

49th Annual Conference • July 31-Aug. 3, 2016



# South Carolina Association of Counties

John Q. Atkinson Jr. *Marion County* 

Michael B. Cone Executive Director

# A Letter from the President

Dear County Officials,

The South Carolina Association of Counties (SCAC) is the preeminent county government advocacy organization in the nation. This *President's Report* covers the efforts and accomplishments of SCAC's programs over the past year. My term as president has proven to be busy, exciting, and ultimately successful. 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.

Please read through this report to learn more about the Association's many service programs and how they can assist your county. SCAC is fortunate to have strong leadership in our Board of Directors and a staff that is knowledgeable, capable, and responsive to your requests for assistance.

The success of any association falls upon the dynamic involvement of its members. Please continue to be active participants in SCAC. In 1972, the people of this state, through the Home Rule amendment, chose to be governed locally by their neighbors and friends. The people of South Carolina recognized then, and I believe continue to recognize, that the best form of government is the government closest to the people. In South Carolina, that government is county government.

Unfortunately, some members of the General Assembly choose to selfishly horde power in Columbia and pull at the lining of good county government. The General Assembly's continued failure to fully fund the Local Government Fund, coupled with burdensome millage limitations, is a clear strategy to fiscally cripple local government. Not surprisingly, money is shifted into legislative delegation hands, forcing local governments and their citizens to come to Columbia to fund basic needs. It is imperative that we convey to our people the necessity of local representation and the obvious peril of this centralization of power into the hands of a few.

Thank you for the opportunity to serve as your president this year. I look forward to continuing my service to Marion County's citizens and working with SCAC's next president toward another successful year.

Sincerely,

John Q. Atkinson Jr., President
South Carolina Association of Counties

Marion County Council

# **SCAC 2015-2016 OFFICERS**

#### President



John Q. Atkinson Jr. Marion County Council

First Vice President



Julie J. Armstrong Charleston County Clerk of Court

## Second Vice President



Ronald Young
Aiken County Council Chairman

#### **Third Vice President**



**Henry H. Livingston III**Newberry County Council Chairman

# Secretary



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

#### **Treasurer**



Belinda D. Copeland
Darlington County Treasurer

# PRESIDENT'S REPORT

# South Carolina Association of Counties

49TH ANNUAL CONFERENCE • JULY 31-AUGUST 3, 2016
MARRIOTT HOTEL, HILTON HEAD ISLAND

President John Q. Atkinson Jr.

This Report to the Membership of the South Carolina Association of Counties Covers the Period from August 2015 to August 2016

# **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. Numerous state and local government groups also use the building's facilities for their meetings.

# 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.

# **Membership Benefits**

The South Carolina Association of Counties (SCAC) has a rich history of providing 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 15 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.

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

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 self-funded 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

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.





# Legislative Program

The legislative program is one of the most visible aspects of the Association's service package. It gives county officials a unified voice with which to express their positions and leads to better legislative results than individual voices acting independently. Input determines the success of the legislative program. The more county officials participate, the better the outcome.

The Association's policy positions are developed by county officials through its Legislative Committee. SCAC First Vice President Julie J. Armstrong (Charleston County Clerk of Court) was the Legislative Committee Chairman for FY 2015-2016.

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. This input includes suggestions particular to a specific county department, broad policy recommendations concerning county government, and suggestions that impact county government provided by outside groups.

These suggestions are assigned to the appropriate steering committees for their review at work sessions in September and November. In October, the County Council Coalition provides its 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 2015, SCAC's Legislative Committee adopted numerous policy positions to set the course for the 2016 Legislative Program. Those positions were published in a document entitled *Policy Positions* for the 2016 Session of the South Carolina General Assembly. The policy positions are available on the SCAC website at 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 success or failure of policy positions is largely determined by the participation of county officials.

The Association provides a number of tools to involve county officials in the legislative process and to keep them informed of the General Assembly's actions.

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. The *Friday Report* contains information about all issues affecting county government whether or not they are adopted as official SCAC policy positions.

