



CITY OF CAYCE

MAYOR
ELISE PARTIN

MAYOR PRO-TEM
JAMES E. JENKINS

COUNCIL MEMBERS
TARA S. ALMOND
EVA CORLEY
TIMOTHY M. JAMES

CITY MANAGER
REBECCA V. RHODES

ASSISTANT CITY MANAGER
SHAUN M. GREENWOOD

**City of Cayce
Regular Council Meeting
Tuesday, January 6, 2015
6:00 p.m. – Council Chambers - 1800 12th Street
www.cityofcayce-sc.gov**

I. Call to Order

- A. Invocation and Pledge of Allegiance
- B. Approval of Minutes
December 2, 2014 Regular Meeting

II. Presentation

- A. Presentation of Decorate Cayce Awards
- B. Presentation of Whole Sole Awards
- C. Presentation of City of Cayce Safety Banner Contest Award
- D. Presentation by Mr. Robert Milhous of the City of Cayce FY13/14 Comprehensive Annual Financial Report

III. Public Comment regarding Items on the Agenda

IV. Ordinances and Resolutions

- A. Approval of Ordinance 2015-01 to Amend the City of Cayce FY 2014/2015 General Fund and O&M Budget – First Reading
- B. Approval of Resolution 2015-01 Ratifying Execution of Documents by City Manager In Connection with Acquisition of History Park Property

V. City Manager's Report

VI. Committee Matters

- A. Approval to enter the following approved Committee Minutes into the City's Official Record
Cayce Events Committee – October 9, 2014

Board of Zoning Appeals – October 20, 2014
Cayce Museum Commission – November 5, 2014
Planning Commission – November 17, 2014

B. Annual Appointment of Council Members to City Foundations

VII. Council Comments

VIII. Executive Session

- A. Receipt of legal advice relating to claims and potential claims by the City and other matters covered by the attorney-client privilege
- B. Discussion of negotiations incident to proposed contractual arrangements with Lexington County
- C. Discussion of negotiations incident to possible acquisition of property for a new water tank

IX. Possible Actions by Council in follow up to Executive Session

X. Adjourn

SPECIAL NOTE: Upon request, the City of Cayce will provide this document in whatever form necessary for the physically challenged or impaired.



CITY OF CAYCE

MAYOR
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JAMES E. JENKINS*COUNCIL MEMBERS*
TARA S. ALMOND
EVA CORLEY
TIMOTHY M. JAMES*CITY MANAGER*
REBECCA V. RHODES*ASSISTANT CITY MANAGER*
SHAUN M. GREENWOOD**CITY OF CAYCE
Regular Council Meeting
December 2, 2014**

The December Regular Council Meeting was held this evening at 6:00 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Eva Corley, Tim James, and James Jenkins, City Manager Rebecca Vance, Assistant City Manager Shaun Greenwood and Municipal Clerk Mendy Corder. Municipal Treasurer Garry Huddle, City Attorney Danny Crowe, Director of Utilities, Blake Bridwell, and Chief Charles McNair were also in attendance. Mayor Partin asked if members of the press and the public were duly notified of the Council Meeting in accordance with the FOIA. Ms. Corder confirmed they were notified.

Call to Order

Mayor Partin called the meeting to order. Council Member Skip Jenkins gave the invocation. Mayor Partin led the assembly in the Pledge of Allegiance.

Approval of Minutes

Ms. Corder explained that Mr. Crowe advised that a minor change needed to be made to the minutes of the November 18, 2014 Regular Meeting. Under Possible Actions by Council in follow up to Executive Session, line two needs to be changed to "of the agreement for gift of property for the 12,000 Year History Park." Council Member Almond made a motion to approve the minutes with the proposed changes. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

Presentations**A. Presentation of Community Service Awards**

Mayor Partin announced that unfortunately the Community Service Awards recipients were unable to attend due to illness or family matters but she asked Ms. Corder to announce how long each had served on a City Committee since it was such an amazing accomplishment. Ms. Corder stated Mr. Frank Dickerson has served ten years on the Zoning Board of Appeals. Mr. Marion Hutson has served fifteen years on the Museum Commission and Ms. Mary Sharpe has served twenty years on the Museum Commission.

B. Presentation of Whole Sole Awards

Mayor Partin announced the whole Sole Awards were postponed to the January 6, 2015 Regular Council Meeting.

C. Presentation by Mr. Mike Pazery re Development in the City of Cayce

Mr. Pazery addressed Council regarding his concerns over the recent development in the City. He stated he feels there is over development in the City. He stated that Council had raised service fees, taxes and water and sewer rates. He commented on the cost of living raise for City employees for FY2013/2014 and the addition of more dedicated fire fighters. Mr. Pazery commented on the growth of the Cayce Riverwalk and the addition of Park Rangers in the newest section of the park. He stated Mayor and Council were now one of the highest paid Councils in the state due to their recent salary increase.

Mr. Pazery commented on the new apartment complex being built on the river. He stated that the population of Cayce is currently approximately 13,000 and he felt the influx of new residents will have a negative impact on the City. He stated the social, political and religious perspectives which the current residents of Cayce have will be engulfed and transformed by the over development of the City.

D. Presentation by Mr. Hubert Smoak re Transparency in City Government

Mr. Smoak stated he wanted to speak about transparency and what it means in small town government. He stated that transparency was used in politics to hold public officials accountable and to fight corruption. He stated he felt the more Council was open with the public the more they created trust with the residents. He stated that he felt Mayor and Council's recent salary increase was a very large amount at one time.

Mr. Smoak stated he felt that Council's proposed salary increase could have been more transparent on the Special Council Meeting's agenda. He commented that he was unhappy that the proposed increase amount was not on the agenda and that no one in the assembly was allowed to comment during the Special Council Meeting on the salary increases.

Mr. Smoak asked Council to do everything they can to make every item that comes up for vote as open and public as possible before a vote is taken. Mayor Partin explained that as soon as she was elected Mayor in 2008 she had staff move the Public Comment session on the Council Meeting agenda so it would be before any action items are taken. Before she was elected that session was at the end of the agenda therefore the public could only speak on an item after Council had taken the vote.

Mr. Smoak stated that it was sad that so few residents attend the Council Meetings and that more people do not care how their government runs. He stated that in the past he also has attended very few meetings but plans to attend more meetings in the future so he can stay informed.

Mayor Partin explained to the assembly that transparency is the most important issue to Council. For example, each Council Meeting agenda packet which has all the information regarding each agenda item is on the City's website. The agenda packet is also available at City Hall for anyone that is interested. Mayor Partin explained that agendas only list the topic of each item to be discussed but agenda packets have all the back-up information for each agenda item. She stated that each December Council sets the dates for the following year's regular Council Meetings. Mayor Partin explained that at the request of staff, Council now meets twice a month since there was so much that needed to be handled in a more timely manner and not just once a month. The second Council Meetings are usually the third Wednesday of each month. She stated these meetings are scheduled ahead of time so residents will know in advance when each meeting will be held.

Mayor Partin stated that almost every item that Council takes action on requires two readings therefore each item will be discussed at two different Council Meetings. The Special Council Meetings were initially created as a work session and were very short meetings. She explained that Council and staff did not think to add Public Comment to these meetings since they were such short meetings but has added a Public Comment section for all future Special Council meetings. Mayor Partin explained that Public Comment has always been on Regular Council Meeting agendas.

Mayor Partin stated the decision to adjust Council's salaries was a hard decision for Council to make. She explained that surrounding municipalities offer health insurance to their Council Members which increases the amount they are compensated. She stated Cayce Council did not want to receive health insurance benefits from the City since it is a cost that increases every year. Mayor Partin stated the City of Cayce has lower property taxes and rates than all the surrounding municipalities. She explained that a hospitality tax was recently instituted so the City's budget could be helped from visitors to the City.

Mayor Partin encouraged the assembly to contact herself, Council or staff any time with an issue so it can be addressed right away and not have to wait until a Council Meeting. She reminded everyone that she holds Meet with the Mayor at 5pm before every Regular Council Meeting and meets with the City's neighborhood leaders once a month as well.

E. Approval of 2015 Council Meeting Dates

South Carolina state law requires a municipality to make public the dates of Council Meetings at the beginning of each calendar year and provide Council with a suggested schedule. Mayor Partin stated that the Regular Council Meetings are the first Tuesday of the month. She explained that Council tentatively schedules a second Council Meeting each month for the third Wednesday of the month at 5pm. In April, June and October 2015 the Special Council Meeting will be held the fourth Wednesday of the month since the third Wednesday would fall the week following the Regular Council Meeting. Council Member Jenkins made a motion to approve the Council Meeting dates as submitted. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Public Comment Regarding Items on the Agenda

Ms. Corder advised that no one had signed up for Public Comment.

Ordinances and Resolutions

- A. Approval of Ordinance Amending Article 2 (“Definitions”) and Article 9 (“Supplemental Off-Street Parking and Loading Regulations”) of the Zoning Ordinance of the City of Cayce – Second Reading

Ms. Vance advised that in response to concerns from the community, Council Members asked staff to research effective ways to limit the use of portable storage containers in residential areas. Staff researched the issue by comparing Ordinances from around the state and nation. Staff also had several discussions with the Planning Commission regarding how this issue should be regulated in the City of Cayce. She stated these discussions focused mainly on the types of containers that should be allowed, the size of containers allowed and how long a container can be stored on a residential property. The Planning Commission and staff believe the resulting language is appropriate for the community. The Planning Commission held a Public Hearing on this matter at its regularly scheduled meeting on November 17, 2014. No members of the public were present to speak in favor of or against the Ordinance. The Planning Commission voted unanimously to recommend Council approve the Ordinance.

Council Member James asked how many days a resident is allowed to have a POD in their yard. Mr. Greenwood explained that a resident is allowed to have a POD for two weeks while they are in the process of either moving in or moving out. He stated that at any point a resident can apply for an extension. He explained that up to two extensions can be granted by the Zoning Administrator for an additional two weeks during each extension. Mr. Greenwood explained that to receive an extension there will have to be an extenuating circumstance.

Mr. Greenwood explained that PODs can be used on residential property for construction purposes as long as the resident has an active building permit or demolition permit. He stated as soon as a certificate of occupancy is granted the resident has one week to remove the POD.

Council Member Jenkins made a motion to approve the Ordinance amending Article 2 and Article 9 of the Zoning Ordinance. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

B. Approval of Ordinance Amending the City Code to Address the Discharge of Fireworks within the City – Second Reading

Ms. Vance explained that at the Council Strategic Planning Session, Council discussed the possibility of amending the City Ordinances to add restrictions for the use of fireworks in the City. Currently fireworks are not mentioned specifically in the Ordinance. Specifically, Council requested changes to the Code that would limit the use of fireworks to specific times on the 4th of July and New Years Eve. She stated language was also added to allow fireworks at special events provided the event is duly permitted and the fireworks have prior approval from City Council.

Ms. Vance explained that in order to comply with State Law, staff created a new Division in the "Nuisance" section of the City Code. Additionally, the penalties for violating these specific regulations will be civil in nature and not criminal. Each violation may result in a \$100 fine. Toy cap pistols and sparklers were also specifically excluded from the regulations.

Council Member James asked if someone can be granted permission to discharge fireworks for a special event in the City. Mr. Greenwood stated there is a stipulation in the Ordinance that an exception can be granted by the Director of Public Safety with the approval of Mayor and Council for a special event.

Council Member James made a motion to approve the Ordinance amending the City Code to address the discharge of fireworks. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Ms. Vance reminded Council that the amended Ordinance would apply to New Year's Eve for 2014. After discussion, it was decided to change the effective date of the Ordinance to ensure that staff had ample time to get the word out to the citizens. Ms. Vance stated that a flyer explaining the amendment to the Ordinance will be placed on everyone's roll cart; the information will be in the next newsletter, and on the City's website and social media.

Council Member James made a motion to amend his motion to state the amendment to the Ordinance would become effective March 15, 2015. Council Member Almond seconded the amended motion which was unanimously approved by roll call vote.

- C. Approval of Ordinance Amending City Code Section 40-119 ("Fees Related to Fats, Oil and Grease") concerning Rates at the City of Cayce Septage and Grease Facility – Second Reading

Ms. Vance stated construction of the new Septage and Grease Facility at the City's regional wastewater treatment facility is completed and it started generating business in May 2014. At that time, the City only accepted hauled waste from Lexington County. Shortly thereafter, the City received approval to accept hauled waste from Richland County. She explained that in October 2014, the City received approval to accept hauled waste from all South Carolina (SC) counties. Advertisements were placed on the City website and an informational flier was mailed to an extensive list of SC haulers.

Ms. Vance explained that since starting operations, the volume/revenues have not been realized as projected. There are several contributing factors to this shortfall, and the Utilities Department has been researching the best possible ways to mitigate as many of these factors as possible. Specifically, the initial startup cost has been a fairly consistent complaint from potential customers. She stated for this reason staff believes reducing the permit fee from \$250.00 to \$0 will allow for a more attractive option to potential customers. Additionally, in order to be more competitive in the existing market, staff believes reducing the septic waste disposal fee from \$.010 to \$0.09 would be helpful in recruiting new customers.

Ms. Vance informed Council that business is slowly increasing at this time, but it is not on pace to meet the projected revenues. Staff believes the recommended changes will allow the City to attract additional haulers to the facility in order to increase the volume/revenues at the Septage and Grease Facility. In order for the facility to run at optimal efficiency and for the City to realize the best return on investment, the volume of material must be increased.

Council Member Corley made a motion to approve the suggested rate changes. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

- D. Approval of Ordinance Providing for the Issuance and Sale of a Water and Sewer System Improvement Revenue Bond, Series 2014, of the City of Cayce, South Carolina, in the Aggregate Principal Amount not exceeding \$3,734,073 plus Capitalized Interest if Any, Pursuant to the Amended and

Restated Indenture of Trust as Supplemented; and other matters related
There to – Second Reading

Ms. Vance stated that the City has received approval from the State Revolving Loan Fund for approximately \$3,734,073 to repair and improve the Highway 321 line that leads away from the City's water plant. Mayor Partin stated this line is the line that broke last fall and left the City without water for over 16 hours. Ms. Vance explained this project will replace and upsize the water lines and valves leading out of the City's Water Plant.

Ms. Vance explained that funding for the bond payment and the debt coverage for this increased debt were included in the FY2014-2015 Budget. She stated if approved the project should be able to begin in January. The amount of the bond has been increased slightly to accommodate the actual bids for the project so the Ordinance was amended to reflect the new amount.

Council Member Jenkins made a motion to approve the Ordinance with the amended amount. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

E. Approval of Resolution Accepting a Gift of Real Property for Park Purposes

Ms. Vance stated the City wishes to acquire the approximately 359 acres of property otherwise known as the 12,000 Year History Park property from SCE&G. This property will be operated and maintained as a continuation of the City's Riverwalk Park while planning is being undertaken for the future History Park. She explained that the City is not required to make any payments for this property.

Council Member Almond made a motion to accept the gift of real property for the Park. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

Other

A. Bid Award – Highway 321 Water Replacement Project

Ms. Vance stated that the City has received approval from the State Revolving Loan Fund for approximately \$3,734,073 to replace and improve the Highway 321 water line that broke last fall and left the City without water for over 16 hours. This project will replace and upsize the water lines and valves leading out of the City's Water Plant.

Ms. Vance explained that funding for the bond payment and the debt coverage for this increased debt were included in the 2014-2015 Budget. If approved, the project construction should begin in January. The SRF loan must be closed before the end of the 2014 calendar year. The project advertisement for bids was published on October 19, 2014 in The State Newspaper and also distributed to the usual contractor outlets. Interest in the project was received from eight contractors. Three (3) sealed bids were received, and publically opened and read aloud at City Hall on November 19, 2014 at 2:00 PM.

Ms. Vance stated that following the completion of the project bid opening, AEC checked all bid documents to confirm their completeness and the accuracy of the bid amounts. Bids ranged from a high bid of \$4,202,495.00 to the low bid of \$2,982,900.90. AEC has provided their bid tabulation and their bid award recommendation letter dated November 20, 2014 to City staff for a bid award to LAD Corporation of West Columbia in the amount of \$2,982,900.90, contingent upon LAD Corporation of West Columbia being approved by the SCDHEC SRF Section.

Council Member Corley made a motion to award the Highway 321 Water Replacement Project to the low bidder, LAD Corporation. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

B. Appointment and Swearing in of Municipal Judge

Council Member Jenkins made a motion to re-appoint Judge Keabii Henderson. Council Member James seconded the motion which was passed unanimously by roll call vote. Ms. Corder administered the oath of office to Judge Henderson.

C. Appointment and Swearing in of City Attorney

Council Member James made a motion to re-appoint Mr. Danny Crowe. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. Ms. Corder administered the oath of office to Mr. Crowe.

City Manager's Report

Ms. Vance stated the renovations to Burnette Park are underway, the lighting is scheduled to be installed mid-January and then the renovations will be complete. She stated the Kenley sub-station has been upgraded with fiber and Public Safety Officers are now able to do their reports at the sub-station. This will increase the police presence in the community and residents can stop by to talk to the officers about any issues they may have.

Ms. Vance stated Mr. Greenwood recently met with officials from the Community Rating System. This system affects the rates for the City's resident's flood insurance and staff is in hopes that some of the programs that have recently been implemented at the City will help to decrease the City's score. A decrease in score will decrease the resident's flood insurance rates. Ms. Vance stated the RFQ's for the Knox Abbott Drive project just came in and hopefully staff will have a recommendation for Council at the first meeting in January.

Executive Session

- A. Receipt of legal advice relating to claims and potential claims by the City and other matters covered by the attorney-client privilege
- B. Discussion of negotiations incident to proposed contractual arrangements for sewer and water capacity fees
- C. Discussion of negotiations incident to proposed contractual arrangements regarding Building Official services in the Town of Springdale
- D. Discussion of City Manager's Employment Contract Renewal

Council Member James made a motion to move into Executive Session to discuss the matters above. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

Reconvene

After the Executive Session was concluded, Council Member Almond made a motion to reconvene the Regular meeting. Council Member Corley seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced no vote was taken other than to adjourn and resume the regular meeting.

Possible Actions by Council in follow up to Executive Session

- VII. C. Discussion of negotiations incident to proposed contractual arrangements regarding Building Official services in the Town of Springdale

Council Member James made a motion to approve and authorize the City Manager to sign the contract between the City and the Town of Springdale. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

Adjourn

There being no further business, Council Member Corley made a motion to adjourn the meeting. Council Member Almond seconded the motion which was unanimously approved by roll call vote. The meeting adjourned at 8:30 p.m.

Elise Partin, Mayor

ATTEST:

Mendy C. Corder, Municipal Clerk

IF YOU WOULD LIKE TO SPEAK ON A MATTER APPEARING ON THE MEETING AGENDA, PLEASE COMPLETE THE INFORMATION BELOW PRIOR TO THE START OF THE MEETING.* THANK YOU.

COUNCIL MEETING SPEAKERS' LIST

Date of Meeting December 2, 2014

Name	Address	Agenda Item

***Appearance of citizens at Council meetings - City of Cayce Code of Ordinances, Sec. 2-71.** Any citizen of the municipality may speak at a regular meeting of the council on a matter pertaining to municipal services and operation, with the exception of personnel matters, by notifying the office of the city manager at least five working days prior to the meeting and stating the subject and purpose for speaking. Additionally, during the **public comment period** as specified on the agenda of a regular meeting of the council, a member of the public may speak on a matter appearing on the meeting agenda, with the exception of personnel matters by signing a speakers list maintained by the city clerk prior to the start of the public comment period. At the discretion of the mayor or presiding officer, the length of time for any speaker's presentation may be limited and the number speakers also may be limited.

2014 DECORATE CAYCE CONTEST

**Sponsored by the City of Cayce
Beautification Board**

The City of Cayce Beautification Board is pleased to announce the 2014 winners of the Decorate Cayce Contest. Presentations will be given at the January 6, 2015 Council Meeting at 6:00 p.m. Congratulations to all the nominees.

1 st Place:	Roger Edwards	204 Sweetbriar Drive	\$250.00
2 nd Place:	Cathy Gunter	212 Pine Lane	\$150.00
3 rd Place:	Brenda Griffin	1905 Wadsworth Drive	\$75.00

On September 10, 2014 at approx 04:45 am Sgt Ballentine, PSO Kelly and PSO Baker were at Cayce Department of Public Safety Headquarters doing paperwork. The on duty dispatcher, Terry Burgess, was operating the radio and had been answering officers all night and had recently answered Det. Huffman in reference to a vehicle stop.

