CITY OF PORT WENTWORTH, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

PREPARED BY
City Finance Department

CITY OF PORT WENTWORTH, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

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Introductory Section

CITY OF PORT WENTWORTH
Georgia
7224 GA Highway 21 | Port Wentworth, Georgia 31407
Phone (912) 964-4379 | Fax (912) 966-7429
www.cityofportwentworth.com

December 13, 2024

ELECTED OFFICIALS

MAYOR
Gary Norton

COUNCIL MEMBERS
Gabrielle Nelson, District 1
Mark Stephens, District 2
Rufus Bright, District 3
Shawn Randerwala, District 4
Thomas Barbee, At-Large P1
Artlise Alston-Cone, At-Large P2
Zahnay Smiley, Clerk of Council

MANAGER
Steve Davis, MPA, CPM
ASSISTANT CITY MANAGER
Thomas J. Kilmartin, MBA, MSS

Honorable Mayor
Members of Council
City of Port Wentworth

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. The purpose of this report is to provide the Mayor, City Council, management, staff, the public and key stakeholders with detailed information reflecting the City's financial condition.

State law and local ordinances require that every general-purpose local government publish a complete set of audited financial statements each year. This report has been prepared in accordance with State statutes providing uniform standards for audits of municipalities and counties within the State of Georgia. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position of the City of Port Wentworth (the City). We also believe all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The ACFR is organized into major sections to include Introductory, Financial Section, Statistical Section and Compliance Section. The Introductory Section contains this letter of transmittal, a list of principal City officials, an organizational chart and award for excellence in Financial Reporting. The Financial Section contains the Independent Auditor's Report, Management's Discussion and Analysis. The Basic Financial Statements include Government-wide Financial Statements and Fund Financial Statements, Governmental and Proprietary. The Statistical Section, using tables, presents comparative economic and financial data to give readers of the report a perspective of the City's performance over several years. The last section is the Compliance Section which reports on the Internal Control over Financial Reporting, Compliance with standards and Schedule of Findings and Responses.

All disclosures necessary to enable the reader to gain an understanding of the City's financial activities are included. Generally accepted accounting standards require management to provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis section (MD&A). The MD&A has been a required part of governmental financial statements since the Governmental Accounting Standards Board (GASB) No. 34 Statement was implemented 24 years ago; it established financial reporting requirements for state and local governments across the United States. The MD&A is

a useful tool for statement users to understand the City's financial position and outlook and an excellent means for the municipality to tell its financial story. This letter of transmittal is designed to complement the MD&A that follows and should be read in conjunction with that section.

The City's financial statements have been audited by Mauldin & Jenkins, LLC, Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2024, are free of material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. The independent auditors rendered unmodified opinions that the City's financial statements for the year ended June 30, 2024, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP).

Profile of Government

The City of Port Wentworth was founded in 1733 and incorporated in 1957, and its history arises out of the native Indian tribes and first settlers of the Trust Colony of Georgia. The City is steeped in tradition, environment and resources and only minutes from Downtown Savannah. Local industry includes lumber (pulp and paper), railroad, ship building, sugar refinery, banking and brick kilns that produce what is known today as Savannah Gray Brick. The City was originally part of several colonial plantations, including Mulberry Grove where Eli Whitney revolutionized the South by inventing the cotton gin in 1793. Today, the City's Exit 109 area is a well-placed home base of hotels, motels and restaurants and a convenient lodging spot for tourists. Only 11 miles from Savannah's Historic District, Exit 109 is the closest I-95 exit to Georgia's First City with direct trolley service from all the City's hotels.

The City is one of the top growth areas in both the state and the country. It currently occupies 16.07 square miles with a population of 14,468 as listed by the United State Census Bureau estimated on July 1, 2023. The 2023 population growth rate was 17.3% compared to the State of Georgia's 1.1% rate. Furthermore, the City is projecting that the population will exceed 16,000 by the end of 2024, with an additional 3,200 housing units permitted for construction between the years 2025 and 2027. The City is empowered to levy a property tax on real property located within its boundaries. It is empowered by state statute to extend its corporate limits by annexation.

The City operates under the Council-Manager form of government. Policy and legislative authority are vested in the governing council consisting of the mayor and six members from four districts and two at-large. Council members serve four-year terms, with members elected every two years. The Mayor is elected for a four-year term. The Mayor and Council appoint the City's City Manager and Clerk of Council. The City Manager is the Chief Executive Officer and is charged with all administrative affairs of the City. The Clerk of Council is the official custodian of the City records.

The City provides a full range of services, including police, courts, fire, public works, solid waste management, water, sewer, wastewater treatment, building inspections, licenses, permits, zoning, code enforcement and recreation activities. The criteria used by the City for including activities preparing its financial statements are set forth in the Governmental Accounting Standards Board (Statement No. 14). Based on these criteria, all municipal services listed above are included in the City's financial statements. There are no active entities considered to be component units, or legally separate entities, for which the City is financially responsible.

The Mayor and Council are required to adopt an initial budget for the fiscal year no later than June 30th preceding the beginning of the fiscal year on July 1st. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared on a fund and department basis (e.g., General Fund/Police). The City Manager may transfer resources within and between departments as financial priorities and conditions change. Any changes to the approved budget that exceeds the original budget authorization funding level will require the approval of the City Council.

Local Economy and Major Initiatives

The local economy shows continued growth and stability. Sales tax revenue continues to increase because of growth related to new industrial, commercial and residential construction. In addition, the City's tourism industry continues to benefit from our proximity to Savannah. Hotel/motel tax revenue continues to increase from the established fifteen operating hotels and eight new hotels in the construction pipeline. There has been steady growth in single family residential permits and the development of multifamily units in the City attracting an educated and skilled workforce. As the population has increased, the City has seen development in retail and expects this trend to continue. The U.S. Census reports median age to be 33.3 years. Homeownership is 62.5% and renters 37.5%. Average household income from $104,556 and average disposable income $79,000. The medium home value is $275,580. The average household size in the City is increasing as young families are choosing the City to live and raise families. The City enjoys a relatively low unemployment rate as of June 30, 2024, at 3.2%, which is below the national average of 4.1% and the State of Georgia average of 3.6% (U.S. Bureau of Labor Statistics).

The most common employment sectors for the City residents are Logistics (6%), Public Administration (10%), Manufacturing (13%), Professional Services (17%), Other (17%), Retail (18%) and Education/Health Care (19%). Over time, there continues to be a decline in employment in manufacturing, health care, social assistance, and professional, scientific, and technical services industries for residents of the City, despite the growth of the GPA. The public administration, educational, and accommodation and food services industries have experienced the most dramatic increase according to the last decennial census.

The City's long-term goals are to encourage responsible development through the expansion of businesses and industries that are suitable for the community, to include promoting economic development, attracting infill development and redevelopment, and supporting increased residential densities. Economic development in the City is supported by the City and through several quasi-governmental organizations including the Savannah Economic Development Authority and the Georgia Ports Authority and the creation of the Port Wentworth Development Authority in the fall of 2023.

Long-term Financial Planning and Major Initiatives

The City's continuing mission of delivering cost efficient municipal services to residents, shaped by the vision of providing safe neighborhoods and public spaces to improve the quality of life that all residents can enjoy.

The City continues to maintain a relatively low property tax rate, 5.2160 mills for the fiscal year ending June 30, 2025, and high homestead exemption of $40,000.

The City started construction of the Fire House located within the new park footprint. The building will be the Fire Department Headquarters and Emergency Operations Center upon completion, projected to open in the Spring of 2025. The city also continues to plan for the design of a new Recreational Park complex and the new public-private partnership with the Ghost Pirates (ECHL) Hockey Team to construct a state-of-the-art hockey training facility with twin full size hockey rinks, and an Amphitheater with 5,200 seats. The Ghost Pirates are a professional minor league hockey team in the ECHL based in Savannah, Georgia. The new Recreational Park complex and Hockey Training Facility is projected to be completed by the spring of 2026, followed by the construction of the new Police Headquarters in 2027.

During the year ended June 30, 2024, the City completed several capital projects totaling $7.48 million. The City's five service departments help shape capital projects during the budget process which improve infrastructure and enhance services provided to the community, all funded by governmental and business activity funds. Improvements this past year have been targeted to aid the Police, Fire, Leisure Services, Public Works, Development Services and Administration. Specific projects completed include improvements to Antrim Road and Force Main upgrades. Public works provide oversight of road construction, delivery of public water, public sewers, sewer treatment, stormwater, and solid waste services. Funds were also expended to enhance training and operational capabilities for the police by upgrading the firing range, replacement of vehicles and the establishment of professional standards. The City completed the construction of a new Police High-Tech training facility to provide state-of-the-art video mapping of public spaces for virtual training. The fire department purchased a new Class A pumper truck, upgraded equipment and training and developed a position to employ a certified Fire Marshal to conduct inspections and investigations. Leisure Services has focused on updating Legacy Park facilities to continue providing public youth sports programs and senior citizen activities. Development Services issued record breaking permits for commercial and industrial development, apartments, and single-family housing construction. The Administration Department continued to improve the newly added Finance, Human Services and Technology Department investing in new equipment and software and developed a telephone application to improve City services. The Computer Learning and Innovation Center (CLIC) was utilized throughout the year to provide space for computer-based education and training for both City residents and employees, in addition to hosting public forums on growth and future development.

Financial Policies and Fund Balances

The City's Financial Management Policy (the Policy) guides management in the preparation of its annual budget and daily financial operations. The Policy provides standards for the use of contingencies, unexpected expenditures, the establishment of an unassigned fund balance reserve of 25% annually budgeted following the previous year's expenditures in the General Fund. The policy also provides guidance on investment management, grant management, purchasing and internal controls.

The Unassigned fund balance of the General Fund on June 30, 2024, was 27% of operating expenditures, or $6.5 million. The General Fund balance of funds (Assigned, Committed, Unassigned and Non-Spendable) is $20.54 million. The Unrestricted Proprietary Fund Net Position is $17 million, Restricted Capital Fund balance of funds is $4.3 million. All Governmental Fund Balance classifications totaled $25.1 million.

Internal accounting controls are business processes to provide reasonable assurance that the City is operating efficiently, reporting is reliable, and that the City is following the applicable regulations and internal procedures as well as preparing financial statements in conformity with GAAP. The concept of

reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgement by management. All internal control evaluations occur with the above framework.

The City actively engages in multi-year financial planning. The City has completed the following: Street Scape Plan, Downtown Redevelopment Plan, Comprehensive Plan and Waste Water Capacity Study. In addition, the following plans are currently underway: Trail Plan, Stormwater Plan, Transportation Concept and the City's Strategic Plan. Lastly, the City has budgeted for the improvement of existing community parks, and the development of a new public park that will include the Development Authority's private public partnership with the Ghost Pirates Ice Cove Hockey Rink and adjacent Amphitheater for the arts. The City has partnered with Chatham Area Transit to provide public transportation. Lastly, the City has provided considerable resources to improve sidewalks, roadways, wastewater treatment plant and stormwater infrastructure. As part of the annual five-year capital improvement program, future capital acquisitions and capital asset replacements are considered in developing the strategic plan. The City uses various data in forecasts for future operating and capital needs in the preparation of the City's annual budget.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Port Wentworth for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This was the 22nd consecutive year that the government achieved this prestigious award. To be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable program requirements. Other awards include Georgia Municipal Association's (GMA) City of Civility and City of Ethics.

The preparation of this report would not have been possible without the skill, efforts, and dedication of the entire City of Port Wentworth Administrative and Department Staff. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit is also due to the Mayor and Council Members for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Port Wentworth's finances.

Sincerely,



Steve Davis
City Manager

CITY OF PORT WENTWORTH, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2024

ELECTED

Mayor
Gary Norton

City Council

Thomas Barbee	Council Member At Large 1
Artlise Alston-Cone	Council Member At Large 2
Gabrielle Nelson	Council Member District 1 – Mayor Pro Tem
Mark Stephens	Council Member District 2
Rufus Bright	Council Member District 3
Shawn Randerwala	Council Member District 4

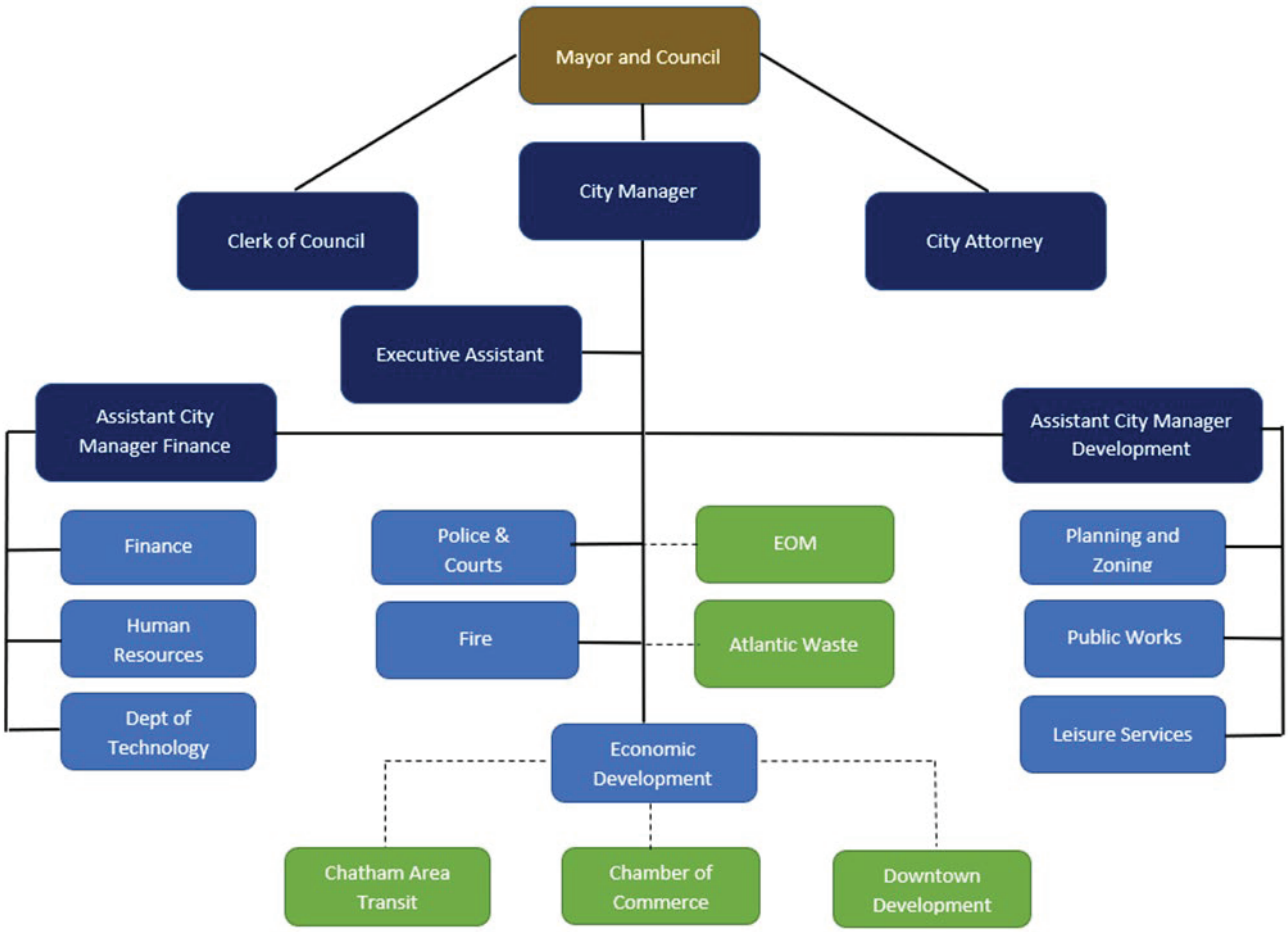
APPOINTED

City Manager
Steve Davis

Thomas Kilmartin	Assistant City Manager, Chief Financial Officer
Jason Stewart	Assistant City Manager, Director of Development Services
Scott Robichaux	City Attorney
Zahnay Smiley	Clerk of Council
Kerry Thomas	Police Chief
Lance Moore	Fire Chief
James Touchton	Director of Economic Development
Ashley Lanier	Director of Human Resources
Tiffany Lancaster	Director of Leisure Services
Omar Senati-Martinez	Director of Public Works
David Stahl	Director of Technology

CITY OF PORT WENTWORTH, GEORGIA

ORGANIZATIONAL CHART
JUNE 30, 2024



CITY OF PORT WENTWORTH, GEORGIA

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Port Wentworth Georgia

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

Financial Section

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Port Wentworth, Georgia
Port Wentworth, 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 Port Wentworth, Georgia (the "City") as of and for the year ended June 30, 2024, 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 June 30, 2024, 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.

