



South Carolina Association of Counties
46th Annual Conference • August 4-7, 2013

2013 President's Report

President Charles T. Edens

SCAC 2012-2013 OFFICERS

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Sumter County
Council

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Council Vice Chariman

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William T. Noonan
Sumter County
Special Projects Director

Treasurer



Belinda D. Copeland
Darlington County
Treasurer



South Carolina Association of Counties

Charles T. Edens, President
Sumter County

Michael B. Cone
Executive Director

A Letter from the President

Dear County Officials,

The *President's Report* is a reflection of the many programs and efforts of the South Carolina Association of Counties (SCAC) over the past year. As you know, it has been a very active and productive year. This is attributable to each one of you and the role you play in keeping this Association responsive to the ever-changing needs of county government.

We hope you will take the time to read through this report to learn more about the Association's many service programs and how they can assist your county. SCAC is one of the premier county associations in the country. We are fortunate to have strong leadership in our Board of Directors and a staff that is knowledgeable, capable, and responsive to your requests for assistance.

I encourage each of you to continue to be actively involved in your Association. We face enormous challenges in the years ahead and we need to be vigilant to protect Home Rule. Specifically, we must work together to fight the private, out-of-state waste management companies in their push for the solid waste flow control bill, which would negatively impact all of our counties. We must also communicate the impact to county services and programs when the Legislature does not meet its obligation of fully funding the Local Government Fund. When we work together we can make tremendous progress in reaching our goal of *"Building Stronger Counties for Tomorrow."*

It has been a privilege and honor to serve with you in county government and to serve as SCAC President this year. I greatly appreciate your support during my term. It is a memory I will cherish always.

Sincerely,

Charles T. Edens
Sumter County Council
2012-2013 SCAC President

PRESIDENT'S REPORT

SOUTH CAROLINA ASSOCIATION OF COUNTIES

46TH ANNUAL CONFERENCE • AUGUST 4-7, 2013
MARRIOTT HOTEL, HILTON HEAD ISLAND

President Charles T. Edens

This Report to the Membership of the South Carolina Association of Counties
Covers the Period from August 2012 to August 2013

General Information

The South Carolina Association of Counties (SCAC) was chartered on June 22, 1967, and operates as a non-partisan, nonprofit corporation under the laws of the State of South Carolina. It is the only organization dedicated to the statewide representation of county government in South Carolina. The Association strives to ***Build Stronger Counties for Tomorrow*** by working with member counties in the fields of research, information exchange, educational promotion, and legislative reporting.

Membership in SCAC includes all 46 counties, which are represented by elected and appointed county officials dedicated to improving county government. By virtue of a county's membership, all of its officials become participants in the Association. SCAC operates under a Constitution and Bylaws established by the membership. It is governed by a 29-member Board of Directors composed of county officials from across South Carolina, elected by county officials at the Association's Annual Conference.



The Association owns office facilities in Columbia and employs a 32-member staff. SCAC's offices are located at 1919 Thurmond Mall in the Pavilion Office Park off of Richland Street in the Congaree Vista in the City of Columbia, Richland County. The building is used exclusively for service programs offered by the Association to its members. In addition, the training room provides a comfortable environment for SCAC training programs and webcasts. Numerous state and local government groups also use the building's facilities for their meetings.

SCAC's offices at 1919 Thurmond Mall in the Pavilion Office Park,
off of Richland Street in the City of Columbia, Richland County.

Conferences

SCAC provides many opportunities for county officials to meet and learn, among them:

- **Mid-Year Conference for County Officials** — Held in late winter in Columbia, this conference enables all county officials to become better informed about the Association’s legislative program. The Association also hosts a reception for members of the S.C. General Assembly during the conference.
- **Annual Conference** — Held in August, this conference is open to all elected and appointed officials. The conference includes educational programs, workshops, group meetings, business and general sessions, and exhibits of vendor products and services.
- **Legislative Conference** — Held in December, this conference allows members of the Legislative Committee to discuss and adopt a legislative program for the coming year. The committee is composed of each council chair along with the Association’s Board of Directors.



Education and Training

Institute of Government for County Officials

SCAC established the Institute of Government for County Officials in 1989, in cooperation with the Institute for Public Service and Policy Research at the University of South Carolina and the Strom Thurmond Institute of Government and Public Affairs at Clemson University.

