



Agenda
Council Budget Workshop
Thursday, April 2, 2020 - 6:00 PM - 200 North Main Street
Virtual Online Meeting via Zoom
The meeting will be live streamed on the City's Facebook page

1. Call to Order
2. Invocation
3. Pledge of Allegiance
4. FY 2020-2021 Budget Planning
 - a. Capital Planning Model
 - b. Hospitality Grant Applications
 - c. Personnel Requests
5. City Administrator's Report
6. Adjourn

NOTE: MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON. THE MEETING WILL BE LIVE STREAMED. INFORMATION CONCERNING THE LIVE STREAM WILL BE POSTED ON THE CITY'S WEBSITE AS SOON AS THAT INFORMATION BECOMES AVAILABLE.



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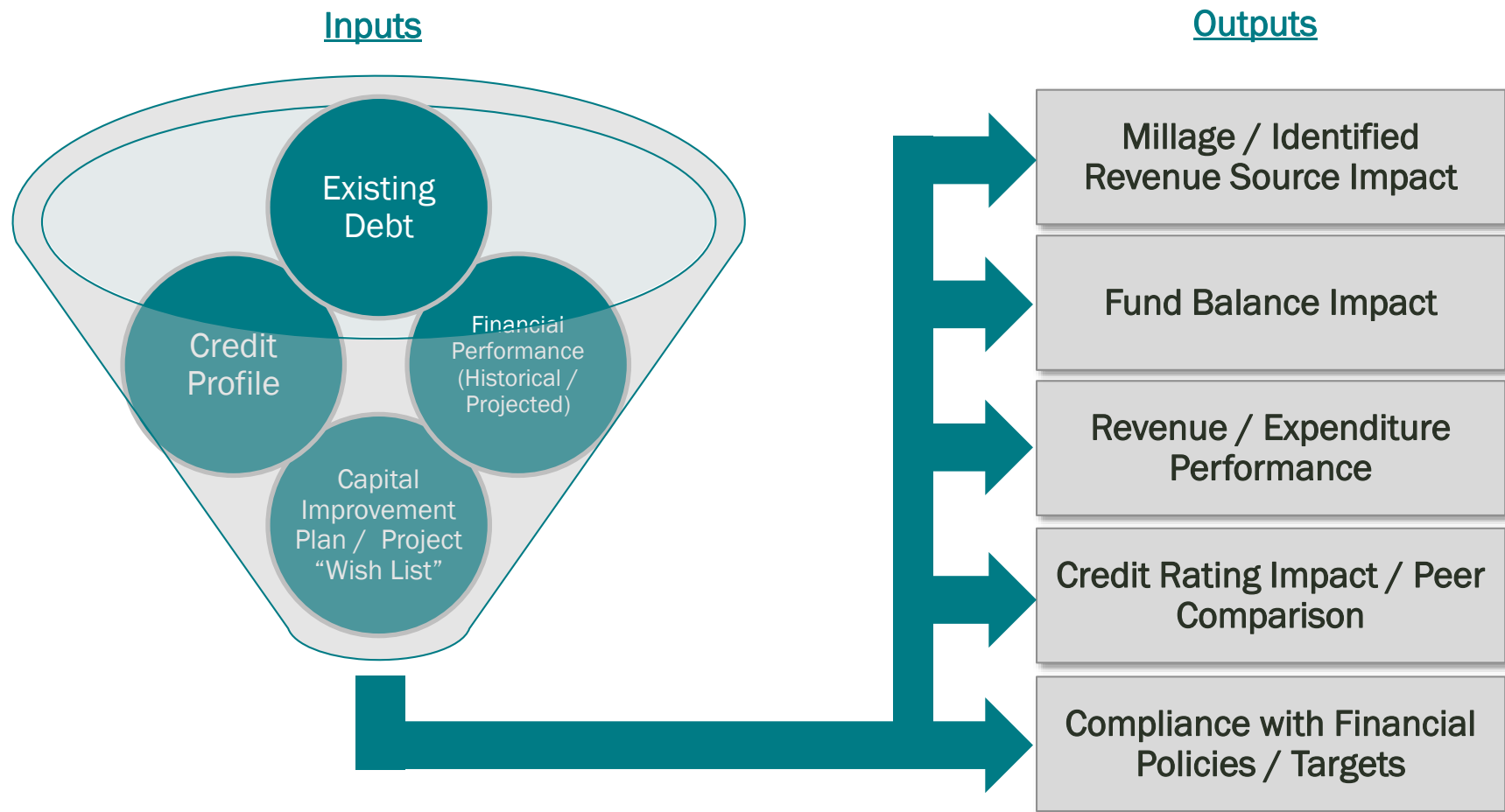
DISCUSSION MATERIALS

City of Fountain Inn, South Carolina

April 2, 2020

Capital Planning Model Overview

- First Tryon has worked with City staff to update the Capital Planning Model (the “Model”) that was originally developed in 2018 to help the City analyze and forecast the impact of funding proposed capital projects over both a near-term and a long-term horizon.
- The model is designed to be interactive and to allow the City to run multiple scenarios with different assumptions in a timely manner focusing on the following inputs and outputs.



Underlying Assumptions

- First Tryon and City staff have used the following assumptions in analyzing the impact of funding the various capital projects:
 - The City's assessed value / value of a mill and, in turn, property tax revenues are projected to grow by 1% per year.
 - All other revenues are projected to remain flat to audited FY2019 levels.
 - All operating (i.e. non-debt/capital related) expenditures are projected to remain flat to audited FY2019 levels.
 - An annual transfer from the General Fund to the Solid Waste Fund will be made on an annual basis as necessary to prevent a shortfall in the Solid Waste Fund.
 - All other transfers, with the exception of the reduction in certain transfers made in previous iterations of the model that were tied to the issuance of the 2019 Installment Purchase Revenue Bond, are projected to remain flat to audited FY2019 levels.
 - All projected debt funded projects in the General Fund will be repaid via an increase in debt service millage.
 - Vehicle / rolling stock financings are assumed to be repaid on a 5 year level debt service basis at an interest rate of 2.5%.
 - All other debt is assumed to be repaid on a 20 year level debt service basis at an interest rate of 4.0%.