Responsibilities of Management for the Financial Statements

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

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 5 through 13), the Budgetary Comparison Schedules for the General Fund and Hotel/Motel Tax Fund (on pages 54 through 58), the Schedule of Changes in the City's Net Pension Liability and Related Ratios (on pages 59 and 60), and the Schedule of City Contributions – Retirement Plan (on page 61), 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 accompanying Budgetary Comparison Schedule for the Confiscated Assets Fund, Schedule of Required Expenditures Funded by the Hotel/Motel Tax, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds as required by the Official Code of Georgia Annotated §48-8-121 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule for the Confiscated Assets Fund, Schedule of Required Expenditures Funded by the Hotel/Motel Tax, and the Schedule of Expenditures of Special Purpose Local Option Sales Tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2024 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 of Port Wentworth, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 13, 2024

CITY OF PORT WENTWORTH, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

This Management's Discussion and Analysis ("MD&A") is designed to assist readers in understanding the City of Port Wentworth's (the "City") basic financial statements for the period ended June 30, 2024, the relationship of different types of statements, and the significant differences in the information they provide. This MD&A is designed to also assist the reader in focusing on significant financial issues, provide an overview of the City's current financial activity and identify changes in the City's financial position. Lastly, the discussion will also identify any material deviations from the approved budget for the fiscal year and identify individual fund issues or concerns. The MD&A is best understood if read in conjunction with the Transmittal Letter and the City's basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City as of June 30, 2024, exceeded its liabilities and deferred inflows, by $81.2 million (net position). Of this amount, $37.9 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors. The City's total net position increased by $2.4 million.

- As of the close of the current fiscal year, the City's governmental funds reported a combined ending fund balance of $25.1 million, an increase of $3.8 million in comparison with the prior year. Approximately 26% of this total amount, $6.5 million, is available for spending at the City's discretion (unassigned fund balance).

- At the end of the current fiscal year, an unassigned fund balance for the General Fund was a positive $6.5 million, or a positive 27%, of total General Fund expenditures.

- The City's taxable assessed value of property increased to $819 million, a 3.4% increase from the previous year, and increased debt ceiling limit to $80.9 million.

- Construction began on the new fire station headquarters projected to open in Spring 2025.

- The City negotiated a joint public-private partnership with the Oak View Group, based in Pennsylvania, to construct a 5,200-seat amphitheater adjoining the Ghost Pirates Hockey Team (ECHL) training facility, negotiated in the previous fiscal year. This combined joint public-private partnership has a project value of $48 million, both projected to open in Spring of 2026, for year-round use within the City's new recreational and government facility site.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

1) Government-wide financial statements
2) Fund financial statements
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. All governmental and business-type activities are consolidated to arrive at a total for the City. There are two government-wide statements, the Statement of Net Position and the Statement of Activities, which are described below.

The *Statement of Net Position* presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. This statement is a tool to measure the City's financial health or financial 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. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities. This statement presents information on four component units of the City.

The *Statement of Activities* presents information showing how the City'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 the 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 general government, public safety, public works, health and welfare, judicial, housing and development, culture and recreation, and interest on long-term debt. The business-type activities of the City include Water, Sewer, and Sanitation.

The government-wide financial statements can be found on pages 14 – 16 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary 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 on *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 fund Balance Sheet and the governmental fund 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 several individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Capital Projects Fund, and Hotel/Motel Tax Fund because they are considered major funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. As there is only one nonmajor governmental fund, the confiscated assets fund is reported as such, and there are no *combining statements* in this report.

The City adopts an annual appropriated budget for its General Fund and major Special Revenue Funds. A budgetary comparison statement has been provided for the General Fund and major Special Revenue Funds in the required supplementary information section of this report.

The basic governmental fund financial statements can be found on pages 17 – 20 of this report.

Proprietary fund. The City maintains one type of proprietary fund. The *enterprise fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Water, Sewer, and Sanitation Fund.

The proprietary fund provides 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, Sewer, and Sanitation Fund, which is considered a major fund of the City.

The basic proprietary fund financial statements can be found on pages 21 – 23 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 financial statements can be found on pages 24 – 50 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report presents the budgetary comparison schedules for the City's General Fund and major Special Revenue Funds, the Schedule of Changes in the City's Net Pension Liability and Related Ratios, and the Schedule of City Contributions as Required Supplementary Information and can be found on pages 51 – 57 of this report.

Supplementary Information. The Supplementary Information consists of the nonmajor governmental fund Budgetary Comparison Schedule, the City's SPLOST schedule, and the Schedule of Required Expenditures funded by the hotel/motel tax. The Supplementary Information can be found on pages 58 – 60 of this report.

Statistical Section. In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information, such as, 10-year presentation of revenues, expenditures, and tax rates. This Statistical Section can be found on pages 61 – 79 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, assets plus deferred outflows of resources exceeded liabilities and deferred inflows of resources by $81.2 million at the close of the most recent fiscal year. The table below summarizes the City's net position for governmental activities, business-type activities, and the government as a whole.

City of Port Wentworth - Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	**2024**	2023	**2024**	2023
ASSETS						
Current and other assets	**$ 28,692,574**	$ 24,156,870	**$ 18,730,785**	$ 17,399,594	**$ 47,423,359**	$ 41,556,464
Capital assets	**32,906,053**	25,227,367	**22,999,282**	23,201,597	**55,905,335**	48,428,964
Total assets	**61,598,627**	49,384,237	**41,730,067**	40,601,191	**103,328,694**	89,985,428
Deferred outflows of resources	**1,061,238**	1,474,998	**98,332**	23,678	**1,159,570**	1,498,676
LIABILITIES						
Current liabilities	**2,976,884**	2,206,350	**1,598,847**	1,467,389	**4,575,731**	3,673,739
Long-term liabilities	**14,301,464**	4,506,073	**4,301,912**	4,337,098	**18,603,376**	8,843,171
Total liabilities	**17,278,348**	6,712,423	**5,900,759**	5,804,487	**23,179,107**	12,516,910
Deferred inflows of resources	**-**	**-**	**66,503**	119,380	**66,503**	119,380
Net position:						
Net investment in capital assets	**19,902,127**	22,152,701	**18,836,381**	18,883,323	**38,738,508**	41,036,024
Restricted	**4,584,086**	4,868,832	**-**	**-**	**4,584,086**	4,868,832
Unrestricted	**20,895,304**	17,125,279	**17,024,756**	15,817,679	**37,920,060**	32,942,958
Total net position	**$ 45,381,517**	$ 44,146,812	**$ 35,861,137**	$ 34,701,002	**$ 81,242,654**	$ 78,847,814

At the end of the current fiscal year, the City is able to report positive balances in all categories of net position.

The largest portion of the City's net position, $38.7 million (47.7%), reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are 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, $4.6 million (5.6%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of $37.9 million (46.7%) is the unrestricted net position that may be used to meet the government's ongoing obligations of the City.

Governmental activities during the fiscal year ended June 30, 2024 increased the City's net position by $1.2 million (2.8%). Business-type activities during the same period increased the net position by $1.2 million (3.3%) for a total increase in net position of $2.4 million (3.0%). The following table shows the revenue and expenses by activity for the total primary government.

City of Port Wentworth - Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	**2024**	2023	**2024**	2023
Revenues						
Program revenues:						
Charges for services	**$ 3,599,086**	$ 5,448,323	**$ 6,549,607**	$ 4,298,651	**$ 10,148,693**	$ 9,746,974
Operating grants and contributions	**8,100**	1,800,150	**-**	-	**8,100**	1,800,150
Capital grants and contributions	**2,990,340**	2,736,012	**2,368,182**	2,199,890	**5,358,522**	4,935,902
General revenues:						
Property taxes	**4,657,959**	4,331,576	**-**	-	**4,657,959**	4,331,576
Sales taxes	**4,895,588**	3,880,117	**-**	-	**4,895,588**	3,880,117
Selective sales and use taxes	**2,072,352**	1,969,379	**-**	-	**2,072,352**	1,969,379
Business taxes	**1,159,647**	1,156,208	**-**	-	**1,159,647**	1,156,208
Unrestricted investment earnings	**1,177,732**	639,085	**800,173**	481,976	**1,977,905**	1,121,061
Gain on sale of capital assets	**76,021**	-	**-**	-	**76,021**	-
Miscellaneous	**675,505**	149,653	**117,239**	144,162	**792,744**	293,815
Total revenues	**21,312,330**	22,110,503	**9,835,201**	7,124,679	**31,147,531**	29,235,182
Expenses						
Governmental activities:						
General government	**2,834,654**	3,110,785	**-**	-	**2,834,654**	3,110,785
Public safety	**10,192,084**	9,241,284	**-**	-	**10,192,084**	9,241,284
Public works	**1,433,406**	3,135,276	**-**	-	**1,433,406**	3,135,276
Judicial	**557,316**	567,152	**-**	-	**557,316**	567,152
Culture and recreation	**2,305,574**	914,369	**-**	-	**2,305,574**	914,369
Housing and development	**1,386,987**	1,487,149	**-**	-	**1,386,987**	1,487,149
Interest on long-term debt	**385,994**	94,223	**-**	-	**385,994**	94,223
Business-type activities:						
Water, sewer, and sanitation	**-**	-	**9,656,676**	5,919,630	**9,656,676**	5,919,630
Total expenses	**19,096,015**	18,550,238	**9,656,676**	5,919,630	**28,752,691**	24,469,868
Increase in net position before transfers	**2,216,315**	3,560,265	**178,525**	1,205,049	**2,394,840**	4,765,314
Transfers	**(981,610)**	(438,540)	**981,610**	438,540	**-**	-
Increase in net position	**1,234,705**	3,121,725	**1,160,135**	1,643,589	**2,394,840**	4,765,314
Net position, beginning of year	**44,146,812**	41,025,087	**34,701,002**	33,057,413	**78,847,814**	74,082,500
Net position, end of year	**$ 45,381,517**	$ 44,146,812	**$ 35,861,137**	$ 34,701,002	**$ 81,242,654**	$ 78,847,814

Changes in Net Position. The City's total revenues before transfers were $31.1 million in fiscal year 2024. Expenses were $28.8 million. Governmental and business-type activities combined provided a $2.4 million increase in net position. This increase is primarily the result of increased charges for services, property tax collections, increased capital grants, sales and business tax, and investment earnings during the current year.

Governmental activities revenues, before transfers, were $21.3 million and included $3.6 million for charges for services, $3.0 million for grants and contributions, and $14.7 million in taxes and other revenues. The most significant governmental activities expenses were for public safety of $10.2 million, general government of $2.8 million, and culture and recreation of $2.3 million.

Business-type activity revenues, before transfers, were $9.8 million and included $6.5 million in charges for services and $2.4 million for grants and contributions. The most significant business-type activity expenses were purchased and contracted services of $4.1 million, supplies of $3.1 million, and depreciation/amortization of $1.2 million.

Revenue Impacts. The most significant revenue changes included investment earnings, sales taxes, and capital grants and contributions, which increased 76%, 26%, and 9%, respectively. The increase in investment earnings is due to the increase in the fed funds rate and the shift of cash balances to the local government investment pool account. The increase in sales tax is the result of an increase in regional tourism and travel. The increase in capital grants and contributions is directly related to emphasis on grants management.

Expense Impacts. The significant expense changes included water, sewer, and sanitation (increased 63%), culture and recreation (increased 152%), and interest on long-term debt (increased 310%). The increases for water, sewer, and sanitation reflect the structural shift of the sanitation expenses into the proprietary fund and improved maintenance within the wastewater treatment plant, lift stations, and public wells. The increases for culture and recreation are the result of the development of the new public park and improvements to Legacy parks. The interest on long-term debt increased due to the new $9.3 million Fire House located at Anchor Park representing 76% of the total debt cost.

Financial Analysis of Governmental Funds

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

Governmental 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 discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

At June 30, 2024, the City's governmental funds reported combined fund balances of $25,123,589, an increase of $3,751,278 in comparison with the prior year. Approximately 26% of this amount, $6,477,834, constituted *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance was either *nonspendable*, *restricted, committed*, or *assigned* to indicate that it is: 1) not in spendable form, $79,720, 2) legally required to be maintained intact, (none), 3) restricted for particular purposes, $4,584,086, 4) committed for particular purposes, $1,017,497, or 5) assigned for particular purposes, $12,964,452.

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 $6,477,834, while total fund balance increased to $20,539,503. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represented approximately 27% of total General Fund expenditures, while total fund balance represented approximately 85% of that same amount. The General Fund unrestricted investment revenue increased $539 thousand from the previous year of $639 thousand.

The fund balance of the City's General Fund increased by $4,036,024 during the current fiscal year. Increased tax collections and debt issuance accounted for most of the net increase in revenues and other financing sources and increased culture and recreation and public safety expenditures resulted in the net increase to fund balance. The fund balance of the Hotel/Motel Tax Fund increased to $243,889 due to restricted funds held for the promotion of tourism.

