

CITY OF CAYCE, SOUTH CAROLINA PAVING THE WAY FOR THE FUTURE



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDING JUNE 30, 2015

CITY OF CAYCE, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2015

WITH

REPORT OF INDEPENDENT AUDITOR

Issued by:
Finance Department

CITY OF CAYCE, SOUTH CAROLINA

CITY OF CAYCE, SOUTH CAROLINA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2015

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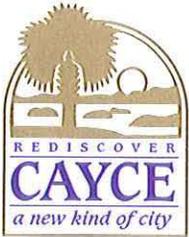
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CITY OF CAYCE, SOUTH CAROLINA

INTRODUCTORY SECTION

CITY OF CAYCE, SOUTH CAROLINA



CITY OF CAYCE

MAYOR
ELISE PARTIN

MAYOR PRO-TEM
JAMES E. JENKINS

COUNCIL MEMBERS
TARA S. ALMOND
PHIL CARTER
EVA CORLEY

CITY MANAGER
REBECCA VANCE

ASSISTANT CITY MANAGER
SHAUN M. GREENWOOD

December 12, 2015
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, 2015 (FY 2015). 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, 2015 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, 2015.

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 12,951 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.

The City operates under a council-manager form of government. Policy making and legislative authority are vested with the City Council comprised of a mayor and four council members (elected from single member districts). The City Council is responsible, among other things, for passing ordinances, adopting a budget, hiring the City Manager and selecting the independent auditor to audit the financial statements. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City and appointing the heads of the various departments.

The City is empowered to levy a property tax on both real and personal properties located within its boundaries. Such taxes are levied and collected by Lexington County and Richland County and remitted to the City.

The annual budget serves as the foundation for the City's financial planning and control. The South Carolina General Statutes require all governmental units to adopt a balanced budget by July 1st of each year for all funds for which an annual budget is required. Activities for the General Fund, and the Water and Sewer Utility Fund are budgeted annually. The annual budget is prepared by Fund and department. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriate amount) is established by department within an individual fund. The City Manager presents the proposed budget to Council for review, and approval. The City Manager may make transfers of appropriations within each fund. Budget-to-actual comparisons are provided in this report for each governmental fund for which an appropriated budget has been adopted. As demonstrated by the statements and schedules included in the financial section of this report as Required Supplementary Information, the City continues to meet its responsibility for sound financial management.

The City of Cayce provides a full range of services including police and fire protection, residential solid waste removal services, water and sewer services and recreational activities. The City operates under a July 1st to June 30th fiscal year. During the spring of each year, the budget process begins with department heads submitting requests and plans to the City Manager who is responsible for presenting the budget request to City Council. A detailed description of the budget process is included in the Notes to Budgetary Comparison of the Required Supplementary Information section in this report.

Legislative

The Mayor and four members of City Council are elected to staggered four year terms. Elections are held in November of even numbered years.

The Mayor and Council make policy and enact laws, rules and regulations in order to provide for future community and economic growth. Additionally, the Council provides the necessary support for the orderly and efficient operation of City services.

Council meetings are generally held at 6:00 p.m. on the first Tuesday of each month at Cayce City Hall, located at 1800 12th Street Ext.

You may write to any member of City Council at P.O. Box 2004, Cayce, South Carolina, 29171.

At June 30, 2015, 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 2

James "Skip" Jenkins

2224 Lee St., Cayce, SC 29033

Telephone: 796-9049

District 3

Eva Corley

1907 Routon St., Cayce, SC 29033

Telephone: 479-0097

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, 2015, 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. The finale Phase was completed this year by connecting the Riverwalk Park to the Timmerman Trail and extending the park to I-77. This was a joint effort among several agencies that has also connected the park to the Tennis Complex that is in that area by the Lexington County Recreation and Aging Commission. SCANA Corp. has also connected their corporate headquarters to the Cayce Riverwalk through the Timmerman Trail for the enjoyment of their employees and visitors.

The Congaree River has always played a dominant role of strategic importance in Cayce's development from the early days when barge and boat traffic from the low country were a part of everyday commerce on the river. Cayce became an outpost for this trade. The Cayce Riverwalk Park includes a public nature park along the river with amenities such as lighted boardwalks and concrete walkways, picnic shelters, park benches, emergency call boxes and over-looks jutting out over the river with magnificent views of the Columbia skyline. Development on both sides of the river is a driving force in the continuing economic development of the City of Cayce. During the year ended June 30, 2004 the City issued a \$5,000,000 Tax Increment Financing Revenue Bond to obtain funds to develop a portion of the City to enhance economic development. Expanding the Cayce Riverwalk Park and connecting it with local commercial businesses, along with expanding and upgrading the regional wastewater treatment plant positions the City to participate in the continued economic growth that is occurring in the Columbia Metropolitan area.

Economic development on the 12th Street Extension corridor continues at a good pace. SCANA Corporation has completed various construction projects on their corporate headquarters campus and regional service campus. The value of the completed projects which includes the crew quarters/central stores, the two 24/7-call centers, the Transmission Operations Center, the Operations Support Center, Gas Operation Center, Radio Communication Center, Field Service Technical Storage Facility, Investment Recovery Facility, and Store Room Complex is approximately \$91.5 million.

Construction of the SCANA Corporate Headquarters on Saxe Gotha Drive has now been complete for four years. The SCANA project has increased tax and license revenues in the City budget over that same period. Already, spin-off construction for service business, retail, and restaurants is taking place. The city has reviewed and approved SCANA's Phase II master plan which includes high rise hotels, upscale restaurants, office parks, townhomes, apartment complexes, and a gated subdivision. The Lexington County Medical Park was finished this year adding to the areas master plan. The townhome project known as Otarre Point will be completed within the next fiscal year, adding 299 upscale townhomes, and plans have been received for a 100 unit Marriott Hotel.

Construction has also begun on Knox Abbott for a 224 unit upscale apartment complex and a Wal-Mart grocery store. Both will be completed within the next fiscal year. Plans have also been accepted for a 22 unit upscale housing development off of Laffayette Avenue.

In conjunction with that, a residential subdivision named Concord Park that has been under construction on Taylor Rd. and 12th St. since 2013 is seventy-five percent complete and will total 206 upscale single family residences. This subdivision is within a short distance to the Cayce Tennis and Fitness Complex that was constructed by the Lexington County Recreation and Aging Commission.

In addition, the Southern First Bank building at the corner of Knox Abbott Dr. and Axtell Dr. was completed in 2011. This four story \$10 million building headquarters Southern First Bank, a regional bank now located in Greenville, SC that has relocated its midlands operations to Cayce. This building is the first development in the proposed "The Brickworks" project that is being developed and built by Brickworks Associates, LLC. New construction associated with this project could total \$40 million and include 300,000 square feet of office, retail, and residential construction that will extend to the Congaree River and tie into the Cayce Riverwalk. Potential development of a hotel overlooking the Columbia skyline and Congaree River is also possible with this development.

Other known projects include the Saxe Gotha Industrial Park that Lexington County is constructing in the county abutting Cayce City Limits. The City of Cayce has agreements in place to provide water and sewer service to the industrial park. This 400 acre industrial park is being developed off of 12th Street and will extend almost to the 12th Street interchange of Interstate 77 at Exit 2. Lexington County has plans to expand 12th Street to four lanes and expand the industrial park to accommodate the expected growth.

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 built within the Industrial Park, has also increased water sales for the City of Cayce and benefits 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. To help provide the highest standards for our residents, the City Council did implement a Hospitality Tax that is being used for the upkeep and expansion of our Parks system.

The City finished the development of the Cayce Riverwalk Park on the Congaree River through the extension of the Parkway to I-77. The City partnered with the River Alliance, Department of Natural Resources, S C Parks Recreation and Tourism, Lexington County and SCANA Corp establishing the "12,000 Year History Park". This should continue to increase local economic development.

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, 2015. 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.

As part of the City's overall internal control environment, the City establishes specific administrative and accounting policies and procedures for its departments and personnel. Through the Finance Department, the City accounts for all of its financial activities via a comprehensive ledger system. Monthly reconciliation of accounts along with executive review of budget-to-actual reports are part of the City's routine control policies to ensure a high level of financial integrity as well as compliance with its budget, and applicable laws and regulations.

Budgetary and Accounting Policies

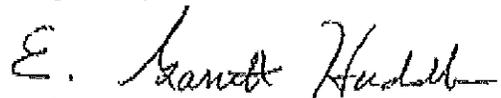
By June 30th of each year, the City enacts, through passage of an ordinance, a legal budget along with the establishment of property tax levy (millage) for the upcoming fiscal year. Annually, the City gathers information about assessed values of real and personal property located within the City limits. The total assessments are then applied to the applicable tax rates in order to determine estimated tax revenues. The City's 2014-2015 budget appropriated General fund expenditures based on estimated revenues for the fiscal year. The Water and Sewer Utility Fund (an Enterprise Fund) provides for budgeted expenses based on estimated revenues generated from rates charged for providing utility-related services to its customers. Annually, the City Council reviews its utility rates through a comprehensive assessment and analysis of its rate structure. The City operates its other funds under informal budgets established and monitored by the City Manager. Procedures associated with the development and passage of the annual budget is more fully described in the Notes to the Budgetary Comparison of the Required Supplementary Information section of this report.

The budgetary process and significant accounting policies of the City were consistent with the previous year and are more fully described in Note 1 to the financial statements. The City continues to budget actuarial effects associated with GASB #45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*; however, they are presently unfunded. The next scheduled actuarial valuation is FY 15. Disclosures related to actuarial valuations and accounting treatment of the benefit in effect at June 30, 2015 are described in Note 9.

Acknowledgements

The preparation of this report could not be accomplished without the dedicated endeavors of the Finance Department and our independent auditor (Bob Millhous and his staff). We would also like to express our appreciation to the staff of the City. Further appreciation is extended to the Mayor and City Council for their encouragement, assistance, and approval.

Respectfully submitted,



E. Garrett Huddle
City Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

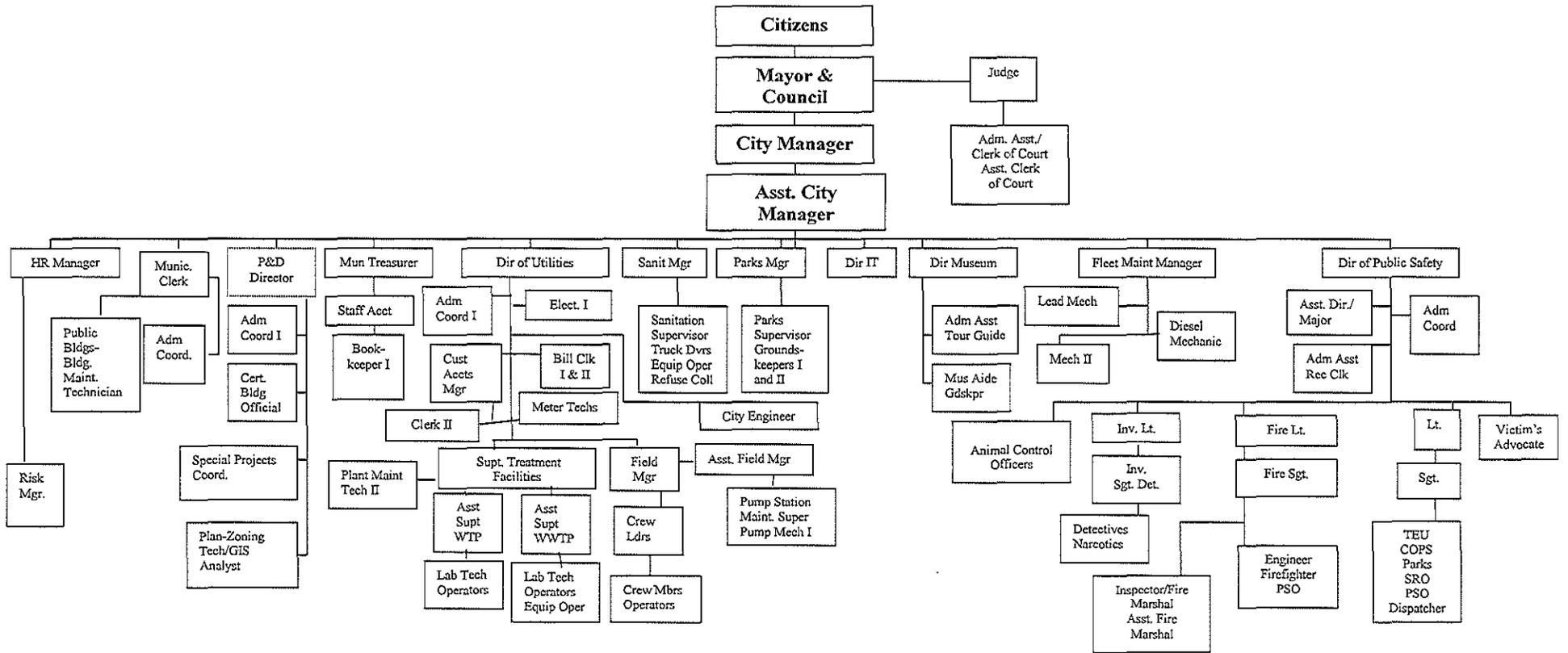
**City of Cayce
South Carolina**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

**CITY OF CAYCE
ORGANIZATIONAL CHART
JUNE 30, 2015**



FINANCIAL SECTION

CITY OF CAYCE, SOUTH CAROLINA

REPORT OF INDEPENDENT AUDITOR

CITY OF CAYCE, SOUTH CAROLINA

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

A Professional Association Of

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

121 EXECUTIVE CENTER DRIVE, SUITE 206, COLUMBIA, SOUTH CAROLINA 29210
POST OFFICE BOX 1960, COLUMBIA, SOUTH CAROLINA 29202
FAX: (803) 216-9498

Columbia
Phone: (803) 772-5300

Myrtle Beach/Conway
Phone: (843) 488-5301

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, 2015, 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 —



Opinions

Unmodified opinion

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cayce, South Carolina, as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Emphasis of Matter

As discussed in *Note 16* to the financial statements, the 2014 Governmental Activities, Business-type Activities and Proprietary Fund financial statements have been restated as a result of the City implementing a new GASB accounting standard. My opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying Management's Discussion and Analysis and the Required Supplemental Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, of the combining and individual fund financial statements and other financial schedules as listed in the table of contents as Other Financial Information, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the City of Cayce, South Carolina.

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

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 2014 audited financial statements, and in my report dated December 12, 2014, I expressed an unmodified 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 11, 2015
Columbia, South Carolina

CITY OF CAYCE, SOUTH CAROLINA

**City of Cayce, South Carolina
Management's Discussion and Analysis
Year Ended June 30, 2015**

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, 2015. 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, 2015 were \$162.8 million and exceeded total liabilities and deferred inflows by \$92.8 million. Of the total net position at June 30, 2015, there was an \$8.8 million deficit in unrestricted funds available to support short term operations of the City.

Per the Government-wide *Statement of Activities*, the City's total net position increased by \$13.0 million for the year ended June 30, 2015. The Governmental Activities resulted in a net increase of \$11.3 million, while the Business-type Activities contributed a positive net change in net position of \$1.7 million, which was substantially funded by capacity charges and other capital contributions recognized during the year.

The City restated fiscal year 2014 beginning net position to comply with a new accounting principle Governmental Accounting Standards Board Statement (GASB) No. 68 *Accounting and Financial Reporting for Pensions*. 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).

Overview of the Financial Statements (continued)

Government-Wide Financial Statements (continued) - Both of the Government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (i.e., *governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (i.e., *business-type activities*). The “governmental activities” of the City include general government, finance, planning and community development, public safety, public works, parks and museum, garage, and support services. The “business-type” activities of the City include a Water and Sewer Utility Enterprise Fund. The Government-wide financial statements can be found immediately following the discussion and analysis.

Fund Financial Statements – The “Fund financial statements” provide a more detailed look at the City’s most significant activities. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: Governmental funds, Proprietary funds, and Fiduciary funds.

Governmental funds - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-wide financial statements. Most of the City’s governmental services are accounted for in the Governmental funds. However, unlike the Government-wide financial statements, these funds focus on *near-term inflows and outflows of spendable resources* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements. The Governmental Fund financial statements can be found immediately following the ‘Government-wide’ financial statements.

Proprietary funds - *Enterprise funds* are used to report the same functions presented as *business-type activities* in the Government-wide financial statements. The City uses enterprise funds to account for its water and sewer utility. Proprietary funds provide the same type of information and the same basis of accounting as the Government-wide financial statements business type activities, only in more detail. The basic Proprietary Fund financial statements can be found immediately following the ‘Governmental Fund’ financial statements.

Notes to Financial Statements - The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in both the Government-wide and Fund financial statements.

Required Supplementary Information - The City adopts an annual appropriated budget for its General Fund. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City, and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget, and can be found in the section entitled “Required Supplementary Information”.

Other Financial Information - Following the basic financial statements, the notes to financial statements and the required supplementary information, this annual financial report also presents certain detail financial data of individual fund statements and schedules.

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 \$92.8 million at the close of June 30, 2015.

Below is a 'condensed' Statement of Net Position at June 30, 2015, which depicts the major components of the City's assets, deferred outflows, liabilities and net position (with comparative amounts for June 30, 2014, as restated).

	Governmental Activities		Business-type Activities		Totals	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
Assets and Deferred Outflows						
Cash and cash equivalents:						
Unrestricted	\$ 4,128,056	\$ 2,244,817	\$ 2,689,946	\$ 603,042	\$ 6,818,002	\$ 2,847,859
Restricted	2,884,688	1,842,819	12,198,579	11,704,810	15,083,267	13,547,629
Other current assets	1,236,562	532,374	3,920,193	5,360,055	5,156,755	5,892,429
Other assets, net of accumulated amortization	100,000	100,000	481,997	609,180	581,997	709,180
Capital assets, net of accumulated depreciation	11,939,735	6,045,615	121,818,748	123,322,210	133,758,483	129,367,825
Total assets	20,289,041	10,765,625	141,109,463	141,599,297	161,398,504	152,364,922
Deferred outflows of resources:						
Deferred outflows related to pensions	893,361	600,817	418,770	264,212	1,312,131	865,029
Losses on bond refundings	—	—	115,059	143,824	115,059	143,824
Total deferred outflows of resources	893,361	600,817	533,829	408,036	1,427,190	1,008,853
Total assets and deferred outflows	21,182,402	11,366,442	141,643,292	142,007,333	162,825,694	153,373,775
Liabilities, Deferred Inflows and Net Position						
Current liabilities	821,410	1,815,533	280,194	396,242	1,101,604	2,211,775
Current liabilities payable from restricted assets	458,144	634,181	3,316,185	4,425,069	3,774,329	5,059,250
Non-current liabilities	10,882,728	12,085,402	52,985,524	54,259,540	63,868,252	66,344,942
Total liabilities	12,162,282	14,535,116	56,581,903	59,080,851	68,744,185	73,615,967
Deferred inflows of resources:						
Deferred inflows related to pensions	901,218	—	393,193	—	1,294,411	—
Total deferred inflows of resources	901,218	—	393,193	—	1,294,411	—
Total liabilities, deferred inflows of resources	13,063,500	14,535,116	56,975,096	59,080,851	70,038,596	73,615,967
Net position:						
Net investment in capital assets	11,187,075	4,809,369	79,196,265	73,208,919	90,383,340	78,018,288
Restricted	2,900,003	2,329,686	8,302,471	11,443,354	11,202,474	13,773,040
Unrestricted (deficit)	(5,968,176)	(10,307,729)	(2,830,540)	(1,725,791)	(8,798,716)	(12,033,520)
Total net position	\$ 8,118,902	\$ (3,168,674)	\$ 84,668,196	\$ 82,926,482	\$ 92,787,098	\$ 79,757,808

Total net position equaled \$92.8 million at June 30, 2015 (and \$79.8 million at June 30, 2014), of which \$8.1 million (and \$3.2 million deficit in 2014) represents net position of the City's Governmental Activities, and \$84.7 million (and \$82.9 million in 2014) represents net position of the City's Business-type Activities after restatements.

Government-Wide Financial Analysis (continued)

By far the largest portion of the City's net position (\$90.4 million, or 97%) reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Also a portion of the City's total net position, \$11.2 million, or 12.1% represents resources that are subject to external restrictions on how they may be used, which includes resources for the City's redevelopment district plan and related debt service (\$2.9 million of Governmental Activities), and restricted net position for debt service and capital projects (totaling \$8.3 million of the City's Business-type Activities) Water and Sewer Utility Fund. The remaining is a deficit in *unrestricted net position* (\$8.8 million), which if positive, may be required to meet the government's ongoing obligations to citizens and creditors. This deficit is a result of recording the net pension liability balance of \$13.6 million (plus deferred inflows of \$1.3 million, less deferred outflows of \$.9 million) in accordance with GASB #68.

Unrestricted net position in Governmental Activities resulted in a deficit totaling (\$5.9 million in 2015 (as compared to a deficit (\$10.3 million in 2014) primarily resulting from net pension liabilities.

Business-type Activities resulted in an unrestricted net position deficit totaling \$2.8 million in 2015 (as compared to a restated deficit of \$1.7 million in 2014). This decrease in 2015 was primarily due to recording net pension liabilities in accordance with GASB #68.

Before the restatements arising from implementing GASB #68, the City reported at June 30, 2014 unrestricted net position in its Governmental Activities a \$(821,906) deficit, and for its Business-type Activities a positive \$3.1 million.

Governmental Activities net position increased \$11.3 million in 2015 (as compared to \$897,863 in 2014), primarily due to new hospitality taxes, collection of business licenses, and capital grants and contributions. Business-type Activities total net position increased in 2015 by approximately \$1.7 million (and \$1.1 million in 2014) primarily due to system capacity charges and other capital contributions.

Government-Wide Financial Analysis (continued)

The City's components of changes in net position (condensed from the Statement of Activities) for FY 2015 and FY 2014, as restated, are illustrated in the following table:

	Governmental Activities		Business-type Activities		Totals	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
Revenue						
Program Revenue:						
Charges for services	\$ 1,460,765	\$ 948,157	\$ 14,971,094	\$ 14,566,496	\$ 16,431,859	\$ 15,514,653
Operating grants and contributions	242,087	66,562	—	—	242,087	66,562
Capital grants and contributions	6,649,664	4,249	1,604,279	1,233,574	8,253,943	1,237,823
General revenue:						
Property taxes	3,786,956	3,783,478	—	—	3,783,478	3,783,478
Hospitality taxes	697,654	—	—	—	697,654	—
State shared and unallocated intergovernmental	501,191	469,679	—	—	501,191	469,679
Licenses and other	6,704,824	4,043,886	—	—	6,704,824	4,043,886
Other	392,699	596,103	34,450	14,426	427,149	610,529
Total revenue	20,435,840	9,912,114	16,609,823	15,814,496	37,045,663	25,726,610
Expenses						
General government	434,485	340,913	—	—	434,485	340,913
Information technology	85,962	92,887	—	—	85,962	92,887
Finance	56,868	61,747	—	—	56,868	61,747
Public safety	4,976,924	4,964,652	—	—	4,976,924	4,964,652
Public works	1,331,873	1,307,718	—	—	1,331,873	1,307,718
Planning and development	675,085	575,489	—	—	675,085	575,489
Parks and museum	636,000	669,385	—	—	636,000	669,385
Garage	243,925	245,638	—	—	243,925	245,638
Depreciation and amortization (unallocated)	651,325	671,572	—	—	651,325	671,572
Interest	55,817	84,250	—	—	55,817	84,250
Water and sewer utility	—	—	14,868,109	14,627,939	14,868,109	14,627,939
Total expenses	9,148,264	9,014,251	14,868,109	14,627,939	24,016,373	23,642,190
Changes in net position	11,287,576	897,863	1,741,714	1,186,557	13,029,290	2,084,420
Beginning net position, restated	(3,168,674)	(4,066,537)	82,926,482	81,739,925	79,757,808	77,673,388
Ending net position	<u>\$ 8,118,902</u>	<u>\$ (3,168,674)</u>	<u>\$ 84,668,196</u>	<u>\$ 82,926,482</u>	<u>\$ 92,787,098</u>	<u>\$ 79,757,808</u>

Government-Wide Financial Analysis (continued)

Net changes for net position in Governmental Activities had a total increase of \$11,287,576 in 2015 compared to an increase of \$860,717 in 2014. Net position in Business-type Activities resulted in an increase of \$1.7 million in 2015 compared to a \$1.2 million increase in 2014, primarily due to fewer capital contributions received from developers (deeded infrastructure plus impact/capacity fees).

Key Governmental Activities revenue highlights are as follows: Total Program Revenue equaled \$8.3 million in 2015 (as compared to \$1.0 million in 2014), primarily due to capital grants received for Parks and Recreation. General Revenues totaled \$12.1 million in 2015 and were up by \$3.2 million due to an increase in business licenses revenue and the new hospitality taxes.

Changes in Governmental Activities expenses between 2015 and 2014 (after restatements) resulted in the following: General Government administrative expenses increased by \$93,572 due to the transfer of one position from Planning and Development and increased legal costs. Planning and Development expenses increased by \$99,596 due to the NPDES phase II project expenses. Public Safety and Public Works had nominal increases (even after GASB #68 pension expense allocations). Parks expenses increased due to additional personnel costs. Street Lighting expenses increase due to an increase in electrical costs and new public lights being installed along Twelfth Street Extension and within the City.