General Fund

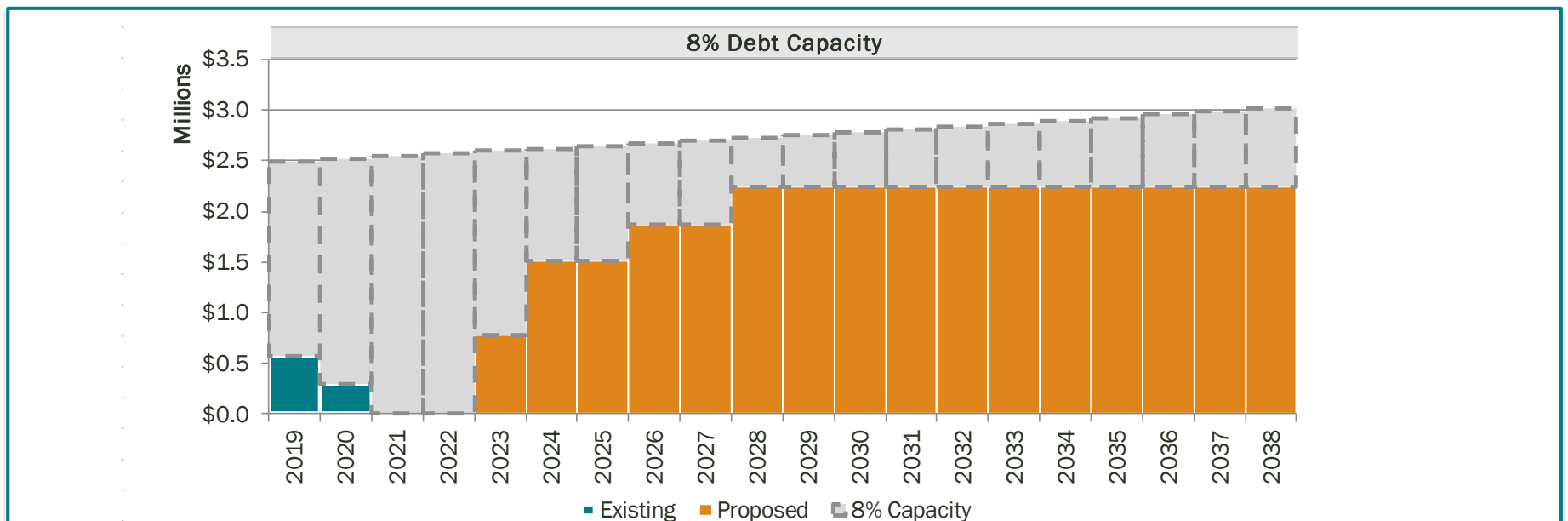
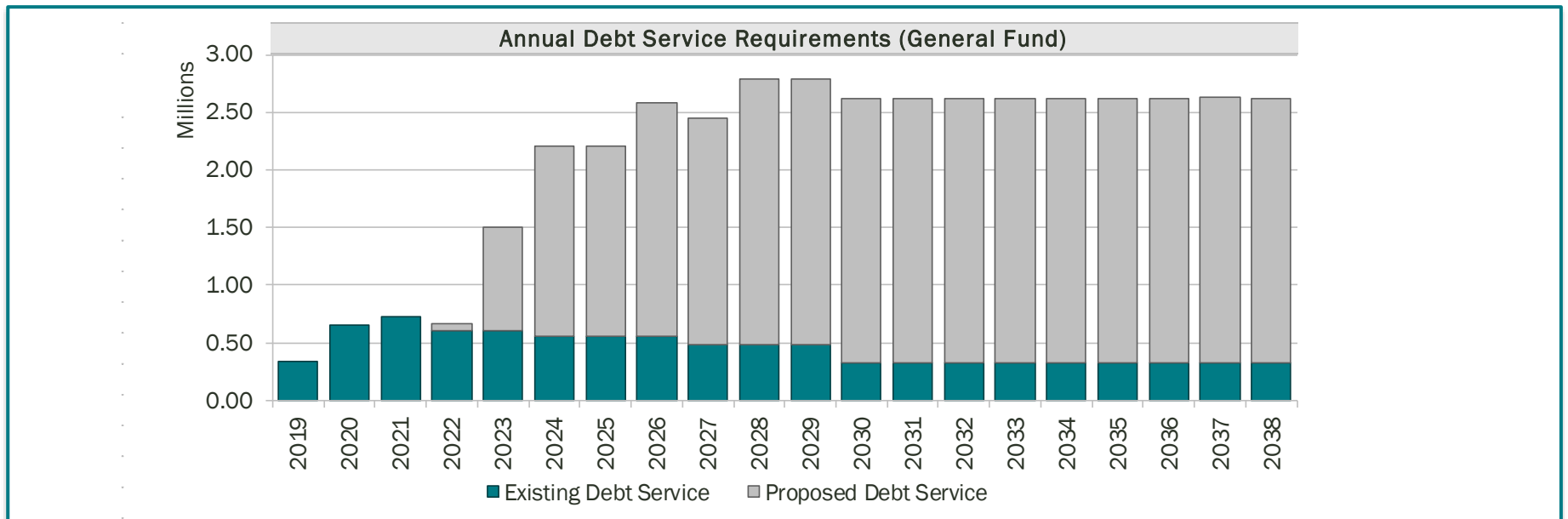
General Fund Projects Under Consideration

PROJECT	AMOUNT	YEAR FUNDED	OPERATIONS / DEBT SERVICE MILLAGE	FUNDING TYPE
Wayfinding Signage (Phase I)	\$160,000	2020	Operations	Cash
Radio	\$234,725	2020	Operations	Cash
Front Exterior Doors - Activity Center	\$10,000	2021	Operations	Cash
Treadmill x 2	\$6,598	2021	Operations	Cash
Wayfinding Signage (Phase II)	\$130,000	2021	Operations	Cash
Website - GF	\$50,000	2021	Operations	Cash
FY 2021 City of Fountain Inn Road Improvement	\$50,000	2021	Operations	Cash
Fire Department Roof Covering Station I and II	\$30,000	2021	Operations	Cash
MDT Printer and Scanner	\$26,000	2021	Operations	Cash
Vehicle Replacement - Police Dept	\$250,000	2021	Operations	Debt
Computer and Technology Upgrades - GF	\$26,000	2021	Operations	Cash
Splash Pad Parking Lot Improvements	\$100,000	2022	Operations	Cash
Jones to 418 Streetscape	\$4,500,000	2022	Debt Service	Debt
PD Terry City Park Improvements	\$2,500,000	2022	Debt Service	Debt
Fire Station #3 & Police Sub Station	2,500,000	2022	Debt Service	Debt

General Fund Projects Under Consideration (Continued)

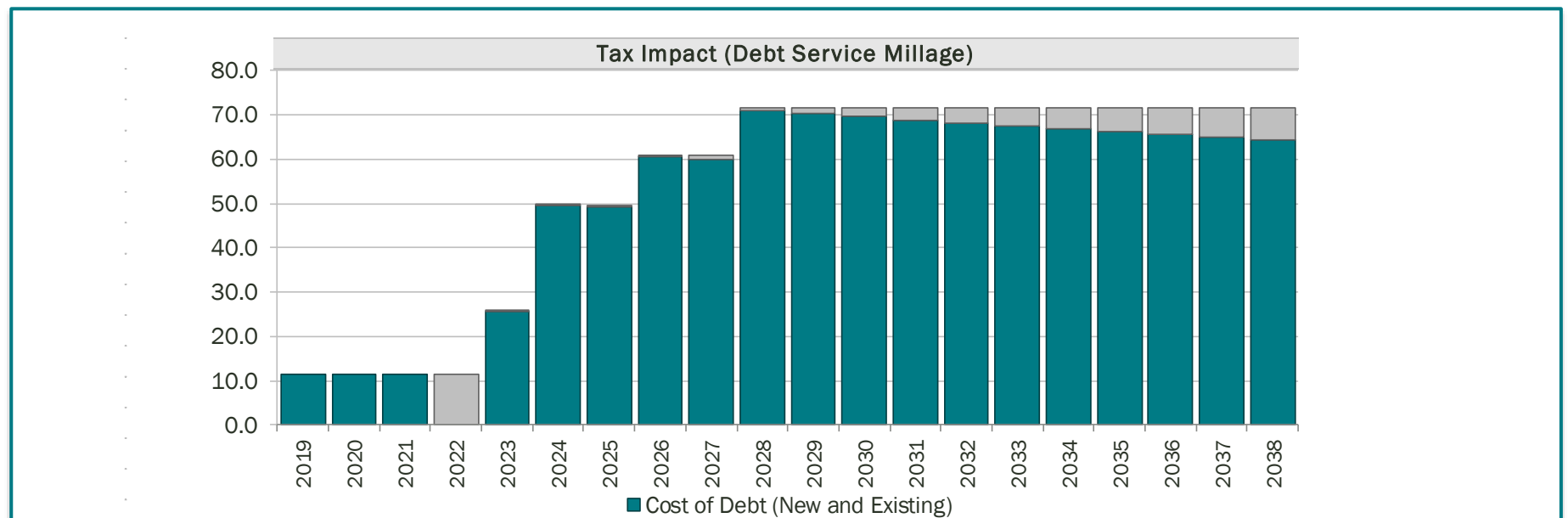
PROJECT	AMOUNT	YEAR FUNDED	OPERATIONS / DEBT SERVICE MILLAGE	FUNDING TYPE
418 Interchange Beautification	\$750,000	2022	Debt Service	Debt
50 sections of 5" hose	\$33,000	2022	Operations	Cash
Sanctified Hill Park Renovations	\$250,000	2022	Operations	Cash
LifePack 15	\$40,000	2022	Operations	Cash
Vehicle Replacement - Public Works/Street	\$200,000	2022	Operations	Debt
Swamp Rabbit Trail (Phase I)	\$10,000,000	2023	Debt Service	Debt
Thermal Camera	\$24,327	2023	Operations	Cash
Georgia Street Park Renovations	\$250,000	2023	Operations	Cash
SCBA	\$180,000	2024	Operations	Cash
Fairview Street Park Renovations	\$250,000	2024	Operations	Cash
Amphitheatre	\$200,000	2024	Operations	Cash
New/Renovated City Complex	\$5,000,000	2025	Debt Service	Debt
Jaws of Life	\$30,000	2025	Operations	Cash
Country Chase Park Improvements	\$100,000	2025	Operations	Cash
Swamp Rabbit Trail (Phase II)	\$5,000,000	2027	Debt Service	Debt
Total Cash Funded Projects	\$2,180,650			
Total Debt Funded Projects	\$30,700,000			
Total General Fund Projects	\$32,880,650			