The Capital Projects Fund, a major fund, had a $535,735 decrease in fund balance during the current fiscal year resulting in an ending restricted fund balance of $4,298,465. The restriction to fund balance was due to the spending constraints placed on uses of the Special Purpose Local Option Sales Tax ("SPLOST") revenues. The decrease in fund balance resulted from SPLOST capital outlays exceeding SPLOST revenues but fall within the scope of the approved public referendum. Major projects incurred in the Capital Projects Fund included road paving, drainage improvements, sewer project rehabilitation, and engineering consulting and land purchase related to a future recreational facility and fire station headquarters.

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, Sewer, and Sanitation Enterprise Fund at the end of the year was $17,024,756 and net position for net investment in capital assets was $18,836,381. As of June 30, 2024, the Water, Sewer, and Sanitation Enterprise Fund's net position had increased by $1,160,135. The City's proprietary rate structure has not been adjusted since 2019. The City plans to address the rate structure in fiscal year 2025. The City's growth increased the water, sewer, and sanitation usage charges revenue by $2,246,131, a combination of customer base growth and the movement of sanitation services revenue from the Governmental Fund to the Enterprise Fund. Also, the positive net position was impacted by the effect of an increase in aid to construction revenue and increased fund maintenance. Unrestricted investment income increased $318 thousand from amounts earned in the prior year of $482 thousand.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2024 totaled $55,905,335 (net of accumulated depreciation). This investment in capital assets included land, buildings, machinery, equipment, vehicles, park facilities, streets and roads, infrastructures, and the wastewater treatment plant. The total net increase in capital assets for the current fiscal year was approximately $7,476,371 (net of accumulated depreciation). Major capital asset events during the current fiscal year included the following:

- Police and Fire vehicle purchases
- Public safety equipment upgrades
- Expansion of the City to accommodate Administrative offices, Finance, Human Resources and Development Services and reduction in leased space.
- Public works improvements to water, sewer, and wastewater treatment facility

- Land purchase of 60 acres for the construction of a new park, fire station and police headquarters
- Technology equipment and software upgrades to include utility billing, permitting, planning, zoning, general ledger, payroll, human resources, City Council and the digitizing of public documents. In addition, we plan to upgrade the audiovisual systems at the Gymnasium and Senior Center and Mobley Park.

General Fund Budgetary Highlights

Original budget compared to final budget. The overall operations of the City are similar to directing a large multi-million-dollar business. Budget amendments are approved throughout the year to more accurately reflect the ongoing changes and to abide by state laws. The original budget was adopted on June 22, 2023, for the fiscal year ended June 30, 2024. During the year, there were projected revenue increases and expenditure decreases between the original and final amended budget. There was a net fund balance increase of $4.04 million The Budgetary Comparison Schedule of the General Fund provided as Required Supplementary Information other than MD&A can be found beginning on page 51.

Final budget compared to actual results. Total revenues fell short of final budgeted amounts by approximately $2,319,000. The objective of the City's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The City requires expenditures be subject to an annual appropriation. Strict controls are in place to ensure that expenditures do not exceed these appropriations at either the departmental or the fund level. Departmental expenditures compared to the appropriations in the final budget were $9,639,372 under budget. All departments experienced a favorable variance. The favorable variances were the result of aggressive budgetary controls resulting in lower than projected personnel service and employee benefits, purchased/contracted services and materials and supplies. Reallocations throughout the year fund operational needs as necessary in each City department.

Economic Factors and Next Year's Budgets and Rates *General Fund.* The City has adopted a General Fund budget of $17,663,395 for the fiscal year ending June 30, 2025. The budget was based on the following expectations:

- Property taxes and local option sales tax are expected to be the largest sources of operating revenue budgeted at $4.4 million and $5.0 million, respectively.
- Property taxes are expected to increase as City population continues to grow. Projected tax revenue is based on growth.
- $12.9 million from unassigned General Fund balance and $9.2 million unassigned fund balance from the water, sewer, and sanitation enterprise fund will be used in fiscal year ending June 30, 2025, to fund major road repairs, other capital projects, and economic development initiatives.
- Establishment of the Port Wentworth Development Authority to support new business development.
- Public-Private Partnership with the Ghost Pirates hockey team (ECHL) and Oak View Group to construct a hockey training facility and a 5,200-seat amphitheater.
- Development of the new recreational facilities with the newly designated Anchor Park to include baseball, soccer and football fields, tennis and pickleball courts, splash pads, walking trails and the construction of a food court adjacent to the amphitheater.

Requests for Information

This financial report is designed to provide a general overview of the governmental operations of the City of Port Wentworth. It is designed for anyone with an interest in our government's finances and management. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to:

City of Port Wentworth
City Manager
7224 GA Highway 21
Port Wentworth, Georgia 31407

Basic
Financial Statements

Government-wide Financial Statements

CITY OF PORT WENTWORTH, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 26,511,406	$ 17,408,150	$ 43,919,556
Receivables, net	1,844,226	669,927	2,514,153
Prepaid expenses	79,720	8,563	88,283
Internal balances	214,888	(214,888)	-
Restricted assets, cash and cash equivalents	42,334	792,530	834,864
Lease receivable	-	66,503	66,503
Capital assets			
Non-depreciable	10,784,697	717,370	11,502,067
Depreciable, net of accumulated depreciation and amortization	22,121,356	22,281,912	44,403,268
Total assets	61,598,627	41,730,067	103,328,694
DEFERRED OUTFLOWS OF RESOURCES			
Pension	1,061,238	98,332	1,159,570
LIABILITIES			
Accounts payable	914,711	651,814	1,566,525
Retainage payable	509,033	-	509,033
Accrued liabilities	329,288	154,503	483,791
Customer deposits	-	792,530	792,530
Unearned revenue	1,223,852	-	1,223,852
Long-term liabilities:			
Due within one year	1,437,418	160,188	1,597,606
Due in more than one year	12,864,046	4,141,724	17,005,770
Total liabilities	17,278,348	5,900,759	23,179,107
DEFERRED INFLOWS OF RESOURCES			
Leases	-	66,503	66,503
NET POSITION			
Net investment in capital assets	19,902,127	18,836,381	38,738,508
Restricted for capital projects	4,298,465	-	4,298,465
Restricted for promotion of tourism	243,889	-	243,889
Restricted for public safety	41,732	-	41,732
Unrestricted	20,895,304	17,024,756	37,920,060
Total net position	$ 45,381,517	$ 35,861,137	$ 81,242,654

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	$ 2,834,654	$ 60,927	$ -	$ -
Public safety	10,192,084	2,235,791	8,100	-
Public works	1,433,406	11,878	-	2,990,340
Judicial	557,316	-	-	-
Culture and recreation	2,305,574	104,974	-	-
Housing and development	1,386,987	1,185,516	-	-
Interest on long-term debt	385,994	-	-	-
Total governmental activities	19,096,015	3,599,086	8,100	2,990,340
Business-type activities:				
Water, sewer, and sanitation	9,656,676	6,549,607	-	2,368,182
Total business-type activities	9,656,676	6,549,607	-	2,368,182
Total primary government	$ 28,752,691	$ 10,148,693	$ 8,100	$ 5,358,522
General revenues:				
Property taxes				
Sales taxes				
Selective sales and use taxes				
Business taxes				
Unrestricted investment earnings				
Gain on disposal of capital assets				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (2,773,727)	$ -	$ (2,773,727)
(7,948,193)	-	(7,948,193)
1,568,812	-	1,568,812
(557,316)	-	(557,316)
(2,200,600)	-	(2,200,600)
(201,471)	-	(201,471)
(385,994)	-	(385,994)
(12,498,489)	-	(12,498,489)
-	(738,887)	(738,887)
-	(738,887)	(738,887)
(12,498,489)	(738,887)	(13,237,376)
4,657,959	-	4,657,959
4,895,588	-	4,895,588
2,072,352	-	2,072,352
1,159,647	-	1,159,647
1,177,732	800,173	1,977,905
76,021	-	76,021
675,505	117,239	792,744
(981,610)	981,610	-
13,733,194	1,899,022	15,632,216
1,234,705	1,160,135	2,394,840
44,146,812	34,701,002	78,847,814
$ 45,381,517	$ 35,861,137	$ 81,242,654

Fund Financial Statements

CITY OF PORT WENTWORTH, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Capital Projects Fund	Hotel/Motel Tax Fund	Nonmajor Confiscated Assets Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 21,799,890	$ 4,496,906	$ 214,610	$ -	$ 26,511,406
Receivables, net	1,587,073	82,879	174,274	-	1,844,226
Prepaid items	79,720	-	-	-	79,720
Due from other funds	535,745	-	-	-	535,745
Restricted cash and investments	-	-	-	42,334	42,334
Total assets	$ 24,002,428	$ 4,579,785	$ 388,884	$ 42,334	$ 29,013,431
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 808,651	$ 48,295	$ 57,765	$ -	$ 914,711
Retainage payable	509,033	-	-	-	509,033
Accrued liabilities	329,288	-	-	-	329,288
Due to other funds	-	233,025	87,230	602	320,857
Total liabilities	1,646,972	281,320	144,995	602	2,073,889
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,815,953	-	-	-	1,815,953
FUND BALANCES					
Non-spendable:					
Prepaid items	79,720	-	-	-	79,720
Restricted for:					
Capital projects	-	4,298,465	-	-	4,298,465
Promotion of tourism	-	-	243,889	-	243,889
Public safety	-	-	-	41,732	41,732
Committed:					
Public safety technology	998,212	-	-	-	998,212
Veterans memorial	19,285	-	-	-	19,285
Assigned:					
Subsequent years budget	12,964,452	-	-	-	12,964,452
Unassigned	6,477,834	-	-	-	6,477,834
Total fund balances	20,539,503	4,298,465	243,889	41,732	25,123,589
Total liabilities, deferred inflows of resources and fund balances	$ 24,002,428	$ 4,579,785	$ 388,884	$ 42,334	$ 29,013,431

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION JUNE 30, 2024

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total governmental fund balances.	$	25,123,589
Capital assets, including leases and SBITAs, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		32,906,053
Certain long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Compensated absences		(354,593)
Net pension liability		(1,500,273)
Leases		(508,019)
SBITAs		(166,619)
Note payable		(10,464,540)
Financed purchases		(1,307,420)
Certain pension related deferred outflows are not reported in the funds.		1,061,238
Certain property tax revenues are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.		592,101
Net position of governmental activities.	$	45,381,517

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	Capital Projects Fund	Hotel/Motel Tax Fund	Nonmajor Confiscated Assets Fund	Total Governmental Funds
Revenues					
Taxes	$ 11,077,004	$ -	$ 1,694,650	$ -	$ 12,771,654
Licenses and permits	956,847	-	-	-	956,847
Intergovernmental	287,001	2,492,239	-	-	2,779,240
Fines and forfeitures	1,438,388	-	-	8,100	1,446,488
Charges for services	1,203,851	-	-	-	1,203,851
Investment income	1,177,653	211,100	79	-	1,388,832
Miscellaneous	675,505	-	-	-	675,505
Total revenues	16,816,249	2,703,339	1,694,729	8,100	21,222,417
Expenditures					
Current:					
General government	2,777,682	-	-	-	2,777,682
Judicial	548,486	-	-	-	548,486
Public safety	12,354,845	-	-	1,000	12,355,845
Public works	1,613,296	-	-	-	1,613,296
Culture and recreation	5,026,737	-	-	-	5,026,737
Housing and development	755,840	-	-	-	755,840
Intergovernmental	-	-	603,620	-	603,620
Capital outlay	-	3,239,074	-	-	3,239,074
Debt service:					
Principal	804,173	-	-	-	804,173
Interest and fiscal charges	385,994	-	-	-	385,994
Total expenditures	24,267,053	3,239,074	603,620	1,000	28,110,747
Excess (deficiency) of revenues over (under) expenditures	(7,450,804)	(535,735)	1,091,109	7,100	(6,888,330)
Other financing sources (uses)					
Sale of capital assets	417,308	-	-	-	417,308
Debt issuance	10,222,300	-	-	-	10,222,300
Transfers in	847,220	-	-	-	847,220
Transfers out	-	-	(847,220)	-	(847,220)
Total other financing sources (uses)	11,486,828	-	(847,220)	-	10,639,608
Net change in fund balances	4,036,024	(535,735)	243,889	7,100	3,751,278
Fund balances, beginning of year	16,503,479	4,834,200	-	34,632	21,372,311
Fund balances, end of year	$ 20,539,503	$ 4,298,465	$ 243,889	$ 41,732	$ 25,123,589

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:		
Net change in fund balances - total governmental funds.	$	3,751,278
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital outlay		11,078,342
Depreciation expense		(2,041,190)
Governmental funds report lease and SBITA asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the shorter of their estimated useful lives or the lease/SBITA term and reported as amortization expense:		
Lease and SBITA asset additions		222,300
Amortization expense		(257,869)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins transfers to other funds) is to decrease net position.		(1,322,897)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		13,892
The issuance of long-term debt 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.		
Debt issuance		(10,222,300)
Principal payments on notes, leases, SBITAs and financed purchases		804,173
Some 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:		
Compensated absences		(49,537)
Net pension liability and deferred inflows of resources related to pension		(741,487)
	$	1,234,705

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

ASSETS	Water, Sewer, and Sanitation Fund
CURRENT ASSETS	
Cash and cash equivalents	$ 17,408,150
Accounts receivable, net	669,927
Prepaid expenses	8,563
Lease receivable	55,565
Restricted cash and cash equivalents	792,530
Total current assets	18,934,735
NON-CURRENT ASSETS	
Lease receivable	10,938
Capital assets:	
Non-depreciable	717,370
Depreciable, net of accumulated depreciation/amortization	22,281,912
Total non-current assets	23,010,220
Total assets	41,944,955
DEFERRED OUTFLOWS OF RESOURCES	
Pension	98,332
LIABILITIES	
CURRENT LIABILITIES, PAYABLE FROM CURRENT ASSETS	
Accounts payable	651,814
Accrued interest payable	4,986
Other accrued liabilities	149,517
Due to other funds	214,888
Customer deposits	792,530
Current portion of notes payable	160,188
Total current liabilities, payable from current assets	1,973,923
LONG-TERM LIABILITIES	
Notes payable	4,002,713
Net pension liability	139,011
Total long-term liabilities	4,141,724
Total liabilities	6,115,647
DEFERRED INFLOWS OF RESOURCES	
Leases	66,503
NET POSITION	
Net investment in capital assets	18,836,381
Unrestricted	17,024,756
Total net position	$ 35,861,137

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Water, Sewer, and Sanitation Fund
OPERATING REVENUE	
Charges for services	$ 6,473,507
Connection fees	76,100
Miscellaneous	117,239
Total operating revenues	6,666,846
OPERATING EXPENSES	
Sewer Department:	
Personnel services and employee benefits	293,388
Purchased and contracted services	595,505
Supplies	192,319
Depreciation	537,942
Total sewer operating expenses	1,619,154
Water Department:	
Personnel services and employee benefits	304,320
Purchased and contracted services	679,565
Supplies	2,352,462
Depreciation	285,770
Total water operating expenses	3,622,117
Wastewater Treatment Department:	
Personnel services and employee benefits	238,748
Purchased and contracted services	901,982
Supplies	586,412
Depreciation	423,458
Total wastewater treatment operating expenses	2,150,600
Sanitation Department:	
Personnel services and employee benefits	235,799
Purchased and contracted services	1,919,598
Supplies	7,866
Total sanitation operating expenses	2,163,263
Total operating expenses	9,555,134
Operating loss	(2,888,288)
NON-OPERATING REVENUES (EXPENSES)	
Interest income	800,173
Interest expense	(120,429)
Gain on disposal of capital assets	18,887
Total non-operating revenues, net	698,631
Loss before capital contributions	(2,189,657)
CAPITAL CONTRIBUTIONS	3,349,792
Change in net position	1,160,135
Total net position, beginning of year	34,701,002
Total net position, end of year	$ 35,861,137

The accompanying notes are an integral part of these financial statements.

