

the MUNICIPAL ASSOCIATION *of* SOUTH CAROLINA
1930–2015 A History of Shared Voices, Shared Knowledge, Shared Solutions

Stepping up to the Challenge

Municipal Association members
gather on February 8, 1940, at
the Jefferson Hotel in Columbia.





the Municipal Association of South Carolina

1930–2015

A History of Shared Voices, Shared Knowledge, Shared Solutions

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A History of Shared Voices, Shared Knowledge, Shared Solutions

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*“Americans of all
ages, all conditions,
all minds constantly
form associations.”*

ALEXIS DE TOCQUEVILLE



South Carolina sent 27 delegates (the second largest state delegation) to the American Municipal Association's 1952 Annual Meeting in Los Angeles.

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FEBRUARY 2015

*“Cities and towns are
the heart and soul of
South Carolina.”*

BOB COBLE

FORMER COLUMBIA MAYOR AND 1996 ASSOCIATION PRESIDENT

INTRODUCTION

A History of Shared Voices, Shared Knowledge, Shared Solutions

French sociologist and political theorist Alexis de Tocqueville came to the United States in 1831 to examine the country’s penitentiary system. When he began his research, however, Tocqueville was drawn more to models of local governance in New England and to what he saw as America’s penchant for creating associations to solve problems together.

“Americans of all ages, all conditions, all minds constantly form associations,” Tocqueville observed. “... In America I have often admired the extreme skill with which the inhabitants of the United States succeed in proposing a common goal to the efforts of a great many men and in getting them to voluntarily pursue it freely.”¹

Sixty years after Tocqueville commented on the American capacity to work together to achieve shared goals, local officials across the country began to unite in national and state associations designed to strengthen municipal governance. More than 100 years later, state municipal leagues and associations remain strong, vibrant and effective in supporting and representing cities and towns in their states.

The state municipal league movement began in 1891 when officials from 11 Indiana cities and towns met in Huntington, Indiana, to form what would become the Indiana Association of Cities and Towns. Over the next six decades, associations were created “voluntarily and spontaneously” in every state except Hawaii.²

South Carolina began the process of creating a municipal association in 1926 when officials from 18 cities and towns attended a February 3 meeting at the Jefferson Hotel in Columbia at the invitation of Mayor R.F. Watson of Greenville and Mayor Foster Fant of Anderson. While there had been previous gatherings of mayors, the 1926 meeting was the first significant effort to form a municipal association. That meeting was an important step toward the establishment of the Municipal Association of South Carolina in 1930.

This book reflects on the Association’s history, impact and legacy. It provides snapshots, milestones, stories and photographs that catalogue the events, advancements, decisions, people and partnerships that shaped the evolution of both the Municipal Association of South Carolina and the state’s cities and towns.

State municipal associations collectively and individually have changed the face of municipal government.

Born during the good government movement, state municipal associations have had a significant impact on how the American system of local government operates and on the lives, actions and skills of municipal officials.

“Legal concepts of municipal Home Rule, state laws on everything from annexation to local taxation to zoning, and general respect for local government ... have been strongly shaped by the work of state municipal leagues,” according to *State Municipal Leagues: The First Hundred Years*, published by the National League of Cities in 1999.³



MOMENT IN HISTORY

Jefferson Hotel Hosts South Carolina History

For more than 50 years, the Jefferson Hotel at 1800 Main Street in Columbia was a hub of business and legislative activity. Legislators met regularly at the hotel because of its stature and location near the State House. From 1926 through the early 1940s, the Municipal Association of South Carolina and its predecessor, the League of

South Carolina Municipalities, also met there often. Many laws that shaped the state’s future were reportedly discussed and created in the hotel’s lobby and meeting rooms.

John Jefferson Cain owned and operated the hotel, which was built in 1912–1913 for \$250,000. Columbia’s first radio station, WIS (which stands for “Wonderful Iodine State”), had its broadcast studio in the hotel from 1930 to 1935. The hotel was demolished in 1966.

The opportunity to network, share ideas and pool knowledge was a launching point for many state municipal associations, including South Carolina, and remains a vital function today.

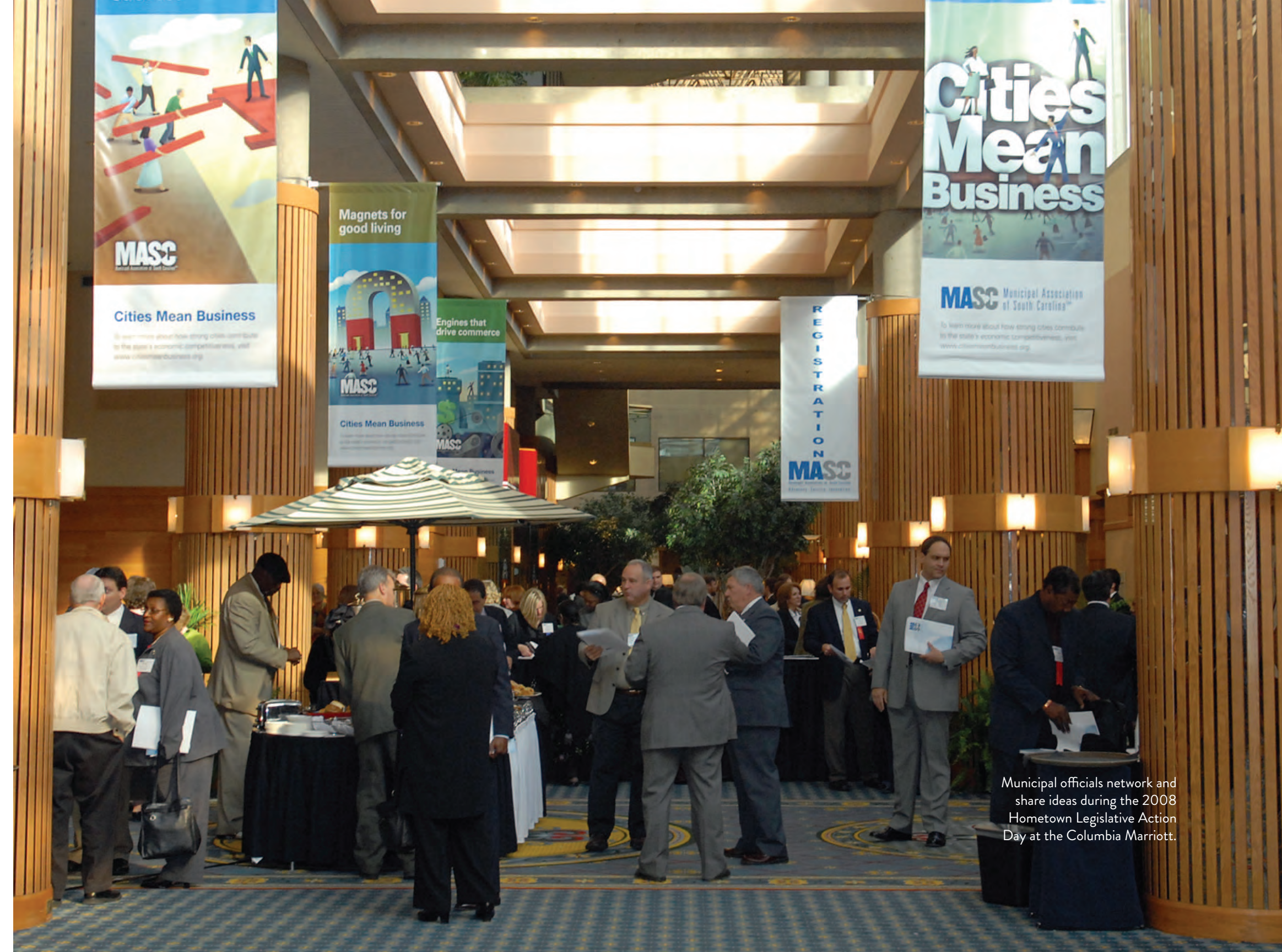
Mayors in South Carolina met informally as far back as 1924 to discuss state issues, share ideas and explore forming an association. The desire to convene regularly to deal with important policy issues and learn from each other drove the formation of the Municipal Association of South Carolina in 1930.

Speaking at the 1954 Annual Meeting, President R.B. White, mayor of Hartsville, said cooperation and a sincere spirit of helpfulness were centerpieces of the Association’s value.

“Since the beginning of my connection with the Association, it has been a constant source of fascination to find similar problems of all cities and towns, regardless of where they are located or how small or large they might be,” White said.

More recently, long-time Charleston Mayor Joe Riley, Association president in 1980, said the opportunity to connect regularly with other local officials through the Municipal Association has had an enormous impact on the success of cities and towns.

“It is important for municipal officials to come together to share information, get to know each other, explore problems and solutions, and energize each other,” Riley said in a December 2014 interview.



Municipal officials network and share ideas during the 2008 Hometown Legislative Action Day at the Columbia Marriott.



MAYOR CULLEN SULLIVAN, ANDERSON
1939 President

Rock Hill Mayor Doug Echols shares his views at the 2007 Hometown Legislative Action Day about the importance of establishing partnerships between business leaders and municipal officials.

Cities and towns are economic engines of the state, and strong cities mean a strong state.

“Companies build plants and businesses relocate because of the quality of life and services provided in our cities,” said Mayor Terence Roberts of Anderson, Association president in 2014. “As local leaders, we need to control what we can control and be the best we can be by providing the best services possible.”

Similarly, Wayne Bowers, former city manager of Spartanburg, said recently that collaboration among strong cities helped attract a BMW plant to Greer in 1992—now the company’s largest production facility worldwide—by providing needed services and working together to support the new plant.

“We must continue to impress upon the Legislature that cities are truly the economic engines of the state,” said Mayor Doug Echols of Rock Hill, Association president in 2006. “Whatever we can continue to do together to support that local economic engine is good for the state.”

The ability to speak with one voice on behalf of all cities and towns is a cornerstone of the Municipal Association’s action and success.

President Cullen Sullivan, mayor of Anderson, highlighted the value of the Association’s growing voice on behalf of South Carolina cities and towns during a speech at the 1940 Annual Meeting.

“The Association feels that it has its fingers on the pulse of all matters that will come before the Legislature,” Sullivan said. “We must pull together. We must cooperate.”

Looking ahead, as issues become more complex and more politically driven, sticking together remains essential. “The Municipal Association must hold us together and never let politics or policy disagreements drive a wedge between any of our cities and towns,” said City Administrator John Yow of Orangeburg in January 2015.

The Municipal Association’s training programs have helped develop a cadre of competent and confident city leaders.

When first elected mayor of his hometown of Johnston in April 2014, Terrence Culbreath was 29 years old and anxious to make a difference. Culbreath said he quickly reached out to the Municipal Association to take advantage of its programs and services.

“The Association educated me and gave me the confidence to know what could be done,” Culbreath said. “The training programs and the staff have provided solid information and best practices to support my thoughts and ideas.”

The Association’s deep commitment to education through training institutes, meetings, affiliate associations and technical assistance have helped countless municipal officials become more effective leaders and practitioners. Even its advocacy work starts from a foundation of education by ensuring that local officials understand the impact of legislation so they can both advocate for municipal interests and implement new laws that affect municipal operations.

From the day he was first elected mayor of Greer, Rick Danner, the Association’s president in 2008, said in a recent interview that he looked to the Association as the “go-to organization for the training, information and resources I knew I would need. The Municipal Association has been my safety net and my backstop.”

A skilled, knowledgeable, trusted and responsive staff has been and will continue to be essential to the Municipal Association’s success.

Hiring James N. Caldwell Jr. as the Association’s first full-time executive director in November 1939 was a turning point for building a strong state municipal association in South Carolina that has thrived for many years. The staff has grown in number and expertise, particularly in its ability to stay at the forefront of issues.

In recent discussions about the Association’s success, several past presidents highlighted the strength, expertise and availability of its staff. “What makes the Association so successful is the knowledgeable and responsive staff who work well together,” said state Senator Kevin Johnson, former mayor of Manning and the 2009 and 2010 Association president.

Similarly, 1978 President Virgil Hicks, former mayor of Bamberg, said the staff has always been “a great hand to help you out.”

Former Columbia Mayor Bob Coble, Association president in 1996, sees the staff this way: “I always felt that having competent and experienced staff as close as a telephone call was the Association’s biggest asset.”

The Association’s programs and services have put South Carolina’s cities and towns on stronger financial footing.

Helping cities and towns strengthen their financial foundation has always been a high priority for the Association. “With the cooperation of our cities in the exchange of ideas and suggestions, we hope to retrieve for our cities a great amount of revenue which they have not been getting,” said Anderson Mayor Cullen Sullivan, Association president in 1939.

Association officers meet with Governor James Edwards in December 1976 to urge him to support legislation for alternative sources of revenue. (l-r) Bamberg Mayor Virgil Hicks, Spartanburg Mayor John Baehr, Edwards, Greenville Mayor Max Heller and Myrtle Beach Councilmember Allison Farlow



From advocating for stable revenue sources to administering collection and pooled insurance programs, the Association has helped make South Carolina cities and towns fiscally stronger.

The Association’s earliest advocacy efforts in the 1930s included securing a share of the six-cent state gas tax for upkeep of city streets and blocking efforts to exempt bus companies from local taxes.

In addition, the Association began helping cities find more cost-effective ways to meet local needs. As early as 1940, the Association launched a study of insurance rates paid by South Carolina cities and towns. The study examined whether self-insurance could be a more cost-effective way to provide liability insurance than through the commercial market.

The opportunity for municipal officials to develop strong connections with each other enhances learning and creates deep loyalty to the Association and its mission.

For many local officials, the relationships that grow out of Association involvement are vital to building strong, successful cities and towns.

Former Orangeburg Mayor Paul Miller, the 2010 and 2011 president, said recently that “meeting people from across our great state and forming lasting relationships” were the most rewarding aspects of his leadership role with the Association.

Other local officials who reflected on their involvement in the Association cited the friendships, the family atmosphere of the Association, and the “countless joys” of working with municipal officials and Association staff.

“I can’t say enough about what it meant to me to get to know officials from throughout the state and get ideas from other cities that I could implement at home,” said former Mayor Mary Clark of Camden, president in 1990 and 1991. “You meet people, make friends and learn things that you would not have known if you never left your city.”

Maximizing the benefits of pooled knowledge to meet the challenges of changing times will be even more important in the years ahead.

City and town officials say that the Municipal Association’s ability to operate on the cutting edge, anticipate new challenges, “ride on the horizons” and never get stale has confirmed the wisdom of creating an organization to foster pooled knowledge and information sharing. As the issues grow more complex and the pace of change accelerates, maintaining that ahead-of-the-curve capacity will be even more important.

Mayor Doug Echols of Rock Hill, Association president in 2006, said recently, “The speed of change and the growing dependence on technology and social media are already creating new challenges for municipal officials and the Association. Local governments must adapt to that, and we will continue to look to the Municipal Association for support and guidance.”

The evolution of South Carolina from a largely rural and agricultural state to one with strong, vibrant cities and towns goes hand in hand with the story of the Municipal Association’s work since its creation in 1930. The following chapters tell that story.

South Carolina Quick Facts

Sometimes referred to as “the little triangle on the map,” South Carolina was one of the original 13 colonies and was the eighth state admitted to the United States on May 23, 1788. Its population at the time was about 239,000. The state’s 2015 population is estimated at 4.8 million.

Total area	32,007 square miles
Land area	30,111 square miles
Water area	1,896 square miles
Coastline	187 miles
Nickname	Palmetto State
State motto	<i>Dum Spiro Spero (While I Breathe I Hope)</i>
First incorporated city	Charleston, 1783
Total incorporated cities in 2015	270

City Population Ranges in 2015

Greater than 120,000	2 cities
50,000 to 120,000	4 cities
25,000 to 49,999	10 cities
15,000 to 24,999	8 cities
5,000 to 14,999	38 cities
2,500 to 4,999	35 cities
1,000 to 2,499	51 cities
Less than 1,000	122 cities

More than 200 municipal officials
march to the State House in February
1994 to protest unfunded mandates
and local government spending caps.



FEBRUARY 2015

“The City of Charleston would be very different without the Municipal Association. The city would not be as robust and fiscally strong as it is today.”