General Fund – Debt Service Requirements / 8% Debt Capacity

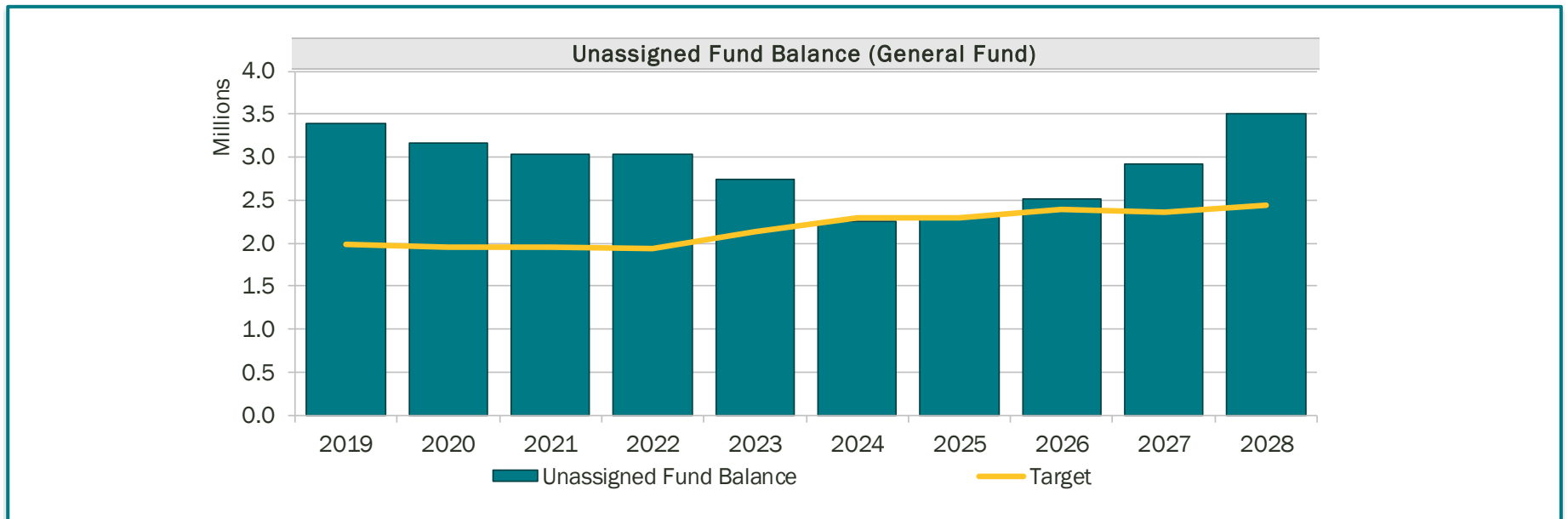
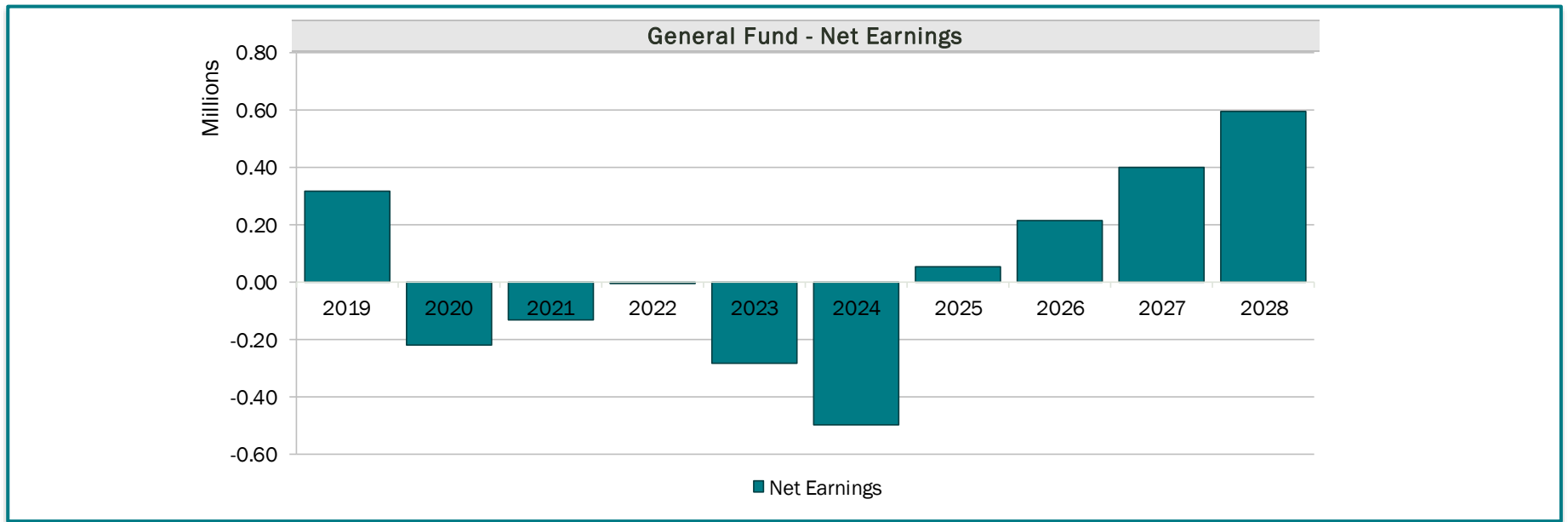


General Fund – Tax Impact

- The City is currently levying 11.6 mills debt service mills.
- If all of General Fund projects that are assumed to be funded with debt service millage are completed, the City would need to increase its debt service millage as follows:
 - 14.08 mill increase in 2023
 - 23.99 mill increase in 2024
 - 11.14 mill increase in 2026
 - 10.69 mill increase in 2028
- In total the projects funded with debt service millage would require a **59.9 mill increase**.