CITY OF PORT WENTWORTH, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

		Water, Sewer, and Sanitation Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$	6,338,841
Payments to suppliers		(6,888,822)
Payments to employees		(1,026,722)
Net cash used in operating activities		(1,576,703)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal payments on notes payable		(155,373)
Interest paid		(120,651)
Capital contributions - aid to construction		2,368,182
Proceeds from the sale of capital assets		18,887
Purchase of capital assets		(63,245)
Net cash provided by capital and related financing activities		2,047,800
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received		800,173
Net cash provided by investing activities		800,173
Net change in cash		1,271,270
Cash and cash equivalents, beginning of year		16,929,410
Cash and cash equivalents, end of year	$	18,200,680
Classified as		
Cash and cash equivalents	$	17,408,150
Restricted cash and cash equivalents		792,530
	$	18,200,680
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$	(2,888,288)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation		1,247,170
Change in assets and liabilities:		
Increase in accounts receivable		(314,812)
Decrease in prepaid expenses		53,832
Decrease in lease receivable		52,877
Increase in deferred outflows of resources		(74,654)
Increase in accounts payable		54,516
Increase in accrued liabilities		90,357
Increase in due to other funds		148,182
Decrease in customer deposits		(13,193)
Increase in net pension liability		120,187
Decrease in deferred inflows of resources - leases		(52,877)
Net cash used in operating activities	$	(1,576,703)
SCHEDULE OF NONCASH CAPITAL RELATED ACTIVITIES		
Contribution of capital assets from governmental activities	$	981,610

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Port Wentworth, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below:

A. Reporting Entity

The City was founded in 1733 and incorporated in 1957 and operates under the laws of the State of Georgia applicable to municipal corporations. As required by GAAP, the financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. When there is significant component unit activity or assets, the discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The City's primary government major operations include general administrative functions, police and fire protection, street construction and maintenance, sanitation services, culture and recreation, planning and zoning, and water and sewer services. The City had no material blended or discretionary presented component units at year-end.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government.

For the most part, the effect of interfund activity has been removed from these statements, however, interfund services provided and used are not eliminated in the process of consolidation. Government-wide financial statements do not provide information by fund, but distinguish between the City's governmental activities and business-type activities.

Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. The Statement of Net Position includes non-current assets and non-current liabilities. In addition, the government-wide Statement of Activities reflects depreciation expense on the City's capital assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease liabilities, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Capital Projects Fund** is used to account for the receipt and use of local government shared revenues, (Special Purpose Local Option Sales Tax ("SPLOST") proceeds) to be used for the acquisition, construction, or improvement of capital facilities approved in the government's intergovernmental agreement with Chatham County, Georgia

The **Hotel/Motel Tax Fund** is used to account for the City's lodging tax revenue that is restricted to the promotion of tourism.

The City reports the following major enterprise fund:

The **Water, Sewer, and Sanitation Fund** accounts for the financial resources from operation of the distribution of water, sewage pumping stations and collection systems, operation of the wastewater treatment plant, and sanitation services.

Additionally, the government reports the following fund types:

Special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes.

Amounts reported as *program revenues* include: 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets

Annual budgets are adopted on a basis consistent with GAAP for the General and Special Revenue Funds. The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is at the department level. Supplemental appropriations and decreases in budget appropriations were properly approved by the City Council. Department heads, with the approval of the City Manager, may transfer appropriations within their department. Interdepartmental transfers require the approval of the City Manager.

E. Cash and Investments

The City's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the City to invest in obligations of or obligations guaranteed by the U.S. Government and agencies or corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the Federal Deposit Insurance Corporation ("FDIC") and Federal Savings and Loan Insurance Corporation ("FSLIC"); prime banker's acceptances, repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1"). Investments for the City are reported at fair value. The City invested funds in Georgia Fund 1, a local government investment pool. Georgia Fund 1 is managed by the office of the State Treasurer under Georgia Law Official Code of Georgia Annotated ("O.C.G.A.") §36-83-8. The pool is not registered with the Securities and Exchange Commission ("SEC") as an investment company. The fair value of the City's position in the pool is the same as the value of pool shares ($1 per share value).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables and Payables

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange revenues collectible but not available are deferred in the fund financial statements. Accounts receivable comprise the majority of proprietary fund receivables. Trade receivables are shown net of an allowance for uncollectible amounts.

Activity between funds that is representative of lending/borrowing arrangements outstanding at year-end are reported as interfund receivables and payables (due from/to other funds). Any residual balances outstanding at year-end between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

G. Restricted Assets

Assets are reported as restricted when limitations on their uses change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. When both restricted and non-restricted assets are available for use, it is the government's policy to use restricted resources first, then non-restricted resources, as they are needed.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. General infrastructure assets acquired prior to July 1, 2003 are not reported in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental fund financial statements. All capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Capital assets are recorded at cost or estimated historical cost if purchased or constructed and updated for additions and retirements during the year. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

All capital assets and right-to-use lease/subscription-based information technology arrangement ("SBITA") assets are depreciated/amortized except for land and construction in progress. Improvements are depreciated/amortized over the remaining useful lives of the related capital assets. Depreciation/amortization for governmental and business-type activities is computed using the straight-line method over the following useful lives:

Assets	Years
Buildings and improvements	20 – 50
Infrastructure	20 – 50
Machinery and equipment	5 – 20
Vehicles	3 – 10
Right-to-use leased office space	5 – 7
Right-to-use SBITAs	5 – 7

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused personal time off. All personal time off (when material) is accrued when incurred in the government-wide and proprietary fund financial statements. No liability is recorded in the government fund statements unless the amount is due and payable at year-end.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases

Lessee

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

Key estimates and judgments related to leases include how the 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 incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the 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. Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor

The City is a lessor for noncancellable leases of equipment. The City recognizes a lease receivable and deferred inflows of resources for deferred lease income in the government-wide financial statements and fund financial statements. The City recognizes lease receivables with an initial, individual value of $5,000 or more.

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 receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments expected to be received during the lease period.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable. The City's principal operations do not consist of leasing assets to other entities.

M. Subscription-Based Information Technology Arrangements ("SBITA")

The City has noncancellable SBITAs of various IT software. The City recognizes an SBITA liability and an intangible right-to-use SBITA asset on the Statement of Net Position. The City recognizes SBITAs with an initial, individual value of $5,000 or more.

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

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City uses the 10-year treasury rate at the SBITA inception date as the discount rate.
- The City's term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Subscription-Based Information Technology Arrangements ("SBITA") (Continued)

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

SBITA assets are reported with depreciable capital assets and SBITA liabilities are reported with long-term liabilities on the Statement of Net Position.

N. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balances – Generally, fund balances represent the difference between the assets, liabilities, and deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Non-spendable*** – Fund balances are reported as non-spendable when amounts cannot be spent because they are either: a) not in spendable form (i.e., items that are not expected to be converted to cash), or b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use, either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager or their authorized designee to assign fund balances.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital and lease/SBITA assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

O. Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

P. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualified for reporting in this category, all of which are part of the City's pension plan.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and the governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, one of which arises only under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds Balance Sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The City also reports deferred inflows from leases receipts, and amortized into lease revenue over the remaining life of the lease.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Port Wentworth Retirement Plan (the “Plan”) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the respective plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. CASH AND CASH EQUIVALENTS

Total cash and cash equivalents as of June 30, 2024 are summarized as follows:

Amounts as presented on the government-wide Statement of Net Position:		
Cash and cash equivalents	$	43,919,556
Restricted cash and cash equivalents		834,864
Total	$	44,754,420
Cash deposited with financial institutions	$	4,995,845
Cash deposited with Georgia Fund 1		39,758,575
Total	$	44,754,420

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

Credit risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law (Georgia Fund 1); repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the City's policy to limit its investments to those allowed and authorized by state law. As of June 30, 2024, the Georgia Fund 1 was rated AAAf by Standard & Poor's and had a weighted average maturity of 33 days.

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

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy generally limits all operating investments to instruments that mature within one year. Asset investment funds shall be diversified to eliminate risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer or a specific class of maturities.

Custodial Credit Risk. Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal and state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2024, the City's deposits were fully collateralized in compliance with the state requirements.

Fair Value Measurements. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose its investment in the Georgia Fund 1 within the fair value hierarchy. The City does not maintain any other investments that would require reporting in the fair value hierarchy.

NOTE 3. RECEIVABLES

Property taxes attach as an enforceable lien on real property and are levied as of January 1 on property values assessed on the same date. Tax bills were rendered September 15, 2023 and were due November 15, 2023. The billings are considered past due 60 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed. A millage rate of 4.160 mills was adopted on June 20, 2023.

Receivables at June 30, 2024, for the City's individual major and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Capital Projects Fund	Hotel/Motel Tax Fund	Water, Sewer, and Sanitation Fund	Total
Receivables:					
Taxes	$ 759,004	$ -	$ 174,274	$ -	$ 933,278
Accounts	156,647	-	-	767,305	923,952
Intergovernmental	671,742	82,879	-	-	754,621
Less allowance for uncollectibles	(320)	-	-	(97,378)	(97,698)
Total receivables, net	$ 1,587,073	$ 82,879	$ 174,274	$ 669,927	$ 2,514,153

Substantially all receivables are expected to be collected within one year.

Governmental funds report unearned and unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Taxes are due and payable when levied. Liens may be placed on property once the related tax payments become delinquent. A lien on such property becomes enforceable 60 days after final notification on delinquency of property taxes. Due to the liens on the delinquent property tax accounts, no allowance amount has been established. At the end of the current fiscal year, the various components of unearned and unavailable revenue reported in the General Fund, American Rescue Plan Act ("ARPA") Fund and Hotel/Motel Tax Funds were as follows:

	Unavailable
2024 Property tax collection	$ 1,223,852
Delinquent property taxes receivable	134,271
Franchise taxes receivable	457,830
Total	$ 1,815,953

The City is the lessor for telecommunication items as noted in Note 1. The City recognized $52,876 as lease revenue for the year ended June 30, 2024. As of June 30, 2024, the City reported accounts receivable and a deferred inflow of resources of $66,503 which represents the remaining lease payments owed to the City. The City's principal operations do not consist of leasing assets to other entities.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2024 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 3,717,421	$ -	$ (294,502)	$ -	$ 3,422,919
Construction in progress	440,833	8,739,112	-	(1,818,167)	7,361,778
Total	4,158,254	8,739,112	(294,502)	(1,818,167)	10,784,697
Capital assets, being depreciated:					
Buildings and improvements	6,666,579	437,163	-	194,807	7,298,549
Machinery, equipment and vehicles	10,821,598	1,834,709	(848,863)	10,000	11,817,444
Infrastructure	17,239,846	67,358	-	631,750	17,938,954
Right-to-use lease asset	792,899	-	-	-	792,899
Right-to-use SBITA asset	91,062	222,300	(74,196)	-	239,166
Total	35,611,984	2,561,530	(923,059)	836,557	38,087,012
Less accumulated depreciation for:					
Buildings and improvements	(2,610,809)	(297,510)	-	-	(2,908,319)
Machinery, equipment and vehicles	(6,557,557)	(1,054,259)	802,078	-	(6,809,738)
Infrastructure	(5,159,656)	(689,421)	-	-	(5,849,077)
Right-to-use lease asset	(159,260)	(164,767)	-	-	(324,027)
Right-to-use SBITA asset	(55,589)	(93,102)	74,196		(74,495)
Total	(14,542,871)	(2,299,059)	876,274	-	(15,965,656)
Total capital assets, being depreciated, net	21,069,113	262,471	(46,785)	836,557	22,121,356
Governmental activities capital assets, net	$ 25,227,367	$ 9,001,583	$ (341,287)	$ (981,610)	32,906,053
Less capital related long-term debt outstanding					(12,446,598)
Less capital accounts payable and retainage					(557,328)
Net investment in capital assets					$ 19,902,127

NOTE 4. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 240,232	$ -	$ -	$ -	$ 240,232
Construction in progress	626,403	10,679	-	(159,944)	477,138
Total	866,635	10,679	-	(159,944)	717,370
Capital assets, being depreciated:					
Buildings and improvements	149,784	-	-	-	149,784
Machinery, equipment and vehicles	510,591	8,678	(51,743)	58,894	526,420
Infrastructure	38,749,367	43,888	-	1,082,660	39,875,915
Total	39,409,742	52,566	(51,743)	1,141,554	40,552,119
Less accumulated depreciation for:					
Buildings and improvements	(52,540)	(12,644)	-	-	(65,184)
Machinery, equipment and vehicles	(520,105)	(30,637)	51,743	-	(498,999)
Infrastructure	(16,502,135)	(1,203,889)	-	-	(17,706,024)
Total	(17,074,780)	(1,247,170)	51,743	-	(18,270,207)
Total capital assets, being depreciated, net	22,334,962	(1,194,604)	-	1,141,554	22,281,912
Business-type activities capital assets, net	$ 23,201,597	$ (1,183,925)	$ -	$ 981,610	22,999,282
Less capital related long-term debt outstanding					(4,162,901)
Net investment in capital assets					$ 18,836,381

Depreciation/amortization expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	$ 507,475
Judicial	1,349
Public safety	897,497
Public works	712,337
Culture and recreation	140,783
Housing and development	39,618
Total governmental activities	$ 2,299,059
Business-type activities:	
Sewer	$ 537,942
Water	285,770
Wastewater treatment	423,458
Total business-type activities	$ 1,247,170

NOTE 5. LONG-TERM LIABILITIES

A. Financed Purchases – Governmental Activities

The City has a financed purchase agreement with Truist Bank. The agreement was executed in August 2017 with a ten-year term of 120 monthly payments to acquire a fire truck. The agreement has an annual interest rate of 2.48% and maturity date of February 17, 2027.

The City has a financed purchase agreement with Truist Bank. The agreement was executed in December 2018 with a ten-year term of 40 quarterly payments to acquire a mobile command vehicle. The vehicles have ten-year estimated useful lives. The agreement has an annual interest rate of 3.60% and maturity date of March 5, 2029.

