CITY OF WALHALLA

Main Street to the Mountains

AGENDA
WALHALLA CITY COUNCIL MEETING
April 16, 2024
5:30 PM
City Hall | 206 N Church St, Walhalla, SC

Tim Hall
Mayor

Keith Pace
Mayor Pro-Tem

Grant Keehn
Councilman

Sarai Melendez
Councilwoman

Josh Thomas
Councilman

Josh Holliday
Councilman

Kenny Johns
Councilman

Michael Kozlarek
City Attorney

Celia Boyd Myers
City Administrator

I. **Call to Order and Welcome** — Mayor Hall

II. **Moment of Silence**

III. **Pledge of Allegiance**

IV. **Approval of Agenda**

V. **Approval of Minutes**
- A. Regular Council Meeting, March 19, 2024
- B. Committee Meeting, April 2, 2024

VI. **Public Comment** *(Public Comment is limited to 5 minutes and must be directed to Council, per City Ordinance 2022-8)*

VII. **Mayoral Proclamations:**
- A. Proclamation 2024-04: A Proclamation to Declare May 5-11 as Small Business Week
- B. Proclamation 2024-05: A Proclamation to Declare May 15 as Peace Officers Day
- C. Proclamation 2024-06: A Proclamation to Declare April 22 as Earth Day in Walhalla

VIII. **First and Final Reading of Resolutions:**
- A. Resolution 2024-06: A Resolution to Recognize Kami Roach for Achievements in Basketball

IX. **Presentations**
- A. FY 22-23 Audit, Marcy Loucks, McKinley, Cooper & Co., LLC
- B. Enterprise Fleet Management, Kris Whiteside
- C. History of Walhalla Water System, Keith Pace
- D. Main Street Walhalla Board

X. **Administrator's Report**
- A. Monthly Reports
- B. Transfers

XI. **Second, Final Reading and Public Review of Ordinances:**

A. Ordinance 2024-07: An ordinance to amend Chapter 310 Water and Sewers

B. Ordinance 2024-08: An ordinance to amend Chapter 25 Economic Development Incentive Program

C. Ordinance 2024-09: An ordinance to amend the FY23-24 Budget's Fee Schedule

XII. **First Reading of Ordinances:** None

XIII. **Discussion and/or Action Items** *(to include Vote and/or Action on matters brought up for discussion, if required)*

A. Wage and Compensation Study

B. Sidewalk RFQ

C. Request for Transfer

XIV. **Executive Session** *(to include Vote and/or Action on matters discussed, if required):*

A. Real Estate Matter: City Owned Property

B. Contractual Matter: Water Contract

C. Contractual Matter: MOA

XV. **Mayor Comments** Mayor Hall

XVI. **Adjournment**

Tim Hall
Mayor

Keith Pace
Mayor Pro-Tem

Grant Keehn
Councilman

Sarai Melendez
Councilwoman

Josh Thomas
Councilman

Josh Holliday
Councilman

Kenny Johns
Councilman

Michael Kozlarek
City Attorney

Celia Boyd Myers
City Administrator

City of Walhalla
City Council
Tuesday, March 19,2024 • 5:30 PM
Council Chambers • City Hall
Walhalla, South Carolina
Minutes

In accordance with the South Carolina Freedom of Information Act, Section 30-4-10 et seq., South Carolina Code, 1976, the media was duly notified of the date, time, and place of the meeting.

Councilmembers Present: Mayor Tim Hall, Mayor Pro Tem Keith Pace, Grant Keehn, Kenny Johns, Josh Thomas, and Josh Holliday

Councilmembers Absent: Sarai Melendez

Staff Present: Celia Myers, Kaylee Osbon, Catie Fisher, Breanna Richardson, Chief Tim Rice, and Scott Parris

Call to Order: Mayor Hall called the meeting to order at 5:30 PM, with a quorum present to conduct the meeting and welcomed all present to the meeting.

Moment of Silence: Mayor Hall called for a moment of silence.

Pledge of Allegiance: Mayor Hall asked Councilmember Thomas to lead the Pledge of Allegiance.

Approval of Agenda: Mayor Hall called for a motion to approve the agenda. The agenda passed unanimously.

Approval of Minutes: Mayor Hall called for a motion to approve the February 20, 2024 minutes. Mr. Keehn moved to approve the minutes; Mr. Thomas seconded. The February 20, 2024 minutes was unanimously approved. Mayor Hall called for a motion to approve the March 3, 2024 minutes. The March 3, 2024 minutes was unanimously approved.

Public Comments: Mayor Hall called for any public comments. Mr. Randy Campbell approached the stand and urged council to clean the Water and Streets area. Ms. Luz Torrez spoke on behalf of a different family that was not able to come. She asked council to take a look into a sewer problem they are having.

Mayoral Proclamations

Mayor Hall read the Fair Housing proclamation, proclaiming April as Fair Housing Month.

First and Final Reading of Resolution 2023-15

Mayor Hall read and presentation Resolution 2024-04 recognizing Issac Kanagy for his achievement in oratory. Mr. Johns moved to approve Resolution 2024-04; Mr. Keehn seconded. The motion to approve was unanimous.

Mayor Hall read and presentation Resolution 2024-06 recognizing Walhalla 10&U Boys Basketball for making it to State. Mr. Johns moved to approve Resolution 2024-06; Mr. Holliday seconded. The motion to approve was unanimous.

Main Street Presentation, Jenny Boulware

Ms. Boulware presented on the Main Street USA program. She explained how the program is used to help business on main street through, building relationships, targeted economic developments, market analysis, education, and training.

Administrator's Comments: Mrs. Myers presented the monthly reports as presented in the packet.

Second, Final Reading and Public Review of Ordinances

Ordinance 2024-02: An ordinance to amend Chapter 330, Article III, Section 1.14 R-25 Single Family Residential District: Mayor Hall opened for public comment, hearing none he closed the public comment section. Mr. Pace made a motion to accept the ordinance, Mr. Johns seconded. Mr. Keehn asked if this was excluding apartments and Mrs. Myers clarified if it is a two-story building. Mr. Keehn made a motion to clarify the wording. The motion passed. Mr. Parris gave clarification on the utilities for the additional property. Ordinance 2024-02 passed unanimously.

Ordinance 2024-03: An ordinance to amend Chapter 199, Section 2 Construction Standards for Manufactured Homes: Mayor Hall opened for public comment, hearing none he closed the public comment section. Mr. Keehn made a motion to pass the ordinance; Mr. Holliday seconded. The motion passed 5-1, Mr. Thomas opposed.

Ordinance 2024-04: An ordinance to amend Chapter 330, Article III, Section 1.10 Downtown Development Overlay District Regarding Approval for Murals and Article V, Section 1.25 Sign Regulations Regarding Approval for Free Standing Signs withing the Downtown Design Overlay: Mayor Hall opened for public comment, hearing none he closed the public comment section. Mr. Johns made a motion to pass the ordinance; Mr. Holliday seconded. Mr. Thomas asked how many signs and murals have come up regularly. Mrs. Myers explained that since she has been with the city a total of 2 signs and 1 mural. Mr. Thomas explained that he does not that that is enough to pass it to someone else and that they would not know what is going on. Mrs. Myers expressed that it can go to Planning Commission and then they individual will have the option to appeal to council, if they are denied. Mr. Keehn explained that we are informed of the decisions. Mr. Holliday expressed that the individual should go through the process and we elect the planning commission to make those decisions. Mayor Hall suggested that we add in a section to reference the appeal process. Mr. Pace made a motion to add in the appeal process; Mr. Thomas seconded. The motion passed 6-0. Mr. Pace explained that the zoning administrator is by the books. Mr. Keehn stated that he does not think it should go to council. Mayor Hall explained that it is illegal for it to come directly to council. Ordinance 2024-04 passed unanimously.

Ordinance 2024-05: An ordinance to merge the Tree Committee and Beautification Committee: Mayor Hall opened for public comment, hearing none he closed the public comment section. Mr. Pace made a motion to pass the ordinance; Mr. Holliday seconded. Mr. Keehn expressed that the wording should be changed and made a motion to add in monitor and advise instead of enforce; Mr. Holliday seconded. Ordinance 2024-05 passed unanimously.

Ordinance 2024-06: An ordinance amending the Business License Ordinance of the City of Walhalla to update the class schedule as required by act 176 of 2020: Mayor Hall opened for public comment, hearing none he closed the public comment section. Mr. Pace made a motion to pass the ordinance; Mr. Holliday seconded. Ordinance 2024-06 passed unanimously.

First Reading of Ordinances

Ordinance 2024-07: An ordinance to amend Chapter 310 Water and Sewer: Mrs. Myers explained that this policy would allow for owners to be able to put water and sewer on their land. It will also help with dispute of property as long as there is an easement water and sewer lines can be run. Mr. Pace made a motion to move to second reading; Mr. Thomas seconded. Ordinance 2024-07 passed to second reading unanimously.

Ordinance 2024-08: An ordinance to amend Chapter 25 Economic Development: Mr. Pace made a motion to open for discussion; Mr. Holliday seconded. Mr. Pace made a motion to remove certain items in the ordinance; Mr. Holliday seconded. The motion passed 5-1, Mayor Hall opposed. Ordinance 2024-08 passed to second reading 5-1, Mr. Keehn opposing.

Ordinance 2024-09: An ordinance to amend the FY 23 Budget Appendix A related to Rental Fees: Mr. Pace made a motion to open for discussion; Mr. Johns seconded. Mr. Holliday asked to define getting the Depot once a month for free. Mr. Pace explained it once through the door for free and Mrs. Myers agreed.

Mr. Thomas stated he was against giving it away for free. Mr. Keehn explained that he believes it should not be given away as well because the city is not in the business to give charity and that this is the tax payers money. Mr. Holliday does not think one group should get it for free for another and Mr. Pace agreed stating that if it is done for one it should be done for all. Ordinance 2024-09 passed to second reading 5-1, Mr. Keehn opposing.

Wage and Compensation Study

Mrs. Myers explained that it was brought to her attention to have competitive pay so it would cost about $10,000 for one to be prepared. She explained some data is available through MASC. Mr. Keehn asked how long it would take to do a study and Mrs. Myers explained it would be a couple of months. Mayor Hall asked how low the cost would be and Mrs. Myers explained it would be as low as $10,000. Mr. Keehn explained that council has committed to doing this and we should just bite the bullet. Mr. Thomas suggested looking at same size cities. Mr. Keehn suggested looking into the private sector and Mr. Pace suggested looking at comparable revenue places. Mrs. Myers and staff will continue to look into different options.

Zoning Codes Update

Mrs. Myers expressed interest in updating zoning codes to make it easier for businesses to open within the city. It would go through Planning Commission and staff so they become easier to understand. City Council had no issues with the proposal and wanted it to be pursed.

Executive Session

Mr. Holliday moved to enter executive session in order to discuss a real estate matter for a city owned property and a contractual matter regarding a water contract. Mr. Johns seconded. The motion to enter executive session was unanimous. Council entered executive session at 7:52 PM.

Council exited executive session at 8:43 PM.

No action was taken.

Mayor Comments

None were provided.

Hearing no further business, the meeting adjourned at 8:44 PM.

Respectfully Submitted,

Kaylee Osbon, MBA

City of Walhalla
City Committee Meeting
Tuesday, April 2, 2024 • 5:30 PM
Council Chambers • City Hall
Walhalla, South Carolina
Minutes

In accordance with the South Carolina Freedom of Information Act, Section 30-4-10 et seq., South Carolina Code, 1976, the media was duly notified of the date, time, and place of the meeting.

Councilmembers Present: Mayor Tim Hall, Mayor Pro Tem Keith Pace, Grant Keehn, Josh Thomas, Sarai Melendez, Kenny Johns, and Josh Holliday

Councilmembers Absent:

Staff Present: Celia Myers, Kaylee Osbon, Russ Price, John Galbreath, Mark Bloomer, Breanna Richardson, Davy Lee, Andrew Martinez, and Scott Parris

Welcome: Mayor Hall called the meeting to order at 5:30 PM and welcomed all present to the meeting.

Moment of Silence: Mayor Hall called for a moment of silence.

Pledge of Allegiance: Mayor Hall asked Councilmember Holliday to lead the Pledge of Allegiance.

Approval of Agenda: Mayor Hall called for a motion to approve the agenda. Mr. Holliday moved to approve the agenda; Mr. Pace seconded. The agenda was unanimously approved.

Parks, Recreation, & Tourism

Mr. Thomas asked Ms. Richardson to give an update. She explained that flag football started the day before, that they are looking at an increase in fees to help cover the cost of uniforms, Super Saturday will be April 20, discussed the updates for Flag Football All Stars, and that fall sports registration will be online from June 20th- 28th. Mr. Andrew then gave an update on the disc golf course, stating that a tournament was held at the field not to long ago and it was a huge success. He explained that more people are coming back to the course because of the tournament. Mr. Holliday made a motion to increase the fees to inside city to $45 and outside the city to $80 and to bring to council; Ms. Melendez seconded. Mr. Thomas asked for an update on the concession stand and Mrs. Myers explained they are still looking into quotes for the building. Ms. Melendez suggested into starting pickleball groups and Mr. Thomas agreed to look into it.

Planning and Community Development

Mrs. Fisher started by showing two videos of merchants from Main Street. She then passed out information that included a map and list of events that are throughout the City of Walhalla for the next couple of months. Mr. Bloomer discussed the information that he gained from a recent conference and explained that it was very informative. He then went over the goals that the Planning Commission has set for themselves and to use for the Comp Plan. Ms. Melendez asked for clarification on if these are the recommendations to council and Mr. Bloomer said yes. Ms. Melendez then asked if we are on track with the comp plan and Mrs. Myers stated the city is right where they should be. Mayor Hall asked what economic development was included in the plan. Mr. Keehn stated that apartments would be a great asset. Then Mr. Pace pointed out that apartments were on the plan from 10 years ago and that the city needs to act on it. Mr. Thomas urged that we keep Walhalla as the "ma and pop" place for the businesses that are here and that a detailed plan needs to be made. Ms. Melendez then introduced the idea of having a task force dedicated to affordable housing and lack of housing. The committee agreed to look into it.

Utilities

Mr. Parris explained that a customer was having sewer issues and that the property lives on will not allow for a new line to come to his property. Mr. Parris, on behalf of the customer, asked if a septic tank can be placed on his property. Mr. Keehn explained that he can because it is not stated in ordinance that he cannot because of no easement access. Mr. Parris explained that he will need a letter to send DEHEC. The committee approved his request. Mrs. Myers explained that Blackwater has requested a called meeting to discuss the issue with the water plants that they have. The committee agreed that all demands have been meet and they will not meet. The committee then voted on the Water Plant Tour to be April 11 at 3:30 PM.

Public Works

Mr. Price stated he had no updates. Mr. Galbreath went over the different maintenance upkeeps from the previous month.

Public Safety

Chief Rice informed the committee that the Park Ranger was purchased and would be ready for use the next day. He also explained he will be putting two of his vehicles in surplus and will be selling other vehicles on Gov Deals. The new police website will be up and running soon. Chief Rice also let the committee know that there has been an issue of vandalism at the fields. He then suggested adding a kiosk to Stumphouse Mountain Park to help with the compliance issues. Chief Bates explained that there is a rise in calls and that there has been one fatal fire in the past month that is still under investigation. He explained he still has two vacancies and running 3-6 calls a day. Mr. Johns and Mr. Keehn asked if there was a way to cut calls and Chief Bates explained that was not possible because they are needed to help with response calls to ensure safety to the citizens. He explained that ideally there would be a 7-man crew for each shift.

Finance Committee

Mr. Pace gave a review of the previous meeting and went over the hospitality tax applications.

General Government

Mrs. Myers explained that a proposal for the Wage and Compensation Study would be provided at the end of this week.

Mr. Pace then moved to go into executive session to discuss a city personnel matter; Mr. Johns seconded. The motion to enter executive session was unanimous. They entered executive session at 7:57 PM.

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Mayor Comments

None were provided.

Hearing no further business, the meeting adjourned at 8:45 PM.

Respectfully Submitted,

Kaylee Osbon, MBA

A PROCLAMATION
TO RECOGNIZE MAY 5-11 AS SMALL BUSINESS WEEK

WHEREAS, small businesses are the backbone of our economy, driving innovation, creating jobs, and fostering economic growth in our communities; and

WHEREAS, small businesses play a vital role in enriching the fabric of our society, contributing to the unique character and diversity of the City of Walhalla; and

WHEREAS, small business owners exhibit resilience, creativity, and determination in the face of challenges, demonstrating their unwavering commitment to success; and

WHEREAS, small businesses are integral parts of our local communities, supporting local causes, and fostering connections that strengthen the bonds among neighbors; and

WHEREAS, Small Business Week provides an opportunity to celebrate the contributions of small businesses and to recognize the hard work and dedication of entrepreneurs and small business owners across our nation; and

WHEREAS, during Small Business Week, we reaffirm our support for small businesses and pledge to continue providing resources, assistance, and opportunities to help them thrive and succeed;

NOW, THEREFORE, I, Mayor Tim Hall, do hereby proclaim May 5 through May 11 as Small Business Week. I call upon all citizens of Walhalla to join me in recognizing the vital role of small businesses in our economy and in supporting these enterprises in their endeavors.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the City of Walhalla, South Carolina to be affixed this Sixteenth Day of April, in the year of our Lord Two Thousand Twenty-Four.

_____

Mayor Tim Hall

A PROCLAMATION
TO DECLARE MAY 15 AS PEACE OFFICERS DAY

WHEREAS, peace officers are the guardians of our communities, tirelessly working to uphold law and order, and safeguard the well-being of all citizens; and

WHEREAS, their unwavering commitment to justice, fairness, and public safety is a cornerstone of our society, promoting peace and security for all individuals; and

WHEREAS, peace officers often risk their own lives to protect others, demonstrating courage, bravery, and selflessness in the face of danger; and

WHEREAS, on this day, we recognize and honor the invaluable contributions of peace officers within the City of Walhalla, expressing our deepest gratitude for their dedication, sacrifice, and service; and

WHEREAS, through their compassion, empathy, and professionalism, peace officers foster trust, respect, and cooperation within our communities, promoting unity and harmony among diverse populations; and

WHEREAS, Peace Officers Day provides an opportunity for all citizens to express their appreciation and support for the vital work performed by peace officers each day;

NOW, THEREFORE, I Mayor Tim Hall do hereby proclaim May 15, 2024, as Peace Officers Day. I urge all citizens to join me in honoring and thanking our peace officers for their tireless commitment to protecting and serving our communities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of City of Walhalla to be affixed this 16 day of April in the year 2024.

_____

Mayor Tim Hall

A PROCLAMATION
TO DECLARE APRIL 22 AS EARTH DAY

WHEREAS, the City of Walhalla recognizes the importance of environmental stewardship and sustainable practices for the well-being of our community and future generations; and

WHEREAS, Earth Day, celebrated annually on April 22nd, serves as a reminder of our responsibility to protect and preserve the natural resources of our planet; and

WHEREAS, the City of Walhalla acknowledges the urgent need to address environmental challenges; and

WHEREAS, every individual, organization, and community has a role to play in promoting environmental conservation and taking actions to mitigate the impacts of human activity on the Earth; and

WHEREAS, by raising awareness and implementing sustainable practices, we can make a positive difference in protecting the environment and creating a healthier, more sustainable future for all;

NOW, THEREFORE, I, Mayor Tim Hall, do hereby proclaim April 22nd, 2024, as Earth Day in the City of Walhalla. I call upon all residents, businesses, schools, and community organizations to join together in celebration of Earth Day by participating in activities that promote environmental awareness, conservation, and sustainable living.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of City of Walhalla to be affixed this 16 day of April in the year 2024.

_____

Mayor Tim Hall

State of South Carolina)

County of Oconee)

City of Walhalla)

Resolution 2024-05

A RESOLUTION TO RECOGNIZE KAMI ROACH FOR ACHIEVEMENTS IN BASKETBALL

WHEREAS, Kami Roach, a dedicated member of the Walhalla High School Varsity Basketball Team, has exhibited outstanding skills, leadership, and sportsmanship throughout her sophomore year;

WHEREAS, Kami Roach's remarkable performance has earned her the esteemed title of Western 3A Region Player of the Year, a testament to her exceptional talent and hard work on the court;

WHEREAS, Kami Roach's exemplary skills and dedication have garnered her recognition at the state level, as evidenced by her selection for All-State honors for the second consecutive year, further solidifying her status as one of the top basketball players in the state;

WHEREAS, Kami Roach has demonstrated exceptional leadership qualities, serving as a role model and inspiration to her teammates both on and off the court;

WHEREAS, Kami Roach exemplifies exceptional sportsmanship and dedication to the sport of basketball;

WHEREAS, Kami Roach's contributions to the Walhalla High School Varsity Basketball Team have been instrumental in fostering a culture of excellence and teamwork within the program;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WALHALLA, that the Walhalla City Council extends its heartfelt congratulations to Kami Roach for her outstanding achievements and contributions to the varsity basketball team;

AND IT IS SO RESOLVED this 16h day of April 2024.

_____

Mayor Tim Hall

Attest:

_____

Celia Myers, City Administrator



CITY OF WALHALLA, SOUTH CAROLINA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

CITY OF WALHALLA, SOUTH CAROLINA

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YEAR ENDED JUNE 30, 2023

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McKinley, Cooper & Co., LLC
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Walhalla, South Carolina, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Walhalla as of June 30, 2023, and the respective changes in the financial position, and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

The Honorable Mayor and Members of City Council
City of Walhalla
February 29, 2024

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

Other Matters

Required Supplementary Information

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

Supplemental and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the Untied States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

McKinley, Cooper & Co., LLC

Greenville, South Carolina
February 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Walhalla ("City") offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2023 ("FY 2023" or "2023") compared to the fiscal year ended June 30, 2022 ("FY 2022" or "2022"). The intent of this management's discussion and analysis ("MD&A") is to look at the City's financial performance as a whole. Readers are encouraged to not only consider the information presented here, but also the information provided in the financial statements, the notes to the financial statements, the required supplementary information, and the supplementary information to enhance their understanding of the City's overall financial performance.

Financial Highlights

- In the Statement of Net Position, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $18,300,384. Unrestricted net position has a balance of $2,648,555 at June 30, 2023.
- The City's total net position increased by $507,984 compared to the prior year net position, as revenues of $11,209,495 exceeded expenses of $10,701,511.
- As of the close of the current year, the City's governmental funds reported combined ending fund balances of $1,757,467, a decrease of $453,900.
- At the end of the current year, unassigned fund balance for the General Fund was ($411,815).
- The City's capital assets decreased by $486,329. The decrease in capital assets was due to depreciation.
- The City's total debt decreased by $767,854 during 2023 due repayment of principal.
- The City's net pension liability increased by $546,231 to $5,347,665 at June 30, 2023.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of two parts – *Financial Section* (which includes the MD&A, the financial statements, the required supplementary information, and the supplementary information) and the *Compliance Section* (if applicable).

Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial statements present two different views of the City through the use of government-wide and fund financial statements. In addition to the financial statements, this report contains required supplementary information and supplementary information that will enhance the reader's understanding of the financial condition of the City.

Government-Wide Financial Statements. The financial statements include two statements that present different views of the City. These are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources ("deferred outflows") and liabilities and deferred inflows of resources ("deferred inflows"), with the differences between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

The government-wide financial statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include administrative and general, public safety, judicial services, and recreation and tourism. The business-type activities are the City's water and sewer operations. The government-wide financial statements can be found as listed in the table of contents.

Fund Financial Statements. The fund financial statements provide a more detailed look at the City's most significant activities. 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 all other governmental entities in South Carolina, uses fund accounting to ensure and reflect compliance with finance-related legal requirements, such as the General Statutes or the City's budget ordinance. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds – The City uses *governmental funds* to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. The focus of these funds is on how assets can readily be converted into cash flow (in and out), and what monies are left at year-end that will be available for spending in the next year. The governmental funds report using an accounting method called *modified accrual accounting* which provides a short-term spending focus. As a result, the governmental funds financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's services. The relationship between *governmental activities* (reported in the government-wide financial statements) and *governmental funds* is described in a reconciliation that is a part of the fund financial statements.

The City maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenue, expenditures and changes in fund balances for the General Fund. The Hospitality Tax Fund, Victim's Fund, Fire Premium Fund, Police Fund and Cemetery Fund are non-major funds and are combined for presentation purposes. The governmental funds financial statements can be found as listed in the table of contents.

