



CITY OF CLEMSON
SOUTH CAROLINA



Comprehensive Annual
Financial Report



For the Fiscal Year Ended June 30, 2019

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SOUTH CAROLINA



Comprehensive Annual
Financial Report



For the Fiscal Year Ended June 30, 2019



Prepared by the Office of Finance

CITY OF CLEMSON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2019

TABLE OF CONTENTS

INTRODUCTORY SECTION	Page(s)
<i>Letter of Transmittal</i>	i - v
<i>GFOA Certificate of Achievement</i>	vi
<i>Organization Chart</i>	vii
<i>Public Officials and Positions</i>	viii
FINANCIAL SECTION	
<i>Independent Auditor's Report</i>	1 - 3
<i>Management's Discussion and Analysis</i>	5 - 12
<i>Basic Financial Statements</i>	
<i>Government-wide Financial Statements</i>	
<i>Statement of Net Position</i>	13
<i>Statement of Activities</i>	14 - 15
<i>Fund Financial Statements</i>	
<i>Balance Sheet – Governmental Funds</i>	16
<i>Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position</i>	17
<i>Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds</i>	18
<i>Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities</i>	19
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund</i>	20 – 21
<i>Statement of Net Position – Proprietary Funds</i>	22
<i>Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds</i>	23
<i>Statement of Cash Flows – Proprietary Funds</i>	24 – 25
 <i>Notes to the Financial Statements</i>	 26 – 62
<i>Required Supplementary Information</i>	
<i>Schedule of the City's Proportionate Share of the Net Pension Liability (SCRS)</i>	63
<i>Schedule of the City's Contributions (SCRS)</i>	64
<i>Schedule of the City's Proportionate Share of the Net Pension Liability (PORS)</i>	65
<i>Schedule of the City's Contributions (PORS)</i>	66
<i>Combining and Individual Fund Statements and Schedules</i>	
<i>Nonmajor Governmental Funds</i>	67
<i>Combining Balance Sheet – Nonmajor Governmental Funds</i>	68
<i>Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds</i>	69
<i>Combining Balance Sheet – Nonmajor Special Revenue Funds</i>	70
<i>Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds</i>	71
<i>Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Community Development</i>	72

<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Emergency Phone System</i>	73
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Tourism Fund</i>	74
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Park Land Fund</i>	75
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Hospitality Fee Fund</i>	76
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Hospitality Tax Fund</i>	77
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Local Accommodations Tax Fund</i>	78
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Cultural Commission Fund</i>	79
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Debt Service Fund</i>	80
<i>Combining Balance Sheet – Nonmajor Capital Project Funds</i>	81
<i>Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds</i>	82
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Berkeley Drive Pedestrian Bridge Fund</i>	83
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Arts Center/CAAAM</i>	84
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Littlejohn CC Expansion</i>	85
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – Transit LoNo Grant Fund</i>	86
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget to Actual – WWTP Expansion</i>	87
<i>Internal Service Funds</i>	89
<i>Statement of Net Position – Internal Service Funds</i>	90
<i>Statement of Revenues, Expenses, and Changes in Fund Balance – Internal Service Funds</i>	91
<i>Statement of Cash Flows – Internal Service Funds</i>	92
<i>Capital Assets Used in the Operation of Governmental Funds</i>	
<i>Comparative Schedules By Source</i>	93
<i>Schedule of Changes by Function and Activity</i>	94
<i>Schedule by Function and Activity</i>	95

OTHER REQUIRED INFORMATION

<i>Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96)</i>	97
<i>Clemson Area Transit-Schedule of Budgeted to Actual Costs – Grant #PT-8A199-07</i>	98
<i>Clemson Area Transit-Schedule of Budgeted to Actual Costs – Grant #PT-9A199-D9</i>	99
<i>Clemson Area Transit-Schedule of Budgeted to Actual Costs – Grant #PT-9A199-24</i>	100

STATISTICAL SECTION

Schedule #

<i>Contents</i>		101
<i>Financial Trends:</i>		
<i>Net Position by Component, Last Ten Fiscal Years</i>	1	102
<i>Changes in Net Position, Last Ten Fiscal Years</i>	2	103 – 104
<i>Fund Balances, Governmental Funds, Last Ten Fiscal Years</i>	3	105

<i>Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years</i>	4	106 – 107
<i>Revenue Capacity:</i>		
<i>Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years</i>	5	108
<i>Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years</i>	6	109
<i>Principal Property Taxpayers, Current Year and Nine Years Ago</i>	7	110
<i>Property Tax Levies and Collections, Last Ten Fiscal Years</i>	8	111
<i>Debt Capacity:</i>		
<i>Ratios of Outstanding Debt by Type, Last Ten Fiscal Years</i>	9	112
<i>Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years</i>	10	113
<i>Direct and Overlapping Governmental Activities Debt As of June 30, 2019</i>	11	114
<i>Legal Debt Margin Information, Last Ten Fiscal Years</i>	12	115
<i>Pledged-Revenue Coverage, Last Ten Fiscal Years</i>	13	116
<i>Demographic and Economic Information:</i>		
<i>Demographic and Economic Statistics, Last Ten Calendar Years</i>	14	117
<i>Principal Employers, Current Year and Nine Years Ago</i>	15	118
<i>Operating Information:</i>		
<i>Full-time-Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years</i>	16	119
<i>Operating Indicators by Function/Program, Last Ten Fiscal Years</i>	17	120
<i>Capital Asset Statistics by Function/Program, Last Ten Fiscal Years</i>	18	121

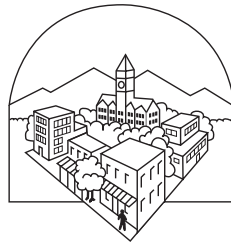
FEDERAL FINANCIAL ASSISTANCE SECTION

<i>Schedule of Expenditures of Federal Awards</i>		123
<i>Report of 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</i>		125-126
<i>Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133</i>		127-128
<i>Schedule of Findings and Questioned Costs</i>		129
<i>Schedule of Summary of Prior Year Audit Findings</i>		130

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INTRODUCTORY SECTION





LETTER OF TRANSMITTAL

February 24, 2020

Mayor and Governing Body
City of Clemson
Clemson, South Carolina

We are pleased to present to you the Comprehensive Annual Financial Report for the City of Clemson for the year ended June 30, 2019. 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 Comprehensive Annual 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 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 Office of Management and Budget Circular A-133, **Audits of States, Local Governments, and Non-Profit Organizations**. 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 17,000 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

Vision Statement – “The City of Clemson is a university town that provides a strong sense of community and a high quality of life for its residents. University students add to its diversity and vitality. The City is dedicated to providing a quality living environment for all its residents by ensuring a balanced, compatible, and healthy mix of residential and commercial development, while preserving and improving its natural resources, and promotes its image as a desirable, visually attractive, safe, and economically stable residential community. The City actively seeks cooperation with its neighbors to ensure the fulfillment of its vision.”

The City of Clemson is a small community of 17,000 permanent citizens, but has large City concerns because nine months of the year the community is “home” to approximately 24,000 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

- **Cochran Road Utility Office and Laboratory Building** – The City completed construction of the Office and Laboratory building which is phase 1 of the Cochran Road wastewater treatment plant upgrade. Approximately 90% of this \$2.2 million project is being funded with utility impact fees. This project was completed in August 2018.
- **Cochran Road Wastewater Treatment Plant Upgrade** –The City started construction on the wastewater treatment plant upgrade (phase 2) in February 2019. This is about a \$15 million project being funded mostly by a USDA loan and grant. At June 30, 2019 about \$3.7 million has been spent on engineering and construction.

- **Transit Electric Busses LoNo Fund** – During the year the City acquired 10 electric busses through federal and state grant funds. The LoNo Capital Project is approximately 80 percent funded by the grant funds. At June 30, 2019 about \$7.8 million has been expended on the new busses. This capital project will be completed in fiscal year 19-20.

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.

Compliance – As a recipient of state and federal financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to guarantee compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City of Clemson.

As a part of the City's independent audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's compliance for the fiscal year ended June 30, 2019 provided no instances of material weaknesses in the internal control structure of significant violations of applicable laws and regulations.

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. The City also maintains an encumbrance accounting system as one method of accomplishing budgetary control. Encumbered amounts are recorded as reservations of fund balances at year-end and reflected as expenditures during the subsequent fiscal year. 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, 2019, \$2,613,456 of the City's bank balance of \$4,588,300 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the City's name. The carrying amount of investments held at June 30, 2019 amounted to \$1,802,794 of Mortgage Notes and Certificates, \$5,222,638 of Bank Bonds, and \$15,331,484 of South Carolina Investment Pool funds. The City recognized a valuation gain on its investments of \$388,412 at June 30, 2019.

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 Stancil Cooley Estep & Stamey, LLP 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 Office of Management and Budget Circular A-133, **Audits of States, Local Governments, and Non-Profit Organizations**. 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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. In order to be awarded a Certificate of Achievement, the City of Clemson published an easily readable and efficiently organized Comprehensive Annual 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 Comprehensive Annual 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 Comprehensive Annual Financial Report on a timely basis was made possible by the efficient and dedicated services of the entire City of Clemson administration and the accounting firm of Stancil Cooley Estep & Stamey. 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

David A. Blondeau
City Administrator

Joel K. Seavey

Joel K Seavey
Chief Financial Officer

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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Clemson
South Carolina**

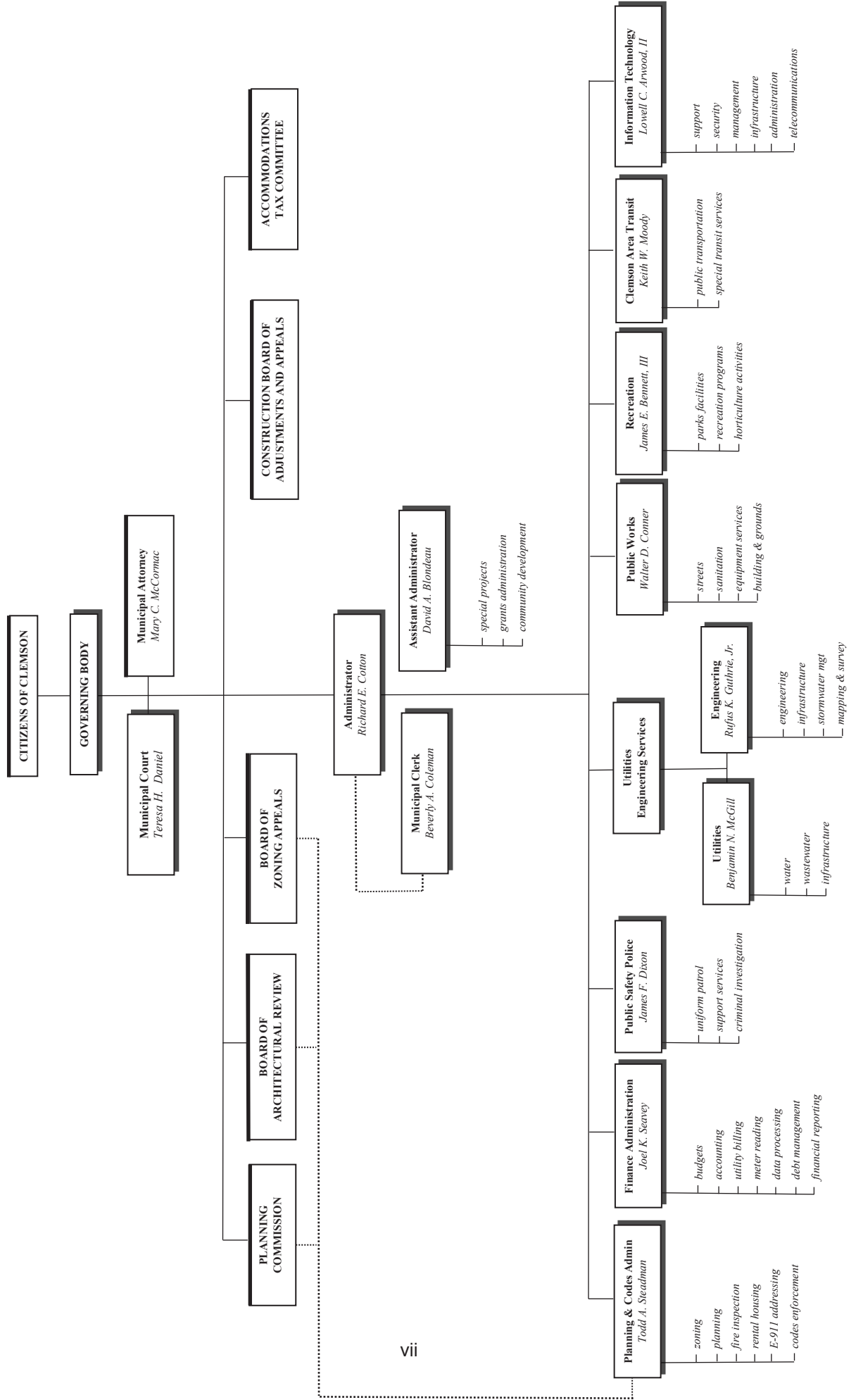
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO

**CITY OF CLEMSON
ORGANIZATION CHART
JUNE 30, 2019**



**CITY OF CLEMSON
PRINCIPAL OFFICIALS
JUNE 30, 2019**

GOVERNING BODY

James C. Cook III, Mayor

John W. Ducworth III, Mayor Pro-Tempore

Mark M. Cato

Francis A. Mcguire

May C. Cox

Robert Halfacre

Alesia A. Smith

ADMINISTRATION

Administrator- Richard E. Cotton, M.F.A.

Assistant Administrator - David A. Blondeau, M.P.A.

Director of Finance- Joel K. Seavey, B.S.

Director of Planning & Codes Administration – Todd A. Steadman, M.L.A.

Chief of Police- James F. Dixon, B.S.

Director of Parks & Recreation- James E. Bennett III, M.E.D.

Director of Public Works- Walter D. Conner, B.S.

Director of Utilities- Benjamin N. McGill

Director of Engineering Services- Rufus K. Guthrie Jr., MS.

Municipal Judge- Teresa H. Daniel, A.P.S.

Director of Information Technology- Lowell C. Arwood II, B.B.A.

Director of Clemson Area Transit System -Keith W. Moody

FINANCIAL SECTION





STANCIL
COOLEY ESTEP
& STAMEY, LLP

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Accountants*

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Clemson, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clemson, South Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the general fund budget to actual comparison, and the aggregate remaining fund information of the City of Clemson, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension plan schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Clemson's basic financial statements. The introductory section, victim services supplementary schedule of fines and assessments, combining and individual nonmajor fund financial statements, the budgetary comparison schedules, the capital asset schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform



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Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the budgetary comparison schedules, the capital asset schedules, the schedule of expenditures of federal awards, and victim services supplementary schedule of fines and assessments are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the budgetary comparison schedules, the capital asset schedules, the schedule of expenditures of federal awards, and victim services supplementary schedule of fines and assessments are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 24, 2020, on our consideration of the City of Clemson'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 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 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 City of Clemson's internal control over financial reporting and compliance.

Stancil Cooley Estep & Stamey, LLP

Clemson, South Carolina
February 24, 2020

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**CITY OF CLEMSON
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019**

In this section of the City of Clemson's comprehensive annual financial report, senior management provides narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the City's primary government. Additional information is available in the letter of transmittal, which precedes Management's Discussion and Analysis.

Financial Highlights

- The assets of the City of Clemson exceeded its liabilities at the close of the most recent fiscal year by \$56,607,736 (*ending net position*). Of this amount, \$9,638,236 (*unrestricted net position*) may be used to meet Clemson's ongoing obligations to its citizens and creditors.
- The City of Clemson's total net position increased by \$11,214,318 during fiscal year 2018-19. Revenues increased \$8,334,908, while expenses decreased \$67,819.
- At the close of the current fiscal year, unassigned fund balance for the General Fund was \$8,177,987 or approximately 68% of total General Fund expenditures.

Overview of Financial Statements

Management's Discussion and Analysis introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The City also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements which provide both long-term and short-term information about the City's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The first of the government-wide statements is the *Statement of Net Position*. This is a City-wide statement of financial position presenting information that includes all of the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference 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 as a whole is improving or deteriorating.

The second government-wide statement is the *Statement of Activities* which reports how the City's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or

functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Clemson include general government, public safety, streets, sanitation, economic development, and recreation. The business-type activities of the Clemson include water, stormwater, and wastewater utilities, commercial sanitation, public transportation, and the operation of a downtown parking deck.

Fund Financial Statements

A *fund* is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. The funds of the City of Clemson 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.

While 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 four governmental type funds – a general fund, special revenue funds, capital projects funds, and a debt service fund. Information is presented separately in the governmental funds balance sheets and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The City adopts annual appropriated budgets for these four governmental fund types, and budgetary comparison statements have been provided to demonstrate compliance with the individual budgets.

Proprietary Funds – Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City of Clemson maintains six proprietary funds, which are enterprise funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for water operations, stormwater activities, wastewater operations, commercial sanitation services, public transportation services, and parking deck operations.

Notes to Financial Statements

The accompanying notes to the financial statements, which begin immediately after the basic financial statements, provide additional information essential in acquiring an understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary and Other Required Information

In addition to the basic financial statements and accompanying notes, this report also presents *Required Supplementary Information (RSI)* and certain *Other Required Information*. *RSI* relates to the City's progress in funding its obligation to provide pension and *Other Post-Employment Benefits (OPEB)* to its employees, and can be found on pages 63–66. *Other Required Information* relates to the uniform schedule of court fines, assessments, and surcharges (per Act 96), and schedules of budgeted to actual costs for state grants, and they follow the section pertaining to the financial statements.

Financial Analysis of City as a Whole

At the close of fiscal year 2019, the City of Clemson's assets exceeded liabilities by \$56,607,736. The largest portion of the City's total net position (81 percent) reflects its investment in capital assets (land and buildings, other improvements, and equipment). The City of Clemson uses these capital assets to provide services to citizens, and consequently, are *not* available for future spending.

The following table provides a summary comparison of the City's net position for the fiscal years ended June 30, 2019 and June 30, 2018. Additional current year information concerning net position can be found in the Statement of Net Position presented on page 13.

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Current and Other Assets	\$ 21,870,393	\$ 15,151,801	\$ 11,891,170	\$ 13,013,862	\$ 33,761,563	\$ 28,165,663
Capital Assets	16,221,877	17,141,142	37,727,193	27,486,277	53,949,070	44,627,419
Total Assets	\$ 38,092,270	\$ 32,292,943	\$ 49,618,363	\$ 40,500,139	\$ 87,710,633	\$ 72,793,082
Deferred Outflows	\$ 2,149,394	\$ 2,042,866	\$ 1,148,432	\$ 1,305,912	\$ 3,297,826	\$ 3,348,778
Long-term Liabilities	\$ 16,231,878	\$ 12,783,126	\$ 12,088,064	\$ 12,554,290	\$ 28,319,942	\$ 25,337,416
Other Liabilities	4,014,714	2,182,938	1,937,300	3,145,810	5,952,014	5,328,748
Total Liabilities	\$ 20,246,592	\$ 14,966,064	\$ 14,025,364	\$ 15,700,100	\$ 34,271,956	\$ 30,666,164
Deferred Inflows	\$ 88,417	\$ 78,469	\$ 40,350	\$ 3,809	\$ 128,767	\$ 82,278
Net Position						
Investment Capital Assets (Net of Related Debt)	\$ 13,444,837	\$ 13,926,310	\$ 32,110,366	\$ 20,553,458	\$ 45,555,203	\$ 34,479,768
Restricted	152,319	68,026	1,261,978	1,177,305	1,414,297	1,245,331
Unrestricted	6,309,499	5,296,940	3,328,737	4,371,379	9,638,236	9,668,319
Total Net Position	\$ 19,906,655	\$ 19,291,276	\$ 36,701,081	\$ 26,102,142	\$ 56,607,736	\$ 45,393,418

At the end of the current fiscal year, the City of Clemson is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Governmental Activities

During the current year, the City of Clemson’s governmental net position increased approximately 4% or \$615,379. Also, governmental activities transferred \$9,783,675 to business-type activities, which included \$7,804,025 of capital contributions from the LoNo Capital Project Fund to the Transit Fund. Prior to the transfers, governmental activities realized an increase in net position of \$10,399,054. Other areas of significant change are as follows:

- Total revenues increased approximately 70% which resulted in a revenue increase of \$10,388,723. The revenues increased approximately 18% or \$2,584,698 when the capital contribution from LoNo of \$7,804,025 is deducted from total revenue. Other various revenue items contributed to the increase in governmental resources.
- Net program revenues increased \$8,668,149 as a result of an increase of approximately \$8,300,000 in capital grants and contributions, which includes the \$7,804,025 capital contribution from LoNo fund discussed above. Operating grants and contributions increased approximately \$360,000 as a result of \$357,153 operating contribution from Pickens County for the road maintenance fee.
- The City realized a net gain of \$1.7 million in general revenues due in part to an increase of approximately \$1.2 million in property taxes and small increases in other categories.
- Approximately 79% of the \$208,000 increase in other revenues was associated with a \$164,000 increase in market value of investments realized at June 30, 2019.

The following table provides a summary comparison of the City’s revenues, expenses, and changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018. Additional current year information concerning changes in net position can be found in the Statement of Activities presented on pages 14 & 15.

Summary of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
REVENUES						
Program Revenues						
Charges for Services	\$ 6,158,730	\$ 6,164,652	\$ 8,540,575	\$ 8,980,516	\$ 14,699,305	\$ 15,145,168
Operating Grants and Contributions	662,263	295,516	2,797,278	3,768,108	3,459,541	4,063,624
Capital Grants and Contributions	8,473,359	166,035	706,777	1,229,872	9,180,136	1,395,907
General Revenues						
Ad Valorem Taxes	6,089,392	4,859,983	-	-	6,089,392	4,859,983
Sales and Use Taxes	2,097,706	2,037,983	-	-	2,097,706	2,037,983
Intergovernmental	623,235	568,630	-	-	623,235	568,630
Investment Earnings	330,939	162,088	158,392	117,691	489,331	279,779
Other Revenues	835,900	627,914	(160,650)	-	675,250	627,914
Total Revenues	\$ 25,271,524	\$ 14,882,801	\$ 12,042,372	\$ 14,096,187	\$ 37,313,896	\$ 28,978,988

(continued)

Summary of Changes in Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
EXPENSES						
General Government	\$ 3,328,056	\$ 3,222,927	\$ -	\$ -	\$ 3,328,056	\$ 3,222,927
Public Safety	5,516,495	4,679,649	-	-	5,516,495	4,679,649
Public Works	2,965,892	3,853,063	-	-	2,965,892	3,853,063
Culture and Recreation	1,981,697	2,010,607	-	-	1,981,697	2,010,607
Urban Redevelopment	63,041	26,997	-	-	63,041	26,997
Equipment Services	163,565	154,173	-	-	163,565	154,173
Intergovernmental	396,991	343,180	-	-	396,991	343,180
Interest Long Term Debt	60,959	63,779	-	-	60,959	63,779
Other Expenses	395,774	170,207	-	-	395,774	170,207
Water Utility	-	-	3,022,906	3,175,628	3,022,906	3,175,628
Stormwater Utility	-	-	341,518	476,277	341,518	476,277
Wastewater Utility	-	-	3,537,030	3,128,978	3,537,030	3,128,978
Commercial Sanitation	-	-	366,434	255,267	366,434	255,267
Clemson Area Transit	-	-	3,797,347	4,434,591	3,797,347	4,434,591
Parking Deck	-	-	161,873	172,074	161,873	172,074
Total Expenses	\$ 14,872,470	\$ 14,524,582	\$ 11,227,108	\$ 11,642,815	\$ 26,099,578	\$ 26,167,397
Change in Net Position Before Transfers	\$ 10,399,054	\$ 358,219	\$ 815,264	\$ 2,453,372	\$ 11,214,318	\$ 2,811,591
Transfers	(9,783,675)	1,120,567	9,783,675	(1,120,567)	-	-
Change in Net Position After Transfers	\$ 615,379	\$ 1,478,786	\$ 10,598,939	\$ 1,332,805	\$ 11,214,318	\$ 2,811,591
Net Position, Beginning	19,291,276	17,812,490	26,102,142	24,769,337	45,393,418	42,581,827
Net Position, Ending	<u>\$ 19,906,655</u>	<u>\$ 19,291,276</u>	<u>\$ 36,701,081</u>	<u>\$ 26,102,142</u>	<u>\$ 56,607,736</u>	<u>\$ 45,393,418</u>

Business-type Activities

The City's business-type net position increased 40.6% or \$10,598,939. Prior to transfers of \$9,783,675 from governmental activities, business-type activities realized an increase in net position of \$815,264. *Net* program revenues decreased \$1,933,866 as a result of decreases of \$970,830 in operating grants and contributions and \$523,095 in capital grants and contributions. Additional details of significant changes in net position are as follows:

- Charges for utility and transportation services decreased approximately 5%, to \$8,540,575. Wastewater revenue decreased by \$390,681 due to impact fees being realized in the amount of \$793,883 in the previous year.
- The City's transportation services fund received operating grants amounting to \$967,570, and realized \$1,829,708 of intergovernmental revenues from state and local agencies. This is a 25.8% decrease from the previous year. In addition utilities recorded \$598,487 of developer contributions.