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 that 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 reviewing each bill or amendment introduced in the House or Senate, and requesting input from county officials to determine its impact upon county government. This input is crucial to the legislative staff when making arguments for or against legislation. When legislative action is occurring too quickly for the *Friday Report* to deliver news, special *Legislative Alerts* are 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 success of the legislative program is the result of the relentless efforts of SCAC staff and the work of hundreds of county officials who remain informed and make timely contact with the members of the General Assembly and SCAC staff. SCAC's legislative success is not merely important to our membership, but represents a victory for all South Carolinians.

The 2016 Session of the S.C. General Assembly was a successful year for SCAC, both as it relates to policy positions that were achieved and harmful legislation that was blocked. SCAC again fought legislative attempts to change the formula for the funding of the Local Government Fund (LGF)—this time as an amendment to another House bill during the last week of session. This proposal would have frozen the funding level of the LGF for two years then increased the LGF by the same percentage as the increase in the state budget, capped at 5 percent. SCAC supported a three-year phase-in to full funding at 4.5 percent of the previous year's General Fund budget. The standalone legislation to rewrite the LGF formula (H. 3374) and the last minute amendment containing this proposal were defeated.

The General Assembly funded the LGF at \$223.2 million, of which \$10.6 million is non-recurring. This is nearly \$90 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.

The roads legislation was another area where persistent advocacy by SCAC resulted in legislation that did not contain detrimental provisions for counties, including devolving 19,000 centerline miles of state roads to counties and caps on motor carrier property taxes. The roads bill that passed, S. 1258, dealt mostly with agency restructuring and financing and did not contain these provisions.

The 2016 session was the second year of a two-year legislative session. All legislation that that did not pass is dead and will have to be reintroduced when the General Assembly reconvenes in January.

The following policy positions were actively supported by SCAC throughout the legislative session and were passed into law by the General Assembly:

Use of Impact Fee Revenue on Schools — Act No. 229, R. 262, H. 4416. This legislation allows revenue generated from impact fees to be used on public education facilities for grades K-12 including, but not limited to, schools, offices, classrooms, parking areas, playgrounds, libraries, cafeterias, gymnasiums, health and music rooms, computer and science laboratories, and other facilities considered necessary for the proper public education of the state's children.

Millage Cap Exemption — Act No. 276, R. 268, H. 4762. This legislation allows a county with a population of less than 100,000, and containing at least 40,000 acres of national forest land, to exceed the millage cap for the purchase of capital equipment.

Clementa C. Pinckney Uniform Partition of Heirs' Property Act — Act No. 153, R. 158, H. 3325. This act creates a system to be used in circuit court when partitioning heirs' property. SCAC supported this act with an amendment approved by the Clerks of Court to make the process more streamlined.

Telemedicine — Act No. 210, R. 234, S. 1035. This act amends the Code to facilitate telemedicine, which is the practice of medicine using electronic communications between a practitioner and a patient in another location. This type of practice benefits inmates in need of medical service at a detention facility that does not have a physician immediately available.

# **Education and Training**

# Institute of Government for County Officials

For 27 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 enhance their knowledge of timely issues. Requirements for certification are 27 contact hours for Level I and 18 contact hours for Level II.

Since 1989, 469 county officials have completed the program, and many graduates continue their education by attending advanced classes each year.

Newly-elected 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, 190 county officials attended classes for Levels I and II, and 96 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.

# Training for County Council Chairmen and Vice Chairmen

On February 18, SCAC introduced a new workshop for county council chairmen and vice chairmen. This training session was held in conjunction with the Institute of Government for County Officials and provided three hours of credit toward Level II certification. Although topics were geared toward those in new leadership roles, experienced chairmen and vice chairmen were also encouraged to attend.

The workshop provided information about the duties, powers, and responsibilities of both leadership positions. Participants also learned strategies for running effective meetings; the importance of rules of procedures; and the value of building effective working relationships. At the end of the program, a panel of seasoned council chairmen shared lessons learned. Sixteen (16) council chairmen and 15 vice chairmen attended this event, and SCAC plans to offer the training annually.