Key Business-type Activity revenue highlights are as follows: Total Program Revenue charges for services increased by \$.4 million (or 2.8%) while capital grants and contributions increased by \$370,705. Expenses of operation and maintenance increased by \$341,378 (or 2.6%) due to the new wastewater treatment plant, septage and grease center and emergency repairs to the system.

Expenses and Program Revenues – Governmental Activities - Governmental expenses (totaling \$9.1 million in 2015) are funded in part by program-specific revenues of fees for services, grants and contributions. As shown below, Governmental Activities were overall funded by 91.3% 'program revenues', leaving 8.7% to be funded by 'general revenues'. From the Statement of Activities, the following table details this activity for the City.

	(Expenses)	Program Revenue	Net (Expense)	% Funded by Program Revenues	% Required to be Funded by General Revenues
General government	\$ (434,485)	\$ 149,968	\$ (284,517)	34.5%	65.4%
Information technology	(85,962)	—	(85,962)	—	100%
Finance	(56,868)	—	(56,868)	—	100%
Public safety	(4,976,924)	822,249	(4,154,675)	16.5%	83.5%
Public works	(1,331,873)	832,971	(498,902)	62.5%	37.5%
Planning and development	(675,085)	8,467	(666,618)	1.3%	98.7%
Parks and museum	(636,000)	6,538,861	5,902,861	100.0%	—
Garage	(243,925)	—	(243,925)	—	100%
Depreciation and amortization	(651,325)	—	(651,325)	—	100%
Interest	(55,817)	—	(55,817)	—	100%
Totals	\$ (9,148,264)	\$ 8,352,516	\$ (795,748)	91.3%	8.7%

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 2015.

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>2015</u>	<u>2014</u>
Property taxes	\$ 3,786,956	\$ 3,783,478
Hospitality taxes	697,654	—
State shared revenue	501,191	469,679
Licenses and other	6,704,824	4,043,886
Miscellaneous	382,699	596,103
Total	<u>\$12,083,324</u>	<u>\$ 8,893,146</u>

Overall, the City experienced a 35.9% increase in General Revenues (or \$3,190,178 from 2014 to 2015) primarily due to a new hospitality tax and collection of prior year 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 \$15.0 million in 2015 (as compared to \$14.6 million in 2014) and includes water sales and connection fees of \$5.0 million plus \$8.9 million from sewer services and connection fees. Net operating income at year ended June 30, 2015, totaled \$1,477,908 (as compared to \$1,412,760 in 2014). Capacity charges, consisting primarily of system enhancement, capacity (impact) fees, and capital contributions from developers totaled \$1.6 million in 2015 (as compared to \$1.2 million in 2014). The number of sewer customers increased nominally from 11,595 for 2014 to 12,146 for 2015. The number of water customers had a small increase from 8,245 for 2014 to 8,436 for 2015. As stated earlier, the change in net position of the Water and Sewer Utility Fund (\$1.7 million) was primarily a result of increased charges for septage and grease pretreatment services, a decrease in interest costs, and an increase in capital grants and contributions from the State Revolving Fund for the Hwy 321 Waterline Replacement Project.

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 2014, actual General Fund revenues for 2015 increased by \$4,502,515 (or 51.3%), primarily due to a new hospitality tax, business licenses, grants and capital contributions. Actual General Fund expenditures, net of Utility Fund overhead allocations and capital outlay, totaled \$9,259,178, which was an increase from 2014's total of \$8,497,696, primarily due to an increase in capital outlay. The General Fund's 'final' budgeted revenues totaled \$9,864,140 and actual revenues achieved equaled \$13,283,372, or \$3,419,323 more than budget. The City had actual General Fund expenditures before Other Financing Sources (Uses) of \$9,259,178, compared to a 'final' budget of \$10,204,390 for a favorable budget to actual variance of \$945,212 for the fiscal year ended June 30, 2015.

General Fund Financial Analysis and Budgetary Highlights (continued)

Increases in the cost of gas, diesel fuel, electricity and natural gas contributed significantly to the over original budget expenditures in the General Fund for Public Safety and Public Works. Also, increased actual costs for insurance premiums and legal costs contributed to non-favorable original budget to actual variances in General Government department. The City's Non-department (Support Services) final budget included GASB #45-OPEB annual required contribution, and employee merit/Christmas bonus/COLA pool.

With continued pressures of state-mandated property tax millage 'caps', the City's final budget reflected a deficiency of estimated revenues over its appropriated expenditures before Other Financing Sources and Uses totaling (\$340,250). The General Fund's other financing sources budget included \$340,250 in 2015 from the General Fund portion of State Accommodations Taxes and proceeds from the Hospitality Tax transfers.

Details of the City's General Fund budget are shown in the section entitled "Required Supplementary Information" which follows the "Notes to Financial Statements" in this report. Below is a 'condensed' summary budget-to-actual table for fiscal year 2015 compared to 2014 actual amounts achieved.

General Fund	2015		Variances Favorable (Non- favorable)	2014
	Final Budget	Actual		Actual
Revenue				
Property taxes	\$ 2,911,541	\$ 2,935,332	\$ 23,791	\$ 2,948,366
Licenses and permits	5,023,434	6,969,845	1,946,411	4,182,122
Fines and forfeitures	235,250	329,068	93,818	268,380
State shared revenue	357,066	362,744	5,678	357,698
Current services	716,672	848,100	131,428	534,410
Grants and other	618,577	1,836,617	1,218,040	488,139
Interest income	1,600	1,666	66	1,742
Total revenue	9,864,140	13,283,372	3,419,232	8,780,857
Expenditures				
Current (<i>net of Utility Fund overhead allocations and capital outlay</i>):				
General government	372,284	418,861	(46,577)	335,743
Information technology	83,271	78,293	4,978	90,231
Finance	65,011	49,747	15,264	62,061
Public safety	5,757,756	4,972,902	784,854	5,014,048
Public works	1,335,177	1,309,947	25,230	1,289,663
Planning and community development	412,690	488,942	(76,252)	465,315
Parks and museum	734,452	662,474	71,978	637,554
Garage	258,919	237,940	20,979	249,836
Support services	171,230	26,476	144,754	15,601
Debt service	242,859	242,855	4	267,071
Capital outlay	770,741	770,741	—	70,573
Total expenditures	10,204,390	9,259,178	945,212	8,497,696
Excess (deficiency) of revenue over (under) expenditures	(340,250)	4,024,194	4,364,444	283,161
Other financing sources and (uses)	340,250	433,272	93,022	311,818
Net change in fund balance	\$ —	\$ 4,457,466	\$ 4,457,466	\$ 594,979

General Fund Financial Analysis and Budgetary Highlights (continued)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - As of June 30, 2015, the City's capital assets for its Governmental Activities totaled \$22.2 million, less accumulated depreciation of \$10.2 million for a net carrying value of \$11.9 million. For its Business-type Activities, total capital assets equaled \$156.9 million, less accumulated depreciation of \$35.1 million for a net carrying value of \$121.8 million. The City's 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 continues to maintain a strong maintenance and replacement program for machinery and equipment. 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 \$1.2 million, and Business-type Activities of \$47.8 million. Governmental Activities debt consists of a tax increment financing (TIF) bond with an outstanding balance of \$.9 million, and various installment purchase notes with an outstanding balance of \$224,242 at June 30, 2015. Additional information on the City's long-term debt can be found in *Note 6* of this report.

During the year 2014-2015 the City obtained financing through the State of South Carolina Clean Water State Revolving Funds (SRF) Series 2015 program, for the replacement of the Highway 321 water main in the total amount of \$3,734,073.

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.

CITY OF CAYCE, SOUTH CAROLINA

BASIC FINANCIAL STATEMENTS

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF NET POSITION

JUNE 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Cayce Beautification Foundation
Assets and Deferred Outflows				
Current assets:				
Cash and cash equivalents	\$ 4,128,056	\$ 2,689,946	\$ 6,818,002	\$ 49,631
Receivables, net	527,887	3,868,204	4,396,091	—
Internal balances, net	149,532	(149,532)	—	—
Prepaid items	505,935	—	505,934	—
Inventories	53,208	201,521	254,729	—
Total current assets	5,364,618	6,610,139	11,974,757	49,631
Non-current assets:				
Restricted cash and cash equivalents	2,884,688	12,198,579	15,083,267	—
Capital assets not subject to depreciation	7,865,522	1,780,750	9,646,272	—
Capital assets, net of depreciation	4,074,213	120,037,998	124,112,211	—
Other assets, net	100,000	481,997	581,997	—
Total non-current assets	14,924,423	134,499,324	149,423,747	—
Total assets	20,289,041	141,109,463	161,398,504	49,631
Deferred outflows of resources:				
Deferred outflows related to pensions	893,361	418,770	1,312,131	—
Losses on bond refundings, net	—	115,059	115,059	—
Total deferred outflows of resources	893,361	533,829	1,427,190	—
Total assets and deferred outflows of resources	21,182,402	141,643,292	162,825,694	49,631
Liabilities, Deferred Inflows and Net Position				
Current liabilities:				
Accounts payable	213,331	47,229	260,560	—
Accrued expenses and other liabilities	76,851	49,123	125,974	—
Accrued compensated absences – current portion	247,539	73,126	320,665	—
Construction contracts & retainages payable	—	65,636	65,636	—
Unearned revenue, deposits and prepayments	59,447	45,080	104,527	—
Installment purchase contracts payable – current portion	224,242	—	224,242	—
Current liabilities payable from restricted assets	458,144	3,316,185	3,774,329	—
Total current liabilities	1,279,554	3,596,379	4,875,933	—
Long-term (non-current) liabilities:				
SRF loans payable	—	32,166,654	32,166,654	—
TIF and revenue bonds payable	491,714	13,479,263	13,970,977	—
Unearned revenue, capacity charges and contract payables	—	1,914,526	1,914,526	—
Accrued compensated absences	110,856	38,611	149,467	—
Net pension liabilities	8,932,613	4,663,806	13,596,419	—
Other post-employment benefit (OPEB) obligation	1,347,545	722,664	2,070,209	—
Total long-term liabilities	10,882,728	52,985,524	63,868,252	—
Total liabilities	12,162,282	56,581,903	68,744,185	—

— CONTINUED —

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:				
Deferred inflows related to pensions	901,218	393,193	1,294,411	—
Total deferred inflows of resources	901,218	393,193	1,294,411	—
Total liabilities and deferred inflows of resources	13,063,500	56,975,096	70,038,596	—
Net position:				
Net investment in capital assets	11,187,075	79,196,265	90,383,340	—
Restricted for:				
Debt service	1,133,993	3,995,124	5,129,117	—
Capital projects	428,440	3,888,577	4,317,017	—
Community development and tourism	378,954	—	378,954	—
Beautification	—	—	—	10,250
Law enforcement	65,255	—	65,255	—
Pensions	893,361	418,770	1,312,131	—
Unrestricted (deficit)	(5,968,176)	(2,830,540)	(8,798,716)	39,381
Total net position	\$ 8,118,902	\$ 84,668,196	\$ 92,787,098	\$ 49,631

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015

Functions and Programs	Program Revenue				Net (Expense) Revenue and Changes in Net position			Cayce Beautification Foundation
	Expenses	Fees for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities	Totals	
Primary Government:								
<u>Governmental activities:</u>								
General government	\$ (434,485)	\$ —	\$ 149,968	\$ —	\$ (284,517)	\$ —	\$ (284,517)	\$ —
Information technology	(85,962)	—	—	—	(85,962)	—	(85,962)	—
Finance	(56,868)	—	—	—	(56,868)	—	(56,868)	—
Public safety	(4,976,924)	642,597	79,652	100,000	(4,154,675)	—	(4,154,675)	—
Public works	(1,331,873)	807,630	4,000	21,341	(498,902)	—	(498,902)	—
Planning and community development	(675,085)	—	8,467	—	(666,618)	—	(666,618)	—
Parks and museum	(636,000)	10,538	—	6,528,323	5,902,861	—	5,902,861	—
Garage	(243,925)	—	—	—	(243,925)	—	(243,925)	—
Depreciation and amortization (unallocated)	(651,325)	—	—	—	(651,325)	—	(651,325)	—
Interest	(55,817)	—	—	—	(55,817)	—	(55,817)	—
Total governmental activities	(9,148,264)	1,460,765	242,087	6,649,664	(795,748)	—	(795,748)	—
<u>Business-type activities:</u>								
Water and sewer utility	(14,868,109)	14,971,094	—	1,604,279	—	1,707,264	1,707,264	—
Total business-type activities	(14,868,109)	14,971,094	—	1,604,279	—	1,707,264	1,707,264	—
Total primary government	\$ (24,016,373)	\$ 16,431,859	\$ 242,087	\$ 8,253,943	(795,748)	1,707,264	911,516	—
Component Unit:								
Cayce Beautification Foundation	\$ (1,087,796)	\$ —	\$ 923,987	\$ 32,125	—	—	—	(131,684)
General Revenue								
General Revenue:								
Property taxes					3,786,956	—	3,786,956	—
Hospitality taxes					697,654	—	697,654	—
State shared and unallocated intergovernmental (unrestricted)					501,191	—	501,191	—
Business licenses, taxes, and penalties					6,704,824	—	6,704,824	—
Unrestricted investment earnings					1,777	11,223	13,000	250
Gain (loss) on sale of property					(22,921)	23,227	306	—
Other					413,843	—	413,843	15,216
Total general revenue					12,083,324	34,450	12,117,774	15,466
Changes in net position					11,287,576	1,741,714	13,029,290	(116,218)
Net position—beginning of year, as restated (See Note 16)					(3,168,674)	82,926,482	79,757,808	165,849
Net position—end of year					\$ 8,118,902	\$ 84,668,196	\$ 92,787,098	\$ 49,631

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2015

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 4,044,255	\$ —	\$ 83,801	\$ 4,128,056
Receivables, net	259,755	—	90,979	350,734
Due from other funds	260,716	7,000	—	267,716
Prepaid Items	505,935	—	—	505,935
Inventories	53,208	—	—	53,208
Restricted assets:				
Cash and cash equivalents	920,777	421,440	1,542,471	2,884,688
Total assets	\$ 6,044,646	\$ 428,440	\$ 1,717,251	\$ 8,190,337
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 213,331	\$ —	\$ —	\$ 213,331
Accrued liabilities	50,324	—	3,303	53,627
Other liabilities	23,224	—	—	23,224
Deposits and prepayments	59,447	—	—	59,447
Due to other funds	13,456	—	104,728	118,184
Total liabilities	359,782	—	108,031	467,813
Fund balances:				
Nonspendable in:				
Inventories and prepaid items	559,143	—	—	559,143
Restricted for:				
Debt service	—	—	1,133,993	1,133,993
Redevelopment plan	—	428,440	—	428,440
ABC permit	—	—	31,205	31,205
Tourism and community development	—	—	347,749	347,749
Law enforcement	—	—	12,472	12,472
Victims Rights Assistance	52,783	—	—	52,783
	<u>52,783</u>	<u>428,440</u>	<u>1,525,419</u>	<u>2,006,642</u>
Committed for:				
UST program	25,000	—	—	25,000
Assigned for:				
Christmas in Cayce	5,144	—	—	5,144
Museum	—	—	83,801	83,801
History park	918,466	—	—	918,466
	<u>923,610</u>	<u>—</u>	<u>83,801</u>	<u>1,007,411</u>
Unassigned	4,124,328	—	—	4,124,328
Total fund balances	5,684,864	428,440	1,609,220	7,722,524
Total liabilities and fund balances	\$ 6,044,646	\$ 428,440	\$ 1,717,251	

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

BALANCE SHEET

GOVERNMENTAL FUNDS

— CONTINUED —

Reconciliation to amounts reported for governmental activities in the Statement of Net Position (See Note 13):	
Total fund balances – Governmental Funds	\$ 7,722,524
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in these funds.	11,939,735
Other assets not available to pay for current period expenditures and, therefore, are not reported in the funds.	277,152
Certain deferred outflows related to pensions are not available to pay for current expenditures and, therefore, are not reported in the funds.	893,361
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in these funds.	(11,812,652)
Certain deferred inflows related to pensions are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(901,218)</u>
Net position, end of year – Governmental Activities	<u>\$ 8,118,902</u>

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-

GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2015

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenue				
Property taxes	\$ 2,935,332	\$ —	\$ 840,763	\$ 3,776,095
Hospitality taxes	—	—	697,654	697,654
Licenses and permits	6,969,845	—	—	6,969,845
Fines and forfeitures	329,068	—	—	329,068
State shared revenue	362,744	—	134,281	497,025
Current services	848,100	—	—	848,100
Grants and other	1,836,617	110,000	7,274	1,953,891
Interest income	1,666	—	111	1,777
Total revenue	<u>13,283,372</u>	<u>110,000</u>	<u>1,680,083</u>	<u>15,073,455</u>
Expenditures				
Current:				
General government	418,861	—	—	418,861
Information technology	78,293	—	—	78,293
Finance	49,747	—	—	49,747
Public safety	4,972,902	—	—	4,972,902
Community relations	143,347	—	—	143,347
Planning and community development	345,595	—	129,488	475,083
Public works	1,309,947	—	—	1,309,947
Parks and museum	662,474	—	—	662,474
Garage	237,940	—	—	237,940
Non-departmental and support services	26,476	—	—	26,476
Debt service	242,855	—	485,819	728,674
Capital outlay	770,741	443,258	—	1,213,999
Total expenditures	<u>9,259,178</u>	<u>443,258</u>	<u>615,307</u>	<u>10,317,743</u>
 Excess (deficiency) of revenue over expenditures	 <u>4,024,194</u>	 <u>(333,258)</u>	 <u>1,064,776</u>	 <u>4,755,712</u>
Other Financing Sources (Uses)				
Proceeds from sales of assets	16,972	—	—	16,972
Transfers in	416,300	7,000	—	423,300
Transfers (out)	—	—	(423,300)	(423,300)
Total other financing sources (uses)	<u>433,272</u>	<u>7,000</u>	<u>(423,300)</u>	<u>16,972</u>
Net change in fund balances	4,457,466	(326,258)	641,476	4,772,684
Fund balances, beginning of year	1,227,398	754,698	967,744	2,949,840
Fund balances, end of year	<u>\$ 5,684,864</u>	<u>\$ 428,440</u>	<u>\$ 1,609,220</u>	<u>\$ 7,722,524</u>

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES-

GOVERNMENTAL FUNDS

— CONTINUED —

**Reconciliation to amounts reported for governmental activities in the
Statement of Activities (See Note 13):**

Net change in fund balances – Total Governmental Funds	\$ 4,772,684
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	5,934,013
The net effect of various miscellaneous transactions involving other assets (i.e., sales, trade-ins, contractual rights, and donations) is to decrease net position.	(39,893)
Revenues in the Statement of Activities do not provide current financial resources are reported as revenues in these funds.	13,963
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in these funds.	(210,028)
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>816,837</u>
Change in net position — Governmental Activities	<u>\$ 11,287,576</u>

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA

BALANCE SHEET

PROPRIETARY FUND

JUNE 30, 2015

	<u>Business-type Activities – Enterprise Fund Water and Sewer Utility</u>
Assets and Deferred Outflows	
Current assets:	
Cash and cash equivalents	\$ 2,689,946
Receivables, net:	
Water and sewer accounts	2,344,763
Other accounts	1,523,441
Inventories	201,521
Total current assets	<u>6,759,671</u>
Non-current assets:	
Restricted cash and cash equivalents	12,198,579
Capital assets not subject to depreciation	1,780,750
Capital assets, net of depreciation	120,037,998
Other assets, net	481,997
Total non-current assets	<u>134,499,324</u>
Total assets	<u>141,258,995</u>
Deferred outflows of resources:	
Deferred outflows related to pension	418,770
Losses on bond refundings, net	115,059
	<u>533,829</u>
Total assets and deferred outflows	<u><u>\$ 141,792,824</u></u>

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

BALANCE SHEET

PROPRIETARY FUND

— CONTINUED —

	<u>Business-type Activities – Enterprise Fund Water and Sewer Utility</u>
Liabilities, Deferred Inflows and Net Position	
Current liabilities:	
Accounts payable	\$ 47,229
Accrued payroll and related taxes	48,117
Accrued compensated absences – current portion	73,126
Construction contracts and retainage payable	65,636
Other liabilities	1,006
Due to other funds (internal balances)	149,532
Customer prepayments	45,080
Current liabilities payable from restricted assets	3,316,185
Total current liabilities	<u>3,745,911</u>
Long-term (non-current) liabilities:	
Accrued compensated absences	38,611
Unearned revenue – future capacity charges	238,690
SRF loans payable	32,166,654
Revenue bonds payable	13,479,263
Contract obligation	1,675,836
Net pension liability	4,663,806
Other post-employment benefit (OPEB) obligation	722,664
Total long-term liabilities	<u>52,985,524</u>
Total liabilities	<u>56,731,435</u>
Deferred inflows of resources:	
Deferred inflows related to pension	393,193
	<u>393,193</u>
Net position:	
Net investment in capital assets	79,196,265
Restricted for:	
Debt service	3,995,124
Capital projects	3,888,577
Pension	418,770
Unrestricted (deficit)	(2,830,540)
Total net position	<u>84,668,196</u>
Total liabilities, deferred inflows and net position	<u><u>\$ 141,792,824</u></u>

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2015

	Business-type Activities – Enterprise Fund Water and Sewer Utility
Operating Revenue (pledged as security for revenue bonds)	
Water:	
Sales	\$ 4,913,144
Connection fees	78,897
Sewer:	
Service charges	8,898,796
Connection fees	5,633
Septage/grease services:	
Sales and permits	472,451
Pretreatment set-up fees	89,460
Re-connection fees	37,605
Penalties	181,935
Miscellaneous income	293,173
Total operating revenue	14,971,094
Operating Expenses	
Administrative	456,049
Utility billing	593,048
Water treatment plant	1,377,415
Water distribution and maintenance	1,250,139
Wastewater treatment plant	2,386,593
Sewer collection and outfall lines	1,269,759
Septage and grease receiving station	196,661
Non-departmental and support services	1,629,953
Depreciation and amortization expense	4,333,569
Total operating expenses	13,493,186
Operating income	1,477,908
Non-Operating Revenue (Expenses)	
Interest income	11,223
Gains from sale, disposal of equipment	23,227
Interest expense	(1,346,158)
Bond refinancing loss amortized	(28,765)
Total non-operating revenue (expenses)	(1,340,473)
Income before contributions	137,435
Capital Contributions	
Capacity charges and other capital contributions	1,604,279
Change in net position	1,741,714
Net position, beginning of year, as restated (<i>See Note 16</i>)	82,926,482
Net position, end of year	\$ 84,668,196

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF CASH FLOWS

PROPRIETARY FUND

YEAR ENDED JUNE 30, 2015

	Business-type Activities— Enterprise Fund Water and Sewer Utility
Cash Flows from Operating Activities	
Cash received from:	
Usage fees	\$ 15,572,676
Tap fees	84,530
Service and miscellaneous charges	602,173
Cash paid to (for):	
Employee salaries and related costs	(3,308,864)
Water treatment and distribution costs	(1,488,742)
Sewer treatment and collection costs	(2,388,996)
Septage and grease treatment and disposal costs	(150,013)
Other supplies and miscellaneous costs	(1,718,010)
Net cash provided by operating activities	<u>7,204,754</u>
Cash Flows from Capital and Related Financing Activities	
Proceeds from sale of capital assets	23,227
Acquisition and construction of capital assets	(1,993,040)
Interest and fiscal agent fees paid on capital related debt	(1,362,140)
Proceeds from SRF loans	3,759,148
Principal payments on bonds and notes	(3,403,442)
Capacity charges and other capital contributions	922,955
Deposit for insubstance defeasement	(2,254,495)
Liquidation of contract liability	(327,517)
Net cash (used in) capital and related financing activities	<u>(4,635,304)</u>
Cash Flows from Investing Activities	
Interest received	11,223
Net cash provided by investing activities	<u>11,223</u>
Net increase in cash and cash equivalents	2,580,673
Cash and cash equivalents, beginning of year (of which \$11,704,810 is restricted)	<u>12,307,852</u>
Cash and cash equivalents, end of year (of which \$12,198,579 is restricted)	<u>\$ 14,888,525</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	\$ 1,477,908
Adjustments to reconcile operating income to net cash provided by operations:	
Depreciation and amortization expense	4,333,569
Changes in certain assets and liabilities:	
Decrease in accounts receivable	1,293,952
Decrease in inventory	63,288
Decrease in accounts payable/accrued liabilities	(123,122)
Increase in amounts due to/from others	82,622
Decrease in customer deposits and prepayments	(5,670)
Decrease in pension liability	(194,973)
Increase in pension related deferred outflows	(154,558)
Increase in pension related deferred inflows	393,193
Increase in other post-employment benefit (OPEB) obligation	25,358
Increase in accrued compensated absences	13,187
Net cash provided by operating activities	<u>\$ 7,204,754</u>
Supplemental disclosure of non-cash capital and related financing activities	
Contributed property by developers	\$ 761,708
Amortization of bond premiums	\$ (28,765)

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015

	<u>Agency Funds</u>
Assets	
Cash and cash equivalents	\$ 162,135
Total assets	<u>\$ 162,135</u>
Liabilities	
Amounts due to others	\$ 162,135
Total liabilities	<u>\$ 162,135</u>

See accompanying notes to financial statements.

