

CITY OF Clemson

Annual Comprehensive Financial Report

FOR THE YEAR ENDED JUNE 30, 2023



CITY OF CLEMSON, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by:
Finance Department

CITY OF CLEMSON, SOUTH CAROLINA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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CITY OF Clemson SOUTH CAROLINA

LETTER OF TRANSMITTAL

December 21, 2023

Mayor and Governing Body
City of Clemson
Clemson, South Carolina

We are pleased to present to you the Annual Comprehensive Financial Report for the City of Clemson for the year ended June 30, 2023. The report provides financial information about the City's operations during the year and describes its financial position at the end of the year.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City of Clemson. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City of Clemson is responsible for establishing and maintaining a comprehensive framework of internal controls that provide for completeness and reliability regarding the information contained in this Annual Comprehensive Financial Report. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report (which is located at the front of the financial section) and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal, and it is suggested the MD&A be read in conjunction with the letter of transmittal.

The City of Clemson receives federal financial assistance subject to the requirements of the United States Uniform Guidance. Information related to the compliance requirements, including the schedule of expenditures of federal awards, findings and questioned costs (if any), and the reports related to compliance and internal controls, are included in the federal financial assistance section of this report.

MUNICIPAL GOVERNMENT

The City of Clemson, originally known as the Town of Calhoun, changed its name in 1943 to match that of Clemson University and was officially incorporated as Clemson in 1947. The City, located at the base of the Blue Ridge Mountains in Pickens County, has land area of approximately six square miles and an estimated population of approximately 18,000 citizens.

The City operates under the Council form of government with the governing body composed of an elected mayor and six council members. The mayor and council members serve staggered four-year terms. An Administrator is appointed by the governing body to serve as the chief administrative officer of the City. Departments of the City provide a full range of municipal services such as police and fire protection, economic development, recreational activities, public transportation, residential and commercial waste removal, engineering and infrastructure improvements, water, stormwater, and wastewater utilities, planning, zoning, and fiscal management.

ECONOMIC CONDITION AND OUTLOOK

Mission Statement – “The City of Clemson is committed to providing services that are accountable and accessible and governed by sound, professional, and ethical principles, in order to preserve and enhance the superior quality of life in our community.”

Vision Statement and Values – The City of Clemson will be recognized nationally for its excellent quality of life for all residents, exceptional core City services, and its sense of community, with an emphasis on our key values:

- Inclusivity and conscious progression towards equity for all;
- Engaged, healthy living across the life span;
- Environmental sustainability;
- Smart, planned growth based on healthy, transit-oriented urban design principles;
- Creating a resilient economic environment that supports our residents, businesses and non-profits;
- Safe and secure communities;
- Mutually beneficial town-gown relationships;
- Cultural, community, and lifelong learning opportunities; and,
- Neighborhood integrity and support.

The City of Clemson is a small community of approximately 18,000 permanent citizens, but has large City concerns because nine months of the year the community is “home” to approximately 28,000 Clemson University students. The economic condition and outlook for Clemson is promising. Managed growth coupled with stability defines the character of Clemson for both the current year and future years. The City is optimistic, with the close proximity of Clemson University, that quality growth will continue through the remainder of the century. While having a positive impact on employment and the City’s tax base, this growth also presents significant challenges for the City of Clemson.

MAJOR INITIATIVES

The City of Clemson exists to provide for the safety and well-being of its citizens and visitors while maintaining financial responsibility when appropriating public funds for the betterment of our community. The City strives to create, enhance, and maintain a positive quality of life and a healthy environment in which to live, work and play. Here are several projects that the City started or completed during FY 2023 to showcase the City’s vision statement and values:

- American Rescue Plan Act – The City received approximately \$8.7 million from the federal government that will primarily be used for 6 water rehabilitation projects, 4 wastewater rehabilitation projects, 6 stormwater rehabilitation projects, and the base stations for the automated meter reading system. The design of the infrastructure for these projects began during FY 2023 and the construction will be completed by September 30, 2026 as required by the act.
- North Clemson Avenue Sidewalk – The City completed the sidewalk project on North Clemson Avenue during FY 2023. This project began in FY 2022 with a total cost of \$135,900.
- Green Crescent Trail – The City continues to design and install new sections of the Green Crescent Trail. During FY 2023, the Gateway Connector section was completed and Phase I began construction with over \$450,000 being invested into the trail.

FINANCIAL INFORMATION

Management of the City of Clemson is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgements by management.

Budgetary Controls – The City maintains budgetary controls with the objective of ensuring compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General, Special Revenue, Debt Service, and Enterprise funds are included in the annual appropriated budget. The Capital Projects Funds are budgeted by project within the fund. Therefore, budget periods extend over several accounting periods. The level of budgetary control (that is, the level at which expenditures cannot legally exceed appropriations) is established at the departmental level within an individual fund. As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are either insured by Federal Deposit Insurance or collateralized by United States Government Securities. As of June 30, 2023, all of the City's deposits were covered by federal depository insurance or by collateral held in the pledging financial institutions' trust department in the City's name. The City's investments of \$9,727,751 in various U.S Treasury and Agency securities and corporate bonds were rated AAA by Standard and Poor's and Aaa or better by Moody's Investors Services. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Investments of the State Investment Pool are exempt from risk categorization because third party custodians take delivery of the investment securities. The City owns no identifiable securities but is a shareholder of a percentage of the State Investment Pool and, therefore, the fair value of the investment is the same as the value of the pool shares.

Long-term Financial Planning – A Five Year Capital Improvements Program is the City's "road map" for investment in three key areas: people and programs, facilities, and utility infrastructure. As prescribed by Clemson's governing body, the capital improvement budgets do not rely on ad valorem taxes or other resources of the City's General Fund. As the City strives to leverage its cash reserves, a combination of debt and equity are utilized to finance capital improvements.

OTHER INFORMATION

Independent Audit – The City charter requires an annual audit by independent certified public accountants. The accounting firm of Mauldin & Jenkins, LLC has been selected by Clemson’s governing body to perform the audit. In addition to meeting the requirements set forth in the City charter, the audit also is designed to meet the requirements of the United States Uniform Guidance. Generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, were used by the auditors in conducting the engagement.

The auditors’ report on the basic financial statements as well as the combining and individual fund statements and schedules are included in the financial section of this report. The auditors’ reports related specifically to compliance are included in the federal financial assistance section.

Awards – The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Clemson for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, the City of Clemson published an easily readable and efficiently organized Annual Comprehensive Financial Report . This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program requirements. Therefore, we are submitting the report to the GFOA to determine its eligibility for another certificate.

Acknowledgements – The preparation of the Annual Comprehensive Financial Report was made possible by the efficient and dedicated services of the entire City of Clemson administration and the accounting firm of Mauldin & Jenkins, LLC. We would like to express our sincere appreciation to all of the individuals who assisted and contributed to the preparation of this report.

In closing, we would also like to thank the mayor and members of Clemson’s governing body for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



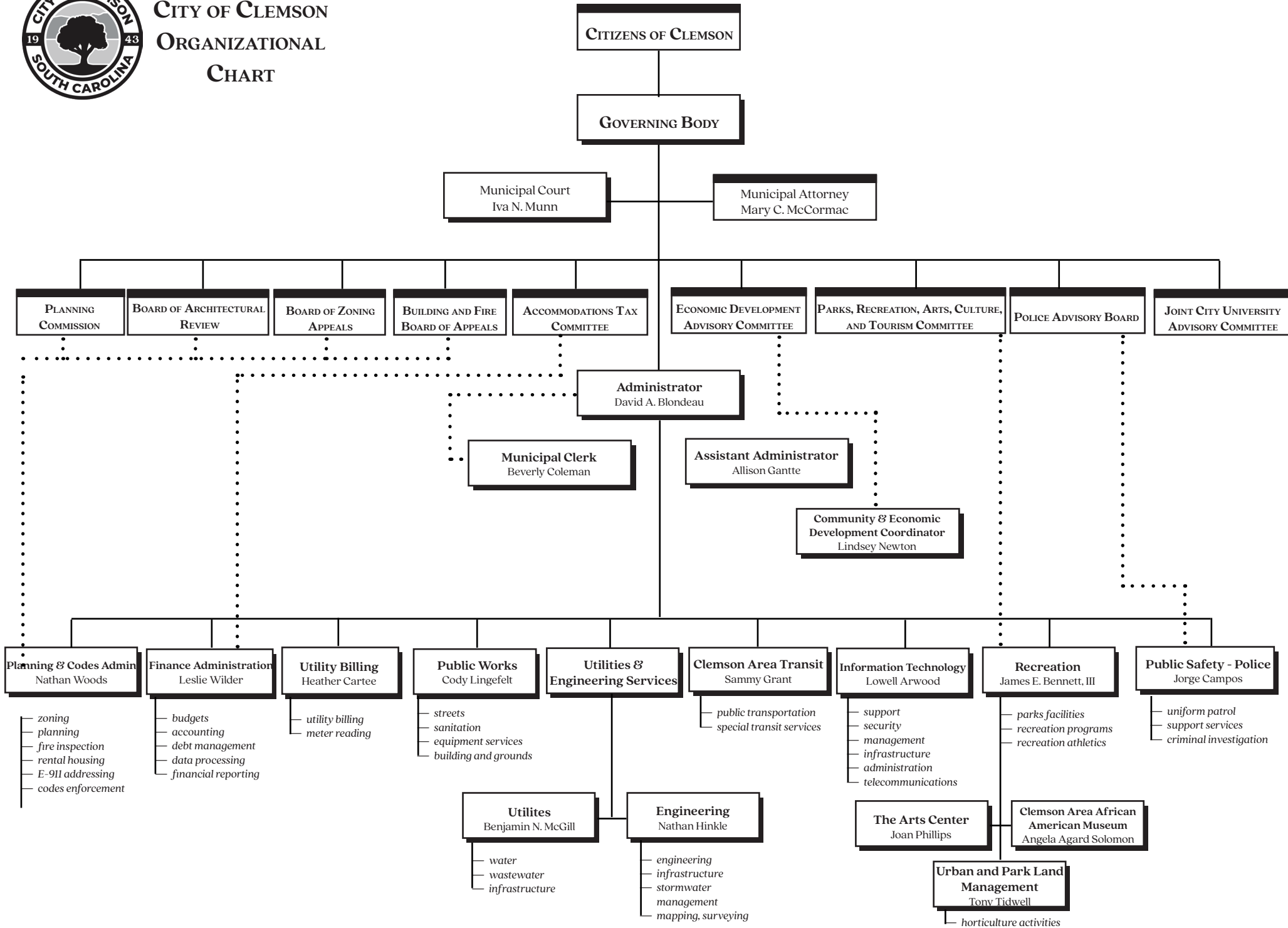
David A. Blondeau
City Administrator



Leslie Wilder
Finance Director



**CITY OF CLEMSON
ORGANIZATIONAL
CHART**



CITY OF CLEMSON

PRINCIPAL OFFICIALS

GOVERNING BODY

Robert Halfacre, Mayor

Alesia A. Smith, Mayor Pro-Tempore

Lillian Boatwright

Bob Brookover

John W. Ducworth, III

John Fulmer

Catherine Watt

ADMINISTRATION

Administrator – David A. Blondeau, MPA

Assistant Administrator – Allison Gantte, MPA

Director of Finance – Leslie Wilder, BS

Director of Utility Billing – Heather Cartee, BSBM

Director of Planning & Codes Administration – Nathan Woods, MCRP

Chief of Police – Jorge Campos, MSCJ

Director of Parks & Recreation – James E. Bennett III, MED

Director of Public Works – Cody Lingefelt

Director of Utilities – Benjamin N. McGill

Director of Engineering Services – Nathan Hinkle, PE

Municipal Judge – Iva N. Munn

Director of Information Technology – Lowell C. Arwood II, BBA

Director of Clemson Area Transit System – Jerry Kerns, BA

Director of Clemson Area African American Museum – Angela Agard, SHRM-SCP

Director of The Arts Center – Joan Phillips, MPS

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**The Honorable Mayor and Members
of the City Council
Clemson, South Carolina**

Report on the Audit of the Financial Statements

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Clemson, South Carolina** (the "City"), as of and for the year ended June 30, 2023, 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 accompanying 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, 2023, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Notes 1, 6, 8, and 9 to the financial statements, the City adopted new accounting guidance, GASBS No. 96, *Subscription-Based Information Technology Arrangements*, as of July 1, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 GAAS 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 GAAS 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, the Schedule of Revenues, Expenditures, and changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund, the Schedule of Revenues, Expenditures, and changes in Fund Balance – Budget (GAAP Basis) and Actual – American Rescue Plan Act Fund, the Schedules of the City's Proportionate Share of the Net Pension Liability, and the Schedules of Employer Contributions 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, the Schedules of Budgeted to Actual Costs – SCDOT Grants, and the Uniform Schedule of Court Fines, Assessments, and Surcharges, as required by the State of South Carolina (collectively the "Supplementary Information") are presented for purposes of additional analysis and are not a required part of the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying supplementary information is 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 21, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Clemson, South Carolina's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
December 21, 2023

CITY OF CLEMSON, SOUTH CAROLINA

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2023

As management of the City of Clemson, South Carolina, (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2023. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the City's financial statements, which follow this narrative.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2023, by \$79,353,701 (net position). Of this amount, \$13,270,526 (unrestricted net position) may be used to meet Clemson's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$15,527,032, primarily due to the \$8.2 million increase in the net investment in capital assets and the \$5.9 million increase in the unrestricted net position which was contributed to the increases from the charges for services, interest revenues, and tax revenues, along with a minor decrease in expenses.
- Revenues increased by \$11,761,644 while expenses decreased by \$9,972.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$36,597,525, an increase of approximately \$12.5 million from the prior year primarily due to the \$7.9 million received in capital grants and contributions during FY2023. These were donations of capital assets in the form of sidewalks and roads, along with contributions to help fund the Green Crescent Trail in the amount of \$1.2 million.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was approximately \$12.8 million or 85% of total General Fund expenditures for the current fiscal year.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. 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 of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. It is important to note that this statement consolidates the governmental funds' current financial resources (short-term) with capital assets and long-term liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the City include general government, public safety, public works, sanitation, parks, recreation, economic development, and housing and development. Property taxes, business licenses, and state and federal grants finance most of these activities. The business-type activities are those that the City charges customers to provide. These include water, sewer, stormwater, commercial sanitation, parking, and public transportation.

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 governmental funds to account for the following activities: **General, Special Revenue** (Local Hospitality Fee, Community Development, Accommodations, E-911 Fund, Local Accommodations, Public Arts Fund, Park Land Fund, Local Hospitality Tax, Twelve Mile Park Fund, ARPA Fund, Rental Property Building Fund, Police Confiscation Fund, and Hospitality and Tourism Events Fund), **Debt Service, Capital Projects** (Transit LONO Grant Fund, Police Station Expansion, Nettles Park Expansion, Arts Center/CAAAM Fund, Clemson Park Redevelopment Fund, and Green Crescent Trail Fund), and **Internal Service** (Self Insurance Fund).

Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and any other major governmental fund. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The City adopts an annual budget for its General Fund, Debt Service Funds, and Special Revenue Funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the individual budgets.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds. Services for which the government charges customers a fee are generally reported in proprietary funds. The Water Fund, Wastewater Fund, and Transit Fund are major enterprise funds and their business-like activities are reported with detail, including cash flows. The Stormwater Fund, Sanitation Fund, and Parking Deck Fund are nonmajor enterprise funds.

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.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Additionally, certain required supplementary information related to the City's defined benefit pension plans and post-retirement benefit plan is included. This report also includes information related to the collection and distribution of fines, assessments and surcharges, as required by the State of South Carolina.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$79,353,701 at the close of the most recent fiscal year.

The City of Clemson's Net Position

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2023	2022	2023	2022	2023	2022	
Current and other assets	\$ 35,270,423	\$ 26,047,136	\$ 15,816,725	\$ 14,698,843	\$ 51,087,148	\$ 40,745,979	25.4%
Capital assets, net of depreciation	27,822,793	21,111,614	50,269,811	49,528,548	78,092,604	70,640,162	10.5%
Total assets	63,093,216	47,158,750	66,086,536	64,227,391	129,179,752	111,386,141	16.0%
Deferred outflows of resources	1,680,662	2,060,276	937,119	1,097,863	2,617,781	3,158,139	-17.1%
Current liabilities	11,782,958	7,253,955	1,933,428	1,941,901	13,716,386	9,195,856	49.2%
Long-term liabilities	14,080,027	15,610,641	21,175,446	22,476,379	35,255,473	38,087,020	-7.4%
Total liabilities	25,862,985	22,864,596	23,108,874	24,418,280	48,971,859	47,282,876	3.6%
Deferred inflow s of resources	2,313,368	2,281,804	1,158,605	1,152,931	3,471,973	3,434,735	1.1%
Net Position:							
Net investment in capital assets	22,312,641	15,413,218	34,173,489	32,860,787	56,486,130	48,274,005	17.0%
Restricted	8,828,169	7,534,152	768,876	704,932	9,597,045	8,239,084	16.5%
Unrestricted	5,456,715	1,125,256	7,813,811	6,188,324	13,270,526	7,313,580	81.5%
Total net position	\$ 36,597,525	\$ 24,072,626	\$ 42,756,176	\$ 39,754,043	\$ 79,353,701	\$ 63,826,669	24.3%

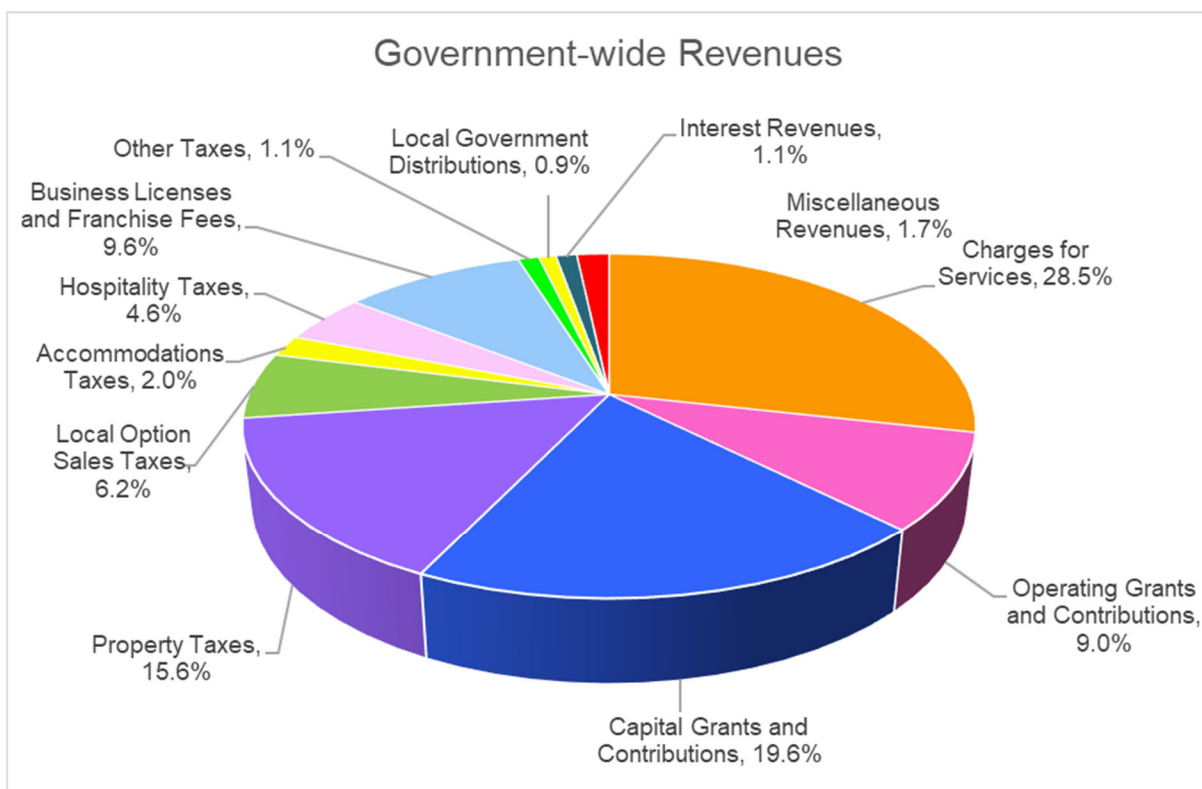
MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis (Continued)

By far the largest portion of the City's net position (71%) reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

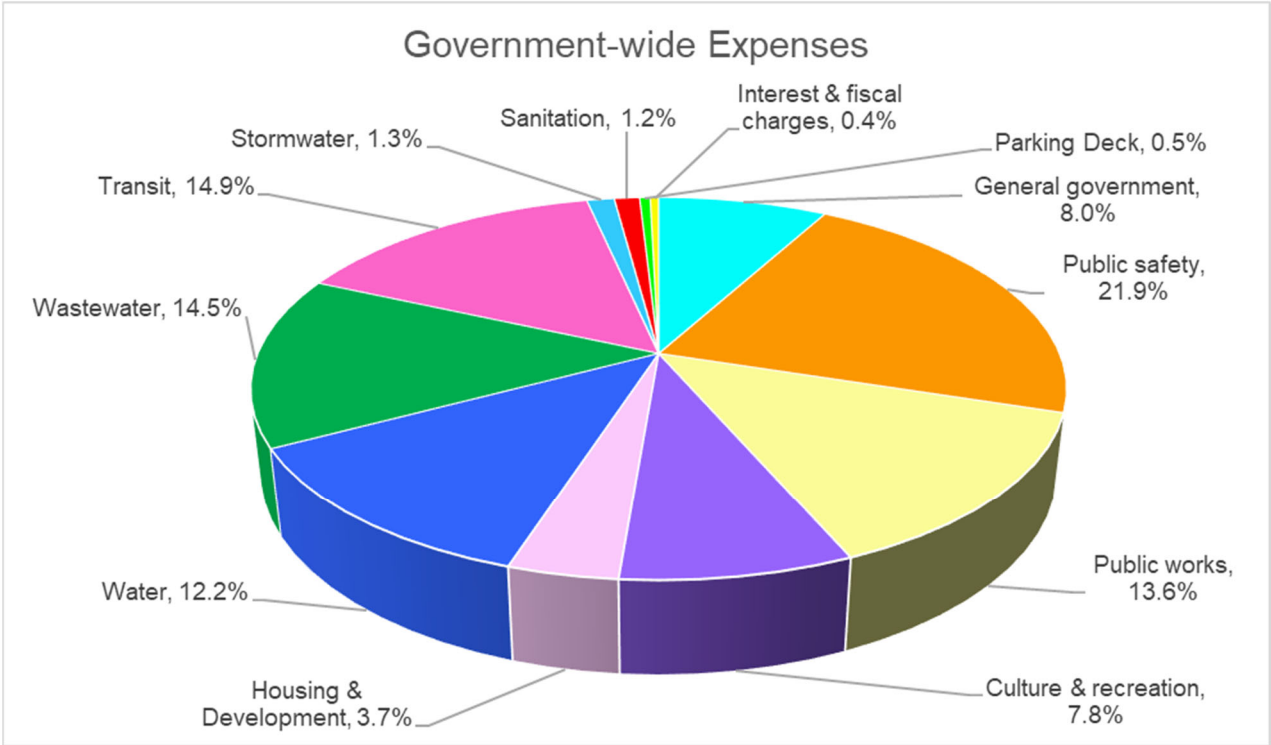
An additional portion of the City's net position (12%) represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the City is able to report positive balances in net position for governmental activities and business-type activities. The same situation held true for the prior fiscal year for both governmental activities and business-type activities.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis (Continued)



The City's total revenues increased by almost 35.1% to approximately \$45.3 million. This is primarily the result of an increase in charges for services, taxes, interest income, and the capital grant contributions in the governmental activities, along with the increase in charges for services in the business-type activities. Approximately 28.6% of the City's revenues are generated from charges for services. Additionally, approximately 15.6% is generated by property taxes, 28.6% from capital and operating grants and contributions, and 9.6% is generated by business license and franchise fees.

