15%
Real estate	10.00%	4.50%
Total	100.00%	

Nature of assets: The assets are maintained in an irrevocable trust dedicated to OPEB.

The following presents the Net OPEB liability(asset) as if it were calculated using a discount rate that was 1-percentage-point lower or 1-percentage-point higher than the current discount rate.

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
Net OPEB Liability(Asset)	\$586,239	(\$8,941,753)	(\$16,977,170)

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Sensitivity of the City's proportionate share of the net OPEB asset to changes in the discount rate. The following presents the City's proportionate share of the net OPEB asset, as well as what the City's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage pointer lower or 1-percentage point higher than the current discount rate:

	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
Net OPEB Asset	(\$2,421,591)	(\$11,541,212)	(\$19,247,540)

(7) **Summary of Significant Accounting Policies**

The accrual basis of accounting is used with respect to the recognition in the financial statements of contributions, benefits paid, and refunds paid. Plan investments, if any, are reported at their fair value at the reporting date. The fair value of an investment is the amount that the Plan could reasonably expect to receive for it in a current sale between a willing buyer and a willing seller and for financial reporting purposes is measured by the market price unless such prices are not available, in which case, fair value is estimated. As of December 31, 2020 the Plan reported \$107,054,228 in assets.

The Plan has entered into no long-term contracts for contributions to the Plan with either employers or participants and, therefore, no amounts of contractually required contributions were outstanding at the reporting date.

(8) **OPEB Expense**

For the fiscal year ended December 31, 2020, the City recognized an OPEB expense credit of \$1,010,668.

(9) **Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,863,666	\$ (1,309,205)
Changes of assumption		(21,465,029)
Net difference between projected and actual earnings on investments		(5,773,809)
Employer contributions made subsequent to the measurement date	1,835,204	
Totals	<u>\$ 3,698,870</u>	<u>\$ (28,548,043)</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

\$1,835,204 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as an increase to the net OPEB asset in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:

2021	(\$5,417,922)
2022	(\$5,417,922)
2023	(\$4,130,540)
2024	(\$6,038,405)
2025	(\$3,807,745)
2026	(\$1,871,843)

(10) **Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the actuarial valuation dated December 31, 2018, the actuarial cost method used in determining the Annual Required Contribution (ARC) was the entry age normal level percent of pay method. In addition, the asset valuation method used was the market value. Other significant assumptions used to determine the ARC were as follows:

- The inflation rate was assumed to be 3.00 percent annually.
- The investment rate of return was assumed to be 7.00 percent for prefunded plan, 2.74 percent for pay-as-you-go plans.
- Projected salary increases were specific rates by age, varying from 5.00% to 3.00%, including inflation.
- The medical cost trend rate (pre 65) used was 6.00 percent graded to 4.50 percent over 6 years.
- The medical cost trend rate (post 65) used was 5.25 percent graded to 4.50 percent over 3 years.
- The drug cost trend rate is 7.50 percent, trending down to 4.50% over 12 years.
- The amortization method used was level percent of pay and the amortization period for the most recent actuarial valuation was 18 years and the period is closed.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

(11) Statement of Fiduciary Net Position for the OPEB Plan

**CITY OF SAVANNAH
STATEMENT OF FIDUCIARY NET POSITION
OPEB TRUST FUND
DECEMBER 31, 2020**

ASSETS

Cash and cash equivalents	\$ 4,418,075
Investments, at fair value:	
U.S. government obligations	10,092,056
Domestic corporate bonds	20,172,435
Domestic equities	51,791,178
International equities	10,337,673
Real estate fund	10,242,811
Total investments	<u>102,636,153</u>
Total assets	<u>107,054,228</u>

LIABILITIES

Payable from restricted assets:	
Accounts payable	<u>263,178</u>
Total liabilities	<u>263,178</u>

NET POSITION

Restricted for:	
Post employment benefits other than pensions	<u>\$ 106,791,050</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 8 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

(12) Statement of Changes in Fiduciary Net Position for the OPEB Plan

CITY OF SAVANNAH
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
OPEB TRUST FUND
YEAR ENDED DECEMBER 31, 2020

ADDITIONS

Contributions	
Employer	\$ 2,033,175
Plan members	2,689,807
Total contributions	<u>4,722,982</u>
Investment income	
Interest	13,281
Dividends	538,035
Real estate net income	(324,904)
Net appreciation(depreciation) in fair value of investments	<u>15,189,925</u>
Total investment income	<u>15,416,337</u>
Less investment expense	<u>463,737</u>
Net investment income(loss)	14,952,600
Total additions	<u>19,675,582</u>

DEDUCTIONS

Benefits	6,026,171
Administrative expense	<u>374,093</u>
Total deductions	<u>6,400,264</u>
Change in net position	13,275,318
Net position:	
Beginning of year - January 1	<u>93,515,732</u>
End of year - December 31	<u>\$ 106,791,050</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 9 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Under the risk management program, the Risk Management Internal Service Fund provides coverage for worker's compensation claims, general liability claims, employee health benefit claims, unemployment compensation claims, and property damage claims. The City purchases property and liability insurance for claims in excess of coverage provided by the fund. As in the past three fiscal years, settled property damage claims in 2020 did not exceed commercial coverage.

All funds of the City participate in the program and make payments to the Risk Management Fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. During 2020, premiums paid into the fund by both the City and its employees exceeded the liabilities incurred for the various types of claims covered by \$2,659,856. The amount available for catastrophic losses at December 31, 2020 had a total net position balance of \$10,429,026.

The Risk Management Fund establishes claim liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of potential claims that have occurred but not yet been reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage, subrogation, and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claim liabilities does not necessarily result in the aggregate amount finally paid, particularly for coverages such as general liability. Adjustments to claims liabilities are charged or credited to expense in the period in which they are made.

The claims liability of \$10,926,497 reported as of year-end is based on the requirements of Governmental Accounting Standards Board Statement 30, which requires that a liability for claims be established if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. At December 31, 2020, \$5,780,297 of those covered liabilities is considered to be long-term and \$5,146,200 is considered to be due within one year. Changes in the fund's claims liability amount for the current and prior fiscal years are presented below:

Year	Beginning of Year Liability	Claims and Changes in Estimates	Claims Paid	End of Year Liability
2018	\$ 6,392,839	\$ 33,533,570	\$ (32,491,538)	\$ 7,434,871
2019	7,434,871	45,743,163	(43,480,405)	9,697,629
2020	9,697,629	34,937,106	(33,708,238)	10,926,497

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 10 - INTERFUND TRANSFERS, RECEIVABLES AND PAYABLES

Interfund transfers in (out) for the year ended December 31, 2020, are as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Hazardous Materials Team Fund	\$ 309,175	Provide resources to fund operating expenditures.
General Fund	Capital Improvement Fund	2,211,552	Provide resources to fund planned capital project expenditures.
General Fund	Civic Center Fund	1,530,000	Provide resources to fund operating expenditures.
General Fund	Community Development Fund	2,234,930	Provide resources to fund operating expenditures and grant matches.
General Fund	Debt Service Fund	2,053,263	Provide resources to fund debt service expenditures.
General Fund	Disaster Recovery Fund	701,715	Provide resources to fund operating expenditures and grant matches.
General Fund	Grant Fund	154,675	Provide resources to fund operating expenditures and grant matches.
General Fund	Tax Allocation District Fund I	2,759,288	Provide resources to fund debt service expenditures.
Capital Improvements Fund	General Fund	1,731,164	Transfer proceeds from property sales.
Water and Sewer Fund	Disaster Recovery Fund	16,926	Provide resources to fund operating expenditures and grant matches.
Water and Sewer Fund	Grant Fund	4,062	Provide resources to fund operating expenditures and grant matches.
Sanitation Fund	Disaster Recovery Fund	202,863	Provide resources to fund operating expenditures and grant matches.
Sanitation Fund	General Fund	680,488	Transfer restricted revenues to fund required to expend them.
Sanitation Fund	Water and Sewer Fund	428,434	Repayment of resources provided in previous years.
Parking Services Fund	Disaster Recovery Fund	4,505	Provide resources to fund operating expenditures and grant matches.
Civic Center Fund	Disaster Recovery Fund	4,991	Provide resources to fund operating expenditures and grant matches.
Disaster Recovery Fund	General Fund	7,561,639	Provide resources to fund operating expenditures.
Disaster Recovery Fund	Sanitation Fund	5,477	Provide resources to fund operating expenditures.
Hotel/motel Tax Fund	Civic Center Fund	361,231	Transfer restricted revenues to fund required to expend them.
Hotel/motel Tax Fund	General Fund	6,651,910	Transfer restricted revenues to fund required to expend them.
Auto Rental Tax Fund	Civic Center Fund	1,263,053	Transfer restricted revenues to fund required to expend them.
Golf Course Fund	Disaster Recovery Fund	42,176	Provide resources to fund operating expenditures and grant matches.
Internal Service Revolving Fund	Disaster Recovery Fund	89,703	Provide resources to fund operating expenditures and grant matches.
Total		\$ 31,003,220	

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, (3) subsidize funding shortfalls, and (4) use unrestricted revenues collected in the General Fund and other funds to finance various programs accounted for in other funds, including capital projects, in accordance with budgetary operations.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 10 - INTERFUND TRANSFERS, RECEIVABLES AND PAYABLES (CONTINUED)

In certain years, the General Fund transfers amounts to the Tax Allocation District I Fund in order to fund debt service obligations liquidated by the Tax Allocation District I Fund. While the transfers do not meet the definition of an advance and no advance to/from is recorded on the financial statements, if future revenues within the Tax Allocation District I Fund are sufficient a repayment of these transfers is desired by the City. As of December 31, 2020, the General Fund had transferred an aggregate total of \$15,340,152 to the Tax Allocation District I Fund to pay debt service obligations of the fund.

Interfund receivable and payable balances as of December 31, 2020 are as follows:

<u>Payable from</u>	<u>Payable to</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Capital Improvements Fund	\$ 42,940,938	Committed funds for capital projects. Cash is transferred only as project costs are paid. This balance may not be paid within one year.
SPLOST 2020-2026	General Fund	457,209	Cash to be repaid upon receipt of amounts due from other governments for special purpose local option sales taxes.
Disaster Recovery Fund	General Fund	1,472,094	Cash to be repaid upon receipt of amounts due from other governments as reimbursements for grant eligible expenditures.
Hotel/motel Tax	General Fund	634,365	Hotel/motel taxes receivable at year end which are to be transferred to General Fund when received.
Automobile Rental	Civic Center	151,123	Auto rental taxes receivable at year end which are to be transferred for use by Civic Center when received.
		<u>\$ 45,655,729</u>	

NOTE 11 – RECEIVABLE AND PAYABLE BALANCES

Receivables at December 31, 2020 were as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Taxes Receivable	\$11,983,803	
Due from other Governments	17,810,531	
Miscellaneous accounts receivable	11,526,640	\$54,871,459
Less: allowance for uncollectible	<u>4,270,060</u>	<u>20,297,631</u>
Total	<u>\$37,050,914</u>	<u>\$34,573,828</u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 11 – RECEIVABLE AND PAYABLE BALANCES (CONTINUED)

Payables at December 31, 2020 consisted of:

	Governmental <u>Activities</u>	Business-type <u>Activities</u>
Due to vendors	\$ 13,956,100	\$ 21,210,708
Accrued payroll, tax liabilities, and withholdings	<u>1,264,740</u>	
Total	\$ <u>15,220,840</u>	\$ <u>21,210,708</u>

NOTE 12 – FUND EQUITY AND FUND BALANCE CLASSIFICATIONS

The Statement of Net Position shows certain amounts as restricted net position. These amounts are restricted in their use by parties outside the City such as creditors, grantors, or contributors, or restricted by law or regulation. Components of Restricted Net Position at December 31, 2020 include:

Activity	Restricted by	Amount
Governmental Activities:		
Sales Tax Capital Projects	Law	\$197,746,511
Other Capital Projects	Bond covenants	16,040,238
Community Development projects	Grantor agencies and law	21,834,139
HUD Section 108 projects	Creditor – U. S. Dept. of Housing & Urban Development	406,219
Nonexpendable Perpetual Care	Cemetery perpetual care	7,711,538
Debt service	Bond covenants	197,883
Convention and tourism	Law	343,931
Court technology fee	Law	147,907
Other grants	Grantor agencies	736,451
Business-Type Activities:		
Debt service	Bond covenants	3,345,262

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 – FUND EQUITY AND FUND BALANCE CLASSIFICATIONS (CONTINUED)

As of December 31, 2020, Governmental Funds' balance sheet reports fund balances as follows:

	<u>General</u>	<u>Capital Improvements</u>	<u>SPLOST 2014- 2020</u>	<u>Non-major Governmental Funds</u>
Fund Balances:				
Nonspendable:				
Permanent fund principal	\$ -	\$ -	\$ -	\$ 7,530,384
Restricted for:				
Public safety				313,604
Tourism enhancement				343,931
Community development program and administration				406,219
Debt service				983,070
Other capital projects		13,227,415	170,375,835	30,186,499
Committed to:				
Governance and strategic services	21,556			
Municipal operations	27,677			
Infrastructure and development	642,962			
Public safety	242,802			
Parks and recreation	33,594			
Social and cultural	216,047			
Community services	215,324			
Community development program and administration	2,035,661			
Other capital projects		56,271,873		
Unassigned:	42,975,684			(1,482,642)
Total fund balances	<u>\$46,411,307</u>	<u>\$ 69,499,288</u>	<u>\$ 170,375,835</u>	<u>\$ 38,281,065</u>

For fund balances reported as committed, the government's highest level of decision making authority is the Mayor and Alderman, which may establish, modify or rescind a fund balance commitment through the passage of an ordinance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted amounts to have been spent. When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balance could be used, the City considers committed amounts to have been spent.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 12 – FUND EQUITY AND FUND BALANCE CLASSIFICATIONS (CONTINUED)

The Statement of Net Position shows certain amounts as net investment in capital assets. Governmental activities net investment in capital assets included capital assets of \$719,719,004 less related debt of \$44,994,432, which includes contractor retainage payable of \$6,320,713 and contractual obligations of \$52,642,683 less unspent bonds proceeds of \$13,968,964. The contractor retainage payable amount is presented in the financial statements in accounts payable and accrued liabilities. Business-type activities net investment in capital assets included capital assets of \$644,586,515 less related debt of \$204,274,942, which includes contractor retainage payable of \$18,722,520 and debt of \$200,870,041 less unspent bond proceeds of \$15,317,619. The contractor retainage payable amount is presented in the financial statements in accounts payable and accrued liabilities.

Encumbrances are commitments to unfilled purchase orders or unfilled contracts. Funds have been committed to a specific order, but the goods or services have not been billed or received. The City had significant outstanding encumbrances at December 31, 2020 as follows:

<u>General Fund</u>	
Contract services	\$1,128,391
Commodities	<u>271,571</u>
Total	<u>\$1,399,962</u>

For the year ended December 31, 2020, the Disaster Recovery Fund reported a deficit in ending total fund balance of \$1,482,642. The City anticipates that this deficit will be eliminated by reimbursements from federal grants.

NOTE 13 - PROPERTY TAXES

Property is appraised and a lien on such property becomes enforceable 60 days after final notification on delinquency of property taxes. Property taxes are levied on all taxable real, public utilities, and personal property (including vehicles) located within the City. Assessed values for property tax purposes are determined by the Chatham County Board of Tax Assessors for all property except public utility. Assessed value is set at 40% of market value. Public utility assessed value is set by the State of Georgia.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 13 - PROPERTY TAXES (CONTINUED)

The property tax calendar is as follows:

2020 (tentative) millage rate adopted by ordinance	December 31, 2019
Beginning of fiscal year for taxes	January 1, 2020
First installment real property tax bills rendered	April 11, 2020
First installment real property tax payment due	May 15, 2020
County Tax Digest approved by the State of Georgia	September 12, 2020
2020 final millage rate adopted by ordinance	July 25, 2020
Second installment real property tax bills rendered	October 4, 2020
Personal property tax bills rendered	October 11, 2020
Second installment real property tax payment due	November 21, 2020
Personal property tax payment due	November 27, 2020

NOTE 14 - CONTINGENT LIABILITIES & VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

The City participates in a number of Federal and State assisted grant programs, which are subject to financial and compliance audits. In accordance with the Uniform Guidance, the City will have a single audit performed for the year ended December 31, 2020. The City's compliance with applicable grant requirements will be established upon the completion of the single audit. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City reviews all outstanding claims and judgments to determine if any estimated liabilities should be accrued at year end. Based on the review of the claims and past experience, it has been determined that there were no material claims and judgments outstanding at December 31, 2020, which have not been accrued.

The City has been named as a potentially responsible party regarding environmental remediation of a closed landfill. A liability associated with the landfill remediation cannot be estimated; however, the City expects such amounts, if any, to be immaterial.

CITY OF SAVANNAH, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 15 – TAX ABATEMENTS

As of December 31, 2020, the City provides tax abatements through the creation of enterprise zones pursuant to O.C.G.A. 36-88-1 to encourage private enterprise to invest in certain areas of the City by creating jobs and trade, providing services, and other economic activities. Abatements are obtained through application by qualifying businesses or homeowners. Applicants must meet one of the following requirements: 1) job creation incentive – create and maintain five new full-time equivalent jobs for the duration of the ten year graduated tax abatement period, or 2) land improvement incentive – invest in new residential construction or rehabilitation or other rehabilitation of an existing structure such that the value of the improvements exceeds the value of the land by a ratio of five to one. Under the program, municipal ad valorem property taxes may be exempted in accordance with the following schedule:

1. One hundred percent of the property taxes shall be exempted for the first five years;
2. Eighty percent of the property taxes shall be exempted for the next two years;
3. Sixty percent of the property taxes shall be exempted for the next year;
4. Forty percent of the property taxes shall be exempted for the next year;
5. Twenty percent of the property taxes shall be exempted for the next year.

During 2020, as part of the enterprise zone tax abatement program, the City tax revenues were reduced by \$165,264 under agreements entered into by the City of Savannah.

NOTE 16 – SUBSEQUENT EVENTS

On January 26, 2021, the Savannah Economic Development Authority issued the Savannah Economic Development Authority Tax Exempt Revenue Bonds (Veterans Parkway Project for Rockingham Farms), Series 2021 in the principal amount of \$26,720,000. The proceeds of the bond sale were made available to the City of Savannah to (1) fund the acquisition, construction and equipping of interchange facilities and other improvements at the Rockingham Farms development site on Veterans Parkway, (2) fund capitalized interest, and (3) pay all bond issuance expenses.

CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED DECEMBER 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Property taxes	\$ 81,277,459	\$ 76,722,059	\$ 78,132,360	\$ 1,410,301
Intangible, transfer and franchise taxes	21,017,363	21,429,701	21,535,821	106,120
General sales tax	47,940,000	45,462,360	45,434,873	(27,487)
Selective sales taxes	6,067,654	5,385,000	5,451,179	66,179
Business taxes	11,289,040	10,996,086	11,109,644	113,558
Penalties and interest on delinquent taxes	615,000	615,000	655,420	40,420
Licenses and permits	2,650,520	2,612,139	2,595,501	(16,638)
Inspection fees	4,076,213	3,574,296	3,239,755	(334,541)
Intergovernmental revenue	2,260,237	3,049,595	2,803,330	(246,265)
Charges for services	6,723,272	6,126,261	3,895,429	(2,230,832)
Indirect cost allocations	6,967,892	7,334,649	6,967,893	(366,756)
Fines and forfeitures	4,563,484	3,233,037	3,094,013	(139,024)
Investment income	410,000	495,000	506,606	11,606
Miscellaneous revenue	1,223,616	678,675	896,352	217,677
Total revenues	<u>197,081,750</u>	<u>187,713,858</u>	<u>186,318,176</u>	<u>(1,395,682)</u>
EXPENDITURES:				
Current:				
Governance and strategic services	6,387,021	7,930,219	7,666,002	264,217
Municipal operations	21,298,061	20,868,906	20,584,681	284,225
Infrastructure and development	45,373,580	42,790,702	39,986,450	2,804,252
Police	63,392,193	60,432,630	62,157,198	(1,724,568)
Recorder's court	2,535,795	2,495,530	2,437,046	58,484
Fire	34,725,056	34,253,939	34,478,534	(224,595)
Parks and recreation	12,063,544	9,807,143	9,523,984	283,159
Tourism enhancement	1,025,731	1,125,737	547,243	578,494
Community services	10,435,350	13,024,469	12,967,463	57,006
Community development program and administration	2,100,000	2,100,000	354,021	1,745,979
Total expenditures	<u>199,336,331</u>	<u>194,829,275</u>	<u>190,702,622</u>	<u>4,126,653</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,254,581)</u>	<u>(7,115,417)</u>	<u>(4,384,446)</u>	<u>2,730,971</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	13,192,121	15,226,626	16,625,201	1,398,575
Transfers out	(11,027,500)	(8,761,209)	(11,954,598)	(3,193,389)
Sale of capital assets	89,960	650,000	631,411	(18,589)
Total other financing sources (uses)	<u>2,254,581</u>	<u>7,115,417</u>	<u>5,302,014</u>	<u>(1,813,403)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>917,568</u>	<u>\$ 917,568</u>
FUND BALANCE - JANUARY 1			<u>45,493,739</u>	
FUND BALANCE - DECEMBER 31			<u>\$ 46,411,307</u>	

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT FUND
YEAR ENDED DECEMBER 31, 2020**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental Revenue	\$ 8,273,572	\$ 12,001,325	\$ 3,043,953	\$ (8,957,372)
Charges for services			1,278,079	1,278,079
Interest earned			242,375	242,375
Miscellaneous revenue			504,372	504,372
Total revenues	<u>8,273,572</u>	<u>12,001,325</u>	<u>5,068,779</u>	<u>(6,932,546)</u>
EXPENDITURES:				
Community development program and administration	9,826,957	12,963,540	7,201,259	5,762,281
Debt Service:				
Principal	100,000	100,000	100,000	
Interest and fiscal charges	4,500	4,500	2,450	2,050
Total expenditures	<u>9,931,457</u>	<u>13,068,040</u>	<u>7,303,709</u>	<u>5,764,331</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,657,885)</u>	<u>(1,066,715)</u>	<u>(2,234,930)</u>	<u>(1,168,215)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,657,885	1,066,715	2,234,930	1,168,215
Total other financing sources (uses)	<u>1,657,885</u>	<u>1,066,715</u>	<u>2,234,930</u>	<u>1,168,215</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>
FUND BALANCE - JANUARY 1				
FUND BALANCE - DECEMBER 31			<u>\$ -</u>	

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH EMPLOYEES' RETIREMENT PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability						
Service cost	\$ 11,411,039	\$ 12,197,176	\$ 12,277,259	\$ 13,751,371	\$ 12,832,463	\$ 12,803,097
Interest	37,031,735	35,850,147	34,059,918	32,713,986	31,983,189	30,562,389
Differences between expected and actual experience	(1,025,181)	7,761,517	(1,248,522)	4,870,999	(9,445,475)	
Change of assumptions				(4,829,920)		
Benefit payments, including refunds of employee contributions	(32,616,874)	(30,396,491)	(27,404,258)	(26,130,536)	(25,750,547)	(24,314,601)
Net change in total pension liability	<u>14,800,719</u>	<u>25,412,349</u>	<u>17,684,397</u>	<u>20,375,900</u>	<u>9,619,630</u>	<u>19,050,885</u>
Total pension liability - beginning	<u>498,653,864</u>	<u>473,241,515</u>	<u>455,557,118</u>	<u>435,181,218</u>	<u>425,561,588</u>	<u>406,510,703</u>
Total pension liability - ending (a)	<u>\$ 513,454,583</u>	<u>\$ 498,653,864</u>	<u>\$ 473,241,515</u>	<u>\$ 455,557,118</u>	<u>\$ 435,181,218</u>	<u>\$ 425,561,588</u>
Plan fiduciary net position						
Contributions - employer	\$ 10,643,079	\$ 10,331,820	\$ 10,361,785	\$ 10,588,773	\$ 11,378,991	\$ 11,989,213
Contributions - employee	7,222,808	7,459,327	7,794,899	7,522,500	6,948,068	6,656,241
Net investment income	72,761,682	(11,332,027)	50,376,309	26,131,579	3,612,074	23,393,123
Benefit payments, including refunds of employee contributions	(32,616,874)	(30,396,491)	(27,404,258)	(26,130,536)	(25,750,547)	(24,314,601)
Administrative expense	(156,206)	(122,121)	(75,177)	(60,680)	(157,329)	(99,358)
Net change in plan fiduciary net position	<u>57,854,489</u>	<u>(24,059,492)</u>	<u>41,053,558</u>	<u>18,051,636</u>	<u>(3,968,743)</u>	<u>17,624,618</u>
Plan fiduciary net position - beginning	<u>362,831,209</u>	<u>386,890,701</u>	<u>345,837,143</u>	<u>327,785,507</u>	<u>331,754,250</u>	<u>314,129,632</u>
Plan fiduciary net position - ending (b)	<u>420,685,698</u>	<u>362,831,209</u>	<u>386,890,701</u>	<u>345,837,143</u>	<u>327,785,507</u>	<u>331,754,250</u>
Employers' net pension liability - ending (a) - (b)	<u>\$ 92,768,885</u>	<u>\$ 135,822,655</u>	<u>\$ 86,350,814</u>	<u>\$ 109,719,975</u>	<u>\$ 107,395,711</u>	<u>\$ 93,807,338</u>
Plan fiduciary net position as a percentage of the total pension liability	81.93%	72.76%	81.75%	75.92%	75.32%	77.96%
Covered payroll	\$ 106,204,028	\$ 114,069,874	\$ 115,437,152	\$ 108,873,305	\$ 99,962,326	\$ 100,296,655
Employers' net pension liability as a percentage of covered payroll	87.35%	119.07%	74.80%	100.78%	107.44%	93.53%

Notes to Schedule:

Benefit changes: There have been no changes in benefit provisions since GASB 67 implementation.

Change of Assumptions: There have been no assumption changes since the prior valuation.

Note: This information is not readily available for 10 years.

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH EMPLOYEES' RETIREMENT PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS**

	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$10,292,739	\$10,292,739	\$0	\$91,239,379	11.28%
2016	9,454,605	9,454,605	0	90,288,005	10.47%
2017	9,164,055	9,164,055	0	98,340,447	9.32%
2018	9,226,064	9,226,064	0	104,200,270	8.85%
2019	9,411,259	9,411,259	0	102,424,489	9.19%
2020	10,129,714	10,129,714	0	95,050,007	10.66%

Note: This information is not readily available for 10 years.

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH EMPLOYEES' RETIREMENT PLAN
SCHEDULE OF VALUATION DETAILS
DECEMBER 31, 2020**

Valuation date	Actuarially determined contribution rates are calculated as of January 1 and then projected to be paid in the following fiscal year
Actuarial cost method	Projected unit credit method for actuarially determined contributions; Entry age actuarial cost method for total pension liability
Amortization method	Level percentage of payroll, using a 3.00% salary inflation
Remaining amortization period	Closed period, 24 years as of January 1, 2019
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.

Actuarial assumptions:

Investment rate of return	7.50%
Inflation rate	3.00%
Projected salary increases	Varies by age
Cost of living adjustments	5.00% at participant's adjustment date, 1.00% annually thereafter
Mortality:	
Pre-retirement	RP-2014 Employee Mortality Table, projected generationally using a modified version of the MP-2014 improvement scale.
Healthy	RP-2014 Healthy Annuitant Mortality Table, set forward six years for males and three years for females, projected generationally using a modified version of the MP-2014 improvement scale.
Disabled	RP-2014 Disabled Retiree Mortality Table, projected projected generationally using a modified version of the MP-2014 improvement scale.

Other information:	Please see the January 1, 2019 actuarial valuation for a full listing of assumptions.
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**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH EMPLOYEES' RETIREMENT PLAN
SCHEDULE OF INVESTMENT RETURNS**

Year Ended December 31	Annual Money- weighted Rate of Return
2014	7.8 %
2015	0.6
2016	8.6
2017	15.6
2018	-3.1
2019	20.6
2020	15.7

Note: This information is not readily available for 10 years.

CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PROPORTIONAL SHARE OF
NET PENSION LIABILITY
PLANS WITHOUT A SPECIAL FUNDING SITUATION
LAST TEN FISCAL YEARS

	City's Proportion (Percentage) of the Collective Net Pension Liability	City's Proportion (Amount) of the Collective Net Pension Liability (A)	City's Covered Payroll	City's Proportionate Share (Amount) of the Collective Net Pension Liability (Asset) as a Percentage of the City's Covered Payroll	Pension Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
City of Savannah Employees' Retirement Plan					
2016	90.45%	\$97,139,421	\$90,288,005	107.59%	75.32%
2017	89.29%	97,968,965	98,340,447	99.62%	75.92%
2018	89.85%	77,586,206	104,200,270	74.58%	81.75%
2019	89.30%	121,286,328	102,424,489	118.42%	72.76%
2020	88.43%	82,031,901	95,050,007	86.30%	81.93%

Note: This information is not readily available for 10 years.

CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PROPORTIONAL SHARE OF
NET PENSION LIABILITY
PLANS WITH A SPECIAL FUNDING SITUATION
LAST TEN FISCAL YEARS

	City's Proportion (Percentage) of the Collective Net Pension Liability	City's Proportion (Amount) of the Collective Net Pension Liability (A)	State of Georgia's Portion of the Total Proportionate Share (Amount) of the Net Pension Liability (Asset) Associated with the City (B)	Total (A) + (B)	City's Covered Payroll	City's Proportionate Share (Amount) of the Collective Net Pension Liability (Asset) as a Percentage of the City's Covered Payroll	Pension Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Peace Officers' Annuity and Benefit Fund of Georgia							
2015	0.00%	\$0	(\$844,334)	(\$844,334)	N/A	N/A	103.75%
2016	0.00%	0	(428,086)	(428,086)	N/A	N/A	98.28%
2017	0.00%	0	(2,035,480)	(2,035,480)	N/A	N/A	92.18%
2018	0.00%	0	(461,193)	(461,193)	N/A	N/A	101.62%
2019	0.00%	0	(596,001)	(596,001)	N/A	N/A	101.79%
2020	0.00%	0	(860,534)	(860,534)	N/A	N/A	102.93%
Georgia Firefighters' Pension Fund							
2015	0.00%	\$0	\$2,016,199	\$2,016,199	N/A	N/A	89.72%
2016	0.00%	0	3,610,412	3,610,412	N/A	N/A	83.06%
2017	0.00%	0	5,072,023	5,072,023	N/A	N/A	79.03%
2018	0.00%	0	4,278,583	4,278,583	N/A	N/A	83.74%
2019	0.00%	0	4,072,405	4,072,405	N/A	N/A	83.95%
2020	0.00%	0	4,040,647	4,040,647	N/A	N/A	84.67%

Note: This information is not readily available for 10 years.

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF CHANGES IN NET OPEB LIABILITY(ASSET)
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 3,229,606	\$ 3,908,039	\$ 3,900,114
Interest	6,448,883	6,717,194	6,285,651
Differences between expected and actual experience	2,425,527	(1,930,903)	
Change of assumptions	(15,626,260)	(12,280,003)	153,173
Benefit payments, including refunds of employee contributions	(3,845,887)	(4,293,905)	(3,638,344)
Net change in Total OPEB Liability	<u>(7,368,131)</u>	<u>(7,879,578)</u>	<u>6,700,594</u>
Total OPEB Liability - beginning	<u>91,942,110</u>	<u>99,821,688</u>	<u>93,121,094</u>
(a) Total OPEB Liability - ending	<u><u>\$ 84,573,979</u></u>	<u><u>\$ 91,942,110</u></u>	<u><u>\$ 99,821,688</u></u>
Plan fiduciary net position			
Contributions - employer	\$ 2,901,830	\$ 4,259,109	\$ 5,586,200
Contributions - employee	2,583,727		
Net investment income	16,583,104	(3,787,843)	11,347,263
Benefit payments, including refunds of employee contributions	(6,429,614)	(4,293,905)	(3,638,344)
Administrative expense	(327,958)	(308,339)	(266,941)
Net change in plan fiduciary net position	<u>15,311,089</u>	<u>(4,130,978)</u>	<u>13,028,178</u>
Plan fiduciary net position - beginning	<u>78,204,643</u>	<u>82,335,621</u>	<u>69,307,443</u>
(b) Plan Fiduciary Net Position - ending	<u><u>93,515,732</u></u>	<u><u>78,204,643</u></u>	<u><u>82,335,621</u></u>
(c) Net OPEB Liability(Asset) - ending (a) - (b)	<u><u>\$ (8,941,753)</u></u>	<u><u>\$ 13,737,467</u></u>	<u><u>\$ 17,486,067</u></u>
Plan fiduciary net position as a percentage of the Total OPEB Liability(Asset)	110.57%	85.06%	82.48%
Covered employee payroll	\$ 96,741,021	\$ 104,236,901	\$ 106,198,860
Plan Net OPEB Liability(Asset) as percentage of covered employee payroll	-9.24%	13.18%	16.47%

Notes to Schedule:

Benefit changes: None

Changes of assumptions: For 2019 Reporting:

- Per capita health costs and prescription drug trend rates were updated to reflect recent experience and future expectations.
- The discount rate effective December 31, 2018 for the unfunded groups was raised to 4.10%

For 2019 Reporting:

- Per capita health costs and prescription drug trend rates were updated to reflect recent experience and future expectations.
- The discount rate effective December 31, 2019 for the unfunded groups was lowered to 2.74%
- The excise tax regulation was repealed by Congress in December 2019

Note: This information is not readily available for 10 years.

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS**

Year Ended December 31	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2011	\$14,453,693	\$37,815,516	(\$23,361,823)	\$101,231,939	37.36%
2012	10,897,270	11,425,392	(528,122)	97,898,141	11.67%
2013	8,629,426	11,252,249	(2,622,823)	100,925,268	11.15%
2014	7,751,003	11,318,014	(3,567,011)	93,188,755	12.15%
2015	8,154,429	10,768,104	(2,613,675)	92,213,838	11.68%
2016	5,960,277	10,089,939	(4,129,662)	100,272,452	10.06%
2017	4,135,057	5,586,200	(1,451,143)	106,198,860	5.26%
2018	4,259,109	4,259,109	0	106,198,860	4.01%
2019	2,901,830	2,901,830	0	104,236,901	2.78%
2020	2,033,175	2,033,175	0	96,741,021	2.10%

Notes to Schedule:

**Methods and assumptions used to establish
"actuarially determined contribution" rates:**

Valuation date	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported
Measurement date	December 31, 2019
Actuarial cost method	Entry age normal level percent of pay
Amortization method	30-year closed, level percent of pay
Remaining amortization period	18 years remain as of December 31, 2018
Asset valuation method	The Market Value of Assets
Excise Tax	The ACA Excise Tax is not being reflected until it becomes effective.

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF INVESTMENT RETURNS**

Year Ended December 31	Annual Money-weighted Rate of Return
2017	16.2 %
2018	-3.2
2019	22.0
2020	16.4

Note: This information is not readily available for 10 years.

CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net OPEB liability/(asset)	129.07%	79.83%	79.94%
City's proportionate share of the net OPEB liability/(asset)	\$ (11,541,212)	\$ 10,966,141	\$ 13,979,898
City's covered employee payroll	\$ 95,049,409	\$ 102,424,489	\$ 104,200,270
City's proportionate share of the net OPEB liability/(asset) as a percentage of its covered employee payroll	-12.14%	10.71%	13.42%
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	114.08%	87.70%	85.49%

Note: This information is not readily available for 10 years.

**CITY OF SAVANNAH, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
CITY OF SAVANNAH OTHER POST EMPLOYMENT BENEFITS PLAN
SCHEDULE OF VALUATION DETAILS
DECEMBER 31, 2020**

Valuation date	December 31, 2018
Measurement date	December 31, 2019
Actuarial cost method	Entry age normal, level percent of pay
Amortization method	Level percent of pay, closed, 30 years
Remaining amortization period	18 years as of December 31, 2018
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	7% for pre-funded plan, 2.74% for pay-as-you-go plans
Inflation rate	3.00%
Projected salary increases	Varies by age
Medical cost trend rate (pre-65)	6.00% graded to 4.50% over 6 years
Drug cost trend rate (pre-65)	7.5% graded to 4.50% over 12 years
Medical and drug trend rate (post-65)	5.25% graded to 4.50% over 3 years
Plan membership:	
Current retirees, beneficiaries, and dependents	1,358
Current active members	2,156
Total	<u><u>3,514</u></u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE A - BUDGET

The City adopted annual budgets for the 2020 fiscal year for the General Fund, all Special Revenue Funds and all Debt Service Funds. Budgets for all governmental fund types are adopted on a basis consistent with generally accepted accounting principles. Budgets for capital project funds are adopted as project length budgets.

Presentation of major fund budgets can be found in the Required Supplementary Information. Nonmajor fund budgets are detailed in the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Nonmajor Special Revenue and Debt Service Funds.

The City is organized into major functional areas that are called service centers. The service center within each fund is the legal level of control. The legal level of control is the level at which expenditures may not legally exceed the budget without approval by the City Council. The City Manager may approve changes below the legal level of control. Appropriations lapse at year-end with two exceptions. First, in the Capital Projects Funds appropriations are carried forward until project completion. Second, encumbered appropriations do not lapse but are carried forward to the ensuing budget year as budgetary amendments.

Budgeted amounts shown in the required supplemental information are as adopted by the City Council. Budgetary activity for 2020 is presented below:

Fund	Original Appropriation	Encumbered Appropriations Carried Forward From Prior Years	Budgetary Amendments	Final Appropriations
Major Funds:				
General	\$ 210,363,831	\$ 2,504,351	\$ (9,277,698)	\$ 203,590,484
Community Development	9,931,457	18,080	3,118,503	13,068,040
Nonmajor Funds:				
Grant	3,374,865	121,101	(629,235)	2,866,731
Hurricane Matthew Recovery	15,000,000	968,256	(968,256)	15,000,000
Economic Development	1,500,000			1,500,000
Hazardous Materials Team	700,398	12,550	(212,948)	500,000
Hotel/motel Tax	23,884,242		(8,884,242)	15,000,000
Automobile Rental Tax	1,922,656		(422,656)	1,500,000
Per Occupied Room Fee	2,000,000	86,793	(1,253,937)	832,856
Recorders Court Technology Fee	300,000	11,609	(186,609)	125,000
Confiscated Assets	200,000	960	199,040	400,000
General Obligation Bond Debt Service	20,000,000			20,000,000
Special Assessment Debt Service	100,000			100,000

CITY OF SAVANNAH, GEORGIA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE A – BUDGET (CONTINUED)

During 2020, expenditures and transfers out within the General Fund in the following departments exceeded the final budgeted amounts adopted by City Council.

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance (\$)</u>	<u>Variance (%)</u>
Police	\$ 60,432,630	\$ 62,157,198	\$ (1,724,568)	2.9 %
Fire	34,253,939	34,478,534	(224,595)	0.7
Transfers out	8,761,209	11,954,598	(3,193,389)	36.4

During 2020, expenditures and transfers out in the following non-major funds exceeded the final budgeted amounts adopted by City Council.

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance (\$)</u>	<u>Variance (%)</u>
Hazardous Materials Team	\$ 500,000	\$ 661,234	\$ (161,234)	32.2 %
Per Occupied Room Fee	832,856	1,032,739	(199,883)	24.0
Recorders Court Technology Fee	125,000	343,890	(218,890)	175.1

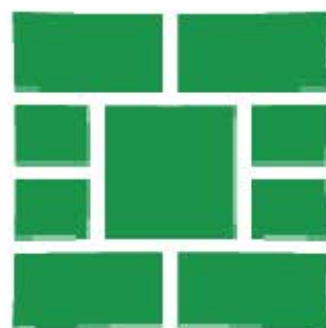
In accordance with State law, new appropriations for projects for the capital project funds were adopted by ordinance and totaled \$71,151,200 in 2020.

To prepare its budget for the next fiscal year, City Budget staff and departments work together to analyze funding needs beginning in the preceding June. The Budget Department prepares a draft budget for the City Manager in August. After reviewing the draft budget and meeting with the bureaus, the City Manager and Budget staff prepare a Recommended Service Program and Budget as well as a five year Capital Improvement Plan. Both are presented to City Council in October. Council conducts public hearings in November and December, and adopts budgeted revenues and appropriations for the upcoming fiscal year by resolution in December. Subsequent budgetary amendments can be adopted upon majority vote of the City Council.





