

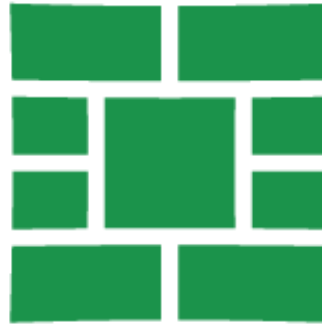
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended December 31, 2022

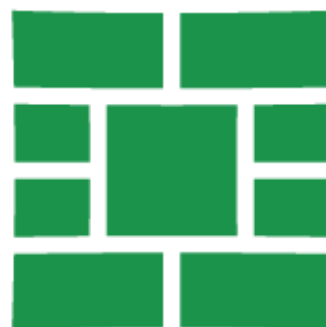
City of Savannah, Georgia



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
CITY OF SAVANNAH, GEORGIA
YEAR ENDED DECEMBER 31, 2022**



**PREPARED BY:
FINANCE DEPARTMENT**



**CITY OF SAVANNAH, GEORGIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2022**

TABLE OF CONTENTS

INTRODUCTORY SECTION

	<u>PAGE</u>
Letter of Transmittal	i-v
Principal Officials	vi
Organization Chart	vii
Certificate of Achievement for Excellence in Financial Reporting	viii

FINANCIAL SECTION

Independent Auditors' Report	1-3
Management's Discussion and Analysis	4-15
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	16
Statement of Activities	17
Fund Financial Statements:	
Balance Sheet - Governmental Funds	18
Reconciliation of the Balance Sheet for Governmental Funds to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Fund Net Position - Proprietary Funds	22
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	23
Statement of Cash Flows - Proprietary Funds	24
Statement of Fiduciary Net Position - Fiduciary Funds	25
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	26
Notes to the Financial Statements	27-94

FINANCIAL SECTION (continued)

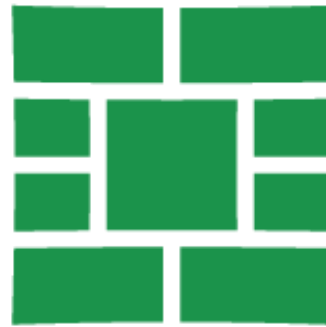
	<u>PAGE</u>
Required Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund	95
Community Development Fund	96
Schedule of Changes in Net Pension Liability – City of Savannah Employees' Retirement Plan	97
Schedule of Employer Contributions – Cost Sharing Pension Plans	98
Schedule of Valuation Details – City of Savannah Employees' Retirement Plan	99
Schedule of Investment Returns – City of Savannah Employees' Retirement Plan	100
Schedule of Changes in Proportional Share of Net Pension Liability – Plans without a Special Funding Situation	101
Schedule of Changes in Proportional Share of Net Pension Liability – Plans with a Special Funding Situation	102
Schedule of Changes in Net OPEB Liability – City of Savannah Other Post Employment Benefits Plan	103
Schedule of Employer Contributions – City of Savannah Other Post Employment Benefits Plan	104
Schedule of Investment Returns – City of Savannah Other Post Employment Benefits Plan	105
Schedule of Proportionate Share of the Net OPEB Liability – City of Savannah Other Post Employment Benefits Plan	106
Schedule of Valuation Details – City of Savannah Other Post Employment Benefits Plan	107
Notes to Required Supplementary Information	108-109

SUPPLEMENTAL SECTION

Combining and Individual Fund Statements and Schedules:	110-112
Combining Balance Sheet - Nonmajor Governmental Funds	113-114
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	115-116
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Nonmajor Special Revenue and Debt Service Funds	117-123
Combining Statement of Net Position - Nonmajor Enterprise Funds	124
Combining Statement of Revenues, Expenses, and Changes in Net Position - Nonmajor Enterprise Funds	125
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	126
Combining Statement of Net Position - Internal Service Funds	127
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	128
Combining Statement of Cash Flows - Internal Service Funds	129
Combining Statement of Fiduciary Net Position - Pension and OPEB Trust Funds and Fiduciary Funds	130
Combining Statement of Changes in Fiduciary Net Position – Pension and OPEB Trust Funds and Fiduciary Funds	131
Other Supplemental Information:	
Schedules of Projects Funded with Special Sales Tax Proceeds	132-139
Schedule of Hotel/Motel Tax	140
Schedule of Revenues and Expenditures/Expenses - Rental Motor Vehicle Tax	141

STATISTICAL SECTION

	<u>PAGE</u>
Net Position by Component	142
Changes in Net Position	143-144
Fund Balances of Governmental Funds	145
Changes in Fund Balances of Governmental Funds	146
Assessed Value and Estimated Actual Value of Taxable Property	147
Direct and Overlapping Property Tax Rates	148
Principal Property Taxpayers	149
Property Tax Levies and Collections	150
Ratios of Outstanding Debt by Type	151
Ratios of General Bonded Debt Outstanding	152
Direct and Overlapping Governmental Activities Debt	153
Legal Debt Margin Information	154
Pledged-Revenue Coverage	155
Demographic and Economic Statistics	156
Principal Employers	157
Full-time Equivalent City Government Employees by Function/Program	158
Operating Indicators by Function/Program	159
Capital Asset Statistics by Function/Program	160
Water System Production and Number of System Customers	161
Sewage Treatment Plant Flows	162
Water and Sewer Rates	163
Water and Sewer Connection Fees	164
Major Water and Sewer Customers	165





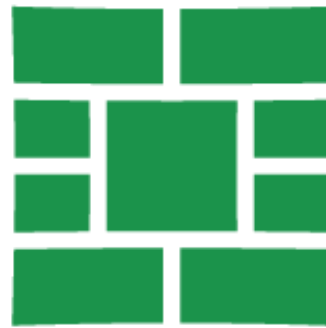
INTRODUCTORY SECTION

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 31, 2023

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 Annual Comprehensive Financial Report of the City of Savannah for the year ended December 31, 2022. 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, 2022. 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’s population as of

the 2020 census totals 147,780 and Savannah is the largest city and county seat of Chatham County, which had a population of 295,291 as of the 2020 census.

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 six Chief Officers 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. The service center is the legal level of control, which is defined as the level at which expenditures may not legally exceed the budget without approval by the City Council. Additionally, expenditures, revenues and performance data are monitored 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) two nationally recognized medical centers and 18 skilled nursing care facilities, (iv) 17 institutions of higher learning with over 72,000 students enrolled, 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 2022, unemployment in the Savannah metropolitan area was 2.9% compared to 3.3% nationally and 2.8% for the State of Georgia as a whole.

Overall, six industry groups account for nearly three-quarters of the jobs in the Savannah area: educational and health services (13.5%), state and local government (10.4%), leisure and hospitality (13.5%), manufacturing (9.4%), professional and business services (14.1%), and retail trade (11.6%). The federal government is also a significant economic presence thanks to Fort Stewart, located in nearby Liberty County, and Hunter Army Airfield located in the City of Savannah. During 2022, there were approximately 25,000 military personnel and civilian defense workers at these facilities making the

Department of Defense the largest, single employer in the area. The total payroll for both bases is approximately \$1.5 billion and these facilities combine for an annual economic impact on the region of \$5.0 billion. Fort Stewart is the largest military installation east of the Mississippi River and accounts for nearly three-fourths of the military employment in the area.

Total nonfarm employment for the Savannah metropolitan statistical area (MSA) increased by 4.8% in 2022 compared to the previous year for a total of 199,500 jobs at the end of 2022. Significant job creation was seen in the industries of construction, mining and logging (8.8%), leisure and hospitality (8.4%) and professional and business services (7.2%). In addition to job growth, the average weekly wage in the Savannah MSA has also been on the rise. In 2021, the average weekly wage in the Savannah MSA was \$1,001, an increase of 5.4% from 2020. Private sector wage growth was particularly strong in accommodation and food services (17.9%), real estate and rental and leasing (11.5%), retail trade (11.4%), construction (8.2%) and wholesale trade (7.8%).

Savannah continues to be a destination of choice among travelers and has received many accolades from travel industry publications. The southern charm and alluring culture of the City has been recognized nationally as one of the “The World’s Greatest Places of 2021” by Time Magazine, “The South’s Best Cities” (#2) by Southern Living and was named #1 for smaller cities in “Best Places to Live and Work as a Moviemaker” in 2022 by Moviemaker Magazine. Savannah’s landmark historic district continues to be the number one tourist destination in Georgia with an estimated 15.2 million visitors in 2021. The annual St. Patrick’s Day Parade and Festival ranks as the second largest celebration of St. Patrick’s Day in America. Savannah is also becoming known nationally and internationally as a “foodie” town and a great place for weddings and romantic get-a-ways. Due to its mild climate and low cost of living, Savannah is also becoming increasingly popular as a retirement community.

Another major component of the local economy is logistics and transportation, which is led by the Georgia Ports Authority (GPA). Georgia’s deep-water ports and inland barge terminals support nearly 561,000 jobs throughout the state and annually contribute \$33.0 billion in income, \$140.0 billion in sales and \$3.8 billion in state and local taxes to Georgia’s economy. The GPA operates the Port of Savannah, and for 2022 had another record-breaking year and became the country’s busiest port for container exports. During FY 2022, for the first time in its history, the Port of Savannah moved 5.8 million twenty-foot equivalent container units (TEUs) in a single year, growing container volumes by 8.1% in 2022 compared to the previous year. New projects are on the horizon to expand port related infrastructure in Savannah as the GPA expects to invest \$4.5 billion during the next 12 years to continue to grow its container business. By 2030, capacity is expected to be 10 million TEUs, surpassing that of the New York/New Jersey port. By 2050, GPA’s planned capacity is more than 20 million TEUs, which would exceed that of the country’s current leading port in Los Angeles/Long Beach.

The recent announcement of Hyundai’s plans to build its Meta Plant North America location in neighboring Bryan County is expected to have a significant impact on the local economy. The development of the electric vehicle plant is the largest economic development project in the state’s history and is expected to cost \$5.5 billion to construct and once completed is expected to employ 8,100 workers. An additional \$1.0 billion in investment is anticipated to come from Hyundai suppliers and to provide additional expansion to the local economy. As the center of the region’s economy, Savannah is anticipating increased demands for housing, healthcare and education as the vehicle plant and related manufacturers come on-line. Recent projections indicate Savannah’s resident population could increase as much as 35,000 by 2045.

Long-term Financial Planning

As of December 31, 2022, unassigned fund balance in the general fund (16.6% 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 2023 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 2022, the sales tax stabilization reserves totaled \$5,501,000. No draw on the sales tax stabilization reserves was necessary in 2022 or planned in the 2023 budget.

Total general fund revenues for 2023 are budgeted at \$238,985,149, which is 19.2% lower than the final budget for 2022. Significant decreases were budgeted in 2023 in the areas of transfers in and grant related revenues, mainly from the American Rescue Plan Act (ARPA). The adopted 2023 budget conservatively assumed 3.0% growth in property tax revenues and tentatively set a 2023 property tax millage rate of 12.20 which was the same rate for 2022. The 2023 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. Local option sales taxes are projected to be 1.8% higher in 2023 compared to 2022.

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 2023 through 2027 identifies projects and funding that total \$313.1 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 \$27.1 million or 8.6% of the funding for the five-year plan. The water and sewer fund accounts for \$139.9 million or 44.7% of the funding for the five-year plan. SPLOST 7 proceeds allocated in the plan total \$89.9 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 capital plan, which was adopted by the mayor and council in December 2022, totals \$95.3 million in project funding and includes allocations of \$38.3 million for stormwater drainage improvements, \$32.4 million for water and sewer expansion and infrastructure, \$6.3 million to support community development and recreation, \$3.0 million to support public buildings and \$6.0 million to improve streets, sidewalks and traffic management.

Major Initiatives

Making the necessary investments in public safety plays a large role in Savannah's strategic plan. Investments will be made to reduce crime and to keep Savannah's citizens and visitors safe by funding proven initiatives that intervene to prevent violent crime through deep community engagement. This focus on community oriented policing will expand the behavioral health unit and provide it with the resources necessary to provide around the clock assistance to officers encountering individuals with mental health issues. The City also plans to continue funding violence interruption grants designed to fund community organizations and programs that are directly focused on reducing gun violence among Savannah's youth and young adults. The grants will focus special attention on services targeting individuals in the age range of 12 to 24 years, who have been or are identified as being at risk of involvement in gun or other violence. Savannah continues to invest resources in personnel for both the police department and the fire department and will continue to fund higher pay and benefits for both groups. Purchases of new equipment and better technology are key focal points of Savannah's financial planning.

Getting back to the basics of service delivery has emerged over the past two years as Savannah continues to address citizen needs, wants and desires for high quality government services delivered in a timely and professional manner. The City has invested heavily in the Sanitation Department to address the need for additional personnel and equipment to provide litter control throughout all areas of the city. This focus included investing \$6.7 million in the efforts, which are paying off as evidenced by missing only 2% of recycling collections compared to missing 25% just a year ago. The back-to-basics initiative is also impacting the City's Park and Tree Department. An organizational realignment will bring all of the City's grounds maintenance of public greenspaces, including cemeteries, under a single roof. In addition, the City is investing millions to provide new equipment and staffing to address the effectiveness and consistency of greenspace management across the city. The new organizational alignment and increased investments are projected to create new efficiencies and provide a greater level of accountability that should translate into better maintained public greenspace for residents and visitors. Other investments related to the back-to-basics initiative will enhance stormwater drainage, city-owned fleet maintenance, streets and sidewalks and technology related to the public safety camera network.

Investing in neighborhoods continues to be a key initiative for the City of Savannah. Emphasis is being placed on improving neighborhoods through access to quality facilities and enriching programming and activities. Key long-term capital investments in this initiative include more than \$4.0 million to construct and upgrade community centers and recreational amenities. In addition, the City is focused on supporting neighbors and neighborhoods by increasing support to local social service providers and other neighborhood focused non-profits by 35%. Additional investments in this area will provide funding to expand the local trail network, increase access to the local arts and cultural activities and provide equipment to local youth sports organizations.

Other Information

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the year ended December 31, 2021. To be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized annual comprehensive 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 annual comprehensive 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 2022 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,



Joseph A. Melder
City Manager



David F. Maxwell, CPA
Senior Director of Financial Services

**CITY OF SAVANNAH, GEORGIA
PRINCIPAL OFFICIALS
2022**

ELECTED OFFICIALS

MAYOR

Van R. Johnson, II

ALDERMEN

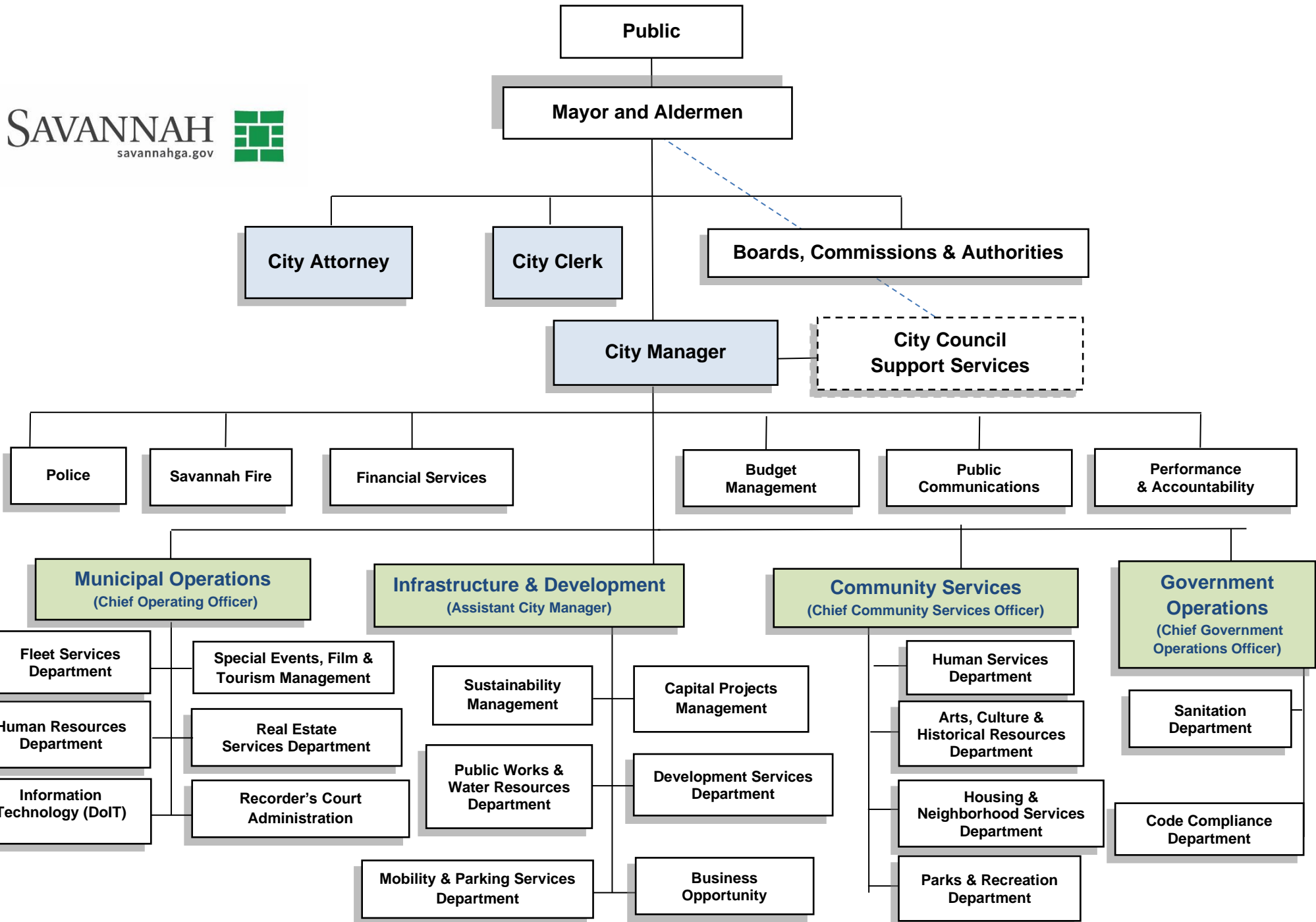
Kesha Gibson-Carter
Bernetta B. Lanier
Linda Wilder-Bryan
Dr. Estella Edwards Shabazz

Alicia Miller-Blakely
Detric Leggett
Nick Palumbo
Kurtis Purtee

OTHER OFFICIALS

Joseph A. Melder City Manager
Heath Lloyd Assistant City Manager
David F. Maxwell, CPA Senior Director of Financial Services
Melissa Carter Senior Director of Budget

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

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 Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

The City implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*, as of January 1, 2022. This standard significantly changed the accounting for the City's leases and related disclosures. Our opinions are not modified with respect to this matter.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis ("MD&A") on pages 4 through 15, 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 95 through 109 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational,

economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules, the schedule of hotel/motel tax, and the schedule of revenues and expenditures/expenses – rental motor vehicle tax 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 projects funded with special sales tax proceeds are presented for purposes of additional analysis as required by the Official Code of Georgia Annotated ("O.C.G.A.") §48-8-121 and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules, the schedule of hotel/motel tax, the schedule of revenues and expenditures/expenses – rental motor vehicle tax, and the schedules of projects funded with special sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

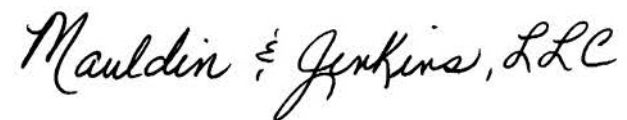
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2023, 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.

Savannah, Georgia

May 31, 2023

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

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, 2022. 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 and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of 2022 by \$1,863,207,156 (net position). Of this amount, \$320,762,073 is unrestricted net position. The net investment in capital assets of \$1,370,407,218 is also a component of net position at year end. Restricted net position totals \$172,037,865 and represents amounts that are subject to various restrictions. The deferred outflows of resources totaled \$29,388,136 at the close of 2022. Of this amount, \$27,955,260 was related to pensions and \$1,242,444 was related to post employment benefits other than pension (OPEB). Deferred inflows of resources totaled \$95,635,487 at the close of 2022 compared to \$81,166,333 at the close of 2021. Most of this amount was related to pensions (\$50,747,903) and OPEB (\$38,032,976).
- The government's total net position increased by \$179,594,166 during 2022. Approximately 71.1% of this increase is attributable to governmental activities. The remaining 28.9% is attributable to business-type activities, primarily the water and sewer utility.
- As of the close of 2022, the City's governmental funds reported combined ending fund balances of \$337,261,920, an increase of \$52,930,485 from the year ended December 31, 2021. The increase is mostly attributable to the collection of transfers in within the capital improvement fund and intergovernmental revenues within the SPLOST 2020-2026 fund.
- The unassigned fund balance for the general fund at the end of 2022 was \$49,360,451 or 16.6% of total general fund expenditures and transfers-out for the year. For the year ended December 31, 2022, the total fund balance in the general fund increased \$4,082,374 and the unassigned fund balance increased \$2,206,986.
- The City's total long-term liabilities experienced a net decrease of \$13,888,010 during the 2022 fiscal year. Of this amount, \$7,822,957 was recognized as a decrease in the governmental activities and \$6,065,053 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 \$16,938,076 during 2022 compared to 2021. Of this total amount, a decrease of \$13,534,776 was recognized in the governmental activities and a decrease of \$3,403,300 was recognized in the business type activities. Also in 2022, the governmental-type activities recognized new long-term liabilities resulting from the issuance of the Downtown Savannah Authority, Series 2022 bond. The proceeds (\$6,095,000) of the bond issue partially financed the construction and equipping of a road interchange and other improvements to support a proposed warehouse development located on the recently annexed Rockingham Farms tract. The Downtown Savannah Authority, Series 2021 bonds issued last year provided the remaining funding for this project.

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 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 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 services, infrastructure and development, governmental operations, police, records 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 16 - 17 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 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 2020-2026 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 18 - 21 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 22 - 24 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 25 - 26 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 27 - 94 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 95 - 109 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 110 - 141 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 \$1,863,207,156 at the close of the most recent fiscal year.

The following table provides a comparative summary of the City's net position for 2022 and 2021:

City of Savannah -- Net Position (\$000)						
	Governmental Activities		Business-type Activities		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$517,503	\$453,358	\$259,438	\$203,966	\$776,941	\$657,324
Capital assets	891,221	847,667	690,504	700,817	1,581,725	1,548,484
Total assets	<u>1,408,724</u>	<u>1,301,025</u>	<u>949,942</u>	<u>904,783</u>	<u>2,358,666</u>	<u>2,205,808</u>
Deferred outflows of resources	22,085	19,279	7,303	6,224	29,388	25,503
Total assets and deferred outflows of resources	<u>\$1,430,809</u>	<u>\$1,320,304</u>	<u>\$957,245</u>	<u>\$911,007</u>	<u>\$2,388,054</u>	<u>\$2,231,311</u>
Other liabilities	\$29,868	\$47,470	\$19,178	\$25,009	\$49,046	\$72,479
Long-term liabilities outstanding	160,450	168,272	219,715	225,780	380,165	394,052
Total liabilities	<u>190,318</u>	<u>215,742</u>	<u>238,893</u>	<u>250,789</u>	<u>429,211</u>	<u>466,531</u>
Deferred inflows of resources	70,779	62,475	24,857	18,692	95,636	81,167
Net position:						
Net investment in capital assets	833,917	776,053	536,491	500,499	1,370,408	1,276,552
Restricted	170,142	155,107	1,895	3,327	172,037	158,434
Unrestricted	<u>165,653</u>	<u>110,927</u>	<u>155,109</u>	<u>137,700</u>	<u>320,762</u>	<u>248,627</u>
Total net position	<u>1,169,712</u>	<u>1,042,087</u>	<u>693,495</u>	<u>641,526</u>	<u>1,863,207</u>	<u>1,683,613</u>
Total liabilities, deferred inflows of resources and net position	<u>\$1,430,809</u>	<u>\$1,320,304</u>	<u>\$957,245</u>	<u>\$911,007</u>	<u>\$2,388,054</u>	<u>\$2,231,311</u>

Note: Prior year adjustments recorded in the current year have not been reflected in the prior year column in the preceding table.

The largest portion of the City's net position (73.6% or \$1,370,407,218) 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 (9.2% or \$172,037,865) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (17.2% or \$320,762,073) 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 2022 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 \$179,594,166. About 71.1% of this increase is attributable to governmental activities mainly due to capital grants/contributions received in 2022. The remaining increase (28.9%) 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, 2022 and 2021:

City of Savannah - Changes in Net Position (\$000)						
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 28,102	\$ 19,632	\$ 150,763	\$ 130,062	\$ 178,865	\$ 149,694
Operating grants and contributions	45,922	40,903			45,922	40,903
Capital grants and contributions	55,627	49,039	8,623	3,668	64,250	52,707
General revenues:						
Property taxes	92,751	84,431			92,751	84,431
General sales taxes	66,266	55,570			66,266	55,570
Other taxes	83,494	71,970			83,494	71,970
Grants and contributions not restricted as to use	2,391	2,958			2,391	2,958
Other	6,508	3,747	17,565	647	24,073	4,394
Total revenues	<u>381,061</u>	<u>328,250</u>	<u>176,951</u>	<u>134,377</u>	<u>558,012</u>	<u>462,627</u>
Expenses (net of indirect costs):						
Governance, strategic services and municipal services	19,989	19,455			19,989	19,455
Infrastructure and development	64,832	81,835			64,832	81,835
Governmental operations	3,713				3,713	
Public safety	88,019	86,712			88,019	86,712
Parks and recreation, tourism	28,380	25,192			28,380	25,192
Community services	15,751	13,380			15,751	13,380
Community development and workforce training	26,878	16,544			26,878	16,544
Interest on long-term debt	2,347	2,157			2,347	2,157
Water and sewer			69,758	71,622	69,758	71,622
Sanitation and solid waste disposal			34,965	24,863	34,965	24,863
Parking facilities			18,932	16,558	18,932	16,558
Civic center and golf course			4,854	4,371	4,854	4,371
Total expenses	<u>249,909</u>	<u>245,275</u>	<u>128,509</u>	<u>117,414</u>	<u>378,418</u>	<u>362,689</u>
Increase in net position before contributions and transfers	131,152	82,975	48,442	16,963	179,594	99,938
Transfers	(3,527)	(2,950)	3,527	2,950		
Change in net position	127,625	80,025	51,969	19,913	179,594	99,938
Net position - January 1	1,042,087	962,062	641,526	621,613	1,683,613	1,583,675
Net position - December 31	<u>\$ 1,169,712</u>	<u>\$ 1,042,087</u>	<u>\$ 693,495</u>	<u>\$ 641,526</u>	<u>\$ 1,863,207</u>	<u>\$ 1,683,613</u>

Note: Prior year adjustments recorded in the current year have not been reflected in the prior year column in the preceding table.

Governmental activities. Governmental activities increased the City's net position by \$127,625,383. Key elements of this increase are as follows:

- Capital grants and contributions were recognized in 2022 in the amount of \$55,627,378. Most of this revenue, \$43,500,806, was special purpose local option sales taxes received from Chatham County. An additional amount totaling \$5,473,685 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. The City received \$2,141,205 from the State of Georgia for road improvement projects during 2022.
- Property taxes increased by \$8,320,051 (9.9%) during the year as compared to 2021. This increase was mainly due to growth in the City's taxable digest, which increased by 12.6% in 2022 compared to the previous year. The City's 2022 millage rate of 12.20 mills was reduced from the previous year's millage rate of 12.739 mills. Growth in the taxable digest has averaged 6.5% annual growth over the past 5 years. Much of the growth in the 2022 digest can be attributed to real estate development within the City, which increased by \$836,566,358 (14.8%) in taxable value compared to 2021. Personal property values decreased in 2022 by a total taxable value of \$6,667,341 (0.9%) compared to 2021.
- General sales tax revenue collections totaled \$66,266,165 in 2022, an increase of 19.2% compared to 2021. This increase is reflective of increased taxable sales within the county. The City's percentage share of county-wide general sales tax revenues remained unchanged in 2022 with the City receiving 57.0% of sales tax collected within the county.
- Selective sales tax revenues increased in 2022 by \$9,109,519 (24.0%) compared to 2021. This increase is mostly attributable to increased tourist traffic for the City in 2022 compared to 2021 and the associated taxes generated by the leisure and hospitality industry. Hotel/motel revenues increased by \$6,809,888 (24.4%). A year over year increase was also seen in excise taxes collected on liquor sold by the drink. The 2022 revenues from this source increased to \$3,144,515 up \$455,271 from 2021, which was a 16.9% increase.
- Unrestricted investment earnings in 2022 were \$3,502,673, which was \$3,428,934 higher than 2021. The average return on invested funds in 2022 was 1.42% compared to 0.01% in 2021.