The total costs of all programs and services decreased by approximately \$9,800, or .03%. The City's expenses cover a wide range of services with approximately 27% related to water and sewer, 22% related to public safety, 15% related to transit, and 13.6% related to public works.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Clemson's Changes in Net Position

	Governmental Activities		Business-type Activities		Total		Percentage Change
	2023	2022	2023	2022	2023	2022	
Revenues:							
Program revenues:							
Charges for services	\$ 1,999,981	\$ 1,469,663	\$ 10,970,138	\$ 8,885,068	\$ 12,970,119	\$ 10,354,731	25.3%
Operating grants and contributions	270,632	307,590	3,814,018	5,394,924	4,084,650	5,702,514	-28.4%
Capital grants and contributions	7,913,740	201,081	978,074	753,693	8,891,814	954,774	831.3%
General revenues:							
Property taxes	7,059,969	6,669,110	-	-	7,059,969	6,669,110	5.9%
Local Option sales tax	2,804,449	2,482,871	-	-	2,804,449	2,482,871	13.0%
Accommodation tax	883,870	794,029	-	-	883,870	794,029	11.3%
Hospitality tax	2,070,894	1,929,030	-	-	2,070,894	1,929,030	100.0%
Business license and franchise fee tax	4,346,439	3,662,227	-	-	4,346,439	3,662,227	100.0%
Other taxes	502,764	264,935	-	-	502,764	264,935	100.0%
Local government distributions, not restricted for specific purposes	411,769	409,379	-	-	411,769	409,379	0.6%
Interest Income	459,164	1,963	59,700	-	518,864	1,963	26332.2%
Gain on sale of capital assets	255,788	793	97,161	21,864	352,949	22,657	1457.8%
Miscellaneous revenues	243,541	187,234	175,460	120,453	419,001	307,687	36.2%
Total revenues	29,223,000	18,379,905	16,094,551	15,176,002	45,317,551	33,555,907	35.1%
Current expenses:							
General government	2,374,059	3,328,231	-	-	2,374,059	3,328,231	-28.7%
Public safety	6,522,586	6,168,718	-	-	6,522,586	6,168,718	5.7%
Public works	4,043,129	3,630,014	-	-	4,043,129	3,630,014	11.4%
Culture and recreation	2,317,409	2,403,856	-	-	2,317,409	2,403,856	-3.6%
Housing and development	1,110,081	1,158,127	-	-	1,110,081	1,158,127	-4.1%
Interest and fiscal charges	132,493	141,386	-	-	132,493	141,386	-6.3%
Water	-	-	3,645,488	3,215,240	3,645,488	3,215,240	13.4%
Wastewater	-	-	4,313,785	4,293,729	4,313,785	4,293,729	0.5%
Transit	-	-	4,443,766	4,596,628	4,443,766	4,596,628	-3.3%
Stormwater	-	-	384,443	373,926	384,443	373,926	2.8%
Sanitation	-	-	358,978	346,934	358,978	346,934	3.5%
Parking Deck	-	-	144,302	143,522	144,302	143,522	0.5%
Total expenses	16,499,757	16,830,332	13,290,762	12,969,979	29,790,519	29,800,311	-0.03%
Increase (decrease) in net position, before transfers	12,723,243	1,549,573	2,803,789	2,206,023	15,527,032	3,755,596	
Transfers	(198,344)	(13,512)	198,344	13,512	-	-	
Increase (decrease) in net position	12,524,899	1,536,061	3,002,133	2,219,535	15,527,032	3,755,596	
Net position, beginning of year	24,072,626	22,536,565	39,754,043	37,534,508	63,826,669	60,071,073	
Net position, end of year	\$ 36,597,525	\$ 24,072,626	\$ 42,756,176	\$ 39,754,043	\$ 79,353,701	\$ 63,826,669	

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities.

Governmental activities increased the City's net position by \$12,524,899. The key elements of this increase are as follows:

- Increase in revenues from the capital grants and contributions of approximately \$7.7 million which is primarily due to the donation of roads and sidewalks valuing at \$6.7 million along with \$1.2 million in contributions to the Green Crescent Trail project.
- Increase in revenues from property taxes and local option sales taxes of approximately \$700,000, or 7.8%, primarily due to the increase in assessed values along with millage increase of 5.2 mills, or 6.5%.
- Increase of \$684,000, or 18.7%, in the revenues from business licenses and franchise fee taxes which is primarily due to the increase in the cost of goods and utilities due to inflation. Business licenses are calculated on gross receipts so the increase in the cost of goods sold has increased the business licenses collected.
- Increase of \$530,000, or 36%, in charges for services revenues which was due to a \$3 per month increase in the residential sanitation rate and an increase in program revenues.

Business-type Activities.

Revenue in the business-type activities is comprised of charges for services, which accounts for almost 68% of the total. Business-type activities increased the City's net position by \$3 million. The key elements of this increase are as follows:

- The Water Fund reported an increase in net position of \$1.7 million. The change was mostly due to an increase in the amount of capital contributions received which accounted for approximately \$598,000 of the change in net position, an increase in revenues from the charges for services in the amount of \$474,400, a \$218,400 increase in water impact fees, and an increase of \$325,000 in transfers from the ARPA Fund to cover capital projects costs.
- The Wastewater Fund reported an increase in net position of \$1.56 million. The change was mostly due to an increase in the amount of capital contributions received which accounted for approximately \$355,000 of the change in net position, an increase in revenues from the charges for services in the amount of \$747,600, a \$218,400 increase in wastewater impact fees, and an increase of \$325,000 in transfers from the ARPA Fund to cover capital projects costs.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Financial Analysis of the City's Funds

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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund

The General Fund is the chief operating fund of the City. At the end of the fiscal year ending June 30, 2023, the restricted fund balance was \$5,720 which is to be used for the upkeep of the Calhoun-Clemson monument; committed fund balance of the General Fund was \$2,345,839 for the paving of city streets, the Old Stone Church/Cherry Road project, the downtown streetscape project, and funding unground power line projects when feasible; and unassigned was \$12,773,779, while the total fund balance was \$15,125,338.

As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Restricted fund balance represents less than 1% of total general fund expenditures, committed fund balance represents 15.6%, unassigned fund balance represents 85%, while total fund balance represents 101% of that same amount.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As of June 30, 2023, unrestricted net position of the Water Fund was \$2,144,658, an increase of \$180,738; and this was primarily a result of a decrease in the net pension liability. The Sewer Fund unrestricted net position as of June 30, 2023, was \$2,610,641, which is an increase of \$794,401, and this was primarily due to the reduction in the net pension liability and outstanding bond debt. The Transit Fund unrestricted net position as of June 30, 2023, was \$1,201,064, an increase of \$637,662, which was the result of a decrease of \$281,805 in the net pension liability and an increase of approximately \$412,000 in due from other funds.

General Fund Budgetary Highlights

In the adopted 2023 budget, the General Fund's expenditures budget totaled \$16,403,500. For purposes of the annual financial report, excluding other financing sources, the original budgeted revenues were \$15,128,500, and the final \$15,128,500, with no change. At year end, General Fund actual revenues totaled \$17,019,975, which was \$1,891,4755 more than the final budget, not including transfers in and out. At year end, actual expenditures totaled \$15,020,417, creating a budget variance in total expenditures of \$1,383,083. The variance was due to total expenditures in all functions of the general fund being less than final budget with the only exceptions being in the debt service and non-departmental expenditures.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2023, amounts to \$77,596,682 (net of accumulated depreciation). This investment in capital assets includes land, other improvements, buildings, machinery and equipment, and infrastructure. Major capital asset transactions during the year included donated roads, sidewalks, and utility infrastructure along with the purchase of 9 new vehicles, a backhoe, land, and new utility projects. These projects include major water, stormwater, and wastewater rehabilitation being funded through the American Rescue Plan. The net increase (including additions and deductions) was \$7,007,088, or 9.93% above last year.

The City of Clemson's Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 3,071,814	\$ 2,749,512	\$ 916,826	\$ 515,066	\$ 3,988,640	\$ 3,264,578
Construction in progress	467,104	189,504	807,101	-	1,274,205	189,504
Buildings	12,521,795	12,915,533	5,725,183	5,898,731	18,246,978	18,814,264
Other improvements	10,225,052	3,688,432	33,923,608	33,849,445	44,148,660	37,537,877
Vehicles	511,392	638,709	-	-	511,392	638,709
Machinery and equipment	748,906	884,341	8,677,901	9,260,321	9,426,807	10,144,662
Total	\$ 27,546,063	\$ 21,066,031	\$ 50,050,619	\$ 49,523,563	\$ 77,596,682	\$ 70,589,594

Additional information on the City's capital assets can be found in Note 5 of this report.

Long-term Debt

As of June 30, 2023, the City has outstanding a total of \$5.1 million in general obligation bonds, \$11.4 million in revenue bonds, \$3.97 million in state revolving fund (SRF) loans, and \$705,000 in financed purchases. The general obligation bonds were issued to help finance a new fire station, the up-fit and repurpose for more office space in City Hall, the Littlejohn Community Center expansion, and the Police Station expansion project. The revenue bonds were issued to finance the wastewater treatment plant expansion, and the SRF loans were used to finance improvements to the water and wastewater infrastructure. The financed purchases were used for acquiring a sewer jet spray truck and a front loader garbage truck. The front loader garbage truck was received in FY 2023.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 5,118,732	\$ 5,481,308	\$ -	\$ -	\$ 5,118,732	\$ 5,481,308
Revenue Bonds	-	-	11,373,912	11,586,811	11,373,912	11,586,811
Financed Purchases	139,000	173,000	566,000	703,000	705,000	876,000
State Revolving Fund Loans	-	-	3,970,609	4,373,114	3,970,609	4,373,114
Total	\$ 5,257,732	\$ 5,654,308	\$ 15,910,521	\$ 16,662,925	\$ 21,168,253	\$ 22,317,233

Additional information on the City's long-term debt can be found in Note 6 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Future Outlook

The management of the City of Clemson holds the philosophy that in order to secure a fiscally stable municipal government the budget process should be a "team effort". Issues that are important in the budget process include (1) matching revenues with expenses for all funds of the City, (2) maintaining appropriate levels of liquid assets in order to meet cash flow requirements throughout the fiscal year, and (3) ensuring that City services are as cost effective as possible.

During the preparation of future budgets, the City will attempt to continue the high level of service that Clemson residents are accustomed to receiving. The City will also continue to promote the "team approach" in delivery of governmental services. Clemson has historically provided affordable services to its residents, and management believes that this trend will continue. The City's ad valorem tax rate of 85.7 mills actually translates to a "net ad valorem tax rate" of 57 mills with the local option sales tax credit factor taken into account. As a result, the City's tax rate compares quite favorably to other municipalities in both North and South Carolina.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Clemson, South Carolina, 1250 Tiger Blvd, Suite 2, Clemson, South Carolina 29631.

CITY OF CLEMSON, SOUTH CAROLINA

**STATEMENT OF NET POSITION
JUNE 30, 2023**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 36,751,606	\$ 625	\$ 36,752,231
Investments	9,727,751	-	9,727,751
Taxes receivable	280,933	-	280,933
Accounts receivable, net of allowances	777,070	962,772	1,739,842
Due from other governments	640,493	274,322	914,815
Lease receivable	287,582	-	287,582
Real estate held for resale	10,660	-	10,660
Internal balances	(13,205,672)	13,205,672	-
Inventories	-	411,596	411,596
Notes receivable	-	192,862	192,862
Restricted cash and cash equivalents	-	768,876	768,876
Capital assets:			
Right-to-use lease, net of accumulated amortization	34,202	6,418	40,620
Right-to-use subscriptions, net of accumulated amortization	242,528	212,774	455,302
Non-depreciable	3,538,918	1,723,927	5,262,845
Depreciable, net of accumulated depreciation	24,007,145	48,326,692	72,333,837
Total assets	63,093,216	66,086,536	129,179,752
DEFERRED OUTFLOWS OF RESOURCES			
Pension	1,680,662	937,119	2,617,781
Total deferred outflows of resources	1,680,662	937,119	2,617,781
LIABILITIES			
Accounts payable	1,466,179	-	1,466,179
Accrued liabilities	217,429	125,871	343,300
Unearned revenues	9,139,357	58,500	9,197,857
Other liabilities	-	834,368	834,368
Claims payable	164,908	-	164,908
Long-term liabilities:			
Due within one year	795,085	914,689	1,709,774
Due in more than one year	5,335,116	15,485,235	20,820,351
Other long-term liabilities due in more than one year:			
Net pension liability	8,744,911	5,690,211	14,435,122
Total liabilities	25,862,985	23,108,874	48,971,859
DEFERRED INFLOWS OF RESOURCES			
Pension	2,034,490	1,158,605	3,193,095
Lease receipts	278,878	-	278,878
Total deferred inflows of resources	2,313,368	1,158,605	3,471,973
NET POSITION			
Net investment in capital assets	22,312,641	34,173,489	56,486,130
Restricted for:			
Public safety	234,374	-	234,374
Culture and recreation	3,566,542	-	3,566,542
Housing and development	115,546	-	115,546
Tourism	1,065,138	-	1,065,138
Capital projects	3,275,739	-	3,275,739
Debt service	570,830	768,876	1,339,706
Unrestricted	5,456,715	7,813,811	13,270,526
Total net position	\$ 36,597,525	\$ 42,756,176	\$ 79,353,701

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

CITY OF CLEMSON, SOUTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital	Primary Government		
			Grants and Contributions	Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 2,374,059	\$ -	\$ 64,620	\$ -	\$ (2,309,439)	\$ -	\$ (2,309,439)
Public safety	6,522,586	616,701	27,893	-	(5,877,992)	-	(5,877,992)
Public works	4,043,129	1,017,870	-	6,715,900	3,690,641	-	3,690,641
Culture and recreation	2,317,409	365,410	178,119	1,197,840	(576,040)	-	(576,040)
Housing and development	1,110,081	-	-	-	(1,110,081)	-	(1,110,081)
Interest and fiscal charges on long-term debt	132,493	-	-	-	(132,493)	-	(132,493)
Total governmental activities	<u>16,499,757</u>	<u>1,999,981</u>	<u>270,632</u>	<u>7,913,740</u>	<u>(6,315,404)</u>	<u>-</u>	<u>(6,315,404)</u>
Business-type activities:							
Water	3,705,489	4,346,306	-	603,185	-	1,244,002	1,244,002
Wastewater	4,313,786	5,477,642	-	374,889	-	1,538,745	1,538,745
Transit	4,488,258	-	3,814,018	-	-	(674,240)	(674,240)
Stormwater	390,387	492,124	-	-	-	101,737	101,737
Sanitation	365,897	423,084	-	-	-	57,187	57,187
Parking Deck	164,077	230,982	-	-	-	66,905	66,905
Total business-type activities	<u>13,427,894</u>	<u>10,970,138</u>	<u>3,814,018</u>	<u>978,074</u>	<u>-</u>	<u>2,334,336</u>	<u>2,334,336</u>
Total primary government	<u>\$ 29,927,651</u>	<u>\$ 12,970,119</u>	<u>\$ 4,084,650</u>	<u>\$ 8,891,814</u>	<u>(6,315,404)</u>	<u>2,334,336</u>	<u>(3,981,068)</u>
General revenues:							
Property taxes					7,059,969	-	7,059,969
Local options sales tax					2,804,449	-	2,804,449
Accommodation tax					883,870	-	883,870
Hospitality tax					2,070,894	-	2,070,894
Business license and franchise fee tax					4,346,439	-	4,346,439
Other taxes					502,764	-	502,764
Local government distributions, not restricted for specific purposes					411,769	-	411,769
Interest income					459,164	196,831	655,995
Gain on sale of capital assets					255,788	97,161	352,949
Miscellaneous revenues					243,541	175,461	419,002
Transfers					(198,344)	198,344	-
Total general revenues and transfers					<u>18,840,303</u>	<u>667,797</u>	<u>19,508,100</u>
Change in net position					<u>12,524,899</u>	<u>3,002,133</u>	<u>15,527,032</u>
Net position, beginning of year					<u>24,072,626</u>	<u>39,754,043</u>	<u>63,826,669</u>
Net position, end of year					<u>\$ 36,597,525</u>	<u>\$ 42,756,176</u>	<u>\$ 79,353,701</u>

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

CITY OF CLEMSON, SOUTH CAROLINA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2023

	General Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 36,650,198	\$ -	\$ 87,617	\$ 36,737,815
Investments	9,727,751	-	-	9,727,751
Taxes receivable, net of allowances	261,998	-	18,935	280,933
Accounts receivable, net of allowances	589,197	-	163,476	752,673
Intergovernmental receivables	398,886	-	241,607	640,493
Lease receivable	287,582	-	-	287,582
Real estate held for resale	-	-	10,660	10,660
Due from other funds	54,144	8,162,991	8,424,889	16,642,024
Total assets	\$ 47,969,756	\$ 8,162,991	\$ 8,947,184	\$ 65,079,931
LIABILITIES				
Accounts payable	\$ 1,398,991	\$ -	\$ 67,188	\$ 1,466,179
Accrued liabilities	128,636	-	7,665	136,301
Unearned revenues	991,547	8,054,305	93,505	9,139,357
Due to other funds	29,836,615	-	54,144	29,890,759
Due to other governments	43,257	-	-	43,257
Total liabilities	32,399,046	8,054,305	222,502	40,675,853
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	166,494	-	12,033	178,527
Lease receipts	278,878	-	-	278,878
Total deferred inflows of resources	445,372	-	12,033	457,405
FUND BALANCES				
Restricted				
Public safety	-	-	234,374	234,374
Culture and recreation	5,720	-	3,560,822	3,566,542
Housing and development	-	-	115,546	115,546
Tourism	-	-	1,065,138	1,065,138
Capital projects	-	108,686	3,167,053	3,275,739
Debt service	-	-	570,830	570,830
Committed	2,345,839	-	-	2,345,839
Assigned	-	-	40,184	40,184
Unassigned	12,773,779	-	(41,298)	12,732,481
Total fund balances	15,125,338	108,686	8,712,649	23,946,673
Total liabilities, deferred inflows of resources, and fund balances	\$ 47,969,756	\$ 8,162,991	\$ 8,947,184	\$ 65,079,931

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

CITY OF CLEMSON, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances, end of year	\$	23,946,673
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		27,822,793
Other long term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. These amounts are:		
Property taxes		178,527
Deferred outflows of resources related to the recording of the net pension liability are recognized as expense over time and, therefore, are not reported in the funds.		1,680,662
Deferred inflows of resources related to the recording of the net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.		(2,034,490)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences	\$	(620,049)
Lease payable		(33,240)
Subscriptions payable		(219,180)
General obligation bonds		(5,118,732)
Financed purchases		(139,000)
Net pension liability		(8,744,911)
Total long-term liabilities		(14,875,112)
The internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.		(83,657)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(37,871)
Net position of governmental activities, end of year	\$	36,597,525

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

CITY OF CLEMSON, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 6,650,454	\$ -	\$ 469,102	\$ 7,119,556
Local option sales taxes	2,615,429	-	189,020	2,804,449
Local accommodations taxes	-	-	412,769	412,769
Local hospitality taxes/fees	-	-	2,070,894	2,070,894
Licenses and permits	4,346,439	-	-	4,346,439
Intergovernmental	1,128,981	457,382	620,743	2,207,106
Charges for services	1,632,380	-	123,309	1,755,689
Fines and forfeitures	244,292	-	-	244,292
Interest income	288,424	108,686	62,054	459,164
Contributions	-	-	647,000	647,000
Miscellaneous	113,576	-	129,965	243,541
Total revenues	17,019,975	566,068	4,724,856	22,310,899
Expenditures:				
Current:				
General government	3,051,717	-	-	3,051,717
Public safety	6,166,366	-	114,826	6,281,192
Public works	2,377,534	-	14,970	2,392,504
Culture and recreation	1,554,810	-	679,172	2,233,982
Housing and development	1,087,399	-	22,682	1,110,081
Tourism	-	-	461,684	461,684
Non-departmental	4,819	-	-	4,819
Capital outlay	615,559	-	791,948	1,407,507
Debt service:				
Principal retirement	160,102	-	367,451	527,553
Interest	2,111	-	132,904	135,015
Total expenditures	15,020,417	-	2,585,637	17,606,054
Excess of revenues over expenditures	1,999,558	566,068	2,139,219	4,704,845
Other financing sources (uses):				
Issuance of subscription liabilities	172,702	-	-	172,702
Issuance of lease liabilities	11,652	-	-	11,652
Transfers in	1,596,538	-	780,174	2,376,712
Transfers out	(267,923)	(457,382)	(1,849,751)	(2,575,056)
Sale of capital assets	257,313	-	3,500	260,813
Total other financing sources (uses), net	1,770,282	(457,382)	(1,066,077)	246,823
Net change in fund balances	3,769,840	108,686	1,073,142	4,951,668
Fund balances, beginning of year	11,355,498	-	7,639,507	18,995,005
Fund balances, end of year	\$ 15,125,338	\$ 108,686	\$ 8,712,649	\$ 23,946,673

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

CITY OF CLEMSON, SOUTH CAROLINA

**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, 2023**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 4,951,668

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 and amortization expense. This is the amount by which depreciation and amortization exceeded capital outlays in the current period.

Capital outlays	\$	1,479,363	
Amortization expense		(119,739)	
Depreciation expense		<u>(1,514,275)</u>	(154,651)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position. 6,710,875

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes (59,587)

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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of subscription liabilities	\$	(172,702)	
Issuance of lease liabilities		(11,652)	
Repayment of the principal of long-term debt		<u>527,553</u>	343,199

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	\$	5,263	
Accrued interest on long-term debt		2,522	
Net pension liability, net of related deferred outflows and inflows of resources		<u>781,468</u>	789,253

The internal service fund is used by management to charge the cost of insurance to individual funds. The net revenue of certain activities of the internal service fund are included in governmental activities in the Statement of Net Position.

(55,858)

Change in net position of governmental activities \$ 12,524,899

CITY OF CLEMSON, SOUTH CAROLINA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	Water Fund	Wastewater Fund	Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ 300	\$ 150	\$ 175	\$ -	\$ 625	\$ 13,791
Accounts receivable, net of allowances	394,550	479,480	-	88,742	962,772	24,397
Inventory	215,467	10,820	147,287	38,022	411,596	-
Due from other funds	3,740,606	4,096,962	3,355,455	2,296,783	13,489,806	43,063
Due from other governments	-	-	274,322	-	274,322	-
Notes receivable, current portion	11,908	-	-	-	11,908	-
Total current assets	<u>4,362,831</u>	<u>4,587,412</u>	<u>3,777,239</u>	<u>2,423,547</u>	<u>15,151,029</u>	<u>81,251</u>
NONCURRENT ASSETS						
Restricted cash and cash equivalents	426,503	342,373	-	-	768,876	-
Notes receivable	180,954	-	-	-	180,954	-
Capital assets:						
Right-to-use lease, net of accumulated amortization	1,951	1,951	565	1,951	6,418	-
Right-to-use subscription, net of accumulated amortization	36,485	35,786	102,133	38,370	212,774	-
Non-depreciable	459,947	811,659	95,573	356,748	1,723,927	-
Depreciable, net of accumulated depreciation	8,865,646	28,383,213	9,401,341	1,676,492	48,326,692	-
Total noncurrent assets	<u>9,971,486</u>	<u>29,574,982</u>	<u>9,599,612</u>	<u>2,073,561</u>	<u>51,219,641</u>	<u>-</u>
Total assets	<u>14,334,317</u>	<u>34,162,394</u>	<u>13,376,851</u>	<u>4,497,108</u>	<u>66,370,670</u>	<u>81,251</u>
DEFERRED OUTFLOWS OF RESOURCES						
Pension	184,691	294,239	392,061	66,128	937,119	-
Total deferred outflows of resources	<u>184,691</u>	<u>294,239</u>	<u>392,061</u>	<u>66,128</u>	<u>937,119</u>	<u>-</u>
LIABILITIES						
CURRENT LIABILITIES						
Accrued liabilities	49,615	23,551	19,998	7,061	100,225	-
Unearned revenue	-	-	-	58,500	58,500	-
Other accrued liabilities	820,180	-	-	14,188	834,368	-
Due to other funds	240,577	4	-	43,553	284,134	-
Accrued vacation	26,718	22,044	20,724	6,415	75,901	-
Claims payable	-	-	-	-	-	164,908
Accrued interest payable	16,780	8,866	-	-	25,646	-
Current portion of revenue bonds payable	265,852	361,969	-	-	627,821	-
Current portion of financed purchases	-	85,000	-	54,000	139,000	-
Current portion of leases payable	452	451	343	451	1,697	-
Current portion of subscriptions payable	14,855	13,976	26,397	15,042	70,270	-
Total current liabilities	<u>1,435,029</u>	<u>515,861</u>	<u>67,462</u>	<u>199,210</u>	<u>2,217,562</u>	<u>164,908</u>
NONCURRENT LIABILITIES						
Accrued vacation, net of current portion	80,153	66,131	62,173	19,244	227,701	-
Revenue bonds payable, net of current portion	2,833,376	11,883,324	-	-	14,716,700	-
Financed purchases, net of current portion	-	261,000	-	166,000	427,000	-
Leases payable, net of current portion	1,547	1,549	-	1,548	4,644	-
Subscriptions payable, net of current portion	16,196	15,315	62,067	15,612	109,190	-
Net pension liability	1,121,447	1,786,630	2,380,606	401,528	5,690,211	-
Total noncurrent liabilities	<u>4,052,719</u>	<u>14,013,949</u>	<u>2,504,846</u>	<u>603,932</u>	<u>21,175,446</u>	<u>-</u>
Total liabilities	<u>5,487,748</u>	<u>14,529,810</u>	<u>2,572,308</u>	<u>803,142</u>	<u>23,393,008</u>	<u>164,908</u>
DEFERRED INFLOWS OF RESOURCES						
Pension	228,348	363,784	484,735	81,738	1,158,605	-
Total deferred inflows of resources	<u>228,348</u>	<u>363,784</u>	<u>484,735</u>	<u>81,738</u>	<u>1,158,605</u>	<u>-</u>
NET POSITION (DEFICIT)						
Net investment in capital assets	6,231,751	16,610,025	9,510,805	1,820,908	34,173,489	-
Restricted for debt service	426,503	342,373	-	-	768,876	-
Unrestricted	2,144,658	2,610,641	1,201,064	1,857,448	7,813,811	(83,657)
Total net position (deficit)	<u>\$ 8,802,912</u>	<u>\$ 19,563,039</u>	<u>\$ 10,711,869</u>	<u>\$ 3,678,356</u>	<u>\$ 42,756,176</u>	<u>\$ (83,657)</u>