Proprietary Funds – The City maintains two types of proprietary funds: the water fund and sewer fund. *Enterprise Funds* are used to account for operations that (a) are financed and operated in a manner similar to private business enterprises — where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City uses an enterprise fund to account for its water, sewer, electric and solid waste operations. The proprietary fund financial statements can be found as listed in the table of contents.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents.

Required Supplementary Information – A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with their budgets. Required pension plan schedules have been included which provide relevant information regarding the City's participation in the State retirement plans. Required supplementary information can be found as listed in the table of contents.

OVERVIEW OF FINANCIAL STATEMENTS (CONTINUED)

Supplementary Information – In addition to the financial statements, notes, and required supplementary information, this report includes certain supplementary information which is presented immediately following the required supplementary information. These schedules can be found as listed in the table of contents.

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

		Fund Financial Statements	
	Government-Wide Financial Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government.	The activities of the City that are not proprietary.	Activities the City operates similar to private businesses, in the City's case, all activities related to the water and sewer operations.
Required Financial Statements	▪ Statement of Net Position. ▪ Statement of Activities.	Balance Sheet. Statement of Revenues, Expenditures, and Changes in Fund Balances.	▪ Statement of Net Position. ▪ Statement of Revenues, Expenses and Change in Net Position. ▪ Statement of Cash Flows.
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.
Type of Balance Sheet Information	All assets and deferred outflows and liabilities and deferred inflows, both financial and capital, and short-term and long-term.	Only assets and deferred outflows (if any) expected to be used and liabilities and deferred inflows that come due during the year or soon, thereafter; no capital assets or long-term obligations included.	All assets and deferred outflows and liabilities and deferred inflows, both financial and capital and short-term and long-term.
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during year, regardless of when cash is received or paid.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following table provides a summary of the City's net position for June 30, 2023 and 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	$ 2,044,826	$ 2,417,009	$ 8,235,139	$ 7,467,606	$ 10,279,965	$ 9,884,615
Capital Assets	5,947,280	5,802,850	27,332,310	27,963,069	33,279,590	33,765,919
Total Assets	7,992,106	8,219,859	35,567,449	35,430,675	43,559,555	43,650,534
Deferred Outflows of Resources	863,797	1,044,585	228,826	259,903	1,092,623	1,304,488
Current Liabilities	562,316	486,164	832,485	765,294	1,394,801	1,251,458
Long-Term Liabilities	539,833	822,230	18,862,798	19,347,962	19,402,631	20,170,192
Net Pension Liability	4,193,887	3,680,223	1,153,778	1,121,211	5,347,665	4,801,434
Total Liabilities	5,296,036	4,988,617	20,849,061	21,234,467	26,145,097	26,223,084
Deferred Inflows of Resources	172,936	747,568	33,761	191,970	206,697	939,538
Net Investment in Capital Assets	5,141,215	4,713,706	9,070,280	9,311,099	14,211,495	14,024,805
Restricted	769,096	620,811	671,238	699,263	1,440,334	1,320,074
Unrestricted	(2,523,380)	(1,806,258)	5,171,935	4,253,779	2,648,555	2,447,521
Total Net Position	$ 3,386,931	$ 3,528,259	$ 14,913,453	$ 14,264,141	$ 18,300,384	$ 17,792,400

The City's total assets decreased $90,979 from the prior year. Current and other assets increased $395,350 primarily due to an increase in cash and accounts receivable. Capital assets decreased $486,329 from the prior year due to water plant depreciation. Total liabilities decreased $77,987 from the prior year primarily due to the reduction in debt. The changes in deferred outflows and inflows of resources was primarily due to differences between expected and actual liability/investment experience and changes in the percentage of the City's share of the net pension liability in the State retirement plans.

The City's net position increased by $507,984 during the current fiscal year primarily due to general revenues exceeding expenses in 2023. Please see the discussion following the next table regarding this increase.

The City's assets and deferred outflows exceeded liabilities and deferred inflows by $18,300,384 as of June 30, 2023. $14,211,495 of total net position reflects the City's net investment in capital assets (i.e., land, buildings, water and sewer utility system, equipment, vehicles, infrastructure, etc.) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt generally must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

$1,440,334 of net position represents resources that are subject to external restrictions on how they may be used. This net position is restricted primarily for tourism related expenditures (hospitality taxes) and capital projects.

The remaining portion of the City's net position is an unrestricted balance of $2,648,555.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

The following table shows the changes in the City's net position for June 30, 2023 and 2022:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	$ 1,737,438	$ 1,602,984	$ 6,008,120	$ 5,201,537	$ 7,745,558	$ 6,804,521
Operating Grants and Contributions	300,000	1,413,179	-	-	300,000	1,413,179
Capital Grants and Contributions	1,161,037	1,238,353	-	-	1,161,037	1,238,353
General Revenues:						
Taxes	1,472,212	1,368,702	-	-	1,472,212	1,368,702
Other	523,754	203,108	6,934	-	530,688	203,108
Total Revenues	5,194,441	5,826,326	6,015,054	5,201,537	11,209,495	11,027,863
Expenses:						
Administrative and General	393,496	482,682	-	-	393,496	482,682
Judicial Services	83,774	77,167	-	-	83,774	77,167
Public Safety	2,628,319	2,068,952	-	-	2,628,319	2,068,952
Public Works	1,397,300	1,293,493	-	-	1,397,300	1,293,493
Recreation and Tourism	701,382	631,306	-	-	701,382	631,306
Community Development	103,323	-	-	-	103,323	-
Interest on Long-Term Debt	28,175	25,366	-	-	28,175	25,366
Utility	-	-	5,365,742	4,989,199	5,365,742	4,989,199
Total Expenses	5,335,769	4,578,966	5,365,742	4,989,199	10,701,511	9,568,165
Change in Net Position Before Transfers	(141,328)	1,247,360	649,312	212,338	507,984	1,459,698
Transfers	-	(88,297)	-	88,297	-	-
Change in Net Position	(141,328)	1,159,063	649,312	300,635	507,984	1,459,698
Net Position - Beginning of Year	3,528,259	2,369,196	14,264,141	13,963,506	17,792,400	16,332,702
Net Position - End of Year	$ 3,386,931	$ 3,528,259	$ 14,913,453	$ 14,264,141	$ 18,300,384	$ 17,792,400

Governmental Activities: Governmental activities had a decrease in net position of $141,328. Governmental activities revenues decreased by $631,885 from the prior year.

Expenses related to total governmental activities increased by $756,803 from the prior year.

***Business-Type Activities*:** Net position related to business-type activities (i.e., water and sewer operations) increased by $649,312. This increase was primarily due to revenues of $6,015,054 exceeding expenses of $5,365,742. Revenues increased by $813,517 primarily due to an increase in grant income. Expenses increased by $376,543.

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. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported ending fund balance of $1,757,467, a decrease of $453,900, or 26% lower than the prior year fund balance.

($411,815) of the total fund balance of the governmental funds constitutes unassigned fund balance which, if positive, is available for spending at the City's discretion. The remainder of the fund balance is restricted, committed, or assigned to indicate that it is not available for new spending: (1) for judicial services ($1,455) (2) for public safety ($30,628), (3) for tourism ($737,013), (4) for

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

capital projects ($663,777), (5) for cemetery operations ($21,094), and (6) for utility projects ($715,315). Total unassigned fund balance of the governmental funds represents (21%) of total governmental funds expenditures.

Highlights for the General Fund were as follows:

- Total General Fund revenues increased by $220,619 from the prior year, primarily due to higher grant income.
- Total General Fund expenditures increased by $685,277 from the prior year.

Proprietary Fund. The City's proprietary fund provides the same type of information found in the government-wide statements, but in more detail. Net position of the Utility Fund at the end of 2023 was $14,913,453. Please see "Business-Type Activities" discussion in the previous section for details.

General Fund Budgetary Highlights: If budget amendments are made, they generally fall into one of three categories: amendments made to adjust the estimates used to prepare the original budget ordinance once exact information is available; amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and increases in appropriations that become necessary to maintain services.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets as of June 30, 2023 amounted to $33,279,590. The City's capital assets includes land, construction in progress, buildings, improvements, machinery and equipment, vehicles, infrastructure, and the water and sewer utility system. The City's capital assets (net of depreciation) as of June 30, 2023 and 2022 were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 835,149	$ 835,149	$ 160,226	$ 160,226	$ 995,375	$ 995,375
Construction in Progress	496,031	38,912	-	-	496,031	38,912
Buildings and Improvements	3,015,792	3,100,439	895,197	873,374	3,910,989	3,973,813
Vehicles and Equipment	1,582,980	1,810,470	736,603	835,025	2,319,583	2,645,495
Infrastructure	17,328	17,880	25,540,284	26,094,444	25,557,612	26,112,324
Total	5,947,280	5,802,850	27,332,310	27,963,069	33,279,590	33,765,919

The total decrease in the City's capital assets for 2023 was $486,329. Major capital asset events during 2023 included the following:

- Capital asset additions consisted primarily of:
    - Stumphouse Bike Park – Approximately $457,000
- Depreciation expense of $426,000 for governmental activities and $915,000 for business-type activities.

Additional information on the City's capital assets can be found in Note 4 in the notes to the financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

Debt

As of June 30, 2023, the City had total outstanding debt of $19,997,806. The City's total debt as of June 30, 2023 and 2022 were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Capital Leases	$ 796,287	$ 1,075,008	$ 199,661	$ 275,514	$ 995,948	$ 1,350,522
Bonds Payable	-	-	19,001,858	19,415,138	19,001,858	19,415,138
Total	$ 796,287	$ 1,075,008	$ 19,201,519	$ 19,690,652	$ 19,997,806	$ 20,765,660

The total decrease in the City's debt for 2023 was $767,854. Major events during 2023 included the following:

- Scheduled principal payments of ~$768,000.

Additional information regarding the City's long-term obligations can be found in Note 5 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City's elected officials and staff considered many factors when setting the fiscal year 2023 budget. The state of the economy, anticipated construction activity, future capital needs, and the best interests of the City's residents were all taken into account.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide Walhalla's citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances, and to demonstrate the City's accountability for the public assets under its management. Please contact the City of Walhalla Administration Department, 206 N Church St, Walhalla, SC 29691 with any questions or to request additional information.

GOVERNMENT - WIDE FINANCIAL STATEMENTS

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2023

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Other Cash Deposits	$ 7,061,144	$ 55,001	$ 7,116,145
Restricted Cash and Other Cash Deposits	790,208	815,681	1,605,889
Accounts Receivable	219,211	1,061,626	1,280,837
Interfund Balances	(6,048,053)	6,048,053	-
Taxes Receivable	22,316	-	22,316
Inventories	-	254,778	254,778
CAPITAL ASSETS:			
Non Depreciable	1,331,180	160,226	1,491,406
Depreciable	9,891,183	36,659,012	46,550,195
Less Accumulated Depreciation	(5,275,083)	(9,486,928)	(14,762,011)
TOTAL ASSETS	**7,992,106**	**35,567,449**	**43,559,555**
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Charges	863,797	228,826	1,092,623
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**863,797**	**228,826**	**1,092,623**
LIABILITIES			
Accounts Payable	90,079	179,479	269,558
Accrued Salaries	88,287	40,693	128,980
Employee Benefits Withheld and Accrued	70,262	29,401	99,663
Accrued Interest Payable	9,778	62,294	72,072
NON-CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR:			
Compensated Absences	23,728	16,485	40,213
Capital Leases Payable	280,182	75,853	356,035
Bonds Payable	-	428,280	428,280
DUE IN MORE THAN ONE YEAR:			
Compensated Absences	23,728	16,485	40,213
Refundable Connection Fees	-	148,927	148,927
Capital Leases Payable	516,105	123,808	639,913
Bonds Payable	-	18,573,578	18,573,578
Net Pension Obligation	4,193,887	1,153,778	5,347,665
TOTAL LIABILITIES	**5,296,036**	**20,849,061**	**26,145,097**
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Business Licenses	38,731	-	38,731
Deferred Pension Credits	134,205	33,761	167,966
TOTAL DEFERRED INFLOWS OF RESOURCES	**172,936**	**33,761**	**206,697**
NET POSITION			
Net Investment in Capital Assets	5,141,215	9,070,280	14,211,495
RESTRICTED FOR:			
Public Safety	30,628	-	30,628
Judicial Services	1,455	-	1,455
Tourism	737,013	-	737,013
Debt Service	-	73,135	73,135
Westminster Line Project	-	598,103	598,103
Unrestricted	(2,523,380)	5,171,935	2,648,555
TOTAL NET POSITION	**$ 3,386,931**	**$ 14,913,453**	**$ 18,300,384**

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

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

FUNCTION/PROGRAM ACTIVITIES	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	TOTAL
PRIMARY GOVERNMENT:							
GOVERNMENTAL ACTIVITIES							
General Government	$ 393,496	$ 595,731	$ -	$ -	$ 202,235	$ -	$ 202,235
Judicial Services	83,774	65,428	-	-	(18,346)	-	(18,346)
Public Safety	2,628,319	89,929	300,000	1,161,037	(1,077,353)	-	(1,077,353)
Public Works	1,397,300	837,199	-	-	(560,101)	-	(560,101)
Recreation and Tourism	701,382	149,151	-	-	(552,231)	-	(552,231)
Community Development	103,323	-	-	-	(103,323)	-	(103,323)
Interest on Long-Term Debt	28,175	-	-	-	(28,175)	-	(28,175)
TOTAL GOVERNMENTAL ACTIVITIES	5,335,769	1,737,438	300,000	1,161,037	(2,137,294)	-	(2,137,294)
BUSINESS-TYPE ACTIVITIES							
Water System	3,885,110	4,689,977	-	-	-	804,867	804,867
Sewer System	1,480,632	1,318,143	-	-	-	(162,489)	(162,489)
TOTAL BUSINESS-TYPE ACTIVITIES	5,365,742	6,008,120	-	-	-	642,378	642,378
TOTAL PRIMARY GOVERNMENT	$ 10,701,511	$ 7,745,558	$ 300,000	$ 1,161,037	$ (2,137,294)	$ 642,378	$ (1,494,916)
GENERAL REVENUES:							
TAXES:							
Property Taxes, Levied for General Purposes					869,792	-	869,792
State Accommodation Taxes					15,340	-	15,340
Hospitality Taxes					311,057	-	311,057
Payments in Lieu of Taxes and Franchise Fees					276,023	-	276,023
Grants and Contributions not Restricted to Specific Programs					96,624	-	96,624
Interest Income					63,344	6,934	70,278
Gain (Loss) on Sale of Capital Assets					225,863	-	225,863
Miscellaneous					137,923	-	137,923
TOTAL GENERAL REVENUES, SPECIAL ITEMS AND TRANSFERS					1,995,966	6,934	2,002,900
CHANGE IN NET POSITION					(141,328)	649,312	507,984
NET POSITION, BEGINNING					$ 3,528,259	$ 14,264,141	$ 17,792,400
NET POSITION - ENDING					$ 3,386,931	$ 14,913,453	$ 18,300,384

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

FUND FINANCIAL STATEMENTS

CITY OF WALHALLA, SOUTH CAROLINA

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2023

	GENERAL FUND	AMERICAN RESCUE PLAN FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Other Cash Deposits	$ 6,345,829	$ 715,315	$ -	$ 7,061,144
Restricted Assets - Cash and Cash Equivalents	21,605	-	768,603	790,208
Property Taxes Receivable	22,317	-	-	22,317
Accounts Receivable	219,211	-	-	219,211
Interfund Balance	8,130,259	-	21,605	8,151,864
TOTAL ASSETS	$ 14,739,221	$ 715,315	$ 790,208	$ 16,244,744
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts Payable	90,080	-	-	90,080
Accrued Salaries	88,287	-	-	88,287
Employee Benefits Withheld and Accrued	70,262	-	-	70,262
Interfund Balance	14,199,899	-	18	14,199,917
TOTAL LIABILITIES	14,448,528	-	18	14,448,546
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue - Business Licenses	38,731	-	-	38,731
TOTAL DEFERRED INFLOWS OF RESOURCES	38,731	-	-	38,731
FUND BALANCES:				
RESTRICTED FOR:				
Judicial Services	-	-	1,455	1,455
Public Safety	-	-	30,628	30,628
Tourism	-	-	737,013	737,013
COMMITTED TO:				
Greenway Project	663,777	-	-	663,777
ASSIGNED TO:				
Cemetery	-	-	21,094	21,094
Utility Projects	-	715,315	-	715,315
UNASSIGNED	(411,815)	-	-	(411,815)
TOTAL FUND BALANCES	251,962	715,315	790,190	1,757,467
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 14,739,221	$ 715,315	$ 790,208	$ 16,244,744

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

CITY OF WALHALLA, SOUTH CAROLINA

RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE STATEMENT OF NET POSITION

JUNE 30, 2023

Fund balances - total governmental funds			$ 1,757,467
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds. The cost of the assets was $11,222,363 and the accumulated depreciation was $5,275,083.			5,947,280
The City's proportionate shares of the net pension liability, deferred outflows of resources, and deferred inflows of resources related to its participation in the State retirement plans are not recorded in the governmental funds but are recorded in the Statement of Net Position.			(3,464,295)
Accrued interest on long-term obligations in governmental accounting is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.			(9,778)
Long-term liabilities, debt and lease purchase obligations, are not due or payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities consisted of the following:			
	Capital leases payable	(796,287)	
	Compensated absences	(47,456)	(843,743)
Net position of governmental activities			$ 3,386,931

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

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2023

	GENERAL FUND	AMERICAN RESCUE PLAN FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Property Taxes	$ 869,792	$ -	$ -	$ 869,792
Intergovernmental Revenues	1,623,001	-	14,938	1,637,939
Licenses, Permits and Fees	1,657,072	-	-	1,657,072
Fines and Forfeitures	57,978	-	7,450	65,428
Miscellaneous and Other	34,619	-	-	34,619
Payments in Lieu of Taxes and Franchise Fees	276,023	-	-	276,023
Hospitality Tax	-	-	311,057	311,057
Interest Income	63,344	-	-	63,344
TOTAL REVENUES	4,581,829	-	333,445	4,915,274
EXPENDITURES				
CURRENT OPERATING:				
General Government	322,316	60,000	-	382,316
Judicial Services	78,233	-	6,768	85,001
Public Safety	2,359,211	-	12,182	2,371,393
Public Works	1,162,265	-	-	1,162,265
Recreation and Tourism	496,411	-	166,210	662,621
Community Development	103,323	-	-	103,323
Capital Expenditures	659,623	-	-	659,623
DEBT SERVICE:				
Principal Retirement	278,721	-	-	278,721
Interest and Fiscal Charges	32,533	-	-	32,533
TOTAL EXPENDITURES	5,492,636	60,000	185,160	5,737,796
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(910,807)	(60,000)	148,285	(822,522)
OTHER FINANCING SOURCES AND (USES)				
Sale of Capital Assets	315,318	-	-	315,318
Insurance Recovery	53,304	-	-	53,304
TOTAL OTHER FINANCING SOURCES AND (USES)	368,622	-	-	368,622
NET CHANGE IN FUND BALANCES	(542,185)	(60,000)	148,285	(453,900)
FUND BALANCES, BEGINNING	794,147	775,315	641,905	2,211,367
FUND BALANCES - ENDING	$ 251,962	$ 715,315	$ 790,190	$ 1,757,467

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

CITY OF WALHALLA, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds	$	(453,900)
Amounts reported for the governmental activities in the Statement of Activities are different because:		
The governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, capital outlay expenditures that qualify as capital assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital asset additions of $659,623 were exceeded by depreciation expenses of $425,736, in the current period.		233,887
Repayment of bond principal (including refunding principal payments) is recognized in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position. This amount is the total reduction in outstanding principal in the current year.		278,721
Interest on long-term obligations in the Statement of Activities differs from the amount reported in the governmental fund 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.		4,358
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.		4,431
In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the entire proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the remaining basis of the assets sold.		(89,455)
Changes in the City's proportionate share of the net pension liability, deferred outflows of resources, and deferred inflows of resources for the current year are not reported in the governmental funds but are reported in the Statement of Activities.		(119,370)
Change in net position of governmental activities	$	(141,328)

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

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

JUNE 30, 2023

	WATER FUND	SEWER FUND	TOTAL ENTERPRISE FUNDS
ASSETS			
CURRENT ASSETS:			
Cash	$ 41,745	$ 13,256	$ 55,001
Restricted Assets - Cash and Other Cash Deposits	815,681	-	815,681
Accounts Receivable	843,771	217,855	1,061,626
Interfund Balances	6,526,648	1,731,935	8,258,583
Inventory	243,446	11,332	254,778
TOTAL CURRENT ASSETS	8,471,291	1,974,378	10,445,669
NON-CURRENT ASSETS:			
CAPITAL ASSETS:			
Land and Other Non-Depreciable Assets	160,226	-	160,226
Buildings and Improvements	1,843,944	282,453	2,126,397
Equipment and Vehicles	1,864,576	543,623	2,408,199
Infrastructure	30,027,893	2,096,523	32,124,416
Less Accumulated Depreciation	(7,544,183)	(1,942,745)	(9,486,928)
TOTAL NON-CURRENT ASSETS	26,352,456	979,854	27,332,310
TOTAL ASSETS	**34,823,747**	**2,954,232**	**37,777,979**
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Charges	218,704	10,122	228,826
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**218,704**	**10,122**	**228,826**
LIABILITIES			
CURRENT LIABILITIES:			
Accounts Payable	84,849	94,630	179,479
Accrued Salaries	38,787	1,906	40,693
Employee Benefits Withheld and Accrued	27,934	1,467	29,401
Interest Payable	62,294	-	62,294
Interfund Balances	1,919,332	291,198	2,210,530
Compensated Absences	16,485	-	16,485
Capital Leases Payable	75,853	-	75,853
Bonds Payable	428,280	-	428,280
TOTAL CURRENT LIABILITIES	2,653,814	389,201	3,043,015
NON-CURRENT LIABILITIES:			
Compensated Absences	16,485	-	16,485
Refundable Connection Fees	143,652	5,275	148,927
Capital Leases Payable	123,808	-	123,808
Bonds Payable	18,573,578	-	18,573,578
Net Pension Obligation	1,102,743	51,035	1,153,778
TOTAL NON-CURRENT LIABILITIES	19,960,266	56,310	20,016,576
TOTAL LIABILITIES	**22,614,080**	**445,511**	**23,059,591**
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Credits	32,268	1,493	33,761
TOTAL DEFERRED INFLOWS OF RESOURCES	**32,268**	**1,493**	**33,761**
NET POSITION			
Net Investment in Capital Assets	8,090,426	979,854	9,070,280
Restricted for Debt Service	73,135	-	73,135
Restricted for Westminster Water Line	598,103	-	598,103
Unrestricted	3,634,439	1,537,496	5,171,935
TOTAL NET POSITION	**$ 12,396,103**	**$ 2,517,350**	**$ 14,913,453**

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

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

	WATER FUND	SEWER FUND	TOTAL ENTERPRISE FUNDS
OPERATING REVENUES			
Charges for Services	$ 4,689,977	$ 1,318,143	$ 6,008,120
TOTAL OPERATING REVENUES	4,689,977	1,318,143	6,008,120
OPERATING EXPENSES			
Salaries, Wages and Employee Benefits	1,209,559	57,307	1,266,866
Contractual Services, Materials, Supplies and Other Expenses	1,049,129	1,372,042	2,421,171
Depreciation and Amortization Expense	863,772	51,283	915,055
TOTAL OPERATING EXPENSES	3,122,460	1,480,632	4,603,092
OPERATING INCOME (LOSS)	1,567,517	(162,489)	1,405,028
NON-OPERATING REVENUES AND (EXPENSES)			
Interest Income	6,934	-	6,934
Interest Expense	(762,650)	-	(762,650)
TOTAL NON-OPERATING REVENUES AND (EXPENSES)	(755,716)	-	(755,716)
INCOME (LOSS) BEFORE TRANSFERS	811,801	(162,489)	649,312
OTHER FINANCING SOURCES AND (USES)			
Capital Contributions In	436,344	-	436,344
Capital Contributions (Out)	(436,344)	-	(436,344)
TOTAL OTHER FINANCING SOURCES AND (USES)	-	-	-
CHANGE IN NET POSITION	811,801	(162,489)	649,312
NET POSITION, BEGINNING	11,584,302	2,679,839	14,264,141
NET POSITION, ENDING	$ 12,396,103	$ 2,517,350	$ 14,913,453

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

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

	WATER FUND	SEWER FUND	TOTAL ENTERPRISE FUNDS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:			
CASH FLOWS FROM OPERATIONS:			
Receipts from Customers	$ 4,645,828	$ 1,234,484	$ 5,880,312
Payments to Employees and Related Benefits	(1,208,757)	(57,776)	(1,266,533)
Payments to Suppliers	(1,929,558)	(1,176,708)	(3,106,266)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	1,507,513	-	1,507,513
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of Capital Assets	(284,296)	-	(284,296)
Principal Paid on Revenue Bonds	(413,280)	-	(413,280)
Principal Paid on Capital Leases	(75,853)	-	(75,853)
Interest Paid	(764,358)	-	(764,358)
NET CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(1,537,787)	-	(1,537,787)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Income from Investments	6,934	-	6,934
NET CASH FLOWS FROM INVESTING ACTIVITIES	6,934	-	6,934
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(23,340)	-	(23,340)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	871,851	-	871,851
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 848,511	$ -	$ 848,511
CLASSIFIED AS:			
Current Assets	$ 32,830	$ -	$ 32,830
Restricted Assets	815,681	-	815,681
TOTALS	$ 848,511	$ -	$ 848,511

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

(continued)

CITY OF WALHALLA, SOUTH CAROLINA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

YEAR ENDED JUNE 30, 2023

	WATER FUND	SEWER FUND	TOTAL ENTERPRISE FUNDS
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	$ 1,567,517	$ (162,489)	$ 1,405,028
ADJUSTMENTS NOT AFFECTING CASH:			
Depreciation	863,772	51,283	915,055
CHANGE IN ASSETS AND LIABILITIES:			
Accounts Receivable	(44,149)	(83,659)	(127,808)
Due from Other Funds	(838,951)	183,677	(655,274)
Inventory	(10,734)	2,943	(7,791)
Accounts Payable	40,890	9,585	50,475
Customer Deposits	20,493	1,567	22,060
Compensated Absences	(4,883)	(1,300)	(6,183)
Accrued Liabilities	5,685	831	6,516
Net Pension Obligation	29,269	3,298	32,567
CHANGE IN DEFERRED OUTFLOWS/INFLOWS OF RESOURCES:			
Deferred Pension Charges	30,133	944	31,077
Deferred Pension Credits	(151,529)	(6,680)	(158,209)
TOTAL ADJUSTMENTS	(60,004)	162,489	102,485
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 1,507,513	$ -	$ 1,507,513

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

NOTES TO FINANCIAL STATEMENTS

The City of Walhalla (the "City") was incorporated in 1850. Section 47-26 of the 1962 Code of Laws, as amended (Home Rule Act), requires that municipalities adopt a specific form of government. The City operates under a Council Form of government with a Mayor and six council members elected at large by a nonpartisan general election. The Mayor and Council are vested with the legislative and policymaking powers of the City. The Council appoints a City Administrator who serves as the chief executive officer of the City and is responsible to the Council for proper administration of all affairs of the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The 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.

