



Agenda

Fountain Inn, South Carolina FORMAL MEETING OF CITY COUNCIL

Thursday, February 9, 2023

5:45 p.m. for a Presentation from Greenville County Redevelopment Authority

6:00 p.m. for the Regularly Scheduled Meeting

**Judicial Building, Council Chambers,
300 Wall Street Fountain Inn, SC 29644**

**Citizens may access the meeting at the following YouTube address:
<https://www.youtube.com/channel/UC6JiyIrM1NUcM8Ea8BLXCfA>**

Thursday, February 9, 2023 - 6:00 PM

1. Presentation at 5:45 p.m.
 - a. 2023 Annual Action Plan, Imma Nwobodu, GCRA
2. Call to Order - Mayor McLeer
3. Invocation and Pledge of Allegiance
4. Public Hearing
 - a. 2023 Annual Action Plan- GCRA
5. Introduce New Employees
6. Proclamation
 - a. Black History Month
7. Presentations
 - a. FY22 Audit Presentation by Manley Garvin
8. Public Forum - Persons wishing to speak may signup 15 minutes prior to the meeting. Signups will be on a first-come, first-served basis. Your remarks will be limited to 3 minutes.

9. Consent Agenda - There will be no discussion of Consent Agenda items unless a Council member so requests in which event the item in question will be considered separately.
 - a. Approval of January 12, 2023 Regularly Scheduled Council Meeting Minutes
 - b. Approval of January 24, 2023 Special Called Meeting Minutes
 - c. Approval of January 28, 2023 Annual Council Retreat Minutes
10. City Administrator's Report - Shawn M. Bell
 - a. January 2023 Reports
11. Unfinished Business
 - a. Second and Final reading of Z 2022-10 An ordinance to amend the official zoning map of Fountain Inn, said amendment being for the purpose of changing the zoning classification of the property located at Milacron Drive and Greenpond Road containing approximately 14.02 acres, Greenville County Tax Map 0562010102800, 0562010102820, 0562010102815.
 - b. Second and Final Reading AX 2022-2 An Ordinance To Provide For The Annexation Of The Property Described Herein To The City Limits Of The City Of Fountain Inn; To Establish A Zoning Classification Therefore; To Assign The Annexed Property To A Council Ward; And Various Matters Related Thereto For Greenville County Tms #0562010102801
 - c. Second and Final Reading of 2023-1 An ordinance to amend Article III, Building Codes, to achieve uniformity with mandatory building codes adopted for use in South Carolina; and to amend code references as found in section 6-46.
12. New Business
 - a. First and Final Reading for the Approval of Fox Hill Business Park Sewer Lift Station
13. Adjourn

Greenville County Redevelopment Authority



GCRA

Greenville County Annual Action Plan – Program Year 2023

City of Fountain Inn - Public Hearing
Location: 300 Wall Street, Fountain Inn, SC
Date: February 9, 2023 @ 6:00 pm

FY 2023 Annual Action Plan

The Annual Action Plan is Greenville County's Application to the Federal Government (US Department of Housing and Urban Development) proposing the use of Community Development Block Grant (CDBG), HOME and Emergency Solutions Grant (ESG).

FY 2023 funds is for the period beginning July 1, 2023 to June 30, 2024.

This funding period also marks the 4th year allocation of funds and activities for the Greenville County's 2020-2024 Consolidated Plan.

Community Development Block Grant (CDBG)

At least 70% must be used for activities that benefit individuals with low to moderate incomes.



All activities must meet one of three national objectives:

Benefit low- and moderate-income persons (by area or for limited clientele or presumed benefit).

Prevention or elimination of slums or blight

Urgent community development need (there must be an immediate threat to the health or welfare of community)

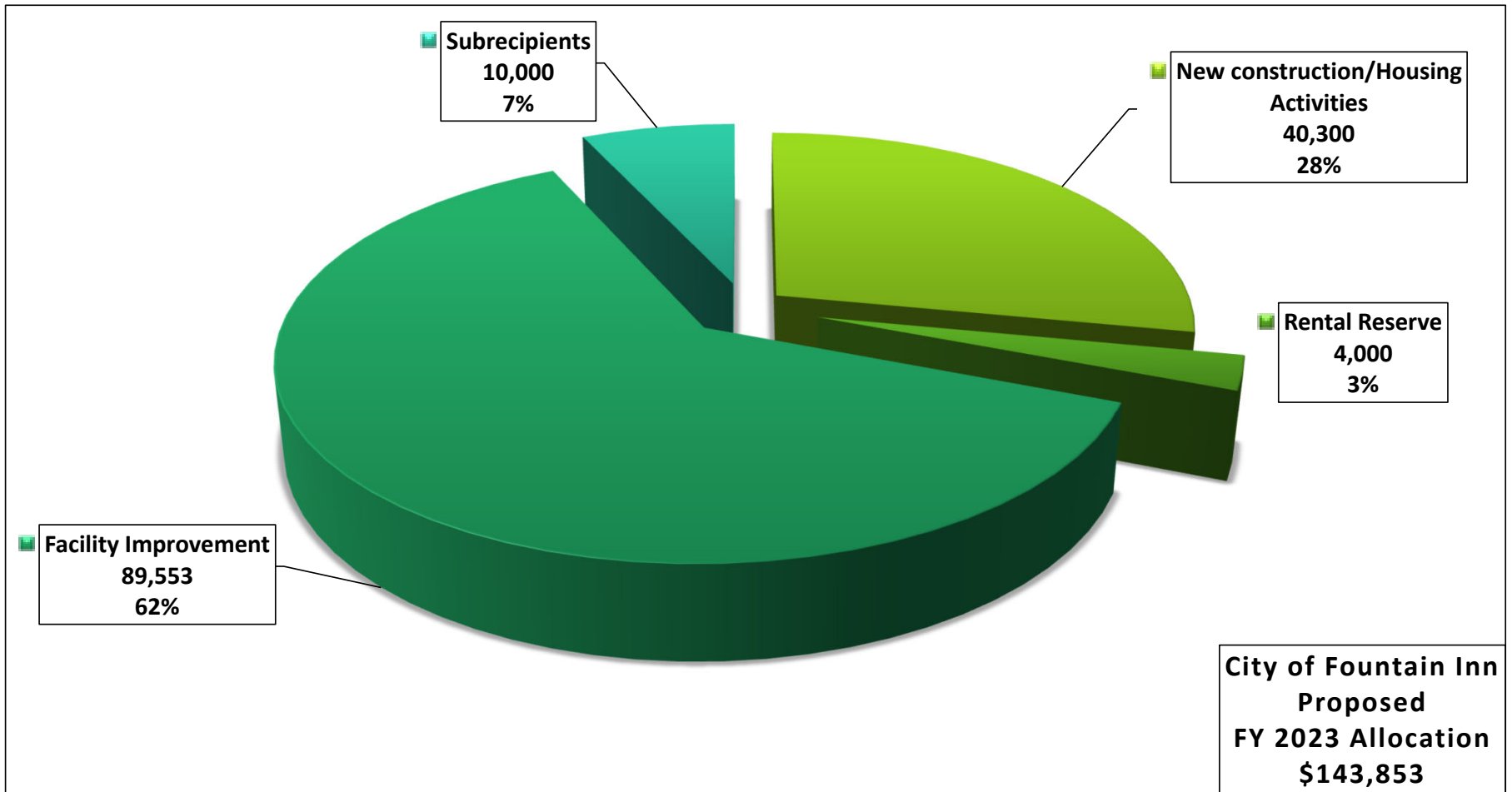


Home Investment Partnership (HOME)

A Federal grant program designed to help jurisdictions expand the supply of decent and affordable rental and homeownership housing for low- and very low-income families and households.

Fountain Inn Allocations

Fund type	Final 2021	Final 2022	Draft 2023
CDBG	\$107,634	\$90,553	\$90,553
CDBG - PI	\$2,000	\$3,000	\$9,000
HOME	\$40,679	\$40,300	\$40,300
HOME - PI	\$7,000	\$6,000	\$4,000
Total	\$157,313	\$139,853	\$143,853



GCRA – Housing Programs

**Homeownership Units
(New & Rehabbed -
GCRA and Housing
Partners)**

**Rental Units – (New
and Rehabbed - GCRA
& Housing Partners)**

**First Time Homebuyers
Program (DPT &
Closing Cost Assistance
– CWC)**

**Investor Program-
Rental Rehab**

**Owner-Occupied
Rehabilitation
Programs**

1. Major – Homeowner Rehab - GCRA
2. Emergency Repair – Program – GCRA & Partner

**MLF-Permanent
Financing – GCRA
funded homes**

**Rental Assistance -
Homelessness
Prevention – At risk of
homelessness**

**Rental Assistance -
Homelessness-Rapid
Rehousing – Literally
homeless**

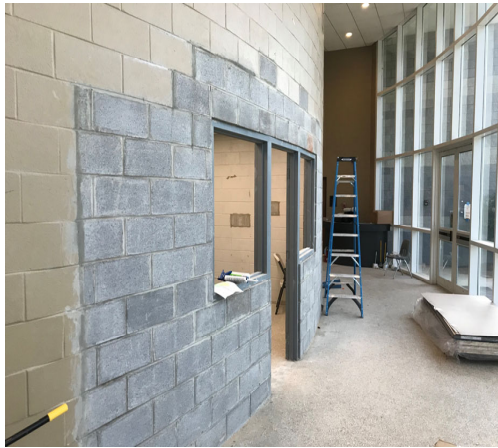
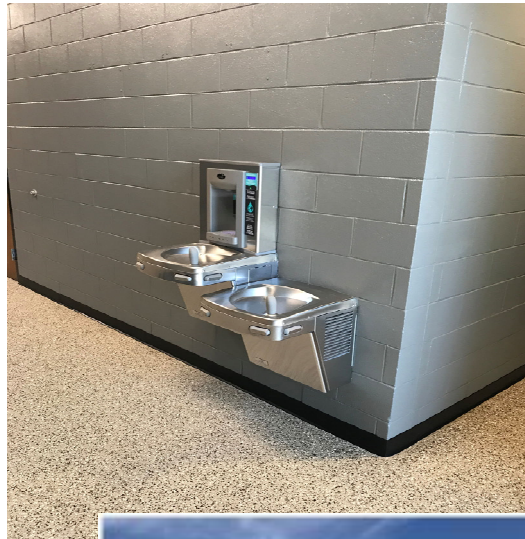
GCRA- Community & Economic Development Activities

Community Development

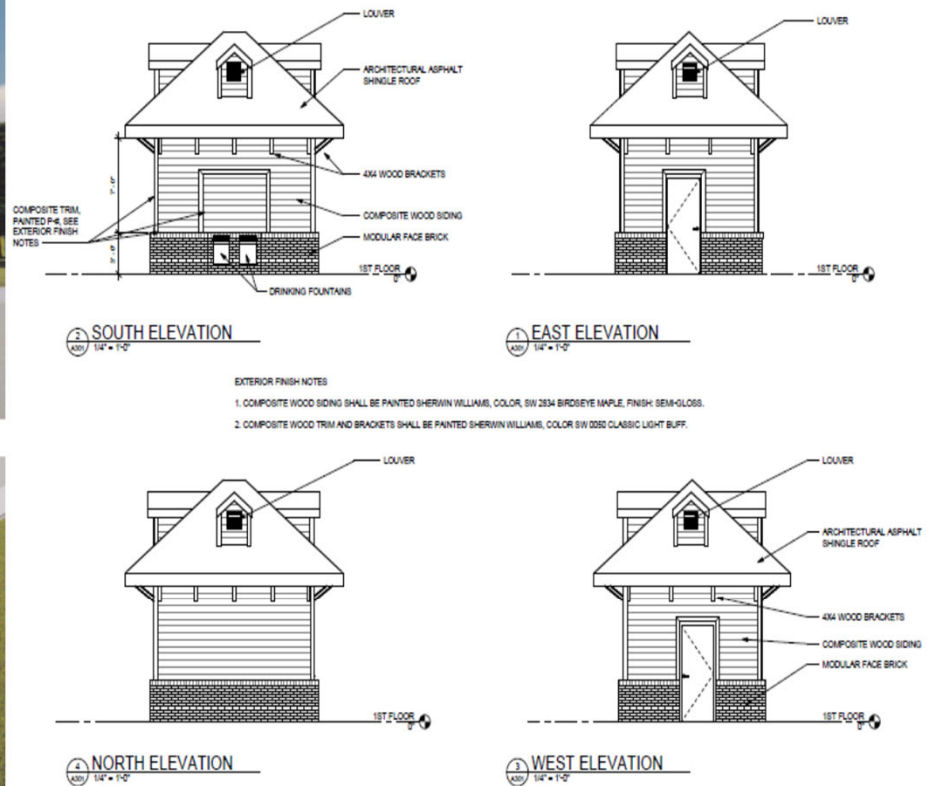
- ☐ Infrastructure improvement
- ☐ Facility Improvement
- ☐ Demolition – address slum & blight
- ☐ Public Service activities – CDBG Subrecipients

Economic Development

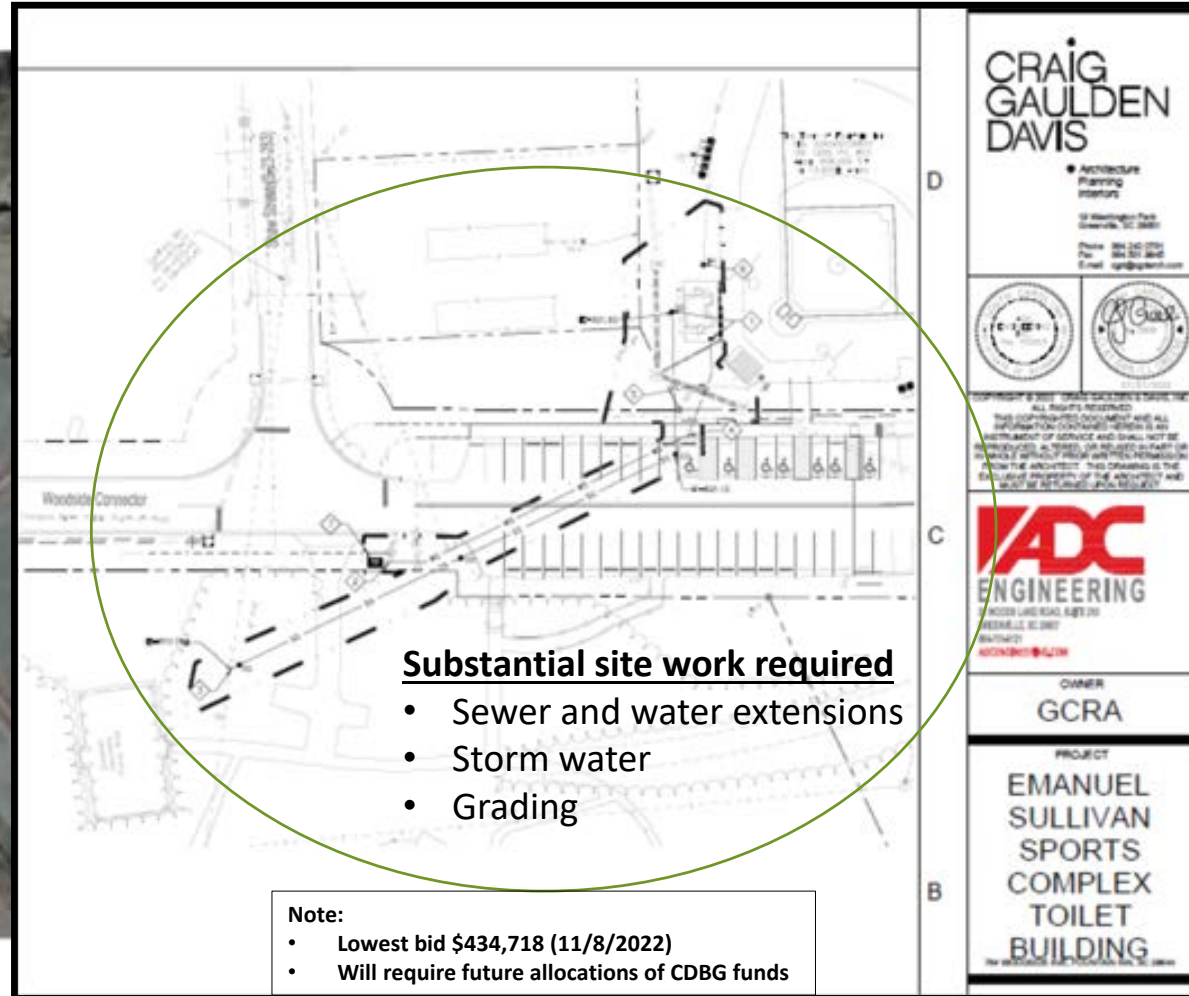
- ☐ Small Business Loans
- ☐ Façade Improvement Program



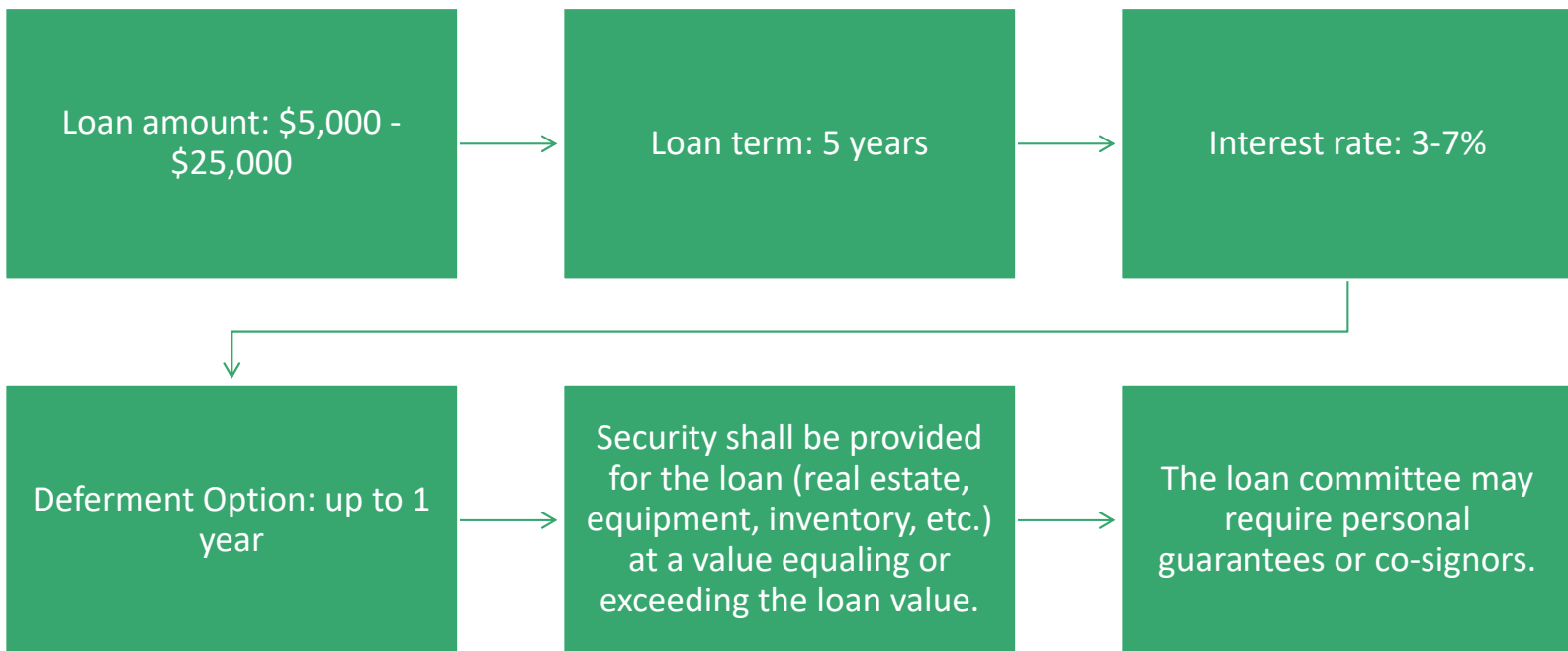
Fountain Inn - Senior Center Improvement - Reconfiguration of interior space to include additional bathrooms, including ADA stalls, office spaces, storage, exercise room and drinking water fountains.



Proposed: Emanuel Sullivan Handicapped Accessible Restrooms



Small Business Loan Criteria



Façade Improvement Program



- \$5,000 in forgivable loan funds to finance exterior improvements to a property owner or tenant's commercial building that will be aesthetically pleasing and complimentary to local design guidelines or the municipality.
- In the form of a declining balance non-interest-bearing loan
 - Loan funds will decline by twenty percent (20%) each year for five (5) years
- If sold within 5 years, remaining loan balance must be recaptured.

NOTE:
Written questions and comments
can be sent to
PH@gcra-sc.org
or telephone # 864-242-9801

**CITY OF FOUNTAIN INN, SOUTH CAROLINA
RESOLUTION 2023-3**

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE
CITY OF FOUNTAIN INN

**ALLOCATION OF GREENVILLE COUNTY
CDBG AND HOME FUNDS
FOR PROGRAM YEAR 2023**

WHEREAS, the City of Fountain Inn participates in the Greenville County Urban County Program;
and

WHEREAS, the funds received by the Greenville County available for allocation by the City of Fountain Inn are as follows:

	<u>CDBG</u>	<u>HOME</u>
City Allocation	\$90,553	\$40,300
Program Income	\$ 9,000	\$ 4,000
Total	\$99,553	\$44,300

WHEREAS, the HOME funds may only be used to increase the supply of decent affordable housing for modest income persons, and CDBG funds may only be used to assist low- and moderate-income persons, reduce or eliminate slum and community blight, or meet an urgent community need where no other funding is available; and

WHEREAS, the Mayor and Council of the City of Fountain Inn have discussed and reviewed projects for which these funds should be allocated by the Greenville County;

NOW, THEREFORE, IT IS HEREBY RESOLVED that the City of Fountain Inn accepts the allocation of funds as set forth above and budgets use of the funds as follows:

HOME funds in the projected amount of \$44,300 or such other amount as may be received in HOME funds in the 2023 program year to be used for new construction and rental reserve activity for eligible property and serving low- and moderate-income applicants in Sanctified Hill communities and as well as scattered sites in the City of Fountain Inn.

CDBG funds in the projected amount of \$99,553 or such other amount as may be received in the 2023 program year to be used on the following activities: the amount of \$10,000 shall be used for public service activities, \$89,553 for facility improvement; or any other eligible activity as may be needed in the City of Fountain Inn.

Further, the City may use current and future CDBG and/or HOME funds during the 2023 program year for the Miracle League Restroom facility.

ANY CHANGE in CDBG and HOME funding allocations, increase or decrease in funding, will be distributed on a pro rata basis to all activities.

PASSED, ADOPTED AND APPROVED, by the Council of the City of Fountain Inn on this _____ day
of _____ 2023.

Attest:

George Patrick McLeer, Jr.

Elizabeth Adams, City Clerk

Reviewed:

Shawn Bell, City Administrator



PROCLAMATION

Fountain Inn City Council recognizes and honors **Black History Month**

WHEREAS, The principles of inclusivity guide the City of Fountain Inn in its commitment to help improve the lives of all individuals in the diverse community we serve; and

WHEREAS, Fountain Inn recognizes the importance of exploring historical issues which have shaped race relations in America and consequently impact the health and wellness of our Black community members; and

WHEREAS, African American history is the chronicle of the men and women who prevailed with extraordinary courage and faith during their struggles for freedom and equality in our state and nation; and

WHEREAS, In 1926, Carter G. Woodson and the organization he founded, the Association for the Study of African American Life and History, initiated Black History Week; and

WHEREAS, The second week of February was chosen to coincide with the birthdays of Abraham Lincoln and Frederick Douglass. The event inspired schools and communities nationwide to organize local celebrations, establish history clubs and host performances and lectures; and

WHEREAS, President Gerald Ford officially recognized Black History Month in 1976, calling upon the public to "seize the opportunity to honor the too-often neglected accomplishments of Black Americans in every area of endeavor throughout our history"; and

WHEREAS, Across the generations, countless Black Americans have demonstrated profound moral courage and resilience to help shape our Nation for the better. Today, Black Americans lead industries and movements for change, serve our communities and our Nation at every level, and advance every field across the board, including arts and sciences, business and law, health, and education, and many more. In the face of wounds and obstacles older than our Nation itself, Black Americans can be seen in every part of our society today, strengthening and uplifting all of America; and

WHEREAS, As we celebrate National Black History Month, let us all recommit ourselves to reach for that founding promise that Black History is American History. Let us continue to fight for the equity, opportunity, and dignity to which every American is due in equal measure.

NOW, THEREFORE, I George Patrick McLeer, Jr., Mayor of the City of Fountain Inn, South Carolina, do hereby proclaim the month of February 2023 as Black History Month and encourage all our citizens to recognize this opportunity to honor and celebrate the contributions of Black Americans in all facets of endeavor in our community and to continue to work toward the ideals of equality, freedom, and opportunity that our city represents.

In witness whereof I have hereunto set my hand and caused this
seal to be affixed

George Patrick McLeer, Jr.
Mayor

Witness

February 9, 2023
Date

City of Fountain Inn, South Carolina

Annual Comprehensive Financial Report

For the year ended June 30, 2022

DRAFT

**Issued by City of Fountain Inn
Finance Department**

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Introductory Section

DRAFT

February 3, 2023

The Honorable Mayor George Patrick McLeer, Jr.
Members of City Council
Citizens of the City of Fountain Inn, South Carolina

Dear Mayor McLeer, City Council Members, and Citizens:

The City of Fountain Inn's Finance Department would like to thank you for the opportunity to serve you and our community. The Finance Department is pleased to present the Comprehensive Annual Financial Report as of June 30, 2022. This report is published to provide the City Council, staff, citizens, and third-party readers with information concerning the financial position of the city. State Law requires that all general-purpose local governments, at the close of each fiscal year, publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City of Fountain Inn. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, the management of the City has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than an absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City of Fountain Inn's financial statements has been audited by Manley Garvin, LLC, a firm of licensed public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ending June 30, 2022, 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 concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Fountain Inn's financial statements for the fiscal year ended June 30, 2022, 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.

For reporting purposes, the operations of the Fountain Inn Facilities Corporation are blended with the city being reported as a component unit. The Fountain Inn Facilities Corporation is a legally separate entity and has some financial interdependency with the City. For reporting purposes, these entities are shown as discretely presented component units.

CITY of
FOUNTAIN INN

The City of Fountain Inn

200 N. Main Street • Fountain Inn, SC 29644 • 864-862-4421
Website: www.fountaininn.org

Fax: 864-862-4812

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A. The City of Fountain Inn's MD&A can be found immediately following the report of the independent auditors.

Community Profile

The City of Fountain Inn was chartered on December 24, 1886. Fountain Inn is nestled in the foothills of Upstate South Carolina. The 2020 census reported a 33.5% increase population since the 2010 census. Our current population is 10,416.

Charm and hospitality abound in the City of Fountain Inn, where residents enjoy small-town living just a short commute from the big-city offerings of the Greenville Metropolitan area. Increasingly, however, attractive retail, dining, and entertainment opportunities are also being offered within Fountain Inn's city limits. We became an Aspiring Main Street community in January 2022.

The City of Fountain Inn is committed to providing quality services to its citizens ranging from public safety, utilities and upkeep, an extension of sewers and roads, to community relations, special events, and recreation. Its police and fire departments are continually recognized in the state for their exemplary service provision. The City's Natural Gas System serves many commercial and residential customers in Laurens and Greenville counties. The City's progressive leadership and focus on economic development and quality of life will continue to benefit our citizens. We held groundbreaking ceremonies for Sanctified Hill Park and a new Utilities Complex (FING & PW) in the fall. Both are expected to be complete by second quarter of 2023. Destinations such as The Younts Center for Performing Arts, revitalized Main Street, Farmers Market, Chamber of Commerce, and History Center provide residents with access to quality entertainment, unique shopping experiences, and quality cuisine. New retail and restaurant merchants have been and will continue to be attracted to our enhanced downtown. The city continues to see extensive residential growth spanning across both Greenville and Laurens Counties.

City Government

A referendum held on November 7, 2017, changed the form of government effective July 1, 2018, to the Council form of government.

The governing body is comprised of a mayor elected at large and six council members, all of whom are elected at large but must reside in specific districts.

Budget Process

The budget process begins in January each year for the upcoming fiscal year, which runs from July 1 to June 30. Departments develop objectives, performance measures, and staffing and funding requests for new services. The City's Finance Director/Treasurer projects fixed operating costs, revenue, salary, and fringe benefits costs for planned staffing levels. This information is compiled and analyzed by the City Finance Director/Treasurer. The City Administrator and the City Finance Director/Treasurer meet with management to review departmental requests, prioritize program needs and establish consensus on objectives and performance measures. Based on the most recent revenue estimates available, the City Administrator and City Finance Director/Treasurer modify funding requests according to prioritized service

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levels. A preliminary budget document is then prepared and submitted to the Council for workshop and review in early April. City Council has the first reading of the budget in May and a public hearing, and the second reading is in June.

The Capital Improvement Program (CIP) is a five-year fiscal planning instrument that is used to identify needed capital purchases and projects, and to coordinate the financing and timing of those projects. The CIP has been revised annually. It identifies funding sources and structures necessary to implement the improvements. Projects included in the CIP represent infrastructure improvements and capital equipment purchases.

Financial Policies

Primary among the responsibilities of the City of Fountain Inn to its citizens is the care of public funds and wise management of the City's finances while providing for the adequate funding of the services desired by the public and the maintenance of public facilities. We have designed financial management policies to ensure the fiscal stability of the City of Fountain Inn and guide the development and administration of the annual operating and capital budgets. The policies address revenues, cash management, expenditures, debt management, risk management, capital needs, and budgeting management.

To support the above-mentioned policies the City has implemented a system of internal controls designed to provide reasonable assurance of achievement of the objectives of effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. However, it should be noted that all internal control systems have inherent limitations related to cost/benefit considerations, management override, or collusion.

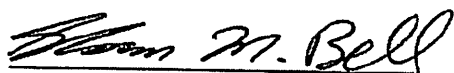
Awards and Acknowledgements

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 Fountain Inn for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2020 and applied for the 2021 certificate as well and awaiting a response. This was the tenth 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 ACFR 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 ACFR 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 timely and accurate preparation of the Comprehensive Annual Financial Report could not be accomplished without the diligent efforts of our Finance Department and all Department Heads. We express appreciation to the fine employees of the City of Fountain Inn who contributed to the completion of the report.

Respectfully Submitted,



Shawn M. Bell
City Administrator



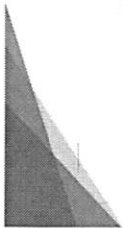
Naomi B. Reed
Assistant City Administrator/Finance Director

**CITY of
FOUNTAIN INN**

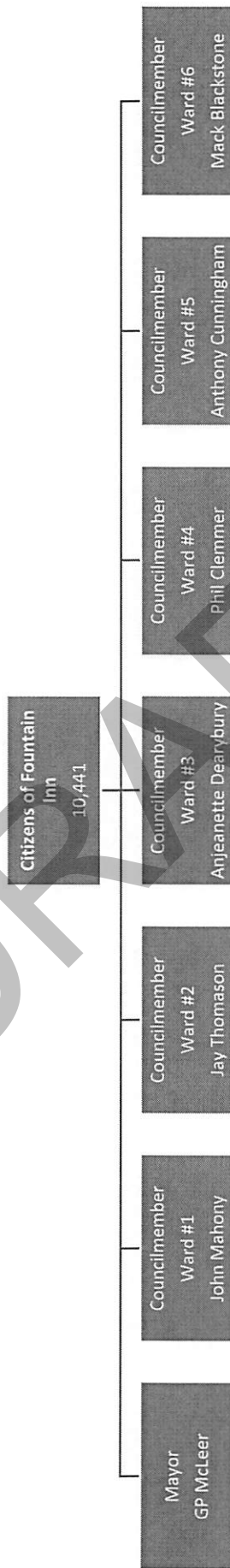
The City of Fountain Inn

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CITY
COUNCIL



Established

1886

Mayor

George P. McLeer, Jr.

City Council Members

Jason Sanders
Jay Thomason
Joey Garrett
Phil Clemmer
John Don
Mack Blackstone

City Administrator

Shawn Bell

Assistant City Administrator/Finance Director

Naomi Reed

City Clerk

Sandra Woods

City Attorney

Michael Kozlarek

Municipal Judge

Rebecca Hand

Financial Section

DRAFT



Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Fountain Inn
Fountain Inn, South Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fountain Inn, South Carolina (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Manley Garvin, LLC". The signature is written in a cursive, flowing style. A large, light gray watermark with the word "DRAFT" is oriented diagonally across the page, passing behind the signature.

Greenwood, South Carolina
February 3, 2023

City of Fountain Inn, South Carolina

Management's Discussion and Analysis

June 30, 2022

This section of the City of Fountain Inn's (the "City") annual financial report presents our discussion and analysis of the City's financial performance during the year ended June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

In April, 2013, City Council approved an ordinance to change the fiscal year end of the City from December 31 to June 30. This change has provided reporting period consistency with the counties in which the City is located as well as the state of South Carolina, allowed for a match of the budgeting process and millage calculation with the tax billing deadlines for the counties.

FINANCIAL HIGHLIGHTS

The City issues both Government-wide and Fund financial statements which utilize full accrual and modified accrual accounting, respectively, as described in more detail starting on page 5. Financial highlights are as follows:

Government-wide Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the period by approximately \$26,295,000 (*net position*). The City's total net position increased by approximately \$2,391,000 as revenues of approximately \$27,477,000 exceeded expenses of approximately \$25,087,000.
- The City's capital assets increased during the year ended June 30, 2022 by approximately \$1,279,000 (4.1%) to approximately \$32,623,000 at June 30, 2022. The increase was due to current period additions of approximately \$3,369,000 offset by net disposals of approximately \$29,000 and depreciation expense of approximately \$2,061,000.
- The City's long-term obligations increased during the year ended June 30, 2022 by approximately \$5,622,000 (40.6%) to approximately \$19,482,000 at June 30, 2022, excluding net pension and other postemployment liabilities. The increase was primarily the result of normal principal payments made during the year offset by issuance of a new installment purchase revenue bond and master lease payable obligation.

Governmental Fund Financial Highlights

- The City's governmental funds reported combined ending fund balances of approximately \$14,384,000, an increase of approximately \$9,170,000. The increase resulted primarily from the following:

Capital outlay	\$ 845,000
Revenues in excess of expenditures (excluding capital outlay)	\$ 1,641,000
Issuance of master lease payable	\$ 113,000
Issuance of short-term general obligation bonds	\$ 390,000
Issuance of installment purchase revenue bond	\$ 7,125,000
Transfers in, net of transfers out	\$ 690,000
- Unassigned fund balance for the General Fund was approximately \$5,226,000 at June 30, 2022 compared to approximately \$4,146,000 at June 30, 2021, an increase of approximately \$1,080,000.
- Unassigned fund balance for the General Fund was 47.3% of total General Fund expenditures for the year ended June 30, 2022 compared to 40.3% of total General Fund expenditures for the year ended June 30, 2021. Unassigned fund balance for the General Fund as a percentage of General Fund expenditures, net of capital outlay and debt service, was 56.5% for the year ended June 30, 2022 compared to 51.2% for the year ended June 30, 2021.

City of Fountain Inn, South Carolina

Management's Discussion and Analysis

June 30, 2022

- General Fund revenues were approximately \$11,372,000 for the year ended June 30, 2022 compared to approximately \$9,494,000 for the year ended June 30, 2021. General Fund expenditures were approximately \$11,049,000 for the year ended June 30, 2022 compared to approximately \$9,664,000 for the year ended June 30, 2021.
- Actual General Fund revenues, including other financing sources, were more than budgeted amounts by approximately \$1,954,000 primarily from positive variances in taxes, fire service area revenues, licenses and permits, charges for services, facility rental, grants, special events/community development and other revenue offset by negative variances in intergovernmental, fines and forfeits, donations and net interest earnings. General Fund expenditures were approximately \$609,000 more than budgeted amounts, as unfavorable budget variances were achieved in most operating departments as a result of increases in personnel costs, related benefits and debt service costs.
- Hospitality Tax fund balance of approximately \$1,053,000 at June 30, 2022 increased by approximately \$256,000 as a result of revenue totaling approximately \$581,000, due to an increase in population, in excess of expenditures of approximately \$150,000, offset by transfers out to the General Fund of approximately \$175,000 to fund eligible tourism related expenditures.
- Capital Projects Fund balance of approximately \$6,620,000 at June 30, 2022 increased by approximately \$6,547,000 from the prior year as a result of proceeds from issuance of new debt exceeding expenditures of for capital purchases and debt issuance costs.

Proprietary Funds Financial Highlights

- Proprietary funds net position was approximately \$18,981,000 at June 30, 2022 compared to approximately \$16,885,000 at June 30, 2021, an increase of approximately \$2,095,000.
- Proprietary funds total revenues were approximately \$13,165,000 for the year ended June 30, 2022 compared to approximately \$10,557,000 for the year ended June 30, 2021. Proprietary funds total expenses were approximately \$10,379,000 for the year ended June 30, 2022 compared to approximately \$7,751,000 for the year ended June 30, 2021. Transfers out were approximately \$690,000 for the year ended June 30, 2022.

OVERVIEW OF THE FINANCIAL STATEMENTS

This report consists of four parts - *Introductory Section*, *Financial Section* (which includes management's discussion and analysis, the basic financial statements, required supplementary information, and other supplementary information), *Statistical Section*, and *Compliance Section*.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like public safety were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short- and long-term* financial information about the activities the government operates *like businesses*, such as the natural gas and sewer activities.
 - *Fiduciary fund* statements provide information about resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that of the proprietary funds.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which are added together and presented in single columns in the basic financial statements.

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-1
Major Features of City's Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except Fiduciary funds)	The activities of the City that are not proprietary or fiduciary.	Activities the City operates similar to private businesses.	Instances in which the City is the agent for someone else's resources
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balances	• Statement of net position • Statement of revenues, expenses, and changes in net position • Statement of cash flows	• Statement of fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid.

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current period's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's *net position* and how they have changed. Net position - the difference between the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources - is one way to measure the City's financial health, or *position*.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City one needs to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

The government-wide financial statements of the City are divided into two categories:

- *Governmental activities* - Most of the City's basic services are included here, such as the police, fire, public works, parks departments and general administration. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* - The City charges fees to customers to help it cover the costs of certain services it provides.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant funds - not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has three kinds of funds:

- *Governmental funds* - Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* - Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information.

City of Fountain Inn, South Carolina
Management's Discussion and Analysis
June 30, 2022

- **Fiduciary funds** - The City acts as agent, or *fiduciary*, for other entities' resources. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The City's combined net position increased approximately \$2,391,000 or 10.0% between June 30, 2022 and June 30, 2021. (See Table A-1)

Table A-1
City of Fountain Inn's Net Position

	Governmental activities		Business-type activities		Total	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Assets						
Current assets	\$ 15,493,965	\$ 5,548,894	\$ 9,554,038	\$ 10,622,663	\$ 25,048,003	\$ 16,171,557
Capital assets, net	15,076,149	15,354,201	17,546,683	15,989,596	32,622,832	31,343,797
Total assets	30,570,114	20,903,095	27,100,721	26,612,259	57,670,835	47,515,354
Total deferred outflows of resources	2,199,776	1,911,529	418,111	517,840	2,617,887	2,429,369
Total assets and deferred outflows of resources	\$ 32,769,890	\$ 22,814,624	\$ 27,518,832	\$ 27,130,099	\$ 60,288,722	\$ 49,944,723
Liabilities						
Current liabilities	\$ 2,265,739	\$ 1,019,134	\$ 1,517,877	\$ 1,880,047	\$ 3,783,616	\$ 2,899,181
OPEB liability	1,595,329	23,966	-	-	1,595,329	23,966
Net pension liability	7,583,095	8,038,168	1,556,813	2,466,809	9,139,908	10,504,977
Long-term liabilities	12,574,594	6,667,022	5,235,011	5,887,293	17,809,605	12,554,315
Total liabilities	24,018,757	15,748,290	8,309,701	10,234,149	32,328,458	25,982,439
Total deferred inflows of resources	1,437,321	47,703	228,248	10,521	1,665,569	58,224
Net position						
Net investment in capital assets	8,305,643	8,163,874	11,682,512	9,498,774	19,988,155	17,662,648
Restricted	7,940,407	950,500	414,469	406,448	8,354,876	1,356,948
Unrestricted (deficit)	(8,932,238)	(2,095,743)	6,883,902	6,980,207	(2,048,336)	4,884,464
Total net position	7,313,812	7,018,631	18,980,883	16,885,429	26,294,695	23,904,060
Total liabilities, deferred inflows of resources and net position	\$ 32,769,890	\$ 22,814,624	\$ 27,518,832	\$ 27,130,099	\$ 60,288,722	\$ 49,944,723

Net position of our governmental activities increased by approximately \$295,000. Net position of our business-type activities increased by approximately \$2,095,000.

