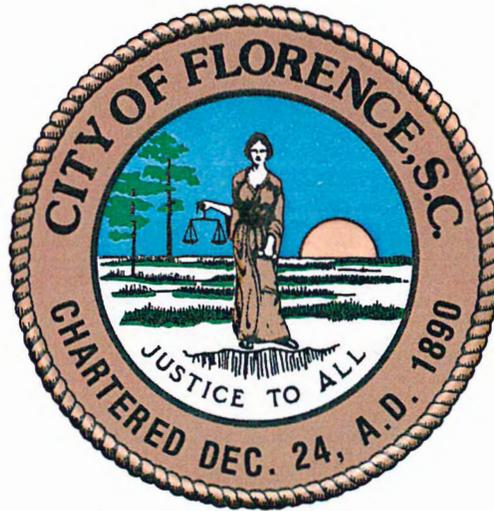


REGULAR MEETING
OF
FLORENCE CITY COUNCIL



COUNCIL CHAMBERS
324 W. EVANS STREET
FLORENCE, SOUTH CAROLINA

MONDAY
MARCH 11, 2019
1:00 P.M.

REGULAR MEETING OF FLORENCE CITY COUNCIL

MONDAY, MARCH 11, 2019 – 1:00 P.M.

CITY CENTER – COUNCIL CHAMBERS

324 WEST EVANS STREET

FLORENCE, SOUTH CAROLINA

I. CALL TO ORDER

II. INVOCATION

Pledge of Allegiance to the American Flag

III. APPROVAL OF MINUTES

February 11, 2019 – Regular Meeting

IV. HONORS AND RECOGNITIONS

SERVICE RECOGNITIONS

John Lockhart – 25 years - Police

Lee Ross – 20 years – Public Works / Beautification & Facilities

Terry McFadden – 20 years – Utilities / Distribution Operations

Stephen Starling – 10 years - Police

EDUCATIONAL RECOGNITION

*Keith Harris – Passed his “C” Water Operator Certification Exam on
January 15, 2019.*

*Scott Miles – Passed his “B” Water Operator Certification Exam on
February 7, 2019.*

SPECIAL RECOGNITION

Ms. Eula Mae Graham Cummings - Presented by Councilwoman Ervin

V. ORDINANCE IN POSITION

- a. **Bill No. 2019-05 – Second Reading**
An Ordinance authorizing the conveyance of the real estate known as Tax Map Parcel 90060-02-010, described more fully on Exhibit “A” attached to the Ordinance, to Rosezina McCrae.

VI. INTRODUCTION OF ORDINANCES

- a. **Bill No. 2019-06 – First Reading**
An Ordinance to zone NC-10, pending annexation, the property located at 2715 Nob Hill Drive and specifically identified as Florence County Tax Map Number 90123-06-002.
- b. **Bill No. 2019-07 – First Reading**
An Ordinance to amend the Unified Development Ordinance to allow Assisted Living/Congregate Care Facilities and Nursing Homes as a Conditional Use in the CG-Commercial General zoning district.
- c. **Bill No. 2019-08 – First Reading**
An Ordinance to rezone the property located at 451 West Lucas Street and specifically identified as Florence County Tax Map Number 90071-01-001, from IH-Heavy Industrial to CG-Commercial General.

VII. INTRODUCTION OF RESOLUTIONS

- a. **Resolution No. 2019-06**
A Resolution to uphold and recognize the extraordinary contributions of the profession of Social Work within HopeHealth, Inc.’s Federally Qualified Health Center and the community.
- b. **Resolution No. 2019-07**
A Resolution designating April as Fair Housing Month.
- c. **Resolution No. 2019-08**
A Resolution and Conditional Grant and Development Agreement to provide an incentive for the development of new housing within the Old Carver Station subdivision project as part of the ongoing Neighborhood Redevelopment project. (Note: To be discussed in Executive Session). Council may take action on this item following executive session.

VIII. REPORT TO COUNCIL

- a. *A report on the Auditing Services Contract for the City of Florence.*

IX. EXECUTIVE SESSION

- a. To receive information related to an economic development incentive associated with the City's Neighborhood Redevelopment project.*
- b. To receive legal advice incident to matters relating to a proposed Economic Development Project [30-4-70(a)(5)].*
- c. To receive legal advice incident to proposed contractual arrangements [30-4-70(a)(2)].*

After returning to open session, Council may take action on matters discussed in Executive Session.

X. ADJOURN

REGULAR MEETING OF FLORENCE CITY COUNCIL
MONDAY, FEBRUARY 11, 2019 – 1:00 P.M.
CITY CENTER – COUNCIL CHAMBERS
324 WEST EVANS STREET
FLORENCE, SOUTH CAROLINA

MEMBERS PRESENT: Mayor Stephen J. Wukela called the regular meeting to order at 1:02 p.m. with the following members present: Mayor Pro tem Frank J. “Buddy” Brand, Councilman George Jebaily, Councilwoman Teresa M. Ervin, Councilwoman Octavia Williams-Blake, Councilman Glynn F. Willis and Councilwoman Pat Gibson-Hye Moore.

ALSO PRESENT: Mr. Drew Griffin, City Manager; Mrs. Dianne Rowan, Municipal Clerk; Mrs. Casey Moore, Assistant City Clerk; Mr. James W. Peterson, Jr., City Attorney; Chief Allen Heidler, Florence Police Department; Mr. Scotty Davis, Director of Community Services; Mr. Thomas Chandler, Director of Finance; Mr. Chuck Pope, Director of Public Works; Mr. Michael Hemingway, Director of Utilities; Deputy Shannon Tanner, Florence Fire Department; Mr. Ray Reich, Downtown Development Manager; Mr. Jerry Dudley, Director of Planning and Mr. Clint Moore, Director of Development.

MEDIA PRESENT: Mr. Matthew Christian of the Morning News, Mrs. Tonya Brown of WPDE-TV, Ms. Nia Watson of WMBF-TV, and Ms. Annie Mapp of WBTW-TV were present for the meeting.

Notices of this regular meeting of City Council were provided to the media and individuals requesting a copy of the agenda informing them of the date, location and time of the meeting.

INVOCATION

Councilwoman Teresa Myers Ervin gave the invocation for the meeting. The pledge of allegiance to the American Flag followed the invocation.

APPROVAL OF MINUTES

Mayor Pro tem Brand made a motion to adopt the minutes of the January 14, 2019 Regular City Council meeting. Councilman Jebaily seconded the motion.
The minutes were unanimously adopted.

HONORS AND RECOGNITIONS

SERVICE RECOGNITIONS

Teresa Eaton was presented a Certificate of Recognition by Mayor Wukela for completing 15 years of service with the City of Florence.

James Woodard was presented a Certificate of Recognition by Mayor Wukela for completing 10 years of service with the City of Florence.

Charles McClain was presented a Certificate of Recognition by Mayor Wukela for completing 10 years of service with the City of Florence.

Jermaine Downs was presented a Certificate of Recognition by Mayor Wukela for completing 10 years of service with the City of Florence.

David Meggs was presented a Certificate of Recognition by Mayor Wukela for completing 10 years of service with the City of Florence.

EDUCATIONAL RECOGNITIONS

Robert Manning received an Educational Recognition for successfully passing his "C" Wastewater Operator Certification Exam on January 22, 2019.

Robert Hyman received an Educational Recognition for successful passing his "C" Water Operator Certification Exam on January 29, 2019.

Travis Scott received an Educational Recognition for obtaining his Bachelor of Arts degree in Criminal Justice from Columbia College.

APPEARANCE BEFORE COUNCIL

MR. MARK ALLEN AND MR. RONNIE SUMMERSETT – TO SPEAK TO COUNCIL REGARDING STORMWATER ISSUES ON ST ANTHONY DRIVE.

Mr. Mark Allen spoke on stormwater issues he and his neighbors are experiencing on St. Anthony Avenue and the damage to his home caused by flooding. He said every time the city experiences excessive rainfall, water floods his home and becomes stagnate in the street with nowhere to drain. Mr. Allen has made complaints to city and the state officials for accountability on this matter and is requesting funds for home repairs.

Mr. Ronnie Summersett stated that there is over a million dollars a year generated from the stormwater fee included on the monthly utility bill. He asked how these funds from the stormwater fee are being allocated, as many city residents are having similar issues with their properties.

The following points to consider are summarized by Mayor Wukela in regard to stormwater system standards and rain accumulation:

- This particular neighborhood was developed with a private stormwater system on private property adjacent to a state road. At the time this neighborhood was developed, there were no standards in place as to how stormwater systems were built.
- When the Clean Water act was passed in 1972, the state created a stormwater standard to withstand a 2-10 year storm, with a 2 year storm generating approximately 3 ½ inches of rain in 24 hours and a 10 year storm generating approximately 2 ½ inches of rain in an hour.
- The city has since raised their standards for stormwater to withstand a 25-50 year storm, with a 50 year storm generating approximately 4 inches of rain in 3 hours.
- A storm in July 2018 generated 17 inches of rain in 3 hours, equivalent to a 1000 year storm.
- It would cost the city 200 million dollars to make system-wide improvements.

Mayor Wukela acknowledged that the city is facing a significant problem. With the changes in climate, increase in severity of storms and the necessity of system improvements, Mayor Wukela proposed an increase in the current stormwater fee to generate more funding and to increase standards for residential developers. However, he questioned if making improvements to private systems that convey private water to a public right-of-way is an appropriate expense to the taxpayer.

ADDENDUM TO THE AGENDA

APPEARANCE BEFORE COUNCIL

MR. VICTOR WEBSTER – TO MAKE A PRESENTATION TO COUNCIL REGARDING AN INITIATIVE TO CLEAN UP JEFFRIES CREEK.

Councilman Jebaily made a motion to approve this addition to the agenda. Councilwoman Williams-Blake seconded the motion, which carried unanimously.

Mr. Webster has recruited a group of volunteers, the FOWL (Florence Open Water Litter) Fighters, to help combat litter accumulation and storm debris along roadways, waterways and bridges. The clean-up will begin on Saturday, February 16, 2019 at Naturally Outdoors and will become an ongoing project that takes place every 3 months. The goal is to eventually create a blue trail that runs from Naturally Outdoors to Freedom Florence.

ADDENDUM TO THE AGENDA

APPEARANCE BEFORE COUNCIL

MS. SUZZANE LAROCHELLE – TO MAKE A PRESENTATION TO COUNCIL REGARDING BLACK HISTORY MONTH.

Councilwoman Ervin made a motion to approve this addition to the agenda. Councilwoman Moore seconded the motion, which carried unanimously.

Ms. Suzzane LaRoche spoke to Council on ideas for community equality to make Florence more welcoming and progressive and asked Council to consider making Election Day a paid city holiday.

ORDINANCES IN POSITION

BILL NO. 2019-01 – SECOND READING

AN ORDINANCE TO ANNEX AND ZONE PROPERTY OWNED BY HUGH LEATHERMAN LLC AND LOCATED AT 2713 SECOND LOOP ROAD AND ON SOUTH THOMAS ROAD, TMNS 90019-01-003, 90019-01-023, 90019-01-035, 90019-01-036, 90019-01-037, 90019-01-038, 90019-01-039, 90019-01-040, AND 90019-01-041.

Ms. Laura Poston, adjacent property owner, was invited to the podium by Mayor Wukela. She spoke on her concerns with stormwater runoff that the development of these properties would create. Ms. Poston asked what will be done with the new development to alleviate the runoff, as she already has a problem with water on her property. Mr. Drew Griffin, City Manager, answered that the developer would be required to address stormwater in their development plan. He asked Ms. Poston to leave her contact information so that they may set up a meeting to discuss this matter further.

An Ordinance to annex and zone property owned by Hugh Leatherman LLC and located at 2713 Second Loop Road and on South Thomas Road, TMNs 90019-01-003, 90019-01-023, 90019-01-035, 90019-01-036, 90019-01-037, 90019-01-038, 90019-01-039, 90019-01-040, and 90019-01-041 was adopted on second reading.

Mayor Pro tem Brand made a motion to adopt Bill No. 2019-01 on second reading. Councilman Willis seconded the motion, which carried unanimously.

BILL NO. 2019-02 – SECOND READING

AN ORDINANCE TO ANNEX AND ZONE PROPERTY OWNED BY MICHAEL MCCOY REAVES ET AL, AND LOCATED ON ALLIGATOR ROAD; PORTIONS OF TMNS 00076001-011, 00076-01-012, 00076-01-058, AND 00076-01-142.

An Ordinance to annex and zone property owned by Michael McCoy Reaves et al, and located on Alligator Road; Portions of TMNs 00076001-011, 00076-01-012, 00076-01-058, and 00076-01-142 was adopted on second reading.

Mayor Pro tem Brand made a motion to adopt Bill No. 2019-02. Councilman Willis seconded the motion, which carried unanimously.

BILL NO. 2019-03 – SECOND READING

AN ORDINANCE TO ANNEX AND ZONE PROPERTY OWNED BY TIM HUNTLEY AND LOCATED AT 3102 HOFFMEYER ROAD, TMN 00098-01-099.

An Ordinance to annex and zone property owned by Tim Huntley and located at 3102 Hoffmeyer Road, TMN 00098-01-099 was adopted on second reading.

Mayor Pro tem Brand made a motion to adopt Bill No. 2019-03. Councilman Willis seconded the motion.

Council voted unanimously to adopt Bill No. 2019-03.

BILL NO. 2019-04 – SECOND READING

AN ORDINANCE TO ANNEX AND ZONE PROPERTY OWNED BY GENE TODD AND LOCATED AT 704 MANCHESTER AVENUE, TMN 90069-04-010 AND 90069-04-011.

An Ordinance to annex and zone property owned by Gene Todd and located at 704 Manchester Avenue, TMN 90069-04-010 and 90069-04-011 was adopted on second reading.

Mayor Pro tem Brand made a motion to adopt Bill No. 2019-04. Councilman Willis seconded the motion.

Bill No. 2019-04 was adopted unanimously on second reading.

INTRODUCTION OF ORDINANCES

BILL NO. 2019-05 – FIRST READING

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF THE REAL ESTATE KNOWN AS TAX MAP PARCEL 90060-02-010, DESCRIBED MORE FULLY ON EXHIBIT “A” ATTACHED TO THE ORDINANCE, TO ROSEZINA MCCRAE.

An Ordinance authorizing the conveyance of the real estate known as tax map parcel 90060-02-010, described more fully on exhibit “A” attached to the ordinance, to Rosezina McCrae was passed on first reading.

Councilman Willis made a motion to pass Bill No. 2019-05. Mayor Pro tem Brand seconded the motion.

Mr. Scotty Davis, Director of Community Services, reported the city attempted to purchase property located at 906 West Dixie Street from a tax sale; however, due to differing tax map parcel information, 904-A West Dixie Street was actually purchased. Ms. Rosezine McCrae previously purchased said property through an unrecorded installment agreement and, therefore, was not aware of the tax sale. The city is requesting that Ms. McCrae take ownership of the property in exchange for the \$1,665.60 used to purchase the property.

Council voted unanimously to adopt Bill No. 2019-05

INTRODUCTION OF RESOLUTION

RESOLUTION NO. 2019 – 03

A RESOLUTION TO ADOPT THE US 76 GATEWAY CORRIDOR STUDY.

A Resolution to adopt the US 76 Gateway Corridor Study was adopted by Council.

Councilman Jebaily made a motion to adopt Resolution No. 2019-03. Councilwoman Ervin seconded the motion.

Mr. Jerry Dudley, Director of Planning, reported the 76 Gateway Corridor Study essentially covers the area of Francis Marion University to the East and downtown Florence and Church Street to the West. The study focuses on creating a more attractive and inviting corridor by implementing zoning, road/intersection improvements and bike/pedestrian connectivity. The city recommends that Council wholly adopt the plan as it pertains to the properties within the city limits as well as any properties annexed in the future. The city will mutually work with the county to be consistent with the recommendations of the study.

Councilman Willis recommended the city maintain their relationship with the county on this project, as it will be beneficial to economic development as well as the quality of life for the citizens. Councilwoman Ervin and Councilwoman Moore also noted the importance of the city-county relationship on this project. There was further discussion among Council on other corridors into the city requiring improvements and the possibility of applying design guidelines and overlay districts to these areas.

