

2017 President's Report

JULIE J. ARMSTRONG, PRESIDENT



**SOUTH CAROLINA
ASSOCIATION OF COUNTIES**

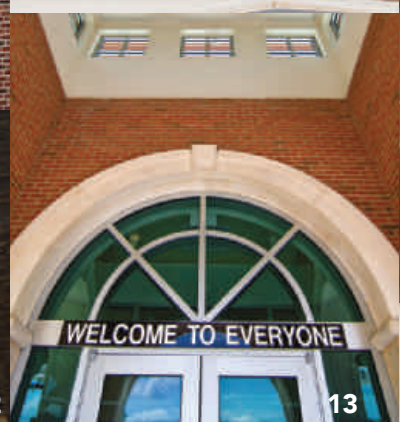
LOCAL LEADERS. STATEWIDE STRENGTH.™



21st Century Counties

1. Newberry County – Piedmont Tech
2. Colleton County Farmers Market
3. Anderson County Arts Center
4. Calhoun County Library
5. Georgetown County Fire Rescue
6. Anderson County Kayak Launch
7. Barnwell County Administration
8. Orangeburg County Aquatic Park

9. Historic Lancaster County Courthouse
10. McCormick County Administration
11. Greenwood County Library
12. Jasper County Courthouse
13. Marlboro County Library
14. Sumter County Patriot Park
15. Pickens County Council Chambers





JULIE J. ARMSTRONG, PRESIDENT

A Letter from the President

Dear County Officials,

This year, we are pleased to celebrate the South Carolina Association of Counties' (SCAC's) 50th anniversary. To honor this special occasion, the *2017 President's Report* reflects on key milestones of county government and the Association, and highlights SCAC's accomplishments over the past year. I hope you will take time to read through this special report to learn more about our shared history and the Association's contributions to county government and our citizens.

Today, we reap the benefits of enlightened county leaders who understood the value of bringing together **Local Leaders** to create **Statewide Strength** in 1967. These leaders worked diligently during SCAC's formative years to create a strong association that would meet the needs of county governments through advocacy, education, and collaboration.

The Association's legislative advocacy program played an integral role in the passage of the local government constitutional amendment in 1972 and the Home Rule Act in 1975, and continues to work persistently to protect Home Rule principles for county government. Our legal team is committed to representing and protecting county interests at the State House and in county litigation of statewide interests.

SCAC's educational and collaborative resources provide us with the knowledge, skills, and tools necessary to be effective leaders and to serve our citizens. The Association's training programs, research, publications, insurance trusts, and debt collection services are invaluable assets to all 46 counties.

Our Association is one of the premier county associations in the nation, which is attributable to the strong leadership in our current and past board of directors and our dedicated staff. Most importantly, our Association's success is owed to the remarkable involvement of our county officials. I challenge you to continue your active involvement in your Association.

As we pay tribute to the history of county government and SCAC, I would like to thank you for your support during my term. It has truly been a privilege and honor to serve you as president this year in our joint effort of *Building Stronger Counties for Tomorrow*. I look forward to working with you and our Association as we continue to make great strides over the next 50 years.

Sincerely,

A handwritten signature in cursive script that reads 'Julie J. Armstrong'.

Julie J. Armstrong, President
South Carolina Association of Counties
Charleston County Clerk of Court

SCAC 2016-17 Officers



PRESIDENT

Julie J. Armstrong
Charleston County Clerk of Court



FIRST VICE PRESIDENT

Henry H. Livingston III
Newberry County Council Chairman



SECOND VICE PRESIDENT

Charles T. Jennings
McCormick County Council Chairman



SECRETARY

F. Pickens Williams Jr.
Barnwell County Administrator



TREASURER

Belinda D. Copeland
Darlington County



PAST PRESIDENT

John Q. Atkinson Jr.
Marion County Council

SCAC Board of Directors

TERMS EXPIRE 2020

John Q. Atkinson Jr., Marion County Council
Gonza L. Bryant, Greenwood County Council
Franklin F. Fulmore Sr., Williamsburg County Council
J. Clay Killian, Aiken County Administrator
Debra B. Summers, Lexington County Council Vice Chairman

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
Paul A. Cain, Oconee County Council
Joseph B. Dill, Greenville County Council
Charles T. Edens, Sumter County Council
W.B. Wilson, Williamsburg County Council

TERMS EXPIRE 2017

L. Gregory Pearce Jr., Richland County Council
R. Archie Scott, Dillon County Council Chairman
D. Paul Sommerville, Beaufort County Council Chairman
Dwight L. Stewart Jr., Clarendon County Council Chairman
Johnnie Wright Sr., Orangeburg County Council Chairman

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

The State of South Carolina.

At a Convention of the people of the State of South Carolina begun and holden at Columbia on the Tenth day of September in the year of our Lord One Thousand Eight hundred and Ninety five, and thence continued by diverse adjournments to the Fourth day of December in the year of our Lord One Thousand Eight hundred and Ninety five.

Constitution OF THE State of South Carolina.

We, the people of the State of South Carolina, in Convention assembled, grateful to God for our liberties, do ordain and establish this Constitution for the preservation and perpetuation of the same.

Article I.

Declaration of Rights

Section I. All political power is vested in and derived from the people only, therefore they have the right at all times to modify their form of government.

Section II. Representation in the House of Representatives shall be apportioned according to population.

Section III. The General Assembly ought frequently to assemble for the redress of grievances and for making new laws, as the common good may require.

Local Leaders. Statewide Strength.™

In 1967, South Carolina's local leaders set their sights on forming a statewide association for all county officials. The new association would "promote more efficient government" to strengthen all 46 counties and advocate for their needs and concerns at the state level.

For 50 years, the South Carolina Association of Counties (SCAC) has worked to empower county officials through advocacy, education, and collaboration. SCAC is the only organization dedicated to the statewide representation of county government in South Carolina.

The Power of Collaboration

SCAC helps local leaders solve common problems by sharing resources and ideas. The Association's educational programs foster close connections between newcomers and seasoned county leaders by:

- Equipping them with a fundamental understanding of local government;
- Sharpening the skills they need to make sound, ethical decisions; and
- Fostering a statewide network of talented leadership.

SCAC helps county officials address the daily needs of their communities by providing research, technical assistance, publications, and other resources. The Association also offers affordable solutions to address:

- Workers' compensation and property & liability insurance;
- Risk management;
- Other postemployment benefits (OPEB);
- Debt collection;
- Property tax auditing and discovery; and
- Purchasing discounts for supplies and equipment.

Local decisions are affected by state and federal funding, legislation, regulations, and legal matters. SCAC increases counties' effectiveness and strengthens the partnership between federal, state, regional, and local governments. In addition to achieving specific legislative goals, the

Association works to safeguard Home Rule—the principle that the best form of government is that closest to the people. As a legal advocate, SCAC conducts research, provides sound advice, and appears as an *amicus curiae* (friend of the court) in cases with statewide impact.

South Carolina's Future Starts Here

County leaders serve on the home front, working to make all communities safe, healthy, prosperous, and resilient. From firefighting, emergency medical services and law enforcement to economic development, public works and disaster preparedness, counties play a critical role in every aspect of our lives.

SCAC is honored to be of service to South Carolina's 46 counties. Please explore the pages of this special report to learn more about the history of county government, the Association's noteworthy achievements, and its focus for the future.



Looking back. Moving forward.

SCAC was formed 50 years ago to unite and enable county officials through advocacy, education, and collaboration.

In the early history of our state, government was centered in Charleston. Anglican parishes served as election districts and also addressed education, roads, and vital statistics. Later, counties and judicial districts were laid out, and county courts were created after the American Revolution.

Even far into the 20th century, counties were largely run from the State House in Columbia.

The following timeline traces the history of county government in South Carolina and illustrates how county officials have worked together—through SCAC—to address statewide challenges.

1868

The S.C. Constitution of 1868 redesigns judicial districts as counties. Each county is governed by a board of county commissioners with authority over taxes and expenditures; however, the provision is repealed in 1890.

1800s



York County
Courthouse, circa 1825

The Constitution of 1895 recognizes counties again. Powers and duties are limited to providing schools, roads, ferries, bridges, public buildings, and facilities *as the General Assembly permits*. Powerful legislative delegations govern counties through supply bills passed in Columbia.

1895



In 1948, the General Assembly authorizes a county council for Charleston County. Act 764 becomes the cornerstone for a statewide movement toward Home Rule. Charleston County Council members are sworn into office in 1949. A county manager is hired, and a council-manager form of government begins operating on July 1.