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

CITY OF CLEMSON, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Water Fund	Wastewater Fund	Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
OPERATING REVENUE						
Charges for service	\$ 3,997,464	\$ 4,694,496	\$ -	\$ 1,134,226	\$ 9,826,186	\$ -
Impact fees	305,144	728,570	-	-	1,033,714	-
Late fees	43,698	54,576	-	11,964	110,238	-
Employer contributions	-	-	-	-	-	1,412,018
Employee contributions	-	-	-	-	-	477,891
Miscellaneous income	71,664	61,066	-	3,327	136,057	102,991
Total operating revenues	<u>4,417,970</u>	<u>5,538,708</u>	<u>-</u>	<u>1,149,517</u>	<u>11,106,195</u>	<u>1,992,900</u>
OPERATING EXPENSES						
Personnel	999,626	1,480,368	1,987,767	337,793	4,805,554	-
Supplies	524,955	352,826	517,592	148,998	1,544,371	-
Purchased services	1,689,136	1,193,530	677,666	242,728	3,803,060	-
Claims expense	-	-	-	-	-	2,048,758
Depreciation expense	410,047	1,029,078	1,272,171	173,832	2,885,128	-
Amortization expense	10,505	9,869	33,062	11,486	64,922	-
Other operating expenses	2,005	7,587	-	1,573	11,165	-
Total operating expenses	<u>3,636,274</u>	<u>4,073,258</u>	<u>4,488,258</u>	<u>916,410</u>	<u>13,114,200</u>	<u>2,048,758</u>
Operating income (loss)	<u>781,696</u>	<u>1,465,450</u>	<u>(4,488,258)</u>	<u>233,107</u>	<u>(2,008,005)</u>	<u>(55,858)</u>
NONOPERATING REVENUES (EXPENSES)						
Interest income	60,001	59,700	44,492	32,638	196,831	-
Gain on sale of capital assets	67,136	-	2,525	27,500	97,161	-
Interest expense	(69,215)	(240,528)	-	(3,951)	(313,694)	-
Miscellaneous income	-	-	39,404	-	39,404	-
Intergovernmental	5,004	20,171	3,814,018	-	3,839,193	-
Total nonoperating revenues (expenses), net	<u>62,926</u>	<u>(160,657)</u>	<u>3,900,439</u>	<u>56,187</u>	<u>3,858,895</u>	<u>-</u>
Income (loss) before capital contributions and transfers	844,622	1,304,793	(587,819)	289,294	1,850,890	(55,858)
CAPITAL CONTRIBUTIONS	<u>598,181</u>	<u>354,718</u>	<u>-</u>	<u>-</u>	<u>952,899</u>	<u>-</u>
TRANSFERS						
Transfers in	353,042	70,219	-	49,121	472,382	-
Transfers out	(91,835)	(165,879)	(8,900)	(7,424)	(274,038)	-
Total transfers	<u>261,207</u>	<u>(95,660)</u>	<u>(8,900)</u>	<u>41,697</u>	<u>198,344</u>	<u>-</u>
Change in net position	1,704,010	1,563,851	(596,719)	330,991	3,002,133	(55,858)
Total net position (deficit), beginning of year	<u>7,098,902</u>	<u>17,999,188</u>	<u>11,308,588</u>	<u>3,347,365</u>	<u>39,754,043</u>	<u>(27,799)</u>
Total net position (deficit), end of year	<u>\$ 8,802,912</u>	<u>\$ 19,563,039</u>	<u>\$ 10,711,869</u>	<u>\$ 3,678,356</u>	<u>\$ 42,756,176</u>	<u>\$ (83,657)</u>

CITY OF CLEMSON, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Water Fund	Wastewater Fund	Transit Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 4,444,997	\$ 5,492,797	\$ -	\$ 1,189,645	\$ 11,127,439	\$ 1,991,303
Payments to suppliers	(2,360,965)	(2,209,462)	(3,176,830)	(425,650)	(8,172,907)	-
Payments to employees	(1,061,132)	(1,574,182)	(689,283)	(358,256)	(3,682,853)	(2,089,963)
Net cash provided by (used in) operating activities	<u>1,022,900</u>	<u>1,709,153</u>	<u>(3,866,113)</u>	<u>405,739</u>	<u>(728,321)</u>	<u>(98,660)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	353,042	70,219	-	49,121	472,382	-
Transfers out	(91,835)	(165,879)	(8,900)	(7,424)	(274,038)	-
Intergovernmental receipts	-	-	3,859,444	-	3,859,444	-
Other nonoperating income	-	-	39,404	-	39,404	-
Net cash provided by (used in) noncapital financing activities	<u>261,207</u>	<u>(95,660)</u>	<u>3,889,948</u>	<u>41,697</u>	<u>4,097,192</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of capital assets	(1,655,163)	(1,302,552)	(24,000)	(430,469)	(3,412,184)	-
Purchases of right-to-use subscriptions	(2,160)	(2,339)	(461)	(3,460)	(8,420)	-
Proceeds from the sale of capital assets	67,136	-	2,525	27,500	97,161	-
Principal paid on financed purchases	-	(83,000)	-	(54,000)	(137,000)	-
Principal paid on revenue bonds	(260,251)	(355,153)	-	-	(615,404)	-
Principal paid on leases payable	(331)	(719)	(4,104)	(331)	(5,485)	-
Principal paid on subscriptions payable	(13,400)	(13,209)	(42,287)	(15,363)	(84,259)	-
Capital contributions	598,181	354,718	-	-	952,899	-
Capital grants received	5,004	20,171	-	-	25,175	-
Interest and agent fees paid	(70,605)	(239,685)	-	(3,951)	(314,241)	-
Net cash used in and related financing activities	<u>(1,331,589)</u>	<u>(1,621,768)</u>	<u>(68,327)</u>	<u>(480,074)</u>	<u>(3,501,758)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	60,001	59,700	44,492	32,638	196,831	-
Net cash provided by investing activities	<u>60,001</u>	<u>59,700</u>	<u>44,492</u>	<u>32,638</u>	<u>196,831</u>	<u>-</u>
Net change in cash	12,519	51,425	-	-	63,944	(98,660)
Cash and cash equivalents, beginning of year	414,284	291,098	175	-	705,557	112,451
Cash and cash equivalents, end of year	<u>\$ 426,803</u>	<u>\$ 342,523</u>	<u>\$ 175</u>	<u>\$ -</u>	<u>\$ 769,501</u>	<u>\$ 13,791</u>
Classified as:						
Cash and cash equivalents	\$ 300	\$ 150	\$ 175	\$ -	\$ 625	\$ 13,791
Restricted assets, cash	426,503	342,373	-	-	768,876	-
	<u>\$ 426,803</u>	<u>\$ 342,523</u>	<u>\$ 175</u>	<u>\$ -</u>	<u>\$ 769,501</u>	<u>\$ 13,791</u>

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

CITY OF CLEMSON, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Transit Fund</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Fund</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
Operating income (loss)	\$ 781,696	\$ 1,465,450	\$ (4,488,258)	\$ 233,107	\$ (2,008,005)	\$ (55,858)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	410,047	1,029,078	1,272,171	173,832	2,885,128	-
Amortization	10,505	9,869	33,062	11,486	64,922	-
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	15,413	(45,911)	-	1,798	(28,700)	(24,397)
(Increase) decrease in inventory	199,396	27,044	(20,031)	(16,552)	189,857	-
(Increase) decrease in due from other funds	(438,810)	(579,389)	(412,095)	19,423	(1,410,871)	22,800
Decrease in notes receivable	11,614	-	-	-	11,614	-
Decrease in deferred outflow of resources	31,680	50,471	67,250	11,343	160,744	-
Decrease in accounts payable	-	(8,558)	(1,691)	-	(10,249)	(2,081)
Increase in accrued liabilities	(27,020)	(36,681)	(43,633)	(8,603)	(115,937)	-
Increase (decrease) in other liabilities	28,095	-	-	(417)	27,678	-
Decrease in claims payable	-	-	-	-	-	(39,124)
Increase in unearned revenue	-	-	-	30	30	-
Increase in due to other funds	115,393	4	-	23,339	138,736	-
Increase in accrued vacation	16,524	7,487	6,544	4,084	34,639	-
Decrease in net pension liability	(132,751)	(211,493)	(281,805)	(47,532)	(673,581)	-
Increase in deferred inflows or resources	1,118	1,782	2,373	401	5,674	-
Net cash provided by (used in) operating activities	<u>\$ 1,022,900</u>	<u>\$ 1,709,153</u>	<u>\$ (3,866,113)</u>	<u>\$ 405,739</u>	<u>\$ (728,321)</u>	<u>\$ (98,660)</u>
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES						
Contributions of capital assets	<u>\$ 598,181</u>	<u>\$ 354,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 952,899</u>	<u>\$ -</u>
	<u>\$ 598,181</u>	<u>\$ 354,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 952,899</u>	<u>\$ -</u>

CITY OF CLEMSON, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Clemson, South Carolina (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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 of Clemson was created in 1943 after the freeholders voted to change the name from Calhoun to Clemson. Calhoun was founded sometime before 1900. Currently the City operates under a council form of government with an elected mayor and six council members.

The accompanying financial statements present the government and its component units, which are entities for which the City is considered financially accountable. Blended component units are legally separate entities albeit, in substance, part of the primary government and, therefore are included with data of the primary government. Discretely presented component units are presented separately to emphasize legal separation from the primary government. The City is comprised of the various departments of the General Fund, the Proprietary Funds (water, stormwater, wastewater, sanitation, transit, and parking deck), the Debt Service Funds, the Capital Projects Fund, and various other Special Revenue Funds. There are no blended or discretely presented component units included in these financial statements. No entities are excluded that would make the financial statements misleading.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all the activities of the primary government. 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 support.

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 or contributions that are restricted to meeting the operational requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported 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.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Financial Statement 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 have been met.

Governmental fund 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 government considers revenues to be available if collected within 60 days of the fiscal year end. Expenditures are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, leases, subscription-based information technology arrangements and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal year 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 government.

The government 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 **American Rescue Plan Act Fund** is used to account for monies collected from the U.S. Department of Treasury for COVID-19 Relief.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government reports the following major proprietary funds:

The **Water Fund** accounts for charges to users for water services and the cost of the operations of the system.

The **Wastewater Fund** accounts for charges to users for sewer services and the cost of operations of the system.

The **Transit Fund** accumulates costs and expenses of providing a transit system to the City of Clemson, Clemson University, and surrounding areas.

Additionally, the City reports the following fund types:

Special Revenue Funds are used to account for the proceeds of specific revenues that are restricted for specific expenditures other than special assessments, expendable trusts, or major capital projects.

Capital Projects Funds are used to account for major capital projects funded by issuance of general obligation bonds, tax increment bonds, and other financing sources.

Debt Service Funds are used to account for the accumulation of resources and payment of general obligation and the tax increment financing bonds principal and interest from governmental resources.

Proprietary Funds are used to account for those operations that are financed and operated in a manner similar to private business.

Internal Service Funds are used to account for the central management and billing of health and dental insurance.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column. However, interfund services provided and used are not eliminated in the process of consolidation.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Amounts reported as program revenues include (1.) Charges to customers or applicants for goods, services, or privileges provided, (2.) Operating grants and contributions, and (3.) Capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, all taxes are general revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's primary ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. The water and wastewater funds also recognize as operating revenue impact fees intended to recover the cost of connecting new customers to the system.

Operating expenses for the proprietary funds include the costs of utility purchases and services, administrative expenses and asset depreciation. All revenues and expenses not meeting this definition are reported as nonoperating.

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 and Budgetary Accounting

Budgets are adopted on a basis consistent with GAAP. Annual budgets and supplementary budget appropriations are legally adopted for the General Fund, American Rescue Plan Act Fund, Local Accommodations Tax Fund, Local Hospitality Tax Fund, Local Hospitality Fee Fund, Emergency Telephone System Fund, Tourism Fund, Park Land Fund, Public Arts Fund, 12 Mile Park Fund, Debt Service Fund, and Debt Service Hospitality Fund. The Community Development Fund adopted a project length budget instead of an annual budget.

The City does not adopt a formal budget for the capital project funds; therefore, no budget comparison is presented for these funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Cash and Cash Equivalents and Investments

For purposes of financial statement presentation, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Cash equivalents include amounts in certificates of deposit and money market funds. Cash and cash equivalents are stated at cost which approximates fair value.

Investments are reported at fair value which is determined as follows: short-term investments are reported at cost, which approximates fair value; securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates; securities for which an established market does not exist are reported at the estimated fair value using selling prices for similar investments for which there is an active market. Increases or decreases in the fair value during the year are recognized as a component of interest income.

Certain resources in the City's proprietary funds are classified as restricted on the Statement of Net Position because they are maintained in separate bank accounts as required by certain bond covenants. The 2005 Water A, 2005 Water B, 2015 Water State Revolving Fund Trustee Account, and 2009 and 2014 Wastewater State Revolving Fund Trustee Accounts are used to segregate resources accumulated for debt service payments over the next twelve months for each of the respective revenue bonds.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Estimated unbilled revenues from utilities are recognized at the end of each fiscal year on a pro rata basis. The unbilled amount is based on billings during the two months following the close of the fiscal year. The allowance for bad debts covers amounts owed from individuals, companies and other entities which have purchased services from City-owned entities or which have been provided services from the City. The allowance was determined by analysis of the year end receivable balances for those accounts which the City believes will not be collected based on past history.

G. Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year, as well as all other outstanding balances between funds, are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories

Proprietary fund inventories consist of construction materials and expendable supplies and are recorded at cost in a perpetual inventory system.

J. Capital Assets, Right-to-use Lease Assets, and Right-to-use Subscriptions

Capital assets, which include property, plant, equipment, right-to-use lease assets, right-to-use subscriptions, and infrastructure, (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The City qualifies as a phase 3 government for reporting major general infrastructure assets and therefore elects to record such assets prospectively. However, with the exception of several subdivisions, the City has been tracking the cost and depreciation of its infrastructure since 1973 and such assets are reflected in the accompanying financial statements.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Costs of major additions and improvements are capitalized as projects are constructed.

Capital assets of the primary government are depreciated/amortized using the straight-line method over the following useful lives:

Buildings	40 years
Building improvements	40 years
Public domain infrastructure	50 years
System infrastructure	30 years
Vehicles	5 - 12 years
Right-to-use lease vehicles	5 - 12 years
Office equipment	5 years
Right-to-use lease equipment	5 years
Right-to-use subscription assets	5 years
Computer equipment	5 years

K. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences (Continued)

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Compensated absences are typically funded by the General Fund.

L. Leases

Lessee

The City is a lessee for noncancellable leases of land, equipment, and vehicles. The City recognizes a lease liability and an intangible right-to-use lease asset in the Proprietary Funds Balance Sheet and 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 the shorter of the lease term or the useful life of the underlying asset.

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated 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 other capital assets and lease liabilities are reported with long-term liabilities on the Statement of Net Position and the Governmental Funds Balance Sheet.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Leases (Continued)

Lessor

The City is a lessor for noncancellable leases of infrastructure and equipment. The City recognizes a lease receivable and deferred inflow of lease receipts in the Governmental Funds Balance Sheet and the government-wide 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.

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 stated interest rate as the discount rate. When the interest rate 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 receivable are composed of fixed payments and purchase option prices that the lessee is reasonably certain to exercise.

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

Deferred inflows of lease receipts are reported with deferred inflows of resources and lease receivables are reported with assets on the Statement of Net Position.

M. Subscription-Based Information Technology Arrangements (SBITAs)

The City has noncancellable SBITAs of various IT software. The City recognizes a subscription liability and an intangible right-to-use subscription asset in the Proprietary Funds Balance Sheet and the government-wide financial statements. The City recognizes subscription liabilities with an initial, individual value of \$2,000 or more.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability reduced by the principal portion of the SBITA payments made.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain implementation and conversion costs. Subsequently, the subscription 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) 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 generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the subscription 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 SBITA and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term liabilities on the Statement of Net Position and the Proprietary Funds Balance Sheet.

N. Long-term Obligations

In the government-wide and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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 the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for *deferred outflows of resources*. This separate financial statement element 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 had five (5) items that qualified for reporting in this category, all relating to the City's pension plan. (1) Experience gains result from periodic studies by the City's actuary, which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. (2) Changes in actuarial assumptions adjust the net pension liability and are amortized into pension expense over the expected remaining service lives of plan members. (3) The differences between projected investment return on pension investments and actual return on those investments, which are deferred and amortized against pension expense over a five-year period. (4) The changes in the City's proportionate share of the collective net pension liability and differences between actual employer contributions and proportionate share of the total plan employer contributions, and (5) The contributions made by the City to the pension plan subsequent to the plan's measurement date and prior to the City's fiscal year end are deferred and amortized against pension expense in subsequent years.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has five (5) items that qualify for reporting in this category, two of which arise only under the modified accrual basis of accounting. Accordingly, the items, *unavailable revenue*, are reported only in the Governmental Funds Balance Sheet. The governmental funds report unavailable revenues from (1) property taxes and (2) intergovernmental grant revenues and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The third (3) item, deferred inflows from lease receipts, are reported in the Government Funds Balance Sheet as well as the government-wide Statement of Net Position. The other two (2) items, (4) experience gains from periodic studies by the City's pension plan's actuary, and (5) the changes in proportionate differences in contribution rates for the City's pension plan

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. 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 Balance – Generally, fund balance represents the difference between the assets and liabilities 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:

- **Nonspendable** – Fund balances are reported as nonspendable 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. The City Council has authorized the City Administrator to assign fund balances.
- **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.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity (Continued)

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 assets, net of accumulated depreciation, 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 is available.

Q. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

R. Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting, regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, or the City's proportionate share thereof in the case of a cost-sharing multiple employer plan, measured one year prior to the City's June 30, 2023 fiscal year end. Changes in the net pension liability during the period are recorded as pension expenses, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. LEGAL COMPLIANCE - BUDGETS

Budgets and Budgetary Accounting

Annual budgets and supplementary budget appropriations are adopted by ordinance by the City Council providing for operations and capital expenditures of the City. The budget is prepared by function and activity within an individual fund; and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. All budgets are required to have two readings before being enacted into law.

Revisions that alter the total expenditures of any department or any fund must be approved by City Council. Internal budget amendment documents are prepared for budget transfers.

Budgeted amounts as presented have been amended by City Council on various dates. Individual amendments were not material in relation to original appropriations. Supplementary appropriations were made during the current year.

Departmental budget variances greater than 10% or \$10,000, whichever is smaller, must be approved by City Council. The Community Development Fund receives block grant entitlements, which are mandated by project budgets that extend over several accounting periods. Therefore, budget control is exercised by project. All other Special Revenue funds have annual budgets. During the current year none of the Special Revenue fund budgets were revised, therefore, there are no separate columns for the original and final budgets for the individual fund statements.

Budgets for the General, Special Revenue, and Debt Service funds are adopted on a basis consistent with generally accepted accounting principles. Budgetary appropriations lapse at year end.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

Excess of Expenditures over Appropriations

For the year ended June 30, 2023, expenditures exceeded budget, as follows:

Fund/Department	Excess
General Fund	
General government - administration	\$ 42,552
Public safety - fire	2,307
Nondepartmental	4,819
Debt service - principal retirement	126,102
Community Development Fund	
Housing and development	10,182
Capital outlay	2,000
Local Hospitality Tax Fund	
Public services	2,431
Tourism	3,034
Debt service - principal retirement	4,875
Park Land Fund	
Capital outlay	320,301
12 Mile Park Fund	
Capital outlay	12,758

The over expenditures in the General Fund were funded by under expenditures in other departments. The over expenditures in the Community Development Fund, the Local Hospitality Tax Fund, the Park Land Fund, and the 12 Mile Park Fund will be funded by fund balance, future revenues, and by under expenditures in other departments.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS

Total deposits and investments as of June 30, 2023, are summarized as follows:

Statement of Net Position:

Cash and cash equivalents	\$ 36,752,231
Investments	9,727,751
Restricted cash and cash equivalents	768,876
	\$ 47,248,858
Cash deposited with financial institutions	\$ 16,240,045
Investments - Government Agencies	2,392,666
Investments - US Treasury	6,546,960
Investments - Certificates of Deposit	339,559
Investments - Federated Hermes Fund	448,566
South Carolina Local Government Investment Pool	21,281,062
	\$ 47,248,858

At June 30, 2023, the City's pooled cash and investments included demand deposits and the South Carolina Local Government Investment Pool (LGIP). The LGIP is an investment mechanism authorized by the South Carolina State Legislature and is not registered with the SEC as an investment company. There is no regulatory oversight of the pool. The pool's primary objective is to acquire maximum returns on investments by pooling available funds with funds from other political subdivisions. The total fair value of the investment pool is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1. Investments in the pool are stated at fair value which approximates cost.

Under State law, the City is authorized to hold funds in deposit accounts with banking institutions and invest funds in the following items: obligations of the United States and agencies thereof, obligations of the State of South Carolina of any of its political units, banks and savings and loan associations to the extent insured by an agency of the federal government, and/or certificates of deposit where the certificates are federally insured or collaterally secured by collateral of the types in the previously mentioned items.

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or 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, 2023, all of the City's deposits were covered by federal depository insurance or by collateral held in the pledging financial institutions' trust department in the City's name.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk: The City's investment policy allows for investments in the LGIP. As of June 30, 2023, the underlying security ratings of the City's investment in the LGIP may be obtained from the LGIP's complete financial statements. This investment pool does not have a credit quality rating assigned. These financial statements may be obtained by writing to the State Treasurer's Office, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211. Additionally, the City may invest in obligations of the United States, obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, Bank of Cooperatives, Federal Intermediate Credit Bank, Federal Land Banks, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, Federal Housing Administration, and Farmer's Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise issued by at least two nationally recognized credit organizations.

The City's investments of \$8,939,626 in various U.S. Treasury and Agency securities were rated AAA by Standard and Poor's and Aaa or better by Moody's Investors Services.

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of June 30, 2023, the City's exposure to interest rate risk and credit risk regarding its investments is as follows:

Investment Type	Fair Value	Investment Maturities (in Years)					Rating
		Less than 1	1 - 5	6 - 10	11 - 15	16 - 20	
Federated Hermes Fund	\$ 448,566	\$ 448,566	\$ -	\$ -	\$ -	\$ -	N/A
Certificates of Deposit	339,559	99,235	240,324	-	-	-	N/A
U.S. Agencies	2,392,666	220,026	605,706	813,815	425,519	327,600	AAA
U.S. Treasuries	6,546,960	1,479,091	5,067,869	-	-	-	AAA
Total	<u>\$ 9,727,751</u>	<u>\$ 2,246,918</u>	<u>\$ 5,913,899</u>	<u>\$ 813,815</u>	<u>\$ 425,519</u>	<u>\$ 327,600</u>	

Fair Value Measurement: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as of June 30, 2023:

Investment	Level 1	Level 2	Fair Value
U.S. Agencies	\$ 677,369	\$ 1,715,297	\$ 2,392,666
U.S. Treasuries	6,546,960	-	6,546,960
Total investments measured at fair value	<u>\$ 7,224,329</u>	<u>\$ 1,715,297</u>	<u>\$ 8,939,626</u>

The debt securities comprised of U.S. Agency securities and U.S. Treasury Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments.

The debt securities comprised of U.S. Agency and U.S. Treasury securities classified in Level 2 of the fair value hierarchy are valued using a pricing matrix technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The City has no investments classified in Level 3 of the fair value hierarchy.

The City holds investments in certificates of deposit and a Federal Hermes Mutual Fund at June 30, 2023, that are recorded at amortized cost and therefore are not classified in the fair value hierarchy. The LGIP 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 position in the LGIP within the fair value hierarchy.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributable to the magnitude of the City's investment in a single issuer. This risk is mitigated by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. The City has no formal policy regarding concentration of credit risk.

