

# CITY OF MAULDIN

## SOUTH CAROLINA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the year ended  
June 30, 2008



CITY OF MAULDIN, SOUTH CAROLINA

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COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

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YEAR ENDED JUNE 30, 2008



Prepared by: Administration Department  
Raymond C. Eubanks, III, City Administrator

CITY OF MAULDIN, SOUTH CAROLINA

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COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

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YEAR ENDED JUNE 30, 2008

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# INTRODUCTORY



December 10, 2008

To: The Honorable Mayor, City Council, City Administrator  
and Citizens of the City of Mauldin, South Carolina

The Comprehensive Annual Financial Report of the City of Mauldin, South Carolina for the fiscal year ended June 30, 2008 is submitted herewith. As required by the South Carolina Code of Laws, the report includes financial statements that have been audited by an independent certified public accountant, Stuart W. Ford, CPA. Responsibility for the accuracy of the data, the completeness and the fairness with which the data are presented, including all disclosures, rests with the City.

Accounting principles generally accepted in the United States of America (GAAP) require management to 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 MD&A and should be read in conjunction with it. MD&A can be found immediately following the report of the independent auditor.

This report has been prepared by the Finance Director's office in accordance with GAAP as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB). This report is also in compliance with the relevant requirements of Governmental Accounting, Auditing, and Financial Reporting (GAAFR) published by the Government Finance Officers Association of the United States and Canada. We believe the data as presented is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and the results of operations of the City as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

### **Accounting System, Budgetary Control and Management Control**

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls which are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of internal control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's

internal accounting controls adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.

The City Council adopts annual operating budgets for the general fund, the sewer fund, the fire service fund, the debt service fund, the sports center fund and the hospitality and accommodations tax fund and the property management fund. Following this process, the City prints an annual budget and posts it on the City website.

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenue being recorded when measurable and available. Expenditures are recorded when the related fund liability is incurred. The City's accounting records for business-type operations are maintained on a full accrual basis. As part of its management program the City maintains an encumbrance system. As purchase orders are issued, corresponding amounts of appropriations are reserved by the use of encumbrances for later payment so that appropriation may not be overspent. This is done in order to develop a comprehensive management and fiscal system aimed at achieving the objectives of each operating level consistent with those that have been set by the City Council. The department manager is held directly accountable, not only to accomplish his/her particular goals within each department, but also to monitor the use of budget allocations consistent with policies.

### **Reporting Entity and its Service**

This report includes all of the funds of the City of Mauldin subject to appropriation and control by the City Council. The City provides a full range of municipal services. General Government includes the City Council, City Administrator, Building Inspections and Code Enforcement, and Municipal Court. Public Safety includes Police, and Fire. Public Works includes Streets, Sanitation, Sewer Collection, Building Maintenance and Parks Maintenance. Culture, Recreation, and Tourism includes Recreation and Sports Center.

The challenge facing the City is to continue to provide these necessary services in an efficient, effective and economical manner. This means that the City must strive to maximize its level of service while contending with the public demand for tax constraints. The City continues to explore new methods of obtaining financial resources and cost control techniques.

### **Local Economy**

Mauldin was named the 10<sup>th</sup> fastest growing City in the state with a with a 29.2% growth rate from 2000 to 2007. Mauldin was ranked 19<sup>th</sup> statewide in total population, which was estimated at 20,230 in 2007.

The Mauldin work force is highly educated with ninety percent of individuals over the age of 25 having a high school education and approximately thirty five percent having a Bachelor's degree or above. The median household income for the City of Mauldin, as of the last census, was \$57,875; however this information was updated for inflation to \$64,471 in 2008 by MUNINetGUIDE. The City of Mauldin's unemployment rate was 4.3%, according to Sperling's BestPlaces. The median age for residents in Mauldin is 34.8; this is younger than the U.S. average. Family homes make up the majority of households in the City as non-single residences represent 69.2% of the population.

Additional facts concerning current economic conditions in City, along with prospective information, can be found in the ECONOMIC FACTORS section of the Management's Discussion and Analysis. Current and historical economic information along with other facts are detailed in the Statistical section of the Financial Statements.

### **Cash and Risk Management**

The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Cash temporarily idle during the year was invested in the South Carolina Local Government Investment Pool.

The cash management program maintains reasonable liquidity to meet obligations while maximizing return through the use of a competitive rate comparison.

To reduce risk to the City, all employees are covered by workers' compensation, health insurance and are bonded. The City also carries a package policy incorporating various types of liability insurance to cover all aspects of its operations. In addition, various risk control techniques, including employee accident prevention training continued during the year to minimize accident-related losses.

### **Long Range Financial Planning**

Financial planning is an ongoing process involving management and City Council. Specifically, during the budget process a formal assessment is conducted including a 5-Year Capital Improvement Plan designed to meet the capital needs of the City over that period. Additionally, a 5-Year budget projection that anticipates the long-range financial condition of the City is included in the City's budget document.

### **Independent Audits**

Section 5-7-240 of the State Code requires the City to have an annual audit of the books of account, financial records and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. This requirement has been complied with and the independent auditor's unqualified opinion has been included in this report.

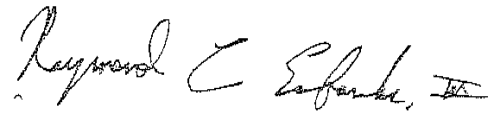
### **Awards and Acknowledgements**

The Governmental Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Mauldin for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2007. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Programs requirements and we are

submitting it to the GFOA to determine its eligibility for another certificate.

Respectfully submitted,

A handwritten signature in black ink that reads "Raymond C. Eubanks, III". The signature is written in a cursive style with a distinct flourish at the end.

Raymond C. Eubanks III  
City Administrator

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mauldin  
South Carolina

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

CITY OF MAULDIN, SOUTH CAROLINA

LISTING OF PRINCIPAL OFFICIALS

YEAR ENDED JUNE 30, 2008

Established

1890

MAYOR

Don Godbey

CITY COUNCIL MEMBERS

Gabe Hunter, Mayor Pro-Tem

Bob Cook

James Kennedy

Dale Black

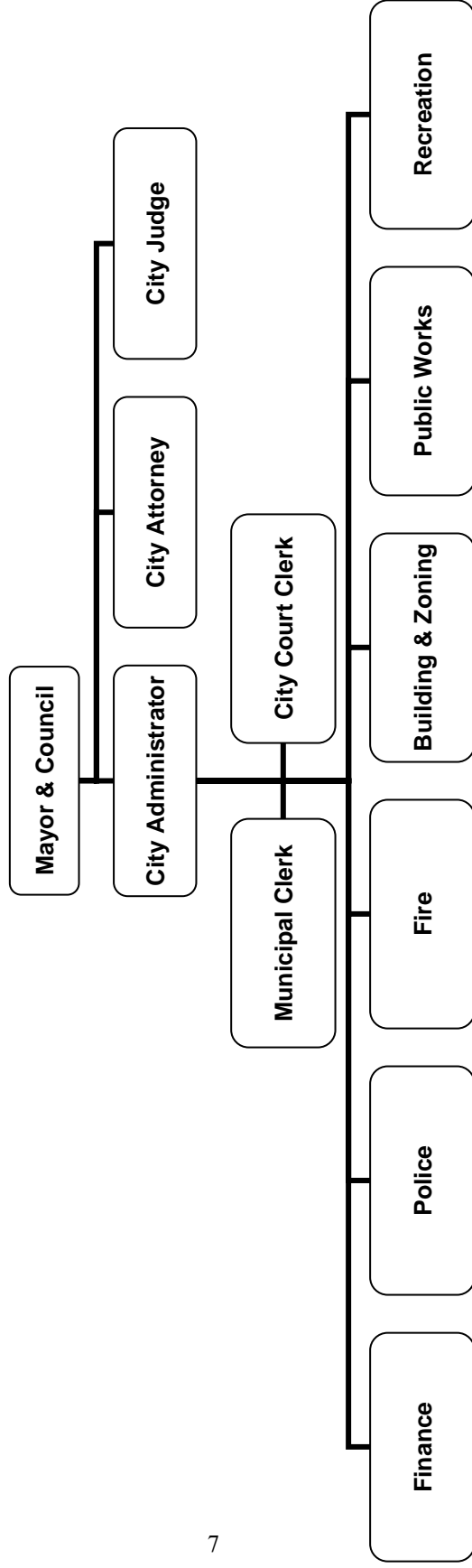
Michael Reynolds

Patricia Gettys

CITY ADMINISTRATOR

Raymond C. Eubanks, III

# City of Mauldin



# FINANCIAL

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**REPORT OF INDEPENDENT AUDITOR**

The Honorable Mayor and Members of City Council  
City of Mauldin, South Carolina

I have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the City of Mauldin, South Carolina, (the "City"), and its discretely presented component units, the Mauldin Foundation, Incorporated, (the "Foundation"), and the Mauldin Cultural Center Foundation, Incorporated, (the "Center") as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mauldin, South Carolina and of its discretely presented component units, the Mauldin Foundation, Incorporated, and the Mauldin Cultural Center Foundation, Incorporated, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 10, 2008, on my consideration of the City's internal control over financial reporting and my tests of its compliance with provisions of laws, regulations, contracts and grants. That report is an integral part

of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

Management's Discussion and Analysis and budgetary comparison schedules as listed in the table of contents are not a part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the basic financial statements of the City taken as a whole. The introductory section, combining non-major fund financial statements, individual fund schedules, the schedule of fines and forfeitures, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining non-major fund financial statements, individual fund schedules and the schedule of fines and forfeitures, have been subjected to the audited procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied to the basic financial statements and, accordingly, I express no opinion on them.

A handwritten signature in black ink, appearing to read "Stuart W. G. CPA". The signature is written in a cursive, flowing style.

December 10, 2008

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**INTRODUCTION**

This discussion and analysis of The City of Mauldin, South Carolina (the "City") financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2008. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and the basic financial statements to enhance their understanding of the City's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2008 are as follows:

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$27,010,665 (net assets). Of this amount, \$6,564,048 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets decreased by \$7,455.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,051,980 an increase of \$861,130 in comparison with the prior year. Approximately 56% of the total amount, \$5,056,606 was available for spending at the government's discretion (unreserved and undesignated fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$6,492,965, which was approximately 76% of FY2008 total General Fund expenditures.
- The General Fund had the following designations at the end of the current fiscal year, \$2,350,000 designated for annexation, \$50,000 for fuel contingency and \$188,000 for other contingencies. The Sewer Fund had \$1,057,702 designated for capital projects.
- The City's total capital assets, net after depreciation, decreased by \$1,271,663, or 5.3%, during the current fiscal year.
- The City's total long-term debt decreased by \$359,066, during the current fiscal year. The key factor in this decrease was primarily principal repayments.
- During the 2008 fiscal year, the City's governmental fund type revenues were \$14,434,176 compared to \$15,177,784 in the prior year. This decrease was caused in part by a reduction in the property tax rates and a decrease in building permit revenues. During the year, the City's governmental type expenditures of \$13,824,359 were \$2,156,109 less than in the prior year due to less capital outlay expenditures because the sports center complex was completed.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of the following parts – *Introductory Section*, the *Financial Section*, (which includes the management's discussion and analysis, basic financial statements, required supplementary information, and the combining and individual fund schedules for major and non-major governmental funds), and *the Statistical Section*.

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Government-Wide Financial Statements.** The basic financial statements include two kinds of statements that present different views of the City. The first two statements are *government-wide financial statements* that provide a broad overview of the City's overall financial status, in a manner similar to a private-sector enterprise.

The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, sanitation, sewer, culture, recreation and tourism. The business-type activities of the City include the property management of two rental warehouse units.

The government-wide financial statements include not only the City itself (known as the Primary Government), but also two component units. One of the component units is the Mauldin Foundation, Inc., a non-profit 501(3) c for which the City is financially accountable. The organization operates programs for low-income children, handicapped adults and senior citizens with the assistance of grants through The Greenville County Redevelopment Authority. The second component unit is the Mauldin Cultural Center Foundation, which was formed to preserve the old Mauldin Elementary School as a community center for the citizens of Mauldin. The non-profit, which filed as a 501(3) c with the IRS in March 2003, was originally operated with a board of citizens who began fundraising efforts to restore and operate the school building, which was purchased by the City in fiscal year 2004. At the beginning of fiscal year 2007, the Foundation board was reorganized to include City of Mauldin council members to hold six of the eleven seats.

Both non-profit organizations are legally separate entities that are included as discretely presented component units in the city's financial statements. Financial information for the component units is reported separately from the financial information presented for the primary government itself.

The governmental-wide financial statements can be found on pages 23 - 24 of this report.

**Fund Financial Statements.** The remaining basic financial statements are *fund financial statements* that focus on *individual parts* of the City, reporting its operations in *more detail* than the government-wide statements.

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

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

financial statements, governmental fund financial statements focus on near-term uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains four different individual major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sewer Fund, Fire Fund and Hospitality and Accommodations Tax Fund. The basic governmental fund financial statements can be found on pages 25 - 28 of this report.

**Proprietary funds.** Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City of Mauldin maintains one type of proprietary fund. An Enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Mauldin uses enterprise fund accounting for its Property Management fund, which accounts for the operations of two new rental warehouses. The proprietary fund financial statements provide separate information for the Property Management Fund, which is considered a major fund.

The basic proprietary fund financial statements can be found on pages 29 - 31 of this report.

**Notes to the Basic Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 32 - 48 of this report.

The City adopts annual appropriated budgets for the General Fund, Sewer Fund, Fire Fund, and the Hospitality and Accommodation Tax Fund. Budgetary comparison schedules have been provided in the required supplementary information for all four funds. These schedules are found on pages 49 - 52 of this report.

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**OVERVIEW OF THE FINANCIAL STATEMENTS**

Figure A-1		
<b>Major Features of the City's Government-Wide and Fund Financial Statements</b>		
	<b>Government-Wide Statements</b>	<b>Fund Financial Statements</b>
		<b>Governmental Funds</b>
Scope	Entire City Government and the City's Component Unit	The Activities of the City That are Not Proprietary or Fiduciary
Required Financial Statements	<ul style="list-style-type: none"> <li>▪ Statement of Net Assets</li> <li>▪ Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance Sheet</li> <li>▪ Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial 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 and liabilities that come due during the year or soon, thereafter; no capital assets included
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

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets exceeded liabilities by \$27,010,665 at the close of the most recent fiscal year.

Table 1 provides a summary of the City’s net assets for 2008 compared to 2007:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>				
Current and Other Assets	\$ 10,231,872	\$ 9,331,751	\$ 9,586	\$ 10,092
Internal Balances	12,176	19,684	(12,176)	(19,684)
Capital Assets, Net	23,462,642	24,731,606	756,878	759,577
<b>TOTAL ASSETS</b>	<u>33,706,690</u>	<u>34,083,041</u>	<u>754,288</u>	<u>749,985</u>
<b>LIABILITIES</b>				
Other Liabilities	1,672,750	1,660,221	24,908	20,023
Long-Term Liabilities	5,043,936	5,404,685	708,719	729,977
<b>TOTAL LIABILITIES</b>	<u>6,716,686</u>	<u>7,064,906</u>	<u>733,627</u>	<u>750,000</u>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Debt	18,175,809	19,054,958	26,901	9,577
Restricted For:				
Hospitality & Accommodations	1,155,577	1,099,432	-	-
Sewer	1,057,702	1,055,579	-	-
Other Purposes	30,628	16,187	-	-
Unrestricted	6,570,288	5,791,979	(6,240)	(9,592)
<b>TOTAL NET ASSETS</b>	<u>\$ 26,990,004</u>	<u>\$ 27,018,135</u>	<u>\$ 20,661</u>	<u>\$ (15)</u>

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**Government-wide Financial Analysis (Continued)**

Table 2 shows the changes in net assets for fiscal year 2008 compared to 2007.

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<b>2008</b>	<b>2007</b>	<b>2008</b>	<b>2007</b>
<b>REVENUES</b>				
Program Revenues:				
Charges for Services	\$ 6,068,312	\$ 7,081,404	\$ 73,687	\$ -
Operating Grants	282,544	39,573	-	-
Capital Grants	618,071	431,614	-	-
General Revenues:				
Property Taxes	6,376,520	6,412,400	-	-
Hospitality and Accommodations Taxes	606,426	597,233	-	-
Grants and Entitlements	556,409	507,730	-	-
Other	423,126	418,033	-	-
<b>TOTAL REVENUES ALL SOURCES</b>	<b>14,931,408</b>	<b>15,487,987</b>	<b>73,687</b>	<b>-</b>
<b>PROGRAM EXPENSES</b>				
General Government	1,592,131	1,456,235	-	-
Public Safety	5,917,233	5,508,003	-	-
Streets	2,727,924	2,568,123	-	-
Sanitation	1,565,261	1,369,808	-	-
Sewer	504,036	419,051	-	-
Culture, Recreation, and Tourism	2,407,157	2,116,139	-	-
Property Management	-	-	4,401	-
Interest and Fiscal Charges	245,797	268,900	48,610	-
<b>TOTAL PROGRAM EXPENSES</b>	<b>14,959,539</b>	<b>13,706,259</b>	<b>53,011</b>	<b>-</b>
<b>CHANGE IN NET ASSETS</b>	<b>(28,131)</b>	<b>1,781,728</b>	<b>20,676</b>	<b>-</b>
NET ASSETS, Beginning of Year	27,018,135	25,304,875	(15)	-
PRIOR PERIOD ADJUSTMENT	-	(68,468)	-	-
NET ASSETS, Beginning of Year, Restated	27,018,135	25,236,407	(15)	-
<b>NET ASSETS, End of Year</b>	<b>\$ 26,990,004</b>	<b>\$ 27,018,135</b>	<b>\$ 20,661</b>	<b>\$ -</b>

CITY OF MAULDIN, SOUTH CAROLINA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 YEAR ENDED JUNE 30, 2008

**Government-wide Financial Analysis (Continued)**

The City decreased its net assets by \$7,455, or significantly less than 1%, from 2007 to 2008. Key elements of this decrease are as follows:

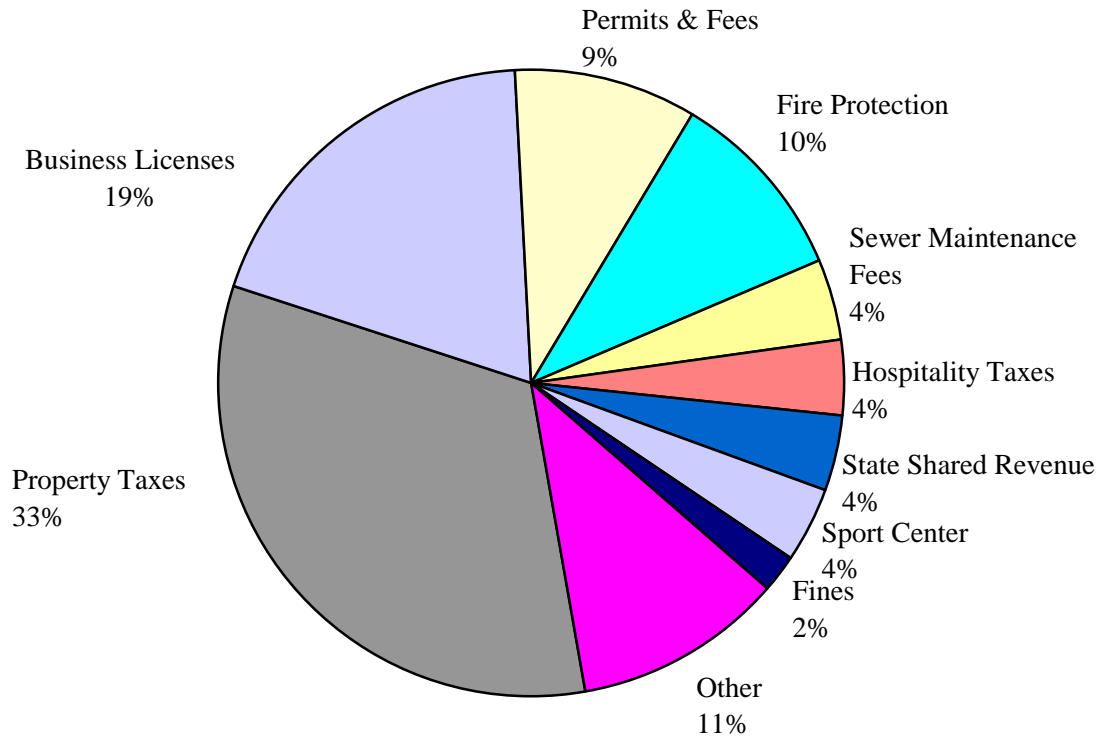
- Decrease in revenues from annual business licenses resulting mainly from the prior year having significantly higher delinquent collection as the result of settlements of disputed fees.
- Decrease in permit revenues as a result of a general slow-down in construction.
- Operating and capital grants increased by approximately \$430,000, with a donation of a park constituting roughly half of the increase.
- Personnel costs increased across all functions.
- Operating expenses for the Sports Center were up significantly due to a full year of operations.