Charleston County's first bookmobile hits the road in October 1931.

1945 At the end of World War II, the Public Administration Service conducts a study of the Charleston area. Recommendations include creating a county board of commissioners with the power to levy and collect taxes, control expenditures, incur debt, contract and pass local ordinances.

1900s-1940s

South Carolina experiences significant population growth, making it difficult for legislators to oversee county operations while focusing on state issues. County officials form statewide affiliate associations to foster peer learning and collaboration.



“...the days of all the details of county government being run by a majority of the delegation including the Senator must inevitably be coming to an end. When our population was smaller, when we were still a rural state, when persons running for the legislature knew most of their constituents by name, government by the Senator and majority of the House—or by the Senator alone...worked remarkably well. Today, however, the problems of county government have become far more complex, far more time-consuming than they were 50, 25 or even 10 years ago.”

– Lt. Gov. John C. West, April 13, 1965

The General Assembly creates the Committee to Make a Study of the S.C. Constitution of 1895 (West Committee). The committee will be chaired by Lt. Gov. John C. West and will determine the forms, powers, and duties of local government.

1966

SCAC sponsors an Outdoor Recreation Institute in Columbia on Feb. 7. More than 200 local government officials attend the event, which includes remarks by Gov. Robert E. McNair.

1968

1960s

Reynolds v. Sims requires representation in the General Assembly to be based “substantially” upon population. Reapportionment prompts the development of county-based governing.

1964

SCAC becomes a member of the National Association of Counties (NACo) and Charles W. Lawrimore is elected to its board of directors.

1967



Gov. Robert E. McNair and SCAC President Charles W. Lawrimore at SCAC's first large conference, Sept. 12-14, 1968.

1967 – State associations of county auditors and treasurers, clerks of court and recorders of deeds, probate judges, and road officials advocate for a statewide organization of all county officials. They appoint an organizational committee with Georgetown County Treasurer Charles W. Lawrimore as chairman.

County officials meet on June 1 to form SCAC, adopt a constitution and bylaws, and elect a board of directors. SCAC is incorporated as a private corporation and will charge a service fee. Lawrimore becomes president. SCAC's main objective is "promoting more efficient government."

Thirty-one counties have joined SCAC and the Association holds its first large conference. Nearly 300 attend, and members adopt a budget. Gov. McNair encourages counties to press for progress in per capita income, industrial expansion, and education. He says counties can help the state achieve progress, as county government is "where the action really is."

The West Committee issues its final report. The report recommends 17 new articles for the state constitution, including one to address local government.

James C. Shipman becomes SCAC's first executive director, working from an office at 1400 Bull Street in Columbia. Russell B. "Bo" Shetterly is also hired as assistant director.

More than 600 participants attend SCAC's second conference in August. Lt. Gov. West addresses the importance of county government and the need for constitutional revision in his remarks to delegates.



Former U.S. Secretary of Education and S.C. Governor Richard W. Riley delivers the keynote address at SCAC's 2012 Annual Conference. He reflects on his career in public service, including his role in the passage of the Home Rule Act.

1972 – Sen. Richard W. Riley sponsors S. 556 to provide a new constitutional article addressing local government—Article VIII. The General Assembly proposes Article VIII to voters in the fall election, and the measure passes by a vote of 55.4% to 44.5%.

1970 Bo Shetterly becomes SCAC's second executive director.

The Association adopts its present logo and the slogan "Building Stronger Counties for Tomorrow." SCAC also publishes the first directory of S.C. county officials and *Carolina Report* newsletter.

1970s

SCAC sends each county a "Red Book" of information collected through surveys to help officials make sound decisions about areas of concern.

SCAC President J. Hugh McCutchen (Williamsburg County) forms a study committee to develop plans for implementing the new local government constitutional amendment.

1972



Charleston County Manager Richard L. Black and Council Chairman James J. Price display SCAC's top awards.

The President's Cup is established to recognize a county official who provides outstanding leadership and service to SCAC and county government. Charleston County Manager Richard L. Black receives the first cup.

SCAC announces the J. Mitchell Graham Award to recognize county innovation, and Charleston County wins the first award.

1973

1973



The General Assembly ratifies the amendments approved by voters, also known as the "Home Rule Amendment," on March 7.

By November, SCAC includes 44 counties, and Michael B. "Mike" Cone becomes its assistant director.

In April, SCAC's County Government Study Committee issues a preliminary report, *Five Forms of County Government: "A Step to the Future."* The final report will be presented to the General Assembly and will provide a framework for the Home Rule enabling legislation.



It is clearly intended that home rule be given to the counties and that county government should function in the county seats rather than at the State Capitol. If the counties are to remain units of government, the power to function must exist at the county level. Quite obviously, the framers of Article VIII had this in mind."

– *Knight v. Salisbury*
1974

"There will be Home Rule, whether granted by political graybeards or their youthful replacements."

– SCAC President
James O. Thomason, Aug. 23, 1974

1975

○ *Booth v. Grissom* concludes that the General Assembly can no longer pass county supply bills because they violate Article VIII of the State Constitution.

1974

○ The S.C. Supreme Court rules that a legislative act forming the Lower Dorchester Recreation District is unconstitutional per Home Rule. *Knight v. Salisbury* confirms the General Assembly cannot create special purpose districts or pass county-specific legislation.

○ President James O. Thomason addresses the critical need to pass enabling legislation for the Home Rule Amendment at SCAC's Annual Conference. He also appoints a committee, chaired by Greenwood County Executive Secretary J. Eugene Klugh, to study the needs of county government and recommend a course of action upon the passage of Home Rule legislation.



GOV. JAMES B. EDWARDS SIGNS THE HOME RULE ACT (ACT 283) ON JUNE 25, 1975 WITH REP. JEAN TOAL (RICHLAND), REP. ROBERT MCFADDEN (YORK), SPEAKER OF THE HOUSE REX CARTER (GREENVILLE) AND REP. CECIL COLLINS (ANDERSON). COUNTIES ARE REQUIRED TO CHOOSE A FORM OF GOVERNMENT VIA REFERENDUM BY JULY 1, 1976.

SCAC publishes a *Guide to S.C. County Government* and offers local workshops to review the Home Rule Act. The Association also publishes a booklet of attorneys general opinions affecting county government and a *County Information Handbook*.

1976

The S.C. Supreme Court rules that the county board of commissioners form of government is unconstitutional in *Duncan v. County of York*. Counties must operate under the council, council-supervisor, council-administrator, or council-manager form of government.

Sen. Riley sponsors S.18, which provides for alternate forms, structure, organization, powers, and duties of county government. It passes the General Assembly on June 12.

SCAC develops a collaborative process to define legislative goals. The first Legislative Conference is held in December. Representatives from all member counties vote to select the Association's top priorities.



1979

SCAC membership includes all 46 counties.



1985 – The County Council Coalition, formed to unite council members and support legislative efforts, holds its first meeting on August 12.



1982 SCAC moves to a small house at 1817 Hampton Street.

1985 In the mid-1980s SCAC distributes the weekly *Friday Report* to involve county officials in the legislative process and inform them of the General Assembly's actions.

1980s

SCAC's Board of Directors forms the S.C. Counties Workers' Compensation Trust in response to a crisis in the commercial insurance market. Eleven counties begin the fund with less than \$500,000.

1984

1989

"THE POWERS OF A COUNTY MUST BE LIBERALLY CONSTRUED IN FAVOR OF THE COUNTY AND THE SPECIFIC MENTION OF PARTICULAR POWERS MAY NOT BE CONSTRUED AS LIMITING IN ANY MANNER THE GENERAL POWERS OF COUNTIES."

— S.C. CODE ANN. § 4-9-25

1987 Bo Shetterly resigns after serving as executive director for 18 years. Mike Cone becomes SCAC's executive director and Robert E. "Bob" Lyon Jr. is named assistant director and general counsel.

1988 SCAC hosts its first Mid-Year Conference to address legislative priorities.



1986

The S.C. Tort Claims Act authorizes property and liability insurance pools, allowing counties and municipalities to form intergovernmental agreements for property and liability insurance.

The first formal report of all new laws that affect county operations is published in September. The report provides a foundation for SCAC's current publication *Acts That Affect Counties*.