Changes in Net Position

The City's total revenues increased by 36.1% to approximately \$27,477,000 (See Table A-2). A significant portion of this increase is related to an increase in charges for services, property taxes, and other revenues, such as American Recovery Plan Act funds received, and increases in grants and contributions. Approximately 19.0% of the City's revenue was derived from property taxes, 64.8% from fees charged for services, 3.2% from grants and contributions and 13.0% from state government and other sources.

City of Fountain Inn, South Carolina
Management's Discussion and Analysis
June 30, 2022

The total costs of all programs and services increased approximately \$7,296,000, or 41.0% as compared to the prior year. A significant portion of this increase is related to capital expenditures, employee costs and increased fuel and natural gas costs. The City's expenses cover a range of services, with approximately 21.8% related to public safety and 41.4% related to enterprise fund operations.

Table A-2
Changes in City of Fountain Inn's Net Position

	Governmental activities		Business-type activities		Total	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Revenues						
Program revenues:						
Charges for services	\$ 5,048,883	\$ 3,743,086	\$ 12,763,988	\$ 10,554,731	\$ 17,812,871	\$ 14,297,817
Operating grants and contributions	84,600	62,222	-	-	84,600	62,222
Capital grants and contributions	292,440	126,045	504,000	-	796,440	126,045
General revenues:						
Property taxes	5,224,935	4,864,855	-	-	5,224,935	4,864,855
Other	3,661,965	834,220	(103,397)	2,257	3,558,568	836,477
Total revenues	14,312,823	9,630,428	13,164,591	10,556,988	27,477,414	20,187,416
Program expenses						
General government	5,023,545	1,733,679	-	-	5,023,545	1,733,679
Judicial	257,483	257,587	-	-	257,483	257,587
Public safety	5,472,074	4,903,329	-	-	5,472,074	4,903,329
Sanitation	717,492	675,649	-	-	717,492	675,649
Streets and public works	1,175,926	886,928	-	-	1,175,926	886,928
Recreation	1,014,627	873,062	-	-	1,014,627	873,062
Special events/community development	514,793	464,295	-	-	514,793	464,295
Interest and other charges	531,888	245,171	-	-	531,888	245,171
Natural gas	-	-	9,206,704	6,955,759	9,206,704	6,955,759
Sewer	-	-	1,172,247	795,028	1,172,247	795,028
Total expenses	14,707,828	10,039,700	10,378,951	7,750,787	25,086,779	17,790,487
Change in net position before transfers	(395,005)	(409,272)	2,785,640	2,806,201	2,390,635	2,396,929
Transfers in (out)	690,186	590,186	(690,186)	(590,186)	-	-
Change in net position	295,181	180,914	2,095,454	2,216,015	2,390,635	2,396,929
Net position, beginning of year	7,018,631	6,837,717	16,885,429	14,669,414	23,904,060	21,507,131
Net position, end of year	\$ 7,313,812	\$ 7,018,631	\$ 18,980,883	\$ 16,885,429	\$ 26,294,695	\$ 23,904,060

City of Fountain Inn, South Carolina

Management's Discussion and Analysis

June 30, 2022

Governmental Activities

The City is reliant on local property taxes to pay for many of the services provided to its citizens. The current millage rate for local property taxes for the City is 68.7 mills for both Greenville County and Laurens County, which includes 11.6 mills for debt service. The Fire Service District carries a millage rate of 34.4 mills for the Fire Service Area of Greenville County. The assessed value is 4% of market value for residential property, 6% for commercial property, and 10.5% for industrial property. Local property taxes and fire service area revenues accounted for approximately 61.5% (\$6,655,000) of General Fund operating revenue for the year ended June 30, 2022. (Refer to Table A-2)

Expenses in the year ended June 30, 2022 were approximately \$4,668,000 more than the prior year. The increase was due to increases in general government, public safety, sanitation, streets and sanitation, recreation, special events/community development and interest and other charges offset by decreases in judicial costs. Personnel costs, related benefits and changes in OPEB and net pension liability expenses were primary reasons for the increase along with expenditures related to capital outlay and debt service and related issuance costs. (Refer to Table A-2)

Business-Type Activities

Total revenues of the City's business-type activities were approximately \$13,165,000 for the year ended June 30, 2022 compared to approximately \$10,557,000 for the year ended June 30, 2021, as a significant portion of the increase was related to an increase in charges for services due to population growth of new customers and increases in salaries and related benefits. The total expenses were approximately \$10,379,000 for the year ended June 30, 2022 compared to approximately \$7,751,000 for the year ended June 30, 2021, as a significant portion of the increase is related to an increase in the amount of natural gas charges incurred due to higher natural gas prices and increases in sewer related expenditures due to an increase in volume. (Refer to Table A-2)

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed the year, its governmental funds reported an increase in combined fund balance of approximately \$9,170,000, or a 175.9% increase over the prior year. Governmental funds revenues exceeded expenditures by approximately \$796,000, along with net transfers in the amount of approximately \$690,000 from enterprise funds and proceeds from debt issuance in the amount of approximately \$7,628,000. Other contributing factors included growth of population resulting in new customers, increased home values due to the housing market offset by increases in employee costs and related benefits.

General Fund Budgetary Highlights

Expenditures were approximately \$609,000 or 5.8% above budgeted amounts. This is primarily the result of personnel costs, additional debt service payments and issuance costs from new debt issuance.

Total revenues were approximately \$1,985,000 or 22.3% more than budgeted amounts. Contributing factors include:

- Property tax and other tax revenues were approximately \$406,000 higher than budgeted primarily due to population growth of tax base.
- Fines, licenses and permits were approximately \$1,132,000 higher than budgeted due primarily to population growth.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2022, the City had invested approximately \$32,623,000, net of depreciation, in a broad range of capital assets. (See Table A-3) This amount represents a net increase (including additions and deductions) of approximately \$1,279,000 or 4.1% over June 30, 2021 balances.

Table A-3
City of Fountain Inn's Capital Assets
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 1,173,995	\$ 1,173,995	\$ 100,125	\$ 100,125	\$ 1,274,120	\$ 1,274,120
Construction in progress	1,470,058	921,781	1,014,981	907,396	2,485,039	1,829,177
Buildings and improvements	2,915,907	3,065,948	283,553	306,704	3,199,460	3,372,652
Land improvements	4,437,270	4,573,750	6,875	6,875	4,444,145	4,580,625
Infrastructure	3,107,253	3,010,826	-	-	3,107,253	3,010,826
Utility lines/Systems	-	-	15,774,001	14,415,925	15,774,001	14,415,925
Machinery, equipment, furniture and fixtures	302,030	387,767	195,507	184,575	497,537	572,342
Vehicles	1,669,636	2,220,134	171,641	67,996	1,841,277	2,288,130
Totals	\$ 15,076,149	\$ 15,354,201	\$ 17,546,683	\$ 15,989,596	\$ 32,622,832	\$ 31,343,797

This year's major capital asset additions included:

- Governmental activities: approximately \$405,000 in land improvements and infrastructure transferred from construction in progress projects completed, approximately \$578,000 in land improvements and infrastructure projects not completed, and approximately \$86,000 in vehicle equipment additions.
- Sewer: approximately \$786,000 in sewer construction projects transferred from construction in progress, approximately \$182,000 in other construction projects not yet completed and approximately \$55,000 in vehicles.
- Natural Gas: approximately \$671,000 in infrastructure projects transferred from construction in progress, approximately \$618,000 in other infrastructure projects not yet completed and approximately \$94,000 in vehicles.

More detailed information about the City's capital assets is presented in Notes 1 and 5 to the financial statements.

Long-term Debt

At June 30, 2022 the City had approximately \$19,482,000 in long-term obligations outstanding, excluding the net pension liability and the OPEB liability – an increase of 40.6% over June 30, 2021, as shown in Table A-4. More detailed information about the City's long-term debt is presented in Note 9 to the financial statements.

Table A-4
City of Fountain Inn's Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Long-term obligations						
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue bonds	12,977,504	6,724,093	5,883,259	6,514,544	18,860,763	13,238,637
Notes payable - master lease	518,983	539,520	-	-	518,983	539,520
Compensated absences	84,850	66,137	17,769	16,137	102,619	82,274
Totals	\$ 13,581,337	\$ 7,329,750	\$ 5,901,028	\$ 6,530,681	\$ 19,482,365	\$ 13,860,431

City of Fountain Inn, South Carolina***Management's Discussion and Analysis******June 30, 2022***

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City is geographically located in Greenville and Laurens Counties. Unemployment rates in these two counties as of June 30, 2022 were 3.0% and 3.6%, respectively, in comparison to the state rate of 3.2% and the national rate of 3.6% at the same period end.

Inflationary trends in the region compare favorably to national indices.

These indicators were taken into account when adopting the general fund budget for fiscal year 2023. Amounts available for appropriation for the year ended June 30, 2023 in the general fund budget are approximately \$11,765,000.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide an overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions about this report or requests for additional financial information should be directed to Naomi Reed, Assistant City Administrator/Finance Director, 200 North Main Street, Fountain Inn, South Carolina, 29644 or by visiting www.fountaininn.org.

Basic Financial Statements

DRAFT

City of Fountain Inn, South Carolina

Statement of Net Position

June 30, 2022

	Primary government		
	Governmental activities	Business-type activities	Totals
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	\$ 4,664,991	\$ 4,571,926	\$ 9,236,917
Investments	1,742,334	3,192,330	4,934,664
Restricted cash and investments	8,291,314	414,469	8,705,783
Due from County Treasurer	65,935	-	65,935
Property taxes receivable, net	197,576	-	197,576
Accounts receivable, net	-	1,020,403	1,020,403
Due from other governments	484,175	-	484,175
Inventory	-	333,802	333,802
Prepays	47,640	21,108	68,748
Capital assets:			
Non-depreciable	2,644,053	1,115,106	3,759,159
Depreciable, net	12,432,096	16,431,577	28,863,673
Total assets	<u>30,570,114</u>	<u>27,100,721</u>	<u>57,670,835</u>
Deferred outflows of resources			
Deferred charge on refunding	-	19,088	19,088
Deferred outflows related to OPEB	84,908	-	84,908
Deferred outflows related to pension	2,114,868	399,023	2,513,891
Total deferred outflows of resources	<u>2,199,776</u>	<u>418,111</u>	<u>2,617,887</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 32,769,890</u>	<u>\$ 27,518,832</u>	<u>\$ 60,288,722</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable	\$ 165,633	\$ 230,143	\$ 395,776
Accrued salaries and fringe benefits	310,025	511,992	822,017
Accrued interest payable	188,376	35,521	223,897
Accrued expenses	219,651	-	219,651
Customer deposits	98,136	209,750	307,886
Unearned revenue	266	141,363	141,629
Internal balances	276,909	(276,909)	-
Non-current liabilities:			
Due within one year	1,006,743	666,017	1,672,760
Due in more than one year	12,574,594	5,235,011	17,809,605
OPEB liability	1,595,329	-	1,595,329
Net pension liability	7,583,095	1,556,813	9,139,908
Total liabilities	<u>24,018,757</u>	<u>8,309,701</u>	<u>32,328,458</u>
Deferred inflows of resources			
Deferred inflows related to OPEB	10,072	-	10,072
Deferred inflows related to pension	1,427,249	228,248	1,655,497
Total deferred inflows of resources	<u>1,437,321</u>	<u>228,248</u>	<u>1,665,569</u>
Net position			
Net investment in capital assets	8,305,643	11,682,512	19,988,155
Restricted for:			
Debt service	40,985	414,469	455,454
Capital projects	6,725,981	-	6,725,981
Cultural and tourism	1,011,685	-	1,011,685
Victims' assistance	149,128	-	149,128
Underage alcohol enforcement	12,628	-	12,628
Unrestricted (deficit)	(8,932,238)	6,883,902	(2,048,336)
Total net position	<u>7,313,812</u>	<u>18,980,883</u>	<u>26,294,695</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 32,769,890</u>	<u>\$ 27,518,832</u>	<u>\$ 60,288,722</u>

See Notes to Financial Statements

City of Fountain Inn, South Carolina
Statement of Activities
For the year ended June 30, 2022

Functions/Programs					Net (expense) revenue and changes in net position		
	Expenses	Program revenues		Capital grants and contributions	Primary government		Total
		Charges for services	Operating grants and contributions		Governmental activities	Business-type activities	
Primary government							
General government	\$ 5,023,545	\$ 2,692,644	\$ 5,074	\$ -	\$ (2,325,827)	\$ -	\$ (2,325,827)
Judicial	257,483	-	-	-	(257,483)	-	(257,483)
Public safety	5,472,074	1,489,391	4,526	-	(3,978,157)	-	(3,978,157)
Sanitation	717,492	-	-	-	(717,492)	-	(717,492)
Streets and public works	1,175,926	640,907	25,000	292,440	(217,579)	-	(217,579)
Recreation	1,014,627	129,642	50,000	-	(834,985)	-	(834,985)
Special events/community development	514,793	96,299	-	-	(418,494)	-	(418,494)
Interest and other charges	531,888	-	-	-	(531,888)	-	(531,888)
Total governmental activities	14,707,828	5,048,883	84,600	292,440	(9,281,905)	-	(9,281,905)
Business-type activities							
Natural gas	9,206,704	11,264,418	-	-	-	2,057,714	2,057,714
Sewer	1,172,247	1,499,570	-	504,000	-	831,323	831,323
Total business-type activities	10,378,951	12,763,988	-	504,000	-	2,889,037	2,889,037
Total primary government	\$ 25,086,779	\$ 17,812,871	\$ 84,600	\$ 796,440	(9,281,905)	2,889,037	(6,392,868)
General revenues							
Taxes:							
Property taxes					5,224,935	-	5,224,935
Hospitality taxes					577,959	-	577,959
Intergovernmental revenue, not restricted for specific purposes					2,813,085	-	2,813,085
Other					274,036	18,200	292,236
Investment earnings (losses)					(3,115)	(121,597)	(124,712)
Transfers					690,186	(690,186)	-
Total general revenues and transfers					9,577,086	(793,583)	8,783,503
Change in net position					295,181	2,095,454	2,390,635
Net position, beginning of year					7,018,631	16,885,429	23,904,060
Net position, end of year					\$ 7,313,812	\$ 18,980,883	\$ 26,294,695

See Notes to Financial Statements

City of Fountain Inn, South Carolina
Balance Sheet - Governmental Funds
June 30, 2022

	General	Hospitality tax	Capital Projects Fund	American Recovery Plan Act	Other governmental funds	Total governmental funds
ASSETS						
Cash and cash equivalents	\$ 3,496,368	\$ -	\$ -	\$ 1,168,623	\$ -	\$ 4,664,991
Investments	1,742,334	-	-	-	-	1,742,334
Restricted cash and investments	-	1,013,101	7,116,829	-	161,384	8,291,314
Due from County treasurer	65,935	-	-	-	-	65,935
Property taxes receivable, net	197,576	-	-	-	-	197,576
Prepays	47,640	-	-	-	-	47,640
Due from other governments	433,229	50,946	-	-	-	484,175
Due from other funds	338,067	-	-	913	372	339,352
Total assets	<u>\$ 6,321,149</u>	<u>\$ 1,064,047</u>	<u>\$ 7,116,829</u>	<u>\$ 1,169,536</u>	<u>\$ 161,756</u>	<u>\$ 15,833,317</u>
LIABILITIES						
Accounts payable	\$ 154,390	\$ 11,231	\$ -	\$ 12	\$ -	\$ 165,633
Accrued salaries and fringe benefits	310,025	-	-	-	-	310,025
Other accruals	45,038	-	174,613	-	-	219,651
Deposits	98,136	-	-	-	-	98,136
Due to other funds	294,380	146	321,735	-	-	616,261
Unearned revenue	266	-	-	-	-	266
Total liabilities	<u>902,235</u>	<u>11,377</u>	<u>496,348</u>	<u>12</u>	<u>-</u>	<u>1,409,972</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	39,349	-	-	-	-	39,349
Total deferred inflows of resources	<u>39,349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,349</u>
FUND BALANCES						
Nonspendable	47,640	-	-	-	-	47,640
Restricted	-	-	-	-	-	-
Debt service	-	40,985	-	-	-	40,985
Capital projects	105,500	-	6,620,481	-	-	6,725,981
Special revenue	-	1,011,685	-	-	161,756	1,173,441
Unassigned	5,226,425	-	-	1,169,524	-	6,395,949
Total fund balances	<u>5,379,565</u>	<u>1,052,670</u>	<u>6,620,481</u>	<u>1,169,524</u>	<u>161,756</u>	<u>14,383,996</u>
Total liabilities and fund balances	<u>\$ 6,321,149</u>	<u>\$ 1,064,047</u>	<u>\$ 7,116,829</u>	<u>\$ 1,169,536</u>	<u>\$ 161,756</u>	<u>\$ 15,833,317</u>

See Notes to Financial Statements

City of Fountain Inn, South Carolina**Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities****June 30, 2022**

TOTAL FUND BALANCE- GOVERNMENTAL FUNDS \$ 14,383,996

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 15,076,149

Property taxes receivable will be collected this year, but are not available soon enough for the current period's expenditures, and therefore are presented as unavailable in the fund financial statements. 39,349

Accrued interest on long-term obligations in governmental accounting is not due or payable in the current period and therefore are not reported as liabilities in the funds. (188,376)

Pension and OPEB related deferrals are not reported in governmental funds, but are reported in governmental activities as follows:

OPEB liability	(1,595,329)
Deferred outflows related to OPEB	84,908
Deferred inflows related to OPEB	(10,072)
Net pension liability	(7,583,095)
Deferred outflows related to pensions	2,114,868
Deferred inflows related to pensions	(1,427,249)

Long-term liabilities, including bonds and notes, are not due or payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities consisted of the following:

Long-term debt	(13,496,487)	
Compensated absences	(84,850)	(13,581,337)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ 7,313,812

City of Fountain Inn, South Carolina
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the year ended June 30, 2022

	General	Hospitality tax	Capital Projects Fund	American Recovery Plan Act	Other governmental funds	Total governmental funds
REVENUES						
Taxes	\$ 5,234,210	\$ 577,959	\$ -	\$ -	\$ -	\$ 5,812,169
Fire service area revenues	1,420,302	-	-	-	-	1,420,302
Licenses and permits	2,615,518	-	-	-	-	2,615,518
Intergovernmental	214,091	-	-	2,598,994	-	2,813,085
Fines and forfeitures	28,964	-	-	-	3,663	32,627
Charges for services	852,066	-	-	-	-	852,066
Rent - facilities	32,071	-	-	-	-	32,071
Grants - governmental	76,026	-	-	-	3,500	79,526
Donations	5,074	-	-	-	-	5,074
Special events/community development	96,299	-	-	-	-	96,299
Interest	6,520	2,762	1,381	-	144	10,807
Investment earnings (losses)	(13,922)	-	-	-	-	(13,922)
Other	246,286	-	-	-	1,485	247,771
Total revenues all sources	10,813,505	580,721	1,381	2,598,994	8,792	14,003,393
EXPENDITURES						
Current:						
General government	1,202,351	-	3,261	1,294,026	-	2,499,638
Judicial	238,746	-	-	-	-	238,746
Public safety						
Police	2,835,760	-	-	-	-	2,835,760
Fire	2,071,206	-	-	-	-	2,071,206
Sanitation	717,492	-	-	-	-	717,492
Streets and public works	899,563	-	-	-	-	899,563
Recreation	776,377	-	-	-	-	776,377
Special events/community development	460,671	5,787	-	-	-	466,458
Commerce Park	48,335	-	-	-	-	48,335
Capital outlay	241,094	13,230	455,366	135,444	-	845,134
Debt service:						
Principal	1,283,539	111,587	-	-	-	1,395,126
Interest	248,259	19,334	-	-	-	267,593
Bond issuance costs	25,400	-	120,559	-	-	145,959
Total expenditures	11,048,793	149,938	579,186	1,429,470	-	13,207,387
Excess of revenues over (under) expenditures	(235,288)	430,783	(577,805)	1,169,524	8,792	796,006
OTHER FINANCING SOURCES (USES)						
Proceeds on sale of capital assets	55,900	-	-	-	-	55,900
Proceeds from issuance of debt	503,000	-	7,125,000	-	-	7,628,000
Transfers in	865,186	-	-	-	-	865,186
Transfers out	-	(175,000)	-	-	-	(175,000)
Total other financing sources (uses)	1,424,086	(175,000)	7,125,000	-	-	8,374,086
Net change in fund balances	1,188,798	255,783	6,547,195	1,169,524	8,792	9,170,092
Fund balances, beginning of year	4,190,767	796,887	73,286	-	152,964	5,213,904
Fund balances, end of year	\$ 5,379,565	\$ 1,052,670	\$ 6,620,481	\$ 1,169,524	\$ 161,756	\$ 14,383,996

See Notes to Financial Statements

City of Fountain Inn, 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 June 30, 2022

Net change in fund balances - Total government funds	\$	9,170,092
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues that do not provide financial resources with which to pay current expenditures are reported as unearned or unavailable revenues in the fund financial statements. However, such items are reported as revenues in the Statements of Activities.		(9,275)
Repayment of bonds and notes payable principal is recognized in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This amount is the total reduction in the outstanding principal in the current year.		1,395,126
Bonds and notes payable proceeds provide current financial resources to governmental funds, but issuing debt or entering into notes payable increases long-term liabilities in the Statement of Net Position.		(7,628,000)
Interest on long term obligations in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when due for payment.		(118,336)
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 the governmental funds.		(18,713)
The cost of capital assets disposed of during the current year is expensed in the statement of activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net assets differs from the change in fund balances by the undepreciated cost of the disposed assets.		(29,635)
In the Statement of Activities, capital assets contributed by other entities are reported as revenue. Since such contributions result in neither the receipt nor the use of the current financial resources, they are not reflected in the fund statements.		292,440
In the Statement of Activities, the cost of other post-employment benefits is measured by the increase in the net OPEB obligation during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for the OPEB costs.		(1,571,363)
Activity related to deferred outflows and inflows of resources related to pension and OPEB is not recorded at the fund level but is included in the Statement of Activities. The net changes are as follows:		
Deferred outflows related to other postemployment benefits		68,671
Deferred inflows related to other postemployment benefits		(4,170)
Deferred outflows related to pension		219,576
Deferred inflows related to pension		(1,385,448)
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 the governmental funds. The net changes are as follows:		
City's change in net pension liability		455,073
Governmental funds report capital asset additions as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions exceeded depreciation expense in the current period.		
Capital asset additions	747,515	
Depreciation expense	(1,288,372)	(540,857)
Total change in net position of governmental activities	\$	295,181

See Notes to Financial Statements

City of Fountain Inn, South Carolina
Statement of Net Position - Proprietary Funds
June 30, 2022

	Business-Type Activities		
	Natural gas	Sewer	Total
Assets and Deferred Outflows of Resources			
Current assets			
Cash and cash equivalents	\$ 2,597,271	\$ 1,974,655	\$ 4,571,926
Investments	2,927,218	265,112	3,192,330
Restricted investments	276,238	138,231	414,469
Accounts receivables, net	780,432	239,971	1,020,403
Inventory	333,802	-	333,802
Prepays	17,432	3,676	21,108
Due from other funds	324,868	-	324,868
Total current assets	7,257,261	2,621,645	9,878,906
Noncurrent assets			
Capital assets			
Nondepreciable capital assets	932,799	182,307	1,115,106
Depreciable capital assets, net	10,349,855	6,081,722	16,431,577
Total capital assets	11,282,654	6,264,029	17,546,683
Total assets	18,539,915	8,885,674	27,425,589
Deferred outflows of resources			
Deferred charge on refunding	2,380	16,708	19,088
Deferred outflows - pension	305,047	93,976	399,023
Total deferred outflows of resources	307,427	110,684	418,111
Total assets and deferred outflows of resources	\$ 18,847,342	\$ 8,996,358	\$ 27,843,700
Liabilities, Deferred Inflows of Resources and Net Position			
Current liabilities			
Accounts payable	\$ 141,224	\$ 88,919	\$ 230,143
Accrued expenses	439,047	72,945	511,992
Accrued interest payable	24,553	10,968	35,521
Unearned revenue	141,363	-	141,363
Due to other funds	-	47,959	47,959
Customer deposits	209,750	-	209,750
Compensated absences	11,632	1,695	13,327
Revenue bond payable	334,951	317,739	652,690
Total current liabilities	1,302,520	540,225	1,842,745
Noncurrent liabilities			
Compensated absences	3,877	565	4,442
Net pension liability	1,190,159	366,654	1,556,813
Revenue bonds payable	3,125,966	2,104,603	5,230,569
Total noncurrent liabilities	4,320,002	2,471,822	6,791,824
Total liabilities	5,622,522	3,012,047	8,634,569
Deferred inflows of resources			
Deferred inflows - pension	174,492	53,756	228,248
Total deferred inflows of resources	174,492	53,756	228,248
NET POSITION			
Net investment in capital assets	7,824,117	3,858,395	11,682,512
Restricted for debt service	276,238	138,231	414,469
Unrestricted	4,949,973	1,933,929	6,883,902
Total net position	13,050,328	5,930,555	18,980,883
Total liabilities, deferred inflows of resources and net position	\$ 18,847,342	\$ 8,996,358	\$ 27,843,700

City of Fountain Inn, South Carolina

Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds For the year ended June 30, 2022

	Business-Type Activities		
	Natural Gas	Sewer	Total
OPERATING REVENUES			
Charges for service			
Natural gas sales	\$ 9,879,845	\$ -	\$ 9,879,845
Sewer fees	-	1,499,570	1,499,570
Other charges for services	1,384,573	-	1,384,573
TOTAL OPERATING REVENUES	11,264,418	1,499,570	12,763,988
OPERATING EXPENSES			
Natural gas purchases	6,198,420	-	6,198,420
Personnel services	1,029,651	501,801	1,531,452
Contractual services	114,193	-	114,193
Materials and supplies	234,167	-	234,167
Other operating expenses	1,005,997	341,427	1,347,424
Depreciation	520,025	252,307	772,332
Amortization	2,380	2,253	4,633
TOTAL OPERATING EXPENSES	9,104,833	1,097,788	10,202,621
OPERATING INCOME	2,159,585	401,782	2,561,367
NONOPERATING REVENUES (EXPENSES)			
Gain on disposal of capital assets	18,200	-	18,200
Investment income	22,797	1,151	23,948
Investment earnings (losses)	(145,545)	-	(145,545)
Grants	-	504,000	504,000
Interest expense	(101,871)	(74,459)	(176,330)
TOTAL NONOPERATING REVENUES (EXPENSES)	(206,419)	430,692	224,273
INCOME BEFORE TRANSFERS	1,953,166	832,474	2,785,640
TRANSFERS IN/(OUT)	(690,186)	-	(690,186)
CHANGE IN NET POSITION	1,262,980	832,474	2,095,454
NET POSITION, BEGINNING OF YEAR	11,787,348	5,098,081	16,885,429
NET POSITION, END OF YEAR	\$ 13,050,328	\$ 5,930,555	\$ 18,980,883

City of Fountain Inn, South Carolina
Statement of Cash Flows - Proprietary Funds
For the year ended June 30, 2022

	Business-Type Activities		
	Natural Gas	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 11,259,735	\$ 1,494,743	\$ 12,754,478
Cash payments for goods and services	(8,628,620)	(98,363)	(8,726,983)
Cash payments for employees	(724,900)	(493,729)	(1,218,629)
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	1,906,215	902,651	2,808,866
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from (to) other funds	(1,321,478)	(97,090)	(1,418,568)
NET CASH PROVIDED BY (USED FOR) NON-CAPITAL FINANCING ACTIVITIES	(1,321,478)	(97,090)	(1,418,568)
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(1,526,025)	(803,394)	(2,329,419)
Grant proceeds	-	504,000	504,000
Proceeds from sale of disposals	18,200	-	18,200
Principal payments on revenue bond payable	(321,758)	(309,526)	(631,284)
Interest payments	(103,832)	(75,860)	(179,692)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(1,933,415)	(684,780)	(2,618,195)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments	(24,371)	(939)	(25,310)
Income on investments	22,797	1,151	23,948
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	(1,574)	212	(1,362)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,350,252)	120,993	(1,229,259)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,947,523	1,853,662	5,801,185
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,597,271	\$ 1,974,655	\$ 4,571,926
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 2,159,585	\$ 401,782	\$ 2,561,367
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities			
Depreciation	520,025	252,307	772,332
Amortization	2,380	2,253	4,633
Change in:			
Accounts receivable	36,232	(4,827)	31,405
Prepays	7,850	(2,918)	4,932
Inventory	(317,206)	-	(317,206)
Accounts payable	32,703	57,055	89,758
Accrued expenses	266,188	67,214	333,402
Unearned revenue	(40,915)	-	(40,915)
Deferred outflows of resources	139,729	(44,633)	95,096
Deferred inflows of resources	165,022	52,705	217,727
Compensated absences	236	1,395	1,631
Net pension liability	(1,030,314)	120,318	(909,996)
Deposits	(35,300)	-	(35,300)
Net cash provided by (used for) operating activities	\$ 1,906,215	\$ 902,651	\$ 2,808,866

City of Fountain Inn, South Carolina**Statement of Fiduciary Net Position****June 30, 2022**

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	\$ 130,015
Total assets	<u>130,015</u>
Liabilities	
Due to other funds	2,080
Due to other governments/governmental agencies	<u>127,935</u>
Total liabilities	<u>130,015</u>
Net Position	
Restricted for individuals, organizations, and other governments	-
Total net position	<u>\$ -</u>

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City of Fountain Inn, South Carolina
Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2022

	<u>Custodial Funds</u>
Additions	
Funds from state and participants	\$ 104,738
Total additions	<u>104,738</u>
Deductions	
Distributions to other governments/governmental agencies	<u>104,738</u>
Total deductions	<u>104,738</u>
Change in fiduciary net position	-
NET POSITION, BEGINNING OF YEAR	<u>-</u>
NET POSTION, END OF YEAR	<u><u>\$ -</u></u>

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies

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

Reporting entity:

The City is an incorporated municipality located in Greenville and Laurens Counties, South Carolina that was established in 1886. Section 47-26 of the 1962 Code of Laws, as amended ("Home Rule Act"), requires that municipalities adopt a specific form of government. Effective July 1, 2018, the City began operating under a Council form of government. The six city council members serve 4-year staggered terms and the mayor is elected for a 4-year term; they are collectively referred to as "Council."

As required by GAAP, the financial statements present the City's financial information with any of its component units. The primary criterion for determining inclusion or exclusion of a legally separate entity (component unit) is financial accountability, which is presumed if the City both appoints a voting majority of the entity's governing body, and either 1) the City is able to impose its will on the entity or, 2) there is a potential for the entity to provide specific financial benefit to, or impose specific financial burdens on the City. If either or both of the foregoing conditions are not met, the entity could still be considered a component unit if it is fiscally dependent on the City and there is a potential that the entity could either provide specific financial benefits to, or to impose specific financial burdens on the City.

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the City having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the City; and (c) issue bonded debt without approval by the City. An entity has a financial benefit or burden relationship with the City if, for example, any one of the following conditions exists: (a) the City is legally entitled to or can otherwise access the entity's resources, (b) the City is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the City is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above for being fiscally independent if excluding it would cause the City's financial statements to be misleading.

Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the City. Based on the criteria above, the City has one blended component unit.

Blended Component Unit - Fountain Inn Facilities Corporation (FIFC) is a not-for-profit 501(c)(3) organization incorporated for the specific charitable purpose of serving as a "support corporation" for capital projects in the City. Because FIFC exclusively benefits the City, FIFC's financial information is blended with that of the City in these basic financial statements. Separate financial information for FIFC is included in individual columns through the financial statements. FIFC does not issue separate financial statements.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

Based on the criteria above, the City has no discretely presented component units.

The governmental activities of the City include general government, public safety (police and fire), public service (streets and sanitation services), recreation, and community development.

Basis of presentation:

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide financial statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of charges between City's natural gas and sewer funds and various other functions of the City. Elimination of these charges would distort the direct costs and revenues of the various functions concerned. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities for the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities of the City. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

Fund financial statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

Measurement focus, basis of accounting, and financial statement presentation:

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected 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.

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

Governmental funds are those through which all governmental functions of the City are financed. The City's expendable financial resources and related assets and liabilities are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. The following are the City's major governmental funds:

The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. This is a budgeted fund, and any fund balance is considered a resource available for use.

The **Hospitality Tax Fund**, a major fund, is used to account for hospitality tax revenues that are restricted to expenditures for specific tourism generating purposes and debt service on Commerce Park, a tourism and economic center in the City.

The **Capital Projects Fund**, a major fund, is used to account for and report the accumulation of financial resources that are restricted, committed or assigned for the acquisition of capital assets or construction of major capital facilities for the City. The activity of the City's blended component unit, Fountain Inn Facilities Corporation, is reported in this fund.

The **American Recovery Plan Act Fund**, a major fund, is used to account for funds received from the United States Treasury related to recovery from the coronavirus pandemic. Part of these funds are for replacement of revenue lost during the pandemic and other funds are to be used for specific purposes related to recovery from the pandemic.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

The **Other Governmental Funds**, nonmajor funds, are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. These funds include the following: Victims Fund and the EUDL Police Fund.

Proprietary Fund Types are accounted for based on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds are primarily charges for services and fees. Operating expenses for enterprise funds include the expense for providing goods and services, administrative expenses, maintenance, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Proprietary fund types include the following funds:

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City has two major enterprise funds:

The **Natural Gas Fund**, a budgeted fund, is used to account for the City's natural gas operations.

The **Sewer Fund**, a budgeted fund, is used to account for the City's sewer line maintenance operations.

Fiduciary Fund Types are used to account for expendable assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Fiduciary Fund Types include:

Custodial Funds account for monies held on behalf of the law enforcement forfeiture fund and the firemen's fund that use the City as a depository. The law enforcement forfeiture fund consists of funds or assets seized by the City Police Department in the course of drug law enforcement, while the firemen's fund consists of funds distributed by the state to qualified fire departments for use in retirement or insurance for firemen, training and education, and recruitment and retention, and the community patrol fund provides funding for kids' summer camps. These funds have no equity (assets are equal to liabilities) and do not include revenues and expenditures for the general operation of the City. These funds are custodial in nature and do not present results of operations.

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

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., various governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

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

Cash and investments:

The City considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and investments in the South Carolina Pooled Investment Fund ("Pool") to be cash equivalents. Securities with an initial maturity of more than three months when initially purchased are reported as investments. The City's investment policy is designed to operate within existing statutes (which are identical for all funds, fund types and component units within the State of South Carolina) that authorize the City to invest in the following:

- (1) Obligations of the United States and agencies thereof;
- (2) General obligations of the State of South Carolina or any of its political units;
- (3) Financial institutions to the extent that the same are insured by an agency of the federal government;
- (4) Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) 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.
- (5) Repurchase agreements when collateralized by securities as set forth in this section;
- (6) 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 other financial institution when acting as trustee or agent for a bond or other debt issue of the City, if the particular portfolio of the investment company or investment trust in which the investment is made (i) is 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.

Investments are stated at fair value; except that repurchase agreements and U.S. Government agencies that have a maturity at the time of purchase of one year or less are shown at amortized cost.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

The City has certain funds invested with the South Carolina State Treasurer's Office, which established the South Carolina Local Government Investment Pool (the "LGIP") pursuant to Section 6-6-10 of the South Carolina Code. The LGIP is an investment trust fund, in which public monies in excess of current needs, which are under the custody of any city treasurer or any governing body of a political subdivision of the State, may be deposited. The LGIP is a 2a 7-like pool which is not registered with the Securities and Exchange Commission ("SEC"), an investment company, but has a policy that it will operate in a manner consistent with the SEC's Rule 2a 7 of the Investment Company Act of 1940. In accordance with GASB Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"*, investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the LGIP is apportioned to the entities with funds invested on an equal basis for each share owned, which are acquired at a cost of \$1.00. The City's cash investment objectives are preservation of capital, liquidity and yield.

Receivables and payables:

During the course of its operations, the City has numerous transactions occurring between funds. These transactions include expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as transfers in (out). To the extent that certain transactions between funds had not been paid or received as of June 30, 2022, balances of interfund receivables or payables have been recorded.

Property taxes receivable represent current real and personal property tax as well as delinquent real and personal property taxes, less an allowance for amounts estimated to be uncollectible. All net property taxes receivable at year end, except those received by the City within 60 days, are recorded as unavailable tax revenue in the governmental funds and thus not recognized as revenue until collected.

The City receives property taxes on real and personal property located in Greenville County and Laurens County, South Carolina. Property taxes are assessed and collected by the Counties under joint billing and collection agreements. Real property and all personal property taxed other than vehicle property taxes attach as an enforceable lien on property other than vehicles and are payable without penalty until January 15th of the following year. Penalties are assessed on unpaid taxes on the following dates:

January 16 th through February 1 st	—	3%
February 2 nd through March 15 th	—	10% of tax
After March 15 th	—	15% of tax plus collection cost

Current year real and personal property taxes become delinquent on March 16th. Unpaid property taxes become a lien against the property as of June 1st of the calendar year following the levy date. The levy date for motor vehicles is the first day of the month in which the motor vehicle license expires. These taxes are due by the last day of the same month.

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts. Trade receivables are comprised of amounts due from entities and individuals for a variety of types of fees, charges, and services, including natural gas and sewer fees and charges.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

Inventories and prepaid items:

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as inventory or prepaid items using the consumption method. A current asset for the inventory or prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which inventory or services are consumed.

Capital assets:

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at the acquisition value of the donor. The City maintains a capitalization threshold of \$5,000 for its capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred in the proprietary fund during the construction of capital assets is capitalized.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings	15 - 40 years
Improvements (Other than Buildings)	10 - 20 years
Machinery and Equipment	3 - 10 years
Vehicles	5 - 10 years
Furniture and Fixtures	5 - 10 years
Infrastructure	20 - 50 years

Restricted assets:

Certain cash, cash equivalents and investments are restricted on the basic financial statements as they have been set aside for specific purposes. These assets have been restricted because their use is (a) limited to purchases of certain capital assets as outlined in a capital lease agreement, (b) limited for debt service or (c) limited for other special purposes.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

Deferred outflows of resources and deferred inflows of resources:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources until then. The government has two items that qualify for reporting in this category. The first item is the deferred charge on refunding reported in the proprietary funds statement of net position and the government-wide business type activities. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the change in net pension and other postemployment benefits (OPEB) liabilities and not included in pension and OPEB expense, which may be reported as deferred outflows of resources or deferred inflows of resources. Employer contributions subsequent to the measurement date of the net pension and OPEB liabilities are reported as deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has two items that qualify for reporting in this category. The first item is *unavailable revenue*, which arises only under the modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source, property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The second item in this category is the change in net pension and OPEB liabilities as discussed in the above paragraph.

Compensated absences:

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." The entire compensated absence liability and expense is reported on the government-wide financial statements. The portion applicable to the proprietary fund is also recorded in the proprietary fund financial statements. The governmental funds will also recognize compensated absences for termination and retirements that occurred prior to year-end and are expected to be paid within a short time subsequent to year end, if they are material. No compensated absences were recognized in the governmental funds as unpaid at June 30, 2022.

Employees eligible for leave include regular full-time employees after one year of service. Employees may carry 96 hours and firemen may carry 144 hours of unused annual leave from one year to the next. Starting in fiscal year 2017, carryover of absences occurs at each employee's anniversary date of their hire. Upon voluntary termination of employment, a maximum of 40 hours of annual leave accrued by an employee is liquidated by a lump sum payment at their regular rate of pay provided one year of service has been completed and a two-week notice has been satisfied. The two-week notice may be waived by the City Administrator.