NOTE 4. RECEIVABLES

Property taxes, the primary source of revenue for the General, Park Land, and Debt Service Funds, are collected for the City by the Pickens County Treasurer. The property tax calendar is as follows:

Lewy	on October 1st on all real and personal property (except vehicles) based on the assessment of the preceding January 1st
Tax Due	on or before January 15th
Penalty	3% after January 15th 7% additional after February 1st
Liens	liens are filed upon execution after March 16th with an additional 5% penalty
Property Sales	on delinquent property held in year after year of levy
Motor Vehicles	monthly, assessed and collected in advance of vehicle registration with motor vehicle department

NOTES TO FINANCIAL STATEMENTS

NOTE 4. RECEIVABLES (CONTINUED)

Receivables at June 30, 2023, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Nonmajor Governmental Funds	Water Fund	Wastewater Fund
Receivables:				
Taxes	\$ 275,788	\$ 20,157	\$ -	\$ -
Accounts	591,835	163,476	402,587	496,046
Intergovernmental	398,886	241,607	-	-
Lease receivable	287,582	-	-	-
Long-term notes	-	-	192,862	-
Total receivables	1,554,091	425,240	595,449	496,046
Less allowance for uncollectible accounts	16,428	1,222	8,037	16,566
Net total receivables	\$ 1,537,663	\$ 424,018	\$ 587,412	\$ 479,480

	Transit Fund	Nonmajor Enterprise Fund	Total	Internal Service Fund
Receivables:				
Taxes	\$ -	\$ -	\$ 295,945	\$ -
Accounts	-	92,248	1,746,192	24,397
Intergovernmental	274,322	-	914,815	-
Lease receivable	-	-	287,582	-
Long-term notes	-	-	192,862	-
Total receivables	274,322	92,248	3,437,396	24,397
Less allowance for uncollectible accounts	-	3,506	45,759	-
Net total receivables	\$ 274,322	\$ 88,742	\$ 3,391,637	\$ 24,397

Delinquent taxes receivable is included in taxes receivable and represents past years of uncollected tax levies. Property tax revenues are recognized when due or past due and collectible within the current period or soon enough thereafter (defined as 60 days) to pay liabilities of the current period. Unavailable property tax revenue represents that portion of property taxes which is deemed not available to pay current expenditures.

NOTE 5. NOTE RECEIVABLE

The City sold its Highway 93 Water Tank to the Town of Central for \$250,000 in 2007. The terms of the sale call for the Town of Central to pay for \$5,009 per quarter for 15 years at an interest rate of 2.5%. The note was paid in full in the year ended June 30, 2022. In accordance with this note, the Town of Central is responsible for \$350,000 of the City's Series 2005A revenue bonds at an interest rate of 2.5%. The balance of the receivable at June 30, 2023, is \$192,862 with \$11,908 due within the next year.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS

Capital asset activity for the governmental activities for the year ended June 30, 2023, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 2,749,512	\$ 322,302	\$ -	\$ -	\$ 3,071,814
Construction in progress	189,504	413,503	-	(135,903)	467,104
Total	<u>2,939,016</u>	<u>735,805</u>	<u>-</u>	<u>(135,903)</u>	<u>3,538,918</u>
Capital assets, being depreciated:					
Buildings	17,051,078	15,911	-	-	17,066,989
Other improvements	19,906,718	6,833,012	(46,154)	135,903	26,829,479
Vehicles	2,892,032	200,774	(609,266)	-	2,483,540
Machinery and equipment	7,042,268	213,828	-	-	7,256,096
Total	<u>46,892,096</u>	<u>7,263,525</u>	<u>(655,420)</u>	<u>135,903</u>	<u>53,636,104</u>
Less accumulated depreciation for:					
Buildings	(4,135,545)	(409,649)	-	-	(4,545,194)
Other improvements	(16,218,286)	(432,295)	46,154	-	(16,604,427)
Vehicles	(2,253,323)	(305,380)	604,241	(17,686)	(1,972,148)
Machinery and equipment	(6,157,925)	(366,951)	-	17,686	(6,507,190)
Total	<u>(28,765,079)</u>	<u>(1,514,275)</u>	<u>650,395</u>	<u>-</u>	<u>(29,628,959)</u>
Total capital assets, being depreciated, net	<u>18,127,017</u>	<u>5,749,250</u>	<u>(5,025)</u>	<u>135,903</u>	<u>24,007,145</u>
Governmental activities capital assets, net excluding lease assets and SBITAs	<u>21,066,033</u>	<u>6,485,055</u>	<u>(5,025)</u>	<u>-</u>	<u>27,546,063</u>
Lease assets, net (Note 7)					<u>34,202</u>
SBITA assets, net (Note 8)					<u>242,528</u>
Total capital assets, net as reported in the Statement of Net Position	<u>\$ 21,066,033</u>	<u>\$ 6,485,055</u>	<u>\$ (5,025)</u>	<u>\$ -</u>	<u>\$ 27,822,793</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 89,325
Public safety	335,196
Public works	964,304
Culture and recreation	<u>125,450</u>
Total depreciation expense - governmental activities	<u>\$ 1,514,275</u>

Refer to Note 7 for full right-to-use leased assets and Note 8 for right-to-use subscription assets.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the business-type activities for the year ended June 30, 2023, is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 515,066	\$ 401,760	\$ -	\$ -	\$ 916,826
Construction in progress	-	807,101	-	-	807,101
Total	<u>515,066</u>	<u>1,208,861</u>	<u>-</u>	<u>-</u>	<u>1,723,927</u>
Capital assets, being depreciated:					
Buildings	7,887,416	-	-	-	7,887,416
Other improvements	50,829,328	1,439,453	-	-	52,268,781
Machinery and equipment	17,959,918	763,870	(656,072)	-	18,067,716
Total	<u>76,676,662</u>	<u>2,203,323</u>	<u>(656,072)</u>	<u>-</u>	<u>78,223,913</u>
Less accumulated depreciation for:					
Buildings	(1,988,685)	(173,548)	-	-	(2,162,233)
Other improvements	(16,979,883)	(1,152,188)	-	(213,102)	(18,345,173)
Machinery and equipment	(8,699,597)	(1,559,392)	656,072	213,102	(9,389,815)
Total	<u>(27,668,165)</u>	<u>(2,885,128)</u>	<u>656,072</u>	<u>-</u>	<u>(29,897,221)</u>
Total capital assets, being depreciated, net	<u>49,008,497</u>	<u>(681,805)</u>	<u>-</u>	<u>-</u>	<u>48,326,692</u>
Business-type activities capital assets, net excluding lease assets and SBITAs	<u>\$ 49,523,563</u>	<u>\$ 527,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,050,619</u>
Lease assets, net (Note 7)					<u>6,418</u>
SBITA assets, net (Note 8)					<u>212,774</u>
Total business-type activities capital assets, net	<u>\$ 49,523,563</u>	<u>\$ 527,056</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,269,811</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Business-type activities:

Water	\$ 410,047
Stormwater	16,582
Wastewater	1,029,078
Sanitation	93,332
Transit	1,272,171
Parking deck	63,918

Total depreciation expense - business-type activities	\$ 2,885,128
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NOTE 7. LEASES

A summary for lease asset activity for the City for the year ended June 30, 2023, is as follows:

	Beginning Balance	Additions	Remeasurements	Amortization	Ending Balance
Governmental activities:					
Lease assets					
Equipment	\$ 25,666	\$ 11,652	\$ -	\$ (15,420)	\$ 21,898
Vehicles	15,135	-	-	(6,486)	8,649
Land	4,780	-	-	(1,125)	3,655
Total lease assets, net	\$ 45,581	\$ 11,652	\$ -	\$ (23,031)	\$ 34,202
	Beginning Balance	Additions	Remeasurements	Amortization	Ending Balance
Business-type activities:					
Lease assets					
Equipment	\$ 4,985	\$ 6,990	\$ -	\$ (5,557)	\$ 6,418
Total lease assets, net	\$ 4,985	\$ 6,990	\$ -	\$ (5,557)	\$ 6,418

NOTES TO FINANCIAL STATEMENTS

NOTE 8. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAS)

A summary for subscription asset activity for the City for the year ended June 30, 2023, is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Remeasurements</u>	<u>Amortization</u>	<u>Ending Balance</u>
Governmental activities:					
Subscription assets					
Software	\$ 154,955	\$ 184,281	\$ -	\$ (96,708)	\$ 242,528
Total subscription assets, net	<u>\$ 154,955</u>	<u>\$ 184,281</u>	<u>\$ -</u>	<u>\$ (96,708)</u>	<u>\$ 242,528</u>
Business-type activities:					
Subscription assets					
Software	\$ 272,139	\$ -	\$ -	\$ (59,365)	\$ 212,774
Total subscription assets, net	<u>\$ 272,139</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (59,365)</u>	<u>\$ 212,774</u>

NOTE 9. LONG-TERM LIABILITIES

The following is a summary of long-term liability activity of the City for the year ended June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental activities:					
General obligation bonds	\$ 5,481,308	\$ -	\$ (362,576)	\$ 5,118,732	\$ 366,562
Financed purchases	173,000	-	(34,000)	139,000	34,000
Lease liability	44,088	11,652	(22,500)	33,240	15,421
Subscription liability	154,955	172,702	(108,477)	219,180	113,016
Net pension liability	9,951,713	1,418,890	(2,625,692)	8,744,911	-
Compensated absences	625,312	260,823	(266,086)	620,049	266,086
Governmental activities Long-term liabilities	<u>\$ 16,430,376</u>	<u>\$ 1,864,067</u>	<u>\$ (3,419,331)</u>	<u>\$ 14,875,112</u>	<u>\$ 795,085</u>
Business-type activities:					
Revenue bonds	\$ 11,586,811	\$ -	\$ (212,899)	\$ 11,373,912	\$ 216,925
State Revolving Fund loans	4,373,114	-	(402,505)	3,970,609	410,896
Financed purchases	703,000	-	(137,000)	566,000	139,000
Lease liability	4,836	6,990	(5,485)	6,341	1,697
Subscription liability	263,719	-	(84,259)	179,460	70,270
Net pension liability	6,363,792	1,491,654	(2,165,235)	5,690,211	-
Compensated absences	268,963	165,442	(130,803)	303,602	75,901
Business-type activities Long-term liabilities	<u>\$ 23,564,235</u>	<u>\$ 1,664,086</u>	<u>\$ (3,138,186)</u>	<u>\$ 22,090,135</u>	<u>\$ 914,689</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

For governmental activities, the net pension liability, lease liability, subscription liability, and compensated absences are generally liquidated by the General Fund. For the business-type activities, the net pension liability and compensated absences are generally liquidated by the enterprise funds.

Financed Purchases

The City has entered into agreements for financing the acquisition of equipment. These agreements qualify as financed purchases for accounting purposes and, therefore, have been recorded at the present value of future minimum payments as of the date of their inception. The City recognized depreciation expense on assets under financed purchases in the amount of \$69,917 for the year ended June 30, 2023.

The following is a schedule of the future minimum payments under these financed purchases, and the present value of the net minimum payments at June 30, 2023.

	Governmental Activities	Business-type Activities
Fiscal year ending June 30,		
2024	\$ 35,696	\$ 145,905
2025	36,281	146,209
2026	35,854	145,489
2027	35,427	145,757
Total minimum payments	143,258	583,360
Less amount representing interest	(4,258)	(17,360)
Present value of future minimum payments	\$ 139,000	\$ 566,000

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities

General Obligation Bonds

General obligation bonds are issued in the governmental activities to provide funding for the acquisition and construction of major capital facilities. General obligation bonds outstanding at June 30, 2023, are as follows:

	Interest Rate	Balance at June 30, 2023
General Obligation Bonds, Series 2016	2.10%	\$ 1,820,000
General Obligation Bonds, Series 2020A	2.49%	2,654,540
General Obligation Bonds, Series 2020B	3.15%	644,192
		\$ 5,118,732

During the year ended June 30, 2017, the City issued series 2016 general obligation bonds in the amount of \$2,800,000. The bond proceeds were used to defray costs related to (1) up-fit and repurpose of approximately 4,000 square feet of space at City Hall for engineering and stormwater offices; and (2) design, construction, and equipping of a new fire substation on Issaqueena Trail.

During the year ended June 30, 2021, the City issued series 2020A and 2020B general obligation bonds in the amount of \$2,900,000 and \$700,000, respectively. The bond proceeds were used to defray costs related to (1) the renovation, improvement, and approximately 2,000 square foot expansion of the Littlejohn Community Center; and (2) the renovation, improvement, and approximately 4,000 square foot expansion of the City Police Station.

Annual debt service requirements to maturity for the general obligation bonds as of June 30, 2023, are as follows:

	Principal	Interest	Total
Year ending June 30,			
2024	\$ 366,562	\$ 124,519	\$ 491,081
2025	375,653	116,028	491,681
2026	384,852	107,325	492,177
2027	394,162	98,406	492,568
2028	403,586	89,268	492,854
2029 - 2033	1,658,489	306,648	1,965,137
2034 - 2038	1,068,000	146,759	1,214,759
2039 - 2040	467,428	18,475	485,903
	\$ 5,118,732	\$ 1,007,428	\$ 6,126,160

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

Leases

The City has entered into multiple noncancelable leases as the lessee for various right-to-use assets. The incremental borrowing rate varies from 0.5135% to 0.9954%. As of June 30, 2023, the City has \$33,240 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2023, including interest payments are as follows:

	Principal	Interest	Total
Year ending June 30,			
2024	\$ 15,421	\$ 392	\$ 15,813
2025	10,423	249	10,672
2026	3,354	135	3,489
2027	3,424	64	3,488
2028	618	4	622
	\$ 33,240	\$ 844	\$ 34,084

Subscriptions

The City has entered into multiple noncancelable SBITAs for various right-to-use subscriptions. The incremental borrowing rate varies from 1.85% to 2.80%. As of June 30, 2023, the City had \$219,180 outstanding in subscriptions payables.

The annual requirements to amortize all subscription payables as of June 30, 2023, including interest payments, are as follows:

	Principal	Interest	Total
Year ending June 30,			
2024	\$ 113,016	\$ 4,559	\$ 117,575
2025	92,037	1,883	93,920
2026	14,127	167	14,294
	\$ 219,180	\$ 6,609	\$ 225,789

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities

Revenue Bonds

During the year ended June 30, 2020, the City issued series 2020A and 2020B water and sewer system revenue bonds in the amount of \$7,000,000 and \$5,018,000, respectively. These were rural development loans from the United States Department of Agriculture and the proceeds were used to (1) payoff the remaining balance of the Series 2018 Bond Anticipation Note and (2) defray the cost of the expansion of the City's wastewater treatment plant. Revenue bonds outstanding as of June 30, 2023, are as follows:

	Interest Rate	Balance at June 30, 2023
USDA Redevelopment Authority Revenue Bonds, Series 2020A	1.875%	\$ 6,624,857
USDA Redevelopment Authority Revenue Bonds, Series 2020B	1.875%	4,749,055
		\$ 11,373,912

Annual debt service requirements to maturity for the revenue bonds as of June 30, 2023, are as follows:

	Principal	Interest	Total
Year ending June 30,			
2024	\$ 216,925	\$ 211,403	\$ 428,328
2025	221,028	207,300	428,328
2026	225,208	203,120	428,328
2027	229,467	198,861	428,328
2028	233,806	194,522	428,328
2029 - 2033	1,237,054	904,586	2,141,640
2034 - 2038	1,358,539	783,101	2,141,640
2039 - 2043	1,491,954	649,686	2,141,640
2044 - 2048	1,638,471	503,169	2,141,640
2049 - 2053	1,799,377	342,263	2,141,640
2054 - 2058	1,976,083	165,556	2,141,639
2059 - 2060	746,000	13,050	759,050
	\$ 11,373,912	\$ 4,376,617	\$ 15,750,529

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities (Continued)

State Revolving Fund Loans

The City's State Revolving Fund Loans were issued to finance the construction of certain water and wastewater systems. The City pledges income derived from the constructed assets to pay debt service. General obligation bonds outstanding at June 30, 2023, are as follows:

	Interest Rate	Balance at June 30, 2023
State Revolving Fund Loan, Series 2005A - Water	2.25%	\$ 1,779,582
State Revolving Fund Loan, Series 2005B - Water	2.25%	275,265
State Revolving Fund Loan, Series 2015 - Water	2.00%	1,044,383
State Revolving Fund Loan, Series 2009 - Wastewater	1.73%	91,463
State Revolving Fund Loan, Series 2014 - Wastewater	2.00%	779,916
		\$ 3,970,609

Annual debt service requirements to maturity for the State Revolving Fund loans as of June 30, 2023, are as follows:

	Principal	Interest	Total
Year ending June 30,			
2024	\$ 410,896	\$ 81,233	\$ 492,129
2025	419,477	72,653	492,130
2026	396,904	64,027	460,931
2027	394,724	55,806	450,530
2028	403,070	47,460	450,530
2029 - 2033	1,489,606	120,828	1,610,434
2034 - 2036	455,932	14,974	470,906
	\$ 3,970,609	\$ 456,981	\$ 4,427,590

NOTES TO FINANCIAL STATEMENTS

NOTE 9. LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities (Continued)

Leases

The City has entered into multiple noncancelable leases as the lessee for various right-to-use assets. The incremental borrowing rate varies from 0.3871% to 0.5135%. As of June 30, 2023, the County has \$6,341 outstanding in leases payable.

The annual requirements to amortize all leases payable as of June 30, 2023, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2024	\$ 1,697	\$ 139	\$ 1,836
2025	1,389	105	1,494
2026	1,424	69	1,493
2027	1,461	33	1,494
2028	370	2	372
	<u>\$ 6,341</u>	<u>\$ 348</u>	<u>\$ 6,689</u>

Subscriptions

The City has entered into multiple noncancelable SBITAs as the lessee for various right-to-use subscriptions. The incremental borrowing rate varies from 0.69% to 2.80%. As of June 30, 2023, the County has \$179,460 outstanding in subscriptions payable.

The annual requirements to amortize all subscriptions payable as of June 30, 2023, including interest payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year ending June 30,			
2024	\$ 70,270	\$ 3,064	\$ 73,334
2025	68,768	1,627	70,395
2026	23,037	306	23,343
2027	17,385	119	17,504
	<u>\$ 179,460</u>	<u>\$ 5,116</u>	<u>\$ 184,576</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2023, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water Fund	General Fund	\$ 3,697,053
Wastewater Fund	General Fund	3,890,064
Transit Fund	General Fund	3,355,455
Nonmajor Enterprise Funds	General Fund	2,263,100
ARPA Fund	General Fund	8,162,991
Nonmajor Governmental Funds	General Fund	8,424,889
Internal Service Fund	General Fund	43,063
General Fund	Nonmajor Governmental Funds	54,144
Nonmajor Enterprise Funds	Water Fund	33,679
Wastewater Fund	Water Fund	206,898
Nonmajor Enterprise Funds	Wastewater Fund	4
Water Fund	Nonmajor Enterprise Funds	43,553
		<u>\$ 30,174,893</u>

All interfund balances resulted from the time lag between the dates that (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.

Interfund transfers:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Water Fund	\$ 91,835
General Fund	Wastewater Fund	165,879
General Fund	Transit Fund	8,900
General Fund	Nonmajor Enterprise Funds	7,424
General Fund	Nonmajor Governmental Funds	1,322,500
Nonmajor Enterprise Funds	ARPA Fund	49,121
Water Fund	ARPA Fund	338,042
Wastewater Fund	ARPA Fund	70,219
Water Fund	Nonmajor Governmental Funds	15,000
Nonmajor Governmental Funds	Nonmajor Governmental Funds	512,251
Nonmajor Governmental Funds	General Fund	267,923
		<u>\$ 2,849,094</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

The City is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, 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.

Contractual Commitments

At June 30, 2023, the City had no construction commitments outstanding.

Fire Services Agreement

On June 3, 2019, the City renewed its contract with Clemson University (the "University") for the University to provide fire protection services to the City. The contract was for three years beginning July 1, 2019. Under the terms of the contract, the City is to pay the University an annual fee in three installments. The University shall own and maintain all fire suppression equipment and tools and shall assume responsibility for all full-time, paid firefighters. The City shall be responsible for providing a certified State Resident Fire Marshall. During the fiscal year ended June 30, 2023, the City paid \$1,193,000 for fire suppression services. The City paid the remaining balance on the contract to the University of \$1,293,000 in compensation for fire suppression services in three installments during the fiscal year ended June 30, 2023.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

Contractual Commitments (Continued)

Pendleton/Clemson Wastewater Treatment Facility

The City of Clemson entered into a contract in 1978 with the Town of Pendleton (the "Town") to construct and operate a wastewater treatment facility. The facility is accounted for in the City's Wastewater Fund. A substantial portion of the original costs of construction of the facility (75%) was funded through Environmental Protection Agency (EPA) grants. The remainder of the construction costs (25%) and the costs of collector loans were funded through individual loans by the City of Clemson and the Town from the Farmers Home Administration (FHA). The Town obtained a loan in the amount of \$948,300, repayable over a forty-year period at 5 percent interest. Both the proportionate assets of the system and the debt are included in the Town of Pendleton's financial statements. The City also financed its share of construction costs with an FHA loan. Assets constructed both with EPA grants and the FHA loan include plant facility and collector lines which are included in the financial statements of the Wastewater Fund.

The financial activity of the facility operated by the Town is included in the Town's financial statements and is audited by the Town's independent auditors. A copy of the financial statements may be obtained from the Town.

The treatment plant capacity is two million gallons of sewage waste per day. The City has access to one million gallons of capacity and has leased 200,000 gallons per day to Anderson County (the "County"). The original agreement was for four years and ended on June 30, 2005. The agreement includes automatic one-year renewals unless either the municipality or the County needs additional capacity or the treatment plant's capacity is expanded. The Municipalities pay their proportionate share of operations and maintenance costs determined by respective percentages of influent flow. They also set rates based on their individual utility needs. The governing body consists of three members, two from the Town and one from the City. They are responsible for establishing annual budgets based on the rates set by the Municipalities, issuance of financial statements and other relevant financial activities. The Town is responsible for the proper operations and maintenance of the facility. An initial operating fund of \$15,000 was established - \$10,000 from the Town and \$5,000 from the City. Additional operating funds will be contributed in accordance with usage ratios.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS

Overview

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems. For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP).

For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. PEBA issues an Annual Comprehensive Financial Report (ACFR) containing financial statements and required supplementary information for the South Carolina Retirement System's Pension Trust Funds. The ACFR is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the ACFR for the state.

Plan Description

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts and participating charter schools, public higher education institutions, other participating local subdivisions of government and first-term individuals elected to the South Carolina General Assembly.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Plan Description (Continued)

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1962, pursuant to the provisions of Section 9-11-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits to police officers and firefighters. PORS also covers peace officers, coroners, probate judges and magistrates.

Membership

Membership requirements are prescribed in Title 9 of the South Carolina Code of Laws. A brief summary of the requirements under each system is presented below.

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the system as a condition of employment. This plan covers general employees and teachers and individuals newly elected to the South Carolina General Assembly beginning with the November 2012 general election. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

PORS - To be eligible for PORS membership, an employee must be required by the terms of his employment, by election or appointment, to preserve public order, protect life and property, and detect crimes in the state; to prevent and control property destruction by fire; be a coroner in a full-time permanent position; or be a peace officer employed by the Department of Corrections, the Department of Juvenile Justice, or the Department of Mental Health. Probate judges and coroners may elect membership in PORS. Magistrates are required to participate in PORS for service as a magistrate. PORS members, other than magistrates and probate judges, must also earn at least \$2,000 per year and devote at least 1,600 hours per year to this work, unless exempted by statute. An employee member of the system with an effective date of membership prior to July 1, 2012, is a Class Two member. An employee member of the system with an effective date of membership on or after July 1, 2012, is a Class Three member.

Benefits

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of the benefit terms for each system is presented on the following page.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Benefits (Continued)

SCRS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty. The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017, for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was schedule to go into effect beginning July 1, 2020.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Contributions (Continued)

In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The Board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year, if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded.

Required employee contribution rates for the year ended June 30, 2023, are as follows:

South Carolina Retirement System

Employee Class Two	9.00% of earnable compensation
Employee Class Three	9.00% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	9.75% of earnable compensation
Employee Class Three	9.75% of earnable compensation

Required employer contribution rates for the year ended June 30, 2023, are as follows:

South Carolina Retirement System

Employee Class Two	17.41% of earnable compensation
Employee Class Three	17.41% of earnable compensation
Employer incidental death benefit	0.15% of earnable compensation

South Carolina Police Officers Retirement System

Employee Class Two	19.84% of earnable compensation
Employee Class Three	19.84% of earnable compensation
Employer incidental death benefit	0.20% of earnable compensation
Employer accidental death program	0.20% of earnable compensation

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Net Pension Liability

The June 30, 2022, (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2021, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2022, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS. The net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67, less that system's fiduciary net position. As of June 30, 2023, (measurement date of June 30, 2022), the net pension liability amounts for the City's proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employers' Net Pension Liability</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>	<u>City's Proportionate Share of the Collective Net Pension Liability</u>
SCRS	\$ 56,454,779,872	\$ 32,212,626,932	\$ 24,242,152,940	57.1%	0.045800%
PORS	\$ 8,937,686,946	\$ 5,938,707,767	\$ 2,998,979,179	66.4%	0.111113%

Actuarial Assumptions and Methods

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019.