CITY OF CAYCE, SOUTH CAROLINA

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2015

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

Government-Wide and Fund Financial Statements

Government-wide Financial Statements – The Government-wide financial statements consist of a Statement of Net Position and a Statement of Activities and reports information on all of the non-fiduciary activities of the government as a whole. Separate columns are used to distinguish between the City’s governmental and business-type activities. Governmental activities are generally those activities financed by taxes, intergovernmental revenues, and other non-exchange revenues. These activities are usually reported in Governmental Funds.

Business-type activities are those activities which are financed in whole or in part by user fees charged to external parties for goods and services. These activities are usually reported in Enterprise Funds. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Net Position reports all financial and capital resources of the City and reports the difference between assets and deferred outflows less liabilities and deferred inflows as “net position” not fund balance or equity. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues and reflects the “net (expenses) revenue” of the City’s individual functions before applying ‘general’ revenues.

Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues are derived directly from the program itself or from parties outside the reporting government’s taxpayers or citizenry, as a whole, and thus reduce the net cost of the function to be financed from the government’s general revenues. They include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues. All revenues are ‘general’ revenues unless they are required to be reported as program revenues.

Fund Financial Statements – Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the Government-wide financial statements. The focus of governmental and proprietary fund financial statements is on ‘major’ funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements, with ‘non-major’ funds being aggregated and displayed in a single column.

The City reports the General Fund as the “major” governmental fund and the Water and Sewer Utility Fund as the “major” proprietary fund. The City has elected to present Capital Projects Fund in the Governmental Fund financial statements, even though it does not qualify as a “major” fund. A schedule of non-major funds is presented separately as part of Other Financial Information. Because of the basis of accounting and reporting differences, summary reconciliations to the Government-wide financial statements are presented at the end of each applicable fund financial statement.

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; restricted hospitality taxes; 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, 2015, 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)

C. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting is a conceptual description of the timing of the accounting measurements made.

The Government-wide and Proprietary Fund financial statements use the economic resources measurement focus and the accrual basis of accounting, in accordance with GASB Statement Number 34. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

As a general rule, the effect of interfund activity (i.e. advances or short-term loans) has been eliminated from the Government-wide financial statements, except for amounts due between the City's governmental activities and business-type activities.

Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis concept, revenues susceptible to accrual (e.g. property taxes, franchise taxes, state shared and intergovernmental revenues) are recognized when they become measurable (estimable as to the net amount to be collected) and available as current assets. Such revenues are considered to be available when they are collected within the current period or soon enough thereafter (not exceeding 60 days) to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Fund statements reflect net position and revenues, expenses and changes in net position using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis concept, revenues are recognized when earned and expenses are recognized when incurred.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When restricted, committed, and/or assigned resources are available for use, it is the government's policy to use restricted resources first, then committed resources, then assigned resources, then unrestricted resources as they are needed.

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 \$10,204,390, plus \$1,600,000 Utility Fund indirect costs and 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 \$10,656,080 (including operation and maintenance, capital improvements, debt service principal amounts and coverages). Actual operating expenses totaled \$13,493,186 (including a charge of \$4,333,569 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, 2015.

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)

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable includes accounts due from other governments and is stated net of their allowance for uncollectible accounts.

Inventory and Prepaid Items

Inventory is valued at cost or estimated historical cost on a first-in, first-out (FIFO) basis. Inventory consists of expendable supplies of the garage and water/wastewater maintenance, held for consumption. Reported inventory expenditures or expenses are recognized when inventories are consumed. Additionally, certain payments to vendors reflect costs for services applicable to future periods and are reported as prepaid items.

Restricted Assets

Restricted accounts include monies or other resources, the use of which is restricted by legal or contractual requirements. In the Enterprise Fund restricted assets arise from certain bond and contract ordinances.

Other Assets

Other assets consists of purchases of intangible assets, or 'contractual rights' to use capital asset resources. The Business-type Activities rights result from the purchase of expanding certain wastewater collection lines owned by a third-party where the City uses the additional line capacity. The purchase price (cost) totaling \$803,883 is being amortized over the life of the contract. Amortization expense for the year ended June 30, 2015 totaled \$14,097 for Business-type Activities. The Governmental Activities rights result from the purchase and cost contribution to Lexington County to construct a new animal services/shelter services and to provide the City future services. The purchase price (cost) totaling \$100,000 is to be amortized over the life of the contract. There was no amortization expense incurred for fiscal year 2015, as the facility was not to open until July 1, 2015.

Capital Assets and Depreciation

Capital assets, which include land, buildings, improvements, machinery and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the Government-wide financial statements. Capital assets of the City that are not specifically related to activities reported in proprietary or fiduciary funds have been reported as assets in the governmental funds column of the Government-wide financial statement. Capital assets are defined by the City as those assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

All capital assets are valued at historical cost if purchased or constructed, or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized.

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, 2015. 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)

Compensated Absences (Accrued Vacation and Sick Leave (Continued))

In the Government-wide and Proprietary Fund financial statements, vacation pay is accrued when incurred and reported as a current and long-term liability. In the Governmental Funds, expenditures and liabilities related to these obligations are recognized when they mature (become due). Vacation pay that is expected to be liquidated, for example, as a result of employee resignations and retirements, with expendable available financial resources is reported as an expenditure and a fund liability in the General Fund, when applicable.

Unearned Revenue

In the Government-wide financial statements, and in the Governmental Fund and Proprietary Fund types, certain assets are recognized in connection with a transaction before the earnings process is complete. These assets are generally offset by a corresponding liability entitled unearned revenue. Unearned revenue in the Government-wide and in the Governmental Fund financial statements certain assets that are not yet available to finance expenditures for the current fiscal period are classified as unearned revenue.

The City's prior-year receipt of a wastewater capacity payment from a customer of \$1,675,876 (original balance of \$1,950,000), which is to be applied by the City as a credit against future contract charges and services, has been reported as unearned revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the South Carolina Retirement Plan (SCRS) and South Carolina Police Officers Retirement Plan (PORS) and additional to/deductions from plans fiduciary net position have been determined on the same basis as they are reported by the related plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position and Fund Balances

In the Government-wide financial statements, the difference between the City's total assets and deferred inflows, less total liabilities and deferred outflows represents net position. Net position for both the governmental and proprietary fund types displays three components – net investment in capital assets; restricted (distinguished between major categories of restrictions); and unrestricted. Unrestricted net position represents the assets available for future operations. In the Fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor the constraints on the specific purposes for which amounts in those funds can be spent. "Nonspendable" fund balances include those amounts that cannot be spent because they are either not in a spendable form or legally or contractually required to be maintained intact. "Restricted" fund include those amounts that are legally restricted by outside parties, laws, governments, or enabling legislation for use for a specific purpose.

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)

Net Position and Fund Balances (continued)

“Committed” fund balances are amounts that can only be used for specific purposes due to constraints imposed by formal action of the City Council which is the City’s highest level of decision making authority. A formal action by Council, typically an ordinance, would be required to rescind a commitment. “Assignments” of fund balance present management’s intent, but are neither restricted nor committed. Due to its form of government (Council-Manager), the City Manager and/or through the annual budget, is authorized to assign amounts to a specific purpose. “Unassigned” fund balance is the residual classification for the General Fund, or in other governmental funds if expenditures incurred for specific purposes exceed the amounts restricted, committed, and/or assigned to those purposes. When other governmental funds have deficit fund balances, such deficits, after reducing any assigned, committed or restricted balances, are reported as negative unassigned fund balances. In governmental funds, other than the General Fund it is not appropriate to report a positive unassigned fund balance.

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.

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)

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.

Deferred Inflows/Outflows of Resources

Pursuant to GASB Concepts Statement No. 4, “deferred outflow of resources” is a consumption of net position (assets minus liabilities) by the government that is applicable to a future period, while an ‘asset’ is a resource with present service capacity that the government presently controls. A “deferred inflow of resources” is an acquisition of net position (assets minus liabilities) by the government that is applicable to a future reporting period, while a ‘liability’ is a present obligation to sacrifice resources that the government has little or no discretion to avoid. Deferred outflows and inflows of resources are reported separate from assets and liabilities, respectively, in the Statement of Net Position.

At June 30, 2015, the City also reported ‘deferred outflow of resources’ consisting of debt refunding loss [the difference between the new refunding debt (reacquisition price) and the net carrying amount of the old refunded debt] resulting from its Series 2007A Revenue Bond. This amount is being amortized to interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.

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

1. Summary of Significant Accounting Policies (Continued)

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

Comparative Data and Reclassifications

Comparative data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are used to determine depreciation expense, and the allowance for doubtful accounts among other accounts. Actual results could differ from those estimates.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

2. Deposits and Investments

As of June 30, 2015, the City had the following cash and investment balances:

Cash on hand	\$	1,705
Carrying amount of deposits		14,772,236
Carrying amount of investments		3,995,122
Funds held in trust by State		3,294,341
Total	\$	<u>22,063,404</u>
Statement of Net Position balances:		
Cash and cash equivalents	\$	6,818,002
Cash and cash equivalents – restricted		15,083,267
Cash and cash equivalents – fiduciary		162,135
Total	\$	<u>22,063,404</u>
Investments are categorized as follows:		
State Treasurer’s Investment pool	\$	3,294,341
Money Market Funds		3,995,122
Total	\$	<u>7,289,463</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, 2015, the carrying amount of the City’s cash deposits with financial institutions was \$14,772,236 and the financial institution’s balances totaled \$15,990,498. Of this balance, \$903,763 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, 2015, amounted to \$1,705. 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

Interest Rate Risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of June 30, 2015, the City had the following investments subject to interest rate risk:

	<u>Fair Value</u>	<u>Maturity</u>
State Treasurer’s Investment Pool	\$ 3,294,341	60 days weighted average of portfolios
Money Market Funds	\$ 3,995,122	8 days weighted average of portfolios

The South Carolina State Treasurer’s Office established the South Carolina Local Government Investment Pool (the Pool) pursuant to Section 6-6-10 of the South Carolina Code of Law. The Pool is an investment trust fund, in which public monies in excess of current needs which are under the custody of any county treasurer or any governing body political subdivision of the State may be deposited. The Pool is a Rule 2a 7-like pool which is not registered with the Securities and Exchange Commission (SEC) as an investment company, but has a policy that it will operate in a manner consistent with the SEC’s Rule 2a 7 of the Investment Company Act of 1940. Investment shares with the State Treasurer Investment Pool are subject to redemption upon demand by the City. The fair value of the City’s investment in the Pool is the same as the value of the pool shares.

Credit Risk. State statute authorizes the City to invest in obligations of the United States and agencies thereof; general obligations of the State of South Carolina or any of its political units provided such obligations are rated as an “A” or better by Moody’s Investors Service, Inc. and Standard and Poor’s Corporation or their respective successors; interest bearing accounts in savings and loan associations to the extent that the same are insured by an agency of the Federal government; certificates of deposit where the certificates are collaterally secured by securities of the type described above, held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest, provided, however, such collateral shall not be required to the extent the same are insured by an agency of the United States Government; or deposit accounts with banking institutions insured and secured in the same manner.

The statutes provide that all authorized investments shall have maturities consistent with the time or times when the invested monies will be needed in cash. Statutes also allow the State Treasurer to assist local governments in investing funds. The State Treasurer also provides oversight for the State Treasurer’s Investment Pool, of which, the fair value of the City’s investments is the same as the value of the pooled shares. The City is under no contractual agreements which restrict investment alternatives. The City has no investment policy that would further limit its investment choices other than its compliance with State Law. The State Investment Pool limits its investments to the same State Law requirements.

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, 2015, 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, 2015, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities
Property taxes	\$ 1,696,780	\$ —
Hospitality taxes	87,785	—
Water and sewer accounts	—	2,379,763
Wastewater Treatment Plant contributions due	—	1,266,934
Other	200,760	256,507
Due from other governments:		
General Fund:		
State shared revenue	95,962	—
Special Revenue Fund:		
Accommodations tax	27,164	—
ABC Permit Fund:		
Due from state government	3,000	—
Gross receivables	2,117,631	3,903,204
Less, allowance for uncollectible	(1,589,744)	(35,000)
Net total receivables	\$ 527,887	\$ 3,868,204

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

4. Due to/from Other Funds (Internal Balances)

The Governmental and Business-type short-term interfund receivables and payables at June 30, 2015, were as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 260,716	\$ 13,456
Capital Projects Fund	7,000	—
Hospitality Tax Fund	—	104,728
Water and Sewer Fund	—	149,532
	\$ 267,716	\$ 267,716

Net internal balances shown on the Statement of Net Position between Governmental and Business-type Activities totaled \$149,532 at June 30, 2015.

5. Capital Assets

A summary of the changes in the City's capital assets during the year ended June 30, 2015, are as follows:

Governmental Activities:

	Balance June 30, 2014	Additions	Retirements	Transfers	Balance June 30, 2015
Capital assets not being depreciated:					
Land and rights-of-way	\$ 2,224,246	\$ 5,350,000	\$ —	\$ 15,416	\$ 7,589,662
Construction in progress	283,005	657,633	(39,893)	(624,885)	275,860
Total capital assets not being depreciated	2,507,251	6,007,633	(39,893)	(609,469)	7,865,522
Capital assets being depreciated:					
Land improvements	4,495,179	81,452	—	483,607	5,060,238
Buildings and improvements	1,515,867	—	—	—	1,515,867
Furniture, vehicles, equipment	7,291,777	496,255	(204,350)	125,862	7,709,544
Totals capital assets being depreciated	13,302,823	577,707	(204,350)	609,469	14,285,649
Less, accumulated depreciation for:					
Land improvements	(2,444,658)	(242,234)	—	—	(2,686,892)
Buildings and improvements	(1,143,542)	(31,787)	—	—	(1,175,329)
Furniture, vehicles, equipment	(6,176,259)	(377,306)	204,350	—	(6,349,215)
Total accumulated depreciation	(9,764,459)	(651,327)	204,350	—	(10,211,436)
Total capital assets being depreciated, net	3,538,364	(73,620)	—	609,469	4,074,213
Net capital assets – Governmental Activities	\$ 6,045,615	\$ 5,934,013	\$ (39,893)	\$ —	\$ 11,939,735

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

5. Capital Assets (Continued)

Business-Type Activities:

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2015</u>
Capital assets not being depreciated:					
Land and rights-of-way	\$ 330,568	\$ —	\$ —	\$ —	\$ 330,568
Construction in progress	396,198	1,595,226	—	(541,242)	1,450,182
Total capital assets not being depreciated	<u>726,766</u>	<u>1,595,226</u>	<u>—</u>	<u>(541,242)</u>	<u>1,780,750</u>
Capital assets being depreciated:					
Water plant and distribution system	37,490,955	377,450	—	222,056	38,090,461
Wastewater plant and collection system	109,084,136	384,256	(12,293)	236,569	109,692,668
Septage & grease facility	1,530,459	—	—	2,441	1,532,900
Furniture, vehicles, equipment	5,478,643	433,144	(192,399)	80,176	5,799,564
Total capital assets being depreciated	<u>153,584,193</u>	<u>1,194,850</u>	<u>(204,692)</u>	<u>541,242</u>	<u>155,115,593</u>
Less, accumulated depreciation for:					
Water plant and distribution system	(14,433,979)	(1,037,407)	—	—	(15,471,386)
Wastewater plant and collection system	(13,118,714)	(2,772,630)	12,293	—	(15,879,051)
Septage & grease facility	(8,373)	(51,050)	—	—	(59,423)
Furniture, vehicles, equipment	(3,427,683)	(382,936)	142,884	—	(3,667,735)
Total accumulated depreciation	<u>(30,988,749)</u>	<u>(4,244,023)</u>	<u>155,177</u>	<u>—</u>	<u>(35,077,595)</u>
Total capital assets being depreciated, net	<u>122,595,444</u>	<u>(3,049,173)</u>	<u>(49,515)</u>	<u>541,242</u>	<u>120,037,998</u>
Net capital assets – Business-type Activities	<u>\$123,322,210</u>	<u>\$ (1,453,947)</u>	<u>\$ (49,515)</u>	<u>\$ —</u>	<u>\$121,818,748</u>

For the year ended June 30, 2015, 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 \$18,666 was capitalized as part of the construction for Business-type Activities at during the fiscal year 2015.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

6. Long-Term Debt

Long-term debt of the City at June 30, 2015, consisted of the following:

A. Governmental Activities

Tax Increment Financing (TIF) Revenue Bond, Series 2002 issued October 24, 2002, to develop and improve certain tax district of the City. The bonds mature semi-annually on October 24, and April 24, with principal amounts of \$148,199 to \$483,244, with an applicable semi-annual interest at 4.03 percent per annum.	\$ 949,858
Installment purchase contract, (pumper fire truck) dated October 5, 2010, interest at 2.53 percent per annum, due on or before November 9, 2015.	104,952
Installment purchase contract, (24 vehicles) dated January 10, 2012, interest at 1.83 percent per annum, due on or before January 10, 2016.	85,518
Installment purchase contract, (6 vehicles) dated January 24, 2013, interest at 1.13 percent per annum, due on or before January 15, 2016.	33,772
	1,174,100
Less, current portions (due within one year):	
TIF Revenue Bond, Series 2002 payable	(458,144)
Installment purchase contracts payable	(224,242)
Total long-term debt – Governmental Activities	\$ 491,714

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.	\$ 811,774
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.	13,945,000
Clean Water State Revolving Funds Loan (SRF), Series 2009, interest (2.25% per annum) payable quarterly, final payment due March 1, 2032.	29,279,642
Clean Water State Revolving Funds Loan (SRF), Series 2015, interest (2.00% per annum) payable quarterly, final payment due August 1, 2035.	3,734,073
	47,770,489
Add:	
Series 2007A Bond premium, net	444,264
Less, current portions (due within one year):	
Water and Sewer Bonds payable (2007A)	(910,000)
State Revolving Fund Loans (2002, 2009, and 2015)	(1,658,836)
Total long-term debt – Business-type Activities	\$ 45,645,917

Defeasement of Series 2004 Bonds

During the year ended June 30, 2015, the City defeased the Series 2004 Water and Sewer System Refunding and Improvement Revenue Bonds by placing debt service reserve funds into the principal and interest redemption trust fund for all future debt service payments on the Series 2004 bonds. Therefore, debt is considered defeased ‘in-substance’ for accounting and financial reporting purposes and the trust account assets and the liability for the defeased bonds are not included in the City’s financial statements. At June 30, 2015, total funds available in the trust equaled \$1,531,268 and the outstanding principal and interest due on the Series 2004 equaled \$989,400.

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, took 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.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

6. Long-Term Debt (Continued)

B. Business-Type Activities (continued)

Clean Water State Revolving Funds Loan, Series 2015

On January 29, 2015, the City obtained a State Drinking Water Revolving Loan Fund loan for \$3.73 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 loan 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.

Bond Refunding Gains or Losses

Bond refunding gains and losses are being amortized over the shorter of the new refunding debt or the refunded (old) debt, with such amounts being reported as either deferred outflows or inflows of resources on the Statement of Net Position.

The Series 2007A Water and Sewer System Revenue and Refunding Bond refunded in part the Series 1998 Revenue Bond which resulted in an accounting loss of \$345,179. Amortization expense totaled \$28,765 for the year ended June 30, 2015, and the unamortized carrying amount of the refunding loss totaled \$115,059 at June 30, 2015.

C. Changes in Long-Term Debt

Changes in the long-term debt of the City during the year ended June 30, 2015, were as follows:

	<u>Date of Issue</u>	<u>Outstanding 6/30/14</u>	<u>Additions</u>	<u>Retirements</u>	<u>Outstanding 6/30/15</u>
Governmental Activities:					
TIF Revenue Bonds	10/24/02	\$ 1,390,082	\$ —	\$ (440,224)	\$ 949,858
Installment purchase contracts	Various	\$ 600,862	\$ —	\$ (376,620)	\$ 224,242
Accrued compensated absences	—	\$ 361,071	\$ 53,814	\$ (56,490)	\$ 358,395
Business-type Activities:					
Clean Water State Revolving Funds Loan	12/01/02	\$ 897,494	\$ —	\$ (85,720)	\$ 811,774
Water and Sewer System Refunding and Improvement Revenue Bonds	9/11/07	\$ 14,805,000	\$ —	\$ (860,000)	\$ 13,945,000
Clean Water State Revolving Funds Loan	9/15/09	\$ 31,712,389	\$ 25,075	\$ (2,457,822)	\$ 29,279,642
Clean Water State Revolving Funds Loan	1/29/15	\$ —	\$ 3,734,073	\$ —	\$ 3,734,073
Accrued compensated absences	—	\$ 98,550	\$ 44,769	\$ (31,582)	\$ 111,737

Accrued compensated absences due within one year for the Governmental Activities total \$247,539 and for Business-type Activities total \$73,126 at June 30, 2015.

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:			
2016 (due within one year)	\$ 33,709	\$ 458,144	\$ 491,853
2017	15,060	476,793	491,853
2018	302	14,921	15,223
	<u>\$ 49,071</u>	<u>\$ 949,858</u>	<u>\$ 998,929</u>
Installment Purchase Contracts:			
2016 (due within one year)	<u>\$ 3,363</u>	<u>\$ 224,242</u>	<u>\$ 227,605</u>

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

6. Long-Term Debt (Continued)

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

	<u>Interest</u>	<u>Principal</u>	<u>Total Requirements</u>
Business-type Activities:			
SRF Loan, Series 2002:			
2016 (due within one year)	\$ 17,529	\$ 87,665	\$ 105,194
2017	15,540	89,654	105,194
2018	13,506	91,688	105,194
2019	11,425	93,769	105,194
2020	9,297	95,897	105,194
2021-2024	15,077	353,101	368,178
	<u>\$ 82,374</u>	<u>\$ 811,774</u>	<u>\$ 894,148</u>
Revenue Bonds, Series 2007A:			
2016 (due within one year)	\$ 685,250	\$ 910,000	\$ 1,595,250
2017	618,050	1,780,000	2,398,050
2018	522,237	1,870,000	2,392,237
2019	421,175	1,980,000	2,401,175
2020	314,600	2,080,000	2,394,600
2021-2025	631,697	3,860,000	4,491,697
2026-2029	103,716	1,465,000	1,568,716
	<u>\$ 3,296,725</u>	<u>\$ 13,945,000</u>	<u>\$ 17,241,725</u>
SRF Loan, Series 2009			
2016 (due within one year)	\$ 646,561	\$ 1,456,369	\$ 2,102,930
2017	613,516	1,489,414	2,102,930
2018	579,720	1,523,210	2,102,930
2019	545,157	1,557,773	2,102,930
2020	509,811	1,593,119	2,102,930
2021-2025	1,990,135	8,524,515	10,514,650
2026-2030	978,110	9,536,540	10,514,650
2031-2032	81,425	3,598,702	3,680,127
	<u>\$ 5,944,435</u>	<u>\$ 29,279,642</u>	<u>\$ 35,224,077</u>
SRF Loan, Series 2015			
2016 (due within one year)	\$ 55,439	\$ 114,802	\$ 170,241
2017	71,222	155,765	226,987
2018	68,083	158,904	226,987
2019	64,881	162,106	226,987
2020	61,614	165,373	226,987
2021-2025	256,725	878,210	1,134,935
2026-2030	164,604	970,331	1,134,935
2031-2035	62,819	1,072,116	1,134,935
2036	287	56,466	56,753
	<u>\$ 805,674</u>	<u>\$ 3,734,073</u>	<u>\$ 4,539,747</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 \$52,894 or \$634,728 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, 2015.

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 2014, 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. During 2015, the State of South Carolina informed the City that the Series 2009 and Series 2002 reserve funds could be reduced to zero and the City closed these two debt service reserve fund accounts. Also during 2015, the City transferred funds from the Series 2004 debt service reserve funds to the principal and interest redemption trust fund leaving a balance of \$561,268 in the debt service reserve fund at June 30, 2015.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

7. Net Position

Net position of the Government-wide and Proprietary Fund financial statements represent the difference between assets and deferred inflows, less liabilities and deferred outflows. Reported amounts for net investment in capital assets and restricted net position were as follows:

	Governmental Activities	Business-type Activities
<u>Net Investment in Capital Assets:</u>		
Net capital assets	\$ 11,939,735	\$ 121,818,748
Less revenue bonds and loans payable	(949,858)	(45,645,917)
Add, unspent balance of capital projects	421,440	3,281,583
Less, construction and retainages payable	—	(258,149)
Less, installment purchase contracts	(224,242)	—
Total net investment in capital assets	\$ 11,187,075	\$ 79,196,265
	Governmental Activities	Business-type Activities
<u>Restricted:</u>		
Restricted cash and cash equivalents:		
Debt service	\$ 1,133,993	\$ 3,995,124
Capital projects	428,440	7,649,453
Housing	11,572	—
Community development	2,630	—
Less, liabilities payable from restricted assets	—	(3,760,876)
Victim's Rights Assistance	52,783	—
Pensions	893,361	418,770
Tourism	333,547	—
Law enforcement	12,472	—
ABC permit activities	31,205	—
Total restricted net position	\$ 2,900,003	\$ 8,302,471

8. Employee Retirement

All employees, excluding public safety department employees (police and fire officers), are eligible for membership in the South Carolina Governmental Employees' Retirement System (SCRS). Public safety department employees are covered by the South Carolina Police Officers' Retirement System (PORS). Both are a cost-sharing, multiple employer public employee retirement system administered by the South Carolina Public Employee Benefit Authority (PEBA). Actuarial determinations are made by the administrators for the system.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Plan Descriptions

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 twenty consecutive quarters of compensation for non-public safety employees and 2.14 percent for public safety employees.

