

2015 President's Report

President James R. Frazier

48th Annual Conference • August 2-5, 2015

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# South Carolina Association of Counties

Michael B. Cone Executive Director

### A Letter from the President

Dear County Officials,

The President's Report reviews the many programs and efforts of the South Carolina Association of Counties (SCAC) over the past year. It was both an active and successful 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 remains the preeminent local government advocacy association in the nation. 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.

Please continue to be actively involved in your Association. Forty years have passed since the good people of this state, through the Home Rule amendment, chose to be governed locally by their neighbors and friends, rather than by strangers in Columbia. We need to be vigilant to protect Home Rule. The General Assembly's failure to fund the Local Government Fund, coupled with the millage caps, is a transparent strategy to fiscally cripple local government. Forcing local governments and their citizens to come to Columbia to fund basic needs represents a not-so-subtle deconstruction of Home Rule. We must convey to our people the necessity of local representation and the obvious peril of this centralization of power into the hands of a few.

I believe we will convey this message and that this Association will continue to 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,

Jame R. Digion

James R. Frazier Horry County Council 2014–2015 SCAC President

James R. Frazier, President Horry County

# SCAC 2014-2015 OFFICERS

#### President



James R. Frazier Horry County Council

Second Vice President

#### **First Vice President**



John Q. Atkinson Jr. Marion County Council



Julie J. Armstrong Charleston County Clerk of Court

#### **Third Vice President**



Ronald Young Aiken County Council Chairman

#### Past President



Joseph R. Branham Chester County Council Vice Chairman

#### Secretary



**F. Pickens Williams Jr.** Barnwell County Administrator

Treasurer



Belinda D. Copeland Darlington County Treasurer

# **PRESIDENT'S REPORT**

## South Carolina Association of Counties

48th Annual Conference • August 2–5, 2015 Marriott Hotel, Hilton Head Island

President James R. Frazier

This Report to the Membership of the South Carolina Association of Counties Covers the Period from August 2014 to August 2015

### **General Information**

The South Carolina Association of Counties (SCAC) was chartered on June 22, 1967, and operates as a nonpartisan, 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.

### **Membership Benefits**

The South Carolina Association of Counties has a rich history of providing high quality programs and services to counties and county officials. Membership in the Association is a valuable investment for the

county and its citizens, and service fees have not been increased in 14 years. As members of the Association, all 46 counties, county elected officials, and employees have access to SCAC's programs and services designed to help counties serve their citizens.

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officials and assists counties in advocating for county issues. Counties are able to use the Association's legal services for guidance and advice on legal matters impacting county government operations.

> As part of SCAC's financial services, member counties are eligible to participate in the Association's two selffunded insurance pools. Each year, the Association assists participating counties in collecting millions of dollars of delinquent debt through the debt collection programs.

> County leaders who fully participate in the Association's services and programs reap the greatest benefits for

By participating in the Association's educational programs and accessing

research resources and publications, county leaders are able to enhance their knowledge and skills and find innovative solutions. SCAC's legislative program provides invaluable and timely information to county their counties and their citizens. SCAC values each county's involvement and continually strives to provide valuable services and programs to counties in South Carolina.

### 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 chairman along with the Association's Board of Directors.

### 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. SCAC First Vice President John Q. Atkinson Jr. (Marion County Council) was the Legislative Committee Chairman for FY 2014-2015.

The Legislative Committee is comprised of 75 members: each county council chairman or his or her 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
- 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 2014, SCAC's Legislative Committee adopted numerous policy positions to set the course for the 2015 Legislative Program. Those positions were published in a document entitled *Policy Positions* for the 2015 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 legislative subcommittee and committee meetings attended each week by staff 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 2015 Session of the S.C. General Assembly was a difficult, but ultimately successful legislative year. SCAC successfully blocked the passage of H. 3374 which would change the formula for the funding of the Local Government Fund (LGF). This bill would freeze the funding level of the LGF for two years then increase the LGF by the same percentage as the increase in the state budget, capped at 5 percent. SCAC supported amendments, as well as stand-alone legislation, to provide a three-year phase-in to full funding at 4.5 percent of the previous year's General Fund budget. This legislation, H. 3429 and S. 473, may be debated in January.