For 2022, overall governmental activity expenses increased by \$4,632,597 (1.9%) as compared to 2021. In 2022, the public safety activity, which includes police, recorders court and fire protection, experienced a net increase in expenses of \$1,308,335 (1.5%). Within the public safety activity, expenses for police decreased by \$1,935,912 (3.7%), recorders court decreased by \$189,337 (8.9%) and fire increased by \$3,433,584 (10.9%) for 2022 as compared to 2021. Within public safety, significant reductions in 2022 were experienced related to pension expense and OPEB expense. Pension expense was reduced by \$1,654,491 in 2022 and OPEB expense was reduced by \$2,061,741 in 2022. While expenses for many of the specific functions within public safety remained flat in 2022 compared to 2021, significant increases in expenses occurred in police patrol (\$4,024,940 or 12.9%), police support services (\$378,109 or 23.9%), fire logistics (\$1,144,013 or 20.5%) and fire operations (\$1,066,982 or 3.8%).

The infrastructure and development activity, which includes the City's public works and building inspection functions, decreased expenses by \$17,003,239 (20.8%) in 2022 compared to the previous year. Much of this decrease (\$21,905,000) is attributable to a onetime payment made in 2021 to the Savannah Economic Development Authority (SEDA) for the construction of infrastructure improvements needed to support a new warehousing development at Rockingham Farms. Rockingham Farms was annexed into the City and is being developed with 10 million square feet of warehouse space. SEDA will use these funds to construct road improvements and extend water and sewer utilities to the property. In 2022, a payment of \$6,095,000 was made to SEDA for this purpose compared to a \$28,000,000 payment made in 2021.

Tourism enhancement expenses were higher in 2022 by \$3,597,141 (23.8%) compared to the previous year. Most of this increase can be attributed to legally mandated payments made from the City's hotel/motel tax collections. State law requires that 33.3% of these collections be remitted to a destination marketing

organization (DMO) for promoting Savannah as a tourism and convention destination. In 2022, payments to the DMO were \$11,583,833 compared to \$9,314,097 in 2021, an increase of \$2,269,736 (24.4%). State law also requires that a portion of the hotel/motel tax collections be remitted to the Savannah International Trade and Convention Center (TCA). In 2022, payments to the TCA were \$4,549,775 compared to \$3,737,818 in 2021, an increase of \$811,957 (21.7%)

Expenses related to the City's community development program increased \$11,246,746 (113.8%) in 2022 compared to 2021. This increase is the result of a onetime payment in 2022 of \$9,021,874 to the City's development partner transferring the corpus of the Savannah Affordable Housing Fund. The City's development partner, CHSA, was contracted in 2022 to administer and operate the affordable housing program in partnership with the private sector to better leverage private investment in low income and workforce housing within Savannah.

Business-type activities. Business-type activities increased the City's net position by \$51,968,783. Key elements of this increase are as follows:

- Charges for services for business-type activities overall increased by \$20,701,027 or 15.9%. The water and sewer activity increased charges for services by \$12,384,180 or 15.6% in 2022 as compared to 2021. This increase is attributable to higher revenues received from metered services provided to both water customers and sewer customers. Combined metered revenues were \$8,129,149 higher in 2022 compared to 2021. In addition, 2022 service charges were \$4,323,793 higher in 2022 compared to 2021, which is a 31.2% increase. Penalties related to delinquent accounts increased in 2022 by \$2,436,475 or 302.0% as the City enforced collection procedures for the entire year of 2022. The City had curtailed collection actions during 2021 in response to the impacts of the COVID19 pandemic. The sanitation activity increased charges for services by \$7,099,846 or 23.4%. Specific increases occurred with residential charges, which increased \$3,862,404 or 21.4% and services to other City departments, which increased by \$3,032,676 or 42.9%. Revenues within the parking facilities activity were essentially unchanged in 2022 compared to 2021, decreasing by \$54,658 or less than one percent.
- Capital grants and contributions, associated with the water and sewer activity, in the amount of \$8,623,642 were recognized in 2022. 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.
- Unrestricted investment earnings in 2022 were \$2,630,863 compared to \$72,871 in 2021. This increase is attributable to significantly higher interest rates paid in 2022 on idle cash investments.
- Gain on sale of capital assets was \$12,812,072 in 2022 and reflects the finance sale of the West River Street Parking Garage within the parking facilities activity.

Overall, expenses for business-type activities increased in 2022 by \$11,096,202, or 9.5%. The sanitation activity increased expenses by \$10,102,152 (40.6%) in 2022, compared to 2021. Within the sanitation activity for 2022, depreciation expense increased by \$4,017,642 compared to 2021 when depreciation expense was a credit of \$2,334,783. Landfill closure and post closure care expense also had a negative expense in 2021, totaling \$1,166,335. This amount increased to a positive \$1,364,309 in 2022 for an increase of \$2,530,644. Other significant expense increases were related to commodities in the amount of \$1,132,210 (68.9%), and internal services in the amount of \$984,613 (27.0%). The parking facilities activity increased expenses by \$2,374,783 (14.3%) in 2022, compared to 2021. Within the parking facilities activity for 2022, expense increases were related to depreciation in the amount of \$1,093,556 (34.2%) and contractual services in the amount of \$1,044,389 (22.5%). The civic center activity increased expenses by \$424,597 (10.3%) in 2022, compared to 2021. This increase is attributable to higher expenses in 2022 for personal services of \$157,529 (58.3%), internal services of \$197,839 (36.5%) and contractual services of \$103,882 (9.3%). The water and sewer activity decreased expenses by \$1,863,580 (2.6%) in 2022, compared to 2021. This net decrease resulted from lower expenses in contractual services (\$5,757,777 or 24.1%) and higher expenses in commodities (\$1,613,702 or 27.9%), depreciation (\$1,347,176 or 7.5%) and personal services (\$226,082 or 1.3%).

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 2022 fiscal year, the City's governmental funds reported combined ending fund balances of \$337,261,920, an increase of \$52,930,485 from the prior year end. Approximately 14.7% of the fund balance (\$49,360,451) is classified as unassigned. These funds are available for spending in future years without restrictions. The City's restricted fund balance at year end was \$135,394,954 or 40.1%. These balances are available for spending in future years but are restricted for specific purposes. Of the restricted amount reported at year end, \$124,161,125 is for SPLOST projects, \$6,084,857 is for tax allocation district projects, \$1,839,995 is for other capital projects, \$906,246 is for public safety purposes, \$1,622,005 is for debt service, \$374,507 is for downtown tourism and \$406,219 is for economic development purposes. The City's committed fund balance at year end was \$144,046,335 or 42.7%. Committed fund balances represent amounts that have been constrained by the mayor and council for specific purposes. As of December 31, 2022, committed fund balance consisted of \$138,540,666 for other capital projects, \$1,467,656 for economic development projects and \$3,614,661 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 \$8,460,180 or 2.5%.

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 \$49,360,451. 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 16.6% of total general fund expenditures plus transfers-out.

The total fund balance of the City's general fund increased in 2022 by \$4,082,374. Key factors in this increase are as follows:

- Total general fund revenues increased by \$26,007,881 (12.4%) and transfers in increased by \$21,946,950 (51.6%) in 2022 compared to 2021.
- Property tax revenues increased by \$8,077,494 (9.6%) compared to the prior year.
- Revenues from general sales taxes increased by \$10,695,879 (19.2%) compared to the prior year.
- Investment income in 2022 was \$2,312,351, which is \$2,275,904 higher than the \$36,447 recognized in 2021 for investment income. This increase is reflective of higher yields on invested funds.
- Transfers in included \$27,795,624 from the Coronavirus Local Fiscal Recovery Fund and represented the final tranche for the City from the Coronavirus State and Local Fiscal Recovery Funds from the U.S. Department of Treasury.

Total expenditures of the general fund were \$210,139,742 in 2022, which is an increase of \$22,423,380 (11.9%) compared to 2021. Increases in expenditures for 2022 were experienced in governance and strategic services (\$769,544 or 13.3%) infrastructure and development (\$6,889,302 or 16.9%), police (\$3,995,223 or 6.8%), fire (\$2,184,601 or 6.5%), parks and recreation (\$1,591,574 or 15.8%) and community services (\$2,394,734 or 16.7%). Decreases in expenditures for 2022 were experienced in municipal operations (\$607,929 or 2.9%).

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 2022, this fund expended \$19,560,165 on the City's community development program and its administration, which is an increase of \$11,759,372 or 150.7% from the prior year. During 2022, this fund received \$8,270,935 in transfers from the general fund to fund grant matches, operational costs not funded by grants and a \$7,000,000 contribution to the Savannah Affordable Housing Program.

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 2022, the capital improvement fund received revenues which included \$2,141,205 from intergovernmental sources, investment income of \$452,631 and revenue from miscellaneous sources in the amount of \$263,123. During 2022, the capital improvement fund received transfers in from the general fund totaling \$73,464,557. The capital improvement fund expended \$23,133,637 for the acquisition and construction of capital projects during 2022. As of the end of 2022, the capital improvement fund had a fund balance of \$140,380,661, all of which is required for approved capital projects.

The City also maintains the SPLOST 2020-2026 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 2019. During 2022, the fund received intergovernmental revenues of \$43,398,178 representing the City's share of the county-wide tax receipts. In 2022, the fund expended a total of \$17,728,526. Of this amount \$16,506,454 was expended for the acquisition and construction of capital projects and \$1,222,072 was expended for debt service on the City's general obligation debt. As of the end of 2022, the SPLOST 2020-2026 fund had a fund balance of \$62,677,469, 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 \$135,193,502, which is an increase from the prior year of \$13,720,693. 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 negative \$2,009,644, a decrease of \$1,506,696 compared to 2021. Unrestricted parking services net position increased by \$7,375,419 for 2022 and ended the year with a balance of \$25,144,851. Unrestricted net position for the civic center fund ended 2022 at a deficit balance of \$3,495,112, which was a decrease of \$2,184,096 from 2021. Unrestricted net position for the non-major enterprise funds at the end of 2022 was \$275,473 which is \$3,886 higher than the prior year end.

General Fund Budgetary Highlights

The difference between the 2022 original budget appropriations and the 2022 final amended budget appropriations for expenditures reflects an increase of \$9,610,386 which is 4.3%. The community services expenditure budget was increased by \$14,924,026 (81.2%) and the fire budget was increased by \$465,856 (1.3%). Significant expenditure budget amendments reflect reductions in current expenditure budgets for infrastructure and development (reduced \$2,841,995 or 5.5%), police (reduced \$867,108 or 1.4%), municipal operations (reduced \$881,864 or 3.9%) and governance and strategic services (reduced \$433,064 or 6.2%). Budgeted transfers out were increased in total by \$35,916,641. Budgeted transfers out to the capital improvement fund were increased by \$36,163,399 during 2022. Final budgeted revenues were \$14,502,054 (6.9%) higher than the adopted budget for 2022. Significant amendments to budgeted revenues include an increase of \$7,410,000 (13.6%) to general sales tax and an increase of \$5,035,312 (5.9%) to property taxes.

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, 2022, amounted to \$1,581,724,955 (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 \$33,241,182 (a \$43,554,265 net increase for governmental activities and a \$10,313,083 net decrease for business-type activities).

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

- Various governmental capital asset projects with a total value of \$32,880,321 were completed or acquired during the year. The total value of governmental capital assets of all types still under construction at year end was \$339,080,469. A variety of street and drainage construction projects with a total value of

\$14,577,296 were completed or acquired during the year. Machinery and other rolling stock valued at \$10,721,750 was placed into service during the year. Improvements other than buildings valued at \$7,581,275 were completed during the year.

- Various business-type plant capital asset projects with a total value of \$87,572,671 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 \$216,977,253. Plants, buildings and other physical plant assets valued at \$85,763,991 were placed into service during the year. Improvements other than buildings decreased \$42,106,255 as the City sold a parking garage 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 2022 and 2021:

City of Savannah - Capital Assets (\$000)						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 79,508	\$ 79,508	\$ 8,017	\$ 8,017	\$ 87,525	\$ 87,525
Plants and Buildings	125,581	125,581	868,726	783,050	994,307	908,631
Improvements other than buildings	114,570	106,989	47,189	88,433	161,759	195,422
Machinery, equipment and fixtures	153,167	146,452	45,006	44,214	198,173	190,666
Streets and drainage	572,774	558,197			572,774	558,197
Construction in progress	339,080	302,891	216,977	252,287	556,057	555,178
Less accumulated depreciation	(501,185)	(471,951)	(499,609)	(475,184)	(1,000,794)	(947,135)
Total	<u>\$883,495</u>	<u>\$847,667</u>	<u>\$686,306</u>	<u>\$700,817</u>	<u>\$1,569,801</u>	<u>\$1,548,484</u>

Note: Prior year adjustments recorded in the current year have not been reflected in the prior year column in the preceding table.

During fiscal year 2022, the City implemented GASB Statement No. 87, Leases. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. As of December 31, 2022, the City's intangible right-to-use assets had a net value of \$11,923,116 as shown on the following table.

City of Savannah - Right-To-Use-Assets (\$000)						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land and improvements	\$ -	\$ -	\$ 5,306	\$ -	\$ 5,306	\$ -
Buildings	7,351				7,351	
Machinery and equipment	5,993				5,993	
Less accumulated amortization	(5,618)		(1,109)		(6,727)	
Total	<u>\$7,726</u>	<u>\$ -</u>	<u>\$4,197</u>	<u>\$ -</u>	<u>\$11,923</u>	<u>\$ -</u>

Note: Prior year adjustments recorded in the current year have not been reflected in the prior year column in the preceding table.

Additional information on the City's capital assets can be found in Notes to the Financial Statements Note 5 - Capital Assets on pages 60 - 63 of this report.

Long-term debt. At the end of year 2022, the City had total bonded debt outstanding of \$28,811,455 (net of unamortized premiums and discounts). In addition to bonded debt, the City also had outstanding notes of \$17,737,994, leases payable of \$11,955,835 and contractual obligations that secured bonds issued by certain public authorities (which are not part of the City entity) totaling \$229,428,468. All four types of debt obligations totaled \$287,933,752. Of this amount, \$101,600,415 comprises debt backed by the full faith and credit of the City and \$186,333,337 represents debt secured by specified revenue sources.

The following table summarizes outstanding debt of the City as of the end of 2022 and 2021:

City of Savannah - Outstanding Debt (\$000)
(General obligation bonds, notes, revenue bonds, contractual obligations and leases)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 3,875	\$ 4,975	\$ -	\$ -	\$ 3,875	\$ 4,975
Revenue bonds			16,841	19,105	16,841	19,105
Contractual obligations	85,770	83,912	151,755	157,082	237,525	240,994
Notes			17,738	18,621	17,738	18,621
Leases payable	7,758	1,298	4,197		11,955	1,298
Total	<u>\$ 97,403</u>	<u>\$ 90,185</u>	<u>\$ 190,531</u>	<u>\$ 194,808</u>	<u>\$ 287,934</u>	<u>\$ 284,993</u>

Note: Prior year adjustments recorded in the current year have not been reflected in the prior year column in the preceding table.

As of the end of 2022, the City's total debt had increased by \$2,941,517 when compared to the amount outstanding at the end of 2021. During 2022, the City issued \$6,095,000 in new debt through the Savannah Economic Development Authority. Proceeds of the issue were used for construction of road and utility infrastructure at the Rockingham Farms warehouse development. In addition, certain debt amounts outstanding were reduced by the City meeting regularly scheduled debt service payments during 2022 that totaled \$15,834,646. 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 \$736,870,380. As of December 31, 2022, the City had outstanding general obligation bonded debt totaling \$3,875,000.

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 64 - 73 of this report.

Economic Factors and Next Year's Budgets and Rates

Economic growth within the local economy is expected over the next few years with the recent announcement of the state's largest economic development project in history locating to the region. Hyundai's announcement that it will build an electric car manufacturing plant in neighboring Bryan County will infuse the region, including Savannah, with over 8,000 new jobs and billions in new construction. Demand for housing, healthcare, educational services and retail trade will rise to meet the needs of these new workers and their families. With these new families will come the need for expanded government services to all areas of City, but especially to the burgeoning southwest quadrant, which is expected to welcome 20,000 to 30,000 new residents over the coming years. This

westward expansion of City services requires planned growth in police and fire services, including additional personnel and infrastructure such as buildings and equipment. The City's utilities will also see increased demand for water and sewer services for residential and industrial growth. These and other relevant factors were considered in preparing the budget for the 2023 fiscal year. Additional details regarding specific factors are:

- The unemployment rate for the Savannah as of the end of 2022 was 2.9% compared to 2.3% as of the end of 2021. The unemployment rate for Savannah as of December 2022 was higher than that of the State of Georgia as a whole (2.8%). The national average as of December 2022 was 3.3%.
- The City's property tax digest value increased by 12.6% in 2022 compared to a 6.6% increase in 2021 and has increased on average 6.5% over the past five years.
- Hotel/motel tax collections in 2022 were the highest on record and increased 24.4% in 2022 compared to 2021. This increase is indicative of the record number of visitors to Savannah post the COVID19 pandemic. It is estimated that 15.2 million visitors came to Savannah in 2021 as Savannah continues to be the most popular visitor destination in Georgia.

All of these factors were considered in preparing the City of Savannah's budget for the 2023 fiscal year. The 2023 adopted budget is balanced and includes a tentative property tax millage rate of 12.20 mills, which is unchanged from the final millage for 2022. In addition, no draw on the City's general fund reserves was necessary in order to balance the 2023 adopted budget.

2023 rates for city utilities are increased from 2022. Water and sewer rates increased 3.91% on a combined bill for the average inside city customer, which equates to \$1.95 increase per month. Residential refuse rates, including curbside pickup and recycling services, increased by 3.0% going from \$36.60 per month in 2022 to \$37.70 per month in 2023.

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, 2022

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and investments	\$ 276,069,693	\$ 160,571,902	\$ 436,641,595
Receivables (net)	32,332,029	28,157,419	60,489,448
Leases receivable, due within one year	233,526	471,698	705,224
Notes receivable, due within one year		2,422,500	2,422,500
Internal balances	(180,500)	180,500	
Inventories	1,643,300		1,643,300
Restricted assets:			
Cash and investments	145,312,185	5,314,708	150,626,893
Accounts receivable	3,980,346	1,602	3,981,948
Notes receivable, due within one year	3,698,181		3,698,181
Notes receivable, long term	22,408,439		22,408,439
Property held for resale	490,720		490,720
Leases receivable, long term	706,448	3,369,307	4,075,755
Notes receivable, long term		48,744,163	48,744,163
Net OPEB asset	30,808,343	10,204,023	41,012,366
Capital assets:			
Land and construction in progress	418,588,655	224,994,040	643,582,695
Other capital assets, net of depreciation and amortization	472,632,314	465,509,946	938,142,260
Total assets	1,408,723,679	949,941,808	2,358,665,487
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred amounts from refunding of debt		190,432	190,432
Pension related deferred outflows	21,118,898	6,836,362	27,955,260
OPEB related deferred outflows	966,122	276,322	1,242,444
Total deferred outflows of resources	22,085,020	7,303,116	29,388,136
Total assets and deferred outflows of resources	\$ 1,430,808,699	\$ 957,244,924	\$ 2,388,053,623
<u>LIABILITIES</u>			
Accounts payable and accrued liabilities	\$ 19,489,699	\$ 10,215,374	\$ 29,705,073
Interest payable	757,912	2,118,828	2,876,740
Unearned lease revenue		4,500,000	4,500,000
Payable from restricted assets:			
Deposits	6,868,400	2,120,487	8,988,887
Interest payable		35,021	35,021
Unexpended grant proceeds	2,751,776		2,751,776
Current portion of debt payable		188,333	188,333
Long-term liabilities:			
Due within one year	19,384,772	10,764,912	30,149,684
Due in more than one year	106,622,980	198,384,391	305,007,371
Net pension liability due in more than one year	34,442,158	10,565,927	45,008,085
Total liabilities	190,317,697	238,893,273	429,210,970
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred revenue from program income	2,039,708		2,039,708
Deferred amounts from refunding of debt	33,931		33,931
Lease related deferred inflows	939,974	3,841,005	4,780,979
Pension related deferred inflows	39,078,746	11,669,157	50,747,903
OPEB related deferred inflows	28,686,149	9,346,827	38,032,976
Total deferred inflows of resources	70,778,508	24,856,989	95,635,497
<u>NET POSITION</u>			
Net investment in capital assets	833,916,626	536,490,592	1,370,407,218
Restricted for:			
Sales tax capital projects	124,349,164		124,349,164
Other capital projects	7,924,852		7,924,852
Community development	25,948,085		25,948,085
Economic development	406,219		406,219
Nonexpendable perpetual care	8,460,180		8,460,180
Debt service	904,109	1,895,000	2,799,109
Convention and tourism	374,507		374,507
Court technology fee	243,168		243,168
Other grants	1,532,581		1,532,581
Unrestricted	165,653,003	155,109,070	320,762,073
Total net position	1,169,712,494	693,494,662	1,863,207,156
Total liabilities, deferred inflows of resources and net position	\$ 1,430,808,699	\$ 957,244,924	\$ 2,388,053,623

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

**CITY OF SAVANNAH, GEORGIA
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

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	\$ 5,941,818	\$ -	\$ -	\$ -	\$ -	\$ (5,941,818)		\$ (5,941,818)
Municipal services	20,801,440	(6,753,828)	4,425,179	432,057		(9,190,376)		(9,190,376)
Infrastructure and development	64,831,981		1,209,042	27,688,785	55,455,392	19,521,238		19,521,238
Governmental operations	3,712,985					(3,712,985)		(3,712,985)
Police	51,070,989		2,260,018	690,669		(48,120,302)		(48,120,302)
Recorder's court	1,929,208		2,672,667			743,459		743,459
Fire	34,993,070	26,388	551,335	4,394,645		(30,073,478)		(30,073,478)
Parks and recreation	9,650,987		1,409,917	534,573		(7,706,497)		(7,706,497)
Tourism enhancement	18,728,587		1,972,192			(16,756,395)		(16,756,395)
Community services	15,750,257		6,660,834			(9,089,423)		(9,089,423)
Grant program and administration	5,722,686	27,259		4,987,668	171,986	(590,291)		(590,291)
Community development program and administration	20,807,579	321,226	6,940,606	7,194,096		(6,994,103)		(6,994,103)
Interest on long-term debt	2,136,571					(2,136,571)		(2,136,571)
Interest on capital leases	210,017					(210,017)		(210,017)
Total governmental activities	256,288,175	(6,378,955)	28,101,790	45,922,493	55,627,378	(120,257,559)		(120,257,559)
Business-type activities:								
Water and sewer	66,481,949	3,275,768	91,626,553		8,623,642		\$ 30,492,478	30,492,478
Sanitation	33,949,778	1,015,026	37,384,827				2,420,023	2,420,023
Parking facilities	17,354,643	1,577,752	19,687,171				754,776	754,776
Civic center	4,018,262	510,409	1,926,902				(2,601,769)	(2,601,769)
Golf course	325,543		137,255				(188,288)	(188,288)
Total business-type activities	122,130,175	6,378,955	150,762,708		8,623,642		30,877,220	30,877,220
Total	\$ 378,418,350	\$ -	\$ 178,864,498	\$ 45,922,493	\$ 64,251,020	(120,257,559)	30,877,220	(89,380,339)
General Revenues:								
Taxes:								
Property taxes						92,751,391		92,751,391
Intangible, transfer and franchise taxes						24,344,013		24,344,013
General sales taxes						66,266,165		66,266,165
Selective sales taxes						47,096,939		47,096,939
Business taxes						12,052,793		12,052,793
Penalties and interest on delinquent taxes						573,030		573,030
Grants and contributions not restricted to specific programs						2,391,367		2,391,367
Investment earnings, unrestricted						3,502,673	2,630,863	6,133,536
Gain on sale of capital assets						1,144,668	12,812,072	13,956,740
Miscellaneous revenue						1,287,185	2,121,346	3,408,531
Transfers						(3,527,282)	3,527,282	
Total general revenues and transfers						247,882,942	21,091,563	268,974,505
Change in net position						127,625,383	51,968,783	179,594,166
Net position, beginning						1,042,087,111	641,525,879	1,683,612,990
Net position, ending						\$ 1,169,712,494	\$ 693,494,662	\$ 1,863,207,156

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

**CITY OF SAVANNAH, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	GENERAL	COMMUNITY DEVELOPMENT	CAPITAL IMPROVEMENT	SPLOST 2020-2026	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>						
Cash and investments	\$ 159,959,599	\$ -	\$ 26,910,979	\$ -	\$ 1,459,540	\$ 188,330,118
Receivables, net	18,468,661				24,933	18,493,594
Due from other funds	1,216,474		114,453,849			115,670,323
Due from other governments	6,814,809	1,427,347		3,585,141	1,996,443	13,823,740
Restricted assets:						
Cash and investments		783,957	1,839,995	61,560,059	81,128,174	145,312,185
Receivables, net		28,057			2,997,765	3,025,822
Special assessment receivable, net					121,679	121,679
Leases receivable	939,974					939,974
Notes receivable		26,106,620				26,106,620
Property held for resale					490,720	490,720
Total assets	<u>\$ 187,399,517</u>	<u>\$ 28,345,981</u>	<u>\$ 143,204,823</u>	<u>\$ 65,145,200</u>	<u>\$ 88,219,254</u>	<u>\$ 512,314,775</u>
<u>LIABILITIES</u>						
Accounts payable	\$ 4,790,680	\$ 351,296	\$ 2,824,162	\$ 2,467,731	\$ 3,056,393	\$ 13,490,262
Accrued liabilities	1,993,940					1,993,940
Due to other funds	114,453,849				1,396,974	115,850,823
Payable from restricted assets:						
Unexpended grant proceeds		1,882,273			869,503	2,751,776
Escrow deposits	6,861,498	6,902				6,868,400
Total liabilities	<u>128,099,967</u>	<u>2,240,471</u>	<u>2,824,162</u>	<u>2,467,731</u>	<u>5,322,870</u>	<u>140,955,201</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Unavailable property taxes	5,213,669					5,213,669
Unavailable program income	170,795	26,105,510			402,804	26,679,109
Unavailable grant proceeds					1,264,902	1,264,902
Lease related deferred inflows	939,974					939,974
Total deferred inflows of resources	<u>6,324,438</u>	<u>26,105,510</u>			<u>1,667,706</u>	<u>34,097,654</u>
<u>FUND BALANCES</u>						
Nonspendable					8,460,180	8,460,180
Restricted			1,839,995	62,677,469	70,877,490	135,394,954
Committed	3,614,661		138,540,666		1,891,008	144,046,335
Unassigned	49,360,451					49,360,451
Total fund balance	<u>52,975,112</u>		<u>140,380,661</u>	<u>62,677,469</u>	<u>81,228,678</u>	<u>337,261,920</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 187,399,517</u>	<u>\$ 28,345,981</u>	<u>\$ 143,204,823</u>	<u>\$ 65,145,200</u>	<u>\$ 88,219,254</u>	<u>\$ 512,314,775</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, 2022**

Amounts reported for governmental activities on the Statement of Net Position (page 16) differs from the amount reported on the Balance Sheet for Governmental Funds because:

Total fund balances for Governmental Funds (page 18)	\$ 337,261,920
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	853,220,132
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.	(45,679,875)
Unavailable revenues are not available to pay for current-period expenditures and are not recognized as revenues at the fund level	31,117,972
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.	112,480,287
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(118,687,942)</u>
Net position of governmental activities (page 16)	<u><u>\$ 1,169,712,494</u></u>

CITY OF SAVANNAH, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	GENERAL	COMMUNITY DEVELOPMENT	CAPITAL IMPROVEMENT	SPLOST 2020-2026	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:						
Property taxes	\$ 92,612,532	\$ -	\$ -	\$ -	\$ 876,344	\$ 93,488,876
Intangible, transfer and franchise taxes	24,344,013					24,344,013
General sales tax	66,266,165					66,266,165
Selective sales taxes	9,163,119				37,933,821	47,096,940
Business taxes	12,052,793					12,052,793
Penalties and interest on delinquent taxes	573,030					573,030
Licenses and permits	2,735,065					2,735,065
Inspection fees	6,050,679					6,050,679
Intergovernmental revenue	2,925,940	7,194,096	2,141,205	43,398,178	35,988,086	91,647,505
Charges for services	4,745,972	3,999,855			2,559,707	11,305,534
Indirect cost allocations	7,562,752					7,562,752
Fines and forfeitures	2,937,383					2,937,383
Investment income	2,312,351	68,492	452,631	743,630	1,052,784	4,629,888
Miscellaneous revenue	2,178,825	26,787	263,123		358,449	2,827,184
Total revenues	236,460,619	11,289,230	2,856,959	44,141,808	78,769,191	373,517,807
EXPENDITURES:						
Current:						
Governance and strategic services	6,535,245					6,535,245
Municipal operations	20,537,405					20,537,405
Governmental operations	3,712,985					3,712,985
Infrastructure and development	47,639,604		5,750,000			53,389,604
Police	62,957,446				8,814	62,966,260
Recorder's court	2,447,965				4,532	2,452,497
Fire	35,823,344				560,928	36,384,272
Parks and recreation	11,677,498					11,677,498
Tourism enhancement	975,707				17,795,021	18,770,728
Community services	16,748,252					16,748,252
Grant program and administration					5,791,516	5,791,516
Community development program and administration		19,560,165			87,269	19,647,434
Debt Service:						
Principal	979,180			1,100,000	4,043,692	6,122,872
Interest and fiscal charges	105,111		969,599	122,072	1,666,822	2,863,604
Bond issuance costs			97,500			97,500
Capital outlay			23,133,637			23,133,637
Capital outlay - SPLOST funded				16,506,454	16,712,977	33,219,431
Total expenditures	210,139,742	19,560,165	29,950,736	17,728,526	46,671,571	324,050,740
Excess (deficiency) of revenues over (under) expenditures	26,320,877	(8,270,935)	(27,093,777)	26,413,282	32,097,620	49,467,067
OTHER FINANCING SOURCES (USES):						
Transfers in	64,492,330	8,270,935	73,464,557		5,665,173	151,892,995
Transfers out	(87,424,890)		(18,186,713)		(49,733,963)	(155,345,566)
Debt issuance			6,095,000		126,932	6,221,932
Sale of capital assets	694,057					694,057
Total other financing sources (uses)	(22,238,503)	8,270,935	61,372,844		(43,941,858)	3,463,418
Net change in fund balances	4,082,374		34,279,067	26,413,282	(11,844,238)	52,930,485
Fund balances, beginning of year	48,892,738		106,101,594	36,264,187	93,072,916	284,331,435
Fund balances, end of year	\$ 52,975,112	\$ -	\$ 140,380,661	\$ 62,677,469	\$ 81,228,678	\$ 337,261,920