Benefits

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.

Funding Policy

The City's total "pensionable" wages for the year ended July 30, 2015, 2014, and 2013, were approximately \$7,923,045, \$7,612,085, and \$7,201,484, while covered-employee wages were \$7,985,444, \$7,668,105, and \$7,222,397 for the years ended 2015, 2014, and 2013, respectively. State statutes also determine the levels of contributions required by both employers and employees. Effective July 1, 2016, for non-public safety employees, the employee contribution rate will be 8.16 percent and the employer required contribution will be 11.06 percent, which includes .15 percent of group life coverage. Effective July 1, 2016, for public safety employees, the employee contribution rate will be 8.74 percent and the employer contribution rate will be 13.74 percent, which includes .2 percent of group life and .2 percent of accidental death coverage. The City contributed 100% of the required contribution for each of the plans for the years ending June 30, 2015, 2014, and 2013.

	SCRS			PORS		
	2015	2014	2013	2015	2014	2013
Wages:						
Pensionable	\$ 5,133,635	\$ 4,849,702	\$ 4,591,149	\$ 2,789,410	\$ 2,762,383	\$ 2,610,335
Contribution rates:						
Employees	8.0%	7.5%	7.0%	8.41%	7.84%	7.5%
Employer	10.9%	10.6%	10.6%	13.41%	12.84%	12.30%
Contributions:						
Employees	\$ 427,593	\$ 363,728	\$ 321,380	\$ 217,686	\$ 216,571	\$ 182,727
Employer	\$ 557,599	\$ 514,069	\$ 486,663	\$ 374,067	\$ 354,690	\$ 321,072

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Net Pension Liabilities, Pension Expenses, Deferred Outflows/Inflows of Resources

At June 30, 2015, the City reported a liability of \$13,596,419 for the measurement period June 30, 2014 for its proportionate share of the net pension liabilities, of which \$9,212,648 was for SCRS and \$4,383,771 was for PORS. The net pension liabilities were measured by PEBA as of June 30, 2014 and the total pension liabilities used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, PEBA reported the City's proportion of the collective net pension liability was 0.053510% for SCRS and 0.22899% for PORS.

For the year ended June 30, 2015, the City recognized pension expense of \$1,029,227, of which \$645,702 was for SCRS (\$318,824 in Governmental Activities and \$326,878 in the Business-type Activities) and \$383,525 for PORS (all Governmental Activities), respectively.

Components of Change in Net Pension Liability (NPL)

Changes in the net pension liability for the measurement period, June 30, 2014, follows:

	SCRS	PORS	Total
Pension expense:			
Service cost	\$ 395,450	\$ 342,576	\$ 738,026
Interest on total pension liability	1,616,539	957,047	2,573,586
Changes in plan benefits	—	—	—
Plan administrative costs	6,296	4,169	10,465
Plan member contributions	(349,223)	(219,836)	(569,059)
Expected return on plan assets	(911,254)	(598,784)	(1,510,038)
Recognition of deferred outflows - current year amortization	80,745	30,338	111,083
Recognition of deferred inflows - current year amortization	(194,173)	(126,809)	(320,982)
Other	1,322	(5,176)	(3,854)
Total pension expense	<u>645,702</u>	<u>383,525</u>	<u>1,029,227</u>
PEBA employer contribution	<u>(515,193)</u>	<u>(356,321)</u>	<u>(871,514)</u>
Balance of deferred items (net of amortization):			
Outflow – Plan performance	261,048	116,983	378,031
Outflow – Difference in Contributions	5,131	—	5,131
Inflow – Investment experience	(776,693)	(507,234)	(1,283,927)
Inflow – Difference in Contributions	—	(10,484)	(10,484)
Total change in net pension liability	<u>\$ (380,005)</u>	<u>\$ (373,531)</u>	<u>\$ (753,536)</u>

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Net Pension Liabilities, Pension Expenses, Deferred Outflows/Inflows of Resources (continued)

At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources Related to Pensions		
	SCRS	PORS	Total
Differences between expected and actual plan performance	\$ 261,048	\$ 116,983	\$ 378,031
Changes of assumptions	—	—	—
Net difference between projected and actual earnings on pension plan investments	—	—	—
Changes in proportion and differences between City contributions and proportionate share of contributions	5,131	—	5,131
City contributions subsequent to the measurement date	591,529	337,440	928,969
Total	\$ 857,708	\$ 454,423	\$ 1,312,131

	Deferred Inflows of Resources Related to Pensions		
	SCRS	PORS	Total
Differences between expected and actual plan performance	\$ —	\$ —	\$ —
Changes of assumptions	—	—	—
Net difference between projected and actual earnings on pension plan investments	776,693	507,234	1,283,927
Changes in proportion and differences between City contributions and proportionate share of contributions	—	10,484	10,484
Total	\$ 776,693	\$ 517,718	\$ 1,294,411

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Net Pension Liabilities, Pension Expenses, Deferred Outflows/Inflows of Resources (continued)

The \$928,969 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows of Resources Related to Pensions		
	SCRS	PORS	Total
<u>Year ended June 30:</u>			
2016	\$ 82,332	\$ 30,338	\$ 112,670
2017	82,332	30,338	112,670
2018	82,332	30,338	112,670
2019	19,183	25,969	45,152
	<u>\$ 266,179</u>	<u>\$ 116,983</u>	<u>\$ 383,162</u>

	Deferred Inflows of Resources Related to Pensions		
	SCRS	PORS	Total
<u>Year ended June 30:</u>			
2016	\$ 194,173	\$ 129,528	\$ 323,701
2017	194,173	129,528	323,701
2018	194,173	129,528	323,701
2019	194,174	129,134	323,308
	<u>\$ 776,693</u>	<u>\$ 517,718</u>	<u>\$ 1,294,411</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>SCRS</u>	<u>PORS</u>
Inflation	2.75 percent	7.75 percent
Salary	Levels off at 3.5 percent, including inflation	Levels off at 4.0 percent, including inflation
Investment rate of return	7.5 percent, net of pension plan investment expense, including inflation	7.5 percent, net of pension plan investment expense, including inflation

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Actuarial Assumptions (continued)

Mortality rates were based on the RP-2000 Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA, projected from the year 2000.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study on data through June 30, 2010. The next actuarial experience study is scheduled to be conducted after the June 30, 2015 annual valuation is completed.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 30 year capital market outlook at the end of the third quarter 2012. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission (RSIC) using a building block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

CITY OF CAYCE, SOUTH CAROLINA

NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Long-term Expected Rate of Return (continued)

The RSIC has exclusive authority to invest and manage the retirement trust funds' assets. As co-fiduciary of the SCRS and PORS Systems, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation which is summarized in the table on the following page. For actuarial purposes, the 7.50 percent assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75 percent real rate of return and a 2.75 percent inflation component.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long Term Expected Portfolio Real Rate of Return</u>
Short Term:		
Cash	2.0%	0.01%
Short Duration	3.0%	0.02%
Domestic Fixed Income:		
Core fixed income	7.0%	0.08%
High yield	2.0%	0.07%
Bank loans	4.0%	0.11%
Global Fixed Income:		
Global fixed income	3.0%	0.02%
Emerging markets debt	6.0%	0.25%
Global Public Equity	31.0%	2.42%
Global Tactical Asset Allocation	10.0%	0.51%
Alternatives:		
Hedge Funds (Low Beta)	8.0%	0.32%
Private Debt	7.0%	0.71%
Private Equity	9.0%	0.92%
Real Estate (Broad Market)	5.0%	0.29%
Commodities	3.0%	0.15%
Total expected real return	100.0%	5.88%
Inflation for actuarial purposes		2.75%
Total expected nominal return		8.63%

CITY OF CAYCE, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

8. Employee Retirement (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities at June 30, 2014, was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina Code of Laws. Based on those assumptions, each System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5) percent) than the current rate:

	<u>City's proportionate share of the net pension liabilities to changes in the discount rate</u>		
	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
SCRS	\$ 11,921,737	\$ 9,212,648	\$ 6,952,491
PORS	6,126,206	4,383,771	2,942,051

Pension Plans Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PEBA financial report. 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

Plan Description

In addition to the pension benefits described in *Note 8*, the City maintains a policy whereby an employee who was hired prior to July 1, 2009 and who qualifies under the South Carolina Retirement System’s Regular Service retirement and who has 15 years of service with the City will have the opportunity to participate in the City’s single employer defined benefit other post-employment benefit (OPEB) plan, hereafter referred to as “OPEB” or the “Program”. The plan offers retired employees’ premium payments for the employee group health insurance plan (including dental) at no cost. The City’s policy premium rates were \$660.36 for the retiree and \$676.76 for the spouse for the year ended June 30, 2015. The retiree pays nothing for retiree only coverage and pays the full premium rate of \$676.76 for spouse coverage. The program covers the retired employee until the earlier of (1) the retired employee reaches age 65, or (2) the retired employee qualifies for health insurance under another plan. The City (through the Mayor and Council) currently administers the program and maintains the authority for establishing benefits and funding policy. The program does not issue separate stand-alone financial statements and is not included in the financial statements of another entity.

Funding Policy

The City’s contributions are financed on a pay-as-you-go basis and therefore, no trust fund has been established which would maintain plan assets. At June 30, 2015, the City had four retired employees with an average age of 57.75 years covered by the program with monthly premium costs averaging \$660.36 per participant. Total expenses funded by the City for the year ended June 30, 2015 were \$36,153 (or 16.5%) of the annual required contribution; \$31,558 or 14.4% have been funded by the General Fund and \$4,595 or 2.1% have been funded by the Proprietary Fund. For prior fiscal years 2014 and 2013, total funding expenses were \$30,728 and \$35,344 respectively.

Annual Other Post-Employment Benefit (OPEB) Cost

The annual required contribution (“ARC”) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City’s annual other post-employment benefit (OPEB) cost for the current year and the related information for the program is as follows:

Employer normal costs	\$ 106,014
Amortization of UAL	138,687
Annual required contribution (ARC)	<u>244,701</u>
Interest on net other post-employment benefit (OPEB) obligation	84,943
Adjustment to required annual contribution	<u>(110,893)</u>
Annual other post-employment benefit (OPEB) cost	218,751
Contributions made	<u>(36,153)</u>
Increase in net other post-employment benefit (OPEB) obligation	182,598
Net other post-employment benefit (OPEB) obligation – beginning of year	<u>1,887,611</u>
Net other post-employment benefit (OPEB) obligation – end of year	<u><u>\$ 2,070,209</u></u>

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 \$218,751, \$429,977 and \$412,983, for the fiscal years 2015, 2014 and 2013, respectively. The City's net other post-employment benefit (OPEB) obligation was \$2,070,208, \$1,887,611 and \$1,488,362, for the fiscal years 2015, 2014 and 2013, respectively. The City contributed 16.5%, 7.1%, and 8.6%, of the annual other post-employment benefit cost for the years ended June 30, 2015, 2014, and 2013, 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, 2014 was \$7,612,085, and \$7,985,444 at June 30, 2015.

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 used in the actuarial study was medical = 2.53%, dental = 0.00%, and life = 0.00%. The three year average medical trend was 3.66% as of June 30, 2015.

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

10. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial property insurance coverage; general liability coverage; inland marine and automobile liability; professional and public official's liability; and various Fidelity bond coverages for its employees. There have been no significant reductions in insurance coverage in the current year, and settled claims have not exceeded coverage in any of the last three fiscal years.

During the fiscal year, the City's business risk insurance provides building and content coverage up to \$114,062 million general liability for property and casualty and up to \$1 million general liability for persons or property per occurrence.

11. Capacity Charges and Other Capital Contributions

Capacity charges and capital contributions in the Water and Sewer Utility Fund for the year ended June 30, 2015, has been recognized as non-operating revenue. A summary of cash receipts, receivables, and system contributions received from developers during the year ended June 30, 2015, were as follows:

Contributed property by developers	\$ 761,708
Capacity charges	671,532
Other capital grants	<u>171,039</u>
Total capacity charges to customers under agreement and other capital contributions recognized	<u>\$ 1,604,279</u>

12. Commitments and Contingencies

Litigation

The City is party to legal proceedings that normally occur in governmental operations. City officials believe the legal proceedings are not likely to have a material adverse impact on the affected funds of the City.

Federal and State Assisted Programs

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds.

Such audits could result in the refund of grant monies to the grantor agencies. However, management believes that any required refunds would be immaterial and no provision has been made in the accompanying financial statements for the refund of grant monies.

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:

Capital assets in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements:

Capital assets	\$ 22,151,171
Less, accumulated depreciation	(10,211,436)
Net amount reported	\$ 11,939,735

Other assets not available to pay for current period expenditures and, therefore, are not reported in the funds:

State shared (local government fund) and accommodation tax revenue	\$ 123,126
Contractual rights for animal services	100,000
Property taxes revenue	54,026
Net amount reported	\$ 277,152

Deferred outflows related to pensions are not included in the pension liability as of the measurement date, and, therefore are reported in the fund financial statements but deferred at the government-wide level.

\$ 893,361

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:

Revenue bond and installment purchase contracts	\$ (1,174,099)
Accrued compensated absences	(358,395)
Net pension liabilities	(8,932,613)
Other post-employment benefits (OPEB)	(1,347,545)
Net amount reported	\$ (11,812,652)

Deferred inflows related to pensions are not due and payable in the current period and, therefore, are not reported in the fund financial statements.

\$ (901,218)

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

13. Reconciliation of Government-Wide and Fund Financial Statements (Continued)

B. Explanations of Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances includes a reconciliation between net changes in fund balance and Changes in Net Position – Governmental Activities. The details of the reconciled amounts are as follows:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period:

Capital outlay expenditures	\$ 1,213,999
Donated equipment	21,341
Donated land	5,350,000
Depreciation expense	<u>(651,327)</u>
Net amount reported	<u>\$ 5,934,013</u>

The net effect of various miscellaneous transactions involving other assets (ie., sales, trade-ins, contractual rights, and donations) is to increase net position:

Gain/loss on dispositions of equipment	\$ <u>(39,893)</u>
Net amount reported	<u>\$ (39,893)</u>

Revenues in the Statement of Activities that do not provide current financial resources are reported as revenues in these funds:

Property taxes and state shared revenue	\$ <u>13,963</u>
	<u>\$ 13,963</u>

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in accrued compensated absence	\$ 2,676
Pension expenses	(55,464)
Other post-employment benefits (OPEB)	<u>(157,240)</u>
Net amount reported	<u>\$ (210,028)</u>

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal and interest consumes current financial resources of governmental funds. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Principal repayments – Installment purchase contracts	\$ 376,613
Principal repayments – TIF Bonds	<u>440,224</u>
Net amount reported	<u>\$ 816,837</u>

CITY OF CAYCE, SOUTH CAROLINA
 NOTES TO FINANCIAL STATEMENTS

— CONTINUED —

14. Subsequent Events

Management has evaluated subsequent events which may require disclosure through December 11, 2015.

15. Related Party Transactions

During 2015, the City received gifts from the Beautification Foundation for the History Park, Burnette Park, and play-ground equipment totaling \$1.076 million.

16. Restatement for Accounting Principle Change

The City has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions; and 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. Statements No. 27 and No. 50 requirements remain applicable to pensions that are not administered through a trust or equivalent arrangement.

The Pension measurement date is June 30, 2014, which is a year earlier than these financial statements. Accordingly employer contributions made during fiscal 2014 were restated in the financial statements as deferred outflows and reflected as an increase to net assets effective June 30, 2014. In addition, the net assets of the governmental and business-type activities was reduced by the opening pension liability balances.

The requirements of this Statement required the City to restate amounts previously reported as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities and Proprietary Fund</u>
Net Position, as previously reported	\$ 5,716,332	\$ 87,521,049
Cumulative effect of change in accounting principle	<u>(8,885,006)</u>	<u>(4,594,567)</u>
Net Position as restated, June 30, 2014	<u>\$ (3,168,674)</u>	<u>\$ 82,926,482</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CAYCE, SOUTH CAROLINA
 BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND

YEAR ENDED JUNE 30, 2015
 (With comparative actual amounts for year ended June 30, 2014)

	2015			Variance Positive (Negative)	2014
	Budget		Actual		Actual
	Original	Final			
Revenue					
Property taxes	\$ 2,911,541	\$ 2,911,541	\$ 2,935,332	\$ 23,791	\$ 2,948,366
Licenses and permits	3,891,250	5,023,434	6,969,845	1,946,411	4,182,122
Fines and forfeitures	235,250	235,250	329,068	93,818	268,380
State shared revenue	357,066	357,066	362,744	5,678	357,698
Current services	716,672	716,672	848,100	131,428	534,410
Grants and other	1,673,550	618,577	1,836,617	1,218,040	488,139
Interest income	1,600	1,600	1,666	66	1,742
Total revenue	9,786,929	9,864,140	13,283,372	3,419,232	8,780,857
Expenditures					
General Government					
Legislative	61,817	106,093	97,212	8,881	55,366
Administrative	612,948	612,948	591,618	21,330	518,610
Recorder's Court	150,363	150,363	157,968	(7,605)	144,967
Legal	79,150	79,150	148,333	(69,183)	94,612
Total	904,278	948,554	995,131	(46,577)	813,555
Less, Utility Fund overhead	—	(576,270)	(576,270)	—	(477,812)
Net general government	904,278	372,284	418,861	(46,577)	335,743
Information Technology					
Administrative	188,523	227,882	222,904	4,978	196,549
Less, Utility Fund overhead	—	(105,252)	(105,252)	—	(106,318)
Less capital outlay	—	(39,359)	(39,359)	—	—
Net information technology	188,523	83,271	78,293	4,978	90,231
Finance					
Finance and accounting	273,452	273,452	257,891	15,561	245,762
Tax collection	20,560	20,560	20,857	(297)	20,524
Total	294,012	294,012	278,748	15,264	266,286
Less, Utility Fund overhead	—	(229,001)	(229,001)	—	(204,225)
Net finance	294,012	65,011	49,747	15,264	62,061
Public Safety					
Administrative	473,120	473,120	464,540	8,580	462,403
Police - Detectives	622,957	622,957	602,601	20,356	597,001
Police - Traffic	3,035,197	3,346,908	3,204,498	142,410	2,992,045
Fire	1,002,091	1,508,026	915,290	592,736	835,911
Animal services	147,609	147,609	126,837	20,772	242,741
Total	5,280,974	6,098,620	5,313,766	784,854	5,130,101
Less, Utility Fund overhead	—	(91,796)	(91,796)	—	(91,606)
Less, capital outlay	—	(249,068)	(249,068)	—	(24,447)
Net public safety	5,280,974	5,757,756	4,972,902	784,854	5,014,048

CITY OF CAYCE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

— CONTINUED —

	2015			2014	
	Budget		Actual	Variance	Actual
	Original	Final		Positive (Negative)	
Expenditures (Continued)					
Public Works					
Street lighting	210,000	291,452	331,136	(39,684)	214,305
Sanitation	1,102,930	1,237,485	1,177,801	59,684	1,037,043
Public buildings	104,360	116,645	111,415	5,230	103,622
Total	1,417,290	1,645,582	1,620,352	25,230	1,354,970
Less, Utility Fund overhead	—	(49,957)	(49,957)	—	(51,435)
Less, capital outlay	—	(260,448)	(260,448)	—	(13,872)
Net public works	1,417,290	1,335,177	1,309,947	25,230	1,289,663
Community Relations					
Promotions and events	94,246	94,246	143,347	(49,101)	113,921
Total community relations	94,246	94,246	143,347	(49,101)	113,921
Planning and Development					
Planning and zoning	318,444	325,810	352,961	(27,151)	351,394
Less, capital outlay	—	(7,366)	(7,366)	—	—
Total planning and development	318,444	318,444	345,595	(27,151)	351,394
Parks and Museum					
Parks	558,827	786,377	714,032	72,345	505,194
Museum	144,880	144,880	145,247	(367)	144,150
Total	703,707	931,257	859,279	71,978	649,344
Less, capital outlay	—	(196,805)	(196,805)	—	(11,790)
Net parks and museum	703,707	734,452	662,474	71,978	637,554
Garage					
Garage	362,554	362,554	341,575	20,979	354,729
Less, Utility Fund overhead	—	(103,635)	(103,635)	—	(104,893)
Net garage	362,554	258,919	237,940	20,979	249,836
Non-departmental and Support Services					
Non-departmental and support services	176,312	194,007	49,253	144,754	43,148
Less, Utility Fund overhead	—	(5,082)	(5,082)	—	(7,083)
Less, capital outlay	—	(17,695)	(17,695)	—	(20,464)
Net support services	176,312	171,230	26,476	144,754	15,601

CITY OF CAYCE, SOUTH CAROLINA
BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

— CONTINUED —

	2015			Variance Positive (Negative)	2014
	Budget		Actual		Actual
	Original	Final			
Expenditures (Continued)					
Debt Service					
Principal retirement	376,553	376,553	376,613	(60)	401,937
Interest and fiscal charges	10,286	10,286	10,222	64	18,244
Total debt service	386,839	386,839	386,835	4	420,181
Less, overhead allocated – Utility Fund	—	(143,980)	(143,980)	—	(153,110)
Net debt service	386,839	242,859	242,855	4	267,071
Capital Outlay	—	770,741	770,741	—	70,573
Total expenditures	10,127,179	10,204,390	9,259,178	945,212	8,497,696
Excess (deficiency) of revenue over expenditures	(340,250)	(340,250)	4,024,194	4,364,444	283,161
Other Financing Sources (Uses)					
Proceeds from sale of assets	50,000	50,000	16,972	(33,028)	254,931
Transfers in:					
Accommodations Tax Fund	39,000	39,000	67,484	28,484	56,887
Hospitality tax	251,250	251,250	348,816	97,566	—
Total other financing sources (uses)	340,250	340,250	433,272	93,022	311,818
Net change in fund balance	—	—	4,457,466	4,457,466	594,979
Fund balance, beginning of year	1,227,398	1,227,398	1,227,398	—	632,419
Fund balance, end of year	<u>\$ 1,227,398</u>	<u>\$ 1,227,398</u>	<u>\$ 5,684,864</u>	<u>\$ 4,457,466</u>	<u>\$ 1,227,398</u>

See Notes to Budgetary Comparison Schedule

CITY OF CAYCE, SOUTH CAROLINA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015

A. 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 \$10,204,390, plus \$1,600,000 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.

B. Pensions

Changes of benefit terms: None
Changes to assumptions: None

CITY OF CAYCE, SOUTH CAROLINA
 OTHER POST-EMPLOYMENT BENEFITS
 SCHEDULE OF FUNDING PROGRESS

JUNE 30, 2015

Actuarial Valuation Date	Actuarial Value Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll [(b-a)/c]
7/01/08	—	\$2,477,000	\$2,477,000	0%	\$5,161,000	48%
7/01/12	—	\$ 1,807,942	\$1,807,942	0%	\$6,927,435	26%

Note: The City obtains triennial valuations. The next scheduled valuation date is July 1, 2015.

CITY OF CAYCE, SOUTH CAROLINA
 SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 SOUTH CAROLINA RETIREMENT SYSTEM (SCRS)
 LAST TEN FISCAL YEARS*(1)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
City's proportion of the net pension liability	N/A	0.53510%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City's proportion share of the net pension liability	N/A	\$ 9,212,648	\$ 9,597,785	N/A						
City's covered-employee payroll \$	5,133,635	4,849,702	4,933,520	N/A						
City's proportion share of the net pension liability as a percentage of its covered-employee payroll	N/A	190.0%	194.5%	N/A						
Plan fiduciary net position as a percentage of the total pension liability	N/A	59.9%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*The amounts presented for each fiscal year determined as of measurement year that occurred within the fiscal year.

(1) Because prior year data is unavailable, the city has elected to present information prospectively.

N/A - Not available

CITY OF CAYCE, SOUTH CAROLINA
 SCHEDULE OF THE CITY'S CONTRIBUTIONS
 SOUTH CAROLINA RETIREMENT SYSTEM (SCRS)
 LAST TEN FISCAL YEARS⁽¹⁾

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 591,529	\$ 514,069	\$ 486,663	N/A						
Contributions in relation to the contractually required contribution	\$ 591,529	\$ 514,069	\$ 486,663	N/A						
Contribution deficiency (excess)	\$ —	\$ —	\$ —	N/A						
City's covered-employee payroll	\$ 5,133,635	\$ 4,849,702	\$ 4,933,520	N/A						
Contributions as a percentage of pensionable wages	11.5%	10.6%	9.9%	N/A						

⁽¹⁾ Because prior year data is unavailable, the city has elected to present information prospectively.
 N/A – Not available

CITY OF CAYCE, SOUTH CAROLINA

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

POLICE OFFICERS RETIREMENT SYSTEM (PORS)

LAST TEN FISCAL YEARS*(1)
(Dollar amount in thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
City' s proportion of the net pension liability (asset)	N/A	.22899%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
City' s proportion share of the net pension liability (asset)	N/A	\$ 4,383,771	\$ 4,746,817	N/A						
City' s covered employee payroll	\$ 2,789,410	\$ 2,762,383	\$ 2,267,964	N/A						
City' s proportion share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	158.7%	209.9%	N/A						
Plan fiduciary net position as a percentage of the total pension liability	N/A	67.5%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

*The amounts presented for each fiscal year determined as of the measurement year that occurred within the fiscal year.

