

CITY OF MAULDIN

SOUTH CAROLINA



FY2022

Popular Annual Financial Report

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City of Mauldin SC Government



City of Mauldin



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[cityofmauldin](https://www.youtube.com/c/cityofmauldin)

OVERVIEW



The City of Mauldin's budget cycle begins on July 1 and ends on June 30. The 2022 Popular Annual Financial Report (PAFR) provides an overview of the financial results from the City's Annual Audit. The information included within is intended to increase the community's awareness of the City's financial operations and status.

The financial information is obtained from the audited financial statements in the City's 2022 Annual Comprehensive Financial Report (ACFR). The PAFR does not contain the same level of detail, but instead is a document meant to present a concise, clear picture of the City's financial standing.

This report highlights the overall financial condition and trends of the City. The 2022 ACFR was audited by Scott & Co. and delivered an unmodified or "clean" audit opinion. The ACFR is available on the City website, www.cityofmauldin.org.

ADMINISTRATOR'S MESSAGE

In the City of Mauldin's ongoing effort to inform the public of the state of the City's finances, I am pleased to present to you the City of Mauldin's Popular Annual Financial Report (PAFR) for the year ended June 30, 2022. The PAFR provides a high-level overview of the City's financial condition, analyzing where revenues come from and the manner in which tax dollars are spent. The report is reflective of the City's commitment to preserving its long-term financial health while ensuring the provision of quality public services.

The PAFR is prepared by the City's Administration and Finance Departments, using financial information taken from the 2022 Annual Comprehensive Financial Report (ACFR). The ACFR includes full financial statements and note disclosures for all City funds and component units, prepared in accordance with Generally Accepted Accounting Principles (GAAP). The ACFR was audited by Scott & Co., and received an unmodified opinion.

The PAFR condenses and simplifies information found in the ACFR and is not intended to replace the ACFR. If you would like more detailed financial reporting and operational information including important Notes to the Financial Statements, please access the ACFR at: cityofmauldin.org.

Public engagement is always welcomed. If you have any questions after reviewing the information in this report, please do not hesitate to contact me, Finance Director or a member of the City's Finance staff.

Sincerely,

A handwritten signature in blue ink, appearing to read "Seth Duncan".

Seth Duncan
City Administrator

CITY COUNCIL



Terry Merritt
Mayor



Carol King

Frank Allgood



Taft Matney

Jason Kraeling



Diane Kuzniar

Michael Reynolds



CITY OF MAULDIN

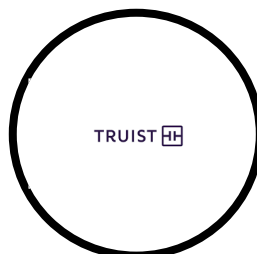
Mauldin is in a prime Upstate location. Situated in the northwestern corner of South Carolina, Mauldin is an integral part of one of the nation's fastest-growing areas – the I-85 Corridor. Mauldin is in close proximity to Charlotte and Atlanta because of easy access to major interstates. Mauldin's location is ideal for business and industry.

Residents of Mauldin are in an ideal location to attend many of the cultural and sporting events that take place in the Upstate and make the area a fun, active, and interesting place to live.



★ Designed by TownMapsUSA.co

Major Employers - Top Five



CITY OF MAULDIN - FACTS

25,648
Population

18th
Largest City in
the State

1,603
Building
Permits Issued

5
City Parks with
78 Acres

15
Recreation
Fields

4,425
Building
Inspections

1,387
Fire Calls

2,419
Fire - Medical
Calls

33
Potholes
repaired

2,180
Recreation
Participants

2,491
City Sports Center
Memberships

82
Miles of Streets

3.6%
Unemployment
Rate

2,897
Police
Violations
Cited

31 Tons
Solid Waste
Collected / Day

REVENUE SOURCES & EXPENDITURES

ENTERPRISE FUNDS

An enterprise fund is a self-supporting government fund that sells goods and services to the public for a fee.

The City maintains two enterprise funds: Sewer Fund, and Property Management Fund. The Sewer fund collects maintenance fees from approximately 7,300 customers. The Sewer funds are responsible for a substantial portion of infrastructure within the City. The infrastructure is aging and requires repair and rehabilitation. In 2014, the City issued a revenue bond to rehabilitate a large share of the aging infrastructure.

The Property Management fund maintains several buildings on various City properties located within the planned City Center footprint.