Over the years, the program has been retooled to provide the knowledge and skills that county officials need in order to be effective leaders. In 2012, the curriculum was enhanced to reflect emerging issues in county government, changes in state law, and comments from participant evaluations. Three new courses were added to address employment law, the changing demographics of counties and the county workforce, and best practices for measuring and reporting organizational performance.

Requirements for certification are 27 contact hours for Level I and 18 contact hours for Level II.

A minimum of 16 courses are offered each year, through sessions held prior to the Association’s Mid-Year Conference, Annual Conference, and fall meeting of the County Council Coalition. At the end of each class, participants must complete a form to certify that they have attended and completed the course. Total class attendance during the past year exceeded 500 persons, showing county officials’ commitment to educating themselves about their roles and responsibilities.

Four of the Institute of Government courses are approved by the State Education Planning Advisory Committee for continuing education credit for local planning and zoning officials and employees (*see Training for Local Planning/Zoning Officials and Employees*).

Orientation Training for Newly-Elected Council Members

On December 4, SCAC welcomed to its offices in Columbia 24 of the 36 county council members who were elected in November as “first-timers” on county council. The purpose was to provide a full day of orientation training for the newly-elected officials prior to their taking office in January. This training was designed to provide a thorough insight into the roles and responsibilities of county officials and how the Association and its programs and services will be a valuable resource for them.

Orientation training for newly-elected county council members is held after the November election in even-numbered years. It is a cooperative effort of the Association and the Institute for Public Service and Policy Research at the University of South Carolina. This training is provided free of charge.

The morning training session focused on roles and responsibilities of county council members including an overview of council’s job description, a discussion of the difference between making policy and carrying out that policy, and areas in which the council must provide policy leadership. The characteristics of an effective council were examined, along with guidelines for communicating with constituents and monitoring and evaluating organizational performance. Also included

was a review of the forms of county government and the services that counties provide. Emphasis was placed on relationships with other county officials and staff.

The afternoon session provided information on county risk management and liability. County council members were shown how to navigate SCAC’s website to obtain information about any number of county issues, statistics, surveys, and publications. The requirements of the Freedom of Information Act were reviewed, and time was provided for questions and answers. The importance of ethics in government was discussed — including why ethics matters, ethical principles and values, and providing ethical leadership. The afternoon also included a primer on budget basics and funding sources.

By attending orientation, newly-elected council members were enrolled in the Institute of Government for County Officials. Each participant earned six hours of credit toward the 27 contact hours required to receive their certificate from Level I. For those who were unable to attend the December training, an opportunity to receive this information was provided at SCAC’s Mid-Year Conference in February.



In cooperation with the Institute for Public Service and Policy Research at the University of South Carolina, SCAC provided a full day of orientation for 24 of the 36 newly-elected council members.

Webcast Training

For 17 years, SCAC has provided training to county officials and employees via distance education programs.

In 2012, the Association began to provide webcast training programs from its offices in Columbia. This method allows participants to watch the training live at county training facilities or from their individual computers, and to ask questions via e-mail during the webcast. The SCAC training room also accommodates employees from neighboring counties who wish to participate as members of the studio audience.

Each training session is also made available via streaming video through SCAC's website or a loaned DVD, so county officials and employees who are unable to participate in the live webcast can view it later.

SCAC's webcasts are a valuable tool for providing training at NO COST to the counties, and each session presents a great opportunity for county personnel to receive training on topics that are relevant to their professional responsibilities. The success of the webcasts can be seen through the number of counties and employees who participate regularly.

SCAC has also strengthened its distance learning capabilities by providing state-mandated orientation and continuing education training to local government planning and zoning officials and employees (*see Training for Local Planning/Zoning Officials and Employees*).