The General Assembly funded the LGF at \$212 million, of which \$12.5 million is non-recurring. This is nearly \$88 million below full statutory funding. Unfortunately, many members of the General Assembly appear willing to break the promise made to the property taxpayers of South Carolina and suspend the statutory formula.

SCAC was also successful in getting amendments to the roads legislation in each body. The House version, H. 3579, initially included a provision to devolve 19,000 miles of state roads to local governments with drastically inadequate funding. The bill sent the funding and the ability to opt out of a roads transfer to the county transportation committees (CTCs), but would have given the roads with the accompanying liability to the county governing bodies. Most CTCs are appointed by the legislative delegation of the county. SCAC successfully supported an amendment on the House floor to give county councils, as opposed to the CTCs, the ability to opt out. The Senate version initially capped property taxes on motor carriers at \$17 million. This would have represented up to a \$5 million reduction in revenues counties currently receive from that property tax. SCAC was successful in having that provision removed from the Senate plan. The roads bill was not debated on the Senate floor, but will be up for debate in January.

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 our membership, but represents a victory for all South Carolinians.

The 2015 session was the first year of a two-year legislative session. All legislation that was introduced in 2015 will be back up in the same procedural position when the General Assembly reconvenes in January. The following items were actively supported by SCAC throughout the legislative session and were passed into law by the General Assembly. These are:

- Forfeited Land Commission Changes -Act No. 59
- Title 12 Recodification Act No. 87
- Veteran's Surviving Spouse Vehicle Property Tax Exemption - Act No. 23
- Mental Health Courts Act No. 30
- S.C. Uniform Military and Overseas Voters Act - Act No. 79



### **Education and Training**

#### Institute of Government for County Officials

For more than 25 years, SCAC has offered the Institute of Government for County Officials to equip local leaders with a principal understanding of county government, sharpen the skills they need to make sound decisions about complex issues, and foster a statewide network of talented leadership.

The Institute is provided in cooperation with the College of Charleston's Joseph P. Riley Jr. Center for Livable Communities and Clemson University's Strom Thurmond Institute of Government and Public Affairs.

The curriculum includes two levels of certification and also offers advanced courses to permit

graduates to increase their knowledge of timely issues. Requirements for certification are 27 contact hours for Level I and 18 contact hours for Level II.

Since 1989, more than 450 county officials have completed the program, and many graduates continue their education by attending advanced classes each year. Newlyelected officials can begin

their training in December, prior to taking office; and all participants have the opportunity to attend classes annually in February, August, and October. This year, 198 county officials attended classes for Levels I and II, and 95 county officials attended advanced classes.

Four of the Institute's courses are approved by the S.C. Planning Education Advisory Committee to provide continuing education credit for local planning/ zoning officials and employees (*see Training for Local Planning/Zoning Officials and Employees*). Institute courses are also a component of the S.C. Clerks to Council Certification Program, which offers intensive training for county clerks to council.

#### **Orientation Training for Newly-Elected Council Members**

On December 9, SCAC welcomed 35 of the 37 newly-elected county council members to its offices in Columbia. The purpose was to provide a full day of orientation training for these 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 evennumbered years. The training is provided free of charge.

> The morning training focused on session roles and responsibilities county council of 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/evaluating organizational performance. The morning session also included 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 about county risk management and liability. County council members were shown how to navigate SCAC's website to obtain information about county issues, statistics, surveys, and publications. The requirements of the Freedom of Information Act and the State



Ethics Government Accountability and Campaign Reform Act were also reviewed with time provided for questions and comments. The afternoon concluded with 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.

