



June 16, 2008

Mayor & Council
City of Mauldin
5 East Butler Road
Mauldin, SC 29662

Honorable Mayor & Council;

With great appreciation for the hard work and input of our department heads and staff, I deliver to you the budget for fiscal year 2008 – 2009. This budget aims to address objectives from the long and short term goals recently updated by the City Council, address recommendations from the audit, and maintain previous service levels provided by the City of Mauldin to our community. This budget is balanced and **no** tax increase proposed.

This budget was brought to final form and unanimously adopted by the City Council following three public budget workshops and two readings during regular council meetings.

The following excerpt from the International City/County Management Association's publication, *Budgeting - A Guide for Local Governments*, defines the context and purpose of the budget:

Governmental budgeting allocates resources to public services and projects. Because it determines the total amount of taxes levied and on whom, governmental budgeting also allocates the burden of taxation. Budgeting balances the resources drawn from the public against the demand for services and projects, keeping taxes within acceptable limits and ensuring that services are sufficient to allow economic growth and social stability. Budgeting helps policy makers set goals, assists program managers and department heads to improve organizational performance, and ensures that both elected and appointed officials are accountable to the public.

Budget Overview

The City of Mauldin uses fund accounting to administer various funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. Furthermore, fund accounting ensures and demonstrates compliance with finance-related requirements and principals.

Budget Highlights

The City's budget is divided into numerous funds: The total expenditure for all funds, including inter fund transfers is \$16,878,369 compared with \$15,066,671 for the previous fiscal year – a 12% increase.

The General Fund totals \$9,374,381 compared with \$8,583,630 for the previous fiscal year reflecting an increase of 9.21%. The general fund is the largest fund and as the operating fund for the city, it accounts for the majority of the financial transactions of the city. The general fund anticipates transferring funding to cover the Fire Service fund, the Debt Service Fund the Sports Center Fund and the Mauldin Foundation.

The Special Projects Fund, comprised of capital projects, totals \$1,459,180 with a transfer from the General Fund. This represents a 13.7% increase from the previous year's \$1,283,328. The project budgets in this fund will not lapse but will roll forward into future years until the project is completed or until Council reallocates the funds.

The Sewer Fund budget totals \$732,304 compared with \$861,625 for the previous year. We have made significant strides this year with our sewer system and although this total is less than the previous year, the amount budgeted will allow us to continue to adhere to the schedule defined in our multi-year Sewer System Repair / Rehabilitation Program. Any excess of revenues over expenditures, or resulting fund balance, in the Sewer Fund are restricted for use in sewer repair and rehabilitation projects.

The Hospitality and Accommodations fund includes \$622,557 in hospitality and accommodations tax revenues, and \$30,521 in interest income for a total of

\$653,078 compared with \$643,000 for the previous year. This reflects an increase of 1.56% from the previous year. \$418,445 is transferred out for debt service to cover the principal and interest payment on the Sports Center and \$219,633 is transferred to the General fund for parks beautification. Any remaining fund balance in the Hospitality and Accommodations fund is restricted for use for tourism related activities.

The Cultural Center Construction and Operations Fund totals \$213,274. This newly created fund promotes better fiscal management of the Cultural Center.

The Fire Fund expects to receive \$1,661,923 in revenues from property taxes and fire protection contracts compared with \$1,326,250 for the previous year, the City anticipates transferring \$1,461,635 from the General Fund to the Fire Fund to cover expenditures for the operations of the Mauldin Fire department and the Fire Service Area. The Fire Department should expend \$3,123,558 for fire protection services provided to the residents of Mauldin and the surrounding fire service area. This is an increase of 14.18% from the previous year's appropriation of \$2,735,604.

The Sports Center Fund totals \$725,570 and includes \$524,040 in membership dues, \$11,800 in other revenue and a transfer in from the general fund of \$189,730. This represents an increase of 27.14% from the previous fiscal year.

The Debt Service Fund totals \$872,478 compared with \$790,579 previously – a 10.35% increase. This fund includes principal and interest on general obligation debt and capital lease principal and interest.

The Property Management Fund accounts for the rental income from two warehouses the City purchased in June 2007. The income for this fund is budgeted at \$67,330. The fund will transfer \$2,852 to the General Fund for administrative costs and will pay \$64,478 in principal and interest on the revenue bond lease agreement for the properties.

The Mauldin Foundation will receive \$181,799 in revenues and transfers reflecting an increase of 46.96% over the \$123,700 previously budgeted. This includes CDBG grants received from Greenville County Redevelopment Authority to provide programs for seniors, handicap sports for adults, and summer programs for children. The City supplements these grants and revenues with a transfer from the General Fund totaling \$160,699 to operate all three programs.

This budget proposal includes a 5-Year Capital Improvement Plan designed to project the capital needs of the City over that period and a 5-year budget forecast.

The following table identifies the additional staff by department, position and start date:

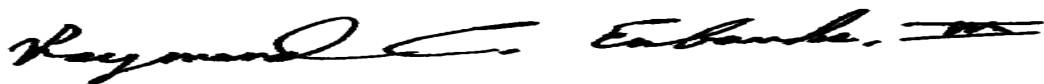
Finance	1	Accountant	July
Sports Center	1	Program Coordinator	July
Sewer	2	Driver/Labor	July
Fire	3	Firefighters	January
Police	1	Patrol	January
Police	1	Gang Officer	July
Cultural Center*	1	Executive Director	July

*Funded in contingency for drawdown via grant procedure

The following table identifies capital equipment items for each department:

Police	3	Patrol Vehicles
Police	1	Administrative/Unmarked Vehicle
Police	1	Speed Display Board
Judicial	1	Vehicle
Sanitation	1	Front End Loader
Sanitation	1	Garbage Truck
Sanitation	1	Leaf Truck
Sewer	1	Chipper
Bldg/Mtnc	1	Pick-Up Truck
Recreation	1	Park Lights

Sincerely,



Raymond C. Eubanks, III
City Administrator