Council voted unanimously to adopt Resolution No. 2019-03.

RESOLUTION NO. 2019-04

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF FLORENCE, SOUTH CAROLINA, APPROVING REDEVELOPMENT GRANTS IN THE DOWNTOWN H1 OVERLAY DISTRICT.

(NOTE: This Resolution will be discussed in Executive Session)

RESOLUTION NO. 2019 – 05

A RESOLUTION TO HONOR JAZZ ON DARGAN’S CONTRIBUTIONS TO THE EFFORTS TO REVITALIZE DOWNTOWN FLORENCE.

A Resolution to honor Jazz on Dargan’s contributions to the efforts to revitalize downtown Florence was adopted by Council.

Councilman Willis read the Resolution declaring the months of January, February and March as the Jazz on Dargan quarter in the City of Florence. The Resolution was presented by Mr. Les Echols on behalf of the Greater Florence Chamber of Commerce.

Councilman Willis made a motion to adopt Resolution No. 2019-05. Councilwoman Williams-Blake seconded the motion, which carried unanimously.

EXECUTIVE SESSION

Council entered into executive session for a discussion of negotiations incident to proposed Contractual arrangements [30-4-70(a)(2)].

Mayor Pro tem Brand made a motion to enter into executive session and Councilman Willis seconded the motion. The motion carried unanimously.

Council entered into executive session at 3:03p.m.

Mayor Wukela reconvened the regular meeting at 3:21p.m.

COUNCIL TOOK ACTION ON THE FOLLOWING ITEM:

RESOLUTION NO. 2019-04

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF FLORENCE, SOUTH CAROLINA, APPROVING REDEVELOPMENT GRANTS IN THE DOWNTOWN H1 OVERLAY DISTRICT.

A Resolution by the City Council of the City of Florence, South Carolina, approving redevelopment grants in the Downtown H1 Overlay District was adopted by Council.

Mayor Pro tem Brand made a motion to adopt Resolution No. 2019-04 and Councilman Willis seconded the motion. The motion was unanimous.

ADJOURN

Mayor Pro tem Brand made a motion to adjourn the regular Council meeting and Councilman Willis seconded the motion. Without objection, the meeting was adjourned at 3:21 p.m.

Dated this 11th day of March, 2019.

Dianne M. Rowan, Municipal Clerk

Stephen J. Wukela, Mayor

FLORENCE CITY COUNCIL MEETING

DATE: February 11, 2019
AGENDA ITEM: Ordinance
DEPARTMENT/DIVISION: General Services/Community Services

I. ISSUE UNDER CONSIDERATION

An ordinance authorizing the conveyance of the real estate known as tax parcel number 90060-02-010 (904 Dixie Street) to Rosezina McCrae.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN

As a part of our neighborhood redevelopment efforts, the City purchased the property in question at a tax sale. The tax sale process that occurred regarding said property, while legally sufficient, resulted in unfair hardship to Rosezina McCrae who had previously paid for said property through an unrecorded Installment Agreement, but received no notice of the tax sale since her interest was based on an unrecorded document.

III. POINTS TO CONSIDER

- A. Rosezina McCrae previously purchased said property through an unrecorded Installment Agreement.
- B. Rosezina McCrae received no notice of the tax sale of said property because her ownership interest was based on an unrecorded document.
- C. The City of Florence invested \$1,665.60 in the purchase of said property through the tax sale process.
- D. Rosezina McCrae has offered to fully reimburse the City for all monies invested in said property in return for the conveyance authorized herein.

IV. STAFF RECOMMENDATION

Approve and adopt the ordinance as presented.

V. PERSONAL NOTES:

VI. ATTACHMENTS

Ordinance
Map of property



Scotty Davis
Director of General Services



Andrew H. Griffin
City Manager

ORDINANCE NO. 2019-

AN ORDINANCE AUTHORIZING THE CONVEYANCE OF THE REAL ESTATE KNOWN AS TAX PARCEL 90060-02-010, DESCRIBED MORE FULLY ON EXHIBIT "A " ATTACHED TO THE ORDINANCE, TO ROSEZINA McCRAE.

WHEREAS, after due consideration, the City has concluded that the land described on Exhibit "A" attached hereto and incorporated herein by reference is surplus land to the City since the City has no current use for said property which was acquired through a tax sale process for total consideration of \$1,665.60; and

WHEREAS, it is has been determined that the tax sale process that occurred regarding said property, while legally sufficient, resulted in unfair hardship to Rosezina McCrae who had previously paid for said property through an unrecorded Installment Agreement, but received no notice of the tax sale since their interest was based on an unrecorded document; and

WHEREAS, Rosezina McCrae has offered to totally reimburse the City for all monies invested in said property in return for the conveyance authorized herein.

NOW, THEREFORE, be it ordained by the City Council of the City of Florence in meeting duly assembled and by the authority thereof:

1. That, pursuant to §5-7-260(6) of the South Carolina Code of Laws, as amended, and §2-26(8) of the Code of Ordinances of the City of Florence, the City Manager of the City of Florence is hereby authorized to execute the necessary deeds and other documentation in order to convey title to the property described on Exhibit "A" hereto to Rosezina McCrae in return for the sum of \$1,665.60, which amounts to all funds the City has invested in said property, in order to correct the undue hardship that occurred to Rosezina McCrae through a tax sale process that occurred without her being notified.

2. This Ordinance shall become effective immediately upon its approval and adoption by the City Council of the City of Florence, South Carolina.

ADOPTED THIS _____ DAY OF _____, 2019.

Approved as to form:

JAMES W. PETERSON, JR.
City Attorney

STEPHEN J. WUKELA
Mayor

Attest:

DIANNE M. ROWAN
Municipal Clerk

Exhibit A

Description of Property

All that certain piece, parcel or tract of land situate, lying and being in the City and County of Florence, State of South Carolina, shown as 904 Dixie Street on a plat prepared for William Ray Parker, Jr. and Kim P. Shepard by Terry W. Joyner on November 26, 1993. Said parcel includes all of Lot 142 and a portion of Lot 141 as shown on said plat. The property fronts on Dixie Street and has such measurements as shown on said plat. Said plat is recorded in Plat Book 51 at page 352 in the Florence County Records.

This being the same property conveyed to the City of Florence by deed of the Florence County Forfeited Land Commission dated September 24, 2018 and recorded September 24, 2018 in Book 764 at page 965, in the office of the Clerk of Court for Florence County, South Carolina.

TMS#90060-02-010



SIMMONS ST

911 W DIXIE ST
 MCELVEEN MAGGIE
 C/O ANNIE EMANUEL
 90069-11-033

909 W DIXIE ST
 JAMES MARATHA (LE)
 90059-11-001

PIGETT JOANN HICKS
 90059-11-032

907 W DIXIE ST

MCCLAM JOE ESTATE &
 MCCLAM NELLIE ESTATE
 90059-11-002

BLAKE KENNETH
 C/O LILLIE SMITH
 90059-11-036

SC-661

SC-667

SC-667 W DIXIE ST

CHURCH OF GOD & TRUE HOLINESS OF GEORGETOWN
 90060-02-014

914 W DIXIE ST

JACKSON DAVID JR
 90060-02-017

910 W DIXIE ST
 DAVIS DWAYNE E & DAVIS CHERYL
 A 90060-02-021

908 W DIXIE ST
 MCCRAE JUSTIN B
 90060-02-011

906 W DIXIE ST
 BRIGGS JOHNATHAN
 90060-02-015

904A DIXIE ST
 CITY OF FLORENCE
 90060-02-010

904 W DIXIE ST
 BARKER RAY HOLDING LLC C/O ROSEJINA MCCRAE
 90060-02-009

902 W DIXIE ST
 SCLIPPO BETTY ETAL
 C/O GEORGE JENKINS
 90060-02-008

900 W DIXIE ST
 DAVIS NAOMI S & JOHNSON EULA
 S 90060-02-007

818 W DIXIE ST
 PENNINGGRASS JIMMY
 90060-03-014

GEE PATRICIA A
 90060-03-013

CANNON ST SC-661

554 CANNON ST
 MCINTOSH NORMA JEAN C/O NORMA JEAN
 SIMMONS 90060-03-001

WILLIAMS CHARIS S ETAL
 90060-02-005

HYMAN LOSSIE JACKSON JR
 90060-02-004

BROWN QUEEN ESTER ETAL
 90060-02-008

901 GLADSTONE ST

MCINTOSH NORMA JEAN C/O NORMA JEAN SIMMONS 90060-03-001

909 W DIXIE ST

907 W DIXIE ST

905 W DIXIE ST

903 W DIXIE ST

913 LADSTONE ST

911 GLADSTONE ST

909 GLADSTONE ST

907 GLADSTONE ST

905 GLADSTONE ST

903 GLADSTONE ST

901 GLADSTONE ST

- Address
- Tax Parcel: 90060-02-010
- All Other Tax Parcels



FLORENCE CITY COUNCIL MEETING

DATE: March 11, 2019

AGENDA ITEM: Ordinance to annex and zone property owned by Danielle Hicks located at 2715 Nob Hill Drive, TMN 90123-06-002

DEPARTMENT/DIVISION: Department of Planning, Research & Development

I. ISSUE UNDER CONSIDERATION:

Request to annex property located at 2715 Nob Hill Drive, namely Tax Map Number 90123-06-002, into the City of Florence and zone it NC-10. The request is being made by the property owner, Danielle Hicks.

II. CURRENT STATUS AND PREVIOUS ACTION TAKEN:

- (1) On February 12, 2019, the City of Florence Planning Commission held a public hearing on this matter.
- (2) The Planning Commission voted 6-0 to recommend the zoning request of Neighborhood Conservation-10 (NC-10), pending annexation approval.

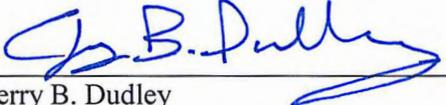
III. POINTS TO CONSIDER:

- (1) This request is being considered for first reading.
- (2) The property is currently zoned R-2 in the County, which is a residential use.
- (3) The proposed zoning, pending annexation, is Neighborhood Conservation-10 District. The primary use permitted under the proposed zoning is single-family residential characterized by medium sized lots.
- (4) The lot is currently the site of a single-family dwelling and meets the dimensional requirements of the NC-10 zoning district per the City of Florence *Unified Development Ordinance*.
- (5) Another property (2709 Nob Hill Drive) with double frontage on Nob Hill Drive and Pine Forest Drive was annexed into the City in October of 1980. Subsequent to this annexation, City policy that guides annexation decisions has been changed to include economic feasibility analysis with regard to providing water, sewer, and other City services.
- (6) City water and sewer service is not currently available on Nob Hill Drive; however, because the lot in question has double frontage, the applicant is able to tap onto water and sewer service from the rear of the property via Pine Forest Drive.
- (7) A fire hydrant is not available to serve the residents of Nob Hill Drive. A water extension would be required to provide fire protection.
- (8) Extension of water service to the residents of Nob Hill Drive is estimated to cost \$111,539. Anticipating that other residents along the proposed project area would connect to City water service over the next 20 years, estimated revenues would be \$30,365 resulting in a revenue to cost ratio of 0.27. In order to make this project economically feasible, an additional \$81,174 would be required.

IV. PERSONAL NOTES:

V. ATTACHMENTS:

- A. Ordinance
- B. Vicinity Map of Proposed Annexation
- C. Location Map of Proposed Annexation
- D. Petition for Annexation Forms
- E. Economic Feasibility Analysis for Water Line Extension



Jerry B. Dudley
Planning Director



Andrew H. Griffin
City Manager

PC 2019-02
Vicinity Map - 2715 Nob Hill Drive



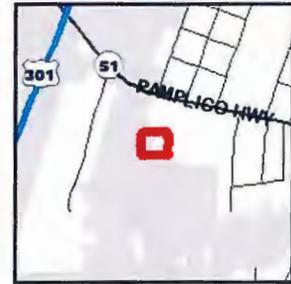
- Legend**
-  City Limits
 -  Parcels



DISCLAIMER:
 The City of Florence Department of Planning, Research, and Development data represented on this map is the product of completion, as produced by others. It is provided for informational purposes only and the City of Florence makes no representation as to its accuracy. Its use without field verification is at the sole risk of the user.



PC 2019-02 Location Map - 2715 Nob Hill Drive



- Legend**
- City Limits
 - Parcels



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Date: 1/25/2019

Attachment D: Petition for Annexation Form

STATE OF SOUTH CAROLINA)

PETITION FOR ANNEXATION

COUNTY OF FLORENCE)

Petition requesting Florence City Council to enact an Ordinance annexing the area described below, that area being the same property as shown by the map prepared by the City of Florence Planning, Research, and Development Department, attached and incorporated by reference herein:

The undersigned freeholder property owner(s) hereby respectfully certifies, petitions, and requests of the City Council of Florence as follows:

- 1. The petitioners are the sole owner(s) of real estate in the County of Florence, State of South Carolina which property lies adjacent and contiguous to the corporate limits of the City of Florence.
- 2. That the petitioner(s) desires to annex the property more particularly described below:

Florence County Tax Map 90123-06-002

- 3. Annexation is being sought for the following purposes: city water + sewer

- 4. That the petitioner(s) request that the City Council of Florence annex the above described property in accordance with subsection 31 of 5-3-150(3) of the Code of Laws of South Carolina for 1976, such section allowing the annexation of an area without the necessity of an election and referendum.

To the Petitioner: The following information needs to be completed for submittal to the City of Florence and other government agencies for records prior to and after annexation.

Total Residents	<u>1</u>
Race	<u>white</u>
Total 18 and Over	<u>1</u>
Total Registered to Vote	<u>1</u>

Date 12/18/18

Daniel D. Thomas
Petitioner

Date _____

Petitioner

Certification as to ownership on the date of petition:	FOR OFFICIAL USE ONLY
Date <u>12/19/18</u>	<u>AS</u>

ORDINANCE NO. 2019 _____

AN ORDINANCE TO ANNEX AND ZONE PROPERTY OWNED BY DANIELLE HICKS; TMN 90123-06-002.

WHEREAS, a Public Hearing was held in the Council Chambers on February 12, 2019 at 6:00 P.M. before the City of Florence Planning Commission and notice of said hearing was duly given;

WHEREAS, application by Danielle Hicks, owner of TMN 90123-06-002 to be zoned NC-10 was presented requesting an amendment to the City of Florence Zoning Atlas that the aforesaid property be incorporated into the city limits of the City of Florence under the provisions of **Section 5-3-150(3) of the 1976 Code of Laws of South Carolina** and add the zoning district classification of Neighborhood Conservation-10 Zoning District;

The property requesting annexation is shown more specifically on Florence County Tax Map 90123, block 06, parcel 002 (0.344406 acres).

Any portions of public rights-of-way abutting the above described property will also be included in the annexation.

WHEREAS, Florence City Council concurs in the aforesaid application, findings and recommendations:

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FLORENCE IN MEETING DULY ASSEMBLED AND BY THE AUTHORITY THEREOF:

1. That an Ordinance is hereby adopted annexing into the City Limits of the City of Florence the aforesaid property and amending the Zoning Atlas to the aforesaid zoning classifications.
2. That this Ordinance shall become effective seven days upon its approval and adoption by the City Council of the City of Florence and posting of this amendment in the official Zoning Atlas.

EXECUTED ON ONE (1) ADDITIONAL PAGE

ADOPTED THIS _____ DAY OF _____, 2019

Approved as to form:

James W. Peterson, Jr.
City Attorney

Stephen J. Wukela,
Mayor

Attest:

Dianne M. Rowan
Municipal Clerk

FLORENCE CITY COUNCIL MEETING

DATE: March 11, 2019

AGENDA ITEM: Ordinance to amend the *City of Florence Unified Development Ordinance Table 1-2.7.3.*

DEPARTMENT/DIVISION: Department of Planning, Research & Development

I. ISSUE UNDER CONSIDERATION:

Proposed text amendment to the *City of Florence Unified Development Ordinance Table 1-2.7.3* to allow Assisted Living/Congregate Care Facilities and Nursing Homes as a Conditional Use in the CG Commercial General zoning district.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN:

(1) On March 12, 2019 the Planning Commission will hold a public hearing on the proposal to amend the text.