#### Webcast Training

For 20 years, SCAC has provided training to county officials and employees via distance education programs.

In October, the Association formed a new partnership to offer webcast training via the S.C. Bar Association's Media Services Division. Participants may watch SCAC's webcasts live at county training facilities—or from individual computers—and ask questions via e-mail during the webcasts. The S.C. Bar Conference Center also accommodates employees from neighboring counties who wish to participate as members of SCAC's 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 also 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 2015-16 Webcast Training Programs

- On October 29, 2015, SCAC presented
   "Managing Conflict in the Workplace."
   Participants assessed their preferred manner of addressing conflict, discussed common strategies for resolving conflict, and learned how to choose the most effective strategy for common workplace situations. Approximately 150 participants from 15 counties and three regional councils of governments participated in the live webcast.
- SCAC hosted its first webcast of 2016, "Sharpening Your Supervisory Skills," on March 24. This session focused on skills that are crucial to a supervisor's success and provided tips for those transitioning to a supervisor's role. More than 250 employees from 16 counties and one council of governments participated in the live event.
- On May 12, SCAC presented "Planning Your County's Infrastructure" as part of the continuing education program for planning/zoning officials and employees. Instructors discussed the roles and responsibilities of planning/zoning board and commission members, the State Ethics Government Accountability and Campaign Reform Act (or State Ethics Act), federal funding for transportation infrastructure, and lessons learned from the 2015 floods. Approximately 265 participants from 34 local governments attended this training.
- SCAC will host an additional webcast "Taking Charge of Change" on October 6.

# 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 training to local planning/zoning officials and employees.

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. The Association updates its continuing education courses frequently to address current issues and changes in state law; and all courses are approved by the S.C. Planning Education Advisory Committee.

"Planning Your County's Infrastructure," was added this year, as a new course. Four 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";

- "Public Service Ethics: Understanding the Law and Beyond"; and
- "Staying Power: Planning for Lifelong Communities and Solar Energy."

The S.C. Planning Education Advisory Committee has also approved four Institute of Government for County Officials 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.

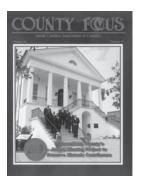
# Annual Conference Workshops

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, August 1, from 2–3 P.M. and repeated from 3–4 P.M.:

- "Fraud: Is Your County at Risk?"
- "Law Enforcement Liability"
- "Overview of the 2016 Legislative Session"
- "The Emergency Management Playbook: What's Your Role?"

# **Publications and Public Information**

For many years, the South Carolina Association of Counties (SCAC) has published three award-winning publications—*County Focus Magazine*, *Carolina Counties Newsletter*, and South Carolina's annual *Directory of County Officials*. These three publications have won 82 national awards and 26 state awards since 1991.







County Focus Magazine, published by SCAC since 1991, this year received a National Association of Counties (NACo) Achievement Award. The quarterly publication focuses on legislative issues affecting county government, successful county programs and projects, and more. A U.S. Senator or Representative writes the lead article for the magazine's spring, summer, and winter issues, and the magazine's fall issue focuses on the SCAC's annual conference. Currently, the magazine features two columns: "A Roadside Guide to County Seats," which provides a history of each county seat, and "The IMLA Report," which explains U.S. Supreme Court cases that affect county government. The magazine also includes: a section called "County Update," which allows counties to submit news items; and calendars for upcoming SCAC webcasts, and SCAC and NACo conferences. County Focus has won 80 national awards from the National Association of County Information Officers. The magazine has also won seven state awards from the S.C. Society of Association Executives (SCSAE), and the S.C. Chapter of the International Association of Business Communicators (IABC).

Carolina Counties Newsletter, published by SCAC since 1969, also received a NACo Achievement Award this year. Originally named the Conference Report, the newsletter was re-named the Carolina Report by 1973, and re-named Carolina Counties in 1988. Carolina Counties is published five times per year—January, March, May, and July during each year's session of the S.C. General Assembly, and in November prior to SCAC's Legislative Meeting in December. The newsletter publishes articles to keep county

officials informed and up-to-date about important issues affecting counties. It reports on past meetings, conferences, and other events, and announces upcoming meetings, conferences, and other events as well. The newsletter also includes calendars for upcoming SCAC webcasts, and SCAC and NACo conferences. *Carolina Counties* has won 15 state awards from the SCSAE and the S.C. Chapter of IABC.