General Fund – Net Earnings / Unassigned Fund Balance



Natural Gas Fund

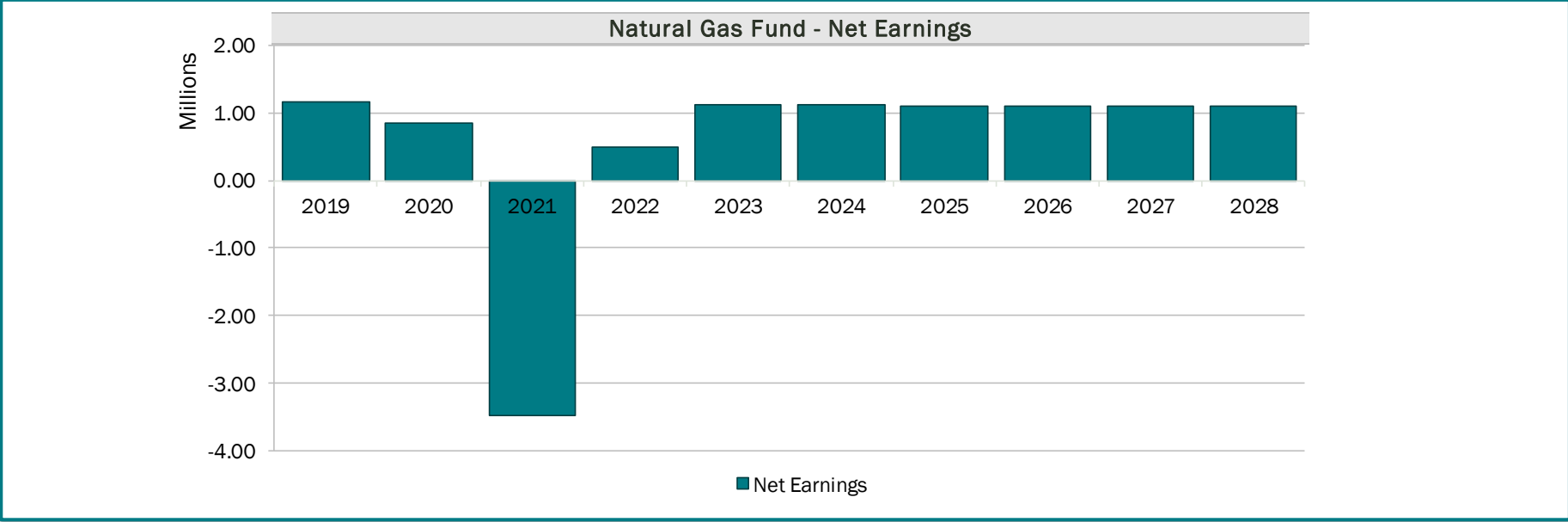
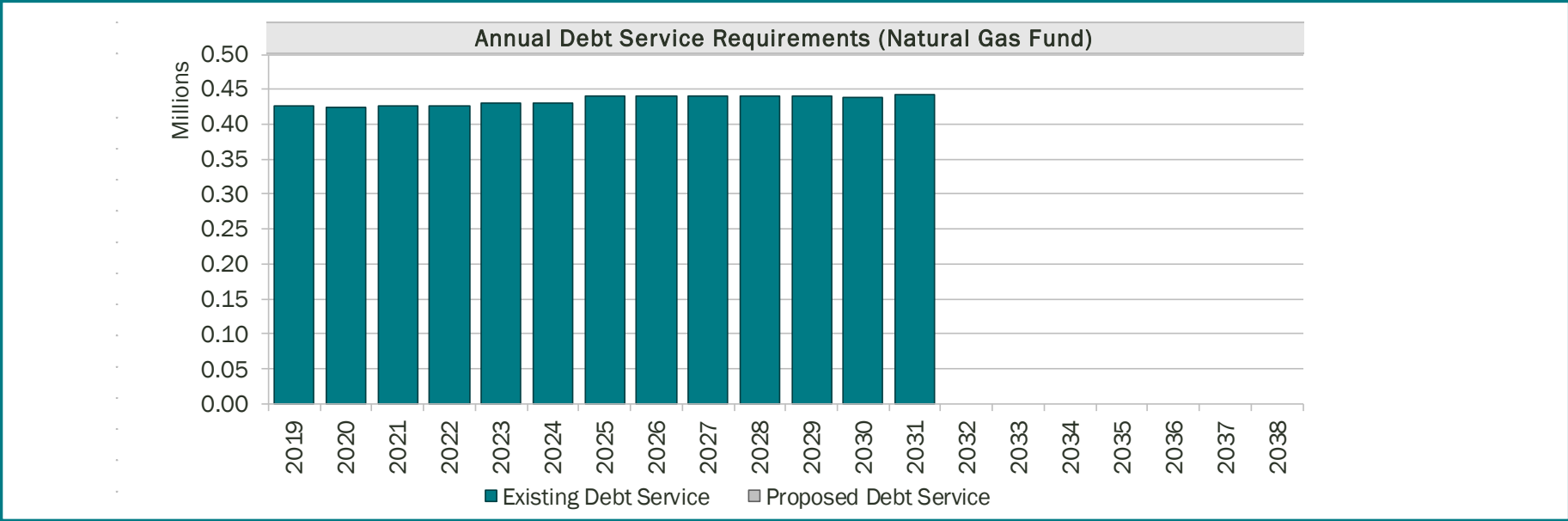
Natural Gas Fund Projects Under Consideration

PROJECT	AMOUNT	YEAR FUNDED	FUNDING TYPE
Mainline Extensions	\$125,000	2020	Cash
Vehicle Replacement	\$50,495	2020	Cash
Equipment	\$44,383	2020	Cash
GIS Project	\$31,200	2020	Cash
Industrial & Commercial	\$15,000	2020	Cash
Install 500 New Service Lines - Contractor for FING)	\$350,000	2021	Cash
CNNGA Interconnect - FING (Phase I)	\$200,000	2021	Cash
Architectural Engineering - Design FING Service Center	\$20,000	2021	Cash
Website - Natural Gas	\$45,000	2021	Cash
Meter Corrector Replacement Program (large meters)	\$16,500	2021	Cash
Replace Regulators on Dale Drive	\$25,000	2021	Cash
Nash Road Improvements – FING	\$35,000	2021	Cash
Fountain Inn Highschool - FING (improve capacity)	\$100,000	2021	Cash
Electrofusion Machine (replacement)	\$5,000	2021	Cash