IN 1989, SCAC ESTABLISHES THE INSTITUTE OF GOVERNMENT FOR COUNTY COUNCIL MEMBERS IN COOPERATION WITH THE UNIVERSITY OF SOUTH CAROLINA AND CLEMSON UNIVERSITY. THE PROGRAM EQUIPS LOCAL LEADERS WITH AN UNDERSTANDING OF COUNTY GOVERNMENT AND SHARPENS THE SKILLS THEY NEED TO MAKE SOUND DECISIONS.

The first graduates of SCAC's Institute of Government (1990). Front Row: Elise Cahaly, Anderson County Council; Alzena Robinson, Bamberg County Council; Shirley Corbett, Florence County Council; Wilhelmina Johnson, Darlington County Council; and Lachian Hyatt, Spartanburg County Council Chairman. Back Row: Harris Beach Jr., Colleton County Council Vice Chairman; Carl Sellers, Dorchester County Council; and Laurie McLeod, Horry County Council Chairman. Not pictured: Jim Stone, Darlington County Council.

1988

Carolina Counties replaces the *Carolina Report* newsletter.



Counties are granted general police powers. The statute reverses Dillon's Rule—a doctrine that local governments are creatures of the state and may *only* perform functions that are delegated by the state.

Act 487 permits counties to offer a fee in lieu of taxes for industrial developments valued at \$85 million or more and financed by industrial revenue bonds.

Act 6 allows counties to form multi-county industrial or business parks.

1990s

1989



1991 – The General Assembly passes the S.C. Solid Waste Policy and Management Act. It requires counties to develop plans to reduce landfill waste by increasing the recovery and recycling of materials.

David K. Summers Jr., Chairman of Calhoun County Council and Three Rivers Solid Waste Authority (TRSWA), signs paperwork to issue \$21.5 million in bonds. TRSWA constructed one of the nation's first publicly-owned, multi-county landfills in the 1990s—offering nine counties a long-term recycling and waste disposal solution.

1990 • Act 317 grants the first local government sales tax, permitting counties to impose a one-cent sales tax if approved by referendum.

1991 • The State Aid to Subdivisions Act allocates state-shared revenue to local governments. The Local Government Fund—the largest part of the act—is allocated per statutory formula to counties and municipalities. Before passage, counties and municipalities received a portion of multiple state taxes that varied each year.

SCAC publishes the first edition of *County Focus* magazine.

• Nine county officials graduate from the Institute of Government for County Council Members.

• Gov. Carroll A. Campbell Jr. signs Act 171, authorizing fiscal impact statements for all legislative bills that require county or municipal expenditures of funds, personnel, equipment, or facilities.



1990s

Representatives from SCAC and the Municipal Association of South Carolina meet with Gov. Carroll A. Campbell Jr. to stress the need for alternate sources of revenue. Advocates include Columbia Mayor T. Patton Adams, Anderson Council Member Beatrice R. Thompson, Rock Hill Mayor Betty Jo Rhea, Berkeley County Supervisor Johnnie T. Flynn, and County Council Members Lowell C. "Butch" Spires (Lexington) and O.V. Player Jr. (Sumter).

1992 SCAC purchases an office building at 1901 Gadsden Street and celebrates its 25th anniversary.



The Institute of Government for County Council Members becomes the Institute of Government for County Officials, and Level II certification is added.



Brown v. Horry County upholds an ordinance to impose a road maintenance fee on all motor vehicles registered in Horry County. The S.C. Supreme Court rules that counties may impose a uniform service fee on users, rather than increasing the general county property tax.



In 1994, the Association conducts a comprehensive study of unfunded mandates at the request of South Carolina's Tax Structure Ad Hoc Committee.

1993 ○ Act 157 prevents any general law that requires local governments to expend funds unless the General Assembly determines the law fulfills a state interest and it is approved by a two-thirds majority in both chambers.

1995 ○ SCAC announces the results of the unfunded mandates study during a State House press conference. County governments also host regional press conferences to address this issue.

• An amendment to the Setoff Debt Collections Act allows local governments to participate in the state's Setoff Debt Collection Program. Acting as an agent for nine counties and 11 county hospitals, SCAC submits nearly 27,000 delinquent debts to the S.C. Tax Commission.



1997 – Counties and municipalities are granted three local option sales tax provisions: the capital project sales tax, local accommodations tax, and local hospitality tax.

1995



SCAC establishes the S.C. Counties Property & Liability Trust to address rising liability insurance premiums.

The Association sponsors its first Local Government Attorneys' Institute to review statutory and case law pertaining to local governments.



Act 52 grants counties the authority to impose a transportation sales tax or toll to finance transportation projects by referendum.

Counties defeat H. 3446, the "Hog Bill," which would erode Home Rule by exempting industrial hog and poultry farms from community review.



1998 – SCAC establishes a Regional Cooperation Award. The award is renamed in memory of former Charleston County Council Chairman and SCAC President Barrett S. Lawrimore in 2004.

1997

SCAC develops a website at SCCounties.org.



The S.C. Counties Workers' Compensation and Property & Liability Trusts hold their first joint meeting and recognize the first graduates of the Certified County Risk Manager program.

More than 400 county employees participate in SCAC's first educational teleconference via S.C. Educational Television (ETV).

1996

SCAC hosts its first statewide orientation for newly-elected county council members.

1999



In 2000, SCAC's current office building is completed and occupied.



SCAC officers open the Association's new building on Oct. 27, 2000. Front row: Past President Polly C. Jackson; President James H. Rozier Jr.; Former President Robert R. Nash Sr., Ph.D.; First Vice President Steve S. Kelly Jr.; and Treasurer Patsy G. Knight. Back Row: Third Vice President Gonza L. Bryant; Secretary Robert M. Haynie; and Second Vice President James A. Coleman.

2002 SCAC helps county entities pursue debt collection through Governmental Enterprise Accounts Receivable (GEAR), in addition to the Setoff Debt Program. GEAR offers additional collection tools implemented by the S.C. Department of Revenue.

2000s

2001

The S.C. Counties Insurance Trusts offer Occupational Safety and Health Administration training conducted by the S.C. Department of Labor, Licensing and Regulation.

2004

The Association introduces *County Profiles*, a reference with economic, tax, employment, and financial data for each of the 46 counties.



2006 – Act 388 restricts local governments' ability to raise revenue. The act creates a 15 percent assessment limit over a five-year period and imposes a cap on local government millage rates. It also exempts owner-occupied residential properties from school operating millage.

2005 SCAC receives approval to provide orientation training for local planning/zoning officials and employees. The Association also offers continuing education training, beginning in 2006.

2007 Counties successfully oppose H. 3615 to cap local expenditures based on a prescribed formula, which would erode Home Rule and hinder economic development.

2006 SCAC publishes its first issue of *Property Tax Rates by County*.

2008 SCAC prevents the passage of S. 1105, which would permit single-county legislation, enable county council decisions to be reversed by the legislative delegation, and effectively end Home Rule.



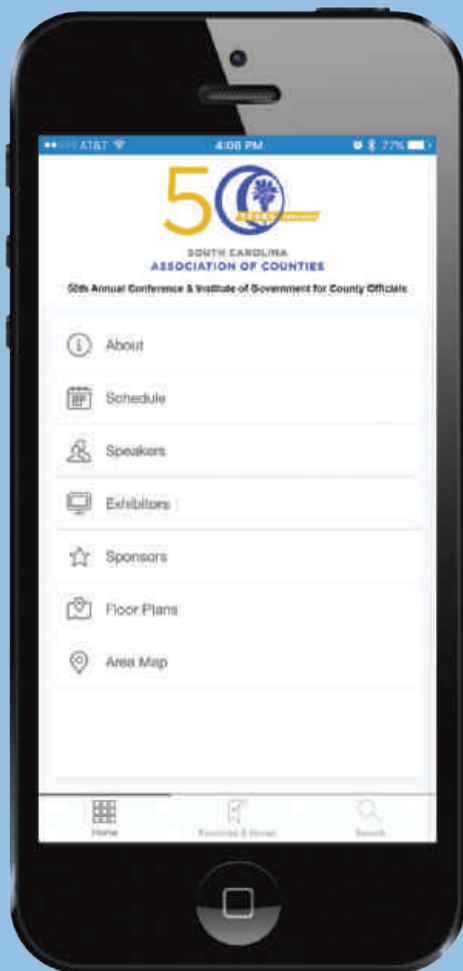
2013-14 – SCAC joins a coalition of citizens and organizations to protect South Carolina from becoming the nation's dumping ground. The "Don't Dump on SC" campaign successfully blocks legislation that would cripple local governments' authority to manage solid waste.