Financial Analysis of City Funds

Governmental Funds

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

As of the end of the current fiscal year, the City of Clemson's governmental funds reported combined ending fund balances of \$16,717,035. Approximately 49% of this total amount (\$8,177,987) constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is not available for new spending because it has already been, (1) restricted for Special Revenue Funds (\$4,752,759), Capital Projects Funds (\$3,261,722), and Debt Service Fund (\$152,319), (2) committed in the General Fund (\$334,142), and Special Revenue Funds (\$38,106). The unassigned fund balance increased \$1,998,948 from June 30, 2018.

The General Fund is the major operating fund of the City of Clemson. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8,177,987, while total fund balance reached \$8,512,129. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance, and total fund balance, to total fund expenditures. Unassigned fund balance represents 68% of total General Fund expenditures, while total fund balance represents approximately 71% of total General Fund expenditures.

Proprietary Funds

The City of Clemson's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the water, stormwater, and wastewater utilities at the end of the year amounted to \$324,428, \$31,495, and \$4,004,781 respectively. Commercial sanitation operations ended the year with \$78,505 of unrestricted net position, while transit operations reported \$9,838,564 of total net position. Also, the City's investment in the downtown parking deck provided this proprietary fund with \$763,353 of unrestricted net position at the end of the year.

General Fund Budget Highlights

There were differences between original budget expenditures and final amended budget expenditures during the fiscal year. The total final General Fund expenditures budget was approximately \$13 million, an increase of \$0.5 million from the prior year. Budget notes are as follows:

- The City amends the fiscal year budget every year when the first reading on the next fiscal year budget is read, the amendment is approved by the governing body.
- The City views revenue and expenditure variances (favorable and unfavorable) as a measure of the accuracy of the City's budget process.

During the year, actual revenues exceeded budget estimates by \$888,881 and actual expenditures were \$862,564 less than the City's budget estimates. The combined favorable revenue and expenditure variances increased fund balance by \$1,751,445. The actual total change in fund balance is \$1,962,612, which is \$1,532,910 more than the prior fiscal year.

Capital Assets and Debt Administration

Capital Assets (net of accumulated depreciation)

The City of Clemson's investment in capital assets for its governmental and business-type activities as of June 30, 2019 amounted to \$53,949,070. This investment in capital assets includes land, buildings, other improvements, equipment, and construction in progress.

Of the \$53,949,070 investment, \$16,221,877 pertained to governmental activities and \$37,727,193 was reported as an investment in business-type activities. Additional information pertaining to the City of Clemson's capital assets can be found in Note 6. Major capital asset events during the current fiscal year included the following:

- The City bought ten new electric busses this fiscal year for about \$7,800,000 primarily with grant funds. The expenditures are in the LoNo Capital Project Fund and assets are transferred to the Transit fund.
- The City started construction on the wastewater treatment plant upgrade. This is about a \$15 million project being funded mostly by a USDA loan and grant. The city expended about \$2,800,000 on construction and engineering expenses this fiscal year.

Capital Assets *(net of accumulated depreciation)*

	Governmental Activities		Business-Type Activities		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Land and Buildings	\$ 10,066,847	\$ 10,316,464	\$ 4,705,448	\$ 4,832,308	\$ 14,772,295	\$ 15,148,772
Other Improvements	4,318,626	4,766,316	17,021,206	17,126,118	21,339,832	21,892,434
Equipment	1,790,502	2,058,361	9,886,070	2,447,222	11,676,572	4,505,583
Construction in Progress	45,902	-	6,114,469	3,080,628	6,160,371	3,080,628
Total Capital Assets	<u>\$ 16,221,877</u>	<u>\$ 17,141,141</u>	<u>\$ 37,727,193</u>	<u>\$ 27,486,276</u>	<u>\$ 53,949,070</u>	<u>\$ 44,627,417</u>

Debt Administration

At June 30, 2019, the City had total bonded debt outstanding of \$2,605,000 associated with original 2016 General Obligation Bonds. Ad valorem taxes are pledged for repayment of the debt. The city entered into a Bond Anticipation Note for the construction of the Wastewater Treatment Plant Upgrade, at year end the balance of the note is \$2,995,948. Governmental capital lease purchase debt outstanding at year end pertained to a 2017 agreement for the horizontal grinder.

Governmental Debt Outstanding at June 30, 2019

- *General Obligation Bonds \$2,605,000*
- *Capital Lease Purchase Agreement \$172,040*
- *Bond Anticipation Note Wastewater Treatment Plant Capital Project \$2,995,948*

Business-type Debt Outstanding at June 30, 2019

- *Water Revenue Bonds (South Carolina Revolving Fund Loans) \$4,107,788*
- *Wastewater Revenue Bonds (South Carolina Revolving Fund Loans) \$1,424,303*

Current state statutes limit the amount of general obligation debt a municipality may issue to 8% of its total assessed valuation. The current legal debt limitation for the City of Clemson is \$6,727,418, which is in excess of the City's outstanding general obligation debt of \$2,605,000. Additional information concerning the City's long-term debt can be found in Notes 7 & 8.

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 86.70 mills actually translates to a "net ad valorem tax rate" of 66.47 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 City of Clemson finances, comply with finance related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning the information provided in this report, or requests for additional information, should be addressed to the City of Clemson, Office of Finance, 1250 Tiger Boulevard - Suite 2, Clemson, South Carolina, 29631-2661. The Comprehensive Annual Financial Report may also be accessed via the City's website at <http://www.cityofclemson.org>.

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BASIC FINANCIAL STATEMENTS



CITY OF CLEMSON
STATEMENT OF NET POSITION
June 30, 2019

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash	\$ 3,617,059	\$ 625	\$ 3,617,684
Investments	22,356,916	-	22,356,916
Receivables (Net of Allowance):			
Property Taxes	418,198	-	418,198
Accounts	372,138	965,463	1,337,601
Interest	9,097	-	9,097
Other	98,813	53,093	151,906
Due from Other Governmental Units	1,413,535	26,836	1,440,371
Internal Balances	(6,426,023)	6,426,023	-
Inventory	10,660	23,984	34,644
Investment in Joint Venture	-	3,768,995	3,768,995
Restricted Cash - Revenue Bond Covenants	-	626,151	626,151
Capital Assets not Being Depreciated			
Land	2,133,390	515,066	2,648,456
Construction in Progress	45,902	6,114,469	6,160,371
Capital Assets net of Accumulated Depreciation			
Buildings	7,933,457	4,190,382	12,123,839
Other Improvements	4,318,626	17,021,206	21,339,832
Equipment	1,790,502	9,886,070	11,676,572
Total Assets	\$ 38,092,270	\$ 49,618,363	\$ 87,710,633
Deferred Outflows of Resources			
Deferred Pension Charges	\$ 2,149,394	\$ 1,148,432	\$ 3,297,826
Liabilities			
Accounts Payable and Other Current Liabilities	\$ 619,834	\$ 388,841	\$ 1,008,675
Due to Other Governmental Units	114,544	-	114,544
Contracts Payable	1,931,765	51,500	1,983,265
Accrued Interest Payable	13,130	29,901	43,031
Revenue Received in Advance	760,390	116,550	876,940
Liabilities Payable From Restricted Assets	-	720,725	720,725
Noncurrent Liabilities:			
Due Within One Year	575,051	629,783	1,204,834
Due in More Than One Year	5,763,201	5,231,328	10,994,529
Net Pension Liability	10,468,677	6,856,736	17,325,413
Total Liabilities	\$ 20,246,592	\$ 14,025,364	\$ 34,271,956
Deferred Inflows of Resources			
Deferred Pension Credits	\$ 88,417	\$ 40,350	\$ 128,767
Net Position			
Net Investment in Capital Assets	\$ 13,444,837	\$ 32,110,366	\$ 45,555,203
Restricted For:			
Debt Service	152,319	1,261,978	1,414,297
Unrestricted	6,309,499	3,328,737	9,638,236
Total Net Position	\$ 19,906,655	\$ 36,701,081	\$ 56,607,736

See Notes to Financial Statements

CITY OF CLEMSON

STATEMENT OF ACTIVITIES
Fiscal Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 4,284,386	\$ 4,867,617	\$ -	\$ 7,948,112	\$ 8,531,343	\$ -	\$ 8,531,343
Public Safety	5,516,495	441,590	60,000	25,247	(4,989,658)	-	(4,989,658)
Public Works	2,965,892	602,593	357,153	500,000	(1,506,146)	-	(1,506,146)
Culture and Recreation	1,981,697	246,930	-	-	(1,734,767)	-	(1,734,767)
Urban Redevelopment	63,041	-	245,110	-	182,069	-	182,069
Interest on Long-term Debt	60,959	-	-	-	(60,959)	-	(60,959)
Total Governmental Activities	\$ 14,872,470	\$ 6,158,730	\$ 662,263	\$ 8,473,359	\$ 421,882	\$ -	\$ 421,882
Business-type Activities							
Water	\$ 3,022,906	\$ 3,482,761	\$ -	\$ 194,478	\$ -	\$ 654,333	\$ 654,333
Stormwater	341,518	454,732	-	-	-	113,214	113,214
Wastewater	3,537,030	4,017,413	-	404,009	-	884,392	884,392
Sanitation	366,434	364,526	-	-	-	(1,908)	(1,908)
Transit	3,797,347	31,553	2,797,278	108,290	-	(860,226)	(860,226)
Parking Deck	161,873	189,590	-	-	-	27,717	27,717
Total Business-type Activities	\$ 11,227,108	\$ 8,540,575	\$ 2,797,278	\$ 706,777	\$ -	\$ 817,522	\$ 817,522
Total Primary Government	\$ 26,099,578	\$ 14,699,305	\$ 3,459,541	\$ 9,180,136	\$ 421,882	\$ 817,522	\$ 1,239,404

continued

CITY OF CLEMSON
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2019

	General	WWTP Expansion Fund	Transit Lono Grant Fund	Other Governmental Funds	Total
Assets					
Cash	\$ 3,617,059	\$ -	\$ -	\$ -	\$ 3,617,059
Investments	22,356,916	-	-	-	22,356,916
Receivables (Net of Allowance)					
Property Taxes	400,466	-	-	17,732	418,198
Accounts	49,977	-	-	322,161	372,138
Interest	9,097	-	-	-	9,097
Other	98,813	-	-	-	98,813
Due from Other Governmental Units	316,004	-	1,011,643	85,888	1,413,535
Due from Other Funds	27,690	2,014,427	1,265,543	5,500,749	8,808,409
Inventory	-	-	-	10,660	10,660
Total Assets	\$ 26,876,022	\$ 2,014,427	\$ 2,277,186	\$ 5,937,190	\$ 37,104,825
Liabilities and Fund Balances					
Liabilities:					
Vouchers Payable	\$ 216,576	\$ -	\$ -	\$ -	\$ 216,576
Accounts Payable	350,801	-	-	52,456	403,257
Contracts Payable	-	474,921	1,341,653	-	1,816,574
Retainage Payable	-	115,191	-	-	115,191
Due to Other Governmental Units	114,544	-	-	-	114,544
Due to Other Funds	15,206,742	-	-	27,690	15,234,432
Unearned Revenue	1,444,118	-	-	-	1,444,118
Revenue Received in Advance	760,390	-	-	-	760,390
Total Liabilities	\$ 18,093,171	\$ 590,112	\$ 1,341,653	\$ 80,146	\$ 20,105,082
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	\$ 270,722	\$ -	\$ -	\$ 11,986	\$ 282,708
Fund Balances:					
Restricted For:					
Special Revenue Funds	\$ -	\$ -	\$ -	\$ 4,604,892	\$ 4,604,892
Special Revenue Funds - L-T Receivables	-	-	-	147,867	147,867
Capital Projects Funds	-	1,424,315	935,533	901,874	3,261,722
Debt Service Fund	-	-	-	152,319	152,319
Committed:					
General Fund	334,142	-	-	-	334,142
Special Revenue Funds	-	-	-	38,106	38,106
Unassigned:					
General Fund	8,177,987	-	-	-	8,177,987
Total Fund Balances	\$ 8,512,129	\$ 1,424,315	\$ 935,533	\$ 5,845,058	\$ 16,717,035
Total Liabilities and Fund Balances	\$ 26,876,022	\$ 2,014,427	\$ 2,277,186	\$ 5,937,190	\$ 37,104,825

See Notes to Financial Statements

CITY OF CLEMSON

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2019**

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

Total fund balances - governmental funds	\$ 16,717,035
<i>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$41,957,700 and the accumulated depreciation is \$25,735,824.</i>	16,221,876
<i>Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds</i>	(40,427)
<i>Accrued interest payable on long-term debt in governmental funds is not due and payable in the current period and, therefore, is not reported as a liability in the funds.</i>	(13,130)
<i>Certain deferred revenues in the governmental funds are reportable for governmental activities and, therefore are not included on the statement of net position.</i>	1,767,253
<i>The City's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State pension plans are not recorded in the governmental funds but are recorded in the Statement of Net Position</i>	(8,407,700)
<i>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.</i>	
<i>Long-term liabilities at year-end consist of:</i>	
<i>Capital Leases</i>	<i>\$ 172,040</i>
<i>Bonds Payable</i>	<i>5,600,948</i>
<i>Compensated Absences</i>	<i>565,264</i>
	<u>(6,338,252)</u>
Net position of governmental activities	<u><u>\$ 19,906,655</u></u>

See Notes to Financial Statements

CITY OF CLEMSON
 GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 Fiscal Year Ended June 30, 2019

	General	WWTP Expansion Fund	Transit Lono Grant Fund	Other Governmental Funds	Total
Revenues					
Property Taxes	\$ 5,864,925	\$ -	\$ -	\$ 264,894	\$ 6,129,819
Local Option Sales Tax	1,670,856	-	-	72,809	1,743,665
Local Accomodations Tax	-	-	-	354,041	354,041
Hospitality Fees/Tax	-	-	-	1,663,694	1,663,694
Licenses and Permits	3,203,923	-	-	-	3,203,923
Federal Aid	-	-	6,360,612	-	6,360,612
State Aid	25,247	500,000	912,500	-	1,437,747
Intergovernmental	1,040,387	-	675,000	245,110	1,960,497
Charges for Services	916,303	-	-	45,787	962,090
Fines and Forfeitures	329,023	-	-	-	329,023
Investment Earnings	187,912	12,056	27,269	103,702	330,939
Other	759,979	-	-	84,346	844,325
Total Revenues	\$ 13,998,555	\$ 512,056	\$ 7,975,381	\$ 2,834,383	\$ 25,320,375
Expenditures					
Current Operating					
General Government	\$ 3,182,109	\$ -	\$ -	\$ 2,207	\$ 3,184,316
Public Safety	4,981,580	-	-	48,380	5,029,960
Public Works	2,263,152	-	-	73,312	2,336,464
Culture and Recreation	972,143	-	-	523,436	1,495,579
Equipment Services	163,565	-	-	-	163,565
Urban Redevelopment	-	-	-	63,041	63,041
Other	279,975	-	115,799	-	395,774
Debt Service					
Principal	282,792	-	-	155,000	437,792
Interest	6,273	-	-	57,822	64,095
Capital Outlay	-	2,784,044	7,804,025	118,249	10,706,318
Intergovernmental	-	-	-	396,991	396,991
Total Expenditures	\$ 12,131,589	\$ 2,784,044	\$ 7,919,824	\$ 1,438,438	\$ 24,273,895
Excess of Revenues Over (Under) Expenditures	\$ 1,866,966	\$ (2,271,988)	\$ 55,557	\$ 1,395,945	\$ 1,046,480
Other Financing Sources (Uses)					
Issuance of Long Term Debt	\$ -	\$ 2,995,948	\$ -	\$ -	\$ 2,995,948
Transfers In	567,339	1,616,000	-	1,172,330	3,355,669
Transfers Out	(471,693)	(915,645)	-	(1,163,937)	(2,551,275)
Total Other Financing Sources (Uses)	\$ 95,646	\$ 3,696,303	\$ -	\$ 8,393	\$ 3,800,342
Net Change in Fund Balances	\$ 1,962,612	\$ 1,424,315	\$ 55,557	\$ 1,404,338	\$ 4,846,822
Fund Balances, Beginning	6,549,517	-	879,976	4,440,720	11,870,213
Fund Balances, Ending	\$ 8,512,129	\$ 1,424,315	\$ 935,533	\$ 5,845,058	\$ 16,717,035

See Notes to Financial Statements

CITY OF CLEMSON

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Fiscal Year Ended June 30, 2019**

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

Net change in fund balances - total governmental funds	\$	4,846,822
<i>Governmental funds report capital outlays as expenditures (\$449,233). However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense (\$1,368,499). This is the amount by which depreciation exceeded capital outlays in the current period.</i>		<i>(919,266)</i>
<i>Revenues in the statement of activities that do not represent current financial resources are not reported as revenues in the funds.</i>		<i>(48,850)</i>
<i>The issuance of long-term debt (\$2,995,948) provides current financial resources to governmental funds, while the repayment of long-term debt (\$437,792) consumes the current financial resources of governmental funds. This transaction, however has no effect on net position.</i>		<i>(2,558,156)</i>
<i>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities however interest expense is recognized as it accrues, regardless of when it is due.</i>		<i>3,136</i>
<i>Changes in the City's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities</i>		<i>(675,554)</i>
<i>Compensated absence expense reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.</i>		<i>(32,753)</i>
Change in net position of governmental activities	\$	615,379

See Notes to Financial Statements

CITY OF CLEMSON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Property Taxes	\$ 5,400,774	\$ 5,705,000	\$ 5,864,925	\$ 159,925
Local Option Sales Tax	1,624,823	1,650,000	1,670,856	20,856
Licenses and Permits	2,699,000	2,965,000	3,203,923	238,923
State Aid	-	-	25,247	25,247
Intergovernmental	574,750	982,703	1,040,387	57,684
Charges for Services	854,336	866,836	916,303	49,467
Fines and Forfeitures	382,000	333,483	329,023	(4,460)
Investment Earnings	70,000	160,000	187,912	27,912
Other	264,800	446,652	759,979	313,327
Total Revenues	\$ 11,870,483	\$ 13,109,674	\$ 13,998,555	\$ 888,881
Expenditures				
Current Operating				
General Government				
Council	\$ 194,600	\$ 185,150	\$ 179,791	\$ 5,359
Municipal Court	360,851	345,944	356,154	(10,210)
Administration	749,644	727,015	737,293	(10,278)
Finance	291,056	284,555	276,556	7,999
Information Tech Services	280,528	267,611	266,925	686
Planning and Codes	964,751	921,913	923,461	(1,548)
Public Buildings	467,313	473,891	441,929	31,962
Total	\$ 3,308,743	\$ 3,206,079	\$ 3,182,109	\$ 23,970
Public Safety				
Police	\$ 3,880,913	\$ 3,945,585	\$ 3,933,314	\$ 12,271
Fire	1,055,655	1,050,207	1,048,266	1,941
Total	\$ 4,936,568	\$ 4,995,792	\$ 4,981,580	\$ 14,212
Public Works				
Streets	\$ 1,171,317	\$ 1,416,318	\$ 792,090	\$ 624,228
Residential Sanitation	1,381,532	1,371,322	1,186,470	184,852
Administration	288,166	285,353	284,592	761
Total	\$ 2,841,015	\$ 3,072,993	\$ 2,263,152	\$ 809,841
Culture and Recreation	\$ 908,927	\$ 968,201	\$ 972,143	\$ (3,942)
Equipment Services	\$ 173,427	\$ 173,092	\$ 163,565	\$ 9,527
Debt Service				
Principal	\$ 282,792	\$ 282,792	\$ 282,792	\$ -
Interest	6,273	6,273	6,273	-
Total	\$ 289,065	\$ 289,065	\$ 289,065	\$ -
Other	\$ 260,000	\$ 288,931	\$ 279,975	\$ 8,956
Total Expenditures	\$ 12,717,745	\$ 12,994,153	\$ 12,131,589	\$ 862,564
Excess of Revenues Over (Under) Expenditures	\$ (847,262)	\$ 115,521	\$ 1,866,966	\$ 1,751,445

continued

CITY OF CLEMSON

continued

GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET TO ACTUAL
 Fiscal Year Ended June 30, 2019

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Other Financing Sources				
Transfers In	\$ 567,410	\$ 567,354	\$ 567,339	\$ (15)
Transfers Out	117,000	423,783	471,693	47,910
Total	<u>\$ 450,410</u>	<u>\$ 143,571</u>	<u>\$ 95,646</u>	<u>\$ (47,925)</u>
Net Change in Fund Balances	\$ (396,852)	\$ 259,092	\$ 1,962,612	\$ 1,703,520
Fund Balance, Beginning	<u>6,549,517</u>	<u>6,549,517</u>	<u>6,549,517</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 6,152,665</u>	<u>\$ 6,808,609</u>	<u>\$ 8,512,129</u>	<u>\$ 1,703,520</u>

See Notes to Financial Statements

CITY OF CLEMSON
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 June 30, 2019

	Business-Type Activities						Governmental Activities	
	Water	Stormwater	Wastewater	Sanitation	Transit	Parking Deck	Total Enterprise Funds	Internal Service Funds
Assets								
Current Assets								
Cash	\$ 300	\$ -	\$ 150	\$ -	\$ 175	\$ -	\$ 625	\$ -
Accounts Receivable	170,524	21,038	182,589	29,766	155,261	-	559,178	-
Unbilled Utility Receivables	192,748	14,621	198,228	688	-	-	406,285	-
Note Receivable-Current	18,887	-	-	-	-	-	18,887	-
Due from Other Governmental Units	-	-	-	-	26,836	-	26,836	-
Due from Other Funds	1,697,509	337,198	2,557,051	227,268	842,327	764,670	6,426,023	377,893
Inventory	23,984	-	-	-	-	-	23,984	-
Total Current Assets	\$ 2,103,952	\$ 372,857	\$ 2,938,018	\$ 257,722	\$ 1,024,599	\$ 764,670	\$ 7,461,818	\$ 377,893
Noncurrent Assets								
Restricted Cash - Revenue Bond Covenants	\$ 420,802	\$ -	\$ 205,349	\$ -	\$ -	\$ -	\$ 626,151	\$ -
Investment in Joint Venture	-	-	3,768,995	-	-	-	3,768,995	-
Note Receivable	34,206	-	-	-	-	-	34,206	-
Capital Assets								
Land and Buildings	167,149	52,984	2,487,417	-	3,011,754	2,683,179	8,402,483	-
Other Improvements	11,096,170	51,500	23,571,671	-	23,673	-	34,743,014	-
Equipment	692,748	172,237	1,563,372	571,900	14,359,485	216,056	17,575,798	-
Accumulated Depreciation	(3,826,367)	(65,949)	(11,994,580)	(361,304)	(5,682,523)	(1,063,379)	(22,994,102)	-
Total Noncurrent Assets	\$ 8,584,708	\$ 210,772	\$ 19,602,224	\$ 210,596	\$ 11,712,389	\$ 1,835,856	\$ 42,156,545	\$ -
Total Assets	\$ 10,688,660	\$ 583,629	\$ 22,540,242	\$ 468,318	\$ 12,736,988	\$ 2,600,526	\$ 49,618,363	\$ 377,893
Deferred Outflows of Resources								
Deferred Pension Charges	\$ 200,809	\$ 53,907	\$ 322,747	\$ 28,935	\$ 542,034	\$ -	\$ 1,148,432	\$ -
Liabilities								
Current Liabilities								
Accounts Payable	\$ 117,061	\$ 3,349	\$ 86,424	\$ 875	\$ 57,004	\$ 1,317	\$ 266,030	\$ -
Contracts Payable	-	51,500	-	-	-	-	51,500	-
Accrued Expenses	46,194	6,306	45,331	4,056	50,825	-	152,712	-
Deferred Revenue	-	-	116,550	-	-	-	116,550	-
Compensated Absences	46,515	7,072	51,188	9,090	52,770	-	166,635	-
Capital Lease Payable - Current	-	-	-	84,736	-	-	84,736	-
Revenue Bonds Payable - Current	244,143	-	134,269	-	-	-	378,412	-
Total Current Liabilities	\$ 453,913	\$ 68,227	\$ 433,762	\$ 98,757	\$ 160,599	\$ 1,317	\$ 1,216,575	\$ -
Noncurrent Liabilities								
Compensated Absences	\$ 21,675	\$ 3,295	\$ 23,853	\$ 4,236	\$ 24,590	\$ -	\$ 77,649	\$ -
Net Pension Liability	1,198,935	321,853	1,926,965	172,758	3,236,225	-	6,856,736	-
Customer Deposits Payable	704,605	-	-	16,120	-	-	720,725	-
Revenue Bonds Payable	3,863,645	-	1,290,034	-	-	-	5,153,679	-
Total Noncurrent Liabilities	\$ 5,788,860	\$ 325,148	\$ 3,240,852	\$ 193,114	\$ 3,260,815	\$ -	\$ 12,808,789	\$ -
Total Liabilities	\$ 6,242,773	\$ 393,375	\$ 3,674,614	\$ 291,871	\$ 3,421,414	\$ 1,317	\$ 14,025,364	\$ -
Deferred Inflows of Resources								
Deferred Pension Credits	\$ 7,055	\$ 1,894	\$ 11,340	\$ 1,017	\$ 19,044	\$ -	\$ 40,350	\$ -
Net Position								
Net Investment in Capital Assets	\$ 4,021,912	\$ 210,772	\$ 14,203,577	\$ 125,860	\$ 11,712,389	\$ 1,835,856	\$ 32,110,366	\$ -
Restricted for Debt Service	293,301	-	968,677	-	-	-	1,261,978	-
Unrestricted	324,428	31,495	4,004,781	78,505	(1,873,825)	763,353	3,328,737	377,893
Total Net Position	\$ 4,639,641	\$ 242,267	\$ 19,177,035	\$ 204,365	\$ 9,838,564	\$ 2,599,209	\$ 36,701,081	\$ 377,893