Sgt. Ballentine noted that Det. Huffman called for Dispatch to notify a tow service for the vehicle and Terry did not answer. Det. Huffman called on the radio again and Sgt. Ballentine called out to Terry to answer the radio.

Still no answer.

Sgt. Ballentine walked up to Dispatch and found Terry unconscious. Sgt Ballentine yelled for assistance from Kelly and Baker who both immediately responded. As Sgt. Ballentine attempted to get Terry to regain consciousness he noted that Terry stopped breathing. He checked for a pulse and found none. Essentially, Terry Burgess died at that moment.

The officers quickly got Terry out of the chair and on the floor to begin CPR. Sgt Ballentine began CPR as he called out for both Kelly and Baker to find help. PSO Baker ran to the Firehouse to get First Responders and EMS personnel to respond as PSO Kelly begins toning the firehouse and radio for assistance. PSO Kelly then ran toward the firehouse to gather help and equipment.

Sgt. Ballentine continued doing CPR on Terry.

As Kelly and Baker returned with assistance and equipment (AED, Crash bag, Stretcher) EMS and Firehouse Personnel connected Terry to an AED. It shocked Terry's heart back into a rhythm and he began breathing on his own. Terry still unconscious was transported to the hospital and eventually made a full recovery.

The immediate actions of everyone involved saved Terry Burgess' life. This is a great example of teamwork, quick thinking, a little luck and God's grace.

Memorandum

To: Mayor and Council
From: Rodney Thomas,
Date: December 30, 2014
Subject: City of Cayce Safety Banner Contest

The City continues to recognize safety as a primary focus of its business operations. Promoting safe acts and encouraging employee health are key parts of a business operation. The Safety Banner Contest looks at involving employees to encourage and promote employee safety.

The Safety Banner Contest looks at encouraging employee participation by allowing them to show their creativity in developing banners to be displayed at different facilities throughout the City of Cayce. This is the third contest in 4 years and once again employee participation has increased from the previous year.

The Safety Banner Contest Winner for this year is Shanna Henson an employee of the Water Treatment Facility.

Because of Shanna's creativity and interest in promoting safety she will receive.

1. Coupon for a day off.
2. Ruby Tuesdays gift card for \$75.00 and in addition a \$20.00 voucher from Ruby Tuesday totaling \$95.00.
3. Jacket with her name and the City's Logo.

**Safety is
the engine.**



**You are the key
that starts it!**





CITY OF CAYCE, SOUTH CAROLINA

ONE HUNDRED YEARS IN THE MAKING



COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the FISCAL YEAR ENDING JUNE 30, 2014

CITY OF CAYCE, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2014

WITH

REPORT OF INDEPENDENT AUDITOR

Issued by:
Finance Department

CITY OF CAYCE, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2014

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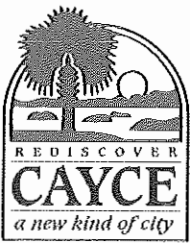
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INTRODUCTORY SECTION



CITY OF CAYCE

MAYOR
ELISE PARTIN

MAYOR PRO-TEM
JAMES E. JENKINS

COUNCIL MEMBERS
TARA S. ALMOND
EVA CORLEY
TIMOTHY M. JAMES

CITY MANAGER
REBECCA VANCE

ASSISTANT CITY MANAGER
SHAUN M. GREENWOOD

December 13, 2014
Letter of Transmittal

To the Honorable Mayor, Members of City Council, and the Citizens of Cayce:

We are pleased to submit the Comprehensive Annual Financial Report of the City of Cayce, South Carolina for the Fiscal Year Ended June 30, 2014 (FY 2014). The report contains a comprehensive analysis of the City's financial position and activities for the period. This report is presented in three sections: 1) Introductory Section consisting of this transmittal letter, a listing of City officials, and the organization structure; 2) Financial Section, which consists of the independent auditor's report, management's discussion and analysis, basic financial statements, notes to the financial statements, required supplemental information along with detailed combining and individual fund statements; 3) Statistical Section, which contains pertinent financial and general information indicating trends for comparative fiscal periods.

Responsibility for both accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Cayce. We believe the enclosed information is accurate in all material aspects, and that it is presented in a manner designed to fairly set forth the financial position and results of operation of the various funds of the government in accordance with accounting principles generally accepted in the United States of America (GAAP); and that all disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included. Management has established and maintains a system of internal control to provide for this assurance.

In accordance with Section 5-13-30 of the South Carolina Code of Laws, the City of Cayce's financial statements have been audited by the firm of Robert E. Milhous, C.P.A., P.A. and Associates. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The auditor's report in the Financial Section provides a discussion of the audit, procedures and their opinion. The independent auditor has rendered an unqualified opinion on the City of Cayce's financial statements for the year ended June 30, 2014 in that they are fairly presented in accordance with GAAP.

The Management's Discussion and Analysis Section of this report contains discussion on the City of Cayce's current financial activities for the year ended June 30, 2014.

Profile of the Government

The City of Cayce (the "City" or "Cayce") was incorporated in 1914 and is located along the Congaree River in Lexington and Richland counties in the central midlands of South Carolina. The City serves a population of approximately 12,860 and is empowered to levy a property tax on both real and personal property located within its corporate limits. It is also empowered by State Statute to extend its corporate limits by voluntary annexation, which occurs periodically when deemed appropriate by the City Council.

At June 30, 2014, elected officials were as follows:

MAYOR

Elise Partin
515 Lafayette Avenue, Cayce, SC 29033
Telephone: 361-8280

MEMBERS OF COUNCIL

District 1

Tara Almond
608 M Ave., Cayce, SC 29033
Telephone: 309-1564

District 3

Eva Corley
1907 Routon St., Cayce, SC 29033
Telephone: 479-0097

District 2

James "Skip" Jenkins
2224 Lee St., Cayce, SC 29033
Telephone: 796-9049

District 4

Timothy James
305 Moss Creek Dr., Cayce, SC 29033
Telephone: 796-4174

Factors Affecting Financial Condition

Accounting standards require management to prepare a narrative overview and analysis to accompany the basic financial statements. This narrative, entitled Management's Discussion and Analysis (the "MD&A"), is a part of the Financial Section of this report, contains a discussion of the City's current financial condition and activities for the year ended June 30, 2014, and can be found immediately following the Report of Independent Auditor.

However, the information presented in the MD&A and the basic financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates. The below section of the letter regards factors which affected the City's financial condition and operations thereto, and is designed to complement the MD&A as follows.

Local Economy

The City of Cayce is located near Columbia, South Carolina which is the state capital and is part of the greater Columbia Metropolitan area of South Carolina. This area has been experiencing stable economic conditions. The City and its neighbors, the cities of Columbia and West Columbia, have built a regional park system along the banks of the Congaree River. The portion located in the City is known as the Cayce Riverwalk Park and it is part of the Three Rivers Greenway project. The City has completed the Phase I extension of the park system that extends the Cayce Riverwalk Park to the "government locks" area that is approximately one mile further down the Congaree River. Phase II of the park extension is a half mile portion that has also been completed and extends the Riverwalk to the Riverland Park Subdivision. Phase III has completed construction and extends the Park from south of the City's raw water intake to the Thomas Newman Boat landing. Design Plans are now being developed to extend the Riverwalk to Interstate 77 where it will connect to the Timmerman Trail that is under construction. This is a joint effort among several agencies that will also connect to the Tennis Complex that has been constructed in that area by the Lexington County Recreation and Aging Commission. SCANA Corp has connected their corporate headquarters to the Cayce Riverwalk through the Timmerman Trail for the enjoyment of their employees and visitors.

As most know, Amazon has built a new distribution center within the Industrial Park and, though not within the City of Cayce, is having a beneficial impact on Cayce and the surrounding area. Nephron, a pharmaceutical company, is currently being built within the Industrial Park and it too will increase water sales for the City of Cayce and benefit the economy for the area.

Another major development to which the City is providing water and sewer service is the South Carolina State Farmer's Market. The farmer's market relocated from Bluff Rd. in Richland County (across the street from USC's William Brice Stadium) to Lexington County on US Highway 321 during the 2012 Fiscal Year and continues to experience small growth.

Long-Term Financial Planning

Revenue forecasts for the next several years suggests that new residential and commercial construction and continued economic growth throughout the City and region will keep pace with the operational needs of the various departments.

The City plans to continue the development of the Cayce Riverwalk Park on the Congaree River through the extension of the Parkway to I-77. The City will partner with the River Alliance, Department of Natural Resources, S C Parks Recreation and Tourism, Lexington County and SCANA Corp to establish the proposed "12,000 Year History Park". Cost estimates and construction schedules are unknown at this time.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cayce for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. A CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City of Cayce has received a Certificate of Achievement for the last seven fiscal years. We believe our current report continues to conform with the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

The Community Rating System (CRS) is a voluntary program developed by the Federal Emergency Management Association (FEMA) to encourage communities to improve storm water and flood plain management that exceed the minimum National Flood Insurance Program requirements. During FY 10, the City began participating in this program and has achieved a Class 9 Rating, which awards residents of the community with a 5% discount on flood insurance premiums. The City continues to submit paperwork yearly which we hope will increase the discount.

Internal Control

The City's management appreciates the necessity for a comprehensive framework of internal control as defined by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). To that end, the City strives to maintain a control environment that supports continuous risk assessment, the proper control activities, reliable and secure information and communication, and the appropriate monitoring to ensure the effectiveness and efficiency of operations, plus the reliability of financial reporting and compliance with applicable laws and regulations.



Government Finance Officers Association

**Certificate of
Achievement
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Presented to

**City of Cayce
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

FINANCIAL SECTION

REPORT OF INDEPENDENT AUDITOR

ROBERT E. MILHOUS, C.P.A., P.A. & ASSOCIATES

A Professional Association Of

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REPORT OF INDEPENDENT AUDITOR

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

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit, and aggregate remaining fund information of the City of Cayce, South Carolina (the "City"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

— CONTINUED —



Summarized Comparative Information

The prior year summarized comparative information presented in the individual fund financial statements and schedules has been derived from the City's 2013 audited financial statements, and in my report dated October 29, 2013, I expressed an unqualified opinion on those individual fund financial statements and schedules.

The introductory and statistical sections of this report have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, I do not express an opinion or any other form of assurance on this information.



December 12, 2014
Columbia, South Carolina

City of Cayce, South Carolina
Management's Discussion and Analysis
Year Ended June 30, 2014

This section of the City of Cayce, South Carolina's (the "City") annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on June 30, 2014. Please read it in conjunction with City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Per the Government-wide *Statement of Net Position*, the City's total assets and deferred outflows at year end June 30, 2014 were \$152.5 million and exceeded total liabilities and deferred inflows by \$93.2 million. Of the total net position at June 30, 2014, \$2.3 million were unrestricted and available to support short term operations of the City.

Per the Government-wide *Statement of Activities*, the City's total net position increased by \$2.1 million for the year ended June 30, 2014. The Governmental Activities resulted in a net increase of \$.9 million, while the Business-type Activities contributed a positive net change in net position of \$1.2 million, which was substantially funded by capacity charges and other capital contributions recognized during the year.

The City restated year 2013 to comply with a new accounting principle (GASB#65). *See Note 16* in the Notes to Financial Statements.

Overview of the Financial Statements

Management's Discussion and Analysis (MD&A) serves as an introduction to the City's basic financial statements. Those financial statements have three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements - The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported on the accrual basis of accounting when the underlying event gives rise to the change that occurs *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., revenues receivable and earned but unused vacation leave).

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, total assets plus deferred outflows of resources less liabilities, less deferred inflows of resources results in net position of \$93.2 million at the close of June 30, 2014.

Below is a 'condensed' Statement of Net Position at June 30, 2014, which depicts the major components of the City's assets, deferred outflows, liabilities and net position (with comparative amounts for June 30, 2013).

	Governmental Activities		Business-type Activities		Totals	
	2014	Restated 2013	2014	Restated 2013	2014	Restated 2013
Assets and Deferred Outflows						
Cash and cash equivalents:						
Unrestricted	\$ 2,244,817	\$ 1,115,325	\$ 603,042	\$ 993,278	\$ 2,847,859	\$ 2,108,603
Restricted	1,842,819	1,748,584	11,704,810	14,311,914	13,547,629	16,060,498
Other current assets	532,374	365,829	5,360,055	7,369,080	5,892,429	7,734,909
Other assets, net of accumulated amortization	100,000	—	609,180	623,276	709,180	623,276
Capital assets, net of accumulated depreciation	6,045,615	6,477,287	123,322,210	122,537,755	129,367,825	129,015,042
Total assets	10,765,625	9,707,025	141,599,297	145,835,303	152,364,922	155,542,328
Deferred outflows of resources:						
Losses on bond refundings	—	—	143,824	177,494	143,824	177,494
Total deferred outflows of resources	—	—	143,824	177,494	143,824	177,494
Total assets and deferred outflows	10,765,625	9,707,025	141,743,121	146,012,797	152,508,746	155,719,822
Liabilities, Deferred Inflows and Net Position						
Current liabilities	1,815,533	1,139,400	396,242	902,517	2,211,775	2,041,917
Current liabilities payable from restricted assets	634,181	544,821	4,425,069	6,391,787	5,059,250	6,936,608
Non-current liabilities	2,599,579	3,167,189	47,212,071	50,432,073	49,811,650	53,599,262
Total liabilities	5,049,293	4,851,410	52,033,382	57,726,377	57,082,675	62,577,787
Deferred inflows of resources:						
Future capacity charges and credits	—	—	2,188,690	1,950,000	2,188,690	1,950,000
Total deferred inflows of resources	—	—	2,188,690	1,950,000	2,188,690	1,950,000
Total liabilities, deferred inflows of resources	5,049,293	4,851,410	54,222,072	59,676,377	59,271,365	64,527,787
Net position:						
Net investment capital assets	4,809,369	4,317,009	73,208,919	67,123,141	78,018,288	71,440,150
Restricted	1,728,869	1,688,336	11,179,142	12,941,313	12,908,011	14,629,649
Unrestricted (deficit)	(821,906)	(1,149,730)	3,132,988	6,271,966	2,311,082	5,122,236
Total net position	\$ 5,716,332	\$ 4,855,615	\$ 87,521,049	\$ 86,336,420	\$ 93,237,381	\$ 91,192,035

Total net position equaled \$93.2 million at June 30, 2014 (and \$91.2 million at June 30, 2013), of which \$5.7 million (and \$4.9 million in 2013) represents net position of the City's Governmental Activities, and \$87.5 million (and \$86.3 million in 2013) represents net position of the City's Business-type Activities.

Government-Wide Financial Analysis (continued)

The City's components of changes in net position (condensed from the Statement of Activities) for FY 2014 and FY 2013 are illustrated in the following table:

	Governmental Activities		Business-type Activities		Totals	
	2014	Restated 2013	2014	Restated 2013	2014	Restated 2013
Revenue						
Program Revenue:						
Charges for services	\$ 948,157	\$ 1,014,772	\$ 14,566,496	\$ 13,053,768	\$ 15,514,653	\$ 14,068,540
Operating grants and contributions	66,562	25,727	—	—	66,562	25,727
Capital grants and contributions	4,249	100,000	1,233,574	8,768,596	1,237,823	8,868,596
General revenue:						
Property taxes	3,783,478	3,616,400	—	—	3,783,478	3,616,400
State shared and unallocated intergovernmental	469,679	490,702	—	—	469,679	490,702
Licenses and other	4,043,886	3,347,207	—	20,799	4,043,886	3,368,006
Other	596,103	537,011	14,426	14,619	610,529	551,630
Total revenue	9,912,114	9,131,819	15,814,496	21,857,782	25,726,610	30,989,601
Expenses						
General government	349,203	255,392	—	—	349,203	255,392
Information technology	93,070	106,544	—	—	93,070	106,544
Finance	63,045	70,355	—	—	63,045	70,355
Public safety	4,997,074	4,758,297	—	—	4,997,074	4,758,297
Public works	1,308,987	1,398,634	—	—	1,308,987	1,398,634
Planning and development	568,168	628,271	—	—	568,168	628,271
Parks and museum	670,530	576,023	—	—	670,530	576,023
Garage	245,498	262,443	—	—	245,498	262,443
Depreciation and amortization (unallocated)	671,572	721,268	—	—	671,572	721,268
Interest	84,250	109,691	—	—	84,250	109,691
Water and sewer utility	—	—	14,629,867	12,501,119	14,629,867	12,501,119
Total expenses	9,051,397	8,886,918	14,629,867	12,501,119	23,681,264	21,388,037
Change in net position before special/extraordinary item	860,717	244,901	1,184,629	9,356,663	2,045,346	9,601,564
Special/extraordinary Item	—	—	—	(4,488,481)	—	(4,488,481)
Changes in net position	860,717	244,901	1,184,629	4,868,182	2,045,346	5,113,083
Beginning net position	4,855,615	4,610,714	86,336,420	81,468,238	91,192,035	86,078,952
Ending net position	\$ 5,716,332	\$ 4,855,615	\$ 87,521,049	\$ 86,336,420	\$ 93,237,381	\$ 91,192,035

Government-Wide Financial Analysis (continued)

As in prior years, depreciation and amortization expenses were not allocated to the City's functions due to non-detailed information available and are shown as a single line item in the Statement of Activities as "unallocated", while non-departmental service support expenses were allocated by function in 2014.

General Revenues by Source – Governmental Activities

As shown in a table on the preceding page, General Revenues funded the City's Governmental Activities by 88.7% in the following categories.

	<u>2014</u>	<u>2013</u>
Property taxes	\$ 3,783,478	\$ 3,616,400
State shared revenue	469,679	490,702
Licenses and other	4,043,886	3,347,207
Miscellaneous	596,103	537,011
Total	<u>\$ 8,893,146</u>	<u>\$ 7,991,320</u>

Overall, the City experienced an 11.3% increase in General Revenues (or \$904,826 from 2013 to 2014) primarily due to increased property taxes and business licenses fees.

Expenses and Program Revenues – Business-type Activities - The City's Water and Sewer Utility Enterprise Fund that comprises its Business-type Activities is used for all resources associated with supplying water and providing sewage services to domestic, business and industrial customers within the City limits as well as some of the surrounding unincorporated areas of Lexington County. Operating revenues totaled \$14.6 million in 2014 (as compared to \$13.1 million in 2013) and includes water sales and connection fees of \$4.7 million plus \$9.2 million from sewer services and connection fees. Net operating income at year ended June 30, 2014, totaled \$1,412,760 (as compared to \$1,874,233 in 2013). Capacity charges, consisting primarily of system enhancement, capacity (impact) fees, and capital contributions from the Town and the Commission totaled \$1.2 million in 2014 (as compared to \$8.8 million in 2013). The number of sewer customers decreased nominally from 11,893 for 2013 to 11,595 for 2014. The number of water customers had a small increase from 8,222 for 2013 to 8,245 for 2014. As stated earlier, the change in net position of the Water and Sewer Utility Fund (\$1.2 million) was primarily a result of reduced capital contributions from the Town and the Commission due to the completion of the Wastewater Treatment Plant and prorata capacity being allocated to these two major customers.

General Fund Financial Analysis and Budgetary Highlights

Of the City's Governmental Funds, the City's General Fund is the primary (and major) fund. As compared to 2013, actual General Fund revenues for 2014 increased by \$667,579 (or 8.2%), primarily due to more property taxes, business licenses, building permits, and grants. Actual General Fund expenditures, net of Utility Fund overhead allocations and capital outlay, totaled \$8,497,696, which was a decrease from 2013's total of \$8,603,132 primarily due to reduction in capital outlay. The General Fund's 'final' budgeted revenues totaled \$8,403,912 and actual revenues achieved equaled \$8,780,857, or \$376,945 more than budget. The City had actual General Fund expenditures before Other Financing Sources (Uses) of \$8,497,696, compared to a 'final' budget of \$8,667,012 for a favorable budget to actual variance of \$169,316 for the fiscal year ended June 30, 2014.