South Carolina's annual *Directory of County Officials* has been published by SCAC since 1973. The directory lists and provides addresses and telephone numbers for: elected and appointed county officials in the state, members of the S.C. General Assembly, and other state and federal officials. The publication also identifies SCAC's officers, board of directors, past presidents, corporate supporters (patrons and sponsors), and regional councils of governments. The *Directory of County Officials* has won four state awards from the SCSAE.

Other SCAC publications include:

- Acts that Affect Counties
- Freedom of Information Handbook
- Handbook for County Government in South Carolina
- Home Rule Handbook
- Legislative Policy Positions
- Model Rules of Parliamentary Procedure
- Revenue Resources

# Legal Assistance Program

The Association's legal staff responds to numerous requests from county officials through phone calls, letters, and e-mails, seeking 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 pertinent statutes, case law, and attorney general's opinions; preparing informal advisory opinions; assisting counties involved in litigation of statewide interest; and appearing as Amicus Curiae (friend of the court). SCAC has provided legal assistance to a number of counties on significant cases of interest this past year.

In June 2016, 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 *Richland County v. S.C. Department of Revenue* (SCDOR). The county filed suit against SCDOR after the agency announced it would withhold the required July 1st payment of lawfully collected revenue as part of the penny tax for transportation projects. The agency also imposed new project funding requirements that are not included in the tax's enabling legislation. The Agency went further by announcing its demands to the county would be used as a model for the treatment of other counties utilizing the same tax program.

In April 2016, the Board of Directors instructed the staff to provide legal research assistance, including the filing of an Amicus Curiae brief in support of Georgetown County in the case *Repko v. Georgetown County*. This case involves the requirement that county taxpayers assume financial responsibility in cases where private developers fail to fully provide required infrastructure for new development, or do not provide a surety bond sufficient to complete such infrastructure. The Court of Appeals held Georgetown County liable for a property owner's loss of value after a developer declared bankruptcy without completing necessary infrastructure and failing to maintain a surety bond. The case is currently on appeal to the S.C. Supreme Court.

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. The case involves the proper valuation of structures and other real property improvements to land designated as agricultural for property tax purposes. The S.C. Court of Appeals is expected to hear oral arguments by early summer 2016. A decision is expected by mid-fall 2016.

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 involved the denial of permits to construct a residential/commercial project on the banks of the Congaree River. The S.C. Supreme Court heard oral arguments in the fall of 2014, and issued an opinion in favor of Richland County in August 2015. In March 2016, the U.S. Supreme Court refused to consider the case.

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*. A circuit court held that statutory law granted County Council the authority to approve the district's budget, and the district appealed to the S.C. Court of Appeals. The Court of Appeals heard oral arguments in mid-April 2015, and issued an opinion in late August upholding County Council's authority to approve the district's budget and levy applicable millage rates.

## Local Government Attorneys' Institute

On November 20, 2015, SCAC hosted its annual Local Government Attorneys' Institute. Nearly 200 attorneys attended to hear presentations on issues important local government attorneys. Presentations included updates to the State Ethics Government Accountability and Campaign Reform Act by Michael Burchstead, General Counsel of the S.C. Ethics Commission; Magistrate Court Practice and Ordinance Violations by Richland County Magistrate Mel Maurer; Freedom of Information Act updates; and updates on federal law by Chuck Thompson of the International Municipal Lawyers Association. The 2016 Local Government Attorneys' Institute will be held on Friday, November 18, in Columbia.