The City continued with business-type activities during the year collecting rent to fund operations and to service the debt issued to purchase the property.

**Governmental Activities**

Property taxes constitute the largest source of the City of Mauldin's revenues, amounting to \$6,376,520 for fiscal year 2008. Another large source of revenues for the City is business license revenue, which contributed \$2,874,062 during fiscal year 2008.

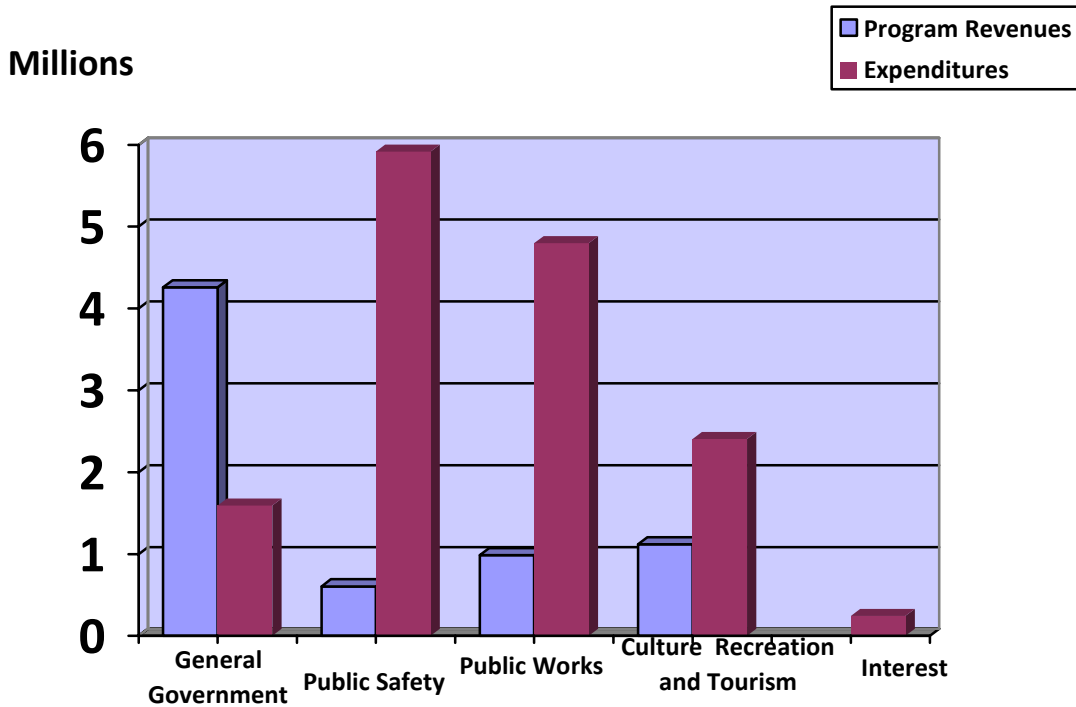
**REVENUES BY SOURCE-GOVERNMENTAL ACTIVITIES**



CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**Governmental Activities, (Continued)**

**Net Cost of Governmental Activities**



Governmental activities expenses totaled \$14,959,539, including \$2,854,011 in depreciation expense. Total expenses increased \$1,253,280. Personnel costs increases, including fringe benefits, and operation of the Sports Center were significant contributors to the overall increase, in addition to rising gas prices.

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

***Governmental Funds***

For the year ended June 30, 2008, the City's governmental funds reported a *combined* fund balance of \$9,051,980, as compared to \$8,190,850 for the prior year. The difference is mostly attributable to reduced capital outlay expenditures as a result of completion of the Sports Center in the prior year. Additionally, the City received proceeds from the issuance of capital related debt and the sale of capital assets. At June 30, 2008, the City's unreserved, undesignated fund balance for all governmental funds was \$5,066,606, which represents the General Fund, Sewer Fund and Hospitality and Accommodations Tax Fund, the Fire Fund and the non-major funds.

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS, (Continued)**

***Governmental Funds (Continued)***

The remainder of fund balance consists of designations for annexation and other contingencies and for capital projects approved in the FY 2008 budget not yet completed.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved, undesignated fund balance of the General Fund was \$3,904,968, while total fund balance was \$6,492,968. A strong fund balance is necessary in the General Fund to meet the cash flow requirements of the City during the fiscal year.

The City's General Fund balance increased approximately 7% during the current fiscal year. The increase was primarily due to lower capital outlay primarily resulting from street resurfacing being less than budgeted.

The City's Major Governmental Funds include the General Fund, Sewer Fund, Hospitality and Accommodations Tax Fund and Fire Fund.

The Sewer Fund was established to account for the operations and maintenance of the City's sanitary sewer collection system. The City continued its detailed evaluation of the system and made further significant investments for repairs and rehabilitation of the sewer lines totaling \$682,090, an increase of \$281,400 over the prior year. The City expects to continue to invest in system repairs and rehabilitation in the upcoming years.

The Hospitality and Accommodations Tax Fund is required by state law to account for revenues received from the hospitality tax and accommodations tax levied by the City. The balance in this fund is being used for tourism related projects. During the year, approximately \$552,000 was transferred to other funds for tourism related debt service and capital projects.

The Fire Fund accounts for the revenues and expenditures of the Mauldin Fire Department and the surrounding fire service area. Expenditures were higher than prior year due to higher personnel costs. The Fund Balance increased mainly from a transfer from the General Fund to cover the prepaid purchase of a Fire Truck.

Governmental fund expenditures were \$13,824,359 for the fiscal year 2008. Capital outlay for projects and equipment for the City totaled \$1,260,763. Providing public safety and fire protection, including related capital outlays, are one of the primary annual expenditures for the City and included \$2,998,862 in police department expenditures, and \$2,479,856 for fire protection. These were followed by \$1,663,003 for sanitation and \$1,355,662 for recreation and parks.

***Proprietary funds***

The City of Mauldin's one proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Total net assets of the Property Management Fund at the end of the year total \$20,661 because of principal and interest payments, funded by rent collections.

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**General Fund Budgetary Highlights**

The City's budget is prepared according to South Carolina law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. General fund has a legally adopted budget. During the course of the fiscal year 2008, amendments were made to the City's General Fund budget.

Actual revenues were \$485,408 less than budgeted, primarily due to the reduction in property tax rates that were not budgeted, along with a reduction of permit revenues. Actual current expenditures were \$90,696 less than budgeted, primarily due to lower than budget capital outlay expenditures.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2008, the City had invested a net amount of \$23,462,642 in governmental activities capital assets, which consisted of \$1,924,678 in non-depreciated assets such as land and construction in progress, and \$21,537,964 in net depreciable assets such as buildings, equipment, vehicles, and infrastructure. During FY2008, the City had additions of \$1,881,787 (including Construction in Progress transfers), depreciation expense of \$2,854,011 and net disposals of \$58,580, which consisted of the sale of a fire pumper truck, and the transfer from construction in progress of \$236,160.

For the fiscal year ending June 30, 2008, the City has business-type building and improvements (Depreciated Capital Assets) of \$131,878 and land (Non-Depreciated Capital Assets) of \$625,000 in the Property Management Enterprise Fund for a net amount of \$756,878.

Table 3 presents capital asset balances for the years ended June 30, 2008:

CAPITAL ASSET	CAPITAL ASSETS AT JUNE 30, 2008			
	Governmental Activities		Business-Type Activities	
	2008	2007	2008	2007
Non-Depreciated Assets:				
Land	\$ 1,493,557	\$ 1,290,431	\$ 625,000	\$ 625,000
Construction in Progress	431,121	246,955	-	-
Total Non-Depreciated Assets	1,924,678	1,537,386	625,000	625,000
Depreciated Assets:				
Buildings and Improvements	16,859,237	16,621,077	134,592	134,592
Equipment and Vehicles	7,318,001	6,926,576	-	-
Infrastructure	39,647,480	39,245,208	-	-
Less: Accumulated Depreciation	(42,286,754)	(39,598,641)	(2,714)	(15)
Total Depreciated Assets, Net	21,537,964	23,194,220	131,878	134,577
<b>TOTAL CAPITAL ASSETS, NET</b>	<b>\$ 23,462,642</b>	<b>\$ 24,731,606</b>	<b>\$ 756,878</b>	<b>\$ 759,577</b>

The decrease in the City's investment in governmental activities capital assets was \$1,298,964 or approximately 5.3%, which is due to primarily from depreciation expense of \$2,854,011, offset by capital asset additions.

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**Capital Assets, (Continued)**

More detailed information about the City's capital assets is presented in Note III to the basic financial statements.

**Debt Administration**

At June 30, 2008, the City had \$2,275,000 in general obligation bonds, \$3,741,810 in outstanding capital leases and \$499,206 in accrued compensated absences. Of the total outstanding debt, \$763,361 is due within one year. Table 4 presents a comparative summary of the City's outstanding long-term debt for the past two years.

**OUTSTANDING DEBT AT YEAR END**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
General Obligation Bonds:				
Series 2001	\$ 2,275,000	\$ 2,485,000	\$ -	\$ -
Capital Leases	3,011,833	3,191,648	729,977	750,000
Accrued Compensated Absences	499,206	448,434	-	-
Totals	<u>\$ 5,786,039</u>	<u>\$ 6,125,082</u>	<u>\$ 729,977</u>	<u>\$ 750,000</u>

Key highlights related to debt financing for the fiscal year 2008 were as follows:

The City's General Obligation bonds have an A+ (Stable) rating from Standard & Poor's, secured through bond insurance. This rating was reaffirmed during a review by Standard & Poor's in October 2007. The State limits the amount of general obligation debt that cities can issue to 8% of the assessed value of all taxable property within the City's corporate limits. The City is authorized by state statute to exceed the legal debt margin of 8% if citizens of the City approve such additional debt. The City's outstanding general obligation debt is below the 8% state-imposed limit of \$6,202,026.

As noted earlier, other obligations include accrued vacation leave. More detailed information about the City's debt and other long-term liabilities is presented in Note III to the basic financial statements.

**ECONOMIC FACTORS**

Mauldin continues to enjoy a strong local economy with a thriving business community. The Mauldin Chamber of Commerce assists the city in creating a business-friendly atmosphere and has grown from 63 members six years ago to nearly 400 members in 2008. Business license revenues are one of the fastest growing revenue sources for the City. During fiscal year 2008, Mauldin issued a total of 363 business licenses to businesses inside the City. In addition, existing businesses have experienced significant growth in gross income, which is illustrated by the increase in non-contractor business license revenue.

As detailed in the Statistical Section, page 87 the number of persons employed by the Cities principal employers decreased by 6%. The top 10 employers decreased from 16,845 employees to 15,820 employees in the past year.

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**ECONOMIC FACTORS, (Continued)**

According to The Greenville County Planning Commission, there were approximately 829 acres of undeveloped land within the Mauldin city limits in 2006. This represents the conversion of some 250 acres into various types of residential, commercial and industrial uses from what was of previously listed as open space in 2003.

Recently the City Council created the Planning and Economic Development Committee. Through this committee Council Members, Business Owners, Chamber Members and City Staff meet regularly to discuss the City's strategy for growth. The City has created a new position for Planning/Economic Development. This new employee, which had been included in the current FY2008 budget, was hired during the spring of 2008.

During fiscal year 2008 the City annexed the following properties:

- Abespro – East Butler Road at Tanner Road; annexed January 28, 2008
- JamesTaylor – 426 Forrester Drive; annexed December 16, 2007
- Dynamic Properties – East Butler at 385 North; annexed October 28, 2007
- Dynamic Properties – East Butler at 385 South; annexed October 28, 2007
- After School Kids – 210 Balcome Road; annexed October 28, 2007
- Dwayne Rice – Bridges Road; annexed September 17, 2007
- Elizabeth Brockman – Bridges at Bethel Roads; annexed September 17, 2007
- Beulah Chappelllear – Bridges at Bethel Roads; annexed September 17, 2007

Several significant developments happened in Fiscal Year 2008. In September 2007 the City annexed property on Bethel and Bridges streets for the "South Style" Project, a planned development of 42 attached dwellings valued at \$300,000 for each residence. The project has an anticipated two year projected build-out. Also in October 2007 the City annexed eight acres consisting of two parcels on Butler Road and Highway 385. The developer has planned retail and restaurants for one parcel and the second parcel is expected to be developed by a major hotel chain. In February and April of 2008, two upscale apartment complexes were completed named Alta Brookwood and the Vinings at Tanner Estates. The two projects brought a total of 484 luxury apartments onto the rental market. Several significant developments are planned for Fiscal Year 2009. Construction of the \$14,000,000 "Project Teal" tech support call center is well under way with an anticipated completion date of April 2009. Upon completion, it will employ 640 people. "Innegrity", which is located at the Trinity Center, will employ 150 people when operations begin. A developer/operator is still being sought to pick up the Spectrum Retirement Home Project. Planning of the 150 unit assisted living facility was dropped when finances dried up.

**FISCAL YEAR 2008-2009 BUDGETS**

The Fiscal Year 2008 -2009 budgets were developed in accordance with the "City of Mauldin Fiscal Policy" adopted by the Mauldin City Council.

The City's budget is divided into six funds: the General Fund, the Sewer Fund, the Hospitality and Accommodations Tax Fund, the Fire Service Fund, the Sports Center Fund, and the Debt Service Fund and the Property Management Fund. The total budget for all funds is \$16,878,369.

The General Fund is the largest fund and accounts for all expenditures of the City except for those costs attributed to the Sewer Fund, the Hospitality and Accommodations Tax Fund, the Fire Service Fund, the Sports Center Fund, and the Debt Service Fund. The General Fund budget is projected at \$9,374,381.

The Sewer Fund is used to provide for the operations and maintenance of the sanitary sewer system. Revenues are derived from a sewer maintenance fee charged to all customers served by the city system. The Sewer Fund budget

CITY OF MAULDIN, SOUTH CAROLINA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2008

**FISCAL YEAR 2008-2009 BUDGETS, (Continued)**

is estimated at \$732,304. The FY2009 budget provides for the continuation of a multi-year Sewer System Evaluation Survey and Sewer System Repair / Rehabilitation Program.

The Hospitality and Accommodations Tax revenues must be used for "tourism-related" facilities and activities. The proposed budget for the Hospitality and Accommodations Tax Fund is \$15,000 after transfers out to cover debt service on the capital lease for the Sports Center.

The Sports Center Fund was created to account for the operations of the facility that opened in January 2007. The proposed operating budget for the facility is \$725,570.

The Debt Service Fund accounts for debt service payments from revenues coming from several operating funds. The proposed budget for the Debt Service Fund is \$872,478.

The budget includes a 5-Year Capital Improvement Plan designed to meet the capital needs of the City over that period. Within the CIP are allocations for continuing initiatives for street resurfacing, drainage improvements, bikeways and greenways, Streetscaping and signage, and sewer system repair and rehabilitation.

In addition, a five-year budget projection that anticipates the long-range financial condition of the City is included in the City's budget document.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide those interested with a general overview of the City's finances, and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Administration Department of The City of Mauldin, P.O. Box 249, Mauldin, South Carolina, 29662.