JOE RILEY

CHARLESTON MAYOR AND 1980 ASSOCIATION PRESIDENT

CHAPTER ONE

Stepping Up to the Challenge: the Municipal Association is Born

The beginning of the 20th century was a remarkable turning point in America. The country was growing and changing at an incredible pace. A population boom drove urban growth. Plus Americans became more mobile with a growing network of paved roads and affordable transportation by car.

- ▶ U.S. population increased from 23.2 million in 1850 to 76.2 million in 1900—more than a 200 percent jump.
- ▶ Forty-five states had been admitted to the United States with completion of the lower 48 just around the corner.
- ▶ Nearly 40 percent of the total population in the United States lived in urban areas, compared to 28 percent only 20 years earlier. Although the South remained more rural and agricultural compared to the rest of the country, the region also experienced a transition to life in urban areas. The population in urban areas in the South grew from 12 percent in 1880 to 18 percent in 1900, then 49 percent by 1950.

- ▶ In 1900, there were 8,000 cars on the nation's largely unpaved, unconnected, muddy roads. That number would grow to 459,000 in 1910, reaching 1.7 million in 1914, spurred by the introduction of the Ford Model T in 1908 and assembly-line production which made cars highly affordable. While the country had more than two million miles of roads early in the 20th century, 93 percent were dirt and only a few hundred road miles in the entire country were suitable for motor vehicles.⁴

These changes had a dramatic impact on day-to-day life in the United States and the expectations people had of their local governments. They contributed to the rise of national associations committed to improving government and quality of life in the changing country.

- ▶ National Municipal League formed in 1894, now the National Civic League
- ▶ City Managers' Association formed in 1914, now the International City/County Management Association
- ▶ American Association of State Highway Officials formed in 1914, now the American Association of State Highway and Transportation Officials
- ▶ American Municipal Association formed in 1924, now the National League of Cities

MOMENT IN HISTORY

Progressive Era Promotes Good Government

The state municipal league movement emerged during the Progressive Era, a time of social activism and political reform that flourished from the 1890s through the early 1930s.

Key goals of the movement were to eliminate government corruption through professional management and strengthen direct democracy through citizen involvement. Progressives were avid modernizers, believing that science, technology and professional expertise could solve the country’s problems.⁵

The council-manager form of government, which combines the political leadership of elected officials with the strong managerial experience of an appointed professional manager, grew out of the progressive approach to governance. South Carolina led the way when the City of Sumter adopted the council-manager plan on June 11, 1912—the first city in the country to adopt the new form of government by a vote of its residents. Today 32 cities in South Carolina operate under the council-manager form of government.



MAYOR A.C. MANN,
GREENVILLE
1930, 1931, 1932 President

These changes also contributed to the creation of 27 state municipal leagues and associations by 1926. John G. Stutz, who served as the first executive secretary of the American Municipal Association while he was also executive secretary of the League of Kansas Municipalities, attributed the rise of municipal associations to residents’ expectations of their local government and the need for more skilled local officials.

“The citizens of our cities are demanding more and better service for public money,” Stutz told a group of South Carolina municipal leaders in 1926. “Men and women who wish to be successful city officials are feeling the need for a better understanding of municipal government and administration, and of the objectives of city government.”

State municipal associations stepped up to meet that need by helping municipal officials become better leaders in a changing world.

“The future of the leagues of municipalities is only dawning,” Stutz said. “We have only begun to function in comparison with the services of organizations which represent the lumbermen, the medical profession, the legal profession, the engineers ... and many other professions which have organized themselves for the advancement of their separate callings.”

Inspired by the picture of municipal excellence that Stutz laid out in 1926, South Carolina leaders created the League of South Carolina Municipalities and elected Mayor W.A. Coleman of Columbia as its president. While the League of South Carolina Municipalities did not survive as a formal organization, mayors continued to meet and remained committed to creating a municipal league with staying power.

On February 26, 1930, municipal officials meeting at the Jefferson Hotel in Columbia voted to establish an organization known as the Municipal Association of South Carolina with a mission “to promote matters pertaining to the welfare and development of the various municipalities of the state.” Mayor A.C. Mann of Greenville was elected president of the new Municipal Association of South Carolina.

Nine years later, the Association took another important step in its development when 75 officials representing 32 cities and towns attended a special Association meeting in Columbia. They voted to hire a full-time executive director and rent office space. Association President Cullen Sullivan, mayor of Anderson, saw this meeting as a turning point for the Association’s future.

“For several years, the Municipal Association of South Carolina has been active in a comparatively limited way,” Sullivan said. “The experience of these years has shown it would be profitable and well worthwhile if the organization had a permanent and full-time office to serve as a clearinghouse.”

A Municipal Association Built to Last

On January 1, 1940, James N. Caldwell Jr. began work as executive director of the Municipal Association of South Carolina at its first headquarters, located at 1214 College Street on the campus of the University of South Carolina in Columbia. He was the first of five executive directors to lead the Association over the next 75 years.

Shortly after its creation, the Association joined the American Municipal Association, now the National League of Cities, to broaden the resources, information and connections that would be available to South Carolina local officials.

From its earliest days, municipal leaders were energized by the potential of their Association. They met at least annually and identified priorities for working with the state Legislature. At the 1942 Annual Meeting, President Carl Busbee, mayor of Conway, reflected with feelings of “pleasure and pride” on the Association’s growing capacity and impact.

“The sense of pride ... springs from the knowledge that this Association, which had such humble and modest beginnings, has developed, through the efforts and devotions of all of its members, into an organization of a certain degree of power and prestige in the life of the state,” Busbee said. “This power and prestige are not ends which we should seek, but they are rather means through which desirable ends may be accomplished.”

The Municipal Association came of age during a particularly turbulent period in American history. The country was mired in the Great Depression with more than 3.2 million people unemployed and would enter a world war in the Association’s second decade. Speaking to the 1942 Annual Meeting, New York City Mayor Fiorella H. LaGuardia, who was director of the National Civil Defense Program, emphasized that

ASSOCIATION MILESTONE

EARLY LEADERS BUILD THE FOUNDATION

The foundation for the Municipal Association of South Carolina was built by mayors who came together regularly to discuss shared needs and communicate those needs to the state Legislature. They relied on each other and a part-time lobbyist to work on agreed-upon priorities and maintained the focus and momentum prior to hiring a full-time executive director.

Presidents in the Early Years

1930, 1931, 1932	Mayor A.C. Mann, Greenville
1933, 1934	Unknown
1935	Mayor R.A. Rouse, Cheraw
1936	Mayor G.T. McGregor, Anderson
1937	Mayor R.H. Jennings, Orangeburg
1937, 1938	Mayor Fulton B. Creech, Sumter
1939	Mayor Cullen Sullivan, Anderson

cities were key to the industrial production needed in the war effort and to hometown civil preparedness.

“There is no doubt that the American people will respond,” LaGuardia said. “My friends, it requires unity and sacrifice. It requires cooperation, and it requires the realization of the difficulties, the magnanimity of the task.”

Municipal roles during wartime also shaped part of the Association’s third decade when the Korean War broke out in 1950 and continued until July 1953. Speakers at the 1951 and 1952 Annual Meetings highlighted the importance of keeping residents informed about the war effort and preparing them for a possible war on the homefront.

In 1951, Colonel H.R. Battley of the Federal Civil Defense Administration said local civil defense organizations are the homefront civil defense armies.

Speaking at the 1952 Annual Meeting, Manly Fleischmann, director of defense production for the Truman administration, outlined the administration's plans to increase production of war materials to ensure readiness in the event of a spreading war. He urged the delegates to keep their residents informed about the war and to be patient if funding for municipal projects temporarily took a backseat to the war production effort.

Closer to home, the rapid growth of cars and trucks had become the single biggest problem for many cities as they tried to keep pace with the need for better roads, traffic signals, parking, and more police personnel to handle traffic and pedestrian safety.

Other issues facing South Carolina cities and towns included

- ▶ revenue sources to meet growing municipal needs and expectations,
- ▶ equitable property assessment,
- ▶ procedures for allowing cities to grow through annexation,
- ▶ the high cost of municipal liability insurance, and
- ▶ the need for comprehensive planning.

Perhaps most important during its first two decades, the Association was broadening and deepening its legislative advocacy capacity and motivating members to get involved in the work of raising the municipal profile with the state Legislature.

"The towns and cities have been running their own affairs and have been giving the Legislature very little concern, and the Legislature has been gradually taking away all avenues of revenue from the cities," Mayor R.S. Sanders of Ninety Six, Association president in 1947, told delegates at the Association's 1942 Annual Meeting. "It is now time for the cities and towns to wake up and call attention to the fact that their needs are just as great as the county and state—just as much part of the voting constituency of the county and far more!"

With Sanders leading the charge, the delegates adjourned to the State House where half went to the Senate chambers and half to the House of Representatives to tell the municipal story and speak with one voice on behalf of South Carolina cities and towns.

Mayor F.N. McCorkle of Camden, Association president in 1946, addressed senators from the well where he focused on the distribution of revenue to cities and towns, and urged legislators to amend several tax laws that exempted payments to municipal governments.

"Obviously, modern methods of operating a city increased demands for up-to-date streets, automatic traffic control systems and many other public facilities, making it more costly to operate a city now than a few years ago," McCorkle told the Senate.

At the same time, Mayor John Dinkins of Manning addressed House members from the well, asking legislators to remember municipal government when they were discussing legislation.

"Just as you often find it difficult to raise revenue so far as county government and state government are concerned, the towns and cities of South Carolina also find it extremely difficult to raise revenue," Dinkins said. "Except in the form of licenses, the towns and cities are practically limited to the tax on real and personal property, the valuation of which is fixed by county auditors."

A Growing and Changing Organization

South Carolina cities and towns were ready for an organization to meet their needs, as evidenced by rapid membership growth. When the Association hired its first full-time executive director in 1939, 33 cities and towns had joined the new Association. Membership grew to 132 cities in 1942, then 161 in 1943. By 1949, all 235 incorporated cities and towns were members of the Municipal Association.

As the state gradually shifted from its rural roots to a more diverse population, the Association's mission expanded to meet the needs of its growing membership. "We have seen our organization transform itself from a single-purpose pressure group to a many-faceted educational and service organization," President Henry Savage Jr., mayor of Camden, told delegates at the 1956 Annual Meeting.

ASSOCIATION MILESTONE



R.W. WADE PROVIDES EARLY STAFF SUPPORT

R.W. Wade, city attorney in Clinton, was elected secretary-treasurer of the Municipal Association at its Annual Meeting in 1930. He continued in that role for the next 10 years, providing staff support to the new organization. He monitored legislation, prepared legislative testimony and planned annual meetings. The Association paid Wade about \$50 a month plus expenses during state legislative sessions.

Wade's last official duty in 1940 for the Association was to update its constitution and align its bylaws with the model suggested by the American Municipal Association. He died on April 27, 1940, only a few months after the Association's Annual Meeting. At the next Annual Meeting in January 1941, the Association recognized Wade for "his good work and untiring efforts in making the Association into a strong and worthwhile body working for the betterment of city government."

This "many-faceted educational and service organization" continued to grow and change over the next 59 years, becoming a highly valued resource for generations of municipal officials and a respected voice for cities and towns among stakeholders throughout the state.

On January 15, 1942, just 39 days after the attack on Pearl Harbor, the Municipal Association met at the Wade Hampton Hotel in Columbia for its Annual Meeting.





Members of the 1943 Executive
Committee during the Annual Meeting
at the Jefferson Hotel in Columbia

FEBRUARY 1950

“It is significant in the fact that 230 cities—virtually all of the cities of South Carolina—are each a part and parcel of the Municipal Association of South Carolina, presenting a solid front in their approach to problems whether they be legislative, social or economic.”

FRANK OWENS

FORMER COLUMBIA MAYOR AND 1949 ASSOCIATION PRESIDENT

CHAPTER TWO

A Walk through Time: Nine Decades of Progress and Success

For Rock Hill Mayor Doug Echols, Association president in 2006, the Municipal Association’s success over the years has been defined by “strategic moments” when municipal officials united around a particular piece of legislation or an emerging challenge. “We have been well-served over the years when we unified ourselves around issues that mattered to all cities and towns,” Echols said.

These strategic moments are interwoven with major turning points in both the nation’s and South Carolina’s history. This historical perspective provides the backdrop against which South Carolina cities and towns have worked together through the Municipal Association for more than nine decades to tackle common challenges and identify collaborative solutions.

The following timelines provide a path through some of the key events that contributed to the Association’s creation, evolution and sustained success, and the growing strength of South Carolina cities and towns.

1908–1939: The Early Years

South Carolina municipal officials saw the value of collaboration early on and met regularly even in the absence of a formal organization. The first meetings were held with North Carolina municipal officials and laid the foundation for the Municipal Association of South Carolina.

1900s	
1908	South Carolina municipal officials serve on committees and participate in the work of the Carolina Municipal Association until it changes its name to the North Carolina Municipal Association in 1922 and narrows its focus exclusively to North Carolina cities.
1910s	
1912	Moment in History Sumter is the first city in the country to adopt by vote of its residents a charter incorporating the council-manager form of government.
1920s	
1926	Eighteen cities and towns vote to establish the League of South Carolina Municipalities after a meeting in Columbia with John G. Stutz, executive secretary of the American Municipal Association. They elect Mayor A.W. Coleman of Columbia as president of the new organization. While the League of South Carolina Municipalities did not hold another formal meeting, mayors continued to meet informally to address important policy issues.
1930s	
1930	A group of mayors meets in Columbia, votes to form the Municipal Association of South Carolina and elects Mayor A.C. Mann of Greenville as president.

1932	Officials from cities that own power plants and electric distribution systems meet in Columbia with Association leaders to discuss a bill before the Legislature to regulate power rates for municipal systems. The meeting is a precursor to a formal partnership between the Municipal Association and the South Carolina Association of Municipal Power Systems in 1985.
1938	City officials form a committee to study highway needs and requirements for the next 10 years and elect Mayor Fulton B. Creech of Sumter as Association president.
1939	Moment in History At the same time South Carolina municipal officials are focusing on the future of their cities and towns, the New York World’s Fair opens in April 1939 with the theme “building the world of tomorrow.” The Fair promotes the belief in science and technology as a means to economic prosperity and personal freedom.
1939	Over several meetings during the year, South Carolina municipal leaders put their Association on firm ground by hiring a full-time executive director, renting office space, creating a dues structure and gaining the commitment of participating officials to support and advance the Association.

“We feel confident now of bringing into actual realization a thought [hiring a full-time executive director] that has been in the minds of those connected with the Association for some time.”

Mayor Cullen Sullivan, Anderson, 1939 Association President

1940–1959: The Growth Years

The Municipal Association grew rapidly in terms of membership, budget and impact during its first three decades. Its primary mission in the 1940s was lobbying the state Legislature, and the Association began flexing its advocacy muscle fairly quickly. In the 1950s, the Association broadened its focus by holding regional meetings, publishing its first news magazine and offering group life insurance to municipal employees. Two wars and initial construction of the Interstate highway system provided a national context for the Association’s work.

1940s	
1940	James N. Caldwell Jr. becomes the Association’s first full-time executive director working from its first headquarters at 1214 College Street on the campus of the University of South Carolina.
1941	Moment in History The United States enters World War II after the Japanese attack Pearl Harbor. Cities brace for their role during the war years.
1943	Cities and towns win a share of revenue from the state liquor tax, automobile taxes and wholesale licensing during a successful legislative session.
1947	Moment in History During a speech to the South Carolina House of Representatives, Camden native Bernard Baruch, a financier and adviser to presidents from Woodrow Wilson to Harry S. Truman, coins the term “Cold War” to describe the increasingly chilly relations between the United States and the Soviet Union. ⁶

“Today we live in a world of complexities. In a sense we are living in a transition period, changing from the old way of life to the new The responsibility I have in mind is the part every local official, the school teacher, the county official and others in public office are going to play in determining the kind of community we are going to live in 25 years from now. In fact, the kind of state and nation we are going to live in.”