# **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 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.

SCAC continues to fight legislative attempts to preempt the S.C. Supreme Court's decision in *Bentley* v. Spartanburg County. In 2015, the Senate introduced S. 429, which allows workers' compensation benefits, without an accompanying physical injury, 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 bill was debated in committee during the 2015 session, and a minority report was attached. The bill ended the 2016 session on the Senate contested calendar, and therefore died. The bill was estimated to have a significant potential impact on workers' compensation costs for counties. 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. 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, continues to work with local detention facilities to address compliance with the federal Prison Rape Elimination Act (PREA). This act requires local detention facilities to implement new training, reporting, and inmate management programs. Additionally, SCAC staff works with counties to address new court-mandated restrictions on the use of Tasers and other non-service weapon uses of force.

### The S.C. Counties OPEB Trust Program

The Governmental Accounting Standards Board (GASB) requires state and local governments to compute and publish the amount of their Other Post-Employment Benefits (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-you-go system will be seen as a failure to pre-fund OPEB liabilities and could eventually degrade a government's bond ratings. The S.C. Counties OPEB Trust allows counties to pool their OPEB 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. 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.



David K. Summers Jr.
Calhoun County
Council Chairman



Vice-Chairman
Waymon Mumford
Florence County
Council Member



Gonza L. Bryant Greenwood County Council Member



Donald E. Hancock Saluda County Council Chairman



Clyde B. Livingston
Orangeburg County
Council Member



F. Pickens Williams Jr.

Barnwell County

Administrator



Steve Willis
Lancaster County
Administrator



Secretary/Treasurer Michael B. Cone SCAC Executive Director

# 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 \$89 million in 2015. Meanwhile, the number of participating county entities has increased from 81 entities in 2002 to 293 entities in 2016. Since 1992 when the Association's programs began, SCAC has returned more than \$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.

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 has provided services for 10 counties, and is actively meeting with other county tax officials to develop specific audit programs to address particular county needs.

#### Surplus Equipment — GovDeals

GovDeals has provided South Carolina counties an internet auction program for surplus equipment through **GovDeals.com** for nearly 15 years. GovDeals provides a platform for counties to sell non-essential equipment, vehicles, and other surplus assets via national online auctions. The primary benefits of using GovDeals are increased revenue, reduced asset depreciation, and reduced storage costs. GovDeals allows governments to sell surplus equipment and assets immediately without the need of long-term storage. Currently, GovDeals is working with 41

counties, and 100 other agencies in the state. Since the program's inception, counties have generated more than \$30 million in revenue. Between May 1, 2015, and April 30, 2016, 28 counties generated more than \$3 million in revenue.

### **New FSI Office Supplies Purchasing Programs**

SCAC sponsors a new discount purchasing program for routine office supplies and forms. The new program was created by SCAC in cooperation with Forms and Supply, Inc. (FSI), and offers substantial discounts on necessary office supplies.

# U.S. Communities Government Purchasing Alliance

SCAC and NACo are sponsors of U.S. Communities, the leading national government purchasing cooperative. U.S. Communities provides counties access to competitively-solicited contracts with national suppliers that have committed to providing their best overall public agency pricing.

## NACo Prescription Drug Program

The NACo Prescription Discount Program offers significant savings for uninsured and underinsured county residents. The program is available without charge to NACo member counties and their residents. The cards are accepted by more than 57,000 pharmacies nationwide and provide savings of up to 35 percent at local pharmacies and up to 50 percent for mailorder purchases. Citizens do not have to complete enrollment forms, and cards can be distributed with a brochure and used immediately by those who need them.



# **SCAC Scholarship Programs**

SCAC has awarded \$123,000 in scholarships to 53 students since establishing its scholarship program in 1998. This year, the Association proudly awarded \$2,500 scholarships to five high school seniors. All plan to attend a South Carolina 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 (Marion County Council Member John Q. Atkinson Jr.). **Sara K. King** of Marion High School was awarded the 2016 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.
Berkeley, Dillon, Lee, and Oconee counties were selected for these awards.

**Julie M. Rowland** of Hanahan High School; **Nathan T. Carter** of Dillon High School; **Hartley A. Craven** of Robert E. Lee Academy; and **Whitney R. Oakley** of Oconee Christian Academy were each awarded a Board of Directors Scholarship.