The June 30, 2022 (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (GRS) and are based on the July 1, 2021, actuarial valuations, as adopted by the PEBA Board and Budget and Control Board, which utilized membership data as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022.

	SCRS	PORS
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service)	3.5% to 10.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC), was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

Former Job Class	Males	Females
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Actuarial Assumptions and Methods (Continued)

<u>Allocation/Exposure</u>	<u>Policy Target</u>	<u>Expected Arithmetic Real Rate of Return</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Public equity	46.0%	6.79%	3.12%
Bonds	26.0%	(0.35%)	(0.09%)
Private equity	9.0%	8.75%	0.79%
Private debt	7.0%	6.00%	0.42%
Real assets	12.0%		
Real estate	9.0%	4.12%	0.37%
Infrastructure	3.0%	5.88%	0.18%
	<u>100%</u>		
		Total expected real return	4.79%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	<u><u>7.04%</u></u>

Discount Rate

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Discount Rate (Continued)

The following table presents the sensitivity of the net pension liabilities to changes in the discount rate as of June 30, 2023 (measurement date of June 30, 2022).

Sensitivity of the Net Position Liability to Changes in the Discount Rate				
		1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
SCRS	\$	14,235,238	\$ 11,102,861	\$ 8,498,697
PORS	\$	4,646,639	\$ 3,332,261	\$ 2,256,321

Pension Expense

For the year ended June 30, 2023, the City recognized its proportionate share of collective pension expense of \$931,683 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of (\$839,297) for a total of \$92,386 for the SCRS plan. Additionally, for the year ended June 30, 2023, the City recognized its proportionate share of collective pension expense of \$324,584 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of (\$211,359) for a total of \$113,225 for the PORS plan. Total pension expense for both plans was \$205,611.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the SCRS pension plan, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 96,463	\$ 48,386
Changes of assumptions	356,095	-
Net difference between projected and actual earnings on pension plan investments	17,123	-
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	1,668	2,212,313
Employer contributions subsequent to the measurement date	1,357,178	-
Total	\$ 1,828,527	\$ 2,260,699

NOTES TO FINANCIAL STATEMENTS

NOTE 12. PENSION PLANS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the PORS pension plan, respectively, from the following sources:

PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 55,909	\$ 65,874
Changes of assumptions	138,761	-
Net difference between projected and actual earnings on pension plan investments	10,063	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	79,756	866,522
Employer contributions subsequent to the measurement date	504,765	-
Total	\$ 789,254	\$ 932,396

City contributions subsequent to the measurement date of \$1,357,178 and \$504,765 for the SCRS plan and the PORS plan, respectively, are deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows.

Year ended June 30:	SCRS	PORS
2024	\$ (659,501)	\$ (189,091)
2025	(608,457)	(219,719)
2026	(810,949)	(368,623)
2027	289,557	129,526

NOTES TO FINANCIAL STATEMENTS

NOTE 13. RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City participates in a pooled risk management program through the South Carolina Municipal Insurance and Risk Financing Fund to cover the risk of such losses. Job related accidents are insured through workers' compensation insurance provided through the South Carolina Municipal Insurance Trust.

Premiums are paid annually to purchase such policies and any claims are filed with the carriers. There has been no reduction in insurance coverage from prior years and no settlements have exceeded insurance coverage within the prior three fiscal years. No unasserted claims exist as of the balance sheet date and no liabilities are recorded in the financial statements.

On January 1, 2013, the City entered into a health and welfare benefit plan with Planned Administrators, Inc. for the purpose of administering a self-insurance health plan that renewed on January 1, 2017. The plan qualifies as a Section 125 plan under IRS code. Claims within the 12-month contract period are paid within 15 months. The City has set a specific stop-loss limit of \$70,000 per covered participant. AccuRisk Solutions is then the carrier which assumes responsibility for claims greater than \$70,000. During the year ended June 30, 2023, the plan was funded by withholdings from City employees of \$477,891 and employer contributions of \$1,412,018. Plan expenses for the year ended June 30, 2023, were \$2,048,760. The basis for estimating claims not reported at year-end is the monthly average paid in claims. Changes in the balances of claims liabilities during the years ended June 30, 2023 and 2022, are as follows:

	2023	2022
Claims liability, beginning of year	\$ 204,032	\$ 164,354
Incurred claims (including IBNRs)	2,009,636	2,647,168
Claims paid	(2,048,760)	(2,607,490)
Claims liability, end of year	\$ 164,908	\$ 204,032

Full-time and part-time employees who work at least 30 hours per week are eligible to participate in the plan along with their legal spouse and qualifying dependents. The medical plan is a typical 80%-20% plan with deductibles that range from \$2,000 - \$3,500 for individuals and \$4,000 - \$7,000 for a family. The plan includes typical medical expenses including a co-pay for prescriptions. Also included is a dental plan, vision plan and a \$5,000 life insurance benefit for all full-time employees.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. FUND BALANCE

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2023, are as follows:

	General Fund	American Rescue Plan Act Fund	Nonmajor Governmental Funds	Total Governmental Funds
Restricted:				
General obligation debt	\$ -	\$ -	\$ 570,830	\$ 570,830
Calhoun - Clemson School monument	5,720	-	-	5,720
Public art	-	-	188,822	188,822
City development enhance infrastructure	-	108,686	-	108,686
Community redevelopment	-	-	14,796	14,796
Emergency telephone system	-	-	222,155	222,155
Tourism promotion	-	-	2,316,577	2,316,577
Police forfeitures and seizures	-	-	12,219	12,219
Community development mortgage receivables	-	-	90,090	90,090
12 Mile Park	-	-	50,561	50,561
Arts center	-	-	1,381,655	1,381,655
Old Stone Cherry Road	520,000	-	-	520,000
Downtown Welcome Center	775,000	-	-	775,000
Future Parking Deck	-	-	350,000	350,000
Fire truck	-	-	450,000	450,000
Abernathy Park	-	-	80,000	80,000
Pacolet Milliken Park	-	-	300,000	300,000
Dawson Park Restrooms	-	-	215,000	215,000
Transit LoNo buses	-	-	309,833	309,833
Land Held for resale	-	-	10,660	10,660
Green Crescent Trail	-	-	1,276,549	1,276,549
Nettles Park expansion	-	-	847,458	847,458
Clemson Park redevelopment	-	-	26,558	26,558
Committed:				
Duke Power	361,442	-	-	361,442
Paving	689,397	-	-	689,397
Assigned:				
Park Land acquisition	-	-	40,184	40,184
Unassigned	12,773,779	-	(41,298)	12,732,481
Total fund balance	<u>\$ 15,125,338</u>	<u>\$ 108,686</u>	<u>\$ 8,712,649</u>	<u>\$ 23,946,673</u>

REQUIRED SUPPLEMENTARY INFORMATION SECTION

CITY OF CLEMSON, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 7,067,900	\$ 7,067,900	\$ 6,650,454	\$ (417,446)
Local option sales taxes	2,025,800	2,025,800	2,615,429	589,629
Licenses and permits	3,290,300	3,290,300	4,346,439	1,056,139
Intergovernmental	944,700	944,700	1,128,981	184,281
Charges for services	1,552,400	1,552,400	1,632,380	79,980
Fines and forfeitures	192,000	192,000	244,292	52,292
Interest income	-	-	288,424	288,424
Miscellaneous	55,400	55,400	113,576	58,176
Total revenues	<u>15,128,500</u>	<u>15,128,500</u>	<u>17,019,975</u>	<u>1,891,475</u>
Expenditures:				
Current:				
General government:				
Council	434,000	434,000	385,102	48,898
Municipal court	441,700	441,700	395,390	46,310
Administration	922,400	922,400	964,952	(42,552)
Finance	419,300	419,300	397,464	21,836
Information technology services	464,800	464,800	364,379	100,421
Public buildings	748,900	748,900	544,430	204,470
Total general government	<u>3,431,100</u>	<u>3,431,100</u>	<u>3,051,717</u>	<u>379,383</u>
Public safety:				
Police	4,835,700	4,835,700	4,810,959	24,741
Fire	1,353,100	1,353,100	1,355,407	(2,307)
Total public safety	<u>6,188,800</u>	<u>6,188,800</u>	<u>6,166,366</u>	<u>22,434</u>
Public works:				
Streets	1,092,900	1,092,900	651,583	441,317
Residential sanitation	1,349,700	1,349,700	1,293,983	55,717
Equipment services	165,600	165,600	161,023	4,577
Administration	307,500	307,500	270,945	36,555
Total public works	<u>2,915,700</u>	<u>2,915,700</u>	<u>2,377,534</u>	<u>538,166</u>
Culture and recreation:				
Recreation	1,360,100	1,360,100	1,136,977	223,123
Arts center	271,100	271,100	270,616	484
Clemson Area African American Museum	158,800	158,800	147,217	11,583
Total culture and recreation	<u>1,790,000</u>	<u>1,790,000</u>	<u>1,554,810</u>	<u>235,190</u>
Housing and development:				
Planning and codes	1,424,200	1,424,200	1,087,399	336,801
Total housing and development	<u>1,424,200</u>	<u>1,424,200</u>	<u>1,087,399</u>	<u>336,801</u>
Non-departmental	-	-	4,819	(4,819)
Capital outlay	617,500	617,500	615,559	1,941
Debt service:				
Principal retirement	34,000	34,000	160,102	(126,102)
Interest	2,200	2,200	2,111	89
Total debt service	<u>36,200</u>	<u>36,200</u>	<u>162,213</u>	<u>(126,013)</u>
Total expenditures	<u>16,403,500</u>	<u>16,403,500</u>	<u>15,020,417</u>	<u>1,383,083</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,275,000)</u>	<u>(1,275,000)</u>	<u>1,999,558</u>	<u>3,274,558</u>

CITY OF CLEMSON, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing sources (uses):				
Issuance of subscription liability	\$ -	\$ -	\$ 172,702	\$ 172,702
Issuance of lease liability	-	-	11,652	11,652
Transfers in	771,600	771,600	1,596,538	824,938
Transfers out	(94,100)	(94,100)	(267,923)	(173,823)
Sale of capital assets	22,500	22,500	257,313	234,813
Total other financing sources, net	<u>700,000</u>	<u>700,000</u>	<u>1,770,282</u>	<u>885,928</u>
 Net change in fund balances	<u>(575,000)</u>	<u>(575,000)</u>	<u>3,769,840</u>	<u>4,160,486</u>
 Fund balances, beginning of year	<u>11,355,498</u>	<u>11,355,498</u>	<u>11,355,498</u>	<u>-</u>
 Fund balances, end of year	<u>\$ 10,780,498</u>	<u>\$ 10,780,498</u>	<u>\$ 15,125,338</u>	<u>\$ 4,160,486</u>

CITY OF CLEMSON, SOUTH CAROLINA

**AMERICAN RESCUE PLAN ACT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 4,356,300	\$ 4,356,300	\$ 457,382	\$ (3,898,918)
Interest income	-	-	108,686	108,686
Total revenues	<u>4,356,300</u>	<u>4,356,300</u>	<u>566,068</u>	<u>(3,790,232)</u>
Other financing uses:				
Transfers out	-	-	(457,382)	(457,382)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(457,382)</u>	<u>(457,382)</u>
Net change in fund balances	<u>4,356,300</u>	<u>4,356,300</u>	<u>108,686</u>	<u>(4,247,614)</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,356,300</u>	<u>\$ 4,356,300</u>	<u>\$ 108,686</u>	<u>\$ (4,247,614)</u>

CITY OF CLEMSON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEARS ENDED JUNE 30,

South Carolina Retirement System

Plan Year Ended June 30,	City's proportion of the net pension liability	City's proportionate share of the net pension liability	City's covered payroll	City's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.045800%	\$ 11,102,861	\$ 7,116,156	174.5%	57.1%
2021	0.057377%	12,417,166	6,449,618	192.5%	60.7%
2020	0.058121%	14,850,947	6,484,188	229.0%	50.7%
2019	0.060801%	13,883,336	6,419,300	216.3%	54.4%
2018	0.059581%	13,350,231	6,174,260	216.2%	54.1%
2017	0.057880%	13,029,719	5,839,939	223.1%	53.3%
2016	0.055959%	11,952,760	5,418,894	220.6%	52.9%
2015	0.054339%	10,305,635	5,510,941	187.0%	57.0%
2014	0.053929%	9,057,324	4,888,129	185.3%	59.9%

South Carolina Police Officers Retirement System

Plan Year Ended June 30,	City's proportion of the net pension liability	City's proportionate share of the net pension liability	City's covered payroll	City's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2022	0.111113%	\$ 3,332,261	\$ 2,239,240	148.8%	66.4%
2021	0.151515%	3,898,339	2,269,147	171.8%	70.4%
2020	0.146696%	4,864,736	2,216,053	219.5%	58.8%
2019	0.147118%	4,216,312	2,133,885	197.6%	62.7%
2018	0.140290%	3,975,182	1,941,827	204.8%	61.7%
2017	0.129180%	3,538,965	1,739,629	203.4%	60.9%
2016	0.131213%	3,328,185	1,672,797	199.0%	60.4%
2015	0.134500%	2,931,466	1,604,176	182.7%	64.6%
2014	0.126300%	2,645,461	1,519,121	174.1%	67.5%

Notes to the schedule:

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

CITY OF CLEMSON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF THE CITY'S CONTRIBUTIONS FOR THE FISCAL YEARS ENDED JUNE 30,

South Carolina Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 1,357,178	\$ 1,357,178	\$ -	\$ 7,728,965	17.56%
2022	1,178,335	1,178,335	-	7,116,156	16.56%
2021	1,003,560	1,003,560	-	6,449,618	15.56%
2020	1,008,940	1,008,940	-	6,484,188	15.56%
2019	934,650	934,650	-	6,419,300	14.56%
2018	837,230	837,230	-	6,174,260	13.56%
2017	675,097	675,097	-	5,839,939	11.56%
2016	599,330	599,330	-	5,418,894	11.06%
2015	555,344	555,344	-	5,510,941	10.08%

South Carolina Police Officers Retirement System

Fiscal Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2023	\$ 504,765	\$ 504,765	\$ -	\$ 2,493,964	20.24%
2022	430,830	430,830	-	2,239,240	19.24%
2021	413,892	413,892	-	2,269,147	18.24%
2020	404,208	404,208	-	2,216,053	18.24%
2019	367,882	367,882	-	2,133,885	17.24%
2018	315,353	315,353	-	1,941,827	16.24%
2017	247,723	247,723	-	1,739,629	14.24%
2016	229,842	229,842	-	1,672,797	13.74%
2015	223,450	223,450	-	1,604,176	13.93%

CITY OF CLEMSON, SOUTH CAROLINA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES OF THE CITY'S CONTRIBUTIONS FOR THE FISCAL YEARS ENDED JUNE 30,

Notes to the schedule:

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

Actuarial assumptions used in determining the statutorily required contribution are as follows.

System	SCRS	PORS
Calculation date	July 1, 2020	July 1, 2020
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year Smoothed	5-year Smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	27 years maximum, closed period	27 years maximum, closed period
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service.	3.50% plus step-rate increases for members with less than 15 years of service.
Mortality	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 125% and females rates are multiplied by 111%.

COMBINING STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Community Development Fund – To account for the financial and compliance requirements of various funding sources for the betterment of the community as a whole.

Emergency Telephone System Fund – To account for the revenues derived from charges assessed on phone subscribers within the City's boundaries to fund the operation of the emergency 911 system.

Tourism Fund – To account for revenues derived from accommodations taxes and the expenditures to promote tourism.

Park Land Fund – To accumulate monies to purchase various real properties for park development within the City. Revenues for the fund will be from property taxes.

Local Hospitality Fee Fund and Local Hospitality Tax Fund – To account for collection of a gross proceeds tax on the sale of all food and beverages by certain businesses within the City. The proceeds of these funds are to be used for the preservation, maintenance, and the development of the City; acquisition of lands and construction of passive and active parks; acquisition of capital equipment for public safety enhancement of existing infrastructures, and the costs to forefend the general health, safety, and welfare of the citizens of, and the visitors to, the City.

Local Accommodations Tax Fund – To account for receipt of an accommodations tax on every person engaged or continuing in the business of furnishing accommodations to transients within the jurisdiction of the City. The revenue generated by the tax will be used exclusively for tourism-related expenditures within the City.

Public Arts Fund – To accumulate monies allocated to the Arts and Culture Commission for various initiatives and projects.

12 Mile Park Fund – To accumulate monies allocated to the 12 Mile Park for various initiatives and projects.

Rental Property Building Fund – To account for the activity related to maintaining the rental properties owned by the City which are rented by local nonprofits that offer services vital to the community.

Police Confiscation Fund – To account for the monies confiscated and seized by the police department which are held until released back to the owner or forfeited to the City by the courts to be used in accordance with South Carolina State laws.

Hospitality and Tourism Events Fund – To account for the activity related to the events held by the City which are funded by the Hospitality and Local Accommodations Funds.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

Capital Project Funds

Wastewater Treatment Plant Expansion Fund (WWTP) – To account for the acquisition and construction of the City's wastewater treatment plant facility expansion.

Transit LoNo Grant Fund – To account for the construction and expansion of Clemson Area Transit through the Federal Transit Authority's LoNo Program.

Arts Center CAAM Fund – To account for the construction and expansion of the Clemson Area African American Museum.

Indoor Rec 3rd Gym Expansion Fund – To account for the construction and expansion of the Indoor Recreation Center 3rd Gym.

Green Crescent Trail Project Fund – To account for the construction and expansion of the Green Crescent Trail.

Nettles Park Expansion Fund – To account for the construction and expansion of Nettles Park.

Clemson Park Redevelopment Fund – To account for the construction and expansion of the Clemson Park.

Littlejohn CC Expansion Fund – To account for the construction and expansion of the Littlejohn Community Center.

Police Station Expansion Fund – To account for the construction and expansion of the Police Station Expansion Fund.

Debt Service Funds

Debt Service and Debt Service Hospitality Fund – To account for the accumulation of resources and payment of general obligation and tax increment bonds principal and interest from governmental resources.

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Special Revenue Funds				
ASSETS	Community Development Fund	Local Accommodations Tax Fund	Local Hospitality Tax Fund	Local Hospitality Fee Fund	Emergency Telephone System Fund
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes receivable, net of allowances	-	-	-	-	-
Accounts receivable, net of allowances	91,131	8,060	8,612	8,273	35,259
Intergovernmental receivable	-	-	-	-	-
Real estate held for resale	10,660	-	-	-	-
Due from other funds	13,755	796,542	1,808,686	1,500,669	186,896
Total assets	\$ 115,546	\$ 804,602	\$ 1,817,298	\$ 1,508,942	\$ 222,155
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	-	-	-	-
Accrued liabilities	-	1,015	-	4,802	-
Due to other funds	-	-	-	-	-
Total liabilities	-	1,015	-	4,802	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Restricted:					
Public safety	-	-	-	-	222,155
Culture and recreation	-	-	1,817,298	1,504,140	-
Housing and development	115,546	-	-	-	-
Tourism	-	803,587	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned:					
Park Land acquisition	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	115,546	803,587	1,817,298	1,504,140	222,155
Total liabilities, deferred inflows of resources and fund balances	\$ 115,546	\$ 804,602	\$ 1,817,298	\$ 1,508,942	\$ 222,155

Special Revenue Funds

Tourism Fund	Park Land Fund	Public Arts Fund	12 Mile Park Fund	Rental Property Building Fund	Police Confiscation Assets Fund	Hospitality and Tourism Events Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,617	\$ -
-	1,517	-	-	-	-	-
-	-	-	-	6,471	-	-
128,963	1,537	-	-	-	-	-
-	-	-	-	-	-	-
132,588	38,094	188,822	52,410	-	-	-
<u>\$ 261,551</u>	<u>\$ 41,148</u>	<u>\$ 188,822</u>	<u>\$ 52,410</u>	<u>\$ 6,471</u>	<u>\$ 87,617</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,188	\$ -
-	-	-	-	1,835	-	-
-	-	-	1,848	-	-	-
-	-	-	-	45,934	8,210	-
-	-	-	1,848	47,769	75,398	-
-	964	-	-	-	-	-
-	964	-	-	-	-	-
-	-	-	-	-	12,219	-
-	-	188,822	50,562	-	-	-
261,551	-	-	-	-	-	-
-	-	-	-	-	-	-
-	40,184	-	-	-	-	-
-	-	-	-	(41,298)	-	-
261,551	40,184	188,822	50,562	(41,298)	12,219	-
<u>\$ 261,551</u>	<u>\$ 41,148</u>	<u>\$ 188,822</u>	<u>\$ 52,410</u>	<u>\$ 6,471</u>	<u>\$ 87,617</u>	<u>\$ -</u>

(Continued)

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Capital Projects Funds				
ASSETS	Transit LoNo Grant Fund	Green Crescent Trail Project Fund	Nettles Park Expansion Fund	Clemson Park Redevelopment Fund	Arts Center/ CAAAM Fund
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes receivable, net of allowances	-	-	-	-	-
Accounts receivable, net of allowances	-	5,670	-	-	-
Intergovernmental receivable	-	93,458	-	-	-
Real estate held for resale	-	-	-	-	-
Due from other funds	309,833	1,269,091	847,458	26,558	706,655
Total assets	\$ 309,833	\$ 1,368,219	\$ 847,458	\$ 26,558	\$ 706,655
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Unearned revenue	-	91,670	-	-	-
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	-	91,670	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Restricted:					
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing and development	-	-	-	-	-
Tourism	-	-	-	-	-
Capital projects	309,833	1,276,549	847,458	26,558	706,655
Debt service	-	-	-	-	-
Assigned:					
Park Land acquisition	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	309,833	1,276,549	847,458	26,558	706,655
Total liabilities, deferred inflows of resources and fund balances	\$ 309,833	\$ 1,368,219	\$ 847,458	\$ 26,558	\$ 706,655

Capital Projects

Funds	Debt Service Funds		
Police Station Expansion Fund	Debt Service Fund	Debt Service Hospitality Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 87,617
-	14,524	2,894	18,935
-	-	-	163,476
-	14,717	2,932	241,607
-	-	-	10,660
-	141,733	405,099	8,424,889
<u>\$ -</u>	<u>\$ 170,974</u>	<u>\$ 410,925</u>	<u>\$ 8,947,184</u>

\$ -	\$ -	\$ -	\$ 67,188
-	-	-	93,505
-	-	-	7,665
-	-	-	54,144
-	-	-	222,502

-	9,230	1,839	12,033
-	9,230	1,839	12,033

-	-	-	234,374
-	-	-	3,560,822
-	-	-	115,546
-	-	-	1,065,138
-	-	-	3,167,053
-	161,744	409,086	570,830
-	-	-	40,184
-	-	-	(41,298)
-	161,744	409,086	8,712,649

<u>\$ -</u>	<u>\$ 170,974</u>	<u>\$ 410,925</u>	<u>\$ 8,947,184</u>
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CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds				
	Community Development Fund	Local Accommodations Tax Fund	Local Hospitality Tax Fund	Local Hospitality Fee Fund	Emergency Telephone System Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local option sales taxes	-	-	-	-	-
Local accommodations taxes	-	412,769	-	-	-
Local hospitality taxes/fees	-	-	1,035,447	1,035,447	-
Intergovernmental	-	-	-	-	27,893
Charges for services	-	-	-	-	38,918
Interest income	4,773	10,553	23,985	16,568	2,476
Contributions	-	-	-	-	-
Miscellaneous	-	75,000	1,275	-	-
Total revenues	4,773	498,322	1,060,707	1,052,015	69,287
Expenditures:					
Current:					
Public safety	-	-	58,092	-	52,048
Public works	-	-	2,431	12,539	-
Culture and recreation	-	-	15,821	440,015	-
Housing and development	22,682	-	-	-	-
Tourism	-	179,088	29,034	-	-
Capital outlay	2,000	-	-	-	-
Debt service:					
Principal retirement	-	-	4,875	-	-
Interest	-	-	-	-	-
Total expenditures	24,682	179,088	110,253	452,554	52,048
Excess (deficiency) of revenues over (under) expenditures	(19,909)	319,234	950,454	599,461	17,239
Other financing sources (uses)					
Transfers in	-	-	25,000	114,500	-
Transfers out	-	(540,000)	(994,751)	(315,000)	-
Sale of capital assets	-	-	2,500	-	-
Total other financing sources (uses), net	-	(540,000)	(967,251)	(200,500)	-
Net change in fund balances	(19,909)	(220,766)	(16,797)	398,961	17,239
Fund balances, beginning of year	135,455	1,024,353	1,834,095	1,105,179	204,916
Fund balances (deficit), end of year	\$ 115,546	\$ 803,587	\$ 1,817,298	\$ 1,504,140	\$ 222,155