Sick leave is earned at the rate of eight hours per month. Employees are authorized to carry over a maximum of ninety days of unused sick leave per calendar year. Upon termination of employment, employees are not paid for unused sick leave. Accordingly, sick leave is charged to expenditures when taken. No provision has been made in the financial statements for unused sick leave.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

Accrued liabilities and long-term obligations:

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the noncurrent portion of capital leases, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within sixty days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers Retirement System (PORS) and additions to/deductions from SCRS' and PORS' fiduciary net position have been determined on the same basis as they are reported by SCRS or PORS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund balance:

The equity section of the governmental fund balance sheet is comprised of these major fund balance elements: nonspendable, restricted, committed, assigned and unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is self-imposed limitations imposed at the highest level of decision-making authority. Assigned fund balances is a limitation imposed by the City Administrator. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. The General Fund is the only fund that reports a positive unassigned fund balance.

The City Council is the City's highest level of decision making. The City Council can establish, modify or rescind a fund balance commitment through adoption of an ordinance. The City Administrator has the authority, under adoption of a budget ordinance, to assign fund balance amounts to a specific purpose; the City Administrator is hired by, and serves at the pleasure of, the City Council.

The City considers restricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted amounts are available. When an expenditure is incurred for which committed, assigned or unassigned amounts could be used the City considers the expenditures to be used in this respective order.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 1. Summary of Significant Accounting Policies, Continued

In the governmental fund financial statements, the City can establish commitments of fund balance which are to reflect plans for financial resource utilization in future periods. Commitments of fund balance represent tentative management plans that are subject to change and ultimately may not be legally authorized or result in expenditures. Currently, commitments of fund balance include amounts committed for fund balance policy, which represents funds set aside by resolution of the Council to meet seasonal cash flow shortfalls. The policy sets aside a minimum of 20% of the General Fund operating expenditures. The unassigned General Fund balance at June 30, 2022 is 47.3% of General Fund operating expenditures. The City's policy states that if the unassigned General Fund balance falls below 20%, then the City will rebuild the balance within one year.

At year end, no encumbrances were outstanding.

Net position:

Net position represents the difference between assets, deferred outflows/inflows and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Outstanding debt, which has not been spent, is included in the same net position components as the unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Accounting estimates:

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

Note 2. Budgetary Accounting and Reporting

Budgetary policies:

An annual appropriated budget is adopted for the General Fund and the Hospitality Tax Special Revenue Fund and is presented as required supplementary information. The budgets are presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America. No supplemental appropriations were approved during the year for the General Fund or the Hospitality Tax Special Revenue Fund.

At June 30, 2022, General Fund expenditures were over budget by approximately \$609,000 due mostly to an increase in personnel expenses related to salary increases and additional debt payments and related issuance costs. Transfers from the Natural Gas Fund and Hospitality Tax Fund were used to supplement the capital outlay and special events/community development departmental expenditures.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 2. Budgetary Accounting and Reporting, Continued

The following is the City's procedure for establishing and adopting a budget:

1. During the month of May, the City Administrator submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the City Hall to obtain taxpayer comments.
3. Prior to July 1, the budget is legally enacted through Council approval.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Hospitality Tax Special Revenue Fund and the Proprietary Funds. The legal level of control for each budget is maintained at the departmental level.
5. All budgets are adopted on an accounting basis that is consistent with generally accepted accounting principles.
6. The City Council adopts a budget ordinance at the outset of each fiscal year establishing revenue anticipated on a line-item basis and appropriations on a departmental basis. The City Council has authority to amend the approved budget during the fiscal year as necessary as recommended by management.

Note 3. Deposits and Investments

Custodial credit risk – deposits:

Custodial credit risk 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 but follows the investment policy statutes of the State of South Carolina. At June 30, 2022 the carrying amount of the City's deposits was \$7,404,745 and the bank balances were \$6,245,420. All of the City's deposits at year-end were covered by Federal Depository Insurance Corporation (FDIC) insurance or collateral held in the pledging financial institution's trust departments in the City's name. Petty cash on hand totaled \$726 at June 30, 2022.

Investments:

As of June 30, 2022, the City had the following investments:

Investment Type	Investment maturities (in years)			
	Fair Value	Less than 1	1 - 5	5-10
Repurchase agreements	\$ 3,246,956	\$ 3,246,956	\$ -	\$ -
Money market mutual funds	56,947	56,947	-	-
United States Treasury obligations	10,010,775	7,619,632	2,193,183	197,960
South Carolina local government investment pool	2,287,230	2,287,230	-	-
	<u>\$ 15,601,908</u>	<u>\$ 13,210,765</u>	<u>\$ 2,193,183</u>	<u>\$ 197,960</u>

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 3. Deposits and Investments, Continued

Interest rate risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City's investment policy states that the portfolio shall be designed to obtain a market rate of return during budgetary and economic cycles, taking into account investment risk constraints and cash flow needs.

Credit risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City has no investment policy that would further limit its investment choices other than state law. As of June 30, 2020, the underlying security ratings of the City's investment in the South Carolina Local Government Investment Pool may be obtained from the LGIP's complete financial statements. These financial statements may be obtained by writing to the following address:

The State Treasurer's Office
Local Government Investment Pool
Post Office Box 11778
Columbia, South Carolina 29211

The fair value of the City's position in the LGIP is the same as the value of pool shares. The regulatory oversight for the LGIP is the State of South Carolina.

State statute authorizes the City to invest in obligations of the United States and agencies thereof, general obligations of the State of South Carolina or any of its political units provided such obligations are rated as an "A" or better by Moody's Investor Service, Inc. and Standard and Poor's Corporation or their respective successors; interest bearing accounts in savings and loan associations to the extent that the same are secured by an agency of the Federal government; 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 deposits so secured, including interest, provided, however, such collateral shall not be required to the extent the same are insured by an agency of the United States Government; or deposit accounts with banking institutions insured and secured in the same manner. As of June 30, 2021, the City's investments are made in accordance with Section 6-5-10 of the South Carolina Code of Law. The statutes provide that all authorized investments shall have maturities consistent with the time or times when the invested monies will be needed in cash. Statutes also allow the State Treasurer to assist local governments in investing funds. The State Treasurer also provides oversight for the State Treasurer's Investment Pool which is unrated, of which; the fair value of the City's investments is the same as the value of the pooled shares. The City's investments in the money market fund, repurchase agreement, and certificate of deposit are also unrated. The City is under no contractual agreements which restrict investment alternatives. The City has no investment policy that would further limit its investment choices.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 3. Deposits and Investments, Continued

Concentration of credit risk:

The City's investment policy states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the total investment portfolio will be invested in a single security type or with a single financial institution. Investments in external investment pools are excluded from this disclosure requirement.

Of the City's restricted cash and investments of \$8,705,783 at June 30, 2022, \$8,354,876 was restricted for (1) debt service related to the 2013 Natural Gas Revenue Refunding Bonds, 2015 Natural Gas Revenue Bonds, 2012 Sewer Revenue Refunding Bonds, and 2014 Sewer Revenue Bonds; (2) 2021 IPRB Bond funds for capital projects; and (3) funds to be used for other capital projects.

Reconciliation to the financial statements:

The following reconciles deposits and investments to cash and cash equivalents and investments, as presented in the statement of net position as of June 30, 2022:

Disclosures regarding deposits and investments:

Cash on hand	\$ 726
Carrying value of deposits	7,404,745
Fair value of investments	15,601,908
Total	<u>\$ 23,007,379</u>

Statements of net position and fiduciary net position:

Statement of net position:	
Cash and cash equivalents	\$ 9,236,917
Investments	4,934,664
Restricted cash and investments	8,705,783
Statement of fiduciary net position:	
Cash and cash equivalents	130,015
Total	<u>\$ 23,007,379</u>

Note 4. Receivables

Receivables as of June 30, 2022 for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

	Governmental activities	Business- type activities	Total
Property taxes receivable	\$ 201,608	\$ -	\$ 201,608
Accounts receivable	-	1,406,816	1,406,816
Due from County Treasurer	65,935	-	65,935
Less: allowance	(4,032)	(386,413)	(390,445)
Net receivables	<u>\$ 263,511</u>	<u>\$ 1,020,403</u>	<u>\$ 1,283,914</u>

City of Fountain Inn, South Carolina
Notes to Basic Financial Statements
June 30, 2022

Note 5. Capital Assets

Capital asset activity for the City for the year ended June 30, 2022 was as follows:

	Beginning balance	Increases	Decreases	Transfers	Ending balance
Governmental Activities:					
Capital assets, non-depreciable:					
Land	\$ 1,173,995	\$ -	\$ -	\$ -	\$ 1,173,995
Construction in progress	921,781	953,659	(29,635)	(375,747)	1,470,058
Total capital assets, non-depreciable	2,095,776	953,659	(29,635)	(375,747)	2,644,053
Capital assets, depreciable					
Buildings and improvements	5,659,080	-	-	-	5,659,080
Furniture and fixtures	71,542	-	-	-	71,542
Land improvements	4,780,494	-	-	57,378	4,837,872
Infrastructure	7,666,373	-	-	318,369	7,984,742
Machinery and equipment	1,034,938	-	(19,123)	-	1,015,815
Vehicles	5,663,166	86,296	(163,500)	-	5,585,962
Total capital assets, depreciable	24,875,593	86,296	(182,623)	375,747	25,155,013
Less: accumulated depreciation for:					
Buildings and improvements	(2,593,132)	(150,041)	-	-	(2,743,173)
Furniture and fixtures	(55,903)	(6,376)	-	-	(62,279)
Land improvements	(206,744)	(193,858)	-	-	(400,602)
Infrastructure	(4,655,547)	(221,942)	-	-	(4,877,489)
Machinery and equipment	(662,810)	(79,361)	19,123	-	(723,048)
Vehicles	(3,443,032)	(636,794)	163,500	-	(3,916,326)
Total accumulated depreciation	(11,617,168)	(1,288,372)	182,623	-	(12,722,917)
Total capital assets, depreciable, net	13,258,425	(1,202,076)	-	375,747	12,432,096
Total governmental activities capital assets, net	\$ 15,354,201	\$ (248,417)	\$ (29,635)	\$ -	\$ 15,076,149
Business-type activities:					
Capital assets, non-depreciable:					
Land	\$ 100,125	\$ -	\$ -	\$ -	\$ 100,125
Construction in progress	907,396	1,564,639	-	(1,457,054)	1,014,981
Total capital assets, non-depreciable	1,007,521	1,564,639	-	(1,457,054)	1,115,106
Capital assets, depreciable					
Buildings and improvements	647,903	-	-	-	647,903
Land improvements	6,875	-	-	-	6,875
Utility lines/Systems	25,215,621	534,307	-	1,457,054	27,206,982
Machinery and equipment	1,284,877	81,619	-	-	1,366,496
Vehicles	515,092	148,854	(40,635)	-	623,311
Total capital assets, depreciable	27,670,368	764,780	(40,635)	1,457,054	29,851,567
Less: accumulated depreciation for:					
Buildings and improvements	(341,199)	(23,151)	-	-	(364,350)
Infrastructure	(1,748)	(344)	-	-	(2,092)
Utility lines/Systems	(10,797,948)	(632,941)	-	-	(11,430,889)
Machinery and equipment	(1,100,302)	(70,687)	-	-	(1,170,989)
Vehicles	(447,096)	(45,209)	40,635	-	(451,670)
Total accumulated depreciation	(12,688,293)	(772,332)	40,635	-	(13,419,990)
Total capital assets, depreciable, net	14,982,075	(7,552)	-	1,457,054	16,431,577
Total business-type activities capital assets, net	\$ 15,989,596	\$ 1,557,087	\$ -	\$ -	\$ 17,546,683

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 5. Capital Assets, Continued

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

Governmental activities:

General government	\$ 269,836
Judicial	18,737
Public safety	539,971
Streets and sanitation	248,378
Recreation	211,450
Total depreciation expense - governmental activities	<u>\$ 1,288,372</u>

Business-type activities:

Enterprise funds:	
Natural gas fund	\$ 520,025
Sewer fund	252,307
Total depreciation expense - business-type activities	<u>\$ 772,332</u>

Note 6. Interfund Receivables and Payables

Interfund balances at June 30, 2022 (which are expected to be received or paid within one year) consisted of the following:

Receivable Fund	Payable Fund	Amount
Enterprise - Natural Gas	General	\$ 293,095
Victim's Fund	General	372
American Recovery Plan Act	General	913
General	Enterprise - Sewer	16,186
General	Hospitality tax	146
General	Capital	321,735
Enterprise - Nat Gas	Enterprise - Sewer	31,773
		<u>\$ 664,220</u>

All of the above balances are scheduled to be collected in the subsequent period. The balances at June 30, 2022 resulted from the time lag between the dates that the interfund goods and services were provided or reimbursable expenses occurred and the dates that such transactions are processed for payment.

Note 7. Transfers In and (Out)

Transfers from (to) other funds for the year ended June 30, 2022, were for the purpose of supplementing capital projects and special events/community development activity in the general and sewer funds, and consisted of the following:

Transfer In Fund	Transfer Out Fund	Amount
General	Hospitality tax	\$ 175,000
General	Enterprise - Natural Gas	690,186
		<u>\$ 865,186</u>

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 8. Short-term Obligations

The City issued General Obligation Bond Series 2021 on September 9, 2021, in the amount of \$390,000, with interest at 0.75%, due March 1, 2022, for the purpose of making payments on the 2019 IPRB and 2021 IPRB bonds. The City incurred issuance costs of \$17,800 related to this issuance. The bond was paid in full during March 2022, along with interest in the amount of \$1,324.

Note 9. Long-term Obligations

Detail for each outstanding long-term debt and capital lease issue as of June 30, 2022 was as follows:

Revenue bonds:

2012 Sewer Revenue Refunding Bond – issued December 2012 in the amount of \$3,706,982. Bonds are due in annual installments ranging from \$80,412 to \$276,699 through 2029, with interest at 2.67%. The proceeds were used to currently refund the 2009 Sewer Revenue Bonds (\$3,830,000 outstanding at the time of refunding), resulting in a loss on refunding of \$38,300 due to a one percent premium on early repayment. This loss is being amortized over 17 years which is both the remaining life of the refunded bond and the new 2012 bond. The refunding reduced the total debt service over 17 years by \$683,577 resulting in an economic gain on refunding the 2009 Sewer Revenue Bond of \$262,653.

2013A Accommodations and Hospitality Tax Revenue Refunding Bond – issued January 9, 2013 in the amount of \$914,833. Bonds are due in annual installments ranging from \$47,337 to \$70,710 through 2029, with interest at 2.75%. Debt issuance costs of approximately \$18,000 were expensed. The proceeds were used to currently refund the 2009 ground lease/purchasing agreement (\$900,000 outstanding at the time of refunding). The refunding reduced the total debt service over 17 years by \$136,048 resulting in an economic loss on refunding the ground lease/purchasing agreement of \$39,664.

2013B Accommodations and Hospitality Tax Revenue Bond – issued May 16, 2013 in the amount of \$785,000. Bonds are due in annual installments ranging from \$44,300 to \$62,200 through 2028, with interest at 2.65%. The proceeds of the bond issue were used for construction or acquisition of capital assets.

2013 Natural Gas Revenue Refunding Bond – issued July 16, 2013 in the amount of \$2,167,785. Bonds are due in annual installments ranging from \$197,549 to \$237,966 through 2023, with interest at 2.28%. Debt issuance costs of approximately \$52,000 were paid from proceeds of new issued bonds. The proceeds were used to currently refund the 2008 Natural Gas Revenue Bonds (\$2,575,000 outstanding at the time of refunding), resulting in a loss on refunding of \$23,800 due to a one percent premium on early repayment. This loss is being amortized over 10 years which is both the remaining life of the refunded bond and the new 2013 bond. The refunding reduced the total debt service over 10 years by \$636,498 resulting in an economic gain on refunding the 2008 Natural Gas Revenue Bond of \$200,013.

2014 Sewer Revenue Bond – issued December 16, 2014 in the amount of \$1,118,000. Bonds are due in annual installments ranging from \$35,000 to \$99,000 through 2029, with interest at 3.08%. The proceeds of the bond issue were used for construction or acquisition of capital assets.

2015A Natural Gas Revenue Bond - issued November 23, 2015 in the amount of \$3,465,000. Bonds are due in annual installments ranging from \$40,000 to \$435,000 through 2030, with interest at 2.98%. The proceeds of the bond issued were used for construction or acquisition of capital assets.

Installment Purchase Revenue Bond (IPRB Series 2019) – issued May 1, 2019 in the amount of \$6,199,000 by Fountain Inn Facilities Corporation, which is due in annual principal installments of \$182,000 to \$420,000 beginning December 1, 2019 and ending December 1, 2038. Interest is payable annually on December 1st at a rate of 3.32%. The proceeds from the IPRB – Series 2019 will be used for certain city improvement projects.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 9. Long-term Obligations, Continued

Installment Purchase Revenue Bond (IPRB Series 2021) – issued August 24, 2021 in the amount of \$7,125,000 by Fountain Inn Facilities Corporation, which is due in annual principal installments of \$267,000 to \$455,000 beginning December 1, 2021 and ending December 1, 2040. Interest is payable annually on December 1st at a rate of 2.05%. The proceeds from the IPRB – Series 2021 will be used for certain city improvement projects.

The following is a summary of changes in the City's long-term obligations for the year ended June 30, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities:					
Installment Purchase Revenue Bond Series 2019	\$ 5,812,000	\$ -	\$ 368,000	\$ 5,444,000	\$ 380,000
Installment Purchase Revenue Bond Series 2021	-	7,125,000	392,000	6,733,000	293,000
Accommodations/Hospitality Tax Revenue Refunding Series 2013A	508,693	-	58,389	450,304	57,522
Accommodations/Hospitality Tax Revenue Bond, Series 2013B	403,400	-	53,200	350,200	54,600
Notes Payable - Master Lease	96,520	-	47,537	48,983	48,983
Notes Payable - Master Lease	443,000	-	86,000	357,000	87,000
Notes Payable - Master Lease	-	113,000	-	113,000	22,000
Compensated Absences	66,137	191,982	173,269	84,850	63,638
Total Governmental Activities	<u>\$ 7,329,750</u>	<u>\$ 7,429,982</u>	<u>\$ 1,178,395</u>	<u>\$ 13,581,337</u>	<u>\$ 1,006,743</u>
Business-Type Activities:					
Sewer Revenue Refunding Bond, Series 2012	\$ 2,019,869	\$ -	\$ 229,527	\$ 1,790,342	\$ 235,739
Sewer Revenue Bond, Series 2014	712,000	-	80,000	632,000	82,000
Natural Gas Revenue Refunding Bond, Series 2013	700,675	-	230,758	469,917	231,951
Natural Gas Revenue Bonds Series 2015	3,082,000	-	91,000	2,991,000	103,000
Compensated Absences	16,137	40,205	38,573	17,769	13,327
Total Business-Type Activities	<u>\$ 6,530,681</u>	<u>\$ 40,205</u>	<u>\$ 669,858</u>	<u>\$ 5,901,028</u>	<u>\$ 666,017</u>

Presented below is a summary of the debt service requirements to maturity by year for the governmental and business-type funds of the City:

	GO & Revenue Bonds		Totals
	Principal	Interest	
Governmental Activities			
2023	\$ 785,122	\$ 340,432	\$ 1,125,554
2024	811,690	318,781	1,130,471
2025	830,188	296,368	1,126,556
2026	855,614	273,424	1,129,038
2027	807,924	249,744	1,057,668
2028-2032	3,374,966	939,578	4,314,544
2033-2037	3,253,000	528,100	3,781,100
2038-20412	2,259,000	115,891	2,374,891
Totals	<u>\$ 12,977,504</u>	<u>\$ 3,062,318</u>	<u>\$ 16,039,822</u>
	Revenue Bonds		Totals
	Principal	Interest	
Business-Type Activities			
2023	\$ 652,690	\$ 162,935	\$ 815,625
2024	671,084	145,644	816,728
2025	698,670	126,861	825,531
2026	719,399	106,560	825,959
2027	740,310	85,659	825,969
2028-2032	2,401,106	131,834	2,532,940
Totals	<u>\$ 5,883,259</u>	<u>\$ 759,493</u>	<u>\$ 6,642,752</u>

City of Fountain Inn, South Carolina
Notes to Basic Financial Statements
June 30, 2022

Note 9. Long-term Obligations, Continued

Future minimum lease payments under master leases, and the present value of the net minimum lease payments at June 30, 2022:

<u>Fiscal year ending June 30,</u>	<u>Governmental funds</u>
2023	\$ 165,943
2024	116,053
2025	116,495
2026	115,908
2027	<u>23,308</u>
Total minimum lease payments	537,707
Less: Amount representing interest	<u>(18,724)</u>
Present value of future minimum lease payments	<u>\$ 518,983</u>

Master lease obligations are payable from the governmental funds.

All General Obligation and Installment Purchase Revenue Bonds are direct obligations of the City, which pledged its full faith and credit upon issuance. The Sewer and Natural Gas Revenue Bonds are to be repaid from the operations of those funds. The full faith, credit, and taxing powers of the City are not pledged for the payment of the Sewer and Natural Gas Revenue Bonds. Resources from the General Fund, Hospitality Tax Fund and the Enterprise Funds have been used to liquidate the City's long-term obligations.

There are numerous limitations, restrictions, and covenants contained in the bond indentures and ordinances. At June 30, 2022, management believes the City is in compliance with all significant restrictions and covenants.

Interest paid on the debt issued by the City is exempt from federal income tax. The City sometimes temporarily reinvests the proceeds of such tax-exempt debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this practice as arbitrage. Excess earnings (the difference between the interest on the debt and the investment earnings received) resulting from arbitrage must be refunded to the federal government. The City had no arbitrage liability at June 30, 2022.

The South Carolina Constitution, as amended, provides that no City shall incur any bonded debt which shall exceed 8% of the assessed value of the property therein and no such debt shall be created without the electors of such City voting in favor of such further bonded debt. As of June 30, 2022, the City had no bonded debt subject to the 8% limit of approximately \$3,592,000, resulting in an unused legal debt margin of approximately \$3,592,000.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 10. Pension Plans

Description of the Entity

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' (the "Systems") five defined benefit pension plans. PEBA has an 11-member Board of Directors, appointed by the Governor and General Assembly leadership, which serves as custodian, co-trustee and co-fiduciary of the Systems and the assets of the retirement trust funds. The Retirement System Investment Commission (Commission as the governing body, RSIC as the agency), created by the General Assembly in 2005, has exclusive authority to invest and manage the retirement trust funds' assets. The Commission, an eight-member board, serves as co-trustee and co-fiduciary for the assets of the retirement trust funds. By law, the State Fiscal Accountability Authority (SFAA), which consists of five elected officials, also reviews certain PEBA Board decisions regarding the actuary of the Systems.

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

PEBA issues an Annual Comprehensive Financial Report containing financial statements and required supplementary information for the Systems' Pension Trust Funds. The Annual Comprehensive Financial Report is publicly available through the Retirement Benefits' link on PEBA's website at www.peba.sc.gov, or a copy may be obtained by submitting a request to PEBA, 202 Arbor Lake Drive, Columbia, SC 29223. PEBA is considered a division of the primary government of the state of South Carolina and therefore, retirement trust fund financial information is also included in the annual comprehensive financial report of the state.

Plan descriptions:

The South Carolina Retirement System (SCRS), a cost-sharing multiple-employer defined benefit pension plan, was established July 1, 1945, pursuant to the provisions of Section 9-1-20 of the South Carolina Code of Laws for the purpose of providing retirement and other benefits for teachers and employees of the state and its political subdivisions. SCRS covers employees of state agencies, public school districts, higher education institutions, other participating local subdivisions of government and individuals newly elected to the South Carolina General Assembly at or after the 2012 general election.

The South Carolina Police Officers Retirement System (PORS), a cost-sharing multiple-employer defined benefit pension plan, was established 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.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 10. Pension Plans, Continued

Membership:

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

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

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

Benefits:

Benefit terms are prescribed in Title 9 of the South Carolina Code of Laws. PEBA does not have the authority to establish or amend benefit terms without a legislative change in the code of laws. Key elements of the benefit calculation include the benefit multiplier, years of service, and average final compensation/current annual salary. A brief summary of 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 and retired members of employers who participate in the death benefit program.

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

Note 10. Pension Plans, Continued

PORS - A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

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.

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 first, may decrease the then current contribution rates upon making a finding that the decrease will not result in a funded ratio of less than 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 first, and annually thereafter as necessary, the board shall increase the then current contribution rates until a subsequent annual actuarial valuation of the system shows a funded ratio that is equal to or greater than 85 percent.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 10. Pension Plans, Continued

Required employee contribution rates¹ are as follows:

	<u>Fiscal Year 2022¹</u>	<u>Fiscal Year 2021¹</u>
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

Required employer contribution rates¹ are as follows:

	<u>Fiscal Year 2022¹</u>	<u>Fiscal Year 2020¹</u>
SCRS		
Employer Class Two	16.41%	15.41%
Employer Class Three	16.41%	15.41%
Employer Incidental Death Benefit	.15%	.15%
PORS		
Employer Class Two	18.84%	17.84%
Employer Class Three	18.84%	17.84%
Employer Incidental Death Benefit	.20%	.20%
Employer Incidental Death Program	.20%	.20%

¹ Calculated on earnable compensation as defined in Title 9 of the South Carolina Code of Laws.

² Of this employer contribution, 5% of earnable compensation must be remitted by the employer directly to the ORP vendor to be allocated to the member's account with the remainder of the employer contribution remitted to the SCRS.

Contributions to the SCRS and PORS pension plans from the City were \$523,354 and \$471,369, respectively, for the year ended June 30, 2022.

Net Pension Liability:

For the year ended June 30, 2022, the City reported a liability of \$5,277,346 and \$3,862,562 for its proportionate share of the SCRS and PORS net pension liability ("NPL"), respectively. The NPL was measured as of June 30, 2021, and the total pension liability ("TPL") used to calculate the NPL was determined by an actuarial valuation as of July 1, 2020 and projected forward. The City's proportionate share of the NPL was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. As of the June 30, 2021 measurement date, the City's proportionate share of the SCRS and PORS plans were .02439 percent and .15012 percent, respectively.

Non-employer Contributions:

Employer's proportionate shares were calculated on the basis of employer contributions remitted to the plan by employers and non-employer contributions appropriated in the State's budget. In an effort to offset a portion of the burden of the increased contribution requirement for employers, the General Assembly funded 1 percent of the SCRS and PORS contribution increases for the City's fiscal year 2022. The State budget appropriated these funds directly to PEBA and a credit was issued for each employer to use when submitting their quarterly remittances to PEBA. For the year ended June 30, 2021 measurement period, PEBA provided non-employer contributions to the City in the amount of \$38,866 which is shown as a reduction of net pension liability and other grant revenue in the government-wide financial statements the year ended June 30, 2022 which are presented on the economic resources measurement focus and accrual basis of accounting.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 10. Pension Plans, Continued

Pension expense:

For the year ended June 30, 2022, the City recognized \$1,113,628 in pension expense. This amount consisted of \$577,397 and \$536,231, respectively, for the SCRS and PORS plans.

Deferred inflows of resources and deferred outflows of resources:

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SCRS	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 89,893	\$ 7,122
Changes of assumptions	288,865	-
Net difference between projected and actual earnings on pension plan investments	-	766,604
Changes in proportion and differences between City contributions and proportionate share of contributions	450,514	-
City contributions subsequent to the measurement date	523,354	-
Total	<u>\$ 1,352,626</u>	<u>\$ 773,726</u>
	PORS	
	Deferred outflows of resources	Deferred inflows of resources
Differences between expected and actual experience	\$ 131,401	\$ 12,029
Changes of assumptions	275,496	-
Net difference between projected and actual earnings on pension plan investments	-	865,969
Changes in proportion and differences between City contributions and proportionate share of contributions	282,999	3,773
City contributions subsequent to the measurement date	471,369	-
Total	<u>\$ 1,161,265</u>	<u>\$ 881,771</u>

The \$523,354 and \$471,369 reported as of June 30, 2022 as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date for the SCRS and PORS plans, respectively, will be recognized as a reduction of the net pension liabilities in the year ending June 30, 2023.

City of Fountain Inn, South Carolina
Notes to Basic Financial Statements
June 30, 2022

Note 10. Pension Plans, Continued

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows for the SCRS and PORS plans, respectively:

<u>Year ended June 30:</u>	<u>SCRS</u>
2023	\$ 151,954
2024	160,414
2025	30,031
2026	(286,853)
	<u>\$ 55,546</u>

<u>Year ended June 30:</u>	<u>PORS</u>
2023	\$ 59,994
2024	61,467
2025	(13,844)
2026	(299,492)
	<u>\$ (191,875)</u>

Actuarial assumptions and methods:

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

The June 30, 2021, total pension liability ("TPL"), net pension liability ("NPL"), and sensitivity information shown in this report were determined by the Systems' consulting actuary, Gabriel, Roeder, Smith and Company ("GRS") and are based on an actuarial valuation performed as of July 1, 2020. The TPL was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2021, using generally accepted actuarial principles. There was no legislation enacted during the 2021 legislative session that had a material change in the benefit provisions for any of the systems. In fiscal year 2021, the Board adopted updated demographic assumptions. Also, the General Assembly permitted the investment return assumption at July 1, 2020 to decrease from 7.25% to 7.00%, as provided by Section 9-16-335 in South Carolina State Code.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of the plan's fiscal year end, June 30, 2021.

	SCRS	PORS
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return ¹	7.00%	7.00%
Projected salary increases	3.0% to 11.0% (varies by service) ¹	3.5% to 10.5% (varies by service) ¹
Benefit adjustments	lesser of 1% or \$500 annually	lesser of 1% or \$500 annually

¹ Includes inflation at 2.25%

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 10. Pension Plans, Continued

Actuarial assumptions and methods, continued:

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

Assumptions used in the determination of the June 30, 2021, TPL are as follows.

Former Job Class	Males	Females
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of June 30, 2021, for SCRS and PORS are presented below.

System	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	\$ 55,131,579,363	\$ 33,490,305,970	\$ 21,641,273,393	60.7%
PORS	8,684,586,488	6,111,672,064	2,572,914,424	70.4%

The TPL is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The NPL is disclosed in accordance with the requirements of GASB 67 in the System's notes to the financial statements and required supplementary information. Liability calculations performed by the Systems' actuary for the purpose of satisfying the requirements of GASB Nos. 67 and 68 are not applicable for other purposes, such as determining the plans' funding requirements.

Long-term expected rate of return:

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.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 10. Pension Plans, Continued

The expected returns, along with the expected inflation rate, form the basis for the target asset allocation adopted at the beginning of the 2021 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.87%	3.16%
Bonds	26.0%	0.27%	0.07%
Private Equity	9.0%	9.68%	0.87%
Private Debt	7.0%	5.47%	0.39%
Real Assets	12.0%		
Real Estate	9.0%	6.01%	0.54%
Infrastructure	3.0%	5.08%	0.15%
Total Expected Real Return	100.0%		5.18%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.43%

Discount rate:

The discount rate used to measure the TPL was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

City of Fountain Inn, South Carolina**Notes to Basic Financial Statements****June 30, 2022**

Note 10. Pension Plans, Continued**Sensitivity analysis:**

The following table presents the collective NPL of the City calculated using the discount rate of 7.00 percent, as well as what the City's NPL would be if it were calculated using a discount rate that is 1.00 percent lower (6.00 percent) or 1.00 percent higher (8.00 percent) than the current rate.

<u>Sensitivity of the Net Pension Liability to Changes in the Discount Rate</u>			
System	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
SCRS	\$ 6,912,666	\$ 5,277,346	\$ 3,918,057
PORS	\$ 5,604,083	\$ 3,862,562	\$ 2,435,989

Additional financial and actuarial information

Information contained in these Notes to the Schedules of Employer and Nonemployer Allocations and Schedules of Pension Amounts by Employer (Schedules) was compiled from the Systems' audited financial statements for the fiscal year ended June 30, 2021, and the accounting valuation report as of June 30, 2021. Additional financial information supporting the preparation of the Schedules (including the unmodified audit opinion on the financial statements and required supplementary information) is available in the Systems' Annual Comprehensive Financial Report.

Note 11. Other Information**Commitments and Contingent liabilities:**

The City participates in a number of federal and state assisted grant programs that are governed by various rules and regulations of grantor agencies. These programs are subject to financial and compliance audits by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. The City believes it has substantially complied with the contract/grant provisions. Based on prior experience, the City's management believes such disallowances, if any, would not be significant; therefore, no provision has been recorded in the accompanying government-wide and fund financial statements for such contingencies.

The City is routinely the subject of litigation by a variety of plaintiffs. City management believes that such amounts claimed by these plaintiffs, net of the applicable insurance coverage, are immaterial.

In the normal course of business, the City has contracts for construction and other activities for which it is committed to complete and pay. As of June 30, 2022, the City had open contracts of approximately \$5,879,000, of which approximately \$5,393,000 remains to be paid upon further progress by the contractors.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 11. Other Information, Continued

Risk management:

The City 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 workers' compensation. The City pays an annual premium to SCMIT. For the year ended June 30, 2022, the City made premium payments totaling approximately \$209,000. The Trust uses reinsurance agreements to reduce its exposure to large workers' compensation losses. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage in the past three fiscal years.

Natural gas agreements:

The City enters into contracts with its suppliers of natural gas for the purchase of specified volumes of gas at defined prices, time periods, and locations. These agreements are entered into to manage the volatility of natural gas prices and to stabilize the cost to the City's residential, commercial, and industrial customers. In addition, the City enters into agreements with certain of its industrial customers to lock in the future sale of specified volumes of gas at defined prices.

Fountain Inn fire service area agreement:

In January 2008, but effective October 2007, the City entered into an agreement with Greenville County whereby the County will provide fire protection services to the unincorporated area of Greenville County known as the Fountain Inn Fire Service Area. The County will pay the City operating fees based on millage (presently 35.6 mills). This agreement expired in June 2011 but is automatically renewed each year thereafter for one-year terms; however, each party may terminate the agreement subject to a 90-day written notice to the other party prior to the annual June 30 expiration date.

Greenville County issued a \$1,865,000 general obligation bond in 2007, with the proceeds to be used for the renovations, expansion, and equipping of the main fire station of the City, the acquisition of land and the construction and equipping of a fire substation within the Fountain Inn Fire Service Area, the acquisition of a ladder fire truck, a pumper fire truck and other fire-related equipment, and providing funds for the acquisition of additional fire equipment, among other uses. In accordance with the terms of the agreement and the bond documents, the City has no obligation for the repayment of this indebtedness.

Greenville County issued a \$635,000 general obligation bond in 2010, with the proceeds to be used for the acquisition of one pumper fire truck and other fire-related equipment, one rescue truck, jaws of life and miscellaneous replacement fire-related equipment. In accordance with the terms of the agreement and the bond documents, the City has no obligation for the repayment of this indebtedness.

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 11. Other Information, Continued

Other Postemployment Benefits (OPEB)

The City's postemployment healthcare plan is a single-employer plan. The plan is as follows:

Eligibility – The City provides certain health care benefits for retired employees. Employees retiring from the City with a minimum of twenty (20) years of service, and who have a total of ten (10) years of medical coverage under the City's group health insurance program, are eligible to participate in the Retiree Insurance Plan. The retirees pay the full premium for the coverage while the City pays the implicit subsidy for retirees under age 65. Coverage stops when the retiree reaches age sixty-five (65) or becomes Medicare eligible, whichever comes first. The City retains the right to terminate or modify these benefits at any time subject to applicable law. For the year ended June 30, 2021, the City had one retiree that participates in the Retiree Insurance Plan.

Amount of allowance– Employees will be allowed to remain on the City's group health and dental plans until the retiree reaches Medicare eligibility (generally age 65). The retiree must pay the full premium for this coverage, approximately \$500, as of July 1, 2017.

Other Postemployment Benefits – Health care and dental insurance are offered in the City's Other Postemployment Benefits Plan until the retiree becomes eligible for Medicare. Vision benefits are included in the medical plan.

Spousal Coverage – The plan does not provide benefits to spouses or dependents.

Funding Policy – The City contributes to the plan based on the employer contribution rates established on a pay-as-you-go basis.

Total OPEB Liability

The City reported a total OPEB liability of \$1,595,329 as of June 30, 2022, as determined by an actuarial valuation performed as of December 31, 2021.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	Percent
Inflation	2.25
Salary increases	3.0 – 10.5
Discount rate	2.06

The discount rate was based upon the single equivalent interest rate, net of OPEB plan investment expense, including price inflation.

The mortality rates were based on the PUB-2010 Mortality Table for Employees with a 135% multiplier to better reflect anticipated experience and provide a margin for future improvements.

The remaining actuarial assumptions used in the December 31, 2021 valuation were based on a review of recent plan experience done concurrently with the December 31, 2021 valuation.

Changes in benefit terms for the December 31, 2022 valuation date include (1) the City will now pay the employer portion of the premiums for medical and dental coverage for retirees with 25 years of service or more until Medicare eligible and (2) retiree participation assumption changed from 20% to 95% for those who meet the requirement for the employer paid benefit.

City of Fountain Inn, South Carolina
Notes to Basic Financial Statements
June 30, 2022

Note 11. Other Information, Continued

Other Postemployment Benefits (OPEB), Continued

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2021	\$ 23,966
Changes for the year:	
Service cost	11,286
Interest	1,857
Changes of benefit terms	1,486,115
Differences between expected and actual experience	(5,511)
Change in assumptions or other inputs	76,817
Net investment income	1,599
Benefit payments	(800)
Net changes	1,571,363
Balance at June 30, 2022	\$ 1,595,329

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.06 percent) or 1-percentage-point higher (3.06 percent) than the current discount rate:

	1% Decrease (1.06%)	Discount Rate (2.06%)	1% Increase (3.06%)
Total OPEB liability (asset)	\$ 1,304,347	\$ 1,595,329	\$ 1,961,235

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City recognized OPEB expense of \$1,507,662. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 10,072
Changes in assumptions or other inputs	81,505	-
Net difference between projected and actual earnings on plan investments	3,403	-
Total	\$ 84,908	\$ 10,072

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:		
2023	\$	10,506
2024		10,320
2025		10,271
2026		10,270
2027		9,379
Thereafter		24,090
Total	\$	74,836

City of Fountain Inn, South Carolina

Notes to Basic Financial Statements

June 30, 2022

Note 12. Master Lease Financing Agreements

The City has entered into three master lease financing purchase agreements for financing the acquisition of vehicles and equipment. As of June 30, 2022, assets acquired under the master lease financing agreement include the following cost and accumulated depreciation.

	Governmental
Equipment and vehicles	\$ 650,853
Less: Accumulated depreciation	(213,084)
	<u>\$ 437,769</u>

Note 13. Fair Value Measurements

To the extent available, the City's investments are recorded at fair value as of June 30, 2022. GASB Statement No. 72 - *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. This statement establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources. In contrast, unobservable inputs reflect the entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available.

The City's investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1: Investments reflect prices quoted in active markets.
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3: Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. Assets classified as Level 2 are subject to pricing by an alternative pricing source due to lack of information available by the primary vendor.

The following table summarizes the City's investments within the fair value hierarchy at June 30, 2022:

Investment Type	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
U S Government Agency obligations	\$ 10,010,775	\$ -	\$ 10,010,775	\$ -
Repurchase agreements	3,246,956	3,246,956	-	-
Money market mutual funds	56,947	-	56,947	-
South Carolina Local Government Investment Pool	2,287,230	-	2,287,230	-
	<u>\$ 15,601,908</u>	<u>\$ 3,246,956</u>	<u>\$ 12,354,952</u>	<u>\$ -</u>

City of Fountain Inn, South Carolina
Notes to Basic Financial Statements
June 30, 2022

Note 14. Net Position / Fund Balances

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. The components of net position as of June 30, 2022, were as follows:

	Governmental	Business-type
Net investment in capital assets		
Net capital assets	\$ 15,076,149	\$ 17,546,683
Less: Bonds and master lease payables, net	(13,496,487)	(5,883,259)
Add: Deferred charge on refunding	-	19,088
Add: Unspent bond proceeds	6,725,981	-
	<u>8,305,643</u>	<u>11,682,512</u>
Restricted for debt service, capital activity, and other	<u>7,940,407</u>	<u>414,469</u>
	<u>7,940,407</u>	<u>414,469</u>
Unrestricted (deficit)	<u>(8,932,238)</u>	<u>6,883,902</u>
Total net position	<u>\$ 7,313,812</u>	<u>\$ 18,980,883</u>

Amounts for specific purposes by fund and fund balance classification as of June 30, 2022, were as follows:

	General Fund	Hospitality Tax	Capital Projects Fund	American Recovery Plan Act	Other Nonmajor Governmental Funds	Total
Nonspendable	\$ 47,640	\$ -	\$ -	\$ -	\$ -	\$ 47,640
Restricted						
Debt service	-	40,985	-	-	-	40,985
Capital projects	105,500	-	6,620,481	-	-	6,725,981
Special revenue - tourism	-	1,011,685	-	-	-	1,011,685
Special revenue - victim's assistance	-	-	-	-	149,128	149,128
Special revenue - underage alcohol enforcement	-	-	-	-	12,628	12,628
Unassigned	5,226,425	-	-	1,169,524	-	6,395,949
Total fund balances	<u>\$ 5,379,565</u>	<u>\$ 1,052,670</u>	<u>\$ 6,620,481</u>	<u>\$ 1,169,524</u>	<u>\$ 161,756</u>	<u>\$ 14,383,996</u>

Note 15. Tax Abatements

The City is located within Greenville and Laurens Counties and both Counties collect property taxes on behalf of the City. The Counties provide tax abatements under the following program.