Revenue Sources	2020 Actual	2021 Actual	2022 Actual
Sewer Fund			
Charges for Services	\$ 976,466	\$ 1,005,561	\$ 1,017,725
Other	\$ 18,040	\$ 17,630	\$ 2,100
Property Management Fund			
Charges for Services	\$ 53,856	\$ 64,243	\$ 9,000
Total	\$ 1,046,362	\$ 1,087,434	\$ 1,028,825

Expenditures	2020 Actual	2021 Actual	2022 Actual
Sewer Fund			
Personnel Services	\$ 592,171	\$ 444,948	\$ 427,443
Materials & Supplies	\$ 48,589	\$ 74,608	\$ 82,651
Utilities	\$ 5,390	\$ 3,559	\$ 14,229
Depreciation	\$ 194,944	\$ 207,667	\$ 216,418
Other	\$ 15,914	\$ 26,091	\$ 28,089
Property Management Fund			
Building Expenses	\$ 8,465	\$ 9,982	\$ 4,128
Depreciation	\$ 24,976	\$ 14,878	\$ 5,734
Other	\$ 0	\$ 0	\$ 0
Total	\$ 890,449	\$ 781,733	\$ 778,692

FY2022 FINANCIAL RESULTS

GOVERNMENTAL ACTIVITIES

Governmental Revenue sources including taxes, business licenses, building permits, fines, recreational fees, and state and federal grant revenues finance most of these activities. These revenues cover various services including general government, public safety, victims' assistance, streets and sidewalks, sanitation, and culture, recreation, and tourism.

The Statement of Net Position (Balance Sheet) presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the differences between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

For a government, a statement of activities is like a traditional income statement. It's fairly straightforward and lists the revenues and expenses of the government, and in some cases, the difference between them to show the balance. It's basically a quick reference as to the financial condition of the government.

The Net Position increased primarily due to unspent bond proceeds - the issuances are related to construction of the pedestrian bridge and a new Fire headquarter building.

BALANCE SHEET	FY 2021	FY 2022
Assets	\$55,285,592	\$73,978,367
Deferred Outflows	\$ 3,801,025	\$ 3,533,464
Liabilities	-\$ 31,632,127	-\$ 37,108,001
Deferred Inflows	-\$ 1,194,313	-\$ 3,575,166
Total Net Position	\$ 26,260,177	\$ 36,828,664

INCOME STATEMENT	FY 2021	FY 2022
Revenues	\$ 23,245,821	\$ 30,428,748
Transfers	\$ 795,448	\$ 1,244,854
Expenditures	\$ 19,516,930	\$ 21,105,115
Change in Net Position	\$ 4,524,339	\$ 10,568,487

FY2022 FINANCIAL RESULTS

ENTERPRISE ACTIVITIES

Enterprise activities rely on revenues from rent and sewer maintenance fees to fund operations and to service the debt issued to purchase the property and maintain sewer infrastructure.

BALANCE SHEET	FY 2021	FY 2022
Assets	\$ 9,490,060	\$ 8,187,213
Deferred Outflows	\$ 102,416	\$ 98,798
Liabilities	- \$ 3,554,107	- \$ 3,263,941
Deferred Inflows	- \$ 21,400	- \$ 99,964
Total Net Position	\$ 6,016,969	\$ 4,922,106

INCOME STATEMENT	FY 2021	FY 2022
Revenues	\$ 1,101,577	\$ 1,031,391
Transfers	\$ (795,448)	\$(1,244,854)
Expenditures	\$ 892,136	\$ 881,400
Change in Net Position	\$ (586,007)	\$(1,094,863)

The reason for the drop in net position is attributable to the transfer of an asset from business type to governmental activity.