SUPPLEMENTAL SECTION
COMBINING STATEMENTS
OTHER SCHEDULES



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR CITY FUNDS

In the Notes to the Financial Statements, the City has described its major funds and its internal service and fiduciary funds. Other non-major funds of the City include:

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

The non-major Special Revenue Funds maintained by the City follow:

Grant Fund – The Grant Fund accounts for all grants not properly accounted for in another fund. This fund's major grant revenues are received from the State of Georgia for this service area under the Workforce Investment Act.

Disaster Recovery Fund – The Disaster Recovery Fund accounts for all activity related to the City's recovery efforts arising from damages suffered during 2016's Hurricane Matthew, 2017's Hurricane Irma and the COVID19 pandemic.

Economic Development Fund – The Economic Development Fund reports the proceeds and uses of a Section 108 Note guaranteed by the Secretary of HUD and secured by the City's future CDBG allocations. Note proceeds fund certain business loans and costs related to the development of an entrepreneurial center.

Hazardous Materials Team Fund - The Special Revenue Fund for the Hazardous Materials Team is used to account for the activities of a group of fire personnel who work to control and reduce risks related to industrial chemical events in Chatham County. Operating revenue for the Hazardous Materials Team Fund is supplied 25% by the City, 25% by Chatham County, and 50% by area facilities that manufacture, use or store hazardous materials.

Hotel/motel Tax Fund – The Hotel/Motel Tax Fund is used to account for the proceeds and uses of a six percent selective sales tax applied to occupied hotel and motel rooms throughout the City. This sales tax is applied to the taxable charges for the room and collected by merchants who then remit the taxes to the City Treasurer.

Automobile Rental Tax Fund – The Automobile Rental Tax Fund is used to account for the proceeds and uses of a three percent selective sales tax applied to automotive vehicle rentals from locations within the City of Savannah. This sales tax is applied to the rental charge of each motor vehicle and collected by merchants who then remit the taxes to the City Treasurer.

Per Occupied Room Fee Fund – The Per Occupied Room Fee Fund is used to account for the proceeds and uses of the per occupied room fee charged by the City on larger hotels located within the City's convention transportation special service district. The proceeds of this fee are used to provide transportation incentives to conventions held in Savannah and to also provide for downtown amenities.

Court Technology Fee Fund – The Recorders Court Technology Fee Fund is used to account for the proceeds and uses of the Recorders Court Technology Fee. This fee is levied as an additional fee to fines within the Chatham County Recorders Court and its

NONMAJOR CITY FUNDS (CONTINUED)

collection and allowable uses are legislated by state law. The amounts collected are available to the Court for expenditures related to improving and enhancing the technological capabilities within the Court.

Confiscated Assets Fund - Income generated from assets seized in drug-related cases as well as the use of the funds is accounted for in the Special Revenue Fund Confiscated Assets Fund.

Permanent Fund

The Permanent Fund accounts for assets held by the City that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Cemetery Fund - The Cemetery Fund accounts for the revenues received for the upkeep of cemetery lots located in Greenwich, Bonaventure, and Laurel Grove perpetual care cemeteries. Interest earned on investments held by this fund is transferred to the General Fund to defray a portion of the cost of cemetery maintenance.

Debt Service Funds

Debt Service Funds account for funds accumulated and expended to pay principal, interest, and related costs of City debt, other than debt service payments made from the Enterprise Funds.

The Debt Service Funds maintained by the City are as follows:

Debt Service Fund for General Obligation Bonds - The Debt Service Fund for General Obligation Bonds accounts for the accumulation of resources for, and the payment of, general obligation principal, interest and related costs.

Debt Service Fund for Special Assessment Debt - The Debt Service Fund for Special Assessment Debt accounts for the accumulation of resources for, and the payment of, special assessment principal, interest and related costs.

Capital Projects Funds

The Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital projects.

Non-major Capital Projects Funds of the City are:

Sales Tax Road Fund II – Accounts for the receipt and use of special sales tax proceeds for road improvement projects.

SPLOST 1998-2003 Fund – The SPLOST 1998-2003 Fund accounts for special purpose local option sales tax (SPLOST) revenues and expenditures of those revenues. SPLOST funds were previously collected over a five-year period beginning October 1998 and ending September 2003. In years prior to 2010, this fund was entitled the Drainage Improvement Fund.

NONMAJOR CITY FUNDS (CONTINUED)

SPLOST 2003-2008 Fund – The SPLOST 2003-2008 Fund accounts for special purpose local option sales tax (SPLOST) revenues and expenditures of those revenues. SPLOST funds were previously collected over a five-year period beginning October 2003 and ending September 2008.

SPLOST 2009 – 2014 Fund – This fund accounts for special purpose local option sales tax resources provided to the City of Savannah by Chatham County in accordance with a 2006 Special Purpose Local Option Sales Tax referendum, which was passed on a county-wide basis. This SPLOST commenced on October 1, 2008 and expired on September 30, 2014. These funds are used by the City to design and construct major capital improvements that will benefit the entire county. Projects include streets, drainage improvements, public buildings and other community development projects.

SPLOST 2020 – 2026 Fund – This fund accounts for special purpose local option sales tax resources provided to the City of Savannah by Chatham County in accordance with a 2019 Special Purpose Local Option Sales Tax referendum, which was passed on a county-wide basis. This SPLOST commenced on October 1, 2020 and expires on September 30, 2026. These funds are used by the City to design and construct major capital improvements that will benefit the entire county. Projects include streets, drainage improvements, public buildings and other community development projects.

Tax Allocation District I Fund - The Tax Allocation District I Fund is used to account for resources devoted to construction of capital improvements in a redevelopment district located east of the City's downtown. Incremental property tax revenues derived from the increases in market values of properties located within the district will be devoted to infrastructure improvements.

Enterprise Funds

Enterprise Funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charge; or, (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Non-major Enterprise Funds maintained by the City include:

Golf Course Fund - The Golf Course Fund accounts for the transactions related to the lease between the City and the golf course management company.

Resource Recovery Fund - The Resource Recovery Fund accounts for the transactions related to the Resource Recovery Development Authority (Authority) for the City of Savannah. The purpose of the Authority is to provide the recovery and utilization of resources contained in solid waste.

CITY OF SAVANNAH, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

		SPECIAL REVENUE FUNDS								PERMANENT FUND		
		GRANT FUND	DISASTER RECOVERY	ECONOMIC DEVELOPMENT FUND	HAZARDOUS MATERIALS TEAM	HOTEL/MOTEL TAX	AUTOMOBILE RENTAL	PER OCCUPIED ROOM FEE	COURT TECHNOLOGY FEE	CONFISCATED ASSETS	TOTAL	CEMETERY
<u>ASSETS</u>												
Cash and investments	\$	66,810	\$ -	\$ -	\$ 7,130	\$ 1,013,606	\$ -	\$ -	\$ -	\$ -	\$ 1,087,546	\$ -
Receivables, net						1,268,730	151,123				1,419,853	
Due from other governments		508,705	3,011,289								3,519,994	
Restricted assets:												
Cash and investments				406,219				391,894	463,616	165,697	1,427,426	7,530,384
Receivables net								95,383			95,383	181,154
Total assets	\$	575,515	\$ 3,011,289	\$ 406,219	\$ 7,130	\$ 2,282,336	\$ 151,123	\$ 487,277	\$ 463,616	\$ 165,697	\$ 7,550,202	\$ 7,711,538
<u>LIABILITIES</u>												
Accounts payable	\$	4,761	\$ -	\$ -	\$ 7,130	\$ 1,647,971	\$ -	\$ 143,346	\$ 315,709	\$ -	\$ 2,118,917	\$ -
Unexpended grant proceeds		570,754	10,548								581,302	
Due to other funds			1,472,094			634,365	151,123				2,257,582	
Total liabilities		575,515	1,482,642		7,130	2,282,336	151,123	143,346	315,709		4,957,801	
<u>DEFERRED INFLOWS OF RESOURCES</u>												
Unavailable program income												181,154
Unavailable grant proceeds			3,011,289								3,011,289	
Total deferred inflows of resources			3,011,289								3,011,289	181,154
<u>FUND BALANCES</u>												
Nonspendable												7,530,384
Restricted				406,219				343,931	147,907	165,697	1,063,754	
Unassigned			(1,482,642)								(1,482,642)	
Total fund balance			(1,482,642)	406,219				343,931	147,907	165,697	(418,888)	7,530,384
Total liabilities, deferred inflows of resources and fund balances	\$	575,515	\$ 3,011,289	\$ 406,219	\$ 7,130	\$ 2,282,336	\$ 151,123	\$ 487,277	\$ 463,616	\$ 165,697	\$ 7,550,202	\$ 7,711,538

This statement is continued on the next page.

CITY OF SAVANNAH, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020

	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS							TOTAL NONMAJOR GOVERNMENTAL FUNDS
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENTS	TOTAL	SALES TAX ROAD FUND II	SPLOST 1998-2003	SPLOST 2003-2008	SPLOST 2009-2014	SPLOST 2020-2026	TAX ALLOCATION DISTRICT I	TOTAL	
ASSETS											
Cash and investments	\$ 950,575	\$ -	\$ 950,575	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,038,121
Receivables, net											1,419,853
Due from other governments								5,169,368		5,169,368	8,689,362
Restricted assets:											
Cash and investments		32,495	32,495		1,700,804	16,188,250	4,776,869		2,863,182	25,529,105	34,519,410
Receivables, net											276,537
Special assessments receivable, net		121,679	121,679								121,679
Total assets	<u>\$ 950,575</u>	<u>\$ 154,174</u>	<u>\$ 1,104,749</u>	<u>\$ -</u>	<u>\$ 1,700,804</u>	<u>\$ 16,188,250</u>	<u>\$ 4,776,869</u>	<u>\$ 5,169,368</u>	<u>\$ 2,863,182</u>	<u>\$ 30,698,473</u>	<u>\$ 47,064,962</u>
LIABILITIES											
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250	\$ 5,156	\$ -	\$ 47,359	\$ 54,765	\$ 2,173,682
Unexpended grant proceeds											581,302
Due to other funds								457,209		457,209	2,714,791
Total liabilities						2,250	5,156	457,209	47,359	511,974	5,469,775
DEFERRED INFLOWS OF RESOURCES											
Unavailable program income		121,679	121,679								302,833
Unavailable grant proceeds											3,011,289
Total deferred inflows of resources		121,679	121,679								3,314,122
FUND BALANCES											
Nonspendable											7,530,384
Restricted	950,575	32,495	983,070		1,700,804	16,186,000	4,771,713	4,712,159	2,815,823	30,186,499	32,233,323
Unassigned											(1,482,642)
Total fund balance	<u>950,575</u>	<u>32,495</u>	<u>983,070</u>		<u>1,700,804</u>	<u>16,186,000</u>	<u>4,771,713</u>	<u>4,712,159</u>	<u>2,815,823</u>	<u>30,186,499</u>	<u>38,281,065</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 950,575</u>	<u>\$ 154,174</u>	<u>\$ 1,104,749</u>	<u>\$ -</u>	<u>\$ 1,700,804</u>	<u>\$ 16,188,250</u>	<u>\$ 4,776,869</u>	<u>\$ 5,169,368</u>	<u>\$ 2,863,182</u>	<u>\$ 30,698,473</u>	<u>\$ 47,064,962</u>

This statement is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	SPECIAL REVENUE FUNDS									PERMANENT FUND	
	GRANT FUND	DISASTER RECOVERY	ECONOMIC DEVELOPMENT FUND	HAZARDOUS MATERIALS TEAM	HOTEL/MOTEL TAX	AUTOMOBILE RENTAL	PER OCCUPIED ROOM FEE	COURT TECHNOLOGY FEE	CONFISCATED ASSETS	TOTAL	CEMETERY
REVENUES:											
Selective sales tax	\$ -	\$ -	\$ -	\$ -	\$ 13,303,818	\$ 1,263,053	\$ -	\$ -	\$ -	\$ 14,566,871	\$ -
Intergovernmental revenue	1,084,549	12,482,309		52,884					53,713	13,673,455	
Charges for services				299,175			942,946	82,537		1,324,658	330,823
Investment income									738	738	
Miscellaneous revenue	146,308									146,308	
Total revenues	1,230,857	12,482,309		352,059	13,303,818	1,263,053	942,946	82,537	54,451	29,712,030	330,823
EXPENDITURES:											
Police									8,420	8,420	
Recorders court								343,890		343,890	
Fire				661,234						661,234	
Tourism enhancement					6,290,677		1,032,739			7,323,416	
Grant program and administration	1,389,594	1,137,444								2,527,038	
Total expenditures	1,389,594	1,137,444		661,234	6,290,677		1,032,739	343,890	8,420	10,863,998	
Excess (deficiency) of revenues over (under) expenditures	(158,737)	11,344,865		(309,175)	7,013,141	1,263,053	(89,793)	(261,353)	46,031	18,848,032	330,823
OTHER FINANCING SOURCES (USES):											
Transfers in	158,737	1,062,879		309,175						1,530,791	
Transfers out		(7,567,116)			(7,013,141)	(1,263,053)				(15,843,310)	
Total other financing sources (uses)	158,737	(6,504,237)		309,175	(7,013,141)	(1,263,053)				(14,312,519)	
Net change in fund balances		4,840,628					(89,793)	(261,353)	46,031	4,535,513	330,823
FUND BALANCES (DEFICIT) - JANUARY 1		(6,323,270)	406,219				433,724	409,260	119,666	(4,954,401)	7,199,561
FUND BALANCES (DEFICIT) - DECEMBER 31	\$ -	\$ (1,482,642)	\$ 406,219	\$ -	\$ -	\$ -	\$ 343,931	\$ 147,907	\$ 165,697	\$ (418,888)	\$ 7,530,384

This statement is continued on the next page.

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020

	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS								TOTAL NONMAJOR GOVERNMENTAL FUNDS
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENTS	TOTAL	SALES TAX ROAD FUND II	SPLOST 1998-2003	SPLOST 2003-2008	SPLOST 2009-2014	SPLOST 2020-2026	TAX ALLOCATION DISTRICT I	TOTAL		
REVENUES:												
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 480,263	\$ 480,263	\$	480,263
Selective sales tax												14,566,871
Intergovernmental revenue								5,169,368	1,311,550	6,480,918		20,154,373
Charges for services												1,655,481
Investment income	5,664	194	5,858	519	11,277	100,319	127,798		13,729	253,642		260,238
Miscellaneous revenue												146,308
Total revenues	5,664	194	5,858	519	11,277	100,319	127,798	5,169,368	1,805,542	7,214,823		37,263,534
EXPENDITURES:												
Police												8,420
Recorders court												343,890
Fire												661,234
Tourism enhancement												7,323,416
Grant program and administration												2,527,038
Debt Service:												
Principal	1,215,000		1,215,000					315,000	1,770,000	2,085,000		3,300,000
Interest and fiscal charges	838,263		838,263					142,209	991,345	1,133,554		1,971,817
Capital outlay									1,215,691	1,215,691		1,215,691
Capital outlay - SPLOST funded				105,931	225,282	897,882	18,413,076			19,642,171		19,642,171
Total expenditures	2,053,263		2,053,263	105,931	225,282	897,882	18,413,076	457,209	3,977,036	24,076,416		36,993,677
Excess (deficiency) of revenues over (under) expenditures	(2,047,599)	194	(2,047,405)	(105,412)	(214,005)	(797,563)	(18,285,278)	4,712,159	(2,171,494)	(16,861,593)		269,857
OTHER FINANCING SOURCES (USES):												
Transfers in	2,053,263		2,053,263						2,759,288	2,759,288		6,343,342
Transfers out												(15,843,310)
Total other financing sources (uses)	2,053,263		2,053,263						2,759,288	2,759,288		(9,499,968)
Net change in fund balances	5,664	194	5,858	(105,412)	(214,005)	(797,563)	(18,285,278)	4,712,159	587,794	(14,102,305)		(9,230,111)
FUND BALANCES - JANUARY 1	944,911	32,301	977,212	105,412	1,914,809	16,983,563	23,056,991		2,228,029	44,288,804		47,511,176
FUND BALANCES - DECEMBER 31	\$ 950,575	\$ 32,495	\$ 983,070	\$ -	\$ 1,700,804	\$ 16,186,000	\$ 4,771,713	\$ 4,712,159	\$ 2,815,823	\$ 30,186,499	\$	38,281,065

This statement is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS AND DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	GRANT FUND				DISASTER RECOVERY			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:								
Intergovernmental revenue	\$ 2,124,045	\$ 1,598,073	\$ 1,084,549	\$ (513,524)	\$ 15,000,000	\$ 15,000,000	\$ 12,482,309	\$ (2,517,691)
Miscellaneous revenue			146,308	146,308				
Total revenues	2,124,045	1,598,073	1,230,857	(367,216)	15,000,000	15,000,000	12,482,309	(2,517,691)
EXPENDITURES:								
Grant program and administration	3,374,865	2,866,731	1,389,594	1,477,137	7,500,000	7,000,000	1,137,444	5,862,556
Total expenditures	3,374,865	2,866,731	1,389,594	1,477,137	7,500,000	7,000,000	1,137,444	5,862,556
Excess (deficiency) of revenues over (under) expenditures	(1,250,820)	(1,268,658)	(158,737)	1,109,921	7,500,000	8,000,000	11,344,865	3,344,865
OTHER FINANCING SOURCES (USES):								
Transfers in	1,250,820	1,268,658	158,737	(1,109,921)			1,062,879	1,062,879
Transfers out					(7,500,000)	(8,000,000)	(7,567,116)	432,884
Total other financing sources (uses)	1,250,820	1,268,658	158,737	(1,109,921)	(7,500,000)	(8,000,000)	(6,504,237)	1,495,763
Net change in fund balance	\$ -	\$ -		\$ -	\$ -	\$ -	4,840,628	\$ 4,840,628
FUND BALANCE (DEFICIT) - JANUARY 1							(6,323,270)	
FUND BALANCE (DEFICIT) - DECEMBER 31			\$ -				\$ (1,482,642)	

This schedule is continued on the next page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS AND DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	ECONOMIC DEVELOPMENT FUND				HAZARDOUS MATERIALS TEAM			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:								
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 327,000	\$ 155,515	\$ 52,884	\$ (102,631)
Charges for services	1,500,000	1,500,000		(1,500,000)			299,175	299,175
Total revenues	1,500,000	1,500,000		(1,500,000)	327,000	155,515	352,059	196,544
EXPENDITURES:								
Fire					700,398	500,000	661,234	(161,234)
Community development program and administration	1,500,000	1,500,000		1,500,000				
Total expenditures	1,500,000	1,500,000		1,500,000	700,398	500,000	661,234	(161,234)
Excess (deficiency) of revenues over (under) expenditures				(3,000,000)	(373,398)	(344,485)	(309,175)	35,310
OTHER FINANCING SOURCES (USES):								
Transfers in					373,398	344,485	309,175	(35,310)
Total other financing sources (uses)					373,398	344,485	309,175	(35,310)
Net change in fund balance	\$ -	\$ -		\$ (3,000,000)	\$ -	\$ -		\$ -
FUND BALANCE - JANUARY 1			406,219					
FUND BALANCE - DECEMBER 31			\$ 406,219				\$ -	

This schedule is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS AND DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	HOTEL/MOTEL TAX			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Selective sales tax	\$ 23,884,242	\$ 15,000,000	\$ 13,303,818	\$ (1,696,182)
Total revenues	23,884,242	15,000,000	13,303,818	(1,696,182)
EXPENDITURES:				
Tourism enhancement	11,146,745	7,566,509	6,290,677	1,275,832
Total expenditures	11,146,745	7,566,509	6,290,677	1,275,832
Excess (deficiency) of revenues over (under) expenditures	12,737,497	7,433,491	7,013,141	(420,350)
OTHER FINANCING SOURCES (USES):				
Transfers out	(12,737,497)	(7,433,491)	(7,013,141)	420,350
Total other financing sources (uses)	(12,737,497)	(7,433,491)	(7,013,141)	420,350
Net change in fund balance	\$ -	\$ -		\$ -
FUND BALANCE - JANUARY 1				
FUND BALANCE - DECEMBER 31			\$ -	