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

In order to be considered fiscally independent, an entity must have the authority to do all of the following: (a) determine its budget without the City having the authority to approve or modify that budget; (b) levy taxes or set rates or charges without approval by the City; and (c) issue bonded debt without approval by the City. An entity has a financial benefit or burden relationship with the City if, for example, any one of the following conditions exists: (a) the City is legally entitled to or can otherwise access the entity's resources, (b) the City is legally obligated or has otherwise assumed the obligation to finance the deficits or, or provide financial support to, the entity, or (c) the City is obligated in some manner for the debt of the entity. Finally, an entity could be a component unit even if it met all the conditions described above if excluding it would cause the City's financial statements to be misleading. Blended component units, although legally separate entities, are in substance, part of the government's operations and data from these units are combined with data of the primary government in the fund financial statements. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the City.

Major Operations

The City's major governmental operations include: administrative and general, police, fire, streets, recreation and parks, and hospitality. In addition, the City provides water and sewer operations through its utility fund.

B. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the City (the "Primary Government"). For the most part, the effect of interfund activity (except for interfund services provided and used between functions) has been removed from these 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (continued):

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 business segment or governmental function is self-financing or draws from the general revenues of the City.

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. Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, includes property taxes, grants, and donations. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. The government-wide financial statements are prepared using a different measurement focus from the manner in which the 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 financial statements and the governmental fund financial statements.

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. Property taxes, hospitality taxes, accommodation taxes, fire protection fees and charges for services, fines and forfeitures, business licenses, franchise fees, intergovernmental revenues, external service reimbursements and interest associated with the current fiscal period are all considered to be measurable and susceptible to accrual and so have been recognized as revenues of the current fiscal period. For this purpose, the government generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period with the exception of certain reimbursement expenditure grants for which a twelve month availability period is generally used.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, lease purchase expenditures, capital lease expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payments are due and payable. Capital asset acquisitions are reported as capital outlay expenditures in the governmental funds. Proceeds of long-term debt, lease purchase obligations, and acquisitions under capital leases are reported as other financing sources. Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. When both restricted and unrestricted resources are available for use, it is the City's practice to use restricted resources first, then unrestricted resources as they are needed.

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. The minimum number of funds is maintained consistent with legal and managerial requirements. The following major funds and fund types are used by the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

B. Measurement Focus, Basis of Accounting, and Basis of Presentation (continued):

Governmental Fund Types are those through which most governmental functions of the City are financed. The City's expendable financial resources and related assets and liabilities (except for those accounted for in the Proprietary Fund) are accounted for through governmental funds. The governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. The City's only governmental funds and its major funds are as follows:

The ***General Fund, a major fund and a budgeted fund,*** is the general operating fund of the City and accounts for all governmental revenues and expenditures of the City. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (that are expected to continue to comprise a substantial portion of the inflows of the fund) that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City has the following major special revenue fund:

American Rescue Plan

The City has the following non-major special revenue funds:

Cemetery Victim's Assistance Hospitality Tax Fund Fire Premium Police Activity

Proprietary Fund Types are accounted for based on the economic resources measurement focus and use of the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds are made up of two classes: enterprise funds and internal service funds. The City does not have any internal service funds and has one enterprise fund.

A proprietary fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds are primarily charges for services and fees. Operating expenses for the enterprise fund includes the expense for providing goods and services, administrative expenses, maintenance, and depreciation of capital assets. All revenues and expenses not meeting these general definitions are reported as non-operating revenues and expenses. The City's proprietary fund is as follows:

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

The ***Water and Sewer Funds, major funds and budgeted funds,*** are used to account for the City's water and sewer operations.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

C. Cash, Cash Equivalents, and Investments

The City considers all highly liquid investments (including restricted assets) with original maturities of three months or less when purchased and money market mutual funds to be cash equivalents. Securities with an initial maturity of more than three months (from when initially purchased) and other non-money market mutual funds are reported as investments.

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

(a) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States.

(b) Obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.

(c) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations.

(d) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government.

(e) Certificates of deposit where the certificates 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 of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government.

(f) Repurchase agreements when collateralized by securities as set forth in this section.

(g) No load open-end or closed-end management type investment companies or investment trusts registered under the Investment Company Act of 1940, as amended, where the investment is made by a bank or trust company or savings and loan association or other financial institution when acting as trustee or agent for a bond or other debt issue of that local government unit, political subdivision, or county treasurer 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), (c), and (f) 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.

The City's cash and investment objectives are preservation of capital, liquidity, and yield. The City reports its cash and investments at fair value which is normally determined by quoted market prices.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

C. Cash, Cash Equivalents, and Investments (continued):

South Carolina Local Government Investment Pool ("LGIP" or "Pool") investments are invested with the South Carolina State Treasurer's Office, which established the South Carolina 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. In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments are carried at fair value determined annually based upon quoted market prices for identical or similar investments. 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. Funds may be deposited by Pool participants at any time and may be withdrawn upon 24 hours' notice. Financial statements for the Pool may be obtained by writing the Office of State Treasurer, Local Government Investment Pool, P.O. Box 11778, Columbia, SC 29211- 1960.

D. Receivables and Payables

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

All trade and property taxes receivable are shown net of an allowance for uncollectible amounts (if material). Trade receivables are comprised of amounts due from entities and individuals for a variety of types of fees, charges and services, including franchise fees, hospitality fees, sanitation, water, sewer, and other fees and charges.

E. Inventories and Prepaid Items

Inventories of materials, supplies, and gasoline are stated at average cost, which approximates market. The costs of inventories and prepaid items are accounted for using the consumption method (expensed when consumed).

F. 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 Position, but are not reported in the fund financial statements. All capital assets are capitalized at cost (or estimated historical cost) and updated for any additions and retirements during the year. Donated capital assets are recorded at their acquisition value (as estimated by the City) as of the date received. Infrastructure assets include streets, curbs, sidewalks, paved recreation trails, streetlights, signs, signals, and storm drains. The City maintains a capitalization threshold of $5,000 for its capital assets other than infrastructure assets, for which the capitalization threshold is $25,000. 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. The City considers resurfacing of streets and parking lots to be normal maintenance that does not add to the value of those assets.

All reported capital assets except land and construction in progress are depreciated. Construction projects begin being depreciated once they are complete and placed in service, 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 estimated useful lives.

Asset Class	Estimated Useful Lives	Capitalization Level
Buildings and Improvements	10-50	$ 15,000
Equipment and Vehicles	5-50	$ 5,000
Infrastructure	50	$ 25,000

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

G. Compensated Absences

The City accrues accumulated unpaid vacation when earned by the employee. The current portion is the amount estimated to be used in the following year.

The City reports compensated absences in accordance with the provisions of GASB Statement No. 16 "*Accounting for Compensated Absences*." The entire compensated absence liability and expense is reported on the government-wide financial statements. The portion applicable to the proprietary fund is also recorded in the Utility Fund. The governmental funds will not recognize a liability for compensated absences unless they have matured, for example, as a result of employee resignation or retirement prior to fiscal year end (if material).

H. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. The portion applicable to the proprietary fund is also recorded in the proprietary fund financial statements. Bond premiums, discounts and issuance costs are deferred and amortized over the life of the bonds using the straight-line method (as it approximates the effective interest method) if material. Debt is reported net of applicable bond premiums and discounts.

In the governmental fund financial statements, bond premiums, discounts and bond issuance costs are recognized immediately. The face amount of debt, lease purchases, or capital leases issued is reported as other financing sources. Premiums received on issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

In general, payables and accrued liabilities that will be paid from the governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current financial resources. However, claims and judgments, debt, lease purchases, capital leases, compensated absences, and other related long-term liabilities that will eventually be paid from the governmental funds are not reported as a liability in the fund financial statements until due and payable.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one type of deferred outflow of resources, Deferred Pension Charges. This item is deferred and recognized as an outflow of resources (expense). These D*eferred Pension Charges* are either (a) recognized in the subsequent period as a reduction of the net pension liability (which includes pension contributions made after the measurement date) or (b) amortized in a systematic and rational method as pension expense in future periods in accordance with GAAP.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of deferred inflow of resources: (1) *Deferred Revenue – Business Licenses* not only in the governmental funds balance sheet but also in the government-wide Statement of Net Position. This item is deferred and recognized as an inflow of resources (revenue) in the period for which it was intended to finance. (2) *Deferred Pension Credits*. This item is deferred and recognized as an inflow of resources (revenue) in the period for which it was intended to finance. These *deferred pension credits* are amortized in a systematic and rational method and recognized as a reduction of pension expense in future periods in accordance with GAAP.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

J. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

K. Fund Balance

In accordance with GASB Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" ("GASB #54"), the City classifies its governmental fund balances as follows:

Nonspendable – includes amounts that inherently cannot be spent either because it is not in spendable form (i.e. prepaids, inventories, etc.) or because of legal or contractual requirements (i.e. principal on an endowment, etc.).

Restricted – includes amounts that are constrained by specific purposes which are externally imposed by (a) other governments through laws and regulations, (b) grantors or contributions through agreements, (c) creditors through debt covenants or other contracts, or (d) imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the government through formal action made by the highest level of decision making authority (City Council) before the end of the reporting period. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed and for which such assignments are made before the report issuance date. City Council formally granted the City Administrator the right to make assignments of fund balance for the City.

Unassigned – includes amounts that do not qualify to be accounted for and reported in any of the other fund balance categories. This classification represents the amount of fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

The City generally uses restricted amounts to be spent first when both restricted and unrestricted (committed, assigned, and unassigned) fund balance is available unless there are legal documents, contracts, or agreements that prohibit doing such. Additionally, the City generally would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

L. Net Position

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

M. Property Tax

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

Property taxes are assessed and collected by Oconee County ("County"). The County generally levies its real property taxes in October based upon assessed valuations on January 1st of each year. Assessed values are established by the County Assessor, the County Auditor, and the South Carolina Department of Revenue and Taxation at various rates of 4 to 10.5 percent of the estimated market value. Real property and all personal property taxes other than vehicle property taxes attach as an enforceable lien on property as of January 16th. Taxes are levied and billed in October on all property other than vehicles and are payable without penalty until January 15th of the following year. Penalties are assessed on unpaid taxes on the following dates:

January	3%
February 2nd	an additional 7%
March 17th	an additional 5%

After proper notification, the law requires "exclusive possession" of property necessary to satisfy the delinquent taxes. Properties with unpaid taxes are sold at a public auction during the month of October.

Vehicle property taxes attach a lien and are levied throughout the year depending on when the vehicles' license tags expire. The lien and collection date for motor vehicle taxes is the last day of the month in which the motor vehicle license expires.

N. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded to reflect the use of the applicable spending appropriations, is used by the governmental funds during the year to control expenditures. Encumbrances do not constitute expenditures or liabilities. For budget purposes encumbrances and unused expenditure appropriations lapse at year end.

O. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

P. Pensions

In government-wide financial statements, pensions are required to be recognized and disclosed using the accrual basis of accounting, regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability for its participation in the Plans, which represents the City's proportionate share of the total pension liability over the fiduciary net position of the Plans, measured as of the City's preceding fiscal year-end. Changes in the net pension liability during the period are recorded as pension expense, or as deferred outflows or inflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred outflows or inflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred.

Q. Fair Value

The fair value measurement and disclosure framework provides for a three-tier fair value hierarchy that gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City can access at the measurement date.

Level 2 – Inputs to the valuation methodology, other than quoted prices included in Level 1 that are observable for an asset or liability either directly or indirectly and include:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted market prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology that are unobservable for an asset or liability and include:

- Fair value is often based on developed models in which there are few, if any, observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of future net realizable values or reflective of future fair values. The City believes that the valuation methods used are appropriate and consistent with GAAP. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no significant changes from the prior year in the methodologies used to measure fair value.

R. Comparative Data

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

NOTE 2 – DEPOSITS AND INVESTMENTS:

Deposits

Custodial credit risk for deposits - Custodial credit risk is the risk that the City's deposits will not be returned to it. The City has no formal policy regarding custodial credit risk. The total cash balances are insured by the FDIC up to $250,000 per bank. From time to time during the year, the City may have cash on deposit with banks that exceeds the balance insured by the FDIC.

Investments

As of June 30, 2023, the City had the following investments:

			Investment Maturities in Years			
Investment Type	**Credit Rating**	**Fair Value**	**< 1 yr**	**1-3 yrs**	**3-5 yrs**	**> 5 yrs**
State Government Local Investment Pool	N/A	$ 1,620,031	$ 1,620,031	$ -	$ -	$ -

Interest Rate Risk: The City does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Custodial Credit Risk for Investments: Custodial credit risk for investments is the risk that, in the event of a bank failure, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have an investment policy for custodial credit risk but follows the investment policy statutes of the State of South Carolina.

Credit Risk for Investments: Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have an investment policy for credit risk but follows the investment policy statutes of the State of South Carolina.

Concentration of Credit Risk for Investments: The City places no limit on the amount the City may invest in any one issuer. Investments issued by or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investment pools and other pooled investments are exempt from concentration of credit risk disclosures.

Certain deposits and investments of the City are legally restricted for specified purposes. The major types of restrictions at June 30, 2023 were (a) those imposed by the revenue source (i.e. hospitality fees, grants, etc.).

The following reconciles total cash and investments reported in the statement of net position to cash and cash equivalents reported in the statement of cash flows:

	Water Fund	Sewer Fund
Cash and Certificates of Deposit	$ 857,426	$ 13,256
Less Certificates of Deposit that are not a Cash Equivalent	(8,915)	(13,256)
Cash and Cash Equivalents per Statement of Cash Flows	$ 848,511	$ -

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

Interfund balances at June 30, 2023, consisted of the following individual fund receivables and payables, all of which are due on demand:

Fund	Interfund Receivables	Interfund Payables
Major Fund:		
General	$ 8,130,259	$ 14,199,899
Water System	6,526,648	1,919,332
Sewer System	1,731,935	291,198
Other Non-Major Funds:		
Cemetery Fund	-	18
Hospitality Tax Fund	20,150	-
Victims Fund	1,455	-
Total	$ 16,410,447	$ 16,410,447

Funds may be transferred to the General Fund from the Water and Sewer Fund in lieu of property taxes and franchise fees (that would be collected if a private utility company provided water and sewer services), and from the Water Fund to the General Fund to support General Fund operations. The Water Fund also may funds to the Sewer Fund to support Sewer Fund operations. Funds are transferred by the General Fund to the Hospitality Tax Fund for reimbursement for certain capital projects. The Victims Fund may also transfer funds collected for Victims assistance to the General Fund cash account. Council approves budgeted transfers annually during the budget process, although actual results may differ.

NOTE 4 – CAPITAL ASSETS:

Capital asset activity for the City's governmental activities for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	$ 835,149	$ -	$ -	$ 835,149
Construction in Progress	38,912	457,119	-	496,031
Total Capital Assets not being Depreciated	874,061	457,119	-	1,331,180
Capital Assets being Depreciated:				
Buildings and Improvements	5,650,910	22,000	-	5,672,910
Equipment and Vehicles	4,848,076	180,504	(837,887)	4,190,693
Infrastructure	27,580	-	-	27,580
Total Capital Assets being Depreciated	10,526,566	202,504	(837,887)	9,891,183
Less Accumulated Depreciation for:				
Buildings and Improvements	(2,550,471)	(106,647)	-	(2,657,118)
Equipment and Vehicles	(3,037,606)	(318,537)	748,430	(2,607,713)
Infrastructure	(9,700)	(552)	-	(10,252)
Total Accumulated Depreciation	(5,597,777)	(425,736)	748,430	(5,275,083)
Total Capital Assets being Depreciated, Net	4,928,789	(223,232)	(89,457)	4,616,100
Governmental Activities Capital Assets, Net	$ 5,802,850	$ 233,887	$ (89,457)	$ 5,947,280

Depreciation expense was charged to governmental functions as follows:

Function/Program	Depreciation Expense
General Government	$ 9,903
Public Safety	142,118
Public Works	235,944
Recreation and Tourism	37,771
Total Depreciation Expense	$ 425,736

NOTE 4 – CAPITAL ASSETS (CONTINUED):

Capital asset activity for the City's business-type activities for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Business-Type Activities:				
Capital Assets not being Depreciated:				
Land	$ 160,226	$ -	$ -	$ 160,226
Total Capital Assets not being Depreciated	160,226	-	-	160,226
Capital Assets being Depreciated:				
Buildings and Improvements	2,042,737	83,660	-	2,126,397
Equipment and Vehicles	2,411,229	12,270	(15,300)	2,408,199
Infrastructure	31,936,050	188,366	-	32,124,416
Total Capital Assets being Depreciated	36,390,016	284,296	(15,300)	36,659,012
Less Accumulated Depreciation for:				
Buildings and Improvements	(1,169,363)	(61,837)	-	(1,231,200)
Equipment and Vehicles	(1,576,204)	(110,692)	15,300	(1,671,596)
Infrastructure	(5,841,606)	(742,526)	-	(6,584,132)
Total Accumulated Depreciation	(8,587,173)	(915,055)	15,300	(9,486,928)
Total Capital Assets being Depreciated, Net	27,802,843	(630,759)	-	27,172,084
Business-Type Activities Capital Assets, Net	$ 27,963,069	$ (630,759)	$ -	$ 27,332,310

Capital asset depreciation expense for business-type activities were charged to functions/programs as follows:

Function/Program	Depreciation Expense
Water System	$ 863,772
Sewer System	51,283
Total Depreciation Expense	$ 915,055

NOTE 5 – LONG-TERM OBLIGATIONS:

Revenue Bonds Payable

The City may issue bonds to provide funds for the acquisition and construction of major capital facilities. Revenue bonds and directly related to and intended to be paid from proprietary funds of the primary government are included in the accounts of such funds. The revenue bonds are generally secured/collateralized by the gross revenues of the water system. The debt also requires various restricted accounts (i.e. debt service reserve, renewal and replacement, etc.) to be established and maintained by the City.

Summarized below are the City's individual revenue bond issues (publicly traded) that are outstanding as of June 30, 2023 and serviced by the Water and Sewer Fund:

Revenue Bonds Payable	
Series 2018 Water and Sewer System Revenue Bond dated December 2018 with annual principal payments ranging from $795,000 to $1,140,000 plus interest at 3-5% percent payable semi-annually through June 2048.	$18,355,000
Premium on Series 2018 Bonds	646,858
Net Debt	19,001,858
Less Current Portion	(410,000)
Long-Term Portion	$18,591,858

Interest expense on revenue bonds totaled $764,358 for the year ended June 30, 2023. Amortization of the 2018 bond premium totaled $18,280 for the year ended June 30, 2023.

The revenue bonds require the City to maintain user rates sufficient to generate net revenues, as defined by the agreements, ranging from 100% to 120% of the annual principal and interest payments on the revenue bonds. The revenue bonds contain significant requirements for annual debt service, various restrictive covenants which requires the City to maintain various restricted cash and investment accounts and to meet various other general requirements.

Future amounts required to pay principal and interest on (publicly traded) revenue bonds (Series 2018 bonds) outstanding at June 30, 2023 are as follows:

	Business-Type Activities		
Fiscal Year	Principal	Interest	Total
2024	$ 410,000	$ 757,775	$ 1,167,775
2025	435,000	736,650	1,171,650
2026	455,000	714,401	1,169,401
2027	480,000	691,025	1,171,025
2028	500,000	666,525	1,166,525
2029-2033	2,900,000	2,933,474	5,833,474
2034-2038	3,555,000	2,268,376	5,823,376
2039-2043	4,405,000	1,408,781	5,813,781
2044-2048	5,215,000	584,344	5,799,344
Total	$18,355,000	$10,761,351	$29,116,351

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED):

Other Long-Term Debt

The City is obligated on various other long-term debt issued for purposes of upgrading equipment. Each of the other long-term debt issues are considered direct borrowings/placements and are generally secured/collateralized by the underlying property and contain acceleration clauses in an event of default (as defined).

Summarized below are the City's individual capital leases (direct borrowings) from governmental activities that are outstanding as of June 30, 2023:

Capital Leases Payable	
Serviced by the General Fund:	
$410,000 Capital Lease initiated in July 2019, due in annual installments of approximately $105,000 to $56,000 beginning in July 2020 through July 2024. The City purchased two police vehicles, one fire vehicle, one public works vehicle, and a garbage truck with the proceeds.	$ 101,770
$566,000 Capital Lease initiated in May 2020, due in annual installments of approximately $115,000 to $56,000 beginning in May 2021 through May 2027. The City purchased three vehicles, one fire engine, and sewer equipment with the proceeds.	265,250
$212,835 Capital Lease initiated in January 2021, due in annual installments of approximately $50,000 beginning in January 2022 through January 2025, then reducing to approximately $13,000 in January 2026 through 2029, plus interest of 2.5%. The City purchased a Leaf Blower Truck and vehicle with the proceeds.	124,641
$350,000 Capital Lease initiated in April 2022, due in annual installments of approximately $57,000 beginning in April 2023 through April 2029, with interest of 3.22%. The City purchased a Garbage truck with the proceeds.	304,626
Serviced by the Water Fund:	
$119,242 Capital Lease initiated in July 2020, due in monthly installments of approximately $2,000 beginning in October 2020 through August 2025. The City purchased a backhoe loader with the proceeds.	53,160
$250,165 Capital Lease initiated in January 2021, due in annual installments of approximately $57,000 beginning in January 2022 through January 2025, then reducing to approximately $14,000 in January 2026 through 2029, plus interest of 2.5%. The City purchased vehicles and equipment with the proceeds.	146,501
Total Capital Leases Payable	$ 995,948
Less Current Portion	(356,035)
Long-Term Portion	$ 639,913

Interest expense on other long-term debt totaled $28,175 for the year ended June 30, 2023.