CITY OF MAULDIN, SOUTH CAROLINA

STATEMENT OF NET ASSETS

JUNE 30, 2008

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Mauldin Foundation, Inc.	Mauldin Cultural Center Foundation, Inc.
<b>Assets</b>					
Cash and Cash Equivalents	\$ 6,251,240	\$ -	\$ 6,251,240	\$ -	\$ 111,416
Property Taxes Receivable, Net	406,100	-	406,100	-	-
Other Receivables	494,607	-	494,607	4,667	-
Prepaid Expenses	339,672	-	339,672	-	-
Deferred Charges	-	9,586	9,586	-	-
Due from:					
Other Governments	98,627	-	98,627	-	-
Primary Government	-	-	-	-	971
Component Unit	9,051	-	9,051	-	-
Restricted Assets:					
Cash and Cash Equivalents	2,381,744	-	2,381,744	-	-
Receivables, net	214,816	-	214,816	-	-
Other Governments	36,015	-	36,015	-	-
Internal Balances	12,176	(12,176)	-	-	-
Capital Assets:					
Non-Depreciable Capital Assets	1,924,678	625,000	2,549,678	-	-
Depreciable Capital Assets, Net	21,537,964	131,878	21,669,842	4,684	-
<b>Total Assets</b>	<b>33,706,690</b>	<b>754,288</b>	<b>34,460,978</b>	<b>9,351</b>	<b>112,387</b>
<b>Liabilities</b>					
Accounts Payable and Accrued Liabilities	718,659	-	718,659	-	-
Due to Primary Government	-	-	-	9,051	-
Due to Component Unit	971	-	971	-	-
Accrued Interest Payable	71,589	3,650	75,239	-	-
Liabilities Payable for Restricted Assets	91,528	-	91,528	-	-
Unearned Revenue	47,900	-	47,900	-	-
Non-Current Liabilities:					
Due Within One Year	742,103	21,258	763,361	-	-
Due in More Than One Year	5,043,936	708,719	5,752,655	-	-
<b>Total Liabilities</b>	<b>6,716,686</b>	<b>733,627</b>	<b>7,450,313</b>	<b>9,051</b>	<b>-</b>
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	18,175,809	26,901	18,202,710	-	-
Restricted for:					
Hospitality and Accommodations	1,155,577	-	1,155,577	-	-
Sewer	1,057,702	-	1,057,702	-	-
Other Purposes	30,628	-	30,628	-	-
Unrestricted	6,570,288	(6,240)	6,564,048	300	112,387
<b>Total Net Assets</b>	<b>\$ 26,990,004</b>	<b>\$ 20,661</b>	<b>\$ 27,010,665</b>	<b>\$ 300</b>	<b>\$ 112,387</b>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF MAULDIN, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2008

Functions/Programs	Program Revenues				Net Revenue (Expense) and Change in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Totals	
<b>Primary Government</b>								
Governmental Activities:								
General Government	\$ (1,592,131)	\$ 4,257,816	\$ -	\$ -	\$ 2,665,685	\$ -	\$ -	\$ -
Public Safety	(5,889,776)	423,816	72,100	72,736	(5,321,124)	-	-	-
Victims' Assistance	(27,457)	36,909	-	-	9,452	-	-	-
Streets	(2,727,924)	2,381	-	280,264	(2,445,279)	-	-	-
Sanitation	(1,565,261)	28,084	-	-	(1,537,177)	-	-	-
Sewer	(504,036)	645,058	-	29,500	170,522	-	-	-
Culture, Recreation and Tourism	(2,407,157)	674,248	210,444	235,571	(1,286,894)	-	-	-
Interest and other Charges	(245,797)	-	-	-	(245,797)	-	-	-
Total Governmental Activities	(14,959,539)	6,068,312	282,544	618,071	(7,990,612)	-	-	-
<b>Business-Type Activities:</b>								
Property Management	(53,011)	73,687	-	-	-	20,676	-	-
Total Business-Type Activities	(53,011)	73,687	-	-	-	20,676	-	-
Total Primary Government	\$ (15,012,550)	\$ 6,141,999	\$ 282,544	\$ 618,071	(7,990,612)	20,676	(7,969,936)	-
<b>Component Units</b>								
Mauldin Foundation, Inc.	\$ (145,374)	\$ 13,871	\$ 131,803	\$ -	-	-	300	-
Cultural Center Foundation, Inc.	(34,382)	996	100,872	-	-	-	-	67,486
Total Component Units	\$ (179,756)	\$ 14,867	\$ 232,675	\$ -	-	-	300	67,486
General Revenues:								
Property Taxes Levied for General Purposes					6,376,520	-	-	-
Hospitality and Accommodations Taxes					606,426	-	-	-
Unrestricted State Grants					556,409	-	-	-
Unrestricted Investment Earnings					277,760	-	-	-
Recycling					49,852	-	-	-
Gain on Sale of Capital Assets					69,650	-	-	-
Miscellaneous					25,864	-	-	-
Total General Revenues					7,962,481	-	-	-
<b>Change in Net Assets</b>					<b>(28,131)</b>	<b>20,676</b>	<b>(7,455)</b>	<b>67,486</b>
Net Assets, Beginning of Year					27,018,135	(15)	27,018,120	44,901
<b>Net Assets, End of Year</b>					<b>\$ 26,990,004</b>	<b>\$ 20,661</b>	<b>\$ 27,010,665</b>	<b>\$ 112,387</b>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF MAULDIN, SOUTH CAROLINA

BALANCE SHEET  
GOVERNMENTAL FUNDS

JUNE 30, 2008

	General	Sewer	Hospitality and Accommodations	Fire	Non Major Funds	Total Governmental Funds
<b>Assets</b>						
Cash and Cash Equivalents	\$ 6,189,585	\$ -	\$ -	\$ -	\$ 61,655	\$ 6,251,240
Receivables, net:						
Taxes	258,892	-	-	147,208	-	406,100
Other	472,495	-	-	-	22,112	494,607
Prepaid Expenditures	-	-	-	339,672	-	339,672
Due From:						
Other Funds	498,897	-	-	-	74,851	573,748
Other Governments	73,475	-	-	25,152	-	98,627
Component Unit	9,051	-	-	-	-	9,051
Advance to Other Fund	12,176	-	-	-	-	12,176
Restricted Assets:						
Cash and Cash Equivalents	1,189,264	1,133,212	40,829	-	18,439	2,381,744
Receivables, net:	-	163,020	51,796	-	-	214,816
Due from other Funds	-	-	1,062,952	-	22,261	1,085,213
Other Governments	-	-	-	-	36,015	36,015
<b>Total Assets</b>	<b>\$ 8,703,835</b>	<b>\$ 1,296,232</b>	<b>\$ 1,155,577</b>	<b>\$ 512,032</b>	<b>\$ 235,333</b>	<b>\$ 11,903,009</b>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts Payable	\$ 572,895	\$ -	\$ -	\$ -	\$ -	\$ 572,895
Accrued Salaries and Fringes	145,764	-	-	-	-	145,764
Due to:						
Other Funds	74,852	-	-	76,458	147,893	299,203
Component Unit	971	-	-	-	-	971
Liabilities Payable from Restricted Assets:						
Due to other Funds	1,085,213	238,530	-	-	36,015	1,359,758
Bonds, Forfeitures and other Escrows	81,456	-	-	-	10,072	91,528
Deferred Revenue	249,716	-	-	83,294	47,900	380,910
<b>Total Liabilities</b>	<b>2,210,867</b>	<b>238,530</b>	<b>-</b>	<b>159,752</b>	<b>241,880</b>	<b>2,851,029</b>
Fund Balances:						
Reserved for Prepays	-	-	-	339,672	-	339,672
Unreserved:						
Designated for:						
Annexation	2,350,000	-	-	-	-	2,350,000
Capital Projects	-	1,057,702	-	-	-	1,057,702
Fuel Contingency	50,000	-	-	-	-	50,000
Contingencies	188,000	-	-	-	-	188,000
Undesignated reported in:						
General Fund	3,904,968	-	-	-	-	3,904,968
Special Revenue Funds	-	-	1,155,577	12,608	(6,547)	1,161,638
<b>Total Fund Balances</b>	<b>6,492,968</b>	<b>1,057,702</b>	<b>1,155,577</b>	<b>352,280</b>	<b>(6,547)</b>	<b>9,051,980</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 8,703,835</b>	<b>\$ 1,296,232</b>	<b>\$ 1,155,577</b>	<b>\$ 512,032</b>	<b>\$ 235,333</b>	<b>\$ 11,903,009</b>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF MAULDIN, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS

JUNE 30, 2008

<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 9,051,980</b>
Amounts reported for the governmental activities in the Statement of Net Assets are different because of the following:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets were \$65,749,396 and the accumulated depreciation was \$42,286,754	23,462,642
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore have been deferred in the funds.	333,010
Interest is recorded as an expenditure when paid in the governmental funds. Interest is recorded in the government-wide statements when it is due. This amount represents the amount of interest due but unpaid at year-end.	(71,589)
Long-term liabilities, including bonds payable, are not due or payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consisted of the following:	
Long-Term Debt	(5,286,833)
Compensated Absences (Vacation)	(499,206)
<b>Total Net Assets - Governmental Activities</b>	<b><u>\$ 26,990,004</u></b>

*The accompanying notes to the financial statements are an integral part of this statement.*

CITY OF MAULDIN, SOUTH CAROLINA

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2008

	General	Sewer	Hospitality and Accommodations	Fire	Non Major Funds	Total Governmental Funds
<b>Revenue</b>						
Local Taxes	\$ 4,896,936	\$ -	\$ -	\$ -	\$ -	\$ 4,896,936
Business Licenses	2,874,062	-	-	-	-	2,874,062
Permits and Fees	1,399,629	-	-	-	-	1,399,629
Grants	36,697	29,500	-	-	308,583	374,780
Greenville County School District	82,000	-	-	-	-	82,000
Greenville County Paving	130,264	-	-	-	-	130,264
State Shared Revenue	556,409	-	-	-	-	556,409
Fire District	-	-	-	1,485,323	-	1,485,323
Fines and Forfeitures	271,602	-	-	-	42,297	313,899
Recreation Fees	125,225	-	-	-	-	125,225
Membership Fees	-	-	-	-	533,303	533,303
Recycling	49,852	-	-	-	-	49,852
Interest	226,113	25,530	22,801	-	3,316	277,760
Sewer Maintenance Fee	-	629,183	-	-	-	629,183
Hospitality Tax	-	-	587,646	-	-	587,646
Accommodations Tax	-	-	18,780	-	-	18,780
Other	68,382	-	-	5,000	25,743	99,125
<b>Total Revenue</b>	<b>10,717,171</b>	<b>684,213</b>	<b>629,227</b>	<b>1,490,323</b>	<b>913,242</b>	<b>14,434,176</b>
<b>Expenditures</b>						
Current:						
City Council	138,140	-	-	-	-	138,140
Administration	586,424	-	-	-	34,995	621,419
Judicial	286,591	-	-	-	-	286,591
Police	2,983,685	-	-	-	98,012	3,081,697
Victims' Assistance	-	-	-	-	27,457	27,457
Fire	-	-	-	2,461,918	-	2,461,918
Hospitality and Accommodations	-	-	21,086	-	-	21,086
Building and Zoning	302,651	-	-	-	-	302,651
Street	858,922	-	-	-	-	858,922
Sewer	-	398,503	-	-	-	398,503
Sanitation	1,420,069	-	-	-	-	1,420,069
Recreation	729,522	-	-	-	608,690	1,338,212
Building Maintenance	199,259	-	-	-	-	199,259
Parks Maintenance	597,168	-	-	-	-	597,168
Non-Departmental	53,161	-	-	-	-	53,161
Capital Outlay	400,935	283,587	-	17,938	558,303	1,260,763
Debt Service:						
Principal	-	-	-	-	512,897	512,897
Interest	-	-	-	-	242,113	242,113
Other	-	-	-	-	2,333	2,333
<b>Total Expenditures</b>	<b>8,556,527</b>	<b>682,090</b>	<b>21,086</b>	<b>2,479,856</b>	<b>2,084,800</b>	<b>13,824,359</b>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<b>2,160,644</b>	<b>2,123</b>	<b>608,141</b>	<b>(989,533)</b>	<b>(1,171,558)</b>	<b>609,817</b>
<b>Other Financing Sources (Uses)</b>						
Transfers from other Funds	336,996	-	-	1,341,813	1,202,866	2,881,675
Transfers to other Funds	(2,329,679)	-	(551,996)	-	-	(2,881,675)
Proceeds from issuance of capital lease financing	123,083	-	-	-	-	123,083
Sale of Capital Assets	128,230	-	-	-	-	128,230
<b>Total Other Financing Sources (Uses)</b>	<b>(1,741,370)</b>	<b>-</b>	<b>(551,996)</b>	<b>1,341,813</b>	<b>1,202,866</b>	<b>251,313</b>
<b>Net Change in Fund Balances</b>	<b>419,274</b>	<b>2,123</b>	<b>56,145</b>	<b>352,280</b>	<b>31,308</b>	<b>861,130</b>
Fund Balances, Beginning of Year	6,073,694	1,055,579	1,099,432	-	(37,855)	8,190,850
<b>Fund Balances, End of Year</b>	<b>\$ 6,492,968</b>	<b>\$ 1,057,702</b>	<b>\$ 1,155,577</b>	<b>\$ 352,280</b>	<b>\$ (6,547)</b>	<b>\$ 9,051,980</b>

The accompanying notes to the financial statements are an integral part of this statement.

CITY OF MAULDIN, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
TO THE STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2008

<b>Total Net Change in Fund Balances - Governmental Funds</b>	<b>\$ 861,130</b>
Amounts reported for the governmental activities in the Statement of Activities are different because of the following:	
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. They are considered revenues in the Statement of Activities.	427,582
Proceeds from the issuance of capital related debt are not recognized as revenue in the Statement of Activities.	(123,083)
Certain expenditures in the governmental funds have been capitalized in the Statement of Net Assets.	13,555
Certain items have not been capitalized on the Statement of Net Assets but have been recognized as capital outlay in the governmental funds.	(16,262)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.	512,897
Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	(1,351)
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.	(50,771)
In the Statement of Activities the gain on disposal of capital assets is reported, whereas in the governmental funds, proceeds from disposal of capital assets increase financial resources. Thus, the change in net assets differs from the change in fund balance by the depreciated cost of the assets disposed.	(58,580)
Governmental funds report capital outlays as expenditures (\$1,260,763). However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense (\$2,854,011). This is the amount by which capital outlay exceeded depreciation in the current period.	(1,593,248)
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ (28,131)</b>

*The accompanying notes to the financial statements are an integral part of this statement.*

CITY OF MAULDIN, SOUTH CAROLINA

STATEMENT OF NET ASSETS  
 PROPRIETARY FUND

JUNE 30, 2008

	<u>Business-Type Activities Enterprise Fund</u>
<b>Assets</b>	
Noncurrent Assets:	
Deferred Charges - Bond Issuance Costs	\$ 9,586
Capital Assets:	
Land	625,000
Buildings and Improvements, Net	<u>131,878</u>
Total Noncurrent Assets	<u>766,464</u>
Total Assets	<u>766,464</u>
<b>Liabilities</b>	
Current liabilities:	
Accrued Interest Payable	3,650
Capital Lease Payable - Current	<u>21,258</u>
Total current liabilities	<u>24,908</u>
Noncurrent Liabilities:	
Advance from other Fund	12,176
Capital Lease Payable	<u>708,719</u>
Total Noncurrent Liabilities	<u>720,895</u>
Total Liabilities	<u>745,803</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	26,901
Unrestricted	<u>(6,240)</u>
Total Net Assets	<u>\$ 20,661</u>

*The accompanying notes to the financial statements are an integral part of this statement.*

CITY OF MAULDIN, SOUTH CAROLINA  
 STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS  
 PROPRIETARY FUND

YEAR ENDED JUNE 30, 2008

	<b>Business-Type Activites</b>
	<b>Enterprise Fund</b>
<b>Operating Revenue</b>	
Charges for Services:	
Facility Rental	\$ 73,687
Total Operating Revenue	73,687
<b>Operating Expenses</b>	
Property Taxes	1,702
Depreciation	2,699
Total Operating Expenses	4,401
Operating Income	69,286
<b>Non-Operating Revenue (Expenses)</b>	
Interest Expense	(48,105)
Amortization of Bond Issuance Costs	(505)
Total Non-Operating Revenue (Expenses)	(48,610)
Net Income	20,676
Change in Net Assets	20,676
Net Assets, Beginning of Year	(15)
Net assets, End of Year	\$ 20,661

*The accompanying notes to the financial statements are an integral part of this statement.*

CITY OF MAULDIN, SOUTH CAROLINA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND

YEAR ENDED JUNE 30, 2008

	<b>Business-Type Activities Enterprise Fund</b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$ 73,687
Cash Paid to Suppliers for Goods or Services	(1,702)
Cash Paid to Employees for Services	-
Net Cash Provided by Operating Activities	<u>71,985</u>
<b>Cash Flows from Non-Capital Financing Activities</b>	
Net Change in Advances from other Fund	(7,507)
Net Cash Used in Non-Capital Financing Activities	<u>(7,507)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Principal Paid on Capital Debt	(20,023)
Interest and Fees Paid on Capital Debt	(44,455)
Net Cash Used in Capital and Related Financing Activities	<u>(64,478)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents, Beginning of Year	-
Cash and Cash Equivalents, End of Year	<u>\$ -</u>
<b>Reconciliation to the Statement of Net Assets:</b>	
Cash and Cash Equivalents	\$ -
Restricted Cash and Cash Equivalents	-
Cash and Cash Equivalents, End of Year	<u>\$ -</u>
<b>Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:</b>	
Operating income	\$ 69,286
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation and Amortization	2,699
Net Cash Provided by Operating Activities	<u>\$ 71,985</u>
<b>Non-cash Capital Supplementary Information:</b>	
Amortization of Bond Issuance Costs	\$ 505

*The accompanying notes to the financial statements are an integral part of this statement.*

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies**

**A. The Reporting Entity**

The City of Mauldin (the “City”) is an incorporated municipality located in Greenville County, South Carolina that was established in 1890. The City operates under a council form of government.

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America, (“GAAP”), 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 City’s accounting policies are described below.

In conformity with GAAP as outlined above, the financial activities of the Mauldin Foundation, Inc. (a nonprofit organization) and the Mauldin Cultural Center Foundation, Inc. (a nonprofit organization) have been included in the financial reporting entity as discretely presented component units. The economic resources of these organizations are significant to the City and are entirely for the direct benefit of the City, the City’s component units, and the City’s constituents. The City is entitled to and has access to a majority of the economic resources of the organizations.

The Mauldin Foundation, Inc., (the “Foundation”) is a nonprofit organization whose purpose is to serve low to moderate-income families and the elderly. The Mauldin Cultural Center Foundation, Inc., (the “Center”) is a nonprofit organization whose purpose is to redevelop and operate the Mauldin Cultural Center. Each component unit has a single fund and does not issue separate financial statements; all activities of the component units have been incorporated into these financial statements.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the activities of the City of Mauldin (the “Primary Government”) and its component units. For the most part, the effect of interfund activity has been removed from these basic financial statements.

*Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely, to a significant extent, on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the City is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function, or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting and Basis of Presentation**

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

The government-wide statements are prepared using a different measurement focus from the manner in which governmental fund financial statements are prepared (see further detail below). Governmental fund financial statements therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Governmental **fund financial statements** are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if 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, expenditures related to claims and judgments and compensated absences 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 has been received by the City.

Fund financial statements report detailed information about the City. The focus of Governmental Fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

The accounts of the government are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. 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. There are a minimum number of funds maintained to keep the accounts consistent with legal and managerial requirements. The following major funds and fund types are used by the City.

