



CITY OF NORTH AUGUSTA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Year Ended December 31, 2020

North
Augusta



South Carolina's Riverfront

**CITY OF NORTH AUGUSTA, SOUTH CAROLINA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2020**

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INTRODUCTORY SECTION

May 17, 2021

Honorable Mayor,
Members of City Council, and
Citizens of North Augusta
North Augusta, South Carolina 29841

Ladies and Gentlemen:

State law requires that all general purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of North Augusta (the "City") for the fiscal year ended December 31, 2020.

This report consists of management's representation concerning the finances of the City. Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City's financial statements have been audited by Mauldin and Jenkins, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurances the financial statements of the City, for the fiscal year ended December 31, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor has rendered an unmodified opinion that the City of North Augusta's financial statements, for the fiscal year ended December 31, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Government

The City of North Augusta, South Carolina was officially incorporated on April 11, 1906. The City is strategically centered in the Augusta-Aiken metropolitan area and conveniently located along the South Carolina bank of the Savannah River. The City is approximately 70 miles west of the South Carolina capital, Columbia, and 150 miles east of the Georgia capital, Atlanta. The City's nearest neighbor is Augusta, Georgia, located just across the Savannah River. North Augusta offers the best of both worlds - an idyllic, small-town lifestyle amid all the benefits of big city living. The City encompasses approximately 21 square miles. The 2010 population of the City is estimated to be 21,348 with a total of approximately 170,872 in Aiken County.

The City of North Augusta has a Mayor-Council form of government. City Council is composed of seven members elected at large on a partisan basis. The Mayor is elected to a four-year term, presides at all meetings of City Council, and is the recognized head of the City. Six Council members are elected every two years to serve four year staggered terms. City Council is the legally constituted law-making and policy-making body for the City. The Mayor and City Council appoint the City Administrator for an authorized term. The City Administrator is responsible to the Mayor for the proper administration of all affairs placed in their charge. Department Directors are appointed by the Mayor upon recommendation of the City Administrator.

The City provides a full range of municipal services which include: Finance and General Services (budgetary and general accounting, information technology, treasury services, human resources and payroll, cash collections, purchasing, utility billing, tax billing and business license billing); Parks, Recreation and Tourism (recreation programs, park maintenance, beautification and property maintenance, concessions, special events planning, athletics, and cultural arts); Public Safety (administrative and support services, police services, fire suppression services, investigations and special operations, school resource, safety management, and animal control); Planning and Development (comprehensive planning services, development regulations, development review, zoning administration, codes enforcement, subdivision services, and business development); Public Works (engineering services, sanitation and recycling services, equipment maintenance, stormwater management, building standards, facilities management); and Public Utilities (utilities administration, water production, utility operations, utility construction, wastewater collection and meter reading). The City also is financially accountable for a legally separate public facilities corporation which has been reported within the City's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements.

Public Service Enterprises: The City furnishes water, wastewater, stormwater management and garbage collection to residents of the City. The City also provides water, wastewater, garbage collection and fire protection to some customers located outside the City limits but within the City's service area. The City has also entered into agreements with the Valley Public Service Authority and the Edgefield County Water and Sewer Authority to provide water and/or wastewater service to certain customers within their service areas. Because of the varying terrain in and around North Augusta, the distribution system for the City's water supply is divided into three service levels to control pressure. Our current maximum pumping capacity is 12 MGD (million gallons per day).

Wastewater System: The City of North Augusta provides for the collection of wastewater to all areas within the City limits and some areas outside the City limits. Wastewater treatment for the City is provided by the Horse Creek Wastewater Treatment Facility (HCWTF) owned by Aiken County. The City is a major customer. The HCWTF is a 20 MGD regional wastewater treatment facility. The City’s present allocation of capacity is 8.672 MGD. The City of North Augusta pays for the use, maintenance and depreciation of the regional facility based on the total cost of the facility’s operational and debt service divided among all users on the basis of total gallons contributed. The table below indicates the City has ample reserve capacity at the present time.

Aiken County Public Service Authority 20.0 MGD Facility
Capacities by User
As of June 30, 2020

	<u>Present Allocation (MGD)</u>	<u>Present Use (MGD)</u>
City of North Augusta	8.672	5.18138
City of Aiken	7.134	5.83832
Aiken County	1.130	0.00000
Allnex-Langley	.900	0.06683
Bath	.070	0.02915
Breezy Hill	1.307	0.52502
Beech Island Water & Sewer	.060	0.00715
Clearwater	.050	0.04048
Langley	.060	0.03145
VPSA	.417	0.40381
PACTIV	.050	0.01269
Kimberly Clark	.150	0.04894
Uncommitted	<u>.000</u>	<u>0.00000</u>
 Total	 <u>20.000</u>	 <u>12.18522</u>

Aiken County, to include the Aiken County Public Service Authority, the Valley Public Service Authority, and the Edgefield County Water and Sewer Authority, are independent entities and are not included in this report. Financial statements can be obtained from the respective entities.

The annual budget serves as the foundation for the City of North Augusta’s financial planning and control. All Department Directors of the City are required to submit requests for appropriation to the City Administrator by the first week of September each year. The City Administrator uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed, balanced budget to City Council for review during the first week of October. Following review of the proposed budget, City Council holds a public hearing and as soon thereafter as possible, adopts the budget and passes a budget ordinance, a tax levy ordinance and other such ordinances as may be required to make the budget effective. The appropriated budget is adopted by total expenditures or expenses. Detail is provided for accounting and budgetary control. Formal budgetary integration is employed as a management control device. A budget is legally adopted annually for the General Fund on a basis consistent with GAAP. Budgets for Special Revenue Funds and Capital Projects Funds are adopted on a project or activity basis

instead of an annual operating cycle basis. Budgets for the Enterprise Funds are adopted annually on a basis consistent with GAAP except that depreciation is not a budgeted item. The transfer of budgeted amounts between functional areas must be approved by City Council; however, the City Administrator can amend the budget at the line item or department level, within a functional area, not to exceed \$5,000. Management can also over-expend appropriations with City Administrator approval, at the line item and department level, as long as the total expenditures or expenses do not exceed appropriations of the functional area.

Local Economy

The City of North Augusta currently enjoys a fairly stable economic environment despite the impacts of the COVID-19 pandemic. The City is fortunate that the economic downturn has affected the Central Savannah River Area and North Augusta to a lesser degree than most major metropolitan areas in the country. The 2010 Decennial Census showed that North Augusta had grown to a population of 21,348 from 17,574 in 2000, an increase of more than 21.5 percent and an average annual increase of approximately 2 percent. The City estimates the City population to be 24,141 for 2020.

During the past ten years, Aiken County's unemployment rate has fluctuated from 9.1 percent in 2011, decreasing to 2.8 percent during 2019, and then increasing to 5.0 percent for 2020. The 2020 rate is slightly lower than South Carolina's 2020 unemployment rate of 6.2 percent and less than the 2020 national rate of 8.1 percent. The increases in unemployment rates during the current year reflect the impacts of the COVID-19 pandemic.

Median household incomes within the City of North Augusta are slightly higher than for the state as a whole. According to the United States Census Bureau (USCB), the City's median family income is \$59,931, Aiken County's is \$51,399, and the State's is \$53,199. Housing prices in the City continue to remain strong. Per the USCB, the median price of a single family home in the City is \$161,100.

Over the past ten plus years, the City has experienced a period of significant economic growth and investment. Residential building activity in North Augusta continues with subdivision infrastructure and single-family construction in Bergen West, Wando Woodlands, Gregory Landing, Rushing Waters, Walnut Village, River North, and Hammond's Ferry. We continue to see development plans and growth at interstate access points leading into our city including commercial construction for food service establishments and professional services.

The City has continued in its efforts to redevelop vacant property on the Savannah River. A public/private partnership is being jointly developed on approximately 30 acres within Phase B of the Hammond's Ferry Development known as Riverside Village. The Augusta Greenjackets completed their second season in the 4,500 seat SRP Park during 2019 with their third season scheduled to begin in 2021. In addition, 314 apartments, a hotel and conference center, as well as several restaurants and the stadium parking deck have been completed at Riverside Village. To date, the City has constructed the stadium, two parking decks, the public infrastructure and contribution of funds toward the conference center, and completion of a riverfront park known as the Sharon Jones Amphitheater. Cost of the public improvements is approximately \$75,000,000.

The funding mechanism for the public projects includes tax increment financing, local hospitality and accommodations taxes, parking revenues, corporate naming rights and stadium rental payments.

Long-term financial planning and major initiatives

During the year, City Council and Staff have met in planning sessions known as Envision. The major focus of these sessions is to identify the best possible future for North Augusta and to chart a course to make that future a reality. The success of these planning sessions can be easily measured by the many changes that have taken place in the City over the past few years. Future projects requiring significant financial planning and resources have been identified as follows: public safety headquarters and apparatus, transportation improvements to include improvements to intersections and reconstruction/resurfacing of roads, restoration of our parks and facilities, expansion of our greenway, utility infrastructure improvements, gateways and wayfinding enhancements, improvements to information technology as well as safety and security improvements. These projects, estimated to cost in excess of \$30,000,000, are included with Capital Projects Sales Tax IV.

The Local Hospitality and Accommodations taxes levied by the City during 1998 have continued as a positive revenue stream in 2020 despite the impacts of COVID-19. During November 2018, Aiken County voters approved the fourth phase of a county-wide One-Cent Capital Projects Sales Tax. Current estimates reflect that the fourth phase sales tax will generate approximately \$30,700,000 for the City over seven years which began in 2020. These funds have been earmarked for a variety of projects as mentioned above.

Relevant Financial Policies

The City's financial policies allow the General Fund unassigned fund balance, in excess of the required General Fund reserve of 15 percent of the current budget, to be transferred to the Capital Projects Fund at the end of each fiscal year. These funds are used for one-time capital expenditures, reducing the need to incur additional debt for capital related purchases and facilities. The amount to be transferred from the General Fund to the Capital Projects Fund as of 12/31/2020 is \$689,761.

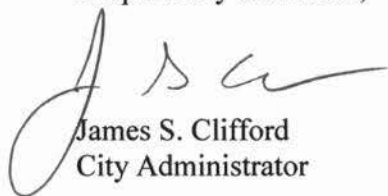
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of North Augusta for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the thirty-eighth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance and Administration Departments. We wish to thank all City employees who assisted and contributed the data necessary to prepare this report. Credit also must be given to the Mayor and City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of North Augusta and its finances.

Respectfully submitted,



James S. Clifford
City Administrator

Respectfully submitted,



Cammie T. Hayes
Chief Finance Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of North Augusta
South Carolina**

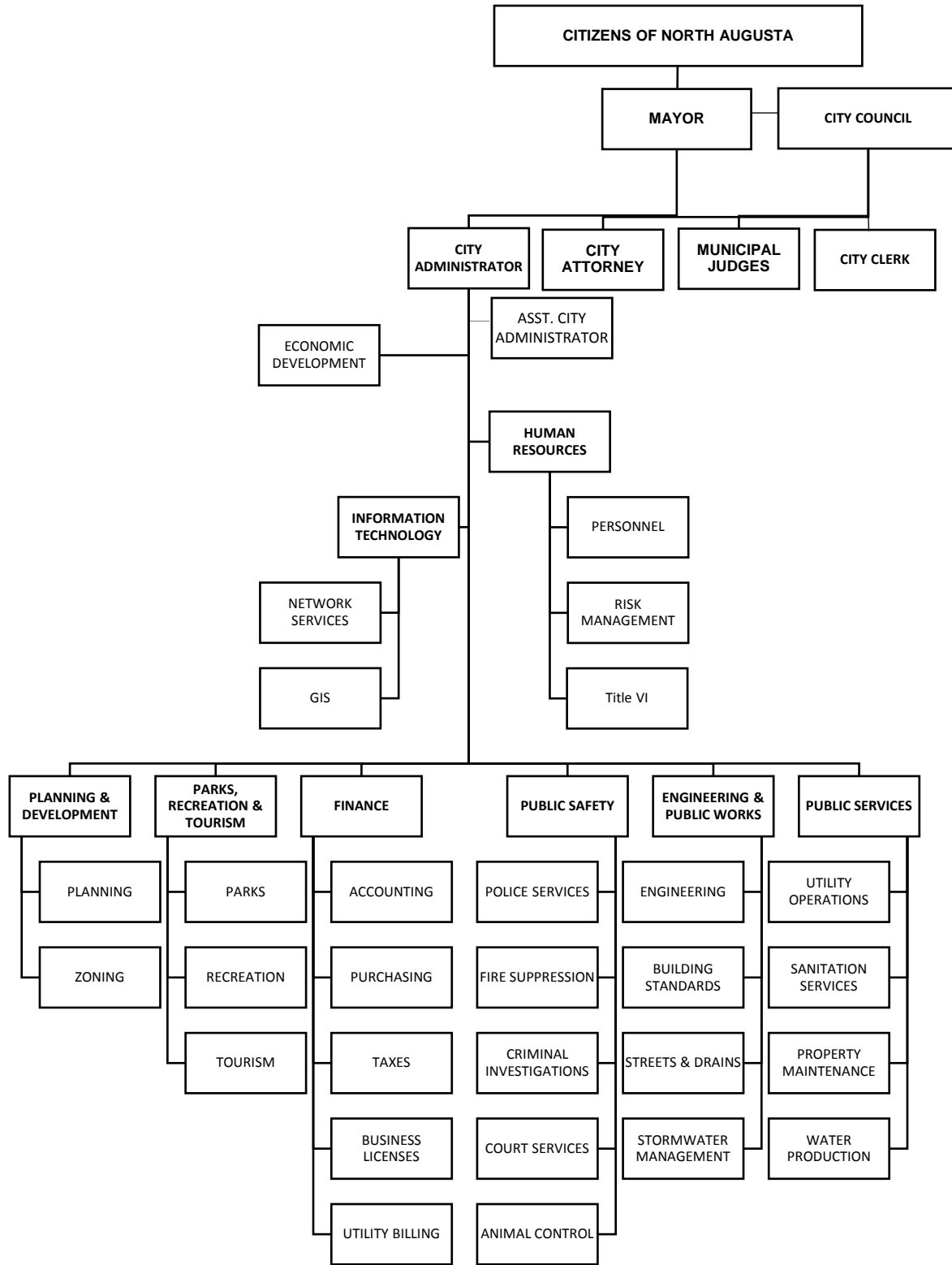
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

CITY OF NORTH AUGUSTA ORGANIZATION CHART – 2020



CITY OF NORTH AUGUSTA, SOUTH CAROLINA

LIST OF ELECTED AND APPOINTED OFFICIALS

December 31, 2020

ELECTED OFFICIALS

Robert A. Pettit, Mayor

David W. McGhee, Councilman, Mayor Pro Tempore

J. Robert Brooks, Councilman

Pat C. Carpenter, Councilwoman

Fletcher L. Dickert, Councilman

Eric H. Presnell, Councilman

Kevin W. Toole, Councilman

APPOINTED OFFICIALS

James S. Clifford, City Administrator

Rachelle M. Moody, Assistant City Administrator

Kelly F. Zier, City Attorney

Sharon Lamar, City Clerk

Cammie T. Hayes, Chief Financial Officer

Lillian E. Hodges, Director of Planning & Development

Richard L. Meyer, Director of Parks, Recreation & Tourism

James E. Sutton, Director of Public Services

John C. Thomas, Director of Public Safety

Thomas C. Zeaser, Director of Engineering & Public Works

**FINANCIAL
SECTION**



INDEPENDENT AUDITOR'S REPORT

**Honorable Mayor and Members
of the City Council
City of North Augusta, 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 North Augusta, South Carolina** (the "City"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of North Augusta, South Carolina, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the General Fund 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 (on pages 4 through 13), the Schedule of Proportionate Share of the Net Pension Liability – South Carolina Retirement System (page 60), the Schedule of Proportionate Share of the Net Pension Liability – Police Officers Retirement System (page 60), the Schedule of Contributions – South Carolina Retirement System (pages 61 through 62) and the Schedule of Contributions – Police Officers Retirement System (pages 61 through 62) 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 North Augusta, South Carolina's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the General Fund budget and actual schedule, the enterprise fund budget and actual schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) is presented for purposes of additional analysis as required by the State of South Carolina, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the General Fund budget and actual schedule, the enterprise fund budget and actual schedules, and the Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) 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 General Fund budget and actual schedule, the enterprise fund budget and actual schedules, and the Uniform Schedule of Court Fines, Assessments and Surcharges (per ACT 96) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2021, on our consideration of the City of North Augusta, South Carolina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of North Augusta, South Carolina's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Columbia, South Carolina
May 17, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of North Augusta (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and financial statements.

Financial Highlights

The following information highlights the most significant changes to the City's financial position over the last year. Though not intended to be all-inclusive, this information provides a snapshot of the most important changes in the City's financial position over the last year:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$134,924,693 (net position). Of this amount, (\$7,490,131), represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors. This number is negative following the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, which required the City to recognize as a long term liability, its proportionate share of the net pension liability of the South Carolina Retirement System and the Police Officer Retirement System.
- The City's total net position increased by \$1,071,485.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$24,528,742 an increase of \$8,909,671 in comparison with the prior year. The majority of the increase is reflective of the fourth round of capital projects sales tax approved in Aiken County. The City issued general obligation bonds during 2020 to construct and equip a public safety headquarters and bond payments will be made from revenues collected from the capital projects sales tax. Approximately 12.23 percent of the governmental funds combined fund balance, \$3,000,000, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, the unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$3,689,671 or 20.14 percent of total general fund expenditures.
- The City's outstanding debt increased by \$9,345,204 primarily due to the issuance of Series 2020, General Obligation Bonds in the amount of \$10,250,000 for the purpose of defraying costs incurred in connection with all or a portion of designing, developing, and constructing a new Department of Public Safety headquarters and related fire apparatus.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, and parks, recreation, and tourism. The business-type activities of the City include water and wastewater utility, sanitation services, and stormwater enterprise.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate public facilities corporation for which the City is financially accountable. The corporation, although a legally separate entity, functions for all practical purposes as a fund of the City and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds. The City does not have a fiduciary fund.

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

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

The City maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund which is considered a major fund. Information is also presented separately for the Capital Projects Sales Tax IV Fund, Capital Projects Fund, Tax Increment Fund, and North Augusta Public Facilities Corporation which the City elects to present as major funds. Information from the other nine governmental funds are combined into a single aggregated presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found immediately following the government-wide financial statements.

Proprietary funds. The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater, sanitation, and stormwater operations as well as the Savannah Bluff Lock and Dam that was created for the purpose of maintaining the Augusta pool on the Savannah River.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, wastewater, sanitation and stormwater operations, all of which are considered to be major funds of the City. Savannah Bluff Lock and Dam is a nonmajor fund. The proprietary fund financial statements can be found immediately following the governmental fund financial statements.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the proprietary fund financial statements.

Other Financial Information. In addition to the basic financial statements, the accompanying notes, and the required supplementary information, this report presents certain financial data of individual fund statements and schedules.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$134,924,693 at the close of the most recent fiscal year.

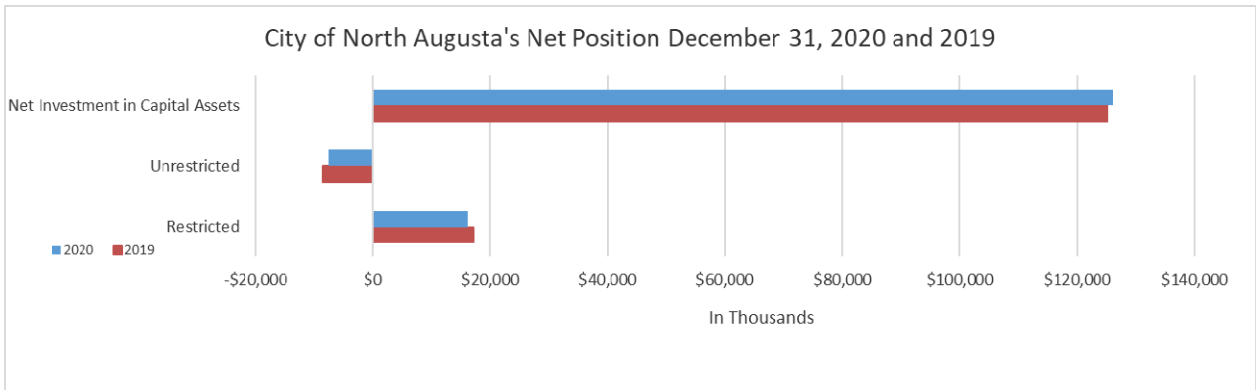
City of North Augusta's Net Position	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 27,287,517	\$ 17,407,786	\$ 21,181,824	\$ 20,373,825	\$ 48,469,341	\$ 37,781,611
Capital assets	134,760,030	134,510,335	81,310,306	80,445,788	216,070,336	214,956,123
Total Assets	162,047,547	151,918,121	102,492,130	100,819,613	264,539,677	252,737,734
Deferred outflows of resources	2,666,507	2,006,549	1,180,716	890,351	3,847,223	2,896,900
Long-term liabilities outstanding	98,835,358	87,671,752	29,348,843	29,172,552	128,184,201	116,844,304
Other liabilities outstanding	2,299,780	2,209,988	1,823,994	1,711,075	4,123,774	3,921,063
Total Liabilities	101,135,138	89,881,740	31,172,837	30,883,627	132,307,975	120,765,367
Deferred inflow of resources	799,007	757,721	355,225	258,338	1,154,232	1,016,059
Net position:						
Net investment in capital assets	64,277,060	64,540,113	61,930,753	60,703,383	126,207,813	125,243,496
Restricted	7,848,687	8,729,598	8,358,324	8,433,456	16,207,011	17,163,054
Unrestricted	(9,345,838)	(9,984,502)	1,855,707	1,431,160	(7,490,131)	(8,553,342)
Total Net Position	\$ 62,779,909	\$ 63,285,209	\$ 72,144,784	\$ 70,567,999	\$ 134,924,693	\$ 133,853,208

By far, the largest portion of the City's net position (93.54 percent) reflects its investment in capital assets (e.g., land, land improvements, rights-of-way and easements, buildings, machinery and equipment, furniture and fixtures, vehicles, infrastructure, system improvements, PSA capital, and construction in progress), less any related outstanding debt to acquire those assets. The City uses these capital assets

to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (12.01 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$7,490,131) may be used to meet the government's ongoing obligations to citizens and creditors but is currently negative.

At the end of the current fiscal year, the City is able to report positive balances in two categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same categories were also positive in the prior year. Unrestricted net position is negative in the current year primarily because of GASB Statements 68 and 71 requiring the City to accrue net pension liabilities for governmental and business type activities.

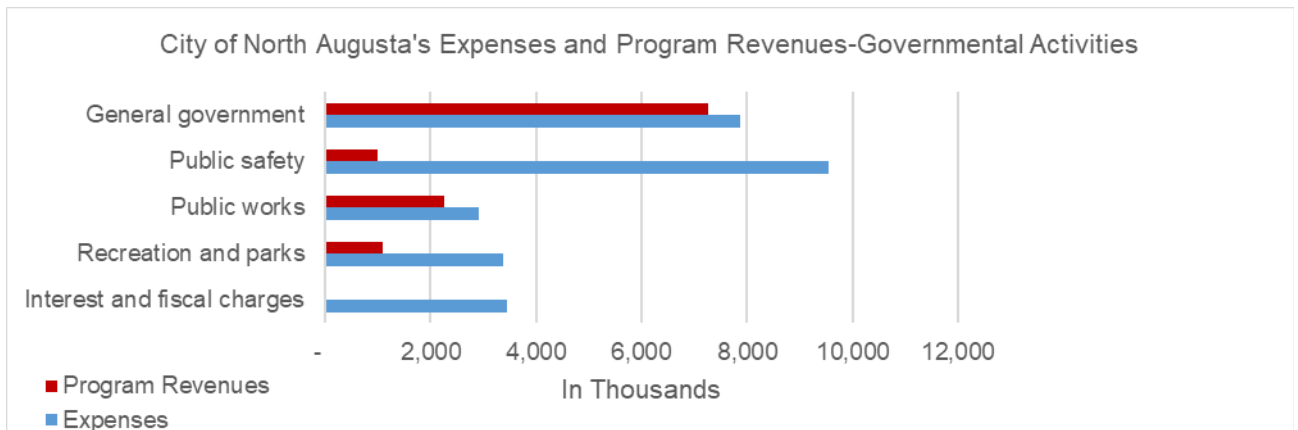


Governmental Activities

During 2020, governmental activities decreased the City's net position by (\$505,300). Governmental activities revenues increased \$674,430 from 2019 to 2020 primarily due to an increase in contributed capital for roadways and rights-of-way as well as an increase in ad valorem property taxes. Property taxes represent 41.71 percent of total revenues for governmental activities and increased \$2,176,538 from 2019 due to increased development in the City, to include Riverside Village, being added to the tax digest for tax year 2019 billed in 2020. Charges for services include: business license revenues, franchise fees, construction permits, recreational programs, rentals and tournaments, and public safety fines. These revenues represent 33.39 percent of total revenues for governmental activities and are predominantly elastic in nature and vary with economic trends. Charges for services decreased \$995,392 related to cancellations and modifications of athletic and other programs as well as cancellations to rentals of City facilities in response to the COVID-19 pandemic. Other tax revenue decreased 41.99 percent compared to the prior year as a result of final collections for Capital Projects Sales Tax III in 2019. Aiken County also implemented new revenue distribution procedures for the fourth round of capital projects sales tax. Accommodations and hospitality taxes decreased after 1st quarter as restaurants were forced to cut back on occupancy and fewer overnight travelers stayed in area hotels following COVID-19 restrictions.

Also during 2020, governmental activities expenses decreased by (\$959,945). General government expenses decreased by (\$3,737,345), or 32.20 percent, and Parks, Recreation, and Tourism expenses decreased (\$841,330), or 19.97 percent, due to savings from cancellations and modifications of athletic and other programs as well as cancellations to rentals of City facilities related to COVID-19. Non-critical projects were postponed due to the financial impact of COVID-19 on income generated from tourism and related activities. Public Works expenses were consistent with the prior year. Public Safety expenses reflected an increase of 5.06 percent over the prior year due to increased expenditures related to large construction projects moving forward to include Public Safety Station I and Public Safety Headquarters.

City of North Augusta's Changes in Net Position	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 8,509,975	\$ 9,505,367	\$ 16,349,563	\$ 15,443,563	\$ 24,859,538	\$ 24,948,930
Operating grants and contributions	1,287,442	1,265,522	-	23,516	1,287,442	1,289,038
Capital grants and contributions	1,788,037	759,852	1,325,388	616,830	3,113,425	1,376,682
General revenues:						
Property taxes	10,632,768	8,456,230	-	-	10,632,768	8,456,230
Other taxes	2,007,435	3,460,522	-	-	2,007,435	3,460,522
Other	1,264,082	1,367,816	1,129,857	959,613	2,393,939	2,327,429
Total Revenues	25,489,739	24,815,309	18,804,808	17,043,522	44,294,547	41,858,831
Expenses:						
General government	7,870,452	11,607,797	-	-	7,870,452	11,607,797
Public safety	9,539,596	9,079,791	-	-	9,539,596	9,079,791
Public works	2,924,751	2,936,592	-	-	2,924,751	2,936,592
Parks, recreation, and tourism	3,371,009	4,212,339	-	-	3,371,009	4,212,339
Interest and fiscal charges on debt service	3,447,465	276,699	-	-	3,447,465	276,699
Water and wastewater	-	-	10,410,462	10,077,290	10,410,462	10,077,290
Sanitation	-	-	4,626,296	4,733,146	4,626,296	4,733,146
Stormwater	-	-	840,358	789,312	840,358	789,312
Savannah Bluff Lock and Dam	-	-	192,673	24,000	192,673	24,000
Total Expenses	27,153,273	28,113,218	16,069,789	15,623,748	43,223,062	43,736,966
Increase (decrease) in net position before transfers	(1,663,534)	(3,297,909)	2,735,019	1,419,774	1,071,485	(1,878,135)
Transfers	1,158,234	748,347	(1,158,234)	(748,347)	-	-
Increase in net position	(505,300)	(2,549,562)	1,576,785	671,427	1,071,485	(1,878,135)
Net position-beginning of year	63,285,209	64,860,473	70,567,999	67,772,520	133,853,208	132,632,993
Effect of prior period adjustment to capital assets	-	974,298	-	2,124,052	-	3,098,350
Net position-beginning of year, as restated	63,285,209	65,834,771	70,567,999	69,896,572	133,853,208	135,731,343
Net position-end of year	\$ 62,779,909	\$ 63,285,209	\$ 72,144,784	\$ 70,567,999	\$ 134,924,693	\$ 133,853,208



Business-type Activities

Business-type activities increased the City's net position by \$1,576,785. Water, sanitation and stormwater rates remained unchanged. Water sales increased 0.40 percent over the prior year and were over budget by approximately \$349,000 related to an increase in usage and customer base. Sewer sales increased approximately \$430,000, 6.74 percent, over the prior year also related to an increase in customer base. The City's wastewater rate structure was increased in 2020 to offset increased debt service obligations to Aiken County for construction on the Horse Creek Wastewater Treatment Facility upgrade. Aiken County also implemented an increase related to operations and maintenance of the treatment facility which was added to the City's wastewater rate structure in 2020. Total increase to the wastewater rate structure in 2020 was 14.5 cents per 1,000 gallons. Fees for sanitation services and recycling increased \$393,000 from the prior year due to additional residential and commercial customers and an increase in commercial tipping tons coming in over budget by \$279,000. The amount of waste

material being processed by the City's Materials Recovery Facility was greater than anticipated throughout the year beginning with the start of the COVID-19 pandemic. Stormwater fees increased 2 percent as anticipated due to additional customers.