#### Webcast Training

For 19 years, SCAC has provided training to county officials and employees via distance education programs.

Since 2012, our Association has broadcast training programs from its offices in Columbia. This method allows participants to watch the training live at county training facilities and to ask questions via email 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 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. As part of its distance education efforts, SCAC provides state-mandated orientation and continuing education training to planning/zoning officials and employees (*see Training for Local Planning/Zoning Officials and Employees*).

#### SCAC's 2014-2015 Webcast Training Programs

- On Oct. 30, 2014, SCAC presented "Part II of Orientation Training for Planning/Zoning Officials and Employees." Instructors provided an overview of key legal concepts and ethical principles for making sound planning and zoning decisions. Approximately 75 participants from 17 local governments participated in the live webcast.
- SCAC's hosted its first webcast of 2015, "Making the Right Hire: Effective Recruiting and Hiring Practices," on March 26. This session examined state and federal laws that affect the hiring process and introduced best practices for recruitment, hiring, and onboarding. More than 480 employees from 17 local governments participated in the live webcast.
- On May 21, SCAC presented "Staying Power: Planning for Lifelong Communities and Solar Energy" as part of the continuing education program for planning/zoning officials and employees. Instructors stressed the importance of addressing demographic trends, active living, and healthy eating in county comprehensive plans;



presented best practices; and discussed the implications of solar energy. More than 200 participants from 28 local governments attended this live webcast.

• SCAC plans to host an additional webcast for county officials in October.

# 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 to attend at least six hours of orientation training. The act also requires planning professionals, zoning administrators, zoning officials, and deputies/assistants to these positions to complete this training.

SCAC was the first entity to receive approval from the S.C. Planning Education Advisory Committee to provide this training to local planning/zoning officials and employees. This year, SCAC updated Part II of its orientation program to reflect changes in state law and comments from participant evaluations.

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 of the orientation addresses the planning and zoning process, significant court decisions, and the State Ethics Government Accountability and Campaign Reform 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/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 S.C. Planning Education Advisory Committee to provide this training. The Association updates its continuing education courses frequently to address current issues and changes in state law.

A new course, **"Staying Power: Planning for Lifelong Communities and Solar Energy,"** was added this year. Three additional courses can also be viewed via streaming video through SCAC's website or DVDs on loan from the Association:

- "Advanced Issues in Zoning and Land Use Regulation";
- "Current Planning and Zoning Issues for Urban and Rural Communities"; and
- "Public Service Ethics: Understanding the Law and Beyond."

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

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

All courses offer three contact hours, so one course fulfills the annual continuing education requirement for local government planning/ 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. 3, from 2–3 p.m. and repeated from 3–4 p.m.:

- "Building Healthy Communities"
- "Capital Financing Tools: Finding the Best Fit for Your County"
- "Cybersecurity Demystified"
- "Overview of the 2015 Legislative Session"
- "Understanding Your Retirement Plan"



County Council Coalition meeting during SCAC's 47th Annual Conference

### **SCAC Scholarship Programs**

Since establishing its scholarship program in 1998, SCAC has awarded more than \$110,000 in scholarships to 48 students. This year, the Association proudly awarded \$2,500 scholarships to five high school seniors. All 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 (Horry County Council Member James R. Frazier). **Hysjana A. Mince** of Socastee High School was awarded the 2015 Presidential Scholarship.

SCAC also awarded four **Board of Directors Scholarships** to graduating high school seniors who are residents of counties chosen by lot by the Association. Chester, Greenville, Hampton, and Marlboro counties were selected for these awards.

Brady E. Nash of Lewisville High School; Jacob M. Brazeal, a Greenville homeschool student; Madison F. Wachowski of Wade Hampton High School; and Susan S. Boyd of Marlboro County High School were each awarded a Board of Directors Scholarship. Fourteen (14) counties remain in SCAC's drawing for future Board of Directors Scholarships: Abbeville, Allendale, Berkeley, Charleston, Cherokee, Dillon, Fairfield, Florence, Georgetown, Greenwood, Jasper, Lee, Oconee, and Pickens.