**Governmental Fund Types** 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, a major fund**, is the general operating fund of the City and accounts for all revenues and expenditures of the City 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

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

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

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 *Sewer Fund, a major fund*, is the Special Revenue Fund used to account for the City's sewer department revenues and expenditures. This is a budgeted fund and any fund balance is considered a resource available for use in sewer operations.

The *Hospitality and Accommodations Fund, a major fund*, is the Special Revenue Fund used to account for proceeds from the City's Hospitality and Accommodations Tax. Allowable expenditures are made from the tax proceeds. This is a budgeted fund and any fund balance is considered a resource available for the specified uses.

The *Fire Fund, a major fund*, is the Special Revenue Fund used to account for the City's fire department and the Mauldin Fire Service Area. This is a budgeted fund and any fund balance is considered a resource available for use in fire service operations.

*Proprietary Fund Types* reflect net assets and revenues, expenses and changes in net assets using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis concept, revenues are recognized when earned and expenses are recognized when 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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the Government-Wide and Proprietary Fund financial statements to the extent that those standards do not conflict with or contradict guidance of the GASB. The City has elected to not to apply subsequent private sector guidance.

The *Property Management Fund, a major fund*, is an enterprise fund used to account for operations of facilities leased to the private sector.

**D. Assets, Liabilities and Equity**

**1. Cash, Cash Equivalents and Investments**

*Cash and Cash Equivalents*

For purposes of the financial statements, the City considers all highly liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents. Investments which consist of deposits in the South Carolina Local Government Investment Pool and a certificate of deposit are stated at fair value.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

*1. Cash, Cash Equivalents and Investments (Continued)*

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

*Investments*

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

- (a) Obligations of the United States and agencies thereof;
- (b) General obligations of the State of South Carolina or any of its political units;
- (c) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government;
- (d) Certificates of Deposit and funds in deposit accounts with banking institutions provided that such certificates and funds in deposit accounts are collaterally secured by securities of the type described in (a) and (b) above, held by a third party as escrow agent, or custodian of a market value, not less than the amount of the certificates or funds in deposit accounts so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government;
- (e) Collateralized repurchase agreements when collateralized by securities as set forth in (a) and (b) above and held by the City or a third party as escrow agent or custodian; and
- (f) South Carolina Pooled Investment Fund established and maintained by the State Treasurer. No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of 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 a., b., and e. 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. The City has certain funds invested with the South Carolina State Treasurer's Office, which established the South Carolina Local Government Investment Pool (the "Pool") pursuant to Section 6-6-10 of the South Carolina Code. The Pool 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 Pool is a Rule 2a 7-like pool which is not registered with the Securities and Exchange Commission (SEC) as 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

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

**2. Cash, Cash Equivalents and Investments (Continued)**

***Investments (Continued)***

*for External Investment Pools,*” investments are carried at fair value determined annually based upon quoted market prices. The total fair value of the Pool 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.

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable.

**2. Receivables and Payables**

Transactions between funds that are representative of reimbursement arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Activity between funds that represent lending/borrowing arrangements outstanding at the fiscal year end are referred to as "due to/from other funds" (for the current portion of interfund loans) or “advances to/from other funds” (for the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Other receivables represent amounts due to the City for franchise fees and business licenses and amounts due from citizens for sewer and other services. All trade and property taxes receivable are shown net of an allowance for uncollectible accounts.

**3. 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 governmental-wide financial statements.

Annual leave, (vacation leave) may be accumulated to a maximum of 240 hours per fiscal year. At the end of the fiscal year, any employee with more than 240 hours of accumulated vacation leave shall have the excess converted to sick leave so that no more than 240 hours is carried forward. The maximum amount of vacation leave for a firefighter to carry forward is 213.75 hours.

On the government-wide financial statements, compensated absences are accounted for as current and long-term portions of debt. Only absences expected to be paid within one year or less are recorded as current. Only balances that have matured are reported in the governmental funds.

Sick leave is earned on a monthly basis. Sick leave is allowed to accumulate without a maximum limitation. Accumulated sick leave is lost upon termination; however, up to 90 days credit for unused sick leave may be added to length of service at retirement according to state retirement system guidelines. There is no cost to the City or employees for this credit. One month of service credit is granted for each 20 days of sick leave.

CITY OF MAULDIN, SOUTH CAROLINA  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

**3. Compensated Absences (Continued)**

Until fiscal year 2003, retirees with at least ten years of experience could accumulate accrued sick time to an account in their name, at their rate of pay. This account could have been drawn on monthly for up to 50% of retirement medical insurance premiums. When this account was drawn down to zero, the retiree would be responsible for the entire amount of their insurance premium. As of June 30, 2008, the city had no retired employees still in this plan. Sick leave accounts used to pay for these retirees' insurance was fully depleted during the year ended June 30, 2008 and has no liability related to the plan for the year then ended.

**4. Capital Assets**

General capital assets are those assets specifically related to activities reported in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets, but are not reported in the 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 their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000 for furniture and equipment, vehicles, land improvements and buildings and improvements. 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 during the construction of capital assets is not capitalized in governmental activities.

Infrastructure capital assets include streets, curbs, sidewalks, sewer lines, streetlights, signs, signals, and storm drains. Major infrastructure assets – streets and curbs, and sewer lines – have been retroactively added to capital assets, including applicable depreciation. All infrastructure assets that meet the capitalization threshold of \$5,000 are recorded as capital assets.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete, at which time the complete costs of the project are transferred to the appropriate capital asset category. 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:

Description	Governmental Activities Estimated Lives
Buildings and Improvements	10-50 years
Furniture and Equipment	3-15 years
Vehicles	5-15 years
Infrastructure	15-50 years

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

**5. *Accrued Liabilities and Long-Term Obligations***

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and proprietary fund types. Bond issuance costs are reported as deferred charges and amortized of the term of the debt.

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, non-current 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.

**6. *Deferred Revenue***

Deferred Revenue represents receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

**7. *Fund Equity***

In the fund financial statements, governmental funds report reservation of those portions of fund balance that are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance, which is available for appropriation in future periods. Designations of fund equity represent tentative management plans that are subject to change.

**8. *Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, 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, the proceeds of which have not been spent, is included in the same net assets component as the unspent proceeds.

Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

**9. *Prepaid Items***

The City accounts for prepaid expenditures using the consumption method.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**I. Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities and Equity (Continued)**

**10. 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.

**11. Restricted Assets**

Certain assets are classified as restricted assets on the statement of net assets and governmental balance sheets because their use is restricted by legal or contractual requirements. Net assets restricted by enabling legislation total \$2,243,907 at June 30, 2008.

**12. Comparative Data/Reclassifications**

Comparative data (i.e., presentation of prior year totals by fund type) have not been presented in the statements since their inclusion would make the statements unduly complex and difficult to read.

**II. Stewardship, Compliance and Accountability**

**A. Budgetary Information**

**Budgetary Practices** - Budgets are presented in the supplementary section of the financial statements section for the General Fund, Sewer Fund, Fire Fund and Hospitality and Accommodations Fund.

Each budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

During the months of February and March, the City department heads develop departmental operating budgets, while the Management and Finance Departments develop revenue forecasts. During March and April, the City Administrator reviews the department budgets and revenue forecasts. After various refinements and reviews, a proposed budget is presented to the City Council. After two readings during May and June, for which public notices have been announced, the City Council adopts an annual budget ordinance for the General Fund. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

During the year, accountability for the budget for each department is primarily the responsibility of the department head. The City Administrator has the authority to transfer funds within departments, but funds can only be transferred between departments by approval of the City Council. The legal level of budgetary control is at the department level, as reflected in the required supplementary information. The presented budgetary information is as originally adopted or as amended by the City Council. During the year, the City Council revised the budget.

At the year-end, unencumbered balances of appropriations lapse into the unappropriated fund balance.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**III. Detailed Notes for all Funds**

**A. Deposits and Investments**

*Deposits*

**Custodial Credit Risk for Deposits:** Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City does not have a deposit policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina. As of June 30, 2008, of the City's had cash on hand of hand \$1,265. The City's bank balances were \$1,402,385 (which had a carrying value of \$1,222,214). All bank balances were either covered by federal deposit insurance or were collateralized. The City had deposits with the South Carolina Local Government Investment Pool totaling \$7,409,504 at June 30, 2008. Total cash and cash equivalents were \$8,632,984 at June 30, 2008.

The City does not typically put its funds in security investments and thus has not developed a policy for credit risk, custodial credit risk or concentration of credit risk for these types of investments.

The Cultural Center Foundation component unit has bank balances and book balances of \$111,416 at June 30, 2008. Of the balance, \$100,000 was covered by federal deposit insurance.

**B. Property Taxes and Other Receivables**

City Council sets the property tax millage for City by ordinance. Millage for the Fire Service Area is set by Greenville County, South Carolina (the "County") based upon the request from the City of Mauldin. The County by agreement with the City collects property taxes on behalf of the City. Property taxes are considered both measurable and available for purposes of recognizing revenue and a receivable from the County at the time they are collected by the County.

Property taxes are levied and billed by the County on real and personal properties on October 1 based on an assessed value of approximately \$77.5 million at the rate of 51.7 mills and \$61.4 million at the rate of 20.2 mills for the City and surrounding Fire District, respectively. These taxes are due without penalty through January 15. Penalties are added to taxes depending on the date paid as follows:

January 16 through February 1	-	3% of tax
February 2 through March 15	-	10% of tax
After March 15	-	15% of tax plus collection cost

Current year real and personal property taxes become delinquent on March 16. Unpaid property taxes become a lien against the property as of June 1 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.

Property taxes receivable includes an allowance for uncollectible amounts of \$35,945 at June 30, 2008. Allowances for uncollectible accounts were not necessary for the other receivable accounts.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

**III. Detailed Notes for all Funds (Continued)**

**B. Property Taxes and Other Receivables (Continued)**

At June 30, 2008, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Delinquent Property Taxes Receivable (unavailable revenue):	
General Fund	\$ 249,716
Fire Fund	83,294
	333,010
Prepaid Membership Fees (unearned revenue):	
Sports Center Fund	47,900
Total Deferred Revenue for Governmental Funds	\$ 380,910

**C. Capital Assets**

Capital asset activity for the City for the year ended June 30, 2008, was as follows:

	Beginning Balance June 30, 2007	Increases	Decreases	Ending Balance June 30, 2008
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,290,431	\$ 203,126	\$ -	\$ 1,493,557
Construction in Progress	246,955	422,326	238,160	431,121
Total Capital Assets, Not Being Depreciated	1,537,386	625,452	238,160	1,924,678
Capital Assets, Being Depreciated:				
Buildings and Improvements	16,621,077	238,160	-	16,859,237
Equipment and Vehicles	6,926,576	615,903	224,478	7,318,001
Infrastructure	39,245,208	402,272	-	39,647,480
Total Capital Assets Being Depreciated	62,792,861	1,256,335	224,478	63,824,718
Less: Accumulated Depreciation for:				
Buildings and Improvements	5,179,764	458,165	-	5,637,929
Equipment and Vehicles	4,040,899	472,890	165,898	4,347,891
Infrastructure	30,377,978	1,922,956	-	32,300,934
Total Accumulated Depreciation	39,598,641	2,854,011	165,898	42,286,754
Total Capital Assets, Being Depreciated, Net	23,194,220	(1,597,676)	58,580	21,537,964
Governmental Activities Capital Assets, Net	\$ 24,731,606	\$ (972,224)	\$ 296,740	\$ 23,462,642
<b>Business-Type Activities</b>				
Capital Assets, Not Being Depreciated				
Land	\$ 625,000	\$ -	\$ -	\$ 625,000
Total Capital Assets, Not Being Depreciated	625,000	-	-	625,000
Capital Assets, Being Depreciated:				
Buildings and Improvements	134,592	-	-	134,592
Less: Accumulated Depreciation	15	2,699		2,714
Total Capital Assets Being Depreciated	134,577	(2,699)	-	131,878
Business-Type Activities Capital Assets, Net	\$ 759,577	\$ (2,699)	\$ -	\$ 756,878
<b>Component Unit (Mauldin Foundation, Inc.):</b>				
Furniture and Equipment	\$ 81,199	\$ -	\$ -	\$ 81,199
Less: Accumulated Depreciation	73,073	3,442	-	76,515
Total Capital Assets, Being Depreciated, Net	\$ 8,126	\$ (3,442)	\$ -	\$ 4,684

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

**III. Detailed Notes for all Funds (Continued)**

**C. Capital Assets (Continued)**

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

<b>Governmental Activities:</b>	<u><b>Depreciation Expense</b></u>
General Government	\$ 178,561
Public Safety	315,483
Streets	1,869,082
Sanitation	144,978
Sewer	109,143
Culture, Recreation and Tourism	236,764
Total Depreciation Expense - Governmental Activities	<u><u>\$ 2,854,011</u></u>
<b>Business-Type Activities:</b>	
Property Management	\$ 2,699
Total Depreciation Expense - Business-Type Activities	<u><u>\$ 2,699</u></u>
<b>Component Unit:</b>	
Mauldin Foundation, Inc.	\$ 3,442
Total Depreciation Expense - Component Unit	<u><u>\$ 3,442</u></u>

**D. Long-Term Obligations**

The following is a summary of changes in the City's long-term obligations for the year ended June 30, 2008:

<u>Long-Term Obligations</u>	<u>June 30,</u> <u>2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30,</u> <u>2008</u>	<u>Due Within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
General Obligation Bonds	\$ 2,485,000	\$ -	\$ 210,000	\$ 2,275,000	\$ 220,000
Certificate of Participation	3,102,500	-	213,750	2,888,750	218,500
Capital Leases	89,148	123,083	89,148	123,083	29,002
Accrued Compensated Absences	448,434	496,748	445,976	499,206	274,601
Total Governmental Activities	<u>6,125,082</u>	<u>619,831</u>	<u>958,874</u>	<u>5,786,039</u>	<u>\$ 742,103</u>
<b>Business Type Activities:</b>					
Capital Lease	750,000	-	20,023	729,977	21,258
Total Business Type Activities	<u>750,000</u>	<u>-</u>	<u>20,023</u>	<u>729,977</u>	<u>21,258</u>
Total Debt	<u><u>\$ 6,875,082</u></u>	<u><u>\$ 619,831</u></u>	<u><u>\$ 20,023</u></u>	<u><u>\$ 6,516,016</u></u>	<u><u>\$ 763,361</u></u>

Governmental Activities long-term obligations are typically paid from General Fund revenues. The Certificate of Participation is paid out of the Hospitality & Accommodations Fund and all Business Type Activities are paid from the Enterprise Fund. Compensated absences have generally been paid from the General Fund.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**III. Detailed Notes for all Funds (Continued)**

**D. Long-Term Obligations (Continued)**

Bonds payable at June 30, 2008, were comprised of the following:

Obligation	Principal Balance
<u>General Obligation Bond - Series 2001</u>	
Due in twenty (20) annual installments with varying amount of principal between \$125,000 and \$250,000 beginning September, 2001, and ending March, 2021, with interest at 4.69%.	\$ 2,275,000

The annual requirements to amortize bonds payable outstanding at June 30, 2008, are as follows:

Year Ending June 30	Principal	Interest	Totals
2009	\$ 220,000	\$ 106,698	\$ 326,698
2010	225,000	96,380	321,380
2011	230,000	85,827	315,827
2012	250,000	75,040	325,040
2013	125,000	63,315	188,315
2014-2018	710,000	223,713	933,713
2019-2021	515,000	49,011	564,011
Totals	\$ 2,275,000	\$ 699,984	\$ 2,974,984

**Capital Leases:**

The City is obligated under one vehicle capital lease. Assets under capital lease (vehicle) had a net book value of \$122,783 at June 30, 2008.

Year Ending June 30	Principal	Interest	Totals
2009	\$ 29,002	\$ 4,874	\$ 33,876
2010	30,151	3,725	33,876
2011	31,344	2,532	33,876
2012	32,586	1,290	33,876
Totals	\$ 123,083	\$ 12,421	\$ 135,504

**Certificates of Participation:**

The City is obligated under a Certificate of Participation (“COPs”) for the construction of the Sports Center. The COPs had an outstanding balance of \$2,888,750 at June 30, 2008. Annual remaining principal payments range from \$218,500 to \$309,750 through April 2019, with semi-annual interest payments due at an annual interest rate of 3.971%.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**III. Detailed Notes for all Funds (Continued)**

**D. Long-Term Obligations (Continued)**

The annual requirements to amortize bonds payable outstanding at June 30, 2008, are as follows:

Year Ending June 30	Principal	Interest	Totals
2009	\$ 218,500	\$ 114,712	\$ 333,212
2010	223,750	106,036	329,786
2011	232,750	97,150	329,900
2012	242,000	87,908	329,908
2013	251,500	78,298	329,798
2014-2018	1,410,500	233,396	1,643,896
2019-2021	309,750	12,300	322,050
Totals	<u>\$ 2,888,750</u>	<u>\$ 729,800</u>	<u>\$ 3,618,550</u>

**Business Type Long Term Obligations:**

**Capital Lease:**

The City entered an installment purchase agreement for the purchase of real property during the year ended June 30, 2007. The agreement is subject to annual appropriation by the City and may under the terms of the agreement be terminated. The agreement is a capital lease with an original balance of \$750,000 with a term of twenty (20) years. Monthly Installments are due on the first of each month and continue through June 1, 2027, with periodic interest required at 6% per annum.

The annual requirements to amortize the capital lease payable outstanding and interest components at June 30, 2008, are as follows:

Year Ending June 30	Principal	Interest	Totals
2009	21,258	43,221	64,479
2010	22,570	41,909	64,479
2011	23,962	40,517	64,479
2012	25,440	39,039	64,479
2013	27,009	37,470	64,479
2014-2018	162,183	160,211	322,394
2019-2023	218,760	103,633	322,393
2024-2027	228,795	29,123	257,918
Totals	<u>\$ 729,977</u>	<u>\$ 495,123</u>	<u>\$ 1,225,100</u>

The City may exercise an option to pay the balance of the purchase price in full beginning July 1, 2017 for the outstanding balance of the purchase price at the time of exercising the option, plus additional costs required under the terms of the agreement. The depreciated carrying value of the assets acquired under the capital lease totaled \$759,509 at June 30, 2008. See note IV. F for further information regarding the agreement.

CITY OF MAULDIN, SOUTH CAROLINA  
 NOTES TO THE FINANCIAL STATEMENTS  
 YEAR ENDED JUNE 30, 2008

**III. Detailed Notes on all Funds (Continued)**

**E. Defeased Bonds**

On June 26, 2001, the City issued \$3,560,000 general obligation refunding bonds with an interest rate of 4.69% to advance refund \$1,160,000 of outstanding general obligation (Series 1997) bonds, and retire \$2,350,000 of Bond Anticipation Notes dated July 28, 2000. The City used the net proceeds to (a) pay in full the Bond Anticipation Note of \$2,350,000 and; (b) purchase US Government Securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 1997 Series bonds. As a result, that portion of the 1997 Series bonds was considered defeased, and the liability for those issues was removed from the balance sheet. The 1997 Series bonds are repaid in full at June 30, 2008.