III. POINTS TO CONSIDER:

- (1) The text amendment has been prepared by the Planning, Research and Development Department in an effort to clarify the intent of the ordinance.
- (2) The amendments to Table 1-2.7.3 allows Assisted Living/Congregate Care Facilities and Nursing Homes as a Conditional Use in the CG-Commercial General zoning district.
- (3) Currently, the Ordinance only allows Assisted Living/Congregate Care Facilities and Nursing Homes as a Conditional Use in the RG-Genera Residential and RU-Urban Residential districts.
- (4) City staff recommends that the proposed text amendments be approved to address the need to allow Assisted Living/Congregate Care Facilities and Nursing Homes as a Conditional Use in the CG Commercial General district. These uses would benefit from adjacent amenities provided by a commercially developed area and would not adversely affect the character of the General Commercial District.

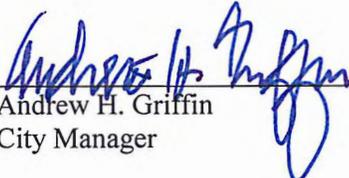
IV. PERSONAL NOTES:

V. ATTACHMENTS:

- (1) Proposed amendment
- (2) Ordinance



Jerry B. Dudley
Planning Director



Andrew H. Griffin
City Manager

Attachment 1: Proposed Amended Table 1-2.7.3 (addition of “C” to note the uses as conditional).

Table 1-2.7.3 Institutional, Recreation, and Amusement Uses																
Land Uses	Zoning Districts															
	Residential					Business Commercial			Mixed- Use			Industrial		Agriculture & Open Space		
	RE	RS	RG	RU	NC	CR	CA	CG	CBD	AC	DS	IL	IH	OSR	AR	
Institutional Uses																
Assisted Living / Congregate Care Facilities	-	-	C	C	-	-	-	C	C	-	-	-	-	-	-	
Nursing Homes	-	-	C	C	-	-	-	C	-	-	-	-	-	-	-	
Hospital / Walk-In Clinic / Birthing Center / Surgical Facility	-	-	-	-	-	-	-	P	P	P	-	-	-	-	-	
College / University / Vo-Tech	-	-	-	-	-	C	P	P	P	P	P	P	-	-	C	
Public Assembly (places of worship; preschools; elementary, middle, and high schools; libraries; community centers; child or adult day care)	C	C	C	C	C	C	P	P	P	P	P	-	-	-	P	
Private Club	C	C	C	C	C	P	P	P	P	C	P	-	-	-	-	
Post Office	-	-	-	-	-	-	-	P	P	P	P	P	-	-	-	
Police or Fire Station	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Prison/ Protective Custody	-	-	-	-	-	-	-	-	-	-	-	-	C	-	C	
Recreation and Amusement Uses																
Indoor Commercial Amusement	-	-	-	-	-	-	P	P	SE	P	P	P	-	-	-	
Indoor Recreation/ Personal Fitness	SE	SE	SE	SE	-	-	-	-	P	P	P	P	-	-	-	
Outdoor Commercial Amusement (amphitheaters, arenas, outdoor performing facilities)	-	-	-	-	-	-	-	SE	SE	SE	SE	SE	-	SE	-	
Outdoor Recreation	P	P	P	P	P	P	P	P	P	P	P	-	-	P	P	
Outdoor Shooting or Archery Range	-	-	-	-	-	-	-	-	-	-	-	-	-	-	P	
Recreational Vehicle Parks and Camps	-	-	-	-	-	-	-	-	-	-	-	-	-	SE	SE	
Sexually Oriented Business	-	-	-	-	-	-	-	-	-	-	-	CB	-	-	-	

RE (Estate Residential), RS (Suburban Residential), RG (General Residential), RU (Urban Residential), NC (Neighborhood Conservation), CR (Commercial Re-use), CA (Campus), CG (Commercial General), CBD (Central Business District), AC (Activity Center), DS (Destination / Select Use), IL (Light Industrial), IH (Heavy Industrial), OSR (Open Space & Recreation), AR (Agriculture / Rural), P (Permitted), C (Conditional Use), SE (Permitted Special Exception Use), - (Prohibited Use), B (subscript, Special site and Building Development Standards)

Existing Conditional Use Standards (Section 1-2.8.3):

A. Assisted Living / Congregate Care Facilities are permitted if it is demonstrated that:

1. The use will be operated in accordance with all applicable laws and, if a state permit is required, such permit shall be obtained prior to beginning operation;
2. The site is a minimum of three acres ;
3. Primary access to the site is from a collector or arterial street;
4. The site has a minimum landscape surface area of 20 percent;

5. The use is not located closer than 100 feet to the boundaries of the Neighborhood Conservation (NC) districts;
6. If the gross floor area of the facility is more than 5,000 square feet, the use is separated from residential district or use by a Type B bufferyard; and
7. In the RU district, the site is a minimum of one-half acre.

E. Nursing Homes are permitted if it is demonstrated that:

1. The use will be operated in accordance with all applicable laws and, if a state permit is required, such permit shall be obtained prior to beginning operation;
2. The site is a minimum of three acres;
3. Primary access to the site is from a collector or arterial street;
4. The site has a minimum landscape surface area of 20 percent;
5. The use is not located closer than 100 feet to the boundaries of the Neighborhood Conservation (NC) districts;
6. If the gross floor area of the facility is more than 5,000 square feet, the use is separated from all residential districts or uses by a Type B bufferyard;

Definitions (Section 7-25.2):

Assisted Living Facility means a residential facility that makes available to three or more adults room and board and at least the following services: Personal services; protective oversight; social care due to impaired capacity to live independently; and regular supervision that is available on a twenty-four-hour basis, but not to the extent that regular twenty-four-hour medical or nursing care is required. This phrase does not include any facility licensed in this state as a residential care facility.

Nursing Home means a residential facility that is maintained primarily for the care and treatment of inpatients under the direction of a physician. The patients in such a facility require supportive, therapeutic, or compensating services and the availability of a licensed nurse for observation or treatment on a twenty-four-hour basis. Nursing care may include but is not limited to terminal care; extensive assistance or therapy in the activities of daily living; continual direction, supervision, or therapy; extensive assistance or therapy for loss of mobility; nursing assessment and services which involve assessment of the total needs of the patient, planning of patient care, and observing, monitoring, and recording the patient's response to treatment; and monitoring, observing, and evaluating the drug regimen. "Nursing home" includes intermediate nursing facilities for the mentally retarded or developmentally disabled.

ORDINANCE NO. 2019-_____

**AN ORDINANCE TO AMEND THE CITY OF FLORENCE UNIFIED DEVELOPMENT ORDINANCE
TABLE 1-2.7.3:**

WHEREAS, a Public Hearing is scheduled in City Council Chambers on March 12, 2019 at 6:00 P.M. before the City of Florence Planning Commission;

WHEREAS, the amendments contained herein will set zoning districts for land uses associated with assisted living/congregate care facilities and nursing homes;

THEREFORE, Table 1-2.7.3 of the City of Florence Unified Development Ordinance, shall read as follows:

Table 1-2.7.3 Institutional, Recreation, and Amusement Uses																
Land Uses	Zoning Districts															
	Residential					Business Commercial			Mixed- Use			Industrial		Agriculture & Open Space		
	RE	RS	RG	RU	NC	CR	CA	CG	CBD	AC	DS	IL	IH	OSR	AR	
Institutional Uses																
Assisted Living / Congregate Care Facilities	-	-	C	C	-	-	-	C	C	-	-	-	-	-	-	
Nursing Homes	-	-	C	C	-	-	-	C	-	-	-	-	-	-	-	
Hospital / Walk-In Clinic / Birthing Center / Surgical Facility	-	-	-	-	-	-	-	P	P	P	-	-	-	-	-	
College / University / Vo-Tech	-	-	-	-	-	C	P	P	P	P	P	P	-	-	C	
Public Assembly (places of worship; preschools; elementary, middle, and high schools; libraries; community centers; child or adult day care)	C	C	C	C	C	C	P	P	P	P	P	-	-	-	P	
Private Club	C	C	C	C	C	P	P	P	P	C	P	-	-	-	-	
Post Office	-	-	-	-	-	-	P	P	P	P	P	P	-	-	-	
Police or Fire Station	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Prison/ Protective Custody	-	-	-	-	-	-	-	-	-	-	-	-	C	-	C	
Recreation and Amusement Uses																
Indoor Commercial Amusement	-	-	-	-	-	-	P	P	SE	P	P	P	-	-	-	
Indoor Recreation/ Personal Fitness	SE	SE	SE	SE	-	-	-	-	P	P	P	P	-	-	-	
Outdoor Commercial Amusement (amphitheaters, arenas, outdoor performing facilities)	-	-	-	-	-	-	-	SE	SE	SE	SE	SE	-	SE	-	
Outdoor Recreation	P	P	P	P	P	P	P	P	P	P	P	-	-	P	P	
Outdoor Shooting or Archery Range	-	-	-	-	-	-	-	-	-	-	-	-	-	-	P	
Recreational Vehicle Parks and Camps	-	-	-	-	-	-	-	-	-	-	-	-	-	SE	SE	
Sexually Oriented Business	-	-	-	-	-	-	-	-	-	-	-	CB	-	-	-	

RE (Estate Residential), RS (Suburban Residential), RG (General Residential), RU (Urban Residential), NC (Neighborhood Conservation), CR (Commercial Re-use), CA (Campus), CG (Commercial General), CBD (Central Business District), AC (Activity Center), DS (Destination / Select Use), IL (Light Industrial), IH (Heavy Industrial), OSR (Open Space & Recreation), AR (Agriculture / Rural), P (Permitted), C (Conditional Use), SE (Permitted Special Exception Use), - (Prohibited Use), B (subscript, Special site and Building Development Standards)

WHEREAS, Florence City Council concurs in the aforesaid application, findings and recommendations:

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FLORENCE IN MEETING DULY ASSEMBLED AND BY THE AUTHORITY THEREOF:

1. That an Ordinance is hereby adopted by amending the Unified Development Ordinance as shown above.
2. That this Ordinance shall become effective immediately.

ADOPTED THIS _____ DAY OF _____, 2019

Approved as to form:

James W. Peterson, Jr.
City Attorney

Stephen J. Wukela,
Mayor

Attest:

Dianne M. Rowan
Municipal Clerk

FLORENCE CITY COUNCIL MEETING

DATE: March 11, 2019

AGENDA ITEM: An Ordinance to rezone from IH to CG property located at 451 West Lucas Street, said property being specifically designated in the Florence County Tax Records as Tax Map Parcel 90071-01-001.

DEPARTMENT/DIVISION: Department of Planning, Research, and Development

I. ISSUE UNDER CONSIDERATION:

Request to rezone the property located at 451 West Lucas Street, said property being specifically designated in the Florence County Tax Records as Tax Map Parcel 90071-01-001. The request is being made by the property owner, the City of Florence.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN:

On February 12, 2019, The Planning Commission held a public hearing on this matter and voted 5 to 0 to approve the rezoning request from IH Heavy Industrial District, to RG Residential General District, in order to accommodate the development of an assisted living facility. On April 9, 2019, the Planning Commission will reconsider the request based on the proposal to amend the *Unified Development Ordinance* to allow assisted living facilities in the CG Commercial General District.

III. POINTS TO CONSIDER:

- (1) This request is being considered for first reading. Second reading will occur subsequent to Planning Commission taking action on the matter.
- (2) The property is currently zoned IH Heavy Industrial and is vacant. It is the site of the former Young's Pecan facility.
- (3) Initially, the proposed zoning district was RG Residential General. This designation is one of only two which currently permits assisted living facilities.
- (4) Subsequent to this request, staff has proposed an amendment the *Unified Development Ordinance* to allow assisted living facilities and nursing homes as a Conditional Use in the CG Commercial General District on March 11, 2019.
- (5) City staff recommends that the property be rezoned to the CG Commercial General contingent amendment of the *Unified Development Ordinance* to allow assisted living facilities and nursing homes as a conditional within the district. As the Lucas Street corridor redevelops, it should be characterized by commercial, institutional, and light industrial development. Such uses and amenities will complement the proposed development for this site.

IV. OPTIONS:

City Council may:

1. Approve the request as presented based on the information submitted.
2. Defer the request should additional information be needed.
3. Suggest other alternatives.
4. Deny the request.

V.PERSONAL NOTES:

VI. ATTACHMENTS:

- (1) Ordinance
- (2) Location
- (3) Zoning Map
- (4) Future Land Use Map



Jerry B. Dudley
Planning Director



Andrew H. Griffin
City Manager

ORDINANCE NO. 2019-_____

AN ORDINANCE TO REZONE PROPERTY IDENTIFIED AS TAX MAP NUMBER 90071-01-001 LOCATED AT 451 WEST LUCAS STREET FROM IH HEAVY INDUSTRIAL DISTRICT TO CG COMMERCIAL GENERAL DISTRICT:

WHEREAS, a Public Hearing is scheduled in the City Center Council Chambers on April 9, 2019 at 6:00 P.M. before the City of Florence Planning Commission and notice of said hearing will be duly given;

WHEREAS, the City of Florence will make application to rezone the property identified as Tax Map Number 90071-01-001, from IH Heavy Industrial District to CG Commercial General District;

WHEREAS, Florence City Council concurs in the aforesaid application, findings and recommendations:

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FLORENCE IN MEETING DULY ASSEMBLED AND BY THE AUTHORITY THEREOF:

1. That an Ordinance is hereby adopted by amending the Zoning Atlas of the City of Florence for the aforesaid property to CG Commercial General District;
2. That this Ordinance shall become effective seven days upon its approval and adoption by the City Council of the City of Florence and posting of this amendment in the official Zoning Atlas.

ADOPTED THIS _____ DAY OF _____, 2018

Approved as to form:

James W. Peterson, Jr.
City Attorney

Stephen J. Wukela,
Mayor

Attest:

Dianne M. Rowan
Municipal Clerk

PC 2019-03
Location Map - 451 West Lucas Street



- Legend**
- City Limits
 - Parcels



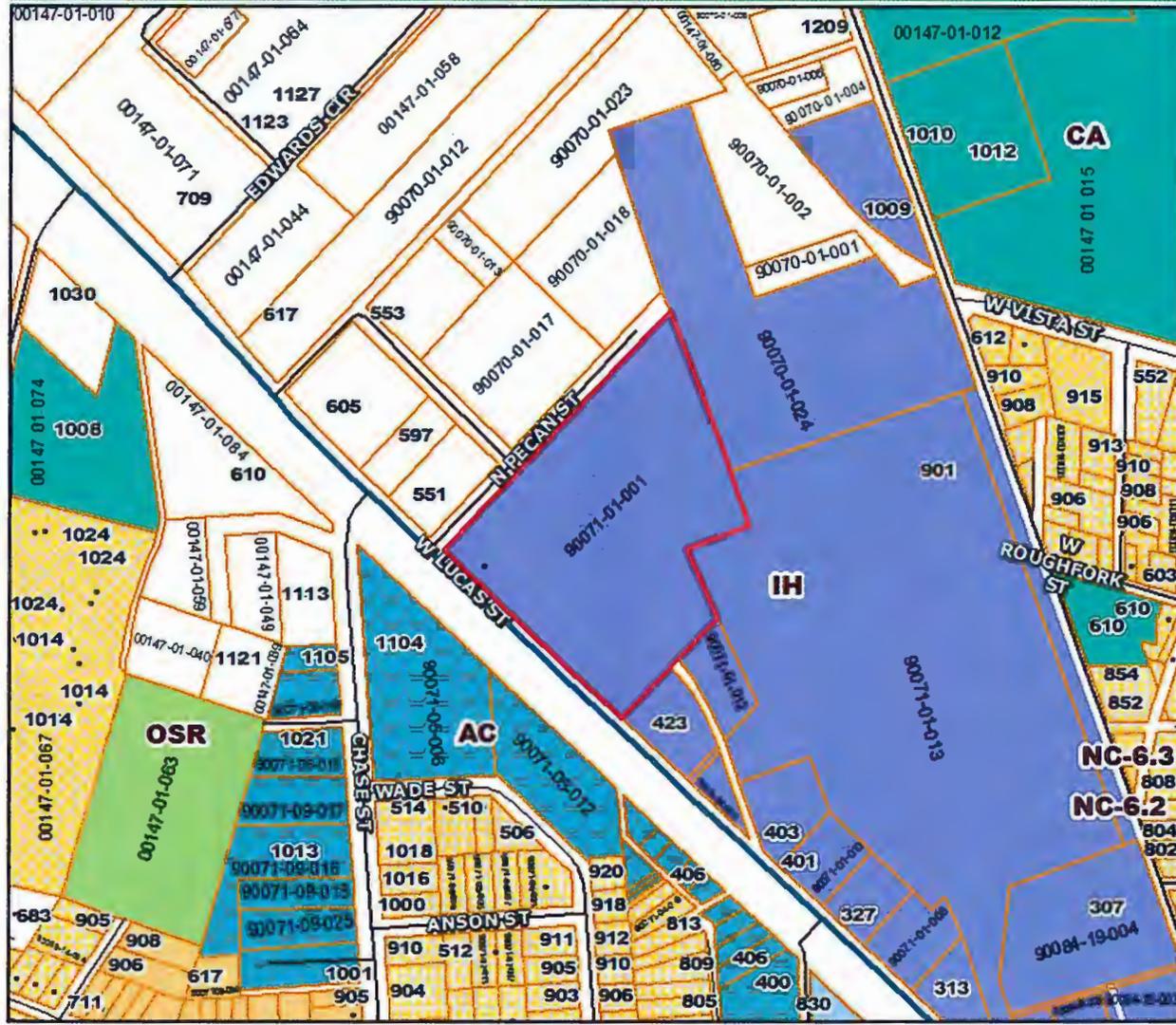
DISCLAIMER:
 The City of Florence Department of Planning, Research, and Development data represented on this map is the product of compilation, as produced by others. It is provided for informational purposes only and the City of Florence makes no representation as to its accuracy. Its use without field verification is at the sole risk of the user.