Mayor F.N. McCorkle, Camden, 1946 Association President

1948	The Association holds regional meetings for the first time to broaden awareness of and increase engagement in its advocacy program.
1949	The Association reaches 100 percent membership with all 235 incorporated cities and towns participating.
1949	Moment in History <i>Briggs v. Elliott</i> is filed in federal court in Charleston seeking total educational equality in Clarendon County. The case is eventually combined with four other desegregation suits and appealed to the U.S. Supreme Court as <i>Brown v. Board of Education</i> .

1950s	
1950	Moment in History The DuPont May Plant opens in Camden and begins production of a new acrylic fiber called Orlon.
1952	Moment in History Priscilla Shaw is elected mayor of Sumter, becoming the first female mayor in the state. Later that year, Shaw attracts considerable media attention as the only woman mayor attending the American Municipal Association’s Annual Meeting in Los Angeles.



1954	Moment in History Former South Carolina Governor Strom Thurmond becomes the first person elected to the U.S. Senate as a write-in candidate, winning 63 percent of the vote.
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JAMES N. CALDWELL JR. TRANSFORMS THE MUNICIPAL ASSOCIATION

“Mr. Jim,” as he was called, became the first full-time staff member of the Municipal Association beginning work in January 1940. For 20 years, he shaped the Association from a one-person, fledgling operation to a professionally run, highly respected, financially solid organization. Under his leadership, the Association grew from 33 to 257 member cities.



The respect that state legislators had for Caldwell led to important legislative achievements that improved revenue flow from the state to cities and towns. He was active in the American Municipal Association (later the National League of Cities). Shortly before his death, Caldwell was recognized at the 1960 Municipal Association Annual Meeting with a loving cup and a resolution recognizing his years of service.

He died on August 4, 1960.

1940–1959: The Growth Years

- 1955** The Municipal Association successfully supports inclusion of all South Carolina municipal employees in the Social Security System.
- 1956** **Moment in History** President Dwight D. Eisenhower signs the Federal-Aid Highway Act of 1956, authorizing \$25 billion in federal support to build the 40,000-mile Interstate highway system. South Carolina would eventually build nearly 851 miles of Interstate highways.
- 1957** Boston Mayor John Hynes, president of the American Municipal Association, speaks at the Municipal Association’s Annual Meeting and urges local leaders to focus on the future including “building your highways according to careful and competent plans that will avoid congestion, strangulation and waste.”
- 1957** The Municipal Association moves to its second headquarters at 1200 Main Street in Columbia.
- 1959** The Association launches *South Carolina Cities* magazine, its first news publication.

Charles Rhyme, former president of the American Bar Association, was the featured speaker at the Municipal Association’s conference for city attorneys held at the University of South Carolina on July 22, 1959. Early meetings such as this set the stage for today’s affiliate associations. (l–r) Rhyme, Henry Busbee of Aiken, C.A.F. Spencer of Rock Hill and Aylie Caldwell of Florence



MOMENT IN HISTORY

South Carolina and the Civil Rights Movement

The 1950s and 1960s were turbulent times throughout the country, particularly in the South, as civil rights activists pressed for integration, voting rights and equal opportunity. South Carolina cities and towns experienced the racial tensions that exploded during the period, including demonstrations, sit-ins and violence.

The Municipal Association urged mayors to form biracial committees of residents during these turbulent times to help peacefully manage civil rights changes.

Speaking at the 1968 Annual Meeting, Association President Robert Stoddard, mayor of Spartanburg, said “The time has come when the responsible elements of our society, both Negro and white, must save our land from irresponsible elements, both Negro and white, who are hell-bent on destroying it.”

Here are a few events in South Carolina’s civil rights history.

In 1961, nine students from Friendship College in Rock Hill were arrested after sitting at a “whites-only” lunch counter. Rather than pay the \$100 bail, the men accepted the full punishment for trespassing—30 days of hard labor at the county prison farm. Fifty-four years later, a state judge overturned the convictions of the Friendship Nine, after which Rock Hill Mayor Doug Echols described the actions of the Friendship Nine as “what courage looks like when good people step forward to lead.”⁷

In January 1963, Harvey Gantt of Charleston was the first African-American student admitted to Clemson University. He enrolled without incident, unlike integration efforts at public institutions in some other states. Gantt later served two terms as mayor of Charlotte, N.C. and was a keynote speaker at the Municipal Association’s 1977 Winter Meeting and again at the 1999 Annual Meeting.

In 1968, three students from South Carolina State University in Orangeburg were killed and 27 injured after several days of confrontation over the attempted integration of a bowling alley.



In 1961, students from Friendship College stage a sit-in at a segregated McCrory's lunch counter in Rock Hill.

JAMES N. CALDWELL III LEADS THE ASSOCIATION FOR 13 YEARS

When Jim Caldwell III became the Association's second executive director in August 1960, he was mourning the recent loss of his father, the Association's first executive director. Jim Caldwell III joined the Association in 1957 as its first legal counsel and became assistant director and legislative counsel in 1959. Upon his selection as executive director, he built on the foundation that his father had established, focusing on strengthening the Association's advocacy work to enable cities and towns to meet growing service demands.

All of the articles Caldwell wrote for *South Carolina Cities* magazine contained this quote from Alexis de Tocqueville as a sidebar: "Municipal institutions constitute the strength of free nations. A nation may establish a system of free government, but without municipal institutions it cannot have the spirit of liberty."

Caldwell left the Municipal Association in 1973 and continued his career in state government until his retirement in 1986. He died on March 10, 2011.



1960–1979: Years of Social Change and an Expanding Role for Local Government

The Municipal Association's next 20 years began with an unanticipated leadership change when James N. Caldwell Jr. died on August 4, 1960, after a brief illness. His son, James N. Caldwell III, who was assistant director, was promoted to executive director. During this period, the Association continued to ratchet up its advocacy efforts, focusing on increasing the share of state revenue flowing to cities and towns; modernizing the state's annexation laws; and enacting a uniform statewide assessment of real property for taxation purposes.

National turmoil again influenced the Association's work—the assassination of President John F. Kennedy, civil rights strife including the assassination of Dr. Martin Luther King Jr. and the Vietnam War. The 1970s also marked the peak of employment in textile manufacturing in the state with more than 161,000 jobs and the most rapid population growth in 150 years, dramatically changing South Carolina's cities and towns.⁸

1960s

- 1960** James N. Caldwell III becomes the Municipal Association's second executive director.
- 1960** **Moment in History** Columbia is the first South Carolina city to receive the National Civic League's All-America City award.
- 1962** Greenville Recreation Director Carl Hust uses a color slide presentation at the Annual Meeting to discuss the work of the South Carolina Recreation Society. It is the first time a speaker uses audiovisual tools at an Association meeting.
- 1964** **Moment in History** The American Municipal Association changes its name to the National League of Cities.

- 1964** **Moment in History** President Lyndon B. Johnson signs the Civil Rights Act of 1964 which prohibits segregation in public places and bans employment discrimination on the basis of race, color, religion, sex or national origin. The Voting Rights Act of 1965 gives the federal government the authority to protect the voting rights of all citizens and requires certain states, including South Carolina, to get preapproval for any changes in state voting laws.
- 1965** Under a contract with an Atlanta law firm, the Municipal Association begins collecting delinquent insurance premium taxes on behalf of cities. This leads the way for a comprehensive program of collection services for municipalities.
- 1965** The Association launches a uniform trade certification program to test mechanical tradesmen, allowing cities to discontinue their testing programs.
- 1968** Following discussions between city and county officials about forming an association to be called the South Carolina Association of Local Governments, the South Carolina Association of Counties is established.
- 1968** U.S. Senator and vice presidential nominee Edmund Muskie of Maine speaks at the Annual Meeting.
- 1969** Governor Robert McNair, known as a champion of cities, gives the Municipal Association funding for a comprehensive study of local government to help define future city-state collaborative work.
- 1969** The Municipal Association ends its fourth decade with 100 percent membership of the state's 257 cities and towns.

Governor Robert McNair, who attended numerous annual meetings as both lieutenant governor and governor, greets a municipal official.



LEADING THE ASSOCIATION
IS A “BEAUTIFUL EXPERIENCE”
FOR DON WRAY

J. McDonald Wray took the Municipal Association to a new level of excellence and success during his 19 years of service. A native of Humboldt, Tennessee and graduate of The Citadel, Wray was selected as executive director in 1973. He brought more than 15 years of city and county management experience, including manager of the City of Beaufort, S.C.



During Wray’s tenure, the Association achieved key legislative victories, expanded the collection programs, established self-funded insurance pools and broadened training opportunities for municipal officials. He also was a strong force behind the formation of the Southern Municipal Conference, a networking and information-sharing organization composed of state municipal associations in the Southeast.

In announcing his retirement in 1992, Wray told the board that the work of the Association had been the biggest part of his life for 19 years. “It has been a beautiful experience for me. The memory of this service will sustain me for many future years.”

Wray died on June 1, 2005.

1960–1979: Years of Social Change

1970s

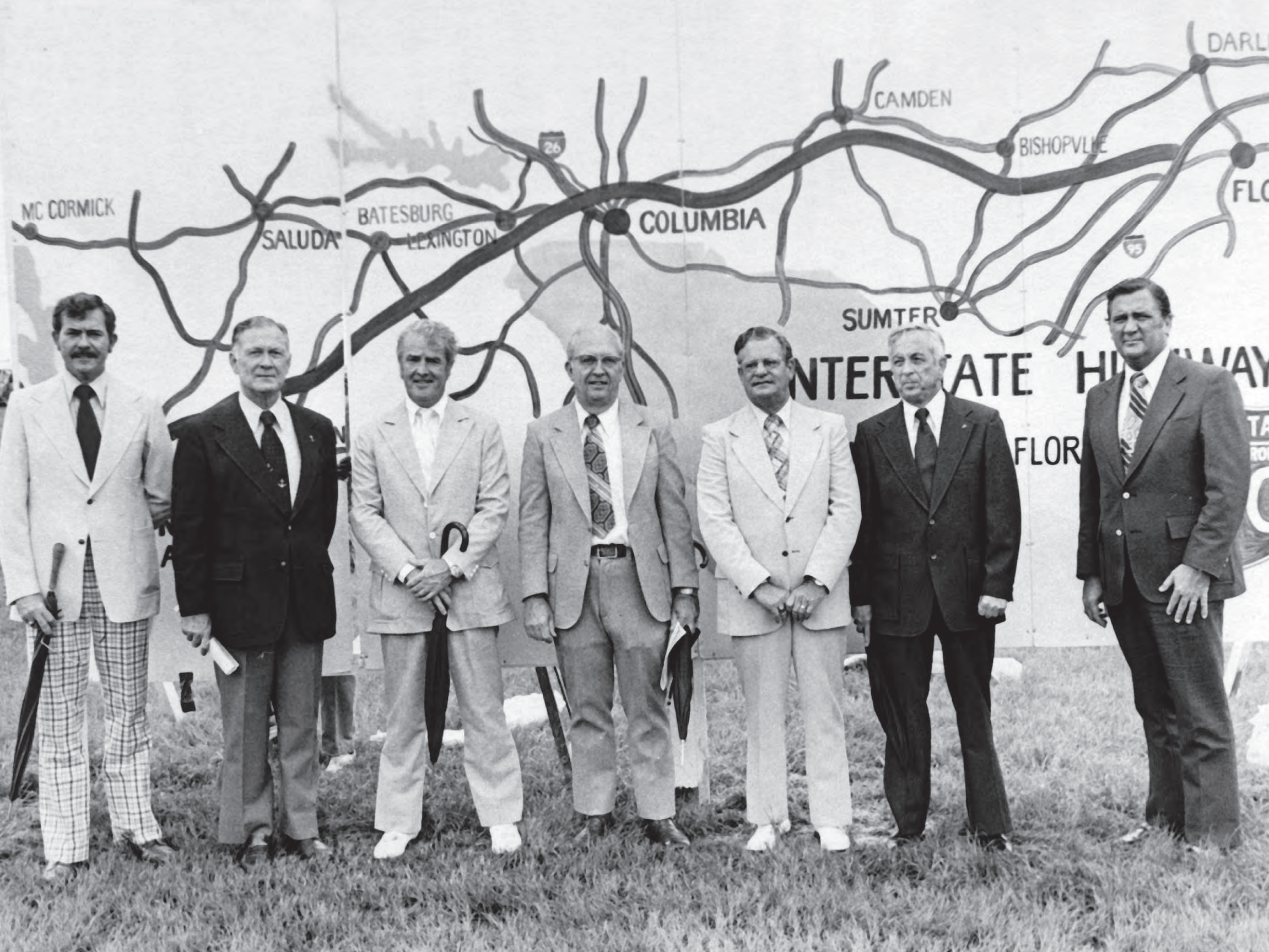
- 1972** Voters approve an amendment to the 1895 state constitution granting Home Rule to local governments in South Carolina. The Legislature ratifies the amendment in 1973 and passes implementing legislation in 1975.
- 1972** President Richard Nixon signs the State and Local Fiscal Assistance Act providing revenue sharing between the federal government and state and local governments. Over the next 14 years, federal revenue sharing sends \$85 billion to state and local governments.
- 1973** J. McDonald Wray becomes the Municipal Association’s third executive director following the resignation of James N. Caldwell III.
- 1975** The Association moves to its third headquarters at 1213 Lady Street in Columbia.
- 1975** The Association publishes the first edition of *Uptown*, a monthly publication replacing *South Carolina Cities*.
- 1975** The Association holds its first Winter Meeting focusing exclusively on its legislative advocacy agenda.
- 1975** The Legislature finally reforms the property tax system with the passage of Act 208, the Equalization and Reassessment Act. It requires all classes of property be put on the tax rolls at fair market value and requires reassessment every five years or when determined by the South Carolina Tax Commission.
- 1976** Mayor Charles Ross of Lincolnville becomes the first African-American appointed to the Association’s board of directors, serving in a new at-large seat.



- 1976** The Association establishes the Distinguished Service Award to honor individuals outside municipal government who significantly contribute to the advancement of municipal government in South Carolina. State Senator Walter Bristow is the first recipient.
- 1976** The Association’s President’s Cup Award is created to recognize a municipal official who has contributed significantly to the advancement of municipal government in South Carolina. Columbia City Attorney Roy Bates is the first recipient.
- 1976** **Moment in History** The U.S. bicentennial celebration marks the 200th anniversary of the signing of the Declaration of Independence.
- 1976** **Moment in History** Steve Jobs and Steve Wozniak create Apple Computer, Inc.
- 1977** In partnership with the S.C. Broadcasters Association, the Municipal Association launches a media campaign to build awareness of the importance of city services.
- 1979** Governor Richard Riley establishes the South Carolina Advisory Commission on Intergovernmental Relations to advocate for progressive legislation and promote cooperation between the state and local governments.
- 1979** More than 800 delegates attend the Association’s Annual Meeting in Myrtle Beach. The Association ends its fifth decade with 259 member cities, 10 full-time employees and a \$371,000 operating budget.

In 1978, the Association renames the President’s Cup Award in memory of Myrtle Beach Councilmember Allison Farlow (r). He was the Association’s first vice president at the time of his death.





1980–1999: Years of Building Municipal Fiscal Capacity

During the last two decades of the 20th century, the Municipal Association successfully advocated for legislation to address the fiscal needs of South Carolina's cities and towns. These efforts were guided by the increased recognition of urban growth in the state since World War II, work of the South Carolina Advisory Commission on Intergovernmental Relations and reports from numerous state committees. At the same time, the Association expanded its collection programs, offered training by closed-circuit television, and established self-funded insurance pools to enable its members to operate more efficiently and effectively.