(1) Because prior year data is unavailable, the city has elected to present information prospectively.

N/A - Not available

CITY OF CAYCE, SOUTH CAROLINA
 SCHEDULE OF THE CITY'S CONTRIBUTIONS
 POLICE OFFICERS RETIREMENT SYSTEM (PORS)
 LAST TEN FISCAL YEARS⁽¹⁾
 (Dollar amount in thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually required contribution	\$ 374,067	\$ 354,690	\$ 321,072	N/A						
Contributions in relation to the contractually required contribution	\$ 374,067	\$ 354,690	\$ 321,072	N/A						
Contribution deficiency (excess)	\$ —	\$ —	\$ —	N/A						
City's covered-employee payroll	\$ 2,789,410	\$ 2,762,383	\$ 2,267,964	N/A						
Contributions as a percentage of covered-employee payroll	13.4%	12.8%	14.2%	N/A						

⁽¹⁾ Because prior year data is unavailable, the city has elected to present information prospectively.
 N/A – Not available

OTHER FINANCIAL INFORMATION

CITY OF CAYCE, SOUTH CAROLINA

COMBINING 'NON-MAJOR' GOVERNMENTAL
FINANCIAL STATEMENTS

CITY OF CAYCE, SOUTH CAROLINA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2015

	Total Special Revenue Funds	Debt Service Fund	Total Non-Major Governmental Funds
Assets			
Cash and cash equivalents:			
Unrestricted	\$ 83,801	\$ —	\$ 83,801
Restricted	405,369	1,137,102	1,542,471
Hospitality taxes receivable	87,785	—	87,785
Other receivables	3,000	194	3,194
Total assets	\$ 579,955	\$ 1,137,296	\$ 1,717,251
Liabilities and Fund Balances			
Liabilities:			
Accrued interest	\$ —	\$ 3,303	\$ 3,303
Due to other funds	104,728	—	104,728
Total liabilities	104,728	3,303	108,031
Fund balance:			
Restricted for:			
Debt service	—	1,133,993	1,133,993
Tourism and community development	347,749	—	347,749
ABC permit activities	31,205	—	31,205
Law enforcement	12,472	—	12,472
Total restricted	391,426	1,133,993	1,525,419
Assigned for:			
Museum	83,801	—	83,801
Total fund balances	475,227	1,133,993	1,609,220
Total liabilities and fund balances	\$ 579,955	\$ 1,137,296	\$ 1,717,251

CITY OF CAYCE, SOUTH CAROLINA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCES

NON-MAJOR GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2015

	Total Special Revenue Funds	Debt Service Fund	Total Non-Major Governmental Funds
Revenue			
Property taxes	\$ —	\$ 840,763	\$ 840,763
Hospitality taxes	697,654	—	697,654
State shared	107,718	26,563	134,281
Federal state and other grants	7,274	—	7,274
Interest income	—	111	111
Total revenue	<u>812,646</u>	<u>867,437</u>	<u>1,680,083</u>
Expenditures			
Planning/development:			
Tourism related	104,746	—	104,746
Housing	24,742	—	24,742
Debt service:			
Principal	—	440,224	440,224
Interest and fiscal charges	—	45,595	45,595
Total expenditures	<u>129,488</u>	<u>485,819</u>	<u>615,307</u>
Excess (deficiency) of revenue over expenditures	683,158	381,818	1,064,776
Other Financing Sources (Uses)			
Transfers in (out)	<u>(423,300)</u>	<u>—</u>	<u>(423,300)</u>
Net change in fund balances	259,858	381,618	641,476
Fund balances, beginning of year	215,369	752,375	967,744
Fund balances, end of year	<u>\$ 475,227</u>	<u>\$ 1,133,993</u>	<u>\$ 1,609,220</u>

CITY OF CAYCE, SOUTH CAROLINA

INDIVIDUAL FUND
FINANCIAL STATEMENTS

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND
BALANCE SHEET

JUNE 30, 2015
(With comparative figures June 30, 2014)

	<u>Current Year</u>	<u>Prior Year</u>
Assets		
Cash and cash equivalents:		
Unrestricted	\$ 4,044,255	\$ 2,161,016
Restricted	920,777	193,957
Property taxes receivable	1,410,246	1,389,439
Other receivables	206,940	229,548
Less, allowance for uncollectible accounts	(1,357,431)	(1,368,090)
Due from other funds	260,716	66,910
Prepaid items	505,935	—
Inventory – supplies (at cost)	53,208	48,921
Total assets	<u>\$ 6,044,646</u>	<u>\$ 2,721,701</u>
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	\$ 213,331	\$ 1,002,586
Accrued salaries and wages	50,324	200,262
Other liabilities	23,224	37,951
Deposits and prepayments	59,447	59,547
Due to other funds	13,456	193,957
Total liabilities	<u>359,782</u>	<u>1,494,303</u>
Fund balance:		
Nonspendable in:		
Inventories	53,208	48,921
Prepaid items	505,935	—
	<u>559,143</u>	<u>48,921</u>
Restricted for:		
Victims Rights Assistance	52,783	58,560
Committed for:		
UST program	25,000	25,000
Assigned for:		
Christmas in Cayce	5,144	3,910
Congaree Bluegrass Festival	—	197
History Park	918,466	—
Total assigned	<u>923,610</u>	<u>4,107</u>
Unassigned	4,124,328	1,090,810
Total fund balance	<u>5,684,864</u>	<u>1,227,398</u>
Total liabilities and fund balance	<u>\$ 6,044,646</u>	<u>\$ 2,721,701</u>

CITY OF CAYCE, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2015
(With comparative actual amounts year ended June 30, 2014)

	Current Year			Prior Year
	Final Budget	Actual	Variance Pos. (Neg.)	Actual
Revenue				
Property taxes	\$ 2,911,541	\$ 2,935,332	\$ 23,791	\$ 2,948,366
Licenses and permits	5,023,434	6,969,845	1,946,411	4,182,122
Fines and forfeitures	235,250	329,068	93,818	268,380
State shared revenue	357,066	362,744	5,678	357,698
Current services	716,672	848,100	131,428	534,410
Grants and other	618,577	1,836,617	1,218,040	488,139
Interest income	1,600	1,666	66	1,742
Total revenue	9,864,140	13,283,372	3,419,232	8,780,857
Expenditures				
Current (<i>net of Utility Fund overhead allocations and capital outlay</i>):				
Legislative	78,483	69,602	8,881	27,528
Administrative	99,639	78,309	21,330	103,003
Recorder's court	150,363	157,968	(7,605)	144,967
Legal	43,799	112,982	(69,183)	60,245
Information technology	83,271	78,293	4,978	90,231
Finance and accounting	44,451	28,890	15,561	41,537
Tax collector	20,560	20,857	(297)	20,524
Public safety:				
Administrative	420,292	411,712	8,580	410,934
Detectives	622,957	602,601	20,356	597,001
Police	3,065,107	2,922,697	142,410	2,935,086
Fire	1,501,791	909,055	592,736	828,286
Animal services	147,609	126,837	20,772	242,741
Street lighting	210,000	249,684	(39,684)	214,305
Sanitation	1,060,926	1,001,242	59,684	1,020,823
Public buildings	64,251	59,021	5,230	54,535
Community relations	94,246	143,347	(49,101)	113,921
Planning and development	318,444	345,595	(27,151)	351,394
Museum	144,880	145,247	(367)	144,150
Parks	589,572	517,227	72,345	493,404
Garage	258,919	237,940	20,979	249,836
Non-departmental and support services	171,230	26,476	144,754	15,601
Debt service	242,859	242,855	4	267,071
Capital outlay	770,741	770,741	—	70,573
Total expenditures	10,204,390	9,259,178	945,212	8,497,696
Excess (deficiency) of revenue over expenditures	(340,250)	4,024,194	4,364,444	283,161
Other Financing Sources (uses)				
Proceeds from sale of assets	50,000	16,972	(33,028)	254,931
Transfers in:				
Accommodation tax	39,000	67,484	28,484	56,887
Hospitality tax	251,250	348,816	97,566	—
Total other financing sources (uses)	340,250	433,272	93,022	311,818
Net change in fund balance	—	4,457,466	4,457,466	594,979
Fund balance, beginning of year	1,227,398	1,227,398	—	632,419
Fund balance, end of year	\$ 1,227,398	\$ 5,684,864	\$ 4,457,466	\$ 1,227,398

CITY OF CAYCE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF REVENUE — BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015

	<u>Final Budget</u>	<u>Actual</u>
Revenue		
Property taxes:		
Property tax – current (Lexington County)	\$ 1,848,041	\$ 1,964,806
Property tax – current (Richland County)	107,000	82,564
Penalties – current	2,500	2,826
Property tax – delinquent	50,000	34,245
Penalties – delinquent	9,000	12,584
Other property tax collections	105,000	126,305
Fees in lieu of taxes	790,000	712,002
	<u>2,911,541</u>	<u>2,935,332</u>
Licenses and permits:		
Business licenses – current	4,562,217	4,246,377
Business licenses – prior year	354,967	2,454,423
Penalties – business licenses	5,000	5,088
Building permits	85,000	220,351
Electrical permits	6,000	13,255
Plumbing permits	6,000	22,000
Gas permits	3,000	869
Garage sale permits	1,000	705
Miscellaneous permits	250	6,777
	<u>5,023,434</u>	<u>6,969,845</u>
Fines and forfeitures:		
Criminal fines	5,000	90,437
Traffic fines	200,000	184,079
Parking fines	250	485
Victims assistance	30,000	54,067
	<u>235,250</u>	<u>329,068</u>
State shared and other revenue:		
Local government fund	270,000	270,262
Merchants inventory tax	71,566	71,566
Local option sales tax	13,000	14,823
County municipal revenue fund	2,500	6,093
	<u>357,066</u>	<u>362,744</u>

— CONTINUED —

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	180,000	221,227
Animal control fees	1,000	880
Special services – SRO officers	63,000	88,208
Duplication services	2,800	3,215
Residential sanitation	469,872	534,570
	716,672	848,100
Grants and Other:		
Miscellaneous	30,000	118,783
Sale of plastic bags	4,000	5,065
Donated revenue – Christmas in Cayce	—	2,350
Donated revenue – Congaree Bluegrass Festival	—	4,101
Denoted revenue - Beautification Foundation:		
History park	—	917,000
Burnette park	—	135,200
Fire truck	—	100,000
Play ground	—	22,125
Admission and rents	550	538
Recycling revenue	3,000	4,038
LRADAC/AET agreements	29,000	48,279
Grant revenue:		
Department of Justice grant	2,000	—
SC Depart of Parks and Recreation grant	150,000	150,000
Palmetto Pride grant	105,000	19,933
Forestry grant	—	4,000
Other grants	—	3,998
Department of Public Safety	—	6,180
Utility Fund fees	295,027	295,027
	618,577	1,836,617
Interest income	1,600	1,666
Total revenue	9,864,140	13,283,372
Other Financing Sources		
Proceeds from sale of assets	50,000	16,972
Transfers in:		
Hospitality tax – General Fund portion	251,250	348,816
Accommodations tax – General Fund portion	39,000	67,484
Total other financing sources	340,250	433,272
Total revenue and other financing sources	\$ 10,204,390	\$ 13,716,644

CITY OF CAYCE, SOUTH CAROLINA
GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2015

	<u>Final Budget</u>	<u>Actual</u>
Departments		
Legislative:		
Salaries and wages	\$ 60,900	\$ 60,900
Retirement, insurance and other benefits	11,281	11,767
Printing and office supplies	1,500	395
Postage	300	300
Memberships and dues	2,882	3,323
Travel	10,650	6,086
Telephone	2,000	1,846
Advertising	500	50
Employee training	6,080	4,805
Awards	5,000	4,802
City election expense	2,000	2,614
City events/special meetings	1,500	211
Other	1,500	113
Total legislative	<u>106,093</u>	<u>97,212</u>
Less, overhead allocation – Utility Fund	<u>(27,610)</u>	<u>(27,610)</u>
Net legislative	<u>78,483</u>	<u>69,602</u>
Administrative:		
Salaries and wages	417,523	405,746
Retirement, insurance and other benefits	135,503	132,285
Printing and office supplies	5,500	5,898
Postage	1,000	1,000
Publications	200	—
Memberships and dues	3,587	3,740
Travel	6,460	6,692
Automotive operating	10,600	10,145
Telephone	12,000	8,229
Safety supplies	2,000	1,922
Advertising expense	5,000	—
Insurance - vehicles	1,500	1,454
Insurance - general	2,400	3,177
Employee training	4,125	4,514
Professional services – human resources	3,300	2,970
Professional services – technical assistance	—	75
Service contracts	500	1,203
Other	1,750	2,568
Total administrative	<u>612,948</u>	<u>591,618</u>
Less, overhead allocation – Utility Fund	<u>(513,309)</u>	<u>(513,309)</u>
Net administrative	<u>99,639</u>	<u>78,309</u>

— CONTINUED —

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	89,195	80,495
Overtime	2,951	490
Retirement, insurance and other benefits	26,723	23,626
Juror fees	3,000	538
Printing and office supplies	4,000	2,275
Postage	5,980	5,980
Memberships and dues	225	120
Travel	2,489	871
Employee training	1,550	347
Telephone	—	2,289
Insurance – general	1,750	1,314
Special contracts	10,000	31,956
Special department supplies	2,500	800
Machinery and equipment	—	6,867
Total recorder's court	<u>150,363</u>	<u>157,968</u>
Legal:		
Printing and office supplies	75	1
Postage	500	500
Professional services	55,000	127,195
Professional services – Prosecutor fees	22,000	19,204
Codification of City code	1,575	1,433
Total legal	<u>79,150</u>	<u>148,333</u>
Less, overhead allocation – Utility Fund	<u>(35,351)</u>	<u>(35,351)</u>
Net legal	<u>43,799</u>	<u>112,982</u>
Information Technology (IT):		
Salaries and wages	85,373	82,385
Retirement, insurance and other benefits	26,608	25,442
Printing and office supplies	1,000	730
Postage	140	140
Publications	100	—
Memberships and dues	185	210
Travel	1,100	939
Telephone	4,176	2,019
Service contracts	2,320	1,576
Equipment repairs	1,000	789
Software and licenses	21,150	45,138
Employee training	4,450	4,450
Insurance – general	1,000	519
Website maintenance	2,831	3,345
Professional services	6,250	1,900
Computer network equipment, non-capital	30,340	13,282
Machines and equipment	39,359	39,359
Other	500	681
Total IT	<u>227,882</u>	<u>222,904</u>
Less, overhead allocation – Utility Fund	<u>(105,252)</u>	<u>(105,252)</u>
Less, capital outlay	<u>(39,359)</u>	<u>(39,359)</u>
Net IT	<u>83,271</u>	<u>78,293</u>

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Finance and Accounting:		
Salaries and wages	167,842	160,483
Retirement, insurance and other benefits	59,400	56,924
Printing and office supplies	4,500	2,045
Postage	760	760
Memberships and dues	370	650
Telephone	2,600	2,289
Automotive operating	1,500	86
Service contracts	10,580	12,248
Insurance – general	2,000	1,688
Employee training	900	—
Professional services	23,000	20,718
Total finance and accounting	<u>273,452</u>	<u>257,891</u>
Less, overhead allocation – Utility Fund	<u>(229,001)</u>	<u>(229,001)</u>
Net finance and accounting	<u>44,451</u>	<u>28,890</u>
 Tax Collector:		
Printing and office supplies	50	—
Postage	60	60
Professional services	20,450	20,797
Total tax collector	<u>20,560</u>	<u>20,857</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	236,787	226,336
Retirement, insurance and other benefits	89,453	90,571
Printing and office supplies	10,200	7,332
Postage	2,600	2,600
Memberships and dues	655	505
Travel	2,000	1,410
Automotive operating	4,500	4,763
Electric and gas	45,000	40,478
Telephone	51,400	54,007
Maintenance and service contracts	7,500	15,575
Building repairs	—	955
Uniforms	1,200	932
Janitorial supplies	600	276
Medical supplies and physician expense	9,400	7,067
Insurance – vehicles	1,000	972
Insurance – general	4,000	4,216
Employee training	600	460
Community relations	600	567
Special contracts	5,125	5,518
Explorer Scouts	500	—
Total public safety – administrative	<u>473,120</u>	<u>464,540</u>
Less, overhead allocation – Utility Fund	(52,828)	(52,828)
Net public safety – administrative	<u>420,292</u>	<u>411,712</u>
Public Safety – police/detectives:		
Salaries and wages	363,963	358,502
Overtime	16,240	12,003
Retirement, insurance and other benefits	169,906	170,313
Memberships and dues	650	265
Travel	1,000	406
Automotive operating	38,000	33,938
Maintenance and service contracts	7,348	3,546
Machinery and equipment repairs	200	205
Radio supplies	350	350
Uniforms and clothing	4,800	4,259
Insurance – vehicles	7,500	6,557
Insurance – general	8,000	8,276
Employee training	2,000	863
Specialized department supplies	3,000	3,118
Total public safety – police/detectives	<u>622,957</u>	<u>602,601</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 – police/traffic:		
Salaries and wages	1,721,455	1,626,089
Overtime	134,925	133,411
Retirement, insurance and other benefits	845,082	784,318
Memberships and dues	1,150	895
Travel	1,200	183
SCMIT/DOJ vest grant expense	10,000	14,812
Automotive operating	135,000	154,542
Maintenance and service contracts	20,180	18,441
Machinery and equipment repairs	9,500	9,190
SLED equipment	2,185	2,544
Small hand tools	500	3
Radio supplies	500	478
Safety supplies	2,600	1,498
Uniforms and clothing	32,000	29,933
Jail detention	600	118
Laundry and linen service	100	—
Insurance – vehicles	22,000	20,162
Insurance – general	41,000	44,646
Employee training	15,000	19,151
Victim’s assistance	53,000	59,844
Department of Juvenile Justice fees	5,000	4,921
Specialized department supplies	25,000	24,530
Machinery and equipment	268,931	254,789
Total public safety – police/traffic	<u>3,346,908</u>	<u>3,204,498</u>
Less, overhead allocation – Utility Fund	(32,733)	(32,733)
Less, capital outlay	(249,068)	(249,068)
Net public safety – police/traffic	<u>3,065,107</u>	<u>2,922,697</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	532,725	507,018
Overtime	30,000	32,324
Fire department overtime – responses	30,000	29,987
Retirement, insurance and other benefits	260,316	215,456
Memberships and dues	885	350
Travel	1,000	26
Automotive operating	65,000	37,918
Maintenance and service contracts	7,750	3,018
Machinery and equipment repairs	4,000	3,732
Building repairs	4,000	9,443
Small hand tools	2,000	452
Radio supplies	500	495
Safety supplies	3,500	1,608
Uniforms and clothing	10,792	9,016
Janitorial supplies	600	468
Air pack and fire extinguisher	6,460	3,682
Insurance – vehicles	5,000	4,859
Insurance – general	8,600	11,502
Employee training	3,000	7,562
Specialized department supplies	3,500	2,556
Machinery and equipment	528,398	33,818
Total public safety – fire	<u>1,508,026</u>	<u>915,290</u>
Less, overhead allocation – Utility Fund	(6,235)	(6,235)
Net public safety – fire	<u>1,501,791</u>	<u>909,055</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 – animal services:		
Salaries and wages	72,405	65,156
Overtime	4,000	4,256
Retirement, insurance and other benefits	37,666	30,398
Printing and office supplies	250	9
Memberships and dues	400	40
Travel	500	—
Automotive operating	7,000	5,978
Electric and gas	2,500	6,060
Maintenance and service contracts	2,500	3,727
Machinery and equipment repairs	2,500	—
Building repairs – dog pound	2,500	299
Radio supplies	100	—
Uniforms and clothing	1,038	251
Janitorial supplies	1,000	135
Advertising	1,000	—
Insurance – vehicles	1,000	1,257
Insurance – general	2,000	2,070
Employee training	2,000	255
Specialized department supplies	2,250	2,156
Animal control supplies	5,000	4,790
Total public safety – animal services	<u>147,609</u>	<u>126,837</u>
Street Lighting:		
Electricity	210,000	249,684
Lighting equipment	81,452	81,452
Total street lighting	<u>291,452</u>	<u>331,136</u>
Less, capital outlay	<u>(81,452)</u>	<u>(81,452)</u>
Net Street lighting	<u>210,000</u>	<u>249,684</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	565,921	562,285
Overtime	1,500	—
Retirement, insurance and other benefits	287,006	287,532
Printing and office supplies	700	424
Postage	1,000	1,000
Memberships and dues	583	320
Travel expense	1,020	220
Automotive operating	160,000	117,604
Telephone	7,000	5,246
Maintenance and service contracts	900	930
Equipment repairs	5,500	401
Waste disposal and tipping fees	2,500	5
Small hand tools	5,000	2,845
Safety supplies	4,500	3,563
Uniforms and clothing	7,400	7,637
Cleaning and sanitation supplies	450	173
Medical supplies and physician expense	2,000	700
Insurance – vehicles	8,000	7,288
Insurance – general	8,000	8,406
Employee training	200	80
Special supply – garbage bags	4,250	3,448
Special supply – recycle bins and leaf bags	2,500	2,277
Machines and equipment	161,555	165,417
Total sanitation	<u>1,237,485</u>	<u>1,177,801</u>
Less, overhead allocation – Utility Fund	(9,848)	(9,848)
Less, capital outlay	(166,711)	(166,711)
Net sanitation	<u>1,060,926</u>	<u>1,001,242</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 Buildings:		
Salaries and wages	30,660	29,339
Overtime	700	900
Retirement, insurance and other benefits	15,725	16,104
Electric and gas	32,000	28,914
Telephone	7,000	533
Maintenance and service contracts	1,000	436
Equipment repairs	2,500	1,296
Building repairs	2,000	9,897
Paint supplies	400	18
Electric/light supplies	500	354
Uniforms	300	327
Janitorial supplies	2,750	2,796
Vehicle related	1,500	1,833
Insurance – vehicle	500	245
Insurance – general	1,000	992
Copy machine/contract	5,325	4,435
Machinery and equipment	12,285	12,285
Other	500	711
Total public buildings	<u>116,645</u>	<u>111,415</u>
Less, overhead allocation – Utility Fund	(40,109)	(40,109)
Less, capital outlay	(12,285)	(12,285)
Net public buildings	<u>64,251</u>	<u>59,021</u>
Community Relations:		
Central Midlands Council of Governments	9,396	9,396
Central Midlands Regional Transportation Association	22,800	21,446
Municipal Association of SC	5,500	5,402
Lexington County Municipal Association	500	531
River Alliance	10,000	10,000
Professional services	17,400	15,990
Christmas decorations and citizen's drop-in	4,400	3,317
Employee/family Christmas party	—	2,799
Community programs	7,450	3,981
City newsletter	14,000	16,411
Cayce centennial	—	27,453
Cayce drop-in	2,800	—
Christmas in Cayce festival	—	5,616
Congaree Bluegrass festival	—	21,005
Total community relations	<u>94,246</u>	<u>143,347</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	191,082	193,192
Retirement, insurance and other benefits	73,276	74,658
Printing and office supplies	2,700	2,355
Postage	282	282
Memberships and dues	645	525
Travel	—	1,046
Automotive operating	2,600	2,611
Telephone	5,900	5,906
Building repairs	500	4,700
Building renovations	7,366	7,366
Small hand tools	500	31
Uniforms	300	214
Advertising	1,000	861
Insurance – vehicles	500	490
Insurance – general	2,600	2,474
Employee training	769	1,936
NPDES phase II project	28,280	35,330
Professional services – other	—	8,921
Special contract – copier	—	2,104
Special department supplies	4,860	6,615
City newsletter	2,650	1,344
Total planning and development	<u>325,810</u>	<u>352,961</u>
Less, capital outlay	<u>(7,366)</u>	<u>(7,366)</u>
	<u>318,444</u>	<u>345,595</u>
Museum:		
Salaries and wages	95,256	95,044
Retirement, insurance and other benefits	34,574	33,688
Printing and office supplies	600	543
Postage	150	150
Memberships and dues	200	193
Travel	500	438
Electric and gas	6,200	6,184
Telephone	4,000	4,120
Service contracts	1,200	737
Equipment repairs	500	2,410
Insurance - general	1,700	1,740
Total museum	<u>144,880</u>	<u>145,247</u>