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, 2022**

Amounts reported for governmental activities in the Statement of Activities (page 17) are different because:

Net change in fund balances - total governmental funds (page 20)	\$ 52,930,485
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 or amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense in the current period.	31,603,656
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.	5,463,004
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,807,513
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.	449,085
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.	18,138,552
Internal service funds are used by management to charge costs of fleet management, information services, and risk management to individual funds.	15,769,638
The net revenue of certain activities of internal service funds is reported with governmental activities.	1,463,450
Change in net position of governmental activities (page 17)	<u>\$ 127,625,383</u>

CITY OF SAVANNAH, GEORGIA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	ENTERPRISE FUNDS						
	WATER AND SEWER	SANITATION	PARKING SERVICES	CIVIC CENTER	NONMAJOR ENTERPRISE FUNDS	TOTALS	INTERNAL SERVICE FUNDS
ASSETS							
Current assets:							
Cash and investments	\$ 126,121,601	\$ 12,969,543	\$ 19,572,675	\$ 1,632,610	\$ 275,473	\$ 160,571,902	\$ 87,739,575
Receivables, net	20,567,913	6,929,255	103,780	556,471		28,157,419	847,540
Due from other funds				180,500		180,500	
Lease receivable				471,698		471,698	
Note receivable			2,422,500			2,422,500	
Inventories							1,643,300
Total current assets	146,689,514	19,898,798	22,098,955	2,841,279	275,473	191,804,019	90,230,415
Noncurrent assets:							
Restricted assets:							
Cash and investments	4,235,698		1,005,957	73,053		5,314,708	
Accounts receivable				1,602		1,602	
Lease receivable				3,369,307		3,369,307	
Note receivable			48,744,163			48,744,163	
Net OPEB asset	5,381,814	3,291,608	1,122,442	408,159		10,204,023	
Capital assets:							
Land	3,089,210	1,910,772	817,709	606,537	1,592,559	8,016,787	
Plant, buildings, stations, reservoirs, etc	731,758,969	1,455,453	113,608,473	20,388,267	1,514,735	868,725,897	2,479,758
Improvements, other than buildings		30,254,168	7,480,210	2,084,288	7,370,205	47,188,871	610,615
Machinery and equipment	10,073,913	23,191,003	7,848,535	2,389,190	54,443	43,557,084	111,582,729
Leased property and equipment			5,305,893			5,305,893	5,992,801
Other capital assets				1,431,496	17,794	1,449,290	
Less accumulated depreciation and amortization	(380,491,936)	(46,787,288)	(45,884,164)	(22,276,760)	(5,276,941)	(500,717,089)	(82,665,066)
Construction in progress	105,427,632	35,991,888	19,558,536	55,999,197		216,977,253	
Total noncurrent assets	479,475,300	49,307,604	159,607,754	64,474,336	5,272,795	758,137,789	38,000,837
Total assets	626,164,814	69,206,402	181,706,709	67,315,615	5,548,268	949,941,808	128,231,252
DEFERRED OUTFLOWS OF RESOURCES							
Deferred amounts from refunding of debt	95,736		94,696			190,432	
Pension related deferred outflows	4,192,365	1,961,399	599,633	82,965		6,836,362	
OPEB related deferred outflows	155,496	79,377	30,396	11,053		276,322	
Total deferred outflows of resources	4,443,597	2,040,776	724,725	94,018		7,303,116	
Total assets and deferred outflows of resources	\$ 630,608,411	\$ 71,247,178	\$ 182,431,434	\$ 67,409,633	\$ 5,548,268	\$ 957,244,924	\$ 128,231,252
LIABILITIES							
Current liabilities:							
Payable from restricted assets:							
Customer deposits	\$ 2,045,832	\$ -	\$ -	\$ 74,655	\$ -	\$ 2,120,487	\$ -
Interest payable	35,021					35,021	
Current portion of bonds payable	188,333					188,333	
Accounts payable	5,977,663	2,678,931	1,341,519	217,261		10,215,374	4,005,497
Interest payable	15,225	99,838	1,448,189	555,576		2,118,828	
Unearned lease revenue				4,500,000		4,500,000	
Current obligation under leases			523,244			523,244	1,215,207
Current portion of contractual obligations			4,300,000	600,000		4,900,000	
Current portion of notes and bonds payable	2,994,190	1,055,000				4,049,190	
Current portion of compensated absences	761,316	357,264	132,141	41,757		1,292,478	239,943
Current portion of claims and judgments payable							3,729,006
Total current liabilities	12,017,580	4,191,033	7,745,093	5,989,249		29,942,955	9,189,653
Noncurrent liabilities:							
Obligations under leases			3,674,283			3,674,283	3,912,325
Contractual obligations, net			95,573,980	43,184,908		138,758,888	
Notes payable	16,845,470					16,845,470	
Revenue bonds payable, net	14,551,455	7,040,000				21,591,455	
Compensated absences	953,492	768,329	103,857	16,381		1,842,059	232,474
Accrued landfill closure costs		15,672,236				15,672,236	
Claims and judgments							2,416,513
Net pension liability due in more than one year	6,150,903	3,236,518	1,029,984	148,522		10,565,927	
Total noncurrent liabilities	38,501,320	26,717,083	100,382,104	43,349,811		208,950,318	6,561,312
Total liabilities	50,518,900	30,908,116	108,127,197	49,339,060		238,893,273	15,750,965
DEFERRED INFLOWS OF RESOURCES							
Lease related deferred inflows				3,841,005		3,841,005	
Pension related deferred inflows	6,445,059	3,518,409	1,170,909	534,780		11,669,157	
OPEB related deferred inflows	4,981,695	2,963,109	1,028,150	373,873		9,346,827	
Total deferred inflows of resources	11,426,754	6,481,518	2,199,059	4,749,658		24,856,989	
NET POSITION							
Net investment in capital assets	431,574,255	35,867,188	46,960,327	16,816,027	5,272,795	536,490,592	30,430,922
Restricted for:							
Debt service	1,895,000					1,895,000	
Unrestricted	135,193,502	(2,009,644)	25,144,851	(3,495,112)	275,473	155,109,070	82,049,365
Total net position	568,662,757	33,857,544	72,105,178	13,320,915	5,548,268	693,494,662	112,480,287
Total liabilities, deferred inflows of resources and net position	\$ 630,608,411	\$ 71,247,178	\$ 182,431,434	\$ 67,409,633	\$ 5,548,268	\$ 957,244,924	\$ 128,231,252

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, 2022

	ENTERPRISE FUNDS						INTERNAL
	WATER AND SEWER	SANITATION	PARKING SERVICES	CIVIC CENTER	NONMAJOR ENTERPRISE FUNDS	TOTALS	SERVICE FUNDS
OPERATING REVENUES:							
Metered sales	\$ 73,221,556	\$ -	\$ -	\$ -	\$ -	\$ 73,221,556	\$ -
Charges for services	18,188,672	37,384,827				55,573,499	34,633,120
Rental fees	216,325		19,687,171	1,428,223	137,255	21,468,974	
Recreation fees				498,679		498,679	
Risk management fees							43,340,567
Miscellaneous	703,571	1,151,069	266,706			2,121,346	
Total operating revenues	92,330,124	38,535,896	19,953,877	1,926,902	137,255	152,884,054	77,973,687
OPERATING EXPENSES:							
Personal services	17,206,721	10,089,007	2,746,085	427,522		30,469,335	
Contractual services	18,178,127	14,164,223	5,686,523	1,219,348	53,605	39,301,826	
Commodities	7,396,678	2,774,471	267,846	124,877		10,563,872	
Internal service	6,904,203	4,632,625	2,440,208	740,466		14,717,502	
Landfill closure and post closure care		1,364,309				1,364,309	
Depreciation and amortization	19,431,090	1,682,859	4,287,341	705,287	271,938	26,378,515	8,880,468
Central garage							8,409,969
Information services							12,209,762
Risk management							32,703,850
Total operating expenses	69,116,819	34,707,494	15,428,003	3,217,500	325,543	122,795,359	62,204,049
Operating Income (Loss)	23,213,305	3,828,402	4,525,874	(1,290,598)	(188,288)	30,088,695	15,769,638
NONOPERATING REVENUES (EXPENSES):							
Interest earned	1,825,840	203,576	536,710	60,850	3,887	2,630,863	1,084,055
Interest expense	(645,167)	(257,310)	(3,581,261)	(1,311,171)		(5,794,909)	(81,915)
Gain on disposal of assets			12,886,801			12,886,801	461,292
Amortization	4,269		76,869			81,138	
Total nonoperating revenues (expenses)	1,184,942	(53,734)	9,919,119	(1,250,321)	3,887	9,803,893	1,463,432
Income (loss) before contributions and transfers	24,398,247	3,774,668	14,444,993	(2,540,919)	(184,401)	39,892,588	17,233,070
CAPITAL CONTRIBUTIONS	8,623,642					8,623,642	
TRANSFERS IN	403,445	318	24,225	4,422,727		4,850,715	18
TRANSFERS OUT		(1,398,162)				(1,398,162)	
Change in net position	33,425,334	2,376,824	14,469,218	1,881,808	(184,401)	51,968,783	17,233,088
Total net position - beginning	535,237,423	31,480,720	57,635,960	11,439,107	5,732,669	641,525,879	95,247,199
Total net position - ending	\$ 568,662,757	\$ 33,857,544	\$ 72,105,178	\$ 13,320,915	\$ 5,548,268	\$ 693,494,662	\$ 112,480,287

CITY OF SAVANNAH, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	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	\$ 91,687,496	\$ 38,535,896	\$ 19,953,877	\$ 3,830,918	\$ 137,255	\$ 154,145,442	\$ -
Cash received from other funds for services							34,633,120
Cash received for services and fees							43,340,567
Cash paid to suppliers	(35,306,469)	(19,206,667)	(8,148,878)	(8,015,389)	(53,605)	(70,731,008)	(18,409,339)
Cash paid to employees	(19,573,547)	(11,935,349)	(3,401,336)	(805,738)		(35,715,970)	
Cash paid for supplies and insurance							(34,910,577)
Net cash provided (used) by operating activities	36,807,480	7,393,880	8,403,663	(4,990,209)	83,650	47,698,464	24,653,771
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:							
Transfers in	403,445	318	24,225	4,422,727		4,850,715	18
Transfers out		(1,398,162)				(1,398,162)	
Net cash provided (used) by non capital financing activities	403,445	(1,397,844)	24,225	4,422,727		3,452,553	18
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:							
Lease issuance							4,665,307
Issuance costs, premiums and discounts on issuance of bonds				(1,350,932)		(1,350,932)	
Principal paid on long-term debt	(3,113,382)	(1,025,000)	(4,153,053)	(585,000)		(8,876,435)	(835,339)
Interest paid	(650,566)	(269,952)	(3,636,019)			(4,556,537)	(81,915)
Sale of equipment	406,152		2,603,107			3,009,259	494,622
Acquisition and construction of capital assets	(27,277,253)	(6,312,034)	(6,291,276)	(4,006,117)	(83,651)	(43,970,331)	(11,526,460)
Net cash used by capital and related financing activities	(30,635,049)	(7,606,986)	(11,477,241)	(5,942,049)	(83,651)	(55,744,976)	(7,283,785)
CASH FLOWS FROM INVESTING ACTIVITIES:							
Investment income	1,825,840	203,576	536,710	60,850	3,887	2,630,863	1,084,055
Net cash provided by investing activities	1,825,840	203,576	536,710	60,850	3,887	2,630,863	1,084,055
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,401,716	(1,407,374)	(2,512,643)	(6,448,681)	3,886	(1,963,096)	18,454,059
CASH AND CASH EQUIVALENTS, JANUARY 1 (INCLUDING RESTRICTED ACCOUNTS OF \$14,413,907 IN 2021)	121,955,583	14,376,917	23,091,275	8,154,344	271,587	167,849,706	69,285,516
CASH AND CASH EQUIVALENTS, DECEMBER 31 (INCLUDING RESTRICTED ACCOUNTS OF \$5,314,708 IN 2022)	\$ 130,357,299	\$ 12,969,543	\$ 20,578,632	\$ 1,705,663	\$ 275,473	\$ 165,886,610	\$ 87,739,575
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
Operating income (loss)	\$ 23,213,305	\$ 3,828,402	\$ 4,525,874	\$ (1,290,598)	\$ (188,288)	\$ 30,088,695	\$ 15,769,638
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	19,431,090	1,682,859	4,287,341	705,287	271,938	26,378,515	8,880,468
Change in assets and liabilities:							
(Increase) decrease in receivables	(1,006,191)	623,111	(87,730)	1,331,277		860,467	63,204
Decrease in prepaid items and inventories				5,892		5,892	171,960
Increase (decrease) in accounts and other payables	(2,297,481)	3,152,667	358,766	(5,348,735)		(4,134,783)	2,147,240
(Decrease) in net pension liability and OPEB asset	(2,533,243)	(1,893,159)	(680,588)	(393,332)		(5,500,322)	
(Decrease) in claims and judgments payable							(2,378,739)
Net cash provided (used) by operating activities	\$ 36,807,480	\$ 7,393,880	\$ 8,403,663	\$ (4,990,209)	\$ 83,650	\$ 47,698,464	\$ 24,653,771
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:							
Contributions of capital assets from developers/other entities	\$ 8,623,642	\$ -	\$ -	\$ -	\$ -	\$ 8,623,642	\$ -

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, 2022

	PENSION (AND OTHER EMPLOYEE BENEFITS) TRUST FUNDS	CUSTODIAL FUNDS
<u>ASSETS</u>		
Cash and cash equivalents	\$ 7,485,829	\$ 619,659
Accrued income	558,592	
Accounts receivable:		
From employer	90,963	
From participants	48,267	
Investments, at fair value:		
U.S. government obligations	77,296,295	
Foreign corporate bonds	1,302,677	
Domestic corporate bonds	48,260,729	
Domestic equities	241,969,366	
International equities	69,153,365	
Real estate fund	66,761,786	
Total investments	<u>504,744,218</u>	
 Total assets	 <u>512,927,869</u>	 <u>619,659</u>
<u>LIABILITIES AND NET POSITION</u>		
Liabilities:		
Accounts payable	<u>660,128</u>	<u>304,390</u>
Total liabilities	<u>660,128</u>	<u>304,390</u>
Net position:		
Restricted for:		
Pensions	419,272,194	
Post employment benefits other than pensions	92,995,547	
Individuals		315,269
Total net position	<u>\$ 512,267,741</u>	<u>\$ 315,269</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, 2022

	PENSION (AND OTHER EMPLOYEE BENEFITS) TRUST FUNDS	CUSTODIAL FUNDS
ADDITIONS		
Contributions		
Employer	\$ 12,415,527	\$ -
Plan members	10,149,242	584,758
Fines and forfeitures collected for other governments		5,260,367
Total contributions	<u>22,564,769</u>	<u>5,845,125</u>
Investment income		
Interest	2,602,618	
Dividends	5,599,993	
Real estate net income	1,796,457	
Net appreciation (depreciation) in fair value of investments	<u>(108,157,917)</u>	
Total investment income	(98,158,849)	
Less investment expense	<u>2,573,575</u>	
Net investment income (loss)	<u>(100,732,424)</u>	
Total additions	<u>(78,167,655)</u>	<u>5,845,125</u>
DEDUCTIONS		
Benefits	40,201,740	503,937
Refunds of contributions	2,499,593	
Payments of fines and forfeitures to other governments		5,260,367
Administrative expense	<u>515,787</u>	<u>23,859</u>
Total deductions	<u>43,217,120</u>	<u>5,788,163</u>
Change in net position	(121,384,775)	56,962
Net position:		
Beginning of year - January 1	<u>633,652,516</u>	<u>258,307</u>
End of year - December 31	<u><u>\$ 512,267,741</u></u>	<u><u>\$ 315,269</u></u>

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

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2022

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, 2022. 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 (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

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

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:

- 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.

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

- 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 fees, 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.

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.

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

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 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 2020-2026 Fund.

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

(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.

(d) SPLOST 2020 – 2026 Fund – This fund accounts for special purpose local option sales tax resources provided to the City by Chatham County in accordance with a 2019 Special Purpose Local Option Sales Tax referendum, which was passed on a county-wide basis. The current 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.

(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 Enmarket Arena constructed 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.

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

- (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.

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 purposes of the proprietary fund Statement of Cash Flows, all short-term investments that are highly liquid are considered 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."

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

(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.

(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, infrastructure assets (such as roads, bridges and sidewalks) and right to use leased assets 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 and amortization are calculated on the straight-line basis, with one-half year's depreciation and amortization recorded in the year of acquisition and one-half year's depreciation and amortization 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)

Construction in progress is the total actual cost incurred to-date on uncompleted construction projects. Assets used in the City's landfill operation are depreciated based on the depletion method as availability capacity at the site is utilized. Other capital assets and right to use leased assets of the City are depreciated/amortized using the straight line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	5 – 40
Right-to-use leased buildings	1 – 10
Building improvements	5 – 40
Public domain infrastructure	5 – 50
Vehicles (including right-to-use leased vehicles)	3 – 15
Machinery and Equipment	3 – 20

Fully depreciated/amortized assets still in service are carried in the capital asset accounts.

(L) Leases and Intangible Right-to-use Assets

Lessee. The City of Savannah is a lessee for several building and equipment leases. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of the lease, the City initially measures the lease liability at the present value of payments expected to be made during the term of the lease. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset unless the lease contains a purchase option that the City has determined is reasonably certain will be exercised, in which case the lease asset is amortized over the useful life of the underlying asset.

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

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

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

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

Governmental funds recognize periodic payments on leases as expenditures in the period incurred. Governmental funds are also recording other financing sources and capital outlay expenditures for the net present value of the minimum lease payments. This applies in the initial year of the lease term only.

Proprietary funds, fiduciary funds, component units using the accrual basis, and the government-wide financial statements are reporting capital assets as well as long and short-term payables on the statement of net position. Therefore, for leases, an intangible right-to-use asset and lease obligation are recorded at inception of the lease and period lease payments are recorded as interest expense and a reduction to the lease obligation. Additionally, amortization expense related to the leased intangible right-to-use assets is recorded. Principal amounts of lease payments due within 12 months are recorded as a current liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor. The City is a lessor for non-cancelable leases of land and land improvements, buildings, and equipment. Rental income arising from leases as a lessor is included as a receivable and deferred inflow of resources at the commencement of the lease and revenue is recognized on a straight-line basis over the lease term.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivables are reduced by the principal portion of lease payments received. The deferred inflow of resources for deferred lease receipts is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date, less certain costs paid to or reimbursed to the lessee.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts:

- The City uses an estimated incremental borrowing rate approximating market rates as the discount rate for leases, unless specifically identified in the lease.
- The lease terms include the non-cancelable periods of the leases. Lease receipts included in the measurement of the lease receivables are composed of fixed payments the City will receive over the lease term.
- The City monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amounts of the lease receivables.

(M) Deferred Outflows/Inflows of Resources

In addition to assets, the government-wide and fund financial statements will sometimes report a separate section of deferred outflows of resources. This separate financial statement element represents a consumption of net assets or fund balance that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

In addition to liabilities, the government-wide and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

(N) 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.

(O) 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.

(P) 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.”

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

- 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 the 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.

(Q) 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.

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 and amortization, 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 \$853,220,132 were added to the government-wide statements.

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

- (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	\$ 8,691,653
- Net difference between projected and actual earnings on investments	(37,367,069)
- Changes of assumptions	1,453,601
- Net change in proportionate share	477,691
- Contributions subsequent to the measurement date	8,784,276

Related to OPEB:

- Net differences between expected and actual experience	\$ (1,564,824)
- Changes of assumptions	(15,316,566)
- Net difference between projected and actual earnings on investments	(10,838,637)
	<u>\$ (45,679,875)</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 \$5,213,669 related to taxes, \$1,264,903 related to grant reimbursement receivables, \$121,679 related to special assessment receivables, \$426,987 related to cemetery receivables, and \$24,090,734 related to loan receivables that will be used in grant programs in future periods.
- (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	\$ (85,769,576)
Deferred gain on bond refunding	(33,931)
General obligation bonds payable	(3,875,000)
Leases	(2,630,777)
Compensated absences payable	(21,986,931)
Net pension liability	(34,442,158)
Net OPEB asset	30,808,343
Accrued interest payable	(757,912)
	<u>\$ (118,687,942)</u>

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

(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 \$56,818,679. Depreciation expense during the year recorded on the government-wide statements but not on the fund financial statements was \$23,887,151 and amortization expense during the year recorded on the government-wide statements but not on the fund financial statements was \$1,327,872.
- (2) The net effect of various miscellaneous transactions involving capital assets during the year was \$5,463,004; this amount represents the value of assets donated to the City of \$5,473,685 and the book value of assets disposed of during the year of \$10,681.
- (3) 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	\$ (737,485)
Federal grants	2,541,752
Other items	<u>3,246</u>
	<u>\$ 1,807,513</u>

- (4) 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	\$ 3,695,000
GO bonds	1,100,000
Leases	1,327,872
Amortization	548,145
Debt issuance	<u>(6,221,932)</u>
	<u>\$ 449,085</u>

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

- (5) 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 \$18,138,552 are as follows:

Net OPEB expense	\$ 8,050,230
Net pension expense	10,883,836
Compensated absences	(846,301)
Accrued interest	<u>50,787</u>
	<u>\$ 18,138,552</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.

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, 2022, 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

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

- 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, 2022:

Type of Investment	Measured at Net Asset Value	Level 1	Level 2	Level 3
<i>Pension Trust Fund:</i>				
US Government/Agency Debt	\$ 6,598,669	\$ -	\$ 61,430,537	\$ -
Corporate Bonds	6,189,777	6,957,946	18,053,861	
Domestic Stocks	96,696,182	87,070,484		13,691,631
International Stocks	56,858,371	3,258,763		
Real Estate	56,556,859			1,187,004
<i>OPEB Trust Fund:</i>				
US Government/Agency Debt	9,267,089			
Domestic Corporate Bonds	18,361,822			
Domestic Equities	44,511,069			
International Equities	9,036,231			
Real Estate	9,017,923			
Total Investments	<u>\$313,093,992</u>	<u>\$ 97,287,193</u>	<u>\$ 79,484,398</u>	<u>\$ 14,878,635</u>

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

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, 2022, the investments of the Primary Government, the City of Savannah Employees' Retirement Plan, and the City of Savannah Employees' OPEB Plan were as follows:

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	\$538,800,625	\$538,800,625	\$ -	\$ -	\$ -
Pension Trust Fund:						
Corporate Bonds						
Various	A	4,259,441	1,694,854	1,473,066	223,457	868,064
Various	AA	1,152,975	1,152,975			
Various	AAA	2,608,610	2,608,610			
Various	BB	414,036				414,036
Various	BBB	9,485,226	2,352,083	1,104,504	496,571	5,532,068
Various	Private Placement/Not Rated	133,573	133,573			
US Government/Agency Debt	NR	68,029,206				
Corporate Bonds	NR	13,147,723				
Domestic Equities	NR	197,458,297				
International Equities	NR	60,117,134				
Real Estate	NR	57,743,863				
OPEB Trust Fund:						
US Government/Agency Debt	NR	9,267,089				
Corporate Bonds	NR	18,361,822				
Domestic Equities	NR	44,511,069				
International Equities	NR	9,036,231				
Real Estate	NR	9,017,923				
Total Investments		\$1,043,544,843	\$546,742,720	\$2,577,570	\$720,028	\$6,814,168

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

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 banker's 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.

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, 2022, the City had investments of \$538,800,625 in Georgia Fund 1, which reported a weighted average maturity on its entire portfolio of 23 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, 2022, the City of Savannah Employees' Retirement Plan had 1.03% of its total assets 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, 2022 the City's OPEB Trust Fund had 3.19% of its total assets 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.

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

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 \$60,117,134 and \$1,302,677 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 \$9,036,231 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.

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	40%	30% to 55%
Non U.S. Equities	20%	5% to 25%
Fixed Income Debt Obligations	25%	17.5% to 42.5%
Real Estate	5%	0% to 10%
Private Equity	10%	0% to 15%

The City's 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)

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

Basic financial statements:

Cash and investments	\$ 436,641,595
Restricted cash	150,626,893
Trust and custodial funds	<u>512,849,706</u>

Total	<u>\$ 1,100,118,194</u>
-------	-------------------------

Notes to financial statements:

Cash on Hand	\$ 52,160
Deposits	56,521,191
Investments	<u>1,043,544,843</u>

Total	<u>\$ 1,100,118,194</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(Credit)
City of Savannah Employees' Retirement Plan	\$ 510,832,515	\$ 465,824,430	\$ 45,008,085	\$ 27,955,260	\$ 50,747,903	\$ (2,627,491)
Peace Officers' Annuity and Benefit Fund of Georgia (POAB)						4,354,514
Georgia Firefighters' Pension Fund (GFFP)						590,768
	<u>\$ 510,832,515</u>	<u>\$ 465,824,430</u>	<u>\$ 45,008,085</u>	<u>\$ 27,955,260</u>	<u>\$ 50,747,903</u>	<u>\$ 2,317,791</u>

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (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

As of December 31, 2020, employee membership data related to the pension plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,654
Terminated employees entitled to benefits but not yet receiving them	204
Active members	<u>2,360</u>
Total	<u>4,218</u>

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

The Plan's audited financial statements are included in the City's annual comprehensive 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 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 10.36%. In 2022, contributions to the COSERP by the City of Savannah were \$11,167,399. The contributions paid by City employees totaled \$7,287,818 in 2022. The total payroll for City employees covered under the COSERP for the year ended December 31, 2022 was \$104,408,490. 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, 2022:

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

Asset Class	Target Allocation
Domestic equity	40.00%
International equity	12.50
Fixed Income	20.00
Core Real Estate	5.00
Short-term	5.00
Private Equity (including non-Core Real Estate)	10.00
Emerging Markets	7.50
Total	100.00%

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, 2022, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was negative 15.2 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

Net components of the net pension liability of the COSERP at December 31, 2021 were as follows:

Total pension liability	\$ 563,563,263
Plan fiduciary net position	513,909,213
Employers' net pension liability	<u>\$ 49,654,050</u>

Plan fiduciary net position as a percentage of the Total Pension Liability	91.19%
--	--------

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

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	\$ 537,301,853	\$ 468,546,699	\$ 68,755,154
Changes for the Year:			
Service cost	11,727,549		11,727,549
Interest expense	38,513,298		38,513,298
Differences between expected and actual experience	11,643,568		11,643,568
Contributions--employer		12,019,866	(12,019,866)
Contributions--employee		7,572,831	(7,572,831)
Net investment income		61,559,295	(61,559,295)
Benefits paid, including refunds of member contributions	(35,623,005)	(35,623,005)	
Plan administrative expenses		(166,473)	166,473
Net Changes	26,261,410	45,362,514	(19,101,104)
Balances - end of year	<u>\$ 563,563,263</u>	<u>\$ 513,909,213</u>	<u>\$ 49,654,050</u>

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of the last actuarial experience study which examined the period January 1, 2015 through December 31, 2019. The net pension liability is based on an actuarial valuation dated January 1, 2021, upon which update procedures were used to roll forward the total pension liability to the year end of December 31, 2021. 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, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

- Inflation 2.75%
- Salary increases Varies by age
- Investment rate of return 7.25%
- Cost-of-living adjustments 5.00% at participant's adjustment date, 1.00% annually thereafter

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

For pre-retirement members of the Plan, mortality rates were based on the Pri-2012 Employee Amount-weighted Mortality Table; projected generationally with 60% of Scale SSA-2020. For healthy annuitants of the Plan, mortality rates were based on the Pri-2012 Healthy Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020. For disabled annuitants, mortality rates were based on the Pri-2012 Disabled Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020.