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED):

Future amounts required to pay principal and interest on other long-term debt outstanding (direct borrowings) at June 30, 2023 are as follows:

	Governmental Activities			Business-Type Activities			Total Primary
Fiscal Year	Principal	Interest	Total	Principal	Interest	Total	Government
2024	$ 280,182	$ 25,342	$ 305,524	$ 75,853	$ 3,655	$ 79,508	$ 385,032
2025	160,210	16,662	176,872	75,853	2,400	78,253	255,125
2026	117,049	10,486	127,535	19,398	1,146	20,544	148,079
2027	118,655	7,155	125,810	14,280	691	14,971	140,781
2028	120,191	5,539	125,730	14,277	345	14,622	140,352
Total	$ 796,287	$ 65,184	$ 861,471	$ 199,661	$ 8,237	$ 207,898	$ 1,069,369

Presented below is a summary of changes in long-term obligations for the City's governmental activities for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balances	Amounts Due Within One Year
Governmental Activities:					
Capital Leases Payable:					
Capital Lease - 7/19	$ 190,770	$ -	$ (89,000)	$ 101,770	$ 89,000
Capital Lease - 5/20	365,500	-	(100,250)	265,250	100,250
Capital Lease - 1/21	168,738	-	(44,097)	124,641	44,097
Capital Lease - 4/22	350,000	-	(45,374)	304,626	46,835
Total Debt	1,075,008	-	(278,721)	796,287	280,182
Other Liabilities:					
Compensated Absences	51,887	-	(4,431)	47,456	23,728
Net Pension Liability	3,680,223	513,664	-	4,193,887	-
Total Other Liabilities	3,732,110	513,664	(4,431)	4,241,343	23,728
Governmental Activities Long-term Liabilities	$ 4,807,118	$ 513,664	$ (283,152)	$ 5,037,630	$ 303,910

NOTE 5 – LONG-TERM OBLIGATIONS (CONTINUED):

Presented below is a summary of changes in long-term obligations for the City's business-type activities for the year ended June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balances	Amounts Due Within One Year
Business - Type Activities:					
Revenue Bond - 12/18	$ 18,750,000	$ -	$ (395,000)	$ 18,355,000	$ 410,000
Net Premium on Revenue Bonds - 12/18	665,138	-	(18,280)	646,858	18,280
Capital Lease - 7/20	77,181	-	(24,021)	53,160	24,021
Capital Lease - 1/21	198,333	-	(51,832)	146,501	51,832
Total Debt	19,690,652	-	(489,133)	19,201,519	504,133
Other Liabilities:					
Compensated Absences	39,152	-	(6,183)	32,969	16,485
Refundable Connection Fees	123,159	20,492	-	143,651	-
Net Pension Liability	1,121,211	32,567	-	1,153,778	-
Total Other Liabilities	1,283,522	53,059	(6,183)	1,330,398	16,485
Business-Type Activities Long- term Liabilities	$ 20,974,174	$ 53,059	$ (495,316)	$ 20,531,917	$ 520,618

NOTE 6 – PENSION PLAN:

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

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

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

NOTE 6 – PENSION PLAN (CONTINUED):

Plan Description

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

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

Membership

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

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

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

Plan Benefits

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

- SCRS – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member's age and the member's credible service equals at least 90 years. Both Class Two and Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program.

NOTE 6 – PENSION PLAN (CONTINUED):

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

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

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

Plan Contributions

Actuarial valuations are performed annually by an external consulting actuary to ensure applicable contribution rates satisfy the funding parameters specified in Title 9 of the South Carolina Code of Laws. Under these provisions, SCRS and PORS contribution requirements must be sufficient to maintain an amortization period for the financing of the unfunded actuarial accrued liability (UAAL) over a period that does not exceed the number of years scheduled in state statute. The Retirement Funding and Administration Act of 2017 increased, but also established a ceiling for SCRS and PORS employee contribution rates. Effective July 1, 2017, employee rates were increased to a capped rate of 9.00 percent for SCRS and 9.75 percent for PORS. The legislation also increased employer contribution rates beginning July 1, 2017 for both SCRS and PORS by two percentage points and further scheduled employer contribution rates to increase by a minimum of one percentage point each year in accordance with state statute. The General Assembly postponed the one percent increase in the SCRS and PORS employer contribution rates that was scheduled to go into effect beginning July 1, 2020. In accordance with the legislative funding schedule, employer contribution rates will continue to increase by 1 percentage point each year until reaching 18.56 percent for SCRS and 21.24 percent for PORS but may be increased further, if the scheduled contributions are not sufficient to meet the funding periods set for the applicable year. The board shall increase the employer contribution rates as necessary to meet the amortization period set in statute.

Pension reform legislation modified statute such that the employer contribution rates for SCRS and PORS to be further increased, not to exceed one-half of one percent in any one year if necessary, in order to improve the funding of the plans. The statute set rates intended to reduce the unfunded liability of SCRS and PORS to the maximum amortization period of 20 years from 30 years over a ten-year schedule, as determined by the annual actuarial valuations of the plan. Finally, under the revised statute, the contribution rates for SCRS and PORS may not be decreased until the plans are at least 85 percent funded.

NOTE 6 – PENSION PLAN (CONTINUED):

- Required employee contribution rates (1) for the following fiscal years are as follows:

	Fiscal Year 2023	Fiscal Year 2022
SCRS		
Employee Class Two	9.00%	9.00%
Employee Class Three	9.00%	9.00%
PORS		
Employee Class Two	9.75%	9.75%
Employee Class Three	9.75%	9.75%

- Required employer contributions rates (1) for the following fiscal years are as follows:

	Fiscal Year 2023	Fiscal Year 2022
SCRS		
Employer Class Two	17.41%	16.41%
Employer Class Three	17.41%	16.41%
Employer Incidental Death Benefit	0.15%	0.15%
PORS		
Employer Class Two	19.84%	18.84%
Employer Class Three	19.84%	18.84%
Employer Incidental Death Benefit	0.20%	0.20%
Employer Accidental Death Program	0.20%	0.20%

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

Actuarial Assumptions and Methods

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

The June 30, 2022, total pension liability (TPL), net pension liability (NPL), and sensitivity information shown in this report were determined by our consulting actuary, Gabriel Roeder Smith & Company (GRS) and are based on an actuarial valuation performed as of July 1, 2021. The total pension liability was rolled-forward from the valuation date to the plans' fiscal year end, June 30, 2022, using generally accepted actuarial principles. There was no legislation enacted during the 2022 legislative session that had a material change in the benefit provisions for any of the systems.

The following table provides a summary of the actuarial assumptions and methods used to calculate the TPL as of June 30, 2022.

NOTE 6 – PENSION PLAN (CONTINUED):

	SCRS	PORS
Actuarial cost method	Entry Age	Entry Age
Actuarial assumptions:		
Investment rate of return	7.00%	7.00%
Projected salary increases	3.0% to 11.0%	3.5% to 10.5%
Includes inflation at	2.25%	2.25%
Benefit adjustments	lesser of 1% or $500 annually	lesser of 1% or $500 annually

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

Assumptions used in the determination of the June 30, 2022 TPL are as follows:

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

Net Pension Liability of the Plan

The NPL is calculated separately for each system and represents that particular system's TPL determined in accordance with GASB No. 67 less that System's fiduciary net position. NPL totals, as of the June 30, 2022 measurement date, for SCRS and PORS are as follows:

Plan	Total Pension Liability	Plan Fiduciary Net Position	Employers' Net Pension Liability (Asset)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
SCRS	$56,454,779,872	$32,212,626,932	$24,242,152,940	57.1%
PORS	$8,937,686,946	$5,938,707,767	$2,998,979,179	66.4%

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

NOTE 6 – PENSION PLAN (CONTINUED):

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments is based upon 20-year capital market assumptions. The long-term expected rates of return represent assumptions developed using an arithmetic building block approach, primarily based on consensus expectations and market-based inputs. Expected returns are net of investment fees.

The expected returns, along with the expected inflation rate, form the basis for the revised target asset allocation adopted at the beginning of the 2022 fiscal year. The long-term expected rate of return is produced by weighting the expected future real rates of return by the target allocation percentage and adding expected inflation and is summarized in the table below. For actuarial purposes, the 7.00 percent assumed annual investment rate of return used in the calculation of the TPL includes a 4.75 percent real rate of return and a 2.25 percent inflation component.

Allocation / Exposure	Policy Target	Expected Arithmetic Real Rate of Return	Long Term Expected Portfolio Real Rate of Return
Public Equity	46.0%	6.79%	3.12%
Bonds	26.0%	(0.35)%	(0.09)%
Private Equity[1]	9.0%	8.75%	0.79%
Private Debt[1]	7.0%	6.00%	0.42%
Real Assets	**12.0%**		
Real Estate[1]	9.0%	4.12%	0.37%
Infrastructure[1]	3.0%	5.88%	0.18%
Total Expected Return[2]	100.0%		4.79%
Inflation for Actuarial Purposes			2.25%
			7.04%

Discount Rate

The discount rate used to measure the TPL was 7 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity Analysis

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate			
System	**1.00% Decrease (6.00%)**	**Current Discount Rate (7.00%)**	**1.00% Increase (8.00%)**
SCRS	$4,862,389	$3,792,450	$2,902,935
PORS	2,168,654	1,555,215	1,053,058

NOTE 6 – PENSION PLAN (CONTINUED):

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2023, the City reported a liability of $4,193,887 for the governmental activities and $1,153,778 for the business-type activities on the government wide financial statements for its proportionate share of the net pension liability. The NPL was measured as of June 30, 2022, and the TPL used to calculate the NPL was determined by an actuarial valuation as of that date. The City's proportion of the NPL was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the City's proportion for SCRS was 0.015644% (0.015876% at June 30, 2021). The City's proportion for PORS at June 30, 2022 was 0.051858% (0.053080% at June 30, 2021).

For the year ended June 30, 2023, the City recognized pension expense of approximately $581,000 (approximately $322,000 for the SCRS and approximately $259,000 for the PORS).

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

SCRS	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 32,949	$ 16,527
Changes of assumptions	121,633	-
Net difference between projected and actual investment earnings	5,848	-
Change in allocated proportion	36,392	94,447
Contributions after the measurement date	335,712	-
Total	$ 532,534	$ 110,974

PORS	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 26,093	$ 30,744
Changes of assumptions	64,762	-
Net difference between projected and actual investment earnings	4,696	-
Change in allocated proportion	244,926	26,249
Contributions after the measurement date	219,611	-
Total	$ 560,088	$ 56,993

The amount of $335,712 and $219,611 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date to the SCRS and PORS, respectively, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTE 6 – PENSION PLAN (CONTINUED):

Fiscal Year	SCRS Amount	PORS Amount	Total
2024	$ 77,654	$ 144,980	$ 222,634
2025	9,974	125,879	135,853
2026	(100,685)	(47,825)	(148,510)
2027	98,905	60,450	159,355
Total	$ 85,848	$ 283,484	$ 369,332

Payable to Plans

The City reported a payable of approximately $65,000 to the PEBA as of June 30, 2023, representing required employer and employee contributions for the month of June 2023 for the SCRS and PORS.

NOTE 7 – CONTINGENT LIABILITIES AND COMMITMENTS:

Litigation

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

Grants

The City receives financial assistance from various federal, state, and local governmental agencies in the form of grants. Disbursements of funds received under these programs generally require compliance with the terms and conditions specified in the grant agreements. The disbursements are also subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements included herein or on the overall financial position of the City at June 30, 2023.

NOTE 8 – 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. Commercial insurance is carried for all these risks. Settled claims resulting from these risks have not exceeded the insurance coverage limits in any of the past three fiscal years.

NOTE 9 – SUBSEQUENT EVENTS:

Subsequent events have been evaluated through the date of the auditor's report.

REQUIRED SUPPLEMENTAL INFORMATION
OTHER THAN MD&A

CITY OF WALHALLA, SOUTH CAROLINA

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Property Taxes	$ 782,000	$ 782,000	$ 869,792	$ 87,792
Intergovernmental Revenues	2,198,303	2,198,303	1,623,001	(575,302)
Licenses, Permits and Fees	1,462,573	1,462,573	1,657,072	194,499
Fines and Forfeitures	70,300	70,300	57,978	(12,322)
Miscellaneous and Other	183,000	183,000	34,619	(148,381)
Payments in Lieu of Taxes and Franchise Fees	261,000	261,000	276,023	15,023
Interest Income	-	-	63,344	63,344
TOTAL REVENUES	4,957,176	4,957,176	4,581,829	(375,347)
EXPENDITURES				
CURRENT OPERATING:				
GENERAL GOVERNMENT:				
Administration	302,658	302,658	377,001	(74,343)
Swimming Pool	12,250	12,250	11,448	802
Depot Park	11,250	11,250	14,551	(3,301)
Tunnel	995,800	995,800	31,315	964,485
Community Development	135,425	135,425	103,323	32,102
JUDICIAL SERVICES:				
Court	76,937	76,937	78,233	(1,296)
PUBLIC SAFETY:				
Police	1,367,051	1,367,051	1,465,708	(98,657)
Fire	815,202	815,202	877,197	(61,995)
PUBLIC WORKS:				
Streets	1,873,235	1,873,235	1,106,855	766,380
RECREATION AND TOURISM:				
Recreation	474,913	474,913	456,128	18,785
Capital Expenditures	154,000	154,000	659,623	(505,623)
DEBT SERVICE:				
Principal Retirement	228,250	228,250	278,721	(50,471)
Interest and Fiscal Charges	25,000	25,000	32,533	(7,533)
TOTAL EXPENDITURES	6,471,971	6,471,971	5,492,636	979,335
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,514,795)	(1,514,795)	(910,807)	603,988
OTHER FINANCING SOURCES AND (USES)				
Sale of Capital Assets	-	-	315,318	315,318
Insurance Recovery	-	-	53,304	53,304
Interfund Transfers In	1,514,795	1,514,795	-	(1,514,795)
TOTAL OTHER FINANCING SOURCES AND (USES)	1,514,795	1,514,795	368,622	(1,146,173)
NET CHANGE IN FUND BALANCES	-	-	(542,185)	(542,185)
FUND BALANCES, BEGINNING	794,147	794,147	794,147	-
FUND BALANCES, ENDING	$ 794,147	$ 794,147	$ 251,962	$ (542,185)

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

The accompanying notes are a integral part of the financial statements.

CITY OF WALHALLA, SOUTH CAROLINA

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND SCHEDULE OF CITY CONTRIBUTIONS TO THE COST SHARING PENSION PLAN

YEAR ENDED JUNE 30, 2023

NOTE 1 – SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE SCRS AND PORS NET PENSION LIABILITY:

The City's proportionate share of the net pension liability for SCRS is as follows:

	SCRS								
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's proportion of the net pension liability (asset)	0.015644%	0.015876%	0.016352%	0.015696%	0.015485%	0.015775%	0.017120%	0.016682%	1.693300%
City's proportion share of the net pension liability (asset)	$ 3,792,450	$ 3,435,741	$ 4,178,124	$ 3,584,118	$ 3,327,875	$ 3,551,206	$ 3,656,807	$ 3,163,822	$ 2,915,301
City's covered payroll	$ 1,858,430	$ 1,780,064	$ 1,824,242	$ 1,658,626	$ 1,615,177	$ 1,591,652	$ 1,658,201	$ 1,682,541	$ 1,551,777
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	204.07%	193.01%	229.03%	216.09%	206.04%	223.11%	220.53%	188.04%	187.87%
Plan fiduciary net position as a percentage of the total pension liability	57.10%	60.70%	50.70%	54.40%	54.10%	53.30%	52.90%	57.00%	59.90%

The City's proportionate share of the net pension liability for PORS is as follows:

	PORS								
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
City's proportion of the net pension liability (asset)	0.051858%	0.053080%	0.037334%	0.035843%	0.035859%	0.039760%	0.041400%	0.041400%	0.041400%
City's proportion share of the net pension liability (asset)	$ 1,555,215	$ 1,365,693	$ 1,238,078	$ 1,027,229	$ 1,157,892	$ 1,017,528	$ 983,924	$ 866,611	$ 792,611
City's covered payroll	$ 820,702	$ 798,152	$ 563,986	$ 520,017	$ 480,647	$ 493,160	$ 494,534	$ 493,497	$ 483,521
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	189.50%	171.11%	197.54%	175.24%	175.24%	160.61%	160.61%	160.61%	160.61%
Plan fiduciary net position as a percentage of the total pension liability	66.40%	70.40%	58.80%	62.70%	61.70%	60.90%	60.40%	64.60%	67.50%

Notes to Schedule:

The amounts presented for each fiscal year were determined as of June 30th of the preceding year.

The City adopted GASB #68/71 during the year ended June 30, 2015. Information before 2015 is not available.

NOTE 1 – SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE SCRS AND PORS NET PENSION LIABILITY (CONTINUED):

The City's contributions to the SCRS cost sharing pension plan was as follows:

	SCRS								
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 335,712	$ 307,756	$ 276,978	$ 283,852	$ 241,496	$ 219,018	$ 183,995	$ 183,397	$ 183,397
Contributions in relation to the contractually required contribution									
Contributions from the City	(318,802)	(290,846)	(260,068)	(266,942)	(224,586)	(219,018)	(183,995)	(183,397)	(183,397)
Contributions from the State	(16,910)	(16,910)	(16,910)	(16,910)	(16,910)	-	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
City's covered payroll	$ 1,911,800	$ 1,858,430	$ 1,780,064	$ 1,824,242	$ 1,658,626	$ 1,615,177	$ 1,591,652	$ 1,658,201	$ 1,682,541
Contributions as a percentage of covered payroll	17.56%	16.56%	15.56%	15.56%	14.56%	13.56%	11.56%	11.06%	10.90%

Notes to SCRS Schedule:

The City adopted GASB #68/71 during the year ended June 30, 2015. Information before 2015 is not available.

The City's contributions to the PORS cost sharing pension plan was as follows:

	PORS								
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	$ 219,611	$ 157,903	$ 145,583	$ 102,871	$ 89,651	$ 78,057	$ 70,226	$ 67,949	$ 66,178
Contributions in relation to the contractually required contribution									
Contributions from the City	(214,527)	(152,819)	(140,499)	(97,787)	(84,567)	(72,973)	(70,226)	(67,949)	(66,178)
Contributions from the State	(5,084)	(5,084)	(5,084)	(5,084)	(5,084)	(5,084)	-	-	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
City's covered payroll	$ 1,085,035	$ 820,702	$ 798,152	$ 563,986	$ 520,017	$ 480,647	$ 493,160	$ 494,534	$ 493,497
Contributions as a percentage of covered payroll	20.24%	19.24%	18.24%	18.24%	17.24%	16.24%	14.24%	13.74%	13.41%

Notes to PORS Schedule:

The City adopted GASB #68/71 during the year ended June 30, 2015. Information before 2015 is not available.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the government will present information for those years for which information is available.

SUPPLEMENTAL INFORMATION

CITY OF WALHALLA, SOUTH CAROLINA

COMBINING AND INDIVIDUAL BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2023

	CEMETERY FUND	VICTIM'S ASSISTANCE FUND	HOSPITALITY TAX FUND	FIRE PREMIUM FUND	POLICE ACTIVITY FUND	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
ASSETS						
Restricted Cash and Other Cash Deposits	$ 21,112	$ -	$ 716,863	$ 23,485	$ 7,143	$ 768,603
Interfund Balances	-	1,455	20,150	-	-	21,605
TOTAL ASSETS	21,112	1,455	737,013	23,485	7,143	790,208
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Interfund Balance	18	-	-	-	-	18
TOTAL LIABILITIES	18	-	-	-	-	18
FUND BALANCES:						
RESTRICTED FOR:						
Judicial Services	-	1,455	-	-	-	1,455
Public Safety	-	-	-	23,485	7,143	30,628
Recreation and Tourism	-	-	737,013	-	-	737,013
ASSIGNED TO:						
Recreation and Tourism	21,094	-	-	-	-	21,094
TOTAL FUND BALANCES	21,094	1,455	737,013	23,485	7,143	790,190
TOTAL LIABILITIES AND FUND BALANCES	$ 21,112	$ 1,455	$ 737,013	$ 23,485	$ 7,143	$ 790,208

CITY OF WALHALLA, SOUTH CAROLINA

COMBINING AND INDIVIDUAL SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS

YEAR ENDED JUNE 30, 2023

	CEMETERY FUND	VICTIM'S ASSISTANCE FUND	HOSPITALITY TAX FUND	FIRE PREMIUM FUND	POLICE ACTIVITY FUND	TOTAL NONMAJOR SPECIAL REVENUE FUNDS
REVENUES						
Intergovernmental Revenues	$ -	$ -	$ -	$ 14,938	$ -	$ 14,938
Fines and Forfeitures	-	7,450	-	-	-	7,450
Hospitality Tax	-	-	311,057	-	-	311,057
TOTAL REVENUES	-	7,450	311,057	14,938	-	333,445
EXPENDITURES						
CURRENT OPERATING:						
Judicial Services	-	6,768	-	-	-	6,768
Public Safety	-	-	-	12,182	-	12,182
Recreation and Tourism	-	-	166,210	-	-	166,210
TOTAL EXPENDITURES	-	6,768	166,210	12,182	-	185,160
NET CHANGE IN FUND BALANCES	-	682	144,847	2,756	-	148,285
FUND BALANCES, BEGINNING	21,094	773	592,166	20,729	7,143	641,905
FUND BALANCES, ENDING	$ 21,094	$ 1,455	$ 737,013	$ 23,485	$ 7,143	$ 790,190

See independent auditor's report.

CITY OF WALHALLA, SOUTH CAROLINA

UNIFORM SCHEDULE OF FINES, ASSESSMENTS, AND SURCHARGES (PER ACT 96)

YEAR ENDED JUNE 30, 2023

FOR THE STATE TREASURER'S OFFICE:

COUNTY / MUNICIPAL FUNDS COLLECTED BY CLERK OF COURT	General Sessions	Magistrate Court	Municipal Court	Total
Court Fines and Assessments:				
Court fines and assessments collected			$ 125,344	$ 125,344
Court fines and assessments remitted to State Treasurer			(63,568)	(63,568)
Total Court Fines and Assessments retained			61,776	61,776
Surcharges and Assessments retained for victim services:				
Surcharges collected and retained			1,774	1,774
Assessments retained			5,676	5,676
Total Surcharges and Assessments retained for victim services			$ 7,450	$ 7,450

FOR THE DEPARTMENT OF CRIME VICTIM COMPENSATION (DCVC)

VICTIM SERVICE FUNDS COLLECTED	Municipal	County	Total
Carryforward from Previous Year – Beginning Balance	$ -		$ -
Victim Service Revenue:			
Victim Service Fines Retained by City/County Treasurer			
Victim Service Assessments Retained by City/County Treasurer	5,676		5,676
Victim Service Surcharges Retained by City/County Treasurer	1,774		1,774
Interest Earned			
Grant Funds Received			
Grant from:			
General Funds Transferred to Victim Service Fund			
Contribution Received from Victim Service Contracts:			
(1) Town of			
(2) Town of			
(3) City of			
Total Funds Allocated to Victim Service Fund + Beginning Balance (A)	7,450		7,450
Expenditures for Victim Service Program:	**Municipal**	**County**	**Total**
Salaries and Benefits	-		-
Operating Expenditures	-		-
Victim Service Contract(s):			
(1) Entity's Name			
(2) Entity's Name			
Victim Service Donation(s):			
(1) Domestic Violence Shelter:			
(2) Rape Crisis Center:			
(3) Other local direct crime victims service agency:			
Transferred to State and Oconee County	7,450		7,450
Total Expenditures from Victim Service Fund/Program (B)	7,450		7,450
Total Victim Service Funds Retained by Municipal/County Treasurer (A-B)	-		
Less: Prior Year Fund Deficit Repayment			
Carryforward Funds – End of Year	$ -		$ -

FLEET MANAGEMENT

PREPARED FOR:

Kris Whiteside	803-667-0835	Kris.A.Whiteside@efleets.com
FLEET CONSULTANT	PHONE	EMAIL

FLEET SYNOPSIS | CITY OF WALHALLA

FLEET MANAGEMENT

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CURRENT SITUATION

Current fleet age is negatively impacting the overall budget, fleet operations and safety

- **38%** of the light and medium duty fleet is currently 10 years or older
- **64%** of the light and medium duty fleet is currently 6 years or older
- **9.2 years** is the current average age of the fleet
- **9.6 years** – time it would take to cycle the entire fleet at current acquisition rates
- **Current Estimated Maintenance Spend is $94K annually** for an average of $164 per vehicle per month
- Older vehicles have higher fuel costs, maintenance costs and tend to be unreliable, causing increased downtime and loss of productivity.