This schedule is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS AND DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	AUTOMOBILE RENTAL				PER OCCUPIED ROOM FEE			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:								
Selective sales taxes	\$ 1,922,656	\$ 1,500,000	\$ 1,263,053	\$ (236,947)	\$ -	\$ -	\$ -	\$ -
Charges for services					2,000,000	832,856	942,946	110,090
Total revenues	1,922,656	1,500,000	1,263,053	(236,947)	2,000,000	832,856	942,946	110,090
EXPENDITURES:								
Tourism enhancement					2,000,000	832,856	1,032,739	(199,883)
Total expenditures					2,000,000	832,856	1,032,739	(199,883)
OTHER FINANCING SOURCES (USES):								
Transfers out	(1,922,656)	(1,500,000)	(1,263,053)	236,947				
Total other financing sources (uses)	(1,922,656)	(1,500,000)	(1,263,053)	236,947				
Net change in fund balance	\$ -	\$ -		\$ -	\$ -	\$ -	(89,793)	\$ (89,793)
FUND BALANCE - JANUARY 1							433,724	
FUND BALANCE - DECEMBER 31			\$ -				\$ 343,931	

This schedule is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS AND DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	RECORDERS COURT TECHNOLOGY FEE				CONFISCATED ASSETS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:								
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 400,000	\$ 53,713	\$ (346,287)
Charges for services	300,000	125,000	82,537	(42,463)			738	738
Investment income								
Total revenues	300,000	125,000	82,537	(42,463)	200,000	400,000	54,451	(345,549)
EXPENDITURES:								
Police					200,000	400,000	8,420	391,580
Recorders court	300,000	125,000	343,890	(218,890)				
Total expenditures	300,000	125,000	343,890	(218,890)	200,000	400,000	8,420	391,580
Net change in fund balance	\$ -	\$ -	(261,353)	\$ (261,353)	\$ -	\$ -	46,031	\$ 46,031
FUND BALANCE - JANUARY 1			409,260				119,666	
FUND BALANCE - DECEMBER 31			<u>\$ 147,907</u>				<u>\$ 165,697</u>	

This schedule is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS AND DEBT SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	GENERAL OBLIGATION BOND DEBT SERVICE				SPECIAL ASSESSMENTS DEBT SERVICE			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:								
Special assessments	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Investment income			5,664	5,664			194	194
Total revenues			5,664	5,664	100,000	100,000	194	(99,806)
EXPENDITURES:								
Debt Service:								
Principal	15,000,000	15,000,000	1,215,000	13,785,000	50,000	50,000		50,000
Interest and fiscal charges	5,000,000	5,000,000	838,263	4,161,737	50,000	50,000		50,000
Total expenditures	20,000,000	20,000,000	2,053,263	17,946,737	100,000	100,000		100,000
Excess (deficiency) of revenues over (under) expenditures	(20,000,000)	(20,000,000)	(2,047,599)	17,952,401	-	-	194	194
OTHER FINANCING SOURCES (USES):								
Transfers in	20,000,000	20,000,000	2,053,263	(17,946,737)				
Total other financing sources (uses)	20,000,000	20,000,000	2,053,263	(17,946,737)				
Net change in fund balance	\$ -	\$ -	5,664	\$ 5,664	\$ -	\$ -	194	\$ 194
FUND BALANCE - JANUARY 1			944,911				32,301	
FUND BALANCE - DECEMBER 31			<u>\$ 950,575</u>				<u>\$ 32,495</u>	

This schedule is continued from the previous page.

**CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2020**

	<u>RESOURCE RECOVERY</u>	<u>GOLF COURSE</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ -	\$ 271,454	\$ 271,454
Total current assets	<u> </u>	<u>271,454</u>	<u>271,454</u>
Capital assets:			
Land	1,592,559		1,592,559
Plant, buildings, stations, reservoirs, etc		1,487,785	1,487,785
Improvements, other than buildings		7,283,507	7,283,507
Machinery and equipment		54,443	54,443
Other capital assets		4,692	4,692
Less accumulated depreciation		<u>(4,737,711)</u>	<u>(4,737,711)</u>
Total noncurrent assets	<u>1,592,559</u>	<u>4,092,716</u>	<u>5,685,275</u>
Total assets	<u><u>\$ 1,592,559</u></u>	<u><u>\$ 4,364,170</u></u>	<u><u>\$ 5,956,729</u></u>
<u>NET POSITION</u>			
Investment in capital assets	\$ 1,592,559	\$ 4,092,716	\$ 5,685,275
Unrestricted	<u> </u>	<u>271,454</u>	<u>271,454</u>
Total net position	<u>1,592,559</u>	<u>4,364,170</u>	<u>5,956,729</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 1,592,559</u></u>	<u><u>\$ 4,364,170</u></u>	<u><u>\$ 5,956,729</u></u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2020

	<u>RESOURCE RECOVERY</u>	<u>GOLF COURSE</u>	<u>TOTAL</u>
OPERATING EXPENSES:			
Depreciation	\$ -	\$ 249,325	\$ 249,325
Total operating expenses		249,325	249,325
Operating (Loss)		(249,325)	(249,325)
NONOPERATING REVENUES (EXPENSES):			
Interest earned		1,869	1,869
Total nonoperating revenues		1,869	1,869
Loss before contributions and transfers		(247,456)	(247,456)
TRANSFERS OUT		(42,176)	(42,176)
Change in net position		(289,632)	(289,632)
Total net position - beginning	1,592,559	4,653,802	6,246,361
Total net position - ending	<u>\$ 1,592,559</u>	<u>\$ 4,364,170</u>	<u>\$ 5,956,729</u>

CITY OF SAVANNAH, GEORGIA
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 YEAR ENDED DECEMBER 31, 2020

	<u>GOLF COURSE</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:	
Transfers out	\$ (42,176)
Net cash used in non capital financing activities	<u>(42,176)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	1,869
Net cash provided by investing activities	<u>1,869</u>
INCREASE IN CASH AND CASH EQUIVALENTS	(40,307)
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>311,761</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 271,454</u></u>

**CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2020**

	<u>REVOLVING</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
<u>ASSETS</u>			
ASSETS			
Current assets:			
Cash and investments	\$ 40,132,628	\$ 20,955,418	\$ 61,088,046
Receivables, net	4,877	847,000	851,877
Inventories	1,544,701		1,544,701
Total current assets	<u>41,682,206</u>	<u>21,802,418</u>	<u>63,484,624</u>
Capital assets:			
Plant, buildings, stations, reservoirs, etc	2,479,758		2,479,758
Improvements, other than buildings	610,615		610,615
Machinery and equipment	103,354,840		103,354,840
Less accumulated depreciation	<u>(72,506,394)</u>		<u>(72,506,394)</u>
Total noncurrent assets	<u>33,938,819</u>		<u>33,938,819</u>
Total assets	<u><u>\$ 75,621,025</u></u>	<u><u>\$ 21,802,418</u></u>	<u><u>\$ 97,423,443</u></u>
<u>LIABILITIES AND NET POSITION</u>			
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 862,130	\$ 446,895	\$ 1,309,025
Current portion of compensated absences	237,823		237,823
Current portion of claims and judgments		5,146,200	5,146,200
Total current liabilities	<u>1,099,953</u>	<u>5,593,095</u>	<u>6,693,048</u>
Noncurrent liabilities:			
Compensated absences	188,810		188,810
Claims and judgments		5,780,297	5,780,297
Total noncurrent liabilities	<u>188,810</u>	<u>5,780,297</u>	<u>5,969,107</u>
Total liabilities	<u>1,288,763</u>	<u>11,373,392</u>	<u>12,662,155</u>
NET POSITION			
Investment in capital assets	33,938,819		33,938,819
Unrestricted	<u>40,393,443</u>	<u>10,429,026</u>	<u>50,822,469</u>
Total net position	<u>74,332,262</u>	<u>10,429,026</u>	<u>84,761,288</u>
Total liabilities and net position	<u><u>\$ 75,621,025</u></u>	<u><u>\$ 21,802,418</u></u>	<u><u>\$ 97,423,443</u></u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	REVOLVING	RISK MANAGEMENT	TOTAL
OPERATING REVENUES:			
Charges for services	\$ 26,041,448	\$ -	\$ 26,041,448
Risk management fees		36,368,094	36,368,094
Total operating revenues	26,041,448	36,368,094	62,409,542
OPERATING EXPENSES:			
Depreciation	7,850,912		7,850,912
Central garage	6,026,249		6,026,249
Information services	9,033,075		9,033,075
Risk management		33,708,238	33,708,238
Total operating expenses	22,910,236	33,708,238	56,618,474
Operating Income (Loss)	3,131,212	2,659,856	5,791,068
NONOPERATING REVENUES (EXPENSES):			
Interest earned	214,596	106,196	320,792
Gain on disposal of assets	608,340		608,340
Total nonoperating revenues	822,936	106,196	929,132
Income (loss) before contributions and transfers	3,954,148	2,766,052	6,720,200
CAPITAL CONTRIBUTIONS	1,443,499		1,443,499
TRANSFERS OUT	(89,703)		(89,703)
Change in net position	5,307,944	2,766,052	8,073,996
Total net position - beginning	69,024,318	7,662,974	76,687,292
Total net position - ending	<u>\$ 74,332,262</u>	<u>\$ 10,429,026</u>	<u>\$ 84,761,288</u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2020

	REVOLVING	RISK MANAGEMENT	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from other funds for services	\$ 26,041,448	\$ -	\$ 26,041,448
Cash received from other funds for services and fees		36,368,094	36,368,094
Cash paid to suppliers	(14,945,859)		(14,945,859)
Cash paid for claims and insurance		(32,430,288)	(32,430,288)
Net cash provided by operating activities	<u>11,095,589</u>	<u>3,937,806</u>	<u>15,033,395</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:			
Transfers Out	(89,703)		(89,703)
Net cash used by non capital financing activities	<u>(89,703)</u>		<u>(89,703)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of equipment	674,649		674,649
Acquisition and construction of capital assets	(7,632,877)		(7,632,877)
Net cash used by capital and related financing activities	<u>(6,958,228)</u>		<u>(6,958,228)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income	214,596	106,196	320,792
Net cash provided by investing activities	<u>214,596</u>	<u>106,196</u>	<u>320,792</u>
INCREASE IN CASH AND CASH EQUIVALENTS	4,262,254	4,044,002	8,306,256
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>35,870,374</u>	<u>16,911,416</u>	<u>52,781,790</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 40,132,628</u>	<u>\$ 20,955,418</u>	<u>\$ 61,088,046</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 3,131,212	\$ 2,659,856	\$ 5,791,068
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	7,850,912		7,850,912
Change in assets and liabilities:			
Decrease in receivables	2,395		2,395
Increase in inventories	(496,035)		(496,035)
Increase in accounts payables	584,159	49,082	633,241
Increase in compensated absences	22,946		22,946
Increase in claims and judgments payable		1,228,868	1,228,868
Net cash provided by operating activities	<u>\$ 11,095,589</u>	<u>\$ 3,937,806</u>	<u>\$ 15,033,395</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Capital contributions	\$ 1,443,499	\$ -	\$ 1,443,499

**CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020**

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS				CUSTODIAL FUNDS		
	PENSION TRUST	OLD PENSION TRUST	OPEB TRUST	TOTAL	RECORDERS COURT	FLEXIBLE BENEFITS	TOTAL
<u>ASSETS</u>							
Cash and cash equivalents	\$ 2,002,860	\$ 195,653	\$ 4,418,075	\$ 6,616,588	\$ 112,434	\$ 257,916	\$ 370,350
Accrued income	352,542			352,542			
Accounts receivable:							
From employers	14,900			14,900			
From participants	67,183			67,183			
Investments, at fair value:							
U.S. government obligations	85,898,858		10,092,056	95,990,914			
Foreign corporate bonds	2,386,995			2,386,995			
Domestic corporate bonds	35,903,658		20,172,435	56,076,093			
Domestic equities	224,993,326		51,791,178	276,784,504			
International equities	77,052,960		10,337,673	87,390,633			
Real estate fund	40,166,972		10,242,811	50,409,783			
Total investments	466,402,769		102,636,153	569,038,922			
Total assets	468,840,254	195,653	107,054,228	576,090,135	112,434	257,916	370,350
<u>LIABILITIES AND NET POSITION</u>							
Liabilities:							
Accounts payable	293,555		263,178	556,733	112,434	6,259	118,693
Total liabilities	293,555		263,178	556,733	112,434	6,259	118,693
Net Position:							
Restricted for:							
Pensions	468,546,699	195,653		468,742,352			
Post employment benefits other than pensions			106,791,050	106,791,050			
Individuals						251,657	251,657
Total net position	\$ 468,546,699	\$ 195,653	\$ 106,791,050	\$ 575,533,402	\$ -	\$ 251,657	\$ 251,657

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS				CUSTODIAL FUNDS		
	PENSION TRUST	OLD PENSION TRUST	OPEB TRUST	TOTAL	RECORDER'S COURT	FLEXIBLE BENEFITS PLAN	TOTAL
ADDITIONS							
Contributions:							
Employers	\$ 11,243,151	\$ -	\$ 2,033,175	\$ 13,276,326	\$ -	\$ -	\$ -
Plan members	7,903,062		2,689,807	10,592,869		609,205	609,205
Fines and forfeitures collected for other governments					5,320,300		5,320,300
Total contributions	19,146,213		4,722,982	23,869,195	5,320,300	609,205	5,929,505
Investment income:							
Interest	2,318,996	1,172	13,281	2,333,449			
Dividends	97,581		538,035	635,616			
Real estate net income	(309,228)		(324,904)	(634,132)			
Net appreciation (depreciation) in fair value of investments	61,334,471		15,189,925	76,524,396			
Total investment income	63,441,820	1,172	15,416,337	78,859,329			
Less investment expense	1,234,376		463,737	1,698,113			
Net investment income (loss)	62,207,444	1,172	14,952,600	77,161,216			
Total additions	81,353,657	1,172	19,675,582	101,030,411	5,320,300	609,205	5,929,505
DEDUCTIONS							
Benefits	31,256,803	1,495	6,026,171	37,284,469		550,018	550,018
Refunds of contributions	2,061,307			2,061,307			
Payments of fines and forfeitures to other governments					5,453,598		5,453,598
Administrative expense	174,546		374,093	548,639		17,013	17,013
Total deductions	33,492,656	1,495	6,400,264	39,894,415	5,453,598	567,031	6,020,629
Change in net position	47,861,001	(323)	13,275,318	61,135,996	(133,298)	42,174	(91,124)
Beginning of year - January 1	420,685,698	195,976	93,515,732	514,397,406	133,298	209,483	342,781
End of year - December 31	<u>\$ 468,546,699</u>	<u>\$ 195,653</u>	<u>\$ 106,791,050</u>	<u>\$ 575,533,402</u>	<u>\$ -</u>	<u>\$ 251,657</u>	<u>\$ 251,657</u>

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Project Number		Total Estimated Cost to be Funded from All Sources	Original Sales Tax Funding per Referendum Resolution	Current Estimated Cost to be Funded by Sales Tax	Sales Tax Funded Expenditures			
					Prior Years	Current Year	Total	Remaining Balance
SALES TAX FUND II:								
	Savannah Roads, Sidewalks and Drainage		\$ 5,691,151					
DR0129	Local Match GEMA Grants	\$ 7,677,531		\$ 29,982	\$ 29,982	\$ -	\$ 29,982	\$ -
DR0208	Broughton Street Cave-In	593,522		13,850	13,850		13,850	
OP0305	Liberty Parkway Sidewalk	343,355		48,322	48,322		48,322	
OP0810	Beacon Light	225,207		36	36		36	
PD0801	West 57th Street Boulevard	2,105,369		470,000	470,000		470,000	
SP0111	Hazardous Sidewalk Repair	1,164,506		7,251	7,251		7,251	
SP0213	Hamilton Court	275,405		98,005	98,005		98,005	
SP0303	Cuyler-Brownsville Kline	78,383		1,211	1,211		1,211	
SP0312	Dennis, Eugene & Mosley Paving	367,958		207,845	207,845		207,845	
SP0318	Repair-Install Curbs	172,211		7,700	7,700		7,700	
SP0415	Kimball, McLaws, Desoto Paving	575,119		178,056	178,056		178,056	
SP0501	Honeybee Area Paving	388,572		29,579	29,579		29,579	
SP0502	Liberty City Paving	466,954		38,135	38,135		38,135	
SP0504	Fulton Road Extension Paving	118,222		84,967	84,967		84,967	
SP0507	Bridge Maintenance	296,524		7,760	7,760		7,760	
SP0601	1994 Street Paving-Phase I	310,174		279,242	279,242		279,242	
SP0602	1994 Street Paving-Phase II	343,090		198,595	198,595		198,595	
SP0603	1994 Street Paving-Phase III	1,176,089		910,276	910,276		910,276	
SP0605	Adams, Kimbell & Mild Paving	29,394		29,394	29,394		29,394	
SP0608	2020 LMIG Paving	2,219,647		105,931		105,931	105,931	
SP0702	44th, 48th, Clifford, Barrington, Desoto, Etc.	514,322		258,345	258,345		258,345	
SP0703	Archer, Bates, Blossum, Cliwald & Elmdale	1,100,303		786,255	786,255		786,255	
SP0704	49th, 56th, Latimer, Costa Rica, Cedar, Etc.	1,511,511		1,140,303	1,140,303		1,140,303	
SP0705	Felt & Waubun Paving	1,462,546		160,719	160,719		160,719	
SP0706	41st, Gwinnett Lane, Dieter, Entleman, Etc.	86,088		47,804	47,804		47,804	
SP0707	Carver Village Street Improvements	751,202		751,202	751,202		751,202	
SP0708	Holland Drive Improvements	185,929		146,821	146,821		146,821	
SP0808	White Bluff/Coffee Bluff Road	398,476		398,476	398,476		398,476	
SP0802	Abercorn-62nd-65th Paving	511,850		122,545	122,545		122,545	
SP0903	Deiter, Riverwalk & MLK Paving	462,567		435,567	435,567		435,567	
TE0310	President Street Improvements	35,282,226		101,000	101,000		101,000	
TOTALS SALES TAX FUND II		\$ 61,194,252	\$ 5,691,151	\$ 7,095,174	\$ 6,989,243	\$ 105,931	\$ 7,095,174	\$ -

- NOTE: (1) This schedule lists projects that are funded by special purpose sales tax revenue. Projects may have additional funding sources.
(2) The Total Estimated Cost to be Funded From All Sources reported on this schedule is different than the amounts reported on the prior year's schedule.
(3) The Current Estimated Cost to be Funded by Sales Tax reported on this schedule is different than the amounts reported on the prior year's schedule.