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 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	40.00%	6.40%
International equity	12.50%	6.80%
Fixed Income	20.00%	0.40%
Core Real Estate	5.00%	3.90%
Short-term	5.00%	-0.10%
Private Equity (including non-Core Real Estate)	10.00%	10.40%
Emerging Markets	7.50%	8.50%
Total	100.00%	5.36%

Discount Rate. The discount rate used to measure the total pension liability was 7.25% as of December 31, 2021. The projection of cash flows used to determine the discount rate assumed plan member 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, 2021.

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

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, 2021, calculated using the discount rate of 7.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 115,848,255	\$ 49,654,050	\$ (5,430,196)

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

At December 31, 2022, the City of Savannah reported a liability of \$45,008,085 for its proportionate share of the net pension liability of the COSERP. The net pension liability was measured as of December 31, 2021 and determined based on the total pension liability from the actuarial valuation as of January 1, 2021. The City's proportion of the net pension liability was based on the fiscal 2021 employer contributions into the Plan. In 2021, the City of Savannah was allocated a proportional share of 90.64% of the net pension liability compared to a share of 90.10% for 2020.

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 reported as of December 31, 2022, calculated using the discount rate of 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
City of Savannah's proportional share of net pension liability (asset)	\$ 105,008,718	\$ 45,008,085	\$ (4,922,111)

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

For the year ended December 31, 2022, the City recognized pension expense credit of \$2,627,491. At December 31, 2022, 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	\$ 1,439,599	\$ 833,021
Net difference between projected and actual earnings on pension plan investments		47,449,194
Changes of assumptions or other inputs	2,471,229	625,430
Difference between expected and actual experience in the total pension liability	11,690,022	653,247
Employer contributions made subsequent to the measurement date	11,167,399	
Change in proportion	1,187,011	1,187,011
Total	<u><u>\$ 27,955,260</u></u>	<u><u>\$ 50,747,903</u></u>

\$11,167,399 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, 2023. 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, 2023	(\$6,701,332)
December 31, 2024	(13,661,317)
December 31, 2025	(8,489,313)
December 31, 2026	(5,108,080)
December 31, 2027 and Thereafter	-
Net balance of deferred outflows/(inflows) of resources	<u><u>(\$33,960,042)</u></u>

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (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 asset of the POAB plan totals \$113,993 and the State's proportionate share of the collective net pension liability of the Georgia Firefighters' plan totals \$986,678. The State revenue and pension expense of the plans total \$4,354,514 for the POAB and \$590,768 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 July 1, 2021, was \$30.00 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 \$25 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.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020.

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

Actuarial Assumptions. The collective total pension liability was determined by an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. The roll forward calculation adds the normal cost, subtracts the actual benefit payments and refunds for the plan year, and then applies the discount rate for the year. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	N/A
Investment rate of return	6.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 Mortality Table with generational mortality projection using the MP-2020 mortality improvement scale.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an experience study covering the period June 30, 2015 through June 30, 2020.

The long-term expected rate of return on pension plan investments was calculated by the Fund's investment manager as 6.5% using a building block method 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 ten-year geometric real rates of return by the target asset allocation percentage, and then adding expected inflation and the impact of rebalancing and diversification by the Fund's investment consultant. 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 consultant.

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 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

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

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, 2021 is \$963 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.

Prior to vesting, a member's death benefit equals \$10,000. After vesting, a member with 15 years of creditable service has coverage for his or her spouse in the event the member dies prior to commencing benefits. The coverage percentage is 100% of what the member would have received under a joint and 100% survivor option and is payable when the member would have become age 55. If the member is not married, his or her beneficiary will receive benefits under the ten year certain option. The member's benefit is not reduced to reflect the cost of this option (other than the normal reduction for a joint and survivor annuity).

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.

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

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

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, 2021, using the following key actuarial assumptions:

Inflation	2.75%
Salary increases	N/A
Investment rate of return	5.75%, compounded annually

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, 2021 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.

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

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

Asset Class	Target Allocation	Long-term expected real rate of return
Investment grade corporate credit	12.00 %	1.69 %
Mortgage backed securities	12.00	0.28
Core bonds	10.50	0.58
Large cap equities	15.50	5.18
Small/mid cap equities	15.50	6.11
International unhedged equities	13.00	5.84
Emerging international equities	6.50	9.37
Private equity	5.00	10.18
Real estate (core)	5.00	4.30
Real assets (liquid)	5.00	4.21
	<u>100.00 %</u>	

Discount Rate. The discount rate used to measure the total pension liability was 5.75%. 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 2022.

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

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

CITY OF SAVANNAH
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
DECEMBER 31, 2022

	EMPLOYEES' RETIREMENT		
	PENSION TRUST	OLD PENSION TRUST	TOTAL
<u>ASSETS</u>			
Cash and cash equivalents	\$ 4,314,836	\$ 195,634	\$ 4,510,470
Accrued income	558,592		558,592
Accounts receivable:			
From employers	90,963		90,963
From participants	48,267		48,267
Investments, at fair value:			
U.S. government obligations	68,029,206		68,029,206
Foreign corporate bonds	1,302,677		1,302,677
Domestic corporate bonds	29,898,907		29,898,907
Domestic equities	197,458,297		197,458,297
International equities	60,117,134		60,117,134
Real estate fund	57,743,863		57,743,863
Total investments	414,550,084		414,550,084
Total assets	419,562,742	195,634	419,758,376
<u>LIABILITIES</u>			
Payable from restricted assets:			
Accounts payable	486,182		486,182
Total liabilities	486,182		486,182
<u>NET POSITION</u>			
Restricted for:			
Pensions	\$ 419,076,560	\$ 195,634	\$ 419,272,194

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (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, 2022

	EMPLOYEES' RETIREMENT		
	PENSION TRUST	OLD PENSION TRUST	TOTAL
<u>ADDITIONS</u>			
Contributions			
Employer	\$ 12,258,946	\$ -	\$ 12,258,946
Plan members	7,883,418		7,883,418
Total contributions	<u>20,142,364</u>		<u>20,142,364</u>
Investment income			
Interest and dividends	4,212,561	2,766	4,215,327
Real estate net income	5,331,289		5,331,289
Net appreciation (depreciation) in fair value of investments	(85,662,041)		(85,662,041)
Total investment income	<u>(76,118,191)</u>	<u>2,766</u>	<u>(76,115,425)</u>
Less investment expense	2,059,497		2,059,497
Net investment income (loss)	<u>(78,177,688)</u>	<u>2,766</u>	<u>(78,174,922)</u>
Total additions	<u>(58,035,324)</u>	<u>2,766</u>	<u>(58,032,558)</u>
<u>DEDUCTIONS</u>			
Benefits	34,130,676	1,440	34,132,116
Refunds of contributions	2,499,593		2,499,593
Administrative expense	167,060		167,060
Total deductions	<u>36,797,329</u>	<u>1,440</u>	<u>36,798,769</u>
Change in net position	<u>(94,832,653)</u>	<u>1,326</u>	<u>(94,831,327)</u>
Net position:			
Beginning of year - January 1	513,909,213	194,308	514,103,521
End of year - December 31	<u>\$ 419,076,560</u>	<u>\$ 195,634</u>	<u>\$ 419,272,194</u>

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

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022 was:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 79,508,186	\$ -	\$ -	\$ 79,508,186
Construction in progress	302,890,980	56,316,958	20,127,469	339,080,469
Total capital assets, not being depreciated	<u>382,399,166</u>	<u>56,316,958</u>	<u>20,127,469</u>	<u>418,588,655</u>
Capital assets, being depreciated				
Plants and buildings	125,581,285			125,581,285
Improvements other than buildings	106,988,987	7,581,275		114,570,262
Machinery, equipment and vehicles (see note)	145,124,796	10,721,750	2,679,973	153,166,573
Streets and drainage	558,196,664	14,577,296		572,773,960
Total capital assets, being depreciated	<u>935,891,732</u>	<u>32,880,321</u>	<u>2,679,973</u>	<u>966,092,080</u>
Less: Accumulated Depreciation				
Plants and buildings	34,600,911	4,345,984		38,946,895
Improvements other than buildings	43,730,719	3,225,819		46,956,538
Machinery, equipment and vehicles (see note)	104,703,660	9,699,086	2,635,962	111,766,784
Streets and drainage	288,885,233	14,629,905		303,515,138
Total accumulated depreciation	<u>471,920,523</u>	<u>31,900,794</u>	<u>2,635,962</u>	<u>501,185,355</u>
Total capital assets, being depreciated, net	<u>463,971,209</u>	<u>979,527</u>	<u>44,011</u>	<u>464,906,725</u>
Governmental activities capital assets, net excluding lease assets	<u>\$ 846,370,375</u>	<u>\$ 57,296,485</u>	<u>\$ 20,171,480</u>	<u>883,495,380</u>
Lease assets, net (Note 7)				<u>7,725,589</u>
Total capital assets, net as reported in the statement of net position				<u>\$ 891,220,969</u>

Note: the beginning balances for Machinery, equipment and vehicles were restated for the implementation of GASB Statement No. 87.

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (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	252,287,161	44,276,811	79,586,719	216,977,253
Total capital assets, not being depreciated	<u>260,303,948</u>	<u>44,276,811</u>	<u>79,586,719</u>	<u>224,994,040</u>
Capital assets, being depreciated				
Plants, buildings, stations and reservoirs	783,049,685	85,763,991	87,779	868,725,897
Improvements other than buildings	88,433,409	861,717	42,106,255	47,188,871
Machinery and equipment	44,213,836	946,963	154,425	45,006,374
Total capital assets, being depreciated	<u>915,696,930</u>	<u>87,572,671</u>	<u>42,348,459</u>	<u>960,921,142</u>
Less: Accumulated Depreciation				
Plants, buildings, stations and reservoirs	409,589,437	21,787,042	87,566	431,288,913
Improvements other than buildings	29,618,027	2,504,697	1,148,557	30,974,167
Machinery and equipment	35,976,345	1,523,723	154,425	37,345,643
Total accumulated depreciation	<u>475,183,809</u>	<u>25,815,462</u>	<u>1,390,548</u>	<u>499,608,723</u>
Total capital assets, being depreciated, net	<u>440,513,121</u>	<u>61,757,209</u>	<u>40,957,911</u>	<u>461,312,419</u>
Business-type activities capital assets, net excluding lease assets	<u>\$ 700,817,069</u>	<u>\$ 106,034,020</u>	<u>\$ 120,544,630</u>	<u>686,306,459</u>
Lease assets, net (Note 7)				<u>4,197,527</u>
Total capital assets, net as reported in the statement of net position				<u>\$ 690,503,986</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, 2022 is \$19,917,760.

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

During 2022, depreciation expense was charged to functions/programs of the City as follows:

Governmental activities:

Governance and strategic services	\$ 141,090
Municipal operations	887,719
Infrastructure and development	15,022,814
Police	1,152,344
Fire	987,569
Parks and recreation	3,461,145
Community services	2,217,430
Grant program and administration	<u>17,040</u>
Total depreciation expense – governmental activities	23,887,151
Depreciation expense on Internal Service Fund Capital Assets	<u>8,013,643</u>
Total depreciation expense allocated to governmental activities	<u>\$31,900,794</u>

Business-type activities:

Water and sewer	\$ 19,431,090
Sanitation	1,682,859
Parking facilities	4,287,341
Civic Center	705,287
Golf course	<u>271,938</u>
Total depreciation expense allocated to business-type activities	<u>\$ 26,378,515</u>

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

As of December 31, 2022, the City had the following commitments with respect to unfinished capital projects:

<u>Project by Type</u>	<u>Project Authorization</u>	<u>Expended at Year-end</u>	<u>Committed</u>	<u>Required Future Financing</u>
Drainage	\$100,547,367	\$41,988,259	\$58,559,108	NONE
Industrial and Domestic Water Supply System	517,000	248,939	268,061	NONE
Public Buildings	321,552,417	243,417,068	78,135,349	NONE
Recreation	24,788,665	2,878,382	21,910,283	NONE
Sanitation	37,692,024	34,991,888	2,700,136	NONE
Sewerage	175,110,731	75,224,874	99,885,857	NONE
Squares	12,718,415	4,661,581	8,056,834	NONE
Street Paving	57,554,217	37,137,918	20,416,299	NONE
Traffic Engineering	94,242,860	62,531,304	31,711,556	NONE
Water	93,341,786	11,019,827	82,321,959	NONE
Other	123,655,706	41,957,682	81,698,024	NONE
Totals	<u>\$1,041,721,188</u>	<u>\$556,057,722</u>	<u>\$485,663,466</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, 2022 and the annual maturities of long-term liabilities:

	Lowest/ Highest Coupon Rate	Original Issue Amount	Unmatured Bond/Interest at 12/31/22	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2041
<u>GOVERNMENTAL ACTIVITIES PRINCIPAL PORTION</u>											
Contractual Obligations Related to:											
2014 Downtown Savannah Authority Bonds	2.0/4.0	\$ 9,970,000	\$ 2,800,000	\$ 895,000	\$ 935,000	\$ 970,000	\$ -	\$ -	\$ -	\$ -	\$ -
2015 Downtown Savannah Authority Bonds	2.0/4.0	19,950,000	13,930,000	935,000	965,000	1,000,000	1,025,000	1,020,000	5,105,000	3,880,000	
2016 Downtown Savannah Authority Bonds	2.03	8,000,000	5,765,000	775,000	790,000	805,000	825,000	840,000	1,730,000		
2017 Downtown Savannah Authority Bonds	2.39	6,585,000	5,390,000	620,000	635,000	650,000	665,000	680,000	2,140,000		
2018 Downtown Savannah Authority Bonds	3.00/5.00	14,095,000	12,320,000	560,000	590,000	620,000	650,000	685,000	3,815,000	4,425,000	975,000
2019 Downtown Savannah Authority Bonds	2.75	8,440,000	8,365,000	25,000	25,000	25,000	1,090,000	1,120,000	6,080,000		
2021 Savannah Economic Development Authority Bonds	2.00/5.00	26,720,000	26,720,000		1,105,000	1,160,000	1,220,000	1,280,000	7,415,000	8,800,000	5,740,000
2022 Savannah Economic Development Authority Bonds	2.65	6,095,000	6,095,000		290,000	295,000	305,000	310,000	1,690,000	1,925,000	1,280,000
Total Contractual Obligations		<u>99,855,000</u>	<u>81,385,000</u>	<u>3,810,000</u>	<u>5,335,000</u>	<u>5,525,000</u>	<u>5,780,000</u>	<u>5,935,000</u>	<u>27,975,000</u>	<u>19,030,000</u>	<u>7,995,000</u>
General Obligation Bonds:											
2016 General Obligation Bonds	1.97	2,000,000	1,030,000	335,000	345,000	350,000					
2017 General Obligation Bonds	1.84	2,000,000	1,220,000	400,000	405,000	415,000					
2018 General Obligation Bonds	3.28	2,000,000	1,625,000	385,000	400,000	415,000	425,000				
Total General Obligation Bonds		<u>6,000,000</u>	<u>3,875,000</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>\$105,855,000</u>	<u>\$ 85,260,000</u>	<u>\$4,930,000</u>	<u>\$6,485,000</u>	<u>\$6,705,000</u>	<u>\$6,205,000</u>	<u>\$5,935,000</u>	<u>\$27,975,000</u>	<u>\$19,030,000</u>	<u>\$ 7,995,000</u>
<u>GOVERNMENTAL ACTIVITIES INTEREST PORTION</u>											
Contractual Obligations			\$ 19,949,681	\$2,560,725	\$2,428,287	\$2,227,949	\$2,019,769	\$1,824,821	\$ 6,194,810	\$ 2,362,030	\$ 331,290
General Obligation Bonds			221,513	96,039	69,451	42,083	13,940				
Total Governmental Activities Interest Portion			<u>20,171,194</u>	<u>2,656,764</u>	<u>2,497,738</u>	<u>2,270,032</u>	<u>2,033,709</u>	<u>1,824,821</u>	<u>6,194,810</u>	<u>2,362,030</u>	<u>331,290</u>
Total Governmental Activities Debt Service Requirements			<u>\$ 105,431,194</u>	<u>\$7,586,764</u>	<u>\$8,982,738</u>	<u>\$8,975,032</u>	<u>\$8,238,709</u>	<u>\$7,759,821</u>	<u>\$34,169,810</u>	<u>\$21,392,030</u>	<u>\$ 8,326,290</u>

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

	Lowest/ Highest Coupon Rate	Original Issue Amount	Unmatured Bond/Interest at 12/31/22	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2047	2048-2052
BUSINESS-TYPE ACTIVITIES PRINCIPAL PORTION													
WATER AND SEWER SYSTEM													
2014 Water and Sewer Revenue Bonds	2.0/3.0	\$ 17,690,000	\$ 7,50,000	\$ 940,000	\$ 965,000	\$ 990,000	\$ 1,020,000	\$ 1,050,000	\$ 2,185,000	\$ -	\$ -	\$ -	\$ -
2016 Water and Sewer Revenue Bonds	2.15	21,255,000	9,570,000	1,350,000	1,380,000	1,410,000	1,440,000	1,470,000	2,520,000				
Water SRF Loans	103	19,350,610	17,737,994	892,523	901,760	911,092	920,521	930,046	4,796,614	5,050,000	3,335,438		
Total Water and Sewer Bonds and Loans		58,295,610	34,457,994	3,182,523	3,246,760	3,311,092	3,380,521	3,450,046	9,501,614	5,050,000	3,335,438		
SANITATION													
2018 Resource Recovery Bonds	2.96	11,085,000	8,095,000	1,055,000	1,090,000	1,120,000	1,155,000	1,190,000	2,485,000				
Total Sanitation Bonds		11,085,000	8,095,000	1,055,000	1,090,000	1,120,000	1,155,000	1,190,000	2,485,000				
PARKING SERVICES													
Contractual Obligations Related to:													
2015 Downtown Savannah Authority Bonds	2.0/4.0	25,055,000	19,715,000	1,595,000	1,665,000	1,740,000	1,820,000	1,910,000	10,985,000				
2016 Downtown Savannah Authority Bonds	2.6/4.05	33,060,000	32,190,000	890,000	915,000	940,000	965,000	995,000	5,480,000	6,530,000	7,915,000	7,560,000	
2018 Downtown Savannah Authority Bonds	3.6/4.00	30,205,000	29,015,000	1,235,000	1,285,000	1,335,000	1,390,000	1,445,000	8,105,000	9,760,000	4,460,000		
2019 Downtown Savannah Authority Bonds	2.5/4.00	9,685,000	9,685,000		260,000	270,000	280,000	280,000	1,560,000	1,800,000	2,060,000	2,390,000	1,065,000
2020 Downtown Savannah Authority Bonds	2.12	8,605,000	8,605,000	580,000	595,000	605,000	620,000	635,000	3,375,000	2,195,000			
Total Parking Services Contractual Obligations		106,610,000	99,210,000	4,300,000	4,460,000	4,880,000	5,065,000	5,265,000	29,505,000	20,285,000	14,435,000	9,950,000	1,065,000
CIVIC CENTER													
Contractual Obligations Related to:													
2019 Downtown Savannah Authority Bonds	3.0/3.2	45,120,000	43,250,000	600,000	620,000	735,000	855,000	975,000	6,595,000	7,990,000	9,260,000	10,805,000	4,815,000
Total Civic Center Contractual Obligations		45,120,000	43,250,000	600,000	620,000	735,000	855,000	975,000	6,595,000	7,990,000	9,260,000	10,805,000	4,815,000
Total Business-type Activities Principal Portion		\$ 221,110,610	\$ 185,012,994	\$ 9,137,523	\$ 9,416,760	\$ 10,046,092	\$ 10,455,521	\$ 10,880,046	\$ 48,086,614	\$ 33,325,000	\$ 27,030,438	\$ 20,755,000	\$ 5,880,000
BUSINESS-TYPE ACTIVITIES INTEREST PORTION													
Water and Sewer Bonds and Loans			\$ 3,311,333	\$ 585,609	\$ 518,690	\$ 450,604	\$ 380,703	\$ 309,483	\$ 705,025	\$ 305,096	\$ 56,123	\$ -	\$ -
Sanitation Resource Recovery Bonds			986,716	239,612	208,384	176,120	142,968	108,780	110,852				
Parking Services Contractual Obligations			39,027,035	3,475,654	3,326,573	3,170,796	2,997,686	2,834,978	11,473,013	7,038,583	3,495,638	1,165,162	48,952
Civic Center Contractual Obligations			22,269,641	1,333,383	1,153,384	1,296,784	1,274,734	1,249,083	5,730,312	4,644,761	3,366,705	1,826,175	232,320
Total Business-type Activities Interest Portion			65,594,725	5,634,258	5,369,031	5,094,304	4,796,091	4,502,324	18,019,202	11,988,440	6,918,466	2,991,337	281,272
Total Business-type Activities Debt Service Requirements			\$ 250,607,719	\$ 14,771,781	\$ 14,785,791	\$ 15,140,396	\$ 15,251,612	\$ 15,382,370	\$ 66,105,816	\$ 45,313,440	\$ 33,948,904	\$ 23,746,337	\$ 6,161,272

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

(B) The following are changes in the long-term liabilities for the year ended December 31, 2022:

	Restated Balance at 12/31/2021	2022 Issues	2022 Retirements	Balance 12/31/22	Unamortized (Discounts)/ Premiums	Balance 12/31/22	Amounts Due Within One Year	Accrued Interest at 12/31/22
Governmental Activities:								
Contractual Obligations relating to:								
2014 Downtown Savannah Authority Bonds	\$ 3,665,000	\$ -	\$ 865,000	\$ 2,800,000	\$ 80,923	\$ 2,880,923	\$ 895,000	\$ 46,667
2015 Downtown Savannah Authority Bonds	14,835,000		905,000	13,930,000	198,365	14,128,365	935,000	201,514
2016 Downtown Savannah Authority Bonds	6,525,000		760,000	5,765,000		5,765,000	775,000	48,763
2017 Downtown Savannah Authority Bonds	5,995,000		605,000	5,390,000		5,390,000	620,000	53,676
2018 Downtown Savannah Authority Bonds	12,855,000		535,000	12,320,000	448,506	12,768,506	560,000	184,159
2019 Downtown Savannah Authority Bonds	8,390,000		25,000	8,365,000		8,365,000	25,000	95,849
2021 Savannah Economic Development Authority Bonds	26,720,000			26,720,000	3,656,782	30,376,782		73,808
2022 Savannah Economic Development Authority Bonds		6,095,000		6,095,000		6,095,000		13,460
Bonds and notes payable:								
General Obligation Bond 2016	1,360,000		330,000	1,030,000		1,030,000	335,000	8,454
General Obligation Bond 2017	1,615,000		395,000	1,220,000		1,220,000	400,000	9,354
General Obligation Bond 2018	2,000,000		375,000	1,625,000		1,625,000	385,000	22,208
Total bonds and notes payable	83,960,000	6,095,000	4,795,000	85,260,000	4,384,576	89,644,576	4,930,000	757,912
Other liabilities:								
Leases (see note)	5,129,282	4,792,239	2,163,212	7,758,309		7,758,309	2,525,385	
Compensated absences	21,587,552	9,595,914	8,724,118	22,459,348		22,459,348	8,200,381	
Net pension liability	47,976,934	(2,204,474)	11,330,302	34,442,158		34,442,158		
Claims and judgments	8,524,258	30,325,111	32,703,850	6,145,519		6,145,519	3,729,006	
Total other liabilities	83,218,026	42,508,790	54,921,482	70,805,334		70,805,334	14,454,772	
Governmental Activities long-term liabilities	\$167,178,026	\$ 48,603,790	\$ 59,716,482	\$156,065,334	\$ 4,384,576	\$160,449,910	\$ 19,384,772	\$ 757,912

Note: the beginning balance for Leases was restated for the implementation of GASB Statement No. 87.

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

	Restated Balance at 12/31/2021	2022 Issues	2022 Retirements	Balance 12/31/22	Unamortized (Discounts)/ Premiums	Balance 12/31/22	Amounts Due Within One Year	Accrued Interest at 12/31/22
Business-type Activities:								
Bonds and notes payable:								
Water and Sewer Revenue Bonds 2014	\$ 8,060,000	\$ -	\$ 910,000	\$ 7,150,000	\$ 121,454	\$ 7,271,454	\$ 940,000	\$ 17,875
Water and Sewer Revenue Bonds 2016	10,890,000		1,320,000	9,570,000		9,570,000	1,350,000	17,146
Sewer SRF Loans	18,621,375		883,381	17,737,994		17,737,994	892,523	15,225
Resource Recovery Bonds 2018	9,120,000		1,025,000	8,095,000		8,095,000	1,055,000	99,838
Contractual obligations relating to:								
Downtown Savannah Authority Bonds 2015	21,245,000		1,530,000	19,715,000	316,802	20,031,802	1,595,000	280,320
Downtown Savannah Authority Taxable Bonds 2016	33,060,000		870,000	32,190,000	(77,345)	32,112,655	890,000	497,972
Downtown Savannah Authority Taxable Bonds 2018	30,205,000		1,190,000	29,015,000	272,706	29,287,706	1,235,000	470,263
Downtown Savannah Authority Taxable Bonds 2019	9,685,000			9,685,000	151,817	9,836,817		123,623
Downtown Savannah Authority Taxable Bonds 2019	43,835,000		585,000	43,250,000	534,908	43,784,908	600,000	555,576
Downtown Savannah Authority Taxable Bonds 2020	8,605,000			8,605,000		8,605,000	580,000	76,011
Total bonds and notes payable	193,326,375		8,313,381	185,012,994	1,320,342	186,333,336	9,137,523	2,153,849
Other liabilities:								
Leases (see note)	4,760,580		563,053	4,197,527		4,197,527	523,244	
Compensated absences	2,880,850	1,500,444	1,246,757	3,134,537		3,134,537	1,292,478	
Net pension liability	13,969,227	(554,312)	2,848,988	10,565,927		10,565,927		
Closure and Postclosure Liability	14,307,927	1,364,309		15,672,236		15,672,236		
Total other liabilities	35,918,584	2,310,441	4,658,798	33,570,227		33,570,227	1,815,722	
Business-type Activities long-term liabilities	\$229,244,959	\$ 2,310,441	\$ 12,972,179	\$218,583,221	\$ 1,320,342	\$219,903,563	\$ 10,953,245	\$ 2,153,849

Note: the beginning balance for Leases was restated for the implementation of GASB Statement No. 87.

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) Leases are paid by the fund benefitting from the use of the underlying leased assets.
- 2) 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.
- 3) 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)

- 4) 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. Contractual obligations relating to the Savannah Economic Development Authority Bonds, Series 2021 and Series 2022 are liquidated by the General Obligation Bonds Debt Service Fund, a non-major fund.
- 5) General obligation bonds are liquidated by the SPLOST 2020-2026 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, and the SPLOST 2020-2026 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.

(2) Contractual Obligations

During 2014, the City exercised its optional redemption on certain maturities of the Downtown Savannah 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

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

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.

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 Downtown Savannah 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 64.

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

During 2021, the City entered into a contractual obligation related to the Savannah Economic Development Authority Tax Exempt Revenue Bonds, Series 2021, issued in the principal amount of \$26,720,000. The proceeds of the bond sale were made available to the City to design and construct certain infrastructure improvements adjacent to Veterans Parkway to support a warehouse development and to pay issuance costs related to the bonds. The bonds bear interest at fixed rates ranging from 2.00% to 5.00% and mature serially beginning December 1, 2024.

During 2022, the City entered into a contractual obligation related to the Savannah Economic Development Authority Tax Exempt Revenue Bonds, Series 2022, issued in the principal amount of \$6,095,000. The proceeds of the bond sale were made available to the City to design and construct certain infrastructure improvements adjacent to Veterans Parkway to support a warehouse development and to pay issuance costs related to the bonds. The bonds bear interest at a fixed rate of 2.65% and mature serially beginning December 1, 2024.

The Savannah Economic Development Authority's Series 2021 and Series 2022 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 64.

(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 65.

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

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

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, 2021 the debt service reserve requirement is calculated as 10% of the par value of bonds outstanding, which is \$1,895,000. 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.

At December 31, 2022, the sinking fund requirements and actual balances were as follows:

Sinking Fund Requirements:	
Interest requirements (for June 1, 2023)	\$ 35,021
Principal requirements (for December 1, 2023)	188,333
Debt Service Reserve	<u>1,895,000</u>
Total requirements at December 31, 2022	<u>2,118,354</u>
Sinking Fund Resources:	
Cash and investments in sinking fund at December 31, 2022	<u>2,189,866</u>
Surplus	\$ <u>71,512</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, 2022.

Year of Loan	Project Description	Total Loan Commitment	Interest Rate (%)	Amortization Period (Years)	Amount Drawn	<u>-As of December 31, 2022-</u>	
						Principal Retired	Loan Payable
2014	President Street Biosolids Handling Facility	\$ 28,470,000	1.03%	20	\$19,350,610	\$ 1,612,616	\$17,737,994
		<u>\$ 28,470,000</u>			<u>\$19,350,610</u>	<u>\$ 1,612,616</u>	<u>\$17,737,994</u>

CITY OF SAVANNAH, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS (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.

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.

The Authority's Series 2015, Taxable Series 2016, Taxable Series 2018, Taxable Series 2019 and Taxable Series 2020 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 65.

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

(5) 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 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 65.

(6) 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 65.