THE OBJECTIVES

Identify an effective vehicle life cycle that maximizes potential equity at time of resale

- Shorten the current vehicle life cycle from 9.6 years to 3.6 years
- Free up approximately **$103K** in capital from the sale of 21 vehicles in the first year
- **71% Reduction in Maintenance** projected by reducing average monthly cost from **$164** to an average monthly cost of **$49.63**
- Reduce the overall fuel spend through more fuel-efficient vehicles
- Provide a lower sustainable fleet cost that is predictable year over year
- Leverage an open-ended lease to maximize cash flow and recognize equity (No Mileage Penalties & No Wear/Tear)

Increase employee safety with newer vehicles

- Currently:
    - **15%** of vehicles predate Anti-Lock Brake standardization (2007) – 7 **Vehicles**
    - **34%** of vehicles predate Electronic Stability Control standardization (2012) – 17 **Vehicles**
        - *ESC is the most significant safety invention since the seatbelt*
    - **65%** of vehicles predate standardization of back up camera (2018) – 31 **Vehicles**

Utilize Sourcewell awarded RFP that addresses the following:

- Access to all fleet management services as applicable to the needs of the City of Walhalla
- Supports the need for fleet evaluation on a quarterly basis assessing costs and reviewing best practices

THE RESULTS

By partnering with Enterprise Fleet Management, City of Walhalla will be better able to leverage its buying power, implement a tighter controlled resale program to lower total cost of ownership and in turn minimize operational spend. City of Walhalla will reduce fuel costs and reduce maintenance costs. Leveraging an open-end lease maximizes cash flow and recognizes equity from vehicles sold creating an internal replacement fund. Furthermore, City of Walhalla will leverage Enterprise Fleet Management's ability to sell vehicles at an average of 107% above Black Book value.

By shifting from reactively replacing inoperable vehicles to proactively planning vehicle purchases, City of Walhalla will be able to replace all vehicles over the course of 5 years and save approximately **$293,168** over the next 10 years.

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FLEET PROFILE & ANALYSIS | CITY OF WALHALLA

Fleet Profile

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage
Compact SUV 4x2	1	5.0	10,000
Mid Size SUV 4x4-ERV	11	4.9	7,600
Full Size SUV 4x2	3	13.1	8,800
Full Size SUV 4x4-ERV	2	7.5	9,100
Full Size SUV 4x4	1	7.0	11,400
Compact Pickup Ext 4x2	4	11.8	11,200
Compact Pickup Quad 4x4	3	4.6	8,800
1/2 Ton Pickup Reg 4x2	2	14.1	9,400
1/2 Ton Pickup Ext 4x2	3	9.4	7,600
1/2 Ton Pickup Quad 4x2	1	16.2	8,000
1/2 Ton Pickup Quad 4x4	6	7.4	6,500
3/4 Ton Pickup Reg 4x2	2	20.2	4,800
3/4 Ton Pickup Reg 4x4	3	16.1	7,500
3/4 Ton Pickup Quad 4x4	1	5.0	5,900
1 Ton Pickup Quad 4x2	1	7.0	12,200
1 Ton Cab Chassis	1	17.2	4,200
1 1/2 Ton Cab Chassis	3	9.1	6,600
Totals/Averages	48	9.2	8,000

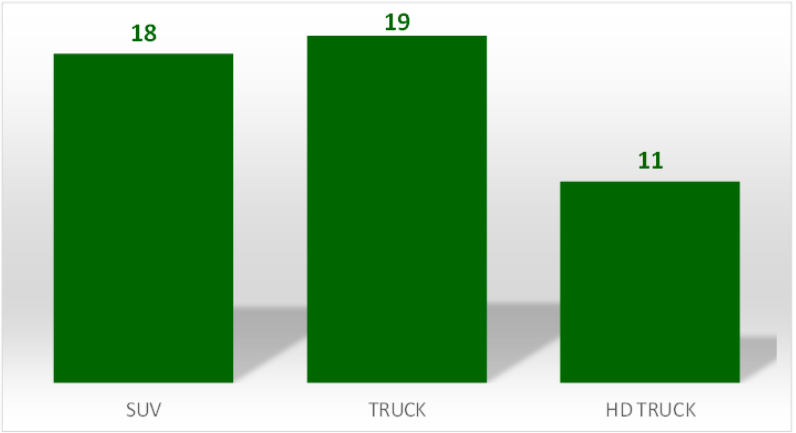
Fleet Replacement Schedule

2024	2025	2026	2027	2028	Under-Utilized
0	0	0	1	0	0
4	2	0	1	4	0
2	0	0	0	1	0
1	0	0	1	0	0
0	0	1	0	0	0
2	2	0	0	0	0
0	0	1	1	1	0
2	0	0	0	0	0
2	0	0	1	0	0
1	0	0	0	0	0
1	0	0	4	1	0
1	0	0	0	0	1
3	0	0	0	0	0
0	0	0	1	0	0
0	0	1	0	0	0
1	0	0	0	0	0
1	0	0	2	0	0
21	4	3	12	7	1

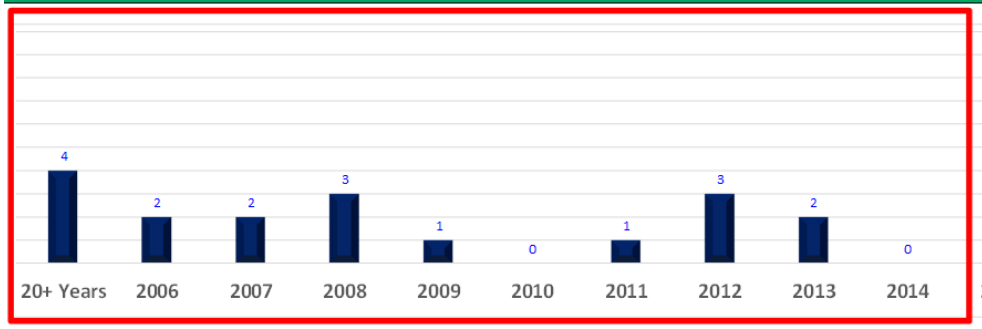
Replacement Criteria

* Fiscal Year 2024 = 10 years old and older, or odometer over 125,000
* Fiscal Year 2025 = 8 years old and older, or odometer over 105,000
* Fiscal Year 2026 = 6 years old and older, or odometer over 85,000
* Fiscal Year 2027 = 4 years old and older, or odometer over 65,000
* Fiscal Year 2028 = Remaining Vehicles
* Underutilized = Annual Mileage less than 1,000

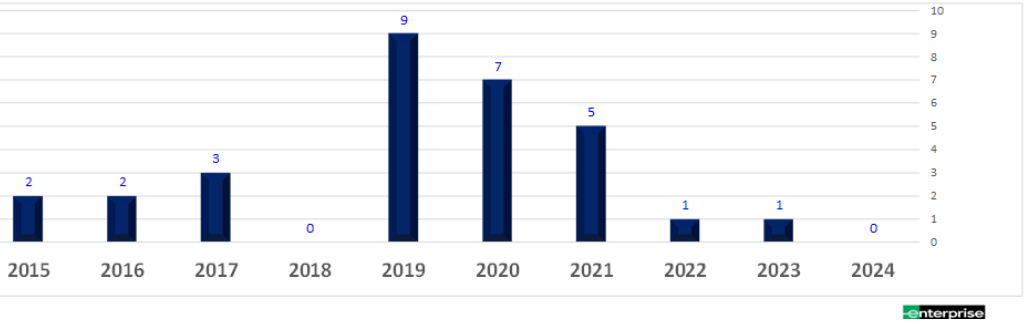
Vehicle Types



18 Vehicles over 10 years Old



Model Year Analysis



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FLEET PROFILE & ANALYSIS | CITY OF WALHALLA

Fleet Assumptions & Proposals

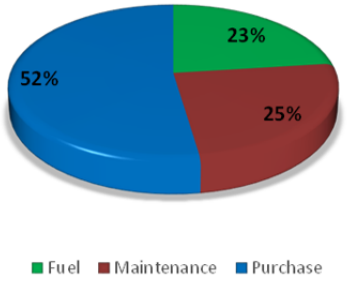
Fleet Analyzed	48	Fleet Growth	-0.47%	Proposed Fleet	47
Current Cycle	9.60	Annual Miles	8,200	Proposed Cycle	3.57
Current Maint.	$164.00	Total Annual Miles	384,000	Proposed Maint.	$49.63
Maint. Cents Per Mile	$0.24	Current MPG	13	Price/Gallon	$3.00

Fleet Mix					Fleet Cost						Annual
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
Average	48	5.0	48	0	201,515	0			94,464	88,615	384,594	0
'24	47	21	26	21	0	226,247	-103,650	-19,537	63,676	80,697	247,433	137,162
'25	47	8	22	25	0	263,861	-21,600	-77,491	58,186	79,188	302,144	82,451
'26	47	13	19	28	0	295,116	-44,400	-19,537	54,069	78,057	363,305	21,290
'27	47	16	7	40	0	427,513	-234,500	-114,143	37,600	73,532	190,002	194,592
'28	47	23	0	47	0	508,473	-125,400	-203,129	27,993	70,892	278,829	105,765
'29	47	22	0	47	0	508,473		-171,956	27,993	70,892	435,403	-50,809
'30	47	22	0	47	0	508,473		-92,290	27,993	70,892	515,068	-130,474
'31	47	13	0	47	0	508,473		-217,529	27,993	70,892	389,829	-5,235
'32	47	24	0	47	0	508,473		-115,237	27,993	70,892	492,121	-107,527
'33	47	16	0	47	0	508,473		-268,719	27,993	70,892	338,640	45,954

10 Year Savings	$293,168	Total Savings Impact*	$395,714

*includes total unrealized gains of $102,545

Fleet Costs Analysis



Average Annual Cost

Year	Lease	Equity (Owned)	Equity (Leased)	Net Cost
2024	$226,247	-$103,650	-$19,537	$103,060
2025	$263,861	-$21,600	-$77,491	$164,770
2026	$295,116	-$44,400	-$19,537	$231,179
2027	$427,513	-$234,500	-$114,143	$78,870
2028	$508,473	-$125,400	-$203,129	$179,944
2029	$508,473	$0	-$171,956	$336,517
2030	$508,473	$0	-$92,290	$416,183
2031	$508,473	$0	-$217,529	$290,944
2032	$508,473	$0	-$115,237	$393,236
2033	$508,473	$0	-$268,719	$239,754
			Average Annual Cost W/ Equity:	$243,446

Current Fleet Equity Analysis

YEAR	2024	2025	2026	2027	2028	Under-Utilized
QTY	21	4	3	12	7	1
Est $	$4,912	$5,400	$14,800	$19,542	$17,914	$500
TOTAL	$103,150	$21,600	$44,400	$234,500	$125,400	$500
		Estimated Current Fleet Equity**			$529,550	

* Lease Rates are conservative estimates

**Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection

Lease Maintenace costs are exclusive of tires unless noted on the lease rate quote.

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MENU PRICING | CITY OF WALHALLA

Estimated Equity Lease Menu Pricing

Vehicle Type	Year	Make	Model	Year 1 Qty	Term	Annual Mileage	Monthly Cost (Lease Rate)	Full Maintenance Est.	Annual Cost Including Maintenance	Lease Cost Year 1	Maint Cost Year 1	Aftermarket Included
Compact SUV 4x2	2024	Chevrolet	Equinox	**0**	**60**	**10,000**	**$469**	**$37**	**$6,065**	**$0**	**$0**	**$0**
Mid Size SUV 4x4	2024	Ford	Police Interceptor Utility	**4**	**60**	**7,600**	**$1,035**	**$80**	**$13,378**	**$49,671**	**$3,840**	**$10,000**
Full Size SUV 4x2	2024	Chevrolet	Tahoe	**2**	**24**	**8,800**	**$1,017**	**$36**	**$12,636**	**$24,408**	**$864**	**$0**
Full Size SUV 4x4	2024	Chevrolet	Tahoe	**1**	**60**	**9,100**	**$1,131**	**$80**	**$14,532**	**$13,572**	**$960**	**$10,000**
Full Size SUV 4x4	2024	Chevrolet	Tahoe	**0**	**24**	**11,400**	**$1,073**	**$36**	**$13,302**	**$0**	**$0**	**$0**
Compact Pickup Ext 4x2	2023	Toyota	Tacoma Access Cab	**2**	**60**	**11,200**	**$532**	**$42**	**$6,896**	**$12,779**	**$1,014**	**$0**
Compact Pickup Quad 4x4	2024	Toyota	Tacoma Double Cab	**0**	**60**	**8,800**	**$669**	**$34**	**$8,436**	**$0**	**$0**	**$0**
1/2 Ton Pickup Reg 4x2	2024	Ford	F-150 Regular Cab	**2**	**60**	**9,400**	**$671**	**$37**	**$8,488**	**$16,093**	**$882**	**$0**
1/2 Ton Pickup Ext 4x2	2024	Ford	F-150 Super Cab	**2**	**12**	**7,600**	**$816**	**$38**	**$10,258**	**$19,595**	**$920**	**$0**
1/2 Ton Pickup Quad 4x2	2024	Ford	F-150 Crew Cab	**1**	**12**	**8,000**	**$845**	**$38**	**$10,603**	**$10,143**	**$460**	**$0**
1/2 Ton Pickup Quad 4x4	2024	Ford	F-150 Crew Cab	**1**	**12**	**6,500**	**$921**	**$40**	**$11,532**	**$11,057**	**$475**	**$0**
3/4 Ton Pickup Reg 4x2	2024	GMC	Sierra 2500HD Regular Cab	**1**	**24**	**4,800**	**$874**	**$30**	**$10,843**	**$10,483**	**$360**	**$0**
3/4 Ton Pickup Reg 4x4	2024	Chevrolet	Silverado 2500HD Regular Cab	**3**	**24**	**7,500**	**$906**	**$34**	**$11,275**	**$32,618**	**$1,207**	**$0**
3/4 Ton Pickup Quad 4x4	2024	GMC	Sierra 2500HD Crew Cab	**0**	**24**	**5,900**	**$968**	**$34**	**$12,023**	**$0**	**$0**	**$0**
1 Ton Pickup Quad 4x2	2024	Chevrolet	Silverado 3500HD Crew Cab	**0**	**60**	**12,200**	**$863**	**$52**	**$10,983**	**$0**	**$0**	**$0**
1 Ton Cab Chassis	2024	Ford	F-350 Chassis Regular Cab	**1**	**60**	**4,200**	**$1,023**	**$26**	**$12,580**	**$12,273**	**$306**	**$10,000**
1 1/2 Ton Cab Chassis	2024	Ford	F-550 Chassis Regular Cab	**1**	**60**	**6,600**	**$1,130**	**$45**	**$14,095**	**$13,555**	**$540**	**$10,000**
Totals/Averages				**21**						**$226,247**	**$11,828**	

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REPLACEMENT SCHEDULE | CITY OF WALHALLA

VIN	Year	Make	Model	Series	Current Odometer	Original Vehicle Type	Recommended Replacement Year	New Replacement Category
3GCEC13C68G136830	2008	Chevrolet	Silverado 1500	LT1 4x2 Crew Cab 5.75 ft. box 143.5 in. WB	130,000	1/2 Ton Pickup Quad 4x2	2024	1/2 Ton Pickup Quad 4x2
1GBHK24K87E570320	2007	Chevrolet	Silverado 2500HD	LT 4x4 Regular Cab 8 ft. box 133 in. WB	150,000	3/4 Ton Pickup Reg 4x4	2024	3/4 Ton Pickup Reg 4x4
3GNGK26G76G231935	2006	Chevrolet	Suburban 2500	LS 4x4	200,000	Full Size SUV 4x2	2024	Full Size SUV 4x2
3D7KS26C25G858465	2005	Dodge	Ram 2500	ST 4x4 Regular Cab 8 ft. box 140.5 in. WB	165,030	3/4 Ton Pickup Reg 4x4	2024	3/4 Ton Pickup Reg 4x4
2C3CDXAT3KH581760	2019	Dodge	Charger	Police 4dr Rear-Wheel Drive Sedan	44,188	Full-size Sedan	2024	Mid Size SUV 4x4-ERV
2C3CDXAT7KH581759	2019	Dodge	Charger	Police 4dr Rear-Wheel Drive Sedan	50,165	Full-size Sedan	2024	Mid Size SUV 4x4-ERV
2C3CDXAT8KH645114	2019	Dodge	Charger	Police 4dr Rear-Wheel Drive Sedan	49,130	Full-size Sedan	2024	Mid Size SUV 4x4-ERV
2C3CDXAT1KH650316	2019	Dodge	Charger	Police 4dr Rear-Wheel Drive Sedan	60,429	Full-size Sedan	2024	Mid Size SUV 4x4-ERV
1GCRCPEA1DZ338131	2013	Chevrolet	Silverado 1500	Work Truck 4x2 Extended Cab 6.6 ft. box 143.5 in. WB	112,868	1/2 Ton Pickup Ext 4x2	2024	1/2 Ton Pickup Ext 4x2
1FTYR14D58PA31100	2008	Ford	Ranger	XL 2dr 4x2 Super Cab Styleside 6 ft. box 125.7 in. WB	132,477	Compact Pickup Ext 4x2	2024	Compact Pickup Ext 4x2
1FTMF1CM4CKE24701	2012	Ford	F-150	XL 4x2 Regular Cab Styleside 6.5 ft. box 126 in. WB	130,249	1/2 Ton Pickup Reg 4x2	2024	1/2 Ton Pickup Reg 4x2
1FDXF46P16ED27703	2006	Ford	F-450 Chassis	XL 4x2 SD Regular Cab 141 in. WB DRW	110,930	1 1/2 Ton Cab Chassis	2024	1 1/2 Ton Cab Chassis
1FDBF2A63CEC98567	2012	Ford	F-250	XL 4x2 SD Regular Cab 8 ft. box 137 in. WB SRW	62,541	3/4 Ton Pickup Reg 4x2	2024	3/4 Ton Pickup Reg 4x2
1FTBF2B65CEC56016	2012	Ford	F-250	XL 4x4 SD Regular Cab 8 ft. box 137 in. WB SRW	61,515	3/4 Ton Pickup Reg 4x4	2024	3/4 Ton Pickup Reg 4x4
1GCRCPEA1B4073060	2011	Chevrolet	Silverado 1500	Work Truck 4x2 Extended Cab 6.6 ft. box 143.5 in. WB	139,213	1/2 Ton Pickup Ext 4x2	2024	1/2 Ton Pickup Ext 4x2
1FMRU15W446A15016	2004	Ford	Expedition	XLT 4.6L 4x2	191,978	Full Size SUV 4x2	2024	Full Size SUV 4x2
1GBJC34K17E559163	2007	Chevrolet	Silverado 3500 Chassis	LT1 4x2 HD Regular Cab 137 in. WB DRW	71,395	1 Ton Cab Chassis	2024	1 Ton Cab Chassis
1GTEC14X88Z325061	2008	GMC	Sierra 1500	Work Truck 4x2 Regular Cab 6.6 ft. box 119 in. WB	130,000	1/2 Ton Pickup Reg 4x2	2024	1/2 Ton Pickup Reg 4x2
1B7KF23Z6YJ148138	2000	Dodge	Ram 2500	ST 4x4 Quad Cab 6.3 ft. box 138.7 in. WB	264,000	1/2 Ton Pickup Quad 4x4	2024	1/2 Ton Pickup Quad 4x4
1FTYR14D59PA01550	2009	Ford	Ranger	XL 2dr 4x2 Super Cab Styleside 6 ft. box 125.7 in. WB	150,000	Compact Pickup Ext 4x2	2024	Compact Pickup Ext 4x2
2C3CDXAG0DH560502	2013	Dodge	Charger	Police 4dr Rear-Wheel Drive Sedan	135,680	Full-size Sedan	2024	Full Size SUV 4x4-ERV
2G1WD5E31F1110883	2015	Chevrolet	Impala Limited	Police 4dr Sedan	101,221	Full-size Sedan	2025	Mid Size SUV 4x4-ERV
5TFRX5GN8GX052205	2016	Toyota	Tacoma	SR (A6) 4x2 Access Cab 127.4 in. WB	112,314	Compact Pickup Ext 4x2	2025	Compact Pickup Ext 4x2
5TFRX5GNXGX053243	2016	Toyota	Tacoma	SR (A6) 4x2 Access Cab 127.4 in. WB	101,343	Compact Pickup Ext 4x2	2025	Compact Pickup Ext 4x2
1FAHP2MK5FG192611	2015	Ford	Sedan Police Interceptor	Base All-Wheel Drive	58,589	Full-size Sedan	2025	Mid Size SUV 4x4-ERV
1C4RDJAG7HC830319	2017	Dodge	Durango	SXT 4dr All-Wheel Drive	80,000	Full Size SUV 4x4	2026	Full Size SUV 4x4
3C7WRTCL6HG534430	2017	RAM	3500	Tradesman 4x2 Crew Cab 8 ft. box 169.5 in. WB	85,079	1 Ton Pickup Quad 4x2	2026	1 Ton Pickup Quad 4x2
5TFCZ5AN4HX083025	2017	Toyota	Tacoma	SR V6 (A6) 4x4 Double Cab 127.4 in. WB	80,599	Compact Pickup Quad 4x4	2026	Compact Pickup Quad 4x4
3GCUYAEF9KG105101	2019	Chevrolet	Silverado 1500	Work Truck 4x4 Crew Cab 5.75 ft. box 147.4 in. WB	50,000	1/2 Ton Pickup Quad 4x4	2027	1/2 Ton Pickup Quad 4x4
1FTEX1C52LFC60139	2020	Ford	F-150	XL 4x2 SuperCab Styleside 6.5 ft. box 145 in. WB	8,415	1/2 Ton Pickup Ext 4x2	2027	1/2 Ton Pickup Ext 4x2
1FMCU0F73KUA08039	2019	Ford	Escape	S 4dr Front-Wheel Drive	49,765	Compact SUV 4x2	2027	Compact SUV 4x2
1FTEW1P44LKE10618	2020	Ford	F-150 Police Responder	XL 4x4 5.5 ft. box 145 in. WB	15,420	1/2 Ton Pickup Quad 4x4	2027	1/2 Ton Pickup Quad 4x4
1C4RDHAG0LC123838	2020	Dodge	Durango	SXT 4dr 4x2	23,665	Full Size SUV 4x2	2027	Full Size SUV 4x4-ERV
1GNLCDEC4KR379699	2019	Chevrolet	Tahoe	Police Vehicle 4x2	42,345	Full Size SUV 4x2	2027	Mid Size SUV 4x4-ERV
1GNLCDEC0LR272201	2020	Chevrolet	Tahoe	Police Vehicle 4x2	15,669	Full Size SUV 4x2	2027	1/2 Ton Pickup Quad 4x4
1FT7W2B64KEG08801	2019	Ford	F-250	XL 4x4 SD Crew Cab 6.75 ft. box 160 in. WB SRW	29,472	3/4 Ton Pickup Quad 4x4	2027	3/4 Ton Pickup Quad 4x4
1FTEW1E52LFA80613	2020	Ford	F-150	XL 4x4 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB	35,916	1/2 Ton Pickup Quad 4x4	2027	1/2 Ton Pickup Quad 4x4
1FDUF5HT8KEG37165	2019	Ford	F-550 Chassis	XL 4x4 SD Regular Cab 145 in. WB DRW	36,000	1 1/2 Ton Cab Chassis	2027	1 1/2 Ton Cab Chassis
1FD0W4HT2LED12005	2020	Ford	F-450 Chassis	XL 4x4 SD Crew Cab 179 in. WB DRW	25,425	1 1/2 Ton Cab Chassis	2027	1 1/2 Ton Cab Chassis
3TMCZ5AN8LM350472	2020	Toyota	Tacoma	SR V6 4x4 Double Cab 5 ft. box 127.4 in. WB	26,046	Compact Pickup Quad 4x4	2027	Compact Pickup Quad 4x4
1C4RDJFG9MC815193	2021	Dodge	Durango	Pursuit 4dr All-Wheel Drive	8,105	Full Size SUV 4x4	2028	Mid Size SUV 4x4-ERV
1C4RDJFG6MC799504	2021	Dodge	Durango	Pursuit 4dr All-Wheel Drive	4,149	Full Size SUV 4x4	2028	1/2 Ton Pickup Quad 4x4
1C4RDJFG1MC799457	2021	Dodge	Durango	Pursuit 4dr All-Wheel Drive	9,656	Full Size SUV 4x4	2028	Mid Size SUV 4x4-ERV
1C4RDJFG8MC799505	2021	Dodge	Durango	Pursuit 4dr All-Wheel Drive	9,230	Full Size SUV 4x4	2028	Mid Size SUV 4x4-ERV
5TFDZ5BN8MX058500	2021	Toyota	Tacoma	SR5 V6 4x4 Double Cab 6 ft. box 140.6 in. WB	24,735	Compact Pickup Quad 4x4	2028	Compact Pickup Quad 4x4
2C3CDXAT2NH119310	2022	Dodge	Charger	Police 4dr Rear-Wheel Drive Sedan	14,141	Full-size Sedan	2028	Mid Size SUV 4x4-ERV
1FTFW1P87PKD03947	2023	Ford	F-150 Police Responder	XL 4x4 5.5 ft. box 145 in. WB	5,737	1/2 Ton Pickup Quad 4x4	2028	Full Size SUV 4x2

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PROGRAM RESOURCES | CITY OF WALHALLA

SAFETY

38% of all vehicles are older than 10 years of age and may not contain the most up to date safety features, such as electronic stability control, airbag standardization and anti-lock brake control.