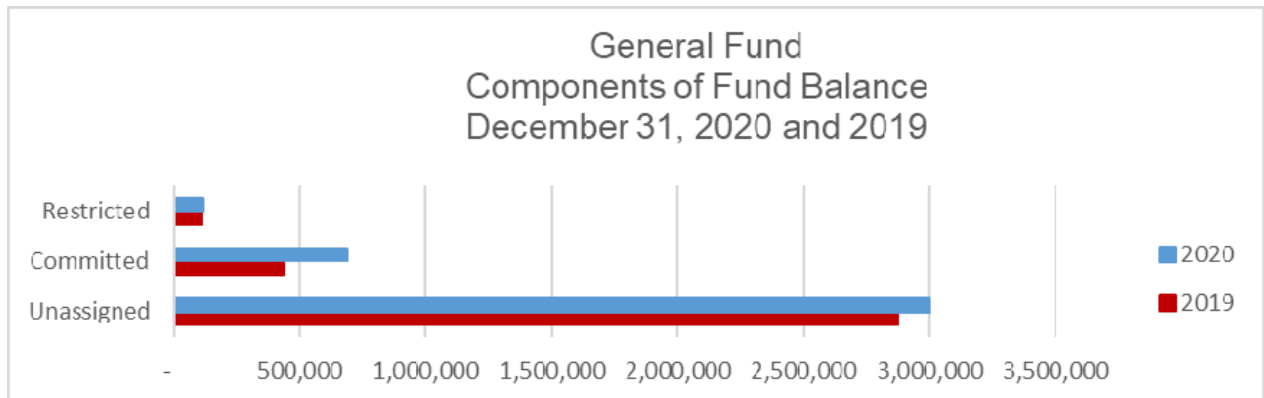
Expenses for the Water and Wastewater System increased by \$333,172 from the prior year primarily due to increased expenses from Aiken County Public Service Authority for wastewater treatment as well as debt service mentioned above. In 2020, the expenses for the Sanitation Services Fund showed a decrease from the prior year of (\$106,850) due to increased repair costs at the Material Recovery Facility during 2019 related to a fire at the facility. Increased expenses in the Stormwater Utility Fund were \$51,046 due to increased personnel costs and depreciation of capital assets. A total of \$192,673 was expended from the Savannah Bluff Lock and Dam Fund. This expense for professional services was intended to assist the City and other members of the consortium in the execution of a solution to improve the lock and dam that is in the best interests of the parties directly affected by its operation.

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance that has not been limited for use by any of: an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

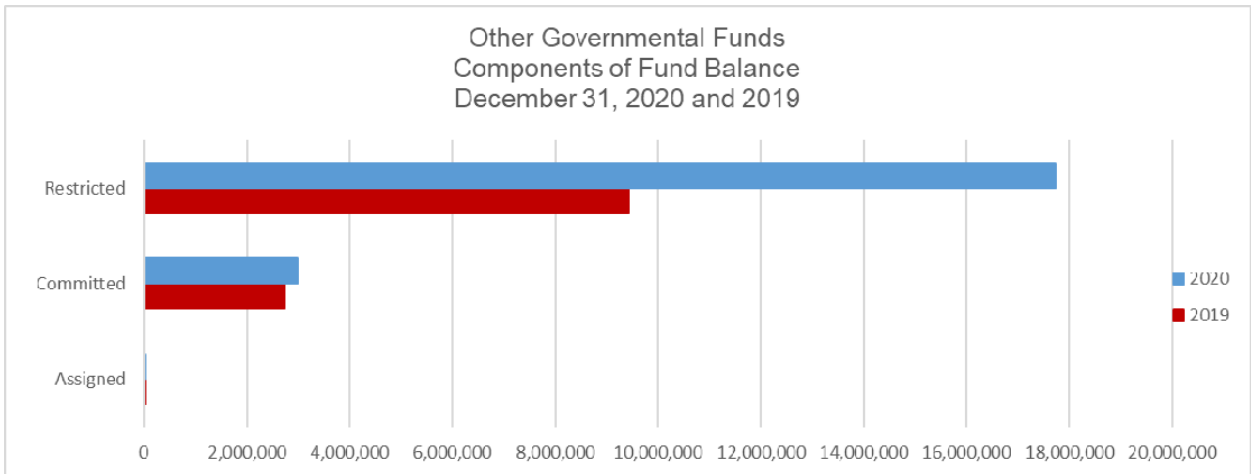
At December 31, 2020, the City's governmental funds reported combined fund balances of \$24,528,742 an increase of \$8,909,671 from the prior year. The majority of this increase is attributable to the addition of a fourth round of capital projects sales tax with bond proceeds dedicated to a new headquarters facility for public safety. Approximately 12.23 percent of this amount constitutes unassigned fund balance, which is available for spending at the City's discretion as described above. Unassigned fund balance increased by \$125,000 for the year due to the City's reserve requirement to adjust the unassigned fund balance in the General Fund as the budget fluctuates for the General Fund each year. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending because of its use for state victim's assistance, fire division of public safety, capital projects to include those funded by capital projects sales taxes, and special projects to include Riverside Village.



The General Fund is the chief operating fund of the City. At the end of the current fiscal year the unassigned fund balance of the General Fund was \$3,000,000, while total fund balance was \$3,808,765. As a measure of the General Fund's liquidity, it may be useful to compare unassigned and total fund balance to total fund expenditures. Unassigned fund balance represents 16.38 percent of total General Fund expenditures, while total fund balance represents 20.79 percent of those same expenditures.

The total fund balance of the City's general fund increased by \$385,147 during the current fiscal year. The most significant factor in this net increase is related to adjustments made to programming and facility rentals in response to COVID-19.

The Capital Projects Sales Tax IV Fund replaced the Capital Projects Sales Tax III Fund as a major fund in 2020 which is reflective of the transition to a fourth round of the tax beginning in 2020. The Capital Projects Fund had a fund balance of \$2,407,743, an increase of 14.44 percent, due to the postponement of non-critical projects due to the financial impact of COVID-19 on multiple revenue streams as well as reduced expenditures in order to prepare for the future implementation of a revised capital improvement program. The Tax Increment Fund was added as a major fund due to increased collection of ad valorem property taxes resulting from growth in the tax increment district. These revenues are dedicated towards debt service and are transferred to the North Augusta Public Facilities Corporation Fund. Fund balance for the North Augusta Public Facilities Corporation Fund decreased 55.66 percent from the prior year due to continued payments for debt service and timing of transfers made into the fund related to delayed and/or reduced income generated from tourism and related activities as impacted by COVID-19.



Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the water and wastewater system, sanitation services, and stormwater utility at the end of the fiscal year totaled \$1,855,707. Total growth in net position was \$1,576,785. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

During the year, the City amended the budget to reflect the financial impacts of COVID-19. The amendment to service charges revenue took cancellations and modifications of athletic and other programs as well as cancellations to rentals of City facilities into consideration. The amendment to miscellaneous revenue deferred funding of a non-critical project to 2021. Balancing amendments were made to various expenditure accounts and administrative contingency was increased to provide a more conservative balance for the ever-changing environment created by COVID-19. The General Fund budget adjustment totaled \$740,135.

Current property tax revenues exceeded budget by approximately \$293,000 due to a higher tax base than originally estimated by Aiken County. Additionally, revenues for licenses and building permits exceeded budgeted revenues by approximately \$69,900. This is reflective of an increase in residential construction activity across the City. Charges for services reflected a negative variance with budgeted revenues primarily due to additional impacts from COVID-19 not captured during the budget amendment. Miscellaneous revenues exceeded budget by approximately \$83,000 reflective of receipt of unbudgeted grant funds for a tree plotter subscription and other income items to include sales of City assets. Intergovernmental revenues were in line with expectations.

The over-expenditures for general government and public safety were primarily due to the purchase of vehicles and equipment with capital lease proceeds. Public Works and Parks, Recreation, and Tourism expenditures were under budget due to savings resulting from vacant positions and postponement of non-critical projects.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2020 amounts to \$216,070,336 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, rights-of-way and easements, buildings, machinery and equipment, furniture and fixtures, infrastructure, system improvements, PSA capital, and construction in progress. The total increase in capital assets for the current fiscal year was 0.52 percent. Additional information on the City's capital assets can be found in Note 4 of this report.

City of North Augusta's Capital Assets (net of depreciation)	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 10,330,391	\$ 10,330,391	\$ 824,058	\$ 824,058	\$ 11,154,449	\$ 11,154,449
Land improvements	11,556,192	9,281,274	88,631	-	11,644,823	9,281,274
Right-of-way and easements	3,734,521	3,490,419	62,760	62,760	3,797,281	3,553,179
Buildings	89,222,891	91,665,215	19,488,632	20,175,751	108,711,523	111,840,966
Machinery and equipment	1,231,042	933,567	1,130,870	948,411	2,361,912	1,881,978
Furniture and fixtures	57,639	156,154	-	-	57,639	156,154
Vehicles	3,390,922	3,623,273	1,045,635	813,928	4,436,557	4,437,201
Infrastructure	14,517,866	13,810,646	-	-	14,517,866	13,810,646
System improvements	-	-	56,999,000	55,885,934	56,999,000	55,885,934
PSA capital	-	-	1,670,720	1,732,871	1,670,720	1,732,871
Construction in progress	718,566	1,219,396	-	2,075	718,566	1,221,471
Total Capital Assets	\$ 134,760,030	\$ 134,510,335	\$ 81,310,306	\$ 80,445,788	\$ 216,070,336	\$ 214,956,123

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

- The Sharon Jones Amphitheater was completed during 2020 in Riverside Village
- Various projects related to streets, sidewalks, and storm drainage totaling \$3,969,567
- Over \$570,000 of water and sewer capital assets were added by developers and contributed to the City
- Continued design on Public Safety Station I and Public Safety Headquarters totaling \$453,554
- Purchase of various vehicles, machinery, and equipment for all departments totaling \$1,874,699 with a portion finance from capital lease proceeds
- Water and sewer related infrastructure improvements totaling \$733,449

Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$97,166,831. The City's debt represents bonds secured solely by specified revenue sources.

City of North Augusta's Outstanding Debt	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenue bonds	\$ 68,825,000	\$ 69,475,000	\$ 18,091,831	\$ 18,889,980	\$ 86,916,831	\$ 88,364,980
General obligation bonds	10,250,000	-	-	-	10,250,000	-
Capital leases	1,412,082	1,304,026	1,287,722	852,425	2,699,804	2,156,451
Total Outstanding Debt	\$ 80,487,082	\$ 70,779,026	\$ 19,379,553	\$ 19,742,405	\$ 99,866,635	\$ 90,521,431

The City's total debt outstanding increased by \$9,345,204 during the current fiscal year. This net increase was attributed to issuance of general obligation bonds to design, construct, and equip new public safety facilities as mentioned in other portions of this analysis. The City also made scheduled debt service payments during 2020.

The City maintains an "A1" rating from Moody's Investors Service for the taxable Series 2017B revenue bond reported in governmental activities.

The City's revenue bonds for business type activities were private issues and therefore not rated. The City's debt coverage requirement increased to 1.90 in 2020. The City's bond covenants require coverage of 1.25 to issue additional bonds. Please refer to the pledged-revenue bond coverage table at the back of this report for additional information regarding the City's revenue bond coverage.

Other long-term debt at the end of the current fiscal year included \$2,699,804 in capital leases for equipment and vehicles and other long-term liabilities related to compensated absences as well as net pension liability totaled \$28,317,566 (not presented in the table above).

Additional information regarding the City's capitalized lease obligations and long-term debt and other long term liabilities can be found in Notes 6 and 7 of this report.

State statutes limit the amount of general obligation debt a governmental entity may issue, without a referendum, to 8 percent of its total assessed valuation. The current debt limitation for the City is \$11,544,533. Additional information is available on the City's legal debt margin in the statistical section of this report.

Economic Factors and Next Year's Budgets and Rates

Along with much of the nation, the local economy continued a healthy expansion prior to the widespread occurrence of COVID-19 beginning in March 2020. Most affected revenue streams include athletic and other programs, facility rentals, and tourism related revenues to include accommodations taxes and hospitality taxes. In more recent months, both revenues for accommodations and hospitality taxes are beginning to rebound due to reduced restrictions on restaurant activity and travel. The City has made efforts to manage costs and minimize rate increases as our community has experienced pandemic-related layoffs and other economic impacts.

The following economic factors currently affect the City and were considered in developing the 2021 fiscal year budget:

- The unemployment rate for Aiken County has been decreasing since 2011 but is estimated at 5.0 percent for 2020 reflecting impacts from the COVID-19 pandemic.
- The value of a mill has increased over 53 percent during the past ten years reflective of the growth in the City's tax digest. The millage rate is currently 73.50 with 1.5 mills dedicated for the Capital Projects Fund.
- Implementation of 2 percent merit based increases originally approved for budget fiscal year 2020 as well as fund all positions on-grade adjustments.
- Increases are expected in health insurance premiums, as well as pension and other employee benefit costs.
- Income producing activities to include recreational sports, facility rentals, and tournaments to be included at conservative amounts with minimal income impact.
- Non-critical projects continue to be on hold until conditions make improvements towards a pre-pandemic economy.
- Rates remain stable for business type activities.

All of these factors were considered in preparing the City's general fund budget for the 2021 fiscal year. Amounts available for appropriation are \$19.26 million, an increase of 4.83 percent, over the final fiscal year budget of \$18.37 million.

The City's budgetary balance is expected to remain relatively stable during 2021 with opportunities to bring non-critical projects online should economic conditions improve.

As for the City's business type activities, we expect future results to remain stable in 2021. Good business practices require these services to charge fees that sufficiently recover costs associated with providing the service. The City continues to maintain a competitive rate structure.

Additional information related to the local economy can be found in the transmittal letter of this report.

Request for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, City of North Augusta, P.O. Box 6400, North Augusta, SC 29861-6400.

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 25,574,960	\$ 10,799,810	\$ 36,374,770
Taxes receivable	1,060,766	-	1,060,766
Accounts receivable, net of allowances	423,338	1,872,497	2,295,835
Due from other governments	105,462	-	105,462
Inventories	-	216,313	216,313
Restricted cash and cash equivalents	122,991	8,274,723	8,397,714
Capacity rights, net of accumulated amortization	-	18,481	18,481
Capital assets:			
Non-depreciable	14,783,478	886,818	15,670,296
Depreciable, net of accumulated depreciation	119,976,552	80,423,488	200,400,040
Total assets	162,047,547	102,492,130	264,539,677
DEFERRED OUTFLOWS OF RESOURCES			
Pension	2,666,507	1,180,716	3,847,223
Total deferred outflows of resources	2,666,507	1,180,716	3,847,223
LIABILITIES			
Accounts payable	1,135,076	663,788	1,798,864
Accrued liabilities	469,910	91,015	560,925
Unearned revenues	49,200	409,187	458,387
Accrued interest payable	600,026	-	600,026
Other liabilities	45,568	-	45,568
Payable from restricted resources:			
Accrued interest payable	-	68,613	68,613
Customer deposits	-	591,391	591,391
Long-term liabilities:			
Due within one year	1,781,536	1,785,331	3,566,867
Due in more than one year	79,422,461	17,888,628	97,311,089
Other long-term liabilities due in more than one year:			
Net pension liability	17,631,361	9,674,884	27,306,245
Total liabilities	101,135,138	31,172,837	132,307,975
DEFERRED INFLOWS OF RESOURCES			
Pension	799,007	355,225	1,154,232
Total deferred inflows of resources	799,007	355,225	1,154,232
NET POSITION			
Net investment in capital assets	64,277,060	61,930,753	126,207,813
Restricted for:			
Victims assistance	119,094	-	119,094
Public safety - fire division	110,047	-	110,047
Operations - Savannah Bluff Lock and Dam	-	674,992	674,992
Capital projects	4,653,082	-	4,653,082
Special projects	2,966,464	-	2,966,464
Debt service	-	7,683,332	7,683,332
Unrestricted	(9,345,838)	1,855,707	(7,490,131)
Total net position	\$ 62,779,909	\$ 72,144,784	\$ 134,924,693

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government:							
Governmental activities:							
General government	\$ 7,870,452	\$ 6,420,926	\$ 837,008	\$ -	\$ (612,518)	\$ -	\$ (612,518)
Public safety	9,539,596	911,851	74,181	-	(8,553,564)	-	(8,553,564)
Public works	2,924,751	85,435	376,253	1,788,037	(675,026)	-	(675,026)
Parks, recreation and tourism	3,371,009	1,091,763	-	-	(2,279,246)	-	(2,279,246)
Interest and fiscal charges on long-term debt	3,447,465	-	-	-	(3,447,465)	-	(3,447,465)
Total governmental activities	<u>27,153,273</u>	<u>8,509,975</u>	<u>1,287,442</u>	<u>1,788,037</u>	<u>(15,567,819)</u>	<u>-</u>	<u>(15,567,819)</u>
Business-type activities:							
Water and wastewater	10,410,462	10,666,159	-	596,524	-	852,221	852,221
Sanitation	4,626,296	4,862,277	-	-	-	235,981	235,981
Stormwater utility	840,358	821,127	-	728,864	-	709,633	709,633
Savannah Bluff Lock and Dam	192,673	-	-	-	-	(192,673)	(192,673)
Total business-type activities	<u>16,069,789</u>	<u>16,349,563</u>	<u>-</u>	<u>1,325,388</u>	<u>-</u>	<u>1,605,162</u>	<u>1,605,162</u>
Total primary government	<u>\$ 43,223,062</u>	<u>\$ 24,859,538</u>	<u>\$ 1,287,442</u>	<u>\$ 3,113,425</u>	<u>(15,567,819)</u>	<u>1,605,162</u>	<u>(13,962,657)</u>
General revenues:							
Ad valorem property taxes					10,632,768	-	10,632,768
Capital projects sales tax					176,864	-	176,864
Local hospitality and accommodation tax					1,830,571	-	1,830,571
Interest earned					168,087	127,876	295,963
Gain on sale of capital assets					-	56,065	56,065
Miscellaneous					1,095,995	945,916	2,041,911
Transfers					1,158,234	(1,158,234)	-
Total general revenues and transfers					<u>15,062,519</u>	<u>(28,377)</u>	<u>15,034,142</u>
Change in net position					(505,300)	1,576,785	1,071,485
Net position, beginning of year					63,285,209	70,567,999	133,853,208
Net position, end of year					<u>\$ 62,779,909</u>	<u>\$ 72,144,784</u>	<u>\$ 134,924,693</u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

ASSETS	General Fund	Capital Projects Sales Tax IV Fund	Capital Projects Fund	Tax Increment Fund	North Augusta Public Facilities Corporation Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 4,947,276	\$ 10,205,683	\$ 2,407,743	\$ 41,722	\$ 1,054,347	\$ 6,918,189	\$ 25,574,960
Taxes receivable, net of allowances	180,347	-	-	880,419	-	-	1,060,766
Accounts receivable	305,286	-	-	-	118,052	-	423,338
Intergovernmental receivables	41,403	-	-	-	-	64,059	105,462
Restricted cash and cash equivalents	-	122,991	-	-	-	-	122,991
Total assets	\$ 5,474,312	\$ 10,328,674	\$ 2,407,743	\$ 922,141	\$ 1,172,399	\$ 6,982,248	\$ 27,287,517
LIABILITIES							
Accounts payable	\$ 923,402	\$ -	\$ -	\$ -	\$ 30,763	\$ 180,911	\$ 1,135,076
Accrued liabilities	468,775	-	-	-	-	1,135	469,910
Unearned revenues	49,200	-	-	-	-	-	49,200
Other accrued liabilities	45,568	-	-	-	-	-	45,568
Total liabilities	1,486,945	-	-	-	30,763	182,046	1,699,754
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	178,602	-	-	880,419	-	-	1,059,021
Total deferred inflows of resources	178,602	-	-	880,419	-	-	1,059,021
FUND BALANCES							
Restricted:							
Capital projects	-	10,328,674	-	-	-	4,328,520	14,657,194
Victim's assistance	119,094	-	-	-	-	-	119,094
Public safety - fire division	-	-	-	-	-	110,047	110,047
Special projects	-	-	-	41,722	1,141,636	1,783,106	2,966,464
Committed:							
Capital projects	689,671	-	2,293,044	-	-	572,692	3,555,407
Parks, recreation and tourism	-	-	12,994	-	-	-	12,994
Housing and development	-	-	101,705	-	-	-	101,705
Assigned:							
Capital projects	-	-	-	-	-	5,837	5,837
Unassigned	3,000,000	-	-	-	-	-	3,000,000
Total fund balances	3,808,765	10,328,674	2,407,743	41,722	1,141,636	6,800,202	24,528,742
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,474,312	\$ 10,328,674	\$ 2,407,743	\$ 922,141	\$ 1,172,399	\$ 6,982,248	\$ 27,287,517

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

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

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

Fund balances, end of year	\$	24,528,742
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		134,760,030
Other long term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. These amounts are:		1,059,021
Deferred outflows of resources related to the recording of the net pension liability are recognized as expense over time and, therefore, are not reported in the funds.		2,666,507
Deferred inflows of resources related to the recording of the net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.		(799,007)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the		
Compensated absences	\$	(716,915)
Installment purchase revenue bonds		(68,800,000)
General obligation bonds		(10,250,000)
Capital leases		(1,412,082)
Tax increment financing revenue bonds		(25,000)
Net pension liability		(17,631,361)
Total long-term liabilities		(98,835,358)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		<u>(600,026)</u>
Net position of governmental activities, end of year	\$	<u><u>62,779,909</u></u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	General Fund	Capital Projects Sales Tax IV Fund	Capital Projects Fund	Tax Increment Fund	North Augusta Public Facilities Corporation Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Ad valorem property taxes	\$ 7,754,254	\$ -	\$ 184,538	\$ 1,716,832	\$ -	\$ -	\$ 9,655,624
Sales taxes	-	176,864	-	-	-	-	176,864
Local hospitality and accommodations taxes	-	-	-	-	-	1,830,571	1,830,571
Licenses and permits	6,420,926	-	-	-	-	-	6,420,926
Intergovernmental	796,414	-	-	-	106,157	549,894	1,452,465
Charges for services	593,241	-	-	-	623,081	-	1,216,322
Fines and forfeitures	872,727	-	-	-	-	-	872,727
Interest earnings	38,462	44,646	15,832	4,212	6,147	58,788	168,087
Miscellaneous	742,740	-	153,503	-	-	93,595	989,838
Total revenues	<u>17,218,764</u>	<u>221,510</u>	<u>353,873</u>	<u>1,721,044</u>	<u>735,385</u>	<u>2,532,848</u>	<u>22,783,424</u>
Expenditures:							
Current:							
General government	5,229,528	-	23,855	750	249,722	-	5,503,855
Public safety	8,007,784	-	1,099	-	-	49,601	8,058,484
Public works	1,514,130	-	-	-	-	6,365	1,520,495
Parks, recreation and tourism	2,133,126	-	-	-	-	367,061	2,500,187
Capital outlay	788,508	-	456,916	-	672,886	1,829,257	3,747,567
Debt service:							
Capital lease payments	644,115	-	67,750	-	-	-	711,865
Principal retirement	-	-	-	-	650,000	-	650,000
Interest and fiscal charges	-	54,889	-	889	3,217,755	-	3,273,533
Issuance costs	-	88,947	-	-	-	-	88,947
Total expenditures	<u>18,317,191</u>	<u>143,836</u>	<u>549,620</u>	<u>1,639</u>	<u>4,790,363</u>	<u>2,252,284</u>	<u>26,054,933</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,098,427)</u>	<u>77,674</u>	<u>(195,747)</u>	<u>1,719,405</u>	<u>(4,054,978)</u>	<u>280,564</u>	<u>(3,271,509)</u>
Other financing sources (uses):							
Proceeds from capital lease	608,851	-	164,095	-	-	-	772,946
Bond proceeds	-	10,250,000	-	-	-	-	10,250,000
Transfers in	1,309,967	2,000	446,204	-	2,622,158	-	4,380,329
Transfers out	<u>(435,244)</u>	<u>(1,000)</u>	<u>(110,658)</u>	<u>(1,717,091)</u>	<u>-</u>	<u>(958,102)</u>	<u>(3,222,095)</u>
Total other financing sources (uses)	<u>1,483,574</u>	<u>10,251,000</u>	<u>499,641</u>	<u>(1,717,091)</u>	<u>2,622,158</u>	<u>(958,102)</u>	<u>12,181,180</u>
Net change in fund balances	385,147	10,328,674	303,894	2,314	(1,432,820)	(677,538)	8,909,671
Fund balances, beginning of year	<u>3,423,618</u>	<u>-</u>	<u>2,103,849</u>	<u>39,408</u>	<u>2,574,456</u>	<u>7,477,740</u>	<u>15,619,071</u>
Fund balances, end of year	<u>\$ 3,808,765</u>	<u>\$ 10,328,674</u>	<u>\$ 2,407,743</u>	<u>\$ 41,722</u>	<u>\$ 1,141,636</u>	<u>\$ 6,800,202</u>	<u>\$ 24,528,742</u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

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

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

Net change in fund balances - total governmental funds \$ 8,909,671

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	\$	3,747,567	
Depreciation expense		<u>(5,285,909)</u>	(1,538,342)

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position. 1,788,037

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 918,278

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds from capital lease	\$	(789,694)	
Proceeds from general obligation bonds		(10,250,000)	
Repayment of the principal of long-term debt		<u>1,331,638</u>	(9,708,056)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	\$	(48,272)	
Accrued interest on long-term debt		(38,010)	
Net pension liability		<u>(788,606)</u>	<u>(874,888)</u>

Change in net position of governmental activities \$ (505,300)

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Ad valorem property taxes	\$ 7,460,967	\$ 7,460,967	\$ 7,754,254	\$ 293,287
Licenses and permits	6,351,000	6,351,000	6,420,926	69,926
Fines and forfeitures	1,120,000	1,120,000	872,727	(247,273)
Charges for services	1,371,963	646,828	593,241	(53,587)
Intergovernmental	788,648	788,648	796,414	7,766
Interest earnings	75,000	75,000	38,462	(36,538)
Miscellaneous	638,323	623,323	742,740	119,417
Total revenues	<u>17,805,901</u>	<u>17,065,766</u>	<u>17,218,764</u>	<u>152,998</u>
Expenditures:				
Current:				
General government	5,585,248	5,365,483	5,229,528	135,955
Public safety	8,340,745	8,213,839	8,007,784	206,055
Public works	1,586,541	1,583,670	1,514,130	69,540
Parks, recreation and tourism	2,731,481	2,290,588	2,133,126	157,462
Capital outlay	204,550	254,850	788,508	(533,658)
Capital lease payments	666,303	666,303	644,115	22,188
Total expenditures	<u>19,114,868</u>	<u>18,374,733</u>	<u>18,317,191</u>	<u>57,542</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,308,967)</u>	<u>(1,308,967)</u>	<u>(1,098,427)</u>	<u>210,540</u>
Other financing sources (uses):				
Proceeds from capital lease	-	-	608,851	608,851
Transfers in	1,308,967	1,308,967	1,309,967	1,000
Transfers out	-	-	(435,244)	(435,244)
Total other financing sources	<u>1,308,967</u>	<u>1,308,967</u>	<u>1,483,574</u>	<u>174,607</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>385,147</u>	<u>385,147</u>
Fund balances, beginning of year	<u>3,423,618</u>	<u>3,423,618</u>	<u>3,423,618</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,423,618</u>	<u>\$ 3,423,618</u>	<u>\$ 3,808,765</u>	<u>\$ 385,147</u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020**