NOTE 7 – LEASES

(A) Lessee - Lease Payable

(1) Governmental Activities

In 2021, the City entered into a leasing agreement as lessee for the use of passenger vehicles and light duty trucks for a lease term of five years. The lease agreement is a multi-year agreement under which the lessor will provide vehicles to the City as requested by the City and as available to the lessor. During 2021, the City received 61 vehicles under the agreement and recorded a corresponding lease liability in the amount of \$1,327,494. During 2022, the City received 193 vehicles under the agreement and recorded a corresponding lease liability of \$4,665,307. The remaining lease liability as of year end was \$5,127,532. The City used an interest rate of 3.86% to value the leases. The total value of the right-to-use assets at December 31, 2022 was \$5,992,801 and accumulated amortization of \$897,990.

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

In addition to the vehicles leases, the City has entered into leases for office space to support various General Fund activities. The table that follows provides information related to these leases:

Location	Commencement Date	Lease Term in Years	Interest Rate	Initial Lease Liability	Lease Liability at Year End
305 Fahm Street	2019	5	2.98%	\$ 2,359,921	\$ 665,469
2250 E. Victory Drive	2018	7	3.05%	987,527	281,824
602 E. Lathrop Avenue	2018	7	3.05%	2,379,154	670,689
5521 Abercorn Street	2021	5	1.05%	141,030	105,827
					<u>\$ 1,723,809</u>

The City also leases various office space to support workforce development activities within the Grant Fund, a non-major, special revenue fund. The following table provides information related to these leases:

Location	Commencement Date	Lease Term in Years	Interest Rate	Initial Lease Liability	Lease Liability at Year End
111 North Main Street	2021	3	3.50%	\$ 38,002	\$ 15,319
1600 Union Street	2021	5	3.50%	206,605	146,498
305 S. Main Street	2021	3	3.50%	183,345	73,907
410 S. Columbia Avenue	2020	3	3.50%	68,218	2,703
7216 Skidaway Road	2021	5	3.50%	831,758	560,663
1712 Osborne Street	2021	2	3.50%	28,298	6,846
140-142 E. MLK Jr. Drive	2022	3	3.50%	126,932	101,032
					<u>\$ 906,968</u>

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

Debt service requirements to maturity as of December 31, 2022, are as follows:

<u>Year Ending Dec 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,525,384	\$ 273,190	\$ 2,798,574
2024	2,176,320	264,710	2,441,030
2025	1,463,621	144,730	1,608,351
2026	1,278,798	144,843	1,423,641
2027	314,186	68,483	382,669
Total	<u>\$ 7,758,309</u>	<u>\$ 895,956</u>	<u>\$ 8,654,265</u>

The assets acquired through leases are as follows as of December 31, 2022:

	Restated Beginning Balance	Additions	Reductions	Ending Balance
Lease assets:				
Buildings	\$ 7,223,859	\$ 126,932	\$ -	\$ 7,350,791
Machinery and equipment	1,327,494	4,665,307		5,992,801
Total	<u>8,551,353</u>	<u>4,792,239</u>	<u>-</u>	<u>13,343,592</u>
Less accumulated amortization for:				
Buildings	\$ 3,392,141	\$ 1,327,872	\$ -	\$ 4,720,013
Machinery and equipment	31,165	866,825		897,990
Total	<u>3,423,306</u>	<u>2,194,697</u>	<u>-</u>	<u>5,618,003</u>
Total Lease assets, net	<u>\$ 5,128,047</u>	<u>\$ 2,597,542</u>	<u>\$ -</u>	<u>\$ 7,725,589</u>

The leases are reported with capital assets on the Statement of Net Position in the governmental activities column. In the fund financial statements, certain leases are shown in the revolving internal service fund.

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

(2) Business-Type Activities

Parking Services Fund. In 2018, the City entered into a 62 month lease agreement as lessee for the use of a parking area located at 602 East Lathrop Street to use as vehicular parking. The initial lease liability was calculated as \$182,953 using the City's incremental borrowing rate of rate of 3.05%. The lease expired on December 31, 2022 and, therefore, had zero value at year end.

In 2020, the City entered into a 10 year lease agreement as lessee for the use of 22.5 acres located on West Gwinnett Street to use as a parking lot for the Enmarket Arena. The initial lease liability was calculated as \$5,305,893 using the City's incremental borrowing rate of 2.274%. As of December 31, the value of the lease liability was \$4,197,527.

Debt service requirements to maturity as of December 31, 2022, are as follows:

<u>Year Ending Dec 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 523,244	\$ 36,513	\$ 559,757
2024	526,958	49,592	576,550
2025	530,699	63,148	593,847
2026	534,466	77,196	611,662
2027	538,260	91,752	630,012
2028 through 2030	1,543,900	344,230	1,888,130
Total	<u>\$ 4,197,527</u>	<u>\$ 662,431</u>	<u>\$ 4,859,958</u>

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

The assets acquired through leases are as follows as of December 31, 2022:

	Restated Beginning Balance	Additions	Reductions	Ending Balance
Lease assets:				
Land and improvements	\$ 5,488,846	\$ -	\$ 182,953	\$ 5,305,893
Total	<u>5,488,846</u>	<u>-</u>	<u>182,953</u>	<u>5,305,893</u>
Less accumulated amortization for:				
Land and improvements	\$ 728,266	\$ 563,053	\$ 182,953	\$ 1,108,366
Total	<u>728,266</u>	<u>563,053</u>	<u>182,953</u>	<u>1,108,366</u>
Total Lease assets, net	<u>\$ 4,760,580</u>	<u>\$ (563,053)</u>	<u>\$ -</u>	<u>\$ 4,197,527</u>

The leased assets are reported with capital assets on the Statement of Net Position in the business-type activities column.

(B) Lessor - Lease Receivable

The City leases property for use by others for terms varying from 3 to 50 years. Total revenues from rental of property for the City's governmental activities and business-type activities were \$1,053,009, and \$1,323,300, respectively, for the year ended December 31, 2022. Variable payments and short-term lease payments totaled \$727,817 for the City's governmental activities for the year, including \$54,473 in in-kind rent for Grayson Stadium. Variable payments and short-term lease payments totaled \$823,300 for the City's business-type activities for the year, including \$137,255 in in-kind rent for Bacon Park Golf Course and \$556,303 for the City's Enmarket Arena.

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

Minimum future revenues and rentals to be received under leases as of December 31, 2022 are as follows:

Year Ended December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 233,526	\$ 140,698	\$ 471,698	\$ 28,302
2024	224,662	157,697	489,498	60,502
2025	196,518	172,493	461,791	88,209
2026	77,205	102,910	475,256	124,744
2027	74,257	111,496	448,355	151,645
2028-2032	129,671	494,427	1,494,407	805,593
2033-2037	4,135	308,152		
Total Minimum Revenues	\$ 939,974	\$ 1,487,873	\$3,841,005	\$ 1,258,995

NOTE 8 - 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 2022, the City recognized a postclosure expense of \$1,364,309, which is based on 46.59359% usage (filled) of the landfill. It is estimated that an additional \$17,963,800 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 (\$33,636,036) 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, 2022. Based on landfill capacity, the estimated remaining useful life of the landfill is approximately 30.14 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, 2022, the City had accrued \$15,672,236 in landfill closure and postclosure costs. This amount was determined as follows:

Estimated total cost of closure and postclosure care	\$33,636,036
Percent utilized at 12/31/22	<u>46.59359</u>
Total postclosure and closure liability at 12/31/22	15,672,236
Less amount recognized in prior years	<u>14,307,927</u>
Current year closure/postclosure expense credit	<u>\$ 1,364,309</u>

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

The City will fund the closure and postclosure care costs with user fees and subsidies from the General Fund. As of December 31, 2022, no amount of assets had been restricted for the payment of closure and postclosure care costs. The landfill postclosure and closure liability of \$15,672,236 is included in long-term liabilities on the Statement of Net Position.

NOTE 9 - 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.

Plan membership. The Plan covers both general and uniform employees of the participating employers. At December 31, 2020, membership in the OPEB plan was as follows:

Retirees and beneficiaries currently receiving benefits	1,369
Active plan participants	<u>2,201</u>
Total	<u>3,570</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 annual comprehensive 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

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

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. No contributions to the Plan by the City of Savannah were required for the year ended December 31, 2022.

(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:

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 2022 was negative 18.9%. The money-weighted rate of return expresses investment performance, net of OPEB plan investment expense, adjusted for the changing amounts actually invested.

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

(4) Net OPEB Asset

The components of the Net OPEB Asset are as follows:

Total OPEB Liability	\$ 80,498,104
Plan Fiduciary Net Position	119,548,995
Net OPEB Asset	-39,050,891
Plan Fiduciary Net Position as a percentage of the Total OPEB Asset	148.51%

Changes in the Net OPEB Asset

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Asset (a) - (b)
Balances - beginning of year	\$ 81,323,349	\$ 106,791,050	\$ (25,467,701)
Changes for the Year:			
Service cost	2,264,672		2,264,672
Interest expense	5,630,796		5,630,796
Differences between expected and actual experience	(2,045,921)		(2,045,921)
Changes of assumptions	(3,128,379)		(3,128,379)
Contributions--employer		898,051	(898,051)
Contributions--employee		2,399,127	(2,399,127)
Net investment income		15,809,396	(15,809,396)
Benefits paid, including refunds of member contributions	(3,546,413)	(5,945,540)	2,399,127
Plan administrative expenses		(403,089)	403,089
Net Changes	(825,245)	12,757,945	(13,583,190)
Balances - end of year	<u>\$ 80,498,104</u>	<u>\$ 119,548,995</u>	<u>\$ (39,050,891)</u>

The Net OPEB Asset was measured as of December 31, 2021. 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, 2020.

At December 31, 2022, the City reported an amount of \$41,012,366 for its proportionate share of the net OPEB asset. The City's proportionate share was 105.02 percent.

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

(5) Actuarial Assumptions

The total OPEB liability was rolled forward from an actuarial valuation as of December 31, 2020 that used the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	Specific rates by age, varying from 5.50% to 3.50%, including inflation
Discount Rate	7.00% for City of Savannah and Youth Futures. 2.06% (2.12% for December 31, 2020 measurement) 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 5.00%, trending down to 4.50% over 2 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> : Pri-2012 Employee Amount-weighted Mortality Table; projected generationally with 60% of Scale SSA-2020 <u>Healthy</u> : Pri-2012 Healthy Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020 <u>Disabled</u> : Pri-2012 Disabled Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020

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, 2021, dated July 29, 2021, completed by Segal Consulting. These assumptions were reviewed as part of the pension valuation process, and Segal had no reason to doubt their reasonableness for use in the valuation.

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 Asset	(\$46,841,552)	(\$39,050,891)	(\$29,792,847)

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

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	(\$48,572,338)	(\$41,012,366)	(\$32,040,302)

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

A 7.00% discount rate was used to measure the Total OPEB Liability (TOL) as of December 31, 2021. The projection of cash flows used to determine the discount rate assumed plan member 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the TOL as of December 31, 2021.

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 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	6.80%
Core fixed income	0.40%
High yield fixed income	2.60%
Real estate	3.90%
Cash and short term	0.00%

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

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

The following presents the Net OPEB 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 Asset	(\$30,601,590)	(\$39,050,891)	(\$46,201,265)

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	(\$32,878,274)	(\$41,012,366)	(\$47,909,728)

(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, 2022 the Plan reported \$90,194,134 in investments.

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, 2022, the City recognized an OPEB expense credit of \$10,639,500.

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

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

At December 31, 2022, 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	\$ 1,242,444	\$ (3,319,308)
Changes of assumption		(20,328,430)
Net difference between projected and actual earnings on investments		(14,385,238)
Totals	<u><u>\$ 1,242,444</u></u>	<u><u>\$ (38,032,976)</u></u>

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:

2023	(\$10,202,011)
2024	(\$12,109,876)
2025	(\$ 9,879,216)
2026	(\$ 4,599,429)
2027 and after	-\$0-

(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, 2020, the actuarial cost method used in determining the actuarially determined contribution (ADC) was the projected unit cost method. In addition, the asset valuation method used was the market value. Other significant assumptions used to determine the ADC were as follows:

- The inflation rate was assumed to be 2.75 percent annually.
- The investment rate of return was assumed to be 7.00 percent for prefunded plan, 2.06 percent for pay-as-you-go plans.
- Projected salary increases were specific rates by age, varying from 5.50% to 3.50%, 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 5.00 percent graded to 4.50 percent over 2 years.
- The drug cost trend rate is 7.50 percent, trending down to 4.50% over 12 years.

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

- The amortization method used was level percent of pay and the amortization period for the most recent actuarial valuation was 16 years and the period is closed.

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

CITY OF SAVANNAH
STATEMENT OF FIDUCIARY NET POSITION
OPEB TRUST FUND
DECEMBER 31, 2022

ASSETS

Cash and cash equivalents	\$ 2,975,359
Investments, at fair value:	
U.S. government obligations	9,267,089
Domestic corporate bonds	18,361,822
Domestic equities	44,511,069
International equities	9,036,231
Real estate fund	9,017,923
Total investments	<u>90,194,134</u>
Total assets	<u>93,169,493</u>

LIABILITIES

Payable from restricted assets:	
Accounts payable	<u>173,946</u>
Total liabilities	<u>173,946</u>

NET POSITION

Restricted for:	
Post employment benefits other than pensions	<u>\$ 92,995,547</u>

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

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

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
OPEB TRUST FUND
YEAR ENDED DECEMBER 31, 2022**

ADDITIONS

Contributions	
Employers	\$ 156,581
Plan members	2,265,824
Total contributions	<u>2,422,405</u>
Investment income	
Interest and dividends	3,987,284
Real estate net income	(3,534,832)
Net appreciation(depreciation) in fair value of investments	(22,495,876)
Total investment income	<u>(22,043,424)</u>
Less investment expense	514,078
Net investment income(loss)	<u>(22,557,502)</u>
Total additions	<u>(20,135,097)</u>

DEDUCTIONS

Benefits	6,069,624
Administrative expense	<u>348,727</u>
Total deductions	<u>6,418,351</u>
Change in net position	(26,553,448)
Net position:	
Beginning of year - January 1	<u>119,548,995</u>
End of year - December 31	<u><u>\$ 92,995,547</u></u>

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

NOTE 10 - 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 2022 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 2022, premiums paid into the fund by both the City and its employees exceeded the liabilities incurred for the various types of claims covered by \$10,636,717. The amount available for catastrophic losses at December 31, 2022 had a total net position balance of \$28,918,416.

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 \$6,145,519 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, 2022, \$2,416,513 of those covered liabilities is considered to be long-term and \$3,729,006 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
2020	\$ 9,697,629	\$ 34,937,106	\$ (33,708,238)	\$ 10,926,497
2021	10,926,497	32,040,742	(34,442,981)	8,524,258
2022	8,524,258	30,325,111	(32,703,850)	6,145,519

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

NOTE 11 - INTERFUND TRANSFERS, RECEIVABLES AND PAYABLES

Interfund transfers in (out) for the year ended December 31, 2022, are as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Hazardous Materials Team Fund	\$ 229,297	Provide resources to fund operating expenditures.
General Fund	Capital Improvement Fund	73,464,557	Provide resources to fund planned capital project expenditures.
General Fund	Parking Fund	24,225	Provide resources to fund operating expenditures.
General Fund	Community Development Fund	8,270,935	Provide resources to fund operating expenditures and grant matches.
General Fund	Debt Service Fund	2,644,584	Provide resources to fund debt service expenditures.
General Fund	Grant Fund	849,129	Provide resources to fund operating expenditures and grant matches.
General Fund	Tax Allocation District Fund I	1,942,163	Provide resources to fund debt service expenditures.
Capital Improvement Fund	General Fund	18,186,713	Return previously transferred funds.
Sanitation Fund	General Fund	995,061	Transfer restricted revenues to fund required to expend them.
Sanitation Fund	Water and Sewer Fund	403,101	Repayment of resources provided in previous years.
Disaster Recovery Fund	General Fund	137,446	Transfer grant proceeds to reimburse operating expenditures.
Disaster Recovery Fund	Water and Sewer Fund	344	Transfer grant proceeds to reimburse operating expenses.
Disaster Recovery Fund	Sanitation Fund	318	Transfer grant proceeds to reimburse operating expenses.
Disaster Recovery Fund	Internal Service Revolving Fund	18	Transfer grant proceeds to reimburse operating expenses.
Coronavirus Local Fiscal Recovery Fund	General Fund	27,795,624	Transfer grant proceeds to fund operating expenditures.
Hotel/motel Tax Fund	Civic Center Fund	1,243,879	Transfer restricted revenues to fund required to expend them.
Hotel/motel Tax Fund	General Fund	17,377,486	Transfer restricted revenues to fund required to expend them.
Auto Rental Tax Fund	Civic Center Fund	3,178,848	Transfer restricted revenues to fund required to expend them.
Total		<u><u>\$ 156,743,728</u></u>	

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.

In certain years, the General Fund transfers amounts to the Tax Allocation District I Fund 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, 2022, the General Fund had transferred an aggregate total of \$20,011,966 to the Tax Allocation District I Fund to pay debt service obligations of the fund.

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

Interfund receivable and payable balances as of December 31, 2022 are as follows:

<u>Payable from</u>	<u>Payable to</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Capital Improvements Fund	\$ 114,453,849	Committed funds for capital projects. Cash is transferred only as project costs are paid. This balance may not be paid within one year.
Hotel/motel Tax	General Fund	1,216,474	Hotel/motel taxes receivable at year end which are to be transferred to General Fund when received.
Automobile Rental	Civic Center	180,500	Auto rental taxes receivable at year end which are to be transferred for use by Civic Center when received.
		<u>\$ 115,850,823</u>	

NOTE 12 – RECEIVABLE AND PAYABLE BALANCES

Receivables at December 31, 2022 were as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Taxes Receivable	\$10,746,149	
Due from other Governments	13,823,740	
Miscellaneous accounts receivable	11,987,884	\$65,034,290
Less: allowance for uncollectible	<u>245,398</u>	<u>36,875,269</u>
Total	<u>\$36,312,375</u>	<u>\$28,159,021</u>

Payables at December 31, 2022 consisted of:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Due to vendors	\$ 17,495,759	\$10,215,374
Accrued payroll, tax liabilities, and withholdings	<u>1,993,940</u>	
Total	<u>\$ 19,489,699</u>	<u>\$10,215,374</u>

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

NOTE 13 – 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, 2022 include:

Activity	Restricted by	Amount
Governmental Activities:		
Sales Tax Capital Projects	Law	\$124,349,164
Other Capital Projects	Bond covenants	7,924,852
Community Development projects	Grantor agencies and law	25,948,085
Economic development projects	Creditor – U. S. Dept. of Housing & Urban Development	406,219
Nonexpendable Perpetual Care	Cemetery perpetual care	8,460,180
Debt service	Bond covenants	904,109
Convention and tourism	Law	374,507
Court technology fee	Law	243,168
Other grants	Grantor agencies	1,532,581
Business-Type Activities:		
Debt service	Bond covenants	1,895,000

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

As of December 31, 2022, Governmental Funds' balance sheet reports fund balances as follows:

	<u>General</u>	<u>Capital Improvements</u>	<u>SPLOST 2020- 2026</u>	<u>Non-major Governmental Funds</u>
Fund Balances:				
Nonspendable:				
Permanent fund principal	\$ -	\$ -	\$ -	\$ 8,460,180
Restricted for:				
Public safety				906,246
Tourism enhancement				374,507
Community development program and administration				406,219
Debt service				1,622,005
Other capital projects		1,839,995	62,677,469	67,568,513
Committed to:				
Governance and strategic services	65,173			
Municipal operations	203,713			
Governmental operations	8,416			
Infrastructure and development	837,385			
Public safety	415,360			
Parks and recreation	381,896			
Community services	1,327,313			1,467,656
Disaster recovery				423,352
Tourism enhancement	375,405			
Other capital projects		138,540,666		
Unassigned:	49,360,451			
Total fund balances	<u>\$ 52,975,112</u>	<u>\$ 140,380,661</u>	<u>\$ 62,677,469</u>	<u>\$ 81,228,678</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)

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 \$891,220,969 less related debt of \$57,304,343, which includes contractor retainage payable and accrued accounts payable of \$8,186,051 and debt of \$50,965,034 less unspent bonds proceeds of \$1,846,742. 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 \$690,503,986 less related debt of \$154,013,394, which includes contractor retainage payable and accrued accounts payable of \$6,628,392 and debt of \$148,390,959 less unspent bond proceeds of \$1,005,957. 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, 2022 as follows:

<u>General Fund</u>	
Contract services	\$1,637,429
Commodities	<u>1,977,232</u>
Total	<u>\$3,614,661</u>

NOTE 14 - 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.

The property tax calendar is as follows:

2022 (tentative) millage rate adopted by resolution	December 31, 2021
Beginning of fiscal year for taxes	January 1, 2022
First installment real property tax bills rendered	April 11, 2022
First installment real property tax payment due	May 15, 2022
County Tax Digest approved by the State of Georgia	September 12, 2022
2022 final millage rate adopted by resolution	July 31, 2022
Second installment real property tax bills rendered	October 4, 2022
Personal property tax bills rendered	October 11, 2022
Second installment real property tax payment due	November 21, 2022
Personal property tax payment due	November 27, 2022

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

NOTE 15 - 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, 2022. 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, 2022, 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.

NOTE 16 – TAX ABATEMENTS

As of December 31, 2022, 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 2022, as part of the enterprise zone tax abatement program, the City tax revenues were reduced by \$212,794 under agreements entered into by the City of Savannah.

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, 2022

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Property taxes	\$ 85,822,420	\$ 90,857,732	\$ 92,612,532	\$ 1,754,800
Intangible, transfer and franchise taxes	22,119,869	23,255,072	24,344,013	1,088,941
General sales tax	54,590,000	62,000,000	66,266,165	4,266,165
Selective sales taxes	7,312,000	8,170,000	9,163,119	993,119
Business taxes	11,330,000	11,330,000	12,052,793	722,793
Penalties and interest on delinquent taxes	761,000	700,000	573,030	(126,970)
Licenses and permits	2,724,000	2,681,000	2,735,065	54,065
Inspection fees	4,260,400	4,647,717	6,050,679	1,402,962
Intergovernmental revenue	2,716,038	2,845,828	2,925,940	80,112
Charges for services	4,075,797	4,653,629	4,745,972	92,343
Indirect cost allocations	7,781,770	7,562,752	7,562,752	
Fines and forfeitures	4,301,000	2,900,000	2,937,383	37,383
Investment income	55,000	374,458	2,312,351	1,937,893
Miscellaneous revenue	1,522,100	1,895,260	2,178,825	283,565
Total revenues	<u>209,371,394</u>	<u>223,873,448</u>	<u>236,460,619</u>	<u>12,587,171</u>
EXPENDITURES:				
Current:				
Governance and strategic services	6,968,309	6,535,245	6,535,245	
Municipal operations	22,449,106	21,567,242	20,537,405	1,029,837
Governmental operations	4,135,868	3,984,418	3,712,985	271,433
Infrastructure and development	52,121,169	49,279,174	47,639,604	1,639,570
Police	63,824,554	62,957,446	62,957,446	
Recorder's court	2,537,262	2,447,965	2,447,965	
Fire	35,472,516	35,938,372	35,823,344	115,028
Parks and recreation	12,548,182	12,158,355	11,677,498	480,857
Tourism enhancement	1,497,819	1,372,928	975,707	397,221
Community services	18,373,586	33,297,612	16,748,252	16,549,360
Debt Service:				
Principal	979,180	979,180	979,180	
Interest and fiscal charges	105,111	105,111	105,111	
Total expenditures	<u>221,012,662</u>	<u>230,623,048</u>	<u>210,139,742</u>	<u>20,483,306</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,641,268)</u>	<u>(6,749,600)</u>	<u>26,320,877</u>	<u>33,070,477</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	41,584,878	72,396,593	64,492,330	(7,904,263)
Transfers out	(29,993,610)	(65,910,251)	(87,424,890)	(21,514,639)
Sale of capital assets	50,000	263,258	694,057	430,799
Total other financing sources (uses)	<u>11,641,268</u>	<u>6,749,600</u>	<u>(22,238,503)</u>	<u>(28,988,103)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>4,082,374</u>	<u>\$ 4,082,374</u>
FUND BALANCE - JANUARY 1			<u>48,892,738</u>	
FUND BALANCE - DECEMBER 31			<u><u>\$ 52,975,112</u></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, 2022**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental Revenue	\$ 7,165,242	\$ 15,417,996	\$ 7,194,096	\$ (8,223,900)
Charges for services			3,999,855	3,999,855
Interest earned			68,492	68,492
Miscellaneous revenue			26,787	26,787
Total revenues	<u>7,165,242</u>	<u>15,417,996</u>	<u>11,289,230</u>	<u>(4,128,766)</u>
EXPENDITURES:				
Community development program and administration	<u>7,904,849</u>	<u>16,157,603</u>	<u>19,560,165</u>	<u>(3,402,562)</u>
Total expenditures	<u>7,904,849</u>	<u>16,157,603</u>	<u>19,560,165</u>	<u>(3,402,562)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(739,607)</u>	<u>(739,607)</u>	<u>(8,270,935)</u>	<u>(7,531,328)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>739,607</u>	<u>739,607</u>	<u>8,270,935</u>	<u>7,531,328</u>
Total other financing sources (uses)	<u>739,607</u>	<u>739,607</u>	<u>8,270,935</u>	<u>7,531,328</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**

	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability								
Service cost	\$ 11,727,549	\$ 11,805,608	\$ 11,411,039	\$ 12,197,176	\$ 12,277,259	\$ 13,751,371	\$ 12,832,463	\$ 12,803,097
Interest	38,513,298	38,145,085	37,031,735	35,850,147	34,059,918	32,713,986	31,983,189	30,562,389
Differences between expected and actual experience	11,643,568	1,762,039	(1,025,181)	7,761,517	(1,248,522)	4,870,999	(9,445,475)	
Change of assumptions		5,452,648				(4,829,920)		
Benefit payments, including refunds of employee contributions	(35,623,005)	(33,318,110)	(32,616,874)	(30,396,491)	(27,404,258)	(26,130,536)	(25,750,547)	(24,314,601)
Net change in total pension liability	26,261,410	23,847,270	14,800,719	25,412,349	17,684,397	20,375,900	9,619,630	19,050,885
Total pension liability - beginning	537,301,853	513,454,583	498,653,864	473,241,515	455,557,118	435,181,218	425,561,588	406,510,703
Total pension liability - ending (a)	\$ 563,563,263	\$ 537,301,853	\$ 513,454,583	\$ 498,653,864	\$ 473,241,515	\$ 455,557,118	\$ 435,181,218	\$ 425,561,588
Plan fiduciary net position								
Contributions - employer	\$ 12,019,866	\$ 11,243,151	\$ 10,643,079	\$ 10,331,820	\$ 10,361,785	\$ 10,588,773	\$ 11,378,991	\$ 11,989,213
Contributions - employee	7,572,831	7,903,062	7,222,808	7,459,327	7,794,899	7,522,500	6,948,068	6,656,241
Net investment income	61,559,295	62,207,444	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	(35,623,005)	(33,318,110)	(32,616,874)	(30,396,491)	(27,404,258)	(26,130,536)	(25,750,547)	(24,314,601)
Administrative expense	(166,473)	(174,546)	(156,206)	(122,121)	(75,177)	(60,680)	(157,329)	(99,358)
Net change in plan fiduciary net position	45,362,514	47,861,001	57,854,489	(24,059,492)	41,053,558	18,051,636	(3,968,743)	17,624,618
Plan fiduciary net position - beginning	468,546,699	420,685,698	362,831,209	386,890,701	345,837,143	327,785,507	331,754,250	314,129,632
Plan fiduciary net position - ending (b)	513,909,213	468,546,699	420,685,698	362,831,209	386,890,701	345,837,143	327,785,507	331,754,250
Employers' net pension liability - ending (a) - (b)	\$ 49,654,050	\$ 68,755,154	\$ 92,768,885	\$ 135,822,655	\$ 86,350,814	\$ 109,719,975	\$ 107,395,711	\$ 93,807,338
Plan fiduciary net position as a percentage of the total pension liability	91.19%	87.20%	81.93%	72.76%	81.75%	75.92%	75.32%	77.96%
Covered payroll	\$ 115,163,120	\$ 108,499,848	\$ 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	43.12%	63.37%	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	\$11,378,988	\$11,378,991	(\$3)	\$99,962,326	11.38%
2016	10,588,767	10,588,773	(6)	108,873,305	9.73%
2017	10,233,131	10,361,785	(128,654)	115,437,152	8.98%
2018	10,331,820	10,331,820	0	114,069,874	9.06%
2019	10,643,079	10,643,079	0	106,204,028	10.02%
2020	11,243,151	11,243,151	0	108,499,848	10.36%
2021	12,019,866	12,019,866	0	115,163,120	10.44%
2022	12,258,946	12,258,946	0	113,344,761	10.82%