See Notes to Financial Statements

CITY OF CLEMSON
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 Fiscal Year Ended June 30, 2019

	Business-Type Activities						Totals	Governmental Activities
	Water	Stormwater	Wastewater	Sanitation	Transit	Parking Deck	Internal Service Funds	
Operating Revenues								
Charges for Services	\$ 3,251,517	\$ 442,579	\$ 3,578,184	\$ 357,110	\$ -	\$ 176,866	\$ 7,806,256	\$ -
Impact Fees	61,912	-	190,975	-	-	-	252,887	-
Late Charges	35,189	5,009	40,523	3,883	-	-	84,604	-
Joint Venture Income (Loss)	-	-	50,884	-	-	-	50,884	101,768
Employer Contributions	-	-	-	-	-	-	-	1,157,641
Employee Contributions	-	-	-	-	-	-	-	446,795
Other	115,909	7,144	156,847	3,533	31,553	12,724	327,710	-
Total Operating Revenues	\$ 3,464,527	\$ 454,732	\$ 4,017,413	\$ 364,526	\$ 31,553	\$ 189,590	\$ 8,522,341	\$ 1,706,204
Operating Expenses								
Water Department	\$ 2,213,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,213,844	\$ -
Stormwater Collection	-	313,298	-	-	-	-	313,298	-
Wastewater Collection	-	-	1,006,314	-	-	-	1,006,314	-
Wastewater Treatment	-	-	1,528,334	-	-	-	1,528,334	-
Billing Administration	332,379	-	-	-	-	-	332,379	-
Engineering	-	-	344,060	-	-	-	344,060	-
Commercial Sanitation	-	-	-	262,307	-	-	262,307	-
Transit Operations	-	-	-	-	3,465,677	-	3,465,677	-
Parking Deck Operations	-	-	-	-	-	62,254	62,254	-
Claims	-	-	-	-	-	-	-	1,637,732
Depreciation	336,005	28,142	591,373	86,140	331,240	99,619	1,472,519	-
Other	50,099	78	38,035	16,163	430	-	104,805	-
Total Operating Expenses	\$ 2,932,327	\$ 341,518	\$ 3,508,116	\$ 364,610	\$ 3,797,347	\$ 161,873	\$ 11,105,791	\$ 1,637,732
Operating Income (Loss)	\$ 532,200	\$ 113,214	\$ 509,297	\$ (84)	\$ (3,765,794)	\$ 27,717	\$ (2,583,450)	\$ 68,472
Non-Operating Revenues (Expenses)								
Investment Earnings	\$ 49,526	\$ 5,402	\$ 65,608	\$ 4,050	\$ 19,218	\$ 14,588	\$ 158,392	\$ -
Operating Grants	-	-	-	-	1,075,859	-	1,075,859	-
Intergovernmental	18,234	-	-	-	1,829,708	-	1,847,942	-
Loss on Disposal of Assets	-	-	-	-	(160,650)	-	(160,650)	-
Debt Service - Interest	(90,579)	-	(28,914)	(1,824)	-	-	(121,317)	-
Total Non-Operating Revenues (Expenses)	\$ (22,819)	\$ 5,402	\$ 36,694	\$ 2,226	\$ 2,764,135	\$ 14,588	\$ 2,800,226	\$ -
Income (Loss) Before Contributions and Transfers	\$ 509,381	\$ 118,616	\$ 545,991	\$ 2,142	\$ (1,001,659)	\$ 42,305	\$ 216,776	\$ 68,472
Capital Contributions	194,478	-	3,188,053	-	7,804,025	-	11,186,556	-
Transfers In	15,000	-	-	-	-	-	15,000	-
Transfers Out	(534,835)	-	(268,234)	(7,424)	(8,900)	-	(819,393)	-
Change in Net Position	\$ 184,024	\$ 118,616	\$ 3,465,810	\$ (5,282)	\$ 6,793,466	\$ 42,305	\$ 10,598,939	\$ 68,472
Total Net Position, Beginning	\$ 4,455,617	\$ 123,651	\$ 15,711,225	\$ 209,647	\$ 3,045,098	\$ 2,556,904	\$ 26,102,142	\$ 411,189
Total Net Position, Ending	\$ 4,639,641	\$ 242,267	\$ 19,177,035	\$ 204,365	\$ 9,838,564	\$ 2,599,209	\$ 36,701,081	\$ 479,661

See Notes to Financial Statements

CITY OF CLEMSON
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 Fiscal Year Ended June 30, 2019

	<i>Business-Type Activities</i>						<i>Governmental</i>	<i>Internal Service</i>
	<i>Water</i>	<i>Stormwater</i>	<i>Wastewater</i>	<i>Sanitation</i>	<i>Transit</i>	<i>Parking Deck</i>	<i>Total Enterprise Funds</i>	<i>Funds</i>
Cash Flows from Operating Activities								
Receipts from Customers and Users	\$ 3,450,003	\$ 454,831	\$ 4,116,841	\$ 363,311	\$ 35,924	\$ 189,590	\$ 8,610,500	\$ 1,604,661
Payments to Suppliers	(1,774,048)	(13,750)	(1,696,909)	(142,669)	(1,390,208)	(62,020)	(5,079,604)	-
Payments for Claims/Premiums	-	-	-	-	-	-	-	(1,637,732)
Payments to Employees	(817,512)	(230,579)	(1,349,419)	(114,668)	(2,052,050)	-	(4,564,228)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 858,443</u>	<u>\$ 210,502</u>	<u>\$ 1,070,513</u>	<u>\$ 105,974</u>	<u>\$ (3,406,334)</u>	<u>\$ 127,570</u>	<u>\$ (1,033,332)</u>	<u>\$ (33,071)</u>
Cash Flows from Noncapital Financing Activities								
Transfer from Other Funds	\$ 15,000	\$ -	\$ 466,311	\$ 61,084	\$ 537,500	\$ -	\$ 1,079,895	\$ 33,071
Transfer to Other Funds	(440,001)	(121,794)	(268,234)	(7,424)	-	(142,158)	(979,611)	-
Grants Available for Operating Purposes	-	-	-	-	1,072,730	-	1,072,730	-
Subsidies from Other Governmental Agencies	18,234	-	-	-	1,815,439	-	1,833,673	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ (406,767)</u>	<u>\$ (121,794)</u>	<u>\$ 198,077</u>	<u>\$ 53,660</u>	<u>\$ 3,425,669</u>	<u>\$ (142,158)</u>	<u>\$ 3,006,687</u>	<u>\$ 33,071</u>
Cash Flows from Capital and Related Financing Activities								
Capital Contributions	\$ 194,478	\$ -	\$ 3,188,053	\$ -	\$ 7,804,025	\$ -	\$ 11,186,556	\$ -
Purchases of Capital Assets	(379,637)	(94,110)	(13,963)	(237,860)	(7,842,578)	-	(8,568,148)	-
Acquisition and Construction of Capital Assets	-	-	(3,305,935)	-	-	-	(3,305,935)	-
Principal Paid on Capital Debt	(239,000)	-	(1,161,731)	(83,563)	-	-	(1,484,294)	-
Interest Paid on Capital Debt	(91,855)	-	(38,407)	(2,460)	-	-	(132,722)	-
Proceeds from Capital Debt	18,421	-	-	-	-	-	18,421	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ (497,593)</u>	<u>\$ (94,110)</u>	<u>\$ (1,331,983)</u>	<u>\$ (323,883)</u>	<u>\$ (38,553)</u>	<u>\$ -</u>	<u>\$ (2,286,122)</u>	<u>\$ -</u>
Cash Flows from Investing Activities								
Investment Income Received	\$ 49,526	\$ 5,402	\$ 65,608	\$ 4,050	\$ 19,218	\$ 14,588	\$ 158,392	\$ -
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 3,609</u>	<u>\$ -</u>	<u>\$ 2,215</u>	<u>\$ (160,199)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (154,375)</u>	<u>\$ -</u>
Cash and Cash Equivalents, Beginning	<u>417,493</u>	<u>-</u>	<u>203,284</u>	<u>160,199</u>	<u>175</u>	<u>-</u>	<u>781,151</u>	<u>-</u>
Cash and Cash Equivalents, Ending	<u>\$ 421,102</u>	<u>\$ -</u>	<u>\$ 205,499</u>	<u>\$ -</u>	<u>\$ 175</u>	<u>\$ -</u>	<u>\$ 626,776</u>	<u>\$ -</u>

continued

CITY OF CLEMSON
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 Fiscal Year Ended June 30, 2019

continued

	<i>Business-Type Activities</i>						<i>Governmental Activities</i>	
	<i>Water</i>	<i>Stormwater</i>	<i>Wastewater</i>	<i>Sanitation</i>	<i>Transit</i>	<i>Parking Deck</i>	<i>Totals</i>	<i>Internal Service Funds</i>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities								
Operating Income (Loss)	\$ 532,200	\$ 113,214	\$ 509,297	\$ (84)	\$ (3,765,794)	\$ 27,717	\$ (2,583,450)	\$ (33,296)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities								
Depreciation Expense	\$ 336,005	\$ 28,142	\$ 591,373	\$ 86,140	\$ 331,240	\$ 99,619	\$ 1,472,519	\$ -
(Increase) Decrease in Accounts Receivable	(34,684)	99	150,312	(2,863)	(13,026)	-	99,838	225
(Increase) Decrease in Inventory	(3,736)	-	-	-	-	-	(3,736)	-
(Increase) Decrease in Investment in Joint Venture	-	-	(50,884)	-	-	-	(50,884)	(101,768)
Increase (Decrease) in Accounts Payable	7,245	(5,555)	(74,817)	693	(28,058)	234	(100,258)	-
Increase (Decrease) in Contracts Payable	-	51,500	(171,825)	-	-	-	(120,325)	-
Increase (Decrease) in Accrued Wages	4,107	486	4,339	487	6,471	-	15,890	-
Increase (Decrease) in Net Pension Liability, Deferred Charges and Deferred Credits	(17,378)	23,201	124,977	15,776	49,440	-	196,016	-
Increase (Decrease) in Compensated Absences	14,524	(585)	(12,259)	4,177	13,393	-	19,250	-
Increase (Decrease) in Customer Deposits	20,160	-	-	1,648	-	-	21,808	-
Total Adjustments	\$ 326,243	\$ 97,288	\$ 561,216	\$ 106,058	\$ 359,460	\$ 99,853	\$ 1,550,118	\$ (101,543)
Net Cash Provided (Used) by Operating Activities	\$ 858,443	\$ 210,502	\$ 1,070,513	\$ 105,974	\$ (3,406,334)	\$ 127,570	\$ (1,033,332)	\$ (134,839)

See Notes To Financial Statements

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 statement presents 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 of Clemson is comprised of the various departments of the General Fund, the Proprietary Funds (water, stormwater, wastewater, commercial sanitation, transit system, and parking deck), the Debt Service Fund, the Capital Projects Fund, and various other Special Revenue Funds. There are no blended or discretely presented component units included in this financial statement. No entities are excluded that would make the financial statement misleading.

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.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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 financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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 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 government'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 Wastewater Treatment Plant Expansion Fund (WWTP) account is used for the acquisition and construction of the City's wastewater treatment plant facility expansion.

The Transit Lono Grant Fund account is used for the accumulation of grant funds and the acquisition of new buses.

The government reports the following major proprietary funds:

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

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

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

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

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

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

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

Additionally, the government 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.

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.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, 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. The City applies all applicable FASB pronouncements issued after November 1989 in accounting and reporting for its proprietary funds.

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.

ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Investments

The City's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the City to invest in the following:

- a. Obligations of the United States and agencies thereof;*
- b. General obligations of the State of South Carolina or any of its political units;*
- c. Savings and loan associations to the extent that the same is insured by an agency of the federal government;*
- d. Certificates of deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in a. and b. above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates or funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;*
- e. Collateralized repurchase agreements when collateralized by securities as set forth in a. and b. above and held by the City or a third party as escrow agent or custodian;*
- f. South Carolina Pooled Investment Fund established and maintained by the State Treasurer.*

Investments for the City are reported at fair value. The South Carolina Pooled Investment Fund operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pooled shares.

Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets the City of Clemson can access at the measurement date.

Level 2: Inputs to the valuation methodology, other than quoted prices included in

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Level 1 that are observable for an asset or liability either directly or indirectly and include:

- *Quoted prices for similar assets and liabilities in active markets*
- *Quoted prices for identical or similar assets or liabilities in inactive markets*
- *Inputs other than quoted market prices that are observable for the asset or liability*
- *Inputs that are derived principally from or corroborated by observable market data by correlation or other means.*

Level 3: Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- *Fair value is often based on developed models in which there are few, if any, observable inputs.*

The asset's and liability's fair measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The City of Clemson believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

Inventories

The inventory of the Water Fund (proprietary fund type) consists of expendable supplies and construction materials, which are accounted for in a perpetual inventory system. The inventory is valued at cost and is recorded as an expense as consumed.

Receivables and Payables

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These funds are not expected to be repaid within one year. These amounts are eliminated in the governmental and business-type activities, which are presented as "internal balances". All property taxes and other receivables are shown net of an allowance for uncollectibles.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Restricted

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.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capital value of the assets constructed.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Public domain infrastructure	50
System infrastructure	30
Vehicles	3
Office equipment	5
Computer equipment	5

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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 as of the City's fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred outflows or inflows of resources and amortized as a component of pension expense on

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

a closed basis over a five-year period beginning with the period in which the difference occurred.

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. 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.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund 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, as well as issuance costs, 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. 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.

Fund Balance

During the year ended June 30, 2011, the City implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions ("GASB 54"), which establishes new fund balance classifications for governmental fund types and clarifies the definitions of the governmental fund types. The implementation of this statement had no impact on the total fund balances for the City's governmental funds.

In accordance with GASB 54, the City classifies governmental fund balances as follows:

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

- *Nonspendable* – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).
- *Restricted* – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – includes amounts that are constrained for specific purposes that are internally imposed by the government through adoption of an ordinance made by City Council, which is the highest level of decision-making authority, before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- *Assigned* – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and that such assignments are made before the report issuance date. City Council has by resolution designated the City Administrator as responsible for assigning amounts for a specific purpose.
- *Unassigned* – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if the expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position

Net Position represents assets plus deferred outflows of resources less liabilities less deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by City Council or through external restrictions imposed by creditors, grantors, or laws or regulations of other governmental entities.

Accounting Estimates

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

2. BUDGETARY PRACTICES

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

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

2. BUDGETARY PRACTICES, continued

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, Debt Service, and Proprietary Funds are adopted on a basis consistent with generally accepted accounting principles. Budgetary appropriations lapse at year end. Outstanding purchase commitments are recorded as a reserve for encumbrance and are reflected as an expense/expenditure in the subsequent year.

3. CASH AND INVESTMENTS

Cash includes demand deposits and investments with financial institutions, such as nonnegotiable certificates of deposits, money market accounts, and bank investment contracts. Cash deposits in excess of amounts insured by Federal Deposit Insurance are collateralized by US Government securities held by the counterparty in the counterparty's name.

In accordance with GASB #31, investments are recorded at cost or fair value depending on the nature and term of the investment. Immaterial differences at the balance sheet date are not adjusted. The City presently holds both short-term and long-term investments. All investments are expected to be held until maturity. Any significant discount or premium on the purchase of long-term investments is amortized over the term of the investment by the straight-line method. The City recognized a valuation gain on its investments of \$388,412 as of the balance sheet date.

As of June 30, 2019, the City had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value Level</u>	<u>Fair Value</u>
S.C. Pooled Investment Fund	Unrated	N/A	\$ 15,331,484
Federal Farm Credit Bank Bonds	AA+	Level 1	2,476,098
Federal Home Loan Bank Bonds	AA+	Level 1	1,173,715
U.S Treasury Notes	N/A	Level 1	1,012,370
Tennessee Valley Authority Bonds	AA+	Level 1	836,317
Federal National Mortgage Debentures	AA+	Level 1	594,310
Federal Home Loan Mortgage Corporation	AA+	Level 1	196,114
S.C. Municipal Bonds	AA	Level 1	732,050
GNMA II Guaranteed Pass Thru	N/A	Level 1	4,458
Total			<u>\$ 22,356,916</u>

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

3. CASH AND INVESTMENTS, continued

Interest rate risk – Interest rate risk is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. The City has no formal policy regarding interest rate risk for investments.

Credit risk – Credit risk is the risk that a counterparty will not fulfill its obligations. The City has no formal policy regarding credit risk for investments.

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 for investments.

Custodial credit risk, deposits - In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. As of June 30, 2019, \$2,613,456 of the City's bank balance of \$4,588,300 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name. The City minimizes its exposure to custodial credit risk for deposits by review of financial statements issued by the financial institutions holding municipal deposits.

Custodial credit risk, investments - For investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments of collateral securities that are in the possession of an outside party. The City does not have a formal investment policy for custodial credit risk. Of the investments of \$22,356,916 the City has a custodial credit risk exposure of \$200,608 because the related securities are uninsured, unregistered and held by the City's brokerage firm which is also the counterparty for these particular securities. The City minimizes its exposure to custodial credit risk for investments by review of financial statements issued by the brokerage and financial institutions holding the municipal investments.

4. PROPERTY TAXES / RECEIVABLES

Property taxes, the primary source of revenue for the General, Park Land, Tax Increment, and Debt Service Funds, are collected for the City by the Pickens County Tax Collector. No fee is charged for this service, but the City must pay its share of the cost of printing the tax notices and lists. The property tax calendar is as follows:

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

4. PROPERTY TAXES / RECEIVABLES, continued

<p>Levy</p> <p>Tax Due</p> <p>Penalty</p> <p>Liens</p> <p>Property Sales</p> <p>Motor Vehicles</p>	<p>on October 1st on all real and personal property (except vehicles) based on the assessment of the preceding January 1st</p> <p>on or before January 15th</p> <p>3% after January 15th</p> <p>7% additional after February 1st</p> <p>liens are filed upon execution after March 16th with an additional 5% penalty</p> <p>on delinquent property held in year after year of levy monthly, assessed and collected in advance of vehicle registration with motor vehicle department</p>
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Receivables as of year-end for the City's individual major and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental funds:	<u>General</u>	<u>Transit Lono Grant</u>	<u>Non-major</u>	<u>Total</u>
<i>Receivables:</i>				
Property Taxes	\$ 421,543	\$ -	\$ 18,665	\$ 440,208
Accounts	49,977	-	322,161	372,138
Interest	9,097	-	-	9,097
Inter- governmental	316,004	1,011,643	85,888	1,413,535
Other	98,813	-	-	98,813
Gross Receivables	\$ 895,434	\$ 1,011,643	\$ 426,714	\$ 2,333,791
Less: Allowance for Uncollectibles	(21,077)	-	(933)	(22,010)
Net Total Receivables	\$ 874,357	\$ 1,011,643	\$ 425,781	\$ 2,311,781

Business-type funds:	<u>Water</u>	<u>Stormwater</u>	<u>Wastewater</u>	<u>Sanitation</u>	<u>Transit</u>	<u>Parking Deck</u>	<u>Total</u>
<i>Receivables:</i>							
Accounts	\$ 416,365	\$ 35,659	\$ 380,817	\$ 30,454	\$ 155,261	\$ -	\$ 1,018,556
Inter- governmental	-	-	-	-	26,836	-	26,836
Net Total Receivables	\$ 416,365	\$ 35,659	\$ 380,817	\$ 30,454	\$ 182,097	\$ -	\$ 1,045,392

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

4. PROPERTY TAXES / RECEIVABLES, continued

Included in accounts receivable in the Non-major funds are mortgages arising from loans to individuals qualifying for community development grant funds for constructing or renovating their personal residences. The balance at June 30, 2019 is \$147,867 of which \$134,463 is long-term.

5. NOTE RECEIVABLE – TOWN OF CENTRAL

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 \$5,009 per quarter for 15 years at an interest rate of 2.5%. The balance of the note at June 30, 2019 is \$53,093 with \$18,887 due within the next year.

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

Governmental activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Capital assets, not depreciated:</i>				
Land	\$ 2,132,390	\$ 1,000	\$ -	\$ 2,133,390
Construction in Progress	-	45,902	-	45,902
Total capital assets, not depreciated	\$ 2,132,390	\$ 46,902	\$ -	\$ 2,179,292
<i>Capital assets, depreciated:</i>				
Other improvements	\$ 7,785,461	\$ -	\$ -	\$ 7,785,461
Buildings	11,223,193	-	-	11,223,193
Infrastructure	11,473,908	-	-	11,473,908
Furniture and equipment	9,057,428	424,246	(185,828)	9,295,846
Total capital assets depreciated	\$ 39,539,990	\$ 424,246	\$ (185,828)	\$ 39,778,408
<i>Less accumulated depreciation for:</i>				
Other improvements	\$ (7,240,673)	\$ (69,920)	\$ -	\$ (7,310,593)
Buildings	(3,039,119)	(250,617)	-	(3,289,736)
Infrastructure	(7,252,380)	(377,770)	-	(7,630,150)
Furniture and equipment	(6,999,066)	(670,190)	163,912	(7,505,344)
Total accumulated depreciation	\$ (24,531,238)	\$ (1,368,497)	\$ 163,912	\$ (25,735,823)
Total capital assets depreciated, net	\$ 15,008,752	\$ (944,251)	\$ (21,916)	\$ 14,042,585
Governmental activities capital assets, net	\$ 17,141,142	\$ (897,349)	\$ (21,916)	\$ 16,221,877

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

6. CAPITAL ASSETS, cont

Business-type activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Capital assets, not depreciated:</i>				
Land	\$ 515,066	\$ -	\$ -	\$ 515,066
Construction in Progress	3,080,628	3,033,841	-	6,114,469
Total capital assets, not depreciated	\$ 3,595,694	\$ 3,033,841	\$ -	\$ 6,629,535
<i>Capital assets, depreciated:</i>				
Other improvements	\$ 8,077,907	\$ 51,500	\$ -	\$ 8,129,407
Buildings	5,660,170	-	-	5,660,170
Infrastructure	22,127,899	598,487	-	22,726,386
Furniture and equipment	11,107,156	8,217,683	(1,749,042)	17,575,797
Total capital assets depreciated	\$ 46,973,132	\$ 8,867,670	\$ (1,749,042)	\$ 54,091,760
Business-type activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Less accumulated depreciation for:</i>				
Other improvements	\$ (5,563,175)	\$ (180,101)	\$ -	\$ (5,743,276)
Buildings	(1,342,928)	(126,860)	-	(1,469,788)
Infrastructure	(7,516,513)	(574,798)	-	(8,091,311)
Furniture and equipment	(8,659,933)	(590,760)	1,560,966	(7,689,727)
Total accumulated depreciation	\$ (23,082,549)	\$ (1,472,519)	\$ 1,560,966	\$ (22,994,102)
Total capital assets depreciated, net	\$ 23,890,583	\$ 7,395,151	\$ (188,076)	\$ 31,097,658
Business-type activities capital assets, net	\$ 27,486,277	\$ 10,428,992	\$ (188,076)	\$ 37,727,193

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

<i>Government Activities:</i>	
General Government	\$ 228,313
Public Safety	273,661
Public Works	729,025
Culture and Recreation	121,014
Equipment Services	16,484
Total Depreciation Expense-Governmental Activities	\$ 1,368,497
<i>Business-type Activities:</i>	
Water	\$ 336,005
Stormwater	28,142
Wastewater	591,373
Sanitation	86,140
Transit	331,240
Parking Deck	99,619
Total Depreciation Expense-Business-Type Activities	\$ 1,472,519

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

7. CAPITAL LEASES

The City has several lease agreements which qualify as capital leases for accounting purposes. The leases have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is an analysis of assets leased under capital leases:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Equipment	\$ 515,279	\$ 242,381
Less: Accumulated Depreciation	(171,228)	(42,632)
Carrying Value	<u>\$ 344,051</u>	<u>\$ 199,749</u>

The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2019:

<u>Fiscal Year Ending</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>
06/30/2020	\$ 174,655	\$ 86,024
Less interest portion	(2,615)	(1,288)
Present value of future minimum Lease payments	<u>\$ 172,040</u>	<u>\$ 84,736</u>

8. LONG-TERM DEBT

The City issued revenue bonds in its business-type activities where the City pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at June 30, 2019, are as follows:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Balance</u>	<u>Current Portion</u>
2009 Wastewater Fund	1.73 %	\$ 245,251	\$ 37,452
2005 Water A	2.25%	2,240,821	111,458
2005 Water B	2.25 %	359,672	20,397
2014 Wastewater Fund	2.00 %	1,179,052	96,817
2015 Water	2.00 %	<u>1,507,295</u>	<u>112,288</u>
Total		<u>\$ 5,532,091</u>	<u>\$ 378,412</u>

Annual debt service requirements to maturity for revenue bonds including interest of \$862,019 are as follows:

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

8. LONG-TERM DEBT, continued

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 378,412	\$ 113,715	\$ 492,127
2020	386,266	105,864	492,130
2021	394,296	97,834	492,130
2022	402,504	89,626	492,130
2023	410,897	81,233	492,130
2024-2028	2,025,769	276,882	2,302,651
2029-2033	1,258,800	90,633	1,349,433
2034-2037	275,147	6,232	281,379
Totals	\$ 5,532,091	\$ 862,019	\$ 6,394,110

Water and Wastewater System Revenue Bond Ordinances require the following reserves on the Water and Wastewater Funds retained earnings at June 30, 2019:

	<u>Water</u>	<u>Wastewater</u>
Reserve for future principal and interest payments	\$ 232,544	\$ 70,225
Reserve for operations and maintenance	231,852	228,232
Reserve for depreciation	248,707	874,569
Reserve for contingency	1,000	1,000
Less: Cash reserved	(420,802)	(205,349)
Total	\$ 293,301	\$ 968,677

Operating revenues of the Water and Wastewater Funds will be used to repay the outstanding revenue bond indebtedness.