SCAC's 2012-13 Webcast Training Programs

- On September 20, 2012, Linda P. Edwards of Gignilliat, Savitz & Bettis, LLP presented “**Anti-Harassment: The Obvious and Not so Obvious**”. This webcast provided an overview of federal laws that address harassment in the workplace; defined illegal harassment; clarified common misconceptions; and introduced workplace practices to promote diversity, dignity, and respect. Nearly 800 participants from 37 counties viewed the live presentation.
- Edwin C. Thomas of Ed Thomas/Leadership, LLC presented “**Tapping into Generational Differences**” on March 14. This session helped participants understand generational differences and identify strategies for building an effective multi-generational workforce. More than 400 employees from 13 counties participated in the live webcast.
- SCAC's May 16 webcast, “**Current Planning and Zoning Issues for Urban and Rural Communities**”, provided three hours of continuing education training for planning and zoning officials and employees. Six instructors highlighted the importance of agriculture in planning; the advantages of using transferable development rights to preserve agriculture, open space, and housing; and the option of using form-based codes to designate the character and scale of development. The program also included an overview of the Moving Ahead for Progress in the 21st Century Act (MAP-21). More than 350 participants from 26 counties and eight municipalities viewed this live webcast.
- On October 24, SCAC will host the final webcast for 2013. “**Managing Your Time and Stress at Work**” will help participants learn to manage competing demands and ensure maximum productivity.

Training for Local Planning/Zoning Officials and Employees

Orientation Training

Act 39 of 2003 requires appointed officials who serve on a planning commission, board of zoning appeals, or board of architectural review, and planning professionals, zoning administrators/officials, or as deputies/assistants to these positions, to attend at least six hours of orientation training.

SCAC was the first entity to receive approval from the State Planning Education Advisory Committee to provide this required training to local planning and zoning officials and employees. In 2010, the Association updated its orientation training program to reflect changes in state law and comments from participant evaluations. The State Planning Education Advisory Committee approved the use of this new orientation program for a five-year period.

Part I of the orientation provides an overview of the Local Government Comprehensive Planning Enabling Act, followed by discussions on conducting meetings, parliamentary procedure, and the Freedom of Information Act. Part II covers the planning and zoning process, legal concepts in planning and zoning, and the S.C. Ethics Act. The programs can be viewed via streaming video through SCAC's website or DVDs on loan from the Association.

Continuing Education

Act 39 of 2003 also requires local planning and zoning officials and employees to complete three hours of continuing education each year, after the initial orientation program. Once again, SCAC was the first entity to receive approval from the State Planning Education Advisory Committee to provide this training; and the Association has updated its continuing education courses to address current issues and changes in state law.

Three courses, **“Advanced Issues in Land Use Planning and Zoning”**, **“Public Service Ethics: Understanding the Law and Beyond”**, and **“Current Planning and Zoning Issues for Urban and Rural Communities”** can be viewed via streaming video through SCAC's website or DVDs on loan from the Association.

The State Planning Education Advisory Committee has also approved four Institute of Government courses for continuing education credit for local planning and zoning officials and employees. These courses are:

- **“Economic Development”**;
- **“Planning and Land Use”**;
- **“Ethical Leadership and Public Service”**; and
- **“Managing and Conducting Meetings”**.

All courses offered are three contact hours, so one course fulfills the annual continuing education requirement for local government planning and zoning officials and employees.

Annual Conference Workshops

Training is also provided during SCAC's Annual Conference. Association group meetings provide opportunities for county officials to keep current with changes for a particular field of county government operations. In addition, county officials attending the Annual Conference may participate in up to two workshops offered concurrently on Monday, Aug. 5, from 2–3 p.m. and repeated from 3–4 p.m.:

- **“Current Issues for County Officials: Implications of the Solid Waste Flow Control Statute and a New Day for Issuer Liability”**
- **“Implications of the 2013 Legislative Session for Counties”**
- **“Making Your County More Cybersecure”**
- **“Tools and Considerations for Securing Federal and State Grants”**
- **“Understanding Your State Retirement Plan”**

SCAC Scholarship Programs

Since the establishment of its scholarship program in 1998, the Association has awarded more than \$85,000 in scholarships to 38 students. This year, SCAC proudly awarded \$2,500 scholarships to five outstanding high school seniors who plan to attend a South Carolina college or university in the fall.

SCAC's Presidential Scholarship is awarded annually to a graduating high school senior who resides in the same county as our current president (Charles T. Edens of Sumter County Council). **Shane M. Bishop** of Thomas Sumter Academy was awarded the 2013 Presidential Scholarship.

The Presidential Scholarship Selection Committee was chaired by Richland County Council Vice Chairman L. Gregory Pearce Jr. Other committee members were Charleston County Clerk of Court Julie J. Armstrong and Laurens County Council Chairman James A. Coleman.