1980s

- 1980** The state Financing County and Municipal Governments in South Carolina in the 1980s Committee recommends a one-half percent local option sales tax for local governments with 85 percent of revenue used to roll back property taxes. Governor Richard Riley champions legislation in 1981 supporting this recommendation.
- 1980** Governor Richard Riley creates the Task Force on the Economy to analyze and make projections about the future of the state's economy. The task force recommends finding alternative revenue sources for local government to supplement the property tax; developing strategies for holding down the cost of local government services; and amending state law to provide additional annexation methods.
- 1980** With support from an Intergovernmental Personnel Act grant, the Association develops and broadcasts a five-part closed-circuit training program for municipal officials through South Carolina Educational Television.
- 1981** The Legislature enacts the Tax Increment Financing Act to support redevelopment of blighted areas within cities and towns.
- 1981** The Municipal Association establishes the South Carolina Local Government Assurance Group to provide pooled health insurance to municipalities, followed two years later by establishment of the South Carolina Municipal Insurance Trust to provide self-funded workers' compensation as an alternative to the state workers' compensation program.
- 1981** **Moment in History** IBM releases the first personal computer with a price tag of \$1,565.
- 1982** The Association buys a 6,500-square-foot building at 1529 Washington Street for \$285,000 as its fourth headquarters. The mortgage is paid off in 1988 with the building's value estimated at \$450,000.
- 1983** The South Carolina Downtown Development Association, a nonprofit organization supporting development and redevelopment of downtown areas, is established.
- 1983** The Association conducts its first survey of computer hardware and software in use in South Carolina cities and towns.
- 1983** The Legislature enacts the Statewide Accommodations Tax recommended by the S.C. Study Committee on Alternative Sources of Revenue for Counties and Municipalities.
- 1983** **Moment in History** The movie *The Big Chill* is filmed in Beaufort.

Mayors celebrate the completion of I-20 in 1975. (l-r) North Augusta Mayor Henry McKenney, Latta Mayor A.L. LeGette, Myrtle Beach Mayor Robert Hirsch, Darlington Mayor Frank Wells, Lexington Mayor Pro Tem W.J. Brown Sr., Batesburg Mayor William Slover and Florence Mayor Cooper Tedder

1980–1999: Years of Building

1984 Mayor Pansy Ridgeway of Manning is the first woman elected Association president.



Mayor Pansy Ridgeway and Senator John Land (Clarendon) pose with Sean Whelon, grade-school student from Virginia, who collected donations after Hurricane Hugo in 1989 and delivered a truckload of the supplies to Manning.

1985 The Association enters into an agreement with the South Carolina Association of Municipal Power Systems to provide staff support and financial administration. This begins the Association’s focus on providing training for municipal staff through affiliate associations.

1986 The Association launches the South Carolina Municipal Elected Officials Institute of Government to give municipal elected officials a knowledge base for establishing good public policy.

1986 **Moment in History** The space shuttle Challenger explodes upon launch killing all seven astronauts on board, including Lake City’s Ron McNair.

1987 Councilmember Beatrice Thompson of Anderson is the first African-American and first councilmember elected Association president.

1987 President Ronald Reagan ends general revenue sharing, eliminating \$71 million in annual revenue for South Carolina city and county governments.

1987 The Association’s first Municipal Achievement Awards are presented. The program recognizes innovation and excellence in local government.



Aiken Mayor Fred Cavanaugh accepts a 1999 Municipal Achievement Award from Association President and Cayce Mayor Avery Wilkerson. Aiken has received the award 19 times, the most of any city or town.

1988 Forty-seven municipal officials are the first graduates of the South Carolina Municipal Elected Officials Institute of Government.

1989 **Moment in History** Hurricane Hugo slams into South Carolina, causing 35 deaths and \$5.9 billion in damage. It is the strongest and costliest hurricane in the state’s history. The Association helps coordinate assistance to 101 cities and towns located in the 17 disaster-designated counties.

1990s

1990 Three days into a new legislative session, cities and towns finally “get the option” with passage of the Local Option Sales Tax.

1990 The Legislature creates the Local Government Fund, replacing State Aid to Subdivisions.

1992 Don Wray retires after nearly two decades of leadership. Howard Duvall, the Association’s director of intergovernmental relations, becomes its fourth executive director.

1992 **Moment in History** BMW opens its first automotive plant in Greer, stimulating parallel growth of 50 plants providing parts to the automaker and creating a “Southern manufacturing renaissance.”

1994 More than 200 municipal officials stop lunch-hour traffic in downtown Columbia as they march to the State House to protest unfunded mandates and local government spending caps.

1994 The Insurance Tax Collection Program expands from collecting delinquent taxes due from insurance companies to also collecting current taxes due.

1997 The Local Government Fiscal Authority Act is signed into law, authorizing local accommodations, hospitality and capital projects sales taxes. It also prohibits local governments from imposing any new tax unless approved by the Legislature.

1999 Work is completed on a new Association headquarters at 1411 Gervais Street near the State House after five years of planning, design and construction.

ASSOCIATION MILESTONE

TWO GENERATIONS OF FAMILY SERVE AS ASSOCIATION PRESIDENT

In 1992, Steve Creech, mayor of Sumter, is elected president of the Municipal Association, 55 years after his grandfather, Fulton B. Creech, held the same position.



Mayor Fulton B. Creech



Mayor Steve Creech

MOMENT IN HISTORY

Hugo Cuts a Path Across the State

Hurricane Hugo made landfall in McClellanville in the middle of the night on September 21, 1989, leaving devastation in its path as it plowed inland. With sustained winds of 87 miles per hour, gusts of 108 miles per hour and storm surge of nearly 21 feet, the hurricane left behind extensive property damage, no electricity or telephone service, and shell-shocked residents from Charleston to Rock Hill.

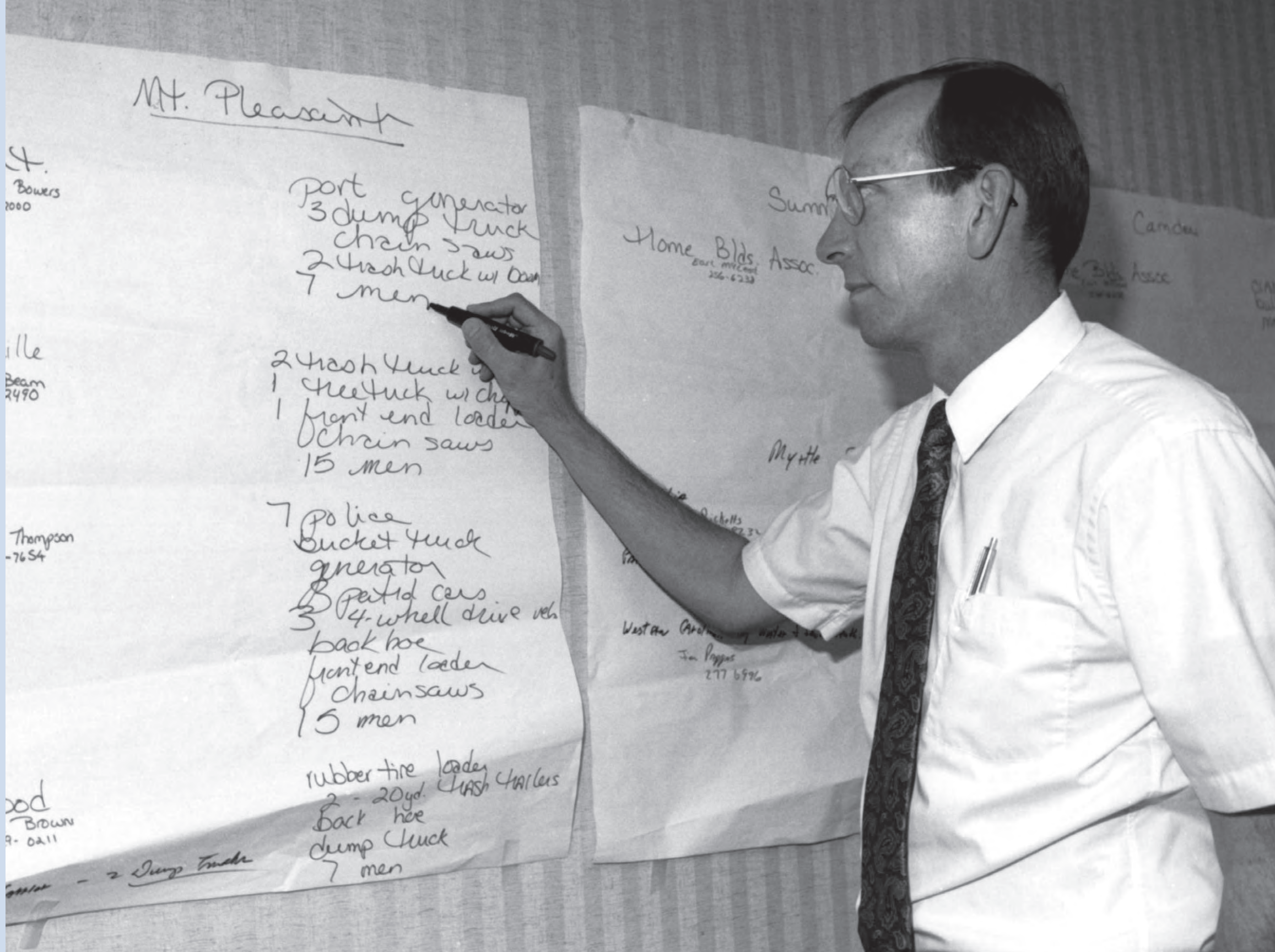
On the 25th anniversary of the hurricane, one reporter described its impact on the City of Charleston this way: “Charleston had weathered the Civil War, a major earthquake, devastating fires and a number of deadly storms. But there was nothing like Hugo.”¹⁰

The Municipal Association played a critical role in the early days after the hurricane struck as the clearinghouse for mutual aid requests from cities and municipal power systems affected by the hurricane.



As part of the South Carolina Association of Municipal Power Systems mutual aid program, linemen from municipal electric utilities in South Carolina and neighboring states work to restore power in Camden, Orangeburg, Rock Hill and Georgetown, all municipal power cities.

Association Director of Intergovernmental Relations Howard Duvall matches cities' requests with offers of help from other cities.



HOWARD DUVALL LEADS THE ASSOCIATION INTO THE 21ST CENTURY



Howard Duvall joined the Municipal Association staff in 1987 as director of intergovernmental relations and became the Association’s fourth executive director in 1992. The Citadel graduate brought a deep background of municipal government experience, having served Cheraw as a councilmember for six years and as mayor for six. During that time, Duvall was actively involved in the Association. He served four years on the board of directors and then was elected third vice president in 1985.

Resigning from his position as mayor in 1986, Duvall became a special assistant to Governor Richard Riley, followed by a brief term on the South Carolina Tax Commission. During this time, he pursued a master’s degree in public administration from the University of South Carolina, graduating in 1990.

Duvall played a pivotal role in the advocacy work of the Association while director of intergovernmental relations and later as executive director. He worked diligently on the passage of the Local Option Sales Tax, then traveled to all 46 counties providing educational sessions before voters decided if their county would adopt the tax. He was also instrumental in the 1997 passage of the Local Government Fiscal Authority Act, the most important municipal legislation since the passage of the Home Rule Act of 1975.

During Duvall’s 16 years as executive director, the Association grew from a staff of nine to 44, reflecting the increased services provided to cities and towns.

“I have had the very good fortune to turn my avocation for municipal government and politics into my vocation,” Duvall said on the occasion of his retirement.



2000–2015: The Modern Era

The Association ushered in the 21st century with a new building designed to accommodate the Association’s long-term growth, an aggressive advocacy program and expanded member services to meet changing needs.

More than 250 municipal officials, past presidents, state legislators, and Columbia business and civic leaders launched the Association’s eighth decade at the grand opening of its new headquarters at 1411 Gervais Street on January 25, 2000. The five-story, 60,000-square-foot building located two blocks from the State House includes flexible meeting rooms, a parking garage and space for future growth. In 2015, the Association occupies 24,400 square feet and leases the remainder.

2000s

- 2000** Ben Boozer, retiring executive director of the South Carolina Downtown Development Association, receives the E. Allison Farlow Award for his contributions to cities and towns throughout the state during his 17 years as SCDDA director.
- 2000** Governor Jim Hodges signs an act correcting constitutional flaws in the state’s annexation and incorporation laws, reinstating the petition/election method, strengthening notification procedures for the 75 percent petition method and adding a definition of “contiguous.”



On the steps of the State House, Association President and Greenwood Mayor Floyd Nicholson (l) introduces Governor Jim Hodges to municipal officials attending the 2001 Winter Meeting and Legislative Conference.

- 2001** The Association enters into a strategic alliance with VC3, an information technology firm in Columbia, to help cities meet their technology needs.
- 2001 Moment in History** Nearly 3,000 people are killed in New York City, Washington, DC, and Shanksville, Pennsylvania, in the worst terrorist attack in U.S. history.
- 2003** The Association introduces a new logo and redevelops its website with a more sophisticated search engine to provide easier access to valuable information resources.
- 2003 Moment in History** The United States invades Iraq.
- 2004** The annual Winter Meeting is renamed Hometown Legislative Action Day.

- 2005 Moment in History** Hurricane Katrina devastates the Gulf Coast.
- 2006** The Association launches the “Hometown, SC” campaign to raise hometown voices to a new level of influence to increase awareness of the value of cities and towns to the state’s economic prosperity.
- 2006** Isle of Palms is the first city to use the Association’s disaster recovery technology program created to ensure a city has access to its data and software immediately after a disaster. Using the same technology, the Association and the North Carolina League of Municipalities develop a joint disaster recovery plan.
- 2006** The Legislature passes Act 388, which eliminates the property tax on owner-occupied homes as a source of funding for school operations and adds a one-cent sales tax to recoup lost property tax revenue for schools. It also caps millage increases for local governments to inflation plus population growth and limits the increase in the assessment value of individual properties to a maximum of 15 percent over a five-year period.
- 2008** Howard Duvall retires after 16 years as executive director. Miriam Hair becomes the Association’s fifth executive director.
- 2008** The Association launches the “Cities Mean Business” campaign to encourage new and stronger municipal-business collaboration. It also enters into a partnership with *SC Biz*, a statewide business publication with a circulation of 15,000, to publish a biannual magazine that focuses on cities’ role in boosting the local and regional economy.
- 2009** The Association pays off the outstanding bonds on the headquarters building at 1411 Gervais Street.

MIRIAM HAIR LEADS
THE ASSOCIATION INTO
THE FUTURE



Miriam Hair became the Municipal Association’s fifth executive director in October 2008 after serving on the staff for 23 years, including 10 years as deputy executive director. Hair’s background with the Upper Savannah Council of Governments along with a master’s degree from Clemson University in agricultural economics with an emphasis in regional and resource economics prepared her well for her work at the Association.

She led the development and growth of the Association’s 11 affiliate organizations, the Municipal Elected Officials Institute of Government and the collection programs.

She also directed the Association’s technology initiatives that will continue to be essential in today’s increasingly high-tech environment. Additionally, Hair was the project manager for planning and construction of the Association’s office at 1411 Gervais Street.

Former Mayor Paul Miller of Orangeburg, 2011 Association president, said recently that Hair’s leadership “has moved us to a new height. Her vision has been outstanding with the programs she has brought to us and the hiring of great staff.”

2000–2015: The Modern Era

2010s

- 2011** The Association of South Carolina Mayors becomes the Association’s eleventh affiliate. It provides mayors with additional opportunities for engaging in advocacy, networking with colleagues, and sharing ideas and best practices.
- 2013** The Municipal Elected Officials Institute of Government offers online courses to provide 24/7 access to training.
- 2013** **Moment in History** South Carolina’s population exceeds 4.7 million with more than 1.7 million living in incorporated cities and towns.
- 2013** The Association establishes the Retirement Service Award to recognize Municipal Association employees retiring with more than 28 years of service. Gail Hampton, collection programs manager, is the first recipient.
- 2014** The Advanced Municipal Elected Officials Institute is established to give mayors and councilmembers additional access to training.
- 2014** Participation in Risk Management Services’ online training skyrockets with more than 9,300 courses taken this year. The training covers a variety of risk management, human resources, safety and law enforcement topics.
- 2014** **Moment in History** One World Trade Center opens in New York City at the site of the original Twin Towers. The 1,776-foot skyscraper is the tallest building in the Western Hemisphere.

Our Municipal
Association’s Legacy

Association past presidents say the vision that led to the creation of the Municipal Association of South Carolina in 1930 is still relevant today. They noted the following as the foundation the Association has built to meet current and future challenges facing municipal government in South Carolina.