**F. Accounts Payable and Accrued Liabilities**

The significant components of accounts payable and accrued liabilities at June 30, 2008, consisted of the following:

<b>Governmental Activities:</b>	<b>Liability</b>
Accounts Payable	\$ 572,895
Accrued Salaries and Fringes	145,764
Total Accounts Payable and Accrued Liabilities - Governmental Activities	\$ 718,659

**G. Mauldin Fire Service Area**

The Mauldin Fire Service Area is operated by the City of Maudlin under terms of an agreement with the County, which established the service area in 1984 to provide fire protection in certain unincorporated areas of Greenville County near the City of Mauldin. The County levies tax mileage for the Fire Service Area and remits the tax collected to the City. This revenue is labeled "Fire District" revenue in the accompanying governmental funds financial statements.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

**III. Detailed Notes on all Funds (Continued)**

**H. Interfund Receivables and Payables and Transfers**

Interfund balances at June 30, 2008, consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
General Fund	\$ 511,073	\$ 1,160,065
Sewer Fund	-	238,530
Hospitality and Accommodations Fund	1,062,952	-
Fire Fund	-	76,458
Alcohol Enforcement	1,171	-
Police Explorers	470	-
Employee Health	70,479	-
Traffic Safety	-	36,015
Sports Center	-	86,825
Victims' Assistance	22,261	-
Police Community Fund	2,731	-
Capital Projects Fund	-	61,068
Total - Governmental Funds	1,671,137	1,658,961
Property Management Fund	-	12,176
Total - Proprietary Fund	-	12,176
Total	\$ 1,671,137	\$ 1,671,137

The outstanding balances between funds result mainly from the time lag between the dates the interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. The amount payable from the Property Management Fund to the General Fund for \$12,176 is not expected to be repaid within one year.

The transfers among funds for the year ended June 30, 2008, were as follows:

<u>Transfers Out:</u>	Transfers In:			<u>Total</u>
	<u>General Fund</u>	<u>Fire Fund</u>	<u>Non-Major Governmental</u>	
General Fund	\$ -	\$ 1,341,813	\$ 987,866	\$ 2,329,679
Hospitality and Accommodations	336,996	-	215,000	551,996
Total	\$ 336,996	\$ 1,341,813	\$ 1,202,866	\$ 2,881,675

The City funded the portion of the Fire Service Area within the City's corporate limits by transfer to the Fire Fund. The General, Fire, and Hospitality and Accommodations Funds funded debt service requirements by transfers to the non-major Debt Service Fund. The Hospitality and Accommodations Fund transferred to the Capital Projects to fund projects. The General Fund transferred to the non-major Employee Health, Traffic Safety, Cultural Center Operations Fund to fund operations and capital asset acquisition.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2008

**IV. Other Information**

**A. Retirement Plan**

*Plan Description* – Substantially all City employees are members of the South Carolina Retirement System (SCRS) or the Police Officers Retirement System (PORS). The South Carolina Retirement System and the Police Officers Retirement System are cost-sharing multi-employer defined benefit pension plans administered by the South Carolina Retirement Systems; a division of the South Carolina State Budget and Control Board.

Both systems offer retirement and disability benefits, cost of living adjustments on an ad-hoc basis, life insurance benefits and survivor benefits. The Plans' provisions are established under Title 9 of the SC Code of Laws. Only the South Carolina State Budget and Control Board has the authority to establish and amend benefits. Comprehensive Annual Financial Reports containing financial statements and required supplementary information for the Systems are issued and publicly available by writing the South Carolina Retirement System, P.O. Box 11960, Columbia, SC 29211-1960.

*Funding Policy* – Both employees and employers are required to contribute to the Plan under authority of Title 9 of the SC Code of Laws. Employee contributions to the Plans are as follows: SCRS – 6.5% of salary;

PORS Class II – 6.5% of salary; PORS Class I – \$21 per month. Employers are required to contribute at the following actuarially determined rates: SCRS State Agencies & Public Schools – 8.05%; local government 8.05%; PORS Class II – 10.3%; PORS Class I – 7.8%. In addition to the above rates, participating employers of the South Carolina Retirement System contribute .15% of payroll to provide a group life insurance benefit for their participants and .2% for group life and .2% for accidental death for participants in PORS.

All employers contribute at the actuarially required contribution rates. The City contributed amounts equal to the required contribution and PORS of \$594,297, \$496,568, and \$426,448, for the years ended June 30, 2008, 2007, and 2006, respectively. Only the South Carolina State Budget and Control Board has authority to establish and amend the funding policy.

**B. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees' and natural disasters. The City purchases commercial insurance to cover these liabilities. Additionally, the City purchases commercial insurance to cover employee health insurance benefits. 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.

**C. Grants**

The City participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of program expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

CITY OF MAULDIN, SOUTH CAROLINA  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2008

**IV. Other Information (Continued)**

**D. Excess of Expenditures over Appropriations**

For the fiscal year ended June 30, 2008, General Fund expenditures exceeded the budget for Recreation. The Sports Center Fund (a non-major fund) had a deficit in unreserved undesignated fund balance of \$133,672. The City expects the deficit to be eliminated as the Sports Center's membership base grows and fees are increased.

**E. Commitments and Contingencies**

The City's installment purchase agreement (business-type activities capital lease) with a private entity (the "Company") provides that upon the death of the Company's sole member and manager, the Company may exercise the option to require the City to pay in full all of the then outstanding balance of the purchase price plus additional costs as defined by the agreement. See note III. D for further information regarding the agreement.

**F. Transactions with Component Units**

The City provided \$117,203 to the Mauldin Foundation, Inc. for operation of the Foundation's programs and services. The Mauldin Cultural Center Foundation, Inc. funded capital improvements to the City's Cultural Center facilities. The improvements have been recognized as a contribution of capital assets from the Mauldin Cultural Center Foundation, Inc. totaling \$32,445 to the City's Governmental Activities.

**G. New Accounting Pronouncement**

The Governmental Accounting Standards Board has issued Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", which will be effective for the City for the year ending June 30, 2009. The City offers retired employees the opportunity to purchase group health insurance. The rates applicable to retirees are the same as for active employees; therefore, an implicit rate subsidy exists which must be accounted for under the requirements of Statement No. 45. The effect of the change in standard is not expected to have a material effect on the financial statements of the City.

## REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MAULDIN, SOUTH CAROLINA

GENERAL FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2008

	Original Budget	Revised Budget	Actual	Variance
<b>Revenue</b>				
Local Taxes	\$ 5,147,000	\$ 5,147,000	\$ 4,896,936	\$ (250,064)
Business Licenses	2,611,000	2,611,000	2,874,062	263,062
Permits and Fees	1,379,500	1,379,500	1,399,629	20,129
Grants	437,500	437,500	36,697	(400,803)
Greenville County School District	82,000	82,000	82,000	-
Greenville County Paving	280,000	280,000	130,264	(149,736)
State Shared Revenue	508,800	508,800	556,409	47,609
Fines	279,484	279,484	271,602	(7,882)
Recreation Fees	131,000	131,000	125,225	(5,775)
Recycling	30,000	30,000	49,852	19,852
Interest	250,000	250,000	226,113	(23,887)
Charges for Services	14,505	14,505	3,135	(11,370)
Other	51,790	51,790	65,247	13,457
<b>Total Revenue</b>	<u>11,202,579</u>	<u>11,202,579</u>	<u>10,717,171</u>	<u>(485,408)</u>
<b>Expenditures</b>				
Current:				
City Council	141,077	141,076	138,140	2,936
Administration	559,252	591,086	586,424	4,662
Judicial	313,518	318,392	286,591	31,801
Building and Zoning	318,804	328,631	302,651	25,980
Police	2,916,132	2,985,327	2,983,685	1,642
Street	857,934	872,054	858,922	13,132
Sanitation	1,420,488	1,451,391	1,420,069	31,322
Recreation	667,701	681,132	729,522	(48,390)
Building Maintenance	197,190	203,307	199,259	4,048
Parks Maintenance	593,866	606,377	597,168	9,209
Non-Departmental	53,500	53,500	53,161	339
Capital Outlay	407,874	414,950	400,935	14,015
<b>Total Expenditures</b>	<u>8,447,336</u>	<u>8,647,223</u>	<u>8,556,527</u>	<u>90,696</u>
Excess of Revenue Over Expenditures	2,755,243	2,555,356	2,160,644	(394,712)
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	125,000	128,230	3,230
Proceeds from capital lease financing	140,000	140,000	123,083	(16,917)
Transfers from other Funds	293,901	293,901	336,996	43,095
Transfers to other Funds	(2,908,427)	(3,033,427)	(2,329,679)	703,748
<b>Total Other Financing Sources (Uses)</b>	<u>(2,474,526)</u>	<u>(2,474,526)</u>	<u>(1,741,370)</u>	<u>733,156</u>
<b>Net Change in Fund Balance</b>	<b>280,717</b>	<b>80,830</b>	<b>419,274</b>	<b>338,444</b>
Fund Balance, Beginning of Year	6,073,694	6,073,694	6,073,694	-
<b>Fund Balance, End of Year</b>	<u><b>\$ 6,354,411</b></u>	<u><b>\$ 6,154,524</b></u>	<u><b>\$ 6,492,968</b></u>	<u><b>\$ 338,444</b></u>

The accompanying notes to required supplementary information are an integral part of this schedule.

CITY OF MAULDIN, SOUTH CAROLINA

SEWER FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL  
YEAR ENDED JUNE 30, 2008

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>				
Sewer Maintenance Fee	\$ 615,000	\$ 615,000	\$ 629,183	\$ 14,183
Intergovernmental	-	-	29,500	29,500
Interest	45,000	45,000	25,530	(19,470)
Total Revenue	<u>660,000</u>	<u>660,000</u>	<u>684,213</u>	<u>24,213</u>
<b>Expenditures</b>				
Current:				
Sewer Maintenance, Repair and Rehabilitation	488,240	494,896	398,503	96,393
Capital Outlay	333,718	367,753	283,587	84,166
Total Expenditures	<u>821,958</u>	<u>862,649</u>	<u>682,090</u>	<u>180,559</u>
<b>Other Financing Uses</b>				
Transfers from other Funds	161,958	161,958	-	161,958
Total Other Financing Uses	<u>161,958</u>	<u>161,958</u>	<u>-</u>	<u>161,958</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>(40,691)</u>	<u>2,123</u>	<u>42,814</u>
Fund Balance, Beginning of Year	<u>1,055,579</u>	<u>1,055,579</u>	<u>1,055,579</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u><b>\$ 1,055,579</b></u>	<u><b>\$ 1,014,888</b></u>	<u><b>\$ 1,057,702</b></u>	<u><b>\$ 42,814</b></u>

*The accompanying notes to required supplementary information are an integral part of this schedule.*

CITY OF MAULDIN, SOUTH CAROLINA

HOSPITALITY AND ACCOMMODATIONS FUND

SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>				
Hospitality Tax	\$ 584,000	\$ 584,000	\$ 587,646	\$ 3,646
Accommodations Tax	19,000	19,000	18,780	(220)
Interest	40,000	40,000	22,801	(17,199)
Total Revenue	<u>643,000</u>	<u>643,000</u>	<u>629,227</u>	<u>(13,773)</u>
<b>Expenditures</b>				
Current:				
Tourism Related Promotions, Parks and Cultural Services	15,000	16,500	21,086	4,586
Total Expenditures	<u>15,000</u>	<u>16,500</u>	<u>21,086</u>	<u>4,586</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	628,000	626,500	608,141	(18,359)
<b>Other Financing Sources (Uses)</b>				
Transfers to other Funds	(628,000)	(843,000)	(551,996)	291,004
Total Other Financing Sources (Uses)	<u>(628,000)</u>	<u>(843,000)</u>	<u>(551,996)</u>	<u>291,004</u>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(216,500)</b>	<b>56,145</b>	<b>272,645</b>
Fund Balance, Beginning of Year	1,099,432	1,099,432	1,099,432	-
<b>Fund Balance, End of Year</b>	<b><u>\$ 1,099,432</u></b>	<b><u>\$ 882,932</u></b>	<b><u>\$ 1,155,577</u></b>	<b><u>\$ 272,645</u></b>

*The accompanying notes to required supplementary information are an integral part of this schedule.*

CITY OF MAULDIN, SOUTH CAROLINA

FIRE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL  
YEAR ENDED JUNE 30, 2008

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>				
Local Taxes	\$ 1,245,000	\$ 1,245,000	\$ 1,403,215	\$ 158,215
Other Taxes	28,500	28,500	34,358	5,858
Fire Protection Contracts	47,750	47,750	47,750	-
Other Income	-	5,000	5,000	-
<b>Total Revenue</b>	<u>1,321,250</u>	<u>1,326,250</u>	<u>1,490,323</u>	<u>164,073</u>
<b>Expenditures</b>				
Current:				
Fire Service Area	2,250,253	2,318,006	2,461,918	(143,912)
Capital Outlay	323,350	419,639	17,938	401,701
<b>Total Expenditures</b>	<u>2,573,603</u>	<u>2,737,645</u>	<u>2,479,856</u>	<u>257,789</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from other Funds	1,252,353	1,347,661	1,341,813	(5,848)
<b>Total Other Financing Sources (Uses)</b>	<u>1,252,353</u>	<u>1,347,661</u>	<u>1,341,813</u>	<u>(5,848)</u>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(63,734)</b>	<b>352,280</b>	<b>416,014</b>
Fund Balance, Beginning of Year	-	-	-	-
<b>Fund Balance, End of Year</b>	<u><u>\$ -</u></u>	<u><u>\$ (63,734)</u></u>	<u><u>\$ 352,280</u></u>	<u><u>\$ 416,014</u></u>

*The accompanying notes to required supplementary information are an integral part of this schedule.*

CITY OF MAULDIN, SOUTH CAROLINA

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2008

A. Each budget is presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

## OTHER SUPPLEMENTARY INFORMATION

CITY OF MAULDIN, SOUTH CAROLINA  
 COMBINING BALANCE SHEET  
 NON MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2008

	Cultural Center	Alcohol Enforcement	Police Explorers	Traffic Safety	Employee Health	Sports Center	Victims' Assistance	Police Community Fund	Police Forfeitures and Seizures	Total Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Total Non Major Funds
Assets													
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 587	\$ -	\$ -	\$ -	\$ -	\$ 61,068	\$ -	\$ 61,655
Receivables, Net:													
Accounts	-	-	-	-	-	466	-	-	-	466	-	-	466
Other	-	-	-	-	21,646	-	-	-	-	21,646	-	-	21,646
Due from Other Funds	-	1,171	470	-	70,479	-	-	2,731	-	74,851	-	-	74,851
Restricted Assets:													
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	18,439	18,439	-	-	18,439
Due from Other Funds	-	-	-	-	-	-	22,261	-	-	22,261	-	-	22,261
Other Governments	-	-	-	36,015	-	-	-	-	-	36,015	-	-	36,015
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,171</b>	<b>\$ 470</b>	<b>\$ 36,015</b>	<b>\$ 92,125</b>	<b>\$ 1,053</b>	<b>\$ 22,261</b>	<b>\$ 2,731</b>	<b>\$ 18,439</b>	<b>\$ 174,265</b>	<b>\$ 61,068</b>	<b>\$ -</b>	<b>\$ 235,333</b>
Liabilities and Fund Balances													
Liabilities:													
Due to other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,825	\$ -	\$ -	\$ -	\$ -	\$ 61,068	\$ -	\$ 147,893
Liabilities Payable from Restricted Assets:													
Police Seizures	-	-	-	-	-	-	-	-	10,072	10,072	-	-	10,072
Due to other Funds	-	-	-	36,015	-	-	-	-	-	36,015	-	-	36,015
Deferred Revenue	-	-	-	-	-	47,900	-	-	-	47,900	-	-	47,900
Total Liabilities	-	-	-	36,015	-	134,725	-	-	10,072	180,812	61,068	-	241,880
Fund Balances:													
Unreserved:													
Undesignated	-	1,171	470	-	92,125	(133,672)	22,261	2,731	8,367	(6,547)	-	-	(6,547)
Total Fund Balances	-	1,171	470	-	92,125	(133,672)	22,261	2,731	8,367	(6,547)	-	-	(6,547)
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 1,171</b>	<b>\$ 470</b>	<b>\$ 36,015</b>	<b>\$ 92,125</b>	<b>\$ 1,053</b>	<b>\$ 22,261</b>	<b>\$ 2,731</b>	<b>\$ 18,439</b>	<b>\$ 174,265</b>	<b>\$ 61,068</b>	<b>\$ -</b>	<b>\$ 235,333</b>