Scholarship applicants must complete an application form and write an essay about their goals and aspirations. They are required to provide letters of recommendation, a transcript, and a description of their community activities. Financial need—as it relates to the receipt of other scholarships—may also be considered by the selection committees.

SCAC presents a plaque to each scholarship recipient during their school awards event. The Association also recognizes scholarship recipients by announcing their awards in *Carolina Counties* newsletter and placing their names on commemorative plaques in the SCAC office.

Members of SCAC's 2015 scholarship selection committees are listed below:

#### Presidential Scholarship – Horry County

L. Gregory Pearce Jr., Richland County Council Vice Chairman – *Chairman* Julie J. Armstrong, Charleston County Clerk of Court W.B. Wilson, Williamsburg County Council

#### **Board of Directors Scholarship - Chester County**

F. Pickens Williams Jr., Barnwell County Administrator – *Chairman* Donald E. Hancock, Saluda County Council Chairman Johnnie Wright, Sr., Orangeburg County Council Chairman

#### **Board of Directors Scholarship – Greenville County**

Belinda D. Copeland, Darlington County Treasurer – *Chairman* Joseph R. Branham, Chester County Council Vice Chairman Charles T. Edens, Sumter County Council

#### **Board of Directors Scholarship – Hampton County**

Diane B. Anderson, Laurens County Council – *Chairman* Dwight L. Stewart Jr., Clarendon County Council Chairman Ronald Young, Aiken County Council Chairman

#### **Board of Directors Scholarship – Marlboro County**

Waymon Mumford, Florence County Council – *Chairman* Henry E. "Sel" Hemingway Jr., Georgetown County Administrator Claude Thomas, Abbeville County Council

### **Financial Service Programs**

#### Self-Funded Insurance Programs

The Association sponsors three 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 was formed in 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.

SCAC continues to fight legislative attempts to preempt the state Supreme Court's decision in Bentley v. Spartanburg County. Both the Senate and House introduced bills to allow workers' compensation benefits to all "first responders," including law enforcement, EMS, fire, and detention center employees. Compensation would be mandatory for all stress claims caused by an ill-defined serious traumatic event. The House bill was not debated this past session, however the Senate bill was debated in committee and limited to medically diagnosed posttraumatic stress disorder (PTSD). The bill currently sits on the Senate contested calendar. Even in this reduced version, the legislation is estimated to have a significant impact on workers' compensation costs for counties. SCAC argues 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 federal and state tort claims against county detention facilities. Robert Benfield, SCAC's law enforcement risk manager, recently began to work with local detention facilities to address compliance with the enacted Prison Rape Elimination Act (PREA). This federal act requires local detention facilities to implement new training, reporting, and inmate management programs. Thirteen (13) of 15 counties with detention centers have taken advantage of the special pricing afforded to members of both insurance trusts. The two remaining counties have committed to taking advantage of the PREA compliance training offered through the SCAC.

#### The S.C. Counties 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 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-yougo 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

# Boards of Trustees S.C. Counties Workers' Compensation and Property & Liability Trusts



Chairman David K. Summers Jr. Calhoun County Council Chairman



Clyde B. Livingston Orangeburg County Council Member



Vice-Chairman Waymon Mumford Florence County Council Member



F. Pickens Williams Jr. Barnwell County Administrator



**Gonza L. Bryant** Greenwood County Council Member



Donald E. Hancock Saluda County Council Chairman



Steve Willis Lancaster County Administrator



Secretary/Treasurer Michael B. Cone SCAC Executive Director

actuarial firm experienced with OPEB requirements, to assist counties in determining their OPEB liabilities. In March 2014, Dorchester County became a new member of the Trust, which also includes York County.