- ▶ A strong and respected voice for the state’s 270 cities and towns
- ▶ A willingness to work with partners to build stronger cities and towns
- ▶ A place for municipal leaders to shape policy issues that affect all cities and towns in the state
- ▶ A genuine belief in cities and towns as economic engines of the state
- ▶ A professional and committed staff offering quality services to support cities and towns
- ▶ A wide range of educational resources to develop competent and confident municipal leaders
- ▶ A state-of-the-art office building in Columbia that allows for continued growth of services to meet the goals of the Association and its members

FIVE HOMES IN 75 YEARS

Leasing its first office at 1214 College Street on the University of South Carolina campus in 1940 signaled a new era for the Municipal Association in its work on behalf of the state's cities and towns. The Association moved four times since 1940.

- ▶ 1200 Main Street in 1957
- ▶ 1213 Lady Street in 1975
- ▶ 1529 Washington Street in 1982, the first building that had a mortgage rather than a lease
- ▶ 1411 Gervais Street in 1999, a five-story 60,000-square-foot building that was built and is owned by the Municipal Association and two of its insurance pools, the South Carolina Municipal Insurance Trust and the South Carolina Municipal Insurance and Risk Financing Fund



1200 Main Street



1213 Lady Street



1529 Washington Street



Construction of the Association's headquarters and adjoining parking garage at 1411 Gervais Street, Columbia



(l-r) Aiken Councilmember Lessie Price, Executive Director Howard Duvall, Mount Pleasant Mayor Cheryl Woods-Flowers, Columbia Mayor Bob Coble and Cayce Mayor Avery Wilkerson cut the ribbon on January 24, 2000, to officially dedicate 1411 Gervais Street as the Municipal Association's new headquarters.

JANUARY 2015

“Advocacy was the foundation on which the Municipal Association was built, and it will be a continuing focus for the future.”

RICK DANNER
GREER MAYOR AND 2008 ASSOCIATION PRESIDENT

CHAPTER THREE

Advocating for South Carolina Hometowns through Shared Voices

In 1930, the South Carolina General Assembly was debating a proposal to issue \$65 million of state bonds to pave more than 600 miles of roads. To generate support, proponents took out full-page newspaper ads showing the pitiful condition of roads in the state. The paving program was designed to solve the state's infrastructure problem and provide needed Depression-era jobs.

Municipal governments wanted a share of the money to meet their local road improvement needs. Existing law allowed the state to pave roads only in towns with a population of less than 2,500. So the fledgling Municipal Association of South Carolina had its first advocacy priority—amending state law to allow all municipalities to participate in the state highway paving program.

Influencing state legislation was a driver in the rise of state municipal associations nationwide. Speaking at the Municipal Association's Annual Meeting in 1970, National League of Cities' Executive Vice President Patrick Healy said that getting rural-centric state legislators to pay attention to the needs of cities and towns stimulated the growth of state associations.

“Officials of those cities and towns [realized] that they were not getting adequate consideration for their problems by rurally elected and rurally dominated state legislatures,” Healy said. “And they realized that only by a cooperative and concerted effort could they make the needs and views of municipal government recognized.”

Sustaining Advocacy to Strengthen Cities and Towns

The Association's advocacy impact and capacity grew over the years as it engaged municipal officials in lobbying the state Legislature and demonstrated its expertise on a wide range of policy issues. At the 1967 Annual Meeting, President Woody Brooks, mayor of Andrews, spoke of the Association's growing success. “I sincerely believe our Association is more respected than ever before and listened to more by our members, the Legislature, state and federal officials, and the press than at any point in our history,” Brooks said.

For municipal officials, knowing that the Association is always connected to the Legislature provides comfort and confidence. “I have the peace of mind of



knowing that the watchdog is there, and the alarm is set,” said City Administrator Linda Tucker of Isle of Palms in January 2015. “The Association is equally good at advocating for new opportunities for cities and towns, and preventing adverse impacts.”

In addition to achieving specific legislative outcomes, the Association’s advocacy on behalf of cities and towns demonstrates the power of shared municipal voices, raises the profile of cities and towns with the state Legislature, and strengthens the city-state partnership.

Demonstrating the Power of Shared Voices

In 1938, Carl H. Chatters, executive director of the national Municipal Finance Officers Association and later executive director of the American Municipal Association, told the Municipal Association’s early leaders that the only way to improve working relations with state officials and accomplish goals was by presenting a “united front to the Legislature and working together in deflecting laws that harm municipalities.” Chatters believed that many state legislatures had long neglected their cities and treated them as “unwanted stepchildren.”

A few years later, South Carolina Governor Olin Johnston confirmed the importance of the Association’s collaborative work. “It is much better for everyone to do business with an organization than to try to do business with all the various towns and cities of the state as individuals,” Governor Johnston said at the Association’s Annual Meeting. “You can accomplish a great deal more working together in reaching conclusions than if one person is trying to get one thing and someone else another.”

Executive Director Don Wray discusses the Association’s legislative program following a 1976 regional meeting in North Charleston.

Throughout its history, the Association has emphasized the importance of shared voices and the active involvement of local officials in telling the municipal story to achieve legislative successes. At the 1970 Annual Meeting, President H.W. Priester Jr., mayor of Fairfax, emphasized the need for sustained member engagement to deal more effectively with what he called “the makings of crisis after crisis” affecting cities and towns.

“The time has come to truly put first things first and concentrate on developing a strong spirit of cooperation, communication and participation if we are to overcome the obstacles confronting us today,” Priester said. “Our strength depends ... upon our ability to work together dedicated to overcome these crises we are experiencing. Without the support of all of you, we will fail.”

At the same conference, National League of Cities’ Executive Vice President Patrick Healy echoed the collaboration message. “The most successful state association results are obtained in those states where there is large participation by local officials in the regional meetings and seminars, as well as in annual meetings statewide, and where they read carefully the various communications issued from the association headquarters,” Healy said. “Thus, armed with good background information, they can more effectively present their case to their legislators.”

For former Myrtle Beach Mayor Erick Ficken, Association president in 1983, the successful passage of the first statewide sales tax on accommodations in 1984 was a great example of the power of shared voices.

“There is no question that we would never have been able to get something like the accommodations sales tax passed without the coordinated effort of the Municipal

ABOUT HOME RULE

Home Rule is the exercise of independent authority by elected local government officials. Because the U.S. Constitution does not mention local governments, each state decides for itself what powers and authority it will give local governments.

The extent and type of Home Rule authority varies widely from state to state. States that do not grant any Home Rule authority to local governments employ Dillon's Rule to establish local power and authority. Dillon's Rule, derived from two court decisions by Judge John F. Dillon in 1868, limits municipal authority only to actions and powers that are explicitly granted by the state.

Some states took action to define local Home Rule authority in the 1880s, but South Carolina did not take any action until the 1970s.

Today's Home Rule authority for local governments in South Carolina is summarized in Article VIII, Section 17 of the state Constitution. It provides that "all laws concerning local government shall be liberally construed in their favor. Powers, duties and responsibilities granted local government subdivisions by this Constitution and by law shall include those fairly implied and not prohibited by this Constitution."



Governor Richard Riley signs the state accommodations tax bill in 1984. Myrtle Beach Mayor Erick Ficken (l) and Representative Pete Pearce of Horry County (r) look on.

Association and the broad involvement of city leaders from throughout the state," Ficken said in January 2015.

While limited to face-to-face meetings in the early years, the Association has used technology in recent years to further engage municipal officials in advocacy. The Association's comprehensive website and staff's use of social media have given municipal leaders several new ways to maximize their shared voices.

Raising the Profile of Cities and Towns

Demonstrating the significance of cities and towns to the future success of the state has been an important emphasis of the Association's advocacy work. Many city officials say that effort has been remarkably successful.

Ensuring that city officials are well-informed about key issues and motivated to tell the municipal story has helped open doors to successful legislative action. Continued success requires constant vigilance.

In 2014, Charleston Mayor Joe Riley, Association president in 1980, said "While we have made progress, we need to continue to articulate well and robustly the importance of towns and cities to the state's economy. We're selling a product, and we can never stop selling it. We must always stay vigilant."

Strengthening the City-State Partnership

In 1960, the South Carolina House and Senate appointed a joint Legislative study committee to study the needs and challenges of municipalities. Senator Charles Moore of Spartanburg, who chaired the study committee, told delegates to the 1961 Annual Meeting that he hoped the committee's work would help strengthen the city-state partnership.

"I am more firmly convinced that if government at all levels in South Carolina is to progress, there must be ... a greater spirit of cooperation between members of the General Assembly and the members of the various city councils in South Carolina," Moore said. "We represent the people in the towns and the cities as well as the people in the various outlying areas of our counties, and we owe a definite responsibility to you who represent these municipalities"

While the Association has succeeded in gaining the respect and attention of state leaders during its history, building a true city-state partnership to achieve mutual goals continues to be a work-in-progress.

Current state Senator Kevin Johnson, Association president in 2009 and 2010, spent 17 years as a council-member and mayor of Manning. He recently explained that the lack of a working knowledge about cities and towns among legislators can be an obstacle to building a sustained partnership.

"Many people get elected to the General Assembly who don't know anything about local government," Johnson said in December 2014. "So it is hard for them to understand how important cities and towns are, to look out for their interests, and be more focused on cities and towns as key players."



Greenville Councilmember Lillian Brock-Fleming (l) and Manning Mayor Kevin Johnson discuss the Association's legislative priorities with S.C. Representative Chandra Dillard, former Greenville councilmember and Association board member, during the 2011 Hometown Legislative Action Day.



Governor James Edwards signs the Home Rule Act on June 25, 1975. (l-r) Rep. Jean Toal (Richland), Rep. Robert McFadden (York), Speaker of the House Rex Carter (Greenville) and Rep. Cecil Collins (Anderson) look on.

REACHING LEGISLATIVE GOALS

The Association has two advocacy roles. It promotes legislation that supports cities and towns in their efforts to meet service demands, and it opposes legislation that negatively impacts those efforts. Historically, three major issues have dominated much of the Association’s advocacy work.

- ▶ Home Rule
- ▶ Municipal revenue sources
- ▶ Annexation

▶ Home Rule

South Carolina’s Home Rule Act of 1975 provides the source of modern local government authority. It greatly expanded the authority of county government and established a framework for the structure of county and municipal governments.

The impetus for the Act was the 1964 U.S. Supreme Court decision in *Reynolds v. Sims*. The decision established the one-man, one-vote principle and required many states, including South Carolina, to change their system of representation in the state Legislature.

Before the *Reynolds* decision, county government was just an arm of state government. Counties were governed by special bills passed in the General Assembly, including each county’s “supply bill” or budget. As a result, the legislative delegation, usually the senator, controlled the county operations.

After the *Reynolds* decision, a state senator no longer represented just one county. Instead, he represented 1/46 of the state’s population, and his district could cross county lines. This created an immediate need to find a way to govern counties without ties to their legislative delegation.

The Constitutional Reform Committee in 1967, chaired by Lt. Governor John West, worked for several years on a local government article to amend the 1895 Constitution. In 1972, voters approved the Local Government Article (Article VIII), which the Legislature ratified in 1973.

In discussing the details of the constitutional amendment at the 1973 Annual Meeting, Association Executive Director James N. Caldwell III said the changes would be beneficial to cities and towns, but the General Assembly “must grant the necessary enabling legislation, and the complete cooperation of municipal and county officials is an absolute necessity.”

The Association had two goals for the enabling legislation. First, municipal officials wanted to be free of the fiscal limitations imposed by the state Legislature. Second, they wanted modern annexation laws allowing cities and towns to expand to their natural urban boundaries.

David Williams (l), Association general counsel, discusses potential annexation legislation with Great Falls Councilmember Tony Payseur at the 1977 Catawba Regional Meeting.



LEGISLATIVE SPOTLIGHT



At a September 25, 1991, ceremony at Charleston City Hall, state Treasurer Grady Patterson hand delivers the first checks to officials in the six counties that initially passed the Local Option Sales Tax. (l-r) Charleston Mayor Joe Riley, Sullivans Island Mayor Kathleen Cantwell, Patterson, Isle of Palms Mayor Carmen Bunch, Charleston County Treasurer William Thomas

WE’VE GOT THE OPTION!

Passage of the Local Option Sales Tax in 1990—a one-cent tax levied on sales within counties in which voters approve the tax—was an attempt by the Legislature to give local governments an alternative to the property tax to fund municipal services. To initiate the tax, the county governing body must approve putting the sales tax issue on the ballot for voter approval.

Of the total sales tax revenue collected in a local option county, at least 71 percent must be used for property tax rollback (67 percent of this revenue is apportioned to the county government and 33 percent to municipalities). The remaining 29 percent is distributed to local governments (50 percent based on the location of sales and 50 percent based on population.)

After intense debate, the Legislature passed the Home Rule Act, and Governor James Edwards signed it into law on June 25, 1975. This enabling legislation greatly expanded the authority of county government, allowing it to provide municipal-type services. It also prevented more special purpose districts from forming and allowed counties to establish special tax districts. While the new law spelled out the structure and authority for counties and municipalities, it left out the fiscal freedom and modern annexation law sought by the Association.

A series of court decisions in the following years provided legal tests on local government fiscal authority granted by Home Rule. In 1992, the state Supreme Court issued two significant rulings. In *Brown v. Horry County*, the Court agreed that Horry County had the authority to enact a road fee. In *Williams v. Town of Hilton Head*, the Court confirmed that local government had the authority to enact taxes and fees.

“This Court concludes that, by enacting the Home Rule Act, the Legislature intended to abolish the application of Dillon’s Rule in South Carolina and restore autonomy to local government,” the Court said. “We are persuaded that [the Home Rule Act] bestows upon municipalities the authority to enact regulations for government services deemed necessary and proper for the security, general welfare and convenience of the municipality or for preserving health, peace, order and good government obviating the requirement for further specific statutory authorization so long as such regulations are not inconsistent with the Constitution and general law of the state.”¹¹

State legislators reacted immediately by accusing the Supreme Court of judicial activism. They promptly began placing restrictions on local government authority.

In 1997, the Local Government Fiscal Authority Act passed, specifically prohibiting a local government from imposing a tax without legislative authorization. Legislation passed in later years further restricting local governments’ ability to raise property tax millage and limiting the increase in the assessment value of real property.

► Municipal Revenue Sources

Throughout its history, the Municipal Association has stressed the importance of adequate and stable funding sources for cities. As the state became more urbanized after World War II, the need for alternative revenue sources was evident. The Association advocated for a fair share of state-collected revenue for cities, new revenue sources other than the property tax to fund city services, and protection of the city tax base from state and federal unfunded mandates.

In arguing for a fair share of state-collected revenue, Greer Mayor Lloyd Hunt, Association president in 1960, told Annual Meeting delegates that cities provide more service per tax dollar than any other level of government. He pointed out, however, the Legislature is more concerned about state and county funding. “Cities should be accepted as partners in government rather than beggars at the feast,” Hunt said.

LOCAL OPTION SALES TAX

Since the early meetings of the Association, municipal leaders warned about the reliance on the property tax to fund local government services. The General Assembly also acknowledged the property tax could not support the funding needs of cities, counties and schools.

In 1977, Beaufort Senator James Waddell chaired a committee studying the financial needs of local governments. This committee, composed of state senators, house members, and city and county officials, made its

recommendations to the General Assembly in 1980. The committee’s report, *Financing County and Municipal Governments in South Carolina in the 1980s*, supported the Association’s position that South Carolina’s counties and municipalities urgently needed alternative sources of revenue to finance the growing demand for services, while also offering property tax relief.

The Association’s advocacy efforts got a boost in 1982 from a new group working for better government, the South Carolina Advisory Commission on Intergovernmental Relations. It began advocating for four bills as part of an ambitious legislative program. Included was a proposal for a local option sales tax that would allow city and county governments to impose a one-half percent sales tax. Voter approval and the rollback of property taxes would be required.

Governor Richard Riley meets with leaders of the Association in June 1982. (l-r) Myrtle Beach Mayor Erick Ficken, Riley, Greenwood Mayor Thomas Wingard, Mount Pleasant Mayor Johnny Dodds



Property Tax Reform

In 1930, state Senator Beverly Herbert of Sumter, chair of the Senate Finance Committee, described the property tax as the “sorest spot in the South Carolina tax system.” It remains a sore spot 85 years later.