This schedule is continued on the next page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Project Number		Total Estimated Cost to be Funded from All Sources	Original Sales Tax Funding per Referendum Resolution	Current Estimated Cost to be Funded by Sales Tax	Sales Tax Funded Expenditures			
					Prior Years	Current Year	Total	Remaining Balance
SPLOST 98-2003								
	Savannah Drainage Projects		\$ 77,500,000					
DR0111	Kayton Pump Station Phase 2	\$ 1,219,860		\$ 987,471	\$ 987,471	\$ -	\$ 987,471	\$ -
DR0112	Harman Canal Drainage Improvements	1,255,555		1,219,555	1,219,555		1,219,555	
DR0113	Kayton Canal Equipment Purchase	948,947		948,947	948,947		948,947	
DR0114	Kayton Railroad Bridge Replacement	513,231		513,231	513,231		513,231	
DR0115	Montgomery Crossroads Bridge	75,829		55,004	55,004		55,004	
DR0116	Montgomery Crossroads Equipment Purchase	1,413,719		1,409,619	1,409,619		1,409,619	
DR0117	Springfield Canal Bridges	157,966		156,166	156,166		156,166	
DR0118	Williams Ward Detention	370,094		370,094	370,094		370,094	
DR0119	Springfield Canal 2-Year Storm	2,966,599		2,966,555	2,966,555		2,966,555	
DR0120	Westside Equipment Purchase	2,226,160		283,900	283,900		283,900	
DR0121	Westside Detention	895,997		112	112		112	
DR0122	Westside Pump Station & Line	14,230,285		12,728,054	12,728,054		12,728,054	
DR0123	Westside Interceptor	9,230,669		3,171,712	3,171,712		3,171,712	
DR0124	Montgomery Crossroads Pump Station	10,287,983		10,213,431	10,213,431		10,213,431	
DR0125	Wilshire Canal	2,848,286		2,848,286	2,848,286		2,848,286	
DR0126	Holland Canal	3,139,533		3,137,685	3,137,685		3,137,685	
DR0127	Windsor Canal	2,810,852		1,659,473	1,659,473		1,659,473	
DR0129	Local Match GEMA Grants	7,677,531		2,651,266	2,651,266		2,651,266	
DR0130	Kayton Spill Clean Up	1,093,173		39,504	39,504		39,504	
DR0201	DeRenne Pump Station	15,848,251		970,000	970,000		970,000	
DR0204	Casey South Drainage	24,607,402		21,507,611	21,507,611		21,507,611	
DR0205	Demere Ward Detention	75,751		75,751	75,751		75,751	
DR0206	Springfield Canal Roads	328,729		285,014	285,014		285,014	
DR0207	Nicholson Woods-White Bluff	112,152		48,657	48,657		48,657	
DR0211	Windsor Sub-Basin	50,926		50,926	50,926		50,926	
DR0212	SCADA I	52,833		17,330	17,330		17,330	
DR0214	Pump Station Metal Building Upgrade	245,993		245,993	245,993		245,993	
DR0215	Bilbo-North Casey Drainage	1,490,913		205,000	205,000		205,000	
DR0301	Springfield Canal	12,144,945		7,652,969	7,652,969		7,652,969	
DR0304	SCADA II	94,817		36,446	36,446		36,446	
DR0305	Bilbo Basin	15,766,216		157,366	157,366		157,366	
DR0501	Cranman Drive Culvert Replacement	336,133		336,133	336,133		336,133	
DR0503	Wilshire Basin Study	9,480,032		1,746,691	1,746,691		1,746,691	
DR0507	Downtown Bilbo Drainage Basin	143,300		143,300	143,300		143,300	
DR0601	City Lot Drainage Improvements	277,975		23,475	23,475		23,475	
DR0800	Westside Flooding Remediation	1,740,616		640,616	640,616		640,616	
DR0802	Placentia Phase I	1,203,715		42,000	42,000		42,000	
DR0803	Jackson Woods Drainage-Phase 2	2,084,696		98,736	98,736		98,736	
DR0805	Nicholson Woods-Phase 2	235,505		75,142	75,142		75,142	
DR0901	Windsor-Wilshire Basin	525,668		525,668	525,668		525,668	
DR0910	Storm Sewer Rehab	1,621,535		115,919	115,919		115,919	
DR0911	Casey South Drainage-Phase II	18,224,526		1,063,707	388,548	7,136	395,684	668,023
WT0510	Extension to Unserved Areas	115,854		58,437	58,437		58,437	
	Other Capital Outlay Projects		16,292,341					
OP0120	RR Roundhouse Battlefield Park	1,528,258		190,000	190,000		190,000	
OP0327	Electric Street Cars	1,385,419		170,000	170,000		170,000	
OP0541	Hwy 21/Snow Green Land	1,507,437		1,507,437	1,507,437		1,507,437	
OP0611	Eastside Sidewalks	500,778		17,268	17,268		17,268	
OP0638	Railroad Property Acquisition	6,398,268		3,590,551	3,590,551		3,590,551	
PB0310	History Museum Bldg Repair	838,311		15,000	15,000		15,000	
PB0412	Forsyth Park Fort	6,723,755		1,003,550	1,003,550		1,003,550	
PB0621	Ellis Square Parking Garage	54,076,595		1,691,000	1,691,000		1,691,000	
PD0801	West 57th Street Boulevard	2,105,369		555,117	555,117		555,117	
PD0901	Meding Street Curve	206,059		206,059	206,059		206,059	
RE0412	Boeen Tract Open Space	22,812		22,000	22,000		22,000	
RE0604	Band Shell	595,770	787,500	577,950	577,950		577,950	
RE0805	Daffin Park Master Plan	4,783,503		3,495,000	3,495,000		3,495,000	
SP0212	1% Sidewalk Construction	675,220		674,423	674,423		674,423	
SP0214	Wheelchair Access Ramps	321,384		735	735		735	
SP0308	Cuyler-Brownsville Sidewalk	28,665		23,265	23,265		23,265	
SP0608	2020 LMIG	2,219,647		218,146		218,146	218,146	
SP0910	1% Sidewalk Construction	1,068,137		808,309	808,309		808,309	
SO0411	MLK Median Landscaping	833,130		322,000	322,000		322,000	
SQ0502	Elbert Square Acquisition	828,635		828,635	828,635		828,635	
SQ0603	Historical Wall Preservation	1,096,139		200,000	200,000		200,000	
SQ0701	Liberty Square Reconstruction	134,640		80,000	80,000		80,000	
TE0502	MLK Median Installation	330,616		48,000	48,000		48,000	
OP0515	Fire Capital Outlay	229,535	250,000	172,566	172,566		172,566	
	Open Space Acquisition		3,339,424					
OP0339	Wilshire Complex	418,258		12,258	12,258		12,258	
OP0529	Mohawk Lake Acquisition	348,443		348,443	348,443		348,443	
PB0820	Crusader Neighborhood Center	422,698		110,746	110,746		110,746	
PD0400	Savannah Gardens Phase I	13,745,795		872	872		872	
RE0123	Master Plan-Mohawk Property	72,400		1,557	1,557		1,557	
RE0129	Edgemoor/Sackville Recreation	257,720		82,470	82,470		82,470	
RE0307	Windsor Forest Pond	121,979		121,979	121,979		121,979	
RE0511	Cuyler-Brownsville Park	1,141,463		404,458	404,458		404,458	
RE0512	Vernon River Park	275,345		113,043	113,043		113,043	
RE0611	Open Space Acquisition	409,426		407,143	407,143		407,143	
RE0612	Habersham Woods Park	183,543		183,543	183,543		183,543	
RE0613	Stark-Clinch Greenspace	122,107		122,107	122,107		122,107	
RE0615	Southside Park-Mohawk	595,734		595,734	595,734		595,734	
RE0807	Largo-Windsor Area Lake	1,161,430		402,233	402,233		402,233	
TOTALS SPLOST 98-2003 FUND		\$ 277,884,815	\$ 98,169,265	\$ 100,806,549	\$ 99,913,244	\$ 225,282	\$ 100,138,526	\$ 668,023

NOTE: (1) This schedule lists projects that are funded by special purpose sales tax revenue. Projects may have additional funding sources.
(2) The Total Estimated Cost to be Funded From All Sources reported on this schedule is different than the amounts reported on the prior year's schedule.

This schedule is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2020

PROJECT NUMBER	Total Estimated Cost to be Funded from All Sources	Original Sales Tax Funding per Referendum Resolution	Current Estimated Cost to be Funded by Sales Tax	Sales Tax Funded Expenditures			Remaining Balance
				PRIOR YEARS	CURRENT YEAR	TOTAL	
SPLOST 2003-2008 FUND:							
		\$ 64,770,000					
DR0115	Savannah Roads, Sidewalks and Drainage						
DR0122	Montgomery Yrds Bridge	\$ 75,829	\$ 19,329	\$ 19,329	\$ -	\$ 19,329	\$ -
DR0127	Westside Pump Station & Line	14,230,285	1,500,575	1,500,575		1,500,575	
DR0204	Windsor Canal	2,810,852	1,143,379	1,143,379		1,143,379	
DR0215	Casey South Drainage	24,607,402	3,091,390	3,091,390		3,091,390	
DR0215	Bilbo-North Casey Drainage	1,490,913	425,000	425,000		425,000	
DR0503	Bilbo Drainage Improvements	15,766,216	15,508,841	15,508,841		15,508,841	
DR0503	Wilshire North Branch	9,480,032	7,733,341	7,733,341		7,733,341	
DR0505	Brick Line Replacement	406,870	192,941	192,941		192,941	
DR0802	Placentia Phase I	1,203,715	1,160,868	1,160,868		1,160,868	
DR0803	Jackson Woods Drainage-Phase 2	2,084,696	1,977,224	1,977,224		1,977,224	
DR0804	Brick Line Replacement	753,723	753,723	753,723		753,723	
DR0809	Bilbo Drainage Improvements	2,000	2,000	2,000		2,000	
DR0904	Paradise Park Drainage Improvements	280,424	224,382	224,382		224,382	
DR0905	Springfield Drainage Improvements	1,077,150	1,000,000	487,029	13,658	500,687	499,313
DR0906	Sylvan Terrace Sub-basin	17,553	17,553	17,553		17,553	
DR0911	Casey South Drainage-Phase II	18,224,526	14,691,386	1,531,799		1,531,799	13,159,587
HA0601	LMIG Grant Match Reserve	470,016	470,016				470,016
PD0302	Cann Park Sidewalks	310,144	179,002	179,002		179,002	
PD0303	Gordonston Sidewalk Improvements	84,597	84,597	84,597		84,597	
PD0304	Entrepreneurial Center Parking	14,969	14,969	14,969		14,969	
SP0115	Fernwood-Parkwood Curb-Gutter	1,744,215	1,744,215	1,744,215		1,744,215	
SP0204	Historic District-ADA Ramps	713,491	315,971	315,971		315,971	
SP0205	State Routes ADA Ramps	135,757	110,886	110,886		110,886	
SP0207	Edgemore-Sackville Curb	1,904,931	212,510	212,510		212,510	
SP0413	Riverstreet Ramps Reconstruction	532,838	315,000	315,000		315,000	
SP0415	Street Paving	575,119	3,634	3,634		3,634	
SP0416	Street Reconstruction	12,008	12,008	12,008		12,008	
SP0608	2020 LMIG Paving	2,219,647	188,877		188,877	188,877	
SP0717	President Street-General McIntosh Sidewalk	43,097	43,097	43,097		43,097	
SP0718	Bay Street Reconstruction Crosswalk	550,918	550,918	550,918		550,918	
SP0804	1% Sidewalk Construction-Phase 2	769,584	674,584	674,584		674,584	
SP0904	Street Reconstruction	1,929,584	1,714,074	1,714,074		1,714,074	
SP0910	1% Sidewalk Construction	1,068,137	259,828	259,828		259,828	
TE0101	East Anderson Curve Reconstruction	706,227	267,000	267,000		267,000	
TE0305	LaRoche-Delesseps Widening	33,259	33,259	33,259		33,259	
TE0310	President Street-General McIntosh Improvements	35,282,226	1,924,864	1,924,864		1,924,864	
TE0512	Jimmy Deloach Parkway Signal	126,590	29,069	29,069		29,069	
TE0513	Tatamelt Sound Barrier	1,214,904	1,214,904	1,214,904		1,214,904	
TE0708	LaRoche-Delesseps Design	3,053,185	2,551,837	1,734,974	324,443	2,059,417	492,420
TE0709	Gwinnett St. Widening Design	15,218,986	1,988,000	787,674		787,674	1,200,326
TE0813	Traffic Signal-Chatham Parkway	155,498	135,931	135,931		135,931	
TE0906	Jimmy Deloach/Crossroad Interchange	909,297	218,000	218,000		218,000	
SQ0411	MLK Median Landscaping	833,130	11,452	11,452		11,452	
SQ0804	MLK Streetscape	3,939,453	3,280,231	3,280,231		3,280,231	
	Parks, Recreation and Squares		22,231,471				
PB0821	Cultural Arts Center	24,444,186	3,000,000	3,000,000		3,000,000	
PB0828	Westside Land Assemblage	3,619,002	2,759,500	2,759,500		2,759,500	
PB0831	Battlefield Park Roundhouse Roof	186,256	21,335	21,335		21,335	
OP0832	Battlefield-RR Roundhouse SPLOST	7,763,665	7,763,665	7,763,665		7,763,665	
PT0803	Baker-Fell Street Park	289,000	175,000	175,000		175,000	
PT0905	Ellis Square Restoration	3,284,045	3,254,668	3,254,668		3,254,668	
RE0220	Bacon Park Athletic Field Rehab	787,802	576,896	576,896		576,896	
	Other Capital Outlay		9,339,424				
OP0152	WW Law Collection Archival	507,000	507,000	373,926	57,564	431,490	75,510
OP0641	Hope 6 Infrastructure	3,441,211	1,930,814	1,930,814		1,930,814	
OP0834	West Savannah & Corridors	28,890	15,000	15,000		15,000	
OP0923	Gate Precast Property Acquisition	2,181,641	240,500	240,500		240,500	
PB0530	Paulsen Building Purchase/Renovation	2,554,017	2,400,000	2,400,000		2,400,000	
PB0136	Roof Replacement Community Planning	73,525	73,520	73,520		73,520	
PB0621	Ellis Square Parking Garage	54,076,595	7,114,296	7,114,296		7,114,296	
PB0634	Moses Jackson Center Roof	943,543	14,644	14,644		14,644	
PB0730	Bacon Park Tennis Courts Reconst.	731,868	376,104	376,104		376,104	
PB0824	Moses Jackson-Phase 2	2,051,473	1,049,424	1,049,424		1,049,424	
PB0827	Bacon Park Clubhouse Renovations	868,702	380,000	380,000		380,000	
PD0101	MURP II	1,181,119	457,750	457,750		457,750	
PD0102	Midtown Street Improvements	9,663	9,663	9,663		9,663	
PD0107	Woodville Park Improvement	1,563	1,563	1,563		1,563	
PD0108	Dixon Park	23,381	23,381	23,381		23,381	
PD0109	Dixon Park Street Improvement	77,561	77,561	77,561		77,561	
PD0110	Feier Terrace Passive Park	12,262	12,262	12,262		12,262	
PD0111	East Savannah Lighting	84,939	84,939	84,939		84,939	
PD0114	Housing Construction Svc. Office	153,691	1,480	1,480		1,480	
PD0202	Hudson Hill Sidewalk Improvements	93,612	93,612	93,612		93,612	
PD0203	Sylvan Terrace Irrigation System	98,465	98,465	98,465		98,465	
PD0205	Metro Sidewalk West 41st Street	49,430	49,430	49,430		49,430	
PD0309	Waters Avenue Corridor	5,281,031	367,831	367,831		367,831	
PD0310	Youth Advancement Center	839,229	416,000	416,000		416,000	
PD0400	Savannah Gardens Phase I	13,745,795	242,766	242,766		242,766	
PD0801	West 57th Street Blvd.	2,105,369	484,599	484,599		484,599	
PD0805	WS-Acquisition Moses Jackson Property	114,224	114,224	114,224		114,224	
PD0806	Augusta Avenue Revitalization	1,251,822	1,132,582	819,242	313,340	1,132,582	
PD0808	WS-Tree Lawn & Buffering	10,012	10,012	10,012		10,012	
PD0902	Montgomery-Medley-56th	152,870	152,870	152,870		152,870	
PD0903	Eastside Sidewalk Access	100,158	100,158	100,158		100,158	
PD0904	West 56th Street Rebrickng	378,314	378,314	378,314		378,314	
PD0906	Midtown Acquisition	433,352	433,352	433,352		433,352	
PD0907	Kline Street Play Area	125,984	125,984	125,984		125,984	
PD0908	37th & Bulloch Greenspace	48,592	48,591	48,591		48,591	
PD0909	Historic Street Lighting CB	5,335	5,335	5,335		5,335	
PD0910	Rockwell Park	76,970	76,970	76,970		76,970	
PD0911	40th Street Lane Paving	27,665	27,665	27,665		27,665	
PD0912	Municipal Parking Lot	31,900	31,900	31,900		31,900	
PD0915	Right-of-Way Improvements	135,000	135,000	135,000		135,000	
PD0916	Edgemore-Sackville Curbing	97,490	97,490	97,490		97,490	
RE0224	Cann Park Improvements	298,935	43,102	43,102		43,102	
PD0313	Savannah Shines	1,674,616	531,340	531,340		531,340	
	Public Safety Equipment	1,241,500	1,241,500	1,241,500		1,241,500	
TOTALS SPLOST 2003-2008 FUND		\$ 304,850,263	\$ 97,640,895	\$ 106,750,722	\$ 89,955,668	\$ 89,882	\$ 90,853,500
							\$ 15,897,172

NOTE: (1) This schedule lists projects that are funded by special purpose sales tax revenue. Projects may have additional funding sources.
(2) The Total Estimated Cost to be Funded From All Sources reported on this schedule is different than the amounts reported on the prior year's schedule.
(3) The Current Estimated Cost to be Funded by Sales Tax reported on this schedule is different than the amounts reported on the prior year's schedule.

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CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2020

		Total	Original	Current	Sales Tax Funded Expenditures			
		Estimated	Sales Tax	Estimated				
		Cost to be	Funding per	Cost to be				
PROJECT		Funded from	Intergovernmental	Funded by	PRIOR	CURRENT	TOTAL	Remaining
NUMBER		All Sources	Agreement	Sales Tax	YEARS	YEAR		Balance
SPLOST 2009-2014 FUND:								
	City of Savannah Projects		\$ 160,000,000					
DR0215	Bilbo-North Casey Drainage	\$ 1,490,913		\$ 860,913	\$ 860,913	\$ -	\$ 860,913	\$ -
DR0308	Bilbo Box Culver Improvements	26,373,941		10,210,000	10,210,000		10,210,000	
DR0602	Baldwin Park Drainage	3,740,363		3,740,362	3,740,362		3,740,362	
DR0911	Casey South Drainage Phs II	18,224,526		2,465,721				2,465,721
OP0136	Public Safety Video Surveillance	1,246,456		1,246,455	1,246,455		1,246,455	
OP0208	Children's Museum - Battlefield Park	6,535,504		6,500,000	6,500,000		6,500,000	
OP0253	Public Safety Camera Plan	136,054		3,550	3,550		3,550	
OP0651	E911 System Upgrade	356,571		356,572	356,572		356,572	
PB0138	Savannah Public Services Complex	909,089		495,803	495,803		495,803	
PB0149	SCMPD Central Precinct	8,393,884		7,223,020	7,223,020		7,223,020	
PB0220	Bacon Park Tennis Building	1,151,349		1,151,280	1,151,280		1,151,280	
PB0227	Grayson Stadium Renovations	3,023,188		3,000,000	3,000,000		3,000,000	
PB0240	Bomb Squad Roof Replacement	73,900		40,919	40,919		40,919	
PB0423	New Fire Stations	3,217,102		3,217,102	3,217,102		3,217,102	
PB0426	Waters Ave Property Purchase	1,949,014		1,949,014	1,949,014		1,949,014	
PB0428	Public Safety Headquarters	1,058,872		1,058,872	1,058,872		1,058,872	
PB0526	Command Control Center	993,248		16,738	16,738		16,738	
PB0537	Facilities at Interchange Ct	40,893,863		19,462,178	2,807,248	16,654,930	19,462,178	
PB0539	Acquire 2155 West Gwinnett St Property	1,585,444		1,448,157	99,358	1,348,799	1,448,157	
PB0637	Fire Training Facility	1,891,049		1,282,899	1,282,899		1,282,899	
PB0644	Sav Fire Support Center & Code Compliance Offices	1,110,874		129,303				129,303
PB0821	Cultural Arts Center	24,444,186		17,400,001	17,400,001		17,400,001	
PB0828	Westside Property Acquisition	3,619,002		837,860	837,860		837,860	
PB0836	Savannah Public Safety Metroplex	10,084,819		9,536,844	9,531,844	5,000	9,536,844	
PD0308	Fellwood Homes Site Infrastructure	3,658,417		3,658,417	3,658,417		3,658,417	
PD0309	Water Avenue Streetscape	5,281,031		3,350,000	3,350,000		3,350,000	
PD0400	Savannah Gardens Phase I	13,745,795		11,055,577	10,955,040	100,537	11,055,577	
PD0601	MLK Corridor-Savannah Pharmacy	464,093		464,093	464,093		464,093	
RE0309	Coffee Bluff Fishing Pier	5,521,719		4,490,000	4,490,000		4,490,000	
RE0805	Daffin Park Master Plan	4,783,503		1,000,000	1,000,000		1,000,000	
TE0422	I-16 Flyover Conceptual Master	25,000		25,000	25,000		25,000	
TE0607	Street Lighting Upgrade	1,000,000		1,000,000	105,035		105,035	894,965
TE0610	37th St Corridor Signal	340,000		340,000				340,000
TE0611	Eisenhower Drive Signal Interconnection	360,000		360,000	22,209		22,209	337,791
TE0612	Downtown Traffic Signal	346,986		300,000	300,000		300,000	
TE0615	Stiles Ave Extension	411,490		411,490		303,810	303,810	107,680
TOTALS SPLOST 2009-2014 FUND		\$ 198,441,245	\$ 160,000,000	\$ 120,088,140	\$ 97,399,604	\$ 18,413,076	\$ 115,812,680	\$ 4,275,460