Date: 1/25/2019

PC 2019-03

Current Zoning Map - 451 W. Lucas St.



Legend

- Parcel
- Zoning District
- Agricultural and Open Space Districts
- AR
- OSR
- Neighbored Districts
- RR
- RS
- RO
- RS-2
- RU
- PD
- Neighborhood Conservation Sub-Districts
- NC-1
- NC-10
- NC-11
- NC-2
- NC-2.1
- NC-2.2
- NC-3
- NC-4
- Business and Commercial Districts
- CB
- CA
- CB
- Mixed-Use Districts
- CBD
- AC
- DS
- Industrial Zoning Districts
- I
- P
- Unzoned Area
- UZ

FULL LIFE. FULL FORWARD.
FLORENCE
 SOUTH CAROLINA

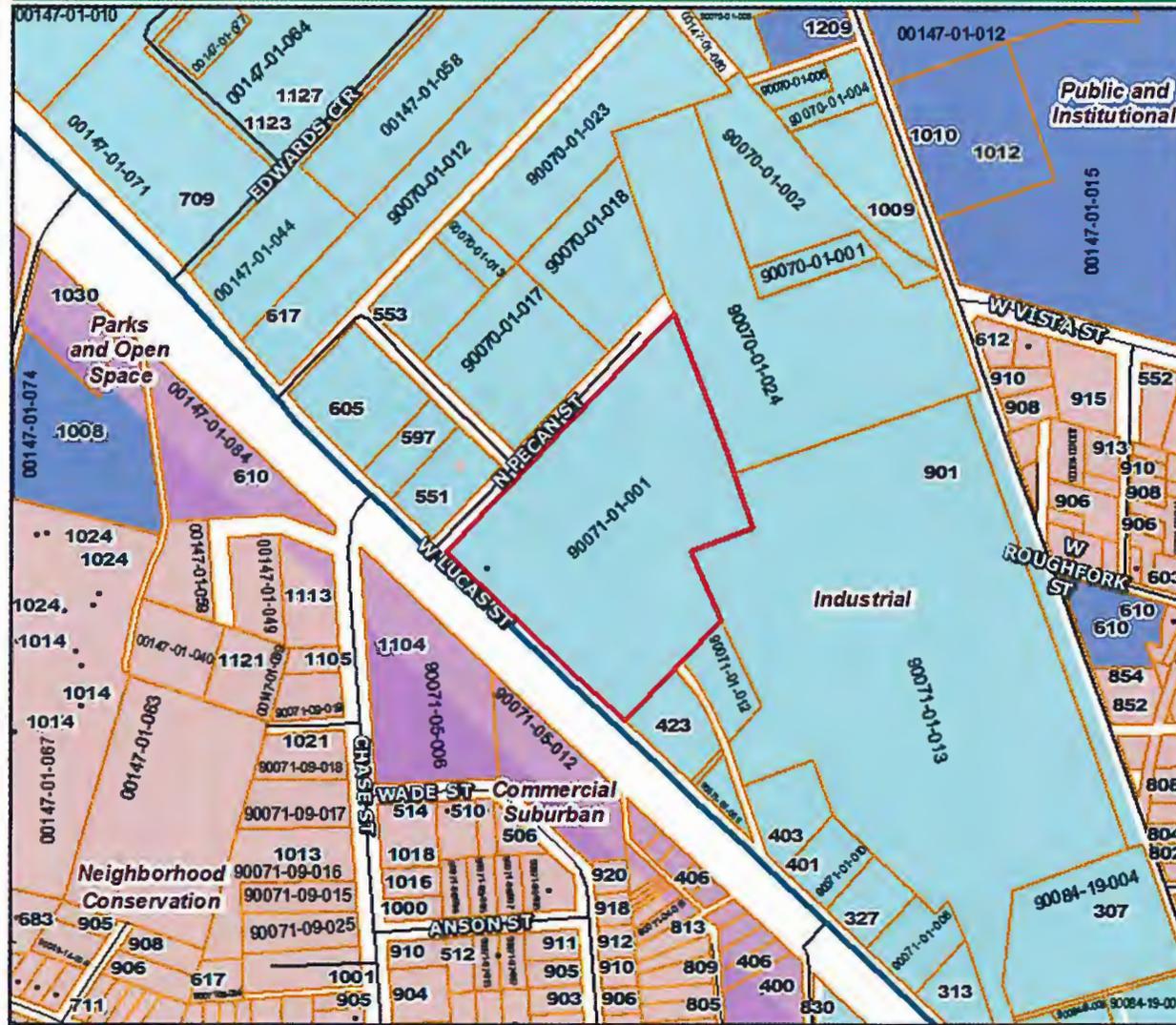
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400 200 0 400 Feet

Date: 1/25/2019

PC 2019-03

Future Land Use - 451 W. Lucas St.



- Legend**
- Parcels
 - Future Land Use 2010
 - Future Land Use
 - Auto-Urban Commercial
 - Business Parks
 - Central Business District
 - Industrial
 - Neighborhood Conservation
 - Parks and Open Space
 - Public and Institutional
 - Residential Auto-Urban
 - Residential Estate
 - Residential Sub-Urban
 - Residential Transition
 - Residential Urban
 - Rural
 - Sub-Urban Commercial



DISCLAIMER:
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Date: 1/25/2019

FLORENCE CITY COUNCIL MEETING

DATE: March 11, 2019
AGENDA ITEM: Resolution
DEPARTMENT/DIVISION: City Administration

I. ISSUE UNDER CONSIDERATION

A Resolution to uphold and recognize the extraordinary contributions of the profession of Social Work within HopeHealth, Inc.'s Federally Qualified Health Center and the community.

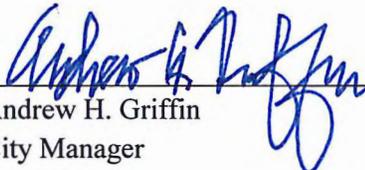
CURRENT STATUS/PREVIOUS ACTION TAKEN

This is the initial consideration by City Council of this resolution.

II. POINTS TO CONSIDER

- A. It is the mission of social workers to promote dignity, empowerment, quality of life, knowledge, service and healing.
- B. Social workers within HopeHealth and our community, effect this promotion through individual, group and corporate endeavors: applying their unique strengths, training, insights and expertise within their areas of influence and reach.
- C. Social workers dedicate themselves to social justice; advocacy for individuals and systems; promotion and achievement of individual and community health and wellness; activation of purpose and potential in each human being; and the realization of wholeness and quality of life due to the intervention and exceptional contributions of social workers.

III. PERSONAL NOTES



Andrew H. Griffin
City Manager

(STATE OF SOUTH CAROLINA)
()
(CITY OF FLORENCE)

RESOLUTION 2019-06

**A RESOLUTION FOR THE CITY OF FLORENCE TO UPHOLD AND RECOGNIZE THE
EXTRADORDINARY CONTRIBUTIONS OF THE PROFESSION OF SOCIAL WORK WITHIN
HOPEHEALTH, INC.'S FEDERALLY QUALIFIED HEALTH CENTER AND THE COMMUNITY.**

WHEREAS, it is the mission of social workers to promote dignity, empowerment, quality of life, knowledge, service, and healing. Social workers within HopeHealth and our community, effect this promotion through individual, group and corporate endeavors: applying their unique strengths, training, insights and expertise within their areas of influence and reach; and,

WHEREAS, we acknowledge that social workers dedicate themselves to social justice; advocacy for individuals and systems; promotion and achievement of individual and community health and wellness; activation of purpose and potential in each human being; and the realization of wholeness and quality of life due to the intervention and exceptional contributions of social workers; and,

WHEREAS, the City of Florence recognizes and celebrates the passion, dedication and distinguished professionalism of Social Workers during this national month honoring Social Workers.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FLORENCE:

The City of Florence recognizes the extraordinary contributions of the profession of social work within HopeHealth, Inc.'s Federally Qualified Health Center and the community.

RESOLVED THIS ____ DAY OF March, 2019.

Approved as to form:

JAMES W. PETERSON, JR.
CITY ATTORNEY

STEPHEN J. WUKELA
MAYOR

ATTEST:

DIANNE M. ROWAN
MUNICIPAL CLERK

FLORENCE CITY COUNCIL MEETING

DATE: March 11, 2019
AGENDA ITEM: Resolution
DEPARTMENT/DIVISION: General Services/Community Services

I. ISSUE UNDER CONSIDERATION

A resolution to proclaim the month of April as Fair Housing Month in the City of Florence.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN

The 1968 Fair Housing Act is a federal act in the United States intended to protect the buyer or renter of a dwelling from seller or landlord discrimination. Its primary prohibition makes it unlawful to refuse to sell, rent to, or negotiate with any person because of that person's inclusion in a protected class. The goal is a unitary housing market in which a person's background - as opposed to financial resources - does not arbitrarily restrict access.

The legislation was the culmination of a civil rights campaign against housing discrimination in the United States and was approved by President Lyndon B. Johnson.

III. POINTS TO CONSIDER

- A. The Fair Housing Act was enacted as Title VIII of the Civil Rights Act of 1968, and codified at 42 U.S.C. 3601-3619, with penalties for violation at 42 U.S.C. 3631. It is enforced by the United States Department of Housing and Urban Development.
- B. The Fair Housing Act has been strengthened since its adoption in 1968, but enforcement continues to be a concern among housing advocates. According to a 2010 evaluation of Analysis of Impediments (AI) reports done by the Government Accountability Office, enforcement is particularly inconsistent across local jurisdictions.

IV. STAFF RECOMMENDATION

Approve and adopt the resolution as presented.

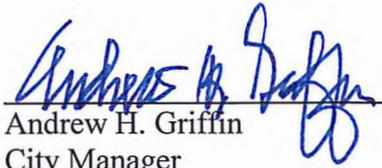
V. PERSONAL NOTES:

VI. ATTACHMENTS:

Resolution



Scotty Davis
Director of General Services



Andrew H. Griffin
City Manager

(State of South Carolina)

(County of Florence)

Resolution 2019-07

WHEREAS, Title VIII of the Civil Rights Act of 1968, prohibits discrimination in housing and declares it a national policy to provide for fair housing in the United States; and

WHEREAS, The principle of Fair Housing is not only national law and national policy, but a fundamental human concept and right for all Americans; and

WHEREAS, National Fair Housing Law, during the month of April, provides an opportunity for all Americans to recognize that the issue of fair housing continues to be a problem for many families of all races and that complete success can only be accomplished with the help and cooperation of all Americans; and

WHEREAS, The City of Florence in its commitment to Fair Housing, proclaim the Month of April as Fair Housing Month, and urge all of our citizens to join in this effort to reaffirm our individual commitment to support the practice and the spirit of the Fair Housing Law.

Now, therefore, I, Stephen Wukela, Mayor of the City of Florence, in the State of South Carolina, do hereby proclaim the month of April as

“Fair Housing Month”

In Witness Whereof, I have hereunto set my hand and caused the Seal of the City of Florence to be affixed this 11th day of March 2019.

Stephen Wukela, Mayor

Attest:

Dianne M. Rowan, Municipal Clerk

FLORENCE CITY COUNCIL MEETING

VIII. a. Report to Council

DATE: March 11, 2019
AGENDA ITEM: City Council Report: Auditing Services Contract
DEPARTMENT/DIVISION: Audit Evaluation Committee

I. ISSUE UNDER CONSIDERATION

The City of Florence currently contracts for its annual auditing services through a request for proposals process. Certified public accounting firms are given the opportunity to submit proposals for the performance of independent audits of the City's financial statements and preparation of the annual financial reports. The City's fiscal year ending June 30, 2018 marked the end of the current five-year contract for auditing services with Burch, Oxner, Seale Co, CPA's PA.

II. CURRENT STATUS/PREVIOUS ACTION TAKEN

- A. On January 11, 2019 proposals were requested by the City of Florence from certified accounting firms for independent audits of the City's financial statements for fiscal years ending June 30 of 2019, 2020, 2021, 2022, and 2023. Advertisements for proposals were run in the Morning News and the City's Web Page (see **Attachment A**).
- B. As stated in the advertisement, a mandatory pre-proposal conference was held at 2:00 p.m. on January 23, 2019.

III. POINTS TO CONSIDER

- A. On February 5, 2019 proposals were received and opened. Proposals were received by **Burch, Oxner, Seale Co, CPA's PA; Mauldin & Jenkins, LLC; and WebsterRogers LLP**. Representatives from each of these firms attended the mandatory pre-proposal conference (see **Attachment B**).
- B. An audit evaluation committee of five members, represented by individuals from City staff and a member of City Council, met on February 7 and February 21, 2019 to review and discuss the proposals.
- C. All proposals were reviewed and analyzed based on the following criteria:
 - 1) Mandatory Elements
 - 2) Qualifications
 - a. Expertise & Experience
 - b. Audit Approach and Service; Staffing and Communication
 - c. Prior Experience with City and Proximity
- D. Proposals were evaluated on a 100 point scale by each committee member. Points for each qualified firm were totaled and averaged.
- E. The proposals were further evaluated using the criteria noted in C above, with the evaluation criteria of Price included. These three proposals were assessed on a 100 point scale with 80% of the total points based on qualifications as listed above and 20% of the total based on price.

IV. AUDIT PROPOSAL EVALUATION COMMITTEE RECOMMENDATION

It is the recommendation of the Audit Proposal Evaluation Committee that City Council award the five year contract for auditing services for fiscal years ending June 30, 2019, 2020, 2021, 2022, and 2023 to Burch, Oxner, Seale Co, CPA's PA.

This recommendation is made based on the following:

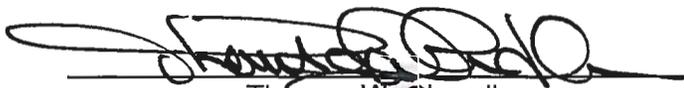
- Based on the average points assigned by the committee, Burch, Oxner, Seale Co. received the overall highest score of the proposing firms, best meeting the requirements of all evaluation criteria listed on pages 22 through 24 of the RFP (see **Attachment C**).
- Burch, Oxner, Seale Co. has governmental accounting experience and meets all mandatory requirements of the request for proposal (see **Attachment D**).
- Burch, Oxner, Seale, Co. has performed the City's annual audits for a number of years and is very familiar with the City's financial system.