1. The Fee-in-Lieu of Tax Program (FILOT) offers individual incentive packages by abating property taxes to attract new business to the Counties and to retain current businesses. The FILOT program was established by the SC Code Title 12, Chapter 44 and Title 4, Chapter 12. Generally, for taxpayers to be approved for this program they must agree to invest the statutory minimum (A higher amount may be negotiated) during the investment period. The investment period begins on the day in which the property described in the agreement is entered into service and ends at an agreed upon point in time. Once the investment period begins, the taxpayer may receive a reduction of assessed rate, reduction in millage rate and elimination of (or reduction in) the number of times the millage rates change for the property over the length of the agreement. Repayments of any savings in property taxes are required by state law if the taxpayer fails to maintain the conditions set forth in the agreement. Other recapture provisions may be negotiated on a case-by-case basis.

City of Fountain Inn, South Carolina**Notes to Basic Financial Statements****June 30, 2022**

Note 15. Tax Abatements, Continued

Information relevant to the disclosure of those programs for the fiscal year ended June 30, 2022, is as follows:

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Fee-in-Lieu of Taxes Program (FILOT)	\$ 142,522

Note 16. Novel Coronavirus

The 2019 novel coronavirus (or "COVID-19") has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. It is unknown the extent to which COVID-19 may spread, may have a destabilizing effect on financial and economic activity and may increasingly have the potential to negatively impact the City's and its customers' costs, demand for the City's products and services, and the U.S. economy. These conditions could adversely affect the City's business, financial condition, and results of operations. Further, COVID-19 may result in health or other government authorities requiring the closure of the City's operations or other businesses of the City's customers and suppliers, which could significantly disrupt the City's operations and the operations of the City's customers. The extent of the adverse impact of the COVID-19 outbreak on the City cannot be predicted at this time.

Note 17. Subsequent Events

The City's management evaluated events and transactions for potential recognition or disclosure in the financial statements through the date of the independent auditor's report, the date the financial statements were available to be issued.

Required Supplementary Information

DRAFT

City of Fountain Inn, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis)

General Fund

For the year ended June 30, 2022

	GENERAL FUND		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Taxes	\$ 4,828,634	\$ 5,234,210	\$ 405,576
Fire service area revenues	1,340,079	1,420,302	80,223
Licenses and permits	1,483,500	2,615,518	1,132,018
Intergovernmental	229,984	214,091	(15,893)
Fines and forfeits	40,000	28,964	(11,036)
Charges for services	742,831	852,066	109,235
Rent - facilities	23,500	32,071	8,571
Grants - governmental	56,800	76,026	19,226
Donations	13,000	5,074	(7,926)
Special events/community development	78,000	96,299	18,299
Interest earnings	2,950	6,520	3,570
Net decrease in fair value of investments	-	(13,922)	(13,922)
Other	45,256	246,286	201,030
Total revenues	8,884,534	10,813,505	1,928,971
EXPENDITURES			
General government:			
City:			
Operating expenses	334,686	301,829	32,857
Total city	334,686	301,829	32,857
Administration:			
Salaries and related expenses	314,523	283,597	30,926
Operating expenses	124,380	85,386	38,994
Total administration	438,903	368,983	69,920
Mayor and City Council:			
Salaries and related expenses	66,475	76,010	(9,535)
Operating expenses	16,720	8,934	7,786
Total Mayor and City Council	83,195	84,944	(1,749)
Planning and Development:			
Salaries and related expenses	131,872	150,577	(18,705)
Operating expenses	172,672	161,073	11,599
Total planning and development	304,544	311,650	(7,106)
Human Resources:			
Salaries and related expenses	58,816	117,353	(58,537)
Operating expenses	46,995	17,592	29,403
Total human resources	105,811	134,945	(29,134)
Total general government	1,267,139	1,202,351	64,788
Judicial:			
Salaries and related expenses	179,945	169,084	10,861
Operating expenses	80,582	69,662	10,920
Total judicial	260,527	238,746	21,781
Public safety:			
Police:			
Salaries and related expenses	2,216,317	2,282,880	(66,563)
Operating expenses	425,804	552,880	(127,076)
Total police	2,642,121	2,835,760	(193,639)

City of Fountain Inn, South Carolina

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budget Basis)

General Fund, Continued

For the year ended June 30, 2022

	GENERAL FUND		
	FINAL BUDGET	ACTUAL	VARIANCE
EXPENDITURES, Continued			
Public safety, continued			
Fire:			
Salaries and related expenses	1,694,515	1,824,447	(129,932)
Operating expenses	242,540	246,759	(4,219)
Total fire	1,937,055	2,071,206	(134,151)
Total public safety	4,579,176	4,906,966	(327,790)
Streets and sanitation:			
Public Works:			
Salaries and related expenses	506,225	529,318	(23,093)
Operating expenses	267,717	365,989	(98,272)
Total Public Works	773,942	895,307	(121,365)
Streets:			
Salaries and related expenses	-	602	(602)
Operating expenses	-	3,654	(3,654)
Total streets	-	4,256	(4,256)
Sanitation:			
Salaries and related expenses	447,140	382,396	64,744
Operating expenses	246,150	335,096	(88,946)
Total sanitation	693,290	717,492	(24,202)
Total streets and sanitation	1,467,232	1,617,055	(149,823)
Recreation:			
Salaries and related expenses	404,902	481,100	(76,198)
Operating expenses	293,097	295,277	(2,180)
Total recreation	697,999	776,377	(78,378)
Commerce Park:			
Salaries and related expenses	-	479	(479)
Operating expenses	34,150	47,856	(13,706)
Total Commerce Park	34,150	48,335	(14,185)
Special events/community development:			
Salaries and related expenses	173,332	209,750	(36,418)
Operating expenses	220,729	250,921	(30,192)
Total economic development/tourism	394,061	460,671	(66,610)
Capital outlay	292,335	241,094	51,241
Debt service:			
Principal	1,206,716	1,283,539	(76,823)
Interest	240,192	248,259	(8,067)
Bond issuance costs	-	25,400	(25,400)
Total Debt service	1,446,908	1,557,198	(110,290)
TOTAL EXPENDITURES	10,439,527	11,048,793	(609,266)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,554,993)	(235,288)	1,319,705
OTHER FINANCING SOURCES (USES)			
Proceeds on sale of capital assets	-	55,900	55,900
Proceeds from issuance of debt	503,000	503,000	-
Transfers in	896,429	865,186	(31,243)
Total other financing sources (uses)	1,399,429	1,424,086	24,657
NET CHANGE IN FUND BALANCE	\$ (155,564)	\$ 1,188,798	\$ 1,344,362

City of Fountain Inn, South Carolina**Required Supplementary Information****Schedule of Revenues, Expenses and Changes in Fund Balances - Budget and Actual (Budget Basis)****Hospitality Tax Fund****For the year ended June 30, 2022**

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE
REVENUES			
Taxes	\$ 573,000	\$ 577,959	\$ 4,959
Interest	2,500	2,762	262
TOTAL REVENUES	575,500	580,721	5,221
EXPENDITURES			
Special events/community development	3,300	5,787	(2,487)
Capital Outlay	80,000	13,230	66,770
Debt Service			
Principal	178,803	111,587	67,216
Interest	24,679	19,334	5,345
TOTAL BUDGETED EXPENDITURES	286,782	149,938	136,844
EXCESS OF REVENUES OVER EXPENDITURES	288,718	430,783	142,065
OTHER FINANCING SOURCES			
Transfers out	(195,000)	(175,000)	20,000
Total other financing sources (uses)	(195,000)	(175,000)	20,000
NET CHANGE IN FUND BALANCE	\$ 93,718	\$ 255,783	\$ 162,065

City of Fountain Inn, South Carolina

Required Supplementary Information

Schedule of Changes in the City's Total OPEB Liability and Related Ratios - Other Postemployment Benefits

For the year ended June 30,

	2022	2021	2020	2019	2018
Service cost	\$ 11,286	\$ 4,358	\$ 2,825	\$ 2,415	\$ 2,340
Interest	1,857	1,956	2,382	2,486	2,406
Changes of benefit terms	1,486,115	-	-	-	-
Net investment income	1,599	(2,325)	(1,982)	(1,331)	(1,366)
Plan administrative expenses	-	-	-	3,839	1,241
Difference between expected and actual experience	(5,511)	-	(7,304)	-	-
Changes of assumptions or other inputs	76,817	5,054	10,817	3,371	-
Benefit payments	(800)	(400)	(3,300)	(3,400)	(5,248)
Net change in total OPEB liability	1,571,363	8,643	3,438	7,380	(627)
Total OPEB liability-beginning	23,966	15,323	11,885	4,505	5,132
Total OPEB liability-ending	<u>\$ 1,595,329</u>	<u>\$ 23,966</u>	<u>\$ 15,323</u>	<u>\$ 11,885</u>	<u>\$ 4,505</u>
Covered payroll	\$ 4,813,798	\$ 3,826,144	\$ 3,826,144	\$ 3,763,638	\$ 3,763,638
Total OPEB liability as a percentage of covered payroll	33.14%	0.63%	0.40%	0.32%	0.12%

This schedule is presented to illustrate the requirements to show information for 10 years. Information for years before 2018 was unavailable.

City of Fountain Inn, South Carolina
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
For the year ended June 30,

	SCRS								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability	0.02439%	0.02262%	0.02138%	0.02131%	0.02099%	0.02179%	0.02161%	0.02109%	0.02109%
City's proportionate share of the net pension liability	\$ 5,277,346	\$ 5,778,734	\$ 4,882,512	\$ 4,774,228	\$ 4,724,961	\$ 4,654,525	\$ 4,097,872	\$ 3,630,482	\$ 3,782,256
City's covered payroll during the measurement period	\$ 2,747,202	\$ 2,523,098	\$ 2,257,933	\$ 2,208,000	\$ 2,117,714	\$ 2,110,137	\$ 2,025,908	\$ 1,914,423	\$ 1,837,976
City's proportionate share of the net pension liability as a percentage of its covered payroll	192.09894%	229.03328%	216.23813%	216.22409%	223.11611%	220.57928%	202.27335%	189.63844%	205.78375%
Plan fiduciary net position as a percentage of the total pension liability	60.70%	50.70%	54.40%	54.10%	53.30%	52.91%	56.99%	59.92%	56.39%

	PORS								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability	0.15012%	0.14252%	0.13430%	0.13481%	0.13310%	0.12311%	0.13090%	0.13586%	0.13586%
City's proportionate share of the net pension liability	\$ 3,862,562	\$ 4,726,243	\$ 3,848,950	\$ 3,819,886	\$ 3,646,355	\$ 3,356,035	\$ 2,852,983	\$ 2,600,845	\$ 2,816,237
City's covered payroll during the measurement period	\$ 2,236,460	\$ 2,152,949	\$ 1,947,958	\$ 1,865,968	\$ 1,792,389	\$ 1,686,785	\$ 1,621,683	\$ 1,633,994	\$ 1,620,006
City's proportionate share of the net pension liability as a percentage of its covered payroll	172.70875%	219.52415%	197.58896%	204.71337%	203.43547%	198.96045%	175.92729%	159.17103%	173.84115%
Plan fiduciary net position as a percentage of the total pension liability	70.40%	58.80%	62.70%	61.70%	60.90%	60.44%	64.57%	67.55%	62.98%

Note: This schedule is intended to show information for ten years. Information prior to 2014 is unavailable.

City of Fountain Inn, South Carolina
Required Supplementary Information
Schedule of the City's Pension Contributions
For the year ended June 30,

	SCRS									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	
Contractually required contribution	\$ 523,354	\$ 427,465	\$ 392,594	\$ 328,755	\$ 299,405	\$ 244,807	\$ 233,381	\$ 220,824	\$ 202,929	
Contributions in relation to the contractually required contribution	523,354	427,465	392,594	328,755	299,405	244,807	233,381	220,824	202,929	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
City's covered payroll	\$ 3,160,349	\$ 2,747,202	\$ 2,523,098	\$ 2,257,933	\$ 2,208,000	\$ 2,117,714	\$ 2,110,137	\$ 2,025,908	\$ 1,914,423	
Contributions as a percentage of covered payroll	16.56001%	15.56001%	15.56000%	14.56000%	13.56001%	11.55997%	11.05999%	10.90000%	10.60001%	
	PORS									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	
Contractually required contribution	\$ 471,369	\$ 407,928	\$ 392,698	\$ 335,828	\$ 303,035	\$ 255,237	\$ 231,764	\$ 217,468	\$ 209,805	
Contributions in relation to the contractually required contribution	471,369	407,928	392,698	335,828	303,035	255,237	231,764	217,468	209,805	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
City's covered payroll	\$ 2,449,955	\$ 2,236,460	\$ 2,152,949	\$ 1,947,958	\$ 1,865,968	\$ 1,792,389	\$ 1,686,785	\$ 1,621,683	\$ 1,633,994	
Contributions as a percentage of covered payroll	19.23990%	18.23990%	18.24000%	17.24000%	16.24010%	14.24004%	13.73998%	13.41002%	12.84001%	

Note: This schedule is intended to show information for ten years.
Information prior to 2014 is unavailable.

Other Supplementary Information

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City of Fountain Inn, South Carolina
Combining Balance Sheet - Other Nonmajor Governmental Funds
June 30, 2022

	FUND 525 VICTIMS FUND	FUND 541 EUDL POLICE FUND	TOTAL OTHER GOVERNMENTAL FUNDS
ASSETS			
Restricted cash and investments	\$ 148,756	\$ 12,628	\$ 161,384
Due from other funds	372	-	372
TOTAL ASSETS	\$ 149,128	\$ 12,628	\$ 161,756
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	\$ -	\$ -	\$ -
TOTAL LIABILITIES	-	-	-
FUND BALANCES			
Restricted			
Special revenue - victims' assistance	149,128	-	149,128
Special revenue - underage alcohol enforcement	-	12,628	12,628
TOTAL FUND BALANCES	149,128	12,628	161,756
TOTAL LIABILITIES AND FUND BALANCES	\$ 149,128	\$ 12,628	\$ 161,756

City of Fountain Inn, South Carolina**Combining Statement of Revenues, Expenditures and Changes in Fund Balances****Other Nonmajor Governmental Funds****For the year ended June 30, 2022**

	FUND 525 VICTIMS FUND	FUND 541 EUDL POLICE FUND	TOTAL OTHER GOVERNMENTAL FUNDS
REVENUES			
Fines and forfeits	\$ 3,663	\$ -	\$ 3,663
Grants - intergovernmental	-	3,500	3,500
Other	1,485	-	1,485
Interest	144	-	144
TOTAL REVENUES	5,292	3,500	8,792
EXPENDITURES			
Current:			
Public safety	-	-	-
TOTAL EXPENDITURES	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	5,292	3,500	8,792
NET CHANGES IN FUND BALANCE	5,292	3,500	8,792
FUND BALANCES, BEGINNING OF YEAR	143,836	9,128	152,964
FUND BALANCES, END OF YEAR	\$ 149,128	\$ 12,628	\$ 161,756

City of Fountain Inn, South Carolina**Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual****Proprietary Funds - Natural Gas****For the year ended June 30, 2022**

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES			
Charges for service			
Natural gas sales	\$ 7,740,932	\$ 9,879,845	\$ 2,138,913
Other charges for services	1,441,656	1,384,573	(57,083)
TOTAL OPERATING REVENUES	9,182,588	11,264,418	2,081,830
OPERATING EXPENSES			
Natural gas purchases	4,307,000	6,198,420	(1,891,420)
Personnel services	1,912,212	1,029,651	882,561
Contractual services	104,000	114,193	(10,193)
Materials and supplies	243,000	234,167	8,833
Other operating expenses	1,072,500	1,005,997	66,503
Depreciation and amortization	465,882	522,405	(56,523)
TOTAL OPERATING EXPENSES	8,104,594	9,104,833	(1,000,239)
OPERATING INCOME	1,077,994	2,159,585	1,081,591
NONOPERATING REVENUES (EXPENSES)			
Investment income	40,000	22,797	(17,203)
Net increase in fair value of investments	-	(145,545)	(145,545)
Interest expense	(178,833)	(101,871)	76,962
TOTAL NONOPERATING REVENUES (EXPENSES)	(138,833)	(206,419)	(67,586)
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	939,161	1,953,166	1,014,005
TRANSFERS OUT	(690,186)	(690,186)	-
CHANGE IN NET POSITION	248,975	1,262,980	1,014,005
NET POSITION, BEGINNING OF YEAR	11,787,348	11,787,348	-
NET POSITION, END OF YEAR	\$ 12,036,323	\$ 13,050,328	\$ 1,014,005

City of Fountain Inn, South Carolina***Schedule of Revenues, Expenses and Changes in Fund Net Position - Budget and Actual******Proprietary Funds - Sewer******For the year ended June 30, 2022***

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES			
Charges for service			
Sewer fees	\$ 1,294,250	\$ 1,499,570	\$ 205,320
TOTAL OPERATING REVENUES	<u>1,294,250</u>	<u>1,499,570</u>	<u>205,320</u>
OPERATING EXPENSES			
Personnel services	452,550	501,801	(49,251)
Other operating expenses	540,230	341,427	198,803
Depreciation and amortization	225,000	254,560	(29,560)
TOTAL OPERATING EXPENSES	<u>1,217,780</u>	<u>1,097,788</u>	<u>119,992</u>
OPERATING INCOME	<u>76,470</u>	<u>401,782</u>	<u>325,312</u>
NONOPERATING REVENUES (EXPENSES)			
Investment income	1,500	1,151	(349)
Grants	-	504,000	504,000
Interest expense	-	(74,459)	(74,459)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>1,500</u>	<u>430,692</u>	<u>429,192</u>
CHANGE IN NET POSITION	<u>77,970</u>	<u>832,474</u>	<u>754,504</u>
NET POSITION, BEGINNING OF YEAR	<u>5,098,081</u>	<u>5,098,081</u>	<u>-</u>
NET POSITION, END OF YEAR	<u>\$ 5,176,051</u>	<u>\$ 5,930,555</u>	<u>\$ 754,504</u>

City of Fountain Inn, South Carolina

Schedule of Revenues and Direct Expenditures - General Fund Fire Department Operations For the year ended June 30, 2022

	Actual
Revenues	
Fees received from Greenville County	\$ 1,381,632
Grants	12,343
Miscellaneous	26,327
Total revenues	1,420,302
Direct Expenditures	
Salaries	1,220,580
Overtime	17,647
Christmas bonus	22,433
Employee insurance	182,782
Health screenings	5,145
FICA	95,555
Retirement	223,904
Workers compensation	56,401
Portable radio maintenance	2,863
Operating equipment	23,048
Fire station maintenance	12,562
Landscaping	1,452
Computer support	14,016
Vehicle maintenance	40,349
Property, vehicle and tort insurance	36,817
Telephone	7,338
Nextel communications	5,374
Conferences	3,817
Training	8,736
General supplies	9,200
Office supplies and printing	1,198
Prevention supplies	723
Utilities	13,426
Vehicle gas	26,831
Publications	4,343
Uniforms	16,172
SCMIT Grant	3,872
Innovapad grant	9,667
Miscellaneous	4,955
Total direct expenses	2,071,206
Excess of direct expenditures over revenues	(650,904)
Excess of direct expenditures over revenues, prior year	(4,372,349)
Excess of direct expenditures over revenues, end of year	\$ (5,023,253) (1)

(1) This schedule does not account for any indirect expenses incurred by the City in its Administrative, General Government, Police or Public Works departments that support the Fire Service operations. In addition, it does not recognize future capital, personnel or operational expenditures that the City will incur pursuant to the City's fire service contract with Greenville County.

City of Fountain Inn, South Carolina
Schedule of Fines, Assessments and Surcharges
For the year ended June 30, 2022

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected	-	-	31,656	31,656
Court fines and assessments remitted to State Treasurer	-	-	(31,656)	(31,656)
Total Court Fines and Assessments retained	-	-	-	-
Surcharges and Assessments retained for victim services:				
Surcharges collected	-	-	9,884	9,884
Surcharges remitted to State Treasurer	-	-	(9,884)	(9,884)
Total Surcharges and Assessments retained for victim services	-	-	-	-

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year - Beginning Balance	143,836	-	143,836
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer	-	-	-
Victim Service Assessments Retained by City/County Treasurer	3,663	-	3,663
Victim Service Surcharges Retained by City/County Treasurer	1,485	-	1,485
Interest Earned	144	-	144
Grant Funds Received	-	-	-
General Funds Transferred to Victim Service Fund	-	-	-
Total Funds Allocated to Victim Service Fund - Beginning Balance (A)	149,128	-	149,128
Expenditures for Victim Service Program:	Municipal	County	Total
Salaries and Benefits	-	-	-
Operating Expenditures	-	-	-
Transferred to General Fund	-	-	-
Total Expenditures from Victim Service Fund/Program (B)	-	-	-
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	149,128	-	149,128
Less: Prior Year Fund Deficit Repayment	-	-	-
Carryforward Funds - End of Year	149,128	-	149,128

City of Fountain Inn, South Carolina
Combining Statement of Fiduciary Assets and Liabilities
Custodial Funds
June 30, 2022

	LAW ENFORCEMENT FORFEITURE FUND	LAW ENFORCEMENT SEIZED FUND	FIREMAN'S FUND	TOTAL CUSTODIAL FUNDS
ASSETS				
Cash and cash equivalents	\$ 37,902	\$ 25,863	\$ 66,250	\$ 130,015
TOTAL ASSETS	\$ 37,902	\$ 25,863	\$ 66,250	\$ 130,015
LIABILITIES				
Due to others	\$ 2,080	\$ -	\$ -	\$ 2,080
Held in custody for others	35,822	25,863	66,250	127,935
TOTAL LIABILITIES	\$ 37,902	\$ 25,863	\$ 66,250	\$ 130,015

City of Fountain Inn, South Carolina
Statement of Changes in Assets and Liabilities - Custodial Funds
For the year ended June 30, 2022

	Balance June 30, 2021	Additions	Deductions	Balance June 30, 2022
<u>Law Enforcement Forfeiture Fund</u>				
Cash and cash equivalents	\$ 17,092	\$ 21,430	\$ 620	\$ 37,902
Due from others	3,961	-	3,961	-
TOTAL ASSETS	\$ 21,053	\$ 21,430	\$ 4,581	\$ 37,902
Due to others	\$ 2,080	\$ -	\$ -	\$ 2,080
Held in custody for others	18,973	21,430	4,581	35,822
TOTAL LIABILITIES	\$ 21,053	\$ 21,430	\$ 4,581	\$ 37,902
<u>Law Enforcement Seized Fund</u>				
Cash and cash equivalents	\$ 14,665	\$ 11,198	\$ -	\$ 25,863
TOTAL ASSETS	\$ 14,665	\$ 11,198	\$ -	\$ 25,863
Held in custody for others	\$ 14,665	\$ 11,198	\$ -	\$ 25,863
TOTAL LIABILITIES	\$ 14,665	\$ 11,198	\$ -	\$ 25,863
<u>Fireman's Fund</u>				
Cash and cash equivalents	\$ 47,967	\$ 72,110	\$ 53,827	\$ 66,250
TOTAL ASSETS	\$ 47,967	\$ 72,110	\$ 53,827	\$ 66,250
Held in custody for others	\$ 47,967	\$ 72,110	\$ 53,827	\$ 66,250
TOTAL LIABILITIES	\$ 47,967	\$ 72,110	\$ 53,827	\$ 66,250
<u>Total</u>				
Cash and cash equivalents	\$ 79,724	\$ 104,738	\$ 54,447	\$ 130,015
Due from others	3,961	-	3,961	-
TOTAL ASSETS	\$ 83,685	\$ 104,738	\$ 58,408	\$ 130,015
Due to others	\$ 2,080	\$ -	\$ -	\$ 2,080
Held in custody for others	81,605	104,738	58,408	127,935
TOTAL LIABILITIES	\$ 83,685	\$ 104,738	\$ 58,408	\$ 130,015

Statistical Section (Unaudited)

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Statistical Section (Unaudited)

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue source.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

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

City of Fountain Inn, South Carolina

Table 1 - Net Position By Component

Last Ten Years

	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 6,301,674	\$ 6,526,470	\$ 7,446,021	\$ 7,609,102	\$ 7,356,313	\$ 7,163,868	\$ 7,955,481	\$ 8,178,792	\$ 8,163,874	\$ 8,305,643
Restricted	1,299,683	1,065,120	1,218,781	1,072,318	1,242,710	1,277,228	869,125	812,551	950,500	7,940,407
Unrestricted (deficit)	730,317	584,144	(4,453,951)	(4,034,647)	(3,222,014)	(2,131,312)	(1,971,076)	(2,153,626)	(2,095,743)	(8,932,238)
Total governmental activities net position	\$ 8,331,674	\$ 8,175,734	\$ 4,210,851	\$ 4,646,773	\$ 5,377,009	\$ 6,309,784	\$ 6,853,530	\$ 6,837,717	\$ 7,018,631	\$ 7,313,812
Business-type activities										
Gas										
Net investment in capital assets	\$ 3,784,221	\$ 4,089,266	\$ 4,074,940	\$ 5,595,384	\$ 4,174,324	\$ 4,802,494	\$ 5,074,657	\$ 5,889,014	\$ 6,498,739	\$ 7,824,117
Restricted for debt service	456,661	185,807	125,491	248,773	253,934	258,077	261,956	265,261	268,279	276,238
Unrestricted	5,732,620	4,423,983	3,842,812	2,373,937	3,381,011	3,195,295	3,899,883	3,979,566	5,020,330	4,949,973
	9,973,502	8,699,056	8,043,243	8,218,094	7,809,269	8,255,866	9,236,496	10,133,841	11,787,348	13,050,328
Sewer										
Net investment in capital assets	1,415,848	1,386,209	1,219,491	1,405,183	1,815,018	2,219,802	2,424,233	2,572,450	3,000,035	3,858,395
Restricted for debt service	62,397	90,213	157,613	161,715	166,436	135,571	139,105	139,710	138,169	138,231
Unrestricted	1,018,449	1,232,672	1,365,958	1,439,236	1,202,259	1,327,068	1,556,255	1,823,413	1,959,877	1,933,929
	2,496,694	2,709,094	2,743,062	3,006,134	3,183,713	3,682,441	4,119,593	4,535,573	5,098,081	5,930,555
Total business-type activities net position	\$ 12,470,196	\$ 11,408,150	\$ 10,786,305	\$ 11,224,228	\$ 10,992,982	\$ 11,938,307	\$ 13,356,089	\$ 14,669,414	\$ 16,885,429	\$ 18,980,883
Primary government										
Net investment in capital assets	\$ 11,501,743	\$ 12,001,945	\$ 12,740,452	\$ 14,609,669	\$ 13,345,655	\$ 14,186,164	\$ 15,454,371	\$ 16,640,256	\$ 17,662,648	\$ 19,988,155
Restricted	1,818,741	1,341,140	1,501,885	1,482,806	1,663,080	1,670,876	1,270,186	1,217,522	1,356,948	8,354,876
Unrestricted	7,481,386	6,240,799	754,819	(221,474)	1,361,256	2,391,051	3,485,062	3,649,353	4,884,464	(2,048,336)
Total primary government net position	\$ 20,801,870	\$ 19,583,884	\$ 14,997,156	\$ 15,871,001	\$ 16,369,991	\$ 18,248,091	\$ 20,209,619	\$ 21,507,131	\$ 23,904,060	\$ 26,294,695

In April, 2013, the City elected to change from its December yearend to a June 30 yearend. Accordingly, the results reported in its governmental-wide financial statements for 2013 represent only six months of financial activity.

In fiscal year 2015, the City adopted and implemented GASB 68 for pensions, resulting in a restatement of beginning net position by (\$5,289,878) and (\$894,285) for governmental and business-type activities, respectively.

In fiscal year 2015, the City discovered that contributed capital related to street resurfacing projects in prior years had not been recognized in the respective years and had not been recorded as capital assets. A restatement increasing beginning net position of \$979,166 resulted.

City of Fountain Inn, South Carolina

Table 2 - Changes in Net Position

Last Ten Years

	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 630,105	\$ 2,691,259	\$ 962,626	\$ 988,583	\$ 1,298,680	\$ 1,040,883	\$ 1,472,241	\$ 1,478,252	\$ 1,733,679	\$ 5,023,545
Judicial services	145,879	266,658	239,808	170,346	248,493	213,559	232,066	231,022	257,587	257,483
Public safety	1,527,974	3,189,175	3,053,832	3,234,023	3,585,990	3,794,027	3,933,957	4,826,669	4,903,329	5,472,074
Streets and sanitation	613,447	1,179,422	1,064,804	1,164,351	1,109,341	1,148,139	1,324,433	1,305,159	1,562,577	1,893,418
Recreation	308,981	558,420	530,780	513,371	544,940	539,983	593,337	649,658	873,062	1,014,627
Civic Center/Performing Arts	401,219	699,966	738,137	830,113	569,710	226,170	200,994	200,000	-	-
Commerce Park / Special events	175,001	407,130	420,519	317,005	221,847	275,355	365,782	339,102	464,295	514,793
Interest and other charges	25,330	63,316	60,719	86,355	64,456	56,467	87,815	181,693	245,171	531,888
Total governmental activities expenses	3,827,936	9,055,346	7,071,225	7,304,147	7,643,457	7,294,583	8,210,625	9,211,555	10,039,700	14,707,828
Business-type activities:										
Natural Gas	3,446,787	7,330,350	7,087,667	5,561,059	5,894,620	7,932,882	7,732,716	6,951,714	6,955,759	9,206,704
Sewer	292,820	557,071	609,986	632,888	757,565	522,941	750,156	867,474	795,028	1,172,247
Total Business type operating expense	3,739,607	7,887,421	7,697,653	6,193,947	6,652,185	8,455,823	8,482,872	7,819,188	7,750,787	10,378,951
Total primary government expenses	\$ 7,567,543	\$ 16,942,767	\$ 14,768,878	\$ 13,498,094	\$ 14,295,642	\$ 15,750,406	\$ 16,693,497	\$ 17,030,743	\$ 17,790,487	\$ 25,086,779
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 617,195	\$ 1,087,451	\$ 1,188,422	\$ 475,854	\$ 874,773	\$ 1,340,761	\$ 1,295,718	\$ 1,338,087	\$ 1,750,110	\$ 2,692,644
Public safety	404,394	1,104,664	1,143,455	1,118,719	1,201,746	1,242,750	1,095,579	1,197,833	1,211,195	1,489,391
Streets and sanitation	8,179	81,079	83,226	88,431	90,847	91,504	524,135	572,411	598,484	640,907
Recreation	49,326	86,421	60,319	111,332	115,202	96,858	95,159	86,697	97,953	129,642
Performing arts	223,455	408,034	449,603	356,286	121,198	5	-	-	-	-
Special events/community development	16,416	59,798	42,050	45,154	46,459	46,724	67,271	64,291	85,344	96,299
Operating grants and contributions	98,766	97,824	103,484	69,927	137,119	92,076	82,683	109,461	62,222	84,600
Capital grants and contributions	60,000	271,745	255,750	596,113	465,494	185,421	152,264	159,376	126,045	292,440
Total governmental activities program revenues	1,477,731	3,197,016	3,326,309	2,861,816	3,052,838	3,096,099	3,312,809	3,528,156	3,931,353	5,425,923
Business-type activities:										
Natural Gas										
Charges for services:	3,739,921	8,093,733	7,489,612	6,548,137	6,561,435	9,003,244	9,208,449	8,366,205	9,198,159	11,264,418
Capital grants and contributions	-	7,864	-	-	-	-	-	-	-	-
	3,739,921	8,101,597	7,489,612	6,548,137	6,561,435	9,003,244	9,208,449	8,366,205	9,198,159	11,264,418
Sewer										
Charges for services:	345,831	717,208	776,822	834,126	926,932	1,009,076	1,172,332	1,275,745	1,356,572	1,499,570
Operating grants and contributions	340	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	6,773	-	-	-	-	-	-	-	504,000
	346,171	723,981	776,822	834,126	926,932	1,009,076	1,172,332	1,275,745	1,356,572	2,003,570
Total business-type activities and program revenues	4,086,092	8,825,578	8,266,434	7,382,263	7,488,367	10,012,320	10,380,781	9,641,950	10,554,731	13,267,988
Total primary government program revenues	\$ 5,563,823	\$ 12,022,594	\$ 11,592,743	\$ 10,244,079	\$ 10,541,205	\$ 13,108,419	\$ 13,693,590	\$ 13,170,106	\$ 14,486,084	\$ 18,693,911
Net (Expense)/Revenue										
Governmental activities	\$ (2,350,205)	\$ (5,858,330)	\$ (3,744,916)	\$ (4,442,331)	\$ (4,590,619)	\$ (4,198,484)	\$ (4,897,816)	\$ (5,683,399)	\$ (6,108,347)	\$ (9,281,905)
Business-type activities										
Natural Gas	293,134	771,247	401,945	987,078	666,815	1,070,362	1,475,733	1,414,491	2,242,400	2,057,714
Sewer	53,351	166,910	166,836	201,238	169,367	486,135	422,176	408,271	561,544	831,323
Total Business-type activities	346,485	938,157	568,781	1,188,316	836,182	1,556,497	1,897,909	1,822,762	2,803,944	2,889,037
Total primary government net expense	\$ (2,003,720)	\$ (4,920,173)	\$ (3,176,135)	\$ (3,254,015)	\$ (3,754,437)	\$ (2,641,987)	\$ (2,999,907)	\$ (3,860,637)	\$ (3,304,403)	\$ (6,392,868)

City of Fountain Inn, South Carolina
Table 2 -Changes in Net Position, Continued
Last Ten Years

	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes										
In Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 921,786	\$ 3,100,685	\$ 3,242,077	\$ 3,581,115	\$ 3,614,878	\$ 3,807,843	\$ 3,973,902	\$ 4,252,196	\$ 4,864,855	\$ 5,224,935
Hospitality taxes	104,615	237,908	210,307	323,896	348,648	412,326	439,517	439,706	534,763	577,959
Intergovernmental	112,566	211,010	170,265	170,715	264,000	204,408	209,698	217,560	167,242	2,813,085
Miscellaneous	33,050	27,614	23,285	18,332	6,963	73,667	198,370	131,785	127,131	274,036
Gain (loss) on Sale of Capital Assets	-	-	97,843	(40,084)	-	-	-	-	-	-
Investment Earnings (loss)	(3,432)	6,364	4,635	6,390	3,866	5,330	29,889	36,153	5,084	(3,115)
Transfers	207,461	2,118,809	342,333	817,889	1,082,500	627,685	590,186	590,186	590,186	690,186
Total governmental activities	1,376,046	5,702,390	4,090,745	4,878,253	5,320,855	5,131,259	5,441,562	5,667,586	6,289,261	9,577,086
Business-type activities:										
Gas										
Investment earnings (loss)	(62,409)	73,116	44,713	61,775	6,860	3,920	83,797	52,930	1,293	(122,748)
Miscellaneous Revenue	-	-	-	2,106	-	-	11,286	20,110	205	18,200
Transfers	(207,461)	(2,118,809)	(342,333)	(876,108)	(1,082,500)	(627,685)	(590,186)	(590,186)	(590,186)	(690,186)
Sewer										
Investment earnings (loss)	584	918	1,279	3,615	8,212	12,593	11,366	7,709	759	1,151
Transfers	-	-	-	58,219	-	-	3,610	-	-	-
Total business-type activities	(269,286)	(2,044,775)	(296,341)	(750,393)	(1,067,428)	(611,172)	(480,127)	(509,437)	(587,929)	(793,583)
Total primary government	\$ 1,106,760	\$ 3,657,615	\$ 3,794,404	\$ 4,127,860	\$ 4,253,427	\$ 4,520,087	\$ 4,961,435	\$ 5,158,149	\$ 5,701,332	\$ 8,783,503
Changes in Net Position										
Governmental activities	\$ (974,159)	\$ (155,940)	\$ 345,829	\$ 435,922	\$ 730,236	\$ 932,775	\$ 543,746	\$ (15,813)	\$ 180,914	\$ 295,181
Business activities	77,199	(1,106,618)	272,440	437,923	(231,246)	945,325	1,417,782	1,313,325	2,216,015	2,095,454
Total primary government	\$ (896,960)	\$ (1,262,558)	\$ 618,269	\$ 873,845	\$ 498,990	\$ 1,878,100	\$ 1,961,528	\$ 1,297,512	\$ 2,396,929	\$ 2,390,635

In April, 2013, the City elected to change from its December yearend to a June 30 yearend. Accordingly, the results reported in its governmental-wide financial statements for 2013 represent only six months of financial activity.

City of Fountain Inn, South Carolina

Table 3 - Fund Balances, Governmental Funds

Last Ten Years

	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ -	\$ 36,499	\$ 2,500	\$ 142,917	\$ 228,376	\$ 88,340	\$ 134,365	\$ 128,259	\$ 44,343	\$ 47,640
Restricted	250,657	217,327	1,122,910	425,912	210,796	151,614	94,981	649	649	105,500
Committed	164,730	-	-	-	-	-	-	-	-	-
Assigned	41,430	-	20,271	-	-	-	-	62,559	-	-
Unassigned	591,825	572,584	956,732	1,391,434	1,793,838	3,063,479	3,530,840	3,408,105	4,145,775	5,226,425
Total General Fund	<u>\$ 1,048,642</u>	<u>\$ 826,410</u>	<u>\$ 2,102,413</u>	<u>\$ 1,960,263</u>	<u>\$ 2,233,010</u>	<u>\$ 3,303,433</u>	<u>\$ 3,760,186</u>	<u>\$ 3,599,572</u>	<u>\$ 4,190,767</u>	<u>\$ 5,379,565</u>
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 290	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	1,145,432	898,253	785,514	864,376	1,049,239	1,126,423	5,793,087	914,831	1,023,137	7,834,907
Unassigned	-	-	-	-	-	-	-	-	-	1,169,524
Total all other governmental funds	<u>\$ 1,145,432</u>	<u>\$ 898,253</u>	<u>\$ 785,514</u>	<u>\$ 864,376</u>	<u>\$ 1,049,529</u>	<u>\$ 1,126,423</u>	<u>\$ 5,793,087</u>	<u>\$ 914,831</u>	<u>\$ 1,023,137</u>	<u>\$ 9,004,431</u>

In April, 2013, the City elected to change from its December yearend to a June 30 yearend. Accordingly, the results reported in its governmental-wide financial statements for 2013 represent only six months of financial activity.