General Fund Financial Analysis and Budgetary Highlights (continued)

Prior-Year Extraordinary Item - In June 2012, the Worldwide Plastic Recycling Plant, on Foreman Street in the City of Cayce, caught on fire. The resulting air and water quality issues forced the City to hire an outside company to help contain and clean-up the fire and mitigate the environmental threats to the citizens of Cayce. The firefighting efforts and environmental cleanup cost totaled \$1,040,506, which the City hopes to recover from the property owners. However, such claims are being contested.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - As of June 30, 2014, the City's net investment in capital assets for its Governmental Activities totaled \$15.8 million, less accumulated depreciation of \$9.7 million for a net carrying value of \$6.1 million. For its Business-type Activities, total net investment in capital assets equaled \$154.3 million, less accumulated depreciation of \$31.0 million for a net carrying value of \$122.5 million. The City's net investment in capital assets includes land, buildings, utility system improvements, machinery and equipment, park facilities, vehicles and furniture. The City's significant capital asset acquisition for the Governmental Activities included new public safety vehicles, new financial software, and various park improvements. In addition to capital infrastructure and plant improvements for the Business-type Activities (Water and Sewer Utility Fund), the City completed a new 26.0 million gallons per day (mgd) wastewater treatment plant for \$66 million, plus a new septage and grease receiving station totaling \$1.5 million. Additional information on the City's capital assets can be found in *Note 5* of this report.

Long-Term Debt - At the end of the current fiscal year, the City had total bonded indebtedness outstanding of its Governmental Activities of \$2.0 million, and Business-type Activities of \$49.3 million. Governmental Activities debt consists of a tax increment financing (TIF) bond with an outstanding balance of \$1.4 million, and various installment purchase notes with an outstanding balance of \$600,000 at June 30, 2014. Additional information on the City's long-term debt can be found in *Note 6* of this report.

During the year 2013-2014 the City obtained financing through the State of South Carolina Clean Water State Revolving Funds (SRF) Series 2013 program, for the construction of a new septage and great receiving and pre-treatment facility in the total amount of \$1,150,000. Per the agreement, the entire principal balance will be forgiven at the completion of construction and has been recognized as contributed capital.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Manager, City of Cayce, South Carolina.

BASIC FINANCIAL STATEMENTS

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF NET POSITION

— CONTINUED —

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Cayce Beautification Foundation
Liabilities, Deferred Inflows and Net Position (continued)				
Deferred inflows of resources:				
Future capacity charges and credits	—	2,188,690	2,188,690	—
Total deferred inflows of resources	—	2,188,690	2,188,690	—
Total liabilities and deferred inflows of resources	5,049,293	54,222,072	59,271,365	—
Net position:				
Net investment in capital assets	4,809,369	73,208,919	78,018,288	—
Restricted for:				
Debt service	752,375	5,893,051	6,645,426	—
Capital projects	754,698	5,286,091	6,040,789	—
Community development and tourism	156,022	—	156,022	—
Beautification	—	—	—	135,000
Law enforcement	65,774	—	65,774	—
Unrestricted (deficit)	(821,906)	3,132,988	2,311,082	30,849
Total net position	\$ 5,716,332	\$ 87,521,049	\$ 93,237,381	\$ 165,849

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2014

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 2,161,016	\$ —	\$ 83,801	\$ 2,244,817
Receivables, net	250,897	—	2,450	253,347
Due from other funds	66,910	—	—	66,910
Inventories	48,921	—	—	48,921
Restricted assets:				
Cash and cash equivalents	193,957	758,032	890,830	1,842,819
Total assets	\$ 2,721,701	\$ 758,032	\$ 977,081	\$ 4,456,814
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 1,002,586	\$ —	\$ —	\$ 1,002,586
Accrued liabilities	200,262	—	9,337	209,599
Construction contracts payable	—	3,334	—	3,334
Other liabilities	37,951	—	—	37,951
Deposits and prepayments	59,547	—	—	59,547
Performance bond – restricted	193,957	—	—	193,957
Total liabilities	1,494,303	3,334	9,337	1,506,974
Fund balances:				
Nonspendable in:				
Inventories	48,921	—	—	48,921
Restricted for:				
Victims Rights Assistance	58,560	—	—	58,560
Redevelopment plan	—	754,698	—	754,698
Tourism and community development	—	—	110,550	110,550
ABC permit	—	—	13,804	13,804
Debt service	—	—	752,375	752,375
Law enforcement	—	—	7,214	7,214
	58,560	754,698	883,943	1,697,201
Committed for:				
UST program	25,000	—	—	25,000
Assigned for:				
Christmas in Cayce	3,910	—	—	3,910
Congaree Bluegrass Festival	197	—	—	197
Museum	—	—	83,801	83,801
	4,107	—	83,801	87,908
Unassigned	1,090,810	—	—	1,090,810
Total fund balances	1,227,398	754,698	967,744	2,949,840
Total liabilities and fund balances	\$ 2,721,701	\$ 758,032	\$ 977,081	\$ 4,456,814

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2014

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenue				
Property taxes	\$ 2,948,366	\$ —	\$ 845,642	\$ 3,794,008
Licenses and permits	4,182,122	—	—	4,182,122
Fines and forfeitures	268,380	—	—	268,380
State shared revenue	357,698	—	112,713	470,411
Current services	534,410	—	—	534,410
Grants and other	488,139	—	13,898	502,037
Interest income	1,742	—	71	1,813
Total revenue	8,780,857	—	972,324	9,753,181
Expenditures				
Current:				
General government	335,743	—	—	335,743
Information technology	90,231	—	—	90,231
Finance	62,061	—	—	62,061
Public safety	5,014,048	—	6,262	5,020,310
Community relations	113,921	—	—	113,921
Planning and community development	351,394	24,240	80,145	455,779
Public works	1,289,663	—	—	1,289,663
Parks and museum	637,554	23,724	—	661,278
Garage	249,836	—	—	249,836
Non-departmental and support services	15,601	—	—	15,601
Debt service	267,071	—	489,012	756,083
Capital outlay	70,573	252,945	—	323,518
Total expenditures	8,497,696	300,909	575,419	9,374,024
Excess (deficiency) of revenue over expenditures	283,161	(300,909)	396,905	379,157
Other Financing Sources (Uses)				
Proceeds from sales of assets	254,931	—	—	254,931
Transfers in	56,887	400,000	—	456,887
Transfers (out)	—	—	(456,887)	(456,887)
Total other financing sources (uses)	311,818	400,000	(456,887)	254,931
Net change in fund balances	594,979	99,091	(59,982)	634,088
Fund balances, beginning of year	632,419	655,607	1,027,726	2,315,752
Fund balances, end of year	\$ 1,227,398	\$ 754,698	\$ 967,744	\$ 2,949,840

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

BALANCE SHEET

PROPRIETARY FUND

JUNE 30, 2014

	<u>Business-type Activities – Enterprise Fund Water and Sewer Utility</u>
Assets and Deferred Outflows	
Current assets:	
Cash and cash equivalents	\$ 603,042
Receivables, net:	
Water and sewer accounts	2,683,360
Other accounts	2,447,505
Grants	31,291
Inventories	264,809
Total current assets	<u>6,030,007</u>
Non-current assets:	
Restricted cash and cash equivalents	11,704,810
Capital assets not subject to depreciation	726,766
Capital assets, net of depreciation	122,595,444
Other assets, net	609,180
Total non-current assets	<u>135,636,200</u>
Total assets	<u>141,666,207</u>
Deferred outflows of resources:	
Losses on bond refundings, net	<u>143,824</u>
Total assets and deferred outflows	<u><u>\$ 141,810,031</u></u>

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2014

	<u>Business-type Activities – Enterprise Fund Water and Sewer Utility</u>
Operating Revenue (pledged as security for revenue bonds)	
Water:	
Sales	\$ 4,722,610
Connection fees	25,271
Sewer:	
Service charges	9,196,270
Connection fees	3,415
Septage/grease services:	
Sales and permits	3,140
Pretreatment set-up fees	99,261
Re-connection fees	22,080
Penalties	142,295
Miscellaneous income	352,154
Total operating revenue	<u>14,566,496</u>
Operating Expenses	
Administrative	503,634
Utility billing	594,648
Water treatment plant	1,300,067
Water distribution and maintenance	1,333,776
Wastewater treatment plant	2,280,481
Sewer collection and outfall lines	1,373,241
Septage and grease receiving station	52,458
Non-departmental and support services	1,651,230
Depreciation and amortization expense	4,064,201
Total operating expenses	<u>13,153,736</u>
Operating income	<u>1,412,760</u>
Non-Operating Revenue (Expenses)	
Interest income	14,426
Interest expense	(1,442,461)
Bond refinancing loss amortized	(33,670)
Total non-operating revenue (expenses)	<u>(1,461,705)</u>
Income before contributions	(48,945)
Capital Contributions	
Capacity charges and other capital contributions	<u>1,233,574</u>
Change in net position	<u>1,184,629</u>
Net position, beginning of year, as restated (<i>See Note 16</i>)	<u>86,336,420</u>
Net position, end of year	<u>\$ 87,521,049</u>

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 150,718
Total assets	<u>\$ 150,718</u>
Liabilities	
Amounts due to others	\$ 150,718
Total liabilities	<u>\$ 150,718</u>

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

1. Summary of Significant Accounting Policies

The City of Cayce, South Carolina (the "City") was incorporated September 7, 1914, under the laws of the State of South Carolina for the incorporation of municipal governments and as amended by Act 283 of the 1975 Code (Home Rule City Act). The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health, culture-recreation, public improvements, planning and zoning and general administrative services.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

Using the criteria of GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity Omnibus*, the basic financial statements of the County present the reporting entity that consists of the primary government and those legally separate organizations for which the elected officials of the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion could cause, in management's judgment, the City's financial statements to be misleading or incomplete.

Financial accountability is defined as appointment of a voting majority of the separate organization's board and either a) the ability to impose will by the primary government, or b) the possibility that the separate organization will provide a financial benefit to or impose a financial burden on the primary government. "Blended" component units are separate entities that are, substantially, part of the primary government's operations and are combined with financial data of the primary government. "Discretely presented" component units, on the other hand, are reported in separate columns in the Government-wide financial statements to emphasize that they are legally separate from the operations of the primary government.

The City has the following material discretely presented component unit.

Cayce Beautification Foundation

The Cayce Beautification Foundation (the Foundation), is an IRC Section 501(c)3, non-profit organization formed to enhance the City of Cayce in partnership with local residents and businesses. The Foundation is governed by a board of directors appointed by City Council and is financially supported by the City and the public. The mayor, city manager, one council member, along with the chairperson of the Planning Commission and chairperson of the Beautification Board also serve on the board of directors. The Foundation has a fiscal year end of June 30, and is accounted for as a proprietary fund-type utilizing the accrual basis of accounting. Separate financial statements are not issued.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

Governmental Funds

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally (or donor) restricted to expenditures for specified purposes other than debt service or capital projects. The City maintains special revenue funds for continuing grant programs of rental rehabilitation, community development, home and law enforcement; state restricted funds of accommodation taxes and alcohol permits; plus Cayce Museum Fund.

Capital Projects Fund – The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and other capital assets other than those financed by the proprietary fund. The City maintains this fund for its resources and activities in the tax increment financing (TIF) district.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of financial resources for the payment of interest and principal on certain general long-term debt of the City, other than debt service payments financed by proprietary fund types. The City maintains this fund for the resources of taxes collected in the TIF district used for retirement of long-term debt.

Proprietary Funds

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

Fiduciary Funds

All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and (if applicable) a Statement of Changes in Fiduciary Net Position.

Agency Funds – The Agency Fund is used to account for assets held by the City as an agent for individuals, private organizations, other governments, and/or other funds. At June 30, 2014, these included Police Fund and Firemen's Fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These activities have been excluded from the City's Government-wide financial statements because the City cannot use those assets to finance its operations.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

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

D. Budgets and Budgetary Accounting

Budgets and Encumbrances – Generally, budgets are adopted on a basis consistent with generally accepted accounting principles. A legal operating budget is prepared annually for the General Fund and Water and Sewer Utility Fund. Informal budgetary controls are maintained for other funds.

The City Manager is authorized to administer the budget and transfer amounts within and between departments and funds as necessary and designate continuing projects from fund balances or additional unbudgeted revenue and transfers. Subsequent expenditures (expenses) approved by Council shall automatically carry amendments to fund appropriation where applicable.

The General Fund operated under a final expenditure budget totaling \$8,667,012, plus \$1,500,000 Utility Fund overhead allocated to the General Fund departments. As further described in the “Required Supplementary Information”, a budgetary comparison schedule for the General Fund is provided. The Water and Sewer Utility Fund operated under a budget totaling \$9,273,398 (including operation and maintenance, capital improvements, debt service principal amounts and coverages). Actual operating expenses totaled \$13,153,736 (including a charge of \$4,064,201 for depreciation and amortization).

Encumbrances represent outstanding purchase orders or commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable budgeted appropriation – is utilized in the governmental funds. There were no material encumbrances at June 30, 2014.

E. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses

Cash and Cash Equivalents and Investments

Cash includes amounts held in demand deposits. For purpose of the statement of cash flows, the City considers all savings and short-term investments purchased with maturities of three months or less to be cash equivalents. State statutes authorize the City to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements. Investments are reported at fair value.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions result in loans or advances between individual funds. Interfund loans outstanding at year-end are recorded as Interfund Receivables/Payables and are expected to be paid within one year. The lending fund reports amounts ‘due from other funds’, while the borrowing fund reports amounts ‘due to other funds’. These interfund receivables and payables are classified as “internal balances” on the Government-wide Statement of Net Position and have been eliminated. The City considers all interfund receivables, net of any payables to be short-term. Advances to/from other funds (if any) represent long-term interfund loans receivable and payable.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

1. Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (Continued)

Capital Assets and Depreciation (Continued)

Public domains (rights-of-way and easements) have been capitalized using actual and estimated historical costs of such assets that were acquired by the City. The City owns .98 mile of paved subdivision streets at June 30, 2014. However, the City is not responsible for maintenance or reconstruction costs associated with the roads.

Depreciation of all exhaustible capital assets has been provided based on the estimated useful lives of the class of assets, or individual assets using the straight line method with service lives as follows: Buildings – 15 to 40 years; Improvements – 10 to 30 years; Machinery and equipment – 3 to 20 years; Water and sewer systems – 10 to 50 years.

Capitalization of Interest

Interest costs incurred during the construction phase of business-type capital assets are reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Long-term Obligations

In the Government-wide financial statements, and the Proprietary Fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Long-term debt represents unmatured principal of general obligation and revenue bond indebtedness, and outstanding portions due on long-term contracts. These obligations are reported net of bond premiums and discounts, which are amortized over the life of the related bond issue using the straight-line method. Other long-term obligations represent outstanding net present value portions due on capital lease obligations, and long-term portions of claims or judgments. Liabilities arising from interfund activities do not constitute general long-term liabilities. In the Governmental Fund financial statements, bond premium and discounts, as well as bond issuance, costs are recognized as expenditures of the current period. The face amount of the debt issued, along with any bond premium and discounts, is reported as Other Financing Sources.

Compensated Absences (Accrued Vacation and Sick Leave)

City employees are entitled to accrue and carry forward at fiscal year-end accumulated unused days of annual vacation leave and sick leave. Typically, employees consume newly-earned increments of leave in future periods. Effective July 1, 1994, accumulated annual and sick leave is capped at 400 hours and 720 hours, respectively, per employee. Upon termination of employment, employees are entitled to be paid at current salary levels for accumulated unused annual vacation leave. Prior to July 1, 1994, the City's policy for employees receiving compensation for unused sick leave upon termination was as follows: 15 years of service = 25%; 20 years of service = 50%; 25 years of service = 75%; 30 years of service = 100%.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

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

E. Assets, Liabilities, Fund Equity, Revenue, Expenditures and Expenses (Continued)

Property Taxes

The City assesses and levies property taxes in accordance with applicable laws of the State of South Carolina. Real property and personal property of every description owned and used in the City, except that which is exempt from taxation under the Constitution and Laws of the State, is subject to taxation. An annual ordinance establishing the millage rate associated with the levy is adopted each year as a part of the budget adoption process.

Real property and all personal property other than vehicles are assessed for property tax purposes as of December 31 of each year. The basis for value of taxable property within the City is taken from the records of the Lexington County Assessor or the Richland County Assessor. Taxes are levied on July 1 with the passage of the fiscal year budget and millage ordinance, billed in October, and are due by January 15 in the year following their levy. A penalty of 3% is added to the tax bill on January 16; with an additional 7% added on February 2; and an additional 5% to the tax bill on March 17.

New vehicle property taxes are assessed and levied within 120 days of the registration date of the vehicle and payment is due upon receipt of the property tax notice. Other vehicle property taxes are assessed and levied in the month the vehicle is scheduled for license renewal with the South Carolina Department of Transportation and payment is due before the end of the month of the scheduled renewal.

For Government-wide financial statements, property taxes are recognized as revenue in the year for which they are levied. For Government Fund financial statements, City property tax revenues are recognized for the budget period to which they apply when they become measurable and available. Delinquent and unpaid property taxes are reported as receivables, less amounts estimated to be uncollectible.

Program and General Revenue

The City charges public fees for building permits and inspections, and admission fees for certain recreational activities. These fees as well as fines for traffic violations and grant revenues are recorded as "program revenue" in the Statement of Activities. "General revenues" reported by the City include property taxes, state-shared taxes, business licenses (which are appropriately not classified as program revenue 'fees for services' due to their non-matching characteristics) and other government imposed non-exchange fees (e.g. franchise fees, which are general revenue fees-in-lieu of business licenses).

Interfund Activities

Transfers between governmental and business-type activities on the Government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditure/expenses in the purchaser funds. Flows of cash or goods from one fund to another without the requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

CITY OF CAYCE, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS
 — CONTINUED —

2. Deposits and Investments

As of June 30, 2014, the City had the following cash and investment balances:

Cash on hand	\$ 1,555
Carrying amount of deposits	9,061,123
Carrying amount of investments	6,364,559
Funds held in trust by State	1,118,969
Total	<u>\$ 16,546,206</u>

Statement of Net Asset balances:

Cash and cash equivalents	\$ 2,847,859
Cash and cash equivalents – restricted	13,547,629
Cash and cash equivalents – fiduciary	150,718
Total	<u>\$ 16,546,206</u>

Investments are categorized as follows:

State Treasurer’s Investment pool	\$ 12,728
Money Market Funds	6,351,831
Total	<u>\$ 6,364,559</u>

Deposits

Custodial credit risk of deposits is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. At June 30, 2014, the carrying amount of the City’s cash deposits with financial institutions was \$9,061,123 and the financial institution’s balances totaled \$10,694,189. Of this balance, \$1,010,510 was covered by federal depository insurance and the remaining balance was covered by collateral held by the financial institutions’ trust departments in the City’s name. The City’s cash on hand at June 30, 2014, amounted to \$1,555. Accordingly, the City was not exposed to custodial credit risk.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. Deposits and Investments (Continued)

Investments (Continued)

The Money Market Funds were rated Aaa by Moody's Investors Service December 1998 and AAAm by Standard & Poors and Fitch Ratings in March 1999. The South Carolina Local Government Investment Pool is not rated.

Custodial credit risk. Custodial credit risk of investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment balances were covered by collateral held by the financial institution's trust department in the City's name. The City does not have an investment policy for custodial credit risk. As of June 30, 2014, the City was not exposed to custodial credit risk.

Concentration of Credit Risk. The City places no limit on the amount it may invest in any one issuer. More than 5 percent of the City's investments are in money market funds. These investments are 99% respectively, of the City's total investments.