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This schedule is continued from the previous page.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2020

PROJECT NUMBER	Total Estimated Cost to be Funded from All Sources	Original Sales Tax Funding per Intergovernmental Agreement	Current Estimated Cost to be Funded by Sales Tax	Sales Tax Funded Expenditures				
				PRIOR YEARS	CURRENT YEAR	TOTAL	Remaining Balance	
SPLOST 2014-2020 FUND:								
	City of Savannah Projects	\$ 190,000,000						
CC0206	New Cc Arena	\$ 165,007,559	\$ 120,000,000	\$ 6,188,427	\$ -	\$ 6,188,427	\$ 113,811,573	
DR0131	Drainage Box Rehabilitations	8,240,000	8,240,000	2,399,763	61,538	2,461,301	5,778,699	
DR0132	Placentia Basin Drainage Impro	7,000,000	7,000,000	126,892	362,834	489,726	6,510,274	
DR0308	Bilbo Box Culvert Impro	26,373,941	5,625,000	5,600,000	25,000	5,625,000		
DR0309	Colonial Drive Drainage	355,929	355,929	355,929		355,929		
DR0508	Bilbo Basin Study	70,000	70,000		66,700	66,700	3,300	
OP0144	Savannah Children's Museum	1,500,000	1,500,000	79,003	217,470	296,473	1,203,527	
OP0145	Pedestrian Wayfinding Signage	700,000	500,000	84,907	9,890	94,797	405,203	
OP0146	Wireless/Fiber Infrastructure	899,081	883,500	223,852	5,155	229,007	654,493	
OP0255	Data Ctr move out of Civic Ctr	1,076,181	116,500	116,500		116,500		
OP0414	Traffic Calming Devices	830,013	500,000	500,000		500,000		
OP0429	Caretaker's Cottage Restoration	605,522	500,000	500,000		500,000		
OP0432	Washington Ave Tree Lawn	27,943	27,943	27,943		27,943		
OP0434	Leedsgate Community Improve	4,483	4,483	160		160	4,323	
OP0932	Radio Network Infrastructure	2,152,432	2,152,432	2,058,033		2,058,032	94,400	
PB0148	Grant Center	2,000,000	2,000,000	83,805	84,392	168,197	1,831,803	
PB0150	Hutchinson Is Public Safety Facility	235,960	235,960	235,960		235,960		
PB0153	LaVida Property Acquisition	463,857	463,857	463,857		463,857		
PB0336	Highlands Fire Station	3,792,076	3,781,685	261,487	2,807,458	3,068,945	712,740	
PB0533	Fire Station Sweetwater	3,329,912	2,932,354	2,932,354		2,932,354		
PB0537	Facilities at Interchange Ct	40,893,863	3,737,822	1,286,390	2,451,432	3,737,822		
PB0640	Tricentennial Pk Facility Impr	115,788	115,788				115,788	
PB0641	Arena Parking Facility	5,000,000	5,000,000				5,000,000	
PB0642	John Delaware Ctr Renovation	1,600,000	1,600,000		28,009	28,009	1,571,991	
PB0821	Cultural Arts Center	24,444,186	600,000	600,000		600,000		
PB0840	Fire Building Maint	770,606	50,000	50,000		50,000		
PB0842	Tomkins Ctr Renov & Expansion	3,070,715	1,500,367	1,500,367		1,500,367		
PB0929	Family Resource Center Penn Ave	7,164,043	7,159,504	7,109,527	49,977	7,159,504		
PD0117	Hitch Village Redevelopment	6,224,000	6,224,000	2,533,617		2,533,617	3,690,383	
PD0208	Ogeecheetown Sign	10,115	10,115	10,115		10,115		
PD0209	Fernwood Sign	7,027	7,027	7,027		7,027		
PD0211	Carver Village Neighbor Sign	5,644	5,644	5,644		5,644		
PD0212	Twickenham Sign	9,382	9,382	9,382		9,382		
PD0213	Summerside Sign	11,897	11,897	11,897		11,897		
PD0214	Feller Terrace Signs	17,067	17,067	17,067		17,067		
PD0215	Feller Terrace Park Improvements	2,675	2,675	2,675		2,675		
PD0302	Cann Park Sidewalks	310,144	131,143	131,143		131,143		
PD0309	Waters Ave Corridor Improvements	5,281,031	900,000	900,000		900,000		
PD0311	Tremont Park Sign	11,613	11,613	11,613		11,613		
PD0312	Cann Park Sign	7,497	7,497	7,497		7,497		
PD0314	Twickenham/Pine Garden Park	18,532	18,532	18,532		18,532		
PD0400	Sav Gardens Phase 1	13,745,795	530,000		530,000	530,000		
PD0403	Woodville Neighborhood Sign	4,423	4,423	4,423		4,423		
PD0404	Parkwood Sign	6,093	6,093	6,093		6,093		
PD0504	Glynwood Sign	12,657	12,657	12,657		12,657		
PD0506	Poplar Place Sign	17,237	17,237	17,237		17,237		
PD0606	Augusta Ave Revitalization	1,251,822	100,043	100,043		100,043		
PT0401	District 4 Irrigation Improvements	39,475	39,475		13,762	13,762	25,713	
RE0124	Southside Park Development	1,493,334	1,288,532	429,390	859,142	1,288,532		
RE0125	Athletic Field Turf	1,593,195	1,593,196	1,593,196		1,593,196		
RE0128	Bee Road Park	66,235	66,235	66,235		66,235		
RE0129	Edgemere/Sadville Recreation	257,720	175,250	71,582	41,915	113,497	61,753	
RE0130	Kensington Park Playground	77,550	77,550	77,550		77,550		
RE0131	Hudson Hill Ballpark Lighting	13,253	13,253	13,253		13,253		
RE0133	Sylvan Terrace Park	305,276	305,276	305,276		305,276		
RE0134	Ogeecheetown Park Improvements	2,100	2,100	2,100		2,100		
RE0222	Twickenham Holly Heights Green Space	264,602	288,181	53,376	234,805	288,181		
RE0223	Summerside Playground	345,098	345,098	213,235	115,602	328,837	16,261	
RE0224	Cann Park Improvements	298,935	295,834	218,876	36,958	255,834		
RE0225	Mayfair Playground Improvements	124,611	100,000	100,000		100,000		
RE0226	Ambush Park Improvements	37,233	37,233	37,233		37,233		
RE0227	Myers Park	1,354	1,353	1,353		1,353		
RE0228	Liberty City Comm Ctr	34,470	34,470	34,470		34,470		
RE0309	Coffee Bluff Fishing Pier	5,521,719	85,000	85,000		85,000		
RE0314	Avondale Park Shelter	39,750	39,750	39,750		39,750		
RE0316	Atwood Street Park Improvements	357,885	357,885	329,905	27,980	357,885		
RE0317	Windsor Rd Property Acquisition	272,009	271,809	271,809		271,809		
RE0414	Joe Tribble Park	195,710	195,710	195,710		195,710		
RE0415	Tremont Basketball Resurfacing	86,771	86,771	86,771		86,771		
RE0416	Brinkman Park Improvements	1,858	1,858	1,858		1,858		
RE0417	Windsor Neighborhood Park	406,547	406,547	406,547		406,547		
RE0418	Treat Park Expansion	66,202	66,202	66,202		66,202		
RE0419	Veterans Park	174,999	174,499	130,086	2,442	132,528	41,971	
RE0421	Holly Heights Improvements	468,696	378,741	378,340	401	378,741		
RE0422	Cloverdale Park Playground Improvements	56,799	56,799	56,799		56,799		
RE0423	Jan Street Park Improvements	128,196	128,196	9,854	79,998	89,852	38,344	
RE0424	Kensington Park Improvements	2,708	2,708	624	2,084	2,708		
RE0425	Sheridan Circle Greenscape	7,446	7,446	7,446		7,446		
RE0426	District 5 Basketball Court Improvements	43,485	43,486		5,071	43,486		
RE0427	Highlands Park Developments	538,753	538,753	2,250	5,711	7,961	530,792	
RE0517	Ogeecheetown Playground Improvements	89,299	89,299		86,946	86,946	2,353	
RE0616	Crusader Bball Court Resurface	11,147	11,147		5,982	5,982	5,165	
SP0118	Sidewalk Repairs	2,785,000	200,000	200,000		200,000		
SP0219	New Sidewalk Installs	245,644	70,644	70,644		70,644		
SP0421	Atlantic Park Improvements	159,950	1,108	58,472		59,580	100,370	
SP0422	Cedar Street Improvements	50,000	50,000	4,156	30,900	35,056	14,944	
SP0423	Sylvan Terrace ROW Improvements	103,514	103,514	103,514		103,514		
SP0516	Mercy Blvd Sidewalk Install	42,054	42,054	42,054		42,054		
SP0517	Latimore St Park Sidewalk Improvements	60,000	60,000	47,660		47,660	12,340	
SP0720	Wheelchair Access Ramps	409,144	9,144			9,144		
SQ0101	Riverwalk Extension at Marriott	1,536,000	1,536,000	244,918	46,465	291,383	1,244,617	
SQ0102	Victory Drive Corridor Impr	1,000,000	1,000,000	499,345	35,403	534,748	465,252	
SQ0103	Factors Walk Wall Restoration	712,053	600,000	574,323	25,677	600,000		
SQ0418	Washington Ave Median Improve	25,525	25,525	25,000	525	25,525		
TE0216	Habersham & Kensington Speed	208,782	200,000			200,000		
TE0309	Derenne Ave Traffic Anl	17,587,951	11,800,000	342,017	761,243	1,103,260	10,696,740	
TE0310	President St Imprmnts	35,282,226	5,000,000	5,000,000		5,000,000		
TE0614	Benton Blvd Widening	3,200,000	1,200,000				1,200,000	
	Public Safety Vehicles	1,384,212	1,384,212		1,384,212	1,384,212		
TOTALS SPLOST 2009-2014 FUND		\$ 412,895,216	\$ 190,000,000	\$ 215,686,854	\$ 49,130,508	\$ 10,711,234	\$ 59,841,742	\$ 155,845,112

NOTE: (1) This schedule lists projects that are funded by special purpose sales tax revenue. Projects may have additional funding sources.
(2) The Total Estimated Cost to be Funded From All Sources reported on this schedule is different than the amounts reported on the prior year's schedule.
(3) The Current Estimated Cost to be Funded by Sales Tax reported on this schedule is different than the amounts reported on the prior year's schedule.

This schedule is continued from the previous page.

NOTE: (1) This schedule lists projects that are funded by special purpose sales tax revenue. Projects may have additional funding sources.

This schedule is continued from the previous page.

**CITY OF SAVANNAH, GEORGIA
SCHEDULE OF HOTEL/MOTEL TAX
FOR THE YEAR ENDED DECEMBER 31, 2020**

In accordance with O.C.G.A. 48-13-51(a) 3.2, the City of Savannah levies a 6% tax on hotel/motel lodging and disburses collected funds to the Convention and Visitors Bureau, Savannah Civic Center and to the Georgia International & Maritime Trade Center.

This schedule provides information on the amount of Hotel/Motel tax cash receipts and the amount of such receipts which were disbursed or contractually committed to be disbursed to the Convention and Visitors Bureau of the Savannah Chamber of Commerce, the Georgia International & Maritime Trade Center and the Savannah Civic Center.

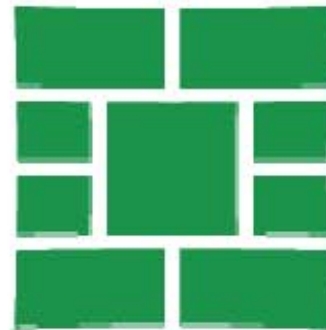
	<u>Amount</u>	<u>Amount as a Percentage of Revenue</u>
Hotel/Motel tax	\$ 13,303,818	
Expenditures made to:		
Convention and Visitors Bureau	\$ 4,434,162	33.33%
Georgia International & Maritime Trade Center	\$ 1,856,515	13.95%
Savannah Civic Center	\$ 361,231	2.72%

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES AND EXPENDITURES/EXPENSES - RENTAL MOTOR VEHICLE TAX
FOR THE YEAR ENDED DECEMBER 31, 2020

During 2020, the City collected rental motor vehicle excise tax as authorized in O.C.G.A. 48-13-93.

	<u>Amount</u>	<u>Amount as a Percentage of Revenue</u>
Rental motor vehicle tax	\$ 1,263,053	
Transfers made to:		
Civic Center Fund	\$ 1,263,053	100.00%

The City of Savannah uses this revenue to pay for debt service related to the City's arena located on Gwinnett Street.





STATISTICAL SECTION

STATISTICAL SECTION

Statistical tables differ from financial statements since they usually cover more than one fiscal year and may present non-accounting data. These tables reflect social and economic data, financial trends and the fiscal capacity of the City. Due to the nature of the information contained therein, the tables are unaudited.

STATISTICAL SECTION

This part of the City of Savannah's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Pages
Financial Trends	135-139
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	140-143
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	144-148
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	149-150
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	151-158
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

City of Savannah, Georgia
Net Position By Component,
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 557,007	\$ 564,537	\$ 564,426	\$ 577,032	\$ 582,292	\$ 596,139	\$ 615,738	\$ 637,819	\$ 646,366	\$ 674,725
Restricted	86,329	105,611	124,687	147,790	170,564	185,145	214,481	234,076	239,491	245,165
Unrestricted	44,063	47,384	50,174	51,512	(11,427)	(11,818)	(14,335)	2,416	35,885	42,172
Total governmental activities net position	<u>\$ 687,399</u>	<u>\$ 717,532</u>	<u>\$ 739,287</u>	<u>\$ 776,334</u>	<u>\$ 741,429</u>	<u>\$ 769,466</u>	<u>\$ 815,884</u>	<u>\$ 874,311</u>	<u>\$ 921,742</u>	<u>\$ 962,062</u>
Business-type activities										
Net investment in capital assets	\$ 267,671	\$ 276,219	\$ 282,641	\$ 294,940	\$ 316,149	\$ 318,418	\$ 329,224	\$ 391,907	\$ 414,570	\$ 440,312
Restricted	2,395	2,344	2,345	2,367	2,370	3,870	3,212	3,267	3,345	3,345
Unrestricted	99,157	106,927	118,497	131,454	110,391	120,280	139,613	162,564	177,143	177,955
Total business-type activities net position	<u>\$ 369,223</u>	<u>\$ 385,490</u>	<u>\$ 403,483</u>	<u>\$ 428,761</u>	<u>\$ 428,910</u>	<u>\$ 442,568</u>	<u>\$ 472,049</u>	<u>\$ 557,738</u>	<u>\$ 595,058</u>	<u>\$ 621,612</u>
Primary government										
Net investment in capital assets	\$ 824,678	\$ 840,756	\$ 847,067	\$ 871,972	\$ 898,441	\$ 914,557	\$ 944,962	\$ 1,029,726	\$ 1,060,936	\$ 1,115,037
Restricted	88,724	107,955	127,032	150,157	172,934	189,015	217,693	237,343	242,836	248,510
Unrestricted	143,220	154,311	168,671	182,966	98,964	108,462	125,278	164,980	213,028	220,127
Total primary government net position	<u>\$ 1,056,622</u>	<u>\$ 1,103,022</u>	<u>\$ 1,142,770</u>	<u>\$ 1,205,095</u>	<u>\$ 1,170,339</u>	<u>\$ 1,212,034</u>	<u>\$ 1,287,933</u>	<u>\$ 1,432,049</u>	<u>\$ 1,516,800</u>	<u>\$ 1,583,674</u>

City of Savannah, Georgia
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Expenses	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
General administration	\$ 29,825	\$ 4,412	\$ 4,497	\$ 4,624	\$ 14,722	\$ 5,237	\$ 5,440	\$ 5,606	\$ 6,576	\$ 7,803
Management and financial services	2,156	4,042	4,368	4,196	4,065	3,517	2,728	9,229	12,843	14,738
Facilities maintenance	33,226	36,409	39,905	41,996	42,305	44,175	42,861	50,553	53,307	52,948
Police	55,339	67,822	65,396	65,091	67,028	75,375	74,032	65,473	60,974	62,493
Recorder's court	1,856	2,284	2,159	2,234	2,082	2,154	2,092	2,216	2,488	2,567
Fire	21,009	26,319	25,579	26,316	30,331	30,442	30,214	32,685	34,933	36,198
Leisure services	17,459	21,688	21,692	22,197	22,202	24,130	24,334	10,816	13,975	11,914
Tourism enhancement	8,365	9,109	8,665	10,487	11,314	11,884	12,690	11,694	12,448	7,863
Social and cultural	1,643	1,718	1,954	1,457	1,704	1,589	1,370	1,277		
Public development	8,317	9,165	6,281	6,256	6,200	7,238	5,538	7,520	16,498	13,232
Grant program and administration	5,925	5,646	5,426	4,201	5,764	19,423	17,536	9,722	8,279	2,364
Community development program and administration	11,566	10,644	9,464	8,906	8,572	8,959	9,832	9,281	14,204	8,829
Interest on long-term debt	1,083	998	959	763	1,036	1,332	1,415	1,906	1,679	1,765
Interest on capital leases	39	23	6							
Total governmental activities expenses	<u>197,808</u>	<u>200,279</u>	<u>196,351</u>	<u>198,724</u>	<u>217,325</u>	<u>235,455</u>	<u>230,082</u>	<u>217,978</u>	<u>238,204</u>	<u>222,714</u>
Business-type activities:										
Water and sewer	48,673	53,239	53,493	54,257	56,949	56,962	58,462	59,401	65,639	64,538
Sanitation	20,842	23,257	23,584	22,837	22,895	24,814	26,029	16,599	26,032	25,822
Parking facilities	9,487	10,264	10,209	10,702	11,218	11,752	12,992	14,533	16,583	14,977
Civic center	2,906	3,100	3,723	3,820	3,577	3,812	3,546	3,764	5,053	5,394
Golf course	42	39	33	68	165	218	212	224	234	249
Resource recovery										
Total business-type activities expenses	<u>81,950</u>	<u>89,899</u>	<u>91,042</u>	<u>91,684</u>	<u>94,804</u>	<u>97,558</u>	<u>101,241</u>	<u>94,521</u>	<u>113,541</u>	<u>110,980</u>
Total primary government expenses	<u>\$ 279,758</u>	<u>\$ 290,178</u>	<u>\$ 287,393</u>	<u>\$ 290,408</u>	<u>\$ 312,129</u>	<u>\$ 333,013</u>	<u>\$ 331,323</u>	<u>\$ 312,499</u>	<u>\$ 351,745</u>	<u>\$ 333,694</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Management and financial services	\$ 2,894	\$ 2,950	\$ 2,791	\$ 2,760	\$ 2,821	\$ 2,325	\$ 2,776	\$ 3,798	\$ 3,985	\$ 3,814
Facilities maintenance	666	563	853	655	1,034	1,327	1,358	817	1,607	4,026
Police	23,833	24,819	25,007	25,185	26,212	23,006	22,011	13,445	3,636	2,462
Recorder's court	2,783	2,805	2,690	3,201	1,901	1,940	2,387	3,407	3,495	2,728
Fire	243	364	386	677	409	425	504	426	547	519
Leisure services	807	859	874	783	1,170	1,004	1,267	1,283	1,189	641
Tourism enhancement	1,167	1,170	1,243	1,281	1,367	1,450	1,795	1,789	1,821	1,166
Public development	1,859	2,663	2,896	3,110	3,735	3,741	3,383	4,369	5,039	3,730
Community development program and administration	2,922	3,894	1,776	3,491	2,836	1,511	2,047	1,368	1,941	1,948
Operating grants and contributions	15,879	11,867	9,439	8,223	8,935	13,875	31,907	18,471	14,801	14,269
Capital grants and contributions	40,144	35,836	37,677	36,053	41,270	40,303	42,034	46,549	52,453	46,643
Total governmental activities program revenues	<u>93,197</u>	<u>87,790</u>	<u>85,632</u>	<u>85,419</u>	<u>91,690</u>	<u>90,907</u>	<u>111,469</u>	<u>95,722</u>	<u>90,514</u>	<u>81,946</u>
Business-type activities:										
Charges for services:										
Water and sewer	59,683	61,648	64,146	67,754	66,508	68,474	71,165	72,187	81,994	80,131
Sanitation	21,574	24,982	25,424	26,901	26,674	28,896	29,338	28,272	30,169	30,715
Parking facilities	11,179	12,125	11,964	12,331	12,965	13,180	13,924	17,567	19,825	14,999
Civic center	1,654	1,483	1,651	1,509	1,946	1,530	1,844	1,371	1,539	1,061
Golf course										
Resource recovery										
Operating grants and contributions	70	71	63	54	73	70	64	67	64	72
Capital grants and contributions	950	530	942	4,685	3,474	4,114	3,106	52,539	4,755	6,601
Total business-type activities program revenues	<u>95,110</u>	<u>100,839</u>	<u>104,190</u>	<u>113,234</u>	<u>111,640</u>	<u>116,264</u>	<u>119,441</u>	<u>172,003</u>	<u>138,346</u>	<u>133,579</u>
Total primary government program revenues	<u>\$ 188,307</u>	<u>\$ 188,629</u>	<u>\$ 189,822</u>	<u>\$ 198,653</u>	<u>\$ 203,330</u>	<u>\$ 207,171</u>	<u>\$ 230,910</u>	<u>\$ 267,725</u>	<u>\$ 228,860</u>	<u>\$ 215,525</u>
Net (expense)/revenue										
Governmental activities	\$ (104,611)	\$ (112,489)	\$ (110,719)	\$ (113,305)	\$ (125,635)	\$ (144,548)	\$ (118,613)	\$ (122,256)	\$ (147,690)	\$ (140,768)
Business-type activities	13,160	10,940	13,148	21,550	16,836	18,706	18,200	77,482	24,805	22,599
Total primary government net expense	<u>\$ (91,451)</u>	<u>\$ (101,549)</u>	<u>\$ (97,571)</u>	<u>\$ (91,755)</u>	<u>\$ (108,799)</u>	<u>\$ (125,842)</u>	<u>\$ (100,413)</u>	<u>\$ (44,774)</u>	<u>\$ (122,885)</u>	<u>\$ (118,169)</u>