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

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Parks:		
Salaries and wages	315,037	284,326
Overtime	1,500	862
Retirement, insurance and other benefits	153,248	129,999
Memberships and dues	555	610
Postage	140	140
Telephone	3,950	3,533
Travel	700	20
Automotive operating	26,000	24,748
Electric and gas	16,800	15,610
Service contracts	4,500	7,330
Software and licenses	1,500	—
Machinery and equipment repairs	12,000	10,370
Building repairs	3,000	1,648
Small hand tools	2,000	1,944
Printing and office supplies	300	254
Signs and sign supplies	1,000	602
Safety supplies	3,600	2,237
Uniforms and clothing	4,350	4,663
Cleaning supplies	2,200	1,632
Chemicals	800	637
Medical supplies and physician expense	750	716
Insurance - vehicles	7,000	6,802
Insurance - general	6,500	7,169
Employee training	600	130
Specialized department supplies	4,000	3,406
Beautification board	750	326
Park expenses	6,495	5,215
Capital park projects	181,810	181,810
Machinery and equipment	25,292	17,293
Total parks	<u>786,377</u>	<u>714,032</u>
Less, capital outlay	<u>(196,805)</u>	<u>(196,805)</u>
Net parks	<u>589,572</u>	<u>517,227</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	219,702	203,120
Overtime	1,500	—
Retirement, insurance and other benefits	90,752	81,707
Printing and office supplies	400	352
Travel	1,500	904
Automotive operating	6,000	6,852
Electric and gas	5,000	6,662
Telephone	3,000	2,820
Maintenance and service contracts	3,800	6,429
Machinery and equipment repairs	5,000	5,006
Building repairs	3,000	1,478
Small hand tools	6,100	6,092
Electrical supplies	100	—
Uniforms and clothing	2,700	2,071
Insurance – vehicles	1,000	972
Insurance - general	3,500	3,020
Employee training	2,000	402
Specialized department supplies	7,500	9,287
Machinery and equipment	—	4,401
Total garage	<u>362,554</u>	<u>341,575</u>
Less, overhead allocation– Utility Fund	<u>(103,635)</u>	<u>(103,635)</u>
Net garage	<u>258,919</u>	<u>237,940</u>

CITY OF CAYCE, SOUTH CAROLINA

GENERAL FUND
SCHEDULE OF EXPENDITURES — BUDGET AND ACTUAL

— CONTINUED —

	<u>Final Budget</u>	<u>Actual</u>
Departments (Continued)		
Non-departmental and Support Services:		
Retiree insurance expense	23,822	31,558
GASB 45-OPEB	130,490	—
Bonus pool	22,000	—
Software and installation	17,695	17,695
Total non-departmental and support services	<u>194,007</u>	<u>49,253</u>
Less, overhead allocation – Utility Fund	(5,082)	(5,082)
Less, capital outlay	(17,695)	(17,695)
Net non-departmental and support services	<u>171,230</u>	<u>26,476</u>
Debt Service:		
Note and lease payments	376,553	376,613
Interest and fiscal agent charges	10,286	10,222
Total debt service	<u>386,839</u>	<u>386,835</u>
Less, overhead allocation – Utility Fund	(143,980)	(143,980)
Net debt services	<u>242,859</u>	<u>242,855</u>
Capital Outlay	<u>770,741</u>	<u>770,741</u>
Total expenditures	<u><u>\$ 10,204,390</u></u>	<u><u>\$ 9,259,178</u></u>

SPECIAL REVENUE FUNDS

CITY OF CAYCE, SOUTH CAROLINA

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2015

(With comparative total figures at June 30, 2014)

	Rental	Accom-	Hospitality	Community	ABC	Home	Law	Museum	Totals	
	Rehabilitation	modations	Tax	Development	Permit	Grant	Enforcement	Fund	2015	2014
	Program	Tax	Tax		Fund		Grant Fund			
Assets										
Cash and cash equivalents:										
Unrestricted	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 83,801	\$ 83,801	\$ 83,801
Restricted	—	60,189	290,301	2,630	28,205	11,572	12,472	—	405,369	129,118
Hospitality taxes receivable	—	—	87,785	—	—	—	—	—	87,785	—
Other receivables	—	—	—	—	3,000	—	—	—	3,000	2,450
Total assets	\$ —	\$ 60,189	\$ 378,086	\$ 2,630	\$ 31,205	\$ 11,572	\$ 12,472	\$ 83,801	\$ 579,955	\$ 215,369
Liabilities and Fund Balances										
Liabilities:										
Accounts payable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Due to other funds	—	—	104,728	—	—	—	—	—	104,728	—
Total liabilities	—	—	104,728	—	—	—	—	—	104,728	—
Fund balance:										
Restricted for:										
Tourism and community development	—	60,189	273,358	2,630	—	11,572	—	—	347,749	110,550
Law enforcement	—	—	—	—	—	—	12,472	—	12,472	7,214
ABC permit activities	—	—	—	—	31,205	—	—	—	31,205	13,804
Total restricted	—	60,189	273,358	2,630	31,205	11,572	12,472	—	391,426	131,568
Assigned for:										
Museum improvement	—	—	—	—	—	—	—	83,801	83,801	83,801
Total fund balances	—	60,189	273,358	2,630	31,205	11,572	12,472	83,801	475,227	215,369
Total liabilities and fund balances	\$ —	\$ 60,189	\$ 378,086	\$ 2,630	\$ 31,205	\$ 11,572	\$ 12,472	\$ 83,801	\$ 579,955	\$ 215,369

CITY OF CAYCE, SOUTH CAROLINA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2015
(With comparative total figures year ended June 30, 2014)

	Rental Rehabilitation Program	Accom modations Tax	Hospitality Tax	Community Development	ABC Permit Fund	Home Grant	Law Enforcement Grant Fund	Museum Fund	Totals	
									2015	2014
Revenue										
Hospitality taxes	\$ —	\$ —	\$ 697,654	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 697,654	\$ —
Federal grants	—	—	—	—	—	—	3,258	—	3,258	1,500
State grants	2,016	—	—	—	—	—	2,000	—	4,016	11,973
State shared	—	90,317	—	—	17,401	—	—	—	107,718	111,471
Other	—	—	—	—	—	—	—	—	—	425
Total revenue	<u>2,016</u>	<u>90,317</u>	<u>697,654</u>	<u>—</u>	<u>17,401</u>	<u>—</u>	<u>5,258</u>	<u>—</u>	<u>812,646</u>	<u>125,369</u>
Expenditures										
Public safety:										
Supplies	—	—	—	—	—	—	—	—	—	6,262
Planning and community development:										
Tourism related	—	36,266	68,480	—	—	—	—	—	104,746	38,215
Housing	22,726	—	—	—	—	2,016	—	—	24,742	41,930
Total expenditures	<u>22,726</u>	<u>36,266</u>	<u>68,480</u>	<u>—</u>	<u>—</u>	<u>2,016</u>	<u>—</u>	<u>—</u>	<u>129,488</u>	<u>86,407</u>
Excess (deficiency) of revenue over expenditures	(20,710)	54,051	629,174	—	17,401	(2,016)	5,258	—	683,158	38,962
Other Financing Sources (Uses)										
Transfers in (out)	—	(67,484)	(355,816)	—	—	—	—	—	(423,300)	(56,887)
Net change in fund balances	(20,710)	(13,433)	273,358	—	17,401	(2,016)	5,258	—	259,858	(17,925)
Fund balances, beginning of year	20,710	73,622	—	2,630	13,804	13,588	7,214	83,801	215,369	233,294
Fund balances, end of year	<u>\$ —</u>	<u>\$ 60,189</u>	<u>\$ 273,358</u>	<u>\$ 2,630</u>	<u>\$ 31,205</u>	<u>\$ 11,572</u>	<u>\$ 12,472</u>	<u>\$ 83,801</u>	<u>\$ 475,227</u>	<u>\$ 215,369</u>

CITY OF CAYCE, SOUTH CAROLINA

DEBT SERVICE FUND

CITY OF CAYCE, SOUTH CAROLINA

DEBT SERVICE FUND
BALANCE SHEET

JUNE 30, 2015

(With comparative amounts for June 30, 2014)

	<u>Current Year</u>	<u>Prior Year</u>
Assets		
Restricted cash and cash equivalents	\$ 1,137,102	\$ 761,712
Property taxes receivable	194	—
Total assets	<u>\$ 1,137,296</u>	<u>\$ 761,712</u>
Liabilities and Fund Balance		
Liabilities:		
Accrued interest payable	\$ 3,303	\$ 9,337
Fund balance:		
Restricted for debt service	1,133,993	752,375
Total liabilities and fund balance	<u>\$ 1,137,296</u>	<u>\$ 761,712</u>

CITY OF CAYCE, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2015
(With comparative figures year ended June 30, 2014)

	<u>Current Year</u>	<u>Prior Year</u>
Revenue		
Current property taxes	\$ 840,763	\$ 845,642
State shared revenue	26,563	1,242
Interest on investments	111	71
Total revenue	<u>867,437</u>	<u>846,955</u>
Expenditures		
Debt Service:		
Principal	440,224	423,005
Interest and fiscal charges	45,595	66,007
Total expenditures	<u>485,819</u>	<u>489,012</u>
Excess (deficiency) of revenue over expenditures	381,618	357,943
Other Financing Sources (Uses)		
Transfer (out) to Capital Projects Fund	<u>—</u>	<u>(400,000)</u>
Net change in fund balance	381,618	(42,057)
Fund balance, beginning of year	<u>752,375</u>	<u>794,432</u>
Fund balance, end of year	<u>\$ 1,133,993</u>	<u>\$ 752,375</u>

CITY OF CAYCE, SOUTH CAROLINA

CAPITAL PROJECTS FUND

CITY OF CAYCE, SOUTH CAROLINA

CAPITAL PROJECTS FUND
BALANCE SHEET

JUNE 30, 2015

(With comparative figures at June 30, 2014)

	<u>Current Year</u>	<u>Prior Year</u>
Assets		
Cash and cash equivalents – restricted	\$ 421,440	\$ 758,032
Due from other funds	7,000	—
Total assets	<u>\$ 428,440</u>	<u>\$ 758,032</u>
Liabilities and Fund Balance		
Liabilities:		
Construction contracts payable	\$ —	\$ 3,334
Fund balance:		
Restricted for redevelopment plan	428,440	754,698
Total liabilities and fund balance	<u>\$ 428,440</u>	<u>\$ 758,032</u>

CITY OF CAYCE, SOUTH CAROLINA

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

YEAR ENDED JUNE 30, 2015
(With comparative figures year ended June 30, 2014)

	<u>Current Year</u>	<u>Prior Year</u>
Revenue		
State grants	\$ 100,000	\$ —
Local grants	10,000	—
Total revenue	<u>110,000</u>	<u>—</u>
Expenditures		
Capital outlay:		
Park	382,359	50,769
Infrastructure	60,899	202,176
Other:		
Parks	—	23,724
Infrastructure	—	24,240
Total expenditures	<u>443,258</u>	<u>300,909</u>
Excess (deficiency) of revenue over expenditures	(333,298)	(300,909)
Other Financing Sources (Uses)		
Transfer in from Debt Service Fund	—	400,000
Transfer in from Hospitality Tax Fund	7,000	—
Net change in fund balance	(326,258)	99,091
Fund balance, beginning of year	<u>754,698</u>	<u>655,607</u>
Fund balance, end of year	<u>\$ 428,440</u>	<u>\$ 754,698</u>

CITY OF CAYCE, SOUTH CAROLINA

WATER AND SEWER UTILITY FUND

CITY OF CAYCE, SOUTH CAROLINA

WATER AND SEWER UTILITY FUND
BALANCE SHEET

JUNE 30, 2015

(With comparative figures at June 30, 2014)

	<u>Current Year</u>	<u>Restated Prior Year</u>		<u>Current Year</u>	<u>Restated Prior Year</u>
Assets and Deferred Outflows			Liabilities, Deferred Inflows and Net Position		
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 2,689,946	\$ 603,042	Accounts payable	\$ 47,229	\$ 126,691
Receivables:			Accrued salaries and wages	48,117	92,642
Water and sewer accounts (net of allowance for doubtful accounts, \$35,000 in 2015 and 2014)	2,344,763	2,683,360	Accrued compensated absences – current portion	73,126	35,215
Other accounts	1,523,441	2,447,505	Construction contracts payable	5,128	90,258
Grants	—	31,291	Retainage payable	60,508	545
Inventories	201,521	264,809	Other liabilities	1,006	141
Total current assets	<u>6,759,671</u>	<u>6,030,007</u>	Due to other funds (internal balances)	149,532	66,910
			Customer deposits and prepayments	45,080	50,750
				<u>429,726</u>	<u>463,152</u>
Current restricted assets:			Current liabilities payable from restricted assets:		
Cash and cash equivalents:			Accrued interest payable	434,213	471,507
Employee benefit accounts	4,002	3,411	Contract liability	54,987	382,504
Cayce wastewater facilities replacement & renewal fund	550,000	—	SRF and bonds payable – current portion	2,568,836	3,354,738
Bond and interest redemption	3,995,124	6,364,558	Construction contracts payable	258,149	216,320
Project and construction funds	7,649,453	5,336,841	Total current liabilities payable from restricted assets	<u>3,316,185</u>	<u>4,425,069</u>
Total current restricted assets	<u>12,198,579</u>	<u>11,704,810</u>	Total current liabilities	<u>3,745,911</u>	<u>4,888,221</u>
Capital assets:			Long-term liabilities:		
Land and rights-of-way	330,568	330,568	Accrued compensated absences	38,611	63,335
Equipment	5,799,564	5,478,643	Unearned revenue – future capacity charges and credits	238,690	238,690
Utility plants in service	149,316,029	148,105,550	Contract obligation	1,675,836	1,950,000
Construction in process	1,450,182	396,198	SRF loans payable	32,166,654	31,055,145
	<u>156,896,343</u>	<u>154,310,959</u>	Revenue bonds payable (\$13,035,000 plus bonds premium \$444,264 net of amortization of \$37,022 in 2015 and \$49,606 in 2014)	13,479,263	15,396,285
Less, accumulated depreciation	<u>(35,077,595)</u>	<u>(30,988,749)</u>	Other post-employment benefit (OPEB) obligation	722,664	697,306
Net capital assets	<u>121,818,748</u>	<u>123,322,210</u>	Net pensions liability	4,663,806	4,858,779
Other assets:			Total long-term liabilities	<u>52,985,524</u>	<u>54,259,540</u>
Cost of purchased water/sewer rights	803,883	803,883	Total liabilities	<u>56,731,435</u>	<u>59,147,761</u>
Less, accumulated amortization	<u>(321,886)</u>	<u>(194,703)</u>	Deferred inflows of resources:		
Net other assets	<u>481,997</u>	<u>609,180</u>	Deferred pension related inflows	393,193	—
Total assets	<u>141,258,995</u>	<u>141,666,207</u>	Total deferred inflows of resources	<u>393,193</u>	<u>—</u>
Deferred outflows of resources:			Net position:		
Deferred outflows related to pension	418,770	264,212	Net investment in capital assets	79,196,265	73,208,919
Losses on bond refundings	394,231	394,231	Restricted for debt and capital projects	7,883,701	11,179,142
Less, accumulated amortization	<u>(279,172)</u>	<u>(250,407)</u>	Restricted for pension	418,770	264,212
Total deferred outflows of resources	<u>533,829</u>	<u>408,036</u>	Unrestricted (deficit)	<u>(2,830,540)</u>	<u>(1,725,791)</u>
Total assets and deferred outflows	<u>\$ 141,792,824</u>	<u>\$ 142,074,243</u>	Total net position, restated	<u>84,668,196</u>	<u>82,926,482</u>
			Total liabilities, deferred inflows and net position	<u>\$ 141,792,824</u>	<u>\$ 142,074,243</u>

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

YEAR ENDED JUNE 30, 2015
(With comparative figures year ended June 30, 2014)

	Current Year	Restated Prior Year
Operating Revenue (pledged as security for revenue bonds)		
Water:		
Sales	\$ 4,913,144	\$ 4,722,610
Connection fees	78,897	25,271
Sewer:		
Service charges	8,898,796	9,196,270
Connection fees	5,633	3,415
Septage/grease services:		
Sales and permits	472,451	3,140
Pretreatment set-up fees	89,460	99,261
Reconnection fees	37,605	22,080
Penalties	181,935	142,295
Miscellaneous income	293,173	352,154
Total operating revenue	14,971,094	14,566,496
Operating Expenses		
Administrative	456,049	516,607
Utility billing	593,048	566,873
Water treatment plant	1,377,415	1,304,385
Water distribution and maintenance	1,250,139	1,339,743
Wastewater treatment plant	2,386,593	2,287,006
Sewer collection and outfall lines	1,269,759	1,372,689
Septage and grease receiving station	196,661	49,074
Non-departmental and support services	1,629,953	1,651,230
Depreciation and amortization expense	4,333,569	4,064,201
Total operating expenses	13,493,186	13,151,808
Operating income	1,477,908	1,414,688
Non-Operating Revenue (Expenses)		
Interest income	11,223	14,426
Gains (losses) from sale, disposal of capital assets	23,227	—
Interest expense	(1,346,158)	(1,442,461)
Bond refinancing loss amortized	(28,765)	(33,670)
Total non-operating revenue (expenses)	(1,340,473)	(1,461,705)
Income before contributions	137,435	(47,017)
Capital Contributions		
Capacity charges and other capital contributions	1,604,279	1,233,574
Change in net position	1,741,714	1,186,557
Net position, beginning of year	82,926,482	81,739,925
Net position, end of year	\$ 84,668,196	\$ 82,926,482

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

YEAR ENDED JUNE 30, 2015
(With comparative actual figures year ended June 30, 2014)

	Current Year			Prior Year Actual
	Budget	Actual	Variance Positive (Negative)	
Departments				
<u>Administrative:</u>				
Salaries and wages	\$ 200,725	\$ 192,591	\$ 8,134	\$ 240,425
Retirement, insurance and other benefits	68,767	76,345	(7,578)	97,760
Other post-employment benefits (OPEB)	4,810	—	4,810	—
Printing and office supplies	5,000	2,651	2,349	4,630
Postage	5,375	5,375	—	4,000
Memberships and dues	745	290	455	293
Travel	2,655	2,029	626	1,803
Automotive operating expenses	4,500	2,752	1,748	4,901
Telephone	6,800	5,697	1,103	6,417
Maintenance and service contracts	4,122	15,179	(11,057)	8,702
Machinery and equipment repairs	900	—	900	719
Safety supplies	2,750	2,388	362	4,567
Uniforms and clothing	200	205	(5)	131
Doctor and medical expenses	4,100	2,296	1,804	1,859
Advertising	4,000	739	3,261	872
Insurance	1,000	1,698	(698)	2,149
Insurance - general	2,100	1,977	123	2,364
Employee training – continuing education	3,450	1,282	2,168	1,800
Professional services	40,000	39,218	782	31,253
Professional services – legal	55,000	13,846	41,154	41,544
Professional services – engineering	41,000	29,245	11,755	15,717
Professional services – consultant fees	48,500	47,710	790	34,997
Special contracts – CSX	—	100	(100)	—
Special contracts – copier	2,675	2,104	571	2,471
Special contracts – collection expense	—	142	(142)	—
Website	2,750	—	2,750	—
Fiscal agent fees	8,000	7,112	888	7,233
Machines and equipment – non-capital	2,550	3,078	(528)	—
	<u>522,474</u>	<u>456,049</u>	<u>66,425</u>	<u>516,607</u>

— 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>Utility Billing:</u>				
Salaries and wages	291,190	264,972	26,218	299,353
Overtime	16,000	15,924	76	10,033
Retirement, insurance and other benefits	137,831	129,550	8,281	87,328
Printing and office supplies	3,750	3,266	484	3,591
Postage	44,500	38,900	5,600	40,834
Memberships and dues	1,465	430	1,035	105
Travel	1,560	75	1,485	18
Automotive operating expenses	17,500	12,417	5,083	17,803
Telephone	8,401	5,510	2,891	5,833
Maintenance and service contracts	16,750	18,458	(1,708)	15,247
Equipment repairs	—	9	(9)	—
Hand tools and supplies	6,600	5,476	1,124	793
Safety supplies	2,000	72	1,928	616
Uniforms and clothing	1,500	397	1,103	860
Insurance	1,500	1,208	292	2,544
Insurance - general	2,000	1,943	57	4,467
Employee training – continuing education	3,900	4,141	(241)	725
Special contracts – copier	7,260	700	6,560	642
Special contracts – collection expense	75,000	89,600	(14,600)	76,081
	<u>638,707</u>	<u>593,048</u>	<u>45,659</u>	<u>566,873</u>
<u>Water Treatment Plant:</u>				
Salaries and wages	427,441	407,214	20,227	399,040
Overtime	41,244	45,129	(3,885)	61,466
Retirement, insurance and other benefits	189,814	196,628	(6,814)	171,959
Other post-employment benefits (OPEB)	5,411	—	5,411	—
Printing and office supplies	650	634	16	467
Postage	275	318	(43)	250
Permit fees	23,700	23,315	385	23,061
Memberships and dues	822	884	(62)	1,009
Travel	2,360	2,728	(368)	2,410
Automotive operating expense	8,100	3,803	4,297	6,006
Electric and gas	285,000	336,788	(51,788)	278,506
Telephone	4,500	7,632	(3,132)	11,985
Lubrication supplies	900	820	80	940
Maintenance and service contracts	53,222	48,508	4,714	44,511
Machinery and equipment repairs	75,000	58,069	16,931	77,061
Building repairs	500	53	447	22
Small hand tools	900	826	74	867

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

— CONTINUED —

	Current Year		Variance Positive (Negative)	Prior Year Actual
	Budget	Actual		
Departments				
<u>Water Treatment Plant (continued):</u>				
Electrical and lighting supplies	600	374	226	665
Safety supplies	1,550	1,956	(406)	1,378
Uniforms and clothing	2,300	2,194	106	2,134
Cleaning and sanitation supplies	600	549	51	553
Chemicals	229,219	171,542	57,677	162,367
Laboratory supplies	22,500	23,827	(1,327)	19,946
Insurance	1,500	1,214	286	1,911
Insurance - general	17,432	17,538	(106)	15,546
Employee training	2,750	1,851	899	1,500
Consultant lab tests	17,000	7,721	9,279	11,572
Machines & equipment – non-capital	83,190	15,300	67,890	7,253
	<u>1,498,480</u>	<u>1,377,415</u>	<u>121,065</u>	<u>1,304,385</u>
<u>Water Distribution and Maintenance:</u>				
Salaries and wages	499,975	439,934	60,041	438,022
Overtime	36,000	43,175	(7,175)	49,528
Retirement, insurance and other benefits	242,922	215,442	27,480	189,828
Other post-employment benefits (OPEB)	7,816	—	7,816	—
Printing and office supplies	3,000	2,229	771	1,064
Memberships and dues	1,830	225	1,605	445
Travel	5,310	1,998	3,312	748
Automotive operating expense	50,000	47,005	2,995	51,994
Electricity and gas	40,000	53,632	(13,632)	49,743
Telephone	20,000	7,389	12,611	9,246
Maintenance and service contracts	209,495	209,053	442	173,985
Machinery and equipment repairs	30,000	15,000	15,000	40,378
Building repairs	500	189	311	—
Small hand tools	6,000	5,892	108	6,566
Masonry supplies	3,000	2,997	3	408
Asphalt supplies	26,000	43,700	(17,700)	14,561
Radio supplies	250	—	250	—
Safety supplies	6,000	5,272	728	4,003
Uniforms and clothing	5,200	5,866	(666)	5,216
Chemicals	736	—	736	668
Utility repair supplies and meters	67,000	114,505	(47,505)	194,477
Insurance	7,000	6,802	198	9,827
Insurance - general	9,700	10,350	(650)	9,616
Employee training	12,109	9,633	2,476	5,031
Water distribution equipment meters	15,000	5,885	9,115	—
Machines & equipment – non-capital	7,200	3,966	3,234	84,389
	<u>1,312,043</u>	<u>1,250,139</u>	<u>61,904</u>	<u>1,339,743</u>