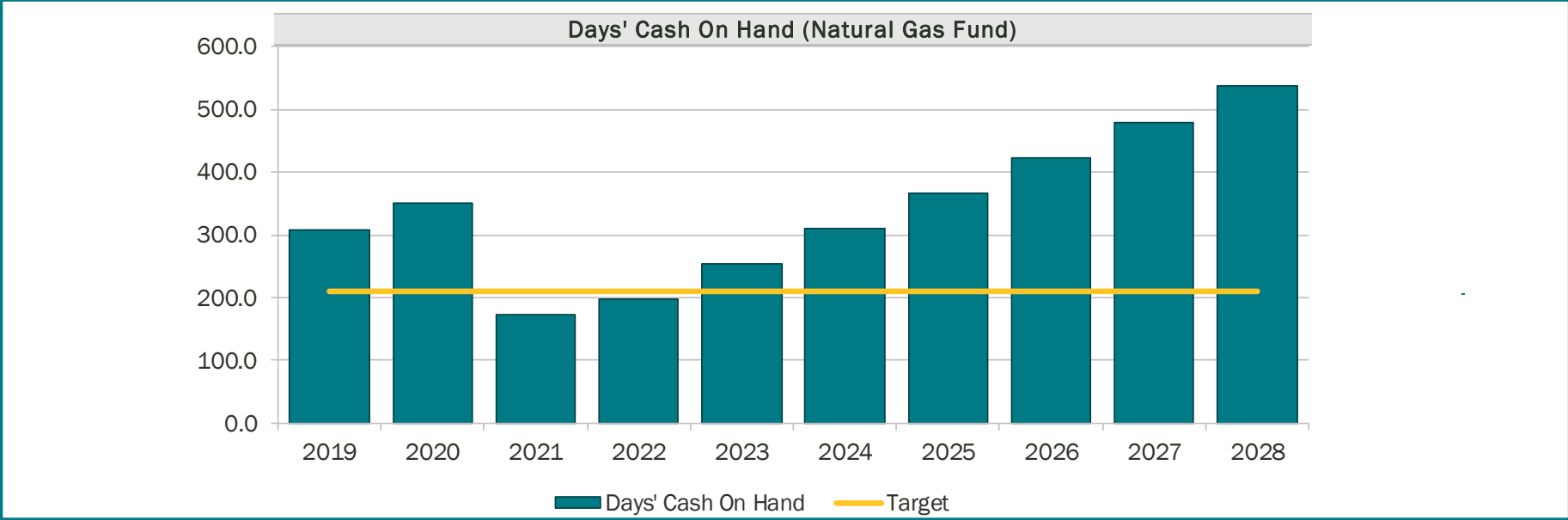
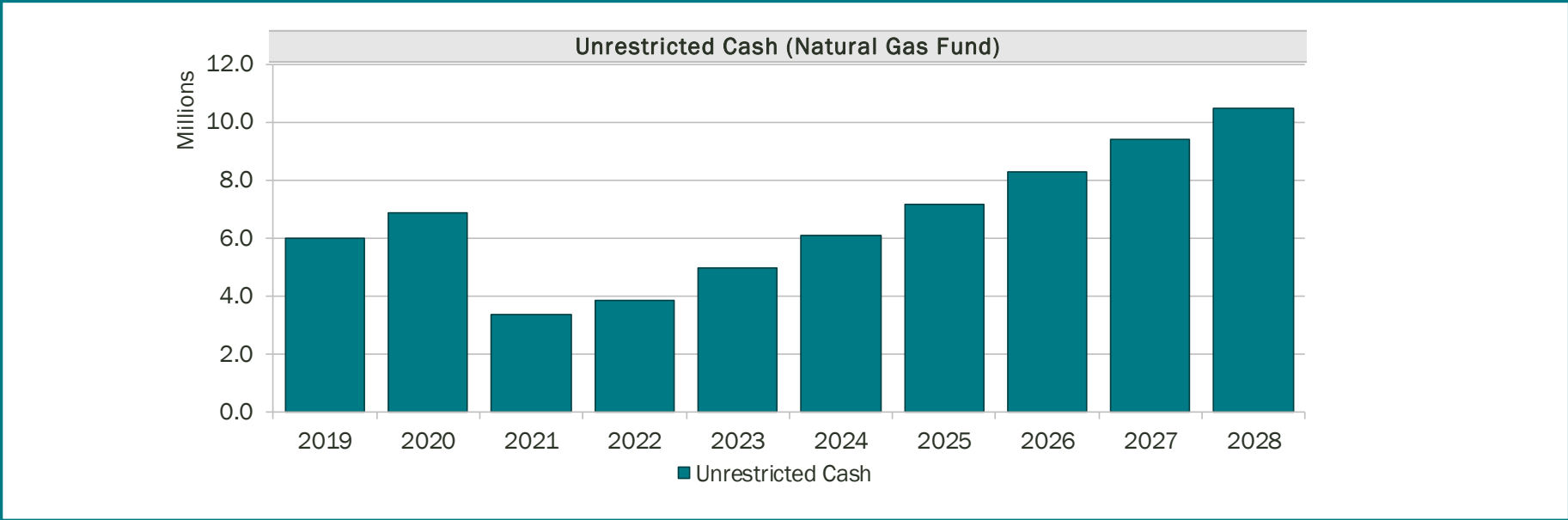
Natural Gas Fund Projects Under Consideration (Continued)

PROJECT	AMOUNT	YEAR FUNDED	FUNDING TYPE
FY 2021 City of Fountain Inn Road Improvement	\$50,000	2021	Cash
New Subdivisions	\$763,000	2021	Cash
New FING/PW Yard/Building	\$3,000,000	2021	Cash
CNNGA Interconnect - FING (Phase II)	\$500,000	2022	Cash
Vacuum Machine	\$45,000	2022	Cash
New and Replacement Commercial/Industrial Meters	\$80,000	2022	Cash
Total Natural Gas Fund Projects	\$5,500,578		

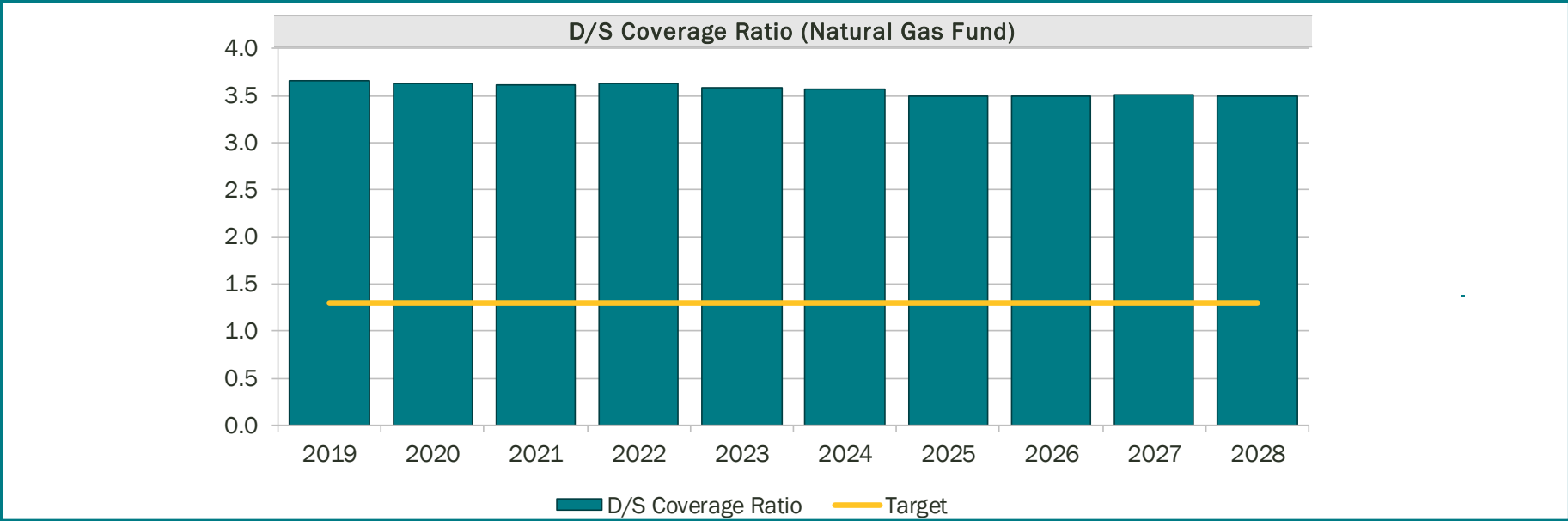
Natural Gas Fund – Debt Service Requirements / Net Earnings



