

**CITY OF CAYCE
Special Meeting
January 26, 2007**

A Special meeting of Cayce City Council was held today at 8:00 a.m. in the City Hall Conference Room. Those present included Mayor Avery B. Wilkerson, Jr., Councilmen James Jenkins, Robert Malpass, and Rick Myers, City Manager John C. Sharpe, Municipal Clerk, Tammy Barkley, and Municipal Treasurer, Garry Huddle. Councilman Jumper was unable to attend due to family illness. Mayor Wilkerson advised that members of the press and the public were duly notified of the meeting in accordance with the FOIA.

Mayor Wilkerson opened the meeting with the invocation and led everyone in the Pledge of Allegiance.

Other

- A. Presentation by Mr. Robert Milhous, CPA, PA – FY2005-2006 Comprehensive Annual Financial Report

Mr. Robert Milhous appeared before Council to review the FY2005-2006 Comprehensive Annual Financial Report (CAFR) as prepared by Mr. Milhous and his associates. Mr. Milhous stated that his presentation would include review of the highlights of the report. He noted that within the Table of Contents the report is broken down in three broad categories. He stated that the third section under the financials is a new section required by the Government Accounting Standards Board (GASB).

Mr. Milhous reviewed the financial section with Council. He then reviewed the statistical section. Overall, Mr. Milhous stated that the integrity of the city's financial records is sound and that the audit report is an unqualified report (there are no exceptions internal control problems, or discrepancies with the audit). He stated that the city is operating on a very lean budget and there is not much excess. He advised Council that the city does not have a contingency reserve in place and that while citizens may want the city to run on a lean budget, it only takes one disaster to put the city in trouble. The City Manager stated that the majority of revenues for General Fund is from millage and business license fees. Mr. Milhous thanked Council for the opportunity of working with the city on this project.

There being no further business, the meeting adjourned at 9:00 a.m.

City of Cayce
Council Minutes of 1/26/07
Page 2

Avery B. Wilkerson, Jr., Mayor

ATTEST:

Tammy P. Barkley, CMC, Municipal Clerk