ACCOUNT MANAGEMENT

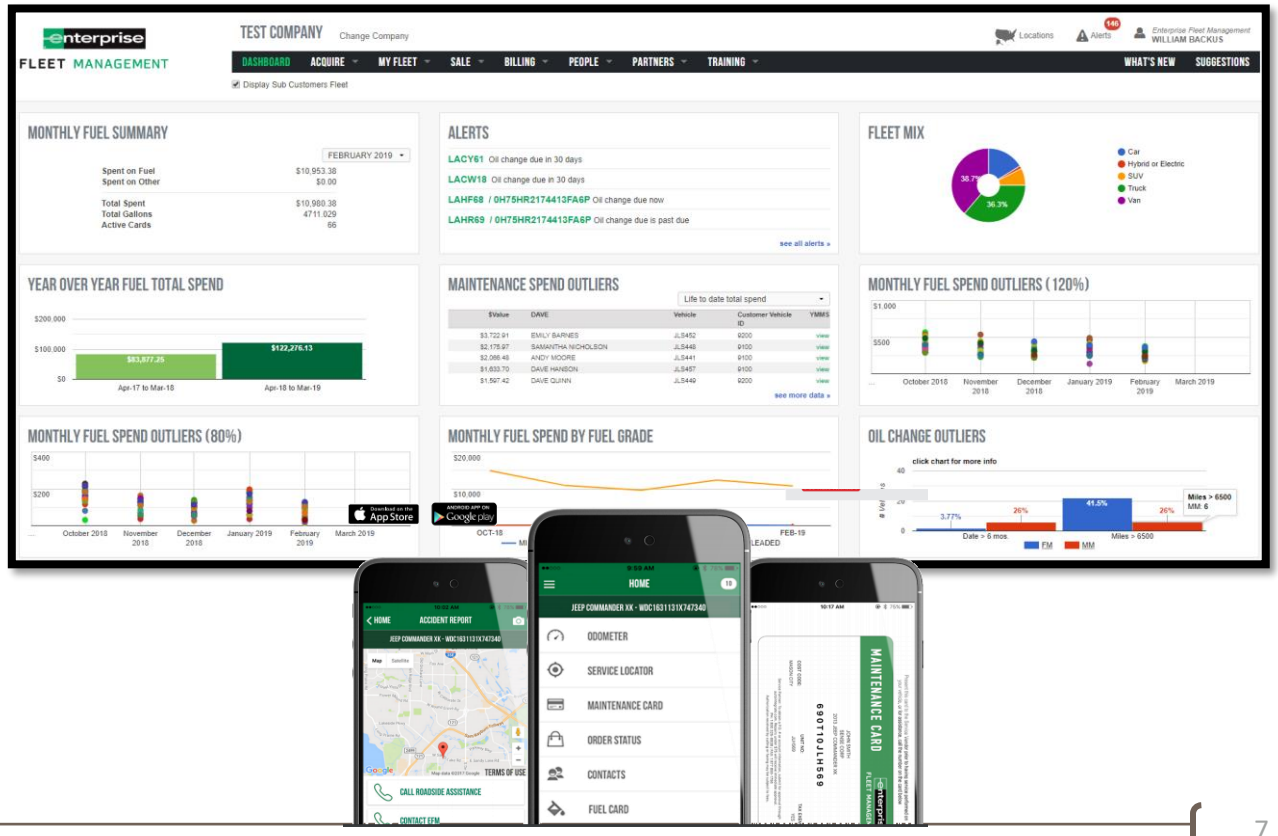
City of Walhalla will have a dedicated, local account team to proactively manage and develop your fleet while delivering the highest level of customer service to facilitate your day-to-day needs.

- Your dedicated Account Manager meets with you 3-4 times a year for both financial and strategic planning.
- Your Account Manager will provide on-going analysis – this will include most cost-effective vehicle makes/models, cents per mile, total cost of ownership, and replacement analysis.

TECHNOLOGY

Enterprise Fleet Management's website provides vehicle tracking, reporting, and metrics. Our website can be customized to view a wide range of data so that you may have a comprehensive and detailed look at all aspects of your fleet and the services provided. Our Mobile App gives drivers all of the convenience and functionality they need.

- **Consolidated Invoices** - Includes lease, maintenance, and any additional ancillaries
- **Maintenance Utilization** - Review the life-to-date maintenance per vehicle
- **Recall Information** - See which units have open recalls
- **License & Registration** - See which plate renewals are being processed by Enterprise and view status
- **Alerts** - Set customizable alerts for oil changes, lease renewals, license renewals, and billing data
- **Lifecycle Analysis** - See data regarding all transactions for the lifecycle of the entire fleet, with drill-down capability to any specific lease or transaction



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PROGRAM RESOURCES | CITY OF WALHALLA

FULL MAINTENANCE

Enterprise's Full Maintenance program covers lessees nationwide and is available for most makes and models in your fleet. The program is completely managed by Enterprise and will not require any internal approval of repairs or review of monthly invoices. Cost is based on vehicle type and driving pattern.



- Monthly cost is fixed for the term of the vehicle
- Coverage is available up to 100,000 miles
- Covers all routine services recommended by the manufacturer
- Covers all unexpected repairs (not related to damage or neglect)
- 24/7 roadside assistance and towing included
- Brakes, tires, and loaner vehicles can be included
- Windshield repair, fueling service, and other miscellaneous items are available
- The City can setup and send automatic service reminders through Enterprise's website

The Enterprise Full Maintenance Program facilitates greater overall cost control for your program, eliminating unexpected repair costs, the hassle of budgeting for repairs and expense reporting for the driver. The program is comprehensive and will not change due to inflation.

MAINTENANCE MANAGEMENT

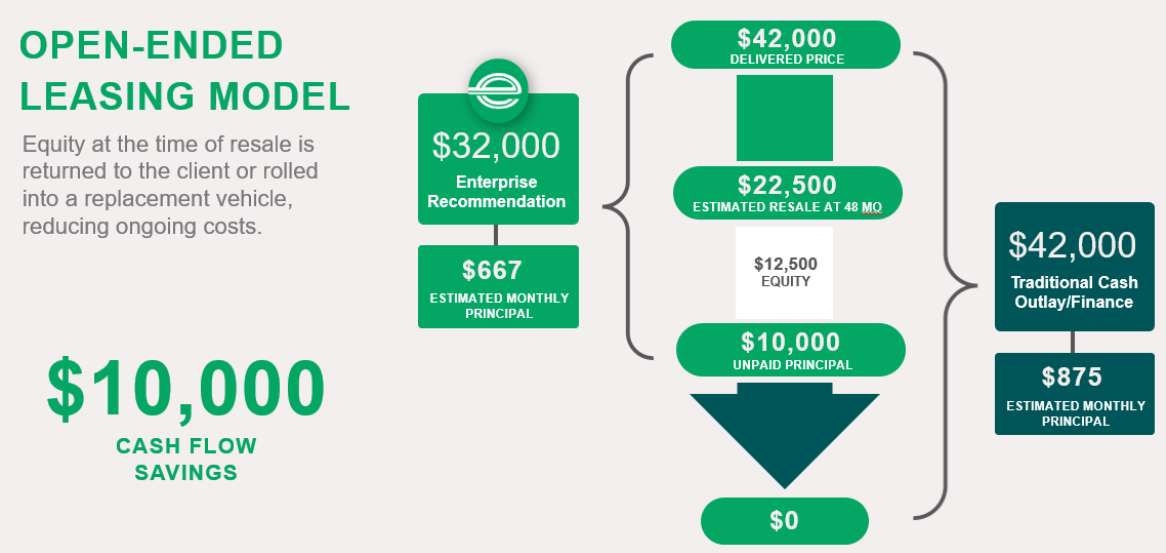
With the Maintenance Management program, Enterprise's team of Automotive Service Excellence (ASE) certified technicians facilitate maintenance and repairs to ensure that proper, quality work is completed at a fair and competitive price. This is our pass-through maintenance program, which allows us to fully manage, track and consult on maintenance services for a flat monthly fee. This service feature is available to your entire existing as soon as you become a customer.

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FUNDING

Open-Ended Equity Lease: An open-end lease helps you optimize your cash flow by providing flexible funding options and does not include mileage or wear-and-tear restrictions like conventional leases.

- **Market Value Finance (Recommended):** City of Walhalla can get out of the lease at any time. There is always a payoff amount. If the value of the vehicle is greater than the payoff, that money or equity can be put toward another lease or passed directly back to you. If the value of the vehicle is less than the payoff, Enterprise will bill back the difference.
    - **Improved cash flow**
    - **No mileage restrictions or wear-and-tear charges**
    - **Flexible financing options**
    - **Customized terms for use and type of vehicle**
    - **Retention of ownership rights**



VEHICLE RESALE

Customized Strategies

At the end of the lease term, our local account team will work directly with your team to schedule a convenient time to have the vehicles picked up and taken to our remarketing lot. At this lot, vehicle condition will be assessed and a marketing strategy unique to each unit will be put into place.

Multiple Sales Channels

Enterprise will determine the best channel or channels to remarket your vehicles, whether it is dealer-direct, online, or in the auction lane. We will work to maximize the sale of your vehicles, returning the greatest amount of equity as quickly as possible.

We use multiple channels to remarket our vehicles, and we employ an industry-leading 700 remarketing professionals to remarket vehicles directly to both franchise and independent dealers.

Quick Turnaround at the Best Price: Our team has consistently outsold the industry-standard Black Book Commercial Value Index. In addition, we rank our staff on the time it takes to pick up, assess, market, and sell vehicles, so that we return equity as quickly as possible to our customers.

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CASE STUDY | CITY OF WALHALLA

KERN COUNTY

BACKGROUND

Location: Bakersfield, California
Industry: Local Government, County Government
Total vehicles: 350 vehicles
URL: https://www.kerncounty.com/

THE PROBLEM

The General services division of Kern County uses vehicles for General and Behavior Health and Recovery Services which includes a variety of passenger cars, SUVs, pickup trucks and cargo vans. The fleet began incurring high maintenance and repair costs for aged vehicles, and the county had reduced capital due to budget cuts for 8 years that had a hard time keeping their fleet operational.

THE SOLUTION

Kern County officials recognized that they did not have the on-hand capital to purchase new vehicles, so they began looking at leasing options. The equity lease offered by Enterprise Fleet Management shined a light on the concept of Total Cost of Ownership for Kern County. The County saw the value in purchasing vehicles with the resale value in mind. Kern County identified 111 vehicles out of their fleet that should be cycled. Kern County was able to take advantage of volume purchasing discounts and a low lease rate. Enterprise also offers a vast network of repair shops ensuring maintence is done promptly.

OVER 24%
IN SAVINGS

INCREASED
EMPLOYEE SATISFACTION

17%
REDUCTION
IN FUEL EXPENSES

THE RESULTS

Today, Kern County has been able to cycle 111 new vehicles into its fleet. The program is expected to save $2 million through their program with Enterprise Fleet Management, compared to the County-run model, used previously. Now that vehicles are purchased centrally through the County's Fleet Service, departments no longer need to contribute to a vehicle and maintenance fund. Through the leasing plan, the county saves 85% per month utilizing Enterprise's maintenance plan. The savings brought to the County by Enterprise Fleet Management's program earned them recognition from the California State Association of Counties resulting in a Challenge Award.

"ENTERPRISE HAS TAKEN THE HASSLE OUT OF FLEET MANAGEMENT. WE WENT FROM AN AGING FLEET OF HIGH MAINTENANCE VEHICLES, TO A BRAND NEW FLEET WHERE ALL OF THE MAINTENANCE IS TAKEN CARE OF. ENTERPRISE TAKES CARE OF EVERYTHING, ALLOWING US TO CONCENTRATE ON WHAT IS IMPORTANT TO US, OUR CLIENT'S NEEDS."

GREG CRAWFORD, VICE PRESIDENT OF OPERATIONS

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REFERENCES | CITY OF WALHALLA

CURRENT PARTNERS

- **Bamberg County, SC**
- **Calhoun County, SC**
- **City of Beaufort, SC**
- **City of Marion, SC**
- **City of Mullins, SC**
- **Colleton County, SC**
- **Darlington County, SC**
- **Dillon County, SC**
- **Edgefield County, SC**
- **Florence County, SC**
- **Jasper County, SC**
- **Kershaw County, SC**
- **Marion County, SC**
- **Saluda County, SC**
- **Richland County, SC**
- **Town of Bluffton, SC**
- **Town of Folly Beach, SC**
- **Town of Port Royal, SC**

REFERENCE:

Below is a list of three client references:

1. **Kershaw County, SC**

   Business Phone #: (803) 425-1501

   Contact Person: Danny Templar, County Manager

   Email: Danny.templar@kershaw.sc.gov

2. **Dillon County, SC**

   Business Phone #: (803) 774-1401

   Contact Person: Tim Harper, County Administrator

   Email: tharper@dilloncountysc.org

3. **Colleton County, SC**

   Business Phone #: (843) 549-5716

   Contact Person: John Carpenter, Chief Financial Officer

   Email: Jcarpenter@colletoncounty.org

COOPERATIVES:

- TIPS/TAPS USA
  - SOURCEWELL (Formerly NJPA)
  - City of Walhalla Member ID# 200741

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CITY OF WALHALLA

Main Street to the Mountains

TO: Mayor Hall and City Council

RE: February Monthly Report

DATE: April 10, 2024

Please find enclosed an update on the City's recent activities for the month of March 2024, along with departmental monthly reports.

Tim Hall
Mayor

Keith Pace
Mayor Pro Tem

Josh Holliday
Councilman

Kenny Johns
Councilman

Grant Keehn
Councilman

Sarai Melendez
Councilwoman

Josh Thomas
Councilman

Michael Kozlarek
City Attorney

Celia Boyd Myers
City Administrator

Administration

HR/Personnel: Continuing to develop SOPs and policies where appropriate. Requests for Wage and Compensation Study quotes. Undertaking internal wage & comp study.

Tourism: Restrooms for Stumphouse Mountain Park – Ross Mountain entrance expecting May 2nd. The Wanderweg greenway construction is expected to be complete by May 1st. Ribbon cutting is expected mid-May. Issaqueena's Last Ride is April 20th. Folkfest and the Race to Valhalla will be May 4th. Community Clean Day being planned for April 27th. Hosted the TreesUpstate give-away and saw an estimate 100 people come out to obtain 125 trees.

Economic Development: Met with two potential developers and three prospective business owners. Drafting Economic Incentives Program and developing an Economic Action Plan.

Infrastructure: RFQ for sidewalk improvements received one submission. Additional one-way signage installed on South Catherine.

Funding Opportunities: Continue to seek and apply for grant opportunities (non-match). Three requests made in areas of public safety and parks & tourism. Departments working on an additional six grant opportunities. Received award in the amount of $23,898.71 from SCDHEC for the purchase mosquito control equipment and products.

Finance/Budget: Continue to draft FY 24-25 Budget. HTAX requests were considered by the Finance Committee for budget preparations. New transfer policy implemented. Worked with departments on budget requests. Planning a budget workshop for the week of April 22nd. DDC awarded three additional façade or sign grants.

Community Engagement: Attended the MASC Managers' Summit. Hosted the first Oconee Municipal Mayor's Summit. Gave State of the City address at Walhalla Rotary. Continue to meet and represent City at various engagements including Oconee Chamber of Commerce, MASC, community civic organizations, OJRSA, Visit Oconee, etc. Revived City Instagram page and sought new ways to share communications, as part of the new Strategic Communications Plan. Produced over 38 social media posts/engagements, and continue to issue appropriate press releases or other methods of communication.

City of Walhalla

Development Services Department

206 N Church St. • P.O. Box 1099 • Walhalla, SC 29691 • (864)-614-2655 • Fax (864) 638-4357 • www.CityofWalhalla.com

April 8, 2024

March 2024 Monthly Report

1. Worked with two (2) potential new businesses (a clothes boutique and a permanent food truck)
2. Permit administration (see totals below)
3. Fielded additional calls/emails/walk-ins regarding façade and sign grants, building permits, signs, new business process, special events, land use allowances, food trucks, code violations, business licenses, Downtown Design Guidelines and variances.
4. Applications/Violations Processed, March 2024 Request Monthly Totals

   Zoning Permits 4
   Building Permits 5
   Violations (IPMC, Sign, Zoning, etc.) 4
   Variances 1
   Subdivision Permits (Preliminary/Final) 1
   Special Exceptions 0
   Sign Permits 3
   Rezoning Requests 0
   Land Disturbance Permits 0
   Food Truck Permits 0
   Fence Permits 0
   Demolition Permits 0
   Appeals 0

Submitted by Planning and Zoning Administrator Mark Bloomer

Director, Catie Fisher

April 16th, 2024

Main Street Walhalla Report

Main Street Walhalla (501c3) is an economic development tool designed to help revitalize the downtown business district of Walhalla SC. By implementing the Main Street Four-Point Approach, the program aims to create an economic and culturally vibrant downtown that both locals and visitors will enjoy.

Our Mission

To support and enhance the continuing economic development of downtown Walhalla while protecting and promoting its historic heritage.

Merchant Updates

New:

- **The Casbah**
  - Unique and Dynamic Furniture, Decor and More.
- **Custom Oasis Boutique**
  - Custom Designs: Tumblers, Shirts, Candles, Wax Melts, Hats and more.
- **Wicked Licks**
  - Delicious and Healthy Frozen Yogurt and Rolled Ice Cream.

Full Time Job Creations: 4

Part Time Job Creations: 14

Changes:

- **Tienda y Taqueria Mundo Hispano**
  - Moved two doors down to 124 E. Main St.

Continuing Educational Trainings:

- Director, Catie Fisher, attended the three day NC Main Street Conference in March
  - Take a look at some of the seminars and speakers by visiting the website below.
  - https://www.ncmainstreetandplanning.com/2024conferenceschedule
- Director, Catie Fisher, begins Leadership Oconee Classes (March - October)

Downtown Tri-Fold Map and Directory:

- Easier than ever to give directions to your favorite places in Downtown Walhalla.
- Locals and Visitors can see all the Services in Downtown Walhalla
- Maps currently distributed to:
  - Merchants in Downtown Walhalla
  - SC State Visitor Centers
- Promoting all Downtown Small Businesses, Emergency Services, Museums, Tourism Offices, Historic Sites, Public Spaces, Event Spaces, The Wanderweg and more!
- Designed by Main Street Walhalla and Keowee Creative
- Printed by The Journal

Adopt a Bench Project:

- The benches for this project are handcrafted by Rustic Revolution, a merchant located on Main Street in Walhalla. By choosing a bench for the downtown district of Walhalla, you are not only backing a small business but also enhancing the aesthetic appeal of downtown and supporting the continuous growth of the Walhalla community.
- How to adopt a bench:
  - You can choose 1 of 3 bench designs: V Frame, A Frame or Square Frame
  - Bench Details:
    - 48 x 15 x 19
    - Each bench is built with square steel tubing with Western Red Cedar tops.
    - Coated Top and Bottom with Black Enamel
    - Cedar Tops Coated with Water Seal
  - A plaque placed on the bench with your name, business or in memory of.
  - For more information email mainstreetwalhalla@gmail.com
- Where will they be placed?
  - Benches will be placed on Main Street, N. Broad St. and S. Broad St. in the downtown district.
- Visit Rustic Revolution at 105 N. Catherine St. in Downtown Walhalla
- Meet the owners! Watch promotional video with the link below.
  - https://www.youtube.com/watch?v=OYXn7dF1Sq4&list=PL9K67R3LHcnHj9iTVb3SzoiWiwf-MEJBr&index=12
    - Available to watch on Main Street Walhalla's YouTube, Facebook, Instagram and TikTok Channels

MAIN STREET WALHALLA

ADOPT A BENCH

PROJECT







MAIN STREET WALHALLA (501C3) IS AN ECONOMIC DEVELOPMENT TOOL DESIGNED TO HELP REVITALIZE THE DOWNTOWN BUSINESS DISTRICT OF WALHALLA SC. BY IMPLEMENTING THE MAIN STREET FOUR-POINT APPROACH, THE PROGRAM AIMS TO CREATE AN ECONOMIC AND CULTURALLY VIBRANT DOWNTOWN THAT BOTH LOCALS AND VISITORS WILL ENJOY.

Merchant Directory

BARS & RESTAURANTS

Garage Tap Room
Bantam Chef of Walhalla
Carolina Pizza
Trailhead Tavern
Pete's Drive In
Wicked Licks
Los Arcos Mexican Grill
3 Amigos Mexican Grill
West & Co. Tap Room
Mountain Mocha
Stumphaus Taproom
Bretts Billards
Steak House Cafeteria
Steph's Steaks
Shuga Bears

B&B'S

Lofts Over Main
The Residences

EVENT SPACES

Bauknight House

MUSEUMS

Museum of the Cherokee in SC
Oconee Military Museum at Patriots Hall
Oconee History Museum

ENTERTAINMENT

Walhalla Performing Arts Center

RETAIL

The Casbah
Rustic Revolution
StoryBook Photography
Moore's Men's Store
Alexander's Work & Wander
Walhalla Boutique on Main
Middle of Main Antique
Earth's Elements
Sunni Ann Mercantile Co.
The Gun Shop
Warther's Originals Antique Marketplace
Oconee Belle Local Market
McClain's Custom Silk Floral Designs & Gifts
Shawn's Vape Shop

SERVICES

Albertson Real Estate
Oconee County SC Democratic Party Headquarters
La Estrella
224 CoWork Space
Happy Houndz Pet Spa
Benson Farm Supply LLC
Blue Ridge Bank
Underwood Custom Embroidery
Accurate Diagnostics
Ken's Thriftee Pharmacy
Keith Denny Attorney
Glamour Hair Studio
Tienda y Taqueria Mundo Hispano
Massage on Main
Robert Owen's Attorney
Palmetto Fade Co. Barber Shop
Through the Looking Glass Salon & Spa
Printing Solutions
Walhalla Pharmacy
Peak Yoga
Thomas & Crain Real Estate
Visit Oconee
Walhalla Shoe Shop
Blossman Gas
Memories on Main
Walhalla Tire & Service Center
Napa Auto Parts
Walhalla Power Tumbling
Oconee County Public Library

MAIN STREET
Walhalla
MAIN STREET TO THE MOUNTAINS

WHAT IS MAIN STREET WALHALLA?
Main Street Walhalla (501c3) is an economic development tool designed to help revitalize the downtown business district of Walhalla SC. The program aims to create an economic and culturally vibrant downtown that both locals and visitors will enjoy.

OUR MISSION:
To support and enhance the continuing economic development of downtown Walhalla while protecting and promoting its historic heritage.