2008 The Association forms a new trust in response to a 2004 standard issued by the Governmental Accounting Standards Board. The trust allows counties to pool their other postemployment benefits (OPEB) and invest them to gain a higher rate of return.

2010 SCAC offers webcast training for county officials and employees. Each live webcast is made available on-demand at SCCounties.org.

2009 SCAC and county officials host State House press conferences, voicing their opposition to a proposed cut in the Local Government Fund (LGF).





SCAC connects county officials to information and resources. The Association's technology solutions include an Annual Conference app and a secure member portal.

2012 • Clemson University, Francis Marion University, and the University of South Carolina collaborate to research the impact of state mandates upon South Carolina's county governments.

• As the recession deepens, the General Assembly cuts state and local agency budgets significantly. SCAC fights for a budget proviso allowing counties to reduce funding for state-mandated programs or state requirements by up to the percentage reduction in the LGF appropriation.

2016 • SCAC launches a secure portal, allowing members to update their contact information, register for events, and view Institute of Government for County Officials' records via the internet.



2013 •

SCAC, NACo, the International Municipal Lawyers Association, and several state and county solid waste authorities unite to protect local governments' management of solid waste. The Fourth Circuit Court of Appeals affirms *Sandlands v. Horry County*, ruling in favor of Horry County.



Leadership

SCAC IS ONE OF THE PREMIER COUNTY ASSOCIATIONS IN THE NATION, WHICH IS ATTRIBUTABLE TO THE STRONG LEADERSHIP WE'VE BEEN PRIVILEGED TO ENJOY OVER THE PAST FIVE DECADES.



CHARLES W. LAWRIMORE was born in Georgetown in 1918 and earned a bachelor's degree in accounting and economics from the University of South Carolina. After serving in World War II, he returned to Georgetown and was elected county treasurer in 1946.

Lawrimore was elected president when SCAC was formed in 1967, and was re-elected in 1968. During his presidency, Lawrimore worked tirelessly to build the Association.

Lawrimore became the first South Carolinian elected to the NACo Board of Directors, and was a board member for the National Association of Regional Councils. He remained on SCAC's board until 1973 and retired in 1985, after serving as Georgetown County treasurer for 39 years.



J. MITCHELL GRAHAM became SCAC's second president in 1969 and was re-elected in 1970.

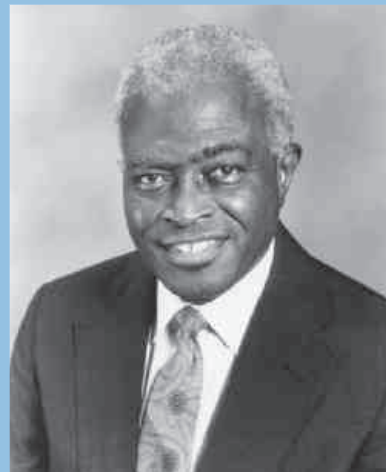
Born in 1926, Graham was a native of McClellanville who graduated from the University of South Carolina and its law school. He was elected to Charleston County Council in 1954 and served for 17 years, including 12 years as chairman.

Graham supported Charles W. Lawrimore's efforts to form SCAC and chaired the Association's budget committee for 1967-68. Graham was a strong advocate of Home Rule and brought his entire county council to SCAC events. Shortly after becoming SCAC's president, Graham noted, "When county officials who represent more than 300,000 persons still have to go to Columbia to get permission to pick up dogs, it is time to realize the [current] form of government is backward."

Graham died in office at age 46, two weeks after voters passed the ballot measure to provide Home Rule. As a tribute to his leadership and service, SCAC established the J. Mitchell Graham Memorial Award in 1973.



MARJORIE H. SHARPE was elected as the Association's first female president in 1979. She served as Lexington County treasurer for 28 years and as president of the S.C. Association of Auditors, Treasurers and Tax Collectors in 1972.



LONNIE HAMILTON III became SCAC's first African-American president in 1982. Hamilton was a member of Charleston County Council from 1971-1994, serving twice as council chairman. The Charleston County public services building and the interchange of Interstates 26 and 526 are named in his honor.

Additional Presidents

1970s

John L. Greer, Union County
J. Hugh McCutchen, Williamsburg County
James O. Thomason, Spartanburg County
Arthur H. Burton, Charleston County
Jack Q. Gerrald, Horry County
Harold L. King, Darlington County
E.E. Johnson, Hampton County
Berry L. Mobley, Lancaster County
Marjorie H. Sharpe, Lexington County

1990s

Kenneth R. Huckaby, Spartanburg County
James R. McGee, Orangeburg County
Belle J. Kennette, Greenwood County
William L. McBride, Beaufort County
Raymond C. Eubanks Jr., Spartanburg County
George E. Bomar, Greenville County
Betty T. Roper, Clarendon County
Alzena Robinson, Bamberg County
Robert R. Nash Sr., Ph.D., Pickens County
Polly C. Jackson, Lancaster County

2010 to Present

Diane B. Anderson, Laurens County
R. Carlisle Roddey, Chester County
Joseph B. Dill, Greenville County
Charles T. Edens, Sumter County
Joseph R. Branham, Chester County
James R. Frazier, Horry County
John Q. Atkinson Jr., Marion County
Julie J. Armstrong, Charleston County

1980s

Howard A. Taylor, Charleston County
Alfred B. Schooler, Georgetown County
Lonnie Hamilton III, Charleston County
James P. Whitlock, Pickens County
Charlie I. Crews, Hampton County
Sue H. Roe, Aiken County
O.V. Player Jr., Sumter County
Danny E. Allen, Spartanburg County
David K. Summers Jr., Calhoun County
Lowell C. "Butch" Spires, Lexington County

2000-09

James H. Rozier, Jr., Berkeley County
Steve S. Kelly Jr., Kershaw County
James A. Coleman, Laurens County
Gonza L. Bryant, Greenwood County
Barrett S. Lawrimore, Charleston County
Waymon Mumford, Florence County
Belinda D. Copeland, Darlington County
K.G. "Rusty" Smith Jr., Florence County
L. Gregory Pearce Jr., Richland County

SCAC 2017 President's Report

JULIE J. ARMSTRONG, PRESIDENT

This report to SCAC's membership covers the period from August 2016 to August 2017.

Legislative Advocacy

The foremost reason for starting the Association in 1967 was to provide legislative advocacy and statewide representation for counties. County officials recognized that having a unified voice to express their positions to the General Assembly led to better results. The Association achieved its first major legislative victories in the passage of the local government constitutional amendment in 1972 and the Home Rule Act in 1975.

In its formative years, the board of directors was the Legislative Committee. The committee met once annually to review pre-filed legislation. After subcommittees met, the full committee would convene to take its position on legislation for the year—all in one day.

Today, the development of policy positions spans five months and involves significantly more participation by county officials. The Legislative Committee now has 75 members: each county council chairman or 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 in July, seeking input from more than 1,200 county officials and employees. This input includes suggestions particular to a specific county department or service, broad policy

recommendations concerning county government, and ideas provided by outside groups that affect county government. These suggestions are assigned to the appropriate steering committees for work sessions in September and November.

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

In December 2016, SCAC's Legislative Committee adopted 71 policy positions to set the course for the 2017 Legislative Program. These positions were published in *Policy Positions for the 2017 Session of the South Carolina General Assembly*. Once policy positions are adopted, it is the responsibility of the membership and SCAC staff to advocate for their implementation. The success or failure of policy positions is largely dependent upon participation from county officials.

The Association provides tools to involve county officials in the legislative process and keep them informed of the General Assembly's actions. The *Friday Report* is prepared and distributed weekly during the legislative session. It keeps county officials informed about legislation that affects their operations, reporting on all issues affecting county government, whether or not they involve official SCAC policy positions.

SCAC staff attends numerous legislative subcommittee and committee meetings so they can monitor and report what happens. The actions of the House and Senate are monitored each day the General Assembly is in session. This includes reviewing each bill or amendment introduced in the House or Senate, and requesting input from county officials who, based on their respective areas of expertise, are assigned to tracking groups. This feedback is crucial to the legislative staff when advocating for or against legislation. When legislative action is occurring too quickly for the *Friday Report*, special *Legislative Alerts* are sent, or individual telephone calls are made.

