

**CITY OF CAYCE
Special Meeting
April 23, 2008**

A Special meeting of Cayce City Council was held this afternoon at 3:00 p.m. in the Conference Room. Those present included Mayor Avery B. Wilkerson, Jr., Councilmen Skip Jenkins, Robert Malpass, and Rick Myers, City Manager John C. Sharpe, and Tammy Barkley, Municipal Clerk. City Attorney, Danny Crowe was also in attendance. Councilman Kenneth Jumper was unable to attend due to 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 called the meeting to order. Mayor Wilkerson opened the meeting with the invocation and led everyone in the Pledge of Allegiance.

Other

- A. Approval of Proclamation – Motorcycle Awareness Month

Council considered for approval a Proclamation proclaiming the month of May as Motorcycle Awareness Month. Mr. Malpass made a motion to approve the Proclamation. Mr. Jenkins seconded the motion which was unanimously approved.

- B. Presentation by Mr. Morgan Armstrong, Planned Benefits Service

Mr. Morgan Armstrong of Planned Benefits Service appeared before Council to discuss the requirements of GASB 45 and the City's health insurance renewal.

1. GASB 45

Mr. Armstrong explained in detail the new reporting requirements of GASB 45 in reference to retirees receiving other post employment benefits (health insurance). After discussion, Mr. Malpass suggested that the City Manager and Mr. Armstrong make a recommendation to Council regarding the HRA versus irrevocable

trust account for the program and changes that could be made regarding this issue.

2. Heath Insurance Renewal

Council was provided with options on the health insurance renewal and an overview of the changes that were made to the program for the FY2008-2009 fiscal year. He stated that the city experienced a good claims ratio. He recommended that Council continue with the HRA account. He explained each renewal option to Council stating that his recommendation was to choose the BCBS Alternative 1 which reduces the co-pay for office visits and prescription costs for employees. All other benefits would remain the same. He stated that this option is a 13.7% increase in rates. Council discussed other options in detail.

Executive Session

- A. Receipt of legal advice relating to matters covered by the attorney-client privilege

Mr. Malpass made a motion to move into Executive Session to discuss the matter above. Mr. Myers seconded the motion which was unanimously approved.

Reconvene

After the Executive Session was concluded, the Special meeting was reconvened. Mayor Wilkerson announced that no vote was taken in Executive Session other than to adjourn and resume the Special meeting.

Possible actions by Council in follow up to Executive Session

Mr. Malpass made a motion to have the City give public notice that the City is accepting written comments from Cayce citizens on the revised FEMA flood insurance maps that are under public review, to designate the City Manager to receive the written comments from Cayce citizens and to make a recommendation to Council at the May 6, 2008 Council Meeting on the City's response to FEMA. Mr. Jenkins seconded the motion which was unanimously approved.

- C. Approval of Ordinance Re Letter of Credit – Bonds of 2004 and 2007 Debt Service Reserve Fund – First Reading

Council considered for first reading approval, an Ordinance authorizing the purchase Letters of Credit for the 2004 and 2007A Revenue Bonds to replace the debt service reserve fund credit facility. The City Manager stated that Council has received the recommendation from the Bond Counsel as well as a copy of the Ordinance. Mr. Myers made a motion to approve the Ordinance on first reading. Mr. Jenkins seconded the motion. After discussion, the motion was unanimously approved.

D. Joint Venture Agreement – Lexington County Recreation Commission

Council considered for approval a Joint Venture Agreement with the Lexington County Recreation Commission for the construction of sports complexes in the City. Mayor Wilkerson stated that changes requested have been made and that the County Recreation Commission will be meeting in May to also consider the Agreement. Mr. Myers made a motion to approve the Joint Venture Agreement with the Lexington County Recreation Commission and to authorize the City Manager to execute the Agreement on behalf of the City. Mr. Malpass seconded the motion which was unanimously approved.

E. Continued Discussion Re FY08-09 Budget

The City Manager provided Council with an overview of the FY 2008-2009 draft budget. He stated that the draft budget had been prepared with the following assumptions:

- Expenditures have been reviewed to reflect current levels of spending where necessary, but overall expenses are flat with exceptions of accounts for auto operating expenses and electric and gas expenses.
- Since data for a millage cap increase has not been received, the CPI and growth factors from last fiscal year have been used. The City Manager stated that this will change once the current data is received and calculated.
- The draft budget includes a 3% cost of living increase for all employees.
- No new personnel positions/requests are included in the draft budget.
- No Capital requests are included in the draft budget.
- No GASB 45 line item is included to cover the other post employment benefits or liability at this time.
- Alternative 1 of the Hospital insurance renewal has been included in the budget.
- The Utility Fund uses revenues forecast by Bob Milhous which includes a 5% increase in water and sewer rates. He advised Council that Mr. Milhous will be making a presentation on the Utility Rate Structure at the scheduled May 20, 2008 Special Meeting.

The City Manager provided Council with a list of proposed dates for budget workshops, Special and Regular meetings.

There being no further business, meeting adjourned at 6:00 p.m.

Avery B. Wilkerson, Jr., Mayor

ATTEST:

Tammy P. Barkley, CMC, Municipal Clerk