The City has a financed purchase agreement with Truist Bank. The agreement was executed in July 2023 with a three-year term of 3 annual payments to acquire new vehicles. The vehicles have three-year estimated useful lives. The agreement has an annual interest rate of 5.27% and maturity date of July 31, 2026.

Financed purchase requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2025	$ 398,600	$ 54,670	$ 453,270
2026	416,012	37,267	453,279
2027	395,012	19,106	414,118
2028	64,291	2,642	66,933
2029	33,505	447	33,952
Total	$ 1,307,420	$ 114,132	$ 1,421,552

B. Note Payable – Direct Borrowing – Governmental Activities

City Hall Loan – The City has a loan agreement with the JPMorgan Chase Bank. This loan was executed on May 10, 2019 in the amount of $2,500,000. The loan has an annual interest rate of 2.5% and maturity date of May 10, 2029.

Fire Station Headquarters Loan – The City has a loan agreement with Truist Bank. This loan was executed on October 13, 2023, in the amount of $9,300,000 for the construction of the fire station headquarters. The loan has an annual interest rate of 4.64% with a 20-year term of monthly installment payments and maturity date of October 15, 2043.

NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

B. Note Payable – Direct Borrowing – Governmental Activities (Continued)

Annual debt service requirements to maturity are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2025	$ 596,349	$ 452,127	$ 1,048,476
2026	570,693	431,465	1,002,158
2027	592,203	409,954	1,002,157
2028	613,560	388,598	1,002,158
2029	609,094	364,305	973,399
2030 – 2034	2,062,102	1,532,032	3,594,134
2035 – 2039	2,607,980	986,154	3,594,134
2040 – 2044	2,812,559	302,355	3,114,914
Total	$ 10,464,540	$ 4,866,990	$ 15,331,530

C. Leases Payable – Governmental Activities

In January 2022, the City entered into a 64-month lease agreement as lessee for the use of office space. An initial lease liability was recorded in the amount of $245,280. As of June 30, 2024, the value of the lease liability was $149,843. The City is required to make monthly principal and interest payments in the amount of $1,976 for four months, increasing to $4,000 for the next 12 months with a 5% increase annually for the remaining lease term. The lease has an interest rate of 3.60%, the City's incremental borrowing rate. The office space has a five-year estimated useful life and the value of the right-to-use asset as of the end of the current fiscal year was $245,280 and had accumulated amortization of $114,975.

In August 2022, the City entered into a 24-month lease agreement as lessee for the use of office space. An initial lease liability was recorded in the amount of $88,723. As of June 30, 2024, the value of the lease liability was $3,900. The City is required to make monthly principal and interest payments in the amount of $3,800 for 12 months, increasing to $3,914 for the next 12 months. The lease has an interest rate of 4.435%, the City's incremental borrowing rate. The office space has a two-year estimated useful life and the value of the right-to-use asset as of the end of the current fiscal year was $88,723 and had accumulated amortization of $85,026.

In November 2022, the City entered into a 74-month lease agreement as lessee for the use of office space. An initial lease liability was recorded in the amount of $458,896. As of June 30, 2024, the value of the lease liability was $354,276. The City is required to make monthly principal and interest payments in the amount of $6,600 for 14 months, increasing to $6,798 for the next 12 months with a 3% increase annually for the remaining lease term. The lease has an interest rate of 4.435%, the City's incremental borrowing rate. The office space has a seven-year estimated useful life and the value of the right-to-use asset as of the end of the current fiscal year was $458,896 and had accumulated amortization of $124,026.

NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

C. Leases Payable – Governmental Activities (Continued)

Annual debt service requirements to maturity for the City's leases are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2025	$ 121,113	$ 18,961	$ 140,074
2026	127,344	13,969	141,313
2027	127,879	8,583	136,462
2028	86,364	4,113	90,477
2029	45,319	588	45,907
Total	$ 508,019	$ 46,214	$ 554,233

D. Notes Payable – Direct Borrowing – Business-type Activities

GEFA Loan - The City has a loan with the Georgia Environmental Finance Authority ("GEFA"), a state agency. The GEFA makes low interest long-term loans to fund improvements to publicly owned water and sewer systems. The loan proceeds were used to fund construction of a 500,000-gallon elevated water tank. This loan was executed on August 1, 2016 in the amount of $1,953,990. The loan has an annual interest rate of 3.03% and maturity date of August 1, 2036. As of June 30, 2024, the loan balance was $1,325,487.

USDA Loan - The City has a loan with the United States Department of Agriculture ("USDA"), Rural Development, Community Programs Division. This loan provided funding for construction of the City's wastewater treatment plant and other water and sewer capital improvements. On June 18, 2012, the 2.75% loan was executed at $3,527,716, with a maturity date of June 18, 2052. A sinking fund account is set up for the loan to hold the required reserved as established by USDA. This amount is accounted for in the Water and Sewer Enterprise Fund cash and investments balance. As of June 30, 2024, the loan balance was $2,837,414.

NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

D. Notes Payable – Direct Borrowing – Business-type Activities (Continued)

Annual debt service requirements to maturity for the City's business-type activity notes are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2025	$ 160,188	$ 115,838	$ 276,026
2026	164,912	111,113	276,025
2027	169,777	106,249	276,026
2028	174,785	101,241	276,026
2029	179,943	96,084	276,027
2030 – 2034	982,552	397,577	1,380,129
2035 – 2039	746,757	260,558	1,007,315
2040 – 2044	546,444	181,716	728,160
2045 – 2049	626,893	101,267	728,160
2050 – 2054	410,650	17,288	427,938
Total	$ 4,162,901	$ 1,488,931	$ 5,651,832

E. SBITA Liability

The City enters into SBITAs for periods between two and five years as for the use of certain information technology items. Interest is calculated at a rate of 4.64% on all SBITAs. Principal and interest requirements to maturity for the SBITAs as of June 30, 2024 are as follows:

Fiscal year ending June 30,	Principal	Interest	Total
2025	$ 74,723	$ 5,785	$ 80,508
2026	36,496	3,494	39,990
2027	24,599	2,026	26,625
2028	24,497	913	25,410
2029	6,304	49	6,353
Total	$ 166,619	$ 12,267	$ 178,886

NOTE 5. LONG-TERM LIABILITIES (CONTINUED)

F. Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Financed purchases	$ 779,001	$ 700,000	$ (171,581)	$ 1,307,420	$ 398,600
Note payable - direct borrowing	1,552,444	9,300,000	(387,904)	10,464,540	596,349
Leases	661,277	-	(153,258)	508,019	121,113
SBITAs	35,749	222,300	(91,430)	166,619	74,723
Net pension liability	1,172,546	1,707,616	(1,379,889)	1,500,273	-
Compensated absences	305,056	626,665	(577,128)	354,593	246,633
Governmental activity long-term liabilities	$ 4,506,073	$ 12,556,581	$ (2,761,190)	$ 14,301,464	$ 1,437,418
Business-type activities:					
Notes payable - direct borrowing	$ 4,318,274	$ -	$ (155,373)	$ 4,162,901	$ 160,188
Net pension liability	18,824	158,631	(38,444)	139,011	-
Business-type activity long-term liabilities	$ 4,337,098	$ 158,631	$ (193,817)	$ 4,301,912	$ 160,188

For governmental activities, compensated absences are generally liquidated by the General Fund.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2024 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Capital projects fund	$ 233,025
General Fund	Hotel/motel tax fund	87,230
General Fund	Nonmajor governmental fund	602
General Fund	Water, sewer, and sanitation fund	214,888
		$ 535,745

These balances resulted from time lag between the dates the: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

The composition of interfund transfers as of June 30, 2024 is as follows:

Transfers In	Transfers Out	Amount
General Fund	Hotel/Motel Tax Fund	$ 847,220
		$ 847,220

Transfers are used to: 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected in the General Fund to finance various program accounts for in other funds in accordance with budgetary authorizations.

NOTE 7. PENSION PLANS

A. Plan Description

The City of Port Wentworth Retirement Plan (the "Plan") provides pensions for all full-time employees of the City eligible for participation in the Plan. The Plan is affiliated with the Georgia Municipal Employees Benefit System ("GMEBS"), a state-wide, agent multiple-employer pension plan administrated by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to:

Georgia Municipal Employees Benefit System
201 Pryor Street, SW
Atlanta, Georgia 30303

B. Benefits Provided

The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to vested employees. Employees become vested after five years of service to the City. Officials are vested immediately and will receive a retirement benefit of $10 per month per year. These benefit provisions and all other requirements are established by local ordinance.

NOTE 7. PENSION PLANS (CONTINUED)

C. Employee Participation

At June 30, 2024, the following employees were covered by the Plan:

Inactive plan members or beneficiaries currently receiving benefits	55
Inactive plan members entitled to, but not receiving benefits	75
Active employees	85
Active elected officials	7
Total	222

D. Contributions

The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The annual minimum contribution is the sum of: 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the state estimated minimum annual contribution in an effort to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards. The estimated minimum annual contribution under these standards is $334,345.

E. Net Pension Liability

The City's net pension liability was measured as of September 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2023.

Actuarial assumptions. The total pension liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.25%, plus service based merit increases
Investment rate of return	7.375%

Mortality rates were based on the gender-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.

NOTE 7. PENSION PLANS (CONTINUED)

E. Net Pension Liability (Continued)

Actuarial assumptions (Continued). The actuarial assumptions used in the January 1, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized in the following table:

Asset class	Target allocation	Long-term expected real rate of return*
Domestic equity	45%	6.91%
International equity	20%	7.21
Domestic fixed income	20%	1.61
Real estate	10%	3.61
Global fixed income	5%	1.67
Cash	0%	
Total	100%	

* Rates shown are net of the 2.25% assumed rate of inflation.

Discount rate. The discount rate used to measure the total pension liability was 7.375%. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. 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 of the projected benefit payments to determine the total pension liability.

NOTE 7 PENSION PLANS (CONTINUED)

E Net Pension Liability (Continued)

Changes in the Net Pension Liability of the City. The changes in the components of the net position liability of the City for the year ended June 30, 2024 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Beginning Balance	$ 9,527,456	$ 8,336,086	$ 1,191,370
Changes for the year			
Service cost	168,871	-	168,871
Interest	697,085	-	697,085
Differences between expected and actual experience	615,126	-	615,126
Contributions - employer	-	292,777	(292,777)
Net investment income	-	1,125,556	(1,125,556)
Benefit payments, including refunds of employee contributions	(488,654)	(488,654)	-
Administrative expense	-	(22,127)	22,127
Other	363,038	-	363,038
Net changes	1,355,466	907,552	447,914
Ending Balance	$ 10,882,922	$ 9,243,638	$ 1,639,284

The required Schedule of Changes in the City's Net Pension Liability and Related Ratios immediately following the Notes to the Financial Statements presents multi-year trend information about whether the value of Plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	$ 3,281,781	$ 1,639,284	$ 319,133

NOTE 7. PENSION PLANS (CONTINUED)

E. Net Pension Liability (Continued)

Sensitivity of the net pension liability to changes in the discount rate (Continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023, and the current sharing pattern of costs between employer and employee.

F. Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2024, the City recognized pension expense of $1,046,398 and deferred outflows of resources related to pensions as follows:

	Deferred Outflows of Resouces
Net difference between projected and actual earnings on pension plan investments	$ 419,665
Differences between expected and actual experience	515,475
City contributions subsequent to the measurement date	224,430
Total	$ 1,159,570

The amount of deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date, $224,430, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources related to pensions are projected to be recognized in future years as follows:

Year ending June 30,	
2025	$ 264,301
2026	246,276
2027	528,325
2028	(103,762)
Total	$ 935,140

NOTE 8. DEFINED CONTRIBUTION PENSION PLAN

In April 2001, the City elected to participate in the Georgia Municipal Association ("GMA") 401(a) Defined Contribution Plan (the "Plan"). The Plan is administered by GMA. There are three participants in the Plan and the City contributes 8.5%, 8.5%, and 12.5% of the eligible participant's salary (employer portion). There are no required contributions by Plan members. Contributions are 100% vested from the time credited to the participant's account and, therefore, upon a participant's separation from service, there are no forfeitures of employer contributions. Plan provisions are established in the Plan Adoption Agreement and may be amended by City Council, so long as the amendment is not inconsistent with the Plan, the Internal Revenue Code or other applicable law and is approved by the trustees of the Plan. During the year ended June 30, 2024, the City made contributions of $44,449 to the Plan.

NOTE 9. JOINT VENTURE

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. During the year ended June 30, 2024, the City paid $14,141 in such dues. Membership in the CRC is required by the O.C.G.A. §50-8-34 which provides for the organizational structure of regional development commissions in Georgia. The CRC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. §50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development commission. Separate financial statements may be obtained from:

Coastal Regional Commission
1181 Coastal Drive SW
Darien, Georgia 31305

NOTE 10. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pools' agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

NOTE 10. RISK MANAGEMENT (CONTINUED)

The City pays unemployment claims to the State Department of Labor on a reimbursement basis. Liabilities for such claims are immaterial and are not accrued. Settled claims in the past three years have not exceeded the coverages.

NOTE 11. COMMITMENTS AND CONTINGENCIES

Litigation

Various claims are pending against the City. Liability, if any, which might result from these claims, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

Construction Commitments

In addition to the liabilities enumerated in the Balance Sheet at June 30, 2024, the City has contractual commitments on uncompleted contracts of $7,486,962.

NOTE 12. TAX ABATEMENTS

The City has entered into tax abatement agreements to promote economic development in Chatham County through the Savannah Economic Development Authority (“SEDA”). SEDA can enter into agreements for industrial projects to encourage the creation of jobs and new capital investment through an “Investment Assistance Program”. Georgia case law and statutory provisions, including the Development Authorities Law (Title 36 Chapter 62 of the Official Code of Georgia Annotated), provide SEDA with the power to enter into such agreements with businesses. The City has determined that these agreements will promote and expand industry and trade within the City and reduce unemployment to the greatest extent possible, in furtherance of the public purposes for which they were created. For the year ended June 30, 2024, the City abated property taxes of $376,968.