3. Receivables

Receivables at June 30, 2014, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities
Property taxes	\$ 1,643,003	\$ —
Water and sewer accounts	—	2,718,360
Wastewater Treatment Plant contributions due	—	2,447,505
Grant receivable	—	31,291
Other	229,548	—
Due from other governments:		
General Fund:		
State shared revenue	93,054	—
Special Revenue Fund:		
Accommodations tax	26,970	—
ABC Permit Fund:		
Due from state government	2,450	—
Gross receivables	1,995,025	5,197,156
Less, allowance for uncollectible	(1,578,482)	(35,000)
Net total receivables	\$ 416,543	\$ 5,162,156

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

5. Capital Assets (Continued)

Business-Type Activities:

	Balance June 30, 2013	Additions	Retirements	Transfers	Balance June 30, 2014
Capital assets not being depreciated:					
Land and rights-of-way	\$ 330,568	\$ —	\$ —	\$ —	\$ 330,568
Construction in progress	2,686,357	4,012,586	—	(6,302,745)	396,198
Total capital assets not being depreciated	3,016,925	4,012,586	—	(6,302,745)	726,766
Capital assets being depreciated:					
Water plant and distribution system	37,232,670	257,066	—	1,219	37,490,955
Wastewater plant and collection system	104,003,156	315,151	(5,238)	4,771,067	109,084,136
Septage & grease facility	—	—	—	1,530,459	1,530,459
Furniture, vehicles, equipment	5,228,885	249,758	—	—	5,478,643
Total capital assets being depreciated	146,464,711	821,975	(5,238)	6,302,745	153,584,193
Less, accumulated depreciation for:					
Water plant and distribution system	(13,414,881)	(1,019,098)	—	—	(14,433,979)
Wastewater plant and collection system	(10,493,098)	(2,630,854)	5,238	—	(13,118,714)
Septage & grease facility	—	(8,373)	—	—	(8,373)
Furniture, vehicles, equipment	(3,035,902)	(391,781)	—	—	(3,427,683)
Total accumulated depreciation	(26,943,881)	(4,050,106)	5,238	—	(30,988,749)
Total capital assets being depreciated, net	119,520,830	(3,228,131)	—	6,302,745	122,595,444
Net capital assets – Business-type Activities	\$122,537,755	\$ 784,455	\$ —	\$ —	\$123,322,210

For the year ended June 30, 2014, depreciation expense charged to Governmental and Business-type Activities above were not allocated to specific functions in the Statement of Activities, as the City does not have a reasonable basis for allocation.

Interest expense in the amount of \$112,359 was capitalized as part of the construction for Business-type Activities at during the fiscal year 2014.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

6. Long-Term Debt (Continued)

B. Business-Type Activities

Clean Water State Revolving Funds Loan (SRF), Series 2002, interest (3.75% per annum) payable quarterly, final payment due September 1, 2023.	\$ 897,494
Water and Sewer System Refunding and Improvement Revenue Bonds, Series 2004, interest (2.00% - 4.00% per annum) payable semi-annually, final payment due July 1, 2015.	1,910,000
Water and Sewer System Refunding and Improvement Revenue Bonds, Series 2007A, interest (4.00% - 5.25% per annum) payable semi-annually, final payment due July 1, 2027	14,805,000
Clean Water State Revolving Funds Loan (SRF), Series 2009, interest (2.25% per annum) payable quarterly, final payment due March 1, 2032.	31,712,389
	<u>49,324,883</u>
Add:	
Series 2007A Bond premium	481,285
Less, current portions (due within one year):	
Water and Sewer Bonds payable (2004 and 2007A)	(1,800,000)
State Revolving Fund Loans (2002 and 2009)	<u>(1,554,738)</u>
Total long-term debt – Business-type Activities	<u>\$ 46,451,430</u>

SRF Loan/Grant

During the year 2013, the City obtained financing through the State of South Carolina Clean Water State Revolving Funds (SRF) Series 2013 for the construction of a new septage treatment facility in the total amount of \$1,150,000. At June 30, 2014, the City had drawn the loan in its entirety totaling \$1,150,000. Per the agreement, the entire principal balance will be forgiven at the completion of construction. The City has reported the drawn amount as contributed capital grant. (See Note 11)

Clean Water State Revolving Funds Loan (SF) Series 2009

Subsequent to year end, the Series 2009 SRF Loan Agreement was amended reducing the total loan amount by the amount of undisbursed funds and reamortized the loan. (See Note 14)

CITY OF CAYCE, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

6. Long-Term Debt (Continued)

D. Annual Requirements for Long-Term Debt

The annual debt service requirements to amortize all of the City's long-term debt, except accrued compensated absences, are summarized below:

	<u>Interest</u>	<u>Principal</u>	<u>Total Requirements</u>
Governmental Activities:			
Tax Increment Revenue Bonds, Series 2002:			
2015 (due within one year)	\$ 51,629	\$ 440,224	\$ 491,853
2016	33,709	458,144	491,853
2017	15,060	476,793	491,853
2018	302	14,921	15,223
	<u>\$ 100,700</u>	<u>\$ 1,390,082</u>	<u>\$ 1,490,782</u>
Installment Purchase Contracts:			
2015 (due within one year)	\$ 10,247	\$ 376,593	\$ 386,840
2016	3,307	224,269	227,576
	<u>\$ 13,554</u>	<u>\$ 600,862</u>	<u>\$ 614,416</u>

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

6. Long-Term Debt (Continued)

D. Annual Requirements for Long-Term Debt (Continued)

The Town of Springdale entered into a contract with the City of Cayce to remit annually sums of money originally (\$114,437) to reimburse the City for the Series 2002 SRF Loan debt service. This contract was modified effective 2012, to reduce in the interest rate from 3.75% to 2.25%. The new payment is \$26,298 to be remitted quarterly (\$105,194 annually). Such contract and receipt of revenues are contingent based on the annual budget appropriated by the Town of Springdale.

Pursuant to the City of Cayce's Wastewater Services Agreement, the Lexington County Joint Water and Sewer Commission is to remit (in addition to other rates and charges) monthly sums of money to reimburse the City a portion (30.183%) for the Series 2009 SRF Loan debt service plus 15% for debt service coverage (collectively the "Debt Service Charge"). The monthly payment is \$62,774 or \$753,287 annually. According to the Agreement, revenue generated by the Debt Service Charge shall be considered operating revenue for the City of Cayce.

There are a number of limitations and restrictions contained in the City's revenue bond indentures, among which, is for the City to earn a 115:1 ratio of net revenues (without capital facility charges) to combined debt service, or combined ratios of 110:1 of net revenues (without capital facility charges) to combined debt service and 120:1 of net revenue with capital facility charges to combined debt service. The City was in compliance with these requirements at June 30, 2014.

The Series 2007A Bonds due July 1, 2027 (the "Series 2007A Term Bonds") shall be subject to redemption prior to maturity, at the option of the City in such order of maturity as the City determines, on and after July 1, 2020, in whole or in part at any time upon 30 days notice, at 100% of the principal amount of such Series 2007A Bonds to be so redeemed, plus interest accrued to the redemption date.

E. Debt Service Reserves Funding

During the fiscal year 2008, the City's bond insurer (XL Capital Assurance) for its Series 2007A Water and Sewer Revenue Bonds was downgraded by various national rating agencies. During fiscal years 2009-2011, the City funded the Debt Service Reserve Accounts for the Series 2004 Bonds, Series 2007A Bonds, and Series 2009 SRF loan in the amounts of \$878,046, \$1,776,350 and \$2,352,410, respectively. As a result, the City's ratings on its outstanding bonds remained unaffected. During fiscal year 2013, the City amended its Supplemental Indenture of Trust in order to reduce the balances of the Debt Service Reserve Accounts associated with its SRF loans. The Series 2009 reserve amount was reduced from \$2,352,410 to \$1,085,104 and the Series 2002 reserve amount was reduced from \$105,200 to \$52,600. Per the indenture amendment, the City is able to use such savings toward its debt service coverage ratios test.

No changes were made to these reserve funds during fiscal 2014. Subsequent to June 30, 2014, the State of South Carolina informed the City that the Series 2009 and Series 2002 reserve funds could be reduced to zero.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Benefits of the retirement systems are established by state statutes. Under current statutes, member employees who retire at age 65 or after 28 years (public safety employees after 25 years) of credited service are entitled to an annual full service retirement benefit, payable monthly for life, equal to 1.82 percent of the employee's highest twelve consecutive quarters of compensation for non-public safety employees and 2.14 percent for public safety employees.

Member employees who are at least 55 years of age may elect early retirement with reduced benefits. In either case, any unrecovered contributions are payable upon death and benefit payments increase 4 percent each year following an increase in the Consumer Price Index of at least 3 percent. Full service or early retirees may elect other optional methods of benefit distributions, including lump sum distributions, benefit levels coordinated with the retiree's social security benefits and distributions to a named beneficiary. Benefits are fully vested on reaching five years of service. The retirement systems also provide death and disability benefits to all member employees.

State statutes also determine the levels of contributions required by both employers and employees. Non-public safety members were required to contribute 7.5, 7.0 and 6.5 percent of their compensation for the fiscal year 2014, 2013, and 2012, respectively. Effective July 1, 2015, the employee contribution rate will be 8.0 percent. Under this system, the City's contributions were 10.6, 10.6 and 9.535, percent of each member employees compensation for the fiscal years 2014, 2013, and 2012, respectively. Effective June 1, 2015 the employer required contribution will be 10.9 percent, which included .15 percent of group life coverage. Required and actual contributions to SCRS by the City for the years ending June 30, 2014, 2013 and 2012 were \$514,069, \$486,663, and \$422,040, \$respectively. Public safety employees were required to contribute 7.84, 7.5 and 6.5 percent of their compensation for the fiscal years 2014, 2013 and 2012, respectively. Effective July 1, 2015, the employer compensation rate will be 13.81 percent, which included .2 percent of group life and .2 percent of accidental death coverage. The City's Contributions were 12.84, 12.30, 11.763 percent of each member employees compensation for the fiscal years 2014, 2013, and 2012, respectively. Required and actual contributions to PORS by the City for the years ending June 30, 2014, 2013 and 2012 were \$354,690, \$321,072, and \$297,759, respectively. The City contributed 100% of the required contribution for each of the plans for the years ending June 30, 2014, 2013, and 2012.

A comprehensive annual financial report containing financial statements and required supplementary information for the SCRS and PORS, which is issued and publicly available on the website www.retirement.sc.gov, or a copy may be obtained by submitting in writing a request to the South Carolina Retirement System, P. O. Box 11960, Columbia, SC 29211-1960.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS
— CONTINUED —

9. Post-Employment Benefits Other Than Pension (continued)

Annual Other Post-Employment Benefit (OPEB) Cost (continued)

The City's annual other post-employment benefit cost was \$429,973, 412,983 and \$395,757, for the fiscal years 2014, 2013 and 2012, respectively. The City's net other post-employment benefit (OPEB) obligation was \$1,887,611, \$1,488,362, and \$1,110,725 for the fiscal years 2014, 2013 and 2012, respectively. The City contributed 17.4%, 20.16%, and 17.7%, of the annual other post-employment benefit cost for the years ended June 30, 2014, 2013, and 2012, respectively.

Funded Status and Funding Progress

The actuarial accrued liability for benefits was \$1,807,942 as of the last actuarial valuation as of July 1, 2012, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan at May 2012) was \$6,927,435, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 26 percent. The covered payroll in the plan as of June 30, 2013 was \$7,201,484, and \$7,612,085 at June 30, 2014.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the other post-employment benefit (OPEB) and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of other post-employment benefit (OPEB) assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive program (the program as understood by the City and participants) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the participants to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued other post-employment benefit (OPEB) liabilities and the actuarial value of other post-employment benefit (OPEB) assets.

In the actuarial valuation dated July 1, 2012, the Entry Age Normal cost method and the Level Dollar Amount Open amortization method were used. The unfunded actuarial accrued liability ("UAAL") amortization payment is the level percent of payroll required to fully amortize the UAAL over a 30 year period. The remaining amortization period is 30 years. The actuarial assumptions included an estimated investment rate of return of 4.50% (which is the annual return net of both administrative and investment related expenses) and a healthcare inflation rate of 8% to 4% at a constant rate over ten years for fiscal years 2014 and later. The health care trend rate for fiscal years 2013 to 2014 was medical = 2.53%, dental = 0.00%, and life = 0.00%.

CITY OF CAYCE, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

13. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanations of Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The Governmental Fund Balance Sheet includes a reconciliation between fund balance amounts and Net Position – Governmental Activities. The details of the reconciled amounts are as follows:

<i>Capital assets in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements:</i>	
Capital assets	\$ 15,810,074
Less, accumulated depreciation	<u>(9,764,459)</u>
Net amount reported	<u>\$ 6,045,615</u>
<i>Other assets not available to pay for current period expenditures and, therefore, are not reported in the funds:</i>	
State shared (local government fund) and accommodation tax revenue	\$ 120,024
Contractual rights for animal services	100,000
Property taxes revenue	<u>43,172</u>
Net amount reported	<u>\$ 263,196</u>
<i>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the fund financial statements:</i>	
Revenue bond and installment purchase contracts	\$ (1,990,943)
Accrued compensated absences	(361,071)
Other post-employment benefits (OPEB)	<u>(1,190,305)</u>
Net amount reported	<u>\$ (3,542,319)</u>

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

14. Subsequent Events

Amendment of Series 2009 Clean Water State Revolving Funds Loan

On October 27, 2014, the South Carolina State Budget and Control Board amended the Series 2009 Clean Water State Revolving Funds Loan (Series 2009 SRF Loan) after processing the final draw request. The undisbursed loan funds of \$1,081,166 were used to reduce the total loan amount to \$33,793,369. Pursuant to Section 1.4.2 of the Series 2009 SRF Loan Agreement, the quarterly payments were recalculated based upon the final loan amount retroactive to the payment initiation date. A new amortization schedule with quarterly payment amounts equaling \$525,732, takes effect on January 1, 2015. The overpayment of \$168,200 was applied as a simple credit to the December 1, 2014 payment. The Series 2009 SRF loan balance was \$29,995,664 after the December 1, 2014 payment was applied.

Loan Commitment

On September 30, 2014, the City obtained a State Drinking Water Revolving Loan Fund commitment for \$3.67 million dollars from the South Carolina Water Quality Revolving Loan Fund Authority for the purpose of replacing the Highway 321 water main. The terms include interest at 2% with principal and interest repaid over 20 years in 80 substantially equal quarterly payments beginning on November 1, 2015. The commitment is subject to satisfaction of all conditions to the issuance of additional parity bonds required by Article III of its Amended and Restated Indenture of Trust dated July 15, 2004 and to the legal title opinion letter addressing all land, rights-of-way and easements required for the project.

Settlement Agreement

On October 14, 2014, the City settled with the Municipal Association of South Carolina (MASC) and the South Carolina Farm Bureau Mutual Insurance Company, Southern Farm Bureau Casualty Insurance Company, Palmetto Casualty Insurance Company (collectively the "Farm Bureau Companies") a dispute regarding the collection of business license fees related to the business license years 2010, 2011, 2012, and 2013 in the amount of \$2,497,699. The City's portion of the settlement was \$2,445,561.

Management has evaluated subsequent events which may require disclosure through December 12, 2014.

15. New and Additional Pronouncements

The GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27*. This Statement replaces the requirements of Statements No. 27 and No. 50 related to pensions that are administered through trusts or equivalent arrangements. The requirements of Statement No. 27 and No. 50 remain applicable to pensions that are not administered through a trust or equivalent arrangements. The requirements of this Statement are effective for financial statements for the fiscal years beginning after June 15, 2014. The City has begun the process of obtaining actuary information in order to comply with the new GASB Standard.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CAYCE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

— CONTINUED —

	2014			2013	
	Budget		Actual	Variance	Actual
	Original	Final		Positive (Negative)	
Expenditures (Continued)					
Public Works					
Street lighting	150,000	150,000	214,305	(64,305)	151,602
Sanitation	1,036,854	1,036,854	1,037,043	(189)	1,185,443
Public buildings	117,922	117,922	103,622	14,300	142,946
Total	1,304,776	1,304,776	1,354,970	(50,194)	1,479,991
Less, Utility Fund overhead	—	(51,435)	(51,435)	—	(42,817)
Less, capital outlay	—	(13,872)	(13,872)	—	(39,660)
Net public works	1,304,776	1,239,469	1,289,663	(50,194)	1,397,514
Community Relations					
Promotions and events	96,096	96,096	113,921	(17,825)	122,357
Total community relations	96,096	96,096	113,921	(17,825)	122,357
Planning and Development					
Planning and zoning	413,091	413,091	351,394	61,697	456,755
Total planning and development	413,091	413,091	351,394	61,697	456,755
Parks and Museum					
Parks	521,973	521,973	505,194	16,779	463,053
Museum	138,879	138,879	144,150	(5,271)	127,527
Total	660,852	660,852	649,344	11,508	590,580
Less, capital outlay	—	(11,790)	(11,790)	—	—
Net parks and museum	660,852	649,062	637,554	11,508	590,580
Garage					
Garage	373,533	373,533	354,729	18,804	351,941
Less, Utility Fund overhead	—	(104,893)	(104,893)	—	(90,024)
Net garage	373,533	268,640	249,836	18,804	261,917
Non-departmental and Support Services					
Non-departmental and support services	179,570	179,570	43,148	136,422	211,454
Less, Utility Fund overhead	—	(7,083)	(7,083)	—	(167)
Less, capital outlay	—	(20,464)	(20,464)	—	(186,434)
Net support services	179,570	152,023	15,601	136,422	24,853

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO BUDGETARY COMPARISON SCHEDULE
JUNE 30, 2014

Budgets and Budgetary Accounting

A legal operating budget is prepared annually for the General Fund and Water and Sewer Utility Fund. Informal budgetary controls are maintained for other funds, and accordingly budgetary comparisons to actual are not presented. Generally, budgets are adopted on a basis consistent with generally accepted accounting principles. If applicable, project length financial plans are adopted for all capital project funds.

The City follows the procedures described below in establishing its annual budget.

- By April 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures (expenses) and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- By June 30, the budget is legally enacted through passage of an ordinance to set the tax levy (millage) for the fiscal year.
- Appropriations lapse, except for encumbered amounts, at the end of each fiscal year.

The City Manager is authorized to administer the budget and transfer amounts within and between departments and funds as necessary and designate continuing projects from fund balances or additional unbudgeted revenue and transfers. Subsequent expenditures approved by Council shall automatically carry amendments to fund appropriation where applicable. Accordingly, the legal level of budgeting control is made by fund appropriation.

Budgeted amounts presented in the schedule are as originally adopted, or as amended. If budgeted expenditures exceeded estimated revenues, these deficits were funded (if necessary) by unreserved and applicable reserved fund balances, additional unbudgeted revenue and transfers.

The General Fund operated under a final expenditure budget totaling \$8,667,012, plus \$1,500,000 Utility Fund overhead allocations, which have been netted against departmental expenditures in the comparison schedule.

Budget to Actual Deficits

Should actual General Fund expenditures exceed final budget, such differences would be funded by unreserved and reserved fund balances, additional unbudgeted revenue, and transfers as applicable.