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, 2022**

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 2.75% salary inflation
Remaining amortization period	Closed period, 22 years as of January 1, 2021
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	7.25%
Inflation rate	2.75%
Projected salary increases	Varies by age
Cost of living adjustments	5.00% at participant's adjustment date, 1.00% annually thereafter
Mortality:	
Pre-retirement	Pri-2012 Employee Amount-weighted Mortality Table; projected generationally with 60% of Scale SSA-2020
Healthy	Pri-2012 Healthy Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020
Disabled	Pri-2012 Disabled Retiree Amount-weighted Mortality Table, multiplied times 1.25; projected generationally with 60% of Scale SSA-2020

Other information:	Please see the January 1, 2021 actuarial valuation for a full listing of assumptions.
---------------------------	---

**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
2021	13.3
2022	-15.2

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%
2021	90.10%	61,946,161	97,364,151	63.62%	87.20%
2022	90.64%	45,008,085	104,408,490	43.11%	91.19%

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	103.58%
2016	0.00%	0	(428,086)	(428,086)	N/A	N/A	97.68%
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%
2021	0.00%	0	469,419	469,419	N/A	N/A	98.36%
2022	0.00%	0	(113,993)	(113,993)	N/A	N/A	100.33%
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%
2021	0.00%	0	5,117,928	5,117,928	N/A	N/A	80.82%
2022	0.00%	0	986,678	986,678	N/A	N/A	96.77%

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

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 2,264,672	\$ 2,958,375	\$ 3,229,606	\$ 3,908,039	\$ 3,900,114
Interest	5,630,796	5,901,521	6,448,883	6,717,194	6,285,651
Differences between expected and actual experience	(2,045,921)	(1,833,032)	2,425,527	(1,930,903)	
Change of assumptions	(3,128,379)	(6,941,130)	(15,626,260)	(12,280,003)	153,173
Benefit payments, including refunds of employee contributions	(3,546,413)	(3,336,364)	(3,845,887)	(4,293,905)	(3,638,344)
Net change in Total OPEB Liability	(825,245)	(3,250,630)	(7,368,131)	(7,879,578)	6,700,594
Total OPEB Liability - beginning	81,323,349	84,573,979	91,942,110	99,821,688	93,121,094
(a) Total OPEB Liability - ending	\$ 80,498,104	\$ 81,323,349	\$ 84,573,979	\$ 91,942,110	\$ 99,821,688
Plan fiduciary net position					
Contributions - employer	\$ 898,051	\$ 2,033,175	\$ 2,901,830	\$ 4,259,109	\$ 5,586,200
Contributions - employee	2,399,127	2,689,807	2,583,727		
Net investment income	15,809,396	14,952,600	16,583,104	(3,787,843)	11,347,263
Benefit payments, including refunds of employee contributions	(5,945,540)	(6,026,171)	(6,429,614)	(4,293,905)	(3,638,344)
Administrative expense	(403,089)	(374,093)	(327,958)	(308,339)	(266,941)
Net change in plan fiduciary net position	12,757,945	13,275,318	15,311,089	(4,130,978)	13,028,178
Plan fiduciary net position - beginning	106,791,050	93,515,732	78,204,643	82,335,621	69,307,443
(b) Plan Fiduciary Net Position - ending	119,548,995	106,791,050	93,515,732	78,204,643	82,335,621
(c) Net OPEB Liability(Asset) - ending (a) - (b)	\$ (39,050,891)	\$ (25,467,701)	\$ (8,941,753)	\$ 13,737,467	\$ 17,486,067
Plan fiduciary net position as a percentage of the Total OPEB Liability(Asset)	148.51%	131.32%	110.57%	85.06%	82.48%
Covered employee payroll	\$ 106,088,473	\$ 98,990,306	\$ 96,741,021	\$ 104,236,901	\$ 106,198,860
Plan Net OPEB Liability(Asset) as percentage of covered employee payroll	-36.81%	-25.73%	-9.24%	13.18%	16.47%

Notes to Schedule:

Benefit changes: None

Changes of assumptions: For 2022 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, 2021 for the unfunded groups was lowered to 2.06%

For 2021 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, 2020 for the unfunded groups was lowered to 2.12%
- The participation rate for spouses was lowered from 70% to 60%.
- On July 15, 2020 the Board of Trustees voted to change the following assumptions as part of the experience study for the five-year period, from January 1, 2015 - December 31, 2019:
 1. Inflation and payroll growth lowered from 3.00% to 2.75%.
 2. Salary scale changed to service based rates; 5.50% for the first five years, 3.50% thereafter.
 3. RP-2014 Mortality Tables changed to Pri-2012 amount-weighted mortality tables.
 4. Mortality improvement changed to generational projections with 60% of Scale SSA-2020, instead of projected generationally with a modified version of Scale MP-2014.
 5. Turnover rates kept separate age based rates for General and Uniformed employees, but removed the additional rates during first five years of service; rates zero out at each group's normal retirement age.
 6. Disability rates changed from separate age based rates to one set of age based rates for all employees; rates set to 44% of previous general rates.
 7. Retirement rate schedules for General and Uniformed employees have each been updated, but it is still assumed that there is 100% retirement at age 75 for General employees and 100% retirement at age 65 for Uniformed employees.

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
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	104,236,901	4.01%
2019	2,901,830	2,901,830	0	96,741,021	2.78%
2020	2,033,175	2,033,175	0	98,990,306	2.05%
2021	898,051	898,051	0	106,088,473	0.85%
2022	83,824	156,581	(72,757)	106,000,644	0.15%

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, 2021
Actuarial cost method	Projected Unit Cost Method
Amortization method	30-year closed, level percent of pay
Remaining amortization period	16 years remain as of December 31, 2020
Asset valuation method	The Market Value of Assets

**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
2021	15.6
2022	-18.9

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
City's proportion of the net OPEB liability/(asset)	105.02%	107.89%	129.07%	79.83%	79.94%
City's proportionate share of the net OPEB liability/(asset)	\$ (41,012,366)	\$ (27,476,869)	\$ (11,541,212)	\$ 10,966,141	\$ 13,979,898
City's covered employee payroll	\$ 104,304,126	\$ 97,364,151	\$ 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	-39.32%	-28.22%	-12.14%	10.71%	13.42%
Plan fiduciary net position as a percentage of the total OPEB liability/(asset)	152.22%	134.64%	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, 2022**

Valuation date	December 31, 2020
Measurement date	December 31, 2021
Actuarial cost method	Projected Unit Cost Method
Amortization method	30 years closed, level percent of pay
Remaining amortization period	16 years as of December 31, 2020
Asset valuation method	The market value of assets

Actuarial assumptions:

Investment rate of return	7% for City of Savannah and Youth Futures, 2.06% (2.12% for December 31, 2020 measurement) for Savannah Airport Authority and Metropolitan Planning Commission
Inflation rate	2.75%
Projected salary increases	Specific rates by age, varying from 5.50% to 3.50%, including inflation
Medical cost trend rate (pre-65)	Initial rate is 6.00%, trending down to 4.50% over 6 years
Medical cost trend rate (post-65)	Initial rate is 5.00%, trending down to 4.50% over 2 years
Prescription drug	Initial rate is 7.50%, trending down to 4.50% over 12 years

Plan membership:

Current retirees, beneficiaries, and dependents	1,369
Current active members	2,201
Total	<u><u>3,570</u></u>

CITY OF SAVANNAH, GEORGIA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

NOTE A - BUDGET

The City adopted annual budgets for the 2022 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 2022 is presented below:

Fund	Original Expenditure Appropriations	Encumbered Appropriations Carried Forward From Prior Years	Budgetary Amendments	Final Expenditure Appropriations
Major Funds:				
General	\$ 221,012,662	\$ 1,739,273	\$ 7,871,113	\$ 230,623,048
Community Development	7,904,849	992	8,251,762	16,157,603
Nonmajor Funds:				
Grant	9,014,310	187,885	(784,928)	8,417,267
Disaster Recovery	5,000,000	972,348	(972,348)	5,000,000
Coronavirus Local Fiscal Recovery Fund	30,000,000			30,000,000
Economic Development	3,605,545		985,561	4,591,106
Hazardous Materials Team	576,096	12,946	35,958	625,000
Hotel/motel Tax	25,750,000		9,250,000	35,000,000
Automobile Rental Tax	1,400,000		1,722,273	3,122,273
Per Occupied Room Fee	1,375,456	4,603	419,941	1,800,000
Recorders Court Technology Fee	150,000	6,024	(76,024)	80,000
Confiscated Assets	200,000	960	(960)	200,000
General Obligation Bond Debt Service	20,000,000		(16,385,932)	3,614,068
Special Assessment Debt Service	100,000			100,000

CITY OF SAVANNAH, GEORGIA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

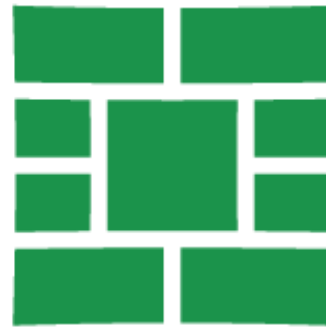
NOTE A – BUDGET (CONTINUED)

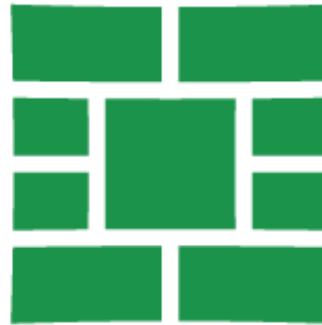
During 2022, expenditures in the Community Development Fund, a major governmental fund, exceeded the final expenditure appropriation amount adopted by City Council. These expenditures in excess of appropriations were funded by greater than anticipated federally funded grant revenues and transfers in from the General Fund.

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance (\$)</u>	<u>Variance</u>
Community Development Fund	\$ 16,157,603	\$ 19,560,165	\$ (3,402,562)	13.3%

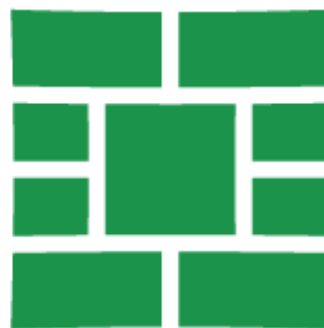
In accordance with State law, new appropriations for projects for the capital project funds were adopted by resolution and totaled \$113,394,011 in 2022.

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.

Coronavirus Local Fiscal Recovery Fund – The Coronavirus Local Fiscal Recovery Fund accounts for grant proceeds received directly from the United States Department of Treasury. These funds were appropriated as part of the American Rescue Plan Act, which was signed into law by the president on March 11, 2021.

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

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:

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.

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 2014 – 2020 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 2013 Special Purpose Local Option Sales Tax referendum, which was passed on a county-wide basis. This SPLOST commenced on October 1, 2014 and expired 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 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, 2022

		SPECIAL REVENUE FUNDS										PERMANENT FUND													
		GRANT FUND	DISASTER RECOVERY FUND	CORONAVIRUS LOCAL FISCAL RECOVERY FUND	ECONOMIC DEVELOPMENT FUND	HAZARDOUS MATERIALS TEAM FUND	HOTEL/MOTEL TAX FUND	AUTOMOBILE RENTAL FUND	PER OCCUPIED ROOM FEE FUND	COURT TECHNOLOGY FEE FUND	CONFISCATED ASSETS FUND	TOTAL	CEMETERY FUND												
<u>ASSETS</u>																									
Cash and investments	\$	-	\$	482,604	\$	-	\$	976,936	\$	-	\$	-	\$	1,459,540	\$	-									
Receivables, net								24,933						24,933											
Due from other governments		1,163,597		832,846										1,996,443											
Restricted assets:																									
Cash and investments		64,827				495		1,189,866		458,048		243,168		663,078		8,460,180									
Receivables net		13,883						2,432,948		114,242						256,192									
Property held for resale						490,720								490,720											
Total assets	\$	1,242,307	\$	1,315,450	\$	-	\$	1,898,808	\$	495	\$	3,622,814	\$	180,500	\$	572,290	\$	243,168	\$	663,078	\$	9,738,910	\$	8,716,372	
<u>LIABILITIES</u>																									
Accounts payable	\$	-	\$	-	\$	-	\$	-	\$	495	\$	2,406,340	\$	-	\$	197,783	\$	-	\$	-	\$	2,604,618	\$	-	
Unexpended grant proceeds		810,251		59,252																		869,503			
Due to other funds																						1,396,974			
Total liabilities		810,251		59,252																			4,871,095		
<u>DEFERRED INFLOWS OF RESOURCES</u>																									
Unavailable program income								24,933															24,933		256,192
Unavailable grant proceeds		432,056		832,846																			1,264,902		
Total deferred inflows of resources		432,056		832,846				24,933															1,289,835		256,192
<u>FUND BALANCES</u>																									
Nonspendable																									8,460,180
Restricted								406,219						374,507		243,168		663,078					1,686,972		
Committed				423,352			1,467,656																1,891,008		
Total fund balance				423,352			1,873,875							374,507		243,168		663,078					3,577,980		8,460,180
Total liabilities, deferred inflows of resources and fund balances	\$	1,242,307	\$	1,315,450	\$	-	\$	1,898,808	\$	495	\$	3,622,814	\$	180,500	\$	572,290	\$	243,168	\$	663,078	\$	9,738,910	\$	8,716,372	

This statement is continued on the next page.

CITY OF SAVANNAH, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS						TOTAL NONMAJOR GOVERNMENTAL FUNDS
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENTS	TOTAL	SPLOST 1998-2003	SPLOST 2003-2008	SPLOST 2009-2014	SPLOST 2014-2020	TAX ALLOCATION DISTRICT I	TOTAL	
<u>ASSETS</u>										
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,459,540
Receivables, net										24,933
Due from other governments										1,996,443
Restricted assets:										
Cash and investments	1,589,029	32,976	1,622,005	425,012	16,009,200	3,932,607	41,568,612	6,084,857	68,020,288	81,128,174
Receivables, net										2,997,765
Special assessments receivable, net		121,679	121,679							121,679
Property held for resale										490,720
Total assets	<u>\$ 1,589,029</u>	<u>\$ 154,655</u>	<u>\$ 1,743,684</u>	<u>\$ 425,012</u>	<u>\$ 16,009,200</u>	<u>\$ 3,932,607</u>	<u>\$ 41,568,612</u>	<u>\$ 6,084,857</u>	<u>\$ 68,020,288</u>	<u>\$ 88,219,254</u>
<u>LIABILITIES</u>										
Accounts payable	\$ -	\$ -	\$ -	\$ 83,112	\$ 140,265	\$ -	\$ 228,398	\$ -	\$ 451,775	\$ 3,056,393
Unexpended grant proceeds										869,503
Due to other funds										1,396,974
Total liabilities				83,112	140,265		228,398		451,775	5,322,870
<u>DEFERRED INFLOWS OF RESOURCES</u>										
Unavailable program income		121,679	121,679							402,804
Unavailable grant proceeds										1,264,902
Total deferred inflows of resources		121,679	121,679							1,667,706
<u>FUND BALANCES</u>										
Nonspendable										8,460,180
Restricted	1,589,029	32,976	1,622,005	341,900	15,868,935	3,932,607	41,340,214	6,084,857	67,568,513	70,877,490
Committed										1,891,008
Total fund balance	<u>1,589,029</u>	<u>32,976</u>	<u>1,622,005</u>	<u>341,900</u>	<u>15,868,935</u>	<u>3,932,607</u>	<u>41,340,214</u>	<u>6,084,857</u>	<u>67,568,513</u>	<u>81,228,678</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,589,029</u>	<u>\$ 154,655</u>	<u>\$ 1,743,684</u>	<u>\$ 425,012</u>	<u>\$ 16,009,200</u>	<u>\$ 3,932,607</u>	<u>\$ 41,568,612</u>	<u>\$ 6,084,857</u>	<u>\$ 68,020,288</u>	<u>\$ 88,219,254</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, 2022

	SPECIAL REVENUE FUNDS										PERMANENT FUND	
	GRANT FUND	DISASTER RECOVERY FUND	CORONAVIRUS LOCAL FISCAL RECOVERY FUND	ECONOMIC DEVELOPMENT FUND	HAZARDOUS MATERIALS TEAM FUND	HOTEL/MOTEL TAX FUND	AUTOMOBILE RENTAL FUND	PER OCCUPIED ROOM FEE FUND	COURT TECHNOLOGY FEE FUND	CONFISCATED ASSETS FUND	TOTAL	CEMETERY FUND
REVENUES:												
Selective sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,754,973	\$ 3,178,848	\$ -	\$ -	\$ -	\$ 37,933,821	\$ -
Intergovernmental revenue	5,114,610	600,805	27,819,307		40,131					99,901	33,674,754	
Charges for services				4,449	291,500			1,702,392	73,370		2,071,711	487,996
Investment income				13,786						8,991	22,777	
Miscellaneous revenue	45,045			158,644							203,689	
Total revenues	5,159,655	600,805	27,819,307	176,879	331,631	34,754,973	3,178,848	1,702,392	73,370	108,892	73,906,752	487,996
EXPENDITURES:												
Police										8,814	8,814	
Recorders court									4,532		4,532	
Fire					560,928						560,928	
Tourism enhancement						16,133,608		1,661,413			17,795,021	
Grant program and administration	5,764,033	3,800	23,683								5,791,516	
Community development program and administration				87,269							87,269	
Debt Service:												
Principal	348,692										348,692	
Interest and fiscal charges	22,991										22,991	
Total expenditures	6,135,716	3,800	23,683	87,269	560,928	16,133,608		1,661,413	4,532	8,814	24,619,763	
Excess (deficiency) of revenues over (under) expenditures	(976,061)	597,005	27,795,624	89,610	(229,297)	18,621,365	3,178,848	40,979	68,838	100,078	49,286,989	487,996
OTHER FINANCING SOURCES (USES):												
Transfers in	849,129				229,297						1,078,426	
Transfers out		(138,126)	(27,795,624)			(18,621,365)	(3,178,848)				(49,733,963)	
Debt issuance	126,932										126,932	
Total other financing sources (uses)	976,061	(138,126)	(27,795,624)		229,297	(18,621,365)	(3,178,848)				(48,528,605)	
Net change in fund balances		458,879		89,610				40,979	68,838	100,078	758,384	487,996
FUND BALANCES (DEFICIT) - JANUARY 1		(35,527)		1,784,265				333,528	174,330	563,000	2,819,596	7,972,184
FUND BALANCES (DEFICIT) - DECEMBER 31	\$ -	\$ 423,352	\$ -	\$ 1,873,875	\$ -	\$ -	\$ -	\$ 374,507	\$ 243,168	\$ 663,078	\$ 3,577,980	\$ 8,460,180

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, 2022

	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS						TOTAL NONMAJOR GOVERNMENTAL FUNDS
	GENERAL OBLIGATION BONDS	SPECIAL ASSESSMENTS	TOTAL	SPLOST 1998-2003	SPLOST 2003-2008	SPLOST 2009-2014	SPLOST 2014-2020	TAX ALLOCATION DISTRICT I	TOTAL	
REVENUES:										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 876,344	\$ 876,344	\$ 876,344
Selective sales tax										37,933,821
Intergovernmental revenue					102,628			2,210,704	2,313,332	35,988,086
Charges for services										2,559,707
Investment income	22,415	465	22,880	10,739	224,604	57,503	666,341	47,940	1,007,127	1,052,784
Miscellaneous revenue					154,760				154,760	358,449
Total revenues	22,415	465	22,880	10,739	481,992	57,503	666,341	3,134,988	4,351,563	78,769,191
EXPENDITURES:										
Police										8,814
Recorders court										4,532
Fire										560,928
Tourism enhancement										17,795,021
Grant program and administration										5,791,516
Community development program and administration										87,269
Debt Service:										
Principal	1,900,000		1,900,000					1,795,000	1,795,000	4,043,692
Interest and fiscal charges	744,511		744,511					899,320	899,320	1,666,822
Capital outlay - SPLOST funded				1,086,105		291,737	15,335,135		16,712,977	16,712,977
Total expenditures	2,644,511		2,644,511	1,086,105		291,737	15,335,135	2,694,320	19,407,297	46,671,571
Excess (deficiency) of revenues over (under) expenditures	(2,622,096)	465	(2,621,631)	(1,075,366)	481,992	(234,234)	(14,668,794)	440,668	(15,055,734)	32,097,620
OTHER FINANCING SOURCES (USES):										
Transfers in	2,644,584		2,644,584					1,942,163	1,942,163	5,665,173
Transfers out										(49,733,963)
Debt issuance										126,932
Total other financing sources (uses)	2,644,584		2,644,584					1,942,163	1,942,163	(43,941,858)
Net change in fund balances	22,488	465	22,953	(1,075,366)	481,992	(234,234)	(14,668,794)	2,382,831	(13,113,571)	(11,844,238)
FUND BALANCES - JANUARY 1	1,566,541	32,511	1,599,052	1,417,266	15,386,943	4,166,841	56,009,008	3,702,026	80,682,084	93,072,916
FUND BALANCES - DECEMBER 31	<u>\$ 1,589,029</u>	<u>\$ 32,976</u>	<u>\$ 1,622,005</u>	<u>\$ 341,900</u>	<u>\$ 15,868,935</u>	<u>\$ 3,932,607</u>	<u>\$ 41,340,214</u>	<u>\$ 6,084,857</u>	<u>\$ 67,568,513</u>	<u>\$ 81,228,678</u>

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, 2022

	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	\$ 9,014,310	\$ 8,417,267	\$ 5,114,610	\$ (3,302,657)	\$ 5,000,000	\$ 5,000,000	\$ 600,805	\$ (4,399,195)
Miscellaneous revenue			45,045	45,045				
Total revenues	9,014,310	8,417,267	5,159,655	(3,257,612)	5,000,000	5,000,000	600,805	(4,399,195)
EXPENDITURES:								
Grant program and administration	9,014,310	8,417,267	5,764,033	2,653,234	5,000,000	5,000,000	3,800	4,996,200
Debt Service:								
Principal			348,692	(348,692)				
Interest and fiscal charges			22,991	(22,991)				
Total expenditures	9,014,310	8,417,267	6,135,716	2,653,234	5,000,000	5,000,000	3,800	4,996,200
Excess (deficiency) of revenues over (under) expenditures			(976,061)	(604,378)			597,005	597,005
OTHER FINANCING SOURCES (USES):								
Transfers in			849,129	849,129				
Transfers out							(138,126)	(138,126)
Debt issuance			126,932					
Total other financing sources (uses)			976,061	849,129			(138,126)	(138,126)
Net change in fund balance	\$ -	\$ -		\$ 244,751	\$ -	\$ -	458,879	\$ 458,879
FUND BALANCE (DEFICIT) - JANUARY 1							(35,527)	
FUND BALANCE (DEFICIT) - DECEMBER 31			\$ -				\$ 423,352	

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, 2022

	CORONAVIRUS LOCAL FISCAL RECOVERY FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental revenue	\$ 30,000,000	\$ 30,000,000	\$ 27,819,307	\$ (2,180,693)
Total revenues	30,000,000	30,000,000	27,819,307	(2,180,693)
EXPENDITURES:				
Grant program and administration	30,000,000	30,000,000	23,683	29,976,317
Total expenditures	30,000,000	30,000,000	23,683	29,976,317
Excess (deficiency) of revenues over (under) expenditures			27,795,624	27,795,624
OTHER FINANCING SOURCES (USES):				
Transfers out			(27,795,624)	(27,795,624)
Total other financing sources (uses)			(27,795,624)	(27,795,624)
Net change in fund balance	\$ -	\$ -		\$ -
FUND BALANCE - JANUARY 1				
FUND BALANCE - DECEMBER 31			\$ -	

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, 2022

	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	\$ -	\$ -	\$ -	\$ -	\$ 576,096	\$ 625,000	\$ 40,131	\$ (584,869)
Charges for services	3,605,545	4,591,106	4,449	(4,586,657)			291,500	291,500
Investment income			13,786	13,786				
Miscellaneous revenue			158,644	158,644				
Total revenues	3,605,545	4,591,106	176,879	(4,414,227)	576,096	625,000	331,631	(293,369)
EXPENDITURES:								
Fire					576,096	625,000	560,928	64,072
Community development program and administration	3,605,545	4,591,106	87,269	4,503,837				
Total expenditures	3,605,545	4,591,106	87,269	4,503,837	576,096	625,000	560,928	64,072
Excess (deficiency) of revenues over (under) expenditures			89,610	89,610			(229,297)	(229,297)
OTHER FINANCING SOURCES (USES):								
Transfers in							229,297	229,297
Total other financing sources (uses)							229,297	229,297
Net change in fund balance	\$ -	\$ -	89,610	\$ 89,610	\$ -	\$ -		\$ -
FUND BALANCE - JANUARY 1			1,784,265					
FUND BALANCE - DECEMBER 31			\$ 1,873,875				\$ -	

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, 2022

	HOTEL/MOTEL TAX			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Selective sales tax	\$ 25,750,000	\$ 35,000,000	\$ 34,754,973	\$ (245,027)
Total revenues	25,750,000	35,000,000	34,754,973	(245,027)
EXPENDITURES:				
Tourism enhancement	12,875,000	17,500,000	16,133,608	1,366,392
Total expenditures	12,875,000	17,500,000	16,133,608	1,366,392
Excess (deficiency) of revenues over (under) expenditures	12,875,000	17,500,000	18,621,365	1,121,365
OTHER FINANCING SOURCES (USES):				
Transfers out	(12,875,000)	(17,500,000)	(18,621,365)	(1,121,365)
Total other financing sources (uses)	(12,875,000)	(17,500,000)	(18,621,365)	(1,121,365)
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, 2022

	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	\$ 1,400,000	\$ 3,122,273	\$ 3,178,848	\$ 56,575	\$ -	\$ -	\$ -	\$ -
Charges for services					1,375,456	1,800,000	1,702,392	(97,608)
Total revenues	1,400,000	3,122,273	3,178,848	56,575	1,375,456	1,800,000	1,702,392	(97,608)
EXPENDITURES:								
Tourism enhancement					1,375,456	1,800,000	1,661,413	138,587
Total expenditures					1,375,456	1,800,000	1,661,413	138,587
Excess (deficiency) of revenues over (under) expenditures	1,400,000	3,122,273	3,178,848	56,575			40,979	40,979
OTHER FINANCING SOURCES (USES):								
Transfers out	(1,400,000)	(3,122,273)	(3,178,848)	(56,575)				
Total other financing sources (uses)	(1,400,000)	(3,122,273)	(3,178,848)	(56,575)				
Net change in fund balance	\$ -	\$ -		\$ -	\$ -	\$ -	40,979	\$ 40,979
FUND BALANCE - JANUARY 1							333,528	
FUND BALANCE - DECEMBER 31			\$ -				\$ 374,507	

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, 2022

	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	\$ 200,000	\$ 99,901	\$ (100,099)
Charges for services	150,000	80,000	73,370	(6,630)			8,991	8,991
Investment income								
Total revenues	150,000	80,000	73,370	(6,630)	200,000	200,000	108,892	(91,108)
EXPENDITURES:								
Police					200,000	200,000	8,814	191,186
Recorders court	150,000	80,000	4,532	75,468				
Total expenditures	150,000	80,000	4,532	75,468	200,000	200,000	8,814	191,186
Net change in fund balance	\$ -	\$ -	68,838	\$ 68,838	\$ -	\$ -	100,078	\$ 100,078
FUND BALANCE - JANUARY 1			174,330				563,000	
FUND BALANCE - DECEMBER 31			\$ 243,168				\$ 663,078	

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, 2022

	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	\$ -	\$ -	\$ 22,415	\$ 22,415			465	465
Total revenues			22,415	22,415	100,000	100,000	465	(99,535)
EXPENDITURES:								
Principal	15,000,000	2,000,000	1,900,000	100,000	50,000	50,000		50,000
Interest and fiscal charges	5,000,000	1,614,068	744,511	869,557	50,000	50,000		50,000
Total expenditures	20,000,000	3,614,068	2,644,511	969,557	100,000	100,000		100,000
Excess (deficiency) of revenues over (under) expenditures	(20,000,000)	(3,614,068)	(2,622,096)	991,972	-	-	465	465
OTHER FINANCING SOURCES (USES):								
Transfers in	20,000,000	3,614,068	2,644,584	(969,484)				
Total other financing sources (uses)	20,000,000	3,614,068	2,644,584	(969,484)				
Net change in fund balance	\$ -	\$ -	22,488	\$ 22,488	\$ -	\$ -	465	\$ 465
FUND BALANCE - JANUARY 1			1,566,541				32,511	
FUND BALANCE - DECEMBER 31			\$ 1,589,029				\$ 32,976	

This schedule is continued from the previous page.

**CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2022**

	<u>RESOURCE RECOVERY</u>	<u>GOLF COURSE</u>	<u>TOTAL</u>
<u>ASSETS</u>			
ASSETS			
Current assets:			
Cash and investments	\$ -	\$ 275,473	\$ 275,473
Total current assets	<u>275,473</u>	<u>275,473</u>	<u>275,473</u>
Noncurrent assets:			
Capital assets:			
Land	1,592,559		1,592,559
Plant, buildings, stations, reservoirs, etc		1,514,735	1,514,735
Improvements, other than buildings		7,370,205	7,370,205
Machinery and equipment		54,443	54,443
Other capital assets		17,794	17,794
Less accumulated depreciation		<u>(5,276,941)</u>	<u>(5,276,941)</u>
Total noncurrent assets	<u>1,592,559</u>	<u>3,680,236</u>	<u>5,272,795</u>
Total assets	<u>\$ 1,592,559</u>	<u>\$ 3,955,709</u>	<u>\$ 5,548,268</u>
<u>NET POSITION</u>			
Investment in capital assets	\$ 1,592,559	\$ 3,680,236	\$ 5,272,795
Unrestricted	<u>275,473</u>	<u>275,473</u>	<u>275,473</u>
Total net position	<u>\$ 1,592,559</u>	<u>\$ 3,955,709</u>	<u>\$ 5,548,268</u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>RESOURCE RECOVERY</u>	<u>GOLF COURSE</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Rental fees	\$ -	\$ 137,255	\$ 137,255
Total operating revenues	<u>137,255</u>	<u>137,255</u>	<u>137,255</u>
OPERATING EXPENSES:			
Contractual services		53,605	53,605
Depreciation		<u>271,938</u>	<u>271,938</u>
Total operating expenses		<u>325,543</u>	<u>325,543</u>
Operating (Loss)		<u>(188,288)</u>	<u>(188,288)</u>
NONOPERATING REVENUES:			
Interest earned		<u>3,887</u>	<u>3,887</u>
Total nonoperating revenues		<u>3,887</u>	<u>3,887</u>
Change in net position		(184,401)	(184,401)
Total net position - beginning	<u>1,592,559</u>	<u>4,140,110</u>	<u>5,732,669</u>
Total net position - ending	<u>\$ 1,592,559</u>	<u>\$ 3,955,709</u>	<u>\$ 5,548,268</u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>GOLF COURSE</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 137,255
Cash paid to suppliers	(53,605)
Net cash provided by operating activities	<u>83,650</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(83,651)
Net cash (used) by capital and related financing activities	<u>(83,651)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	\$ 3,887
Net cash provided by investing activities	<u>3,887</u>
INCREASE IN CASH AND CASH EQUIVALENTS	3,886
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>271,587</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 275,473</u></u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating (loss)	\$ (188,288)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	271,938
Net cash provided (used) by operating activities	<u><u>\$ 83,650</u></u>

**CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022**

	<u>REVOLVING</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
<u>ASSETS</u>			
ASSETS			
Current assets:			
Cash and investments	\$ 52,818,219	\$ 34,921,356	\$ 87,739,575
Receivables, net	540	847,000	847,540
Inventories	1,643,300		1,643,300
Total current assets	<u>54,462,059</u>	<u>35,768,356</u>	<u>90,230,415</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	111,582,729		111,582,729
Machinery and equipment under lease	5,992,801		5,992,801
Less accumulated depreciation and amortization	<u>(82,665,066)</u>		<u>(82,665,066)</u>
Total noncurrent assets	<u>38,000,837</u>		<u>38,000,837</u>
Total assets	<u>\$ 92,462,896</u>	<u>\$ 35,768,356</u>	<u>\$ 128,231,252</u>
<u>LIABILITIES AND NET POSITION</u>			
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 3,301,076	\$ 704,421	\$ 4,005,497
Current portion of compensated absences	239,943		239,943
Current portion of claims and judgments		3,729,006	3,729,006
Current obligation under leases	1,215,207		1,215,207
Total current liabilities	<u>4,756,226</u>	<u>4,433,427</u>	<u>9,189,653</u>
Noncurrent liabilities:			
Compensated absences	232,474		232,474
Claims and judgments		2,416,513	2,416,513
Obligations under leases	3,912,325		3,912,325
Total noncurrent liabilities	<u>4,144,799</u>	<u>2,416,513</u>	<u>6,561,312</u>
Total liabilities	<u>8,901,025</u>	<u>6,849,940</u>	<u>15,750,965</u>
NET POSITION			
Investment in capital assets	30,430,922		30,430,922
Unrestricted	<u>53,130,949</u>	<u>28,918,416</u>	<u>82,049,365</u>
Total net position	<u>83,561,871</u>	<u>28,918,416</u>	<u>112,480,287</u>
Total liabilities and net position	<u>\$ 92,462,896</u>	<u>\$ 35,768,356</u>	<u>\$ 128,231,252</u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2022

	REVOLVING	RISK MANAGEMENT	TOTAL
OPERATING REVENUES:			
Charges for services	\$ 34,633,120	\$ -	\$ 34,633,120
Risk management fees		43,340,567	43,340,567
	<hr/>	<hr/>	<hr/>
Total operating revenues	34,633,120	43,340,567	77,973,687
	<hr/>	<hr/>	<hr/>
OPERATING EXPENSES:			
Depreciation and amortization	8,880,468		8,880,468
Central garage	8,409,969		8,409,969
Information services	12,209,762		12,209,762
Risk management		32,703,850	32,703,850
	<hr/>	<hr/>	<hr/>
Total operating expenses	29,500,199	32,703,850	62,204,049
	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	5,132,921	10,636,717	15,769,638
	<hr/>	<hr/>	<hr/>
NONOPERATING REVENUES (EXPENSES):			
Interest earned	684,336	399,719	1,084,055
Interest expense	(81,915)		(81,915)
Gain on disposal of assets	461,292		461,292
	<hr/>	<hr/>	<hr/>
Total nonoperating revenues	1,063,713	399,719	1,463,432
	<hr/>	<hr/>	<hr/>
Income before transfers	6,196,634	11,036,436	17,233,070
	<hr/>	<hr/>	<hr/>
TRANSFERS IN	18		18
	<hr/>	<hr/>	<hr/>
Change in net position	6,196,652	11,036,436	17,233,088
	<hr/>	<hr/>	<hr/>
Total net position - beginning	77,365,219	17,881,980	95,247,199
	<hr/>	<hr/>	<hr/>
Total net position - ending	<u>\$ 83,561,871</u>	<u>\$ 28,918,416</u>	<u>\$ 112,480,287</u>

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>REVOLVING</u>	<u>RISK MANAGEMENT</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from other funds for services	\$ 34,633,120	\$ -	\$ 34,633,120
Cash received from other funds for services and fees		43,340,567	43,340,567
Cash paid to suppliers	(18,409,339)		(18,409,339)
Cash paid for claims and insurance		(34,910,577)	(34,910,577)
Net cash provided by operating activities	<u>16,223,781</u>	<u>8,429,990</u>	<u>24,653,771</u>
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:			
Transfers In	<u>18</u>		<u>18</u>
Net cash provided by non capital financing activities	<u>18</u>		<u>18</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Sale of equipment	494,622		494,622
Acquisition and construction of capital assets	(11,526,460)		(11,526,460)
Lease issuance	4,665,307		4,665,307
Principal paid on long-term debt	(835,339)		(835,339)
Interest paid	<u>(81,915)</u>		<u>(81,915)</u>
Net cash used by capital and related financing activities	<u>(7,283,785)</u>		<u>(7,283,785)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income	684,336	399,719	1,084,055
Net cash provided by investing activities	<u>684,336</u>	<u>399,719</u>	<u>1,084,055</u>
INCREASE IN CASH AND CASH EQUIVALENTS	9,624,350	8,829,709	18,454,059
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>43,193,869</u>	<u>26,091,647</u>	<u>69,285,516</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 52,818,219</u>	<u>\$ 34,921,356</u>	<u>\$ 87,739,575</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 5,132,921	\$ 10,636,717	\$ 15,769,638
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	8,880,468		8,880,468
Change in assets and liabilities:			
Decrease in receivables	63,204		63,204
Decrease in inventories	171,960		171,960
Increase in accounts payable	1,949,736	172,012	2,121,748
Increase in compensated absences	25,492		25,492
Decrease in claims and judgments payable		(2,378,739)	(2,378,739)
Net cash provided by operating activities	<u>\$ 16,223,781</u>	<u>\$ 8,429,990</u>	<u>\$ 24,653,771</u>

**CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022**

	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	\$ 4,314,836	\$ 195,634	\$ 2,975,359	\$ 7,485,829	\$ 302,982	\$ 316,677	\$ 619,659
Accrued income	558,592			558,592			
Accounts receivable:							
From employers	90,963			90,963			
From participants	48,267			48,267			
Investments, at fair value:							
U.S. government obligations	68,029,206		9,267,089	77,296,295			
Foreign corporate bonds	1,302,677			1,302,677			
Domestic corporate bonds	29,898,907		18,361,822	48,260,729			
Domestic equities	197,458,297		44,511,069	241,969,366			
International equities	60,117,134		9,036,231	69,153,365			
Real estate fund	57,743,863		9,017,923	66,761,786			
Total investments	414,550,084		90,194,134	504,744,218			
Total assets	419,562,742	195,634	93,169,493	512,927,869	302,982	316,677	619,659
<u>LIABILITIES AND NET POSITION</u>							
Liabilities:							
Accounts payable	486,182		173,946	660,128	302,982	1,408	304,390
Total liabilities	486,182		173,946	660,128	302,982	1,408	304,390
Net Position:							
Restricted for:							
Pensions	419,076,560	195,634		419,272,194			
Post employment benefits other than pensions			92,995,547	92,995,547			
Individuals						315,269	315,269
Total net position	\$ 419,076,560	\$ 195,634	\$ 92,995,547	\$ 512,267,741	\$ -	\$ 315,269	\$ 315,269

CITY OF SAVANNAH, GEORGIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	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	\$ 12,258,946	\$ -	\$ 156,581	\$ 12,415,527	\$ -	\$ -	\$ -
Plan members	7,883,418		2,265,824	10,149,242		584,758	584,758
Fines and forfeitures collected for other governments					5,260,367		5,260,367
Total contributions	20,142,364		2,422,405	22,564,769	5,260,367	584,758	5,845,125
Investment income:							
Interest	2,599,852	2,766		2,602,618			
Dividends	1,612,709		3,987,284	5,599,993			
Real estate net income (loss)	5,331,289		(3,534,832)	1,796,457			
Net appreciation (depreciation) in fair value of investments	(85,662,041)		(22,495,876)	(108,157,917)			
Total investment income (loss)	(76,118,191)	2,766	(22,043,424)	(98,158,849)			
Less investment expense	2,059,497		514,078	2,573,575			
Net investment income (loss)	(78,177,688)	2,766	(22,557,502)	(100,732,424)			
Total additions	(58,035,324)	2,766	(20,135,097)	(78,167,655)	5,260,367	584,758	5,845,125
DEDUCTIONS							
Benefits	34,130,676	1,440	6,069,624	40,201,740		503,937	503,937
Refunds of contributions	2,499,593			2,499,593			
Payments of fines and forfeitures to other governments					5,260,367		5,260,367
Administrative expense	167,060		348,727	515,787		23,859	23,859
Total deductions	36,797,329	1,440	6,418,351	43,217,120	5,260,367	527,796	5,788,163
Change in net position	(94,832,653)	1,326	(26,553,448)	(121,384,775)		56,962	56,962
Beginning of year - January 1	513,909,213	194,308	119,548,995	633,652,516		258,307	258,307
End of year - December 31	\$ 419,076,560	\$ 195,634	\$ 92,995,547	\$ 512,267,741	\$ -	\$ 315,269	\$ 315,269

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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	
DR0505	Brick Line Replacement	1,972,603		865,733	25,871	839,862	865,733	
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	40,224,526		1,063,707	654,149	246,243	900,392	163,315
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	Boaen 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	

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, 2022

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								
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	
SQ0411	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	72,040		1,557	1,557		1,557	
RE0129	Edgemer/Sackville Recreation	232,225		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		\$ 301,831,923	\$ 98,169,265	\$ 101,672,282	\$ 100,422,862	\$ 1,086,105	\$ 101,508,967	\$ 163,315

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.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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:									
	Savannah Roads, Sidewalks and Drainage		\$	64,770,000					
DR0115	Montgomery Xrds Bridge	\$	75,829	\$	19,329	\$	-	\$	-
DR0122	Westside Pump Station & Line		14,230,285		1,500,575		1,500,575		1,500,575
DR0127	Windsor Canal		2,810,852		1,143,379		1,143,379		1,143,379
DR0204	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
DR0305	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		1,972,603		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		9,077,150		1,443,000		1,442,668	(287,909)	1,154,759
DR0906	Sylvan Terrace Sub-basin		17,553		17,553		17,553		17,553
DR0911	Casey South Drainage-Phase II		40,224,526		14,691,386		1,531,799		1,531,799
HA0601	LMIG Grant Match Reserve		91,117		91,117				91,117
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
SP0716	2021 LMIG		1,858,493		378,899		378,899		378,899
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
TE0613	Tatemville Sound Barrier		1,214,904		1,214,904		1,214,904		1,214,904
TE0708	LaRoche-Delesseps Design		7,568,884		2,551,837		311,350	283,702	595,052
TE0709	Gwinnett St. Widening Design		17,441,676		1,988,000		1,988,000		1,988,000
TE0813	Traffic Signal-Chatham Parkway		155,498		135,931		135,931		135,931
TE0906	Jimmy DeLoach/Crossroad Interchange		830,947		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		24,161,787		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		465,402	4,207	469,609
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

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, 2022

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:								
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	Feiler 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	7,281,031		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	1,132,582		1,132,582	
PD0808	WS-Tree Lawn & Buffering	10,012		10,012	10,012		10,012	
PD0902	Montgomery-Meding-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	1,559,981		531,340	531,340		531,340	
	Public Safety Equipment	1,241,500	1,300,000	1,241,500	1,241,500		1,241,500	
TOTALS SPLOST 2003-2008 FUND		\$ 346,166,595	\$ 97,640,895	\$ 107,193,722	\$ 91,660,601	\$ -	\$ 91,660,601	\$ 15,533,121

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.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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 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	40,224,526		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	43,184,664		19,462,178	19,462,178		19,462,178	
PB0539	Acquire 2155 West Gwinnett St Property	148,156		1,448,157	1,448,157		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	3,279,303		129,303		129,303	129,303	
PB0646	Edwin Street Parking Lot	300,000		300,000		146	146	299,854
PB0821	Cultural Arts Center	24,161,787		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	9,536,844		9,536,844	
PD0308	Fellwood Homes Site Infrastructure	3,658,417		3,658,417	3,658,417		3,658,417	
PD0309	Water Avenue Streetscape	7,281,031		3,350,000	3,350,000		3,350,000	
PD0400	Savannah Gardens Phase I	13,745,795		11,055,577	11,055,577		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	118,200		118,200	881,800
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	477,490		477,490	315,127	162,288	477,415	75
TE0709	Gwinn St Widening (I16 Stiles)	17,441,676		582,649	582,649		582,649	
TOTALS SPLOST 2009-2014 FUND		\$ 242,988,464	\$ 160,000,000	\$ 121,036,789	\$ 116,419,811	\$ 291,737	\$ 116,711,548	\$ 4,325,241

- 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.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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 2014-2020 FUND:							
CC0206	City of Savannah Projects	\$	190,000,000				
	New Cc Arena	\$					
DR0131	Drainage Box Rehabilitations						
DR0132	Placentia Basin Drainage Impro						
DR0308	Bilbo Box Culvert Impro						
DR0309	Colonial Drive Drainage						
DR0508	Bilbo Basin Study						
DR0705	Montg Xrd Pump Stn Ctrl Upgrade						
OP0144	Savannah Children's Museum						
OP0145	Pedestrian Wayfinding Signage						
OP0146	Wireless/Fiber Infrastructure						
OP0255	Data Ctr move out of Civic Ctr						
OP0414	Traffic Calming Devices						
OP0429	Caretaker's Cottage Restoration						
OP0432	Washington Ave Tree Lawn						
OP0434	Leedsgate Community Improve						
OP0932	Radio Network Infrastructure						
PB0148	Grant Center						
PB0150	Hutchinson Is Public Safety Facility						
PB0153	LaVida Property Acquisition						
PB0336	Highlands Fire Station						
PB0533	Fire Station Sweetwater						
PB0537	Facilities at Interchange Ct						
PB0640	Tricentennial Pk Facility Impr						
PB0641	Arena Parking Facility						
PB0642	John Delaware Ctr Renovation						
PB0643	8 Interchange Ct Fac Improvements						
PB0644	Sav Fire Support Ctr & Code Cor						
PB0754	Priority Public Safety Facilities						
PB0755	Arena Pkg Pedestrian Bridge						
PB0821	Cultural Arts Center						
PB0840	Fire Building Maint						
PB0842	Tomkins Ctr Renov & Expansion						
PB0929	Family Resource Center Penn Ave						
PD0117	Hitch Village Redevelopment						
PD0208	Ogeecheeton Sign						
PD0209	Fernwood Sign						
PD0211	Carver Village Neighbor Sign						
PD0212	Twickenham Sign						
PD0213	Summerside Sign						
PD0214	Feiler Terrace Signs						
PD0215	Feiler Terrace Park Improvments						
PD0302	Cann Park Sidewalks						
PD0309	Waters Ave Corridor Improvements						
PD0311	Tremont Park Sign						
PD0312	Cann Park Sign						
PD0314	Twickenham/Pine Garden Park						
PD0400	Sav Gardens Phase 1						
PD0403	Woodville Neighborhood Sign						
PD0404	Parkwood Sign						
PD0504	Glynnwood Sign						
PD0506	Poplar Place Sign						
PD0700	Neighborhood Improvements						
PD0703	Water Works Lot Redevelopment						
PD0806	Augusta Ave Revitalization						
PT0202	Factors Walk Wall Stabilization						
PT0401	District 4 Irrigation Improvements						
PT0701	Forsyth Park Lighting Improvements						
RE0124	Southside Park Development						
RE0125	Athletic Field Turf						
RE0128	Bee Road Park						

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, 2022

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 2014-2020 FUND:								
RE0129	Edgemere/Sackville Recreation	232,225		149,755	113,497		113,497	36,258
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	Ogeecheeton Park Improvements	2,100		2,100	2,100		2,100	
RE0222	Twickenham Holly Heights Green Space	290,097		290,097	290,097		290,097	
RE0223	Summerside Playground	345,098		345,098	332,837		332,837	12,261
RE0224	Cann Park Improvements	298,935		255,834	255,834		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	Attwood Street Park Improvements	357,885		357,885	357,885		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	134,293		134,293	132,973	1,320	134,293	
RE0421	Holly Heights Improvements	468,696		378,741	378,340		378,340	401
RE0422	Cloverdale Park Playground Improvements	56,799		56,799	56,799		56,799	
RE0423	Jan Street Park Improvementst	102,371		102,371	102,371		102,371	
RE0424	Kensington Park Improvements	2,708		2,708	2,708		2,708	
RE0425	Sheridan Circle Greenscape	7,446		7,446	7,446		7,446	
RE0426	District 5 Basketball Court Improvements	43,485		43,486	43,486		43,486	
RE0427	Highlands Park Developments	1,295,588		539,588	31,181	63,165	94,346	445,242
RE0517	Ogeecheeton Playground Improvements	88,464		88,464	88,464		88,464	
RE0616	Crusader Bball Court Resurface	5,982		5,982	5,982		5,982	
RE0720	Fernwood Neighborhood Park	450,000		450,000	17,509	25,916	43,425	406,575
RE0820	Joe Tribble Park Improvements	2,524,525		24,525		24,525	24,525	
SP0118	Sidewalk Repairs	2,801,966		200,000	200,000		200,000	
SP0219	New Sidewalk Installs	149,313		70,644	70,644		70,644	
SP0419	Liberty Wheaton Bike Lane	585,000		300,000		20,158	20,158	279,842
SP0421	Atlantic Park Improvements	172,290		172,290	116,375		116,375	55,915
SP0422	Cedar Street Improvements	35,056		35,056	35,056		35,056	
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	47,660		47,660	47,660		47,660	
SP0519	Bridge Rehabilitation	1,200,000		500,000	11,500	6,840	18,340	481,660
SP0611	Police Memorial Sidewalk Replacement	619,845		619,845	619,100	745	619,845	
SP0720	Wheelchair Access Ramps	409,144		9,144	9,144		9,144	
SQ0101	Riverwalk Extension at Marriot	5,836,000		1,536,000	531,050	1,004,950	1,536,000	
SQ0102	Victory Drive Corridor Impr	1,000,000		1,000,000	651,056	2,048	653,104	346,896
SQ0103	Factors Walk Wall Restoration	712,053		600,000	600,000		600,000	
SQ0418	Washington Ave Median Improve	25,525		25,525	25,525		25,525	
SQ0706	Square Lighting & Electric Upgrade	100,000		100,000	2,506	53,020	55,526	44,474
SQ0707	Yamacraw Square Improvements	109,503		109,503	38,398	71,105	109,503	
TE0216	Habersham & Kensington Speed	208,782		200,000	200,000		200,000	
TE0309	Derenne Ave Traffic Anl	19,988,599		11,800,000				11,800,000
TE0310	President St Imprvmnts	35,282,226		5,000,000	5,000,000		5,000,000	
TE0614	Benton Blvd Widening	5,635,880		1,200,000	1,896		1,896	1,198,104
TE0717	Stiles Ave Phase II	1,025,000		40,000	308	14,333	14,641	25,359
	Public Safety Vehicles	1,384,212		1,384,212	1,384,212		1,384,212	
TOTALS SPLOST 2014-2020 FUND		\$ 465,766,292	\$ 190,000,000	\$ 229,977,226	\$ 174,275,357	\$ 15,335,135	\$ 189,610,492	\$ 40,366,734

- 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.

CITY OF SAVANNAH, GEORGIA
SCHEDULE OF PROJECTS FUNDED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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 2020-2026 FUND:															
	City of Savannah Projects	\$	155,824,915												
	GO Bond Debt Service	\$	6,843,679	\$	6,621,016	\$	1,302,804	\$	1,222,072	\$	2,524,876	\$	4,096,140		
DR0905	Springfield Drg Imprvs		9,077,150		8,000,000				5,088,924		5,088,924		2,911,076		
DR0911	Casey South Drg Phs II		40,224,526		22,000,000								22,000,000		
OP0543	RMS/E-Ticketing		1,000,000												
OP0727	Fire Truck Replacement		2,000,000		2,000,000								2,000,000		
PB0148	Grant Center		4,500,000		2,500,000				1,194,710		1,194,710		1,305,290		
PB0540	Police HQ Bldg Envelop Repair		3,824,670		3,200,000		4,672		30,498		35,170		3,164,830		
PB0849	Liberty City Parking Facility		300,000		300,000								300,000		
PB0851	City Hall Historic Renovation		3,000,000		3,000,000								3,000,000		
PD0309	Waters Ave Corridor Imp		7,281,031		2,000,000		32,562		1,471,521		1,504,083		495,917		
PD0505	Blighted Prop Acq & Redevelop		3,000,000		2,000,000		64,904		515,239		580,143		1,419,857		
RE0617	Grayson Stadium Improvements		500,000		500,000		8,831		115,520		124,351		375,649		
RE0717	Haven Swimming Pool Rehab		500,000		500,000								500,000		
RE0718	Shuman Swimming Pool Rehab		500,000		500,000								500,000		
RE0719	WW Law Swimming Pool Rehab		250,000		250,000								250,000		
RE0815	Daffin Park Improvements		205,000		205,000								205,000		
RE0816	Daffin Park Pool Improvements		295,000		295,000								295,000		
RE0817	Southside Community Center		5,000,000		1,000,000				15,050		15,050		984,950		
SP0221	Broughton St Streetscape		21,207,280		8,000,000				1,523,128		1,523,128		6,476,872		
SP0610	Street Paving & Resurfacing		3,622,005		2,999,133		2,669,305		329,828		2,999,133				
SP0716	2021 LMIG		1,858,493		49,984		49,984				49,984				
SP0721	Sidewalk Rehab & New Install		2,389,615		2,200,000		1,100,000		1,100,000		2,200,000				
SP0722	Cohen Street Extension		500,000		500,000		20,038		103,226		123,264		376,736		
SP0812	LMIG 2022		2,127,961		520,000				520,000		520,000				
SP0813	Street Paving & Resurfacing		3,004,867		3,004,867				3,004,171		3,004,171		696		
SQ0101	Riverwalk Extension at Marriot		5,836,000		2,000,000				1,267,645		1,267,645		732,355		
TE0716	Traffic Safety & Calming		1,770,462		1,750,000		25,023		226,994		252,017		1,497,983		
TOTALS SPLOST 2020-2026 FUND		\$	130,617,739	\$	155,824,915	\$	75,895,000	\$	5,278,123	\$	17,728,526	\$	23,006,649	\$	52,888,351

- 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.

**CITY OF SAVANNAH, GEORGIA
SCHEDULE OF HOTEL/MOTEL TAX
FOR THE YEAR ENDED DECEMBER 31, 2022**

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.

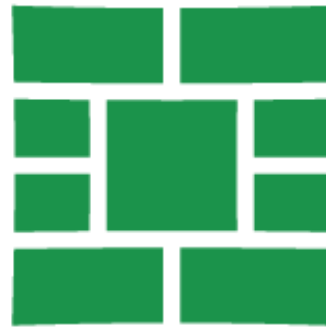
	<u>Amount</u>	<u>Amount as a Percentage of Revenue</u>
Hotel/Motel tax	\$ 34,754,973	
Expenditures made to:		
Convention and Visitors Bureau	\$ 11,583,833	33.33%
Georgia International & Maritime Trade Center	\$ 4,549,775	13.09%
Savannah Civic Center	\$ 1,243,879	3.58%

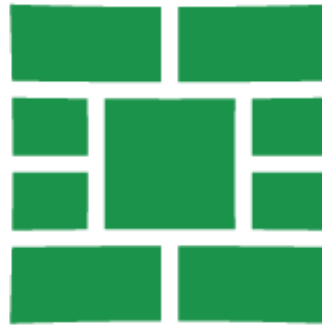
CITY OF SAVANNAH, GEORGIA
SCHEDULE OF REVENUES AND EXPENDITURES/EXPENSES - RENTAL MOTOR VEHICLE TAX
FOR THE YEAR ENDED DECEMBER 31, 2022

During 2022, 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	\$ 3,178,848	
Transfers made to:		
Civic Center Fund	\$ 3,178,848	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 annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Pages
Financial Trends	142-146
<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	147-150
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	151-155
<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	156-157
<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	158-165
<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)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 564,426	\$ 577,032	\$ 582,292	\$ 596,139	\$ 615,738	\$ 637,819	\$ 646,366	\$ 674,725	\$ 776,053	\$ 833,917
Restricted	124,687	147,790	170,564	185,145	214,481	234,076	239,491	245,165	155,107	170,143
Unrestricted	50,174	51,512	(11,427)	(11,818)	(14,335)	2,416	35,885	42,172	110,927	165,653
Total governmental activities net position	<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>	<u>\$ 1,042,087</u>	<u>\$ 1,169,713</u>
Business-type activities										
Net investment in capital assets	\$ 282,641	\$ 294,940	\$ 316,149	\$ 318,418	\$ 329,224	\$ 391,907	\$ 414,570	\$ 440,312	\$ 500,499	\$ 536,490
Restricted	2,345	2,367	2,370	3,870	3,212	3,267	3,345	3,345	3,327	1,895
Unrestricted	118,497	131,454	110,391	120,280	139,613	162,564	177,143	177,955	137,700	155,109
Total business-type activities net position	<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>	<u>\$ 641,526</u>	<u>\$ 693,494</u>
Primary government										
Net investment in capital assets	\$ 847,067	\$ 871,972	\$ 898,441	\$ 914,557	\$ 944,962	\$ 1,029,726	\$ 1,060,936	\$ 1,115,037	\$ 1,276,552	\$ 1,370,407
Restricted	127,032	150,157	172,934	189,015	217,693	237,343	242,836	248,510	158,434	172,038
Unrestricted	168,671	182,966	98,964	108,462	125,278	164,980	213,028	220,127	248,627	320,762
Total primary government net position	<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>	<u>\$ 1,683,613</u>	<u>\$ 1,863,207</u>

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

Expenses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
Governance and strategic services	\$ 4,497	\$ 4,624	\$ 14,722	\$ 5,237	\$ 5,440	\$ 5,606	\$ 6,576	\$ 7,803	\$ 5,286	\$ 5,942
Municipal Operations	4,368	4,196	4,065	3,517	2,728	9,229	12,843	14,738	14,169	14,048
Infrastructure and Development	39,905	41,996	42,305	44,175	42,861	50,553	53,307	52,948	81,835	64,831
Government Operations										3,713
Police	65,396	65,091	67,028	75,375	74,032	65,473	60,974	62,493	53,007	51,071
Recorder's court	2,159	2,234	2,082	2,154	2,092	2,216	2,488	2,567	2,119	1,929
Fire	25,579	26,316	30,331	30,442	30,214	32,685	34,933	36,198	31,587	35,019
Parks and Recreation	21,692	22,197	22,202	24,130	24,334	10,816	13,975	11,914	10,060	9,651
Tourism enhancement	8,665	10,487	11,314	11,884	12,690	11,694	12,448	7,863	15,132	18,729
Public Development	1,954	1,457	1,704	1,589	1,370	1,277				
Community Services	6,281	6,256	6,200	7,238	5,538	7,520	16,498	13,232	13,380	15,750
Grant program and administration	5,426	4,201	5,764	19,423	17,536	9,722	8,279	2,364	6,662	5,750
Community development program and administration	9,464	8,906	8,572	8,959	9,832	9,281	14,204	8,829	9,882	21,129
Interest on long-term debt	959	763	1,036	1,332	1,415	1,906	1,679	1,765	2,157	2,137
Interest on capital leases	6									210
Total governmental activities expenses	196,351	198,724	217,325	235,455	230,082	217,978	238,204	222,714	245,276	249,909
Business-type activities:										
Water and sewer	53,493	54,257	56,949	56,962	58,462	59,401	65,639	64,538	71,621	69,757
Sanitation	23,584	22,837	22,895	24,814	26,029	16,599	26,032	25,822	24,863	34,965
Parking facilities	10,209	10,702	11,218	11,752	12,992	14,533	16,583	14,977	16,558	18,933
Civic center	3,723	3,820	3,577	3,812	3,546	3,764	5,053	5,394	4,104	4,528
Golf course	33	68	165	218	212	224	234	249	267	326
Resource recovery										
Total business-type activities expenses	91,042	91,684	94,804	97,558	101,241	94,521	113,541	110,980	117,413	128,509
Total primary government expenses	\$ 287,393	\$ 290,408	\$ 312,129	\$ 333,013	\$ 331,323	\$ 312,499	\$ 351,745	\$ 333,694	\$ 362,689	\$ 378,418
Program Revenues										
Governmental activities:										
Charges for services:										
Municipal Operations	\$ 2,791	\$ 2,760	\$ 2,821	\$ 2,325	\$ 2,776	\$ 3,798	\$ 3,985	\$ 3,814	\$ 4,087	\$ 4,425
Infrastructure and Development	853	655	1,034	1,327	1,358	817	1,607	4,026	992	1,209
Police	25,007	25,185	26,212	23,006	22,011	13,445	3,636	2,462	2,286	2,260
Recorder's court	2,690	3,201	1,901	1,940	2,387	3,407	3,495	2,728	3,537	2,673
Fire	386	677	409	425	504	426	547	519	516	551
Parks and Recreation	874	783	1,170	1,004	1,267	1,283	1,189	641	969	1,410
Tourism enhancement	1,243	1,281	1,367	1,450	1,795	1,789	1,821	1,166	1,695	1,972
Community Services	2,896	3,110	3,735	3,741	3,383	4,369	5,039	3,730	5,208	6,661
Community development program and administration	1,776	3,491	2,836	1,511	2,047	1,368	1,941	1,948	342	6,941
Operating grants and contributions	9,439	8,223	8,935	13,875	31,907	18,471	14,801	14,269	40,903	45,923
Capital grants and contributions	37,677	36,053	41,270	40,303	42,034	46,549	52,453	46,643	49,039	55,627
Total governmental activities program revenues	85,632	85,419	91,690	90,907	111,469	95,722	90,514	81,946	109,574	129,652
Business-type activities:										
Charges for services:										
Water and sewer	64,146	67,754	66,508	68,474	71,165	72,187	81,994	80,131	79,242	91,627
Sanitation	25,424	26,901	26,674	28,896	29,338	28,272	30,169	30,715	30,285	37,385
Parking facilities	11,964	12,331	12,965	13,180	13,924	17,567	19,825	14,999	19,742	19,687
Civic center	1,651	1,509	1,946	1,530	1,844	1,371	1,539	1,061	792	1,927
Golf course										137
Resource recovery										
Operating grants and contributions	63	54	73	70	64	67	64	72		
Capital grants and contributions	942	4,685	3,474	4,114	3,106	52,539	4,755	6,601	3,668	8,623
Total business-type activities program revenues	104,190	113,234	111,640	116,264	119,441	172,003	138,346	133,579	133,729	159,386
Total primary government program revenues	\$ 189,822	\$ 198,653	\$ 203,330	\$ 207,171	\$ 230,910	\$ 267,725	\$ 228,860	\$ 215,525	\$ 243,303	\$ 289,038
Net (expense)/revenue										
Governmental activities	\$ (110,719)	\$ (113,305)	\$ (125,635)	\$ (144,548)	\$ (118,613)	\$ (122,256)	\$ (147,690)	\$ (140,768)	\$ (135,702)	\$ (120,257)
Business-type activities	13,148	21,550	16,836	18,706	18,200	77,482	24,805	22,599	16,316	30,877
Total primary government net expense	\$ (97,571)	\$ (91,755)	\$ (108,799)	\$ (125,842)	\$ (100,413)	\$ (44,774)	\$ (122,885)	\$ (118,169)	\$ (119,386)	\$ (89,380)

Continued on next page.