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City of Savannah, Georgia
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 55,607	\$ 55,627	\$ 59,874	\$ 62,590	\$ 64,604	\$ 67,569	\$ 70,368	\$ 78,573	\$ 78,918	\$ 79,722
Intangible, transfer and franchise taxes	18,852	18,735	19,014	19,369	20,069	20,671	20,043	20,893	21,696	21,536
General sales taxes	39,962	42,623	36,115	37,198	37,841	37,787	40,547	43,801	46,835	45,435
Selective sales taxes	17,445	19,171	19,975	22,752	25,055	26,461	28,049	29,451	30,739	20,018
Business taxes	7,018	7,441	7,669	8,047	8,601	9,253	9,913	10,606	11,227	11,110
Penalties and interest on delinquent taxes	1,422	1,064	1,216	920	785	796	447	734	760	655
Grants and contributions not restricted to specific programs	1,076	1,131	1,393	1,075	1,675	1,352	1,736	2,018	1,815	2,367
Investment earnings, unrestricted	195	180	47	69	73	249	794	1,973	3,135	937
Gain on sale of capital assets	670	810	320	659	1,376	1,847	579	515	5,986	1,409
Miscellaneous	592	389	504	598	1,148	692	2,096	501	1,325	179
Contributions to cemetery perpetual care	180	212	240	288						
Extraordinary items			(9,530)							
Transfers	(6,143)	(4,761)	(4,363)	(3,213)	(1,417)	5,908	(9,540)	(6,173)	(7,316)	(2,281)
Total governmental activities	<u>136,876</u>	<u>142,622</u>	<u>132,474</u>	<u>150,352</u>	<u>159,810</u>	<u>172,585</u>	<u>165,032</u>	<u>182,892</u>	<u>195,120</u>	<u>181,087</u>
Business-type activities:										
Grants and contributions not restricted to specific programs										
Investment earnings, unrestricted	150	51	102	148	360	1,198	1,198	2,801	4,191	1,136
Gain on sale of capital assets	3	(1)		(2)						
Miscellaneous	412	433	413	416	500	543	543	756	1,008	539
Transfers	4,761	4,363	3,213	1,417	(5,908)	9,540	9,540	6,173	7,316	2,281
Total business-type activities	<u>5,326</u>	<u>4,846</u>	<u>3,728</u>	<u>1,979</u>	<u>(5,048)</u>	<u>11,281</u>	<u>11,281</u>	<u>9,730</u>	<u>12,515</u>	<u>3,956</u>
Total primary government	<u>\$ 142,202</u>	<u>\$ 147,468</u>	<u>\$ 136,202</u>	<u>\$ 152,331</u>	<u>\$ 154,762</u>	<u>\$ 183,866</u>	<u>\$ 176,313</u>	<u>\$ 192,622</u>	<u>\$ 207,635</u>	<u>\$ 185,043</u>
Change in Net Position										
Governmental activities	\$ 24,387	\$ 31,903	\$ 21,755	\$ 24,717	\$ 15,262	\$ 28,037	\$ 46,419	\$ 60,636	\$ 47,430	\$ 40,319
Business-type activities	17,690	18,619	17,994	20,564	20,685	13,658	29,481	87,213	37,320	26,555
Total primary government	<u>\$ 42,077</u>	<u>\$ 50,522</u>	<u>\$ 39,749</u>	<u>\$ 45,281</u>	<u>\$ 35,947</u>	<u>\$ 41,695</u>	<u>\$ 75,900</u>	<u>\$ 147,849</u>	<u>\$ 84,750</u>	<u>\$ 66,874</u>

City of Savannah, Georgia
Fund Balances of Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Committed	\$ 2,063	\$ 2,217	\$ 2,119	\$ 2,275	\$ 2,904	\$ 2,613	\$ 3,908	\$ 3,758	\$ 4,566	\$ 3,435
Unassigned	<u>31,116</u>	<u>31,285</u>	<u>31,766</u>	<u>32,510</u>	<u>32,566</u>	<u>34,096</u>	<u>35,508</u>	<u>37,945</u>	<u>40,928</u>	<u>42,976</u>
Total general fund	<u>\$ 33,179</u>	<u>\$ 33,502</u>	<u>\$ 33,885</u>	<u>\$ 34,785</u>	<u>\$ 35,470</u>	<u>\$ 36,709</u>	<u>\$ 39,416</u>	<u>\$ 41,703</u>	<u>\$ 45,494</u>	<u>\$ 46,411</u>
 All other governmental funds										
Nonspendable, reported in										
Special revenue funds	\$ 5,122	\$ 5,344	\$ 5,571	\$ 5,829	\$ 6,073	\$ 6,308	\$ 6,615	\$ 6,883	\$ 7,200	\$ 7,530
Restricted, reported in										
Special revenue funds	3,575	3,578	3,874	4,303	3,423	2,745	2,471	2,160	2,180	2,047
Capital projects funds	55,199	72,633	90,960	112,837	136,102	161,398	181,015	198,726	208,736	213,790
Committed, reported in										
Capital projects funds	29,938	30,519	35,533	36,981	43,032	32,348	35,728	48,236	67,730	56,272
Unassigned										
Special revenue funds						(4,640)	(6,262)	(6,323)	(1,483)	
Total all other governmental funds	<u>\$ 93,834</u>	<u>\$ 112,074</u>	<u>\$ 135,938</u>	<u>\$ 159,950</u>	<u>\$ 188,630</u>	<u>\$ 202,799</u>	<u>\$ 221,189</u>	<u>\$ 249,743</u>	<u>\$ 279,523</u>	<u>\$ 278,156</u>

City of Savannah, Georgia
Changes in Fund Balances of Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Revenues	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Taxes	\$ 143,588	\$ 146,313	\$ 144,964	\$ 151,103	\$ 158,682	\$ 162,167	\$ 168,453	\$ 184,247	\$ 190,828	\$ 177,367
Licenses and permits	3,185	3,914	4,239	4,598	5,245	5,283	4,956	6,401	7,209	5,835
Intergovernmental	51,218	47,812	47,172	43,333	49,105	49,803	64,234	62,488	58,007	60,724
Charges for services	29,585	30,396	30,890	31,938	30,849	26,556	26,431	14,233	7,950	6,829
Fines	3,136	2,984	2,752	2,753	2,496	2,666	3,040	3,860	3,999	3,094
Investment earnings	218	214	288	668	684	1,352	2,191	4,803	6,204	1,998
Special assessments	2	1	1							
Miscellaneous	6,938	6,210	5,703	5,991	7,821	8,078	9,938	8,551	10,285	11,726
Total revenues	<u>237,870</u>	<u>237,844</u>	<u>236,009</u>	<u>240,384</u>	<u>254,882</u>	<u>255,905</u>	<u>279,243</u>	<u>284,583</u>	<u>284,482</u>	<u>267,573</u>
Expenditures										
General administration	29,052	4,230	4,398	4,162	14,399	4,760	5,341	5,535	6,229	7,666
Management and financial services	7,712	7,526	7,695	7,847	8,011	7,963	7,429	15,100	18,074	20,586
Facilities maintenance	22,026	23,657	27,580	29,127	29,083	30,289	29,225	37,448	38,985	39,986
Police	63,880	66,909	66,633	66,883	69,395	74,037	74,080	70,100	57,545	62,166
Recorder's court	2,149	2,272	2,231	2,311	2,188	2,151	2,155	2,385	2,444	2,781
Fire	23,924	25,506	25,890	26,701	30,801	29,388	29,682	33,525	33,047	35,140
Leisure services	19,163	20,085	20,576	20,907	21,462	21,816	22,523	9,478	10,285	9,524
Tourism enhancement	8,421	9,109	8,670	10,494	11,333	11,886	12,695	11,715	12,453	7,871
Social and cultural	1,643	1,718	1,954	1,457	1,704	1,590	1,370	1,277		
Public development	10,209	10,113	7,564	7,474	7,683	8,260	6,709	9,007	17,312	12,967
Grant program and administration	6,140	5,388	5,835	4,244	5,827	19,392	17,611	9,867	8,340	2,527
Community development program and administration	10,522	9,331	8,113	7,678	7,229	7,525	6,304	7,808	8,437	7,555
Capital outlay	34,719	27,036	17,664	20,209	34,087	33,477	36,456	48,113	46,611	52,566
Debt service										
Principal	2,462	2,625	2,680	13,180	2,740	3,565	3,780	3,870	1,835	3,400
Interest	1,120	1,025	991	933	849	1,449	1,491	1,571	2,290	1,974
Bond issuance costs				174	402	127	124	349	76	
Total expenditures	<u>243,142</u>	<u>216,530</u>	<u>208,474</u>	<u>223,781</u>	<u>247,193</u>	<u>257,675</u>	<u>256,975</u>	<u>267,148</u>	<u>263,963</u>	<u>266,709</u>
Excess of revenues over (under) expenditures	<u>(125)</u>	<u>(4,677)</u>	<u>21,314</u>	<u>27,535</u>	<u>16,603</u>	<u>7,689</u>	<u>(1,770)</u>	<u>17,435</u>	<u>20,519</u>	<u>864</u>
Other financing sources (uses)										
Transfers in	17,972	22,841	18,871	23,757	32,642	30,701	28,299	35,706	31,612	27,415
Transfers out	(23,137)	(25,592)	(22,159)	(26,157)	(31,368)	(24,889)	(38,122)	(42,083)	(33,848)	(29,529)
Debt issuance proceeds	595			9,970	19,950	10,000	8,585	16,095	8,440	
Payment to fiscal agent									(8,270)	
Premium on bond debt				738	452			716		
Proceeds from the sale of capital assets						1,367	67	2,972	15,118	801
Total other financing sources (uses)	<u>(4,570)</u>	<u>(2,751)</u>	<u>(3,288)</u>	<u>8,308</u>	<u>21,676</u>	<u>17,179</u>	<u>(1,171)</u>	<u>13,406</u>	<u>13,052</u>	<u>(1,313)</u>
Net change in fund balances	<u>\$ (4,695)</u>	<u>\$ (7,428)</u>	<u>\$ 18,026</u>	<u>\$ 35,843</u>	<u>\$ 38,279</u>	<u>\$ 24,868</u>	<u>\$ (2,941)</u>	<u>\$ 30,841</u>	<u>\$ 33,571</u>	<u>\$ (449)</u>
Debt service as a percentage of noncapital expenditures	1.7%	1.9%	1.9%	6.9%	1.7%	2.2%	2.4%	2.5%	1.9%	2.5%

City of Savannah, Georgia
Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended December 31	Real Property		Personal Property		Utilities & Other Property		Total		Total Direct Tax Rate
	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	Assessed Value	Estimated True Value	
2011	\$ 3,693,484	\$ 9,233,710	\$ 745,747	\$ 1,864,368	\$ 100,696	\$ 251,740	\$ 4,539,928	\$ 11,349,818	12.50
2012	3,642,541	9,106,353	793,908	1,984,770	99,178	247,945	4,535,627	11,339,068	12.50
2013	3,677,768	9,194,420	829,042	2,072,605	96,366	240,915	4,603,176	11,507,940	12.48
2014	3,828,096	9,570,239	827,087	2,067,718	96,290	240,725	4,751,473	11,878,683	12.48
2015	4,191,749	10,479,373	802,164	2,005,410	104,102	260,255	5,098,015	12,745,038	12.48
2016	4,239,601	10,599,003	771,703	1,929,258	110,151	275,378	5,121,455	12,803,638	12.48
2017	4,465,495	11,163,738	809,379	2,023,448	129,634	324,085	5,404,508	13,511,270	12.48
2018	4,736,526	11,841,315	761,653	1,904,133	142,749	356,873	5,640,928	14,102,320	13.40
2019	4,983,275	12,458,187	834,726	2,086,814	150,804	377,010	5,968,804	14,922,011	12.856
2020	5,347,542	13,368,854	635,593	1,588,982	159,681	399,202	6,142,815	15,357,038	12.739

Source: Chatham County Tax Assessor's Office.

Note: Property in the county is reassessed annually. The county assesses property at 40% of estimated true value for all types of real and personal property. Estimated true value is calculated by dividing assessed value by 40%. Tax rates are per \$1,000 of assessed value.

City of Savannah, Georgia
Direct and Overlapping¹ Property Tax Rates,
Last Ten Fiscal Years

Fiscal Year	City of Savannah	City of Savannah Special District²	Schools	County	Chatham Area Transit Authority	State	Total Direct & Overlapping Rates
2011	12.500	0.200	14.631	11.109	0.859	0.250	39.549
2012	12.500	0.200	14.631	11.109	0.859	0.200	39.499
2013	12.480	0.200	15.881	11.908	1.000	0.150	41.619
2014	12.480	0.200	15.881	11.543	1.000	0.100	41.204
2015	12.480	0.200	16.631	11.543	1.000	0.050	41.904
2016	12.480	0.200	16.631	11.543	1.000	0.000	41.854
2017	12.480	0.200	16.631	11.543	1.150	0.000	42.004
2018	13.400	0.200	18.881	11.543	1.150	0.000	45.174
2019	12.856	0.200	18.881	11.543	1.150	0.000	44.630
2020	12.739	0.200	18.881	11.543	1.150	0.000	44.513

Source: Chatham County Tax Assessors Office.

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Savannah. Not all overlapping rates apply to all City of Savannah property owners (e.g., the rates for the special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

² In 2003, the City of Savannah created special district called the "Water Transportation District." Only properties located within this district are subject to this millage levy.

**City of Savannah, Georgia
Principal Property Taxpayers,
Current Year and Nine Years Ago**

Taxpayer	Type of Business	2020			2011		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Georgia Power Company	Electric Utility	\$ 91,995,848	1	1.50%	\$ 40,882,385	1	0.90%
Savannah Health Services, LLC	Memorial Hospital	82,688,616	2	1.35%			
Gulfstream Aerospace Corporation	Airplane manufacturer	31,833,358	3	0.52%	26,997,148	5	0.59%
Oglethorpe Mall, LLC	Regional Shopping Mall	31,691,398	4	0.52%	31,691,398	2	0.70%
HH Savannah LLC	Hyatt Hotel	28,800,000	5	0.47%	16,287,087	8	0.36%
Columbia Properties	Marriott Hotel	28,000,000	6	0.46%	20,800,000	6	0.46%
International Paper Company	Paper Manufacturer	27,396,174	7	0.45%	28,852,740	4	0.64%
Savannah Hotel LLC	Westin Hotel	26,000,000	8	0.42%	19,168,202	7	0.42%
PRII Morgan Lakes, LLC	Industrial Warehouse	22,000,000	9	0.36%	30,055,942	3	0.66%
IA Lodging Savannah Barnard LLC	Andaz Hotel	19,245,800	10	0.31%			
Staple Cotton Cooperative Assoc.	Warehousing/exporting				14,206,687	9	0.31%
Dollar Tree Stores, Inc.	Distribution Center				11,327,152	10	0.25%
Totals		<u>\$ 389,651,194</u>		<u>6.34%</u>	<u>\$ 240,268,741</u>		<u>5.29%</u>

Source: Chatham County Tax Assessors Office

**City of Savannah, Georgia
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year¹	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percent of Levy
2011	\$ 58,361,303	\$ 54,844,445	94.0%	\$ 3,516,858	\$ 58,361,303	100.0%
2012	57,603,715	55,820,044	96.9%	1,555,594	57,375,638	99.6%
2013	57,482,306	55,512,193	96.6%	1,809,520	57,321,713	99.7%
2014	58,485,025	55,461,575	94.8%	2,884,105	58,345,680	99.8%
2015	64,065,372	61,412,883	95.9%	2,509,609	63,922,492	99.8%
2016	62,181,988	58,925,636	94.8%	3,069,172	61,994,808	99.7%
2017	65,196,277	61,187,224	93.9%	3,689,137	64,876,361	99.5%
2018	72,020,664	68,199,144	94.7%	3,399,436	71,598,580	99.4%
2019	74,368,174	70,990,632	95.5%	2,390,295	73,380,927	98.7%
2020	75,628,467	71,447,125	94.5%		71,447,125	94.5%

Source: City of Savannah.

¹ Includes:

- Real Property
- Industrial Area
- Personal Property
- Utility
- Vehicles
- Mobile Home Taxes

Note: The Levy Year is from January 1 to December 31. Real property is billed in two installments - April and September. Personal property is billed annually with payments due in November.