Required Supplementary Information Other Than Management's Discussion & Analysis

CITY OF PORT WENTWORTH, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 10,199,264	$ 11,287,029	$ 11,077,004	$ (210,025)
Licenses and permits	2,564,000	1,652,010	956,847	(695,163)
Intergovernmental	600,000	783,001	287,001	(496,000)
Charges for services	1,738,530	1,691,654	1,438,388	(253,266)
Fines and forfeitures	1,540,000	1,540,000	1,203,851	(336,149)
Investment income	174,872	1,187,488	1,177,653	(9,835)
Miscellaneous	175,349	994,036	675,505	(318,531)
Total revenues	16,992,015	19,135,218	16,816,249	(2,318,969)
Expenditures				
Current				
General government:				
City council	293,440	318,940	318,940	-
General administration	1,547,357	1,782,803	1,765,109	17,694
Technology	741,648	802,291	693,633	108,658
Total general government	2,582,445	2,904,034	2,777,682	126,352
Judicial:				
Municipal court	453,164	548,486	548,486	-
Total judicial	453,164	548,486	548,486	-
Public safety:				
Police	6,768,933	6,588,226	6,567,991	20,235
Fire	14,283,459	13,757,621	5,753,054	8,004,567
Emergency management	100,500	100,500	33,800	66,700
Total public safety	21,152,892	20,446,347	12,354,845	8,091,502
Public works:				
Highways and streets	2,034,818	2,533,827	1,613,296	920,531
Total public works	2,034,818	2,533,827	1,613,296	920,531
Culture and recreation:				
Recreation	9,199,325	5,112,586	5,026,737	85,849
Total culture and recreation	9,199,325	5,112,586	5,026,737	85,849
Housing and development:				
Inspections	813,675	740,855	491,467	249,388
Economic development	4,489,877	383,806	264,373	119,433
Total housing and development	5,303,552	1,124,661	755,840	368,821

(Continued)

CITY OF PORT WENTWORTH, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Expenditures (Continued)				
Current (Continued)				
Debt service:				
Principal	$ 418,941	$ 850,490	$ 804,173	$ 46,317
Interest	59,320	385,994	385,994	-
Total debt service	478,261	1,236,484	1,190,167	46,317
Total expenditures	41,204,457	33,906,425	24,267,053	9,639,372
Deficiency of revenues under expenditures	(24,212,442)	(14,771,207)	(7,450,804)	7,320,403
Other financing sources				
Sale of capital assets	40,000	417,308	417,308	-
Debt issuance	18,000,000	10,000,000	10,222,300	222,300
Transfers in	6,172,442	847,220	847,220	-
Total other financing sources	24,212,442	11,264,528	11,486,828	222,300
Net change in fund balances	-	(3,506,679)	4,036,024	7,542,703
Fund balances, beginning of year	16,503,479	16,503,479	16,503,479	-
Fund balances, end of year	$ 16,503,479	$ 12,996,800	$ 20,539,503	$ 7,542,703

CITY OF PORT WENTWORTH, GEORGIA

HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 1,600,000	$ 1,694,650	$ 1,694,650	$ -
Interest income	-	79	79	-
Total revenues	1,600,000	1,694,729	1,694,729	-
Expenditures				
Intergovernmental	800,000	603,620	603,620	-
Total expenditures	800,000	603,620	603,620	-
Excess of revenues over expenditures	800,000	1,091,109	1,091,109	-
Other financing uses				
Transfers out	(800,000)	(847,220)	(847,220)	-
Total other financing uses	(800,000)	(847,220)	(847,220)	-
Net change in fund balances	-	243,889	243,889	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	$ -	$ 243,889	$ 243,889	$ -

CITY OF PORT WENTWORTH, GEORGIA

NOTES TO BUDGET TO ACTUAL SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. BUDGETARY INFORMATION

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General and Special Revenue Funds. The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is at the department level.

Supplemental appropriations and decreases in budget appropriations were properly approved by the City Council. For the year ended June 30, 2024, the following supplemental increase and decrease in appropriations were approved.

Fund	Original Appropriations	Supplemental Appropriations	Supplemental Decreases	Final Appropriations
General	$ 41,204,457	$ 2,143,203	$ (9,441,235)	$ 33,906,425
Hotel/motel tax	800,000	94,729	(291,109)	603,620

Department heads, with the approval of the City Manager, may transfer appropriations within their department. Interdepartmental transfers require the approval of the City Manager.

CITY OF PORT WENTWORTH, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY
AND RELATED RATIOS
FOR THE FISCAL YEARS ENDED JUNE 30,

	2024	2023	2022	2021	2020
Total pension liability					
Service cost	**$ 168,871**	$ 232,556	$ 192,814	$ 186,803	$ 168,952
Interest on total pension liability	**697,085**	658,462	622,681	574,328	548,377
Differences between expected and actual experience	**615,126**	144,252	24,179	270,908	135,573
Changes of assumptions	**-**	-	-	-	(18,881)
Changes of benefit terms	**363,038**	-	-	-	-
Benefit payments, including refunds of employee contributions	**(488,654)**	(407,106)	(381,413)	(383,409)	(368,710)
Net change in total pension liability	**1,355,466**	628,164	458,261	648,630	465,311
Total pension liability - beginning	**9,527,456**	8,899,292	8,441,031	7,792,401	7,327,090
Total pension liability - ending (a)	**10,882,922**	9,527,456	8,899,292	8,441,031	7,792,401
Plan fiduciary net position					
Contributions - employer	**292,777**	232,780	166,466	196,073	204,475
Net investment income	**1,125,556**	(1,647,914)	2,020,809	751,971	228,654
Benefit payments, including refunds of member contributions	**(488,654)**	(407,106)	(381,413)	(383,409)	(368,710)
Administrative expenses	**(22,127)**	(23,250)	(21,024)	(19,961)	(19,285)
Net change in plan fiduciary net position	**907,552**	(1,845,490)	1,784,838	544,674	45,134
Plan fiduciary net position - beginning	**8,336,086**	10,181,576	8,396,738	7,852,064	7,806,930
Plan fiduciary net position - ending (b)	**9,243,638**	$ 8,336,086	10,181,576	8,396,738	7,852,064
City's net pension liability (asset) - ending (a) - (b)	**$ 1,639,284**	$ 1,191,370	$ (1,282,284)	$ 44,293	$ (59,663)
Plan fiduciary net position as a percentage of the total pension liability	**84.9%**	87.5%	114.4%	99.5%	100.8%
Covered payroll	**$ 7,056,895**	$ 5,252,310	$ 4,160,964	$ 3,664,175	$ 3,082,614
Net pension liability (asset) as a percentage of covered payroll	**23.2%**	22.7%	-30.8%	1.2%	-1.9%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

2019	2018	2017	2016
$ 165,255	$ 136,548	$ 115,559	$ 97,877
508,526	493,644	453,854	439,379
191,283	(96,982)	134,050	(89,257)
-	-	-	-
-	83,834	-	-
(306,135)	(273,935)	(269,196)	(253,230)
558,929	343,109	434,267	194,769
6,768,161	6,425,052	5,990,785	5,796,016
7,327,090	6,768,161	6,425,052	5,990,785
150,949	140,218	127,716	127,043
715,476	961,697	657,890	73,858
(306,135)	(273,935)	(269,196)	(253,230)
(19,652)	(22,401)	(11,637)	(13,055)
540,638	805,579	504,773	(65,384)
7,266,292	6,460,713	5,955,940	6,021,324
7,806,930	7,266,292	6,460,713	5,955,940
$ (479,840)	$ (498,131)	$ (35,661)	$ 34,845
106.5%	107.4%	100.6%	99.4%
$ 2,594,412	$ 2,617,570	$ 2,054,379	$ 1,870,923
-18.5%	-19.0%	-1.7%	1.9%

CITY OF PORT WENTWORTH, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS - RETIREMENT PLAN
FOR THE FISCAL YEARS ENDED JUNE 30,

	2024	2023	2022	2021	2020
Actuarially determined contribution	**$ 224,430**	$ 258,185	$ 225,909	$ 199,745	$ 194,845
Contributions in relation to the actuarially determined contribution	**224,430**	258,185	225,909	183,101	194,845
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ 16,644	$ -
Covered payroll	**$ 7,786,792**	$ 6,578,544	$ 4,707,465	$ 3,954,625	$ 3,584,441
Contributions as a percentage of covered payroll	**2.9%**	3.9%	4.8%	4.6%	5.4%

	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 186,916	$ 159,728	$ 131,182	$ 126,561	$ 127,203
Contributions in relation to the actuarially determined contribution	186,916	159,728	134,932	126,561	140,178
Contribution deficiency (excess)	$ -	$ -	$ (3,750)	$ -	$ (12,975)
Covered payroll	$ 3,230,688	$ 3,380,772	$ 3,068,766	$ 2,555,161	$ 2,315,288
Contributions as a percentage of covered payroll	5.8%	4.7%	4.4%	5.0%	6.1%

Notes to the Schedule:

Valuation Date	January 1, 2023
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return On Investments	7.375%
Projected Salary Increases	2.25%, plus service based merit increases
Cost-of-living Adjustment	2.25%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	N/A

Supplementary Data – Individual Fund Statements, Schedules and State Mandated Program Information

CITY OF PORT WENTWORTH, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CONFISCATED ASSETS FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Fines and forfeitures	$ -	$ 8,100	$ 8,100	$ -
Total revenues	-	8,100	8,100	-
Expenditures				
Current:				
Public safety	-	1,000	1,000	-
Total expenditures	-	1,000	1,000	-
Net change in fund balances	-	7,100	7,100	-
Fund balance, beginning of year	34,632	34,632	34,632	-
Fund balance, end of year	$ 34,632	$ 41,732	$ 41,732	$ -

CITY OF PORT WENTWORTH, GEORGIA

SCHEDULES OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SPLOST 2014

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Streets and roads	$ 2,002,600	$ 2,260,960	$ 2,260,960	$ -	$ 2,260,960
Recreation	998,200	1,134,138	895,194	238,944	1,134,138
Sewer systems	3,000,800	3,380,780	2,322,874	757,963	3,080,837
Downtown redevelopment	198,400	223,996	4	223,992	223,996
Totals	$ 6,200,000	$ 6,999,874	$ 5,479,032	$ 1,220,899	$ 6,699,931

SPLOST 2021

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Roads and drainage	$ 3,000,000	$ 3,000,000	$ 824,556	$ 122,757	$ 947,313
Recreation	4,000,000	4,000,000	754,298	1,054,302	1,808,600
Sewer	1,500,000	1,500,000	85,712	-	85,712
Police and fire vehicle and equipment	1,800,000	1,937,614	1,096,498	841,116	1,937,614
Totals	$ 10,300,000	$ 10,437,614	$ 2,761,064	$ 2,018,175	$ 4,779,239

CITY OF PORT WENTWORTH, GEORGIA

SCHEDULE OF REQUIRED EXPENDITURES FUNDED BY THE HOTEL/MOTEL TAX FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES		
Hotel/motel taxes	$	1,694,650
EXPENDITURES		
Tourism expenditures	$	603,620
Percentage of expenditures to revenues		35.6%

Statistical Section

STATISTICAL SECTION

This part of the City of Port Wentworth, Georgia's (the "City") Annual Comprehensive Financial Report ("ACFR") presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the City's overall financial health.

Contents **Page**

Financial Trends ..... **61 – 66**
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity ..... **67 – 70**
These schedules contain information to help the reader assess the City's most significant local revenue sources.

Debt Capacity ..... **71 – 74**
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information ..... **75 and 76**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information ..... **77 – 79**
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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

CITY OF PORT WENTWORTH, GEORGIA

NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	$ 8,797,563	$ 9,135,801	$ 10,914,871	$ 11,627,601	$ 12,884,726	$ 15,111,230	$ 15,994,864	$ 18,065,252	$ 22,152,701	**$ 19,902,127**
Restricted	2,117,207	2,975,435	3,057,708	4,222,296	3,823,848	2,551,493	3,736,585	5,551,521	4,868,832	**4,584,086**
Unrestricted	12,228,494	13,614,295	14,485,879	14,500,180	16,026,973	16,290,187	16,945,722	17,408,314	17,125,279	**20,895,304**
Total governmental activities net position	$ 23,143,264	$ 25,725,531	$ 28,458,458	$ 30,350,077	$ 32,735,547	$ 33,952,910	$ 36,677,171	$ 41,025,087	$ 44,146,812	**$ 45,381,517**
Business-type activities:										
Net investment in capital assets	$ 23,279,528	$ 22,607,526	$ 22,116,290	$ 22,045,154	$ 21,051,718	$ 20,274,557	$ 20,061,857	$ 19,248,797	$ 18,883,323	**$ 18,836,381**
Unrestricted	6,951,289	8,425,775	8,825,703	8,820,412	10,600,998	11,503,547	12,120,500	13,808,616	15,817,679	**17,024,756**
Total business-type activities net position	$ 30,230,817	$ 31,033,301	$ 30,941,993	$ 30,865,566	$ 31,652,716	$ 31,778,104	$ 32,182,357	$ 33,057,413	$ 34,701,002	**$ 35,861,137**
Primary government:										
Net investment in capital assets	$ 32,077,091	$ 31,743,327	$ 33,031,161	$ 33,672,755	$ 33,936,444	$ 35,385,787	$ 36,056,721	$ 37,314,049	$ 41,036,024	**$ 38,738,508**
Restricted	2,117,207	2,975,435	3,057,708	4,222,296	3,823,848	2,551,493	3,736,585	5,551,521	4,868,832	**4,584,086**
Unrestricted	19,179,783	22,040,070	23,311,582	23,320,592	26,627,971	27,793,734	29,066,222	31,216,930	32,942,958	**37,920,060**
Total primary government net position	$ 53,374,081	$ 56,758,832	$ 59,400,451	$ 61,215,643	$ 64,388,263	$ 65,731,014	$ 68,859,528	$ 74,082,500	$ 78,847,814	**$ 81,242,654**

CITY OF PORT WENTWORTH, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Primary government:										
Governmental activities										
General government	$ 588,291	$ 625,503	$ 632,190	$ 897,340	$ 821,532	$ 1,167,153	$ 1,062,812	$ 1,484,807	$ 3,110,785	**$ 2,834,654**
Public safety	144,817	180,179	185,659	220,545	236,265	202,130	669,141	712,082	9,241,284	**10,192,084**
Public works	2,764,086	3,123,784	3,815,367	4,626,874	5,335,417	5,617,234	6,338,718	7,598,840	3,135,276	**1,433,406**
Judicial	1,507,712	1,693,976	1,969,308	1,876,454	1,374,086	1,802,457	2,150,734	2,173,847	567,152	**557,316**
Culture and recreation	540,278	605,843	677,741	767,938	765,043	653,378	637,904	748,951	914,369	**2,305,574**
Housing and development	552,204	772,566	724,877	729,097	886,931	725,738	707,955	1,416,150	1,487,149	**1,386,987**
Interest on long-term debt	-	-	-	-	-	77,721	70,845	67,365	94,223	**385,994**
Total governmental activities expenses	6,097,388	7,001,851	8,005,142	9,118,248	9,419,274	10,245,811	11,638,109	14,202,042	18,550,238	**19,096,015**
Business-type activities										
Water and sewer	3,279,096	3,321,289	3,731,195	4,005,541	4,631,080	4,916,788	4,903,159	5,315,912	5,919,630	**9,656,676**
Total business-type activities expenses	3,279,096	3,321,289	3,731,195	4,005,541	4,631,080	4,916,788	4,903,159	5,315,912	5,919,630	**9,656,676**
Total primary government expenses	9,376,484	10,323,140	11,736,337	13,123,789	14,050,354	15,162,599	16,541,268	19,517,954	24,469,868	**28,752,691**
Program revenues										
Governmental activities:										
Charges for services:										
General government	33,749	39,836	37,331	34,477	50,297	50,920	48,125	56,068	52,211	**60,927**
Public safety	1,577,991	1,379,388	1,312,118	1,502,420	1,862,753	2,093,858	2,665,947	3,189,011	2,515,190	**2,235,791**
Public works	956,050	1,040,913	1,117,330	1,136,205	1,152,822	1,225,842	1,323,327	1,377,109	1,458,329	**11,878**
Culture and recreation	16,357	23,931	36,741	45,048	44,733	18,364	8,489	23,024	56,016	**104,974**
Housing and development	184,435	275,555	206,863	272,502	443,791	537,463	682,216	1,067,339	1,366,577	**1,185,516**
Operating grants and contributions	52,943	112,032	291,784	202,841	75,158	92,324	504,804	1,963,491	1,800,150	**8,100**
Capital grants and contributions	1,008,942	1,168,316	1,498,119	1,414,816	1,452,810	932,199	1,951,516	2,352,260	2,736,012	**2,990,340**
Total governmental activities program revenues	3,830,467	4,039,971	4,500,286	4,608,309	5,082,364	4,950,970	7,184,424	10,028,302	9,984,485	**6,597,526**
Business-type activities:										
Charges for services [(a)]	2,640,802	2,863,568	3,229,680	3,243,713	3,473,649	3,575,193	3,788,815	3,986,428	4,298,651	**6,549,607**
Capital grants and contributions	490,881	945,908	270,902	570,800	1,786,381	1,315,222	1,396,950	1,928,772	2,199,890	**2,368,182**
Total business-type activities program revenues	3,131,683	3,809,476	3,500,582	3,814,513	5,260,030	4,890,415	5,185,765	5,915,200	6,498,541	**8,917,789**
Total primary government program revenues	6,962,150	7,849,447	8,000,868	8,422,822	10,342,394	9,841,385	12,370,189	15,943,502	16,483,026	**15,515,315**