WWW.MAINSTREETWALHALLA.COM

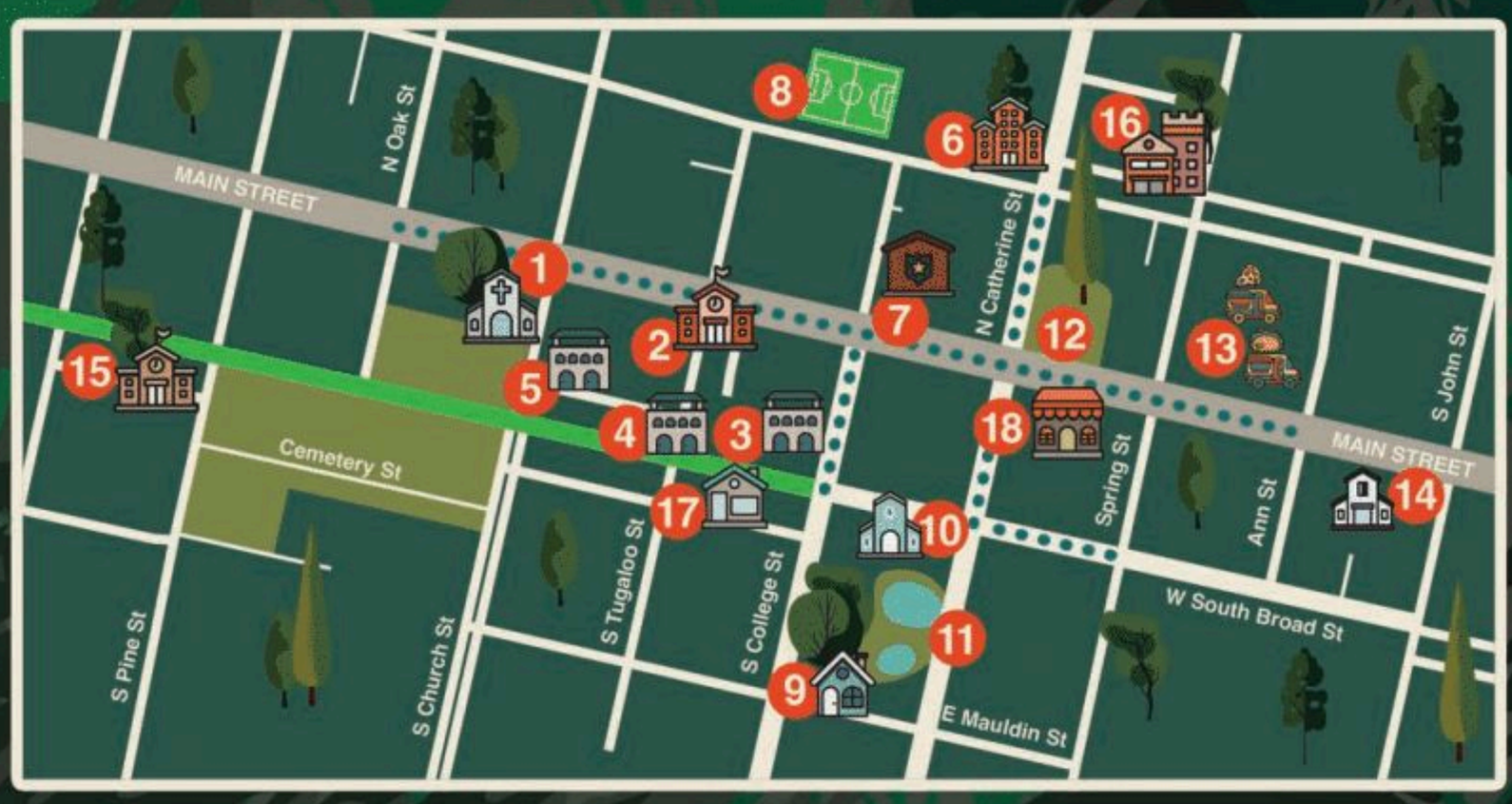
KEY

1. **St. John's Evangelical Lutheran Church Walhalla**
   301 W. Main St.
2. **Oconee County Court House**
   205 W. Main St.
3. **Oconee History Museum**
   123 Brown Square Dr.
4. **Museum of the Cherokee in SC**
   70 Short St.
5. **Oconee Military Museum at Patriots Hall**
   13 Short St.
6. **Walhalla Performing Arts Center**
   101 E. North Broad St.
7. **Walhalla Police Station**
   101 E. Main St.
8. **Walhalla Memorial Field**
   W. North Broad St.
9. **Walhalla Depot**
   211 S. College St.
10. **Old St. John's Meeting House**
    224 S. Catherine St.
11. **Kaufmann Square**
    The park next to the depot.
12. **The City Green**
    The green space next to Arby's.
13. **The Food Truck Lot & Farmers Market**
    The Gravel Parking area across from Texaco
14. **Bauknight House**
    408 E.Main St.
15. **Oconee County Library**
    501 W. South Broad St.
16. **Walhalla Fire Department**
    207 E North Broad St.
17. **Main Street Walhalla Office**
    105 W. South Broad St.
18. **Visit Oconee**
    224 East Main St

Shopping and Dining
Main Street Walhalla

Wanderweg
Greenway

Downtown Walhalla



Walhalla Police Department
101 E. Main St.
Walhalla, SC 29691

Chief of Police Timothy J. Rice

Monthly Police Report- March 2024

March Events and Completed Training: Employees

- Corporal Heaton attended DUI/SFST training.
- Sgt. McCall recertified as a Glock Armorer.
- Victor Gomez joined our department with previous experience.
- Parking education and enforcement was conducted around the Walhalla Mill Hill neighborhood.

TOTAL CALLS FOR SERVICE	**1215**
TRAINING HOURS	**123 HOURS**
Total Arrests	**24 (Adult) 1 (Juvenile)**
Extra Patrol / Business Checks	**631**

BREAKDOWN OF OVERTIME BY TYPE:

Shift Coverage	32.5
Court	10
Special Event Coverage	
TOTAL OVERTIME	**42.5 HOURS (previous month –35 hours)**

Upcoming Events and Training and News:

Planning for upcoming special events (Memorial Day 5K, Bike Races)

Corporal H. McCall to attend certification course to become instructor.

K9 officers to attend drug interdiction course in Georgia.

Planning for upcoming department wide in service training.

Walhalla Police Department
101 E. Main St.
Walhalla, SC 29691

Chief of Police Timothy J. Rice

Monthly Reference Material

Mar 2024 – Month End Stats

Total Calls for Service:		**1215**
Total Traffic Stops:		**210**
Total Traffic Collisions:		**7**
Reports Filed:		
Collision Reports:		5
Pursuit After-Action:		0
Incident Reports:		62
Response to Resistance:		0
	TOTAL:	**67**
Citations/Warnings Issued:		
Warnings:		96
Traffic Related:		42
Non-Traffic Related:		5
TOTAL:		**143**
Arrests:		
Adults:		24
Juvenile Referrals:		1
	TOTAL:	**25**
Extra Patrols:	**TOTAL:**	**631**

City of Walhalla Fire Department

Home of the Mountaineer Engine Co. Est. 1871

Fire Chiefs Monthly Report

March 2024

FIRE-EMS

Incident Response-

We responded to 135 calls for service. 60 were fire calls and 75 were medical/rescue calls. During the month we were on multiple calls 21% of the time. We provided 16 instances of mutual aid. 65 calls were inside the City and 54 calls were either in the unincorporated area or another district. The average on-scene time was 37 minutes. Both career and volunteer staff spent 235 hours on incidents.

Incident Type	# Incidents	% of Total
Fires	12	8.89%
Overpressure rupture, explosion- no fire	0	0.00%
Rescue & EMS	75	55.56%
Hazardous Conditions	4	2.96%
Service Call	25	18.52%
Good Intent Call	7	5.19%
False Alarm and False Call	12	8.89%
Severe Weather & Natural Disaster	0	0.00%
Special Incident	0	0.00%
Total	135	100.00%

Operations/Training-

Staff, both career and volunteer, trained for a total of 408 hours during the month.

The department has 2 full time firefighter openings. These positions are posted on the City webpage and the department's Facebook page.

207 E North Broad Street, Walhalla SC 29691
864-638-4345 Phone
864-638-2444 Fax

City of Walhalla Fire Department

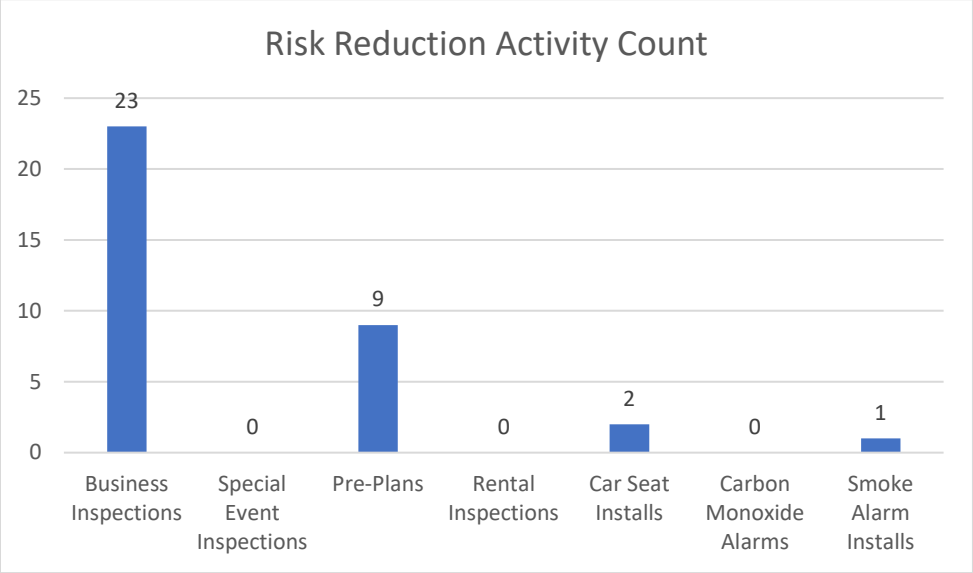
Home of the Mountaineer Engine Co. Est. 1871

COMMUNITY RISK REDUCTION

Fire Marshal-

Continuing to complete pre-fire plans and business inspections. Completing re-inspections as needed.

Fire Prevention/Life Safety-



EMERGENCY MANAGEMENT

Staff have responded to 2 reported structure fires this month. Including a fire fatality. If you have a fire or emergency in a structure remember to evacuate all persons inside first, then call 911.

GRANTS

We have applied for 35 grants with possible funding totaling in $400,000 or more. This is as of the end of the month. We plan on applying for several more grants.

Please contact me should you have any questions.

Respectfully Submitted,

/s/ Will Bates
Will Bates, Fire Chief

207 E North Broad Street, Walhalla SC 29691
864-638-4345 Phone
864-638-2444 Fax

WALHALLA PUBLIC WORKS 4-2-2024

The Public Works Department

March 1 thru 31, 2024 the City of Walhalla picked up:

245 -ton of residential garbage

101 -ton of commercial garbage

27 -loads of recyclable brush

5 -ton yard waste

22 -ton C&D Waste

1 -ton mattresses

1 -ton tires

Roll Carts for March

Delivered 24

Picked up 7

Repair/Replace 6

During the month of March our department continued picking up brush, leaves, trash, tires, and mattresses.

Thanks,

Russ Price

<u>Facilities and Streets Department</u>
Director: John Galbreath
April 2, 2024

Court Room





Main Street Flower Beds





SCDOT Retaining Wall



SCDOT South Ann

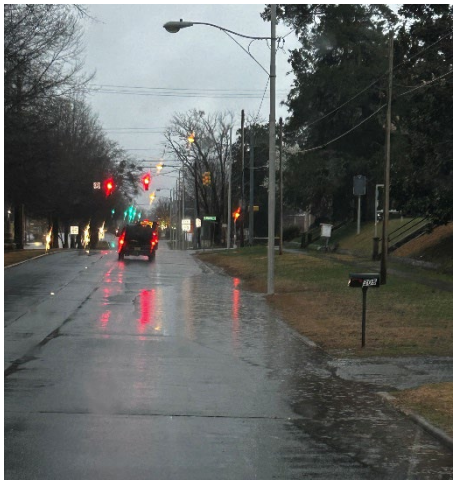


SCDOT Booker Drive

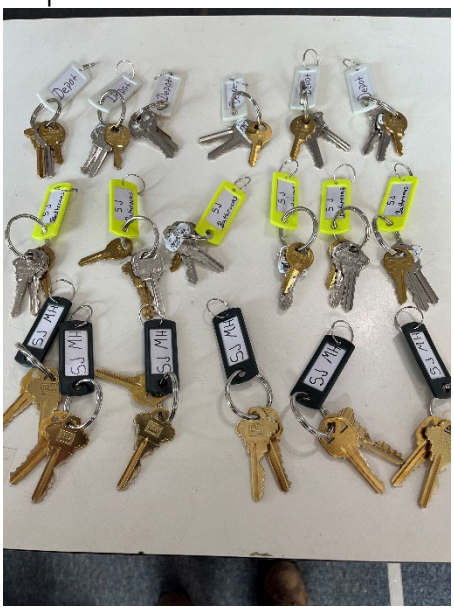


SCDOT Main Street





Depot and Old St. John's



Clean Sheds



Greenville Truck New Tires



Backhoe Overheating



New Light Plug and Wire



Monthly Report April 8th

-Flag Football in their second week of games

-Baseball/Softball Starts today

- Moved Flag Football Super Saturday to May 4th (Moved so that teams are able to be there)

From: Kaylee Osbon
To: Celia Myers, Walhalla SC
Subject: Fw: Monthly Reports
Date: Monday, April 08, 2024 8:39:49 AM
Attachments: Outlook-iVBORw0KGg.png
Outlook-JLuoJhAAAA.png
Outlook-iVBORw0KGg.png
Outlook-JLuoJhAAAA.png

Kaylee Osbon, MBA

Assistant to the City Administrator

206 N. Church St.
PO Box 1099
Walhalla, SC 29691
864-638-4343

864-973-9153 (Office)
http://www.cityofwalhalla.com

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From: Scott Parris, Walhalla SC <sparris@cityofwalhalla.com>
Sent: Saturday, April 6, 2024 8:54 AM
To: Kaylee Osbon <kosbon@cityofwalhalla.com>
Subject: Re: Monthly Reports

Hi!

I have a few updates:

The Greenway project is nearing completion. The trees and landscaping is almost done, and we will develop a lunch list of items that need attention over the next few weeks.

The Hwy 11 project is progressing well. Work on the creek crossing is starting this week.

Work on the dam cleanup at Stumphouse Park is scheduled to begin this week, and is expected to take a week to complete.

We are continuing our transition to our new billing system, and hope to have additional updates soon.

Thanks

Scott Parris
Utilities Director
Image

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CONFIDENTIALITY NOTICE: All e-mail correspondence to and from this address may be subject to public disclosure under the South Carolina Freedom of Information Act (FOIA).
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From: Kaylee Osbon <kosbon@cityofwalhalla.com>
Sent: Thursday, April 4, 2024 11:03:07 AM
To: Ashley Jones, Walhalla SC <ajones@cityofwalhalla.com>; Breanna Richardson, Walhalla SC <brichardson@cityofwalhalla.com>; Catie Fisher, Walhalla SC <cfisher@cityofwalhalla.com>; Celia Myers, Walhalla SC <cmyers@cityofwalhalla.com>; John Galbreath, Walhalla SC <jgalbreath@cityofwalhalla.com>; Mark Bloomer <mbloomer@cityofwalhalla.com>; Russ Price, Walhalla SC <rprice@cityofwalhalla.com>; Scott Parris, Walhalla SC <sparris@cityofwalhalla.com>; Timothy Rice, Walhalla SC <trice@walhallapd.org>; Will Bates, Walhalla SC <will@walhallafire.com>
Subject: Monthly Reports

Good morning,

If you have not already done so, turn in monthly reports by next Monday.

Thank you.

City of Walhalla
Budget Transfer

Department: Facilities & Streets

Date Submitted: 4/10/24

		Amount to Transfer
Transfer from Account #:	010-530-50400-50337	$2,000.00 ~~$1,043.~~
Transfer to Account #:	010-530-50400-50326	$2,000.00

Total Transfer: _____

Reason for transfer (please be specific):

Need Money in Equipment Maintenance

Is this transfer within your department (circle one): (Yes) No

Department Head Approval: John Hallbeck **Date:** 4/10/24

Administrator Approval: _____ **Date:** _____

City of Walhalla
Budget Transfer

Department: Police

Date Submitted: 4/5/24

		Amount to Transfer
Transfer from Account #:	010-520-50300-50196	2,400.00
Transfer to Account #:	010-520-50300-50244	

Total Transfer: 2400.00

Reason for transfer (please be specific):

line item negative | expected expenditure for remaining FY obligations.

Is this transfer within your department (circle one): (Yes) No

Department Head Approval: [signature] **Date:** 4/5/24

Administrator Approval: _____ **Date:** _____

City of Walhalla
Budget Transfer

Department: Police

Date Submitted: 4/5/24

		Amount to Transfer
Transfer from Account #:	010-520-50300-50196	500.00
Transfer to Account #:	010-520-50300-50231	500.00

Total Transfer: 500.00

Reason for transfer (please be specific):

line item expected expenditure

Is this transfer within your department (circle one): (Yes) No

Department Head Approval: [signature] **Date:** 4/5/24

Administrator Approval: _____ **Date:** _____

City of Walhalla
Budget Transfer

Department: Police

Date Submitted: 4/5/24

		Amount to Transfer
Transfer from Account #:	010-520-50300-50196	600.00
Transfer to Account #:	010-580-50300-50341	

Total Transfer: 600.00

Reason for transfer (please be specific):

line item overage, expected expenditure.

Is this transfer within your department (circle one): (Yes) No

Department Head Approval: [signature] **Date:** 4/5/24

Administrator Approval: _____ **Date:** _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010-540-50400-50316

TRANSFER TO ACCOUNT #: 010-540-50400-50328

TRANSFER AMOUNT: $ 2386.09

SIGNATURE: [signature]

BUDGET TRANSFER ENTRIES

DEPT Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010-540-50300-50218

TRANSFER TO ACCOUNT #: 010-540-50300-50271

TRANSFER AMOUNT: $7.21

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of Yr

TRANSFER FROM ACCOUNT #: 010-540-50300-50231

TRANSFER TO ACCOUNT #: 010-540-50300-50110

TRANSFER AMOUNT: $ 58.71

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT FIRE

DATE: 4/4/24

REASON FOR TRANSFER: END OF YR

TRANSFER FROM ACCOUNT #: 010-540-50400-50315

TRANSFER TO ACCOUNT #: 010-540-50400-50314

TRANSFER AMOUNT: $ 634.49

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010-540-50400-50315

TRANSFER TO ACCOUNT #: 010-540-50400-50328

TRANSFER AMOUNT: $551.86

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: END OF YR

TRANSFER FROM ACCOUNT #: 010-540-50400-50389

TRANSFER TO ACCOUNT #: 010-540-50400-50317

TRANSFER AMOUNT: $ 1688.64

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YR

TO

TRANSFER ~~FROM~~ ACCOUNT #: 010-540-50400-50317

From

TRANSFER ~~TO~~ ACCOUNT #: 010-540-50400-50361

TRANSFER AMOUNT: $ 177.66

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YE

TRANSFER FROM ACCOUNT #: 010-540-50400-50361

TRANSFER TO ACCOUNT #: 010-540-50400-50326

TRANSFER AMOUNT: $ 122.34

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 04/04/2024

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010-540-50400-50337

TRANSFER TO ACCOUNT #: 010-540-50400-50326

TRANSFER AMOUNT: $ 646.58

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 04/04/24

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010 - 540 - 50300 - 50244

TRANSFER TO ACCOUNT #: 010-540 - 50400 - 50326

TRANSFER AMOUNT: $1,002.70

SIGNATURE:

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: END OF YR

TRANSFER FROM ACCOUNT #: 010-540-50300-50210

TRANSFER TO ACCOUNT #: 010-540-50400-50326

TRANSFER AMOUNT: $81.65

SIGNATURE: _____

BUDGET TRANSFER ENTRIES

DEPT - Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of 4/E

TRANSFER FROM ACCOUNT #: 010-540-50300-~~50400~~ 50210

TRANSFER TO ACCOUNT #: 010-540-50400-50336

TRANSFER AMOUNT: 378.67

SIGNATURE: [signature]

BUDGET TRANSFER ENTRIES

DEPT- Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010-540-50300-50210

TRANSFER TO ACCOUNT #: 010-540-50400-50318

TRANSFER AMOUNT: 92.51

SIGNATURE: [signature]

BUDGET TRANSFER ENTRIES

DEPT- Fire

DATE: 4/4/24

REASON FOR TRANSFER: End of YR

TRANSFER FROM ACCOUNT #: 010-540-50400-50341

TRANSFER TO ACCOUNT #: 010-540-50400-50318

TRANSFER AMOUNT: $267.21

SIGNATURE: _____

STATE OF SOUTH CAROLINA)

COUNTY OF OCONEE) ORDINANCE NO. 2024-07

CITY OF WALHALLA)

AN ORDINANCE AMENDING THE WATER AND SEWER USE ORDINANCE OF THE CITY OF WALHALLA

Whereas, the City of Walhalla provides water service to City and surrounding area residents; and

Whereas, some properties do not have frontage, preventing them from connecting to water services; and

Whereas, the City desires to provide water services to area residents, when requested, while respecting property lines and the property rights of citizens; and

Whereas, the City of Walhalla desires to update the Water and Sewer Ordinance to allow customers the ability to access water service by a recorded utility easement;

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walhalla amends the Water and Sewer Ordinance to include the following:

Section 319. Water lines and meters shall be placed on property owned by the customer or on property where a valid utility easement is in effect, providing the customer access. Easements must be recorded and transfer with the land.

DONE AND RATIFIED in Council duly assembled this _____ day of _____, 2024.

_____
Tim Hall, Mayor

ATTEST:

_____
Celia Myers, City Administrator

Introduced By: _____

First Reading: _____

Second Reading
and adoption: _____

STATE OF SOUTH CAROLINA)

COUNTY OF OCONEE) ORDINANCE 2024-08

CITY OF WALHALLA)

AN ORDINANCE TO AMEND THE CITY OF WALHALLA CODE OF ORDINANCES, CHAPTER 25 ECONOMIC DEVELOPMENT INCENTIVES; AND OTHER MATTERS RELATED THERETO.

Whereas, the Walhalla City Council adopted Ordinance 2017-07 to establish an Economic Development Incentive Program; and

Whereas, the program is to allow public support of economic projects to foster, promote and enhance local economic development efforts; and

Whereas, the City wishes to encourage and support economic development while also being responsive to the City's financial health; and

Whereas, the City of Walhalla desires to amend the Economic Development Incentive Program offerings;

Now Therefore: it is ordained and enacted by the Mayor and Councilmembers of the City of Walhalla, in Council assembled, that Chapter 25, Section 25-6 and Section 25-7 be amended as follows:

§ 25-6 General eligibility criteria.

Except for those incentives discussed in § 25-7I below as authorized by the state and which are intended by the terms of this Economic Development Incentive Program to be applied City-wide, in order for a development to be eligible to receive incentives, the Council must determine that the development meets, or upon completion will meet, each of the following criteria:

A. The development must be consistent with the City of Walhalla Comprehensive Plan, as adopted.

B. The development must be located within the City limits of Walhalla or establish a location for business within the City even if it has previously conducted the same or similar operations at locations outside the City.

C. The development must have a minimum threshold investment which may be comprised of a combination of physical improvements and acquisition costs; such threshold investment may be comprised of a single real property investment or a cumulative investment.

DRAFT

D. The development must be for one or more of the following:

(1) Retail uses as identified in the most current Retail Market Power Database provided by Claritas.

(2) Tourism-related business or activity.

(3) Cultural arts activities and associated businesses.

(4) District offices or corporate headquarters.

(5) Research and development.

(6) High technology growth business.

(7) Residential projects including three or more single-family units, multifamily units or condominiums.

(8) Other uses as may be determined the City of Walhalla which meet the intent of this chapter and as are identified more specifically according to the adopted master plans and/or redevelopment plans.

E. The City reserves the right to exclude from consideration proposed projects that it deems incompatible with the City's Comprehensive Plan, Downtown Design Overlay or with the City's overall goal of encouraging development that will strengthen property values and enhance appearance and quality of life within the community. Such proposed projects include but are not limited to the following:

(1) Service or gas stations.

(2) Tattoo parlors.

(3) Manufactured home parks.

(4) Auto garage facilities.

(5) Commercial laundries.

(6) Tobacco or vape shops

(7) Liquor stores

(8) Other retail and/or service uses determined by the City not to advance the goal of establishing quality investment in the City of Walhalla.

F. No business and no successor or affiliated business entity having one or more of the same principals and substantially the same business activity may cease business operations in the name of one business and then resume business operations in another name if the effect of such resumption is to circumvent this section or to prolong the incentives provided beyond the incentive agreement.

DRAFT

§ 25-7 Incentives from City.