COMBINING 'NON-MAJOR' GOVERNMENTAL
FINANCIAL STATEMENTS

CITY OF CAYCE, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCES

NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2014

	Total Special Revenue Funds	Debt Service Fund	Total Non-Major Governmental Funds
Revenue			
Property taxes	\$ —	\$ 845,642	\$ 845,642
State shared	111,471	1,242	112,713
Federal state and other grants	13,898	—	13,898
Interest income	—	71	71
Total revenue	<u>125,369</u>	<u>846,955</u>	<u>972,324</u>
Expenditures			
Public safety:			
Supplies	6,262	—	6,262
Planning/development:			
Tourism related	38,215	—	38,215
Housing	41,930	—	41,930
Debt service:			
Principal	—	423,005	423,005
Interest and fiscal charges	—	66,007	66,007
Total expenditures	<u>86,407</u>	<u>489,012</u>	<u>575,419</u>
Excess (deficiency) of revenue over expenditures	38,962	357,943	396,905
Other Financing Sources (Uses)			
Transfers in (out)	<u>(56,887)</u>	<u>(400,000)</u>	<u>(456,887)</u>
Net change in fund balances	(17,925)	(42,057)	(59,982)
Fund balances, beginning of year	233,294	794,432	1,027,726
Fund balances, end of year	<u>\$ 215,369</u>	<u>\$ 752,375</u>	<u>\$ 967,744</u>

INDIVIDUAL FUND
FINANCIAL STATEMENTS

GENERAL FUND

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES —
 BUDGET AND ACTUAL

YEAR ENDED JUNE 30, 2014
 (With comparative actual amounts year ended June 30, 2013)

	Current Year			Prior Year
	Final Budget	Actual	Variance Pos. (Neg.)	Actual
Revenue				
Property taxes	\$ 3,097,600	\$ 2,948,366	\$ (149,234)	\$ 2,865,633
Licenses and permits	3,703,750	4,182,122	478,372	3,401,971
Fines and forfeitures	313,000	268,380	(44,620)	223,204
State shared revenue	356,894	357,698	804	356,691
Current services	559,750	534,410	(25,340)	692,536
Grants and other	371,118	488,139	117,021	571,487
Interest income	1,800	1,742	(58)	1,756
Total revenue	<u>8,403,912</u>	<u>8,780,857</u>	<u>376,945</u>	<u>8,113,278</u>
Expenditures				
<i>Current (net of Utility Fund overhead allocations and capital outlay):</i>				
Legislative	35,464	27,528	7,936	21,988
Administrative	89,391	103,003	(13,612)	79,468
Recorder's court	145,841	144,967	874	121,121
Legal	43,783	60,245	(16,462)	35,388
Information technology	87,151	90,231	(3,080)	106,187
Finance and accounting	44,175	41,537	2,638	49,523
Tax collector	20,310	20,524	(214)	20,243
Public safety:				
Administrative	417,643	410,934	6,709	445,291
Detectives	624,766	597,001	27,765	596,479
Police	3,006,977	2,935,086	71,891	2,880,288
Fire	819,800	828,286	(8,486)	666,941
Animal services	178,069	242,741	(64,672)	157,331
Street lighting	150,000	214,305	(64,305)	151,602
Sanitation	1,020,634	1,020,823	(189)	1,176,623
Public buildings	68,835	54,535	14,300	69,289
Community relations	96,096	113,921	(17,825)	122,357
Planning and development	413,091	351,394	61,697	456,755
Museum	138,879	144,150	(5,271)	127,527
Parks	510,183	493,404	16,779	463,053
Garage	268,640	249,836	18,804	261,917
Non-departmental and support services	152,023	15,601	136,422	24,853
Debt service	264,688	267,071	(2,383)	285,482
Capital outlay	70,573	70,573	—	283,426
Total expenditures	<u>8,667,012</u>	<u>8,497,696</u>	<u>169,316</u>	<u>8,603,132</u>
Excess (deficiency) of revenue over expenditures	<u>(263,100)</u>	<u>283,161</u>	<u>546,261</u>	<u>(489,854)</u>
Other Financing Sources (uses)				
Installment purchase contract	—	—	—	190,000
Proceeds from sale of assets	225,000	254,931	29,931	23,081
Transfers in:				
Accommodation tax	38,100	56,887	18,787	42,589
Total other financing sources (uses)	<u>263,100</u>	<u>311,818</u>	<u>48,718</u>	<u>255,670</u>
Net change in fund balance	<u>—</u>	<u>594,979</u>	<u>594,979</u>	<u>(234,184)</u>
Fund balance, beginning of year	632,419	632,419	—	866,603
Fund balance, end of year	<u>\$ 632,419</u>	<u>\$ 1,227,398</u>	<u>\$ 594,979</u>	<u>\$ 632,419</u>

CITY OF CAYCE, SOUTH CAROLINA
 GENERAL FUND
 SCHEDULE OF REVENUE — BUDGET AND ACTUAL

— CONTINUED —

	Final Budget	Actual
Revenue (Continued)		
Current services:		
Fire hydrant service fees	200,000	214,432
Animal control fees	55,000	16,088
Special services – SRO officers	63,000	64,453
Duplication services	2,750	3,252
Residential sanitation	239,000	236,185
	559,750	534,410
Grants and Other:		
Miscellaneous	28,000	86,560
Sale of plastic bags	4,000	4,340
Donated revenue – Christmas in Cayce	—	3,850
Donated revenue – Congaree Bluegrass Festival	—	2,350
Admission and rents	600	486
Recycling revenue	2,000	3,368
LRADAC/AET agreements	25,000	32,529
Grant revenue:		
Department of Justice grant	8,000	—
Palmetto Pride grant	—	4,391
Forestry grant	—	42,498
Other grants	—	4,249
Utility Fund fees	303,518	303,518
	371,118	488,139
Interest income	1,800	1,742
Total revenue	8,403,912	8,780,857
Other Financing Sources		
Proceeds from sale of assets	225,000	254,931
Transfers in:		
Accommodations tax – General Fund portion	38,100	56,887
Total other financing sources	263,100	311,818
Total revenue and other financing sources	\$ 8,667,012	\$ 9,092,675

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Recorder's Court:		
Salaries and wages	83,181	87,011
Retirement, insurance and other benefits	34,686	29,588
Juror fees	1,500	2,385
Printing and office supplies	3,000	3,269
Postage	5,980	5,980
Memberships and dues	175	125
Travel	2,489	1,027
Employee training	1,550	415
Telephone	—	2,181
Insurance – general	1,280	1,128
Special contracts	10,000	9,785
Special department supplies	2,000	1,676
Professional fees	—	397
Total recorder's court	<u>145,841</u>	<u>144,967</u>
Legal:		
Printing and office supplies	75	2
Postage	500	500
Professional services	60,000	57,560
Professional services – Prosecutor fees	16,000	34,651
Codification of City code	1,575	1,899
Total legal	<u>78,150</u>	<u>94,612</u>
Less, overhead allocation – Utility Fund	<u>(34,367)</u>	<u>(34,367)</u>
Net legal	<u>43,783</u>	<u>60,245</u>
Information Technology (IT):		
Salaries and wages	85,373	85,687
Retirement, insurance and other benefits	25,237	23,989
Printing and office supplies	800	970
Postage	140	140
Publications	100	—
Memberships and dues	483	335
Travel	750	725
Telephone	1,050	2,024
Service contracts	10,864	7,056
Equipment repairs	1,000	693
Software and licenses	21,257	23,702
Employee training	4,300	4,300
Insurance – general	636	559
Website maintenance	450	1,053
Professional services	13,300	9,335
Computer network equipment, non-capital	27,229	35,451
Other	500	530
Total IT	<u>193,469</u>	<u>196,549</u>
Less, overhead allocation – Utility Fund	<u>(106,318)</u>	<u>(106,318)</u>
Net IT	<u>87,151</u>	<u>90,231</u>

CITY OF CAYCE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Public Safety – administrative:		
Salaries and wages	237,741	238,526
Retirement, insurance and other benefits	82,487	83,019
Printing and office supplies	10,200	8,802
Postage	2,600	2,600
Memberships and dues	655	565
Travel	2,000	1,320
Automotive operating	4,500	4,265
Electric and gas	45,000	38,484
Telephone	50,196	50,678
Maintenance and service contracts	7,500	9,969
Building repairs	—	990
Uniforms	1,200	900
Janitorial supplies	600	369
Medical supplies and physician expense	9,000	8,969
Advertising	1,000	1,125
Insurance – vehicles	1,650	1,272
Insurance – general	5,558	4,711
Employee training	600	—
Community relations	1,000	963
Special contracts	5,125	4,876
Explorer Scouts	500	—
Total public safety – administrative	<u>469,112</u>	<u>462,403</u>
Less, overhead allocation – Utility Fund	<u>(51,469)</u>	<u>(51,469)</u>
Net public safety – administrative	<u>417,643</u>	<u>410,934</u>
Public Safety – police/detectives:		
Salaries and wages	369,452	358,206
Overtime	14,500	13,682
Retirement, insurance and other benefits	159,916	154,054
Memberships and dues	650	365
Travel	4,600	727
Automotive operating	35,000	40,430
Maintenance and service contracts	7,348	3,617
Machinery and equipment repairs	200	—
Radio supplies	350	—
Uniforms and clothing	4,800	4,194
Insurance – vehicles	10,500	8,509
Insurance – general	11,050	9,460
Employee training	3,400	490
Specialized department supplies	3,000	3,267
Total public safety – police/detectives	<u>624,766</u>	<u>597,001</u>

CITY OF CAYCE, SOUTH CAROLINA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Public Safety – fire:		
Salaries and wages	444,581	459,259
Overtime	30,000	26,405
Fire department overtime – responses	25,081	29,281
Retirement, insurance and other benefits	205,982	198,528
Memberships and dues	885	285
Travel	1,000	—
Automotive operating	45,000	63,433
Maintenance and service contracts	7,750	1,924
Machinery and equipment repairs	1,500	3,501
Building repairs	—	1,208
Small hand tools	4,076	2,086
Radio supplies	500	469
Safety supplies	3,500	3,243
Uniforms and clothing	5,500	4,710
Janitorial supplies	600	405
Air pack and fire extinguisher	3,460	939
Insurance – vehicles	9,605	7,151
Insurance – general	12,405	10,462
Employee training	5,000	2,351
Specialized department supplies	5,000	—
Machinery and equipment	16,000	20,271
Total public safety – fire	<u>827,425</u>	<u>835,911</u>
Less, overhead allocation – Utility Fund	<u>(7,625)</u>	<u>(7,625)</u>
Net public safety – fire	<u>819,800</u>	<u>828,286</u>

CITY OF CAYCE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Sanitation:		
Salaries and wages	569,079	565,498
Overtime	1,500	—
Retirement, insurance and other benefits	250,507	263,863
Printing and office supplies	700	438
Postage	1,000	1,000
Memberships and dues	583	634
Travel expense	1,020	144
Automotive operating	140,500	134,880
Telephone	7,000	5,927
Maintenance and service contracts	900	930
Equipment repairs	5,500	499
Waste disposal and tipping fees	10,000	531
Small hand tools	4,000	3,780
Safety supplies	3,450	1,882
Uniforms and clothing	6,500	6,629
Cleaning and sanitation supplies	450	806
Medical supplies and physician expense	2,000	1,153
Insurance – vehicles	14,240	10,727
Insurance – general	10,550	9,121
Employee training	700	165
Contract labor	500	11
Special supply – garbage bags	3,850	3,618
Special supply – recycle bins and leaf bags	2,325	2,425
Machines and equipment	—	22,382
Total sanitation	<u>1,036,854</u>	<u>1,037,043</u>
Less, overhead allocation – Utility Fund	(9,697)	(9,697)
Less, capital outlay	(6,523)	(6,523)
Net sanitation	<u>1,020,634</u>	<u>1,020,823</u>

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Planning and Development:		
Salaries and wages	234,956	212,912
Retirement, insurance and other benefits	83,924	86,724
Printing and office supplies	2,700	1,903
Postage	282	282
Memberships and dues	1,735	1,945
Travel	4,285	1,969
Automotive operating	2,600	3,476
Telephone	5,990	6,099
Building repairs	500	—
Small hand tools	500	107
Uniforms	300	300
Advertising	1,500	510
Insurance – vehicles	810	1,116
Insurance – general	3,265	2,909
Employee training	5,294	3,537
NPDES phase II project	47,000	15,145
Professional services – copier	—	60
Professional services – other	10,000	5,479
Special contract – copier	2,650	2,434
Special department supplies	4,800	3,406
City newsletter	—	1,081
Total planning and development	<u>413,091</u>	<u>351,394</u>
Museum:		
Salaries and wages	93,530	97,488
Retirement, insurance and other benefits	31,209	31,991
Printing and office supplies	600	711
Postage	140	140
Memberships and dues	200	—
Travel	500	36
Electric and gas	6,000	5,465
Telephone	2,200	4,112
Service contracts	800	1,305
Equipment repairs	500	556
Building repairs	700	273
Insurance – vehicles	810	396
Insurance - general	1,690	1,677
Total museum	<u>138,879</u>	<u>144,150</u>

CITY OF CAYCE, SOUTH CAROLINA
 GENERAL FUND
 SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Garage:		
Salaries and wages	221,657	214,469
Overtime	2,500	—
Retirement, insurance and other benefits	86,576	76,613
Printing and office supplies	400	282
Travel	1,500	862
Automotive operating	5,000	6,746
Electric and gas	8,000	7,183
Telephone	3,000	2,701
Maintenance and service contracts	3,500	5,971
Machinery and equipment repairs	4,000	5,159
Building repairs	13,000	12,136
Small hand tools	5,000	4,069
Paint supplies	300	—
Electrical supplies	300	—
Uniforms and clothing	2,400	2,907
Insurance – vehicles	2,400	1,668
Insurance - general	3,500	3,130
Employee training	3,500	723
Specialized department supplies	7,000	10,110
Total garage	<u>373,533</u>	<u>354,729</u>
Less, overhead allocation– Utility Fund	<u>(104,893)</u>	<u>(104,893)</u>
Net garage	<u>268,640</u>	<u>249,836</u>

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SPECIAL REVENUE FUNDS

CITY OF CAYCE, SOUTH CAROLINA

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2014
 (With comparative total figures year ended June 30, 2013)

	Rental	Accom	Community	ABC	Home	Law	Museum	Totals	
	Rehabilitation	modations	Development	Permit	Grant	Enforcement	Fund	2014	2013
	Program	Tax		Fund		Fund			
Revenue									
Federal grants	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,500	\$ —	\$ 1,500	\$ 2,260
State grants	—	—	—	—	—	11,973	—	11,973	100,000
State shared	—	98,941	—	12,530	—	—	—	111,471	107,013
Interest income	—	—	—	—	—	—	—	—	21
Other	—	—	—	425	—	—	—	425	181
Total revenue	—	98,941	—	12,955	—	13,473	—	125,369	209,475
Expenditures									
Public safety:									
Supplies	—	—	—	—	—	6,262	—	6,262	5,797
Planning and community development:									
Tourism related	—	37,763	—	452	—	—	—	38,215	170,929
Less, capital outlay	—	—	—	—	—	—	—	—	(127,594)
Net tourism related	—	37,763	—	452	—	—	—	38,215	43,335
Housing	41,930	—	—	—	—	—	—	41,930	3,375
Capital outlay	—	—	—	—	—	—	—	—	127,594
Total expenditures	41,930	37,763	—	452	—	6,262	—	86,407	180,101
Excess (deficiency) of revenue over expenditures	(41,930)	61,178	—	12,503	—	7,211	—	38,962	29,374
Other Financing Sources (Uses)									
Transfers in (out)	—	(56,887)	—	—	—	—	—	(56,887)	(42,589)
Net change in fund balances	(41,930)	4,291	—	12,503	—	7,211	—	(17,925)	(13,215)
Fund balances, beginning of year	62,640	69,331	2,630	1,301	13,588	3	83,801	233,294	246,509
Fund balances, end of year	\$ 20,710	\$ 73,622	\$ 2,630	\$ 13,804	\$ 13,588	\$ 7,214	\$ 83,801	\$ 215,369	\$ 233,294

DEBT SERVICE FUND

CITY OF CAYCE, SOUTH CAROLINA

DEBT SERVICE FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014
(With comparative figures year ended June 30, 2013)

	<u>Current Year</u>	<u>Prior Year</u>
Revenue		
Current property taxes	\$ 845,642	\$ 744,466
State shared revenue	1,242	40,942
Interest on investments	71	300
Total revenue	<u>846,955</u>	<u>785,708</u>
Expenditures		
Debt Service:		
Principal	423,005	406,460
Interest and fiscal charges	66,007	82,663
Total expenditures	<u>489,012</u>	<u>489,123</u>
Excess (deficiency) of revenue over expenditures	357,543	296,585
Other Financing Sources (Uses)		
Transfer (out) to Capital Projects Fund	<u>(400,000)</u>	<u>—</u>
Net change in fund balance	(42,057)	296,585
Fund balance, beginning of year	<u>794,432</u>	<u>497,847</u>
Fund balance, end of year	<u><u>\$ 752,375</u></u>	<u><u>\$ 794,432</u></u>

CAPITAL PROJECTS FUND

CITY OF CAYCE, SOUTH CAROLINA

CAPITAL PROJECTS FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED JUNE 30, 2014
(With comparative figures year ended June 30, 2013)

	<u>Current Year</u>	<u>Prior Year</u>
Revenue		
Interest income	\$ —	\$ 231
Total revenue	<u>—</u>	<u>231</u>
Expenditures		
Capital outlay:		
Park	50,769	62,190
Infrastructure	202,176	—
Other:		
Parks	23,724	—
Infrastructure	24,240	—
Other	—	1
Total expenditures	<u>300,909</u>	<u>62,191</u>
Excess (deficiency) of revenue over expenditures	(300,909)	(61,960)
Other Financing Sources (Uses)		
Transfer in from Debt Service Fund	<u>400,000</u>	<u>—</u>
Net change in fund balance	99,091	(61,960)
Fund balance, beginning of year	<u>655,607</u>	<u>717,567</u>
Fund balance, end of year	<u>\$ 754,698</u>	<u>\$ 655,607</u>

WATER AND SEWER UTILITY FUND

CITY OF CAYCE, SOUTH CAROLINA
WATER AND SEWER UTILITY FUND
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION

YEAR ENDED JUNE 30, 2014
(With comparative figures year ended June 30, 2013)

	<u>Current Year</u>	<u>Restated Prior Year</u>
Operating Revenue (pledged as security for revenue bonds)		
Water:		
Sales	\$ 4,722,610	\$ 4,630,385
Connection fees	25,271	25,937
Sewer:		
Service charges	9,196,270	8,058,293
Connection fees	3,415	5,290
Septage/grease services:		
Sales and permits	3,140	—
Pretreatment set-up fees	99,261	—
Reconnection fees	22,080	24,395
Penalties	142,295	165,902
Miscellaneous income	352,154	143,566
Total operating revenue	<u>14,566,496</u>	<u>13,053,768</u>
Operating Expenses		
Administrative	503,634	832,334
Utility billing	594,648	—
Water treatment plant	1,300,067	1,248,038
Water distribution and maintenance	1,333,776	935,718
Wastewater treatment plant	2,280,481	2,217,911
Sewer collection and outfall lines	1,373,241	981,683
Septage and grease receiving station	52,458	—
Non-departmental and support services	1,651,230	1,617,779
Depreciation and amortization expense	4,064,201	3,346,072
Total operating expenses	<u>13,153,736</u>	<u>11,179,535</u>
Operating income	<u>1,412,760</u>	<u>1,874,233</u>
Non-Operating Revenue (Expenses)		
Interest income	14,426	20,799
Gains (losses) from sale, disposal of capital assets	—	14,619
Interest expense	(1,442,461)	(1,264,075)
Bond refinancing loss amortized	(33,670)	(92,125)
Contractual refund	—	(52,604)
Total non-operating revenue (expenses)	<u>(1,461,705)</u>	<u>(1,373,386)</u>
Income before contributions and special item	<u>(48,945)</u>	<u>588,067</u>
Capital Contributions		
Capacity charges and other capital contributions	1,233,574	8,768,596
Income before special item	<u>1,184,629</u>	<u>9,356,663</u>
Special Item		
Wastewater Treatment Plant disposal/decommissioned	—	(4,488,481)
Change in net position	<u>1,184,629</u>	<u>4,868,182</u>
Net position, beginning of year, as restated (<i>See Note 16</i>)	86,336,420	81,468,238
Net position, end of year	<u>\$ 87,521,049</u>	<u>\$ 86,336,420</u>

CITY OF CAYCE, SOUTH CAROLINA
WATER AND SEWER UTILITY FUND
SCHEDULE OF OPERATING EXPENSES — BUDGET AND ACTUAL

— CONTINUED —

	Current Year			Prior Year Actual
	Budget	Actual	Variance Positive (Negative)	
Departments				
<u>Utility Billing:</u>				
Salaries and wages	278,154	299,353	(21,199)	—
Overtime	23,423	10,033	13,390	—
Retirement, insurance and other benefits	126,281	115,103	11,178	—
Printing and office supplies	5,000	3,591	1,409	—
Postage	42,000	40,834	1,166	—
Memberships and dues	1,010	105	905	—
Travel	1,360	18	1,342	—
Automotive operating expenses	17,500	17,803	(303)	—
Telephone	5,646	5,833	(187)	—
Maintenance and service contracts	15,650	15,247	403	—
Hand tools and supplies	1,200	793	407	—
Safety supplies	600	616	(16)	—
Uniforms and clothing	1,400	860	540	—
Insurance	3,200	2,544	656	—
Insurance - general	5,090	4,467	623	—
Employee training – continuing education	2,470	725	1,745	—
Special contracts – copier	900	642	258	—
Special contracts – collection expense	58,000	76,081	(18,081)	—
	<u>588,884</u>	<u>594,648</u>	<u>(5,764)</u>	<u>—</u>
<u>Water Treatment Plant:</u>				
Salaries and wages	433,963	399,040	34,923	417,983
Overtime	42,494	61,466	(18,972)	43,215
Retirement, insurance and other benefits	178,465	167,641	10,824	162,283
Other post-employment benefits (OPEB)	5,411	—	5,411	—
Printing and office supplies	650	467	183	551
Postage	250	250	—	225
Permit fees	24,500	23,061	1,439	22,608
Memberships and dues	852	1,009	(157)	519
Travel	2,360	2,410	(50)	1,312
Automotive operating expense	8,500	6,006	2,494	6,930
Electric and gas	275,000	278,506	(3,506)	263,049
Telephone	5,000	11,985	(6,985)	10,539
Lubrication supplies	900	940	(40)	664
Maintenance and service contracts	52,093	44,511	7,582	17,845
Machinery and equipment repairs	75,000	77,061	(2,061)	40,993