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



SCAC's 2016-17 Legislative Priorities

Local Government Fund (LGF) – After nearly a decade of the General Assembly failing to adhere to the statutory formula, SCAC attempted to reach a compromise by setting the base funding level at \$223.2 million with a yearly increase to correspond with the growth in the state general fund up to 5 percent. The General Assembly neither honored the current statutory funding formula nor adopted SCAC's proposal. Fortunately, the General Assembly did increase the base funding level of the LGF by adding \$10 million in recurring appropriations, for a total of \$222.6 million in recurring funds.

State Retirement System (Act No. 13) – Pension reform was passed to address the retirement system's unfunded liability by increasing contribution rates. This legislation increases and caps South Carolina Retirement System (SCRS) employee contribution rates at 9 percent. Employer contribution rates, now at 11.56 percent, will see a yearly increase until FY 2022-23, rising to 18.56 percent.

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 members of the General Assembly and SCAC staff.

The 2017 session of the S.C. General Assembly was a successful one for SCAC, both as it relates to policy positions that were achieved and harmful legislation that was amended or blocked. Because 2017 was the first year of a two-year session, legislation that did not pass will remain in the same procedural position when the General Assembly reconvenes in January.

Police Officers Retirement System (PORS) employee contribution rates are increased and capped at 9.75 percent. PORS employer rates, now at 14.24 percent, will see a yearly increase until FY 2022-23, rising to 21.24 percent. The FY 2017-18 state budget appropriated \$34 million to offset a portion of the two-percent local government employer contribution increase.

Roads and Infrastructure (Act No. 40) – SCAC's persistent advocacy resulted in roads legislation that avoided detrimental provisions for counties. After years of debating the issue of how to best fix the state's roads, the General Assembly passed comprehensive legislation that includes the creation of an Infrastructure Maintenance Trust Fund from which several revenue sources, including those from a gas tax increase, will be deposited. An additional \$40 million was added to county transportation committees' funding. SCAC was also successful in ensuring that the ownership of state roads was not transferred to counties.

Other Legislation of Interest

Freedom of Information (Act No. 67) – SCAC fought to minimize this legislation’s impact on counties. The act provides a public body with judicial relief from burdensome and improper requests, and prohibits commercial solicitation of private information from local government—an SCAC policy position victory.

Probate Court (Act No. 87) – Provides comprehensive probate court revisions for statewide uniformity to the probate process and to enhance protections for the disabled. The act also allows a probate judge to relieve an indigent party from filing fees and certain court costs, which is an SCAC policy position.

Dealer Tags (Act No. 57) – Increases the number of dealer license plates allowed for dealers participating in a manufacturing program. When first introduced, the bill would have resulted in an \$8.5 million reduction in property tax revenue. Fortunately, after working with the S.C. Automobile Dealers Association, a compromise was reached to ensure that the reduction in property tax revenue is minimal.

Work Zone Safety (Act No. 81) – Enhances penalties for driving infractions in a highway work zone to protect road maintenance workers and first responders. SCAC was successful in obtaining adequate funding for enforcement, prosecution, and court administration.

Dam Regulation (H. 3218) – Passed the House and provides DHEC with regulatory authority over dams that are currently unregulated if the dam poses a public safety risk—another SCAC policy position.

Expungements (H. 3789 and 3209) – These bills, among other things, broaden the types of non-violent crimes eligible for expungement and in certain situations make it easier to obtain an expungement, which reflects SCAC’s policy position. Both bills made progress by passing through at least one chamber, but were stalled due to *sine die* adjournment and will be taken back up next year.

Magistrates’ Jurisdiction (S. 118) – Passed the Senate and increases the magistrates’ civil jurisdiction from \$7,500 to \$10,000, which will provide constituents with greater access to the court. This reflects SCAC’s policy position.

A comprehensive overview of the results of the legislative session was prepared and distributed by SCAC. This publication, *Acts that Affect Counties*, gives county officials notice of new or revised laws that affect county government.

Highlights of the 2017 Legislative Session

- 69** members served on SCAC’s 2016 Legislative Committee
- 16** professional groups represented on steering committees
- 71** policy positions adopted for the 2017 session
- 84** county officials served on tracking groups
- 438** bills were monitored
- 8** SCAC policy positions passed at least one chamber
- \$10M** increase obtained in recurring LGF baseline
- 0** state roads transferred to counties in the roads bill
- 1,071** county officials received the weekly *Friday Report*
- 8** *Legislative Alerts* informed counties of legislative issues requiring immediate attention

Legal Advocacy

Since the Association was formed, its legal staff has supported county officials seeking advice about legal issues affecting county government operations. Legal staff works through the county attorney and outside counsel on a wide variety of issues. It spends hundreds of hours each year providing informal telephone consultations; researching pertinent statutes, case law, and attorney general opinions; preparing informal advisory opinions; assisting counties involved in litigation of statewide interest; and appearing as an *amicus curiae* (friend of the court).

In May 2016, the Association's board of directors instructed SCAC to provide legal research assistance, including the filing of an *amicus curiae* brief, in support of Richland County in *Richland County v. the S.C. Department of Revenue, et al.* The department had decided on its own to withhold transportation penny sales tax revenue paid by county taxpayers because of certain county expenditures. The circuit court directed the department to continue releasing the county's quarterly payments, but denied the county's request for a permanent injunction.

In April 2016, the board of directors instructed the staff to support Georgetown County in *Repko v. Georgetown County*. The S.C. 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. An appeal is pending before the S.C. Supreme Court.

SCAC legal staff successfully supported Spartanburg County in *Montgomery v. Spartanburg County Assessor*. The S.C. Court of Appeals sided with the county and held that the constitution and property tax statutes intended for agricultural land and farm structures be valued separately. The taxpayer has appealed to the S.C. Supreme Court.

On Nov. 28, SCAC hosted more than 200 attorneys for its annual Local Government Attorneys' Institute. The 2016 presentations addressed ethics, bankruptcy, accounting, employment law, and the impact of the U.S. Supreme Court sign ordinance case *Reed v. Gilbert*.

Education and Training

Throughout its history, SCAC has worked to develop competent county leaders through advocacy, education, and collaboration. Today, the Association offers a strong

portfolio of educational programs with opportunities for orientation, certification, e-learning, and collaboration.

Orientation Training for Newly-Elected Council Members

On Dec. 13, SCAC welcomed 59 of the 69 newly-elected county council members to Columbia for a full day of training. Designed to provide a thorough insight into their new roles and responsibilities, the event also highlighted how Association programs and services will be a valuable

resource for them. The training is provided free of charge, and participants earned six hours of Institute of Government for County Officials credit toward Level I certification.

"For most of us, the stress and excitement of running for office were followed by a transition period filled with unexpected challenges. It is easier to determine which issues are the most critical and consider citizen requests if you have a clear picture of what county governments do and how they function."

**– Alzena Robinson
Institute of Government Class of 1990**

The Institute of Government for County Officials

SCAC's Institute of Government for County Officials (Institute of Government) provides the knowledge and skills that policymakers and executive staff need to address critical issues, meet the daily needs of their communities, and monitor the county's performance.

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

The primary 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.

Four of the Institute of Government's courses provide continuing education credit for local planning/zoning officials and employees. Institute of Government courses are also a component of the S.C. Clerks to Council Certification Program.

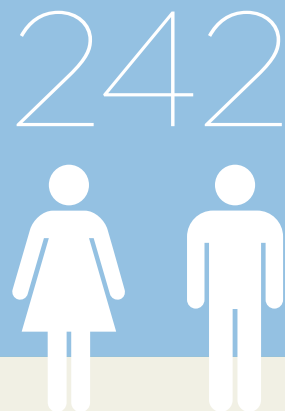
475+

Since 1989, more than 475 county officials have completed the program.



Many graduates continue their education by attending advanced classes annually.

This year, 242 county officials attended classes for Levels I and II, and 69 county officials attended advanced classes.



Sessions are offered in August, October, and February.

Training for Council Officers

In February, SCAC offered a workshop for council chairmen and vice chairmen in conjunction with the Institute of Government.

The workshop provided information about the duties, powers, and responsibilities of both leadership positions.

Participants learned strategies for running effective meetings, the importance of rules of procedure, and the value of building effective working relationships. Twelve council chairmen and eight vice chairmen attended.

E-learning

SCAC began providing training to county officials and employees via distance education programs in 1996. Today, the Association hosts training via webcasts and webinars.

Each training session is made available via streaming video through SCAC's website or a loaned DVD.