Special Revenue Funds

Tourism Fund	Park Land Fund	Public Arts Fund	12 Mile Park Fund	Rental Property Building Fund	Police Confiscation Assets Fund	Hospitality and Tourism Events Fund
\$ -	\$ 37,597	\$ -	\$ -	\$ -	\$ -	\$ -
-	15,144	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
336,892	162,500	-	-	-	-	-
-	-	-	84,391	-	-	-
-	506	2,501	692	-	-	-
-	-	-	-	-	-	-
-	-	-	-	45,549	8,141	-
<u>336,892</u>	<u>215,747</u>	<u>2,501</u>	<u>85,083</u>	<u>45,549</u>	<u>8,141</u>	<u>-</u>
-	-	-	-	-	4,686	-
-	-	-	-	-	-	-
-	-	-	79,032	103,036	-	37,409
-	-	-	-	-	-	-
225,958	-	5,362	-	-	-	22,242
-	320,301	-	12,758	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>225,958</u>	<u>320,301</u>	<u>5,362</u>	<u>91,790</u>	<u>103,036</u>	<u>4,686</u>	<u>59,651</u>
<u>110,934</u>	<u>(104,554)</u>	<u>(2,861)</u>	<u>(6,707)</u>	<u>(57,487)</u>	<u>3,455</u>	<u>(59,651)</u>
-	-	40,000	28,100	14,770	-	59,651
-	-	-	-	-	-	-
-	-	-	-	-	1,000	-
-	-	40,000	28,100	14,770	1,000	59,651
110,934	(104,554)	37,139	21,393	(42,717)	4,455	-
<u>150,617</u>	<u>144,738</u>	<u>151,683</u>	<u>29,169</u>	<u>1,419</u>	<u>7,764</u>	<u>-</u>
<u>\$ 261,551</u>	<u>\$ 40,184</u>	<u>\$ 188,822</u>	<u>\$ 50,562</u>	<u>\$ (41,298)</u>	<u>\$ 12,219</u>	<u>\$ -</u>

(Continued)

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Capital Projects Funds				
	Transit LoNo Grant Fund	Green Crescent Trail Project Fund	Nettles Park Expansion Fund	Clemson Park Redevelopment Fund	Arts Center/ CAAAM Fund
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Local option sales taxes	-	-	-	-	-
Local accommodations taxes	-	-	-	-	-
Local hospitality taxes/fees	-	-	-	-	-
Intergovernmental	-	93,458	-	-	-
Charges for services	-	-	-	-	-
Interest income	-	-	-	-	-
Contributions	-	647,000	-	-	-
Miscellaneous	-	-	-	-	-
Total revenues	-	740,458	-	-	-
Expenditures:					
Current:					
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	3,859	-
Housing and development	-	-	-	-	-
Tourism	-	-	-	-	-
Capital outlay	-	453,736	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	-	453,736	-	3,859	-
Excess (deficiency) of revenues over (under) expenditures	-	286,722	-	(3,859)	-
Other financing sources (uses)					
Transfers in	-	200,000	272,500	22,500	-
Transfers out	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses), net	-	200,000	272,500	22,500	-
Net change in fund balances	-	486,722	272,500	18,641	-
Fund balances, beginning of year	309,833	789,827	574,958	7,917	706,655
Fund balances (deficit), end of year	\$ 309,833	\$ 1,276,549	\$ 847,458	\$ 26,558	\$ 706,655

Capital Projects Funds		Debt Service Funds		
Police Station Expansion Fund	Debt Service Fund	Debt Service Hospitality Fund	Total Nonmajor Governmental Funds	
\$ -	\$ 359,814	\$ 71,691	\$ 469,102	
-	133,983	39,893	189,020	
-	-	-	412,769	
-	-	-	2,070,894	
-	-	-	620,743	
-	-	-	123,309	
-	-	-	62,054	
-	-	-	647,000	
-	-	-	129,965	
-	493,797	111,584	4,724,856	
-	-	-	114,826	
-	-	-	14,970	
-	-	-	679,172	
-	-	-	22,682	
-	-	-	461,684	
3,153	-	-	791,948	
-	362,576	-	367,451	
-	132,904	-	132,904	
3,153	495,480	-	2,585,637	
(3,153)	(1,683)	111,584	2,139,219	
3,153	-	-	780,174	
-	-	-	(1,849,751)	
-	-	-	3,500	
3,153	-	-	(1,066,077)	
-	(1,683)	111,584	1,073,142	
-	163,427	297,502	7,639,507	
\$ -	\$ 161,744	\$ 409,086	\$ 8,712,649	

CITY OF CLEMSON, SOUTH CAROLINA

**COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Interest income	\$ -	\$ 4,773	\$ 4,773
Total revenues	<u>-</u>	<u>4,773</u>	<u>4,773</u>
Expenditures:			
Current:			
Housing and development	12,500	22,682	(10,182)
Capital outlay	-	2,000	(2,000)
Total expenditures	<u>12,500</u>	<u>24,682</u>	<u>(12,182)</u>
Net change in fund balances	(12,500)	(19,909)	(7,409)
Fund balance, beginning of year	<u>135,455</u>	<u>135,455</u>	<u>-</u>
Fund balance, end of year	<u>\$ 122,955</u>	<u>\$ 115,546</u>	<u>\$ (7,409)</u>

CITY OF CLEMSON, SOUTH CAROLINA

**LOCAL ACCOMMODATIONS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Local accommodations taxes	\$ 350,000	\$ 412,769	\$ 62,769
Interest income	-	10,553	10,553
Miscellaneous	150,000	75,000	(75,000)
Total revenues	<u>500,000</u>	<u>498,322</u>	<u>(1,678)</u>
Expenditures:			
Current:			
Tourism	335,000	179,088	155,912
Total expenditures	<u>335,000</u>	<u>179,088</u>	<u>155,912</u>
Excess of revenues over expenditures	<u>165,000</u>	<u>319,234</u>	<u>154,234</u>
Other financing uses			
Transfers out	(165,000)	(540,000)	(375,000)
Total other financing uses	<u>(165,000)</u>	<u>(540,000)</u>	<u>(375,000)</u>
Net change in fund balances	-	(220,766)	(220,766)
Fund balance, beginning of year	<u>1,024,353</u>	<u>1,024,353</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,024,353</u>	<u>\$ 803,587</u>	<u>\$ (220,766)</u>

CITY OF CLEMSON, SOUTH CAROLINA

**LOCAL HOSPITALITY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Local hospitality taxes	\$ 825,000	\$ 1,035,447	\$ 210,447
Interest income	-	23,985	23,985
Miscellaneous	-	1,275	1,275
Total revenues	<u>825,000</u>	<u>1,060,707</u>	<u>235,707</u>
Expenditures:			
Current:			
Public safety	61,900	58,092	3,808
Public services	-	2,431	(2,431)
Culture and recreation	29,000	15,821	13,179
Tourism	26,000	29,034	(3,034)
Debt service:			
Principal retirement	-	4,875	(4,875)
Total expenditures	<u>116,900</u>	<u>110,253</u>	<u>6,647</u>
Excess of revenues over expenditures	<u>708,100</u>	<u>950,454</u>	<u>242,354</u>
Other financing sources (uses)			
Transfers in	25,000	25,000	-
Transfers out	(540,400)	(994,751)	(454,351)
Sale of capital assets	-	2,500	2,500
Total other financing uses, net	<u>(515,400)</u>	<u>(967,251)</u>	<u>(451,851)</u>
Net change in fund balances	192,700	(16,797)	(209,497)
Fund balance, beginning of year	<u>1,834,095</u>	<u>1,834,095</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,026,795</u>	<u>\$ 1,817,298</u>	<u>\$ (209,497)</u>

CITY OF CLEMSON, SOUTH CAROLINA

**LOCAL HOSPITALITY FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Local hospitality fees	\$ 825,000	\$ 1,035,447	\$ 210,447
Interest income	-	16,568	16,568
Total revenues	<u>825,000</u>	<u>1,052,015</u>	<u>227,015</u>
Expenditures:			
Current:			
Public works	13,100	12,539	561
Culture and recreation	511,400	440,015	71,385
Total expenditures	<u>524,500</u>	<u>452,554</u>	<u>71,946</u>
Excess of revenues over expenditures	<u>300,500</u>	<u>599,461</u>	<u>298,961</u>
Other financing sources (uses)			
Transfers in	114,500	114,500	-
Transfers out	(315,000)	(315,000)	-
Total other financing uses, net	<u>(200,500)</u>	<u>(200,500)</u>	<u>-</u>
Net change in fund balances	100,000	398,961	298,961
Fund balance, beginning of year	<u>1,105,179</u>	<u>1,105,179</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,205,179</u>	<u>\$ 1,504,140</u>	<u>\$ 298,961</u>

CITY OF CLEMSON, SOUTH CAROLINA

**EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Intergovernmental	\$ 84,500	\$ 27,893	\$ (56,607)
Charges for services	25,000	38,918	13,918
Interest income	-	2,476	2,476
Total revenues	<u>109,500</u>	<u>69,287</u>	<u>(40,213)</u>
Expenditures:			
Current:			
Public safety	52,800	52,048	752
Total expenditures	<u>52,800</u>	<u>52,048</u>	<u>752</u>
Net change in fund balances	56,700	17,239	(39,461)
Fund balance, beginning of year	<u>204,916</u>	<u>204,916</u>	<u>-</u>
Fund balance, end of year	<u>\$ 261,616</u>	<u>\$ 222,155</u>	<u>\$ (39,461)</u>

CITY OF CLEMSON, SOUTH CAROLINA

**TOURISM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Intergovernmental	\$ 308,700	\$ 336,892	\$ 28,192
Total revenues	<u>308,700</u>	<u>336,892</u>	<u>28,192</u>
Expenditures:			
Current:			
Tourism	308,700	225,958	82,742
Total expenditures	<u>308,700</u>	<u>225,958</u>	<u>82,742</u>
Net change in fund balances	-	110,934	(54,550)
Fund balance, beginning of year	<u>150,617</u>	<u>150,617</u>	<u>-</u>
Fund balance, end of year	<u>\$ 150,617</u>	<u>\$ 261,551</u>	<u>\$ (54,550)</u>

CITY OF CLEMSON, SOUTH CAROLINA

**PARK LAND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Property taxes	\$ 39,800	\$ 37,597	\$ (2,203)
Local option sales taxes	11,700	15,144	3,444
Intergovernmental	-	162,500	162,500
Interest income	-	506	506
Total revenues	<u>51,500</u>	<u>215,747</u>	<u>164,247</u>
Expenditures:			
Capital outlay	-	320,301	(320,301)
Total expenditures	<u>-</u>	<u>320,301</u>	<u>(320,301)</u>
Net change in fund balances	51,500	(104,554)	484,548
Fund balance, beginning of year	<u>144,738</u>	<u>144,738</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 196,238</u></u>	<u><u>\$ 40,184</u></u>	<u><u>\$ 484,548</u></u>

CITY OF CLEMSON, SOUTH CAROLINA

**PUBLIC ARTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Interest income	\$ -	\$ 2,501	\$ 2,501
Total revenues	<u>-</u>	<u>2,501</u>	<u>2,501</u>
Expenditures:			
Current:			
Tourism	\$ 7,000	\$ 5,362	\$ 1,638
Total expenditures	<u>7,000</u>	<u>5,362</u>	<u>1,638</u>
Deficiency of revenues under expenditures	<u>(7,000)</u>	<u>(2,861)</u>	<u>4,139</u>
Other financing sources			
Transfers in	40,000	40,000	-
Total other financing sources	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net change in fund balances	33,000	37,139	4,139
Fund balance, beginning of year	<u>151,683</u>	<u>151,683</u>	<u>-</u>
Fund balance, end of year	<u>\$ 184,683</u>	<u>\$ 188,822</u>	<u>\$ 4,139</u>

CITY OF CLEMSON, SOUTH CAROLINA

**12 MILE PARK FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Final Budget	Actual	Variance with Final Budget
Revenues:			
Charges for services	\$ 76,100	\$ 84,391	\$ 8,291
Interest income	-	692	692
Total revenues	<u>76,100</u>	<u>85,083</u>	<u>8,983</u>
Expenditures:			
Current:			
Culture and recreation	104,200	79,032	25,168
Capital outlay	-	12,758	(12,758)
Total expenditures	<u>104,200</u>	<u>91,790</u>	<u>12,410</u>
Deficiency of revenues under expenditures	<u>(28,100)</u>	<u>(6,707)</u>	<u>21,393</u>
Other financing sources			
Transfers in	<u>28,100</u>	<u>28,100</u>	<u>-</u>
Total other financing sources	<u>28,100</u>	<u>28,100</u>	<u>-</u>
Net change in fund balances	-	21,393	21,393
Fund balance, beginning of year	<u>29,169</u>	<u>29,169</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 29,169</u></u>	<u><u>\$ 50,562</u></u>	<u><u>\$ 21,393</u></u>

CITY OF CLEMSON, SOUTH CAROLINA

**DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Property taxes	\$ 383,800	\$ 469,102	\$ 85,302
Local option sales taxes	112,200	189,020	76,820
Total revenues	<u>496,000</u>	<u>658,122</u>	<u>162,122</u>
Expenditures:			
Debt service:			
Principal retirement	362,600	367,451	(4,851)
Interest	133,000	132,904	96
Total expenditures	<u>495,600</u>	<u>500,355</u>	<u>(4,755)</u>
Net change in fund balances	400	157,767	157,367
Fund balance, beginning of year	<u>7,639,507</u>	<u>7,639,507</u>	<u>-</u>
Fund balance, end of year	<u>\$ 7,639,907</u>	<u>\$ 7,797,274</u>	<u>\$ 157,367</u>

CITY OF CLEMSON, SOUTH CAROLINA

**DEBT SERVICE HOSPITALITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GAAP BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:			
Property taxes	\$ 77,200	\$ -	\$ (77,200)
Local option sales taxes	22,500	-	(22,500)
Total revenues	<u>99,700</u>	<u>-</u>	<u>(99,700)</u>
Net change in fund balances	99,700	3,153	(96,547)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 99,700</u>	<u>\$ 3,153</u>	<u>\$ (96,547)</u>

NONMAJOR ENTERPRISE FUNDS

The **Sanitation Fund** leases commercial trash receptacles to businesses and apartment complexes and sells trashcan liners to the citizens of Clemson.

The **Parking Deck Fund** accounts for charges to users on a daily basis and for special events.

The **Stormwater Fund** accounts for charges to users for stormwater services and the cost of operations of the system.

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2023**

	<u>Stormwater Fund</u>	<u>Sanitation Fund</u>	<u>Parking Deck Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
ASSETS				
CURRENT ASSETS				
Accounts receivable, net of allowances	\$ 52,905	\$ 35,837	\$ -	\$ 88,742
Inventory	38,022	-	-	38,022
Due from other funds	512,724	539,853	1,244,206	2,296,783
Total current assets	<u>603,651</u>	<u>575,690</u>	<u>1,244,206</u>	<u>2,423,547</u>
NONCURRENT ASSETS				
Capital assets:				
Right-to-use lease, net of accumulated amortization	1,951	-	-	1,951
Right-to-use subscription, net of accumulated amortization	38,370	-	-	38,370
Non-depreciable	112,319	-	244,429	356,748
Depreciable, net of accumulated depreciation	115,744	262,827	1,297,921	1,676,492
Total noncurrent assets	<u>268,384</u>	<u>262,827</u>	<u>1,542,350</u>	<u>2,073,561</u>
Total assets	<u>872,035</u>	<u>838,517</u>	<u>2,786,556</u>	<u>4,497,108</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension	41,589	24,539	-	66,128
Total deferred outflows of resources	<u>41,589</u>	<u>24,539</u>	<u>-</u>	<u>66,128</u>
LIABILITIES				
CURRENT LIABILITIES				
Accrued liabilities	2,613	3,608	840	7,061
Unearned revenue	-	-	58,500	58,500
Other accrued liabilities	-	14,188	-	14,188
Due to other funds	-	43,553	-	43,553
Accrued vacation	3,210	3,205	-	6,415
Current portion of financed purchases	-	54,000	-	54,000
Current portion of leases payable	451	-	-	451
Current portion of subscriptions payable	15,042	-	-	15,042
Total current liabilities	<u>21,316</u>	<u>118,554</u>	<u>59,340</u>	<u>199,210</u>
NONCURRENT LIABILITIES				
Accrued vacation	9,629	9,615	-	19,244
Financed purchases, net of current portion	-	166,000	-	166,000
Leases payable, net of current portion	1,548	-	-	1,548
Subscriptions payable, net of current portion	15,612	-	-	15,612
Net pension liability	252,530	148,998	-	401,528
Total noncurrent liabilities	<u>279,319</u>	<u>324,613</u>	<u>-</u>	<u>603,932</u>
Total liabilities	<u>300,635</u>	<u>443,167</u>	<u>59,340</u>	<u>803,142</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	51,409	30,329	-	81,738
Total deferred inflows of resources	<u>51,409</u>	<u>30,329</u>	<u>-</u>	<u>81,738</u>
NET POSITION				
Investment in capital assets	235,731	42,827	1,542,350	1,820,908
Unrestricted	325,849	346,733	1,184,866	1,857,448
Total net position	<u>\$ 561,580</u>	<u>\$ 389,560</u>	<u>\$ 2,727,216</u>	<u>\$ 3,678,356</u>

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Stormwater Fund</u>	<u>Sanitation Fund</u>	<u>Parking Deck Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
OPERATING REVENUE				
Charges for service	\$ 485,968	\$ 417,276	\$ 230,982	\$ 1,134,226
Late fees	6,156	5,808	-	11,964
Miscellaneous income	3,327	-	-	3,327
Total operating revenues	<u>495,451</u>	<u>423,084</u>	<u>230,982</u>	<u>1,149,517</u>
OPERATING EXPENSES				
Personnel	215,775	121,178	840	337,793
Supplies	75,451	53,888	19,659	148,998
Purchased services	69,871	93,197	79,660	242,728
Depreciation expense	16,582	93,332	63,918	173,832
Amortization expense	11,486	-	-	11,486
Other operating expenses	1,222	351	-	1,573
Total operating expenses	<u>390,387</u>	<u>361,946</u>	<u>164,077</u>	<u>916,410</u>
Operating income	105,064	61,138	66,905	233,107
NONOPERATING REVENUES (EXPENSES)				
Interest expense	-	(3,951)	-	(3,951)
Gain on sale of property	-	27,500	-	27,500
Interest income	5,944	6,919	19,775	32,638
Total nonoperating revenues (expenses)	<u>5,944</u>	<u>30,468</u>	<u>19,775</u>	<u>56,187</u>
Income before transfers	111,008	91,606	86,680	289,294
TRANSFERS				
Transfers in	49,121	-	-	49,121
Transfers out	-	(7,424)	-	(7,424)
Total transfers	<u>49,121</u>	<u>(7,424)</u>	<u>-</u>	<u>41,697</u>
Change in net position	160,129	84,182	86,680	330,991
Total net position, beginning of year	<u>401,451</u>	<u>305,378</u>	<u>2,640,536</u>	<u>3,347,365</u>
Total net position, end of year	<u>\$ 561,580</u>	<u>\$ 389,560</u>	<u>\$ 2,727,216</u>	<u>\$ 3,678,356</u>

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Stormwater Fund</u>	<u>Sanitation Fund</u>	<u>Parking Deck Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 496,414	\$ 585,889	\$ 107,342	\$ 1,189,645
Payments to suppliers	(192,711)	(133,620)	(99,319)	(425,650)
Payments to employees	(232,996)	(125,260)	-	(358,256)
Net cash provided by operating activities	<u>70,707</u>	<u>327,009</u>	<u>8,023</u>	<u>405,739</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	49,121	-	-	49,121
Transfers out	-	(7,424)	-	(7,424)
Net cash provided by (used in) noncapital financing activities	<u>49,121</u>	<u>(7,424)</u>	<u>-</u>	<u>41,697</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(106,618)	(296,053)	(27,798)	(430,469)
Purchases of right-to-use subscriptions	(3,460)	-	-	(3,460)
Proceeds from the sale of capital assets	-	27,500	-	27,500
Principal paid on financed purchases	-	(54,000)	-	(54,000)
Principal paid on leases payable	(331)	-	-	(331)
Principal paid on subscriptions payable	(15,363)	-	-	(15,363)
Interest and agent fees paid	-	(3,951)	-	(3,951)
Net cash used in capital and related financing activities	<u>(125,772)</u>	<u>(326,504)</u>	<u>(27,798)</u>	<u>(480,074)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	<u>5,944</u>	<u>6,919</u>	<u>19,775</u>	<u>32,638</u>
Net cash provided by investing activities	<u>5,944</u>	<u>6,919</u>	<u>19,775</u>	<u>32,638</u>
Net change in cash	-	-	-	-
Cash and cash equivalents, beginning of year	-	-	-	-
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CLEMSON, SOUTH CAROLINA

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Stormwater Fund</u>	<u>Sanitation Fund</u>	<u>Parking Deck Fund</u>	<u>Total Nonmajor Enterprise Funds</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income	\$ 105,064	\$ 61,138	\$ 66,905	\$ 233,107
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	16,582	93,332	63,918	173,832
Amortization	11,486	-	-	11,486
Changes in assets and liabilities:				
Decrease in accounts receivable	963	835	-	1,798
Increase in inventory	(16,552)	-	-	(16,552)
(Increase) decrease in due from other funds	(18,877)	161,970	(123,670)	19,423
Decrease in deferred outflow of resources	7,134	4,209	-	11,343
Increase (decrease) in accrued liabilities	(7,363)	(2,080)	840	(8,603)
Decrease in other liabilities	-	(417)	-	(417)
Increase in unearned revenue	-	-	30	30
Increase in due to other funds	-	23,339	-	23,339
Increase in accrued vacation	1,912	2,172	-	4,084
Decrease in net pension liability	(29,894)	(17,638)	-	(47,532)
Increase in deferred inflows or resources	252	149	-	401
Net cash provided by operating activities	<u>\$ 70,707</u>	<u>\$ 327,009</u>	<u>\$ 8,023</u>	<u>\$ 405,739</u>

CITY OF CLEMSON, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2023

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	<u>General Sessions</u>	<u>Magistrate Court</u>	<u>Municipal Court</u>	<u>Total</u>
Court Fines and Assessments:				
Court fines and assessments collected	N/A	N/A	\$ 310,909	\$ 310,909
Court fines and assessments remitted to State Treasurer	N/A	N/A	209,250	209,250
Total Court Fines and Assessments retained	<u>N/A</u>	<u>N/A</u>	\$ 101,659	\$ 101,659
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	N/A	N/A	\$ 4,292	\$ 4,292
Assessments retained	N/A	N/A	15,274	15,274
Total Surcharges and Assessments retained for victim services	<u>N/A</u>	<u>N/A</u>	\$ 19,566	\$ 19,566

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

<u>VICTIM SERVICE FUNDS COLLECTED</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Carryforward from Previous Year – Beginning Balance	\$ -	N/A	\$ -
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer	-	N/A	-
Victim Service Assessments Retained by City/County Treasurer	15,274	N/A	15,274
Victim Service Surcharges Retained by City/County Treasurer	4,292	N/A	4,292
Interest Earned	-	N/A	-
Grant Funds Received			
Grant from:	-	N/A	-
General Funds Transferred to Victim Service Fund	47,604	N/A	47,604
Contribution Received from Victim Service Contracts:			
(1) Town of	-	N/A	-
(2) Town of	-	N/A	-
(3) City of	-	N/A	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ 67,170	N/A	\$ 67,170

**CITY OF CLEMSON, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	67,169	N/A	67,169
Operating Expenditures	-	N/A	-
Victim Service Contract(s):			
(1) Entity's Name	-	N/A	-
(2) Entity's Name	-	N/A	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter: <u>Cumbee Center to Assist Abused Persons</u>	-	N/A	-
(2) Rape Crisis Center:	-	N/A	-
(3) Other local direct crime victims service agency: <u>Child Advocacy Center</u>	-	N/A	-
Transferred to General Fund	-	N/A	-
Total Expenditures from Victim Service Fund/Program (B)	67,169	N/A	67,169
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	-	N/A	-
Less: Prior Year Fund Deficit Repayment	-	N/A	-
Carryforward Funds – End of Year	\$ -	N/A	\$ -

**CITY OF CLEMSON - CLEMSON AREA TRANSIT
SCHEDULE OF BUDGETED TO ACTUAL COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

Schedule 1

OPT Contract #	PT-23A199-03				
Contract period:	July 1, 2022 - June 30, 2023				
Performance period:	Budget	Section 5311	SMTF*	LOCAL	Budget Balance
	July 1, 2021 - June 30, 2022				Balance
ADMINISTRATION					
Professional Services	\$ 9,485	\$ -	\$ 7,541	\$ 1,944	\$ -
Supplies	3,000	-	2,400	600	-
Utilities	30,000	-	24,047	5,953	-
Other	5,000	-	4,000	1,000	-
Insurance	10,000	-	8,000	2,000	-
Total Administration	57,485	-	45,988	11,497	-
OPERATIONS					
Fuel & Lube	20,000	-	10,000	10,000	-
Other Materials	2,000	-	1,000	1,000	-
Total Operations	22,000	-	11,000	11,000	-
CAPITAL					
Maint. Equipment	70,000	-	56,000	14,000	-
Total Capital	70,000	-	56,000	14,000	-
Total Program	\$ 149,485	\$ -	\$ 112,988	\$ 36,497	\$ -

Approved Budget	\$ 149,485
TI State Costs*	112,988
TI Local Costs	36,497

STATISTICAL SECTION

This part of the City's annual comprehensive financial report 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.