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA
 WATER AND SEWER UTILITY FUND
 SCHEDULE OF OPERATING EXPENSES — BUDGET AND ACTUAL

— CONTINUED —

	Current Year			Prior Year Actual
	Budget	Actual	Variance Positive (Negative)	
Departments				
<u>Wastewater Treatment Plant:</u>				
Salaries and wages	537,402	514,338	23,064	514,281
Overtime	41,255	27,155	14,100	39,241
Retirement, insurance and other benefits	212,446	205,668	6,778	192,855
Other post-employment benefits (OPEB)	6,615	—	6,615	—
Printing and office supplies	525	803	(278)	367
Postage	250	250	—	229
Permit fees – DHEC	3,250	3,170	80	2,973
Memberships and dues	1,500	615	885	705
Travel	4,262	484	3,778	3,331
Automotive operating expense	45,000	56,226	(11,226)	56,109
Electric and gas	740,000	805,382	(65,382)	699,132
Telephone	12,650	28,116	(15,466)	18,934
Lubrication supplies	3,000	867	2,133	1,178
Maintenance and service contracts	92,060	57,556	34,504	6,331
Machinery and equipment repairs	30,000	84,042	(54,042)	21,027
Building repairs	800	28	772	277
Sludge disposal fees	200,000	240,093	(40,093)	271,916
Small hand tools	3,700	2,041	1,659	1,341
Electrical and lighting supplies	210	349	(139)	—
Radio supplies	200	—	200	82
Safety supplies	3,000	2,987	13	4,916
Uniforms and clothing	4,500	5,097	(597)	2,434
Cleaning and sanitation supplies	1,000	782	218	506
Water	50,000	—	50,000	—
Chemicals	280,000	116,828	163,172	282,054
Laboratory supplies	26,200	25,578	622	32,183
Insurance	9,490	8,003	1,487	8,097
Insurance - general	52,897	68,457	(15,560)	37,944
Employee training	6,073	2,092	3,981	1,143
Professional services – lab	23,900	19,123	4,777	13,523
Force main/line repairs	—	141	(141)	232
Fee-in-lieu of tax	—	160	(160)	—
Machines and equipment – non-capital	58,700	4,050	54,650	4,570
	<u>2,450,885</u>	<u>2,280,481</u>	<u>170,404</u>	<u>2,217,911</u>

CITY OF CAYCE, SOUTH CAROLINA
WATER AND SEWER UTILITY FUND
SCHEDULE OF OPERATING EXPENSES — BUDGET AND ACTUAL

— CONTINUED —

	Current Year			Prior Year Actual
	Budget	Actual	Variance Positive (Negative)	
Departments				
<u>Septage and Grease Receiving Station:</u>				
Salaries and wages	38,871	34,991	3,880	—
Overtime	—	—	—	—
Retirement, insurance and other benefits	12,534	12,926	(392)	—
Electricity and gas	12,000	151	11,849	—
Telephone	600	1,082	(482)	—
Printing and office supplies	200	209	(9)	—
Postage	100	100	—	—
Memberships and dues	236	180	56	—
Travel	1,402	171	1,231	—
Auto operating	2,000	1,236	764	—
Chemicals	2,250	—	2,250	—
Sludge disposal fees	8,400	—	8,400	—
Hand tools and supplies	1,000	672	328	—
Safety program and supplies	200	—	200	—
Uniforms and clothing	750	12	738	—
Employee training	534	225	309	—
Insurance – vehicle	—	241	(241)	—
General insurance (property and contents)	—	225	(225)	—
Machines & equipment – non-capital	20,000	37	19,963	—
	<u>101,077</u>	<u>52,458</u>	<u>48,619</u>	<u>—</u>
 <u>Non-departmental and support services:</u>				
Other post-employment benefit (OPEB) expense	—	151,230	(151,230)	117,779
O&M indirect costs	1,500,000	1,500,000	—	1,500,000
Capital improvement/project reserve	100,000	—	100,000	—
Capital equipment reserve	100,000	—	100,000	—
	<u>1,700,000</u>	<u>1,651,230</u>	<u>48,770</u>	<u>1,617,779</u>
Depreciation	—	4,050,106	(4,050,106)	3,288,126
Amortization	—	14,095	(14,095)	57,946
	<u>—</u>	<u>4,064,201</u>	<u>(4,064,201)</u>	<u>3,346,072</u>
Total operating expenses	<u><u>\$9,273,398</u></u>	<u><u>\$ 13,153,736</u></u>	<u><u>\$ (3,880,388)</u></u>	<u><u>\$ 11,179,535</u></u>

AGENCY FUND

SCHEDULE OF CHANGES IN LONG-TERM DEBT

This schedule is used to account for the changes in long-term debt of the City including general obligation bonds, revenue bonds, and installment debt. Long-term liability amounts of compensated absences are excluded from this schedule.

VICTIM'S RIGHTS ASSISTANCE

STATISTICAL SECTION

Financial Trends – These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time. 97-103

Revenue Capacity – These schedules contain information to help the reader assess the factors affecting the City’s ability to generate its property tax revenue. 104-107

Debt Capacity – These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future. 108-113

Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place and to help make comparisons over time and with other governments. 114-116

Operating Information – These schedules contain information about the City’s operations and resources to help the reader understand how the City’s financial information relates to the services the City provides and the activities it performs. 117-118

CITY OF CAYCE, SOUTH CAROLINA

CHANGES IN NET POSITION ⁽⁶⁾
(Accrual basis of accounting)

LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses										
<u>Governmental activities:⁽³⁾</u>										
General government	\$ 349,203	\$ 255,392	\$ 224,912	\$ 497,316	\$ 656,284	\$ 565,029	\$ 530,042	\$ 495,970	\$ 441,767	\$ 397,446
Information technology	93,070	106,544	73,396	—	—	—	—	—	—	—
Finance	63,045	70,355	82,275	101,476	127,862	194,352	190,399	191,106	198,075	188,705
Public safety	4,997,074	4,758,297	4,514,375	3,878,041	4,122,059	4,271,262	3,895,074	3,745,640	2,754,866	2,631,906
Public works	1,308,987	1,398,634	1,305,014	1,187,652	1,186,723	1,027,091	1,290,153	836,595	1,067,538	873,264
Planning and community development	568,168	628,271	595,472	3,297,107	609,701	591,283	441,026	411,118	339,632	330,905
Parks and museum	670,530	576,023	541,286	469,933	514,635	878,374	485,703	462,343	345,502	317,633
Garage	245,498	262,443	244,377	200,620	214,446	177,478	298,751	240,133	188,514	178,053
Depreciation and amortization (unallocated) ⁽⁷⁾	671,572	721,268	671,692	593,095	599,090	605,353	532,900	497,515	517,844	537,234
Non-departmental and support services ⁽¹⁾	—	—	—	—	—	—	—	—	1,482,576	1,280,348
Interest	84,250	109,691	123,814	128,429	145,968	166,919	173,679	188,205	210,360	236,771
Total governmental activities	<u>9,051,397</u>	<u>8,886,918</u>	<u>8,376,613</u>	<u>10,353,669</u>	<u>8,176,768</u>	<u>8,477,141</u>	<u>7,837,727</u>	<u>7,068,625</u>	<u>7,546,674</u>	<u>6,972,265</u>
<u>Business-type activities:</u>										
Water and sewer utility ⁽⁷⁾	<u>14,629,867</u>	<u>12,501,119</u>	<u>11,733,001</u>	<u>10,873,285</u>	<u>10,075,440</u>	<u>9,258,516</u>	<u>8,752,480</u>	<u>7,738,967</u>	<u>7,462,982</u>	<u>6,728,686</u>
Total business-type activities	<u>14,629,867</u>	<u>12,501,119</u>	<u>11,733,001</u>	<u>10,873,285</u>	<u>10,075,440</u>	<u>9,258,516</u>	<u>8,752,480</u>	<u>7,738,967</u>	<u>7,462,982</u>	<u>6,728,686</u>
Total primary government expenses	<u>\$ 23,681,264</u>	<u>\$ 21,388,037</u>	<u>\$ 20,109,614</u>	<u>\$ 21,226,954</u>	<u>\$ 18,252,208</u>	<u>\$ 17,735,657</u>	<u>\$ 16,590,207</u>	<u>\$ 14,807,592</u>	<u>\$ 15,009,656</u>	<u>\$ 13,700,951</u>
Program Revenue										
<u>Governmental activities:</u>										
Fees for services ⁽⁴⁾	\$ 948,157	\$ 1,014,772	\$ 1,053,270	\$ 1,006,202	\$ 1,070,167	\$ 1,385,124	\$ 1,353,981	\$ 1,276,434	\$ 984,119	\$ 932,990
Operating grants and contributions ⁽²⁾	66,562	25,727	163,049	387,123	445,491	129,259	3,242	206,008	671,268	555,443
Capital grants and contributions	4,249	100,000	267,131	49,323	33,833	192,342	127,349	47,700	143,161	126,999
Total governmental activities	<u>1,018,968</u>	<u>1,140,499</u>	<u>1,483,450</u>	<u>1,442,648</u>	<u>1,549,491</u>	<u>1,706,725</u>	<u>1,484,572</u>	<u>1,530,142</u>	<u>1,798,548</u>	<u>1,615,432</u>
<u>Business-type activities:</u>										
Fees for services ⁽⁵⁾	14,566,496	13,053,768	12,113,231	11,113,085	9,949,750	9,722,466	9,279,771	8,703,224	7,629,646	6,526,635
Operating grants and contributions	—	—	—	—	—	—	—	—	—	—
Capital grants and contributions	1,233,547	8,768,596	9,848,764	13,721,503	10,191,975	2,871,370	2,644,723	2,681,105	1,602,110	1,807,200
Total business-type activities	<u>15,800,070</u>	<u>21,822,364</u>	<u>21,961,995</u>	<u>24,834,588</u>	<u>20,141,725</u>	<u>12,593,836</u>	<u>11,924,494</u>	<u>11,384,329</u>	<u>9,231,756</u>	<u>8,333,835</u>
Total primary government program revenue	<u>\$ 16,819,038</u>	<u>\$ 22,962,863</u>	<u>\$ 23,445,445</u>	<u>\$ 26,277,236</u>	<u>\$ 21,691,216</u>	<u>\$ 14,300,561</u>	<u>\$ 13,409,066</u>	<u>\$ 12,914,471</u>	<u>\$ 11,030,304</u>	<u>\$ 9,949,267</u>

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

PROGRAM REVENUE BY FUNCTION
(Accrual basis of accounting)

LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Function/Program										
Governmental Activities:										
General government (1)	\$ —	\$ —	\$ —	\$ 51,694	\$ 2,527	\$ —	\$ —	\$ —	\$ 575,000	\$ 375,000
Information technology	—	—	—	—	—	—	—	—	—	—
Finance	—	—	—	—	—	—	—	—	—	—
Public safety	626,967	545,554	752,605	924,772	926,953	741,906	553,521	793,932	449,242	586,478
Public works	381,066	472,833	432,704	414,308	501,847	769,983	678,163	619,535	651,348	551,349
Planning and community development	6,200	121,286	27,757	31,120	51,550	51,556	—	—	—	—
Parks and museum	4,735	826	270,384	20,754	66,614	143,280	252,888	116,675	122,958	102,605
Garage	—	—	—	—	—	—	—	—	—	—
Total governmental activities	1,018,968	1,140,499	1,483,450	1,442,648	1,549,491	1,706,725	1,484,572	1,530,142	1,798,548	1,615,432
Business-type activities:										
Water and sewer utility	14,629,867	21,822,364	21,961,995	24,834,588	20,141,725	12,593,836	11,924,494	11,384,329	9,231,756	8,333,835
Total business-type activities	14,629,867	21,822,364	21,961,995	24,834,588	20,141,725	12,593,836	11,924,494	11,384,329	9,231,756	8,333,835
Total program revenue by function and program	\$ 15,648,835	\$ 22,962,863	\$ 23,445,445	\$ 26,277,236	\$ 21,691,216	\$ 14,300,561	\$ 13,409,066	\$ 12,914,471	\$ 11,030,304	\$ 9,949,267

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(1) Beginning in 2007, the City reported governmental expenses reimbursed by the Water and Sewer Utility Fund net of such reimbursement.

CITY OF CAYCE, SOUTH CAROLINA

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
(Modified accrual basis of accounting)

LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenue										
Property taxes	\$ 3,794,008	\$ 3,610,099	\$ 3,721,458	\$ 3,351,690	\$ 2,899,938	\$ 2,624,276	\$ 2,383,985	\$ 2,227,451	\$ 2,178,548	\$ 1,960,894
Licenses and permits	4,182,122	3,401,971	4,145,714	2,945,593	3,296,449	3,511,330	3,534,887	3,116,879	2,781,636	2,684,062
Fines and forfeitures	268,380	223,204	316,604	328,356	282,399	284,215	239,960	337,679	352,974	381,086
State shared revenue	470,411	504,646	447,544	489,425	541,999	613,976	625,855	594,905	507,669	492,398
Current services	534,410	692,536	658,095	620,316	601,501	668,994	636,283	625,946	630,328	640,276
Grants and other	502,037	697,009	970,574	504,317	494,349	366,262	327,625	1,310,757	851,139	670,849
Interest income	1,813	2,308	4,054	9,497	9,485	21,309	96,836	144,116	138,341	4,455
Total revenue	<u>9,753,181</u>	<u>9,131,773</u>	<u>10,264,043</u>	<u>8,249,194</u>	<u>8,126,120</u>	<u>8,090,362</u>	<u>7,845,431</u>	<u>8,357,733</u>	<u>7,440,635</u>	<u>6,834,020</u>
Expenditures¹										
Current:										
General government	335,743	257,965	237,577	243,093	322,933	334,079	410,300	456,196	441,767	397,446
Information technology	90,231	106,187	73,396	—	—	—	—	—	—	—
Finance	62,061	69,766	87,707	69,582	68,791	132,174	133,598	196,415	198,075	188,705
Public safety	5,020,310	4,752,127	4,566,632	3,342,951	3,377,945	3,267,295	2,990,865	2,902,975	2,754,866	2,631,906
Planning and community development	569,700	625,823	603,295	3,253,279	498,344	496,265	390,710	332,888	339,632	330,905
Public works	1,289,663	1,397,514	1,321,336	1,085,494	1,025,127	1,204,368	1,031,851	1,005,933	1,067,538	873,264
Parks and museum	661,278	590,580	549,481	407,817	407,097	396,719	355,486	385,507	345,502	317,633
Garage	249,836	261,917	250,402	165,610	154,796	118,365	135,652	238,020	188,514	178,053
Non-department and support services	15,601	24,853	511,974	863,085	1,504,764	1,559,494	1,518,150	1,397,835	1,422,192	1,289,261
Debt service and other financing:										
Principal	641,833	664,914	685,536	573,730	581,740	580,340	882,569	518,350	545,554	377,155
Interest	84,250	109,691	123,814	128,430	145,968	166,919	176,465	193,663	232,889	222,188
Capital outlay	323,518	473,210	460,431	804,800	381,641	510,656	1,019,876	834,374	1,260,414	261,791
Total expenditures	<u>9,374,024</u>	<u>9,334,547</u>	<u>9,471,581</u>	<u>10,937,871</u>	<u>8,469,146</u>	<u>8,766,674</u>	<u>9,045,522</u>	<u>8,462,156</u>	<u>8,796,943</u>	<u>7,068,307</u>
Excess (deficiency) of revenue over expenditures	<u>379,157</u>	<u>(202,774)</u>	<u>792,462</u>	<u>(2,688,677)</u>	<u>(343,026)</u>	<u>(676,312)</u>	<u>(1,200,091)</u>	<u>(104,423)</u>	<u>(1,356,308)</u>	<u>(234,287)</u>

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Fiscal Year	Real and Personal Property				Total Taxable Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Value	Percentage of Total Assessed Value to Estimated Actual Value
	Residential	Manufacturing/ Commercial/ Industrial	Motor Vehicles	Less: Tax Exempt (FILOT)				
2005	\$ 20,188,560	\$ 11,559,850	\$ 5,777,510	\$ (3,292,460)	\$ 34,233,460	40.50	\$ 549,456,050	6.2%
2006	25,067,670	10,784,460	5,976,860	(3,356,000)	38,472,990	42.50	654,096,861	5.9%
2007	25,396,160	12,567,235	5,402,340	(5,792,520)	37,573,215	42.50	767,801,614	4.9%
2008	26,418,340	13,044,310	5,289,010	(5,921,020)	38,830,640	44.50	769,750,286	5.0%
2009	27,142,680	18,481,310	5,383,210	(10,944,250)	40,062,950	46.00	887,711,138	4.5%
2010	27,497,250	20,681,250	5,012,660	(11,267,780)	41,923,380	46.00	938,592,286	4.5%
2011*	32,002,480	31,373,060	4,414,160	(20,893,160)	46,896,540	41.25	818,978,882	5.7%
2012	32,995,290	27,666,827	4,801,730	(18,539,870)	46,923,977	46.93	823,005,284	5.7%
2013	33,861,520	31,369,790	5,033,320	(22,674,050)	47,860,580	43.27	834,372,162	5.7%
2014	33,707,440	31,406,130	5,646,490	(22,208,610)	48,551,450	44.17	849,135,496	5.7%

Source: Lexington County Auditor, Final Tax Year Assessments.

(1) Direct tax rate reflects the millage assessed by the City to which applied per \$1,000 of total assessed values.

* Results due to reassessment year.

CITY OF CAYCE, SOUTH CAROLINA
 PRINCIPAL PROPERTY TAX PAYERS
 COMPARISON OF 2014 TO 2005

Taxpayer	Type of Business	2014			2005		
		Assessment	Rank	Percentage of Total Assessed Valuation	Assessment	Rank	Percentage of Total Assessed Valuation
SCANA, Inc (SCE&G INCLUDED)	Electric Utility	\$ 23,366,180	1	33.02%	\$ 1,596,520	2	4.01%
Owen Electric Steel Co. of S.C.	Manufacturer, Steel	2,852,940	2	4.03%	4,769,820	1	14.65%
Riverside Columbia LP	Apartments	1,090,830	3	1.54%	547,580	4	1.62%
Bell South Telecommunication, Inc.	Telecommunication	781,080	4	1.10%	1,498,090	3	4.57%
Farm Bureau Insurance of S.C.	Insurance	656,050	5	0.93%	438,270	6	1.33%
EDR Cayce, LLC	Apartments	614,290	6	0.87%	408,710	7	1.21%
Parkland Partnership	Shopping Center	508,990	7	0.72%	461,530	5	1.46%
Granby Crossing, L.P.	Apartments	448,820	8	0.63%	406,200	8	1.20%
CMC Steel	Metal Fabricators	360,870	9	0.51%	-	-	-
Cole CV Cayce SC LLC	Real Estate	297,000	10	0.42%	-	-	-
Cayce Commons Shopping Ctr	Shopping Center	280,500	11	0.40%	-	-	-
Southern First Bank National	Banking	272,100	12	0.38%	-	-	-
Brickworks Associates LLC	Land Development	238,800	13	0.34%	-	-	-
AVTX Edenwood Associates LLC	Real Estate	225,940	14	0.32%	-	-	-
Bi-Lo LLC	Grocer	206,450	15	0.29%	-	-	-
WED Properties LLC	Real Estate	203,750	16	0.29%	-	-	-
WRH Edenwood LTD	Apartments	202,040	17	0.29%	-	-	-
Cayce Crossing, L.P.	Shopping Center	200,520	18	0.28%	157,230	15	0.46%
W.P. Hylton, LLC (Park Place 440)	Real Estate	190,780	19	0.27%	249,850	11	0.74%
Virginia American Industries, Inc. (RECO)	Manufacturer, Industrial Tanks	190,530	20	0.27%	161,660	13	0.51%
The BOC Group, Inc.	Real Estate	-	-	-	288,010	9	0.77%
Southeastern Concrete Products	Manufacturer, Concrete	172,280	-	0.24%	251,730	10	0.74%
Small, Jr., Robert S.	Real Estate	-	-	0.00%	182,560	12	0.53%
Indigo Associates, LTD	Real Estate	78,650	-	0.11%	157,930	14	0.46%
Time Warner Ent.- Advance Newhouse	Telecommunication	115,300	-	0.16%	143,320	16	0.42%
CINTAS Corporation	Laundry/Uniform Service	47,410	-	0.07%	142,270	17	0.42%
Love Chevrolet	Car Dealership	130,180	-	0.18%	136,260	18	0.40%
Sellers & Son Holding Co.	Real Estate	144,520	-	0.20%	128,260	19	0.38%
Pilot Travel Centers, LLC	Gasoline Stations	127,060	-	0.18%	112,270	20	0.33%
Total		\$ 34,003,860		48.06%			

Total Assessed Value (Includes FILOT) \$ 70,760,060
 Total Assessed Value (Not Including FILOT) \$ 48,551,450

Source: Lexington County Auditor's Office.