The webcasts and webinars are a valuable tool for providing education at no cost to the counties.



SCAC's 2016-17 Continuing Education Programs

The Association offered "Current Trends for Planning and Zoning Officials" on May 18. About 250 planning/zoning officials and employees from 32 local governments participated.

SCAC presented the webcast "Taking Charge of Change" on Dec. 7. Approximately 200 people from 15 counties participated.

SCAC also hosted four webinars. Officials from 25 counties learned about recent changes to the Freedom of Information Act, new income disclosure requirements for elected officials, GASB 77 regulations, and SCAC's member portal.

Training for Local Planning/Zoning Officials and Employees

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 within the first year of serving.

It also requires three hours of continuing education each year thereafter. The requirements also apply to planning professionals, zoning administrators, zoning officials, and deputies/assistants to these positions.

All of the Association's planning and zoning training programs are approved by the S.C. Planning Education Advisory Committee.

The Association provides orientation training and continuing education that addresses current issues and changes in state law. One course fulfills the annual planning/zoning continuing education requirement. Local planning/zoning officials and employees may also earn continuing education credit for four courses offered by the Institute of Government.

SCAC's planning and zoning orientation training and continuing education courses can be viewed via streaming video or loaned DVDs.

Collaborative Learning

SCAC's annual awards competition provides a unique opportunity for county officials to learn about innovative practices, technology, and trends; to strengthen their professional network; and to share ideas and expertise.

Counties are invited to submit applications for innovative projects completed during the past fiscal year for SCAC's awards competition, held in conjunction with the Annual Conference.

The J. Mitchell Graham Memorial Award recognizes counties that address community challenges, implement operational improvements, or enhance their citizens' quality of life in a unique way. First presented in 1973, this award honors the memory of J. Mitchell Graham, who served as SCAC's president from 1969-70.

The Barrett Lawrimore Memorial Regional Cooperation Award highlights the critical need for regional partnerships, strategies, and solutions. The award is named in memory of Barrett S. Lawrimore, who served as SCAC's president in 2004.

The Association hosts an online video library of awards competition presentations. SCAC also highlights the projects and summarizes all entries in *County Focus* magazine.

"I always attend [the awards competition] and invite council members and key staff members to do the same, knowing we're likely to see something that we can bring back to Georgetown County. We've replicated with great success a number of projects that were presented by other counties."

**– Henry E. "Sel" Hemingway Jr.
Georgetown County Administrator**

Research and Technical Assistance

Each year, the Association's staff responds to hundreds of inquiries from county and state officials ranging from simple document requests to more complex questions

requiring considerable research. The research staff stays abreast of topics and data resources to help county and state officials make informed decisions.

SCAC Connects Counties to Information and Resources

1,400+

Sent monthly *What's New* e-mail messages to more than 1,400 county officials.



Provided in-depth research for three special projects.



Conducted 15 surveys and gathered county-level information on a variety of subjects.

50

Research staff responded to an average of 50 requests per month for information and resources. Research and technical assistance is often provided by telephone or e-mail.

Research and Technical Web Pages — SCCounties.org/research

The research web pages serve as an important means of connecting counties with useful data. Information includes a variety of county publications, results of surveys on topical issues, and data collected from other websites and resources. Among the available documents are county statistics, financial documents, council rules of procedure,

personnel policies, planning and zoning documents, purchasing ordinances and RFPs, and links to county codes of ordinances. SCAC's research web pages also provide data on issues of importance to counties, such as estimated Local Government Fund allocations, millage rate caps, and state salary supplements for county elected officials.

What's New Monthly E-mail

The *What's New* monthly e-mail message informs county officials about new or updated information available via SCAC's website. Web links are provided for upcoming

events and training opportunities, new and updated publications, and timely topics of interest.

Online Discussion Forums

SCAC administers online discussion forums for five distinct groups of county officials, allowing them to post questions and share county-related information. The Association hosts listservs for county chief administrative

officers; the S.C. Association of Auditors, Treasurers and Tax Collectors; the S.C. Association of Assessing Officials; county finance officers; and county personnel directors.

State Regulations

Monthly updates are sent to county chief administrative officers regarding state regulations that may affect counties. Notices of proposed, drafted, and finalized regulations are published by state agencies in the State Register.

The research staff ensures that counties are aware of certain regulations as they are proposed and drafted, giving counties an opportunity for input in the development of regulations.

SCAC Performs Original Research

SURVEYS

SCAC's research staff often conducts statewide surveys and gathers information about the policies and practices of individual counties. The results help inform county policymakers and practitioners. The information is also used by the Association's legislative staff, state agencies, and the General Assembly.

A sample of surveys conducted during the past year includes topics such as planning commissions, school resource officers, county dams, 17-year-old pre-trial inmates, county fees, vehicle tax assessment appeals, animal shelters, sheriffs' office vacancies, and commercial driver's licenses.

SPECIAL RESEARCH PROJECTS

Occasionally the research staff is called upon to assist the Association's executive and legislative staff with timely topics of concern to SCAC and to counties as a whole. These matters often pertain to legislation being considered by the S.C. General Assembly. In the past year, the research staff has provided in-depth research on unfunded state mandates, the history of Home Rule in South Carolina, and state-shared revenue in other states.

PROPERTY TAX REPORT

SCAC publishes *Property Tax Rates by County* annually. This report is the most comprehensive, up-to-date listing of county property tax millage rates. *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 public.

WAGE AND SALARY REPORT

The *Wage and Salary Report* is published biennially and contains the results of SCAC's survey of 200+ county government positions. 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 biennial *County Profiles* consists of county statistical information gathered from a variety of state and federal sources. Each county is represented by a one-page profile containing a brief county history, recent population trends, economic data, tax data, and county financial and employment data. It may also be accessed online.

Technology

SCCounties.org has been a resource for county officials and employees for 20 years. It has grown from a single, static page into a dynamic site with hundreds of pages of vital information. The site offers access to research, education, and training resources; insurance services; and publications tailored to meet the needs of county officials and employees.

The career center categorizes local government positions and makes them searchable for those interested in employment, making it easy to reach the best applicants. SCAC's website is also home to pages for several peer association groups.

SCAC has not limited its exploration and use of technology to the website. The Association also offers streaming webcasts; a meeting app, which includes nearly 400 users; and live webinars. Technology is an area the Association will continue to explore and advance. It is SCAC's goal to provide county officials and employees with the resources they need in formats that are easy to use.

SCCounties.org also provides legislative advocacy information, including contact information for state legislators. The web pages for *Friday Reports* and *Legislative Alerts* together average more than 5,600 unique page views each year.



SCAC Scholarship Program

SCAC has awarded more than \$135,000 in scholarships to 58 students since establishing its scholarship program in 1998. This year, the Association proudly awarded \$2,500 scholarships to five high school seniors.

Each year, SCAC awards a Presidential Scholarship to a graduating high school senior who resides in the same county as the Association's current president.

This year, the Association also awarded four Board of Directors Scholarships to graduating high school seniors who are residents of counties chosen by lot. Allendale, Cherokee, Florence, and Pickens counties were selected for these awards.

Publications and Public Information

SCAC publishes three award-winning publications—*Carolina Counties* newsletter, *County Focus* magazine, and *South Carolina's annual Directory of County Officials*. All are available via SCCounties.org.



Carolina Counties newsletter is the Association's oldest communications tool. It is published five times per year. The newsletter has a

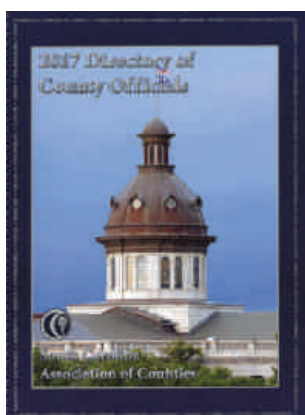
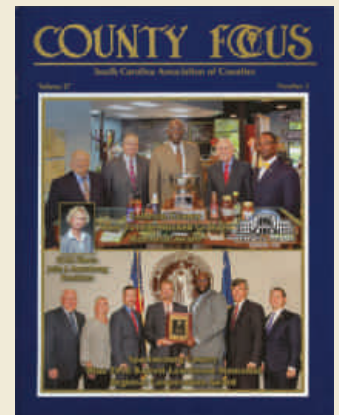
circulation of more than 1,000 and is distributed to South Carolina county officials, regional councils of governments (COGs), and corporate supporters.