	Water and Wastewater System	Sanitation Services Fund	Stormwater Utility Fund	Nonmajor Enterprise Fund Savannah Bluff Lock and Dam	Total Enterprise Funds
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 5,685,089	\$ 3,471,763	\$ 967,966	\$ 674,992	\$ 10,799,810
Accounts receivable, net of allowances	1,486,723	385,774	-	-	1,872,497
Inventory	216,313	-	-	-	216,313
Restricted cash and cash equivalents	8,274,723	-	-	-	8,274,723
Total current assets	<u>15,662,848</u>	<u>3,857,537</u>	<u>967,966</u>	<u>674,992</u>	<u>21,163,343</u>
NONCURRENT ASSETS					
Service rights, net of accumulated amortization	18,481	-	-	-	18,481
Capital assets:					
Non-depreciable	610,607	91,235	184,976	-	886,818
Depreciable, net of accumulated depreciation	72,063,742	2,264,139	6,095,607	-	80,423,488
Total noncurrent assets	<u>72,692,830</u>	<u>2,355,374</u>	<u>6,280,583</u>	<u>-</u>	<u>81,328,787</u>
Total assets	<u>88,355,678</u>	<u>6,212,911</u>	<u>7,248,549</u>	<u>674,992</u>	<u>102,492,130</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pensions	589,150	494,412	97,154	-	1,180,716
Total deferred outflows of resources	<u>589,150</u>	<u>494,412</u>	<u>97,154</u>	<u>-</u>	<u>1,180,716</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	460,555	120,552	82,681	-	663,788
Accrued liabilities	43,631	38,201	9,183	-	91,015
Customer deposits	591,391	-	-	-	591,391
Accrued vacation	143,297	119,472	31,637	-	294,406
Accrued interest payable	55,965	11,588	1,060	-	68,613
Current portion of revenue bonds payable	1,044,185	-	-	-	1,044,185
Current portion of capital leases payable	173,129	254,658	18,953	-	446,740
Total current liabilities	<u>2,512,153</u>	<u>544,471</u>	<u>143,514</u>	<u>-</u>	<u>3,200,138</u>
NONCURRENT LIABILITIES					
Revenue bonds payable, net of current portion	17,047,646	-	-	-	17,047,646
Capital leases payable, net of current portion	387,056	424,223	29,703	-	840,982
Net pension liability	4,998,851	3,915,560	760,473	-	9,674,884
Unearned revenue	409,187	-	-	-	409,187
Total noncurrent liabilities	<u>22,842,740</u>	<u>4,339,783</u>	<u>790,176</u>	<u>-</u>	<u>27,972,699</u>
Total liabilities	<u>25,354,893</u>	<u>4,884,254</u>	<u>933,690</u>	<u>-</u>	<u>31,172,837</u>
DEFERRED INFLOWS OF RESOURCES					
Pensions	172,323	148,493	34,409	-	355,225
Total deferred inflows of resources	<u>172,323</u>	<u>148,493</u>	<u>34,409</u>	<u>-</u>	<u>355,225</u>
NET POSITION					
Net investment in capital assets	54,022,333	1,676,493	6,231,927	-	61,930,753
Restricted for debt service	7,683,332	-	-	-	7,683,332
Restricted for operations	-	-	-	674,992	674,992
Unrestricted	1,711,947	(1,917)	145,677	-	1,855,707
Total net position	<u>\$ 63,417,612</u>	<u>\$ 1,674,576</u>	<u>\$ 6,377,604</u>	<u>\$ 674,992</u>	<u>\$ 72,144,784</u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Water and Wastewater System	Sanitation Services Fund	Stormwater Utility Fund	Nonmajor Enterprise Fund Savannah Bluff Lock and Dam	Total Enterprise Funds
OPERATING REVENUES					
Charges for services and fees	\$ 10,666,159	\$ 4,738,091	\$ 821,127	\$ -	\$ 16,225,377
Sale of recyclables	-	124,186	-	-	124,186
Miscellaneous	546,197	77,593	322,126	-	945,916
Total operating revenues	<u>11,212,356</u>	<u>4,939,870</u>	<u>1,143,253</u>	<u>-</u>	<u>17,295,479</u>
OPERATING EXPENSES					
Finance	650,685	-	-	-	650,685
Administration	512,928	-	-	-	512,928
Operations and maintenance	5,743,825	2,521,283	616,578	192,673	9,074,359
Production and treatment	1,546,602	-	-	-	1,546,602
Material recovery facility	-	1,571,528	-	-	1,571,528
Depreciation and amortization	1,643,412	507,210	221,017	-	2,371,639
Total operating expenses	<u>10,097,452</u>	<u>4,600,021</u>	<u>837,595</u>	<u>192,673</u>	<u>15,727,741</u>
Operating income (loss)	<u>1,114,904</u>	<u>339,849</u>	<u>305,658</u>	<u>(192,673)</u>	<u>1,567,738</u>
NONOPERATING REVENUES (EXPENSES)					
Interest income	91,239	21,572	8,130	6,935	127,876
Gain on sale of property	662	55,403	-	-	56,065
Interest expense and fiscal charges	(313,010)	(26,275)	(2,763)	-	(342,048)
Intergovernmental	23,515	-	-	-	23,515
Total nonoperating revenues (expenses), net	<u>(197,594)</u>	<u>50,700</u>	<u>5,367</u>	<u>6,935</u>	<u>(134,592)</u>
Income (loss) before capital contributions	917,310	390,549	311,025	(185,738)	1,433,146
CAPITAL CONTRIBUTIONS	<u>573,009</u>	<u>-</u>	<u>728,864</u>	<u>-</u>	<u>1,301,873</u>
TRANSFERS					
Transfers in	28,884	12,928	2,914	-	44,726
Transfers out	(798,831)	(375,976)	(28,153)	-	(1,202,960)
Total transfers	<u>(769,947)</u>	<u>(363,048)</u>	<u>(25,239)</u>	<u>-</u>	<u>(1,158,234)</u>
Change in net position	720,372	27,501	1,014,650	(185,738)	1,576,785
Total net position, beginning of year	<u>62,697,240</u>	<u>1,647,075</u>	<u>5,362,954</u>	<u>860,730</u>	<u>70,567,999</u>
Total net position, end of year	<u>\$ 63,417,612</u>	<u>\$ 1,674,576</u>	<u>\$ 6,377,604</u>	<u>\$ 674,992</u>	<u>\$ 72,144,784</u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Water and Wastewater System	Sanitation Services Fund	Stormwater Utility Fund	Nonmajor Enterprise Fund Savannah Bluff Lock and Dam	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 11,240,575	\$ 4,747,343	\$ 1,143,253	\$ -	\$ 17,131,171
Payments to suppliers	(5,622,445)	(1,801,538)	(62,270)	(192,673)	(7,678,926)
Payments to employees	(2,605,555)	(2,133,827)	(435,632)	-	(5,175,014)
Net cash provided by (used in) operating activities	<u>3,012,575</u>	<u>811,978</u>	<u>645,351</u>	<u>(192,673)</u>	<u>4,277,231</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	28,884	12,928	2,914	-	44,726
Transfers out	(798,831)	(375,976)	(28,153)	-	(1,202,960)
Net cash used in noncapital financing activities	<u>(769,947)</u>	<u>(363,048)</u>	<u>(25,239)</u>	<u>-</u>	<u>(1,158,234)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(583,326)	(475,883)	(884,916)	-	(1,944,125)
Proceeds from the sale of capital assets	10,937	55,403	2,073	-	68,413
Proceeds from the issuance of capital leases	423,128	475,640	-	-	898,768
Principal paid on revenue bonds	(798,149)	-	-	-	(798,149)
Principal paid on capital leases	(181,505)	(263,494)	(18,472)	-	(463,471)
Capital grants received	23,515	-	-	-	23,515
Interest and agent fees paid	(284,604)	(26,275)	(1,703)	-	(312,582)
Net cash used in capital and related financing activities	<u>(1,390,004)</u>	<u>(234,609)</u>	<u>(903,018)</u>	<u>-</u>	<u>(2,527,631)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	91,239	21,572	8,130	6,935	127,876
Net cash provided by investing activities	<u>91,239</u>	<u>21,572</u>	<u>8,130</u>	<u>6,935</u>	<u>127,876</u>
Net change in cash	943,863	235,893	(274,776)	(185,738)	719,242
Cash and cash equivalents, beginning of year	13,015,949	3,235,870	1,242,742	860,730	18,355,291
Cash and cash equivalents, end of year	<u>\$ 13,959,812</u>	<u>\$ 3,471,763</u>	<u>\$ 967,966</u>	<u>\$ 674,992</u>	<u>\$ 19,074,533</u>
Classified as:					
Cash and cash equivalents	\$ 5,685,089	\$ 3,471,763	967,966	\$ 674,992	\$ 10,799,810
Restricted assets, cash	8,274,723	-	-	-	8,274,723
	<u>\$ 13,959,812</u>	<u>\$ 3,471,763</u>	<u>\$ 967,966</u>	<u>\$ 674,992</u>	<u>\$ 19,074,533</u>

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Water and Wastewater System</u>	<u>Sanitation Services Fund</u>	<u>Stormwater Utility Fund</u>	<u>Nonmajor Enterprise Fund Savannah Bluff Lock and Dam</u>	<u>Total Enterprise Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating income (loss)	\$ 1,114,904	\$ 339,849	\$ 305,658	\$ (192,673)	\$ 1,567,738
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	1,643,412	507,210	221,017	-	2,371,639
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	51,734	(192,527)	-	-	(140,793)
Decrease in inventory	49,529	-	-	-	49,529
Increase in deferred outflow of resources	(131,623)	(129,102)	(29,640)	-	(290,365)
Increase (decrease) in accounts payable	(22,243)	(4,838)	78,138	-	51,057
Increase in accrued liabilities	17,606	25,505	8,036	-	51,147
Increase in customer deposits	28,119	-	-	-	28,119
Decrease in unearned revenue	(23,515)	-	-	-	(23,515)
Increase in net pension liability	244,891	218,885	52,012	-	515,788
Increase in deferred inflows or resources	39,761	46,996	10,130	-	96,887
Net cash provided by (used in) operating activities	<u>\$ 3,012,575</u>	<u>\$ 811,978</u>	<u>\$ 645,351</u>	<u>\$ (192,673)</u>	<u>\$ 4,277,231</u>
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Contributions of capital assets	\$ 573,009	\$ -	\$ 728,864	\$ -	\$ 1,301,873
	<u>\$ 573,009</u>	<u>\$ -</u>	<u>\$ 728,864</u>	<u>\$ -</u>	<u>\$ 1,301,873</u>

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

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent, on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Financial Reporting Entity

The City of North Augusta, South Carolina (the "City") (the primary government) was officially incorporated on April 11, 1906. The City has a Mayor-Council form of government. City Council is composed of seven members elected at large on a partisan basis. City Council is the legally constituted law-making and policy-making body for the City.

The reporting entity of the City, for financial purposes, includes all the funds relevant to the operations of the City of North Augusta, South Carolina. The City is also required to include in its financial statements those separately-administered organizations (component units) with which the City has significant operation or financial relationships. The criteria for including organizations as component units within the City's reporting entity include whether the organization is legally separate and whether the City holds the corporate powers, whether the City appoints a majority of the organization's board and is able to impose its will, and the ability of the organization to impose a financial benefit or burden on the City ("financial accountability").

Blended Component Unit – The North Augusta Public Facilities Corporation (the "Corporation") was established by the City on December 2, 2014, primarily to issue debt related to construction and maintenance of buildings that are to be leased by the City. The Corporation is a legally separate nonprofit organization. The Corporation is governed by a five member board of directors comprised of the City's Mayor and four City citizens. The City's Clerk and Finance Director serve as the respective Secretary and Treasurer of the Corporation. The City has determined it is financially accountable for the Corporation, and the Corporation's outstanding debt is expected to be repaid entirely with resources of the City. Based on these factors, management has determined the Corporation is appropriately presented as a blended component unit in the City's financial statements. The Corporation is reported as a debt service fund and does not issue separate financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-wide and Fund Financial Statements – The City government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Governmental activities, which normally are 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 and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund – This is the City’s general operating fund. It accounts for all financial resources, except those required to be accounted for in another fund.

Capital Projects Sales Tax IV Fund – This fund is used to account for the receipt and disbursement of money from the county-wide capital project sales tax.

Capital Projects Fund – This fund is used to account for the acquisition and construction of major capital items other than those financed by proprietary funds and trust funds.

North Augusta Public Facilities Fund – This fund represents the activities of the North Augusta Public Facilities Corporation, a blended component unit, as previously discussed at the beginning of Note 1.

TIF Fund – This fund is used to account for the receipt of property taxes assessed and levied in the tax increment financing district.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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 a proprietary fund’s principal ongoing operations. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

For the City's proprietary funds, the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City reports the following major proprietary funds:

Water and Wastewater Fund – This fund is used to account for waterworks and wastewater system operations that are financed and operated in a manner similar to private business enterprises.

Sanitation Services Fund – This fund is used to account for sanitation and recycling operations that are financed and operated in a manner similar to private business enterprises.

Stormwater Utility Fund – This fund is used to account for improvements to stormwater runoff infrastructure that are financed and operated in a manner similar to private business enterprises.

Interfund Transactions – Interfund transactions consisting of identified services performed for other funds or costs billed to other funds are treated as expenditures in the fund receiving the services and as a reimbursement reducing expenditures in the fund performing the service. Outstanding balances resulting from transactions between funds are reported as “due to/due from other funds.” Any residual balances between the governmental and the business-type activities are reported on the government-wide financial statements as “internal balances.”

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures.

D. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

- Prior to October 1, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and expenses and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to January 1, the budget is legally enacted through passage of an ordinance.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

- Transfer of budgeted amounts between functional areas must be approved by the City Council. However, the City Administrator can amend the budget at the line item or department level, within a functional area, not to exceed \$5,000. Management can also over-expend appropriations, with the City Administrator's approval, at the line item and department level, as long as the total expenditures or expenses do not exceed appropriations of the functional area.
- Formal budgetary integration is employed as a management control device. A budget is legally adopted annually for the General Fund on a basis consistent with U.S. GAAP.
- Annual budgets are not adopted for the Special Revenue Funds or the Capital Projects Funds. These funds budget on a project or activity basis instead of an annual operating cycle basis. Budgets for the enterprise funds are legally adopted annually on a basis consistent with U.S. GAAP except that depreciation is not a budgeted item.
- Budgeted amounts are as originally adopted or as amended by the City Council or the City Administrator. There were no individual amendments to the original appropriations, which were adopted and consisted of transferring amounts within departmental accounts. No supplemental appropriations were necessary during the year.
- The City employs the use of encumbrance accounting during the year. All encumbrances lapse at the end of the year.
- Unexpended appropriations lapse at the end of the year except that a whole or part of appropriations provided in the budget for capital or betterment outlays of any department or activity remaining unexpended at the close of the fiscal year is held available for the following year.

Excess of Expenditures over Appropriations – For the year ended December 31, 2020, expenditures exceeded budget in the General Fund for the following functions:

Function	Final Budget	Actual	(Over) Under Budget
Current - General Government	\$ 5,365,483	\$ 5,229,528	\$ 135,955
Capital Lease Payments - General Government	90,542	86,133	4,409
Capital Outlay - General Government	101,800	341,987	(240,187)
Total General Government	5,557,825	5,657,648	(99,823)
Current - Public Safety	\$ 8,213,839	\$ 8,007,784	\$ 206,055
Capital Lease Payments - Public Safety	491,372	476,377	14,995
Capital Outlay - Public Safety	11,550	432,524	(420,974)
Total Public Safety	8,716,761	8,916,685	(199,924)

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

The over-expenditures for General Government and Public Safety were due to the purchase of vehicles and equipment with capital lease proceeds.

E. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position and Fund Balance

Cash/Cash Equivalents and Investments – For purposes of the Statement of Cash Flows, the enterprise funds consider all highly-liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents.

Investments are stated at fair value. A detailed description of investments is included in Note 2.

Receivables – Receivables are shown net of allowances for uncollectible amounts. Uncollectible amounts are estimated based upon past collection experience.

Inventory – Inventory in the Water and Wastewater System Fund is valued at cost (first-in, first-out) using the consumption method and consists of supplies used in repairing and maintaining the water and wastewater systems.

Restricted Assets – Certain resources set aside for the City's debt repayment (revenue bonds) are classified as restricted assets on the Statement of Net Position because their use is limited by debt agreements.

Capital Assets – All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received. General infrastructure assets consisting of roadways, storm drainage, sidewalks, etc., constructed, or acquired prior to January 1, 2003, are reported at estimated historical cost using deflated replacement cost. General infrastructure assets constructed or acquired after January 1, 2003, are reported at cost. The City's policy is to capitalize purchases over \$5,000.

The costs of normal maintenance and repairs that do not add to the value of assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position and Fund Balance (Continued)

Land and construction in progress are not depreciated. Depreciable assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	10 - 40 years
Water and wastewater system, structures, and facilities	20 - 75 years
Machinery and equipment	3 - 12 years
Furniture and fixtures	5 - 12 years
Vehicles	5 - 10 years
Other assets	20 years
PSA capital share - Aiken	40 years
Roadways	25 years

Compensated Absences – It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is attributable to past service and the employees will be compensated; therefore the vacation pay is accrued in the government-wide and proprietary fund financial statements. For governmental activities, compensated absences are generally liquidated by the General Fund and are only reported when they are payable to the employee upon resignation or retirement.

Long-term Obligations – In the government-wide and proprietary funds' financial statements, long-term debt, and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Bond issuance costs are expensed as they are incurred.

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 another financing source. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from debt proceeds received, are reported as debt service expenditures.

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* in a prior year and, therefore, includes both long-term debt (such as bonds, notes, and loans) and other long-term liabilities (such as compensated absences, leases payable, and claims and judgements) in their debt disclosures. Refer to Note 7 for disclosures.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position and Fund Balance (Continued)

Deferred Outflows/Inflows of Resources – In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City's deferred outflows consist of pension related items, as further discussed in Note 9.

In addition to liabilities, the Statement of Net Position and the Governmental Funds Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources consist of unavailable revenue and pension related items. The item *Unavailable revenue* is reported under the modified accrual basis of accounting, is reported in the Governmental Funds Balance Sheet as a deferred inflow of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Certain pension related items, as further discussed in Note 9, are also classified as deferred inflows of resources and are reported on the Statement of Net Position.

Fund Balance/Net Position – Fund equity in government-wide and proprietary fund financials is classified as net position. Net position is classified as follows:

Net Investment in Capital Assets – This classification represents capital assets, net of accumulated depreciation, decreased by the remaining balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

Unrestricted – Unrestricted net assets represent net assets that do not meet the definitions of the other classifications.

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be expended because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflow/Inflows of Resources, and Net Position and Fund Balance (Continued)

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

Committed – Fund balances are reported as committed when they can be used only for a specific purpose pursuant to constraints imposed at the highest level of decision-making authority. The City Council is the highest level of decision-making authority. The City Council can establish, modify, or rescind a fund balance commitment through adoption of a resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the City Council's intent to be used for specific purposes but are neither restricted nor committed. The City Administrator, who is appointed by and serves at the pleasure of the City Council, has the authority to assign fund balance amounts and does not require formal action to impose, modify, or remove any fund balance assignment.

Unassigned – Fund balances are reported as unassigned as the remaining amount when the balances do not meet any of the other classifications. The City reports positive fund balance in the general fund only, if applicable. Negative unassigned balances may be reported in all governmental funds.

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

Minimum Fund Balance – City Council has adopted an ordinance under which a minimum unassigned fund balance policy has been established at each fiscal year-end for certain funds, as follows:

General Fund: 15% of the then current general fund budget to the nearest \$25,000.

Stormwater Utility Fund: 20% of the then current stormwater utility fund budget to the nearest \$25,000.

Sanitation Services Fund: 20% of the then current sanitation services fund budget to the nearest \$25,000.

Street Improvements Fund: \$100,000.

Water and Sewer Fund: 20% of the then current water and sewer fund budget to the nearest \$25,000.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS AND DEPOSITS

As of December 31, 2020, the City's cash and cash equivalents consisted of the following:

Statement of Net Position:

Cash	\$	36,374,770
Restricted cash		8,397,714
	\$	<u>44,772,484</u>
Cash deposited with financial institutions	\$	12,192,758
South Carolina Local Governmental Investment Pool		32,579,726
	\$	<u>44,772,484</u>

Credit Risk – The City has an investment policy that all investments made by the City will be selected and properly secured in accordance with State law. Section 6-5-10 of the State of South Carolina Code of Laws authorizes local governments to make the following types of investments:

- Obligations of the United States and agencies thereof;
- General obligations of the state of South Carolina or any of its political units;
- Savings and Loan Associations to the extent that the same are insured by an agency of the federal government;
- Repurchase agreements when collateralized by securities as set forth in this section;
- Certificates of deposit where the certificates are collaterally secured by securities of the type described above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit 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; and,
- No load open-end or closed-end management-type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or City treasurer if the particular portfolio of the investment company or investment trust in which the investment made is (i) limited to obligations described in items 1, 2, and 5 of this subsection, and (ii) has among its objectives the attempt to maintain a constant net asset value of one dollar a share and to that end, value its assets by the amortized cost method.

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS AND DEPOSITS (CONTINUED)

Section 6-6-20 of the State of South Carolina Code of Laws authorizes the State Treasurer's Office to invest and reinvest the monies of the State Treasurer's Investment Pool in the investments identified in Section 6-5-10 shown above and identified in Section 11-9-660 as follows:

- Obligations of the United States, its agencies, and instrumentalities;
- Obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, the African Development Bank, and the Asian Development Bank;
- Obligations of a corporation, state, or political subdivision denominated in United States dollars, if the obligations bear an investment-grade rating of at least two nationally-recognized rating services;
- Certificates of deposit, if the certificates are secured collaterally by securities of the types described in items 1 and 3 of this section and held by a third party as escrow agent or custodian and are of a market value not less than the amount of the certificates of deposit so secured, including interest; except that this collateral is not required to the extent the certificates of deposit are insured by an agency of the federal government;
- Repurchase agreements, if collateralized by securities of the types described in items 1 and 3 of this section and held by a third party as escrow agent or custodian and of a market value not less than the amount of the repurchase agreement so collateralized, including interest; and
- Guaranteed investment contracts issued by a domestic or foreign insurance company or other financial institution, whose long-term unsecured debt rating bears the two highest ratings of at least two nationally-recognized rating services.

The South Carolina Local Government Investment Pool (LGIP) is an external investment pool that is not registered as an investment company with the Securities and Exchange Commission. However, the pool has a policy established to operate the pool consistent with the Securities and Exchange Commission Rule 2a-7 of the Investment Company Act of 1940. The LGIP is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any county treasurer or any governing body of a political subdivision of the State, may be deposited. Funds may be deposited by LGIP participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the LGIP may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, Post Office Box 11778, Columbia, South Carolina 29211- 1950. At December 31, 2020, the underlying security ratings of the City's investment in the Local Government Investment Pool are not separately rated, however, additional information related to these deposits may be obtained from the LGIP's complete financial statements. These financial statements may be obtained by writing to the following address:

Office of the State Treasurer
Local Government Investment Pool
Post Office Box 11778
Columbia, South Carolina 29211

NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND CASH EQUIVALENTS AND DEPOSITS (CONTINUED)

Interest Rate Risk – The City's formal investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City does not consider itself to be at risk due to interest rates as all investments currently mature daily.

Concentration Credit Risk – The City's formal investment policy does not place a limit on the amount the City may invest in any one issuer. The City's investments held in the State Treasurer's Investment Pool comprise 73% of total deposits and investments. The additional concentration is not viewed to be an additional risk by the City as these accounts are fully collateralized.

Custodial Credit Risk – Deposits – Custodial credit risk for deposits 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 deposit policy for custodial credit risk. At December 31, 2020, the carrying amount of the City's deposits was \$12,192,758 and the bank balance was \$12,409,802. The entire bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

NOTE 3. FAIR VALUE MEASUREMENTS

The City follows the Fair Value Measurements topic of GASB, which requires fair value measurement be classified and disclosed in one of the following three Fair Value Hierarchy categories:

Level 1

Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments which would generally be included in Level 1 include listed equity securities, mutual funds, and money market funds.

Level 2

Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1; inputs include comparable market transactions, pricing of similar instruments, values reported by the administrator, and pricing expectations based on internal modeling. Fair value is determined through the use of models or other valuation methodologies. The types of investments which would generally be included in this category include publicly traded securities with restrictions on disposition, corporate obligations, and U.S. Government and Agency Treasury Inflation Indices.

Level 3

Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investments. The types of investments which would generally be included in this category include debt and equity securities issued by private entities and partnerships. The inputs into the determination of fair value require significant judgment or estimation. Inputs include recent transactions, earnings forecasts, market multiples, and future cash flows.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. FAIR VALUE MEASUREMENTS (CONTINUED)

The City's recurring fair value measurements as of December 31, 2020 for its \$32,579,726 investment in the LGIP are valued at the net asset value and is thus not reported in the fair value hierarchy. Fair value of the LGIP's investments is determined on a recurring basis based upon quoted market prices. The fair value of the pool is allocated to its local governments with invested funds on an equal basis for each share owned, which are purchased at a cost of \$1.00.

NOTE 4. RECEIVABLES

Receivables as of December 31, 2020, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Funds				Enterprise Funds	
	General Fund	Tax Increment Fund	North Augusta Public Facilities Corporation	Nonmajor Governmental Funds	Water and Wastewater System	Sanitation Services
Receivables:						
Taxes	\$ 327,474	\$ 880,419	\$ -	\$ -	\$ -	\$ -
Accounts	305,286	-	118,052	-	1,517,723	385,774
Intergovernmental	41,403	-	-	64,059	-	-
			-			
Gross receivables	674,163	880,419	118,052	64,059	1,517,723	385,774
Less allowance for uncollectibles:						
Taxes	(147,127)	-	-	-	-	-
Accounts	-	-	-	-	(31,000)	-
Total allowance	(147,127)	-	-	-	(31,000)	-
Net receivables	<u>\$ 527,036</u>	<u>\$ 880,419</u>	<u>\$ 118,052</u>	<u>\$ 64,059</u>	<u>\$ 1,486,723</u>	<u>\$ 385,774</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity for the governmental activities for the year ended December 31, 2020, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 10,330,391	\$ -	\$ -	\$ -	\$ 10,330,391
Construction in progress	1,219,396	1,984,818	-	(2,485,648)	718,566
Right-of-way	3,490,419	244,102	-	-	3,734,521
Total	<u>15,040,206</u>	<u>2,228,920</u>	<u>-</u>	<u>(2,485,648)</u>	<u>14,783,478</u>
Capital assets, being depreciated:					
Land improvements	19,340,959	545,398	-	2,485,648	22,372,005
Buildings	106,190,234	102,822	-	-	106,293,056
Machinery and equipment	2,761,510	496,125	(22,587)	-	3,235,048
Furniture and fixtures	1,557,645	-	(11,920)	-	1,545,725
Vehicles	8,446,086	482,388	(337,214)	-	8,591,260
Infrastructure	28,123,874	1,679,951	-	-	29,803,825
Total	<u>166,420,308</u>	<u>3,306,684</u>	<u>(371,721)</u>	<u>2,485,648</u>	<u>171,840,919</u>
Less accumulated depreciation for:					
Land improvements	(10,059,685)	(756,128)	-	-	(10,815,813)
Buildings	(14,525,019)	(2,545,146)	-	-	(17,070,165)
Machinery and equipment	(1,827,943)	(198,650)	22,587	-	(2,004,006)
Furniture and fixtures	(1,401,491)	(98,515)	11,920	-	(1,488,086)
Vehicles	(4,822,813)	(714,739)	337,214	-	(5,200,338)
Infrastructure	(14,313,228)	(972,731)	-	-	(15,285,959)
Total	<u>(46,950,179)</u>	<u>(5,285,909)</u>	<u>371,721</u>	<u>-</u>	<u>(51,864,367)</u>
Total capital assets, being depreciated, net	<u>119,470,129</u>	<u>(1,979,225)</u>	<u>-</u>	<u>2,485,648</u>	<u>119,976,552</u>
Governmental activities capital assets, net	<u>\$ 134,510,335</u>	<u>\$ 249,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,760,030</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

Capital asset activity for the business-type activities for the year ended December 31, 2020, is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 824,058	\$ -	\$ -	\$ -	\$ 824,058
Construction in progress	2,075	-	(2,075)	-	-
Easements	62,760	-	-	-	62,760
Total	<u>888,893</u>	<u>-</u>	<u>(2,075)</u>	<u>-</u>	<u>886,818</u>
Capital assets, being depreciated:					
Land improvements	-	88,650	-	-	88,650
Buildings	24,178,306	-	-	-	24,178,306
Machinery and equipment	3,274,028	370,226	(70,579)	-	3,573,675
Vehicles	4,708,395	525,960	(208,286)	-	5,026,069
System improvements	74,749,417	2,250,889	-	-	77,000,306
PSA Capital	4,667,405	-	-	-	4,667,405
Total	<u>111,577,551</u>	<u>3,235,725</u>	<u>(278,865)</u>	<u>-</u>	<u>114,534,411</u>
Less accumulated depreciation for:					
Land improvements	-	(19)	-	-	(19)
Buildings	(4,002,555)	(687,119)	-	-	(4,689,674)
Machinery and equipment	(2,325,617)	(187,767)	70,579	-	(2,442,805)
Vehicles	(3,894,467)	(294,253)	208,286	-	(3,980,434)
System improvements	(18,863,483)	(1,137,823)	-	-	(20,001,306)
PSA Capital	(2,934,534)	(62,151)	-	-	(2,996,685)
Total	<u>(32,020,656)</u>	<u>(2,369,132)</u>	<u>278,865</u>	<u>-</u>	<u>(34,110,923)</u>
Total capital assets, being depreciated, net	<u>79,556,895</u>	<u>866,593</u>	<u>-</u>	<u>-</u>	<u>80,423,488</u>
Business-type activities capital assets, net	<u>\$ 80,445,788</u>	<u>\$ 866,593</u>	<u>\$ (2,075)</u>	<u>\$ -</u>	<u>\$ 81,310,306</u>

Included in current year additions are contributed systems in the amount of \$573,009 for the water and wastewater system and \$728,864 for the stormwater utility.

NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (CONTINUED)

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

Governmental activities	
General government	\$ 2,216,227
Public safety	865,327
Public works	1,374,631
Parks, recreation and tourism	829,724
Total depreciation expense - governmental activities	\$ 5,285,909
Business-type activities	
Water and Wastewater System	\$ 1,640,905
Sanitation Services	507,210
Stormwater Utility	221,017
Total depreciation expense - business-type activities	\$ 2,369,132

NOTE 6. CAPITAL LEASE OBLIGATIONS

The City has entered into several long-term lease agreements for machinery and equipment, furniture and fixtures, and vehicles. Although the leases contain clauses which provide that the leases are cancelable if funds are not appropriated for the periodic payments for any future fiscal periods, the leases meet the criteria of a capital lease as defined by the National Council on GASB Statement No. 5, *Accounting and Financial Reporting Principles for Lease Agreements of State and Local Governments*. The following is an analysis of the capital assets leased under capital leases as of December 31, 2020:

	Governmental Activities	Water and Wastewater	Sanitation Services	Stormwater Utility	Total
Machinery and equipment	\$ 704,954	\$ 768,758	\$ 93,172	\$ 45,412	\$ 1,612,296
Vehicles	1,812,395	94,988	1,179,212	49,932	3,136,527
	2,517,349	863,746	1,272,384	95,344	4,748,823
Accumulated depreciation	(608,388)	(102,987)	(395,119)	(17,867)	(1,124,361)
Net book value	\$ 1,908,961	\$ 760,759	\$ 877,265	\$ 77,477	\$ 3,624,462

NOTES TO FINANCIAL STATEMENTS

NOTE 6. CAPITAL LEASE OBLIGATIONS (CONTINUED)

The following is a schedule of the future minimum lease payments under capital leases and the present value of the net minimum lease payments as of December 31, 2020:

Year ending December 31,	Governmental Activities	Business-type Activities			Total
		Water and Wastewater	Sanitation Services	Stormwater Utility	
2021	\$ 530,018	\$ 210,321	\$ 254,094	\$ 18,320	\$ 1,012,753
2022	437,693	173,684	209,833	15,129	836,339
2023	324,403	128,729	155,521	11,213	619,866
2024	182,769	72,525	87,621	6,317	349,232
Total minimum lease payments	1,474,883	585,259	707,069	50,979	2,818,190
Amount representing interest	(62,801)	(25,074)	(28,188)	(2,323)	(118,386)
Present value of minimum lease future payments	\$ 1,412,082	\$ 560,185	\$ 678,881	\$ 48,656	\$ 2,699,804

NOTE 7. LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES

Changes in Long-term Debt and Other Long-term Liabilities

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Revenue bonds:					
North Augusta Public					
Facility Corporation bonds	\$ 69,450,000	\$ -	\$ (650,000)	\$ 68,800,000	\$ 715,000
Direct placement -					
Tax increment bonds	25,000	-	-	25,000	25,000
Total revenue bonds	69,475,000	-	(650,000)	68,825,000	740,000
General obligation bonds	-	10,250,000	-	10,250,000	-
Capital leases payable	1,304,026	789,694	(681,638)	1,412,082	508,623
Compensated absences	668,643	476,761	(428,489)	716,915	532,913
Net pension liability	16,224,083	1,407,278	-	17,631,361	-
Total long-term liabilities	\$ 87,671,752	\$ 12,923,733	\$ (1,760,127)	\$ 98,835,358	\$ 1,781,536

For governmental activities, compensated absences and the net pension liability are generally liquidated by the General Fund and special revenue funds, while capital leases are liquidated by the General Fund and the Capital Projects Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds Payable – Revenue bonds payable (recorded as a liability for governmental activities) at December 31, 2020 is comprised of the following:

In January 2015, the North Augusta Public Facilities Corporation (the Corporation) entered into an installment purchase transaction in the principal amount of not exceeding ten million dollars to construct and equip a parking garage. In January of 2016, this agreement was amended and restated as an installment purchase transaction in the principal amount, not exceeding thirteen million dollars, to refinance the costs relating to the construction and equipping of a parking garage and finance the costs relating to the construction and equipping of certain roads, water, sewer, and related infrastructure. In January 2017, this agreement was amended and restated again in the principal amount not exceeding sixteen million dollars (“Series 2017A”). In January 2017, the City also entered into an amended and restated agreement to lease the parking deck from the Corporation. In May 2017, the Corporation entered into an installment purchase transaction in the principal amount of not exceeding \$69,450,000 to construct and equip two parking decks, a stadium, conference facilities, a riverfront park, and certain roads, water, sewer and related infrastructure (“Series 2017B”). Proceeds from this transaction were also used to refinance the municipal center capital lease and the Series 2017A revenue bond discussed above during 2017.

The 2017B bonds mature in November 2048. Principal payments are due annually in November beginning in 2020. Interest payments are made bi-annually based on the all-in true interest cost of the revenue bond transaction. The bond is collateralized by the constructed assets described above.

<u>Year ending December 31,</u>	<u>2017B Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 715,000	\$ 3,202,506	\$ 3,917,506
2022	710,000	3,182,407	3,892,407
2023	780,000	3,161,029	3,941,029
2024	855,000	3,136,077	3,991,077
2025	980,000	3,107,443	4,087,443
2026 - 2030	7,335,000	14,878,530	22,213,530
2031 - 2035	10,800,000	13,026,327	23,826,327
2036 - 2040	12,315,000	10,455,563	22,770,563
2041 - 2045	18,865,000	6,825,458	25,690,458
2046 - 2048	15,445,000	1,585,367	17,030,367
Total	<u>\$ 68,800,000</u>	<u>\$ 62,560,707</u>	<u>\$ 131,360,707</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds Payable (Continued)

In December 2016, the City issued a Tax Increment Revenue Bond, Series 2016A, in the amount of \$25,000. The bond is secured by the special tax allocation created by the Amended Redevelopment Plan Ordinance adopted by City Council. The proceeds were used to defray a portion of the costs incurred by the City in carrying out the projects described in the Amended Redevelopment Plan Ordinance. The bond bears interest at 3.5%. Interest is payable in annual installments on December 2 through maturity and principal is payable in one installment at maturity on December 2, 2021.

General Obligation Bonds – General Obligation bonds payable (recorded as a liability for governmental activities) at December 31, 2020 is comprised of the following:

In March 2020, the City issued General Obligation Bonds, Series 2020, in the amount of \$10,250,000. The bonds were issued pursuant to an ordinance adopted by City Council subject to an affirmative voter referendum for the purposes of (1) defraying the costs incurred in connection with all or a portion of the designing, developing, and construction of a new Department of Public Safety headquarters and related fire apparatus; and (2) issuance costs thereof. Section 14 of Article X of the Constitution of the State of South Carolina provides that municipalities of the State may issue bonded indebtedness in an amount not exceeding 8% of the assessed value of all taxable property therein, unless approved at referendum. Bonded indebtedness approved at referendum may be incurred without regard to the City's Debt Limit and as a result of the aforementioned affirmative referendum, the principal amount of the bonds do not count against the debt limit. The full faith, credit, and taxing power of the City are irrevocably pledged as security for the bonds. The bonds are payable in semiannual installments beginning on September 1, 2020 through March 1, 2027. Interest is payable on March 1 and September 1 each year through maturity. Principal is on March 1 annually through maturity. The bonds bear interest at 1.19%.

<u>Year ending December 31,</u>	<u>2020 General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 121,975	\$ 121,975
2022	1,658,000	112,110	1,770,110
2023	1,678,000	92,261	1,770,261
2024	1,698,000	72,174	1,770,174
2025	1,718,000	51,848	1,769,848
2026 - 2027	3,498,000	41,745	3,539,745
Total	<u>\$ 10,250,000</u>	<u>\$ 492,113</u>	<u>\$ 10,742,113</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES (CONTINUED)

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Revenue bonds payable	\$ 18,889,980	\$ -	\$ (798,149)	\$ 18,091,831	\$ 1,044,185
Capital leases payable	852,425	898,768	(463,471)	1,287,722	446,740
Compensated absences	271,051	227,008	(203,653)	294,406	294,406
Net pension liability	9,159,096	515,788	-	9,674,884	-
Total long-term liabilities	<u>\$ 29,172,552</u>	<u>\$ 1,641,564</u>	<u>\$ (1,465,273)</u>	<u>\$ 29,348,843</u>	<u>\$ 1,785,331</u>

For business-type activities, compensated absences, capital leases, and the net pension liability are liquidated by the related Proprietary Fund.

Revenue Bonds Payable – Revenue bonds payable (recorded as a liability in the Water and Wastewater System Fund) at December 31, 2020, are comprised of the following individual issues:

\$13,000,000 Water and Wastewater (Series 2014A) serial bonds, originally dated March 20, 2014, (SC Drinking Water Revolving Loan Number 03-060-14-0210003-01) due in 80 quarterly installments of \$196,146 beginning May 1, 2015 through February 1, 2035; interest at 2.0%. Total draws as of December 31, 2020 are \$12,906,882. There are no remaining draws. The project budget was amended on April 6, 2017 to \$12,906,882. \$ 9,707,341

\$13,000,000 Water and Wastewater (Series 2015A) serial bonds, originally dated February 17, 2015 (SC Drinking Water Revolving Loan Number X3-065-14-0210003-02) due in 80 quarterly installments of \$197,561 to \$127,964 beginning March 1, 2017 through December 1, 2036; interest at 2.0%. Total draws as of December 31, 2020 are \$10,094,688. The City did not fully draw the entire loan amount as originally projected for the project. The project budget was amended on September 27, 2019 to \$10,094,688. 8,384,490

Total outstanding \$ 18,091,831

Year ending December 31,	2014A Revenue Bonds		
	Principal	Interest	Total
2021	\$ 594,881	\$ 189,704	\$ 784,585
2022	606,868	177,717	784,585
2023	619,097	165,488	784,585
2024	631,573	153,012	784,585
2025	644,299	140,286	784,585
2026 - 2030	3,421,552	501,375	3,922,927
2031 - 2035	3,189,071	145,417	3,334,488
Total	<u>\$ 9,707,341</u>	<u>\$ 1,472,999</u>	<u>\$ 11,180,340</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds Payable (Continued)

<u>Year ending December 31,</u>	<u>2015A Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 449,304	\$ 164,333	\$ 613,637
2022	458,357	155,280	613,637
2023	467,593	146,044	613,637
2024	477,015	136,622	613,637
2025	486,628	127,009	613,637
2026 - 2030	2,584,237	483,951	3,068,188
2031 - 2035	2,855,313	212,875	3,068,188
2036	606,043	7,594	613,637
Total	<u>\$ 8,384,490</u>	<u>\$ 1,433,708</u>	<u>\$ 9,818,198</u>

The revenue bond ordinances require, among other things, that certain funds be maintained as follows:

Gross Revenue Fund - To receive all receipts, income, and revenues that the City shall derive directly or indirectly from the operation of the system and to disburse them to the following funds.

Operation and Maintenance Fund - To provide for the payment of all fund expenses incurred in connection with the administration and operation of the system.

Bond and Interest Redemption Fund - To provide for the payment of the principal and interest on the bonds.

Debt Service Reserve Fund - To insure the timely payment of the principal and interest on the bonds, and to provide for the redemption of bonds prior to their stated maturity.

Depreciation or Replacement Fund - Intended to build up a reasonable reserve for depreciation of the system for the purpose of restoring depreciated or obsolete items of the system.

Contingent Fund - Intended to build up a reasonable reserve for improvements, betterments and extensions to the system.

Construction Fund - Intended to provide for the payment of temporary loans made in anticipation of the issuance of bonds and the cost of the construction of the improvements.

Monies shall be transferred to all the funds from the Gross Revenue Fund monthly as required to meet the stated purpose of the individual funds. The system is specifically required to deposit one-sixth of the aggregate amount of interest to become due on the next semiannual interest payment date and one-twelfth of the aggregate annual amount of principal to become due in the Bond and Interest Redemption Fund monthly.

NOTES TO FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT AND OTHER LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds Payable (Continued)

The revenue bonds are collateralized by a pledge of revenues derived from the system for so long a time as any sum remains due and payable by way of principal or interest on the bonds. Annual principal and interest payments on the revenue bonds are expected to be less than 25% of annual net system charges for services. Principal and interest paid in 2020 totaled \$1,065,958. Total net charges for services for the year were \$10,666,159.

NOTE 8. PROPERTY TAXES

Taxes on real property and merchants' inventory are levied on January 1 of each year and are based on ownership of such property and inventory as of January 1 of the preceding year. These taxes are billed and payable between January 1 and May 1 of the year in which they are levied. As of May 1, property taxes attach as an enforceable lien on property. The City bills and collects its own real and merchants' ad valorem taxes. Taxes on personal property are levied and billed in the month prior to the renewal of the annual vehicle registration through the State Highway Department and are payable prior to the registration and tag purchase. Ad valorem taxes on personal property (vehicles) are billed and collected by the County Treasurer and remitted to the City on a monthly basis. City property tax revenues are recognized in the year for which taxes have been levied and are collectible either during that year or within 60 days following year-end.

NOTE 9. DEFINED BENEFIT PENSION PLAN

Overview:

The South Carolina Public Employee Benefit Authority (PEBA), created July 1, 2012, is the state agency responsible for the administration and management of the various Retirement Systems and retirement programs of the state of South Carolina, including the State Optional Retirement Program and the S.C. Deferred Compensation Program, as well as the state's employee insurance programs. As such, PEBA is responsible for administering the South Carolina Retirement Systems' five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Overview (Continued):

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems and additions to/deductions from the Systems fiduciary net position have been determined on the accrual basis of accounting as they are reported by the Systems in accordance with generally accepted accounting principles (GAAP). For this purpose, revenues are recognized when earned and expenses are recognized when incurred. Benefit and refund expenses are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

PEBA issues a Comprehensive Annual Financial Report containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The Comprehensive Annual Financial Report is publicly available through 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 City contributes to the South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan that was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, 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.

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

Membership:

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

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Membership (Continued):

SCRS - Generally, all employees of covered employers are required to participate in and contribute to the SCRS as a condition of employment. This plan covers general employees, 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.

Benefits

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

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 or retired members of employees who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits (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 1% or \$500 every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions:

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. Legislation in 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. However, the General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. If the scheduled contributions are not sufficient to meet the funding periods set in state statute, the board shall increase the employer contribution rates as necessary to meet the funding periods set for the applicable year. The maximum funding period of SCRS and PORS is scheduled to be reduced over a ten-year schedule from 30 years beginning fiscal year 2018 to 20 years by fiscal year 2028.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions (Continued):

Additionally, the Board is prohibited from decreasing the SCRS and PORS contribution rates until the funded ratio is at least 85 percent. 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 85 percent, then the board, effective on the following July 1, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 85 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 85 percent, then effective on the following July 1, 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 85 percent. For the year ended December 31, 2020, the City contributed \$1,292,391 and \$694,889, to the SCRS and PORS plans, respectively.

Required employee contribution rates for the year ended December 31, 2020, are as follows:

South Carolina Retirement System

9.00% of earnable compensation from January 1st through June 30th
9.00% of earnable compensation from July 1st through December 31st

South Carolina Police Officers Retirement System

9.75% of earnable compensation from January 1st through June 30th
9.75% of earnable compensation from July 1st through December 31st

Required employer contribution rates for the year ended December 31, 2020, are as follows:

South Carolina Retirement System

15.41% of earnable compensation from January 1st through June 30th
15.41% of earnable compensation from July 1st through December 31st
Employer incidental death benefit: 0.15% of earnable compensation

South Carolina Police Officers Retirement System

17.84% of earnable compensation from January 1st through June 30th
17.84% of earnable compensation from July 1st through December 31st
Employer incidental death benefit: 0.20% of earnable compensation

Net Pension Liability:

The June 30, 2020, (the measurement date) total pension liability, net pension liability, and sensitivity information were determined by the consulting actuary, Gabriel, Roeder, Smith and Company (GRS), and are based on the July 1, 2019 actuarial valuation. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ended June 30, 2020, using generally accepted actuarial principles. Information included in the following schedules is based on the certification provided by GRS.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability: (Continued)

The net pension liability is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB No. 67, less that system's fiduciary net position. As of December 31, 2020, (measurement date of June 30, 2020), the net pension liability amounts for the City's proportionate share of the collective net pension liabilities associated with the SCRS and PORS plans are as follows:

<u>System</u>	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Employer's Net Pension Liability</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>	<u>City's Proportionate Share of the Collective Net Pension Liability</u>
SCRS	\$ 37,986,236	\$ 19,264,364	\$ 18,721,872	50.7%	0.073270%
PORS	\$ 20,828,957	\$ 12,244,584	\$ 8,584,373	58.8%	0.258861%

Actuarial Assumptions and Methods:

Actuarial valuations of the plan involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. An experience report on the Systems was most recently issued for the period ending June 30, 2019, for first use in the July 1, 2021 actuarial valuation.

The following table provides a summary of the actuarial assumptions and methods used in the July 1, 2019, valuations for SCRS and PORS.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry Age Normal	Entry Age Normal
Actuarial assumptions:		
Investment rate of return	7.25%	7.25%
Projected salary increases	3.0% to 12.5% (varies by service)	3.5% to 9.5% (varies by service)
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or \$500	lesser of 1% or \$500

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued):

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumption, 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 projected from the year 2016.

Former Job Class	Males	Females
General Employees and Members of the General Assembly	2016 PRSC Males multiplied by 100%	2016 PRSC Females multiplied by 111%
Public Safety and Firefighters	2016 PRSC Males multiplied by 125%	2016 PRSC Females multiplied by 111%

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees. The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2020 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table on the following page.

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions and Methods (Continued)

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, which is summarized in the table below.

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long-term Expected Portfolio Real Rate of Return
Global Equity	51.0%		
Global Public Equity	35.0%	7.81%	2.73%
Private Equity	9.0%	8.91%	0.80%
Equity Options Strategies	7.0%	5.09%	0.36%
Real Assets	12.0%		
Real Estate (Private)	8.0%	5.55%	0.44%
Real Estate (REITs)	1.0%	7.78%	0.08%
Infrastructure (Private)	2.0%	4.88%	0.10%
Infrastructure (Public)	1.0%	7.05%	0.07%
Opportunistic	8.0%		
Global Tactical Asset Allocation	7.0%	3.56%	0.25%
Other Opportunistic Strategies	1.0%	4.41%	0.04%
Credit	15.0%		
High Yield Bonds/Bank Loans	4.0%	4.21%	0.17%
Emerging Markets Debt	4.0%	3.44%	0.14%
Private Debt	7.0%	5.79%	0.40%
Rate Sensitive	14.0%		
Core Fixed Income	13.0%	1.60%	0.21%
Cash and Short Duration (Net)	1.0%	0.56%	0.01%
	100%		
		Total expected real return	5.80%
		Inflation for actuarial purposes	2.25%
		Total expected nominal return	8.05%

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate:

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the Systems' 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. The following table presents the sensitivity of the net pension liabilities to changes in the discount rate.

Sensitivity of the Net Position Liability to Changes in the Discount Rate			
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
SCRS	\$ 23,203,464	\$ 18,721,872	\$ 14,979,688
PORS	\$ 11,364,265	\$ 8,584,373	\$ 6,352,299

Pension Expense:

For the year ended December 31, 2020 (measurement period ended June 30, 2020), the City recognized its proportionate share of collective pension expense of \$2,094,787 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of (\$125,200) for a total of \$1,969,587 for the SCRS plan. Additionally, for the year ended December 31, 2020 (measurement period ended June 30, 2020), the City recognized its proportionate share of collective pension expense of \$1,236,554 and recognition of deferred amounts from changes in proportionate share and differences between employer contributions and the proportionate share of total plan employer contributions of (\$107,871) for a total of \$1,128,683 for the PORS plan. Total pension expense for both the SCRS plan and the PORS amounted to \$3,098,270 for the year ended December 31, 2020 (measurement period ended June 30, 2020).

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Deferred Outflows and Inflows of Resources Related to Pensions:

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS pension plans, respectively, from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 216,026	\$ 70,795
Changes of assumptions	22,937	-
Net difference between projected and actual earnings on pension plan investments	1,377,150	-
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	50,469	664,800
Employer contributions subsequent to the measurement date	<u>657,015</u>	<u>-</u>
Total	<u>\$ 2,323,597</u>	<u>\$ 735,595</u>
PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 182,436	\$ 37,786
Changes of assumptions	104,758	-
Net difference between projected and actual earnings on pension plan investments	879,020	-
Changes in proportionate share and differences between employer contributions and proportionate share of total plan employer contributions	13,267	380,851
Employer contributions subsequent to the measurement date	<u>344,145</u>	<u>-</u>
Total	<u>\$ 1,523,626</u>	<u>\$ 418,637</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

City contributions subsequent to the measurement date of \$657,015 and \$344,145 for the SCRS plan and the PORS plan, respectively, are deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	SCRS	PORS
2021	\$ 96,476	\$ 210,894
2022	222,837	140,162
2023	260,256	195,597
2024	351,418	214,191

Pension Plan Fiduciary Net Position:

Detailed information regarding the fiduciary net position of the plans administered by PEBA is available in the separately issued Comprehensive Annual Financial Report containing financial statements and required supplementary information for SCRS and PORS. The Comprehensive Annual Financial Report 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, P.O. Box 11960, Columbia, SC 29211-1960.

NOTE 10. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following interfund transfers are reflected in the fund financial statements at December 31, 2020:

	Transfers In	Transfers Out
Governmental Funds		
General Fund	\$ 1,309,967	\$ 435,244
Capital Projects Sales Tax IV	2,000	1,000
Capital Projects	446,204	110,658
Tax Increment Financing	-	1,717,091
North Augusta Public Facilities Corporation	2,622,158	-
Nonmajor	-	958,102
Total Governmental Funds	4,380,329	3,222,095
Enterprise Funds		
Water and Wastewater System	28,884	798,831
Sanitation Services	12,928	375,976
Stormwater Utility	2,914	28,153
Total Enterprise Funds	44,726	1,202,960
Total Transfers	\$ 4,425,055	\$ 4,425,055

NOTES TO FINANCIAL STATEMENTS

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

Interfund transfers include transfers of unrestricted revenues collected in certain enterprise funds to finance various programs accounted for in the General Fund, in accordance with budgetary authorizations; and, transfers of revenues from the fund that is required to collect them and the fund that is required or allowed to expend them.

NOTE 11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state to form the South Carolina Municipal Insurance and Risk Financing Fund (SCMIRF), which is a public entity risk pool currently operating as common risk management and insurance programs. The City pays a bi-annual premium to SCMIRF for its general insurance. The SCMIRF is self-sustaining through member premiums and will reinsure through commercial companies.

The City also has joined together with other municipalities in the state to form the South Carolina Municipal Insurance Trust (SCMIT), a public entity risk pool operating as a common risk management and insurance program for worker's compensation. The City pays a quarterly premium to SCMIT. The SCMIT is self-sustaining through member premiums and uses reinsurance agreements to reduce its exposure to large workers' compensation losses.

There were no significant reductions in insurance coverage during the year. Settlements have not exceeded insurance coverage for each of the past three years.

The City pays monthly premiums to the Public Employee Benefit Authority for its health and dental insurance benefits.

NOTE 12. COMMITMENTS

Significant commitments at December 31, 2020, are composed of the following:

	Project Authorization	Expended Through December 31, 2020	Commitment
Public Safety Station I	\$ 3,800,000	\$ 166,409	\$ 3,633,591

NOTES TO FINANCIAL STATEMENTS

NOTE 12. COMMITMENTS (CONTINUED)

The City has entered into an agreement for the future operations and maintenance of the Savannah Bluff Lock and Dam for the purpose of maintaining the Augusta Pool. The agreement is between the City of North Augusta; Aiken County, South Carolina; Augusta, Georgia; and four industrial stakeholders. The agreement is contingent based on future upgrades of the Savannah Bluff Lock and Dam by the Corps of Engineers. The agreement calls for the establishment of an escrow account in the amount of \$1,000,000 to be established over a three-year period and funded by the participating entities. The City established a separate enterprise fund, The Savannah Bluff Lock and Dam Fund. The fund established by the City will receive all revenues associated with the project and all direct costs incurred by the contractor or the local sponsors will be paid by the fund. The escrow account balance of \$1,000,000 was fully funded as of December 31, 2009. The Savannah Bluff Lock and Dam will be operated within the guidelines established by the Corps of Engineers. The City will not be directly involved in the daily operations of the facility.

NOTE 13. CONTINGENCIES

The City is a defendant in various lawsuits. In the opinion of the City's management and the City Attorney, the ultimate effect of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 14. TAX ABATEMENTS

As of December 31, 2020, the City provides tax abatements under an intergovernmental agreement with Aiken County, South Carolina (the "County"). This agreement is a form of a Fee-in-Lieu of Tax Program instigated by the County for the purpose of creating multi-county industrial and business parks, pursuant to which certain economic incentives are available to companies locating, improving, or expanding projects within such parks, through which the economic development of the County and the state will be promoted and trade developed by inducing manufacturing and certain other business enterprises to locate in and remain in the State of South Carolina. The Fee in Lieu of Tax (FILOT) is authorized under South Carolina Code of Laws Title 12, Chapter 44, Title 4, Chapter 29, and/or Title 4, Chapter 12. The FILOT is used to encourage investment and provides a reduction of property tax when a business invests a minimum of \$2,500,000 within a five to six-year investment period (beginning with the date property is initially placed in service). Property subject to a FILOT agreement is exempt from ad valorem property tax and is instead subject to a FILOT equal to the product of the value of the property, an assessment ratio that is generally no lower than 6% (but may be as low as 4% for extraordinary projects that satisfy the statutory definition of an "enhanced investment"), and a millage rate that is either fixed for the life of the agreement or is adjusted every five years based on the trailing five-year average. The reduction in property taxes is accomplished by a reduction of assessed value, reduction in millage rate and elimination of (or reduction in) number of times millage rates are changed. In addition, an agreement may allow the possible use of net present value method over term of FILOT to equalize payments.

NOTES TO FINANCIAL STATEMENTS

NOTE 14. TAX ABATEMENTS (CONTINUED)

Repayment of incentive is required by state law if taxpayer fails to meet statutory minimum investment requirement. Other recapture provisions may be negotiated (such as a pro rata clawback for failure to meet and/or maintain jobs/investment).

During the year ended December 31, 2020, the City's taxes were reduced as a part of the FILOT agreement previously disclosed in the amount of \$7,044.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF NORTH AUGUSTA, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2020

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SOUTH CAROLINA RETIREMENT SYSTEM**

Plan Year Ended June 30	City's proportion of the net pension liability	City's proportionate share of the net pension liability	City's covered payroll	City's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.07%	\$ 18,721,872	\$ 8,173,809	229.0%	50.71%
2019	0.08%	17,638,284	8,150,277	216.4%	54.40%
2018	0.08%	17,272,206	7,983,849	216.3%	54.10%
2017	0.08%	17,231,285	7,723,042	223.1%	53.30%
2016	0.08%	16,062,609	7,282,122	220.6%	52.90%
2015	0.08%	14,301,301	7,070,316	202.3%	57.00%

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
POLICE OFFICERS RETIREMENT SYSTEM**

Plan Year Ended June 30	City's proportion of the net pension liability	City's proportionate share of the net pension liability	City's covered payroll	City's share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.26%	\$ 8,584,373	\$ 3,910,474	219.5%	58.79%
2019	0.27%	7,744,895	3,919,711	197.6%	62.70%
2018	0.28%	7,977,432	3,896,877	204.7%	61.70%
2017	0.28%	7,696,742	3,783,451	203.4%	60.90%
2016	0.28%	7,039,605	3,538,195	199.0%	60.40%
2015	0.27%	5,956,041	3,385,504	175.9%	64.60%

Note: Each year the City will add an additional year of data until a total of ten years is presented.

**CITY OF NORTH AUGUSTA, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2020

**SCHEDULE OF CONTRIBUTIONS
SOUTH CAROLINA RETIREMENT SYSTEM**

Year Ended December 31	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2020	\$ 1,292,391	\$ 1,292,391	\$ -	\$ 8,305,853	15.56%
2019	1,235,059	1,235,059	-	8,201,611	15.06%
2018	1,128,580	1,128,580	-	8,024,995	14.06%
2017	975,309	975,309	-	7,745,243	12.59%
2016	835,163	835,163	-	7,371,464	11.33%
2015	818,535	818,535	-	7,452,451	10.98%
2014	752,690	752,690	-	7,001,673	10.75%
2013	700,473	700,473	-	6,608,240	10.60%
2012	656,333	656,333	-	6,518,085	10.07%
2011	616,283	616,283	-	6,608,240	9.33%

**SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS RETIREMENT SYSTEM**

Year Ended December 31	Statutorily required contribution	Contributions relative to statutorily required contribution	Contribution deficiency (excess)	City's covered payroll	Contributions as a percentage of covered payroll
2020	\$ 694,889	\$ 694,889	\$ -	\$ 3,809,697	18.24%
2019	702,156	702,156	-	3,957,543	17.74%
2018	655,814	655,814	-	3,918,206	16.74%
2017	575,300	575,300	-	3,769,186	15.26%
2016	504,306	504,306	-	3,599,658	14.01%
2015	492,613	492,613	-	3,627,182	13.58%
2014	432,698	432,698	-	3,297,144	13.12%
2013	394,235	394,235	-	3,136,039	12.57%
2012	374,823	374,823	-	3,116,056	12.03%
2011	354,152	354,152	-	3,040,661	11.65%

**CITY OF NORTH AUGUSTA, SOUTH CAROLINA
REQUIRED SUPPLEMENTARY INFORMATION**

FOR THE YEAR ENDED DECEMBER 31, 2020

Note: The actuarial assumptions used to determine the required contributions to the plans as noted on the previous page are as follows:

System	SCRS	PORS
Calculation date	July 1, 2018	July 1, 2018
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	5-year Smoothed	5-year Smoothed
Amortization method	Level % of pay	Level % of pay
Amortization period	29 years maximum, closed period	29 years maximum, closed period
Investment return	7.25%	7.25%
Inflation	2.25%	2.25%
Salary increases	3.00% plus step-rate increases for members with less than 21 years of service	3.50% plus step-rate increases for members with less than 15 years of service
Mortality	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 100% for non-educators and 92% for educators. Female rates multiplied by 111% for non-educators and 98% for educators.	2016 Public Retirees of South Carolina Mortality Tables for Males and Females, both projected at Scale AA from the year 2016. Male rates are multiplied by 125% and females rates are multiplied by 111%.