Note: The City did not previously prepare this schedule and chooses to implement such data prospective of implementing GASB Statement 34.

CITY OF CAYCE, SOUTH CAROLINA
RATIOS OF OUTSTANDING LONG-TERM DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Total Income	Amount Per Capita (Population)
	General Obligation Bonds	Tax Increment Financing (TIF) Revenue Bonds	Promissory Notes and Installment Purchase Contracts Payable	Water and Sewer System Revenue Bonds	Clean Water State Revolving Fund Loans	Installment Purchase Contracts Payable			
2005	\$ —	\$ 4,701,801	\$ 509,306	\$ 22,875,000	\$ 1,352,295	\$ —	\$ 29,438,402	13.6%	\$ 2,392
2006	—	4,345,376	638,046	22,030,000	1,448,746	—	28,462,168	13.2%	2,281
2007	—	4,025,450	434,142	20,880,000	1,387,786	—	26,727,378	12.4%	2,133
2008	—	3,692,501	565,406	26,125,000	1,324,508	226,764	31,934,179	14.8%	2,525
2009	—	3,346,000	520,650	24,720,000	1,258,823	138,220	29,983,693	13.9%	2,295
2010	—	2,985,394	455,631	23,240,000	1,190,640*	46,809	27,918,474	12.9%	2,137
2011	—	2,610,109	756,680	21,705,000	1,119,864*	—	26,191,653	10.1%	2,091
2012	—	2,219,547	1,217,108	20,110,000	35,574,548	—	59,121,203	21.7%	4,640
2013	—	1,813,087	1,002,799	18,445,000	34,104,337	—	55,365,223	19.2%	4,367
2014	—	1,390,082	600,862	16,715,000	32,609,883	—	51,315,827	17.0%	3,990

*The 2009 State Revolving Fund Construction Loan of approximately \$35 million not included in this amount.

Note: See "Demographic and Economic Statistics" table for personal income and per capita data.

CITY OF CAYCE, SOUTH CAROLINA
TOTAL DIRECT AND OVERLAPPING DEBT

JUNE 30, 2014

<u>Political Subdivisions</u>	<u>Assessed Value</u>	<u>General Bonded Debt Outstanding</u>		
		<u>Debt Outstanding</u>	<u>Percentage Applicable to Cayce Taxpayers²</u>	<u>Cayce's Taxpayers Share of Debt¹</u>
Lexington County	\$ 1,149,450,560	\$ 49,595,965	5.8%	\$ 2,881,526
Lexington School District 2	272,254,050	28,910,000	24.5%	7,097,405
Lexington Recreation District	852,312,170	38,695,000	7.8%	3,033,688
Riverbanks Zoo	1,149,450,530	15,364,160	5.8%	892,658
Total overlapping general bonded debt		<u>\$ 132,565,125</u>	<u>43.9%</u>	<u>\$ 13,905,277</u>
 <u>Direct City Debt Outstanding</u>				
<u>Governmental Activities:</u>				
Tax Increment Financing (TIF)				
Revenue Bonds				\$ 1,390,082
Installment Purchase Contracts				600,862
<u>Business-type Activities:</u>				
Water and Sewer System				
Revenue Bonds				16,715,000
Clean Water State Revolving Fund Loans				32,609,883
Total direct City debt outstanding				<u>\$ 51,315,827</u>
Total Direct & Overlapping Debt				<u>\$ 65,221,104</u>

Source: Lexington County Finance Department.

¹Per Lexington County, the City does not tax or share in the outstanding debt of others, and is not responsible for any of the 'overlapping' debt outstanding by other political subdivisions.

²The percentage applicable to Cayce Taxpayer's is based on the percentage of assessed valuation of property located within the City.

CITY OF CAYCE, SOUTH CAROLINA

PLEDGED REVENUE — REVENUE BOND COVERAGE WATER AND SEWER ENTERPRISE FUND

LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Gross Revenues ⁽¹⁾	\$ 14,580,922	\$ 13,899,383	\$ 12,140,032	\$ 11,159,169	\$ 10,381,824	\$ 9,861,621	\$ 9,677,828	\$ 9,022,348	\$ 7,971,565	\$ 6,707,940
Expenses of Operating and Maintaining the System ⁽²⁾	(9,089,535)	(7,886,067)	(8,014,258)	(7,391,785)	(6,630,334)	(6,352,267)	(6,509,486)	(4,927,517)	(4,837,560)	(4,037,915)
Net Revenues	5,491,387	6,013,316	4,125,774	3,767,384	3,751,490	3,509,354	3,168,342	4,094,831	3,134,005	2,670,025
Combined Debt Service Requirements ⁽³⁾	4,835,493	4,881,806	3,240,906	2,707,437	2,709,725	2,818,044	2,212,235	2,216,564	1,943,037	1,978,975
Debt Service Coverage ⁽⁴⁾	114%	123%	127%	139%	138%	124%	143%	185%	161%	135%

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- 1) Gross revenues are shown exclusive of Capital Facility Charges. For 2013, gross revenues include debt service reserve account savings.
- 2) Expenses of operating and maintenance the system include transfers and are exclusive of depreciation, amortization and other non-cash expenses.
- 3) Includes principal and interest payments on revenue bonds and state revolving funds loans.
- 4) Coverage calculation shown exclusive of Capital Facility Charges.

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Net Revenues	\$ 5,491,387	\$ 6,013,316	\$ 4,125,774	\$ 3,767,384	\$ 3,751,490	\$ 3,509,354	\$ 3,168,342	\$ 4,094,831	\$ 3,134,005	\$ 2,670,025
Capital Facility Charges	1,592,759	5,145,064	9,848,764	13,721,503	7,168,737	1,580,790	1,486,154	1,058,798	1,287,901	4,798,905
Total	\$ 7,084,146	\$ 11,158,380	\$ 13,974,538	17,488,887	10,920,227	5,090,144	4,654,496	5,153,629	4,421,906	7,468,930
Combined Debt Service Requirements ⁽³⁾	4,835,493	4,881,806	3,240,906	2,707,437	2,709,725	2,818,044	2,212,235	2,216,564	1,943,037	1,978,975
Debt Service Coverage ⁽⁵⁾	147%	229%	431%	646%	403%	180%	210%	236%	228%	377%

- 5) Coverage calculation shown inclusive of Capital Facility Charges as recognized under generally accepted accounting principles.

Source: City of Cayce Revenue Bond Indenture of Trust

CITY OF CAYCE, SOUTH CAROLINA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST AVAILABLE YEARS

Per Year 2010 Census ¹	Cayce ⁵	Lexington County ⁴	South Carolina ⁴
Total Population (2012 estimate)	12,860	273,752	4,774,839
Per Capita Income (in 2010 dollars)	\$ 23,523	\$ 26,886	\$ 23,854
Median Household Income (in 2010 dollars)	\$ 43,776	\$ 54,061	\$ 44,779
Median Family Income (in 2010 dollars)	\$ 54,845	\$ 66,099	\$ 55,220
Total Personal Income (in 2010 dollars)	\$ 302,505,780	\$ 7,360,096,272	\$ 113,899,009,506

Population Estimates ¹ (July 1, 2011)	Cayce	Lexington County	South Carolina
2004	12,320	229,233	4,196,799
2005	12,307	232,989	4,249,385
2006	12,478	237,957	4,324,799
2007	12,533	242,797	4,404,914
2008	12,646	248,518	4,479,800
2009	13,062	255,607	4,561,242
2010	12,528	262,391	4,625,364
2011 ¹	12,743	267,129	4,679,230
2012 ¹	12,679	270,406	4,723,723
2013	12,860	273,752	4,774,839

Unemployment Rates ² (Annual Average) ²	Cayce	Lexington County	South Carolina
2005	N/A	4.9	6.8
2006	N/A	4.6	6.4
2007	N/A	4.1	5.6
2008	N/A	4.8	6.8
2009	N/A	8.2	11.4
2010	N/A	8.1	11.1
2011	N/A	7.8	10.3
2012	N/A	6.8	9.0
2013	N/A	5.8	7.6
2014 ³	N/A	4.3	5.6

Cayce's Income Demographics ⁵	Households		Families	
	Number	Percentage	Number	Percentage
\$0 - \$10,000	516	9.7%	247	8.4%
10,000 - 14,999	285	5.3%	73	2.5%
15,000 - 24,999	748	14.0%	306	10.5%
25,000 - 34,999	600	11.3%	248	8.5%
35,000 - 49,999	906	17.0%	427	14.6%
50,000 - 74,999	999	18.7%	677	23.1%
75,000 - 99,999	657	12.3%	411	14.0%
100,000 - 149,999	479	9.0%	432	14.8%
150,000 - 199,999	80	1.5%	71	2.4%
200,000 and over	61	1.1%	35	1.2%
Totals	5,331	100.0%	2,927	100.0%

Sources: ¹ U.S. Bureau of the Census. Census 2010. The 2011 and 2012 numbers have been updated from the previous years report.

² S.C. Department of Employment and Workforce.

³ Six month average from January 1, 2014 through June 30, 2014.

⁴ State demographic information for all categories, updated as of July 1, 2014.

⁵ Income demographics for the City are based on estimates from the Bureau of the Census, American Community Survey, latest year 2013.

N/A = Not Available

CITY OF CAYCE, SOUTH CAROLINA

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Employees by Function/Program										
<u>Governmental Activities</u>										
General government:										
Legislative	5	5	5	5	5	5	5	5	5	5
Administrative	5	4	4	5	5	5	5	5	5	5
Recorder's court	2	2	1	1	1	1	1	1	1	1
IT***	1	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Finance:										
Accounting	3	3	3	4	4	4	4	4	4	4
Public safety:										
Animal control	2	2	2	2	2	2	2	2	2	2
Dispatchers	5	5	5	5	5	5	5	5	5	5
Administrative	4	4	4	4	4	4	4	4	4	4
Detectives	8	8	8	9	9	9	9	8	9	9
Traffic/Victim's Advocate*	38	38	39	47	48	47	45	44	41	41
Fire **	12	9	9	—	—	—	—	—	—	—
Planning and community development:										
Administrative	4	6	5	5	5	5	5	5	5	5
Public works:										
Public buildings	1	1	1	1	1	1	1	1	1	1
Sanitation	17	17	17	16	16	16	16	16	15	15
Garage	5	5	5	5	5	4	4	4	4	4
Parks and museum:										
Museum	2	2	2	2	2	2	2	2	2	2
Parks	10	9	9	8	8	8	8	8	8	8
Subtotals	<u>124</u>	<u>122</u>	<u>119</u>	<u>119</u>	<u>120</u>	<u>118</u>	<u>116</u>	<u>114</u>	<u>111</u>	<u>111</u>
<u>Business-type Activities</u>										
Water and sewer utility:										
Administrative	12	8	8	7	7	6	6	6	6	6
Water treatment plant	9	10	10	10	10	10	10	10	10	10
Water distribution and maintenance*	13	14	14	14	14	13	12	12	12	12
Sewer collection and outfall lines*	12	12	12	10	9	9	9	9	9	9
Wastewater treatment plant	12	12	12	11	11	11	10	10	10	10
Wastewater Pre-treatment Plant****	1	—	—	—	—	—	—	—	—	—
Subtotals	<u>59</u>	<u>56</u>	<u>56</u>	<u>52</u>	<u>51</u>	<u>49</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>
Total	<u>183</u>	<u>178</u>	<u>175</u>	<u>171</u>	<u>171</u>	<u>167</u>	<u>163</u>	<u>161</u>	<u>158</u>	<u>158</u>

Source: City of Cayce Finance, Budget and Personnel Departments.

Note: Schedule is based on budgeted full-time positions.

*Seldom were all positions filled throughout the fiscal year.

**Fire personnel were split out from Public Safety Traffic starting July 1, 2011.

***First year with Full-Time IT person.

****New Pre-Treatment Plant started operation in February 2014.

CITY OF CAYCE, SOUTH CAROLINA
OPERATING INDICATORS AND CAPITAL ASSETS BY FUNCTION/PROGRAM

— CONTINUED —

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<u>Business-type activities</u>										
Water and sewer utility:										
Number of water customers – end of period	8,245	8,222	8,490	8,337	7,329	7,248	7,230	7,098	7,071	6,891
Number of sewer customers – end of period	11,595	11,893	12,150	10,812	10,757	10,651	10,629	8,424	6,792	6,224
Water plant filtration capacity per day – gallons (GPD)	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000
Maximum daily pumping capacity of water – gallons	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Average daily filtration flow – water GPD	2,790,000	2,730,000	3,070,000	3,090,000	3,050,000	3,000,000	3,310,000	4,530,000	3,220,000	3,020,000
Peak average filtration flow – water GPD	3,740,000	3,750,000	4,300,000	3,790,000	3,440,000	3,300,000	3,300,000	4,530,000	3,210,000	3,220,000
Peak daily filtration flow – water GPD	4,771,900	4,020,000	4,389,000	4,130,000	4,410,000	5,199,000	5,393,000	5,500,000	4,970,000	4,842,000
Wastewater plant treatment capacity per day – gallons	25,000,000	25,000,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Average daily treated flow – wastewater GPD	8,222,000	6,666,000	5,733,000	4,303,000	6,758,000	6,056,000	5,407,000	5,660,000	5,470,000	5,197,000
Peak average treated flow – wastewater GPD	10,123,000	7,417,000	6,184,000	6,002,000	9,030,000	7,196,000	6,796,000	6,261,000	6,597,000	6,736,000
Peak daily treated flow – wastewater GPD	17,075,000	13,181,000	9,557,000	10,871,000	14,188,000	12,795,000	9,615,000	13,040,000	7,096,000	9,390,000
Number of miles of water mains owned by City	215.9	214.8	214.0	210.5	207	128	124	123	121	119
Number of miles of sewage collection lines owned by City	266.3	265.7	265	260	260	158	156	152	123	119

Source: City of Cayce Finance and Utility Departments.

Note: Information mostly obtained through internal reports and records.

Memorandum

To: Mayor and Council

From: Rebecca Vance, City Manager

Date: January 2, 2015

Subject: Approval of an Ordinance amending the City's Fiscal Year 2014-2015 Budget to increase and decrease certain anticipated Gross Revenues and certain anticipated expenditures

ISSUE

Council approval is needed for the First Reading of an Ordinance amending the City's Fiscal Year 2014-2015 Budget to increase and decrease certain anticipated Gross Revenues and certain anticipated expenditures.

BACKGROUND/DISCUSSION

In light of increased revenue and grant funds in the City's General Fund, the 2014-2015 budget is required to be amended to account for these revenues and the desired expenditures correlated with these funds.

For the Utility Fund, the 2014-2015 budget is required to be amended to account for a decreased projection of revenues and the correlated reduction in expenditures to make up for this decrease. The amendment is also needed to account for the revenue from the SRF Debt Reserve Fund reimbursement.

These changes in revenues and expenditures is outlined in the attached spreadsheet.

RECOMMENDATION

Staff recommends Council approve First Reading of an Ordinance amending the City's Fiscal Year 2014-2015 Budget to increase and decrease certain anticipated Gross Revenues and certain anticipated expenditures.

STATE OF SOUTH CAROLINA COUNTY OF LEXINGTON CITY OF CAYCE))))	ORDINANCE 2015-01 Amending the City's Fiscal Year 2014-2015 Budget to Increase and Decrease Certain Anticipated Gross Revenues and Certain Anticipated Expenditures
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WHEREAS, the Council adopted, by Ordinance dated June 18, 2014, a budget and budget document for the City for its fiscal year July 1, 2014, to June 30, 2015; and

WHEREAS, in light of additional supplemental information since provided by the City Manager concerning adjustments for certain anticipated increased revenues and expenditures in the general fund and adjustments for certain anticipated decreased revenues for the utilities portion of the budget, the Council has determined that it now wishes to amend the Ordinance and budget and budget document previously adopted as herein provided,

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Cayce, in Council, duly assembled, that:

1. The fiscal year 2014-2015 budget and budget document is hereby amended as to the entries for revenues and expenditures as shown on the attached document.
2. All other provisions of the Ordinance previously adopted and budget and budget document, not affected by the provisions of this Ordinance, shall remain as previously adopted.
3. If, for any reason, any sentence, clause, section or provision of this Ordinance shall be declared invalid, such shall not affect the remaining provisions hereof.

This Ordinance shall take effect on the date of second reading approval by Council.

DONE IN MEETING DULY ASSEMBLED, this ____ day of _____, 2015.

 Elise Partin, Mayor

ATTEST:

 Mendy C. Corder, Municipal Clerk

First reading: _____

Second reading and adoption: _____

Approved as to form: _____
 Danny C. Crowe, City Attorney

2014-2015 General Fund Fund Budget Amendment

Revenues

Line Item	Current Budgeted Amount	Proposed Budget Amount	Difference
Business License	\$3,770,000	\$4,562,217	\$792,217
State/Other Grants	\$5,000	\$105,000	\$100,000
State Parks Grant	\$0	\$150,000	\$150,000
Total			\$1,042,217

Expenditures

Department	Line Item	Current Budgeted Amount	Proposed Budget Amount	Difference
Legislative				
	Council Salaries	\$23,700	\$60,900	\$37,200
	FICA	\$1,813	\$4,659	\$2,846
	SC Retirement	\$1,682	\$5,839	\$4,157
	SCRS Pre-Ret Death Benefit	\$33	\$106	\$73
Public Safety - Traffic				
	Salaries	\$1,722,111	\$1,753,277	\$31,166
	FICA	\$142,655	\$145,039	\$2,384
	SC PORS	\$217,960	\$222,042	\$4,082
	SC PORS PRE- Retirement Death Benefit	\$3,351	\$3,413	\$62
	SC PORS Accidental Death Benefit	\$3,351	\$3,413	\$62
	Medical Insurance	\$341,442	\$346,736	\$5,294

	Service Contracts	\$7,348	\$7,528	\$180
	Machines & Equipment	\$0	\$268,931	\$268,931
Public Safety - Fire				
	Machines & Equipment	\$22,463	\$528,398	\$505,935
Sanitation				
	Machines & Equipment	\$27,000	\$161,555	\$134,555
Parks				
	Salaries & Wages	\$290,947	\$315,037	\$24,090
	FICA	\$22,942	\$24,785	\$1,843
	SC Retirement	\$31,445	\$34,035	\$2,590
	SCRS Pre-Ret			
	Death Benefit	\$439	\$475	\$36
	Medical Insurance	\$79,405	\$84,699	\$5,294
	Safety Supplies	\$3,000	\$3,600	\$600
	Uniforms	\$3,300	\$4,350	\$1,050
	Machines & Equipment	\$8,000	\$17,787	\$9,787
Total		\$2,954,387	\$3,996,604	\$1,042,217

2014-2015 Utility Fund Budget Amendment

Revenues				
	Line Item	Current Budgeted Amount	Proposed Budget Amount	Difference
	Pretreatment Plant Revenue	\$1,535,500	\$263,598	\$1,271,902
Total				\$1,271,902

Expenditures				
Department	Line Item	Current Budgeted Amount	Proposed Budget Amount	Difference
Water Dist.	Salaries	\$544,975	\$499,975	-\$45,000
	FICA	\$44,651	\$41,209	-\$3,442
	SC Retirement	\$62,745	\$57,908	-\$4,837
	SC - Pre Death Benefit	\$876	\$809	-\$67
	Medical Insurance	\$119,108	\$111,168	-\$7,940
WWTP	Salaries	\$561,180	\$543,680	-\$17,500
	FICA	\$45,576	\$44,238	-\$1,338
	SC Retirement	\$64,044	\$62,163	-\$1,881
	SC - Pre Death Benefit	\$894	\$859	-\$35
	Medical Insurance	\$103,227	\$100,581	-\$2,646
WW Collection	Salaries	\$532,512	\$520,012	-\$12,500
	FICA	\$43,981	\$43,025	-\$956
	SC Retirement	\$61,803	\$60,460	-\$1,343
	SC - Pre Death Benefit	\$862	\$844	-\$18
	Medical Insurance	\$119,108	\$116,462	-\$2,646
	Lease Purchase Principle	\$104,929	\$0	-\$104,929
	Interest	\$5,720	\$0	-\$5,720
	2009 Debt Payment	\$2,170,210	\$1,085,106	-\$1,085,104
	Machines & Equipment	\$39,700	\$65,700	\$26,000
	Total		\$4,626,101	\$3,354,199

STATE OF SOUTH CAROLINA)	RESOLUTION 2015-01
)	Ratifying the Execution of Closing
COUNTY OF LEXINGTON)	Documents by the City Manager in
)	Connection with the Acquisition of Real
CITY OF CAYCE)	Property for Park Purposes

WHEREAS, the City Council, by its written Resolution of December 2, 2014, formally accepted the gift of real property from SCE&G for park purposes of more than 300 acres as described in, and in accord with, a certain written Agreement of Gift of Property between the parties, and the Council, by that Resolution, further authorized the Mayor to execute the Agreement in final form acceptable to the City; and

WHEREAS, in addition to the Agreement executed by the Mayor, it was necessary, in order to effectuate the closing of the acquisition transaction, for the City also to execute other documents at the closing on the property on December 16, 2014, including a Quitclaim Bill of Sale, a License Agreement, and a Closing Statement, all which were executed, on behalf of the City, by the City Manager; and

WHEREAS, the Council desires to formally ratify and consent to the actions of the City Manager in executing the documents at closing as within the appropriate exercise of her authority and as within the intent of the Council in accepting and consummating the gift,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Cayce, the governing body of the City (the "Council"), in Council assembled at a public meeting, that the execution of the City Manager of any and all documents at the closing of the acquisition of the real property on December 16, 2014, is hereby formally ratified by the Council as authorized actions on behalf of the City.