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

— CONTINUED —

	Current Year		Variance Positive (Negative)	Prior Year Actual
	Budget	Actual		
Departments				
<u>Wastewater Treatment Plant:</u>				
Salaries and wages	543,680	502,061	41,619	514,338
Overtime	32,000	17,026	14,974	27,155
Retirement, insurance and other benefits	239,527	237,356	2,171	212,193
Other post-employment benefits (OPEB)	6,615	—	6,615	—
Printing and office supplies	680	677	3	803
Postage	270	270	—	250
Permit fees – DHEC	3,250	3,170	80	3,170
Memberships and dues	1,500	625	875	615
Travel	5,000	2,655	2,345	484
Automotive operating expense	45,000	41,659	3,341	56,226
Electric and gas	806,200	788,583	17,617	805,382
Telephone	27,700	22,305	5,395	28,116
Lubrication supplies	3,000	1,392	1,608	867
Maintenance and service contracts	104,600	91,023	13,577	57,556
Machinery and equipment repairs	55,000	139,760	(84,760)	84,042
Building repairs	500	264	236	28
Sludge disposal fees	200,000	216,023	(16,023)	240,093
Small hand tools	3,700	1,191	2,509	2,041
Electrical and lighting supplies	210	2,080	(1,870)	349
Radio supplies	200	—	200	—
Safety supplies	4,150	6,154	(2,004)	2,987
Uniforms and clothing	5,810	5,531	279	5,097
Cleaning and sanitation supplies	1,000	864	136	782
Water	100,000	—	100,000	—
Chemicals	152,510	145,671	6,839	116,828
Laboratory supplies	27,500	27,496	4	25,578
Insurance	6,500	6,797	(297)	8,003
Insurance - general	84,016	82,478	1,538	68,457
Employee training	6,608	3,410	3,198	2,092
Professional services – lab	25,100	20,195	4,905	19,123
Force main/line repairs	—	—	—	141
Fee-in-lieu of tax	—	—	—	160
Machines and equipment – non-capital	17,520	19,877	(2,357)	4,050
	<u>2,509,346</u>	<u>2,386,593</u>	<u>122,753</u>	<u>2,287,006</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>Sewer Collection and Outfall Lines:</u>				
Salaries and wages	520,012	460,787	59,225	406,679
Overtime	40,000	56,130	(16,130)	48,993
Retirement, insurance and other benefits	254,829	226,279	28,550	186,605
Other post-employment benefits (OPEB)	5,411	—	5,411	—
Memberships and dues	1,875	2,495	(620)	260
Travel	5,480	5,197	283	1,677
Automotive operating expense	67,000	62,058	4,942	94,731
Electricity and gas	125,000	117,221	7,779	127,797
Telephone	38,200	28,985	9,215	29,287
Lubrication supplies	300	279	21	—
Maintenance and service contracts	15,100	8,379	6,721	10,250
Machinery and equipment repairs	135,000	83,338	51,662	105,361
Small hand tools	6,000	4,921	1,079	7,557
Cement and masonry materials	1,500	700	800	860
Asphalt and grading supplies	25,000	26,175	(1,175)	14,293
Radio supplies	250	—	250	—
Safety supplies	6,000	5,788	212	14,385
Uniforms and clothing	4,500	6,071	(1,571)	5,028
Cleaning and sanitation supplies	500	621	(121)	521
Chemicals	25,000	13,880	11,120	13,070
Utility repair supplies	66,000	115,653	(49,653)	120,370
Transmission line operations and maintenance	5,000	—	5,000	—
Insurance – vehicle	—	—	—	11,341
Insurance - general	8,500	8,260	240	12,591
Employee training	13,000	13,726	(726)	519
Professional services	14,218	9,278	4,940	—
Machines & equipment	98,700	13,538	85,162	348
Dixiana force main emergency repair	—	—	—	160,166
	<u>1,482,375</u>	<u>1,269,759</u>	<u>212,616</u>	<u>1,372,689</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	107,100	93,215	13,885	34,991
Overtime	5,250	1,833	3,417	—
Retirement, insurance and other benefits	46,536	29,172	17,364	9,542
Electricity and gas	36,000	2,494	33,506	151
Telephone	2,380	1,792	588	1,082
Printing and office supplies	500	657	(157)	209
Postage	300	300	—	100
Memberships and dues	474	185	289	180
Travel	1,402	482	920	171
Auto operating	11,000	1,408	9,592	1,236
Chemicals	26,545	17,730	8,815	—
Sludge disposal fees	27,300	22,738	4,562	—
Lubrications	500	222	278	—
Hand tools and supplies	1,500	1,377	123	672
Electric/light supplies	200	70	130	—
Safety program and supplies	975	315	660	—
Uniforms and clothing	1,300	838	462	12
Janitorial supplies	300	21	279	—
Employee training	859	286	573	225
Professional services – lab testing	10,000	3,242	6,758	—
Laboratory supplies	500	—	500	—
Insurance – vehicle	1,500	486	1,014	241
General insurance (property and contents)	500	1,499	(999)	225
Building repairs	400	372	28	—
Equipment repairs	1,500	14,707	(13,207)	—
Machine and service contracts	1,440	—	1,440	—
Machines & equipment – non-capital	51,100	1,220	49,880	37
	<u>337,361</u>	<u>196,661</u>	<u>140,700</u>	<u>49,074</u>
<u>Non-departmental and support services:</u>				
Other post-employment benefit (OPEB) exp.	—	29,953	(29,953)	151,230
Employee group hospital insurance	5,294	—	5,294	—
O&M indirect costs	1,600,000	1,600,000	—	1,500,000
Capital improvement/project reserve	100,000	—	100,000	—
Capital equipment reserve	100,000	—	100,000	—
	<u>1,805,294</u>	<u>1,629,953</u>	<u>175,341</u>	<u>1,651,230</u>
Depreciation	550,000	4,243,409	(3,693,409)	4,050,106
Amortization	—	90,160	(90,160)	14,095
	<u>550,000</u>	<u>4,333,569</u>	<u>(3,783,569)</u>	<u>4,064,201</u>
Total operating expenses	<u>\$ 10,656,080</u>	<u>\$ 13,493,186</u>	<u>\$ (2,837,106)</u>	<u>\$ 13,151,808</u>

CITY OF CAYCE, SOUTH CAROLINA

AGENCY FUND

CITY OF CAYCE, SOUTH CAROLINA

AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

YEAR ENDED JUNE 30, 2015

	<u>Balance, June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, June 30, 2015</u>
Assets				
Cash and cash equivalents:				
Firemen's fund	\$ 81,733	\$ 42,259	\$ (18,122)	\$ 105,870
Police fund	68,985	6,087	(18,807)	56,265
Total assets	<u>\$ 150,718</u>	<u>\$ 48,346</u>	<u>\$ (36,929)</u>	<u>\$ 162,135</u>
Liabilities				
Amounts due to others:				
Firemen's fund	\$ 81,733	\$ 42,259	\$ (18,122)	\$ 105,870
Police fund	68,985	6,087	(18,807)	56,265
Total liabilities	<u>\$ 150,718</u>	<u>\$ 48,346</u>	<u>\$ (36,929)</u>	<u>\$ 162,135</u>

CAPITAL ASSETS USED IN THE OPERATIONS OF GOVERNMENTAL FUNDS

This schedule presents only the capital asset balances (which includes land, buildings, betterments, and equipment owned by the City) related to Governmental-type funds. Accordingly, the capital assets reported in Proprietary-type funds (Enterprise Fund) are excluded from these amounts.

CITY OF CAYCE, SOUTH CAROLINA

STATEMENT OF CHANGES IN CAPITAL ASSETS USED IN OPERATIONS OF
GOVERNMENTAL FUNDS

YEAR ENDED JUNE 30, 2015

General capital assets and construction-in-progress, June 30, 2014	\$ 15,810,074
Add, expenditures by General Fund and Capital Projects Fund:	
Land, buildings, other improvements, furniture and equipment	6,585,340
Deduct, surplus sales and other deletions by General Fund:	
Land, building, furniture and equipment	<u>(244,243)</u>
General capital assets and construction-in-progress, June 30, 2015	<u>\$ 22,151,171</u>

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.

CITY OF CAYCE, SOUTH CAROLINA

SCHEDULE OF BONDS, NOTES, AND OTHER LONG-TERM DEBT OUTSTANDING

YEAR ENDED JUNE 30, 2015

	Due Dates	Interest Rates	Bonds and Notes				Outstanding June 30, 2015	Coupons/Interest			Outstanding June 30, 2015	Debt Service Requirements Next Fiscal Year	
			Outstanding July 1, 2014	Long-Term Borrowing	Matured	Paid		Outstanding July 1, 2014	Matured	Paid		Principal	Interest
General Long-Term Debt													
Tax Increment Financing Revenue Bond, Series 2002	4/24/03-17	4.03	\$ 1,390,082	\$ —	\$ 440,224	\$ (440,224)	\$ 949,858	\$ —	\$ 45,595	\$ (45,595)	\$ —	\$ 458,144	\$ 33,709
Installment purchase contracts, monthly payments of principal and interest	Various	1.88-4.95	600,862	—	376,620	(376,620)	224,242	—	10,222	(10,222)	—	224,242	3,363
Total general long-term debt			<u>\$ 1,990,944</u>	<u>\$ —</u>	<u>\$ 816,844</u>	<u>\$ (816,844)</u>	<u>\$ 1,174,100</u>	<u>\$ —</u>	<u>\$ 55,817</u>	<u>\$ (55,817)</u>	<u>\$ —</u>	<u>\$ 682,386</u>	<u>\$ 37,072</u>
Water and Sewer Utility Fund Debt													
Clean Water State Revolving Fund loan, Series 2002, interest and principal payable quarterly	12/1/03-23	2.25	\$ 897,494	\$ —	\$ 85,720	\$ (85,720)	\$ 811,774	\$ —	\$ 19,474	\$ (19,474)	\$ —	\$ 87,665	\$ 17,529
Water and Sewer System Revenue Bonds, Series 2007A, interest payable semi-annually, principal payable annually	1/1/08-6/30/21	4.00-4.625	14,805,000	—	860,000	(860,000)	13,945,000	—	725,075	(725,075)	—	910,000	685,250
Clean Water State Revolving Fund Loan, Series 2009, interest and principal payable quarterly	9/29/09-32	2.25	31,712,389	25,075	2,457,722	(2,457,722)	29,279,742	—	626,343	(626,343)	—	1,456,369	646,561
Clean Water State Revolving Fund Loan, Series 2015, interest and principal payable quarterly	1/29/15	2.00	—	3,734,073	—	—	3,734,073	—	—	—	—	114,802	55,439
Total water and sewer utility fund debt			<u>\$ 47,414,883</u>	<u>\$ 3,759,148</u>	<u>\$ 3,403,442</u>	<u>\$ (3,403,442)</u>	<u>\$ 47,770,589</u>	<u>\$ —</u>	<u>\$ 1,370,892</u>	<u>\$ (1,370,892)</u>	<u>\$ —</u>	<u>\$ 2,568,836</u>	<u>\$ 1,404,779</u>

VICTIM'S RIGHTS ASSISTANCE

CITY OF CAYCE, SOUTH CAROLINA

SCHEDULE OF COURT FINES, ASSESSMENTS AND SURCHARGES

YEAR ENDED JUNE 30, 2015

Court Fines and Assessments	
Court fines and assessments collected	\$ 742,579
Court fines and assessments remitted to State Treasurer	<u>(413,511)</u>
Total court fines and assessments retained by the City	<u>\$ 329,068</u>
Surcharges and Assessments retained by City	
Total surcharges collected	\$ 33,232
Total assessments	<u>20,835</u>
Total surcharges and assessments retained by City	<u>\$ 54,067</u>
Funds Allocated to Victims Services	
Carryover funds from prior year	\$ 58,560
Surcharges and assessments retained	54,067
Expenditures for victims services	<u>(59,844)</u>
Total unexpended victims rights assistance funds	<u>\$ 52,783</u>

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. 107-113

Revenue Capacity – These schedules contain information to help the reader assess the factors affecting the City’s ability to generate its property tax revenue. 114-117

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. 118-123

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. 124-126

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. 127-128

CITY OF CAYCE, SOUTH CAROLINA

NET POSITION BY COMPONENT
(Accrual basis of accounting)

LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities										
Net investment in capital assets	\$ 11,187,075	\$ 4,809,369	\$ 4,317,009	\$ 3,847,244	\$ 3,542,010	\$ 4,797,026	\$ 4,607,696	\$ 5,651,516	\$ 5,093,684	\$ 5,011,165
Restricted	2,900,003	2,329,686	1,688,336	1,630,222	1,215,170	1,548,803	1,421,780	268,554	300,873	115,771
Unrestricted	(5,968,176)	(10,307,729)	(1,149,730)	(858,419)	(985,075)	(493,433)	(190,606)	(40,898)	(589,783)	(576,942)
Total governmental activities net position	<u>\$ 8,118,902</u>	<u>\$ (3,168,674)</u>	<u>\$ 4,855,615</u>	<u>\$ 4,619,047</u>	<u>\$ 3,772,105</u>	<u>\$ 5,852,396</u>	<u>\$ 5,838,870</u>	<u>\$ 5,879,172</u>	<u>\$ 4,804,774</u>	<u>\$ 4,549,994</u>
Business-type Activities										
Net investment in capital assets	\$ 79,196,265	\$ 73,208,919	\$ 67,123,141	\$ 66,405,669	\$ 58,750,650	\$ 43,931,424	\$ 35,843,888	\$ 32,372,962	\$ 34,549,212	\$ 25,888,963
Restricted	8,302,471	11,443,354	12,941,313	12,186,134	8,300,588	5,872,577	1,598,531	1,575,172	1,337,240	1,330,006
Unrestricted	(2,830,540)	(1,725,791)	6,271,966	3,377,568	4,663,182	7,903,032	9,766,255	10,206,822	5,741,910	10,444,907
Total business type activities net position	<u>\$ 84,668,196</u>	<u>\$ 82,926,482</u>	<u>\$ 86,336,420</u>	<u>\$ 81,969,371</u>	<u>\$ 71,714,420</u>	<u>\$ 57,707,033</u>	<u>\$ 47,208,674</u>	<u>\$ 44,154,956</u>	<u>\$ 41,628,362</u>	<u>\$ 37,663,876</u>
Primary Government										
Net investment in capital assets	\$ 90,383,340	\$ 78,018,288	\$ 71,440,150	\$ 70,252,913	\$ 62,292,660	\$ 48,728,450	\$ 40,451,584	\$ 38,024,478	\$ 39,642,896	\$ 30,900,128
Restricted	11,202,474	13,773,040	14,629,649	13,816,356	9,515,758	7,421,380	3,020,311	1,843,726	1,638,113	1,445,777
Unrestricted	(8,798,716)	(12,033,520)	5,122,236	2,519,149	3,678,107	7,409,599	9,575,649	10,165,924	5,152,127	9,867,965
Total primary government net position	<u>\$ 92,787,098</u>	<u>\$ 79,757,808</u>	<u>\$ 91,192,035</u>	<u>\$ 86,588,418</u>	<u>\$ 75,486,525</u>	<u>\$ 63,559,429</u>	<u>\$ 53,047,544</u>	<u>\$ 50,034,128</u>	<u>\$ 46,433,136</u>	<u>\$ 42,213,870</u>

Note: GASB 65 was implemented for the fiscal year ended 6/30/14. GASB 68 was implemented for fiscal year ended 6/30/15. The restatements were posted effective 6/30/14. Effects of implementing these statements are not reflected in fiscal years prior to 2014.

CITY OF CAYCE, SOUTH CAROLINA

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

LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Governmental activities: ⁽³⁾										
General government	\$ 434,485	\$ 340,913	\$ 255,392	\$ 224,912	\$ 497,316	\$ 656,284	\$ 565,029	\$ 530,042	\$ 495,970	\$ 441,767
Information technology	85,962	92,887	106,544	73,396	—	—	—	—	—	—
Finance	56,868	61,747	70,355	82,275	101,476	127,862	194,352	190,399	191,106	198,075
Public safety	4,976,924	4,964,652	4,758,297	4,514,375	3,878,041	4,122,059	4,271,262	3,895,074	3,745,640	2,754,866
Public works	1,331,873	1,307,718	1,398,634	1,305,014	1,187,652	1,186,723	1,027,091	1,290,153	836,595	1,067,538
Planning and community development	675,085	575,489	628,271	595,472	3,297,107	609,701	591,283	441,026	411,118	339,632
Parks and museum	636,000	669,385	576,023	541,286	469,933	514,635	878,374	485,703	462,343	345,502
Garage	243,925	245,638	262,443	244,377	200,620	214,446	177,478	298,751	240,133	188,514
Depreciation and amortization (unallocated) ⁽⁷⁾	651,325	671,572	721,268	671,692	593,095	599,090	605,353	532,900	497,515	517,844
Non-departmental and support services ⁽¹⁾	—	—	—	—	—	—	—	—	—	1,482,576
Interest	55,817	84,250	109,691	123,814	128,429	145,968	166,919	173,679	188,205	210,360
Total governmental activities	<u>9,148,264</u>	<u>9,014,251</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>
Business-type activities:										
Water and sewer utility ⁽⁷⁾	14,868,109	14,627,939	12,501,119	11,733,001	10,873,285	10,075,440	9,258,516	8,752,480	7,738,967	7,462,982
Total business-type activities	<u>14,868,109</u>	<u>14,627,939</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>
Total primary government expenses	<u>\$ 24,016,373</u>	<u>\$ 23,642,190</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>
Program Revenue										
Governmental activities:										
Fees for services ⁽⁴⁾	\$ 1,460,765	\$ 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
Operating grants and contributions ⁽²⁾	242,087	66,562	25,727	163,049	387,123	445,491	129,259	3,242	206,008	671,268
Capital grants and contributions	6,649,664	4,249	100,000	267,131	49,323	33,833	192,342	127,349	47,700	143,161
Total governmental activities	<u>8,352,516</u>	<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>
Business-type activities:										
Fees for services ⁽⁵⁾	14,971,094	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
Operating grants and contributions	—	—	—	—	—	—	—	—	—	—
Capital grants and contributions	1,604,279	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
Total business-type activities	<u>16,575,373</u>	<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>
Total primary government program revenue	<u>\$ 24,927,889</u>	<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>

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA

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

— CONTINUED —

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Revenue and Other Changes										
Governmental activities:										
Property taxes	\$ 3,786,956	\$ 3,783,478	\$ 3,616,400	\$ 3,756,223	\$ 3,408,455	\$ 2,975,601	\$ 2,619,710	\$ 2,452,705	\$ 2,222,653	\$ 2,191,196
Hospitality taxes	697,654	—	—	—	—	—	—	—	—	—
State shared and unallocated intergovernmental	501,191	469,679	490,702	412,797	439,907	484,627	560,234	587,990	550,286	523,377
Business licenses and other taxes	6,704,824	4,043,886	3,344,898	4,087,220	2,909,802	3,124,799	3,090,229	3,193,603	2,830,976	2,781,636
Gain/(loss) from sales of assets	(22,921)	171,314	22,854	—	—	—	—	—	—	—
Unrestricted investment earnings	1,777	1,813	2,309	4,053	9,497	9,485	21,309	96,838	144,116	138,341
Grants and other	413,843	422,976	514,157	520,318	63,069	46,291	17,875	52,940	45,232	56,913
Transfers	—	—	—	—	—	—	420,757	1,043,477	—	(48,590)
Total governmental activities	<u>12,083,324</u>	<u>8,893,146</u>	<u>7,991,320</u>	<u>8,780,611</u>	<u>6,830,730</u>	<u>6,640,803</u>	<u>6,730,114</u>	<u>7,427,553</u>	<u>5,793,263</u>	<u>5,642,873</u>
Business-type activities:										
Gain/(loss) from sales of assets	23,227	—	—	(844)	—	—	—	—	—	15,210
Unrestricted investment earnings	11,223	14,426	20,799	26,801	41,837	61,639	135,795	388,896	312,364	326,709
Miscellaneous	—	—	14,619	—	4,247	370,435	3,360	9,161	6,760	—
Transfers	—	—	—	—	—	—	(420,757)	(1,043,477)	—	48,590
Total business-type activities	<u>34,450</u>	<u>14,426</u>	<u>35,418</u>	<u>25,957</u>	<u>46,084</u>	<u>432,074</u>	<u>(281,602)</u>	<u>(645,420)</u>	<u>319,124</u>	<u>390,509</u>
Total primary government general revenue and other changes	<u>\$ 12,117,774</u>	<u>\$ 8,907,572</u>	<u>\$ 8,026,738</u>	<u>\$ 8,806,568</u>	<u>\$ 6,876,814</u>	<u>\$ 7,072,877</u>	<u>\$ 6,448,512</u>	<u>\$ 6,782,133</u>	<u>\$ 6,112,387</u>	<u>\$ 6,033,382</u>
Extraordinary Item – Fire	\$ —	\$ —	\$ —	\$ (1,040,506)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Special Item – Wastewater Treatment Plant disposal/decommissioned	\$ —	\$ —	\$ (4,488,481)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Changes in Net Position										
Governmental activities	\$ 11,287,576	\$ 897,863	\$ 244,901	\$ 846,942	\$ (2,080,291)	\$ 13,526	\$ (40,302)	\$ 1,074,398	\$ 254,780	\$ (105,253)
Business-type activities	1,741,714	1,186,557	4,868,182	10,254,951	14,007,387	10,498,359	3,053,718	2,526,594	3,964,486	2,159,283
Total primary government changes in net position	<u>\$ 13,029,290</u>	<u>\$ 2,084,420</u>	<u>\$ 5,113,083</u>	<u>\$ 11,101,893</u>	<u>\$ 11,927,096</u>	<u>\$ 10,511,885</u>	<u>\$ 3,013,416</u>	<u>\$ 3,600,992</u>	<u>\$ 4,219,266</u>	<u>\$ 2,054,030</u>

- (1) Beginning in 2007, the City allocated non-departmental and support services to functional activities for its Governmental Activities.
- (2) Beginning in 2007, the City reported expenses reimbursed by the Water & Sewer Utility Fund net of reimbursement.
- (3) Beginning in 2007, the City allocated overhead costs associated with its Utility Fund to the functional areas of Governmental Activities.
- (4) Fees for services for the governmental activities primarily consist of police fines, fire hydrant service fees, sanitation and tapping fees and other special service fees.
- (5) Fees for services for the business-type activity consist primarily of sales for water and sewer services.
- (6) Beginning in 2014, the City implemented GASB Statement #63 and reclassified "net assets" to "net position."
- (7) Beginning in 2014, the City implemented GASB Statement #65 and GASB #68 which restated bond issue costs as expenses and restated pension liabilities and related deferrals.

CITY OF CAYCE, SOUTH CAROLINA

PROGRAM REVENUE BY FUNCTION
(Accrual basis of accounting)

LAST TEN FISCAL YEARS

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
General government (1)	\$ 149,968	\$ —	\$ —	\$ —	\$ 51,694	\$ 2,527	\$ —	\$ —	\$ —	\$ 575,000
Information technology	—	—	—	—	—	—	—	—	—	—
Finance	—	—	—	—	—	—	—	—	—	—
Public safety	822,249	626,967	545,554	752,605	924,772	926,953	741,906	553,521	793,932	449,242
Public works	832,971	381,066	472,833	432,704	414,308	501,847	769,983	678,163	619,535	651,348
Planning and community development	8,467	6,200	121,286	27,757	31,120	51,550	51,556	—	—	—
Parks and museum	6,538,861	4,735	826	270,384	20,754	66,614	143,280	252,888	116,675	122,958
Garage	—	—	—	—	—	—	—	—	—	—
Total governmental activities	8,352,516	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
Business-type activities:										
Water and sewer utility	16,575,373	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
Total business-type activities	16,575,373	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
Total program revenue by function and program	\$ 24,927,889	\$ 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

(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

FUND BALANCES
GOVERNMENTAL FUNDS
(Modified accrual basis of accounting)

LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Nonspendable	\$ 559,143	\$ 48,921	\$ 51,930	\$ 41,613	\$ 35,177	\$ —	\$ —	\$ —	\$ —	\$ —
Restricted	52,783	58,560	69,493	113,698	133,512	—	—	—	—	—
Committed	25,000	25,000	25,000	—	—	—	—	—	—	—
Assigned	923,610	4,107	9,944	17,261	20,267	—	—	—	—	—
Unassigned	4,124,328	1,090,810	476,052	694,031	430,901	—	—	—	—	—
Reserved	—	—	—	—	—	187,280	194,005	195,913	205,925	193,487
Unreserved	—	—	—	—	—	(209,352)	(4,412)	(123,661)	(640,160)	(438,891)
Total general fund	<u>5,684,864</u>	<u>1,227,398</u>	<u>632,419</u>	<u>866,603</u>	<u>619,857</u>	<u>(22,072)</u>	<u>189,593</u>	<u>72,252</u>	<u>(434,235)</u>	<u>(245,404)</u>
All Other Governmental Funds										
Restricted, reported in:										
Special revenue funds	391,426	131,568	149,493	246,509	406,477	—	—	—	—	—
Debt service funds	1,133,993	752,375	794,432	497,847	620,592	—	—	—	—	—
Capital projects funds	428,440	754,698	655,607	717,567	173,606	—	—	—	—	—
Assigned, reported in:										
Special revenue funds	83,801	83,801	83,801	—	636	—	—	—	—	—
Reserved, reported in:										
Special revenue funds	—	—	—	—	—	82,207	82,673	82,651	82,627	82,589
Debt service funds	—	—	—	—	—	1,349,255	1,215,761	1,143,438	1,017,411	501,959
Capital projects funds	—	—	—	—	—	2,277,644	2,356,749	2,590,056	3,047,680	3,539,774
Unreserved, reported in:										
Special revenue funds	—	—	—	—	—	323,318	352,489	374,364	365,716	304,704
Capital projects funds	—	—	—	—	—	—	—	—	—	—
Total all other governmental funds	<u>2,037,660</u>	<u>1,722,442</u>	<u>1,683,333</u>	<u>1,461,923</u>	<u>1,201,311</u>	<u>4,032,424</u>	<u>4,007,672</u>	<u>4,190,509</u>	<u>4,513,434</u>	<u>4,429,026</u>
Total primary government	<u>\$ 7,722,524</u>	<u>\$ 2,949,840</u>	<u>\$ 2,315,752</u>	<u>\$ 2,328,526</u>	<u>\$ 1,821,168</u>	<u>\$ 4,010,352</u>	<u>\$ 4,197,265</u>	<u>\$ 4,262,761</u>	<u>\$ 4,079,199</u>	<u>\$ 4,183,622</u>

Note: The City implemented GASB Statement #54 in 2011 and prepared this schedule prospectively.