REVENUE SOURCES

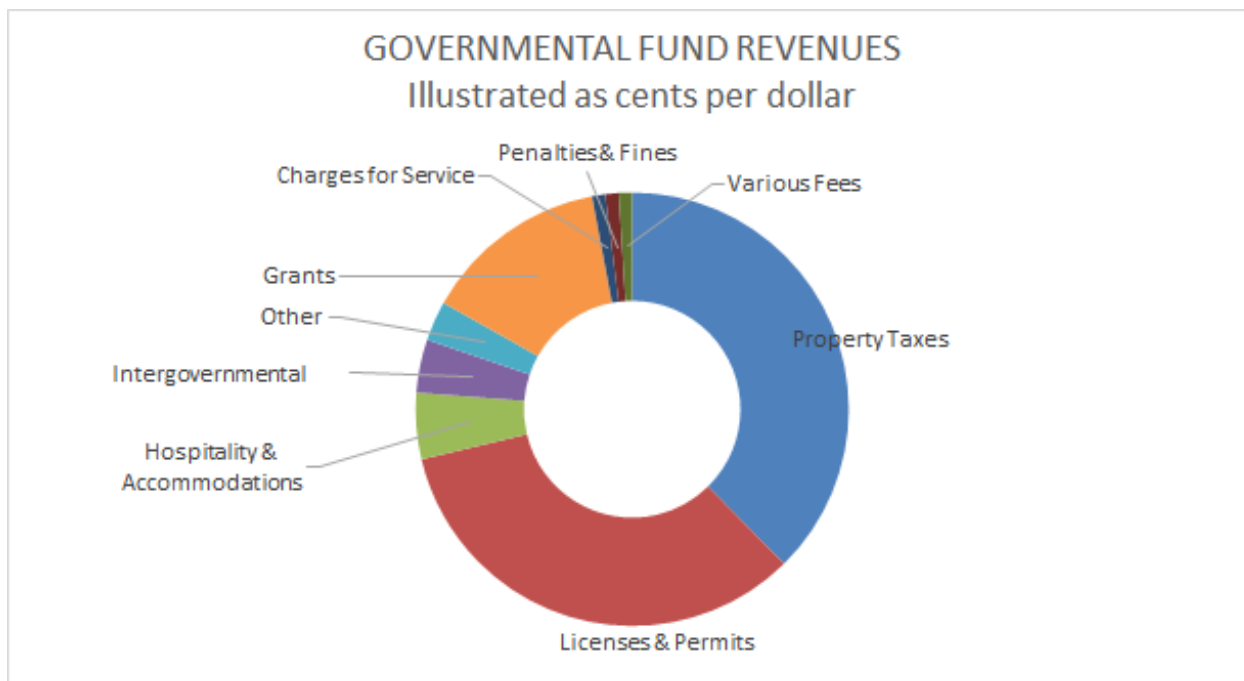
GOVERNMENTAL FUNDS

Governmental Funds refers to groups of funds responsible for financing the majority of the government functions.

The City maintains four major governmental funds: General Fund, Hospitality and Accommodations Tax Fund, Fire Service Fund, and the Capital Projects Fund.

The main revenue source of the governmental funds is Property Taxes followed by business licenses and permit fees.

Revenue Sources	2020 Actual	2021 Actual	2022 Actual
Property Taxes	\$ 9,334,171	\$ 10,205,408	\$ 10,626,171
Licenses and Permits	\$ 7,149,378	\$ 8,221,544	\$ 9,291,383
Intergovernmental	\$ 1,000,507	\$ 976,082	\$ 1,019,470
Penalties and Fines	\$ 176,170	\$ 190,313	\$ 160,040
Charges for Services	\$ 207,651	\$ 161,959	\$ 269,363
Various Fees	\$ 156,235	\$ 148,195	\$ 206,411
Grants	\$ 352,857	\$ 86,643	\$ 3,810,241
Hospitality & Accommodations	\$ 1,102,306	\$ 1,285,779	\$ 1,488,117
Other	\$ 957,629	\$ 875,037	\$ 832,642
Total	\$ 20,436,904	\$ 22,150,960	\$ 27,703,838



EXPENDITURES

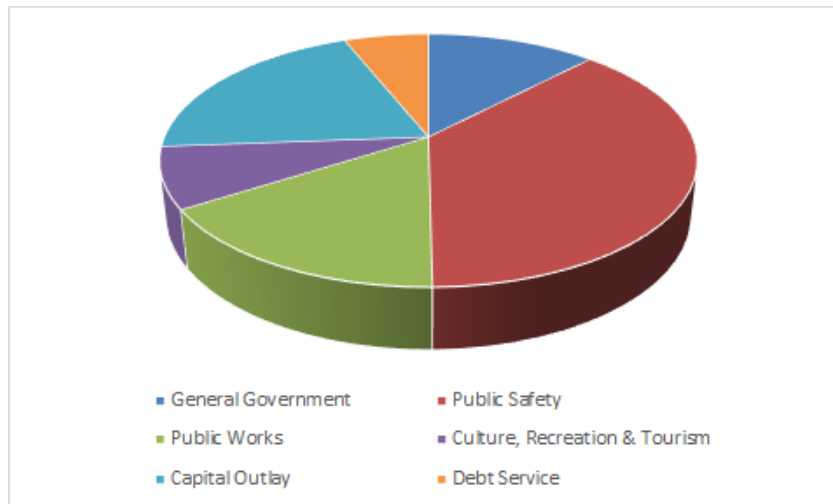
GOVERNMENTAL FUNDS

Governmental fund expenditures include operating, capital, and debt service expenditures.

The General Fund is the City's primary operating fund, accounting for over 70% of governmental fund activity. The core services supported by the General Fund include: Police, Fire, and Public Works. These primary services account for over 60% of the governmental fund expenditures.