(Continued)

CITY OF PORT WENTWORTH, GEORGIA

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes levied for general purposes	$ 2,417,026	$ 2,498,357	$ 2,656,996	$ 2,654,232	$ 2,793,069	$ 2,970,095	$ 3,137,620	$ 3,576,942	$ 4,331,576	**$ 4,657,959**
Sales taxes levied for general purposes	1,650,713	1,623,704	1,708,494	1,807,387	1,986,251	1,905,373	2,216,865	2,672,105	3,880,117	**4,895,588**
Selective sales and use taxes	1,044,873	1,101,673	1,194,761	1,176,980	1,165,574	924,531	1,121,841	1,717,885	1,969,379	**2,072,352**
Business taxes	375,991	404,683	452,408	463,214	513,360	543,057	597,958	610,682	1,156,208	**1,159,647**
Unrestricted investment earnings	15,954	24,434	51,568	103,972	164,616	120,464	14,368	29,909	639,085	**1,177,732**
Gain on sale of capital assets	-	-	1,750	110,221	29,943	15,350	71,417	28,972	-	**76,021**
Miscellaneous	66,840	108,563	171,806	85,552	84,750	19,896	17,877	32,402	149,653	**675,505**
Transfers	(1,943,858)	(217,267)	-	-	-	-	-	-	(438,540)	**(981,610)**
Total governmental activities general revenues and changes in net position	3,627,539	5,544,147	6,237,783	6,401,558	6,737,563	6,498,766	7,177,946	8,668,897	11,687,478	**13,733,194**
Business-type activities:										
Unrestricted investment earnings	17,087	15,969	28,753	32,098	38,145	34,849	10,770	15,728	481,976	**800,173**
Gain on sale of assets	-	-	-	-	-	-	-	5,550	-	**-**
Miscellaneous	84,645	81,061	110,552	82,503	104,872	116,912	110,877	107,249	144,162	**117,239**
Transfers	1,943,858	217,267	-	-	-	-	-	-	438,540	**981,610**
Total business type activities, general revenues and changes in net position	2,045,590	314,297	139,305	114,601	143,017	151,761	121,647	128,527	1,064,678	**1,899,022**
Total primary government general revenues and other changes in net position	5,673,129	5,858,444	6,377,088	6,516,159	6,880,580	6,650,527	7,299,593	8,797,424	12,752,156	**15,632,216**
Change in net position										
Governmental activities	1,360,618	2,582,267	2,732,927	1,891,619	2,400,653	1,203,925	2,724,261	4,495,157	3,121,725	**1,234,705**
Business-type activities	1,898,177	802,484	(91,308)	(76,427)	771,967	125,388	404,253	727,815	1,643,589	**1,160,135**
Total primary government change in net position	$ 3,258,795	$ 3,384,751	$ 2,641,619	$ 1,815,192	$ 3,172,620	$ 1,329,313	$ 3,128,514	$ 5,222,972	$ 4,765,314	**$ 2,394,840**

[a] Revenue growth from year to year due mostly to increased rates for services due to rising energy costs.

CITY OF PORT WENTWORTH, GEORGIA

FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Nonspendable	$ 162,343	$ 170,596	$ 210,781	$ 47,880	$ 126,355	$ 371,118	$ 60,618	$ 104,991	$ 436,064	**$ 79,720**
Committed	-	-	-	-	-	-	-	1,194,838	1,227,352	**1,017,497**
Assigned	2,313,949	1,366,028	2,104,636	2,158,215	725,659	1,677,696	1,639,454	4,707,065	849,562	**12,964,452**
Unassigned	9,389,661	11,693,257	11,774,380	11,963,324	14,729,700	13,731,036	14,727,347	10,690,535	13,990,501	**6,477,834**
Total General Fund	11,865,953	13,229,881	14,089,797	14,169,419	15,581,714	15,779,850	16,427,419	16,697,429	16,503,479	**20,539,503**
All other governmental funds:										
Restricted, reported in:										
Special Revenue Funds	3,446	48,811	2,300	26,860	22,583	4,827	197,525	1,841,732	34,632	**285,621**
Capital Projects Funds	2,113,761	2,926,624	3,055,408	4,195,436	3,801,265	2,546,666	3,539,060	3,657,374	4,834,200	**4,298,465**
Total all other governmental funds	2,117,207	2,975,435	3,057,708	4,222,296	3,823,848	2,551,493	3,736,585	5,499,106	4,868,832	**4,584,086**
Total all governmental funds	$ 13,983,160	$ 16,205,316	$ 17,147,505	$ 18,391,715	$ 19,405,562	$ 18,331,343	$ 20,164,004	$ 22,196,535	$ 21,372,311	**$ 25,123,589**

CITY OF PORT WENTWORTH, GEORGIA

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	$ 5,517,215	$ 5,628,912	$ 6,015,401	$ 6,105,418	$ 6,461,749	$ 6,312,188	$ 7,073,836	$ 8,513,154	$ 11,210,212	**$ 12,771,654**
Licenses and permits	193,111	267,807	183,783	237,838	377,429	439,427	537,048	829,030	982,092	**956,847**
Intergovernmental	1,047,724	1,219,179	1,776,475	1,371,743	1,631,040	941,170	2,453,509	4,277,007	4,436,253	**2,779,240**
Charges for services	1,294,050	1,421,776	1,528,625	1,601,632	1,722,797	1,904,843	2,072,608	2,470,934	2,742,539	**1,203,851**
Fines and forfeitures	1,288,390	1,126,326	1,001,273	1,175,742	1,454,170	1,654,808	2,118,568	2,449,519	1,723,692	**1,446,488**
Miscellanous	73,776	109,062	176,631	290,938	266,234	151,082	33,903	59,016	888,647	**2,064,337**
Total revenues	9,414,266	9,773,062	10,682,188	10,783,311	11,913,419	11,403,518	14,289,472	18,598,660	21,983,435	**21,222,417**
Expenditures										
Current:										
General government	604,937	617,328	630,250	781,951	3,149,617	1,510,460	1,116,827	1,847,470	3,683,391	**2,777,682**
Judicial	147,796	181,709	197,842	215,131	236,924	217,668	663,611	713,200	550,294	**548,486**
Public safety	2,676,000	3,125,259	4,591,347	5,398,434	5,308,910	5,311,548	6,305,250	7,731,788	11,938,496	**12,355,845**
Public works	1,920,379	2,020,697	2,294,638	2,543,064	1,308,331	1,373,029	1,640,162	1,654,192	2,976,664	**1,613,296**
Culture and recreation	484,626	564,132	616,920	866,871	679,121	565,726	549,511	701,731	887,872	**5,026,737**
Housing and development	150,319	359,926	253,370	286,177	677,404	612,880	720,003	787,777	681,722	**755,840**
Intergovernmental	401,602	418,573	468,670	460,240	449,640	317,292	196,763	844,082	778,154	**603,620**
Capital outlay	2,031,951	292,100	1,036,322	90,684	1,741,832	2,082,669	836,081	2,128,103	1,414,824	**3,239,074**
Debt service:										
Principal	-	-	145,554	247,134	395,129	413,090	421,377	405,957	583,596	**804,173**
Interest and fiscal charges	-	-	5,577	28,375	49,615	105,163	93,493	86,232	94,223	**385,994**
Total expenditures	8,417,610	7,579,724	10,240,490	10,918,061	13,996,523	12,509,525	12,543,078	16,900,532	23,589,236	**28,110,747**
Excess (deficiency) of revenues over (under) expenditures	996,656	2,193,338	441,698	(134,750)	(2,083,104)	(1,106,007)	1,746,394	1,698,128	(1,605,801)	**(6,888,330)**
Other financing sources (uses)										
Proceeds from the sale of capital assets	-	12,963	1,750	18,500	36,951	15,350	85,235	84,016	159,762	**417,308**
Issuance of debt	-	-	441,868	1,258,928	3,060,000	-	-	245,280	621,815	**10,222,300**
Insurance recoveries	16,210	28,818	56,873	101,532	-	-	1,033	5,107	-	**-**
Transfers in	401,808	418,740	468,857	460,424	449,854	317,421	402,268	2,451,916	6,178,916	**847,220**
Transfers out	(401,808)	(418,740)	(468,857)	(460,424)	(449,854)	(317,421)	(402,268)	(2,451,916)	(6,178,916)	**(847,220)**
Total other financing sources (uses)	16,210	41,781	500,491	1,378,960	3,096,951	15,350	86,268	334,403	781,577	**10,639,608**
Net change in fund balances	$ 1,012,866	$ 2,235,119	$ 942,189	$ 1,244,210	$ 1,013,847	$ (1,090,657)	$ 1,832,662	$ 2,032,531	$ (824,224)	**$ 3,751,278**
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	2.07%	3.41%	4.98%	5.48%	4.84%	3.60%	3.88%	**7.08%**

CITY OF PORT WENTWORTH, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES AND FRANCHISE FEES
LAST TEN FISCAL YEARS

Fiscal Year	Property Tax	Local Option Sales Tax	Business and Insurance Premium Tax	Malt and Alcohol Beverage Tax	Hotel/Motel Tax	Utility and Cablevision Franchise Fees	Total
2015	$ 1,728,076	$ 1,650,713	$ 375,991	$ 225,844	$ 803,357	$ 733,234	$ 5,517,215
2016	1,764,914	1,623,704	404,683	226,892	837,311	771,408	5,628,912
2017	1,932,764	1,708,494	452,408	223,770	937,517	760,448	6,015,401
2018	1,930,601	1,807,387	463,214	217,995	920,656	765,565	6,105,418
2019	1,994,103	1,986,251	513,360	229,081	899,458	839,496	6,461,749
2020	2,137,550	1,905,373	543,057	255,987	634,712	838,509	6,315,188
2021	2,374,297	2,216,865	597,958	280,769	791,601	812,346	7,073,836
2022	2,661,342	2,672,105	610,682	278,186	1,303,083	987,756	8,513,154
2023	3,151,098	3,880,117	1,156,208	289,617	1,556,304	1,176,868	11,210,212
2024	**3,611,156**	**4,895,588**	**1,159,647**	**281,475**	**1,694,650**	**1,129,138**	**12,771,654**

Source: City records

Note: Table includes General Fund and Hotel/Motel Tax Fund.

CITY OF PORT WENTWORTH, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Digest Tax Year	Real Property		Personal Property		Utilities and Other Property		Total		Ratio of Total Assessed to Total Estimated Value	Total Direct Tax Rate
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2015	2014	$ 261,920,824	$ 654,802,060	$ 82,829,831	$ 207,074,578	$ 10,119,389	$ 25,298,472	$ 354,870,044	$ 887,175,110	40%	4.397
2016	2015	281,652,765	704,131,913	85,369,603	213,424,008	11,114,168	27,785,419	378,136,536	945,341,340	40%	4.711
2017	2016	307,916,506	769,791,265	93,876,694	234,691,735	12,032,097	30,080,243	413,825,297	1,034,563,243	40%	4.571
2018	2017	342,927,156	857,317,890	85,946,140	214,865,350	14,781,559	36,853,897	443,654,855	1,109,037,137	40%	4.571
2019	2018	351,466,530	878,666,325	71,622,106	179,055,265	16,827,345	42,068,362	439,915,981	1,099,789,952	40%	4.571
2020	2019	388,761,842	971,904,605	89,535,446	223,838,615	13,707,836	34,269,589	492,005,124	1,230,012,809	40%	4.160
2021	2020	421,276,160	1,053,190,400	93,802,642	234,506,605	14,689,578	36,723,944	529,768,380	1,324,420,949	40%	4.160
2022	2021	453,349,046	1,133,372,615	74,824,400	187,311,000	14,720,928	36,802,319	542,894,374	1,357,485,934	40%	4.160
2023	2022	680,276,722	1,700,691,805	94,973,388	237,433,470	16,622,668	41,556,669	791,872,778	1,979,681,944	40%	4.160
2024	**2023**	**711,310,642**	**1,778,276,605**	**90,119,827**	**225,299,568**	**17,281,278**	**43,203,194**	**818,711,747**	**2,046,779,367**	**40%**	**4.160**

Source: Chatham County Tax Assessor

Note 1: The ratio of total assessed to total estimated value is set at 40% by state law.

Note 2: Tax rates are oer $1,000 net assessed value.