	<u>Page</u>
<u>Contents</u>	
Financial Trends	99 - 104
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	105 - 108
<i>These schedules contain information to help the reader assess the City's most significant local revenue sources.</i>	
Debt Capacity	109 - 113
<i>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.</i>	
Demographic and Economic Information	114 - 115
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	116 - 118
<i>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.</i>	

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

Schedule 1
City of Clemson
Net Position by Component, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental Activities										
Invested in capital assets, net of related debt	\$ 13,775,958	\$ 13,639,628	\$ 13,129,718	\$ 13,533,530.00	\$ 13,926,310	\$ 13,444,837	\$ 13,494,329	\$ 14,749,896	\$ 15,413,218	\$ 22,312,641
Restricted	127,012	103,122	8,695	25,625.00	68,026	152,319	266,848	7,803,843	7,534,152	8,828,169
Unrestricted	7,311,601	1,929,754	4,044,473	4,253,335.00	5,296,940	6,309,499	7,910,074	(17,174)	1,125,256	5,456,715
Total Governmental Activities Net Position	<u>\$ 21,214,571</u>	<u>\$ 15,672,504</u>	<u>\$ 17,182,886</u>	<u>\$ 17,812,490.00</u>	<u>\$ 19,291,276</u>	<u>\$ 19,906,655</u>	<u>\$ 21,671,251</u>	<u>\$ 22,536,565</u>	<u>\$ 24,072,626</u>	<u>\$ 36,597,525</u>
Business-type Activities										
Invested in capital assets, net of related debt	\$ 18,757,994	\$ 18,187,149	\$ 11,223,961	\$ 18,745,915.00	\$ 20,553,458	\$ 32,110,366	\$ 32,932,994	\$ 33,129,075	\$ 32,860,787	\$ 34,173,489
Restricted	902,444	1,431,454	975,987	1,039,848.00	1,177,305	1,261,978	1,399,813	661,672	704,932	768,876
Unrestricted	7,105,257	3,273,574	12,500,488	5,012,820.00	4,371,379	3,328,737	3,907,697	3,743,761	6,188,324	7,813,811
Total Business-type Activities Net Position	<u>\$ 26,765,695</u>	<u>\$ 22,892,177</u>	<u>\$ 24,700,436</u>	<u>\$ 24,798,583.00</u>	<u>\$ 26,102,142</u>	<u>\$ 36,701,081</u>	<u>\$ 38,240,504</u>	<u>\$ 37,534,508</u>	<u>\$ 39,754,043</u>	<u>\$ 42,756,176</u>
Primary Government										
Net Investment in capital assets	\$ 32,533,952	\$ 31,826,777	\$ 24,353,679	\$ 32,279,445.00	\$ 34,479,768	\$ 45,555,203	\$ 46,427,323	\$ 47,878,971	\$ 48,274,005	\$ 56,486,130
Restricted	1,029,456	1,534,576	984,682	1,065,473.00	1,245,331	1,414,297	1,666,661	8,465,515	8,239,084	9,597,045
Unrestricted	14,416,858	5,203,328	16,544,961	9,266,155.00	9,668,319	9,638,236	11,817,771	3,726,587	7,313,580	13,270,526
Total Primary Government Net Position	<u>\$ 47,980,266</u>	<u>\$ 38,564,681</u>	<u>\$ 41,883,322</u>	<u>\$ 42,611,073.00</u>	<u>\$ 45,393,418</u>	<u>\$ 56,607,736</u>	<u>\$ 59,911,755</u>	<u>\$ 60,071,073</u>	<u>\$ 63,826,669</u>	<u>\$ 79,353,701</u>

Schedule 2
City of Clemson
Changes in Net Position, Last Ten
Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
<i>Governmental Activities:</i>										
General Government	\$ 3,286,304	\$ 3,257,501	\$ 3,545,321	\$ 4,675,601	\$ 3,890,487	\$ 4,284,386	\$ 4,379,295	\$ 3,956,919	\$ 3,328,231	\$ 2,374,059
Public Safety	3,480,770	3,813,284	4,029,537	4,331,359	4,679,649	5,516,495	5,939,058	5,824,820	6,168,718	6,522,586
Public Works	2,526,267	2,873,308	2,789,532	3,925,080	3,853,063	2,965,892	3,629,129	3,537,188	3,630,014	4,043,129
Culture and Recreation	3,387,372	1,756,398	2,353,053	1,990,507	2,010,607	1,981,697	2,907,007	2,266,021	2,403,856	2,317,409
Housing and development	19,977	16,188	27,665	40,926	26,997	63,041	18,748	958,610	1,158,127	1,110,081
Interest on Long-term Debt	173,128	138,512	88,095	86,092	63,779	60,959	56,986	137,514	141,386	132,493
Total Governmental Activities Expenses	12,873,818	11,855,191	12,833,203	15,049,565	14,524,582	14,872,470	16,930,223	16,681,072	16,830,332	16,499,757
<i>Business-type Activities:</i>										
Water	2,505,582	2,655,812	2,942,016	3,014,984	3,175,628	3,022,906	3,428,715	3,413,053	3,215,240	3,705,489
Stormwater	-	39,942	1,318,096	269,075	476,277	341,518	422,012	473,158	4,293,729	390,387
Wastewater	2,659,444	2,739,152	3,378,859	3,126,111	3,128,978	3,537,030	3,914,187	4,114,289	4,596,628	4,313,786
Sanitation	313,606	305,585	324,430	306,043	255,267	366,434	346,431	324,052	373,926	365,897
Transit	3,627,531	3,362,255	3,517,798	4,640,395	4,434,591	3,797,347	3,724,988	4,434,689	346,934	4,488,258
Parking Deck	99,252	103,637	104,227	160,345	172,074	161,873	162,212	119,182	143,522	164,077
Total Business-type Activities Expenses	9,205,415	9,206,383	11,585,426	11,516,953	11,642,815	11,227,108	11,998,545	12,878,423	12,969,979	13,427,894
Total Primary Government Expenses	\$ 22,079,233	\$ 21,061,574	\$ 24,418,629	\$ 26,566,518	\$ 26,167,397	\$ 26,099,578	\$ 28,928,768	\$ 29,559,495	\$ 29,800,311	\$ 29,927,651
Program Revenues										
<i>Governmental Activities:</i>										
<i>Charges for Services:</i>										
Refuse Collection	\$ 508,196	\$ 542,269	\$ 567,238	\$ 578,204	\$ 583,416	\$ 585,037	\$ 595,393	\$ 595,393	\$ 399,618	\$ 399,618
Other Public Works	525,752	559,825	584,794	595,760	600,972	602,593	17,556	263,053	729,271	618,252
Parks and Recreation	123,059	128,665	137,554	135,861	191,012	246,930	177,343	221,905	281,644	365,410
Other Activities	3,575,076	3,727,153	4,864,377	4,607,295	4,789,252	4,724,170	5,318,740	466,063	-	616,701
Operating Grants and Contributions	212,023	212,044	241,447	213,846	295,516	662,263	49,945	84,978	307,590	270,632
Capital Grants and Contributions	131,226	483,950	7,000	871,162	166,035	8,473,359	2,344,338	1,561,165	201,081	7,913,740
Total Governmental Activities Program Revenues	5,075,332	5,653,906	6,402,410	7,002,128	6,626,203	15,294,352	8,503,315	3,192,557	1,919,204	10,184,353
<i>Business-type Activities:</i>										
<i>Charges for Services:</i>										
Water	2,583,576	2,846,971	3,147,041	3,301,101	3,528,452	3,482,761	3,646,238	4,156,072	3,656,380	4,346,306
Stormwater	-	83,898	398,676	406,406	431,536	454,732	458,808	473,499	4,176,390	492,124
Wastewater	3,064,258	3,055,202	3,455,943	3,566,110	4,408,094	4,017,413	4,291,030	4,792,342	4,591	5,477,642
Sanitation	286,617	282,954	296,728	316,133	331,079	364,526	372,631	366,907	473,755	423,084
Transit	13,240	18,406	29,433	29,700	103,039	31,553	477,815	29,733	394,715	-
Parking Deck	87,608	93,081	115,961	132,872	178,316	189,590	130,709	138,260	179,237	230,982
Operating Grants and Contributions	3,274,439	3,370,683	3,337,491	3,820,776	3,768,108	2,797,278	3,017,738	4,490,905	5,394,924	3,814,018
Capital Grants and Contributions	708,600	188,258	1,775,839	250,632	1,229,872	706,777	665,081	199,858	753,693	978,074
Total Business-type Activities Program Revenues	10,018,338	9,939,453	12,557,112	11,823,730	13,978,496	12,044,630	13,060,050	14,647,576	15,033,685	15,762,230
Total Primary Government Program Revenues	\$ 15,093,670	\$ 15,593,359	\$ 18,959,522	\$ 18,825,858	\$ 20,604,699	\$ 27,338,982	\$ 21,563,365	\$ 17,840,133	\$ 16,952,889	\$ 25,946,583

Continued

Schedule 2
City of Clemson
Changes in Net Position, Last Ten
Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (7,798,486)	\$ (6,201,285)	\$ (6,430,793)	\$ (8,047,437)	\$ (7,898,379)	\$ 421,882	\$ (8,426,908)	\$ (13,488,515)	\$ (14,911,128)	\$ (6,315,404)
Business-type Activities	812,923	733,070	971,686	306,777	2,335,681	817,522	1,061,505	1,769,153	2,063,706	2,334,336
Total Primary Government Net Expense	<u>\$ (6,985,563)</u>	<u>\$ (5,468,215)</u>	<u>\$ (5,459,107)</u>	<u>\$ (7,740,660)</u>	<u>\$ (5,562,698)</u>	<u>\$ 1,239,404</u>	<u>\$ (7,365,403)</u>	<u>\$ (11,719,362)</u>	<u>\$ (12,847,422)</u>	<u>\$ (3,981,068)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
General Revenues										
Property Taxes	\$ 4,561,423	\$ 4,861,657	\$ 5,087,678	\$ 5,251,552	\$ 4,859,983	\$ 6,089,392	\$ 6,264,734	\$ 6,369,067	\$ 6,669,110	\$ 7,059,969
Local Option Sales Tax	1,279,399	1,330,243	1,537,036	1,680,027	1,680,027	1,743,665	2,060,610	2,029,406	2,482,871	2,804,449
Local Accommodations Tax	253,995	268,879	278,432	320,605	357,956	354,041	292,138	485,562	794,029	883,870
Intergovernmental	553,667	593,817	769,248	584,755	568,630	623,235	851,323	756,235	409,379	411,769
Unrestricted Investment Earnings	130,774	119,305	151,035	154,619	162,088	330,939	386,638	73,583	1,963	459,164
Other	434,719	404,115	884,951	391,445	627,914	835,900	659,393	5,451,050	6,102,556	7,163,638
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	-	15,601	793	255,788
Transfers	311,538	259,038	(767,205)	294,038	1,120,567	(9,783,675)	(323,332)	(458,552)	(13,512)	(198,344)
Total Governmental Activities	<u>7,525,515</u>	<u>7,837,054</u>	<u>7,941,175</u>	<u>8,677,041</u>	<u>9,377,165</u>	<u>193,497</u>	<u>10,191,504</u>	<u>14,721,952</u>	<u>16,447,189</u>	<u>18,840,303</u>
Business-type Activities:										
Investment Earnings	68,638	51,767	69,368	85,408	117,691	158,392	154,586	113,840	-	196,831
Gain (Loss) on Disposal of Assets	-	-	-	-	-	-	-	1,925	21,864	97,161
Other	-	-	-	-	-	(160,650)	-	-	120,453	175,461
Transfers	(311,538)	(259,038)	767,205	(294,038)	(1,120,567)	9,783,675	323,332	458,552	13,512	198,344
Total Business-type Activities	<u>(242,900)</u>	<u>(207,271)</u>	<u>836,573</u>	<u>(208,630)</u>	<u>(1,002,876)</u>	<u>9,781,417</u>	<u>477,918</u>	<u>574,317</u>	<u>155,829</u>	<u>667,797</u>
Total Primary Government	<u>\$ 7,282,615</u>	<u>\$ 7,629,783</u>	<u>\$ 8,777,748</u>	<u>\$ 8,468,411</u>	<u>\$ 8,374,289</u>	<u>\$ 9,974,914</u>	<u>\$ 10,669,422</u>	<u>\$ 15,296,269</u>	<u>\$ 16,603,018</u>	<u>\$ 19,508,100</u>
Changes in Net Position										
Governmental Activities	\$ (272,971)	\$ 1,635,769	\$ 1,510,382	\$ 629,604	\$ 1,478,786	\$ 615,379	\$ 1,764,596	\$ 1,233,437	\$ 1,536,061	\$ 12,524,899
Business-type Activities	570,023	525,799	1,808,259	98,147	1,332,805	10,598,939	1,539,423	2,343,470	2,219,535	3,002,133
Total Primary Government	<u>\$ 297,052</u>	<u>\$ 2,161,568</u>	<u>\$ 3,318,641</u>	<u>\$ 727,751</u>	<u>\$ 2,811,591</u>	<u>\$ 11,214,318</u>	<u>\$ 3,304,019</u>	<u>\$ 3,576,907</u>	<u>\$ 3,755,596</u>	<u>\$ 15,527,032</u>

Schedule 3
City of Clemson
Fund Balances, Governmental Funds, Last Ten Fiscal Years
(modified accrual basis of accounting)

	<i>Fiscal Year</i>									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<i>General Fund</i>										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,908	\$ 39,383	\$ 5,720
Committed	201,256	263,538	331,746	373,420	370,478	334,142	365,163	786,317	874,876	2,345,839
Assigned	55,377	259,418	82,362	55,454	-	-	-	-	-	-
Unassigned	3,502,784	4,154,750	5,195,722	5,690,941	6,179,039	8,177,987	7,499,307	9,272,911	10,441,239	12,773,779
Total General Fund	\$ 3,759,417	\$ 4,677,706	\$ 5,609,830	\$ 6,119,815	\$ 6,549,517	\$ 8,512,129	\$ 7,864,470	\$ 10,176,136	\$ 11,355,498	\$ 15,125,338
<i>All Other Governmental Funds</i>										
Nonspendable, Reported In:										
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,660	\$ -	\$ -
Restricted, Reported In:										
Special Revenue Funds	2,352,205	2,438,004	4,082,195	3,521,763	4,278,471	4,752,759	3,435,650	3,673,115	4,644,650	5,084,566
Tax Increment Fund	6,194	19,938	-	83,783	-	-	-	-	-	-
Littlejohn CC Expansion Fund	-	-	-	-	-	-	-	-	-	-
Police Station Expansion Fund	-	-	-	-	-	-	-	1,449,472	-	-
WWTP Expansion Fund	-	-	-	-	-	1,424,315	1,634,365	-	-	-
Transit LoNo Grant Fund	-	-	-	-	-	935,533	-	-	-	-
Hospitality Tax Fund	1,412,305	1,496,655	-	-	-	-	-	-	-	-
Capital Project Funds	(1,568)	623,276	523,341	682,352	66,080	901,874	3,676,951	2,242,671	2,389,190	3,167,053
Debt Service Fund	127,012	103,122	28,862	25,625	68,026	152,319	266,848	321,677	460,929	570,830
Assigned, Reported In:										
Special Revenue Funds	122,870	246,203	164,894	120,936	908,119	38,106	-	105,059	144,738	40,184
Tax Increment Fund	-	-	-	-	-	-	-	-	-	-
City Hall Expansion Fund	-	-	-	-	-	-	-	-	-	-
Hospitality Tax Fund	5,350	114,048	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	-
Unassigned, Reported In:										
Special Revenue Funds	-	-	-	-	-	-	-	(39,750)	-	(41,298)
Total All Other Governmental Funds	\$ 4,024,368	\$ 5,041,246	\$ 4,799,292	\$ 4,434,459	\$ 5,320,696	\$ 8,204,906	\$ 9,013,814	\$ 7,762,904	\$ 7,639,507	\$ 8,821,335

Schedule 4
City of Clemson
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Property Taxes	\$ 4,528,173	\$ 4,853,112	\$ 5,117,389	\$ 5,214,718	\$ 4,846,728	\$ 6,129,819	\$ 6,273,324	\$ 6,238,964	\$ 6,835,218	\$ 7,119,556
Local Option Sales Tax	1,279,399	1,330,243	1,537,036	1,680,027	1,680,027	1,743,665	2,060,610	2,029,406	2,482,871	2,804,449
Local Accommodations Tax	253,995	268,879	278,432	320,605	357,956	354,041	292,138	202,157	406,158	412,769
Hospitality Fees	1,256,903	1,335,003	1,390,948	1,469,807	1,516,158	1,663,694	1,433,983	1,485,405	1,929,030	2,070,894
Licenses and Permits	2,446,474	2,485,464	3,519,609	3,174,531	3,192,059	3,203,923	3,249,837	3,797,673	3,662,227	4,346,439
Intergovernmental	790,503	805,861	1,010,695	869,763	807,333	1,960,497	1,415,589	2,685,783	1,460,856	2,207,106
Federal Aid	-	-	-	800,000	198,323	6,360,612	2,012,180	-	-	-
State Aid	-	-	-	-	24,525	1,437,747	38,366	-	-	-
Charges for Services	736,949	778,065	815,355	875,540	988,493	962,090	900,616	1,400,065	1,239,642	1,755,689
Fines and Forfeitures	291,756	359,381	428,051	397,242	467,942	329,023	304,067	146,349	170,891	244,292
Investment Earnings	130,774	119,305	151,035	154,619	162,088	330,939	386,638	-	1,963	459,164
Contributions & Donations	65,413	-	-	-	-	-	-	73,583	-	647,000
Proceeds from Sale of Property	-	10,594	-	-	-	-	-	-	110,000	-
Other Revenues	272,793	330,718	414,691	267,829	532,582	844,325	1,266,387	167,972	246,364	243,541
Total Revenues	12,053,132	12,676,625	14,663,241	15,224,681	14,774,214	25,320,375	19,633,735	18,227,357	18,545,220	22,310,899
Expenditures										
General Government	2,718,450	2,672,241	2,908,878	4,398,621	3,280,042	3,184,316	3,357,227	2,766,745	2,882,085	3,051,717
Public Safety	3,850,549	3,549,033	3,799,998	6,787,160	5,286,732	5,029,960	5,722,557	5,313,110	5,928,256	6,281,192
Public Works	1,785,974	2,344,153	2,278,977	3,604,128	3,768,475	2,336,464	3,357,204	2,499,230	2,700,790	2,392,504
Culture and Recreation	1,157,581	928,100	1,367,880	1,215,784	1,295,919	1,495,579	2,402,460	1,669,754	1,970,985	2,233,982
Housing and Development	19,977	16,188	27,665	40,926	26,997	63,041	18,748	958,610	1,158,127	1,110,081
Project Administration	-	-	-	-	-	-	107,397	-	-	-
Equipment Services	140,424	134,764	162,025	145,391	154,173	163,565	189,163	-	-	-
Capital Outlay	53,783	149,508	72,432	63,543	194,502	10,706,318	12,677,402	5,176,826	1,805,776	1,407,507
Debt Service										
Interest	183,073	150,309	104,968	81,866	63,745	64,095	57,190	107,511	495,025	527,553
Principal	1,186,750	1,719,298	1,832,473	1,530,847	336,570	437,792	359,317	319,840	143,920	135,015
Fees	-	-	-	-	-	-	-	-	-	-
Intergovernmental	1,780,527	396,415	539,185	333,918	343,180	396,991	480,533	-	-	-
Other	130,978	140,487	111,385	196,383	170,207	395,774	266,378	681,882	614,184	466,503
Total Expenditures	13,008,066	12,200,496	13,205,866	18,398,567	14,920,542	24,273,895	28,995,576	19,493,508	17,699,148	17,606,054
Excess of Revenues										
Over (Under)										
Expenditures	(954,934)	476,129	1,457,375	(3,173,886)	(146,328)	1,046,480	(9,361,841)	(1,266,151)	846,072	4,704,845

Continued

Schedule 4
City of Clemson
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Other Financing Sources (Uses)										
Financed Purchase Agreements	\$ 178,000	\$ -	\$ -	\$ -	\$ 341,700	\$ -	\$ -	\$ -	\$ 173,000	\$ -
Subscription Proceeds	-	-	-	-	-	-	-	-	-	172,702
Lease Proceeds	-	-	-	-	-	-	-	-	44,905	11,652
General Obligation Bonds	360,000	1,200,000	-	3,025,000	-	-	-	3,600,000	-	-
Issuance of Long-Term Debt	-	-	-	-	-	2,995,948	9,264,052	-	-	-
Gain on sale of capital assets	-	-	-	-	-	-	-	15,601	5,500	257,313
Transfers In	1,583,346	1,932,982	2,275,290	2,584,013	1,629,559	3,355,669	4,588,941	2,057,457	1,498,429	1,596,538
Transfers Out	(1,271,808)	(1,673,944)	(3,042,495)	(2,289,975)	(508,992)	(2,551,275)	(4,329,903)	(3,800,682)	(1,511,941)	(267,923)
Total Other Financing Sources (Uses)	<u>849,538</u>	<u>1,459,038</u>	<u>(767,205)</u>	<u>3,319,038</u>	<u>1,462,267</u>	<u>3,800,342</u>	<u>9,523,090</u>	<u>1,872,376</u>	<u>209,893</u>	<u>1,770,282</u>
Net Change In Fund Balances	<u>\$ (105,396)</u>	<u>\$ 1,935,167</u>	<u>\$ 690,170</u>	<u>\$ 145,152</u>	<u>\$ 1,315,939</u>	<u>\$ 4,846,822</u>	<u>\$ 161,249</u>	<u>\$ 606,225</u>	<u>\$ 1,055,965</u>	<u>\$ 6,475,127</u>
Debt Service As a Percentage of Noncapital	11.3%	16.4%	15.1%	10.9%	3.1%	2.1%	2.7%	2.9%	4.1%	4.1%

Schedule 5
City of Clemson
Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Total Taxable Assessed Value ^(b)	Total Direct Tax Rate ^(a)	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2014	49,499,945	8,932,330	58,432,275	83.34	1,138,871,067	5.13%
2015	51,754,304	9,510,626	61,264,930	82.20	1,193,596,513	5.13%
2016	53,601,425	10,088,922	63,690,347	84.20	1,240,177,196	5.14%
2017	57,107,105	10,939,370	68,046,475	84.20	1,324,464,925	5.14%
2018	66,879,274	11,496,417	78,375,691	86.20	1,529,192,423	5.13%
2019	78,489,155	11,666,742	90,155,897	87.20	1,764,228,800	5.11%
2020	91,588,999	11,131,859	102,720,858	78.90	2,017,310,968	5.09%
2021	95,337,835	12,670,418	108,008,253	78.90	2,117,928,667	5.10%
2022	97,488,990	13,500,880	110,989,870	80.50	2,174,794,467	5.10%
2023	102,846,300	13,429,192	116,275,492	80.50	2,280,745,867	5.10%

Class of Property	Assessed Value	Estimated Market Value
Real Property & Mobile Homes	\$ 102,846,300	\$ 2,056,926,000
Motor Vehicles (includes aircraft)	6,563,014	109,383,567
Public Utilities & Transportation Companies for Hire	5,004,210	83,403,500
Manufacturing & Business Personal Property	1,861,968	31,032,800
Totals	\$ 116,275,492	\$ 2,280,745,867

Source: Pickens County Auditor's Office

Notes: ^(a) Per \$1,000 assessed value

^(b) Total taxable assessed values include Tax Increment Finance District base assessment only through FY 2017.