On November 16, 2018 the City borrowed \$12,018,000 in the form of a Water and Sewer System Revenue Bond Anticipation Note which will be due on November 16, 2020. The interest rate is 3.49% per annum on the advanced amounts and interest payments will be due on November 16, 2019 and November 16, 2020. The funds were borrowed to defray the cost of the expansion of the City's wastewater treatment plant. The note will be repaid from the proceeds from the Water and Sewer Revenue Bonds that will be issued at a later date. This note is also secured by a pledge and lien upon the net revenues of the water and sewer system.

During construction the loan is being accounted for in the General Long-Term Debt Fund. Upon completion, the asset and loan will be transferred to the Wastewater Fund. The balance of the note as of June 30, 2019 was \$2,995,948.

General obligation bonds are issued in the governmental activities to provide funding for the acquisition and construction of major capital facilities. Bonds issued and the amounts outstanding at June 30, 2019 are as follows:

<u>Purpose</u>	<u>Bond Proceeds</u>	<u>Interest Rate</u>	<u>Balance 6/30/19</u>
Fire Substation/Stormwater Office Renov.	\$ 2,800,000	2.095%	\$ 2,605,000

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

8. LONG-TERM DEBT, continued

Annual debt service requirements to maturity for general obligation bonds including interest of \$370,921 are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 170,000	\$ 54,575	\$ 224,575
2021	200,000	51,013	251,013
2022	205,000	46,823	251,823
2023	210,000	42,529	252,529
2024	210,000	38,129	248,129
2025-2029	1,125,000	122,558	1,247,558
2030-2032	<u>485,000</u>	<u>15,294</u>	<u>500,294</u>
Totals	\$ 2,605,000	\$ 370,921	\$ 2,975,921

Property taxes will be used to pay debt service principal and interest as it becomes due. The City has pledged its full faith and credit as collateral for the general obligation bonds. The City is not obligated for any special assessment debt.

Long-term liability activity for the year ended June 30, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 2,760,000	\$ -	\$ (155,000)	\$ 2,605,000	\$ 170,000
Bond Anticipation Note	-	2,995,948	-	2,995,948	-
Capital Leases	454,832	-	(282,792)	172,040	172,040
Compensated Absences	532,511	292,395	(259,642)	565,264	233,011
Governmental Activity Long-Term Liabilities	\$ 3,747,343	\$ 3,288,343	\$ (697,434)	\$ 6,338,252	\$ 575,051
<i>Business-Type Activities:</i>					
Revenue Bonds	\$ 5,902,823	\$ -	\$ (370,732)	\$ 5,532,091	\$ 378,412
Capital Lease	168,300	-	(83,564)	84,736	84,736
Compensated Absences	225,033	199,133	(179,882)	244,284	166,635
Business-Type Activity Long-Term Liabilities	\$ 6,296,156	\$ 199,133	\$ (634,178)	\$ 5,861,111	\$ 629,783

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2019 is as follows:

Due to/from funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water	General	\$ 1,697,509
Wastewater	General	2,557,051
Stormwater	General	337,198
Sanitation	General	227,268
Transit	General	842,327
Parking Deck	General	764,670
WWTP Expansion	General	2,014,427
Transit Lono Grant	General	1,265,543
Non-major Governmental Funds	General	5,473,059
Total		<u>\$ 15,179,052</u>

The outstanding balances between funds result mainly from all operating cash being recorded in the General Fund.

Interfund transfers are as follows:

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
<i>General Fund:</i>			
Non-major Governmental	\$ 293,300	\$ 316,693	
WWTP Expansion Fund	-	155,000	
Total General Fund	<u>\$ 293,300</u>	<u>\$ 471,693</u>	
<i>WWTP Expansion Fund</i>			
General Fund	\$ 155,000	\$ -	
Water Fund	443,000	-	
Wastewater Fund	102,355	-	
Total WWTP Expansion Fund	<u>\$ 700,355</u>	<u>\$ -</u>	
<i>Non-major Governmental:</i>			
General Fund	\$ 316,693	\$ 293,300	
Water Fund	-	15,000	
Non-major Governmental	855,637	855,637	
Total Non-major Governmental	<u>1,172,330</u>	<u>1,163,937</u>	
Total Governmental Fund Transfers	<u>\$ 2,165,985</u>	<u>\$ 1,635,630</u>	<u>\$ 530,355</u>
<u>Proprietary Funds</u>			
<i>Water:</i>			
Non-major Governmental	\$ 15,000	\$ -	
WWTP Expansion Fund	-	443,000	
Total Water Fund	<u>\$ 15,000</u>	<u>\$ 443,000</u>	
<i>Wastewater Fund:</i>			
WWTP Expansion Fund	\$ -	\$ 102,355	
Total Proprietary Fund Transfers	<u>\$ 15,000</u>	<u>\$ 545,355</u>	<u>\$ (530,355)</u>

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS, continued

Transfers are used to 1. Move funds collected for debt service principal and interest payments, 2. Move amounts to help pay loan costs attributable to that fund, 3. Re-allocate capital project funds not spent due to projects being completed under budget and 4. Move unrestricted general fund revenues to finance programs of the government accounted for in the other funds.

10. FIRE SERVICES AGREEMENT

On June 3, 2019 the City of Clemson renewed its contract with Clemson 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 current period the City paid \$1,008,000 for fire suppression services.

For the performance of the three years, the City is to pay to Clemson University compensation as follows:

<i>For the year ending:</i>	<u>6/30/20</u>	<u>6/30/21</u>	<u>6/30/22</u>
<i>August 1st</i>	\$ 275,000	\$ 300,000	\$ 325,000
<i>January 1st</i>	330,000	358,000	388,000
<i>April 2nd</i>	<u>493,000</u>	<u>535,000</u>	<u>580,000</u>
<i>Total Payment</i>	<u>\$ 1,098,000</u>	<u>\$ 1,193,000</u>	<u>\$ 1,293,000</u>

11. EMPLOYEES RETIREMENT SYSTEMS

The City participates in the State of South Carolina’s retirement plans, which are administered by the South Carolina Public Employee Benefit Authority (“PEBA”). Created on July 1, 2012 and governed by an 11-member Board, PEBA 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 program. As such, PEBA is responsible for administering the South Carolina Retirement Systems’ five defined benefit pension plans. The Retirement Funding and Administration Act of 2017, which became effective

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

July 1, 2017, increased the employer and employee contribution rates, established a ceiling on the SCRS and PORS employee contribution rates, lowered the assumed rate of return, required a scheduled reduction of the funding periods, and addressed various governance issues including the assignment of the PEBA Board as custodian of the retirement trust funds and assignment of the RSIC and PEBA as co-trustees of 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.

PEBA issues a Comprehensive Annual Financial Report (CAFR) containing financial statements and required supplementary information for the South Carolina Retirement Systems' Pension Trust funds. The CAFR is publicly available on 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 comprehensive annual financial report of the state.

Plan Description

The South Carolina Retirement System (SCRS), a cost-sharing multiple employer defined pension plan, was established effective 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, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The South Carolina Police Officers' Retirement System (PORS), a cost-sharing multiple employer defined benefit pension plan, was established effective 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 allowances and other benefits for police officers and firemen of the state and its political subdivisions. PORS also covers peace officers, coroners, probate judges and magistrates.

Plan Membership

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

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, *continued*

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; or to serve as 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.

Plan 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 benefits terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and the average final compensation / current annual salary. A brief summary of benefits terms for each system is presented here.

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.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, *continued*

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.

Plan Contributions

Contributions are prescribed in Title 9 of the South Carolina Code of Laws. If the scheduled employee and employer contributions provided in statute, or the rates last adopted by the board, are sufficient to maintain the amortization period set in statute, the board shall increase employer contribution rates as necessary.

After June 30, 2027, if the most recent annual actuarial valuation of the Systems for funding purposes shows a ratio of the actuarial value of system assets to the actuarial accrued liability of the system (the funded ratio) that is equal to or greater than eighty-five percent, then the board, effective on the following July first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than eighty-five percent. If contribution rates are decreased pursuant to this provision, and the most recent annual actuarial valuation of the system shows a funded ratio of less than eighty-five percent, then effective on the following July first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than eighty-five percent.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

The Retirement System Funding and Administration Act establishes a ceiling on employee contribution rates at 9 percent and 9.75 percent for SCRS and PORS respectively. The employer contribution rates will continue to increase annually by 1 percent through July 1, 2022. The legislation's ultimate scheduled employer rate is 18.56 percent for SCRS and 21.24 percent for PORS. The amortization period is scheduled to be reduced one year for each of the next 10 years to a twenty-year amortization period. Required employee contribution rates are as follows:

	SCRS Rates			PORS Rates		
	2017	2018	2019	2017	2018	2019
<i>Employer Rate:</i>						
<i>Retirement</i>	11.41%	13.41%	14.41%	13.84%	15.84%	16.84%
<i>Incidental Death Benefit</i>	0.15%	0.15%	0.15%	0.20%	0.20%	0.20%
<i>Accidental Death Contributions</i>	0.00%	0.00%	0.00%	0.20%	0.20%	0.20%
	11.56%	13.56%	14.56%	14.24%	16.24%	17.24%
<i>Employee Rate</i>	8.66%	9.00%	9.00%	9.24%	9.75%	9.75%

The required contributions and percentages of amounts contributed by the City to the Plans for the past three years were as follows:

<i>Year Ended</i> <i>June 30,</i>	SCRS Contributions		PORS Contributions	
	<i>Required</i>	<i>% Contributed</i>	<i>Required</i>	<i>% Contributed</i>
2019	\$ 934,650	100%	\$ 367,882	100%
2018	837,230	100%	315,353	100%
2017	675,097	100%	247,723	100%

Eligible Payrolls of the City covered under the Plans for the past three years were as follows:

<i>Year Ended</i> <i>June 30,</i>	SCRS Payroll	PORS Payroll	Total Payroll
2019	\$ 6,419,300	\$ 2,133,885	\$ 8,553,185
2018	6,174,260	1,941,827	8,116,087
2017	5,839,939	1,739,629	7,579,568

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

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 must be completed at least once in each five-year period. An experience report on the Systems was most recently issued as of July 1, 2015.

The June 30, 2018, total pension liability, net pension liability, and sensitivity information shown in this report were determined by the PEBA’s consulting actuary, Gabriel Roeder, Smith and Company (“GRS”) and are based on actuarial valuation performed as of July 1, 2017. The total pension liability was rolled-forward from the valuation date to the plans’ fiscal year, June 30, 2018, using generally accepted accounting principles.

	<u>SCRS</u>	<u>PORS</u>
	<i>Entry age normal</i>	<i>Entry age normal</i>
<i>Actuarial cost method</i>		
<i>Actuarial assumptions:</i>		
<i>Investment Rate of Return *</i>	<i>7.25%.</i>	<i>7.25%.</i>
<i>Projected Salary increases *</i>	<i>3.0% to 12.5% (varies by service)</i>	<i>3.5% to 9.5% (varies by service)</i>
<i>Benefits adjustments</i>	<i>Lesser of 1% or \$500 annually</i>	<i>Lesser of 1% or \$500 annually</i>
<i>*Includes inflation at 2.25%</i>		

The post-retiree mortality assumption is dependent upon the member’s job category and gender. The base mortality assumptions, the 2016 Public Retirees of South Carolina Mortality table (“2016 PRSC”), was developed using the Systems’ mortality experience. These base rates are adjusted for future improvement in mortality using published Scale AA project from the year 2016.

<u>Former job class</u>	<u>Males</u>	<u>Females</u>
<i>Educators</i>	<i>2016 PRSC Males multiplied by 92%</i>	<i>2016 PRSC Females multiplied by 98%</i>
<i>General employees and members of the General Assembly</i>	<i>2016 PRSC Males multiplied by 100%</i>	<i>2016 PRSC-- Females multiplied by 111%</i>
<i>Public safety and Firefighters</i>	<i>2016 PRSC Males multiplied by 125%</i>	<i>2016 PRSC Females multiplied by 111%</i>

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 30-year capital market assumptions. The long-term expected rate of returns 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 2018 fiscal year. The long-term expected rate is produced by weighing 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 7.25 percent assumed annual investment rate of return used in the calculation of the TPL includes a 5.00 percent real rate of return and a 2.25 percent inflation component.

Asset Class	Target Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Global Equity	47.0%		
Global Public Equity	33.0%	6.99%	2.31%
Private Equity	9.0%	8.73%	0.79%
Equity Options Strategies	5.0%	5.52%	0.28%
Real Assets	10.0%		
Real Estate (Private)	6.0%	3.54%	0.21%
Real Estate (REITs)	2.0%	5.46%	0.11%
Infrastructure	2.0%	5.09%	0.10%
Opportunistic	13.0%		
GTAA/Risk Parity	8.0%	3.75%	0.30%
Hedge Funds (non-PA)	2.0%	3.45%	0.07%
Other Opportunistic Strategies	3.0%	3.75%	0.11%
Diversified Credit	18.0%		
Mixed Credit	6.0%	3.05%	0.18%
Emerging Markets Debt	5.0%	3.94%	0.20%
Private Debt	7.0%	3.89%	0.27%
Conservative Fixed Income	12.0%		
Core Fixed Income	10.0%	0.94%	0.09%
Cash and Short Duration(Net)	2.0%	0.34%	0.01%
Total Expected Real Return	100%		5.03%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.28%

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

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

The net pension liability (NPL) 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. NPL totals, as of June 30, 2019 measurement date, for SCRS and PORS are presented in the following table:

<i>System</i>	<i>Total Pension Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Employers' Net Pension Liability (Asset)</i>	<i>Plan Fiduciary Net Position as a Percentage of the Total Pension</i>
SCRS	\$ 48,821,730,067	\$ 26,414,916,370	\$ 22,406,813,697	54.1%
PORS	\$ 7,403,972,673	\$ 4,570,430,247	\$ 2,833,542,426	61.7%

The total pension liability is calculated by the Systems' actuary, and each plan's fiduciary net position is reported in the Systems' financial statements. The net position liability is disclosed in accordance with the requirements of GASB No. 67 in the Systems' notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

At June 30, 2019, the City reported a liability of \$17,325,413 for its proportionate share of the net pension liabilities for the SCRS plan \$13,350,231 and PORS plan \$3,975,182. The net pension liabilities were measured as of June 30, 2018, and the total pension liabilities for the plans used to calculate the net pension liabilities were determined based on the most recent actuarial valuation report of July 1, 2017 that was projected forward to the measurement date. The City's proportion of the net pension liabilities were based on a projection of the City's long-term share of contributions to the plans relative to the projected contributions of all participating South Carolina state and local governmental employers, actuarially determined. At June 30, 2018, the City's SCRS proportion was 0.059581 percent, which was a decrease of 0.001701 percent from its proportion measured as of June 30, 2017. At June 30, 2018, the City's PORS proportion was 0.140290 percent, which was an increase of 0.01111 percent from its proportion measured as of June 30, 2017.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

For the year ended June 30, 2019, the City recognized pension expense on its government-wide financial statements of \$2,156,704, consisting of \$1,566,514 for SCRS and \$590,190 for the PORS. At June 30, 2019, the City reported deferred outflows or resources and deferred inflows of resources related to pension from the following sources:

<i>Description</i>	<i>Deferred Outflows of <u>Resources</u></i>	<i>Deferred Inflows of <u>Resources</u></i>
SCRS		
<i>Differences between expected and actual experience</i>	\$ 24,099	\$ 78,562
<i>Changes in Assumptions</i>	529,662	-
<i>Net Difference between projected and actual earnings on Pension plan investments</i>	212,069	-
<i>Deferred amounts from changes in proportionate share and Differences between employer contributions & proportionate Share of total plan employer contributions</i>	535,545	-
<i>City's contributions subsequent to the measurement date</i>	934,650	-
Total SCRS	<u>\$ 2,236,025</u>	<u>\$ 78,562</u>
PORS		
<i>Differences between expected and actual experience</i>	\$ 122,482	\$ -
<i>Changes in Assumptions</i>	262,103	-
<i>Net Difference between projected and actual earnings on pension plan investments</i>	79,495	-
<i>Deferred amounts from changes in proportionate share and Differences between employer contributions & proportionate Share of total plan employer contributions</i>	229,839	50,205
<i>City's contributions subsequent to the measurement date</i>	367,882	-
Total PORS	<u>\$ 1,061,801</u>	<u>\$ 50,205</u>
Total SCRS and PORS	<u>\$ 3,297,826</u>	<u>\$ 128,767</u>

The \$934,650 and \$367,882 that were reported as deferred outflows of resources related to the City's contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS will be recognized in pension expense as follows:

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

11. EMPLOYEES RETIREMENT SYSTEMS, continued

Year Ended June 30,	<u>SCRS</u>	<u>PORS</u>	<u>Total</u>
2019	\$ 774,103	\$ 309,096	\$ 1,083,199
2020	520,892	216,420	737,312
2021	(56,904)	92,131	35,227
2022	(15,278)	26,067	10,789
Total	\$ 1,222,813	\$ 643,714	\$ 1,886,527

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that the funding contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Carolina Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following table presents the sensitivity of the City's proportionate share of the net pension liability of the Plans changes in the discount rate, calculated using the discount rate of 7.25%, as well as what would be if it were calculated using a discount rate that is 1% point lower (6.25%) or 1% point higher (8.25%) than the current rate:

<u>System</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
City's proportionate share of the net pension liability of the SCRS	\$ 17,059,116	\$ 13,350,231	\$ 10,698,733
City's proportionate share of the net pension liability of the PORS	\$ 5,359,042	\$ 3,975,182	\$ 2,841,684

Plans' Fiduciary Net Position

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued CAFR containing financial statements and required supplementary information. The CAFR of the Pension Trust Funds is publicly available on PEBA's Retirement Benefits' website at www.retirement.sc.gov, or a copy may be obtained by submitting a request to PEBA, PO 202 Arbor Lake Drive, Columbia, SC 29223.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

12. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The amounts of any excess of expenditures over appropriations, at the legal level of control, are as follows: Variances were approved by council.

<u>General Fund</u>	<u>Appropriations</u>	<u>Expenditures</u>
<i>Current Operating</i>		
Municipal Court	\$ 345,944	\$ 356,154
Administration	727,015	737,293
Planning and Codes	921,913	923,461
Culture and Recreation	968,201	972,143
<u>Non-Major Governmental Funds</u>		
<i>Community Development Fund</i>		
Urban Redevelopment Rehabilitation	56,000	63,041
<i>Tourism Fund</i>		
Tourism – Promotion	76,500	77,403
<i>Hospitality Fee Fund</i>		
Culture and Recreation	200,327	204,041
<i>Hospitality Tax Fund</i>		
Culture and Recreation	291,026	293,395

13. JOINT VENTURE

The City of Clemson entered into a joint venture in 1978 with the Town of Pendleton to construct and operate a wastewater treatment facility. The joint venture is accounted for in the City of Clemson's Wastewater Fund under the equity method of accounting.

The investment qualifies under GASB Statement No. 14 as a joint venture with the following characteristics:

- *Contractual entity - a joint venture must be an organization that results from a contractual agreement.*
- *Separate status - The Pendleton/Clemson Waste Treatment Facility operates as a separate and specific activity.*
- *Joint control - The facility is owned and operated by the Town of Pendleton, the City of Clemson and Anderson County through a board appointed by the entities.*
- *Ongoing financial relationship - Each of the entities has both an ongoing financial interest and an ongoing financial responsibility.*

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

13. JOINT VENTURE, continued

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

At June 30, 2019 the City's Wastewater Fund had total assets of \$22,540,242 and total liabilities of \$3,674,614.

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

Total treatment plant capacity is two million gallons of sewage waste per day. Clemson has access to one million gallons of capacity. The City has leased 200,000 gallons per day to Anderson 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 facility operates on a fiscal year ending June 30. Fiscal year summary financial information is as follows:

Total Assets	\$ 5,589,072
Total Liabilities	2,051,158
Total Equity	3,537,914
Total Operating Revenues	1,165,111
Total Operating Expenses	1,036,093
Operating Income	129,018

The City records its investment in joint ventures under the equity method of accounting for investments. The current balance in investments in joint venture is \$3,768,995 which includes a \$36,780 contribution towards debt on new capacity, \$50,404 of amortization of the difference of the cost of the investment and the value of the underlying assets, from previous years, and \$64,508 of current year net income as follows:

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

13. JOINT VENTURE, continued

Carrying Value, 6/30/18	\$ 3,718,111	
Current year income	64,508	
	<u>\$ 3,782,619</u>	\$ 3,782,619
Net value of underlying assets	<u>(1,766,457)</u>	
Difference	<u>\$ 2,016,162</u>	
Amortization - SL over 40 years		(50,404)
Contribution towards debt on new capacity		<u>36,780</u>
Carrying Value, 6/30/19		<u>\$ 3,768,995</u>

The Municipalities pay their proportionate share of operations and maintenance costs determined by respective percentages of influent flow. They also set rates based upon their individual utility needs. The governing body consists of 3 members, 2 from Pendleton and 1 from Clemson. 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 of Pendleton is responsible for the proper operations and maintenance of the Pendleton/Clemson Waste Treatment Facility. An initial operating fund of \$15,000 was established - \$10,000 from Pendleton and \$5,000 from Clemson. Additional operating funds will be contributed in accordance with usage ratios.

The operating staff consists of Town of Pendleton employees except staff position # 2.

1. Chief Operator.
2. Operator/Lab Technician...paid by the City of Clemson
3. Operator
4. Maintenance Technician

14. RISK MANAGEMENT

The City is exposed to various risks of loss from theft, natural disasters, accidental damage to assets, errors and omissions, and tort liabilities. 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.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

15. LOCAL OPTION SALES TAX

Citizens and residents of the City of Clemson and Pickens County approved by referendum a 1% local option sales tax beginning May 1995. Property owners are given tax credits on property tax notices issued in September payable by January 15th. The total amount of the revenues collected is applied to a rollback of county and municipal taxes. The City received \$1,743,665 during the current year.

16. HOSPITALITY ORDINANCE

Beginning on January 1, 1997, the City adopted a 1% hospitality fee to be charged on gross proceeds derived from the sale of all food and beverages served by a restaurant, hotel, motel, or other food service facility within the City (including prepared foods of grocery and convenience stores). Beginning on September 1, 2003, the City adopted an additional 1% hospitality tax under the same guidelines as the hospitality fee. The funds are to be used for the preservation, maintenance, and development of the City of Clemson; acquisition of lands and construction of passive and active parks; enhancement of existing infrastructures; acquisition of capital equipment for law enforcement and public safety, and costs to preserve the general health, safety and welfare of the citizens of, and visitors to, the City of Clemson. During the year the City received \$832,126 of hospitality fees and \$831,568 of hospitality taxes.