For the Municipal Association, the first priority for addressing the problem was to reform how property was assessed for tax purposes. The goal was to ensure all property throughout the state was assessed using the same method. Members adopted a resolution at the 1946 Annual Meeting urging the Legislature to establish a fair and professional assessment method. The resolution pointed out that the current system had “degenerated to a farcical point in most of the counties of the state.”

Major changes to the property tax system occurred in 1975, 2006 and 2012.

ACT 208

The assessment fix finally happened in 1975 with the passage of Act 208, the Equalization and Reassessment Act. It required all classes of property be put on the tax rolls at fair market value and required reassessment every five years or when determined by the state Tax Commission. The Home Rule Act of 1975 gave counties the responsibility for implementing Act 208 by 1980.

ACT 388

The biggest change came in 2006 when Act 388 essentially eliminated the property tax on owner-occupied homes as a source of funding for school operations, capped millage increases for local governments to inflation plus population growth, and limited the increase in the assessment value of individual properties to a maximum of 15 percent over a five-year period.

To pay for the property tax break and provide school funding, the Legislature increased the state sales tax by one cent. Act 388 also eliminated the sales tax on food in an effort to minimize the impact of the penny increase on lower-income households that would not benefit from the property tax break. The sales tax revenue has consistently fallen short of projections and has not kept pace with school districts’ fiscal needs.

While Act 208 was a step in the right direction toward making the property tax system a fair and reliable source of local government revenue, Act 388 was detrimental to that cause.

POINT OF SALE

Act 388 limited the increase in the assessment value of individual properties to a maximum of 15 percent over a five-year period. When the property was sold, the value reset to the current fair market value. The real estate industry pushed the Legislature for several years to eliminate the reset at the point of sale. The Association pushed back, advocating that such a change would exacerbate the problems of Act 388.

On the final day of the 2012 legislative session, the ongoing point-of-sale debate was laid to rest. Based on a compromise championed by the Association, the Legislature passed a bill establishing a partial reset of the values of commercial and second-home properties at the time of sale. The values of owner-occupied property would continue to be fully reset to the fair market value at the time of sale.

The legislation also allowed local governments to raise millage in one year by up to the previous three years of increases allowed by law but not previously imposed by council. It also gave local officials more flexibility in the millage rollback calculation.

The General Assembly passed the Local Option Sales Tax legislation in 1990, aided by a 1981 report of Governor Richard Riley’s Task Force on the Economy, support from then-Governor Carroll Campbell, a partnership of business leaders called the Coalition for Property Tax Reform and a compromise with the S.C. Association of Counties. Cities and counties finally had the ability to diversify their revenue sources with a penny sales tax; however, they had to use at least 71 percent of the revenue to roll back property taxes.

“The passage of this bill was truly a grassroots effort,” said Marion Middleton, mayor of Williamston and 1989 Association president. “It never would have happened without the overwhelming support and participation from local elected and appointed officials across the state.”

The Association led the campaign as all 46 counties held referendums on the local option sales tax in the November 1990 General Election. Six counties passed the referendum at that time, with the number increasing to 31 by 2015.

LOCAL GOVERNMENT FISCAL AUTHORITY ACT

In January 1995, newly elected Governor David Beasley and new House leadership took office with what they perceived as a mandate to provide property tax relief. The General Assembly passed legislation giving a homestead exemption of up to \$100,000 on owner-occupied property for school property tax.

The Association hoped the homestead exemption would quell the push for more local government tax restrictions. That hope did not last long. The next year, senators amended a House reassessment bill with a wide range of additional restrictions.

Executive Director Don Wray and Director of Intergovernmental Relations Howard Duvall discuss legislation with Senator Jim Bryan (Laurens), who provided leadership in the passage of the Local Option Sales Tax, annexation and municipal improvement district bills.



LOCAL GOVERNMENT FUND SIMPLIFIES SHARED REVENUE PROCESS

Based on recommendations from the South Carolina Advisory Commission on Intergovernmental Relations, the General Assembly established the Local Government Fund in 1991 as the means for distributing state-collected revenue to cities and counties. The Fund replaced the State Aid to Subdivisions, which used a complex formula to distribute 11 separate state-collected taxes to local governments.

The goals of the new Local Government Fund were to simplify the distribution system; link local government-shared revenue to growth of the state general fund; and make revenue to local governments more predictable.

The Fund is based on 4.5 percent of the previous year's state general fund base revenue. Legislators chose this calculation in 1991 because it produced the same amount of funding that county and municipal governments received from State Aid to Subdivisions in 1990.

The General Assembly has fully funded the Local Government Fund according to the calculation in state law only 18 of the 26 years since it was established.

That action set off multiple meetings among leaders of the Municipal Association, S.C. School Boards Association, S.C. Association of Counties and S.C. Chamber of Commerce. In these meetings, the business community continued to push for restrictions on local government taxes and fees. The local government partners defended their Home Rule authority, advocating for more flexibility to raise revenue to meet service demands.

In 1997, the General Assembly passed the Local Government Fiscal Authority Act, the most significant local government legislation since the passage of Home Rule. The Act provided local governments with additional revenue sources while, at the same time, it restricted local governments' ability to impose new taxes without legislative approval.

- ▶ Local governments could impose local accommodations and hospitality taxes to fund tourism-related programs.
- ▶ Counties could impose a one percent local option sales tax to pay for capital projects in the county and its municipalities.
- ▶ Local governments could not impose a new tax after December 31, 1996, unless the General Assembly specifically authorized the tax.
- ▶ Local governments and schools could not raise property tax rates by more than the increase in the consumer price index without a positive majority vote of council.
- ▶ Local governments could approve new service charges and user fees by a positive majority vote of council.
- ▶ Both the House and Senate must pass, by a two-thirds vote, any legislation that would mandate counties or municipalities pay for programs required but not funded by the General Assembly.



Leaders of the Association and the S.C. Association of Counties ask Governor Carroll Campbell to support efforts to decrease local governments' reliance on property tax by giving them alternative revenue sources. (l-r) Columbia Mayor Patton Adams, Anderson Councilmember Bea Thompson, Rock Hill Mayor Betty Jo Rhea, Campbell, County Supervisor Johnny Flynn (Berkeley), County councilmembers Butch Spires (Lexington) and O.V. Player (Sumter)

► Annexation

“It’s certainly no secret to me that you are faced with an almost impossible situation in regard to annexing adjoining areas as they become urbanized,” Lt. Governor Earle Morris told delegates at the Municipal Association Annual Meeting in 1970. “The functions of city government today are far different than those of years past. Our cities cannot continue to sustain their residents in the decades ahead if they must labor under the restrictive laws of days gone by.”

One of the Municipal Association’s long-time advocacy priorities has been changing annexation laws to allow cities to expand their municipal limits to their natural urban boundaries. This would enhance government efficiency, eliminate service overlap and support economic development. Despite a series of adjustments to the state’s annexation laws since 1963, South Carolina’s annexation methods remain among the most restrictive in the country, hampering the growth of cities and towns as surrounding areas become more urbanized.

A 2008 editorial in *The State* argued for legislative action to change the state’s annexation laws. The editorial said failure to act “keeps local governments weak by limiting or dividing up their powers ... [and] hamstringing counties by maintaining some 500 special purpose districts—separate redundant little governments, often controlled by legislators, that provide sewer or parks or any number of other services that should be provided by the county or, better still, by a city whose boundaries match the urban population that wants those services.”¹²

Despite significant growth of cities and towns in South Carolina since World War II, local officials say the ongoing annexation debate is the product of the Legislature’s still rural focus. Mayor Rick Danner of Greer, the Association’s president in 2008, believes the long debate over annexation laws is “a mentality, a philosophy, as much as it is a political issue.”

“We are still a very rural-centric state that is becoming more urban,” Danner said in January 2015, “and we need to continue to highlight the importance of cities and towns to change the mentality about annexation.”

In 1977, the City of Charleston lost a comprehensive annexation effort by a two-to-one vote, despite an aggressive marketing and media campaign. Mayor Joe Riley, 1980 Association president, attributed the loss to a statewide philosophy about growth.

In a speech at the 1977 Winter Meeting and Legislative Conference, Riley said, “public policy [in South Carolina] over the years has been traditionally rural dominated, both in terms of the legislative approach to municipal problems and the public sentiment on annexation and growth.” Riley went on to describe South Carolina’s approach to annexation as a “free-rider system that seems to encourage people to demand the benefits from services but not to pay the cost of them.”



Governor Robert McNair signs the 1967 Annexation bill. (l-r) Spartanburg Mayor Robert L. Stoddard, Executive Director James N. Caldwell III, McNair, Union Mayor C.P. Stribling, Andrews Mayor Woody Brooks, Association’s Public Relations Director Russ Mellette



Significant Legislation Impacting Cities and Towns

The Municipal Association has played a significant role in the outcomes of thousands of pieces of legislation during its long history. From protecting Home Rule and getting municipal employees covered by Social Security to expanding revenue sources and establishing statewide building codes, the Association and its members have carried a shared vision for stronger cities and towns to the General Assembly.

Highlights of significant legislation impacting cities and towns

- ▶ Annexation bills in 1963, 1967, 1988 and 2000 adjust the state's annexation procedures but fail to provide cities with the necessary flexibility to grow.
- ▶ The Home Rule Act of 1975 defines the overall structure and authority for counties and municipalities in the state.
- ▶ The Equalization and Reassessment Act 208 of 1975 requires all properties be put on the tax rolls at fair market value to make the property tax system more equitable. Act 208 produced the desired results for about 15 years until legislative actions began to chip away at the bill's original intent. The biggest blow came with Act 388 of 2006.
- ▶ The Tax Increment Financing Act of 1981 allows cities to use future gains in tax revenues generated by growth in the tax base to finance the cost of redeveloping blighted areas.

In 1976, U.S. Senator Strom Thurmond (l) discusses the potential end of the federal revenue-sharing program with North Charleston Mayor John Bourne.

- ▶ The Statewide Accommodations Act of 1984 authorizes a two percent sales tax on hotel stays. At the time of passage, the state estimated as much as 75 percent of income from the tax would be paid by tourists and visitors to the state rather than residents.
- ▶ Municipal improvement acts in 1973, 1988 and 1999 permit municipalities to set up special improvement districts and assess property owners in the districts for improvements and services. Together these acts provide useful tools for revitalizing core commercial districts in municipalities.
- ▶ The Local Option Sales Tax Act of 1990 allows for a one-cent sales tax in the county if approved by referendum. At least 71 percent of the revenue must be used to roll back property taxes. Proceeds from the local option penny are divided between the county and its municipalities based on an established formula.
- ▶ The Setoff Debt Act of 1992 authorizes the state Tax Commission to withhold debts owed to local governments from refunds due taxpayers and designates the Municipal Association to act as an agent for cities and towns to collect the debts.
- ▶ The Comprehensive Planning Act of 1994 consolidates and updates the authority and procedures for local government planning.
- ▶ The Local Government Fiscal Authority Act of 1997 addresses the fiscal authority that was missing from the Home Rule Act of 1975. It sets restrictions on local governments' taxing authority while providing for a local accommodations tax, local hospitality tax and local option capital projects sales tax.



Municipal officials rally at the State House during the 1994 Winter Meeting and Legislative Conference.

DECEMBER 2014

“The Municipal Association helps us at the local level to not reinvent the wheel.”

MARY CLARK

FORMER CAMDEN MAYOR AND 1990, 1991 ASSOCIATION PRESIDENT

CHAPTER FOUR

Strengthening South Carolina Cities and Towns through Shared Knowledge and Shared Solutions

Throughout its history, the Association has strengthened municipal government not only through its advocacy work but also through its services, programs and tools that enhance municipal officials' confidence and competence, and support the efficient and effective delivery of municipal services.

Nearly 90 years ago, John Stutz, executive director of the American Municipal Association, told South Carolina municipal officials that state municipal leagues across the country were helping city officials better understand how to manage and govern their cities.

He explained the value of a state league whose mission is to serve city officials. “No city official, elected or appointed, can be expected to have in his head or his library information of sufficient breadth and of sufficient scope as to enable him to act upon or pass upon any city problem of consequence in a manner which will do justice to the city of the present, not to mention the city of the future.”

Today, the Association's shared knowledge resources provide training and technical assistance to help municipalities stay current on local government issues and learn best practices. Its shared solutions acknowledge that cities and towns face many of the same challenges and can find solutions by pooling resources and ideas.

While the Association's programs have successfully met the needs of cities and towns of all sizes, former Manning Mayor and 1984 Association President Pansy Ridgeway said recently that training programs and shared solutions make it possible for “small towns to do big things.”

For Ridgeway, the connections she built through her Association leadership role and the ideas she gained through working with others across the state opened doors to new opportunities that helped her be a more effective mayor and bring new resources to her small town.

SHARED KNOWLEDGE BUILDS MUNICIPAL CAPACITY

When President Henry Savage, mayor of Camden, highlighted the growing importance of education for municipal officials as an Association priority at the 1956 Annual Meeting, he identified three educational roles:

- ▶ educating municipal officials to do a better job in the face of shrinking dollars and steadily mounting demand for more and better services;
- ▶ educating the public about the problems facing cities and towns; and
- ▶ educating the General Assembly about the transition from a rural farm state to an industrial urban state and what that means for needed legislation.

At the 2012 Annual Meeting, Orangeburg Mayor Paul Miller (l) recognizes Greer Mayor Rick Danner for his ten years of service on the Association's board of directors.

Today, South Carolina municipal officials consistently point to the important role the Association plays in building municipal and individual capacity through a wide range of training programs, publications and meetings that encourage the most efficient and effective municipal government operations.

In a December 2014 interview, state Senator Kevin Johnson, former mayor of Manning and 2010, 2011 Association president, said "In order to serve our citizens at the highest level, we need to understand our roles and the scope of responsibilities. The Association is second to none when it comes to educating municipal officials about their roles in order to help them be successful."

National League of Cities Executive Director Clarence Anthony, who served as mayor of his hometown of South Bay, Florida, for 24 years, said the education function of state municipal leagues has been key to their long-term staying power. "Getting elected is the easy part," Anthony said recently. "Learning how to govern effectively after the election is more difficult for local leaders."

Anthony said he looked to and relied on his state municipal league to provide information, guidance, resources and valuable connections to people with similar interests to help him with the challenges of governing. "State leagues provide the opportunity to convene with a group of people who face the same issues and challenges regardless of population, and we all automatically feel like family," Anthony added.

Delegates enjoy the Sunday Banquet during the 1970 Annual Meeting at the Municipal Auditorium in Charleston. The featured speaker was Frank Mankiewicz, former presidential campaign secretary for Senator Robert F. Kennedy.





At the 2012 Annual Meeting, Association President and Clinton Mayor Randy Randall (l) and Peter Kagayama, Annual Meeting keynote speaker and expert on creative cities (r), discuss cities of the future with past participants of Palmetto Girls and Boys State programs.

► Annual Meetings Emphasize Education

The Association’s annual meetings have always been its foundation for fostering and facilitating shared knowledge among municipal officials. Through well-planned sessions addressing a range of important municipal issues and high-quality speakers, annual meetings pack a powerful education punch.

While the primary focus of early annual meetings was strengthening the Association’s advocacy voice, many of the speakers addressed topics that went beyond state legislative issues. Some of these topics included comprehensive planning, the value of modern building codes, public safety and emergency preparedness, municipal finance, and public relations strategies for

cities and towns. The breadth of annual meeting speakers over the years demonstrates the range of learning opportunities and the Association’s ability to draw big names to its events.

Today, the Municipal Association’s annual meetings remain the place for networking, sharing ideas and proven strategies, and learning about new ways to deliver municipal services. “The annual meetings provide a great way to find out what’s going on in other cities,” Erick Ficken, former mayor of Myrtle Beach and 1983 Association president, said recently. “Every city is a little bit different, but through the Association we learn that we have a lot in common. The annual meetings are very educational for all local officials.”

► Training Takes a Giant Step Forward

A 1980 Intergovernmental Personnel Act planning grant provided the impetus for a broader and deeper approach to strengthening municipal capacity. The Association used the grant to produce a training program, “Leadership in the ’80s,” broadcast by closed-circuit television weekly over South Carolina Educational Television.