The proposed fees for auditing services for the five year contract are as follows:

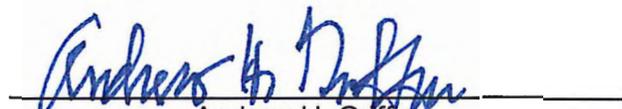
▪ for Fiscal Year ending June 30, 2019	\$ 57,650
▪ for Fiscal Year ending June 30, 2020	58,800
▪ for Fiscal Year ending June 30, 2021	59,900
▪ for Fiscal Year ending June 30, 2022	61,100
▪ for Fiscal Year ending June 30, 2023	62,400

V. ATTACHMENTS

- Attachment A:** Copy of Advertisement for Audit Request for Proposals
Attachment B: Mandatory Pre-proposal Conference Attendance Register
Attachment C: City of Florence Request for Proposal for Professional Auditing Services
Attachment D: Proposal for Auditing Services Submitted by Burch, Oxner, Seale Co.



Thomas W. Chandler
Finance Director



Andrew H. Griffin
City Manager

City of Florence, SC
Request for Proposals No. 2019-01
Independent Audit and Financial Report Preparation Services

The City of Florence, South Carolina is requesting proposals from certified public accounting firms for independent auditing of the City of Florence financial statements. Audit services will be rendered based on a five-year contract for fiscal years ending June 30 of 2019, 2020, 2021, 2022, and 2023. Firms that respond to this Request for Proposal (RFP) should have extensive experience in and knowledge of governmental accounting and reporting. Firms responding to this request must be licensed to practice within the State of South Carolina. Firms must also have an office physically located within the state of South Carolina and be able to offer the full range of auditing services required by the RFP.

Proposals must be received no later than 2:00 p.m., Tuesday, February 5, 2019. Proposals received after this time will not be accepted or considered. A **mandatory** pre-proposal conference will be held at 2:00 p.m. on January 23, 2019 in the City Council Chambers located on the 1st floor of the City Center, 324 West Evans Street, Florence, South Carolina. Attendance at the pre-proposal conference is required as a condition of submitting a proposal. Proposals submitted by firms not in attendance at the mandatory pre-proposal conference will not be considered by the City. Request for Proposal packages may be obtained by contacting:

City of Florence
Attn: Lynwood F. Givens, Purchasing Agent
City Center
324 West Evans Street
Florence, South Carolina 29501
Telephone: (843) 665-3165
Fax: (843) 665-3111
Email: lgivens@cityofflorence.com

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. The City of Florence reserves the right to reject any and all responses, to cancel this solicitation, and to make an award deemed in its own best interest.

To be advertised as follows:

Morning News: Sunday, January 13, 2019

City Web Page: Friday, January 11 through Wednesday, January 23, 2019

Attachment A

City of Florence, South Carolina
 Audit Services Pre-Proposal Conference Register of Attendees
 Wednesday, January 23, 2019

	Name	Firm Name	Location	Email Address
1	Grant Davis	Mauldin & Jenkins	Columbia	gdavis@mjcpa.com
2	Albert Cruz	Webster Rogers LLP	Florence	alcruz@websterrogers.com
3	Tracy Huggins	Burch Oxner Seale	Florence	thuggins@boscpa.com
4	James Guffey	Burch Oxner Seale	Florence	jguffey@boscpa.com
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**CITY OF FLORENCE,
SOUTH CAROLINA**



**REQUEST FOR PROPOSALS
NO. 2019-01**

FOR

PROFESSIONAL AUDITING SERVICES

JANUARY 11, 2019

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CITY OF FLORENCE, SOUTH CAROLINA

REQUEST FOR PROPOSALS

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CITY OF FLORENCE, SOUTH CAROLINA
REQUEST FOR PROPOSALS

I. INTRODUCTION

A. General Information

The City of Florence, South Carolina, is requesting proposals from qualified, certified public accounting firms for independent audits of the financial statements of the City of Florence and preparation of the annual financial reports for the fiscal years ending June 30, 2019, 2020, 2021, 2022, and 2023. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S Government Accountability Office's (GAO) *Government Auditing Standards*, the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Six copies of the proposal must be submitted to the City of Florence Procurement Office no later than 2:00 p.m., February 5, 2019 in accordance with conditions specified in part VI-A-3, Submission of Sealed Proposals, of this package. Proposals that are not submitted according to the instructions will not be accepted or considered.

The City of Florence reserves the right to reject any or all proposals and to waive formalities or technicalities insofar as it is legally authorized to do so in the best interest of the City.

Contracts for work under this proposal will obligate the firm not to discriminate on the grounds of race, color, religion, national origin, sex, disability, familial status, or any other class protected by the United States or the State of South Carolina in their employment practices.

Proposals submitted must be in a form suitable for incorporation verbatim, into the contract.

No contract may be assigned, sublet, or transferred without the express written consent of the City Manager.

A mandatory preproposal conference for all the firms interested in submitting a proposal will be held at 2:00 p.m. on January 23, 2019 in the City Council Chambers located on the 1st floor of the City Center, 324 West Evans Street,

Florence, South Carolina to answer questions about the engagement. **Proposals submitted by firms not in attendance at the mandatory preproposal conference will not be considered by the City.** After this preproposal conference, any inquires concerning the request for proposals should be addressed to Lynwood F. Givens, Purchasing Agent.

Proposals submitted will be evaluated by an evaluation panel. The evaluation panel will make its recommendation to City Council of the firm which best meets all of the evaluation criteria set forth in the request for proposals and the selection of which, in its collective opinion, would best serve the interest of the City of Florence. The award of contract for independent audit services will be made by the City Council of the City of Florence.

During the evaluation process, the evaluation panel reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. Interviews of any one or all firms may be requested during the evaluation process. Such interviews will provide firms with an opportunity to answer questions the evaluation panel may have about a firm's proposal. Not all firms may be asked to participate in such interviews.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.

It is anticipated the selection of a firm will be completed by March 11, 2019. Following the notification of the selected firm, it is expected a contract will be executed between both parties by April 2, 2019.

B. **Minority and Women Owned Businesses**

Minority and Women Owned Businesses will be afforded full opportunity to submit proposals in response to this invitation and will not be discriminated against on the grounds of race, color, creed, sex or national origin in consideration for an award. It is the policy of the City that minority business and women owned business enterprises (MBE/WBE) have an opportunity to participate at all levels of contracting in the performance of City contracts to the extent practical and consistent with the efficient performance of the agreement. Please indicate that you are a minority or women owned business with your proposal submission.

C. Term of Engagement

It is the City of Florence's intent to enter into a five-year contract with a stipulation that, at the option of the City, the contract may be cancelled after the third year should it be found desirable to do so.

D. Requirements of Successful Bidder

1. Professional Insurance and Indemnification

The firm awarded a contract with the City of Florence shall procure and maintain insurance for protection from claims under workers' compensations acts; claims for damages because of bodily injury including personal injury, sickness or disease, or death of any and all employees or of any person other than such employees; claims for damages because of injury to or destruction of property, including loss of use resulting therefrom; claims caused by professional errors, acts, or omission; and any other insurance prescribed by law. The successful firm shall name the City of Florence, South Carolina, its elected and appointed officials, officers, and employees "Additional Insured" as their interests may appear but only with respect to services performed or provided by successful firm on behalf of the City under Consultant's commercial general liability insurance policy. The successful firm shall, within 10 days of the full execution of any agreement resulting from this RFP, provide the City's Purchasing Agent with a certificate(s) of insurance evidencing the coverage required above and containing an endorsement to the effect that any cancellation or non-renewal shall not be until 10 days after the insurer or the selected firm gives written notice to the City.

The selected firm shall acquire and maintain, during the life of the agreement, workers' compensation and employer's liability insurance for all employees to be engaged in services on this project under this agreement in an amount not less than \$1,000,000.00, and in case any such services are sublet, the firm shall require all subcontractor(s) also to provide workers' compensation and employer's liability insurance in an amount not less than \$1,000,000.00 for all of the subcontractor's employees to be engaged in such.

Employer's Liability Insurance - \$1,000,000 each accident, \$1,000,000 disease policy limit, \$1,000,000 disease each employee

Commercial General Liability Insurance - \$1,000,000 per occurrence (bodily injury and property damage) / \$1,000,000 general aggregate

Automobile Liability Insurance - \$1,000,000 combined single limit (bodily injury and property damage), each accident

Professional Liability Insurance - \$1,000,000 per claim / \$1,000,000 general aggregate

Professional Services: The selected firm shall indemnify and hold the City of Florence, South Carolina, its elected and appointed officials, officers, and employees, harmless from and against judgments, liabilities, damages, losses, costs, and expenses (including, but not limited to, reasonable attorneys' fees and costs but only to the extent otherwise authorized by law) to the extent caused by any negligent act, error, or omission in the performance and furnishing of the selected firm's professional services under any agreement resulting from this RFP, including any negligent act, error or omission of any individual or entity directly or indirectly employed by the selected firm to perform any of the work or anyone for whose acts, errors, or omissions the selected firm may be liable, regardless of whether or not caused in part by a party indemnified hereunder.

Other Than Professional Services: With respect to all acts or omissions of the selected firm, or any individual or entity directly or indirectly employed by the selected firm to perform any of the work or anyone for whose acts, errors, or omissions the selected firm may be liable, which do not arise out of or result from the performance of professional services, and which may be covered by employer's liability insurance, commercial general liability insurance, automobile liability insurance, or other general liability insurance, the selected firm shall indemnify and hold the City of Florence, South Carolina, its elected and appointed officials, officers, and employees, harmless from and against judgments, liabilities, damages, losses, costs, and expenses (including, but not limited to, reasonable attorneys' fees and costs but only to the extent otherwise authorized by law) to the extent caused by or arising out of the selected firm's negligent acts of commission or omission (or those of or any individual or entity directly or indirectly employed by the selected firm to perform any of the work or anyone for whose actions or failure to act the selected firm may be liable) during the performance of this Agreement.

The selected firm shall require any sub-consultants and subcontractors to purchase and maintain insurance with limits not less than those required above to be purchased and maintained by the selected firm. In addition, the selected firm shall require any sub-consultants and subcontractors to assume the selected firm's indemnification obligations under any contract resulting from this RFP to the extent they relate to the sub-consultant's or subcontractor's obligations under any contract with the selected firm.

2. Occupational Business License

It is required that the firm awarded a contract agreement with the City of Florence secure an occupational business license. The successful firm is required to contact the Business License Coordinator, at the City Center, 324 W. Evans St., Florence, S.C. prior to commencement of work. Contact telephone number: (843) 665-3173; Fax number: (843) 665-3171.

II. NATURE OF SERVICES REQUIRED

A. General

The City of Florence (the "City") is soliciting the services of qualified firms of certified public accountants to provide audit services for the five fiscal years, beginning with the year ending June 30, 2019, and ending with the year ending June 30, 2023 with the stipulation that, at the option of the City, the contract may be cancelled after the third year should it be found desirable to do so. These audits are to be performed in accordance with the provisions contained in this request for proposals. The auditing firm must have an office physically located within the State of South Carolina.

B. Scope of Work to be Performed

The City desires the auditor to express an opinion on the fair presentation of its governmental activities, its business-type activities, each of its major funds, and its aggregate remaining fund information in conformity with generally accepted accounting principles.

The City of Florence also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section of the report.

The auditor is not required to audit the schedule of expenditures of federal awards. However, the auditor is to provide an "in-relation-to" report on that schedule based on the auditing procedures applied during the audit of the financial statements.

C. Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepting auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. Government Accountability Office's *Government Auditing Standards* (1994), the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements performed in accordance with *Government Auditing Standards*.
3. A report on compliance and internal control over compliance applicable to each major federal program and on internal control over compliance in accordance with OMB audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
4. A schedule of findings and questioned costs.
5. A summary of prior year findings.

In the required report on internal controls, the auditor shall communicate any control deficiencies found during the audit. A control deficiency shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements. Control deficiencies that are also material weaknesses shall be identified as such in the report.

The report on compliance shall include all material instances of noncompliance.

Fraud and illegal acts. Auditors shall be required to make an immediate, written report of all fraud and illegal acts or indications of illegal acts of which they become aware to the Mayor, City Manager, and Finance Director of the City.

Reporting to the City Council. The audit report will be addressed to the Honorable Mayor, Members of City Council, and the City Manager and auditors shall assure themselves that the City's Mayor, City Council, and City Manager are informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

E. Special Considerations

1. The City will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. The auditor will be required to provide special assistance to the City to meet the requirements of that program.
2. In the event that the City prepares one or more official statements in connection with the sale of debt securities, the official statements will contain the general purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the City, its financial advisor, bond attorney, and/or underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."
3. In addition to the normal performance of providing a complete financial and compliance audit, the auditor shall provide the adjusting entries for

each fiscal year after completion of the audit, shall work with the City Manager, Finance Director, and staff to provide appropriate assistance as needed to correct any audit findings or to satisfy auditor's recommendations, and shall be available to provide ongoing assistance as needed by the City's finance staff to assure proper accounting methods are being followed.

4. The Schedule of Expenditures of Federal Awards and related auditor's report, as well as the reports on the internal controls and compliance are to be issued as part of the comprehensive annual financial report. Additionally, Form SF-SAC Data Collection Form for Reporting on Audits of States, Local Government, and Non-Profit Organizations, as required by the Single Audit Clearinghouse shall be drafted by the auditor.
5. In addition to a summarized Statement of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual for the General Fund and in addition to a summarized Statement of Revenues, Expenses and Changes in Fund Net Position—Budget and Actual for the Water & Sewer Fund and the Stormwater Fund, the auditor shall provide as supplementary schedules to the financial statements these statements detailed by budget line item components. These statements shall be formatted in the same manner as the summarized statements, but presented in detail by budget line item.
6. The City maintains one blended, not-for-profit, component unit, the City of Florence Public Facilities Corporation. Each year before the November 15th filing deadline for the Form 990, the auditor shall complete the IRS Form 990 for the Public Facilities Corporation and file the completed form in compliance with IRS regulation.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

City of Florence

U.S. Department of Housing and Urban Development

U.S. General Accounting Office (GAO)

Parties designated by the federal or state governments or by the City as part of an audit quality review process

Auditors of entities of which the City is a subrecipient of grant funds (the State of South Carolina)

In addition, the firm shall respond to the reasonable inquires of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

G. Meetings, Conferences, and Consultation

The auditor shall meet with the Finance Director prior to the commencement of each audit to discuss the planned approach to the audit work and to establish an audit calendar prior to the beginning of field work. The auditor shall also schedule periodic progress meetings with the Finance Director, but not less than monthly, during the audit period to discuss the progress of the work, the nature of any problems encountered, and the projected completion date of the audit.

An exit conference with the City Manager and Finance Director is required of the auditor on completion of the audit prior to final presentation. A summary presentation of the audit findings shall be made by the auditor to the City Council.

The audit manager or assigned designee must be available on an as-needed basis throughout the contract period for advice and consultation regarding accounting and financial reporting matters, and for review of work papers where applicable and appropriate. Generally, this consultation will be infrequent and will allow the Finance Department staff to receive answers to questions regarding transactions, or to seek advice on accounting procedures and methods that may have an impact on the audit. Responses to such inquiries should generally be considered as incidental to the audit process and included as part of the audit fee, and would not be considered for this RFP as additional professional services.

III. DESCRIPTION OF THE GOVERNMENT

A. Name and Telephone Number of Contact Person/Organizational Chart/Key Personnel

The auditor's principal contact with the City will be Thomas W. Chandler, Finance Director, or a designated representative, who will coordinate the assistance to be provided by the City to the auditor.

An organizational chart (Appendix A) and a list of key personnel with the location and telephone number of their principal offices (Appendix B) is attached.

B. Background Information

The City of Florence is organized under a Council-Manager form of government and provides to a population of approximately 38,000 citizens such services as public safety, public works, culture and recreation, planning and zoning, permitting, water and sewer, stormwater management, and general administrative services. In addition, water and sewer services are provided to a large portion of the surrounding metropolitan area, with an outside City limits combined customer base of approximately 17,000.

The City is governed by a seven-member Council, including the Mayor. City Council is responsible for setting City operating policies, creating ordinances, and adopting the City's annual budget. The chief administrative officer of the City is the City Manager who has the responsibility for the day-to-day operations of City government and the supervision of the City's workforce of approximately five hundred eighteen full-time employees with a payroll, including benefits, of approximately \$29.3 million.

More detailed information on the government and its finances can be found in the City's annual budgets and comprehensive annual financial reports which are available online at www.cityofflorence.com.