Natural Gas Fund – Unrestricted Cash / Days Cash on Hand



Natural Gas Fund – Debt Service Coverage Ratio



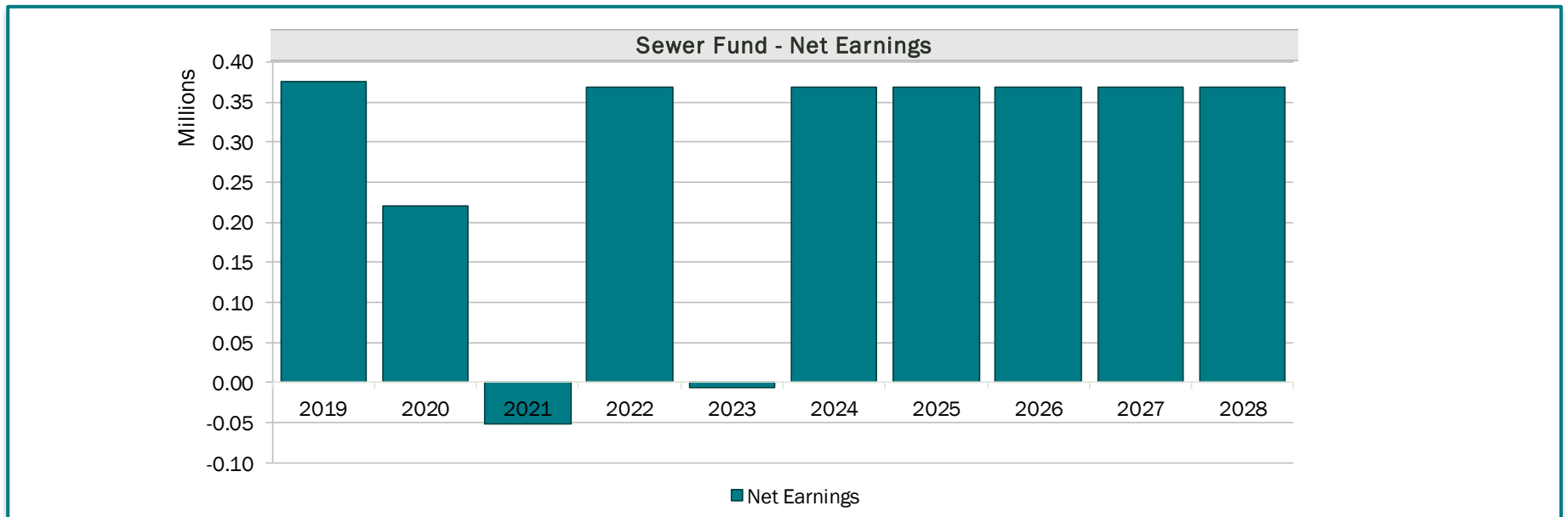
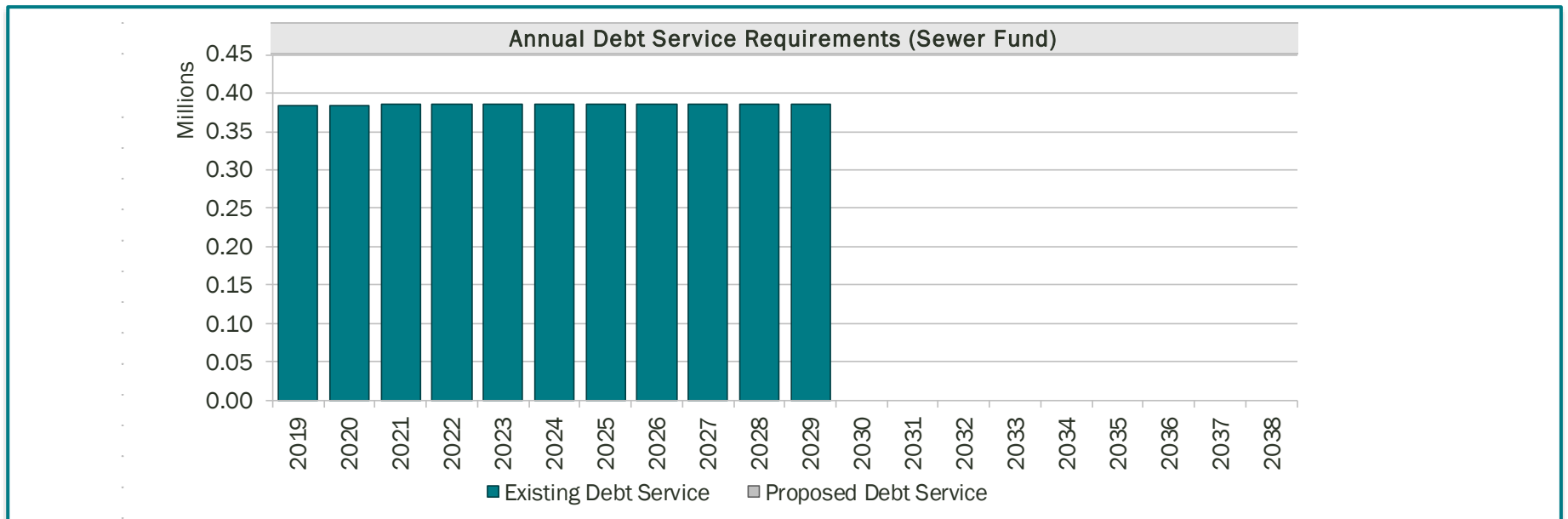


Sewer Fund

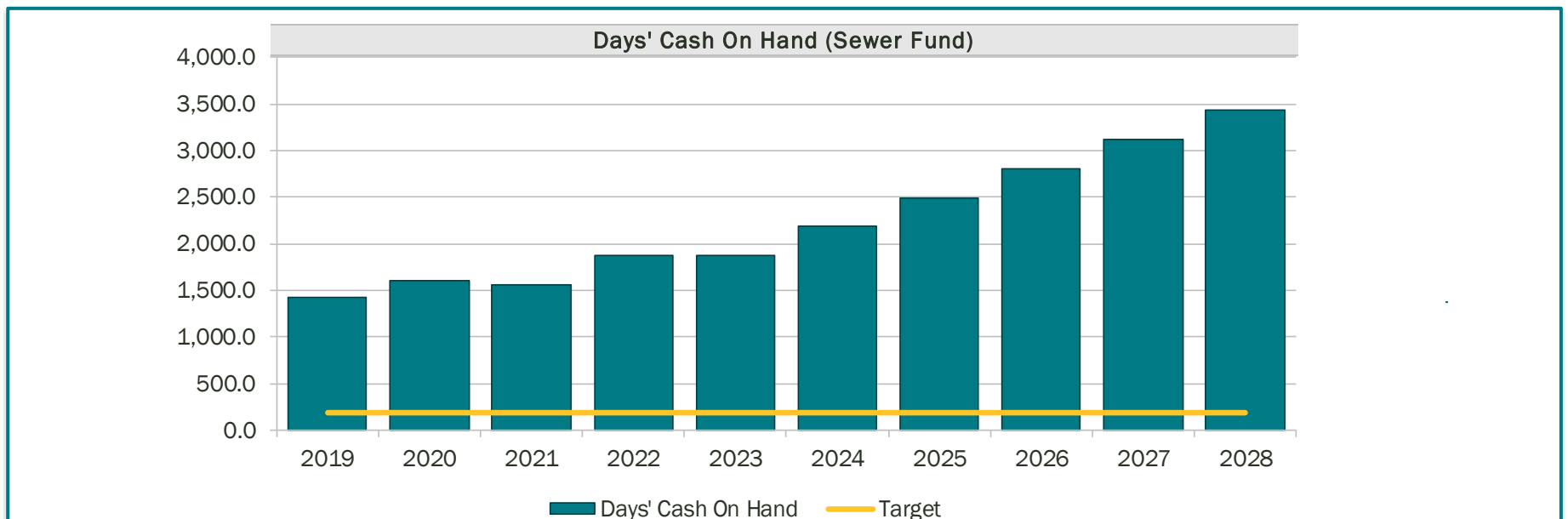
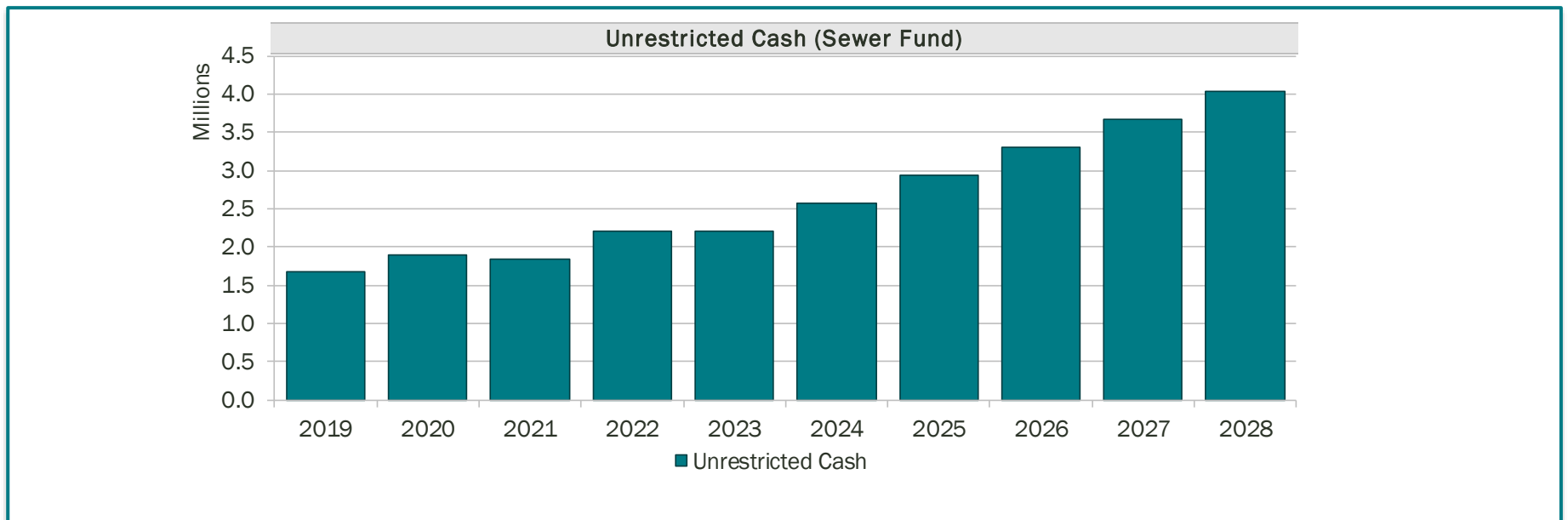
Sewer Fund Projects Under Consideration