SCAC also awarded four **Board of Directors Scholarships** to graduating high school seniors who are residents of counties chosen by lot by the Association. Calhoun, Clarendon, Darlington, and Orangeburg counties were selected for these awards.

Catherine H. Moore of Calhoun Academy; **V. Marie Fout** of Manning High School; **R. Brock Fletcher** of Mayo High School for Math, Science & Technology; and **Toni L. Salsgiver** of Orangeburg Preparatory School were each awarded a Board of Directors Scholarship.

SCAC's Scholarship Selection Committee for Calhoun County was chaired by Darlington County Treasurer Belinda D. Copeland. Chester County Council Vice Chairman Joe Branham and Sumter County Council Member Charles T. Edens were the other committee members.

Barnwell County Administrator F. Pickens Williams Jr. chaired the Scholarship Selection Committee for Clarendon County. Lexington County Council Chairman William B. Banning Sr. and Orangeburg County Council Chairman Johnnie Wright Sr. also served on this committee.

The Scholarship Selection Committee for Darlington County was chaired by Diane B. Anderson of Laurens County Council. Other members were William T. Noonan, Sumter County Special Projects Director, and Ronnie Young, Aiken County Council Chairman.

Florence County Council Member Waymon Mumford chaired the Scholarship Selection Committee for Orangeburg County. R. David Brown of Fairfield County Council and Claude Thomas of Abbeville County Council also served on this committee.

SCAC's scholarship selection committees met in the spring to evaluate applicants for these awards. Scholarship applicants must complete an application form and submit an essay about their goals and aspirations. They are also required to provide letters of recommendation, a transcript, and a description of their community involvement. Financial need—as it relates to the receipt of other scholarships—is also considered by the committees.

SCAC presents a plaque to each scholarship recipient during their school awards ceremony. The Association also recognizes the achievements of the scholarship recipients by placing their names on commemorative plaques in the SCAC offices in Columbia and announcing the awards in the Association's newsletter, *Carolina Counties*.



Research and Technical Assistance

Each year, the Association's staff responds to hundreds of inquiries from county officials and employees ranging from simple requests for a sample ordinance to more complex questions requiring considerable research. SCAC conducts numerous surveys and has developed many helpful research publications that are updated on a regular basis in an effort to keep county officials and staff informed. Many of these resources are available on SCAC's Research and Technical Assistance web pages at:

www.sccounties.org/research

Surveys

A sample of county surveys conducted during the past year includes topics such as health plans for county employees, euthanasia within animal control departments, support of legislative delegations, and cost-of-living adjustments for county employees. Once survey responses are finalized, a summary is either published on SCAC's website or made available to counties upon request.

This year, SCAC enlisted the assistance of Clemson University's Strom Thurmond Institute of Government and Public Affairs, Francis Marion University, and the University of South Carolina's Institute for Public Service and Policy Research to undertake a study to determine the financial impact certain state mandates have on county government in South Carolina. The results of this comprehensive survey were published in a final report: *The Fiscal Impact of Selected State Mandates on County Governments*. The report was used by SCAC staff during this year's legislative session and will continue to serve as a reference for unfunded mandates information. The publication is available online at www.sccounties.org/publications.

Property Tax Report

SCAC published *2012 Property Tax Rates by County* in January 2013. This report is the most comprehensive, up-to-date listing of county property tax millages. County auditors provided information regarding their county's operating millages, municipal millages, special purpose and special tax district millages, special fees, industrial abatements, local option sales tax credits, and the value of one mil.

Property Tax Rates by County is the primary source of statewide county property taxes and, as such, is widely used by local and state officials, the legislature, developers, and the general public.

Wage and Salary Survey

Preliminary work for the *2014 Wage and Salary Report* is underway. This biennial publication will contain the results of SCAC's survey of more than 200 county government positions and will also be available online. In addition to detailed salary data by county and position, the report will include information on annual and sick leave benefits, holidays, budgets, payrolls, and employee totals.

County Profiles

Individual county profiles and county tables are maintained online and continually updated throughout the year as new information becomes available. This allows online users to access current statistics by selecting individual counties or county tables.

In addition to the online resource, a printed publication is produced biennially. The fifth edition of *County Profiles*, published in June 2012, consists of county statistical information gathered from a variety of state and federal sources. Each county is represented with a one-page profile containing a brief county history, recent population trends, economic data, tax data, and county financial and employment data. The entire publication may be accessed online, and hard copies are available for use as a convenient desktop reference.