C. Fund Structure

The City uses the following fund types and account groups in its financial reporting:

<u>Fund Type/Account Group</u>	<u>Number of Individual Funds</u>	<u>Number With Legally Adopted Annual Budgets</u>
General Fund	1	1
Special revenue funds	17	1
Blended component unit	1	
Debt service funds	2	1
Capital projects funds	3	
Enterprise funds	2	2
Agency funds	7	

D. Basis of Budgeting

The City of Florence prepares its budgets on a basis consistent with generally accepted accounting principles.

E. Federal and State Financial Assistance

During the fiscal years to be audited, the City will receive federal financial assistance from a variety of agencies (some of which passes through various State agencies). It is likely that one or more grant programs will qualify as Major Federal Financial Assistance Programs.

F. Pension Plans and OPEB Plans

The City is a member of the South Carolina Retirement System (SCRS) and the South Carolina Police Officers' Retirement System (SCPORS). Both systems are defined benefit multiple-employer public employee retirement systems and are administered by the South Carolina Public Employee Benefit Authority which covers substantially all full-time employees. Employee and employer contributions are made each year. Actuarial services for these plans are provided by the State of South Carolina.

The City has contracts with an actuary to calculate its future liabilities for the cost of post retirement health care benefits. Additionally, the City is a member of the SC Other Retirement Benefits Employer Trust (SC ORBET) and has made required contributions to fund the amortization of its accrued liability.

G. Component Units

The City of Florence has one blended component unit. The City of Florence Public Facilities Corporation (Corporation) is a not-for-profit (501(c)(3)) which was created to provide financing for the construction of public facilities owned by the City of Florence. The Corporation's fiscal year begins July 1 of each year and ends on the following June 30.

H. Joint Ventures

The City is a participant with Florence County in a joint venture to operate the Florence City-County Civic Center. Both the City and County contribute approximately \$640,000 annually as their share of the debt service cost of the Civic Center. Any additional operational funding shortfall is to be paid equally by the City and County. The Civic Center Commission is comprised of nine members, four appointed by the City, four appointed by the County, and one by the members of the Commission. Neither of the participating governments have any equity interest in the joint venture; therefore, no equity interest is reflected in the financial statements. Complete financial statements for the Florence City-County Civic Center can be obtained from the Director at 1 Civic Center Plaza, Florence, South Carolina.

I. Magnitude of Finance Operations

The Finance Department is headed by Thomas W. Chandler, Finance Director and is comprised of the Finance & Accounting Division and the Utility Finance Division. The two divisions consists of thirty-seven employees.

J. Computer Systems

The City of Florence has a fully computerized general ledger system, which consists of the following: general ledger, payroll, human resources, accounts payable, purchasing, cash receipts, business license, hospitality fee, fixed assets, grant accounting, fleet and utility inventory, and utility billing. The City's current software is Tyler Technology's MUNIS program.

In addition to the MUNIS program, the City of Florence has a variety of PCs which are connected to a Hosted Desktop using the City's IT vendor VC3's Virtual Office Advantage (VOA) cloud based service.

K. Internal Audit Function

The City does not, at present, maintain a formal internal audit function.

L. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports may access them at the City's website www.cityofflorence.com by selecting Finance Department under Department and Services, then select the Comprehensive Annual Financial Reports link.

M. Special State Reporting Requirement

SC Code of Laws Section 14-1-208 requires that the annual audit include a review of accounting controls over court assessments and further requires the City to include, in its audited financial statements, a supplementary schedule detailing the disposition of court assessments and amounts required to be used for victim services activities. The law requires that the schedule be included in the external auditor's report by an "in relation to" paragraph as required by generally accepted auditing standards when information accompanies the basic financial statements in auditor-submitted documents. The law allows up to \$1,000 to be paid from fines and assessments to the auditor for the actual cost of preparing the schedule after the audit is submitted to the State Treasurer along with a statement of the actual cost incurred.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	01/11/2019
Pre-proposal conference	01/23/2019
On-site inspection	01/23/2019
Deadline for submitting RFP questions	01/29/2019
Due date for proposals	02/05/2019

B. Notification and Contract Dates

Selected firm notified	03/11/2019
Contract date	04/02/2019

C. Date Audit May Commence

The City will have most records ready for audit approximately sixty (60) days following close of the fiscal year. On-site audit work should commence no later than the third week of August, however the auditor may start preliminary work as early as June 1. Because some reporting is reliant upon payables made through the sixty (60) day period following the close of the fiscal year, some reports will not be available on September 1. Specifically, these reports include the work-in-process, depreciation schedules, addition to capital assets, disposals of capital assets, and transfers of capital assets. These schedules are typically completed within two to three weeks after September 1.

D. Schedule for the 2019 Fiscal Year Audit (Similar time schedules will apply for audits of future fiscal years).

Each of the following should be completed by the auditor no later than the dates indicated.

1. Preliminary Work

Preliminary work should be performed in June to be completed by June 30.

2. Audit Calendar

The auditor shall provide the City by June 30 of each year a detailed audit calendar.

The City will provide the auditor with a list of standard reports and when each report will be completed and available.

3. Fieldwork

The auditor shall complete all fieldwork by October 15.

4. Draft Reports

The auditor shall deliver a first draft of the CAFR to the City by the last week of October for review by the Finance Director and his staff. The audit calendar should detail the dates for follow-up reviews and delivery dates for subsequent draft reports, if any are needed.

E. Date Final Report is Due

Before the first Monday in December the auditor will meet with the Finance Director and City Manager to review key points of the audit and to answer any questions the City Manager or Finance Director may have regarding the audit. Once all issues for discussion are resolved, the final signed report shall be delivered to the City by or before the first Monday in December.

Additionally, fifteen (15) printed copies and one (1) copy of the final report in current electronic media format shall be delivered to the Finance Director before the first Monday in December following the close of the audit period in each year of the contract. The auditor shall be required to appear before the Council to review the report on the second Monday of December. A total of sixty (60) additional printed copies of the final report will be delivered within fifteen days of final submission.

F. Entrance and Exit Conferences, and Progress Reporting

Entrance and exit conferences should be scheduled annually. Progress reporting conferences must be held periodically, but not less than monthly, during the audit period to update the Finance Director on the progress of the work, the nature of any problems encountered, and the projected completion date of the audit.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation, and explanations. The preparation of confirmations will be the responsibility of the auditor.

B. Electronic Data Processing (EDP) Assistance

EDP personnel will be available to provide systems documentation and explanations.

C. Statements and Schedules to be Prepared by the Staff of the City of Florence

The staff of the City will prepare certain statements and schedules for the auditor. These reports include a schedule of property taxes receivable; schedules of fixed assets including additions, deletions, and depreciation for the year; schedules of capitalized projects; work in process schedules; supplies inventory; bond costs and accumulated amortization schedule; compensated absences; accounts payable; accounts receivable; bank reconciliations; revenue and expenditure budget versus actual reports; trial balances; detailed general ledger for all funds; investment schedules; and other reports that will be provided to the auditor as the reports are completed and available. Additionally, the City will provide assistance in retrieving and re-filing check vouchers needed by the auditor for testing.

D. Work Area, Telephones, Photocopying, Internet Access, and Facsimile Machines

The City will provide the auditor with reasonable work space, desks, and chairs. The auditor will also be provided with access to a telephone, photocopying equipment, internet access, and an electronic facsimile machine.

E. Report Preparation

Report preparation, routine editing, and printing shall be the responsibility of the auditor.

F. Trial Balance

At the auditor's discretion the trial balance may be requested earlier than September 1 with the understanding that there will be a number of year-end journal entries made. Submitting the trial balance on September 1 will significantly reduce the number of year-end entries that will be posted. However,

some entries, such as capitalization or work-in-process of capital projects and capital assets purchased, disposing of capital assets, and posting depreciation will be posted after September 1. Once the trial balance has been delivered to the auditor the City will provide to the auditor a copy of any additional journal entries posted on a weekly basis.

G. GASB 34 Conversion Entries

Currently the City does not record on its books the government-wide entries required for GASB 34 reporting.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Preproposal Conference and On-site Inspections

A mandatory pre-proposal conference for firms interested in submitting proposals will be held at 2:00 p.m., January 23, 2019 in the City Council Chambers, of the City Center, 324 West Evans Street, Florence, South Carolina. Attendance at the conference is required as a condition of submitting a proposal. Both verbal and written questions will be accepted during the conference.

Immediately following the pre-proposal conference, representatives of the Finance Department will be available to conduct on-site inspections for interested proposers.

2. Inquires

Inquires concerning the request for proposals and the subject of the request for proposals should be made to:

Lynwood F. Givens, Purchasing Agent
lgivens@cityofflorence.com
(843) 665-3165

City of Florence
Finance Department
324 West Evans Street
Florence, SC 29501-3430

Any additional RFP questions must be received by noon on 01/29/2018.

3. Submission of Sealed Proposals

In order to simplify the review process and enable the City to make an equitable and objective comparison of the proposals, proposals must be organized according to the following format and six (6) copies each must be submitted. **The following material is required to be received by the City by 2:00 p.m. on February 5, 2019 for a proposing firm to be considered:**

- a) A Technical Proposal to include the following:
 - 1) Title Page: Include the Proposal Name, “Independent Auditing Services – Request for Proposals 2019-01”, and the name of the proposing firm along with the address, telephone number, and name of contact person, and the date of the proposal.
 - 2) Table of Contents: Include a clear identification of the material by section and page number.
 - 3) Transmittal Letter: A signed letter of transmittal briefly stating the proposer’s understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes that it is best qualified to perform the engagement, and a statement that the proposal is a firm and irrevocable offer for 90 days.
 - 4) Detailed Proposal: The detailed proposal should follow the order set forth in Section VI-B of this request for proposals.
 - 5) Executed copies of Proposer Guarantees and Proposer Warranties, attached to this request for proposal (Appendix C and Appendix D).
- b) Technical Proposals (6 copies each) must be in a sealed envelope and clearly marked as follows: “TECHNICAL PROPOSAL FOR CITY OF FLORENCE, SC INDEPENDENT AUDITING SERVICES 2019-01.” Technical Proposals submitted by mail must meet the same requirements.
- c) A Dollar Cost Bid Proposals (6 copies each) must be submitted in a **SEPARATE** sealed envelope and marked as followed: “DOLLAR COST BID PROPOSAL FOR CITY OF FLORENCE, SC INDEPENDENT AUDITING SERVICES 2019-01.” Dollar Cost Bid Proposals submitted by mail must meet the same requirements.

- d) The sealed Technical Proposals and sealed Dollar Cost Bid Proposals must be submitted in two (2) separate sealed envelopes, and clearly marked as required in subsections b and c above. The proposals should be addressed as follows:

City of Florence
Lynwood F. Givens, Purchasing Agent
Finance Department
324 West Evans Street
Florence, SC 29501-3430

If proposals are mailed, it is the sole responsibility of the proposer to have the proposals delivered to the City by the date and time specified in the RFP. Any proposals received later than the specified date and time will not be accepted or considered. Facsimile (FAX) transmissions will **not** be accepted. The City will not be responsible for late submission caused by the postal service, other carriers, or any other delivery problems regardless of the reason.

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence, capacity, and ability of the firms seeking to undertake an independent audit of the City in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

There should be no dollar units or total costs included in the Technical Proposal Document.

The Technical Proposal should address all points outlined in the request for proposals. The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposal. While additional data may be presented, the following subjects, items 2 through 7, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that is independent of the City as defined by generally accepted auditing standards, the U.S. General Accounting Office's *Government Auditing Standards* and/or any later pronouncements, and the independence standards of the South Carolina Board of Accountancy.

3. License to Practice in South Carolina

An affirmative statement should be included that the firm and all assigned key professional staff are properly registered or licensed to practice in South Carolina and that the firm maintains an office physically located in South Carolina.

4. Firm Qualifications and Experience

a. The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

b. If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified, and the firm that is to serve as the principal auditor should be noted, if applicable.

c. The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific **government** engagements.

d. The firm shall also provide information on the results of any federal or state desk reviews or field reviews of audits performed by its office during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against its office during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory, and Staff Qualifications and Experience

a. Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists,

who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in South Carolina. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

- b. Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.
- c. The proposer should identify the extent to which staff to be assigned to the audit reflect the City's commitment to Affirmative Action.
- d. Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted, or are assigned to another office. However, in any case, the City retains the right to approve or reject replacements.
- e. Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the City, which retains the right to approve or reject replacements.
- f. Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (**no more than 5**) performed in the last five years that are similar to the engagement described in this request for proposal. **These engagements should be ranked on the basis of total staff hours.** Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Audit Approach and Service; Staffing and Communication

The proposal should set forth a work plan, including and explanation of the audit methodology to be followed, to perform the services required in

Section II of this request for proposal including the level of staff and number of hours to be assigned to the major segments of the engagement.

Method of Approach and Service: The proposal should describe how the firm intends to conduct the audit in the first year and subsequent years and the role of audit firm in providing technical support and consultation.

Staffing and Communication: The proposal should describe how the firm will coordinate and monitor staff service and how access to and communication with the firm and staff will be ensured through entrance conferences, progress reporting, and exit conferences.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement. **No dollar costs should be included in the Technical Proposal.**
- c. Sample size and the extent to which statistical sampling is to be used in the engagement
- d. Type and extent of analytical procedures to be used in the engagement
- e. Approach to be taken to gain and document an understanding of the City's internal control structure
- f. Approach to be taken in determining laws and regulations that will be subject to audit test work
- g. Approach to be taken in drawing audit samples for purposes of tests of compliance

C. Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposal for each of the next five years. This fee must include the financial reports and all required schedules and all other required services and related expenses as well as any reasonable additional services which may be included. The fee must include any additional work, schedules, or reports

that are required due to: changes in or additions to statements by GASB; the AICPA; the State of South Carolina laws, regulations, and provisos; or any other standard setting body, which require the City to implement so the its financial statements are reported in compliance with GAAP. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including out-of-pocket expenses.

The dollar cost bid should include the following information:

- a. Name of Firm
- b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the City.
- c. A Total All-Inclusive Maximum Price for the 2019-2023 engagements.

2. Rates for Additional Professional Services

If it should be become necessary for the City to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City and the firm. The auditor should state the hourly rates that would be charged for such services.

3. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Interim billing may be submitted no more than once monthly. Final payment of the annual fee will be made only after delivery of all final reports.

VII. EVALUATION PROCEDURES

A. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated for technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. Mandatory Elements

- a. The audit firm is independent, has an office or offices physically located in South Carolina, and is licensed to practice in South Carolina.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the City.
- c. The firm adheres to the instructions on preparing and submitting the proposal as specified in this request for proposal.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

2. Qualifications

a. Expertise and Experience

- 1) The firm's past experience and performance on comparable government engagements.
- 2) The firm's past experience in providing assistance to meet the requirements of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting program.
- 3) The quality, skills, and ability of the firm's professional personnel to be assigned to the engagement and the quality, skills, and ability of the firm's management support personnel to be available for technical consultation.

b. Audit Approach and Service; Staffing and Communication

- 1) Method of Approach and Service: How the firm will conduct the audit in the first year and subsequent years and the role of audit firm in providing technical support and consultation.
- 2) Staffing and Communication: How the firm will coordinate and monitor staff service and how access to and communication with the firm and staff will be ensured through entrance conferences, progress reporting, and exit conferences.

3) Adequacy of proposed staffing plan for various segments of the engagement.

4) Adequacy of hours assigned to various levels of audit personnel – partner hours; manager hours; staff hours, etc.

c. Prior Experience with City of Florence and Proximity

1) Prior experience of assigned audit staff with City of Florence

2) Proximity of assigned audit staff's office location to the City of Florence

3. Price

Cost will not be the primary factor in the selection of an audit firm.

B. Interviews

During the evaluation process interviews of any one or all firms may be requested. Such interviews will provide firms with an opportunity to answer questions the evaluation panel may have about a firm's proposal. Not all firms may be asked to participate in such interviews.

C. Final Selection

The evaluation panel will make its recommendation to City Council of the firm which best meets all of the evaluation criteria set forth in the request for proposals and the selection of which, in its collective opinion, would best serve the interest of the City of Florence. The City Council will select a firm based upon the recommendation of the evaluation committee.