City of Fountain Inn, South Carolina

Table 4 - Changes in Fund Balance, Governmental Funds

Last Ten Years

	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 1,159,345	\$ 3,324,361	\$ 3,458,577	\$ 3,954,293	\$ 3,936,281	\$ 4,169,153	\$ 4,468,594	\$ 4,637,488	\$ 5,453,632	\$ 5,812,169
Fire service area revenues	288,992	919,933	960,323	1,032,459	1,086,029	1,126,542	990,794	1,157,795	1,160,003	1,420,302
Licenses, permits and fees	220,147	274,866	377,148	424,720	552,275	1,292,694	1,253,197	1,296,205	1,740,892	2,615,518
Intergovernmental revenue	198,332	563,529	170,265	170,715	264,000	204,408	209,698	217,560	167,242	2,813,085
Fines and forfeitures	115,402	184,731	146,185	66,217	81,211	83,368	78,330	36,913	49,509	32,627
Charges for services	96,400	279,881	273,816	224,818	558,477	280,958	727,521	683,232	780,948	852,066
Administrative Fees	380,000	760,000	760,000	-	-	-	-	-	-	-
Performing Arts	171,525	344,625	400,577	356,286	121,198	5	-	-	-	-
Rent-Facilities	46,499	63,411	49,026	46,122	51,035	35,035	28,020	20,883	11,734	32,071
Donations / grants	103,725	17,050	359,234	647,111	156,881	166,076	169,799	142,792	62,222	84,600
Other revenues	667	24,355	23,285	82,415	4,386	73,667	160,239	159,876	90,931	344,070
Interest and investment income (loss)	(3,432)	6,364	4,635	6,390	6,443	5,330	29,889	36,153	5,084	(3,115)
Total revenues	2,777,602	6,763,106	6,983,071	7,011,546	6,818,216	7,437,236	8,116,081	8,388,897	9,522,197	14,003,393
Expenditures										
General government	503,457	2,433,120	732,339	718,013	686,090	717,264	839,187	1,003,394	1,020,433	2,499,638
Judicial services	145,734	267,012	238,388	168,434	242,150	207,288	226,215	227,378	239,710	238,746
Public safety										
Police	833,239	1,689,293	1,570,719	1,695,605	1,795,422	1,960,316	2,158,050	2,517,449	2,474,269	2,835,760
Fire	597,516	1,327,656	1,247,024	1,300,354	1,541,311	1,564,619	1,580,815	1,927,879	1,876,541	2,071,206
Streets and Sanitation	434,468	1,019,410	901,790	1,068,096	1,030,668	1,045,233	1,227,699	1,153,926	1,359,239	1,617,055
Recreation	277,770	497,736	467,088	462,244	457,336	455,184	489,824	571,773	662,730	776,377
Civic Center/performing arts	388,460	621,679	658,302	733,224	485,964	226,170	200,994	200,000	-	-
Special events/community development	159,821	387,407	394,526	270,038	195,023	240,399	338,307	308,259	403,540	466,458
Commerce Park	14,841	20,781	23,328	46,727	26,824	34,956	27,475	30,843	60,755	48,335
Capital Outlay	358,473	781,424	1,139,016	1,019,476	619,031	474,179	2,051,069	5,248,636	886,499	845,134
Debt service										
Principal retirement	295,170	425,629	390,307	345,586	362,000	369,105	488,414	706,558	693,608	1,395,126
Interest and fiscal charges	24,236	67,836	52,477	80,786	66,231	55,127	57,278	158,058	244,199	267,593
Bond/Lease issue costs	39,500	25,239	32,694	10,583	5,655	12,500	142,572	-	12,700	145,959
Total expenditures	4,072,685	9,564,222	7,847,998	7,919,166	7,513,705	7,362,340	9,827,899	14,054,153	9,934,223	13,207,387
Excess of revenues over (under) expenditures	(1,295,083)	(2,801,116)	(864,927)	(907,620)	(695,489)	74,896	(1,711,818)	(5,665,256)	(412,026)	796,006

City of Fountain Inn, South Carolina

**Table 4 - Changes in Fund Balance, Governmental Funds, Continued
Last Ten Years**

	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other Financing Sources (Uses):										
Issuance of debt	1,699,833	195,000	1,575,500	-	-	-	6,199,000	-	-	7,515,000
Refunding of revenue bonds	(900,000)	-	-	-	-	-	-	-	-	-
Notes Payable - Master Lease	-	-	-	-	-	437,650	-	-	443,000	113,000
Proceeds on sale of property	1,658	17,896	110,358	26,443	70,889	7,086	46,049	36,200	78,341	55,900
Transfers in	207,461	2,274,414	486,184	953,299	1,091,281	805,779	1,234,131	850,863	761,329	865,186
Transfers out	-	(155,605)	(143,851)	(135,410)	(8,781)	(178,094)	(643,945)	(260,677)	(171,143)	(175,000)
Total other financing sources (uses)	1,008,952	2,331,705	2,028,191	844,332	1,153,389	1,072,421	6,835,235	626,386	1,111,527	8,374,086
Net Change in fund balances	\$ (286,131)	\$ (469,411)	\$ 1,163,264	\$ (63,288)	\$ 457,900	\$ 1,147,317	\$ 5,123,417	\$ (5,038,870)	\$ 699,501	\$ 9,170,092
Debt service as a percentage of noncapital expenditures*	8%	5%	7%	6%	6%	6%	7%	10%	11%	14%

* Noncapital expenditures are total expenditures less capital outlay (to the extent capitalized for the government-wide statement of net position - see capital additions at Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities).

In April, 2013, the City elected to change from its December yearend to a June 30 yearend. Accordingly, the results reported in its governmental-wide financial statements for 2013 represent only six months of financial activity.

City of Fountain Inn, South Carolina

Table 5 - Assessed Value and Actual Value of Taxable Property

Last Ten Years

Year Ended December 31	Real Property	Personal Property	Other	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
Six months ended June 30							
2013	\$ 21,286,256	\$ 4,624,795	\$ 181,517	\$ 26,092,568	70.8	\$ 473,394,142	5.51%
Year Ended June 30							
2014	20,970,204	4,432,034	180,873	25,583,111	72.6	465,376,842	5.50%
2015	21,769,283	4,590,550	194,699	26,554,532	72.6	451,892,926	5.88%
2016	22,389,392	4,797,719	205,199	27,392,310	76.1	466,056,315	5.88%
2017	23,404,074	5,042,594	220,249	28,666,917	76.1	493,374,923	5.81%
2018	23,943,740	5,165,153	217,962	29,326,855	76.1	512,266,905	5.72%
2019	25,486,604	5,467,003	209,339	31,162,946	76.1	554,400,243	5.62%
2020	28,775,619	6,211,648	238,589	35,225,855	76.1	628,677,743	5.60%
2021	32,414,378	6,960,500	262,324	39,637,202	76.1	694,572,988	5.71%
2022	36,656,032	7,943,251	295,539	44,894,822	68.7	822,794,376	5.46%

Source: Greenville and Laurens County Auditors and Greenville and Laurens County Assessors

City of Fountain Inn, South Carolina

Table 6 - Property Tax Rates

Direct and Overlapping Governments

Last Ten Years

City of Fountain Inn Direct Rates				Overlapping Rates											
Fiscal Year	Operating Millage	Debt Service Millage	Total City Millage	Greenville County Millage	Greenville County School District	Greenville County Technical College	Greenville County Library System	Greenville County Recreation	Greenville County Art Museum	Greenville County Arena	Laurens County Millage	Laurens County Special School	Laurens County School Bonds	Laurens County Indigent Care	Laurens County College
2013	59.2	11.6	70.8	47.3	168.6	5.3	7.4	4.7	1.2	0.4	82.5	126.1	42.5	1.0	1.0
2014	61.0	11.6	72.6	47.7	177.5	5.3	7.4	4.2	1.2	0.4	83.7	130.0	47.5	1.0	1.0
2015	61.0	11.6	72.6	47.4	182.4	5.3	7.4	4.5	1.2	0.5	85.6	134.9	47.5	1.0	1.0
2016	64.5	11.6	76.1	47.4	184.9	5.3	8.5	4.5	1.2	0.5	86.6	137.4	47.5	1.0	1.0
2017	64.5	11.6	76.1	47.4	184.9	5.3	8.5	4.5	1.2	0.5	88.8	137.4	47.5	1.0	1.0
2018	64.5	11.6	76.1	47.4	191.8	5.3	8.5	4.5	1.2	0.5	90.6	139.7	52.1	-	1.0
2019	64.5	11.6	76.1	47.4	196.9	5.3	8.5	4.5	1.2	0.5	89.7	144.8	52.1	-	1.0
2020	64.5	11.6	76.1	47.4	202.9	5.3	8.5	4.5	1.6	0.5	93.7	150.8	53.0	-	1.0
2021	64.5	11.6	76.1	47.4	202.9	5.3	8.5	4.5	1.6	-	93.6	150.8	53.0	-	1.0
2022	57.1	11.6	68.7	44.3	194.2	5.00	8.00	4.5	1.5	0.4	95.6	150.8	53.0	-	1.0

Source: City Clerk Historical Records

City of Fountain Inn, South Carolina

Table 7 - Principal Property Taxpayers

Last Ten Years

Taxpayer	2022			Taxpayer	2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
SRC Palisades of Fountain Inn	\$ 2,729,380	1	6.08%	Duke Energy Corporation	\$ 1,266,040	1	4.85%
Pierburg US LLC	995,950	2	2.22%	Goglian Bakeries	707,561	2	2.71%
Fox Hill Greenville LLC CO SUD	881,280	3	1.96%	Fisher Barton SC	533,245	3	2.04%
Bodycote Thermal Procesas	719,320	4	1.60%	Mailis Strapping Systems USA	502,000	4	1.92%
Duke Energy Carolinas LLC	691,370	5	1.54%	Armstrong Improvements LLC	356,980	5	1.37%
Laurens Electric Coop Inc,	642,310	6	1.43%	CCHT LLC	346,680	6	1.33%
Fuyoa Asset Management	540,000	7	1.20%	Fehrer South Carolina LLC	270,434	7	1.04%
Fort Dearborn Company	409,530	8	0.91%	Third Generation South Carolina	264,600	8	1.01%
Mapal Inc.	405,780	9	0.90%	Laurens Electric Coop LLC	254,650	9	0.98%
Glen Burnie	322,540	10	0.72%	Holly Oak Chemical	252,980	10	0.97%
Total	\$ 8,337,460		18.57%		\$ 4,755,170		18.22%

Source: Greenville and Laurens County Auditors

City of Fountain Inn, South Carolina
Table 8 - Property Tax Levies and Collections
Last Ten Years

Year Ended December 31	Total Tax Levy for Year ¹	Collected within the Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
Six Months Ended June 30, 2013	1 \$ -	\$ 552,334	30.39%	\$ 312,136	\$ 1,816,620	99.96%
Year Ended June 30,						
2014	1,850,411	1,487,687	80.40%	349,384	1,837,071	99.28%
2015	1,927,859	1,530,334	79.38%	286,832	1,817,166	94.26%
2016	2,084,555	1,687,684	80.96%	382,521	2,070,205	99.31%
2017	2,181,552	1,751,401	80.28%	420,746	2,172,147	99.57%
2018	2,231,774	1,818,608	81.49%	403,467	2,222,075	99.57%
2019	2,371,500	2,000,716	84.36%	342,768	2,343,484	98.82%
2020	2,680,688	2,349,531	87.65%	315,129	2,664,660	99.40%
2021	3,016,391	2,761,743	91.56%	214,045	2,975,788	98.65%
2022	3,084,274	3,025,673	98.10%	-	3,025,673	98.10%

Source: Greenville and Laurens County Auditors

¹ In April, 2013 the City elected to change its yearend from December 31 to a June 30 yearend. Accordingly, the current tax amounts collected in the six months ended June 30, 2013 are 2012 tax levy year taxes, and should be combined with current tax collections for the year ended December 31, 2012 for comparison to the total levy for 2012. All delinquent tax collections for levy year 2012 have been presented in the six months ended June 30, 2013 as 2012 levy year taxes went into execution as delinquent taxes in March 2013.

City of Fountain Inn, South Carolina

Table 9 - Ratios of Outstanding Debt by Type

Last Ten Years

Year	Governmental Activities			Business Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Revenue Bonds	Notes Payable Master Leases	Revenue Bond	Notes Payable	Master Leases			
2013	\$ 430,000	\$ 1,699,833	\$ 64,837	\$ 6,201,570	\$ -	\$ 18,084	\$ 8,414,324	5.63%	\$ 1,065
2014	345,000	1,605,850	13,191	5,633,646	-	-	7,597,687	5.08%	951
2015	1,635,500	1,513,734	-	6,328,699	-	-	9,477,933	5.63%	1,165
2016	1,382,750	1,420,898	-	9,366,249	-	-	12,169,897	7.19%	1,457
2017	1,119,250	1,322,398	-	8,874,277	-	-	11,315,925	5.79%	1,361
2018	849,250	1,223,293	437,650	8,308,792	-	-	10,818,985	4.72%	1,245
2019	572,750	7,322,500	325,529	7,726,835	-	-	15,947,614	6.03%	1,592
2020	289,750	7,012,079	212,392	7,129,416	-	-	14,643,637	4.74%	1,403
2021	-	6,724,093	539,520	6,514,544	-	-	13,778,157	4.47%	1,323
2022	-	12,977,504	518,983	5,883,259	-	-	19,379,746	4.96%	1,763

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

¹ See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Fountain Inn, South Carolina

Table 10 - Ratios of General Bonded Debt Outstanding

Last Ten Years

Year	General Bonded Debt Outstanding			Total	Percentage of Actual Taxable Value of Property ¹	Per Capita ²
	General Obligation Bonds	Notes Payable - Master Lease	Less: Amount Available in Debt Service Fund			
2013	\$ 430,000	\$ 64,837	\$ -	\$ 494,837	1.90%	\$ 63
2014	345,000	13,191	-	358,191	1.40%	45
2015	1,635,500	-	-	1,635,500	6.16%	201
2016	1,382,750	-	-	1,382,750	5.05%	166
2017	1,119,250	-	-	1,119,250	3.90%	135
2018	849,250	437,650	-	1,286,900	4.39%	148
2019	572,750	325,529	-	898,279	2.88%	90
2020	289,750	212,392	-	502,142	1.43%	48
2021	-	539,520	-	539,520	1.36%	52
2022	-	518,983	-	518,983	1.16%	47

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

¹ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found on the Schedule of Demographic and Economic Statistics.

City of Fountain Inn, South Carolina

**Table 11 - Direct and Overlapping Governmental Activities Debt
June 30, 2022**

Governmental Unit	Governmental Activities Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Counties:			
Greenville County	\$ 256,323,000	1.02%	\$ 2,608,400
Laurens County	31,337,792	3.73%	1,169,576
Special Purpose Districts:			
Greenville Arena District	20,290,000	1.02%	206,476
School District:			
Greenville County School District	543,634,909	0.95%	<u>5,175,440</u>
Subtotal, overlapping debt			9,159,892
City of Fountain Inn Direct Debt		100.00%	<u>13,496,487</u>
Total direct and overlapping			<u>\$ 22,656,379</u>

Source: Greenville County ACFR, Greenville County SD ACFR and Laurens County Auditor

Note: ¹ Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in the County.

City of Fountain Inn, South Carolina

Table 12 - Legal Debt Margin

Last Ten Years

	June 30								
	2013	2014	2015	2016	2017	2018	2019	2020	2021
* Debt Limit	\$ 2,087,405	\$ 2,046,649	\$ 2,124,363	\$ 2,191,385	\$ 2,293,353	\$ 2,346,148	\$ 2,493,036	\$ 2,818,068	\$ 3,170,976
Total net Debt applicable to limit	430,000	345,000	1,635,500	1,382,750	1,119,250	849,250	572,750	-	-
Legal debt margin	\$ 1,657,405	\$ 1,701,649	\$ 488,863	\$ 808,635	\$ 1,174,103	\$ 1,496,898	\$ 1,920,286	\$ 2,818,068	\$ 3,170,976
Total net debt applicable to the limit as a percentage of debt limit	20.6%	16.9%	77.0%	63.1%	48.8%	36.2%	23.0%	0.0%	0.0%
Legal Debt Margin Calculation for Fiscal Year 2022									
Assessed Value	\$ 44,894,822								
Debt Limit (8 % of assessed value)	3,591,586								
Debt applicable to limit:									
General obligation bonds	-								
Less: Amount set aside for repayment of general obligation debt	-								
Total net debt applicable to limit	-								
Legal debt margin	\$ 3,591,586								

Source: Greenville and Laurens County Auditors and Greenville and Laurens County Treasurers

* Calculated at eight percent of assessed value.

Note: Under South Carolina State Constitution Article X Section 14 7(a), City of Fountain Inn's outstanding general obligation debt should not exceed eight percent of the total assessed property value.

City of Fountain Inn, South Carolina

Table 13 - Pledged Revenue Coverage

Last Ten Years

Year	Revenue Bonds					
	Natural Gas Fund					
	Operating and Non-Operating Revenues	Operating and Non-Operating Expenses (excluding depreciation and amortization)	Net Available Revenue	Debt Service Principal	Interest	Coverage
2013	\$ 3,677,512	\$ 3,236,036	\$ 441,476	\$ -	\$ 44,836	985.0%
2014	8,166,849	6,884,895	1,281,954	195,000	69,151 ²	485.0%
2015	7,489,670	6,718,469	771,201	197,549	46,065	317.0%
2016	6,583,562	5,089,445	1,494,117	199,901	103,627	492.0%
2017	6,592,551	5,375,546	1,217,005	242,131	139,293	319.0%
2018	9,042,515	7,519,312	1,523,203	291,209	134,214	358.0%
2019	9,303,532	7,253,660	2,049,872	299,099	126,906	481.0%
2020	8,439,245	6,434,376	2,004,869	305,828	119,412	471.0%
2021	9,199,452	6,432,642	2,766,810	314,393	109,801	652.0%
2022	11,159,870	8,684,299	2,475,571	321,758	103,833	582.0%
Year	Sewer Fund					
	Operating and Non-Operating Revenues	Operating and Non-Operating Expenses (excluding depreciation and amortization)	Net Available Revenue	Debt Service Principal	Interest	Coverage
2013	\$ 346,755	\$ 134,007	\$ 212,748	\$ 80,412	\$ 57,441	154.0%
2014	718,126	262,624	455,502	160,709	79,022	190.0%
2015	778,101	259,429	518,672	225,398	110,059	155.0%
2016	837,741	302,581	535,160	227,549	119,798	154.0%
2017	935,144	439,855	495,289	249,841	113,482	136.0%
2018	1,021,669	330,371	691,298	274,276	107,734	181.0%
2019	1,187,308	528,673	658,635	282,858	100,132	172.0%
2020	1,283,454	642,960	640,494	291,591	92,288	167.0%
2021	1,357,536	568,825	788,711	300,479	82,839	206.0%
2022	2,004,721	917,687	1,087,034	309,527	75,860	282.0%

¹ In April 2013, the City elected to change its yearend from December 31 to a June 30 yearend. Accordingly, for the six months ended June 30, 2013 no scheduled principal payments were due in the Natural Gas Fund.

² Interest payment was accelerated during 2014 as a result of refunding the 2008 Natural Gas Revenue Bond.

City of Fountain Inn, South Carolina
Table 14 - Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population ¹	Personal Income* ²	Per Capita Personal Income ¹	Median Age ³	School Enrollment ⁴	Unemployment Rate ¹
2013	7,898	\$ 149,533	\$ 18,933	34	1,670	7.7%
2014	7,991	149,504	18,709	34	1,744	5.6%
2015	8,134	168,488	20,714	36	1,744	6.1%
2016	8,352	169,356	21,869	36	1,822	5.4%
2017	8,317	195,350	23,488	35	1,654	5.4%
2018	8,688	229,181	26,379	35	1,910	3.4%
2019	10,019	264,291	26,379	35	2,181	3.1%
2020	10,441	309,116	29,606	37	3,372	3.8%
2021	10,416	308,376	29,606	37	3,153	4.2%
2022	10,995	391,103	35,571	35	3,446	2.7%

* in thousands

Data Sources:

¹ Upstate Alliance, Inc.

² U. S. Bureau of Economic Analysis,

³ Greenville County Economic Development

⁴ School District of Greenville County, SC

City of Fountain Inn, South Carolina

Table 15 - Principal Employers
Current Year and Nine Years Ago

2022				2013			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Prisma Health	10,328	1	4.18%	Prisma Health	10,925	1	4.85%
School District of Greenville County	10,242	2	4.15%	School District of Greenville County	10,850	2	4.82%
Michelin North America	4,030	3	1.63%	Bon Secours St Francis Health System	4,500	3	2.00%
Bon Secours St Francis Health System	3,800	4	1.54%	Michelin North America	4,000	4	1.78%
SC State Government	3,357	5	1.36%	GE Power	3,200	5	1.42%
Spectrum Communications	3,000	6	1.22%	SC State Government	3,036	6	1.35%
GE Power	2,500	7	1.01%	Fluor Corporation	2,500	7	1.11%
Greenville County Government	2,402	8	0.97%	Bi-Lo Supermarkets	2,089	8	0.93%
TD Bank	2,261	9	0.92%	Greenville County Government	1,944	9	0.86%
Fluor Corporation	1,600	10	0.65%	United States Government	1,835	10	0.82%
Total	43,520		17.63%		44,879		19.94%

Source: Greenville County 2022 and 2013 ACFR

City of Fountain Inn, South Carolina

**Table 16 - Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years**

Function/Program	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Special Events	-	-	-	-	-	2	2	1	2	-
Administration	4	4.5	3	7	6	6	6	6	6	3
Mayor and City Council	7	7	7	7	7	7	7	7	7	7
Human Resources	-	-	-	-	-	-	-	-	-	2
Finance	-	-	-	-	-	-	-	-	-	4
Planning and Development	-	-	-	-	-	-	-	2	2	3
Judicial Services	3	3.5	1.5	3	3	3	2	2	2	5
Community Relations	-	-	-	-	-	-	-	-	-	5
Public Safety										
Police	30	32	30	33	29	30	30	33	35	35
Fire	18	20	20	24	24	24	22	23	24	31
Streets and Sanitation										
Public Works	4	4	3	3	3	3	2	2	3	7
Streets	5	6	6	4	7	7	9	8	8	4
Sanitation	1	1	1	1	1	1	1	1	5	8
Facilities Maintenance	-	-	-	-	-	-	-	-	-	2
Recreation	6	6	5	5	9	6	4	5	5	5
Civic Center / Performing Arts	2	2	2	1	-	-	-	-	-	-
Economic Development	2	2	2	1	2	-	-	-	-	-
Enterprise Fund										
Natural Gas	14	17	19.5	18	18	20	20	20	20	23
Sewer	3	3	4	3	3	3	3	3	2	4
	<u>99</u>	<u>108</u>	<u>104</u>	<u>110</u>	<u>112</u>	<u>112</u>	<u>108</u>	<u>113</u>	<u>121</u>	<u>148</u>

Source: City of Fountain Inn Human Resources

City of Fountain Inn, South Carolina

Table 17 - Operating Indicators by Function

Last Ten Years

Function/Program	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
County Administration										
City Council										
Regular Meetings	6	12	12	12	12	12	12	12	12	12
Special Meetings	3	4	6	5	11	8	12	11	6	5
Public Hearings	2	2	2	2	2	2	2	2	3	1
Committee Meetings	-	7	10	7	11	-	-	-	-	-
General Government										
Building Codes										
Permits Issued	132	229	318	375	533	577	516	566	743	856
Inspections Performed	320	602	709	860	1,289	1,918	1,978	1,636	3,166	5,666
Plan Review	3	-	3	4	10	166	243	235	421	1,726
Business Licenses Issued	248	488	561	678	840	692	800	746	871	974
Finance										
Number of Departments	11	11	11	11	12	11	14	14	14	17
Timesheets Processed	1,368	3,208	2,942	2,889	2,844	2,955	3,174	3,393	-	-
Payroll Checks Issued	19	155	486	246	197	197	182	214	457	364
Payroll Direct Deposits Issued	1,887	3,619	3,672	3,736	3,555	3,080	2,992	2,724	3,635	3,241
1099 Issued	-	26	37	51	43	37	33	28	33	39
W2 Issued	-	151	157	157	157	155	150	152	160	161
Grants	-	-	-	-	-	-	-	11	9	3
Human Resources										
Applications Processed	97	345	203	520	1,039	1,316	1,350	1,115	773	1,098
Jobs Filled	13	32	20	28	20	29	20	13	25	67
Terminations	13	15	28	29	34	26	33	32	25	43
Grievance Hearings	-	-	-	-	-	-	-	-	1	2
Workers Compensation Claims	2	7	13	11	9	14	14	6	1	13
Procurement										
Number of RFP's	5	10	12	10	9	6	6	10	10	6
Judicial Services										
Magistrate										
Arrest Warrants	201	391	349	242	310	356	243	812	420	161
Traffic Tickets	784	2,051	1,705	2,072	1,980	1,107	1,985	2,188	2,150	2,742

City of Fountain Inn, South Carolina

Table 17 - Operating Indicators by Function, Continued
Last Ten Years

	Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police Office										
Service Calls	4,324	4,381	6,855	7,403	8,769	4,919	5,764	5,971	11,398	10,182
Incident Reports	1,087	1,134	1,893	2,576	3,072	1,527	1,255	1,389	2,639	1,574
Drug Arrests	68	65	85	92	168	79	87	170	125	130
Meth Labs	2	-	-	1	-	1	-	-	-	-
Traffic Unit - Citations	2,129	1,758	2,284	2,450	1,800	2,229	806	749	1,371	3,304
School Resource Program - Classes Taught	54	125	100	90	120	100	-	72	38	126
Fire Department										
Service Calls	53	116	148	157	190	208	129	174	227	211
Incident Reports	940	1,949	2,237	2,400	2,207	2,328	2,071	2,135	2,318	2,587
Streets and Sanitation										
Streets										
Repair Orders Processed	-	26	282	413	380	210	30	386	10	-
Road Calls Made	12	20	17	-	23	21	30	11	44	9
Vehicles Maintained	26	17	17	17	17	17	20	20	25	5
Heavy Equipment Maintained	8	22	22	22	22	23	9	8	9	-
Sanitation										
Tonnage Refuse Processed	1,865	2,593	2,381	4,070	4,112	4,291	4,463	4,393	4,535	4,656
Recycling										
Tonnage Recycling Processed	-	-	-	-	-	-	35	73	82	107
Animal Control										
Work Orders	84	113	64	89	79	98	-	29	25	8
Recreation										
Events Sponsored	5	9	13	15	14	13	13	14	15	22
Citizens Participating	4,720	13,067	3,250	3,293	5,148	5,342	5,000	2,800	4,500	5,125
Civic Center / Performing Arts/Special Events										
Events Sponsored	87	138	108	91	24	9	59	48	55	44
Citizens Participating	38,650	57,451	41,450	22,750	N/A	N/A	30,000	38,000	44,500	74,211
Enterprise Fund										
Natural Gas										
Consumption btu's	634,876	790,377	795,584	716,373	712,134	884,668	960,559	912,285	985,799	931,051
Number of customers	6,514	6,793	7,075	7,417	7,799	8,366	9,175	9,106	10,339	10,457
Transactions	78,173	81,516	84,898	89,008	93,588	100,390	102,687	83,473	119,999	101,546
Sewer										
Work Orders	106	232	232	49	60	148	-	52	57	8

Source: City of Fountain Inn Finance Department

City of Fountain Inn, South Carolina

Table 18 - Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Administration										
Buildings	1	1	1	1	1	1	1	1	1	1
Equipment and Vehicles	2	1	1	1	1	1	1	1	1	1
Mayor and City Council										
Buildings	1	1	1	-	-	-	-	-	-	-
Public Safety										
Police Department										
Buildings	1	1	1	1	1	1	1	1	1	1
Equipment and Vehicles	21	24	24	38	44	32	53	52	52	52
Fire										
Buildings	2	2	2	2	2	2	2	2	2	2
Equipment and Vehicles	9	13	12	17	15	11	36	29	29	29
Recreation										
Parks										
Land (acres)	40	40	40	40	40	40	40	40	40	40
Buildings	2	2	2	2	2	2	2	2	3	2
Equipment and Vehicles	6	6	6	5	5	2	27	29	29	24
Civic Center / Performing Arts										
Buildings	3	3	3	3	-	-	-	-	-	-
Judicial Services										
Buildings	1	1	1	1	1	1	1	1	1	1
Equipment and Vehicles	-	-	-	-	-	-	1	1	-	-
Enterprise Fund										
Natural Gas										
Buildings	2	2	2	2	2	2	2	2	2	2
Infrastructure (miles)	288	296	303	313	324	333	324	333	344	360
Equipment and Vehicles	13	13	14	23	23	23	42	44	44	46
Sewer										
Buildings	-	1	1	1	1	1	1	1	1	1
Infrastructure	49	49	49	49	51	51	51	51	51	54
Equipment and Vehicles	10	10	10	10	10	14	19	18	18	20

Source: City of Fountain Inn Finance Department

City of Fountain Inn, South Carolina

***Uniform Guidance Report
(With Independent Auditor's Report Thereon)***

For the year ended June 30, 2022

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City of Fountain Inn, South Carolina

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City of Fountain Inn, South Carolina
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2022

Federal grantor/pass-through grantor/program or cluster title	Federal Assistance Listing number	Pass-through Entity Identifying number	Passed Through to Subrecipients	Total Federal Expenditures
<u>Passed through State of South Carolina</u>				
(COVID-19) Coronavirus Local Fiscal Recovery Funds	21.027	-	-	\$ 1,618,506
<u>Passed through Greenville County Redevelopment Authority</u>				
Passed through Greenville County Redevelopment Authority CDBG Block Grant	14.228	-	-	3,617
Total Expenditures of Federal Awards				<u>\$ 1,622,123</u>

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See Notes to Schedule of Expenditures of Federal Awards

City of Fountain Inn, South Carolina

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2022

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of The City of Fountain Inn, South Carolina (the "City") under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Note 3. Indirect Cost Rate

The City has elected not to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.



**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 City Council
City of Fountain Inn
Fountain Inn, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fountain Inn (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 3, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified one deficiency in internal control, described in the accompanying schedule of findings and responses as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

City of Fountain Inn's Response to Finding

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Manley Garvin, LLC". The signature is written in a cursive style. A large, light gray "DRAFT" watermark is oriented diagonally across the page, passing behind the signature.

Greenwood, South Carolina
February 3, 2023



**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

The Honorable Mayor and Members of City Council
City of Fountain Inn
Fountain Inn, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each major Federal Program

We have audited The City of Fountain Inn, South Carolina's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated February 3, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Manley Garvin, LLC

Greenwood, South Carolina
February 3, 2023

City of Fountain Inn, South Carolina
Schedule of Findings and Questioned Costs
For the year ended June 30, 2022

Section I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? X yes no
- Significant deficiency identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness identified? yes X no
- Significant deficiency identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516(a) of the Uniform Guidance? yes X no

Identification of major federal programs:

<u>CFDA #</u>	<u>Name of Federal Program or Cluster</u>
21.027	Coronavirus Local Fiscal Recovery Fund

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

Auditee qualified as low-risk auditee? yes X no

City of Fountain Inn, South Carolina
Schedule of Findings and Questioned Costs, Continued
For the year ended June 30, 2022

2022 Financial Statement Findings

Material Weakness:

2022-001: Unrecorded Liabilities

Condition:	The City failed to correctly record all transactions related to expenditures and the related accounts payable liability in the accounting software program during its year-end close process.
Criteria:	The City should appropriately record all expenditures and the corresponding accounts payable for the year the expenditures were incurred.
Effect:	The City's accounts payable and expenditures were understated by a material amount for fiscal year 2022.
Cause:	The City's internal control over recording its year-end transactions related to expenditures and accounts payable did not function properly to ensure proper recording and reporting during the fiscal year.
Recommendation:	We recommend the City review its internal control procedures for recording expenditures and year-end accounts payable to ensure proper recording and reporting under generally accepted accounting principles.
Response:	The City agrees with the finding and will enhance its internal control procedures related to recording expenditures and year-end accounts payable in the correct fiscal year.

Section II. Financial Statement Findings

None reported.

DRAFT



MINUTES FORMAL MEETING OF CITY COUNCIL

Thursday, January 12, 2023 - 6:00 p.m.

**Judicial Building
300 Wall Street, Fountain Inn**

**Citizens may access the meeting at the following YouTube address:
<https://www.youtube.com/channel/UC6JiyIrM1NUcM8Ea8BLXCfA>**

1. Call to Order- Mayor McLeer

Mayor McLeer called the meeting to order at 6:00 p.m.

2. Invocation and Pledge of Allegiance

Councilman Blackstone gave the invocation.

3. Public Forum - Persons wishing to speak may signup 15 minutes prior to the meeting. Signups will be on a first-come, first-served basis. Your remarks will be limited to 3 minutes.

No one signed up to speak.

4. Presentations

a. Marnie Schwartz-Hanley, President of the Fountain Inn Chamber of Commerce

Marnie Schwartz Hanley, President of Fountain Inn Chamber of Commerce, presented the following information: 63 new businesses, Leadership Golden Strip starting this month, and a new app for Chamber of Commerce launching in March.

b. Wesley White, President of Ridgewater Engineering and Surveying, presenting information for Z 2022-10 and AX 2022-2

Wesley White and Phillip Day, developer, presented. Mr Day said their design was innovative and creative with a mix use of product so families and people can join together. Sutera containers will be installed to eliminate the use of garbage cans and will add EV charging stations. They have already reached out to SCDOT and awaiting on response. There will be approximately 5.9 homes per acre. Wet ponds will be included with excellent landscaping and will save any mature trees that can be saved.

- 5. Executive Session Mayor McLeer stated, "If there's no objection, I'd like to move that we go into executive session to receive legal counsel on a procedural matter related to an item on the agenda."**

Motion by Councilmember Sanders, second by Mayor Pro Tem Clemmer to enter into Executive Session.

The motion carried unanimously 7/0.

Motion by Councilmember Don, second by Councilmember Garrett to come out of Executive Session.

The motion carried unanimously 7/0.

- 6. Consent Agenda**

Motion by Councilmember Blackstone, second by Councilmember Don to approve Consent Agenda.

The motion carried unanimously 7/0.

- a. Approve Regular Council Meeting Minutes from December 8, 2022**

- b. Approve Financial Report- November 2022**

- 7. City Administrator's Report- Shawn M. Bell**

City Administrator, Shawn Bell, covered the following updates: Utility Complex, Streetscape, 37,000 people in downtown for the annual Fountain Inn Christmas celebration, Daddy Daughter Dance will take place on February 11, 2023, Mac Arnold Blues Jam, Italian Heritage Festival will take place on April 29, 2023, new gas record for decatherms, Jr Fury wrestling was a success, baseball registration began, Parks and Recreation master plan process began, Comprehensive Plan with Steering Committee on January 25, 2023 with a drop in public meeting on January 26, 2023, Fire Department airpacs were ordered, Younts Center A Daughter Scorned play is taking place, Chamber of Commerce will host Lt. Governor, Pamela Everett, LCDR Musgrove Mill update, Friends of the Fury Winter Fundraiser on February 4, 2023, HLAD, Statement of Econ Interest due by February 15, 2023, and the FY22 Audit presentation will take place at the February meeting.

- a. December Reports**

- 8. Unfinished Business**

- a. **Z 2022-10 An ordinance to amend the official zoning map of Fountain Inn, said amendment being for the purpose of changing the zoning classification of the property located at Milacron Drive and Greenpond Road containing approximately 14.02 acres, Greenville County Tax Map 0562010102800, 0562010102820, 0562010102815.**
- b. **AX 2022-2 An Ordinance To Provide For The Annexation Of The Property Described Herein To The City Limits Of The City Of Fountain Inn; To Establish A Zoning Classification Therefore; To Assign The Annexed Property To A Council Ward; And Various Matters Related Thereto For Greenville County Tms #0562010102801**
Motion by Councilmember Thomason, second by Councilmember Sanders to approve Z 2022-10 and AX 2022-2.

The motion carried by a vote of 6/1 with Mayor McLeer voting against.

9. New Business

- a. **R 2023-1 City of Fountain Inn Commitment to Safety**
Motion by Councilmember Blackstone, second by Councilmember Sanders to approve R 2023-1 City of Fountain Inn Commitment to Safety.

The motion carried unanimously 7/0.
- b. **2023-1 An ordinance to amend Article III, Building Codes, to achieve uniformity with mandatory building codes adopted for use in South Carolina; and to amend code references as found in section 6-46.**
Motion by Councilmember Don, second by Councilmember Garrett to approve 2023-1.

The motion carried unanimously 7/0.
- c. **First Reading of Ordinance 2023-2 Budget Ordinance Amendment????**
Motion by Mayor McLeer, second by Councilmember Blackstone to approve the Fountain Inn Police Department Recruitment & Retention Action Plan.

The motion carried unanimously 7/0.

10. Executive Session

- a. **To receive legal advice regarding compliance with applicable employment laws.**

Motion by Mayor Pro Tem Clemmer, second by Councilmember Sanders to enter into Executive Session.

The motion carried unanimously 7/0.

Motion by Councilmember Thomason, second by Councilmember Sanders to come out of Executive Session and adjourn the meeting.

The motion carried unanimously 7/0.

11. Adjourn



**MINUTES
CITY COUNCIL SPECIAL CALLED MEETING**

Tuesday, January 24, 2023 at 6 p.m.

200 N. Main Street Fountain Inn, SC 29644

1. Call to Order- Mayor McLeer

Mayor McLeer called the meeting to order.

2. Executive Session

a. Discussion of employment, appointment, compensation, promotion, demotion, discipline, or release of employees in the Police Department.

After coming out of executive session, Council may vote on items discussed while in executive session.

Mayor McLeer made a motion to go into Executive Session, second by Councilmember Don.

Motion carried unanimously 7/0.

Mayor McLeer stated no votes were taken during Executive Session.

Councilmember Sanders made a motion to come out of Executive Session and adjourn the meeting, second by Councilmember Thomason.

Motion carried unanimously 7/0.

3. Adjourn

Elizabeth Adams

Elizabeth Adams

Municipal Clerk



**MINUTES
CITY COUNCIL ANNUAL RETREAT**

Saturday, January 28th at 9 a.m.

The Clinton House
15171 SC-56, Clinton,
SC

- 1. Welcome**
Mayor McLeer called the meeting to order at 9:09 a.m.
- 2. 2022 Year In Review - Shawn Bell**
The City Administrator, Mr. Bell, reviewed the 2022 Council goals.
- 3. Goal Setting Session - Jeff Shacker**
- 4. Finance Update - Naomi Reed**
- 5. Discussion of Resolution 2018-004**
- 6. Executive Session**
 - a. Discussion of negotiations incident to proposed contractual arrangements.**
- 7. Council Discussion**
- 8. Adjourn**
Motion made by Councilman Thomason, second by Councilman Sanders to adjourn the meeting at 12:38 p.m.

The motion carried unanimously.

A handwritten signature in cursive script that reads "Elizabeth Adams".

Elizabeth Adams
Municipal Clerk

CITY ADMINISTRATOR REPORT



Agenda Date: February 9, 2023

To: Mayor and City Council

From: Shawn M. Bell, ICMA-CM
City Administrator

Administration

- New FING/Public Works Facility
 - Site work has been delayed due to heavy rainfall in December and January
 - Foundation set to be poured this month
- Main Street Streetscape (Jones to 418)
 - Received cost estimates from CoTransCo on 1/31
 - Evaluating the cost estimates; still waiting on full design; and working with CoTransCo on timing for our CTC ask
- Sanctified Hill Park
 - Basketball court has been paved; curbs and sidewalks are the next items set to be completed
- Fairview Street Basketball Court
 - Request for additional PARD funds has been approved
 - Awarding resurfacing contract to Sossamon Construction to be completing in conjunction with Sanctified Hill Park

Community Relations

- Upcoming Events
 - Daddy-Daughter Dance (Ties & Tiaras) on 2/11 at Nirvana Cultural Center from 6:00 – 8:00 p.m.; SOLD OUT
 - 17th Annual Mac Arnold Cornbread & Collard Greens Blues Festival 4/15 from 12:00 – 6:00 p.m.
 - 2nd Annual Italian American Heritage Festival on 4/29 from 12:00 – 6:00 p.m.