County Resources

SCAC's research web pages provide convenient access to a variety of county publications and information collected from other websites and resources. Among the available documents are individual county budgets and CAFRs, council rules of procedure, personnel policies, planning and zoning documents, purchasing ordinances and RFPs, and links to county codes of ordinances and online services. SCAC's research web pages also provide the latest practical data on issues of particular importance to counties, such as the most recent Local Government Fund distributions, millage rate caps, and state salary supplements of county elected officials.

Website



SCAC's website, www.sccounties.org, is an integral part of the Association's communications program and is the primary internet resource for information about South Carolina's counties and issues affecting county government. This year the website received a refresh, including an updated home page, updated Friday Reports and Legislative Alerts pages, and an improved job postings page.

Visitors can access general information for all 46 counties—including the names and addresses of

county officials, links to county government websites, county employment opportunities, and statistical tables that address frequently-asked questions about county government.

The website provides quick links to timely topics and organizes content for efficient browsing. A number of features, such as a search feature and A–Z index, make the site easy to navigate. The home page features a calendar that displays upcoming events and provides links to further information on meetings and conferences, online registration, agendas, etc.

The website facilitates communication between SCAC, county officials, and other related individuals and groups. The Association provides immediate, online access to information about our services, legislative initiatives, research, training opportunities, legal assistance, financial programs, and publications. The website also includes links to listserv forums for county chief administrative officers, risk managers, and registration/election officials.

Publications and Public Information

County Focus and *Carolina Counties*, SCAC's quarterly magazine and newsletter, are recognized as being among the best in the business. These publications include articles about current legislation, trends, innovations, and other matters that are relevant to county officials.

SCAC won "Best in the Business" for *Carolina Counties* in the 2013 Best in the Business Competition, sponsored by the S.C. Society of Association Executives.

In the 2013 Awards of Excellence Competition, sponsored by the National Association of County Information Officers, SCAC won Best of Class for writing (top award for all writing categories); a Superior (First Place) and two Excellence Awards for *County Focus*; an Excellence Award for *Carolina Counties*; and a Superior Award for photography.

Other SCAC publications include:

- *Acts that Affect Counties*
- *Alternate Sources of Revenue for Counties*
- *Case Law Affecting Counties*
- *County Profiles*
- *Freedom of Information Handbook*
- *Handbook for County Government in South Carolina*
- *Home Rule Handbook*
- *Legislative Policy Positions*
- *Model Rules of Parliamentary Procedure*
- *Model Practices in South Carolina Counties*
- *NACo/SCAC Leadership Handbook*
- *Property Tax Rates*
- *Revenue Resources*
- *Wage and Salary Survey*

Legislative Program

The legislative program is one of the most visible facets of the Association's service package. It allows county officials to come together to speak with one voice and achieve a result greater than that reached by each of those voices acting independently. The more participants there are in the legislative program, the better the results.

The Association's policy positions are developed by county officials through its Legislative Committee. Former SCAC First Vice President Wm. Weston J. Newton (Beaufort County Council) was the Legislative Committee chairman for FY 2012-13.

The Legislative Committee is comprised of 75 members: each county council chairman or their designee (46) and SCAC's Board of Directors (29). Additional members with expertise in various policy areas are appointed by SCAC's President to serve on one of four steering committees:

- **County Government and Intergovernmental Relations;**
- **Land Use, Natural Resources and Transportation;**
- **Public Safety, Corrections and Judicial; and**
- **Revenue, Finance and Economic Development.**

The Legislative Committee begins its work by requesting input from more than 1,200 county officials and employees. Those suggestions may be issues that crop up on a daily basis in a particular office, issues that have come up in the process of developing a new project, or issues that are brought to SCAC by other groups or agencies.

These suggestions are assigned to the appropriate steering committees for their review at work sessions in September and November.

The County Council Coalition also provides input to the steering committees on the draft policy positions. After review and study, the steering committees develop initial policy positions for consideration by SCAC's Legislative Committee in December.

In December 2012, SCAC's Legislative Committee adopted numerous policy positions to set the course for the 2013 Legislative Program. Those positions were published in a document entitled *Policy Positions for the 2013 Session of the South Carolina General*

Assembly. The policy positions are also available on the SCAC website — www.sccounties.org. Once policy positions are adopted, it is the responsibility of the membership and the SCAC staff to advocate for their implementation.