PROJECT	AMOUNT	YEAR FUNDED	FUNDING TYPE
2019-2020 Sewer Rehab Project	\$150,000	2020	Cash
Easement Machine – Sewer	\$5,000	2021	Cash
Sewer Camera – Sewer	\$60,000	2021	Cash
Walk Behind Crete Planner	\$6,000	2021	Cash
2020-2021 Sewer Rehab Project	\$100,000	2021	Cash
RIA Grant Match	\$250,000	2021	Cash
Vac Truck	\$375,000	2023	Cash
Total Sewer Fund Projects	\$946,000		

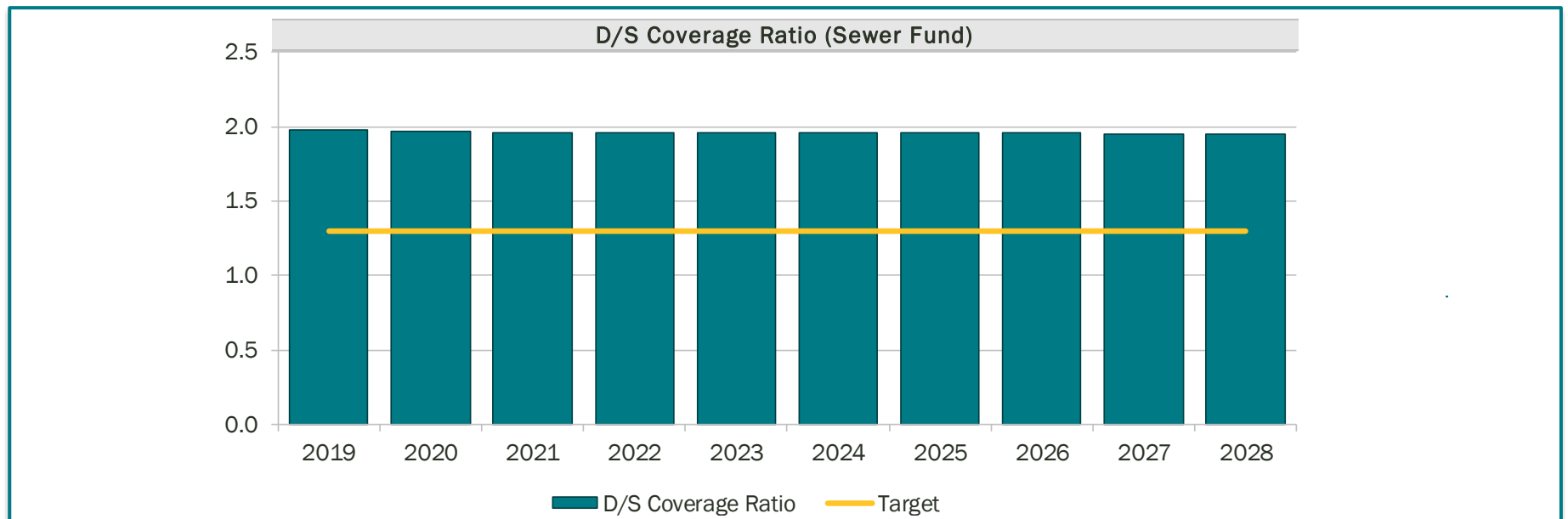
Sewer Fund – Debt Service Requirements / Net Earnings



Sewer Fund – Unrestricted Cash / Days Cash on Hand



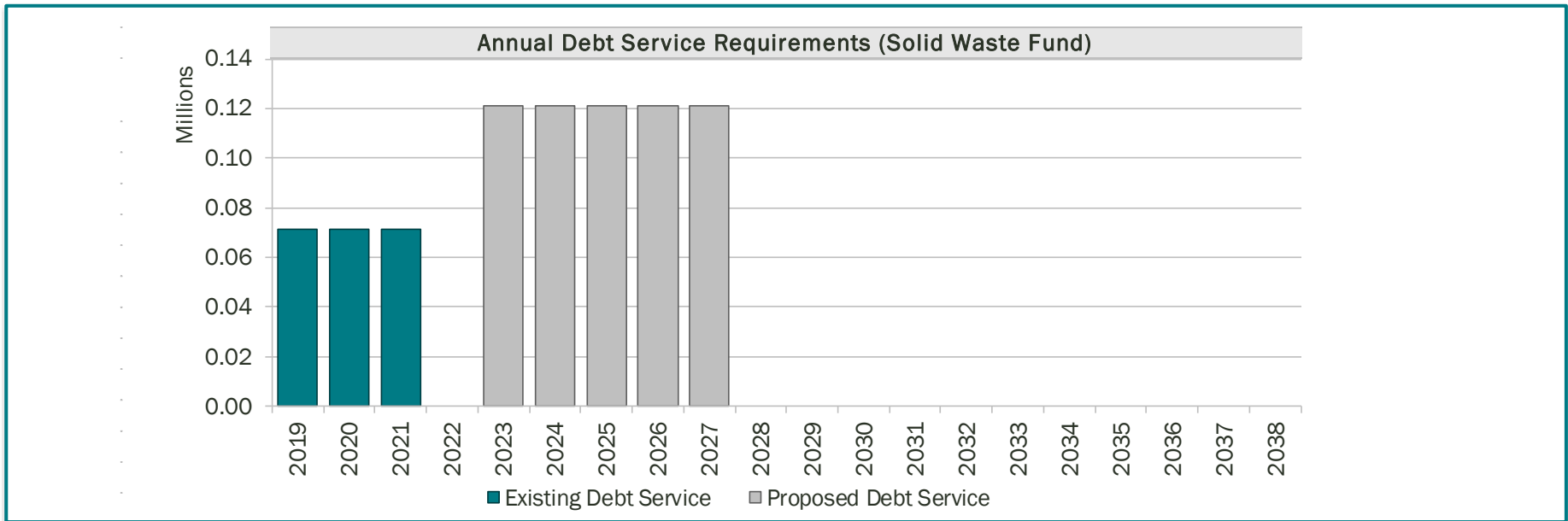
Sewer Fund – Debt Service Coverage Ratio



Solid Waste Fund

Solid Waste Fund - Overview

PROJECT	AMOUNT	YEAR FUNDED	FUNDING TYPE
Vehicle Replacement - Solid Waste	\$562,000	2022	Debt
Total Solid Waste Fund Projects	\$562,000		



Solid Waste Fund Earnings and Cash

- Each year the Solid Waste Fund is supported by a transfer from the General Fund to prevent a shortfall.
- As a result the Solid Waste Fund has zero net earnings and no cash balance.