It is anticipated that a firm will be selected by March 11, 2019. Following notification of the firm selected, it is expected a contract will be executed between both parties by April 2, 2019.

D. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected.

The City reserves the right without prejudice to reject any or all proposals.

E. Right to Waive Technicalities

The City reserves the right to waive technicalities in its evaluation of all proposals.

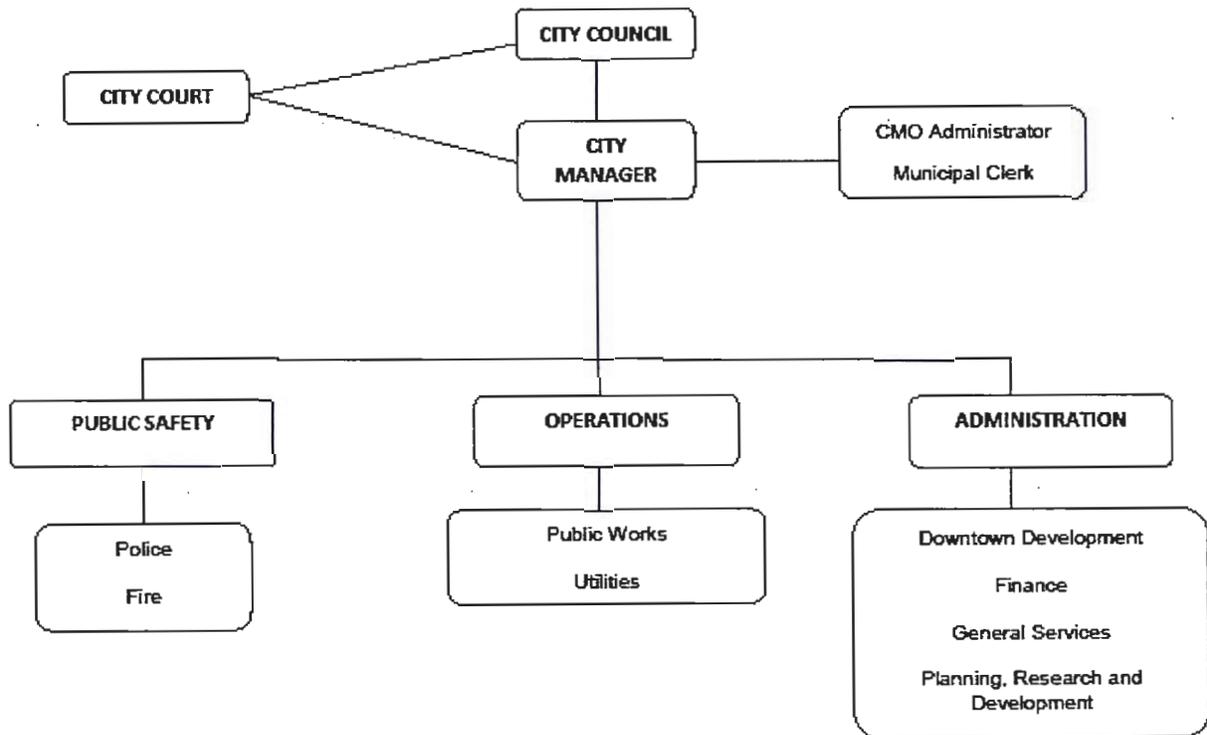
F. Proposal Disclosures and Public Inspection

The proposals shall be publicly opened, and only the names of the proposers will be disclosed at the proposal opening. Contents of the competing proposals shall not be disclosed during the evaluation or negotiation phases. Proposals shall be available for public inspection after award of the contract. Proprietary or confidential information (i.e., customer lists, financial reports, etc.), if marked as such, shall not be disclosed without the written consent of the proposer. Proposer shall identify such information by writing "CONFIDENTIAL" on such items.

APPENDICES

- A. Organizational Chart
- B. List of Key Officials, Office Locations, and Telephone Numbers
- C. Proposer Guarantees
- D. Proposer Warranties
- E. Format for Schedule of Professional Fees and Expenses
- F. Format for Schedule of Additional Professional Fees

CITY OF FLORENCE
ORGANIZATIONAL CHART
FY 2017-18



APPENDIX B

**LIST OF KEY PERSONNEL, OFFICE LOCATIONS, AND
TELEPHONE NUMBERS**

<u>Name and Title</u>	<u>Location of Office</u>	<u>Telephone</u>
Stephen J. Wukela, Mayor	City Center	665-3151
Andrew H. Griffin, City Manager	City Center	665-3113
Thomas W. Chandler, Finance Director	City Center	665-3162
Jim Peterson, City Attorney (Clark, Johnson Peterson, and McLean)		669-2401

PROPOSER GUARANTEES

Note: Proposer may use any word processor, spreadsheet or other formatting tool to provide this information rather than typing amounts into this schedule as long as all requested information is provided

The Proposer certifies it can and will provide and make available, as a minimum, all services set forth in Section II, Nature of Services Required.

Signature of Official:

Name (typed):

Title:

Firm:

Date:

PROPOSER WARRANTIES

Note: Proposer may use any word processor, spreadsheet or other formatting tool to provide this information rather than typing amounts into this schedule as long as all requested information is provided

- A. Proposer warrants that it is willing and able to comply with State of South Carolina laws with respect to foreign (non-state of South Carolina) corporations.
- B. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees, or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the City of Florence.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official:

Name (typed):

Title:

Firm:

Date:

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDITS OF THE 2019-2023 FINANCIAL STATEMENTS

Note: Proposer may use any word processor or formatting tool to provide this information rather than typing amounts into this schedule as long as all requested information is provided.

	<u>Standard Hourly Rates</u>	<u>Hours</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners				
Managers				
Supervisory staff				
Staff				
Other (specify):				
Subtotal				
Out-of-pocket expenses, meals and lodging, transportation and any other (specify):				
Total all-inclusive maximum price for 2019 audit				
Total all-inclusive maximum price for 2020 audit				
Total all-inclusive maximum price for 2021 audit				
Total all-inclusive maximum price for 2022 audit				
Total all-inclusive maximum price for 2023 audit				

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive price.

SCHEDULE OF PROFESSIONAL FEES

FOR ADDITIONAL SERVICES DESCRIBED IN VI-C-2

Note: Proposer may use any word processor or formatting tool to provide this information rather than typing amounts into this schedule as long as all requested information is provided.

Standard Hourly <u>Rates</u>	Quoted Hourly <u>Rates</u>
------------------------------------	----------------------------------

Partners

Managers

Supervisory staff

Staff

Other (specify)

PROPOSAL ON PROFESSIONAL SERVICES

**PREPARED FOR
CITY OF FLORENCE, SOUTH CAROLINA**

**FOR THE
FISCAL YEAR ENDING**

June 30, 2023

TITLE PAGE

REQUEST FOR PROPOSAL SUBJECT:

PROPOSAL TO PROVIDE ANNUAL FINANCIAL AUDIT SERVICES TO THE CITY OF FLORENCE,
SOUTH CAROLINA FOR FISCAL YEARS ENDING JUNE 30, 2019; JUNE 30, 2020; JUNE 30, 2021; JUNE 30, 2022; AND
JUNE 30, 2023.
--INDEPENDENT AUDITING SERVICES--REQUEST FOR PROPOSALS 2019-01

PROPOSER'S FIRM:

Burch, Oxner, Seale Company, CPA's, PA
Certified Public Accountants

LOCAL ADDRESS:

1341 West Alice Drive
P. O. Box 4707
Florence, South Carolina 29502

TELEPHONE:

669-3142, 669-3143 or 669-3144

CONTACT PERSON:

Tracy S. Huggins, CPA
Audit Partner

DATE SUBMITTED:

February 5, 2019

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BURCH, OXNER, SEALE CO.
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION

-MEMBERS OF-
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
S.C. ASSOCIATION OF
CERTIFIED PUBLIC ACCOUNTANTS
DIVISION FOR CPA FIRMS
AMERICAN INSTITUTE OF CPAS

709 W. EVANS STREET
P.O. DRAWER 4707
FLORENCE, SC 29502
TELEPHONE (803) 669-3142
TELECOPIER (803) 662-9255

February 5, 2019

Mr. Lynwood F. Givens
Purchasing Agent
City of Florence
City Center
324 West Evans Street
Florence, South Carolina 29501

Dear Mr. Givens:

Thank you, Honorable Mayor and members of Council for allowing us to present our Firm for you to consider engaging as the City's auditors for the next five years. Also, our special thanks to you personally, for your courtesy and time reviewing the City's audit requirements with me.

In an effort to help you make an efficient and expeditious evaluation of our Firm's qualifications to perform the requested services, I shall attempt to limit this writing to a specific and direct response to those criteria enumerated in "Request For Proposals No. 2019-01 for Independent Audit and Financial Report Preparation Services". However, we will be happy to supply any and all supplemental information you may find useful in making your decision.

We have read the Request for Proposal (RFP) and fully understand its intents and contents. We understand the time frame for performance of the annual financial audits as stipulated by the City and agree to provide the services described in the proposal. We will conduct preliminary and final fieldwork and will issue all of the deliverables and reports substantially prior to the required dates.

The audit objective will be to examine the financial statements of the governmental activities, the business type activity, each major fund and the remaining fund information of the City of Florence, South Carolina as of and for the year ending June 30 of each of the years under contract. The examination will be made in accordance with auditing standards generally accepted in the United States of America and, accordingly, will include such tests of the accounting records and such other auditing procedures as may be considered necessary. Although defalcations and similar irregularities may be disclosed and explained, it is

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not designed for this purpose and should not be relied on to disclose fraud, should any exist. Anything that appears to be unusual or abnormal will, however, be reported to you. The examination shall conform with auditing standards generally accepted in the United States of America as set forth by the AICPA, the standards for financial audits set forth in the U. S. General Accounting Office's *Government Auditing Standards*, the provisions of the Single Audit Amendments of 1996 and the provisions of U. S. Office of Management and Budget (OMB) audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The contract for audit services will be for the five fiscal years, beginning with the year ending June 30, 2019, and ending with the year ending June 30, 2023. The City shall have the option to cancel the contract after the first three years. We will be available to provide financial advice and any additional services as requested by the City which are not included in this proposal. Hourly rates for these additional services can be found in the Dollar Cost Bid section.

A draft of the proposed audited financial statements will be submitted to the City Administrator and Finance Director by the last week of October. An exit conference will be scheduled between the auditors, the City Administrator and the Finance Director to review the draft of the audit report and management letter.

Fifteen (15) copies of the report and one (1) copy of the final report formatted in current electronic external storage media are to be delivered to the Finance Director before the first Monday in December following the close of the audit period. The audit firm will be available to meet with Council to review the report. Sixty (60) additional copies of the final report are to be delivered within fifteen days of final submission.

All work papers will be retained for a period of at least five years following the close of the contract. The work papers will be available for examination by authorized representatives of the cognizant federal audit agency and the City of Florence. We will be available for advice and consultation regarding accounting and financial reporting matters, and for review of work papers where applicable.

The auditor will provide special assistance to the City to meet the requirements of the Certificate of Achievement for Excellence in Financial Reporting program. The Firm assisted the City of Florence in obtaining a Certificate of Achievement for Excellence in Financial Reporting on its first attempt. The auditor will complete Form SF-SAC Data Collection Form for Reporting on Audits of States, Local Government, and Non-Profit Organizations.

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Burch, Oxner, Seale Co., CPA's, PA has substantial experience in audits of government. In addition, the Firm requires its employees to attend several continuing education courses annually related to governmental accounting and auditing. While this proposal letter, which is a firm and irrevocable offer for 90 days, is by necessity somewhat formal and lengthy, please do not let it overshadow Burch, Oxner, Seale Co, CPA's, PA's sincere desire to form a mutually beneficial relationship with City of Florence. Burch, Oxner, Seale Co, CPA's, PA welcomes this opportunity to assure you of our interest in the City of Florence. We believe that you will find this information useful in evaluating our qualifications and confirming our ability to meet your needs. After you have had a chance to review our qualifications, please let us know what, if any, additional information may be of further help to you.

Yours very truly,
BURCH, OXNER, SEALE CO, CPA's, PA
CERTIFIED PUBLIC ACCOUNTANTS



Tracy S. Huggins, CPA
Member of the Firm

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GENERAL REQUIREMENTS

Burch, Oxner, Seale Co, CPA's, PA uses a constructive approach in performing audits. We believe this philosophy creates, for both our client and our audit staff, a positive attitude toward the audit function. Many audits are performed in an atmosphere of "tolerance". Our Firm insists that its professional auditors be constantly alert to recognize opportunities and methods to assist you in improving and/or facilitating the accounting function. Of course, an audit must remain an audit; but we put added emphasis on the positive things that can result if it is performed by positive thinking professionals.

We will concentrate on the development of a format of audit procedures and activities which will, to the fullest extent possible, fit into your regular operational activities. The objective is to cause a minimum of interference with your day-to-day work. We try to get out of your way as soon as possible.

As to scheduling, we would like to combine interim audit procedures during June before you close out the books and records for the fiscal year. During this time, among other things, we will prepare and leave with you memoranda of items needed prior to our return for the final post year-end phase of the audit. The objective is to help you schedule your staff's time in advance of the audit, and to prevent their being overwhelmed with requests at one time.

Interim audit procedures consist of a study and evaluation of the system of internal accounting controls, tailoring our audit program, and our tests of recorded transactions. To the extent reasonable, during this interim work we will extend our audit procedures to a preliminary review of balance sheet accounts. Many of the year end audit correspondence inquiries such as bank confirmations, attorney letters, payable statement requests, etc., will be drafted during the interim audit phase at that time so that our professional support staff will have the documents ready for your signature and/or approval immediately following year end.

In accordance with promulgated auditing standards, your administrative and accounting executives will be asked to furnish us with a letter of representations at the conclusion of our audit work. It is also our understanding that your personnel will provide us with clerical help during the engagement.

For your consideration, audit findings and general recommendations will be discussed with you at the conclusion of the audit. Certain of these matters will also be covered in a separate management letter. This letter will contain our suggestions and recommendations for possible improvements in operations, accounting procedures, and/or internal controls.

Important weaknesses in internal control or other significant matters, if encountered, will be reported to you immediately during the examination to permit your prompt attention.

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INDEPENDENCE

We hereby affirm that Burch, Oxner, Seale Co., CPA's, PA is independent with respect to the City of Florence, South Carolina, and related outside entities as defined by generally accepted auditing standards. Our policy on independence is very restrictive and meets the requirements as defined by auditing standards generally accepted in the United States of America, *Government Auditing Standards*, issued by the Comptroller General of the United States and/or any later pronouncements, and the independence standards of the South Carolina Board of Accountancy. We are prohibited from owning investments in or having significant transactions with our clients. We do not accept commissions or any other form of "kick-backs" from any legal, insurance, vendors, or any other technical consultants that we might work with in connection with a client's needs.

The firm believes privacy and trust are implicit in the accounting profession. Every person employed by our firm must refrain from any discussion or disclosure of client matters to all outsiders, including members of their own family, as well as nonfinancial related employees of our clients. We understand that the City is a public entity; however, all public information of your financial status must come from you, not us. Burch, Oxner, Seale Co., CPA's, PA is independent of the City of Florence.

LICENSE TO PRACTICE IN SOUTH CAROLINA

We hereby affirm that Burch, Oxner, Seale Co., CPA's, PA is properly registered as a certified public accounting firm licensed to practice in the State of South Carolina by the South Carolina Board of Accountancy. Our South Carolina license number is 1280. Additionally, all assigned key professional staff are properly licensed and registered to practice public accounting with the State of South Carolina.

FIRM QUALIFICATIONS AND EXPERIENCE

Burch, Oxner, Seale Co, CPA's, PA is a licensed certified public accounting firm in the State of South Carolina. Our office is currently located at 1341 West Alice Drive, Florence, South Carolina. Burch, Oxner, Seale Co., CPA's, PA does not discriminate on the grounds of race, color, creed, religion or natural origin. We have 24 employees of which ten are CPA's. The firm's audit staff typically encompassed six employees of which four are CPA's.