#### Setoff Debt/GEAR

The Association assists county entities in two debt collection programs administered by the S.C. Department of Revenue (SCDOR): the Setoff Debt Collection Program and the Government Enterprise Accounts Receivable program, or GEAR. These two programs help county entities recover unpaid liabilities which would likely otherwise go uncollected.

Within these programs, funds are collected by redirecting an individual debtor's state income tax refund to a county entity as payment for the previously uncollected debt. The GEAR program allows SCDOR to use additional methods, such as payment plans and wage garnishments, to collect the unpaid debt. 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. The Association's collections for counties have grown significantly, from \$29 million in 2002 to \$84 million in 2014. Meanwhile, the number of participating county entities has increased from 81 entities in 2002 to 280 entities in 2015. Since 1992 when the Association's programs began, SCAC has returned nearly \$1 billion to the program participants.

SCAC provides numerous services to assist our participants in these debt collection programs. SCAC offers free software to help counties manage their data. SCAC also searches data for potential errors and provides error reports and verification totals for all submitted data files. SCAC provides current addresses from state income tax returns to counties, and sends all data and reports electronically using stringent security and privacy controls. Finally, SCAC offers participants an option for electronic funds transfer, allowing counties to receive funds more quickly.

SCAC continues to implement technological and program improvements for the Setoff Debt and GEAR programs. In 2015, in addition to our free "Data Find" service, the Association has implemented a new single point of contact to ensure prompt response and accurate solutions to our county participants. SCAC has also succeeded in gaining the approval of the State Treasurer's Office to receive electronic funds transfer of all program proceeds. This further reduces the time it takes a county to receive payment.

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, N.C. 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 17 other states to assist county governments in finding property tax revenue that has not been collected due to improper claims for residential property exemption, undervalued claims of business personal property, or businesses not paying property taxes at all. TMA is currently working in nine 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 offer 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

S.C. 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 surplus equipment and assets immediately without the need of longterm storage. Currently, GovDeals is working with 41 S.C. counties, as well as

100 other agencies in the state. Since the program's inception in early 2004, counties have generated more than \$27 million in revenue through GovDeals. Between May 1, 2014, and April 30, 2015, 27 counties sold 962 surplus items, generating more than \$3 million in revenue. One county successfully used GovDeals to generate revenue of nearly \$650,000.

### Legal Assistance Program

The Association's legal staff responds to numerous requests from county officials through phone, letter, and email, 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 involved in litigation of statewide interest at the trial and appellate court levels, preparing informal advisory opinions, and appearing as an Amicus Curiae (friend of the court). This year, SCAC has provided legal assistance to a number of counties on significant cases of interest.

In January 2014, the Board of Directors instructed the staff to provide legal research assistance, including the filing of an Amicus Curiae brief in support of Spartanburg County in the case *Montgomery v. Spartanburg County Assessor*. This case is currently on appeal to the S.C. Court of Appeals from the Administrative Law Court. The case involves the proper valuation of structures and other real property improvements to land designated as agricultural for property tax purposes. No date has been set for oral arguments, but the case is expected to be heard by early fall 2015.

In January 2014, the Board of Directors instructed the staff to provide legal research assistance, including the filing of an Amicus Curiae brief in support of Richland County in the case, *Columbia Venture, LLC v. Richland County*. This case involves the denial of permits to construct a residential/commercial project on the banks of the Congaree River, in lower Richland County. The entire development area lay within the river's floodplain. Development of the land would only have been possible with construction improvements to the existing levee system protecting the property, and the county's agreement to maintain and inspect the system. The adoption of new federal floodplain maps, which had been in development at the time of the application, rendered a large part of the property undevelopable. The Supreme Court heard oral arguments in the fall of 2014. A decision is expected by late summer 2015.