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Hospitality Tax Grant FY 2020-2021

Process

Council directed staff to establish a formal grant application. Fall 2018

Applications are received and eligibility is verified by staff.

City Administrator and Finance Director submit funding recommendations for review by City Council.

City Council determines funding for FY 21 hospitality tax grants in a future meeting.



2%

Hospitality Tax

How can the funds be spent?



Tourism-related buildings including, but not limited to civic centers, coliseums, aquariums, beach access and renouourishment.



Tourism-related cultural, recreational, or historic facilities.



Advertising and promotions related to tourist destinations.



Highways, roads, streets, and bridges providing access to tourist destinations. Water and sewer infrastructure to serve tourism related demand.

Section 6-1-730(B)(1)

In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (A)(1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

Section 6-1-730(B)(2)

In a county in which less than nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, an amount not to exceed fifty percent of the revenue in the preceding fiscal year of the local hospitality tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.

Fountain Inn History Museum



Fountain Inn Chamber of Commerce



Fountain inn Recreational Facilities:
*Splash Pad
Woodside Park*



Younts Center for Performing Arts



Fountain Inn Special Events:

*Trunk R Treat
Fountain Inn Music Series, Christmas Festival, 4th of July Festival*



Hospitality Tax Funding



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FY 2020 Annualized Collections
\$450,810

FY2018	FY2019	FY 2020	# Months	ANNUALIZED FY2020 Collections
\$210,828.00	\$238,360.50	\$158,270.00	7	\$271,320.00
\$13,611.11	\$59,701.65	\$31,425.17	7	\$53,871.72
	\$401.00	\$0.00	2	\$0.00
\$1,792.50	\$647,547.52	\$512,632.05	7	\$878,797.80
\$1,505,718.87	\$1,589,785.00	\$976,806.00	7	\$1,674,524.57
\$1,595,024.00	\$1,662,630.00	\$936,778.00	7	\$1,605,905.14
\$266,709.41	\$246,162.33	\$122,978.25	7	\$210,819.86
\$32,470.49	\$19,888.71	\$12,181.41	7	\$20,882.42
\$42,954.87	\$102,812.29	\$60,517.46	7	\$103,744.22
\$22,600.00	\$32,300.00	\$20,700.00	7	\$35,485.71
\$365,961.63	\$399,133.89	\$255,919.89	7	\$438,719.81
\$505,684.02	\$529,670.31	\$306,956.88	7	\$526,211.79
\$849,981.67	\$886,970.00	\$551,046.05	7	\$944,650.37
\$67,149.34	\$26,499.73	\$15,703.76	3	\$62,815.04
\$1,981,374.18	\$2,060,122.53	\$1,268,032.72	7	\$2,173,770.38
\$467,723.00	\$571,616.48	\$325,607.84	7	\$558,184.87
\$8,686.50	\$12,190.94	\$2,883.50	7	\$4,943.14
\$65,590.50	\$463,905.13	\$230,510.16	7	\$395,160.27
	\$2,022.86	\$1,453.79	7	\$2,492.21
\$308,240.84	\$307,618.56	\$175,605.37	7	\$301,037.78
\$812,757.62	\$828,300.41	\$475,211.24	7	\$814,647.84
\$90,983.70	\$82,202.25	\$38,357.46	5	\$92,057.90
\$9,774.55	\$12,467.10	\$8,632.53	7	\$14,798.62
\$1,702,957.28	\$1,619,163.63	\$881,320.46	7	\$1,510,835.07
\$1,458,023.60	\$1,309,575.71	\$1,022,186.82	7	\$1,752,320.26
\$17,772.76	\$15,013.15	\$10,825.00	7	\$18,557.14
	\$2,090.61	\$1,092.00	7	\$1,872.00
\$2,780,080.79	\$2,902,014.64	\$1,687,784.53	7	\$2,893,344.91
		\$985.00	12	\$985.00
\$296,578.06	\$289,509.49	\$169,374.22	7	\$290,355.81
\$535,796.00	\$635,860.00	\$331,379.00	7	\$568,078.29
\$645,354.15	\$642,590.59	\$372,934.90	7	\$639,316.97
\$128,291.20	\$124,310.38	\$60,303.11	7	\$103,376.76
\$1,060,438.50	\$1,201,422.00	\$704,118.00	7	\$1,207,059.43
\$11,610.06	\$12,390.28	\$7,267.21	6	\$14,534.42
	\$4,083.46	\$4,851.48	7	\$8,316.82
\$11,958.24	\$0.00	\$16,619.50	6	\$33,239.00
\$98,243.24	\$77,644.75	\$55,158.24	7	\$94,556.98
\$425,031.35	\$394,726.15	\$191,185.50	7	\$327,746.57
	\$0.00	\$0.00	3	\$0.00
\$152,555.53	\$160,072.35	\$106,096.28	7	\$181,879.34
		\$38,241.15	2	\$229,446.90
\$153,167.02	\$152,386.01	\$104,183.56	7	\$178,600.39
\$500,553.22	\$524,911.33	\$373,947.15	7	\$641,052.26
\$863,518.00	\$918,242.00	\$385,132.00	7	\$660,226.29
\$20,355,828.37	\$21,768,266.52	\$13,013,194.64		\$22,540,542.08
\$407,116.57	\$435,365.33	\$260,263.89		\$450,810.84
\$2,587.40	\$3,500.57	\$2,000.21		\$0.00
				\$0.00
\$409,703.97	\$438,865.90	\$262,264.10		\$450,810.84

Staff Recommendation:

*Cultural Arts Foundation Fountain Inn
(CAFFI)*

Requested \$283,000

Prior Year Funding \$200,000

*Recommended funding for a pre-coronavirus FY 2021 budget:
\$150,000*

Bluegrass - \$3,000 (reimbursable)

Sponsorship - \$50,000 (disbursed 7/3/2020)

Tourism Events Support - \$50,000 (reimbursable)

Marketing – \$47,000 (reimbursable)

If revenues diminish, recommended funding at \$100,000



Staff Recommendation:

Fountain Inn Chamber of Commerce

Requested \$100,000

*Prior Year Funding = waived annual rent
Value \$7,200*

*Recommended funding for a pre-coronavirus FY 2021 budget:
\$20,000*

*Tourism Events - \$10,000 (reimbursable)
Visitor Center Maintenance - \$6,000
Marketing – \$4,000 (reimbursable)*

If revenues diminish, recommended funding at \$15,000



Staff Recommendation:

Fountain Inn History Museum
Total Amount Requested
\$50,529

Museum Director Salary	\$35,000
Building Expenses	\$8,909
Postage	\$400
Website and Constant Contact	\$700
Roof of Annex Bldg Repair	\$3,700
Updates	\$1,500
New Chairs for Events	\$320

Requested \$50,529

Prior Year Funding
\$10,000

*Recommended funding
for a pre-coronavirus
FY 2021 budget:*
\$20,000

*If revenues diminish,
recommended funding
at \$10,000*





CITY OF FOUNTAIN INN

FY 2020-2021 Personnel Request

<i>DEPARTMENT</i>	<i>Job Title</i>
Administration	Accounting Clerk
Judicial	Part Time Court Clerk
Planning and Development	Planning and Development Director
Police Department	Detective
Police Department	Certified Police Officer
Fire Department	Certified Fire Marshall
Fire Department	Firefighter (3)
Public Works	Assistant Public Works Director
Solid Waste	Crew Worker (2)
Solid Waste	CDL Driver (1)
Recreation Department	Athletic Coordinator

Total Number of Requested Positions	14.00
Full Time	13.00
Part Time	1.00

Total Requested	\$	733,052.13
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<i>*Staff Preliminary Recommendations</i>		
1 Crew Worker	\$	41,617.77
Planing and Development Director	\$	96,821.55
Assistant Public Works Director	\$	85,933.30
Detective	\$	56,300.86
Total	\$	280,673.48

Total includes burden

**Pending Budget Appropriation*