Human Resources

- Administration/Finance:
 - Business License Specialist – **filled**; start date of 2/6
 - Gas Billing Specialist – **filled**; start date of 2/13
 - Gas Billing Customer Service Representative – currently filled by a temporary employee
- Community Relations:

- Director – recruitment under review
- Police:
 - Patrol Officer – Six vacancies; continued recruitment until filled
 - Dispatch – One vacancy; applications under review
- Fire:
 - Fire Marshal/Training Officer – One vacancy; applications under review
- Public Works:
 - CDL Truck Driver – One vacancy; interviews scheduled for 2/7
 - Streets & Grounds Maintenance Worker – One vacancy, posting week of 2/6
 - Sewer/Stormwater Technician – **Two vacancies filled**; start dates of 2/6 & 2/13
- Recreation:
 - Part-time support for growing programming; campaign pending

Natural Gas

- Gas Supply
 - Deliveries for January 2023
 - Gas volume of 155,208 Dekatherms
 - Gas consumption for January 2023 was down 22% from January 2022, and down 11% from the January five-year average.
 - Gas Prices/Rates
 - The price of natural gas for February 2023 settled at \$3.109 per Dekatherm, which represents a \$1.60 decrease from January 2023's price of \$4.709 per Dekatherm
 - This price represents the commodity price only; there are other factors which impact the final "Cost of Gas" which is used in FING's billing calculations
 - FING's February 2023's gas rates are the third lowest of survey participating utilities in SC, NC, & VA
- Gas Operations
 - Key Indicators
 - 11,697 feet of new gas main lines installed in January 2023
 - 3,646 feet of new service lines (42) installed in January 2023
 - Annual Phone Survey
 - Will begin February 16 and last for several days
 - Purpose is to measure the effectiveness of FING's public awareness campaign as federally required
 - Several thousand customers and non-customers will be called to participate in a two-minute survey
 - FING and our pipeline contractor are still awaiting approval from the railroad for crossing permits for the installation of a one-mile, six-inch high-pressure steel line

Parks & Recreation

- Basketball
 - Regular season will conclude on 2/16; playoffs will start on 2/18
 - Western District All-Star Tournament on 2/24 & 2/25
- Wrestling
 - Inaugural Season concluded on 1/16
- Spring Baseball/Softball
 - Registration opened on 2/1; a record number of Day 1 registrations: 104

Planning & Development

- January 2023 Building & Codes
 - 37 permits issued with a total valuation of \$8,292,815
 - 393 inspections
 - 47 residential plan reviews; 4 commercial plan reviews
 - 25 certificates of occupancy issued
- Comprehensive Plan (INNvision) update
 - Steering Committee meeting #1 held on 1/25
 - Stakeholder Group meetings #1 held on 1/25 and 1/26
 - Public Input Open House meeting #1 held on 1/26
 - <https://www.fountaininn.org/311/INNvision-Comprehensive-Plan> is the project webpage; additional information will be added as the project progresses

Fire

- 250 calls for service
- New SCBA's (air packs) have been ordered (16-20 weeks estimated delivery)
- Received a grant (\$0 match requirement) for new rope rescue equipment
- Training Center land has been cleared; next step is to remove the piles
- EMT testing in February

Chamber of Commerce

- Annual Membership Dinner on 3/16 at the Activities Center
 - Lt. Governor Pamela Evette will be the Guest of Honor
- Taste INN on 5/4 on Depot Street
- Hosting a monthly Business Before Hours, Business After Hours, and First Fridays for Nonprofit Organizations
 - Go to <https://www.fountaininnchamber.org/> for details

The Facts Behind the Cost of Natural Gas



FOUNTAIN INN
NATURAL GAS

The Facts Behind the Cost of Natural Gas

FING does its best to purchase gas supply at an economical price point, navigating all of the influences on the market that are outside of our control the best we can.

FING is not a 'gas supplier', we are a **gas distribution company**; our primary objective and expertise is to provide safe and reliable delivery of gas to its patrons.

Natural gas is a traded commodity; however, there are **several parts** to the gas cost; the commodity portion is only one piece of the pie so to speak. The commodity portion that is traded is based in Louisiana.

Another piece of the pie is **basis**, which is the difference between SC and LA in regard to the molecules as traded by market participants.

The Facts Behind the Cost of Natural Gas

FING has several tools it utilizes to address the risk of speculative trades on **commodity** and **basis** which include:

- Prepay gas supply at a **discount** to the market price
- Fixed price purchases within the prepay to provide upside **price movement protection**
- FING purchases additional gas for each winter, above what the prepay agreement allows for, **years in advance** to try and mitigate winter price risks
- FING conducts RFPs to find the **best supplier possible** to sell the gas to FING, with the most resources to provide options to address market risk
- FING uses outside consultants who are experts in trading to advise the Director on times where the market may be most **volatile** and options to address this risk
- FING has to match daily deliveries to actuals as directed by the pipeline; they may have to buy gas daily to avoid penalties which can be significantly higher

The Facts Behind the Cost of Natural Gas

FING has several tools it utilizes to address the risk of speculative trades on **commodity** and **basis** which include:

- FING uses a storage account, where we put in gas in the summer and pull it out in the winter to **avoid** paying higher winter prices on some of our gas
- FING has **actively discounted** the cost of gas by paying for some expenses related to gas supply (such as merchant services and the outside consultant costs) out of reserves built up by the delivery fees
- FING allows large industrial accounts to transport, purchasing their own supply and manage their own risk, while at the same time **reducing the volume** of gas FING has to purchase

The Facts Behind the Cost of Natural Gas

- As an expert in safe and reliable delivery, FING seeks advice from experts in purchasing natural gas; however, FING **directly manages** all gas purchases ourselves.
- FING does not make any money on the sale of natural gas to its patrons, it makes money **only** on the delivery of the gas. The actual cost of gas is a passthrough, **the patrons pay what FING pays.**
- FING must navigate the volatility of trades for both commodity and basis, both of which are influenced by ‘speculators’ or ‘professional traders’ at a level of at least **40:1** to end users like FING.
- FING is not a speculator. Speculators seek to trade commodity and basis for **a profit**. FING is an end user just like all of its patrons and does not seek profit from natural gas trades.
- Natural gas, both **commodity** and **basis**, which are traded, are influenced by more than just weather. There are **several other factors** to include geopolitical and economic domestically and globally, of which FING does its very best to address.

FIRE – FIRE DEPARTMENT SUMMARY

Summary of Monthly Events

- 250 calls for December
- Multiple trainings completed
- 33.2% overlapping calls
- Received a zero % match \$9000 Grant for new rope rescue equipment

DEPARTMENT HIGHLIGHTS

Current Projects

- Completed IFB for SCBA's. SCBA's have been ordered with a 16-20 week delivery
- 23-24 Budget prep
- Training land has been cleared and next step is removing the piles.

Upcoming

- EMT Testing in February
- Training land work continues
- Fire Marshal interviews

GAS SUPPLY

- Gas volume moved through our system: 155,208 Dths for the month of January.
- Gas consumption for January was down over 22% from last January, and down over 11% from the January 5-year average.
- The price of natural gas for the month of February settled at \$3.109 per Dekatherm. This represents a decrease of \$1.60 from January's price of \$4.709 per Dekatherm. Please keep in mind this represents the commodity price only, there are other factors that impact the final "Cost of Gas" which is used in FING's billing calculations.
- January's weather was relatively normal to above normal impacting our sale of natural gas which was well below the 186,000 Dths we had nominated for January.

GAS OPERATIONS

- The annual phone safety survey will start February 16 and last several days. The purpose of this survey is to measure the effectiveness of FING's Public Awareness campaign as required by the Feds. Several thousand of our customers as well as non-customers will be called to take part of the 2-minute survey.
- In order to improve our Public Awareness program and better educate our customers and non-customers about natural gas safety, we hired a web media company called ViaMedia. ViaMedia specializes in social media/website targeted marketing with very specific areas of reach set by zip codes. We had 4 specific topics we focus our efforts:
 1. Energy saving tips.
 2. Odor of Gas
 3. Carbon Monoxide
 4. Call 811 before you Dig.

During the last 3 months, tens of thousands of impressions were sent to dozens of websites where we experience an average to above average market click-rate.

- During the Christmas weekend temperatures dropped to 7 degrees; parts of our gas system were operating well beyond their designed capabilities. We have begun the process of identifying the weak points of our system, putting improvement plans together, and budgeting capital dollars on our 2023-2024 budget.
- FING as well as our pipeline contractor are still waiting for the railroad company to approve our crossing permits for the installation of 1 mile of 6" high pressure steel.

GAS PRICES

- Below are the gas rates for most of the gas companies in NC and SC.

NORTH CAROLINA/SOUTH CAROLINA/VIRGINIA GAS RATE COMPARISONS					
January 2023					
COMPANY	SERVICE CLASS	METER CHARGE PER MONTH	AVEWRAGE RATE PER THERM	AVG. USAGE THERMS	TOTAL COST PER MONTH
CITY OF ORANGEBURG, SC	Residential	\$10.00	\$1.13533	150.00	\$180.30
GREENWOOD CPW, SC	Residential	\$10.00	\$1.13577	150.00	\$180.37
FOUNTAIN INN, SC	Residential	\$9.00	\$1.14470	150.00	\$180.71
YORK NATURAL GAS, SC	Residential	\$9.25	\$1.16325	150.00	\$183.74
CITY OF DANVILLE, VA	Residential	\$12.15	\$1.14878	150.00	\$184.47
LANCASTER COUNTY, SC	Residential	\$10.00	\$1.18000	150.00	\$187.00
PIEDMONT, SC	Residential	\$10.00	\$1.21809	150.00	\$192.71
CLINTON-NEWBERRY, SC	Residential	\$12.00	\$1.20570	150.00	\$192.86
CHESTER COUNTY, SC	Residential	\$6.50	\$1.28899	150.00	\$199.85
CITY OF SHELBY, NC	Residential	\$8.50	\$1.33728	150.00	\$209.09
FORT HILL NATURAL GAS, SC	Residential	\$10.00	\$1.35000	150.00	\$212.50
CITY OF MONROE, NC	Residential	\$10.00	\$1.45225	150.00	\$227.84
DOMINION, NC	Residential	\$10.00	\$1.52424	150.00	\$238.64
DOMINION, SC	Residential	\$10.90	\$1.64021	150.00	\$256.93
PIEDMONT, NC	Residential	\$10.00	\$1.69484	150.00	\$264.23
GREENVILLE UTILITIES, NC	Residential	\$14.00	\$1.78690	150.00	\$282.04
GREER CPW, SC	Residential	\$10.00	n/a	150.00	#VALUE!
CITY OF LEXINGTON, NC	Residential	\$10.00	n/a	150.00	#VALUE!
PUBLIC SERVICE OF NC	Residential	\$10.00	n/a	150.00	#VALUE!

KEY INDICATORS

PERFORMANCE INDICATORS	CURRENT	Y-T-D
NEW MAIN LINES INSTALLED	11,697 ft.	11,697 ft.
NEW SERVICE LINES INSTALLED	42 SL, 3,646 ft.	3,646 ft.



City of Fountain Inn - Human Resources Monthly Report - January 2023

Home Department**	December Headcount	January Hires / Transfers In	January Terms	January Transfers Out	January Headcount	DIVERSITY				
						Asian	Black or African American	Hispanic or Latino	White	Pacific Islander
000411 / Administration	7	0	0	0	7	0	1	0	6	0
000412 / Judicial	5	0	0	0	5	0	0	0	4	1
000413 / Council	7	0	0	0	7	0	0	1	6	0
000414 / Special Events	5	0	0	0	5	0	0	0	5	0
000417 / Human Resources	2	0	0	0	2	0	0	1	1	0
000421 / Police	35	0	0	0	35	0	2	1	32	0
000422 / Fire	30	0	0	0	30	0	2	0	28	0
000424 / Public Works	6	0	0	0	6	0	2	0	4	0
000425 / Planning & Development	3	0	0	0	3	0	0	0	3	0
000431 / Streets & Grounds	4	0	1	0	3	0	2	0	1	0
000432 / Sanitation	9	0	0	0	9	0	3	0	6	0
000434 / Sewer	4	0	0	0	4	0	0	0	4	0
000451 / Recreation	36	0	0	0	36	0	9	0	27	0
000453 / Facilities Maintenance	2	0	0	0	2	0	0	0	2	0
000510 / Gas Billing	5	0	1	0	4	0	1	0	3	0
000510 / Gas Field	18	0	0	0	18	0	0	1	17	0
Totals:	178	0	2	0	176	0	22	4	149	1

**Based on Home Departments

FULL TIME 136 / PART TIME 40

Recruitment Status

411 Administration/Finance: Business License Specialist START DATE 2/6
411/510 Gas Billing: Billing Specialist START DATE 2/13
411/510 Gas Billing: Customer Service Representative (*currently filled by a temporary employee*)
414 Community Relations: Director of Community Relations **[recruitment under review]**
421 Police: Patrol Officer (6) Vacancies; **Continued recruitment until filled**
421/422 Dispatch: Dispatcher (1) Vacancy; Applications under review
422 Fire: Fire Marshal/Training Officer (1) Vacancy; Applications under review
431 Street & Grounds: Maintenance Worker I (1) Vacancy; Posting week of 2/6/2023
432 Sanitation: CDL Driver (1) Vacancy; Interviews scheduled for 2/7/2023
434 Sewer: Sewer/Stormwater Technician (2) START DATES 2/6 & 2/13
451 Recreation: Part-time support for growing programming; campaign pending

January HIRES:

Name	Department Title
No January Hires	

UPCOMING EVENTS:

Month	Event
FEB	Performance Appraisal Supervisor Prep
FEB	Break With The City Administrator
MAR	PEBA Preventative Health Screening

PLANNING & ZONING DIVISION ACTIVITY

Comprehensive Plan Project Update

A public open house meeting was held on January 26th in order to obtain local input on the new comprehensive plan, INNvision. Stakeholders, the steering committee, and the general public met the consultant team (Steward/Boudreaux) on the first step to creating a new vision for the City.

Zoning Ordinance Activity

TX2023-1 approve/adopt 2021 South Carolina Building Codes by ordinance voted by Council 1/12/2023

Annexations and Rezoning Activity Summary – January 2023

FI2022-026

Public Hearing Date: 11/7/2022

1st Reading Date: 1/12/2023.

Address: 4 Tall Pines Road

TMS: 0562010102815, 0562010102800, 0562010102820

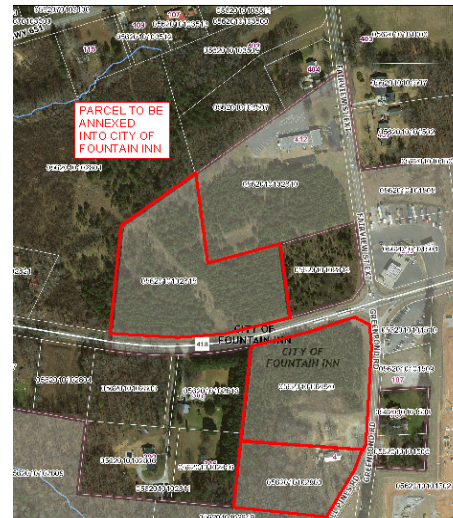
Applicant: Falcon Real Estate Development

Owner : Y & Y Development, et al

Current zoning: C-2, Commercial District

Requested Zoning: PD, Planned Development District

Motion: 4-0 to Approve



FI2022-027

Public Hearing Date: 11/7/2022

1st Reading Date: 1/12/2023.

Address: Milacron Drive

TMS: 0562010102801

Applicant: Falcon Real Estate Development

Owner: Kim Speer, Kay Moore

Current zoning: unzoned (Greenville County)

Requested Zoning: PD, Planned Development District

Motion: 4-0 to Approve



BOARDS AND COMMISSION

Planning Commission

The Fountain Inn Planning Commission upcoming meeting: March 2, 2023

DOCKET NUMBER: FI-2023-002
APPLICANT: LUIS TABARES
LOCATION: PUTMAN ROAD
REQUEST: REZONE TO R-M, RESIDENTIAL MULTIFAMILY
TAX MAP: 904-05-01-001

DOCKET NUMBER: FI-2023-003
APPLICANT: TELLUS, LLC
LOCATION: 108 NASH STREET
REQUEST: REZONE TO C-2, COMMERCIAL DISTRICT
TAX MAP: 0350000100404, 0350000100403

DOCKET NUMBER: FI-2023-004
APPLICANT: TELLUS, LLC
LOCATION: HUNTER ROAD
REQUEST: ANNEX, REZONE TO R-15 RESIDENTIAL
TAX MAP: P/O 0555020101000

DOCKET NUMBER: FI-2023-005
APPLICANT: JAKE DICKENS
LOCATION: 407 NORTH MAIN STREET
REQUEST: REZONE TO FRD, FLEXIBLE REVIEW DISTRICT
TAX MAP: 0344000200600

Board of Zoning Appeals

The Fountain Inn Board of Zoning Appeals upcoming meetings: **February 27, 2023**

FI-2022-038BZA PUBLIC HEARING

Request: Variance from Dimensional Requirements (front, side setback)

5:12.5. DIMENSIONAL REQUIREMENTS

Tax Map: 0350000100408

303 McCarter Road

BUILDING AND CODES DIVISION

INSPECTIONS	CURRENT	LAST MONTH	LAST YEAR
ALL CONSTRUCTION	393	542	x
REINSPECTIONS	5	5	x
SAFETY INSPECTIONS	0	0	x
COMPLAINT INSPECTIONS	0	0	x
TOTAL INSPECTIONS	393	542	x
PERMITS			
PERMITS ISSUED	37	55	x
NEW SINGLE FAMILY	12	35	x
NEW MULTI-FAMILY (UNITS)	0	0	x
NEW COMMERCIAL	4	1	x
CERTIFICATES OF OCCUPANCY -ISSUED	25	101	x
REMODEL/ADD. RESIDENTIAL	6	3	x
REMODEL/ADD. COMMERCIAL	0	1	x
SIGN/ROOFING/SOLAR/MISC TRADE	15	15	x
PLAN REVIEWS			
COMMERCIAL PLAN REVIEWS	4	5	x
RESIDENTIAL PLAN REVIEWS	47	85	x

CODE COMPLIANCE

BUILDING CODE COMPLAINTS	CURRENT	LAST MONTH	LAST YEAR
OPEN COMPLAINTS	6	0	x
PENDING INSPECTION	0	0	x
RESOLVED COMPLAINTS	9	5	x
PENDING COURT	1	1	x
TOTAL COMPLAINTS	14	5	x
ACTIVE COMPLAINTS BY TYPE			
BUILDING – UNSAFE CONDITIONS	2	6	x
POTHoles AND ROADS	0	0	x
NOISE AND ANIMAL CONTROL	0	0	x
PROPERTY MAINTENANCE	2	1	x
VEHICLES/OTHER	2	0	x

DEPARTMENT HIGHLIGHTS

Financial Summary

FINANCIAL STATISTICS	CURRENT	LAST MONTH	LAST YEAR
TOTAL VALUATION	\$8,292,815	\$13,058,466	X
TOTAL PERMIT FEES	\$17,929.00	\$71,841	X
TOTAL PLAN REVIEW REVENUE	\$20,167	\$35,920	X
CONTRACTED BUILDING SERVICES	\$ 0 *	\$22,110	x

**SAFEbuilt – invoice has not been received for this month.*

Current Projects

- File Digitization – Project Manager: Kim Darnell, Planning and Development Coordinator
- Comp Plan Update - Project Manager: Gregory Gordos, City Planner
- Standardizing Planning Commission and BZA meeting process to mirror City Council process
- Process Audit – Project Manager: SafeBuilt

**FOUNTAIN INN POLICE DEPARTMENT
MONTHLY COUNCIL REPORT
JANUARY 2023**

Crimes Against Property			
Burglary	January	YTD	
Total:	12	12	January Clearance Rate 8%
Active	10	10	YTD Clearance Rate 8%
Administratively Closed	1	1	
Cleared By Arrest	1	1	
Exceptionally Cleared	0	0	
Unfounded	0	0	
Larceny	January	YTD	
Total:	20	20	January Clearance Rate 5%
Active	13	13	YTD Clearance Rate 5%
Administratively Closed	6	6	
Cleared By Arrest	1	1	
Exceptionally Cleared	0	0	
Unfounded	0	0	
Motor Vehicle Theft	January	YTD	
Total:	2	2	January Clearance Rate 50%
Active	1	1	YTD Clearance Rate 50%
Administratively Closed	0	0	
Cleared By Arrest	0	0	
Exceptionally Cleared	0	0	
Unfounded	1	1	
Property Value	January	YTD	
Grand/Petit Larceny/Fraud	\$ 46,753.00	\$ 46,753.00	
Cleared/Recovered	\$ 4,000.00	\$ 4,000.00	
	January	YTD	
Total Calls for Service	1312	1312	
Business/Security Checks	11,955	11,955	
Number of Reports Written	234	234	

Crimes Against Persons			
Assault & Battery (Simple)	January	YTD	
Total:	10	10	January Clearance Rate 60%
Active	1	1	YTD Clearance Rate 60%
Administratively Closed	3	3	
Cleared by Arrest	3	3	
Exceptionally Cleared	2	2	
Unfounded	1	1	
Aggravated Assault	January	YTD	
Total:	3	3	January Clearance Rate 33%
Active	1	1	YTD Clearance Rate 33%
Administratively Closed	1	1	
Cleared by Arrest	1	1	
Exceptionally Cleared	0	0	
Unfounded	0	0	
Domestic Violence	January	YTD	
Total:	4	4	January Clearance Rate 75%
Active	0	0	YTD Clearance Rate 75%
Administratively Closed	1	1	
Cleared by Arrest	3	3	
Exceptionally Cleared	0	0	
Unfounded	0	0	
Robbery	January	YTD	
Total:	0	0	January Clearance Rate N/A
Active	0	0	YTD Clearance Rate N/A
Administratively Closed	0	0	
Cleared by Arrest	0	0	
Exceptionally Cleared	0	0	
Unfounded	0	0	
Murder	January	YTD	
Total	0	0	January Clearance Rate N/A
Active	0	0	YTD Clearance Rate N/A
Administratively Closed	0	0	
Cleared by Arrest	0	0	
Exceptionally Cleared	0	0	
Unfounded	0	0	
TRAFFIC	January	YTD	
Citations	110	110	
Warnings	108	108	
Accidents	17	17	
Accidents/Private Property	10	10	
Driving Under Influence 1st Offense	2	2	
Driving Under Influence 2nd Offense	0	0	
Driving Under Influence 3rd Offense+	0	0	
Driving Under Suspension 1st Offense	8	8	
Driving Under Suspension 2nd Offense	2	2	
Driving Under Suspension 3rd Offense+	4	4	
Fail to Stop for Blue Light	2	2	

Narcotics Violations		
	January	YTD
Marijuana		
Simple Possession	6	6
Possession W/Intent to Distribute	0	0
PWID w/i 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Cocaine		
Possession	0	0
Possession W/Intent to Distribute	1	1
PWID w/i 1/2 mile of School	1	1
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Crack Cocaine		
Possession	0	0
Possession W/Intent to Distribute	0	0
PWID w/i 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Methamphetamine		
Possession	0	0
Possession W/Intent to Distribute	3	3
PWID w/i 1/2 mile of School	1	1
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Controlled Substance		
Possession	0	0
Possession W/Intent to Distribute	0	0
PWID w/i 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Other Drugs		
Possession	0	0
Possession W/Intent to Distribute	0	0
PWID w/i 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Possession of Drug Paraphernalia	5	5
Underage Alcohol Violations	1	1

Public Works – January 2023 Council Report

Work Orders

PERFORMANCE INDICATORS	CURRENT	Y-T-D	PRIOR YEAR
Animal Control	1	1	16
Facilities Maintenance	4	4	88
Sanitation	40	40	336
Streets and Grounds	12	12	53
Utilities	4	4	22

Main Street

PERFORMANCE INDICATORS	CURRENT	Y-T-D	PRIOR YEAR
Full Time Jobs Created	0	0	
Full Time Jobs Lost	2	2	
Full Time Jobs Created	0	0	
Part Time Jobs Lost	3	3	
New Businesses Opened	0	0	
New Businesses Closed	1	1	
Expansions	0	0	
Number of Public Buildings Rehabilitated	0	0	
Number of Public Improvement Projects	0	0	
Number of Private New Construction Projects	0	0	
Number of New House Units	0	0	
Amount of Private Investment in Above Projects	0	0	
Amount of Public Investment in Above Projects	0	0	
Amount of Total Investment	4,207,091	4,207,091	
Sale and Purchase of Buildings	0	0	
Number of Downtown Events	0	0	
Event Attendance	NA	NA	
Volunteer Hours	NA	NA	

DEPARTMENT HIGHLIGHTS

Current Projects

- Utilities Complex. Site work has been delayed due to precipitation amounts in December. Planning foundation pour in February.
- Interstate Signage. Answered questions from SCDOT and awaiting approval.
- Main Street, Street Scape. Have meeting to discuss next steps on Tuesday, 31 January 2023. Working through pricing and timing to secure project.
- Woodside Connector. Awaiting let date from SCDOT.
- Sanctified Hill Park. Court has been paved, curbs and sidewalks are next to be completed.
- Fairview Basketball Court. Request for additional funding has been approved. Will be completed at same time as Sanctified Hill.

Community Engagement & Special Events

- Working on Special Events calendar, will be out early February. Re-energizing the Main Street program and laying foundation for the department.
- Voodoo Brewing was submitted for Main Street Inspiration award for their rehab of the form Mutual Home Store building. Notification will be sent in March if they win.
- Two grants were completed, Outdoor Properties LLC for the renovation of the ReMax building and Back Door Gallery for their Mural Project.

RECREATION – DEPARTMENT SUMMARY

SPORTS / UPCOMING EVENTS:	
Youth Basketball – Regular season is set to conclude on 2/16, playoffs will start on 2/18. 8U, 10U, and 12U have all committed to play in the Western District All-Star tournament on 2/24 & 2/25, location TBD.	
Youth Wrestling – Season concluded on 1/26, Rec Staff (other than Russ) was on site to pitch in to finish off a spectacular season. So many positive comments on the direction of this new sport, looking forward to next year. How can this sport grow with limitations at the High School? We are entertaining “duals” with Greer Rec and other surrounding organizations.	
Spring Baseball / Softball Registration opened on February 1 st . We saw (was we would say) a record number of registrations on Day 1: 104. Last year totaled 609.	
Rec Staff have finalized background checks for ALL coaches. Background checks will be incorporated into the registration process for each coach starting with Spring Baseball / Softball. Protect Youth Sports is the agency running all backgrounds checks, totaling \$16.95 per	
Haltiwanger: SCAP Retreat / Board Meeting in Columbia 1/12	
SENIOR ADULT PROGRAM / ACTIVITIES:	
Exercise class schedule: Monday from 8:30 – 9:15am (Group Fit 2 Medium level Aerobics with weights & bands) Wednesday/Friday from 8:30 – 9:15am (Group Fit 3 High Aerobics with weight & bands/ Group Fit 2) Tuesday/Thursday from 10:30 – 11:15am (Group Fit 1 Low level seated, Arthritis – no weights or bands)	
There have been 50 new 55+ enrollees Since 12/1, all with a guided tour of the Activities Center and understanding of what the 55+ program has to offer by Rec Staff	
Pickle Ball has grown from 6 to 14, 55+ Senior Adult participants. We are now looking into a Summer Adult League (Non 55 and 55+) competitive league. The Activities Center will have 3 courts to offer.	
BINGO on 2/7	
Chair Yoga is scheduled on Mondays at 10:45 & Floor Yoga on Wednesdays at 10:45 in Community Room	
Tai'Chi Chih with Adabelle on Mondays from 9:30 – 10:30 in Community Room	
SCHEDULED RENTALS:	

**REQUEST FOR COUNCIL ACTION**

City of Fountain Inn, South Carolina

To: Mayor and Members of City Council
From: Shawn M. Bell, City Administrator

February 9, 2023

Regular City Council Meeting

☐ Ordinance/First Reading ☒ Ordinance/Second Reading ☐ Resolution/First & Final Reading**Agenda Date Requested:** February 9, 2023**Ordinance/Resolution Caption:**

An Ordinance to Provide for the Amendment of the Official Zoning Map of the City of Fountain Inn; and Various Matters Related Thereto.

Summary Background:

Z 2022-10 would rezone three parcels totaling approximately 14 acres located along SC-418 (Milacron Drive) and 4 Tall Pines Road.

AX 2022-2 would add another 13.5 acres to the subject properties and annex property along Milacron Drive into the City of Fountain Inn. Both cases (FI2022-026, FI2022-027) were considered jointly by the Fountain Inn Planning Commission, as the annexation cannot occur without rezoning each of the four parcels to a Planned Development ("The Grove") and approving the preliminary site plan.

The PD district is established to encourage innovative and creative design of residential AND commercial developments and to permit a greater amount of flexibility to a developer by removing some of the restrictions of conventional zoning. Ideally, the development should be large scale and incorporate a variety of land uses or land use types. The district is also intended to encourage Developments which provide a full range of residential types to serve the residents of the district. The regulations should provide a mechanism to evaluate each application on its own merit. It is recognized that some concepts will be more appropriate than others and the approval of an application in one location does not necessarily indicate the development will be applicable in other locations.

The Planning Commission voted (3-1) in favor of the rezoning and annexation, with conditions.

The applicant Falcon Development is seeking to construct a mixed use, single-family subdivision consisting of 142 units – thirty-seven detached and one hundred five attached. Two parcels along Milacron Drive would be set aside for commercial uses at this high traffic corner. Townhomes would be placed on either 20' (standard) or 30' wide lots. All roads in the development would be private, with sidewalks required along all road frontages as well as in the interior of the development. A revised site plan reflecting amended sidewalks was a conditional of PC approval.

Impact If Denied:

The three parcels in the City would remain zoned C-2, Commercial. Tax Map # 0562010102801 would remain the county unzoned. Sewer upgrades are currently under construction on SC-418 and future development is likely; Fox Hill Business Park is located just east of the subject parcels.

Impact If Approved:

Over 140 units would be added to a fast-growing portion of the City of Fountain Inn with multiple access points. Commercial remains possible at the high-traffic areas whether zoned C-2 or PD but a mix of housing types would be added in the back portions at a mix of price points and designs. Building permit revenue would be collected but road maintenance would not fall under the Public Works Dept. (private roads) and trash service utilizing Sutera bins.

AN ORDINANCE

AN ORDINANCE TO AMEND THE OFFICAL ZONING MAP OF FOUNTAIN INN, SAID AMENDMENT BEING FOR THE PURPOSE OF CHANGING THE ZONING CLASSIFICATION OF THE PROPERTY HEREIN DESCRIBED.

WHEREAS, the City of Fountain Inn received a petition for re-zoning of the real property described herein; and

WHEREAS, The Fountain Inn Planning Commission conducted a public hearing on the re-zoning petition and after having duly considered same and the receiving a staff report voted to approve the re-zoning request from C-2, Commercial District to PD, Planned Development District

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Fountain Inn, South Carolina:

SECTION 1: That the real property referred to herein is described fully in Docket Number FI-2022-027 and is located at Milacron Drive and Greenpond Road containing approximately 14.02 acres, Greenville County Tax Map 0562010102800, 0562010102820, 0562010102815 located in the City of Fountain Inn, South Carolina and more fully described on Exhibit A attached hereto and made a part hereof by reference.

SECTION 2: The Properties are hereby rezoned C-2, Commercial District PD, Planned Development District

SECTION 3: This Ordinance shall be effective upon second and final reading by the City Council.

DONE IN REGULAR MEETING THIS ____DAY OF _____, 2023.

SIGNATURE OF MAYOR:

George Patrick McLeer

ATTEST:

APPROVED AS TO FORM:

Elizabeth Adams
City Clerk

Michael E. Kozlarek
City Attorney

FIRST READING: _____

SECOND READING: _____

ORDINANCE

AN ORDINANCE TO PROVIDE FOR THE ANNEXATION OF THE PROPERTY DESCRIBED HEREIN TO THE CITY LIMITS OF THE CITY OF FOUNTAIN INN; TO ESTABLISH A ZONING CLASSIFICATION THEREFOR; TO ASSIGN THE ANNEXED PROPERTY TO A COUNCIL WARD; AND VARIOUS MATTERS RELATED THERETO.

WHEREAS, Kay E Moore and Kim E Speer have filed a proper petition with the City of Fountain Inn using the 100 percent petition method concerning those parcels or tracts of land, which property is contiguous to the City limits petitioning for annexation of said property to the City of Fountain Inn under the provisions of S.C. Code Ann. § 5-3-150(3) and described as follows:

ALL those certain pieces, parcels or tracts of land containing 13.58 acres more or less, situate, lying and being on Milacron Drive in the City of Fountain Inn, Greenville County, South Carolina, and described as follows:

SEE SURVEY ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE.

GREENVILLE COUNTY TMS # 0562010102801

and,

WHEREAS, it appears to the City Council that annexation would be in the best interest of the property owners and the City of Fountain Inn; and

WHEREAS, the notice and public hearing requirements of S.C. Code Section 5-3-150 (1) have been complied with;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Fountain Inn, South Carolina, as follows:

Section 1. **ANNEXATION:** That the property herein described is hereby annexed to and becomes a part of the City of Fountain Inn effective on the date of the passage of this Ordinance.

Section 2. **ZONING CLASSIFICATION:** The property herein described is hereby assigned the zoning classification of PD, Planned Development District.

Section 3. **DISTRICT ASSIGNMENT:** The within described property shall be assigned to City Council Ward 5.

Section 4. **FLOOD RATE INSURANCE MAPS:** In accordance with the provisions of 44 CFR §64.4, in the event that the newly annexed area was previously located in a community participating in the NFIP Program, pending formal adoption of the amendment to its flood plain management regulations, the City hereby certifies that within the newly annexed area the flood plain management requirements previously applicable in the area remain in force. In the event that the newly annexed area was previously located in a community not participating in the

NFIP Program, upon annexation, and pending formal adoption of the amendments to its flood plain management regulations, the City certifies that it shall enforce within the newly annexed area, existing flood insurance policies which shall remain in effect until their date of expiration may be renewed, and new policies may be issued.

Section 5. **AUTHORIZATION.** The Mayor, the City Administrator, and the City Clerk, for and on behalf of the City, acting jointly or individually, are fully empowered and authorized to take such further action as may be reasonably necessary to effect the actions authorized by this Ordinance in accordance with the conditions herein set forth.

Section 6. **EFFECTIVE DATE.** This Ordinance shall be effective upon second and final reading by the City Council.

DONE IN REGULAR MEETING THIS ____ DAY OF _____, 2023.

SIGNATURE OF MAYOR:

George Patrick McLeer

ATTEST:

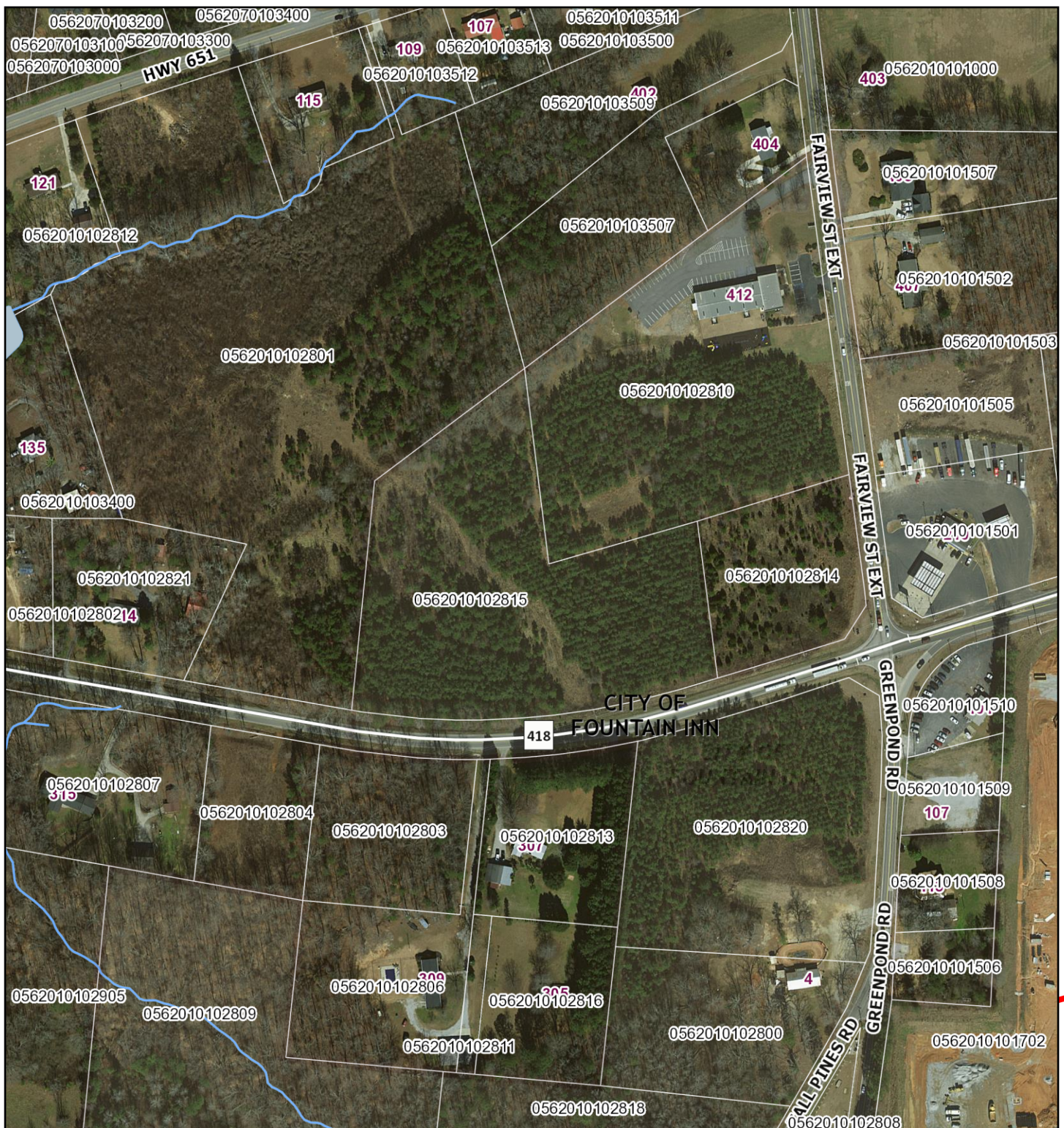
Elizabeth Adams
City Clerk

APPROVED AS TO FORM:

Michael E. Kozlarek
City Attorney

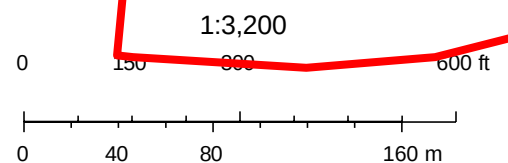
FIRST READING:
SECOND READING:

Greenville County, SC



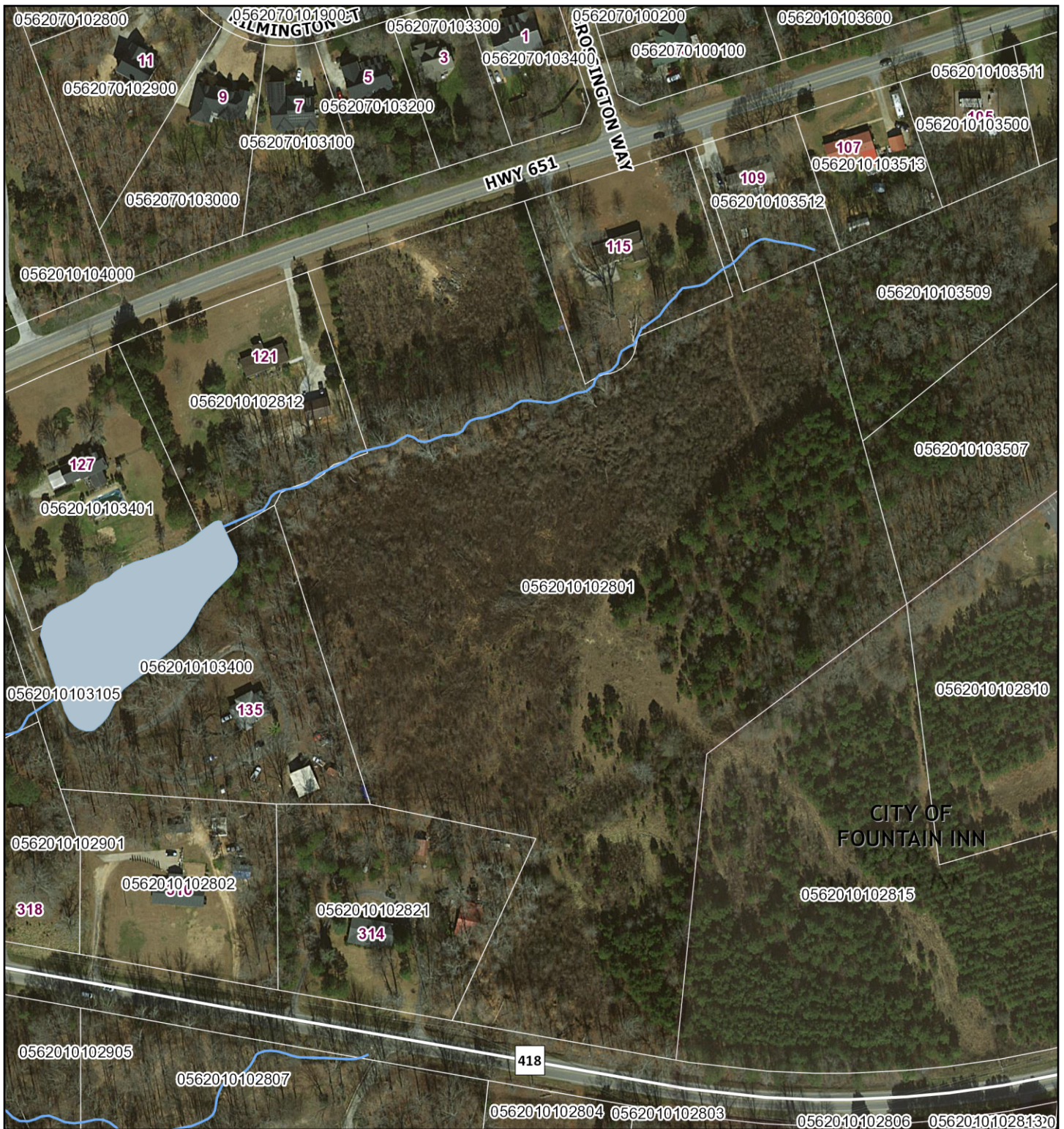
July 18, 2022

**DENOTES PARCELS ALREADY
IN CITY AND TO BE DEVELOPED**



Greenville County GIS Division, Greenville, South Carolina, Greenville County GIS Division, Greenville, South Carolina 29601, Greenville County, South Carolina GIS Division