Ten (10) counties remain in SCAC's drawing for future Board of Directors Scholarships: Abbeville, Allendale, Charleston, Cherokee, Fairfield, Florence, Georgetown, Greenwood, Jasper, 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 2016 scholarship selection committees are listed below:

## Presidential Scholarship - Marion County

L. Gregory Pearce Jr., Richland County Council Vice Chairman – Chairman Julie J. Armstrong, Charleston County Clerk of Court Joseph R. Branham, Chester County Council Vice Chairman

## Board of Directors Scholarship - Berkeley County

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

# Board of Directors Scholarship - Dillon 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 - Lee County

Belinda D. Copeland, Darlington County Treasurer – *Chairman*Charles T. Edens, Sumter County Council
W.B. Wilson, Williamsburg County Council

# Board of Directors Scholarship - Oconee County

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

# 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 employee exit interviews, fee-in-lieu of taxes, cost of living adjustments for county employees, residency requirements for county administrators, inmate medical costs, county litter locations, and retiree health insurance benefits. 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 2015 Property Tax Rates by County in January 2016. This report is the most comprehensive, up-to-date listing of county property tax millage rates. County auditors provided information regarding their county's operating millage rates, municipal millage rates, special purpose and special tax district millage rates, special fees, 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

The **2016 Wage and Salary Report** was completed in December 2015. 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.

An upgrade to the wage and salary reporting system is currently underway. Planned changes include a redesigned publication and an online searchable salary database.

# County Profiles

The biennial *County Profiles* report was completed in June 2016. *County Profiles* 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.

In addition to the printed publication, individual county profiles and county tables are maintained online and 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 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 county estimates, millage rate caps, and state salary supplements of county elected officials.



# **Technology**

#### Website

**Sccounties.org** is an integral part of the Association's communications program and the primary online resource for information about South Carolina's counties and issues affecting county government.

The Association's website provides immediate, online access to information about our legislative initiatives, research, training opportunities, legal assistance, financial programs, and publications.

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.

Two recent additions to the website include disaster recovery resource information and resources for addressing Zika virus. These pages, available under the Services tab, provide links to grant opportunities to help pay for flood and hazard mitigation, and offer public outreach tools for addressing Zika virus with county residents.

It is the Association's goal to ensure **sccounties.org** is not only a wealth of historical knowledge for county governments, but that it also provides important information on the most current events and trends.

#### Member Portal

This year, SCAC launched a new online Member Portal available through **www.sccounties.org**. The portal allows members to update contact information in the database. Changes in phone numbers, mailing addresses, or email addresses are simple to make.

The portal also offers true online registration and payment options, including credit card payments, to our members. Members can register for Association events like the Annual Conference, or pay invoices. It allows users to track credits for the Institute of Government for County Officials (Institute). Members are able to view their progression in the Institute levels, determine which classes they may need in order to graduate, and print their transcripts.

Using the new portal, clerks will continue to register county officials for meetings and events as they have in the past. Other county officials and employees are welcome to use the portal to register themselves.

SCAC hosted a webinar on the Member Portal for clerks to council. A recording of the webinar is available on the SCAC website at www.sccounties. org/education-training.

#### Listserv Forums

The Association hosts several listserv forums, including one for county chief administrative officers and another for risk managers. Links to these forums are available on the Association Groups and Risk Management Services pages of the website, respectively. Other forums hosted by SCAC include S.C. Auditors, Treasurers, and Tax Collectors; S.C. Association of Assessing Officials; and the newly-created forum for county finance officers.

# Annual Conference App

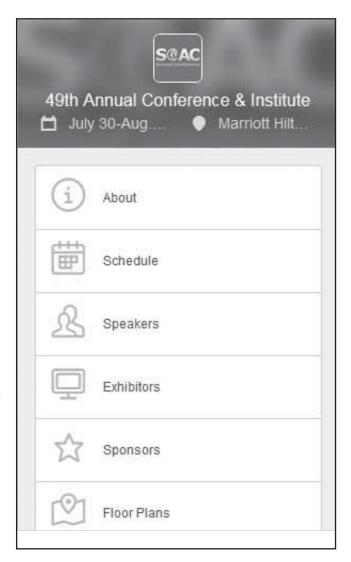
For the third year, the Association employed the SCAC Annual Conference App. The app can be downloaded to any smart device through the App Store, Google Play, or via a web portal.