CITY OF CAYCE, SOUTH CAROLINA

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

LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenue										
Property taxes	\$ 3,776,095	\$ 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
Hospitality taxes	697,654	—	—	—	—	—	—	—	—	—
Licenses and permits	6,969,845	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
Fines and forfeitures	329,068	268,380	223,204	316,604	328,356	282,399	284,215	239,960	337,679	352,974
State shared revenue	497,025	470,411	504,646	447,544	489,425	541,999	613,976	625,855	594,905	507,669
Current services	848,100	534,410	692,536	658,095	620,316	601,501	668,994	636,283	625,946	630,328
Grants and other	1,953,891	502,037	697,009	970,574	504,317	494,349	366,262	327,625	1,310,757	851,139
Interest income	1,777	1,813	2,308	4,054	9,497	9,485	21,309	96,836	144,116	138,341
Total revenue	\$15,073,455	9,753,181	9,131,773	10,264,043	8,249,194	8,126,120	8,090,362	7,845,431	8,357,733	7,440,635
Expenditures¹										
Current:										
General government	418,861	335,743	257,965	237,577	243,093	322,933	334,079	410,300	456,196	441,767
Information technology	78,293	90,231	106,187	73,396	—	—	—	—	—	—
Finance	49,747	62,061	69,766	87,707	69,582	68,791	132,174	133,598	196,415	198,075
Public safety	4,972,902	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
Planning and community development	618,430	569,700	625,823	603,295	3,253,279	498,344	496,265	390,710	332,888	339,632
Public works	1,309,947	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
Parks and museum	662,474	661,278	590,580	549,481	407,817	407,097	396,719	355,486	385,507	345,502
Garage	237,940	249,836	261,917	250,402	165,610	154,796	118,365	135,652	238,020	188,514
Non-department and support services	26,476	15,601	24,853	511,974	863,085	1,504,764	1,559,494	1,518,150	1,397,835	1,422,192
Debt service and other financing:										
Principal	672,857	666,678	664,914	685,536	573,730	581,740	580,340	882,569	518,350	545,554
Interest	55,817	89,405	109,691	123,814	128,430	145,968	166,919	176,465	193,663	232,889
Capital outlay	1,213,999	323,518	473,210	460,431	804,800	381,641	510,656	1,019,876	834,374	1,260,414
Total expenditures	10,317,743	9,374,024	9,334,547	9,471,581	10,937,871	8,469,146	8,766,674	9,045,522	8,462,156	8,796,943
Excess (deficiency) of revenue over expenditures	4,755,712	379,157	(202,774)	792,462	(2,688,677)	(343,026)	(676,312)	(1,200,091)	(104,423)	(1,356,308)

— CONTINUED —

CITY OF CAYCE, SOUTH CAROLINA
 CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
 (Modified accrual basis of accounting)

—CONTINUED—

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other Financing Sources (Uses)										
Proceeds from sales of assets	16,972	254,931	—	—	—	—	—	—	—	—
Installment purchase contracts	—	—	190,000	755,402	499,493	156,113	190,059	340,176	—	322,975
Transfers in	423,300	456,887	42,589	437,747	939,470	38,326	459,522	1,082,135	38,533	37,552
Transfers (out)	(423,300)	(456,887)	(42,589)	(437,747)	(939,470)	(38,326)	(38,765)	(38,658)	(38,533)	(86,142)
Total other financing sources (uses)	16,972	254,931	190,000	755,402	499,493	156,113	610,816	1,383,653	—	274,385
Net change in fund balances before extraordinary item	4,772,684	634,088	(12,774)	1,547,864	(2,189,184)	(186,913)	(65,496)	183,562	(104,423)	(1,081,923)
Extraordinary Item – Fire	—	—	—	(1,040,506)	—	—	—	—	—	—
Net change in fund balances	4,772,684	634,088	(12,774)	507,358	(2,189,184)	(186,913)	(65,496)	183,562	(104,423)	(1,081,923)
Fund balances, beginning of year	2,949,840	2,315,752	2,328,526	1,821,168	4,010,352	4,197,265	4,262,761	4,079,199	4,183,622	5,265,545
Fund balances, end of year	<u>\$7,772,524</u>	<u>\$ 2,949,840</u>	<u>\$ 2,315,752</u>	<u>\$2,328,526</u>	<u>\$1,821,168</u>	<u>\$4,010,352</u>	<u>\$4,197,265</u>	<u>\$4,262,761</u>	<u>\$4,079,199</u>	<u>\$4,183,622</u>
Debt service as a percentage of non-capital expenditures	8%	9%	10%	10%	7%	10%	10%	15%	10%	12%

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

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)				
2006	\$ 25,067,670	\$ 10,784,460	\$ 5,976,860	\$ (3,356,000)	\$ 38,472,990	40.50	\$ 654,096,861	.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%
2015	34,138,570	34,547,080	5,994,890	(24,197,850)	50,482,690	44.17	873,465,498	5.9%

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

PROPERTY TAX RATES — DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS
(Rate per \$1,000 of assessed value)

<u>Fiscal Year</u>	<u>City Millage ⁽¹⁾</u>	<u>County Millage</u>	<u>School District Millage</u>	<u>All Other Districts</u>	<u>Total Millage</u>
2006	42.500	64.639	168.400	20.331	295.870
2007	42.500	67.132	173.150	21.022	303.804
2008	44.500	70.692	178.600	25.113	318.905
2009	46.000	73.931	178.600	23.617	322.148
2010	46.000	74.238	178.600	22.468	321.306
*2011	41.250	70.428	176.210	22.013	309.901
**2012	46.930	71.709	176.210	22.690	317.539
2013	43.270	73.768	176.210	22.402	315.650
2014	44.170	76.728	176.210	22.502	319.610
2015	44.170	77.178	176.210	24.002	321.560

Source: Lexington County Auditor, Final Millage Reports.

* Reassessment year effect on City Millage.

**For 2012 City Millage increase was due mainly to a one year only increase of 5 mills to help with the prior year budget deficiency as allowed by State law.

(1) Section 6-1-320 of Act 388 of the South Carolina Code of Laws establishes millage caps for local governing bodies equal to the increase in the average of the twelve monthly consumer price indexes for the most recent twelve-month period (January – December of the preceding calendar year), plus beginning in 2008, the percentage increase in the previous year in population growth as determined by the Office of Research and Statistics of the State Budget and Control Board.

CITY OF CAYCE, SOUTH CAROLINA
 PRINCIPAL PROPERTY TAX PAYERS
 COMPARISON OF 2015 TO 2005

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Taxpayer	Type of Business	2015			2005		
		Assessment	Rank	Percentage of Total Assessed Valuation	Assessment	Rank	Percentage of Total Assessed Valuation
SCANA, Inc (SCE&G INCLUDED)	Electric Utility	\$ 23,806,630	1	31.88%	\$ 1,596,520	2	4.01%
Owen Electric Steel Co. of S.C.	Manufacturer, Steel	5,412,410	2	7.25%	4,769,820	1	14.65%
Riverside Columbia LP	Apartments	1,065,600	3	1.43%	547,580	4	1.62%
Bell South Telecommunication, Inc.	Telecommunication	729,600	4	0.98%	1,498,090	3	4.57%
Farm Bureau Insurance of S.C.	Insurance	719,880	5	0.96%	438,270	6	1.33%
EDR Cayce, LLC	Apartments	614,290	6	0.82%	408,710	7	1.21%
Parkland Partnership	Shopping Center	508,990	7	0.68%	461,530	5	1.46%
Granby Crossing, L.P.	Apartments	448,820	8	0.60%	406,200	8	1.20%
CMC Steel	Metal Fabricators	336,280	9	0.45%	-	-	-
Cole CV Cayce SC LLC	Real Estate	297,000	10	0.40%	-	-	-
Cayce Commons Shopping Ctr	Shopping Center	280,500	11	0.38%	-	-	-
Southern First Bank National	Banking	272,100	12	0.36%	-	-	-
Brickworks Associates LLC	Land Development	238,800	13	0.32%	-	-	-
AVTX Edenwood Associates LLC	Real Estate	225,940	14	0.30%	-	-	-
Bi-Lo LLC	Grocer	215,310	15	0.29%	-	-	-
WED Properties LLC	Real Estate	201,600	16	0.27%	-	-	-
WRH Edenwood LTD	Apartments	200,520	17	0.27%	157,230	15	0.46%
Cayce Crossing, L.P.	Shopping Center	190,780	18	0.26%	249,850	11	0.74%
W.P. Hylton, LLC (Park Place 440)	Real Estate	180,950	19	0.24%	-	-	-
Virginia American Industries, Inc. (RECO)	Manufacturer, Industrial Tanks	179,240	20	0.24%	161,660	13	0.51%
The BOC Group, Inc.	Real Estate	-	-	-	288,010	9	0.77%
Southeastern Concrete Products	Manufacturer, Concrete	164,500	-	0.22%	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	116,310	-	0.16%	143,320	16	0.42%
CINTAS Corporation	Laundry/Uniform Service	47,410	-	0.06%	142,270	17	0.42%
Love Chevrolet	Car Dealership	124,050	-	0.17%	136,260	18	0.40%
Sellers & Son Holding Co.	Real Estate	144,530	-	0.19%	128,260	19	0.38%
Pilot Travel Centers, LLC	Gasoline Stations	94,000	-	0.13%	112,270	20	0.33%
Total		\$ 36,894,690		49.40%			
Total Assessed Value (Includes FILOT)		\$ 74,680,540					
Total Assessed Value (Not Including FILOT)		\$ 50,482,690					

Source: Lexington County Auditor's Office.

CITY OF CAYCE, SOUTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS¹
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ²	Amounts Collected within the Fiscal Year by Year of Levy			Percentage of Levy	Total Collections Received in Fiscal Year for All Levies ³
		Current Amount	Delinquent Amounts	Total		Total
2006	\$ 1,575,138	\$ 1,396,515	\$ 59,812	\$ 1,456,326	92%	\$ 1,448,144
2007	1,584,077	1,362,656	107,696	1,470,351	93%	1,422,356
2008	1,692,004	1,480,304	19,519	1,499,823	89%	1,542,832
2009	1,843,767	1,591,476	62,372	1,653,848	90%	1,650,292
2010	1,897,309	1,691,680	109,438	1,801,118	95%	1,854,051
2011	1,826,802	1,624,572	121,708	1,745,280	96%	1,873,739
2012	2,165,282	1,878,733	65,402	1,944,135	90%	1,945,144
2013	2,027,828	1,788,626	84,273	1,872,899	92%	1,884,856
2014	2,068,820	1,832,965	67,261	1,900,227	92%	1,926,015
2015	2,162,503	1,912,049	48,445	1,960,494	91%	2,007,323

- 1) Collections do not include applicable penalties, interest, motor carriers, and fees-in-lieu-of-taxes (FILOT), payments from Richland County, or property taxes received from redevelopment areas for Tax Increment Financing bonds.
- 2) Information from the Lexington County Treasurer's Office, inclusive of abatements and supplements.
- 3) Property taxes are billed and collected by county governments. Real property taxes are reported by the county on a calendar-year and levy-year basis, while personal property taxes are levied on a monthly basis. Total collected amounts reported by the county differ slightly to amounts reported by the City.

Source: Lexington County Treasurer.

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			
2006	\$ —	\$ 4,345,376	\$ 638,046	\$ 22,030,000	\$ 1,448,7461	\$ —	\$ 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
2015	—	949,858	224,242	13,945,000	33,825,489**	—	48,944,589	16.1%	3,779

*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.

**As of June 30, 2015, the Series 2004 Water and Sewer System Refunding and Improvement Revenue Bonds were in-substance defeased and are excluded from this amount.

CITY OF CAYCE, SOUTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Total General Bonded Indebtedness</u>	<u>Percentage of Assessed Value of Taxable Property</u>	<u>Per Capita</u>
2006	—	—	—
2007	—	—	—
2008	—	—	—
2009	—	—	—
2010	—	—	—
2011	—	—	—
2012	—	—	—
2013	—	—	—
2014	—	—	—
2015	—	—	—

The City has no current general obligation bonds outstanding.

Source: City of Cayce Finance Department.

CITY OF CAYCE, SOUTH CAROLINA
TOTAL DIRECT AND OVERLAPPING DEBT
JUNE 30, 2015

<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	\$ 1,183,327,270	\$ 45,590,380	5.98%	\$ 2,726,305
Lexington School District 2	279,988,590	321,565,000	25.27%	81,259,476
Lexington Recreation District	880,734,480	36,480,000	8.03%	2,929,344
Riverbanks Zoo	1,183,327,270	15,339,588	5.98%	917,307
Total Overlapping General Bonded Debt		\$ 418,974,968		\$ 87,832,432
Direct City Governmental Activities Debt Outstanding				
Tax Increment Financing (TIF) Revenue Bonds				\$ 949,858
Installment Purchase Contracts				224,242
Total Direct City Governmental Activities Debt Outstanding				\$ 1,174,100
Total Governmental Activities Direct & Overlapping Debt				\$ 89,006,532

Source: Lexington County Finance Department and City of Cayce 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 as compared with the County.

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Assessed Valuation	\$50,482,690	\$48,551,450	\$47,860,580	\$46,923,977	\$46,896,540	\$41,923,380	\$40,062,950	\$38,830,640	\$37,573,215	\$38,472,990
Maximum General Obligation Debt limited to 8% of total assessed valuation (1)	4,038,615	3,884,116	3,828,846	3,753,918	3,751,723	3,353,870	3,205,036	3,106,451	3,005,857	3,077,839
Outstanding bonds chargeable to bond limit	—	—	—	—	—	—	—	—	—	—
Legal debt margin	<u>\$ 4,038,615</u>	<u>\$ 3,884,116</u>	<u>\$ 3,828,846</u>	<u>\$ 3,753,918</u>	<u>\$ 3,751,723</u>	<u>\$ 3,353,870</u>	<u>\$ 3,205,036</u>	<u>\$3,106,451</u>	<u>\$3,005,857</u>	<u>\$3,077,839</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

1) Article 10, Section 14.7 of the South Carolina Constitution limits general obligation debt to 8% of the assessed value of all taxable property. Does not include FILOT.

Source: Lexington County Auditor's Office.

CITY OF CAYCE, SOUTH CAROLINA

PLEDGED REVENUE — REVENUE BOND COVERAGE WATER AND SEWER ENTERPRISE FUND

LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Gross Revenues ⁽¹⁾	\$ 15,005,544	\$ 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
Expenses of Operating and Maintaining the System ⁽²⁾	(9,159,617)	(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)
Net Revenues	\$ 5,845,927	\$ 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
Combined Debt Service Requirements ⁽³⁾	\$ 4,774,334	\$ 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
Debt Service Coverage ⁽⁴⁾	122%	114%	123%	127%	139%	138%	124%	143%	185%	161%

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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,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net Revenues	\$ 5,845,927	\$ 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
Capital Facility Charges	1,604,279	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
Total	\$ 7,450,206	\$ 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
Combined Debt Service Requirements ⁽³⁾	\$ 4,774,334	\$ 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
Debt Service Coverage ⁽⁵⁾	156%	147%	229%	431%	646%	403%	180%	210%	236%	228%

- 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
 CONSTRUCTION VALUES
 LAST TEN FISCAL YEARS

COMMERCIAL PERMITS VALUES TEN FISCAL YEAR REPORT

Occurrence	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Alterations	\$ 2,024,358	\$ 1,433,524	\$ 4,355,520	\$ 583,964	\$ 1,485,764	\$ 1,445,301	\$ 5,027,581	\$ 1,124,891	\$ 2,346,231	\$ 804,889
Additions	—	1,159,300	1,171,880	368,348	94,692	74,256	565,615	9,311,921	31,860	439,200
New Construction	205,910	9,812,273	1,084,624	78,420	105,830	62,060,078	42,184,048	62,749,070	53,319,654	3,599,775
Sub-total:	2,230,268	12,405,097	6,612,024	1,030,732	1,686,286	63,579,635	47,777,244	73,185,882	55,697,745	4,843,864
Signage	63,914	78,430	73,417	44,130	88,105	169,376	93,959	84,372	111,034	97,025
Commercial Totals	\$ 2,294,182	\$ 12,483,527	\$ 6,685,441	\$ 1,074,862	\$ 1,774,391	\$ 63,749,011	\$ 47,871,203	\$ 73,270,254	\$ 55,808,779	\$ 4,940,889

RESIDENTIAL PERMITS VALUES TEN FISCAL YEAR REPORT

Occurrence	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Alterations	\$ 1,227,438	\$ 959,069	\$ 1,558,973	\$ 976,387	\$ 804,757	\$ 2,236,743	\$ 882,040	\$ 926,205	\$ 1,699,842	\$ 1,211,767
Additions	311,499	258,552	297,543	192,946	226,930	225,550	201,607	826,408	565,569	341,180
Multi-Family	35,670,684	—	—	1,354,057	—	—	—	—	—	—
Single-Family	6,684,947	8,230,264	7,917,316	4,105,918	676,678	3,518,000	9,898,625	5,075,670	8,989,979	11,506,440
Residential Totals:	\$ 43,894,568	\$ 9,447,885	\$ 9,773,832	\$ 6,629,308	\$ 1,708,365	\$ 5,980,293	\$ 10,982,272	\$ 6,828,283	\$ 11,255,390	\$ 13,059,387
Yearly Grand Total:	\$ 46,188,750	\$ 21,931,411	\$ 16,459,273	\$ 7,704,170	\$ 3,482,756	\$ 69,729,304	\$ 58,853,475	\$ 80,098,537	\$ 67,064,169	\$ 18,000,276

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

Per Year 2010 Census¹	Cayce⁵	Lexington County⁴	South Carolina⁴
Total Population (2012 estimate)	12,951	277,888	4,832,482
Per Capita Income (in 2010 dollars)	\$ 23,523	\$ 26,886	\$ 23,943
Median Household Income (in 2010 dollars)	\$ 43,776	\$ 54,061	\$ 44,779
Median Family Income (in 2010 dollars)	\$ 54,845	\$ 66,099	\$ 55,058
Total Personal Income (in 2010 dollars)	\$ 304,646,373	\$ 7,471,296,768	\$ 115,704,116,526

Population Estimates¹ (July 1, 2014)	Cayce	Lexington County	South Carolina
2005	12,307	232,989	4,249,385
2006	12,478	237,957	4,324,799
2007	12,533	242,797	4,404,614
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	12,626	266,547	4,673,509
2012	12,772	270,272	4,723,417
2013	12,860	273,752	4,774,839
2014	12,951	277,888	4,832,482

Unemployment Rates² (Annual Average)²	Cayce	Lexington County	South Carolina
2005	N/A	4.9	6.7
2006	N/A	4.7	6.4
2007	N/A	4.1	5.7
2008	N/A	4.9	6.8
2009	N/A	8.0	11.2
2010	N/A	8.2	11.2
2011	N/A	8.0	10.5
2012	N/A	7.0	9.2
2013	N/A	5.8	7.6
2014	N/A	5.1	5.6
2015 ³	N/A	5.4	6.0

Cayce's Income Demographics⁵	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.

² S.C. Department of Employment and Workforce.

³ Six month average from January 1, 2015 through June 30, 2015.

⁴ State demographic information for all categories, updated as of July 1, 2015.

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

PRINCIPAL EMPLOYERS

JUNE 30, 2015

(With comparative data from that first reported in CAFR, June 30, 2006)

Taxpayer		2015			2006		
		Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
SCANA, Inc	Electric Utility	2,278	1	26.8%	200	4	2.9%
SMI Steel	Manufacturer, Steel	385	2	4.5%	360	1	5.2%
Lexington School District 2	Public School System	265	3	3.1%	-	-	0.0%
Bi-Lo, LLC	Grocer	191	4	2.2%	-	-	0.0%
Farm Bureau Insurance of S.C.	Insurance	178	5	2.1%	175	5	2.5%
CINTAS	Uniform Provider	101	6	1.2%	-	-	0.0%
Krispy Kreme Doughnut Co.	Retail	72	7	0.8%	65	7	0.9%
Genuine Parts Co.	Parts Distributor	67	8	0.8%	-	-	0.0%
Love Chevrolet Co.	Car Dealership	57	9	0.7%	-	-	0.0%
Southeastern Concrete	Manufacturer, Concrete	40	10	0.5%	55	8	0.8%
Total		<u>3,634</u>		<u>42.8%</u>	<u>855</u>		<u>12.3%</u>
Approximate number employed within the City limits		<u>8,500</u>			<u>6,900</u>		

Note: Information obtained from Business License applications and phone calls to businesses.
Information does not include Governmental Institutions such as the City itself.

CITY OF CAYCE, SOUTH CAROLINA

FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Employees by Function/Program										
<u>Governmental Activities</u>										
General government:										
Legislative	5	5	5	5	5	5	5	5	5	5
Administrative	6	5	4	4	5	5	5	5	5	5
Recorder's court	3	2	2	1	1	1	1	1	1	1
IT***	1	1	1	N/A						
Finance:										
Accounting	3	3	3	3	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	8	9	9	9	9	8	9
Traffic/Victim's Advocate*	41	38	38	39	47	48	47	45	44	41
Fire **	15	12	9	9	—	—	—	—	—	—
Parks	2	NA								
Planning and community development:										
Administrative	4	4	6	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	17	16	16	16	16	16	15
Garage	5	5	5	5	5	5	4	4	4	4
Parks and museum:										
Museum	2	2	2	2	2	2	2	2	2	2
Parks	10	10	9	9	8	8	8	8	8	8
Subtotals	134	124	122	119	119	120	118	116	114	111
<u>Business-type Activities</u>										
Water and sewer utility:										
Administrative	11	12	8	8	7	7	6	6	6	6
Water treatment plant	10	9	10	10	10	10	10	10	10	10
Water distribution and maintenance*	13	13	14	14	14	14	13	12	12	12
Sewer collection and outfall lines*	13	12	12	12	10	9	9	9	9	9
Wastewater treatment plant	12	12	12	12	11	11	11	10	10	10
Wastewater Pre-treatment Plant****	3	1	—	—	—	—	—	—	—	—
Subtotals	62	59	56	56	52	51	49	47	47	47
Total	196	183	178	175	171	171	167	163	161	158

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 started July 1, 2012.

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

CITY OF CAYCE, SOUTH CAROLINA
 OPERATING INDICATORS AND CAPITAL ASSETS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>Governmental Activities</u>										
General government:										
Area in Square Miles	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	15	15
Population of City ¹	12,951	12,860	12,679	12,743	12,528	13,062	12,646	12,556	12,382	12,597
Public safety:										
Number of stations	4	6	6	6	6	6	6	6	6	6
Number of Police Officers	1	2	2	2	2	2	1	1	1	1
Number of Firefighters	6	12	9	9	7	7	7	7	5	5
Number of Public Safety Officers*	54	48	47	47	50	51	52	49	49	47
Dispatchers and Victim's Advocate	8	8	6	6	6	6	6	6	6	6
Number of arrests	685	1,121	887	728	830	523	992	898	938	945
Number of emergency incidents	8,470	6,800	2,968	5,295	9,388	10,494	8,781	2,403	4,535	4,634
Planning and community development:										
Permits issues	744	300	917	276	239	341	376	349	317	397
Estimated cost of construction	46,188,750	21,931,411	16,459,273	7,704,170	3,482,756	69,725,305	58,853,475	80,098,537	67,064,169	18,000,276
Public works:										
Active vehicles in vehicle replacement plan	156	146	152	149	130	122	122	120	119	115
Refuse collected (average tons per day)	25.0	23.19	44.4	35.3	48.0	47.8	17.58	13.43	14.10	18.84
Recyclables collected (average tons per day)	2.0	1.26	1.18	1.06	1.05	1.04	1.14	1.40	3.00	1.27
Parks and museum:										
Number of parks	9	9	9	9	8	8	8	6	6	6
Number of playgrounds	5	5	5	5	5	5	4	3	3	1
Museum complex	1	1	1	1	1	1	1	1	1	1

¹Based on latest U.S. Census or estimates

*Excludes Animal Control, Dispatchers, and Victim's Advocate personnel.

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

— CONTINUED —

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>Business-type activities</u>										
Water and sewer utility:										
Number of water customers – end of period	8,436	8,245	8,222	8,490	8,337	7,329	7,248	7,230	7,098	7,071
Number of sewer customers – end of period	12,146	11,595	11,893	12,150	10,812	10,757	10,651	10,629	8,424	6,792
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	2,790,000	2,730,000	3,070,000	3,090,000	3,050,000	3,000,000	3,310,000	4,530,000	3,220,000
Peak average filtration flow – water GPD	3,740,000	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
Peak daily filtration flow – water GPD	4,771,900	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
Wastewater plant treatment capacity per day – gallons	25,000,000	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
Average daily treated flow – wastewater GPD	7,743,000	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
Peak average treated flow – wastewater GPD	8,900,000	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
Peak daily treated flow – wastewater GPD	16,490,000	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
Number of miles of water mains owned by City	216.3	215.9	214.8	214.0	210.5	207	128	124	123	121
Number of miles of sewage collection lines owned by City	268.5	266.3	265.7	265	260	260	158	156	152	123

Source: City of Cayce Finance and Utility Departments.

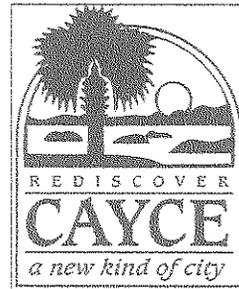
Note: Information mostly obtained through internal reports and records.

CITY OF CAYCE, SOUTH CAROLINA

COVER STORY

PHOTOGRAPH: MORNING GLORY BY GARY WILSON

IMAGE OF CAYCE RIVERWALK FEATURED IN THE CITY OF CAYCE 2015 - 2016 CALENDAR



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