The Association provides a number of tools to involve county officials in the legislative process. The most valuable of these, the *Friday Report*, is prepared and distributed every Friday of the legislative session and is also available on the SCAC website. This report keeps county officials informed about legislation that affects their operations. It may be the only place where bills of interest to county officials are discussed in detail. It also provides a forum to discuss the impact of legislation upon county functions.

SCAC's staff works throughout the week to prepare information for the *Friday Report*. There are numerous subcommittee and committee meetings attended each week by staff members who monitor and report these discussions to county officials.

The actions of the House and Senate are also monitored every day the General Assembly is in session. That includes the review of each bill or amendment introduced in the House or Senate, and requesting input from county officials to determine its impact upon county government. When legislative action is occurring too quickly for the *Friday Report* to deliver news, special *Legislative Alerts* are faxed or emailed, or individual telephone calls are made.

All of these steps are taken to support, amplify, and target the voices of county officials, so our participation in the legislative process is timely and effective.

The 2013 Session of the S.C. General Assembly was a difficult, but ultimately successful legislative year. SCAC successfully blocked the passage of the solid waste flow control bill. This legislation represents attempts by out-of-state waste companies to make South Carolina their dumping ground by crippling local government legislative authority to control where waste is sent. The waste companies will return next year, aiming to pass legislation granting them the unfettered ability to bring tons of out-of-state garbage into our state.

The General Assembly funded the LGF at \$182.6 million, which is \$60 million below full statutory

funding. Unfortunately, many members of the General Assembly appear willing to break their promise to the property taxpayers of South Carolina and want to cut this tax relief. After an additional reduction of \$20 million in the LGF passed the Senate Finance Committee, SCAC won the fight to put the money back in the budget on the Senate floor. SCAC also defeated legislation granting a tax exemption for big business which would have reduced vital services and significantly increased taxes on our constituents, and stopped an effort to cripple our animal shelters which protect the health and safety of our citizens.

The success of the legislative program is the result of the relentless efforts of SCAC staff and the work of hundreds of county officials who remained informed and made timely contact with the members of the General Assembly. SCAC's legislative success is not

merely important to the membership, but represents a victory for all South Carolinians.

The 2013 session was the first year of a two-year legislative session. All legislation that was successfully opposed by SCAC will be back up in the same procedural position when the General Assembly reconvenes in January. The following items were actively opposed by SCAC staff throughout the legislative session and were not passed by the General Assembly. These are:

- **House Local Government Funding Ad Hoc Study Committee;**
- **Big Waste Attack on Public Services — H. 3290;**
- **Animal Shelter Regulation — H. 3492;**
- **Cyber Security — S. 334 and S. 22; and**
- **Manufacturing Assessment Ratio Change from 10.5 Percent to 6 Percent — H. 3265.**

Legal Assistance Program

The Association's legal staff responds to numerous requests from county officials through phone calls, letters, and e-mails, seeking guidance and advice on legal issues affecting county government operations. The staff works through the county attorney and outside counsel on these issues. The Association's legal services include providing informal telephone consultations, researching and providing pertinent statutes, case law and attorney general's opinions, assisting counties involving statewide interest at the trial and appellate levels, preparing informal advisory opinions, and appearing as Amicus Curiae (friend of the court). This year, SCAC assisted members in two significant cases of interest to the counties.

In May 2013, the Board of Directors instructed the staff to join an Amicus Curiae brief in support of Horry County in the case Sandlands v. Horry County and the Horry County Solid Waste Authority. The plaintiffs appealed the U.S. District Court's order upholding the Horry County Flow Control Ordinance to the Fourth Circuit Court of Appeals. The District

Court issued its order after the S.C. Supreme Court upheld flow control pursuant to the S.C. Solid Waste Policy and Management Act. SCAC joins the National Association of Counties, the International Municipal Lawyers Association, and several state and county solid waste authorities in fighting to maintain local government management of solid waste. Oral arguments are expected to held by late Fall 2013 before the Richmond, Virginia based court.