Burch, Oxner, Seale Co., CPA's, PA is a member of the Division for CPA Firms of the American Institute of CPA's. As a Division member, our quality controls are reviewed every three years for compliance with the highest professional standards. Our most recently issued external quality control review was in October of 2015. Enclosed please find a copy of the report on our most recent external quality control review, conducted by A. Creig Odom, CPA, PA on October 20, 2018. The quality control review included a review of several government engagements. There has been no disciplinary action taken or pending against the firm during the past three years with the South Carolina Board of Accountancy, the AICPA, or the South Carolina Association of

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CPAs. Our external quality control review for the year ending April 30, 2018 was completed and submitted on October 31, 2018 to the Illinois CPA Society who administers the peer review program for the South Carolina Board of Accountancy. This process for technical review takes approximately six months to complete.

PERSONNEL QUALIFICATIONS

Tracy S. Huggins, CPA, Partner

Mr. Huggins is a graduate of the College of Charleston and has been in the practice of public accounting over 27 years. He was admitted as a partner in Burch, Oxner, Seale Co., CPA's, PA on May 1, 2000. He is the Firm's Audit Director, and as such performs and supervises all types of audits. His primary audit emphasis is governmental and non-profit audits. He is registered and licensed to practice in the State of South Carolina. Mr. Huggins is a member of the American Institute of Certified Public Accountants and of the South Carolina Association of Certified Public Accountants. Some of his most recent continuing education courses include the 2018 Tackling Internal Control Over Compliance in a Single Audit, Applying the Uniform Guidance in Your Single Audits and the Essential Course for Performing Single Audits under the new Uniform Guidance. His directly related fund accounting experience includes, but is not limited to:

- City of Florence - Annual Audit, including Single Audit - 13 years
- Town of Society Hill - Annual Audit - 26 years
- Florence County Disabilities and Special Needs Board - Annual Audit, including Single Audit - 26 years
- Chesco Services - Annual Audit, including Single Audit - 24 years
- Pee Dee Regional Council of Governments - Annual Audit, including Single Audit - 8 years

James D. Guffey, CPA, Audit Manager

Mr. Guffey joined Burch, Oxner, Seale Co., CPA's, PA in 2012. He is a graduate of Clemson University with a master's degree in Accounting. James passed the CPA exam in August 2012 and was awarded his certificate in November 2013. He is registered and licensed to practice in the State of South Carolina. We are proud to have James as part of our team. He has been intricately involved in governmental audit engagements since he came aboard as well as with all Firm audits.

- Town of Society Hill - Annual Audits - 7 years.
- Florence County Disabilities and Special Needs Board - Annual Audit - 7 years.
- Chesco Services - Annual Audit - 7 years.
- Darlington County Disabilities and Special Needs Board - Annual Audit - 7 years.
- Pee Dee Regional Council of Governments – Annual Audit – 7 years.

Attachment D

Tara C. Bolton, CPA, Quality Control Manager

Mrs. Bolton joined Burch, Oxner, Seale Co., CPA's, PA in 2007. She is a graduate of the University of Michigan-Dearborn "Magna Cum Laude" with a major in Accounting. She has been intricately involved in governmental and non-profit engagements since she came aboard as well with all Firm audits. Mrs. Bolton pass the CPA exam in November 2009 and was awarded her certificate in February 2010. She is registered and licensed to practice in the State of South Carolina.

- Town of Society Hill - Annual Audits - 11 years.
- Florence County Disabilities and Special Needs Board - Annual Audit - 11 years.
- Chesco Services - Annual Audit - 11 years.
- Darlington County Disabilities and Special Needs Board - Annual Audit - 11 years.
- Pee Dee Regional Council of Governments - Annual Audit - 8 years.

Other Partners/Managers Available:

James M. Sheehy, CPA has been involved with the City of Florence audit for 6 years.

Donald E. Oxner, CPA/PFS, CVA has been involved in governmental/non-profit and commercial audits for over thirty years.

In addition, all of these partners/managers have extensive experience in virtually all types of audit engagements. Full resumes on any of the other partners or of other potentially involved staff members will be made available at your request.

FIRM'S EXPERIENCE AND QUALIFICATIONS

Following is an enumeration of some references to our Firm's experience and qualifications in governmental auditing during the past five years:

Chesco Services - Annual Audit, including federal grants - Annual budget - \$24,000,000 - Single Audit. Engagement Partner, Tracy S. Huggins, CPA. Total hours for June 30, 2018 – 412.70. Mr. Terry Rogers, Executive Director - 843-623-5400.

Florence County Disabilities and Special Needs Board - Annual Audit, including federal grants - Annual budget - \$21,000,000 - Single Audit. Engagement Partner, Tracy S. Huggins, CPA. Total hours for June 30, 2018 - 243.80. Mrs. Dawn Johnson, Executive Director - 843-667-5007.

Darlington County Disabilities and Special Needs Board - Annual Audit, including federal grants - Annual budget \$6,500,000 - Single Audit. Engagement Partner, Tracy S. Huggins, CPA. Total hours for June 30, 2018 – 203.90. Mrs. Ruth Thomas, Executive Director - 843-332-7252.

Clarendon County Disabilities and Special Needs Board - Annual Audit, including federal grants - Annual budget \$7,300,000 - Single Audit. Engagement Partner, Tracy S. Huggins, CPA. Total hours for June 30, 2018 - 229.80. Ms. Betty Lee, Finance Director - 803-435-2330.

Pee Dee Regional Council of Governments – Annual Audit, including federal grants - Annual budget \$10,000,000 - Single Audit. Engagement Partner, Tracy S. Huggins, CPA. Total hours for June 30, 2018 - 115.70. Mrs. Pam Watts, Finance Director - 843-669-3138.

AUDIT APPROACH

Burch, Oxner, Seale Co, CPA's, PA uses a constructive approach in performing audits. We believe this philosophy creates, for both our client and our audit staff, a positive attitude toward the audit function. Many audits are performed in an atmosphere of "tolerance". Our firm insists that its professional auditors be constantly alert to recognize opportunities and methods to assist you in improving and/or facilitating the accounting function. Of course, an audit must remain an audit; but we put added emphasis on the positive things that can result if it is performed by positive thinking professionals.

We will concentrate on the development of a format of audit procedures and activities which will, to the fullest extent possible, fit into your regular operational activities. The objective is to cause a minimum of interference with your day-to-day work. We try to get out of your way as soon as possible.

As to scheduling, we would like to combine interim audit procedures on all funds during June before you close out your books and records. During this time, among other things, we will prepare and leave with you memoranda of items needed prior to our return for the final post year-end phase of the audit. The objective is to help you schedule your staff's time in advance of the audit and to prevent their being overwhelmed with requests at one time.

Interim audit procedures consist of a study and evaluation of your system of internal accounting controls, tailoring our audit program, and our tests of recorded transactions. To the extent reasonable, during this interim work we will extend our audit procedures to a preliminary review of balance sheet accounts. Many of the year end audit correspondence inquiries such as bank confirmations, attorney letters, payable statement requests, etc., will be drafted at that time so that our professional support staff will have them ready for your signature and/or approval immediately following year end.

The final phase of our field audit work should begin about mid-August. We will complete and deliver the requested number of copies of the bound, audited financial reports by the last week of October, provided that all books, adjustments, and records are closed out in a timely manner after the end of the year. Unforeseen delays on your staff's part to properly close out the books or unforeseen circumstances discovered during the engagement could possibly delay the completion date.

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In accordance with promulgated auditing standards, your administrative and accounting executives will be asked to furnish us with their letter of representations at the conclusion of our audit work.

It is our understanding that your personnel will provide us with clerical help during the engagement.

For your consideration, audit findings and general recommendations will be discussed with you at the conclusion of the audit.

Certain of these matters will also be covered in a separate management letter. This letter will contain our suggestions and recommendations for possible improvements in operations, accounting procedures, and/or internal controls.

Important weaknesses in internal control or other significant matters, if encountered, will be reported to you immediately during the examination to permit your prompt attention.

We will use audit manuals specifically designed for governments to develop audit programs tailored to the City which incorporate the requirements set forth above. We anticipate that these procedures will enable us to express our professional opinion that the financial statements of the City present fairly, in all material respects, the financial position and results of operations of the various opinion units in conformity with accounting principles generally accepted in the United States of America. If conditions are discovered which lead to the belief that material errors, defalcations, or other irregularities exist which might prohibit us from expressing an unqualified opinion or if any other circumstances are encountered that require extended services, we will promptly advise the City.

As a possible additional service to you, the Firm will be available at your request to supervise implementation of any recommendations you deem meritorious, and we will be available for periodic visits to appraise post-implementation operating results. Because we consider the relationship with an audit client a year-round one, we will be happy to work on any management advisory services engagement or render other assistance you may need through the year.

We estimate the total hours required to perform the audit services for the year ended June 30, 2019 would be between 650 and 750 hours. We estimate the following breakdown of staff assignment:

Partner	30%
Staff Accountant	<u>70%</u>
	<u>100%</u>

The audit engagement will be conducted utilizing the following timetable.

- a. Interim Work – This phase of the audit will be conducted during June. Approximately 100 hours of the audit time budget will be utilized in this phase of the audit. Staff accountants will be conducting tests of transactions utilizing

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statistical sampling techniques. Our audit sampling will be based on the guidance in AU-C Section 530 and the AICPA Audit and Accounting Guide – Audit Sampling.

- b. Post Year End Field Work – This phase of the audit will be conducted during August and September utilizing approximately 400 to 450 hours of the audit time budget. Partners will utilize about 30% of the time budget in this segment and staff accountants about 70%. This phase of the audit will include verifying ending account balances, reconciling third party confirmations, test the valuation, restrictions and cut-offs of cash, investment and inventory balances, review and testing supporting documentation for the allowance for doubtful accounts, prepaid items and other assets, vouch capital asset additions and deletions, analyzing charges for appropriate accounting and test depreciation, testing accounts payable cut-offs and balances including an analysis of subsequent disbursements, test accrued payroll, compensated absences, OPEB payable and other accrued liability cut-offs and balances, test debt balances and debt covenant compliance, using analytical procedures to compare ending balances to budgets and prior year’s balances, and reconciling grant expenditures with quarterly expenditure reports and utilizing the *U.S. Office of Management and Budget (OMB) Circular A-133* audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- c. Review, Completion and Report Writing – This phase of the audit will be conducted during September and October utilizing approximately 150 to 200 hours of the audit time budget. Partners will utilize about 60% of the time budget in this segment and staff accountants about 40%. This phase of the audit will consist of reviewing workpapers to ensure quality and thoroughness of audit procedures, summarizing the results of audit procedures, drafting the report, providing financial information to the Finance Director and Controller to be included in the letter of transmittal, management’s discussion and analysis and statistical section, reviewing the draft report with the City Manager and Finance Director, printing the reports and appearing before City Council to present the report.

Auditing standards generally accepted in the United States of America require the auditor to document our understandings of the internal control structure elements. The form and extent of the documentation is flexible. In addition to memos, we plan to use specific designed forms and questionnaires to document our understanding of the internal control structure. Changes in auditing standards, known as the risk assessment standards, denote that the auditor is not required to test internal control to rely on them to reduce other test work, but do not allow for only inquiry procedures related to internal control. We are required, and will perform, other procedures, such as walkthroughs and observation, related to controls over significant financial statement and audit

Attachment D

assertions. We will obtain knowledge about the City's internal control structure policies, procedures and records, whether they have been placed in operations, whether they are designed effectively, and whether they are operating effectively.

Our approach to be taken to determine the laws and regulations that will be subject to audit test work will include procedures designed to identify requirements found in legal or legislative data, administrative regulations, and documents associated with grant and contract arrangements. We will obtain a listing of all federal award programs from which the City received and expended funds and identify, using prescribed risk-based approach, the major programs required to be audited. We will plan and document the audit procedures to be performed relative to material state and local statutory and regulatory and contractual requirements and perform and document federal, state, and local statutory, regulatory and contractual compliance audit procedures as deemed to be applicable and appropriate during the planning stage of the audit.

Applicable auditing standards state that, in testing for compliance with laws and regulations, the number, selection, and testing of transactions is based on the auditor's professional judgement. There are two possible approaches to audit sampling which are non-statistical and statistical. AU-C 530 Audit Sampling indicates that both approaches are capable of producing sufficient evidential matter, if properly applied, either approach may be used to apply whatever tests of details deemed necessary in the circumstances. The importance of professional judgement cannot be overemphasized as it applies to the evaluation of the adequacy of evidential matter generated by the sampling approach. Regardless of the sampling approach selected, we will properly plan, perform, and evaluate the results of the sample. Professional judgement must be used to relate the sample results to other evidential matter when we form a conclusion about compliance with laws and regulations. If we decide to use audit sampling, attention is focused on which sampling approach (statistical or non-statistical) to use. Substantial information is given in the AICPA Sampling Guide and several professional manuals on the use of various statistical sampling approaches. We will relate the population to the objective of the audit test, select items that can be expected to be representative of the population and project sample results to the population and consider sampling risk.

APPENDIX I

PROPOSER GUARANTEES

- I. The proposer certifies it can and will provide and make available, as a minimum, all services set forth in Section II, Nature of Services Required.

Signature of Official:

Name (typed): Tracy S. Huggins, CPA

Title: Audit Partner

Firm: Burch, Oxner, Seale Co., CPA's, PA

Date: February 5, 2019

APPENDIX II

PROPOSER WARRANTIES

- A. Proposer warrants that it is willing and able to comply with State Carolina laws with respect to foreign (non-state of South Carolina) corporations.
- B. Proposer warrants that it is willing and able to obtain any errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the City of Florence.
- D. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official:

Name (typed): Tracy S. Huggins, CPA

Title: Audit Partner

Firm: Burch, Oxner, Seale Co., CPA's, PA

Date: February 5, 2019

A. Creig Odom, CPA, PA
Five Office Way, Second Floor
PO Box 6098
Hilton Head Island, SC 29938
Telephone (843) 842-4021
Fax (843) 842-6629

System Review Report

October 20, 2015

To the firm of
Burch, Oxner, Seale Co., CPAs, P. A.
And the Peer Review Committee of the
South Carolina Association of Certified Public Accountants

I have reviewed the system of quality control for the accounting and auditing practice of Burch, Oxner, Seale Co., CPAs, P. A. (the firm) in effect for the year ended April 30, 2015. My peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of my peer review, I considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for the review included an engagement performed under *Governmental Auditing Standards* and an audit of an employee benefit plan.

In my opinion, the system of quality control for the accounting and auditing practice of Burch, Oxner, Seale Co., CPAs, P. A., in effect for the year ended April 30, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Burch, Oxner, Seale Co., CPAs, P. A. has received a peer review rating of *pass*.



A. Creig Odom, CPA, PA

Attachment D

**PROFESSIONAL AUDITING SERVICES
REQUEST FOR PROPOSAL 2019-01
ADDENDUM NO. 1**

The following information reflects revisions to request for proposal 2019-01.

1. Page 8 item E(6) should read as follow:
The City maintains one blended not-for-profit, component unit, the City of Florence Public Facilities Corporation. Each year before the November 15th filing deadline for the IRS Form 990, the auditor shall complete the Form 990 for the Public Facilities Corporation and file the completed form in compliance with IRS regulation.

2. Page 10 item C should read as follows:
Fund Structure

The City uses the following fund types and account groups in its financial reporting:

<u>Fund Type/Account Group</u>	<u>Number of Individual Funds</u>	<u>Number With Legally Adopted Annual Budgets</u>
General Fund	1	1
Special revenue funds	17	1
Blended component unit	1	
Debt service funds	2	1
Capital projects funds	3	
Enterprise funds	2	2
Agency funds	7	

3. Page 11 item G should read as follows:
Component Units

The City of Florence has one blended component unit. The City of Florence Public Facilities Corporation (Corporation) is a not-for-profit (501(c)(3)) which was created to provide financing for the construction of public facilities owned by the City of Florence. The Corporation's fiscal year begins July 1 of each year and ends on the following June 30.

I have read and I acknowledge this addenda to Request for Proposals 2019-01.

<u>Tracy S. Huggins, CPA</u>	<u>Tracy S. Huggins</u>	<u>2-5-2019</u>
Authorized Signature	Printed Name	Date
<u>Burch, Oxner, Seale Co., CPA'S, PA</u>		
Company Name		

*Please return signed addendum with your proposal.

Attachment D