OTHER SUPPLEMENTARY INFORMATION

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes				
Current	\$ 7,395,967	\$ 7,395,967	\$ 7,656,205	\$ 260,238
Delinquent	10,000	10,000	763	(9,237)
Penalties	55,000	55,000	97,286	42,286
Total taxes	<u>7,460,967</u>	<u>7,460,967</u>	<u>7,754,254</u>	<u>293,287</u>
Licenses and permits				
Business licenses	5,980,000	5,980,000	5,905,981	(74,019)
Building permits	326,000	326,000	433,423	107,423
Electrical permits	18,000	18,000	32,830	14,830
Mechanical permits	16,000	16,000	30,040	14,040
Plumbing permits	11,000	11,000	18,652	7,652
Total licenses and permits	<u>6,351,000</u>	<u>6,351,000</u>	<u>6,420,926</u>	<u>69,926</u>
Intergovernmental				
State of South Carolina:				
State shared revenue	526,107	526,107	525,160	(947)
Accommodations tax	49,500	49,500	26,487	(23,013)
Merchants' inventory tax	54,700	54,700	68,441	13,741
Local option sales tax	20,000	20,000	22,533	2,533
Law enforcement net grant	10,000	10,000	3,375	(6,625)
Department of Justice grant	5,000	5,000	5,676	676
Highway safety grant	85,341	85,341	85,876	535
Aiken County FILOT	38,000	38,000	58,866	20,866
Total intergovernmental	<u>788,648</u>	<u>788,648</u>	<u>796,414</u>	<u>7,766</u>
Charges for services				
Fire protection fees	41,760	41,760	39,124	(2,636)
Customer street light fees	85,808	85,808	85,435	(373)
Municipal Center rentals	83,300	15,000	3,586	(11,414)
Recreation fees:				
Special programs	29,600	26,350	33,970	7,620
Volleyball	5,500	5,500	6,389	889
Soccer	68,650	50,650	41,311	(9,339)
Miscellaneous	150,000	50,000	23,180	(26,820)
Basketball	46,410	32,000	36,459	4,459
Softball	29,920	18,070	16,610	(1,460)
Football	39,770	28,000	27,198	(802)
Baseball	58,940	38,690	50,918	12,228
Concession stand	170,000	75,000	78,702	3,702
Community Center fees	69,770	10,000	8,500	(1,500)
Activities Center fees	164,035	130,000	104,302	(25,698)
Recreation facilities rentals	29,000	18,000	27,758	9,758
Activities Center tournaments	299,500	22,000	9,799	(12,201)
Total charges for services	<u>1,371,963</u>	<u>646,828</u>	<u>593,241</u>	<u>(53,587)</u>
Fines and forfeitures				
Public safety fines	1,100,000	1,100,000	827,938	(272,062)
Drug related fines	15,000	15,000	44,789	29,789
Court costs	5,000	5,000	-	(5,000)
Total fines and forfeitures	<u>1,120,000</u>	<u>1,120,000</u>	<u>872,727</u>	<u>(247,273)</u>
Miscellaneous				
Other	444,323	429,323	506,624	77,301
Communication tower rental	194,000	194,000	236,116	42,116
Interest earnings	75,000	75,000	38,462	(36,538)
Total miscellaneous	<u>713,323</u>	<u>698,323</u>	<u>781,202</u>	<u>82,879</u>
Total revenues	<u>\$ 17,805,901</u>	<u>\$ 17,065,766</u>	<u>\$ 17,218,764</u>	<u>\$ 152,998</u>

(continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures:				
General Government				
City Council:				
Personal services:				
Salaries and wages	\$ 103,790	\$ 103,790	\$ 104,784	\$ (994)
FICA	7,940	7,940	6,956	984
Employee retirement	13,539	13,539	13,134	405
Employee insurance	31,600	31,600	31,581	19
Workers' compensation	3,090	3,090	3,304	(214)
Operating expenditures:				
General supplies/postage	4,200	4,200	2,906	1,294
Dues/training/travel	10,985	10,985	3,611	7,374
Advertising	300	300	1,242	(942)
Professional services	50	50	7,400	(7,350)
Special department supplies	2,850	2,850	3,467	(617)
Insurance	1,334	1,334	1,353	(19)
Contingencies	2,000	2,000	1,000	1,000
Total city council	181,678	181,678	180,738	940
City Administration				
Personal services:				
Salaries and wages	310,311	198,000	203,079	(5,079)
FICA	23,739	15,150	14,687	463
Employee retirement	49,820	30,809	30,552	257
Employee insurance	15,800	10,500	13,129	(2,629)
Workers' compensation	7,357	7,357	7,866	(509)
Operating expenditures:				
Contributions	15,000	15,000	15,000	-
General supplies/postage	1,850	1,850	3,838	(1,988)
Dues/training/travel	15,000	15,000	4,598	10,402
Contracts/repairs	4,800	4,800	3,842	958
Professional services	15,000	15,000	202	14,798
Insurance	9,783	9,783	9,922	(139)
Contingencies	34,900	91,891	27,694	64,197
Total city administration	503,360	415,140	334,409	80,731
Justice and Law				
Personal services:				
Salaries and wages	125,501	125,501	129,977	(4,476)
FICA	9,601	9,601	9,471	130
Employee retirement	17,511	17,511	16,798	713
Employee insurance	7,900	7,900	7,895	5
Workers' compensation	3,510	3,510	3,753	(243)
Operating expenditures:				
General supplies/postage	500	500	-	500
State fees/fines	570,615	570,615	449,234	121,381
Dues/training/travel	5,738	5,738	355	5,383
Contracts/repairs	12,200	12,200	13,043	(843)
Jury services	3,000	3,000	620	2,380
Professional services	23,025	23,025	25,683	(2,658)
Juvenile detention	3,700	3,700	1,500	2,200
Insurance	29,369	29,369	29,785	(416)
Total justice and law	812,170	812,170	688,114	124,056

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
General Government (Continued)				
Community Promotion				
Operating expenditures:				
Contributions	\$ 39,200	\$ 39,200	\$ 39,200	\$ -
Dues/training/travel	5,931	5,931	5,931	-
Professional services	-	-	285	(285)
Special department supplies	17,550	17,550	11,459	6,091
Insurance	3,416	3,416	3,464	(48)
Total community promotion	<u>66,097</u>	<u>66,097</u>	<u>60,339</u>	<u>5,758</u>
Finance				
Personal services:				
Salaries and wages	277,331	277,331	276,203	1,128
FICA	21,216	21,216	20,328	888
Employee retirement	44,475	43,153	42,273	880
Employee insurance	31,600	31,600	31,581	19
Workers' compensation	7,754	7,754	8,290	(536)
Operating expenditures:				
General supplies/postage	10,000	10,000	10,297	(297)
Dues/training/travel	2,225	2,225	1,625	600
Data processing	11,000	11,000	27,056	(16,056)
Contracts/repairs	17,500	17,500	17,776	(276)
Advertising	1,000	1,000	-	1,000
Professional services	24,030	24,030	23,900	130
Insurance	3,108	3,108	8,152	(5,044)
Total finance	<u>451,239</u>	<u>449,917</u>	<u>467,481</u>	<u>(17,564)</u>
City Buildings				
Operating expenditures:				
General supplies/postage	18,000	18,000	22,612	(4,612)
Auto operating	2,800	2,800	1,132	1,668
Utility services	185,163	180,163	310,870	(130,707)
Contracts/repairs	80,000	80,000	92,816	(12,816)
Professional services	6,700	6,700	6,088	612
Insurance	17,390	17,390	17,637	(247)
Total city buildings	<u>310,053</u>	<u>305,053</u>	<u>451,155</u>	<u>(146,102)</u>
Building Standards				
Personal services:				
Salaries and wages	283,925	260,461	250,539	9,922
FICA	21,720	19,925	18,036	1,889
Employee retirement	45,566	40,528	38,367	2,161
Employee insurance	35,550	35,550	35,529	21
Workers' compensation	7,423	7,423	7,936	(513)
Operating expenditures:				
General supplies/postage	3,000	3,000	3,062	(62)
Dues/training/travel	3,925	3,925	2,710	1,215
Auto operating	5,800	5,800	3,622	2,178
Data processing	11,000	11,000	16,732	(5,732)
Contracts/repairs	3,550	3,550	2,996	554
Uniforms/clothing	1,550	1,550	905	645
Special department supplies	2,600	2,600	3,068	(468)
Insurance	3,272	3,272	3,318	(46)
Capital lease payments	13,845	13,845	13,369	476
Total building standards	<u>442,726</u>	<u>412,429</u>	<u>400,189</u>	<u>12,240</u>

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
General Government (Continued)				
Human Resources				
Personal services:				
Salaries and wages	\$ 128,478	\$ 128,478	\$ 129,176	\$ (698)
FICA	9,829	9,829	9,598	231
Employee retirement	20,619	19,991	20,137	(146)
Employee insurance	15,800	15,800	15,791	9
Workers' compensation	3,607	3,607	3,856	(249)
Operating expenditures:				
General supplies/postage	2,200	2,200	3,493	(1,293)
Dues/training/travel	4,000	4,000	3,944	56
Contracts/repairs	650	650	836	(186)
Advertising	9,600	9,600	5,646	3,954
Professional services	37,620	37,620	27,441	10,179
Special department supplies	16,500	16,500	15,650	850
Insurance	5,297	5,297	5,372	(75)
Total human resources	254,200	253,572	240,940	12,632
Planning and Development				
Personal services:				
Salaries and wages	239,557	239,557	236,902	2,655
FICA	18,326	18,326	17,200	1,126
Employee retirement	38,441	37,275	36,001	1,274
Employee insurance	27,650	27,650	27,967	(317)
Workers' compensation	6,786	6,786	7,255	(469)
Operating expenditures:				
General supplies/postage	6,400	5,400	3,128	2,272
Dues/training/travel	9,000	4,000	1,653	2,347
Auto operating	6,102	6,102	625	5,477
Data processing	7,775	7,775	7,812	(37)
Contracts/repairs	4,400	4,400	1,755	2,645
Advertising	2,000	2,000	1,170	830
Professional services	70,000	80,000	78,666	1,334
Special department supplies	10,350	6,350	5,645	705
Insurance	3,690	3,690	3,742	(52)
Capital lease payments	6,818	6,818	7,130	(312)
Capital outlay:				
Vehicles	-	-	23,955	(23,955)
Total planning and development	457,295	456,129	460,606	(4,477)
Property Maintenance				
Personal services:				
Salaries and wages	732,133	732,133	726,775	5,358
Overtime pay	19,054	19,054	17,270	1,784
FICA	57,466	57,466	54,395	3,071
Employee retirement	120,641	116,885	114,214	2,671
Employee insurance	142,200	142,200	142,116	84
Workers' compensation	17,864	17,864	45,353	(27,489)
Operating expenditures:				
General supplies/postage	2,830	2,830	3,404	(574)
Dues/training/travel	3,020	3,020	3,407	(387)
Auto operating	34,496	34,496	30,037	4,459
Utility services	17,060	17,060	16,560	500
Contracts/repairs	36,155	36,155	40,226	(4,071)
Building materials/supplies	1,975	1,975	2,534	(559)
Uniforms/clothing	11,183	11,183	14,054	(2,871)
Professional services	38,822	38,822	50,258	(11,436)
Special department supplies	160,485	160,485	163,433	(2,948)
Insurance	20,010	20,010	21,951	(1,941)
Capital lease payments	42,535	42,535	38,937	3,598
Capital outlay:				
Machines/equipment	-	-	51,812	(51,812)
Total property maintenance	1,457,929	1,454,173	1,536,736	(82,563)

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
General Government (Continued)				
Information Technology				
Personal services:				
Salaries and wages	\$ 254,555	\$ 184,925	\$ 184,922	\$ 3
FICA	19,473	14,147	13,854	293
Employee retirement	43,194	28,774	28,811	(37)
Employee insurance	23,700	23,700	23,686	14
Workers' compensation	7,214	7,214	7,713	(499)
Operating expenditures:				
General supplies/postage	4,900	4,900	3,933	967
Dues/training/travel	3,350	3,350	270	3,080
Auto operating	2,245	2,245	537	1,708
Utility services	96,700	96,700	117,646	(20,946)
Data processing	97,270	97,270	64,320	32,950
Contracts/repairs	142,100	142,100	76,093	66,007
Insurance	16,998	16,998	22,239	(5,241)
Capital lease payments	27,344	27,344	26,697	647
Capital outlay:				
Office machines	36,000	101,800	266,220	(164,420)
Total information technology	775,043	751,467	836,941	(85,474)
Total current general government	5,585,248	5,365,483	5,229,528	135,955
Total capital lease payments general government	90,542	90,542	86,133	4,409
Total capital outlay general government	36,000	101,800	341,987	(240,187)
Total general government	5,711,790	5,557,825	5,657,648	(99,823)
Public Safety				
Personal services:				
Salaries and wages	4,862,298	4,800,000	4,708,983	91,017
Overtime pay	172,686	172,686	143,314	29,372
FICA	385,176	367,200	355,679	11,521
Employee retirement	918,990	872,358	830,642	41,716
Employee insurance	722,850	722,850	722,729	121
Workers' compensation	139,557	139,557	172,392	(32,835)
Operating expenditures:				
General supplies/postage	22,000	22,000	21,854	146
Dues/training/travel	50,000	50,000	42,572	7,428
Auto operating	211,710	211,710	185,529	26,181
Data processing	133,310	133,310	136,711	(3,401)
Contracts/repairs	265,000	265,000	274,419	(9,419)
Uniforms/clothing	121,100	121,100	121,513	(413)
CVA expenditures	36,320	36,320	23,976	12,344
LEN grant	10,000	10,000	3,265	6,735
Community policing	34,400	34,400	1,288	33,112
NAPS drug related	20,000	20,000	44,789	(24,789)
Professional services	59,200	59,200	31,981	27,219
Animal control services	-	-	126	(126)
Special department supplies	100,000	100,000	98,953	1,047
Insurance	76,148	76,148	87,069	(10,921)
Capital lease payments	491,372	491,372	476,377	14,995
Capital outlay:				
Automotive equipment	-	-	432,524	(432,524)
Buildings/fixe equipment	11,550	11,550	-	11,550
Total current public safety	8,340,745	8,213,839	8,007,784	206,055
Total capital lease payments public safety	491,372	491,372	476,377	14,995
Total capital outlay public safety	11,550	11,550	432,524	(420,974)
Total public safety	8,843,667	8,716,761	8,916,685	(199,924)

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
Public Works				
Engineering				
Personal services:				
Salaries and wages	\$ 161,356	\$ 161,356	\$ 157,261	\$ 4,095
FICA	12,344	12,344	11,718	626
Employee retirement	25,890	25,107	24,154	953
Employee insurance	23,700	23,700	23,686	14
Workers' compensation	4,602	4,602	4,920	(318)
Operating expenditures:				
General supplies/postage	500	500	320	180
Dues/training/travel	2,835	2,835	1,856	979
Auto operating	2,215	2,215	1,871	344
Data processing	6,300	6,300	6,411	(111)
Contracts/repairs	2,480	2,480	2,434	46
Uniforms/clothing	1,000	1,000	604	396
Advertising	100	100	-	100
Professional services	1,000	1,000	-	1,000
Special department supplies	1,500	1,500	639	861
Insurance	968	968	982	(14)
Capital lease payments	5,544	5,544	5,252	292
Total engineering	252,334	251,551	242,108	9,443
Street Lighting and Traffic Signals				
Operating expenditures:				
Dues/training/travel	1,350	1,350	340	1,010
Utility services	432,000	432,000	432,272	(272)
Contracts/repairs	3,000	3,000	1,745	1,255
Special department supplies	16,000	16,000	11,958	4,042
Insurance	22,468	22,468	22,787	(319)
Total street lighting and traffic signals	474,818	474,818	469,102	5,716
Streets and Drains				
Personal services:				
Salaries and wages	466,193	466,193	426,176	40,017
Overtime pay	7,650	7,650	3,231	4,419
FICA	36,249	36,249	32,004	4,245
Employee retirement	75,818	73,730	66,000	7,730
Employee insurance	79,000	79,000	78,953	47
Workers' compensation	13,394	13,394	14,310	(916)
Operating expenditures:				
General supplies/postage	800	800	429	371
Dues/training/travel	2,900	2,900	1,928	972
Auto operating	34,560	34,560	29,652	4,908
Contracts/repairs	23,460	23,460	24,554	(1,094)
Building materials/supplies	70,000	70,000	75,748	(5,748)
Uniforms/clothing	6,950	6,950	6,881	69
Professional services	19,270	19,270	18,864	406
Special department supplies	16,500	16,500	17,080	(580)
Insurance	12,189	12,189	12,362	(173)
Capital lease payments	58,004	58,004	55,910	2,094
Total streets and drains	922,937	920,849	864,082	56,767
Total current public works	1,586,541	1,583,670	1,514,130	69,540
Total capital lease payments public works	63,548	63,548	61,162	2,386
Total public works	1,650,089	1,647,218	1,575,292	71,926

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
Parks, Recreation, and Tourism				
Recreation				
Personal services:				
Salaries and wages	\$ 326,971	\$ 326,971	\$ 316,702	\$ 10,269
Overtime pay	6,120	1,120	772	348
FICA	25,481	25,098	23,544	1,554
Employee retirement	53,334	51,051	48,519	2,532
Employee insurance	31,600	31,600	33,581	(1,981)
Workers' compensation	11,395	11,395	12,183	(788)
Operating expenditures:				
General supplies/postage	2,400	1,400	886	514
Dues/training/travel	5,695	4,695	3,728	967
Auto operating	2,470	1,470	896	574
Contracts/repairs	8,100	8,100	4,437	3,663
Uniforms/clothing	900	900	587	313
Advertising	1,300	300	302	(2)
Professional services	134,970	134,970	155,128	(20,158)
Special department supplies	6,000	3,500	9,177	(5,677)
Basketball program	25,500	25,500	17,730	7,770
Softball program	18,400	18,400	18,366	34
Football program	27,000	27,000	16,560	10,440
Baseball program	38,000	38,000	45,663	(7,663)
Soccer program	41,000	41,000	29,915	11,085
Volleyball program	3,700	3,700	2,546	1,154
Concession stand supplies	96,000	91,000	81,411	9,589
Insurance	19,592	19,592	19,870	(278)
Capital lease payments	8,800	8,800	8,402	398
Capital outlay:				
Furniture/fixtures	1,500	1,500	-	1,500
Machines/equipment	14,000	14,000	13,997	3
Total recreation	910,228	891,062	864,902	26,160
Parks				
Personal services:				
Salaries and wages	212,643	212,643	178,032	34,611
Overtime pay	14,280	1,280	1,971	(691)
FICA	17,360	17,360	13,606	3,754
Employee retirement	36,364	33,286	27,591	5,695
Employee insurance	39,500	39,500	39,810	(310)
Workers' compensation	6,290	6,290	7,511	(1,221)
Operating expenditures:				
General supplies/postage	1,500	750	207	543
Dues/training/travel	1,450	650	556	94
Auto operating	10,720	8,220	10,149	(1,929)
Utility services	20,500	20,500	17,265	3,235
Contracts/repairs	32,600	32,600	38,105	(5,505)
Building materials/supplies	13,500	5,500	1,739	3,761
Uniforms/clothing	2,500	1,500	1,325	175
Professional services	6,000	-	-	-
Special department supplies	12,500	7,500	6,517	983
Insurance	5,496	5,496	5,574	(78)
Capital lease payments	12,041	12,041	12,041	-
Capital outlay:				
Park improvements	140,000	125,000	-	125,000
Total parks	585,244	530,116	361,999	168,117

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
Parks, Recreation, and Tourism (Continued)				
Community Center				
Personal services:				
Salaries and wages	\$ 79,503	\$ 79,503	\$ 79,935	\$ (432)
Overtime pay	2,040	-	-	-
FICA	6,238	6,238	6,076	162
Employee retirement	13,080	12,371	12,233	138
Employee insurance	15,800	15,800	15,124	676
Workers' compensation	2,312	2,312	2,472	(160)
Operating expenditures:				
General supplies/postage	2,800	1,400	192	1,208
Auto operating	280	280	54	226
Utility services	15,000	15,000	18,082	(3,082)
Contracts/repairs	16,200	11,200	22,820	(11,620)
Uniforms/clothing	700	-	-	-
Advertising	3,000	-	-	-
Professional services	1,000	-	-	-
Special department supplies	8,500	4,500	3,839	661
Insurance	2,712	2,712	2,750	(38)
Total community center	169,165	151,316	163,577	(12,261)
RVP Activities Center				
Personal services:				
Salaries and wages	355,781	355,781	346,390	9,391
Overtime pay	10,200	1,200	43	1,157
FICA	27,998	27,998	25,252	2,746
Employee retirement	57,765	55,546	52,857	2,689
Employee insurance	55,300	55,300	53,934	1,366
Workers' compensation	10,156	10,156	10,858	(702)
Operating expenditures:				
General supplies/postage	15,500	10,500	13,299	(2,799)
Dues/training/travel	1,400	-	-	-
Auto operating	1,550	550	220	330
Contracts/repairs	73,300	73,300	55,156	18,144
Uniforms/clothing	1,400	500	461	39
Advertising	2,300	1,000	216	784
Tournaments/special events	180,000	10,000	7,239	2,761
Special department supplies	29,500	14,500	8,077	6,423
Insurance	13,354	13,354	13,543	(189)
Capital outlay:				
Furniture/fixtures	1,500	1,000	-	1,000
Total RVP activities center	837,004	630,685	587,545	43,140

(Continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**GENERAL FUND
SCHEDULE OF REVENUES AND EXPENDITURES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Expenditures (Continued):				
Parks, Recreation, and Tourism (Continued)				
Tourism				
Personal services:				
Salaries and wages	\$ 127,627	\$ 105,000	\$ 100,597	\$ 4,403
Overtime pay	5,100	1,100	1,046	54
FICA	10,154	8,117	7,745	372
Employee retirement	21,276	16,509	15,621	888
Employee insurance	23,700	17,700	20,672	(2,972)
Workers' compensation	3,756	3,756	4,016	(260)
Operating expenditures:				
Contributions	12,150	12,150	12,150	-
General supplies/postage	8,000	8,000	8,272	(272)
Auto operating	700	700	277	423
Data processing	1,100	1,100	694	406
Uniforms/clothing	1,000	-	-	-
Professional services	3,500	1,000	898	102
Tourism events/festivals/supplies	155,000	50,000	1,373	48,627
Special department supplies	25,000	15,000	6,428	8,572
Insurance	9,618	9,618	9,754	(136)
Total tourism	<u>407,681</u>	<u>249,750</u>	<u>189,543</u>	<u>60,207</u>
Total current parks, recreation, and tourism	2,731,481	2,290,588	2,133,126	157,462
Total capital lease payments parks, recreation, and tourism	20,841	20,841	20,443	398
Total capital outlay parks, recreation, and tourism	157,000	141,500	13,997	127,503
Total parks, recreation, and tourism	<u>2,909,322</u>	<u>2,452,929</u>	<u>2,167,566</u>	<u>285,363</u>
Total expenditures	<u>\$ 19,114,868</u>	<u>\$ 18,374,733</u>	<u>\$ 18,317,191</u>	<u>\$ 57,542</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

ASSETS	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Cash and cash equivalents	\$ 1,860,053	\$ 5,058,136	\$ 6,918,189
Intergovernmental receivables	64,059	-	64,059
Total assets	\$ 1,924,112	\$ 5,058,136	\$ 6,982,248
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 29,824	\$ 151,087	\$ 180,911
Accrued liabilities	1,135	-	1,135
Total liabilities	30,959	151,087	182,046
 FUND BALANCES			
Restricted:			
Public safety - fire division	110,047	-	110,047
Special projects	1,783,106	-	1,783,106
Capital projects	-	4,328,520	4,328,520
Committed:			
Capital projects	-	572,692	572,692
Assigned:			
Capital projects	-	5,837	5,837
Total fund balances	1,893,153	4,907,049	6,800,202
 Total liabilities, deferred inflows of resources and fund balances	 \$ 1,924,112	 \$ 5,058,136	 \$ 6,982,248

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 173,641	\$ 376,253	\$ 549,894
Local hospitality and accommodations taxes	1,830,571	-	1,830,571
Interest earnings	11,720	47,068	58,788
Miscellaneous	1,982	91,613	93,595
Total revenues	2,017,914	514,934	2,532,848
Expenditures:			
Current:			
Public safety	49,601	-	49,601
Public works	-	6,365	6,365
Parks, recreation & tourism	367,061	-	367,061
Capital outlay	160,601	1,668,656	1,829,257
Total expenditures	577,263	1,675,021	2,252,284
Excess (deficiency) of revenues over (under) expenditures	1,440,651	(1,160,087)	280,564
Other financing uses:			
Transfers out	(958,102)	-	(958,102)
Total other financing uses	(958,102)	-	(958,102)
Net change in fund balances	482,549	(1,160,087)	(677,538)
Fund balances, beginning of year	1,410,604	6,067,136	7,477,740
Fund balances, end of year	\$ 1,893,153	\$ 4,907,049	\$ 6,800,202

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2020**

	Accommodations Tax Fund	Recreation Fund	Fireman's Fund	Riverfront/ Central Core Redevelopment Fund	Total Nonmajor Special Revenue Funds
ASSETS					
Cash and cash equivalents	\$ 230,268	\$ -	\$ 53,801	\$ 1,575,984	\$ 1,860,053
Intergovernmental receivable	-	-	64,059	-	64,059
Total assets	<u>\$ 230,268</u>	<u>\$ -</u>	<u>\$ 117,860</u>	<u>\$ 1,575,984</u>	<u>\$ 1,924,112</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ 7,813	\$ 22,011	\$ 29,824
Accrued liabilities	-	-	-	1,135	1,135
Total liabilities	<u>-</u>	<u>-</u>	<u>7,813</u>	<u>23,146</u>	<u>30,959</u>
FUND BALANCES					
Restricted:					
Public safety - fire division	-	-	110,047	-	110,047
Special projects	230,268	-	-	1,552,838	1,783,106
Total fund balances	<u>230,268</u>	<u>-</u>	<u>110,047</u>	<u>1,552,838</u>	<u>1,893,153</u>
Total Liabilities and fund balances	<u>\$ 230,268</u>	<u>\$ -</u>	<u>\$ 117,860</u>	<u>\$ 1,575,984</u>	<u>\$ 1,924,112</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**COMBINING BALANCE SHEET
NONMAJOR CAPITALPROJECTS FUNDS
DECEMBER 31, 2020**