In June 2012, the Board of Directors instructed the staff to prepare an Amicus Curiae brief in support of Saluda County before the S.C. Supreme Court. A Court of Appeals panel in a 2-1 decision reversed a circuit court decision that allowed county councils to amend council agendas during the meeting. The Court of Appeals held that while the Freedom of Information Act (FOIA) is silent on the issue, the "spirit" of the law prohibited such actions once the agenda is provided to the public. The Supreme Court has not yet accepted the case for review.

Financial Service Programs

Self-Funded Insurance Programs

The Association sponsors two self-insurance pools, open to member counties and to agencies with county government-related functions. Both the Workers' Compensation and the Property & Liability Trusts are governed by Boards of Trustees appointed by the SCAC Board of Directors. All trustees are county officials – either county council members or chief administrative officers. The Trusts employ independent auditors and actuaries to ensure the pools are financially strong. The key to the success of both programs is the adoption and enforcement of strong risk management programs by participating member counties.

The S.C. Counties Workers' Compensation Trust

The S.C. Counties Workers' Compensation Trust (SCCWC Trust) was formed in the fall of 1984 by the SCAC Board of Directors in response to a crisis in the commercial insurance market. The Trust currently has 89 members, including 42 of the 46 counties.

Claims administration is provided under contract by Ariel TPA, a third party administrator. General administration and risk management are handled in-house by Association staff.

In May 2013, the General Assembly approved regulations which will mandate mediation in certain cases. The regulations are an attempt to reduce the number of litigated cases going to a hearing before the Commissioners.

The state continues toward the orderly termination of the Second Injury Fund (SIF) on July 1, 2013. The Trust continues to receive reimbursements from the SIF for injuries occurring prior July 1, 2008. The Trust will incur statutory assessments until the final termination of the Fund. Based on the recommendations of a working panel of insurance companies, self-insureds (including the SCCWC Trust), and state agencies, the S.C. Budget and Control Board approved a plan to pay off the SIF's unfunded liabilities through assessments totaling \$60 million each year for five years.



Boards of Trustees

S.C. Counties Workers' Compensation and Property & Liability Trusts



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F. Pickens Williams Jr.
Barnwell County
Administrator



SECRETARY/TREAS.
Michael B. Cone
SCAC Executive Director

SCAC successfully fought back a legislative attempt to preempt the S.C. Supreme Court's decision in Bentley v. Spartanburg County. H. 3147 would have required the counties to pay compensation claims related to workplace stress, including PTSD (Post Traumatic Stress Disorder). This legislation would have greatly impacted workers' compensation costs. SCAC argued that workplace stress claims are more effectively handled through health insurance programs.

The S.C. Counties Property & Liability Trust

The S.C. Counties Property & Liability Trust was formed in August 1995, in response to rapidly rising liability insurance premiums. The Trust has 24 members, including 16 counties. Since 1999, the administration of the Property & Liability Trust has been handled in-house by SCAC staff. SCAC risk management staff continues to work with Trust members to reduce potential tort liability claims, particularly the legal and indemnity costs related to tort claims against county detention facilities.

In early 2013, the S.C. Supreme Court held that ambulance drivers responding to an emergency call did not have the same S.C. Tort Claims Act protections that police and fire employees have. When responding to calls police and fire are immune from lawsuits as long as they do not act in a gross negligent manner. The General Assembly, at the urging of SCAC, introduced legislation to extend this liability protection to ambulance drivers. The bill, S. 380, passed the Senate and will be considered by the House next session.

OPEB Trust Program

The S.C. Counties OPEB Trust allows counties to pool their OPEB (Other Post-Employment Benefits) funds and to invest them in instruments yielding the highest rate of return. The Trust invests only in bonds or other treasury instruments allowable by law. The Governmental Accounting Standards Board (GASB) requires state and local governments to compute and publish the amount of their OPEB liability as it is earned by the employees. Although the only requirement is to retain an actuary to compute the liability and to include it in the audited financial statements, it is anticipated that many state and local governments will begin to set aside funds for this purpose. Continuing the current pay-as-you-go system will be seen as a failure to pre-fund OPEB liabilities and could eventually degrade a government's

bond ratings. SCAC has an agreement with Gabriel, Roeder, Smith & Company, a nationally-recognized actuarial firm experienced with OPEB requirements, to assist counties in determining their OPEB liabilities.