In August 2013, the Board of Directors instructed the staff to provide legal research assistance, including the filing of an Amicus Curiae brief in support of Jasper County in the case Jasper County School District v. Jasper County. The school district brought suit in the circuit court to stop Jasper County Council from approving its annual budget. The court held that the council was the sole governmental body authorized by the General Assembly to levy a property tax millage, and that the district's authority to establish budget priorities did not rise to the level of budget approval. The district appealed the decision to the S.C. Court of Appeals. The Court of Appeals heard oral arguments in mid-April 2015. The court appeared skeptical of the district's arguments against council's statutory authority to approve the district budget. A decision is expected by late fall 2015.

On November 21, 2014, SCAC hosted its annual Local Government Attorneys' Institute. Nearly 200 attorneys attended to hear presentations on issues important to local government attorneys. Presentations included updates to the S.C. Ethics Act by Cathy Hazelwood, General Counsel of the S.C. Ethics Commission; non-jury practice tips by Judge D. Garrison Hills; issues and disputes involving county boundaries by Frank Rainwater, Executive Director, S.C. Office of Revenue and Fiscal Affairs; updates on federal law by Chuck Thompson of the International Municipal Lawyers Association; and panel discussions on cybersecurity and governmental indebtedness. The 2015 Local Government Attorneys' Institute will be held on November 20, 2015, in Columbia.



### **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/services/ research**.

#### Surveys

A sample of county surveys conducted during the past year includes topics such as alcohol and substance abuse programs, overnight county vehicle use by employees, magistrates' offices, criminal domestic violence programs, solicitor and public defender office funding, county council meeting practices, victims' advocate staffing, and housing of municipal prisoners. Once survey responses are finalized, a summary is either published on SCAC's website or made available to counties upon request.

#### Property Tax Report

SCAC published **2014 Property Tax Rates by County** in January, 2014. 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 *2016 Wage and Salary Report* is underway. This biennial publication contains the

results of SCAC's survey of more than 200 county government positions and is also available online. In addition to detailed salary data by county and position, the report includes information on annual and sick leave benefits, holidays, budgets, payrolls, employee totals, and classification systems.

#### **County Profiles**

The sixth edition of the *County Profiles* report, published in June 2014, 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.

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.

#### **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 Comprehensive Annual Financial Reports, council rules of procedure, personnel policies, planning and zoning documents, purchasing ordinances and Requests for Proposals, 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.

### Technology

#### Website

SCAC's award-winning 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.

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 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.

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.

#### Annual Conference App

For the second year, the Association employed the SCAC Annual Conference App. The app can be downloaded to any smart device through the App Store, Google Play, or via a web portal.

It allows the Association to highlight speakers including biographies, contact information, photos, and websites. When attendees click on a session, they can see an overview including a brief description, learning objectives, and other pertinent information. The app also includes information about patrons and sponsors including descriptions and contact information. The ability to update the app at any time means that attendees will always have access to the most up-todate information.

#### Awards

**Sccounties.org** won a Meritorious Award in the National Association for County Information Officers' Awards of Excellence competition for 2015. The award recognizes the outstanding public relations and public information work the website does for South Carolina's counties.

Likewise, the electronic versions of the *Friday Report* and *Legislative Alerts* won an Excellence Award for Electronic Communications in the 2015 Awards of Excellence Competition, sponsored by the National Association of County Information Officers.



### **Publications and Public Information**

*County Focus*, SCAC's quarterly magazine, and *Carolina Counties*, our 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's printed publications won three awards in the 2015 Awards of Excellence Competition, sponsored by the National Association of County Information Officers: an Excellence Award for County Focus; a Meritorious for Writing; and a Meritorious for Photography.



Other SCAC publications include: Acts that Affect Counties; Case Law Affecting Counties; Freedom of Information Handbook; Handbook for County Clerks to Council in South Carolina; Handbook for County Government in South Carolina; Home Rule Handbook; Legislative Policy Positions; Model Rules of Parliamentary Procedure; and Revenue Resources.

### 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.

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!

## SCAC STAFF

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South Carolina Association of Counties: Building Stronger Counties for Tomorrow



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