ADOPTED this _____ day of _____, 2015.

Elise Partin, Mayor

ATTEST:

Mendy Corder, Municipal Clerk

Approved as to form: _____
Danny C. Crowe, City Attorney

**MINUTES OF EVENTS COMMITTEE
CITY OF CAYCE
October 9, 2014**

Present: Kimberly Christ, Brenda Cole, Danny Creamer, Frankie Newman, Cindy Pedersen, Rachel Scurry, and Dave Capps

Absent, Excused: Ellen Mancke, Jason Munsell

City Representatives: Mendy Corder, James Denny, and Brandy Rodgers

As announced at the September meeting, the Committee meeting was held at the Cayce Riverwalk near the Naples Avenue entrance.

Chairperson Cindy Pedersen called the meeting to order.

Carols along the Riverwalk

Carols along the Riverwalk is scheduled for Friday, December 5, 2014, 6:30 p.m. until 8 p.m. at the Naples Avenue entrance to the Cayce Riverwalk. Committee members and city personnel will meet at 4:30 p.m. to set-up for the event. Clean-up will be immediately following the event, and it is expected to be completed by 9 p.m.

Committee members walked along the Riverwalk and discussed the placement of the six groups that responded to the invitation. Ms. Scurry reviewed the placement of the 2013 groups. Ms. Corder and Ms. James will follow-up with Mr. Michalski and Jeremy Hansard, Trinity Handbell Choir Director, to be certain that they do not wish to participate this year. Chairperson Pedersen also requested that Freedom Church be contacted concerning participation in the event.

Ms. Cole suggested that two refreshment serving stations be set-up at the Riverwalk Pavilion. Mr. Jay Thompson has volunteered to provide the equipment for heating the cider.

Ms. Scurry will contact the key person for each group, confirm the group's participation, and discuss any special arrangements.

Committee Appointment and Reappointments

Ms. Corder informed the Committee that City Council reappointed Ms. Ellen Mancke and appointed Mr. Dave Capps to the Committee.

Congaree Bluegrass Festival

The Committee members discussed the Congaree Bluegrass Festival. Mr. Creamer mentioned the power outage and the scheduling adjustments required in order for the event to conclude by 6:30 p.m. The zip code total was 1346. Representatives from the Fire Department estimated that 2200 was the peak number of attendees.

Ms. Corder requested that Committee members submit suggestions for improving next year's event so that she can compile a complete list. The Committee will review the 2014 expenditures and discuss the 2015 budget at the January or February meeting.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Rachel R. Scurry, Secretary



**APPROVED MINUTES
BOARD OF ZONING APPEALS
COUNCIL CHAMBERS
CITY OF CAYCE, 1800 12TH STREET EXTENSION, CAYCE SC
Monday, October 20, 2014
6:00 PM**

I. CALL TO ORDER

Chairman Leo Dryer called the meeting to order at 6:00 p.m. Members present were R. McLeod, R. McArver, F. Dickerson and J. Simpson. Staff present was Shaun Greenwood and Monique Ocean.

II. APPROVAL OF MINUTES

Mr. Simpson offered a motion to approve the minutes from July 21, 2014, as written. Mr. McLeod seconded the motion. The vote passed unanimously.

III. PUBLIC HEARING – Special Exception Request 005-14 [A request to permit a used merchandise/thrift store in a C-3 zoning district]

a. Opening Statement

The Applicant, Mrs. Sandra Byrd, came before the Board to discuss the special exception request for a thrift store and to any answer questions from the Board. Mrs. Byrd mentioned that the consignment store would sell used sporting goods. Mrs. Byrd explained that her family previously owned The Catch and Release Consignment Shop in Columbia, SC, for over 1 ½ year. The family needed to move locations because the previous location had been purchased by someone else.

Mr. McArver asked for clarification as to why the thrift/used merchandise store required a Special Exception request. Mr. Greenwood explained that the Zoning Ordinance requires the Board to approve a special exception request for a thrift store in a C-3 Zoning District before the Zoning permit may be issued. Mr. Greenwood pointed out the NAICS codes, used to issue Cayce's zoning permits, classified all thrift, consignment, or used merchandise stores under the same category and they must be treated the same. Mr. Greenwood mentioned that the criteria listed in the Zoning Ordinance should be used to decide if a special exception will be approved.

Mr. Dryer inquired if the store had any intention to handle used weapons and if anyone involved in the store possessed the required fire arm licensing? Mrs. Byrd

indicated that her daughter, Blakely Byrd, possessed the required licensing and the store intended to sell ammunition, rifles, and hand guns.

b. Public Testimony

No one was present to speak.

c. Close Hearing

The public hearing was closed by Mr. Dryer.

IV. MOTION – Special Exception 005-14

Mr. McArver made a motion to approve the Special Exception Request 005-14. Mr. Dickerson seconded the motion. The vote passed unanimously.

V. OPEN PUBLIC HEARING – Special Exception Request 006-14 [A request to permit the parking/storage of an RV in the front yard in a residential zone]

a. Opening Statement

The owner of 205 Haynes Lane, Thomas Owens, came forward to explain to the Board that he received a notice that parking his recreational vehicle in his front yard was in violation of Section 9.8 of the Zoning Ordinance. Mr. Owens mentioned the requirements of Section 9.8 and stated he believed his recreational vehicle met all criteria for the special exception request. Mr. Owens stated that it is impractical to park the recreational vehicle in the rear or side yard because of the camellia bushes on the side of his property. Mr. Owens responded to the questions from the panel with the following:

1. Cutting or trimming the camellia bushes will not help in getting access to the rear yard- the plants would need to be removed.
2. No one is living in the RV.
3. The RV sits in the driveway more often than it is on the road.
4. Payment for a storage location would be around \$100 per month.
5. The RV is 25 feet from the road and it is 10 feet tall.

b. Public Testimony

Mrs. Jane Hipp, of 210 Oak Lane, spoke in support of the special exception request. No one was present to speak against the request.

c. Close Hearing

The public hearing was closed by Mr. Dryer.

VI. MOTION – Special Exception Request 006-14

Mr. McLeod made a motion to deny the special exception request. Mr. McArver seconded the motion. The motion to deny the special exception request failed. Mr. Dickerson made a motion to approve the special exception request. Mr. Simpson seconded the motion. The vote passed 3:2 with Mr. McLeod and Mr. McArver against the special exception request.

Cayce Historical Museum Complex Commission Meeting – November 5, 2014

Members present: Mary Sharpe, Lynn Summer, AG Dantzler, Marion Hutson, Archie Moore, Cyndy Peake and Alice Brooks
Executive Director: Leo Redmond

Absent: Ann Diamond (excused), Scott Morgan

- Commission Chairman Mary Sharpe called the meeting to order.
- Commissioner Dantzler offered the invocation.
- Commissioner Summer moved that the minutes from the September, 2014 be approved as submitted. Commissioner Peake seconded and the motion passed.

(Due to the October last minute date change and no quorum present, there were no official minutes from that meeting as it was discussion only. Commissioners thanked Commissioner Brooks for taking notes of that discussion, but no motion for approval was needed.)

- Commissioners again praised Director Redmond for his role in last September's Centennial Celebration. The majority of work fell on his shoulders and he was very successful in this undertaking. Many participants and dignitaries who were present also expressed appreciation, most notably Sen. Nikki Setzler, Rep. Kenny Bingham, and Lexington County Councilman Todd Collum.
 - Parking concerns were discussed: e.g., a CPS officer not allowing the car with centenarian Mr. Reid Cayce to use a close-in handicapped parking space and directing two local TV station cars (with heavy camera equipment, etc.) to park across the street. The latter WOLO car left without covering the event.
- Director Redmond called attention to the Website "Trusted Travel and Lifestyle Advice" which recently named the Cayce Historical Museum Complex as #7 in *Top Ten Attractions in the Midlands*. To put into context, the SC State Museum was #8.
- Commission Chair Sharpe began the discussion of 2014 Christmas Traditions "Centennial Christmas" assignments which had been mailed to all Commissioners last month.
 - Commissioners thanked Commissioner Summer and her B-C Teacher Cadet student volunteers for unpacking decorations and setting up all the Christmas trees.
 - The following activities are set for Centennial Christmas:
 - Decorators
 - Porches: Gram and Barbara Dantzler
 - Carolers – Leo
 - White Christmas tree on porch – Carol Keisler
 - Stairway: Woman's Club of Cayce – Contact-Ann Diamond
 - Cayce Room tree and mantle – Jean Carrigan
 - Trading Post Room & Mantle –Mary, Cindy, Lisa, Lori & Diane Bouknight
 - Gone with the Wind Tree – Marion Hutson, Jeff Smith and Lynn Summer

- Victorian Room tree/Mantle (upstairs) – Darlene Walton & Martha Porter
- Emily Geiger Room (upstairs) – Alice Brooks
- Saxe Gotha Room (Indian artifacts) – Leo
- Visitors Center Tree – Walter and Mary Walker
- Visitors Center mantle – Mary
- Enclosed glass cases in basement – Leo
- Outdoor Kitchen – Cayce Methodist Church (Ann contact church)
- Outdoor Lanterns – Leo
- Trees are in place and ready to decorate
 - Call Leo @ 261.3983 to coordinate time for decorating.
 - Have assignments completed by Wed., November 26th
- Docents: Gramling Dantzler – Chair
 - Town Crier – Gram Dantzler
 - Front door – Frankie Newman
 - Outdoor Greeters – Diane Bouknight, Zack Peake, Alana Redmond, Amanda Rawl, Samantha Breese
 - Trading Post Room: Andy and Edie Cross
 - Cayce Room – Fran Cornell, Babs Martin and Evelyn Bundrick
 - Upstairs (Saxe Gotha) – T.C. Lache and Archie Moore
 - Emily Geiger Room – Rebecca Kleckley (at table) and Pat Keller
 - Gone with the Wind – Susan Bray
 - Victorian Room – Lynn will have two students (dressed vintage)
 - Welcome Center – Mary, Leo, Rachel
 - Cider Hostesses – Barbara Dantzler, Diane Bouknight, Martha Porter, Diane Walton and Cindy Pederson
 - Floaters: Marion Hutson, Lynn Summer, Rachel Steen, Ann Diamond, Patti Moore and Alice Brooks
 - Native American coordinators: Mr. and Mrs. Tager
- Entertainment and Snacks: Marion Hutson, Leo Redmond, and Rachel Steen
- Director Redmond reported on an event suggested by local writer and noted archivist Rachel Haney – an afternoon tea during the February 14th – 17th Civil War Sesquicentennial observance of the Battle of Congaree Creek. The activity would feature book signings by local authors who have written and released Civil War tomes. The event would also feature Civil War collections as well as living history installations.
 - The River Alliance’s Mike Dawson wants to include this proposed event as part of the listing of official Congaree Creek Sesquicentennial events.
 - Commissioners authorized Director Redmond to proceed with the planning of this event with Ms. Haney.

- Commissioner Brooks recommended honoring volunteers who have distinguished themselves with service to the Museum (such as Sue Miles, responsible for much of the lovely and authentic garden plantings) with a special meeting/ceremony in early 2015 (perhaps even at the above-described event in February. These volunteers will receive commemorative centennial coins.
- Several local citizens have expressed interest in the vacant position on the Museum Commission Board. It was decided to invite Riverland Park resident Rusty Inman to submit paperwork for City Council approval. Mr. Inman is most recently retired from SC Parks, Recreation and Tourism. He was director of official historical tours of the Statehouse.
- Commissioner Summer moved that future Museum Commission meeting dates be returned to the original first Wednesday of the month. The motion was seconded by Commissioner Peake and passed unanimously.
- Having no further business, Commissioner Dantzler moved that the meeting be adjourned. Commissioner Moore seconded and the motion was carried.
- **The next meeting of the Museum Commission is set for Wednesday, December 3, 2014.**

Respectfully submitted,

Alice Brooks

Secretary, Board of Commissioners

CC: Museum Commission Chair Mary Love Sharpe and Museum Complex Commissioners
Leo Redmond, Museum Complex Director; Rachel Steen, Assistant Director



**APPROVED MINUTES
PLANNING COMMISSION
COUNCIL CHAMBERS
CITY OF CAYCE, 1800 12TH STREET EXTENSION, CAYCE SC
Monday, November 17, 2014
6:30 PM**

I. CALL TO ORDER

Chair Ed Fuson called the meeting to order at 6:30 p.m. Members present were Chris Kueny, Larry Mitchell, John Raley, Maryellyn Cannizzarro and Robert Power. Butch Broehm was absent excused. Staff present was Shaun Greenwood and Monique Ocean.

II. APPROVAL OF MINUTES

A motion was made by Mr. Mitchell to approve the minutes from the October 20, 2014, meeting. Mr. Raley seconded the motion. The vote passed unanimously.

III. STATEMENT OF NOTIFICATION

Chair Ed Fuson asked if the public had been duly notified of the public hearing. Ms. Ocean confirmed that everyone had been notified.

IV. OPEN PUBLIC HEARING – Text Amendment *Text Amendment [A request by the Planning Director to amend the Zoning Ordinance to include the addition of regulations on the use and location of portable storage units]*

a. Opening Statement

Shaun Greenwood continued the discussion on regulations for portable storage containers. Mr. Greenwood explained that a red-lined copy of the ordinance was included in the packet to outline exactly what changes were made since the last meeting. Mr. Greenwood discussed the following issues:

- A revised definition on semi-trailer has been added.
- The revised ordinance will only apply to residential properties, in order to avoid over regulating commercial and industrial properties.
- For extraordinary circumstances, the Zoning Administrator will have the ability to make an exception to setback requirements.
- The 45 day time limit for solid bulk containers was changed to 14 days with the ability to request 2 additional 14 day extensions.

Mr. Mitchell asked if Staff believed the draft ordinance provided enough language to regulate the use of portable storage containers on residential properties as well as prohibit commercial or industrial storage containers on residential properties. Mr. Greenwood explained that the City Manager, the City Attorney, and the Public Safety Department had checked for any

loopholes and given positive feedback on the ordinance. Ms. Cannizzaro asked if regulations to prohibit storage of hazardous wastes in storage container were covered in any of the City's ordinances. Mr. Greenwood explained that regulations on hazardous wastes are covered in the General Code of Ordinances and the Fire Code. Mr. Power mentioned that he believed, from the previous discussions, the City Attorney thought residential and commercial properties should be covered in the ordinance. Mr. Greenwood stated that the City Attorney thought the language should be strengthened to preclude any ambiguity. Mr. Greenwood explained that the first draft of the regulations was placed in *The Zoning Ordinance Section 7.5 Temporary Uses* but placing the ordinance in its own section and adding the aforementioned revisions dissolved the issues that the City Attorney had.

b. Public Testimony

No one from the public was present.

c. Adjourn Public Hearing

Mr. Fuson closed the Public Hearing.

V. MOTION – Text Amendment

Mr. Raley made a motion to recommend, to Council, to amend the Zoning Ordinance to include the addition of regulations on the use and location of portable storage units. Mr. Kueny seconded the motion. The vote passed unanimously.

VI. OTHER BUSINESS

Ms. Ocean explained that, for the update of Part I of the Comprehensive Plan, she researched the latest Census information. Ms. Ocean indicated that she added updated tables and charts to the Comprehensive Plan to show how the information may have changed over the years. Ms. Ocean explained that the data for items like population, race and poverty level have not changed much since the 2000 Census and so the conclusions at the end of this section have not changed. Ms. Ocean mentioned that she would have the updates for the next 3 parts of the Comprehensive Plan ready at the next meeting. Mr. Greenwood asked the Planning Commission to look at the updated tables and charts and determine if they thought any of the population goals and policies should be changed. Mr. Greenwood asked the Planning Commission to send comments about the Comp Plan to Staff at any time.

VII. ADJOURNMENT

Mr. Raley made a motion to adjourn. Mr. Mitchell seconded the motion. The vote passed unanimously.

**A quorum of Council may be present.
No discussion or action on the part of Council will be taken.**

All open positions will be advertised on the City's website and Facebook page.

FOUNDATIONS

In accordance with the bylaws for both the Beautification Foundation and the Public Safety Foundation, Sec. 3.4 (c)(2), Council Members are to be elected to serve each January.

Beautification Foundation

Council Member Eva Corley is currently serving on the Beautification Foundation.

Public Safety Foundation

Council Member Skip Jenkins is currently serving as Mayor Pro-tem on the Public Safety Foundation and Council Member Tara Almond is serving as a Foundation Member.

NO COUNCIL ACTION REQUIRED

The following positions have been postponed by Council until receipt of potential member applications.

ACCOMMODATIONS TAX COMMITTEE – TWO (2) POSITIONS

Ms. Cherelle Davis is no longer employed with the Country Inn & Suites. Ms. Sue Wofford is no longer with Knights Inn. These positions must be filled by someone from the motel industry in Cayce. The staff liaison is currently speaking with motel managers regarding this position.

CONSOLIDATED BOARD OF APPEALS – THREE (3) POSITIONS

Mr. Ron Lawson's term has expired. We have been unable to reach Mr. Lawson by phone. A letter has been sent to Mr. Lawson to inquire about his interest in serving on this Board. No response to the City's letter has been received. Mr. Frank Strange and Mr. Lemuel Knight both passed away recently. There are no recommendations at this time.

EVENTS COMMITTEE – TWO (2) POSITIONS

Mr. Jay Thompson resigned from the Events Committee in September due to an increased workload. There is also another open position on the Committee since the membership increased from nine members to eleven. There are no recommendations at this time.

PUBLIC SAFETY FOUNDATION – FOUR (4) POSITIONS

Mr. Pound's and Ms. Spires' terms have expired and Council has already postponed these two positions. In checking with all the members of the foundation, Mr. Brice Corbitt has advised he will be unable to serve. Mr. Ohlen White is no longer a resident of the City and Ms. Joan Hoffman's term expired in May and she is unable to serve again at this time. Ms. Terri Camp recently moved from District 1 to District 4. Council Member James currently has two people from his district serving on the Foundation therefore Ms. Camp can fill one of the Mayor's open positions.

In summary, we have the following open positions:

District 1 – one position

District 3 – two positions

Mayor – one position

Mayor and Council Members in these districts will need to submit potential members for Council review and approval.