The Council may, at its discretion and on a case-by-case basis, enter into an incentive agreement to reimburse or refund any person, firm or corporation proposing to invest in development or redevelopment of property within the City of Walhalla the following fees and taxes up to the amounts and percentages provided for herein:

A. Up to 100% of the labor and equipment cost related to the installation of applicable tap fees collected by the City. Applicant shall be responsible for the materials cost.

B. Such other incentives that the Council, at its discretion on a case-by-case basis, determines are appropriate given the amount or type of investment made by the incentive recipient, such as property tax credits for up to five years with the requirement that the financial investment be a minimum of 50% of the current property value and be spent within two years.

E. State incentive programs. The state programs that may be considered by Council to be included within any package of incentives or as a standalone set of incentives for in-City projects:

(1) Property tax credits authorized by the provisions of the South Carolina Abandoned Buildings Revitalization Act, codified at S.C. Code Ann. § 12-67-100 et seq. (collectively, the "Abandoned Building Act"). Incentive recipients requesting consideration for the Abandoned Building Act by Council shall submit an Abandoned Building Act application form.

(2) The South Carolina real property tax credit for the installation of a fire sprinkler system, codified as S. C. Code Ann. § 12-6-3622.

(3) Property tax credits authorized by the provisions of the South Carolina Textiles Communities Revitalization Act, codified at S.C. Code Ann. § 12-65-40.

DRAFT

AND IS DONE AND RATIFIED in Council Duly assembled this _____Day of _____ 2024.

_____

Tim Hall, Mayor

(seal)

ATTEST:

_____
Celia Boyd Myers, City Administrator

Introduced By: _____

First Reading: _____

Public Hearing,
Second Reading
And Adoption: _____

DRAFT

STATE OF SOUTH CAROLINA)

COUNTY OF OCONEE) ORDINANCE 2024-08

CITY OF WALHALLA)

AN ORDINANCE TO AMEND THE CITY OF WALHALLA CODE OF ORDINANCES, CHAPTER 25 ECONOMIC DEVELOPMENT INCENTIVES; AND OTHER MATTERS RELATED THERETO.

Whereas, the Walhalla City Council adopted Ordinance 2017-07 to establish an Economic Development Incentive Program; and

Whereas, the program is to allow public support of economic projects to foster, promote and enhance local economic development efforts; and

Whereas, the City wishes to encourage and support economic development while also being responsive to the City's financial health; and

Whereas, the City of Walhalla desires to amend the Economic Development Incentive Program offerings;

Now Therefore: it is ordained and enacted by the Mayor and Councilmembers of the City of Walhalla, in Council assembled, that Chapter 25, Section 25-6 and Section 25-7 be amended as follows:

§ 25-6 General eligibility criteria.

Except for those incentives discussed in § 25-7I below as authorized by the state and which are intended by the terms of this Economic Development Incentive Program to be applied City-wide, in order for a development to be eligible to receive incentives, the Council must determine that the development meets, or upon completion will meet, each of the following criteria:

A. The development must be consistent with the City of Walhalla Comprehensive Plan, as adopted.

B. The development must be located within the City limits of Walhalla or establish a location for business within the City even if it has previously conducted the same or similar operations at locations outside the City.

C. The development must have a minimum threshold investment which may be comprised of a combination of physical improvements and acquisition costs; such threshold investment may be comprised of a single real property investment or a cumulative investment.

DRAFT

D. The City reserves the right to exclude from consideration proposed projects that it deems incompatible with the City's Comprehensive Plan, Downtown Design Overlay or with the City's overall goal of encouraging development that will strengthen property values and enhance appearance and quality of life within the community. Such proposed projects include but are not limited to the following:

(1) Service or gas stations.
(2) Tattoo parlors.
(3) Manufactured home parks.
(4) Auto garage facilities.
(5) Tobacco or vape shops
(7) Liquor stores
(8) Other retail and/or service uses determined by the City not to advance the goal of establishing quality investment in the City of Walhalla.

E. No business and no successor or affiliated business entity having one or more of the same principals and substantially the same business activity may cease business operations in the name of one business and then resume business operations in another name if the effect of such resumption is to circumvent this section or to prolong the incentives provided beyond the incentive agreement.

§ 25-7 Incentives from City.

The Council may, at its discretion and on a case-by-case basis, enter into an incentive agreement to issue rebates for certain City fees, in accordance to the most current Economic Incentive Policy. Incentives may include:

A. Rebates for up to 50% of Business Licenses, not to exceed 5 years;

B. Rebates for up to 50% of Permitting Fees, not to exceed 5 years;

C. Such other incentives that the Council, at its discretion on a case-by-case basis, determines are appropriate given the amount or type of investment made by the incentive recipient;

D. State incentive programs. The state programs that may be considered by Council to be included within any package of incentives or as a standalone set of incentives for in-City projects:

(1) Property tax credits authorized by the provisions of the South Carolina Abandoned Buildings Revitalization Act, codified at S.C. Code Ann.

DRAFT

§ 12-67-100 et seq. (collectively, the "Abandoned Building Act"). Incentive recipients requesting consideration for the Abandoned Building Act by Council shall submit an Abandoned Building Act application form.
(2) The South Carolina real property tax credit for the installation of a fire sprinkler system, codified as S. C. Code Ann. § 12-6-3622.
(3) Property tax credits authorized by the provisions of the South Carolina Textiles Communities Revitalization Act, codified at S.C. Code Ann. § 12-65-40.

AND IS DONE AND RATIFIED in Council Duly assembled this _____Day of _____ 2024.

_____
Tim Hall, Mayor

(seal)

ATTEST:

_____
Celia Boyd Myers, City Administrator

Introduced By: _____

First Reading: _____

Public Hearing,
Second Reading
And Adoption: _____

DRAFT

City of Walhalla

2024



ECONOMIC INCENTIVES

Attract, Retain and Grow

www.cityofwalhalla.com

864-638-4343

206 N Church St, Walhalla SC

Economic Incentive Program

The City of Walhalla is prepared to strategically and responsibly consider the use of incentive programs to meet our economic development goals and outcomes, in support of the City's Economic Development Vision.

The City of Walhalla may offer development incentives to qualifying companies that are looking to locate or expand in the City, creating new, well-paying jobs and making substantial capital investment to the community. Other qualifying factors may include the reuse of historic or abandoned buildings, brownfields, location in a designated geographic corridor and targeted businesses.

Walhalla's Economic Vision

To proactively build a diverse, sustainable economy by retaining, growing and attracting businesses that will enhance Walhalla's economic well-being and overall quality of life.

In addition to the incentive program, the City is willing to develop partnerships and find strategic ways for the public and private sector to work together, ensuring projects move forward. Project award incentives are reviewed on a case-by-case basis and approval is at the discretion of the Walhalla City Council.

Overview of Incentive Program

The City may offer rebates of City fees paid by new or expanding businesses, including business licenses, permitting expenses and utility fees. Businesses must apply with the City and receive approval prior to beginning the project. Successful projects will be able to show the benefit to the community, such as number of new jobs, new future tax revenue and capital investment.

Rebates may be granted for up to 50% of certain City fees over a set time period, not to exceed five (5) years.

Applications are considered on a case-by-case basis and evaluated on their potential contribution to the City's economy and overall quality of life. After review by the City Administration office, a proposed agreement, including project goals and incentives will be developed. City Council will consider the agreement for final approval. Once approved, rebates are paid after the project achieves the agreed upon goals.

Economic Incentive Program

While the City will consider additional proposals from prospective projects, rebate incentives are available for qualifying developments.

Up to 50% of Business License fees for five years and up to 50% of permit and utility fees may be awarded, based on projected benefits. Permit fees may include zoning, rezoning, special exception, demolition, land disturbance and building permits.

Benefit	25% Rebate in Business License (up to 5 years)	50% Rebate in Business License (up to 5 years)	25% Rebate in Permit and Utility Fees	50% Rebate in Permit and Utility Fees
5 New Jobs Created	X			
10 New Jobs Created	X		X	
15 + New Jobs Created	X	X	X	X
$50,000 in Capital Investment	X			
$100,000 in Capital Investment	X		X	
$250,000 in Capital Investment	X	X	X	
$500,000 or more in Capital Investment	X	X	X	X
Targeted Business	X	X	X	
Targeted Geographic Area	X		X	

Economic Incentive Program

The City may offer additional incentives for small businesses, reuse of historic or abandoned buildings and brownfields or neighborhood redevelopments.

Small Businesses often qualify for the City's Facade and Sign Grants and may qualify for the Uniquely Walhalla Grant.

Reuse of Historic or Abandoned Buildings qualify for the Facade, Sign and Uniquely Walhalla Grants; and may qualify for up to 25% rebate of business license for up to 5 years and up to 25% rebate of permit fees.

Brownfields and Neighborhood Redevelopments qualify for the Uniquely Walhalla Grant and up to 25% rebate of business license for up to 5 years and up to 50% rebate of permit and utility fees.

Property Tax Incentive
Depending on the prospective project, City Council may consider property tax incentives, as permitted in SC Code. If awarded, property tax may be "frozen" for a set period of time, dependent upon the investment made into improving the property.

Example:
Property Assessed Value - $500,000
Capital Investment into the Property is a minimum of $250,000
Property Tax remains at the $500,000 assessed value for up to 5 years.









Facade, sign and Uniquely Walhalla Grants are reviewed by the Downtown Development Corporation (DDC). Applications may be found on the City's website and are accepted on a continual basis.

Each of these opportunities are a 50% matching grant. The Sign Grant, up to $800. The Facade Grant, up to $3,000. The Uniquely Walhalla Grant, up to $15,000.

Businesses may only be awarded a grant once a year.

Targeted Development

The City of Walhalla desires a diverse economy that reflects the unique nature of the City, embracing the charm and character of our historic downtown; celebrating the beauty and tourism opportunities of our natural environment; and ensuring the prosperity of the City's future in a changing economy.

The City may specifically entice certain developments or identify corridors for development. These may be revise based on reevaluation and changes in the City's needs and priorities.

Targeted Developments

Child Care Businesses
Walhalla recognizes that accessible, quality and affordable child care is vital for a strong and available labor force.

Commercial Annexation Projects
Walhalla desires to responsibly and strategically grow through annexation that will strengthen the City's fiscal position.

Corporate Headquarters and Technology Based Businesses
Walhalla desires to diversify its economic base with corporate and technology based businesses that will complement and support established and future small businesses and retail.

Grocery Stores
Walhalla recognizes that access to fresh, affordable food is foundational for a healthy community.

Mixed Use (Residential and Retail/Office)
Walhalla desires growth that is smart and strategic, recognizing mixed use will provide unique opportunities for residents and allow for the conservation of open, green space.

Residential Developments (Mixed Income or Workforce Housing)
Walhalla recognizes that safe, accessible, affordable and inclusive housing is essential for communities.

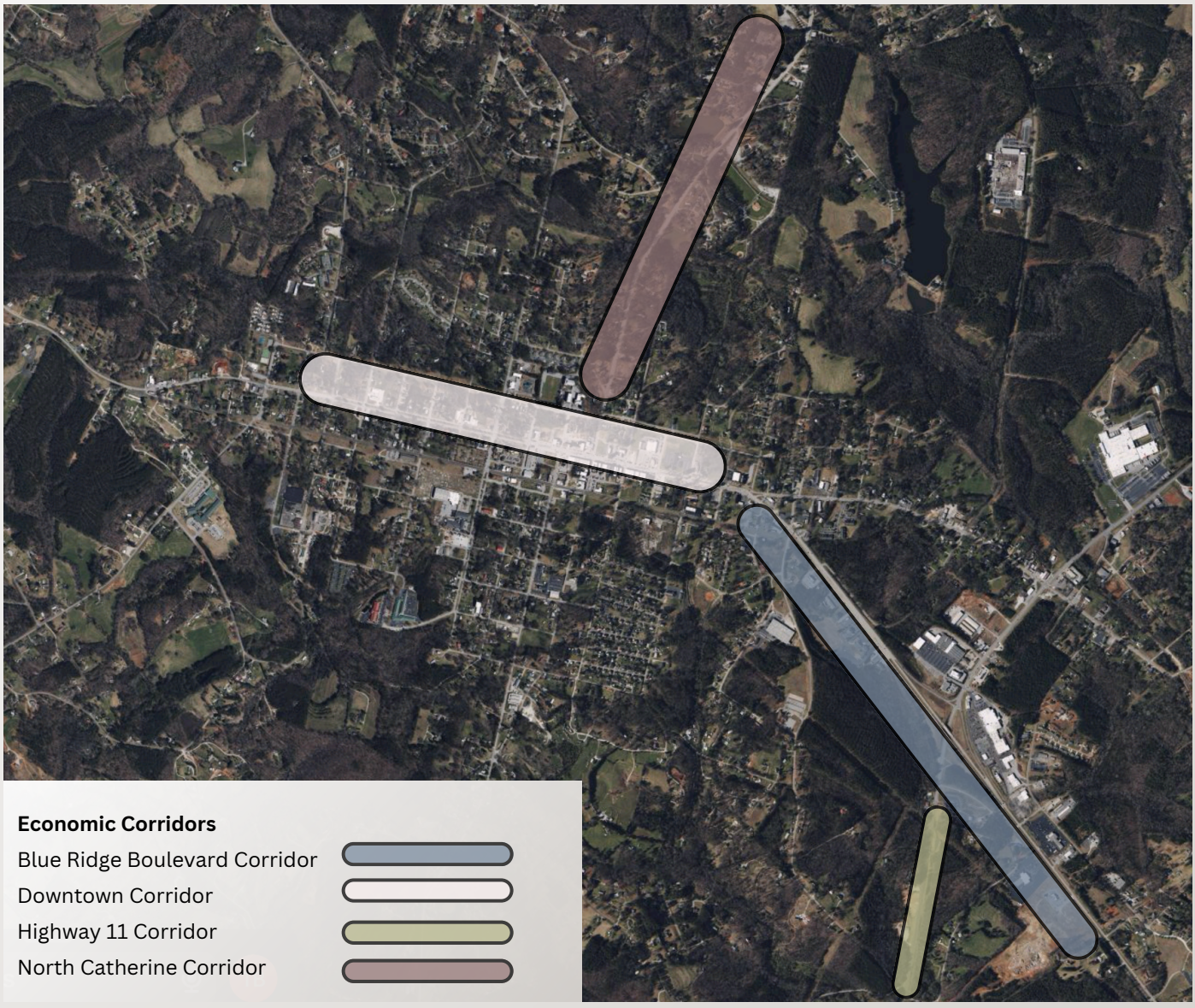
Retail Developments
Walhalla desires strategic development that provides convenience for residents and visitors, as well as, complement and enhance established and future small businesses.

Targeted Corridors

Targeted Locations:

The City of Walhalla will consider incentives for projects throughout the City, but specifically seeks:

Commercial and Residential Development along the Blue Ridge Boulevard corridor; Small businesses, Mixed Use and Targeted Retail along the Downtown corridor; Residential and Commercial Development along the Highway 11 and North Catherine corridors.



STATE OF SOUTH CAROLINA)

COUNTY OF OCONEE) ORDINANCE 2024-09

CITY OF WALHALLA)

AN ORDINANCE TO AMEND THE CITY OF WALHALLA FY 2023-2024 BUDGET, APPENDIX A GENERAL FUND FEES TO ALLOW DISCOUNTED RENTAL RATES FOR CIVIC AND NON-PROFIT ORGANIZATIONS THAT USE CITY FACILITIES; AND OTHER MATTERS RELATED THERETO.

Whereas, the Walhalla City Council adopted Ordinance 2023-13 entitled "An Ordinance to raise revenue and adopt a budget for general, water, sewer and hospitality funds, herein known as the "Unified Budget of the City of Walhalla, South Carolina" for the fiscal year beginning July 1, 2023 and ending June 30, 2024, and other matters related thereto"; and

Whereas, the amendment is made part hereof as fully as if incorporated herein ad a copy thereof attached and also be known as the current approved fiscal year budget document; and

Whereas, the City of Walhalla wishes to encourage civic groups to actively participate in community-building activities, while upholding the principle of shared responsibility for public resources;

Whereas, the City of Walhalla desires to create a policy and discounted rental fee schedule for civic and non-profit organizations in the City of Walhalla;

Now Therefore: it is ordained and enacted by the Mayor and Councilmembers of the City of Walhalla, in Council assembled, that the FY 2023-2024 Budget, Appendix A is amended as follows:

Discounted Pricing for Non-Profit and Civic Organizations

Non-Profit and Civic Organizations based in Walhalla shall be entitled to use City facilities, available for rent, once a month at no cost. Additional usage would be subject to the below discounted rates.

Usage of 4 times a month or more
4 hours - $100
8 hours - $200
All day - $300

Usage of 3 times a month or more
4 hours - $150
8 hours - $350
All day - $550

Organizations shall supply documentation of their private, non-profit status at the time of reservation, when requesting the discounted rate. All other policies and insurance requirements remain in force.

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City Council members and City employees, who have successfully completed a six-month probationary period are entitled to one City facility rental per calendar year at no charge. All other policies and insurance requirements remain in force.

AND IS DONE AND RATIFIED in Council Duly assembled this _____Day of _____ 2024.

_____
Tim Hall, Mayor

(seal)

ATTEST:

_____
Celia Boyd Myers, City Administrator

Introduced By: _____

First Reading: _____

Public Hearing,
Second Reading
And Adoption: _____

DRAFT

STATE OF SOUTH CAROLINA)

COUNTY OF OCONEE) ORDINANCE 2024-09

CITY OF WALHALLA)

AN ORDINANCE TO AMEND THE CITY OF WALHALLA FY 2023-2024 BUDGET, APPENDIX A GENERAL FUND FEES; AND OTHER MATTERS RELATED THERETO.

Whereas, the Walhalla City Council adopted Ordinance 2023-13 entitled "An Ordinance to raise revenue and adopt a budget for general, water, sewer and hospitality funds, herein known as the "Unified Budget of the City of Walhalla, South Carolina" for the fiscal year beginning July 1, 2023 and ending June 30, 2024, and other matters related thereto"; and

Whereas, the amendment is made part hereof as fully as if incorporated herein ad a copy thereof attached and also be known as the current approved fiscal year budget document; and

Whereas, the City of Walhalla wishes to encourage civic groups to actively participate in community-building activities, while upholding the principle of shared responsibility for public resources;

Whereas, the City of Walhalla desires to create a policy and discounted rental fee schedule for civic and non-profit organizations in the City of Walhalla;

Whereas, the City of Walhalla wishes to amend recreation program registration to reflect the increased cost in uniforms for the Fall season, which holds registration this fiscal year.

Now Therefore: it is ordained and enacted by the Mayor and Councilmembers of the City of Walhalla, in Council assembled, that the FY 2023-2024 Budget, Appendix A is amended as follows:

Discounted Pricing for Non-Profit and Civic Organizations

Non-Profit and Civic Organizations based in Walhalla shall be entitled to use City facilities, available for rent, once a month at no cost. Additional usage would be subject to the below discounted rates.

Usage of 4 times a month or more
4 hours - $100
8 hours - $200
All day - $300

Usage of 3 times a month or more
4 hours - $150
8 hours - $350
All day - $550

Organizations shall supply documentation of their private, non-profit status at the time of reservation, when requesting the discounted rate. All other policies and insurance

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requirements remain in force.

City Council members and City employees, who have successfully completed a six-month probationary period are entitled to one City facility rental per calendar year at no charge. All other policies and insurance requirements remain in force.

Recreation Registration Fees

Inside City - $45
Outside City - $80

AND IS DONE AND RATIFIED in Council Duly assembled this _____Day of _____ 2024.

_____
Tim Hall, Mayor

(seal)

ATTEST:

_____
Celia Boyd Myers, City Administrator

Introduced By: _____

First Reading: _____

Public Hearing,
Second Reading
And Adoption: _____

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HDH CONSTRUCTION

SITE WORK SIMPLIFIED

March 28, 2024

Ms. Celia Myers, AICP

City Administrator

City of Walhalla

Re: Submission of RFQ# 2024-01

Ms. Myers

Enclosed please find the submission documents for the above referenced Request for Qualifications for Sidewalk Improvements for the City of Walhalla. We are excited to have the opportunity to re-introduce ourselves to you and the other folks who will be reviewing the documents. If you have any questions or concerns regarding the enclosed submission, feel free to contact me.

We look forward to hearing back from you.

Heath Hutchinson

HDH Construction Group, LLC

2654 Fox Run Road

Seneca, SC 29672

864 903 4224 mobile

heath@hdhconstructiongroup.com

SC License # 120522

BID SUBMISSION FORM
CITY OF WALHALLA
RFQ 2024-01
SIDEWALK IMPROVEMENTS
TOTAL BID AMOUNT

By submission of this bid, the respondent certifies, and in the case of a joint bid, each party thereto certifies as to its own organization, that this bid has been arrived at independently, without consultation, communication, or agreement as to any matter relating to this bid, with any other bidder or with any competitor. The bid listed below must include all applicable cost relevant to the provision of sidewalk improvements. Please include detailed costs (per square foot and total) on a separate table/spreadsheet.

MAIN ST SOUTHSIDE	Length	Width	Yards
S Laurel To Cedar 433x5	433	5	43.30
Cedar To Poplar 430x5	430	5	43.00
Poplar To Chestnut 435x5m	435	5	43.50
Chestnut To Pine 430x5	430	5	43.00
Pine To Oak 435x5	435	5	43.50
Oak To Church 440x5	440	5	44.00
Church To Tugaloo 450x12	450	12	108.00
Ann To John 332x6	332	6	39.84
John To Johnson 447x6	447	6	53.64
MAIN ST NORTHSIDE			
N Tugaloo To N Church 441x5	441	5	44.10
N Church To N Oak 438x5	438	5	43.80
N Oak To N Pine 435x5	435	5	43.50
N Pine To N Chestnut 431x5	431	5	43.10
N Chestnut To N Poplar 435x5	435	5	43.50
N Popular To N Cedar 431x5	431	5	43.10
N Cedar To Smith 440x5	440	5	44.00

Total Bid Amount $569,246.00

HDH Construction Group, LLC
COMPANY NAME

SIGNATURE BY AND FOR THE BIDDER

2654 Fox Run Road, Seneca, SC 29672
COMPANY ADDRESS

Heath D Hutchinson
PRINTED NAME OF ABOVE BIDDER

03/28/2024
DATE OF QUOTE

864-903-4224
CONTACT PHONE NUMBER

Heath@hdhconstructiongroup.com
CONTACT EMAIL

City of Walhalla reserves the right to reject any or all bids and to waive any irregularities, as deemed necessary and in its best interest.

HDH CONSTRUCTION

SITE WORK SIMPLIFIED

March 28, 2024

Ms. Celia Myers

City Administrator

City of Walhalla

Qualifications to Pricing and RFQ Specifications - RFQ# 2024-01

We have quoted the project using 4" concrete depth on the sidewalk sections and 6" concrete depth in driveways.

We have quoted the project using a standard 3000 PSI concrete in lieu of the 4000 PSI concrete that the RFQ calls out. 3000 PSI compressive strength is a more typical concrete specification for this type of project. If 4000 PSI is required, it can be provided for an additional fee.

In the section Church to Tugaloo 450X12, there is a retaining wall that will not allow us to widen the sidewalk to 12 ft. For the portion where the retaining wall is, we will not be expanding the sidewalk unless it is your intention to widen the sidewalk towards Main Street.

If an SCDOT encroachment permit is required, there will be a $3,500.00 fee for doing so. This would be for an encroachment permit only. Any drawings or DHEC permits have not been accounted for.

The RFQ has not called for any Payment or Performance Bonds. If bonds are required, they can be provided for an additional fee. This fee will be based on the total contract amount but should not exceed 2% of the total contract amount.

Brianna Horton

HDH Construction Group, LLC **864 557 6325 mobile**

2654 Fox Run Road brianna@hdhconstructiongroup.com

Seneca, SC 29672 **SC License # 120522**

City of Walhalla
Budget Transfer

Department: Fire Department

Date Submitted: 11-Apr-24

		Amount to Transfer
Transfer from Account #:	010-510-50100-50100	$ 20,000.00
	010-511-50100-50100	$ 10,000.00
Transfer to Account #:	010-540-50100-50100	$ 30,000.00
	Total Transfer:	$ 30,000.00

Reason for transfer (please be specific):

The Fire Department has 3 unfilled full-time positions. To cover shifts, additional part-time personnel was used. There are now 3 full-time applicants and the transfer will supply the needed salaries fund for the remainder of the year. Next year, there will not be this amount of part-time personnel.

Is this transfer within your department (circle one): Yes (No)

Department Head Approval: _____ **Date:** _____

Administrator Approval: _____ **Date:** _____