CITY OF PORT WENTWORTH, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per $1,000 of assessed value)

Fiscal Year	Digest Year	City Direct Rate	Overlapping Rates			Total Direct and Overlapping Rates
			School District	County	State	
2015	2014	4.711	15.881	11.543	0.100	32.235
2016	2015	4.571	16.631	11.543	0.050	32.795
2017	2016	4.571	16.631	11.543	-	32.745
2018	2017	4.571	16.631	11.543	-	32.745
2019	2018	4.571	18.881	11.543	-	34.995
2020	2019	4.160	18.881	11.543	-	34.584
2021	2020	4.160	18.881	11.543	-	34.584
2022	2021	4.160	18.881	11.543	-	34.584
2023	2022	4.160	18.881	11.543	-	34.584
2024	**2023**	**4.160**	**17.631**	**10.518**	**-**	**32.309**

Source: Chatham County Commission - Board minutes and City records

CITY OF PORT WENTWORTH, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2024			2015		
Taxpayer	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (In thousands)	Rank	Percentage of Total City Taxable Assessed Value
Duke Realty Limited Partnership	**$ 113,977,919**	**1**	**13.92%**	$ 32,047,724	1	9.03%
CH Realty IX-Sansone I Savannah 21-95, L.P.	**40,604,680**	**2**	**4.96%**	-		0.00%
RVF Rice Hope Property, LLC	**25,357,040**	**3**	**3.10%**	-		0.00%
EIP Pinder Point Norwood, LLC	**23,662,240**	**4**	**2.89%**	-		0.00%
DSI Realty Company Inc	**22,540,440**	**5**	**2.75%**	4,251,440	10	1.20%
OREI Pointe Grand Property Owner, LLC	**20,507,360**	**6**	**2.50%**	-		0.00%
Chatham-Coldbrook Associates LLC	**16,128,000**	**7**	**1.97%**	-		0.00%
LRE Crossgate North, LLC	**14,647,440**	**8**	**1.79%**	-		0.00%
RC Residential LLC	**10,144,393**	**9**	**1.24%**	9,010,937	2	2.54%
LRE Crossgate South, LLC	**9,188,760**	**10**	**1.12%**	-		0.00%
NGK Automotive Ceramics USA	**-**		**0.00%**	8,044,164	3	2.27%
Village at Rice Hope Land III LLC	**-**		**0.00%**	7,348,360	4	2.07%
Bayer Cropscience LP	**-**		**0.00%**	7,038,897	5	1.98%
Floor & Décor Outlets of America	**-**		**0.00%**	5,346,974	6	1.51%
Ascend Performance Materials	**-**		**0.00%**	5,130,115	7	1.44%
L-A Savannah - Crossgate LLC	**-**		**0.00%**	4,896,720	8	1.38%
SNF Chemtall	**-**		**0.00%**	4,436,616	9	1.25%
Total	**$ 296,758,272**		**36.24%**	$ 87,551,947		24.67%

Source: Chatham County Tax Assessor

Note: This data is based on calendar year assessed values.

CITY OF PORT WENTWORTH, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Digest Tax Year	Total Tax Levy	Adjustments	Total Adjusted Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2014	$ 1,465,355	$ (21,695)	$ 1,443,660	$ 1,438,983	98.20%	$ 4,454	$ 1,443,437	99.98%
2016	2015	1,547,382	(18,023)	1,529,359	1,473,984	95.26%	54,958	1,528,942	99.97%
2017	2016	1,707,563	(80,312)	1,627,251	1,654,368	96.88%	(27,656)	1,626,712	99.97%
2018	2017	1,806,293	(57,615)	1,748,678	1,735,756	96.09%	-	1,735,756	99.26%
2019	2018	1,790,233	(68,589)	1,721,644	1,716,455	95.88%	-	1,716,455	99.70%
2020	2019	1,830,010	(48,607)	1,781,403	1,764,830	96.44%	-	1,764,830	99.07%
2021	2020	1,956,854	(100,461)	1,856,393	1,820,040	93.01%	-	1,820,040	98.04%
2022	2021	2,017,345	(62,875)	1,954,470	1,937,726	96.05%	-	1,937,726	99.14%
2023	2022	2,964,443	(491,127)	2,473,316	2,456,203	82.86%	-	2,456,203	99.31%
2024	**2023**	**2,884,541**	**(89,050)**	**2,795,491**	**2,698,585**	**93.55%**	**-**	**2,698,585**	**96.53%**

Source: Chatham County Tax Commissioner and City records.

Note 1: Taxes are assessed for the calendar year on January 1. The fiscal year begins six months later on July 1 and ends on June 30 of the following year.

Note 2: The total tax levy includes real property, industrial area, personal property, and public utilities. The total tax levy is the original state approved levy after adjustments for cancellations, releases, errors, and additions.

CITY OF PORT WENTWORTH, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Per Capita
	Notes Payable	Financed Purchases, Leases, and SBITAs	Water and Sewer Notes	Financed Purchases, Leases, and SBITAs		
2015	$ -	$ -	$ 5,506,301	$ -	$ 5,506,301	$ 787
2016	-	-	6,088,698	-	6,088,698	870
2017	-	296,314	5,833,629	-	6,129,943	766
2018	-	1,308,108	5,030,902	37,372	6,376,382	708
2019	2,481,597	1,487,157	4,896,540	24,928	8,890,222	988
2020	2,257,754	1,297,686	4,758,199	12,066	8,325,705	833
2021	2,028,362	1,105,701	4,615,798	-	7,749,861	705
2022	1,793,679	1,179,707	4,469,198	-	7,442,584	677
2023	1,552,444	1,476,027	4,318,274	-	7,346,745	668
2024	**10,464,540**	**1,982,058**	**4,162,901**	**-**	**16,609,499**	**1,186**

Note 1: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Note 2: Per capita ratios are calculated using personal income and population for the calendar year.

CITY OF PORT WENTWORTH, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capital
2015	$ -	0.00%	$ -
2016	-	0.00%	-
2017	-	0.00%	-
2018	-	0.00%	-
2019	-	0.00%	-
2020	-	0.00%	-
2021	-	0.00%	-
2022	-	0.00%	-
2023	-	0.00%	-
2024	**-**	**0.00%**	**-**

Note: The City has no general bonded debt outstanding during the last ten fiscal years.

CITY OF PORT WENTWORTH, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2024

Jurisdiction	Debt Outstanding	Percentage Applicable to the City [1]	Amount Applicable to the City
Overlapping debt repaid with property taxes:			
Chatham County			
DSA Union Mission Series 2009	$ 940,000	3.60%	$ 33,840
DSA Chatham County Projects Series 2014	1,980,000	3.60%	71,280
DSA Judicial Complex Project Series 2020	67,415,000	3.60%	2,426,940
Unamortized premiums	9,736,273	3.60%	350,506
Overlapping other debt:			
Chatham County leases	1,271,200	4.76%	60,509
Chatham County SBITAs	3,288,092	4.76%	156,513
Subtotal, overlapping debt			3,099,588
City of Port Wentworth direct debt			12,446,598
Total direct and overlapping debt			$ 15,546,186

Sources: Assessed value data used to estimate applicable percentages provided by the Chatham County Board of Taxation. Debt outstanding data is provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that are borne by the residents and businesses of Port Wentworth. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt of each overlapping payment.

[1] For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values as of the past calendar year. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the City's boundaries and dividing it by each unit's total taxable value. For overlapping other debt (County), the percentage of overlapping debt applicable is estimated using the City’s population and dividing it by the County’s population. For overlapping other debt (School), the percentage of overlapping debt applicable is estimated using the City's school enrollment and dividing it by the school district's total enrollment.

CITY OF PORT WENTWORTH, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN CALENDAR YEARS

	Calendar Year				
	2014	2015	2016	2017	2018
Total assessed value of taxable property	$ 354,870,044	$ 378,136,536	$ 413,825,297	$ 443,654,855	$ 439,915,981
Less exemptions for bond purposes	-	-	-	-	-
Net assessed value for bond purposes	$ 354,870,044	$ 378,136,536	$ 413,825,297	$ 443,654,855	$ 439,915,981
Debt limit percentage	10%	10%	10%	10%	10%
Debt limit	$ 35,487,004	37,813,654	41,382,530	44,365,486	43,991,598
Total net debt applicable to limit of general obligation bonds	-	-	-	-	-
Legal debt margin	$ 35,487,004	$ 37,813,654	$ 41,382,530	$ 44,365,486	$ 43,991,598

	Calendar Year				
	2019	2020	2021	2022	2023
Total assessed value of taxable property	$ 492,005,124	$ 529,768,380	$ 542,894,374	$ 791,872,778	$ 818,711,747
Less exemptions for bond purposes	-	-	(9,696,648)	(9,640,803)	(9,394,323)
Net assessed value for bond purposes	$ 492,005,124	$ 529,768,380	$ 533,197,726	$ 782,231,975	$ 809,317,424
Debt limit percentage	10%	10%	10%	10%	10%
Debt limit	49,200,512	52,976,838	53,319,773	78,223,198	80,931,742
Total net debt applicable to limit of general obligation bonds	-	-	-	-	-
Legal debt margin	$ 49,200,512	$ 52,976,838	$ 53,319,773	$ 78,223,198	$ 80,931,742

Source: Consolidation and evaluation digest.

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10% 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.

CITY OF PORT WENTWORTH, GEORGIA

DEMOGRAPHIC STATISTICS
LAST TEN CALENDAR YEARS

Calendar Year	Population in thousands [1]	Personal Income [1]	Per Capita Personal Income [2]	Unemployment Rate [3]
2014	7	$ 199,150,000	$ 28,450	7.30%
2015	7	217,927,500	29,057	6.30%
2016	8	275,624,000	34,453	5.00%
2017	9	272,352,000	34,044	4.60%
2018	9	342,232,000	42,779	3.80%
2019	10	342,612,000	38,068	3.50%
2020	11	368,200,000	36,820	4.50%
2021	11	345,740,000	34,574	3.10%
2022	11	376,570,000	37,657	3.20%
2023	**14**	**328,120,000**	**25,240**	**3.50%**

[1] **Source** - U.S. Bureau of the Census Chamber of Commerce, and Metropolitan Planning Commission

[2] Estimated based upon the municipal population and per capita personal income presented

[3] **Source** - State Department of Labor.

CITY OF PORT WENTWORTH, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2023			2014		
Employer	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Gulfstream Aerospace Corp.	12,500	1	6.48%	10,126	1	7.85%
Fort Stewart/Hunter Army Airfield	6,579	2	3.41%	4,637	4	3.59%
Savannah Chatham County Public School System	5,700	3	2.96%	4,808	3	3.73%
St Joseph's/Candler Health System	4,832	4	2.51%	3,304	5	2.56%
Memorial Health	3,869	5	2.01%	5,000	2	3.88%
Georgia Southern University	2,741	6	1.42%	-		0.00%
City of Savannah	2,254	7	1.17%	2,795	6	2.17%
Colonial Group, inc.	2,222	8	1.15%	-		0.00%
Savannah College of Art and Design	2,100	9	1.09%	1,590	7	1.23%
Chatham County	1,892	10	0.98%	1,578	8	1.22%
Georgia Ports Authority	-		0.00%	988	9	0.77%
Armstrong Atlantic State University	-		0.00%	602	10	0.47%
Total	44,689		23.18%	35,428		27.47%

Source: Savannah Area Chamber of Commerce and the Georgia Department of Labor. The data is calendar year based and 2023 is the latest data available.

CITY OF PORT WENTWORTH, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS

Function	Full-time and Part-time City Employees as of June 30,				
	2015	2016	2017	2018	2019
General government	5	5	4	2	7
Judicial	2	2	4	2	2
Legislative	6	6	6	6	6
Protective inspections	1	1	2	2	3
Public safety	35	41	44	45	56
Public works	2	3	3	2	-
Culture and recreation	7	10	13	15	19
Water and sewer services	7	10	10	12	-
Total	65	78	86	86	93

Function	Full-time and Part-time City Employees as of June 30,				
	2020	2021	2022	2023	2024
General government	6	5	6	14	**13**
Judicial	2	2	2	2	**2**
Legislative	6	5	8	7	**7**
Protective inspections	3	4	3	3	**4**
Public safety	56	71	74	73	**79**
Public works	-	-	1	5	**7**
Culture and recreation	8	8	9	11	**8**
Water and sewer services	1	2	2	5	**7**
Total	82	97	105	120	**127**

Source: City records.

CITY OF PORT WENTWORTH, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year				
	2015	2016	2017	2018	2019
Police					
Arrests	1,344	1,207	1,261	1,346	1,252
Fire					
Number of emergency calls	1,209	1,263	994	1,362	1,550
Inspections	254	265	246	271	280
Public works					
Streets resurfaced (miles)	2	1	1	-	1
Parks and recreation					
Number of facility rentals	377	365	346	364	350
Water					
New connections	138	133	418	59	120
Average daily water use (thousands of gallons)	441	921	444	927	943
Sewer					
New connections	138	133	418	59	120
Average daily sewage treatment (thousands of gallons)	822	825	600	800	900

	Fiscal Year				
	2020	2021	2022	2023	2024
Police					
Arrests	1,024	956	1,150	913	**901**
Fire					
Number of emergency calls	1,496	1,866	1,904	2,278	**2,230**
Inspections	340	295	251	387	**475**
Public works					
Streets resurfaced (miles)	2	-	-	0.20	**0.23**
Parks and recreation					
Number of facility rentals	231	153	274	349	**476**
Water					
New connections	145	117	184	66	**356**
Average daily water use (millions/thousands of gallons)	1,088	1,001	956	965	**1.49**
Sewer					
New connections	145	117	184	66	**356**
Average daily sewage treatment (millions/thousands of gallons)	1,203	1,071	900	955	**1.20**

Sources: City records.

CITY OF PORT WENTWORTH, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year				
	2015	**2016**	**2017**	**2018**	**2019**
Police					
Stations	1	1	1	1	1
Fire					
Stations	2	2	2	2	2
Public works					
Streets (miles)	54	54	54	54	54
Streetlights	886	906	906	906	906
Traffic signals	11	11	11	11	11
Parks and recreation					
Parks and recreation	5	5	5	5	5
Community centers	4	4	4	4	3
Water					
Water mains (miles)	51	51	51	51	51
Maximum daily capacity (thousands of gallons)	3100	3100	3100	3100	3100
Sewer					
Sanitary sewers (miles)	51	51	51	51	51
Maximum daily treatment capacity (millions of gallons)	4	4	4	4	2

	Fiscal Year				
	2020	**2021**	**2022**	**2023**	**2024**
Police					
Station and substation	1	1	1	1	**2**
Fire					
Stations	2	2	2	2	**2**
Public works					
Streets (miles)	55	55	56	56	**59**
Streetlights	1,010	1,031	976	976	**990**
Traffic signals	13	16	13	15	**15**
Parks and recreation					
Parks and recreation	5	6	6	6	**6**
Community centers	3	3	3	3	**3**
Water					
Water mains (miles)	52	53	53	53	**54**
Maximum daily capacity (thousands of gallons)	3100	3100	3100	2	**2**
Sewer					
Sanitary sewers (miles)	52	51	53	53	**54**
Maximum daily treatment capacity (millions of gallons)	2	2	2	2	**2**

Sources: Various City departments.

Compliance Section

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and City Council
City of Port Wentworth, Georgia
Port Wentworth, Georgia

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Port Wentworth, Georgia** (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 13, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Savannah, Georgia
December 13, 2024

CITY OF PORT WENTWORTH, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.	Unmodified
Internal control over financial reporting: Material weaknesses identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	____ Yes __X__ None reported
Noncompliance material to financial statements noted?	____ Yes __X__ No

Federal Awards

Not applicable as a single audit was not performed for the year ended June 30, 2024, due to the City not expending $750,000 or more of federal funds.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

SECTION IV
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

None reported.


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