17. CENTRAL / CLEMSON RECREATION FACILITY

The City of Clemson entered into an intergovernmental agreement with the Town of Central to develop a plan for the joint funding, construction, operation and use of a multi-purpose recreational and athletic facility; and an Agreement for Contribution and for Shared Use and Governance with the Town of Central. The location of the facility is within the Town of Central and is a component unit of Central. All construction costs and related construction management are the responsibility of the Town of Central.

Clemson's contribution to the facility in the form of intergovernmental expenditures are recorded in a capital projects fund and were funded by a General Obligation bond issue of \$700,000 and various equity transfers and grant applications. The facility is operated by the Town of Central with shared usage. Clemson is charged for its share of the annual operating costs.

The facility currently has a conserfund loan with the South Carolina Energy Office for a solar pool heating system. The original loan was for \$169,206 payable over a 10-year period at 3% with annual payments of \$19,836. The balance of the loan at June 30, 2019 is \$19,258. Future payments of principal and interest are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	<u>\$ 19,258</u>	<u>\$ 578</u>	<u>\$ 19,836</u>

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

18. JOINT MUNICIPAL WATER SYSTEM

On March 18, 2002 the City entered into a Water Sale and Purchase Agreement with the Anderson Regional Joint Water System. The City participates as a member with various other governmental entities and water districts. The agreement calls for the right to purchase up to 2.02 million gallons per day of potable water.

In exchange for the rights to receive water, the City pays monthly amounts based on debt amortization, capital charges, depreciation charges and operating costs of the system. The system facilities are owned solely by the Anderson Regional Joint Water System and no assets or liabilities are recorded on the books of The City of Clemson.

On November 15, 2005 the City agreed to an amendment to the original agreement. The amendment calls for the City to have the ability to purchase an additional 2.74 million gallons per day to bring their total capacity under this agreement to 4.76 million gallons per day. At the same time the City entered into an agreement to provide the Town of Central up to .4 million gallons per day in Potable Water without impairing Clemson's ability to satisfy its own demand.

19. FUND BALANCES

Fund balances of the Governmental Funds at June 30, 2019 are broken down as follows:

	General	WWTP Expansion Fund	Transit Lono Grant Fund	Other Governmental Funds	Total
FUND BALANCES					
Non-spendable:					
Inventory	\$ -	\$ -	\$ -	\$ 10,660	\$ 10,660
Restricted for:					
General Obligation Debt	-	-	-	152,319	152,319
City Development- Enhance Infrastructure	-	1,424,315	-	2,704,558	4,128,873
Community Redevelopment	-	-	-	71,240	71,240
Emergency Phone System	-	-	-	180,868	180,868
Tourism Promotion	-	-	-	1,385,753	1,385,753
Comm Dev - L-T	-	-	-	134,463	134,463
Receivables					
Arts Center	-	-	-	333,693	333,693
Littlejohn Comm Center	-	-	-	568,181	568,181
Transit Lono Buses	-	-	935,533	-	935,533
Committed for:					
Duke Power	334,142	-	-	-	334,142
Underground Power					
Assigned to:					
Park Land Acquisition	-	-	-	303,323	303,323
Unassigned:	8,177,987	-	-	-	8,177,987
TOTAL FUND BALANCES	\$ 8,512,129	\$ 1,424,315	\$ 935,533	\$ 5,845,058	\$ 16,717,035

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

20. DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through February 24, 2020, the date that the financial statements were available to be issued.

21. COMMITMENTS / ENCUMBRANCES

The City has the following construction commitments at June 30, 2019:

<i>WWTP Expansion</i>	<i>\$</i>	<i>11,992,271</i>
<i>Littlejohn CC Expansion</i>		<i>52,736</i>
<i>Tiger Blvd Force Main Replacement</i>		<i>580,550</i>
	<i>\$</i>	<i>12,625,557</i>

The City has the following encumbrances outstanding at June 30, 2019:

<i>General Fund</i>	<i>\$</i>	<i>390,474</i>
<i>Hospitality Fee Fund</i>		<i>38,106</i>
<i>Transit Fund</i>		<i>1,600</i>
<i>Wastewater Fund</i>		<i>580,550</i>
<i>Stormwater Fund</i>		<i>82,300</i>

22. SELF INSURANCE PROGRAM

On January 1, 2016 the City entered 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 \$50,000 per covered participant. Munich RE is then the carrier which assumes responsibility for claims greater than \$50,000.

During the year the plan was funded by withholdings from City employees of \$446,795 and employer contributions of \$1,157,641. Plan expenses for the year ended June 30, 2019 were \$1,637,732. The City retained \$377,893 to carry over to the next fiscal year.

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.

CITY OF CLEMSON

NOTES TO FINANCIAL STATEMENTS

23. TAX ABATEMENTS

The City's Tax Abatements

The City does not have any of its own tax abatement agreements.

REQUIRED SUPPLEMENTARY
INFORMATION



CITY OF CLEMSON

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS****

	Year Ended June 30,				
	2019	2018	2017	2016	2015
<i>City's Proportion of the Net Pension Liability (Asset)</i>	0.059581%	0.057880%	0.055959%	0.054339%	0.053929%
<i>City's Proportion of the Net Pension Liability (Asset)</i>	\$ 13,350,231	\$ 13,029,719	\$ 11,952,760	\$ 10,305,635	\$ 9,057,324
<i>City's Covered Payroll</i>	\$ 6,174,260	\$ 5,839,939	\$ 5,418,894	\$ 5,510,941	\$ 4,888,129
<i>City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</i>	216.22%	223.11%	220.58%	187.00%	185.29%
<i>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</i>	54.10%	53.30%	52.91%	57.00%	59.92%

Notes to Schedule:

Only five fiscal years are presented because ten year data is not yet available.

**The amounts presented for each fiscal year were determined as of the fiscal year ending June 30th of the preceding year.

CITY OF CLEMSON
SCHEDULE OF THE CITY'S CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Year Ended June 30,				
	2019	2018	2017	2016	2015
<i>Contractually Required Contribution</i>	\$ 934,650	\$ 837,230	\$ 675,097	\$ 599,330	\$ 555,344
<i>Contributions in Relation to the Contractually Required Contribution:</i>	<u>934,650</u>	<u>837,230</u>	<u>675,097</u>	<u>599,330</u>	<u>555,344</u>
<i>Contribution Deficiency (Excess)</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>City of Clemson Covered Payroll</i>	\$ 6,419,300	\$ 6,174,260	\$ 5,839,939	\$ 5,418,894	\$ 5,510,941
<i>Contributions as a Percentage of Covered Payroll</i>	14.56%	13.56%	11.56%	11.06%	10.08%

Notes to Schedule:

Only five fiscal years are presented because ten year data is not yet available.

CITY OF CLEMSON

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS****

	Year Ended June 30,				
	2019	2018	2017	2016	2015
<i>City's Proportion of the Net Pension Liability (Asset)</i>	0.140290%	0.129180%	0.131213%	0.134500%	0.126300%
<i>City's Proportion of the Net Pension Liability (Asset)</i>	\$ 3,975,182	\$ 3,538,965	\$ 3,328,185	\$ 2,931,466	\$ 2,645,461
<i>City's Covered Payroll</i>	\$ 1,941,827	\$ 1,739,629	\$ 1,672,797	\$ 1,604,176	\$ 1,519,121
<i>City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</i>	204.71%	203.43%	198.96%	182.74%	174.14%
<i>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</i>	61.70%	60.90%	60.44%	64.60%	67.55%

Notes to Schedule:

Only five fiscal years are presented because ten year data is not yet available.

**The amounts presented for each fiscal year were determined as of the fiscal year ending June 30th of the preceding year.

CITY OF CLEMSON
SCHEDULE OF THE CITY'S CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Year Ended June 30,				
	2019	2018	2017	2016	2015
<i>Contractually Required Contribution</i>	\$ 367,882	\$ 315,353	\$ 247,723	\$ 229,842	\$ 223,450
<i>Contributions in Relation to the Contractually Required Contribution:</i>	<u>367,882</u>	<u>315,353</u>	<u>247,723</u>	<u>229,842</u>	<u>223,450</u>
<i>Contribution Deficiency (Excess)</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>City of Clemson Covered Payroll</i>	\$ 2,133,885	\$ 1,941,827	\$ 1,739,629	\$ 1,672,797	\$ 1,604,176
<i>Contributions as a Percentage of Covered Payroll</i>	17.24%	16.24%	14.24%	13.74%	13.93%

Notes to Schedule:

Only five fiscal years are presented because ten year data is not yet available.

COMBINING AND
INDIVIDUAL FUND
STATEMENTS AND SCHEDULES



NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds -- 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.

The **Community Development Fund** is used to account for the financial and compliance requirements of various funding sources for the betterment of the community as a whole.

The **Emergency Phone System Fund** was established 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.

The **Tourism Fund** is established to account for the revenues derived from accommodations taxes and the expenditures to promote tourism.

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

The **Hospitality Fee Fund** and **Hospitality Tax Fund** is used 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 of Clemson; 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 forefund the general health, safety, and welfare of the citizens of, and the visitors to, the City of Clemson.

The **Local Accommodations Tax Fund** was established to receive a tax on every person engaged or continuing in the business of furnishing accommodations to transients within the jurisdiction of the City of Clemson. The revenue generated by the tax will be used exclusively for tourism-related expenditures within the City.

The **Cultural Commission Fund** was established to accumulate monies allocated to the Arts and Culture Commission for various initiatives and projects.

Capital Projects Fund -- established to account for major capital projects funded by issuance of general obligation bonds, tax increment bonds, and other financing sources.

Debt Service Fund – used 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
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2019

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
Assets				
<i>Receivables (Net of Allowance)</i>				
Property Taxes	\$ 2,384	\$ -	\$ 15,348	\$ 17,732
Accounts	322,161	-	-	322,161
Due from Other Governmental Units	78,216	-	7,672	85,888
Due from Other Funds	4,453,272	907,803	139,674	5,500,749
Inventory	10,660	-	-	10,660
Total Assets	\$ 4,866,693	\$ 907,803	\$ 162,694	\$ 5,937,190
Liabilities and Fund Balances				
<i>Liabilities</i>				
Accounts Payable	\$ 46,527	\$ 5,929	\$ -	\$ 52,456
Due to Other Funds	27,690	-	-	27,690
Total Liabilities	\$ 74,217	\$ 5,929	\$ -	\$ 80,146
<i>Deferred Inflows of Resources</i>				
Unavailable Revenue - Property Taxes	\$ 1,611	\$ -	\$ 10,375	\$ 11,986
<i>Fund Balances</i>				
Restricted	4,752,759	901,874	152,319	5,806,952
Assigned	38,106	-	-	38,106
Total Fund Balances	\$ 4,790,865	\$ 901,874	\$ 152,319	\$ 5,845,058
Total Liabilities and Fund Balances	\$ 4,866,693	\$ 907,803	\$ 162,694	\$ 5,937,190

CITY OF CLEMSON

**NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Fiscal Year Ended June 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Debt Service</u>	<u>Total</u>
Revenues				
<i>Property Taxes</i>	\$ 35,527	\$ -	\$ 229,367	\$ 264,894
<i>Local Option Sales Tax</i>	10,125	-	62,684	72,809
<i>Local Accomodations Tax</i>	354,041	-	-	354,041
<i>Hospitality Fees/Tax</i>	1,663,694	-	-	1,663,694
<i>Intergovernmental</i>	245,110	-	-	245,110
<i>Charges for Services</i>	45,787	-	-	45,787
<i>Investment Earnings</i>	94,030	6,967	2,705	103,702
<i>Other Revenue</i>	81,987	-	2,359	84,346
Total Revenues	\$ 2,530,301	\$ 6,967	\$ 297,115	\$ 2,834,383
Expenditures				
Current Operating				
<i>General Government</i>	\$ 2,207	\$ -	\$ -	\$ 2,207
<i>Public Safety</i>	48,380	-	-	48,380
<i>Public Works</i>	-	73,312	-	73,312
<i>Urban Redevelopment</i>	63,041	-	-	63,041
<i>Culture and Recreation</i>	523,436	-	-	523,436
Debt Service				
<i>Principal</i>	-	-	155,000	155,000
<i>Interest</i>	-	-	57,822	57,822
<i>Capital Outlay</i>	101,605	16,644	-	118,249
Intergovernmental				
<i>Tourism - Promotion</i>	77,403	-	-	77,403
<i>Tourism - Tourism Related</i>	319,588	-	-	319,588
Total Expenditures	\$ 1,135,660	\$ 89,956	\$ 212,822	\$ 1,438,438
Excess of Revenues Over (Under) Expenditures	\$ 1,394,641	\$ (82,989)	\$ 84,293	\$ 1,395,945
Other Financing Sources (Uses)				
<i>Transfers In</i>	\$ 216,680	\$ 955,650	\$ -	\$ 1,172,330
<i>Transfers Out</i>	(1,127,070)	(36,867)	-	(1,163,937)
Total Other Financing Sources (Uses)	\$ (910,390)	\$ 918,783	\$ -	\$ 8,393
Net Change in Fund Balances	\$ 484,251	\$ 835,794	\$ 84,293	\$ 1,404,338
Fund Balances, Beginning	4,306,614	66,080	68,026	4,440,720
Fund Balances, Ending	\$ 4,790,865	\$ 901,874	\$ 152,319	\$ 5,845,058

CITY OF CLEMSON

NONMAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

June 30, 2019

	<u>Community Development Fund</u>	<u>Emergency Phone System Fund</u>	<u>Tourism Fund</u>	<u>Park Land Fund</u>	<u>Hospitality Fee Fund</u>	<u>Hospitality Tax Fund</u>	<u>Local Accom Tax Fund</u>	<u>Cultural Commission Fund</u>	<u>Total 6/30/19</u>
Assets									
<i>Receivables (Net of Allowance)</i>									
Property Taxes	\$ -	\$ -	\$ -	\$ 2,384	\$ -	\$ -	\$ -	\$ -	\$ 2,384
Accounts	149,089	1,721	-	-	60,112	60,112	43,127	8,000	322,161
Due from Other Governmental Units	-	4,385	72,633	1,198	-	-	-	-	78,216
Due from Other Funds	63,588	177,024	-	301,352	923,555	1,675,133	1,249,159	63,461	4,453,272
Inventory	10,660	-	-	-	-	-	-	-	10,660
Total Assets	\$ 223,337	\$ 183,130	\$ 72,633	\$ 304,934	\$ 983,667	\$ 1,735,245	\$ 1,292,286	\$ 71,461	\$ 4,866,693
Liabilities and Fund Balances									
Liabilities									
Accounts and Vouchers Payable	\$ 6,974	\$ 2,262	\$ 22,937	\$ -	\$ 13,757	\$ 597	\$ -	\$ -	\$ 46,527
Due to Other Funds	-	-	27,690	-	-	-	-	-	27,690
Total Liabilities	\$ 6,974	\$ 2,262	\$ 50,627	\$ -	\$ 13,757	\$ 597	\$ -	\$ -	\$ 74,217
Deferred Inflows of Resources									
Unavailable Revenue - Property Taxes	\$ -	\$ -	\$ -	\$ 1,611	\$ -	\$ -	\$ -	\$ -	\$ 1,611
Fund Balances									
Restricted	\$ 216,363	\$ 180,868	\$ 22,006	\$ 303,323	\$ 931,804	\$ 1,734,648	\$ 1,292,286	\$ 71,461	\$ 4,752,759
Assigned	-	-	-	-	38,106	-	-	-	38,106
Total Fund Balances	\$ 216,363	\$ 180,868	\$ 22,006	\$ 303,323	\$ 969,910	\$ 1,734,648	\$ 1,292,286	\$ 71,461	\$ 4,790,865
Total Liabilities and Fund Balances	\$ 223,337	\$ 183,130	\$ 72,633	\$ 304,934	\$ 983,667	\$ 1,735,245	\$ 1,292,286	\$ 71,461	\$ 4,866,693

CITY OF CLEMSON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
 Fiscal Year Ended June 30, 2019

	Community Development Fund	Emergency Phone System Fund	Tourism Fund	Park Land Fund	Hospitality Fee Fund	Hospitality Tax Fund	Local Accom Tax Fund	Cultural Commission Fund	Total 6/30/19
Revenues									
Property Taxes	\$ -	\$ -	\$ -	\$ 35,527	\$ -	\$ -	\$ -	\$ -	\$ 35,527
Local Option Sales Tax	-	-	-	10,125	-	-	-	-	10,125
Local Accommodations Tax	-	-	-	-	-	354,041	-	-	354,041
Hospitality Fees/Tax	-	-	-	-	832,126	831,568	-	-	1,663,694
Intergovernmental	-	-	245,110	-	-	-	-	-	245,110
Charges for Services	-	45,787	-	-	-	-	-	-	45,787
Investment Earnings	8,850	3,503	33	5,809	15,117	33,522	25,997	1,199	94,030
Other Revenue	7,719	3,056	-	5,066	13,185	29,239	22,676	1,046	81,987
Total Revenues	\$ 16,569	\$ 52,346	\$ 245,143	\$ 56,527	\$ 860,428	\$ 894,329	\$ 402,714	\$ 2,245	\$ 2,530,301
Expenditures									
Current Operating									
General Government	\$ -	\$ -	\$ -	\$ -	\$ 2,207	\$ -	\$ -	\$ -	\$ 2,207
Public Safety	-	36,821	-	-	-	11,559	-	-	48,380
Urban Redevelopment	63,041	-	-	-	-	-	-	-	63,041
Culture and Recreation	-	-	-	-	204,041	293,395	26,000	-	523,436
Capital Outlay	-	70,307	-	-	31,298	-	-	-	101,605
Intergovernmental									
Tourism - Promotion	-	-	77,403	-	-	-	-	-	77,403
Tourism - Tourism Related	-	-	165,680	-	15,585	100,787	34,229	3,307	319,588
Total Expenditures	\$ 63,041	\$ 107,128	\$ 243,083	\$ -	\$ 253,131	\$ 405,741	\$ 60,229	\$ 3,307	\$ 1,135,660
Excess of Revenues Over (Under) Expenditures	\$ (46,472)	\$ (54,782)	\$ 2,060	\$ 56,527	\$ 607,297	\$ 488,588	\$ 342,485	\$ (1,062)	\$ 1,394,641
Other Financing Sources (Uses)									
Transfers In	\$ -	\$ 35,000	\$ -	\$ -	\$ 46,270	\$ 97,910	\$ -	\$ 37,500	\$ 216,680
Transfers Out	(205,000)	-	-	-	(423,500)	(235,635)	(262,935)	-	(1,127,070)
Total Other Financing Sources (Uses)	\$ (205,000)	\$ 35,000	\$ -	\$ -	\$ (377,230)	\$ (137,725)	\$ (262,935)	\$ 37,500	\$ (910,390)
Net Change in Fund Balances	\$ (251,472)	\$ (19,782)	\$ 2,060	\$ 56,527	\$ 230,067	\$ 350,863	\$ 79,550	\$ 36,438	\$ 484,251
Fund Balances, Beginning	467,835	200,650	19,946	246,796	739,843	1,383,785	1,212,736	35,023	4,306,614
Fund Balances, Ending	\$ 216,363	\$ 180,868	\$ 22,006	\$ 303,323	\$ 969,910	\$ 1,734,648	\$ 1,292,286	\$ 71,461	\$ 4,790,865

CITY OF CLEMSON
COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
<i>Investment Earnings</i>	\$ 8,000	\$ 8,850	\$ 850
<i>Other Revenue</i>	-	7,719	7,719
	<u>8,000</u>	<u>16,569</u>	<u>8,569</u>
Total Revenues	\$ 8,000	\$ 16,569	\$ 8,569
Expenditures			
<i>Current Operating</i>			
<i>Urban Redevelopment</i>			
<i>Rehabilitation</i>	\$ 56,000	\$ 63,041	\$ (7,041)
	<u>56,000</u>	<u>63,041</u>	<u>(7,041)</u>
Excess of Revenues Over (Under) Expenditures	\$ (48,000)	\$ (46,472)	\$ 1,528
Other Financing Sources (Uses)			
<i>Transfers Out</i>	\$ (250,000)	\$ (205,000)	\$ 45,000
	<u>(250,000)</u>	<u>(205,000)</u>	<u>45,000</u>
Net Change in Fund Balances	\$ (298,000)	\$ (251,472)	\$ 46,528
Fund Balance, Beginning	467,835	467,835	-
	<u>467,835</u>	<u>467,835</u>	<u>-</u>
Fund Balance, Ending	\$ 169,835	\$ 216,363	\$ 46,528
	<u><u>169,835</u></u>	<u><u>216,363</u></u>	<u><u>46,528</u></u>

CITY OF CLEMSON

**EMERGENCY PHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Charges for Services	\$ 30,000	\$ 45,787	\$ 15,787
State Aid	7,200	-	(7,200)
Investment Earnings	3,000	3,503	503
Other Revenue	-	3,056	3,056
	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 40,200	\$ 52,346	\$ 12,146
Expenditures			
Current Operating			
Public Safety	\$ 38,135	\$ 36,821	\$ 1,314
Capital Outlay	70,307	70,307	-
	<hr/>	<hr/>	<hr/>
Total Expenditures	\$ 108,442	\$ 107,128	\$ 1,314
Excess of Revenues Over (Under) Expenditures	\$ (68,242)	\$ (54,782)	\$ 13,460
Other Financing Sources (Uses)			
Transfer In	\$ 35,000	\$ 35,000	\$ -
	<hr/>	<hr/>	<hr/>
Net Change in Fund Balance	\$ (33,242)	\$ (19,782)	\$ 13,460
Fund Balance, Beginning	200,650	200,650	-
	<hr/>	<hr/>	<hr/>
Fund Balance, Ending	\$ 167,408	\$ 180,868	\$ 13,460
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF CLEMSON

TOURISM FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL**

Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
<i>Intergovernmental</i>	\$ 242,250	\$ 245,110	\$ 2,860
<i>Investment Earnings</i>	33	33	-
Total Revenues	<u>\$ 242,283</u>	<u>\$ 245,143</u>	<u>\$ 2,860</u>
Expenditures			
<i>Intergovernmental</i>			
<i>Tourism - Promotion</i>	\$ 76,500	\$ 77,403	\$ (903)
<i>Tourism - Tourism Related</i>	165,680	165,680	-
Total Expenditures	<u>\$ 242,180</u>	<u>\$ 243,083</u>	<u>\$ (903)</u>
Excess of Revenues Over (Under) Expenditures	\$ 103	\$ 2,060	\$ 1,957
Fund Balance, Beginning	<u>19,946</u>	<u>19,946</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 20,049</u></u>	<u><u>\$ 22,006</u></u>	<u><u>\$ 1,957</u></u>

CITY OF CLEMSON

PARK LAND FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET TO ACTUAL

Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property Taxes	\$ 34,700	\$ 35,527	\$ 827
Local Option Sales Tax	10,000	10,125	125
Investment Earnings	4,000	5,809	1,809
Other Revenue	-	5,066	5,066
	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 48,700	\$ 56,527	\$ 7,827
	<hr/>	<hr/>	<hr/>
Expenditures			
Current Operating			
Culture and Recreation	\$ -	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
Excess of Revenues Over (Under) Expenditures	\$ 48,700	\$ 56,527	\$ 7,827
	<hr/>	<hr/>	<hr/>
Net Change in Fund Balance	\$ 48,700	\$ 56,527	\$ 7,827
	<hr/>	<hr/>	<hr/>
Fund Balance, Beginning	246,796	246,796	-
	<hr/>	<hr/>	<hr/>
Fund Balance, Ending	\$ 295,496	\$ 303,323	\$ 7,827
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

CITY OF CLEMSON
HOSPITALITY FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
<i>Hospitality Fees</i>	\$ 765,000	\$ 832,126	\$ 67,126
<i>Investment Earnings</i>	10,000	15,117	5,117
<i>Other Revenue</i>	-	13,185	13,185
	<u>775,000</u>	<u>860,428</u>	<u>85,428</u>
Total Revenues	<u>\$ 775,000</u>	<u>\$ 860,428</u>	<u>\$ 85,428</u>
Expenditures			
<i>Current Operating</i>			
<i>General Government</i>	\$ 2,207	\$ 2,207	\$ -
<i>Culture and Recreation</i>	200,327	204,041	(3,714)
<i>Capital Outlay</i>	71,400	31,298	40,102
<i>Tourism - Tourism Related</i>	30,000	15,585	14,415
	<u>303,934</u>	<u>253,131</u>	<u>50,803</u>
Total Expenditures	<u>\$ 303,934</u>	<u>\$ 253,131</u>	<u>\$ 50,803</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 471,066</u>	<u>\$ 607,297</u>	<u>\$ 136,231</u>
Other Financing Sources (Uses)			
<i>Transfer In</i>	\$ 47,600	\$ 46,270	\$ (1,330)
<i>Transfer Out</i>	(443,500)	(423,500)	20,000
	<u>(395,900)</u>	<u>(377,230)</u>	<u>18,670</u>
Total Other Financing Sources (Uses)	<u>\$ (395,900)</u>	<u>\$ (377,230)</u>	<u>\$ 18,670</u>
Net Change in Fund Balance	<u>\$ 75,166</u>	<u>230,067</u>	<u>\$ 154,901</u>
Fund Balance, Beginning	<u>739,843</u>	<u>739,843</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 815,009</u>	<u>\$ 969,910</u>	<u>\$ 154,901</u>