	<u>Sales Tax Fund</u>	<u>Sales Tax II Fund</u>	<u>Sales Tax III Fund</u>	<u>Street Improvements Fund</u>	<u>Transportation Improvement Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>
ASSETS						
Cash and cash equivalents	\$ 107,912	\$ 568,799	\$ 3,696,774	\$ 588,472	\$ 96,179	\$ 5,058,136
Total assets	<u>\$ 107,912</u>	<u>\$ 568,799</u>	<u>\$ 3,696,774</u>	<u>\$ 588,472</u>	<u>\$ 96,179</u>	<u>\$ 5,058,136</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ 144,965	\$ 6,122	\$ -	\$ 151,087
Total liabilities	<u>-</u>	<u>-</u>	<u>144,965</u>	<u>6,122</u>	<u>-</u>	<u>151,087</u>
FUND BALANCES						
Restricted:						
Capital projects	107,912	568,799	3,551,809	100,000	-	4,328,520
Committed:						
Capital projects	-	-	-	482,350	90,342	572,692
Assigned:						
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,837</u>	<u>5,837</u>
Total fund balances	<u>107,912</u>	<u>568,799</u>	<u>3,551,809</u>	<u>582,350</u>	<u>96,179</u>	<u>4,907,049</u>
Total Liabilities and fund balances	<u>\$ 107,912</u>	<u>\$ 568,799</u>	<u>\$ 3,696,774</u>	<u>\$ 588,472</u>	<u>\$ 96,179</u>	<u>\$ 5,058,136</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Accommodations Tax Fund</u>	<u>Recreation Fund</u>	<u>Fireman's Fund</u>	<u>Riverfront/ Central Core Redevelopment Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues:					
Local hospitality and accommodations taxes	\$ -	\$ -	\$ -	\$ 1,830,571	\$ 1,830,571
Intergovernmental	108,511	-	65,130	-	173,641
Interest earnings	1,607	17	263	9,833	11,720
Miscellaneous	-	576	-	1,406	1,982
Total revenues	<u>110,118</u>	<u>593</u>	<u>65,393</u>	<u>1,841,810</u>	<u>2,017,914</u>
Expenditures:					
Current:					
Public safety	-	-	49,601	-	49,601
Parks, recreation and tourism	16,040	-	-	351,021	367,061
Capital outlay	-	-	43,209	117,392	160,601
Total expenditures	<u>16,040</u>	<u>-</u>	<u>92,810</u>	<u>468,413</u>	<u>577,263</u>
Excess (deficiency) of revenues over (under) expenditures	<u>94,078</u>	<u>593</u>	<u>(27,417)</u>	<u>1,373,397</u>	<u>1,440,651</u>
Other financing uses					
Transfers out	-	(12,960)	-	(945,142)	(958,102)
Total other financing uses	<u>-</u>	<u>(12,960)</u>	<u>-</u>	<u>(945,142)</u>	<u>(958,102)</u>
Net change in fund balances	94,078	(12,367)	(27,417)	428,255	482,549
Fund balances, beginning of year	<u>136,190</u>	<u>12,367</u>	<u>137,464</u>	<u>1,124,583</u>	<u>1,410,604</u>
Fund balances, end of year	<u>\$ 230,268</u>	<u>\$ -</u>	<u>\$ 110,047</u>	<u>\$ 1,552,838</u>	<u>\$ 1,893,153</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Sales Tax Fund</u>	<u>Sales Tax II Fund</u>	<u>Sales Tax III Fund</u>	<u>Street Improvements Fund</u>	<u>Transportation Improvement Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ 376,253	\$ -	\$ 376,253
Interest earnings	905	4,842	37,226	3,117	978	47,068
Miscellaneous	-	-	-	7,841	83,772	91,613
Total revenues	<u>905</u>	<u>4,842</u>	<u>37,226</u>	<u>387,211</u>	<u>84,750</u>	<u>514,934</u>
Expenditures:						
Current:						
Public works	3,712	-	-	2,653	-	6,365
Capital outlay	-	71,369	1,090,181	423,333	83,773	1,668,656
Total expenditures	<u>3,712</u>	<u>71,369</u>	<u>1,090,181</u>	<u>425,986</u>	<u>83,773</u>	<u>1,675,021</u>
Net change in fund balances	(2,807)	(66,527)	(1,052,955)	(38,775)	977	(1,160,087)
Fund balances, beginning of year	<u>110,719</u>	<u>635,326</u>	<u>4,604,764</u>	<u>621,125</u>	<u>95,202</u>	<u>6,067,136</u>
Fund balances, end of year	<u>\$ 107,912</u>	<u>\$ 568,799</u>	<u>\$ 3,551,809</u>	<u>\$ 582,350</u>	<u>\$ 96,179</u>	<u>\$ 4,907,049</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**WATER AND WASTEWATER SYSTEM FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
OPERATING REVENUES			
Water sales	\$ 3,228,356	\$ 3,577,613	\$ 349,257
Sewer sales	6,631,769	6,817,555	185,786
Water tap fees	81,972	89,715	7,743
Sewer tap fees	160,000	167,750	7,750
Fire protection fees	13,544	13,526	(18)
Other	475,658	546,197	70,539
Total operating revenues	<u>10,591,299</u>	<u>11,212,356</u>	<u>621,057</u>
OPERATING EXPENSES			
Utilities finance	600,943	650,685	(49,742)
Utilities administration	542,842	512,928	29,914
Water operations and maintenance	931,971	800,745	131,226
Water production and treatment	1,651,432	1,546,602	104,830
Wastewater operations and maintenance	4,603,801	4,943,080	(339,279)
Depreciation and amortization	-	1,643,412	(1,643,412)
Total operating expenses	<u>8,330,989</u>	<u>10,097,452</u>	<u>(1,766,463)</u>
Operating income	<u>2,260,310</u>	<u>1,114,904</u>	<u>(1,145,406)</u>
NONOPERATING REVENUE (EXPENSE)			
Interest income	20,000	91,239	71,239
Gain on sale of capital assets	-	662	662
Interest expense	-	(313,010)	(313,010)
Intergovernmental	-	23,515	23,515
Total nonoperating revenues (expenses), net	<u>20,000</u>	<u>(197,594)</u>	<u>(217,594)</u>
Income before capital contributions and transfers	<u>2,280,310</u>	<u>917,310</u>	<u>(1,363,000)</u>
CAPITAL CONTRIBUTIONS	<u>-</u>	<u>573,009</u>	<u>573,009</u>
TRANSFERS			
Transfers in	28,884	28,884	-
Transfers out	(2,256,496)	(798,831)	1,457,665
Total transfers	<u>(2,227,612)</u>	<u>(769,947)</u>	<u>1,457,665</u>
Change in net position	52,698	720,372	667,674
Total net position, beginning of year	<u>62,697,240</u>	<u>62,697,240</u>	<u>-</u>
Total net position, end of year	<u>\$ 62,749,938</u>	<u>\$ 63,417,612</u>	<u>\$ 667,674</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**WATER AND WASTEWATER SYSTEM FUND
SCHEDULE OF OPERATING EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
OPERATING EXPENSES			
Utilities Finance			
Personal services:			
Salaries and wages	\$ 218,807	\$ 222,818	\$ (4,011)
FICA	16,739	15,882	857
Employee retirement	35,100	53,507	(18,407)
Employee insurance	39,500	39,477	23
Workers' compensation	5,807	6,208	(401)
Other operating expenses:			
General supplies/postage	91,000	95,821	(4,821)
Dues/training/travel	3,800	2,630	1,170
Data processing	100,000	127,094	(27,094)
Contracts and repairs	26,500	25,373	1,127
Professional services	21,485	17,387	4,098
Special departmental supplies	500	2,631	(2,131)
Insurance	10,705	10,857	(152)
Bad debts	31,000	31,000	-
Total utilities finance	<u>600,943</u>	<u>650,685</u>	<u>(49,742)</u>
Utilities Administration:			
Personal services:			
Salaries and wages	324,350	301,313	23,037
Overtime pay	8,118	5,864	2,254
FICA	25,434	23,187	2,247
Employee retirement	52,881	70,908	(18,027)
Employee insurance	44,438	44,995	(557)
Workers' compensation	9,224	9,862	(638)
Other operating expenses:			
General supplies	4,250	1,808	2,442
Dues/training	3,050	3,609	(559)
Auto operating	9,981	9,405	576
Utility services	11,317	10,339	978
Contracts and repairs	25,562	19,590	5,972
Building materials	725	15	710
Uniforms and clothing	2,925	2,300	625
Professional services	6,101	1,901	4,200
Special departmental supplies	200	90	110
Insurance	2,704	7,742	(5,038)
Lease purchase	11,582	-	11,582
Total utilities administration	<u>542,842</u>	<u>512,928</u>	<u>29,914</u>
Water Operations and Maintenance:			
Personal services:			
Salaries and wages	393,356	343,074	50,282
Overtime pay	14,061	13,123	938
FICA	31,167	25,388	5,779
Employee retirement	64,724	88,834	(24,110)
Employee insurance	71,100	71,058	42
Workers' compensation	11,417	12,676	(1,259)
Other operating expenses:			
Dues/training	2,105	2,222	(117)
Auto operating	27,775	24,971	2,804
Contracts and repairs	19,103	18,793	310
Building materials	10,475	10,249	226
Uniforms and clothing	5,065	5,731	(666)
Special departmental supplies	163,901	169,964	(6,063)
Insurance	10,710	14,662	(3,952)
Lease purchase	36,012	-	36,012
Buildings/fixed equipment	10,000	-	10,000
Water line replacements	52,500	-	52,500
Clay pump station improvements	8,500	-	8,500
Total water operations and maintenance	<u>931,971</u>	<u>800,745</u>	<u>131,226</u>

(continued)

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**WATER AND WASTEWATER SYSTEM FUND
SCHEDULE OF OPERATING EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
OPERATING EXPENSES (Continued)			
Water Production and Treatment:			
Personal services:			
Salaries and wages	\$ 452,637	\$ 455,121	\$ (2,484)
Overtime pay	29,070	29,888	(818)
FICA	36,851	33,237	3,614
Employee retirement	77,250	113,375	(36,125)
Employee insurance	63,200	63,163	37
Workers' compensation	13,739	14,689	(950)
Other operating expenses:			
General supplies	3,875	2,420	1,455
Dues/training/travel	6,050	4,265	1,785
Auto operating	4,970	3,775	1,195
Utility services	378,685	406,285	(27,600)
Contracts and repairs	140,824	132,384	8,440
Building materials	2,775	2,523	252
Uniforms and clothing	3,420	3,497	(77)
Professional services	77,241	75,986	1,255
Special departmental supplies	206,500	159,933	46,567
ACPSA treatment charges	3,500	2,568	932
Insurance	42,885	43,493	(608)
Lease purchase	53,760	-	53,760
Machines/equipment	9,200	-	9,200
Clay pump station improvements	45,000	-	45,000
Total water production and treatment	<u>1,651,432</u>	<u>1,546,602</u>	<u>104,830</u>
Wastewater Operations and Maintenance:			
Personal services:			
Salaries and wages	475,437	442,287	33,150
Overtime pay	16,713	22,324	(5,611)
FICA	37,649	33,704	3,945
Employee retirement	78,879	105,917	(27,038)
Employee insurance	86,900	86,704	196
Workers' compensation	14,092	27,607	(13,515)
Other operating expenses:			
Dues/training/travel	700	695	5
Auto operating	27,454	21,276	6,178
Utility services	64,691	73,035	(8,344)
Contracts and repairs	78,165	83,402	(5,237)
Building materials	13,110	11,011	2,099
Uniforms and clothing	5,525	6,835	(1,310)
Special departmental supplies	62,961	85,541	(22,580)
ACPSA treatment charges	3,523,985	3,924,113	(400,128)
Lease purchase	96,232	-	96,232
Buildings/fixed equipment	8,000	-	8,000
Insurance	13,308	18,629	(5,321)
Total wastewater operations and maintenance	<u>4,603,801</u>	<u>4,943,080</u>	<u>(339,279)</u>
Depreciation and amortization	-	1,643,412	(1,643,412)
Total operating expenses	<u>\$ 8,330,989</u>	<u>\$ 10,097,452</u>	<u>\$ (1,766,463)</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STORMWATER UTILITY FUND
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
OPERATING REVENUES			
Stormwater utility fees	\$ 804,000	\$ 821,127	\$ 17,127
Other	306,711	322,126	15,415
Total operating revenues	<u>1,110,711</u>	<u>1,143,253</u>	<u>32,542</u>
OPERATING EXPENSES			
Stormwater operations	1,091,472	616,578	474,894
Depreciation	-	221,017	(221,017)
Total operating expenses	<u>1,091,472</u>	<u>837,595</u>	<u>253,877</u>
Operating income	<u>19,239</u>	<u>305,658</u>	<u>286,419</u>
NONOPERATING REVENUE (EXPENSES)			
Interest income	6,000	8,130	2,130
Interest expense and fiscal charges	-	(2,763)	(2,763)
Total nonoperating revenues, net	<u>6,000</u>	<u>5,367</u>	<u>(633)</u>
Income before capital contributions and transfers	<u>25,239</u>	<u>311,025</u>	<u>285,786</u>
CAPITAL CONTRIBUTIONS	<u>-</u>	<u>728,864</u>	<u>728,864</u>
TRANSFERS			
Transfers in	2,914	2,914	-
Transfers out	(28,153)	(28,153)	-
Total transfers	<u>(25,239)</u>	<u>(25,239)</u>	<u>-</u>
Change in net position	-	1,014,650	1,014,650
Total net position, beginning of year	<u>5,362,954</u>	<u>5,362,954</u>	<u>-</u>
Total net position, end of year	<u>\$ 5,362,954</u>	<u>\$ 6,377,604</u>	<u>\$ 1,014,650</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**STORMWATER UTILITY FUND
SCHEDULE OF OPERATING EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

OPERATING EXPENSES	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
Personal services:			
Salaries and wages	\$ 376,838	\$ 362,470	\$ 14,368
Overtime pay	1,836	27	1,809
FICA	28,969	26,505	2,464
Employee retirement	60,638	87,168	(26,530)
Employee insurance	47,400	47,705	(305)
Workers' compensation	10,117	26,200	(16,083)
Other operating expenses:			
General supplies	800	635	165
Dues/training	4,400	3,525	875
Auto operating	7,500	4,332	3,168
Data processing	9,800	13,407	(3,607)
Contracts and repairs	7,640	5,371	2,269
Uniforms and clothing	3,150	2,948	202
Advertising	6,800	6,545	255
Professional services	19,980	20,050	(70)
Special departmental supplies	5,900	5,385	515
Insurance	4,245	4,305	(60)
Leases	21,010	-	21,010
Drainage projects	466,449	-	466,449
Machines and equipment	8,000	-	8,000
Total stormwater operations	<u>1,091,472</u>	<u>616,578</u>	<u>474,894</u>
Depreciation	<u>-</u>	<u>221,017</u>	<u>(221,017)</u>
Total operating expenses	<u>\$ 1,091,472</u>	<u>\$ 837,595</u>	<u>\$ 253,877</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**SANITATION SERVICES FUND
SCHEDULE OF OPERATING REVENUES AND EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
OPERATING REVENUES			
Sanitation service fees	\$ 3,443,256	\$ 3,494,792	\$ 51,536
Recycling fees	1,015,040	1,243,299	228,259
Sale of recyclables	108,717	124,186	15,469
Other	<u>47,478</u>	<u>77,593</u>	<u>30,115</u>
Total operating revenues	<u>4,614,491</u>	<u>4,939,870</u>	<u>325,379</u>
OPERATING EXPENSES			
Sanitation operations	2,656,791	2,521,283	135,508
Material recovery facility	1,441,009	1,571,528	(130,519)
Depreciation	<u>171,643</u>	<u>507,210</u>	<u>(335,567)</u>
Total operating expenses	<u>4,269,443</u>	<u>4,600,021</u>	<u>(330,578)</u>
Operating income	<u>345,048</u>	<u>339,849</u>	<u>(5,199)</u>
NONOPERATING REVENUE (EXPENSES)			
Interest income	18,000	21,572	3,572
Gain on sale of property	-	55,403	55,403
Interest expense	<u>-</u>	<u>(26,275)</u>	<u>(26,275)</u>
Total nonoperating revenues, net	<u>18,000</u>	<u>50,700</u>	<u>32,700</u>
Loss before transfers	<u>363,048</u>	<u>390,549</u>	<u>27,501</u>
TRANSFERS			
Transfers in	12,928	12,928	-
Transfers out	<u>(375,976)</u>	<u>(375,976)</u>	<u>-</u>
Total transfers	<u>(363,048)</u>	<u>(363,048)</u>	<u>-</u>
Change in net position	-	27,501	27,501
Total net position, beginning of year, as restated	<u>1,647,075</u>	<u>1,647,075</u>	<u>-</u>
Total net position, end of year	<u>\$ 1,647,075</u>	<u>\$ 1,674,576</u>	<u>\$ 27,501</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

**SANITATION SERVICES FUND
SCHEDULE OF OPERATING EXPENSES
BUDGET AND ACTUAL - GAAP BASIS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance With Budget</u>
OPERATING EXPENSES			
Sanitation Operations			
Personal services:			
Salaries and wages	\$ 1,158,296	\$ 1,085,834	\$ 72,462
Overtime pay	15,154	15,693	(539)
FICA	89,769	80,068	9,701
Employee retirement	187,918	265,622	(77,704)
Employee insurance	209,350	209,742	(392)
Workers' compensation	31,904	34,109	(2,205)
Other operating expenses:			
General supplies	2,440	941	1,499
Dues/training	1,400	-	1,400
Auto operating	325,950	366,658	(40,708)
Utility services	23,312	30,886	(7,574)
Data processing	14,000	20,815	(6,815)
Contracts and repairs	15,215	15,784	(569)
Uniforms and clothing	11,387	10,477	910
Professional services	9,062	85,149	(76,087)
Special departmental supplies	258,695	254,800	3,895
Insurance	42,827	44,705	(1,878)
Leases	260,112	-	260,112
Total sanitation operations	<u>2,656,791</u>	<u>2,521,283</u>	<u>135,508</u>
Material Recovery Facility			
Personal services:			
Salaries and wages	381,901	385,885	(3,984)
Overtime pay	13,173	11,913	1,260
FICA	30,223	29,086	1,137
Employee retirement	63,926	98,692	(34,766)
Employee insurance	67,150	67,110	40
Workers' compensation	11,377	12,357	(980)
Other operating expenses:			
General supplies	700	239	461
Dues/training	755	-	755
Auto operating	86,532	107,815	(21,283)
Utility services	14,690	18,136	(3,446)
Contracts and repairs	156,420	160,297	(3,877)
Building material	900	643	257
Recycling expenses	500	500	-
Uniforms and clothing	4,812	7,373	(2,561)
Professional services	119,450	118,860	590
Special departmental supplies	414,889	500,908	(86,019)
Insurance	46,404	51,714	(5,310)
Leases	27,207	-	27,207
Total material recovery facility	<u>1,441,009</u>	<u>1,571,528</u>	<u>(130,519)</u>
Depreciation	<u>171,643</u>	<u>507,210</u>	<u>(335,567)</u>
Total operating expenses	<u>\$ 4,269,443</u>	<u>\$ 4,600,021</u>	<u>\$ (330,578)</u>

CITY OF NORTH AUGUSTA, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended December 31, 2020

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	<u>General Sessions</u>	<u>Magistrate Court</u>	<u>Municipal Court</u>	<u>Total</u>
Court Fines and Assessments:				
Court fines and assessments collected	N/A	N/A	\$ 826,502	\$ 826,502
Court fines and assessments remitted to State Treasurer	N/A	N/A	451,029	451,029
Total Court Fines and Assessments retained	N/A	N/A	\$ 375,473	\$ 375,473
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained	N/A	N/A	\$ 4,672	\$ 4,672
Assessments retained	N/A	N/A	36,997	36,997
Total Surcharges and Assessments retained for victim services	N/A	N/A	\$ 41,669	\$ 41,669

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

<u>VICTIM SERVICE FUNDS COLLECTED</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Carryforward from Previous Year – Beginning Balance	\$ 115,225	N/A	\$ 115,225
<u>Victim Service Revenue:</u>			
Victim Service Fines Retained by City/County Treasurer	-	N/A	-
Victim Service Assessments Retained by City/County Treasurer	36,997	N/A	36,997
Victim Service Surcharges Retained by City/County Treasurer	4,672	N/A	4,672
Interest Earned	-	N/A	-
Grant Funds Received			
Grant from:	-	N/A	-
General Funds Transferred to Victim Service Fund	-	N/A	-
Contribution Received from Victim Service Contracts:			
(1) Town of	-	N/A	-
(2) Town of	-	N/A	-
(3) City of	-	N/A	-
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	\$ 156,894	N/A	\$ 156,894

CITY OF NORTH AUGUSTA, SOUTH CAROLINA
UNIFORM SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES (per ACT 96)
For The Year Ended December 31, 2020

<u>Expenditures for Victim Service Program:</u>	<u>Municipal</u>	<u>County</u>	<u>Total</u>
Salaries and Benefits	\$ 13,906	N/A	\$ 13,906
Operating Expenditures	2,894	N/A	2,894
Victim Service Contract(s):			
(1) Entity's Name	-	N/A	-
(2) Entity's Name	-	N/A	-
Victim Service Donation(s):			
(1) Domestic Violence Shelter: Cumbie Center	10,500	N/A	10,500
(2) Rape Crisis Center:	-	N/A	-
(3) Other local direct crime victims service agency: Child Advocacy Center of Aiken County	10,500	N/A	10,500
Transferred to General Fund	-	N/A	-
Total Expenditures from Victim Service Fund/Program (B)	37,800	N/A	37,800
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	119,094	N/A	119,094
Less: Prior Year Fund Deficit Repayment	-	N/A	-
Carryforward Funds – End of Year	\$ 119,094	N/A	\$ 119,094

**STATISTICAL
SECTION**

City of North Augusta, South Carolina
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Year Ending December 31				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental activities					
Net investment in capital assets	\$ 48,387,572	\$ 51,180,628	\$ 53,791,597	\$ 57,779,457	\$ 59,649,524
Restricted	9,158,402	7,210,998	7,810,702	7,536,710	6,964,338
Unrestricted	<u>6,382,049</u>	<u>7,342,802</u>	<u>5,466,773</u>	<u>4,267,933</u>	<u>(6,848,500)</u>
Total governmental activities net position	<u>\$ 63,928,023</u>	<u>\$ 65,734,428</u>	<u>\$ 67,069,072</u>	<u>\$ 69,584,100</u>	<u>\$ 59,765,362</u>
Business-type activities					
Net investment in capital assets	\$ 44,889,398	\$ 46,022,914	\$ 47,734,609	\$ 51,802,542	\$ 53,610,839
Restricted	9,422,871	10,116,845	10,104,431	9,883,717	10,248,230
Unrestricted	<u>8,342,254</u>	<u>8,233,390</u>	<u>7,777,449</u>	<u>6,767,765</u>	<u>(1,175,007)</u>
Total business-type activities net position	<u>\$ 62,654,523</u>	<u>\$ 64,373,149</u>	<u>\$ 65,616,489</u>	<u>\$ 68,454,024</u>	<u>\$ 62,684,062</u>
Primary Government					
Net investment in capital assets	\$ 93,276,970	\$ 97,203,542	\$ 101,526,206	\$ 109,581,999	\$ 113,260,363
Restricted	18,581,273	17,327,843	17,915,133	17,420,427	17,212,568
Unrestricted	<u>14,724,303</u>	<u>15,576,192</u>	<u>13,244,222</u>	<u>11,035,698</u>	<u>(8,023,507)</u>
Total primary government net position	<u>\$ 126,582,546</u>	<u>\$ 130,107,577</u>	<u>\$ 132,685,561</u>	<u>\$ 138,038,124</u>	<u>\$ 122,449,424</u>

	Year Ending December 31				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities					
Net investment in capital assets	\$ 60,261,553	\$ 46,115,747	\$ 65,640,358	\$ 64,540,113	\$ 64,277,060
Restricted	7,616,189	23,744,254	6,574,221	8,729,598	7,848,687
Unrestricted	<u>(5,705,943)</u>	<u>(5,641,833)</u>	<u>(7,354,106)</u>	<u>(9,984,502)</u>	<u>(9,345,838)</u>
Total governmental activities net position	<u>\$ 62,171,799</u>	<u>\$ 64,218,168</u>	<u>\$ 64,860,473</u>	<u>\$ 63,285,209</u>	<u>\$ 62,779,909</u>
Business-type activities					
Net investment in capital assets	\$ 53,203,765	\$ 55,927,179	\$ 58,580,045	\$ 60,703,383	\$ 61,930,753
Restricted	11,374,284	9,618,737	7,977,008	8,433,456	8,358,324
Unrestricted	<u>(387,763)</u>	<u>492,016</u>	<u>1,215,467</u>	<u>1,431,160</u>	<u>1,855,707</u>
Total business-type activities net position	<u>\$ 64,190,286</u>	<u>\$ 66,037,932</u>	<u>\$ 67,772,520</u>	<u>\$ 70,567,999</u>	<u>\$ 72,144,784</u>
Primary Government					
Net investment in capital assets	\$ 113,465,318	\$ 102,042,926	\$ 124,220,403	\$ 125,243,496	\$ 126,207,813
Restricted	18,990,473	33,362,991	14,551,229	17,163,054	16,207,011
Unrestricted	<u>(6,093,706)</u>	<u>(5,149,817)</u>	<u>(6,138,639)</u>	<u>(8,553,342)</u>	<u>(7,490,131)</u>
Total primary government net position	<u>\$ 126,362,085</u>	<u>\$ 130,256,100</u>	<u>\$ 132,632,993</u>	<u>\$ 133,853,208</u>	<u>\$ 134,924,693</u>

Note: A prior period adjustment for ad valorem property tax revenues and related allowance of \$28,681 required a restatement of beginning net position for Fiscal Year 2014

Note: GASB 68, Accounting and Financial Reporting for Pensions and GASB 71 Pension Transition for Contributions Made Subsequent to the Measurement Date, were adopted by the City for Fiscal Year 2015. A restatement of beginning net position of \$18,624,474 was required to reflect implementation.

City of North Augusta, South Carolina
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Year Ending December 31				
	2011	2012	2013	2014	2015
Expenses					
Governmental activities:					
General government	\$ 3,416,002	\$ 3,574,637	\$ 3,893,288	\$ 4,181,576	\$ 4,573,665
Public safety	6,546,364	6,975,047	6,615,699	7,232,466	7,517,589
Public works	2,796,708	2,980,032	2,609,477	2,348,897	2,051,542
Parks, recreation, and tourism	3,792,045	4,053,013	4,212,673	4,501,259	4,723,035
Debt service - interest and fees	358,055	340,610	313,866	163,147	168,583
Loss on debt defeasance	-	-	277,682	-	-
Total governmental activities expenses	<u>\$ 16,909,174</u>	<u>\$ 17,923,339</u>	<u>\$ 17,645,003</u>	<u>\$ 18,427,345</u>	<u>\$ 19,034,414</u>
Business-type activities:					
Water and wastewater	\$ 7,220,770	\$ 6,958,202	\$ 7,491,321	\$ 7,420,051	\$ 8,081,456
Sanitation	3,168,553	3,160,647	3,376,614	3,958,515	4,316,548
Stormwater utility	542,919	568,984	826,121	507,555	494,179
Savannah Bluff Lock and Dam	22,000	24,000	24,000	24,000	24,000
Total business-type activities expenses	<u>\$ 10,954,242</u>	<u>\$ 10,711,833</u>	<u>\$ 11,718,056</u>	<u>\$ 11,910,121</u>	<u>\$ 12,916,183</u>
Total primary government expenses	<u>\$ 27,863,416</u>	<u>\$ 28,635,172</u>	<u>\$ 29,363,059</u>	<u>\$ 30,337,466</u>	<u>\$ 31,950,597</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 4,605,180	\$ 4,711,699	\$ 4,892,172	\$ 5,272,149	\$ 5,621,613
Public safety	1,177,117	1,092,699	1,055,155	1,109,022	1,195,544
Public Works	40,512	46,970	60,381	62,664	65,907
Parks, recreation, and tourism	1,060,317	1,019,548	1,058,841	1,090,469	1,162,485
Operating grants and contributions	1,334,520	801,328	811,914	1,433,764	872,652
Capital grants and contributions	1,569,830	1,619,796	1,357,083	468,934	-
Total governmental activities program revenues	<u>\$ 9,787,476</u>	<u>\$ 9,292,040</u>	<u>\$ 9,235,546</u>	<u>\$ 9,437,002</u>	<u>\$ 8,918,201</u>
Business-type activities:					
Charges for services:					
Water and wastewater	\$ 8,450,349	\$ 8,388,987	\$ 8,564,524	\$ 8,800,125	\$ 8,664,457
Sanitation	3,400,975	3,388,623	3,647,518	4,163,934	4,168,309
Stormwater utility	572,288	573,660	575,233	584,566	746,814
Operating grants and contributions	-	-	-	264,747	2,449
Capital grants and contributions	245,500	206,463	220,936	618,036	396,837
Total business-type activities program revenues	<u>\$ 12,669,112</u>	<u>\$ 12,557,733</u>	<u>\$ 13,008,211</u>	<u>\$ 14,431,408</u>	<u>\$ 13,978,866</u>
Total primary government program revenues	<u>\$ 22,456,588</u>	<u>\$ 21,849,773</u>	<u>\$ 22,243,757</u>	<u>\$ 23,868,410</u>	<u>\$ 22,897,067</u>
Net (expense) / revenue					
Governmental activities	\$ (7,121,698)	\$ (8,631,299)	\$ (8,409,457)	\$ (8,990,343)	\$ (10,116,213)
Business-type activities	1,714,870	1,845,900	1,290,155	2,521,287	1,062,683
Total primary government net expense	<u>\$ (5,406,828)</u>	<u>\$ (6,785,399)</u>	<u>\$ (7,119,302)</u>	<u>\$ (6,469,056)</u>	<u>\$ (9,053,530)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Ad valorem property taxes	\$ 6,294,172	\$ 6,780,783	\$ 6,858,860	\$ 6,993,684	\$ 6,874,139
Capital projects sales taxes	3,474,959	1,861,677	1,180,511	2,733,613	2,828,301
Local hospitality and accommodations taxes	559,853	584,227	622,971	661,531	713,903
Interest on investments	33,350	77,894	70,768	69,440	89,791
Gain(loss) on disposal of capital assets	-	-	-	-	(3,311)
Miscellaneous	336,245	590,882	631,662	696,936	886,062
Transfers	536,574	542,241	657,011	378,848	514,893
Total governmental activities	<u>\$ 11,235,153</u>	<u>\$ 10,437,704</u>	<u>\$ 10,021,783</u>	<u>\$ 11,534,052</u>	<u>\$ 11,903,778</u>
Business-type activities:					
Interest on investments	\$ 42,216	\$ 56,203	\$ 48,450	\$ 50,735	\$ 69,410
Gain(loss) on disposal of capital assets	-	-	-	-	46,107
Miscellaneous	292,738	358,764	561,746	644,361	584,902
Transfers	(536,574)	(542,241)	(657,011)	(378,848)	(514,893)
Total business-type activities	<u>\$ (201,620)</u>	<u>\$ (127,274)</u>	<u>\$ (46,815)</u>	<u>\$ 316,248</u>	<u>\$ 185,526</u>
Total primary government	<u>\$ 11,033,533</u>	<u>\$ 10,310,430</u>	<u>\$ 9,974,968</u>	<u>\$ 11,850,300</u>	<u>\$ 12,089,304</u>
Change in Net Position					
Governmental activities	\$ 4,113,455	\$ 1,806,405	\$ 1,612,326	\$ 2,543,709	\$ 1,787,565
Business-type activities	1,513,250	1,718,626	1,243,340	2,837,535	1,248,209
Total primary government	<u>\$ 5,626,705</u>	<u>\$ 3,525,031</u>	<u>\$ 2,855,666</u>	<u>\$ 5,381,244</u>	<u>\$ 3,035,774</u>

**Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	Year Ending December 31				
	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
General government	\$ 4,519,094	\$ 7,474,923	\$ 8,855,053	\$ 11,607,797	\$ 7,870,452
Public safety	8,473,548	8,736,202	9,253,259	9,079,791	9,539,596
Public works	580,327	2,695,126	2,736,631	2,936,592	2,924,751
Parks, recreation, and tourism	5,061,480	4,913,582	3,785,041	4,212,339	3,371,009
Debt service - interest and fees	155,047	338,132	1,568	276,699	3,447,465
Loss on debt defeasance	-	-	-	-	-
Total governmental activities expenses	<u>\$ 18,789,496</u>	<u>\$ 24,157,965</u>	<u>\$ 24,631,552</u>	<u>\$ 28,113,218</u>	<u>\$ 27,153,273</u>
Business-type activities:					
Water and sewer	\$ 7,745,232	\$ 8,359,555	\$ 8,896,535	\$ 10,077,290	\$ 10,410,462
Sanitation	4,594,016	4,536,142	4,624,936	4,733,146	4,626,296
Stormwater utility	541,495	638,634	661,987	789,312	840,358
Savannah Bluff Lock and Dam utility	24,000	24,000	23,999	24,000	192,673
Total business-type activities expenses	<u>\$ 12,904,743</u>	<u>\$ 13,558,331</u>	<u>\$ 14,207,457</u>	<u>\$ 15,623,748</u>	<u>\$ 16,069,789</u>
Total primary government expenses	<u>\$ 31,694,239</u>	<u>\$ 37,716,296</u>	<u>\$ 38,839,009</u>	<u>\$ 43,736,966</u>	<u>\$ 43,223,062</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 5,885,657	\$ 6,229,497	\$ 6,361,953	\$ 6,256,452	\$ 6,420,926
Public safety	1,060,102	1,041,202	892,138	1,044,181	911,851
Public Works	78,018	158,147	167,961	108,726	85,435
Parks, recreation, and tourism	1,260,024	1,148,108	1,829,789	2,096,008	1,091,763
Operating grants and contributions	791,316	1,083,944	1,377,317	1,265,522	1,287,442
Capital grants and contributions	-	207,768	-	759,852	1,788,037
Total governmental activities program revenues	<u>\$ 9,075,117</u>	<u>\$ 9,868,666</u>	<u>\$ 10,629,158</u>	<u>\$ 11,530,741</u>	<u>\$ 11,585,454</u>
Business-type activities:					
Charges for services:					
Water and sewer	\$ 9,155,898	\$ 9,459,054	\$ 9,746,927	\$ 10,151,786	\$ 10,666,159
Sanitation	4,246,959	4,472,281	4,355,688	4,487,564	4,862,277
Stormwater utility	759,131	770,135	782,958	804,213	821,127
Operating grants and contributions	-	10,161	80,636	23,516	-
Capital grants and contributions	124,408	103,591	23,514	616,830	1,325,388
Total business-type activities program revenues	<u>\$ 14,286,396</u>	<u>\$ 14,815,222</u>	<u>\$ 14,989,723</u>	<u>\$ 16,083,909</u>	<u>\$ 17,674,951</u>
Total primary government program revenues	<u>\$ 23,361,513</u>	<u>\$ 24,683,888</u>	<u>\$ 25,618,881</u>	<u>\$ 27,614,650</u>	<u>\$ 29,260,405</u>
Net (expense) / revenue					
Governmental activities	\$ (9,714,379)	\$ (14,289,299)	\$ (14,002,394)	\$ (16,582,477)	\$ (15,567,819)
Business-type activities	1,381,653	1,256,891	782,266	460,161	1,605,162
Total primary government net expense	<u>\$ (8,332,726)</u>	<u>\$ (13,032,408)</u>	<u>\$ (13,220,128)</u>	<u>\$ (16,122,316)</u>	<u>\$ (13,962,657)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Ad valorem property taxes	\$ 7,162,650	\$ 8,146,680	\$ 8,143,925	\$ 8,456,230	\$ 10,632,768
Capital projects sales taxes	2,891,291	3,109,712	3,179,463	1,443,301	176,864
Local hospitality and accommodations taxes	764,056	790,749	1,718,195	2,017,221	1,830,571
Interest on investments	192,906	423,369	400,007	330,669	168,087
Gain(loss) on disposal of capital assets	-	-	9,441	31,203	-
Miscellaneous	568,970	3,659,328	1,024,414	1,005,944	1,095,995
Transfers	540,943	205,830	169,254	748,347	1,158,234
Total governmental activities	<u>\$ 12,120,816</u>	<u>\$ 16,335,668</u>	<u>\$ 14,644,699</u>	<u>\$ 14,032,915</u>	<u>\$ 15,062,519</u>
Business-type activities:					
Interest on investments	\$ 120,990	\$ 145,025	\$ 281,451	\$ 327,680	\$ 127,876
Gain(loss) on disposal of capital assets	(12,606)	78,747	55,180	465	56,065
Miscellaneous	557,130	572,813	784,945	631,468	945,916
Transfers	(540,943)	(205,830)	(169,254)	(748,347)	(1,158,234)
Total business-type activities	<u>\$ 124,571</u>	<u>\$ 590,755</u>	<u>\$ 952,322</u>	<u>\$ 211,266</u>	<u>\$ (28,377)</u>
Total primary government	<u>\$ 12,245,387</u>	<u>\$ 16,926,423</u>	<u>\$ 15,597,021</u>	<u>\$ 14,244,181</u>	<u>\$ 15,034,142</u>
Change in Net Position					
Governmental activities	\$ 2,406,437	\$ 2,046,369	\$ 642,305	\$ (2,549,562)	\$ (505,300)
Business-type activities	1,506,224	1,847,646	1,734,588	671,427	1,576,785
Total primary government	<u>\$ 3,912,661</u>	<u>\$ 3,894,015</u>	<u>\$ 2,376,893</u>	<u>\$ (1,878,135)</u>	<u>\$ 1,071,485</u>

**City of North Augusta, South Carolina
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	Year Ending December 31				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund					
Nonspendable	\$ 1,723	\$ 1,220	\$ 1,630	\$ 1,774	\$ -
Restricted	2,600	3,140	32,841	60,140	88,746
Committed	695,829	1,143,666	966,050	1,073,650	796,106
Unassigned	-	-	-	-	2,375,000
Total General Fund	<u>\$ 700,152</u>	<u>\$ 1,148,026</u>	<u>\$ 1,000,521</u>	<u>\$ 1,135,564</u>	<u>\$ 3,259,852</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ 6,746,666	\$ -
Restricted	8,599,562	6,725,864	7,065,591	2,114,554	5,790,157
Committed	2,053,852	1,197,249	1,534,983	2,489,051	2,184,346
Assigned	4,728,272	6,031,460	4,234,929	(188,988)	1,261,269
Unassigned	-	-	-	-	(69,258)
Total all other governmental funds	<u>\$ 15,381,686</u>	<u>\$ 13,954,573</u>	<u>\$ 12,835,503</u>	<u>\$ 11,161,283</u>	<u>\$ 9,166,514</u>

	Year Ending December 31				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	103,644	107,443	111,049	115,225	119,094
Committed	1,484,194	1,121,426	937,499	433,393	689,671
Unassigned	2,475,000	2,625,000	2,825,000	2,875,000	3,000,000
Total General Fund	<u>\$ 4,062,838</u>	<u>\$ 3,853,869</u>	<u>\$ 3,873,548</u>	<u>\$ 3,423,618</u>	<u>\$ 3,808,765</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	7,512,545	23,636,811	10,531,546	9,423,502	17,733,705
Committed	2,950,803	3,731,713	2,669,258	2,737,813	2,980,435
Assigned	428,854	367,043	344,403	34,138	5,837
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 10,892,202</u>	<u>\$ 27,735,567</u>	<u>\$ 13,545,207</u>	<u>\$ 12,195,453</u>	<u>\$ 20,719,977</u>

City of North Augusta, South Carolina
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Year Ending December 31				
	2011	2012	2013	2014	2015
Revenues					
Ad valorem taxes	\$ 6,294,172	\$ 6,780,783	\$ 6,858,860	\$ 6,993,526	\$ 6,871,821
Sales taxes	3,474,959	1,861,677	1,180,511	2,733,613	2,828,301
Local hospitality and accommodations taxes	559,853	584,227	622,971	661,531	713,903
Licenses and permits	4,605,181	4,711,699	4,892,172	5,272,149	5,621,613
Fines and forfeitures	1,113,435	1,029,126	991,039	1,044,648	1,138,891
Charges for services	1,123,999	1,083,121	1,122,957	1,154,843	1,285,045
Intergovernmental	2,050,355	1,198,831	1,141,759	1,187,485	872,652
Miscellaneous/interest earnings	369,594	675,603	697,191	747,304	977,123
Contributions	62,497	310,352	1,000	368,500	-
Grant revenue	17,563	4,352	-	-	-
Total Revenues	<u>\$ 19,671,608</u>	<u>\$ 18,239,771</u>	<u>\$ 17,508,460</u>	<u>\$ 20,163,599</u>	<u>\$ 20,309,349</u>
Expenditures					
General government	\$ 2,964,818	\$ 2,984,191	\$ 3,302,811	\$ 3,704,832	\$ 4,028,393
Public safety	6,092,949	6,502,974	6,058,506	6,630,196	7,833,279
Public works	1,117,385	1,176,290	1,157,668	1,344,015	1,487,619
Parks, recreation and tourism	2,966,513	3,154,330	3,141,942	3,391,470	3,647,665
Capital outlay	5,903,648	5,089,261	1,353,010	6,269,988	13,260,678
Debt service:					
Capital lease payments	974,915	1,024,075	4,117,682	747,764	897,952
Interest and fiscal charges	361,398	345,547	599,101	179,035	164,947
Principal Retirements	-	-	-	-	-
Bond Issuance Costs	-	-	-	-	-
Total Expenditures	<u>\$ 20,381,626</u>	<u>\$ 20,276,668</u>	<u>\$ 19,730,720</u>	<u>\$ 22,267,300</u>	<u>\$ 31,320,533</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (710,018)	\$ (2,036,897)	\$ (2,222,260)	\$ (2,103,701)	\$ (11,011,184)
Other financing sources (uses)					
Proceeds on sale of capital assets	\$ -	\$ -	\$ -	\$ 26,191	\$ -
Inception of capital lease obligation	666,226	515,417	309,494	312,249	887,594
Lease issuance cost	-	-	-	-	9,738,217
Issuance of bonds	-	-	-	-	-
Transfers in	913,575	1,135,143	1,691,350	3,253,841	23,350,453
Transfers out	(377,001)	(592,902)	(1,045,159)	(2,874,993)	(22,835,560)
Total other financing sources (uses)	<u>\$ 1,202,800</u>	<u>\$ 1,057,658</u>	<u>\$ 955,685</u>	<u>\$ 717,288</u>	<u>\$ 11,140,704</u>
Net change in fund balance	<u>\$ 492,782</u>	<u>\$ (979,239)</u>	<u>\$ (1,266,575)</u>	<u>\$ (1,386,413)</u>	<u>\$ 129,520</u>
Debt service as a percentage of noncapital expenditures	8.72%	8.42%	24.83%	5.77%	6.42%

	Year Ending December 31				
	2016	2017	2018	2019	2020
Revenues					
Ad valorem taxes	\$ 7,163,429	\$ 7,446,013	\$ 8,018,222	\$ 8,404,331	\$ 9,655,624
Sales taxes	2,891,291	3,109,712	3,179,463	2,235,581	176,864
Local hospitality and accommodations taxes	764,056	790,749	1,718,195	2,017,221	1,830,571
Licenses and permits	5,885,657	6,229,497	6,361,953	6,256,452	6,420,926
Fines and forfeitures	996,799	978,626	834,200	1,006,060	872,727
Charges for services	1,401,345	1,291,321	1,974,016	2,226,219	1,216,322
Intergovernmental	791,316	4,179,592	1,899,080	1,569,665	1,452,465
Miscellaneous/interest earnings	781,035	1,000,276	1,068,804	1,111,636	1,157,925
Contributions	-	-	-	-	-
Grant revenue	-	-	-	-	-
Total Revenues	<u>\$ 20,674,928</u>	<u>\$ 25,025,786</u>	<u>\$ 25,053,933</u>	<u>\$ 24,827,165</u>	<u>\$ 22,783,424</u>
Expenditures					
General government	\$ 3,712,733	\$ 3,406,445	\$ 4,759,360	\$ 5,751,630	\$ 5,503,855
Public safety	7,990,705	7,921,809	8,379,644	8,932,323	8,058,484
Public works	1,394,286	1,515,323	1,594,271	1,728,518	1,520,495
Parks, recreation and tourism	4,022,934	4,085,589	3,043,122	3,278,290	2,500,187
Capital outlay	1,790,360	45,762,352	18,736,157	4,909,427	3,747,567
Debt service:					
Capital lease payments	929,907	3,991,122	619,864	731,955	711,865
Interest and fiscal charges	155,047	1,712,670	3,217,755	3,217,751	3,273,533
Principal Retirements	-	12,573,657 (b)	-	-	650,000
Bond Issuance Costs	-	1,495,554	-	-	88,947
Total Expenditures	<u>\$ 19,995,972</u>	<u>\$ 82,464,521</u>	<u>\$ 40,350,173</u>	<u>\$ 28,549,894</u>	<u>\$ 26,054,933</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 678,956	\$ (57,438,735)	\$ (15,296,240)	\$ (3,722,729)	\$ (3,271,509)
Other financing sources (uses)					
Proceeds on sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Inception of capital lease obligation	880,655	473,983	432,308	838,111	772,946
Issuance of bonds	428,120	71,882,320 (a)	-	-	10,250,000 (c)
Insurance proceeds	-	178,260	-	-	-
Transfers in	1,397,258	10,699,613	4,538,136	3,825,974	4,380,329
Transfers out	(856,315)	(9,161,045)	(3,844,885)	(2,741,040)	(3,222,095)
Total other financing sources (uses)	<u>\$ 1,849,718</u>	<u>\$ 74,073,131</u>	<u>\$ 1,125,559</u>	<u>\$ 1,923,045</u>	<u>\$ 12,181,180</u>
Net change in fund balance	<u>\$ 2,528,674</u>	<u>\$ 16,634,396</u>	<u>\$ (14,170,681)</u>	<u>\$ (1,799,684)</u>	<u>\$ 8,909,671</u>
Debt service as a percentage of noncapital expenditures	7.03%	54.73% (b)	18.18%	18.09%	21.18%

(a) 2017 installment purchase revenue bond to construct and equip two parking decks, a stadium, conference facilities, a riverfront park, and certain roads, water, sewer, and related infrastructure (Series 2017B.) Also included is a \$25,000 tax increment revenue bond.

(b) In May 2017, the North Augusta Public Facilities Corporation entered into an installment purchase transaction. Proceeds from this transaction were also used to refinance the municipal center lease.

(c) In March 2020, the City issued Series 2020 General Obligation Bonds in the amount of \$10,250,000 for the purposes of defraying the costs incurred in connection with all or a portion of designing, developing, and construction of a new Public Safety Headquarters and related fire apparatus.

City of North Augusta, South Carolina
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year Ended December 31	(a) Tax Year	REAL PROPERTY		PERSONAL PROPERTY		TOTAL		Tax Rate
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2011	2010	\$ 58,409,698	\$ 1,188,082,347	\$ 18,327,983	\$ 140,371,587	\$ 76,737,681	\$ 1,328,453,934	77.20
2012	(b) 2011	67,451,510	1,371,997,494	18,490,991	141,620,052	85,942,501	1,513,617,546	74.21
2013	2012	68,404,348	1,395,850,974	19,032,345	144,082,251	87,436,693	1,539,933,225	74.21
2014	2013	69,161,813	1,411,307,715	19,735,545	149,405,748	88,897,358	1,560,713,463	74.21
2015	2014	70,710,810	1,442,916,363	20,984,447	158,860,422	91,695,257	1,601,776,785	74.21
2016	2015	73,065,987	1,490,975,824	21,623,421	163,697,707	94,689,408	1,654,673,531	74.21
2017	(b) 2016	79,819,959	1,628,796,572	26,336,665	199,378,794	106,156,624	1,828,175,366	70.50
2018	2017	82,341,248	1,680,245,695	27,375,296	207,241,635	109,716,544	1,887,487,330	73.50
2019	2018	83,448,499	1,702,840,127	31,654,277	239,635,180	115,102,776	1,942,475,307	73.50
2020	2019	111,102,458	(c) 2,267,143,519	33,204,209	251,368,769	144,306,667	2,518,512,288	73.50

Source: City of North Augusta tax records

(a) The City of North Augusta uses different tax years for real and personal property taxes because on April 30, 1980, the S.C. General Assembly passed a law that provided for the billing and collection of personal property taxes on motor vehicles on a staggered basis according to expiration of the license tag.

(b) Reassessment year, see Table VI

(c) Includes real, merchants inventory, merchants furniture and fixtures, personal property taxes, and special assessments for parcels in the City's Municipal Improvement District (MID). Assessed value of real property less the special assessments in the MID totals \$95,002,776.

**City of North Augusta, South Carolina
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Fiscal Year Ended December 31	(a) Tax Year	Overlapping Property Tax Rates									
		City of North Augusta			County of Aiken			Aiken County School District			Total Direct & Overlapping Rates
		Operating Millage	Debt Service Millage (b)	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	
2011	2010	68.69	8.51	77.20	67.90	6.80	74.70	137.50	23.50	161.00	312.90
2012	2011	66.40	7.81	74.21	65.60	4.30	69.90	131.60	31.50	163.10	307.21
2013	2012	66.40	7.81	74.21	66.00	3.90	69.90	135.80	31.50	167.30	311.41
2014	2013	74.21	-	74.21	66.00	3.90	69.90	141.60	29.00	170.60	314.71
2015	2014	74.21	-	74.21	66.00	3.90	69.90	141.60	29.00	170.60	314.71
2016	2015	74.21	-	74.21	66.00	3.90	69.90	141.60	29.00	170.60	314.71
2017	2016	70.50	-	70.50	64.60	3.90	68.50	137.30	28.70	166.00	305.00
2018	2017	73.50	-	73.50	64.60	3.90	68.50	137.30	28.70	166.00	308.00
2019	2018	73.50	-	73.50	65.20	3.30	68.50	137.30	33.70	171.00	313.00
2020	2019	73.50	-	73.50	65.20	3.30	68.50	137.30	33.70	171.00	313.00

Source: Aiken County Auditor

(a) Because of the change mandated by State law noted in the footnote of Table V, the City of North Augusta uses different tax years for real and personal property taxes.
 (b) The City had no GOB debt prior to 2006. During 2013, the City defeased all of its outstanding GOB debt

City Tax Data:

Mill: Represents .1% per \$1,000 of assessed valuation
 Tax Rate Limits: None
 Taxes Due: Personal: In the month preceding tag renewal by the S.C. State Highway Department
 Real and Merchants: April 30th
 Personal: N/A--Taxes on personal property paid in advance
 Taxes Delinquent: Real and Merchants: May 1st
 Discount Allowed: None
 Penalties: Real and Merchants: 15%
 Reassessment Years: Tax Years 2011, 2016

Uncollected taxes are turned over to the City Delinquent Tax Collector on June 1st, with authority to enforce collection by tax sale.

**City of North Augusta, South Carolina
Principal Property Taxpayers
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2020</u>			<u>2011</u>		
	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Assessed Valuation</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
Ackerman Greenstone North Augusta	\$ 4,984,433	1	3.45%	\$ -		
S. C. Electric & Gas Co.	3,357,060	2	2.33%	2,357,030	1	3.07%
Allnex Industries, Inc. (a)	2,689,303	3	1.86%	1,551,380	2	2.02%
Wal-Mart, Inc.	2,639,986	4	1.83%	754,650	7	0.98%
Graybul Ironwood LLC	1,493,040	5	1.03%			
SUSO 3 Augusta, LP	1,126,870	6	0.78%			
SRP Federal Credit Union	1,060,910	7	0.74%			
Halocarbon Chemicals, Inc.	1,018,980	8	0.71%	1,126,210	3	1.47%
CVS SC Distribution, Inc.	777,250	9	0.54%	677,280	8	0.88%
NHC Healthcare	711,050	10	0.49%	444,880	9	0.58%
Lowes Home Centers, Inc.				1,036,660	4	1.35%
The Kroger Company				871,020	5	1.14%
Bell South Telecommunications				784,800	6	1.02%
North Augusta Plaza SC, LLC				350,170	10	0.46%
TOTAL Taxable Assessed	<u><u>\$ 19,858,882</u></u>		<u><u>13.76%</u></u>	<u><u>\$ 9,954,080</u></u>		<u><u>12.97%</u></u>

Source: City of North Augusta tax records

This table lists the ten largest taxpayers, type of business, assessed valuation, and tax levy for the fiscal year 2020 (tax year 2019) as indicated in the City of North Augusta tax digest. This includes furniture, fixtures, and equipment assessed at 10.5% and commercial real estate at 6%.

(a) Allnex formerly Cytec Surface Specialties

**City of North Augusta, South Carolina
Property Tax Levies and Collections
Last Ten Fiscal Years**

Year Ended December 31	(b) Tax Year	(a) Taxes Levied for the Fiscal Year	Collected within the Current Year of Tax Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2011	2010	\$ 5,924,149	\$ 5,883,727	99.32%	29,576	\$ 5,913,303	99.82%
2012	(c) 2011	6,377,793	6,344,561	99.48%	12,738	6,357,299	99.68%
2013	2012	6,488,677	6,446,489	99.35%	22,511	6,469,000	99.70%
2014	2013	6,597,073	6,565,216	99.52%	14,604	6,579,820	99.74%
2015	2014	6,804,705	6,762,260	99.38%	22,193	6,784,453	99.70%
2016	2015	7,026,901	6,992,988	99.52%	10,741	7,003,729	99.67%
2017	(c) 2016	7,484,042	7,446,013	99.49%	8,698	7,454,711	99.61%
2018	2017	8,064,166	8,018,222	99.43%	15,343	8,033,565	99.62%
2019	2018	8,460,054	8,404,331	99.34%	3,141	8,407,472	99.38%
2020	2019	10,606,540	9,655,624	91.03%	-	9,655,624	91.03%

Source: City of North Augusta tax records

(a) Includes real, merchants inventory, merchants furniture and fixtures, personal property taxes, and special assessments for parcels in the City's Municipal Improvement District (MID).

(b) Because of the change by State law noted in the footnote of Table V, the City of North Augusta uses different tax years for real and personal property taxes.

(c) Reassessment year, see Table VI

**City of North Augusta, South Carolina
Business Licenses / Franchise Fees
Last Ten Fiscal Years**

Year Ended December 31	Total Revenues	Gross Sales	Total Number of Licenses Issued
2011	4,464,424	846,714,451	1,756
2012	4,582,285	873,882,462	1,750
2013	4,738,535	963,027,255	1,760
2014	5,032,737	1,047,778,440	1,861
2015	5,302,353	1,098,056,589	1,849
2016	5,514,782	1,143,626,048	1,877
2017	5,727,383 (a)	1,253,829,811	2,017
2018	6,007,529 (a)	1,355,936,169	2,420
2019	5,886,386	1,256,734,425	2,254
2020	5,905,981	1,294,322,660	2,302

(a) Increase due to numerous one-time licenses for construction related to projects in Riverside Village.

Source: City of North Augusta business license records

**City of North Augusta, South Carolina
Number of Utility Customers
Last Ten Fiscal Years**

<u>Year Ended December 31</u>	<u>Residential Inside Water</u>	<u>Non-Residential Inside Water</u>	<u>Total Inside Water Accounts</u>	<u>Residential Outside Water</u>	<u>Non-Residential Outside Water</u>	<u>Total Outside Water Accounts</u>	<u>Total Water Accounts</u>
2011	7,881	577	8,458	2,982	148	3,130	11,588
2012	7,897	582	8,479	2,974	150	3,124	11,603
2013	7,906	590	8,496	2,973	147	3,120	11,616
2014	7,971	608	8,579	2,965	148	3,113	11,692
2015	8,074	636	8,710	2,941	153	3,094	11,804
2016	8,152	658	8,810	2,931	158	3,089	11,899
2017	8,310	785	9,095	2,959	158	3,117	12,212
2018	8,775	777	9,552	2,950	158	3,108	12,660
2019	9,119	765	9,884	2,927	158	3,085	12,969
2020	9,254	775	10,029	2,963	163	3,126	13,155

<u>Year Ended December 31</u>	<u>Residential Inside Sewer</u>	<u>Non-Residential Inside Sewer</u>	<u>Total Inside Sewer Accounts</u>	<u>Residential Outside Sewer</u>	<u>Non-Residential Outside Sewer</u>	<u>Total Outside Sewer Accounts</u>	<u>Total Sewer Accounts</u>
2011	9,324	536	9,860	902	27	929	10,789
2012	9,355	529	9,884	964	27	991	10,875
2013	9,414	535	9,949	975	29	1,004	10,953
2014	9,521	549	10,070	963	31	994	11,064
2015	9,725	562	10,287	967	31	998	11,285
2016	9,900	576	10,476	967	31	998	11,474
2017	10,114	646	10,760	979	32	1,011	11,771
2018	10,397	638	11,035	980	31	1,011	12,046
2019	10,775	640	11,415	972	30	1,002	12,417
2020	10,934	655	11,589	975	31	1,006	12,595

Source: City of North Augusta utility billing records

**City of North Augusta, South Carolina
Ten Largest Water and Wastewater Customers
Current Year and Nine Years Ago**

Water Customers

<u>Customer Name</u>	<u>Type of Business</u>	<u>2020 Annual Consumption</u>		<u>2011 Annual Consumption</u>	
		<u>Rank</u>	<u>Water Usage</u>	<u>Rank</u>	<u>Water Usage</u>
City of North Augusta	Municipal Government	1	88,197,300	2	60,122,500
Ambiopharm	Pharmaceutical Manufacturer	2	86,247,400		
Halocarbon Chemicals, Inc.	Manufacturing	3	56,486,500	3	49,861,400
Allnex Industries, Inc.	Manufacturing	4	40,543,200	4	32,309,900 (a)
Crowne Plaza	Hotel	5	15,153,200		
JARS at Breckenridge/Plaza Terrace	Apartments	6	11,002,000	6	10,329,800
Graybul Ironwood, LLC	Apartments	7	8,149,000		
Aiken County Schools	School District	8	7,897,631	5	10,523,600
Lulu's Car Wash	Automated Car Wash	9	7,496,400		
Gentry's Mobile Home Park	Mobile Home Park	10	7,192,000	7	6,810,500
Breezy Hill Water & Sewer Authority	Water District Provider			1	258,625,200
Whispering Woods Apartments	Apartments			8	6,768,300 (c)
CIG Plaza Place LLC	Apartments			9	5,798,000 (b)
UniHealth Post Acute Care	Nursing Home Facility			10	4,382,600

Wastewater Customers

<u>Customer Name</u>	<u>Type of Business</u>	<u>2020 Annual Consumption</u>		<u>2011 Annual Consumption</u>	
		<u>Rank</u>	<u>Water Usage</u>	<u>Rank</u>	<u>Water Usage</u>
Edgefield County Water & Sewer Authority	Sewer District Provider	1	789,854,000	1	555,370,000
Halocarbon Chemicals, Inc.	Manufacturing	2	56,486,500	2	49,861,400
Allnex Industries, Inc.	Manufacturing	3	40,247,797	3	18,998,861 (a)
City of North Augusta	Municipal Government	4	36,320,009	7	8,221,000
Crowne Plaza	Hotel	5	17,408,997		
Ambiopharm	Pharmaceutical Manufacturer	6	15,410,597		
JARS at Breckenridge/Plaza Terrace	Apartments	7	9,571,200	5	8,662,806
Aiken County Schools	School District	8	9,070,067	6	8,267,406
National Healthcare	Nursing Home Facility	9	7,767,600	4	11,086,000
Gentry's Mobile Home Park	Mobile Home Park	10	7,242,467		
Whispering Woods Apartments	Apartments			8	7,077,306 (c)
CIG Plaza Place LLC	Apartments			9	5,676,997 (b)
Willow Wick Apartments	Apartments			10	4,752,300

Note: Consumption is measured in gallons

Source: City of North Augusta utility billing records

(a) Allnex formerly Cytec Surface Specialties

(b) CIG Plaza Place LLC formerly Plaza Place Apartments, LLC

(c) Whispering Woods Apartments formerly Ridgeview Manor formerly The Housing Authority

City of North Augusta, South Carolina
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Year Ended December 31	<u>Governmental Activities</u>				<u>Business-Type Activities</u>			Total Primary Government	Population (Estimate)	Per Capita
	General Obligation Bonds	Revenue Bonds	Municipal Center Lease	Capital Leases	Revenue Bonds	Capital Leases	PSA Capacity Payable			
2011	\$ 3,684,043	\$ -	\$ 5,182,756	\$ 858,422	\$ 1,609,835	\$ 1,178,361	\$ -	\$ 12,513,417	21,419	\$ 584.22
2012	3,393,638	-	4,863,913	958,605	1,371,083	1,298,976	1,106,033	12,992,248	21,703	598.64
2013	-	-	4,553,466	870,864	1,121,081	1,042,038	-	7,587,449	21,885	346.70
2014	-	-	4,189,823	778,992	6,301,457	1,025,696	-	12,295,968	22,048	557.69
2015	-	9,738,317	3,834,882	1,123,575	16,118,138	1,245,633	-	32,060,545	22,568	1,420.62 (a)
2016	-	10,166,337	3,466,970	1,431,394	20,299,376	785,635	-	36,149,712	22,932	1,576.39
2017	-	69,475,000	-	1,306,394	20,982,862	777,781	-	92,542,037	23,275	3,976.03 (b)
2018	-	69,475,000	-	1,174,089	19,877,539	862,405	-	91,389,033	23,444	3,898.18
2019	-	69,475,000	-	1,304,026	18,889,980	852,425	-	90,521,431	23,584	3,838.26
2020	10,250,000	68,825,000	-	1,412,082	18,091,831	1,287,722	-	99,866,635	23,845	4,188.16 (c)

- (a) 2015 installment purchase revenue bond to construct and equip a parking garage, 2014A and 2015A SC Drinking Water Revolving Loan Fund serial bonds to construct a raw water storage facility and new water treatment plant.
- (b) 2017 installment purchase revenue bond to construct and equip two parking decks, a stadium, conference facilities, a riverfront park, and certain roads, water, sewer, and related infrastructure (Series 2017B.) Also included is a \$25,000 tax increment revenue bond.
- (c) 2020 General Obligation Bonds in the amount of \$10,250,000 for the purposes of defraying the costs incurred in connection with all or a portion of designing, developing, and construction of a new Public Safety Headquarters and related fire apparatus.