Carolina Counties informs local leaders of important issues affecting county government and announces upcoming events. It has received 13 awards from the National Association of County Information Officers (NACIO) and 18 awards from the S.C. Society of Association Executives (SCSAE) and the S.C. Chapter of the International Association of Business Communicators (IABC/SC).

These three publications have won 90 national awards and 33 state awards since 1991.

First published in 1991, *County Focus* magazine is a quarterly publication that focuses on legislative issues and successful county programs and projects. It has a circulation of 1,300 and is distributed to county officials, COGs, members of the General Assembly, other state officials, and corporate supporters.

A U.S. Senator or Representative usually writes the lead article for the spring, summer, and winter issues; and the magazine's fall issue focuses on SCAC's Annual Conference. The magazine publishes local news submitted by counties and calendars for SCAC events and National Association of Counties (NACo) conferences. The magazine has won 77 awards from NACIO and nine awards from SCSAE and IABC/SC.



SCAC has published South Carolina's annual *Directory of County Officials* since 1973. The directory lists and provides addresses and telephone numbers for: elected and appointed county officials, COGs, 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, and corporate supporters. Copies are distributed to all officials and organizations listed in the directory, and to all state associations that represent counties, boroughs, and parishes nationwide. The directory has won six awards from SCSAE.

Financial Service Programs

Self-Funded Insurance Programs

The Association sponsors two self-insurance pools, open to member counties and to agencies with county government-related functions. Both the Workers' Compensation and the Property & Liability Trusts are governed by boards of trustees appointed by SCAC's Board of Directors. All trustees are 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 (SCCWCT) was formed in 1984 by the SCAC Board of Directors in response to a crisis in the commercial insurance market. The trust currently has 91 members,

including 42 counties. Claims administration is provided under contract by Ariel TPA, a third-party administrator. General administration and risk management are handled in-house by SCAC insurance staff.

The S.C. Counties Property & Liability Trust

The S.C. Counties Property & Liability Trust was formed in 1995, in response to rapidly rising liability insurance premiums. The trust has 26 members, including 16 counties.

Trust Management

The SCAC insurance staff consists of seven full-time insurance professionals with a combined 137 years of public entity experience who provide targeted risk management solutions.

"While we have been very happy with the products offered by the Association's insurance programs, outstanding customer service is really where they excel. When I have a question or concern, I can always expect a prompt, accurate, courteous response."

– Steve Willis, Lancaster County Administrator

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



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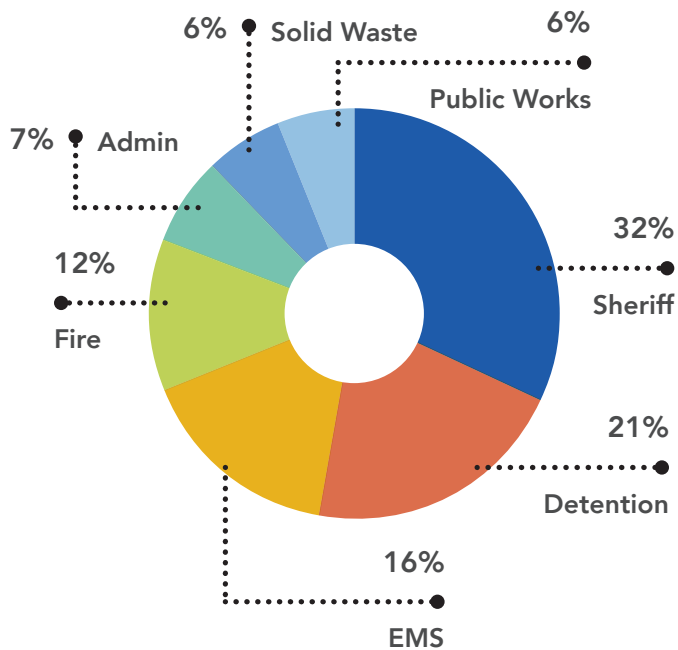
Michael B. Cone
SCAC Executive Director

Risk Management Training

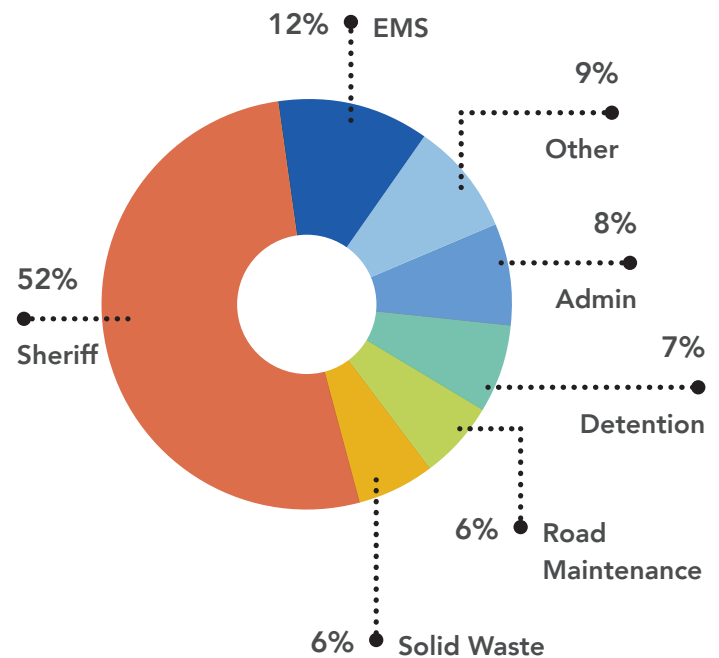
The trustees of both trusts have placed great importance on the application of sound risk management techniques. SCAC offered the first Certified County Risk Manager (CCRM) training program in 1999 to train county employees to lead local risk management efforts. During the past 18 years, SCAC's staff has trained hundreds of county employees and has adopted the current training program, Risk Management Principles. This training is usually conducted in member counties for convenience. SCAC's risk managers also serve trust members by providing additional training and surveys.

In order to understand the cost drivers for both trusts, SCAC's staff monitors claims and develops training to address areas of concern. Loss exposures from law enforcement operations have been the highest cost driver for both trusts, and motor vehicle accidents outweigh all other law enforcement claims. Such accidents have the potential to incur claims for auto liability, auto physical damage, and workers' compensation. SCAC's staff continues to work with counties to reduce the frequency and severity of these claims. Staff members also provide detention center inspections and staffing studies.

WORKERS' COMPENSATION CLAIMS
JULY 2010 – MARCH 2017



PROPERTY AND LIABILITY CLAIMS
JULY 2010 – MARCH 2017



160

Coaching the Emergency Vehicle Operator – Police defensive-driving classes were conducted for about 160 deputies.



Approximately 180 deputies received Law Enforcement Risk Management training.



Five regional classes to address Detention Center Risk Management Issues were offered for sheriffs.

Nearly 800 detention center officers attended Detention Center Risk Management training.

800



700

About 700 county employees attended classes for Inmate Supervision.

About 150 detention center supervisors attended Detention Center Management classes conducted at the S.C. Criminal Justice Academy.

150

The trusts continue to fund online training for law enforcement and detention center officers via lineofduty.com. Thirty-eight member counties currently employ this training, which offers Continuing Law Enforcement Education (CLEE) credit and reduces officer injuries, litigation, and training expenses.

SCAC has also developed three additional CLEE classes to address law enforcement exposure, dealing with overall risk management and liability, risks specific to operating jails, and inmate supervision issues. Each class has been conducted for more than 1,000 county employees.

For non-law enforcement employees, a robust emphasis on defensive driver training continues. The trusts also provide a safety video lending library as well as online streaming of more than 450 safety videos for members.

Bimonthly OSHA standards training is also provided, with hundreds of members participating in the 14 classes during the policy year. The S.C. Department of Labor, Licensing and Regulation's Office of Voluntary Programs provides instructors for this training.

A one-day continuing education seminar is held each year in September for risk managers and workers' compensation claims coordinators. This seminar is very well attended each year.

The Insurance Trusts' annual membership meeting is held in January. The purpose of this meeting is to bring council chairmen, chief administrative officers, and risk managers together to develop even stronger support for risk management among trust members.

"SCAC's insurance staff takes the time to answer questions and help us understand insurance, which can sometimes be quite challenging. When we have time-sensitive matters that require their assistance, they are great in providing solutions to help us improve our workers' compensation program. It is comforting to have such great people on our side who really care."