CITY OF MAULDIN, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2008

	Cultural Center Operations	Alcohol Enforcement	Police Explorers	Traffic Safety	Employee Health	Sports Center	Victims' Assistance	Police Community Fund	Police Forfeitures and Seizures	Total Special Revenue Funds	Capital Projects Fund	Debt Service Fund	Total Non Major Funds
<b>Revenue</b>													
Fines and Forfeitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,909	\$ -	\$ 5,388	\$ 42,297	\$ -	\$ -	\$ 42,297
Membership Fees	-	-	-	-	-	533,303	-	-	-	533,303	-	-	533,303
Intergovernmental	-	1,536	-	107,047	-	-	-	-	-	108,583	200,000	-	308,583
Other Income	5,000	-	1,071	-	-	10,719	-	3,953	-	20,743	5,000	-	25,743
Interest	-	-	-	-	-	-	-	-	52	52	3,264	-	3,316
<b>Total Revenue</b>	<b>5,000</b>	<b>1,536</b>	<b>1,071</b>	<b>107,047</b>	<b>-</b>	<b>544,022</b>	<b>36,909</b>	<b>3,953</b>	<b>5,440</b>	<b>704,978</b>	<b>208,264</b>	<b>-</b>	<b>913,242</b>
<b>Expenditures</b>													
Current:													
Administration	32,120	-	-	-	2,875	-	-	-	-	34,995	-	-	34,995
Police	-	365	601	81,506	-	-	-	2,280	13,260	98,012	-	-	98,012
Recreation	-	-	-	-	-	608,690	-	-	-	608,690	-	-	608,690
Victims' Assistance	-	-	-	-	-	-	27,457	-	-	27,457	-	-	27,457
Capital Outlay	-	-	-	-	-	1,095	-	-	-	45,983	512,320	-	558,303
Debt Service:	-	-	-	-	-	-	-	-	-	-	-	512,897	512,897
Principal	-	-	-	-	-	-	-	-	-	-	-	242,113	242,113
Interest	-	-	-	-	-	-	-	-	-	-	-	2,333	2,333
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>32,120</b>	<b>365</b>	<b>601</b>	<b>126,394</b>	<b>2,875</b>	<b>609,785</b>	<b>27,457</b>	<b>2,280</b>	<b>13,260</b>	<b>81,513</b>	<b>512,320</b>	<b>757,343</b>	<b>2,084,800</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,120)	1,171	470	(19,347)	(2,875)	(65,763)	9,452	1,673	(7,820)	(110,159)	(304,056)	(757,343)	(1,171,558)
<b>Other Financing Sources</b>													
Transfers from other Funds	27,120	-	-	19,347	95,000	-	-	-	-	141,467	304,056	757,343	1,202,866
Total Other Financing Sources	27,120	-	-	19,347	95,000	-	-	-	-	141,467	304,056	757,343	1,202,866
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>1,171</b>	<b>470</b>	<b>(65,763)</b>	<b>92,125</b>	<b>(65,763)</b>	<b>9,452</b>	<b>1,673</b>	<b>(7,820)</b>	<b>31,308</b>	<b>-</b>	<b>-</b>	<b>31,308</b>
Fund Balances, Beginning of Year	-	-	-	(67,909)	-	12,809	1,058	16,187	-	(37,855)	-	-	(37,855)
<b>Fund Balances, End of Year</b>	<b>-</b>	<b>1,171</b>	<b>470</b>	<b>(133,672)</b>	<b>\$ 92,125</b>	<b>\$ (133,672)</b>	<b>\$ 22,261</b>	<b>\$ 2,731</b>	<b>\$ 8,367</b>	<b>\$ (6,547)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (6,547)</b>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF GENERAL FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Current</b>			
City Council:			
Salaries	\$ 52,976	\$ 51,168	\$ 1,808
FICA	3,246	3,749	(503)
Retirement	3,479	2,623	856
Group Insurance	5,154	3,923	1,231
Attorney Fees	26,000	25,843	157
Chamber Support	10,625	10,625	-
Services and Contracts	2,400	2,400	-
Liability Insurance	2,835	3,492	(657)
Workers' Compensation	886	523	363
Mayor's Miscellaneous Expenditures	1,425	698	727
Telephone	4,000	2,712	1,288
Travel	18,050	6,514	11,536
Other Expenditures	10,000	23,870	(13,870)
Total City Council	<u>141,076</u>	<u>138,140</u>	<u>2,936</u>
Administration:			
Salaries	369,556	343,455	26,101
FICA	27,133	25,995	1,138
Administrator Benefits	5,000	-	5,000
Retirement	30,385	30,385	-
Group Insurance	32,374	30,594	1,780
Workers' Compensation	4,190	4,092	98
Contracts and Services	46,000	58,015	(12,015)
IT Development and Support	4,900	17,832	(12,932)
Employee Training	11,500	8,979	2,521
Gas and Oil	1,500	649	851
Liability Insurance	1,320	1,320	-
Postage	4,000	5,856	(1,856)
Repair and Maintenance	300	279	21
Special Projects	15,000	15,087	(87)
Supplies	13,000	16,710	(3,710)
Telephone	3,365	4,728	(1,363)
Other Expenditures	21,563	22,448	(885)
Total Administration	<u>591,086</u>	<u>586,424</u>	<u>4,662</u>
Judicial:			
Salaries	139,236	139,682	(446)
FICA	10,569	10,539	30
Retirement	12,772	12,772	-
Group Insurance	20,799	17,892	2,907
Liability Insurance	528	528	-
Postage	2,050	1,938	112
Workers' Compensation	2,950	2,820	130
Contracts and Services	71,150	46,981	24,169
Employee Training	3,550	3,284	266

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF GENERAL FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Judicial (Continued):			
Detention Fees	38,700	35,401	3,299
Repairs and Maintenance	700	100	600
Supplies	12,970	12,452	518
Telephone	1,368	1,287	81
Uniforms	800	709	91
Other Expenditures	250	206	44
Total Judicial	<u>318,392</u>	<u>286,591</u>	<u>31,801</u>
Police:			
Salaries	1,866,313	1,835,576	30,737
Overtime	29,860	27,076	2,784
FICA	140,450	140,450	-
Retirement	195,465	195,465	-
Group Insurance	237,814	242,684	(4,870)
Workers' Compensation	110,378	107,535	2,843
Animal Codes Enforcement	10,850	10,539	311
Contracts and Services	37,900	48,482	(10,582)
Dues and Subscriptions	2,225	1,313	912
Employee Services	11,834	5,557	6,277
Employee Training	40,800	35,673	5,127
Gas and Oil	71,500	107,975	(36,475)
K9 Expenditures	9,300	16,785	(7,485)
Liability Insurance	45,809	45,404	405
Supplies	45,221	40,951	4,270
Non-Capital Equipment	46,008	37,326	8,682
Photographic	700	58	642
Postage	500	1,031	(531)
Protective Gear and Body Armor	7,500	4,452	3,048
Repair and Maintenance	23,200	22,902	298
Special Operations	5,500	5,410	90
Tires	5,400	5,899	(499)
Uniforms	31,000	34,658	(3,658)
Utilities	-	54	(54)
Wireless Communications	8,200	8,801	(601)
Other Expenditures	1,600	1,629	(29)
Total Police	<u>2,985,327</u>	<u>2,983,685</u>	<u>1,642</u>
Building and Zoning:			
Salaries	219,781	209,413	10,368
Board's Compensation	4,200	3,040	1,160
FICA	16,452	15,723	729
Retirement	19,110	19,110	-
Group Insurance	26,003	19,555	6,448
Liability Insurance	3,227	3,227	-
Workers' Compensation	5,458	5,430	28
Advertising	1,200	393	807

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF GENERAL FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Building and Zoning (Continued):</b>			
Employee Training	6,000	1,922	4,078
Gas and Oil	2,500	2,986	(486)
Postage	1,500	2,603	(1,103)
Repairs and Maintenance - Auto	2,000	313	1,687
Repairs and Maintenance - Building	4,000	8,346	(4,346)
Services and Contracts	5,000	3,332	1,668
Supplies	5,000	3,180	1,820
Telephone	-	867	(867)
Uniforms	3,200	2,482	718
Other Expenditures	4,000	729	3,271
<b>Total Building and Zoning Control</b>	<b>328,631</b>	<b>302,651</b>	<b>25,980</b>
<b>Street:</b>			
Salaries	329,300	317,622	11,678
Overtime	5,000	2,085	2,915
FICA	24,535	23,270	1,265
Retirement	29,096	29,096	-
Group Insurance	41,690	49,014	(7,324)
Liability Insurance	9,341	9,341	-
Workers' Compensation	19,092	18,883	209
Asphalt Supplies	25,000	30,752	(5,752)
Drainage	20,000	18,134	1,866
Employee Training	4,000	2,047	1,953
Gas and Oil	35,000	24,432	10,568
Non-Capital Decorations	50,000	56,138	(6,138)
Repairs and Maintenance	56,000	42,770	13,230
Services and Contracts	15,000	17,221	(2,221)
Signs and Fittings	6,000	5,765	235
Street Lights	115,000	111,440	3,560
Supplies	15,000	15,387	(387)
Supplies - Garage	20,000	25,021	(5,021)
Telephone	10,000	23,096	(13,096)
Uniforms	6,000	6,289	(289)
Utilities	35,000	28,542	6,458
Other Expenditures	2,000	2,577	(577)
<b>Total Street</b>	<b>872,054</b>	<b>858,922</b>	<b>13,132</b>
<b>Sanitation:</b>			
Salaries	624,590	607,213	17,377
Overtime	6,000	6,716	(716)
Employee Training	5,000	2,321	2,679
FICA	46,768	46,082	686
Retirement	55,918	55,918	-
Group Insurance	91,630	68,955	22,675
Workers' Compensation	36,617	36,522	95
Auto Maintenance	125,000	131,550	(6,550)

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF GENERAL FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Sanitation (Continued):			
Container Purchases/Maintenance	30,000	29,790	210
Garage Supplies	2,500	503	1,997
Gas and Oil	90,000	166,371	(76,371)
Inmate Expenditures	55,000	58,509	(3,509)
Liability Insurance	31,308	31,382	(74)
Landfill Fees	60,000	22,653	37,347
Mosquito Fogging	4,060	3,987	73
Radio	5,000	221	4,779
Repair and Maintenance	18,000	18,663	(663)
Services and Contracts	5,000	6,332	(1,332)
Supplies	18,000	19,973	(1,973)
Telephone	8,000	1,410	6,590
Transfer Station	100,000	87,243	12,757
Uniforms	6,000	8,954	(2,954)
Utilities	25,000	6,777	18,223
Other Expenditures	2,000	2,024	(24)
Total Sanitation	<u>1,451,391</u>	<u>1,420,069</u>	<u>31,322</u>
Recreation:			
Salaries	204,982	221,642	(16,660)
Overtime	4,000	4,957	(957)
FICA	15,284	17,107	(1,823)
Retirement	16,382	20,679	(4,297)
Group Insurance	26,209	26,561	(352)
Liability Insurance	12,348	4,301	8,047
Workers' Compensation	6,100	6,050	50
Employee Training	5,000	2,452	2,548
Gas and Oil	7,000	6,724	276
Grant Expenditures	19,000	7,117	11,883
Postage	200	239	(39)
Program Expenditures	160,000	196,008	(36,008)
Repair - Auto	7,000	8,542	(1,542)
Repair and Maintenance	18,000	8,971	9,029
Service Contracts	14,380	21,796	(7,416)
Supplies	18,400	15,635	2,765
Telephone	14,900	16,065	(1,165)
Uniforms	2,600	1,541	1,059
Utilities	25,000	24,941	59
Mauldin Foundation	100,347	117,203	(16,856)
Other expenditures	4,000	991	3,009
Total Recreation	<u>681,132</u>	<u>729,522</u>	<u>(48,390)</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF GENERAL FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Building Maintenance:</b>			
Salaries	51,286	56,059	(4,773)
Overtime	1,000	274	726
FICA	4,309	4,309	-
Retirement	5,270	5,270	-
Group Insurance	9,206	8,975	231
Liability Insurance	29,074	25,283	3,791
Workers' Compensation	2,522	2,403	119
Employee Training	1,000	95	905
Gas and Oil	2,600	2,754	(154)
Repair and Maintenance	30,000	18,567	11,433
Professional Services	5,000	3,387	1,613
Supplies	9,400	11,758	(2,358)
Telephone	18,280	21,884	(3,604)
Uniforms	360	1,032	(672)
Utilities	32,000	37,059	(5,059)
Other Expenditures	2,000	150	1,850
<b>Total Buildings Maintenance</b>	<u>203,307</u>	<u>199,259</u>	<u>4,048</u>
<b>Parks Maintenance:</b>			
Salaries	245,868	227,339	18,529
Overtime	6,000	3,804	2,196
FICA	18,533	17,257	1,276
Retirement	21,139	21,139	-
Group Insurance	47,938	40,891	7,047
Liability Insurance	681	681	-
Workers' Compensation	8,018	7,641	377
Employee Training	5,000	694	4,306
Lighting	6,500	7,644	(1,144)
Gas and Oil	20,000	18,694	1,306
Repair - Auto	7,000	21,124	(14,124)
Repair and Maintenance	38,000	44,532	(6,532)
Inmate Expenditures	15,200	16,125	(925)
Supplies	21,500	19,806	1,694
Telephone	6,000	5,218	782
Turf Management	60,000	64,181	(4,181)
Tree Maintenance	2,000	3,975	(1,975)
Uniforms	4,000	4,168	(168)
Utilities	67,000	66,702	298
Other Expenditures	6,000	5,553	447
<b>Total Parks Maintenance</b>	<u>606,377</u>	<u>597,168</u>	<u>9,209</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF GENERAL FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
Non-Departmental:			
Unemployment Claims	7,500	2,712	4,788
Employee Services	22,000	22,284	(284)
Occupational Health	24,000	28,165	(4,165)
Total Non-Departmental	<u>53,500</u>	<u>53,161</u>	<u>339</u>
Total Current Expenditures	<u>8,232,273</u>	<u>8,155,592</u>	<u>76,681</u>
<b>Capital Outlay</b>	<u>414,950</u>	<u>400,935</u>	<u>14,015</u>
Total General Fund Expenditures	<u>\$ 8,647,223</u>	<u>\$ 8,556,527</u>	<u>\$ 90,696</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF SEWER FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Current</b>			
Salaries	\$ 118,487	\$ 113,084	\$ 5,403
Overtime	2,999	2,710	289
FICA	8,869	8,602	267
Retirement	10,532	10,532	-
Group Insurance	24,890	20,346	4,544
Workers' Compensation	6,793	6,474	319
Liability Insurance	1,047	1,047	-
Contracts and Services	280,579	201,263	79,316
Employee Training	2,000	319	1,681
Gas and Oil	6,000	4,391	1,609
Repairs and Maintenance	10,000	6,285	3,715
Supplies	4,000	7,563	(3,563)
Telephone	1,000	3,583	(2,583)
Uniforms	2,500	2,092	408
Utilities	5,200	704	4,496
Other Expenditures	10,000	9,508	492
Total Current Expenditures	<u>494,896</u>	<u>398,503</u>	<u>96,393</u>
<b>Capital Outlay</b>	<u>367,753</u>	<u>283,587</u>	<u>84,166</u>
Total Sewer Fund Expenditures	<u>\$ 862,649</u>	<u>\$ 682,090</u>	<u>\$ 180,559</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF HOSPITALITY & ACCOMMODATIONS FUND EXPENDITURES -  
REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Current</b>			
Tourism/Park Management	\$ 1,500	\$ 80	\$ 1,420
Beautification and Garden Projects	10,000	11,925	(1,925)
Mauldifest	5,000	9,081	(4,081)
Total Current Expenditures	<u>16,500</u>	<u>21,086</u>	<u>(4,586)</u>
<b>Capital Outlay</b>	<u>-</u>	<u>-</u>	<u>-</u>
Total Hospitality and Accommodations Fund Expenditures	<u>\$ 16,500</u>	<u>\$ 21,086</u>	<u>\$ (4,586)</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF FIRE FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Current</b>			
Salaries	\$ 1,482,104	\$ 1,574,903	\$ (92,799)
Overtime	5,000	1,053	3,947
FICA	110,514	116,154	(5,640)
Retirement	152,491	166,094	(13,603)
Group Insurance	234,616	235,311	(695)
Workers' Compensation	74,724	74,357	367
Liability Insurance	16,075	16,075	-
Contracts and Services	37,731	34,963	2,768
Employee Training	12,000	10,566	1,434
Gas and Oil	24,500	31,864	(7,364)
Repairs and Maintenance	45,873	63,238	(17,365)
Non-Capital Equipment	10,489	20,155	(9,666)
Supplies	18,774	14,382	4,392
Telephone	21,370	36,421	(15,051)
Uniforms	23,600	23,373	227
Utilities	38,316	33,596	4,720
Other Expenditures	9,829	9,413	416
Total Current Expenditures	<u>2,318,006</u>	<u>2,461,918</u>	<u>(143,912)</u>
<b>Capital Outlay</b>	419,639	17,938	401,701
Total Fire Fund Expenditures	<u><u>\$ 2,737,645</u></u>	<u><u>\$ 2,479,856</u></u>	<u><u>\$ 257,789</u></u>

CITY OF MAULDIN, SOUTH CAROLINA

SPORTS CENTER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>				
Fees	\$ 392,000	\$ 392,000	\$ 533,303	\$ 141,303
Interest income	5,000	5,000	-	-
Other Income	6,000	6,000	10,719	4,719
<b>Total Revenue</b>	<u>403,000</u>	<u>403,000</u>	<u>544,022</u>	<u>146,022</u>
<b>Expenditures</b>				
Current:				
Sports Center	566,811	571,105	608,690	(37,585)
Capital Outlay	-	-	1,095	(1,095)
<b>Total Expenditures</b>	<u>566,811</u>	<u>571,105</u>	<u>609,785</u>	<u>(38,680)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers from other Funds	163,811	163,811	-	(163,811)
<b>Total Other Financing Sources (Uses)</b>	<u>163,811</u>	<u>163,811</u>	<u>-</u>	<u>(163,811)</u>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(4,294)</b>	<b>(65,763)</b>	<b>(56,469)</b>
Fund Balance, Beginning of Year	(67,909)	(67,909)	(67,909)	-
<b>Fund Balance, End of Year</b>	<u><b>\$ (67,909)</b></u>	<u><b>\$ (72,203)</b></u>	<u><b>\$ (133,672)</b></u>	<u><b>\$ (56,469)</b></u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF SPORTS CENTER FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Current</b>			
Salaries	\$ 226,627	\$ 294,330	\$ (67,703)
Overtime	3,000	3,179	(179)
FICA	17,232	22,673	(5,441)
Retirement	18,471	25,214	(6,743)
Group Insurance	19,228	13,502	5,726
Worker' Compensation	7,441	7,362	79
Insurance	16,616	17,903	(1,287)
Advertising	10,000	5,756	4,244
Contracts and Services	39,190	56,076	(16,886)
Employee Expenditures	7,000	5,531	1,469
Repairs and Maintenance	10,000	10,255	(255)
Non-Capital Equipment	47,500	32,071	15,429
Postage	500	514	(14)
Supplies	17,500	29,286	(11,786)
Telephone	15,800	10,081	5,719
Uniforms	2,000	3,026	(1,026)
Utilities	104,000	47,639	56,361
Other Expenditures	9,000	24,292	(15,292)
Total Current Expenditures	<u>571,105</u>	<u>608,690</u>	<u>(37,585)</u>
<b>Capital Outlay</b>	-	1,095	(1,095)
Total Sports Center Fund Expenditures	<u>\$ 571,105</u>	<u>\$ 609,785</u>	<u>\$ (38,680)</u>

CITY OF MAULDIN, SOUTH CAROLINA

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETS AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Expenditures</b>				
Debt Service Principal, Interest, and Other	\$ 760,886	\$ 790,578	\$ 757,343	\$ 33,235
Total Expenditures	<u>760,886</u>	<u>790,578</u>	<u>757,343</u>	<u>33,235</u>
<b>Other Financing Sources</b>				
Transfers from Other Funds	760,886	790,578	757,343	(33,235)
Total Other Financing Sources	<u>760,886</u>	<u>790,578</u>	<u>757,343</u>	<u>(33,235)</u>
<b>Net Change in Fund Balance</b>	-	-	-	-
Fund Balance, Beginning of year	-	-	-	-
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF DEBT SERVICE FUND EXPENDITURES - REVISED BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Debt Service</b>			
Principal	\$ 538,175	\$ 512,897	\$ 25,278
Interest	248,555	242,113	6,442
Other	3,848	2,333	1,515
Total Debt Service	<u>790,578</u>	<u>757,343</u>	<u>33,235</u>
Total Debt Service Fund Expenditures	<u>\$ 790,578</u>	<u>\$ 757,343</u>	<u>\$ 33,235</u>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS -  
 REVISED BUDGET AND ACTUAL - COMPONENT UNIT - MAULDIN FOUNDATION, INC.