CITY OF CLEMSON

**HOSPITALITY TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
<i>Hospitality Tax</i>	\$ 765,000	\$ 831,568	\$ 66,568
<i>Investment Earnings</i>	25,000	33,522	8,522
<i>Other Revenue</i>	-	29,239	29,239
Total Revenues	<u>\$ 790,000</u>	<u>\$ 894,329</u>	<u>\$ 104,329</u>
Expenditures			
<i>Current Operating</i>			
<i>Public Safety</i>	\$ 12,500	\$ 11,559	\$ 941
<i>Culture and Recreation</i>	291,026	293,395	(2,369)
<i>Tourism - Tourism Related</i>	110,900	100,787	10,113
Total Expenditures	<u>\$ 414,426</u>	<u>\$ 405,741</u>	<u>\$ 8,685</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 375,574</u>	<u>\$ 488,588</u>	<u>\$ 113,014</u>
Other Financing Sources (Uses)			
<i>Transfers In</i>	\$ 50,000	\$ 97,910	\$ 47,910
<i>Transfers Out</i>	(236,300)	(235,635)	665
Total Other Financing Sources (Uses)	<u>\$ (186,300)</u>	<u>\$ (137,725)</u>	<u>\$ 48,575</u>
Net Change in Fund Balance	\$ 189,274	\$ 350,863	\$ 161,589
Fund Balance, Beginning	<u>1,383,785</u>	<u>1,383,785</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 1,573,059</u></u>	<u><u>\$ 1,734,648</u></u>	<u><u>\$ 161,589</u></u>

CITY OF CLEMSON

**LOCAL ACCOMMODATIONS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Local Accommodations Tax	\$ 370,000	\$ 354,041	\$ (15,959)
Investment Earnings	20,000	25,997	5,997
Other Revenue	-	22,676	22,676
Total Revenues	<u>\$ 390,000</u>	<u>\$ 402,714</u>	<u>\$ 12,714</u>
Expenditures			
Intergovernmental			
Culture and Recreation	\$ 26,000	\$ 26,000	\$ -
Tourism - Tourism Related	44,400	34,229	10,171
Total Expenditures	<u>\$ 70,400</u>	<u>\$ 60,229</u>	<u>\$ 10,171</u>
Excess of Revenues Over (Under) Expenditures	\$ 319,600	\$ 342,485	\$ 22,885
Other Financing Sources (Uses)			
Transfer Out	\$ (263,600)	\$ (262,935)	\$ 665
Net Change in Fund Balance	\$ 56,000	\$ 79,550	\$ 23,550
Fund Balance, Beginning	<u>1,212,736</u>	<u>1,212,736</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 1,268,736</u></u>	<u><u>\$ 1,292,286</u></u>	<u><u>\$ 23,550</u></u>

CITY OF CLEMSON
CULTURAL COMMISSION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Investment Earnings	\$ 800	\$ 1,199	\$ 399
Other Revenue	-	1,046	1,046
	<u>800</u>	<u>2,245</u>	<u>1,445</u>
Total Revenues	<u>\$ 800</u>	<u>\$ 2,245</u>	<u>\$ 1,445</u>
Expenditures			
Current Operating			
Tourism - Tourism Related	\$ 5,777	\$ 3,307	\$ 2,470
	<u>5,777</u>	<u>3,307</u>	<u>2,470</u>
Excess of Revenues Over			
(Under) Expenditures	\$ (4,977)	\$ (1,062)	\$ 3,915
	<u>(4,977)</u>	<u>(1,062)</u>	<u>3,915</u>
Other Financing Uses			
Transfer In	37,500	37,500	-
	<u>37,500</u>	<u>37,500</u>	<u>-</u>
Fund Balance, Beginning	35,023	35,023	-
	<u>35,023</u>	<u>35,023</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 67,546</u>	<u>\$ 71,461</u>	<u>\$ 3,915</u>

CITY OF CLEMSON

**DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
Fiscal Year Ended June 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property Taxes	\$ 221,000	\$ 229,367	\$ 8,367
Local Option Sales Tax	62,000	62,684	684
Investment Earnings	2,500	2,705	205
Other Revenue	-	2,359	2,359
Total Revenues	<u>\$ 285,500</u>	<u>\$ 297,115</u>	<u>\$ 11,615</u>
Expenditures			
Debt Service			
Principal	\$ 155,000	\$ 155,000	\$ -
Interest	57,822	57,822	-
Total Expenditures	<u>\$ 212,822</u>	<u>\$ 212,822</u>	<u>\$ -</u>
Excess of Revenues Over (Under) Expenditures	\$ 72,678	\$ 84,293	\$ 11,615
Fund Balance, Beginning	<u>68,026</u>	<u>68,026</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ 140,704</u></u>	<u><u>\$ 152,319</u></u>	<u><u>\$ 11,615</u></u>

CITY OF CLEMSON
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2019

Assets	Arts Center / CAAAM	Littlejohn CC Expansion	Total
Due from Other Funds	\$ 333,693	\$ 574,110	\$ 907,803
 Liabilities and Fund Balances			
Liabilities			
Contracts Payable	\$ -	\$ 5,929	\$ 5,929
Fund Balances			
Restricted	333,693	568,181	901,874
Total Fund Balances	\$ 333,693	\$ 568,181	\$ 907,803
Total Liabilities and Fund Balances	\$ 333,693	\$ 574,110	\$ 907,803

CITY OF CLEMSON

**NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
Fiscal Year Ended June 30, 2019**

	<u>Berkeley Dr. Pedestrian Bridge</u>	<u>Arts Center / CAAAM</u>	<u>Littlejohn CC Expansion</u>	<u>Total</u>
Revenues				
Investment Earnings	\$ -	\$ 2,492	\$ 4,475	\$ 6,967
Expenditures				
General Government				
Streets	\$ 29,213	\$ -	\$ -	\$ 29,213
Project Administration	-	43,799	300	44,099
Capital Outlay	-	-	16,644	16,644
Total Expenditures	\$ 29,213	\$ 43,799	\$ 16,944	\$ 89,956
Excess of Revenues Over (Under) Expenditures	\$ (29,213)	\$ (41,307)	\$ (12,469)	\$ (82,989)
Other Financing Sources (Uses)				
Transfers In	\$ -	\$ 375,000	\$ 580,650	\$ 955,650
Transfers Out	(36,867)	-	-	(36,867)
Total Other Financing Sources (Uses)	\$ (36,867)	\$ 375,000	\$ 580,650	\$ 918,783
Net Change in Fund Balances	\$ (66,080)	\$ 333,693	\$ 568,181	\$ 835,794
Fund Balances, Beginning	66,080	-	-	66,080
Fund Balances, Ending	\$ -	\$ 333,693	\$ 568,181	\$ 901,874

CITY OF CLEMSON
CAPITAL PROJECTS FUND
BERKELEY DRIVE PEDESTRIAN BRIDGE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Actual</u>		<u>Total</u>	<u>Variance</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Revenues					
<i>Federal Aid</i>	\$ 800,000	\$ 800,000	\$ -	\$ 800,000	\$ -
<i>Intergovernmental</i>	80,000	71,162	-	71,162	(8,838)
<i>Investment Earnings</i>	11,000	17,896	-	17,896	6,896
Total Revenues	<u>\$ 891,000</u>	<u>\$ 889,058</u>	<u>\$ -</u>	<u>\$ 889,058</u>	<u>\$ (1,942)</u>
Expenditures					
<i>General Government</i>					
<i>Streets</i>	\$ 1,897,180	\$ 1,829,158	\$ 29,213	\$ 1,858,371	\$ 38,809
Excess of Revenues Over (Under) Expenditures	<u>\$ (1,006,180)</u>	<u>\$ (940,100)</u>	<u>\$ (29,213)</u>	<u>\$ (969,313)</u>	<u>\$ 36,867</u>
Other Financing Sources					
<i>Transfer In</i>	\$ 1,006,180	\$ 1,006,180	\$ -	\$ 1,006,180	\$ -
<i>Transfer Out</i>	-	-	(36,867)	(36,867)	(36,867)
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ 1,006,180</u>	<u>\$ (36,867)</u>	<u>\$ 969,313</u>	<u>\$ (36,867)</u>
Net Change in Fund Balance	\$ -	\$ 66,080	\$ (66,080)	\$ -	\$ -
Fund Balance, Beginning	-	-	66,080	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 66,080</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note:

1. The project is budgeted on a project duration basis and is treated as a legal nonappropriated budget .

CITY OF CLEMSON
CAPITAL PROJECTS FUND
ARTS CENTER / CAAAM
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Current Year</u>	<u>Variance</u>
Revenues			
Donations	\$ 500,000	\$ -	\$ (500,000)
Investment Earnings	-	2,492	2,492
Total Revenues	<u>\$ 500,000</u>	<u>\$ 2,492</u>	<u>\$ (497,508)</u>
Expenditures			
Current Operating			
Project Administration	\$ 44,000	\$ 43,799	\$ 201
Capital Outlay	3,722,800	-	3,722,800
Other	30,000	-	30,000
Total Expenditures	<u>\$ 3,796,800</u>	<u>\$ 43,799</u>	<u>\$ 3,753,001</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (3,296,800)</u>	<u>\$ (41,307)</u>	<u>\$ 3,255,493</u>
Other Financing Sources			
Issuance of Long Term Debt	\$ 2,750,000	\$ -	\$ (2,750,000)
Transfer In	375,000	375,000	-
Total Other Financing Sources	<u>\$ 3,125,000</u>	<u>\$ 375,000</u>	<u>\$ (2,750,000)</u>
Net Change in Fund Balance	<u>\$ (171,800)</u>	<u>\$ 333,693</u>	<u>\$ 505,493</u>
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ (171,800)</u></u>	<u><u>\$ 333,693</u></u>	<u><u>\$ 505,493</u></u>

Note:

1. The project is budgeted on a project duration basis and is treated as a legal nonappropriated budget .

CITY OF CLEMSON
CAPITAL PROJECTS FUND
LITTLEJOHN CC EXPANSION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Current Year</u>	<u>Variance</u>
Revenues			
<i>Federal Aid</i>	\$ 500,000	\$ -	\$ (500,000)
<i>Investment Earnings</i>	<u>-</u>	<u>4,475</u>	<u>4,475</u>
Total Revenues	<u>\$ 500,000</u>	<u>\$ 4,475</u>	<u>\$ (495,525)</u>
Expenditures			
<i>Current Operating</i>			
<i>Project Administration</i>	\$ 50,000	\$ 300	\$ 49,700
<i>Capital Outlay</i>	<u>1,267,500</u>	<u>16,644</u>	<u>1,250,856</u>
Total Expenditures	<u>\$ 1,317,500</u>	<u>\$ 16,944</u>	<u>\$ 1,300,556</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (817,500)</u>	<u>\$ (12,469)</u>	<u>\$ 805,031</u>
Other Financing Sources			
<i>Transfer In</i>	<u>\$ 588,783</u>	<u>\$ 580,650</u>	<u>\$ (8,133)</u>
Net Change in Fund Balance	<u>\$ (228,717)</u>	<u>\$ 568,181</u>	<u>\$ 796,898</u>
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ (228,717)</u></u>	<u><u>\$ 568,181</u></u>	<u><u>\$ 796,898</u></u>

Note:

1. The project is budgeted on a project duration basis and is treated as a legal nonappropriated budget .

CITY OF CLEMSON
CAPITAL PROJECTS FUND
TRANSIT LONO GRANT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Prior Years</u>	<u>Actual Current Year</u>	<u>Total</u>	<u>Variance</u>
Revenues					
<i>Federal Aid</i>	\$ 4,163,256	\$ 141,510	\$ 6,360,612	\$ 6,502,122	\$ 2,338,866
<i>State Aid</i>	3,250,000	-	912,500	912,500	(2,337,500)
<i>Intergovernmental</i>	750,000	-	675,000	675,000	(75,000)
<i>Investment Earnings</i>	-	-	27,269	27,269	27,269
Total Revenues	<u>\$ 8,163,256</u>	<u>\$ 141,510</u>	<u>\$ 7,975,381</u>	<u>\$ 8,116,891</u>	<u>\$ (46,365)</u>
Expenditures					
<i>Current Operating</i>					
<i>Project Administration</i>	\$ 470,000	\$ 123,063	\$ 115,799	\$ 238,862	\$ 231,138
<i>Capital Outlay</i>	8,554,785	-	7,804,025	7,804,025	750,760
Total Expenditures	<u>\$ 9,024,785</u>	<u>\$ 123,063</u>	<u>\$ 7,919,824</u>	<u>\$ 8,042,887</u>	<u>\$ 981,898</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ (861,529)</u>	<u>\$ 18,447</u>	<u>\$ 55,557</u>	<u>\$ 74,004</u>	<u>\$ 935,533</u>
Other Financing Sources					
<i>Transfers In</i>	<u>861,529</u>	<u>861,529</u>	<u>-</u>	<u>861,529</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 879,976</u>	<u>\$ 55,557</u>	<u>\$ 935,533</u>	<u>\$ 935,533</u>
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>879,976</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ -</u></u>	<u><u>\$ 879,976</u></u>	<u><u>\$ 935,533</u></u>	<u><u>\$ 935,533</u></u>	<u><u>\$ 935,533</u></u>

Note:

1. The project is budgeted on a project duration basis and is treated as a legal nonappropriated budget .

CITY OF CLEMSON
CAPITAL PROJECTS FUND
WWTP EXPANSION
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
From Inception and for the Fiscal Year Ended June 30, 2019

	<u>Budget</u>	<u>Current Year</u>	<u>Variance</u>
Revenues			
Federal Aid	\$ 2,912,000	\$ -	\$ (2,912,000)
State Aid	500,000	500,000	-
Investment Earnings	-	12,056	12,056
Total Revenues	<u>\$ 3,412,000</u>	<u>\$ 512,056</u>	<u>\$ (2,899,944)</u>
Expenditures			
Capital Outlay			
Sewage Treatment Plant	\$ 16,400,600	\$ 2,784,044	\$ 13,616,556
Excess of Revenues Over (Under) Expenditures	<u>\$ (12,988,600)</u>	<u>\$ (2,271,988)</u>	<u>\$ 10,716,612</u>
Other Financing Sources			
Issuance of Long Term Debt	\$ 12,018,000	\$ 2,995,948	\$ (9,022,052)
Transfers In	1,616,000	1,616,000	-
Transfers Out	(915,645)	(915,645)	-
Total Other Financing Sources	<u>\$ 12,718,355</u>	<u>\$ 3,696,303</u>	<u>\$ (9,022,052)</u>
Net Change in Fund Balance	\$ (270,245)	\$ 1,424,315	\$ 1,694,560
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	<u>\$ (270,245)</u>	<u>\$ 1,424,315</u>	<u>\$ 1,694,560</u>

Note:

1. The project is budgeted on a project duration basis and is treated as a legal nonappropriated budget .

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INTERNAL SERVICE FUND



INTERNAL SERVICE FUNDS

Internal service funds are used to account for services provided to other departments or agencies of the government, or to other governments on a cost-reimbursement basis.

Self-Insurance Fund – *to account for the central management and billing of health and dental insurance.*

CITY OF CLEMSON

**INTERNAL SERVICE FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2019**

	<u>Self Insurance Fund</u>
Assets	
Current Assets	
Accounts Receivable	\$ -
Due from Other Funds	377,893
	<hr/>
Total Current Assets	\$ 377,893
	<hr/> <hr/>
Liabilities	
Current Liabilities	
Accounts Payable	\$ -
	<hr/>
Net Position	
Unrestricted	\$ 377,893
	<hr/> <hr/>

CITY OF CLEMSON

**INTERNAL SERVICE FUNDS
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Self Insurance Fund</u>
Operating Revenues	
Premiums	
Employer Contributions	\$ 1,157,641
Employee Contributions	446,795
	<hr/>
Total Operating Revenues	\$ 1,604,436
	<hr/>
Operating Expenses	
Administrative Expenses	\$ -
Claims	1,637,732
	<hr/>
Total Operating Expenses	\$ 1,637,732
	<hr/>
Net Income (Loss)	\$ (33,296)
	<hr/>
Net Position, Beginning	411,189
	<hr/>
Net Position, Ending	\$ 377,893
	<hr/> <hr/>

CITY OF CLEMSON

**INTERNAL SERVICE FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Self Insurance Fund</u>
Cash Flow From Operating Activities	
<i>Receipts From Charges for Fees and Services</i>	\$ 1,604,661
<i>Payments for Claims/Premiums</i>	<u>(1,637,732)</u>
Net Cash Provided by Operating Activities	<u>\$ (33,071)</u>
Cash Flow From Noncapital Financing Activities	
<i>Transfers From Other Funds</i>	<u>\$ 33,071</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ 33,071</u>
Net Increase in Cash and Cash Equivalents	\$ -
Cash and Cash Equivalents, Beginning	<u>-</u>
Cash and Cash Equivalents, Ending	<u><u>\$ -</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
<i>Operating Income</i>	\$ (33,296)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities	
<i>(Increase) Decrease in Accounts Receivable</i>	<u>225</u>
Net Cash Provided by Operating Activities	<u><u>\$ (33,071)</u></u>

CAPITAL ASSETS
USED IN THE OPERATION OF
GOVERNMENTAL FUNDS



CITY OF CLEMSON

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
June 30, 2019 and 2018**

	2019	2018
Capital Assets		
<i>Land</i>	\$ 2,133,390	\$ 2,132,390
<i>Buildings</i>	11,223,193	11,223,193
<i>Other Improvements</i>	19,259,369	19,259,369
<i>Equipment</i>	9,295,846	9,057,427
<i>Construction in Progress</i>	45,902	-
Total Capital Assets	\$ 41,957,700	\$ 41,672,379
Investments In Capital Assets		
<i>General Fund</i>	\$ 14,171,645	\$ 13,967,771
<i>Proprietary Funds</i>	228,512	228,511
<i>Special Revenue Funds</i>	4,892,929	4,811,483
<i>Capital Projects Fund</i>	19,241,235	19,241,235
<i>Debt Service Fund</i>	5,670	5,670
<i>Donations</i>	2,787,408	2,787,408
<i>Prior, Unidentified</i>	630,301	630,301
Total Investments In Capital Assets	\$ 41,957,700	\$ 41,672,379

CITY OF CLEMSON

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE BY FUNCTION AND ACTIVITY
 June 30, 2019

<u>Function & Activity</u>	<u>Land</u>	<u>Buildings</u>	<u>Other Improvements</u>	<u>Equipment</u>	<u>Construction in Progress</u>	<u>Total</u>
General Government						
Municipal Court	\$ -	\$ -	\$ 2,126	\$ 13,608	\$ -	\$ 15,734
Administration	-	-	-	48,770	-	48,770
Finance	-	-	-	98,395	-	98,395
Information Technology	-	-	-	135,849	-	135,849
Planning	-	-	580,227	197,377	-	777,604
Public Buildings	764,125	7,261,998	828,602	368,406	16,644	9,239,775
Total General Government	\$ 764,125	\$ 7,261,998	\$ 1,410,955	\$ 862,405	\$ 16,644	\$ 10,316,127
Public Safety						
Police	\$ -	\$ -	\$ -	\$ 2,262,007	\$ -	\$ 2,262,007
Fire	358,160	3,235,686	-	1,067,719	-	4,661,565
Total Public Safety	\$ 358,160	\$ 3,235,686	\$ -	\$ 3,329,726	\$ -	\$ 6,923,572
Public Works						
Streets	\$ 53,000	\$ -	\$ 10,773,557	\$ 896,957	\$ -	\$ 11,723,514
Residential Sanitation	-	-	-	3,036,058	-	3,036,058
Public Works Administration	-	-	-	12,641	-	12,641
Total Public Works	\$ 53,000	\$ -	\$ 10,773,557	\$ 3,945,656	\$ -	\$ 14,772,213
Culture & Recreation						
Recreation	\$ 954,605	\$ 304,564	\$ 6,919,544	\$ 186,802	\$ 29,258	\$ 8,394,773
Horticulture	-	-	-	639,645	-	639,645
Culture & Recreation	\$ 954,605	\$ 304,564	\$ 6,919,544	\$ 826,447	\$ 29,258	\$ 9,034,418
Equipment Services	\$ -	\$ -	\$ 26,493	\$ 327,662	\$ -	\$ 354,155
Community Development	\$ 3,500	\$ 420,945	\$ 128,820	\$ 3,950	\$ -	\$ 557,215
Total Capital Assets	\$ 2,133,390	\$ 11,223,193	\$ 19,259,369	\$ 9,295,846	\$ 45,902	\$ 41,957,700

CITY OF CLEMSON

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
 Fiscal Year Ended June 30, 2019

Asset Type	Balance 6/30/18	Additions	Retirements	Reclassifications & Transfers	Balance 6/30/19
Land					
Public Buildings	\$ 764,125	\$ -	\$ -	\$ -	\$ 764,125
Fire	358,160	-	-	-	358,160
Streets	52,000	1,000	-	-	53,000
Recreation	954,605	-	-	-	954,605
Community Development	3,500	-	-	-	3,500
Total	\$ 2,132,390	\$ 1,000	\$ -	\$ -	\$ 2,133,390
Buildings					
Public Buildings	\$ 7,261,998	\$ -	\$ -	\$ -	\$ 7,261,998
Fire Station	3,235,686	-	-	-	3,235,686
Recreation	304,564	-	-	-	304,564
Community Development	420,945	-	-	-	420,945
Total	\$ 11,223,193	\$ -	\$ -	\$ -	\$ 11,223,193
Other Improvements					
Municipal Court	\$ 2,126	\$ -	\$ -	\$ -	\$ 2,126
Planning	580,227	-	-	-	580,227
Public Buildings	828,602	-	-	-	828,602
Streets	10,773,557	-	-	-	10,773,557
Recreation	6,919,544	-	-	-	6,919,544
Equipment Services	26,493	-	-	-	26,493
Community Development	128,820	-	-	-	128,820
Total	\$ 19,259,369	\$ -	\$ -	\$ -	\$ 19,259,369
Equipment					
Municipal Court	\$ 13,608	\$ -	\$ -	\$ -	\$ 13,608
Administration	48,770	-	-	-	48,770
Finance	117,952	4,240	23,797	-	98,395
Information Technology	128,079	7,770	-	-	135,849
Planning	197,377	-	-	-	197,377
Public Buildings	348,959	19,447	-	-	368,406
Police	2,109,567	300,971	148,531	-	2,262,007
Fire	1,067,719	-	-	-	1,067,719
Streets	832,706	77,750	13,500	-	896,956
Residential Sanitation	3,036,058	-	-	-	3,036,058
Public Works Administration	12,641	-	-	-	12,641
Recreation	186,802	-	-	-	186,802
Horticulture	628,506	31,297	-	(20,157)	639,646
Equipment Services	324,734	2,928	-	-	327,662
Community Development	3,950	-	-	-	3,950
Total	\$ 9,057,428	\$ 444,403	\$ 185,828	\$ (20,157)	\$ 9,295,846
Construction in Progress					
Public Buildings	\$ -	\$ 16,644	\$ -	\$ -	\$ 16,644
Recreation	-	29,258	-	-	29,258
Total	\$ -	\$ 45,902	\$ -	\$ -	\$ 45,902
Total Capital Assets	\$ 41,672,380	\$ 491,305	\$ 185,828	\$ (20,157)	\$ 41,957,700

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OTHER REQUIRED
INFORMATION



CITY OF CLEMSON
 UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
 For The Year Ended June 30, 2019

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected			\$ 666,145.00	\$ 666,145.00
Court fines and assessments remitted to State Treasurer			\$ (400,547.00)	\$ (400,547.00)
Total Court Fines and Assessments retained	\$ -	\$ -	\$ 265,598.00	\$ 265,598.00
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained			\$ 10,718.00	\$ 10,718.00
Assessments retained			\$ 29,714.00	\$ 29,714.00
Total Surcharges and Assessments retained for victim services	\$ -	\$ -	\$ 40,432.00	\$ 40,432.00