The five-part program, planned and presented by the Municipal Association, the Strom Thurmond Institute of Government at Clemson University, and the University of South Carolina’s Bureau of Governmental Research and Service, featured live interaction among the 300 participating elected officials. This interactive broadcast was a first-in-the-nation live training program for local elected officials over closed-circuit television. It established the foundation for the South Carolina Municipal Elected Officials Institute of Government, launched in 1986.

Annual Meeting Highlights

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| <p>1942 Mayor Fiorella LaGuardia of New York City and director of the National Civilian Defense Program discusses the role of cities and towns in supporting wartime industrial production and civilian preparedness.</p> <p>1947 Donald Kennedy, executive vice president of the Automotive Safety Foundation, speaks about the growing impact of the automobile and early progress on funding and constructing a federally supported national highway system.</p> <p>1948 Miner Phillips, executive director of the Chicago-based Municipal Finance Officers Association, outlines financial strategies to help cities meet the growing demand for services.</p> <p>1950 Governor Strom Thurmond sets the tone for the coming decade by describing the growing complexities of the world that is making municipal governance increasingly challenging. “Modern civilization with its accelerated pace and its growing tensions has brought to our municipalities the most difficult problems they have ever faced,” Thurmond said.</p> <p>1952 Detroit Mayor Alfred Cobo, president of the American Municipal Association, talks about a “civic spirit in every city and town” in the United States which supports progress and responsible investment of tax dollars. A year later, AMA President William Hartsfield, mayor of Atlanta, discusses the rapid growth of urban areas fueled by the expanded use of the car and mechanization of farms.</p> <p>1968 Dr. Thomas Jones, president of the University of South Carolina, and Dr. R.C. Edwards, president of Clemson University, share how their institutions can support municipal officials.</p> <p>1972 George Romney, secretary of the U.S. Department of Housing and Urban Development, speaks about the decline in personal responsibility, family responsibility and private responsibility, which had led to an over-reliance on government to solve every problem.</p> <p>1987 Henry Cisneros, mayor of San Antonio, Texas, urges attendees to “stay in the fight” for the local option tax, commenting on a similar tax in Texas that proved critical for the economic success of cities and towns.</p> | <p>1994 Bennettsville native and founder of the Children’s Defense Fund Marian Wright Edelman asks local officials to “leave no child behind” because “everything we hold dear as Americans depends on what we do for our children.”</p> <p>1996 Jane Alexander, chair of the National Endowment for the Arts, discusses the important role the arts play in economic revitalization in South Carolina, generating more than \$640 million annually in state economic impact and creating more than 17,600 jobs.</p> <p>1997 Charleston native and former Charlotte Mayor Harvey Gantt talks about his passion for local government and his concern that the anti-government and anti-tax sentiment at the federal level is drifting to the local level. “This could prove detrimental to our towns if to get elected we seek to lower taxes in place of investing in important public projects,” Gantt said.</p> <p>2000 Dr. Gary McCaleb, former mayor of Abilene, Texas, explores what he called the three policy buzzwords of the 21st century—devolution, technology and globalization.</p> <p>2001 Chief Justice Ernest A. Finney, the first African-American elected to the South Carolina Supreme Court, talks about the qualities public officials need “to build beautiful and beloved communities,” emphasizing the importance of accountability. “People in South Carolina don’t expect perfection, but they do demand honesty,” Finney said.</p> <p>2004 David Rusk, author of <i>Cities Without Suburbs</i> and former mayor of Albuquerque, New Mexico, criticizes the state’s restrictive annexation laws, saying they “condemn the state’s cities to a slow decline.”</p> <p>2008 Dr. Larry Sabato, director of the University of Virginia’s Center for Politics, provides a compelling look at the upcoming presidential election.</p> <p>2012 Ted Abernathy, executive director of the Southern Growth Policy Board, discusses national and regional economic trends.</p> |
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Originally, the Institute was a three-year program with sessions taught in conjunction with the Annual Meeting. In 1993, the Association transitioned to broadcasting five of the classes via SCETV satellite to the ten regional councils of governments and offered the remaining classes in conjunction with the winter meeting. This enabled more municipal officials to take advantage of this training opportunity.

The Municipal Association continued to broaden both its training offerings and delivery systems to meet changing needs and provide easy access to high-quality training. "Operating a municipal government has evolved into a more technical and complex assignment that requires ongoing education and acquired skills," said Don DeLoach, former mayor of Varnville and 2001 Association president.

New technology allowed the Association to add 24/7 online courses in 2013. This gave municipal officials the option of taking five Institute courses according to their schedules without waiting for once-a-year broadcasts.

Because of the Institute's success and elected officials' desire for more training, the Association introduced the Advanced Municipal Elected Officials Institute in 2014, allowing MEO Institute graduates to continue their education.

The Association begins delivering Municipal Elected Officials Institute classes by SCETV satellite to the ten regional councils of governments in 1995. Touring SCETV's "satellite farm" are (l-r) Chris Bickley, Lowcountry Council of Governments; Sam Lehman, Upper Savannah Council of Governments; and Tom Clark, SCETV.



The Municipal Elected Officials Institute of Government graduated its first class in 1988 with 47 elected officials completing the program.

THIRTY YEARS OF PRODUCTIVE COLLABORATION

The 11 affiliate associations and the dates they were created or affiliated with the Municipal Association of South Carolina

- 1 South Carolina Municipal Human Resources Association (originally the South Carolina Municipal Personnel Directors Association)—1980
- 2 South Carolina Association of Municipal Power Systems*—1985
- 3 South Carolina Business Licensing Officials Association—1986
- 4 South Carolina Utility Billing Association—1987
- 5 South Carolina Community Development Association*—1988
- 6 South Carolina Municipal Finance Officers, Clerks and Treasurers Association*—1990
- 7 South Carolina Municipal Attorneys Association—1995
- 8 South Carolina Association of Stormwater Managers—2001
- 9 Municipal Technology Association of South Carolina—2004
- 10 Municipal Court Administration Association of South Carolina—2006
- 11 Association of South Carolina Mayors—2011

* Requested affiliation with the Municipal Association of South Carolina

► Affiliate Groups Expand Shared Knowledge

When the Association entered into an agreement in 1985 with the South Carolina Association of Municipal Power Systems to staff its operations, a new framework for delivering training to city staff emerged. Today, the Municipal Association supports 11 affiliate associations which provide networking and training to a variety of local government positions. The Association established eight of the affiliates, while the other three requested affiliation with the Association to take advantage of its professional management services.

The affiliate association's elected officers and the Municipal Association staff collaborate to plan quality educational programs and services specifically designed for each affiliate.

In addition to traditional face-to-face training and networking opportunities, the affiliate associations introduced members-only listserves in 2001. These listserves allow members to share best practices and pose specific questions related to their local government responsibilities.

► Field Staff Provides Support to Municipal Officials

Throughout the Association's history, the staff has responded to questions from local officials about all aspects of municipal government. To make this resource more accessible, the Association established the Field Services program in 2008. It puts staff on the road daily visiting city officials to discuss challenges their cities are facing. Staff answer questions, offer resources and provide training.

► Achievement Awards Encourage Innovation

To recognize and encourage innovation and excellence in local government, the Association created the Municipal Achievement Awards in 1986. Since then, cities and towns have entered 804 projects to share municipal achievements and best practices.

► Main Street South Carolina Supports Downtown Revitalization

On April 9, 1987, the Association's board of directors met with Ben Boozer, executive director of the South Carolina Downtown Development Association, and other representatives of SCDDA to discuss establishing a closer working relationship. The board approved a resolution making SCDDA's executive director a Municipal Association employee. Recognizing the valuable service SCDDA had provided to cities since 1983, the Municipal Association board committed to assist SCDDA in extending its services across the state. In 1993, SCDDA formally became a program of the Municipal Association.

Today the program is known as Main Street South Carolina to reflect its accreditation by the National Main Street Center, a subsidiary of the National Trust for Historic Preservation. Main Street South Carolina provides a comprehensive revitalization program for cities and towns that promotes the historic and economic redevelopment of traditional business districts in South Carolina.

At the 2014 Annual Meeting, Association President and Sumter Mayor Joe McElveen recognizes Mayor Joe Riley's (r) 40-plus years of service to Charleston and the state by announcing that the Municipal Achievement Award for economic development is being named in his honor.



Jackie Helms with the City of Rock Hill prepares to compete in the cross arm changeout competition during the South Carolina Association of Municipal Power Systems 2010 Lineman Safety Training Session.



SHARED SOLUTIONS IMPROVE SERVICE DELIVERY

President Carl Busbee, mayor of Conway and 1941 Association president, saw the potential of shared solutions as part of the Association’s mission. “In the free exchange of ideas which is here possible and in the opportunity to appropriate to our own uses the results and experiments conducted by other cities is to be found the secret of the growth and development of the liberal and progressive spirit which characterizes our municipalities,” Busbee said at the 1942 Annual Meeting.

Unlike private-sector leaders who often go it alone and closely guard their successes from potential competitors, municipal government leaders enthusiastically share their achievements and view collaboration with municipal colleagues as a gift to help strengthen their cities and towns. The gradual growth of the Association’s shared solutions supports the founding belief that cities and towns working together can enhance their delivery of critical services.

To determine the value of a potential shared solution, the Association staff asks the question: Can the Association provide a solution to a problem more effectively and efficiently through the collective work of cities and towns than by cities and towns working individually? When the answer is “yes,” the Association explores solutions to meet the challenge.

► Collection Programs Boost Efficiency

The Association’s four collection programs provide efficient collection of certain business license taxes and delinquent debts for municipalities. They also streamline the payment and collection processes. In 2014, the Association collected and distributed nearly \$155 million to participating municipalities.

INSURANCE TAX COLLECTION PROGRAM

Since 1965, cities and towns have contracted with the Association to collect delinquent premium taxes from insurance companies. In 1994, the Association expanded the program to collect current taxes due. To ease the payment process for insurance companies and streamline the collection process, the cities agreed to pass an ordinance that set a uniform due date and collection rates.

In the expanded program’s first year, collections increased by 70 percent over the previous year’s collections for the 178 participating municipalities. This was a testament to the power of cities working together.

BROKERS TAX COLLECTION PROGRAM

The Brokers Tax Collection Program dates back to the 1980s when the Association began collecting the tax from insurance brokers on behalf of the state’s cities.

In 2012, Governor Nikki Haley signed into law legislation to conform state insurance law to a new federal law.

State law now requires the South Carolina Department of Insurance to collect the brokers’ premium tax and remit the municipal portion to the Association. As the municipal agent, the Association allocates then distributes the funds to cities and towns.

SETOFF DEBT COLLECTION PROGRAM

In 1992, Governor Carroll Campbell signed into law an amendment to the Setoff Debt Collection Act authorizing the S.C. Tax Commission to withhold debts owed to local governments from individual tax refunds. It also authorized the Municipal Association to act as an agent for cities. The Association compiles and forwards to the Commission a database of debts owed to participating cities.

The Association developed a software program in 1993 for cities to submit the debts. This early system relied on computer disks exchanged in the mail. Today, a Web-based program allows participants to manage their debts through an online portal.

TELECOMMUNICATIONS TAX COLLECTION PROGRAM

In 1998, the Association announced a new collection program based on the success of the Insurance Tax Collection Program.

The Association planned to collect business license taxes from long-distance telephone companies and later expand the program to collect from wireless companies. These plans were put on hold when telecommunications companies pushed legislation to restrict cities’ franchising authority and the rate of the new business license tax.

After ongoing discussions among legislators, telecommunications industry representatives and the Association, the General Assembly passed the

MANUALS AND HANDBOOKS PROVIDE DAY-TO-DAY GUIDANCE

The Municipal Association’s publications provide up-to-date resources on the details of governance. These publications provide valuable information to municipal officials.

- *Annexation Handbook*
- *Incorporation Handbook*
- *Comprehensive Planning Guide for Local Governments*
- *Model Employee Handbook for South Carolina Municipalities*
- *How to Conduct Effective Meetings*
- *Raising Hometown Voices to a New Level of Influence*
- *Election Handbook*
- *South Carolina Business License Handbook*
- *Forms and Powers of Municipal Government*
- *Tips for Hometown Media Success*
- *Handbook for Municipal Officials in South Carolina*

Telecommunications Act of 1999. The Act set the parameters for the municipal tax on telecommunications providers and redefined cities’ franchising authority regarding telecommunications companies.

In 2000, the Association began collecting business license taxes from telecommunications companies based on the Telecommunications Act of 1999.



ASSOCIATION SNAPSHOT



MUNICIPAL NEWS

Since 1975, *Uptown*, the Association’s monthly publication, has reported on local government issues, legislative concerns, training opportunities, and best practices for cities and towns.

The Association first published *South Carolina City* magazine, *Uptown’s* predecessor, in 1959. The quarterly magazine’s goal was “to keep the municipal officials of our state better informed about our common problems and to enlist broader support for the objectives of our Association,” wrote Neville Holcombe, Spartanburg mayor and 1958 Association president.

► The Case for Self-Insurance Pools

As early as 1940, Anderson Mayor Cullen Sullivan, Association president in 1939, suggested studying rates paid by cities for municipal property and liability insurance to determine if self-insured pools could be a viable option for controlling cities’ insurance costs. The idea of self-insured pools stayed on the Association’s backburner for 40 years.

In 1981, the growing cost of health insurance coverage for local government employees prompted the Municipal Association to create its first self-funded insurance pool as a more cost-effective option for cities and towns.

The South Carolina Local Government Assurance Group provided pooled medical, dental, vision and life insurance coverage for municipal employees. By the end of its first year of operation, 26 cities and towns representing 2,250 employees had joined SCLGAG.

South Carolina’s entry into the insurance pool business paralleled a national trend among state municipal leagues across the country. In 1973, the Texas Municipal League established a workers’ compensation pool, and the Georgia Municipal Association established the first health benefits pool for municipal employees.¹³

SCLGAG’s successful startup led officials in many South Carolina cities and towns to ask the Association to extend pooled coverage to workers’ compensation. To explore and assess that request, the Association established a study committee and surveyed its members about workers’ compensation needs.

The research resulted in the creation of the South Carolina Municipal Insurance Trust in 1984 to provide self-funded workers’ compensation as an alternative to the state’s workers’ compensation program.

The Association established its last pooled insurance program, the South Carolina Municipal Insurance and Risk Financing Fund, in 1990 to provide all lines of property and casualty coverage. Former Deputy Executive Director Jim Robey guided the development of all three self-funded insurance programs.

When Robey retired as director for insurance programs in October 1996, President Wayne George, former mayor of Mullins and current state representative, said Robey’s “vision in identifying the need for self-funded insurance and his professional ability to organize and implement these programs have allowed participating municipalities to exercise cost control over an important part of their budgets.”

In addition to providing affordable insurance premiums, the Association has developed a comprehensive program to minimize claims.

Staff helps program members build effective safety programs and assists members through written programs/standards, audits and inspections, technical assistance, training sessions, newsletters and other resources.

These Association self-funded insurance programs are prime examples of strength and efficiency through joint efforts of member cities.

“The support, resources and incentives that the Municipal Association provides to minimize losses helps strengthen our cities and towns,” said Mauldin City Administrator Trey Eubanks in 2015.

Each pool operates under the direction of a board of trustees composed of representatives from the program’s members.

Often faced with difficult decisions, the SCLGAG board of directors voted on June 30, 2011 to close its doors after 30 years of service. This decision was based on a changing national healthcare landscape, rising administrative costs and decreasing membership.



Jim Robey served the Association from 1980 until 1996. He is credited with developing the three self-funded insurance programs.



In February 2013, Leigh Polhill (l), underwriting manager, and Heather Ricard, director of Risk Management Services, discuss public safety grants available to cities that are members of the South Carolina Municipal Insurance and Risk Financing Fund.

1956 ANNUAL MEETING SPEAKER PREDICTS IMPACT OF TECHNOLOGY ON GOVERNMENT EFFICIENCY

Speaking at the 1956 Annual Meeting, New York City Mayor Robert Wagner, president of the American Municipal Association, talked about New York's early use of new technology—"automation, mass data processing and the electronic brain"—to improve government efficiency. He went on to speculate about the potential of this emerging science.