Source: Population estimates provided by the City of North Augusta Planning and Development Department

NOTE: The ratio of outstanding debt by type is expressed in per capita dollar amounts. Personal income figures are not available at the City level.

City of North Augusta, South Carolina
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Year Ended December 31	General Obligation Bonds (GOB)	Estimated Actual Taxable Value (1) of Property	% of Estimated Actual Taxable Value of Property	Population (2)	Per Capita
2011	\$ 3,684,043	\$ 1,328,453,934	0.28%	21,419	\$ 172.00
2012	3,393,638	1,513,617,546	0.22%	21,703	156.37
2013	-	1,539,933,225	0.00%	21,885	0.00
2014	-	1,560,713,463	0.00%	22,048	0.00
2015	-	1,601,776,785	0.00%	22,568	0.00
2016	-	1,654,673,531	0.00%	22,932	0.00
2017	-	1,828,175,366	0.00%	23,275	0.00
2018	-	1,887,487,330	0.00%	23,444	0.00
2019	-	1,942,475,307	0.00%	23,584	0.00
2020	10,250,000 (3)	2,518,512,288	0.41%	23,845	429.86

Note: The City had no General Obligation Bond (GOB) debt prior to 2006. During 2006 the City issued its first GOB debt. The 2006 General Obligation Bonds were defeased in December of 2013 removing the City's financial obligation.

(1) City of North Augusta tax records

(2) The population for year 2010 is provided by the US Census Bureau. Population estimates for all other years are provided by the City of North Augusta Planning and Development Department.

(3) On November 6, 2018, a favorable bond referendum was held in the City of North Augusta authorizing to the City to issue not exceeding \$10,250,000 of general obligation bonds as part of a favorable Capital Projects Sales Tax referendum. These bonds were issued in 2020 to construct and equip a public safety headquarters and bond payments will be made from revenues collected from the capital projects sales tax.

City of North Augusta, South Carolina
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020

<u>Jurisdiction</u>	<u>Debt Outstanding @ December 31, 2020</u>	<u>Percent Applicable to City of North Augusta</u>	<u>Amount Applicable to City of North Augusta</u>
Direct Debt			
City of North Augusta *	\$ 80,487,082	100.00%	\$ 80,487,082
Overlapping Debt			
County of Aiken	\$ 41,498,541	19.12%	\$ 7,934,521
Aiken County School District	<u>222,335,000</u>	<u>19.12%</u>	<u>42,510,452</u>
Sub-total - Overlapping Debt	<u>\$ 263,833,541</u>	19.12%	<u>\$ 50,444,973</u>
Total	<u><u>\$ 344,320,623</u></u>		<u><u>\$ 130,932,055</u></u>

* Includes Revenue Bonds and Capital Leases

Note: The percentage of the overlapping debt applicable to the City of North Augusta is estimated using taxable assessed property values. Applicable percentages were estimated by determining the percentage of the City's total taxable assessed value to Aiken County's total taxable assessed value.

Source: Aiken County and Aiken County School District

**City of North Augusta, South Carolina
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Debt Limit	\$ 6,139,015	\$ 6,875,400	\$ 6,994,935	\$ 7,111,789	\$ 7,335,620
Total net debt applicable to limit	<u>3,684,043</u> (a)	<u>3,393,638</u> (a)	-	-	-
Legal debt margin	<u>\$ 2,454,972</u>	<u>\$ 3,481,762</u>	<u>\$ 6,994,935</u>	<u>\$ 7,111,789</u>	<u>\$ 7,335,620</u>
Total net debt applicable to the limit as a percentage of debt limit	60.01%	49.36%	0.00%	0.00%	0.00%

	Fiscal Year				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt Limit	\$ 7,575,153	\$ 8,492,530	\$ 8,777,324	\$ 9,208,222	\$ 11,544,533
Total net debt applicable to limit	-	-	-	-	- (b)
Legal debt margin	<u>\$ 7,575,153</u>	<u>\$ 8,492,530</u>	<u>\$ 8,777,324</u>	<u>\$ 9,208,222</u>	<u>\$ 11,544,533</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

(a) General Obligation Bonds issued in 2006. The 2006 General Obligation Bonds were defeased in December of 2013 removing the City's financial obligation.

(b) On November 6, 2018, a favorable bond referendum was held in the City of North Augusta authorizing the City to issue not exceeding \$10,250,000 of general obligation bonds as part of a favorable Capital Projects Sales Tax referendum. These bonds were issued in 2020 to construct and equip a public safety headquarters and bond payments will be made from revenues collected from the capital projects sales tax.

**City of North Augusta, South Carolina
Pledged Revenue Bond Coverage Last
Ten Fiscal Years**

Year Ended December 31	Total Operating Revenue	Total Operating Expenses	Net Revenue Available for Debt Service	Average Annual Remaining Debt Service			Coverage Ratio
				Revenue Bond Principal	Revenue Bond Interest	Total Debt Service	
2011	\$ 8,736,969	\$ 5,742,471	\$ 2,994,498	\$ 268,305	\$ 38,028	\$ 306,333	9.78
2012	8,695,259	5,977,123	2,718,136	274,217	32,117	306,334	8.87
2013	9,018,317	6,434,884	2,583,433	280,270	26,064	306,334	8.43
2014	9,236,276	6,371,096	2,865,180	966,747	73,229	1,039,976	2.76
2015	9,120,970	6,800,179	2,320,791	1,100,524	197,891	1,298,415	1.79
2016	9,624,938	6,698,524	2,926,414	1,386,619	250,838	1,637,457	1.79
2017	9,966,389	7,173,112	2,793,277	1,203,043	252,869	1,455,912	1.92
2018	10,252,770	7,214,545	3,038,225	1,139,804	219,035	1,358,839	2.24
2019	10,671,751	7,966,484	2,705,267	1,223,501	205,384	1,428,885	1.89
2020	11,212,356	8,454,040	2,758,316	1,252,348	200,928	1,453,276	1.90

NOTE: Revenue bond coverage requirements are defined in the City's Revenue Bond Ordinance by the City's Bond Counsel, Pope Flynn LLC, Attorneys and Counselors at Law, located in Columbia, South Carolina. Coverage is calculated by dividing the annual net revenue available for debt service by the average annual requirements for principal and interest on all debt outstanding and payable from revenues of the system. Annual net revenue available for debt service is defined as the total operating revenues (non-operating revenue or interest revenue is not included) less total operating expenses (depreciation or amortization is not included).

County of Aiken, South Carolina (Note 1)
Economic Statistics
Last Ten Calendar Years (Note 2)

<u>Year</u>	<u>Population</u>	<u>Personal Income</u> (thousands of dollars)	<u>Per Capita Personal</u> <u>Income</u>	<u>Unemployment Rate</u>
2010	160,099	\$ 5,504,829	\$ 34,325	8.3%
2011	160,682	5,646,463	35,141	8.5%
2012	162,812	5,696,104	34,986	7.7%
2013	164,176	5,944,862	36,210	6.7%
2014	164,753	6,139,496	37,265	6.0%
2015	165,829	6,200,209	37,389	5.9%
2016	167,458	6,535,813	39,030	4.8%
2017	168,179	6,837,409	40,656	4.1%
2018	169,401	7,201,441	42,511	3.4%
2019	170,872	7,577,925	44,349	2.9%

Source: South Carolina Employment Security Commission

Note 1 - All figures are for the County of Aiken, City of North Augusta statistics are not available

Note 2 - Personal Income and Per Capita Personal Income figures are not available for 2020.

The United States Census Bureau has recorded the population of the City of North Augusta and County of Aiken in the decennial years 1940 through 2010 as follows. Population estimates for years 2011-2019 are provided by the City's Planning and Development Department.

<u>Year</u>	<u>City of North Augusta</u>	<u>County of Aiken</u>
1940	2,629	49,916
1950	3,659	53,137
1960	10,348	81,038
1970	12,883	91,023
1980	13,593	105,625
1990	15,684	120,940
2000	17,574	142,780
2010	21,348	160,099
2011	21,419	160,682
2012	21,703	162,812
2013	21,885	164,176
2014	22,048	164,753
2015	22,568	165,829
2016	22,932	167,458
2017	23,275	168,179
2018	23,444	169,401
2019	23,845	170,872

**City of North Augusta, South Carolina
Principal Employers
Current Year and Nine Years Ago**

<u>Employer</u>	<u>Location</u>	<u>2020</u>				<u>2011</u>			
		<u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment</u> (b)	<u>% of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>% of Total County Employment</u>	
Savannah River Site - see detail below (1)	Out	11,281	1	15.47%	11,669	1	17.55%		
Aiken County Public Schools	In / Out	3,400	2	4.66%	3,569	2	5.37%		
Bridgestone Americas (2)	Out	2,269	3	3.11%	1,000	5	1.50%		
Kimberly-Clark Corp.	Out	1,200	4	1.65%	1,857	3	2.79%		
Aiken Regional Medical Center	Out	1,167	5	1.60%	1,005	4	1.51%		
Aiken County Government	Out	975	6	1.34%	883	6	1.33%		
Advanced Glassfiber Yarn	Out	766	7	1.05%	770	7	1.16%		
UPS Customhouse Brokerage	Out	610	8	0.84%	514	9	0.77%		
University of South Carolina-Aiken	Out	606	9	0.83%					
Shaw Industries	Out	600	10	0.82%	625	8	0.94%		
Walmart-North Augusta	In	585	11	0.80%					
Crane Merchandising Systems	Out	480	12	0.66%					
City of Aiken	Out	430	13	0.59%	450	11	0.68%		
ASCO Valve, Inc.	Out	427	14	0.59%	416	12	0.63%		
Tri Development Center of Aiken	Out	370	15	0.51%					
CVS Distribution Center	Out	350	16	0.48%					
Hubbell Power Systems	Out	328	17	0.45%	340	14	0.51%		
Autoneum North America, Inc.	Out	300	18	0.41%					
MTU America Inc.	Out	360	19	0.49%					
City of North Augusta	In	250	20	0.34%	213	16	0.32%		
Westinghouse Safety Management Solutions	Out				500	10	0.75%		
The Calstar Group (a)	Out				370	13	0.56%		
Glaxo Smith Kline	Out				210	17	0.32%		
R.E. Phelon, Inc.	Out				200	18	0.30%		
PACTIV Corp.	Out				250	15	0.38%		
Newman Technology SC, Inc	Out				167	19	0.25%		
BAE Systems	Out				152	20	0.23%		

Source: Economic Development Partnership, Various Employers, and South Carolina Employment Commission

Location: **In** city limits, **Out** of city limits

(1) SRNS/SRR, including subcontractors and temporary construction workers	9,436	1,884
Centerra	665	<u>2,269</u>
Parsons	505	
Department of Energy	345	
US Forestry Service	83	
Savannah River Ecology Lab	104	
Other Subcontractors	<u>143</u>	
	<u>11,281</u>	

Savannah River Nuclear Solutions/Savannah River Remediation Company employees live in 7 counties in South Carolina and 2 in Gec with less than 6% scattered in other areas.

<u>County</u>	<u># of workers</u>
Aiken County, South Carolina	5,278
Columbia County, Georgia	1,685
Richmond County, Georgia	1,082
Barnwell County, South Carolina	540
Edgefield County, South Carolina	285
Orangeburg County, South Carolina	100
Bamberg County, South Carolina	89
Lexington County, South Carolina	160
Other	<u>217</u>
	<u>9,436</u>

(a) Formerly Carlisle Tire and Wheel Company

(b) 2020 employment not available. 2019 employment used to calculate percentage.

City of North Augusta, South Carolina
Full-time Budget Equivalent Employees by Fund / Function / Department
Last Ten Fiscal Years

Fund / Function / Department	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
General Government										
City Council	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Administration	2.0	3.0	3.0	3.0	3.0	1.0	1.0	1.0	2.0	2.0
Information Technology	0.0	0.0	0.0	0.0	0.0	1.5 (a)	1.5	1.5	4.0 (e)	4.0
Justice and Law	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Finance	4.5	4.5	4.5	5.5	5.5	4.0	4.0	4.0	4.0	4.0
Human Resources	0.0	0.0	0.0	0.0	0.0	2.0 (b)	2.0	2.0	2.0	2.0
Building Standards	3.0	3.5	3.5	3.5	4.5	4.5	4.5	4.5	4.5	4.5
Planning and Development	3.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5	3.5	3.5
City Buildings	3.0	3.0	3.0	3.0	3.0	0.0	0.0	0.0	0.0	0.0
Property Maintenance	13.0	13.0	12.0	12.0	13.0	14.0	14.0	14.0	15.0	18.0
Public Safety	76.5	76.5	77.0	79.0	84.0	88.0	90.0	90.0	91.0	92.0
Public Works										
Engineering	1.5	1.5	1.5	1.5	1.5	2.5	2.5	2.5	3.0	3.0
Streets & Drains	9.0	9.0	9.0	9.5	10.0	10.0	10.0	10.0	10.0	10.0
Parks, Recreation & Tourism										
Recreation	5.0	5.0	5.0	4.0	5.0	5.0	4.0	4.0	4.0	4.0
Parks	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Community Center	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Tourism	0.0	0.0	0.0	0.0	0.0	3.0 (f)	3.0	3.0	3.0	3.0
RVP Activities	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0
Sub-total	134.5	135.0	135.5	138.0	146.5	152.5	155.0	155.0	162.0	166.0
Stormwater Fund										
Stormwater	6.0	5.5	5.5	5.0	4.5	5.5	5.0	5.0	5.5	6.0
Sub-total	6.0	5.5	5.5	5.0	4.5	5.5	5.0	5.0	5.5	6.0
Riverfront Central Core Dev. Fund										
Tourism	0.0	0.0	0.0	0.0	0.0	0.0	1.0 (d)	1.0	1.0	1.0
Sub-total	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Sanitation Fund										
Public Works										
Information Technology	0.0	0.0	0.0	0.0	0.0	0.5 (c)	0.5	0.5	0.0 (e)	0.0
Sanitation	26.0	25.5	26.0	26.0	26.0	25.5	26.5	26.5	25.5	26.5
Material Recovery Center	7.5	7.5	7.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Sub-total	33.5	33.0	33.5	34.5	34.5	34.5	35.5	35.5	34.0	35.0
Water & Wastewater Fund										
Public Utilities										
Information Technology	0.0	0.0	0.0	0.0	0.0	2.0 (a)	2.0	2.0	0.0 (e)	0.0
Utilities Finance	4.0	5.0	5.0	5.0	5.0	4.0	5.0	5.0	5.0	5.0
Utilities Administration	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	6.5	6.5
Water Operations	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	9.0	9.0
Water Production	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Wastewater Operations	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	11.0	11.0
Sub-total	37.5	38.5	38.5	38.5	38.5	39.5	40.5	40.5	39.5	39.5
TOTAL	211.5	212.0	213.0	216.0	224.0	232.0	237.0	237.0	242.0	247.5

(a) previously included under Finance

(b) previously included under Administration

(c) previously included under Sanitation

(d) previously under Parks, Recreation, and Tourism

(e) previously split among the General, Sanitation, & Water and Wastewater Funds

(f) previously included under City Buildings

City of North Augusta, South Carolina
Operating Indicators by Function / Program
Last Ten Fiscal Years

Function / Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Size of City (square miles)	20.769	20.778	20.989	21.019	21.150	21.172	21.177	21.180	21.970	22.210
Annexations approved by City Council	4	7	5	5	-	2	1	1	3	11
Building permits issued	627	604	622	660	648	668	689	703	779	755
Plumbing permits issued	341	291	340	310	373	381	296	358	389	420
Mechanical permits issued	323	345	391	433	417	520	455	494	561	551
Electrical & Solar permits issued	411	349	422	431	434	482	813	618	523	582
Business licenses issued	1,756	1,750	1,760	1,861	1,849	1,877	2,017	2,420	2,254	2,302
Police										
Total calls for service	50,356	42,632	41,058	38,973	40,567	37,929	37,322	38,112	40,952	32,520
Criminal arrests	1,800	1,841	1,377	1,360	1,766	1,572	1,338	885	1,127	975
Incident reports (police action required)	3,228	3,557	3,377	3,399	3,627	3,888	3,966	3,797	3,356	3,035
Accident reports (collisions)	1,041	1,007	960	1,012	1,190	1,187	1,267	1,390	1,191	1,038
Traffic offenses (resulting in fine)	8,652	8,698	8,780	8,785	8,809	7,933	8,261	8,490	9,057	7,677
Drug offenses	231	136	203	157	177	210	372	214	154	147
Burglaries reported	333	218	117	108	97	132	93	94	76	59
Fire										
Actual fire calls - Inside City	150	105	130	145	114	105	83	377	384	86
Actual fire calls - Outside City	23	21	17	12	7	31	32	56	26	36
Solid Waste										
Garbage Refuse Collected (tons) - Residential	10,402	9,011	9,079	9,143	10,227	9,334	9,554	9,473	8,613	10,471
Garbage Refuse Collected (tons) - Commercial	6,625	6,874	4,992	5,037	4,723	5,502	6,082	5,647	6,108	6,412
Recyclables Collected (tons)	5,617	4,839	5,326	5,313	6,656	5,047	5,437	5,507	4,312	5,104
Property Maintenance										
Tree trimming hours	260	287	254	275	1,378	3,516	1,338	2,050	1,202	2,073
Mowing hours	13,250	12,970	12,960	12,976	10,944	12,892	14,036	10,368	11,025	12,651
Planting hours	5,600	5,760	5,565	4,628	1,726	1,388	1,145	1,504	754	1,542
Streets and Drains										
Pothole patching / asphalt tons	254	388	476	409	341	464	142	132	169	227
Curb, gutter & sidewalk repair / CY	324	290	285	378	472	292	400	294	402	441
Storm drain inlets cleaned	307	330	325	282	419	619	848	664	612	616
Street sweeping / miles	2,670	2,393	2,727	977	1,339	822	574	563	588	785
Parks and Recreation										
Baseball / Number of Players	784	788	735	789	779	687	592	576	617	466
Youth Softball / Number of Players	270	262	248	259	238	234	240	221	211	133
Spring Soccer / Number of Players	527	540	528	511	484	532	585	580	567	262
Fall Soccer / Number of Players	511	534	474	473	552	552	493	540	540	470
Youth Basketball / Number of Players	595	600	549	680	640	615	652	577	647	492
Youth Football / Number of Players	313	309	310	281	280	239	219	267	269	202
Youth Cheerleading / Number of Participants	165	115	118	96	113	117	182	164	170	142
Youth Volleyball / Number of Participants	91	61	105	83	94	73	86	82	95	105
Water										
New water taps	101	43	33	77	77	184	130	128	103	119
Water lines installed / L.F.	4,662	2,857	5,609	2,068	2,599	913	4,115	6,638	6,432	3,230
Water line leaks repaired	12	24	29	34	23	27	16	19	18	9
Average daily water pumped	4,330,000	4,365,000	3,853,000	3,569,000	3,576,000	3,750,000	3,380,000	3,462,000	4,083,000	3,629,000
Daily peak demand (gallons per day)	7,888,000	9,312,000	7,571,000	7,446,000	7,000,000	6,365,000	5,479,000	5,977,000	7,380,000	6,041,000
Peak day	8/5/2011	7/8/2012	5/27/2013	8/22/2014	6/22/2015	7/29/2016	7/23/2017	9/7/2018	7/12/2019	7/22/2020
Wastewater										
New sewer taps	122	97	117	135	158	212	154	197	187	208
Wastewater lines installed / L.F.	1,425	160	1,379	508	1,970	1,259	6,208	8,423	5,077	2,360
Wastewater lines repaired / L.F.	64	65	33	62	680	556	252	16	47	32
Wastewater lines cleaned / L.F.	57,810	87,648	73,232	93,859	70,610	57,320	34,516	49,432	67,416	41,057

Source: City of North Augusta's Year-end Departmental Reports

City of North Augusta, South Carolina
Capital Asset Statistics by Function / Program
Last Ten Fiscal Years

Function / Program	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety										
Number of Stations	2	2	2	2	3	3	3	3	3	3
Number of Public Safety Officers	55	55	55	58	61	62	64	65	65	65
Number of Volunteer Firemen	20	20	20	20	20	20	25	20	20	20
Insurance Rating (ISO)	Class 3	Class 3	Class 3	Class 3	Class 2	Class 2	Class 2	Class 2	Class 2	Class 2
Signalized Intersections	30	30	30	30	31	31	32	32	32	32
Number of Fire Hydrants										
Inside City	795	802	805	809	812	814	816	848	848	852
Outside City	149	149	149	149	149	149	149	149	149	150
Public Works										
Miles of Streets	138.81	140.09	140.85	141.37	141.91	143.77	144.2	144.9	145.75	147.75
Street Lights	1,763	1,789	1,789	1,800	1,817	1,841	1,859	1,980	2,000	2,040
Parks, Recreation & Tourism										
Number of Parks	22	22	22	22	22	22	22	22	22	23
Park Acreage	550	550	550	550	550	550	550	550	550	527
Miles of Paved Greenway	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Number of Picnic Shelters	8	8	8	9	9	9	9	9	9	9
Baseball / Softball Diamonds	10	10	10	10	10	10	10	10	10	10
Football / Lions Field	2	2	2	2	2	2	2	2	2	2
Soccer Fields	6	6	6	6	6	6	6	6	6	6
Tennis Courts	11	11	11	11	11	11	11	11	11	15
Multi-purpose Fields	3	3	3	3	3	3	3	3	3	3
Community Center	1	1	1	1	1	1	1	1	1	1
Activities Center	1	1	1	1	1	1	1	1	1	1
Water										
Miles of Water Lines	195.15	195.27	196.01	196.08	228.68	229.07	229.84	231.09	232.3	232.74
Maximum Pumping Capacity (gallons per day)	14,000,000	14,000,000	14,000,000	12,000,000 ^(a)	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
Sewer										
Miles of Wastewater Lines	227.72	228.03	228.54	228.57	229.20	229.57	230.74	232	232.96	233.4
Stormwater										
Miles of Storm Sewer	58.22	59.29	59.79	60.37	60.73	68.01	68.47	69.21	70.04	71.66

Source: City of North Augusta's Year-end Departmental Reports

(a) In 2014, SCDHEC reduced the City's maximum pumping capacity to 12,000,000 GPD

**City of North Augusta, South Carolina
Enterprise Funds Rates and Charges
Rates / Charges in effect December 31, 2020**

Water Rate in effect December 31, 2020

Meter Size	Minimum Usage	Base Rates / Inside City Limits			Base Rates / Outside City Limits		
		Debt Service	O & M	Total	Debt Service	O & M	Total
5/8 and 3/4 Inch	3,000 gallons	\$3.90	\$8.48	\$12.38	\$5.85	\$18.91	\$24.76
1 Inch	6,000 gallons	3.90	13.44	17.34	5.85	28.83	34.68
1 1/2 Inch	9,000 gallons	3.90	18.08	21.98	5.85	38.11	43.96
2 Inch	15,000 gallons	3.90	27.47	31.37	5.85	56.89	62.74
3 Inch	24,000 gallons	3.90	41.69	45.59	5.85	85.33	91.18
4 Inch	30,000 gallons	3.90	51.17	55.07	5.85	104.29	110.14
6 Inch	90,000 gallons	3.90	146.03	149.93	5.85	294.01	299.86

Volume of Consumption	Volume Rates / Inside City Limits			Volume Rates / Outside City Limits		
	Debt Service	O & M	Total	Debt Service	O & M	Total
Next 10,000 gallons	\$0.15	\$1.10	\$1.25	\$0.30	\$2.20	\$2.50
Next 27,000 gallons	0.15	1.05	1.20	0.30	2.10	2.40
Next 160,000 gallons	0.15	1.00	1.15	0.30	2.00	2.30
All Additional Usage	0.15	0.90	1.05	0.30	1.80	2.10

Sewer Rate in effect December 31, 2020

Base Rates	Base Rates / Inside City Limits			Base Rates / Outside City Limits		
	Debt Service	O & M	Total	Debt Service	O & M	Total
	\$2.53	\$8.19	\$10.72	\$5.06	\$9.19	\$14.25

Volume of Consumption	Volume Rates / Inside City Limits			Volume Rates / Outside City Limits		
	Debt Service	O & M	Total	Debt Service	O & M	Total
Rates for first 15,000,000 gallons/month	\$0.90	\$2.40	\$3.30	\$1.52	\$2.44	\$3.96
All Additional Usage	0.73	1.93	2.66	0.73	1.93	2.66

Sanitation Service Charges in effect December 31, 2020

	Inside City	Outside City
Residential (monthly)	\$19.50	\$27.45

Commercial (monthly)	Base Fee	Volume Charge (per cubic yard)	
	In and Out City	Inside City	Outside City
2 cubic yard container	\$51.64	\$2.35	\$3.53
3 cubic yard container	54.05	2.35	3.53
4 cubic yard container	56.44	2.35	3.53
6 cubic yard container	61.73	2.35	3.53
8 cubic yard container	67.54	2.35	3.53

Stormwater Management Service Charges in effect December 31, 2020

Residential Charge (Inside City only)	\$5.00 per month
Multi-family Charge (Inside City only)	\$3.75 per month per unit
Non-residential (Inside City only)	Each non-residential developed property is classified and charged according to its primary developed use

**City of North Augusta, South Carolina
Enterprise Funds History of Rates and Charges
Last Ten Fiscal Years Through December 31, 2020**

History of Water Rate Changes (past 10 years)

1/1/2013 O & M Minimum Base Rate increased by \$.75 per month inside city limits and \$1.50 per month outside city limits
 O & M Volume Rate increased by \$.10 per 1,000 gallons inside city limits and \$.20 per 1,000 gallons outside city limits

History of Sewer Rate Changes (past 10 years)

1/1/2020 O & M Volume Rate and Debt Service Rate increased in total by \$0.15 per 1,000 gallons inside and outside city limits (PSA)
1/1/2018 O & M Volume Rate increased by \$.25 per 1,000 gallons inside and outside city limits (PSA)
1/1/2017 O & M Volume Rate increased by \$.16 per 1,000 gallons inside and outside city limits (PSA)

History of Sanitation and Recycling Charge Changes (past 10 years)

1/1/2017 Recycling Service Charge of \$3.60 included in Residential and Commercial Service Charges
 Commercial Volume Charge increased \$0.19 inside city limits and \$0.29 outside city limits

1/1/2012 Residential Service Charge increased by \$.60 inside city limits and \$.90 outside city limits
 Commercial Rates increased by 3.5%
 Recycling Service Charge increased by \$.60 inside and outside city limits

Stormwater Management Service Charge Changes (past 10 years)

None

COMPLIANCE SECTION



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

**The Honorable Mayor and Members
of the City Council
North Augusta, 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 North Augusta, South Carolina** (the "City") as of and for the year ended December 31, 2020, and the related notes to the financial statements, and the budgetary comparison for the General Fund, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 17, 2021.

Internal Control over Financial Reporting

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

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


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

Compliance and Other Matters

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

Purpose of this Report

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



Columbia, South Carolina
May 17, 2021

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2020

SECTION I SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

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

Significant deficiencies identified not considered to be material weaknesses? ___ Yes X No

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

There was not an audit of major federal award programs as of December 31, 2020, due to the total amount expended being less than \$750,000.

SECTION II FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Not applicable.

SECTION IV PRIOR YEAR FINDINGS AND RESPONSES

None reported.