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>			
Community Development Block Grant	\$ 14,600	\$ 14,600	\$ -
Youth Program Fees	6,000	13,378	7,378
Senior Fitness and Training	-	493	493
Other Income - City of Mauldin	100,347	117,203	16,856
<b>Total Revenue</b>	<b>120,947</b>	<b>145,674</b>	<b>24,727</b>
<b>Expenses</b>			
Administration	89,475	109,814	(20,339)
Summer Programs	9,500	13,025	(3,525)
Senior Program	23,225	17,457	5,768
Challenger Program	1,500	1,636	(136)
Depreciation	-	3,442	(3,442)
<b>Total Expenses</b>	<b>123,700</b>	<b>145,374</b>	<b>(21,674)</b>
<b>Net Change in Net Assets</b>	<b>(2,753)</b>	<b>300</b>	<b>3,053</b>
Net Assets, Beginning of Year	-	-	-
<b>Net Assets, End of Year</b>	<b>\$ (2,753)</b>	<b>\$ 300</b>	<b>\$ 3,053</b>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS -  
 REVISED BUDGET AND ACTUAL - COMPONENT UNIT - MAULDIN CULTURAL  
 CENTER FOUNDATION, INC.

YEAR ENDED JUNE 30, 2008

	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue</b>			
Contributions	\$ -	\$ 100,872	\$ 100,872
Facility Rental	-	996	996
Total Revenue	<u>-</u>	<u>101,868</u>	<u>101,868</u>
<b>Expenses</b>			
Supplies	-	57	(57)
Meetings	-	362	(362)
Other Expenses	-	1,518	(1,518)
Contribution of Bathroom Renovations Capital Asset	-	32,445	(32,445)
Total Expenses	<u>-</u>	<u>34,382</u>	<u>(34,382)</u>
<b>Net Change in Net Assets</b>	<b>-</b>	<b>67,486</b>	<b>67,486</b>
Net Assets, Beginning of Year	<u>-</u>	<u>44,901</u>	<u>44,901</u>
<b>Net Assets, End of Year</b>	<b><u>\$ -</u></b>	<b><u>\$ 112,387</u></b>	<b><u>\$ 112,387</u></b>

CITY OF MAULDIN, SOUTH CAROLINA

SCHEDULE OF COURT FINES, ASSESSMENTS, AND SURCHARGES

YEAR ENDED JUNE 30, 2008

**Court Fines and Assessments:**

Total Court fines and assessments collected	<u>\$ 649,418</u>
Total Court fines and assessments retained by Municipal Treasurer	<u>\$ 271,602</u>
Total Court fines and assessments remitted to State Treasurer	<u>\$ 340,906</u>

**Surcharges:**

Total surcharges collected	<u>\$ 8,727</u>
Total surcharges retained by Municipal Treasurer	<u>\$ 8,727</u>

**Assessments**

Total assessments collected	<u>\$ 28,182</u>
Total assessments retained by Municipal Treasurer	<u>\$ 28,182</u>

**Victim's Services:**

Total Court fines and assessments allocated	<u>\$ 36,909</u>
Total surcharges allocated	<u>\$ 8,727</u>

Victims' Funds at June 30, 2007	\$ 12,809
Receipts during the year ended June 30, 2008	36,909
Disbursements during the year ended June 30, 2008	<u>(27,457)</u>
Victims' Funds at June 30, 2008	<u>\$ 22,261</u>

STATISTICAL

## STATISTICAL SECTION

This section of the Comprehensive Annual Financial Report presents information that will assist in understanding the information in the financial statements, note disclosures, and the required supplementary information about the overall financial health of the City.

### **Contents**

#### Financial Trends (Pages 72 – 77)

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 (Pages 78 – 81)

These schedules present information that helps the reader assess the City's most significant local revenue source.

#### Debt Capacity (Pages 82 – 85)

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

#### Demographic and Economic Information (Pages 86 – 87)

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 (Pages 88 – 90)

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

CITY OF MAULDIN, SOUTH CAROLINA

NET ASSETS BY COMPONENT  
LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

(Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	(A)	(A)	(A)	(A)	\$ 19,299,898	\$ 19,107,914	\$ 14,459,197	\$ 16,477,150	\$ 19,054,958	\$ 18,175,809
Restricted	(A)	(A)	(A)	(A)	840,763	287,658	5,699,542	4,691,845	2,171,198	2,243,907
Unrestricted	(A)	(A)	(A)	(A)	3,635,767	4,702,182	4,500,198	4,135,880	5,791,979	6,570,288
Total Governmental Activities Net Assets					\$ 23,776,428	\$ 24,097,754	\$ 24,658,937	\$ 25,304,875	\$ 27,018,135	\$ 26,990,004
Business-Type Activities										
Invested in Capital Assets, Net of Related Debt	NA	NA	NA	NA	NA	NA	NA	NA	9,577	26,901
Restricted	NA	NA	NA	NA	NA	NA	NA	NA	-	-
Unrestricted	NA	NA	NA	NA	NA	NA	NA	NA	(9,592)	(6,240)
Total Business-Type Activities Net assets					\$ -	\$ -	\$ -	\$ -	\$ (15,000)	\$ 20,661
Primary Government										
Invested in Capital Assets, Net of Related Debt	(A)	(A)	(A)	(A)	19,299,898	19,107,914	14,459,197	16,477,150	19,064,535	18,202,710
Restricted	(A)	(A)	(A)	(A)	840,763	287,658	5,699,542	4,691,845	2,171,198	2,243,907
Unrestricted	(A)	(A)	(A)	(A)	3,635,767	4,702,182	4,500,198	4,135,880	5,782,387	6,564,048
Total Primary Government Net Assets					\$ 23,776,428	\$ 24,097,754	\$ 24,658,937	\$ 25,304,875	\$ 27,018,120	\$ 27,010,665

(A) GASB 34 was not implemented until the 2003 fiscal year. net asset information is not available prior to that fiscal year.

CITY OF MAULDIN, SOUTH CAROLINA

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

(Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Expenses</b>										
Governmental Activities:										
General Government	(A)	(A)	(A)	(A)	\$ 792,907	\$ 898,386	\$ 3,049,997	\$ 1,322,008	\$ 1,456,235	\$ 1,592,131
Public Safety	(A)	(A)	(A)	(A)	4,402,631	4,408,606	4,616,811	5,064,870	5,483,819	5,889,776
Victims' Assistance	(A)	(A)	(A)	(A)	-	-	-	-	24,184	27,457
Streets	(A)	(A)	(A)	(A)	2,513,190	2,679,909	1,048,562	2,616,963	2,568,123	2,727,924
Sanitation	(A)	(A)	(A)	(A)	857,769	1,003,351	1,116,764	1,280,970	1,369,808	1,565,261
Sewer	(A)	(A)	(A)	(A)	243,880	175,448	309,051	331,931	419,051	504,036
Culture, Recreation and Tourism	(A)	(A)	(A)	(A)	752,034	874,503	1,209,210	1,361,253	2,116,139	2,407,157
Interest and Other Charges	(A)	(A)	(A)	(A)	267,399	196,524	297,260	272,632	268,900	245,797
Total Governmental Activities Expenses	(A)	(A)	(A)	(A)	\$ 9,829,810	\$ 10,236,727	\$ 11,647,655	\$ 12,250,627	\$ 13,706,259	\$ 14,959,539
Business-Type Activities:										
Property Management	-	-	-	-	-	-	-	-	15	53,011
Total Business-Type Activities Expenses	-	-	-	-	-	-	-	-	15	53,011
Total Primary Government Expenses	-	-	-	-	\$ 9,829,810	\$ 10,236,727	\$ 11,647,655	\$ 12,250,627	\$ 13,706,274	\$ 15,012,550
<b>Program Revenues</b>										
Governmental Activities:										
Charges for Services:										
General Government	(A)	(A)	(A)	(A)	\$ 2,822,466	\$ 2,924,062	\$ 3,225,908	\$ 3,638,596	\$ 5,593,206	\$ 4,257,816
Public Safety	(A)	(A)	(A)	(A)	524,253	487,121	481,029	387,986	473,900	423,816
Victims' Assistance	(A)	(A)	(A)	(A)	-	-	-	-	30,469	36,909
Streets	(A)	(A)	(A)	(A)	-	-	-	-	2,085	2,381
Sanitation	(A)	(A)	(A)	(A)	21,447	36,851	18,145	17,441	28,863	28,084
Sewer	(A)	(A)	(A)	(A)	179,812	242,568	609,095	638,789	682,597	645,058
Culture, Recreation and Tourism	(A)	(A)	(A)	(A)	106,339	112,569	116,699	128,363	270,284	674,248
Operating Grants and Contributions	(A)	(A)	(A)	(A)	70,346	68,891	479,719	81,591	39,573	282,544
Capital Grants and Contributions	(A)	(A)	(A)	(A)	122,290	126,434	-	539,379	431,614	618,071
Total Governmental Activities Program Revenues	(A)	(A)	(A)	(A)	\$ 3,846,953	\$ 3,998,496	\$ 4,930,595	\$ 5,434,860	\$ 7,552,591	\$ 6,968,927
Business-Type Activities:										
Charges for Services	(A)	(A)	(A)	(A)	-	-	-	-	-	73,687
Operating Grants and Contributions	(A)	(A)	(A)	(A)	-	-	-	-	-	-
Capital Grants and Contributions	(A)	(A)	(A)	(A)	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	(A)	(A)	(A)	(A)	-	-	-	-	-	73,687
Total Primary Government Program Revenues	(A)	(A)	(A)	(A)	\$ 3,846,953	\$ 3,998,496	\$ 4,930,595	\$ 5,434,860	\$ 7,552,591	\$ 7,042,614

CITY OF MAULDIN, SOUTH CAROLINA

CHANGES IN NET ASSETS  
LAST TEN FISCAL YEARS

(Accrual Basis of Accounting)

(Unaudited)

(CONTINUED)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Net (Expense)/Revenue</b>										
Governmental Activities	(A)	(A)	(A)	(A)	\$ (5,982,857)	\$ (6,238,231)	\$ (6,717,060)	\$ (6,815,767)	\$ (6,153,668)	\$ (7,990,612)
Business-Type Activities	(A)	(A)	(A)	(A)	-	-	-	-	(15)	20,676
Total Primary Government Net (Expense)/Revenue	(A)	(A)	(A)	(A)	\$ (5,982,857)	\$ (6,238,231)	\$ (6,717,060)	\$ (6,815,767)	\$ (6,153,683)	\$ (7,969,936)
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental Activities:										
Taxes by Source:										
Property Tax	(A)	(A)	(A)	(A)	\$ 5,188,029	\$ 5,472,435	\$ 5,725,795	\$ 6,078,134	\$ 6,412,400	\$ 6,376,520
Hospitality and Accommodations Tax	(A)	(A)	(A)	(A)	426,024	438,185	531,800	557,320	597,233	606,426
Intergovernmental Revenue	(A)	(A)	(A)	(A)	564,893	659,162	646,846	482,745	507,730	556,409
Unrestricted Investment Earnings	(A)	(A)	(A)	(A)	24,259	41,903	158,629	310,029	344,478	277,760
Recycling	(A)	(A)	(A)	(A)	-	-	-	-	41,260	49,852
Miscellaneous	(A)	(A)	(A)	(A)	32,626	13,086	19,448	33,477	32,295	25,864
Gains (losses) on Disposal/Sale of Capital Assets	(A)	(A)	(A)	(A)	-	(4,609)	-	-	-	69,650
Total Governmental Activities	(A)	(A)	(A)	(A)	\$ 6,235,831	\$ 6,620,162	\$ 7,082,518	\$ 7,461,705	\$ 7,935,396	\$ 7,962,481
Business-Type activities:										
None	(A)	(A)	(A)	(A)	-	-	-	-	-	-
Total Business-Type Activities	(A)	(A)	(A)	(A)	-	-	-	-	-	-
Total Primary Government	(A)	(A)	(A)	(A)	\$ 6,235,831	\$ 6,620,162	\$ 7,082,518	\$ 7,461,705	\$ 7,935,396	\$ 7,962,481
<b>Change in Net Assets:</b>										
Governmental Activities	(A)	(A)	(A)	(A)	\$ 252,974	\$ 381,931	\$ 365,458	\$ 645,938	\$ 1,781,728	\$ (28,131)
Business-Type Activities	(A)	(A)	(A)	(A)	-	-	-	-	(15)	20,676
Total Primary Government	(A)	(A)	(A)	(A)	\$ 252,974	\$ 381,931	\$ 365,458	\$ 645,938	\$ 1,781,713	\$ (7,455)

(A) GASB 34 was not implemented until the 2003 fiscal year. change in net asset information is not available prior to that fiscal year.

CITY OF MAULDIN, SOUTH CAROLINA

FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Funds:										
General Fund										
Reserved	\$ 312,173	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,377	\$ -
Unreserved	5,853,644	(968,830)	1,268,934	2,867,962	3,503,943	5,137,478	4,652,249	4,462,969	6,064,317	6,492,968
Total General Fund	6,165,817	(968,830)	1,268,934	2,867,962	3,503,943	5,137,478	4,652,249	4,462,969	6,073,694	6,492,968
All Other Governmental Funds										
Reserved	-	-	-	-	-	-	-	-	-	339,672
Unreserved Reported In:										
Special Revenue Funds	51,570	-	-	-	972,274	74,571	5,699,542	4,594,775	2,117,156	2,219,340
Debt Service Funds	(1,017,293)	-	-	-	-	-	-	-	-	-
Capital Projects Funds	(2,460,378)	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	(3,426,101)	-	-	-	972,274	74,571	5,699,542	4,594,775	2,117,156	2,559,012
Total Governmental Funds	\$ 2,739,716	\$ (968,830)	\$ 1,268,934	\$ 2,867,962	\$ 4,476,217	\$ 5,212,049	\$ 10,351,791	\$ 9,057,744	\$ 8,190,850	\$ 9,051,980

CITY OF MAULDIN, SOUTH CAROLINA  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)  
 (Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Revenues</b>										
Taxes by Source:										
Property Tax	\$ 2,608,263	\$ 3,351,210	\$ 3,606,414	\$ 4,098,453	\$ 4,963,519	\$ 5,592,726	\$ 5,731,939	\$ 6,007,587	\$ 6,385,520	\$ 6,382,259
Accommodations Tax	-	-	3,032	16,195	18,081	13,671	16,637	20,300	16,087	18,780
Hospitality Tax	-	-	65,175	417,810	407,942	424,514	515,163	537,020	581,146	587,646
Intergovernmental	1,163,006	1,280,034	925,386	674,253	751,529	854,487	1,170,983	804,435	811,193	1,143,453
Charges for Services	1,120,597	1,307,241	1,641,184	1,669,126	286,056	355,137	711,026	747,152	913,729	1,287,711
Fines and Forfeitures	239,698	296,989	318,206	258,487	321,824	226,600	232,080	256,929	371,707	313,899
Licenses and Fees	1,883,074	1,111,401	1,174,515	1,496,231	3,046,438	3,221,436	3,317,730	3,817,618	5,652,823	4,257,816
Miscellaneous *	238,403	272,882	178,336	51,643	62,885	54,989	172,959	351,570	445,579	442,612
<b>Total Revenues</b>	<b>\$ 7,253,041</b>	<b>\$ 7,619,757</b>	<b>\$ 7,912,248</b>	<b>\$ 8,682,198</b>	<b>\$ 9,858,274</b>	<b>\$ 10,743,560</b>	<b>\$ 11,868,517</b>	<b>\$ 12,542,611</b>	<b>\$ 15,177,784</b>	<b>\$ 14,434,176</b>

<b>Expenditures</b>										
Current:										
General Government	\$ 621,925	\$ 679,456	\$ 735,280	\$ 568,878	\$ 718,578	\$ 788,550	\$ 850,739	\$ 821,127	\$ 898,871	\$ 1,062,210
Justice and Legal	64,121	214,739	200,351	180,838	131,614	149,970	173,162	245,702	271,115	286,591
Public Safety	2,893,502	3,586,056	3,519,024	3,297,951	3,735,911	3,835,869	4,106,132	4,688,663	4,979,076	5,543,615
Victims' Assistance	-	-	-	-	-	-	-	-	24,184	27,457
Public Service	1,152,292	1,401,521	1,506,392	1,379,124	1,526,501	1,773,007	2,426,675	2,546,949	2,303,135	2,677,494
Parks and Recreation	504,676	753,002	650,337	639,574	610,912	746,025	549,839	725,118	1,826,584	2,134,639
Hospitality and Accommodations	-	-	-	-	49,731	49,931	33,544	99,804	86,453	21,086
Non-Departmental	1,058,758	193,929	250,166	62,622	44,796	55,553	52,594	56,101	97,595	53,161
Capital Outlay	2,360,665	3,626,599	345,092	431,562	1,074,230	1,811,593	1,531,812	3,792,100	4,698,024	1,260,763
Debt Service:										
Principal	549,744	647,936	455,228	653,450	556,002	608,509	716,197	604,690	520,339	512,897
Interest and Other Charges	163,450	164,233	229,455	181,279	206,744	188,721	269,653	299,716	275,092	244,446
<b>Total Expenditures</b>	<b>9,369,133</b>	<b>11,267,471</b>	<b>7,891,325</b>	<b>7,395,278</b>	<b>8,655,019</b>	<b>10,007,728</b>	<b>10,710,347</b>	<b>13,879,970</b>	<b>15,980,468</b>	<b>13,824,359</b>

Excess of Revenues Over (Under) Expenditures \$ (2,116,092) \$ (3,647,714) \$ 20,923 \$ 1,286,920 \$ 1,203,255 \$ 735,832 \$ 1,158,170 \$ (1,337,359) \$ (802,684) \$ 609,817

CITY OF MAULDIN, SOUTH CAROLINA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS

(Modified Accrual Basis of Accounting)

(Unaudited)

(CONTINUED)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Other Financing Sources (Uses)</b>										
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,650,000	\$ 3,589,181	\$ 2,305,687	\$ 2,881,675
Transfers Out	-	-	-	-	-	-	(1,650,000)	(3,589,181)	(2,305,687)	(2,881,675)
Proceeds from Capital Lease/Other Obligations	298,639	(60,832)	2,216,841	312,108	405,000	-	-	-	-	123,083
Issuance of Certificates of Participation	-	-	-	-	-	-	3,700,000	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	9,259	16,275	4,278	128,230
Total Other Financing Sources (Uses)	298,639	(60,832)	2,216,841	312,108	405,000	-	3,709,259	16,275	4,278	251,313
Net Change in Fund Balances	\$ (1,817,453)	\$ (3,708,546)	\$ 2,237,764	\$ 1,599,028	\$ 1,608,255	\$ 735,832	\$ 4,867,429	\$ (1,321,084)	\$ (798,406)	\$ 861,130
Capital Asset Expenditures	\$ 2,360,665	\$ 3,626,599	\$ 345,092	\$ 431,562	\$ 1,074,230	\$ 1,811,593	\$ 1,531,812	\$ 3,792,100	\$ 4,698,024	\$ 1,260,763
Debt Service as a Percentage of Noncapital Expenditures	10.2%	10.6%	9.1%	12.0%	10.1%	9.7%	10.7%	9.0%	7.1%	6.0%

\* Other revenues is inflated in 2005 due to interest received on COP loan from Carolina First.