– Linwood Vereen Jr., Horry County Risk Manager

Emerging Workers' Compensation Issue

In early 2017, the S.C. Supreme Court issued an opinion that will substantially increase workers' compensation awards for certain injuries. The issue in *Clemmons v. Lowe's Home Centers, Inc.* was whether an employee's ability to work affects his or her entitlement to disability benefits under the S.C. Workers' Compensation Act.

While on the job assisting a customer, the plaintiff slipped and fell, severely injuring his back. Several physicians evaluated Clemmons, assigning him impairment ratings greater than 70 percent and permanent work restrictions. Lowe's agreed to accommodate those restrictions, and Clemmons returned to work as a Lowe's cashier.

The law states that in cases where there is 50 percent or more loss of use of the back, the injured employee shall be presumed to have suffered total and permanent disability.

The S.C. Supreme Court held that "the mere fact that a claimant continues to work [alone] is insufficient to defeat the presumption of permanent and total disability." Therefore, it is possible for an individual to be permanently and totally disabled and still be gainfully employed. The result will increase costs for employers, and will potentially decrease the usefulness of return-to-work programs for certain injuries.

The S.C. Counties OPEB Trust

The Governmental Accounting Standards Board (GASB) requires state and local governments to compute and publish the amount of their other postemployment 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, state and local governments are beginning 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 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.

Setoff Debt

SCAC assists numerous entities, including county emergency medical services, courts, delinquent tax offices, hospitals, alcohol and drug treatment centers, business license offices, water and sewer authorities, and housing authorities, in participating in both the Setoff Debt Collection Program and the Government Enterprise Accounts Receivable Program (GEAR). These two programs, statutorily created by the S.C. General Assembly, aid governmental or quasi-governmental entities in collecting delinquent debts that would likely otherwise go unpaid. These programs help counties avoid raising taxes.

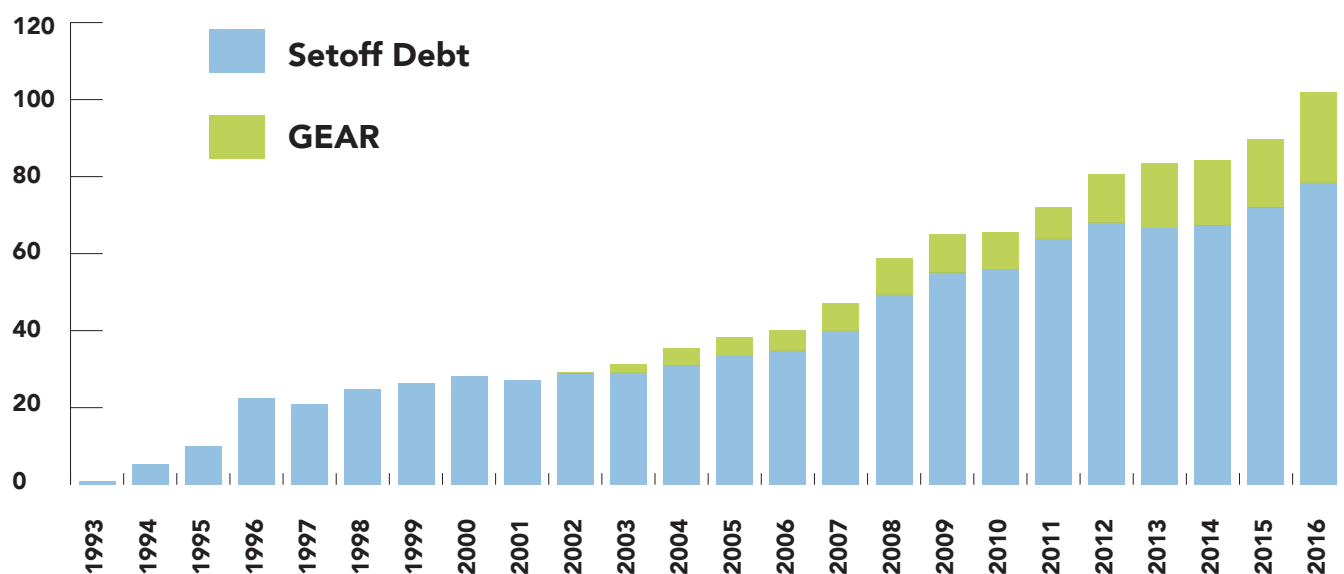
In 1992, the General Assembly amended the Setoff Debt Collection Act to include “political subdivisions” under the definition of “claimant agency,” allowing county governments to participate in the program. The following year, SCAC began its Setoff Debt Collection program and supported the collection of \$1,038,068.

In the late 1990s, a citizen brought suit against the Department of Revenue, SCAC, and several other participating entities seeking an injunction to stop the program. The *Gardner v. SCDOR* lawsuit cemented SCAC’s role in administering the Setoff Debt Collection Program for other qualified claimant agencies.

SCAC provides numerous services to assist program participants. The Association offers free software to help counties manage their data, searches data for potential errors, and provides error reports and verification totals for all submitted data files. SCAC also provides the option of electronic funds transfer, allowing counties to receive funds more quickly.

DEBT COLLECTIONS

in millions





Cooperative Service Programs

PROPERTY TAX AUDIT PROGRAM: SCAC participates with Tax Management Associates, Inc. (TMA) to provide property tax audit and discovery services for county business personal property and residential property tax programs. TMA has worked successfully to assist 12 South Carolina counties 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. In addition to South Carolina, TMA works with nearly 20 other states to ensure proper taxpayer compliance.

SURPLUS EQUIPMENT – GOVDEALS: GovDeals has provided South Carolina counties an internet auction program for surplus equipment through GovDeals.com for nearly 16 years. GovDeals allows governments to sell surplus equipment and assets immediately without the need of long-term storage. GovDeals is working with 41 counties and 100 other agencies in the state. Since the program's inception, South Carolina counties have generated nearly \$40 million in revenue.

FSI OFFICE SUPPLIES PURCHASING PROGRAM:

SCAC sponsors a purchasing program for routine office supplies and forms. It offers substantial discounts on office supplies.

U.S. COMMUNITIES GOVERNMENT

PURCHASING ALLIANCE: SCAC and the National Association of Counties (NACo) are sponsors of U.S. Communities, the leading national government purchasing cooperative. U.S. Communities provides counties with access to a broad line of 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 mail-order purchases.

Tools for 21st Century Leaders

As SCAC celebrates its 50th anniversary, it is remarkable to see how counties have changed, but it is also important to note that the Association's founding principles have not. The Association's goals of strengthening all 46 counties and advocating for their needs at the state level will continue to be its primary focus in the future.

By bringing together **Local Leaders**, the Association and county officials are able to create **Statewide Strength**. This is most evident through SCAC's legislative and legal advocacy programs. Engaged county officials working with SCAC are the most effective advocates of Home Rule for the citizens of South Carolina.

As counties face changing demographics and service demands, SCAC remains committed to building

competency for county officials and employees. SCAC will provide research and educational tools related to emerging issues, and will enhance its educational offerings by providing cost-effective training via the internet.

The Association will also offer innovative, affordable solutions to help counties serve their citizens—including self-insurance pools, risk management services, debt collection programs, and cooperative service programs.

Local leaders must anticipate and adapt to emerging issues to keep counties safe, healthy, prosperous and resilient. SCAC will continue to work with state and county officials to improve South Carolina's strength by delivering essential programs and services for the 21st century.

PHOTO CREDITS:

Page 4 – Access provided by the S.C. Department of Archives and History

Page 6 – Culture & Heritage Museums of York County; *Images of York* Collection

Page 7 – Charleston County Public Information Office/County Council, Charleston County Public Library/Bookmobile

Page 8 – John C. West Papers, South Carolina Political Collections, University of South Carolina

Page 9 – *The (Charleston) Post and Courier* (Sept. 1968)

Page 11 – *The (Charleston) News & Courier*/Murton (Aug. 21, 1973)

Page 13 – Municipal Association of South Carolina

Page 18 – Municipal Association of South Carolina

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1



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3



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21st Century Counties

1. Restored York County Courtroom
2. Aiken County Administration
3. Georgetown County Airport
4. Cherokee County Courthouse
5. Lexington County Council Chambers
6. Greenville County Animal Care
7. Lexington/Richland Counties Animal Adoption

8. Abbeville County Veterans Affairs
9. Hampton County Courthouse
10. Colleton County Museum
11. Lee County Courthouse
12. Lancaster County Administration
13. Oconee County South Cove Park
14. Darlington County Library



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