Expenditures	2020 Actual	2021 Actual	2022 Actual
General Government	\$ 2,869,595	\$ 2,750,369	\$ 3,143,867
Public Safety	\$ 8,341,675	\$ 8,748,568	\$ 9,724,942
Public Works	\$ 3,564,168	\$ 3,714,729	\$ 4,177,998
Culture, Recreation & Tourism	\$ 1,806,201	\$ 1,762,068	\$ 2,017,781
Capital Outlay	\$ 2,649,537	\$ 7,184,552	\$ 5,206,976
Debt Service	\$ 624,278	\$ 1,589,825	\$ 1,566,371
Total	\$ 19,855,454	\$ 25,750,111	\$ 25,837,935

GOVERNMENTAL FUND EXPENDITURES % of Classification

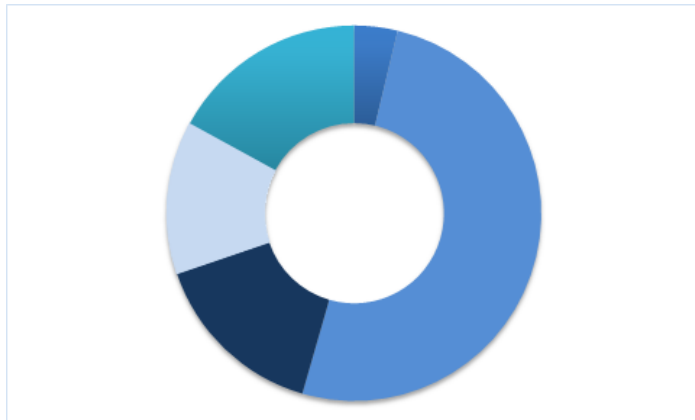


CAPITAL IMPROVEMENTS

Capital Improvements are an integral part of any City: they include infrastructure, land, buildings, and equipment. These items are the basic foundation of any community as they help to improve, maintain and enhance the quality of life for the citizens.

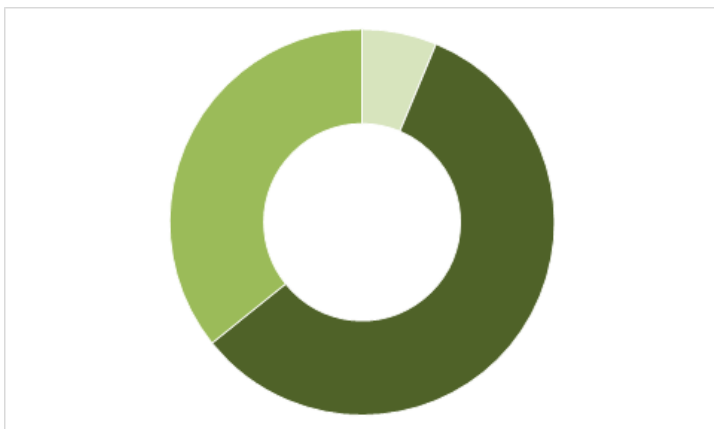
The City of Mauldin maintains a comprehensive 10-year Capital Improvement Plan (CIP) which identifies current and future fiscal requirements and is the basis for determining annual capital budget expenditures. The primary sources of funding for the CIP are sewer fee revenues, hospitality and accommodations tax revenues, general fund revenues and capital project fund revenues.

FY 2022 Capital Improvements
by Function



4% General Government
51% Public Safety
15% Streets & Sidewalks
13% Sanitation
17% Culture, Recreation & Tourism

FY 2022 Capital Improvements
by Type



6% Construction in Progress
58% Buildings & Improvements
36% Vehicle & Equipment Replacement

CITY DEBT

General Obligation Bond Ratings



Aa2 (very strong)

S&P Global

AA (very strong)

A municipality's General Obligation (GO) bond rating (or equivalent) is commonly referred to as its "credit rating." The bond rating is a good indication of the municipality's financial standing and the ability to pay it's debt. The higher the bond rating, the lower the borrowing costs to the City for debt.

The City of Mauldin is subject to the South Carolina Constitution which provides no City or Town shall incur bonded debt exceeding 8% of the assessed value of the property within the City limits. As of June 30, 2022, according to the Greenville County assessor's office, the City of Mauldin's assessed value was \$140,487,297. Based on this assessed value the City of Mauldin's 8% debt limit would be \$11,238,984. The City only had \$3,810,000 of outstanding GO Debt at year end.

Below is a summary of all the City's outstanding debt as of the end of fiscal year 2022:

GOVERNMENTAL ACTIVITIES DEBT SUMMARY