"The field of automation and mass data processing is in its infancy," Wagner said. "Although the cost of these giant machines is heavy, I foresee possibilities that the tremendous and continually rising cost of government may be, in part, stemmed by this new scientific development."

What a difference 59 years makes!

► Meeting Municipal Technology Needs

As the 20th century came to a close, Internet use skyrocketed and cities were struggling to keep up with demands to have information and services available 24/7 through the Internet.

"This means the people who used to go to city hall for information are beginning to go to the Web for that information," then-Deputy Executive Director Miriam Hair told the Association board at a special summer meeting in August 2001. "Cities and towns need an easy-to-use, affordable way to create and update websites, and to offer information and payment services in an efficient and convenient way."

A forward-thinking shared solution emerged. Knowing it could not hire enough experts in all areas of technology to meet the growing needs of cities and towns, the Association entered into a strategic alliance with VC3, an information technology firm in Columbia.

This alliance continues today, helping cities navigate change in the fast-paced world of technology.

► Prefunding Retirement Benefits through SC ORBET

In 2007, the Association created a tax-exempt trust through which municipalities can prefund retiree healthcare benefits. The South Carolina Other Retirement Benefits Employer Trust helps municipalities lower their overall liability and annual contributions required by implementation of the Governmental Accounting Standards Board Statement 45. The Trust allows participating local governments to pool their funds, saving on administrative and investment-related expenses.

A COMMITMENT TO BUILDING MUNICIPAL CAPACITY

Throughout its history, the Municipal Association has built a culture of education and collaboration that helps build strong cities and towns.

"Credibility is the Association's strong suit in everything it does," according to Isle of Palms City Administrator Linda Tucker in 2015. "The Association's programs are objective, reliable, current and credible. People keep coming back to the training programs because they have confidence in the information that will be offered and comfort that it will meet their needs."

The breadth and quality of the Association's shared knowledge and shared solution services have been valuable to 2014 Association President Terence Roberts in his role as mayor of Anderson. He hopes these services will continue to expand to help municipal leaders deal with new and more complex challenges.

"I plan to grow old in my city," Roberts said. "I want to know that Anderson's future city leaders will have the benefit of the Association's services to continue to build municipal capacity."



Bates discusses business licensing with Jodie Dudash, Greenville's business license supervisor, at a 2003 South Carolina Business Licensing Officials Association meeting.

OPINIONS WRITTEN BY ROY BATES TAKEN AS GOSPEL

For more than 30 years, Roy Bates gave legal opinions on municipal issues, wrote publications, drafted ordinances, filed briefs on numerous cases before the state Supreme Court, and testified before congressional and legislative committees in his role as Municipal Association special and corporate counsel.

When Bates died in April 2009, municipal officials across the state remembered him as a passionate advocate whose work had a profound impact on the development of municipal government in South Carolina. Bates had a hand in drafting almost every publication used by the Association and wrote opinions that were "taken as gospel" by municipal officials. "The opinions he authored in his years of service to municipal government continue to be used daily," said former Association General Counsel Danny Crowe in 2009.

In March 2013, the Association provides OSHA training for municipal employees as a benefit of membership in the South Carolina Municipal Insurance Trust.



FEBRUARY 2015

“We need to remember that every resident in South Carolina identifies with a city. They don’t say ‘I’m from so-and-so county.’ They all identify with a city.”

RANDY RANDALL

FORMER CLINTON MAYOR AND 2013 ASSOCIATION PRESIDENT

CHAPTER FIVE

Looking Ahead with Confidence

The Association’s rich history is characterized by cities and towns working together. By sharing their voices, knowledge and solutions through the Association, cities and towns have supported each other in providing critical services to residents and businesses.

“The Municipal Association is tremendously important to towns and cities in South Carolina and, in my opinion, is one of the best municipal associations in the Southeast,” said Fred Cavanaugh, Aiken mayor and 2007 Association president. “Its programs and services are absolutely necessary to keep our towns and cities moving and improving in the years ahead.”

However, the Association can’t rest on its laurels, because “there is still a long way to go,” said Tez Bonnoitt, former mayor of Georgetown and the 1990 Association president.

“The future of South Carolina depends on cities and towns realizing their potential as great places to call home,” said Miriam Hair, Association executive director. “To realize that potential, municipal leaders and the Association must continue to work together.”

Priorities for the Future

Priorities identified by past presidents and municipal leaders provide food for thought as the Association continues its work to enable the most efficient and effective operation of cities and towns in the complex 21st-century world of municipal government.

- **Developing partnerships with the Legislature.** We should be partners with the General Assembly,” said Dan Breazeale, former Lexington mayor and 2003 Association president. Through this partnership, the Association must provide a constant reminder to policy makers that strong, vibrant urban centers are essential to the state’s economic growth.

Steve Creech, former Sumter mayor and 1992 Association president, recently said, “Making sure the General Assembly doesn’t forget cities and towns will be an important Association role in the years ahead.”

- **Protecting municipal revenue sources and supporting cities’ ability to provide cost-effective and efficient service delivery.** The Municipal Association must continue its work to make cities fiscally stronger by advocating for diverse, stable sources of revenue; supporting cost-effective ways to deliver municipal services; and educating officials about available funding sources and methods to meet future challenges.

“The Association’s work in protecting financial stability has been transformative for South Carolina cities and towns,” said Charleston Mayor Joe Riley, 1980 Association president. “We need to continue to work hard at preserving funding and communicating the importance of what we do to the Legislature.”

- **Keeping municipal officials working together in an increasingly partisan political environment.** The state municipal league movement was built on a model of collaboration to solve problems and strengthen municipal government. “In some parts of the country, the federal divisiveness is seeping into the state and local levels,” said National League of Cities Executive Director Clarence Anthony. “Our challenge is to keep local officials focused on critical issues and not let that partisanship interfere with the collaborative work of state municipal leagues and their member cities and towns.”

- **Continuing to promote and facilitate collaboration among city officials as a pathway to municipal success.** Municipal officials created the Association based on the belief that cities and towns working together could enhance delivery of high-quality and cost-effective services to residents and businesses. That belief has stood the test of time. The Association’s shared solutions provide tools and resources that help officials from cities and towns of all sizes stay on track and thrive in today’s complex municipal world.

- **Building local leaders’ capacity to meet the challenges of the years ahead.** For many local officials, education has been the bread and butter of the Association’s work on behalf of cities and towns. As the business of running municipal government becomes more technical and complex, the Association’s education role will become even more important. Municipal officials will continue to look to the Association to provide accessible, dynamic, ahead-of-the-curve resources to build their competence and confidence.

Looking Ahead with Confidence

In 1942, Association President Carl Busbee, mayor of Conway, reported with “pleasure and pride” the organization’s accomplishments during its first decade. Imagine his pleasure and pride if he saw today the scope of services, broad engagement of municipal officials and respect the Association generates throughout the state.

“The Association has grown to be a big business over the years, but it still focuses on the needs of every city and town every day,” said former Mayor Mary Clark of Camden and Association president in 1990 and 1991.

The important role that hometowns play has been a recurring theme for the Association over its history and a foundation for its work in building stronger cities and towns.

“Hometown is where we learn our values, develop our potential and gain our sense of place,” said Councilmember Lillian Brock Flemming of Greenville and 2008 Association president. “Our hometowns quite often define the person we become.”

In a keynote speech at the 1970 Annual Meeting, Mayor Richard Lugar of Indianapolis, Indiana, president of the National League of Cities, brought a similar message about the promise and potential of local governments to change people’s lives. “If the American dream is to work, it will happen because ... [we were] good and faithful stewards, and we made certain that the American dream came true in every city and every town all over our country.”

The Municipal Association of South Carolina and its 270 member cities and towns are poised to help achieve that dream in the years ahead.

Under the banner of "Cities Mean Business," more than 500 municipal officials celebrate the relationship between cities and their local business community during the Association's 2008 Hometown Legislative Action Day. Association President and Aiken Mayor Fred Cavanaugh welcomes the attendees.



ACKNOWLEDGEMENTS

Chronicling the history of an organization not only accounts for the facts of its past, but also lays out a context to understand the present and plan for the future.

In this book, the story unfolds illustrating how the state’s cities and towns have worked together since 1930 through the Municipal Association of South Carolina to share their voices, knowledge and solutions. This concept of sharing provides the foundation for the next generation of leaders as they continue the Association’s work to give municipal officials the knowledge, experience and tools they need to govern effectively.

It is with deep appreciation the Association acknowledges Howard Duvall for the many hours he devoted to researching this book. Without his extensive research, this historical account would not have been possible.

Howard served on the board and executive committee of the Association from 1980 to 1986 then worked on staff from 1987 to 2008, as director of intergovernmental relations and later as executive director. His

personal and deep understanding of the Association’s history enriched this book beyond measure.

In addition, many thanks to Christine Becker for condensing the hundreds of pages of research into this compelling story and to all the past presidents and municipal officials who added their voices and memories.

Finally, thank you to Mary Brantner, Reba Campbell and Meredith Houck of the Association’s staff for their many hours editing, proofing, and coordinating the printing and publishing details. In addition, special thanks to Mary for her detailed research of photographs and Meredith for her design expertise.

Publishing this book has been a team effort, very much like all of the programs and services offered by the Association throughout the last 85 years.

MIRIAM HAIR
Executive Director
Municipal Association of South Carolina
July 2015

Cover photograph *Municipal Association of South Carolina’s headquarters at 1411 Gervais Street in Columbia*
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MUNICIPAL ASSOCIATION OF SOUTH CAROLINA

Past Presidents

Year reflects the beginning date of the term of office.

A.C. Mann, Greenville	1930, 1931, 1932	William C. Johnston, Anderson	1956
R.A. Rouse, Cheraw	1935	W. McG. Morrison, Charleston	1957
G.T. McGregor, Anderson	1936	Neville Holcombe, Spartanburg	1958
R.H. Jennings, Orangeburg	1937	J.H. Bryant, St. George	1959
Fulton B. Creech, Sumter	1937*, 1938	Lloyd E. Hunt, Greer	1960
Cullen Sullivan, Anderson	1939	David H. McLeod, Florence	1961
T.W. Woodworth, Spartanburg	1940	John A. Hardin, Rock Hill	1962
Carl Busbee, Conway	1941	S. Clyde Fair, Orangeburg	1963
Henry Lockwood, Charleston	1942	J. Palmer Gaillard, Jr., Charleston	1964
Walter M. Newton, Bennettsville	1943	David G. Traxler, Sr., Greenville	1965
C. Fred McCullough, Greenville	1944	Woody Brooks, Andrews	1966
Erwin Carothers, Rock Hill	1945	Robert L. Stoddard, Spartanburg	1967
F.N. McCorkle, Camden	1946	C.P. Stribling, Union	1968
R.S. Sanders, Ninety Six	1947	H. Odell Weeks, Aiken	1969
Leon Moore, Spartanburg	1948	H.W. Priester, Jr., Fairfax	1970
Frank C. Owens, Columbia	1949	Mark C. Garner, Myrtle Beach	1971
K.C. Billings, Lancaster	1950	John T. Campbell, Columbia	1972
J. Kenneth Cass, Greenville	1951	David Lyle, Rock Hill	1973
L.C. Berry, Lowrys	1952	H. Wallace Dean, Walterboro	1974
R.B. White, Hartsville	1953	C. Cooper Tedder, Florence	1975
Mack Mixson, Allendale	1954	John G. Baehr, Jr., Spartanburg	1976
Henry Savage, Jr., Camden	1955	Max M. Heller, Greenville	1977

* Partial term. Year reflects the beginning date of the unexpired term.

J. Virgil Hicks, Bamberg	1978	James E. Talley, Spartanburg	1997
James W. Blackwood, Union	1979	Avery B. Wilkerson, Jr., Cayce	1998
Joseph P. Riley, Jr., Charleston	1980	Cheryll Woods-Flowers, Mount Pleasant	1999
Thomas D. Wingard, Greenwood	1981	Floyd Nicholson, Greenwood	2000
John J. Dodds, Jr., Mt. Pleasant	1982	Don C. DeLoach, Varnville	2001
Erick B. Ficken, Myrtle Beach	1983	Daniel P. Breazeale, Lexington	2002
Pansy Ridgeway, Manning	1984	Lillian B. Flemming, Greenville	2003
E. Lewis Miller, Spartanburg	1985	Thomas D. Peeples, Hilton Head Island	2004
T. Patton Adams, Columbia	1986	Elouise James, Clemson	2005
Beatrice R. Thompson, Anderson	1987	A. Douglas Echols, Rock Hill	2006
Elizabeth D. Rhea, Rock Hill	1988	Frederick B. Cavanaugh, Aiken	2007
Marion W. Middleton, Williamston	1989	Richard W. Danner, Greer	2008
Thomas A. Drayton, Bishopville	1990	Carol E. Burdette, Pendleton	2009
H.E. “Tez” Bonnoitt, Georgetown	1990*	Kevin L. Johnson, Manning	2009*, 2010
Mary Y. Clark, Camden	1990*, 1991	Paul A. Miller, Orangeburg	2010*, 2011
Stephen M. Creech, Sumter	1992	Comer H. Randall, Clinton	2012
William D. Workman, III, Greenville	1993	Joseph T. McElveen, Jr., Sumter	2012*, 2013
Lessie B. Price, Aiken	1994	Terence V. Roberts	2014
J. Wayne George, Mullins	1995		
Robert D. Coble, Columbia	1996		

DISTINGUISHED SERVICE AWARD

Honors individuals outside of municipal government who have contributed to the advancement of municipal government in South Carolina

- 1976 Senator Walter J. Bristow
- 1978 Senator Rembert C. Dennis
- 1980 Representative Jean H. Toal
- 1981 Senator Harris Page Smith (awarded posthumously)
- 1981 Representative Thomas L. Hughston Jr
- 1982 Governor Richard W. Riley
- 1983 Senator Heyward E. McDonald
- 1984 Senator William W. Doar
- 1985 Representative Herbert Kirsh
- 1986 Representative Robert J. Sheheen
- 1988 Senator James E. Bryan Jr
- 1989 Representative Robert McLellan
- 1990 Senator Thomas L. Moore
- 1992 Sidney F. Thomas
- 1995 Senator John W. Drummond
- 1999 Senator Arthur Ravenel Jr
- 2000 U.S. Representative James E. Clyburn
- 2002 Senator C. Bradley Hutto
- 2004 U.S. Senator Ernest F. Hollings
- 2004 Representative David H. Wilkins
- 2007 Senator Phil P. Leventis
- 2008 Representative Ben A. Hagood Jr

ALLISON FARLOW AWARD

Honors individuals within municipal government who have contributed significantly to the advancement of municipal government in South Carolina

- 1976 Roy D. Bates, Columbia
- 1978 E. Allison Farlow, Myrtle Beach
- 1979 Max Holland, Rock Hill
- 1981 Connie S. DeCamps, Johnsonville
- 1982 Joseph P. Riley Jr, Charleston
- 1983 T. Carroll Atkinson Jr, Marion
- 1984 John J. Dodds Jr, Mount Pleasant
- 1985 Erick B. Ficken, Myrtle Beach
- 1986 Pansy Ridgeway, Manning
- 1987 H. Odell Weeks, Aiken
- 1988 T. Patton Adams, Columbia
- 1989 Roland H. Windham, Aiken
- 1990 J. McDonald Wray, Municipal Association of SC
- 1996 James B. Robey, Municipal Association of SC
- 1997 Elizabeth D. Rhea, Rock Hill
- 1998 Mary Y. Clark, Camden
- 2000 Ben Boozer, Municipal Association of SC
- 2008 Howard E. Duvall Jr, Municipal Association of SC
- 2012 Richard W. Danner, Greer

RETIREMENT SERVICE AWARD

Honors Association employees retiring with more than 28 years of service

- 2013 B. Gail Hampton
- 2015 Barbara W. Little

END NOTES

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- Page 33 Steve Creech
- Page 40 South Carolina chapter of the American Institute of Architects (1213 Lady)



Building on Success

Municipal officials crowd the
State House steps waiting to
meet with their legislators.