It allows the Association to highlight speakers including biographies and contact information. 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 contact information for patrons and sponsors.

The ability to update the app at any time means that attendees have access to the most up-to-date information.

Updates to the app platform have ensured it is even easier to use. A tap of the finger makes adding events to a personal schedule quicker than ever. Users now have the ability to take notes on a session within the app, keeping everything for the conference in one place.

The number of users has more than doubled in the last few years. With the improved user interface, the Association hopes that more members will download the app and take advantage of its benefits.



# **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 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**

#### **Executive Director**

Michael B. Cone

# **Deputy Executive Director and General Counsel**

Robert E. Lyon Jr.

#### **Deputy General Counsel**

Robert S. Croom

#### **Assistant General Counsel**

Timothy C. Winslow

#### **Staff Attorneys**

John K. DeLoache James F. Knox M. Kent Lesesne Owen A. McBride Joshua C. Rhodes Alexander W. Smith

#### **Public Information Director**

W. Stuart Morgan III

#### **Director of Insurance Services**

Robert C. Collins, CPCU, CIC

#### **Director of Risk Management Services**

John D. Henderson, ARM, ALCM

#### Risk Manager

Robert E. Benfield, ARM

#### Trusts' Program Coordinator

Pam S. Collins, ARM

#### Trusts' Program Assistant Coordinator

Susan L. Chambers

#### **Insurance Claims Manager**

John V. Jervey, AIC

#### Workers' Compensation Claims Manager

Lang K. Kohel, ARM

#### Controller

H. Warren Counts Jr., CPA

#### **Special Program Coordinator**

S. Ruthie Duvall

#### **Special Program Assistant Coordinator**

Sharon D. Berkowitz

#### Director of Research and Training

Anna B. Berger

#### Senior Research Associate

Susan B. Turkopuls

#### **Special Projects Coordinator**

Leslie M. Christy-Jennings

#### Webmaster

Jennifer M. Haworth

#### **Director of Administrative Services**

Nilda A. Padgett

#### **Deputy Director of Administrative Services**

Tish F. Anderson

#### Administrative Assistants

Dana T. Homesley Pearlena A. Khalif-Govan Mary E. Williams

#### Information Technology/ Procurement Director

Robert J. Lyon, CPM, CPPB

#### Field Representative

Rick K. Ucinski

# SCAC BOARD OF DIRECTORS

# **Terms Expire 2019**

Diane B. Anderson, Laurens County Council
Donald E. Hancock, Saluda County Council Chairman
Henry E. "Sel" Hemingway Jr., Georgetown County Administrator
Lois H. Roddey, Chester County Probate Judge
Steve Willis, Lancaster County Administrator

## **Terms Expire 2018**

Joseph R. Branham, Chester County Council Vice Chairman Joseph B. Dill, Greenville County Council Charles T. Edens, Sumter County Council Joel R. Thrift, Oconee County Council W. B. Wilson, Williamsburg County Council

# Terms Expire 2017

L. Gregory Pearce Jr., Richland County Council Vice Chairman R. Archie Scott, Dillon County Council Dwight L. Stewart Jr., Clarendon County Council Chairman Claude Thomas, Abbeville County Council Johnnie Wright Sr., Orangeburg County Council Chairman

# **Terms Expire 2016**

Franklin F. Fulmore Sr., Williamsburg County Council Johnny W. Jeffcoat, Lexington County Council Charles T. Jennings, McCormick County Council Chairman Carolyn B. Robinson, Fairfield County Council Chairman K.G. "Rusty" Smith Jr., Florence County Administrator

#### **NACo Board Member**

Waymon Mumford, Florence County Council

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

David K. Summers Jr., Calhoun County Council Chairman



South Carolina Association of Counties: Building Stronger Counties for Tomorrow



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