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

<u>VICTIM SERVICE FUNDS COLLECTED</u>	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance			
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer			\$ -
Victim Service Assessments Retained by City/County Treasurer	\$ 29,714.00		\$ 29,714.00
Victim Service Surcharges Retained by City/County Treasurer	\$ 10,718.00		\$ 10,718.00
Interest Earned			\$ -
Grant Funds Received			
Grant from:			\$ -
General Funds Transferred to Victim Service Fund	\$ 21,823.00		\$ 21,823.00
Contribution Received from Victim Service Contracts:			
(1) Town of			\$ -
(2) Town of			\$ -
(3) City of			\$ -
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ 62,255.00	\$ -	\$ 62,255.00
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits	\$ 62,255.00		\$ 62,255.00
Operating Expenditures			\$ -
Victim Service Contract(s):			
(1) Entity's Name			\$ -
(2) Entity's Name			\$ -
Victim Service Donation(s):			
(1) Domestic Violence Shelter:			\$ -
(2) Rape Crisis Center:			\$ -
(3) Other local direct crime victims service agency:			\$ -
Transferred to General Fund			\$ -
Total Expenditures from Victim Service Fund/Program (B)	\$ 62,255.00	\$ -	\$ 62,255.00
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	\$ -		\$ -
Less: Prior Year Fund Deficit Repayment			\$ -
Carryforward Funds – End of Year	\$ -	\$ -	\$ -

	A	B	C	D	E	F	G	H
1	CLEMSON AREA TRANSIT							
2	SCHEDULE OF BUDGETED TO ACTUAL COSTS							
3	For the Year Ended June 30, 2019							
4								
5								
6	OPT Contract #	PT-8A199-07						
7	Contract period:	April 1, 2017 - January 31, 2019						
8		Budget	Section 5311	SMTF*	Local	Variance		
9	Performance period:	Apr 17 - Jan 19						
10								
11	ADMINISTRATION							
12	Personnel						-	
13	Fringe Benefits						-	
14	Professional Serv							
15	Custodial Fees						-	
16	Supplies							
17	Utilities							
18	Insurance							
19	Causalty & Liab.						-	
20	Bond						-	
21	Advertising & Promo							
22	Office						-	
23	Euiqment						-	
24	Total Admin	-	-	-	-	-	-	
25								
26	OPERATIONS							
27	Personnel						-	
28	Fringe Benefits						-	
29	Contract Serv - Maint							
30	Fuel & Lube						-	
31	Miscellaneous							
32	Uniforms						-	
33	Profes. Due & Sub						-	
34	Total Ops.	-	-	-	-	-	-	
35								
36	CAPITAL							
37	40 ft. Bus	500,000		500,000			-	
38	Van						-	
39	Maint. Bldg						-	
40	Maint. Equipment						-	
41	Software						-	
42	Total Cap.	500,000	-	500,000	-	-	-	
43								
44	Total program	500,000	-	500,000	-	-	-	
45								
46	Approved Budget	500,000						
47	TI Federal Costs	-						
48	TI State Costs*	500,000						
49	TI Local Costs	-						
50								
51	Budget Balance	-						
52								

	A	B	C	D	E	F	G	H
1	CLEMSON AREA TRANSIT							
2	SCHEDULE OF BUDGETED TO ACTUAL COSTS							
3	For the Year Ended June 30, 2019							
4								
5								
6	OPT Contract #	PT-9A199-D9						
7	Contract period:	July 1, 2018 - June 30, 2020						
8		Budget	Section 5311	SMTF*	Local	Variance		
9	Performance period:	Jul 18 - Jun19						
10								
11	ADMINISTRATION							
12	Personnel						-	
13	Fringe Benefits						-	
14	Professional Serv							
15	Custodial Fees						-	
16	Supplies							
17	Utilities							
18	Insurance							
19	Causalty & Liab.						-	
20	Bond						-	
21	Advertising & Promo							
22	Office						-	
23	Euiqment						-	
24	Total Admin	-	-	-	-		-	
25								
26	OPERATIONS							
27	Personnel						-	
28	Fringe Benefits						-	
29	Contract Serv - Maint							
30	Fuel & Lube						-	
31	Miscellaneous							
32	Uniforms						-	
33	Profes. Due & Sub						-	
34	Total Ops.	-	-	-	-		-	
35								
36	CAPITAL							
37	40 ft. Bus	412,500		412,500			-	
38	Van						-	
39	Maint. Bldg						-	
40	Maint. Equipment						-	
41	Software						-	
42	Total Cap.	412,500	-	412,500	-		-	
43								
44	Total program	412,500	-	412,500	-		-	
45								
46	Approved Budget	412,500						
47	TI Federal Costs	-						
48	TI State Costs*	412,500						
49	TI Local Costs	-						
50								
51	Budget Balance	-						
52								

	A	B	C	D	E	F	G	H	
1	CLEMSON AREA TRANSIT								
2	SCHEDULE OF BUDGETED TO ACTUAL COSTS								
3	For the Year Ended June 30, 2019								
4									
5									
6	OPT Contract #	PT-9A199-24							
7	Contract period:	July 1, 2018 - June 30, 2019							
8		Budget	Section 5311	SMTF*	Local	Variance			
9	Performance period:	Jul 18 - Jun19							
10									
11	ADMINISTRATION								
12	Personnel							-	
13	Fringe Benefits							-	
14	Professional Serv	7,520			7,520	-		-	
15	Custodial Fees							-	
16	Supplies	8,000			8,000	-		-	
17	Utilities	16,000			16,000	-		-	
18	Insurance								
19	Causalty & Liab.	8,000			8,000			-	
20	Bond							-	
21	Advertising & Promo	9,600			9,600	-		-	
22	Office							-	
23	Euiqment							-	
24	Total Admin	49,120	-		49,120	-		-	
25									
26	OPERATIONS								
27	Personnel							-	
28	Fringe Benefits							-	
29	Contract Serv - Maint	39,571			39,571	-		-	
30	Fuel & Lube							-	
31	Miscellaneous								
32	Training	10,000			10,000			-	
33	Profes. Due & Sub							-	
34	Total Ops.	49,571	-		49,571	-		-	
35									
36	CAPITAL								
37	30 ft. Bus							-	
38	Van							-	
39	Maint. Bldg							-	
40	Maint. Equipment							-	
41	Software							-	
42	Total Cap.	-	-		-	-		-	
43									
44	Total program	98,691	-		98,691	-		-	
45									
46	Approved Budget	98,691							
47	TI Federal Costs	-							
48	TI State Costs*	98,691							
49	TI Local Costs	-							
50									
51	Budget Balance	-							
52									

STATISTICAL SECTION



STATISTICAL SECTION

This part of The City of Clemson's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health

Contents

Pages

Financial Trends

102-107

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

Revenue Capacity

108-111

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

112-116

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the city's ability to issue additional debt in the future.

Demographic and Economic Information

117-118

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

119-121

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from The Comprehensive Annual Financial Reports for the relevant year. The City implemented Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.*

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<i>Governmental Activities</i>										
<i>Invested in capital assets, net of related debt</i>	\$ 10,785,335	\$ 14,364,423	\$ 12,388,670	\$ 14,340,750	\$ 13,775,958	\$ 13,639,628	\$ 13,129,718	\$ 13,533,530	\$ 13,926,310	\$ 13,444,837
<i>Restricted</i>	265,347	150,655	153,006	155,476	127,012	103,122	8,695	25,625	68,026	152,319
<i>Unrestricted</i>	5,168,202	5,090,063	6,096,998	6,991,316	7,311,601	1,929,754	4,044,473	4,253,335	5,296,940	6,309,499
<i>Total Governmental Activities Net Position</i>	<u>\$ 16,218,884</u>	<u>\$ 19,605,141</u>	<u>\$ 18,638,674</u>	<u>\$ 21,487,542</u>	<u>\$ 21,214,571</u>	<u>\$ 15,672,504</u>	<u>\$ 17,182,886</u>	<u>\$ 17,812,490</u>	<u>\$ 19,291,276</u>	<u>\$ 19,906,655</u>
<i>Business-type Activities</i>										
<i>Invested in capital assets, net of related debt</i>	\$ 13,583,307	\$ 13,107,084	\$ 17,783,553	\$ 18,613,393	\$ 18,757,994	\$ 18,187,149	\$ 11,223,961	\$ 18,745,915	\$ 20,553,458	\$ 32,110,366
<i>Restricted</i>	720,860	1,200,157	1,094,499	1,008,288	902,444	1,431,454	975,987	1,039,848	1,177,305	1,261,978
<i>Unrestricted</i>	4,018,772	4,470,248	6,131,877	6,573,991	7,105,257	3,273,574	12,500,488	5,012,820	4,371,379	3,328,737
<i>Total Business-type Activities Net Position</i>	<u>\$ 18,322,939</u>	<u>\$ 18,777,489</u>	<u>\$ 25,009,929</u>	<u>\$ 26,195,672</u>	<u>\$ 26,765,695</u>	<u>\$ 22,892,177</u>	<u>\$ 24,700,436</u>	<u>\$ 24,798,583</u>	<u>\$ 26,102,142</u>	<u>\$ 36,701,081</u>
<i>Primary Government</i>										
<i>Net Investment in capital assets</i>	\$ 24,368,642	\$ 27,471,507	\$ 30,172,223	\$ 32,954,143	\$ 32,533,952	\$ 31,826,777	\$ 24,353,679	\$ 32,279,445	\$ 34,479,768	\$ 45,555,203
<i>Restricted</i>	986,207	1,350,812	1,247,505	1,163,764	1,029,456	1,534,576	984,682	1,065,473	1,245,331	1,414,297
<i>Unrestricted</i>	9,186,974	9,560,311	12,228,875	13,565,307	14,416,858	5,203,328	16,544,961	9,266,155	9,668,319	9,638,236
<i>Total Primary Government Net Position</i>	<u>\$ 34,541,823</u>	<u>\$ 38,382,630</u>	<u>\$ 43,648,603</u>	<u>\$ 47,683,214</u>	<u>\$ 47,980,266</u>	<u>\$ 38,564,681</u>	<u>\$ 41,883,322</u>	<u>\$ 42,611,073</u>	<u>\$ 45,393,418</u>	<u>\$ 56,607,736</u>

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

	Fiscal Year									
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Expenses										
<i>Governmental Activities:</i>										
General Government	\$ 2,692,818	\$ 2,761,322	\$ 2,935,243	\$ 3,272,222	\$ 3,286,304	\$ 3,257,501	\$ 3,545,321	\$ 4,675,601	\$ 3,890,487	\$ 4,284,386
Public Safety	3,061,726	3,235,124	3,314,838	3,293,682	3,480,770	3,813,284	4,029,537	4,331,359	4,679,649	5,516,495
Public Works	2,260,906	2,132,326	2,200,326	3,719,287	2,526,267	2,873,308	2,789,532	3,925,080	3,853,063	2,965,892
Culture and Recreation	1,748,027	1,647,387	1,656,778	2,074,569	3,387,372	1,756,398	2,353,053	1,990,507	2,010,607	1,981,697
Urban Redevelopment	8,773	2,214	9,762	362,661	19,977	16,188	27,665	40,926	26,997	63,041
Interest on Long-term Debt	352,448	291,601	246,178	210,520	173,128	138,512	88,095	86,092	63,779	60,959
Total Governmental Activities Expenses	<u>10,124,698</u>	<u>10,069,974</u>	<u>10,363,125</u>	<u>12,932,941</u>	<u>12,873,818</u>	<u>11,855,191</u>	<u>12,833,203</u>	<u>15,049,565</u>	<u>14,524,582</u>	<u>14,872,470</u>
<i>Business-type Activities:</i>										
Water	2,261,429	2,439,081	2,446,654	2,432,057	2,505,582	2,655,812	2,942,016	3,014,984	3,175,628	3,022,906
Stormwater	-	-	-	-	-	39,942	1,318,096	269,075	476,277	341,518
Wastewater	2,208,398	2,300,009	2,491,592	2,386,578	2,659,444	2,739,152	3,378,859	3,126,111	3,128,978	3,537,030
Sanitation	285,825	294,317	299,734	292,655	313,606	305,585	324,430	306,043	255,267	366,434
Transit	3,686,934	3,491,385	3,574,179	3,661,994	3,627,531	3,362,255	3,517,798	4,640,395	4,434,591	3,797,347
Parking Deck	97,435	175,947	81,991	88,427	99,252	103,637	104,227	160,345	172,074	161,873
Total Business-type Activities Expenses	<u>8,540,021</u>	<u>8,700,739</u>	<u>8,894,150</u>	<u>8,861,711</u>	<u>9,205,415</u>	<u>9,206,383</u>	<u>11,585,426</u>	<u>11,516,953</u>	<u>11,642,815</u>	<u>11,227,108</u>
Total Primary Government Expenses	<u>\$ 18,664,719</u>	<u>\$ 18,770,713</u>	<u>\$ 19,257,275</u>	<u>\$ 21,794,652</u>	<u>\$ 22,079,233</u>	<u>\$ 21,061,574</u>	<u>\$ 24,418,629</u>	<u>\$ 26,566,518</u>	<u>\$ 26,167,397</u>	<u>\$ 26,099,578</u>
Program Revenues										
<i>Governmental Activities:</i>										
<i>Charges for Services:</i>										
Refuse Collection	\$ 443,712	\$ 446,842	\$ 454,066	\$ 500,575	\$ 508,196	\$ 542,269	\$ 567,238	\$ 578,204	\$ 583,416	\$ 585,037
Other Public Works	459,162	464,398	471,622	518,131	525,752	559,825	584,794	595,760	600,972	602,593
Parks and Recreation	111,767	114,364	109,685	106,412	123,059	128,665	137,554	135,861	191,012	246,930
Other Activities	2,644,133	2,724,689	2,959,209	3,258,274	3,575,076	3,727,153	4,864,377	4,607,295	4,789,252	4,724,170
Operating Grants and Contributions	251,184	218,731	360,004	1,767,822	212,023	212,044	241,447	213,846	295,516	662,263
Capital Grants and Contributions	455,162	2,201,458	360,380	1,463,442	131,226	483,950	7,000	871,162	166,035	8,473,359
Total Governmental Activities Program Revenues	<u>4,365,120</u>	<u>6,170,482</u>	<u>4,714,966</u>	<u>7,614,656</u>	<u>5,075,332</u>	<u>5,653,906</u>	<u>6,402,410</u>	<u>7,002,128</u>	<u>6,626,203</u>	<u>15,294,352</u>
<i>Business-type Activities:</i>										
<i>Charges for Services:</i>										
Water	2,176,734	2,272,815	2,432,497	2,350,277	2,583,576	2,846,971	3,147,041	3,301,101	3,528,452	3,482,761
Stormwater	-	-	-	-	-	83,898	398,676	406,406	431,536	454,732
Wastewater	2,503,183	2,849,556	4,609,065	2,557,008	3,064,258	3,055,202	3,455,943	3,566,110	4,408,094	4,017,413
Sanitation	297,780	287,559	296,946	282,837	286,617	282,954	296,728	316,133	331,079	364,526
Transit	57,833	4,387	42,748	25,625	13,240	18,406	29,433	29,700	103,039	31,553
Parking Deck	74,788	80,543	86,826	85,641	87,608	93,081	115,961	132,872	178,316	189,590
Operating Grants and Contributions	3,283,713	3,580,810	4,599,791	4,262,214	3,274,439	3,370,683	3,337,491	3,820,776	3,768,108	2,797,278
Capital Grants and Contributions	21,614	10,580	102,558	652,438	708,600	188,258	1,775,839	250,632	1,229,872	706,777
Total Business-type Activities Program Revenues	<u>8,415,645</u>	<u>9,086,250</u>	<u>12,170,431</u>	<u>10,216,040</u>	<u>10,018,338</u>	<u>9,939,453</u>	<u>12,557,112</u>	<u>11,823,730</u>	<u>13,978,496</u>	<u>12,044,630</u>
Total Primary Government Program Revenues	<u>\$ 12,780,765</u>	<u>\$ 15,256,732</u>	<u>\$ 16,885,397</u>	<u>\$ 17,830,696</u>	<u>\$ 15,093,670</u>	<u>\$ 15,593,359</u>	<u>\$ 18,959,522</u>	<u>\$ 18,825,858</u>	<u>\$ 20,604,699</u>	<u>\$ 27,338,982</u>

Continued

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

Continued

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net (Expense)/Revenue										
Governmental Activities	\$ (5,759,578)	\$ (3,899,492)	\$ (5,648,159)	\$ (5,318,285)	\$ (7,798,486)	\$ (6,201,285)	\$ (6,430,793)	\$ (8,047,437)	\$ (7,898,379)	\$ 421,882
Business-type Activities	(124,376)	385,511	3,276,281	1,354,329	812,923	733,070	971,686	306,777	2,335,681	817,522
Total Primary Government Net Expense	<u>\$ (5,883,954)</u>	<u>\$ (3,513,981)</u>	<u>\$ (2,371,878)</u>	<u>\$ (3,963,956)</u>	<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>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
General Revenues										
Property Taxes	\$ 4,683,648	\$ 4,878,599	\$ 5,227,080	\$ 5,557,061	\$ 4,561,423	\$ 4,861,657	\$ 5,087,678	\$ 5,251,552	\$ 4,859,983	\$ 6,089,392
Local Option Sales Tax	991,493	1,063,281	1,119,299	1,289,819	1,279,399	1,330,243	1,537,036	1,680,027	1,680,027	1,743,665
Local Accommodations Tax	173,057	206,726	226,527	223,138	253,995	268,879	278,432	320,605	357,956	354,041
Intergovernmental	544,975	649,341	470,878	493,901	553,667	593,817	769,248	584,755	568,630	623,235
Unrestricted Investment Earnings	168,538	110,136	101,358	106,034	130,774	119,305	151,035	154,619	162,088	330,939
Other	249,294	367,097	428,762	242,662	434,719	404,115	884,951	391,445	627,914	835,900
Loss on Disposal of Assets	(133,081)	(12,035)	-	-	-	-	-	-	-	-
Transfers	302,187	22,604	(2,892,212)	254,538	311,538	259,038	(767,205)	294,038	1,120,567	(9,783,675)
Total Governmental Activities	<u>6,980,111</u>	<u>7,285,749</u>	<u>4,681,692</u>	<u>8,167,153</u>	<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>
Business-type Activities:										
Investment Earnings	99,442	91,643	76,174	54,994	68,638	51,767	69,368	85,408	117,691	158,392
Other	-	-	-	-	-	-	-	-	-	(160,650)
Transfers	(302,187)	(22,604)	2,892,212	(254,538)	(311,538)	(259,038)	767,205	(294,038)	(1,120,567)	9,783,675
Total Business-type Activities	<u>(202,745)</u>	<u>69,039</u>	<u>2,968,386</u>	<u>(199,544)</u>	<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>
Total Primary Government	<u>\$ 6,777,366</u>	<u>\$ 7,354,788</u>	<u>\$ 7,650,078</u>	<u>\$ 7,967,609</u>	<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>
Changes in Net Position										
Governmental Activities	\$ 1,220,533	\$ 3,386,257	\$ (966,467)	\$ 2,848,868	\$ (272,971)	\$ 1,635,769	\$ 1,510,382	\$ 629,604	\$ 1,478,786	\$ 615,379
Business-type Activities	(327,121)	454,550	6,244,667	1,154,785	570,023	525,799	1,808,259	98,147	1,332,805	10,598,939
Total Primary Government	<u>\$ 893,412</u>	<u>\$ 3,840,807</u>	<u>\$ 5,278,200</u>	<u>\$ 4,003,653</u>	<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>

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>General Fund</i>										
Committed	\$ 38,128	\$ 34,939	\$ 89,126	\$ 144,227	\$ 201,256	\$ 263,538	\$ 331,746	\$ 373,420	\$ 370,478	\$ 334,142
Assigned	105,645	41,209	28,850	1,785	55,377	259,418	82,362	55,454	-	-
Unassigned	<u>2,746,243</u>	<u>2,644,280</u>	<u>2,883,627</u>	<u>2,825,543</u>	<u>3,502,784</u>	<u>4,154,750</u>	<u>5,195,722</u>	<u>5,690,941</u>	<u>6,179,039</u>	<u>8,177,987</u>
Total General Fund	<u>\$ 2,890,016</u>	<u>\$ 2,720,428</u>	<u>\$ 3,001,603</u>	<u>\$ 2,971,555</u>	<u>\$ 3,759,417</u>	<u>\$ 4,677,706</u>	<u>\$ 5,609,830</u>	<u>\$ 6,119,815</u>	<u>\$ 6,549,517</u>	<u>\$ 8,512,129</u>
<i>All Other Governmental Funds</i>										
<i>Restricted, Reported In:</i>										
Special Revenue Funds	\$ 2,237,004	\$ 2,625,844	\$ 2,790,556	\$ 3,250,562	\$ 2,352,205	\$ 2,438,004	\$ 4,082,195	\$ 3,521,763	\$ 4,278,471	\$ 4,752,759
Tax Increment Fund	1,309,143	414,664	283,848	1,118,251	6,194	19,938	-	83,783	-	-
City Hall Expansion Fund	296,537	-	-	-	-	-	-	-	-	-
WWTP Expansion Fund	-	-	-	-	-	-	-	-	-	1,424,315
Transit Lono Grant Fund	-	-	-	-	-	-	-	-	-	935,533
Hospitality Tax Fund	-	-	-	-	1,412,305	1,496,655	-	-	-	-
Capital Project Funds	-	287,211	97,396	97,003	(1,568)	623,276	523,341	682,352	66,080	901,874
Debt Service Fund	265,347	150,655	153,006	155,476	127,012	103,122	28,862	25,625	68,026	152,319
<i>Assigned, Reported In:</i>										
Special Revenue Funds	-	121,002	581,174	271,420	122,870	246,203	164,894	120,936	908,119	38,106
Tax Increment Fund	-	-	-	24,914	-	-	-	-	-	-
City Hall Expansion Fund	345,487	-	-	-	-	-	-	-	-	-
Hospitality Tax Fund	-	-	-	-	5,350	114,048	-	-	-	-
Capital Project Funds	-	617,065	559,288	-	-	-	-	-	-	-
<i>Unassigned, Reported In:</i>										
Transit Multi-Modal Facility Fund	-	(51,760)	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 4,453,518</u>	<u>\$ 4,164,681</u>	<u>\$ 4,465,268</u>	<u>\$ 4,917,626</u>	<u>\$ 4,024,368</u>	<u>\$ 5,041,246</u>	<u>\$ 4,799,292</u>	<u>\$ 4,434,459</u>	<u>\$ 5,320,696</u>	<u>\$ 8,204,906</u>

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues										
Property Taxes	\$ 4,683,648	\$ 4,878,599	\$ 5,227,080	\$ 5,296,975	\$ 4,528,173	\$ 4,853,112	\$ 5,117,389	\$ 5,214,718	\$ 4,846,728	\$ 6,129,819
Local Option Sales Tax	991,493	1,063,281	1,119,299	1,289,819	1,279,399	1,330,243	1,537,036	1,680,027	1,680,027	1,743,665
Local Accommodations Tax	173,057	206,726	226,527	223,138	253,995	268,879	278,432	320,605	357,956	354,041
Hospitality Fees	968,309	1,047,555	1,094,957	1,125,361	1,256,903	1,335,003	1,390,948	1,469,807	1,516,158	1,663,694
Licenses and Permits	1,676,777	1,710,186	1,910,700	2,299,077	2,446,474	2,485,464	3,519,609	3,174,531	3,192,059	3,203,923
Intergovernmental	774,304	818,149	826,389	1,734,595	790,503	805,861	1,010,695	869,763	807,333	1,960,497
Federal Aid	467,017	2,211,470	360,380	305,550	-	-	-	800,000	198,323	6,360,612
State Aid	10,000	39,911	4,493	95,710	-	-	-	-	24,525	1,437,747
Charges for Services	680,413	675,843	673,946	714,476	736,949	778,065	815,355	875,540	988,493	962,090
Fines and Forfeitures	333,274	316,708	314,979	244,478	291,756	359,381	428,051	397,242	467,942	329,023
Investment Earnings	168,538	110,136	101,358	106,034	130,774	119,305	151,035	154,619	162,088	330,939
Contributions & Donations	-	-	4,000	527,128	65,413	-	-	-	-	-
Gain on Sale of Property	-	-	-	-	-	10,594	-	-	-	-
Other Revenues	215,396	369,871	304,888	231,205	272,793	330,718	414,691	267,829	532,582	844,325
Total Revenues	11,142,226	13,448,435	12,168,996	14,193,546	12,053,132	12,676,625	14,663,241	15,224,681	14,774,214	25,320,375
Expenditures										
General Government	2,454,355	2,263,785	2,403,514	2,525,063	2,718,450	2,672,241	2,908,878	4,398,621	3,280,042	3,184,316
Public Safety	2,893,005	3,148,688	3,118,552	3,129,270	3,850,549	3,549,033	3,799,998	6,787,160	5,286,732	5,029,960
Public Works	1,950,062	1,949,444	1,883,926	3,765,108	1,785,974	2,344,153	2,278,977	3,604,128	3,768,475	2,336,464
Culture and Recreation	872,293	1,136,068	848,754	1,136,837	1,157,581	928,100	1,367,880	1,215,784	1,295,919	1,495,579
Urban Redevelopment	8,773	2,214	9,762	362,661	19,977	16,188	27,665	40,926	26,997	63,041
Equipment Services	247,971	136,193	136,743	150,704	140,424	134,764	162,025	145,391	154,173	163,565
Capital Outlay	2,530,964	3,493,631	1,650,552	1,312,448	53,783	149,508	72,432	63,543	194,502	10,706,318
Debt Service										
Interest	355,374	300,511	260,290	216,873	183,073	150,309	104,968	81,866	63,745	64,095
Principal	1,025,322	2,016,553	1,139,974	1,100,320	1,186,750	1,719,298	1,832,473	1,530,847	336,570	437,792
Fees	1,013	20,134	-	1,724	-	-	-	-	-	-
Intergovernmental	297,380	231,951	191,252	403,808	1,780,527	396,415	539,185	333,918	343,180	396,991
Other	158,013	181,292	197,953	330,958	130,978	140,487	111,385	196,383	170,207	395,774
Total Expenditures	12,794,525	14,880,464	11,841,272	14,435,774	13,008,066	12,200,496	13,205,866	18,398,567	14,920,542	24,273,895
Excess of Revenues										
Over (Under)										
Expenditures	(1,652,299)	(1,432,029)	327,724	(242,228)	(954,934)	476,129	1,457,375	(3,173,886)	(146,328)	1,046,480