TMS #0562010102801



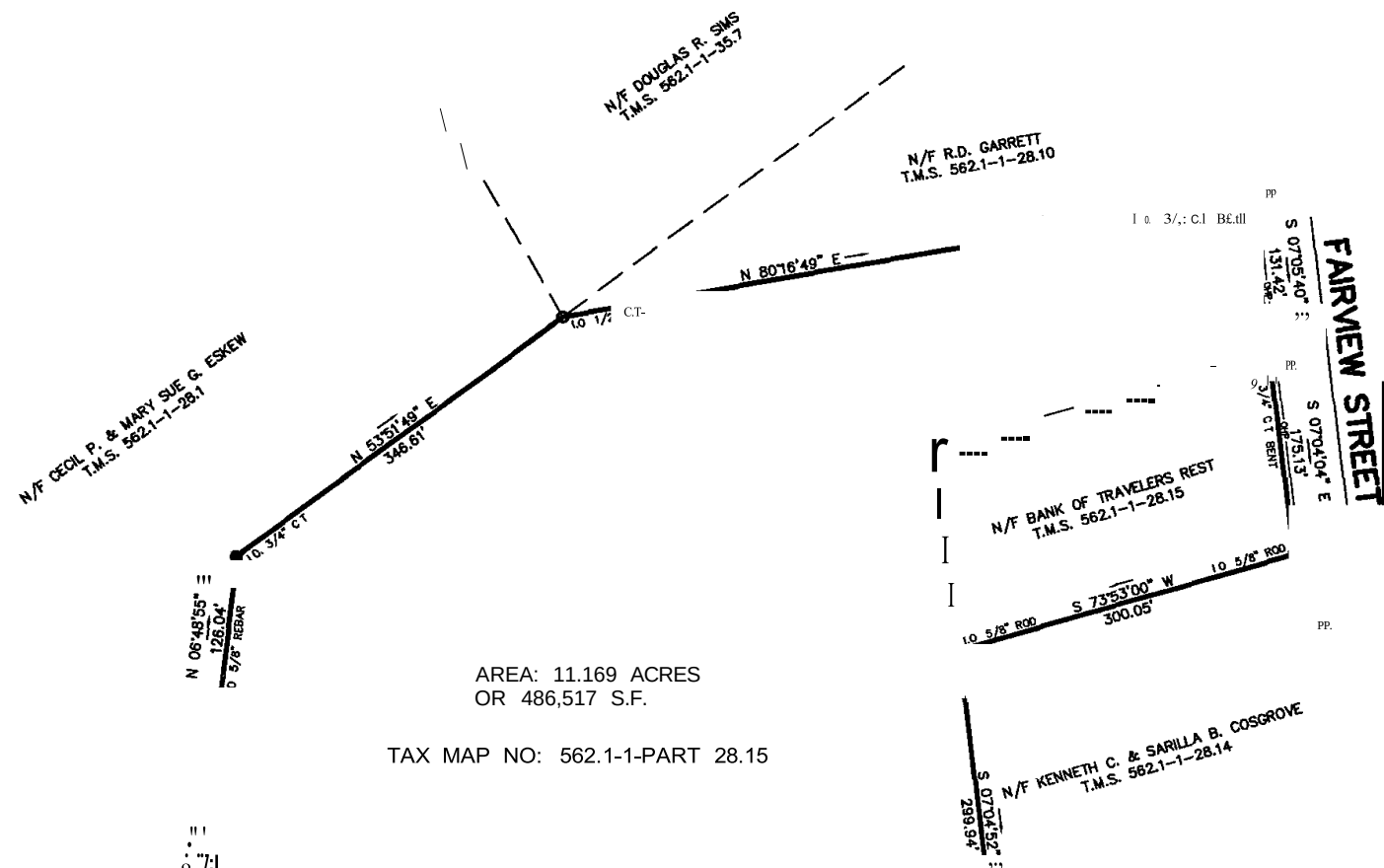
July 22, 2022

1:2,400

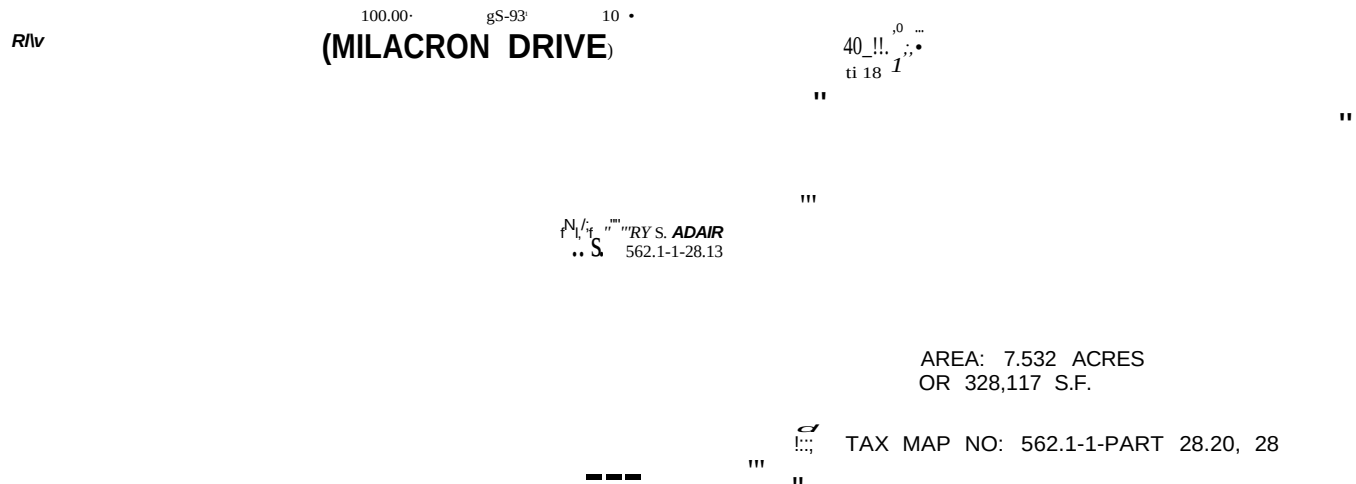
0 112.5 225 450 ft

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Greenville County GIS Division, Greenville, South Carolina, Greenville County GIS Division, Greenville, South Carolina 29601, Greenville County, South Carolina GIS Division

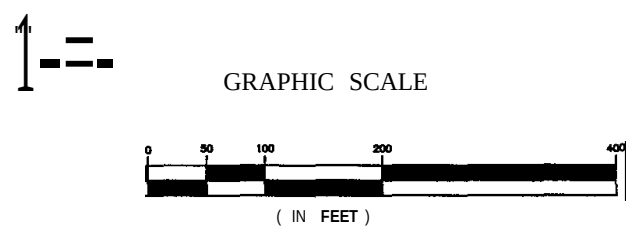


McCARTER ROAD

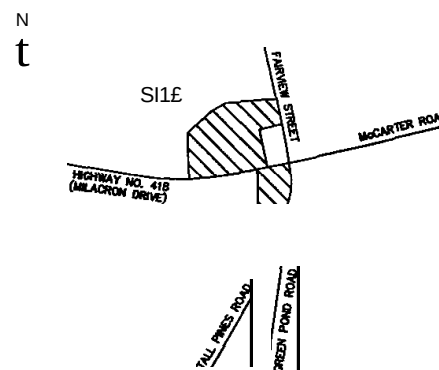


ft's. SIEFAN/E ADAIR
562.1-1-26.16

NI; JAMES E. WALDROP
r.¹¹.S.562.11-18 • Jr.


$$\frac{w}{w_i}$$

1 Inch • 100 It.



LOCATION MAP
NOT TO SCALE

CAUTION

PALMETTO UTILITY LOCATION SERVICE

ta;), 1 J DAYS BEFORE DIGGING CALI.
TOIL FREE 1-800-922-098J

A ONE CALL SYSTEM FOR COMMUNITY AND JOB SAFETY

THE UTILITIES SHOWN ARE SHOWN FOR THE CONTRACTOR'S CONVENIENCE ONLY. THERE MAY BE OTHER UTILITIES NOT SHOWN ON THESE PLANS. THE ENGINEER ASSUMES NO RESPONSIBILITY FOR THE LOCATIONS SHOWN AND IT SHALL BE THE CONTRACTOR'S RESPONSIBILITY TO VERIFY THE LOCATIONS OF ALL UTILITIES WITHIN THE LIMITS OF THE WORK. ALL DAMAGE MADE TO EXISTING UTILITIES BY THE CONTRACTOR SHALL BE THE CONTRACTOR'S RESPONSIBILITY OF THE CONTRACTOR.

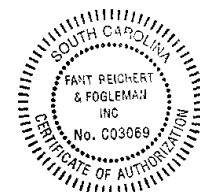
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1W	----- BOTTOM OF WALL
P&T	----- POWER & I/EWONE
W.V.	----- WATER V.U. VE
W.M.	----- WATER MEIER
M.S.L	----- MEAN SEA LEVEL
C.B.L	----- CATCH BASIN
IE	----- INVERT ELVATION
ED	----- EDGE OF PAVEMENT
F.H.	----- FIRE HYDRANT
S.W.	----- SIDEWALK
R.W.	----- RIGHT-OF-WAY
P.O.B.	----- POINT OF BEGINNING
1.P.	IRON PIN
1.N.	IRON PIN OLD
1.N	IRON PIN NEW
S.M.H	SANITARY SEWER MANHOLE
B.M.	BENCHMARK
L.P.	LIGHTPOLE
P.P.	PUMP
DI	DROP INLET
V.C.P.	VERIFIED 0.4Y PIPE
R.C.P.	REINFORCED CONCRETE PIPE
C&G	a.JRB & GUTTER
UT	TRANSFORMER
CHP	UNDERGROUND CHOLENE LINE
OE	OVERHEAD POLE
UE	UNDERGROUND ELECIRCU LINE

FILED FOR RECORD IN GREENVILLE COUNTY, SC ROD
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April 12, 2006 03 53 30 PM

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THIS PLAT 15 NOT A. SUBDIVISION
A.S DEFINED BY THE GREENVILLE
COUNTY LAND DEVELOPMENT REGULATIONS I

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Y&Y DEVELOPMENT

ERTIFY THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND DOES NOT EXCEEDS

FRFi.&INC.

ENGINEERING & SURVEYING

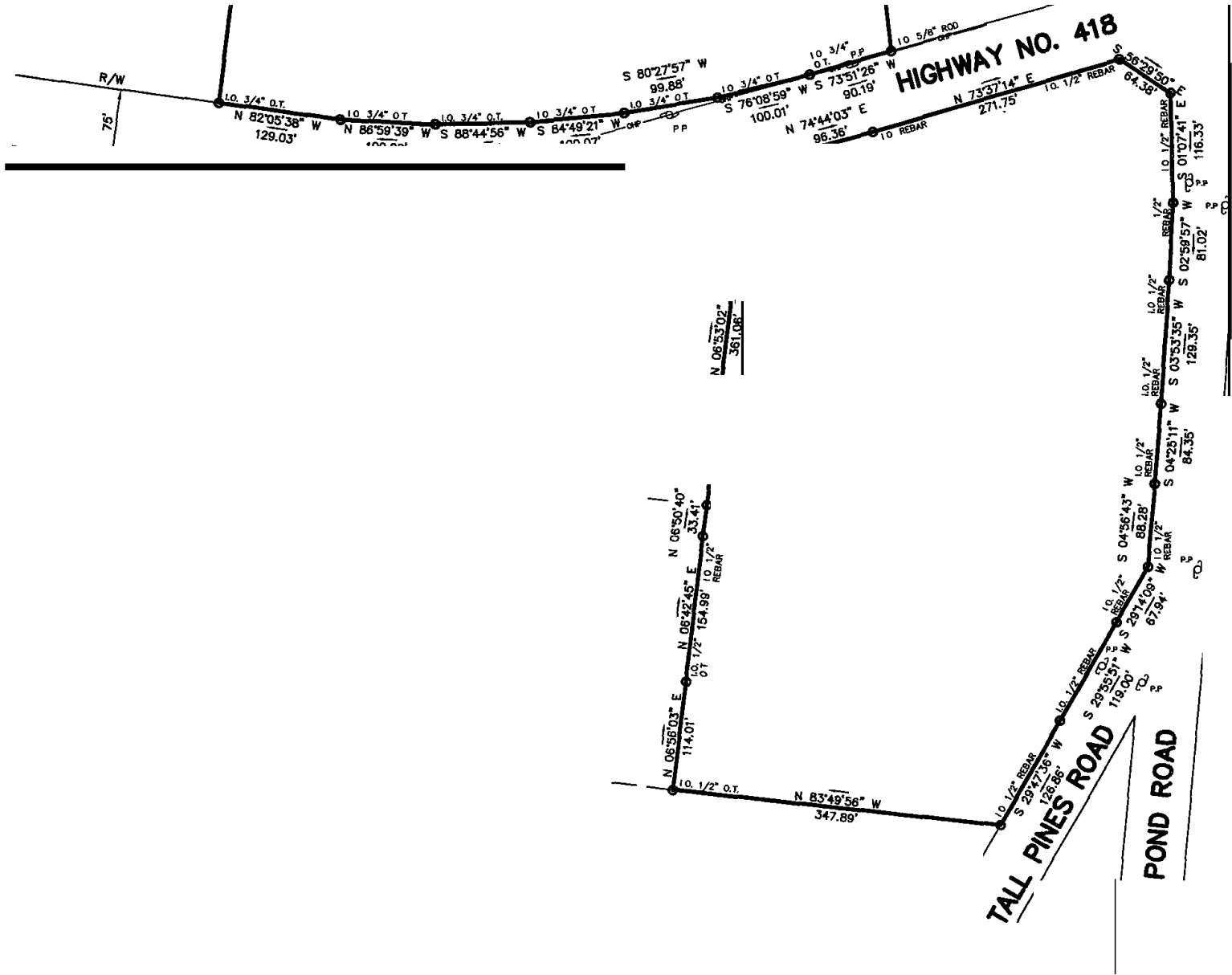
SCALE: 1" = 100'

GREEN POND

THE REQUIREMENTS FOR A CLASS A SURVEY AS SPECIFIED THEREIN.

725 IDIHOIS HILL ROAD
GREENVILLE, SC 29607
PH: (864) 271-11633

OWG. NO: B-1397



HIGHWAY NO. 418 (MILACRON DRIVE) TALL PINES ROAD, GREEN POND ROAD FAIRVIEW STREET GREENVILLE COUNTY, S.C.		DATE: 12-20-05
APPROVED BY: WILLIAM B. FANT <i>William B. Fant</i>		PT. FILE: 05215
S.C. REG. NO. 6288		

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

IN THE MATTER OF: CECIL PELHAM ESKEW

IN THE PROBATE COURT

DEED OF DISTRIBUTION

CASE NUMBER: 06-ES-23-1978

WHEREAS, the decedent died on 11/15/06, and,

WHEREAS, the estate of the decedent is being administered in the Probate Court for Greenville County, South Carolina in File #06-ES-23-1978, and,

WHEREAS, the grantee herein is either a beneficiary or heir at law, as appropriate, of the decedent; and,

WHEREAS, the undersigned Personal Representative is the duly appointed and qualified fiduciary in this matter; and,

NOW, THEREFORE, in accordance with the laws of the State of South Carolina, the Personal Representative has granted bargained, sold and released, and by these Presents does grant, bargain, sell and release to:

Name KIME. SPEER (an undivided one-half(1/2) interest) and
KAYE. MOORE (an undivided one-half (1/2) interest)

Address.2028 Haven Court

Boiling Springs, SC 29316

2008037125 DEED/DIST
5 PGS
Book:DE 2321 Page:223-227
April 21, 2008 01:27:47 PM

Rec.\$11.00 Cnty Tax:\$0.00 State Tax:\$0.00

FILED IN GREENVILLE COUNTY, SC

the following described property:

All that certain piece, parcel or tract of land, with improvements thereon, lying being situated in Fairview Township, County of Greenville, State of South Carolina, and being more fully described in accordance with plat made by T. H. Walker, Jr. RIS, dated March 8, 1976, to-wit:

BEGINNING at an iron pm in the southern side of road formerly known as SC Highway 418, joint corner with property of Cecil P. Eskew, and running thence along side road N. 73-47 E. 234.8 feet to a point; thence S. 15-39 E. 284.09 feet to a point in the center of creek; thence along the center of creek, S 78-55 W. 120.38 feet to a point; thence S. 68-35 W. 113.29 feet to an iron pin; thence along the Cecil P. Eskew property line, N 16-04 W. 285 feet, being the point of beginning.

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated February 12, 1979, recorded in RMC Office for Greenville County in Deed Book 1096 at Page 837

AND

All that piece, parcel or lot of land, lying being and situate in the County of Greenville, State of South Carolina, being shown and designated as 4.59 acres, on a plat entitled property of Ben W. Garrett, prepared by T. H. Walker, Jr., RLS, dated July 19, 1974, and being more particularly described in accordance with said plat, to-wit:

BEGINNING at an iron pin in the edge of Road S-23-651, said point lying approximately 1,319 feet, more or less, West of Highway 418 and running along the joint property line of G. Sidney Garrett and Ben W. Garrett, S. 16-04 E. 913.7 feet to an iron pin; thence S. 55-12 W. 44.4 feet along the joint property line of C. P. Eskew; thence continuing along the joint property line of C. P. Eskew N. 84-01 W. 197.2 feet to an iron pin; thence along the joint property line of Emma W. Garrett N. 16-04 W. 846.3 feet to an iron pm in the edge of State Road S-23-651, thence continuing along the edge of said Road N. 72-12 E. 225 feet to the point of beginning.

THIS being the same property as conveyed to Cecil P. Eskew and Decedent by deed dated May 30, 1975, recorded in RMC Office for Greenville County in Deed Book 1019 at Page 569.

AND

ALL that certain piece, parcel or tract of land containing 4.3 acres as shown on a plat of property of Cecil P. Eskew and Mary Sue G. Eskew, prepared by T. H. Walker, RLS on March 9, 1989, which plat is recorded in the RMC Office for Greenville County in Plat Book 16-W at Page 89. Reference is hereby made to said plat for the metes and bounds of the said property

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated March 10, 1989, recorded in RMC Office for Greenville County in Deed Book 1357 at Page 84.

AND

ALL that certain piece, parcel or tract of land situate, lying and being in the County of Greenville, State of South Carolina, containing 1.53 acres, more or less, shown on plat for Cecil P. Eskew and Mary Sue Eskew, dated April 22, 1988, prepared by John Woods, RLS, recorded in RMC Office for Greenville County in Plat Book 15-P at Page 44; reference is hereby craved to said plat for a more detailed metes and bounds description thereof

THIS being the same property as conveyed as to Cecil P. Eskew and Mary Sue Eskew by deed dated May 6, 1988, recorded in RMC Office for Greenville County in Deed Book 1325 at Page 487.

AND

ALL the certain piece, parcel or lot of land situate, lying and being near the Town of Fountain Inn, Greenville County, South Carolina, containing 1.707 acres as shown on a Plat of property prepared for Cecil P. Eskew and Mary Sue G. Eskew by T. H. Walker, Jr., RIS, dated May 5, 1984 and recorded in the RMC Office for Greenville County in Plat Book 10-P at Page 61; reference being made to said plat for a detailed metes and bounds description.

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated May 15, 1984, recorded in RMC Office for Greenville County in Deed Book 1212 at Page 717

AND

ALL that certain, piece, parcel or lot of land with the improvements thereon lying, and being situate in Fairview Township, County of Greenville, State of South Carolina, and containing 0.287 acres according to a plat made by T. H. Walker, Jr., RLS dated July 20, 1974 and to be recorded in the RMC Office for Greenville County and being more fully described in accordance with said Plat, to-wit:

BEGINNING at an iron pm at the North and East corner of property owned by Carroll and Virginia Ann Goodwin and running thence S. 84-01 E. 136.75 feet to a stake at the southern boundary of property owned by Emma W Garrett and running thence N 84-01 W. 163.4 feet to an old iron pm at the southeastern corner of property owned by Carroll & Virginia Goodwin and running thence N. 1-09 E. 83.45 feet to an iron pm and the point of beginning.

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated June 29, 1975, recorded in RMC Office for Greenville County in Deed Book 1020 at Page 598.

AND

ALL that piece, parcel or tract of land lying, being and situate in the County and State aforesaid, Fairview Township, near the Town of Fountain Inn on the Northern side of State Highway No. 418, containing 1.87 acres, more or less, according to a survey and Plat entitled "Property of John B. Armstrong" made by C. O. Riddle, Surveyor, December 23, 1968, recorded in the RMC Office for Greenville County in Plat Book ZZZ at Page 135, and having according to said Plat the following courses and distances, to-wit:

BEGINNING at iron pin on the Northern side of said State Highway No. 418, Joint front corner with other lands of the said Cecil P. Eskew and running thence with the joint line of the Eskew land, N. 29-02 E. 230.5 feet to an iron pin, back corner of the said Eskew land and Joint corner with lands of T. P. McDowell running thence with the joint line of the said T. P. McDowell N. 53-52 E. 300 feet to an iron pm, joint corner with other lands of J. B. Armstrong on line of land of the said T. P. McDowell; thence with the joint line of other land of J. B. Armstrong S. 6-49 W. 436.4 feet to an iron pin in the northern edge of said State Highway No. 418, joint front corner with other land of J. B. Armstrong; thence with the Northern edge of the said Highway No. 418, N. 79-48 W. 307.4 feet to the point of beginning, and bounded by said State Highway No. 418, land of the said Cecil P. Eskew land of T. Peden McDowell and other lands of the J. B. Armstrong.

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated January 9, 1969, recorded in RMC Office for Greenville County in Deed Book 860 at Page 248.

AND

ALL that piece, parcel or lot of land lying, being and situate in the County and State aforesaid, Fairview Township, containing 1.31 acres, more or less, according to a plat and survey made by Lewis C. Godsey, Surveyor, in November 1960, entitled, "Property of Ben Garrett near Fountain Inn, SC" and having the following metes and bounds, according to said Plat, to-wit:

BEGINNING at an iron pm in the northern edge of the right of way of New State Highway No. 418, joint corner with other lands of John B. Armstrong, and running with the edge of said Highway Right of Way N. 79-35 W. 250.6 feet to an iron pin, Joint front corner with lot being conveyed to James Carroll Goodwin and Virginia Ann. G. Goodwin; thence with the Joint line of the Goodwin lot N. 0-30 W. 183.6 feet to an iron pm, back joint corner with the Goodwin lot on line of land of Ben Garrett, thence S. 85-40 E. 360.3 feet to an iron pm, corner with land of T. P. McDowell on line of land of John B. Armstrong, thence with the joint line of land of John B. Armstrong S. 29-00 W. 230.8 feet to an iron pm, being the point of beginning and bounded by other lands John B. Armstrong, New State Highway No. 418, lot of Goodwin and lands of Ben Garrett

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated December 14, 1960, recorded in RMC Office for Greenville County in Deed Book 665 at Page 62.

AND

ALL that certain stnp of land shown on a plat of Property of Cecil P. and Mary Sue G. Eskew, prepared by T. H. Walker, RLS, on March 9, 1989, which plat is recorded in the RMC Office for Greenville County in Plat Book 16-W at Page 89, in accordance with said plat, the property is described as follows:

BEGINNING at an iron pm on the southern side of Road S-23-651 and running thence S. 15-39 E. 218.14 feet to a point, thence turning and running S. 69-02 W. 20.09 feet to a point, thence turning and running N. 15-39 W. 220.0 feet to an iron pm on the southern side of the aforementioned road; thence along the edge of said road N. 74-21 E. 20.0 feet to the point of beginning

THIS being the same property as conveyed to Cecil P. Eskew and Mary Sue Eskew by deed dated March 10, 1989, recorded in RMC Office for Greenville County in Deed Book 1357 at Page 85.

AND

ALL that certain piece, parcel or lot of land, situate, lying and being in the County of Greenville, State of South Carolina, containing 3.40 acres, more or less, located on Jenkins Bridge Road, and shown on a survey for Emma W. Garrett, Estate, dated February 9, 1996, prepared by T. H. Walker, Jr., PLS, and recorded in Plat Book 34-E at Page 31; reference is hereby made to said recorded Plat for the exact metes and bounds description thereof.

THIS being the same property as conveyed to Mary Sue Eskew by Deed of Distribution from the estate of Emma Lee Garrett, Greenville County Probate Court File No , 96ES2300221, dated November 6, 1996, recorded in RMC Office for Greenville County in Deed Book 1657 at Page 65.

All of the foregoing parcels were also conveyed to Cecil P. Eskew by Deed of Distribution from the Estate of Mary Sue Eskew recorded January 10, 2005 in Deed Book 2125 at page 1106 and re-recorded September 22, 2005 in Deed Book 2166 at page 1731, Register of Deeds for Greenville County, South Carolina.

LESS AND EXCEPT, HOWEVER, all that certain piece, parcel or lot of land, with all improvements thereon, lying, situate and being in Greenville County, South Carolina, on the north side of Milacron Drive (Hwy. 418), and being shown and designated as a lot containing 2.016 acres, more or less, on a plat of survey prepared for Cecil P. Eskew by John E. Woods, R.L.S dated January 25, 2008, to be recorded in the Register of Deeds for Greenville County, South Carolina.

Tax Map No. P/O 0562.01-01-028.01

TOGETHER with all and singular the Rights Members Hereditaments and Appurtenances to the said Premises/Property belonging or in anywise incident or appertaining

TO HAVE AND TO HOLD, all and singular, the said Premises/Property unto the said KIME, SPEER AND KAYE, MOORE their heirs and assigns forever.

IN WITNESS WHERE OF the undersigned as Personal Representative of the estate of the decedent has executed this Deed, on **this** day of 2008.

SIGNED, SEALED AND DELIVERED

Estate of CECIL PELHAM ESKJEL

IN THE PRESENCE OF

by Signature. C

Witness:

Witness:

STATE OF SOUTH CAROLINA

PROBATE

COUNTY OF Cherokee

to wit: John W. Stanley

PERSONALLY appeared before me John W. Stanley and made oath that he/she saw the within named Person John W. Stanley, Representative(s) sign, seal, and as their act and deed, deliver the within written Deed, and that he/she with witnessed the execution thereof John W. Stanley.

SUBSCRIBED and sworn to before me this 1st day of April, 2008

Witness Signature John W. Stanley

My Commission Expires July 1, 2010

FILED FOR RECORD IN GREENVILLE COUNTY, SC
2008037125 Book: DE 2321 Page: 223-27
April 21, 2008 01:27:47 PM

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**STAFF REPORT
TO THE FOUNTAIN INN PLANNING COMMISSION
FROM FOUNTAIN INN PLANNING & ZONING STAFF
October 3, 2022**

DOCKET NUMBER: FI-2022-026 (annexation & rezone to PD, Planned Development)
FI 2022-027 (rezone three parcels to PD, Planned Development)

APPLICANT: Ridgewater Engineering & Surveying
OWNER: Y&Y Development, Joseph M Younts, etal

PROPERTY LOCATION: SC-418, 4 Tall Pines Road

TAX MAP (rezoning): 0562010102800, 0562010102820, 0562010102815
TAX Map (annexation): 0562010102801

ANNEX ACREAGE: ~13.582 ac
TOTAL ACREAGE: 28.94 ac

EXISTING ZONING: C-2, Commercial District
REQUESTED ZONING: PD, Planned Development

Existing Land Use: vacant

Adjacent Land Use: North: Residential
East: Industrial
South: Commercial
West: Residential

Adjacent Zoning: North: unzoned
East: I-1, Industrial District
South: C-2, Commercial District; RR-1, Residential (County)
West: C-2, Commercial District; unzoned

ANALYSIS:

The subject property is located at the intersection of SC-418 (Milacron Drive) and Greenpond Road at the western edge of City limits. Fountain Inn RC Complex is addressed as 4 Tall Pines Road. There are two requests but procedurally both would need to be approved in order to establish a PD, Planned Development on the site. Parcels are currently zoned C-2 or unzoned.

Commercial Area “A” (2.07 ac) and Commercial Area “B” (0.88 ac) would remain as commercial uses but the majority of the site, including all of TM# 0562010102801, would be used for single-family attached units. Townhomes were previously permitted in Commercial zoning but now require a Special Exception (and likely variances for building setbacks)

The two commercial outparcels align with the 2017 Master Plan, but townhomes do not match the Low-Medium Density designation for the subject properties and annexation. If the applicant is amenable, the PD should be modified to ‘*better encourage innovative and creative design*’.

STAFF RECOMMENDATION: Table (portions do not align with Future Land Use Map)

Aerial Map for subject parcels (source: applicant

Greenville County, SC

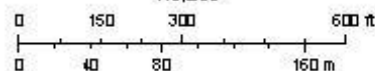


July 18, 2022

10

DENOTES PARCELS ALREADY
IN CITY AND TO BE DEVELOPED

1:3,200



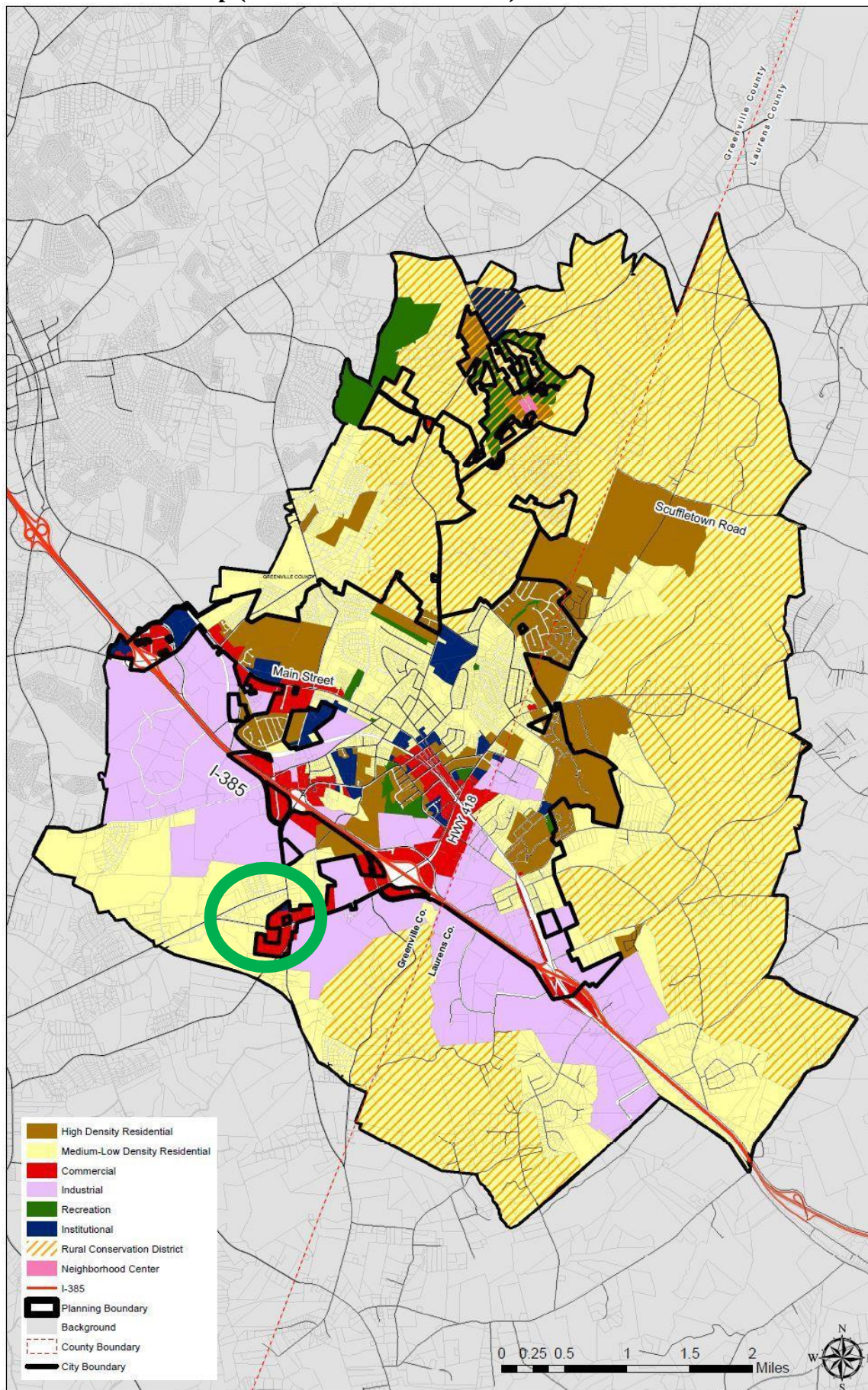
Greenville County GE Division, Greenville, South Carolina, Greenville County GIS Division, Greenville, South Carolina 29601, Greenville County South Carolina GIS Division

Disclaimer: This map is not a LAND SURVEY and is for reference purposes only. Data contained in this map are prepared for the inventory of Real Property found within this jurisdiction, and are

Zoning Map (source: Greenville County GIS):



Future Land Use Map (source: 2017 Master Plan):



Site Photos:



Zoning District:

5:9.1.1. *PD Intent.* The PD district is established to encourage innovative and creative design of residential and/or commercial developments and to permit a greater amount of flexibility to a developer by removing some of the restrictions of conventional zoning. Ideally, the development should be large scale and incorporate a variety of land uses or land use types. The district is also intended to encourage Developments which provide a full range of residential types to serve the residents of the district.

The regulations should provide a mechanism to evaluate each application on its own merit. It is recognized that some concepts will be more appropriate than others and the approval of an application in one location does not necessarily indicate the development will be applicable in other locations. It should also be emphasized that these provisions are not to be used to circumvent the intent or use of conventional zoning classifications as set forth in this Ordinance.

Land Use:

Medium-Low Density Residential Definition: Medium-Low Density Residential is shown as any single-family residentially zoned district that is 3.6 units per acre or less in density. Land used primarily as agriculture is largely associated with a residence and is represented as part of this category.

STATEMENT OF INTENT

for

The Grove (PD Development)

for

APPLICANT

Falcon Real Estate Lending, LLC
7 Hindman Dr.
Greenville, SC 29609
Phillip Day
864.907.6509
phillip@falconsouthcarolina.com

Engineer/Surveyor

Ridgewater Engineering & Surveying, LLC
PO Box 806
Anderson, SC 29622
J. Wesley White, PE
864.226.0980
wesley@ridgewatereng.com

10/31/2022

I. PROPERTY DESCRIPTION

The Highway 418 Mixed Use (project) consists of properties located along at the intersection of Highway 418 and Greenpond Rd. The project area is ±28.94-acres and is made up by four (4) parcels as follows:

1. TMS #0562010102801 – 14.67-acres and currently unzoned in Greenville County
2. TMS #0562010102815 – 6.49-acres and currently zoned C-2 in City of Fountain Inn
3. TMS #0562010102820 – 5.18-acres and currently zoned C-2 in City of Fountain Inn
4. TMS #0562010102800 – 2.60-acres and currently zoned C-2 in City of Fountain Inn

Water will be provided by Greenville Water and sewer by the City of Fountain Inn.

II. DEVELOPMENT OVERVIEW

The project development plan is to annex parcel 1 above and rezone all four parcels to utilize the Planned Development (PD) zoning classification. The development will consist of 5 new access points with three onto Highway 418 and one each onto Highway 651 and Greenpond Rd. The roads within the community will all be private roads that are constructed to City standards. The private roads serving this development will have rolled curb and gutter. Other infrastructure improvements include public water mains, public sewer mains, storm drainage, and common areas. Common areas may be disturbed and undisturbed open space, walking trails, mail centers, wetlands/waters of the state, amenity areas, and other community gathering areas.

III. PROPERTY OWNERS ASSOCIATION

All amenity/common-open space/landscape/bufferyard areas will be owned and maintained by a newly formed Property Owners Association (POA). All roads are to be turned over to the POA for maintenance and care. The POA will also be responsible for maintenance of entrance monuments, landscaping, & site lighting. All stormwater management areas designed and constructed for the project will be designated/included within common areas and the necessary landscaping/screening will be maintained by the POA. Covenants and Restrictions for the project and governing the POA will be drafted and recorded at the Greenville County Register of Deeds Office along with final plat approvals.

IV. AMENITIES, LANDSCAPING, BUFFERS

The proposed development includes approximately 9.13-acres of amenity/common-open space/landscape/bufferyard area, including natural buffers along existing wetlands/waters of the state onsite, with maximum efforts to preserve existing vegetation/trees around the perimeter property. A minimum 15' building setback has been established along all property sides. There will be a 35' building setback established along existing roads. The open space may consist of disturbed and non-disturbed areas, passive open space, walking trails, and community gathering areas consisting of fire pits, dog parks, tot lot (playground), book exchanges, gardens, and gazebos.

V. INNOVATIVE DESIGN APPROACH

It is the development's intent to incorporate innovative design approaches throughout and in a variety of ways. These may include but are not limited to the Sutera system for trash pickup, solar powered street lights, independent charging stations, homes prewired for charging stations, community gardens/book exchanges/gathering areas, rainwater recapturing through bio-retention/wet ponds.

VI. DENSITY

The overall project will consist of 142 single-family residential units (mix of attached and detached) and ±4.99-acres of commercial tracts, leaving ±9.13-acres of ammenty/common-open space/landscape/bufferyard areas. The project density will be as follows:

	NORTH SIDE	SOUTH SIDE	
RESIDENTIAL AREA:	±18.24 ACRES	±5.71 ACRES	= 23.95 ACRES
COMMERCIAL AREA:	<u>±2.92 ACRES</u>	<u>±2.07 ACRES</u>	= <u>4.99 ACRES</u>
TOTAL AREA:	±21.16 ACRES	±7.78 ACRES	= 28.94 ACRES
TOTAL UNITS:	105 TH + 12 LOTS +	25 LOTS	= 142 TOTAL UNITS
RESIDENTIAL DENSITY:			= 5.9 UNITS/ACRE

VII. SCHEDULE

Construction on the project to start upon obtaining all infrastructure permits and project schedule is anticipated as follows:

Residential: Developed out over the next 12 to 36 months.
Commercial: Tract "A" – Developed out over the next 18 to 24 months
Tract "B" – Developed out over the next 6 to 12 months

VIII. PUBLIC UTILITIES

Water and sewer service providers have been contacted regarding the proposed project and preliminary design and service options have been reviewed. The final design and construction will be completed upon approval of rezoning to PD as part of the overall site improvements and will be turned over to the appropriate public utility provider for ownership.

IX. DEVELOPMENT STANDARDS

1. Commercial Area Permitted Uses: All uses in accordance with the current C-2, Commercial Zoning and allowed as such.

2. Lot Sizes and Density of Development: The minimum lot size is 2,000 SF for the single-family attached residential units. The proposed density for the residential areas is approximately 5.9 units per acre. The smaller lot sizes allow for greater open space/common area.

3. Building Setbacks

All the proposed setbacks for this project are as follows:

- 15' minimum perimeter setback along adjacent properties.
- 35' minimum setback along all existing road frontages.
- 20' minimum front yard setback from proposed road right-of-way. (For internal private roads)
- 15' minimum spacing between end units (townhouse units).
- 5' minimum side yard setback (single family detached lots).
- 10' minimum rear yard setback.

4. Proposed minimum 40' right-of-way to be dedicated for all private internal roads.

5. Residential Construction and Maintenance: No mobile homes, trailers, campers or tents shall be permitted as permanent dwellings.