City of Savannah, Georgia
Ratios of Outstanding Debt by Type,
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business -Type Activities					Total Primary Government	Percentage of Household Income	Per Capita
	General Obligation Bonds	Contractual Obligations	Long-term Notes	Capital Leases	Water & Sewer Bonds	Water & Sewer Notes	Sanitation Contractual Obligations	Parking Contractual Obligations	Civic Center Contractual Obligations			
2011		\$ 33,595,737	\$ 980,000	\$ 774,397	\$ 30,695,816	\$ 31,170,949	\$ 22,311,478	\$ 32,914,868	\$ 1,807,285	\$ 154,250,530	2.8%	\$ 1,138
2012		31,106,180	840,000	395,385	25,960,845	28,800,610	19,906,187	31,956,023	1,393,082	140,358,312	2.6%	1,035
2013		28,561,620	700,000		22,959,882	26,349,813	17,785,041	31,187,873	974,861	128,519,090	2.3%	941
2014		26,100,429	600,000		20,435,248	23,816,330	15,075,550	30,000,024	500,843	116,528,424	2.1%	844
2015		43,778,917	500,000		17,196,559	21,188,415	12,306,356	30,096,427		125,066,674	2.2%	900
2016	\$ 2,000,000	48,212,484	400,000		33,648,038		9,275,620	61,774,476		155,310,618	2.7%	1,140
2017	4,000,000	51,017,031	300,000		29,994,518	3,358,710	6,217,191	60,483,228		155,370,678	2.6%	1,140
2018	6,000,000	61,958,984	200,000		27,379,141	16,867,540	14,211,741	89,764,478		216,381,884	3.5%	1,588
2019	6,000,000	60,062,094	100,000		24,633,695	18,749,335	11,085,000	98,024,726	45,740,797	264,395,647	4.0%	1,940
2020	5,685,000	56,911,013			21,890,524	19,350,610	10,115,000	105,124,030	45,005,216	264,081,393	4.0%	1,938

City of Savannah, Georgia
Ratios of General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Assessed Value (000)	Percentage of Actual Taxable Value of Property	Population	Per Capita
2011		\$4,539,928		136,286	\$0.00
2012		4,535,627		136,286	0.00
2013		4,603,176		136,286	0.00
2014		4,751,473		136,286	0.00
2015		5,098,015		136,286	0.00
2016	\$2,000,000	5,121,455	0.039051%	136,286	14.68
2017	4,000,000	5,404,508	0.074012%	136,286	29.35
2018	6,000,000	5,640,929	0.106365%	136,286	44.03
2019	6,000,000	5,968,804	0.100523%	136,286	44.03
2020	5,685,000	6,142,815	0.092547%	136,286	41.71

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

City of Savannah, Georgia
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt*
City of Savannah			
General Obligation Bonded Debt	\$ 5,685,000	100.0%	\$ 5,685,000
Contractual Obligations:			
Downtown Savannah Authority, Series 2014	4,697,352	100.0%	4,697,352
Downtown Savannah Authority, Series 2015	16,014,991	100.0%	16,014,991
Downtown Savannah Authority, Series 2016	7,270,000	100.0%	7,270,000
Downtown Savannah Authority, 2017	6,585,000	100.0%	6,585,000
Downtown Savannah Authority, 2018	13,928,670	100.0%	13,928,670
Downtown Savannah Authority, 2019	<u>8,415,000</u>	100.0%	<u>8,415,000</u>
Total Direct Debt	<u>62,596,013</u>		<u>62,596,013</u>
Chatham County			
Capital Leases	1,236,655	43.2%	534,235
Contractual Obligations:			
Downtown Savannah Authority (Union Mission), Series 2009	1,450,000	43.2%	626,400
Downtown Savannah Authority (Chatham County Projects), Series 2014	5,680,000	43.2%	2,453,760
CDW Cybersecurity	280,952	43.2%	121,371
Savannah/Chatham County School Board			
General Obligation Bonded Debt	2,338,479	43.2%	1,010,223
Capital Leases	8,229,372	43.2%	3,555,089
Certificates of Participation	7,664,000	43.2%	3,310,848
Overlapping Debt	<u>26,879,458</u>		<u>11,611,926</u>
Total Direct and Indirect General Obligation Supported Bonded Debt	<u><u>\$ 89,475,471</u></u>		<u><u>\$ 74,207,939</u></u>

* Note: Overlapping percentage calculated based on assessed property values.

**City of Savannah, Georgia
Legal Debt Margin Information,
Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value 2020 Tax Roll	<u>\$ 6,142,815,045</u>
General Bonded Debt Limit, 10% of Assessed Value	\$ 614,281,505
Debt applicable to limit:	
Less: outstanding general obligation bonds	<u>5,685,000</u>
Total net debt applicable to limit	<u>5,685,000</u>
Legal debt margin	<u>\$ 608,596,505</u>

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt Limit	\$ 453,992,798	\$ 453,562,744	\$ 460,317,459	\$ 475,147,282	\$ 509,801,454	\$ 512,145,531	\$ 540,450,752	\$ 564,092,880	\$ 596,880,428	\$ 614,281,505
Total net debt applicable to limit						2,000,000	4,000,000	6,000,000	6,000,000	5,685,000
Legal debt margin	<u>\$ 453,992,798</u>	<u>\$ 453,562,744</u>	<u>\$ 460,317,459</u>	<u>\$ 475,147,282</u>	<u>\$ 509,801,454</u>	<u>\$ 510,145,531</u>	<u>\$ 536,450,752</u>	<u>\$ 558,092,880</u>	<u>\$ 590,880,428</u>	<u>\$ 608,596,505</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.39%	0.74%	1.06%	1.01%	0.93%

Note: Under state law, the City of Savannah's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds. Excludes special assessment bonds that are not legally a part of the City's debt.

**City of Savannah, Georgia
Pledged-Revenue Coverage,
Last Ten Fiscal Years**

Fiscal Year	Water and Sewer Revenue Bonds (000)						Special Assessment Bonds			
	Gross Revenue ¹	Less: Total Expenses & Transfers Out ²	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections ³	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2011	\$ 62,161	\$ 37,395	\$ 24,766	\$ 6,045	\$ 1,147	3.44	\$ 2,823	\$ 2,478	\$ 149	1.07
2012	64,135	41,254	22,881	4,695	772	4.19	1,073			
2013	65,452	40,898	24,554	2,960	835	6.47	713			
2014	67,952	40,622	27,330	3,035	671	6.15	196			
2015	66,229	42,965	23,264	5,571	923	3.58	357			
2016	68,826	43,287	25,539	5,325	894	4.11	711			
2017	72,904	44,408	28,496	3,600	757	6.54	1,465			
2018	74,751	43,840	24,261	2,585	682	7.43	1,411			
2019	85,231	49,856	35,375	2,640	818	10.23	664			
2020	81,674	46,494	35,180	2,705	669	10.43				

¹ Includes transfers in and excludes interest earned on construction funds.

² Excludes depreciation expense.

³ Includes special assessment principal and interest collected.

**City of Savannah, Georgia
Demographic and Economic Statistics,
Last Ten Calendar Years**

Year	Population (per 2010 census)	Personal Income (000)	Per Capita Personal Income	Chatham County Taxable Retail Sales (000,000)	Unemployment Rate (Savannah MSA)	School Enrollment
2011	136,286	\$ 5,424,183	\$ 39,800	\$ 6,058	9.6%	35,146
2012	136,286	5,310,384	38,965	6,328	8.6%	35,808
2013	136,286	5,270,316	38,671	6,367	7.2%	36,452
2014	136,286	5,488,510	40,272	6,526	6.1%	37,235
2015	136,286	5,707,385	41,878	6,639	4.9%	38,032
2016	136,286	5,901,048	43,299	6,629	5.0%	38,112
2017	136,286	6,197,606	45,475	7,113	4.4%	37,837
2018	136,286	6,459,684	47,398	7,684	3.6%	37,339
2019	136,286	6,581,796	48,294	8,217	2.7%	37,190
2020	136,286	6,647,614 *	48,777 *	7,971	6.0%	37,090

Sources: Population information provided by the U.S. Census Bureau. Personal income data provided by the Bureau of Economic Analysis. Chatham County retail sales estimated by the City of Savannah. Unemployment rates provided by the Bureau of Labor Statistics. School enrollment provided by the Savannah/Chatham School Board and includes public schools.

* Estimated. Data for 2020 not available at time of publishing.

**City of Savannah, Georgia
Principal Employers,
Current Year and Nine Years Ago**

Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Gulfstream Aerospace	12,000	1	6.69%	6,500	1	3.84%
Ft. Stewart/Hunter Army Airfield	5,773	2	3.22%	4,719	2	2.79%
Savannah-Chatham Board of Education	5,654	3	3.15%	4,600	4	2.72%
Memorial Health University Medical Center	4,775	4	2.66%	4,643	3	2.75%
St. Joseph's/Candler Health System	3,400	5	1.90%	3,170	5	1.87%
City of Savannah	2,468	6	1.38%	2,500	7	1.48%
Savannah College of Art and Design	1,886	7	1.05%	1,750	8	1.03%
Chatham County	1,882	8	1.05%	1,500	9	0.89%
Georgia Ports Authority	1,080	9	0.60%			
Georgia Southern University	886	10	0.49%			
Wal-Mart				2,935	6	1.74%
GA-Pacific Savannah River Mill				1,200	10	0.71%
Total	39,804		22.2%	33,517		19.82%

Information provided by Chatham County.

City of Savannah, Georgia
Full-time Equivalent City Government Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governance								20.00	20.00	20.00
General Administration	51.00	39.00	46.00	48.00	50.00	56.00	57.00			
Strategic Services								32.00	31.00	35.00
Public safety										
Police	791.00	738.00	737.00	730.00	729.00	745.00	727.13	603.38	630.62	627.44
SAVComm	106.00	106.00	105.00	105.00	104.00	104.00	104.00	103.00	6.00	0.00
Savannah Fire Department	362.00	329.00	329.00	329.00	343.00	360.00	370.00	351.00	336.00	335.00
Municipal Operations										
Chief Operating Officer								14.00	17.00	17.00
Human Resources								22.00	27.00	21.00
Financial Services	71.23	87.60	81.60	67.60	69.60	69.60	68.60	79.00	80.00	81.00
Fleet Services	41.00	41.00	41.00	41.00	41.00	41.00	42.00	43.00	43.00	43.00
Department of Information Technology	37.25	36.00	36.00	36.00	35.00	36.00	36.00	36.60	36.60	37.60
Real Estate Services	5.00	6.00	6.00	6.00	6.00	6.00	6.00	82.88	82.88	75.88
Recorder's Court	27.00	28.00	28.00	28.00	29.00	29.00	28.00	28.00	28.00	28.00
Infrastructure and Development										
Chief Infrastructure and Development								13.00	14.00	20.00
Parking Services	77.15	70.20	69.20	74.20	74.20	74.45	90.45	62.70	64.70	64.70
Mobility Services								63.00	64.00	64.00
Development Services								49.00	48.00	43.00
Economic Development										6.00
Public Works and Water Resources	467.00	446.00	498.00	503.00	502.00	506.00	508.00	457.00	461.00	463.00
Community Services										
Chief Community Services Officer								3.00	4.00	4.00
Cultural Resources								10.00	13.50	11.50
Code Compliance								48.75	45.00	45.00
Human Services	142.00	119.25	73.25	76.25	73.25	71.25	55.25	24.00	38.00	31.00
Housing and Neighborhood Services								15.00	21.00	21.00
Parks and Recreation	285.57	282.33	281.33	281.33	283.43	290.24	301.70	118.30	129.03	125.62
Sanitation	228.00	226.50	227.00	218.00	218.00	220.00	221.00	191.00	195.00	195.00
Total	2,691.20	2,554.88	2,558.38	2,543.38	2,557.48	2,608.54	2,615.13	2,469.61	2,435.33	2,414.74

Source: City Budget Office

City of Savannah, Georgia
Operating Indicators by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police										
Violent crimes	782	806	813	859	1,065	1,063	992	982	1,205	1,230
Property crimes	7,924	6,995	7,173	7,088	7,639	7,224	6,588	5,918	6,728	4,174
Fire										
Fire calls	1,050	1,041	1,074	1,937	831	1,273	927	905	941	920
Dwelling fires	361	387	389	372	331	208	181	222	212	176
Rescues	227	120	163	163	142	217	212	148	187	186
Refuse Disposal										
Total system City tons	124,987	118,484	111,126	104,011	126,651	128,268	91,908	91,416	91,103	91,281
Other public works										
Traffic sign repairs	6,992	7,266	7,578	6,729	7,226	6,579	6,758	7,107	6,416	8,220
Pothole repairs	701	616	579	578	853	1,739	4,003	6,677	1,079	2,936
Storm drain inlets cleaned	4,914	4,323	3,358	5,711	4,563	5,747	2,493	2,894	2,363	5,069
Leisure services										
Youth baseball participants	1,185	1,190	1,070	1,200	1,354	803	626	410	476	-
Youth football participants	1,594	1,596	1,386	1,234	481	757	967	720	1,107	-
Neighborhood center participants	6,113	5,451	4,700	3,820	3,864	3,830	4,250	4,095	4,816	86,000
Water										
Average daily ground water production (MGD)	22.86	21.88	21.59	21.71	20.42	22.44	21.06	21.27	21.51	19.29
Average daily surface water production (MGD)	30.00	29.11	28.70	29.89	30.71	34.18	31.93	37.91	33.63	37.28
Sewer										
Average flow (MGD)	23.08	24.59	24.79	26.49	27.53	27.38	25.30	24.75	24.99	25.45
Public Development										
Valuation of new commercial building permits issued (millions)	\$105	\$122	\$143	\$112	\$223	\$317	\$154	\$357	\$427	\$309
Valuation of new residential building permits issued (millions)	\$31	\$48	\$55	\$74	\$79	\$71	\$90	\$84	\$70	\$64

Sources: Crime data from Bureau of Justice Statistics

City of Savannah, Georgia
Capital Asset Statistics by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police										
Stations	5	5	5	5	5	5	5	4	5	5
Fire										
Stations	15	15	15	15	15	15	15	15	15	15
Refuse Collection										
Available landfill capacity (cubic yards)	1,692,082	1,569,835	1,451,270	1,345,480	1,237,861	1,102,439	946,555	805,293	680,796	574,167
Other public works										
Streets (miles)	687	687	687	690	690	690	689	684	680	693
Signalized intersections	248	250	251	258	260	264	265	269	269	269
Cemeteries	5	5	5	5	5	5	5	5	5	5
Leisure services										
Parks (acreage)	663	663	663	663	667	736	736	629	629	629
Playgrounds	57	60	60	68	68	68	68	71	71	71
Water										
Wells	49	49	49	49	49	49	49	49	47	47
Sewer										
Treatment capacity (MGD)	36.95	36.95	36.95	36.95	36.95	36.95	36.95	36.95	36.95	36.95
Parking facilities										
Parking garages	5	5	5	5	5	5	5	5	5	5
Civic Center										
Arenas	1	1	1	1	1	1	1	1	1	1
Meeting rooms	6	6	6	6	6	6	6	6	6	6
Theaters	1	1	1	1	1	1	1	1	1	1

Sources: Various city departments.

**CITY OF SAVANNAH, GEORGIA
WATER SYSTEM PRODUCTION AND NUMBER OF SYSTEM CUSTOMERS
LAST TEN CALENDAR YEARS**

Year	Ground Water Production		Surface Water Production		Number of Water Accounts¹	Number of Sewer Accounts¹
	Daily Average (MGD)	Peak Day (MGD)	Daily Average (MGD)	Peak Day (MGD)		
2011	22.86	31.82	30.00	43.55	92,130	89,573
2012	21.88	29.92	29.11	43.03	92,438	89,882
2013	21.59	31.49	28.70	41.29	92,509	89,939
2014	21.71	31.21	29.89	39.65	93,713	91,141
2015	20.42	28.79	30.71	42.36	94,545	91,955
2016	22.44	30.75	34.18	51.11	95,228	93,302
2017	21.06	29.56	31.93	44.29	97,471	94,436
2018	21.27	31.53	37.91	47.41	98,200	95,947
2019	21.51	31.56	33.63	48.27	99,913	97,389
2020	19.29	27.21	37.28	54.82	100,688	98,450

¹ Water and Sewer account counts based on the total dwelling units served.

**CITY OF SAVANNAH, GEORGIA
SEWAGE TREATMENT PLANT FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Sewage Treatment Facility	Capacity (MGD)	Average Flow (MGD)	Maximum Dry Weather Daily Flow (MGD)	Maximum Wet Weather Daily Flow (MGD)	Year of Last Upgrade	Treatment Process
President Street Plant	27.00	18.22	28.68	25.71	2019	Primary treatment, activated sludge, clarifier, chlorinator, gravity thickener, belt press, clarifiers, chlorination, sludge disposed at landfill: 2MGD reclaim water by filtration. Dryer and pelletizer added in 2019
Wilshire Plant	4.50	2.63	3.50	3.49	1999	Activated sludge, clarifier, gravity thickener, chlorinator, belt press, sludge disposed at landfill.
Georgetown Plant	2.45	1.78	2.25	2.28	2005	Activated sludge, clarifiers, effluent filtration, ultra-violet disinfection, belt press, sludge disposed at landfill.
Crossroads Plant	3.00	2.82	3.04	3.85	2008	Screening, grit removal, flow equalization, activated sludge clarifiers, filtration, ultra-violet disinfection, post aeration, belt press, sludge disposed at landfill.
Total	36.95	25.45	37.47	35.34		

**CITY OF SAVANNAH, GEORGIA
WATER AND SEWER RATES
LAST TEN CALENDAR YEARS**

Year	Bi-Monthly Water Rates for Residential and Commercial Customers						Bi-Monthly Sewage Rates for Residential and Commercial Customers						Industrial Water Rate (\$ per MG)
	Inside City			Outside City			Inside City			Outside City			
	Base Charge	First 1,500 cu. ft. per 100 cu. ft.	Over 1,500 cu. ft. per 100 cu. ft.	Base Charge	First 1,500 cu. ft. per 100 cu. ft.	Over 1,500 cu. ft. per 100 cu. ft.	Base Charge	First 1,500 cu. ft. per 100 cu. ft.	Over 1,500 cu. ft. per 100 cu. ft.	Base Charge	First 1,500 cu. ft. per 100 cu. ft.	Over 1,500 cu. ft. per 100 cu. ft.	
2011	\$ 11.06	\$ 0.82	\$ 1.00	\$ 16.59	\$ 1.23	\$ 1.50	\$ 8.80	\$ 2.56	\$ 2.94	\$ 13.20	\$ 3.84	\$ 4.41	\$ 700.72
2012	11.06	0.82	1.00	16.59	1.23	1.50	8.80	2.56	2.94	13.20	3.84	4.41	762.81
2013	11.06	0.86	1.04	16.59	1.29	1.56	8.80	2.75	3.10	13.20	4.08	4.65	797.09
2014	11.06	0.90	1.08	16.59	1.35	1.62	8.80	2.88	3.26	13.20	4.32	4.89	752.26
2015	11.06	0.94	1.12	16.59	1.41	1.68	8.80	3.04	3.42	13.20	4.56	5.13	735.15
2016	11.06	0.98	1.16	16.59	1.47	1.74	8.80	3.20	3.58	13.20	4.80	5.37	650.57
2017	11.06	1.03	1.21	16.59	1.54	1.81	8.80	3.37	3.75	13.20	5.05	5.62	635.24
2018	11.06	1.07	1.25	16.59	1.60	1.87	8.80	3.48	3.86	13.20	5.22	5.79	515.26
2019	11.06	1.13	1.31	16.59	1.69	1.96	8.80	3.68	4.06	13.20	5.52	6.09	536.12
2020	11.06	1.19	1.37	16.59	1.78	2.05	8.80	3.88	4.26	13.20	5.82	6.39	507.35

**CITY OF SAVANNAH, GEORGIA
WATER AND SEWER CONNECTION FEES
EFFECTIVE FOR THE YEAR ENDED DECEMBER 31, 2020**

Meter Size¹	Meter Installation Fee (per meter)	
	Installed by Plumber	Installed by City
5/8 to 3/4 inch	\$450	\$350
1 inch	500	400
1 1/2 inch	650	550

¹Larger meters are provided by the City to licensed plumbers at various fees sufficient to cover City costs.

	Tap-in Fee per ERU²	
	Inside City	Outside City
Water Tap-in	\$600	\$900
Sewer Tap-in	400	500

²Equivalent Residential Unit which is generally equivalent to a water demand of 300 gallons per day.

Note: In addition to the above meter installation fees and tap-in fees, other surcharges are charged for new connections to the water and sewer system on a per ERU basis. The amount of the surcharge fee varies by geographic area and such fees are computed to recover the system's capital costs incurred to serve the specific area. Water impact fees vary by geographic area from zero to \$2,238 per ERU. Sewer impact fees vary by geographic area from \$345 to \$2,300 per ERU.

**CITY OF SAVANNAH, GEORGIA
MAJOR WATER AND SEWER CUSTOMERS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Ten largest residential/commercial customers of the water and sewer system:

Customer	Product/Business	2020 Customer Revenue	Percent of 2020 Water and Sewer Fund Gross Revenue
Chatham County	Wholesale sewer	\$ 2,173,825	2.68%
City of Pooler	Wholesale water	1,438,893	1.77%
City of Port Wentworth	Wholesale water and sewer	1,153,273	1.42%
City of Thunderbolt	Wholesale water and sewer	914,653	1.13%
Hospital Corp of America	Hospital	863,321	1.06%
Kerry Inc.	Food producer	625,284	0.77%
Coastal Correctional Institute	State prison	477,236	0.59%
CSX Transportation	Railroad	424,219	0.52%
St. Josephs/Candler Hospital System	Hospital	274,867	0.34%
Gulfstream Areospace Corporation	Airplane manufacturer	268,133	0.33%
		<u>\$ 8,613,704</u>	<u>10.60%</u>

Major industrial customers of the water system:

Customer	Product/Business	2020 Customer Revenue	Percent of 2020 Water and Sewer Fund Gross Revenue	2020 Consumption (MG)
Weyerhaeuser	Bleached pulp	\$ 2,374,124	2.92%	4,679
International Paper	Unbleached kraft products	1,933,201	2.38%	3,810
Savannah Foods	Sugar refinery	396,372	0.49%	781
		<u>\$ 4,703,697</u>	<u>5.79%</u>	<u>9,271</u>