CITY OF MAULDIN, SOUTH CAROLINA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year Ended June 30	Assessed Real Property		Assessed Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Tax Value
	Residential Property	Commercial / Industrial Property				
1999	\$ 13,770,360	\$ 15,453,050	\$ 8,709,790	\$ 37,933,200	54.500	\$ 663,546,260
2000	14,599,200	18,048,590	5,793,140	38,440,930	54.500	695,345,930
2001	15,547,900	19,693,220	6,367,040	41,608,160	54.500	768,258,243
2002	20,644,520	23,659,240	6,793,250	51,097,010	58.800	946,067,294
2003	21,913,850	27,300,370	7,183,130	56,397,350	58.500	1,031,128,277
2004	24,029,280	28,664,730	8,172,060	60,866,070	58.500	1,117,041,280
2005	22,896,660	31,416,580	7,898,650	62,211,890	58.500	1,177,081,770
2006	27,681,390	28,901,830	8,854,790	65,438,010	58.500	1,223,530,058
2007	28,507,820	30,616,890	9,905,740	69,030,450	58.500	1,277,878,911
2008	31,979,850	36,496,610	9,048,860	77,525,320	51.700	1,472,947,747

Source: Greenville County Information Systems and Services.

Note: Property in the City was reassessed for fiscal year 2008. Tax rates are per \$1,000 of assessed value.

CITY OF MAULDIN, SOUTH CAROLINA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS

(Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>City Direct Rates:</b>										
Basic Rate	54.50	54.50	54.50	58.80	58.50	58.50	58.50	58.50	58.50	51.70
Total Direct Rate	54.50	54.50	54.50	58.80	58.50	58.50	58.50	58.50	58.50	51.70
<b>County Rates:</b>										
Greenville County	55.90	55.90	49.90	49.90	49.90	49.90	49.90	49.90	49.90	47.60
<b>School District Rates:</b>										
Greenville County School District	141.60	145.60	138.90	140.10	144.10	144.10	147.80	147.90	156.40	156.70
<b>Fire District Rates:</b>										
790 Mauldin (Fire Ser, Aud, Metro)	18.00	18.00	16.20	16.20	20.20	20.20	20.20	20.20	20.20	26.10
792 Mauldin (Fire Serv Area, Aud)	18.00	18.00	16.20	16.20	20.20	N/A	N/A	N/A	N/A	N/A

Source:

Note: Overlapping rates are those of local and county governments that apply to property owners within the City of Mauldin. Not all overlapping rates apply to all of the City of Mauldin property owners (i.e., the rates for fire/special purpose districts apply only to the proportion of the City of Mauldin's property owners whose property is located within the geographic boundaries of the fire/special purpose district).

CITY OF MAULDIN, SOUTH CAROLINA  
 PRINCIPAL PROPERTY TAXPAYERS

(Unaudited)

Taxpayer	2008		2009		2000		2001		2002		2003		2004		2005		2006		2007	
	Taxable Assessed Value	Rank	Total Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	Taxable Assessed Value	
A P Southeast Portfolio Partnership	1,050,000	5	1.4%	950,400	950,400	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000	990,000
A P Southeast Portfolio Partnership				477,450	477,450	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850	601,850
Ahold Information Services				3,318,470																
Ashmore Mauldin Apartments, LLC	759,160	7	1.0%	958,700	958,700	887,130	887,130	879,768	879,768	875,510	875,510	875,510	875,510	875,510	875,510	875,510	875,510	875,510	875,510	875,510
Beacon Manufacturing Company				678,050	678,050	828,820	828,820	1,403,340	1,403,340	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010
Bi lo LLC	1,348,290	4	1.7%	1,403,340	1,403,340	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010	1,974,010
BRH The Bershires LLC				555,750	555,750															
BRI OP LTD Del LTD Partn				905,320	1,014,330	832,640	830,400	832,640	832,640	830,400	830,400	830,400	830,400	830,400	830,400	830,400	830,400	830,400	830,400	830,400
Brookfield Apartments L L C				2,270,100																
C F Sauer Company				758,310	802,920	692,800	746,290	692,800	746,290	871,920	871,920	871,920	871,920	871,920	871,920	871,920	871,920	871,920	871,920	871,920
Cognis Corporation				556,190																
Compx International				742,670																
Day International Inc (Accotex)				1,449,590																
Duke Energy				488,200	504,510	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400	552,400
Henkel Corp				722,360	688,330															
IBM				704,590	629,270	766,120	569,110	766,120	569,110	569,110	569,110	569,110	569,110	569,110	569,110	569,110	569,110	569,110	569,110	569,110
Milliken-Sommer				649,870																
NHC Healthcare Mauldin																				
NTM Incorporated				820,720																
National Electrical Carbon				2,700,380																
R A Greenville Industrial Blvd																				
Totals	\$ 12,346,970		15.9%	\$ 9,386,180	\$ 6,848,390	\$ 8,468,614	\$ 9,126,480	\$ 10,984,656	\$ 10,984,656	\$ 12,161,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800	\$ 10,527,800

Source: Greenville County Information Systems and Services.  
 Percentage is based on the Assessed Value of 2007.

CITY OF MAULDIN, SOUTH CAROLINA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year Ended June 30	Original Tax Levy for Fiscal Year		Adjustments to Original Tax Levy for Fiscal Year		Adjusted Tax Levy for Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy	Amount	Percentage of Levy
1999	\$ 37,933,200		\$ 230,940		\$ 38,164,140	96.7%	\$ 36,914,620	96.7%	1,140,530		\$ 38,055,150	99.7%
2000	38,440,930		(246,660)		38,194,270	96.5%	36,840,620	96.5%	1,209,470		38,050,090	99.6%
2001	41,608,160		2,363,680		43,971,840	93.1%	40,942,000	93.1%	2,809,700		43,751,700	99.5%
2002	51,097,010		85,810		51,182,820	94.7%	48,486,340	94.7%	2,435,930		50,922,270	99.5%
2003	56,397,350		563,318		56,960,668	73.3%	41,748,920	73.3%	14,811,408		56,560,328	99.3%
2004	60,866,070		(43,930)		60,822,140	95.0%	57,770,520	95.0%	2,539,980		60,310,500	99.2%
2005	62,211,890		495,560		62,707,450	95.3%	59,756,200	95.3%	2,442,500		62,198,700	99.2%
2006	65,438,010		(549,030)		64,888,980	91.5%	59,359,210	91.5%	4,009,400		63,368,610	97.7%
2007	69,030,450		(725,480)		68,304,970	94.9%	64,848,570	94.9%	-		64,848,570	94.9%
2008	77,525,320		(34,005)		77,491,315	94.9%	73,511,485	94.9%	-		73,511,485	94.9%

Source: Greenville County Information Systems and Services.

CITY OF MAULDIN, SOUTH CAROLINA

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

(Unaudited)

Fiscal Year Ended June 30	Governmental Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Other	Capital Leases					
1999	\$ 1,695,000	\$ 285,537	\$ 965,162	\$ 2,945,699	NA	NA	NA	
2000	1,200,000	214,116	1,176,806	2,590,922	0.69%	\$	170	
2001	3,560,000	142,693	1,390,547	5,093,240	1.25%		318	
2002	3,395,000	71,422	973,427	4,439,849	1.00%		264	
2003	3,230,000	-	1,058,847	4,288,847	0.90%		242	
2004	3,055,000	-	626,332	3,681,332	0.71%		198	
2005	2,985,000	-	3,816,677	6,801,677	1.23%		352	
2006	2,740,000	-	3,456,987	6,196,987	1.06%		313	
2007	2,485,000	750,000	3,191,648	6,426,648	1.04%		317	
2008	2,275,000	729,977	2,888,751	5,893,728	0.90%		291	

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

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

CITY OF MAULDIN, SOUTH CAROLINA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

(Unaudited)

<b>Fiscal Year Ended June 30</b>	<b>General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
1999	\$ 1,695,000	\$ -	\$ 1,695,000	0.3%	NA
2000	1,200,000	-	1,200,000	0.2%	\$ 79
2001	3,560,000	-	3,560,000	0.5%	222
2002	3,395,000	-	3,395,000	0.4%	202
2003	3,230,000	-	3,230,000	0.3%	182
2004	3,055,000	-	3,055,000	0.3%	164
2005	2,985,000	-	2,985,000	0.3%	154
2006	2,740,000	-	2,740,000	0.2%	138
2007	2,485,000	-	2,485,000	0.2%	122
2008	2,275,000	-	2,275,000	0.2%	112

Note: Details regarding the City of Mauldin outstanding debt can be found in the notes to the basic financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data. See the Schedule of Demographic and Economic Statistics for population data.

CITY OF MAULDIN, SOUTH CAROLINA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

(Unaudited)

<u>Governmental Unit</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>County:</b>			
Greenville County	\$ 66,115,000	5.0%	\$ 3,305,750
<b>School District:</b>			
Greenville County School District	1,091,940,000	5.0%	54,597,000
<b>Special Purpose District:</b>			
Memorial Auditorium District	8,650,000	5.0%	432,500
Subtotal, Overlapping Debt			<u>58,335,250</u>
City of Mauldin Direct Debt			<u>6,426,648</u>
Total Direct and Overlapping Debt			<u><u>\$ 64,761,898</u></u>

Sources: Assessed value data used to estimate applicable percentages and amount of debt outstanding provided by the applicable government.

Note 1: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City of Mauldin's taxable assessed value that is within the government's boundaries and dividing it by the City of Mauldin's total taxable assessed value.

Note 2: Overlapping rates are those of county and local governments that apply to property owners within the City of Mauldin. Not all overlapping rates apply to all of the City of Mauldin's property owners (i.e., the rates for fire/special purpose districts apply only to the proportion of the City of Mauldin's property owners whose property is located within the geographic boundaries of the fire/special purpose district).

Fiscal Year 2006 the only debt amount reported from Greenville County was General Obligation Bond amount.

CITY OF MAULDIN, SOUTH CAROLINA  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

(Unaudited)

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	\$ 3,841,000	\$ 3,916,322	\$ 3,517,747	\$ 4,087,761	\$ 4,511,788	\$ 4,869,286	\$ 4,869,286	\$ 5,235,041	\$ 5,522,436	\$ 6,202,026
Total Net Debt Applicable to Debt Limit	1,695,000	1,200,000	3,560,000	3,395,000	3,230,000	3,055,000	2,985,000	2,485,000	2,485,000	2,275,000
Legal Debt Margin	\$ 2,146,000	\$ 2,716,322	\$ (42,253)	\$ 692,761	\$ 1,281,788	\$ 1,814,286	\$ 1,884,286	\$ 2,750,041	\$ 3,037,436	\$ 3,927,026
Total Net Debt Applicable to Debt Limit as a Percentage of Debt Limit	44.1%	30.6%	101.2%	83.1%	71.6%	62.7%	61.3%	47.5%	45.0%	36.7%

**Legal Debt Margin Calculation:**

Total Assessed Value	\$ 69,030,450	\$ 77,525,320
Debt Limit 8% of Total Assessed Value)	5,522,436	6,202,026
Amount of Debt Applicable to Debt Limit:		
Total Bonded Debt	2,485,000	2,275,000
Less: Debt Service Fund Balance	-	-
Less: Debt Issued Through Referendum	-	-
Total Amount of Debt Applicable to Debt Limit	2,485,000	2,275,000
Legal Debt Margin	\$ 3,037,436	\$ 3,927,026

Note: Article Eight (8), Section Seven (7) of the South Carolina Constitution, as amended, provides that no government shall incur any bonded debt which shall exceed 8% percent of the assessed value of the property therein without voter approval.

CITY OF MAULDIN, SOUTH CAROLINA  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS

(unaudited)

<b>Fiscal Year Ended June 30</b>	<b>Population</b>		<b>4 Personal Income</b>	<b>6 Per Capita Personal Income</b>		<b>UnEmployment Rate</b>	
1999	NA		NA	NA		1.9	
2000	15,224	1	\$ 376,794,000	\$ 24,750	#	2.2	
2001	16,016		408,278,907	25,493		2.6	
2002	16,826	2	441,804,909	26,257		3.7	
2003	17,701		478,722,127	27,045		4.8	
2004	18,621		518,724,148	27,856		5.5	
2005	19,322		554,387,468	28,692		5.9	
2006	19,806	3	585,322,645	29,553		5.5	
2007	20,301		617,954,382	30,439		5.4	
2008	20,230	1	653,772,910	32,317	5	4.9	6

Data Sources: Note: Information not available for 1999.  
 US Census Bureau.  
 The Greenville News paper dated July 10, 2003.  
 The Greenville News paper dated June 28, 2007.  
 US Census Bureau.  
 US Department of Commerce  
 US Census Bureau/Greater Greenville Chamber of Commerce

CITY OF MAULDIN, SOUTH CAROLINA  
 PRINCIPAL EMPLOYERS  
 FISCAL YEAR 2008 and FISCAL YEAR 2007

(unaudited)

Employer	2008			2007		
	Number of Employees	Rank	%	Employer	Number of Employees	%
Bi-Lo	10,722	1	68%	Bi-Lo	11,356	67%
Verizon	1,089	2	7%	Verizon	1,250	7%
C&S Wholesale	995	3	6%	C&S Wholesale	1,125	7%
Charter Communications	613	4	4%	Charter Communications	613	4%
Jacobs Engineering	576	5	4%	Jacobs Engineering	596	4%
Met Life	459	6	3%	Met Life	530	3%
Ford Motor Credit	467	7	3%	Ford Motor Credit	468	3%
CompX	276	8	2%	CompX	293	2%
National Electric Carbon	255	9	2%	National Electric Carbon	277	2%
Lockheed Martin	214	10	1%	Lockheed Martin	185	1%
C F Sauer	154	11	1%	C F Sauer	152	1%
Totals	<u>15,820</u>				<u>16,845</u>	

Source: Human Resource departments of the companies listed.

Notes: (1) Total employment figures are not readily available to provide percentage of total employment.

(2) Data for years prior to 2007 is not readily available.

CITY OF MAULDIN, SOUTH CAROLINA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

(unaudited)

Function	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Governmental Activities										
General Government	22	27	25	23	21	22	22	21	24	25
Public Safety	81	85	92	73	80	80	81	84	89	83
Streets	11	16	15	8	8	6	5	5	7	8
Sanitation	25	21	21	14	14	16	14	15	15	17
Sewer	-	-	-	4	4	4	4	4	4	4
Culture, Recreation and Tourism	12	14	14	9	9	10	13	19	22	51
Total	151	163	167	131	136	137	139	148	161	188

88 Source: City of Mauldin, South Carolina Annual Budget.

CITY OF MAULDIN, SOUTH CAROLINA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

(unaudited)

Function/Program	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government										
Building Permits Issued	NA	NA	NA	NA	1,240	2,048	1,551	1,413	1,746	1,119
Building Inspections Conducted	NA	NA	NA	NA	NA	NA	NA	N/A	2,717	4,005
Justice and Legal										
Number of Cases	NA	1,184	2,987	3,788	3,963	3,198	3,137	N/A	6,824	6,553
Jail Bookings	NA	NA	427	535	501	386	472	N/A	441	433
Public Safety - Police										
Physical Arrests	881	847	840	687	906	776	889	1,099	1,268	1,183
Parking and Traffic Violations	2,847	3,625	3,097	2,619	3,417	2,790	2,266	2,737	4,050	5,798
Non-Traffic Violations (Tickets & Warrants)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,035
Public Safety - Fire										
Medical Calls	173	210	259	317	557	628	887	1,357	1,863	1,768
Fire Calls	500	501	551	528	535	516	597	804	961	909
Inspections	4,762	5,580	4,658	999	1,904	1,926	1,205	1,478	2,444	2,763
Public Service										
Potholes Repaired	75	100	150	100	200	150	150	250	300	412
Roads Maintained (in Miles)	61	61	63	63	65	65	65	67	75	75
Streets Resurfaced									8	5
Parks and Recreation										
Recreational Participants	2,500	2,600	2,700	2,700	2,650	2,650	2,700	2,700	2,850	2,850
Sport Center Memberships									2,574	3,500
Solid Waste										
Refuse Collected (Tons per Day-residential)	15	16	16	16	18	18	19	20	20	30

Sources: City of Mauldin Department records

CITY OF MAULDIN, SOUTH CAROLINA  
 CAPITAL ASSET STATISTICS BY FUNCTION  
 LAST TEN FISCAL YEARS

(unaudited)

Function	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Justice and Legal										
Correction/Jail Cell Facility Capacity	1	1	1	1	1	1	1	1	1	1
Public Safety - Police										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Patrol Units	-	-	28	28	34	31	32	35	38	39
Emergency Response Van	-	-	-	-	-	1	1	1	1	1
Public Safety - Fire										
Number of Fire Stations	3	3	3	3	3	3	3	3	3	3
Number of Fire Trucks	5	5	5	5	5	5	5	5	5	5
Public Service										
Streets (in Miles)	61	61	63	63	65	65	65	67	75	75
Traffic Signals	-	-	4	4	4	4	4	4	4	4
Public work buildings	2	2	2	3	3	3	3	3	4	4
Parks and Recreation										
Parks Acreage	60	60	60	60	60	60	60	60	60	63
Parks	3	3	3	3	3	3	3	3	3	4
Ball fields	15	15	15	15	15	15	15	15	15	15
Community Development										
Community Centers	1	1	1	1	1	2	2	2	3	3
Solid Waste										
Collection/Refuse Trucks	5	6	6	6	7	7	8	8	11	16

Sources: City of Mauldin departmental records