6. Public Improvements: No existing sidewalks are located along either Welpine Rd., a state-maintained road. The proposed project should have no impacts to the roads service level.

X. AMENDMENTS

Any changes to the provisions set forth herein must be approved by the City of Fountain Inn's requirements prior to the implementation of such changes.

SITE DATA

TMS #:	0562010102815, 0562010102820 0562010102800, 0562010102801		
TOTAL AREA:	±28.94 ACRES		
EXISTING ZONING:	C-2, COMMERCIAL		
PROPOSED ZONING:	PD, PLANNED DEVELOPMENT		
RESIDENTIAL AREA:	NORTH SIDE ±18.24 ACRES	SOUTH SIDE ±5.71 ACRES	= 23.95 ACRES
COMMERCIAL AREA:	±2.92 ACRES	±2.07 ACRES	= 4.99 ACRES
TOTAL AREA:	±21.16 ACRES	±7.78 ACRES	= 28.94 ACRES
TOTAL UNITS:	105 TH + 12 LOTS	25 LOTS	= 142 TOTAL
MINIMUM WIDTH:	34 - TYPE "A" 71 - TYPE "B" 30' - TYPE "A" 20' - TYPE "B"	46'	
MINIMUM LOT SIZE:	3,300 SF - TYPE "A" 2,000 SF - TYPE "B"	46' X 90' (4,140 SF)	
RESIDENTIAL DENSITY:		5.9 UNITS/ACRE	
AMENITY/Common-Open Space/Landscape/BufferYard Area	9.13 ACRES (50.0%)		

PROPOSED ROADS: ±3,013 LF (±0.57 MI) ±1,100 LF (±0.21 MI)

SETBACKS/BUFFERYARD ALL PRIVATE ROADS

PERIMETER PROPERTY: 15' MINIMUM
EXISTING ROAD FRONTAGE: 35' MINIMUM
INTERNAL FRONT YARD: 20' MINIMUM
BETWEEN END UNITS: 15' MINIMUM
SIDE YARD: 5' MINIMUM (SINGLE FAMILY DETACHED LOTS ONLY)

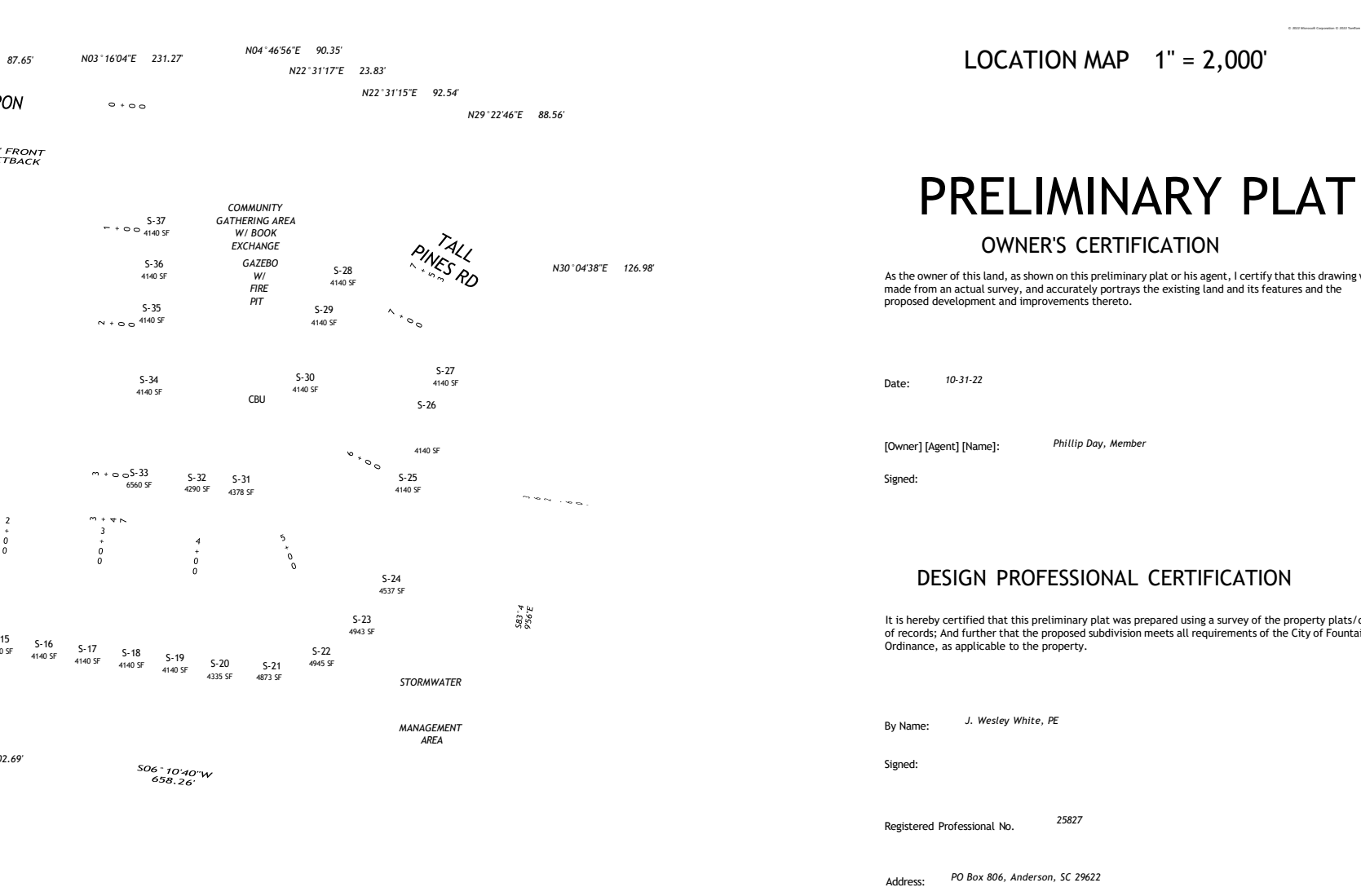
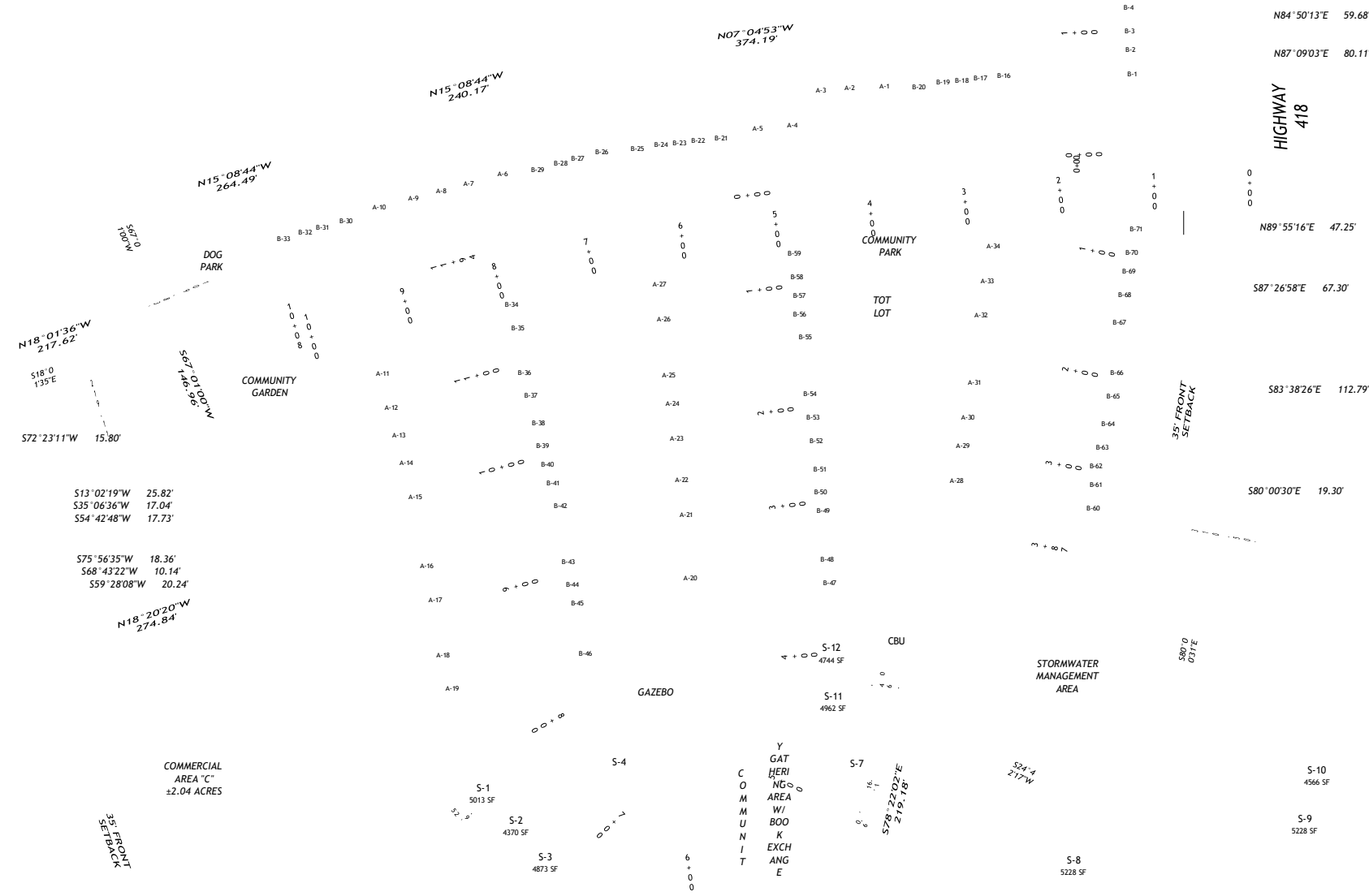
REAR YARD: 10' MINIMUM

NOTE:

- COMMON/OPEN SPACE AREAS NOT TO BE SUBDIVIDED

SEWER PROVIDER: CITY OF FOUNTAIN INN

WATER PROVIDER: GREENVILLE WATER



SITE LEGEND	
ASPHALT PAVEMENT	
COMMUNITY AREAS	
GRASS/LANDSCAPED AREAS	
WETLANDS/WATERS OF THE STATE	
NATURAL BUFFERS	
STORMWATER MANAGEMENT AREA	
SINGLE-FAMILY DETACHED LOTS	
COMMERCIAL AREAS	
INDIVIDUAL TOWNHOUSE DRIVEWAY	
SUITERA WASTE DISPOSAL SYSTEM	
CHARGING STATION	

LEGEND	
OVERALL PROPERTY BOUNDARY	
PROPOSED PROPERTY LINES	
EXISTING EDGE OF CREEK	
PROPERTY PIN	
EXISTING ROAD RIGHT OF WAY	
EXISTING SANITARY SEWER	
PROPOSED SANITARY SEWER	
EXISTING WATER MAIN	
PROPOSED WATER MAIN	
EXISTING SEWER MH	
PROPOSED SEWER MH	
EXISTING FIRE HYDRANT	
PROPOSED FIRE HYDRANT	

LOCATION MAP 1" = 2,000'

PRELIMINARY PLAT

OWNER'S CERTIFICATION
As the owner of this land, as shown on this preliminary plat or his agent, I certify that this drawing was made from an actual survey, and accurately portrays the existing land and its features and the proposed development and improvements thereto.

Date: 10-31-22
[Owner] [Agent] [Name]: Phillip Day, Member
Signed:

DESIGN PROFESSIONAL CERTIFICATION

It is hereby certified that this preliminary plat was prepared using a survey of the property plats/deeds of records; And further that the proposed subdivision meets all requirements of the City of Fountain Inn Ordinance, as applicable to the property.

By Name: J. Wesley White, PE
Signed:
Registered Professional No. 25827
Address: PO Box 806, Anderson, SC 29622
Telephone No. 864-226-0980
Date: 10-31-22

CERTIFICATE OF PROJECT APPROVAL

All applicable requirements of the City of Fountain Inn Ordinance relative to Project Approval having been fulfilled, approval of this preliminary plat is hereby granted by the Manager or the Subdivision Administrator, subject to further compliance with all provision of said development regulations.

Manager or Subdivision Administrator:
Date:

THE GROVE
(PD DEVELOPMENT)

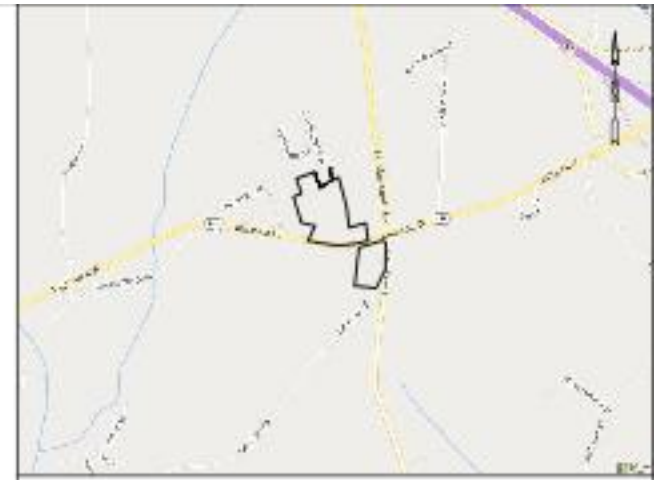
TMS #0562010102815, 0562010102820, 0562010102800, 0562010102801
Falcon Real Estate Lending, LLC
7 Hindman Dr.
Greenville, SC 29609
Ridgewater Engineering & Surveying, LLC
P.O. Box 806
Anderson SC 29622

OWNER ENGINEER OR SURVEYOR

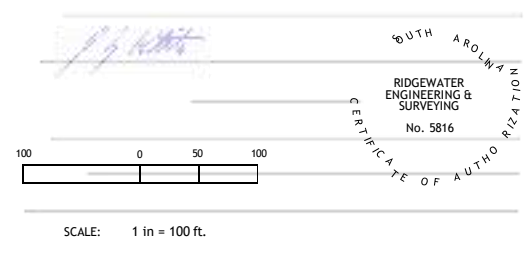
S80°00'29"E 13.22'

TOWN HOMES
"A"
A-1 TO A-34

TOWN HOMES
"B"
B-1 TO B-71



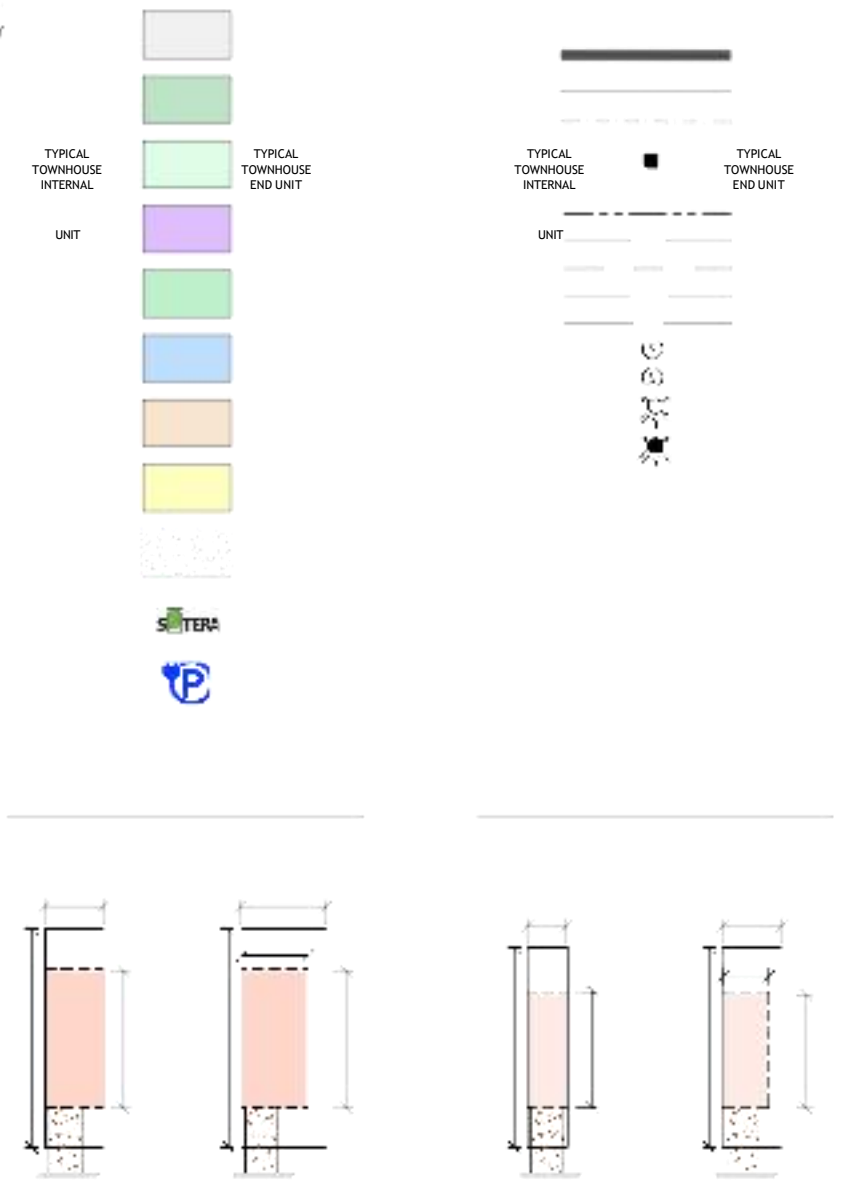
Date:	10-31-22
Drawn By:	JWW
Checked:	JWW
Job Number:	PP
Revisions:	5



RIDGEWATER
ENGINEERING & SURVEYING

Po Box 806, Anderson, SC 29622
(864) 226-0980 ridgewatereng.com

This drawing and the design shown thereon are the property of Ridgewater Engineering & Surveying, LLC. The reproduction, copying or use of this drawing without written consent is prohibited and any infringement will be subject to legal action.

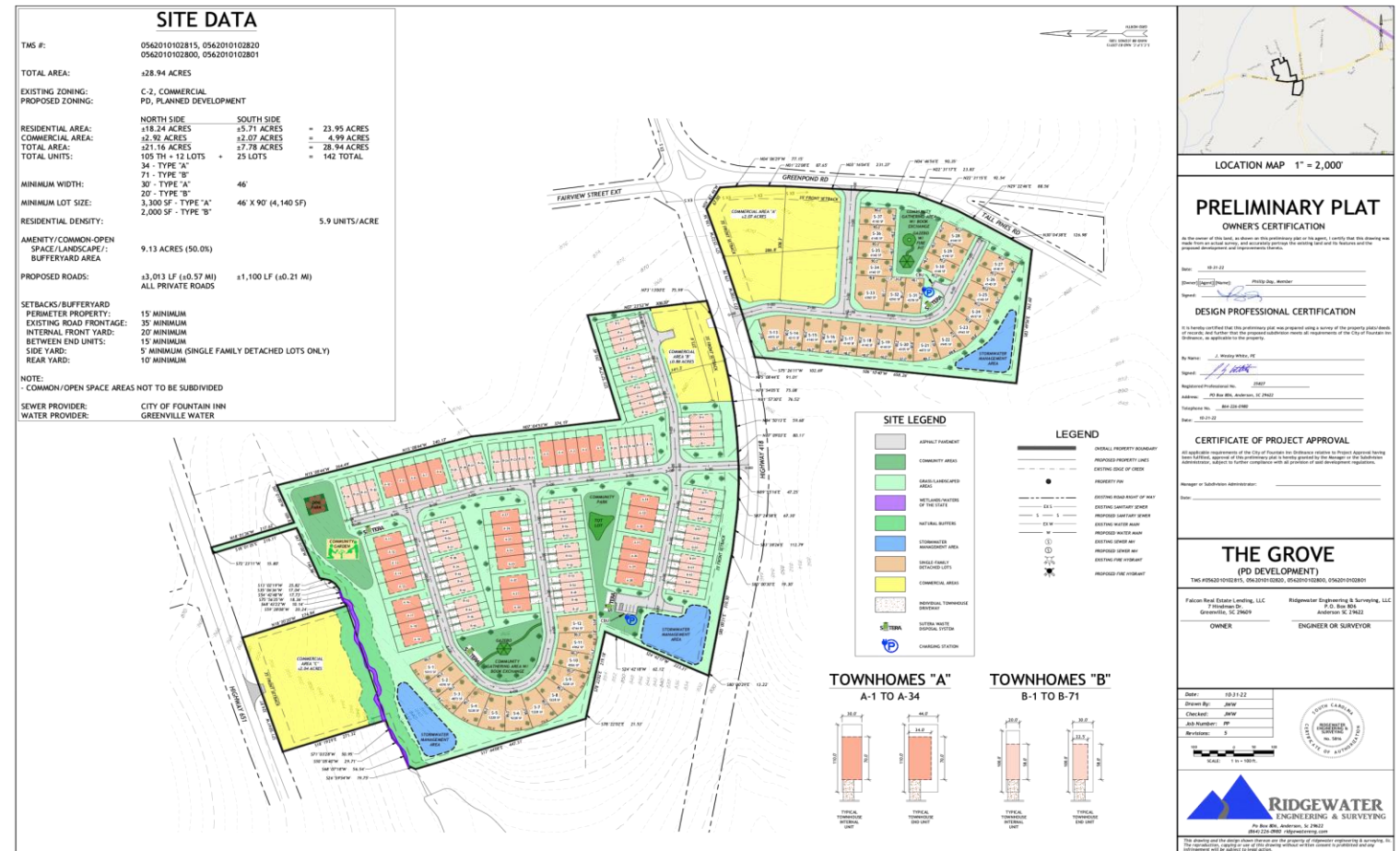




THE GROVE

THE GROVE

They allow greater design flexibility by removing some of the restrictions of conventional zoning.



The Real Measure of Innovative and Creative Design is a Homeowner's Sense of Community



- *Can Thoughtful Design Encourage Neighbors to Become Friends?*
- *Can Environmental Responsibility Become a Valued Amenity?*



Create a Sense of Community

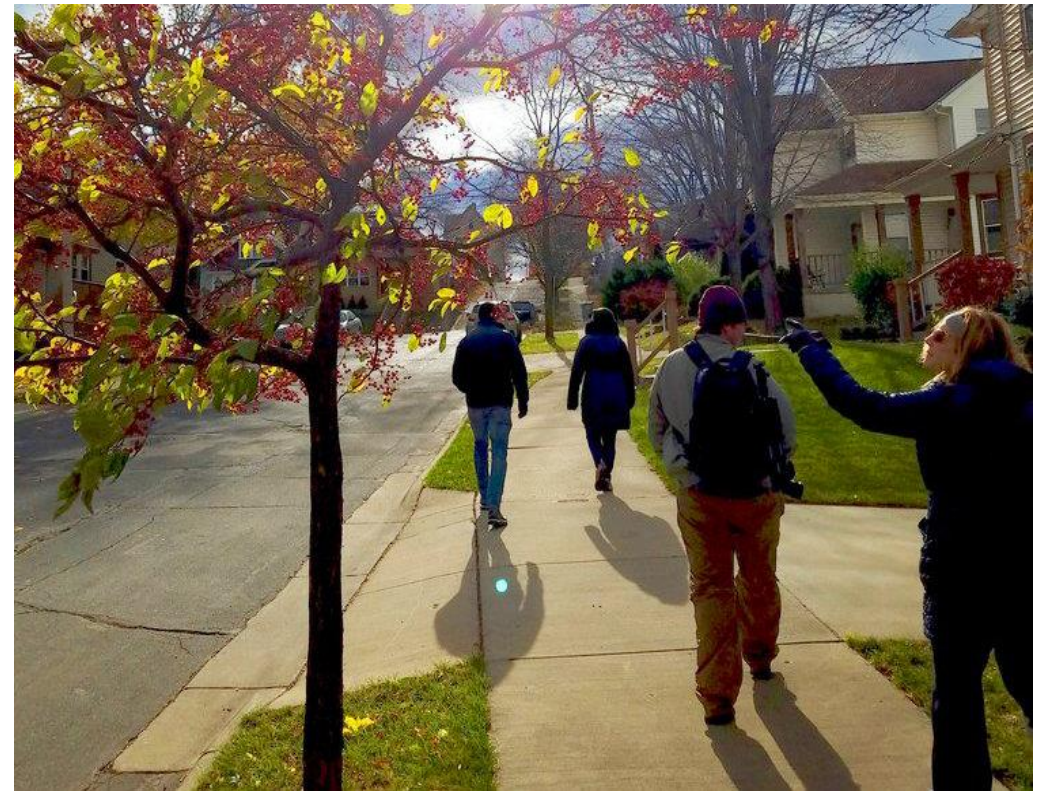


- Encourage homeowners to walk and engage their neighbors (sidewalks, pocket parks, dog parks, gazebos, fire pits and playgrounds)
- Provide plenty of greenspace (9.13 acres)
- Mix Housing Types

Can Environmental Responsibility Become an Amenity?



- *Eliminate waste materials from the streetscape*
- *Protect groundwater and streams from pollutants*
- *Encourage Zero Emission Vehicles*
- *Build houses that are technologically advanced and energy efficient*



Are Garbage Cans the Best We Can Do?



THE GROVE



- *Unsanitary*
- *Odors*
- *Pollute*
- *Ugly*





- *Eliminates Garbage Cans on Streets or In Front of Garages*
- *Precast Concrete/Steel = Low Temperatures & No Odors*
- *No Leaking = No Contamination of Streams*
- *100 Year Life Expectancy*
- *Computer Monitoring Devices Reduce Traffic*
- *Pickups are Quick and Clean*



Community EV Charging Stations



- *Zero Emission Vehicles = Cleaner Air*
- *Cleaner Air = Healthier People*
- *Lowers Driving Costs for Residents*
- *EV Stations Proven to Increase Property Values*



Build Beautiful Homes



THE GROVE

Innovative and Creative Design



- *Thoughtful Design: Encourage Walkability and Neighborhood*
- *Careful Mixture of Home Designs*
- *Cleaner and Environmentally Responsible*
- *Foster a Sense of Community Pride*

CITY OF FOUNTAIN INN, SOUTH CAROLINA

TITLE: AN ORDINANCE TO AMEND ARTICLE III, BUILDING CODES, TO ACHIEVE UNIFORMITY WITH MANDATORY BUILDING CODES ADOPTED FOR USE IN SOUTH CAROLINA; AND TO AMEND CODE REFERENCES AS FOUND IN SECTION 6-46.

WHEREAS, the City of Fountain Inn has a building code ordinance in the Code of Ordinances for the City of Fountain Inn in Chapter 6 – BUILDINGS AND BUILDING REGULATIONS Article III. – BUILDING CODES; and

WHEREAS, the South Carolina General Assembly approved and adopted 2021 South Carolina Building codes as recommended by the Building Codes Council; and

WHEREAS, the codes with their modifications came into effect statewide on January 1, 2023; and

WHEREAS, the building code ordinance does not explicitly list the most recent building codes;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FOUNTAIN INN, SOUTH CAROLINA, as follows:

SECTION 1. SEC. 6-46. Adoption of codes. is hereby amended as shown on the amended text attached to this Ordinance.

SECTION 2. AUTHORIZATION. The Mayor, the City Administrator, and the City Clerk, for and on behalf of the City, acting jointly or individually, are fully empowered and authorized to take such further action as may be reasonably necessary to effect the amendments authorized by this Ordinance in accordance with the conditions herein set forth.

SECTION 3. REPEALER: All ordinances, orders, resolutions and parts thereof in conflict herewith are, but only to the extent of such conflict, are hereby REPEALED and this Ordinance shall take effect and be in full force from the Effective Date as set forth in Section 7.

SECTION 4. PROVISION SEVERAGE: If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The CITY COUNCIL hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

SECTION 5. SAVINGS CLAUSE: Nothing in this ordinance hereby adopted shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as stated in Section 1 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

SECTION 6. The CITY CLERK is hereby ordered and directed to cause this ordinance to be

published according to law.

SECTION 7. EFFECTIVE DATE: This ordinance shall become effective upon final approval by Council after second reading and signing by the Mayor.

DONE in Regular Meeting duly assembled this _____ day of _____ 2023.

SIGNATURE OF MAYOR:

George Patrick McLeer

ATTEST:

APPROVED AS TO FORM:

Elizabeth Adams
City Clerk

Michael Kozlarek
City Attorney

FIRST READING: _____
SECOND READING: _____

Sec. 6-46. Adoption of codes.

- (a) All building construction, reconstruction, alteration and repairs, and all materials and appliances used in connection with building work, shall conform to the rules and regulations of the codes enumerated in this section, which codes are filed in the office of the city clerk and treasurer.
- (b) Such codes are hereby adopted, approved and made a part of this chapter as fully as though set out in this section and as revised by that document entitled: "Final Version 1.1.~~2020~~2023, South Carolina Building Codes Statewide Modifications Index." Such codes are as follows:
 - (1) South Carolina Residential ~~Building~~ Code, ~~2018~~ 2021 edition.
With the following sections revised:
Section R101.1 Insert: City of Fountain Inn
Table R301.2(5)(B) Insert: 115 mph with 3 second wind gust for exposure Category C
Section P2603.5.1 Insert: [12 inches]
 - (2) South Carolina Building Code, ~~2018~~ 2021 edition.
With the following sections revised:
Section 101.1 Insert: City of Fountain Inn
Section 1612.3 Insert: City of Fountain Inn
Section 1612.3 Insert: 8/18/2014
 - (3) South Carolina Plumbing Code, 2018 edition.
With the following sections revised:
Section 101.1 Insert: City of Fountain Inn
Section 106.6.2 Insert: See Fee Schedule
Section 106.6.3 Insert: 80%
Section 108.4 Insert: Misdemeanor; \$500.00; 30 days
Section 108.5 Insert: \$500.00
Section 305.4.1 Insert: 6 inches; 12 inches
Section 903.1 Insert: 6 inches
 - (4) South Carolina Mechanical Code, 2018 edition.
With the following sections revised:
Section 101.1 Insert: City of Fountain Inn
Section 106.5.2 Insert: See Fee Schedule
Section 106.5.3 Insert: 80%
Section 108.4 Insert: Misdemeanor; \$500.00; 30 days
Section 108.5 Insert: \$500.00
 - (5) National Electric Code (NEC), ~~2017~~ 2023 edition.
 - (6) South Carolina Fuel Gas Code, ~~2018~~ 2021 edition.

With the following sections revised:

Section 101.1 Insert: City of Fountain Inn

Section 106.2.2 Insert: See Fee Schedule

Section 106.3.3 Insert: 80%

Section 108.4 Insert: Misdemeanor; \$500.00; 30 days

Section 108.5 Insert: \$500.00

- (7) International Property Maintenance Code, ~~2018-2021~~ edition.

With the following sections revised:

Section 101.1 Insert: City of Fountain Inn

Section 103.5 Insert: See Fee Schedule

Section 112.4 Insert: \$500.00

Section 302.4 Insert: 10 inches

Section 304.14 Insert: year round

Section 602.3 Insert: October thru March

Section 602.4 Insert: October thru March

- (8) South Carolina Fire Code, ~~2018-2021~~ edition.

With the following sections revised:

Section 101.1 Insert: City of Fountain Inn

Section 110.4 Insert: Misdemeanor; \$500.00; 30 days

Section 112.4 Insert: \$100.00; \$500.00

Section 1103.5.3 Insert: six months

Section 5704.2.9.6.1: Not Adopted; NFPA Standard Applies

Section 5706.2.4.4: Not Adopted; NFPA Standard Applies

Section 5806.2 Insert: Not Adopted, NFPA Standard Applies

Section 6104.2 Insert: Not Adopted, NFPA Standard Applies

- (9) International Energy Conservation Code, ~~2009-2021~~ edition.

With the following sections revised:

Section 101.1 Insert: City of Fountain Inn

- (10) ~~South Carolina~~International Existing Building Code, ~~2018-2021~~ edition.

With the following sections revised:

Section 101.1 Insert: City of Fountain Inn

- (11) International Swimming Pool and Spa Code, ~~2018-2021~~ edition.

With the following sections revised:

Section 101.1 Insert: City of Fountain Inn

Section 105.6.2 Insert: See Fee Schedule

Section 105.6.3 Insert: See Fee Schedule

Section 107.4 Insert: Misdemeanor

Section 107.4 Insert: \$500.00

Section 107.4 Insert: \$30.00

Section 107.5 Insert: \$200.00; \$500.00

(12) ICC/ANSI A117.1, 2017 edition [latest addition].

(Ord. of 3-12-87; Ord. No. 2008-003, § 2, 5-8-08; Ord. No. 2013-009, § 2, 7-11-13; Ord. No. 2016-06, § 3, 8-11-16;
Ord. No. ZTXT 2020-001, § 1(Exh. A), 4-9-20)

**REQUEST FOR COUNCIL ACTION**

City of Fountain Inn, South Carolina

To: Mayor and Members of City Council
From: Shawn M. Bell, City Administrator

February 9, 2023

Regular City Council Meeting

☐ Ordinance/First Reading ☐ Ordinance/Second Reading ☒ Resolution/First & Final Reading**Agenda Date Requested: February 9, 2023****Ordinance/Resolution Caption: Approval of Fox Hill Business Park Sewer Lift Station**

Summary Background: City Council adopted Resolution 2018-004 (attached) on March 8, 2018 concerning sewer lift stations and conditions for acceptance. Per Renewable Water Resources (ReWa) policy, a public entity must own and maintain all sewer lift stations which flow to their infrastructure (trunk lines, regional lift station, treatment plants, etc.). The City of Fountain Inn currently only owns one sewer lift station, Jones Mill Crossing.

The first two buildings at Fox Hill Business Park (500,000+ square feet) are being served by City of Fountain Inn gravity sewer lines. However, due to topography, building #3 and beyond will need to be served by a sewer lift station. Fox Hill Business Park plans to construct a 23,000 gallons per day lift station (\$450,000) and 2,600 linear feet of 4-inch force main (\$387,125). The developer of Fox Hill Business Park would be responsible for the installation and construction costs of the lift station and force main.

The estimated value of Fox Hill Business Park at full buildout is in excess of \$100,000,000. The City of Fountain Inn will recoup annual operating expenses of the lift station through monthly sewer billing; property taxes, business license fees, etc.

Impact If Denied: Fox Hill Business Park will move forward with their lift station but will either ask ReWa or MetroConnects to own and operate it. The City would receive no sewer revenue from Building #3 (and beyond).

Impact If Approved: The City of Fountain Inn would notify SCDHEC of our intentions and ability to own, operate, and maintain the proposed Fox Hill Business Park sewer lift station.

Financial Impact: The estimated annual operating costs for the Fox Hill Business Park Sewer Lift Station are \$19,400 (SCADA monitoring system: \$350; power costs: \$2,250; contract with Condor: \$16,800). As the City's sewer/stormwater department continues to grow, we will evaluate whether it is more cost efficient to maintain the sewer lift stations without a contract with Condor. Starting with the FY24 budget, the City would create a sewer contingency fund to cover any future replacement costs of the lift station.



February 3, 2023

Mr. Russell Slatton
Public Works Department
City of Fountain Inn
200 North Main Street
Fountain Inn, SC 29644

**Fox Hill Business Park
Greenville County, South Carolina
SW+ Project No. GR4059**

Dear Mr. Slatton,

The following is provided in response to your email, received on 1/30/23, requesting additional information regarding the proposed Fox Hill pump station.

- ☐ A conceptual drawing of the proposed development is included with this letter.
- ☐ The capacity of the proposed lift station is approximately 23,000 gallons per day.
- ☐ The length of the force main to tie-in location is approximately 2,600LF of 4" pipe.
- ☐ The estimated cost to construct the sewer lift station is \$450,000, and the estimated cost for the force main is \$387,125.
- ☐ The estimated value of the proposed Fox Hill development, including future phases, is in excess of \$100,000,000.

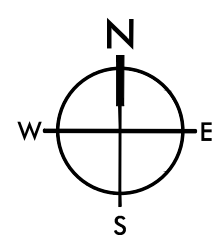
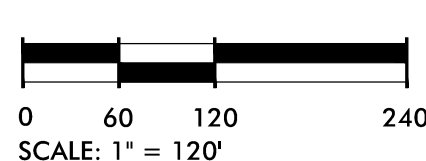
The City of Fountain Inn will recover the costs of owning and maintaining the pump station through the following:

- ☐ Monthly sewer billing;
- ☐ Property and other taxes generated by the development; and
- ☐ Economic impacts resulting from the development.

Please let me know if you have any questions or need further clarification for this project.

SEAMON, WHITESIDE AND ASSOCIATES, INC.

Jared Chrysostom, P.E.
Civil Engineering Project Manager



NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND SUBJECT TO CHANGE



CONCEPTUAL MASTER PLAN V1

FOX HILL BUSINESS PARK
GREENVILLE COUNTY, SC
01/09/2023

RESOLUTION

A RESOLUTION CONCERNING SEWER LIFT STATIONS; CONDITIONS FOR ACCEPTANCE; AND MATTERS RELATED THERETO

WHEREAS, the City of Fountain Inn is receiving requests for annexation and development in areas where sewer service via gravity flow is not available; and

WHEREAS, proposed developments in those areas where gravity sewer is not available must construct facilities known as sewer lift stations; and

WHEREAS, the operation and maintenance of sewer lift stations is expensive requiring the use of trained personnel and specialized equipment; and

WHEREAS, the regional sewer authority, Renewable Water Resources, does not permit the ownership and operation of a sewer lift station by a private (non-governmental) entity; and

WHEREAS, the City of Fountain Inn does not currently have the personnel or the equipment to maintain and operate a sewer lift station; and

WHEREAS, the City Council wishes to establish a policy concerning those proposed developments that will be served by a sewer lift station;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fountain Inn, as follows:

1. General Policy Statement.

The City believes that every effort should be made to avoid the necessity of a sewer lift station. While the City will consider requests from property owners to accept the ownership, operation and maintenance of a sewer lift station, related adjuncts and services, believing that they are necessary in some instances, alternatives should be explored first. The City will not agree to accept the ownership, operation and maintenance of a sewer lift station until all options for a gravity sewer line have been considered and determined to be unfeasible.

2. Requirements.

Before the City will sign a South Carolina Department of Health and Environmental Control sewer lift station/force main construction permit application or otherwise consider a request to accept the ownership, operation or maintenance of a sewer lift station and related adjuncts, the City must receive:

- a. Information concerning the location of possible gravity lines in the area of the proposed development together with an analysis of the feasibility of constructing a connecting gravity sewer line and the cost to construct such a line. The cost estimate should include right of way acquisition costs.

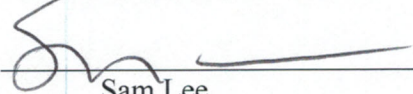
- b. A conceptual drawing that depicts the planned development to include:
 - i. The number, location and size of the lots.
 - ii. The location of the sewer lift station, the force main and any related adjuncts.
 - iii. How the proposed sewer lift station will benefit or serve neighboring property that could be developed.
- c. Information on the capacity of the proposed lift station and the size and length of the force main.
- d. The estimated cost to construct the sewer lift station, force main and any needed adjuncts or services.
- e. A proposal that describes:
 - i. The estimated costs related to the ownership, operation and maintenance of the sewer lift station and force main. The cost estimate should include, but not be limited to, a capital plan to pay for the cost to rebuild or replace the sewer lift station and force main.
 - ii. The estimated cost of imposing a Municipal Improvement District or similar mechanism for paying the costs associated with the ownership, operation and maintenance of the sewer lift station.
 - iii. A plan for the payment to the City of the estimated costs identified above.
- f. The estimated value of the homes or buildings to be constructed on each lot.
- g. Any other information requested by the City Administrator or Public Works Director.

3. All requests for the City to accept the ownership, operation and maintenance of a sewer lift station, force main and related adjuncts must receive City Council approval. The City will not sign a construction permit application with the South Carolina Department of Health and Environmental Control for a sewer lift station/force main nor will any consent or agreement to accept the ownership, operation or maintenance of such facilities be effective until City Council, by resolution, agrees to same.

[THIS SPACE IS INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]

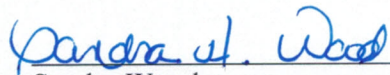
DONE in Regular Meeting duly assembled this 8 day of March 2018.

SIGNATURE OF MAYOR:



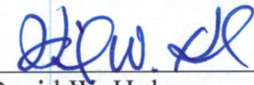
Sam Lee

ATTEST:



Sandra Woods
City Clerk

APPROVED AS TO FORM:



David W. Holmes
City Attorney