Schedule 6
City of Clemson
Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years
(rate presented as actual millage)

Fiscal Year	City Direct Rates				Overlapping Rates	
	Basic Rate	General Obligation Debt Service	Special Revenue Rate	Total Direct Rate	Pickens County School District	Pickens County
2013	80.96	1.90	0.48	83.34	160.50	65.60
2014	80.96	1.90	0.48	83.34	160.50	65.60
2015	79.80	1.90	0.50	82.20	165.20	68.20
2016	81.80	1.90	0.50	84.20	164.50	68.20
2017	81.80	1.90	0.50	84.20	165.20	68.20
2018	82.50	3.20	0.50	86.20	168.00	68.20
2019	83.50	3.20	0.50	87.20	168.00	68.20
2020	75.84	2.50	0.46	78.80	162.90	64.40
2021	75.84	2.50	0.46	78.80	162.90	64.40
2022	74.53	5.51	0.46	80.50	164.00	74.30
2023	79.92	5.32	0.46	85.70	164.00	74.00

Source of Overlapping Rates: *Pickens County*

Schedule 7
City of Clemson
Principal Property Taxpayers, Current Year and Nine Years Ago

Taxpayer	2023		Taxpayer	2014	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
CCSHP Clemson, LLC	\$ 3,395,250	2.92%	Duke Energy Corporation	\$ 1,126,200	3.03%
Duke Energy Carolinas	2,608,960	2.24%	Bellsouth Telecommunications	888,010	2.39%
Clemson Lofts Propco, LLC	2,286,020	1.97%	Clemson Area Retirement Center Inc	364,150	0.98%
The Ridge Clemson LLC	2,190,360	1.88%	Langston Place Partnership	300,300	0.81%
HSRE Grandmarc Clemson, LLC	2,080,470	1.79%	GDG Investments, LLCC (Comfort Inn)	249,960	0.67%
Dukes Family Land Investments	1,907,250	1.64%	Heritage Pointe, LLC	225,960	0.61%
CH Reality VIII-Preiss SH Clemson	1,895,880	1.63%	Advantage Properties, LLC	184,270	0.50%
Ibrahim Family Trust, LLC	1,890,000	1.63%	Nirman Enterprise Associates (Hampton Inn)	179,090	0.48%
CBC Tiger Towne DE, LLC	1,659,590	1.43%	Falls Landing Apartments, LP	160,320	0.43%
Celico Partnership DBA Verizon	1,145,820	0.99%	Hunter's Glen Apartments, LLC	156,530	0.42%
Total	\$ 21,059,600	18.11%		\$ 3,834,790	10.32%

Source: Pickens County Auditor's Office

**Schedule 8
City of Clemson
Property Tax Levies and Collections, Last Ten Fiscal Years**

<i>Fiscal Year Ended June 30,</i>	<i>Taxes Levied For the Fiscal Year</i>	<i>Collected Within the Fiscal Year of the Levy</i>		<i>Receivable June 30</i>	<i>Estimated Tax Collections to Date</i>	
		<i>Amount</i>	<i>Percentage of Levy</i>		<i>Estimated Amount</i>	<i>Percentage of Levy</i>
2014	3,374,611	3,328,212	98.63%	288,143	3,086,468	91.46%
2015	3,472,543	3,412,869	98.28%	276,433	3,196,110	92.04%
2016	3,813,648	3,753,777	98.43%	302,611	3,511,037	92.07%
2017	4,106,544	3,934,526	95.81%	339,141	3,767,403	91.74%
2018	5,205,756	4,804,223	92.29%	366,232	4,839,524	92.96%
2019	6,742,521	6,241,874	92.57%	383,039	6,359,482	94.32%
2020	6,200,179	6,172,279	99.55%	351,732	5,848,447	94.33%
2021	6,227,196	6,171,409	99.10%	276,352	5,950,845	95.56%
2022	6,375,167	6,782,530	106.39%	300,057	6,075,110	95.29%
2023	7,067,844	7,035,149	99.54%	255,866	6,811,978	96.38%

Source: Pickens County Office of Finance

Schedule 9
City of Clemson
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income ^(a)	Per Capita ^(a)
	General Obligation Bonds	USDA Rural Development Loans	Tax Increment Financing Bonds	Financed Purchases	Water Revenue Bonds	USDA Rural Development Loans	Financed Purchases			
2014	536,000	-	2,423,347	1,108,333	3,684,465	-	-	7,752,145	2.34%	543
2015	1,204,000	-	1,700,253	643,861	4,708,340	-	-	8,256,454	2.36%	548
2016	602,000	-	945,936	167,706	6,616,961	-	-	8,332,603	2.28%	539
2017	2,900,000	-	-	309,702	6,261,147	-	-	9,470,849	2.64%	590
2018	2,760,000	-	-	454,832	6,932,823	-	168,300	10,315,955	2.56%	620
2019	2,605,000	2,995,948	-	172,040	5,532,091	-	84,736	11,389,815	2.62%	666
2020	2,435,000	12,000,827	-	242,000	5,153,677	-	-	19,831,504	4.08%	1,133
2021	5,835,000	-	-	122,160	4,767,410	11,795,758	-	22,520,328	4.29%	1,274
2022	5,481,308	-	-	173,000	4,373,115	11,586,811	703,000	22,317,234	3.88%	1,241
2023	5,118,733	-	-	139,000	3,970,610	11,373,912	566,000	21,168,255	3.54%	1,124

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

^(a) See Schedule 14 for personal income and population data.

Schedule 10
City of Clemson
Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years

<u>General Bonded Debt Outstanding</u>					
<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Net</u>	<u>Percentage of Actual Taxable Value of Property ^(a)</u>	<u>Per Capita ^(b)</u>
2014	536,000	127,012	408,988	0.04%	28.65
2015	1,204,000	103,122	1,100,878	0.09%	73.04
2016	602,000	28,862	573,138	0.05%	37.06
2017	2,900,000	25,625	2,874,375	0.22%	179.00
2018	2,760,000	68,026	2,691,974	0.18%	161.69
2019	2,605,000	152,319	2,452,681	0.14%	143.41
2020	2,435,000	266,848	2,168,152	0.11%	123.89
2021	5,835,000	321,677	5,513,323	0.26%	311.82
2022	5,481,308	409,086	5,072,222	0.23%	282.01
2023	5,118,733	570,831	4,547,902	0.20%	241.49

Notes: ^(a) See Schedule 5 for actual taxable value of property

^(b) See Schedule 14 for personal income and population

Schedule 11
City of Clemson
Direct and Overlapping Governmental Activities Debt As of June 30, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt Repaid With Property Taxes			
Pickens County School District	\$ 182,531,130	8.30%	\$ 15,151,516
Pickens County General Obligation Debt	24,751,404	8.30%	2,054,561
Other Debt			
Pickens County - Other Debt	1,624,291	8.30%	<u>134,829</u>
Subtotal, Overlapping Debt			17,340,906
City Direct Debt			<u>5,510,152</u>
Total Direct and Overlapping Debt			<u><u>\$ 22,851,058</u></u>

Source: Pickens County and Pickens County School District

Notes: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were calculated by comparing the City's taxable assessed property value compared to the taxable assessed value for all three entities.

**Schedule 12
City of Clemson
Legal Debt Margin Information, Last Ten Fiscal Years**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Debt Limit	\$ 4,335,060	\$ 4,499,607	\$ 4,715,121	\$ 5,012,276	\$ 5,804,512	\$ 6,727,418	\$ 7,813,248	\$ 8,100,933	\$ 8,879,190	\$ 9,302,039
Total Net Debt Applicable to Limit	408,988	1,100,878	573,138	2,874,375	2,691,974	2,520,707	2,265,561	5,513,323	5,020,379	4,547,902
Legal Debt Margin	<u>\$ 3,926,072</u>	<u>\$ 3,398,729</u>	<u>\$ 4,141,983</u>	<u>\$ 2,137,901</u>	<u>\$ 3,112,538</u>	<u>\$ 4,206,711</u>	<u>\$ 5,547,687</u>	<u>\$ 2,587,610</u>	<u>\$ 3,858,811</u>	<u>\$ 4,754,137</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.43%	24.47%	12.16%	57.35%	46.38%	37.47%	29.00%	68.06%	56.54%	48.89%

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Value	\$ 116,275,492
Debt Limit (8% of assessed value)	9,302,039
Debt Applicable to Limit:	
General Obligation Bonds	5,118,733
Less: Amount Set Aside for Repayment of General Obligation Debt	<u>570,831</u>
Total Net Debt Applicable to Limit	<u>4,547,902</u>
Legal Debt Margin	<u>\$ 4,754,137</u>

Note: Under state finance law, the City's outstanding general obligation debt must not exceed 8 percent of total assessed property value. The general obligation debt subject to the limitation may be offset by amounts set aside for repayment of general obligation bonds.

**Schedule 13
City of Clemson
Pledged-Revenue Coverage, Last Ten Fiscal Years**

	<i>Fiscal Year</i>									
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<i>Water Revenue Bonds</i>										
<i>Utility Service Charges</i>	\$ 2,510,704	\$ 2,821,837	\$ 3,065,833	\$ 3,249,508	\$ 3,312,093	\$ 3,416,952	\$ 3,530,589	\$ 4,207,188	\$ 3,715,469	\$ 4,417,970
<i>Less: Operating Expenses</i>	2,166,389	2,319,594	2,590,166	2,597,901	2,756,491	2,596,322	2,991,556	2,960,778	2,695,638	3,213,717
<i>Net Available Revenue</i>	344,315	502,243	475,667	651,607	555,602	820,630	539,033	1,246,410	1,019,831	1,204,253
<i>Debt Service</i>										
<i>Principal</i>	115,248	117,863	120,537	229,037	229,069	239,000	244,143	249,398	254,766	260,250
<i>Interest</i>	73,363	70,733	80,858	96,936	95,641	90,579	85,408	81,456	81,456	70,604
<i>Coverage</i>	1.83	2.66	2.36	2.00	1.71	2.49	1.64	3.77	3.03	3.64
<i>Wastewater Revenue Bonds and Financed Purchases</i>										
<i>Utility Service Charges</i>	2,727,218	2,955,606	2,979,417	3,296,480	3,593,507	3,841,162	3,835,728	4,849,020	4,223,931	5,538,708
<i>Less: Operating Expenses</i>	2,213,642	2,293,004	2,844,205	2,575,870	2,577,504	2,916,743	3,220,181	4,300,429	2,951,841	3,026,724
<i>Net Available Revenue</i>	513,576	662,602	135,212	720,610	1,016,003	924,419	615,547	548,591	1,272,090	2,511,984
<i>Debt Service</i>										
<i>Principal</i>	139,008	78,283	125,500	126,777	129,254	1,161,733	134,270	341,948	350,799	438,153
<i>Interest</i>	9,540	10,097	41,292	33,819	49,137	28,914	46,132	247,666	241,133	239,685
<i>Coverage</i>	3.46	7.50	0.81	4.49	5.70	0.78	3.41	0.93	2.15	3.71
<i>Commercial Sanitation Financed Purchases</i>										
<i>Utility Service Charges</i>	292,567	286,009	299,375	318,693	334,730	368,576	377,482	366,907	394,715	423,084
<i>Less: Operating Expenses</i>	290,261	273,044	280,803	262,536	210,379	278,470	286,159	275,250	284,747	352,263
<i>Net Available Revenue</i>	2,306	12,965	18,572	56,157	124,351	90,106	91,323	91,657	109,968	70,821
<i>Debt Service</i>										
<i>Principal</i>	22,734	-	-	-	-	83,564	84,736	-	-	54,000
<i>Interest</i>	148	-	-	-	1,381	1,824	523	-	-	3,343
<i>Coverage</i>	0.10	-	-	-	90.04	49.40	174.61	-	-	21.18

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

Schedule 14
City of Clemson
Demographic and Economic Statistics, Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2014	14,276	331,702,860	23,235	5.2%
2015	15,072	350,197,920	23,235	5.2%
2016	15,466	364,842,940	23,590	4.2%
2017	16,058	359,345,924	22,378	4.3%
2018	16,649	402,189,893	24,157	2.7%
2019	17,102	435,040,676	25,438	2.7%
2020	17,501	486,265,285	27,785	3.2%
2021	17,681	525,532,363	29,723	4.2%
2022	17,986	575,839,776	32,016	4.2%
2023	18,833	597,458,092	31,724	5.2%

Schedule 15
City of Clemson
Principal Employers, Current Year and Nine Years Ago

2023		
Employer	Employees	Percentage of Total City Employment
Clemson University ^(a)	6,281	32.23%
City of Clemson	389	1.94%
Publix Market	206	0.90%
Ingles Markets	158	0.90%
Clemson Elementary School	131	0.61%
Wal-Mart Neighborhood Store	115	0.71%
Lowes	110	0.28%
Tiger Gourmet Foods, Inc	80	0.11%
Chic-Fil-A	60	0.33%
Anmed	57	0.17%
Total	7,587	38.18%

2014		
Employer	Employees	Percentage of Total City Employment
Clemson University ^(a)	4,769	47.27%
City of Clemson	330	3.12%
Bi-Lo	140	2.18%
Ingles Markets	124	1.12%
Clemson Elementary School	119	1.10%
Ruby Tuesday	110	0.97%
Pixie & Bills Restaurant	60	0.60%
Trehel Corporation	56	0.56%
Courtyard by Marriott	54	0.54%
University Inn	30	0.30%
	5,792	57.76%

Notes: ^(a) Clemson University is technically not within the City's corporate boundaries. However, its impact is substantial, thus its employment base has been included as a principal employer.

Schedule 16
City of Clemson
Full-time-Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years

Function/Program	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<i>General Government</i>										
Council	0	0	0	0	0	0	0	0	0	0
Municipal Court	4	4	5	5	5	5	5	5	5	5
Administration	7	7	8	8	8	8	9	9	9	9
Finance	3	3	3	3	3	3	3	3	4	4
Information Technology	1	1	2	2	2	2	2	3	3	3
Planning & Codes	8	10	11	10	10	10	10	10	10	10
Public Buildings	2	2	2	2	2	2	2	2	4	4
<i>Police</i>										
Officers	28	29	29	30	34	34	34	34	34	34
Telecommunicators	6	6	7	7	8	8	8	8	8	8
Other	3	3	3	5	3	3	4	4	4	4
<i>Refuse Collection</i>										
Residential Sanitation	14	14	14	13	15	15	15	16.3	15.3	15.3
Commercial Sanitation	2	2	2	2	2	2	2	2	2	2
<i>Other Public Works</i>										
Streets	6	6	6	6	5	7	6	6	5	5
Public Works Administration	3	3	3	3	3	3	2	3	3	3
Equipment Services	2	2	2	2	2	2	2	2	2	2
Engineering	3	3	3	3	3	3	3	3	3	3
<i>Other</i>										
Arts Center	0	0	0	0	0	0	0	1	1	1.5
African American Museum	0	0	0	0	0	0	0	1	1	1.5
Recreation	7	7	8	7	7	8	7	7	7	7.5
Water	7	7	7	7	6	7	7	7	7	7
Utility Billing	7	7	7	8	8	8	9	9	9	9
Wastewater Collection	6	6	7	6	7	7	7	7	7	7
Wastewater Treatment	4	4	4	4	4	5	5	5	5	5
Transit Administration	6	6	6	5	6	6	6	6	6	6
Transit Operations	13	13	14	13	16	16	16	17	19	19
Twelve Mile Park	0	0	0	0	0	0	0	1	1	1
Horticulture	2	2	2	3	3	2	3	3	4	6.5
Tourism	0	0	0	0	0	0	0	0	1	1
Stormwater	0	0	2	4	4	4	4	4	4	4
Total	144	147	157	158	166	170	171	178.3	183.3	187.3

Source: The City's Office of Human Resources

**Schedule 17
City of Clemson
Operating Indicators by Function/Program, Last Ten Fiscal Years**

Function/Program	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<i>General Government</i>										
<i>Building Permits Issued</i>	902	1,029	1,156	1,074	1,529	835	500	645	640	815
<i>Building Inspections Conducted</i>	3,059	2,800	2,967	3,646	4,259	4,193	2,963	2,261	2,849	3,473
<i>Police</i>										
<i>Parking Violations</i>	6,135	6,566	6,708	6,888	5,382	6,421	3,346	4,235	4,837	4,774
<i>Traffic Violations</i>	8,096	8,799	8,547	9,030	11,849	8,285	3,838	2,971	3,659	3,825
<i>Fire</i>										
<i>Inspections</i>	1,128	1,197	1,128	872	701	842	495	413	533	654
<i>Refuse Collection</i>										
<i>Refuse Collected (lbs)</i>	5,427,081	5,741,730	5,661,088	11,543,311	12,030,591	11,998,846	12,152,520	12,580,360	12,965,560	13,194,920
<i>Recyclables Collected (lbs)</i>	1,403,343	1,376,040	1,402,629	1,661,498	1,425,002	1,292,816	915,380	1,130,140	1,075,920	497,200
<i>Other Public Works</i>										
<i>Street Resurfacing (miles)</i>	0.71	0.71	0.25	0	0	0	3.5	-	0.5	-
<i>Water</i>										
<i>New Taps</i>	117	102	165	102	237	103	98	229	95	309
<i>Residential Customers *</i>	-	6,071	6,118	6,287	6,343	6,561	6,584	6,662	6,855	7,005
<i>Non-residential Customers *</i>	-	415	418	425	444	474	468	427	433	432
<i>Water Main Breaks</i>	207	207	331	306	306	330	229	263	400	146
<i>Average Daily Consumption</i>	1,805,000	1,876,000	1,874,000	1,972,000	1,858,000	2,248,000	2,001,000	1,920,000	2,054,000	2,160,000
<i>Peak Daily Consumption</i>	2,707,000	2,604,000	2,623,000	2,624,000	2,311,000	2,678,000	2,498,000	2,500,000	2,440,000	2,720,000
<i>Wastewater</i>										
<i>New Taps +</i>	-	-	-	67	211	69	64	89	45	196
<i>Residential Customers *</i>	-	5,457	5,506	5,634	5,694	6,211	6,254	6,389	6,546	6,624
<i>Non-residential Customers *</i>	-	366	368	375	390	391	390	386	386	394
<i>Average Daily Sewage Treatment</i>	1,810,000	1,750,000	1,660,000	1,590,000	1,654,000	1,950,000	2,082,000	1,805,000	2,015,000	1,895,000
<i>Transit</i>										
<i>Total Route Miles</i>	665,555	582,678	588,628	685,121	740,225	718,817	586,475	598,815	674,809	662,012
<i>Passengers</i>	1,824,053	1,742,463	1,751,378	1,769,505	1,594,772	894,494	678,346	237,904	594,105	869,103

Source: Various City Departments

* Number of customers at June 30th each year. Information unavailable prior to FY 2015.

+ Information unavailable prior to FY 2017.

Schedule 18
City of Clemson
Capital Asset Statistics by Function/Program, Last Ten Fiscal Years

<u>Function/Program</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
<i>Police</i>										
Stations	1	1	1	1	1	1	1	1	1	1
Uniform Patrol Units	20	20	20	20	22	24	24	24	24	24
<i>Refuse Collection</i>										
Collection Trucks	5	5	6	6	5	5	5	5	6	9
<i>Other Public Works</i>										
Streets (miles)	64	64	69	69	69	69	69	69	73.25	75
Streetlights	327	340	350	360	382	382	382	382	382	382
Traffic Signals	1	1	1	1	1	1	1	1	1	1
<i>Parks and Recreation</i>										
Acreage	102	102	102	100	100	100	196	196	201	221
Playgrounds	7	7	7	7	7	7	7	8	8	8
Soccer Fields	6	6	6	4	5	5	5	5	5	5
Baseball/Softball Fields	7	7	7	7	7	7	7	7	7	7
Trails (miles)	9	9.36	9.53	9.53	9.53	9.53	9.53	9.82	10.1	11.28
Pump Track	0	0	0	0	0	0	0	0	1	1
<i>Water</i>										
Water Mains (miles)	112	112.8	113.2	113.3	114.1	118.6	119.25	120.2	122.8	123.24
Fire Hydrants	500	508	512	512	518	556	561	562	576	577
<i>Wastewater</i>										
Sewer Mains Gravity (miles)	105.6	106.2	106.8	107	107.7	105	105.62	106	108.8	109.8
Sewer Mains Force (miles)	9	9	9	9	9	5.5	5.5	6.5	6.8	6.8
Treatment Capacity (millions of gallons)	3.15	3.15	3.15	3.15	3.15	3.15	3.15	4	4	4
<i>Stormwater</i>										
Stormwater Lines (miles)	7.25	7.25	7.25	16.92	16.97	17.02	17.07	17.12	17.17	17.2
Ditches (miles) *	0	0	7.91	7.91	8.06	8.06	8.06	8.06	8.99	10.32
Inlets *	0	0	0	1089	1101	1113	1125	1137	1149	1161
<i>Transit</i>										
Buses	26	23	25	28	29	19	25	23	21	22

Source : Various City Departments

COMPLIANCE SECTION



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*

**The Honorable Mayor and Members
of the City Council
Clemson, South Carolina**

We have audited, in accordance with the 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 Clemson, South Carolina** (the "City"), as of and for the year ended June 30, 2023, 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 21, 2023. Our report includes a reference to an emphasis of a matter relative to the change in accounting principle resulting from the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

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*.

City of Clemson, South Carolina's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 entity'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.



Columbia, South Carolina
December 21, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

**The Honorable Mayor and Members
of the City Council
Clemson, South Carolina**

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the **City of Clemson, South Carolina's** (the "City") compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However material weaknesses or significant deficiencies may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Columbia, South Carolina
December 21, 2023

CITY OF CLEMSON, SOUTH CAROLINA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal Assistance Listing</u>	<u>Grant Identification Number</u>	<u>Expenditures</u>	<u>Passed through to Subrecipients</u>
U.S. Department of Justice				
Direct:				
Body-worn Camera Policy and Implementation Program	16.835	N/A	\$ 3,911	\$ -
Total U.S. Department of Justice			<u>3,911</u>	<u>-</u>
U.S. Department of Transportation				
Direct:				
Federal Aid Highway Program	20.205	P030355	80,000	-
<i>Highway Safety Cluster</i>				
State and Community Highway Safety	20.600	PT-2023-HS-34-23	12,966	-
State and Community Highway Safety	20.600	23	10,491	-
<i>Total Highway Safety Cluster</i>			<u>23,457</u>	<u>-</u>
Federal Transit Administration				
<i>Federal Transit Cluster</i>				
5307 Operating and Capital Grant	20.507	SC-2022-044-00	1,049,627	-
5307 Operating and Capital Grant	20.507	SC-2022-014-00	441,048	-
<i>Total Federal Transit Cluster</i>			<u>1,490,675</u>	<u>-</u>
Total U.S. Department of Transportation			<u>1,594,132</u>	<u>-</u>
U.S. Department of Treasury				
Direct:				
COVID-19 State and Local Fiscal Recovery Fund	21.027	N/A	457,382	-
Total U.S. Department of Treasury			<u>457,382</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 2,055,425</u>	<u>\$ -</u>

CITY OF CLEMSON, SOUTH CAROLINA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the City of Clemson, South Carolina (the "City"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The City reporting entity is described in Note 1 to the City's basic financial statements.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2. DE MINIMIS INDIRECT COST RATE

The City chose not to use the ten percent de Minimis indirect cost rate for the year ended June 30, 2023.

NOTE 3. NON-CASH AWARDS AND LOANS

There were no federal awards expended in the form of noncash assistance during the fiscal year. There were also no loans or loan guarantees outstanding at year end.

CITY OF CLEMSON, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION I SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weaknesses identified? Yes No

Significant deficiencies? Yes No

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:
Material weaknesses identified? Yes No

Significant deficiencies? Yes None reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major programs:

Assistance Listing Number

20.507/20.526

Name of Federal Program or Cluster

U.S. Department of Transportation
Federal Transit Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

CITY OF CLEMSON, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS

2023-001. Segregation of Duties

Criteria: Internal controls should be in place to provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: During the fiscal year ended June 30, 2023, there was not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other financial cycles in the various funds possessed by the City. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees with no consistent review. In general, we noted that individuals are able to post deposits to the general ledger and also take those deposits to the bank.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: Failure to properly segregate duties among the various financial cycles in the funds possessed by the City can lead to misappropriation of funds that is not detected during the normal course of business.

Cause: The lack of segregation of duties is due to the limited number of individuals available to perform all of the duties as well as the lack of a properly developed integrated work plan with appropriate controls.

Recommendation: The duties among the various financial cycles associated with the various funds of the City should be segregated among employees to eliminate various overlapping duties.

Views of Responsible Officials and Planned Corrective Action: We concur. The City is in the process of reviewing their respective systems to evaluate and determine the most efficient and effective solution to properly segregate duties among the financial cycles of the City.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None Reported.

CITY OF CLEMSON, SOUTH CAROLINA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

SECTION IV
PRIOR YEAR FINDINGS AND QUESTIONED COSTS

2022-001. Segregation of Duties

Criteria: Internal controls should be in place to provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: During the fiscal year ended June 30, 2022, there was not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other financial cycles in the various funds possessed by the City. Further, we noted a general lack of segregation of duties. We noted bank statements were being reconciled by employees with no consistent review. In general, we noted that individuals are able to post deposits to the general ledger and also take those deposits to the bank. Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Status: Unresolved. See current year finding 2023-001.



CITY OF Clemson SOUTH CAROLINA

MANAGEMENT CORRECTIVE ACTION PLAN Section II – Financial Statement Findings

Finding: 2023-001 – Segregation of Duties

Name of contact person: Leslie Wilder – Director of Finance

Corrective action: We will review the respective systems to evaluate and determine the most efficient and effective solution to properly segregate duties among the financial cycles of the City.

Proposed completion date: Fiscal Year 2024.

Respectfully submitted,

David A. Blondeau
City Administrator

Leslie Wilder
Finance Director