Continued

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

Continued

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Other Financing Sources (Uses)										
Lease Purchase Agreements	\$ 455,000	\$ 951,000	\$ -	\$ 410,000	\$ 178,000	\$ -	\$ -	\$ -	\$ 341,700	\$ -
General Obligation Bonds	-	-	-	-	360,000	1,200,000	-	3,025,000	-	-
Issuance of Long-Term Debt	-	-	-	-	-	-	-	-	-	2,995,948
Transfers In	1,490,295	2,947,203	2,246,399	1,497,586	1,583,346	1,932,982	2,275,290	2,584,013	1,629,559	3,355,669
Transfers Out	(1,188,107)	(2,924,599)	(1,992,361)	(1,243,048)	(1,271,808)	(1,673,944)	(3,042,495)	(2,289,975)	(508,992)	(2,551,275)
Total Other Financing Sources (Uses)	757,188	973,604	254,038	664,538	849,538	1,459,038	(767,205)	3,319,038	1,462,267	3,800,342
Net Change In Fund Balances	\$ (895,111)	\$ (458,425)	\$ 581,762	\$ 422,310	\$ (105,396)	\$ 1,935,167	\$ 690,170	\$ 145,152	\$ 1,315,939	\$ 4,846,822
Debt Service As a Percentage of Noncapital Expenditures	14.6%	22.3%	14.0%	11.5%	11.3%	16.4%	15.1%	10.9%	3.1%	3.8%
<i>(Calculated by adding Debt Service Interest and Principal/Total Expenditures minus total capital outlay in governmental funds)</i>										

**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
2010	43,858,444	3,319,726	47,178,170	81.00	932,497,647	5.06%
2011	48,677,448	3,161,465	51,838,913	78.60	1,026,240,043	5.05%
2012	48,964,038	3,386,351	52,350,389	83.34	1,035,719,943	5.05%
2013	49,157,941	3,819,936	52,977,877	83.34	1,046,824,420	5.06%
2014	49,944,239	4,244,018	54,188,257	83.34	1,069,618,413	5.07%
2015	51,754,304	4,490,780	56,245,084	82.20	1,109,932,413	5.07%
2016	54,187,667	4,751,340	58,939,007	84.20	1,162,942,340	5.07%
2017	57,107,105	5,546,430	62,653,535	84.20	1,234,582,600	5.07%
2018	66,879,274	5,677,132	72,556,406	86.20	1,432,204,347	5.07%
2019	78,489,155	5,603,572	84,092,727	87.20	1,663,175,967	5.06%

Source: Pickens County Auditor's Office

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

(b) Total taxable assessed values include Tax Increment Finance District base assesment only.

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

<i>Fiscal Year</i>	<i>City Direct Rates</i>				<i>Overlapping Rates</i>	
	<i>Basic Rate</i>	<i>General Obligation Debt Service</i>	<i>Special Revenue Rate</i>	<i>Total Direct Rate</i>	<i>Pickens County School District</i>	<i>Pickens County</i>
2010	76.80	3.71	0.49	81.00	168.10	61.50
2011	74.53	3.60	0.47	78.60	168.50	59.00
2012	80.96	1.90	0.48	83.34	170.50	59.00
2013	80.96	1.90	0.48	83.34	169.00	59.00
2014	80.96	1.90	0.48	83.34	169.00	59.00
2015	79.80	1.90	0.50	82.20	174.10	61.30
2016	81.80	1.90	0.50	84.20	173.40	61.30
2017	81.80	1.90	0.50	84.20	174.10	61.30
2018	82.50	3.20	0.50	86.20	176.90	61.30
2019	83.50	3.20	0.50	87.20	176.90	61.30

Source of Overlapping Rates: Pickens County

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

Taxpayer	2019		Taxpayer	2010	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Ibrahim Family Trust, LLC	\$ 1,754,960	2.42%	Duke Energy Corporation	\$ 936,000	1.98%
Duke Energy Corporation	1,741,400	2.40%	Bellsouth Telecommunications	740,400	1.57%
Breckenridge Group, Clemson SC	1,598,810	2.20%	Tiger Towne Village, LLC	514,320	1.09%
Clemson Lofts PI, LLC	1,356,578	1.87%	Berkeley Place, LLC	510,810	1.08%
Cellco Partnership DBA Verizon	1,085,490	1.50%	Clemson Area Retirement Center, Inc.	494,720	1.05%
PC WMT, LLC	811,620	1.12%	EDR Clemson Place, Limited Partnership	455,910	0.97%
CEV Berkeley, LP	738,310	1.02%	Ingles Markets, Inc.	394,300	0.84%
Midas Clemson, LLC	553,350	0.76%	JSI Clemson, LLC	344,570	0.73%
CEV Clemson, LP	530,110	0.73%	Tristate SC One, Limited Partnership	343,120	0.72%
Gateway Tiger (123), LLC	520,910	0.72%	R A Clemson, LLC	297,300	0.63%
Total	\$ 10,691,538	14.97%		\$ 5,031,450	10.66%

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>
2010	2,772,651	2,901,164	104.64%	207,044	2,565,607	92.53%
2011	2,833,871	3,134,190	110.60%	182,294	2,651,577	93.57%
2012	3,317,771	3,296,380	99.36%	205,855	3,111,916	93.80%
2013	3,243,562	3,333,308	102.77%	227,418	3,016,144	92.99%
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%

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	Bond Anticipation Note	Tax Increment Financing Bonds	Capital Leases	Water Revenue Bonds	Capital Leases			
2010	780,000	-	5,002,851	1,829,158	4,329,517	365,184	12,306,710	5.35%	1,031
2011	500,000	-	4,401,934	1,644,523	4,431,925	232,084	11,210,466	3.67%	862
2012	404,000	-	3,771,084	1,231,396	4,189,912	94,782	9,691,174	3.17%	745
2013	306,000	-	3,114,960	1,295,201	3,938,721	22,735	8,677,617	2.62%	624
2014	536,000	-	2,423,347	1,108,333	3,684,465	-	7,752,145	2.26%	556
2015	1,204,000	-	1,700,253	643,861	4,708,340	-	8,256,454	2.55%	586
2016	602,000	-	945,936	167,706	6,616,961	-	8,332,603	2.51%	584
2017	2,900,000	-	-	309,702	6,261,147	-	9,470,849	2.70%	628
2018	2,760,000	-	-	454,832	6,932,823	168,300	10,315,955	2.83%	667
2019	2,605,000	2,995,948	-	172,040	5,532,091	84,736	11,389,815	3.17%	709

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>
2010	500,000	265,347	234,653	0.03%	18.05
2011	500,000	150,655	349,345	0.03%	26.87
2012	404,000	153,006	250,994	0.02%	18.05
2013	306,000	155,476	150,524	0.01%	10.79
2014	536,000	127,012	408,988	0.04%	29.03
2015	1,204,000	103,122	1,100,878	0.10%	77.11
2016	602,000	28,862	573,138	0.05%	38.03
2017	2,900,000	25,625	2,874,375	0.23%	185.85
2018	2,760,000	68,026	2,691,974	0.19%	167.64
2019	2,605,000	152,319	2,452,681	0.15%	147.32

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, 2019

<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	\$ 251,711,114	7.37%	\$ 18,551,109
Pickens County General Obligation Debt	32,448,690	7.37%	2,391,468
Other Debt			
Pickens County Capital Leases	34,234	7.37%	2,523
Pickens County Notes Payable	1,784,434	7.37%	131,513
Pickens County - Other Debt	1,779,949	7.37%	131,182
Subtotal, Overlapping Debt			21,207,795
City Direct Debt			2,777,040
Total Direct and Overlapping Debt			\$ 23,984,835

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>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Debt Limit	\$ 3,774,254	\$ 4,147,113	\$ 4,188,031	\$ 4,238,230	\$ 4,335,060	\$ 4,499,607	\$ 4,715,121	\$ 5,012,276	\$ 5,804,512	\$ 6,727,418
Total Net Debt Applicable to Limit	<u>514,653</u>	<u>349,345</u>	<u>250,994</u>	<u>50,524</u>	<u>408,988</u>	<u>1,100,878</u>	<u>573,138</u>	<u>2,874,375</u>	<u>2,691,974</u>	<u>2,520,707</u>
Legal Debt Margin	<u>\$ 3,259,601</u>	<u>\$ 3,797,768</u>	<u>\$ 3,937,037</u>	<u>\$ 4,187,706</u>	<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>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	13.64%	8.42%	5.99%	1.19%	9.43%	24.47%	12.16%	57.35%	46.38%	37.47%

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed Value	\$ 84,092,727
Debt Limit (8% of assessed value)	6,727,418
Debt Applicable to Limit:	
General Obligation Bonds	2,605,000
Less: Amount Set Aside for Repayment of General Obligation Debt	<u>152,319</u>
Total Net Debt Applicable to Limit	<u>2,452,681</u>
Legal Debt Margin	<u>\$ 4,274,737</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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Water Revenue Bonds</i>										
<i>Utility Service Charges</i>	\$ 2,165,443	\$ 2,248,188	\$ 2,411,340	\$ 2,300,173	\$ 2,510,704	\$ 2,821,837	\$ 3,065,833	\$ 3,249,508	\$ 3,312,093	\$ 3,416,952
<i>Less: Operating Expenses</i>	1,939,959	2,114,790	2,118,323	2,102,688	2,166,389	2,319,594	2,590,166	2,597,901	2,756,491	2,596,322
<i>Net Available Revenue</i>	225,484	133,398	293,017	197,485	344,315	502,243	475,667	651,607	555,602	820,630
<i>Debt Service</i>										
<i>Principal</i>	71,445	97,418	105,056	112,691	115,248	117,863	120,537	229,037	229,069	239,000
<i>Interest</i>	94,701	92,225	81,266	75,935	73,363	70,733	80,858	96,936	95,641	90,579
<i>Coverage</i>	1.36	0.70	1.57	1.05	1.83	2.66	2.36	2.00	1.71	2.49
<i>Wastewater Revenue Bonds and Capital Leases</i>										
<i>Utility Service Charges</i>	2,452,746	2,838,828	4,386,262	2,513,772	2,727,218	2,955,606	2,979,417	3,296,480	3,593,507	3,841,162
<i>Less: Operating Expenses</i>	1,789,368	1,858,048	2,028,092	1,933,792	2,213,642	2,293,004	2,844,205	2,575,870	2,577,504	2,916,743
<i>Net Available Revenue</i>	663,378	980,780	2,358,170	579,980	513,576	662,602	135,212	720,610	1,016,003	924,419
<i>Debt Service</i>										
<i>Principal</i>	105,000	177,498	184,958	188,500	139,008	78,283	125,500	126,777	129,254	1,161,733
<i>Interest</i>	16,182	19,556	17,025	12,735	9,540	10,097	41,292	33,819	49,137	28,914
<i>Coverage</i>	5.47	4.98	11.68	2.88	3.46	7.50	0.81	4.49	5.70	0.78
<i>Commercial Sanitation Capital Leases</i>										
<i>Utility Service Charges</i>	304,782	294,849	303,784	288,175	292,567	286,009	299,375	318,693	334,730	368,576
<i>Less: Operating Expenses</i>	234,322	243,456	249,574	263,859	290,261	273,044	280,803	262,536	210,379	278,470
<i>Net Available Revenue</i>	70,460	51,393	54,210	24,316	2,306	12,965	18,572	56,157	124,351	90,106
<i>Debt Service</i>										
<i>Principal</i>	20,106	20,733	21,379	22,047	22,734	-	-	-	-	83,564
<i>Interest</i>	2,842	2,199	1,536	853	148	-	-	-	1,381	1,824
<i>Coverage</i>	3.07	2.24	2.37	1.06	0.10	-	-	-	90.04	49.40
<i>Transit Capital Leases</i>										
<i>Contract Services</i>	3,367,597	3,543,096	4,662,556	4,298,200	3,839,880	3,397,119	3,790,776	3,850,476	3,900,405	2,795,688
<i>Less: Operating Expenses</i>	3,113,133	3,077,098	3,437,739	3,103,435	3,022,610	2,741,145	2,851,184	3,912,193	4,066,641	3,466,107
<i>Net Available Revenue</i>	254,464	465,998	1,224,817	1,194,765	817,270	655,974	939,592	(61,717)	(166,236)	(670,419)
<i>Debt Service</i>										
<i>Principal</i>	151,927	65,367	67,923	-	-	-	-	-	-	-
<i>Interest</i>	8,240	3,494	871	-	-	-	-	-	-	-
<i>Coverage</i>	1.59	6.77	17.80	-	-	-	-	-	-	-

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

<i>Calendar Year</i>	<i>Population</i>	<i>Personal Income</i>	<i>Per Capita Personal Income</i>	<i>Unemployment Rate</i>
2009	13,002	305,859,048	23,524	9.8%
2010	13,002	305,859,048	23,524	11.0%
2011	13,905	330,772,140	23,788	8.1%
2012	13,946	342,820,572	24,582	8.0%
2013	14,089	324,399,225	23,025	8.0%
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%

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

Employer	2019		2010	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
<i>Clemson University ^(a)</i>	5,392	31.53%	4,428	34.01%
<i>City of Clemson</i>	372	2.17%	296	2.28%
<i>Ingles Markets</i>	150	0.88%	95	0.73%
<i>Publix Market</i>	125	0.73%	<i>Not Established</i>	<i>Not Established</i>
<i>Clemson Elementary School</i>	111	0.65%	100	0.77%
<i>Chic-Fil-A</i>	87	0.51%	72	0.55%
<i>Wal-Mart Neighborhood Store</i>	79	0.46%	<i>Not Established</i>	<i>Not Established</i>
<i>McDonald's</i>	78	0.46%	<i>Not Established</i>	<i>Not Established</i>
<i>Ruby Tuesday</i>	30	0.17%	55	0.42%
<i>McAlister's Deli</i>	34	0.20%	<i>Not Established</i>	<i>Not Established</i>
Total	6,458	37.76%	5,046	38.76%

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

<u>Function/Program</u>	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>
<i>General Government</i>										
<i>Council</i>	1	1	1	0	0	0	0	0	0	0
<i>Municipal Court</i>	4	4	4	4	4	4	5	5	5	5
<i>Administration</i>	7	8	8	8	7	7	8	8	8	8
<i>Finance</i>	3	3	3	3	3	3	3	3	3	3
<i>Information Technology</i>	1	1	1	1	1	1	2	2	2	2
<i>Planning & Codes</i>	8	7	7	8	8	10	11	10	10	10
<i>Public Buildings</i>	2	2	2	2	2	2	2	2	2	2
<i>Police</i>										
<i>Officers</i>	26	26	26	28	28	29	29	30	34	34
<i>Telecommunicators</i>	6	6	6	6	6	6	7	7	8	8
<i>Other</i>	3	3	3	3	3	3	3	5	3	3
<i>Refuse Collection</i>										
<i>Residential Sanitation</i>	12	13	13	14	14	14	14	13	15	15
<i>Commercial Sanitation</i>	2	2	2	2	2	2	2	2	2	2
<i>Other Public Works</i>										
<i>Streets</i>	5	5	5	5	6	6	6	6	5	7
<i>Public Works Administration</i>	3	3	3	3	3	3	3	3	3	3
<i>Equipment Services</i>	2	2	2	2	2	2	2	2	2	2
<i>Engineering</i>	2	2	2	2	3	3	3	3	3	3
<i>Other</i>										
<i>Recreation</i>	8	7	7	7	7	7	8	7	7	8
<i>Water</i>	7	7	7	7	7	7	7	7	6	7
<i>Utility Billing</i>	7	7	7	7	7	7	7	8	8	8
<i>Wastewater Collection</i>	7	7	7	7	6	6	7	6	7	7
<i>Wastewater Treatment</i>	4	4	4	4	4	4	4	4	4	5
<i>Transit Administration</i>	6	6	6	6	6	6	6	5	6	6
<i>Transit Operations</i>	11	13	13	13	13	13	14	13	16	16
<i>Horticulture</i>	3	3	3	3	2	2	2	3	3	2
<i>Stormwater</i>	0	0	0	0	0	0	2	4	4	4
Total	140	142	142	145	144	147	157	158	166	170

Source: The City's Office of Human Resources

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

<u>Function/Program</u>	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>
<i>General Government</i>										
<i>Building Permits Issued</i>	195	465	594	1,224	902	1,029	1,156	1,074	1,529	835
<i>Building Inspections Conducted</i>	967	1,053	1,716	2,843	3,059	2,800	2,967	3,646	4,259	4,193
<i>Police</i>										
<i>Parking Violations</i>	3,970	3,612	4,586	5,010	6,135	6,566	6,708	6,888	5,382	6,421
<i>Traffic Violations</i>	8,173	7,267	6,075	5,175	8,096	8,799	8,547	9,030	11,849	8,285
<i>Fire</i>										
<i>Inspections</i>	2,932	3,207	2,134	1,415	1,128	1,197	1,128	872	701	842
<i>Refuse Collection</i>										
<i>Refuse Collected (lbs)</i>	58,494,982	9,997,000	9,789,537	5,379,355	5,427,081	5,741,730	5,661,088	11,543,311	12,030,591	11,998,846
<i>Recyclables Collected (lbs)</i>	1,662,024	1,424,360	1,463,920	818,448	1,403,343	1,376,040	1,402,629	1,661,498	1,425,002	1,292,816
<i>Other Public Works</i>										
<i>Street Resurfacing (miles)</i>	2.1	2.9	3.3	3.28	0.71	0.71	0.25	0	0	0
<i>Water</i>										
<i>New Taps</i>	79	208	147	260	117	102	165	104	238	105
<i>Water Main Breaks</i>	229	200	193	207	207	207	331	306	306	330
<i>Average Daily Consumption</i>	1,869,000	1,910,000	1,932,000	1,599,000	1,805,000	1,876,000	1,874,000	1,972,000	1,858,000	2,248,000
<i>Peak Daily Consumption</i>	2,480,000	2,481,111	2,381,000	2,260,000	2,707,000	2,604,000	2,623,000	2,624,000	2,311,000	2,678,000
<i>Wastewater</i>										
<i>Average Daily Sewage Treatment</i>	1,450,000	1,450,000	1,440,000	1,910,000	1,810,000	1,750,000	1,660,000	1,590,000	1,654,000	1,950,000
<i>Transit</i>										
<i>Total Route Miles</i>	725,487	676,374	517,056	699,790	665,555	582,678	588,628	685,121	740,225	718,817
<i>Passengers</i>	1,609,349	1,622,498	1,504,570	1,849,064	1,824,053	1,742,463	1,751,378	1,769,505	1,594,772	894,494

Source: Various City Departments

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

<u>Function/Program</u>	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>	<u>FY 16-17</u>	<u>FY 17-18</u>	<u>FY 18-19</u>
<i>Police</i>										
Stations	1	1	1	1	1	1	1	1	1	1
Uniform Patrol Units	18	18	18	19	20	20	20	20	22	24
<i>Refuse Collection</i>										
Collection Trucks	5	5	5	5	5	5	6	6	5	5
<i>Other Public Works</i>										
Streets (miles)	64	64	64	64	64	64	69	69	69	69
Streetlights	271	284	294	307	327	340	350	360	382	382
Traffic Signals	1	1	1	1	1	1	1	1	1	1
<i>Parks and Recreation</i>										
Acreage	100	100	100	100	102	102	102	100	100	100
Playgrounds	7	7	7	7	7	7	7	7	7	7
Soccer Fields	6	6	6	6	6	6	6	4	5	5
Recreation Centers	1	1	1	1	1	1	1	1	1	1
<i>Water</i>										
Water Mains (miles)	108	109.2	109.5	111.4	112	112.8	113.2	113.3	114.1	118.6
Fire Hydrants	479	480	480	496	500	508	512	512	518	556
<i>Wastewater</i>										
Sewer Mains Gravity (miles)	65.3	65.3	103.7	105.1	105.6	106.2	106.8	107	107.7	105
Sewer Mains Force (miles)	9	9	9	9	9	9	9	9	9	5.5
Treatment Capacity (millions of gallons)	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15
<i>Stormwater</i>										
Stormwater Lines (miles)	7	7	7	7.25	7.25	7.25	7.25	22.45	22.6	22.67
<i>Transit</i>										
Buses	26	26	23	26	26	23	25	28	29	19

Source : Various City Departments

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FEDERAL FINANCIAL ASSISTANCE



CITY OF CLEMSON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Year Ended June 30, 2019

<u>Federal Grantor/Pass-Through Grantor /Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass Through Grantor's Number</u>	<u>Total Expenditures</u>	
US Department of Transportation				
5307 Vehicle Replacement Funds	20.507	SC-2018-027-00	\$ 2,337,500	
FY 17-18 Section 5307 Funds	20.507	SC-2018-015-00	9,600	
FY 18-19 Section 5307 Capital and Operating Funds	20.507	SC-2019-004-00	887,569	
LoNo Grant FY 2016	***	20.526	SC-2016-016-00	3,752,490
5339 Capital Bus Funds	***	20.526	SC-2018-036-00	270,622
Passed Through SC Dept. of Transportation, Office of Public Transit Highway Planning and Construction (Federal-Aid Highway Program)	20.205	P030355	<u>80,000</u>	
Total Federal Assistance Expended			<u><u>\$ 7,337,781</u></u>	

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Clemson and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts are presented in, or used in the preparation of the basic financial statements.

*** Major Program

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

*To the City Council
City of 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, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Clemson's basic financial statements, and have issued our report thereon dated February 24, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Clemson's internal control over financial reporting (internal control) to determine the 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 of Clemson's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Clemson's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Clemson'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Stancil Cooley Estep & Stamey, LLP

*Clemson, South Carolina
February 24, 2020*



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

*To the City Council
City of Clemson, South Carolina*

Report on Compliance for Each Major Federal Program

We have audited the City of Clemson's 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 of Clemson's major federal programs for the year ended June 30, 2019. The City of Clemson's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Clemson's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Clemson's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Clemson's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Clemson 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, 2019.

Report on Internal Control Over Compliance

Management of the City of Clemson is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Clemson's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Clemson's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Stancil Cooley Estep & Stamey, LLP

Clemson, South Carolina
February 24, 2020

CITY OF CLEMSON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Fiscal Year Ended June 30, 2019

A. SUMMARY OF AUDIT RESULTS

The auditors' report expresses an unmodified opinion on the financial statements of the City of Clemson.

No significant deficiencies or material weaknesses relating to the audit of the financial statements are reported in the "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".

No instances of noncompliance material to the financial statements of the City of Clemson were disclosed during the audit.

No material weaknesses or significant deficiencies relating to the audit of the major federal award programs are reported in the "Independent Auditor's Report on Compliance for Each Major Program and Internal Control over Compliance in Required by the Uniform Guidance".

The auditors' report on compliance for the major federal award programs for the City of Clemson expresses an unmodified opinion on all major federal programs.

There are no audit findings that are required to be reported in accordance with section 510(a) of OMB Circular A-133 reported in this Schedule.

The following programs were tested as major programs:

- *LoNo Grant FY 2016, Grant # SC-2016-016-00, CFDA # 20.526*
- *5339 Capital Bus Funds, Grant # SC 2018-036-00, CFDA # 20.526*

The threshold for distinguishing Types A and B programs was \$750,000.

The City of Clemson qualified to be a low-risk auditee.

B. FINDINGS.....FINANCIAL STATEMENT AUDIT.....NONE

**C. FINDINGS AND QUESTIONED COSTS.....MAJOR FEDERAL
AWARD PROGRAMS AUDIT.....NONE**

CITY OF CLEMSON

SCHEDULE OF SUMMARY OF PRIOR YEAR AUDIT FINDINGS
Fiscal Year Ended June 30, 2019

No Prior Year Audit Findings