Setoff Debt/GEAR

The Association assists participants in the Setoff Debt Collection Program to collect delinquent debts through the S.C. Department of Revenue (SCDOR) which could otherwise go uncollected. If an individual who owes a debt is scheduled to receive a state income tax refund, SCDOR reduces the refund by the amount of the debt, which is returned to the participating county entity through the Association. About \$66.7 million has been returned to county participants through the first half of 2013.

The Association is also working with the SCDOR to collect debts under the Governmental Enterprise Accounts Receivable (GEAR) program. Using GEAR, delinquent debts may be collected through tax return garnishments and additional methods such as payment plans and wage garnishments. For the first half of 2013, SCAC has returned about \$12 million to GEAR participants.

SCAC's debt collection programs have proven very successful in returning monies for county operations such as emergency medical services, court fines and fees, delinquent taxes, hospitals, alcohol and drug treatment services, business license fees, water and sewer services, and housing services. Since 1992 when the Association's programs began, SCAC has returned about \$800 million to the county participants. Over the last five years, the Association's collections for counties has grown by \$22 million. And, the number of participating county entities has increased from 166 entities in 2009 to 255 entities in 2013.

SCAC provides numerous technical services to assist participants in these debt collection programs. SCAC offers free software which helps counties manage data for these programs. SCAC sends verification totals for all data files and identifies potential data errors. SCAC shares current addresses from state income tax returns with counties. SCAC sends all data and reports electronically using stringent security and privacy controls. And, SCAC offers participants an option for electronic funds transfer which allows counties to receive funds more quickly.

SCAC continues to implement technological and program improvements for the Setoff Debt and GEAR programs. SCAC offers free data find services for counties that do not collect the required data for SCDOR. SCAC submits data to the South Carolina Department of Motor Vehicles (SCDMV) to verify data with the driver's license database. And, SCAC sends data to LexisNexis to help counties find social security numbers and names. With these data find services, more county entities can participate. Counties can submit more accounts. And, data will be more accurate. The result is more potential revenue for counties.

In 2013, SCAC is working to automate historical data reports which will allow counties to track individual submissions and collections across time. SCAC is also working to prepare a payment file layout for medical-related debts. This file will meet the specifications of HIPAA technical reports, allowing counties to import data directly into systems. This effort will eliminate the need to manually key payment data which will result in less administrative work for county participants.

Additional information on the debt collection programs can be found on SCAC's debt collection website linked from www.sccounties.org.

Cooperative Agreements

Property Tax Audit Program

SCAC participates with Tax Management Associates, Inc. (TMA), a Charlotte, North Carolina based company to provide property tax audit and discovery services for county business personal property and residential property tax programs. TMA has worked successfully with 15 other states to assist county governments in finding property tax revenue that has not been collected due to improper claims for

Closing

SCAC is fully committed to providing an array of service programs to help county officials better serve their citizens. The *President's Report* summarizes these service programs and the activities that occurred in these program areas during the past year.

residential property exemption, undervalued claims of business personal property, or businesses not paying property taxes at all. TMA is currently working in six counties, and is actively meeting with county tax officials to develop specific audit programs to address particular county needs.

Office Products Purchasing Program

Since 1997, the Association has participated in a purchase agreement program for office products sponsored through NACo and U.S. Communities. The program uses the purchasing power of a vast number of local governments, and a network of local suppliers, to develop deep discounts for local government. Under this program, even the smallest governmental entities can purchase most office products approximately 60 to 70 percent below market price.

Surplus Equipment — GovDeals

South Carolina counties can participate in an Internet auction program for surplus equipment through **GovDeals.com**. GovDeals provides a platform for counties to sell equipment, vehicles, and other surplus assets via online auction. The primary benefits of using GovDeals are increased revenue, reduced asset depreciation, and storage costs, because GovDeals allows governments to sell equipment and assets immediately without the need of long-term storage. Currently, GovDeals is working with 40 South Carolina counties, as well as 100 other agencies in the state. Since the program's inception in early 2004, counties have generated more than \$25 million in revenue through GovDeals. Between May 1, 2012, and April 30, 2013, GovDeals generated sales of \$3.3 million from 1,085 surplus items for South Carolina counties.

The Association is in excellent condition and is well-positioned to continue to meet the ever-changing needs of county governments. The SCAC President and Board of Directors are confident that the Association will continue to meet the service needs of South Carolina county governments...now...and into the future!