Continued from previous page.

-144-

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 59,874	\$ 62,590	\$ 64,604	\$ 67,569	\$ 70,368	\$ 78,573	\$ 78,918	\$ 79,722	\$ 84,431	\$ 92,751
Intangible, transfer and franchise taxes	19,014	19,369	20,069	20,671	20,043	20,893	21,696	21,536	22,626	24,344
General sales taxes	36,115	37,198	37,841	37,787	40,547	43,801	46,835	45,435	55,571	66,266
Selective sales taxes	19,975	22,752	25,055	26,461	28,049	29,451	30,739	20,018	37,987	47,097
Business taxes	7,669	8,047	8,601	9,253	9,913	10,606	11,227	11,110	11,357	12,053
Penalties and interest on delinquent taxes	1,216	920	785	796	447	734	760	655	934	573
Grants and contributions not restricted to specific programs	1,393	1,075	1,675	1,352	1,736	2,018	1,815	2,367	2,958	2,391
Investment earnings, unrestricted	47	69	73	249	794	1,973	3,135	937	74	3,502
Gain on sale of capital assets	320	659	1,376	1,847	579	515	5,986	1,409	923	1,145
Miscellaneous	504	598	1,148	692	2,096	501	1,325	179	1,817	1,287
Contributions to cemetery perpetual care	240	288								
Extraordinary items	(9,530)									
Transfers	(4,363)	(3,213)	(1,417)	5,908	(9,540)	(6,173)	(7,316)	(2,281)	(2,950)	(3,527)
Total governmental activities	<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>	<u>215,728</u>	<u>247,882</u>
Business-type activities:										
Grants and contributions not restricted to specific programs										
Investment earnings, unrestricted	102	148	360	1,198	1,198	2,801	4,191	1,136	73	2,631
Gain on sale of capital assets		(2)								12,812
Miscellaneous	413	416	500	543	543	756	1,008	539	574	2,121
Transfers	3,213	1,417	(5,908)	9,540	9,540	6,173	7,316	2,281	2,950	3,528
Total business-type activities	<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>	<u>3,597</u>	<u>21,092</u>
Total primary government	<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>	<u>\$ 219,325</u>	<u>\$ 268,974</u>
Change in Net Position										
Governmental activities	\$ 21,755	\$ 24,717	\$ 15,262	\$ 28,037	\$ 46,419	\$ 60,636	\$ 47,430	\$ 181,087	\$ 80,026	\$ 127,625
Business-type activities	17,994	20,564	20,685	13,658	29,481	87,213	37,320	3,956	19,913	51,969
Total primary government	<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>\$ 185,043</u>	<u>\$ 99,939</u>	<u>\$ 179,594</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund										
Committed	\$ 2,119	\$ 2,275	\$ 2,904	\$ 2,613	\$ 3,908	\$ 3,758	\$ 4,566	\$ 3,435	\$ 1,739	\$ 3,615
Unassigned	31,766	32,510	32,566	34,096	35,508	37,945	40,928	42,976	47,154	49,360
Total general fund	<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>	<u>\$ 48,893</u>	<u>\$ 52,975</u>
All other governmental funds										
Nonspendable, reported in										
Special revenue funds	\$ 5,571	\$ 5,829	\$ 6,073	\$ 6,308	\$ 6,615	\$ 6,883	\$ 7,200	\$ 7,530	\$ 7,972	\$ 8,460
Restricted, reported in										
Special revenue funds	3,874	4,303	3,423	2,745	2,471	2,160	2,180	2,047	3,076	3,309
Capital projects funds	90,960	112,837	136,102	161,398	181,015	198,726	208,736	213,790	123,134	132,086
Committed, reported in										
Special revenue funds									1,378	1,891
Capital projects funds	35,533	36,981	43,032	32,348	35,728	48,236	67,730	56,272	99,914	138,541
Unassigned										
Special revenue funds					(4,640)	(6,262)	(6,323)	(1,483)	(36)	
Total all other governmental funds	<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>	<u>\$ 235,438</u>	<u>\$ 284,287</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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Taxes	\$ 144,964	\$ 151,103	\$ 158,682	\$ 162,167	\$ 168,453	\$ 184,247	\$ 190,828	\$ 177,367	\$ 213,710	\$ 243,822
Licenses and permits	4,239	4,598	5,245	5,283	4,956	6,401	7,209	5,835	7,149	8,785
Intergovernmental	47,172	43,333	49,105	49,803	64,234	62,488	58,007	60,724	87,873	91,648
Charges for services	30,890	31,938	30,849	26,556	26,431	14,233	7,950	6,829	6,982	11,306
Fines	2,752	2,753	2,496	2,666	3,040	3,860	3,999	3,094	3,928	2,937
Investment earnings	288	668	684	1,352	2,191	4,803	6,204	1,998	310	4,630
Special assessments	1									
Miscellaneous	5,703	5,991	7,821	8,078	9,938	8,551	10,285	11,726	10,591	10,390
Total revenues	<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>	<u>330,543</u>	<u>373,518</u>
Expenditures										
Governance and strategic services	4,398	4,162	14,399	4,760	5,341	5,535	6,229	7,666	5,766	6,535
Municipal operations	7,695	7,847	8,011	7,963	7,429	15,100	18,074	20,586	21,145	20,537
Governmental Operations										3,713
Infrastructure and development	27,580	29,127	29,083	30,289	29,225	37,448	38,985	39,986	68,750	53,390
Police	66,633	66,883	69,395	74,037	74,080	70,100	57,545	62,166	59,034	62,966
Recorder's court	2,231	2,311	2,188	2,151	2,155	2,385	2,444	2,781	2,418	2,452
Fire	25,890	26,701	30,801	29,388	29,682	33,525	33,047	35,140	34,168	36,384
Parks and recreation	20,576	20,907	21,462	21,816	22,523	9,478	10,285	9,524	10,086	11,677
Tourism enhancement	8,670	10,494	11,333	11,886	12,695	11,715	12,453	7,871	15,148	18,771
Social and cultural	1,954	1,457	1,704	1,590	1,370	1,277				
Community services	7,564	7,474	7,683	8,260	6,709	9,007	17,312	12,967	14,354	16,748
Grant program and administration	5,835	4,244	5,827	19,392	17,611	9,867	8,340	2,527	11,838	5,792
Community development program and administration	8,113	7,678	7,229	7,525	6,304	7,808	8,437	7,555	8,513	19,647
Capital outlay	17,664	20,209	34,087	33,477	36,456	48,113	46,611	52,566	145,867	56,354
Debt service										
Principal	2,680	13,180	2,740	3,565	3,780	3,870	1,835	3,400	4,335	6,123
Interest	991	933	849	1,449	1,491	1,571	2,290	1,974	2,637	2,864
Bond issuance costs		174	402	127	124	349	76		589	98
Total expenditures	<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>	<u>404,648</u>	<u>324,051</u>
Excess of revenues over (under) expenditures	<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>	<u>(74,105)</u>	<u>49,467</u>
Other financing sources (uses)										
Transfers in	18,871	23,757	32,642	30,701	28,299	35,706	31,612	27,415	110,927	151,893
Transfers out	(22,159)	(26,157)	(31,368)	(24,889)	(38,122)	(42,083)	(33,848)	(29,529)	(108,994)	(155,346)
Debt issuance proceeds		9,970	19,950	10,000	8,585	16,095	8,440		26,720	6,222
Payment to fiscal agent							(8,270)			
Premium on bond debt		738	452			716			4,402	
Proceeds from the sale of capital assets				1,367	67	2,972	15,118	801	814	694
Total other financing sources (uses)	<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>	<u>33,869</u>	<u>3,463</u>
Net change in fund balances	<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>	<u>\$ (40,236)</u>	<u>\$ 52,930</u>
Debt service as a percentage of noncapital expenditures	1.9%	6.9%	1.7%	2.2%	2.4%	2.5%	1.9%	2.5%	2.7%	3.4%

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	
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	12.86
2020	5,347,542	13,368,854	635,593	1,588,982	159,681	399,202	6,142,815	15,357,038	12.74
2021	5,642,148	14,105,370	736,648	1,841,619	167,135	417,838	6,545,931	16,364,827	12.739
2022	6,478,714	16,196,786	729,980	1,824,951	160,009	400,023	7,368,704	18,421,760	12.2

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
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
2021	12.739	0.200	18.131	11.543	1.150	0.000	43.763
2022	12.200	0.200	17.631	10.518	1.056	0.000	41.605

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	2022			2013		
		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	\$ 99,769,904	1	1.35%	\$ 44,263,993	1	0.96%
Savannah Health Services LLC	Healthcare	74,536,040	2	1.01%			
Rolls Royce North America	Aerospace parts manufacturer	38,605,618	3	0.52%			
Memorial Health Hospital	Hospital	37,658,576	4	0.51%			
Oglethorpe Mall LLC	Retail shopping mall	28,686,116	5	0.39%	31,691,398	2	0.69%
Spectrum Glass & Chemical Corp	Chemical manufacturer	28,146,480	6	0.38%			
Columbia Properties Savannah	Marriott hotel	28,000,000	7	0.38%	20,800,000	6	0.45%
International Paper Company	Cardboard box manufacturer	27,396,174	8	0.37%	29,710,560	3	0.65%
Duke Realty Limited Partnership	Industrial property developer	27,370,960	9	0.37%			
HH Savannah LLC	Hyatt hotel	26,287,032	10	0.36%	16,287,087	9	0.35%
Home Depot	Distribution Center				29,181,184	4	0.63%
Gulfstream Aerospace Corporation	Airplane manufacturer				23,156,043	5	0.50%
CSH Savannah Owner, LLC	Westin hotel				18,976,520	7	0.41%
Dollar Tree Stores Inc	Distribution Center				18,743,326	8	0.41%
5670 Savannah LLC	Distribution Center				11,956,800	10	0.26%
Totals		<u>\$ 416,456,900</u>		<u>5.64%</u>	<u>\$ 244,766,911</u>		<u>5.31%</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
2013	\$ 57,482,306	\$ 55,512,193	96.6%	\$ 1,969,766	\$ 57,481,959	100.0%
2014	58,485,025	55,461,575	94.8%	2,911,429	58,373,004	99.8%
2015	64,065,372	61,412,883	95.9%	2,549,558	63,962,441	99.8%
2016	62,181,988	58,925,636	94.8%	3,123,685	62,049,321	99.8%
2017	65,196,277	61,187,224	93.9%	3,795,653	64,982,877	99.7%
2018	72,090,925	68,199,144	94.6%	3,583,793	71,782,937	99.6%
2019	74,414,549	70,990,632	95.4%	2,976,863	73,967,495	99.4%
2020	75,722,588	71,447,125	94.4%	3,833,631	75,280,756	99.4%
2021	78,462,635	74,908,954	95.5%	2,979,001	77,887,955	99.3%
2022	88,710,439	85,155,210	96.0%		85,155,210	96.0%

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	Leases	Water & Sewer Bonds	Water & Sewer Notes	Sanitation Contractual Obligations	Parking Contractual Obligations	Parking Leases	Civic Center Contractual Obligations			
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
2021	4,975,000	83,911,559		1,297,564	19,104,764	18,621,375	9,120,000	103,559,617		44,402,356	284,992,235	3.7%	1,928
2022	3,875,000	85,769,576		7,758,309	16,841,454	17,737,994	8,095,000	99,873,980	4,197,527	43,784,908	287,933,748	3.5%	1,948

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
2013		\$ 4,603,176		136,286	
2014		4,751,473		136,286	
2015		5,098,015		136,286	
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
2021	4,975,000	6,545,931	0.076001%	147,780	33.66
2022	3,875,000	7,368,704	0.052587%	147,780	26.22

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, 2022

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt*</u>
City of Savannah			
General Obligation Bonded Debt	\$ 3,875,000	100.0%	\$ 3,875,000
Leases	7,758,309	100.0%	7,758,309
Contractual Obligations:			
Downtown Savannah Authority, Series 2014	2,880,923	100.0%	2,880,923
Downtown Savannah Authority, Series 2015	14,128,365	100.0%	14,128,365
Downtown Savannah Authority, Series 2016	5,765,000	100.0%	5,765,000
Downtown Savannah Authority, 2017	5,390,000	100.0%	5,390,000
Downtown Savannah Authority, 2018	12,768,506	100.0%	12,768,506
Downtown Savannah Authority, 2019	8,365,000	100.0%	8,365,000
Savannah Economic Development Authority, 2021	30,376,782	100.0%	30,376,782
Savannah Economic Development Authority, 2022	6,095,000	100.0%	6,095,000
Total Direct Debt	<u>97,402,885</u>		<u>97,402,885</u>
Chatham County			
Contractual Obligations:			
Downtown Savannah Authority (Union Mission), Series 2009	1,205,000	43.0%	518,150
Downtown Savannah Authority (Chatham County Projects), Series 2014	3,870,000	43.0%	1,664,100
CDW Cybersecurity	97,593	43.0%	41,965
Downtown Savannah Authority (Chatham County Projects), Series 2020	67,415,000	43.0%	28,988,450
Unamortized bond premiums	13,187,450	43.0%	5,670,604
Savannah/Chatham County School Board			
Leases	1,297,564	43.0%	557,953
Overlapping Debt	<u>87,072,607</u>		<u>37,441,222</u>
Total Direct and Indirect General Obligation Supported Bonded Debt	<u><u>\$ 184,475,492</u></u>		<u><u>\$ 134,844,107</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 2022

Assessed value 2022 Tax Roll	<u>\$ 7,368,703,803</u>
General Bonded Debt Limit, 10% of Assessed Value	\$ 736,870,380
Debt applicable to limit:	
Less: outstanding general obligation bonds	<u>3,875,000</u>
Total net debt applicable to limit	<u>3,875,000</u>
Legal debt margin	<u>\$ 732,995,380</u>

	Fiscal Year									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt Limit	\$ 460,317,459	\$ 475,147,282	\$ 509,801,454	\$ 512,145,531	\$ 540,450,752	\$ 564,092,880	\$ 596,880,428	\$ 614,281,505	\$ 654,593,083	\$ 736,870,380
Total net debt applicable to limit				2,000,000	4,000,000	6,000,000	6,000,000	5,685,000	4,975,000	3,875,000
Legal debt margin	<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>	<u>\$ 649,618,083</u>	<u>\$ 732,995,380</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.39%	0.74%	1.06%	1.01%	0.93%	0.76%	0.53%

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		
				Principal	Interest			Principal	Interest	Coverage
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				
2021	78,911	57,746	21,164	2,750	514	6.48				
2022	94,559	49,686	44,873	3,113	706	11.75				

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
2013	136,286	\$ 5,270,316	\$ 38,671	\$ 6,367	7.2%	42,454
2014	136,286	5,488,510	40,272	6,526	6.1%	43,505
2015	136,286	5,707,385	41,878	6,639	4.9%	44,442
2016	136,286	5,901,048	43,299	6,629	5.0%	44,379
2017	136,286	6,197,606	45,475	7,113	4.4%	44,314
2018	136,286	6,459,684	47,398	7,684	3.6%	43,657
2019	136,286	6,581,796	47,724	8,217	2.7%	43,295
2020	136,286	6,975,663	51,482	7,971	6.0%	43,298
2021	147,780	7,639,611	54,586	9,749	2.3%	41,947
2022	147,780	8,147,386 *	55,132 *	11,626	2.9%	42,453

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 Chatham County.

* Estimated. Data for 2022 not available at time of publishing.

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

Employer	2022			2013		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Gulfstream Aerospace	11,301	1	6.39%	8,406	1	6.00%
Savannah-Chatham Board of Education	5,700	2	3.22%	4,808	2	3.88%
St. Joseph's/Candler Health System	4,652	3	2.63%	3,170	5	2.60%
Memorial Health University Medical Center	3,869	4	2.19%	4,600	4	3.78%
Colonial Group	2,241	5	1.27%			
City of Savannah	2,147	6	1.21%	2,795	6	2.41%
Chatham County	1,810	7	1.02%	1,600	8	1.44%
Savannah College of Art and Design	1,772	8	1.00%	1,750	7	2.05%
YMCA of the Coastal Empire	1,588	9	0.90%			
International Paper Company	751-999	10	0.49%			
Fort Stewart/Hunte Army Airfield				4,637	3	3.81%
Georgia Ports Authority				988	9	1.23%
Armstrong Atlantic State University				602	10	0.99%
Total	35,955		20.3%	33,356		28.19%

Information provided by Savannah Chamber of Commerce.

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

<u>Function/Program</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>	<u>2021</u>	<u>2022</u>
Governance						20.00	20.00	20.00	20.00	21.00
General Administration	46.00	48.00	50.00	56.00	57.00					
Strategic Services						32.00	31.00	35.00	35.00	45.00
Public safety										
Police	737.00	730.00	729.00	745.00	727.13	603.38	630.62	627.44	628.62	626.62
E911	105.00	105.00	104.00	104.00	104.00	103.00	6.00	0.00	0.00	0.00
Fire	329.00	329.00	343.00	360.00	370.00	351.00	336.00	335.00	338.00	338.00
Municipal Operations										
Chief Operating Officer						14.00	17.00	17.00	17.00	17.00
Human Resources						22.00	27.00	21.00	22.00	23.00
Financial Services	81.60	67.60	69.60	69.60	68.60	79.00	80.00	81.00	83.00	90.00
Fleet Services	41.00	41.00	41.00	41.00	42.00	43.00	43.00	43.00	43.00	43.00
Department of Information Technology	36.00	36.00	35.00	36.00	36.00	36.60	36.60	37.60	39.60	37.60
Real Estate Services	6.00	6.00	6.00	6.00	6.00	82.88	82.88	75.88	74.88	66.88
Recorder's Court	28.00	28.00	29.00	29.00	28.00	28.00	28.00	28.00	28.00	29.00
Infrastructure and Development										
Chief Infrastructure and Development						13.00	14.00	20.00	20.00	20.00
Parking Services	69.20	74.20	74.20	74.45	90.45	62.70	64.70	64.70	64.70	66.70
Mobility Services						63.00	64.00	64.00	64.00	65.00
Development Services						49.00	48.00	43.00	43.00	44.00
Economic Development								6.00	18.00	19.00
Public Works and Water Resources	498.00	503.00	502.00	506.00	508.00	457.00	461.00	463.00	467.00	466.00
Community Services										
Chief Community Services Officer						3.00	4.00	4.00	6.00	5.00
Cultural Resources						10.00	13.50	11.50	11.50	11.50
Code Compliance						48.75	45.00	45.00	45.00	41.00
Human Services	73.25	76.25	73.25	71.25	55.25	24.00	38.00	31.00	30.12	31.13
Housing and Neighborhood Services						15.00	21.00	21.00	21.00	24.00
Parks and Recreation	281.33	281.33	283.43	290.24	301.70	118.30	129.03	125.62	124.50	124.51
Sanitation	227.00	218.00	218.00	220.00	221.00	191.00	195.00	195.00	195.00	224.00
Total	2,558.38	2,543.38	2,557.48	2,608.54	2,615.13	2,469.61	2,435.33	2,414.74	2,438.92	2,478.94

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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Violent crimes	813	859	1,065	1,063	992	966	1,205	1,233	1,130	1,251
Property crimes	7,173	7,088	7,639	7,224	6,588	5,903	5,403	4,169	4,929	5,126
Fire										
Fire calls	1,074	1,937	831	1,273	927	905	941	920	858	908
Dwelling fires	389	372	331	208	181	222	212	176	197	190
Rescues	163	163	142	217	212	148	187	186	184	237
Refuse Disposal										
Total system City tons	98,065	96,716	98,241	104,703	100,780	96,984	95,077	90,810	83,487	80,856
Other public works										
Traffic sign repairs	7,578	6,729	7,226	6,579	6,758	7,107	6,416	8,220	9,378	5,399
Pothole repairs	579	578	853	1,739	4,003	6,677	1,079	2,936	4,478	1,579
Storm drain inlets cleaned	3,358	5,711	4,563	5,747	2,493	2,894	2,363	5,069	1,060	1,299
Leisure services										
Youth baseball participants	1,070	1,200	1,354	803	626	410	476		55	566
Youth football participants	1,386	1,234	481	757	967	720	1,107		91	1,145
Neighborhood center participants	4,700	3,820	3,864	3,830	4,250	4,095	4,816	86,000	1,890	4,133
Water										
Average daily ground water production (MGD)	21.59	21.71	20.42	22.44	21.06	21.27	21.51	19.29	18.48	19.43
Average daily surface water production (MGD)	28.70	29.89	30.71	34.18	31.93	37.91	33.63	37.28	42.58	43.39
Sewer										
Average flow (MGD)	24.79	26.49	27.53	27.38	25.30	24.75	24.99	25.45	24.88	23.69
Public Development										
Valuation of new commercial building permits issued (millions)	\$143	\$112	\$223	\$317	\$154	\$357	\$427	\$309	\$298	\$603
Valuation of new residential building permits issued (millions)	\$55	\$74	\$79	\$71	\$90	\$84	\$70	\$64	\$123	\$99

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>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Stations	5	5	5	5	5	4	5	5	5	5
Fire										
Stations	15	15	15	15	15	15	15	15	15	15
Refuse Collection										
Available landfill capacity (cubic yards)	1,451,270	1,345,480	1,237,861	1,102,439	946,555	805,293	680,796	574,167	1,023,304	827,554
Other public works										
Streets (miles)	687	690	690	690	689	684	680	693	648	648
Signalized intersections	251	258	260	264	265	269	269	269	271	277
Cemeteries	5	5	5	5	5	5	5	5	5	5
Leisure services										
Parks (acreage)	663	663	667	736	736	629	629	629	629	629
Playgrounds	60	68	68	68	68	71	71	71	69	68
Water										
Wells	49	49	49	49	49	49	47	47	47	47
Sewer										
Treatment capacity (MGD)	36.95	36.95	36.95	36.95	36.95	36.95	36.95	36.95	40.95	40.95
Parking facilities										
Parking garages	5	5	5	5	5	5	5	5	7	7
Civic Center										
Arenas	1	1	1	1	1	1	1	1	1	2
Meeting rooms	6	6	6	6	6	6	6	6	7	7
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)		
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
2021	18.48	24.55	42.58	52.32	102,730	100,429
2022	19.43	33.04	43.39	51.60	104,396	102,175

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, 2022**

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	15.19	16.70	24.01	2021	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	2.74	3.44	4.53	1999	Activated sludge, clarifier, gravity thickener, chlorinator, belt press, sludge disposed at landfill.
Georgetown Plant	2.45	1.99	2.14	2.48	2005	Activated sludge, clarifiers, effluent filtration, ultra-violet disinfection, belt press, sludge disposed at landfill.
Crossroads Plant	3.00	3.13	4.34	5.99	2008	Screening, grit removal, flow equalization, activated sludge clarifiers, filtration, ultra-violet disinfection, post aeration, belt press, sludge disposed at landfill.
Travis Field Plant	4.00	0.64	0.65	0.40	2022	Influent fine screen, grit removal , EQ tank ,anarobic bioreactor, anoxic bioreactor, aerobic bioreactor, swing zone, membrane bioreactor, UV disinfection. Belt press.
Total	40.95	23.69	27.27	37.41		

**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.		
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	
2021	11.06	1.19	1.37	16.59	1.78	2.05	8.80	3.88	4.26	13.20	5.82	6.39	537.17	
2022	11.06	1.25	1.43	16.59	1.87	2.14	8.80	4.08	4.46	13.20	6.12	6.69	625.98	

**CITY OF SAVANNAH, GEORGIA
WATER AND SEWER CONNECTION FEES
EFFECTIVE FOR THE YEAR ENDED DECEMBER 31, 2022**

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, 2022**

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

Customer	Product/Business	2022 Customer Revenue	Percent of 2022 Water and Sewer Fund Gross Revenue
Effingham County	County government	\$ 1,945,910	2.11%
Chatham County	County government	1,685,212	1.83%
City of Pooler	Municipality	1,587,381	1.72%
City of Port Wentworth	Municipality	1,398,093	1.51%
Hospital Corp of America	Hospital	906,678	0.98%
Kerry Inc.	Food producer	685,545	0.74%
Savannah Chatham Board of Public Education	Public school system	665,607	0.72%
City of Thunderbolt	Municipality	631,998	0.68%
Georgia Ports Authority	State port	549,937	0.60%
Coastal Correctional Institute	State prison	527,376	0.57%
		<u>\$ 10,583,737</u>	<u>11.46%</u>

Major industrial customers of the water system:

Customer	Product/Business	2022 Customer Revenue	Percent of 2022 Water and Sewer Fund Operating Revenue	2022 Consumption (MG)
Weyerhaeuser	Bleached pulp	\$ 2,984,076	3.23%	4,767
International Paper	Unbleached kraft products	2,161,323	2.34%	3,453
Savannah Foods	Sugar refinery	445,195	0.48%	711
		<u>\$ 5,590,594</u>	<u>6.06%</u>	<u>8,931</u>